
Quarterly Report
for the period ended
September 30, 2009



GHARIBWAL CEMENT LIMITED

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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. Jawaid Aziz Peracha
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
Silk Bank (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 - 35871039 & 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. Jawaid Aziz Peracha
Member

CHIEF FINANCIAL OFFICER

Mr. Shafiq ur Rehman

COMPANY SECRETARY

Mr. Muhammad Shamail Javed

AUDITORS

M/s. Ernst & Young Ford Rhodes Sidat Hyder
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: 042-35887262, 35839182
Fax: 042-35869037

Directors' Report to the Members

On behalf of the Board of Directors of Gharibwal Cement Limited, we present the unaudited financial statements of Gharibwal Cement Limited for the first quarter ended on September 30, 2009.

Company Performance

A brief summary of financial results for the period under report are as under:

	September 30, 2009 Rs. (000)	September 30, 2008 Rs. (000)
Sales-Net	793, 159	168,155
Gross Profit	577	77,499
(Loss)/Profit after Tax	(314,882)	31,549
Earning Per Share - Rs.	(1.36)	0.14

The significant loss in operations was due to low retention price, high financial cost and ancillary inflation in the cost of production. The decline in the retention price occurred in June 2009 due to decrease in the demand of Cement in Government as well as Private sectors. We anticipate that the current prices in domestic market would prevail during next quarter as well.

The export prices however are a bit encouraging and contributing some margins towards fixed overheads. We are trying hard and putting our utmost efforts to penetrate into the foreign markets which mainly include, Afghanistan, Africa and Middle East, etc. This will





help us recover the loss in the domestic market and to sustain positive cash flows to support the 100% production capacity.

We are negotiating with our debt sponsors (Banks and Financial Institutions) in order to restructure the debt re-payments plans and to reduce the mark-up rates. Furthermore, we are in the process of persuading the Banks and Financial Institutions to give us additional running finance facilities to bridge the liquidity crunch occurred due to significant losses.

Despite all the financial difficulties and doubts about the reinstatement of the local market price, management is committed to work hard to achieve profitability for the next three quarters as well as to recover the loss sustained during first quarter.

I extend the gratitude on behalf of "The Board of Directors" to all the stakeholders in Gharibwal Cement Limited, including Banks & Financial Institutions, all the employees, suppliers and our valuable customers for their immense efforts and dedication towards making Gharibwal Cement Limited a successful operating concern.

For and on behalf of the Board of Directors

MUHAMMAD TOUSIF PERACHA
(Chairman & Chief Executive)

Lahore: November 07, 2009

Condensed Interim Balance Sheet

As at September 30, 2009 (Un-audited)

	Un-audited September 30 2009 (Rupees in thousand)	Audited June 30 2009
SHARE CAPITAL AND RESERVES		
Authorized share capital 250,000,00 ordinary shares of Rs. 10 each	2,500,000	2,500,000
Issued, subscribed and paid up share capital	2,318,764	2,318,764
General reserve	332,000	332,000
Accumulated loss	(1,503,371)	(1,195,555)
	1,147,394	1,455,209
SURPLUS ON REVALUATION OF FIXED ASSETS	1,004,000	1,011,107
NON CURRENT LIABILITIES		
Redeemable capital	399,612	399,680
Long term loans, finances and other payables	2,785,869	2,769,723
Liabilities against assets subject to finance lease	36,642	52,297
Deferred liabilities	148,174	147,035
	3,370,299	3,368,735
CURRENT LIABILITIES		
Trade and other payables	1,381,060	1,309,743
Accrued interest / mark-up	677,006	494,644
Short term loans and finances	720,024	744,578
Current portion of redeemable capital	160	160
Current portion of non-current liabilities	2,545,314	2,588,738
Taxes and duties	774,765	552,147
	6,098,329	5,690,010
CONTINGENCIES AND COMMITMENTS	-	-
	11,620,021	11,525,061



M. Tousif Peracha
Chief Executive

Condensed Interim Balance Sheet

As at September 30, 2009 (Un-audited)

	Un-audited September 30 2009 (Rupees in thousand)	Audited June 30 2009
PROPERTY, PLANT & EQUIPMENT		
Operating fixed assets	10,294,684	10,259,678
OTHER NON CURRENT ASSETS		
Advances and deposits	53,285	62,354
	10,347,969	10,322,032
CURRENT ASSETS		
Stores, spares and loose tools	281,420	278,334
Stock in trade	283,594	371,989
Loans and advances	629,568	432,032
Trade debtors	28,969	52,694
Cash and bank balances	48,501	67,980
	1,272,052	1,203,029
	11,620,021	11,525,061


Abdur Rafique Khan
Director

Condensed Interim Profit and Loss Account

For the period ended September 30, 2009 (Un-audited)

