

Company Information

Board of Directors

Sir Mohammed Anwar Pervez
Mr. Zameer Mohammed Choudrey
Mr. Arshad Mehmood Chaudhary
Mr. Muhammad Irfan A Sheikh
Mr. Mazhar Rafi
Mr. Mohammed Akram
Mr. Arshad Hameed
Mr. Ghulam Sarwar Malik

Chairman
Chief Executive
Director
Director Finance & CFO
Director Administration
Director Marketing
Director Coordination
Director Works

Company Secretary

Mr. Mohammad Akram

Statutory Auditors

Khalid Majid Rehman Sarfarz.Rahim Iqbal Rafiq, Chartered Accountants.

Cost Auditors

S.M. Masood & Co., Chartered Accountants.

Legal Advisors

Raja M. Bashir, Advocate Supreme Court.

Audit Committee

Mr. Mazhar Rafi
Mr. Mohammed Akram
Mr. Ghulam Sarwar Malik

Registered Office

5th Floor, UBL Building, Jinnah Avaneue, Islamabad
Tel: (92-51) 220-6146 -51, Fax: (92-51) 2272150
E-mail: management@bestway.com.pk

Head Office

5th Floor, UBL Building, Jinnah Avenue, Islamabad
Tel: (92-51) 220-6146 -51, Fax: (92-51) 2272150,
E-mail: management@bestway.com.pk

Plant Site

Hattar

SwajGali Road, VillageShadi, Hattar, Distt.Haripur,
N.W.F.P. Pakistan.

Tel: (92) 0303-771-1057 - 58, Fax: (92) 0303-71-1056
E-mail: bclhtr@isb.paknet.com.pk

Marketing Office

167-A, Adamjee Road, Rawalpindi Cantt.

Tel (92-51) 551-3110, 51,492, 552-0962 Fax: (92-51) 551-3109
E-mail: bdrwp@isb.paknet.com.pk

Shares Department

First Floor, Modern Motors House
Beaumont Road, Karachi.

Tel: (92-21) 452-6983 - 84, Fax: (92-21) 452-6985

Bankers

Habib Bank Limited.

Standard Chartered Bank.

Faysal Bank Limited.

Union Bank Limited.

Askari Commercial Bank Limited.

Bank Al-Habib Limited.

National Bank of Pakistan.

United Bank Limited.

Citibank N. A.

Bank Alfalah Limited.

Shamil Bank of Bahrain E.C.

BESTWAY CEMENT LIMITED
QUARTERLY REVIEW

The Directors take pleasure in presenting the Company's un-audited accounts for the quarter ended September 30, 2002.

Production & Sales

The production and despatches for the quarter under review compared with last year's corresponding period were as follows:

(In tonnes)	<u>2002</u>	<u>2001</u>
Production:		
Clinker	186,477	143,338
Cement	181,594	154,414
Despatches:	181,608	157,549

Despatches of cement registered an increase of 24,059 tonnes over the corresponding quarter last year, which is an increase of 15%. Despite continued depression in the market, Bestway Cement Limited has retained its share of the market. As a consequence, the capacity utilisation during the period under review was 70% as compared to 61% for the corresponding period of last year.

Operating Results:

Turnover net of sales tax, excise duty and rebates and discounts to customers was Rs.438 million in the quarter as compared to Rs.404 million in the corresponding period of last year, which is an increase of 8%. Operating profit for the quarter under review increased from Rs.96 million to Rs.129 million which represents an increase of 34%.

Financial charges stood at Rs.53 million for the quarter ended September 30, 2002 as against Rs.76 million for the corresponding quarter of last year, which is a decrease of 43%.

The company posted a pre tax profit of Rs.81 million in the quarter under review as compared to Rs.29 million in the corresponding period last year. Profit after tax increased from Rs.26 million to Rs.78 million.

Investment in United Bank Limited

The directors are pleased to inform that Bestway Cement Limited has now acquired 7.65% shares of United Bank Limited. The management of the bank was formally transferred to the Bestway-Abu Dhabi Consortium during the month of October 2002. Long term financing of Rs.1.7025 billion has been raised for acquisition. While this will result in an increase in financial charges, the investment itself is expected to yield handsome returns in the medium to long term.

Future Outlook:

The market has shown some signs of improvement during the quarter ended September 30, 2002. Conversion of the plant to coal firing is currently under way and full conversion is expected within the current financial year. This will result in significant reduction in the cost of production.

Acknowledgement:

The Directors wish to express their appreciation for the continued support and contribution by the members of staff, suppliers, our bankers and various other agencies through the period.

