

GHULAM FARUQUE GROUP

Annual Report 1996

CHERAT

Cherat Cement Company Limited

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COMPANY INFORMATION

BOARD OF DIRECTORS	Chairman
Mr. Mohammed Faruque	Chief Executive/Managing Director
Mr. Zahid Faruque	Director
Mr. Iqbal Faruque	Director
Mr. Ahmad Faruque	Director
Mr. Mahmood Faruque	Director
Mr. Akbarali Pesnani	
Sahibzada Mirza Mubarak Ahmad	Director

Mr. Razi-ur-Rahman Khan
(Representing NIT)

COMPANY SECRETARY

Rauf Jafrani

AUDITORS

Sidat Hyder Qamar Maqbool & Co.

BANKERS

Muslim Commercial Bank Ltd.
United Bank Ltd.
ABN Amro Bank
Citibank N.A.
American Express Bank Ltd.
ANZ Grindlays Bank plc
Banque Indosuez
Bank of America
National Bank of Pakistan
Allied Bank of Pakistan Limited
REGISTERED OFFICE
Modern Motors House,
Beaumont Road,
Karachi-75530.

FACTORY

Village Lakrai,
P.O. Box 28,
Nowshera.

SALES OFFICE

1st Floor, Betani Arcade,
Jamrud Road,
Peshawar.

REGIONAL OFFICE

3, Sunderdas Road,
Lahore.

CORPORATE OFFICE

No. 7, Mezzanine Level,
Razia Sharif Plaza,
92, Blue Area,
Islamabad.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Fifteenth Annual General Meeting of this Company will be held on Thursday, 26th December 1996 at 5.00 p.m. at the Registered Office of the Company at Modern Motors House, Beaumont Road, Karachi, to transact the following business:

1. To confirm the minutes of the last Annual General Meeting held on 16th November, 1995.
2. To receive and consider audited accounts of the company for the year ended on June 30, 1996 with the Directors' & the Auditors' Report thereon.
3. To declare dividend of Rs. 3/= per share (@ 30%) for the financial year ended on June 30, 1996 as recommended by the Directors.
4. To appoint auditors for the ensuing year and to fix their remuneration.

By Order of the Board
 RAUF JAFRANI
 Company Secretary
 Karachi, 5th November, 1996

NOTE:

1. A member eligible to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend and vote in his/her stead. Proxies to be effective must be in writing and must be received by the Company 48 hours before the Meeting.
2. The register of members will be closed from Thursday, 12th December to Thursday, 26th December 1996 inclusive, and no transfers will be registered during that time. Shares received in order at the registered office of the Company at the close of business on Wednesday 11th December, 1996 will be treated in time for entitlement of the above dividend.
3. The shareholders are requested to notify the Company immediately the change in their address, if any.

**DIRECTORS' REPORT TO THE MEMBERS
 for the year ended 30th June 1996**

Dear Shareholders,
 Your directors have pleasure in presenting to you the 15th annual report on the working results of the company together with the Audited Accounts for the year ended 30th June, 1996.

PRODUCTION:

Since completing the expansion to our plant in March 1995 there has been substantial increase in the production capacity as is reflected by the following figures.

	1995-96	1994-95	% Change
	Tons	Tons	
Clinker	712,492	423,436	68.26
Cement	715,744	437,561	63.58

As the year 1994-95 did not have the benefit of full year's production of the extended plant capacity, the figure may not be strictly comparable, but the figures for 1995-96 definitely reflect an enhancement in plant capacity even higher than what was guaranteed under the contract i.e. 660,000 tons of Clinker per annum.

SALES AND MARKETING:

During the year under review we booked orders for 713,647 tons. Together with pending orders from the last year, we were able to dispatch 721,055 tons of Cement. In other word the total production of cement for the current year, was utilised to meet the demand.

Since we are aiming for still high production with the expanded capacity vigorous efforts are bain9 made to increase our share of market both in NWFP and Punjab. We are happy to report that these efforts have already started showing positive results.

OPERATING RESULTS:

The sales revenues for the year amounted to Rs. 2,212.612 million. Out of this Rs. 534.132 million was paid for excise duty and Rs. 310.155 million towards sales tax, and accordingly net sales comes to Rs. 1,368.325 million compared to Rs. 952.996 million for the last year. The cost of sales comes to Rs. 977.747 million which leaves us a gross profit of Rs. 390.578 million. Deduction are made from the gross profit on account of administration expenses Rs. 28.817 million, selling and distribution expenses Rs. 27.919 million, financial charges Rs. 85.753 million, WPPF Rs. 14.405 million, WWF Rs. 4.084 million and other charges Rs. 3.159 million. After accounting for other income amounting to Rs. 47.167 million the net deductions from the gross profit comes to Rs. 116.97 million. This gives us a net profit before tax Rs. 273.608 million (20% of net sales) for the year. Provision has been made for the taxation at Rs. 107.626 million, thus leaving us a net profit after tax of Rs. 165.982 million (12.13% of net sales) for the year. The total contribution to the exchequer on account of Excise Duty, Sales Tax and Income Tax comes to Rs. 951.913 million (43.02% of gross sales) compared to Rs. 658.762 million for 1994-95. Other comparative figures are reflected in the Financial Statements.

We wish to explain that marginal increase in profit for the year under review as compared to last year despite increase in sales is mainly due to pressure on selling prices, charge for depreciation for extended plant and financial charges for new loans against plant extension, which upto last year were capitalized.

APPROPRIATION OF PROFIT:

To the current year's profit of Rs. 165.982 million addition has been made of Rs. 32.288 million on account of profit brought forward from last year. The total profit thus available for appropriation amounts to Rs. 198.27 million.

Your Directors propose following appropriation of profit:

	Rupees (Million)
Net profit for the year	165.98
Add: unappropriated profit brought forward	32.29
	198.270
	=====
Appropriation:	
Proposed cash dividend @30%	144.40
Transfer to General Reserve	25.00
Balance to be Carried forward	28.87

DEBT OBLIGATION:

We are happy to report that we continue to meet our financial commitments and debt obligations well in time.

FUTURE OUT LOOK

As reported last year the continued expansion of cement industry, without corresponding increase in economic activities in the country rather its slowing down and at the same time the delay or deferment of development project by the government is having serious repercussion on the industry as a whole. We are however fortunate to have been able to do much better than the industry average and hope to do so in foreseeable future also.

HUMAN RESOURCE DEVELOPMENT:

Following up on the concept of human resources development, a number of staff members including executives were sent to various training courses/programmes and seminars to acquire further knowledge in their respective fields.

