

COST AUDIT REPORT
DANDOT CEMENT COMPANY
LIMITED
FOR THE YEAR ENDED
30 JUNE 2012

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COST AUDITORS' REPORT TO THE DIRECTORS OF THE COMPANY

We, Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants, having been appointed to conduct audit of Cost Accounts of M/s. DANDOT CEMENT COMPANY LIMITED, have examined the books of account, the statements prescribed under clause (e) of subsection (1) of section 230 of the Companies Ordinance, 1984 and the other relevant records for the year ended on 30 June 2012 and report that -

- 1) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of this audit.
- 2) In our opinion -
 - a) Proper Cost Accounting records as required by clause (e) of sub-section (1) of section 230 of the Companies Ordinance, 1984 (XLVII of 1984) and as required by the rules, have been kept by the Company;
 - b) Proper returns, statements and schedules for the purpose of audit of Cost Accounts have been received from branches not visited by us;
 - c) The said books and records give the information required by the rules in the manner so required; and
- 3) In our opinion and, subject to best of our information: -
 - a) the annexed statements of capacity utilization and, subject to remarks in para 15 of the Annex regarding difference in valuation of closing stocks, are in agreement with the books of account of the Company and exhibit true and fair view of the Company's affairs; and
 - b) cost accounting records have been properly kept so as to give a true and fair view of the cost of production, processing, manufacturing and marketing of Ordinary Portland Cement.

The matter contained in the ANNEX forms part of this report.

Rahman Sarfaraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS
DATED: 31 OCT 2012



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ANNEX TO COST AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2012

1. (a) CAPACITY:

PARTICULARS	LICENCED CAPACITY	INSTALLED CAPACITY (TONS)	UTILIZED CAPACITY (TONS)	% OF INSTALLED CAPACITY
CLINKER	Not available	480,000	197,036	41.06
CEMENT	Not available	504,000	206,825	41.04

Capacity utilization remained low with reference to installed capacity.

Shortfall in current year's production is mainly due to plant stoppages for repair and market constraints.

b) The Company is engaged in manufacturing of Ordinary Portland Cement only.

2. COST ACCOUNTING SYSTEM:

The Company maintains adequate cost accounting system to determine the cost of production of cement. An integrated computerized accounting system has been maintained to accumulate costs under the production and service cost centers independently. The direct cost is charged to the concerned production/service cost centres. The costs of service departments are distributed to the respective production departments according to the actual utilization of services and/or predetermined ratio in order to arrive at the total cost of production of ordinary Portland cement.

3. (a) PRODUCTION:

PARTICULARS	2012 (TONS)	2011 (TONS)
CLINKER	197,036	184,910
CEMENT	206,825	184,421

The cement production has been increased by 22,404 tons as compared to previous year.



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b) PERCENTAGE OF PRODUCTION TO INSTALLED CAPACITY :

PARTICULAR	2012			2011		
	INSTALLED CAPACITY (TONS)	UTILIZED CAPACITY (TONS)	% AGE OF INSTALLED CAPACITY	INSTALLAD CAPACITY (TONS)	UTILIZED CAPACITY (TONS)	% AGE OF INSTALLED CAPACITY
CLINKER	480,000	197,036	41.06	480,000	184,910	38.53
CEMENT	504,000	206,825	41.04	504,000	184,421	36.59

Capacity utilization is low with reference to installed capacity.

c) There is no addition to the installed production capacity during the year under review or in the immediately preceding two years.

4. RAW MATERIALS:

a) MAJOR RAW MATERIALS CONSUMED:

PARTICULARS	2012			2011		
	QTY (TONS)	COST Rs. (000)	COST PER TON (Rs.)	QTY (TONS)	COST Rs. (000)	COST PER TON (Rs.)
LIME STONE	308,708	105,514	341.79	269,744	91,644	339.74
SHALE/CLAY	12,479	2,046	163.96	25,350	3,175	125.25
GYPSUM	9,569	1,343	140.35	9,168	1,427	155.65

Cost per ton of lime stone, shale/clay and gypsum are based on their quantity consumed.

During the year following amounts have been incurred on the transportation of the major raw materials.

PARTICULARS	MATERIAL FROM QUARRY TONS	COST OF TRANSPORTATION Rs. (000)	COST PER TON Rs.
LIME STONE	313,581	49,926	159.21
SHALE/CLAY	11,857	1,832	154.51
GYPSUM *	9,874	-	-
TOTAL	335,312	51,758	154.36

* Separate charge for transportation is not being incurred.



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b) CONSUMPTION OF MAJOR RAW MATERIALS PER UNIT OF PRODUCTION WITH STANDARD REQUIREMENTS:

PARTICULARS	ACTUAL CONSUMPTION (TONS)	STANDARD REQUIREMENT (TONS)	INCREASE/ (DECREASE)
LIME STONE	1.567	1.399	0.168
SHALE/CLAY	0.063	0.224	(0.161)
GYPSUM	0.049	0.059	(0.010)

c) CONSUMPTION OF MAJOR RAW MATERIALS PER UNIT OF PRODUCTION AS COMPARED TO THE PRECEDING TWO YEARS AND WITH STANDARD REQUIREMENTS:

RAW MATERIALS	ACTUAL CONSUMPTION (TONS)			STANDARD REQUIREMENT (TONS)
	2012	2011	2010	
LIME STONE	1.567	1.459	1.544	1.399
SHALE/CLAY	0.063	0.137	0.1370	0.224
GYPSUM	0.049	0.050	0.0557	0.059

Variance between actual consumption and standard requirements is due to purity contents of the materials, which is determined through constant check up and chemical analysis in order to meet the international quality standards of the product.

d) COMMENTS ON METHOD OF ACCOUNTING: -

The Company follows Cement Industry (Cost Accounting Records) Order 1994, for recording the quantities and values. The weighted average cost method is adopted by the Company to value receipts, issues and resulting stock balances of all the materials directly used in the production by applying absorption costing.



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5. a) **WAGES AND SALARIES:**

PARTICULARS	SALARIES & WAGES		INCREASE / (DECREASE)	
	2012 Rs. (000)	2011 Rs. (000)	Rs. (000)	% AGE
Direct Labour Cost of Production	102,924	102,703	221	0.22
Indirect Labour Cost of Production	149,494	147,293	2,201	1.49
Employees cost in administration	10,942	9,306	1,636	17.58
Employees cost in selling and distribution	3,114	2,456	658	26.79
TOTAL	266,474	261,758	4,716	1.80

- i) The aggregate of direct and indirect labour cost of production has increased during the year as compared to previous year. This is due to increase in production.
- ii) Labour cost relating to quarries, transportation, crushing and stock hall are treated as part of cost of Raw Materials.

DIRECT LABOUR COST PART OF RAW MATERIALS:

PARTICULARS	2012 Rs. (000)	2011 Rs. (000)	INCREASE / (DECREASE)	
			Rs. (000)	% AGE
Direct Labour Cost	34,345	37,173	(2,828)	(7.61)

b) **SALARIES AND PERQUISITES OF DIRECTORS AND CHIEF EXECUTIVE:**

PARTICULARS	2012 Rs. (000)	2011 Rs. (000)	2010 Rs. (000)
CHIEF EXECUTIVE	-	-	-
EXECUTIVE	648	648	560
DIRECTOR	-	-	-
TOTAL	648	648	560

The Chief Executive, Director and Executive of the Company are entitled to free use of Company's vehicles according to company policy.



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c) **TOTAL MAN-DAYS OF DIRECT LABOUR FOR THE YEAR:**

AVAILABLE	WORKED	%AGE WORKED
366	273	75

d) **AVERAGE NO. OF WORKERS:**

2012	2011	INCREASE/(DECREASE)
655	688	(33)

e) **DIRECT LABOUR COST PER UNIT OF PRODUCTION (CEMENT):**

PARTICULARS	2012	2011	INCREASE/ (DECREASE) % AGE
Direct Labour cost on Production Rs. (000)	102,924	102,703	0.22
Production - Cement (Tons)	206,825	184,421	12.15
Direct Labour cost per unit of the Production (Rs.)	498	557	(10.59)

Direct labour cost per unit of the production has decreased by 10.59 mainly due to increase in production during the year.

f) **DIRECT LABOUR COST PER UNIT OF THE PRODUCT:**

PARTICULARS	2012 Rs.	2011 Rs.	2010 Rs.
Direct Labour cost per unit	498	557	1,088

Direct labour cost per unit has decreased by Rs.59/- per ton as compared to previous year due to increase in production.

g) In the absence of any incentive scheme no comments are required.



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6. **STORES AND SPARES:**

a) **EXPENDITURE PER UNIT OF OUTPUT ON STORES:**

PARTICULARS	2012 (Rupees)	2011 (Rupees)	INCREASE/ (DECREASE) %AGE
For Quarries	18.23	9.32	95.60
For Plant	221.74	161.13	37.62
TOTAL	239.97	170.45	40.79

b) The store accounting system being followed by the Company is part of integrated computerized accounting system. Recording of store receipts, issues and balances in quantity and value is on a consistent basis i.e. at moving average cost, except items in transit which are valued at cost accumulated up to the balance sheet date.

c) In the absence of information regarding slow moving items we are unable to comment.

7. **DEPRECIATION:**

a) Depreciation is charged on reducing balance method. Depreciation on additions to property, plant and equipment is charged for the month in which an asset is acquired or capitalized while no depreciation is charged for the month in which an asset is disposed off.

b) The depreciation on common assets is allocated to different departments on the basis of value of Plant and Machinery in these departments. A ratio on the basis of value of plant and machinery in different departments was developed in the year 2001 and is consistently observed since then. It is suggested that the matter should be revisited for confirmation/revision.

c) All depreciation is charged to cement being the only product manufactured.



