



**YB**

**A YUNUS BROTHERS GROUP PROJECT**

**ANNUAL REPORT**

**2005**



**Lucky Cement Limited**



**Lucky  
Cement**

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# COMPANY INFORMATION

## BOARD OF DIRECTORS

Mr. Muhammad Yunus Tabba (Chairman/Director)  
Mr. Muhammad Ali Tabba (Chief Executive)  
Mr. Muhammad Sohail Tabba  
Mr. Imran Yunus Tabba  
Mr. Javed Yunus Tabba  
Mrs. Rahila Aleem  
Miss Mariam Razzak  
Mr. Muhammad Abdul Samad (NIT)

## EXECUTIVE DIRECTOR

Mr. Abdur Razzaq Thaplawala

## COMPANY SECRETARY & GENERAL MANAGER FINANCE

Mr. Muhammad Abid Ganatra  
ACA, ACMA, ACIS

## AUDIT COMMITTEE

Mr. Muhammad Yunus Tabba  
Mr. Muhammad Ali Tabba  
Mr. Imran Yunus Tabba  
Mr. Javed Yunus Tabba  
Miss Mariam Razzak

## STATUTORY AUDITORS

M/s. Ford Rhodes Sidat Hyder & Co.,  
Chartered Accountants

## COST AUDITORS

M/s. Munaf Yusuf & Co.,  
Chartered Accountants

## BANKERS

ABN AMRO Bank  
Citibank - NA  
Habib Bank Limited  
Metropolitan Bank Limited  
Muslim Commercial Bank Limited  
National Bank of Pakistan  
Standard Chartered Bank  
United Bank Limited

## REGISTERED OFFICE / FACTORY

Pezu, District Lakki Marwat,  
N.W.F.P.

## HEAD OFFICE / SHARES DEPARTMENT

6-A, Muhammad Ali Housing Society,  
A. Aziz Hashim Tabba Street,  
Karachi-75350  
UAN # (021) 111-786-555

## WEB SITE ADDRESS

[www.lucky-cement.com](http://www.lucky-cement.com)

## E-MAIL ADDRESS

[luckycm@cyber.net.pk](mailto:luckycm@cyber.net.pk)



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## MISSION STATEMENT

**We are an industrial organization with a big capital base presently engaged in manufacturing and marketing of cement. It is our objective to maximize the value of the Company for the benefits of our shareholders, employees and customers.**

**Our strategy is to build on the strength of our core business as well as our resources by investing in areas where we see potential for strong, sustainable growth in earning.**

**The mission that drives us is ongoing and challenging to increase the value of the Company to customers, employees and shareholders by producing quality product at least possible cost and to provide our products & services to the market.**

**Our objective is to be more successful than our competitors, we must never be satisfied with the status quo. We take calculated risk with a compulsive curiosity – curiosity to seek innovative answers to complex problem.**



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## OUR STRATEGY

How we accomplish our mission is as important as the mission itself. Fundamental to success for the Company are these basic values:

### People

Our people are the source of our strength. They provide our corporate intelligence and determine our reputation and vitality. Involvement and teamwork are our core human values.

### Products

Our products are the end result of our efforts, and they should be the best in serving customers world-wide. As our products are viewed, so are we viewed.

### Profits

Our profits are the ultimate measure of how efficiently we provide customers with the best products for their needs. Profits are required to survive and grow.

For achieving our Mission we will follow the following strategy:

- We will play a constructive role in the communities in which our facilities are established, paying due regard to environmental considerations.
- We will encourage and reward the productivity and ingenuity of the people who work in the Company.
- We will ensure our technological leadership by maintaining excellent research and development staff and providing them with the facilities they need.
- We will continue to exercise the style of management which has been proven over many years.
- We will achieve profitable growth from within the Company, through imaginative management of our assets.
- We will encourage further growth through acquisition, partnerships, joint ventures and technical collaboration.
- We will seek to maximize the value of our shareholders' investment by consistently raising earnings per share while maintaining prudent accounting standards.
- We will provide our customers with high quality and competitively price products.
- We will provide our employees with job satisfaction and the opportunity for personal development.
- We will manage our business with integrity.





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## DIRECTORS' REPORT (Continued)

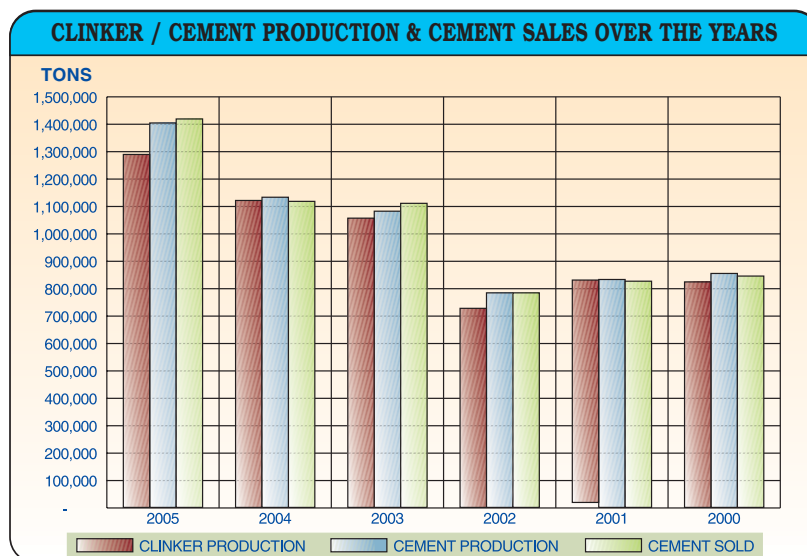
You can see from the above figures that the export sales increased by 36.88% during the year as compared to previous year. Unfortunately, the cost of sales during the year increased from 62.16% to 65.34% and as a result, the Gross Profit percentage came down from 37.84% during the preceding year to 34.66% during the year under report. There were several reasons for increase in the cost of sales. The main reason was increase in the cost of fuel and power. The furnace oil which is used by us for generation of electricity increased by Rs.5,797 per ton from Rs.14,563 to Rs.20,360 per ton inclusive of sales tax, the prices of imported as well as local coal also showed an increasing trend during the year under report. The local transportation costs on cement also increased because of increase in cost of diesel oil. All these factors increased the cost of sales of your Company.

### QUANTITATIVE PRODUCTION

The increase in cost was partly offset by improvement in quantitative production and sales during the year under review:

	Year ended on 30th June'05	Year ended on 30th June'04	Percentage Inc./ (Dec.)
	Metric Tons		
Clinker Production	1,295,655	1,126,045	15.06%
Cement Production	1,408,400	1,130,250	24.61%
Cement Despatches	1,420,369	1,120,107	26.81%

The cement despatches included export of 277,268 tons of cement. The export was mainly made to Afghanistan but Company was also able to export a quantity of 38,565 tons to Dubai.





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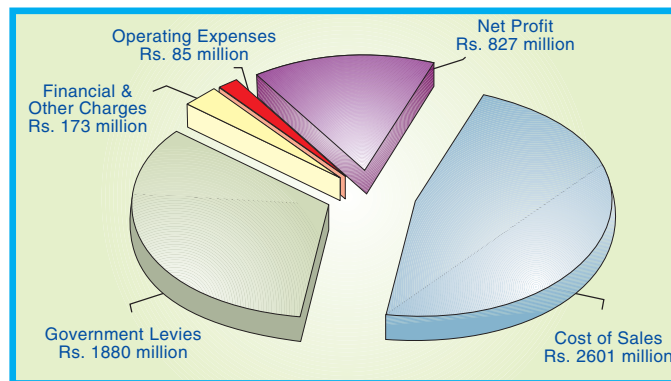
## DIRECTORS' REPORT

As desired by the Board of Directors of your Company, I have pleasure to present before you a review of Company's operating performance during the year ended on 30th June, 2005 alongwith audited annual income statement and the balance sheet as on 30th June, 2005.

Before presenting the report on the performance, I have to regretfully record the untimely death of our founder Chairman Mr. Abdul Razzak Tabba suddenly on 19th May, 2005. He was one who conceived not only the original project but also the expansion under progress and to turn your Company into the largest cement producer in the country. His untimely death has been a great loss not only to your Company but to the Country. I request to please pray for the departed soul.

The operating performance of your Company during the year ended on 30th June, 2005 showed significant improvement as compared to the previous year in terms of quantities as well as monetary values as can be seen from the following figures:

	<b>Year ended on 30th June'05</b>	Year ended on 30th June'04	Percentage Inc./ (Dec.)
	Rupees in '000'		
Sales	<b>3,980,109</b>	2,907,807	36.88%
Gross Profit	<b>1,379,520</b>	1,100,454	25.36%
Operating Expenses	<b>85,172</b>	66,350	28.37%



**DISTRIBUTION OF REVENUE**

The sales amounting to Rs. 3,980 Million included local sales as well as export sales as follows:

	<b>Year ended on 30th June'05</b>	Year ended on 30th June'04
	Rupees in '000'	
Local Sales	<b>3,344,168</b>	2,675,525
Export Sales	<b>635,941</b>	232,282
<b>Total</b>	<b><u>3,980,109</u></b>	<b><u>2,907,807</u></b>



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## DIRECTORS' REPORT (Continued)

The projected cost of above expansion have been upward revised by Rs. 1 billion from previous year figure due to addition in civil works as with certain changes in equipment and inflation. The project costs of Line C and power generation unit at Pezu are not included in above figures as these have been capitalized during this year.

The Company has entered into borrowing arrangements with Muslim Commercial Bank Ltd., Habib Bank Ltd., United Bank Ltd., Citibank N.A., ABN AMRO Bank & Standard Chartered Bank for periods ranging from 2.5 years to 7 years.

It is hoped that these borrowings together with the cash generated by existing and future operations will meet the financial requirements of the expansion projects and according to the estimates of your Directors, it might not be necessary to raise any equity capital by issue of Right Shares as contemplated in last year's report.

### APPROPRIATION OF PROFIT

In view of the expansion projects and the liquidity needed for it, your directors feel that any cash outflow in the form of dividend is not desirable at this juncture of time. Your Directors' therefore propose to appropriate the profit for the financial year under review as follows:

	2005	2004
	Rupees in '000'	
Profit before tax	1,209,951	971,101
Provision for tax	<u>(383,364)</u>	<u>(285,339)</u>
Net profit after tax	826,587	685,762
Un-appropriated profit brought forward	683,346	181,334
Issue of bonus shares	-	(183,750)
Un-appropriated Profit carried forward	<u><u>1,509,933</u></u>	<u><u>683,346</u></u>

### CODE OF CORPORATE GOVERNANCE

The Directors of your Company are aware of their responsibilities under the Code of Corporate Governance incorporated in the Listing Rules of the Stock Exchanges in the country under instructions from the Securities & Exchange Commission of Pakistan. We are taking all the necessary steps to ensure Good Corporate Governance in your Company as required by the Code.

As a part of the compliance of the Code, we confirm the following:

- a) The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- b) Proper books of account of the Company 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 and any departure there from has been adequately disclosed.





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## DIRECTORS' REPORT (Continued)

### TAXATION

In accordance with the International Accounting Standard No. 12 (IAS-12) the directives of Securities & Exchange Commission of Pakistan (SECP) and prevailing tax laws following tax provisions have been made against current year profit.

	2005	2004
	Rupees in '000'	
Profit before tax	1,209,951	971,101
Less: Taxation:		
- Current	19,927	16,565
- Previous year	2,525	679
- Deferred	360,912	268,095
	383,364	285,339
Profit after tax	826,587	685,762

The deferred tax allocated in the year under review works out to almost 30% of the Profit before tax. The basic and diluted earning per share therefore works out to Rs. 4.59 per share before taxation and Rs. 3.14 after taxation as compared to Rs. 3.69 per share before taxation and Rs. 2.60 per share after taxation in the preceding year.

### EXPANSION PROGRAM

In our previous report, we had presented before you our views about future outlook and expansion of the cement industry in Pakistan. As stated in our last year's report, we are expanding the capacity of our plant at Pezu in Bannu Division of NWFP by installing two new lines. Similarly we are building a Green Field Plant consisting of two lines which will be able to produce a total of 8,400 tons of cement of different types and grades per day.

The civil work on new projects is progressing well. The imported equipments have been received at both Plant sites. The erection of the first new line at Pezu was completed during the year under review and the equipments had also started operation. It is expected that all the remaining new lines will be commissioned on different dates in the year 2006 according to progress of erection and commissioning.

Following is the summary of the latest projection of the capital outlay for remaining line at Pezu and Karachi project.