AUDITORS:

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

ACKNOWLEDGEMENT:

In the end we wish to express our thanks to all the financial institutions including the French Banks who have been associated with the project, for their support and cooperation. We would also like to thank our dealers and customers for their continued association and support. Our special thanks are due to our team of dedicated managers and other executives, supervisors and hard working workers, who continue to put in their best efforts for achieving optimum results year after year.

Thank you,

On behalf of the Board
Cherat Cement Company Limited

(MOHAMMED FARUQUE)
CHAIRMAN

Karachi: 5th November 1996

YEARWISE STATISTICAL SUMMARY

	(Rs. in million)				
	1996	1995	1994	1993	1992
ASSETS EMPLOYED					
Fixed Assets	1,378	1,471	1,453	1,236	1,059
Investments and Long-term Advances					

& Deposits	14	14	12	11	9
Current Assets	638	427	376	357	242
	-----	-----	-----	-----	-----
Total Assets Employed	2,030	1,912	1,841	1,604	1,310
	=====	=====	=====	=====	=====

FINANCED BY

Shareholders' equity	885	864	704	621	457
long-term Liabilities	434	544	633	572	520
Deferred Liabilities	206	165	42	40	31
Current Liabilities	505	339	462	371	302
	-----	-----	-----	-----	-----
Total Funds Invested	2,030	1,912	1,841	1,604	1,310
	=====	=====	=====	=====	=====

TURNOVER & PROFIT

Turnover (Net)	1,368	953	530	763	630
Operating Profit	334	337	143	309	197
Profit before Taxation	274	289	122	277	157
Profit after Taxation	166	159	83	164	73
Dividend	144	96	64	64	33
Transfer to Reserves	25	55	15	100	40
Profit c/f	29	32	24	20	20

Contd.

(Rs. in million)

	1991	1992	1989	1988	1987
ASSETS EMPLOYED					
Fixed Assets	861	614	564	594	621
Investments and Long-term Advances & Deposits	73	50	92	92	45
Current Assets	154	225	153	102	80
	-----	-----	-----	-----	-----
Total Assets Employed	1,088	889	809	788	746
	=====	=====	=====	=====	=====

FINANCED BY

Shareholders' equity	385	314	303	294	230
long-term Liabilities	438	257	266	296	326
Deferred Liabilities	2	--	--	--	--

Current Liabilities	263	318	240	198	190
	-----	-----	-----	-----	-----
Total Funds Invested	1,088	889	809	788	746
	=====	=====	=====	=====	=====

TURNOVER & PROFIT

Turnover (Net)	550	466	373	471	484
Operating Profit	130	101	101	169	120
Profit before Taxation	85	55	54	114	58
Profit after Taxation	70	55	54	115	57
Dividend	25	45	45	50	40
Transfer to Reserves	40	20	15	50	15
Profit c/f	20	15	25	31	16

RATIO ANALYSIS ON ACCOUNTS

for the year ended 30th June 1996

	1996	1995
PROFITABILITY:		
Gross Profit (percentage)	28.54	44.75
Operating Profit (percentage)	24.40	35.32
Profit Before Tax (percentage)	20.00	30.34
Net Profit After Tax (percentage)	12.13	16.75
Growth in Net Profit After Tax (percentage)	3.97	92.43
Net Profit to Share Holders' Equity (Average after tax) (percentage)	18.98	20.37
E.P.S (Before Tax)	568	7.51
E.P.S (After Tax)	3.45	4.15
Net Profit to Total Assets (Average after tax) (percentage)	842	8.51
Increase in Sales (Gross percentage)	4,927	96.68
Increase in Sales (Net percentage)	4,358	79.91
Materials % of Net Sales	1,813	12.21
Labour % of Net Sales	383	4.50
Other Cost of Sales Expenses % of Net Sales	4,949	38.54
Raw & Packing Material as % of Cost of Sales	25.37	22.09
Administrative Expenses % of Net Sales	210	2.31
Selling Expenses % of Net Sales	204	1.70
Income Tax % of Net Sales	7.87	13.59
Financial, other charges, (other income) % of Net Sales	4.40	4.98
SHORT TERM SOLVENCY:		
Working Capital Ratio	1.6:1	1.86:1
Acid Test Ratio	1.41:1	1.41:1
Working Capital Turn Over (Net Sales) times	5.74	4.85

Inventory Turn Over/times	17.86	25.72
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OVERALL VALUATION AND ASSESSMENT:

Number of Time Interest Earned	4.19	6.65
Return on Capital Employed before tax (Average in percentage)	18.05	19.60
P.E Ratio (Before tax)	4.75	6.66
Book Value Per Share	18.39	22.40
Debt Ratio	0.56:1	0.55:1

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of CHERAT CEMENT COMPANY LIMITED as at 30th June 1996 and the related profit and loss account and cash flow statement, 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 and, after due verification thereof, 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 the accounting policies consistently applied;

ii) the expenditure incurred during the year was for the purpose of the Company's business; and

iii) the business conducted, investment made and the expenditure incurred during the year were in accordance with the objects of the Company;

c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet and the profit and loss account, together with the notes forming part thereof, 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 30th June 1996 and of the profit and the cash flow statement for the year then ended; and

d) in our opinion, no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

SIDAT HYDER QAMAR MAQBOOL & CO.
CHARTERED ACCOUNTANTS

Karachi: 5th November 1996

BALANCE SHEET AS

AT 30TH JUNE 1996

	Note	1996 (Rupees '000)	1995
SHARE CAPITAL			
Authorised 50,000,000 (1995: 50,000,000) ordinary shares of Rs. 10/- each		500,000	500,000
		=====	=====
Issued, subscribed and paid-up	3	481,324	385,059
RESERVES	4	403,873	478,553
		-----	-----
		885,197	863,612
REDEEMABLE CAPITAL	5	138,392	157,409
LONG-TERM LOANS	6	211,578	269,095
LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE	7	43,001	43,512
DEFERRED LIABILITIES	8	205,558	164,836
LONG-TERM DEPOSITS - unsecured	9	41,626	73,647
CURRENT LIABILITIES			
Short-term finance	10	65,021	71,179
Current maturity	11	105,135	108,806
Creditors, accrued and other liabilities	12	126,197	152,616
Unclaimed dividend		472	494
Taxation		63,500	6,500
Proposed dividend		144,397 -	
		-----	-----
		504,722	339,595
Contingencies and commitments	13		
		-----	-----
		2,030,074	1,911,706
		=====	=====
AUDITORS' REPORT ANNEXED			
FIXED ASSETS - TANGIBLE			
Operating assets - at book value	14	1,296,984	1,380,193
Assets subject to finance lease	15	79,943	90,483
Capital work-in-progress	16	918	-

		-----	-----
		1,377,845	1,470,676
INVESTMENTS - at Cost	17	6,500	6,500
LONG-TERM DEPOSITS		7,959	7,152
CURRENT ASSETS			
Stores, spares and loose tools	18	234,858	163,170
Stock-in-trade	19	72,530	36,970
Advances, deposits, prepayments and other receivables	20	141,578	77,893
Shod-term investments	21	127,053	112,166
Cash and bank balances	22	61,751	37,179
		-----	-----
		637,770	427,378
		-----	-----
		2,030,074	1,911,706
		=====	=====

These accounts should be read with the annexed notes.

