

# **Quarterly Report**

Dadex Eternit Limited

**Unaudited Financial Statements**

**For the Three Months Ended**

**September 30, 2010**

## Company Information

Board of Directors	ABU TALIB H.K. DADA - Chairman MAQBOOL H.H. RAHIMTOOLA QAZI SAJID ALI ZULFIQAR ALI LAKHANI SHAHZAD M. HUSAIN SAMAD DADA RASHEED Y. CHINYO JAHANGIR SIDDIQUI MOHAMMAD SULEMAN KANJIANI MOHSIN ASHFAQUE (Alternate: KAMAL AFSAR)
Chief Executive Officer	SIKANDER DADA
Acting Chief Financial Officer	MUHAMMAD YOUSUF
Company Secretary	AMBER SAEED
Board Audit Committee	QAZI SAJID ALI - Chairman MOHAMMAD SULEMAN KANJIANI SAMAD DADA
Management Team	SIKANDER DADA - CEO RIZWAN AMJED - Director (Operations) SUHAIL NADEEM - Director (Marketing & Sales) TANVEER SALEEM - Director (Technical Services & Quality Assurance) MUHAMMAD YOUSUF - Acting Chief Financial Officer AMBER SAEED - Company Secretary
Auditors	ERNST & YOUNG FORD RHODES SIDAT HYDER Chartered Accountants
Bankers	HABIB BANK LIMITED HABIB METROPOLITAN BANK LIMITED HSBC BANK MIDDLE EAST LIMITED KASB BANK LIMITED MCB BANK LIMITED NATIONAL BANK OF PAKISTAN OMAN INTERNATIONAL BANK S.A.O.G. STANDARD CHARTERED BANK (PAKISTAN) LIMITED UNITED BANK LIMITED
Legal Advisors	BEG & HUSSAIN ADVOCATES & SOLICITORS
Registered Office	DADEX HOUSE, 34-A/1, BLOCK 6, P.E.C.H.S., SHAHRAH-E-FAISAL, KARACHI- 75400 TEL: (92-21) 111 000 789 FAX: (92-21) 4315716, 4315725 EMAIL: info@dadex.com.pk
Share Registrars	GANGJEES REGISTRAR SERVICES (PVT) LTD 516, CLIFTON CENTRE, KHAYABAN-E-ROOMI, KEHKASHAN, BLOCK-5, CLIFTON, KARACHI-75600 TEL: (92-21) 5836920, 5375714, 5377045 FAX: (92-21) 5837956, 5810289 EMAIL: gangjees@super.net.pk
Web site	<a href="http://www.dadex.com">www.dadex.com</a>

## DIRECTORS' REVIEW

The First Quarter has ended with satisfactory results given Pakistan's extremely challenging economic scenario. Devastation caused by the unprecedented recent flooding has meant that the construction industry in particular and the overall economy have suffered huge losses and a freeze by the Government on development funding. Additionally, during the Quarter, the reduced number of available working days because of the month of Ramzan / Eid, extended civil disturbances.

Rising business costs e.g. electricity power rates, fuel prices on the one hand and the impact on revenue of the stoppage of almost all major construction projects have also added to the difficult business climate. However, your Company is well placed to meet the high expectations as the building industry recovers from its present situation in the coming months.

The continued slow down in the construction sector with the resultant cuts in public infrastructure development projects have resulted in a lower turnover by 7% as compared to the corresponding quarter of the last year. The other factors explained above, have resulted in a negative earning per share of Rs.(1.06) (September 30, 2009: Rs. 0.59 restated). Furthermore, the situation explained in Note No.7.1 to the Financial Statements also negatively affected on your Company's performance.

Under these circumstances, your Company's management team is focusing on further improvements in working capital management, stringent control on all expenses and increasing market share. These efforts have yielded favourable results in terms of reduced Finance cost and Operating expenses, for the quarter under review.

Your Directors and Management deeply appreciate the continued support and commitment of all our stakeholders and are also thankful for the continued hard and sincere work of all cadres of employees of your Company.