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8. OVERHEADS:

(a) TOTAL AMOUNTS OF OVERHEADS:

Sr. #	PARTICULARS	2012 Rs.(000)	2011 Rs.(000)	2010 Rs.(000)
i.	Factory	1,252,585	891,411	327,709
ii.	Administration	35,254	20,421	20,621
iii.	Selling & distribution	220	498	550
iv.	Financial charges	17,404	15,444	248,373
	TOTAL	1,305,463	927,774	597,253

i) Factory Overheads:

PARTICULARS	2012	2011	2010	Increase/(Decrease) %	
	Rs. (000)	Rs. (000)	Rs. (000)	Compared to 2011	Compared to 2010
Fuel (Coal /Gas/ Furnace Oil)	688,842	461,063	113,329	49.40	507.83
Power	316,704	221,656	79,389	42.88	298.93
Depreciation	68,543	71,524	75,328	(4.17)	(9.01)
Indirect material	79,123	67,962	23,390	16.42	238.28
Repair and maintenance	63,372	42,054	15,965	50.69	296.94
Royalty, duty & local tax	10,589	8,844	3,734	19.73	183.58
Fuel Oil	-	-	3,992	-	(100)
Others	25,412	18,308	12,582	38.80	101.97
TOTAL	1,252,585	891,411	327,709	40.52	282.22

Factory overheads show increase of 40.52% from the last year and of 282.22 % from year 2010 due to increase in production.



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ii) ADMINISTRATION OVERHEADS:

PARTICULARS	2012	2011	2010	Increase/(Decrease) %	
	Rs. (000)	Rs. (000)	Rs. (000)	Compared to 2011	Compare to 2010
Travelling & conveyance	4,459	2,036	2,136	119.00	108.75
Repair and maintenance	1,255	1,105	1,103	13.57	13.78
Vehicle running and maintenance	1,481	1,233	1,702	20.11	(12.98)
Legal and professional charges	9,045	4,541	2,115	99.19	327.66
Auditor's remuneration	770	527	388	46.11	98.45
Postage, telegram and telephone	1,491	855	855	74.39	74.39
Printing and stationery	334	509	109	(34.38)	206.42
Advertisement	85	71	225	19.72	(62.22)
Entertainment	1,277	731	1,816	74.69	(29.68)
Rent, rates and taxes	6,083	2,226	2,134	173.27	185.05
Fees and subscription	488	855	421	(42.92)	15.91
Security services	226	-	-	100	100
Depreciation	3,504	3,829	4,394	(8.49)	(20.25)
Miscellaneous	4,756	1,903	3,223	149.92	47.56
TOTAL	35,254	20,421	20,621	72.64	70.96

Administration overheads have increased by 72.64 % as compared to last year and by 70.96 % from year 2010. The main reason for variance is the increased production period during the year.



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iii) SELLING AND DISTRIBUTION OVERHEADS:

PARTICULARS	2012	2011	2010	Increase/(Decrease) %	
	Rs. (000)	Rs. (000)	Rs. (000)	Compared to 2011	Compared to 2010
Travelling & conveyance	-	333	339	(100)	(100)
Vehicle running & maintenance	65	36	19	80.56	242.11
Printing & stationery	39	-	-	100	100
Advertisement	-	-	13	-	(100)
Entertainment	-	-	45	-	(100)
Depreciation	116	124	134	(6.45)	(13.43)
Miscellaneous	-	5	-	(100)	-
TOTAL	220	498	550	(55.82)	(60.00)

Selling and distribution overheads have decreased by 55.82 % from last year and by 60 % from year 2010 mainly due to decreased travelling as compared to previous years.

iv) FINANCIAL CHARGES:

PARTICULARS	2012	2011	2010	Increase/(Decrease) %	
	Rs. (000)	Rs. (000)	Rs. (000)	Compared to 2011	Compared to 2010
<u>Mark up on:</u>					
Long term loans	4,932	4,932	169,533	-	(97.09)
Short term loans	-	-	72,199	-	(100)
<u>Interest on:</u>					
Provident fund	11,184	8,836	5,368	26.57	108.35
Workers profit participation fund	559	601	563	(6.99)	(0.71)
Bank and other charges.	729	1,075	710	(32.19)	2.68
TOTAL	17,404	15,444	248,373	12.69	(92.99)



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Financial charges have increased by 12.69 % during the year and decreased by 92.99% from year 2010 as compared to previous year. Major cause of this decrease is that the company has not accrued mark up aggregating Rs. 229.807 million (2011: Rs. 247.13 million) due to litigation as referred in the notes 5.3, 12.1, 12.2 and 12.3 of the audited accounts for the year ended 30 June 2012.

b) BASIS OF ALLOCATION OF OVERHEADS:

All overheads identifiable to each department are directly charged to the respective department at actual, however, the cost of service departments is allocated, as in the last preceding year, to the production departments as follows: -

DEPARTMENT	% AGE
Raw Mill	26
Kiln	32
Cement Mill	27
Packing Unit	15

It is suggested that the matter should be revisited for confirmation/revision.

The power cost is charged to respective departments according to actual consumptions of units.

c) COST OF PACKING:

PARTICULARS	2012		2011		INCREASE / (DECREASE)	
	Rs. (000)	Rs. PER TON	Rs. (000)	Rs. PER TON	Rs. (000)	% AGE
Packing material	79,123	379.06	67,962	374.81	11,161	16.42
Direct labour	12,950	62.04	14,246	78.57	(1,296)	(9.09)
Repairs and maintenance	871	4.17	719	3.97	152	21.14
Depreciation	1,254	6.01	1,308	7.22	(54)	(4.13)
Power	10,613	50.84	2,556	13.86	8,057	315.22
Insurance	54	0.26	55	14.09	(1)	(1.82)
Other general overheads	35,459	169.88	34,765	191.73	694	2.00
TOTAL	140,324	672.27	121,611	670.68	18,713	15.39

- Total cost of packing has increased by 15.39 % as compared to last year. The main cause of this increase is the increase in cement packed during the year.



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- Per ton cost of packing material has been calculated on the basis of cement packed into bags.
- Per ton packing cost shows increase because of increase in power cost due to the worst electricity break downs during the year.

9. ROYALTY:

Royalty and excise duty is paid to Provincial Government on the quantity of limestone, shale / clay and gypsum extracted from leased mines as determined under the law.

PARTICULARS	2012 Rs. (000)	2011 Rs. (000)	INCREASE/ (DECREASE) %
Comparison of royalty charged	10,589	8,844	19.73

PARTICULARS	ROYALTY Rs. (000)	PRODUCTION (TON)	COST PER TON Rs.
Royalty per ton of cement produced	10,589	206,825	51.20

10. ABNORMAL NON RECURRING FEATURES:

a) FEATURES AFFECTING PRODUCTION:

Abnormal features affecting production during the year were market constraints and shutdown of operations of the company for repairs.

b) SPECIAL EXPENSES:

There were no special expenses incurred for production during the year



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11. COST OF PRODUCTION:

YEAR	<u>2012</u>	<u>2011</u>
Production of Cement (Tons)	206,825	184,421

PARTICULARS	2012		2011		INCREASE / (DECREASE)	
	Rs. (000)	Rs. PER TON	Rs. (000)	Rs. PER TON	Rs. (000)	% AGE
Opening stock of raw material	705	3.41	4,258	-	(3,553)	(83.44)
New Material	36,729	177.58	23,341	126.56	13,388	57.36
Direct labour	34,345	166.06	37,173	201.57	(2,828)	(7.61)
Royalty and excise duty	10,589	51.20	8,844	47.96	1,745	19.73
Power	9,088	43.94	5,321	28.85	3,767	70.79
Fuel oil	-	-	-	-	-	-
Stores and spares	3,771	18.23	1,719	9.32	2,052	119.37
Other overheads	1,084	5.24	1,067	5.78	17	1.59
	96,311	465.66	81,723	443.13	14,588	17.85
Closing stock of raw material	(2,244)	-	(705)	-	(1,539)	(218.30)
Cost of raw material consumed	94,067	309.76	81,018	439.72	13,049	16.11
Direct labour	68,754	332.43	65,530	355.33	3,224	4.92
Indirect labour	149,319	721.96	147,293	798.68	2,026	1.38
Fuel (Furnace Oil/Gas/Coal)	680,181	3,288.68	463,236	2,511.84	216,945	46.83
Power	316,704	1,531.27	221,656	1,201.90	95,048	42.88
Stores and spares	45,862	221.74	29,715	161.13	16,147	54.34
Vehicle running and maintenance	13,739	66.43	10,621	57.59	3,118	29.36
Packing material	79,123	382.56	67,962	368.52	11,161	16.42
Depreciation	68,543	331.41	71,524	387.83	(2,981)	(4.17)
Others	38,816	187.68	20,598	111.69	18,218	88.45
	1,555,108	7,518.96	1,179,153	6,394.22	375,955	31.88
Opening WIP	62,129	-	26,133	-	35,996	137.74
Closing WIP	(81,514)	-	(62,129)	-	(19,385)	(31.20)
Cost of production	1,535,723	7,425.23	1,143,157	6,199	392,566	34.34



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12. NET SALES REALIZATION:

a) **LOCAL SALES:**

YEAR	<u>2012</u>	<u>2011</u>
Sales (Quantity in tons)	208,733	181,323

PARTICULARS	2012		2011	
	Rs. (000)	Rs. (Per ton)	Rs. (000)	Rs. (Per ton)
Gross sales	1,409,258	6,751	1,073,876	5,922
Less:				
Sales Tax	194,381	931	154,175	850
Excise duty	104,367	500	139,718	771
Rebate to dealers	6,766	32	6,807	37.54
	(305,514)	(1,464)	(300,700)	(1,658)
NET SALES	1,103,744	5,288	773,176	4,264

b) **EXPORT SALES:**

YEAR	<u>2012</u>	<u>2011</u>
Sales (Quantity in tons)	-	-

PARTICULARS	2012		2011	
	Rs. (000)	Rs. (Per ton)	Rs. (000)	Rs. (Per ton)
SALES	-	-	-	-

- No export transaction has taken place during the year.



