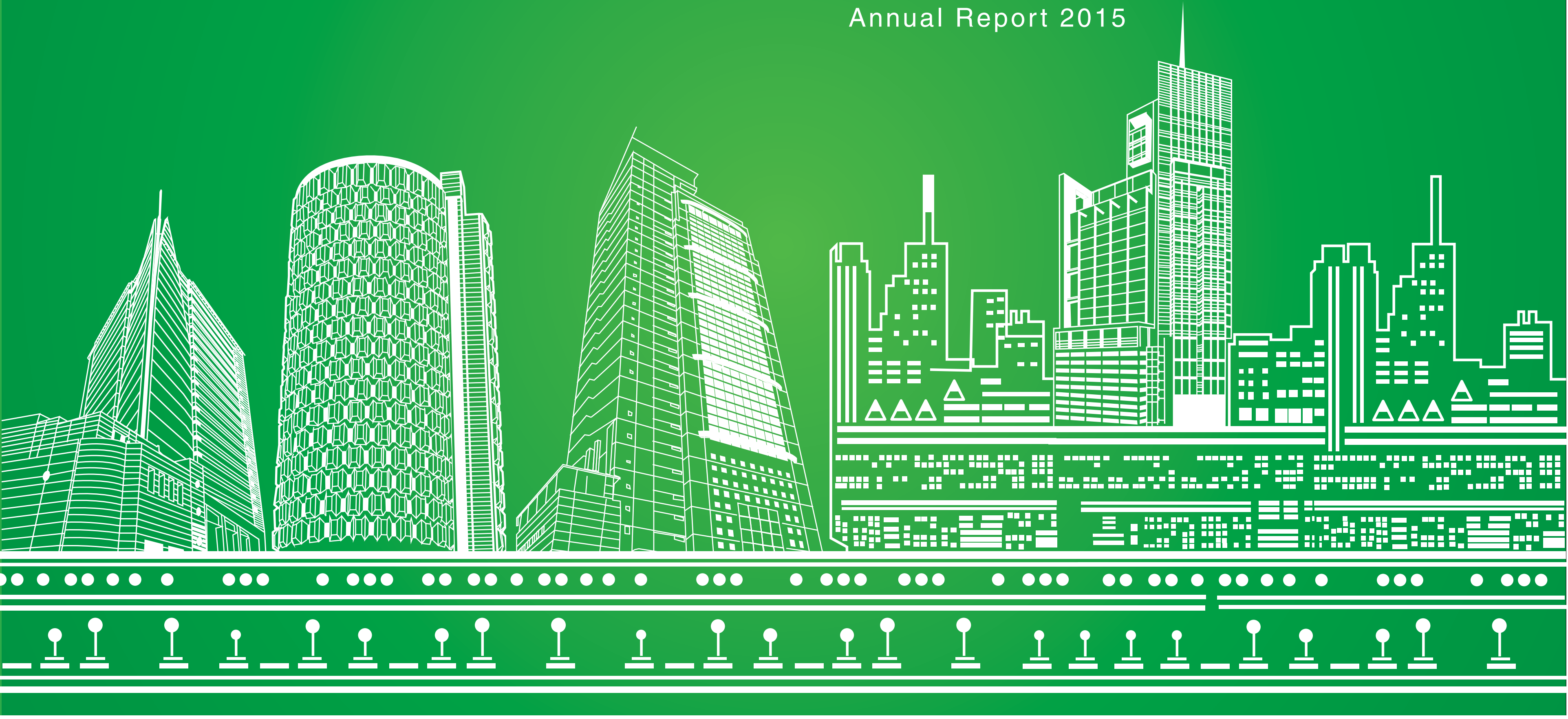
PAKISTAN CABLES

TRUSTED NOT TO COMPROMISE

a **General Cable** affiliate

POWERING TO EMPOWER

Annual Report 2015



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POWERING TO EMPOWER

Empower - *verb I em - pow I er I im -‘pau (-ə)r * : to give power to (someone) : to give official authority or legal power to (someone)

Empowerment sets things into motion. Sharing expertise to enable timely action and deliver results are outcomes of empowerment. Pakistan Cables has always empowered its stakeholders which include end users, trade partners, employees and shareholders to make the right decisions, with no compromises.

Our state of the art manufacturing facility and over 6 decades of expertise in cable manufacturing led and managed by an empowered team of professionals has resulted in millions of satisfied customers at home and abroad. By powering people to take charge of their destiny today, we help shape a brighter tomorrow.

ABOUT US

Pakistan Cables Limited, the country's oldest and most reputable cable manufacturer, was established over 6 decades ago in 1953 in collaboration with BICC, UK. In the subsequent six decades, Pakistan Cables has earned a reputation as a market leader in the industry and a company that does not compromise on quality. Consequently, the Company has gained a position as being the premier cable manufacturer in the country.

Pakistan Cables has been listed on Karachi Stock Exchange since 1955. In 2010 General Cable Corporation, a Fortune 500 company and global leader in cable manufacturing, invested in Pakistan Cables by taking up a 25% equity stake in the Company.

VISION

To be the company of first choice for customers & partners for wire, cables and other engineering products.

MISSION

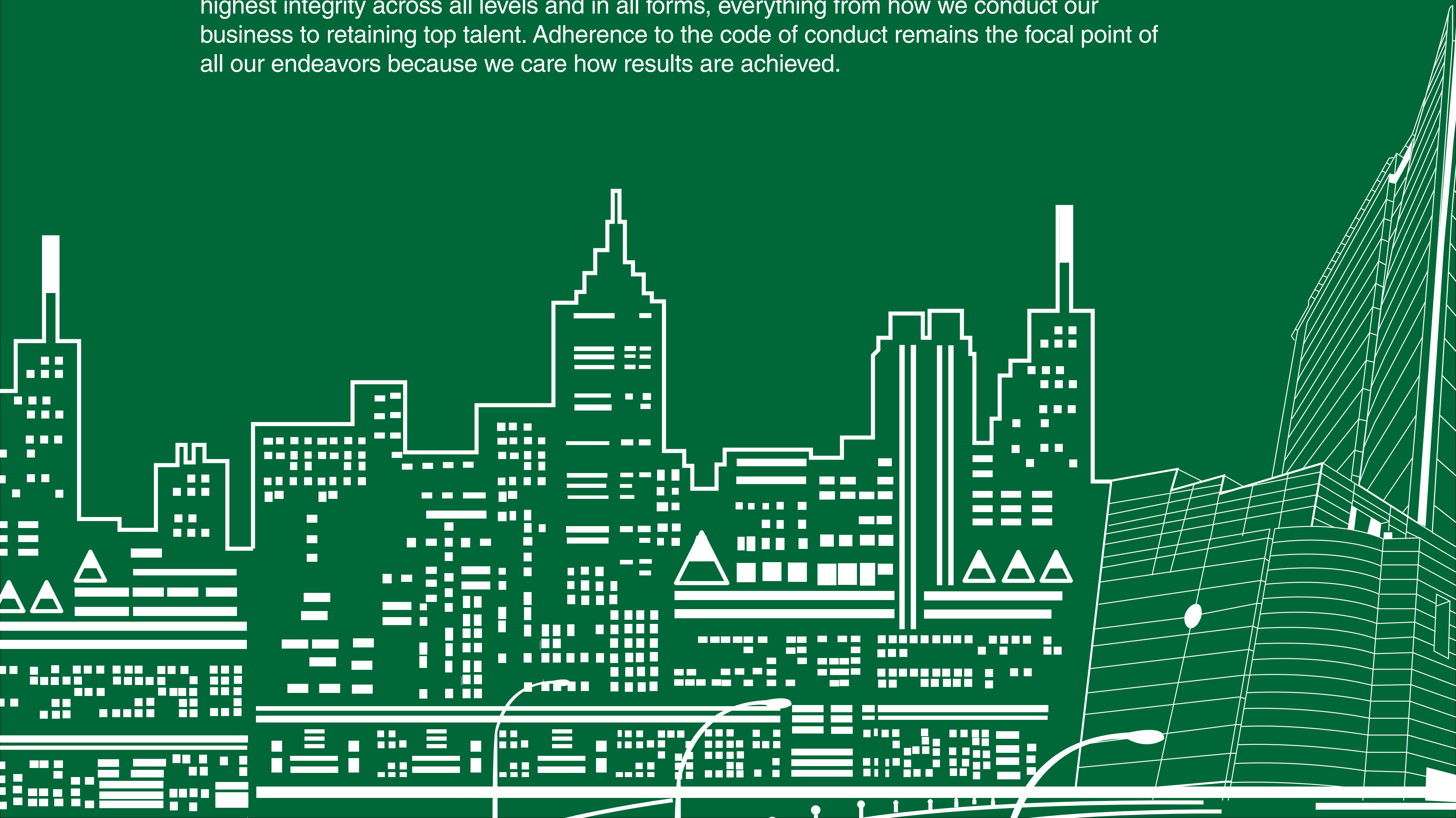
To strengthen industry leadership in the manufacturing and marketing of wire and cables and to have a strong presence in the engineering products market while retaining the options to participate in other profitable businesses.

To operate ethically while maximizing profits and satisfying customers' needs and stakeholders' interests.

To assist in the socio-economic development of Pakistan by being good corporate citizens.

POWERING JOURNEY

Our mission statement forms the basis of everything we do at Pakistan Cables: maintain highest integrity across all levels and in all forms, everything from how we conduct our business to retaining top talent. Adherence to the code of conduct remains the focal point of all our endeavors because we care how results are achieved.



CODE OF CONDUCT

- This Code of Conduct applies to all employees of M/s. Pakistan Cables Ltd. (PCL) – hereby named as the "Company".

- For the purposes of this Code, "employees" refers to directors, executives, officers and employees of the Company.

- The Board and Management are expected to familiarize themselves with laws and regulations governing their individual areas of responsibility and not to transgress them.

- All employees should be sure that they understand and abide by the spirit as well as the letter of this Code and that violation of any of the Code's provisions could result in disciplinary action.

Salient features of the Company's code of conduct are as below:

A
Business Ethics

i. The Company's policy is to conduct its business with honesty and integrity and be ethical in its dealings showing respect for the interest of all stakeholders.

ii. The Company is dedicated to providing a safe and non discriminatory working environment for all employees.

iii. The Company does not support any political party or contributes funds to groups whose activities promote political interests.

iv. The Company is committed to provide products, which consistently offer value in terms of price and quality and are safe for their intended use, to satisfy customer needs and expectations.

v. The Company is committed to run its business in an environmentally sound and sustainable manner and promote preservation of the environment.

B
Conflict of Interest

i. Every employee should conduct his/ her personal and business affairs in a manner such that neither a conflict, nor the appearance of a conflict, arises between those interests and the interests of the Company.

ii. An employee should avoid any situation in which he or she, or a family member, might profit personally (directly or indirectly), from the Company's facilities, its products, or Company's relationship with its vendors or customers.

iii. An employee should not permit himself/ herself (or members of his/ her family) to be obligated (other than in the course of normal banking relationships) to any organization or individual with whom the Company has a business relationship. However, business lunches, dinners or social invitations, nominal giveaways like key chains, calendars, etc. and attendance at conferences and seminars would not be considered a violation of this Code.

iv. In case an employee is offered or receives something of value which he/she believes may be impermissible under this Code, he /she should disclose the matter.

v. All employees should avoid any kind of bribery, extortion and all other forms of corruption.

vi. Conflict of interest should be avoided and disclosed where they exist and guidance should be sought from superiors.

C
Accounting Records, Controls & Statements

i. All books, records, accounts and statements should conform to generally accepted and applicable accounting principles and to all applicable laws and regulations.

ii. Employees are expected to sign only documents or records which they believe to be accurate and truthful.

D
Environment

i. The Company is committed to carry its business in an environmentally sound and sustainable manner and promote preservation of the environment.

ii. All employees are required to adhere strictly to all applicable environmental laws and regulations that impact Company's operations.

E
Regulatory Compliance

i. The Company is committed to make prompt public disclosure of "material information" regarding the Company as prescribed in the Karachi Stock Exchange Regulations.

ii. Where an employee is privy to the information, which is generally referred to as "material inside information", the same must be held in the strictest confidence by the employee involved until it is publicly released.

iii. The employees shall abide by the appropriate Competition Laws and shall not enter into understandings, arrangements, or agreements with competitors which have the effect of fixing or controlling prices, dividing and allocating markets or territories, or boycotting suppliers or customers.

F
Personal Conduct

i. All employees should conduct themselves with the highest degree of integrity and professionalism in the workplace or any other location while on Company business.

ii. All employees should avoid any kind of bribery, extortion and all other forms of corruption.

iii. Employees should always be cognizant of the need to adhere strictly to all safety policies and regulations.

iv. Any legally prohibited or controlled substances if found in the possession of any employee will be confiscated and where appropriate, turned over to the authorities.

COMPANY INFORMATION

Board of Directors

Mustapha A. Chinoy	Non-Independent Non-Executive Director	Chairman	Director since 1986
Diana C. Toman	Non-Independent Non-Executive Director		Director since 2015
Haroun Rashid	Non-Independent Non-Executive Director		Director since 1993
Nargis Ghaloo	Non-Independent Non-Executive Director		Director since 2015
Syed Naseem Ahmad	Non-Independent Non-Executive Director		Director since 1999
Roderick Macdonald	Non-Independent Non-Executive Director		Director since 2010
Sadia Khan	Independent Non-Executive Director		Director since 2013
Saquib H. Shirazi	Independent Non-Executive Director		Director since 2008
Kamal A. Chinoy	Executive Director	Chief Executive	Director since 1992

Company Secretary
Sana Shah

Legal Advisor
Barrister M. Jamshid Malik

Auditors
KPMG Taseer Hadi & Co.
Chartered Accountants

Tax Advisors
M/s. A. F. Fergusons & Co.
Muhammad Bilal & Co.

Bankers
Standard Chartered Bank (Pakistan) Limited
Bank Al Habib Limited
Habib Bank Limited
Meezan Bank Limited
MCB Bank Limited
NIB Bank Limited

Registered Office

Factory

B-21, Pakistan Cables Road,
Sindh Industrial Trading Estates,
P. O. Box 5050, Karachi - 75700

Telephone Nos:	(021) 32561170-75
Fax:	(021) 32564614
E-mail:	info@pakistancables.com
Website:	www.pakistancables.com

Head Office

Arif Habib Center, 1st Floor,
23 M.T. Khan Road, Karachi.

UAN:	111 - CABLES (222 - 537)
Fax:	+92 - 21 32462111
E-mail:	sales@pakistancables.com

Regional Offices

Lahore

Co-operative Insurance Building,
Shahrah-e-Quaid-e-Azam, Lahore.

Telephone Nos:	(042) 37355783, 37353520, 37120790-91
Fax:	(042) 37355480
E-mail:	lahore@pakistancables.com

Rawalpindi

Plaza # 88, 2nd Floor, Block B, Civic Centre
Bahria Town, Phase IV, Rawalpindi.

Telephone Nos.:	(051) 5732724-25
Fax:	(051) 5732426
E-mail:	pindi@pakistancables.com

Branch Offices

Multan

1592, Quaid-e-Azam Shopping Centre No. 1,
Aziz Shaheed Road, Multan Cantt.

Telephone Nos:	(061) 4583332, 4504446
Fax:	(061) 4549336
E-mail:	multan@pakistancables.com

Abbottabad

13-14, Sitara Market, Mansehra Road, Abbottabad.

Telephone No:	(0992) 383616
Fax:	(0992) 385510
E-mail:	abbottabad@pakistancables.com

Peshawar

Shop # 1 & 2, 1st Floor, Hurmaz Plaza, Opp. Airport Runway,
Tambwan More, University Road, Peshawar.

Telephone No:	(091) 5845068
Fax:	(091) 5846314
E-mail:	peshawar@pakistancables.com

Muzaffarabad

50-1B, Commercial Area, Upper Chattar, Muzaffarabad.

Telephone No:	(05822) 432088
Fax:	(05822) 432092
E-mail:	muzaffarabad@pakistancables.com

POWERING GROWTH

To compromise is not in our DNA: we are the only premium quality cable wire manufacturer in Pakistan. Our 61 years of successive growth is an outcome of our belief to power the needs of our valued customers which has resulted in expansion of our product portfolio. Pakistan Cables Limited remains committed to challenging the status quo as it leads to delivering solutions and services that consistently satisfy our valued customers.

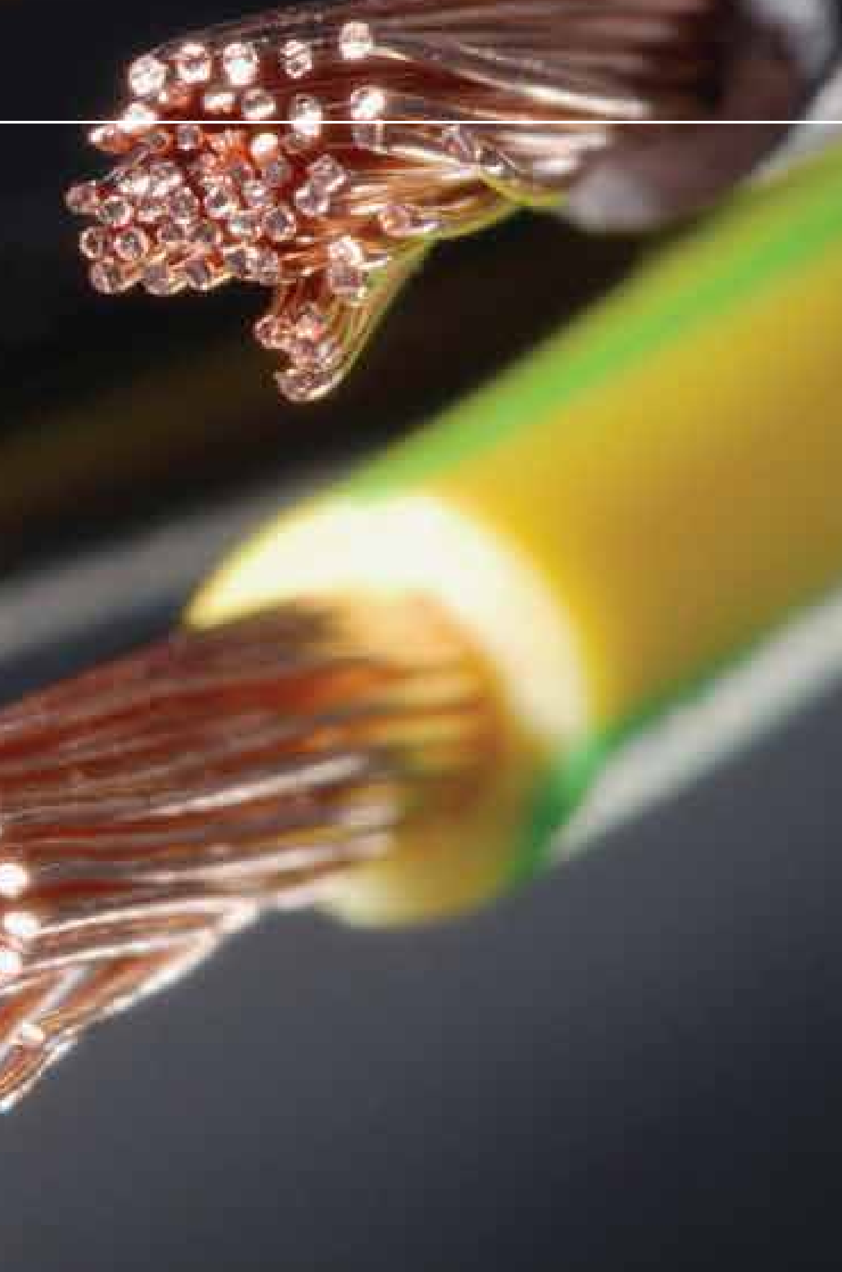
OUR PRODUCTS

Wires & Cables

Aluminium Sections

Copper Rod

PVC Compound



WIRES & CABLES

For lighting and general use, we manufacture General Wiring Cables in the range of 250/750 Volts, in conformity with national & international standards. These cables provide safety and savings in electricity consumption because of the use of 99.99% pure copper, cable grade PVC and thorough quality tests on every meter of cable.

To cater to the requirements of Utilities, Projects and Industries, Pakistan Cables manufactures Low Voltage (LV) and Medium Voltage (MV) cables up to 15KV, with PVC and XLPE insulation. All our cables are subject to rigorous in-house quality checks.

LV and MV cables have been fully type tested by KEMA - Holland. Pakistan Cables also provides cables and conductors to utility companies.

Pakistan Cables also has a state-of-the-art manufacturing facility dedicated to manufacturing wires for the automobile industry. This plant became operational in 2008.

We also manufacture telephone, intercom, coaxial and numerous types of special cables which include airfield lighting, control cables or other items as per the requirements of the customers.

ALUMEX
Aluminium Sections for Architectrual Applications

ALUMINIUM SECTIONS

Alumex is the brand name under which Pakistan Cables manufactures aluminium sections for architectural, construction and industrial applications.

Alumex sections are extruded from best quality imported AA6063 billets. This is the internationally recommended alloy grade for architectural and structural applications. These sections are anodized on a fully automatic plant. We have the capability to offer four elegant colours of anodized sections.

In addition to anodized sections, powder coated Alumex sections are also available in any imaginable colour to match the taste of the customers. We use only polyester based powders, manufactured & supplied by reputable companies. These are thermosetting types, specially designed for “façade” use. These coatings can withstand the rigors of ultra violet rays in the atmosphere.

The advantages of Alumex aluminium sections are:

i. Scratch free and Corrosion Resistant
ii. Strength & Durability
iii. Uniform Colour & Smooth Finish
iv. Colour Retention
v. Ultra-violet and Humidity Resistant

COPPER ROD

In 1996, Pakistan Cables set up a plant to manufacture High Conductivity Oxygen Free 8mm Copper Rod. This plant was supplied by Outokumpu Castform Oy, Finland and uses the upcast system of manufacturing 8mm diameter.

Our Copper Rod is cast directly from the furnace. Oxygen Free Copper is particularly suited for drawing into wires.

The company expanded its facility of manufacturing of copper rods with the installation of plant procured from the original supplier (Outokumpu Castform Oy, Finland).

Numerous satisfied customers, particularly Enamel Wire Manufacturers will attest to the quality of our Rod. The raw material used is only LME registered “A” grade copper cathodes.

PVC COMPOUND

In 2008 Pakistan Cables set up its own state-of-the-art PVC Compounding Plant. This plant is designed to provide premium quality PVC compounds for various applications. It has the most sophisticated machinery imported from Kraus Maffei (Germany) and Plasmec (Italy), including automated weighing and dosing systems supported by a polymer laboratory to enable development of customer specific formulations.

Pakistan Cables PVC compound plant ensures timely availability of raw materials for production. The plant also provides us with improved control of our manufacturing processes as the Company continues to expand.

We produce flexible PVC compounds for insulation and sheathing of electric cables, and other flexible PVC compounds for sale to the local and export markets.

POWERING ILLUMINATION

Pakistan Cables has an environment that encourages employees to take calculated risks in all areas of business. We have empowered our employees, across all management levels, to take decisions at the right time enabling them to effectively contribute towards our growth resulting in an organizational culture that thrives on continuous learning, development and recognition.

BOARD OF DIRECTORS

Mr. Mustapha A. Chinoy

(Chairman) Non-Independent Non-Executive Director

is a B.Sc in Economics from Wharton School of Finance, University of Pennsylvania, USA with majors in Industrial Management and Marketing. Upon return from United States, he took up the position of Marketing Manager at International Industries Ltd.

He is currently the Chairman of Pakistan Cables Ltd. and a Director on the Board of International Steels Ltd., Travel Solutions (Pvt.) Ltd., Global E-Comerce Services (Pvt) Ltd., Crea8ive Bench (Pvt) Ltd., Universal Training & Development (Pvt) Ltd. and Global Reservation (Pvt) Ltd. He is the Chief Executive of Intermark (Private) Ltd.

He has previously served on the Board of Union Bank Ltd. until it was acquired by Standard Chartered Bank.

He is on the Board of PCL since 1-1-1986

Ms. Diana C.Toman

Non-Independent Non-Executive Director – Nominee of GK Technologies Inc, USA
(a subsidiary of General Cable Corporation, USA)

Ms. Toman is an MBA from University of Missouri-Kansas City, USA. She qualified as Juris Doctorate from University of Kansas School of Law, Lawrence, Kansas, USA. She is also a graduate of Political Science and English from University of Missouri-Kansas City, Kansas City, Missouri, USA.

Currently, Ms. Diana Toman is the Vice President, Strategy and General Counsel, Asia Pacific and Africa at General Cable Corporation, Highland Heights, Kentucky / Bangkok, Thailand. She has been working with General Cables for over 5 years prior to which she worked as Senior Counsel and Corporate Secretary at Gardner Denver, Inc., Quincy, Illinois, USA. Earlier in her career, she also worked as an Attorney for Waddell & Reed Financial, Inc., Overland Park, Kansas and Levy & Craig, A Professional Corporation, Kansas City, Missouri, USA.

She is on the board of PCL since 24-04-2015

Mr. Haroun Rashid

Non-Independent Non-Executive Director

is a Fellow Member of the Institute of Chartered Accountants (England & Wales), Certified Investment Advisor & Securities Dealer, Securities Commission of Hong Kong. Presently he is Director and Chairman Audit Committee of MCB Arif Habib Savings & Investments Ltd., and a partner in Heritage Developments and Rashid Poultry.

Previously he has been Managing Director of Kashmir Edible Oils Ltd., ANZ Securities Asia Ltd – Hong Kong and Director of Financial Executives Institute – Hong Kong, Public Procurement Regulatory Authority (PPRA), Pakistan Agriculture Storage & Services Corporation Ltd., Union Bank Ltd. and Fidelity Investment Bank Ltd. He has also been a Governor of Lahore General Hospital.

He is on the Board of PCL since 17-5-1993

Ms. Nargis Ghaloo

Non-Independent Non-Executive Director

Ms. Ghaloo has done her Masters in English from the University of Sindh and has successfully completed various skill based development programs including the Executive Leadership Development Program at the John F. Kennedy School of Government, Harvard University.

Upon joining the Civil Services in 1982, Ms. Ghaloo started her career as Assistant Commissioner, Civil Aviation Academy in 1982 following which she continued to serve various institutions of Government of Pakistan including PCSIR, Ministry of Finance, Cabinet Division and so on.

Currently she is serving as Chairman, State Life Insurance Corporation. She has also served as member of the distinguished board of directors at various other public limited companies including Fauji Fertilizer Company Limited, Sui Southern Gas Company Limited, Orix Leasing Pakistan Limited, and International Industries Limited to name a few.

She is on the board of PCL since 12-01-2015

Syed Naseem Ahmad

Non-Independent Non-Executive Director

has done his BSc (Hons) and Masters in Physics. He was previously the Chairman of the Board of Directors, Faysal Bank Ltd. and Chairman and Chief Executive of Philips Electrical Industries of Pakistan Ltd., Pakistan Security Printing Corporation, Security Papers Ltd. and Sicpa Inks Pakistan (Pvt.) Ltd. He was also Chairman of Engro Chemicals Ltd. and Vice-Chairman of Karachi Port Trust. He has also served on the Board of Wazir Ali Industries Ltd.,Security Leasing (Pvt.) Ltd., ABN AMRO Bank and RBS. He was also on the Board of Pak Arab Refinery and Sui Southern Gas Company.