On behalf of the Board

Karachi: October 12, 2010

**Sikander Dada**  
Chief Executive

**Zulfiqar Ali Lakhani**  
Director

**DADEX**

**DADEX ETERNIT LIMITED**  
**INTERIM CONDENSED BALANCE SHEET**  
**AS AT SEPTEMBER 30, 2010**

Note	Period Ended September 30, 2010 (Un-audited)	Year Ended June 30, 2010 (Audited)
------(Rupees '000)-----		
<b>ASSETS</b>		
<b>NON- CURRENT ASSETS</b>		
	331,262	345,066
	14,311	14,691
	3,928	5,653
4	<b>349,501</b>	<b>365,410</b>
	80	80
5	3,372	3,769
	6,730	6,730
	<b>359,683</b>	<b>375,989</b>
<b>CURRENT ASSETS</b>		
	47,482	48,101
6	675,956	783,211
	69,545	110,200
	49,638	17,539
	34,332	11,665
	3,879	2,672
	50,782	50,628
	6,039	38,001
	<b>937,653</b>	<b>1,062,017</b>
<b>TOTAL ASSETS</b>	<b>1,297,336</b>	<b>1,438,006</b>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
<b>Authorised capital</b>		
<b>20,000,000 (June 2010: 20,000,000) ordinary shares of Rs. 10/- each</b>		
	<b>200,000</b>	<b>200,000</b>
	107,640	107,640
	401,623	413,239
	<b>509,263</b>	<b>520,879</b>
<b>NON-CURRENT LIABILITIES</b>		
	-	-
	8,436	22,537
	<b>8,436</b>	<b>22,537</b>
<b>CURRENT LIABILITIES</b>		
	407,162	524,341
	8,789	11,729
	276,157	288,056
	60,000	60,000
	18,717	1,999
	8,812	8,465
	<b>779,637</b>	<b>894,590</b>
<b>CONTINGENCIES AND COMMITMENTS</b>		
7	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,297,336</b>	<b>1,438,006</b>

The annexed notes 1 to 13 form and integral part of these financial statements.

Muhammad Yousuf  
Acting Chief Financial Officer

Sikander Dada  
Chief Executive

Zulfiqar Ali Lakhani  
Director

**DADEX**

**DADEX ETERNIT LIMITED**  
**INTERIM CONDENSED PROFIT & LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2010**

Note	Jul to Sep. 2010	Jul to Sep. 2009 (Restated)
	------(Rupees '000)-----	
Turnover - net	424,386	456,737
Cost of sales	(357,356)	(348,981)
<b>Gross profit</b>	<b>67,030</b>	<b>107,756</b>
Distribution cost	(56,323)	(55,551)
Administration expenses	(30,482)	(30,855)
Other operating expenses	(913)	(4,055)
Other operating income	11,170	7,909
<b>Operating profit</b>	<b>(9,518)</b>	<b>25,204</b>
Financial charges	(10,041)	(20,120)
Share of profit/(loss) from associate	-	-
<b>(Loss) / Profit before taxation</b>	<b>(19,559)</b>	<b>5,084</b>
Taxation	8      8,153	1,259
<b>(Loss) / Profit after taxation</b>	<b>(11,406)</b>	<b>6,343</b>
<b>(Loss) / Earning per share</b>	<b>(1.06)</b>	<b>0.59</b>

The annexed notes 1 to 13 form and integral part of these financial statements.

**Muhammad Yousuf**  
Acting Chief Financial Officer

**Sikander Dada**  
Chief Executive

**Zulfiqar Ali Lakhani**  
Director

**DADEX**

**DADEX ETERNIT LIMITED**  
**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2010**

	<b>Jul to Sep. 2010</b>	<b>Jul to Sep. 2009 (Restated)</b>
	----- (Rupees '000) -----	
(Loss) / Profit after taxation	(11,406)	6,343
<b><u>Other Comprehensive (Loss) for the period</u></b>		
Net movement in cash flow hedge - net of deferred tax	386	83
Net loss on cash flow hedge	(596)	(629)
	(210)	(546)
<b>Total Comprehensive (loss) / income for the period</b>	<b>(11,616)</b>	<b>5,797</b>

The annexed notes 1 to 13 form and integral part of these financial statements.