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13. PROFITABILITY:

YEAR	<u>2012</u>	<u>2011</u>
Sales of cement (Quantity in tons)	208,733	181,323

PARTICULARS	2012		2011	
	Rs. (000)	Rs. (Per ton)	Rs. (000)	Rs. (Per ton)
Sales – net	1,103,744	5,288	773,176	4,264
Cost of production	1,535,723	7,357	1,143,158	6,305
Opening finished goods	29,612	-	11,468	-
Closing finished goods	1,565,335 (21,192)	7,499 -	1,154,626 (29,611)	6,368 -
Cost of good sold	1,544,143	7,398	1,125,015	(6,204)
Gross Profit / (Loss)	(440,399)	(2,110)	(351,839)	(1,940)
Operational overheads				
Administrative overheads	46,196	221	29,727	164
Selling and distribution overheads	3,334	16	2,953	16
Financial overheads	17,405	83	15,444	85
Total operational overheads	(66,935)	(321)	(48,124)	(265)
Other Operating Income	560	3	9,191	51
Other operating expenses	-	-	(1,257)	(7)
Net Profit / (Loss) before taxation	(506,774)	(2,428)	(392,029)	(2,162)

Net sales revenue for the year under review is Rs. 1,104 million, which is 42.75 % more than the net sales revenue of Rs. 773 million in the preceding year. The increase is mainly due to increase in quantity sold and higher market price of cement bags as compared to preceding year.

The increase in revenue was however not enough to offset the increased costs of fuel, power, packing materials etc and certain administrative costs and therefore the increased loss for the year.



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14. COST AUDITORS' OBSERVATIONS AND COMMENTS:

- (a) The matters appearing to be clearly wrong or apparently unjustifiable: - Nil
- (b) The company follows proper internal control for utilization of funds.
- (c) Factors which could have been controlled to reduce the cost of production:
 - Stores and spares consumption needs more particular attention of the management to minimize the cost.
- (d) Suggestions & Observations regarding improvement in performance
 - (i) The production facilities are balanced.
 - (ii) The Company operated at 41 % of installed capacity.
 - (iii) For reduction in cost of production, the Company may take following measures:
 - The management should introduce strict budgetary controls, which to be treated as yard stick for measuring efficiency of each and every operational activity.
 - The employees of the Company should be given an awareness of their interest in the profitability of the concern through series of training workshops and every body should be made responsible for his area of activity as far as cost control is concerned and the activities should be appraised accordingly.
 - The prices of furnace oil, gas and electricity are very high. The government should be given a presentation through some industrial forum that in order to compete with the international market, we should try to keep these costs of production to the bare minimum.
 - Most important of all the company should consider steps to fully utilise its production capacity.
- (e) This is a plant based on "DRY PROCESS" and capable of producing competitive quality of cement.
- (f) The plant was new when installed and started its production on 01 March 1983.

15. RECONCILIATION WITH FINANCIAL ACCOUNTS: -

The aggregate cost figures are in agreement with the annual audited Financial Statements as provided to us, excepting that the value of closing stocks in financial statements is lower by Rs. 788 thousands (2011: Rs. 787 thousands).



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16. COST STATEMENTS: -

All cost statements on the prescribed forms of Securities and Exchange Commission of Pakistan under clause (e) of the sub-section (1) of section 230 of the Companies Ordinance, 1984 duly authenticated by the Chief Financial Officer and the Chief Executive of the company forming Annex I to XII to this annex alongwith certificate of installed and utilized capacity, summary cost report and stock valuation are verified by us.

17. MISCELLANEOUS: -

- Figures are rounded off to the nearest thousand.
- Comparative figures of the previous year have been provided and rearranged wherever required to facilitate comparison.

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SUMMARY COST REPORT FOR THE YEAR ENDED JUNE 30, 2012

Department	Power House Rs.	Compressed Air Rs.	Factory General Rs.	Quarry limestone Rs.	Quarry Shale clay Rs.	Quarry Gypsum Rs.	Transportation limestone/shale Rs.	Transportation Gypsum Rs.	Crushing Limestone Rs.	Crushing Gypsum Rs.	Stock Hall Rs.	Iron Ore Rs.	Raw Mill Rs.	Kiln Rs.	Grinding Rs.	Packing and storage Rs.	Total Rs.
<i>Departmental Cost</i>																	
Opening	-	-	-	-	-	-	-	-	-	22	421	-	1,945	61,244	-	29,600	93,232
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
For the period	316,704	-	214,991	19,529	119	1,067	51,758	-	28,886	14	668	-	727,501	62,959	38,200	94,251	1,556,647
Total	316,704	-	214,991	19,529	119	1,067	51,758	-	28,886	36	1,089	-	729,446	124,203	38,200	123,851	1,649,879
<i>Cost Allocation / Transfer</i>																	
in out) Power House	(316,704)	-	21,400	-	-	-	-	-	8,118	263	82	-	96,203	92,482	87,542	10,613	-
Compressed Air	-	-	-	-	-	-	-	-	-	-	-	-	61,461	75,645	63,826	35,459	-
Factory General	-	-	(236,391)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Quarry Limestone	-	-	-	(19,529)	-	-	-	-	19,529	-	-	-	-	-	-	-	-
Quarry Shale/Clay	-	-	-	-	(119)	-	-	-	-	-	119	-	-	-	-	-	-
Quarry Gypsum	-	-	-	-	-	(1,067)	-	-	-	1,067	-	-	-	-	-	-	-
Transportation Limestone	-	-	-	-	-	-	(51,758)	-	49,926	-	1,832	-	-	-	-	-	-
Transportation Gypsum	-	-	-	-	-	-	-	-	(106,459)	-	106,460	-	-	-	-	-	-
Crushing Lime stone	-	-	-	-	-	-	-	-	-	(1,343)	-	-	-	-	1,343	-	-
Crushing Gypsum	-	-	-	-	-	-	-	-	-	-	(107,560)	-	107,560	-	-	-	-
Stock Hall	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Iron ore	-	-	-	-	-	-	-	-	-	-	-	-	(987,883)	987,883	-	-	-
Raw Mill	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,204,524)	1,204,524	-	-
Kiln	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,395,435)	1,395,435	-
Grinding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Packing and storage	-	-	-	-	-	-	-	-	-	23	2,022	-	6,787	75,689	-	1,565,359	1,649,879
Total	-	-	-	-	-	-	-	-	-	23	2,022	-	6,787	75,713	-	21,192	105,737
Cost of Closing Stock	-	-	-	-	-	-	-	-	-	-	-	-	0	(24)	-	1,544,167	1,544,143
Cost of Goods Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,565,359	1,649,880
Total	-	-	-	-	-	-	-	-	-	23	2,022	-	6,787	75,689	-	1,565,359	1,649,880

Chief Financial Officer

Chief Executive

DANDOT CEMENT COMPANY LIMITED
CLOSING STOCKS

	For The Year 2012			Last Year		
	Quantity tons	Rate Rs. / tons	Amount Rs.(000)	Quantity tons	Rate Rs. / tons	Amount Rs.(000)
<u>RAW MATERIALS</u>						
Lime stone	5,779	341.79	1,975	906	339.74	308
Shale / clay	284	163.97	47	906	125.25	113
Gypsum	162	141.98	23	143	155.66	22
Sub Total	<u>6,225</u>		<u>2,045</u>	<u>1,955</u>		<u>443</u>
<u>WORK IN PROCESS</u>						
Mix	2,197	3,089.16	6,787	800	2,431.60	1,945
Clinker	12,381	6,115.27	75,713	12,311	4,974.63	61,244
Sub Total	<u>14,578</u>		<u>82,500</u>	<u>13,111</u>		<u>63,189</u>
<u>FINISHED GOODS</u>						
Cement	<u>2,865</u>	7,397.82	<u>21,192</u>	<u>4,773</u>	6,202.08	<u>29,600</u>
TOTAL			<u><u>105,737</u></u>			<u><u>93,232</u></u>


Chief Financial Officer


Chief Executive

DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Annexure I

Name of Department :- LIMESTONE QUARRY
For The Year Ended June 30, 2012

A. Quantitative Data.

	For the Year tons	Last year tons	Increase/decrease over last year tons
Opening stock at quarry.	-	-	-
Quantity quarried	313,581	262,655	50,926
Total :	313,581	262,655	50,926
Quantity transported to crusher.	313,581	262,655	50,926
Stock adjustment (if any).	-	-	-
Closing stock at quarry.	-	-	-
Reasons for adjustment.	-	-	-