He is on the Board of PCL since 17-5-1999

Mr. Roderick Macdonald, MBE

Non-Independent Non-Executive Director – Nominee of GK Technologies Inc, USA (a subsidiary of General Cable Corporation, USA)

is a consultant with Core Corporate Consulting LLC. Prior to this he spent 12 years as Executive Vice President of Global Sales and Business Development for General Cable Corporation. He joined General Cable in 1999 as Senior Vice President and General Manager of their Building Wire business.

From 1994, he held various executive appointments within Common wealth Industries including President of Alflex Corporation. He began his career in military and government service. He served 25 years as an officer in the British Army, Royal Engineers, which included leading soldiers in combat in Northern Island and the Falkland Islands. He ended his distinguished career as Brigadier.

Mr. Macdonald holds a Bachelor of Science degree in Mechanical Engineering from the Royal Military College of Science and completed the Advanced Management Program at Harvard Business School. He is a Fellow of the Institute of Mechanical Engineers in the UK and a registered (Chartered) engineer in both the UK and Europe. He was made a Member of the Order of the British Empire (MBE) in the UK in 1983.

He is on the Board of PCL since 23-11-2010.

Ms. Sadia Khan

Independent Non-Executive Director

has a MBA from INSEAD (France), a Master in Economics from Yale University (USA) and an undergraduate degree from Cambridge University (UK).

Ms. Khan has extensive experience in finance and management having worked with highly reputed institutions. She has worked as a Corporate Analyst with Lehman Brothers USA, Consultant with United Nations Development Programme, Financial Economist with Asian Development Bank (Philippines), Executive Director with Securities & Exchange Commission of Pakistan and Head of Strategic Management with State Bank of Pakistan.

She is presently the CEO of Selar Enterprises (Pvt) Ltd., Director in the Delta Group of Companies, HBL Asset Management, National Testing Service, Pakistan Board of Investment & Trade and INSEAD.

She is on the Board of PCL since 18-1-2013

Mr. Saquib H. Shirazi

Independent Non-Executive Director

is a MBA from Harvard Business School. He is presently CEO Atlas Honda Ltd. He is also on the Board of Atlas Power Ltd., Shirazi Investment (Pvt.) Ltd., Shirazi Trading Company (Pvt.) Ltd., Shirazi Capital (Pvt.) Ltd. and Cherat Cement Ltd.

He is on the Board of PCL since 8-5-2008

Mr. Kamal A. Chinoy

(Chief Executive)

is a graduate of Wharton School, University of Pennsylvania, USA. He is Honorary Consul General of the Republic of Cyprus. Mr. Kamal Chinoy is a member of the executive committee of the International Chamber of Commerce, Pakistan and is also a past President of the Management Association of Pakistan (MAP).

He is a 'Certified Director' from the Pakistan Institute of Corporate Governance. He has served as Chairman of the Aga Khan Foundation (Pakistan) and also as a Director of Pakistan Centre of Philanthropy, Pakistan Security Printing Corporation and Atlas Insurance.

Currently he is the Chairman of Jubilee Life Insurance Co., Director of the Atlas Battery Ltd., NBP Fullerton Asset Management Ltd., International Steels Ltd., International Industries Ltd., ICI Pakistan Ltd. and a member of the Board of Governors of Army Burn Hall Institutions. He is also an advisor to Tharpak, a consortium of international companies.

He is on the Board of PCL since 31-5-1992.

MANAGEMENT TEAM

Mr. Kamal A. Chinoy (Chief Executive)
B.Sc. Economics from the Wharton School, University of Pennsylvania, USA. Joined PCL in 1992.

Mr. Aslam Sadruddin (Finance Director)
Fellow Member of the Institute of Chartered Accountants of Pakistan. Also a Law graduate. Joined PCL in 1993.

Mr. Fahd K. Chinoy (G.M. Sales & Marketing)
MBA from INSEAD, Fontainebleau, France and BA in Economics & Political Science from the University of Pennsylvania, USA. He is with PCL since 2008.

Mr. Hasan Irfaan (G.M. Operations)
PGD in Advance Electronics from Philips International Institute, Netherlands. Joined PCL in 2013.

Mr. Zarrar Nasir Khan (G.M. HR & Admin)
Bachelor in Law and is enrolled as an Advocate of the High Court. Joined PCL in 2015.

Mr. Moinuddin Silat (Senior Materials Manager)
Graduate in Commerce from S.M. College. Joined PCL in 2003.

Mr. Kashif Ahmed Zahidi (Senior Manufacturing Manager)
B.E. in Electrical Engineering from the Frederick Institute of Technology, Cyprus. Joined PCL in 2013.

Mr. Shahzad Anwar (Manager Engineering)
B.E. in Mechanical Engineering from NED and MBA in Industrial Marketing from IBA. Joined PCL in 2013.

Mr. M. Tanwir Aslam (Manager Material Control & Process Engineering)
B.E. in Metallurgical Engineering from NED University. Lifetime member of Pakistan Engineering Council. Joined PCL in 2011.

Mr. Shahid B. Bhatty (Manager Exports Afghanistan)
Bachelor in Economics & Political Science from University of Punjab. Joined PCL in 1989.

Mr. Azmatullah Bhalli (Regional Manager Central)
MBA from University of Oklahoma, USA. Joined PCL in 1999.

Ms. Mariam Durrani **(Manager Marketing & Brands)**
MBA in Marketing from SZABIST, Karachi.
Joined PCL in 2015.

Mr. S.M. Athar Farid **(Training Program Manager)**
B.E. in Electrical Engineering from NED University and MBA in Marketing from IBA. With PCL since 1976.

Mr. Asim Muhammad Khan **(Business Unit Head-APB)**
B.E. in Civil Engineering from NED University and MBA in Marketing from IBA. Joined PCL in 2012.

Mr. Atta-ul-Hai Khan **(Technical Manager)**
Diploma of Associate Engineer (DAE) & BE in Mechanical technology from NED University. Joined PCL in 2014.

Mr. Ahmed Raza Kamran **(Sales Manager Afghanistan)**
MBA in Marketing from University of Punjab.
Joined PCL in 2012

Mr. Waqas Mahmood **(Finance Manager)**
Associate Member of the Institute of Chartered Accountants of Pakistan.
Joined PCL in 2008.

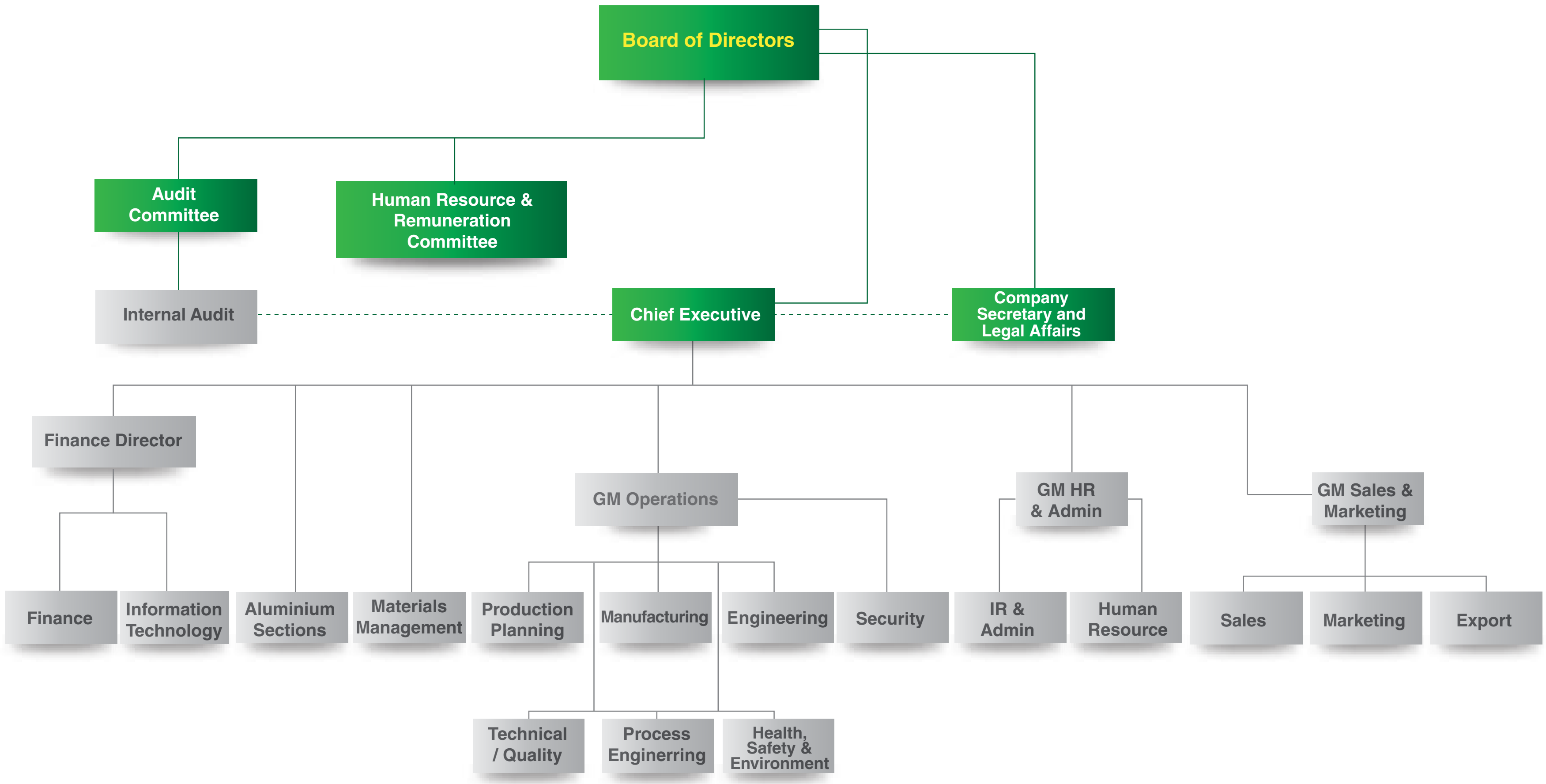
Mr. Noor ul Hasnain Malik **(Production Manager)**
Graduate from Karachi University.
Joined PCL in 1993.

Lt Col(R) Abdul Razaq **(Manager Security)**
MA Economics from Shah Abdul Latif University, Khairpur.
Joined PCL in 2014.

Mr. Zeeshan Syed **(Manager Production Planning & Operation Excellence)**
MS in Energy Systems. BE in Mechanical Engineering NED University. ASQ Certified Lean – Sigma professional. Joined PCL in 2012.

Mr. Fuzail Ahmed Syed **(Branch Manager Rawalpindi)**
MBA from University of Arid Agriculture, Rawalpindi.
Joined PCL in 2014.

ORGANIZATIONAL STRUCTURE



COMMITTEES OF THE BOARD OF DIRECTORS & MANAGEMENT

Committees of the Board of Directors

Audit Committee

Haroun Rashid	Chairman
Sadia Khan	
Roderick Macdonald	

Human Resource and Remuneration Committee

Syed Naseem Ahmad	Chairman
Mustapha A. Chinoy	
Saquib H. Shirazi	
Kamal A. Chinoy	

Committees of the Management

Management Committee

Chief Executive	Chairman
Finance Director	
G.M. Sales & Marketing	
G.M. Operations	
G.M. HR & Admin	

Operations Committee

Chief Executive	Chairman
Finance Director	
G.M. Sales & Marketing	
G.M. Operations	
G.M. HR & Admin	
Senior Materials Manager	
Senior Manufacturing Manager	
Engineering Manager	
Manager Material Control & Process Engineering	
Training Program Manager	
Business Unit Head APB	
Technical Manager	
Finance Manager	
Production Manager	
Security Manager	
Manager Production Planning & Operation Excellence	

FINANCIAL

STATEMENTS

SHAREHOLDERS' INFORMATION

Annual General Meeting

The annual meeting of the shareholders will be held on 30th September 2015 at 11:00 a.m. at Beach Luxury Hotel, M.T. Khan Road, Karachi.

Any shareholder may appoint a proxy to attend and vote at the meeting on his or her behalf. Proxies should be filed with the Company at least 48 hours before the meeting time.

CDC shareholders or their proxies are requested to bring copies of their National Identity Card along with the participant's ID number and their account number at the time of attending the Annual General Meeting in order to facilitate their identification.

Financial Calendar

The Company follows the period of July 01 to June 30 as the Financial Year.

For the Financial Year 2015-16, Financial Results will be announced as per the following tentative schedule:

1st Quarter ending September 30, 2015	Last week of October 2015
2nd Quarter ending December 31, 2015	Last week of January 2016
3rd Quarter ending March 31, 2016	Last week of April 2016
Year ending June 30, 2016	Second week of August 2016

Investor Relations Contact

Mr. M. Ashfaq Alam
Email: finance@pakistancables.com
Phone: (021) 32561170-5   Fax: (021) 32564614

In compliance with the requirements of section 204 (A) of The Companies Ordinance 1984, THK Associates (Pvt.) Limited has been appointed as Share Registrar of the Company.

The address, contact numbers and timings of THK Associates (Pvt.) Limited are given below:

THK Associates (Pvt.) Limited
2nd Floor, State Life Building-3, Dr. Ziauddin Ahmed Road, Karachi-75530
Telephone No. : (021) 111-000-322 Fax No. : (021) 35655595
Timings : 9:30 am to 12:30 pm & 2:30 pm to 4:30 pm (Monday to Friday)

Share transfers, dividend payment and all other investor related matters are attended to and processed by our Registrar and Share Transfer Agent.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 62nd Annual General Meeting of the shareholders of Pakistan Cables Limited will be held on Wednesday the 30th day of September 2015 at 11.00 a.m. at Beach Luxury Hotel, M. T. Khan Road, Karachi, to transact the following business:

ORDINARY BUSINESS

1. To receive and consider the Statement of Accounts for the year ended June 30, 2015 together with the Reports of the Directors and Auditors thereon.

2. To approve the payment of dividend as recommended by the Directors. The Directors have recommended a final cash dividend of 30% for the financial year ended June 30, 2015.

3. To appoint Auditors for the ensuing year and to fix their remuneration (KPMG Taseer Hadi & Co., Chartered Accountants, retire, and being eligible, have offered themselves for re-appointment). As required by paragraph xxxv of the Code of Corporate Governance, the Board of Directors recommends, based on the recommendation of the Audit Committee, the appointment of KPMG Taseer Hadi & Co. as auditors for the ensuing year.

4. To transact any other ordinary business which may legally be transacted at an Annual General Meeting.

KARACHI: September 07, 2015

By Order of the Board
Marazban Godrej Talati
Company Secretary

NOTES

1. The Shares Transfer Books of the Company will remain closed from September 17th, 2015 to September 30th, 2015 (both days inclusive). No transfers will be accepted for registration during this period.

2. A member entitled to attend and vote at this Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy must be a member of the Company.

3. The instrument appointing the proxy and the Power of Attorney or other authority under which it is signed, or a notarially certified copy thereof, must be lodged at the Company's Registered Office i.e. B-21, S.I.T.E., Karachi, not later than 48 hours before the time of the Meeting.

4. CDC Account Holders will have to follow the guidelines below as laid down in Circular 1 dated January 26, 2000 issued by Securities and Exchange Commission of Pakistan:

   A. For attending the Meeting:
   (i) In case of individual, the account holder or sub-account holder whose securities and their registration details are up-loaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original National Identity Card (NIC) or original passport at the time of attending the Meeting.
   (ii) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

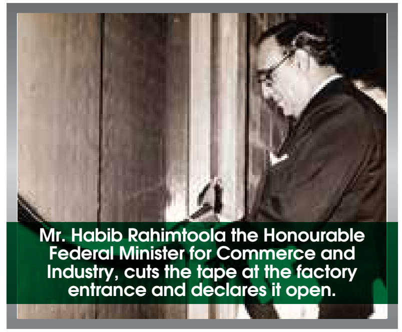
   B. For Appointing Proxies:
   (i) In case of individual, the account holder or sub-account holder whose securities and their registration details are up-loaded as per the CDC Regulations, shall submit the proxy form as per above requirement.
   (ii) The proxy form shall be witnessed by two persons whose names, addresses and NIC numbers shall be mentioned on the form.
   (iii) Attested copies of NIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
   (iv) The proxy shall produce his/her original NIC or original passport at the time of the Meeting.
   (v) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted along with proxy form to the Company.

1953

Pakistan Cables was established and started manufacturing General Wiring Cables with Natural Rubber Insulation.

PCL factory being built.

Late Chairman, Mr. Amir S. Chinoy meets guests at the opening ceremony of the PCL factory.



Mr. Habib Rahimtoola the Honourable Federal Minister for Commerce and Industry, cuts the tape at the factory entrance and declares it open.

1984

Established Anodizing plant for manufacturing of doors & window sections.
Introduced for the first time in Pakistan MV XLPE Cables for supply to KESC.

Drum of MV XLPE Cables.

1996

Set up state-of-the-art Outokumpu plant to manufacture High Conductivity Oxygen Free Copper Rod.

Mr. Kamal A. Chinoy, Chief Executive, receives Top 25 Companies Award from Mr. Shaukat Aziz (former Prime Minister of Pakistan).

2007

Achieved net sales of over Rs. 4 billion.
Received “Brands of the Year” Award for Wire & Cables and Copper Rod.
Received Top 25 Companies Award from Karachi Stock Exchange.

2008

Received Best Corporate Report Award from Joint Committee of ICAP and ICMAP for the Year 2006/07.
Received Top 25 Companies Award from Karachi Stock Exchange.

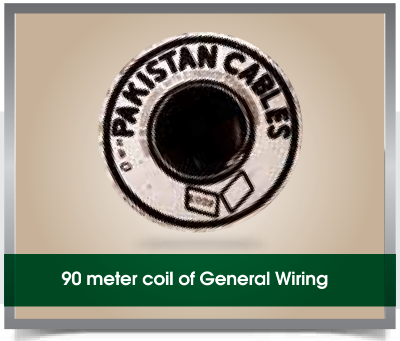
2008

Completed upstream expansion by inaugrating new PVC Compounding Plant.
Received “Brands of the Year” Award for Wire & Cables and Copper Rod.

At the opening ceremony (from L to R) Mrs. John Dean, Mrs. Almas Chinoy, Mrs. M.G. Brown,
Mrs. P.M. Beecheno, General Sir Ronald Scobie and Mr. John Dean.

1960

Introduced General Wiring Cables with PVC insulation for the first time in Pakistan.



90 meter coil of General Wiring

1968

Established Factory for LV Armoured Cables up to 3.3 KV for the first time in Pakistan.
Installed Aluminium Rod Extrusion Plant.

Copper Rod Plant.

1997

Was the first cable manufacturer to recieve ISO 9002 certification.

Was the first cable manufacturer to receive
ISO 9002 certification.

1998

Received Achievement Award for outstanding performance, presented by the President of Pakistan.

Mr. Kamal A. Chinoy, Chief Executive,receives
Top 25 Companies Award from Mr. ShaukatTareen
(former Finance Minister of Pakistan)

Fully automated PVC Compounding Plant.

Finance Director, receives
Brand of the Year Award from
Prime Minister Yusuf Raza Gilani.

2009

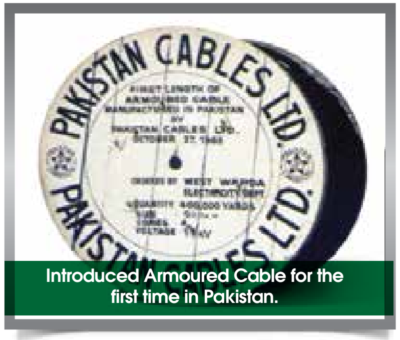
Made operational a 2 MW gas-fired tri-generation power generating plant.
Set up a new plant for the manufacture of automobile cables.
Received ISO 9001:2008 certification.

Expansion of factory for manufacturing of power cables.

Fomer President Ayub Khan visits PCL. The late Chairman, Mr. Amir S. Chinoy is second from the left.

1969

The Schloemann Press for processing aluminium cable was installed.



Introduced Armoured Cable for the first time in Pakistan.

2000

Was amongst the first 5 companies in Pakistan and was the first and only cable and aluminium manufacturer in Pakistan to be certified to ISO 9001:2000 version.

2001

Introduced LV XLPE cables fully type tested by KEMA Holland for the first time in Pakistan.

2003

Introduced powder coated Aluminium Profiles.
Commemorated 50th Anniversary.
Selected for Top 25 Companies Award from Karachi Stock Exchange.

GE Janbacher gas fired generator installed at 2 MW power plant.

Multi-wire bunching machine at the new automobile cable plant.

2010

General Cable Corporation, a Fortune 500 company and world leader in cable manufacturing made an investment to take it 25% equity stake in Pakistan Cables.

Mr. Gregory B. Kenny, President General Cable at the signing ceremony along side Mr. Kamal A. Chinoy CEO Pakistan Cables.

1974

Manufactured Field Communication Cables used by Pakistan's Armed Forces.

1978-80

1978 - Receipt of Award of Top 25 Companies on the Karachi Stock Exchange.
1979 - Launched aluminium extruded sections.
1980 - Receipt of Award of Top 25 Companies on the Karachi Stock Exchange.

Receipt of Award of Top 25 Companies on the Karachi Stock Exchange in 1978.

1982-83

Received Corporate Excellence Award from Management Association of Pakistan. Awarded to the 6 best managed companies.

2004

Achieved net sales of over Rs. 1 billion.

2005

Achieved net sales of over Rs. 2 billion.

2006

Achieved net sales of over Rs. 3 billion. Expanded capacity of Outokumpu Plant. Received Top 25 Companies Award from Karachi Stock Exchange.

2011

Received ISO 14001:2004 Certification
Received OHSAS 18001:2007 Certification.

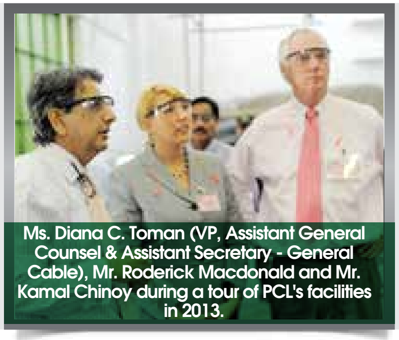
Winner of 8th Annual Environmental Excellence Award.

2012

Achieved net sales of over Rs. 5 billion. Received Best Corporate Report Award from Joint Committee of ICAP and ICMAP for the Year 2010.

2013

Celebrated 60 brilliant years!



Ms. Diana C. Toman (VP, Assistant General Counsel & Assistant Secretary - General Cable), Mr. Roderick Macdonald and Mr. Kamal Chinoy during a tour of PCL's facilities in 2013.

Finance Director, receives the KSE Top 25 Companies Award from Prime Minister Nawaz Sharif.

2015

Receipient of KSE's Top 25 Companies Award 2013.

Winner of the12th Annual Environmental Excellence Award.