PROFIT AND LOSS ACCOUNT
for the year ended 30th June 1996

		1996	1995
		(Rupees '000)	
Sales	23	1,368,325	952,996
Cost of sales	24	977,747	526,532
		-----	-----
Gross profit		390,578	426,464
Administration expenses	25	28,817	22,025
Selling and distribution expenses	26	27,919	67,841
		-----	-----
		56,736	89,866
		-----	-----
Operating profit		333,842	336,598
Financial charges	27	85,753	51,151
Other charges	28	3,159	839
Other income	29	(47,167)	(19,749)
Workers' Profit Participation Fund		14,405	15,217

Workers' Welfare Fund	4,084	-
	-----	-----
	60,234	47,458
	-----	-----
Net profit for the year before tax	273,608	289,140
Taxation	30 107,626	129,500
	-----	-----
Net profit after tax	165,982	159,640
Accumulated profit brought forward	32,288	23,913
	-----	-----
Profit available for appropriation	198,270	183,553
Appropriations:		
Transfer to general reserve	25,000	55,000
Proposed cash dividend @30% (1995: Bonus Shares in the ratio of 1:4)	144,397	96,265
	-----	-----
	169,397	151,265
	-----	-----
Accumulated profit carried forward	28,873	32,288
	=====	=====

These accounts should be read with the annexed notes.

CASH FLOW STATEMENT

for the year ended 30th June 1996

	1996	1995
	(Rupees '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	273,608	289,140
Adjustments:		
Depreciation	158,109	76,121
Amortization	-	1,774
Gain on sale of fixed assets	(173)	(1,411)
Provision for obsolete stock	12,372	-
	-----	-----
	170,308	76,484
	-----	-----
Operating profit before changes	443,916	365,624
(Increase) / decrease in operating assets		
Stores and spares	(84,060)	(20,983)
Stock-in-trade	(35,560)	(11,744)

Loans and advances	(23,055)	4,925
	-----	-----
	(142,675)	(27,802)
	-----	-----
	301,241	337,822
Increase / (decrease) in current liabilities		
Shod-term finance	(6,158)	(3,383)
Creditors, accrued and other liabilities	(26,419)	(104,559)
Dividend	(22)	(38)
	-----	-----
	(32,599)	(107,980)
	-----	-----
Net cash from operating activities	268,642	229,842
Income tax paid	-	(33,082)
	-----	-----
Net cash flow from operating activities after tax	268,642	196,760
	-----	-----
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(87,969)	(22,389)
Incurred capital expenditure	(918)	(75,324)
Sale proceed of fixed assets	479	15,395
Purchase of investment	-	(3,000)
Proceeds from short-term investment	(14,887)	-
Payment of long-term deposit	(807)	1,111
	-----	-----
Net cash from investing activities	(104,102)	(84,207)
	-----	-----
Net cash after investing activities	164,540	112,553
	-----	-----
CASH FLOW FROM FINANCING ACTIVITIES		
Redeemable capital	(16,130)	2,456
Long-term loans	(68,197)	(46,613)
Liabilities subject to finance lease	(23,342)	(26,489)
Long-term deposits	(32,021)	(16,010)
Payment of gratuity	(278)	(279)
	-----	-----
NET CASH FLOW FROM FINANCING ACTIVITIES	(139,968)	(86,935)
Net cash flow after financing activities	24,572	25,618
Cash and bank at the beginning of the year	37,179	11,561
	-----	-----
Cash and bank at the end of the year	61,751	37,179

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NOTES TO THE ACCOUNTS

for the year ended 30th June 1996

1. NATURE OF BUSINESS

The Company was incorporated in Pakistan as a public limited company quoted on the Karachi and Lahore Stock Exchanges. Its main business activity is manufacturing and marketing of cement.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Overall valuation policy

These accounts have been prepared on the basis of historical cost 'convention'.

2.2 Staff retirement benefits

The Company operates approved provident fund scheme for all eligible employees. The scheme is administered by Trustees nominated under relevant Trust Deeds and is funded on the basis of entitlement of employees.

The Company operates a funded gratuity scheme for all eligible employees who have completed the minimum qualifying period of service as on the balance sheet date. The scheme is administered by trustees nominated under relevant trust deeds. The contributions to the scheme is made in accordance with independent actuarial advice using Entry Age Normal (EAN) actuarial cost method. The actuarial valuation was carried out as of 30 June 1992.

The principal long-term assumption used for the purpose of the actuarial valuation were as follows:

Rate of salary increase-management	12%
Rate of salary increase-non-management	10%
Rate of investment income	14%
Withdrawal rates are assumed by the actuary	

The present value according to the actuarial valuation are as follows:

Benefits	Rs. 17.420 million
Assets of the fund including accrued interest	Rs. 0.922 million

2.3 Taxation

The charge for current taxation is based on taxable income. Deferred liability for taxation, if any, is accounted for by using the liability method on all major timing differences.

2.4 Fixed assets and depreciation

2.4.1 Operating assets

Operating fixed assets except freehold and leasehold land are stated at cost less accumulated depreciation. Freehold and leasehold land and capital work-in-progress are stated at cost. Depreciation is charged to income applying the reducing balance

method. Full year's depreciation is charged on additions while no depreciation is charged on assets deleted.

Maintenance and repairs are charged to income as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired.

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

2.4.2 Assets subject to finance lease

Assets subject to finance lease are stated at the lower of present value of minimum lease payments under the lease agreement and the fair value of the assets. The related obligations of the lease are accounted for as liabilities. Assets acquired under finance lease are depreciated over the useful life of the assets.

2.5 Investments

Investments are stated at cost. However provisions are made for permanent diminution in value of investments, if any.

2.6 Stores, spares and loose tools

These are valued at moving average cost. However, provision is made for slow-moving and obsolete items, if any. Items in transit are valued at cost, comprising invoice values plus other charges paid thereon, to the balance sheet date.

