



DIRECTORS' REVIEW

The Directors are pleased to present the financial statements of the Company for the quarter ended September 30, 2009.

Financial results of the Company are as under:

FINANCIAL RESULTS

	July- September 2009	July- September 2008	Increase
	Rupees in million	Rupees in million	%
Turnover	3,541	3,104	14.1
Gross Profit	1,029	516	99.4
Profit from Operations	551	221	149.3
NPAT	364	145	151.0
Earning per share (restated) Rs.	13.23	5.28	150.6

During the quarter ended September 30, 2009, the Company registered a growth of 14.1% in overall sales as compared to its corresponding period ended September 30, 2008. Almost all categories of the business have shown an increase in sales and consequently contributed to a share in the profits despite deteriorating law and order situation, acute energy shortages in the Country and modest growth in economy. Your Company showed strength through its strong brands and continued with a positive sales trend by also extending its customer base.

Gross Profit and Profit from Operations grew by 99.4% and 149.3% respectively as compared to last year's corresponding period. This increase in Gross Profit & Profit is attributable to reduction in raw material prices and stabilization in dollar to rupee exchange parity in the recent past. During last year's corresponding period, prices of all basic raw materials soared unprecedentedly as a result of high inflation and record high prices of crude oil in the international market.

Net profit after tax (NPAT) has increased to 13.0% of net sale as compared to 5.9% of corresponding period, while Share-holders' earning increased to Rs. 13.23 per share as compared to Rs. 5.28 per share in the corresponding period.

It is apprehended that the continuing critical law and order situation and other accompanying factors may not allow the growth trends to be maintained or enhanced.

SAP IMPLEMENTATION

The Company has now completed the implementation of world renowned ERP system - SAP, and went live during first week of August 2009, in a targeted period of 7 months. A smooth implementation across the organization was possible through an excellent cross-functional effort by our Project team. SAP will greatly facilitate the achievement of further efficiencies in all key business processes.

FUTURE PROSPECTS

Management is committed to enhance overall efficiency of the company by optimum utilization of resources & to produce best results by a continued focus on product quality and renovation, innovative cost curtailing measures, developing its volume base, aggressive marketing programs & integration of all business strategies.

ACKNOWLEDGMENTS

The management takes this opportunity to thank customers, shareholders, suppliers, bankers and all other stakeholders. We also appreciate and acknowledge the continued support, commitment, loyalty and hard work of our employees.

On behalf of Board of Directors


IQBAL ALI LAKHANI
Chairman

Karachi : October 23, 2009