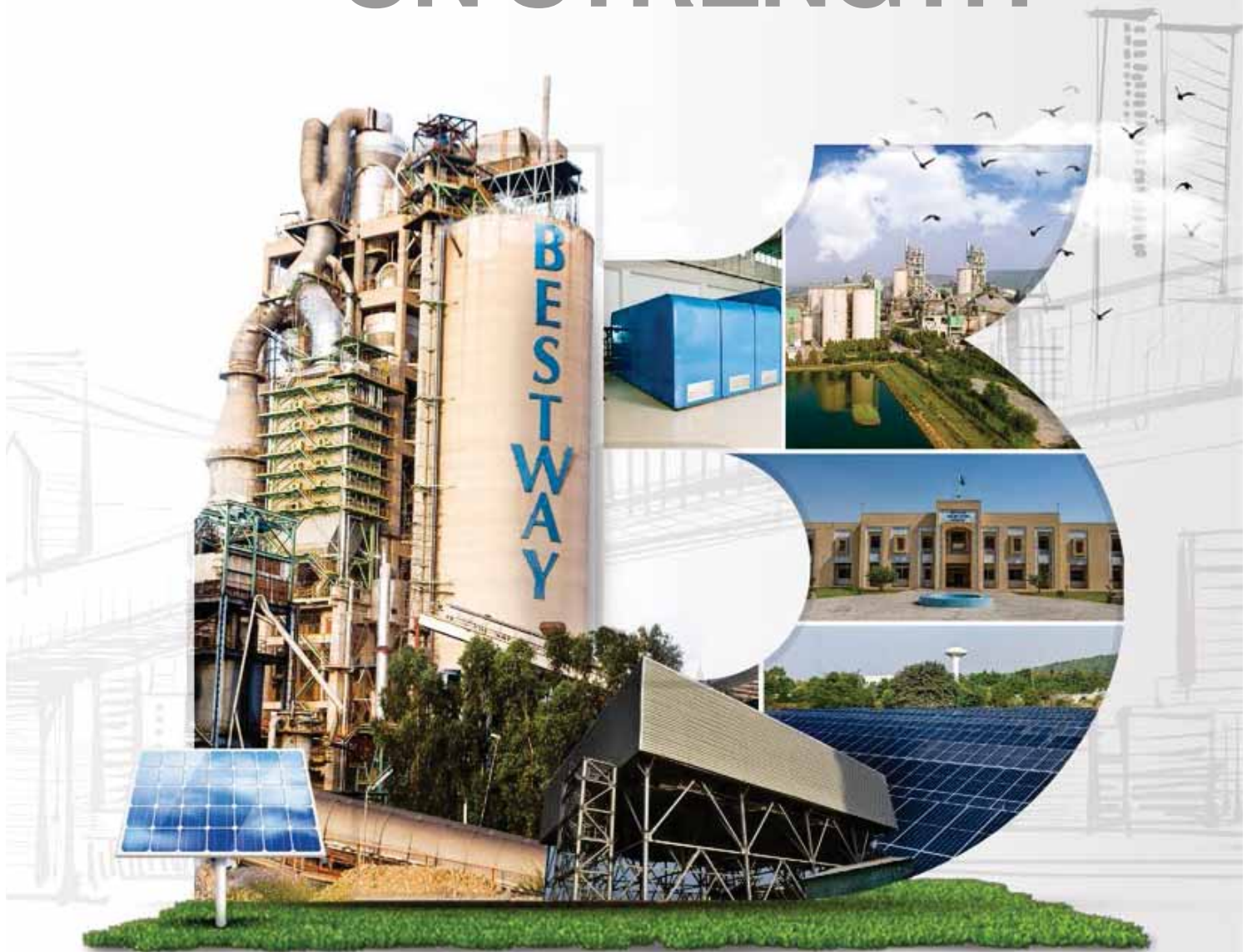




BESTWAY CEMENT LIMITED

BUILDING ON STRENGTH



**ANNUAL REPORT
2022**



BESTWAY CEMENT LIMITED
BUILDING ON STRENGTH



CONTENTS

Company Information	1
Notice of Annual General Meeting	3
Vision and Mission	5
Corporate Social Responsibility Award 2021	7
Product Portfolio	8
Chairman's Review	9
Directors' Report	11
Report of Audit Committee	20
Statement of Compliance with Listed Companies Code of Corporate Governance) Regulations, 2019	22
CSR & Organizational Activities	24
WWF Green Office Certification	26
Independent Auditors' Review Report	28
Independent Auditor's Report	29
Statement of Financial Position	34
Statement of Profit or Loss	36
Statement of Profit or Loss and other Comprehensive Income	37
Statement of Changes in Equity	38
Statement of Cash Flows	39
Notes to the Financial Statements	41
Key Operating and Financial Data for Six Years	90
Pattern of Shareholding	91
ڈائریکٹرز رپورٹ	101
Proxy Form	103
پراکسی فارم	105

COMPANY INFORMATION

Board of Directors

Sir Mohammed Anwar Pervez, O.B.E., H. Pk	Chairman
Lord Zameer Choudrey, CBE, SI Pk	Chief Executive
Mr. Mohammed Younus Sheikh	Director
Mr. Dawood Pervez	Director
Mr. Muhammad Irfan A. Sheikh	Managing Director
Ms. Najma Naheed Pirzada	Director
Mr. Haider Zameer Choudrey	Director
Ms. Nazia Nazir	Director

Audit Committee

Ms. Najma Naheed Pirzada	Chairperson
Mr. Dawood Pervez	
Mr. Haider Zameer Choudrey	

Human Resource & Remuneration Committee

Ms. Nazia Nazir	Chairperson
Mr. Muhammad Irfan A. Sheikh	
Mr. Mohammed Younus Sheikh	

Nomination Committee

Lord Zameer Choudrey	Chairperson
Mr. Muhammad Irfan Anwar Sheikh	
Mr. Haider Zameer Choudrey	

Risk Management Committee

Lord Zameer Choudrey	Chairperson
Mr. Muhammad Irfan Anwar Sheikh	
Mr. Haider Zameer Choudrey	

Company Secretary

Hassan Niazi

Chief Financial Officer

Muhammad Amir Khan

Registered / Head Office

Bestway Building, 19-A, College Road,
F-7 Markaz, Islamabad.
Tel: +92 (0) 51 265 4856 – 64
Fax: +92 (0) 51 265 4865
Email: management@bestway.com.pk

Plant Sites

Hattar

Suraj Gali Road, Village Shadi, Hattar, Distt. Haripur,
Khyber Pakhtunkhwa, Pakistan.
Tel: +92 (0) 995 639 261 – 3
Fax: +92 (0) 995 639 265
Email: gmworks1@bestway.com.pk

Farooqia

12 km, Taxila-Haripur Road,
Farooqia, Tehsil & Distt. Haripur,
Khyber Pakhtunkhwa, Pakistan.
Tel: +92 (0) 995 639 501 – 3
Fax: +92 (0) 995 639 505
Email: gmworks2@bestway.com.pk