2.7 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realizable value. Cost signifies in relation to raw material at weighted average, packing material at first-in-first-out, work-in-process and finished goods at average cost comprising direct material, labour and appropriate manufacturing overheads.

2.8 Foreign currency transactions

Assets and liabilities in foreign currency are translated into rupees at the rates of exchange ruling at the balance sheet date except in the case of certain foreign currency loans which are covered under exchange risk cover scheme. Transactions in foreign currencies are converted into rupees at the rate of exchange ruling on the date of transaction except those covered under forward contracts which are translated at the contractual rates. Exchange gains and losses are included in income currently.

2.9 Revenue recognition

2.9.1 Sales

Sales are recorded on despatch of goods to customers.

2.9.2 Investments

Return on investments in government securities and bonds is recognized at the rates specified in the respective investment schemes and accrued for the period. The income is recognised on time proportion basis by taking into consideration the preceding rate of return.

Income in respect of dividend is recognised on receipt basis.

3. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Fully paid ordinary shares of Rs. 10/- each

1996 (Number of Shares)	1995		1996 (Rupees '000)	1995 (Rupees '000)
19,842,000	19,842,000	Issued for cash	198,420	198,420
		Issued as bonus shares:		
18,663,882	12,246,235	At beginning of the year	186,639	122,462
9,626,470	6,417,647	During the year	96,265	64,177
-----			-----	-----
28,290,352	18,663,882		282,904	186,639
-----			-----	-----
48,132,352	38,505,882		481,324	385,059
=====			=====	=====

4. RESERVES

	1996 (Rupees '000)	1995 (Rupees '000)
Revenue reserve		
At beginning of the year	350,000	295,000
Transferred from profit and loss account	25,000	55,000
	-----	-----
	375,000	350,000
Reserve for issue of bonus shares	-	96,265
Accumulated profit	28,873	32,288
	-----	-----
	403,873	478,553
	=====	=====

5. REDEEMABLE CAPITAL - secured

Long Term- Term Finance Certificates (LT-TFC)	5.1	75,590	81,416
Locally Manufactured Machinery (LMM)	5.2	81,818	92,122
		-----	-----
		157,408	173,538
Current portion		(19,016)	(16,129)
		-----	-----
		138,392	157,409
		=====	=====

5.1 The Company entered into "Investment Agreement" dated 19 June 1990 with Bankers Equity Limited and the Commercial banks referred to as the "syndicate" to meet a portion of the local

currency cost of extension of plant.

5.1.1 The sanctioned amount of Rs. 81.403 million has been designated as "Sale Price" against which Rs. 132.178 million net of prompt payment rebate is eventually payable by the Company and is designated as "Purchase Price" payable in fourteen half-yearly instalments commenced after six months from the commercial production of the extended project.

5.1.2 The Company has issued Long Term - Term Finance Certificates (LT-TFCs) for the amount equal to purchase price and has executed trust deed by creating registered mortgage on immovable assets of the Company ranking pari-passu with the other lenders and a floating charge on all movable assets including its uncalled capital, book debts and the investment properly to secure payment of purchase price, redemption of the LT-TFCs and all other dues payable under the agreement.

5.1.3 In the event of the Company failing to redeem LT-TFCs on its due date it shall pay to the holder of such LT-TFCs additionally an amount equivalent to 20 percent of the face value of such LT-TFCs as and by way of liquidated damages.

5.2 The Company entered into an agreement dated 19 June 1990 with Bankers Equity Limited for financing locally manufactured machinery for the extension of plant.

5.2.1 The sanctioned amount of Rs. 92.122 million has been designated as "Contract Price" against which Rs. 116.293 million net of prompt payment rebate is eventually payable by the Company and is designated as "Purchase Price", payable in twenty-eight quarterly instalments commenced after six months from the commercial production of the extended project.

5.2.2 The repayment of the contract price plus the mark-up by the Company to the Bankers Equity Limited has been guaranteed by the Nationalised Commercial Banks (NCBs) to the extent of 40 percent against the security of charge created by the Company in favour of NCBs for the respective amounts.

5.2.3 All amounts due from the Company has been secured by a mortgage by deposit of title deeds of all the movable and immovable properties and shall rank pari-passu with the mortgage in favour of other creditors. Further the Company has executed a demand promissory note of the value of the purchase price and delivered to Bankers Equity Limited.

	Note	1996	1995
		(Rupees '000)	
6. LONG-TERM LOANS - secured			
Foreign currency loan			
From a financial institution	6.1	4,862	14,562
From consortium of foreign banks			
- Loan	6.2	5,859	17,577
- Credit	6.3	261,882	308,661
		-----	-----
		272,603	340,800

Current portion	(61,025)	(71,705)
	-----	-----
	211,578	269,095
	=====	=====

6.1 The Company entered into an agreement with Bankers Equity Limited for foreign currency loan aggregating French Francs 140.021 million. Half of this loan is composed of State credit and the other half bank credit. The Company has utilised equivalent of French Francs 139.554 million.

6.1.1 The above loan is secured by legal mortgage of all immovable properties, hypothecation of machinery and movable properties, a floating charge on other assets ranking pari-passu with charges existing on all such properties of the Company. These securities include both the present and future assets of the Company.

6.1.2 The balance of loan outstanding comprising State credit is payable on 30 June 1997,

6.1.3 Interest on the above loan is payable semi-annually at the rate of 11 percent per annum plus 3 percent exchange risk fee payable to Government of Pakistan through the Bankers Equity Limited on the outstanding principal amount.

6.2 The Company has entered into an agreement with a consodium of French Banks for foreign currency loan of US Dollars 2.719 million for extension of its plant.

6.2.1 The above represents utilised amount under the first agreement which is secured by guarantee given by National Bank of Pakistan and counter guarantee by Bankers Equity Limited and other nationalised commercial banks. Such guarantee is secured by mortgage of Company's immovable properties, first charge by way of hypothecation of machinery and movable properties ranking pari-passu with charges existing on all such properties of the Company.

6.2.2 The last instalment of loan outstanding is payable on 7 December 1996.

6.2.3 Interest on above loan is payable at the rate of 1-7/16 percent per annum above six months London Inter Bank Offered Rate and 3.88 percent per annum exchange risk fee payable to Government of Pakistan through National Bank of Pakistan on the outstanding principal amount. In addition to the above, the Company shall also pay to the guarantors a guarantee commission at the rate of 1.6 percent per annum on the outstanding principal amount.

6.3 The Company has entered into agreement with a consodium of French Banks for foreign currency loan of US Dollars 16.160 million including credit insurance premium.