#### 1. EXISTING SITE AT PEZU

Cement Plant Rs. 3.00 billion

#### 2. NEW PROJECT AT KARACHI

(a) Cement Plant Rs. 5.50 billion

(b) Power Generation Plant Rs.1.20 billion

Rs. 6.70 billion

Total

Rs. 9.70 billion



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## DIRECTORS' REPORT (Continued)

- e) The system of internal control is sound in design and is being effectively implemented and monitored.
- f) The Company has a very sound balance sheet with excellent debt:equity ratio and therefore there is no doubt at all about Company's ability to continue as a going concern.
- g) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- h) We have an Internal Audit Committee the members of which are amongst from the Board of Directors.
- i) We have prepared and circulated a Statement of Ethics and business strategy among directors and employees.
- j) The Board of Directors has adopted a mission statement and a statement of overall corporate strategy.
- k) As required by the Code of Corporate Governance, we have included the following information in this report:
  - i) Statement of pattern of shareholding has been given separately.
  - ii) Statement of shares held by associated undertakings and related persons.
  - iii) Statement of the Board meetings held during the year and attendance by each director has been given separately.
  - iv) Key operating and financial statistics for last six years.

### DIRECTORS

Due to sudden and untimely death of the Founder Chairman Mr. Abdul Razzak Tabba, certain changes had to be made in the composition of the Board of Directors. The undersigned was appointed as Chairman of the Board & Mr. Muhammad Ali Tabba was appointed as Chief Executive of the Company, Mrs. Rahila Aleem was appointed as a Director to fill in the vacancy caused due to death of the Late Chairman.

### AUDITORS

The auditors, M/s. Ford Rhodes Sidat Hyder & Co., Chartered Accountants, retire and being eligible offer themselves for reappointment.

### ACKNOWLEDGEMENT

Your Directors record with appreciation, the efforts of the Company's managers, technicians and workers who have worked vigorously to meet the target of expansion plants. Your Directors also extend their appreciation to the Company's bankers, dealers and stockists for the cooperation extended by them during the year.

For and on behalf of the Board

**MUHAMMAD YUNUS TABBA**  
Chairman/Director

Karachi: 29th August, 2005



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## NOTICE OF 12TH ANNUAL GENERAL MEETING

Notice is hereby given that the 12th Annual General Meeting of the members of **Lucky Cement Limited** will be held on Thursday, the 20th October, 2005 at 10:30 a.m., at the registered office of the Company situated at factory premises Pezu, District Lakki Marwat, N.W.F.P. to transact the following business:

1. To confirm the minutes of 11th Annual General Meeting held on 27th October, 2004.
2. To receive, consider and adopt the audited accounts for the year ended June 30, 2005 together with the Directors' and Auditors' reports thereon.
3. To appoint Auditors and fix their remuneration for the year 2005-2006. The present Auditors, Messrs Ford Rhodes Sidat Hyder & Co., Chartered Accountants, retire and being eligible, offer themselves for reappointment.
4. To transact any other business with the permission of the Chairman.

By Order of the Board

**Muhammad Abid Ganatra**  
Company Secretary

Karachi: 29th August, 2005

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### Notes:

1. The Share Transfer Books of the Company will be closed from 13th October, 2005 to 20th October, 2005 (both days inclusive) for the purpose of 12th Annual General Meeting.
2. A member entitled to attend and vote may appoint another member as his/her proxy to attend and vote instead of him/her.
3. An individual beneficial owner of shares from CDC must bring his/her original NIC or Passport, Account and Participant's I.D. numbers to prove his/her identity. A representative of corporate members from CDC, must bring the Board of Directors' Resolution and/or Power of Attorney and the specimen signature of the nominee.
4. The members are requested to notify change in their address, if any, to the Company's shares department at 6-A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi-75350.

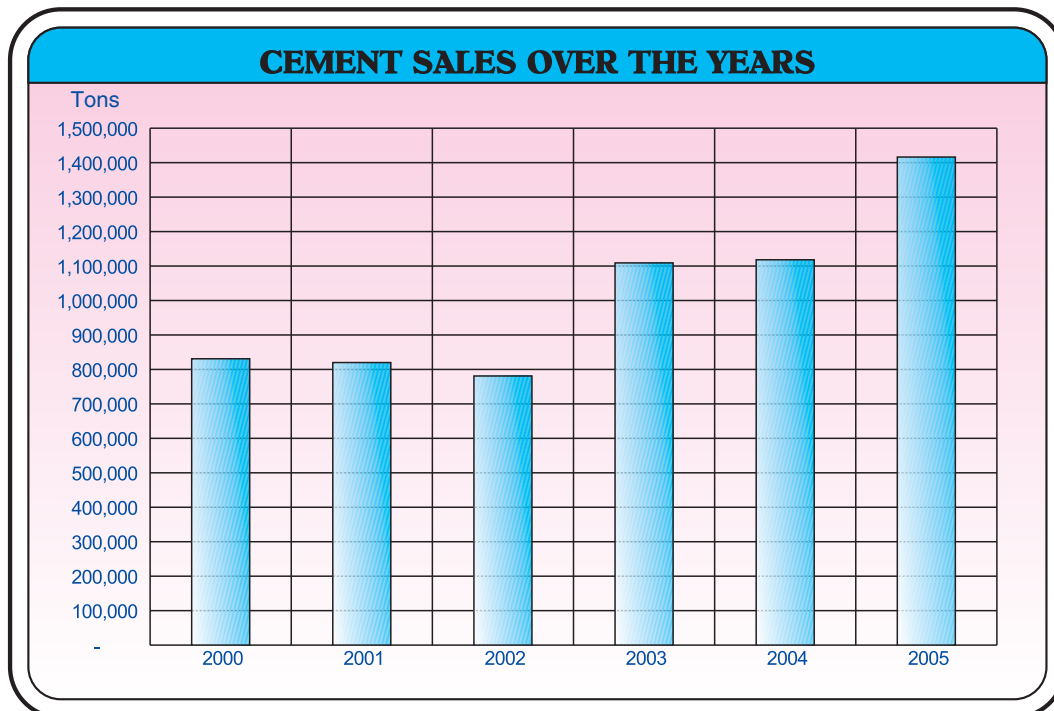
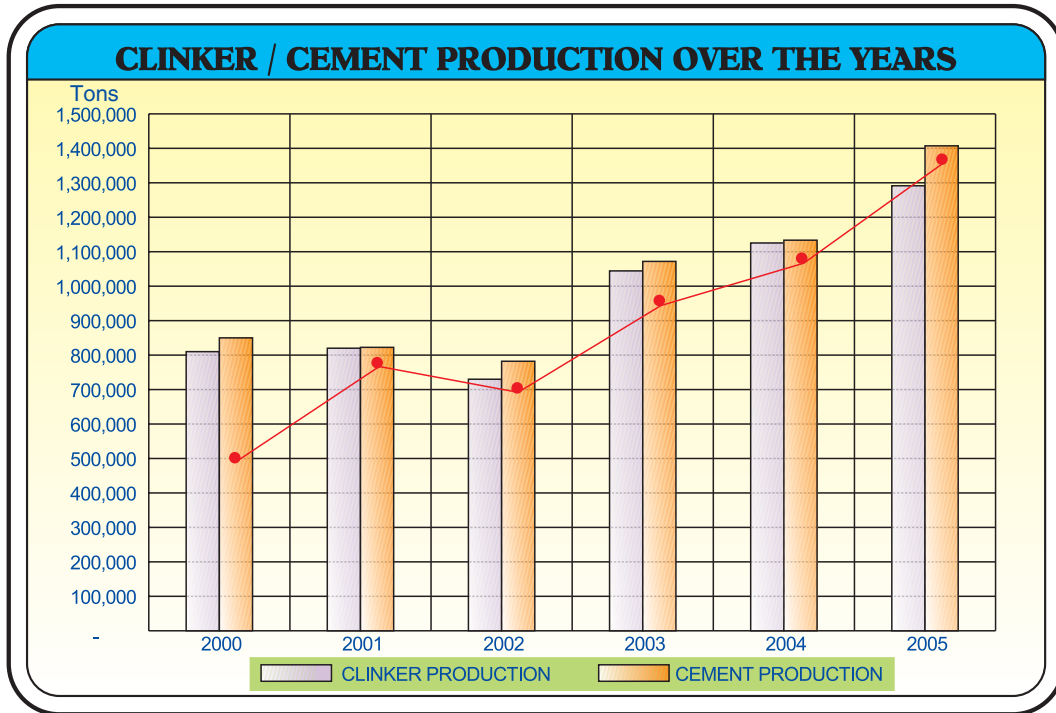


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## GRAPHS





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## YEARWISE STATISTICAL SUMMARY

	Rupees in Million					
	2005	2004	2003	2002	2001	2000
<b>ASSETS EMPLOYED</b>						
Fixed assets	13,462	5,032	4,222	4,182	3,585	3,729
Long term investments	-	-	-	-	200	200
Long term deposits and deferred cost	2	2	3	3	6	18
Current assets	1,343	1,978	593	684	784	620
	<b>14,807</b>	<b>7,012</b>	<b>4,818</b>	<b>4,869</b>	<b>4,575</b>	<b>4,567</b>
<b>FINANCED BY</b>						
Shareholder's equity	5,134	4,307	3,621	3,790	3,648	3,576
Long-term liabilities						
Loans	6,530	1,150	100	221	184	291
Leasing	-	-	-	-	-	-
Current portion of loans and lease	617	-	-	120	120	195
	<b>7,147</b>	<b>1,150</b>	<b>100</b>	<b>341</b>	<b>304</b>	<b>486</b>
Long term deposits and deferred liabilities	1,000	624	344	119	106	102
Current liabilities	2,143	931	753	739	637	598
Current portion of loans and lease	(617)	-	-	(120)	(120)	(195)
	<b>1,526</b>	<b>931</b>	<b>753</b>	<b>619</b>	<b>517</b>	<b>403</b>
Total Funds Invested	<b>14,807</b>	<b>7,012</b>	<b>4,818</b>	<b>4,869</b>	<b>4,575</b>	<b>4,567</b>
<b>TURNOVER &amp; PROFIT</b>						
Turnover	3,980	2,908	2,190	1,977	2,203	2,050
Gross profit	1,380	1,100	448	440	415	438
Operating profit	1,294	1,034	390	373	346	380
Profit/(loss) before taxation	1,210	971	343	305	267	244
Profit/(loss) after taxation	827	686	228	295	256	226
Cash Dividend	-	-	184	184	184	-
Bonus Shares	-	184	-	-	-	-
Profit/(loss) carried forward	1,510	683	181	350	392	136
Earnings per share (Rupees)	3.14	2.60	0.93	1.20	1.04	0.92
Break up value per share (Rupees)	19.49	17.58	14.78	15.47	14.89	14.60



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## RATIO ANALYSIS FOR THE YEAR ENDED JUNE 30, 2005

	2005	2004
<b><u>PROFITABILITY</u></b>		
Gross profit to sales	<b>34.66%</b>	37.84%
Operating profit to sales	<b>32.52%</b>	35.56%
Profit before tax to sales	<b>30.40%</b>	33.40%
Net profit after tax to sales	<b>20.77%</b>	23.58%
<b><u>SOLVENCY</u></b>		
Working capital ratio	<b>0.63 :1</b>	2.12 : 1
Acid test ratio	<b>0.57 :1</b>	1.94 : 1
Inventory turnover (sales)-times	<b>27.63</b>	20.24
Inventory turnover (COGS)-times	<b>18.06</b>	12.58
<b><u>OVERALL VALUATION AND ASSESSMENT</u></b>		
Return on equity after tax	<b>16.10%</b>	15.92%
Book value per share	<b>Rs.19.49</b>	Rs. 17.58
Long-term debts to equity ratio	<b>55.99%</b>	21.07%





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## STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE AND BEST PRACTICES ON TRANSFER PRICING FOR THE YEAR ENDED JUNE 30, 2005

### A. Statement of Compliance with the Code of Corporate Governance

This statement is being presented to comply with the Code of Corporate Governance contained in listing regulations of Karachi, Lahore and Islamabad Stock Exchanges for the purpose of establishing a frame work of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company had applied the principles contained in the code in the following manner:

1. The board comprises eight directors, including the Chief Executive Officer (CEO). The number of executive directors on the board is two including CEO.
2. The directors have confirmed that none of them is serving as a director in more than ten listed companies, including this Company.
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. A casual vacancy was occurred in the Board due to the sad demise of (Late) Abdul Razzak Tabba which was filled by appointment of Mrs. Rahila Aleem during the current year.
5. The company has prepared a "Statement of Ethics and Business Practices", which has been signed by all the directors and employees of the Company.
6. The Board of Directors has adopted a vision / mission statement and overall corporate strategy of the company and has also formulated significant policies as mentioned in the Code. A complete record of particulars of significant policies alongwith the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along-with agenda and working papers were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Directors of the Company have given a declaration that they are aware of their duties, powers and responsibilities under the Companies Ordinance, 1984 and the listing regulations of the Stock Exchanges.

The directors have also attended talks, workshops and seminars on the subject of Corporate Governance.

10. The Board of Directors has approved the appointment of Chief Financial Officer (CFO), Company Secretary, Head of Internal Audit including their remuneration and terms and conditions of employment, as determined by CEO.



