



## **ITTEHAD CHEMICALS LIMITED**

**UN-AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED  
MARCH 31, 2007**

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## CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Muhammad Siddique Khatri Mr. Abdul Ghafoor Khatri Mr. Abdul Sattar Khatri Mr. Abdul Aziz Khatri Mr. Mansoor Ahmed Khatri Ms. Farhana Sattar Mr. Fawad Yousuf	Chairman & Chief Executive Director Director Director Director Director Director
AUDIT COMMITTEE	Mr. Mansoor Ahmed Mr. Abdul Sattar Khatri Mr. Fawad Yousuf	Chairman Member Member
CHIEF FINANCIAL OFFICER	Mr. Javed Iqbal	
COMPANY SECRETARY	Mr. Noor Zaman Khan	
REGISTERED OFFICE/HEAD OFFICE	39-Empress Road, P.O. Box 1414, Lahore-54000. Tel : 042- 6306586 - 88 Fax : 042- 6365697 www.ittehadchemicals.com E-mail: info@ittehadchemicals.com	
PLANT	G.T. Road, Kala Shah Kaku, District Sheikhpura. Ph : 042-7980026 - 28 Fax : 042-7990544	
SHARE REGISTRARS	M/s. Corplink (Pvt.) Limited Corporate and Financial Consultants Wings Arcade, 1-K Commercial, Model Town, Lahore. Ph: 042-5839182 Fax: 042-5869037	
BANKERS TO THE COMPANY	Askari Commercial Bank Ltd. Habib Metropolitan Bank Ltd. National Bank of Pakistan MCB Bank Ltd. Pakistan Industrial Credit & Investment Corporation Ltd. Saudi Pak Industrial & Agricultural Investment Co. (Pvt.) Ltd. Pak Libya Holding Co. (Pvt.) Ltd. Pak Kawait Investment Co. (Pvt.) Ltd. The Bank of Punjab Allied Bank of Pakistan Faysal Bank Ltd. United Bank Ltd. KASB Bank Ltd. Standard Chartered Bank Ltd. My Bank Ltd. Citi Bank	
AUDITORS	M/s. BDO Ebrahim & Co., Chartered Accountants, 2nd Floor, Block-C, Lakson Square Bldg. No.1, Sarwar Shaheed Road, Karachi. Ph : 021-568 31 89 – 568 34 98 Fax : 021-568 42 39	
LEGAL ADVISORS	M/s. Tahir Ali Tayebi & Co. 310, Marine Point, Schon Circle, Block 9, Clifton, Karachi. Ph : 021-537 04 58 Fax : 021-537 04 59	

## CHAIRMAN'S REVIEW

We are pleased to present the un-audited accounts of the Company for the period ended March 31, 2007. The Company has shown improvement in operating results as reported below:

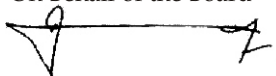
- Net sales for the period under review were Rs. 1,849.31 million compared to Rs. 1,581.54 million in the corresponding period of last year recording an improvement of 16.93 %.
- Gross margin and operating profit remained at Rs. 410.71 million and Rs. 267.15 million respectively as compared to Rs. 319.72 million and Rs. 206.25 million in the corresponding period of last year recording an increase of 28.46% and 29.53% respectively.
- Profit after tax came in at Rs. 62.39 million as compared to Rs. 73.79 million showing a decrease of 15.45%.
- Earning per share was Rs. 1.73 as against Rs. 2.05 in the corresponding period of last year.

Though the company has registered handsome growth in gross margin and operating profit however there is a negligible growth of 4.19% in the profit before tax due to finance cost which has increased primarily because of long term financing, growing working capital needs and rise in mark-up rates. The profit after tax has decreased due to higher tax provision during the period under review compared to the corresponding period of last year.

Production has shown improvement during the quarter under review after SNGPL has restored the gas supply to Company's captive power plant. Also the demand trend in the quarter under review encourages us to expect further growth in sales in the next quarter. It is anticipated that the sales and profits in the coming quarter will be better than the previous quarters and therefore your Company is well poised to take advantage of the growing demand. The key priorities going forward are to maintain sales growth momentum, deliver high levels of customer service and improve operational efficiencies.

