



**HALF YEARLY
ACCOUNTS
31st December, 2015**

Pervez Ahmed
Securities Limited



CONTENTS

Company Information	2
Directors' Report	3
Auditor's Report to the Members on Review of Interim Financial Information	4
Condensed Interim Balance Sheet	5
Condensed Interim Profit & Loss Account	6
Condensed Interim Statement of Comprehensive Income	7
Condensed Interim Cash Flow Statements	8
Condensed Interim Statement of Changes in Equity	9
Notes to the Condensed Interim Un-audited Financial Information	10

Company Information

Board of Directors	Mr. Pervez Ahmed Mrs. Rehana Pervez Ahmed Mrs. Ayesha Ahmed Mansoor Mr. Ali Pervez Ahmed Mr. Hassan Ibrahim Ahmed Mr. Muhammad Khalid Khan Mr. Mazhar Pervaiz Malik	Chief Executive
Audit Committee	Mr. Muhammad Khalid Khan Mrs. Ayesha Ahmed Mansoor Mr. Mazhar Pervaiz Malik	Chairman
Chief Financial Officer	Mr. Muhammad Yousuf	
Company Secretary	Mr. Rizwan Atta	
Auditors	M/s Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants	
Legal Advisor	Cornelius, Lane & Mufti Advocates & Solicitors	
Banks	Burj Bank Limited Dubai Islamic Bank Pakistan Limited MCB Bank Limited NIB Bank Limited Silk Bank Limited Summit Bank Limited	
Registered Office	20-K, Gulberg II, Lahore.	
Stock Exchange Office	Room No. 317, Third Floor, Lahore Stock Exchange Building, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.	
Share Registrars	THK Associates (Pvt.) Limited Ground Floor, State Life Building No 3, Dr. Ziauddin Ahmed Road, Karachi - 75530	
Website	www.pervezahmed.net	

DIRECTORS' REPORT

On behalf of the Board of Directors of Pervez Ahmed Securities Limited, I present to you the Company's un-audited financial statements for the half year ended December 31, 2015.

Capital Market Review

The stock market of Pakistan showed mix performance during the three months under review. The stock market showed highest ever closing in August 2015 as the KSE - 100 index crossed 36,000 level but the market was unable to sustain at these levels and the index declined 6% during 1QFY16. Foreign investors pulled out US\$ 105 million from the local stock market.

Financial Results of the Company

During the first quarter ended September 30, 2015 the Company suffered net loss of Rs. 2.80 million as against loss of Rs. 13.71 million during the corresponding period of last year. Loss for the period is mainly due to share of loss of associated undertaking and remeasurement of investments at fair value.

Future Outlook

Besides the political and law and order challenges positive economic activity is expected on the back of lowering inflation and interest rates. We might see a stable positive development in the Karachi Stock market on the improvement on the political front.

Acknowledgement

The Board is thankful to its valued shareholders for their confidence in the Company, its clients, the Securities & Exchange Commission of Pakistan and to the management of Karachi & Lahore Stock Exchanges for their valuable support, assistance and guidance. The Board also appreciates the employees of the Company for their dedication and hard work.

For & on behalf of the Board

Lahore
February 29, 2016

Perez Ahmed
Chief Executive

Auditors' report to the Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of Pervez Ahmed Securities Limited ("the Company") as at December 31, 2015 and the related condensed interim profit and loss account, condensed interim statement of profit or loss and other comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the condensed interim financial statements for the six months period then ended (here-in-after referred to as ("the condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures for three months ended December 31, 2015 of the condensed interim profit and loss account and condensed interim statement of profit or loss and other comprehensive income have not been reviewed as we are required to review only cumulative figures for the six months period ended on that date.

Scope of Review

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

Basis for Adverse Conclusion

Based on information provided to us by management:

- i. As referred to in note 2.2 to the condensed interim financial information, the Company has accumulated losses of Rs. 1,089,097 million. Its current liabilities exceed current assets by Rs. 644.737 million as at the reporting date. Further, the Trading Rights Entitlement Certificate issued to the Company was inactive due to inadequate net capital balance and the same has been transferred to another party. The factors raise doubts about the Company's ability to continue as a going concern. Further, the Company has overdue debt finances and interest/mark-up thereon, as referred to note 8 and note 9 to the condensed interim financial information. One of the creditors has also filed a suit against the Company for recovery of its debts.