**Muhammad Yousuf**  
Acting Chief Financial Officer

**Sikander Dada**  
Chief Executive

**Zulfiqar Ali Lakhani**  
Director

**DADEX**

**DADEX ETERNIT LIMITED**  
**INTERIM CONDENSED CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2010**

	Notes	Jul to Sep. 2010	Jul to Sep. 2009 (Restated)
------(Rupees '000)-----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated / (used) from operations	10	(79)	31,230
Income tax paid		(6,233)	(10,013)
Long - term loans and advances - net		397	(169)
Long-term deposits - net		-	(2)
<b>Net cash generated / (used) from operating activities</b>		<b>(5,915)</b>	<b>21,046</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		(1,149)	(722)
Proceeds from disposal of property, plant & equipment		-	451
Investments encashed		-	-
Interest received		-	52
<b>Net cash used in investing activities</b>		<b>(1,149)</b>	<b>(219)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Short-term borrowings - net		(11,898)	2,834
Long-term financing		-	-
Interest / markup paid		(12,980)	(18,014)
Payment for derivative financial instruments -cross currency swap		-	-
Payment for cash flow hedge - interest rate swap		-	-
Dividend paid		(20)	(3)
<b>Net cash used / obtained from financing activities</b>		<b>(24,898)</b>	<b>(15,183)</b>
Net increase / (decrease) in cash and cash equivalents		<b>(31,962)</b>	<b>5,644</b>
Cash and cash equivalents at the beginning of the period		38,001	850
Cash and cash equivalents at the end of the period		<b>6,039</b>	<b>6,494</b>

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**Muhammad Yousuf**  
Acting Chief Financial Officer

**Sikander Dada**  
Chief Executive

**Zulfiqar Ali Lakhani**  
Director

**DADEX**

**DADEX ETERNIT LIMITED**  
**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2010**

	Reserves							Total
	Issued subscribed and paid up capital	Capital Reserve- Share Premium	Revenue Reserves			Sub Total	Total	
			Revenue Reserve General	Un- appropriate d Profit	Other			
	----- (Rupees '000) -----							
<b>Balance as at July 01, 2009 (Restated)</b>	107,640	5,655	370,000	31,842	(3,130)	398,712	404,367	512,007
Profit for the period (Restated)	-	-	-	6,343	-	6,343	6,343	6,343
Other comprehensive loss for the period, net of tax	-	-	-	-	(546)	(546)	(546)	(546)
	-	-	-	6,343	(546)	5,797	5,797	5,797
<b>Balance as at Sept 30, 2009</b>	<u>107,640</u>	<u>5,655</u>	<u>370,000</u>	<u>38,185</u>	<u>(3,676)</u>	<u>404,509</u>	<u>410,164</u>	<u>517,804</u>
<b>Balance as at July 01, 2010</b>	107,640	5,655	395,000	16,858	(4,274)	407,584	413,239	520,879
Profit for the period	-	-	-	(11,406)	-	(11,406)	(11,406)	(11,406)
Other comprehensive loss for the period, net of tax	-	-	-	-	(210)	(210)	(210)	(210)
	-	-	-	(11,406)	(210)	(11,616)	(11,616)	(11,616)
<b>Balance as at September 30, 2010</b>	<u>107,640</u>	<u>5,655</u>	<u>395,000</u>	<u>5,452</u>	<u>(4,484)</u>	<u>395,968</u>	<u>401,623</u>	<u>509,263</u>

The annexed notes 1 to 13 form and integral part of these financial statements.

Muhammad Yousuf  
Acting Chief Financial Officer

Sikander Dada  
Chief Executive

Zulfiqar Ali Lakhani  
Director

**DADEX**



**DADEX ETERNIT LIMITED**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2010**

**1 NATURE AND STATUS OF BUSINESS**

Dadex Eternit Limited (the Company) is a limited liability company incorporated in Pakistan on April 13, 1959 as a public limited Company under the Companies Ordinance, 1984 and is quoted on Karachi Stock Exchange. The registered office of the Company is situated at Dadex House, 34-A/1, Block 6, P.E.C.H.S, Sharah-e-Faisal, Karachi. The principal business of the Company is to manufacture and sale of construction material, which mainly includes piping system and other allied products manufactured from chrysotile cement, rubber and plastics, and merchandising of imported fittings, accessories and other building products. The Company is also engaged in providing irrigation solution for agriculture and landscape.

**2 BASIS OF PRESENTATION**

These interim condensed financial statements are unaudited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984. These accounts have been prepared in accordance with the requirements of the Companies Ordinance, 1984, directives issued by the Securities & Exchange Commission of Pakistan (SECP) and International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan. These should be read in conjunction with the financial statements of the Company for the year ended June 30, 2010.

**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of these interim condensed financial statements are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended June 30, 2010.

