



Directors' Report to the Share Holders

Your Directors take this opportunity to present financial statements of the Company for the third quarter ended March 31, 2009.

The comparative data for production of clinker/cement and dispatches of cement for the third quarter is summarized as under:

	Third Quarter Ended		Nine Months Ended	
	Mar. 2009	Mar. 2008	Mar. 2009	Mar. 2008
Clinker Production	55,658	20,591	184,169	167,996
Cement :				
Production	65,341	21,458	199,365	175,671
Dispatches	68,824	19,959	204,111	174,984

The operating performance of the Company suffered during the third quarter due to closure of the factory for more than a month for major planned maintenance. Further, the net retention of the Company decreased to Rs.4,261 per tonne from Rs.4,504 per tonne as compared to the previous quarter. This is reflected in financial results as tabulated below:

	Third Quarter Ended		Nine Months Ended	
	Mar. 2009	Mar. 2008	Mar. 2009	Mar. 2008
	(Rs. in Million)		(Rs. in Million)	
Gross profit / (loss)	(15.1)	(39.8)	27.1	(178.9)
Operating Loss	(38.4)	(57.7)	(57.7)	(245.9)
Loss before taxation	(95.7)	(111.9)	(247.1)	(403.0)
Net Loss after taxation	(95.7)	(112.1)	(203.8)	(331.0)

The Company is expecting that after the recently completed major maintenance of the plant, production will be up to its rated capacity, which in return will substantially improve profitability besides bringing continuity and sustainability to its production.

The Board of Directors appreciates the efforts and devotion of the executives and the entire management team and anticipates that they will contribute towards the enhancement of the productivity and well being of the Company in future with even greater zeal & spirit.

For and on behalf of the Board

KAMRAN RASOOL
Chief Executive

Lahore: April 28, 2009



Balance Sheet

	March 2009	June 2008
CAPITAL AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital 100,000,000 ordinary shares of Rs.10 each	1,000,000	1,000,000
Issued, subscribed and paid-up capital	948,400	948,400
Share premium reserve	31,801	31,801
Accumulated loss	(2,086,753)	(1,915,158)
	(1,106,552)	(934,957)
SURPLUS ON REVALUATION OF FIXED ASSETS	1,230,406	1,262,615
	123,854	327,658
NON CURRENT LIABILITIES		
Loan from banking companies	1,020,000	1,020,000
Other loans	442,521	438,085
Liabilities against assets subject to finance lease	-	30
Deferred liabilities	355,324	398,585
Long term advances and deposits	7,335	7,258
	1,825,180	1,863,958
CURRENT LIABILITIES		
Trade and other payables	395,920	316,308
Mark up accrued	342,637	161,909
Short term borrowings	352,532	375,702
Current maturity of long term loans and liabilities	36,915	40,501
Taxation	15,790	15,790
	1,143,794	910,210
CONTINGENCIES AND COMMITMENTS 3	-	-
	3,092,828	3,101,826

The annexed notes form an integral part of these interim financial statements.

MANSOOR RASHEED
Director



As At March 31, 2009 (un-audited)

	March 2009	June 2008
PROPERTY AND ASSETS		
NON CURRENT ASSETS		
FIXED ASSETS - Tangible		
Operating fixed assets	2,323,163	2,382,119
Capital work in progress	155,325	155,244
	2,478,488	2,537,363
Long term loans	411	276
Long term security deposits	10,312	10,315
Deferred cost	-	28,384
	2,489,211	2,576,338
CURRENT ASSETS		
Stores, spares and loose tools	160,434	135,896
Stock in trade	14,473	42,166
Loans and advances	374,051	298,232
Deposits, and short term prepayments	5,899	6,448
Balances with statutory authorities	24,825	22,281
Interest accrued	9,479	9,447
Other receivables	2,070	683
Cash and bank balances	12,386	10,335
	603,617	525,488
	3,092,828	3,101,826


KAMRAN RASOOL
Chief Executive



Profit and Loss Account

for the period ended March 31, 2009 (un-audited)

	Third quarter ended		Nine months ended	
	Mar 2009	Mar 2008	Mar 2009	Mar 2008
	(Rupees in thousand)		(Rupees in thousand)	
SALES (Net)	293,235	56,773	902,533	427,053
COST OF SALES	308,330	96,528	875,477	605,982
GROSS PROFIT \ (LOSS)	(15,095)	(39,755)	27,056	(178,929)
OPERATING EXPENSES				
Administration and general	22,686	17,556	79,644	58,407
Distribution cost	595	436	5,113	8,630
	(23,281)	(17,992)	(84,757)	(67,037)
OPERATING LOSS	(38,376)	(57,747)	(57,701)	(245,966)
Financial Charges	(57,845)	(53,019)	(190,116)	(157,100)
Other income / (charges)	542	(1,090)	752	52
LOSS BEFORE TAXATION	(95,679)	(111,856)	(247,065)	(403,014)
TAXATION				
- Current	-	265	-	2,257
- Deferred	-	-	(43,261)	(74,251)
	-	265	(43,261)	(71,994)
NET LOSS AFTER TAXATION	(95,679)	(112,121)	(203,804)	(331,020)
Accumulated loss brought forward	(2,001,810)	(1,737,471)	(1,915,158)	(1,541,156)
Incremental depreciation due to revaluation of fixed assets for the period	10,736	11,292	32,209	33,876
Accumulated loss carried to balance sheet	(2,086,753)	(1,838,300)	(2,086,753)	(1,838,300)
Loss per share - Basic (Rupees)	(1.01)	(1.18)	(2.15)	(3.49)


