



Company Information

Board of Directors

Mr. Muhammad Rasheed (Chief Executive)
Mrs. Tanveer Rasheed (Chairperson)
Mr. Mansoor Rasheed
Mr. Saud Rasheed
Ms. Rizwana Rasheed
Mrs. Ayesha Mansoor
Mrs. Amina Saud

Audit Committee

Mr. Saud Rasheed (Chairman)
Mrs. Ayesha Mansoor
Mrs. Amina Saud

Chief Financial Officer

Mr. Dawood Ahmad

Company Secretary

Mr. Abdul Khair

Statutory Auditors

Amin, Mudassar & Co.
Chartered Accountants

Legal Advisor

International Legal Services

Bankers

United Bank Limited
National Bank of Pakistan
Habib Bank Limited
The Bank of Punjab
Bank Alfalah Limited
KASB Bank Limited
Saudi Pak Commercial Bank Limited
PICIC Commercial Bank Limited

Registered Office

30-Sher Shah Block, New Garden Town, Lahore
Telephone: 5869827, 5842316, Fax: 5831846

Factory

DANDOT R.S., Distt. Jhelum.
Telephone: (0544) 211371, 211491 Fax: (0544) 211490

Share Registrar

Corplink (Pvt.) Ltd.
Wings Arcade 1-K-Commercial, Model Town, Lahore.
Telephone: 5839182, 5887262 Fax: 5869037

Website

www.dandotcement.com



Directors' Report to the Share Holders

On behalf of the Board of Directors of your company, I would like to present the unaudited accounts of the Company for the first quarter ended September 30, 2008.

The comparative data for production of clinker & cement and despatches of cement for the first quarter is summarized hereunder:

	September 2008 Tonnes	September 2007 Tonnes
Clinker Production	71,075	91,317
Cement: Production	75,624	88,912
Despatches	79,343	88,491

During the quarter under review the Company's production of clinker and cement decreased by 22.2% and 15.9% respectively whereas the Company's despatches of cement decreased 10.3% in comparison with the previous corresponding quarter. Capacity utilization was 60.0% during the quarter under review in comparison with 71.4% in the previous comparable quarter. The decrease in operating performance of the Company is mainly attributed to interruption in electric supply, load shedding, low voltage from Wapda and due to some maintenance issues.

The Company earned operating profit of Rs.13.8 million in the quarter under review, as against operating loss of Rs. 41.3 million in the corresponding quarter of preceeding year. Further the Company reduces its loss after taxation of Rs. 47.9 million for the first quarter under review as against loss after taxation of Rs.59.6 million in the comparable previous quarter. There was decrease in the operational performance of the Company, but better sale price of Rs.4,446 per ton as against Rs.2,418 per ton in the previous corresponding quarter, resulted in the improvement of the financial results.

An increase in administrative expense from 11.7 million to 23.9 million is mainly due to amortization of discount on issue of right shares, whereas increase in financial charges was because of increase in State Bank of Pakistan's discount rate and upward movement of KIBOR.

The Board of Directors appreciates the efforts and devotion of the employees, the executives and the entire team of management and anticipates that they will contribute towards the enhancement of the productivity and well being of the Company in future with greater zeal & valuable spirit. The Board extends its gratitude to the financial institutions for their valued support and co-operation for the prosperity of the Company.

For and on behalf of the Board

MUHAMMAD RASHEED
Chief Executive

Lahore : November 27, 2008



Balance Sheet

	September 2008	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	(1,946,565)	(1,915,158)
	(966,364)	(934,957)
SURPLUS ON REVALUATION OF FIXED ASSETS	1,246,096	1,262,615
	279,732	327,658
NON CURRENT LIABILITIES		
Loan from banking companies	1,020,000	1,020,000
Other loans	441,430	438,085
Liabilities against assets subject to finance lease	-	30
Deferred liabilities	398,585	398,585
Long term advances and deposits	7,402	7,258
	1,867,417	1,863,958
CURRENT LIABILITIES		
Trade and other payables	336,400	316,308
Mark up accrued	221,996	161,909
Short term borrowings	359,746	375,702
Current maturity of long term loans and liabilities	40,516	40,501
Taxation	15,790	15,790
	974,448	910,210
CONTINGENCIES AND COMMITMENTS 3	-	-
	3,121,597	3,101,826

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

SAUD RASHEED
Director



As At September 30, 2008 (un-audited)

