





Contents

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





COMPANY'S INFORMATION

BOARD OF DIRECTORS

Kashif Habib	Chairman
Aves Cochinwala	Chief Executive
Arif Habib	Director
Asma Cochinwala	Director
Ajaz Ahmed	Director
Bushra Ayub	Director
Ikram-ul-Haq Siddiqui	Director
Moomal Shunaid	Director
Muhammad Khubaib	Director

COMPANY SECRETARY

Khursheed Anwer

CHIEF FINANCIAL OFFICER

Zuhair Abbas

AUDIT COMMITTEE

Kashif Habib	Chairman
Ikram-ul-Haq Siddiqui	Member
Moomal Shunaid	Member
S.M. Talha	Secretary

AUDITORS

Haroon Zakaria & Company Chartered Accountant

COST AUDITORS

Siddiqi & Co. Cost & Management Accountants

BANKERS

Al-Baraka Islamic Bank
Askari Bank Limited
Allied Bank Limited
Bank Al-Falah Limited
Habib Bank Limited
KASB Bank Limited
MCB Bank Limited
National Bank of Pakistan
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 : 92-21-2470090
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: 92-21-6770141-6770142
Fax: 92-21-6770144

DIRECTORS' REVIEW REPORT

The Directors of Javedan Cement Limited presents herewith the un-audited financial statements of the Company for the nine months ended March 31, 2009.

OPERATING PERFORMANCE

The quantitative figures of Production and Sales for the quarter under review and cumulative figures for the nine months ended March 31, 2009 and its comparative figures for the respective period are given as under:-

	For the Quarter Ended		For the Nine Months Ended	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
	In M. Tons			
Clinker Production	27,821	38,580	158,723	205,444
Clinker Purchase	-	2,829	37,285	12,829
Cement Production	68,179	90,441	268,367	263,583
Cement Sales	68,999	88,061	263,753	261,406

During the period under review, your Company was hampered with the lower production of Clinker due to scarce supply of Gas by Sui Southern Gas Company Limited. Consequently the production of Clinker decreased by 46,721 M.T in the current period as compared to the corresponding period. The cost of furnace oil being exorbitant, its use as an alternate fuel was not considered economically viable for the Company. In order to maintain the stock level of clinker, the Company during the period under review procured 37,285 M.T. of clinker.

FINANCIAL PERFORMANCE

During the period under review, the sales have witnessed an increase of Rs. 410.436 million as compared to the corresponding period of last year. The operating profit before finance cost registered an increase of Rs. 162.084 million. However, due to heavy finance cost of Rs. 432.490 million the loss before recognition of impairment of goodwill ended up at Rs. 231.558 million for the period of nine months ended March 31, 2009.

FUTURE PROSPECT

The Cement consumption is mainly driven by infrastructure and real estate development. Due to recent stagflation and the credit crunch, cement consumption has gone down as there have been drastic cut downs in the public sector development budgets. Demand of cement in domestic market has reduced by 15% over prior year.

On the export front, in spite of the world recession, Pakistan Cement Industry has managed to increase its total exports by 55% over prior year, of course at the cost of lower FOB prices.



Moreover, prices both domestic and export remained under pressure because of price war situation among the cement manufacturers. The ever rising interest rate, increased input cost due to inflation, shortage of electricity, worsening law and order situation in the country and severe liquidity crunch made it very difficult for the industry to generate handsome profit. However, the situation will be clear by the end of this year. It is, however, expected that sales will pick up as the summer starts.

The Shareholders of the Company have given the approval, of disposal of land which is not currently used in production facility, either by way of outright sale and /or through construction of housing scheme/ Industrial plot in an extraordinary general meeting held on March 25, 2009. The Management has started the initial work on the project.

ACKNOWLEDGMENT

The Board of Directors of the company would like to place on record appreciation for the financial institutions, customers, dealers, suppliers for their support and the workers, staff and officers of the company for their dedication and hard work in improving the performance and financial results and hope that the same spirit will continue in future as well.

