



GHARIBWAL CEMENT LIMITED

**Condensed Interim financial Information
for the half year ended
DECEMBER 31, 2010**



www.gharibwalcement.com

28-B/3, Gulberg, III P.O Box 1285, Lahore.
UAN: 042-111-210-310
Fax: 042-35871039 & 59
E-mail: info@gharibwalcement.com

CONTENTS

Company Information	2
Director Report to the Members	3-4
Review Report to the Members	5
Balance Sheet	6-7
Profit and Loss Account	8
Cash Flow Statement	9
Statement of Changes in Equity	10
Notes to the Accounts	11-15



Company Profile

BOARD OF DIRECTORS

Mr. Muhammad Tousif Peracha
Chairman & Chief Executive

Mr. Abdur Rafique Khan
Director

Mrs. Tabassum Tousif Peracha
Director

Mr. Nazir Ahmed Peracha
Director

Mr. M. Ishaque Khokhar
Director

Mr. M. Niaz Piracha
Director

Mr. Jawaid Aziz Peracha
Director

CHIEF FINANCIAL OFFICER

Mr. Ehsan R. Sheikh FCA

COMPANY SECRETARY

Mr. Muhammad Shamail Javed ACA

BANKERS

Askari Bank Limited
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 Limited (Saudi Pak Commercial Bank Limited)
The Bank of khyber
The Bank of Punjab
United Bank Limited

AUDIT COMMITTEE

Mrs. Tabassum Tousif Peracha
Chairperson and Member

Mr. M. Niaz Piracha
Member

Mr. Jawaid Aziz Peracha
Member

AUDITORS

M/s. Hyder Bhimji & Co.
Chartered Accountants

INTERNAL AUDITORS

M/s. Aftab Nabi & Co.
Chartered Accountants

LEGAL ADVISOR

Bandial Law Associates

REGISTERED OFFICE

28-B/3, Gulberg, III 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

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

Dear members,

Your Directors hereby present half-yearly condensed interim financial information, duly reviewed by the statutory auditors, and their report on the Company's operating results for the period ended 31 December 2010.

During the period under review, the overall sales volume of the cement industry registered a decline of 11.2% compared to the dispatches made during the corresponding period of last year. Domestic sales dropped by 8% and exports were down by 17%. This was attributable to devastating floods, curtailment in development activities by the Government due to budgetary constraints and the declining trend in export prices of cement in the international market. A similar trend has been reflected in your Company's operating results.

FINANCIAL RESULTS

The comparative financial results of the Company for the period under review are as follows:

	2010	2009	Increase/ (Decrease)
----- (Rupees in thousands) -----			
Sales Revenue - Net	1,179,387	1,444,555	(265,168)
Operating Loss	170,346	233,084	(62,738)
Finance Cost	391,535	579,182	(187,647)
Net Loss After Taxation	574,000	822,477	(248,477)

It is evident from the above comparison that despite a drop of Rs. 265,168 million, or 18.4% in the sales revenue of your Company, the Operating Loss registered a favorable variance. This loss remained at Rs. 170.346 million, while it was Rs. 233.084 million during the corresponding period of last year. Cost of Sales exceeded last year's average by 11.9, attributed mainly to higher fuel & power cost and increase in other components of cost due to inflationary pressures. This was, however, partially absorbed by improvement in net retention price and non-repetition of export sales through sea freight.

FUTURE PROSPECTS

Domestic demand of cement has shown signs of improvement during the following quarter with the commencement of reconstruction activities in the flood affected areas of the Country. Gradual improvement in the net retention price of cement and seasonal surge in its demand are expected to contribute positively towards the financial results of the Company. Liquidity constraints would however, continue to hamper capacity utilization with some improvement over the preceding period.



DIRECTORS' REPORT

Auditors' Observation

As reported earlier, based on the restructuring of credit facilities by the financial institutions and continuing support from the sponsoring directors, the Board is confident that the Company would have adequate resources to operate its business on a sustainable basis for the foreseeable future. These financial statements have accordingly been prepared on a going concern basis.

Acknowledgment

The Board is thankful to its members, employees, bankers, distributors and business partners for their continued support of the Company and trust in its management.

For and on behalf of the Board

Muhammad Tousif Peracha
Chairman & Chief Executive

Lahore: April 20, 2011



A member of
KRESTON INTERNATIONAL
with affiliated offices worldwide

Amin Building, 65 - The Mall,
Lahore - Pakistan.
Tel: 042 - 37352661 - 37321043
Fax: 042 - 37359515
E-mail : bhimgar@wol.net.pk
: info-lhr@hyderbhimji.com

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO MEMBERS

Introduction

We have reviewed the accompanying condensed interim balance sheet of Gharibwal Cement Limited as at December 31, 2010, and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof for the six months then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this 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 interim financial information based on our review. The figures of the condensed interim profit and loss account for the quarters ended December 31, 2010 and 2009 have not been reviewed as we are required to review only the cumulative figures for the six months ended December 31, 2010.

