



Third Quarterly Report
March 31
2013



MAPLE LEAF CEMENT

A Kohinoor Maple Leaf Group Company

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COMPANY INFORMATION

Board of Directors

Mr. Tariq Sayeed Saigol	Chairman
Mr. Sayeed Tariq Saigol	Chief Executive
Mr. Taufique Sayeed Saigol	
Mr. Waleed Tariq Saigol	
Mr. Danial Taufique Saigol	
Syed Mohsin Raza Naqvi	
Mr. Zamiruddin Azar	
Mr. Karim Hatim	

Audit Committee

Mr. Zamiruddin Azar	Chairman
Mr. Karim Hatim	Member
Mr. Waleed Tariq Saigol	Member
Mr. Danial Taufique Saigol	Member

Human Resource & Remuneration Committee

Mr. Waleed Tariq Saigol	Chairman
Mr. Zamiruddin Azar	Member
Mr. Danial Taufique Saigol	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
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: mohsin.naqvi@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 on March 31, 2013, in compliance with Section 245 of the Companies Ordinance, 1984.

During the first three quarters, net sales amounted to Rs.12,705 million against sales of Rs.11,113 million in the corresponding period, recording a 14% growth. Sales revenue increased on the back of growth in volume and improved retention in domestic markets. Improved local demand due to increased spending on infrastructure development in the run-up to the general elections led to stronger pricing. Export quantities and prices on the other hand, did not depict a buoyant trend due to lackluster demand.

Reduced pricing of gas in the international markets, continued rise in global coal production and weaker demand for coal as developed nations curtail consumption of coal for power generation to more environmental friendly fuels, led to FOB prices for coal (Richards Bay) to reduce and be steady between US\$ 80 to US\$ 90 per ton. Lower fuel costs contributed towards off-setting the inflationary trends of other inputs.

Gross profit increased to Rs.4,285 million in the current period as compared to Rs.2,767 million in the corresponding year. Massive gas and electricity load shedding during the third quarter have affected operating profits of the Company. Distribution, administration costs and other operating expenses were controlled effectively during the current period. Operating profit for the period was Rs.3,453 million as compared to profit of Rs.1,593 million in the corresponding period.

Due to lowering of interest rates and reduction in borrowings, Company's financial costs decreased by 25%, immediately boosting the bottom line. Backed by improved cash flows and effective cash management, the Company has become current on its Sukuk, Syndicate and other debt repayments.

Profit after tax witnessed a healthy turnaround to Rs.2,197 million (EPS: Rs.4.16) during the first three quarters as compared to loss after tax of Rs.221 million (LPS: Rs.0.49) in the corresponding period.

During the third quarter, Executive Board of United Nations Framework Convention for Climate Change (UNFCCC) has approved and registered our Waste Heat Recovery Plant project for certification of emission reduction to earn carbon credits which will generate additional income for the Company in the years to come.

Future Outlook

During the current quarter, the Company is expecting that cement dispatches would remain robust as exports revive from seasonal dip while domestic demand also picks up due to dry and warm season. We are hopeful that post elections, private spending will revive as political uncertainties decrease which should help not only to increase cement demand but also provide stimulus to stable prices. Any further

decline in coal prices will add to margins and improve cash inflows which shall be mainly used to reduce the Company's borrowings.

Acknowledgment

The Board takes the opportunity to express its deep sense of gratitude and thanks to the shareholders, employees, customers, bankers and other stakeholders for the confidence they continue to repose in us.

For and on behalf of the Board



(Sayeed Tariq Saigol)