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11. The directors' report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The Financial statements of the Company were duly endorsed by the CEO and CFO before approval of the Board.
13. The directors, Chief Executive Officer and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the code.
15. The Board has formed an Audit Committee. It comprises of 5 members, three of whom are non-Executive Directors.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the code. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
17. The Board has set-up an effective internal audit function within the Company.
18. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP), that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by ICAP.
19. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
20. We confirm that all other material principles contained in the code have been complied.

## **B. Statement of Compliance with the Best Practices on Transfer Pricing**

The Company has fully complied with the Best Practices on Transfer Pricing as contained in the Listing Regulation of the Karachi Stock Exchange.

On Behalf of the Board of Directors

**MUHAMMAD YUNUS TABBA**

Chairman / Director

**MUHAMMAD ALI TABBA**

Chief Executive



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## REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE

### WITH THE BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) applicable to the Company for the year ended **June 30, 2005** prepared by the Board of Directors of **Lucky Cement Limited** to comply with the Listing Regulation No. 37 of the Karachi Stock Exchange (Guarantee) Limited and chapter XIII of the Lahore Stock Exchange (Guarantee) Limited where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code, effective for the year ended **June 30, 2005**.

Karachi : August 29, 2005

**FORD RHODES SIDAT HYDER & CO.,**

Chartered Accountants



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## AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **LUCKY CEMENT LIMITED** as at June 30, 2005 and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- b) in our opinion :
  - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied, except for the changes as stated in note 2.3 to the financial statements with which we concur;
  - ii) the expenditure incurred during the year was for the purpose of the Company's business; and
  - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;



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- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2005 and of the profit, its cash flows and changes in equity for the year then ended; and
- d) in our opinion, no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Without qualifying our opinion we draw attention that the comparatives figures in the accompanying financial statements were audited by another firm of Chartered Accountants whose report dated September 22, 2004 expressed an unqualified opinion thereon.

Karachi : August 29, 2005

**FORD RHODES SIDAT HYDER & CO.,**  
Chartered Accountants



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# Lucky Cement Limited

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## BALANCE SHEET AS AT JUNE 30, 2005

	Note	2005	2004
Rupees in '000'			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	13,462,150	5,031,957
Long term deposits		2,175	2,275
		<u>13,464,325</u>	<u>5,034,232</u>
<b>CURRENT ASSETS</b>			
Stores		528,593	426,724
Spares	4	335,385	205,916
Stock-in-trade	5	115,771	172,281
Trade debts – unsecured, considered good		22,808	16,356
Loans and advances	6	134,795	32,177
Trade deposits and short term prepayments	7	10,100	7,916
Other receivables	8	19,936	79,316
Taxation-net		33,694	37,339
Cash and bank balances	9	141,429	1,000,067
		<u>1,342,511</u>	<u>1,978,092</u>
<b>TOTAL ASSETS</b>		<u><b>14,806,836</b></u>	<u><b>7,012,324</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital	10	2,633,750	2,450,000
Reserves		2,499,933	1,857,096
		<u>5,133,683</u>	<u>4,307,096</u>
<b>NON - CURRENT LIABILITIES</b>			
Long term finance	11	6,530,163	1,150,000
Deferred taxation	12	858,519	497,607
Deferred liabilities	13	116,346	106,421
Long term deposits	14	25,362	20,318
		<u>7,530,390</u>	<u>1,774,346</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	614,532	353,360
Accrued mark-up	16	125,021	9,071
Short term borrowings	17	786,543	568,451
Current portion of long term finance	11	616,667	–
		<u>2,142,763</u>	<u>930,882</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	18	–	–
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>14,806,836</b></u>	<u><b>7,012,324</b></u>

The annexed notes from 1 to 35 form an integral part of these financial statements.

**Muhammad Abdul Samad**  
Director

**Muhammad Ali Tabba**  
Chief Executive





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## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2005

	Note	2005	2004
		Rupees in '000'	
Turnover	19	3,980,109	2,907,807
Cost of sales	20	2,600,589	1,807,353
<b>Gross profit</b>		<b>1,379,520</b>	<b>1,100,454</b>
Distribution costs	21	23,817	20,438
Administrative expenses	22	61,355	45,912
		85,172	66,350
		<b>1,294,348</b>	<b>1,034,104</b>
Finance cost	23	21,691	10,842
Other operating income	24	(1,141)	(1,536)
Other charges	25	63,847	53,697
		84,397	63,003
<b>Profit before taxation</b>		<b>1,209,951</b>	<b>971,101</b>
Taxation - current	26	19,927	16,565
- prior years'		2,525	679
- deferred		360,912	268,095
		383,364	285,339
<b>Profit after taxation</b>		<b>826,587</b>	<b>685,762</b>
			(Rupees)
<b>Basic and diluted earnings per share</b>	27		
- before taxation		4.59	3.69
- after taxation		3.14	2.60

The annexed notes from 1 to 35 form an integral part of these financial statements.



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## CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2005

	Note	2005	2004
Rupees in '000'			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		1,209,915	971,101
Adjustments for non cash charges and other items			
Depreciation		237,889	215,302
Gain on sale of fixed assets		(1,033)	(1,452)
Provision for gratuity		12,897	10,483
		<u>1,459,668</u>	<u>1,195,434</u>
<b>Working capital changes</b>			
(Increase) in current assets		(226,703)	(474,729)
Increase in current liabilities		271,935	101,521
<b>Cash generated from operations</b>		<u>1,504,900</u>	<u>822,226</u>
Income tax paid		(18,808)	(18,562)
Gratuity paid		(2,972)	(1,782)
		<u>(21,780)</u>	<u>(20,344)</u>
Long term deposits		5,144	3,967
<b>Net cash inflow from operating activities</b>		<u>1,488,264</u>	<u>805,849</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		(8,514,346)	(1,007,940)
Sale proceeds of fixed assets		16,182	3,368
<b>Net cash used in investing activities</b>		<u>(8,498,164)</u>	<u>(1,004,572)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long term finances		5,996,830	1,050,000
Mark-up on long term finances paid		(63,798)	-
Dividend paid		138	(182,119)
<b>Net cash inflow from financing activities</b>		<u>5,933,170</u>	<u>867,881</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<u>(1,076,730)</u>	<u>669,158</u>
Cash and cash equivalents at the beginning of the period		431,616	(237,542)
<b>Cash and cash equivalents at the end of the period</b>		<u>(645,114)</u>	<u>431,616</u>
<b>CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		141,429	1,000,067
Short term borrowings		(786,543)	(568,451)
		<u>(645,114)</u>	<u>431,616</u>

The annexed notes from 1 to 35 form an integral part of these financial statements.

**Muhammad Abdul Samad**  
Director

**Muhammad Ali Tabba**  
Chief Executive



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## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2005

	Capital reserves		Revenue reserves	Total reserves	Total equity
	Share premium	Reserve for issue of bonus shares	Unappropriated profit		

----- (Rupees in '000') -----

<b>Balance as at June 30, 2003 - as previously reported</b>	2,450,000	990,000	-	181,334	1,171,334	3,621,334
Effect of change in accounting policy (note 2.3)						
Final dividend for the year ended June 30, 2003 declared subsequent to the year end	-	-	-	183,750	183,750	183,750
<b>Balance as at June 30, 2003 - restated</b>	2,450,000	990,000	-	365,084	1,355,084	3,805,084
Effect of change in accounting policy (note 2.3)						
Final dividend for the year ended June 30, 2003 @ Re. 0.75 per share	-	-	-	(183,750)	(183,750)	(183,750)
Net profit for the year	-	-	-	685,762	685,762	685,762
<b>Balance as at June 30, 2004</b>	2,450,000	990,000	-	867,096	1,857,096	4,307,096
<b>Balance as at June 30, 2004 - as previously reported</b>	2,450,000	990,000	183,750	683,346	1,857,096	4,307,096
Effect of change in accounting policy (note 2.3)						
Bonus shares declared subsequent to the year end	-	-	(183,750)	183,750	-	-
<b>Balance as at June 30, 2004 - restated</b>	2,450,000	990,000	-	867,096	1,857,096	4,307,096
Effect of change in accounting policy (note 2.3)						
Bonus shares issued during the year @ 1 : 0.075 per share	183,750	-	-	(183,750)	(183,750)	-
Net profit for the year	-	-	-	826,587	826,587	826,587
<b>Balance as at June 30, 2005</b>	2,633,750	990,000	-	1,509,933	2,499,933	5,133,683

The annexed notes from 1 to 35 form an integral part of these financial statements.



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# Lucky Cement Limited

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

### 1. THE COMPANY AND ITS OPERATION

- 1.1** Lucky Cement Limited was incorporated in Pakistan on September 18, 1993 under the Companies Ordinance, 1984 (the Ordinance). The shares of the Company are quoted on all the three stock exchanges in Pakistan. The principal activity of the Company is manufacturing and marketing of cement. The registered office and the project is located at Pezu, District Lakki Marwat in North West Frontier Province.
- 1.2** At present, the Company is in the process of expanding its cement production capacity at Pezu plant and installing a new cement production facility at Karachi. This would increase the production capacity of the Company by 8,400 tons per day at each facility.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basic of preparation

These financial statements have been prepared under the 'historical cost convention' except for obligations under certain employee benefits, which are measured at present value and derivative financial instruments at fair value.

#### 2.2 Statement of compliance

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 (the Ordinance). Approved accounting standards comprise of such International Accounting Standards (IASs) as notified under the provisions of the Ordinance. Wherever the requirements of the Ordinance or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Ordinance or the requirements of the said directives take precedence.

#### 2.3 Change in accounting policy

During the year, the Securities and Exchange Commission of Pakistan (SECP) substituted the Fourth Schedule to the Companies Ordinance 1984, which is effective from the financial year ending on or after July 05, 2004. This has resulted in the change in accounting policy pertaining to recognition of dividend and other appropriations declared subsequent to the year end. Dividend and other appropriations of profit are now recognized in the period in which these are declared. Till the previous year, dividends declared and appropriations made after the balance sheet date but before the authorization of financial statements for issue, were recognized as of the balance sheet date. The change in accounting policy has been accounted for retrospectively and comparative information has been restated in accordance with the benchmark treatment specified in IAS – 8. Had there been no change in the accounting policy, the unappropriated profit would have been lower by Rs. Nil (2004: Rs. 183.75 million) and reserve for issue of bonus shares would have been higher by Rs. Nil (2004: Rs. 183.75 million). The effect of change in accounting policy has been reflected in the statement of changes in equity. This change in accounting policy has not resulted in any change in the profit after tax for the current year and prior years.



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# Lucky Cement Limited

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

### 2.4 Property, plant and equipment

These are stated at cost less accumulated depreciation and impairment losses if any, except free hold land and capital work-in-progress which are stated at cost.

Cost in relation to certain fixed assets, including capital work-in-progress, signifies historical cost and financial charges on borrowings for financing the projects until such projects are completed or become operational.

Depreciation is charged to income applying the straight line method on building and quarry equipment and on written down value on all other assets at the rates mentioned in the relevant note. On plant and machinery depreciation is charged on units of production method based on higher of estimated life or production. Full year's depreciation is charged on additions while no depreciation is charged on assets deleted during the year. However, capitalization of major projects cost is depreciated proportionately for the period of use.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized.

Gains and losses on disposal of assets, if any, are included in income currently.

### 2.5 Stores and spares

These are valued at lower of moving average cost and net realizable value, except items in transit, which are stated at cost. Obsolete and used items are recorded at nil value. Value of items is reviewed at each balance sheet date to record provision for any slow moving items.

Net realisable value signifies the selling price in the ordinary course of business less cost necessarily to be incurred in order to make the sale.

### 2.6 Stock in trade

These are stated at the lower of cost and net realizable value. The methods used for the calculation of cost are as follows:

- |  |   |
|--|---|
| i) Raw and packing material            | - at average cost comprising of quarrying/ purchase price, transportation, government levies and other overheads. |
| ii) Work in process and finished goods | - at average cost comprising direct cost of raw material, labour and other manufacturing overheads.               |



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## NOTES TO THE FINANCIAL STATEMENTS

### 2.7 Trade debts and other receivables

Trade debts and other receivables are stated at original invoice amount less provision for doubtful debts, if any. Provision for doubtful debts/ receivable is based on the management's assessment of customers' outstandings and creditworthiness. Bad debts are written-off as incurred.

### 2.8 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of cash flow statement, cash and cash equivalents comprise cash in hand, with banks on current and deposit accounts and running finance under mark-up arrangements. Running finance under mark-up arrangements is shown in current liabilities.

### 2.9 Long term and short term borrowings

These are recorded at the proceeds received. Financial charges are accounted for on accrual basis and are disclosed as accrued interest/mark-up to the extent of the amount remaining unpaid.

### 2.10 Employee benefits

#### a) Defined Benefit plan

The Company operates an unfunded gratuity scheme for all its permanent employees which provides for a graduated scale of benefits dependent on the length of service of the employee, subject to the completion of minimum qualifying period of service.

