

MAPLE LEAF CEMENT

Building Dreams....



Third Quarterly Report
March 31, 2012



CONTENTS

Company Information	2
Directors' Review	3
Condensed Interim Balance Sheet	4
Condensed Interim Profit and Loss Account	6
Condensed Interim Statement of Comprehensive Income	7
Condensed Interim Cash Flow Statement	8
Condensed Interim Statement of Changes in Equity	9
Selected Explanatory Notes to the Condensed Interim Financial Information	10



COMPANY INFORMATION

Board of Directors

Mr. Tariq Sayeed Saigol
Mr. Sayeed Tariq Saigol
Mr. Taufique Sayeed Saigol
Mr. Waleed Tariq Saigol
Mr. Danial Taufique Saigol
Syed Mohsin Raza Naqvi
Mr. Zamiruddin Azar
Mr. Masood Karim Shaikh

Chairman
Chief Executive

Audit Committee

Mr. Zamiruddin Azar
Mr. Waleed Tariq Saigol
Mr. Masood Karim Shaikh

Chairman
Member
Member

Chief Financial Officer

Syed Mohsin Raza Naqvi

Company Secretary

Mr. Muhammad Ashraf

Chief Internal Auditor

Mr. Bilal Hussain

Bankers of the Company

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
BankIslami Pakistan Limited
Burj Bank Limited
Faysal Bank Limited
First Dawood Islamic Bank Limited
First Women Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
HSBC Bank Middle East Limited
IGI Investment Bank Limited
Islamic Corporation for the Development
of the Private Sector, Jeddah
KASB Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
NIB Bank Limited
Pak Brunei Investment Company Limited
Pak-Libya Holding Company (Pvt.) Limited
Pak Oman Investment Company Limited
Saudi Pak Industrial & Agricultural Investment Co.
Limited
Silk Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Summit Bank Limited
The Bank of Khyber
The Bank of Punjab
Trust Investment Bank Limited
United Bank Limited

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Legal Advisors

Raja Mohammed Akram & Co.
Advocates and Legal Consultants,
Lahore.

Registered Office

42 - Lawrence Road, Lahore.
Phone: (042) 36278904-5
Fax: (042) 36368721
E-mail: muhammad.ashraf@kmlg.com
Website: www.kmlg.com

Share Registrar

Vision Consulting Ltd
Head Office: 3-C, LDA Flats,
Lawrence Road, Lahore
Phone: (042) 36375531 & 36375339
Fax: (042) 36374839
E-mail: shares@vcl.com.pk
Website: www.vcl.com.pk

Factory

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

DIRECTORS' REVIEW



The Directors are pleased to present un-audited financial statements of the Company for the third quarter ended as on March 31, 2012, in compliance with Section 245 of the Companies Ordinance, 1984.

During the period under review, the Company recorded net sales of Rs. 11,113 million against net sales of Rs. 9,566 million in the corresponding period showing healthy growth of 16%. Sales revenue increased both due to enhanced volume of local sales and price recovery driven by improved seasonal off take. This resulted in gross profit rising to Rs. 2,767 million in the current period as compared to gross profit of Rs. 1,505 million in the corresponding period last year. Operating profit achieved for the nine months was recorded at Rs. 1,593 million as compared to a meager operating profit of Rs. 58 Million in the corresponding period.

During the current nine months, the Company produced 1,947,158 metric tons of cement as compared to 2,101,425 metric tons during the corresponding period. Capacity utilization decreased during July-March, 2012 to 69% as compared to 73% in the corresponding period, mainly due to slack demand for exports by sea.

The Company suffered post tax loss of Rs.221 million during the period July-March, 2012 after accounting for distribution cost and financial charges of Rs. 624 million and Rs. 1,781 million respectively, whereas in the corresponding period last year, the post tax loss amounted to Rs. 1,565 million. Swelling cost of fuels, power and packing materials adversely impacted production costs during the period. Coal in the international market hovered around US\$ 145/ ton against US\$118/ ton in the corresponding period. In addition, constant rise of electricity cost owing to levy of Fuel Price Adjustment Surcharge also negatively affected profitability of the Company. Due to financial constraints, the Company has incurred delayed payment surcharges relating to electricity, gas, general sales tax and royalty dues and the same have been provided in the accounts during the period under review. Waste Heat Recovery Plant is currently generating considerably low-priced electricity without using any fuel and resulting in lowering the cost of production. Export sales to Afghanistan have witnessed an improvement as reconstruction activities in Afghanistan have picked up.