Chief Executive

Lahore: April 25, 2013

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED) AS AT MARCH 31, 2013

	Note	Un-audited March 31, 2013 (Rupees in thousand)	Audited June 30, 2012
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital		7,000,000	7,000,000
Issued, subscribed and paid-up capital	5	5,277,340	5,805,603
Reserves		3,298,415	3,298,415
Accumulated loss		(2,893,701)	(5,275,157)
		5,682,054	3,828,861
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT- NET OF TAX	6	5,113,224	5,298,809
NON-CURRENT LIABILITIES			
Long term loans from banking company - secured	7	1,760,306	2,157,099
Redeemable capital - secured		6,583,000	7,183,000
Syndicated term finances - secured		1,234,250	1,347,000
Liabilities against assets subject to finance lease	8	862,806	242,625
Long term deposits		7,029	6,219
Deferred taxation	9	1,931,025	2,009,066
Retirement benefits		49,330	50,926
		12,427,746	12,995,935
CURRENT LIABILITIES			
Trade and other payables		3,451,037	3,727,186
Accrued profit / Interest / markup		358,131	757,834
Short term borrowings	10	3,496,380	3,249,384
Current portion of :			
- Long term loans from banking company - secured		698,998	746,685
- Redeemable capital - secured		800,000	1,100,000
- Syndicated term finances - secured		182,500	150,000
- Liabilities against assets subject to finance lease	8	174,297	873,279
		9,161,343	10,604,368
CONTINGENCIES AND COMMITMENTS	11	-	-
		32,384,367	32,727,973

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.


Chief Executive Officer


Director

	Note	Un-audited March 31, 2013 (Rupees in thousand)	Audited June 30, 2012
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	12	25,682,987	26,774,317
Intangible assets		2,855	8,797
Long term investments		3,037	3,037
Long term loans to employees - secured		1,821	2,387
Deposits and prepayments		54,456	53,350
		25,745,156	26,841,888
CURRENT ASSETS			
Stores, spares and loose tools		3,824,377	3,101,943
Stock-in-trade		809,494	903,395
Trade debts	13	672,923	575,931
Loans and advances		186,577	181,168
Short term investments	14	14,887	33,122
Short term deposits and prepayments		78,889	118,651
Accrued profit on bank accounts		375	1,191
Refunds receivable from government		16,797	16,797
Other receivables		163,886	179,113
Income tax - net		383,729	311,548
Cash and bank balances		487,277	463,226
		6,639,211	5,886,085
		32,384,367	32,727,973


Chief Executive Officer


Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013 (UN-AUDITED)

	Note	Nine months period ended		Three months period ended	
		March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
(..... Rupees in thousand)					
Sales - Net	15	12,704,835	11,113,496	4,529,797	4,092,626
Cost of sales		(8,419,638)	(8,346,774)	(2,989,288)	(2,908,802)
Gross profit		4,285,197	2,766,722	1,540,509	1,183,824
Distribution cost		(572,750)	(624,240)	(189,236)	(194,528)
Administrative expenses		(184,410)	(192,076)	(69,110)	(82,978)
Other operating expenses		(102,879)	(382,636)	(46,471)	(345,087)
		(860,039)	(1,198,952)	(304,817)	(622,593)
Other operating income		27,686	25,577	9,465	8,640
Profit from operations		3,452,844	1,593,347	1,245,157	569,871
Finance cost	16	(1,330,565)	(1,780,717)	(401,519)	(552,579)
Profit / (Loss) before taxation		2,122,279	(187,370)	843,638	17,292
Taxation	17	74,945	(33,342)	3,622	(14,938)
Profit / (Loss) after taxation		2,197,224	(220,712)	847,260	2,354
Earnings / (Loss) per share basic and diluted (Rupees)		4.16	(0.49)	1.60	(0.02)

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013 (UN-AUDITED)

	Nine months period ended		Three months period ended	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	(..... Rupees in thousand)			
Profit / (Loss) after taxation	2,197,224	(220,712)	847,260	2,354
Other comprehensive income / (loss) for the period	-	-	-	-
Total comprehensive income / (loss) for the period	2,197,224	(220,712)	847,260	2,354

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.



Chief Executive Officer



Director

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013 (UN-AUDITED)

