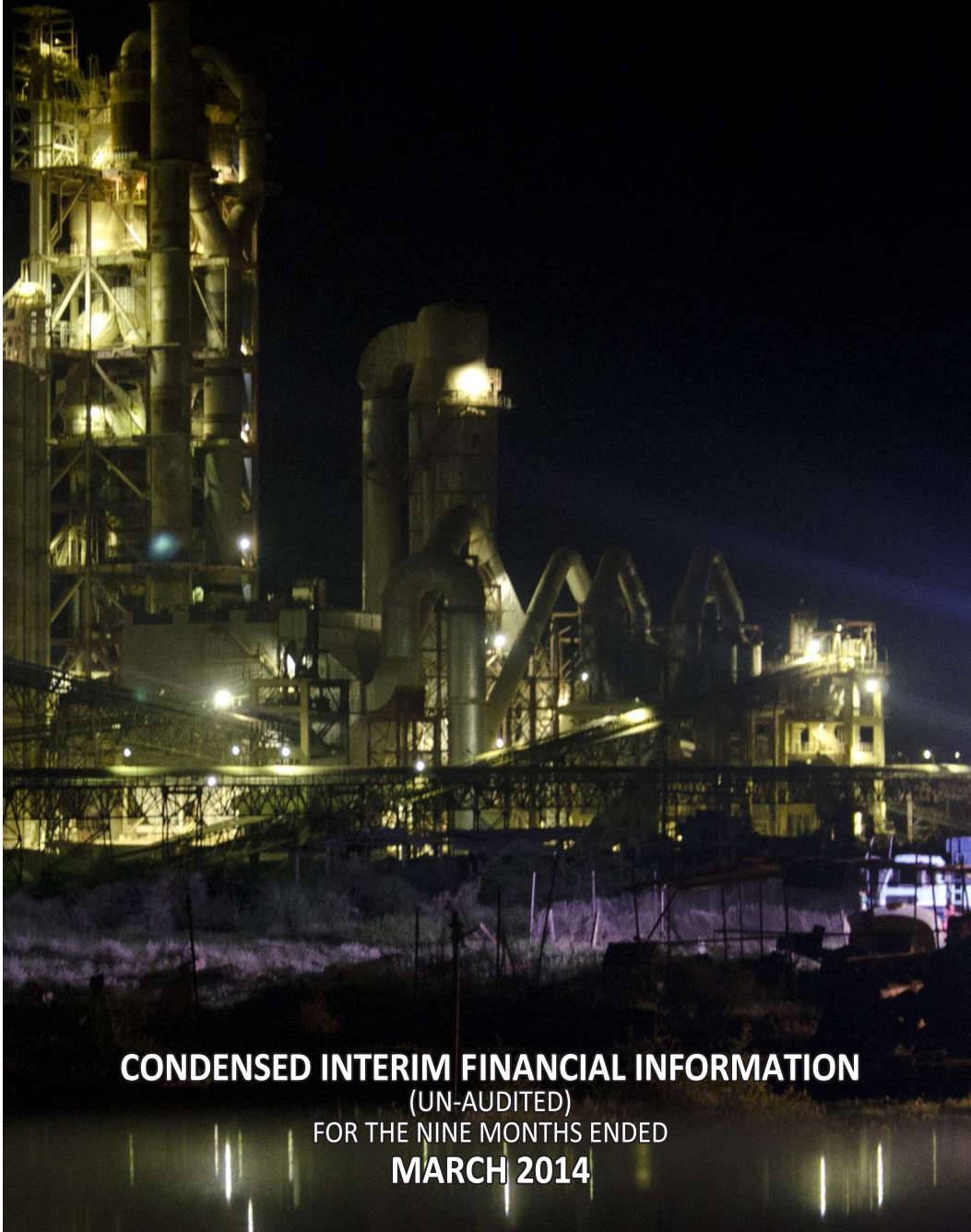




GHARIBWAL CEMENT LIMITED



CONDENSED INTERIM FINANCIAL INFORMATION
(UN-AUDITED)
FOR THE NINE MONTHS ENDED
MARCH 2014

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Company Information

BOARD OF DIRECTORS:	Chairman & CEO Mr. Muhammad Tousif Peracha	Directors Mr. Abdur Rafique Khan Mrs. Tabassum Tousif Peracha Mr. Mustafa Tousif Ahmed Paracha Mr. Ali Rashid Khan Mr. Khalid Siddique Tirmzi Mr. Muhammad Rahman
AUDIT COMMITTEE	Chairman Mrs. Tabassum Tousif Peracha	Members Mr. Mustafa Tousif Ahmed Paracha Mr. Ali Rashid Khan
HRR COMMITTEE	Chairman Mr. Mustafa Tousif Ahmed Paracha	Members Mr. Ali Rashid Khan Mr. Muhammad Rahman
CFO & COMPANY SECRETARY	Mr. Muhammad Shamail Javed ACA	
CHIEF ACCOUNTANT	Mr. Farukh Naveed	
EXTERNAL AUDITORS	Hyder Bhimji & Co. Chartered Accountants	
INTERNAL AUDITORS	Aftab Nabi & Co. Chartered Accountants	
LEGAL ADVISOR	Raja Muhammad Akram	
BANKERS TO THE COMPANY	Allied Bank Limited Askari Bank Limited Faysal Bank Limited First Credit and Investment Bank Habib Bank Limited KASB Bank Limited MCB Bank Limited Meezan Bank Limited National Bank of Pakistan NIB Bank Limited Saudi Pak Industrial & Agricultural Investment Company Silk Bank Limited The Bank of Khyber The Bank of Punjab United Bank Limited	
REGISTERED & HEAD OFFICE	28-B/III, 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	Corplink (Pvt.) Limited Shares Registrar, Wings Arcade, 1-K, Commercial, Model Town, Lahore. Tel: 042-35916714	

Directors' Report to the Members

The directors of your Company are pleased to present the un-audited condensed interim financial information for the nine months ended March 31, 2014.