For and on behalf of the Board

Aves Cochinwala
Chief Executive

Karachi: April 28, 2009

**CONDENSED INTERIM
BALANCE SHEET (UN-AUDITED)**

AS AT MARCH 31, 2009

	Note	(Unaudited) March 31, 2009 (Rupees in '000)	(Audited) June 30, 2008 (Restated)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipments	4	5,386,174	840,707
Deferred tax asset		-	57,615
Acquired goodwill	5	-	2,981,644
Long term security deposits		2,246	2,246
CURRENT ASSETS			
Stores and spares		159,089	140,513
Stock-in-trade		196,510	172,577
Trade debts- Unsecured considered good		13,501	19,883
Advances - Unsecured		14,684	17,157
Deposits, prepayments and other receivable		27,511	18,843
Interest accrued		287	605
Tax refunds due from Government		25,264	27,475
Cash and bank balances		36,759	72,924
		<u>473,605</u>	<u>469,977</u>
TOTAL ASSETS		<u>5,862,025</u>	<u>4,352,189</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
70,000,000 Ordinary shares of Rs 10 each		<u>700,000</u>	<u>700,000</u>
Issued, subscribed and paid-up share capital		<u>290,641</u>	290,641
Reserves		<u>(3,927,476)</u>	(655,672)
Total Equity		<u>(3,636,835)</u>	(365,031)
Surplus on revaluation of land		<u>4,505,983</u>	-
Sponsors loan	6	<u>805,887</u>	713,887
LIABILITIES			
NON-CURRENT LIABILITIES			
Redeemable capital		2,187,500	3,062,500
Long term loan		30,000	120,000
CURRENT LIABILITIES			
Trade and other payables		203,520	169,172
Mark-up accrued		333,470	184,161
Current maturity of long term loans		1,432,500	467,500
		<u>1,969,490</u>	820,833
CONTINGENCIES AND COMMITMENTS	7		
TOTAL EQUITY AND LIABILITIES		<u>5,862,025</u>	<u>4,352,189</u>

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


Chief Executive

Director

**CONDENSED INTERIM
PROFIT AND LOSS ACCOUNT STATEMENTS (UN-AUDITED)**
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2009

	Nine Months Ended		Quarter Ended	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
Note	(Rupees in '000)			
	←	(Restated)	→	(Restated)
Sales - Net	1,208,711	798,274	304,964	263,341
Cost of goods sold	982,643	726,575	264,565	260,156
Gross profit	226,068	71,699	40,399	3,185
Selling and distribution expenses	(21,394)	(23,694)	(2,093)	(4,211)
Administrative expenses	(14,765)	(13,620)	(1,025)	(3,643)
	(36,159)	(37,314)	(3,118)	(7,854)
Other income	189,909	34,385	37,281	(4,669)
Other income	11,023	4,463	2,691	540
Operating profit/ (loss)	200,932	38,848	39,972	(4,129)
Finance cost	(432,490)	(394,840)	(156,459)	(166,414)
Loss for the period	(231,558)	(355,992)	(116,487)	(170,543)
Impairment loss on acquired goodwill	5 (2,981,644)	-	-	-
Loss before taxation	(3,213,202)	(355,992)	(116,487)	(170,543)
Taxation	(58,602)	(1,514)	(54)	(1,320)
Loss after taxation	(3,271,804)	(357,506)	(116,541)	(171,863)
Loss per share - Rupees				
(Basic and diluted)	(112.57)	(12.30)	(4.01)	(5.91)

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


Chief Executive


Director

**CONDENSED INTERIM
CASH FLOW STATEMENT (UNAUDITED)**

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2009

	March 31, 2009	March 31, 2008
	(Rupees in '000)	
		(Restated)
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(3,213,202)	(355,992)
Adjustments for non-cash items and other charges		
Depreciation	11,048	12,154
Finance cost	432,490	394,840
Interest income	(7,384)	(1,094)
Gain on disposal of property, plant and equipment	(248)	(2,000)
Impairment loss on acquired goodwill	<u>2,981,644</u>	<u>-</u>
Cash generated from operating activities before working capital changes	204,348	47,908
Changes in working capital		
Stores and spares	(18,576)	(884)
Stock in trade	(23,933)	(14,342)
Trade debts	6,382	(23,070)
Loans and advances	(6,527)	(6,360)
Deposits, prepayments and other receivables	(8,668)	(858)
Trade and other payables	<u>34,348</u>	<u>14,507</u>
	<u>(16,974)</u>	<u>(31,007)</u>
Net cash generated from operation	187,374	16,901
Income tax paid	(18,475)	(12,523)
Income tax refund	19,698	-
Finance cost paid	<u>(283,181)</u>	<u>(418,385)</u>
Net cash used in operating activities	(94,584)	(414,007)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(41,658)	(21,043)
Proceeds from sale of fixed assets	375	2,082
Interest received	<u>7,702</u>	<u>662</u>
Net cash used in investing activities	(33,581)	(18,299)
CASH FLOW FROM FINANCING ACTIVITY		
Proceeds from sponsors loan and net cash from financing activity	92,000	475,656
Net (decrease)/ increase in cash and cash equivalents	<u>(36,165)</u>	<u>43,350</u>
Cash and cash equivalents at beginning of period	72,924	30,465
Cash and cash equivalent at end of period	<u>36,759</u>	<u>73,815</u>

