



## **Nine Months Report**

**For The Period Ended  
March 31, 2009**



**MAPLE LEAF CEMENT FACTORY LIMITED**

**Kohinoor Maple Leaf Group**



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## COMPANY INFORMATION

### Board of Directors

Mr. Tariq Sayeed Saigol  
Mr. Sayeed Tariq Saigol  
Mr. Taufique Sayeed Saigol  
Mr. Waleed Tariq Saigol  
Mr. Kamil Taufique Saigol  
Ms. Bushra Naz Malik  
Mr. Zamiruddin Azar  
Mr. Per Mejnert Kristensen  
(Representing FLS & IFU, Denmark)

Chairman  
Chief Executive

### Audit Committee

Mr. Zamiruddin Azar  
Mr. Waleed Tariq Saigol  
Mr. Kamil Taufique Saigol

Chairman  
Member  
Member

### Chief Financial Officer

Ms. Bushra Naz Malik

### Company Secretary

Mr. Muhammad Ashraf

### Internal Auditor

Ms. Sadaf Latif

### Bankers of the Company

Allied Bank Limited  
Arif Habib Bank Limited  
Askari Bank Limited (Formerly: Askari Commercial Bank Limited)  
Atlas Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
BankIslami Pakistan Limited  
Faysal Bank Limited  
First National Bank Modaraba  
First Women Bank Limited  
Habib Bank Limited  
Islamic Corporation for the Development of the Private Sector, Jeddah  
KASB Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
Mybank Limited  
National Bank of Pakistan  
NIB Bank Limited  
Pak-Libya Holding Company (Pvt.) Limited  
Pak Oman Investment Company Limited  
Saudi Pak Commercial Bank Limited  
Saudi Pak Industrial & Agricultural  
Investment Co. (Pvt.) Limited  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
The Bank of Khyber  
The Bank of Punjab  
HSBC Bank Middle East Limited (Formerly: The Hongkong & Shanghai Banking Corporation Limited)  
United Bank Limited

### Auditors

Hameed Chaudhri & Co. Chartered Accountants

### Legal Advisors

Mr. Nomaan Akram Raja  
Barrister-At-Law  
Raja Mohammad Akram & Co.  
Advocates and Legal Consultants,  
Lahore.

### Registered Office

42 - Lawrence Road, Lahore.  
Phone: (042) 6278904-5  
Fax: (042) 6363184  
E-mail: [mlcfl@kmlg.com](mailto:mlcfl@kmlg.com)  
Website: [www.kmlg.com](http://www.kmlg.com)

### Share Registrar

Vision Consulting Ltd  
Head Office: 3-C, LDA Flats,  
Lawrence Road, Lahore  
Phone: (042) 6375531 & 6375339  
Fax: (042) 6374839  
E-mail: [vcl.shares@gmail.com](mailto:vcl.shares@gmail.com)  
Website: [www.vcl.com.pk](http://www.vcl.com.pk)

### Factory

Iskanderabad Distt. Mianwali.  
Phone: (0459) 392237-8



## DIRECTORS' REVIEW

Your Directors are pleased to present a review of the un-audited results of the Company for the quarter ended March 31, 2009 in compliance with Section 245 of the Companies Ordinance, 1984.

Production of grey and white cement during July-March, 2009 was recorded at 2,186,977 and 60,990 metric tons respectively as compared to 1,450,434 and 51,920 metric tons during the corresponding period last year. Capacity utilization during the period under report amounted to 84% for grey and 53% for white cement as compared to the corresponding period last year at 61% and 37%.

The Company sold 2,177,815 grey and 62,269 metric tons white cement during the period July-March, 2009 against sales for the corresponding period last year of 1,581,446 metric tons of grey and 52,942 metric tons of white cement in both local and export markets, thus recording an increase of 38% and 18%, respectively.