Chakwal

Village Tatral, Near PSO Petrol Pump,
22 km Kallar Kahar, Choa Saiden Shah Road,
Chakwal, Pakistan.
Tel: +92 (0) 543 584 560 – 62
Fax: +92 (0) 543 584 274
Email: gmworks3@bestway.com.pk

Kallar Kahar

Choie Mallot Road, Tehsil Kallar Kahar,
Distt. Chakwal, Pakistan.
Tel: +92 (0) 51 402 0111
Fax: +92 (0) 51 402 0230
Email: gmworks4@bestway.com.pk

Mianwali

Main Kalabagh Road,
Dhair Umaid Ali Shah Pakka,
Tehsil & District Mianwali,
Punjab, Pakistan.
Email: gmproject.mwl@bestway.com.pk

Sales Office

House 276, Near Riphah University,
Opposite Roomi Park, Peshawar Road,
Rawalpindi.
Tel: +92 (0) 51 551 3110, 512 5128 – 9
Fax: +92 (0) 51 551 3109
Email: directorsales@bestway.com.pk

Statutory Auditors

A. F. Ferguson & Co., Chartered Accountants

Legal Advisor

Muhammad Umer Khan Vardaq, Advocate High Court

Shares Department

THK Associates (Pvt.) Ltd.
Plot No. 32-C, Jami Commercial
Street 2, D.H.A., VII, Karachi-75500, Pakistan
Tel: +92 (0) 21 353 101 91-6
Fax: +92 (0) 21 353 101 90

Bankers

- Allied Bank Limited
- Askari Bank Limited
- Bank Alfalah Limited
- Bank Islami Pakistan Limited
- Bank of Khyber
- Bank of Punjab
- Dubai Islamic Bank Pakistan Limited
- Faysal Bank Limited
- Habib Bank Limited
- Habib Metropolitan Bank Limited
- Industrial and Commercial Bank of China
- MCB Bank Limited
- MCB Islamic Bank Limited
- Meezan Bank Limited
- National Bank of Pakistan
- Soneri Bank Limited
- United Bank Limited

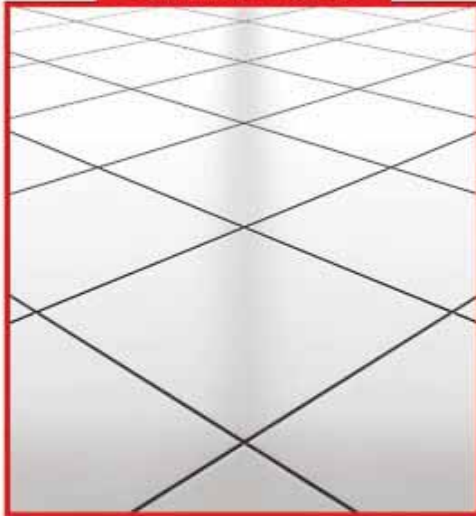
XTREME BOND

FLOOR AND WALL TILE ADHESIVE WITH EXCEPTIONAL BONDING PROPERTIES

Ceramic | Porcelain | Mosaic | Slate | Marble | Granite | Stone

**TODAY'S COMPROMISE ON QUALITY
IS TOMORROW'S REGRET**

XTREME BOND



INFERIOR BOND



Now more
reliability with
QR code

BENEFITS

- Superior strength even under extreme temperature
- Ready to use, just add water
- Pre-soaking of tiles not required
- Gives stronger & long lasting grip
- Anti sagging properties
- No air-voids in the mix slurry
- Requires lesser application of mixture with a maximum bed-thickness of 2-4mm



WWW.BESTWAY.COM.PK

BUY CEMENT ONLINE

BESTWAY CEMENT LIMITED - PAKISTAN'S ONLY CEMENT MANUFACTURER TO TAKE ORDERS ONLINE AT YOUR CONVENIENCE.

PAY THROUGH



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 29th Annual General Meeting (AGM) of Bestway Cement Limited (the Company) will be held at Bestway Building, 19-A, College Road, F-7 Markaz, Islamabad at 3:00 p.m. on Friday, October 7, 2022 to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of Annual General Meeting held on October 11, 2021.
2. To receive, consider and adopt the Annual Audited Financial Statements for the year ended June 30, 2022 together with the Directors' and Auditors' Reports thereon.
3. To approve and declare final cash dividend of 40% in addition to the 120% interim dividends already paid for the year ended June 30, 2022, as recommended by the Board of Directors.
4. To appoint Auditors of the Company and fix their remuneration for the year ending June 30, 2023. The retiring auditors M/s A. F. Ferguson & Co., Chartered Accountants have consented to be so appointed and the Board of Directors has recommended their appointment.

SPECIAL BUSINESS

5. To consider and if thought fit to pass the following resolutions with or without modification as a special resolution.

"RESOLVED THAT the Royalty Agreement (the Agreement) to be executed between Bestway Cement Limited (the Company) and Bestway International Holdings Limited as discussed be and is hereby approved and that agreement be engrossed in duplicate and the common seal of the Company be affixed thereto in accordance with the Company's Articles of Association.

FURTHER RESOLVED THAT Mr. Muhammad Irfan Anwar Sheikh, Director of the Company be and is hereby authorized to sign and execute the agreement on behalf of the Company and take all necessary actions in this regard."

6. To consider and if thought fit to pass the following resolutions with or without modification as an ordinary resolution.

"RESOLVED that the "Directors Remuneration Policy" as approved and recommended by the Board of Directors of Bestway Cement Limited, be and is hereby confirmed and approved".

7. Any other business with the permission of the chair.

By Order of the Board

September 16, 2022
Islamabad

Hassan Niazi
Company Secretary

NOTES

1. The share transfer books of the Company will remain closed from 01-10-2022 to 07-10-2022 (both days inclusive). No transfer will be accepted for registration during this period. Transfers received in order at M/s THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500 upto the close of business on 30-09-2022 will be treated in time for the purpose of the above entitlement and to attend the Annual General Meeting (AGM).
2. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote instead of him/her. Proxies in order to be effective must be received by the Company not later than 48 hours before the meeting.

For CDC Account Holders/Corporate Entities:

In addition to the above the following requirements have to be met:

3. The proxy form shall be witnessed by two persons whose names, addresses and NIC numbers shall be mentioned on the form.
4. Attested copies of NIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
5. The proxy shall produce his original NIC or original passport at the time of meeting.
6. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
7. Shareholders are informed that rate of withholding tax for non-filers is 30% against 15% for filers of the income tax

NOTICE OF ANNUAL GENERAL MEETING

returns. The shareholders are advised to e-file their returns as the Department places the names of the e-filers on their website and to provide their NTN to the Shares Registrars of the Company for availing the benefit of lower withholding rate.

8. In terms of section 242 of Companies Act, 2017, listed Companies are required to pay cash dividend only through electronic mode directly into the bank account designated by the entitled shareholders. In order to comply with this requirement, shareholders are therefore requested to immediately provide the dividend mandate (bank account details) to the share registrar of the company in case of physical shares and to the CDC in case shares are held electronically.
9. Shareholders are requested promptly notify any changes in their addresses, mobile number and email.

