

**Quarterly Accounts**  
**September 30, 2016**  
**(Un-Audited)**

**ZEALPAK**

**ZEAL ▼ PAK**  
**CEMENT FACTORY LIMITED**

# CONTENTS

|   |  |   |
|---|--|---|
| ✧ | Corporate Information.....                 | 2 |
| ✧ | Directors' Report to the Shareholders..... | 3 |
| ✧ | Balance Sheet.....                         | 4 |
| ✧ | Profit & Loss Account.....                 | 5 |
| ✧ | Cash Flow Statement.....                   | 6 |
| ✧ | Statement of Changes in Equity.....        | 7 |
| ✧ | Notes to the Accounts.....                 | 8 |

# Zeal Pak Cement Factory Limited

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

|                         |                 |
|-------------------------|-----------------|
| Mr. Ashraf Ali Jatoi    | Chairman        |
| Mr. Jehangir Akbar      | Chief Executive |
| Mr. Mushtaq Ahmed Jatoi | Director        |
| Mr. Muhammad Moosa      | Director        |
| Mr. Abdul Hameed Baig   | Director        |
| Engr. B. V. Seetlani    | Director        |
| Mr. Sarwar Khan         | Director        |
| Mr. Nawab Ali Jatoi     | Director        |

### AUDIT COMMITTEE

|                       |          |
|-----------------------|----------|
| Mr. Abudl Hameed Baig | Chairman |
| Mr. Ashraf Ali Jatoi  | Member   |
| Mr. Sarwar Khan       | Member   |

### COMPANY SECRETARY

Mr. M. Asghar Khan

### CHIEF FINANCIAL OFFICER

Mr. Nouman Maqbool

### STATURORY AUDITORS

Reanda Haroon Zakaria & Co.  
Chartered Accountants

### BANKERS

The Bank of Punjab  
Allied Bank of Pakistan Limited  
National Bank of Pakistan  
MCB Bank Limited  
Meezan Bank Limited

### REGISTERED OFFICE

4th Floor, Panorama Centre, Building No. 2,  
Raja Ghazanfar Ali Khan Road, Saddar - Karachi.  
E-mail: [zpcf1@yahoo.com](mailto:zpcf1@yahoo.com)  
Website: [www.zealpak.com.pk](http://www.zealpak.com.pk)

### FACTORY

Tando Mohammad Khan Road,  
S.I.T.E. Hyderabad.

# Zeal Pak Cement Factory Limited

## DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Directors of your Company are pleased to present the Quarterly Report for the Quarter ended September 30, 2016.

### MARKETING

During the period under review the sales revenue of the Company's stood at Rs. 247.656 million as compared to Rs. 85.332 million of the corresponding period of the previous year. The sale of Cement during the quarterly under review was 45240.00 tonnes as compared to 11968.30 tonnes for the same period of last year.

### PRODUCTION

The production of Cement stood at 45,610 tonnes as compared to 12,100 tonnes during the corresponding period of the previous year.

### FINANCIAL

During the period the Company has reported a loss after taxation amounting to Rs. 57.699 million s compared to Rs. 59.680 million during the same period in the last year.

### FUTURE PORSPECTS

The management is making efforts for the improving optional and financial results by increasing production and sale and by reducing cost of production and financial charges.

### ACKNOWLEDGEMENT

The board would like to place on record their appreciation to customers and employees of the Company for their continued support, co-operation and dedication.