Provisions are made to cover the obligations under the scheme on the basis of actuarial valuation and are charged to income. The most recent valuation was carried out as of June 30, 2005 using the "Projected Unit Credit Method". The valuation uses a discount rate and increase in salary of 8 (2004: 8) and 7 (2004: 7) percent per annum respectively.

The amount recognized in the balance sheet represents the present value of defined benefit obligations as adjusted for unrecognized actuarial gains and losses.

Cumulative net unrecognized actuarial gains and losses at the end of previous year which exceed 10% of the present value of the Company's gratuity obligations are amortized over the expected average remaining working lives of the employees.

#### b) Compensated absences

The Company accounts for compensated absences in the accounting period in which these are earned.

### 2.11 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services.





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## NOTES TO THE FINANCIAL STATEMENTS

### 2.12 Provisions

Provisions are recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made to the amount of obligation. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

### 2.13 Taxation

#### a) Current

Provision for current taxation is based on current rates of taxation, after taking into account tax credits and rebates available, if any, or on turnover at the specified rate, whichever is higher.

#### b) Deferred

Deferred tax is provided in full using the balance sheet liability method on all temporary differences arising at the balance sheet date, between the tax bases of the assets and the liabilities and their carrying amounts. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which these can be utilised.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted or substantively enacted by the balance sheet date. In this regard, the effects on deferred taxation of the portion of income expected to be subject to final tax regime is adjusted in accordance with the requirement of Accounting Technical Release - 27 of Institute of Chartered Accountants of Pakistan. Deferred tax is charged or credited to income.

### 2.14 Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, and is recognised on the following basis:

- Sales are recorded on despatch of goods to customers.
- Return on deposits is recognized on accrual basis.

### 2.15 Borrowing costs

Borrowing and other related costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are dealt with profit and loss account in the period in which they are incurred.



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## NOTES TO THE FINANCIAL STATEMENTS

### 2.16 Foreign currency translations

Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rate of exchange prevailing at the balance sheet date, except where forward exchange contracts have been entered into for payment of liabilities in which case the rate contracted for are used. Foreign currency transactions are translated into Pak Rupees at the rate of exchange ruling at the date of transaction, except where forward exchange contracts have been entered into in which case the rate contracted for are used. Exchange gains and losses on translation are included in income currently.

### 2.17 Financial assets and liabilities

Financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured at fair value, amortised cost or cost as the case may be. Any resulting gain/loss, if any, is reported in the profit and loss account for the period in which it arises.

Financial assets are derecognised when the Company loses control of the contractual rights that comprise the financial asset. Financial liabilities are removed from the balance sheet when the obligation is extinguished, discharged, cancelled or expired.

Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the government are not the financial instruments of the Company.

### 2.18 Derivative financial instruments

Derivative financial instruments are recognised in the balance sheet at fair value. All derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

### 2.19 Offsetting

A financial asset and financial liability is off-set and the net amount is reported in the balance sheet when there is a legal enforceable right to set-off the transactions is available and also there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. Corresponding income on the asset and charge on the liability is also off-set.

### 2.20 Impairment

At each balance sheet date, the carrying amount of assets is reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Impairment losses are recognised as expense in the profit and loss account.

### 2.21 Related party transactions

All transactions with related parties are entered into at arm's length basis determined in accordance with "Comparable Uncontrolled Price Method".



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## NOTES TO THE FINANCIAL STATEMENTS

	Note	2005	2004
Rupees in '000'			
<b>3. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating assets	3.1	<b>7,645,504</b>	4,007,262
Capital work-in-progress	3.5	<b>5,816,646</b>	1,024,695
		<b>13,462,150</b>	5,031,957

### 3.1 Operating assets

Particulars	COST			DEPRECIATION			Book value at June 30, 2005	Rate of depreciation %
	At July 01, 2004	Additions/ (disposals) /transfers	At June 30, 2005	At July 01, 2004	for the year/ (disposals)/ transfers	At June 30, 2005		
Rupees in '000'								
Land - Free hold	5,367	—	5,367	—	—	—	5,367	
Building on free hold Land	995,680	587,893	1,583,573	330,735	50,748	381,483	1,202,090	5
Plant and machinery	3,539,434	2,251,404	5,790,838	756,598	129,519	886,117	4,904,721	Units of production method
Generators	633,740	903,933	1,537,673	236,289	35,613	271,902	1,265,771	
Quarry equipments	188,309	108,829	272,593	70,219	13,629	72,803	199,790	5
		(24,545)			(11,045)			
Vehicles	36,953	24,352	53,801	21,610	7,637	23,256	30,545	20
		(7,504)			(5,991)			
Furniture and fixtures	7,957	4,031	11,946	4,055	796	4,829	7,117	10
		(42)			(22)			
Office equipments	29,117	13,923	42,872	15,177	2,776	17,896	24,976	10
		(168)			(57)			
Other assets	12,760	474	13,226	7,372	730	8,099	5,127	10
		(8)			(3)			
<b>2005</b>	<b>5,449,317</b>	<b>3,894,839</b>	<b>9,311,889</b>	<b>1,442,055</b>	<b>241,448</b>	<b>1,666,385</b>	<b>7,645,504</b>	
		<b>(32,267)</b>			<b>(17,118)</b>			
<b>2004</b>	<b>5,411,399</b>	<b>42,745</b>	<b>5,449,317</b>	<b>1,229,663</b>	<b>215,302</b>	<b>1,442,055</b>	<b>4,007,262</b>	
		<b>(4,827)</b>			<b>(2,910)</b>			

**3.2** The building and plant and machinery of Line "C" have been capitalized during this year as the same were commissioned and started production in June 2005.

**3.3** Depreciation charge for the year has been allocated as follows:

	Note	2005	2004
Rupees in '000'			
Cost of sales	20	<b>232,939</b>	211,448
Distribution cost	21	<b>710</b>	775
Administration expenses	22	<b>4,240</b>	3,079
Capital work-in-progress	3.5	<b>3,559</b>	—
		<b>241,448</b>	215,302



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# Lucky Cement Limited

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## NOTES TO THE FINANCIAL STATEMENTS

**3.4** The detail of property, plant and equipment disposed off during the year are as follows:

Particulars	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Mode of Disposal	Particulars of Purchasers
----- Rupees in '000-----						
Vehicles	1,273	1,156	117	500	Ins. Claim	Adamjee Insurance Co. Ltd. 6th Floor, Adamjee Insurance Building, I.I. Chundrigar Road, Karachi.
	952	343	609	855	Ins. Claim	Adamjee Insurance Co. Ltd. 6th Floor, Adamjee Insurance Building, I.I. Chundrigar Road, Karachi.
	728	668	60	75	Negotiation	Mr. Muhammad Abid Ganatra K.D.A. Officers Co-operative Housing Society, Karachi.
	857	574	283	354	Negotiation	Mr. Mehboob-ur-Rehman, Gulshan-e-Hadeed, Phase-I, Malir, Karachi.
	516	457	59	74	Negotiation	Mr. Mansoor Khan Leghari House # 273, Street 17, F-10/2, Islamabad.
	675	569	106	132	Negotiation	Mr. Kalim A. Mobin Asad Jan Road, Lahore.
	527	466	61	76	Negotiation	Mr. Abdul Latif Singapori Marrium Arcade, Amir Khusro Road, Karachi.
	775	653	122	152	Negotiation	Mr. Qutubuddin Baig Block 15-A/5, North Karachi, Karachi.
Quarry equipment	16,170	7,276	8,894	8,894	Ins. Claim	Adamjee Insurance Co. Ltd. 6th Floor, Adamjee Insurance Building, I.I. Chundrigar Road, Karachi.
	5,702	2,566	3,136	3,136	Ins. Claim	Adamjee Insurance Co. Ltd. 6th Floor, Adamjee Insurance Building, I.I. Chundrigar Road, Karachi.
	2,673	1,203	1,470	1,470	Ins. Claim	Adamjee Insurance Co. Ltd. 6th Floor, Adamjee Insurance Building, I.I. Chundrigar Road, Karachi.
Office equipment	97	18	79	100	Ins. Claim	Adamjee Insurance Co. Ltd. 6th Floor, Adamjee Insurance Building, I.I. Chundrigar Road, Karachi.
Items having book value of less than Rs. 50,000 each	1,322	1,169	153	364		
<b>Total</b>	<b>32,267</b>	<b>17,118</b>	<b>15,149</b>	<b>16,182</b>		



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## NOTES TO THE FINANCIAL STATEMENTS

	Note	2005	2004
Rupees in '000'			
<b>3.5 Capital work-in-progress</b>			
Building and civil works	3.5.1	1,457,753	269,080
Plant and machinery	3.5.1	4,065,359	341,470
Advance to suppliers - plant and machinery		274,513	395,175
- vehicles		19,021	18,970
		<u>5,816,646</u>	<u>1,024,695</u>

**3.5.1** Includes borrowing cost amounting to Rs. 168.885 million (2004: Nil) capitalized during the year in building and civil works and plant and machinery.

#### 4. SPARES

This includes spares in transit of Rs. 106.783 million (2004: Rs. 11.726 million) as at the balance sheet date.

#### 5. STOCK-IN-TRADE

Raw and packing materials	55,223	49,500
Work-in-process	42,296	90,916
Finished goods	18,252	31,865
	<u>115,771</u>	<u>172,281</u>

#### 6. LOANS AND ADVANCES

Considered good

##### Secured

Loans due from:

- Employees	693	333
- Executives	6.1 1,888	2,998
	<u>2,581</u>	<u>3,331</u>

##### Unsecured

Excise duty	23,856	7,999
Advance to suppliers and others	108,358	20,847
	<u>132,214</u>	<u>28,846</u>
	<u>134,795</u>	<u>32,177</u>

**6.1** The maximum aggregate balance due from executives at the end of any month during the year was Rs. 1.993 million (2004: Rs. 2.339 million).



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## NOTES TO THE FINANCIAL STATEMENTS

	Note	2005	2004
Rupees in '000'			
<b>7. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS</b>			
<b>Deposits</b>			
Containers		3,813	1,667
Coal supplier		4,000	4,000
Others		1,842	1,243
		<b>9,655</b>	<b>6,910</b>
<b>Prepayments</b>			
Insurance		46	30
Rentals		264	304
Subscription		-	420
Others		135	252
		<b>445</b>	<b>1,006</b>
		<b>10,100</b>	<b>7,916</b>
<b>8. OTHER RECEIVABLES – Unsecured, considered good</b>			
Receivable from clearing agents		11,407	4,647
Rebate on export sales		5,624	6,826
Accrued return on bank deposits		1,965	6,168
Octroi refundable		-	714
Sales tax refundable		-	6,883
Others		940	54,078
		<b>19,936</b>	<b>79,316</b>
<b>9. CASH AND BANK BALANCES</b>			
Cash in hand		453	325
Sales collection in transit		15,667	65,158
Cash at bank - on current accounts		113,863	19,901
- on PLS saving accounts		11,446	314,683
- on deposit accounts		-	600,000
		<b>125,309</b>	<b>934,584</b>
		<b>141,429</b>	<b>1,000,067</b>

**9.1** The mark-up rates on PLS saving accounts range from 1% to 5% (2004: 1.75% to 5.5%).



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## NOTES TO THE FINANCIAL STATEMENTS

### 10. SHARE CAPITAL

2005		2004	2005		2004
Number of shares			Rupees in '000'		
Authorized capital					
<u>500,000,000</u>	<u>300,000,000</u>	Ordinary shares of Rs. 10 each	<u>5,000,000</u>	<u>3,000,000</u>	
Issued, subscribed and paid-up capital					
245,000,000	245,000,000	Ordinary shares of Rs. 10/- each issued for cash	2,450,000	2,450,000	
18,375,000	-	Ordinary shares of Rs. 10/- each issued as bonus shares	183,750	-	
<u>263,375,000</u>	<u>245,000,000</u>		<u>2,633,750</u>	<u>2,450,000</u>	

### 11. LONG TERM FINANCE – secured

Long term finance utilized under mark-up arrangements

	Installments		2005	2004
	Number	Commencing from	Rupees in '000'	
Muslim Commercial Bank Ltd	6 monthly	June 2006	1,000,000	1,000,000
National Bank of Pakistan	6 semi annual	November 2006	999,830	-
Standard Chartered Bank	6 semi annual	December 2007	247,000	-
Habib Bank Limited				
– Demand Finance I	5 semi annual	January 2006	1,000,000	-
– Demand Finance II	4 semi annual	September 2007	1,000,000	-
United Bank Limited				
– Demand Finance I	4 semi annual	January 2006	1,000,000	-
– Demand Finance II	4 semi annual	June 2007	600,000	-
Citibank				
– Demand Finance I	8 quarterly	March 2007	300,000	150,000
– Demand Finance II	11 semi annual	June 2007	1,000,000	-
			<u>7,146,830</u>	<u>1,150,000</u>
Less: Current portion of long term finance			(616,667)	-
			<u>6,530,163</u>	<u>1,150,000</u>





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## NOTES TO THE FINANCIAL STATEMENTS

- 11.1** The long-term finances carry floating mark-up rates ranging between 2.83% to 9.76% (2004: 2.65% to 3.95%) per annum.
- 11.2** The above finances are secured by a letter of hypothecation providing charge over plant, machinery, equipments, generators, all tools and spares and all future modifications and replacement thereof of the Company.
- 11.3** The Company has entered into five interest rate swap agreements with United Bank Limited and Muslim Commercial Bank Limited for a notional amount of Rs.3.6 billion, maturing upto March 17, 2009. Under the swap arrangements, the Company would receive 6 months T-Bills or KIBOR rates and pay fixed rates of mark-up ranging from 7.25% to 9.32% as per the respective arrangements, which will be settled semi-annually. As at the balance sheet date, the net fair value of these interest rate swaps was Rs.0.491 million in favour of the Company.

