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CORPORATE INFORMATION

BOARD OF DIRECTORS	Arif Habib Aves Cochinwala Aqeel Karim Dhedhi Iqbal Usman Kashif A.Habib Muhammad Ayub Muhammad Ejaz Rafiq Tumbi Samad A. Habib Shunaid Qureshi	Chairman Chief Executive Director Director Director Director Director Director
CHIEF FINANCIAL OFFICER & COMPANY SECRETARY	Masoud Ali Khan	
AUDIT COMMITTEE	Iqbal Usman Kashif A.Habib Rafiq Tumbi S.M.Talha	Chairman Member Member Secretary
AUDITORS	Haroon Zakaria & Company	Chartered Accountants
COST AUDITORS	Siddiqi & Company	Cost & Management Accountants
BANKERS	Allied Bank Limited Al-Baraka Islamic Bank Askari Bank Limited Bank Al-Falah Limited BankIslami Pakistan Limited Faysal Bank Limited Habib Bank Limited KASB Bank Limited MCB Bank Limited Meezan Bank Limited National Bank of Pakistan NIB Bank Limited Silk Bank Limited Summit Bank Limited United Bank Limited	
REGISTERED OFFICE	2nd Floor, Pardesi House, Survey No. 2/1, R.Y.16, Old Queens Road, Karachi-74000 Tel : 92-21-111-111-224 Fax : 92-21-32470090 Website : www.jcl.com.pk	
SHARE REGISTRAR	Technology Trade (Pvt.) Ltd. Dagia House 241-C, PECHS, Block -2, Off. Shahrah-e-Quaideen, Karachi. Email : junaid.dagia@gmail.com	
FACTORY LOCATION	Manghopir, Karachi-75890 Tel : 92-21-36770141-36770142 Fax : 92-21-36770144	

CHAIRMANS' REVIEW AND DIRECTORS' REPORT

The Directors of Javedan Cement Limited are pleased to present herewith the interim condensed financial report for the half-year ended December 31, 2010.

BUSINESS STRATEGY

The Management has developed business diversification strategy for utilizing the company's land for developing a housing scheme, "Naya Nazimabad", which will include built housing units, open plots, flat sites and commercial sites. Approval of Master Plan has already been obtained from Lyari Development Authority (LDA) for the housing scheme on Company's land & the process has also been initiated to seek approval from KBCA. The Company has engaged a team of highly qualified professionals to undertake activities relating to development / construction, marketing / sales of this housing scheme.

PRODUCTION AND SALES

During the period, no activities carried out for cement production and sales as the Company ceased its cement manufacturing business since July 01, 2010, whereas pre-launch works on the housing scheme is in progress.

FUTURE OUTLOOK

The Company & its management along with the support of its qualified human resources are working towards creating a model city where society's collective consciousness has transcended and is reflected by its physical environs. Naya Nazimabad is the inception of a thought based on social innovation, improving life and providing a haven for a bigger vision and a progressive middle class. The Project is based on a live, work & play concept and will contribute to the society by providing education, healthcare, physical fitness and employment opportunities to its habitants along with a peaceful living.

Some of the salient features of the Project include a walled community concept, uninterrupted supply of utilities, ample parking space, extremely wide roads & streets ensuring smooth traffic flow and round the clock security and vigilance using technology based solutions.

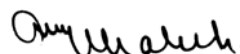
Necessary action plans, qualified Professionals & Contractors as well as systems have been put in place to ensure a highly successful launch of this Project. Construction of sales office has completed and model houses at project site are at the finishing stage. The Management is confident that in addition to contributing to the society, this new business will generate additional income for the Company and its shareholders.

To date the Company has met all the obligations to its lenders with the help of its sponsors who are fully committed to support the project until its successful launch, which is expected before the end of current financial year.