During the 3rd quarter ended March 31, 2014, the cement industry of Pakistan has posted a meagre growth of 0.77% (local market posted positive growth of 2.11%; whereas export posted negative growth of 3.81%) compared with the same period during last fiscal year. Whereas industry has posted slight growth of 0.96% for the nine months ended March 31, 2014 compared with the same period of the last year. The export to Afghanistan is declining gradually due to slow pace of new project developments in Afghanistan and import of cement from Iran. India is also experiencing economic slowdown resulting in reduction in cement demand. We hope that cement demand in local market will grow mainly due to spending by government on infrastructure projects and this will impact positively on GCL.

Your Company has posted satisfactory growth in dispatches of 10% and 18% for the 3rd quarter & nine months period respectively. Clinker capacity utilization increased from 47% to 52% for the nine months period. Net sales revenue increased by 21% and 29% for the 3rd quarter and nine months period over the corresponding periods of the last year resulting in growth of GP by 76% and 50% for the 3rd quarter and nine months period.

Particulars	Nine months ended March				3rd Quarter ended March			
	2014	2013	Variance	%	2014	2013	Variance	%
	-----Rs. '000-----				-----Rs. '000-----			
				age				age
Net sales	5,904,738	4,568,634	1,336,104	29%	2,142,207	1,777,618	364,589	21%
Gross profit	1,735,348	1,154,935	580,413	50%	597,478	338,781	258,697	76%
Operating profit	1,528,925	1,009,909	519,016	51%	518,176	292,084	226,092	77%
Profit before taxation	1,074,326	544,461	529,866	97%	383,532	188,057	195,475	104%
Profit after taxation	1,015,196	518,898	496,298	96%	361,947	178,519	183,428	103%

At bottom end, your Company managed to earn a net profit of Rs. 1,015 million and Rs. 361 million during the nine months period and 3rd quarter respectively which showed respective growth of 96% and 103% over the corresponding periods of the last financial year. The net profit remained below than budgeted mainly because of gas shut down in winter season and retrospectively charging of GIDC by SNGPL. EPS increased from Rs. 1.30 to Rs. 2.54 for the nine months period.