The Company suffered post tax loss of Rs. 685.128 million during the period July-March, 2009 after accounting for depreciation and financial charges of Rs. 772.496 million and Rs. 2,654.894 million respectively against the corresponding period last year, when loss amounted to Rs. 372.653 million. The losses during the current quarter, in large part were due to fair value measurement of cross currency swaps and foreign exchange rates, which is one of the main causes for increase in financial charges. Increased supply side shocks which included long periods of electric and gas load shedding, very high interest rates and freight costs also contributed to reduction in operating margins. Cement Prices continued to decline in the export markets.

During the 3rd quarter of the financial year, the Company suffered pre-tax loss of Rs. 392.805 million as compared to pre-tax loss of Rs. 214.386 million during the corresponding period last year.

The Company made considerably higher dispatches during the 3rd quarter in local, as well as, export markets despite depressed market conditions both at home and in the regional markets as efforts continued to expand market share. It is hoped that as the economy stabilizes, the consumption of cement will begin to show an upward trend and public spending on infrastructure projects will increase in the forthcoming budget.

### Acknowledgment

The Board wishes to thank the executives, staff, distributors, bankers and stakeholders for their continued support and co-operation.

For and on behalf of the Board

  
Sayeed Tariq Saigol  
Chief Executive

Lahore: April 22, 2009



## CONDENSED INTERIM BALANCE SHEET

	Un-Audited March 31, 2009	Audited June 30, 2008
Note	..... (Rupees in thousand) .....	
<b>Equity and Liabilities</b>		
<b>Share Capital and Reserves</b>		
Authorised capital	6	7,000,000
Issued, subscribed and paid up capital	7	4,264,108
Reserves	7	4,346,291
Accumulated loss	7	(1,339,981)
		<b>7,270,418</b>
		5,000,000
		4,644,355
		(547,574)
		8,360,889
<b>Non-Current Liabilities</b>		
Loans from related parties	8	-
Long term loans and finances	8	241,539
Redeemable capital	9	8,000,000
Syndicated term finances	10	500,000
Liabilities against assets subject to finance lease		936,267
Long term deposits		2,639
Deferred taxation		-
Employees' compensated absences		18,831
		<b>9,699,276</b>
		35,224
		241,539
		1,000,000
		1,000,000
		957,434
		2,582
		154,741
		16,688
		10,408,208
<b>Current Liabilities</b>		
Current portion of:		
- syndicated term finances		1,010,043
- liabilities against assets subject to finance lease		222,910
Short term finances	11	4,021,444
Trade and other payables		2,066,162
Accrued profit and Interest / mark-up		655,851
Dividends		41,651
		<b>8,018,061</b>
		1,080,000
		188,011
		3,369,738
		2,495,559
		194,568
		54,588
		7,382,464
<b>Contingencies and Commitments</b>	12	-
		<b>24,987,755</b>
		26,151,561

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

  
 \_\_\_\_\_  
 Zamiruddin Azar  
 Director



## AS AT MARCH 31, 2009

	Note	Un-Audited March 31, 2009	Audited June 30, 2008
..... (Rupees in thousand) .....			
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant & equipment	13	19,524,158	20,081,448
Intangible assets		9,283	15,082
Loans to employees		3,810	6,121
Deposits and prepayments		53,207	54,014
Deferred taxation		194,454	-
		<u>19,784,912</u>	<u>20,156,665</u>
<b>Current Assets</b>			
Stores, spares and loose tools		2,567,237	3,325,744
Stock-in-trade		730,224	433,952
Trade debts		570,645	743,366
Fair value derivative financial instruments		-	365,748
Loans and advances		218,959	82,814
Investments	14	733,515	734,859
Deposits and short term prepayments		40,762	54,532
Accrued profit		973	763
Sales tax, customs and excise duty		16,798	57,769
Due from gratuity fund trust		11,404	9,768
Other receivables		31,807	21,780
Taxation - net		110,748	44,907
Cash and bank balances		169,771	118,894
		<u>5,202,843</u>	<u>5,994,896</u>
		<u>24,987,755</u>	<u>26,151,561</u>