	Note	2005	2004
		Rupees in '000'	
<b>12. DEFERRED TAXATION</b>			
This comprises the following			
Deferred tax liability – difference in tax and accounting bases of property, plant and equipments		1,338,455	668,866
Deferred tax assets			
- Unabsorbed tax losses		(431,154)	(157,691)
- Provision for staff gratuity		(14,315)	(13,568)
- Others		(34,467)	-
		(479,936)	(171,259)
		<u>858,519</u>	<u>497,607</u>
<b>13. DEFERRED LIABILITIES</b>			
Staff gratuity	13.1	48,690	38,765
Retention money			
Plant and machinery – foreign supplier	13.2	11,477	11,477
Encashment of performance guarantee (US\$ 1,313,250)	13.2	56,179	56,179
		<u>116,346</u>	<u>106,421</u>



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## NOTES TO THE FINANCIAL STATEMENTS

	Note	2005	2004
Rupees in '000'			
<b>13.1</b>	The amounts recognised in the balance sheet are as follows:		
Present value of defined benefit obligation		<b>57,636</b>	38,095
Unrecognized actuarial (loss) / gain		<b>(8,946)</b>	670
		<b>48,690</b>	38,765
		<b>48,690</b>	38,765
	Movement in the liability recognised in the balance sheet are as follows:		
Opening balance		<b>38,765</b>	30,065
Net charge for the year		<b>12,897</b>	10,482
		<b>51,662</b>	40,547
Payments made during the year		<b>(2,972)</b>	(1,782)
Closing balance		<b>48,690</b>	38,765
		<b>48,690</b>	38,765
	The amount recognized in the profit and loss account is as follows:		
Current service cost		<b>9,849</b>	7,948
Interest cost		<b>3,048</b>	2,534
		<b>12,897</b>	10,482
		<b>12,897</b>	10,482

- 13.2** These represent retention money and proceed of encashment of performance guarantee. The encashment amount of performance guarantee is valued at the conversion rate on the date of encashment. The Company is carrying the above liabilities pending final decision by the Honourable High Court of Sindh on the matter as referred to in note no. 18.3.

### 14. LONG TERM DEPOSITS – Unsecured

Cement stockists	14.1	<b>11,577</b>	8,533
Transporters	14.2	<b>13,650</b>	11,650
Others		<b>135</b>	135
		<b>25,362</b>	20,318
		<b>25,362</b>	20,318

- 14.1** These represent interest free security deposits received from stockists and are repayable on cancellation or withdrawal of stockist arrangement and are also adjustable against unpaid amount of sales.



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## NOTES TO THE FINANCIAL STATEMENTS

**14.2** These represent interest free security deposits received from transporters and are repayable on cancellation or withdrawal of contracts.

	Note	2005	2004
		Rupees in '000'	
<b>15. TRADE AND OTHER PAYABLES</b>			
Creditors		263,765	187,606
Accrued liabilities		29,014	26,997
Running account with customers		167,703	65,581
Retention money		52,509	157
Workers' profit participation fund	15.1	63,847	51,755
Sales tax payable		16,679	11,748
Unclaimed dividend		8,103	7,965
Others		12,912	1,551
		<b>614,532</b>	<b>353,360</b>
<b>15.1 Workers' profit participation fund</b>			
Balance at July 01		51,755	18,110
Allocation for the year		63,847	51,143
Interest provided		3,145	612
		<b>118,747</b>	<b>69,865</b>
Payments during the year		<b>(54,900)</b>	<b>(18,110)</b>
		<b>63,847</b>	<b>51,755</b>
<b>16. ACCRUED MARK-UP</b>			
Long term finances		108,442	3,355
Short term borrowings		16,579	5,716
		<b>125,021</b>	<b>9,071</b>
<b>17. SHORT TERM BORROWINGS – Secured</b>			
Running finance under mark-up arrangements 17.1 & 17.2		<b>786,543</b>	<b>568,451</b>



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## NOTES TO THE FINANCIAL STATEMENTS

- 17.1** Represents utilized portion of aggregate financing facilities amounting to Rs. 1,300 million (2004: Rs. 1,050 million) available from various banks. These facilities are payable on various dates by June 30, 2006. These facilities are secured by way of hypothecation on stores, stock and trade debts.
- 17.2** The rate of mark-up for these facilities ranges from Re. 0.075 to Re. 0.213 (2004: Re. 0.048 to Re. 0.109) per Rs. 1,000 per day net of prompt payment rebates. These facilities are renewable subject to payment of repurchase price on specified dates.

### 18. CONTINGENCIES AND COMMITMENTS

#### CONTINGENCIES

- 18.1** Under SRO 484(1)/92 dated May 14, 1992 the plant and machinery not being manufactured locally was exempt from customs duty, if imported before June 30, 1995. The Company obtained certificates from the Ministry of Industries and Central Board of Revenue (CBR) that the machinery being imported was not manufactured locally. In April 1995 the Central Board of Revenue advised the Customs authorities that the local industry was capable of manufacturing some of the equipment being imported by the Company and that exemption from customs duty on such equipment be denied. The Company filed a writ petition against CBR's instructions before the Peshawar High Court. The Honorable High Court has decided the case in favour of the Company. The Collector of Customs, Karachi has filed an appeal in the Supreme Court of Pakistan against the Order of Peshawar High Court. The case is pending before the Supreme Court.
- 18.2** The Company was entitled to sales tax exemption on cement produced by it from the date of commissioning to June 30, 2001 vide SROs 580 (1) / 91 and 561 (1) /94 dated 27-06-1991 and 9-06-1994 respectively. In June 1997 the Federal Government withdrew the sales tax from the entire cement industry and deprived the Company from the advantage of its sales tax exemption. Being aggrieved by the denial of the benefit of sales tax exemption, the Company had filed a writ petition in the Peshawar High Court. Subsequently, the sales tax exemption was restored on September 5, 2000. The writ petition was therefore withdrawn on legal advice but at the same time a suit for compensation was filed in the appropriate court.
- 18.3** The Company filed suits in 1998 against the supplier of main plant and machinery in the High Court of Sindh, Karachi on account of uneconomical operation, short supply of equipment and parts and supply of sub-standard / defective parts etc. The suits are pending with the High Court. The total amount of these claims is not determinable in monetary terms at this stage.



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## NOTES TO THE FINANCIAL STATEMENTS

**18.4** On September 5, 2000, the Government of Pakistan imposed sales tax on cement which resulted in the restoration of statutory sales tax exemption available to the Company upto June 30, 2001. On September 20, 2000 the Sales Tax Wing, Central Board of Revenue (CBR) issued a letter stating that all dealers/distributors/whole sellers and suppliers of cement are required to be registered irrespective of their purchases from a cement manufacturer whose supplies are taxable or exempt. It also advised not to supply cement to any unregistered dealer/distributor/whole seller and supplier of cement. Being aggrieved from this letter, the Company filed a writ petition in the Peshawar High Court. The High Court has decided the case and declared that the Company's dealers/distributors/whole sellers are not liable to be registered upto the statutory exemption period of the Company. The CBR has filed an appeal before the Supreme Court of Pakistan and the case is pending before it.

**18.5** The Income Tax department levied tax of Rs.85 million on certain pre-operational earnings for assessment years 1994-95, 1995-96 and 1996-97. The CIT (Appeal) has reversed the order in favour of the Company. The Tax Department filed appeal before Income Tax Appellate Tribunal who deleted the order of CIT (Appeal). The Company has now filed appeal in Peshawar High Court against the order of Income Tax Appellate Tribunal. The Company expects favourable decision from the High Court, however as a matter of prudence the same has been provided in the accounts.

**18.6** Dispute with a civil contractor is under arbitration. The amount is not ascertainable at this stage.

Note	2005	2004
	Rupees in '000'	

### COMMITMENTS

#### 18.7 Capital commitments

Plant and machinery under letters of credit	2,866,670	6,418,944
Civil works and others	926,822	1,545,860

#### 18.8 Other commitments

Stores, spares and packing material under letters of credit	156,404	523,225
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## NOTES TO THE FINANCIAL STATEMENTS

	Note	2005	2004
Rupees in '000'			
<b>19. TURNOVER - net</b>			
Sales - local		4,897,002	4,028,392
- export		669,356	241,578
		<u>5,566,358</u>	<u>4,269,970</u>
Less: Excise duty		857,327	752,375
Sales tax		639,587	570,620
Loading and other charges		89,335	39,168
		<u>1,586,249</u>	<u>1,362,163</u>
		<u><u>3,980,109</u></u>	<u><u>2,907,807</u></u>
<b>20. COST OF SALES</b>			
Raw material consumed		93,490	65,927
Packing material [ net of duty draw back on export sales amounting to Rs. 12.881 million (2004: Rs. 6.197 million)]		242,446	216,453
Salaries, wages and benefits	22.1	141,360	116,089
Fuel and power		1,581,383	1,025,778
Stores and spares consumed		143,650	125,552
Repairs and maintenance		24,891	22,690
Depreciation	3.3	232,939	211,448
Insurance		35,461	35,807
Other manufacturing expenses		42,736	35,168
		<u>2,538,356</u>	<u>1,854,912</u>
Work-in-process			
Opening		90,916	57,524
Closing		(42,296)	(90,916)
		<u>48,620</u>	<u>(33,392)</u>
		<u>2,586,976</u>	<u>1,821,520</u>
Cost of goods manufactured			
Finished goods			
Opening		31,865	17,698
Closing		(18,252)	(31,865)
		<u>13,613</u>	<u>(14,167)</u>
		<u><u>2,600,589</u></u>	<u><u>1,807,353</u></u>



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## NOTES TO THE FINANCIAL STATEMENTS

	Note	2005	2004
		Rupees in '000'	
<b>21. DISTRIBUTION COSTS</b>			
Staff salaries and benefits	22.1	11,267	10,682
Communication		1,623	2,029
Travelling and conveyance		848	886
Printing and stationery		396	328
Insurance		890	448
Rent, rates and taxes		1,550	1,488
Utilities		559	638
Vehicles running and maintenance		939	1,044
Repairs and maintenance		136	141
Fees, subscription and periodicals		232	42
Advertisement and sales promotion		3,763	1,341
Entertainment		411	363
Depreciation	3.3	710	775
Others		493	233
		<b>23,817</b>	<b>20,438</b>
<b>22. ADMINISTRATIVE EXPENSES</b>			
Staff salaries and benefits	22.1	29,197	25,179
Communication		3,869	4,192
Travelling and conveyance		1,608	1,891
Insurance		717	641
Rent, rates and taxes		644	587
Vehicles running and maintenance		1,544	1,230
Printing and stationery		1,853	1,519
Fees and subscription	22.2	4,400	1,154
Security services		362	132
Legal and professional		3,912	2,936
Transportation and freight		123	189
Utilities		1,040	1,161
Repairs and maintenance		587	438
Auditors' remuneration	22.3	374	370
Depreciation	3.3	4,240	3,079
Donations	22.4	5,014	417
Octroi refundable written off		714	-
Others		1,157	797
		<b>61,355</b>	<b>45,912</b>



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## NOTES TO THE FINANCIAL STATEMENTS

**22.1** Salaries, wages and benefits under 20, 21 and 22 include Rs.12.897 million (2004: Rs. 10.482 million) in respect of staff retirement benefits.

**22.2** Includes fee of Rs. 2.486 million (2004: Nil) paid to Registrar of Companies for increase in authorized capital of the Company from Rs. 3,000 million to Rs. 5,000 million.

<b>22.3 Auditors' remuneration</b>	<b>2005</b>		<b>2004</b>	
	<b>Rupees in '000'</b>			
<b>Statutory auditors</b>	<b>Ford Rhodes Sidat Hyder &amp; Co.</b>		<b>M. Yousuf Adil Saleem &amp; Co.</b>	
Audit fee	<b>200</b>		200	
Half yearly review fee	<b>80</b>		80	
Corporate and other advisory services	-		20	
Out of pocket	<b>59</b>		35	
<b>Other auditors</b>				
Cost audit fee	<b>35</b>		35	
	<b>374</b>		370	

**22.4** Includes donation to Tamere-e-Karachi program amounting to Rs.5,000,000/-. Directors and Chief Executive and their spouses do not have any interest in any donee's fund to which donations were made.