We express our gratitude for the continuous support and cooperation of our bankers and financial institutions, our dealers and customers, and other stakeholders having business relations with us. We also appreciate the loyalty, dedication and hard work of all our staff. At the end, we thank our shareholders for their confidence and faith that they have always reposed in us.

For and on behalf of the Board of Directors



MUHAMMAD TOUSIF PERACHA
(Chief Executive Officer)

Lahore: April 30, 2014

Condensed Interim Balance Sheet (un-audited)

As at March 31, 2014

	Note	Un-audited 31-03-2014	Audited 30-06-2013 (Rupees in thousand)
ASSETS			
NON CURRENT ASSETS			
property, plant and equipments	5	11,417,638	11,476,898
Deferred tax assets		142,761	142,761
Long term deposits		79,956	72,456
		11,640,355	11,692,116
CURRENT ASSETS			
Stores, spares and loose tools		804,287	661,055
Stock in trade		174,553	167,019
Trade debtors		193,054	188,929
Advances, deposits and prepayments		193,855	170,114
Cash and bank balances		63,887	22,718
		1,429,637	1,209,835
Non current assets held for sale	6	-	-
		13,069,992	12,901,950



Muhammad Tousif Peracha
Chief Executive Officer

Condensed Interim Balance Sheet (un-audited)

As at March 31, 2014

	Note	Un-audited 31-03-2014	Audited 30-06-2013 (Rupees in thousand)
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		4,002,740	4,002,740
General Reserve		332,000	332,000
Accumulated losses		(1,599,317)	(2,671,644)
		2,735,423	1,663,096
Surplus on revaluation of property, plant and equipments		2,213,639	2,270,769
		4,949,061	3,933,865
NON CURRENT LIABILITIES			
Redeemable capital		129,896	199,840
Long term borrowings		2,571,632	3,756,562
Deferred income		212,004	212,004
Deferred liabilities		1,630,336	1,803,180
		4,543,869	5,971,587
CURRENT LIABILITIES			
Trade and other payable		850,646	862,652
Markup and profit payable		708,625	590,944
Short term borrowings		495,421	465,801
Current portion of non current liabilities		935,107	770,791
Taxes and duties payable		587,264	306,310
		3,577,062	2,996,499
COMMITMENTS AND CONTINGENCIES			
	7		
		13,069,992	12,901,950

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

Abdur Rafique Khan
Abdur Rafique Khan
Director

Condensed Interim Profit and Loss Account (un-audited)

For the nine months period ended March 31, 2014

	Nine months ended March		3 rd Quarter ended March		
	Note	2014 (Rupees in thousand)	2013 (Rupees in thousand)	2014 (Rupees in thousand)	2013 (Rupees in thousand)
Net sales		5,904,738	4,568,634	2,142,207	1,777,618
Cost of sales		(4,169,390)	(3,413,699)	(1,544,729)	(1,438,837)
Gross profit		1,735,348	1,154,935	597,478	338,781
Administration and general expenses		(132,161)	(99,712)	(54,498)	(31,406)
Selling and distribution expenses		(20,607)	(11,829)	(9,055)	(3,574)
Other operating expenses		(55,256)	(34,566)	(16,776)	(12,283)
Other income		1,600	1,080	1,026	566
		(206,424)	(145,027)	(79,303)	(46,697)
Operating profit		1,528,925	1,009,909	518,176	292,084
Finance cost		(454,598)	(465,448)	(134,643)	(104,027)
Profit before taxation		1,074,326	544,461	383,532	188,057
Current taxation		(59,131)	(25,563)	(21,586)	(9,538)
Profit after taxation		1,015,196	518,898	361,947	178,519
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		1,015,196	518,898	361,947	178,519
Earning per share (Rupees)		2.54	1.30	0.91	0.45

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



Muhammad Tousif Peracha
Chief Executive Officer



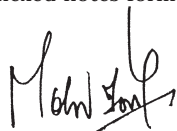
Abdur Rafique Khan
Director

Condensed Interim Cash Flow Statement (un-audited)