Online Participation in AGM:

To facilitate and ensure the safety and health of the shareholders the Company will also be providing the online platform / facility to participate in the AGM in the shape of webinar/webex/zoom.

The shareholders will be able to login and participate in the AGM proceedings through their smartphones or computer devices after completing all the formalities required for the verification and identification of the shareholders.

In this regard, shareholders are required to update their valid e-mail addresses with the Share Registrar, latest by September 30, 2022. A detailed procedure shall be communicated through e-mail directly to the shareholders who have provided their valid e-mail IDs and same shall be placed at the Company's website (<https://www.bestway.com.pk>) in investor relation section.

The shareholders who have already updated their valid e-mail addresses with the Company or its Share Registrar and are interested to attend AGM may send their folio number at ir@bestway.com.pk for their / their appointed proxy's verification. Such information should be sent from their duly registered valid e-mail address for the registration purposes latest by September 30, 2022.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts pertaining to the special business to be transacted at the AGM of the Company to be held on October 7, 2022.

Agenda Item 5:

The Company seeks its shareholders' approval to pass the Special Resolutions provided in the Notice of the AGM to execute a Royalty Agreement (the Agreement) with Bestway International Holdings Limited ("BIHL"). Both companies are part of a corporate group under the ultimate holding company Bestway Group Limited.

BIHL owns reputable registered trademarks (Property), used globally to identify its business and is willing to permit the Company to use the same in Pakistan.

In consideration of the use of the Property, the Company shall pay GBP 0.115 (eleven and a half pence) per tonne of cement sold (exclusive of VAT and other taxes).

The Board of Directors of the Company considered and approved the agreement in its meeting held on September 6, 2022. However, since the majority of the Company's Directors were interested due to their ultimate beneficial ownership in BIHL, the quorum requirement of Directors was unsatisfied for approval of the Agreement pursuant to Section 207 of the Companies Act, 2017. Therefore, it was decided that the matter shall be tabled for the general meeting for approval of shareholders.

The Directors are interested in the resolution only to the extent of their ultimate beneficial ownership in BIHL.

The above-mentioned Agreement is available at registered office of the Company for inspection during the office hours (2:30 to 5:30 p.m.) from 19-09-2022 to 07-10-2022.

Agenda Item 6:

In compliance with the requirement of Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board of Directors of the Company, on recommendation of the "Human Resource & Remuneration Committee" in meeting held on September 6, 2022, have approved a comprehensive and transparent remuneration policy titled "Directors Remuneration Policy" (the Policy) and determined the scale of remuneration to be paid to the Directors. However, since the majority of the Company's Directors were interested in the agenda point, pursuant to Section 207 of the Companies Act, 2017. Therefore, it was decided that the matter shall be tabled for the general meeting for approval of shareholders.

The Policy is placed on the website of the Company at below appended link

<https://www.bestway.com.pk/investor-information/>



VISION

TO PRODUCE
HIGH QUALITY
CEMENT AT THE
LOWEST COST.

MISSION

- Consistently produce high quality cement.
- Endeavour to be the lowest cost producer.
- Achieve 25% of the market share of the North Zone in the short term and ultimately 30% in the longer term.
- Consistently maintain a high standard of customer service.
- Continue to invest in human resource through training, development and promotions from within whenever possible in order to meet future expansion needs.
- Continue to set aside adequate funds from the net profits for fulfilling its various social responsibilities, particularly in the field of education and health.



Bestway Cement bags four Awards at 14th Annual CSR Awards 2022

Bestway won the sought-after awards in the categories of Public Health & Safety, Green Energy Initiatives, Tree Plantation and Education & Scholarships.

The awards aim to showcase innovative corporate initiatives which are part of a comprehensive sustainable strategy and address the most pressing environmental and social challenges.

Bestway appreciates it's responsibility towards the local communities, thus plays a vital role in their socio-economic development such as improving access to health services and education, taking part in the urban development and environmental conservation programs and helping generate employment.

Bestway Cement wins 19th Annual Environment Excellence Awards 2022

Bestway Cement Limited (BCL) reputes itself as a responsible corporate citizen and gives highest priority to protecting and creating a healthier environment for not only its own employees, but also for it's communities where the Company has established its four plants. The wellbeing of the social environment in which Bestway operates is considered an integral part of the Company's success.

BCL, has once again been awarded as an acknowledgement for its vision and continuous implementation of environment friendly policies at all of its four plants in Hattar, Farooqia, Chakwal and Kallar Kahar; at the 19th Annual Environment Excellence Awards 2022 organised by National Forum for Environment and Health (NFEH).

Building on the legacy of being an environmentally conscious Company, the solar power plants at all its four locations are now fully operational. A total capacity of 55.4 MWs is the largest distributed captive power generation capacity to date, not only in Pakistan but in the entire region.

Bestway Cement plants are ISO 14001:2004 Environmental Management System (EMS) certified. Bestway is the only market player in the cement industry which has a dedicated environment department lead by and consisting of experienced environmental resources.

Bestway's plants follow a comprehensive plan to keep their plants green with extensive annual plantation while having thousands of olive, citrus and other fruit plants in their orchards at each plant.



PRODUCT PORTFOLIO



XTREME TILE BOND
SUPERIOR TILE ADHESIVE FOR
FLOOR AND WALL TILES

XTREME TILE GROUT
LONG LASTING,
FAST COLORS



BESTWAY
ORDINARY PORTLAND CEMENT
ALL PURPOSE CEMENT



PAKCEM
ORDINARY PORTLAND CEMENT
ALL PURPOSE CEMENT



LOW ALKALI
INFRASTRUCTURE PROJECTS
ESPECIALLY FOR DAMS & BRIDGES



DURA CEM
ORDINARY PORTLAND CEMENT
ASTM C150 (TYPE I)



ECOCEM
ECONOMY WITH STRENGTH
ALL PURPOSE CEMENT



STALLION
EARLY SETTING CEMENT
FOR PRE-CAST



LOW HEAT CEMENT
LOW HEAT OF HYDRATION CEMENT
FOR MASS CONCRETING & DAMS



SRC
SULPHATE RESISTANT CEMENT
PROTECTS AGAINST
WATER LOGGED & SALINE SOILS



STALLION
HIGH QUALITY CEMENT
ALL PURPOSE CEMENT



BUZKASH
CEMENT
STRONG, DURABLE, ECONOMICAL,
ALL PURPOSE CEMENT



LION
LOW CHROME CEMENT

CHAIRMAN'S REVIEW

Dear Stakeholders

A YEAR OF RESILIENCE

Financial year 2021-22 has been a year full of challenges and uncertainties. Post Covid-19 supply and demand imbalances and Russia- Ukraine conflict in early 2022 pushed the commodity and energy prices to levels not seen before, triggering high inflation in Pakistan and across the Globe. On the local front, the increasing political instability, significant currency depreciation, mounting foreign debt, depleting foreign exchange reserves and rapidly increasing interest rates further dented consumer confidence resulting in decline in cement consumption.