KEY FINANCIAL DATA

	2014-2015 Rs. Million	2013-2014 Rs. Million	(Restated) 2012-2013 Rs. Million	2011-2012 Rs. Million	2010-2011 Rs. Million	2009-2010 Rs. Million	2008-2009 Rs. Million
Financial Results							
Sales	**6,956.7**	6,599.5	6,164.6	5,344.6	4,096.4	3,798.8	3,352.3
Gross Profit	**869.2**	876.9	703.0	687.6	519.6	412.3	532.4
Operating profit	**368.7**	482.0	342.9	348.4	250.7	197.7	350.9
Profit before tax	**250.3**	391.1	259.9	240.9	146.7	52.3	101.8
Profit after tax	**189.3**	222.3	172.9	139.9	85.7	45.5	63.9
Earning before interest, tax, depreciation and amortization (EBITDA)	**515.1**	615.7	472.1	430.6	361.0	323.1	432.4
Dividend	**85.4**	128.1	113.9	92.5	56.9	32.2	48.3
Capital expenditure	**177.8**	133.3	33.0	35.9	34.2	30.2	169.9
Fixed assets at cost/revaluation	**2,660.0**	2,519.3	2,302.4	2,285.0	2,254.0	2,218.0	2,192.0
Current assets less current liabilities	**1,027.2**	1,008.3	958.6	816.7	569.7	41.4	78.7
Cash Flow from:							
Operating activities	**465.1**	(63.4)	114.5	496.8	(4.0)	(562.4)	630.2
Investing activities	**(172.8)**	(129.0)	(24.4)	26.7	(27.3)	(25.2)	(164.9)
Financing activities	**(348.7)**	261.3	(84.7)	(625.9)	357.8	556.8	(58.5)
Cash and cash equivalents	**(96.1)**	(39.6)	(108.5)	(113.9)	(11.6)	(338.0)	(307.2)
Shareholders' funds							
Issued capital	**284.6**	284.6	284.6	284.6	284.6	214.6	214.6
Reserve & retained earning	**1,415.7**	1,364.1	1,265.0	1,176.2	1,088.9	504.2	503.6
Total Shareholders' fund	**1,700.3**	1,648.7	1,549.6	1,460.8	1,373.5	718.8	718.2
Surplus on revaluation of fixed assets	**822.9**	813.5	688.7	691.6	695.8	680.8	684.2
Long term Loans & Liabilities	**149.2**	137.6	148.5	182.7	199.3	394.5	510.0
Net Assets employed	**2,672.4**	2,599.8	2,386.8	2,335.1	2,268.7	1,794.2	1,912.4
Liquidity							
Current Ratio	**1.7:1**	1.6:1	1.8:1	1.6:1	1.4:1	1:1	1.1:1
Acid Test Ratio	**0.8:1**	0.8:1	0.9:1	0.7:1	0.5:1	0.5:1	0.4:1
Financial Gearing							
Financial Leverage	**39:61**	44:56	38:62	41:59	46:54	62:38	53:47
Debt to Equity ratio	**06:94**	05:95	06:94	08:92	09:91	22:78	27:73
Interest coverage (Times)	**3.1**	5.2	4.0	4.6	2.5	1.3	1.4

	2014-2015	2013-2014	(Restated) 2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Capital efficiency							
Debtors turnover (Times)	**7.2**	6.4	7.0	7.5	8.6	6.0	10.4
Inventory turnover (Times)	**4.8**	4.3	5.4	3.7	2.7	3.4	4.3
Total assets turnover (Times)	**1.7**	1.5	1.7	1.5	1.1	1.0	1.1
Creditor turnover (Times)	**46.9**	20.9	99.3	16.8	96.7	15.1	14.1
Operating Cycle No. of days	**118.0**	124.0	116.0	125.0	174.0	144.0	94.0
Fixed assets turnover (Times)	**4.4**	4.2	4.4	3.6	2.6	2.3	2.0
Capital employed turnover (Times)	**2.6**	2.5	2.6	2.3	1.8	2.1	1.8
Profitability							
Gross profit %	**12.5**	13.3	11.4	12.9	12.7	10.9	15.9
Net profit %	**2.7**	3.4	2.8	2.6	2.1	1.2	1.9
EBITDA margin %	**7.4**	9.3	7.7	8.1	8.8	8.5	12.9
Return on capital employed (ROCE) %	**20.1**	27.1	20.4	18.8	15.4	18.5	27.0
ROCE including revaluation surplus %	**13.9**	18.6	14.5	13.2	10.7	11.5	17.4
Return on Equity %	**11.1**	13.5	11.2	9.6	6.3	6.3	8.9
Return on total assets %	**4.5**	5.1	4.8	3.8	2.3	1.2	2.1
Investment							
Price earning ratio	**25.0**	12.8	10.7	7.8	13.7	25.5	11.4
Earning per rupee of sales Rs.	**0.03**	0.03	0.03	0.03	0.02	0.01	0.02
Earning per share Rs.	**6.65**	7.81	6.08	4.92	3.34	2.12	2.98
Cash dividend per share Rs.	**3.00**	4.50	4.00	3.25	2.00	1.50	2.25
Dividend yield % *	**1.80**	4.51	6.17	8.52	4.40	2.94	6.61
Dividend payout %	**45.1**	57.6	65.8	66.1	66.3	70.7	75.6
Dividend Cover (Times)	**2.2**	1.7	1.5	1.5	1.5	1.4	1.3
Market value per share Rs.	**166.5**	99.8	64.8	38.2	45.6	54.0	34.0
Market value per share high during the year Rs.	**204.3**	107.4	82.0	47.3	68.9	63.0	120.8
Market value per share low during the year Rs.	**87.0**	60.0	38.7	31.0	45.6	34.2	27.8
Break-up value per share including surplus on revaluation Rs.	**88.7**	86.5	78.6	75.6	72.7	65.2	65.3
Break-up value per share excluding surplus on revaluation Rs.	**59.7**	57.9	54.4	51.3	48.3	33.5	33.5

	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
Value addition and its distribution							
Employees as remuneration	**493.7**	435.2	378.2	333.7	295.4	251.8	239.8
Government as taxes	**1,367.0**	1,411.1	1,169.8	1,008.3	846.0	708.7	582.7
Shareholders as dividends	**85.4**	128.1	113.9	92.5	56.9	32.2	48.3
Provider of Finance	**122.2**	93.0	86.0	67.7	95.9	154.5	230.0
Society	**5.1**	5.0	4.1	3.2	2.0	0.2	1.5
Retained within the business	**94.3**	85.0	67.5	51.5	32.5	16.5	19.0

* Based on market value of June 30

HORIZONTAL ANALYSIS OF FINANCIAL STATEMENTS

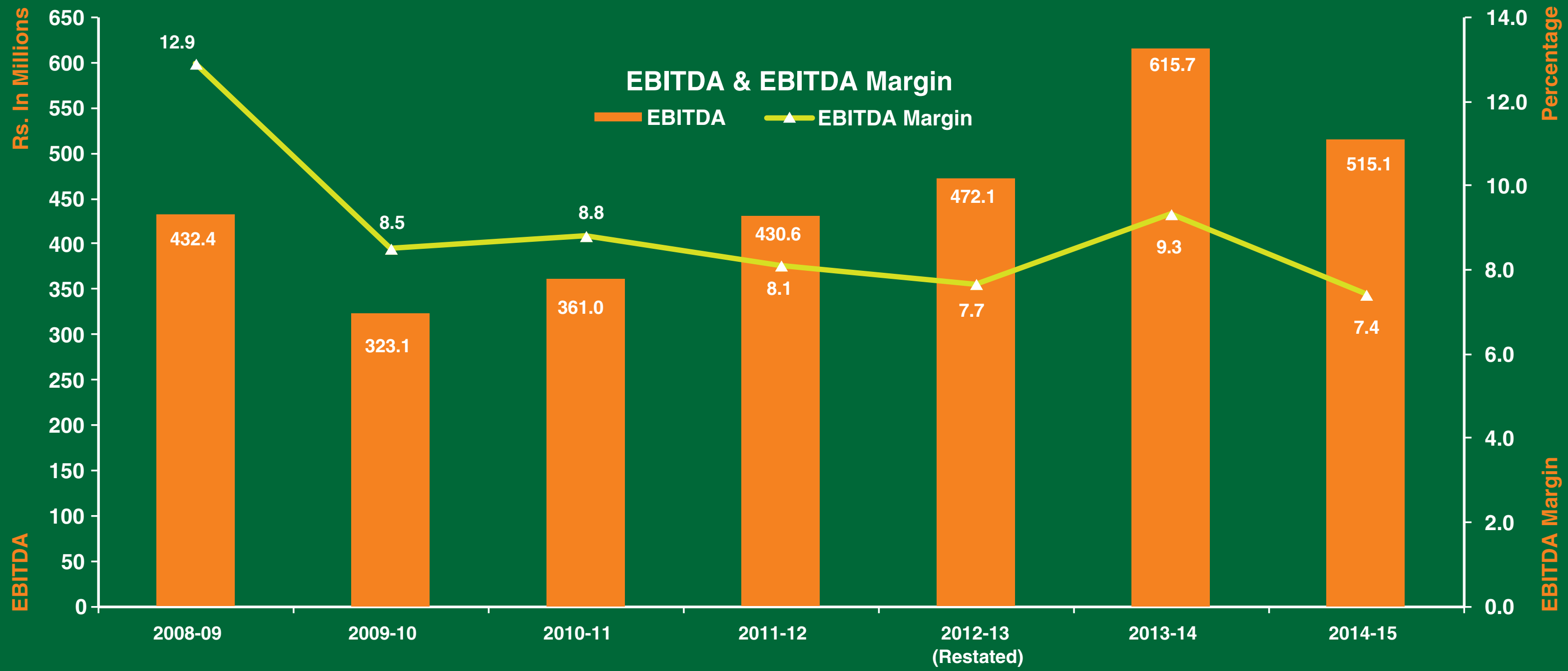
	2014-2015 Rs. '000	% Change w.r.t. 2014	2013-2014 Rs. '000	% Change w.r.t. 2013	2012-2013 Rs. '000	% Change w.r.t. 2012
Balance Sheet						
Total equity	**2,523,215**	**2**	2,462,215	10	2,238,354	4
Total non-current liabilities	**149,152**	**8**	137,626	(7)	148,455	(19)
Total current liabilities	**1,494,065**	**(15)**	1,764,408	46	1,205,257	(10)
Total equity and liabilities	**4,166,432**	**(5)**	4,364,249	21	3,592,066	(2)
Total non-current assets	**1,645,149**	**3**	1,591,583	11	1,428,231	(6)
Total current assets	**2,521,283**	**(9)**	2,772,666	28	2,163,835	0.1
Total assets	**4,166,432**	**(5)**	4,364,249	21	3,592,066	(2)
Profit and Loss Account					(Restated)	
Net sales	**6,956,670**	**5**	6,599,512	7	6,164,555	15
Gross profit	**869,190**	**(1)**	876,876	25	702,991	2
Operating profit	**368,660**	**(24)**	482,363	41	342,899	(2)
Profit before tax	**250,331**	**(36)**	391,096	50	259,945	8
Profit after tax	**189,297**	**(15)**	222,314	29	172,929	24

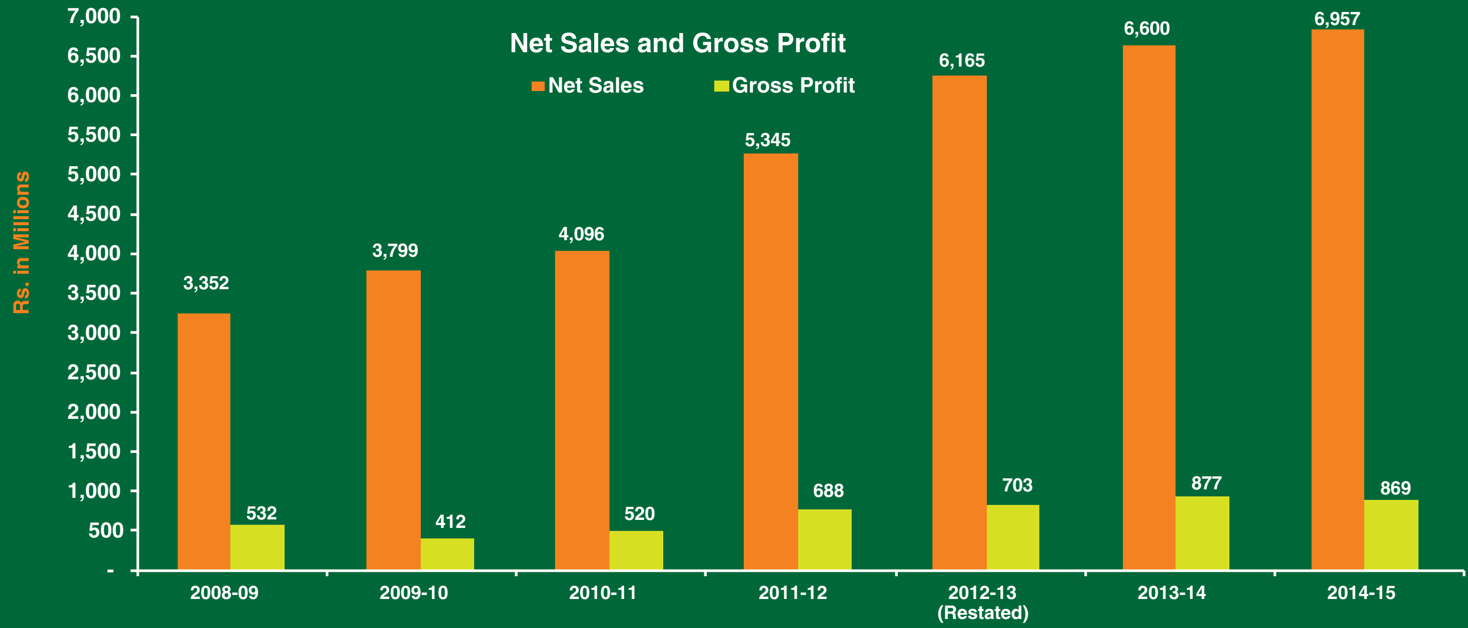
2011-2012 Rs. '000	% Change w.r.t. 2011	2010-2011 Rs. '000	% Change w.r.t. 2010	2009-2010 Rs. '000	% Change w.r.t. 2009	2008-2009 Rs. '000	% Change w.r.t. 2008
2,152,397	4	2,069,366	48	1,399,658	(0.2)	1,402,442	5
182,748	(8)	199,299	(49)	394,541	(23)	510,026	35
1,344,012	(13)	1,539,111	(17)	1,846,750	69	1,095,266	(33)
3,679,157	(3)	3,807,776	5	3,640,949	21	3,007,734	(10)
1,518,462	(11)	1,698,948	(3)	1,752,787	(4)	1,833,749	7
2,160,695	2	2,108,828	12	1,888,162	61	1,173,985	(28)
3,679,157	(3)	3,807,776	5	3,640,949	21	3,007,734	(10)
5,344,571	30	4,096,391	8	3,798,847	13	3,352,328	(12)
687,595	32	519,615	26	412,349	(23)	532,355	44
348,442	39	250,673	27	197,708	(41)	332,335	100
240,956	64	146,682	180	52,306	(49)	101,841	90
139,956	63	85,682	88	45,506	(29)	63,921	(2)

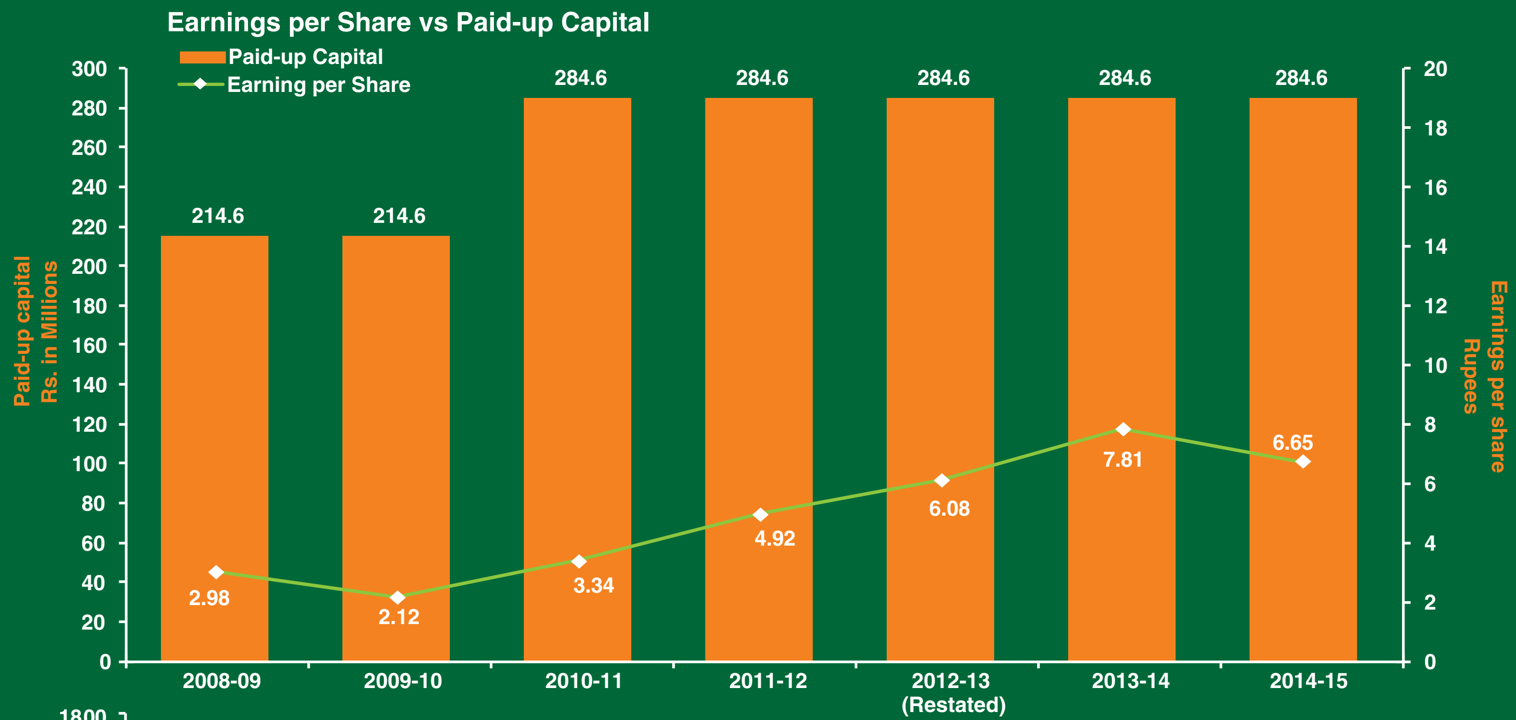
VERTICAL ANALYSIS OF FINANCIAL STATEMENTS

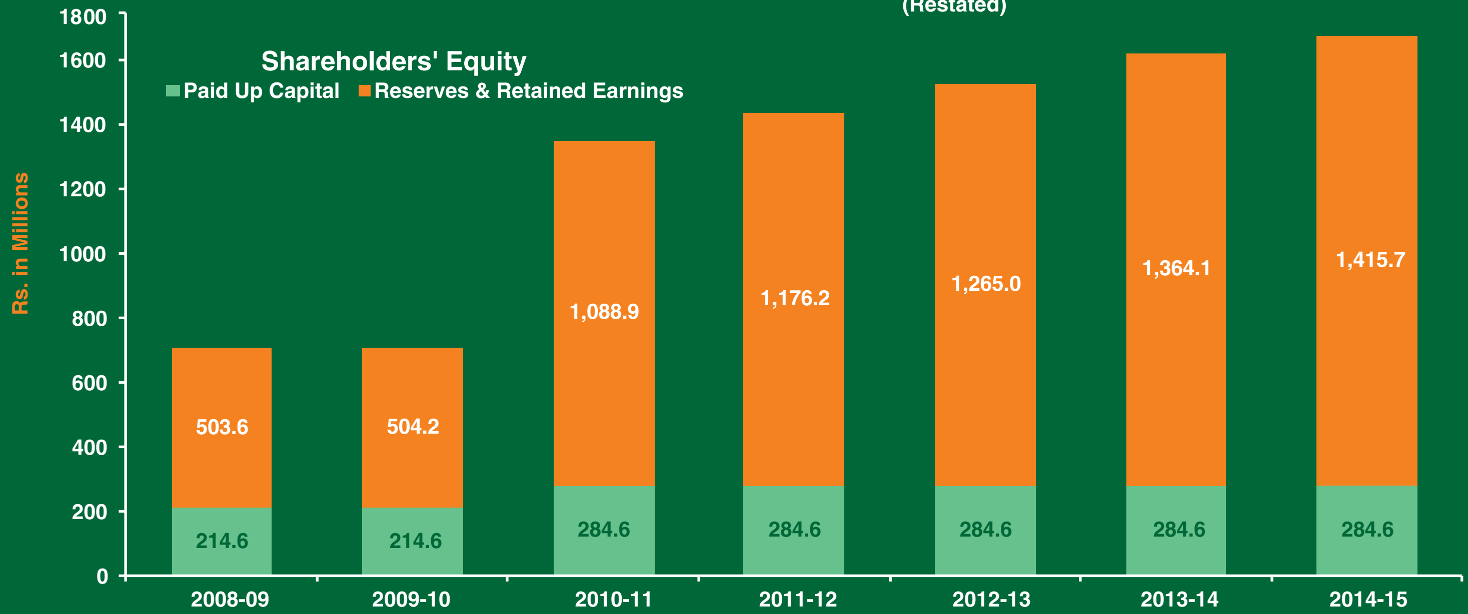
	2014-2015		2013-2014		2012-2013	
	Rs. '000	%	Rs. '000	%	Rs. '000	%
Balance Sheet						
Total equity	**2,523,215**	**60.56**	2,462,215	56.42	2,238,354	62.31
Total non-current liabilities	**149,152**	**3.58**	137,626	3.15	148,455	4.13
Total current liabilities	**1,494,065**	**35.86**	1,764,408	40.43	1,205,257	33.55
Total equity and liabilities	**4,166,432**	**100.00**	4,364,249	100.00	3,592,066	100.00
Total non-current assets	**1,645,149**	**39.49**	1,591,583	36.47	1,428,231	39.76
Total current assets	**2,521,283**	**60.51**	2,772,666	63.53	2,163,835	60.24
Total assets	**4,166,432**	**100.00**	4,364,249	100.00	3,592,066	100.00
Profit and Loss Account					(Restated)	
Net sales	**6,956,670**	**100.00**	6,599,512	100.00	6,164,555	100.00
Gross profit	**869,190**	**12.50**	876,876	13.30	702,991	11.40
Operating profit	**368,660**	**5.30**	482,363	7.31	342,899	5.56
Profit before tax	**250,331**	**3.60**	391,096	5.93	259,945	4.22
Profit after tax	**189,297**	**2.72**	222,314	3.37	172,929	2.81

2011-2012		2010-2011		2009-2010		2008-2009	
Rs. '000	%	Rs. '000	%	Rs. '000	%	Rs. '000	%
2,152,397	58.50	2,069,366	54.35	1,399,658	38.44	1,402,442	46.63
182,748	4.97	199,299	5.23	394,541	10.84	510,026	16.96
1,344,012	36.53	1,539,111	40.42	1,846,750	50.72	1,095,266	36.41
3,679,157	100.00	3,807,776	100.00	3,640,949	100.00	3,007,734	100.00
1,518,462	41.27	1,698,948	44.62	1,752,787	48.14	1,833,749	60.97
2,160,695	58.73	2,108,828	55.38	1,888,162	51.86	1,173,985	39.03
3,679,157	100.00	3,807,776	100.00	3,640,949	100.00	3,007,734	100.00
5,344,571	100.00	4,096,391	100.00	3,798,847	100.00	3,352,328	100.00
687,595	12.87	519,615	12.68	412,349	10.85	532,355	15.88
348,442	6.52	250,673	6.12	197,708	5.20	332,335	9.91
240,956	4.51	146,682	3.58	52,306	1.38	101,841	3.04
139,956	2.62	85,682	2.09	45,506	1.20	63,921	1.91

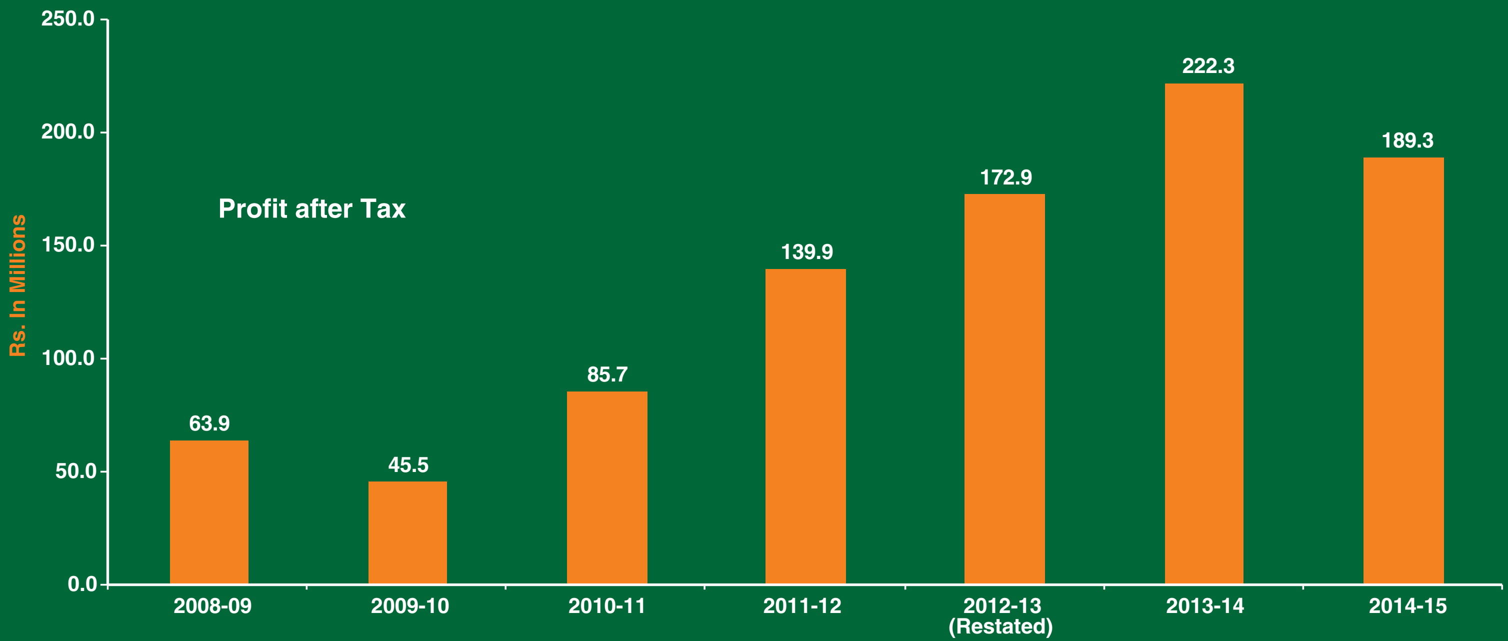

EBITDA & EBITDA Margin
EBITDA
EBITDA Margin
Rs. In Millions
EBITDA
Percentage
EBITDA Margin
650
600
550
500
450
400
350
300
250
200
150
100
50
0
14.0
12.0
10.0
8.0
6.0
4.0
2.0
0.0
432.4
323.1
361.0
430.6
472.1
615.7
515.1
12.9
8.5
8.8
8.1
7.7
9.3
7.4
2008-09
2009-10
2010-11
2011-12
2012-13 (Restated)
2013-14
2014-15


Net Sales and Gross Profit
Net Sales
Gross Profit
Rs. in Millions
7,000
6,500
6,000
5,500
5,000
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
-
3,352
532
3,799
412
4,096
520
5,345
688
6,165
703
6,600
877
6,957
869
2008-09
2009-10
2010-11
2011-12
2012-13 (Restated)
2013-14
2014-15

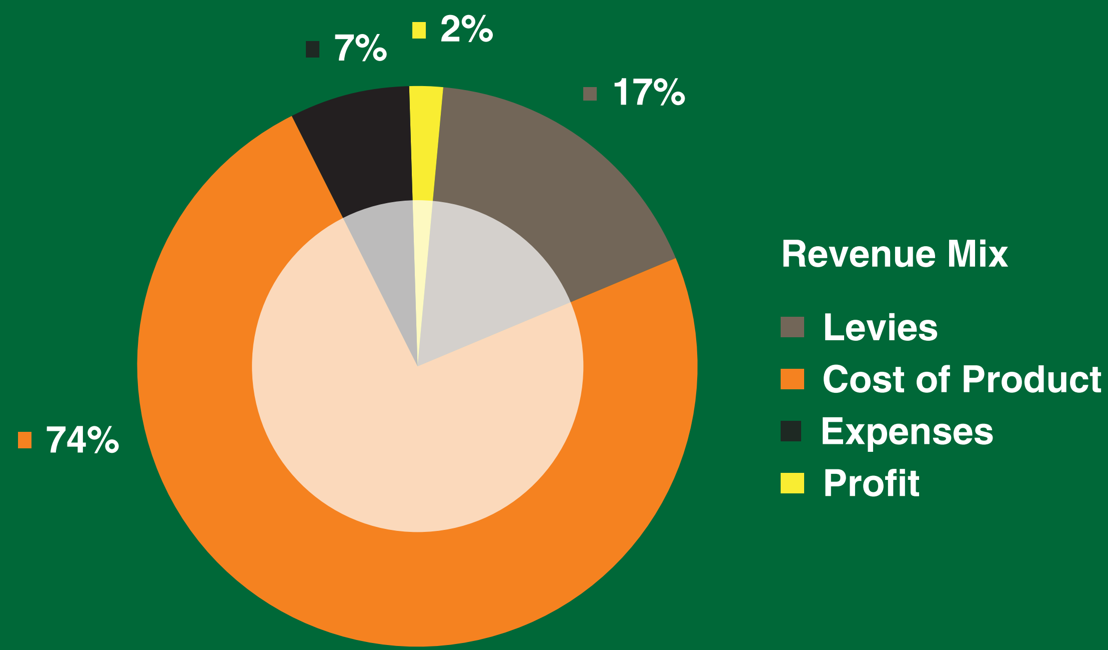

Earnings per Share vs Paid-up Capital
Paid-up Capital
Earning per Share
Paid-up capital
Rs. in Millions
Earnings per share
Rupees
300
280
260
240
220
200
180
160
140
120
100
80
60
40
20
0
20
18
16
14
12
10
8
6
4
2
0
214.6
214.6
284.6
284.6
284.6
284.6
284.6
2.98
2.12
3.34
4.92
6.08
7.81
6.65
2008-09
2009-10
2010-11
2011-12
2012-13
(Restated)
2013-14
2014-15


Shareholders' Equity
Paid Up Capital
Reserves & Retained Earnings
Rs. in Millions
1800
1600
1400
1200
1000
800
600
400
200
0
503.6
504.2
1,088.9
1,176.2
1,265.0
1,364.1
1,415.7
214.6
214.6
284.6
284.6
284.6
284.6
284.6
2008-09
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15

