

**COST AUDIT REPORT**

**DANDOT CEMENT COMPANY  
LIMITED**

**FOR THE YEAR ENDED**

**30 JUNE 2014**

**RAHMAN SARFARAZ RAHIM IQBAL RAFIQ  
CHARTERED ACCOUNTANTS**

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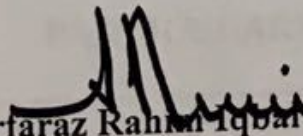


COST AUDITORS' REPORT TO THE DIRECTORS OF THE COMPANY

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 2014 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 stock in trade, 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: 05 DEC 2014.





DANDOT CEMENT COMPANY LIMITED

ANNEX TO COST AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2014

1. a) CAPACITY

PARTICULARS	LICENCED CAPACITY	INSTALLED CAPACITY (TONS)	UTILIZED CAPACITY (TONS)	% OF INSTALLED CAPACITY
CLINKER	Not available	480,000	145,288	30.27
CEMENT	Not available	504,000	159,073	31.56

Capacity utilization remained low with reference to installed capacity.

Shortfall in current year's production is mainly due to plant stoppages till December 2013 for repair and financial crunch.

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	2014 (TONS)	2013 (TONS)
CLINKER	145,288	42,890
CEMENT	159,073	24,518

The cement production has increased by 134,555 tons as compared to previous year. Company resumed its production, which was stopped in October 2012, in December 2013.



**DANDOT CEMENT COMPANY LIMITED**

**b) PERCENTAGE OF PRODUCTION TO INSTALLED CAPACITY**

PARTICULAR	2014			2013		
	INSTALLED CAPACITY (TONS)	UTILIZED CAPACITY (TONS)	% AGE OF INSTALLED CAPACITY	INSTALLAD CAPACITY (TONS)	UTILIZED CAPACITY (TONS)	% AGE OF INSTALLED CAPACITY
CLINKER	480,000	145,288	30.27	480,000	42,890	8.94
CEMENT	504,000	159,073	31.56	504,000	24,518	4.86

Capacity utilization is low with reference to installed capacity.

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	2014			2013		
	QTY (TONS)	COST Rs. (000)	COST PER TON (Rs.)	QTY (TONS)	COST Rs. (000)	COST PER TON (Rs.)
LIME STONE	225,480	98,035	434.78	67,806	56,913	839.35
SHALE/CLAY	31,370	6,305	200.99	2,104	721	342.68
GYPSUM	8,907	4,990	560.23	1,169	300	256.63
LATERITE (Iron Ore)	7,845	13,039	1,662.06	-	-	-

Cost per ton of lime stone, shale/clay, gypsum and laterite are based on their quantity consumed. Laterite is consumed this year to improve quality of cement. It is locally purchased material and was not used in the past.

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

PARTICULARS	MATERIAL FROM QUARRY TONS	COST OF TRANSPORTATION Rs. (000)	COST PER TON Rs.
LIME STONE	243,473	41,079	168.72
SHALE/CLAY	33,284	5,690	170.95
GYPSUM *	10,003	-	-
<b>TOTAL</b>	<b>286,760</b>	<b>46,769</b>	

\* 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	1.552	1.399	0.153
SHALE/CLAY	0.216	0.224	(0.008)
GYPSUM	0.061	0.059	0.002
LATERITE	0.054	0.028	0.026

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)
	2014	2013	2012	
LIME STONE	1.552	1.581	1.567	1.399
SHALE/CLAY	0.216	0.049	0.063	0.224
GYPSUM	0.061	0.027	0.049	0.059
LATERITE	0.054	-	-	0.028

Variance between actual consumption and standard requirements is also 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)	
	2014 Rs. (000)	2013 Rs. (000)	Rs. (000)	% AGE
Direct Labour Cost of Production	73,042	83,914	(10,872)	(12.96)
Indirect Labour Cost of Production	133,655	109,454	24,201	22.11
Employees cost in administration	12,931	10,321	2,610	25.29
Employees cost in selling and distribution	1,799	2,325	(526)	(22.62)
<b>TOTAL</b>	<b>221,427</b>	<b>206,014</b>	<b>15,413</b>	<b>7.48</b>