	September 2008	June 2008
PROPERTY AND ASSETS		
NON CURRENT ASSETS		
FIXED ASSETS - Tangible		
Operating fixed assets	2,360,537	2,382,119
Capital work in progress	155,325	155,244
	2,515,862-	2,537,363
Long term loans	254	276
Long term security deposits	10,302	10,315
Deferred cost	-	28,384
	2,526,418	2,576,338
CURRENT ASSETS		
Stores, spares and loose tools	154,656	135,896
Stock in trade	29,079	42,166
Loans and advances	337,038	298,232
Deposits, deferred cost and short term prepayments	27,339	6,448
Balances with statutory authorities	22,398	22,281
Interest accrued	9,479	9,447
Other receivables	4,969	683
Cash and bank balances	10,221	10,335
	595,179	525,488
	3,121,597	3,101,826


MUHAMMAD RASHEED
Chief Executive



Profit and Loss Account

for the period ended September 30, 2008 (un-audited)

	September 2008	September 2007
	(Rupees in thousand)	
SALES (Net)	352,764	213,977
COST OF SALES	311,690	241,968
GROSS PROFIT / (LOSS)	41,074	(27,991)
OPERATING EXPENSES		
Administration and general	23,943	11,774
Distribution cost	3,315	1,580
	(27,258)	(13,354)
OPERATING PROFIT / (LOSS)	13,816	(41,345)
Financial Charges	(61,741)	(17,421)
Other income / (charges)	-	230
NET LOSS BEFORE TAXATION	(47,925)	(58,536)
TAXATION - Current	-	1,071
NET LOSS AFTER TAXATION	(47,925)	(59,607)
Accumulated loss brought forward	(1,915,158)	(1,541,156)
Incremental depreciation due to revaluation of fixed assets for the period	16,518	17,372
Accumulated loss carried to balance sheet	(1,946,565)	(1,583,391)
Loss per share - Basic (Rupees)	(0.51)	(0.88)


SAUD RASHEED
Director


MUHAMMAD RASHEED
Chief Executive



Cash Flow Statement

for the period ended September 30, 2008 (un-audited)

	September 2008	September 2007
	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(47,925)	(58,536)
Adjustments of items not involving movement of cash:		
Depreciation	22,014	22,154
Provision for Gratuity	-	1,150
Amortization of deferred cost	7,000	-
Financial charges	61,741	17,421
	90,755	40,725
Operating cash flows before working capital changes	42,830	(17,811)
(Increase)/Decrease in operating assets:		
Stores, spares and loose tools	(18,760)	(11,077)
Stock in trade	13,087	(17,139)
Loans and advances	(38,808)	(116,813)
Deposits and short term prepayments	493	(4,754)
Other receivables	(4,317)	(5,878)
Increase/(Decrease) in trade and other payables	20,151	(23,711)
	(28,154)	(179,372)
	14,676	(197,183)
Long term advances and deposits	1,44	1,467
Gratuity paid	(57)	(943)
Financial charges paid	(1,654)	(34,191)
Income tax paid	(117)	(162)
Net Cash Flows From Operating Activities	12,992	(231,012)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed assets - Tangible	(513)	(6,305)
Long term loans and deposits	34	(175)
Net Cash Flows From Investing Activities	(479)	(6,480)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan from banking companies	-	270,000
Other loans	3,345	(18,700)
Repayment of lease liability (Net)	(142)	(808)
Short term borrowings	(15,830)	3,377
Net Cash Flows From Financing Activities	(12,627)	253,869
Net Increase/(Decrease) in Cash and Cash Equivalents	(114)	16,377
Cash and cash equivalents at beginning of the period	10,335	14,007
Cash and cash equivalents at end of the period	10,221	30,384


SAUD RASHEED
Director


MUHAMMAD RASHEED
Chief Executive



Statement of Changes in Equity

for the period ended September 30, 2008 (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	-	-	(59,607)	(59,607)	-	(59,607)
Incremental depreciation transferred to surplus on revaluation of fixed assets' account	-	-	17,372	17,372	(17,372)	-
Balance as at September 30, 2007	678,400	31,801	(1,583,391)	(873,190)	1,290,410	417,220
Balance as at July 01, 2008	948,400	31,801	(1,915,158)	(934,957)	1,262,615	327,658
Loss for the period	-	-	(47,925)	(47,925)	-	(47,925)
Incremental depreciation due to revaluation charged to surplus:	-	-	16,518	16,518	(16,518)	-
Balance as at September 30, 2008	948,400	31,801	(1,946,565)	(966,364)	1,246,097	279,733


SAUD RASHEED
Director


MUHAMMAD RASHEED
Chief Executive

Notes to the Accounts

for the period ended September 30, 2008 (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 audited accounts of the Company.
4. DATE OF AUTHORISATION

These financial statements were authorised for issue on November 27, 2008 by the Board of Directors of the Company.


SAUD RASHEED
Director


MUHAMMAD RASHEED
Chief Executive