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 consists 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respect, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Without qualifying our review report, we draw attention of the members towards note 1.2 of the condensed interim financial information, which disclosed the appropriateness of the going concern assumption used by the company in spite of the fact that the company has been suffering even gross losses and its loss for the period and accumulated loss at the six months ended December 31, 2010 stood at Rs. 574.000 million and Rs. 3,224.234 million respectively; and as of that date its current liabilities exceeded its current assets by Rs. 3,811.263 million. All these situations indicate the existence of a material uncertainty, which may cast significant doubt about the company's ability to continue as a going concern.

Lahore:

HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS
Engagement Partner - Syed Aftab Hameed



CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2010

Note	Un-Audited 31-12-2010	Audited 30-06-2010
------	--------------------------	-----------------------

(Rupees in 000s)

ASSETS

NON CURRENT ASSETS

Property, plant and equipment	5	11,881,188	12,044,869
Long term loans		1,206	1,270
Long term deposits		52,686	56,645
		<u>11,935,080</u>	<u>12,102,784</u>

CURRENT ASSETS

Stores, spares and loose tools		362,593	351,604
Stock in trade		120,026	109,483
Trade debts		51,991	33,762
Advances, deposits and other receivables		335,585	227,219
Tax refunds due from the government		127,157	76,119
Cash and bank balances		44,305	21,140
		<u>1,041,657</u>	<u>819,327</u>

TOTAL ASSETS

<u>12,976,737</u>	<u>12,922,111</u>
-------------------	-------------------

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

Chief Executive

Director



CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2010

Note	Un-Audited 31-12-2010	Audited 30-06-2010
------	--------------------------	-----------------------

(Rupees in 000s)

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized capital 470,000,000 (2010: 250,000,000) ordinary shares 6 of Rs. 10 each		<u>4,700,000</u>	<u>2,500,000</u>
Issued, subscribed and paid up capital	7	4,002,739	2,318,764
Revenue reserves			
General reserve		332,000	332,000
Accumulated loss		(3,224,234)	(2,694,482)
		<u>(2,892,234)</u>	<u>(2,362,482)</u>
		<u>1,110,505</u>	<u>(43,718)</u>

SHARE DEPOSIT MONEY	7.1	-	1,683,975
---------------------	-----	---	-----------

SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		2,315,916	2,360,164
--	--	-----------	-----------

NON CURRENT LIABILITIES

Redeemable capital	8	364,636	-
Long term borrowings		3,381,046	3,359,647
Liabilities against assets subject to finance lease	9	37,076	11,916
Deferred Income	9	13,224	-
Deferred liabilities		901,414	714,867
		<u>4,697,396</u>	<u>4,086,430</u>

CURRENT LIABILITIES

Trade and other payables		1,726,604	1,601,621
Accrued interest / mark-up		455,181	393,945
Short term borrowings		466,565	485,017
Current portion of non-current liabilities		821,763	1,319,599
Taxes and duties payable		1,382,807	1,035,078
		<u>4,852,920</u>	<u>4,835,260</u>

CONTINGENCIES AND COMMITMENTS	10		
-------------------------------	----	--	--

<u>12,976,737</u>	<u>12,922,111</u>
-------------------	-------------------

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

Chief Executive

Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2010

Note	6 months		3 months	
	Jul-Dec 2010	Restated Jul-Dec 2009	Oct-Dec 2010	Oct-Dec 2009
----- (Rupees in 000s) -----				
Sales - net	1,179,387	1,444,555	883,426	651,396
Cost of sales	(1,251,989)	(1,514,412)	(940,095)	(721,621)
Gross loss	(72,602)	(69,857)	(56,669)	(70,225)
Operating expenses				
Selling and distribution	(8,191)	(129,572)	(4,404)	(90,464)
General and administrative	(98,615)	(35,648)	(26,616)	(22,500)
Other operating Income	9,062	1,993	4,074	1,737
	<u>(97,744)</u>	<u>(163,227)</u>	<u>(26,946)</u>	<u>(111,227)</u>
Loss from operations	(170,346)	(233,084)	(83,615)	(181,452)
Finance cost	(391,535)	(579,182)	(220,630)	(315,723)
Loss before taxation	(561,881)	(812,266)	(304,245)	(497,175)
Taxation	(12,119)	(10,211)	(12,119)	(10,211)
Loss after taxation	(574,000)	(822,477)	(316,364)	(507,386)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	(574,000)	(822,477)	(316,364)	(507,386)
Rupees				
Loss per share (basic & diluted)	(2.47)	(3.55)	(1.35)	(2.19)