ACKNOWLEDGEMENT

The Company strongly believes that its success is driven by the commitment and dedication of its employees. We acknowledge the contribution of each and every member of the Company in areas of expertise. We would also like to express our thanks to the customers for their trust in our products and look forward to their continued patronage. We also thank our shareholders, banks and financial institutions for their support, guidance and confidence reposed in our enterprise and stand committed to do our best to ensure full reward of their investment in the coming years. May Allah bless us in our efforts. A'meen!

For and on behalf of the Board



Arif Habib
Chairman

Karachi: February 25, 2011

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL REPORT TO THE MEMBERS

Introduction

We have reviewed the accompanying condensed interim balance sheet of **JAVEDAN CEMENT LIMITED** as at December 31, 2010, and the related condensed interim profit and loss account, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the six month period then ended (here-in-after referred to as the "Interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed profit and loss account for the quarters ended December 31, 2010 and 2009 have not been reviewed as we are required to review only the cumulative figures for the six months period ended December 31, 2010.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the annexed interim financial information are not presented fairly, in all materials respects, in accordance with approved accounting standards as applicable in Pakistan.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to note 1.2 of the interim financial report which indicates that the company incurred loss after taxation Rs.344.214 (December 31, 2009 : Rs. 306.438) million and its accumulated losses stand at Rs.4,613.936 (June 30, 2010 : Rs.4,269.722) million and as of that date the Company's current liabilities exceed current assets by Rs.1,598.532 (June 30, 2010 : Rs.704.331) million. These conditions along with other matters set forth in note 1.2 indicate the existence of material uncertainty that may cast doubt about the company's ability to continue as a going concern and also discusses the reasons for preparing the financial report on going concern basis, including the financial support from sponsors and other matters.

Place: Karachi
Dated: February 25, 2011


Haroon Zakaria & Company
Chartered Accountants
Engagement Partner:
Muhammad Haroon


JAVEDAN CEMENT LIMITED

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

AS AT DECEMBER 31, 2010

		Un-audited December 31, 2010	Audited June 30, 2010
	Note	(Rupees in '000)	
ASSETS			
Non-current assets			
Property, plant and equipment	5	8,719,752	8,641,939
Deferred Taxation	6	-	-
Long term security deposits		<u>2,970</u>	<u>2,970</u>
		8,722,722	8,644,909
Current assets			
Stores and spares		<u>21,316</u>	<u>21,869</u>
Stock-in-trade		<u>2,172</u>	<u>6,005</u>
Trade debts - Considered good		<u>1,962</u>	<u>34,238</u>
Advances	7	<u>6,840</u>	<u>6,321</u>
Deposits, prepayments and other receivables	8	<u>422,303</u>	<u>677,212</u>
Interest accrued		<u>909</u>	<u>273</u>
Tax refunds due from Government		<u>25,604</u>	<u>23,928</u>
Cash and bank balances		<u>6,655</u>	<u>81,770</u>
		<u>487,761</u>	<u>851,616</u>
Total assets		<u>9,210,483</u>	<u>9,496,525</u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital 70,000,000 (30 June 2010: 70,000,000) ordinary shares of Rs. 10 each		<u>700,000</u>	<u>700,000</u>
Issued, subscribed and paid up capital 58,128,172 (June 30, 2010: 58,128,172) ordinary shares of Rs. 10 each		<u>581,282</u>	<u>581,282</u>
Reserves		<u>(4,538,470)</u>	<u>(4,194,256)</u>
Shareholders' equity		<u>(3,957,188)</u>	<u>(3,612,974)</u>
Surplus on revaluation of freehold land		<u>7,695,071</u>	<u>7,695,071</u>
Sponsor's loan		<u>1,127,713</u>	<u>1,127,713</u>
Non-current liabilities			
Long term finances	9	<u>2,254,150</u>	<u>2,725,000</u>
Liabilities against assets subject to finance lease.		<u>4,444</u>	<u>5,768</u>
		2,258,594	2,730,768
Current liabilities			
Short term borrowing	10	<u>460,000</u>	<u>-</u>
Trade and other payables	11	<u>107,585</u>	<u>155,838</u>
Mark-up accrued		<u>226,788</u>	<u>219,738</u>
Current maturity of non-current liabilities		<u>1,289,086</u>	<u>1,177,537</u>
Unclaimed dividend		<u>2,834</u>	<u>2,834</u>
		<u>2,086,293</u>	<u>1,555,947</u>
Contingencies and commitments			
Total equity and liabilities	12	<u>9,210,483</u>	<u>9,496,525</u>