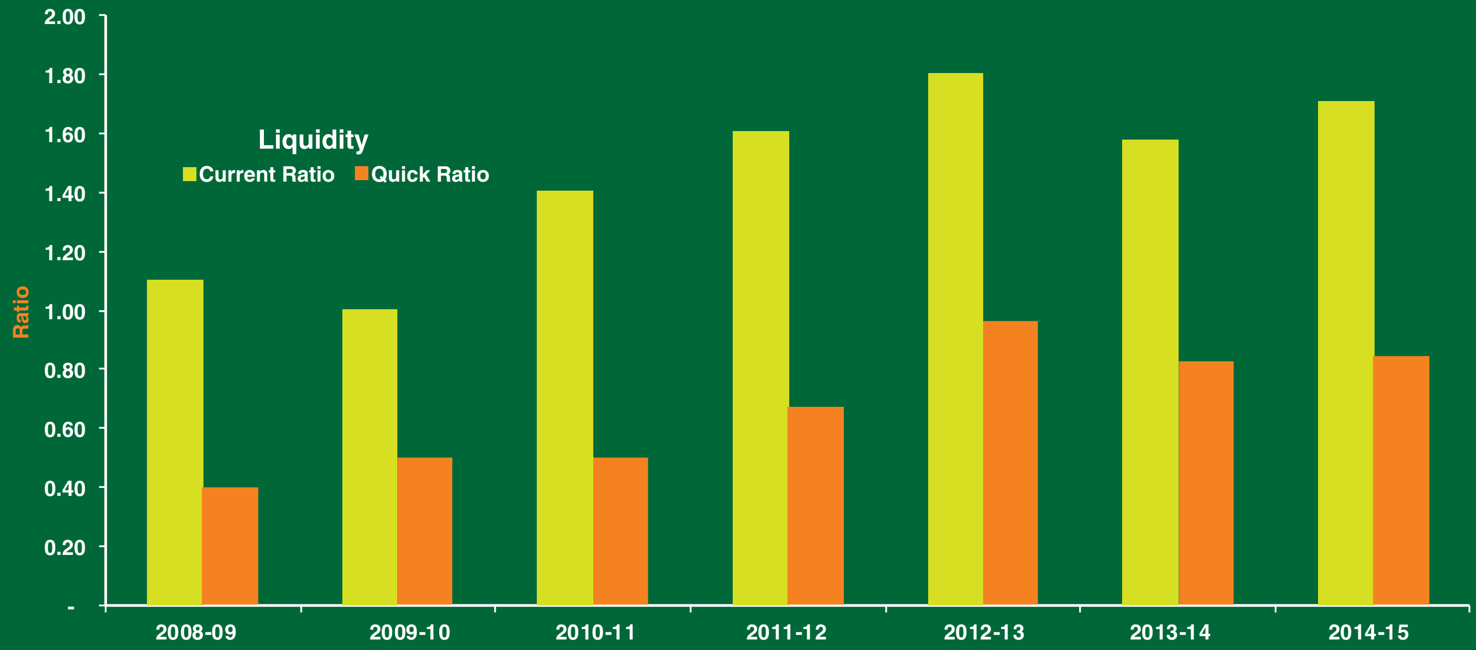
Dividend Vs Reserves
Reserves
Dividend
Rs. in Millions
250
200
150
100
50
0
19.0
48.3
16.5
32.2
32.5
56.9
51.5
92.5
67.5
113.9
85.0
128.1
94.3
85.4
2008-09
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15

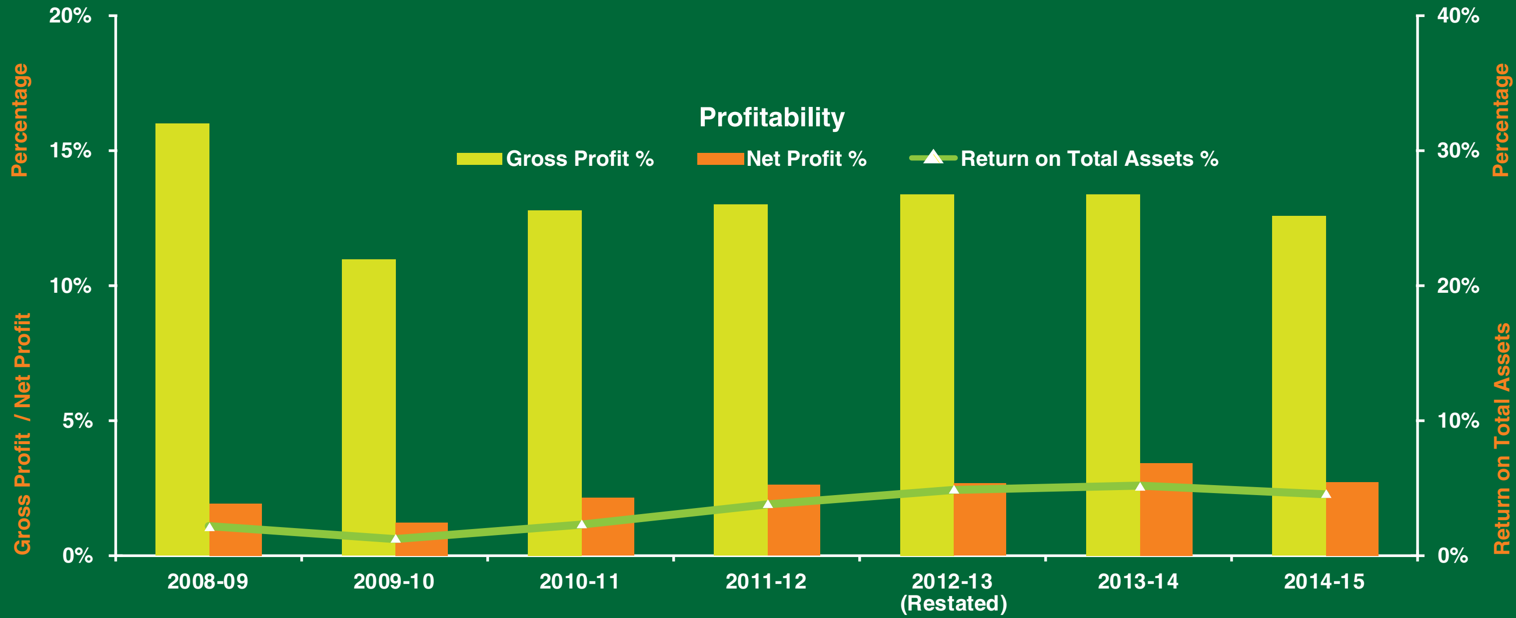


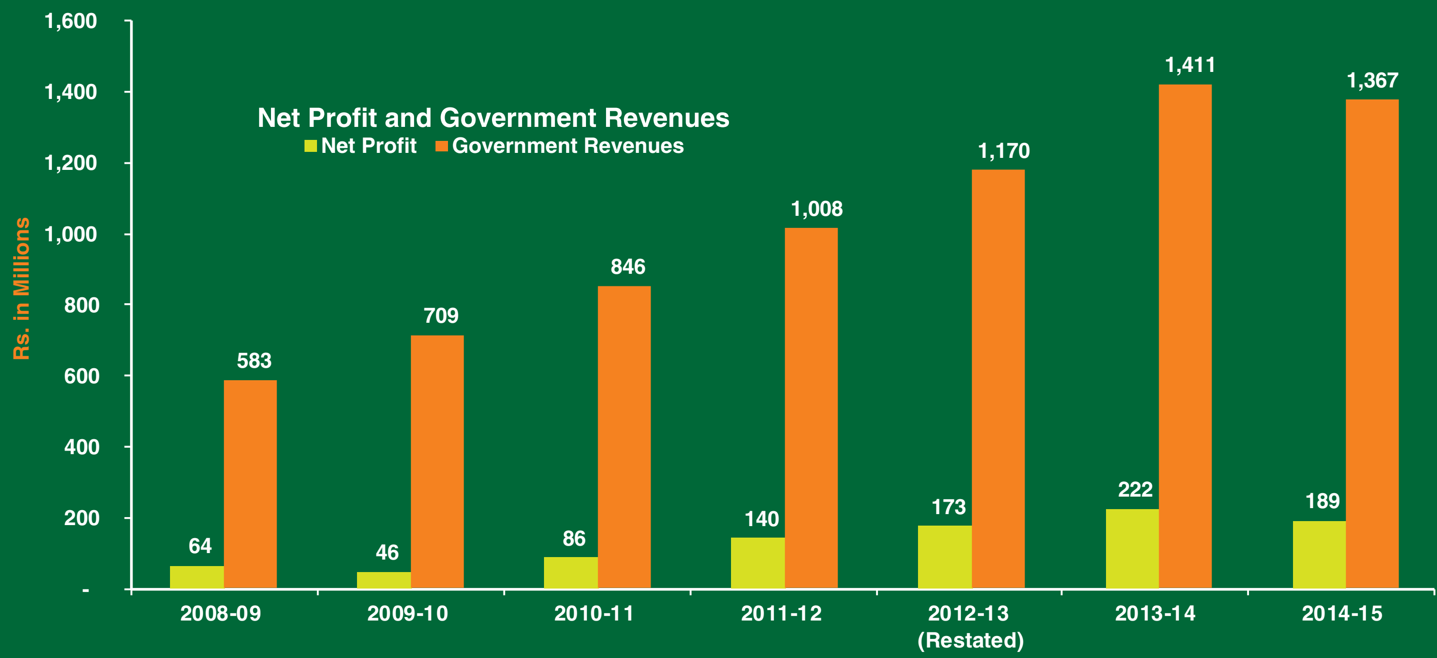
Profit after Tax
Rs. In Millions
250.0
200.0
150.0
100.0
50.0
0.0
63.9
45.5
85.7
139.9
172.9
222.3
189.3
2008-09
2009-10
2010-11
2011-12
2012-13 (Restated)
2013-14
2014-15

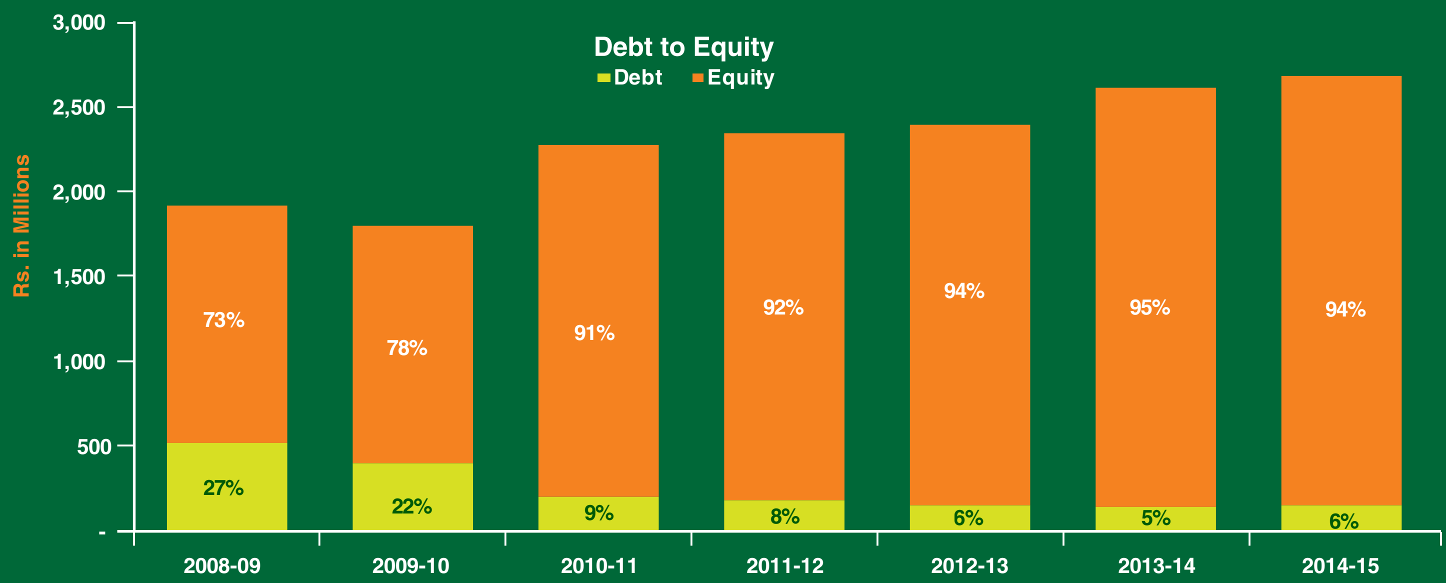

7%
2%
17%
74%
Revenue Mix
Levies
Cost of Product
Expenses
Profit


10
5
0
Rupees
Earnings Per Share
2.98
2.12
3.34
4.92
6.08
7.81
6.65
2008-09
2009-10
2010-11
2011-12
2012-13 (Restated)
2013-14
2014-15


Liquidity
Current Ratio
Quick Ratio
Ratio
2.00
1.80
1.60
1.40
1.20
1.00
0.80
0.60
0.40
0.20
-
2008-09
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15


Profitability
Gross Profit %
Net Profit %
Return on Total Assets %
Gross Profit / Net Profit Percentage
Return on Total Assets Percentage
20%
15%
10%
5%
0%
40%
30%
20%
10%
0%
2008-09
2009-10
2010-11
2011-12
2012-13 (Restated)
2013-14
2014-15


Net Profit and Government Revenues
Net Profit
Government Revenues
Rs. in Millions
1,600
1,400
1,200
1,000
800
600
400
200
-
64
583
46
709
86
846
140
1,008
173
1,170
222
1,411
189
1,367
2008-09
2009-10
2010-11
2011-12
2012-13 (Restated)
2013-14
2014-15


Debt to Equity
Debt
Equity
Rs. in Millions
3,000
2,500
2,000
1,500
1,000
500
-
73%
27%
78%
22%
91%
9%
92%
8%
94%
6%
95%
5%
94%
6%
2008-09
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15

DIRECTORS' REPORT

The Directors are pleased to present the 62nd Annual Report along with the audited accounts of the Company for the year ended June 30, 2015.

The Company is engaged in the manufacturing of Conductors, Cables and Wires for transmission of electricity since 1953. In 1979, the Company started extrusion of Aluminium Rod from billets, which was upgraded in 1984 to manufacture Anodized Aluminium Profile sections for architectural applications. In 1996, the Company set up a state of the art plant to manufacture High Conductivity Oxygen Free (HCOF) Copper Rod. Due to the increased requirement of rods for manufacturing wire & cables as a result of growing customer demand, the production capacity of the plant has been regularly enhanced over recent years. In 2008, the company set up a PVC Compounding Plant to manufacture high quality electric cable grade PVC compound. The Company also set up a 2-MW gas fired Tri-generation Power Plant, allowing it to be mostly self sufficient for its electricity needs.

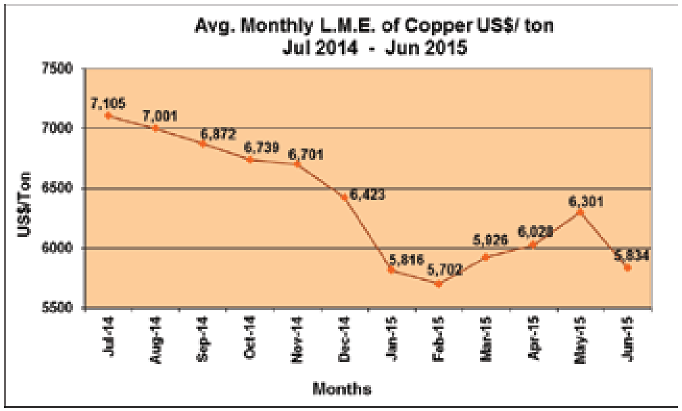
Pakistan Cables was the pioneering company in Pakistan's cable industry when it was established in 1953 in partnership with British Insulated Callender's Cables (BICC) Plc UK, considered to be one of the largest cable companies in the world at the time. BICC had a world presence which was initially in the Commonwealth but in the 1980s and 1990s extended into mainland Europe and beyond. In 1992, BICC disinvested its equity in Pakistan Cables Limited.

In 2010, another industry giant, General Cable Corporation, expressed confidence in your company and acquired 24.6% stake through its subsidiary GK Technologies Inc, Highland Heights, Kentucky, USA, in Pakistan Cables Limited. General Cable, a Fortune 500 company is one of the largest cable companies in the world with annual revenues in 2014 of US$ 6.0 billion and 57 manufacturing units in 26 countries around the world.

Global Copper & Aluminium Scenario

The prices of cables, copper rod and aluminium extrusions are closely linked to the global markets for Copper and Aluminium. Both base metals are traded on the London Metal Exchange (LME), the world's premier non-ferrous metals market. The traded volumes on the LME grew by 3.5% in 2014, less than half the rate seen in 2013 and the slowest growth since the global financial crisis in 2009. The slowdown in activity was mainly due to reduced investor interest in the industrial metals complex. The price of both these metals is therefore determined at the LME and any fluctuations in Copper or Aluminium prices have a direct effect on the pricing of our products.

Copper prices on London Metal Exchange fluctuated between $ 6,500 and 7,100/MT during the first half of the year. However, the prices tumbled in the month of January and plunged to their lowest level since July 2009 at $ 5,391/MT. However, it again started to rise and went above $ 6,400/MT in May before easing off in June and finally closed at $ 5,721/MT on June 30th 2015. Graph of monthly average of copper prices on the LME is shown below:



Overview of National Economy

The economic environment in the country witnessed an improving trend over the course of the financial year. Real GDP growth came in at 4.2% in 2014-15, an improvement over the previous year (4.0%). Moreover, the Government has set a target of 5.5% in 2015-16. The country's foreign reserves increased substantially over the year and at June 30, 2015 stood at USD 18.7 billion, thereby leading to stability in the value of the PKR to the USD. The improvement in foreign exchange reserves was mainly due to continuous improvement in workers remittances, support from bilateral lenders, issuance of Sukuk bonds in the international market, various privatization initiatives, installments released under the IMF facility and a decline in international oil prices.

In line with these improving trends, the Karachi Stock Exchange continued to show improvements and remained the world's best performing index in 2014, surging 14.9% to 34,399 points.

In April 2015, the Pakistan and Chinese governments signed a historic agreement to commence work on the China-Pakistan Economic Corridor (CPEC) whereby the Chinese government would finance Chinese companies to build $45.6 billion worth of energy and infrastructure projects over the next six years. Soon after, both Moody's and S&P both, raised Pakistan's credit ratings from stable to positive.

Segment Highlights

Cables & Wires

Pakistan Cables has established itself as a key player with more than 60 years of experience in the wire & cables business and can rightly claim to be the leading cable and wire company in the country. Our business is driven by the strength, growth prospects and activity in the end markets where our products are used. Our products are primarily used in projects of all kinds, in buildings and construction and for the transmission and distribution of electricity by the country's utility companies. Our product strategy is to manufacture an extensive array of world-class quality wires & cables to meet the diverse, dynamic and time-sensitive needs of our customers. Moreover, with evolving customer needs, the Company is committed to ensuring that its offering is up to date with the latest trends in the industry. The product should consistently conform to the relevant international standards in order to ensure smooth flow of electricity, better performance of electrical appliances and safety to life and property. Our ability to ensure that product does consistently conform to international specifications is through the selection of the world's best quality raw materials, world-class workmanship and a rigid quality assurance and control regime. Our sales strategy is; (i) to continue to generate market awareness of our brand and educate the consumer about the benefits of cables and wires that are of the highest quality thereby remaining the customer's first preference, (ii) to identify profitable markets and tailor our product offerings accordingly, (iii) to ensure that the product is made easily available to the customer through our network of dealers, distributors, Stockists and warehouses and (iv) to penetrate targeted markets through cost benefit analysis and customized service offering.

During the financial year, the Company maintained its leadership position in the market for cables and wires in Pakistan. Pakistan Cables' trade network covers over 131 cities and towns across Pakistan and warehouses and power cable stockists in all 3 major cities of the country. The Company further established its position in the market and prevailed to successfully win large orders from the projects segment. In addition, the company was successful in winning selective tenders from Utility companies and won export orders for customers across the world.

Product Display by Retailers participating in a nationwide Display Competition organized by Pakistan Cables.

Aluminium Sections

The business of Alumex showed upward trend and growth. New avenues in the institutional and project sectors were secured across the country which provided better territorial reach in the market. Competition from local as well as international suppliers remained tough. This has further necessitated the need for improvement in service levels which is the focus on continuous basis. Efforts are being made to consolidate existing relationships in the market along with creating new ones. Areas like better turnaround time in order delivery and consistency in product quality and service are going to be key factors for futures success.

Next year we foresee further improvement in overall results by maximizing the output and tapping new avenues for getting additional business from the market.

Operating Performance

The economy continued to face challenges like poor law & order situation, energy crisis, lack of foreign investment and a host of other structural problems that have held back investment and posed threat to the growth momentum. Despite the above challenges, the economy has shown some signs of revival during the year with rising foreign exchange reserves, continuous increase in workers remittances, successful launching of Sukuk in international market, lower inflation and improvement in GDP growth.

Despite the mixed results of the economy during the year, your company's revenue showed a modest growth while bottom line was not as encouraging as shown below:

	2014-15	2013-14	Incr./ (Dec.)
	Rs. in million		%
Sales	6,957	6,600	5
Gross Profit	869	877	(1)
Gross Profit Percentage	12.5%	13.3%	
Profit Before Tax	250	391	(36)
Profit Before Tax Percentage	3.6%	5.9%	
Profit After Tax	189	222	(15)
Profit After Tax Percentage	2.7%	3.4%	
EPS–Rs.	6.65	7.81	(15)

Your Company achieved sales of Rs. 6.96 billion, which is 5% higher than last year's sales of Rs. 6.60 billion. This is the highest ever sale in the history of the Company. Strong sales performance was witnessed in all the segments of wire & cable business. The company continued its aggressive marketing stance leading to a growth in the market share.

Gross profit for the year amounted to Rs. 869.2 million (12.5% of sales), compared to last year's gross profit of Rs. 876.9 million (13.3% of sales). The lower gross profit is attributed mainly due to intense competition in the market which has kept the margins under pressure. However, your Company has been able to improve capacity utilization in the recent past albeit at marginally lower margins, because of its technical and cost competitiveness arising from control on scrap generation.

Marketing, Selling & Administration expenses for the year are Rs. 489.5 as compared to Rs. 376.5 million in the same period of last year. The increase is mainly on account of higher advertising expenses. Financial charges for the year are Rs. 122.3 million as compared to Rs. 93.3 million in the same period of last year.

As a result of the above factors, your company earned a profit after tax of Rs. 189.3 million compared to Rs. 222.3 million last year.

Dividends and Appropriations

For the current year, your Directors recommend payment of Rs. 3.00 per share (30%) as final cash dividend (2014: 45%). The appropriation of profit will be as under:

	2014-15 Rs. '000
The net profit after tax amounted to	189,297
Other comprehensive income / (Loss)	(15,246)
Total comprehensive income	174,051
To this is added un-appropriated profit brought forward from last year	213,258
Transfer from surplus on revaluation – Own	5,664
	392,973

Appropriations:

Payment of Final cash dividend at the rate of Rs. 4.50 per share (45%) for the year ended June 30, 2014	128,081
Transfer to General Reserve for the year ended June 30, 2014	85,000
Leaving un-appropriated profit to be carried forward	179,892
	392,973
Earning per share	Rs. 6.65

Subsequent Effects

Proposed final cash dividend of Rs. 3.00 per share for the year 2015	85,387
Transfer to General Reserve	94,000

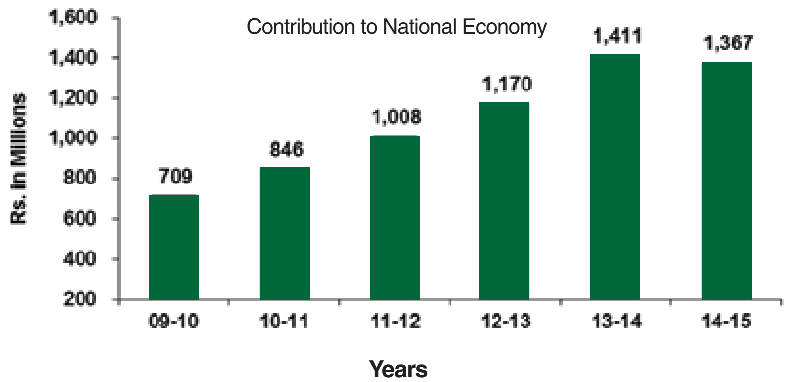
Cash Flow & Liquidity

The Company is constantly monitoring cash flow to ensure overall liquidity. During the financial year, Pakistan Cables net cash flow from operations was Rs. 465.1 million. The company was able to manage its operating cash flows by ensuring tight credit controls, better collections and recoveries of outstanding amounts over the course of the year.

The Company continued to monitor interest and foreign exchange rates to take advantage of any potential saving or hedging opportunities.

Contribution to National Economy

The Company's contribution to the National Exchequer by way of taxes, levies, sales tax, etc. amounted to Rs. 1,367 million during the year (2013-14: Rs. 1,411 million).



Board Changes

During the year the following changes took place in the Board:

i. Ms. Nargis Ghaloo was appointed as nominee director of State Life Insurance Company (SLIC) on January 12th, 2015 in place of Mr. Raeesuddin Paracha who resigned on January 12th, 2015.

ii. Ms. Diana Toman was appointed as nominee director of General Cable on April 24th, 2015 in place of Mr. Peter Campbell who resigned on April 23rd, 2015.

The Company wishes to place on record the valuable contribution made by the outgoing Directors during the period they were on the Board. The Board also takes pleasure in welcoming the new Directors and looks forward to their contribution from their vast knowledge & experience.

Corporate Governance

In compliance with the Corporate and Financial Reporting Framework of the Code of Corporate Governance we are pleased to state that:

a. The financial statements, prepared by the Management of the Company, present its state of affairs fairly, the result of its operations, cash flows and the changes in equity.
b. Proper books of accounts have been maintained by the Company.
c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgments.
d. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
e. The system of internal control is sound in design and has been effectively implemented and monitored.
f. There are no significant doubts upon the company's ability to continue as a going concern.

The key operating and financial data of last seven years is given on page 48, while the pattern of shareholding is provided on page 132.

Four (4) directors of the Company have obtained certification from the director's training program offered by a local institution that meet the criteria specified by the Securities Exchange Commission of Pakistan. Out of the remaining five directors, four directors meet the criteria of exemption under clause (xi) of Code and are accordingly exempted from directors' training program. The remaining one Director joined the Company on its Board in the last quarter of the year ended June 2015 and the Company shall arrange her training in the next financial year.