For and on behalf of Board



**JEHANGIR AKBAR**  
Chief Executive

Karachi April 08, 2019

# Zeal Pak Cement Factory Limited

## INTERIM CONDENSED BALANCE SHEET

### AS AT SEPTEMBER 30, 2016

|  | Note | Un-audited<br>September 30,<br>2016 | Audited<br>June 30,<br>2016<br>(Rupees in '000) |
|--|------|-------------------------------------|---|
| <b>EQUITY AND LIABILITIES</b>                                    |      |                                     |   |
| <b>SHARE CAPITAL AND RESERVES</b>                                |      |                                     |   |
| <b>Authorized Capital</b>  |      |                                     |   |
| 427,838,526 (2015: 427,838,526)                                  |      |                                     |   |
| Ordinary shares of Rs. 10/- each                                 |      | 4,278,385                           | 4,278,385                                       |
| <b>Issued, subscribed and paid-up-capital</b>                    |      |                                     |   |
| Capital reserve  |      | 4,278,385                           | 4,278,385                                       |
| Accumulated (Loss)   |      | 10,904                              | 10,904  |
|  |      | (7,219,170)                         | (7,166,073)                                     |
|  |      | (2,929,881)                         | (2,876,784)                                     |
| <b>Surplus on Revaluation of property, plant &amp; equipment</b> |      | 1,041,639                           | 1,046,241                                       |
| <b>NON-CURRENT LIABILITIES</b>                                   |      |                                     |   |
| Long Term Deposits   |      | 6,564                               | 6,564   |
| Long Term Financing  |      | 2,896,150                           | 2,745,772                                       |
| Deferred and other liabilities                                   |      | 10,348                              | 10,147  |
| <b>CURRENT LIABILITIES</b>                                       |      |                                     |   |
| Trade and other payable  |      | 5,286,125                           | 5,296,334                                       |
| Short term borrowings  |      | 388                                 | 388   |
| Provision for taxation   |      | 36,046                              | 33,569  |
|  |      | 5,322,559                           | 5,330,291                                       |
| <b>CONTINGENCIES &amp; COMMITMENTS</b>                           |      |                                     |   |
|  | 4    | -                                   | -   |
|  |      | <b>6,347,379</b>                    | <b>6,262,231</b>                                |
| <b>ASSETS</b>  |      |                                     |   |
| <b>NON CURRENT ASSETS</b>  |      |                                     |   |
| Property, Plant and Equipment                                    | 5    | 5,181,262                           | 5,029,062                                       |
| Long-term deposits   |      | 8,009                               | 8,009   |
| <b>CURRENT ASSETS</b>  |      |                                     |   |
| Stores, spares and loose tools                                   |      | 126,890                             | 132,107   |
| Stock-in-trade   |      | 56,490                              | 72,650  |
| Trade debts  |      | 315,690                             | 323,232   |
| Loans and advances   |      | 310,205                             | 322,491   |
| Trade deposits and short term prepayments                        |      | 16,158                              | 16,158  |
| Other Receivables  |      | 120,560                             | 119,974   |
| Taxes Recoverable  |      | 208,960                             | 204,709   |
| Cash and bank balances   |      | 3,155                               | 33,839  |
|  |      | 1,158,108                           | 1,225,160                                       |
|  |      | <b>6,347,379</b>                    | <b>6,262,231</b>                                |

The annexed notes form an integral of these financial statements.

  
Chief Executive

  
Director

# Zeal Pak Cement Factory Limited

## INTERIM CONDENSED PROFIT AND LOSS ACCOUNT FOR THE QUARTER ENDED SEPTEMBER 30, 2016

|                         | Note | Un-audited Quarter Ended |                        |
|-------------------------|------|--------------------------|------------------------|
|                         |      | September 30,<br>2016    | September 30,<br>2015  |
|                         |      | (Rupees in '000)         |                        |
| Sales - Net             |      | 247,656                  | 85,332                 |
| Cost of Sales           | 6    | <u>(297,934)</u>         | <u>(141,873)</u>       |
| Gross (Loss)            |      | (50,278)                 | (56,541)               |
| Administrative expenses |      | (4,408)                  | (3,459)                |
| Distribution cost       |      | (396)                    | (271)                  |
|                         |      | (4,804)                  | (3,730)                |
| Other Operating Income  |      | 320                      | 1,278                  |
|                         |      | <u>(4,484)</u>           | <u>(2,452)</u>         |
| <b>Operation (Loss)</b> |      | (54,762)                 | (58,993)               |
| Finance Cost            |      | (460)                    | (260)                  |
| Loss before taxation    |      | <u>(55,222)</u>          | <u>(59,253)</u>        |
| Taxation                |      | <u>(2,477)</u>           | <u>( 427)</u>          |
| Loss after taxation     |      | <u><u>(57,699)</u></u>   | <u><u>(59,680)</u></u> |
| Loss per share - Basic  |      | <u><u>(0.13)</u></u>     | <u><u>(0.14)</u></u>   |

The annexed notes form an integral of these financial statements.