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

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2010

Note	Jul-Dec 2010	Restated Jul-Dec 2009	
	----- (Rupees in 000s) -----		
Cash (outflow) / inflow from operation	12	(44,141)	473,144
Finance cost paid		(24,326)	(367,728)
Net increase/(decrease) in long term advances and deposits		4,022	-
Net increase/(decrease) in taxes and duties		216,684	(29,574)
Net cash inflow from operating activities		152,239	75,842
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(37,022)	(86,781)
Proceeds from sales of fixed assets		64,411	-
Profit / interest received		1,372	509
Net cash inflow / (outflow) from investing activities		28,761	(86,272)
CASH FLOW FROM FINANCING ACTIVITIES			
Change in long term borrowings		(239,770)	(139,524)
Change in short term borrowings		(18,452)	153,716
Change in directors' loan		101,252	-
Payment of lease finance liability		(865)	(28,672)
Net cash outflow from financing activities		(157,835)	(14,480)
Net decrease in cash and cash equivalents		23,165	(24,910)
Cash and cash equivalents at beginning of the year		21,140	67,980
Cash and cash equivalents at end of the period		44,305	43,070

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

Chief Executive

Director



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2010**

	Share Capital	General Reserves	Accumulated Loss	Total
	----- (Rupees in 000s) -----			
Balance as at June 30, 2009	2,318,764	332,000	(1,695,856)	954,908
Effect of correction of compensatory error (Note 13)			(29,468)	(29,468)
Total Comprehensive loss for the half year ended 31-12-2009 - restated	-	-	(822,477)	(822,477)
Surplus on revaluation of fixed assets transferred: - Incremental depreciation charged during the year [net off deferred tax of Rs. 7.654 million]	-	-	14,214	14,214
Balance as at December 31, 2009 - restated	2,318,764	332,000	(2,533,587)	117,177
Total Comprehensive loss for the half year ended 30-06-2010 (Note 13)	-	-	(175,545)	(175,545)
Surplus on revaluation of fixed assets transferred: - Incremental depreciation charged during the year [net off deferred tax of Rs. 7.888 million]	-	-	14,650	14,650
Balance as at June 30, 2010	2,318,764	332,000	(2,694,482)	(43,718)
Issuance of shares otherwise than right issue	1,683,975			1,683,975
Total Comprehensive loss for the half year ended 31-12-2010	-	-	(574,000)	(574,000)
Surplus on revaluation of fixed assets transferred: - Incremental depreciation charged during the year [net off deferred tax of Rs. 15.668 million million] - on disposal of fixed assets	-	-	29,097 15,151	29,097 15,151
Balance as at December 31, 2010	4,002,739	332,000	(3,224,234)	1,110,505

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

Chief Executive

Director



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2010**

1 LEGAL STATUS AND OPERATIONS

1.1 The Company was incorporated in Pakistan on December 29, 1960 as a Public Limited Company; its shares are quoted on Karachi and Lahore Stock Exchanges. It is principally engaged in production and sale of cement. The registered office of the Company is situated at 28-B/3, Gulberg III, Lahore.

1.2 During the period under report, the Company incurred net loss amounting to Rs 574.000 million which increased accumulated loss to Rs. 3,224.234 million. Further, as of the balance sheet date, the current liabilities exceeded current assets by Rs. 3,811.263 million (2010: 4,015.933 million) which is mainly due to the huge amounts on account of "trade & other payables" and "taxes & duties" aggregating to Rs. 3,109.412 million.

In order to mitigate the above situation, the Company has already taken appropriate steps, including reduction in the cost of production by using alternative fuel resources and employing experienced technical staff to ensure the smooth operation of the new plant. Moreover, the management of the Company anticipates that the present increase in sale prices will continue further and demand for cement is also expected to rise significantly. Hence, the aforementioned anticipated increase in the sale price and demand along with the other measures, as stated above, will improve the profitability and liquidity position of the Company.

In addition to the restructuring of credit facilities with the various financial institutions and the leasing companies, the outstanding loan of the sponsoring directors amounting to Rs. 1,684 million have been converted into equity. In order to further improve the liquidity position, the sponsoring directors have also offered their personal properties for the settlement of Company's loan for which legal formalities are under process.