- i) The aggregate of direct and indirect labour cost of production has increased during the year as compared to previous year. This is mainly due to the stoppage of work for only 5 months as compared to 8 Months in 2013 and the increased production during the year as compared to last year.
- 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	2014 Rs. (000)	2013 Rs. (000)	INCREASE / (DECREASE)	
			Rs. (000)	% AGE
Direct Labour Cost	26,436	27,121	(685)	(2.53)

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

PARTICULARS	2014 Rs. (000)	2013 Rs. (000)	2012 Rs. (000)
CHIEF EXECUTIVE	-	-	-
EXECUTIVE	900	900	648
DIRECTOR	-	-	-
<b>TOTAL</b>	<b>900</b>	<b>900</b>	<b>648</b>

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





**DANDOT CEMENT COMPANY LIMITED**

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

AVAILABLE	WORKED	%AGE WORKED
365	174	47.67%

d) **AVERAGE NO. OF WORKERS**

2014	2013	INCREASE / (DECREASE)
722	668	54

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

PARTICULARS	2014	2013	INCREASE/ (DECREASE) % AGE
Direct Labour cost on Production Rs. (000)	73,042	83,914	(12.96)
Production - Cement (Tons)	155,111	24,518	532.64
Direct Labour cost per unit of the Production (Rs./Ton)	471	3,423	(86.24)

Direct labour cost of the production has decreased mainly due to re-classification of some salaries and wages to factory overheads.

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

PARTICULARS	2014 Rs.	2013 Rs.	2012 Rs.
Direct Labour cost per unit	471	3,423	498

Direct labour cost per unit of the production has decreased by 2,952 mainly due to increase in production as compared to last year.

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	2014 (Rupees)	2013 (Rupees)	INCREASE/ (DECREASE) %AGE
For Quarries	53.15	29.44	80.54
For Plant	624.97	1,867.98	(66.54)
<b>TOTAL</b>	<b>678.12</b>	<b>1,897.42</b>	<b>(64.26)</b>

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.



8. OVERHEADS(a) TOTAL AMOUNTS OF OVERHEADS

Sr. #	PARTICULARS	2014 Rs.(000)	2013 Rs.(000)	2012 Rs.(000)
i.	Factory	1,146,954	428,455	1,252,585
ii.	Administration	27,858	31,177	35,254
iii.	Selling & distribution	560	614	220
iv.	Financial charges	108,678	19,268	17,404
	<b>TOTAL</b>	<b>1,284,050</b>	<b>479,514</b>	<b>1,305,463</b>

i) Factory Overheads

PARTICULARS	2014	2013	2012	Increase/(Decrease) %	
	Rs. (000)	Rs. (000)	Rs. (000)	Compared to 2013	Compared to 2012
Fuel (Coal /Gas/ Furnace Oil)	458,927	165,912	688,842	176.60	(33.38)
Power	401,955	115,458	316,704	248.14	26.92
Depreciation	64,163	65,707	68,543	(2.35)	(6.39)
Indirect material	65,642	10,432	79,123	529.24	(17.04)
Repair and maintenance	124,015	54,583	63,372	127.20	95.69
Royalty, Duty & Local Tax	17,001	2,151	10,589	690.38	60.55
Others	15,251	14,212	25,412	7.31	(39.98)
<b>TOTAL</b>	<b>1,146,954</b>	<b>428,455</b>	<b>1,252,585</b>	<b>167.69</b>	<b>(8.43)</b>

Factory overheads are showing increase of 167.69% from the last year due to increase in production and decrease of 8.43% from year 2012 due to decrease in production.