We appreciate the Company staff for their continuous dedication and support. We would also express our gratitude to our shareholders, bankers, customers and suppliers.

On Behalf of the Board




Muhammad Siddique Khatri  
Chairman

Lahore: April 27, 2007

## BALANCE SHEET AS AT MARCH 31, 2007

ASSETS	NOTE	MARCH	JUNE
		2007	2006
		Un-audited	Audited
		(Rupees in thousands)	
<b>NON CURRENT ASSETS</b>			
Property, Plant and equipment			
Operating fixed assets	4	2,422,938	2,510,171
Capital work in progress	5	24,452	24,156
		<u>2,447,390</u>	<u>2,534,327</u>
Intangible assets	6	1,267	-
Long term investments		65,269	1,817
Deferred cost		1,112	1,751
Long term deposits		14,711	14,658
		<u>2,529,749</u>	<u>2,552,553</u>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		286,599	301,796
Stock in trade	7	164,509	144,617
Trade debts		376,407	201,342
Loan and Advances		47,843	21,572
Trade deposits and prepayments		7,676	5,205
Other receivables		276	2,177
Tax refunds due from Government		7,717	5,974
Taxation-net		58,101	67,550
Cash and bank balances		43,668	257,713
		<u>992,796</u>	<u>1,007,946</u>
<b>TOTAL ASSETS</b>		<u><u>3,522,545</u></u>	<u><u>3,560,499</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital			
75,000,000 (June 30, 2006: 75,000,000) shares of Rs. 10/- each	8.1	<u>750,000</u>	<u>750,000</u>
Issued, subscribed and paid up capital			
36,000,000 (June 30, 2006: 30,000,000) ordinary shares of Rs. 10/- each	8.2	360,000	300,000
Reserves		329,284	326,839
		<u>689,284</u>	<u>626,839</u>
<b>SURPLUS ON REVALUATION OF FIXED ASSETS</b>		638,574	638,574
<b>NON CURRENT LIABILITIES</b>			
Redeemable capital	9	41,634	83,266
Long term financing	10	646,778	739,251
Long term murabaha	11	245,562	261,187
Liabilities against assets subject to finance lease	12	1,012	-
Deferred liabilities		209,112	169,921
		<u>1,144,098</u>	<u>1,253,625</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		255,253	221,094
Markup accrued		52,224	28,520
Short term borrowings		364,692	431,977
Current portion of long term liabilities		378,420	359,870
		<u>1,050,589</u>	<u>1,041,461</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	13	-	-
		<u>3,522,545</u>	<u>3,560,499</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>3,522,545</u></u>	<u><u>3,560,499</u></u>

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

  
CHIEF EXECUTIVE

  
DIRECTOR

## PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED MARCH 31, 2007 (UN-AUDITED)

	Note	Nine Months ended		Quarter ended	
		MARCH 2007	MARCH 2006 (Rupees in thousands)	MARCH 2007	MARCH 2006
Gross sales		2,159,395	1,846,857	722,250	625,048
Sales tax and commission		(310,089)	(265,313)	(104,169)	(89,751)
Net sales		1,849,306	1,581,544	618,081	535,297
Cost of sales	14	(1,438,598)	(1,261,829)	(483,190)	(436,322)
Gross profit		410,708	319,715	134,891	98,975
Selling and distribution expenses		(96,772)	(74,058)	(30,797)	(29,885)
General and administrative expenses		(43,629)	(39,810)	(14,412)	(12,858)
Other operating expenses		(6,061)	(5,861)	(1,891)	(1,026)
Other operating income		2,903	6,264	713	1,795
Operating profit		267,149	206,250	88,504	57,001
Finance cost		(156,360)	(99,915)	(53,526)	(38,357)
Profit before taxation		110,789	106,335	34,978	18,644
Taxation		(48,396)	(32,547)	(10,574)	7,615
Net profit after taxation		62,393	73,788	24,404	26,259
Earnings per share - basic and diluted	16	Rs. 1.73	Rs. 2.05	Rs. 0.68	Rs. 0.73