  
Chief Executive

  
Director

# Zeal Pak Cement Factory Limited

## INTERIM CONDENSED CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2016

|  |  | Un-audited Quarter Ended |                       |
|--|--|--------------------------|-----------------------|
|  |  | September 30,<br>2016    | September 30,<br>2015 |
|  |  | (Rupees in '000)         |                       |
| Note                                       |  |                          |                       |
| <b>Cash Flow From Operation Activities</b> |  |                          |                       |
|  | (Loss) before taxation   | (55,222)                 | (71,231)              |
|  | Adjustment for non cash charges and other items:               |                          |                       |
|  | Depreciation   | 13,690                   | 14,640                |
|  | Provision for staff retirement benefits                        | 201                      | 20                    |
|  | Finance cost   | 460                      | 890                   |
|  |  | (40,871)                 | (55,681)              |
| <b>Working Capital changes</b>             |  |                          |                       |
|  | (Increase) / decrease in current assets                        |                          |                       |
|  | Stores, spares and loose tools                                 | 5,217                    | 2,586                 |
|  | Stock in trade   | 16,160                   | (10,427)              |
|  | Trade debts  | 7,542                    | 14,778                |
|  | Loans and advances   | 12,286                   | ( 2,005)              |
|  | Trade deposits and short term per-payments                     | -                        | (107)                 |
|  | Other receivables  | (586)                    | 1,697                 |
|  |  | 40,619                   | 6,522                 |
|  | (Decrease) / Increase in current liabilities                   |                          |                       |
|  | Trade and other payable  | (10,209)                 | 55,270                |
|  |  | (10,461)                 | 6,111                 |
| <b>Payments / Adjustment for</b>           |  |                          |                       |
|  | Finance cost   | (260)                    | (140)                 |
|  | Income tax   | (4,451)                  | 13,152                |
|  |  | (4,711)                  | 13,012                |
|  | Net Cash outflow from operating activities                     | (15,172)                 | 19,123                |
| <b>Cash Flow From Investing Activities</b> |  |                          |                       |
|  | Work in Progress   | (165,890)                | (257,501)             |
|  | Net cash (used in) investing activities                        | (165,890)                | (257,501)             |
| <b>Cash Flow From Financing Activities</b> |  |                          |                       |
|  | Long term loans / financing                                    | 150,378                  | 234,715               |
|  | Net Cash (Out flow) from Financing Activities                  | 150,378                  | 234,715               |
|  | <b>Net increase / (decrease) in cash &amp; cash equivalent</b> | (30,684)                 | (3,663)               |
|  | <b>Cash &amp; cash equivalent at the beginning of the year</b> | 33,451                   | 5,251                 |
|  | <b>Cash &amp; cash equivalents at the end of the Year</b>      | 2,767                    | 1,588                 |

The annexed notes form an integral of these financial statements.

  
Chief Executive

  
Director

# Zeal Pak Cement Factory Limited

## INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

|  | Un-audited Quarter Ended |                 |                    |                    |
|--|--------------------------|-----------------|--------------------|--------------------|
|  | Share Capital            | Capital Reserve | Accumulated (Loss) | Total              |
|  | (Rupees in '000)         |                 |                    |                    |
| <b>Balance as on June 30, 2015</b>   | 4,278,385                | 10,904          | (6,910,016)        | (2,620,727)        |
| Loss after taxation for the quarter ended Sept 30, 2015  | ---                      | ---             | (59,680)           | (59,680)           |
| Transfer to accumulated loss in respect of incremental depreciation charged during the year on property, plant & equipment | ---                      | ---             | 2,160              | 2,160              |
| <b>Balance as on September 30, 2015</b>  | 4,278,385                | 10,904          | (6,967,536)        | (2,678,247)        |
| Loss after taxation from October 1, 2015 to June 30, 2016  | ---                      | ---             | (221,582)          | (221,582)          |
| Transfer to accumulated loss in respect of incremental depreciation charged during the year on property, plant & equipment | ---                      | ---             | 23,045             | 23,045             |
| <b>Balance as on June 30, 2016</b>   | 4,278,385                | 10,904          | (7,166,073)        | (2,876,784)        |
| Loss after taxation for the quarter ended Sept 30, 2016  | ---                      | ---             | (57,699)           | (57,699)           |
| Transfer to accumulated loss in respect of incremental depreciation charged during the year on property, plant & equipment | ---                      | ---             | 4,602              | 4,602              |
| <b>Balance as on September 30, 2016</b>  | <u>4,278,385</u>         | <u>10,904</u>   | <u>(7,219,170)</u> | <u>(2,929,881)</u> |