ii) ADMINISTRATION OVERHEADS

PARTICULARS	2014	2013	2012	Increase/(Decrease) %	
	Rs. (000)	Rs. (000)	Rs. (000)	Compared to 2013	Compare to 2012
Rent, rates and taxes	4,778	6,085	6,083	(21.48)	(21.45)
Travelling & conveyance	2,425	2,243	4,459	8.11	(45.62)
Repair and maintenance	1,223	607	1,255	101.48	(2.55)
Vehicle running & maintenance	671	2,720	1,481	(75.33)	(54.69)
Legal and professional charges	3,045	1,934	9,045	57.43	(66.33)
Auditor's remuneration	855	868	770	(1.50)	11.04
Postage, telegram and telephone	1,010	1,295	1,491	(22.01)	(32.26)
Printing and stationery	429	272	334	57.72	28.44
Advertisement	95	52	85	82.69	11.76
Entertainment	1,892	1,818	1,277	4.07	48.16
Inadmissible sales tax	6,105	7,249	-	(15.78)	-
Fees and subscription	1,034	673	488	53.64	111.89
Security Services	-	105	226	(100.00)	(100.00)
Depreciation	2,875	3,194	3,504	(9.99)	(17.95)
Miscellaneous	1,421	2,062	4,756	(31.09)	(70.12)
<b>TOTAL</b>	<b>27,858</b>	<b>31,177</b>	<b>35,254</b>	<b>(10.65)</b>	<b>(20.98)</b>

Administration overheads have decreased by 10.56% as compared to last year and decreased by 20.98% from year 2012.



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**iii) SELLING AND DISTRIBUTION OVERHEADS**

PARTICULARS	2014	2013	2012	Increase/(Decrease) %	
	Rs. (000)	Rs. (000)	Rs. (000)	Compared to 2013	Compared to 2012
Travelling & conveyance	94	502	-	(81.27)	-
Vehicle running & maintenance	351	-	65	-	440.00
Printing & stationery	-	-	39	-	(100.00)
Depreciation	110	112	116	(1.79)	(5.17)
Miscellaneous	5	-	-	-	-
<b>TOTAL</b>	<b>560</b>	<b>614</b>	<b>220</b>	<b>(8.79)</b>	<b>154.55</b>

Selling and distribution overheads have decreased by 8.79% from last year and increased by 154.55% from year 2012.

**iv) FINANCIAL CHARGES**

PARTICULARS	2014	2013	2012	Increase/(Decrease) %	
	Rs. (000)	Rs. (000)	Rs. (000)	Compared to 2013	Compared to 2012
<b><u>Loan From Financial Institutions</u></b>					
Long Term	210,867	-	-	-	-
Short Term	280,341	-	-	-	-
Finance Cost Paid on Tax Liability	109,852	-	-	-	-
Finance Income on Demand Finance	(514,294)	-	-	-	-
<b><u>Mark up on:</u></b>					
Long term loans	4,932	4,932	4,932	-	-
<b><u>Interest on:</u></b>					
Provident fund	15,851	13,670	11,184	15.95	41.73
Workers profit participation fund	489	455	559	7.47	(12.52)
Bank and other charges.	640	211	729	203.32	(12.21)
<b>TOTAL</b>	<b>108,678</b>	<b>19,263</b>	<b>17,404</b>	<b>464.18</b>	<b>524.44</b>

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Financial charges have increased by 446.18 % as compared to the year 2013 and increased by 524.44% from year 2012. The increase is due to recognizing in the financial statements mark-up on the loans that are either restructured or were under litigation and financial charges thereon were not recognized in year 2013 and 2012. The increase also represents the cost paid on tax liability which did not form part of the cost in past years.

**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

The percentages for allocation are being used for preceding many years. 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.