	Period Ended September 30, 2010 (Un audited)	Year Ended June 30, 2010 (Audited)
Note	------(Rupees in '000)-----	
<b>4 PROPERTY, PLANT AND EQUIPMENT</b>		
<b>4.1 Additions during the period</b>		
Freehold land	-	-
Leasehold land	-	-
Buildings	1,146	684
Plant & machinery	-	1,525
Furniture & fixture	-	-
Vehicles & transportation equipment	-	4,153
Office and factory equipment	30.00	1,372
	<u>1,176</u>	<u>7,734</u>
<b>4.2 Disposals during the period</b>		
Vehicle and transportation equipment	Nil	1,949
Office & factory equipment	Nil	57
	<u>-</u>	<u>2,006</u>
<b>4.3 Depreciation / Amortization charged during the period</b>		
Cost of sales	12,178	49,070
Distribution costs	1,303	5,235
Administrative expenses	3,577	16,028
4.3.1 & 4.3.2	<u>17,058</u>	<u>70,333</u>
4.3.1 Includes amortization expense for the period amounting to Rs. 1.72 (June 30, 2010: Rs. 6.90) million.		
4.3.2 Includes depreciation expense on investment property for the period amounting to Rs. 0.38 (June 30, 2010: Rs. 1.51) million.		
<b>4.4 Capital work-in-process</b>		
Plant and machinery	13,979	13,979
Less: Impairment loss on plant and machinery	<u>(7,388)</u>	<u>7,387</u>
	6,591	6,592
Advance against purchase of operating assets	693	720
	<u>7,284</u>	<u>7,312</u>
<b>5 LONG TERM INVESTMENTS</b>		
<b>In an associate</b>		
625,000 ordinary shares of Rs. 10/- each	5,000	5,000
Share of (loss)/profit	<u>(4,920)</u>	<u>(4,920)</u>
	<u>80</u>	<u>80</u>
<b>5.1 Investment in an associate.</b>		
The Company hold 48.04% shareholding in Berdex Construction Chemicals (Pvt) Ltd. Berdex is engaged in marketing and distribution of construction chemicals in Pakistan		

		Period Ended 30 September, 2010 (Un audited)	Year Ended 30 June, 2010 (Audited)
	Note	----- (Rupees in '000) -----	
<b>6 STOCK IN TRADE</b>			
<b>Raw materials</b>			
in hand	6.1	209,729	277,163
in transit		<u>41,007</u>	<u>55,155</u>
		<b>250,736</b>	<b>332,318</b>
<b>Work-in-process</b>	6.2	60,482	104,734
<b>Finished goods</b>			
Manufactured	6.3	<u>231,779</u>	<u>216,548</u>
Trading [including in transit Rs 5.2 (June 30, 2010: Rs.12.3) million ]	6.4	<u>132,959</u>	<u>129,611</u>
		364,738	346,159
		<u><b>675,956</b></u>	<u><b>783,211</b></u>

- 6.1 Includes products costing Rs.Nil (June 30, 2010: Rs.42.19) million which are carried at net realizable value of Rs.Nil (June 30, 2010: Rs.30.84 million).
- 6.2 Includes products costing Rs.14.91 (June 30, 2010: Rs.Nil) million which are carried at net realizable value of Rs.11.18 (June 30, 2010: Rs.Nil) million.
- 6.3 Includes products costing Rs. 13.82 (June 30, 2010: Rs.49.37) million which are carried at net realizable value of Rs. 9.67 (June 30, 2010: Rs.31.85) million.
- 6.4 Includes products costing Rs.Nil (June 30, 2010: Rs.82.93) million which are carried at net realizable value of Rs.Nil (June 30, 2010: Rs.59.30) million.

## 7 CONTINGENCIES AND COMMITMENTS

### 7.1 CONTINGENCIES

A suit has been filed by some of the directors of the Company (Plaintiffs) in the Honorable High Court of Sindh. (the Court), praying for certain reliefs wherein the Company including some directors / employees have been defendants. In addition, the Plaintiffs had filed several Applications including those relating to the grant of a temporary injunction for the appointment of an inspector and forensic auditors, as well as, an interim injunction application for restraining the Company from incurring further capital expenditure. The Court in its Order dated by Jt 10, 2009 vacated the Plaintiffs' Applications with respect to restraining the Company from incurring capital expenditure (Subject to prior approval of the Board of Directors) and for appointment of forensic auditors. However, except for the above, the remaining Applications are pending before the Court for a hearing.