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



Chief Executive



Director

**CONDENSED INTERIM
STATEMENT OF CHANGES IN EQUITY - (UN-AUDITED)**
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2009

Description	Share capital	Capital reserve	Reserve			Total	Total
			Revenue				
			General	Accumulated losses	Sub Total		
(Rupees in '000)							
Balance as at July 1, 2007	560,000	11,966	63,500	(319,355)	(255,855)	(243,889)	316,111
Loss for the nine months ended March 31, 2008	-	-	-	(357,506)	(357,506)	(357,506)	(357,506)
Shares cancelled due to merger	(542,686)	-	-	-	-	-	(542,686)
Shares issued in lieu of merger	273,327	-	-	-	-	-	273,327
Balance as at March 31, 2008 - as restated	<u>290,641</u>	<u>11,966</u>	<u>63,500</u>	<u>(676,861)</u>	<u>(613,361)</u>	<u>(601,395)</u>	<u>(310,754)</u>
Balance as at July 1, 2008	290,641	11,966	63,500	(731,138)	(667,638)	(655,672)	(365,031)
Loss for the nine months ended March 31, 2009	-	-	-	(3,271,804)	(3,271,804)	(3,271,804)	(3,271,804)
Balance as at March 31, 2009	<u>290,641</u>	<u>11,966</u>	<u>63,500</u>	<u>(4,002,942)</u>	<u>(3,939,442)</u>	<u>(3,927,476)</u>	<u>(3,636,835)</u>

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


Chief Executive


Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2009

1 STATUS AND NATURE OF BUSINESS

Javedan Cement Limited was incorporated 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. Its principal activity is to manufacture and sell ordinary portland cement, blast furnace slag cement and sulphate resisting cement. The Registered Office of the Company is located at 2nd Floor, Pardesi House, Survey No. 2/1, R.Y. 16, Old Queens Road, Karachi.

- 1.1 The Board of Directors of the Company, the Al-Abbas Holdings (Private) Limited (AAHL) and the Ghani Holdings (Private) Limited (GHL), in their separate meetings approved a Scheme of Arrangement (the Scheme) in terms of sections 284-287 of the Companies Ordinance, 1984 (the Ordinance) for the amalgamation of AAHL and GHL with and into Company with effect from July 1, 2007 (effective date). The Scheme was approved by the shareholders of the Company, AAHL and GHL in their separate extra-ordinary general meetings held on March 4, 2008. The Company, GHL and AAHL has filed the proceeding of the separate extra-ordinary meeting for sanctioning the Scheme to the Honorable High Court of Sindh at Karachi and the Court has issued the Order on November 23, 2008 sanctioning the Scheme.

Under the scheme, the Company is required to issue and allot 27,332,729 ordinary shares of its own as fully paid up to the registered holders of ordinary shares in AAHL and in GHL and the Company's shares owned by AAHL and GHL will stand cancelled without any further act or deed. The allotment of the ordinary shares in the Company will be made as per Scheme of Arrangement. The Certified True Copy of the Court Order has been filed with Security and Exchange Commission of Pakistan. Pursuant to Court Order the AAHL and GHL have been amalgamated with the Company with effect from July 1, 2007.

As the individual financial statements of the Company were issued before the Court Order, therefore, the revised financial statements for the year ended June 30, 2008 were presented in the relevant meeting of Board of Directors for their approval and approved by the Board accordingly. The corresponding figures on condensed interim balance sheet are based on the revised financial statements duly approved by the Board of Directors of the Company and audited by the statutory auditors of the Company. Profit and loss account for the period ended and quarter ended March 31, 2008 is restated and includes results of operations of AAHL and GHL.

