



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

CHAIRMAN / CHIEF EXECUTIVE  
DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR

RAZA ABDUL AZIZ AL-RAEE  
AIJAZ ABDUL AZIZ AL-RAEE  
RIYADH ABDUL AZIZ AL-RAEE  
RABIA BARKAT ALI  
ABDULLAH RAZA AL RAE  
SUMIAH SAEED-UR-REHMAN  
ASMA HAFEEZ

### AUDIT COMMITTEE

CHAIRMAN

AIJAZ ABDUL AZIZ AL-RAEE  
RIYADH ABDUL AZIZ AL-RAEE  
RABIA BARKAT ALI  
AFTAB SAFDER CHEEMA

SECRETARY

### CHIEF FINANCIAL OFFICER

AFTAB SAFDER CHEEMA

### COMPANY SECRETARY

MOHAMMAD AZHAR JAMALI

### AUDITORS

M/S. REHMAN SARFARAZ RAHIM IQBAL  
RAFIQ & CO.  
CHARTERED ACCOUNTANTS, KARACHI.

### BANKERS

ASKARI COMMERCIAL BANK LIMITED  
PICIC COMMERCIAL BANK LIMITED  
KASB LTD.

### LIAISON OFFICE

E-3, BLOCK-17, AL-RAEE AVENUE,  
BEHIND NATIONAL STADIUM,  
GULSHAN-E-IQBAL, KARACHI  
PHONE: 4802940-1, 4815840-44

### REGISTERED OFFICE/FACTORY

18TH MILE RCD HIGHWAY 27/3/2  
MOUZA BAIRUT, TEHSIL HUB  
DISTRICT LASBELLA  
BALUCHISTAN

Web address

[www.ptclcables.com](http://www.ptclcables.com)

Email address

[info@ptclcables.com](mailto:info@ptclcables.com)



## DIRECTORS' REPORT

I am pleased to present the Directors Report and condensed accounts for the 1st quarter ended on September 30, 2007.

During the quarter the sales have increased to Rs. 224.302 million compare to corresponding period for Rs. 37.823 million. It has been achieved through smooth production and supply of cables to Pakistan Telecommunication Company Limited (PTCL) and others.

This resulting in net profit after taxation Rs. 5.095 million in contrast to loss of Rs. (11.830 million) during the period in 2006.

For future prospect we have orders for supply of cables for Rs. 700.00 million to various customers during the remaining financial year 2007-08 and we hope to get better result in the future.

The Directors place on record their appreciation for the support of Banks and shareholders of the Company and employees for their efforts in performing duties.

For and on behalf of the Board

**RAZA ABDUL AZIZ AL-RAEE**  
Chief Executive

Karachi: October 31, 2007

**CONDENSED BALANCE  
AS ON SEPTEMBER**

	UN-AUDITED Sept 30, 2007 Rupees	AUDITED June 30, 2007 Rupees
<b>SHARE CAPITAL</b>		
<b>AUTHORISED CAPITAL</b>	<u>220,000,000</u>	<u>220,000,000</u>
<b>Issued, subscribed and paid-up</b>		
21,000,000 Ordinary Share of Rs.10 each.	210,000,000	210,000,000
Accumulated loss	(69,723,220)	(78,666,817)
	140,276,780	131,333,183
<b>SURPLUS ON REVELUATION OF FIXED ASSETS</b>	118,487,594	120,988,879
Long term loan from director	38,843,316	39,743,316
liabilities against assets subject to finance leased	9,430,204	10,857,120
<b>DEFERRED LIABILITY</b>	60,413,472	63,656,844
<b>CURRENT LIABILITIES</b>		
Trade and other liabilities	238,390,913	186,647,692
Short Term borrowings	81,988,766	91,822,279
Current portion of long term liabilities	7,061,027	7,337,968
Taxation	6,465,151	4,619,663
	333,905,857	290,427,602
	<u>701,357,223</u>	<u>657,006,944</u>

The annexed notes form an integral part of the financial statements.

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CHIEF EXECUTIVE



**SHEET**  
**30, 2007**

	<b>UN-AUDITED</b> <b>Sept 30, 2007</b> <b>Rupees</b>	<b>AUDITED</b> <b>June 30, 2007</b> <b>Rupees</b>
PROPERTY, PLANT & EQUIPMENT	<b>341,487,988</b>	349,927,840
INTANGIBLE ASSETS SOFTWARE	<b>939</b>	1,073
CAPITAL WORK IN PROGRESS	<b>8,930,647</b>	6,500,121
LONG TERM SECURITY DEPOSITS	<b>4,325,298</b>	4,115,298
<b>CURRENT ASSETS</b>		
Stores and spares	<b>6,446,630</b>	6,178,746
Stock in trade	<b>227,886,829</b>	188,791,295
Trade debts - secured considered good	<b>66,847,596</b>	68,035,979
Advances	<b>16,315,758</b>	16,998,671
Trade deposits and prepayments	<b>8,257,996</b>	5,455,827
Other receivables	<b>11,856,903</b>	8,176,623
Cash and bank balances	<b>9,000,639</b>	2,825,471
	<b>346,612,351</b>	296,462,612
	<b>701,357,223</b>	657,006,944