**(b) COST OF PACKING**

	<u>2014</u>	<u>2013</u>
Cement packed (Tons)	155,111	25,814

PARTICULARS	2014		2013		INCREASE / (DECREASE)	
	Rs. (000)	Rs. (Per ton)	Rs. (000)	Rs. (Per ton)	Rs. (000)	% AGE
Packing material	65,642	423.19	10,432	404.12	55,210	529.24
Direct labour	5,362	34.57	11,490	445.11	(6,128)	(53.33)
Repairs and maintenance	2,205	14.22	1,663	64.42	542	32.59
Depreciation	1,174	7.57	1,202	46.56	(28)	(2.33)
Power	13,681	88.20	4,851	187.92	8,830	182.02
Insurance	-	-	31	1.20	(31)	(100)
Other general overheads	35,290	227.51	25,605	991.90	9,685	37.82
<b>TOTAL</b>	<b>123,354</b>	<b>795.26</b>	<b>55,274</b>	<b>2,141.24</b>	<b>68,080</b>	<b>123.17</b>





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- Total cost of packing has increased by 123.17 % as compared to last year. The main cause of this increase is the increased production this year.
- Per ton cost of packing material has been calculated on the basis of cement packed into bags.
- Per ton packing cost shows material decrease because of substantially increased production & packing 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	2014 Rs. (000)	2013 Rs. (000)	INCREASE/ (DECREASE) %
Comparison of royalty charged	17,001	2,151	690.38

Royalty paid has increased due to increased excavation of lime stone etc and increased production.

PARTICULARS	ROYALTY Rs. (000)	PRODUCTION (TON)	COST PER TON (Rs.)
Royalty per ton of cement produced	17,001	115,111	109.61

### 10. ABNORMAL NON RECURRING FEATURES

#### a) FEATURES AFFECTING PRODUCTION

Abnormal features affecting production during the year were only, financial crunch and shutdown of operations of the company in last year which were resumed in December 2013.

#### b) SPECIAL EXPENSES

There were no special expenses incurred for production during the year.

**DANDOT CEMENT COMPANY LIMITED**



**11. COST OF PRODUCTION**

**2014**

**2013**

Production of Cement (Tons)

155,111

24,518

PARTICULARS	2014		2013		INCREASE / (DECREASE)	
	Rs. (000)	Rs. (Per ton)	Rs. (000)	Rs. (Per ton)	Rs. (000)	% AGE
Opening stock of raw material	1,783	11.49	2,244	91.52	(461)	(20.54)
New Material	37,213	239.91	8,464	345.22	28,749	339.66
Direct labour	26,437	170.44	27,121	1,160.20	(684.00)	(2.53)
Royalty and excise duty	17,001	109.61	2,151	87.73	14,850	690.38
Power	10,763	69.39	1,049	42.78	9,714	926.02
Fuel oil	-	-	-	-	-	-
Stores and spares	8,244	53.15	722	29.45	7,522	1041.83
Other overheads	3,669	23.65	231	9.42	3,438	1,488.31
	105,110	677.64	41,982	1,712.29	63,128	150.37
Closing stock of raw material	(8,630)		(1,783)	-		
Cost of raw material consumed	96,480	622.01	40,199	1,639.57	56,281	140.01
Direct labour	46,606	300.47	56,794	2,316.42	(10,188)	(17.94)
Indirect labour	134,671	868.22	109,454	4,464.23	25,217	23.04
Fuel (Furnace Oil/Gas/Coal)	459,619	2,963.16	164,932	6,726.98	294,687	178.67
Power	401,955	2,519.40	115,458	4,709.11	286,497	248.14
Stores and spares	96,939	624.97	45,799	1,867.97	51,140	111.66
Vehicle running and maintenance	18,832	121.41	8,062	328.82	10,770	133.59
Packing material	65,642	423.19	10,432	425.48	55,210	529.24
Depreciation	64,163	413.66	65,707	2,679.95	(1,544)	(2.35)
Others	23,817	153.55	15,717	641.04	8,100	51.54
	1,408,724	9082.04	632,553	25,799.54	776,171	122.70
Opening WIP	201,891		81,513	-	120,378	147.68
Closing WIP	(164,261)		(201,891)	-	(37,630)	(18.64)
<b>Cost of production</b>	<b>1,446,354</b>	<b>9324.64</b>	<b>512,176</b>	<b>20,889.79</b>	<b>934,178</b>	<b>182.39</b>