On behalf of the Board

October 30, 2002

**Zameer M. Choudrey
Chief Executive**

BESTWAY CEMENT LIMITED
BALANCE SHEET AS AT SEPTEMBER 30, 2002

	September 2002 Rupees	June 2002 Rupees		September 2002 Rupees	June 2002 Rupees
Capital and reserves			Tangible fixed assets		
<i>Authorised share capital</i>			Operating assets	3,242,153,073	3,286,693,981
200,000,000 ordinary shares of Rs. 10 each	2,000,000,000	2,000,000,000	Capital work in progress	38,957,178	28,165,586
				3,281,110,252	3,314,859,567
<i>Issued, subscribed and paid up share capital</i>			Long term deposits, prepayments and deferred costs		
193,469,555 ordinary shares of Rs.10 each issued for cash consideration	1,934,695,550	1,934,695,550		21,229,840	25,588,632
<i>Accumulated profit/(loss)</i>	321,818,902	243,567,458	Long term investments		
	2,256,514,452	2,178,263,008		1,386,144,345	598,197,560
Long term finance	2,643,068,784	1,578,805,649			
Liabilities against assets subject to finance lease	-	-	Current assets		
Deferred liabilities	14,765,633	13,515,428	Stores, spares and loose tools	299,932,191	283,348,518
Current liabilities			Stock in trade	147,775,911	129,371,498
Short term finance	107,555,777	185,877,476	Receivable from customers	20,312,169	45,576,823
Current maturity of long term liabilities	115,124,039	432,095,966	Advances, deposits, prepayments and other receivables	82,665,110	62,984,937
Creditors, provisions, accrued and other liabilities	252,390,417	229,769,909	Short term investments	283,210,200	287,396,827
Proposed dividend	145,102,166	145,102,166	Cash and bank balances	12,141,252	16,105,240
	620,172,400	992,845,517		846,036,832	824,783,843
Contingencies and commitments	-	-			
	5,534,521,269	4,763,429,602		5,534,521,269	4,763,429,602

CHIEF EXECUTIVE

DIRECTOR

BESTWAY CEMENT LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2002

	2002 Rupees	2001 Rupees
Sales - net	438,055,297	403,961,974
Cost of sales	294,269,153	293,897,875
Gross profit	143,786,144	110,064,099
Operating expenses		
Administration and general	10,112,884	8,011,948
Selling and distribution	4,502,567	5,309,415
	14,615,451	13,321,363
Operating profit	129,170,693	96,742,736
Financial charges	52,555,221	75,720,719
Other income	(9,013,310)	(9,678,717)
Workers profit participation fund	4,281,439	1,535,037
	47,823,350	67,577,038
Profit before taxation	81,347,343	29,165,699
Provision for taxation	3,095,900	2,797,000
Profit after taxation	78,251,444	26,368,699
Accumulated profit/(loss) brought forward	243,567,458	68,779,105
Accumulated profit carried forward	321,818,902	95,147,804
Earnings per share (EPS)	0.40	0.14

CHIEF EXECUTIVE

DIRECTOR

BESTWAY CEMENT LIMITED
CASH FLOW STATEMENT FOR THE QUARTER
FROM JULY 01, 2002 TO SEPTEMBER 30, 2002

	September 30, 2002	September 30, 2001
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before taxation	81,347,343	29,165,699
Adjustments for:		
Loss/ (Gain) on sale of fixed assets	(433,793)	13,265
Depreciation	44,595,828	47,365,863
Profit on investments	(8,166,262)	(9,819,062)
Financial Charges	52,555,221	75,720,719
Deferred costs' amortisation	224,763	224,763
Provision for staff retirement benefits	1,250,205	1,142,161
Exchange loss/ (gain)	(77,837)	(197,696)
	89,948,126	114,450,013
Operating profit before working capital changes	171,295,469	143,615,711
Decrease/(Increase) in current assets	(21,237,343)	22,152,093
Increase/(Decrease) in current liabilities	1,380,191	38,487,972
	(19,857,152)	60,640,065
Cash generated from operations	151,438,317	204,255,776
Financial charges paid	(31,757,739)	(43,954,188)
Income tax paid	(2,653,064)	(1,438,303)
	(34,410,803)	(45,392,491)
Net cash generated from operating activities	117,027,514	158,863,285
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in capital work in progress	(10,791,592)	(5,651,261)
Purchase of fixed assets	(1,491,178)	(4,076,271)
Proceeds from sale of fixed assets	1,870,050	450,000
Security deposit, prepayments (payments)/receipts	4,134,029	-
Income from Investments	-	75,978
Encashment of short term investments	(339,282)	(5,708)
Equity investment	(794,411,765)	-
Exchange (loss)/gain on purchase of foreign currency	(14,209)	6,895
Net cash generated in investing activities	(801,043,947)	(9,200,367)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term loans	758,374,143	(40,000,000)
Repayment of finance lease principal amount	-	-
Increase/(decrease) in short term finances	(78,321,698)	(154,972,263)
Dividend paid	-	-
Net cash used in financing activities	680,052,444	(194,972,263)
NET CASH GENERATED/(USED) DURING THE YEAR	(3,963,988)	(45,309,345)
CASH EQUIVALENTS		
Cash and cash equivalents at 01st July	16,105,240	61,438,682
Cash and cash equivalents at 30th September	12,141,252	16,129,337

CHIEF EXECUTIVE

DIRECTOR

BESTWAY CEMENT LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2002

	Issued, subscribed and paid up capital Rupees	Unappropriated profit/ (accumulated loss) Rupees	Total Rupees
Balance as at June 30, 2001	1,934,695,550	68,779,105	2,003,474,655
Profit after taxation for the quarter ended September 30, 2001	-	26,368,699	26,368,699
Balance as at September 30, 2001	1,934,695,550	95,147,804	2,029,843,354
Profit after taxation for the nine months ended June 30, 2002	-	293,521,820	293,521,820
Appropriation:			
Dividend	-	(145,102,166)	(145,102,166)
Balance as at June 30, 2002	1,934,695,550	243,567,458	2,178,263,008
Profit after taxation for the quarter ended September 30, 2002	-	78,251,444	78,251,444
Balance as at September 30, 2002	<u>1,934,695,550</u>	<u>321,818,902</u>	<u>2,256,514,452</u>

CHIEF EXECUTIVE

DIRECTOR