Based on the support of the sponsoring directors and the projections prepared by the Company's management, which have been approved by the Board of Directors and also reviewed by the financial institutions, the management is of the view that the Company would have adequate resources to continue its business on a sustainable basis in the foreseeable future; and therefore will continue to be a going concern. Accordingly the management of the company is justified to prepare this condensed interim financial information by using the going concern assumption.

2 STATEMENT OF COMPLAINT

This condensed interim financial information is un-audited but subject to limited scope review by the statutory auditors and has been prepared in accordance with International Financial Reporting standard 'IAS-34 - Interim Financial Reporting' and should be read in conjunction with the Annual Financial Report for the year ended June 30, 2010.

3 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of this condensed interim financial information is the same as those applied in preparation of financial statements for the year ended June 30, 2010.

4 SIGNIFICANT ESTIMATES

The preparation of this condensed interim financial information requires management to make judgments, estimates and assumptions that effected the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and related disclosures at the date of financial statements. Actual results may differ from those estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies, key estimates and uncertainty includes:

- depreciation method, residual values and useful life of depreciable assets;
- taxation;
- staff retirement benefits; and
- provisions and contingencies



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2010

	Note	Un-Audited 30-12-2010 ----- (Rupees in 000s) -----	Audited 30-06-2010
5 PROPERTY, PLANT AND EQUIPMENTS			
Operating fixed assets	5.1	11,722,295	11,908,347
Capital work in progress		158,893	136,522
		<u>11,881,188</u>	<u>12,044,869</u>
5.1 OPERATING FIXED ASSETS			
Book value - opening		11,908,347	9,633,200
Additions		14,652	155,958
Deletions		(54,646)	(3,251)
Revaluation surplus		-	2,363,048
		<u>11,868,353</u>	<u>12,148,955</u>
Depreciation		146,058	240,608
Book value - closing balance		<u>11,722,295</u>	<u>11,908,347</u>
6 AUTHORIZED SHARE CAPITAL			
		<u>4,700,000</u>	<u>2,500,000</u>
The authorized share capital of the Company has been increased from 250 million ordinary shares to 470 million ordinary shares of Rs. 10 each under the authority of special resolution passed by the members of the Company in Extra Ordinary General Meeting held on March 22, 2010.			
7 ISSUED, SUBSCRIBED AND PAIDUP CAPITAL			
Balance at the beginning of the period/year		2,318,764	2,318,764
Add: shares issued during the period/year	7.1	1,683,975	-
		<u>4,002,739</u>	<u>2,318,764</u>
7.1 168,397,543 ordinary shares of Rs. 10 each has been allotted to the sponsoring directors of the Company on December 30, 2010, as otherwise than right issue, in lieu of loan payable to them. The members of the Company has already approved the said conversion of sponsoring directors' loan into equity in the Extraordinary General Meeting held on March 22, 2010; further the SECP has also granted approval for the said conversion. Accordingly the amounts of loan shown as share deposit money to that extent has been transferred to issued, subscribed and paid up capital on December 30, 2010.			
8 REDEEMABLE CAPITAL			
Privately Placed Term Finance Certificates		399,608	399,680
Less: Current maturity	8.1	(34,972)	(399,680)
		<u>364,636</u>	<u>-</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2010

8.1 During the period under review, the Company has entered into the agreement with all the PPTFC holders through its trustee resulting in rescheduling of redemption of these certificates in 24 unequal installments along with profit @ KIBOR (3 months) by September 30, 2016 instead of July 17, 2011. (Also refer to note 18.3 to the financial statements for the year ended June 30, 2010). Accordingly the current maturity has been reduced.

9 During the period under review, the Company has entered into restructuring agreements with the leasing companies. As a result of these agreements, the lease liabilities are either settled as full and final or deferred. Deferred income arose from full and final settlement of lease liabilities has not been taken to profit & loss account, and shown as non current liability, until these revised/settled liabilities are not completely paid off.

10 CONTINGENCIES AND COMMITMENTS

There is no material change in the contingent liabilities of the Company since the last annual balance sheet date.

