



Half yearly Report

December 31, 2020

Directors' Review Report

We are pleased to present Condensed Interim Financial information together with the Director's Review Report for the half year ended 31st December 2020.

Over view

During the period under review the Company has recorded a sale of PKR 81.154 million as compared to PKR 223.792 million. The sales has declined over the period however with concentrated efforts to reduce the fixed cost and to bring production efficiencies the Company has been able to convert the Gross Loss of PKR 20.782 million in the corresponding period to gross profit of PKR 8.060 million in the current period.

Further, administrative expense for the period has also been decline considerably by 44% as compared to corresponding period. As a result, as compared to corresponding period Loss after tax has declined from PKR 34.302 million to PKR 0.387 million in 31st December, 2020. The management efforts has yielded positive results as gross loss has been converted into gross profit and loss after tax has also been declined significantly. Going forward in coming quarters with continued efforts to increase sales the bottom line should also turn positive.

Operating results

	July to December 2020	October to December 2020	July to December 2019	October to December 2019
Profit / (Loss) before taxation	134,841	3,210,723	(31,382,390)	(18,331,710)
Taxation	(521,660)	(19,025)	(2,920,402)	(2,760,870)
(Loss) / Profit after taxation	(386,819)	3,191,698	(34,302,792)	(21,092,580)

Loss per share

Losses per share for the first quarter ended amounted to Rs. 0.02 per share as compared to loss per share for the corresponding period of the last year of Rs. 1.37 per share.

Future Outlook

On an overall basis the economic activity has been on a rising trend for over last six months and with decline in number of active COVID 19 cases and availability of vaccine we expect the momentum in economic activity should be further strengthened. Further the increase in construction package for 6 to 12 months will also lead to greater activity and new projects being launched in Real Estate Sector. Your company is well poised to be benefited from the upbeat in the sector and expect the sales and financial results to improve further in the coming quarters.

Acknowledgement

The management of the Company would like to thank all the shareholders, financial institutions, customers, individuals and staff members who have been associated with the Company for their support and cooperation. Further, we would also like to thank SECP and the management of PSX for their continued support and guidance.

For and on behalf of the Board

Samad A. Habib
Chief Executive



Syed Najmuddujja Jafri
Chairman

Karachi: February 26, 2021

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Safe Mix Concrete Limited
Report on Review of Interim Financial Statement

Introduction:

We have reviewed the accompanying condensed interim statement of financial position of **Safe Mix Concrete Limited** ("the Company") as at December 31, 2020 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statement in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2020 and December 2019 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2020.

Scope of Review:

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statement consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is **Ahsan Elahi Vohra**.

Chartered Accountants


Dated :
Karachi:

Safe Mix Concrete Limited
Condensed Interim Statement of Financial Position (Un-audited)
As at December 31, 2020

		Un-Audited December 31, 2020	Audited June 30, 2020
	Note	Rupees	
ASSETS			
Non - current assets			
Property, plant and equipment	6	180,766,851	183,167,308
Long term deposits	7	20,986,090	20,477,330
Deferred taxation		84,252,136	83,556,475
		286,005,077	287,201,113
Current assets			
Stores, spare parts and loose tools		6,688,267	5,465,660
Stock in trade		17,027,560	13,081,629
Trade debts	8	107,129,963	104,811,533
Advances, prepayments and other receivables	9	13,054,974	33,130,209
Taxation - net of provision		34,306,563	32,922,436
Cash and bank balances	10	1,669,298	13,450,207
		179,876,625	202,861,674
Total assets		465,881,702	490,062,787
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
35,000,000 ordinary shares of Rs 10 each		350,000,000	350,000,000
Issued, subscribed and paid up capital	11	250,000,000	250,000,000
Share premium		14,728,576	14,728,576
Loan from related party	14	87,000,000	87,000,000
Accumulated loss		(174,759,360)	(174,372,541)
		176,969,216	177,356,035
Liabilities			
Non - current liabilities			
Long term financing - secured	12	1,666,526	313,713
Staff retirement benefits		4,459,314	3,922,272
Deferred income		-	-
		6,125,840	4,235,985
Current liabilities			
Trade and other payables	13	258,208,532	282,612,644
Current portion of deferred income		-	1,120,000
Current portion of long term financing		10,886,709	23,664,791
Loan from related party	14	9,879,022	-
Accrued markup		3,812,383	1,073,332
		282,786,646	308,470,767
TOTAL EQUITY AND LIABILITIES		465,881,702	490,062,787

Contingencies and commitments 15

The annexed notes from 1 to 19 form an integral part of these financial statements.