  
Chief Executive

  
Director



# Zeal Pak Cement Factory Limited

## INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

|   | Un-audited Quarter Ended |                       |
|---|--------------------------|-----------------------|
|   | September 30,<br>2016    | September 30,<br>2015 |
|   | (Rupees in '000)         |                       |
| <b>(Loss) after taxation</b>  | (57,699)                 | (59,680)              |
| Transfer from surplus or revaluation of property, plant and equipment | 4,602                    | 2,160                 |
| <b>Total Comprehensive income / (Loss)</b>                            | <b>(53,097)</b>          | <b>(57,520)</b>       |

The annexed notes form an integral of these financial statements.

  
**Chief Executive**

  
**Director**

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

### 1. COMPANY AND ITS OPERATION

Zeal Pak Cement Factory Limited (The Company) was incorporated in Pakistan as a public limited company on 9th May 1957 under companies Act 1913 (now Companies Ordinance, 1984) and its share are quoted on Karachi Stock Exchange. The Company is principally engaged in the manufacturing and sale of Cement, Clinker, Paper Bags and Slag Cement. The registered office of the company is situated at 4th Floor, Panorama Centre, Building No. 2, Doctors Plaza Raja Ghazanfar Ali Khan Road, Saddar - Karachi.

### 2. BASIS OF PRESENTATION

This interim condensed financial information is un-audited and have been prepared in accordance with the requirements of international Accounting Standards, IAS 34 "Interim Financial Reporting". This interim condensed financial information is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed financial statements are the same as were applied in preparation of the last annual published financial statements of the company for the year ended June 30, 2016.

#### 4. CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies and commitments and they are same as disclosed in the last published annual financial statements for the year ended June 30, 2016.

#### 5. PROPERTY PLANT AND EQUIPMENT

Opening written down Value  
Less: Depreciation charged for the period  
  
Capital Work in Progress

| Un-audited<br>September 30,<br>2016 | Audited<br>June 30,<br>2016 |
|-------------------------------------|-----------------------------|
| (Rupees in '000)                    |                             |
| 1,315,490                           | 1,376,153                   |
| 13,690                              | 60,663                      |
| 1,301,800                           | 1,315,490                   |
| 3,879,462                           | 3,713,572                   |
| <u>5,181,262</u>                    | <u>5,029,062</u>            |

#### 6. COST OF SALES

Raw & Packing Material Consumed  
Stores, spares and tools consumed  
Fuel & Power  
Salaries, Wages & other benefits  
Repair and Maintenance  
Depreciation  
Other expenses  
  
Add / (Less) Inventory Adjustment

| Un-audited Quarter Ended<br>September 30,<br>2016 | September 30,<br>2015 |
|---|-----------------------|
| (Rupees in '000)                                  |                       |
| 120,005   | 48,660                |
| 15,687  | 7,618                 |
| 105,980   | 48,690                |
| 35,232  | 17,109                |
| 2,729   | 1,325                 |
| 13,690  | 15,190                |
| 7,816   | 7,601                 |
| 301,139   | 146,193               |
| (3,205)   | (4,320)               |
| <u>297,934</u>                                    | <u>141,873</u>        |

#### 7. DATE OF AUTHORIZATION FOR ISSUE

These Interim Condensed Financial Statement are Authorized for Issue on April 8, 2019, by the Board of Directors of the Company.

#### 8. GENERAL

Figures have been rounded off to the nearest of thousand rupees.

  
Chief Executive

  
Director