Bestway has shown a lot of adaptability and resilience during the financial year 2021-22. Your Company has grown further in terms of revenues and has remained profitable. Other performance parameters also followed a positive trajectory. These achievements are commendable when considered against the backdrop of the above challenges.

During the year Bestway successfully retained its position as one of the largest cement producers and the market leaders in the country. We continued to invest in the infrastructure and technologies to make your Company's operations even more efficient. The management team, led by the Chief Executive, proactively adapted the business to face the challenging economic environment and have overcome these with one of the best results in the industry.

During the year Bestway recorded growth in turnover by 21%, from Rs. 85.2 billion last year to Rs. 103 billion in the year ended 30 June 2022. Gross profit for the year grew to Rs. 23 billion and net profit after tax amounted to Rs. 10.2 billion. It is a matter of great pride that your management's proactive approach and preparedness meant that the Company did not only demonstrate resilience but also ability to overcome any challenge. In view of the foregoing, the Board

has decided to recommend a final dividend of Rs. 4 per share based on the profitability from operations and income on investments, with aggregate distribution of Rs. 16 per share for the year.



Renewable Energy

Your Company has always been committed to environment protection. You will be pleased to know that our solar power plants at all four locations are now fully operational. Our total capacity of 55.4 MWs is the largest distributed captive power generation capacity to date, not only in Pakistan but in the entire region. Your Company intends to further enhance its solar power generation capacity at all our plants in the near future.

Capacity Expansion

Work on our Greenfield cement plant of 7,200 tonnes of clinker per day along with 9 MWs Waste Heat Recovery Power Plant near Paikhel, District Mianwali is well underway. We envisage that the plant will be operational by December 2022. Work on our brownfield line of 7,200 tonnes of clinker per day along with 9 MWs Waste Heat Recovery Power Plant at our Hattar site is also making good progress. We anticipate that the plant will be operational by March 2023.

Sustainability

I firmly believe that our commitment to healthy financial performance needs to be matched by a continued focus on corporate social responsibility. The Company takes pride in its proactive development and welfare of the under-privileged through activities such as improving access to health services, education, vocational trainings, environmental conservation programmes, and

helping create jobs and local employment. Your Company conducts its corporate social responsibility activities mainly through its charitable trust, Bestway Foundation. During the year under review, your Company spent more than Rs. 162 million on various CSR initiatives making it one of largest corporates in the country in terms of CSR spend.

Looking forward, we will continue to pursue initiatives which impact the socio-economic development of our local communities, particularly in the areas of health services and education, taking part in urban development and environmental conservation programs. We take pride in setting ambitious long-term sustainable development goals and reporting on our progress.

Governance

Bestway believes that good corporate governance is fundamental to long term sustainable corporate success and enhances the stakeholders' confidence. We have designed our corporate governance structure to ensure maximum compliance with legal and regulatory framework and meeting the information needs of our stakeholders. The corporate governance framework applied by Bestway are based on Pakistani law, in particular Companies Act 2017, Code of Corporate Governance and other statutory, regulatory and compliance requirements that are applicable to companies listed on the Pakistan Stock Exchange. To ensure the compliance with all relevant laws and regulations, the Company has in place a code of conduct, whistle blowing policy and code of business ethics among others.

Outlook

Pakistan, having already been impacted by a myriad of economic and political challenges, will now also has to bear the social and economic cost of the damage caused by recent floods. It seems unlikely that the Pakistani economy will be able to recover from these challenges in the near future. Overall, we expect the FY 2023 to be a tough year due to the magnitude of economic and other challenges and the construction sector including the cement industry is unlikely to escape the impact.

Bestway, while being proactive and strategically strong, will invariably face challenges ahead including rising cost of production, currency devaluation and ever-changing economic and geopolitical landscape. We will strive to face off those challenges and further optimise our performance together with delivering value products, consistent with our past achievements.

I would also like to extend my gratitude to The Board of Directors who have made all these achievements possible due to their outstanding leadership despite the pandemic, aptly supported by untiring commitment and efforts of the entire workforce. Together we worked earnestly in steering the Company towards the accomplishment of its objectives while ensuring value creation for the shareholders.



Sir Mohammad Anwar Pervez, OBE H Pk
Chairman

DIRECTOR'S REPORT

The Board of Directors take pleasure in presenting their report together with audited financial statements for the year ended 30 June 2022 and the Auditor's Report there on.

Overview of the Economy

According to the Economic Survey of Pakistan, the country posted a GDP growth of 5.97 percent in the fiscal year 2022. However, supply and demand imbalances and global supply chain disruptions resulted in a sharp and significant increase in global commodity prices. The Russia- Ukraine conflict in early 2022 further pushed the commodity and energy prices to levels not seen before, triggering high inflation across the Globe and Pakistan was no exception.

Current Political uncertainty, spiralling current account deficit, significant currency depreciation, mounting foreign debt and depleting foreign exchange reserves further exacerbated the situation for Pakistan. While the SBP intervened by rapidly increasing interest rates and introducing drastic measures to try and curtail imports, the steps taken have hurt businesses in general and are unlikely to fix the economy in the long term unless fundamental structural reforms are undertaken.

Industry Overview

Domestic cement dispatches decreased by 1% from 48.1 million tonnes last year to 47.6 million tonnes for the year under review. Exports volumes registered a decrease of 44%, reducing to 5.3 million tonnes as compared to 9.3 million tonnes last year. Overall, dispatches by the industry decrease by 7.9% from 57.4 million tonnes to 52.9 million tonnes for the year under review. The decrease in both domestic and export sales volumes was primarily driven by sharp increase in fuel and energy prices exacerbated by Russia-Ukraine war. Economic instability and political uncertainty within the country further dented consumer confidence resulting in decline in cement consumption.

Financial and Operational Review

Production and Sales Review

	Year ended 30 June 2022	Year ended 30 June 2021	Increase/ (Decrease)	Percentage
	Tonnes	Tonnes	Tonnes	%
Clinker production	6,703,105	7,935,419	(1,232,314)	(16%)
Cement production	7,755,128	8,696,792	(941,664)	(11%)
Cement and Xtreme Bond sales	7,839,478	8,663,504	(824,026)	(10%)

Your Company's total cement dispatches showed a decline of 10% due to reduction in both local and export sales volumes. This was driven by the factors explained above.

Despite fierce competition, Bestway successfully retained its position as one of the largest cement producers and the market leader in the country.

Financial Highlights

The Company recorded gross turnover of Rs. 103 billion for the year ended 30 June 2022, 21% higher compared to Rs. 85.2 billion during the last year. Net turnover for the year grew by 27% from Rs. 56.8 billion to Rs. 72.4 billion. Higher revenue was driven by increase in selling prices which was necessitated by an exorbitant increase in the input costs.

Gross profit for the year also grew to Rs. 23 billion from Rs. 16.6 billion last year due to increase in the revenue.