	September 30 2009 (Rupees in thousand)	September 30 2008
Sales-net	793,159	168,155
Cost of sales	792,582	90,656
Gross profit	577	77,499
General and administrative expenses	13,147	17,037
Selling and distribution expenses	39,108	966
	52,255	18,003
	(51,679)	59,496
Other operating income	256	2,297
Profit / (loss) from operations	(51,423)	61,793
Finance cost	263,459	38,187
Profit / (loss) before taxation	(314,882)	23,606
Taxation	-	(7,943)
Profit /(loss) after taxation	(314,882)	31,549
Earning per share-basic and diluted (rupees)	(1.36)	0.14



M. Tousif Peracha
Chief Executive



Abdur Rafique Khan
Director

Condensed Interim Cash Flow Statement

For the period ended September 30, 2009 (Un-audited)

	September 30 2009 (Rupees in thousand)	September 30 2008
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before taxation	(314,859)	23,606
Adjustments for non cash charges & others:		
Depreciation on operating fixed assets	23,922	19,399
Financial charges	263,459	38,187
Long term deposits & prepayments & advances to staff	-	5,306
Taxes & duties	5,963	68,069
Amortization of discount on issue of shares	-	3,548
Financial charges paid	(81,097)	(167,161)
Taxes & duties paid	-	(28,469)
	212,247	(61,121)
Effect on cash flows due to working capital changes		
(Increase)/decrease in current assets	(103,158)	(511,616)
Increase/(decrease) in current liabilities	301,315	219,337
Cash generated/(used) in operations	95,544	(329,794)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(47,470)	(109,684)
Net cash outflow from investing activities	(47,470)	(109,684)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) from redeemable capital	(68)	-
Receipts/(repayment) of long term loans & advances-net	(27,278)	341,772
Repayment of lease finance liabilities-net	(15,655)	(27,090)
Short term finances-repayments	(24,554)	(25,954)
Net cash inflow/(outflow) from financing activities	(67,553)	288,728
Net decrease in cash & cash equivalents	(19,479)	(150,750)
Cash and cash equivalents at the beginning of the period	67,980	156,506
Cash and cash equivalents at the end of the period	48,501	5,756



M. Tousif Peracha
Chief Executive



Abdur Rafique Khan
Director

Condensed Interim Statement of Changes in Equity

For the period ended September 30, 2009 (Un-audited)

Particulars	Share Capital	General Reserve	Accumulated Loss	Total
(Rupees in thousand)				
Balance as at June 30, 2008	2,318,764	332,000	(654,985)	1,995,779
Profit for the period (July 01, 2008 to September 30, 2008)	-	-	31,549	31,549
Surplus on revaluation of fixed asses incremental surplus	-	-	8,700	8,700
Balance as at September 30, 2008	2,318,764	332,000	(614,736)	2,036,028
Balance as at June 30, 2009	2,318,764	332,000	(1,195,555)	1,455,209
Loss for the period (July 01, 2009 to September 30, 2009)	-	-	(314,882)	(314,882)
Surplus on revaluation of fixed asses	-	-	7,066	7,066
Balance as at September 30, 2009	2,318,764	332,000	(1,503,370)	1,147,394



M. Tousif Peracha
Chief Executive



Abdur Rafique Khan
Director

Notes to the Accounts

For the period ended September 30, 2009 (Un-audited)

1 The accounting policies adopted in these quarterly financial statements are the same as those applied in the preparation of last annual published financial statements of the Company.

		September 30 2009	June 30 2009
2	Property Plant & Equipment consists of the followings:		
	Operating fixed assets	2.1 10,093,537	10,163,325
	Capital work in progress	201,147	96,353
		10,294,684	10,259,678

2.1 Written down value of operating fixed assets as on Sep, 30, 2009 after accounting of depreciation Rs.10,093,537, this value is calculated as under:

	Operating Fixed Assets		
	Written down value as on June, 30, 2009	10,163,325	10,331,860
	Depreciation for 1st Quarter	69,788	168,535
	Written down value as on September, 30, 2009	10,093,537	10,163,325

3 Contingencies & commitments remained unchanged since last annual published financial statements for the Company.

4 These financial statements are authorized for issue by the Board of Directors of the Company in their meeting held on November 07, 2009.

	September 30 2009
5	Cost of sales is arrived as under:
	Raw Material
	Packing Material
	Fuel & Oil
	Stores & Spares
	Salary, wages & other
	Depreciation
	Stock adjustment
	Cost of Sales
	87,897
	75,403
	403,840
	23,591
	61,168
	69,551
	71,132
	792,582

6 Figures have been rounded off to the nearest of the thousand rupees.



M. Tousif Peracha
Chief Executive



Abdur Rafique Khan
Director