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



CHIEF EXECUTIVE



DIRECTOR

# CASH FLOW STATEMENT

FOR THE PERIOD ENDED MARCH 31, 2007 (UN-AUDITED)

	Nine Months ended	
	MARCH 2007	MARCH 2006
	(Rupees in thousands)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	110,789	106,335
Adjustments for items not involving movement of funds:		
Depreciation	145,067	103,595
Amortization of intangible assets	36	-
Provision for gratuity	339	338
Amortization of deferred cost	638	638
Provision for doubtful debts	-	2,002
Provision for bad and doubtful debts written back	-	(496)
Gain on sale of fixed assets	(361)	-
Loss/(gain) on foreign exchange	(29)	69
Finance cost	156,360	99,915
	412,839	312,396
<b>Decrease/(Increase) in current assets</b>		
Stores, spares and loose tools	15,197	(53,921)
Stock in trade	(19,892)	(19,149)
Trade debts	(175,064)	(22,688)
Loan and advances	(26,270)	37,290
Trade deposits and prepayments	(2,471)	(3,656)
Other receivables	1,901	8,712
Tax refunds due from Government	-	53,471
	(206,599)	59
<b>(Decrease)/Increase in current liabilities</b>		
Trade and other payables	34,184	57,489
Cash generated from operations	240,424	369,944
Taxes paid	(1,694)	(1,403)
Gratuity paid	(140)	(238)
Net cash inflow from operating activities	238,590	368,303
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to operating fixed assets - (net)	(20,212)	(41,914)
Additions to capital work in progress	(36,757)	(441,324)
Acquisition of intangible assets	(1,303)	-
Proceeds from sale of operating fixed assets	570	-
Long term investments	(63,400)	-
Long term deposits	(53)	-
Net cash outflow from investing activities	(121,155)	(483,238)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of redeemable capital	(41,633)	(41,633)
Proceeds from long term financing	350,000	60,000
Repayment of long term financing	(441,718)	(123,375)
Proceeds from long term murabaha	50,000	150,000
Repayment of long term murabaha	(48,188)	(6,250)
Short term borrowings	(67,285)	121,508
Finance cost paid	(132,656)	(83,275)
Net cash (outflow)/inflow from financing activities	(331,480)	76,975
Net Increase/(decrease) in cash and cash equivalents	(214,045)	(37,960)
Cash and cash equivalents at the beginning of the period	257,713	80,831
Cash and cash equivalents at the end of the period	43,668	42,871

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

  
CHIEF EXECUTIVE

  
DIRECTOR

**STATEMENT OF CHANGES IN EQUITY**  
 FOR THE PERIOD ENDED MARCH 31, 2007 (UN-AUDITED)

	<b>Issued, subscribed and paid-up capital</b>	<b>Capital reserve - Fair value reserve</b>	<b>Unappro- priated profits</b>	<b>Total</b>
..... ( Rupees in thousands ) .....				
Balance as at July 01, 2005	300,000	333	206,516	506,849
Profit for the period	-	-	73,788	73,788
Fair value gain	-	551	-	551
Balance as at March 31, 2006	300,000	884	280,304	581,188
Profit for the period	-	-	45,726	45,726
Fair value gain	-	(75)	-	(75)
Balance as at June 30, 2006	300,000	809	326,030	626,839
Issue of bonus shares	60,000	-	(60,000)	-
Profit for the period	-	-	62,393	62,393
Fair value gain	-	52	-	52
Balance as at March 31, 2007	360,000	861	328,423	689,284

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

  
 CHIEF EXECUTIVE

  
 DIRECTOR

# **NOTES TO THE FINANCIAL STATEMENTS**

*FOR THE PERIOD ENDED MARCH 31, 2007 (UN-AUDITED)*

## **1 LEGAL STATUS AND NATURE OF BUSINESS**

Ittehad Chemicals Limited (the Company) was incorporated on September 28, 1991 to takeover the assets of Ittehad Chemicals and Ittehad Pesticides under a Scheme of Arrangement dated June 18, 1992 as a result of which the Company became a wholly owned subsidiary of Federal Chemical and Ceramics Corporation (Private) Limited. The Company was privatized on July 03, 1995 when 90% of the shares were transferred to the buyer.