For the nine months period ended March 31, 2014

	Nine months ended March	
	2014	2013
	(Rupees in thousand)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,074,326	544,460
Depreciation	302,462	253,942
Finance cost	454,598	462,975
	757,061	716,917
Operating profit before working capital changes	1,831,387	1,261,377
Net change in working capital		
Stores, spares and loose tools	(143,232)	(61,932)
Stock in trade	(7,534)	(43,466)
Trade debtors	(4,126)	(30,900)
Advances, deposits and prepayments	(23,742)	99,980
Trade and other payable	(42,335)	(207,723)
	(220,969)	(244,041)
Cash inflow from operation	1,610,418	1,017,336
Finance cost	(242,859)	(529,382)
Taxes and duties - net	(5,981)	(170,938)
Long term deposits - net	(7,500)	4,876
Net cash inflow from operating activities	1,354,078	321,892
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditures	(243,202)	(134,339)
Net cash outflow in investing activities	(243,202)	(134,339)
CASH FLOW FROM FINANCING ACTIVITIES		
Redeemable capital	(13,522)	-
Long term borrowings	(290,350)	(207,926)
Directors' loan	(782,856)	760
Finance leases	(12,600)	(5,400)
Short term borrowings - net	51,646	95,517
Cash outflow in financing activities	(1,047,682)	(117,049)
Net decrease in cash and cash equivalent	63,195	70,504
Cash and cash equivalent		
At the beginning of the period	692	16760
At the close of the period	63,887	87,264

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



Muhammad Tousif Peracha
Chief Executive Officer



Abdur Rafique Khan
Director

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

For the nine months period ended March 31, 2014

Particulars	Share Capital	General Reserve	Accumulated Loss	Total
	(Rupees in thousand)			
Balance as at June 30, 2012	4,002,739	332,000	(3,794,382)	540,357
Total comprehensive income for 9 months ended March 31, 2013	-	-	518,898	518,898
Incremental depreciation on surplus on property, plant and equipment	-	-	53,461	53,461
Balance as at March 31, 2013	4,002,739	332,000	(3,222,024)	1,112,716
Total comprehensive income for 3 months ended June 30, 2013	-	-	531,648	531,648
Incremental depreciation on surplus on property, plant and equipment	-	-	18,733	18,733
Balance as at June 30, 2013	4,002,739	332,000	(2,671,643)	1,663,096
Total comprehensive income for 9 months ended March 31, 2014	-	-	1,015,196	1,015,196
Incremental depreciation on surplus on property, plant and equipment	-	-	57,130	57,130
Balance as at March 31, 2014	4,002,739	332,000	(1,599,317)	2,735,422

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



Muhammad Tousif Peracha
Chief Executive Officer



Abdur Rafique Khan
Director

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

For the nine months period ended March 31, 2014

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 III, Gulberg, Lahore.

2. STATEMENT OF COMPLAINEE

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, 2013. This information 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 this condensed interim financial information are the same as those applied in preparation of financial statements of the company for the year ended June 30, 2013.

4. SIGNIFICANT ESTIMATES

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

	Un-audited 31-03-2014	Audited 30-06-2013
		(Rupees in thousand)
5. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	11,027,938	11,036,096
Capital work in progress	389,699	440,802
	<hr/> 11,417,637	<hr/> 11,476,898

Reconciliation of operating fixed assets		(Rupees in thousand)
Balance as at June 30, 2013		11,036,096
Additions		5,459
Transfer from capital work in progress		288,845
		11,330,401
Depreciation		(302,462)
		11,027,938