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



Chief Executive



Director

JAVEDAN CEMENT LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2010

	Note	Half Year Ended		Quarter Ended	
		December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
(Rupees in '000)					
Sales - Net		-	322,783	-	119,267
Cost of Goods Sold	13	-	(324,314)	-	(145,621)
Gross Loss		-	(1,531)	-	(26,354)
Distribution Costs		-	(5,713)	-	(1,820)
Administrative Expenses	14	(50,848)	(7,949)	(21,237)	(4,006)
		(50,848)	(13,662)	(21,237)	(5,826)
Other operating income		8,741	2,512	2,488	1,654
Other operating Charges		-	(24)	-	(24)
(Loss) from operations		(42,107)	(12,705)	(18,749)	(30,550)
Finance cost		(302,073)	(290,198)	(153,803)	(142,089)
Loss before Taxation		(344,180)	(302,903)	(172,552)	(172,639)
Taxation - Current		(34)	(2,151)	(9)	1,018
Prior		-	(1,384)	-	-
		(34)	(3,535)	(9)	1,018
Loss after taxation		(344,214)	(306,438)	(172,561)	(171,621)
Loss per share - Basic and Diluted	15	(5.92)	Restated (5.99)	(2.97)	Restated (3.36)

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


Chief Executive


Director

**CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2010**

	Half Year Ended		Quarter Ended	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	(Rupees in '000)			
Loss after taxation	(344,214)	(306,438)	(172,561)	(171,621)
Other comprehensive income	-	-	-	-
Total comprehensive loss	<u>(344,214)</u>	<u>(306,438)</u>	<u>(172,561)</u>	<u>(171,621)</u>

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


Chief Executive


Director

JAVEDAN CEMENT LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2010

	December 31, 2010	December 31, 2009
	(Rupees in '000)	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(344,180)	(302,903)
Adjustments for non-cash items and other charges		
Depreciation	2,067	5,805
Finance cost	302,073	290,198
Interest income	(2,536)	(2,039)
Profit on TDR	(636)	-
Gain on disposal of fixed assets	(2,562)	24
Cash used in operating activities before working capital changes	(45,774)	(8,915)
(Increase) / Decrease in current assets		
Stores and spares	553	3,429
Stock in trade	3,833	(52,096)
Trade debts	32,276	475
Advances	(519)	(2,697)
Deposits, prepayments and other receivables	254,909	(4,630)
Increase / (Decrease) in current liabilities		
Trade and other payables	(48,253)	9,003
	242,799	(46,516)
Net cash generated from / (used in) operations	197,025	(55,430)
Income tax paid	(1,710)	(12,839)
Finance charges paid	(295,023)	(308,994)
Net cash used in operating activities	(99,708)	(377,263)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(80,224)	(123,311)
Proceeds from sale of fixed assets	2,906	1,267
Interest received	2,536	2,036
Net cash used in investing activities	(74,782)	(120,008)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long term finance - net	(359,375)	250,000
Proceeds from short term borrowing	460,000	-
Sponsor's loan received	-	182,437
Principal repayment of finance lease	(1,250)	-
share application money against right shares offer	-	1,144
Net cash generated from financing activities	99,375	433,581
Net (decrease) in cash and cash equivalent	(75,115)	(63,690)
Cash and cash equivalent at beginning of the period	81,770	71,829
Cash and cash equivalent at end of the period	6,655	8,139