B. Cost Statement.

Cost	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
<i>Direct Departmental Cost:</i>				
Explosives (if any).	-	-	-	-
Royalty and duties.	10,368	33.06	8,460	32.21
Rent, Rates & Taxes	120	0.38	120	0.46
Labour cost.	-	-	-	-
Purchase	-	-	-	-
Salaries and other benefits.	4,717	15.04	7,126	27.13
Indirect materials.	-	-	-	-
Insurance. (Others)	5	0.02	5	0.02
Repair and maintenance.	-	-	-	-
Fuel - oil	-	-	-	-
Stores and spares	33	0.11	14	0.05
Depreciation	115	0.37	120	0.46
Other overheads.(Purchase)	4,171	13.30	-	-
Sub Total :	19,529	62.28	15,844	60.32
<i>Indirect Departmental Cost :</i>				
Compressed Air (Annexure IX)	-	-	-	-
Power (Annexure X)	-	-	-	-
Other Factory Expenses (Annexure XI)	-	-	-	-
Sub Total :	-	-	-	-
Total Cost of the period.	19,529	62.28	15,844	60.32
Add : Cost of opening stock.	-	-	-	-
Total cost of available stock :	19,529	62.28	15,844	60.32
C. Cost Distribution				
Cost transferred to crusher.	19,529	62.28	15,844	60.32
Cost of closing stock.	-	-	-	-
Total cost accounted for.	19,529	62.28	15,844	60.32


Chief Financial Officer


Chief Executive

DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Annexure I.1

Name of Department :- SHALE CLAY QUARRY
For The Year Ended June 30, 2012

A. Quantitative Data.

	For the Year tons	Last year tons	Increase/decrease over last year tons
Opening stock at quarry.	11,857	23,890	(12,033)
Quantity quarried	11,857	23,890	(12,033)
Total :	11,857	23,890	(12,033)
Quantity transported to crusher.	-	-	-
Stock adjustment (if any).	-	-	-
Closing stock at quarry.	-	-	-
Reasons for adjustment.	-	-	-

B. Cost Statement.

Cost	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
<i>Direct Departmental Cost:</i>				
Explosives (if any).	119	10.00	233	9.74
Royalty and duties.	-	-	-	-
Labour cost.	-	-	-	-
Salaries and other benefits.	-	-	-	-
Indirect materials.	-	-	-	-
Insurance.	-	-	-	-
Repair and maintenance.	-	-	-	-
Fuel - oil	-	-	-	-
Gas.	-	-	-	-
Depreciation	-	-	-	-
Other overheads.	-	-	-	-
Sub Total :	119	10.00	233	9.74
<i>Indirect Departmental Cost :</i>				
Compressed Air (Annexure IX)	-	-	-	-
Power (Annexure X)	-	-	-	-
Other Factory Expenses (Annexure XI)	-	-	-	-
Sub Total :	-	-	-	-
Total Cost of the period.	119	10.00	233	9.74
Add : Cost of opening stock.	-	-	-	-
Total cost of available stock :	119	10.00	233	9.74

C. Cost Distribution

Cost transferred to Stock hall.	119	10.00	233	9.74
Cost of closing stock.	-	-	-	-
Total cost accounted for.	119	10.00	233	9.74


Chief Financial Officer


Chief Executive

DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Annexure I.2

Name of Department :- GYPSUM QUARRY
For The Year Ended June 30, 2012

A. Quantitative Data.

	For the Year tons	Last year tons	Increase/decrease over last year tons
Opening stock at quarry.	9,874	9,264	610
Quantity quarried	9,874	9,264	610
Total :	9,874	9,264	610
Quantity transported to crusher.	9,874	9,264	610
Stock adjustment (if any).	-	-	-
Closing stock at quarry.	-	-	-
Reasons for adjustment.	-	-	-

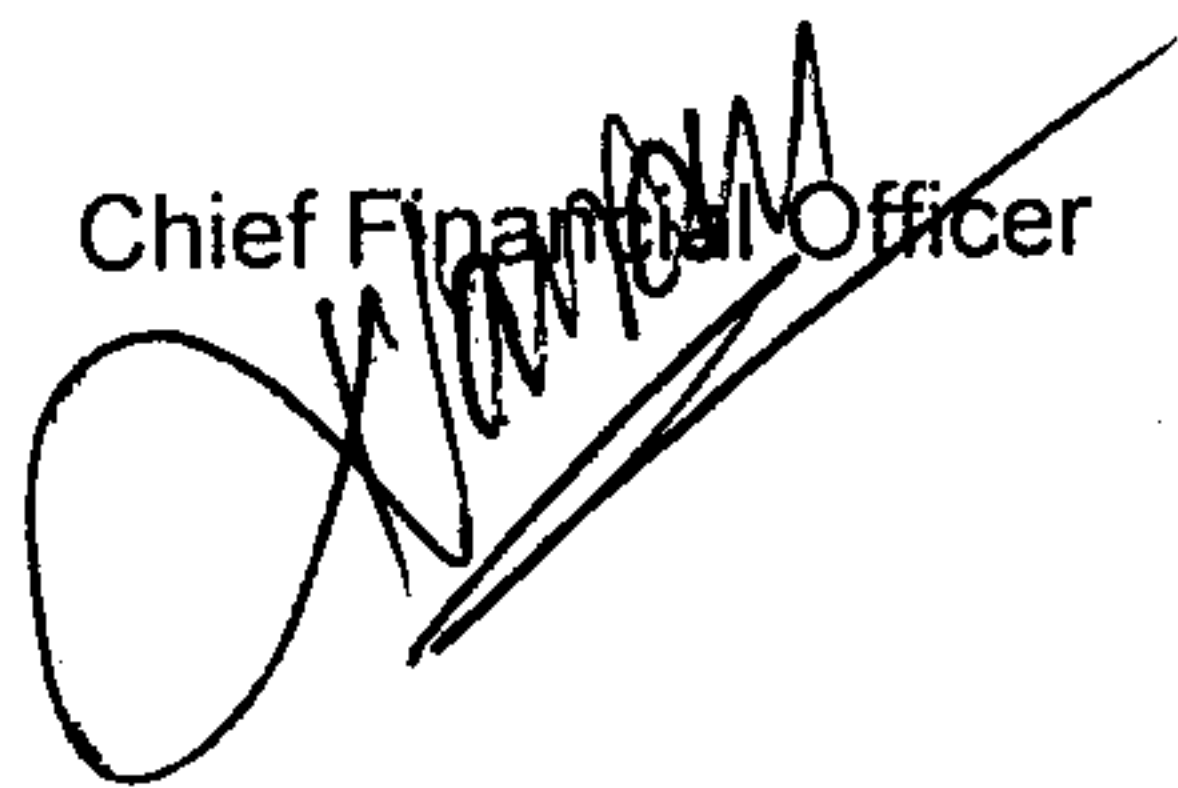
B. Cost Statement.

Cost	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
<i>Direct Departmental Cost:</i>				
Explosives (if any).	-	-	-	-
Royalty and duties.	102	10.33	151	16.33
Labour cost.	-	-	-	-
Salaries and other benefits.	-	-	-	-
Purchase	802	81.22	794	85.72
Indirect materials.	-	-	-	-
Insurance. (Others)	1	0.10	1	0.11
Repair and maintenance.	-	-	-	-
Fuel - oil	-	-	-	-
Stores and spares	-	-	-	-
Gas.	-	-	-	-
Depreciation	-	-	-	-
Other overheads. (Breaking of Gypsum)	162	16.41	153	16.49
Sub Total :	1,067	108.06	1,099	118.64
<i>Indirect Departmental Cost :</i>				
Compressed Air (Annexure IX)	-	-	-	-
Power (Annexure X)	-	-	-	-
Other Factory Expenses (Annexure XI)	-	-	-	-
Sub Total :	-	-	-	-
Total Cost of the period.	1,067	108.06	1,099	118.64
Add : Cost of opening stock.	-	-	-	-
Total cost of available stock :	1,067	108.06	1,099	118.64

C. Cost Distribution

Cost transferred to crusher.	1,067	108.06	1,099	118.64
Cost of closing stock.	-	-	-	-
Total cost accounted for.	1,067	108.06	1,099	118.64

Chief Financial Officer



Chief Executive



DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Name of Department :- TRANSPORTATION - LIMESTONE , CLAY/SHALE
 For The Year Ended June 30, 2012

A. Quantitative Data.

	For the Year tons	Last year tons	Increase/decrease over last year tons
Quantity transported from quarry:			
(I) Clay/Shale.	11,857	23,890	(12,033)
(ii) Limestone.	313,581	262,655	50,926
Total	325,438	286,545	38,893

B. Cost Statement.

Cost	For the year		Last year		Increase/decrease	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
Direct Departmental Cost:						
(a) Outside contract costs of transportation:						
(I) Clay/Shale	1,132	95.47	886	37.08	246	58.39
(ii) Limestone.	31,426	100.22	22,455	85.49	8,970	14.72
Sub Total (a) :	32,558	100.04	23,341	81.46	9,217	73.11
(b) Own transportation costs :						
Duties (if any)	-	-	-	-	-	-
Labour costs.	-	-	-	-	-	-
Salaries and other benefits.	11,898	36.56	9,985	34.85	1,913	1.71
Indirect materials.	-	-	-	-	-	-
Insurance. (Others)	300	0.92	301	1.05	(1)	(0.13)
Repair and maintenance. (Stores & Spares)	56	0.17	79	0.27	(23)	(0.10)
Fuel - oil (Diesel)	-	-	-	-	-	-
Greases and lubricants.(Stores & Spares)	-	-	-	-	21	0.06
Gas.	21	0.06	-	-	-	-
Tyres and Tubes.	-	-	-	-	-	-
Depreciation	6,925	21.28	7,226	25.22	(301)	(3.94)
Other overheads.	-	-	-	-	-	-
Sub Total (b) :	19,200	59.00	17,591	61.39	1,609	(2.39)
Indirect Departmental Cost :						
Compressed Air (Annexure IX)	-	-	-	-	-	-
Power (Annexure X)	-	-	-	-	-	-
Other Factory Expenses (Annexure XI)	-	-	-	-	-	-
Sub Total :	-	-	-	-	-	-
Total Own Transportation Costs.	19,200	59.00	17,591	61.39	1,609	(2.39)
(C) Total Transportation Costs.	51,758	159.04	40,932	142.85	10,825	70.72