	Note	March 31, 2013	March 31, 2012
		(Rupees in thousand)	
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations before working capital changes	18	4,686,611	2,873,961
Changes in working capital			
(Increase) / decrease in current assets			
Stores, spares and loose tools		(722,434)	141,390
Stock-in-trade		93,902	(155,859)
Trade debts		(105,042)	(259,356)
Loans and advances		(5,409)	(58,504)
Short term investments		14,000	-
Short term deposits and prepayments		39,762	50,921
Other receivables		15,227	(196,120)
Long term loans to employees		566	105
Decrease in liabilities			
Trade and other payable		(384,245)	(478,804)
		(1,053,673)	(956,227)
Cash generated from operations		3,632,938	1,917,734
Retirement benefits paid		(12,243)	(97,309)
Taxes paid		(75,277)	(13,720)
Net cash from operating activities		3,545,416	1,806,705
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(131,884)	(138,300)
Proceeds from disposal property, plant and equipment		4,611	647
Proceeds from disposal of SGI investment		-	388,483
Proceeds from disposal of short term investment		-	2,450
Long term investment made		-	(2,837)
Deposits made		(1,106)	(991)
Profit on bank deposits received		14,529	6,642
Net cash (used in) / generated from investing activities		(113,850)	256,094
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of long term loans from banking companies-secured		(484,977)	(43,960)
Acquisition of long term loans from banking companies-secured		40,496	-
Repayment of redeemable capital - secured		(900,000)	(5,100)
Repayment of syndicated term finances- secured		(80,250)	(900)
Increase in long term deposits		810	350
Payment of liabilities against assets subject to finance lease-net		(121,825)	(6,489)
Acquisition / (Payment) of short term borrowings		246,995	(423,361)
Finance cost paid		(1,687,244)	(1,639,883)
Redemption of preference shares		(243,129)	-
Preference dividend paid		(178,391)	(1)
Net cash used in financing activities		(3,407,515)	(2,119,344)
Net Increase / (decrease) in cash and cash equivalents		24,051	(56,545)
Cash and cash equivalents - at beginning of the period		463,226	288,170
Cash and cash equivalents - at end of the period		487,277	231,625

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.


Chief Executive Officer


Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013 (UN-AUDITED)

	Capital Reserves			Revenue Reserves			Total	
	Share premium	Capital redemption reserve	Sub-Total	General reserve	(Accumulated loss)	Sub-Total		
..... Rupees in thousand								
Balance as at 30 June, 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 period ended 31 March 2012	-	-	-	-	-	(220,712)	(220,712)	(220,712)
Surplus on revaluation of property, plant and equipment realized through incremental depreciation - net of tax	-	-	-	-	-	187,160	187,160	187,160
Transaction with owner, recorded directly in equity								
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 period ended 31 March, 2012	-	-	-	-	-	(39,221)	(39,221)	(39,221)
	159	-	(718)	(718)	-	(38,503)	(38,503)	(39,062)
Balance as at 31 March, 2012	5,803,617	1,529,874	375,888	1,905,762	1,400,000	(6,048,706)	(4,648,706)	3,060,673
Total comprehensive Income								
Profit for the period ended 30 June 2012	-	-	-	-	-	716,906	716,906	716,906
Surplus on revaluation of property, plant and equipment realized through incremental depreciation - net of tax	-	-	-	-	-	62,151	62,151	62,151
Transaction with owner, recorded directly in equity								
Transfer from capital redemption reserve	-	-	(7,347)	(7,347)	-	7,347	7,347	-
Effect of conversion of preference shares into ordinary shares	1,986	-	-	-	-	-	-	1,986
Dividend on preference shares for the period ended 31 December, 2012	-	-	-	-	-	(12,855)	(12,855)	(12,855)
	1,986	-	(7,347)	(7,347)	-	(5,508)	(5,508)	(10,869)
Balance as at 30 June, 2012	5,805,603	1,529,874	368,541	1,898,415	1,400,000	(5,275,157)	(3,875,157)	3,828,861
Total comprehensive Income								
Profit for the nine months period ended 31 March 2013	-	-	-	-	-	2,197,224	2,197,224	2,197,224
Surplus on revaluation of property, plant and equipment realized through incremental depreciation - net of tax	-	-	-	-	-	185,585	185,585	185,585
Transaction with owner, recorded directly in equity								
Redemption of preference shares	(528,263)	-	-	-	-	-	-	(528,263)
Dividend on preference shares for the nine months period ended 31 March, 2013	-	-	-	-	-	(1,353)	(1,353)	(1,353)
	(528,263)	-	-	-	-	(1,353)	(1,353)	(529,616)
Balance as at 31 March, 2013	5,277,340	1,529,874	368,541	1,898,415	1,400,000	(2,893,701)	(1,493,701)	5,682,054

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.