Abdus Samad
Chief Executive Officer


Kashif Habib
Director


Muneer Gader
Chief Financial Officer

Safe Mix Concrete Limited
Condensed Interim Statement of Profit or Loss (Un-audited)
For the half year ended December 31, 2020

	Note	Half Year Ended		Quarter Ended	
		December 31,	December 31,	December 31,	December 31,
		2020	2019	2020	2019
		Rupees		Rupees	
Revenue - Net		81,154,740	223,792,270	47,645,745	112,415,521
Cost of sales	16	(73,094,916)	(244,574,806)	(39,612,545)	(124,549,672)
Gross profit		8,059,824	(20,782,536)	8,033,200	(12,134,151)
Selling and administrative expenses		(6,993,733)	(12,059,173)	(3,804,220)	(6,030,503)
Operating Loss		1,066,091	(32,841,709)	4,228,980	(18,164,654)
Finance cost		(4,095,901)	(5,766,739)	(1,748,133)	(2,947,458)
Other operating income		3,164,652	7,226,058	729,877	2,780,402
Profit before taxation		134,841	(31,382,390)	3,210,723	(18,331,710)
Provision for taxation		(521,660)	(2,920,402)	(19,025)	(2,760,870)
Loss after taxation		(386,819)	(34,302,792)	3,191,698	(21,092,580)
Loss per share - basic and diluted		(0.02)	(1.37)	0.13	(0.84)

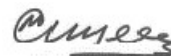
The annexed notes from 1 to 19 form an integral part of these financial statements.



Abdus Samad
Chief Executive Officer



Kashif Habib
Director



Muneer Gader
Chief Financial Officer

Safe Mix Concrete Limited
Condensed Interim Statement of Comprehensive Income (Un-Audited)
For the half year ended December 31, 2020

	Half Year Ended		Quarter Ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	-----Rupees-----			
Loss after taxation	(386,819)	(34,302,792)	3,191,698	(21,092,580)
Other comprehensive Income - net of tax	-	-		
Total comprehensive loss for the period	<u>(386,819)</u>	<u>(34,302,792)</u>	<u>3,191,698</u>	<u>(21,092,580)</u>

The annexed notes from 1 to 19 form an integral part of these financial statements.



Abdus Samad
Chief Executive Officer



Kashif Habib
Director



Muneer Gader
Chief Financial Officer


Safe Mix Concrete Limited
Statement of Cash Flows
For the half year ended December 31, 2020

	December 31, 2020	December 31, 2019
	(Rupees)	
Cash flow from operating activities		
Loss before taxation	134,841	(31,382,390)
Adjustments for:		
Depreciation	5,752,800	8,781,612
Gain on sale of fixed assets	(1,342,023)	-
Provision for staff retirement benefits	591,042	1,370,556
Amortization of deferred income	(1,120,000)	(1,680,000)
Finance cost	4,095,901	5,766,739
	<u>7,977,720</u>	<u>14,238,907</u>
	8,112,561	(17,143,482)
Changes in working capital		
<i>(Increase) / decrease in current assets:</i>		
Stores and spares	(1,222,607)	276,682
Stock in trade	(3,945,931)	(19,424,690)
Trade debts	(2,318,430)	(4,870,091)
Advances, prepayments and other receivables	20,075,235	688,953
	<u>12,588,267</u>	<u>(23,329,146)</u>
<i>Increase / (decrease) in current liabilities:</i>		
Trade and other payables	(24,404,112)	64,013,097
Cash flow from operating activities	<u>(3,703,283)</u>	<u>23,540,469</u>
Taxes paid	(2,601,448)	(1,689,423)
Finance cost paid	(1,356,850)	(5,396,524)
Gratuity paid	(54,000)	(446,485)
	<u>(4,012,298)</u>	<u>(7,532,432)</u>
Net cash generated from / (used in) operating activities	<u>(7,715,582)</u>	<u>16,008,035</u>
Cash flow from investing activities		
Capital expenditure incurred	(4,280,320)	(73,000)
Proceeds from sale of fixed assets	2,270,000	-
Long term deposits paid	(508,760)	-
Net cash used in investing activities	<u>(2,519,080)</u>	<u>(73,000)</u>
Cash flow from financing activities		
Net Payments to Banks against long term financing	(11,425,269)	(14,826,896)
Net Receipts from Loan from related party	9,879,022	-
Net Payment against Loan from related party	-	(3,000,000)
Net cash used in financing activities	<u>(1,546,247)</u>	<u>(17,826,896)</u>
Net decrease in cash and cash equivalents	<u>(11,780,909)</u>	<u>(1,891,861)</u>
Cash and cash equivalents at beginning of the period	<u>13,450,207</u>	<u>2,735,321</u>
Cash and cash equivalents at end of the period	<u>1,669,298</u>	<u>843,460</u>