6.3.1 The above represents utilised amount which is secured by guarantee given by National Bank of Pakistan and counter guarantee by Bankers Equity Limited and other nationalised commercial banks. Such guarantee is secured by mortgage of Company's immovable properties, first charge by way of hypothecation of machinery and movable

properties ranking pari-passu with charges existing on all such properties of the Company.

6.3.2 The balance of loan is payable in 10 equal half-yearly instalments.

6.3.3. Interest on the above loan is payable at the rate of 8.30 percent per annum plus 3.88 percent per annum exchange risk fee payable to Government of Pakistan through National Bank of Pakistan on the outstanding principal amount except on USS 753,399 payable to Coface on which no exchange coverage has been made. In addition to the above, the Company shall also pay to the guarantors a guarantee commission at the rate of 1.6 percent per annum on the total amount of guarantee less amount of principal repaid.

	1996	1995
	(Rupees '000)	
7. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Balance as on 1 July	64,484	81,003
Assets acquired during the year	26,953	9,970
	-----	-----
	91,437	90,973
Less: Payment made	23,342	26,489
Current portion of the liability	25,094	20,972
	-----	-----
	48,436	47,461
	-----	-----
	43,001	43,512
	=====	=====

7.1 The total lease rentals due under the lease agreement aggregate Rs. 68.096 million (1995: Rs. 64.484 million).

7.2 Overdue rentals payments are subject to an additional charge of 2 percent per month. Taxes, repairs, replacement and insurance costs are to be borne by the lessee. In case of termination of agreement, the lessee is to pay entire rent for unexpired period.

7.3 Instalments are payable in the following periods:

Year	1996	1995
	(Rupees '000)	
1995-96	-	29,001
1996-97	32,778	25,154
1997-98	26,925	19,300
1998-99	11,667	4,042
1999-2000	9,070	1,446

2000-2001

	3,000	-
-----	-----	
	83,440	78,943
	15,344	14,459
-----	-----	
	68,096	64,484
=====	=====	

7.4 Financing rate of approximately 19 to 23 percent per annum has been used as discounting factor.

Note	1996	1995
	(Rupees '000)	

8. DEFERRED LIABILITIES

Staff retirement gratuity	8.1	558	836
Deferred taxation			
Represents the tax effect of timing differences relating to:			
Accelerated tax depreciation allowance		169,000	138,000
Deferred liability arising due to allowance of lease rentals		36,000	26,000
		-----	-----
		205,000	164,000
		-----	-----
		205,558	164,836
		=====	=====

8.1 Represents two annual instalments (1995: three annual instalments) of Rs. 278,800/- each payable after 1 July 1996 in respect of gratuity as per the terms governing the approval of the scheme.

Note	1996	1995
	(Rupees '000)	

9. LONG-TERM DEPOSITS - unsecured

Dealers	9.1	40,826	72,921
Suppliers and Contractors	9.2	800	726
		-----	-----
		41,626	73,647
		=====	=====

9.1 This represents interest-free security deposit, received from agency holders and is repayable on cancellation or withdrawal of agency and adjustable with unpaid amount of sales.

9.2 This represents interest-free security deposits, received from suppliers and contractors and is repayable after the satisfactory execution of the agreements.

	Note	1996	1995
		(Rupees '000)	
10. SHORT-TERM FINANCE - secured			
Running finance	10.1	65,021	71,179
		=====	=====

10.1 The Company has an aggregate running finance facility of Rs. 215.00 million (1995: Rs. 215.00 million) available from commercial banks. The facility is secured by pledge of Foreign Exchange Bearer Certificates, Civil Aviation Authority Bonds and hypothecation of stock. It carries mark-up at the rate of 41 to 45 paisas per Rs. 1,000 calculated on daily product basis. The mark-up is payable quarterly.

	Note	1996	1995
		(Rupees '000)	
11. CURRENT MATURITY			
Redeemable capital	5	19,016	16,129
Long-term loans	6	61,025	71,705
Liabilities against assets subject to finance lease	7	25,094	20,972
		-----	-----
		105,135	108,806
		=====	=====

	Note	1996	1995
		(Rupees '000)	
12. CREDITORS, ACCRUED AND OTHER LIABILITIES			
Creditors			
Associated companies		124	48
Others		7,083	9,412
Accrued liabilities		10,361	27,057
Advances from customers			
An associated company		-	373
Others		33,695	40,795
Accrued interest on long-term foreign currency loan - secured		6,773	8,882
Mark-up on LMM		-	2,927
Return on LT-TFCs		2,901	3,863
Mark-up on short-term finance		1,002	3,150
Foreign exchange risk fee		2,965	9,056
Staff Provident Fund		46	50
Retention money		518	634
Staff Gratuity Fund		5,026	1,695
Workers' Profit Participation Fund	12.1	14,405	15,217
Workers' Welfare Fund		4,186	1,908
Sales tax		28,708	22,295

Others	8,402	5,254
	-----	-----
	126,197	152,616
	=====	=====

12.1. Workers' Profit Participation Fund

Balance as at 1 July	15,217	6,519
Add: Interest thereon	77	83
	-----	-----
	15,294	6,602
Less: Payment during the year	15,294	6,602
	-----	-----
	--	--
Add: Contribution for the year	14,405	15,217
	-----	-----
	14,405	15,217
	=====	=====

Full provision has been made for contribution to the fund. The contribution and interest thereon is paid annually to the fund from the Company's working capital within the time limit specified in the Companies Profit (Workers' Participation) Act, 1968.

1996 1995
(Rupees '000)

13. CONTINGENCIES AND COMMITMENTS

13.1. Guarantees issued by commercial banks on behalf of the Company

2,660	-
-----	-----

13.2 Letters of credit issued by commercial banks

32,044	40,131
=====	=====

13.3 Aggregate rentals in respect of assets acquired under operating lease amounted to Rs. 16.070 million (1995: Rs. 7.495 million) payable as follows:

Year	1996 (Rupees '000)	1995
1995-96	-	3,546
1996-97	7,088	3,306
1997-98	4,425	643
1998-99	3,483	-
1999-2000	1,074	-
	-----	-----
	16,070	7,495
	=====	=====

13.4 Claims not acknowledged as debt by the Company

-	1,945
---	-------

13.5 Capital commitment

	=====	=====	
	1,509	-	
	=====	=====	

14. OPERATING ASSETS - at book value

14.1 The following is a statement of operating assets:

(Rupees '000)

Description	Cost at 1 July 1995	Additions/ (deletions)/ *Transfer	Cost at 30 June 1996	Accumulated depreciation at 1 July 1995	Depreciation for the year
Freehold land	1,605	-	1,605	-	-
Leasehold land	3,476	-	3,476	-	-
Building on freehold land	257,587	6,121	263,708	104,979	15,471
Plant and machinery	1,556,032	6,493 50,257*	1,612,782	378,833 24,758	120,919
Power and other installations	36,288	1,231 (15)	37,504	21,589	1,492
Motor vehicles	7,950	(676)	7,274	4,851	766
Quarry, factory and laboratory equipments	45,540	20,791	66,331	33,002	5,003
Furniture, fixtures & office equipments	26,890	3,075 (78)	29,887	11,920	2,463
Total	1,935,368	37,711 (769) 50,257*	2,022,567	579,932	146,114
Total	824,825	1,126,085	1,935,368 (15,542)	494,324	62,406

Contd.

