

CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED

SEPTEMBER 30, 2021

GHARIBWAL
CEMENT
LIMITED



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COMPANY INFORMATION



BOARD OF DIRECTORS

- Khalid Siddiq Tirmizey (Chairman)
- Muhammad Tousif Peracha (Executive Director)
- Abdur Rafique Khan (Executive Director)
- Mustafa Tousif Ahmed Peracha (Executive Director)
- Ali Rashid Khan (Non-Executive Director)
- Amna Khan (Non-Executive Director)
- Mian Nazir Ahmed Peracha (Non-Executive Director)
- Faisal Aftab Ahmad (Independent Director)
- Daniyal Jawaidd Peracha (Independent Director)



AUDIT COMMITTEE

- Faisal Aftab Ahmad (Chairman)
- Khalid Siddiq Tirmizey (Member)
- Mian Nazir Ahmed Peracha (Member)



HRR COMMITTEE

- Khalid Siddiq Tirmizey (Chairman)
- Muhammad Tousif Peracha (Member)
- Ali Rashid Khan (Member)



EXTERNAL AUDITORS

- Kreston Hyder Bhimji & Co
Chartered Accountants
Amin Building, The Mall, Lahore



LEGAL ADVISORS

- Raja Muhammad Akram
Legal Advisors
Main Gulberg, Lahore.



KEY MANAGEMENT PERSONNEL

- Muhammad Tausif Peracha (Chief Executive Officer)
- Abdul Shueb Piracha (Director Commercial)
- Syed Firasat Abbas (General Manager Plant)
- Muhammad Shamail Javed FCA (Chief Financial Officer)
- Abbas Rashid Siddiqi (Company Secretary)
- Rana Muhammad Ijaz (General Manager Sale)
- Farukh Naveed ACA (Financial Controller)
- Muhammad Tahir (Chief Coordination Officer)
- Hassan Mehdi ACA CIA (Internal Auditor)



SHARE REGISTRAR

Corplink (Private) Limited,
Wings Arcade, 1-k, Commercaill, Model Town, Lahore.



BANKERS

- The Bank of Punjab
- National Bank of Pakistan
- Al Baraka Bank Limited
- Summit Bank Limited
- Pak China Investment Company
- Bank Islami Pakistan Limited
- The Bank of Khyber
- Faysal Bank Limited
- Saudi Pak Industrial & Agricultural Investment Company
- Silk Bank Limited
- First Credit & Investment Bank
- Meezan Bank Limited
- Allied Bank Limited
- Habib Bank Limited
- MCB Bank Limited
- United Bank Limited
- Bank Al Habib Limited
- Habib Metropolitan Bank

DIRECTORS' REPORT TO THE MEMBERS

The directors of your Company are pleased to present the un-audited condensed interim financial information for the 1st quarter ended September 30, 2021.

Your Company's net sales increased by 21.7% as compared with net sales revenue for the 1st quarter of the last financial year. On the other hand, cost of production increased due to devaluation of Pakistani Rupees, increase in coal, fuel, energy and other input prices. However, the company managed to earned gross profit of Rs. 725 million for the period under review.

Summary of the financial results is given below:

		1st Quarter for the Year		
		2021	2020	Change
Sales volume	Tons	388,706	426,785	(38,078)
Net sales	Rs. '000	3,180,293	2,613,021	567,272
Gross profit	Rs. '000	725,676	571,915	153,761
EBITDA	Rs. '000	865,536	723,760	141,776
Net profit	Rs. '000	386,668	263,262	123,406
EPS	Re.	0.97	0.66	0.31

At bottom, the Company earned profit after tax amounting to Rs. 386 million with earnings per share reported at Re. 0.97.

We foresee that there will be sufficient cement demand in the local market however ever increasing coal and fuel price can reduce the earnings of the Company in future periods.

We express our gratitude for the continuous support and cooperation of our bankers and financial institutions, our dealers and customers, and other stakeholders having business relations with us. We also appreciate the loyalty, dedication and hard work of all our staff. At the end, we thank our shareholders for their confidence and faith that they have always reposed in us.