The value of investments of provident and pension funds as per their accounts for the year ended December 31, 2014 are as follows:

Provident Fund	Rs. 172.756 Million
Pension Fund	Rs. 184.875 Million

During the year five (5) meetings of the Board of Directors, four (4) meetings of the Audit Committee and one (1) meeting of the Human Resource and Remuneration Committee were held. Attendance by each Director is as follows:

Board of Directors Meetings

Directors	No. of meetings attended
Mr. Mustapha A. Chinoy	05 / 05
Mr. Haroun Rashid	02 / 05
Syed Naseem Ahmad	05 / 05
Mr. Saquib H. Shirazi	03 / 05
Mr. Roderick Macdonald	04 / 05
Mr. Peter Campbell	03 / 04
Ms. Diana Toman	00 / 00
Ms. Sadia Khan	03 / 05
Mr. Muhammad Raeesuddin Paracha	03 / 03
Ms. Nargis Ghaloo	02 / 02
Mr. Kamal A. Chinoy	05 / 05

Audit Committee Meetings

Directors	No. of meetings attended
Mr. Haroun Rashid	01 / 04
Ms. Sadia Khan	03 / 04
Mr. Roderick Macdonald	04 / 04

Human Resource and Remuneration Committee Meetings

Directors	No. of meetings attended
Syed Naseem Ahmad	01 / 01
Mr. Mustapha A. Chinoy	01 / 01
Mr. Saquib H. Shirazi	01 / 01
Mr. Kamal A. Chinoy	01 / 01

Mr. Mustapha A. Chinoy, Chairman Pakistan Cables, presenting a memento of appreciation to Mr. Haroun Rashid on completion of 15 years of serving on the Board of Directors, Pakistan Cables.

Corporate Social Responsibility

Pakistan Cables is a member of UN Global Compact, which supports the ten principles of the Global Compact in respect to Human Rights, Labor Rights, Protection of the Environment and Anti-corruption.

Pakistan Cables continues to play an active role in supporting green environment & social sector programs and has always been at the forefront in its recognition and responsibility towards meeting society needs. The Company's efforts mainly focus towards the areas of health, education and environment. Pakistan Cables evaluates in detail each organization that it supports and contributes towards.

During the year, the Company sponsored and proactively participated in the Kid Entrepreneurship Program in collaboration with students from IBA. The basic purpose of the program is to educate underprivileged students on business basics that will help streamline their interest in business and entrepreneurial opportunities. The program was successfully carried out in June 2015 and provided a good platform for the company to interface with underprivileged students and the IBA student body.

During the year, the Company made contributions towards a number of charitable organizations and philanthropic projects which includes:

- Amir Sultan Chinoy Foundation
- Layton Rehmatullah Benevolent Trust
- The Kidney Centre
- SAARC Women's Association
- Aga Khan Education Services

Quality & Technology

Pakistan Cables is committed to strive for product quality, excellent customer service, innovation and efficiencies. The Company reiterates its commitment to consistently deliver enhanced value to customers, through continual improvement of its product and processes. The Company satisfactorily complies with all the requirements of the ISO 9001:2008 for all its products as certified by BVQI, UK.

The Company has highly advanced Quality Assurance and PVC Laboratories, which are equipped with the latest equipment and are manned by professional and skilled personnel who are engaged to check process variables in every step of manufacturing process, to ensure that all our final products are in compliance with the relevant international specifications. Pakistan Cables is the only cable manufacturer in Pakistan with medium and low voltage cables that have been accepted as world class following the type testing and certification of its products by KEMA high voltage laboratory in Netherland. In addition to this, Pakistan Cables products are also CE (Conformité Européenne) certified, PSQCA certified, ERDA (Electrical Research and Development Association), India, TUV SUD PSB Pte. Ltd., Singapore, and have also been successfully type tested in Pakistan's well reputed High Voltage & Short Circuit Laboratory in Rawat.

Business Process Improvement and Development

Improvement in business processes is paramount for any industry to stay competitive in today's market place. The Company is continuously engaged in business process re-engineering activities to optimize its activities and benefit from the technological advances in operational, technical and engineering functions. Current initiatives are underway that will improve efficiencies, improve lead times, lower inventories and reduce wastages.

The Company is currently undergoing a transition towards becoming a lean enterprise in line with General Cable's mandate and the benefits of this program are already evident. The Company has also recently added strength to its Process Engineering and Material Control department and this has begun to yield positive results.

Mr. Mustapha A. Chinoy, Chairman, Pakistan Cables, presents a memento of appreciation to Mr. Syed Naseem Ahmad on successfully completing 15 years serving on the Board of Directors for Pakistan Cables.

A number of initiatives are underway as part of Operational excellence. This includes, timely monitoring, review/analysis and corrective actions. Combined detailed review meetings are being held promoting an effective follow up and also strengthening teamwork between functions. Process control measures as part of quality assurance are ensuring our quality commitments towards customer. Effective planning process is proving good for enhancing the delivery reliability. Focused projects are another tool for continuous improvement. Constantly increasing benchmarking in all aspects of factory performance is helping to enhance the excellence to higher levels

The Company is integrated upstream for two of its critical raw material inputs, in the form of state of the art copper rod and PVC compounding plants. The Company has also invested in a 2 MW tri-generation power plant. These plants ensure that the company has uninterrupted power supply and availability of key raw materials at lower input costs.

Information Technology

In line with our commitment to regularly upgrade communication systems and Information Technology (IT) Pakistan Cables is continuously striving in upgrading IT infrastructure, communication and hardware resources.

The company is in the process of implementing the Enterprise Resource Planning (ERP) which it strongly believes will make the company more efficient and competitive in the future. High end servers have been procured and installed for running the ERP which will serve PCL nationwide.

Safety, Health & Environment

Protecting the health and safety of our people and ensuring a healthy working environment is of great importance to Pakistan Cables. The Company is committed to working towards designing a workplace that minimizes work related risks and occupational health and safety. Pakistan Cables has a comprehensive Health Safety and Environment (HSE) Management System and HSE policy. Every employee's obligation to comply with HSE requirements is ensured through a robust training program and self-audits, internal audits and periodic management reviews.

Pakistan Cables products are "Environmentally Friendly". The company is in the business of producing the highest quality wire and cables in Pakistan as per International Standards. Due to high quality copper used in the manufacture of our cables, our cables result in the conservation of electricity due to lower line losses. Similarly, Alum-EX, as an alternative to wood windows and doors, helps in reducing de-forestation. Moreover, PCL encourage customers to return our wooden cables drums. Recycling wooden cable drums also reduces de-forestation.

Pakistan Cables endeavors to ensure Health and Safety of its employees and other associates at its premises. Impact on environment is always kept in mind while performing all company activities. Plant operations are strictly controlled to maintain safe environment for workers as well as the surrounding community. Several measures have been taken to control pollution and to maintain a clean, green and healthy environment which includes prevention of process gas emission into the atmosphere, recycling of waste heat and continuous efforts to improve greenery and maintain a clean environment in and around the factory through horticulture, better housekeeping, etc. All potentially hazardous material is monitored by the Company to ensure that best practices are followed in environmental protection. For example, any anodizing waste is neutralized as per NEQ standards prior to discharge.

The respective procedures are periodically updated to ensure accident free work place by encouraging instant reporting of all even near miss incidents followed by rigorous investigations to incorporate avoidance of future recurrences. HSE internal & external sequential audits of all departments are conducted to evaluate compliance. During the course of the year 17 HSE trainings and 12 health and hygiene inspections were conducted. The regional head of General Cable's Environment, Health & Safety department visited Pakistan Cables to review the progress the Company was making on implementing various initiatives.

In-line with management's objective, Pakistan Cables is certified for OHSAS 18001:2007 (Occupational Health & Safety Management System) and ISO 14001:2004 (Environmental Management System). The Company was also amongst a handful of companies in Pakistan to receive the prestigious award from the National Forum for Environment & Health's at 7th, 8th, 10th & 12th Annual Environment Excellence Awards.

As the Company has its own Power Plant, with waste heat recovery and vapor absorption chillers, it is able to more efficiently utilize gas and electricity, thus ensuring energy conservation.

Pakistan Cables shall remain committed to provide Healthy, Safe and Eco-friendly environment to all its internal and external stakeholders.

Training & Human Resource Development

With an intention to nurture the workforce that involves the acquisitions of skills, concepts and attitudes to enhance employee performance different trainings were provided. Various training programs both in-house and external have been arranged in which different employee categories including technical & non-technical staff was covered.

In addition, the Company also provided internship opportunities to students from leading universities to aid their understanding of theoretical concepts with practical application of the same. Factory visits were also arranged for students in order to facilitate them for their research.

The Company is very keen to ensure that the employees of PCL maintain a balance between work and recreation. Therefore events such as Annual Dinner, Awards Distribution Ceremony, Cricket Tournaments and Farwell Dinner for retired employees are held as per a specific schedule. Employees are awarded for their long-term loyalty and contribution in the success of Business.

Employee Relations

The total number of employees as on June 30, 2015 was 443. The relationship with the employees at all levels remained cordial and conducive throughout the year. The Union-Management relations continued to be friendly and industrial peace prevailed during the year under review. The Charter of Demand for the years 2014 and 2015 was successfully negotiated and signed between the Management and CBA

Ms. Coral Saldanha, Communication Officer, was awarded an Appreciation award for her dedicated services of 40 years with Pakistan Cables.

Auditors

The present auditors, M/s. KPMG Taseer, Hadi & Co., have retired and being eligible, have offered themselves for re-appointment. The Audit Committee and the Board of Directors have recommended their reappointment as auditors of the company for the year ending June 30, 2016.

Business Risk and Challenges

Volatility in prices of Metals

Your Company is exposed to fluctuations in the prices of metals, particularly of copper, which have historically affected our operating results. To the extent higher copper prices result in increase in the costs of our product, we attempt to reflect the increase in the prices we charge our customers. Similarly, a reduction in copper prices is reflected through lower prices of our cables. While we historically have been able to pass on all or part of these cost increases to our customers, we may be unable to do so at times. In addition, as copper prices change, our customers may change their ordering patterns of wire and cable, which could adversely affect the demand for our products and our ability to forecast, thereby impacting our inventories. The Company has comprehensive risk management and procurement strategies that try to ensure that fluctuations in the prices of copper and aluminium do not expose it to losses.

Foreign Exchange Risk

Your Company is also exposed to foreign exchange risk as most of the raw materials purchased are imported and are denominated in foreign currency, mainly US Dollars while sales are in Pakistan Rupees. Any sharp fall in the value of Rupee against the US Dollar will increase the cost of our inputs, possibly resulting in lower margins.

Low quality cables and Counterfeits from un-organized sector

The influx of low quality cables from the unorganized sector continues to remain a concern. Low quality cables come in the form of various brands and often are also counterfeits of Pakistan Cables' products. This affects mainly the House-wiring and the low voltage segment as it is fed by unscrupulous manufacturers using low quality & scrap raw material. Such products also pose a risk to the safety of life and property to end users. Unless proper quality standards and intellectual property laws are enforced, this will continue to have an impact on our sales.

Risk Associated with Inventory

Our business requires us to maintain certain levels of inventory. We must identify the right mix and quantity of products to keep in our inventory to meet customer orders. Failure to do so could adversely affect our sales and profit. However, if our inventory levels are too high, we are at risk that unexpected changes in circumstances, such as shift in market demand or drop in prices, could have material adverse impact on the net realizable value of our inventory.

Increase in Competition

Your company operates in a highly competitive industry, where excess capacity exists and capacity is still continuing to grow. To the extent existing or future competitors seek to gain or retain market share by reducing prices, we may also be required to adjust our selling strategy, thereby adversely affecting our financial results.

Increase in Imports of Cables & Wires

There has been an influx of Chinese medium voltage power cable in the Pakistan market as the government has provided certain import duty benefits to Chinese power cable suppliers through the Pakistan

China Free Trade Agreement. This has an impact on the Company's overall sales and if left unchecked can further result in cannibalization of domestic sales. Moreover, benefits provided by the Pakistan government to power projects, allows for the import of cables at reduced rates of duty and sales tax exemptions. Such benefits do not put the local industry at a level playing field with imports. If the government does not address these issues through policy change, your Company will face substitution from imports in certain areas.

Future Prospects

With several positive trends on the economic front and economic activity set to drive the demand for infrastructure, energy, housing and construction, your Company feels that there will be several opportunities in the next financial year and going forward. Some of the reasons behind this view are as follows:

1. Stability and improvement in the political and economic environment
2. Upgrading of electrical infrastructure by transmission and distribution companies
3. Various infrastructure projects that are in progress and will be initiated during the financial year
4. Expected activity in the following sectors:
    - Housing & Plaza
    - Cement
    - Food & Beverage
    - Textile
    - Oil & Gas

The Real GDP growth target has been set at 5.5% for 2015-16 and recent Large Scale Manufacturing growth numbers have clocked in at 3.3% for fiscal year 2015. Early signs continue to remain positive with the construction market driving growth and the Company having a robust order book. Nevertheless, despite these positive fundamentals, the Company remains cautiously optimistic as such trends are often fragile in their nascent stages. Moreover, with increased competition both from imports and domestic suppliers, margins may be exposed to pressure. This coupled with declining or low copper prices, will have an impact on overall sales value, which may be compressed despite growth in volumes.

Mr. Kamal A. Chinoy, Chief Executive Officer, Pakistan Cables addressing consultants and customers at a Technical Seminar held in Lahore.

New office premises inaugurated in Rawalpindi.

Mr. Kamal A. Chinoy, CEO Pakistan Cables with Michael T. McDonnell the newly appointed President, CEO and member of the Board of Directors at General Cable.

Mr. Kamal A. Chinoy, Chief Executive Officer Pakistan Cables with Mr. Gregory B. Kenny, who retired as President and CEO, General Cable on July 1, 2015.

In this context, the Company's strategy is to continue to remain proactive in marketing its products and rolling out a more aggressive sales program. In addition, the company is looking at capacity enhancements in certain value steams to cater to growing customer demand. Our focus will continue to remain on providing best-in-class customer service and enhanced product availability. Moreover, we will continue to leverage our association with General Cable through technical support, process engineering reviews, procurement opportunities and internal benchmarking.

Excellence Awards

The company was awarded the "KSE Top 25 Companies Award" for the year 2013 by the Prime Minister of Pakistan. This is the seventh time that the company has received this award. The award is given by the Karachi Stock Exchange (KSE) on the basis of comprehensive criteria which includes dividend payout, return on equity, compliance with listing regulations and good corporate governance.

Acknowledgement

The Directors would like to place on record their sincere appreciation for the hard work and dedication shown by the Management and Employees of the Company throughout the year. On behalf of the Board of Directors and Employees of the Company, we express our gratitude and appreciation to all our valued customers, distributors, Stockists, dealers and bankers for the trust and confidence reposed in the Company and look forward to their continued support and participation in sustaining the growth of the Company in the coming years.

On behalf of the Board

MUSTAPHA A. CHINOY
Chairman

KAMAL A. CHINOY
Chief Executive

KARACHI: August 21, 2015

THE AUDIT COMMITTEE OF THE BOARD

Constitution

The Audit Committee (the Committee) is a Committee of the Board constituted by a resolution of the Board dated June 28, 2002. The Terms of Reference of the Committee is as under:-

Membership

The Committee shall be appointed by the Board and shall comprise of not less than three members majority of whom shall be non-executive Directors. Two members shall constitute a quorum. In case if any member is out of country then he can appoint any other director as his replacement for the period, however, such replacement should be in a manner that the majority of the members of the committee shall always consist of non-executive directors. The period of appointment shall be determined by the Board who shall have the powers to remove members or add new members at anytime.

The Chairman of the Committee who should be a non executive director, shall be appointed by the Board.

Frequency of Meetings

Meetings of the Committee shall be held not less than four times a year.

Attendance at Meetings

The Committee, at its discretion, may require the Chief Executive, Finance Director and other Senior Management to attend meetings and provide information and explanations relevant to the Company and its operations as outlined below. The Committee may, again at its discretion, ask the company's external auditors to attend meetings and answer questions relating to the company's financial controls and audit procedures. The committee may also invite other non-executive Directors to its meetings as appropriate.

Specific and General Areas of Activity Which the Committee is Required to Monitor and Oversee on Behalf of the Board

The Audit Committee shall;

a. be responsible for recommending to the Board of Directors the appointment of external auditors by the company's shareholders and shall consider any questions of resignation or removal of external auditors, audit fees and provision by external auditors of any service to the listed company in addition to audit of its financial statements,

b. determine appropriate measures to safeguard the Company's assets,
c. review preliminary announcements of results prior to publication,
d. review quarterly, half-yearly and annual financial statements of the company, prior to their approval by the Board of Directors, focusing on:
    - major judgmental areas;
    - significant adjustments resulting from the audit;
    - the going-concern assumption;
    - any changes in accounting policies and practices;
    - compliance with applicable accounting standards; and
    - compliance with listing regulations and other statutory and regulatory requirements.
e. facilitate the external audit and conduct discussion with external auditors on major observations arising from interim and final audits and on any matter that the auditors may wish to highlight (in the absence of management, where necessary),
f. review of management letter issued by external auditors and management's response thereto,
g. ensure coordination between the internal and external auditors of the company,
h. review the scope and extent of internal audit and ensure that the internal audit function has adequate resources and is appropriately placed within the company,
i. consider major findings of internal investigations and management's response thereto,
j. ascertain that the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective,
k. review the company's statement on internal control systems prior to endorsement by the Board of Directors,
l. institute special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and to consider remittance of any matter to the external auditors or to any other external body,
m. determine compliance with relevant statutory requirements,
n. monitor compliance with the best practices of corporate governance and identify significant violations thereof, and
o. consider any other issue or matter as may be assigned by the Board of Directors.

Reporting Procedures

The Committee shall report to the Board through its Chairman, it may raise any matter within its terms of reference and may make comments and make proposals. The Chairman of Audit Committee shall communicate a synopsis of the proceedings of the Audit Committee Meeting in the next board meeting. The Secretary (who shall be the Internal Auditor) shall circulate the minutes of meetings of the Committee after their approval by the committee Chairman to all members of the Board and Finance Director.

HUMAN RESOURCE & REMUNERATION COMMITTEE

Constitution

The Human Resource & Remuneration Committee (HRRC) is a standing committee of the Board of Directors (BoD) mandated to consider and make recommendations to the Board of Directors on Pakistan Cables Ltd. major human resources management policies, strategies and plans.

Membership

HRRC shall consist of at least three directors. Majority of these members will be non-executive directors. The Chief Executive may be included as a member. One of the three members will be appointed as Chairman by the Board. While the Chief Executive may be a member of HRRC, he shall not be appointed Chairman of HRRC. The Head of HR, Pakistan Cables Ltd. will act as Secretary to the Committee.

Frequency of Meetings

The HRRC shall meet as often as required for proper functioning of the Committee and / or proper review of and recommendations on HR affairs of Pakistan Cables Ltd. The HRRC will meet as often as required by the Chairman HRRC or as requested by the Chief Executive.

Attendance at Meetings

The quorum will be two members. The Chief Executive, being a member of the HRRC, shall not be a part of the proceedings of the HRRC where his compensation and performance are being discussed / evaluated. In the absence of the Chairman, the remaining members may appoint any other member as Chairman. HRRC may invite any employee / independent expert to attend its meeting. Secretary HRRC shall get the signature of each member attending the meeting on an attendance sheet and keep a record of the same.

Specific and General Areas of Activity Which the Committee is Required to Monitor and Oversee

The HRRC shall review major HR policy framework including compensation, assess organization structure and recommend to the board succession planning for business critical positions including that of the Chief Executive.

The HRRC shall also recommend the recruitment, remuneration and evaluation of the Chief Executive and his direct reports, including the Chief Financial Officer, Chief Internal Auditor and Company Secretary.

Reporting Procedures

The Committee shall report to the Board through its Chairman. It shall present the minutes, including findings and recommendations of the HRRC meeting to the Board.

Minutes of the meetings will be prepared by the Secretary and circulated to the Members of the committee within seven days of the meeting or prior to the subsequent Board meeting, whichever is earlier.

MANAGEMENT COMMITTEE

The mission of the Management Committee is to support the Chief Executive to determine and implement the business policies within the strategy approved by the Board of Directors.

Members

• Chief Executive	Chairman
• Finance Director	Member
• G.M. Sales & Marketing	Member
• G.M. Operations	Member
• G.M. HR & Admin	Member

Role of the committee

The Committee is responsible for the following:

- Review matters / suggestions arising from Operations Committee meetings and take decisions as necessary to improve efficiencies, operations, safety, reduce costs etc.
- Discuss, define and update HR policies.
- Approve parameters for annual increments and ex-gratia.
- Approve all promotions and transfers relating to management staff.
- Assign tasks to the Operations Committee and expand (or subtract) their charter.
- Review & propose annual budget to the Board.
- Review company strategy and its implementation. Implement changes as required within the guidelines approved by the Board of Directors.
- Explore new avenues for business
- Take on any other tasks assigned to it by the Chief Executive or Board Committees.
- Deal with issues arising from Internal Audit investigations.

Committee procedures

Formal meetings will be conducted on a monthly basis or more frequently as circumstances dictate.

The G.M. Sales & Marketing is the Secretary of the Management Committee. A record will be maintained of the minutes of the formal and informal meetings of the Management Committee. Minutes of the meeting will be circulated to all members of the Management Committee within seven days of the meeting.

In order to form a quorum at least 2 members need to be present including the Chief Executive.

OPERATIONS COMMITTEE

The mission of the Operations Committee is to support the Management Committee in implementing the business policies within the strategy approved by the Board of Directors

Members

- Chief Executive — Chairman
- Finance Director — Vice Chairman
- G.M. Sales & Marketing — Member/Secretary
- G.M. Operations — Member
- G.M. HR & Admin — Member
- Senior Materials Manager — Member
- Senior Manufacturing Manager — Member
- Engineering Manager — Member
- Manager Material Control & Process Engineering — Member
- Training Program Manager — Member
- Business Unit Head APB — Member
- Technical Manager — Member
- Finance Manager — Member
- Production Manager — Member
- Security Manager — Member
- Manager Production Planning & Operation Excellence — Member

Role of the Committee

The Committee is responsible for the following:

- Review in detail ways to cut costs and recommend the same to the Management Committee.
- Review in detail ways to improve efficiencies and recommend the same to the Management Committee.
- Review progress of departments towards their respective annual budgets [expenses, output, sales etc.].
- Review progress of departments towards their respective annual goals.
- Review safety measures and recommend improvements to the Management Committee.
- Review and monitor the supply chain and ensure raw material availability for all products.
- Review and monitor work in progress and finished goods and take actions for their control.
- Define and monitor Key Management Indicators for each department.
- Review staff training needs.
- Identify capital investment projects and propose the same to the Management Committee.

Committee Procedures

Formal meetings are to be conducted on a monthly basis or more frequently as circumstances dictate.

The G.M. Sales & Marketing is the Secretary of the Operations Committee. A record will be maintained of the minutes of the Operations Committee. Minutes of the meeting will be circulated to all members of the Operations Committee within seven days of the meeting. On approval, the minutes of the meeting are sent to all members of the Management Committee.

The Operations Committee may form sub committees as and when deemed necessary. The Operations Committee may invite other members as and when deemed necessary and may exempt members from meetings if their presences doesn't seem necessary.

In order to form a quorum for the meeting, at least four members shall be present. In the absence of the Chairman, Director Finance will chair the meeting.

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

For the year ended 30 June 2015

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in Regulation No. 35 of listing regulations of The Karachi Stock Exchange (Guarantee) Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes:

Category	Names
Independent Directors	Ms. Sadia Khan
	Mr. Saquib H. Shirazi
Executive Director	Mr. Kamal A. Chinoy (CEO)
Non-Executive Directors	Mr. Mustapha A. Chinoy (Chairman)
	Syed Naseem Ahmad
	Ms. Nargis Ghaloo
	Mr. Roderick Macdonald
	Mr. Haroun Rashid
	Ms. Diana Toman

The independent directors meets the criteria of independence under clause i (b) of the CCG.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. During the year two casual vacancies occurred in the Board on 12th January 2015 and 23rd April 2015. These were filled on 12th January 2013 and 24th April 2015 respectively.
5. The company has prepared a “Code of Conduct” and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and non-executive directors, have been taken by the board.
8. The meetings of the board were presided over by the Chairman and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. The Directors are conversant with the relevant laws applicable to the Company, its policies and procedures and provisions of memorandum and articles of association and are aware of their duties and responsibilities. Further more four directors of the Company have obtained certification from the director's training program offered by a local institution that meet the criteria specified by the Securities Exchange Commission of Pakistan. Out of the remaining five directors, four directors meet the criteria of exemption under clause (xi) of Code and are accordingly exempted from directors' training program. The remaining one Director joined the Company on its Board in the last quarter of the year ended June 2015 and the Company shall arrange her training in the next financial year.
10. The board has approved remuneration and terms and conditions of employment of CFO, Company Secretary & Head of Internal Audit. There were no new appointments during the year of the above persons.
11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed. The Company has complied with all the corporate and financial reporting requirements of the CCG except disclosing the information about name-wise details of Directors, their spouse(s) and minor children and shareholders holding five percent or more voting rights in the Company as mentioned in the CCG due to security reasons. The Company has applied for relaxation before Securities and Exchange Commission of Pakistan for the above. However reply is yet to be received.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the board.
13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding. However, please refer paragraph 11 also.
14. The company has complied with all the corporate and financial reporting requirements of the CCG except as explained in paragraph 11 above.
15. The board has formed an Audit Committee. It comprises three members, of whom all are non-executive directors and the chairman of the committee is also a non-executive director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance after approval by the Board.
17. The board has formed a Human Resource & Remuneration Committee. It comprises four members of whom three are non-executive directors and the chairman of the committee is also a non-executive director.
18. The board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
23. We confirm that all other material principles enshrined in the CCG have been complied except as explained in the statement.

MUSTAPHA A. CHINOY
Chairman

KAMAL A. CHINOY
Chief Executive

REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLAINACE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Pakistan Cables Limited for the year ended 30 June 2015 to comply with the requirements of Listing Regulation No. 35 of the Karachi Stock Exchange.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval of related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended 30 June 2015.

Further, we highlight below instance of non-compliance with the requirements of the Code as reflected in the paragraph reference where this has been stated in the Statement of Compliance:

a) Paragraph 11 of the Statement of Compliance relating to Directors' Report for disclosure of pattern of shareholding held by certain persons respectively. The Company has applied to the Securities and Exchange Commission of Pakistan (SECP) seeking relaxation from such compliance and are waiting for a response in this regard.

Date: August 21, 2015
Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants
Amyn Pirani

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Pakistan Cables Limited** ("the Company") as at 30 June 2015 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;

b) in our opinion:
   i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
   ii) the expenditure incurred during the year was for the purpose of the Company's business; and
   iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2015 and of the profit, cash flows and changes in equity for the year then ended; and

d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980, was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Date: August 21, 2015
Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants
Amyn Pirani

BALANCE SHEET

As at 30 June 2015

	Note	2015	2014
		(Rupees in ‘000)	
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	4	**284,623**	284,623
Share premium reserve		**527,800**	527,800
General reserves		**708,000**	623,000
Unappropriated profit		**179,892**	213,258
		1,700,315	1,648,681
Surplus on revaluation of assets (land and buildings) - net of tax	5	**822,900**	813,534
Non-current liabilities			
Long-term loan	6	**50,000**	-
Deferred liability for staff gratuity	7	**24,835**	25,217
Other long-term employee benefits	8	**24,277**	19,852
Deferred tax liability - net	9	**50,040**	92,557
Total non current liabilities		**149,152**	137,626
Current liabilities			
Trade and other payables	10	**821,588**	853,359
Short term borrowings	11	**667,094**	903,190
Mark-up accrued on bank borrowings		**5,383**	7,859
Total current liabilities		**1,494,065**	1,764,408
Contingencies and commitments	12		
Total equity and liabilities		**4,166,432**	4,364,249

The annexed notes from 1 to 43 form an integral part of these financial statements.