	6 months		3 months	
	Jul-Dec 2010	Restated Jul-Dec 2009	Oct-Dec 2010	Oct-Dec 2009
	----- (Rupees in 000s) -----			
11 COST OF SALES				
Raw and packing materials consumed	225,151	219,345	173,263	144,541
Stores and spares consumed	44,215	65,808	33,174	36,558
Salaries, wages and benefits	91,825	104,092	48,115	50,079
Fuel and power consumed	739,866	829,186	613,063	346,090
Production overheads	7,147	24,610	3,155	19,011
Depreciation	143,400	143,116	92,098	60,743
	<u>1,251,604</u>	<u>1,386,157</u>	<u>962,868</u>	<u>657,022</u>
Adjustment of work-in-process inventory				
Opening balance	29,546	260,683	12,306	128,967
Closing balance	(2,458)	(169,447)	(2,458)	(59,562)
	<u>27,088</u>	<u>91,236</u>	<u>9,848</u>	<u>69,405</u>
Cost of goods manufactured	1,278,692	1,477,393	972,716	726,427
Adjustment of finished goods inventory				
Opening balance	8,295	72,165	2,377	2,422
Closing balance	(34,998)	(35,146)	(34,998)	(7,228)
	<u>(26,703)</u>	<u>37,019</u>	<u>(32,621)</u>	<u>(4,806)</u>
Cost of sales	1,251,989	1,514,412	940,095	721,621



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2010

	Jul-Dec 2010	Jul-Dec 2009
	----- (Rupees in 000s) -----	
12 CASH FLOW FROM OPERATING ACTIVITIES		
Net loss before taxation	(561,881)	(812,266)
Adjustment for non-cash and other transactions:		
Depreciation	146,058	144,603
Finance cost	391,535	579,182
Taxes and duties	10,055	367,005
Provision for retirement benefits	6,073	-
Profit / interest income for the year	(9,062)	(509)
	544,659	1,090,281
	(17,222)	278,015
Increase / (decrease) in working capital:		
Stores, spares and loose tools	(10,989)	(82,873)
Stock in trade	(10,543)	106,886
Trade debts	(18,229)	(24,496)
Loans and advances	(94,465)	(67,944)
Deposits, prepayments and other receivable	(6,211)	(4,365)
Trade and other payables	113,518	267,921
	(26,919)	195,129
Cash (outflow) / inflow from operation	(44,141)	473,144

13 CORRECTION OF COMPENSATORY ERROR

Subsequent to the issuance of audited annual financial statements of the company for the year ended June 30, 2010, it was discovered that due to a clerical error the value of closing stock of finished goods (i.e. cement) as at June 30, 2009 inadvertently remained overstated by Rs. 29.468 million, the effect of which was self adjusted during the year ended June 30, 2010. However, due to this error the net loss for the year ended June 30, 2009 remained understated by Rs. 29.468 million, while the net loss for the year ended June 30, 2010 remained overstated with the same amount. Effect of this clerical error on the published annual financial statements is given below:

	Balance Sheet		Profit and Loss Account	
	Stock in trade	Accumulated loss	Cost of sales	Net loss for the year
Cement				
Year ended June 30, 2009				
as per published accounts	101,633	(1,695,856)	(2,205,490)	(870,357)
as per working papers	72,165	(1,725,324)	(2,234,958)	(899,825)
Understated/(overstated)	<u>(29,468)</u>	<u>29,468</u>	<u>29,468</u>	<u>29,468</u>
Year ended June 30, 2010				
as per published accounts	8,295	(2,694,482)	(2,628,699)	(1,027,490)
as per working papers	8,295	(2,694,482)	(2,599,232)	(998,022)
Understated/(overstated)	<u>-</u>	<u>-</u>	<u>(29,467)</u>	<u>(29,468)</u>

This error was duly disclosed to the members of the Company in the Annual General Meeting of the Company held on 28-02-2011. The above error has been rectified in accordance with IAS - 8 by restated the opening balance of "Stock-in-trade - Finished Goods" in the Profit and Loss Account and "Accumulated loss" in the Statement of Changes in Equity for the comparative figures of six months period ended December 31, 2009. This disclosure is also being made in line with the requirements of ISA - 560, "Subsequent Events".



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2010

14 TRANSACTIONS WITH RELATED PARTIES

Material transactions with the related parties during the reporting period is as under:

	Un-Audited Jul-Dec 2010	Un-Audited Jul-Dec 2009
	----- (Rupees in 000s) -----	
Balochistan Glass Limited (BGL)		
Markup income accrued	8,932	1,356
Lease Liability undertaken by BGL	-	(46,000)
Advance given to BGL	-	13,226
Advance repaid by BGL	-	(2,175)
Supply of goods	-	242
Expenses incurred on behalf of BGL	-	40,484
Asian Hotel & Resorts (Pvt) Ltd		
Purchase of coal (including GST)	75,001	-

15 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Company on April 20, 2011.

16 GENERAL

- 16.1 All figures, except for June 30, 2010 figures, appearing in this condensed interim financial information are unaudited.
- 16.2 Figures in this condensed interim financial information have been rounded off to the nearest thousand rupees.
- 16.3 Corresponding figures have been rearranged or reclassified, wherever necessary, for the purpose of comparison, however, no significant reclassification has been made.

Chief Executive

Director