The annexed notes from 1 to 19 form an integral part of these financial statements.



Abdus Samad
Chief Executive Officer



Kashif Habib
Director



Muneer Gader
Chief Financial Officer

Safe Mix Concrete Limited
Statement of Changes in Equity
For the half year ended December 31, 2020

	Issued, subscribed and paid up capital	Share premium reserve	Loan from related party	Accumulated (loss) / profit	Total
	-----Rupees-----				
Balance as at July 01, 2019	250,000,000	14,728,576	-	(76,580,143)	188,148,433
Total comprehensive income for the period	-	-	-	(34,302,792)	(34,302,792)
Balance as at Decmeber, 2019	250,000,000	14,728,576	-	(110,882,935)	153,845,641
Total comprehensive loss for the period	-	-	87,000,000	(63,489,606)	23,510,394
Balance as at June 30, 2020	250,000,000	14,728,576	87,000,000	(174,372,541)	177,356,035
Total comprehensive loss for the period	-	-	-	(386,819)	(386,819)
Balance as at December 31, 2020	250,000,000	14,728,576	87,000,000	(174,759,360)	176,969,216

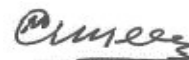
The annexed notes from 1 to 19 form an integral part of these financial statements.



Abdus Samad
Chief Executive Officer



Kashif Habib
Director



Muneer Gadar
Chief Financial Officer

Safe Mix Concrete Limited
Condensed Interim Notes to the Financial Information (Un-audited)
For the half year ended December 31, 2020

1 STATUS AND NATURE OF BUSINESS

Safe Mix Concrete Limited ("the Company") was incorporated on 04 April 2005 as Private Limited Company. Subsequently, it was converted into Public Limited Company on 21 February 2007 in accordance with the provisions of section 45 read with section 41(3) of the Companies Ordinance, 1984. On 16 March 2010 the Company was listed on Karachi Stock Exchange. The principal activity of the Company is production and supply of ready mix concrete, building blocks and construction of prefabricated buildings, factories and other construction sites. The registered office of the Company is situated at plot no. 1, Global Industry , Nusrat Bhutto Colony , North Nazimabad, Karachi.

The Company has change its registered office on May 13, 2020. The new registered office of the Company is situated at plot no. 1, Global Industry , Nusrat Bhutto Colony , North Nazimabad, Karachi. Furthermore, Javedan corporation limited has provided land to the Company free of cost .

- 1.2** The manufacturing facilities of the company are situated at the following addresses:
- Plot no 1, Global Industry, Nusrat Bhutto Colony, North Nazimabad, Karachi.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International accounting standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

-Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2020.

The comparative condensed statement of financial position presented in these condensed interim financial statements have been extracted from the audited annual financial statements of the Company for the year ended June 30,2020 whereas the cash flows and condensed statement changes in equity are extracted from the unaudited condensed interim financial statements for the period ended December 31, 2019.