  
 Sayeed Tariq Saigol  
 Chief Executive



**CONDENSED INTERIM PROFIT & LOSS ACCOUNT**  
**FOR THE PERIOD ENDED MARCH 31, 2009**  
**(Un-Audited)**

	For the 3rd Quarter		Cumulative	
	Jan. - Mar. 2009	Jan. - Mar. 2008	July - March 2009	July - March 2008
<b>Note</b>	..... (Rupees in thousand) .....			
Sales - Net	<b>3,191,855</b>	2,285,046	<b>11,083,500</b>	4,506,659
Cost of sales	<b>2,552,715</b>	1,950,567	<b>7,538,013</b>	4,015,378
<b>Gross profit</b>	<b>639,140</b>	334,479	<b>3,545,487</b>	491,281
Administrative expenses	<b>37,899</b>	40,178	<b>119,483</b>	76,683
Distribution cost	<b>365,331</b>	184,463	<b>1,762,543</b>	274,407
Other operating expenses	<b>2,000</b>	7,913	<b>11,500</b>	12,150
	<b>405,230</b>	232,554	<b>1,893,526</b>	363,240
Other operating income	<b>10,099</b>	42,683	<b>24,522</b>	82,761
	<b>244,009</b>	144,608	<b>1,676,483</b>	210,802
Finance cost	15 <b>636,814</b>	358,994	<b>2,654,894</b>	893,281
<b>(Loss) before taxation</b>	<b>(392,805)</b>	(214,386)	<b>(978,411)</b>	(682,479)
Taxation				
- Current	<b>18,171</b>	7,882	<b>55,912</b>	20,911
- Deferred	<b>(9,388)</b>	(252,465)	<b>(349,195)</b>	(330,737)
	<b>8,783</b>	(244,583)	<b>(293,283)</b>	(309,826)
<b>(Loss) / Profit after taxation</b>	<b>(401,588)</b>	30,197	<b>(685,128)</b>	(372,653)
	..... Rupees .....			
<b>(Loss) per share - Basic</b>	<b>(1.12)</b>	(1.09)	<b>(1.95)</b>	(1.11)
Earnings per share - Diluted	<b>N/A</b>	N/A	<b>N/A</b>	N/A

- The annexed notes form an integral part of this condensed interim financial information.
- Appropriations have been reflected in the statement of changes in equity.