For and on behalf of Board of Directors



Director



Director

Lahore : October 30, 2021

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2021

	Note	Un-Audited 30-09-21	Audited 30-06-21
		(Rupees in 000s)	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	19,567,326	19,623,476
Intangible asset		8,915	9,978
Loan and advances	8	9,874	11,893
Deposits		70,393	70,393
		19,656,508	19,715,740
CURRENT ASSETS			
Inventories	6	3,026,967	3,076,787
Trade and other receivables	7	629,620	503,770
Loan and advances	8	594,447	594,411
Deposits		12,511	9,120
Prepayments		257,966	122,252
Advance income tax -net		1,117,202	1,286,271
Cash and bank balances		881,484	1,295,034
		6,520,197	6,887,645
Non current assets held for sale		-	50,416
TOTAL ASSETS		26,176,705	26,653,801
EQUITY AND LIABILITIES			
EQUITY			
Share capital		4,002,739	4,002,739
Revaluation surplus on property, plant and equipment		4,710,907	4,773,441
Retained earnings		7,430,314	6,981,112
		16,143,960	15,757,292
NON CURRENT LIABILITIES			
Borrowings		1,146,555	1,459,412
Lease liability		1,591	5,229
Deferred taxation		4,114,856	4,154,083
Accrued liabilities		-	44,397
Employees' benefits obligations		22,569	26,155
		5,285,571	5,689,276
CURRENT LIABILITIES			
Trade and other payables		3,018,106	3,544,270
Borrowings		1,170,156	1,135,537
Lease liability		12,164	11,694
Markup and profit payable		110,022	114,065
Employees' benefits obligations		406,899	369,745
Contract liabilities		10,855	12,953
Unclaimed dividend		18,972	18,969
		4,747,174	5,207,233
CONTINGENCIES AND COMMITMENTS	9		
TOTAL EQUITY AND LIABILITIES		26,176,705	26,653,801

The annexed notes form an integral part of these financial statements.


DIRECTOR


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2021

	Un-Audited 1 st Qtr ended 30-09-2021	Un-Audited 1 st Qtr ended 30-09-2020
	(Rupees in 000s)	
Revenue from contracts with customers	3,180,293	2,613,021
Cost of sales	(2,454,617)	(2,041,106)
Gross Profit	725,676	571,915
General and administrative expenses	(119,108)	(81,116)
Selling and distribution expenses	(9,432)	(8,259)
Other expenses	(45,116)	(25,226)
Other income	60,926	-
Profit from operations	612,946	457,314
Finance income	27,520	15,678
Finance expenses	(80,079)	(102,204)
Profit before taxation	560,387	370,788
Tax expense	(173,719)	(107,526)
Profit after taxation	386,668	263,262
	Rupees	
Earnings per share (basic & diluted)	0.97	0.66

The annexed notes form an integral part of these financial statements.



DIRECTOR



CHIEF FINANCIAL OFFICER



DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2021

	Un-Audited 1 st Qtr ended 30-09-2021	Un-Audited 1 st Qtr ended 30-09-2020
	(Rupees in 000s)	
Profit after taxation for the year	386,668	263,262
Other Comprehensive Income		
Total comprehensive income for the year	386,668	263,262

The annexed notes form an integral part of these financial statements.



DIRECTOR



CHIEF FINANCIAL OFFICER



DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2021

	Share Capital	Revaluation Surplus on PPE	Retained Earnings	Total
	(Rupees in 000s)			
Balance as at June 30, 2020	4,002,739	5,027,237	5,476,138	14,506,114
Total Comprehensive income for three months ended September 30, 2020	-	-	263,262	263,262
Realization of revaluation surplus on PPE through depreciation (net of tax)	-	(40,312)	40,312	-
Balance as at September 30, 2020	4,002,739	4,986,925	5,779,712	14,769,376
Final cash dividend @ Re. 0.50 per share for the year ended June 30, 2021	-	-	(300,205)	(300,205)
Total Comprehensive income for nine months ended June 30, 2021	-	-	1,288,121	1,288,121
Realization of revaluation surplus on PPE through depreciation (net of tax)	-	(213,484)	213,484	-
Balance as at June 30, 2021	4,002,739	4,773,441	6,981,112	15,757,292
Total Comprehensive income for three months ended September 30, 2021	-	-	386,668	386,668
Realization of revaluation surplus on PPE through depreciation (net of tax)	-	(59,858)	59,858	-
Realization of revaluation surplus on PPE through disposal	-	(2,676)	2,676	-
Balance as at September 30, 2021	4,002,739	4,710,907	7,430,314	16,143,960

The annexed notes form an integral part of these financial statements.