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


Chief Executive


Director

JAVEDAN CEMENT LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2010

Note	Share capital	Reserve				Total	Total
		Capital	Revenue				
		Tax Holiday	General	Accumulated losses	Sub Total		
(Rupees in '000)							
Balance as at July 1, 2009	290,641	11,966	63,500	(4,140,806)	(4,077,306)	(4,065,340)	(3,774,699)
Comprehensive loss for the half year ended December 31, 2009	-	-	-	(306,438)	(306,438)	(306,438)	(306,438)
Balance as at December 31, 2009	<u>290,641</u>	<u>11,966</u>	<u>63,500</u>	<u>(4,447,244)</u>	<u>(4,383,744)</u>	<u>(4,371,778)</u>	<u>(4,081,137)</u>
Balance as at July 01, 2010	15.1 581,282	11,966	63,500	(4,269,722)	(4,206,222)	(4,194,256)	(3,612,974)
Comprehensive loss for the half year ended December 31, 2010	-	-	-	(344,214)	(344,214)	(344,214)	(344,214)
Balance as at December 31, 2010	<u>581,282</u>	<u>11,966</u>	<u>63,500</u>	<u>(4,613,936)</u>	<u>(4,550,436)</u>	<u>(4,538,470)</u>	<u>(3,957,188)</u>

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


Chief Executive


Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL
REPORT (UN-AUDITED)**

FOR THE HALF YEAR ENDED DECEMBER 31, 2010

1 STATUS AND NATURE OF BUSINESS

1.1 Javedan Cement Limited (the Company) was incorporated in Pakistan on June 08, 1961, as a public limited company under the repealed Companies Act, 1913 (now Companies Ordinance, 1984) and is listed on Karachi Stock Exchange. The company has ceased its cement business during the financial year ending June 30, 2010 and intends to dispose off the free hold land by developing the housing scheme. Registered office of the company is located at 2nd Floor, Pardesi House, Survey No. 2/1, R. Y. 16, Old Queens Road, Karachi.

1.2 During the period, the Company has incurred loss after taxation of Rs.344.214 (December 31, 2009: Rs.306.438)million and its accumulated losses stand at Rs.4,613.936 (June 30, 2010: Rs.4,269.722)million eroding shareholders equity to negative Rs.3,957.188 (June 30, 2010: Rs.3,744.699)million and as at that date, its current liabilities exceeded its current assets by Rs.1,598.532 (June 30, 2010: Rs.704.331)million. Further the company has the liability of long term and short term finances amounting to Rs. 4,007.680 million of which Rs. 94.795 million is overdue and Rs. 1,654.291 million will become due for payment in the coming year. Moreover, the planned housing project has not been launched yet. Due to these factors, material uncertainty exists which may cast doubt about the company's ability to continue as a going concern and the company may not be able to realise its assets and discharge the liabilities at the stated amounts.

However the company has strong financial support from its sponsors and its plan of launching the real estate / housing project in the current year after fulfilment of all necessary formalities, including sale of a portion of land to REIT scheme or bulk buyer will attract adequate cash inflows to payoff company's liabilities including long term and short term finances. The Company has utilized the proceeds received so far, from sale of plant and machinery with stores and spares, towards repayment of company's liabilities including banking loans and plans to utilize the rest of the proceeds for the same purpose. Considering these mitigating factors, this condensed interim financial report has been prepared on going concern basis.

2 BASIS OF PREPARATION

2.1 This condensed interim financial report of the Company for the six months period ended 31 December 2010 has been prepared in accordance with the requirements of 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 and directives issued under the Companies Ordinance, 1984 have been followed.

2.2 The figures of condensed interim profit and loss account for the quarters ended December 31, 2009 and 2010 have not been reviewed by the auditors of the company as they have reviewed the cumulative figures for the half years ended December 2009 and 2010. This condensed interim financial report does not include all the information and disclosures required in annual financial statements, and should be read with in conjunction with company's annual financial statements for the year ended June 30, 2010.

JAVEDAN CEMENT LIMITED

2.3 This condensed interim financial report is presented in Pakistan Rupees which is also the Company's functional currency.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended June 30, 2010.

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the Company's operations or did not have any impact on the accounting policies of the Company.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim financial report in conformity with approved accounting standards, requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2010.