  
 Zamiruddin Azar  
 Director

  
 Sayeed Tariq Saigol  
 Chief Executive



**CONDENSED INTERIM CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED MARCH 31, 2009**  
**(Un-Audited)**

	<b>Nine months ended</b>	
	<b>March 31, 2009</b>	<b>March 31, 2008</b>
	..... (Rupees in thousand) .....	
<b>Cash flow from operating activities</b>		
(Loss) for the period - before taxation	(978,411)	(682,479)
Adjustments for:		
Depreciation	772,496	609,149
Amortization	5,799	2,031
Gain on sale of operating fixed assets - net	(3,005)	(101)
Loss on measurement of investment to fair value	6,343	1,888
Employees' compensated absences	3,361	4,373
Finance cost	2,654,894	893,281
Profit on bank deposits	(9,370)	(4,256)
Dividend income	(6,856)	(21,878)
Cash inflow from operating activities before working capital changes	2,445,251	802,008
(Increase) / decrease in current assets		
Stores, spares and loose tools	758,507	(302,046)
Stock-in-trade	(296,272)	21,898
Trade debts	172,721	(350,738)
Loans and advances	(136,145)	(42,172)
Deposits and short term prepayments	13,770	(20,908)
Sales tax, customs and excise duty	40,971	20,945
Due from gratuity fund trust	(1,636)	(2,802)
Other receivables	(10,027)	(107,829)
Trade & other payable	(429,397)	370,405
	112,492	(413,247)
Cash inflow from operating activities before taxation	2,557,743	388,761
Taxes paid	(121,753)	(49,503)
Compensated absences paid	(1,218)	(3,350)
Cash inflow from operating activities before taxation	2,434,772	335,908
<b>Cash flow from investing activities</b>		
Fixed capital expenditure	(218,721)	(1,129,889)
Sale proceeds of operating fixed assets	6,520	1,885
Long term loans to employees	2,311	(31)
Long term deposits and prepayments	807	(11,199)
Investments - through P & L	(4,999)	34,622
Profit on bank deposits received	9,160	3,463
Dividend income	6,856	21,244
Net cash out flow from investing activities	(198,066)	(1,079,905)
<b>Cash flow from financing activities</b>		
Term finance certificates	(569,957)	2,500,000
Loans from related parties repaid	(35,224)	(106,000)
Long term loans and finances repaid	-	(10,369,176)
Redeemable capital	-	8,000,000
Long term deposits from stockists - net	57	(140)
Lease finances - net	13,732	(9,477)
Lease finance advances	-	82,338
Short term finances - net	651,706	1,796,673
Finance cost paid	(2,193,611)	(1,056,435)
Dividend paid	(52,532)	(52,695)
Net Cash inflow from financing activities	(2,185,829)	785,088
Net Increase in cash and cash equivalents	50,877	41,091
Cash and cash equivalents - at beginning of the period	118,894	123,359
<b>Cash and cash equivalents - at end of the period</b>	<b>169,771</b>	<b>164,450</b>

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

  
Zamiruddin Azar  
Director

  
Sayeed Tariq Saigol  
Chief Executive





## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2009 (Un-Audited)

	Reserves							Total
	Capital			Revenue				
	Share Capital	Share Premium	Fair value reserve on measurement of available-for-sale investments	Capital redemption reserve	Hedging Reserve	General Reserve	Unappropriated profit / (accumulated loss)	
	(Rupees in thousand)							
<b>Balance as at 30 June, 2007</b>	4,264,108	2,068,336	545,506	201,260	242,226	1,400,000	271,601	8,993,037
Gain arising on derivative cross currency swap rate	-	-	-	-	144,440	-	-	144,440
Loss for the period ended 31 March, 2008	-	-	-	-	-	-	(372,653)	(372,653)
Transfer to capital redemption reserve	-	-	-	67,624	-	-	(67,624)	-
Dividend on preference shares for the period ended 31 March, 2008	-	-	-	-	-	-	(39,595)	(39,595)
<b>Balance as at 31 March, 2008</b>	4,264,108	2,068,336	545,506	268,884	386,666	1,400,000	(208,271)	8,725,229
Fair Value loss on measurement of available-for-sale investments	-	-	(26,741)	-	-	-	-	(26,741)
Gain arising on derivative cross currency swap rate	-	-	-	-	(20,918)	-	-	(20,918)
Loss for the period ended 30 June, 2008	-	-	-	-	-	-	(303,482)	(303,482)
Transfer to capital redemption reserve	-	-	-	22,622	-	-	(22,622)	-
Dividend on preference shares for the period ended 31 December, 2007	-	-	-	-	-	-	(13,199)	(13,199)
<b>Balance as at 30 June, 2008</b>	4,264,108	2,068,336	518,765	291,506	365,748	1,400,000	(547,574)	8,360,889
Loss arising on derivative cross currency swap rate	-	-	-	-	(365,748)	-	-	(365,748)
Loss for the period ended 31 March, 2009	-	-	-	-	-	-	(685,128)	(685,128)
Transfer to capital redemption reserve	-	-	-	67,684	-	-	(67,684)	-
Dividend on preference shares for the period ended 31 March, 2009	-	-	-	-	-	-	(39,595)	(39,595)
<b>Balance as at 31 March, 2009</b>	<b>4,264,108</b>	<b>2,068,336</b>	<b>518,765</b>	<b>359,190</b>	<b>-</b>	<b>1,400,000</b>	<b>(1,339,981)</b>	<b>7,270,418</b>

