



GHARIBWAL CEMENT LIMITED



QUARTERLY REPORT
for the period ended
SEPTEMBER 30, 2008





GHARIBWAL CEMENT LIMITED

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for the period ended
SEPTEMBER 30, 2008



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Company Information

BOARD OF DIRECTORS

Mr. Muhammad Tousif Peracha

Chairman & Chief Executive

Mr. Abdur Rafique Khan

Director

Mrs. Tabassum Tousif Peracha

Director

Mr. Ali Rashid Khan

Director

Mrs. Amna Khan

Director

Mr. M. Niaz Piracha

Director

Mr. Asif Muhammad Ali

Director

BANKERS

Askari Bank Limited

Citibank N.A.

Faysal Bank Limited

Habib Bank Limited

KASB Bank Limited

MCB Bank Limited

My Bank Limited (Bolan Bank Limited)

National Bank of Pakistan

NIB Bank Limited

Saudi Pak Commercial Bank Limited

The Bank of Khyber

The Bank of Punjab

The Royal Bank of Scotland (ABN AMRO Bank (Pakistan) Limited)

United Bank Limited

REGISTERED OFFICE

34 - Main Gulberg, P.O. Box 1285, Lahore.

UAN : 042 - 111-210-310

Fax : 042 - 5871039 & 59

E-mail: info@gharibwalcement.com

WORKS

Ismailwal, Distt. Chakwal

WEBSITE

www.gharibwalcement.com

AUDIT COMMITTEE

Mrs. Tabassum Tousif Peracha

Chairperson and Member

Mr. M. Niaz Piracha

Member

Mr. Asif M. Ali

Member

CHIEF FINANCIAL OFFICER

Mr. Waqar Naeem

COMPANY SECRETARY

Mr. Abbas Rashid Siddiqi

AUDITORS

M/s. Viqar A. Khan & Co.

Chartered Accountants

INTERNAL AUDITORS

M/s. Aftab Nabi & Co.

Chartered Accountants

LEGAL ADVISOR

M/s. Bandial & Associates, Lahore.

SHARES REGISTRAR

M/s. Corplink (Pvt.) Limited

Shares Registrar, Wings Arcade,

1-K, Commercial,

Model Town, Lahore.

Tel: 042-5887262, 5839182

Fax: 042-5869037

Directors' Report to the Members

On behalf of the Board of Directors, I present the financial results (un-audited) of Gharibwal Cement Limited for the First Quarter ended September 30, 2008 of the current financial year.

Operational Performance – The operating results of the Company during the period under review (from July 01, 2008 to September 30, 2008) are as under:

	New Cement Plant (Metric Tons)	Old Cement Plant (Metric Tons)
Clinker production	145,957	20,660
Cement production	9,738	32,496
Cement despatches	870	37,091

Financial Performance – The financial results for the period under review are as under:

	September 30 2008	September 30 2007
Rupees in thousand		
Operating Profit / (Loss) before taxation	23,606	(49,859)
Taxation - Deferred	(7,943)	—
Profit / (Loss) after taxation	31,549	(49,859)
Earnings per share (Rupees)	0.136	(0.215)

During the period under review, your Company has posted sales net revenue of Rs. 168.155 million as against Rs. Nil for the corresponding quarter of the preceding





year. Likewise, the Company has posted an operating profit of Rs. 59.496 million as against operating loss of Rs. 41.715 million for the first quarter ended Sept. 30, 2007.

The Company has earned Profit After Tax of Rs. 31.549 million for the quarter under review as against Loss After Tax of Rs. 49.859 million suffered during the first quarter ended Sept. 30, 2007.

New Plant Performance – By the Grace of the Almighty, the new plant began producing clinker from July 25, 2008 whereas exports of clinker began in September 2008. The New Plant has commenced production and is undergoing the required Performance Guarantee Tests under the supervision of the experts from the Plant Suppliers.

We are pleased to report that your Company will be marketing the cement from the New Plant using the name “**PAIDAR CEMENT**” carrying the new logo.

Acknowledgement – The Board of Directors appreciates the financial institutions for extending their valued cooperation and the contractors, both local and foreign, for their untiring efforts in the expansion of the production facility. All the works and head offices employees are commended for their devotion and hard work. A mark of gratitude is also registered for the financial institutions.