### 23. FINANCE COST

Mark-up on short term borrowings	<b>12,916</b>	5,670
Interest on workers' profit participation fund	<b>3,145</b>	612
Bank charges and commission	<b>5,630</b>	4,560
	<b>21,691</b>	10,842

### 24. OTHER OPERATING INCOME

Gain on disposal of assets	<b>1,033</b>	1,452
Others	<b>108</b>	84
	<b>1,141</b>	1,536





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## NOTES TO THE FINANCIAL STATEMENTS

	2005	2004
	Rupees in '000'	
<b>25. OTHER CHARGES</b>		
Workers' profit participation fund	63,847	51,143
Exchange loss	-	2,554
	<u>63,847</u>	<u>53,697</u>

## 26. TAXATION

**26.1** In view of tax loss for the year, provision for current taxation represents the minimum tax under Section 113 of the Income Tax Ordinance, 2001.

**26.2** The tax assessments of the Company have been finalized upto and including the tax year 2004 and assessed tax losses amounting to Rs.464.771 million are available to be carried forward.

**26.3** Since the Company is liable for minimum tax, therefore, no numerical tax reconciliation is given.

## 27. EARNINGS PER SHARE – Basic and diluted

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	2005	2004
Weighted average number of ordinary shares (in thousands)	<u>263,375</u>	<u>263,375</u>
Profit before tax (Rupees in thousands)	<u>1,209,951</u>	<u>971,101</u>
Earnings per share – before tax (Rupees)	<u>4.59</u>	<u>3.69</u>
Profit after tax (Rupees in thousands)	<u>826,587</u>	<u>685,762</u>
Earnings per share – after tax (Rupees)	<u>3.14</u>	<u>2.60</u>



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## NOTES TO THE FINANCIAL STATEMENTS

### 28. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

28.1 Aggregate amounts charged in the financial statements are as follows:

	Rupees in '000'							
	CHIEF EXECUTIVE		DIRECTOR		EXECUTIVES		TOTAL	
	2005	2004	2005	2004	2005	2004	2005	2004
Remuneration	3,440	3,180	2,256	2,092	8,606	2,923	14,302	8,195
House rent allowance	1,376	1,272	902	837	3,659	856	5,937	2,965
Utility allowance	343	318	226	209	860	300	1,429	827
Conveyance allowance	-	-	-	-	834	319	834	319
	<b>5,159</b>	<b>4,770</b>	<b>3,384</b>	<b>3,138</b>	<b>13,959</b>	<b>4,398</b>	<b>22,502</b>	<b>12,306</b>
Number	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>12</b>	<b>4</b>	<b>14</b>	<b>6</b>

In addition the Chief Executive, Director and some Executives are provided with for use of Company maintained cars.

28.1.1 Due to revision in Fourth Schedule, the definition of executive has been changed. As per new definition, executive means employee; other than the chief executive and director, whose basic salary exceeds five hundred thousand rupees in the financial year. Previously, the threshold of basic salary was one hundred thousand rupees.

28.2 An aggregate amount of Rs.77,500/- was paid to 8 directors during the year on account of board meeting fee (2004: 8 directors – Rs.43,500/-).

28.3 Mr. Muhammad Ali Tabba was appointed as the new Chief Executive w.e.f. May 26, 2005 in place of (Late) Mr. Abdul Razzak Tabba because of his sad demise on May 19, 2005.

### 29. TRANSACTIONS WITH RELATED PARTIES

29.1 Related parties comprise companies with common directorship, directors and key management personnel. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	2005	2004
	Rupees in '000'	
<b>Associated companies</b>		
<b>Lucky Textile Mills Limited</b>		
Sales	19,292	3,249
<b>Gadoon Textile Mills Limited</b>		
Sales	6,257	3,530
Purchase of fixed assets	63,973	-
<b>Yunus Textile (Private) Limited</b>		
Sales	29,273	-
<b>Fazal Textile Mills Limited</b>		
Sales	-	4,184



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## NOTES TO THE FINANCIAL STATEMENTS

- 29.2** There are no transactions with key management personnel other than under the terms of employment.
- 29.3** Associated companies held 15,910,375 (2004: 14,105,000) ordinary shares in the Company at year end.
- 29.4** In addition to the above related parties, the Company has related party relationship with Lucky Energy (Private) Limited and Security Electric Power Company Limited due to common directorship.

	2005	2004
	Metric Tons	
<b>30. PRODUCTION CAPACITY – Clinker</b>		
<b>Existing Line A &amp; B</b>		
Designed capacity 4000 tpd (300 days)	<b>1,200,000</b>	1,200,000
Upgraded capacity 4800 tpd (300 days)	<b>1,440,000</b>	1,440,000
Actual Production	<b>1,295,655</b>	1,126,045
<b>Line C</b>		
Designed capacity 4200 tpd (300 days)	<b>1,260,000</b>	–

## 31. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

### Concentration of credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed completely to perform as contracted. The Company manages credit risk by limiting significant exposure to any individual customers, by obtaining advance against sales and does not have significant exposure to any individual customer.

### Mark-up rate risk

The Company has long term and short-term Rupee based loans at variable rates. Part of the variable rate Rupee loans are hedged against interest rate risk by instituting fixed interest rate swap arrangements. This protects the Company against any adverse movement in mark-up rates. Rates on short-term finances are effectively fixed and are disclosed in the relevant notes.



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## NOTES TO THE FINANCIAL STATEMENTS

### Liquidity risk

The Company is in the phase of major expansion as discussed in note 1.2 and has incurred huge capital expenditure during the year and has obtained long term finances for the said expansion. The balance sheet of the Company shows a negative working capital as at the year end which is mainly due to the current maturity portion of the respective long term finances. Since, the operations at Line "C" have started in June 2005 and the remaining production lines will be functional during the next financial year, the management feels no liquidity risk arising out of this situation. The Company's management closely monitors the Company's liquidity and cash flow position and foresee that the said negative working capital position will become favourable during the next year due to increased revenue from the expanded production capacity.

### Foreign currency risk management

Foreign currency risk arises mainly due to conversion of foreign currency assets and liabilities into local currency. The Company is not materially exposed to foreign currency risk on foreign currency assets and liabilities.

### Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair values.

**31.1** Yield/mark-up rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market yield/mark-up rates. Sensitivity to yield/mark-up rate risk arises from mismatches of financial assets and financial liabilities that mature or reprice in a given period. The company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The company is exposed to yield/mark-up rate risk in respect of the following:



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## NOTES TO THE FINANCIAL STATEMENTS

<b>2005</b>						
Effective interest rate %	Total	Exposed to yield/mark-up rate risk			Not exposed to yield/mark-up rate risk	
		Maturity upto one year	Maturity after one year	Sub Total		
-----Rupees in '000'-----						
<b>FINANCIAL ASSETS</b>						
Long term deposits	-	2,175	-	-	-	2,175
Trade debts - unsecured, considered good	-	22,808	-	-	-	22,808
Loans and advances	-	134,795	-	-	-	134,795
Trade deposits	-	9,655	-	-	-	9,655
Other receivables	-	19,936	-	-	-	19,936
Cash and bank balances	1.0% to 5%	141,429	11,446	-	11,446	129,983
		<b>330,798</b>	<b>11,446</b>	<b>-</b>	<b>11,446</b>	<b>319,352</b>
<b>FINANCIAL LIABILITIES</b>						
Long term finances	2.83% to 9.76%	7,146,830	616,667	6,530,163	7,146,830	-
Long term deposits	-	25,362	-	-	-	25,362
Trade and others payables	11.5%	597,853	63,847	-	63,847	534,006
Accrued mark-up	-	125,021	-	-	-	125,021
Short-term borrowings	2.75% to 7.77%	786,543	786,543	-	786,543	-
		<b>8,681,609</b>	<b>1,467,057</b>	<b>6,530,163</b>	<b>7,997,220</b>	<b>684,389</b>
Total yield / mark-up rate risk sensitivity gap		<b>(8,350,811)</b>	<b>(1,455,611)</b>	<b>(6,530,163)</b>	<b>(7,985,744)</b>	<b>(365,037)</b>
<b>2004</b>						
Effective interest rate %	Total	Exposed to yield/mark-up rate risk			Not exposed to yield/mark-up rate risk	
		Maturity upto one year	Maturity after one year	Sub Total		
-----Rupees in '000'-----						
<b>FINANCIAL ASSETS</b>						
Long term deposits	-	2,275	-	-	-	2,275
Trade debts - unsecured, considered good	-	16,356	-	-	-	16,356
Loans and advances	-	51,147	-	-	-	51,147
Trade deposits	-	6,910	-	-	-	6,910
Other receivables	-	72,433	-	-	-	72,433
Cash and bank balances	1.75% to 5.5%	1,000,067	914,683	-	914,683	85,384
		<b>1,149,188</b>	<b>914,683</b>	<b>-</b>	<b>914,683</b>	<b>234,505</b>
<b>FINANCIAL LIABILITIES</b>						
Long term finances	2.65% to 3.95%	1,150,000	-	1,150,000	1,150,000	-
Long term deposits	-	20,318	-	-	-	20,318
Trade and others payables	7.5%	341,612	51,755	-	51,755	289,857
Accrued mark-up	-	9,071	-	-	-	9,071
Short-term borrowings	1.75% to 4.00%	568,451	568,451	-	568,451	-
		<b>2,089,452</b>	<b>620,206</b>	<b>1,150,000</b>	<b>1,770,206</b>	<b>319,246</b>
Total yield / mark-up rate risk sensitivity gap		<b>(940,264)</b>	<b>294,477</b>	<b>(1,150,000)</b>	<b>(855,523)</b>	<b>(84,741)</b>



Concrete Progress

# Lucky Cement Limited

**YB**  
Yunus Brothers

## NOTES TO THE FINANCIAL STATEMENTS

### 32. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 29, 2005 by the Board of Directors of the Company.

### 33. CORRESPONDING FIGURES

Due to revision of the Fourth Schedule of the Companies Ordinance 1984, previous year's figures have been rearranged and reclassified wherever necessary to compare to the current year presentation. Consequently, following significant corresponding figures have been reclassified:

- Capital Work-in-progress has been reclassified and shown as part of property, plant and equipment in Fixed assets;
- Figures in Note 7 and 27 have been restated due to change in definition of "Executive";
- Selling and distribution expenses are shown separately as distribution costs;
- Taxes recoverable' has been reclassified from 'Loans, advances, deposits, prepayments and other receivables' and shown separately in the balance sheet;
- Mark-up accrued on long term loan and short term borrowings has been reclassified from trade and other payables and disclosed separately on the balance sheet;
- Unclaimed dividend has been reclassified and shown as part of trade and other payables.
- Comparative information has also been restated/reclassified in order to comply with the change in accounting policy in respect of dividend declared subsequent to period/year end as explained in note 2.3 to the financial statements.

### 34. DIVIDEND

The Board of Directors has proposed a final dividend of Rs. Nil per share for the year ended June 30, 2005, amounting to Rs. Nil at its meeting held on August 29, 2005 for approval of the members at the Annual General Meeting to be held on October 20, 2005. These financial statements do not reflect this dividend payable, as explained in note 2.3.