Chief Executive Officer



Director

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013 (UN-AUDITED)

1. GENERAL INFORMATION

- 1.1** Maple Leaf Cement Factory Limited ("the Company") 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. 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. STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES

This condensed interim financial information of the Company for the nine months period ended March 31, 2013 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

3. BASIS OF PREPARATION

This condensed interim financial information should be read in conjunction with annual audited financial statements for the year ended June 30, 2012. Comparative balance sheet is extracted from annual audited financial statements for the year ended June 30, 2012 whereas comparative profit and loss account, comparative statement of changes in equity and comparative cash flow statement are stated from un-audited interim financial information for the nine months period ended on March 31, 2012.

4. 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, 2012.

5. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Ordinary shares: Number of shares	Un-audited March 31, 2013 (Rupees in thousand)	Audited June 30 2012
290,359,856 (30 June 2012: 290,359,856) ordinary shares of Rs. 10 each fully paid in cash	2,903,599	2,903,599
35,834,100 (30 June 2012: 35,834,100) ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash	358,341	358,341
46,069,400 (30 June 2012: 46,069,400) ordinary shares of Rs. 10 each issued as fully paid bonus shares	460,694	460,694
153,846,153 (30 June 2012: 153,846,153) ordinary shares of Rs. 10 each issued as fully paid right shares at discount	1,538,462	1,538,462
1,624,417 (30 June 2012: 1,624,417) ordinary shares of Rs. 10 each issued as conversion of preference shares into ordinary shares	16,244	16,244
527,733,926	5,277,340	5,277,340
Preference shares: Number of shares		
- (30 June 2012: 52,826,303) redeemable Cumulative preference shares of Rs. 10 each	5.1	-
		528,263
		528,263
527,733,926	5,277,340	5,805,603

- 5.1 During the current period, the Company has entered into agreement with major preference shareholders regarding the redemption of preference shares. Repayment warrants to minority shareholders have been issued and major portion for minority preference shareholders has been repaid by the end of current period. Company has finalized repayment schedule with shareholders representing majority shareholdings. Payments to these shareholders are being made as per repayment schedule and the balance amount is recorded as payable.

	Note	Un-audited March 31, 2013 (Rupees in thousand)	Audited June 30, 2012
6. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX			
Gross Surplus			
Balance at beginning of the period / year		5,298,809	7,662,220
Add: Surplus arising due to revaluation of property, plant and equipment		-	-
		<u>5,298,809</u>	<u>7,662,220</u>
Less: Transferred to unappropriated profit in respect of incremental depreciation charged during the period / year		(263,626)	(354,345)
		<u>5,035,183</u>	<u>7,307,875</u>
Less: deferred tax liability on:			
Opening balance of revaluation		5,298,809	-
Surplus arising due to revaluation of property, plant and equipment		-	2,114,100
Incremental depreciation charged on related assets		(78,041)	(105,034)
		<u>(78,041)</u>	<u>2,009,066</u>
		<u>5,113,224</u>	<u>5,298,809</u>
7. LONG TERM LOANS FROM BANKING COMPANIES - SECURED			
Habib Bank Limited - long term finance facility (LTF)		87,835	199,062
Habib Bank Limited - term loan facility		522,879	605,439
Allied Bank Limited - deferred mark-up loan		1,000,181	1,200,217
HSBC Bank Middle East Limited - medium term loan		123,810	152,381
ICD deferred mark - up loan	7.1.1	25,601	-
		<u>1,760,306</u>	<u>2,157,099</u>
7.1			
Balance at beginning of period / year		2,903,784	3,005,658
Add: Additions during the period / year		40,496	200,000
Less: Payments made during the period / year		(484,976)	(301,874)
		<u>2,459,304</u>	<u>2,903,784</u>
Less: Current portion grouped under current liabilities		(698,998)	(746,685)
		<u>1,760,306</u>	<u>2,157,099</u>

- 7.1.1 As per terms of rescheduling agreement with Islamic Corporation for Development of Private Sector (ICD), the overdue mark up of USD 416,693 for the period from 15 December 2009 to 15 March 2011 is transferred to deferred mark up loan. This loan will be paid in twenty-four (24) equal installments with the first four (4) installments being payable within 30 days from the date of agreement (17 December 2012) and remaining twenty (20) installments will be paid on quarterly basis from 15 March 2013 to 15 December 2017.

8. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

The Company has entered into restructuring agreement of lease facility outstanding amount with Islamic Corporation for Development of Private Sector (ICD) on 17 March 2012 (effective date of agreement).