The Company was listed on Karachi Stock Exchange on April 14, 2003 when sponsors of the Company offered 25% of the issued, subscribed and paid up share of the Company to the general public.

The registered office of the Company is situated at 39 - Empress Road, Lahore. The Company is engaged in business of manufacturing and selling caustic soda and other allied chemicals. Company also deals in real estate business.

## **2 STATEMENT OF COMPLIANCE**

These financial statements are unaudited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984.

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan and the requirements of the Companies Ordinance 1984. Approved accounting standards comprise of such International Accounting Standards as notified under the provisions of Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance 1984, or the requirements of the said directive take precedence.

The disclosures made in these financial statements have, however, been limited in accordance with the requirements of International Accounting Standard 34 "Interim Financial Reporting".

## **3 ACCOUNTING POLICIES**

The accounting policies adopted and methods of computation followed in the preparation of these financial statements are the same as those of the preceding published annual financial statements for the year ended June 30, 2006, except the following new adopted policies :

### **3.1 Intangible assets**

Costs that are directly associated with identifiable software products controlled by the Company and have probable economic benefits beyond one year are recognised as intangible assets. These are stated at cost less accumulated amortization and impairment losses, if any. Amortization is provided on straight line basis over their estimated useful lives.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2007 (UN-AUDITED)

### 3.2 Finance leases

Leases of property, plant and equipment where the Company has substantially all the risks and rewards of ownership, are classified as finance lease. Assets subject to finance lease are stated at the lower of present value of minimum lease payments under the lease agreement and the fair value of the assets acquired on lease. Outstanding obligations under the lease less finance charges allocated to future periods are shown as a liability.

Finance costs under lease agreements are allocated to the periods during the lease term so as to produce a constant periodic rate of financial cost on the remaining balance of principal liability for each period.

	Note	Nine months ended March 31, 2007	Year ended June 30, 2006
(Rupees in thousands)			
<b>4 OPERATING FIXED ASSETS</b>			
Opening book value		2,510,171	686,562
Add: Additions during the period/year	4.1	58,041	1,974,931
		<u>2,568,212</u>	<u>2,661,493</u>
Disposals and retirements during the period/year	4.2	207	41
Depreciation charges during the period/year		145,067	151,281
		<u>145,274</u>	<u>151,322</u>
Closing book value		<u>2,422,938</u>	<u>2,510,171</u>
4.1 Detail of additions during the period/year are as follows:			
<b>Owned:</b>			
Freehold land		-	638,574
Buildings on freehold land		-	39,269
Railway sidings		2,005	-
Plant and machinery		51,483	1,267,486
Other equipment		-	27
Furniture and fixtures		740	150
Office and other equipments		460	1,399
Vehicles		1,982	28,026
		<u>56,670</u>	<u>1,974,931</u>
<b>Leased:</b>			
Advance for purchase of vehicle		1,371	-
		<u>58,041</u>	<u>1,974,931</u>
4.2 Detail of disposals/retirements during the period/year are as follows:			
Vehicles		<u>207</u>	<u>41</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE PERIOD ENDED MARCH 31, 2007 (UN-AUDITED)*