### 35. GENERAL

**35.1** Figures have been rounded off to the nearest thousand of Rupees.

**35.2** Total number of permanent employees as on June 30, 2005 were 764 (2004: 693).

**Muhammad Abdul Samad**  
Director

**Muhammad Ali Tabba**  
Chief Executive



Concrete Progress

# Lucky Cement Limited

# YB

Yunus Brothers

## PATTERN OF SHAREHOLDING AS AT JUNE 30, 2005

NUMBER OF SHAREHOLDERS	FROM	SHAREHOLDING	TO	TOTAL SHARES HELD
715	1	-	100	32,757
1302	101	-	500	424,639
4619	501	-	1000	2,679,337
1090	1001	-	5000	2,593,941
264	5001	-	10000	1,926,432
97	10001	-	15000	1,151,439
41	15001	-	20000	734,684
44	20001	-	25000	1,009,460
25	25001	-	30000	686,349
15	30001	-	35000	492,875
11	35001	-	40000	415,395
9	40001	-	45000	385,185
16	45001	-	50000	788,669
11	50001	-	55000	584,291
6	55001	-	60000	350,475
7	60001	-	65000	442,087
6	65001	-	70000	403,719
3	70001	-	75000	216,750
2	75001	-	80000	152,560
4	80001	-	85000	322,500
4	85001	-	90000	350,934
3	90001	-	95000	278,950
4	95001	-	100000	400,000
2	100001	-	105000	202,335
4	105001	-	110000	429,355
1	110001	-	115000	113,412
3	120001	-	125000	372,787
2	125001	-	130000	256,752
1	130001	-	135000	132,500
2	140001	-	145000	290,000
3	145001	-	150000	447,000
1	150001	-	155000	151,875
1	160001	-	165000	161,250
1	170001	-	175000	172,000
1	180001	-	185000	183,395
1	190001	-	195000	191,000
5	195001	-	200000	997,337
3	210001	-	215000	645,000
1	215001	-	220000	218,000
1	225001	-	230000	230,000
1	245001	-	250000	250,000
1	275001	-	280000	277,462
1	280001	-	285000	284,252
2	285001	-	290000	577,274
1	290001	-	295000	294,692
3	295001	-	300000	899,112
1	305001	-	310000	309,500
1	370001	-	375000	373,025
3	395001	-	400000	1,198,287
1	405001	-	410000	410,000
4	425001	-	430000	1,720,000
1	465001	-	470000	468,000
1	470001	-	475000	472,677
1	515001	-	520000	520,000
1	635001	-	640000	638,000
1	640001	-	645000	645,000
1	645001	-	650000	650,000
1	665001	-	670000	668,500
1	695001	-	700000	700,000
1	770001	-	775000	772,825



Concrete Progress

# Lucky Cement Limited

**YB**  
Yunus Brothers

NUMBER OF SHAREHOLDERS	FROM	SHAREHOLDING	TO	TOTAL SHARES HELD
1	780001	-	785000	784,300
1	830001	-	835000	832,350
1	865001	-	870000	865,412
1	890001	-	895000	890,600
1	945001	-	950000	950,000
1	1295001	-	1300000	1,300,000
1	1340001	-	1345000	1,342,800
2	1420001	-	1425000	2,848,824
2	1450001	-	1455000	2,902,500
1	1470001	-	1475000	1,474,412
1	1700001	-	1705000	1,701,350
1	2255001	-	2260000	2,257,575
1	2380001	-	2385000	2,384,175
1	2635001	-	2640000	2,636,001
2	2685001	-	2690000	5,375,000
2	2740001	-	2745000	5,482,500
2	3275001	-	3280000	6,557,500
1	3735001	-	3740000	3,737,000
1	3975001	-	3980000	3,977,500
1	4095001	-	4100000	4,097,250
1	4140001	-	4145000	4,143,625
1	4835001	-	4840000	4,837,500
3	5370001	-	5375000	16,125,000
2	6065001	-	6070000	12,140,000
1	6535001	-	6540000	6,535,550
1	7200001	-	7205000	7,202,500
1	7485001	-	7490000	7,485,275
1	7535001	-	7540000	7,535,275
1	8955001	-	8960000	8,958,351
1	11930001	-	11935000	11,932,500
1	13565001	-	13570000	13,566,550
1	14255001	-	14260000	14,258,735
1	16500001	-	16505000	16,505,000
2	22800001	-	22805000	45,606,058
8402				263,375,000

S.No.	CATEGORIES OF SHAREHOLDERS	NUMBER OF SHAREHOLDERS	TOTAL SHARES HELD	PERCENTAGE
1.	INDIVIDUAL	8190	139,921,224	53.13
2.	INVESTMENT COMPANY	20	48,831,771	18.54
3.	INSURANCE COMPANY	12	2,213,837	0.84
4.	JOINT STOCK COMPANY	115	39,778,057	15.10
5.	FINANCIAL INSTITUTION	32	22,861,375	8.68
6.	MODARABA COMPANY	10	186,286	0.07
7.	LEASING COMPANY	4	268,125	0.10
8.	FUNDS	15	9,275,700	3.52
9.	CHARITABLE TRUST	1	20,000	0.01
10	OTHERS	3	18,625	0.01
		8,402	263,375,000	100.00





Concrete Progress

# Lucky Cement Limited

# YB

Yunus Brothers

**June 30, 2005**  
(No. of shares)

**Associated companies, undertakings, and related parties (name wise detail):**

Gadoon Textile Mills Limited	375
Lucky Energy (Private) Limited	11,932,500
Younus Textile (Private) Limited	3,977,500

**NIT & ICP (name wise detail):**

Investment Corporation of Pakistan	294,692
National Bank of Pakistan (NIT)	14,536,197

**Directors, CEO and their spouse and minor children (name wise detail):**

Mr. Muhammad Yunus Tabba ( <b>Chairman / Director</b> )	9,814,300
Mrs. Khairunnisa W/o. Muhammad Yunus Tabba ( <b>Spouse</b> )	8,062,500
Mr. Muhammad Ali Tabba ( <b>Chief Executive / Director</b> )	9,460,075
Mrs. Feroza Tabba W/o. Muhammad Ali Tabba ( <b>Spouse</b> )	645,000
Mr. Muhammad Sohail Tabba ( <b>Director</b> )	12,372,775
Mrs. Saima Sohail W/o. Muhammad Sohail Tabba ( <b>Spouse</b> )	6,070,000
Mr. Imran Yunus Tabba ( <b>Director</b> )	12,860,275
Mrs. Meher Imran W/o. Imran Yunus Tabba ( <b>Spouse</b> )	6,070,000
Mr. Javed Yunus Tabba ( <b>Director</b> )	18,941,550
Mrs. Raheela Aleem ( <b>Director</b> )	4,215,663
Miss Mariam Razzak ( <b>Director</b> )	2,875,663
Mr. Muhammad Abdul Samad ( <b>Director</b> )	Nominee of N.I.T

**Executives :** None

**Public Sector Companies and Corporations :** None

**Banks, Development Finance Institutions, Non-Banking Financial Institutions, Insurance Companies, Modarabas and Mutual Funds (name wise detail):**

Al Baraka Islamic Bank - Lahore Branch	200,000
Allied Bank Limited	95,000
Faysal Bank Limited	785,174
Habib Bank AG Zurich, Deira Dubai	2,500
Habib Bank AG Zurich, London	200,000
Habib Bank AG Zurich, Switzerland	10,000
Habib Bank Limited, Cloth Market Branch, Karachi	53,750
Meezan Bank Limited	230,000
PICIC Commercial Bank Limited	200,000
Prime Commercial Bank Limited	1,225
SME Bank Limited	123,625
The Bank of Khyber	52,091
Union Bank Limited	402,795
United Bank Limited - Trading Portfolio	700,000
Abu Dhabi Investment Authority	87,000
Crescent Standard Investment Bank Limited	1,250
Escorts Investment Bank Limited	37,500



Concrete Progress

# Lucky Cement Limited

**YB**

Yunus Brothers

**June 30, 2005**  
(No. of shares)

First Dawood Investment Bank Limited	31,749
First International Investment Bank Limited	11,250
Investors Bank & Trust Co.	638,000
Pakistan Industrial Credit & Investment Corporation Limited	128,827
Pakistan Kuwait Investment Company (Private) Limited	3,737,000
Saudi Pak Industrial & Agricultural Investment Company (Pvt) Ltd.	3,750
Security Investment Bank Limited	61,502
State Street Bank & Trust Company Limited	313,375
Adamjee Insurance Company Limited	86,967
Century Insurance Company Limited	2,500
EFU General Insurance Company	300,000
EFU Life Assurance Limited	300,000
Habib Insurance Company Limited	55,000
International General Insurance Company of Pakistan Limited	485
Saudi Pak Insurance Company Limited	15,000
Shaheen Insurance Company Limited	10,000
State Life Insurance Corporation of Pakistan	1,443,510
The Premier Insurance Company of Pakistan Limited	375
First Alnoor Modaraba	375
First Confidence Modaraba	537
First Equity Modaraba	35,000
First Prudential Modaraba	10,000
First UDL Modaraba	45,042
Guardian Modaraba	55,925
Industrial Capital Modaraba	4,407
Trust Modaraba	35,000
Al Meezan Mutual Fund Limited	520,000
Artal Restaurant International Limited - Employees Provident Fund	75
Asian Stock Funds Limited	125
CDC - Trustee Atlas Stock Market Fund	25,000
CDC - Trustee First Dawood Mutual Fund	5,000
CDC - Trustee Meezan Balanced Fund	218,000
CDC - Trustee PICIC Investment Fund	950,000
CDC - Trustee Pakistan Capital Market Fund	784,300
CDC - Trustee Pakistan Stock Market Fund	890,600
CDC - Trustee Faysal Balanced Growth Fund	468,000
CDC - Trustee Meezan Islamic Fund	430,000
CDC - Trustee Pakistan Strategic Allocation Fund	4,097,250
Pakistan Premier Fund Limited	832,350
Trustees Artal Restaurants International - Employees Provident Fund	5,000
Trustees Pak Services Limited - Employees Provident Fund	50,000

**Shareholders holding 10 % or more voting interest (name wise details):** None



Concrete Progress

# Lucky Cement Limited

# YB

Yunus Brothers

## Details of trading in the shares by the Directors, Chief Executive Officer (CEO), Chief Financial Controller (CFO), Company Secretary and their spouses and minor children:

None of the Directors, CEO, CFO, Company Secretary and their spouses and minor children has traded in the shares of the Company during the year, except the following:

	<u>No. of Shares Purchased / Allotted Bonus</u>
Mr. Abdul Razzak Tabba (Ex-Chief Executive)	1,407,375
Mrs. Kulsum A. Razzak (Spouse)	187,500
Mr. Muhammad Yunus Tabba (Chairman/Director)	1,760,300
Mrs. Khairunnisa (Spouse)	562,500
Mr. Muhammad Ali Tabba (Chief Executive)	1,189,075
Mrs. Feroza Tabba (Spouse)	245,000
Mr. Muhammad Sohail Tabba (Director)	1,311,775
Mrs. Saima Sohail (Spouse)	670,000
Mr. Imran Yunus Tabba (Director)	1,299,275
Mrs. Meher Imran (Spouse)	670,000
Mr. Javed Yunus Tabba (Director)	1,925,550
Mrs. Rahila Aleem (Director)	680,163
Miss Mariam Razzak(Director)	540,163

## Attendance of Directors at Board Meetings

During the year under review five board meetings were held and attendance of each director is as under:

<u>S. No.</u>	<u>Name</u>	<u>No. of Meeting Attended</u>
1.	Mr. Abdul Razzak Tabba	4
2.	Mr. Muhammad Yunus Tabba	4
3.	Mr. Muhammad Ali Tabba	3
4.	Mr. Muhammad Sohail Tabba	4
5.	Mr. Imran Yunus Tabba	3
6.	Mr. Javed Yunus Tabba	4
7.	Mrs. Rahila Aleem	1
8.	Miss Mariam Razzak	4
9.	Mr. Muhammad Abdul Samad	4



[www.lucky-cement.com](http://www.lucky-cement.com)

# Corporate

# Social

# Responsibility

Lucky Cement Limited has been sponsored by Yunus Brothers Group (“YB Group”) which is one of the largest business groups of the Country based in Karachi and has grown up remarkably over the last 50 years. The YB Group is engaged in diversified manufacturing activities including Textile, Spinning, Weaving, Processing, Finishing and Stitching besides Portland Cement and Power Generation.

The Group is well aware of its corporate social responsibilities. The Yunus Brothers Group has established Aziz Tabba Foundation which is engaged in a number of social welfare activities for the benefit of poor and needy people. The Foundation has sponsored following social welfare centers:

1. **Tabba Heart Institute** – a most modern state of the art 120 Bedded Heart Institute on an area of 6,800 sq. yards, equipped with latest state of the art equipments for Cardiac pre & post surgery procedures has been set up in Federal ‘B’ Area, Karachi. The centre has been established with a cost of approx. Rs. 70 crores. The Tabba Heart Institute was inaugurated by Honorable Prime Minister Mr. Shaukat Aziz on 8<sup>th</sup> March, 2005.
2. **Aziz Tabba Dialysis Centre** – a Kidney Dialysis Centre in Karachi having 20 modern Toray Dialyses machines serving more than 200 patients every day. The centre is one of its kind to provide round the clock medical facilities with fully trained staff and utmost care of the patients.
3. **Donation to Women & Children Hospital - Ghazni Khel** - a donation of Rs. 50,000/- per month is regularly given to Women & Children Hospital - Ghazni Khel, to assist them in providing necessary medical facilities to the poor and needy people.
4. **Lucky Welfare Dispensary, Pezu.**

A NOT-FOR PROFIT PHILANTHROPIC PROJECT OF AZIZ TABBA FOUNDATION.

LOCATED IN THE DENSELY POPULATED FEDERAL "B" AREA KARACHI WHERE CARDIAC DISEASE IS EPIDEMIC IN PROPORTION AND ACCESS TO CARE IS MINIMAL.

## **VISION**

TO BE A CENTER OF EXCELLENCE THAT PROVIDES COST EFFECTIVE STATE OF ART DIAGNOSTICS AND QUALITY CARE FOR MANAGEMENT OF HEART DISEASE, UNDERTAKE POSTGRADUATE EDUCATION AND TRAINING FOR HEALTH CARE PROFESSIONALS AS WELL AS CONDUCT RESEARCH AND PROVIDE REHABILITATIVE AND PREVENTIVE SERVICES TO REDUCE THE INCIDENCE OF HEART DISEASES IN PAKISTAN.