As per terms of the agreement, the outstanding principal USD 10,666,595 will now be repaid in twenty-five (25) installments. The first installment amount of USD 556,000 was paid to ICD on the effective date of agreement and the remaining twenty four (24) quarterly installments will be paid as per following repayment schedule terms:

Period	No. of Installments	Amount (USD)	Total Amount (USD)
15 March 2013 - 15 June 2015	10	266,665	2,666,650
15 September 2015 - 15 June 2016	4	316,665	1,266,660
15 September 2016 - 15 June 2017	4	400,000	1,600,000
15 September 2017 - 15 June 2018	4	500,000	2,000,000
15 September 2018 - 15 March 2018	2	1,288,643	2,577,286

According to revised terms, the aggregate outstanding markup US\$ 2,541,529 due till December 15, 2012 is reschedule as follow:-

The Initial Period Outstanding Profit US\$ 201,543 from June 15,2009 to December 15,2009 payable to ICD within 30 days after the effective date.

The Second Period Outstanding profit US\$ 418,787 from December 15,2009 to March 15,2011 shall be paid to ICD as follow:

- (i) An amount of US\$ 2,094 being 0.5% of the of Second Period Profit shall be paid with 30 days after the effective date;
- (ii) The mark up amount US\$ 416,693 being 99.5% of the of Second Period Profit will be paid to ICD in twenty-four (24) equal quarterly installements US\$ 17,362 each; with the first four (4) installments being payable within 30 days from the effective date and remaining twenty (20) installments from March 15, 2013 to December 15, 2017.

Moreover, the aggregate variable mark up amounting to US\$ 596,877 from Mar 15,2011 to December 15, 2012 payable to ICD within 30 days from the effective date;

Islamic Corporation for Development of Private Sector (ICD) further agrees to waive the penalty amount payable by the Company to ICD pursuant to transaction documents, being an aggregate amount of US\$ 1,324,322.11 provided the Company agrees to effecting payment of the lease facility outstanding amount in accordance with the provision of the repayment schedule.

	Un-audited March 31, 2013 (Rupees in thousand)	Audited June 30, 2012
9. DEFERRED TAXATION		
Deferred tax liability on taxable temporary differences arising in respect of:		
- Accelerated tax depreciation allowance	3,646,382	3,720,342
- Surplus on revaluation of property, plant and equipment	1,931,025	2,009,066
	5,577,407	5,729,408
Deferred tax asset on deductible temporary differences arising in respect of:		
- unused tax losses	(3,177,964)	(3,278,169)
- lease finances	(91,760)	(106,831)
- employees' compensated absences	(14,603)	(6,617)
- minimum tax recoverable against normal tax charge in future years	(362,055)	(328,725)
	(3,646,382)	(3,720,342)
	1,931,025	2,009,066

- 9.1 The Company has not recognized the deferred tax asset amounting to Rs. 1,042 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, 2013 (Rupees in thousand)	Audited June 30, 2012
10. SHORT TERM BORROWINGS		
Cash and running finances - secured	3,314,380	3,224,011
Temporary bank overdraft - unsecured	182,000	25,373
	3,496,380	3,249,384

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

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 2012.

11.2 Commitments

11.2.1 Guarantees issued by various commercial banks, in respect of financial and operational obligations of the Company, to various institutions and corporate bodies.	433,625	413,867
11.2.2 Commitments against capital expenditures	7,934	177,805
11.2.3 Commitments against irrevocable letter of credit:		
- others spare parts	245,995	79,848
	687,554	671,520

	Note	Un-audited March 31, 2013 (Rupees in thousand)	Audited June 30, 2012
12. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	12.1	25,624,306	26,713,389
Capital work in progress - at cost	12.1.2	58,681	60,928
		26,682,987	26,774,317
12.1 Operating fixed assets			
Balance at beginning of the period / year		26,713,389	24,409,108
Add: Additions during the period / year	12.1.1	134,130	3,940,465
		26,847,519	28,349,573
Less: Book value of operating fixed assets disposed-off during the period / year		1,473	809
Depreciation charge during the period / year		1,221,740	1,635,375
		25,624,306	26,713,389
12.1.1 Additions during the period / year:			
- buildings on freehold land		10,439	422,321
- plant and machinery		88,151	3,485,477
- furniture, fixtures and equipment		8,626	8,628
- roads, bridges and railway sidings		495	5,019
- quarry equipment		-	8,817
- vehicles		26,419	10,203
		134,130	3,940,465
12.1.2 Capital work in progress - at cost			
Tangible Assets			
Plant & machinery		35,389	25,295
Unallocated capital expenditures		1,001	1,001
Advances to suppliers against:			
- purchase of land		2,000	2,000
- furniture and fixtures		19,135	17,855
- civil works		-	3,841
- plant & machinery		1,156	9,237
- vehicle		-	1,699
		58,681	60,928