C. Cost Distribution

Apportioned to :						
(I) Clay / Shale	1,832	154.51	2,352	98.47	(520)	56.04
(ii) Limestone.	49,926	159.21	38,579	146.88	11,347	12.33
Total :	51,758	159.04	40,932	142.85	10,826	16.19

Chief Financial Officer

Chief Executive

DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Name of Department :- TRANSPORTATION - GYPSUM
For The Year Ended June 30, 2012

A. Quantitative Data.	For the Year tons	Last year tons	Increase/decrease over last year tons
Quantity transported from quarry: Gypsum	9,874	9,264	610

B. Cost Statement.	For the year		Last year		Increase/decrease	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
<i>Direct Departmental Cost:</i>						
(a) Outside contract costs of transportation: Gypsum	-	-	-	-	-	-
Sub Total (a) :	-	-	-	-	-	-
(b) Own transportation costs :						
Duties (if any)	-	-	-	-	-	-
Labour costs.	-	-	-	-	-	-
Salaries and other benefits.	-	-	-	-	-	-
Indirect materials.	-	-	-	-	-	-
Insurance.	-	-	-	-	-	-
Repair and maintenance.	-	-	-	-	-	-
Fuel - oil	-	-	-	-	-	-
Greases.	-	-	-	-	-	-
Gas.	-	-	-	-	-	-
Tyres and Tubes.	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Other overheads.	-	-	-	-	-	-
Sub Total (b) :	-	-	-	-	-	-
<i>Indirect Departmental Cost :</i>						
Compressed Air (Annexure IX)	-	-	-	-	-	-
Power (Annexure X)	-	-	-	-	-	-
Other Factory Expenses (Annexure XI)	-	-	-	-	-	-
Sub Total :	-	-	-	-	-	-
Total Own Transportation Costs.	-	-	-	-	-	-
(C) Total Transportation Costs.	-	-	-	-	-	-
C. Cost Distribution						
Apportioned to :						
Gypsum crusher.	-	-	-	-	-	-
Total :	-	-	-	-	-	-


Chief Financial Officer


Chief Executive

DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

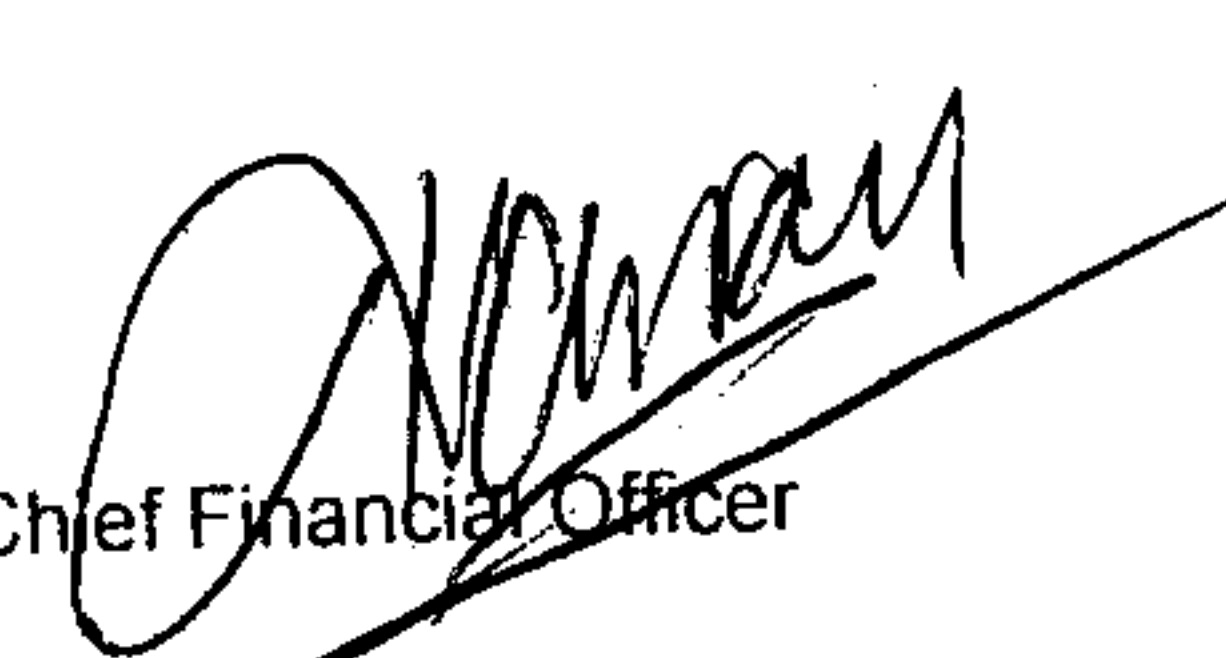
Name of Department :- CRUSHING -- Lime stone
For The Year Ended June 30, 2012

A. Quantitative Data.	Clay / Shale		Lime stone		Gypsum	
	For the Year tons	Last year tons	For the Year tons	Last year tons	For the Year tons	Last year tons
Opening stock (uncrushed material)	-	-	313,581	262,655	-	-
Add: Received from quarry/purchase.	-	-	313,581	262,655	-	-
Total available for crushing	-	-	-	-	-	-
Less : Closing stock (uncrushed material)	-	-	313,581	262,655	-	-
Crushed during the period	-	-	-	-	-	-
Add: Opening stock (crushed material)	-	-	313,581	262,655	-	-
Total crushed material :	-	-	-	-	-	-
Less : Closing stock (crushed material)	-	-	-	-	-	-
Stock Reconciliation :	-	-	313,581	262,655	-	-
Transferred to stock hall.	-	-	-	-	-	-
Stock Adjustment.	-	-	313,581	262,655	-	-
Total :	-	-	-	-	-	-

B. Cost Statement.	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
<i>Direct Departmental Cost:</i>				
Direct material (if any)	-	-	-	-
Labour cost.	21,136	67.40	22,587	86.00
Salaries and other benefits.	-	-	-	-
Indirect materials.	160	0.51	160	0.61
Insurance. (Others)	3,776	12.04	1,595	6.07
Repair and maintenance.(stores & Spares)	-	-	-	-
Fuel - oil	125	0.40	107	0.41
Greases and lubricants (stores & Spares)	-	-	-	-
Gas.	3,689	11.76	3,849	14.65
Depreciation	-	-	-	-
Other overheads.	28,887	92.12	28,299	107.74
Sub Total (a) :				
<i>Indirect Departmental Cost :</i>				
Compressed Air (Annexure IX)	8,118	25.89	5,086	19.37
Power (Annexure X)	-	-	-	-
Other Factory Expenses (Annexure XI)	8,118	25.89	5,086	19.37
Sub Total (b) :	37,005	118.01	33,386	127.11
Total Cost (a+b) :				

C. Cost Distribution	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
Clay/shale	37,005	118.01	33,386	127.11
Limestone	-	-	-	-
Gypsum	-	-	-	-

D. Cost transferred and cost of closing stock Cost Summary.	Clay/Shale	Lime stone	Gypsum
	(a) Opening stock (uncrushed).	-	69,455
(b) Cost received (during the year)	-	69,455	-
(c) Total cost for uncrushed material (a+b)	-	-	-
(d) Cost applicable to closing stock (uncrushed).	-	69,455	-
(e) Cost applicable to crushed material (c-d)	-	37,005	-
(f) Cost of crushing process (from above).	-	-	-
(g) Opening stock (crushed material)	-	106,460	-
(h) Total cost applicable to crushed material(e+f+g).	-	-	-
(j) Closing stock (crushed material).	-	106,460	-
(k) Cost transferred to stock hall (Raw material storage (h-j)).	-	106,460	-


Chief Financial Officer


Chief Executive

DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Name of Department :- CRUSHING -- Gypsum
For The Year Ended June 30, 2012

A. Quantitative Data.	Clay / Shale		Lime stone		Gypsum	
	For the Year tons	Last year tons	For the Year tons	Last year tons	For the Year tons	Last year tons
Opening stock (uncrushed material)	-	-	-	-	9,874	9,264
Add: Received from quarry/purchase.	-	-	-	-	9,874	9,264
Total available for crushing	-	-	-	-	-	-
Less : Closing stock (uncrushed material)	-	-	-	-	9,874	9,264
Crushed during the period	-	-	-	-	(143)	47
Add: Opening stock (crushed material)	-	-	-	-	9,731	9,311
Total crushed material :	-	-	-	-	(162)	(143)
Less : Closing stock (crushed material)	-	-	-	-	-	-
Stock Reconciliation :	-	-	-	-	9,569	9,168
Transferred to cement mill.	-	-	-	-	-	-
Stock Adjustment.	-	-	-	-	9,569	9,168
Total :	-	-	-	-	-	-

