

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the half yearly (reviewed) accounts for the period ended December 31, 2008. During the period under review your company earned pretax profit of Rs. 120.150 (M) and after tax profit of Rs. 76.815 (M).

The earning per share is Rs. 4.25 (Par value Rs.10/=per share).

By the grace of God your company earned handsome profits during the period in spite of various negative factors like, higher borrowing cost, wages & power as compared to the previous period. Despite the adverse national factors, the uncertainty regarding the global economy and the lack of demand, your management is trying hard to remain competitive & get better result through raw material purchase planning, marketing strategies, intensive cost control & focusing on specialized & value added products. In the current scenario, we expect the result will be adverse in coming quarter.

We further state that:

- a) The Financial Statements prepared by the Management, present fairly its state of affairs, the result of its operations, Cash Flows and changes in equity;
- b) Proper books of Accounts have been maintained;
- c) Appropriate accounting policies have been consistently applied in preparation of Financial Statements and accounting estimates are based on reasonable and prudent judgment.
- d) International Accounting Standards, as applicable in Pakistan have been followed in preparation of Financial Statements.
- e) There are no significant doubts upon the company's ability to continue as a going concern.
- f) Internal auditor is continuously reviewing the existing system of internal control and other procedures. The process of review will continue and any weakness in controls will have immediate attention of the Management.
- g) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

I would like to thank to the employees of the company for their hard work and Company's Bankers for their co-operation.

Board
Karachi:
February 27, 2009

For and behalf of the

Shahzad Ahmed
Chief Executive