These condensed interim financial statements are un-audited and are submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

3 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention, except otherwise disclosed.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the financial statements for the year ended June 30, 2020.

4.1 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period

Certain standards, amendments and interpretations to accounting standards are effective for accounting periods beginning on July 1, 2020 but are considered not to be relevant or to have any significant effect on the company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these financial statements.

4.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the company's accounting periods beginning on or after July 1, 2021 but are considered not to be relevant or to have any significant effect on the company's operations and are, therefore, not detailed in these unconsolidated condensed interim financial statements.

5 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

5.1 The preparation of these condensed interim financial statements in conformity with approved accounting standards require management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumption and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and key sources of estimations and uncertainty were the same as those that were applied to the annual audited financial statements for the year ended June 30, 2020.

5.2 The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2020.

		Un-audited December 31 2020	Audited June 30 2020
	Note	(Rupees)	
6	PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	6.1	173,864,876	176,473,191
Capital work in progress - at cost		6,901,975	6,694,117
		<u>180,766,851</u>	<u>183,167,308</u>
6.1	Operating Assets- at the book value		
Opening Book value		176,473,191	241,578,881
Addition during the period		4,072,462	20,406,830
Disposal during the period -net book value		(927,977)	(100,607,906)
Depreciation charged during the period		(5,752,800)	15,095,937
		<u>173,864,876</u>	<u>176,473,742</u>
breakup of addition - at cost			
Plant and machinery		1,240,868	16,014,989
Vehicles		2,075,040	-
Building		423,054	4,318,291
Furniture and fixture		56,000	-
Comptuers		-	-
Office equipments		277,500	73,000
		<u>4,072,462</u>	<u>20,406,280</u>
		<u>4,072,462</u>	<u>20,406,280</u>
7	LONG TERM DEPOSITS		
Deposits against Ijarah finance		15,143,940	15,143,940
Others	7.1	5,842,150	5,333,390
		<u>20,986,090</u>	<u>20,477,330</u>
7.1	These represent security deposits mainly against rented premises.		
8	TRADE DEBTS - UNSECURED		
Considered good		107,356,066	104,811,533
Considered doubtful		123,345,267	123,345,267
		<u>230,701,333</u>	<u>228,156,800</u>
Impairment of financial assets	8.1	(123,571,370)	(123,345,267)
		<u>107,129,963</u>	<u>104,811,533</u>
8.1	Impairment of financial assets		
Balance as at July 1		123,345,267	100,162,815
Charge for the period		226,103	23,182,452
Balance as at Dec 31		<u>123,571,370</u>	<u>123,345,267</u>
8.2	Trade debts includes amounts receivable from associated company Javedan Corporation Limited Rs. 35,678 (June 30,2020: 588,526)		
9	ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES		
Advances to staff for purchases		278,572	1,425,795
Loan to employees		479,730	242,034
Advances to suppliers - <i>unsecured, considered good</i>		11,698,070	28,185,665
Prepayment		553,218	86,196
Other receivables		45,384	3,190,519
		<u>13,054,974</u>	<u>33,130,209</u>