In view of the matters discussed in the preceding paragraph, we consider that in the absence of any favourable settlement with the providers of debt finances/creditors, ability to obtain further financing and revival of its operations, the Company may not be able to settle its liabilities and realize its assets in the normal course of business. Consequently, the use of going concern assumption in the preparation of the annexed condensed interim financial information is not appropriate and adjustments may be required to the recorded asset amounts and classification of liabilities. The condensed interim financial information does not disclose this fact.

- ii. The Company has not recognized interest/mark-up on short term borrowings amounting to Rs. 46.8 million upto December 31, 2015. Had this interest/mark-up been recognized, accumulated losses as at December 31, 2015 and the loss for the six months period then ended would have been higher by approximately Rs. 58 million and Rs. 5.7 million respectively. The condensed interim financial information does not disclose this fact.

Conclusion

Based on our review, because of the matters discussed in Basis for Adverse Conclusion paragraph, the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ

Chartered Accountants

Engagement Partner: ZUBAIR IRFAN MALIK

Date: FEBRUARY 29, 2016

Place: LAHORE

PERVEZ AHMED SECURITIES LIMITED

**Condensed Interim Balance Sheet
as at DECEMBER 31, 2015**

	Note	December 31, 2015	June 30, 2015
		Rupees (Un-audited)	Rupees (Audited)
NON-CURRENT ASSETS			
Property and equipment	6	355,764	405,146
Intangible assets		2,000,000	2,000,000
Long term investments	7	623,300,267	624,708,434
Long term deposits - Unsecured, Considered good		1,055,000	1,055,000
		626,711,031	628,168,580
CURRENT ASSETS			
Short term investments		13,732,756	17,759,485
Dividend receivable		9,000,000	9,000,000
Advance income tax/income tax refundable		6,412,695	5,441,579
Cash and bank balances		1,470,601	1,961,947
		30,616,052	34,163,011
CURRENT LIABILITIES			
Trade and other payables		(490,789,517)	(489,498,824)
Accrued interest/mark-up	8	(21,757,327)	(21,757,327)
Short term borrowings	9	(107,940,931)	(107,940,931)
Due to related parties		(54,865,072)	(54,715,072)
		(675,352,847)	(673,912,154)
NET CURRENT ASSETS		(644,736,795)	(639,749,143)
NON-CURRENT LIABILITIES			
Employees retirement benefits		(3,095,244)	(3,091,244)
NET ASSETS		(21,121,008)	(14,671,807)
REPRESENTED BY:			
Authorized capital 230,000,000 (June 30, 2014: 230,000,000) ordinary shares of Rs. 10 each		2,300,000,000	2,300,000,000
Issued, subscribed and paid-up capital		1,865,684,870	1,865,684,870
Discount on issue of ordinary shares		(818,331,810)	(818,331,810)
Accumulated losses		(1,089,096,918)	(1,082,647,717)
Advances against issue of shares		(41,743,858)	(35,294,657)
TOTAL EQUITY		20,622,850	20,622,850
		(21,121,008)	(14,671,807)
CONTINGENCIES AND COMMITMENTS			
	10	-	-
		(21,121,008)	(14,671,807)

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE

DIRECTOR

PERVEZ AHMED SECURITIES LIMITED
Condensed Interim Profit and Loss Account (Un-audited)
for the six months ended December 31, 2015

	Note	Half year ended		Quarter ended	
		December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
		Rupees	Rupees	Rupees	Rupees
Revenue - net		10,790	9,405,120	10,790	9,411,450
Operating expenses		(962,369)	(979,676)	(276,213)	(239,275)
Operating profit/(loss)		(951,579)	8,425,444	(265,423)	9,172,175
Changes in fair value of investments at fair value through profit or loss		(4,026,729)	1,016,346	(2,768,160)	213,345
Other charges		(62,726)	(166,715)	(39,723)	(40,145)
		(5,041,034)	9,275,075	(3,073,306)	9,345,375
Share of loss from associate	7.1.1	(1,408,167)	(15,796,951)	(578,212)	(2,154,098)
(Loss)/profit before taxation		(6,449,201)	(6,521,876)	(3,651,518)	7,191,277
Taxation	7	-	(900,000)	-	(900,000)
(Loss)/profit after taxation		(6,449,201)	(7,421,876)	(3,651,518)	6,291,277
(Loss)/earnings per share - basic and diluted		(0.03)	(0.04)	(0.02)	0.03