	Note	December 31, 2010	JUNE 30, 2010
5 PROPERTY, PLANT AND EQUIPMENT		(Rupees in '000)	
Operating Fixed Assets	5.1	8,412,797	8,414,121
Capital Work-in-Progress	5.4	306,955	227,818
		<u>8,719,752</u>	<u>8,641,939</u>
5.1 Operating Fixed Assets			
Opening written down value		8,414,121	5,320,060
Additions / revaluation during the period	5.2	1,087	3,206,121
Disposals during the period - cost	5.3	(9,866)	(792,824)
Depreciation charge for the period		(2,067)	(13,160)
Depreciation charge on the disposal		9,522	693,924
Closing written down value		<u>8,412,797</u>	<u>8,414,121</u>
5.2 Additions / Revaluation during the period			
Free hold Land Revaluation		-	3,189,088
Furniture, fixtures and equipments		491	729
Vehicles - owned		596	7,590
Vehicles - leased		-	8,714
		<u>1,087</u>	<u>3,206,121</u>

JAVEDAN CEMENT LIMITED

	December 31, 2010	JUNE 30, 2010
Note	(Rupees in '000)	
5.3 Disposals during the period - Cost		
Plant, machinery and equipments	-	782,027
Quarry and transport equipments	8,507	-
Furniture, fixtures and equipments	-	20
Vehicles - owned	1,359	10,777
	<u>9,866</u>	<u>792,824</u>
5.4 Capital Work-in-Progress		
Civil and Land Development		
Opening	227,818	3,001
Additions	79,137	224,817
Closing	<u>306,955</u>	<u>227,818</u>
6 DEFERRED TAXATION		
As of balance sheet date there are no major changes in the deferred taxation of the Company. Accordingly no adjustment has been reflected in the deferred tax for the period.		
7 ADVANCES - CONSIDERED GOOD		
Considered good		
Advances to suppliers	1,047	1,162
Advances to contractors	4,994	3,451
Advances against services and expenses	608	1,517
Advances to employees	191	191
	<u>6,840</u>	<u>6,321</u>
Considered doubtful		
Advances to suppliers	147	147
Advances to contractors	411	411
	558	558
Provision against advances considered doubtful	(558)	(558)
	<u>6,840</u>	<u>6,321</u>

JAVEDAN CEMENT LIMITED

		December 31, 2010	JUNE 30, 2010
	Note	(Rupees in '000)	
8	DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
	Deposits		
	Guarantee margin	13,844	13,844
	Raw material supplier	4,175	4,195
	Others	2,401	466
		20,420	18,505
	Prepayments	383	390
	Other receivables-considered good		
	Related parties		
	International Builders and Developers (Pvt) Limited	524	216
	Al-Abbas Cement Industries Limited	395	6,661
	Al Abbas Sugar Mills Limited	-	389
	Thatta Cement Company Limited	8,066	12,709
	Employees Gratuity Fund Trust	4,997	-
	Others		
	against sale of raw materials	-	18,342
	against sale of plant and machinery with stores and spares	387,518	620,000
		401,500	658,317
		422,303	677,212
9	LONG TERM FINANCES		
	Redeemable Capital - Secured		
	Term Finance Certificates - I	9.1 625,000	625,000
	Term Finance Certificates - II & III	9.2 2,515,625	2,875,000
		3,140,625	3,500,000
	Current and overdue portion shown under current liabilities	(953,125)	(875,000)
		2,187,500	2,625,000
	Term loans		
	- Secured		
	- from a banking company	9.3 150,000	150,000
	- from a banking company	9.4 250,000	250,000
		400,000	400,000
	Current and overdue portion shown under current liabilities	(333,350)	(300,000)
		66,650	100,000
		2,254,150	2,725,000

9.1 This represents privately placed Term Finance Certificates (TFCs) issued by the Company to consortium of banks consisting of Faysal Bank Limited, Allied Bank Limited and National Bank of Pakistan having a face value of Rs. 100,000 each. The TFCs carry markup at the rate of 6 months KIBOR + 2.5% per annum subject to a floor rate of 7.5% and cap rate of 17.5%. Principal amount is repayable in 8 equal semi-annual installment of Rs.78.125 million each commencing from November, 2010. The TFCs are due to be redeemed latest by May, 2014. The TFCs are secured against first pari passu hypothecation charge on all present and future assets and first pari passu equitable mortgage charge on 910 acre land of the Company.