14.1 The following is a statement of operating assets:

Description	(Rupees '000)			
	Depreciation on disposal	Accumulated depreciation as at 30 June 1996	Book value at 30 June 1996	Rate% per annum
Freehold land	-	-	1,605	-
Leasehold land	-	-	3,476	-
Building on freehold land	-	120,450	143,258	5-10
Plant and machinery	-	524,510	1,088,272	10
Power and other installations	-	23,078	14,426	10
Motor vehicles	(3)	5,207	2,067	20
Quarry, factory and laboratory equipments	(410)	38,005	28,328	15
Furniture, fixtures & office equipments	-	14,333	15,554	10-20
	(50)			
Total	(463)	725,583	1,296,984	
	=====	=====	=====	
Total	(1,555)	555,175	1,380,193	
	=====	=====	=====	

14.2 A portion of the land has been leased to Cherat Electric Limited.

1996 1995
(Rupees '000)

14.3. The depreciation for the year has been allocated as follows:

Cost of production	144,092	60,609
Administration expenses	1,341	1,075

Selling and distribution expenses	681	722
	-----	-----
	146,114	62,406
	=====	=====

15. ASSETS SUBJECT TO FINANCE LEASE

15.1 The following is a statement of assets subject to finance lease:

Description	Cost at 1 July 1995	Additions/ (deletions)/ *Transfer	Cost at 30 June 1996	Accumulated depreciation at 1 July 1995	Depreciation for the year
Plant and machinery	60,227	26,953 (50,257)*	36,923	25,755	3,593
Quarry equipment	85,578	-	85,578	29,567	8,401
Total	145,805	26,953 (50,257)*	122,501	55,322	11,994
1995	135,834	9,971	145,805	40,545	14,777

Contd.

Description	Deprecia- tion on disposal	Accumul- ated at 30 June 1996	Book value at 30 June 1996	Rate % per annum
Plant and machinery	(24,758)	4,590	32,333	10
Quarry equipment	-	37,968	47,610	15
Total	(24,758)	42,558	79,943	
1995	-	55,322	90,483	

15.2 The depreciation for the year has been allocated to cost of production.

1996 1995

16. CAPITAL WORK-IN-PROGRESS

Civil Work	500	-
Renovation at head office	418	-
	-----	-----
	918	-
	=====	=====

17. INVESTMENTS - at cost

In associated undertakings

Quoted

Greaves Airconditioners Limited
150,000 (1995: 150,000) fully paid
ordinary shares of Rs. 10/- each;
market value Rs. 2.250 million;
equity held 12.5% (1995: 12.5%)

1,500	1,500
-------	-------

Cherat Papersack Limited
200,000 (1995: 200,000) fully paid
ordinary shares of Rs. 10/- each;
market value Rs. 8.6 million

2,000	2,000
-------	-------

Unquoted

Cherat Electric Limited
300,000 (1995: 300,000) fully paid
ordinary shares of Rs. 10/- each
(Chief Executive: Mr. Iqbal Faruque)

3,000	3,000
-------	-------

-----	-----
6,500	6,500
=====	=====

Note	1996	1995
	(Rupees '000)	

18. STORES, SPARES AND LOOSE TOOLS

Stores	49,784	79,094
Spares	100,959	141,494
Loose tools	1,671	1,283
Spare in Transit	10,756	25,359

-----	-----
247,230	163,170

Less: Provision for obsolete and
slow moving stock

(12,372)	-
----------	---

-----	-----
234,858	163,170
=====	=====

19. STOCK-IN-TRADE

Raw and packing material	10,148	6,977
--------------------------	--------	-------

Work-in-process	52,679	14,536
Finished goods	9,703	15,457
	-----	-----
	72,530	36,970
	=====	=====

20. ADVANCES, DEPOSITS PREPAYMENT

AND OTHER RECEIVABLES

Advances - unsecured, considered good

Employees		4,322	3,078
Executives	20.1	434	591
Suppliers			
Associated companies	20.2	7,447	3,558
Others		13,329	3,575
Advance income tax		50,629	10,352
		76,161	21,154
Deposits			
Security deposit		1,991	24,671
Letter of credit & guarantee margin deposit		-	125
		1,991	2,592
Margin held by bank		1,128	-
Prepayments			
Excise duty		9,963	50,941
Others		2,050	2,194
		12,013	7,288
Other receivables			
Accrued return on investment		42,078	35,191
Octroi refundable		845	629
From State Bank of Pakistan		-	
Others		7,362	5,518
		-----	-----
		50,285	46,859
		-----	-----
		141,578	77,893
		=====	=====

20.1 The maximum aggregate amount due from executive of the Company at the end of any month during the year was Rs. 0.734 million (1995: Rs. 0.676 million).

20.2 The maximum aggregate amount due from associated undertakings at the end of any month during the year was as stated below:

Associated companies	Note	1996	1995
-----------------------------	------	------	------

	(Rupees '000)	
Greaves Airconditioning (Private) Limited	99	94
Greaves Airconditioners Limited	2,746	2,871
Greaves Cotton Pakistan (Pvt.) Limited	152	20
Qasim International Containers Terminal Pakistan Limited	10	-
Faruque (Private) Limited	43	40
Mirpurkhas Sugar Mills Limited	423	184
Cherat Electric Limited	15,054	204
Cherat Papersack Limited	236	40

21. SHORT-TERM INVESTMENTS

Civil Aviation Authority Bonds	21.10	5,000	5,000
Foreign Exchange Bearer Certificates	21.20	117,053	102,166
Short Notice Term Deposits		5,000	5,000
		-----	-----
		127,053	112,166
		=====	=====

	Face Value Rs. ('000)	Years of maturity	Rate of interest per annum (%)
21.1 Civil Aviation Authority Bonds	5,000	5	12.50
21.2 Foreign Exchange Bearer Certificates	110,143	6	21.83

1996 1995
(Rupees '000)