B. Cost Statement.

	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
<i>Direct Departmental Cost:</i>				
Direct material (if any)	-	-	-	-
Labour cost.	-	-	-	-
Salaries.	-	-	-	-
Employee's other benefits.	-	-	-	-
Indirect materials.	-	-	-	-
Insurance.	-	-	-	-
Repair and maintenance.	0	-	-	-
Fuel - oil	-	-	-	-
Greases	-	-	-	-
Gas.	14	1.44	15	1.61
Depreciation	-	-	-	-
Other overheads.	-	-	-	-
Sub Total (a) :	14	1.44	15	1.61
<i>Indirect Departmental Cost :</i>				
Compressed Air (Annexure IX)	-	-	-	-
Power (Annexure X)	263	27.03	184	19.71
Other Factory Expenses (Annexure XI)	-	-	-	-
Sub Total (b) :	263	27.03	184	19.71
Total Cost (a+b) :	277	28.47	199	21.32

C. Cost Distribution

	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
Clay/shale	-	-	-	-
Limestone	-	-	-	-
Gypsum	277	28.47	199	21.32

D. Cost transferred and cost of closing stock Cost Summary.

	Clay/Shale	Lime stone	Gypsum
(a) Opening stock (uncrushed).	-	-	-
(b) Cost received (during the year)	-	-	1,067
(c) Total cost for uncrushed material (a+b)	-	-	1,067
(d) Cost applicable to closing stock (uncrushed).	-	-	-
(e) Cost applicable to crushed material (c-d)	-	-	1,067
(f) Cost of crushing process (from above).	-	-	277
(g) Opening stock (crushed material).	-	-	22
Adjustment	-	-	-
(h) Total cost applicable to crushed material(e+f+g).	-	-	1,366
(i) Closing stock (crushed material).	-	-	(23)
(j) Closing stock (crushed material).	-	-	1,343
(k) Cost transferred to cement mill.	-	-	1,343
(Raw material storage (h-j)).	-	-	-

Chief Financial Officer



Chief Executive



DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Name of Department :- STOCK HALL STORAGE/ISSUANCE OF RAW MATERIAL
For The Year Ended June 30, 2012

A. Quantitative Data.	Clay / Shale		Lime stone		Gypsum	
	For the Year tons	Last year tons	For the Year tons	Last year tons	For the Year tons	Last year tons
Opening stock.	906	2,366	906	7,995	-	-
Received from crusher.	11,857	23,890	313,581	262,655	-	-
Purchased.	-	-	-	-	-	-
Total.	12,763	26,256	314,487	270,650	-	-
Issued to Raw mill.	12,479	25,350	308,708	269,744	-	-
Stock Adjustment.	-	-	-	-	-	-
Closing stock.	284	906	5,779	906	-	-

B. Cost Statement.	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
<i>Labour cost :</i>	-	-	-	-
Salaries.	-	-	-	-
Employee's other benefits.	-	-	-	-
Indirect materials.	-	-	-	-
Insurance.	-	-	-	-
Repair and maintenance.	-	-	-	-
Fuel - oil	-	-	-	-
Gas.	668	2.04	697	2.35
Depreciation	-	-	-	-
Other overheads.	-	-	-	-
Sub Total (a) :	668	2.04	697	2.35
<i>Indirect Departmental Cost :</i>	-	-	-	-
Compressed Air (Annexure IX)	82	0.25	51	0.17
Power (Annexure X)	-	-	-	-
Other Factory Expenses (Annexure XI)	82	0.25	51	0.18
Sub Total (b) :	750	2.29	748	2.52
Total Cost (a+b) :	-	-	-	-

C. Cost Distribution	Quantity issued to Raw mill (tons)	Cost of Stock Hall Applicable to issues		Cost Applicable to Closing stock	
		Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
Clay/shale	12,479	29	2.34	-	-
Limestone	308,708	721	2.34	-	-
Gypsum	-	-	-	-	-
Total :	321,188	750	2.34	-	-

D. Cost Summary (up to stock hall)
Cost transferred and cost of closing stock:

	Clay / Shale		Lime stone		Gypsum		Total
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons	Rs. in 000
Quantity Received (tons)	11,857	-	313,581	-	-	-	-
Quantity Issued (tons)	12,479	-	308,708	-	-	-	-
Opening Stock.	113	124.89	308	340.01	-	-	421
Adjustment	-	-	-	-	-	-	-
Add : Received from crusher/purchases.	1,951	164.51	106,460	339.50	-	-	108,411
Stock Hall	29	2.28	721	2.29	-	-	750
Cost	1,980	155.11	107,181	340.81	-	-	109,161
Total :	2,093	163.97	107,489	341.79	-	-	109,582
Less :	-	-	-	-	-	-	-
Cost of closing stock	47	163.97	1,975	341.79	-	-	2,022
Cost applicable to quantities issued to Raw mill.	2,046	163.97	105,514	341.79	-	-	107,560
	2,093	163.97	107,489	341.79	-	-	109,582

Chief Financial Officer

Chief Executive

DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Name of Department :- RAW MILL (FOR MIX)
For The Year Ended June 30, 2012

A. Quantitative Data.	Clay / Shale		Lime stone		Mix	
	For the Year tons	Last year tons	For the Year tons	Last year tons	For the Year tons	Last year tons
Opening stock.	-	-	-	-	800	5,814
Received from Stock Hall.	12,479	25,350	308,708	269,744	321,187	295,094
Total.	12,479	25,350	308,708	269,744	321,987	300,908
Issued for Mix/slurry.					321,987	300,908
Total Mix/slurry made					319,790	300,107
Mix/slurry transferred to clinkerine.					-	1
Stock Adjustment.					2,197	800
Closing stock.						

B. Cost Statement.	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
<i>Direct Materials :</i>				
(1) Opening Stock	107,560	334.88	94,819	321.32
(2) Received from stock hall.	107,560	334.88	94,819	321.32
(3) Total.	-	-	-	-
(4) Closing Stock.	107,560	334.88	94,819	321.32
Cost of Raw materials processed (3-4)	1,945	2,431.60	13,109	2,254.73
Cost of opening stock.	-	-	-	-
Adjustment (Iron ore)	-	-	-	-
<i>Direct departmental costs :</i>				
Materials added.	-	-	-	-
Labour.	16,969	52.70	15,376	51.10
Salaries and other benefits.	-	-	-	-
Grinding materials.	-	-	-	-
Lining plates.	-	-	-	-
Indirect materials.	611	1.90	614	2.04
Insurance. (Others)	6,794	21.10	3,398	11.29
Repair and maintenance. (Stores & Spares)	-	-	-	-
Water.	832	2.58	312	1.04
Fuel - oil (Stores & Spares)	688,842	2,139.35	461,063	1,532.24
Gas.	13,452	41.78	14,038	46.65
Depreciation	-	-	-	-
Other overheads.	727,501	2,259.41	494,801	1,644.36
Sub Total (a) :	837,006	2,599.50	602,729	2,003.03
<i>Indirect Departmental Cost :</i>				
Compressed Air (Annexure IX)	-	-	-	-
Power (Annexure X)	96,203	298.78	68,700	228.31
Other Factory Expenses (Annexure XI)	61,461	190.88	60,258	200.26
Sub Total (b) :	157,664	489.66	128,958	428.56
Total Cost (a+b) :	994,670	3,089.16	731,687	2,431.60

C. Cost Distribution	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
Transferred to Kiln	987,883	3,089.16	729,739	2,431.60
Closing stock of mix/slurry.	6,787	3,089.16	1,945	2,431.60
Cost of abnormal loss charges to Profit & Loss Account	-	-	2	2,431.60
Total :	994,670	3,089.16	731,687	2,431.60

Chief Financial Officer

Chief Executive

DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Annexure VI

Name of Department :- KILN
For The Year Ended June 30, 2012

A. Quantitative Data.

	For the Year tons	Last year tons
Opening stock.	319,790	300,107
Received from Raw Mill.	319,790	300,107
Total.	319,790	300,107
Quantity fed into Kiln	-	-
Stock Adjustment.	-	-
Closing stock.	197,036	184,910
Clinker Produced.	12,311	2,655
Opening stock of Clinker.	209,347	187,565
Total :	196,970	175,252
Clinker transferred to Grinding.	-	-
Clinker sold.	(4)	2
Stock Adjustment.	12,381	12,311
Closing stock of Clinker.	-	-
Total :	209,347	187,565

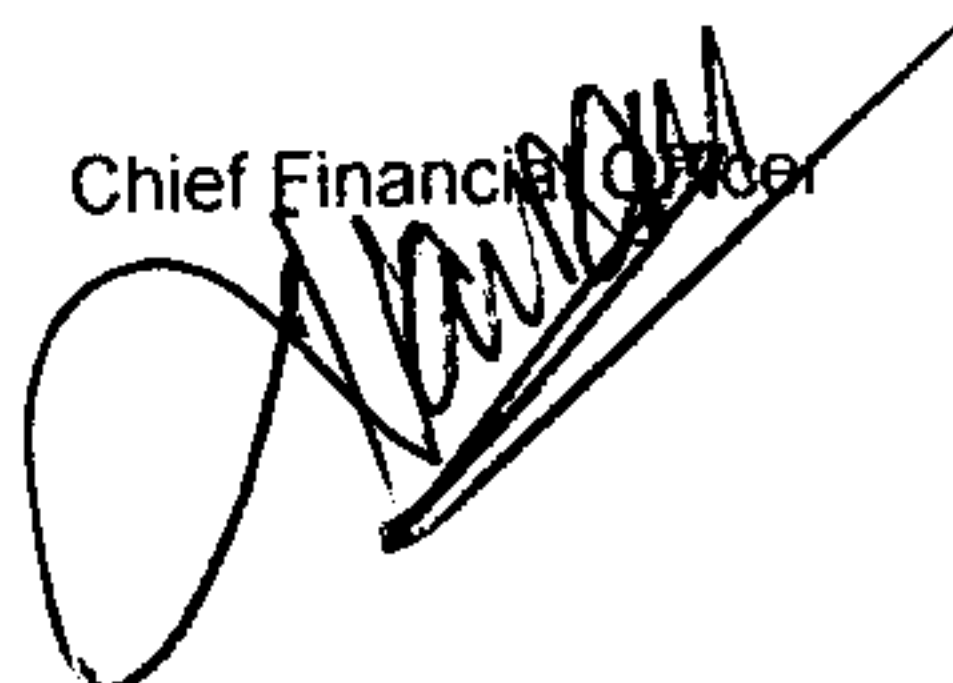
B. Cost Statement.