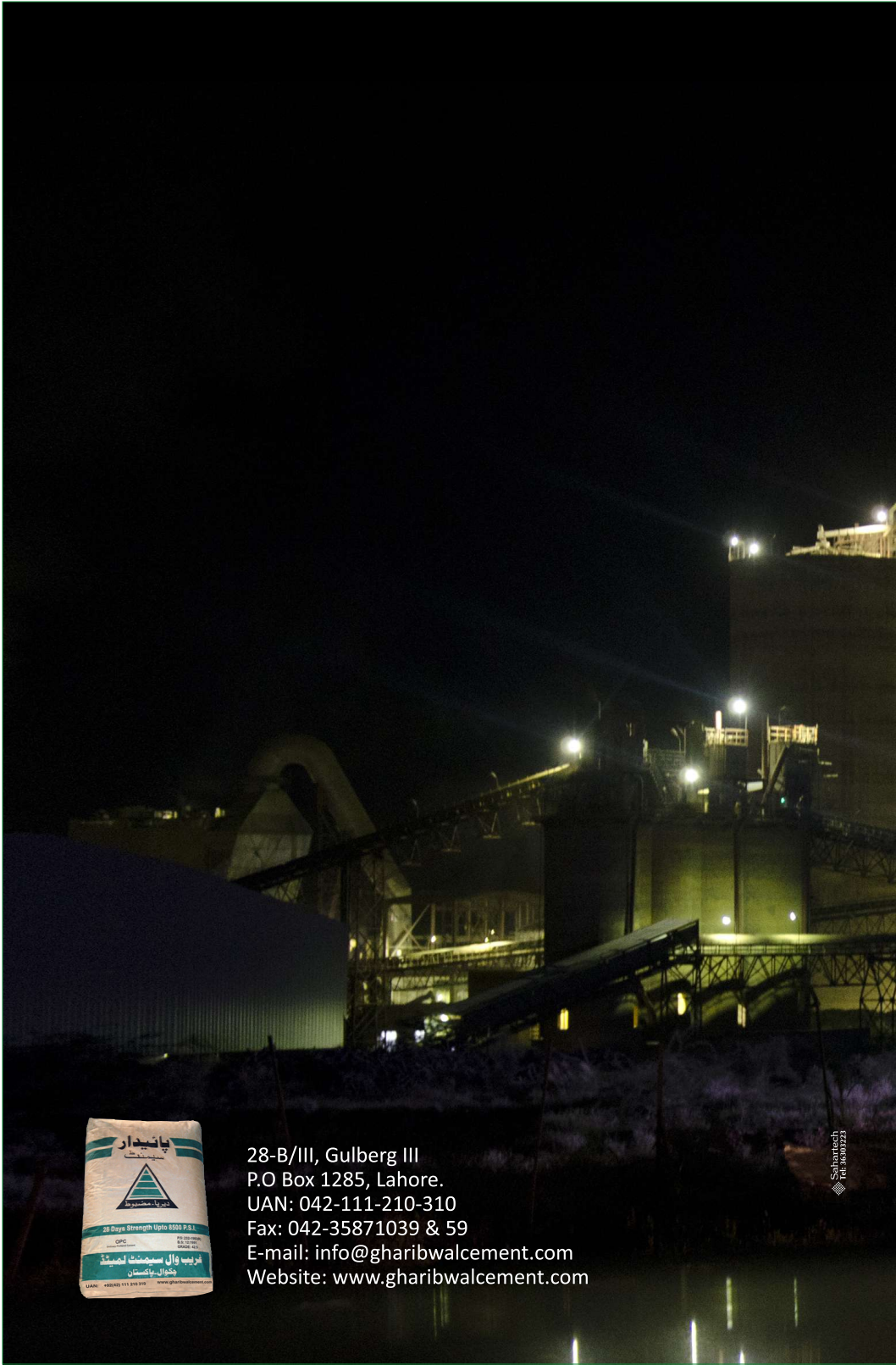
6. These represent the left over parts of the old plant which were classified as non-current asset held for sale. Though there are active buyers for the parts shown ever the technical team of the plant recommended to use these parts internally for the parts and accordingly these are re-classified as stores and spares items.
7. There is no change in the status of contingencies and commitments as reported in annual financial statements of the company for the year ended June 30, 2013. However during the period, commercial banks have issued bank guarantees amounting to Rs. 155 million to SNGP on behalf of the Company. Another bank has issued performance guarantee equivalent to US\$
8. There are no significant transactions with related parties during the period under review.
9. The condensed interim financial information has been approved by the Board of Directors for issue on April 30, 2014.
10. Corresponding figures have been regrouped where ever required; however no material regrouping has been made except for as described in note 6. Figures in this information are rounded off to nearest thousand rupees.



Muhammad Tousif Peracha
Chief Executive officer



Abdur Rafique Khan
Director



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