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE

DIRECTOR

PERVEZ AHMED SECURITIES LIMITED
Condensed Interim Statement of Profit or loss and Other
Comprehensive Income (Un-audited)
for the six months ended December 31, 2015

	Half year ended		Quarter ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	Rupees	Rupees	Rupees	Rupees
(Loss)/profit after taxation	(6,449,201)	(7,421,876)	(3,651,518)	6,291,277
Other comprehensive income	-	-	-	-
Total comprehensive (loss)/income	<u>(6,449,201)</u>	<u>(7,421,876)</u>	<u>(3,651,518)</u>	<u>6,291,277</u>

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE

DIRECTOR

PERVEZ AHMED SECURITIES LIMITED
Condensed Interim Cash Flow Statement (Un-audited)
for the six months ended December 31, 2015

	December 31, 2015	December 31, 2014
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(6,449,201)	(6,521,876)
Adjustments for non-cash items	5,488,278	5,770,439
Operating loss before changes in working capital	(960,923)	(751,437)
Changes in working capital	1,290,693	(1,188,536)
Net cash generated from/(used in) operations	329,770	(1,939,973)
Payments for		
Income tax	(971,116)	(6,240)
Net cash used in operating activities	(641,346)	(1,946,213)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of intangible assets	-	5,000,000
Proceeds from sale of short term investments	-	1,820,790
Net cash generated from investing activities	-	6,820,790
CASH FLOWS FROM FINANCING ACTIVITIES		
Due from related parties	150,000	(4,493,135)
Net cash generated from/(used in) financing activities	150,000	(4,493,135)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(491,346)	381,442
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,961,947	1,635,421
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,470,601	2,016,863

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE

DIRECTOR

PERVEZ AHMED SECURITIES LIMITED
Condensed Interim Statement of Changes in Equity (Un-audited)
for the six months ended December 31, 2015

	Issued subscribed and paid-up capital	Discount on issue of ordinary shares	Accumulated losses	Advance against issue of ordinary shares	Total equity
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at June 30, 2014 - Audited	1,865,684,870	(818,331,810)	(1,066,982,082)	20,622,850	993,828
Comprehensive income					
Loss after taxation	-	-	(7,421,876)	-	(7,421,876)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	(7,421,876)	-	(7,421,876)
Transaction with owners	-	-	-	-	-
Balance as at December 31, 2014 - Un-audited	<u>1,865,684,870</u>	<u>(818,331,810)</u>	<u>(1,074,403,958)</u>	<u>20,622,850</u>	<u>(6,428,048)</u>
Balance as at January 01, 2015 - Un-audited	1,865,684,870	(818,331,810)	(1,074,403,958)	20,622,850	(6,428,048)
Comprehensive income					
Loss after taxation	-	-	(8,243,759)	-	(8,243,759)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	(8,243,759)	-	(8,243,759)
Transaction with owners	-	-	-	-	-
Balance as at June 30, 2015 - Audited	<u>1,865,684,870</u>	<u>(818,331,810)</u>	<u>(1,082,647,717)</u>	<u>20,622,850</u>	<u>(14,671,807)</u>
Balance as at July 01, 2015 - Audited	1,865,684,870	(818,331,810)	(1,082,647,717)	20,622,850	(14,671,807)
Comprehensive income					
Loss after taxation	-	-	(6,449,201)	-	(6,449,201)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	(6,449,201)	-	(6,449,201)
Transaction with owners	-	-	-	-	-
Balance as at December 31, 2015 - Un-audited	<u>1,865,684,870</u>	<u>(818,331,810)</u>	<u>(1,089,096,918)</u>	<u>20,622,850</u>	<u>(21,121,008)</u>

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

PERVEZ AHMED SECURITIES LIMITED

**Notes to the Condensed Interim Financial Information (Un-audited)
for six months ended December 31, 2015**

1 REPORTING ENTITY

Pervez Ahmed Securities Limited ("the Company") was incorporated in Pakistan on January 31, 1991 as a single member company under the Companies Ordinance, 1984 and was subsequently listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at 20-K, Gulberg II, Lahore. The principal activities of the Company include shares brokerage, trading, consultancy services and underwriting.