	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
Cost Received from Raw Mill :				
(1) Opening Stock.	61,244	4,974.63	13,414	5,052.28
Adjustment	-	-	-	-
(2) Received during the year.	987,883	3,089.16	729,739	2,431.60
(3) Total :	1,049,127	5,011.42	743,153	3,962.11
(4) Closing Stock.	-	-	-	-
Cost to be charged to the process (3-4)	1,049,127	5,011.42	743,153	3,962.11
Direct Departmental Cost :				
Materials added .	-	-	-	-
Labour.	19,383	98.37	17,912	96.87
Salaries and other benefits.	-	-	-	-
Indirect materials.	538	2.73	541	2.93
Insurance. (Others)	28,020	142.21	11,473	62.05
Repair and maintenance. (Stores & Spares)	2,574	13.06	1,609	8.70
Fuel - oil (Stores & Spares)	-	-	-	-
Gas / furnace oil / coal	12,445	63.16	12,987	70.23
Depreciation	-	-	-	-
Other overheads.	62,960	319.54	44,522	240.78
Sub Total (a) :	1,112,087	5,312.17	787,675	4,199.48
Indirect Departmental Cost :				
Compressed Air (Annexure IX)	92,482	469.37	71,227	385.20
Power (Annexure X)	75,645	383.91	74,164	401.08
Other Factory Expenses (Annexure XI)	168,127	853.28	145,391	786.28
Sub Total (b) :	1,280,214	6,115.27	933,066	4,974.63
Total Cost (a+b) :	1,280,214	6,115.27	933,066	4,974.63
Less : Value of Clinker sold.	-	-	-	-
Net Cost.	1,280,214	6,115.27	933,066	4,974.63

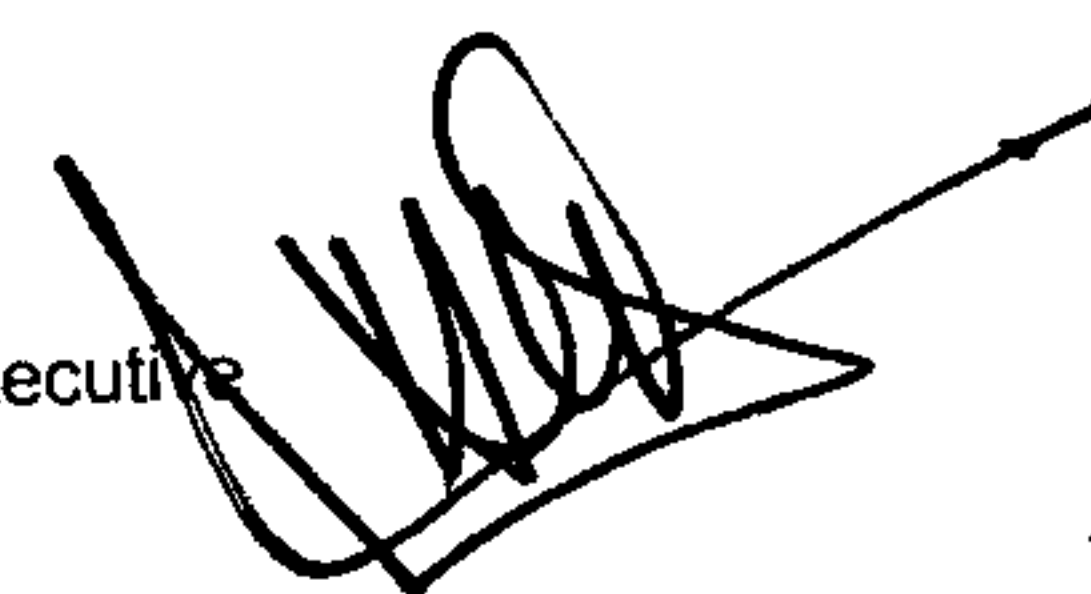
C. Cost Distribution

	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
Cost transferred to Grinding.	1,204,524	6,115.27	871,813	4,974.63
Cost of closing stock of Clinker.	75,713	6,115.27	61,244	4,974.63
Cost of abnormal loss charged to P & Loss Account	(24)	6,115.27	9	4,974.63
Total :	1,280,214	6,115.26	933,066	4,974.63

Chief Financial Officer



Chief Executive



DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Annexure VII

Name of Department :- GRINDING (CEMENT) .
For The Year Ended June 30, 2012

A. Quantitative Data.

	For the Year tons	Last year tons
Opening stock (CLINKER).	-	-
Clinker received from Kiln.	196,970	175,252
Clinker purchased	-	-
Total :	<u>196,970</u>	<u>175,252</u>
Clinker fed into Grinding.	-	-
Stock Adjustment.	-	-
Closing stock of Clinker.	-	-
Opening stock of Cement.	-	-
Cement Produced.	<u>206,825</u>	<u>184,421</u>
Cement Produced as % of input.	100	100
Cement transferred to Silos.	206,825	184,421
Stock Adjustment.	-	-
Closing stock of Cement.	-	-

B. Cost Statement.

	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
Cost Received from Kiln :				
(1) Opening Stock.	-	-	-	-
(2) Received during the year for clinker.	1,204,524	6,115.27	871,813	4,974.63
(3) Purchase of clinker.	-	-	-	-
(4) Total cost of Clinker.	<u>1,204,524</u>	<u>6,115.27</u>	<u>871,813</u>	<u>4,974.63</u>
(5) Cost of Closing Stock (clinker).	-	-	-	-
Cost of clinker fed to Grinding process (4-5)	1,204,524	6,115.27	871,813	4,974.63
Direct Departmental Cost :				
Material Added :				
Gypsum.	1,343	6.49	1,427	7.74
Slag.	-	-	-	-
Others.	-	-	-	-
Royalty / Duties.	-	-	-	-
Labour.	15,870	76.73	15,471	83.89
Salaries and other benefits.	-	-	-	-
Indirect materials.	299	1.45	301	1.63
Insurance. (Others)	3,117	15.07	970	5.26
Repair and maintenance. (Stores & Spares)	416	2.01	226	1.23
Grinding material. (Stores & Spares)	212	1.02	18	0.10
Lining Plates. (Stores & Spares)	268	1.30	148	0.80
Fuel - oil (Stores & Spares)	-	-	-	-
Gas.	6,913	33.42	7,213	39.11
Depreciation	11,105	53.69	-	-
Other overheads.	39,544	191.19	25,774	139.76
Sub Total (a) :	<u>1,244,068</u>	<u>6,015.07</u>	<u>897,588</u>	<u>4,867.06</u>
Indirect Departmental Cost :				
Compressed Air (Annexure IX)	87,542	423.26	60,955	330.52
Power (Annexure X)	63,826	308.60	62,576	339.31
Other Factory Expenses (Annexure XI)	151,368	731.86	123,531	669.83
Sub Total (b) :	<u>1,395,435</u>	<u>6,746.94</u>	<u>1,021,119</u>	<u>5,536.89</u>
Total Cost (a+b) :				

C. Cost Distribution

	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
Cost transferred to Silos.	1,395,435	6,746.94	1,021,119	5,536.89
Cost of closing stock of Cement.	-	-	-	-
Total :	<u>1,395,435</u>	<u>6,746.94</u>	<u>1,021,119</u>	<u>5,536.89</u>

Chief Financial Officer

Chief Executive

DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Annexure VIII

Name of Department :- PACKING AND STORAGE.
For The Year Ended June 30, 2012

A. Quantitative Data.

	For the Year tons	Last year tons
Opening stock of Cement (unpacked) .	4,773	1,675
Add : Cement received from Grinding Deptt.	206,825	184,421
Total :	211,598	186,096
Less : Closing stock of Cement (unpacked) .	2,865	4,773
Stock Adjustment.	-	-
Cement Packed during the period tons.	208,733	181,324
Cement Packed during the period (No of bags).	4,174,660	3,626,470
Add : Opening stock of Cement (packed) (NO of bags).	-	-
Less : Quantity sold (NO. of bags) .	4,174,660	3,626,470
Closing stock of cement (packed). (No. of bags).	-	-
Stock Adjustment (if any) . (No.of bags).	-	-