	Un-audited March 31, 2013 (Rupees in thousand)	Audited June 30, 2012
13. TRADE DEBTS		
Considered good		
Export - secured	19,310	116,739
Local - unsecured	661,663	548,042
	680,973	664,781
Less: Provision for doubtful trade debts	8,050	-
Less : Trade debts written off	-	88,850
	672,923	575,931
14. SHORT TERM INVESTMENTS		
At fair value through profit or loss - quoted		
Mutual Funds:		
Noman Abid Reliance Income Fund		
Fixed fund	-	14,000
	-	14,000
Fauji Cement Company Limited		
121,800 (30 June 2012 : 121,800) ordinary shares of Rs.10 each	1,949	1,949
Highnoon Laboratories Limited		
127,897 (30 June 2012 : 127,897) ordinary shares of Rs.10 each including 11,627 bonus shares	9,916	9,916
Shakarganj Mills Limited		
6,000 (30 June 2012 : 6,000) ordinary shares of Rs.10 each	250	250
Next Capital Limited		
1,500,000 (30 June 2012 : 1,500,000) ordinary shares of Rs 10 each	15,000	15,000
	27,115	27,115
Less: adjustment arising from measurement on fair value	(12,228)	(7,993)
	14,887	19,122
	14,887	33,122

	Note	Un-audited March 31, 2013 (Rupees in thousand)	Un-audited March 31, 2012
15. SALES - NET			
Local Sales:			
Gross		12,709,079	11,303,028
Less:			
Excise Duty		604,327	717,374
Sales Tax		1,690,520	1,519,659
Commission		97,409	94,079
		2,392,256	2,331,112
Net Local Sales		10,316,823	8,971,916
Export Sales		2,388,012	2,141,580
		12,704,835	11,113,496
16. FINANCE COST			
Profit / Interest / Mark-up on long term loans, finances, redeemable capital and short term finances		1,198,282	1,637,307
Exchange loss		85,854	102,360
Realized loss on derivative cross currency interest rate swap agreement		5,044	7,780
Bank charges		41,385	33,270
		1,330,565	1,780,717
17. TAXATION			
Current	17.1	3,096	111,940
Deferred		(78,041)	(78,598)
		(74,945)	33,342

17.1 Provision for current tax represents minimum tax on turnover due under section 113 of the Income Tax Ordinance, 2001.

	Nine months period ended	
	March 31, 2013	March 31, 2012
	(Rupees in thousand)	
18. CASH GENERATED FROM OPERATIONS BEFORE WORKING CAPITAL CHANGES		
Profit for the Year - before taxation	2,122,279	(187,370)
Adjustments for:		
Depreciation	1,221,740	1,237,228
Amortization	5,941	6,595
Provision for doubtful debts	8,050	31,797
Gain on disposal of operating fixed assets-net	(3,137)	(384)
Gain on disposal of SGIC investment	-	(4,570)
Investment Income-net	4,237	(506)
Employees' compensated absences	10,649	16,462
Finance cost	1,330,565	1,780,717
Profit on bank deposits	(13,713)	(6,008)
	4,686,611	2,873,961

19. 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 period ended	
		March 31, 2013	March 31, 2012
		(Rupees in thousand)	
Holding Company			
	- Sale of goods and services	398	353
	- Sale of fixed assets	-	17
Key Management Personnel			
	- Remuneration and other benefits	85,968	69,597
Employee Benefit Plan			
	- Fund received	-	7,255

20. 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, 2013.

21. GENERAL

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


Chief Executive Officer


Director



Maple Leaf
Cement Factory
Limited

42

Lawrence
Road, Lahore