MANSOOR RASHEED
Director


KAMRAN RASOOL
Chief Executive



Cash Flow Statement

for the period ended March 31, 2009 (un-audited)

	March 2009	March 2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(247,065)	(403,014)
Adjustments of items not involving movement of cash:		
Depreciation	63,020	66,096
Provision for Gratuity	-	2,168
Amortization of deferred cost	28,384	30,137
Gain on disposal of fixed assets	(388)	-
Financial charges	190,116	157,100
	281,132	255,501
Operating cash flows before working capital changes	34,067	(147,513)
(Increase)/Decrease in operating asset :		
Stores, spares and loose tools	(24,538)	(50,784)
Stock in trade	27,693	(8,718)
Loans and advances	(75,819)	(58,172)
Deposits and short term prepayments	549	(5,249)
Other receivables	(1,417)	(1,082)
Increase/(Decrease) in trade and other payables	80,078	(213,345)
	6,546	(337,350)
	40,613	(484,863)
Long term advances and deposits	77	1,189
Gratuity paid	(467)	(1,024)
Financial charges paid	(9,388)	(104,870)
Income tax paid	(2,544)	(498)
Net Cash Flows From Operating Activities	28,291	(590,066)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed assets - Tangible	(4,281)	(19,986)
Sale proceeds of fixed assets	524	-
Long term loans and deposits	(132)	(452)
Net Cash Flows From Investing Activities	(3,889)	(20,438)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share Capital	-	270,000
Loan from Banking companies	-	269,000
Other Loans	1,436	(11,283)
Repayment of lease liability (Net)	(617)	(1,089)
Short term borrowings	(23,170)	72,890
Net Cash Flows From Financing Activities	(22,351)	599,518
Net Increase /(Decrease) in Cash and Cash Equivalents	2,051	(10,986)
Cash and cash equivalents at beginning of the period	10,335	14,007
Cash and cash equivalents at end of the period	12,386	3,021

MANSOOR RASHEED
Director

KAMRAN RASOOL
Chief Executive



Statement of Changes in Equity

for the period ended March 31, 2009 (un-audited)

	Share capital	Share premium reserve	Accumulated Loss	Total share capital and reserves	Surplus on revaluation of fixed assets	Total
	(Rupees in Thousand)					
Balance as at July 01, 2007	678,400	31,801	(1,541,156)	(830,955)	1,307,782	476,827
Loss for the period	-	-	(331,020)	(331,020)	-	(331,020)
Shares issued during the period	270,000	-	-	270,000	-	270,000
Incremental depreciation transferred to surplus on revaluation of fixed assets' account	-	-	33,876	33,876	(33,876)	-
Balance as at March 31, 2008	948,400	31,801	(1,838,300)	(858,099)	1,273,906	415,807
Balance as at July 01, 2008	948,400	31,801	(1,915,158)	(934,957)	1,262,615	327,658
Loss for the period	-	-	(203,804)	(203,804)	-	(203,804)
Incremental depreciation due to revaluation charged to surplus:	-	-	32,209	32,209	(32,209)	-
Balance as at March 31, 2009	948,400	31,801	(2,086,753)	(1,106,552)	1,230,406	123,854

MANSOOR RASHEED
Director

KAMRAN RASOOL
Chief Executive

Notes to the Accounts

for the period ended March 31, 2009 (un-audited)

1. These interim condensed financial statements have been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the listing regulations of the Karachi and Lahore Stock Exchanges. The accounting policies adopted in these interim condensed financial statements are the same as those applied in the preparation of the preceding annual published accounts.
2. Figures have been rounded off to the nearest thousand rupees and figures of previous year have been rearranged wherever necessary to facilitate the comparison.
3. CONTINGENCIES AND COMMITMENTS
Contingencies and commitments are unchanged since last published half yearly accounts of the Company.
4. DATE OF AUTHORISATION
These financial statements were authorised for issue on April 28, 2009 by the Board of Directors of the Company.

MANSOOR RASHEED
Director

KAMRAN RASOOL
Chief Executive