- 1.2 During the period, the Company has incurred loss after taxation amounting to Rs. 3.271 billions (March 31, 2008: Rs. 357.506 million). Its current liabilities exceeds its current assets by Rs.1,495.885 million (June 30, 2008: Rs. 350.856 million). These factors may cast doubt about the Company's ability to continue as a going concern. However, the management is in process of negotiation with its lenders to reschedule its long term borrowings and its working capital besides current portion of long term borrowings is sufficient to meet the working capital requirements of the Company. Moreover, the Company is exploring the market for other profitable ventures and also has strong financial support from its sponsors. Considering these facts these condensed interim financial information have been prepared on going concern basis.

2 BASIS OF PREPARATION

These condensed interim financial information are un-audited and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and the listing regulations of the Karachi Stock Exchange of Pakistan and have been prepared in accordance with the requirements of the International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi Stock Exchange and section 245 of the Companies Ordinance, 1984.

3 SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies and methods of computation alongwith estimates which have been used in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements for the preceding year ended June 30, 2008 except that fair value model has been adopted for valuation of land (Refer note - 4.2) and impairment loss has been recognized on acquired good will (Refer note - 5). Further sponsor loan is reclassified (Refer - 6)

4. PROPERTY, PLANT AND EQUIPMENTS

	(Unaudited) March 31, 2009	(Audited) June 30, 2008
	(Rupees in '000)	
Opening balance	840,707	833,762
Additions / revaluation during the period	4,556,641	23,326
Deletions during the period	(546)	(825)
Depreciation charge for the period	(11,048)	(16,319)
Depreciation adjustment on disposal	420	763
Closing balance	<u>5,386,174</u>	<u>840,707</u>

The additions and disposals were made during the period are given below:-

	Note	March 31, 2009		June 30, 2008	
		Additions / Revaluation	Disposals	Additions	Disposals
(Rupees in '000)					
Freehold land	4.1	4,505,983	-	5,568	-
Plant and machinery		-	-	5,101	-
Vehicles		44	546	101	460
Furniture, fixtures and equipments		164	-	616	-
Other assets		-	-	-	365
		<u>4,506,191</u>	<u>546</u>	11,386	825
Capital work in progress		50,450	-	11,940	-
		<u>4,556,641</u>	<u>546</u>	<u>23,326</u>	<u>825</u>

	(Unaudited) March 31, 2009	(Audited) June 30, 2008
	(Rupees in '000)	
4.1 Land - at cost	693,617	693,617
Increase as a result of revaluation	4,505,983	-
	<u>5,199,600</u>	<u>693,617</u>

4.2 Revaluation as at December 31, 2008 of Rs. 5.199 billion was carried out by M/s. Younus Mirza and Company an independent qualified and approved valuer on the panel of Pakistan Bankers Association. The fair value is determined by the valuer through independent inquiries from local active broker and other sources in the locality.

	(Unaudited) March 31, 2009	(Audited) June 30, 2008
	(Rupees in '000)	
5 ACQUIRED GOODWILL		
Opening balance	2,981,644	2,981,644
Less: Impairment loss	<u>2,981,644</u>	<u>-</u>
	<u>-</u>	<u>2,981,644</u>

6 SPONSORS LOAN

The Company has reclassified sponsors loan before non current liabilities because it anticipates that the loan will be utilized against any future right issue of shares. The reclassification is made because of more better presentation of events and transactions.

7 CONTINGENCY

There were no change in contingencies since the last annual audited financial statements.

	Nine Months Ended		Quarter Ended	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
	← (Rupees in '000) →			

8 TRANSACTION WITH RELATED PARTIES

Purchase of Clinker	199,292	42,149	-	10,323
Sales of Cement	15,260	-	10,764	-
Sales of stores and spares	6,279	-	2,514	-
Common sharing expenses incurred	1,800	-	600	-
Sponsors loan received	92,000	475,656	-	124,200

9 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information were authorized for issue on April 28, 2009 by the Board of Directors of the Company.

10 GENERAL

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


Chief Executive


Director