Future Outlook

The prevailing unfavourable economic situation, soaring coal rates, frequent monthly adjustments in power rates, gas and power load shedding, inflation and continued high cost of financing, along with Pak Rupee devaluation are serious impediments to economic growth in the country and therefore may affect the cement industry in the future. The Company has already taken actions to ensure production is optimized along with emphasis on cost reduction and prudent funds management. The Company is also exploring new export markets for improved capacity utilization. It is hoped that exports to India will improve as non-tariff barriers and other hurdles are removed. We stay hopeful that local sale prices will remain stable on account of steady increase in cement demand and due to expected infrastructure development and construction activities in the country ahead of the upcoming general elections.

The Board takes this opportunity to express their deep sense of gratitude and thanks to the shareholders, employees, customers, bankers and other stakeholders for their confidence and faith that they have reposed in us.

For and on behalf of the Board

(Sayeed Tariq Saigol)
Chief Executive

Lahore: April 25, 2012



CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2012

	Note	Un-audited March 31, 2012 (Rupees in thousand)	Audited June 30, 2011
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Share Capital		<u>7,000,000</u>	<u>7,000,000</u>
Issued, subscribed and paid up capital		5,803,617	5,803,458
Reserves		3,305,762	3,306,480
Accumulated loss		(6,048,706)	(5,976,651)
		<u>3,060,673</u>	<u>3,133,287</u>
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	4	5,360,960	5,548,120
NON-CURRENT LIABILITIES			
Long term loans from Banking Company	5	2,325,266	2,557,185
Redeemable capital		7,383,000	7,983,000
Syndicated term finances		1,384,500	1,497,000
Liabilities against assets subject to finance lease		345,634	464,366
Long term deposits		5,919	5,569
Deferred liabilities			
- deferred taxation	6	2,035,501	2,114,100
- employees' compensated absences		21,874	19,149
		<u>13,501,694</u>	<u>14,640,369</u>
CURRENT LIABILITIES			
Trade and other payables		3,676,133	4,115,879
Accrued profit / Interest / markup		931,995	791,161
Short term borrowings	7	3,661,305	4,084,666
Current portion of :			
- long term loans from banking company		636,432	448,473
- redeemable capital		901,700	306,800
- syndicated term finances		112,800	1,200
- liabilities against assets subject to finance lease	8	732,404	620,161
		<u>10,652,769</u>	<u>10,368,340</u>
CONTINGENCIES AND COMMITMENTS	9	-	-
		<u>32,576,096</u>	<u>33,690,116</u>

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.


Chief Executive Officer


Director

	Note	Un-audited March 31, 2012	Audited June 30, 2011
(Rupees in thousand)			
ASSETS			
NON CURRENT ASSETS			
Property, plant & equipment	10	27,104,203	28,203,393
Intangible assets		10,996	17,591
Long term Investment	11	3,037	200
Long term loans to employees - Secured		2,426	2,531
Deposits and prepayments		53,027	52,036
		27,173,689	28,275,751
CURRENT ASSETS			
Stores, spares and loose tools		2,891,556	3,032,946
Stock-in-trade		694,943	539,084
Trade debts	12	787,661	560,103
Loans and advances		203,565	145,061
Investments	13	19,006	20,950
Deposits and short term prepayments		70,975	121,896
Accrued profit		256	890
Refunds receivable from government		16,797	16,797
Due from subsidiary company		-	383,934
Other receivables	14	294,272	98,152
Income tax - net of provisions		191,751	206,382
Cash and bank balances		231,625	288,170
		5,402,407	5,414,365
		32,576,096	33,690,116