2 BASIS OF PREPARATION

The financial information contained in this interim financial report is un-audited and has been presented in condensed form and does not include all the information as is required to be provided in a full set of annual financial statements. This condensed interim financial information should be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2015.

This condensed interim financial information has been subjected to limited scope review by the auditors of the company, as required by the Code of Corporate Governance. The comparative interim balance sheet as at June 30, 2015 and the related notes to the condensed interim financial information are based on audited financial statements. The comparative interim profit and loss account, interim statement of profit or loss and other comprehensive income, interim cash flow statement, interim statement of changes in equity and related notes to the condensed interim financial information for the half year ended December 31, 2014 are based on unaudited, reviewed interim financial information. The interim profit and loss account and interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2015 and December 31, 2014 are neither audited nor reviewed.

2.1 Statement of compliance

This interim financial report has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting, and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984 have been followed.

2.2 Going concern assumption

The Company has accumulated losses of Rs. 1,089.097 million. Its current liabilities exceed current assets by Rs. 644.737 million as at the reporting date. Further, the Trading Rights Entitlement Certificate issued to the Company was inactive due to inadequate net capital balance and the same has been sold to another party. The factors raise doubts about the Company's ability to continue as a going concern. However, these financial statements have been prepared on a going concern basis based on the following:

- The Company is reviewing its operations and various options are under consideration in this regard, including further financial support from directors in the form of interest free loans.
- Negotiations with lenders regarding settlement of overdue debt finances.
- The Company is in continuous efforts to diversify and expand business operations and to make strategic investments to enhance profitability and intrinsic value of the Company. The Company has already invested in a large retail brand which is expected to show robust growth going forward.

2.3 Basis of measurement

The financial information contained in this interim report has been prepared under the historical cost convention except for certain financial instruments at fair value/amortized cost and employees retirement benefits at present value. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

2.4 Judgements, estimates and assumptions

The preparation of financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.5 Functional currency

This financial information is prepared in Pak Rupees which is the Company's functional currency.

3 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS EFFECTIVE DURING THE YEAR

The following new/revised standards/interpretations and amendments are effective in the current year but are either not relevant to the Company or their application does not have any material impact on the interim financial information of the Company.

IFRS 10 - Consolidated Financial Statements (2011)

The standard replaces those parts of IAS 27 - Consolidated and Separate Financial Statements, that address when and how an investor should prepare consolidated financial statements and supersedes SIC 12 - Consolidation: Special Purpose Entities.

IFRS 11 - Joint Arrangements (2011)

The standard supersedes IAS 31 - Interest in Joint Ventures and SIC 13 - Jointly Controlled Entities: Non-monetary Contributions by Venturers.

IFRS 12 - Disclosure of Interests in Other Entities (2011)

The standard introduces disclosure requirements relating to interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities.

IFRS 13 - Fair Value Measurement (2011)

The standard establishes a single framework for measuring fair value where that is required by other standards.

Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (Amendments to IFRS 10 – Consolidated Financial Statements, IFRS 11 – Joint Arrangements and IFRS 12 – Disclosure of Interests in Other Entities)

The amendments provide transitional relief by limiting the requirement to provide adjusted comparative information to only the preceding comparative period. Also, amendments to IFRS 11 and IFRS 12 eliminate the requirement to provide comparative information for periods prior to the immediately preceding period.

Investment Entities (Amendments to IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statement)

The amendments provide exemption from consolidation of particular subsidiaries by certain entities defined as "Investment Entities" and require additional disclosures where such subsidiaries are excluded from consolidation pursuant to exemption.

4 NEW AND REVISED STANDARDS/INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE.

The following standards, interpretations and amendments are in issue which are not effective as at the reporting date and have not been early adopted by the Company.