## **FACILITIES**

### **PATHOLOGICAL LABORATORY**

HEMATOLOGY, BIOCHEMISTRY, SPECIAL CHEMISTRY, MICROBIOLOGY, MOLECULAR LAB.

### **NON-INVASIVE CARDIOLOGY LAB**

ECG, ECHO, STRESS ECG AND ECHO 3-D COLOR DOPPLER HOLTER MONITORING AMBULATORY BP MONITORING.

### **RADIOLOGY**

CONVENTIONAL RADIOLOGY, ULTRA SOUND ANGIOGRAPHY DEDICATED SPACE FOR FUTURE TECHNOLOGY OF MRI RADIOLOGY DIGITAL SUBTRACTION ANGIOGRAPHY TREATMENT FACILITIES.

### **TREATMENT FACILITIES**

#### **INPATIENTS TREATMENT FACILITIES**

70 GENERAL, SEMI PRIVATE, PRIVATE BEDS AND SUITES.  
10 BEDS DEDICATED FOR EMERGENCY SERVICE WITH TRIAGE AREA.  
RESUSCITATION OBSERVATION AND CRITICAL CARE BEDS.  
11 BEDDED CORONARY CARE UNIT (CCU).  
7 SURGICAL ICU BEDS (CICU).  
2 POST ANGIOGRAPHY BEDS.

#### **OUT PATIENTS FACILITIES**

SCREENING\PRIMARY CARE  
CLINICS TO EVALUATE PATIENTS AND SCREEN CARDIAC FROM  
NON-CARDIAC PATIENTS

#### **EMERGENCY ROOM SERVICES**

TRIAGE AREA FOR FIRST AID\SCREENING CARDIAC \NON CARDIAC PATIENTS. RESUSCITATION AREA FOR URGENT RESUSCITATION OF CRITICALLY ILL OBSERVATION BEDS PRE ADMISSION EVALUATION \TREATMENT SPECIAL CARE BEDS FOR TREATMENT OF PATIENTS AWAITING CCU BEDS.

#### **SURGICAL INTENSIVE CARE**

SEVEN BEDS FACILITY WITHIN THE OPERATION THEATER COMPLEX  
CEILING PENDANTS FOR IMPROVED ACCESS  
ARTERIAL BLOOD GAS ANALYZER  
MOBILE X RAYS FOR EMERGENCIES  
AORTIC BALLOON PUMPS / DISTANT OBSERVATION VIDEO  
MONITORING BY HEALTH CARE PROVIDERS.

ONE OF THE LEADING CENTRE OF EXCELLENCE FOR MANAGEMENT OF CARDIOVASCULAR DISEASES WITH COST EFFECTIVE QUALITY CARE AFFORDABLE TO ALL LEVEL OF SOCIETY.

A CAPITAL EXPENDITURE OF APPROX RS. 700 MILLION.

POST GRADUATE INSTITUTION WITH EDUCATION AND TRAINING TO HEALTH CARE PROFESSIONALS WITH RESEARCH STUDIES TO PROVIDE REHABILITATION AND PREVENTIVE SERVICE TO REDUCE HEART DISEASE.

A 120 BED CARDIAC HOSPITAL ON AN AREA OF 6,800 SQ.YARD.

THE BUILDING CONSISTS OF BASEMENT, GROUND AND 4 FLOORS WITH A CONSTRUCTED AREA OF 96,400 SQ. FT.

### **CLINICAL LABORATORY**

HEMATOLOGY, BIOCHEMISTRY, SPECIAL CHEMISTRY, MICROBIOLOGY, MOLECULAR LABORATORY.

### **NON INVASIVE CARDIOLOGY LAB**

ECG, ECHO, NUCLEAR STRESS TEST, HOLTER MONITORING, AMBULATORY B.P.MONITORING & TILT TABLE TESTING.

### **RADIOLOGY**

CONVENTIONAL RADIOLOGY & FLUOROSCOPY, ULTRA SOUND, MRI.

### **INVASIVE\INTERVENTIONAL CARDIOLOGY**

STATE OF THE ART TWO ADJACENT ANGIOGRAPHY SUITES WITH CENTRAL CONTROL.FLAT PANEL DETECTOR ANGIOGRAPHY TECHNOLOGY WITH 4 PRE & POST ANGIOGRAPHY OBSERVATION BEDS.

VIDEO MONITORING FOR FAMILIES IN DISTANT OBSERVATION ROOM.

### **TREATMENT FACILITIES**

#### **TOTAL INPATIENT BEDS:120**

GENERAL WARD: 36 BEDS (6 BLOCK OF 6 BEDS EACH)

PRIVATE ROOMS: 23 PRIVATE ROOMS, 15 ROOMS ON 1ST FLOOR & 8 ROOMS ON 3RD FLOOR PLUS 2 VIP SUITES.

SEMI PRIVATE: 22 BEDS ON 1ST FLOOR & 3RD FLOOR CORONARY CARE UNIT: 11 BEDS ICU: 7 BEDS (FOR POST SURGERY PATIENTS) PRE & POST ANGIOGRAPHY \ANGIOPLASTY OBSER: 4 BEDS.

### **AMBULATORY CARE**

EMERGENCY UNIT:10 BEDS IN EMERGENCY ROOM INCLUDING RESUSCITATION, OBSERVATION & CRITICAL CARE BEDS.

### **FILTER\SCREENING CLINICS**

TO EVALUATE CARDIAC FROM NON CARDIAC PATIENTS. THE FACILITIES ARE PROVIDED FOR 150 EXPECTED PATIENTS.

### **CONSULTANT CLINICS**

3 CONSULTANTS CAN BE SEATED AT ONE TIME. CLINICS WILL RUN IN MORNING AND EVENING SHIFT, 6 CLINICS PER DAY. EXPECTED PATIENTS 15X6=90 PATIENTS.



## **SPECIALIZED SERVICES**

CUSTOMIZED HOSPITAL INFORMATION SYSTEMS  
SECURITY SURVEILLANCE SYSTEM CONNECTED TO LAN  
PATIENT MONITORING SYSTEM  
VOICED NURSE CALL SYSTEM CONNECTED TO LAN  
FIRE ALARM SYSTEM  
FIRE SUPPRESSION SYSTEM  
PAGING\ANNOUNCEMENT SYSTEM  
AUTOMATIC 250 LINE TELEPHONE EXCHANGE SYSTEM  
LAUNDRY SERVICES

THE HOSPITAL HAS ITS OWN GAS POWER GENERATING PLANT TO ENSURE CONTINUOUS SUPPLY OF ELECTRICITY.

THE HOSPITAL EXCEPT FOR AN OPEN ATRIUM IS TOTALLY AIR-CONDITIONED BY MOST MODERN GAS OPERATED ABSORPTION CHILLER SYSTEM TO PROVIDE COMFORT TO ALL LEVELS OF PATIENTS .





# AZIZ TABBA DIALYSIS CENTRE

AN OTHER NOT-FOR PROFIT & PHILANTHROPIC PROJECT OF AZIZ TABBA FOUNDATION SITUATED IN POPULATED FEDERAL "B" AREA, KARACHI.

PATHOLOGICAL LABORATORY.

HEMATOLOGY, BIOCHEMISTRY, SPECIAL CHEMISTRY.

REVERSE OSMOSIS WATER TREATMENT SYSTEM.

HEPATITIS B' POSITIVE PATIENTS TREATED SEPARATELY.

FULLY AIR-CONDITIONED PEACE FULL ENVIRONMENT.

AMBULANCE SERVICE TO CATER ANY EMERGENCY.

150 KVA STAND BY GENERATOR TO CATER ALL ELECTRICITY REQUIREMENT IN CASE OF POWER FAILURE.

REGULAR COUNSELLING FOR DIET WITH NUTRITIONIST.

REGULAR CHECK UP OF PATIENT WITH SPECIALIST.

PATIENTS DIALYSIS TOTALLY UNDER DOCTORS SUPERVISION ROUND THE CLOCK.

EMERGENCY HAEMODIALYSIS.





# WOMEN & CHILDREN HOSPITAL GHAZNI KHEL, N.W.F.P.





# Tribute to

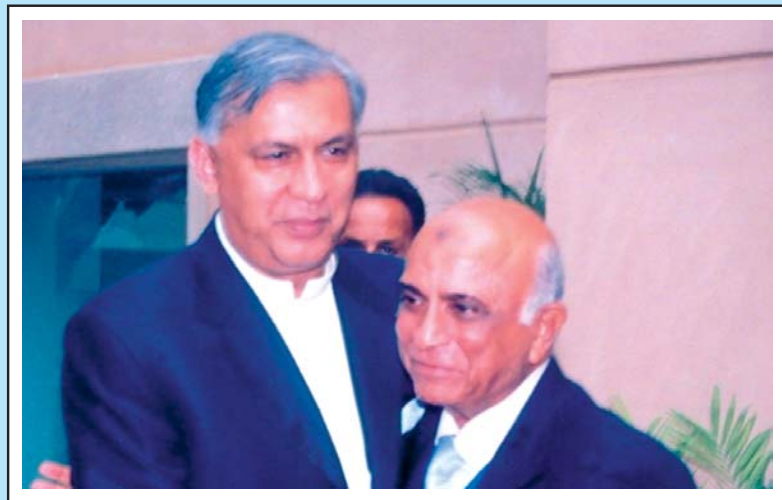


# Abdul Razzak Tabba

The desire to succeed in life is engraved in all minds, which craves in us the thirst to accomplish our envisioned goals, and hence attain fulfillment. But the definition of success is interpreted differently by different people.

Some may perceive economic stability, power, conglomerates and huge empires as agents of accomplishments. But there are those who choose to unite with a selfless and altruistic purpose, serving as benefactors of humanity with their resources, and yet feel victoriously attained.

Amongst such great entrepreneurs and philanthropists, has been a name that shall exhibit



Late Abdul Razzak Tabba with Prime Minister of Pakistan at the opening ceremony of Tabba Heart Institute



Late Abdul Razzak Tabba receiving Sitara-e-Imtiaz

remembrance forever in the heart of those who have been influenced by his phenomenal nature.

A man who not only brilliantly uplifted the industry commerce of Pakistan, but also continuously strived for societal welfare to help benefit those belonging to more deprived segments.

CERTIFICATE OF SITARA-E- IMTIAZ  
AWARDED TO (LATE) ABDUL RAZZAK TABBA



میں بحیثیت صدر اسلامی جمہوریہ پاکستان

جناب عبدالرزاق طہ

کو خدمات عامہ (بہترین برآمد کنندہ) کے شعبہ میں امتیازی مرتبہ حاصل کرنے پر

ستارہ امتیاز

کا اعزاز عطا کرتا ہوں۔

پروفیسر

جنرل  
(پرویز مشرف)  
صدر



مقام: کراچی

تاریخ: ۱۲ صفر ۱۴۲۶ھ  
۲۳ مارچ ۲۰۰۵ء



Concrete Progress

# Lucky Cement Limited

**YB**  
Yunus Brothers

## FORM OF PROXY

I/We \_\_\_\_\_ of \_\_\_\_\_ being member(s) of Lucky Cement Limited holding \_\_\_\_\_ Ordinary shares as per Share Register Folio No. \_\_\_\_\_ and/or CDC Participant I.D. No. \_\_\_\_\_ and Sub Account No. \_\_\_\_\_ hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of \_\_\_\_\_ who is also a member of Lucky Cement Limited, as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 12th Annual General Meeting of the Company to be held on October 20, 2005 and/or any adjournment thereof.

Signed by \_\_\_\_\_ day of October, 2005.

### Witnesses:

1. Signature: \_\_\_\_\_  
Name \_\_\_\_\_  
Address \_\_\_\_\_  
NIC No. \_\_\_\_\_
2. Signature: \_\_\_\_\_  
Name \_\_\_\_\_  
Address \_\_\_\_\_  
NIC No. \_\_\_\_\_

Signature on Rs. 5/- Revenue Stamp
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Signature of members should match with the specimen signature registered with the Company.

### **Important:**

1. In order to be effective, this form of proxy duly completed, stamped, signed and witnessed alongwith Power of Attorney, or other instruments (if any), must be deposited at the Registered Office of the Company at factory premises Pezu, District Lakki Marwat, NWFP at least 48 hours before the time of the meeting.
2. If a member appoints more than one proxy and more than one form of proxy are deposited by a member with the Company, all such forms of proxy shall be rendered invalid.
3. In case of Proxy for an individual beneficial owner of shares from CDC, attested copies of beneficial owner's National Identity Card or Passport, Account and Participant's ID numbers must be deposited alongwith the form of proxy. In case of proxy for representative of corporate members from CDC, Board of Directors' Resolution and/or Power of Attorney with the specimen signature of the nominee must be deposited alongwith the form of proxy. The proxy shall produce his/her original National Identity Card or Passport at the time of the meeting.