	Note	Nine months ended March 31, 2007 (Rupees in thousands)	Year ended June 30, 2006
<b>5 CAPITAL WORK IN PROGRESS</b>			
Plant and machinery		<u>24,452</u>	<u>24,156</u>
An amount of Rs. 36.461 million (June 30, 2006: Rs. 1,278.189 million) has been transferred to operating fixed assets during the period/year.			
<b>6 INTANGIBLE ASSETS</b>			
Balance as at July 01, 2006		-	-
Acquired during the period / year		<u>1,303</u>	-
Amortization for the period / year		<u>(36)</u>	-
		<u>1,267</u>	<u>-</u>
<b>7 STOCK IN TRADE</b>			
This includes freehold land held for sale in the ordinary course of business amounting to Rs. 48.399 million (June 30, 2006: Rs. 48.399 million). The fair value of the freehold land as at March 31, 2007 as determined by an approved valuer, was Rs. 53.340 million (June 30, 2006: Rs. 53.340 million).			
<b>8 SHARE CAPITAL</b>			
<b>8.1 Authorized Share Capital</b>			
50,000,000 (June 30, 2006: 50,000,000) ordinary shares of Rs.10 each		500,000	500,000
		<u>250,000</u>	<u>250,000</u>
25,000,000 (June 30, 2006: 25,000,000) preference shares of Rs.10 each		<u>750,000</u>	<u>750,000</u>
<b>8.2 Issued, subscribed and paid up capital</b>			
100,000 (June 30, 2006: 100,000) fully paid in cash		1,000	1,000
24,900,000 (June 30, 2006: 24,900,000) issued for consideration other than cash		249,000	249,000
11,000,000 (June 30, 2006: 5,000,000) fully paid bonus shares		<u>110,000</u>	<u>50,000</u>
		<u>360,000</u>	<u>300,000</u>
<b>9 REDEEMABLE CAPITAL</b>			
<b>Term Finance Certificates (TFCs) - Secured</b>			
Balance as at July 01, 2006		166,533	249,800
Repayments made during the period/year		<u>(41,633)</u>	<u>(83,267)</u>
		124,900	166,533
Current portion shown under current liabilities		<u>(83,266)</u>	<u>(83,267)</u>
		<u>41,634</u>	<u>83,266</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
 FOR THE PERIOD ENDED MARCH 31, 2007 (UN-AUDITED)

	<b>Nine months ended March 31, 2007</b>	<b>Year ended June 30, 2006</b>
	<b>(Rupees in thousands)</b>	
<b>10 LONG TERM FINANCING - SECURED</b>		
<b>Banking companies and financial institutions</b>		
Balance as at July 01, 2006	939,541	746,190
Financing obtained during the period/year	<u>350,000</u>	<u>360,000</u>
	1,289,541	1,106,190
Repayments made during the period/year	<u>(441,718)</u>	<u>(166,649)</u>
	847,823	939,541
Current portion shown under current liabilities	<u>(201,045)</u>	<u>(200,290)</u>
	<u>646,778</u>	<u>739,251</u>
<b>11 LONG TERM MURABAHA - SECURED</b>		
<b>Banking companies</b>		
Balance as at July 01, 2006	337,500	200,000
Financing obtained during the period/year	<u>50,000</u>	<u>150,000</u>
	387,500	350,000
Repayments made during the period/year	<u>(48,188)</u>	<u>(12,500)</u>
	339,312	337,500
Current portion shown under current liabilities	<u>(93,750)</u>	<u>(76,313)</u>
	<u>245,562</u>	<u>261,187</u>
<b>12 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE-SECURED</b>		
Balance as at July 01, 2006	-	-
Financing obtained during the period/year	<u>1,371</u>	<u>-</u>
	1,371	-
Current portion shown under current liabilities	<u>(359)</u>	<u>-</u>
	<u>1,012</u>	<u>-</u>
<b>13 CONTINGENCIES AND COMMITMENTS</b>		
<b>13.1 Contingencies</b>		
a) Demand created for assessment year 1996-97 with respect to disallowance of expenses incurred on account of Golden Hand Shake (GHS) and of Voluntary Separation Scheme (VSS) amounting to Rs. 56.437 million for reason of non deduction of tax on payment of such expenses had been set aside by the Honorable Income Tax Appellate Tribunal (ITAT) with direction to re-compute the tax liability by using the specified methodology. The Inspecting Additional Commissioner (IAC), vide his order dated Dec 23, 2003 had restored the original assessment under section 66-A of the Income Tax Ordinance, 1979 without considering the directions of ITAT. Management had filed a revised petition before ITAT and Reference Application before the Learned Lahore High Court. The matter has now been remanded back to IAC by ITAT. In the event of adverse decision the Company would be faced with the charge against profit of Rs. 34.107 million. (June 30, 2006: Rs. 34.107 million).		