22. CASH AND BANK BALANCES

With banks			
On current accounts		61,692	32,269
In hand			
Cheques, pay-orders and demand drafts		-	4,761
Cash		59	149
		-----	-----
		59	4,910
		-----	-----
		61,751	37,179
		=====	=====

1996 1995
Note (Rupees '000)

23. SALES - net

Sales		2,212,612	1,482,258
-------	--	-----------	-----------

Less: Excise duty	534,132	330,789
Sales Tax	310,155	198,473
	-----	-----
	844,287	529,262
	-----	-----
	1,368,325	952,996
	=====	=====

24. COST OF SALES

Raw and packing material consumed		
Opening	6,977	14,282
Purchases	251,268	109,009
	-----	-----
	258,245	123,291
Closing stock	(10,148)	(6,977)
	-----	-----
	248,097	116,314
Stores and spares consumed	73,780	34,882
Fuel and power	424,909	252,327
Salaries, wages and benefits	52,523	42,893
Rent, rates and taxes	352	182
Insurance	17,578	8,017
Repairs and maintenance	3,243	2,263
Depreciation 14.3 & 15.2	156,086	74,324
Miscellaneous manufacturing overheads	21,195	14,379
Provision for obsolete stock	12,373	-
	-----	-----
	1,010,136	545,581
Work-in-process		
Opening	14,536	4,633
Closing	(52,679)	(14,536)
	-----	-----
Cost of goods manufactured	971,993	535,678
Finished goods		
Opening	15,457	6,311
Closing	(9,703)	(15,457)
	-----	-----
	977,747	526,532
	=====	=====
	1996	1995

	Note	(Rupees '000)	
25. ADMINISTRATION EXPENSES			
Salaries, wages and benefits		10,608	7,639
Travelling and conveyance		2,475	2,035
Vehicle and running expenses		803	619
Communications		1,141	923
Printing and stationery		951	663
Rent, rates and taxes	25.1	5,454	4,333
Utilities		879	1,060
Repairs and maintenance		1,053	1,106
Legal and professional charges		1,655	969
Insurance		880	720
Auditors' remuneration	25.2	270	82
Subscription		439	417
Advertisements		166	207
Staff training expenses		117	45
Entertainment		65	37
Depreciation	14.3	1,341	1,075
Miscellaneous		520	95
		-----	-----
		28,817	22,025
		=====	=====

25.1 Rent, rates and taxes includes lease rentals of Rs. 3.683 million (1995: Rs. 3.467 million) incurred on motor vehicles and computers under operating leases.

	1996	1995
	(Rupees '000)	
25.2 Auditors' Remuneration		
Audit fee	75	60
Tax, corporate and other services	166	13
Out of pocket expenses	18	9
Others	11	-
	-----	-----
	270	82
	=====	=====

Note	1996	1995
	(Rupees '000)	

26. SELLING AND DISTRIBUTION EXPENSES

Salaries, wages and benefits	9,562	7,440
Travelling and conveyance	1,635	1,280
Staff training expenses	5	20

Vehicle running expenses		667	505
Communications		1,873	1,475
Printing and stationery		537	344
Rent, rates and taxes		498	394
Utilities		1,179	753
Repairs and maintenance		431	335
Insurance		864	389
Freight		8,538	52,532
Advertisement		925	1,369
Entertainment		34	13
Depreciation	14.3	681	722
Miscellaneous		490	270
		-----	-----
		27,919	67,841
		=====	=====

27. FINANCIAL CHARGES

Mark-up on redeemable capital		17,191	4,447
Interest on long-term loans		25,747	10,072
Financial charges on lease arrangements		13,242	12,195
Mark-up and bank charges		19,213	20,706
Foreign exchange risk fee		10,360	3,731
		-----	-----
		85,753	51,151
		=====	=====

Note 1996 1995
(Rupees '000)

27.1 The institution wise position is as follows:

Bankers Equity Limited		12,526	6,303
National Bank of Pakistan Limited		1,641	457
Habib Bank Limited		2,087	306
United Bank Limited		1,641	457
Muslim Commercial Bank Limited		1,162	274
Allied Bank of Pakistan Limited		774	183
CFClC-UE, France		1,074	525
BFCE, France		25,734	6,772
State Bank of Pakistan		10,360	2,974
National Development Leasing Corp. Ltd.		1,183	1,436
Orix Leasing Pakistan Limited		2,051	1,764
First Grindlays Modaraba		3,573	1,589
Pakistan Industrial Leasing Corporation		4,925	6,420
Askari Leasing Limited		1,511	985
Other commercial banks		15,511	20,706

-----	-----
85,753	51,151
=====	=====

28. OTHER CHARGES

Donations	28.1	1,239	631
Interest on Workers' Profit Participation Fund		77	83
Interest on gratuity fund:			
Current		765	-
Prior		1,078	-
		-----	-----
		1,843	-
Zakat		-	125
		-----	-----
		3,159	839
		=====	=====

28.1 Recipients of donation do not include any donee in whom any director or his spouse had any interest.

Note	1996	1995
	(Rupees '000)	

29. OTHER INCOME

Return on:			
Civil Aviation bonds		625	625
Foreign Exchange Bearer Certificates		21,900	15,593
Short Notice Term Deposits		530	468
		-----	-----
		23,055	16,686
Profit on Profit and Loss Sharing Account'		737	868
Gain on disposal of fixed assets	29.1	173	1,251
Gain on sale and lease back arrangement		-	160
Dividend income		1,400	400
Scrap sales		644	216
Insurance claim		21,022	-
Rent income		132	154
Miscellaneous		4	14
		-----	-----
		47,167	19,749
		=====	=====

29.1 Disposal of Fixed Assets.

(Rupees in '000)

Sr.			Book	Sale	Gain/
No.	Purchased	Description	Value	Proceed	(Loss)
			Cost		

1.	1993-94	Fax Machine (Muratec Fascimile)	14	11	5	(6)
2.	1994-95	Hino Truck Regn. 828-766	34	28	66	38
3.	1991-92	Suzuki Alto Regn. No.T-7552	134	55	70	15
4.	1991-92	Suzuki Khyber Regn. No.U-4782	207	85	105	20
5.	1987-88	Suzuki FX-800 Regn. No. PRL-8778	101	17	30	13
6.	1991-92	Suzuki Swift Regn. No. PRH-7950	199	82	175	93
7.	1987-88	Photocopier (Minolta EP4502)	65	18	25	7
8.	1993-94	Washing Machine	12	9	1	(8)
9.	1985-86	Washing Machine	2	1	1	0
10.	1988-89	Telephone	1	0	1	1
			-----	-----	-----	-----
			769	306	479	173
			=====	=====	=====	=====

Contd.