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

  
Zamiruddin Azar  
Director

  
Sayeed Tariq Saigol  
Chief Executive



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED MARCH 31, 2009  
(Un-Audited)**

1. Maple Leaf Cement Factory Limited was incorporated in Pakistan on 13 April, 1960 under the Companies Act 1913 (now the Companies Ordinance, 1984) as a public Company limited by shares and was listed on stock exchanges in Pakistan on 17 August 1994. The registered office of the Company is situated at 42 - Lawrence Road, Lahore, Pakistan. The Company is a Subsidiary of the Kohinoor Textile Mills Limited and is engaged in production and sale of cement.
2. These financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 (Interim Financial Reporting).
3. This condensed financial information does not include all the information required for full financial statements and should be read in conjunction with the preceding published financial statement of the Company for the year ended 30 June, 2008.
4. The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding published annual financial statement of the Company for the year ended 30 June, 2008.
5. The significant judgment, estimates and assumption used by the management in preparation of this condensed interim financial information are the same as those applied to the preceding published annual financial statement of the Company for the year ended 30 June, 2008.

**6. Authorised capital**

The Ordinary authorised capital of the Company, during the current period, has been increased by two billion rupees.

**7. Hedging reserve**

The Company, during the preceding financial years, has entered into 3 different derivative cross currency interest rate swap agreements with Standard Chartered Bank (Pakistan) Limited to hedge for the possible adverse interest rate movements in its long term loans.

However during the current period all swap transactions were unwound and consequently all the reserves are reversed from the balance sheet.

**8. Long term loans and finances**

The Company, during the preceding financial year, has arranged a term finance facility of Rs. 1.160 billion (equivalent to Japanese Yens 1.974 billion approximately) for financing the Waste Heat Recovery Plant from HBL. The tenor of this term finance facility is six years including a grace period of two years. The principal balance of this term finance facility will be repaid in nine equal semi-annual installments. This finance facility carries mark-up at the rate of 6-months KIBOR plus 1.5% per annum payable on quarterly basis. The finance facility is secured against first pari passu hypothecation charge of Rs. 1.600 billion over plant & machinery, first pari passu equitable mortgage charge over land and buildings of the Company and personal guarantees of some of the Company's Directors.

**9. Redeemable capital**

Islamic Sukuk Certificates under Musharakah Agreement

The Company, during the preceding financial year, has arranged to issue secured Sukuk Issue amounting to Rs. 8.000 billion inclusive of Green Shoe Option of Rs. 4.000 billion : the Lead Arranger is Allied Bank Ltd. The purpose of this Sukuk Issue is Balance Sheet reprofiling and replacement of conventional debit with Shariah Compliant Financing. The tenor of Sukuk Issue is six years with two years grace period and carries profit at 6-months KIBOR plus 170 bps. The Sukuk certificates are secured against first pari passu charge over all present and future fixed assets of the Company.



## 10. Term finance certificate

The Company, during the preceding financial year, has arranged a Syndicate term finance facility of Rs. 2.000 billion with Green Shoe Option of Rs. 500 million : the Lead Arranger is Allied Bank Ltd. The purpose of this financing facility is to partially repay the existing long term loans of the Company. The principal balance of this finance facility is repayable in 5 equal semi-annual installments commencing May 2008 and carries profit at 3-months KIBOR plus 150 bps. This financing facility is secured against ranking charge over all present and future fixed assets of the Company.

## 11. Short term finance - Secured

Short term finance facilities available from various commercial banks under mark-up arrangements aggregate Rs. 3.950 billion (30 June, 2008: Rs. 3.750 billion). These facilities, during the period carry markup at the rates ranging from 7.5% to 18.50 % (30 June, 2008: 10.26% to 14.06%) per annum payable on quarterly basis.

Facilities available for opening letters of credit / guarantee aggregate Rs. 4.181 billion (30 June, 2008 : Rs. 2.357 billion).

