



**GHARIBWAL CEMENT LIMITED**



**QUARTERLY REPORT**  
For the Period ended  
**September 30, 2007**





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## **GHARIBWAL CEMENT LIMITED**

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## Company Information

### BOARD OF DIRECTORS

Mr. Mohammad Tousif Peracha  
Chairman & Chief Executive

Mr. A. Rafique Khan  
Director

Mrs. Tabassum Tousif Peracha  
Director

Ms. Amna Khan  
Director

Mr. M. Saleem Peracha  
Director

Mr. Aameen Taqi Butt  
Director

Mr. M. Ishaque Khokhar  
Director

### BANKERS

ABN AMRO Bank (Pakistan) Limited  
Saudi Pak Commercial Bank Limited  
The Bank of Punjab

National Bank of Pakistan

United Bank Limited

MCB Bank Limited

Citibank N.A.

My Bank Limited (Bolan Bank Limited)

Habib Bank Limited

PICIC Commercial Bank Limited

The Bank of Khyber

KASB Bank Limited

### REGISTERED OFFICE

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

Tel : 042 - 111-210-310

Fax : 042 - 5871059 & 39

E-mail: [info@gharibwalcement.com](mailto:info@gharibwalcement.com)

### WORKS

Ismailwal, Distt. Chakwal

### WEBSITE

[www.gharibwalcement.com](http://www.gharibwalcement.com)

### AUDIT COMMITTEE

Mrs. Tabassum Tousif Peracha  
Chairperson and Member

Mr. Aameen Taqi Butt  
Member

Mr. M. Saleem Peracha  
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  
Share 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, 2007.

We wish to inform that due to the closure of the old, wet process cement plant established in the 1960s, there was nil production and despatches recorded for the First Quarter period under review and as a result, therefore, there are no comparative figures of production and despatches to present in this First Quarter Report.

Further, the Company has suffered loss before taxation of Rs. 49.86 million for the First Quarter under review as against Loss Before Taxation of Rs 53.97 million for the corresponding quarter of 2006. Similarly, loss after taxation of the Company for the First Quarter under review stands at Rs. 41.37 million as compared to loss after taxation of Rs. 55.74 million during the previous comparable quarter.

### Right Issue

The R-3 right share issue of the Company of Rs. 600 million, consisting of 60 million ordinary shares at par, was completed during the quarter under review.

### New Project

We wish to report that the new dry process cement plant at the existing site of the Company having a capacity of 6,700 tonnes per day of clinker production is near to completion. The kiln firing date is anticipated to be in the month of December 2007.

The Board of Directors take this opportunity to thank our customers, dealers, suppliers, executives, staff and workers for their valued co-operation and efforts towards the well-being of the Company A mark of gratitude is also registered for the financial institutions.

For and on behalf of the Board of Directors



M. TOUSIF PERACHA  
(Chief Executive)

Lahore: October 31, 2007

## Balance Sheet

As at September 30, 2007 (Un-audited)

	September 30 2007	June 30 2007
	(Rupees in thousand)	
<b>SHARE CAPITAL AND RESERVES</b>		
<b>AUTHORISED SHARE CAPITAL</b>		
250,000,000 Ordinary Shares of Rs.10 each	2,500,000	2,500,000
Issued, subscribed & paid up share capital	2,318,764	1,718,764
General reserve	332,000	332,000
Accumulated loss	(414,130)	(372,757)
	2,236,634	1,678,007
<b>SURPLUS ON REVALUATION OF FIXED ASSETS</b>	1,065,936	1,074,419
<b>NON CURRENT LIABILITIES</b>		
Redeemable capital	237,750	225,000
Long term loans, finances & other payables	3,842,887	3,594,943
Long term foreign currency laons	-	188,097
Liabilities against assets subject to finance lease	123,168	172,393
Long term deposits from customers	1,225	1,225
Deferred liabilities	5,721	5,721
Deferred tax liability	161,836	161,836
	4,372,588	4,349,215
<b>CURRENT LIABILITIES</b>		
Trade and other payables	514,269	572,513
Accrued interest / markup	141,464	123,834
Short term loans and finances	162,639	298,540
Current portion of non-current liabilities	67,094	99,325
Taxes and duties	17,841	29,804
	903,307	1,124,016
<b>CONTINGENCIES AND COMMITMENTS</b>	-	-
	8,578,464	8,225,657

M. Tousif Peracha  
Chief Executive

## Balance Sheet

As at September 30, 2007 (Un-audited)

	September 30 2007 (Rupees in thousand)	June 30 2007
<b>PROPERTY PLANT &amp; EQUIPMENT</b>		
Operating fixed assets	2,389,901	2,416,455
Capital work-in-progress	5,188,175	4,439,639
Stores held for capital expenditure	74,888	74,888
	<b>7,652,964</b>	<b>6,930,982</b>
<b>OTHER NON CURRENT ASSETS</b>		
Long term investments	942	942
Long term loans and advances	2,558	1,710
Long term deposits and prepayments	6,530	1,898
Deferred cost	29,192	34,192
	<b>39,222</b>	<b>38,742</b>
<b>CURRENT ASSETS</b>		
Stores, spares and loose tools	181,409	176,318
Stock in trade	77,334	77,753
Loans and advances	338,722	194,491
Trade deposits and short term prepayments	21,608	24,386
Accrued interest	2,090	599
Other receivables	568	31,454
Cash and bank balances	264,547	750,932
	<b>986,278</b>	<b>1,255,933</b>
	<b>8,578,464</b>	<b>8,225,657</b>

The annexed notes form an integral part of these financial statements.