For and on behalf of the Board

MUHAMMAD TOUSIF PERACHA
(Chairman & Chief Executive)

Lahore: October 30, 2008

Condensed Interim Balance Sheet

As at September 30, 2008 (Un-audited)

	Un-audited September 30 2008 (Rupees in thousand)	Audited June 30 2007
SHARE CAPITAL AND RESERVES		
Authorized share capital 250,000,000 Ordinary Shares of Rs.10 each	2,500,000	2,500,000
Issued, subscribed & paid up share capital	2,318,764	2,318,764
General reserve	332,000	332,000
Accumulated loss	(614,736)	(654,985)
	2,036,028	1,995,779
SURPLUS ON REVALUATION OF FIXED ASSETS	1,032,750	1,041,449
NON CURRENT LIABILITIES		
Term finance certificates	399,840	399,840
Long term murabah finance	101,241	107,041
Long term loans, finances & other payables	5,471,782	5,138,675
Liabilities against assets subject to finance lease	80,430	107,520
Long term deposits from customers	1,150	1,150
Deferred taxation	106,009	113,952
Deferred liabilities	5,240	5,370
	6,165,692	5,873,548
CURRENT LIABILITIES		
Trade and other payables	701,350	482,013
Accrued interest / markup	182,211	311,185
Short term loan and finances	166,584	192,537
Current portion of redeemable capital	160	160
Current portion of murabah finance	65,267	59,467
Current portion of non current liabilities	518,345	509,681
Taxes and duties	81,045	41,444
	1,714,962	1,596,487
CONTINGENCIES AND COMMITMENTS	-	-
	10,949,432	10,507,263



M. Tousif Peracha
Chief Executive

Condensed Interim Balance Sheet

As at September 30, 2008 (Un-audited)

	Un-audited September 30 2008 (Rupees in thousand)	Audited June 30 2007
PROPERTY PLANT & EQUIPMENT		
Operating fixed assets	2,289,829	2,316,429
Capital work in progress	7,045,255	6,928,369
Stores held for capital expenditure	74,888	74,888
	9,409,971	9,319,686
OTHER NON CURRENT ASSETS		
Long term investments	653	653
Long term loans & advances to staff	759	1,245
Long term deposits & prepayments	49,957	54,907
Deferred cost	10,644	14,192
	62,013	70,997
CURRENT ASSETS		
Store, spare and loose tools	239,393	262,388
Stock in trade	549,340	77,753
Trade debtors	-	-
Loans and advances	522,969	507,432
Trade deposits and short term prepayments	32,737	26,956
Accrued interest	1,535	332
Other receivables	125,718	85,213
Cash and bank balances	5,756	156,506
	1,477,448	1,116,580
	10,949,432	10,507,263


Abdur Rafique Khan
Director

Condensed Interim Profit and Loss Account

For the period ended September 30, 2008 (Un-audited)

	September 30 2008 (Rupees in thousand)	September 30 2007
Sales-net	168,155	-
Cost of sales	90,656	23,973
Gross profit/(loss)	77,499	(23,973)
Operating expenses		
General & administrative	17,037	16,857
Selling & distribution	966	875
Other charges	-	10
	18,003	17,742
Operating profit/(loss)	59,496	(41,715)
Other operating income	2,297	2,578
	61,793	(39,137)
Finance costs	38,187	10,722
Operating profit/(loss) before taxation	23,606	(49,859)
Taxation -Deferred	(7,943)	-
Profit/(loss) after taxation	31,549	(41,374)
Earning/(loss) per share - Rupees	0.136	(0.215)



M. Tousif Peracha
Chief Executive



Abdur Rafique Khan
Director

Condensed Interim Cash Flow Statement

For the period ended September 30, 2008 (Un-audited)

	September 30 2008 (Rupees in thousand)	September 30 2007
NET CASH OUTFLOW FROM OPERATING ACTIVITIES (From Page 10)	(162,633)	(164,328)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(109,684)	(774,034)
Interest on bank deposits received	-	2,578
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(109,684)	(771,456)
CASH FLOW FROM FINANCING ACTIVITIES		
Right shares issued	-	600,000
Long term loans & finances-net	341,772	247,944
Repayment of foreign currency loans	-	(188,097)
Lease finances-net	(27,090)	(81,455)
Short term finances-net	(25,953)	(135,901)
Financial charges paid	(167,161)	6,908
NET CASH INFLOW FROM FINANCING ACTIVITIES	121,568	449,399
NET DECREASE IN CASH & CASH EUVALENTS	(150,750)	(486,385)
CASH AND CASH EQUIVALENTS - At the beginning of the period	156,506	750,932
CASH AND CASH EQUIVALENTS -at the end of the period	5,756	264,547