Chief Executive Officer



Director



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2012

Note	Nine months ended		Three months ended	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
----- (Rupees in thousand) -----				
Sales - Net	11,113,496	9,566,238	4,092,626	3,354,352
Cost of sales	8,346,774	8,061,352	2,908,802	2,705,113
Gross profit	2,766,722	1,504,886	1,183,824	649,239
Distribution cost	624,240	1,236,954	194,528	477,096
Administrative expenses	192,076	143,372	82,978	39,900
Other operating expenses	382,636	88,710	345,087	28,425
	1,198,952	1,469,036	622,593	545,421
Other operating income	25,577	22,036	8,640	10,720
Profit from operations	1,593,347	57,886	569,871	114,538
Finance cost	1,780,717	1,605,041	552,579	549,504
Profit / (Loss) before taxation	(187,370)	(1,547,155)	17,292	(434,966)
Taxation	33,342	18,257	14,938	15,542
Profit / (Loss) after taxation	(220,712)	(1,565,412)	2,354	(450,508)
Loss per share				
- Basic and diluted	(Rupees) (0.49)	(3.26)	(0.02)	(0.88)

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2012

Maple Leaf Cement

3rd Quarterly Report 2012

	Nine months ended		Three months ended	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
	----- (Rupees in thousand) -----			
Profit / (loss) after taxation	(220,712)	(1,565,412)	2,354	(946,614)
Other comprehensive income / (loss) for the period-net of tax				
Surplus / (deficit) on remeasurement of investments available for sale on fair value	-	86,275	-	(57,098)
Deferred tax relating to component of other comprehensive income / (loss)	-	(22,647)	-	14,988
	-	63,628	-	(42,110)
Total comprehensive profit / (loss) for the period	(220,712)	(1,501,784)	2,354	(988,724)

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.



Chief Executive Officer



Director



CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2012

Note	Nine months ended	
	March 31, 2012	March 31, 2011
(Rupees in thousand)		
Cash flow from operating activities		
CASH GENERATED FROM OPERATIONS BEFORE WORKING CAPITAL CHANGES		
19	2,873,961	933,690
(Increase) / decrease in current assets		
Stores, spares and loose tools	141,390	(483,016)
Stock-in-trade	(155,859)	166,671
Trade debts	(259,356)	(74,891)
Loans and advances	(58,504)	(24,557)
Deposits and short term prepayments	50,921	(30,109)
Other receivables	(196,120)	(68,933)
Long term loans to employees	105	1,451
Trade & other payables	(478,804)	394,511
	(956,227)	(118,873)
Cash inflow from operating activities before taxation	1,917,734	814,817
Income Taxes paid	(97,309)	(40,050)
Compensated absences paid	(13,720)	(7,424)
	1,806,705	767,343
Cash flow from investing activities		
	(138,300)	(538,721)
Purchase of property, plant and equipment	647	550
Sale proceeds of property, plant and equipment	388,483	-
Sale proceeds from SGI Investment	2,450	-
Sale proceeds from Investment through P & L	(2,837)	-
Long term investment	(991)	(217)
Deposits made	6,642	3,643
Profit on bank deposits received	-	4,570
Dividend income	-	47
Investment income	-	-
Net cash in / (out) flow from investing activities	256,094	(530,129)
Cash flow from financing activities		
	(900)	(900)
Syndicate term finance	(43,960)	(152,280)
Long term loans and finances - Net	(5,100)	(5,100)
Redeemable capital	350	2,610
Long term deposits from stockists - Net	(6,489)	(3,947)
Lease finances - Net	(423,361)	374,744
Short term borrowings - Net	(1,639,883)	(450,627)
Finance cost paid	(1)	-
Dividend paid	-	-
Net Cash outflow from financing activities	(2,119,344)	(235,500)
Net (decrease) / Increase in cash and cash equivalents	(56,545)	1,715
Cash and cash equivalents - at beginning of the period	288,170	73,265
Cash and cash equivalents - at end of the period	231,625	74,980

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.