	Effective date (annual periods beginning on or after)
Equity method in Separate Financial Statements (Amendments to IAS 27 - Separate Financial Statements)	January 01, 2016
Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11 – Joint Arrangements)	January 01, 2016
Sale or contribution of assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures).	Deferred Indefinitely
Clarification of Acceptable Methods of Depreciation and Amortization (Amendments to IAS 16 – Property, Plant and Equipment and IAS 38 – Intangible Assets)	January 01, 2016
Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10 - Consolidated Financial Statements, IFRS 12 - Disclosure of Interests in Other Entities, IAS 28 - Accounting for Investments in Associates and Joint Ventures)	January 01, 2016
Agriculture: Bearer Plants (Amendments to IAS 16 – Property, Plant and Equipment and IAS 41 – Agriculture)	January 01, 2016
Recognition of Deferred Tax Assets for Unrealized Losses (Amendments to IAS 12 - Income Taxes)	January 01, 2017
Disclosure initiative (Amendments to IAS 1 - Presentation of Financial Statements)	January 01, 2016
Disclosure initiative (Amendments to IAS 7 - Statement of Cash Flows)	January 01, 2017
Annual Improvements 2012-2014 cycle	January 01, 2016
	Effective date (annual periods beginning on or after)
IFRS 9 – Financial Instruments: Classification and Measurement	January 01, 2018
IFRS 14 – Regulatory Deferral Accounts	January 01, 2016
IFRS 15 – Revenue from Contracts with Customers	January 01, 2018
IFRS 16 – Leases	January 01, 2019

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the Company's financial statements other than in presentation/disclosures.

5 ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2015.

	Note	December 31, 2015	June 30, 2015
		Rupees	Rupees
		(Un-Audited)	(Audited)
6 PROPERTY AND EQUIPMENT			
Net book value at the beginning of the period/year		405,146	538,698
Depreciation for the period/year		(49,382)	(133,552)
Net book value at end of the period/year		355,764	405,146

Half Year Ended December 31, 2015

		December 31, 2015	June 30, 2015
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
7 LONG TERM INVESTMENTS			
Investments in related parties	7.1	606,036,167	607,444,334
Other investments		17,264,100	17,264,100
		<u>623,300,267</u>	<u>624,708,434</u>
7.1 Investment in related parties			
Pervez Ahmed Capital (Private) Limited	7.1.1	88,073,742	89,481,909
Origins Fabrics (Private) Limited	7.1.2	517,962,425	517,962,425
		<u>606,036,167</u>	<u>607,444,334</u>

7.1.1 This represents investment in ordinary shares of Pervez Ahmed Capital (Private) Limited, an associate within the definition of 'Associate' under International Accounting Standard 28 - Investment in Associates and Joint Ventures. Accordingly, the investment Pervez Ahmed Capital (Private) Limited has been accounted for using the equity method. Particulars of investment are as follows:

		December 31, 2015	June 30, 2015
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
Cost of investment			
8,498,300 (June 30, 2015: 8,498,300) ordinary shares of Rs. 10 each		84,983,000	84,983,000
Share of post acquisition profits		3,090,742	4,498,909
		<u>88,073,742</u>	<u>89,481,909</u>
Percentage of ownership interest		<u>49.36%</u>	<u>49.36%</u>

Extracts of financial statements of associate

The assets and liabilities of Pervez Ahmed Capital (Private) Limited as at the reporting date and related revenue and profit for the period/year then ended based on the un-audited financial statements (June 30, 2015: audited financial statements) are as follows:

		December 31, 2015	June 30, 2015
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
Assets		178,508,580	181,469,050
Liabilities		113,311	220,877
Loss for the period/year		(2,852,904)	(44,648,634)
Share of loss		(1,408,167)	(22,038,153)

7.1.2 This represents investment in 900,000 ordinary shares of Origins Fabric (Private) Limited ('OFPL'). OFPL was incorporated for the purpose of acquiring exclusive rights of ORIGINS LAWN, an extension of an already established and renowned retail brand ORIGINS READY TO WEAR. The Company's shareholding in OFPL comprises 10,000 voting ordinary shares of Rs. 10 each and 890,000 non-voting ordinary shares of Rs. 10 each. The voting power held by the Company does not constitute control or significant influence. Therefore the investment has been accounted for under International Accounting Standard 39 - Financial Instruments: *Recognition and Measurement*. The details are as follows:

		December 31, 2015	June 30, 2015
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
Cost of investment			
900,000 (June 30, 2015: 900,000) ordinary shares of Rs. 10 each		9,000,000	9,000,000
Accumulated changes in fair value		508,962,425	508,962,425
		<u>517,962,425</u>	<u>517,962,425</u>

8 ACCRUED INTEREST/MARK-UP

This represents over-due interest mark-up on borrowings.

9 SHORT TERM BORROWINGS - UNSECURED

These represent overdue borrowings. The Company does not have any lines of credit arrangements as the reporting date.