		Un-audited December 31 2020	Audited June 30 2020
		(Rupees)	
10	CASH AND BANK BALANCES		
	Cash in hand	539,553	276,001
	Cash at bank	1,129,745	13,174,206
		<u>1,669,298</u>	<u>13,450,207</u>
11	SHARE CAPITAL		
11.1	Authorized share capital:		
	35,000,000 ordinary shares of Rs. 10 each	<u>350,000,000</u>	<u>350,000,000</u>
11.2	Issued, subscribed and paid-up capital		
	2020 2020 (Number of shares)		
	25,000,000 25,000,000		
	" Fully paid ordinary shares of Rs. 10 each issued for cash"	<u>250,000,000</u>	<u>250,000,000</u>
12	LONG TERM FINANCING - SECURED		
	Details of long term financing are as follows:		
	<i>Islamic</i>		
	Diminishing musharka - Bank of Punjab	12.1 5,879,592	11,759,186
	Diminishing musharka - Summit Bank	12.2 4,401,391	11,736,671
	Diminishing musharka - Bank islami	12.3 313,709	482,647
	Diminishing musharka - First habib	12.4 1,958,543	-
	Less: Current portion of long term finance shown under current liabilities	(6,485,460)	(20,730,624)
	less: Overdue payments	<u>(4,401,249)</u>	<u>(2,934,167)</u>
		<u>1,666,526</u>	<u>313,713</u>
12.1	During the financial year 2016, the Company converted its short term running finance facility from Bank of Punjab to Islamic mode of financing and entered into a diminishing musharka of Rs. 47.037 million for plant and machinery with the Bank of Punjab Taqwa Islamic Banking. The arrangement carry profit at the rate of 1 year KIBOR + 2.5% and with quarterly rental repayments. The arrangement is for a tenure of five years from the date of disbursement and is structured in such a way that first principal repayment installment will commence from the fifth installment. Arrangement is secured against 1st charge of PKR 160 million over all present and future fixed assets (plant and machinery) and current assets (including stock) of the Company registered with SECP.		
12.2	During the financial year 2018, the Company entered into a diminishing musharka of Rs.35.2 million for plant and machinery with the Summit Bank Limited- Islamic Banking. The arrangement carry profit at the rate of 1 year KIBOR + 3.75% and with monthly rental repayments. The arrangement is for a tenure of three years from the date of disbursement and is structured in such a way that first principal repayment installment will commence from the thirteenth installment. Arrangement is secured against exclusive charge of PKR 50.75 million over plant and machinery of the Company located at Nooriabad, registered with SECP.		
12.3	During the financial year 2019, the company entered into a diminishing musharka of Rs. 1.4 million for vehicles with the Bank Islami Pakistan Limited-Islamic Banking. The arrangement carry profit at the rate of KIBOR + 2.75% and with monthly rental repayments. The arrangement is for a tenure of four years from the date of disbursement. Arrangement is secured against the subject motor vehicles.		
12.4	During the financial year 2020, the company entered into a diminishing musharka of Rs. 2.01 million for vehicle with the First Habib Modarba. The arrangement carry profit at the rate of 3M KIBOR + 2.50% and with monthly rental repayments. The arrangement is for a tenure of five years from the date of disbursement. Arrangement is secured against the subject motor vehicles.		

		Un-audited December 31 2020	Audited June 30 2020
		(Rupees)	
13	TRADE AND OTHER PAYABLES		
	Trade creditors	13.1	146,889,698
	Istisna finance facilities	13.2	68,785,098
	Advances from customers		5,558,753
	Accrued expenses		5,199,945
	Withholding tax payable		12,570,781
	Workers' Welfare Fund (WWF)		1,715,311
	Workers' Profit Participation Fund (WPPF)	13.3	14,162,245
	Other payables		3,296,701
			258,178,532
			282,612,644

13.1 Trade creditors include Rs. 43,214,006 (2020: Rs. 40,266,761) payable to related party M/s. Power Cement Limited.

13.2 This represents Istisna financing facilities under Islamic mode of financing from Bank of Punjab (Taqwa Islamic) for working capital requirement of the company, to the extent of 80 million. The facility carries profit rate of matching KIBOR plus 2% and is secured against 1st charge of PKR 160 million over all present and future current assets of the Company registered with SECP.

14 Loan from Related Party

Opening balance		87,000,000	90,000,000
Receipts during the year		9,879,022	75,000,000
Repayments during the year		-	(78,000,000)
	14.1	96,879,022	87,000,000
Less Transfer to equity		(87,000,000)	(87,000,000)
		9,879,022	-

14.1 At May 15, 2020 the lender and the Company have agreed the loan will be repaid at the discretion of the Company. Therefore the loan have been treated as "capital contribution" with effect from above date in accordance with the Institute of Chartered Accountants of Pakistan's (ICAP) Technical Release 32 "Accounting Directors Loan.

This represent interest free loan taken from Mr. Abdus Samad (CEO) .