	Note	2015	2014
		(Rupees in '000)	
ASSETS			
Non-current assets			
Property, plant and equipment	13	**1,590,419**	1,562,137
Intangible assets	14	**5,397**	-
Investment in an associated company	15	**26,821**	19,819
Long-term loans	16	**1,672**	2,848
Long-term deposits and prepayments	17	**20,840**	6,779
Total non current assets		**1,645,149**	1,591,583
Current assets			
Stores and spares	18	**45,091**	52,281
Stock-in-trade	19	**1,262,471**	1,324,291
Trade debts	20	**960,409**	1,028,387
Short-term loans and advances	21	**19,481**	31,334
Short-term deposits and prepayments	22	**25,314**	21,459
Other receivables	23	**1,568**	26,564
Advance tax - net of provisions		**196,443**	257,272
Cash and bank balances	24	**10,506**	31,078
Total current assets		**2,521,283**	2,772,666
Total assets		**4,166,432**	4,364,249

Kamal A. Chinoy
Chief Executive

Haroun Rashid
Director

PROFIT AND LOSS ACCOUNT

For the year ended 30 June 2015

	Note	2015	2014
		(Rupees in '000)	
Net sales	25	**6,956,670**	6,599,512
Cost of sales	26	**(6,087,480)**	(5,722,636)
Gross profit		**869,190**	876,876
Marketing, selling and distribution costs	27	**(296,486)**	(210,709)
Administrative expenses	28	**(193,045)**	(165,769)
		(489,531)	(376,478)
		379,659	500,398
Other expenses	29	**(26,299)**	(33,015)
Other income	30	**15,300**	14,980
		(10,999)	(18,035)
		368,660	482,363
Finance costs	31	**(122,243)**	(93,336)
Share of profit from associate	15	**3,914**	2,069
Profit before income tax		**250,331**	391,096
Taxation	32	**(61,034)**	(168,782)
Profit for the year		**189,297**	222,314
		(Rupees)	
Earnings per share - basic and diluted	33	**6.65**	7.81

The annexed notes from 1 to 43 form an integral part of these financial statements.

Kamal A. Chinoy
Chief Executive

Haroun Rashid
Director

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2015

	Note	2015	2014
		(Rupees in '000)	
Profit after tax for the year		**189,297**	222,314
Other comprehensive income:			
Items that will not be reclassified to profit and loss account			
Remeasurement of post employment benefits obligations	7.1.6	**(22,984)**	(20,844)
Related tax effect (net of change in tax rate)		**7,901**	7,039
Share of other comprehensive income from the associated company		**(163)**	-
		(15,246)	(13,805)
Total comprehensive income - transferred to statement of changes in equity		**174,051**	208,509

Surplus arising on revaluation of land and buildings has been reported in accordance with the requirements of the Companies Ordinance, 1984 below equity.

The annexed notes from 1 to 43 form an integral part of these financial statements.

Kamal A. Chinoy
Chief Executive

Haroun Rashid
Director

CASH FLOW STATEMENT

For the year ended 30 June 2015

	Note	2015	2014
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	34	**630,403**	316,278
Payments to staff retirement benefits	7.1.7	**(2,686)**	(1,759)
Finance costs paid		**(124,719)**	(92,010)
Taxes paid - net		**(25,056)**	(283,049)
Long-term loans receivable		**1,176**	765
Long term deposits and prepayments		**(14,061)**	(3,595)
Net cash flows from operating activities		**465,057**	(63,370)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		**(177,784)**	(133,277)
Sale proceeds from disposal of fixed assets	13.1.2	**2,980**	2,271
Dividends received from an associate		**2,016**	2,016
Net cash flows from investing activities		**(172,788)**	(128,990)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loan received		**50,000**	-
Repayment of long term loans		**-**	(3,125)
Net (decrease) / increase in short-term finance		**(271,978)**	376,590
Dividends paid		**(126,745)**	(112,208)
Net cash flows from financing activities		**(348,723)**	261,257
Net (decrease) / increase in cash and cash equivalents		**(56,454)**	68,897
Cash and cash equivalents at beginning of the year		**(39,639)**	(108,536)
Cash and cash equivalents at end of the year	35	**(96,093)**	(39,639)

The annexed notes from 1 to 43 form an integral part of these financial statements.

Kamal A. Chinoy
Chief Executive

Haroun Rashid
Director

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2015

	Note	Share capital	Share premium reserve	General reserve	Unappropriated profit	Total
		(Rupees in '000)				
Balance as at 01 July 2013		284,623	527,800	555,500	181,703	1,549,626
Total comprehensive income for the year ended 30 June 2014						
Profit for the year		-	-	-	222,314	222,314
Other Comprehensive income for the year - net of tax		-	-	-	(13,805)	(13,805)
Total comprehensive income		-	-	-	208,509	208,509
Transfer to general reserve for the year ended 30 June 2013		-	-	67,500	(67,500)	-
Transfer from surplus on revaluation of buildings - net of deferred tax	5	-	-	-	4,396	4,396
Transactions with owners recorded directly in equity						
Final cash dividend for the year ended 30 June 2013 @ Rs. 4.00 per share		-	-	-	(113,850)	(113,850)
Balance as at 30 June 2014		284,623	527,800	623,000	213,258	1,648,681
Total comprehensive income for the year ended 30 June 2015						
Profit for the year		-	-	-	189,297	189,297
Other Comprehensive income for the year - net of tax		-	-	-	(15,246)	(15,246)
Total comprehensive income		-	-	-	174,051	174,051
Transfer to general reserve for the year ended 30 June 2014		-	-	85,000	(85,000)	-
Transfer from surplus on revaluation of buildings - net of deferred tax	5	-	-	-	5,664	5,664
Transactions with owners recorded directly in equity						
Final cash dividend for the year ended 30 June 2014 @ Rs.4.50 per share		-	-	-	(128,081)	(128,081)
Balance as at 30 June 2015		**284,623**	**527,800**	**708,000**	**179,892**	**1,700,315**

The annexed notes from 1 to 43 form an integral part of these financial statements.

Kamal A. Chinoy
Chief Executive

Haroun Rashid
Director

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

1. LEGAL STATUS AND OPERATIONS

The Pakistan Cables Limited (the Company) was incorporated in Pakistan as a private limited company on 22 April 1953 and in 1955 it was converted into a public limited company in which year it also obtained a listing on the Karachi Stock Exchange. The Company is engaged in the manufacturing of copper rods, wires, cables and conductors, aluminium extrusion profiles and PVC compounds.

The registered office of the Company is situated at B/21, S.I.T.E., Karachi, Pakistan.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of, or directives issued under the Companies Ordinance, 1984 shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except that the land and buildings are stated at revalued amounts, less accumulated depreciation and impairment losses, if any.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani rupee which is the Company's functional currency. All financial information presented in Pakistani rupee has been rounded off to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the future years are as follows:

2.4.1 Income taxes

In making the estimates for income taxes currently payable by the Company, the management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

2.4.2 Staff retirement and other benefits

Certain actuarial assumptions have been adopted as disclosed in these financial statements for the actuarial valuation of funded pension and unfunded gratuity schemes (note 7.1) and other benefits (note 8). Changes in these assumptions may effect the liability under these schemes in current and future years.

2.4.3 Trade and other debts

Impairment loss against doubtful trade and other debts is made on judgemental basis, for which provision may differ in the future years based on the actual experience. The difference in provision if any, would be recognised in the future years.

2.4.4 Property, plant and equipment and intangible assets

The Company's management determines the residual values, estimated useful lives and related depreciation charge for its plant and equipments. The estimates for revalued amounts of land and buildings are based on a valuation carried out by external professional valuer of the Company. The Company reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipments with a corresponding effect on the depreciation charge and impairment.

2.4.5 Stock in trade and stores and spares

The Company reviews the net realizable value of stock in trade and stores and spares to assess any diminution in the respective carrying values. Any change in the estimates in future years might affect the carrying amounts of stock in trade and stores and spares with a corresponding effect on the profit and loss account of those future years.

2.4.6 Investment in associate

The Company determines that a significant and prolonged decline in the fair value of its investment in associate below its cost is an objective evidence of impairment. The impairment loss is recognised when the carrying amount exceeds the higher of fair value less cost to sell and value in use.

2.5 Standards, Interpretations and Amendments not yet effective

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 July 2015:

- Amendments to IAS 38 Intangible Assets and IAS 16 Property, Plant and Equipment (effective for annual periods beginning on or after 1 January 2016) introduce severe restrictions on the use of revenue-based amortization for intangible assets and explicitly state that revenue-based methods of depreciation cannot be used for property, plant and equipment. The rebuttable presumption that the use of revenue-based amortisation methods for intangible assets is inappropriate can be overcome only when revenue and the consumption of the economic benefits of the intangible asset are 'highly correlated', or when the intangible asset is expressed as a measure of revenue. The amendments are not likely to have an impact on Company's financial statements.

- IFRS 10 'Consolidated Financial Statements' - (effective for annual periods beginning on or after 1 January 2015) replaces the part of IAS 27 'Consolidated and Separate Financial Statements'. IFRS 10 introduces a new approach to determining which investees should be consolidated. The single model to be applied in the control analysis requires that an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IFRS 10 has made consequential changes to IAS 27 which is now called 'Separate Financial Statements' and will deal with only separate financial statements. Certain further amendments have been made to IFRS 10, IFRS 12 and IAS 28 clarifying the requirements relating to accounting for investment entities and would be effective for annual periods beginning on or after 1 January 2016. The adoption of this standard is not likely to have an impact on the Company's financial statements.

- IFRS 11 'Joint Arrangements' (effective for annual periods beginning on or after 1 January 2015) replaces IAS 31 'Interests in Joint Ventures'. Firstly, it carves out, from IAS 31 jointly controlled entities, those cases in which although there is a separate vehicle, that separation is ineffective in certain ways. These arrangements are treated similarly to jointly controlled assets/operations under IAS 31 and are now called joint operations. Secondly, the remainder of IAS 31 jointly controlled entities, now called joint ventures, are stripped of the free choice of using the equity method or proportionate consolidation; they must now always use the equity method. IFRS 11 has also made consequential changes in IAS 28 which has now been named 'Investment in Associates and Joint Ventures'. The amendments requiring business combination accounting to be applied to acquisitions of interests in a joint operation that constitutes a business are effective for annual periods beginning on or after 1 January 2016. The adoption of this standard is not likely to have an impact on the Company's financial statements.

- IFRS 12 'Disclosure of Interests in Other Entities' (effective for annual periods beginning on or after 1 January 2015) combines the disclosure requirements for entities that have interests in subsidiaries, joint arrangements (i.e. joint operations or joint ventures), associates and/or unconsolidated structured entities, into one place. The adoption of this standard is not likely to have an impact on the Company's financial statements.

- IFRS 13 'Fair Value Measurement' (effective for annual periods beginning on or after 1 January 2015) defines fair value, establishes a framework for measuring fair value and sets out disclosure requirements for fair value measurements. IFRS 13 explains how to measure fair value when it is required by other IFRSs. It does not introduce new fair value measurements, nor does it eliminate the practicability exceptions to fair value measurements that currently exist in certain standards. The adoption of this standard is not likely to have an impact on Company's financial statements.

- Amendments to IAS 27 'Separate Financial Statements' (effective for annual periods beginning on or after 1 January 2016). The amendments to IAS 27 will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. The adoption of the amended standard is not likely to have an impact on Company's financial statements.

- Agriculture: Bearer Plants [Amendments to IAS 16 and IAS 41] (effective for annual periods beginning on or after 1 January 2016). Bearer plants are now in the scope of IAS 16 Property, Plant and Equipment for measurement and disclosure purposes. Therefore, a company can elect to measure bearer plants at cost. However, the produce growing on bearer plants will continue to be measured at fair value less costs to sell under IAS 41 Agriculture. A bearer plant is a plant that: is used in the supply of agricultural produce; is expected to bear produce for more than one period; and has a remote likelihood of being sold as agricultural produce. Before maturity, bearer plants are accounted for in the same way as self-constructed items of property, plant and equipment during construction. The adoption of the amended standard is not likely to have an impact on the Company's financial statements.

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) [effective for annual periods beginning on or after 1 January 2016]. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The adoption of these amendments is not likely to have an impact on Company's financial statements.

Annual Improvements 2012-2014 cycles (amendments are effective for annual periods beginning on or after 1 January 2016). The new cycle of improvements contain amendments to the following standards:

- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. IFRS 5 is amended to clarify that if an entity changes the method of disposal of an asset (or disposal group) i.e. reclassifies an asset from held for distribution to owners to held for sale or vice versa without any time lag, then such change in classification is considered as continuation of the original plan of disposal and if an entity determines that an asset (or disposal group) no longer meets the criteria to be classified as held for distribution, then it ceases held for distribution accounting in the same way as it would cease held for sale accounting.

- IFRS 7 'Financial Instruments- Disclosures'. IFRS 7 is amended to clarify when servicing arrangements are in the scope of its disclosure requirements on continuing involvement in transferred financial assets in cases when they are derecognized in their entirety. IFRS 7 is also amended to clarify that additional disclosures required by 'Disclosures: Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS7)' are not specifically required for inclusion in condensed interim financial statements for all interim periods.

- IAS 19 'Employee Benefits'. IAS 19 is amended to clarify that high quality corporate bonds or government bonds used in determining the discount rate should be issued in the same currency in which the benefits are to be paid.

- IAS 34 'Interim Financial Reporting'. IAS 34 is amended to clarify that certain disclosures, if they are not included in the notes to interim financial statements and disclosed elsewhere should be cross referred.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

3.1 Investment in associate - equity method

Investments in associate where the Company has significant influence but not control over the financial and operating policies are accounted for using equity basis of accounting, under which the investment in associate are initially recognised at cost and the carrying amounts are increased or decreased to recognise the Company's share of the profit or loss of the associate after the date of acquisition, less impairment losses, if any. The Company's share of the profit or loss of the associate is recognised in the Compan y's profit or loss. Distributions received from associate reduce the carrying amount of the investment. Adjustments to the carrying amounts are also made for changes in the Company's proportionate interest in the associate arising from changes in the associate's other comprehensive income and equity that have not been recognised in the associate's profit or loss. The Company's share of those changes is recognised directly in other comprehensive income and equity of the Company.

Gain / (loss) on sale of above investments, if any, are recognised in the period of sale. The carrying amount of the investment is tested for impairment, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount and loss, if any is recognised in the profit and loss account.

3.2 Staff retirement benefits and other benefits

Defined benefit plans

The Company operates a defined benefit funded pension scheme for all permanent employees who are in the management cadre and the executive directors. However, the benefit is available to those employees only who had joined before 01 April 2009.

In addition, the Company operates an unfunded gratuity scheme, for all permanent employees other than those covered by the pension fund scheme.

The Company's obligation under the pension and gratuity schemes is determined through actuarial valuations carried out under the "Projected Unit Credit Method". Actuarial valuations are conducted annually and the latest valuation was conducted at the balance sheet date (30 June 2015). Service costs are recognised in profit and loss in the period in which they occur. Net interest on net defined benefit liability is also recognised in profit and loss. Net of tax remeasurement comprising actuarial gain/loss and proportion of actual return on plan asset not pertaining to net interest on net defined benefit liability is recognised in other comprehensive income.

Defined contribution plan

The Company also operates a recognised provident fund scheme for its employees. Equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 10% of basic pay and dearness allowance.

Other long term employee benefit

The Company accounts for long term staff compensated absences on the basis of actuarial valuation carried out under the Projected Unit Credit Method. Current service cost, actuarial gains or losses and past service cost are recognised immediately in the profit and loss account.

3.3 Financial liabilities

Financial liabilities include long-term loan, short-term borrowings, trade and other payables and mark-up accrued on bank borrowings and are initially recognised at the time when the Company becomes party to the contractual provisions of the instrument . All financial liabilities are recognised initially at fair value less directly attributable transactions costs, if any, and subsequently measured at amortised cost using effective interest rate method, where applicable. The Company derecognises the financial liabilities when they are extinguished, that is, when the obligation referred in the contract is discharged, cancelled or have expired.

3.4 Taxation

Income tax of the Company comprises of current and deferred tax. Income tax expenses are recognised in the profit and loss account except to the extent that it relates to the item recognised directly in equity.

Current

Provision for current taxation in the financial statements is based on taxable income at the enacted or substantially enacted rates of taxation after taking into account the available tax credits and tax rebates.

Deferred

Deferred tax is recognised using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and their tax base. This is recognised on the basis of the expected manner of the realization or settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. Deferred tax assets are reviewed at the reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realised. The Company also recognises deferred tax liability on surplus on revaluation of fixed assets which is adjusted and the related surplus in accordance with the requirements of International Accounting Standard 12 'Income Taxes'.

3.5 Property, plant and equipment

- Property, plant and equipment are stated at cost less accumulated depreciation and impairmen losses, if any, except that buildings are stated at revalued amount less accumulated depreciation and impairment losses, if any, while land is stated at revalued amount (less impairment losses, if any). Cost of leasehold land is not amortised since the lease is renewable at nominal price at the option of the lessee. Capital work-in-progress is stated at cost accumulated to the balance sheet date less impairment losses, if any. Cost include expenditures directly attributeable to the acquisition of an asset.

- Depreciation is charged to income applying the straight line method where by the cost of an asset is written off over its estimated useful life. Depreciation on addition is charged from the month the asset is available for use, while in case of disposal it is charged upto the month of disposal.

- The assets' residual values and useful lives are reviewed, at reporting date and if expectations differ from previous estimates, the change is accounted for as a change in an accounting estimate.

- Surplus on revaluation of assets are credited to a 'Surplus on revaluation' account on the balance sheet. Surplus on revaluation of buildings to the extent of incremental depreciation charged thereon is transferred from surplus on revaluation of building to retained earnings (unappropriated profit), net of deferred tax.

- Expenditure incurred subsequent to the initial acquisition of asset is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company and it meets the recognition criteria mentioned in accounting standards. All other expenditure is recognised in the profit and loss account as an expense is incurred.

- Gains or losses on disposal are included in profit and loss account currently.

3.6 Intangible Assets

Intangibles assets are initially recognised at cost less accumulated amortization and impairment losses, if any. Costs that are directly associated with identifiable software product controlled by the Company and have probable economic benefits beyond one year are recognised as intangible asset. Costs associated with maintaining computer software are recognised as an expense as and when incurred.

Amortisation is charged to profit and loss account by applying the straight line basis whereby the carrying amount of an asset is amortised over its estimated useful life to the Company unless such life is indefinite. Amortisation is charged from the month the asset is available for use, while in case of disposal it is charged upto the month of disposal.

The Company accounts for impairment, where indications exist, by reducing asset's carrying amount to the recoverable amount.

3.7 Borrowing costs

Borrowing costs are recognised as an expense in the period in which these are incurred, except that those which are directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset.

3.8 Stores and spares

Stores and spares are stated at lower of cost and net realisable value. Cost is determined using weighted average method. Items in-transit are valued at cost comprising invoice value and other charges paid thereon.

3.9 Stock in trade

These are valued at lower of cost and net realizable value. Cost is determined under the weighted average basis. Cost of work-in-process and finished goods consists of direct materials, labour and applicable production overheads. Net realizable value signifies the estimated selling price in the ordinary course of the business less estimated cost of completion and selling expenses. The management continuously reviews its inventory for existence of any item which may be obsolete. Provision is made for slow moving inventory based on managements estimation. These are based on historical experience and are continuously reviewed.

Items in-transit are valued at cost comprising invoice value plus other charges paid thereon up to the balance sheet date.

Scrap is valued at estimated realizable value.

3.10 Financial assets

Financial assets includes trade debts, other receivables, loans, advances and deposits and are initially recognised at the time when the company becomes party to the contractual provisions of the instruments . These are recognised initially at fair value plus directly attributable transaction costs, if any and subsequently measured at amortised cost using effective interest rate method if applicable, less provision for impairment, if any. A provision for impairment is established if there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The Company derecognises the financial assets when it ceases to be a party to the contractual provisions of such assets.

3.11 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances. Short term running finances that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the cash flows statement.

3.12 Foreign currency translation

Transactions in foreign currencies are recorded in Pakistan rupees at the rates of exchange prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are reported in Pakistani rupees at the rates of exchange ruling at the balance sheet date. Exchange gains and losses on translation are included in profit and loss account currently.

3.13 Revenue recognition

Revenue from sale of goods is measured at fair value of the consideration received or receivable. The Company records revenue from sale of goods on dispatch of goods to its customers i.e. when the significant risks and rewards of ownership are transferred to the customer.

3.14 Impairment

Financial assets

A financial asset is assessed at each balance sheet date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit and loss account. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

Non-financial assets

The carrying amount of the assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated in order to determine the extent of impairment loss, if any. Impairment losses are recognised as expense in profit and loss account. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

3.15 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

3.16 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amount and the Company intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.17 Dividends and reserve appropriation

Dividends and reserve appropriations are recognized in the period in which these are declared / approved. Transfer between reserves made subsequent balance sheet dates is considered as non-adjusting event and is recognised in the financial statement in the period in which such transfer are made.

3.18 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for the shareholders. Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year.

4. SHARE CAPITAL

2015	2014		Note	2015	2014
(Number of shares)				(Rupees in '000)	
Authorised Share Capital					
30,000,000	30,000,000	Ordinary shares of Rs. 10 each		**300,000**	300,000
Issued, subscribed and paid up Share Capital					
8,475,225	8,475,225	Ordinary shares of Rs. 10 each fully paid in cash		**84,752**	84,752
174,775	174,775	Ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash		**1,748**	1,748
19,812,376	19,812,376	Ordinary shares of Rs. 10 each issued as fully paid bonus shares		**198,123**	198,123
28,462,376	28,462,376		4.1	**284,623**	284,623

4.1 This includes 6,999,998 (2014: 6,999,998) ordinary voting shares of Rs. 10 each held by GK Technologies (associated company) and 2,425,913 (2014: 2,425,913) held by International Industries Limited (associated company).

5. SURPLUS ON REVALUATION OF ASSETS (LAND AND BUILDINGS) - net of tax

	Note	2015	2014
		(Rupees in '000)	
Leasehold land			
Balance as at 01 July		**669,000**	590,950
Surplus arising on revaluation carried out during the year		**-**	78,050
		669,000	669,000
Buildings on leasehold land			
Balance as at 01 July of revaluation surplus over written down value		**222,366**	148,153
Surplus arising on revaluation carried out during the year		**-**	80,873
Transferred to unappropriated profit in respect of incremental depreciation charged during the year - net of deferred tax		**(5,664)**	(4,396)
Related deferred tax liability on incremental depreciation charged during the year		**(3,051)**	(2,264)
		213,651	222,366
Related deferred tax liability at beginning of the year		**(77,832)**	(50,375)
Related deferred tax liability on revaluation carried out during the year		**-**	(28,306)
Related deferred tax liability of incremental depreciation charged during the year		**3,051**	2,264
Effect of change in future tax rate		**10,421**	(1,415)
		(64,360)	(77,832)
Share of surplus on revaluation of land and buildings of the associated company (net of tax of Rs. 0.658 million)	15.2	**4,609**	-
		822,900	813,534

6. LONG TERM LOAN - secured

	Note	2015	2014
Loan from a financial institution	6.1	**50,000**	-

6.1 Long term loan has been obtained for the purpose of capital expenditure and is secured against hypothecation of specific items of plant and machinery. Rate of mark-up on the loan is 7.89% per annum (30 June 2014: Nil). The loan is repayable in half yearly principal installments of Rs. 6.25 million commencing from 30 September 2016.

7. STAFF RETIREMENT BENEFITS

7.1 Defined benefit plans

The details of the actuarial valuation under the projected unit credit method as at 30 June 2015 for funded pension and unfunded gratuity schemes are as follows:

7.1.1 Actuarial assumptions

	Note	2015 Pension	2015 Gratuity	2014 Pension	2014 Gratuity
		-----------%-----------		-----------%-----------	
Discount rate		**10.00**	**10.00**	13.00	13.00
Expected rate of salary increase					
- Executives		**10.00**	**10.00**	13.00	13.00
- Workmen		**-**	**6.25**	-	9.25
Pension increase		**2.00**	**-**	3.00	-

7.1.2 Balance sheet reconciliation

	Note	2015 Pension	2015 Gratuity	2014 Pension	2014 Gratuity
		(Rupees in '000)		(Rupees in '000)	
Fair value of plan assets	7.1.3	**244,411**	**-**	227,672	-
Present value of defined benefit obligations	7.1.4	**(293,078)**	**(24,835)**	(244,073)	(25,217)
Net (liability) / asset		**(48,667)**	**(24,835)**	(16,401)	(25,217)

7.1.3 Changes in fair value of plan assets

	2015 Pension	2015 Gratuity	2014 Pension	2014 Gratuity
Fair value as at 01 July	**227,672**	**-**	222,100	-
Interest income	**28,684**	**-**	23,865	-
Remeasurement due to investment return	**2,102**	**-**	(7,993)	-
Benefits paid	**(14,137)**	**-**	(10,421)	-
Contribution to the fund	**90**	**-**	121	-
Fair value as at 30 June	**244,411**	-	227,672	-

7.1.4 Changes in present value of defined benefit obligation

	2015		2014	
	Pension	Gratuity	Pension	Gratuity
	(Rupees in '000)		(Rupees in '000)	
Obligation as at 01 July	**244,073**	**25,217**	210,909	26,871
Current service cost	**4,691**	**1,659**	3,312	1,913
Interest cost	**30,810**	**3,110**	22,627	2,866
Remeasurement due to:				
Change in demographic assumptions	**-**	**-**	-	221
Change in financial assumptions	**37,694**	**-**	14,103	(4,093)
Experience adjustment	**(10,053)**	**(2,555)**	3,543	(923)
Benefits paid	**(14,137)**	**(2,596)**	(10,421)	(1,638)
Obligation as at 30 June	**293,078**	**24,835**	244,073	25,217

7.1.5 Amounts recognised in the profit and loss account

	2015 Pension	2015 Gratuity	2014 Pension	2014 Gratuity
Service cost	**4,691**	**1,659**	3,312	1,913
Net interest on net defined benefit liability	**2,126**	**3,110**	(1,238)	2,866
Chargeable in profit and loss account	**6,817**	**4,769**	2,074	4,779

7.1.6 Amounts recognised in other comprehensive income (OCI)

	2015 Pension	2015 Gratuity	2014 Pension	2014 Gratuity
Remeasurement due to:				
Change in demographic assumptions	**-**	**-**	-	221
Change in financial assumptions	**37,694**	**-**	14,103	(4,093)
Experience adjustment	**(10,053)**	**(2,555)**	3,543	(923)
Investment return	**(2,102)**	**-**	7,993	-
Chargeable in other comprehensive income	*** 25,539**	*** (2,555)**	25,639	(4,795)
Total cost	**32,356**	**2,214**	27,713	(16)

* Total amount recognised in the OCI for both the above benefits is Rs. 22.984 million (2014: Rs. 20.844 million).

