



GHARIBWAL CEMENT LIMITED



Condensed Interim Financial Information
(un-audited)
for the nine months ended
March 31, 2013

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Company Information

Board of Directors:	Mr. Muhammad Tousif Peracha Mr. Abdur Rafique Khan Mrs. Tabassum Tousif Peracha Mian Nazir Ahmed Peracha Mr. M. Ishaque Khokhar Mr. M. Niaz Piracha Mr. Muhammad Rahman	Chairman & CEO Director Director Director Director Director Director
Audit Committee:	Mian Nazir Ahmed Peracha Mr. Muhammad Tousif Peracha Mr. M. Niaz Piracha	Chairman Member Member
HR & R Committee:	Mr. M. Niaz Peracha Mr. Muhammad Rahman Mian Nazir Ahmed Piracha	Member Member Member
CFO & Company Secretary:	Mr. Muhammad Shamail Javed ACA	
External Auditors:	Hyder Bhimji & Co. Chartered Accountants	
Internal Auditors:	Aftab Nabi & Co. Chartered Accountants	
Legal Advisor:	Raja Muhammad Akram	
Bankers to the Company:	Askari Bank Limited Faysal Bank Limited Habib Bank Limited KASB Bank Limited MCB Bank Limited My Bank Limited National Bank of Pakistan NIB Bank Limited Silk Bank Limited The Bank of Khyber The Bank of Punjab United Bank Limited	
Registered & Head 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 www.gharibwalcement.com	
Works:	Ismailwal, Distt. Chakwal	
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

Directors' of your company are pleased to present un-audited Condensed Financial Information of your company for the 3rd Quarter period ended on March 31, 2013.

During the current nine month period cement industry achieved overall net volumetric growth of 4.9%, however, domestic sales volume increased by 6.05% whereas export decreased by 1.19%.

Gharibwal Cement Limited (GCL) performed better as compared to comparative period of last year which is mainly due to increase in sales volume, improvement in net retention prices and continued efforts of the management to control cost. All these factors over a period of nine months enabled company to increase its sales volume and sales revenue by 20% and 34% respectively. Profitability of 3rd quarter is badly affected by ongoing energy crisis in Punjab as we had to use furnace oil because of complete shutdown of gas during the first two months of the 3rd quarter which resulted in reduction of gross profit as compared to 2nd quarter of the current financial year.

Comparative Financial and Sales volume performance of the Company for the nine months ended 31st March is summarized below:

	<u>2013</u>	<u>2012</u>	<u>% Increase</u>
	Rs. '000	Rs. '000	
Sales - net	4,568,634	3,416,049	34%
Gross Profit	1,154,935	526,194	120%
Operating Profit	1,009,909	377,538	168%
Profit after Taxation	518,897	(398,251)	230%
<hr/>			
Earnings per share - Rupees	1.30	(0.99)	231%
Cement Dispatches - Ton	744,012	618,167	20%

During the period company operated at 47% of its installed capacity which is better than of 39% in comparative period.

Keeping in view the continuous growth of cement dispatches, restructuring by major banks and financial institutions, stable selling prices and tight cost controls by the management; we feel company will perform better in coming quarters.

Acknowledgement

Board appreciates the continued support and cooperation extended by the financial institutions including our dealers, suppliers and other stakeholders including hard work and dedication of our employees.

Lahore: April 29, 2013


ABDUR RAFIQUE KHAN
Director

Condensed Interim Balance Sheet (un-audited)

As at March 31, 2013

	Note	Un-audited 31-03-2013 (Rupees in thousand)	Audited 30-06-2012
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipments	5	11,377,529	11,497,131
Long term loans		-	1,552
Long term deposits		6,416	9,741
		<hr/>	<hr/>
		11,383,945	11,508,424
CURRENT ASSETS			
Stores, spares and loose tools		445,910	383,978
Stock in trade		155,588	112,122
Trade debtors		160,492	129,592
Advances, deposits and prepayments		263,730	363,710
Cash and bank balances		87,264	16,760
		<hr/>	<hr/>
		1,112,984	1,006,162
<hr/>			
Non current assets held for sale		13,812	13,812
		<hr/>	<hr/>
		1,126,796	1,019,974
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		12,510,741	12,528,398
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Abdur Rafique Khan
Director