DIRECTOR


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2021

		Un-Audited 1 st Qtr ended 30-09-2021	Un-Audited 1 st Qtr ended 30-09-2020
		(Rupees in 000s)	
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before taxation		560,387	370,788
Adjustment for non-cash and other items:	10	289,261	378,546
Operating profit before working capital changes		849,648	749,334
outflow from net changes in working capital	11	(789,089)	(487,821)
Cash inflow from operation		60,560	261,513
Finance cost paid		(58,241)	(94,852)
Markup received on bank deposits		11,431	1,076
Income tax paid		(43,877)	(14,753)
Net cash (outflow) / inflow from operating activities		(30,128)	152,984
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(195,299)	(9,829)
Gain on disposal of non current assets held for sale		111,342	-
Net cash outflow from investing activities		(83,957)	(9,829)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of banks borrowings		(315,914)	(96,339)
Proceeds of banks borrowings		19,617	109,816
Repayment of borrowings from related party		-	(181,729)
Repayment of lease liabilities		(3,168)	(2,491)
Net cash outflow from financing activities		(299,465)	(170,743)
Net decrease in cash and cash equivalents		(413,550)	(27,588)
Cash and cash equivalents at beginning of the year		1,295,034	431,400
Cash and cash equivalents at end of the year		881,484	403,812

The annexed notes form an integral part of these financial statements.


DIRECTOR


CHIEF FINANCIAL OFFICER


DIRECTOR

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2021

1 LEGAL STATUS AND OPERATIONS

The Company was incorporated in Pakistan on December 29, 1960 as a Public Limited Company; its shares are quoted on Pakistan Stock Exchange. It is principally engaged in production and sale of cement. The registered office of the Company is situated at Pace Tower, 1st Floor, 27-H, College Road, Gulberg-II, Lahore.

2 STATEMENT OF COMPLAINT

These condensed interim financial statements (un-audited) 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 the 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 interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2021. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

3 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in preparation of financial statements of the company for the year ended June 30, 2021.

There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on July 01, 2021. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these condensed interim financial statements.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparation of these condensed interim financial statements, the significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that were applied to audited annual financial statements of the Company for the year ended June 30, 2021.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements for the year ended June 30, 2021.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2021

	Note	Un-Audited 30-09-2021	Audited 30-06-2021
5 PROPERTY, PLANT AND EQUIPMENT		(Rupees in 000s)	
Operating fixed assets	5.1	19,025,246	19,254,205
Right of use assets		25,947	27,313
Capital work in progress		516,133	341,958
		19,567,326	19,623,476
5.1 OPERATING FIXED ASSETS			
Book value - opening balance		19,254,205	20,222,654
Additions during the period/year		22,491	140,166
Transferred from right of use assets		-	1,421
Reclassified as held for sale		-	(50,416)
		19,276,695	20,313,825
Depreciation for the period/year		(251,449)	(1,059,620)
Book value - closing balance		19,025,246	19,254,205
6 INVENTORIES			
Fuel, parts and supplies		2,537,428	2,091,703
Stock in trade		489,539	985,084
		3,026,967	3,076,787
7 TRADE AND OTHER RECEIVABLES			
Trade receivables from contracts with customers		582,102	472,340
Markup receivable from Balochistan Glass Limited		47,518	31,430
		629,620	503,770
8 LOAN AND ADVANCES			
Employees		15,976	18,938
Balochistan Glass Limited		588,345	587,366
		604,321	606,304
Less: Loan to employees classified as non current assets		(9,874)	(11,893)
		594,447	594,411
9 CONTINGENCIES AND COMMITMENTS			
There is no change in the status of contingencies and commitments as reported in the annual financial statements of the company for the year ended June 30, 2021.			