The aggregate facilities are secured against charge on all present and future current asset the Company, Personal guarantees of some of the Directors, lien over import documents and title of ownership of goods imported under letter of credit, These facilities are expiring on various dates by 30 November, 2009.

## 12. Contingencies and commitments

**12.1** Except for the following, there has been no significant change in the status of contingencies as reported in the preceding published annual financial statement of the Company for the year ended 30 June, 2008.

- a) Competition Commission of Pakistan has issued a show-cause notice dated 28 October, 2008 alleging therein that the Company has violated section 4(1) of the Competition Commission Ordinance, 2007. The Company has filed a writ petition before the Islamabad High Court, Islamabad, which is pending adjudication.
- b) The Company has filed an appeal before the Supreme Court of Pakistan against the judgment of the Division Bench of the High Court of Sindh at Karachi. The Division Bench, by judgment dated 15 September, 2008, has partly accepted the appeal by declaring that the levy and collection of infrastructure cess / fee prior to 28 December, 2006 was illegal and ultra vires and after 28 December, 2006, it was legal and the same was collected by the Excise Department in accordance with law. The appeal has been filed against the declaration that after 28 December, 2006, the Excise Department has collected the infrastructure cess/fee in accordance with law.

**12.2** Guarantees issued by various commercial banks, in respect of financial and operational obligations of the Company, to various institutions and corporate bodies aggregate Rs. 302.363 million (30 June, 2008: Rs. 434.370 million).

**12.3** Commitments against capital expenditure as at 31 March, 2009 were for Rs. 461.146 million (30 June, 2008: Rs. 168.949 million).

**12.4** Commitments against irrevocable letters of credit outstanding as at 31 March, 2009 were for Rs. 1,321.543 million (30 June, 2008: Rs. 1,630.104 million).

## 13. Property plant & equipment

		<b>Un-Audited Quarter ended March 31, 2009</b>	Audited Year ended June 30, 2008
		..... (Rupees in thousand) .....	.....
Operating fixed assets	13.1.	<b>19,052,739</b>	19,776,950
Capital work in progress	13.2.	<b>471,419</b>	304,498
		<b>19,524,158</b>	20,081,448

**13.1. Operating fixed assets**

	<b>Un-Audited Quarter ended March 31, 2009</b>	Audited Year ended June 30, 2008
	..... (Rupees in thousand) .....	
Opening book value	<b>19,776,950</b>	7,711,462
Additions during the period / year:		
- buildings on freehold land	<b>2,208</b>	2,678,215
- road & bridges	-	12,148
- plant & machinery	<b>9,537</b>	10,206,455
- furniture, fixtures and equipment	<b>9,741</b>	17,376
- quarry equipment	<b>37</b>	11,813
- vehicles	<b>30,101</b>	6,546
- share of joint assets	-	275
	<b>51,624</b>	12,932,828
Book value of fixed assets disposed-off during the period / year	<b>3,339</b>	1,794
Depreciation charge for the period / year	<b>772,496</b>	865,546
Closing book value	<b>19,052,739</b>	19,776,950

**13.2. Capital work in progress**

Civil works	<b>18,395</b>	3,455
Plant & machinery	<b>75,103</b>	29,923
Unallocated capital expenditures	<b>4,813</b>	3,367
Advances to suppliers against:		
- purchase of land	<b>2,000</b>	2,000
- civil works	<b>2,307</b>	2,307
- plant & machinery	<b>367,005</b>	261,875
- vehicle	<b>1,796</b>	1,571
	<b>471,419</b>	304,498

**14. Investments (Available for sale)**

Security General Insurance Company Ltd. (SGIC) un-quoted 4,570,389 (30 June, 2008: 4,570,389) ordinary shares of Rs. 10 each - Cost Equity held: 6.71% (30 June, 2008: 6.71%)	<b>5,000</b>	5,000
Add: adjustment arising from measurement to fair value	<b>703,410</b>	703,410
	<b>708,410</b>	708,410