Some members of the Company have filed two petitions in the Court mainly alleging the violation of Listed Companies (Substantial Acquisition of Voting shares and Takeovers) Ordinance, 2002 (Takeovers Ordinance), wherein Securities and Exchange Commission of Pakistan (SECP) and the Company have also been made parties. The matter is still pending in the Court for adjudication. The Petitioners have also referred to the proceedings by SECP on the matter in their respective Petitions. SECP by its Order dated July 28, 2009 has held that the Takeovers Ordinance has not been violated in which respect certain parties have also filed an Appeal to the Appellate Bench of the SECP. However, this aspect of the matter is also pending in the Court

As mentioned above, during the previous year, the Company has filed Applications for becoming a party to the Petitions and restraining the members who are parties to the Petitions from the sale and purchase of shares of the Company. In addition, certain applications have been filed by the Company/members of the Company seeking to stay the Board meeting and Annual General Meeting (AGM) of the Company and alleging violations of a Court Order. The Court in its order dated June 17, 2010 has disposed off the Application pertaining to becoming a party to the petitions in favor of the Company. However, except for the above, the remaining Applications are pending before the Court for hearing.

As per legal counsel of the Company, no significant damages have been claimed by the Plaintiffs in the Suit against the Company other than for recovery on behalf of the Company including certain amounts allegedly paid to a related party and an ex-employee. The legal counsel further states that since no damages have been claimed by the Plaintiffs against the Company in the above Suit, it would appear that the Suit and its related Applications would have no financial exposure to the Company.

There is no other material changes in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2010

		Period Ended 30 September, 2010 (Un audited)	Year Ended 30 June, 2010 (Audited)
	Note	----- (Rupees in '000) -----	
<b>7.2 COMMITMENTS</b>			
Letter of guarantee		82,897	96,232
Letter of credit		33,021	19,553
Post dated cheques		-	98,883
Imports contract		114,104	47,042
Capital expenditure / Local purchase contracts		<u>8,744</u>	<u>5,214</u>
		<u><b>238,766</b></u>	<u><b>266,924</b></u>
<b>8 TAXATION</b>			
Current		6,155	16,649
Prior		-	(1,349)
Deferred		<u>(14,308)</u>	<u>(5,332)</u>
		<u><b>(8,153)</b></u>	<u><b>9,968</b></u>

## 9 RELATED PARTIES DISCLOSURES

The related parties comprise associated companies, group companies, staff benefit funds, directors and key management personnel. The transactions and balances with related parties are as follows:

Relationship	Name of related party	Nature of transaction	Note	Period Ended	Year Ended
				30 September, 2010 (Un audited)	30 June, 2010 (Audited)
				------(Rupees in '000)-----	
Associate	Berger Paints Pakistan Limited	Purchase of goods		147,683	1,891
		Sales of goods		Nil	83
Associate	Sikandar Private Limited	Rent paid		290	264
Associate	Dadex Eternit Limited - Provident Fund	Employer Contribution		2,252	9,743
Associate	Century Insurance Company Ltd	General Insurance		890	175
Key Management personnel	Chief Executive	Salaries & other short term benefits		1,896	9,221
		Post employment benefits		143	573
Key Management personnel	Director	Salaries & other short term benefits	9.1	Nil	3,056
		Post employment benefits	9.1	Nil	260

- 9.1 Mr. Danish Dada was an employee since May 06, 2008 and then was elected as a director at the election of directors held at the Extraordinary General Meeting on July 10, 2008. After his election as a director, the monthly remuneration being paid to him as an employee remained unchanged. As regards to non-compliance with section 218 of the Ordinance relating to disclosure of interest, the legal counsel states, "it was well within the knowledge of all concerned that Mr. Sikander Dada is the father of Mr. Danish Dada and thus had constructive notice about the interest of Mr. Danish Dada in the appointment of Mr. Sikander Dada as the Chief Executive of the Company". Mr. Danish Dada has resigned on March 17, 2010, from the directorship of the Company.

During the previous year, the directors representing 38% shareholding (as at September 30, 2010, Mahvash & Jahangir Siddiqui Foundation, Jahangir Siddiqui Securities Services Limited, Jahangir Siddiqui & Sons Limited, Jahangir Siddiqui and Ali Jahangir Siddiqui are the shareholders of the 38% shareholding) filed an application under Suit No. 166 of 2009 in the Court for restraining the Company "from approving the accounts for the year ending 30.06.09" at "the Board meeting on 15.04.10 or thereafter and/or the general body meeting". The Court was pleased to issue the following Order dated 14.04.2010 on the said application:

"2. Counsel for the plaintiff states that on 15.04.2010, the accounts are being submitted to the Board for approval wherein inter alia three items i.e., remuneration of Chief Executive, Remuneration to Director Mr. Danish Dada and authorization of Chief Executive on the basis of Power of Attorney, may be ordered not to be approved as their approval would be unlawful.