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020

	Un-Audited 1 st Qtr ended 30-09-2021	Un-Audited 1 st Qtr ended 30-09-2020
	(Rupees in 000s)	
10 ADJUSTMENT FOR NON-CASH AND OTHER ITEMS		
Depreciation	251,449	266,446
Amortisation	1,063	319
Finance expenses	80,079	102,204
Finance income	(27,520)	(15,678)
Other income	(60,926)	-
WPPF and WWF	45,116	25,255
	<u>289,261</u>	<u>378,546</u>
11 CASH FLOW FROM CHANGES IN WORKING CAPITAL - NET		
Inventories	49,820	129,034
Trade and other receivables	(137,493)	44,539
Loan and advances	1,984	(2,975)
Deposits	(3,391)	-
Prepayments	(109,134)	(67,376)
Trade and other payables	(577,230)	(558,518)
Contract liabilities	(2,098)	(7,270)
Employees' benefits obligations	(11,547)	(25,255)
	<u>(789,089)</u>	<u>(487,821)</u>
12	There are no significant transactions with related parties during the period under review, except those disclosed in these condensed interim financial statements.	
13	Figures in these condensed interim financial statements are rounded off to the nearest thousand rupees.	
14	In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of audited annual financial statements of preceding financial year, whereas the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.	
15	The condensed interim financial statements has been approved by the Board of Directos for issue on October 30, 2021.	
16	The Chief Executive Officer of the company is out of country, therefore, these interim financial statements (un-audited) for the 1st quarter ended September 30, 2021 has been endorsed by Mr. Khalid Siddiq Trimizey who is the member of the Board and duly authorised by the Board to do so.	


DIRECTOR


CHIEF FINANCIAL OFFICER


DIRECTOR

ڈائریکٹرز کی رپورٹ

کمپنی کے ڈائریکٹرز 30 ستمبر 2021ء کے اختتام پر پہلی سہ ماہی کی غیر آڈٹ شدہ مختصر عبوری مالیاتی معلومات بخوشی پیش کرتے ہیں۔

زیر جائزہ مدت میں کمپنی کی خالص فروخت میں 21.7 فیصد اضافہ جبکہ دوسری طرف پیداواری لاگت میں اضافہ ہوا ہے جس کی وجہ روپے کی قدر میں گراؤٹ، کوئلہ، ایندھن اور توانائی کی قیمتوں میں اضافہ ہے تاہم کمپنی نے اس سہ ماہی میں 725 ملین کا خالص منافع کمایا۔

مالیاتی نتائج کا خلاصہ درج ذیل ہے۔

پہلی سہ ماہی مورخہ 30 ستمبر		2020		2021		اضافہ (کی)	
فروخت کا حجم	ٹن	388,706	426,785	(38,078)			
خالص فروخت	روپے ہزاروں میں	3,180,293	2,613,021	567,272			
مجموعی منافع	روپے ہزاروں میں	725,676	571,915	153,761			
ٹیکس انٹرسٹ اور فرسودگی سے قبل منافع	روپے ہزاروں میں	865,536	723,760	141,776			
خالص منافع	روپے ہزاروں میں	386,668	263,262	123,406			
فی شیئر منافع	روپوں میں	0.97	0.66	0.31			

کمپنی نے بعد از ٹیکس 386 ملین روپے کا منافع کمایا ہے جو کہ 0.97 روپے فی شیئر بنتا ہے۔

امید ہے کہ آنے والی مدت میں سیمنٹ کی مانگ میں اضافہ ہوگا لیکن کوئلہ اور ایندھن کی قیمتوں میں اضافے کی وجہ سے کمپنی کا منافع کم ہو سکتا ہے۔

ہم مسلسل حمایت اور تعاون کے لیے ہمارے بٹکوں اور دوسرے مالیاتی اداروں، ڈیلروں اور گاہکوں اور اسٹیک ہولڈرز جن کا ہمارے ساتھ کاروباری تعلق ہے دل کی گہرائیوں سے شکریہ ادا کرتے ہیں۔ ہمارے تمام عملے کی وابستگی، لگن اور محنت بھی دلی تعریف کے لائق ہے۔

آخر میں معزز اراکین ہم آپ کے اس اعتماد اور یقین کے دل کی گہرائیوں سے ممنون ہیں جو آپ نے ہمیشہ سے ہم پر کیا۔

منجانب بورڈ آف ڈائریکٹرز

A. Anwar

ڈائریکٹر

[Signature]

ڈائریکٹر

لاہور

130 اکتوبر 2021ء



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