**Through profit or loss****Investments in Mutual Funds**

United Composite Islamic Fund 135,097.2700 (30 June, 2008: 128,504.97) units of Rs. 111.031 per unit including 6,592 bonus units received during the period	<b>15,000</b>	15,000
United Growth & Income Fund Nil units (30 June, 2008: 19,886.745)	-	2,000
MCB Dynamic Cash Fund 48,449.8941 units (30 June, 2008: 28,180.7097) units of Rs. 103.1994 per unit	<b>5,000</b>	3,000
Faisal Saving & Growth Fund 48,081.5463 (30 June, 2008: Nil) units of Rs. 103.9900 per unit	<b>5,000</b>	-
	<b>25,000</b>	20,000
Add: adjustment arising from measurement to fair value	<b>(4,685)</b>	(1,461)
	<b>20,315</b>	18,539



<b>Un-Audited Quarter ended March 31, 2009</b>	<b>Audited Year ended June 30, 2008</b>
..... (Rupees in thousand) .....	

**Investments in Listed Securities**

Fauji Cement Company Ltd. 121,800 (30 June, 2008: 121,800 ) ordinary shares of Rs. 10 each	<b>1,949</b>	1,949
Highnoon Laboratories Ltd. 116,270 (30 June, 2008: 116,270 ) ordinary shares of Rs. 10 each	<b>9,916</b>	9,916
Shakarganj Mills Ltd. 6,000 (30 June, 2008: 6,000 ) ordinary shares of Rs. 10 each	<b>250</b>	250
	<b>12,115</b>	12,115
Add: adjustment arising from measurement to fair value	<b>(7,324)</b>	(4,205)
	<b>4,791</b>	7,910
	<b>733,516</b>	734,859

**14.1** The management has further extended the period to sell these investments up to 30 June, 2009.

**14.2** The fair value of investments as at 30 June, 2008, was determined based on the valuation report prepared by independent Valuers M/s Maqbool Haroon & Co. Chartered Accountants, 47-C-3, Gulberg III, Lahore.

**15. Finance Cost**

	<b>Un-Audited Quarter ended March 31, 2009</b>	<b>Un-Audited Quarter ended March 31, 2008</b>
..... (Rupees in thousand) .....		
Mark-up / interest / profit on long term loans, finances, redeemable capital and short term finances	<b>1,685,434</b>	823,458
Bank guarantees' commission	<b>7,630</b>	2,105
Exchange fluctuation loss	<b>255,949</b>	15,798
Realised loss on derivative cross currency interest rate swap agreement	<b>632,635</b>	-
Bank charges	<b>73,246</b>	51,920
	<b>2,654,894</b>	893,281

**16. Taxation**

Provision for the current period represents tax on income chargeable under the Final Tax Regime; provision for the corresponding period represents minimum tax on turnover due under section 113 of the Income Tax Ordinance, 2001.



### 17. Transactions with related parties

Related parties comprise the Holding Company, related Group Companies, Associated Companies, Directors of the Company, Key employees and staff retirement funds. Details of transactions with related parties are as follow:

	<b>Un-Audited Quarter ended March 31, 2009</b>	Audited Year ended June 30, 2008
	..... (Rupees in thousand) .....	
- purchase of fixed assets	-	4,832
- sale of fixed assets	-	972
- purchase of goods and services	<b>1,375</b>	-
- sale of goods and services	<b>3,658</b>	763

### 18. Date of authorization for issue

These financial statement were authorized for issue on April 22, 2009 by the Board of Directors of the Company.

### 19. Figures

- figures in The condensed interim financial information have been rounded off to the nearest thousand Rupees except stated otherwise.
- corresponding figures have neither been re-arranged nor re-classified.

  
 Zamiruddin Azar  
 Director

  
 Sayeed Tariq Saigol  
 Chief Executive