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DIRECTOR



**CONDENSED PROFIT & LOSS ACCOUNT (UN-AUDITED)**  
FOR THE QUARTER ENDED SEPTEMBER 30, 2007

	<u>Sept 30, 2007</u> Rupees	<u>Sept 30, 2006</u> Rupees
<b>Sales</b>	224,302,411	37,823,363
Cost Of Sales	<u>(206,657,123)</u>	<u>(42,977,483)</u>
<b>Gross Profit / (Loss)</b>	17,645,288	(5,154,120)
<b>OPERATING EXPENSES</b>		
Administration	<u>6,601,350</u>	5,720,014
Selling and distribution	<u>1,782,602</u>	125,002
	<u>(8,383,952)</u>	<u>(5,845,016)</u>
<b>Operating profit / (loss)</b>	9,261,336	(10,999,136)
<b>Financial charges</b>	<u>(3,988,509)</u>	<u>(2,380,959)</u>
	5,272,827	(13,380,095)
<b>Other income</b>	-	1,532,090
<b>Profit/(Loss) before taxation</b>	5,272,827	(11,848,005)
Provision for taxation		
- Current	<u>(1,845,489)</u>	(189,117)
- Deferred	<u>1,668,129</u>	206,958
	<u>(177,360)</u>	17,841
<b>Profit/(Loss) after taxation</b>	<u>5,095,467</u>	<u>(11,830,164)</u>
Earning/(Loss) per Share - basic and diluted	0.24	(0.56)

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CHIEF EXECUTIVE

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DIRECTOR



## CONDENSED CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2007

	Sept 30, 2007 Rupees	Sept 30, 2006 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	5,272,827	(11,848,005)
Adjustment for:		
Depreciation	8,439,986	9,415,695
Financial cost	3,988,509	2,380,959
Other income	-	(1,532,090)
	12,428,495	10,264,564
Operating profit before working capital changes	17,701,322	(1,583,441)
<b>Changes in working capital</b>		
<b>Decrease/(Increase) in current assets</b>		
Store & Spares	(267,884)	354,136
Stock-in-trade	(39,095,534)	(8,251,161)
Trade debts	1,188,383	(3,771,697)
Advances, deposits, prepayments and other receivables	(2,670,233)	(25,208,973)
<b>Increase / (decrease) in current liabilities</b>		
Trade and other liabilities	49,368,694	(17,984,433)
	8,523,426	(54,862,128)
<b>Cash generated from operations</b>	26,224,748	(56,445,569)
Taxes paid	(3,129,303)	(743,603)
Gratuity paid	(228,400)	(145,800)
Financial cost	(1,613,982)	(2,380,959)
	(4,971,685)	(3,270,362)
<b>Net cash used in operating activities</b>	21,253,063	(59,715,931)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(2,430,527)	(2,024)
Long term security deposits	(210,000)	-
<b>Net cash used in investing activities</b>	(2,640,527)	(2,024)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment Long term finance	(900,000)	(1,005,728)
Increase/(decrease) in short term finance	(9,833,513)	1,500,000
Payment of long term lease liabilities	(1,703,855)	53,493,698
<b>Net cash from financing activities</b>	(12,437,368)	53,987,970
<b>Net increase in cash and bank balances</b>	6,175,168	(5,729,985)
Cash and Bank balances at the beginning period	2,825,471	9,847,005
Cash and Bank balances at the end period	9,000,639	4,117,020

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CHIEF EXECUTIVE

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DIRECTOR

**CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2007**

	Share Capital	Accumulated Loss	Total
<b>Balance as at July 01 '2006</b>	<b>210,000,000</b>	<b>(82,299,921)</b>	<b>127,700,079</b>
<b>Loss for the Year</b>		(13,469,696)	(13,469,696)
Transfer from Surplus on Revaluation of fixed assets on account of incremental depreciation for the Year - net of deferred taxation		17,102,800	17,102,800
<b>Balance as at June 30, 2007</b>	<b>210,000,000</b>	<b>(78,666,817)</b>	<b>131,333,183</b>
Profit for the period	-	5,095,467	5,095,467
Transfer from Surplus on Revaluation of fixed assets on account of incremental depreciation for the Period - net of deferred taxation		3,848,130	3,848,130
<b>Balance as at Sept 30, 2007</b>	<b>210,000,000</b>	<b>(69,723,220)</b>	<b>140,276,780</b>

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CHIEF EXECUTIVE

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DIRECTOR



## CONDENSED NOTES TO THE FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2006

### 1 THE COMPANY AND ITS OPERATION

The company was incorporated on June 08 '1983 in Pakistan and is quoted on the Stock Exchange at Karachi & Lahore. The principal activity of the company is manufacturing and sale of Telecommunication Cables.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis for Preparation

These accounts have been prepared in accordance with the International Accounting Standards (IAS-34) "Interim Financial Reporting" as applicable in Pakistan.

#### 2.2 Accounting Convention

These financial statement have been prepared under the 'historical cost convention'. The accounting policies adopted in preparation of these quarterly accounts are the same as those applied in the preparation of the preceding audited financial statement

#### 2.3 Employees Retirement Benefit

The company operates unfunded gratuity scheme covering all its permanent employees who have completed described qualifying period of service. Provision is made annually to cover obligations under the scheme.

#### 2.4 Taxation

Provision for current taxation is based on taxable income at current tax rate after taking into account tax credits, rebates and exemptions available, if any or half percent of turnover, whichever is higher.

3 These accounts are un-audited and are being presented as required under section 245 of the companies ordinance, and also required by Security Exchange Commission of Pakistan under SRO No. 764(I) 2001 Dated November 05, 2001.

4 Previous quarterly accounts figures have been re-grouped and/or re-arranged wherever necessary for the purpose of comparison

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DIRECTOR