 Chief Executive Officer


 Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2012

Maple Leaf Cement

3rd Quarterly Report 2012

	Capital Reserves				Revenue Reserves			Total	
	Share Capital	Share premium	Reserve on measurement of available-for-sale investments	Capital redemption reserve	Sub-Total	General reserve	(Accumulated Loss)		Sub-Total
Rupees in thousand									
Balance as at June 30, 2010	4,264,108	2,068,336	330,345	381,752	2,780,433	1,400,000	(4,310,333)	(2,910,333)	4,134,208
Shares issued during the period	1,538,461	(538,461)	-	-	(538,461)	-	-	-	1,000,000
Total comprehensive Loss									
Loss for the nine months ended March 31, 2011	-	-	-	-	-	-	(1,565,412)	(1,565,412)	(1,565,412)
Other comprehensive income for the nine months ended March 31, 2011 (Net)	-	-	63,628	-	63,628	-	-	-	63,628
Distribution to owners									
Dividend on preference shares for the nine months ended March 31, 2011	-	-	-	-	-	-	(39,595)	(39,595)	(39,595)
Surplus on revaluation of property, plant and equipment realized through incremental depreciation (net of tax)	-	-	-	-	-	-	70,595	70,595	70,595
Balance as at March 31, 2011	5,802,569	1,529,875	393,973	381,752	2,305,600	1,400,000	(5,844,745)	(4,444,745)	3,663,424
Total comprehensive Loss									
Loss for the period ended June 30, 2011	-	-	-	-	-	-	(203,626)	(203,626)	(203,626)
Other comprehensive income for the period	-	-	(393,973)	-	(393,973)	-	-	-	(393,973)
Surplus on revaluation of property, plant and equipment realized through incremental depreciation (net of tax)	-	-	-	-	-	-	68,106	68,106	68,106
Effect of disposal of fixed assets	-	-	-	-	-	-	11,549	11,549	11,549
Transfer from capital redemption reserve	-	-	-	(5,146)	(5,146)	-	5,146	5,146	-
Effect of conversion of preference shares into ordinary shares	888	-	-	-	-	-	-	-	888
Dividend on preference shares for the period ended June 30, 2011	-	-	-	-	-	-	(13,083)	(13,083)	(13,083)
Balance as at June 30, 2011	5,803,458	1,529,874	-	376,606	1,906,480	1,400,000	(5,976,651)	(4,576,651)	3,133,287
Total comprehensive Income									
Loss for the nine months ended March 31, 2012	-	-	-	-	-	-	(220,712)	(220,712)	(220,712)
Other comprehensive income for the nine months ended March 31, 2012 (Net)	-	-	-	-	-	-	-	-	-
Distribution to owners									
Transfer from capital redemption reserve	-	-	-	(718)	(718)	-	718	718	-
Effect of conversion of preference shares into ordinary shares	159	-	-	-	-	-	-	-	159
Dividend on preference shares for the nine months ended March 31, 2012	-	-	-	-	-	-	(39,221)	(39,221)	(39,221)
Surplus on revaluation of property, plant and equipment realized through incremental depreciation (net of tax)	-	-	-	-	-	-	187,160	187,160	187,160
Balance as at March 31, 2012	5,803,617	1,529,874	-	375,888	1,905,762	1,400,000	(6,048,706)	(4,648,706)	3,060,673

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.



Chief Executive Officer



Director



SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2012

1. GENERAL INFORMATION

- 1.1** Maple Leaf Cement Factory Limited (“the Company”) was incorporated in Pakistan on April 13, 1960 under the Companies Act, 1913 (now the Companies Ordinance, 1984) as a public company limited by shares. The Company is currently listed on all three Stock Exchanges of Pakistan. The Registered Office of the Company is situated at 42-Lawrence Road, Lahore, Pakistan. The cement factory is located at Iskanderabad District Mianwali in the province of Punjab. The principal activity of the Company is production and sale of cement. The Company is a subsidiary of Kohinoor Textile Mills Limited.
- 1.2** This condensed interim financial information is presented in Pak Rupees, which is the Company’s functional and presentation currency.

2. BASIS OF PREPARATION

This condensed interim unconsolidated financial information has been presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and is being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. The disclosures in the condensed interim unconsolidated financial information do not include the information reported for full annual financial statements and should therefore be read in conjunction with the annual financial statements as at and for the year ended June 30, 2011.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended June 30, 2011.

4. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

	Un-audited March 31, 2012	Audited June 30, 2011
	(Rupees in thousand)	
Gross Surplus		
Balance at beginning of period / year	7,662,220	-
Add: Surplus arising due to revaluation of property, plant and equipment	-	7,873,821
	7,662,220	7,873,821
Less:		
Transferred to unappropriated profit in respect of incremental depreciation charged during the period/ year	(265,758)	(195,338)
Effect of disposal of property, plant and equipment	-	(16,263)
	7,396,462	7,662,220
Less: deferred tax liability on:		
Opening balance of revaluation	2,114,100	-
Surplus arising due to revaluation of property, plant and equipment	-	2,175,451
Incremental depreciation charged on related assets	(78,598)	(56,636)
Effect of disposal of property, plant and equipment	-	(4,715)
	2,035,501	2,114,100
	5,360,960	5,548,120

Note	Un-audited March 31, 2012	Audited June 30, 2011
(Rupees in thousand)		
5. LONG TERM LOANS FROM BANKING COMPANY - SECURED		
Long Term Finance Facility (LTFF)	263,506	374,733
Habib Bank Limited (HBL)-Term Loan Facility	632,959	715,519
Deferred Markup Loan	1,266,896	1,466,933
HSBC Medium Term Loan (MTL) 5.1	161,905	-
	2,325,266	2,557,185
5.1 HSBC Medium Term Loan (MTL)		
Balance at beginning of the period	-	-
Add: Disbursement during the period 5.1.1	200,000	-
	200,000	-
Less: Current portion grouped under current liabilities	38,095	-
	161,905	-

5.1.1 During the current period the Company has restructured its existing short term loan of Rs. 160 million and running finance from HSBC Bank Middle East Limited into a medium term loan of Rs. 200 million. As per terms of the agreement, the principal balance is repayable in 21 equal quarterly installments starting from May 23, 2012 to May 23, 2017.

This facility carries mark-up rate at 6-month KIBOR plus 1.25% per annum and will be charged half yearly in arrears payable bi annually. Prompt payment rebates in mark up are available, if payment is made within 15 days of the due date.

This facility is secured against first pari passu equitable hypothecation charge of Rs. 200 million over present and future current assets of the Company and ranking hypothecation charge for Rs. 120 million over present and future current assets. Furthermore, it is also secured against personal guarantees of directors.

6. DEFERRED TAXATION

This comprises the following:

Deferred tax liability on Taxable temporary differences arising in respect of:

-Accelerated tax depreciation allowance	3,720,559	3,073,864
-Surplus on Revaluation of Property, Plant and Equipment	2,035,501	2,114,100
	5,756,060	5,187,964

Deferred tax asset on Deductible temporary differences arising in respect of:

-Unused tax losses	3,289,691	2,660,619
-Lease finances	92,453	137,482
-Employees' compensated absences	6,469	5,552
-Minimum tax recoverable against normal tax charge in future years	331,946	270,211
	3,720,559	3,073,864
	2,035,501	2,114,100

6.1 The Company has not recognized the deferred tax asset amounting to Rs. 1,213 million arising due to available tax losses, as sufficient future tax profits may not be available against which the said assets could be utilized.



	Un-audited March 31, 2012 (Rupees in thousand)	Audited June 30, 2011
7. SHORT TERM BORROWINGS		
From banking companies		
Cash and running finances- secured	3,592,781	3,727,712
Temporary bank overdraft- unsecured	68,524	356,954
	3,661,305	4,084,666

**8. CURRENT PORTION OF LIABILITIES AGAINST
ASSETS SUBJECT TO FINANCE LEASE**

This includes five overdue principal installments of Islamic Corporation for Development lease amounting to Rs. 483 million (June 30, 2011: Rs 367 million)

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

9.1.1 The company has filed a petition in The Lahore High Court against the Fuel Price Adjustment (FPA) charged by FESCO amounting to Rs.70 million in the electricity bills of October & November, 2011. The Lahore High Court has initially granted a stay on such payment but subsequently, on the request of FESCO, vacated such stay and instructed the company to pay such amount in three equal installments that has been paid by the Company.