B. Cost Statement.

	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
Cost of opening stock un-packed.	29,600	6,202.08	11,454	6,838.21
Adjustment	-	-	-	-
Cost transferred in from Cement Grinding Deptt.	1,395,435	6,746.94	1,021,119	5,536.89
Direct Departmental Cost :				
Packing Materials.	79,123	379.06	67,962	374.81
Other materials.	-	-	-	-
Labour.	-	-	14,246	78.57
Salaries and other benefits.	12,950	62.04	-	-
Indirect materials.	-	-	-	0.30
Insurance. (Others)	54	0.26	55	3.90
Repair and maintenance. (Stores & Spares)	819	3.92	707	0.07
Fuel - oil (Stores & Spares)	52	0.25	12	-
Gas.	-	-	-	7.21
Depreciation	1,254	6.01	1,308	-
Other overheads.	-	-	-	-
	94,252	451.55	84,289	464.86
Sub Total (a) :	1,519,288	7,180.08	1,116,863	6,001.54
Indirect Departmental Cost :				
Compressed Air (Annexure IX)	-	-	-	-
Power (Annexure X)	10,613	50.16	2,556	13.73
Other Factory Expenses (Annexure XI)	35,459	167.58	34,764	186.81
Sub Total (b) :	46,072	217.74	37,320	200.53
Total Cost (a+b) :	1,565,360	7,397.82	1,154,183	6,202.08
Less : Cost applicable to un packed closing stock.	21,192	7,397.82	29,600	6,202.08
Cost applicable to packed closing stock.	-	-	-	-
Value of closing stocks at NRV	-	-	-	-
Balance : Cost of packed cement sold.	1,544,168	7,397.82	1,124,583	6,202.08
Cost of loose cement sold (if any).	-	-	-	-
Cost of Total cement sold :	1,544,168	7,397.82	1,124,583	6,202.08

Chief Financial Officer

Chief Executive

DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Annexure IX

Name of Department :- AIR COMPRESSING.
For The Year Ended June 30, 2012

A. Quantitative Data.	For the Year	Last year
Compressed Air Produced.	-	-

B. Cost Statement.	For the Year	Last year
Direct Departmental Cost :	-	-
Labour.	-	-
Salaries.	-	-
Employee's other benefits.	-	-
Indirect materials.	-	-
Insurance.	-	-
Repair and maintenance.	-	-
Fuel - oil	-	-
Gas.	-	-
Depreciation	-	-
Other overheads.	-	-
Sub Total (a) :	-	-
Indirect Departmental Cost :		
Power (Annexure X)	-	-
Other Factory Expenses (Annexure XI)	-	-
Sub Total (b) :	-	-
Total Cost (a+b) :	-	-

C. Cost Distribution

Departments using compressed air :	-	-
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Chief Financial Officer

Chief Executive

DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Annexure X

STATEMENT SHOWING THE COST OF POWER GENERATED/PURCHASED AND CONSUMED.
For The Year Ended June 30, 2012

A. Quantitative Data.

	For the Year	Last year
Installed capacity KWH.		
No. of Units Generated.		
No. of Units Purchased.		
Total :		
Self consumption in Power house.		
Losses.		
Net Units consumed by various other departments.		
(1) Percentage of loss to total power generated and purchased.		
(2) % of power generated to installed capacity.		

B. Cost Statement.

	Quantity Units	Rate Rs.	Amount Rs.	Cost per unit of power generated and purchased	
				Current Year Rs.	Previous year Rs.
1. Fuel Oil / Steam consumed.					
2. Other materials.					
3. Consumable stores.					
4. Other Direct charges.					
5. Salaries and wages.					
6. Repairs and maintenance.					
7. Other overheads.					
8. Depreciation.					
Total :					
Less : supplied to other units of the company.					
Net cost of Power Generated.				316,703,536	221,655,589
Purchased Power (on actual consumption basis)					
Total cost of Power :				316,703,536	221,655,589

Cost per units (average).

C. Cost Distribution

	Current Year Rs.000	Previous year Rs.000
Consumed in :		
Lime stone,Clay,Gypsum Quarry.	-	-
Transportation.	8,118	5,086
Crushing Lime stone.	263	183
Crushing Gypsum.	82	51
Stock Hall.	96,203	68,700
Raw Mill.	92,482	71,227
Kiln.	87,542	60,955
Cement Grinding.	10,613	2,556
Storage and Packing.	-	-
Air compressing.	21,400	12,896
Others.	-	-
Total cost distributed :	316,704	221,656


Chief Financial Officer


Chief Executive

DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Annexure XI

OTHER FACTORY EXPENSES -- FACTORY GENERAL.
For The Year Ended June 30, 2012

A. Cost Statement.

	For the Year Rs. in 000	Last year Rs. in 000
Direct Departmental Cost :		
Labour cost.	149,494	147,293
Salaries.		247
Employee's other benefits. (Others)		
Contractor's Labour.	2,518	10,765
Repair and maintenance. (Stores & Spares)		
Stores and spares.	428	7,495
Electricity.(Fuel, Gas & Electricity)	331	66
Rent, Rates & Taxes		
Diesel	13,739	10,621
Vehicle running & maintenance	23,068	24,072
Depreciation		
Compressed Air (Annexure IX)	21,400	12,896
Power (Annexure X)	25,412	18,308
Miscellaneous expenses.		
Total :	236,391	231,763

C. Cost Distribution

	For the year		Last year	
	Basis	Rs. 000	Basis	Rs. 000
Lime stone,Clay,Gypsum Quarry.	0	-	0	-
Transportation.	0	-	0	-
Crushing.	0	-	0	-
Stock Hall.	26%	61,461	26%	60,258
Raw Mill.	32%	75,645	32%	74,164
Kiln.	27%	63,826	27%	62,576
Cement Grinding.	15%	35,459	15%	34,764
Storage and Packing.	0%	-	0%	-
Air compressing.	0%	-	0%	-
Power generation.				
Total :	100%	236,391	100%	231,763

Chief Financial Officer



Chief Executive



DANDOT CEMENT COMPANY LIMITED
DEPARTMENTAL COST STATEMENT

Annexure XII

Name of Department :- Iron Ore
For The Year Ended June 30, 2012

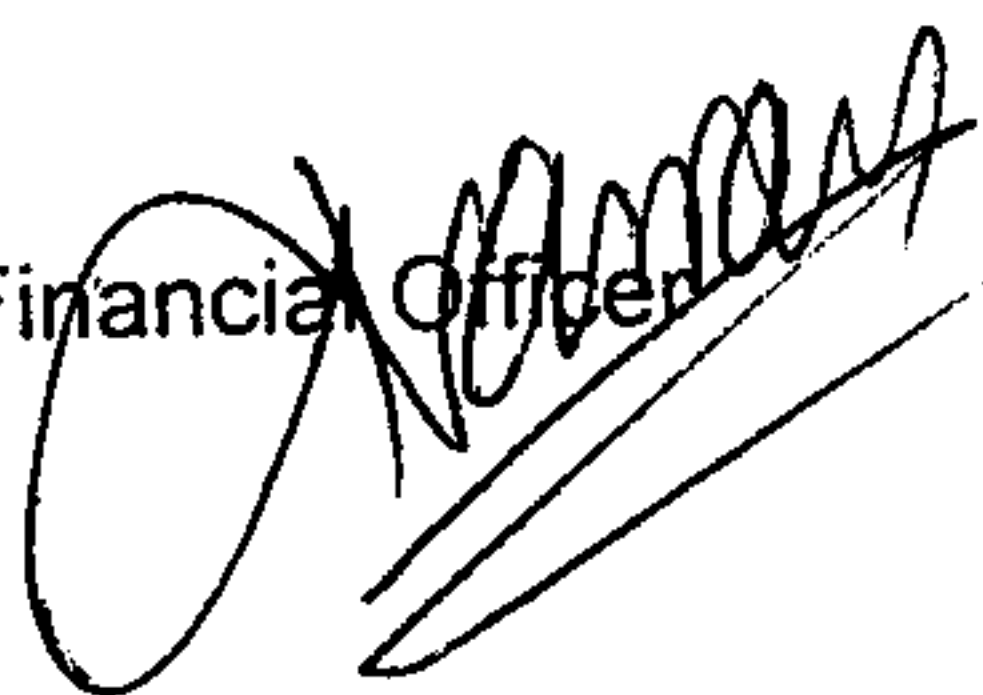
A. Cost Statement.

	For the Year Rs. in 000	Last year Rs. in 000
Opening Stock	-	-
Direct Departmental Cost :		
Labour cost.	-	-
Salaries.	-	-
Employee's other benefits. (Others)	-	-
Contractor's Labour.	-	-
Repair and maintenance. (Stores & Spares)	-	-
Stores and spares.	-	-
Electricity.(Fuel, Gas & Electricity)	-	-
Rent, Rates & Taxes	-	-
Diesel	-	-
Vehicle running & maintenance	-	-
Depreciation	-	-
Compressed Air (Annexure IX)	-	-
Power (Annexure X)	-	-
Miscellaneous expenses.	-	-
Total :	-	-

C. Cost Distribution

	For the year		Last year	
	Rs. in 000	Rs. per tons	Rs. in 000	Rs. per tons
Cost transferred to Rawmill	-	-	-	-
Cost of closing stock of Cement.	-	-	-	-
Total :	-	-	-	-

Chief Financial Officer



Chief Executive





DANDOT CEMENT COMPANY LIMITED

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Ph: +92-42-35911485. Fax: +92-42-35831846

E-mail: kamran@dandotcement.com

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants
54-P, Gulberg-II
Lahore.

CERTIFICATE OF INSTALLED AND UTILISED CAPACITY YEAR ENDED 30.06.2012

	<u>INSTALLED CAPACITY</u>		<u>Tones/Year</u>	<u>UTILISED</u>
	<u>Tones/Day</u>	<u>Days/Year</u>		<u>Tones/Year</u>
Clinker	1,600	300	480,000	197,036
Cement	1,680	300	504,000	206,825

Shortfall in production during the year is mainly due to market constraints and plant stoppages for repair.

66 days are reserved for annual maintenance.

Muhammad Kamran
(Chief Financial Officer/
Company Secretary)