Financial charges increased to Rs. 1.5 billion for the year as against 1.07 billion last year. This increase is due to increase in working capital requirements, higher interest rates and borrowings for new projects.

Profit before tax for the year amounted to Rs. 19.3 billion as compared to Rs. 15.5 billion for the year ended 30 June 2021. Profit after tax reduced to Rs. 10.2 billion as compared with Rs. 11.6 billion last year, due to 10% Super tax, which has caused a significant increase in tax charge for the year.

Earnings per share of the Company for the year ended 30 June 2022 stood at Rs. 17.17 against Rs. 19.42 from last year.

Total Equity of the Company stood at Rs. 60.8 billion as against Rs. 60.1 billion at the year ended 30 June 2021.

Your Company remained prompt with its repayment obligations on all types of loans.

Net current Liabilities on 30 June 2022 stood at Rs. 9.8 billion (2021: net current assets of Rs. 6.4 billion). The significant shift resulted from higher short term borrowings at the year end.

Other Investments

United Bank Limited

Your Company's investment in United Bank Limited continues to yield strong returns for the Company. However, during the six month period ended 30 June 2022 the 10% Super tax has caused a drop in the bank's profit after tax, which reduced by Rs. 2.8 billion or 19% as compared with same period last year.

You would be delighted to learn that the bank paid out a cash dividend of Rs.18 per share for its year ended 31 December 2021 thus providing a return of Rs. 1.7 billion on your investment.

UBL Insurers Limited

UIL reported profit before tax for the year ended 31 December 2021 of Rs. 102 million. UBL Insurers paid out cash dividend of 1.15% thus providing a return of Rs. 1.6 million on your investment.

Contribution to the National Exchequer

Bestway Cement is among the largest taxpayers in the country. During the year under review, your Company's contribution to the exchequer amounted to more than Rs. 32 billion on account of income tax, sales tax and excise duty. In addition, your Company pays large amounts in the form of various indirect duties and taxes to the federal, provincial and local governments.

Capacity Expansion

Greenfield plant at Paikhel

Work on our Greenfield cement plant of 7,200 tonnes of clinker per day along with 9 MWs Waste Heat Recovery Power Plant near Paikhel, District Mianwali is well underway. We envisage that the plant will be operational by end of December 2022.

Brownfield plant at Hattar

Work on our brownfield line of 7,200 tonnes of clinker per day along with 9 MWs Waste Heat Recovery Power Plant at our Hattar site is also making good progress. We anticipate that the plant will be operational by end of March 2023.

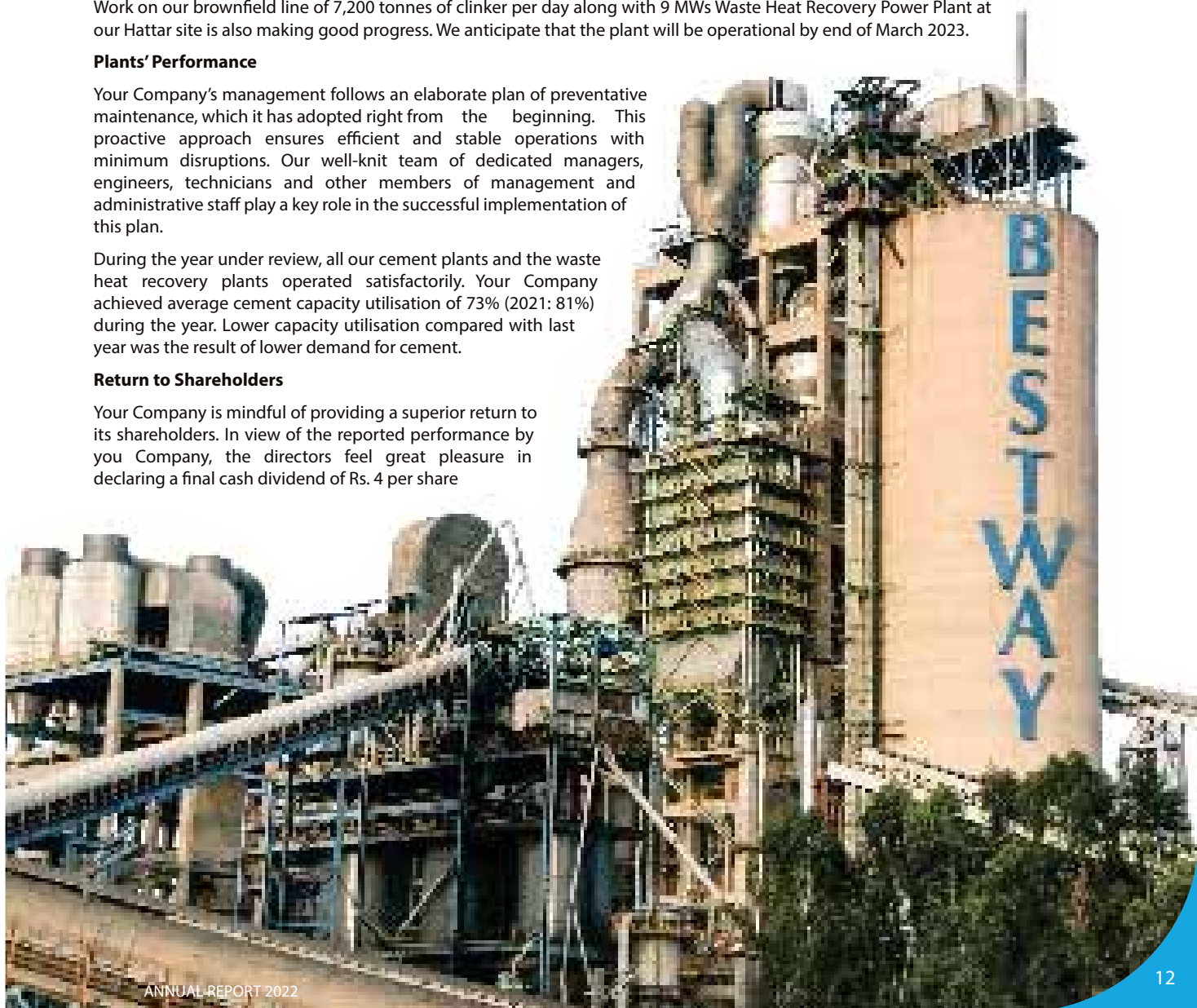
Plants' Performance

Your Company's management follows an elaborate plan of preventative maintenance, which it has adopted right from the beginning. This proactive approach ensures efficient and stable operations with minimum disruptions. Our well-knit team of dedicated managers, engineers, technicians and other members of management and administrative staff play a key role in the successful implementation of this plan.

During the year under review, all our cement plants and the waste heat recovery plants operated satisfactorily. Your Company achieved average cement capacity utilisation of 73% (2021: 81%) during the year. Lower capacity utilisation compared with last year was the result of lower demand for cement.