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2007 (UN-AUDITED)

- b) The liability for income tax determined for assessment year 2002-03 amounted to Rs. 46.112 million. The Company had filed an appeal to the Commissioner Appeals (CIT) against the assessment order of Deputy Commissioner Income Tax (DCIT). CIT appeals vide his order dated October 03, 2005 has given the decision in favour of the Company and accepted all the items as permissible which were not acknowledged by the DCIT. The department has filed an appeal against the order of CIT Appeals. In the event of an adverse decision, the Company would be faced with a charge against profit of Rs. 5.974 million (June 30, 2006: Rs. 5.974 million).
- c) The Company is facing claims, launched in the labour courts, pertaining to staff retirement benefits. In the event of an adverse decision the Company would be required to pay an amount of Rs. 2.904 million (June 30, 2006: Nil) against these claims.
- d) Letters of guarantee outstanding as at March 31, 2007 amounted to Rs. 130.157 million (June 30, 2006: Rs. 103.239 million).

### 13.2 Commitments

Commitments as on March 31, 2007 were as follows:

- a) Against outstanding letters of credit amounting to Rs. 32.240 million (June 30, 2006: Rs. 23.068 million).
- b) Against purchase of land amounting to Rs. 5.047 million (June 30, 2006: Rs. 7.047 million).
- c) Against purchase of End User Licences of SAP Business One (ERP system) amounting to Rs. 2.400 million (June 30, 2006: NIL).

Nine months ended		Quarter ended	
March 31, 2007	March 31, 2006	March 31, 2007	March 31, 2006
(Rupees in thousands)			

### 14 COST OF SALES

Cost of goods manufactured	1,481,880	1,266,429	501,026	439,023
Cost of stores traded	409	129	409	-
Finished goods				
Opening stock	31,600	14,371	57,046	19,146
Purchases	-	2,747	-	-
Closing stock	(75,291)	(21,847)	(75,291)	(21,847)
	(43,691)	(4,729)	(18,245)	(2,701)
	<u>1,438,598</u>	<u>1,261,829</u>	<u>483,190</u>	<u>436,322</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED MARCH 31, 2007 (UN-AUDITED)**

**15 TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise associated companies, staff retirement funds, Directors and key management personnel. Transactions with related parties and associated undertakings are as follows:

Relationship with the company	Nature of transaction	Nine months ended		Quarter ended	
		March 31, 2007	March 31, 2006	March 31, 2007	March 31, 2006
		(Rupees in thousands)			
Associated companies	Sales of goods and services	1,227	16,314	798	2,877
	Late payment charges	299	3,506	29	1,059
	Marketing service charges	18,625	15,852	6,217	5,358
	Investment made	63,400	-	-	-
	Loans and advances	3,023	-	463	-
	Markup on loans and advances	58	-	49	-
Retirement benefit plans	Contribution to staff retirement benefit plans	101	97	36	32
Directors and others	Loan paid back	-	20,000	-	9,000
Key management personnel	Remuneration and other benefits	10,109	9,824	5,535	3,874

**16 EARNINGS PER SHARE - BASIC AND DILUTED**

Net profit after taxation	62,393	73,788	24,404	26,259
Weighted average number of ordinary shares (in thousands)	36,000	36,000	36,000	36,000
Earnings per share (Rupees)	1.73	2.05	0.68	0.73

16.1 To comply with the requirements of International Accounting Standard (IAS) 33, comparative figures of Earnings per share have been restated in view of Bonus issue of 6 million ordinary shares during the period as declared in the Annual General Meeting held on October 31, 2006.

**17 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements were authorized for issue on April 27, 2007 by the Board of Directors of the Company.

**18 GENERAL**

- i) Corresponding figures have been rearranged wherever necessary for the purpose of comparison the effect of which is not material.
- ii) Figures have been rounded off to the nearest thousand rupees unless otherwise stated.



CHIEF EXECUTIVE



DIRECTOR