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

15.1.1 Section 113(2)(c) of the Income Tax Ordinance, 2001 was interpreted by a Divisional Bench of the Sindh High Court (SHC) in the Income Tax Reference Application (ITRA) No. 132 of 2011 dated 7 May 2013, whereby it was held that the benefit of carry forward of minimum tax is only available in the situation where the actual tax payable in a tax year is less than minimum tax. Therefore, where there is no tax payable, interalia, due to brought forward tax losses, minimum tax could not be carried forward for adjustment with future tax liability. The Company has carried forward minimum tax of current and previous years amounting to around Rs. 24 million and the Company expects to adjust the amount against the future taxable profits. The management is of the view that the interpretation of SHC has been challenged in the Supreme Court of Pakistan and they are waiting for its final outcome.

15.1.2 Tax Authorities had conducted monitoring of withholding taxes under section 161 of Income Tax Ordinance, 2001 for tax year 2012 and created an arbitrary demand of Rs. 11.252 million. The Company's appeal before CIR (A) / Appellate Tribunal Inland Revenue (ATIR) is pending for adjudication. The management is confident that the appeal will be decided in favor of the company; therefore, no provision has been made against the said demand of Rs. 11.252 million.

15.1.3 Federal Board of Revenue (FBR) issued a notice to the Company for payment of sales tax under the Sales Tax Act, 1990. The Company filed a petition in Sindh High Court challenging the lawful authority and jurisdiction of FBR on the ground that the Company is engaged in providing service in respect of Ready Mix Concrete and is accordingly registered with Sindh Revenue Board (SRB) and is paying Sales Tax under HS Code No. 9837.0000 to the Second Schedule of 2011 Act. The Sindh High Court granted stay order against the notice issued by FBR.

	Half Year Ended		Quarter Ended	
	Un-audited	Un-audited	Un-audited	Un-audited
	December, 31	December, 31	December 31,	December 31,
	2020	2019	2020	2019
	(Rupees)		(Rupees)	
16 COST OF SALES				
Raw material and stores consumed	24,980,283	153,679,138	14,394,375	79,111,220
Salaries, wages and other benefits	15,926,504	35,010,057	7,605,727	16,992,227
Depreciation	5,575,548	8,604,324	2,787,774	4,302,162
Fuel and power	14,720,822	26,890,844	9,602,726	13,718,643
Equipment hiring charges	627,800	2,012,623	-	679,700
Ijarah rentals	6,487,865	11,325,456	2,996,048	5,814,594
Repair and maintenance	4,080,459	3,350,763	1,904,701	1,947,984
Site preparation and sample testing	136,359	337,560	70,565	187,410
Land rent	-	1,705,002	-	852,501
Insurance expenses	559,276	1,659,039	250,629	943,231
	73,094,916	244,574,806	39,612,545	124,549,672

17 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise associated undertakings, directors of the Company and key management personnel. The Company in the normal course of business carries out transactions with various related parties at arm's length basis, unless otherwise disclosed. Amounts due from and due to related parties are shown under respective notes to the accounts. Other significant transactions and balances with related parties are as follows:

	Un audited December 31, 2020	Un audited December 31, 2019
	(Rupees)	
17.1 Transactions with related parties		
Associated companies:		
<i>Javeedan Corporation Limited</i>		
Sales of goods	7,262,744	18,056,295
<i>Power Cement Limited</i>		
Purchase of cement	36,555,043	20,934,080
Associated Person:		
Mr.Arif Habib		
Loan received during the year	5,000,000	63,000,000
Loan paid during the year	-	78,000,000
Mr. Samad Habib		
Loan received during the year	4,879,022	-
Balances with related parties		
Associated companies :		
Amount payable against purchases	44,969,031	39,949,601
Amount receivable against sales	35,678	1,905,747
Payable to Arif Habib	5,000,000	-
Payable to Samad Habib - Director	91,879,022	87,000,000

18 CORRESPONDING FIGURES

Corresponding figures have been re-arranged, where necessary, for the purpose of better comparison.

19 DATE OF AUTHORIZATION FOR ISSUE

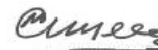
The financial statements were authorized for issue on February 26, 2021 by the Board of Directors of the Company.



Abdus Samad
Chief Executive Officer



Kashif Habib
Director



Muneer Gader
Chief Financial Officer