JAVEDAN CEMENT LIMITED

- 9.2 These represent privately placed Term Finance Certificates (TFCs) issued by the Company to consortium of banks consisting of Faysal Bank Limited, Allied Bank Limited and National Bank of Pakistan having a face value of Rs.100,000 each. The TFCs carry markup at the rate of 6 months KIBOR + 2.5% per annum subject to a floor rate of 7.5% and cap rate of 17.5%. Principal amount is repayable in 8 equal semi-annual installment of Rs.359.375 million each commencing from August 2010. The TFCs are due to be redeemed latest by February 2014. The TFCs are secured against first pari passu hypothecation charge on all present and future assets and first pari passu equitable mortgage charge on 910 acre land of the Company.
- 9.3 This loan has been sanctioned by KASB Bank Limited to the Company. It carries mark up at the rate of 3 months KIBOR + 2.75% payable quarterly. The loan has been repayable in nine quarterly installment of Rs. 16.67 million each commencing from October 2010. It has been secured by way of first pari passu charge over the Company's fixed assets - land.
- 9.4 This loan has been sanctioned by Bank Islami Pakistan Limited to the Company, for the development of land. It carries mark up at the rate of 3 months KIBOR + 2.5% (with quarterly resets) payable quarterly. The loan is repayable in bullet payment at end of 13th month from the date of sanction letter. It has been secured by way of ranking charge on 56 acres of Company land situated at manghopir.

			December 31, 2010	June 30, 2010
10	SHORT TERM BORROWING	Note	(Rupees in '000)	
	secured			
	- from related party	10.1	<u>460,000</u>	<u>-</u>

- 10.1** The loan has been sanctioned by Arif Habib Corporation Limited(Lender) to the Company. The facility limit available and unavailed amounting to Rs. 600 (June 30,2010 : nil) million and Rs. 140 (June 30, 2010 : nil) million respectively. It carries mark up at the rate of 6 months KIBOR + 3% payable quarterly. The loan is repayable on demand and is secured against REIT units to be issued by the company to the lender in the proposed REIT Scheme of the company which is in the process of getting permissions from Securities and Exchange Commission of Pakistan(SECP).In case where REIT Scheme is not approved by the SECP, the Company, as an alternate, shall provide a registered mortgage deed in favour of the Lender over its immovable property located in Deh Manghopir and Gadap Town, Karachi, totalling 166 acres.

11 TRADE AND OTHER PAYABLES

Trade and other payables includes an amount of Rs. 96.398 (June 30, 2010 : Rs. 120.167) million payable to Sui Southern Gas Company Limited.

12 CONTINGENCIES AND COMMITMENTS

Contingencies

There were no changes in contingencies since the last audited financial report.

	December 31, 2010	June 30, 2010
	(Rupees in '000)	
Commitments		
Capital Commitments		
Civil works and others	249,864	12,750
Purchase of accounting software and related hardware	-	1,500
	<u>249,864</u>	<u>14,250</u>