7.1.7 Recognised asset / (liability)

	2015 Pension	2015 Gratuity	2014 Pension	2014 Gratuity
	(Rupees in '000)		(Rupees in '000)	
Balance as on 01 July	**(16,401)**	**(25,217)**	11,191	(26,871)
Income / (expense) recognised	**(32,356)**	**(2,214)**	(27,713)	16
Payments during the year	**90**	**2,596**	121	1,638
Company's asset / (liability) as at 30 June	**(48,667)**	**(24,835)**	(16,401)	(25,217)

7.1.8 Actual return on plan assets

	2015 Pension	2015 Gratuity	2014 Pension	2014 Gratuity
Actual return on plan assets	**30,786**	**-**	15,872	-

7.1.9 Fund investments composition / fair value of plan assets (in percentage)

	2015 Pension	2015 Gratuity	2014 Pension	2014 Gratuity
Government bonds	**47%**	**-**	47%	-
Term Finance Certificates	**16%**	**-**	23%	-
Shares	**6%**	**-**	5%	-
Mutual funds	**11%**	**-**	0%	-
Cash and cash equivalents	**20%**	**-**	25%	-

7.1.10 Historical information

	2015	2014	2013	2012	2011
	(Rupees in '000)				
Fair value of plan assets	**244,411**	227,672	222,100	201,036	175,245
Present value of the defined benefit obligation	**(317,913)**	(269,290)	(237,780)	(219,658)	(189,391)
Deficit in the plan	**(73,502)**	(41,618)	(15,680)	(18,622)	(14,146)

7.1.11 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on Obligation of Change in Assumption	
	Increase in assumption	Decrease in assumption
	(Rupees in '000)	
Discount rate - increase / decrease by 1%	**(28,244)**	**33,437**
Salary increase - increase / decrease by 1%	**8,482**	**(7,621)**
Pension increase - increase / decrease by 1%	**25,725**	**(22,558)**

If life expectancy increases by 1 year, the obligation increases by Rs. 6.65 million. In addition the weighted average of plan durations for pension is 11 years (2014: 10.3 years), while for gratuity it is 10.3 years (2014: 10.2 years)

7.1.12 Maturity profile of the defined benefit obligation - undiscounted payments

	Time in years				
	1	2	3	4	5
	(Rupees in '000)				
Distribution of timing of benefit payments					
- Pension	21,442	22,987	23,577	24,870	25,951
- Gratuity	755	2,451	1,600	945	3,190
	22,197	25,438	25,177	25,815	29,141

7.1.13 Cost projections for the financial year ended 30 June 2016 (chargeable to the profit and loss account), as per the actuary, for pension amounts to Rs. 9.74 million, while for the gratuity it amounts to Rs. 4.02 million.

7.1.14 Normal pension age is 55 years and service after attaining normal retirement pension age is also pensionable. In case of gratuity, the normal retirement age is 60 years. The entitlement to the benefits is based on basic salaries and as per the service rules. At 30 June 2015, 152 members were covered under the pension scheme, while the eligible gratuity members were 251.

7.2 Defined contribution plan

The Company has set up provident fund for its permanent employees and contributions were made by the Company to the Trust in accordance with the requirement of Section 227 of the Companies Ordinance, 1984. The total charge against provident fund for the year ended 30 June 2015 was Rs.8.808 million (30 June 2014: Rs. 7.620 million). The net assets based on audited financial statements of Provident Fund as at 31 December 2014 was Rs. 189.1 million out of which 91% was invested in different financial instruments categories as provided in Section 227 of the Companies Ordinance, 1984 and rules formulated for the purpose. Currently all assets of the fund are valued at amortised cost except for investments made in equity securities. The fair value of equity securities amounts to Rs. 33.9 million.

The sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

8. OTHER LONG - TERM EMPLOYEE BENEFITS

This represents accrual for staff compensated absences and includes liability in respect of key management personnel amounting to Rs. Nil (30 June 2014: Rs. Nil). During the year the Company made a provision of Rs. 4.43 million which has been recognised in the profit and loss account. Assumptions used are the same as for the retirement benefits.

9. DEFERRED TAX LIABILITY - net

	Note	2015	2014
		(Rupees in ‘000)	
Taxable temporary differences on			
Accelerated tax deprecation		**89,581**	113,930
Surplus on revaluation of buildings on leasehold land	5	**64,360**	77,832
Share of surplus on revaluation of land and buildings of the associated company		**658**	-
		154,599	191,762
Deductible temporary differences on			
Provision for staff retirement and other benefits		**(7,460)**	(8,826)
Provision for doubtful debts		**(17,970)**	(13,410)
Provision for slow-moving stores and spares		**(1,965)**	(4,226)
Provision for import levies and other provisions		**(77,164)**	(72,743)
		(104,559)	(99,205)
		*** 50,040**	92,557

* Reduction in deferred tax liability by Rs. 33.28 million (2014: Rs. 44.65 million) has been recognised in the profit and loss account. Remaining reduction has been recognised in the surplus account.

10. TRADE AND OTHER PAYABLES

	Note	2015	2014
		(Rupees in ‘000)	
Creditors		**129,755**	273,729
Accrued expenses		**195,134**	146,446
Salaries and wages		**21,962**	10,514
Advances from customers		**199,155**	203,305
Security deposits from distributors		**8,448**	8,448
Payable to staff provident fund - related party		**2,102**	1,490
Provision for import levies	10.1	**161,570**	138,012
Payable to staff pension fund - related party	7.1.2	**48,667**	16,401
Workers’ profit participation fund	10.2	**15,354**	21,616
Workers’ welfare fund		**7,291**	10,549
Sales tax payable		**4,508**	-
Withholding tax payable		**6,954**	2,479
Unclaimed dividend		**11,479**	10,141
Others		**9,209**	10,229
		821,588	853,359

10.1 Provision for import levies

This represents provision for import levies on raw materials. The movement in this provision during the year is as follows:

	2015	2014
Balance as on 01 July	**138,012**	115,627
Charge for the year - net	**23,558**	22,385
Balance as at 30 June	**161,570**	138,012

10.1.1 The Company along with many other companies had filed appeal against the levy of Infrastructure Cess at import stage levied by the Provincial Government. The case was initially decided by the High Court of Sindh in the year 2008 according to which this levy was applicable for the period from 28 December 2006 onwards while it was not applicable on consignments cleared prior to this date. The decision was challenged by both the department and the companies in the Honorable Supreme Court which referred back the matter to High Court in the year 2011. During the year 2012, the High Court passed an interim order through which all the appellant companies were required to pay 50% of the amount involved in this respect on the consignments cleared between 28 December 2006 to 30 May 2011 and to give bank guarantee for the balance amount. The guarantees submitted for the period prior to 28 December 2006 were also to be released by the department. Further, all consignments after 30 May 2011 are being released on the basis of 50% payment in cash and 50% on furnishing of bank guarantee. This is an interim arrangement and is subject to the final order by the High Court which may be issued in due course of time.

10.2 Workers' profit participation fund

	Note	2015	2014
		(Rupees in '000)	
Balance as on 01 July		**21,616**	15,276
Mark-up on funds utilised in the Company's business	31.	**1,839**	477
Allocation for the year	29.	**13,515**	21,139
		36,970	36,892
Amount paid to the fund		**(21,616)**	(15,276)
Balance as at 30 June		**15,354**	21,616

11. SHORT TERM BORROWINGS

From banking companies - secured

	Note	2015	2014
Running finance under mark-up arrangements	11.1	**106,599**	70,717
Short term finances	11.2	**125,000**	832,473
Foreign currency import finance	11.3	**435,495**	-
		667,094	903,190

11.1 Running finance under mark-up arrangements

The Company has arranged short-term running finance facilities from certain banks. The overall facility for these running finances under mark-up arrangements amounts to Rs. 2,150 million (2014: Rs. 2,150 million). Rate of mark-up on these running finance facilities ranges between 7.83% to 9.45% net of prompt payment rebate (2014: 11.14% to 11.88% per annum). These facilities will expire between 30 June 2015 to 31 March 2016 and are renewable.

11.2 Short term finances

The amount outstanding against the short term finance facility as at 30 June 2015 available from banks was Rs. 125 million (2014: Rs. 832.5 million) earmarked out of the total running finance facilities obtained from the banks. Total facility available under this arrangement amounts to Rs.750 million (2014: 1,528 million). Mark-up rate on term finance is agreed at each disbursement and as at 30 June 2015 it ranged between 7.03% to 7.08% per annum. These are payable latest by 15 July 2015.

11.3 Foreign currency import finance

The amount outstanding against the foreign currency import finance facility as at 30 June 2015 available from various banks was Rs. 435.5 million (2014: Rs. Nil) earmarked out of the total running finance facilities. Total facility available under this arrangement amounts to Rs. 1,123 million (2014: Rs. Nil). These balances carry mark-up ranging from 1.80% per annum to 3.00% per annum (2014: Nil). These are repayable latest by December 2015.

11.4 Other facilities

The facility for opening letters of credit and guarantees as at 30 June 2015 amounted to Rs. 2,757 million (2014: Rs. 2,748 million) of which the amount remaining unutilised as at that date was Rs. 2,404 million (2014: Rs. 2,522 million).

11.5 Securities

Above arrangements are secured by way of joint hypothecation over stocks, stores and spares and present and future trade debts of the Company.

12. CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

a) The Company has issued to the Collector of Customs post dated cheques amounting to Rs. 6.553 million (2014: Rs. 5.483 million) against partial exemption of import levies.

b) Bank guarantees amounting to Rs. 269 million (2014: Rs. 198.403 million) have been given to various parties for contract performance, tender deposits, import levies, etc.

c) The Company received a show cause notice from the Large Taxpayers Unit, Karachi demanding an amount of Rs. 251 million pertaining to the sales tax returns of the Company for the years 2008-9, 2009-10 and 2010-11. The Company had submitted its response to the show cause notice through its authorised representative. Subsequently, the Company received an order from the department in this connection demanding Rs. 13.8 million as default surcharge on above amount. The management in consultation with its tax advisor is of the view that the department's notice is based on interpretation which is against the spirit of the law. The Company had filed an appeal against the above order with Commissioner (Appeals) which also upheld the order previously passed by the department. However, the sales tax advisor of the Company is of the view that there will be no adverse impact on the Company. The Company has filed an appeal against Commissioner (Appeals) order at appellate tribunal.

12.2 Commitments

a) Aggregate commitments for capital expenditure as at 30 June 2015 amounted to Rs. 111.463 million (2014: Rs. 27.996 million).
b) Commitments under letters of credit for the import of raw materials, etc. (non-capital expenditure) as at 30 June 2015 amounted to Rs. 25.461 million (2014: Rs. 26.032 million).

13. PROPERTY, PLANT AND EQUIPMENT

	Note	2015	2014
		(Rupees in '000)	
Operating fixed assets	13.1	**1,528,325**	1,527,317
Capital work-in-progress	13.2	**62,094**	34,820
		1,590,419	1,562,137

13.1 Operating fixed assets

	2015										
	Cost / revaluation					Depreciation				Net book value as at 30 June 2015	Rate %
	As at 01 July 2014	Additions	Revaluation Surplus	(Disposals)	As at 30 June 2015	As at 01 July 2014	For the year	(Disposals)	As at 30 June 2015		
	(Rupees in '000)										
Lease hold land at revalued amount	669,000	-	-	-	669,000	-	-	-	-	669,000	-
Buildings on leasehold land at revalued amount	306,344	595	-	-	306,939	-	15,337	-	15,337	291,602	5
Leasehold improvements	19,043	3,455	-	-	22,498	190	2,317	-	2,507	19,991	12
Plant and machinery	1,375,304	108,207	-	-	1,483,511	896,680	103,740	-	1,000,420	483,091	8, 12 & 25
Office equipment and appliances	75,872	14,905	-	-	90,777	60,082	8,566	-	68,648	22,129	12, 25 & 33
Furniture and fittings	22,729	1,132	-	-	23,861	11,868	2,036	-	13,904	9,957	8 & 12
Vehicles	49,660	14,069	-	(4,040)	59,689	21,860	9,535	(2,441)	28,954	30,735	20
Loose tools	1,347	2,076	-	-	3,423	1,302	301	-	1,603	1,820	33
	2,519,299	144,439	-	(4,040)	* 2,659,698	991,982	141,832	(2,441)	1,131,373	1,528,325	

* These include cost of operating assets of Rs. 460.509 million (30 June 2014 : Rs. 319.499 million) having net book value of Nil value at reporting date which are still in use.

	2014										
	Cost / revaluation					Depreciation				Net book value as at 30 June 2014	Rate %
	As at 01 July 2013	Additions	Revaluation Surplus	(Disposals)	As at 30 June 2014	As at 01 July 2013	For the year	(Adjustment / Disposals)	As at 30 June 2014		
	(Rupees in '000)										
Lease hold land at revalued amount	590,950	-	78,050	-	669,000	-	-	-	-	669,000	-
Buildings on leasehold land at revalued amount	265,260	-	41,084	-	306,344	26,526	13,263	(39,789)	-	306,344	5
Leasehold improvements	-	19,043	-	-	19,043	-	190	-	190	18,853	12
Plant and machinery	1,321,649	53,655	-	-	1,375,304	794,030	102,650	-	896,680	478,624	8,12 & 25
Office equipment and appliances	67,170	9,717	-	(1,015)	75,872	54,665	6,397	(980)	60,082	15,790	12, 25 & 33
Furniture and fittings	17,332	5,397	-	-	22,729	10,185	1,683	-	11,868	10,861	8 & 12
Vehicles	38,703	13,128	-	(2,171)	49,660	16,548	7,005	(1,693)	21,860	27,800	20
Loose tools	1,327	20	-	-	1,347	1,272	30	-	1,302	45	33
	2,302,391	100,960	119,134	(3,186)	2,519,299	903,226	131,218	(42,462)	991,982	1,527,317	

13.1.1 The revaluation of leasehold land and buildings was carried out on 30 June 2014 by M/s. Iqbal A. Nanjee & Co. a professional valuer on the basis of market value. Had there been no revaluation, the carrying amounts of leasehold land and building would have been Nil (2014: Nil) and Rs. 77.951 million (2014: Rs. 83.978 million) respectively. At 30 June 2015, undepreciated surplus on land and building amounted to Rs. 882.651 million (2014: Rs. 891.366 million).

13.1.2 Details of operating fixed assets disposed off during the year are as follows:

Assets	Cost	Accumulated depreciation	Net book value	Sale proceeds	Mode of disposal	Purchaser	Address
	(Rupees in '000)						
Vehicles							
Suzuki Mehran	567	369	198	506	Negotiation	M. Muslim	Karachi.
Suzuki Liana	1,531	510	1,021	867	Negotiation	Col. Abdul Razzak	Karachi.
Suzuki Alto	732	512	220	635	Negotiation	Mr. Pervez Hassan	Karachi.
Suzuki Mehran	566	406	160	470	Insurance Claim	Jubilee General Insurance	Karachi.
Others							
Items of net book value below Rs. 50,000 each	644	644	-	502	Negotiation	Various	
2015	4,040	2,441	1,599	2,980			
2014	3,186	2,673	513	2,271			

13.1.3 Depreciation has been allocated as follows:

	Note	2015	2014
		(Rupees in '000)	
Cost of sales	26	**124,688**	120,407
Marketing, selling and distribution costs	27	**6,548**	4,140
Administrative expenses	28	**10,596**	6,671
		141,832	131,218

13.2 Capital work-in-progress

		Cost			
		As at 01 July	Additions	(Transfers)	As at 30 June
		(Rupees in '000)			
Plant and machinery		**28,339**	**100,330**	**(79,511)**	**49,158**
Furniture and fittings		**-**	**495**	**(495)**	**-**
Office equipment		**-**	**2,937**	**(1,564)**	**1,373**
Leasehold improvements		-	62	-	62
Intangible assets		**6,071**	**4,305**	**(6,071)**	**4,305**
Advance for purchase of vehicle and others		**410**	**7,381**	**(595)**	**7,196**
	2015	**34,820**	**115,510**	**(88,236)**	**62,094**
	2014	2,503	100,752	(68,435)	34,820

14. INTANGIBLE ASSETS

	2015	2014
	(Rupees in '000)	
Net carrying value - software		
Opening net book value	**-**	-
Additions during the year (note 13.2)	**6,071**	-
Amortization for the year	**(674)**	-
Closing net book value	**5,397**	-
Rate of amortization (%)	**33**	-

15. INVESTMENT IN AN ASSOCIATED COMPANY - equity accounted for

	2015	2014	2015	2014
	(% of holding)		(Rupees in '000)	
International Industries Limited (IIL) 576,000 (2014: 576,000) fully paid ordinary shares of Rs. 10 each [market value of Rs. 38.673 million (2014: Rs. 28.477 million)] (Chief Executive Officer - Mr. Riyaz T. Chinoy)	**0.48**	0.48	**26,821**	19,819

15.1 Associates are entities over which the Company has significant influence and no control. Company's investee company is considered to be its associate by virtue of common directorship.

15.2 During the year Rs. 3.91 million was recognised in profit and loss account as the Company's share of the associated company's profit and Rs. 5.27 million was recognised in surplus on revaluation of assets account as its share of 'surplus on the revaluation' of the associate's land and buildings. Dividend of Rs. 2.016 million was also received from the associated company during the year.

15.3 Summarised financial information of associated company

	International Industries Limited (IIL)	
	31 March 2015	**30 June 2014**
	(Rupees in '000)	
Assets	**34,806,896**	30,654,515
Liabilities	**25,947,146**	21,353,539
	For the nine months ended 31 March 2015	**For the year ended 30 June 2014**
	(Rupees in '000)	
Total revenue	**25,037,148**	35,855,357
Profit after tax	**172,178**	1,191,401

15.3.1 Above associate has been equity accounted for upto 31 March 2015. The financial impact for the quarter ended 30 June 2015 of the above associate is not considered to be material.

16. LONG-TERM LOANS

	Note	2015	2014
		(Rupees in '000)	
Considered good - secured			
Due from employees		**2,322**	3,368
Due from executives		**812**	1,458
		3,134	4,826
Current portion of long term loans	21	**(1,462)**	(1,978)
		1,672	2,848

16.1 This represents mark-up free / subsidized loans have been given to the employees for purchase of motor cars, motorcycles and other purposes as per the Company policy and agreement with the workers' union. These are repayable in thirty-six to sixty equal monthly installments. These are secured against the respective provident fund balances.

17. LONG-TERM DEPOSITS AND PREPAYMENTS

		2015	2014
Deposits			
Utilities		**1,854**	1,854
Others		**3,368**	2,085
		5,222	3,939
Prepayments		**15,618**	2,840
		20,840	6,779

18. STORES AND SPARES

	Note	2015	2014
Stores		**1,357**	2,428
Spares [including Rs. 2.507 million in transit (2014: Rs.0.574 million)]		**50,283**	61,928
		51,640	64,356
` Provision against slow moving stores and spares	18.1	**(6,549)**	(12,075)
		45,091	52,281

18.1	Provision against slow moving stores and spares	Note	2015	2014
			(Rupees in '000)	
	Balance as at 01 July		**12,075**	10,196
	Provision for the year		**-**	1,879
	Reversal during the year		**(5,526)**	-
	Balance as at 30 June		**6,549**	12,075

19. STOCK-IN-TRADE

	Note	2015	2014
Raw materials [including Rs. 159.4 million in transit (2014: Rs. 269.0 million)]	19.1	**643,386**	634,010
Work-in-process	19.2	**276,117**	251,211
Finished goods	19.2	**302,417**	415,877
Scrap		**40,551**	23,193
		1,262,471	1,324,291

19.1 Raw material includes slow moving items carried at Rs. 1.927 million as against their cost of Rs. 20.626 million (2014: Rs. 10.469 million).

19.2 Work-in-process and finished goods include slow moving items aggregating Rs. 12.3 million (2014: Rs. 9.9 million) and Rs. 15.6 million (2014: Rs. 17.2 million) respectively stated at their net realizable values against their cost of Rs. 15.5 million (2014: Rs. 12.9 million) and Rs. 31.5 million (2014: Rs. 28.3 million) respectively.

20. TRADE DEBTS

	Note	2015	2014
Considered good - unsecured			
Due from related parties	20.1	**128,492**	135,509
Others		**831,917**	892,878
		960,409	1,028,387
Considered doubtful			
Others		**59,900**	38,315
		1,020,309	1,066,702
Provision for doubtful debts	20.2	**(59,900)**	(38,315)
		960,409	1,028,387

20.1 The related parties from whom the debts are due are as under:

	Note	2015	2014
		(Rupees in '000)	
Atlas Battery Limited		**18,072**	20,113
Atlas Honda Limited		**251**	3,639
Cherat Cement Company Limited		**1,075**	984
Intermark (Private) Limited		**107,068**	110,581
International Industries Limited		**103**	-
International Steels Limited		**1,866**	11
Fauji Fertilizer Company Limited		**57**	-
Pakistan Petroleum Limited		**-**	156
Heritage Developments		**-**	25
	20.1.1	**128,492**	135,509

20.1.1 The above balances are mark-up free and unsecured. The aging of above balances at the balance sheet date is as follows:

	2015	2014
Not past due	**119,337**	133,255
Past due 1-180 days	**8,911**	2,128
Past due 181-365 days	**244**	126
	128,492	135,509

None of the above debts are considered to be impaired.

20.2 Provision for doubtful debts

	Note	2015	2014
Opening balance		**38,315**	22,961
Provision during the year	28	**22,548**	15,354
Trade debt balances written off during the year		**(963)**	-
		59,900	38,315

21. SHORT-TERM LOANS AND ADVANCES - considered good - unsecured

	Note	2015	2014
Current portion of long term loans	16	**1,462**	1,978
Short-term advances to employees		**2,042**	300
Advances to suppliers		**15,977**	29,056
		19,481	31,334

22. SHORT TERM DEPOSITS AND PREPAYMENTS

	2015	2014
	(Rupees in '000)	
Deposits - considered good	**9,590**	7,259
Prepayments	**15,724**	14,200
	25,314	21,459

23. OTHER RECEIVABLES

Sales tax receivable	**-**	18,868
Insurance claim receivable	**-**	7,432
Others	**1,568**	264
	1,568	26,564

24. CASH AND BANK BALANCES

With banks in current accounts	**10,285**	30,977
Cash in hand	**221**	101
	10,506	31,078

25. NET SALES

Gross sales	**8,123,083**	7,732,071
Sales tax	**(1,166,413)**	(1,113,511)
	6,956,670	6,618,560
Discounts	**-**	(19,048)
	6,956,670	6,599,512

26. COST OF SALES

	Note	2015	2014
		(Rupees in '000)	
Opening work-in-process		**251,211**	286,657
Opening stock - raw material		**634,010**	431,790
Opening stock - metal scrap		**23,193**	20,202
		657,203	451,992
Purchases of raw material		**5,291,140**	5,443,517
		5,948,343	5,895,509
Sales of scrap material during the year		**(82,889)**	(102,370)
Closing stock - raw material		**(643,386)**	(634,010)
Closing stock - metal scrap		**(40,551)**	(23,193)
		(683,937)	(657,203)
		(766,826)	(759,573)
		5,181,517	5,135,936
Stores and spares consumed		**77,571**	48,149
Fuel and power		**177,679**	160,491
Salaries, wages and benefits	26.1	**313,734**	277,455
Rent, rates and taxes		**21,415**	26,741
Insurance		**5,131**	4,778
Repairs and maintenance		**65,354**	46,522
Depreciation	13.1.3	**124,688**	120,407
Communication and stationery		**1,390**	1,087
Training, travelling and entertainment		**8,371**	8,335
General works		**22,406**	21,231
Cost of production		**817,739**	715,196
		6,250,467	6,137,789
Closing work-in-process		**(276,117)**	(251,211)
Cost of goods manufactured		**5,974,350**	5,886,578
Opening stock of finished goods		**415,877**	272,355
		6,390,227	6,158,933
Closing stock of finished goods		**(302,417)**	(415,877)
		6,087,810	5,743,056
Insurance claim		**(330)**	(20,420)
		6,087,480	5,722,636

26.1 Details of salaries, wages and benefits

	Note	2015	2014
		(Rupees in '000)	
Salaries, wages and benefits		**299,901**	267,015
Provident fund contributions		**5,520**	4,717
Charge for pension fund obligation		**3,712**	1,091
Charge for staff retirement gratuity		**4,601**	4,632
		313,734	277,455

27. MARKETING, SELLING AND DISTRIBUTION COSTS

	Note	2015	2014
Salaries, wages and benefits	27.1	**68,119**	57,511
Rent, rates and taxes		**10,054**	6,527
Insurance		**1,308**	1,160
Repairs and maintenance		**1,284**	1,165
Communication and stationery		**2,322**	2,637
Training, travelling and entertainment		**13,450**	11,322
Advertising and publicity		**96,953**	40,874
Carriage and forwarding expenses		**86,717**	77,979
Commission		**3,669**	2,019
Depreciation	13.1.3	**6,548**	4,140
Subscriptions		**1,210**	1,183
Fuel and power		**3,115**	2,088
Others		**1,737**	2,104
		296,486	210,709

27.1 Details of salaries, wages and benefits

		2015	2014
Salaries, wages and benefits		**64,197**	55,133
Provident fund contributions		**1,857**	1,626
Charge for pension fund obligation		**1,898**	605
Charge for staff retirement gratuity		**167**	147
		68,119	57,511

28. ADMINISTRATIVE EXPENSES

	Note	2015	2014
		(Rupees in '000)	
Salaries, wages and benefits	28.1	**111,839**	100,255
Office rent		**5,679**	4,259
Insurance		**3,568**	3,287
Repairs and maintenance		**2,605**	2,533
Legal and professional		**5,169**	8,551
Donations	28.2	**5,125**	5,000
Auditors' remuneration	28.3	**1,125**	1,117
Communications and stationery		**6,093**	5,603
Provision for doubtful trade debts	20.2	**22,548**	15,354
Training, travelling and entertainment		**9,755**	5,493
Depreciation	13.1.3	**10,596**	6,671
Amortization	14	**674**	-
Fuel and power		**2,831**	2,636
Others		**5,438**	5,010
		193,045	165,769

28.1 Details of salaries, wages and benefits

	2015	2014
Salaries, wages and benefits	**109,201**	98,600
Provident fund contributions	**1,431**	1,277
Charge for pension fund obligation	**1,207**	378
	111,839	100,255

28.2 Donations were not made to any donee in which the Company or a director or his spouse had any interest.

28.3 Auditors' remuneration

	2015	2014
Audit fee	**620**	570
Fee for the review of half yearly financial statements	**227**	206
Other certifications	**158**	158
Out of pocket expenses	**120**	183
	1,125	1,117

29. OTHER EXPENSES

	Note	2015	2014
		(Rupees in '000)	
Liquidated damages for late deliveries		**4,791**	1,327
Workers' profits participation fund	10.2	**13,515**	21,139
Workers' welfare fund		**7,291**	10,549
Others		**702**	-
		26,299	33,015

30. OTHER INCOME

	2015	2014
Income from non-financial assets		
- Income from insurance commission	**2,341**	1,362
- Sale of general scrap	**11,273**	9,294
- Gain on disposal of fixed assets	**1,381**	1,758
	14,995	12,414
Income from financial instruments		
- Reversal of liabilities no longer payable	**246**	2,566
- Others	**59**	-
	305	2,566
	15,300	14,980

31. FINANCE COSTS

	Note	2015	2014
Mark-up on finances under mark-up arrangements		**105,291**	88,404
Mark-up on long-term loans		**605**	150
Mark-up on workers' profits participation fund	10.2	**1,839**	477
Exchange loss		**9,831**	352
Bank charges		**4,677**	3,953
		122,243	93,336

32. TAXATION

		Note	2015	2014
			(Rupees in '000)	
Current	- for the year		**106,623**	178,341
	- prior years		**(12,309)**	35,088
Deferred	- due to changes in temporary differences - net		**(37,400)**	(44,998)
	- due to change in tax rate		**4,120**	351
		32.1	**61,034**	168,782

32.1 Relationship between average effective tax rate and applicable tax rate

	2015	2014
Profit before taxation	**250,331**	391,096
Tax at the applicable rate of 33% (2014: 34%)	**82,609**	132,973
Tax effect of expenses that are not allowable in determining taxable income	**1,691**	2,151
Tax effect of permanent difference	**-**	2,040
Tax effect of liability over three years already offered for tax in prior year	**(81)**	(872)
Tax effect of share of profit from associates and dividend received during the year	**(880)**	(501)
Tax effect of current year tax credits	**(13,310)**	-
Tax effect of prior year tax provision - net	**(12,309)**	35,088
Tax effect of income charged at different rates	**(806)**	(2,448)
Tax effect of change in tax rate for future years	**4,120**	351
Tax charge	**61,034**	168,782

32.2 The income tax assessments of the Company have been finalised upto and including the financial year ended 30 June 2014.