Condensed Interim Balance Sheet (un-audited)

As at March 31, 2013

	Note	Un-audited 31-03-2013 (Rupees in thousand)	Audited 30-06-2012
EQUITY AND LIABILITIES			
EQUITY			
Authorized capital 470 million ordinary shares of Rs. 10 each		4,700,000	4,700,000
Issued, subscribed and paid up capital		4,002,739	4,002,739
General reserves		332,000	332,000
Accumulated losses		(3,175,046)	(3,747,404)
		1,159,693	587,335
Surplus on revaluation of property, plant and equipments		2,146,740	2,200,202
		3,306,433	2,787,537
NON CURRENT LIABILITIES			
Redeemable capital		-	-
Long term borrowings		3,693,836	3,640,384
Finance lease		-	-
Deferred income		212,004	6,810
Deferred liabilities		1,651,068	2,153,547
		5,556,908	5,800,741
CURRENT LIABILITIES			
Trade and other payable		829,245	988,031
Markup and profit payable		607,200	951,078
Short term borrowings		470,007	469,316
Current portion of non current liabilities		904,325	1,073,270
Taxes and duties payable		836,625	458,425
		3,647,401	3,940,120
Contingencies and commitments	6		
		12,510,741	12,528,398

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

Statement under Section 241(2) of the Companies Ordinance, 1984:
These financial statements have been signed by two Directors instead
of Chief Executive and one Director as the Chief Executive is not in
Pakistan for the time being.



Muhammad Ishaque Khokhar
Director

Condensed Interim Profit and Loss Account (un-audited)

For the nine months ended March 31, 2013

Note	Nine Months Ended March 31,		3rd Quarter Ended March 31,	
	2013	2012	2013	2012
	(Rupees in thousand)		(Rupees in thousand)	
Netsales	4,568,634	3,416,049	1,777,618	1,519,324
Cost of sales	(3,413,699)	(2,889,855)	(1,438,837)	(1,205,685)
Gross profit	1,154,935	526,194	338,781	313,639
Administration and general expenses	(99,712)	(129,041)	(31,406)	(45,743)
Selling and distribution expenses	(11,829)	(17,547)	(3,574)	(8,492)
Other operating expenses	(34,566)	(10,118)	(12,283)	(3,402)
Other income	1,080	8,050	566	235
	(145,026)	(148,656)	(46,696)	(57,402)
Operating profit	1,009,909	377,538	292,085	256,237
Finance cost	(465,448)	(741,380)	(104,027)	(208,408)
Profit before taxation	544,460	(363,842)	188,057	47,829
Taxation	(25,563)	(34,409)	(9,538)	(15,302)
Profit after taxation	518,897	(398,251)	178,519	32,527
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	518,897	(398,251)	178,519	32,527
Earning per share (Rupee Per share)	1.30	(0.99)	0.45	(0.08)

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Abdur Rafique Khan
Director


Muhammad Ishaque Khokhar
Director

Condensed Interim Cash Flow Statement (un-audited)

For the nine months ended March 31, 2013

	Nine Months Ended March 31,	
	2013	2012
	(Rupees in thousand)	
Profit before taxation	544,460	(363,842)
Finance cost	462,975	741,380
Depreciation	253,942	234,030
Provision for slow moving store items	-	10,187
Interest income	-	(7,137)
	716,917	987,460
	1,261,377	614,618
Change in working capital:		
Stores, spares and loose tools	(61,932)	(43,624)
Stock in trade	(43,466)	28,576
Trade debts	(30,900)	(42,303)
Advance, deposit and other receivables	99,980	58,194
Trade and other payable	(207,720)	(384,958)
	(244,038)	(384,115)
Cash flow from operation	1,017,339	230,503
Finance cost paid	(529,382)	(63,486)
Net change in long term loans and deposits	4,876	(676)
Net change in taxes and duties	(170,938)	(21,573)
Net cash flow from operating activities	321,895	144,768