JAVEDAN CEMENT LIMITED

Note	Half Year Ended		Quarter Ended	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
(Rupees in '000)				
13 COST OF GOODS SOLD				
Raw materials consumed 13.1	-	39,625	-	14,374
Packing materials consumed 13.2	-	19,174	-	7,949
Stores and spares consumed	-	11,438	-	4,893
Utilities	-	76,367	-	28,806
Fuel	-	172,276	-	59,505
Salaries, wages and other benefits	-	24,172	-	11,573
Repairs and maintenance	-	17,012	-	8,337
Depreciation	-	5,294	-	2,297
Other expenses	-	13,843	-	7,213
	-	379,201	-	144,947
Work-in-process				
Opening balance	-	32,448	-	80,469
Clinker Purchase	-	18,035	-	-
Closing balance	-	(102,500)	-	(102,500)
	-	(52,017)	-	(22,031)
Cost of goods manufactured	-	327,184	-	122,916
Finished Goods				
Opening balance	-	54,431	-	80,006
Closing balance	-	(57,301)	-	(57,301)
	-	(2,870)	-	22,705
	-	324,314	-	145,621
13.1 RAW MATERIALS CONSUMED				
Opening stock	3,147	89,390	3,147	77,209
Purchases	-	2,709	-	352
Own excavation and other related cost	-	16,090	-	5,378
	3,147	108,189	3,147	82,939
Sale of raw material	(3,147)	-	(3,147)	-
Closing stock	-	(68,564)	-	(68,565)
	-	39,625	-	14,374
13.2 Packing Materials Consumed				
Opening stock	2,859	19,991	2,859	23,251
Purchases	-	17,030	-	2,545
	2,859	37,021	2,859	25,796
Sale of packing material	(687)	-	(687)	-
Closing stock	(2,172)	(17,847)	(2,172)	(17,847)
	-	19,174	-	7,949

JAVEDAN CEMENT LIMITED

	Note	December 31, 2010	December 31, 2009
(Rupees in '000)			
14 ADMINISTRATIVE EXPENSES			
Salaries / wages and other benefits		20,329	4,326
Printing & stationery		753	239
Travelling & conveyance		217	18
Communication		241	323
Legal & professional charges		1,045	704
Rent, rate & taxes		477	246
Utilities	14.1	16,005	-
Repair & maintenance		583	9
Depreciation		2,067	260
Fees & subscription		719	837
Vehicle running expenses		990	165
Meeting and convention		117	-
Advertisement		78	515
Entertainment		360	41
Donation	14.2	2,969	255
Insurance		1,732	8
Staff transportation		1,526	-
Others		640	3
		<u>50,848</u>	<u>7,949</u>

14.1 This includes surcharge amounting to Rs.11.090 million paid to the Sui Southern Gas Company Limited on delayed payments of gas bills.

14.2 None of the directors or their spouses have any interest in the donees of above donations.

Note	Half Year Ended		Quarter Ended	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
	(Rupees in '000)			

15 LOSS PER SHARE - Basic and Diluted

Loss after taxation		(344,214)	(306,438)	(172,561)	(171,621)
Weighted average numbers of ordinary shares	15.1	58,128,172	51,152,791	58,128,172	51,152,791
Loss per share - Basic and Diluted Rupees		(5.92)	Restated (5.99)	(2.97)	Restated (3.36)

15.1 On January 01, 2010 the Company had issued right shares at the ratio of 1 : 1, which were fully subscribed.

JAVEDAN CEMENT LIMITED

Note	Half Year Ended		Quarter Ended	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
(Rupees in '000)				
16 TRANSACTION WITH RELATED PARTIES				
Purchase of clinker	-	23,528	-	-
Sales of cement	-	33,940	-	3,889
Purchase of stores & spares	-	282	-	-
Sales of raw & packing material	5,406	-	-	-
Sales of stores & spares	905	7,853	799	(5,415)
Sales of vehicles	500	2,549	-	-
Sales of quarry & transport equipment	408	-	-	-
Common sharing expenses incurred	44	1,200	86	600
Purchase of vehicles	596	-	-	-
Purchase of other assets	25	-	-	-
Sponsors loan received	-	182,437	-	31,000
Loan received from related party	460,000	-	460,000	-

17 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial report was authorized for issue on **February 25, 2011** by the Board of Directors of the Company.

18 GENERAL

Figures have been rounded-off to the nearest thousands of rupees.


 Chief Executive


 Director

If undelivered please return to:

JAVEDAN CEMENT LIMITED

Manghopir Road, Karachi-75890