M. Tousif Peracha
Chief Executive



Abdur Rafique Khan
Director

Condensed Interim Cash Flow Statement

For the period ended September 30, 2008 (Un-audited)

	September 30 2008 (Rupees in thousand)	September 30 2007
CASH FLOW FROM OPERATING ACTIVITIES		
Profit /(loss) for the period before taxation	23,606	(49,858)
Adjustments for:		
Depreciation	19,399	25,272
Financial charges	38,187	10,722
Interest on bank deposits	-	(25,789)
Amortization of discount on issue of shares	3,548	5,000
	84,740	(34,653)
Long term deposits and prepayments	4,950	2,778
Long term loans and advances to staff	486	(639)
Accumulated compensated absences	(130)	-
Taxes and duties	68,069	11,963
CASH FLOW FROM OPERATING ACTIVITIES		
- Before working capital changes	158,115	(20,551)
(Increase)/ Decrease in current assets		
- Stores spares & loose tools	22,995	(5,091)
- Stock in trade	(471,587)	(219)
- Advances, deposits, prepayments and other receivables-net	(63,025)	(184,748)
Increase in current liabilities		
- Trade and other payables	219,337	58,244
	(292,280)	(131,814)
CASH OUTFLOW FROM OPERATING ACTIVITIES		
- Before taxation	(134,164)	(152,365)
Taxes and duties paid	(28,469)	(11,963)
CASH OUT FLOW FROM OPERATING ACTIVITIES	(162,633)	(164,328)



M. Tousif Peracha
Chief Executive



Abdur Rafique Khan
Director

Condensed Interim Statement of Changes in Equity

For the period ended September 30, 2008 (Un-audited)

Particulars	Share Capital	Share Subscription Money	General Reserve	Accumulated Loss	Total
(Rupees in thousand)					
Balance as at June 30, 2007	1,718,764	-	332,000	(372,757)	1,678,007
Loss for the period (July 01, 2007 to Sep 30, 2007)	-	-	-	(49,858)	(49,858)
Share Deposit Money Received	-	600,000	-	-	600,000
Right Shares Issued	600,000	(600,000)	-	-	-
Surplus on revaluation of fixed assets					
-Incremental depreciation	-	-	-	8,485	8,485
Balance as at September 30, 2007	2,318,764	-	332,000	(414,130)	2,236,634
Loss for the period (Oct 01, 2007 to June 30, 2008)	-	-	-	(265,340)	(265,340)
Deferred Tax on incremental surplus	-	-	-	24,485	24,485
Balance as at June 30, 2008	2,318,764	-	332,000	(654,985)	1,995,779
Profit for the period (July 01, 2008 to Sep 30, 2008)	-	-	-	31,549	31,549
Surplus on revaluation of fixed assets					
-Incremental depreciation	-	-	-	8,700	8,700
Balance as at September 30, 2008	2,318,764	-	332,000	(614,736)	2,036,028



M. Tousif Peracha
Chief Executive



Abdur Rafique Khan
Director

Notes to the Accounts

For the period ended September 30, 2008 (Un-audited)

- 1 The accounting policies adopted in these quarterly financial statements are the same as those applied in the preparation of preceding annual published financial statements. The company has started trial production from its new dry process grey cement plant of 6,700 TPD during July 2008. The cement mills went into operations on 16th september, 2008, while packing plant started its operations on 26th september, 2008.
- 2 Revenue generated from new dry process grey cement plant is not taken in the profit and loss account, as the new plant is passing through trial run.
- 3 Cost of sales includes depreciation of Rs 15.82 million on account of old dry process plant.
- 4 Contingencies & commitments remained unchanged since last published financial statements except for the reduction in capital commitments to the extent of increase in capital work in progress.
- 5 There is no material change in tax losses from those mentioned in annual published audited financial statements for the year ended June 30, 2008.
- 6 These financial statements are authorized for issue by the board of directors in their meeting held on October 30, 2008.
- 7 Figures have been rounded off to the nearest thousand rupee.



M. Tousif Peracha
Chief Executive



Abdur Rafique Khan
Director

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GHARIBWAL CEMENT LIMITED



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