Return to Shareholders

Your Company is mindful of providing a superior return to its shareholders. In view of the reported performance by you Company, the directors feel great pleasure in declaring a final cash dividend of Rs. 4 per share



taking the payout for the year to date to Rs. 16 per share.

Quality Assurance

Bestway Cement is a company driven by efficiency and quality consciousness. With strict quality control procedures in place, the Company has deployed high quality control equipment at the plants. Bestway's laboratories are equipped with state-of-the-art x-ray fluorescence and diffraction analysers and were the first in Pakistan to introduce the technology. By virtue of this equipment, the Company has been able to consistently produce better quality cement than is currently available in the country. Laboratories at Farooqia plant have ISO 17025 certification making Bestway only the 2nd cement producer in Pakistan to have achieved this milestone. Our laboratories at the other 3 plants are also in process of securing this certification.



Marketing

Bestway continues to enjoy its status as the market leader due to its consistently superior quality, widest product range, effective marketing strategy, customer care and sheer dedication of its sales and marketing teams. Your Company is the second largest cement producer in Pakistan and certified for ISO 9001 Quality Management System.

Bestway is well recognised for its supreme quality products. Its products continue to be firmly established as premium brands in the domestic market, as well as various international markets. Your Company continues to be one of the largest exporters of cement to Afghanistan.

Training and Development

Your Company places great importance on the training, development and education of its personnel. In order to keep its workforce abreast with best operational techniques and practices, technical and general managerial training courses are organised for various departments and categories of personnel. Staff members are also sent on courses, workshops and seminars organised externally by other institutions. The Company actively encourages and assists its employees in pursuit of professional development and career enhancement.

As part of its commitment to skills development and grooming of workforce, your Company regularly employs freshly qualified engineers, graduates, professionals and even unskilled human resource. Planned training programmes are carefully conducted to ensure that these personnel are equipped with necessary knowledge, hands-on experience and confidence to become skilled and productive resource.

Trainee engineers undergo intensive training in electrical, mechanical and mining departments, while management trainees are inducted in marketing, finance, personnel and administration where they are carefully trained to become effective managers in the future. Apprentices are employed in various technical departments at all the factories. While some of those trainees and apprentices are retained in the Company, others move on to other industries where they successfully build upon the foundation provided to them at Bestway Cement through the training imparted to them for the advancement of their careers and contributing towards the development of the country.

Health and Safety

Your Company reputes itself as a responsible corporate citizen and gives highest priority to health and safety for not only its own employees, but also for subcontracted personnel, in respect of effective conduct of our business. Your Company is therefore committed to preventing human injury and property damage at workplace and strives for continuous improvement in its environment, health and safety management and performance.

Initiatives including training on safe system of work such as trainings on various aspects of health & safety, safety meetings, permit to work system coupled with risk assessments, identification and control of hazards, incident reporting, safety audits, safety champions, good housekeeping and hygiene controls are actively and consistently pursued to instil safe behaviour in all personnel. Your Company has strived to make industrial operations safer, and has established numerous directives and standards and advisories to increase level of awareness amongst employees, contractors and other stakeholders like visitors and surrounding communities. These advisories are to be strictly adhered to across the organisation and shared with external stakeholders as best practices since for us, safety is a way of life rather than professional obligation.

Environment

Bestway Cement reputes itself as a responsible corporate citizen and gives highest priority to protecting and creating a healthier environment for not only its own employees, but also for our communities where the Company has established its four plants. The wellbeing of the social environment in which Bestway operates is considered an integral part of the Company's success. Our plants are ISO 14001:2004 Environmental Management System (EMS) certified.

The Company ensures that its plants continue to comply with established environmental quality standards at all times. Our plants not only meet the stringent environmental quality standards prescribed by the relevant Environmental Protection Agency (EPA) of Pakistan but also voluntary adherence to the more stringent international emission standards. This has been achieved through including environmental considerations in the design basis of our plants and ancillaries. Electrostatic Precipitators and Bag-house Filters installed are the best in class while continuous maintenance and up gradation helps the Company maintain its excellent

emission record.

Bestway also conducts regular review of its production facilities through independent experts and monthly monitoring of emissions are conducted by third party consultants to ensure that we are in compliance with regulatory requirements and internal targets. Furthermore, active collaboration with the EPA is continuing in lieu of celebrating World Environment Day across all Bestway Plants



attended by relevant EPA representatives.

Bestway regularly participates in various environment uplift programmes including tree plantation drives and quarry rehabilitation initiatives. Comprehensive quarry rehabilitation plan is being implemented Company-wide to gradually restore the consumed portions of the quarries.

At Chakwal plant, the number of Olive trees have now grown to well over 11,000. The area was declared as the Olive focus area by the Government of Punjab. Loquat is an indigenous fruit-bearing tree of the Chakwal region. As part of Bestway's clean and green ambition, during the past year alone we have planted nearly 38,000 plants across all works. These, along with other established fruit orchards across all four plants, are an on-going contribution of your Company towards achieving sustainable development.

A scenic view point has been established in the Kallar Kahar quarry area as well which includes more than 100 pine and cedar trees and other indigenous species. At Hattar quarry area, another view point, which includes 300 pine trees among other flowering/ornamental plants, overseeing the plant and all of Hattar Industrial Estate and its surroundings has been established for visitors and is frequently used to hold gatherings.

Bestway Cement ardently supports WWF Pakistan. Your Company has been praised and endorsed for its efforts in reducing the carbon footprint while working towards conservation and protection of environment. It is one of the only few companies in Pakistan which has been certified as a Green Office by WWF Pakistan.

Water Conservation

Your Company is now the leader in water conservation after installation of Air Cooled Condenser Systems, the first and only one in the Cement industry, instead of the conventional water-cooled system which has enabled reduction of about 80% of industrial water requirements.

Rainwater harvesting has been a key area of focus and your Company has made huge strides in not only improving the existing rainwater harvesting ponds significantly but also setting up new ones. You would be pleased to learn that 100% of industrial water requirement at our Chakwal and Kallar Kahar plants are being fulfilled through rainwater harvesting.

Your Company has also installed latest technology Reverse Osmosis Plants to convert industrial waste water for reuse.

Moreover, the domestic water of plant residential areas is also being treated and recycled thus conserving huge amounts of water.



Alternative Energy Initiatives

Cement manufacturing is an energy-intensive process. Power represents one of the largest costs of production. Persistent power crisis in the country necessitated a shift from conventional fossil fuels to alternate energy solutions. As part of its strategy to reduce its reliance on the national grid, your Company has set up Waste Heat Recovery Power Plant (WHRPP) at all four sites Chakwal, Hattar, Farooqia and Kallar Kahar. Bestway's WHRPP at Chakwal was the first in the cement industry of Pakistan prompting others to follow suit.

This is an important step in energy conservation for your Company, making it a forerunner in adopting Waste Heat Recovery (WHR) technology at all its operations. These projects serve to significantly reduce the Company's dependence on external source of electricity thus helping in reduction of production costs, improving operational efficiency and protecting the environment. During the year under review, your Company met 44% of its energy requirement through WHRPP, boilers and Solar.