Sr. No.	Purchased	Description	Mode of Disposal	Sold to
1.	1993-94	Fax Machine (Muratec Fascimile)	By Negotiation	Hassan International 320, Central Hotel Annexe Merewether Road, Karachi.
2.	1994-95	Hino Truck Regn. 828-766	Tender Notice	Sheikh Abdul Karim & Bros Near Suphaid Masjid Akora Khattak Nowshera.
3.	1991-92	Suzuki Alto	By Negotiation	Afridi Motors

		Regn. No.T-7552		Sabzi Mandi, University Road, Karachi.
4.	1991-92	Suzuki Khyber Regn. No.U-4782	By Negotiation	Afridi Motors Sabzi Mandi, University Road, Karachi.
5.	1987-88	Suzuki FX-800 Regn. No. PRL-8778	By Negotiation	Mohd Aijaz A-301, Block - 6, Gulshan-e-Iqbal, Karachi.
6.	1991-92	Suzuki Swift Regn. No. PRH-7950	By Insurance Claim	Adamjee Insurance Co. Ltd. Mack Volk Building I.I. Chundrigar Road,
7.	1987-88	Photocopier (Minolta EP4502)	By Negotiation	UNi-TECH 34, Uni Centre, 1.1 Chundrigar Road, Karachi.
8.	1993-94	Washing Machine	By Negotiation	Fazle Subhan Peshawar.
9.	1985-86	Washing Machine	By Negotiation	Azizullah Khan Peshawar.
10.	1988-89	Telephone	By Negotiation	

	Note	1996 (Rupees '000)	1995
30. TAXATION			
Current	30.10	66,626	6,500
Deferred for the year		41,000	123,000
		107,626	129,500

30.1 Includes tax on bonus shares amounting to Rs. 9.626 million (1995: Nil)

31. REMUNERATION OF DIRECTORS AND EXECUTIVES

	1996	1995
Chief Executive Executives (Rupees in '000)		Chief Executive Executives (Rupees in '000)

Managerial remuneration	567	9,294	387	6,235
Housing allowance	216	3,337	162	2,647
Retirement benefits	80	1,227	60	962
Utilities	97	739	70	588
Leave fare	-	435	-	79
	-----	-----	-----	-----
	960	15,032	679	10,511
	=====	=====	=====	=====
Number	1	24	1	23
	=====	=====	=====	=====

The Chief Executive and Executives are provided with the use of Company maintained car. The Chief Executive and Executives are also provided with the residential telephone facility, which is reimbursed at actual to the extent of their entitlement.

Note: The aggregate amount charged in the accounts for the year for fee to 5 directors amounted to Rs. 2,500/= (1995:5 directors Rs. 4,500/=).

	1996	1995
	(Metric Tons)	
32. CAPACITY - Clinker		
Installed capacity (1995 average available capacity)	660,000	420,000
Actual production	712,492	423,436

	(Rupees in '000)	
33. TRANSACTIONS WITH ASSOCIATED COMPANIES		
Purchase of equipment	93	549
Raw material and supplies	35,304	10,173
Packing material	210,714	70,282
Sale of cement	834	3,461
Advance against purchases	4,247	1,936
Purchase of electricity	81,534	-
Other services	4,004	3,457
Rent	132	154

34. COMPARATIVE FIGURES

Certain prior year's figures have been re-arranged.

Pattern of holding of-shares held by the Shareholders as at June 30, 1996

FROM	Shareholdings	TO	Number of Share Holders	Shares Held	Percentage
1		100	439	20,436	0.0424
101		500	1,463	407,022	0.8456

501	1,000	463	346,870	0.7206
1,001	5,000	1,333	3,257,237	6.7672
5,001	10,000	310	2,223,281	4.6190
10,001	15,000	185	2,274,995	4.7285
15,001	20,000	30	541,239	1.1244
20,001	25,000	70	16,574,881	3.4436
25,001	30,000	11	300,352	0.6240
30,001	35,000	17	542,488	1.1270
35,001	40,000	9	345,226	0.7172
40,001	45,000	10	428,770	0.8908
45,001	50,000	8	382,282	0.7942
50,001	55,000	3	157,030	0.3262
55,001	60,000	1	59,722	0.1240
60,001	65,000	6	371,582	0.7720
65,001	70,000	1	65,981	0.1370
70,001	75,000	1	72,772	0.1511
80,001	85,000	2	166,882	0.3467
95,001	100,000	2	192,750	0.4004
100,001	105,000	2	205,375	0.4266
120,001	125,000	4	494,411	1.0271
125,001	130,000	1	128,096	0.2661
135,001	140,000	1	137,500	0.2856
140,001	145,000	1	141,000	0.2929
145,001	150,000	2	291,046	0.6046
155,001	160,000	3	472,522	0.9817
180,001	185,000	1	184,608	0.3835
185,001	190,000	1	187,500	0.3895
190,001	195,000	2	386,905	0.8038
210,001	215,000	2	425,762	0.8845
215,001	220,000	1	217,030	0.4509
275,001	280,000	1	276,250	0.5739
360,001	365,000	1	363,865	0.7559
390,001	395,000	1	390,300	0.8108
460,001	465,000	1	462,000	0.9598
470,001	475,000	1	473,026	0.9827
485,001	490,000	1	486,851	1.0114
520,001	525,000	1	525,000	1.0907
805,001	810,000	1	805,376	1.6732
845,001	850,000	2	1,698,044	3.5278
940,001	945,000	1	944,701	1.9627
975,001	980,000	1	979,301	2.0346
1,225,001	1,230,000	1	1,228,936	2.5532
1,385,001	1,390,000	1	1,389,265	2.8863
1,395,001	1,400,000	1	1,396,875	2.9021
1,585,001	1,590,000	1	1,589,022	3.3013

1,835,001	1,840,000	1	1,839,602	3.8219
2,425,001	2,430,000	1	2,425,780	5.0398
5,590,001	5,595,000	1	5,594,177	11.6224
8,175,001	8,180,000	1	8,177,821	16.9902
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		4,405	48,132,352	100.0000
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NOTE: Incremental grouping of 5000 after initial break up upto 85,000 has only been reported for those slabs where there is Shareholding.

Categories of Shareholders	Shareholding	
	Shareholders	Percentage
1. Individuals	4,310	30.5826
2. Joint Stock Companies	25	7.0339
3. Financial Institutions	7	36.3149
4. Insurance Companies	8	4.2539
5. Association of Persons	4	1.1778
6. Private Limited Companies	24	10.1223
7. Foreign Companies	27	10.5146
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	4,405	100.0000