In so far as the objections as to the remuneration of the Chief Executive and his power of attorney are concerned any interim order at this stage may hamper the smooth running of the company, therefore no interim orders can be passed at this stage unless the other side is also heard. As regards objection to the remuneration of son of Chief Executive is concerned, it is hereby directed that accounts relating to his remuneration shall not be approved till the next date of hearing. Issue notice for 23.04.2010. Office to fix all pending applications on the said date."

Accordingly the remuneration of the Director for the year 2008-09 & 2009-10 was not considered and hence not approved by the Board of Directors / Members of the Company.

	Jul to Sep. 2010 (Un audited)	Jul to Sep. 2009 (Restated) (Un audited)
------(Rupees in '000)-----		
<b>10 CASH (USED) / GENERATED FROM OPERATIONS</b>		
Profit before taxation	(19,560)	5,084
Adjustments for non cash charges and other items:		
Depreciation	15,332	15,846
Amortization	1,725	1,725
Profit on disposal of fixed assets - net	-	(433)
Interest income	-	(52)
Loss on fair value of cross currency swap	344	1,131
Interest / markup expense	10,041	20,120
Working capital changes	(7,961)	(12,191)
	<b>19,481</b>	<b>26,146</b>
<b>Cash (used) / generated from operations</b>	<b>(79)</b>	<b>31,230</b>
<b>10.1 Working capital changes</b>		
<b>(Increase) / decrease in current assets</b>		
Stores and spares	619	1,053
Stock in trade	107,255	(54,737)
Trade debts	40,655	20,336
Loans and advances	(32,099)	(13,068)
Trade deposits and short term prepayments	(22,667)	(1,113)
Other receivable (net)	(1,207)	38
Short term investment	-	-
Sales tax and excise duty refundable	-	(7,498)
	<b>92,556</b>	<b>(54,989)</b>
<b>Increase / (Decrease) in current liabilities</b>		
Creditors, accrued and other liabilities (net)	(100,517)	42,798
	<b>(7,961)</b>	<b>(12,191)</b>

## 11 SEGMENT WISE OPERATING RESULTS

Jul to Sep. 2010	Chrysotile Cement	Plastic	Others	Total
	----- (Rupees '000) -----			
<b>TURNOVER - net</b>	201,175	216,109	7,102	<b>424,386</b>
<b>RESULT</b>				
Segment Result	(78)	(17,223)	(1,642)	<b>(18,943)</b>
<b>Unallocated expense</b>				
Other operating expenses				(913)
Other operating income				10,337
Finance cost				(10,041)
Share of loss on investment in an associate				-
Taxation				8,154
Profit for the year				<b><u>(11,406)</u></b>
Jul to Sep. 2009	Chrysotile Cement	Plastic	Others	Total
	----- (Rupees '000) -----			
<b>TURNOVER - net</b>	224,412	230,366	1,959	<b>456,737</b>
<b>RESULT</b>				
Segment Result	35,755	(15,763)	47	<b>20,039</b>
<b>Unallocated expense</b>				
Other operating expenses				(2,075)
Other operating income				7,240
Finance cost				(20,120)
Share of loss on investment in an associate				-
Taxation				1,259
Profit for the year				<b><u>6,343</u></b>

## 12 CORRESPONDING FIGURES

	As per reported in Sept-2009 financial statement	Effect of prior period adjustment	Restated amount
	----- (Rupees in '000') -----		
Cost of sales	348,105	9,251	357,356
(Loss) / Profit for the period	(2,908)	9,251	6,343
	----- (Rupees) -----		
Earnings per share - basic and diluted	(0.27)	0.86	0.59

## 13 GENERAL

- 13.1 These interim condensed financial statements were authorized for issue by the Board of Directors of the Company on October 12, 2010.
- 13.2 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.
- 13.3 Corresponding figures, wherever necessary, have been rearranged. However, material re-classifications have been reported in note 12.
- 13.4 The corresponding figures will be approved in the forthcoming Annual General Meeting fixed on October 28, 2010.

**Muhammad Yousuf**  
Acting Chief Financial Officer

**Sikander Dada**  
Chief Executive

**Zulfiqar Ali Lakhani**  
Director