Thereafter the company has preferred an appeal to Supreme Court of Pakistan based on which the Supreme Court has referred the case to Lahore High Court. The matter is pending in the Lahore High Court but the management believes that the case will be decided in favor of the company.

9.1.2 The Company has also filed a writ petition in The Islamabad High Court Islamabad against the fuel price adjustment charged by FESCO amounting to Rs.64 million in the electricity bill of August, 2011. The Islamabad High Court Islamabad has granted stay on levy of this FPA on March 21, 2012.

9.1.3 Except as mentioned in note 9.1.1 and 9.1.2 , there have been no significant changes in the status of contingencies as reported in the preceding annual financial statement of the company for the year ended June 30, 2011.



	Note	Un-audited March 31, 2012 (Rupees in thousand)	Audited June 30, 2011
9.2 Commitments			
9.2.1			
Guarantees issued by various commercial banks, in respect of financial and operational obligations of the company to various institutions and corporate bodies		407,867	397,867
9.2.2		167,837	235,014
9.2.3		152,669	44,513
Commitments against irrevocable letter of credit - other spare parts			
		728,373	677,394
10. PROPERTY, PLANT & EQUIPMENT			
Operating assets	10.1	27,064,626	24,409,108
Capital work in progress - at cost	10.2	39,577	3,794,285
		27,104,203	28,203,393
10.1 Operating assets			
Balance at beginning of the period / year		24,409,108	17,837,028
Add:			
Surplus on revaluation of Property, Plant and Equipment		-	7,873,821
Additions during the period / Year	10.1.1	3,893,009	54,630
		3,893,009	7,928,451
Less:			
Book value of operating assets disposed-off during the period / year		263	103,105
Depreciation charge during the period / year		1,237,228	1,253,266
		27,064,626	24,409,108
10.1.1 Additions during the period / year:			
- buildings on freehold land		421,907	588
- plant & machinery		3,451,884	36,553
- furniture, fixtures and equipment		6,448	3,697
- Roads, Bridges & Railway Sidings		4,616	-
- vehicles		8,154	13,791
- share of joint assets		-	1
		3,893,009	54,630



	Note	Un-audited March 31, 2012 (Rupees in thousand)	Audited June 30, 2011
10.2 Capital work in progress			
Tangible Assets			
Plant & machinery		25,077	3,202,068
Unallocated capital expenditures		1,001	477,163
Advances to suppliers against:			
- purchase of land		2,000	2,000
- civil works		1,505	3,505
- plant & machinery		9,737	104,999
- vehicle		257	4,550
		39,577	3,794,285
		39,577	3,794,285
11. LONG TERM INVESTMENT			
Balance at beginning of the period / year		200	200
Add: Additions during the period / year			
Term Deposit Receipts		3,037	-
Less: Disposal of Investment during the period / year	11.1	(200)	-
		3,037	200
11.1 During the period Vital Trading (Pvt.) Limited (A wholly owned subsidiary company) was wound up on August 13, 2011 after complying with all regulatory and procedural requirements. The Company held 99.99% of paid up capital of Vital Trading (Pvt.) Ltd.			
12. TRADE DEBTS			
Considered good			
Export - secured		180,446	125,620
Local - unsecured		687,793	483,263
		868,239	608,883
Less: Provision for doubtful debts		80,578	48,780
		787,661	560,103

Un-audited **Audited**
March 31, **June 30,**
2012 **2011**
(Rupees in thousand)

13. INVESTMENTS

At Fair Value Through profit or loss-Quoted

Mutual Funds:

Noman Abid Reliance Income Fund		
Fixed fund (June 30, 2011: Fixed Fund)	14,000	14,000
Alfalah GHP Cash Fund	-	2,000
Nil units (June 30, 2011: 4000 units)		
Add: adjustment arising from measurement on fair value	-	299
	14,000	16,299

Cement:

Fauji Cement Company Ltd.		
121,800 (June 30, 2011: 121,800) ordinary shares of Rs.10 each	1,949	1,949

Chemicals:

Hignoon Laboratories Ltd.		
127,897 (June 30, 2011: 127,897) ordinary shares of Rs.10 each	9,916	9,916

Fertilizers:

Shakarganj Mills Ltd.		
6,000 (June 30, 2011: 6,000) ordinary shares of Rs.10 each	250	250

Add: adjustment arising from measurement on fair value	12,115 (7,109)	12,115 (7,464)
	5,006	4,651
	19,006	20,950

14. OTHER RECEIVABLE

Inland freight subsidy receivable	62,060	62,060
Due from Kohinoor Textile Mills Limited (The Holding Company)	185,404	-
Others	46,808	36,092
	294,272	98,152



	Note	Nine months ended	
		March 31, 2012	March 31, 2011
(Rupees in thousand)			
15. SALES - NET			
Local Sales:			
Gross:		11,303,028	9,434,629
Less:			
Excise Duty		717,374	1,181,323
Sales Tax		1,519,659	1,361,417
Commission		94,079	99,616
		2,331,112	2,642,356
Net Local Sales		8,971,916	6,792,273
Export Sales:		2,141,580	2,773,965
		11,113,496	9,566,238
16. OTHER OPERATING EXPENSES			
Donations		1,449	630
Delay payments surcharge	16.1	380,966	88,080
Others		221	-
		382,636	88,710
16.1	This represents provision for late payment surcharge of sales tax / royalty and surcharge paid on electricity and sui gas.		
17. FINANCE COST			
Profit / interest / Mark-up on long term loans, finances, redeemable capital and short term finances		1,637,307	1,556,468
Bank guarantees' commission		-	5,491
Exchange loss		102,360	-
Realized loss on derivative cross currency interest rate swap agreement		7,780	9,567
Bank charges		33,270	33,515
		1,780,717	1,605,041
18. TAXATION			
Current Tax	18.1	111,940	68,919
Deferred Tax		(78,598)	(50,662)
		33,342	18,257
18.1	Provision for current period tax represents minimum tax under section 113 and 154 of the Income Tax Ordinance, 2001.		

	Nine months ended	
	March 31, 2012	March 31, 2011
	(Rupees in thousand)	
19. CASH GENERATED FROM OPERATIONS BEFORE WORKING CAPITAL CHANGES		
(Loss) for the period - before taxation	(187,370)	(1,547,155)
Adjustments for:		
Depreciation	1,237,228	870,633
Amortization	6,595	8,268
Provision for doubtful debts	31,797	-
Gain on disposal of SGIC investment	(4,570)	(303)
Gain on disposal of property, plant and equipment	(384)	-
Gain on investment-through profit and loss	(506)	(1,112)
Employees' compensated absences	16,462	6,086
Finance cost	1,780,717	1,605,041
Profit on bank deposits	(6,008)	(3,151)
Investment Income-net	-	(47)
Dividend income	-	(4,570)
	2,873,961	933,690

20. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of the holding company, associated companies, directors, key management personnel and employee benefits funds. The Company in the normal course of business carries-out transactions with various related parties. Amounts due to holding company is shown under trade and other payables . Other significant transactions with related parties are as follows:

Relationship with the Company	Nature of transaction	Nine months ended	
		March 31, 2012	March 31, 2011
		(Rupees in thousand)	
<u>Holding Company</u>			
	- Purchase of goods and services	-	204
	- sale of goods and services	353	413
	- sale of property, plant and equipment	17	-
<u>Associated Company</u>			
	- dividend received	-	4,570
<u>Key Management Personnel</u>			
	- Remuneration and other benefits	69,597	58,578
<u>Employee Benefit Plan</u>			
	- Funds received	7,255	-



21. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been approved by the Board of Directors of the Company and authorized for issue on April 25, 2012.

22. GENERAL

Figures have been rounded off to the nearest thousand Rupees except stated otherwise.

Chief Executive Officer

Director







Maple Leaf Cement Factory Limited
A Kohinoor Maple Leaf Group Company
42 Lawrence Road, Lahore