Condensed Interim Cash Flow Statement (un-audited)

For the nine months ended March 31, 2013

	Nine Months Ended March 31,	
	2013	2012
	(Rupees in thousand)	
Fixed capital expenditures	(134,339)	(105,206)
Net cash outflow in investing activities	(134,339)	(105,206)
Net changes in borrowings		
Long term loan	(207,926)	(78,576)
Short term loan	95,517	(82,487)
Directors' loan	760	137,169
Lease finances	(5,400)	(12,761)
Net cash flow from financing activities	(117,050)	(36,655)
Net change in cash and cash equivalents	70,506	2,907
Cash and cash equivalents at start of the period	16,760	22,261
Cash and cash equivalents at close of the period	87,266	25,168

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Abdur Rafique Khan
Director


Muhammad Ishaque Khokhar
Director

Interim Condensed Statement of Changes in Equity (un-audited)

For the nine months ended March 31, 2013

Particulars	Share Capital	General Reserve	Accumulated Loss	Total
(Rupees in thousand)				
Balance as at June 30, 2011	4,002,739	332,000	(3,576,437)	758,302
Total Comprehensive loss for the nine months ended March 31, 2012	-	-	(398,251)	(398,251)
Incremental depreciation associated with surplus on revaluation of property, plant and equipment (net of deferred tax)	-	-	50,893	50,893
Balance as at March 31, 2012	4,002,739	332,000	(3,923,795)	410,944
Total Comprehensive profit for the 4th quarter ended June 30, 2012	-	-	156,817	156,817
Incremental depreciation associated with surplus on revaluation of property, plant and equipment (net of deferred tax)	-	-	19,574	19,574
Balance as at June 30, 2012	4,002,739	332,000	(3,747,404)	587,335
Total Comprehensive profit for the nine months ended March 31, 2013	-	-	518,897	518,897
Incremental depreciation associated with surplus on revaluation of property, plant and equipment (net of deferred tax)	-	-	53,461	53,461
Balance as at March 31, 2013	4,002,739	332,000	(3,175,046)	1,159,693

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

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Abdur Rafique Khan
Director


Muhammad Ishaque Khokhar
Director

Notes to the Condensed Interim Financial Information (un-audited)

For the nine months ended March 31, 2013

1. LEGAL STATUS AND OPERATIONS

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.

2. STATEMENT OF COMPLAINT

This condensed interim financial information is un-audited 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, 2012. This is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984.

3. STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial information are the same as those applied in preparation of financial statements for the year ended June 30, 2012.

4. SIGNIFICANT ESTIMATES

The preparation of these condensed interim financial information requires management to make judgements, estimates and assumptions that effected the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses and related disclosures at the date of financial information. Actual results may differ from those estimates. In preparing these condensed interim financial information, the significant judgements 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;

	Note	Un-audited 31-03-2013	Audited 30-06-2012
(Rupees in thousand)			
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	11,099,203	11,177,058
Capital work in progress		278,326	320,073
		11,377,529	11,497,131

Notes...

	Note	Un-audited 31-03-2013 (Rupees in thousand)	Audited 30-06-2012
5.1	OPERATING FIXED ASSETS		
	Book value - opening balance	11,177,058	11,459,998
	Additions	176,087	44,985
	Deletions	-	(1,836)
		11,353,145	11,503,147
	Depreciation	(253,942)	(326,089)
	Book value - closing balance	11,099,203	11,177,058

6. There is no change in the status of contingencies and commitment as reported in annual financial statements for the year ended June 30, 2012.
7. There are no significant transactions with associated company during the period under review.
8. Corresponding figures have been regrouped wherever required; however no material regrouping has been made.
9. These interim financial information has been approved by the Board of Directos on April 29 2013.

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Abdur Rafique Khan
Director


Muhammad Ishaque Khokhar
Director



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