12. NET SALES REALIZATION

a) LOCAL SALES

Sales (Quantity in tons) 2014 2013

155,111 25,814

PARTICULARS	2014		2013	
	Rs. (000)	Rs. (Per ton)	Rs. (000)	Rs. (Per ton)
Gross sales	1,364,314	8,795.08	180,965	7,010.34
Less:				
Sales Tax	227,657	1,467.70	24,961	966.96
Excise duty	62,044	400.00	10,326	400.02
Rebate to dealers	6,415	41.36	406	15.73
	(296,116)	(1,909.06)	(35,693)	(1,382.69)
<b>NET SALES</b>	<b>1,068,198</b>	<b>6,886.67</b>	<b>145,272</b>	<b>5,627.64</b>

b) EXPORT SALES

Sales (Quantity in tons) 2014 2013

- -

PARTICULARS	2014		2013	
	Rs. (000)	Rs. (Per ton)	Rs. (000)	Rs. (Per ton)
<b>SALES</b>	-	-	-	-

There were no Exports of cement in current year (2013:Nil).

13. PROFITABILITY

	<u>2014</u>	<u>2013</u>
Sales of cement (Quantity in tons)	155,111	25,814

PARTICULARS	2014		2013	
	Rs. (000)	Rs. (Per ton)	Rs. (000)	Rs. (Per ton)
Sales – net	1,068,198	6,886.67	145,272	5,627.64
Cost of production	1,446,354	9324.64	512,178	19,841.09
Opening finished goods	13,351	-	21,192	-
	1,459,705	9410.71	533,370	20,662.04
	(43,226)	-	(13,351)	-
Closing finished goods				
Cost of good sold	(1,416,479)	(9132.03)	(520,019)	20,144.84
Gross Profit / (Loss)	(348,281)	(2,245.37)	(374,747)	(14,517.19)
<b>Operational overheads</b>				
Administrative overheads	40,788	262.96	41,496	1,607.50
Selling and distribution overheads	3,349	21.59	2,940	113.89
Financial overheads	108,678	700.65	19,269	746.46
Total operational overheads	(152,815)	(985.20)	(63,705)	(2,467.85)
Other Operating Income	322	2.08	13,117	508.14
Other operating expenses	(25,859)	(166.71)	(38,305)	(1,483.88)
Net Profit / (Loss) before taxation	<b>(526,633)</b>	<b>(3,395.20)</b>	<b>(463,640)</b>	<b>(17,960.8)</b>

Net sales revenue for the year under review is Rs. 1,068,198 thousand, which is 635.31% more than the net sales revenue of Rs. 145,272 thousand in the preceding year. The increase is due to increase in quantity sold.





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:
  - i. Stores and spares consumption needs more particular attention of the management to minimize the cost of production and better utilisation of available time of labour and plant.
- d. Suggestions & Observations regarding improvement in performance
  - (i) The production facilities are balanced.
  - (ii) The Company operated at 31.56 % of installed capacity.
  - (iii) For reduction in cost of production, the Company should take following measures:
    - i. The management should introduce strict budgetary controls, which should be treated as yard stick for measuring efficiency of each and every operational activity.
    - ii. 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.
    - iii. 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 our cost of production to the bare minimum.
    - iv. 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 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.787 thousands inclusive of the difference in last year, as compared to the value shown by Summary of Cost Report (2013: Rs. 785 thousands).



## DANDOT CEMENT COMPANY LIMITED

### 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 report alongwith certificate of installed and utilized capacity, summary cost report and stock valuation are verified by us.

### 17. MISCELLANEOUS

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