32.3 Return submitted under section 114 of the Income Tax Ordinance, 2001 for the tax years 2007 and 2008 were amended under section 122(5A) of the Income Tax Ordinance, 2001 by the Income Tax Officer (ITO). Expenses amounting to Rs.84 million were disallowed by the taxation officer and were added back to income in respect of above mentioned tax years. However, as a result of the appeal filed by the Company, the Commissioner (Appeals) allowed expenses of Rs.80 million to the Company. The department then filed appeal with the Tribunal against the decision of Commissioner (Appeals) while the Company also filed appeal with the Tribunal for admissibility of the remaining expenses of Rs.4 million. The Tribunal allowed remaining expenses of Rs.4 million on Company's appeal but reinstated disallowances of Rs.74 million in respect of department's appeal. The Company has now filed appeal in the High Court against this decision and is hopeful of a favourable outcome of its appeal.

32.4 The Finance Act, 2015 introduced a new tax under Section 5A of the Income Tax Ordinance, 2001 on every public company other than a scheduled bank or modaraba, that derives profits for tax year and does not distribute cash dividend within six months of the end of said tax year or distribute dividends to such an extent that its reserves, after such distribution, are in excess of 100% of its paid up capital. However, this tax on undistributed reserves is not applicable to a public company which distributes profit equal to either 40 percent of its after tax profits or 50% of its paid up capital, whichever is less, within six months of the end of the tax year.

The Board of Directors in their meeting held on 21 August 2015 has approved sufficient cash dividend for the year ended 30 June 2015 (refer note 43) which complies with the above stated requirements. Accordingly, no provision for tax on undistributed reserves has been recognized in these financial statements for the year ended 30 June 2015.

33. EARNINGS PER SHARE - basic and diluted

	2015	2014
	(Rupees in '000)	
Profit after taxation	**189,297**	222,314
	(Number of shares)	
Weighted average number of ordinary shares issued and subscribed at the end of the year	**28,462,376**	28,462,376
	(Rupees)	
Earnings per share - basic and diluted	**6.65**	7.81

34. CASH GENERATED FROM OPERATIONS

	Note	2015	2014
		(Rupees in '000)	
Profit before taxation		**250,331**	391,096
Adjustment for non cash charges and other items:			
- Depreciation	13.1.3	**141,832**	131,218
- Amortization	14	**674**	-
- Provision for staff retirement benefits	7.1.5	**11,586**	6,853
- Other long-term employee benefits		**4,425**	4,073
- Gain on disposal of fixed assets		**(1,381)**	(1,758)
- Share of profit from associate		**(3,914)**	(2,069)
- Finance costs		**122,243**	93,336
- Working capital changes	34.1	**104,607**	(306,471)
		630,403	316,278

34.1 Working capital changes

	Note	2015	2014
		(Rupees in '000)	
Decrease / (increase) in current assets			
- Stores and spares		**7,190**	(18,223)
- Stock-in-trade		**61,820**	(313,287)
- Trade debts		**67,978**	(150,020)
- Short-term loans and advances		**11,853**	(13,513)
- Short term deposits and payments		**(3,855)**	(14,605)
- Other receivables - net		**24,996**	(12,331)
		169,982	(521,979)
(Decrease) / increase in current liabilities			
Trade and other payables - net		**(65,375)**	215,508
		104,607	(306,471)

35. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of the following items:

	Note	2015	2014
Cash and bank balances	24	**10,506**	31,078
Running finance under mark-up arrangements	11.1	**(106,599)**	(70,717)
		(96,093)	(39,639)

36. FINANCIAL INSTRUMENTS

Financial risk management

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is also responsible for developing and monitoring the Company's risk management policies. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

36.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk of the Company arises principally from the trade debts, loans and advances, trade deposits, bank balances and other receivables. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk the Company has developed a formal approval process whereby credit limits are applied to its customers. The management continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery (and also obtains security / advance payments, wherever considered necessary). Cash is held only with reputable banks with high quality credit worthiness.

The maximum exposure to credit risk at the reporting date is as follows:

	2015	2014
	(Rupees in '000)	
Trade debts	**960,409**	1,028,387
Loans and advances	**5,176**	5,126
Deposits	**14,812**	11,198
Bank balances	**10,285**	30,977
Other receivables	**1,568**	7,696
	992,250	1,083,384

36.1.1 The maximum exposure to credit risk at the balance sheet date by geographic region was as follows:

	2015	2014
Domestic (Pakistan)	**963,950**	1,079,396
Exports / Export Processing Zone (Karachi)	**28,300**	3,988
	992,250	1,083,384

36.1.2 The maximum exposure to credit risk for trade debts at the balance sheet date by type of customer is as follows:

	2015	2014
Dealers and distributors	**442,873**	490,792
End-user customers	**517,536**	537,595
	960,409	1,028,387

36.1.3 As at the year end the Company's most significant customers included a distributor from whom Rs. 107.068 million was due (2014: Rs. 110.581 million) and an end-user from whom Rs. 47.805 million was due (2014: Rs. 109.786 million).

36.1.4 Loans and advances and other receivables mentioned above are due from the employees of the Company, while the deposits are held with the utilities companies, etc. All the financial assets of the Company are unsecured (except as mentioned in note 16).

36.1.5 Impairment losses and past due balances

The aging of trade debt balances at the balance sheet date is as follows:

	2015		2014	
	Gross	Impairment	Gross	Impairment
	(Rupees in '000)			
Not past due	**639,502**	**-**	727,928	-
Past due 1-60 days	**231,134**	**-**	199,421	-
Past due 61 days -1 year	**99,024**	**11,025**	97,420	-
More than one year	**50,649**	**48,875**	41,933	38,315
	1,020,309	**59,900**	1,066,702	38,315

Based on the past experience, consideration of financial position, past track records and recoveries, the Company believes that trade debts past due do not require any impairment except as provided in these financial statements. None of the other financial assets are past due or impaired. Movement of provision against trade debts is disclosed in note 20.2.

36.1.6 Settlement risk

All transactions are settled / paid for upon delivery as per the advice of the management. The Company's policy is to enter into financial instrument contract by following internal guidelines such as approving counter parties and approving credits.

36.1.7 Bank balances

The Company maintain bank balances with banks having good credit rating. Currently the balances are held with banks having long term rating of AAA and AA (as per a credit rating company).

36.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of undiscounted financial liabilities, including interest payments (based on the remaining period to maturity):

	2015					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years	More than two years
	(Rupees in '000)					
Non-Derivative Financial liabilities						
Long term loans and mark up payable	**50,605**	**(62,834)**	**(1,989)**	**(1,956)**	**(31,415)**	**(27,474)**
Trade and other payables	**383,012**	**(383,012)**	**(383,012)**	**-**	**-**	-
Short-term borrowings and mark up payable	**671,872**	**(671,872)**	**(671,872)**	**-**	**-**	**-**
	1,105,489	**(1,117,718)**	**(1,056,873)**	**(1,956)**	**(31,415)**	**(27,474)**

	2014					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
	(Rupees in '000)					
Non-Derivative Financial liabilities						
Trade and other payables	458,867	(458,867)	(458,867)	-	-	-
Short-term borrowings and mark up payable	911,049	(911,049)	(911,049)	-	-	-
	1,369,916	(1,369,916)	(1,369,916)	-	-	-

36.2.1 The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rates effective as at 30 June (and includes both principal and interest payable thereon). The rates of mark-up have been disclosed in note 6 and 11 to these financial statements.

36.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company is exposed to currency risk and interest rate risk only.

36.3.1 Currency risk

Foreign currency risk is the risk that the value of a financial asset or liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

The Company is exposed to currency risk on trade debts, borrowings and import of raw materials that are denominated in a foreign currency (primarily U.S. Dollar). The Company's exposure to foreign currency risk is as follows:

	2015		2014	
	Rupees in '000	US Dollars in '000	Rupees in '000	US Dollars in '000
Trade debts	**28,300**	**278**	3,988	40
Creditors	**(74,214)**	**(728)**	(184,486)	(1,868)
Short term borrowings	**(435,495)**	**(4,272)**	-	-
Accrued mark-up on short term borrowings	**(1,831)**	**(18)**	-	-
Gross exposure	**(483,240)**	**(4,740)**	(180,498)	(1,828)

Above exposure is payable by the Company in Rupees at the rate on which these are settled by the Company.

Following are the significant exchange rates applied during the year:

	Average rates		Balance sheet date rate	
	2015	2014	2015	2014
	(Rupees)		(Rupees)	
US Dollars	**101.84**	101.84	**101.95**	98.75

Sensitivity analysis

A five percent strengthening / (weakening) of the Rupee against US Dollar at 30 June would have increased / (decreased) profit and loss account by Rs. 24.162 million (2014: Rs. 9.026 million). This analysis assumes that all other variables, in particular interest rates, remaining constant. The analysis is performed on the same basis for 2014.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and assets / liabilities of the Company.

36.3.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from short and long term borrowings from banks. At the balance sheet date the interest rate profile of the Company's interest-bearing financial instrument was as follows:

	Carrying amount	
	2015	2014
	(Rupees in '000)	
Fixed Rate Instruments		
Financial liabilities	**435,495**	-
Variable rate instruments		
Financial liabilities	**281,599**	903,190

Foreign currency loans bear fixed interest rate while all other borrowings bear variable interest rate and are indexed to KIBOR. Borrowing is generally determined on the basis of business needs.

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for fixed rate financial liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit and loss account and the equity of the Company.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit or loss as of 30 June 2015 by Rs. 0.423 million (2014: Rs. 0.719 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same `basis for 2014.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and assets / liabilities of the Company.

Interest rate analysis of the financial instruments

A summary of the Company's interest rate gap position, analysed by the earlier of contractual repricing or maturity date is as follows:

	2015		2014	
	Carrying value	Six months or less	Carrying value	Six months or less
	------------- (Rupees in '000) -------------		------------- (Rupees in '000) -------------	
Financial liability				
Borrowing from banks	**717,094**	**717,094**	903,190	903,190

However none of the financial assets of the Company are exposed to interest rate risk. Interest rates of the above borrowings are mentioned in notes 6 and 11.

36.4 Fair value of financial assets and liabilities

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently differences can arise between carrying values and the fair value estimates.

The carrying amounts of all financial assets and liabilities reflected in the financial statements approximate their fair values.

36.5 Capital risk management

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend to the shareholders or issue bonus / new shares.

The Company is not subject to externally imposed capital requirements.

37. OPERATING SEGMENTS

These financial statements have been prepared on the basis of single reportable segment.

37.1 Revenue from cables & wires represents 97% (2014 : 97%) of the total revenue of the company.

37.2 98% (2014: 98%) sales of the Company relates to customers in Pakistan.

37.3 All non-current assets of the Company at 30 June 2015 are located in Pakistan.

37.4 The Company does not have any customer having sales of 10% or more during the year ended 30 June 2015 (2014: 10%).

38. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

38.1 Remuneration of the chief executive and executives

The aggregate amount charged in these financial statements for remuneration including all benefits to the chief executive and executives of the Company were as follows:

	2015		2014	
	Chief executive	Executives	Chief executive	Executives
	(Rupees in '000)		(Rupees in '000)	
Managerial remuneration (including performance bonus)	**42,668**	**106,233**	38,823	81,952
Retirement benefits	**-**	**8,142**	-	4,840
House rent, utilities and others	**9,791**	**40,561**	9,149	31,309
	52,459	**154,936**	47,972	118,101
Number of persons	**1**	**57**	1	45

Executive means an employee of a listed company other than the chief executive and directors whose basic salary exceeds Rs. 0.5 million in a financial year. The chief executive and certain executives of the Company are provided with free use of cars. The chief executive and executives are also provided with medical facilities in accordance with their entitlements.

38.2 Remuneration to non-executive directors

In addition to the above, the aggregate amount charged in these financial statements for directors' fee for Nine directors was Rs. 1.430 million (2014: eight directors - Rs. 1.100 million).

39. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, directors of the Company, key management employees and staff retirement funds. Contribution to defined contribution plan (provident fund) are made as per the terms of employment and contribution to the defined benefit plan (pension scheme) are in accordance with the actuarial advice. Remuneration of key management personnel are in accordance with their terms of employment. Other transactions are at agreed terms.

Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	2015	2014
	(Rupees in '000)	
Sale of goods	723,866	627,782
Discount	-	5,993
Purchase of goods, services and materials	90,212	27,039
Insurance premium	1,514	-
Insurance claim received	1,443	200
Interest received - net	858	2,802
Dividend received	2,016	2,016
Share of total comprehensive income of an associated company under the equity basis of accounting	3,751	2,069
Share of Surplus on revaluation of land and buildings of associated company	5,267	-
Directors' fees	1,430	1,100
Net charge in respect of staff retirement benefit plans	41,164	9,694

Details of balances with related parties are disclosed in notes 7, 10, 15, 20.1 and 30 to these financial statements. Key management personnel of the Company comprises of the Chief Executive Officer and other directors. Their remuneration are disclosed in note 38.1 and 38.2.

40. PLANT CAPACITY AND ACTUAL PRODUCTION

The production capacity of the plant cannot be determined as this depends on the relative proportions of the various types of aluminium sections and types and sizes of cables and wires produced.

41. NUMBER OF EMPLOYEES

The total number of employees as at year end were 443 (2014: 445) and average number of employees were 446.

42. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in their meeting held on 21 August 2015 have proposed for the year ended 30 June 2015, final cash dividend of Rs. 3.00 per share (2014: Rs. 4.50 per share) amounting to Rs. 85.387 million (2014: Rs. 128.081 million) and appropriation to general reserves amounting to Rs. 94.000 million (2014: Rs.85.000 million) for approval by the members of the Company in the Annual General Meeting to be held on 30 September 2015. The financial statements for the year ended 30 June 2015 do not include the effect of the proposed cash dividend and appropriation to general reserves, which will be recognised in the financial statements for the year ending 30 June 2016.

43. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 21 August 2015 by the board of directors of the Company.

Kamal A. Chinoy
Chief Executive

Haroun Rashid
Director

PATTERN OF SHAREHOLDING

as at June 30, 2015

	No. of Shareholders	Shareholding From	Shareholding To	Total Shares Held
	727	1	100	16,351
	428	101	500	116,461
	257	501	1,000	201,887
	374	1,001	5,000	862,846
	88	5,001	10,000	644,714
	29	10,001	15,000	351,214
	9	15,001	20,000	153,942
	8	20,001	25,000	189,881
	4	25,001	30,000	110,661
	3	30,001	35,000	99,054
	4	35,001	40,000	150,450
	1	40,001	45,000	40,643
	1	45,001	50,000	50,000
	1	50,001	55,000	51,493
	-	55,001	65,000	-
	2	65,001	70,000	134,719
	2	70,001	75,000	145,798
	1	75,001	80,000	77,713
	1	80,001	85,000	81,291
	2	85,001	90,000	176,554
	-	90,001	100,000	-
	2	100,001	105,000	206,246
	-	105,001	120,000	-
	1	120,001	125,000	122,540
	-	125,001	185,000	-
	1	185,001	190,000	185,900
	-	190,001	245,000	-
	1	245,001	250,000	246,900
	-	250,001	715,000	-
	1	715,001	720,000	719,999
	-	720,001	730,000	-
	1	730,001	735,000	734,347
	-	735,001	750,000	-
	1	750,001	755,000	753,200
	-	755,001	1,050,000	-
	1	1,050,001	1,055,000	1,053,275
	-	1,055,001	1,320,000	-
	1	1,320,001	1,325,000	1,320,883
	-	1,325,001	1,755,000	-
	1	1,755,001	1,760,000	1,758,827
	-	1,760,001	2,005,000	-
	1	2,005,001	2,010,000	2,009,071
	-	2,010,001	2,425,000	-
	1	2,425,001	2,430,000	2,425,913
	-	2,430,001	2,525,000	-
	1	2,525,001	2,530,000	2,529,271
	-	2,530,001	3,740,000	-
	1	3,740,001	3,745,000	3,740,334
	-	3,745,001	6,995,000	-
	1	6,995,001	7,000,000	6,999,998
	-	7,000,001	28,462,376	-
Total	1,958			28,462,376

Categories of Shareholders	Number	Shares held	Percentage
Associated Companies, Undertakings and Related Parties	2		
International Industries Limited		2,425,913	8.52
GK Technologies, Incorporated		6,999,998	24.59
Mutual Funds	4		
CDC - Trustee National Investment (Unit) Trust		1,758,827	6.18
Golden Arrow Selected Stocks Fund Limited		246,900	0.87
CDC - Trustee AKD Opportunity Fund		185,900	0.65
CDC-Trustee Pak. Int. Element Islamic Asset Allocation Fund		18,400	0.06
Directors, Chief Executive Officer, their Spouses and Minor Children	12	7,115,554	25.00
Executives	5	97,495	0.34
Public Sector Companies and Corporations	-	-	-
Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds	10	146,974	0.52
Shareholders holding five Percent or more voting rights in the Company	1	2,009,071	7.06
General Public	1,918	7,252,833	25.49
Others	6	204,511	0.72
Total	**1,958**	**28,462,376**	**100.00**

Our Network

Head Office:

★ Karachi

Regional Offices:

▲ Lahore

▲ Rawalpindi

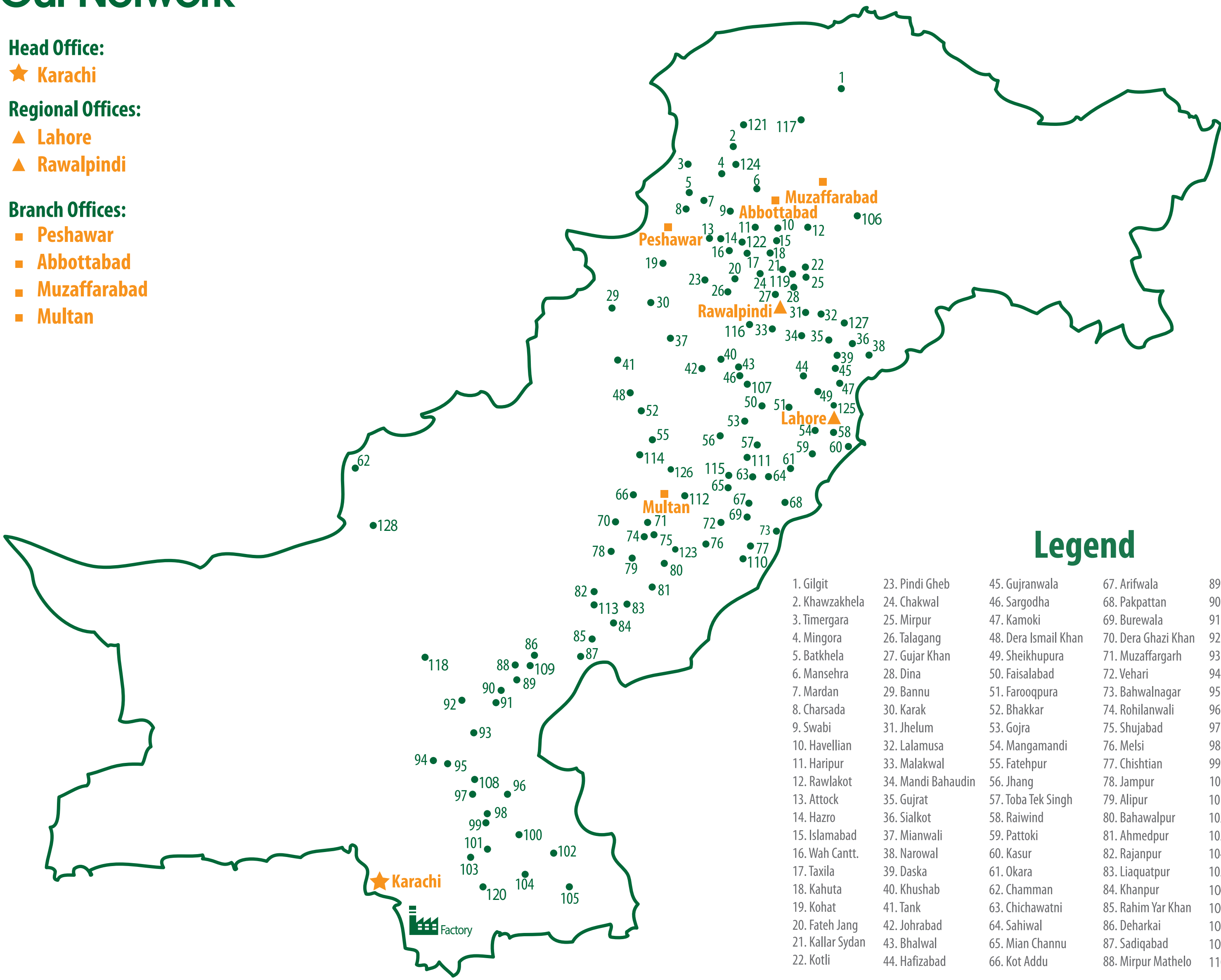
Branch Offices:

▪ Peshawar

▪ Abbottabad

▪ Muzaffarabad

▪ Multan



Legend

1. Gilgit
2. Khawzakhela
3. Timergara
4. Mingora
5. Batkhela
6. Mansehra
7. Mardan
8. Charsada
9. Swabi
10. Havellian
11. Haripur
12. Rawlakot
13. Attock
14. Hazro
15. Islamabad
16. Wah Cantt.
17. Taxila
18. Kahuta
19. Kohat
20. Fateh Jang
21. Kallar Sydan
22. Kotli
23. Pindi Gheb
24. Chakwal
25. Mirpur
26. Talagang
27. Gujar Khan
28. Dina
29. Bannu
30. Karak
31. Jhelum
32. Lalamusa
33. Malakwal
34. Mandi Bahaudin
35. Gujrat
36. Sialkot
37. Mianwali
38. Narowal
39. Daska
40. Khushab
41. Tank
42. Johrabad
43. Bhalwal
44. Hafizabad
45. Gujranwala
46. Sargodha
47. Kamoki
48. Dera Ismail Khan
49. Sheikhupura
50. Faisalabad
51. Farooqpura
52. Bhakkar
53. Gojra
54. Mangamandi
55. Fatehpur
56. Jhang
57. Toba Tek Singh
58. Raiwind
59. Pattoki
60. Kasur
61. Okara
62. Chamman
63. Chichawatni
64. Sahiwal
65. Mian Channu
66. Kot Addu
67. Arifwala
68. Pakpattan
69. Burewala
70. Dera Ghazi Khan
71. Muzaffargarh
72. Vehari
73. Bahawlnagar
74. Rohilanwali
75. Shujabad
76. Melsi
77. Chishtian
78. Jampur
79. Alipur
80. Bahawalpur
81. Ahmedpur
82. Rajanpur
83. Liaquatpur
84. Khanpur
85. Rahim Yar Khan
86. Deharkai
87. Sadiqabad
88. Mirpur Mathelo
89. Panu Aqil
90. Sukkur
91. Khairpur Mirus
92. Larkana
93. Mehrabpur
94. Dadu
95. Moro
96. Sanghar
97. Nawabshah
98. Shahdadpur
99. Tando Adam
100. Mirpur Khas
101. Tando Allahyar
102. Umarkot
103. Hyderabad
104. Jhudoo
105. Mithi
106. Bagh
107. Chinot
108. Daur
109. Ghotki
110. Haroonabad
111. Kamalia
112. khanewal
113. Kot Mithan
114. Layyah
115. Peer Mahal
116. Pind Dadan Khan
117. Skardu
118. Shadad Kot
119. Sohawa
120. Tando Bago
121. Balakot
122. Jharikas
123. Lodhran
124. Oghi
125. Shahdra
126. Shorkot
127. Wazirabad
128. Quetta

Proxy Form

I/We ____

of ____

being a member of **Pakistan Cables Limited** hereby appoint:

______________________________ Folio No. ______________________________

of ____

____(full address)

or failing him ______________________________ Folio No. ______________________________

of ____

____(full address)

as my proxy to attend and vote on my behalf at the 62nd Annual General Meeting of the Company to be held on 30th September, 2015 and at any adjournment thereof.

As witness my hands this ______________________________ day of ____________________ 2015.

Signed by the proxy holder

Please affix
Revenue Stamp
of Rs. 5/-

Signature of Member

In the presence of (Signature / name and address of witnesses)

1) ______________________________ ______________________________

2) ______________________________ ______________________________

Shareholder's Folio No. ______________________________ Number of Shares held ______________________________

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him. Such proxy must be a member of the company.

The instrument appointing a proxy should be signed by the member or by his attorney duly authorised in writing. If the member is a corporation, Its common seal should be affixed to the instrument.

The instrument appointing a proxy, together with the Power of Attorney under which it is signed or a notarially certified copy thereof, should be deposited at the Registered Office of the company not less than 48 hours before the time of holding the meeting.

CDC shareholders or their Proxies should bring their original National Identity Card or Passport along with the Participant's ID Number and their Account Number to facilitate their Identification.

AFFIX
CORRECT
POSTAGE

The Company Secretary
Pakistan Cables Limited
B-21, Pakistan Cables Road, S.I.T.E.,
Karachi-75700

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