10 CONTINGENCIES AND COMMITMENTS

There is no change in the status of contingencies and commitments since June 30, 2015.

7 PROVISION FOR TAXATION

7.1 Current taxation

Provision for taxation has been made under section 113 of the Income Tax Ordinance, 2001.

7.2 Deferred taxation

The Company has net deferred tax asset amounting to Rs. 378 million as at December 31, 2015 which has not been recognized as taxable profits are not expected to be available in future against which the deferred tax asset could be utilized.

8 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise sponsors, associates and associated undertakings, and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company.

Key management personnel do not draw any compensation from the Company. Transactions with sponsors are limited to provision of temporary interest free loans to the Company and those with associates and associated undertakings include investment in equity securities temporary borrowings.

Details of transactions with related parties are as follows:

		Half year ended	
		December 31, 2015	December 31, 2014
		Rupees	Rupees
		(Un-Audited)	(Un-Audited)
8.1 Transactions with related parties			
Nature of relationship	Nature of transaction		
Associates and associated undertakings	Investment in equity securities	-	9,000,000
	Borrowings obtained/(repaid)	150,000	(33,135)
	Sale of Trading Rights Entitlement	-	5,000,000
Sponsors	Borrowings obtained/(repaid)	-	(4,460,000)
		December 31, 2015	June 30, 2015
		Rupees	Rupees
		(Un-Audited)	(Audited)

8.2 Balances with related parties

Nature of relationship	Nature of balance		
Associates and associated undertakings	Investment in equity securities	616,625,187	621,972,614
	Advance against issue of ordinary shares	20,622,850	20,622,850
	Borrowings	18,900,000	18,900,000
Sponsors	Borrowings	35,965,072	35,815,072
Key management personnel	Short term employee benefits payable	2,452,331	2,452,331
	Post employment benefits payable	2,340,000	2,340,000

9 FINANCIAL INSTRUMENTS

9.1 Financial instruments by class and category

9.1.1 Financial assets

Loans and receivables

Bank balances	1,470,601	1,961,947
---------------	-----------	-----------

Available for sale financial assets

Long term investments	17,264,100	17,264,100
-----------------------	------------	------------

Financial assets at fair value through profit or loss

Long term investments	517,962,425	517,962,425
Short term investments	13,732,756	17,759,485
	550,429,882	554,947,957

		December 31, 2015	June 30, 2015
		Rupees	Rupees
		(Un-Audited)	(Audited)
9.1.2 Financial liabilities			
<i>Financial liabilities at amortized cost</i>			
Short term borrowings		107,940,931	107,940,931
Accrued interest/mark-up		21,757,327	21,757,327
Trade creditors		473,321,347	473,016,344
Accrued liabilities		2,460,331	2,460,331
Payable against purchase of investment		4,086,000	4,086,000
Due to related parties		54,865,072	54,715,072
Unclaimed dividend		885,404	885,404
		665,316,412	664,861,409

9.2 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

9.2. Financial instruments measured at fair value

The Company measures some of its financial instruments at fair value at the end of each reporting period. Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements and has the following levels.

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value hierarchy of financial instruments measured at fair value and the information about how the fair values of these financial instruments are determined are as follows:

Financial instruments	Hierarchy	Valuation techniques and key inputs	December 31, 2015 <i>Rupees</i> <i>(Un-Audited)</i>	June 30, 2015 <i>Rupees</i> <i>(Audited)</i>
Available for sale financial assets				
Investment in equity securities (fair value measurement annually)	Level 3	Income Approach Discounted cash flows	517,962,425	517,962,425
Financial assets at fair value through profit or loss				
Investment in listed equity securities	Level 1	Quoted bid prices in an active market	13,732,756	17,759,485

9.2. Financial instruments not measured at fair value

The management considers the carrying amount of all financial instruments not measured at fair value at the end of each reporting period to approximate their fair values as at the reporting date.

10 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period that may require adjustment of and/or disclosure in this condensed interim financial report.

11 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in this condensed interim financial information.

12 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information have been approved by the Board of Directors of the Company and authorized for issue on February 29, 2016.

13 GENERAL

Registered Office: | 20-K Gulberg II, Lahore.

| Ph: (042) 3575 9621, 3575 9464, 3571 4810

| Fax: (042) 3571 0312