Solar Power Generation

Building on the legacy of being an environmentally conscious Company, you will be delighted to know that our solar power plants at all four locations are now fully operational. Our total capacity of 55.4 MWs is the largest distributed captive power generation capacity to date, not only in Pakistan but in the entire region. Your Company intends to enhance its solar power generation capacity at all four plants in the near future.

The solar power generation has not only reduced your Company's reliance on the national grid further but has also enabled it to reduce its carbon foot print by more than 3.4 million Tonnes of CO₂ emissions over the life of the project, which is equal to plantation of approximately 5.4 million trees.

Your Company's WHRPP along with its solar power generation makes it a forerunner in adopting green and renewable energy.



Corporate Social Responsibility

Bestway invests in its operations for long term and appreciates that it has a special responsibility towards the local communities. The Company takes pride in its proactive development and welfare of the under-privileged through activities such as improving access to health services, education, vocational trainings, environmental conservation programmes, and helping create jobs and local employment. Your Company conducts its corporate social responsibility activities mainly through its charitable trust, Bestway Foundation.

During the year under review, your Company spent more than Rs. 162 million on various CSR initiatives making it one of largest corporates in the country in terms of CSR spend.

Education

Keeping up with the aim of supporting the less fortunate for quality education, Bestway is operating a primary school in the vicinity of Farooqia, Taxila-Haripur Road since year 2018 and a large primary to secondary purpose-built and well equipped school in the village Tatral of District Chakwal since year 2016, built at a cost of Rs. 67 million.

To date, there are altogether more than 897 students who are being provided superior education by experienced teachers at both locations at a token fee.

Bestway also imparts free college education exclusively to Girls through Farah Pervez Degree College in Gujar Khan. The project consisting of numerous classrooms, laboratories, facilities for extracurricular activities and accommodation for the residence of the faculty members, was entirely funded by your Company and became operational in 2011 at a cost of Rs. 30 million.



In addition to its own established educational institutions, Bestway also supports numerous government schools in deprived rural areas in and around its local communities.

During the year the company donated Rs. 5 million to Shahid Afridi Foundation for the construction of an educational facility following its philosophy of desire to help those less fortunate than others by supporting charities and empowering communities by advancement of education for public benefit.

National & International Scholarships

Higher education is essential for building a strong and vibrant society, whereas many talented and well deserving youth is unable to continue their education due to lack of sufficient financial resources. Your Company, in keeping with its resolve to support the deserving students, has set up Bestway Scholarship Endowment Fund of Rs. 12.5 million through its philanthropic arm Bestway Foundation, with National University of Sciences and Technology (NUST) for the benefit of financially challenged students enrolled at the University's undergraduate Programs.

These scholarships are given to 6 Student Beneficiaries, primarily covering their fee expenses every year in either of the disciplines of Environmental Engineering, Metallurgy & Materials Engineering, Mechanical Engineering, Computer Engineering and

Mechatronics Engineering.

Apart from the above, numerous other national and international scholarships have been provided by your Company to a large number of talented students to date. These scholarships are aimed at those students who need financial assistance in order to continue with their education.

Bestway also offers 12 fully funded scholarships every year for deserving and talented Pakistani students in the Oxford University, University of Bradford and University of Kent in the UK.

Promoting Philanthropy

Bestway regularly provides financial assistance to institutions and organisations striving to make a real difference in areas of education and health.

Some of the beneficiaries over the past few years include Institute of Business Administration Karachi, Ghulam Ishaq Khan Institute Swabi, NAML College Mianwali, National University of Science and Technology Islamabad, Lahore University of Management Sciences, Sahara for Life Trust Mianwali, Zindagi Trust, Sindh Institute of Urology and Transplantation, Pakistan Hindu Council, Abdul Sattar Edhi Foundation, Shaukat Khanum Memorial Trust, MASKAN Institute Swat, Nisar Fatima Girls School, Shalimar Hospital, Akhpal Kor Foundation, Muhammad Gulistan Khan Foundation, Layton Rahmatullah Benevolent Trust, National Society for Mentally and Emotionally Handicapped Children, Forman Christian College University, Family Educational Services Foundation, Northern University Peshawar, The Citizens Foundation, Zamung Kor, KPSS Secondary School Saigolabad Chakwal, Sultana Foundation, Care Foundation, Kaghan Memorial Trust, Al Mustafa Trust, Thathi Welfare Foundation, Zia ul Aloom Trust, The Kidney Centre Karachi, Pakistan Foundation Fighting Blindness, The Noorani Foundation, Shahid Afridi Foundation, Akhuwat Foundation and various other organizations.



Health

In the areas of basic health, free medical facilities are provided to thousands of patients in the local community through all four medical centres located at Bestway's factory premises. During the year under review, more than 31,117 patients benefitted from those medical centres.

Financial Assistance

In addition to pursuing its core objective of improving education and providing basic health facilities, your Company together with its philanthropic arm, also provides financial assistance to 362 widows and indigents of the local community in the form of monthly stipends.

Job Creation for Local Community

Your Company has introduced hundreds of jobs for skilled and unskilled local individuals in and around its factory premises. Employment opportunities have been created in the upstream and downstream activities. Employment generation not only improves the buying power of the local population but also gives them a fair opportunity to improve their standard of living.

Apprenticeship & Trainings

Bestway regularly employs trainee engineers, management trainees, apprentices and internees who undergo intensive training in their respective fields. Some of those trainees and apprentices are retained in the Company while others move on to other industries where they successfully build upon the foundation provided to them at Bestway Cement through the training imparted to them for the advancement of their careers and contributing towards the development of the country. Currently, 200 trainee engineers, management trainees, apprentices and internees are undergoing training at the Company's various locations.

Disaster Management & Rehabilitation

Your Company always contributes generously towards disaster management and in aiding the efforts of relief, rehabilitation and reconstruction in aftermath of the earthquake and devastation caused by floods or any other projects of community development.

Recently Bestway Group has announced to donate \$1 million to help the affectees of the Pakistan floods. Your Company has set up dedicated medical camps; and is distributing food parcels and cooking meals across the flood-affected areas.

Community Development

Bestway regularly contributes towards the development and



rehabilitation of the areas surrounding its plants. Millions of Rupees are spent annually on activities such as supply of clean drinking water and restoration of water supply to villages, donating cement and provision of logistical support for construction projects in local vicinities including building of mosques and schools etc. and distribution of wheat to the needy in our local communities. A substantial amount of donation is also given to the local administrations to support local festivals, cultural gatherings and several other societal elevation projects.

Your company regularly arranges free Dastarkhwan during the holy month of Ramadan at all of its plants where thousands of local inhabitants and passer-by are served Iftar for the whole month. Moreover, food hampers are also distributed amongst hundreds of humble households in the local areas at the beginning of Ramadan.

Holding Company

The Company is a subsidiary of Bestway International Holdings Limited (BIHL), which is a wholly owned subsidiary of Bestway Group Limited (BGL). Both BIHL and BGL are incorporated in Guernsey. Therefore, all subsidiaries and associated undertakings of the BGL are related parties of the Company.