  
A. Rafique Khan  
Director



## Profit and Loss Account

For the period ended September 30, 2007 (Un-audited)

	September 30 2007 (Rupees in thousand)	September 30 2006
Sales-net	-	292,091
Cost of sales	23,973	306,303
<b>GROSS LOSS</b>	<b>(23,973)</b>	<b>(14,212)</b>
<b>OPERATING EXPENSES</b>		
General & administrative	16,857	13,471
Selling & distribution	874	545
Other charges	10	2,864
	17,742	16,880
<b>OPERATING LOSS</b>	<b>(41,715)</b>	<b>(31,092)</b>
Other operating income	2,578	891
	(39,137)	(30,201)
Finance cost	10,722	23,773
<b>LOSS BEFORE TAXATION</b>	<b>(49,858)</b>	<b>(53,974)</b>
Taxation		
-Current	-	1,767
	-	1,767
Others		
Revaluation surplus transferred to equity	(8,485)	-
<b>LOSS AFTER TAXATION</b>	<b>(41,374)</b>	<b>(55,741)</b>
Loss per share - Rupee	(0.17843)	(0.32430)

The annexed notes form an integral part of these financial statements.



M. Tousif Peracha  
Chief Executive



A. Rafique Khan  
Director

## Cash Flow Statement

For the period ended September 30, 2007 (Un-audited)

	September 30 2007	September 30 2006
	(Rupees in thousand)	
NET CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES (note 'A')	(164,328)	141,408
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(774,034)	(361,463)
Interest on bank deposits received	2,578	891
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES	(771,456)	(360,572)
CASH FLOW FROM FINANCING ACTIVITIES		
Right shares issued	600,000	-
Long term loans and finances - net	247,944	211,723
Repayment of foreign currency loans	(188,097)	-
Lease finances - net	(81,455)	6,803
Short term finances - net	(135,901)	11,238
Financial charges paid	6,908	(21,135)
NET CASH INFLOW FROM FINANCING ACTIVITIES	449,399	208,629
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(486,385)	(10,534)
CASH AND CASH EQUIVALENTS		
- At the beginning of the period	750,932	156,962
CASH AND CASH EQUIVALENTS		
- At the end of the period	264,547	146,428



M. Tousif Peracha  
Chief Executive



A. Rafique Khan  
Director

## Cash Flow Statement

For the period ended September 30, 2007 (Un-audited)

	September 30 2007	September 30 2006
	(Rupees in thousand)	
NOTE 'A'		
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the period-before taxation	(49,858)	(53,974)
Adjustments for:		
Depreciation	25,272	14,400
Financial charges	10,722	23,773
Interest on bank deposits	(25,789)	(8,808)
Exchange fluctuation loss	-	2,835
Amortization of discount on issue of shares	5,000	5,000
	(34,653)	(16,774)
Long term deposits and prepayments and liabilities	2,778	5,984
Long term loans and advances	(639)	-
Taxes and duties	11,963	123,714
CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES		
- Before working capital changes	(20,551)	112,924
(Increase)/Decrease in current assets:		
Stores, spares and loose tools	(5,091)	20,288
Stock-in-trade	(219)	1,199
Advances, deposits, prepayments and other receivables - net	(184,748)	(405,847)
Increase in creditors, accruals and other liabilities	58,244	514,330
	(131,814)	129,970
CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES		
- Before taxation	(152,365)	242,894
Taxes and duties paid	(11,963)	(101,486)
NET CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES		
- After taxation	(164,328)	141,408

The annexed notes form an integral part of these financial statements.



M. Tousif Peracha  
Chief Executive



A. Rafique Khan  
Director

## Statement of Changes in Equity

For the period ended September 30, 2007 (Un-audited)

Particulars	Share Capital	General Reserve	Dividend Reserve	Accumulated Loss	Total
(Rupees in thousand)					
Balance as at June 30, 2006	1,718,764	332,000	13,878	(183,962)	1,880,680
Loss for the period (July 01, 2006 to Sep 30, 2006)	-	-	-	(55,741)	(55,741)
Balance as at October 01, 2006	1,718,764	332,000	13,878	(239,703)	1,824,939
Loss for the period (Oct 01, 2006 to June 30, 2007)	-	-	-	(167,175)	(167,175)
Revaluation surplus transferred to equity	-	-	-	34,121	34,121
Dividend Paid	-	-	(13,878)	-	(13,878)
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)
Right Shares Issued	600,000	-	-	-	600,000
Revaluation surplus transferred to equity	-	-	-	8,485	8,485
Balance as at September 30, 2007	2,318,764	332,000	-	(414,130)	2,236,634

The annexed notes form an integral part of these financial statements.



M. Tousif Peracha  
Chief Executive



A. Rafique Khan  
Director

## Notes to the Accounts

For the period ended September 30, 2007 (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 is in the phase of installation of new modern dry process cement manufacturing plant.
2. Cost of sales include depreciation of Rs. 23.7 million related to wet process cement plant.
3. Contingencies and commitments remained unchanged since last published financial statements except for reduction in capital commitments to the extent of increase in capital work-in-progress.
4. These financial statements are authorized for issue by the Board of Directors in their meeting held on October 31, 2007.
5. Figures have been rounded off to the nearest thousand rupees.



M. Tousif Peracha  
Chief Executive



A. Rafique Khan  
Director