



## CHERAT CEMENT COMPANY LIMITED

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Ghulam Faruque  
Group

May 18, 2022

✓ 1. **The General Manager**  
Pakistan Stock Exchange Ltd.  
Stock Exchange Building  
Stock Exchange Road  
Karachi

2. **The Executive Director / HoD**  
Offsite –II Department  
Supervision Division  
Securities & Exchange Commission of Pakistan  
63, NIC Building, Jinnah Avenue, Blue Area  
Islamabad  
Fax : 051-9100454 – 9100471 – 9218595

Dear Sir(s),

### General Disclosure – Sale of Feasibility Report by Madian Hydro Power Limited

Madian Hydro Power Limited (MHPL) was formed as a joint venture between Cherat Cement Company Limited (The Company) & Shirazi Investments (Private) Limited to build, operate and maintain a Hydro Power Generation plant at Madian, Swat. MHPL had engaged international consultants to develop the feasibility study of the project which was approved by Private Power and Infrastructure Board (PPIB) in 2008. However, due to deterioration in law and order situation in Swat and adjoining areas, the construction work on the project could not be undertaken.

In view of the uncertainty involved the management of the Company was of the opinion that MHPL will not be a going concern in the foreseeable future and decided to record full impairment loss on this investment in MHPL amounting to Rs. 107 million.

MHPL was subsequently approached by Pakhtunkhwa Energy Development Organization (PEDO) with the intention of purchasing the feasibility study for its own use at a price of Rs. 160 million.

We would like to inform that the Board of Directors of the Company in its meeting held on May 18, 2022 authorized the management of MHPL to negotiate and enter into an agreement for sale of feasibility study to PEDO for total consideration approximately Rs. 160 million. The Company being a 50% shareholder of MHPL will eventually be entitled to 50% of total consideration when distributed by MHPL.

We will intimate PSX on conclusion of this transaction. PSX is requested to disseminate the information on the TRE Certificate Holders.

Yours sincerely,

For **Cherat Cement Co. Limited**

*Hina Mir*

**Hina Mir**  
Company Secretary