Future Outlook

Pakistani economy is significantly impacted by the surge in global commodity prices, current account deficit, depleting foreign exchange reserves and hyper-inflationary environment. It seems unlikely that the economy will be able to recover from these challenges in the foreseeable future. The damage caused by recent floods will stall any prospects of the economic recovery. The resumption of the IMF loan programme may provide a short term relief. However, the year ahead will be full of challenges for the economy including the construction industry.

Pakistan is heavily dependent on imported fossil fuel for its energy needs. Pak Rupee, having already suffered sudden and sharp depreciation, is likely to face further headwinds. Stubborn inflation has resulted in rapid increases in interest rates. A number of new Cement plants are also expected to come online during the year, thereby significantly increasing production capacity. All these factors, coupled with unreasonably high taxation, will continue to bear down on the cement industry and cement manufacturers may find it increasingly difficult to pass on unprecedented increase in costs which will have a knock on impact on the profit margins.

Colossal economic challenges being faced by Afghanistan have massively dented exports of cement from the North and this situation is likely to persist for the foreseeable future.

Bestway is not only one of the lowest cost-producers in the country but is also fairly low-leveraged which means that it is much better placed to face off any headwinds as compared to most of its competitors. Your management is always cognisant of the challenges that might lie ahead and will continue to proactively adapt in order to ensure optimum performance by your Company and superior returns for its shareholders.

Pattern of Shareholding

A statement of the pattern of shareholding in the Company as at 30 June 2022 is in subsequent pages.

Composition of the Board

The Board comprises of 8 directors as follows:

- Male 6
- Female 2

The composition of the Board is as follows:

- Independent Directors
 - i) Ms. Najma Naheed Pirzada
 - ii) Ms. Nazia Nazir
- Other Non-executive Directors
 - i) Sir Mohammed Anwar Pervez (Chairman)
 - ii) Mr. Mohammed Younus Sheikh
 - iii) Mr. Dawood Pervez
 - iv) Mr. Haider Zameer Choudrey



- Executive Directors
 - i) Lord Zameer Mohammed Choudrey
 - ii) Mr. Muhammad Irfan A. Sheikh

Committees of the Board

- Audit Committee
 - i) Ms. Najma Naheed Pirzada (Chairperson)
 - ii) Mr. Dawood Pervez
 - iii) Mr. Haider Zameer Choudrey
- HR and Remuneration Committee
 - i) Ms. Nazia Nazir (Chairperson)
 - ii) Mr. Mohammed Younus Sheikh
 - iii) Mr. Muhammad Irfan Anwar Sheikh
- Nomination Committee
 - i) Lord Zameer Mohammed Choudrey (Chairperson)
 - ii) Mr. Muhammad Irfan Anwar Sheikh
 - iii) Mr. Haider Zameer Choudrey
- Risk Management Committee
 - i) Lord Zameer Mohammed Choudrey (Chairperson)
 - ii) Mr. Muhammad Irfan Anwar Sheikh
 - iii) Mr. Haider Zameer Choudrey

Directors' Remuneration Policy

The Board of Directors of the Company has approved a Remuneration Policy in its meeting held on September 6, 2022. As per this policy, the members of the Board that have attended a Board or Committee Meeting will be entitled to receive PKR 30,000/- for the meeting. The Policy also covers traveling, logistical and accommodation expenses. This policy will be approved by the shareholders of the Company in the Annual General Meeting scheduled on October 7, 2022.

The details of compensation of directors for the year ended June 30, 2022 are disclosed in Note 39 to the financial statements.

Auditors

The present auditors, A. F. Ferguson & Co., Chartered Accountants retire at the conclusion of the meeting and being eligible, have offered themselves for reappointment. The Audit Committee of the Company having considered the matter, recommend the retiring auditors for reappointment.

Acknowledgements

The Directors wish to place on record their appreciation for the continued support, contribution and confidence demonstrated in the Company by its shareholders, members of staff, customers, suppliers, our Bankers particularly, Allied Bank Limited, Habib Bank Limited, Meezan Bank Limited, MCB Bank Limited, United Bank Limited, Askari Bank Limited, Soneri Bank Limited, Bank Alfalah Limited, Industrial & Commercial Bank of China, Bank Islami Pakistan Limited, Faysal Bank Limited, Dubai Islamic Bank Pakistan Limited, MCB Islamic, Habib Metropolitan, National Bank of Pakistan, Citibank, Bank of Khyber, Bank of Punjab and various government agencies throughout the year.

For and on behalf of the Board



Lord Zameer M. Choudrey
Chief Executive



Muhammad Irfan A. Sheikh
Managing Director

Islamabad
06 September 2022

AB TAMEER KARAIN AASANI KE SAATH



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PAY THROUGH



DEBIT CARD



CREDIT CARD



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REPORT OF THE AUDIT COMMITTEE

The Audit Committee of the Company is appointed by the Board, and comprises of three (3) non-executive directors, out of which one is independent, and, is also the Chairperson of the Committee. The Head Internal Audit, who is also Secretary to the Committee, attends Audit Committee meetings. The Chief Executive Officer (CEO), Managing Director (MD) and Chief Financial Officer (CFO), attend Audit Committee meetings by invitation. During the year four (4) audit committee meetings were held, out of which two (2) were also attended by the External auditors of the Company.

The role of the Board Audit Committee in the context of the Board's broader governance framework is to oversee:

- The integrity of Company's financial statements;
- The appointment, remuneration, qualification, independence and performance of External Auditors;
- Risk management and internal control arrangements;
- The performance of Internal audit function;
- Compliance with legal and regulatory requirements;
- Compliance by management with constraints imposed by Board;
- Appropriate measures taken by the management to safeguard the Company's assets;

The Audit Committee has concluded its review of the conduct and operations of the Company during the year ended June 30, 2022, and reports that:

- The Audit Committee reviewed the quarterly, half yearly and annual financial statements of the Company and recommended them for approval of the Board of Directors. It has also reviewed preliminary announcements of results prior to publication
- The Audit Committee has reviewed all related party transactions and recommended the same for approval of the Board of Directors.
- The Company has issued a "Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations 2019, which has also been reviewed and certified by the external auditors of the Company.
- The Company's code of conduct has been appropriately disseminated across the company. Further, understanding and compliance with Company's code and policies has been affirmed by the management and employees of the Company individually.
- Appropriate accounting policies have been consistently applied. Applicable International Financial Reporting Standards were followed in preparation of financial statements of the Company on a going concern basis, for the financial year ended 30 June, 2022, which present fairly the state of affairs, results of operations, profits, cash flows and changes in equity of the Company for the year under review.
- The CEO and the CFO have endorsed the Financial Statements and Directors' Report. They acknowledge their responsibility for true and fair presentation of the Company's financial condition and results, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the Company.
- Proper and adequate accounting records have been maintained by the Company in accordance with the Companies act, 2017, provisions of and directives issued under the Act. The financial statements comply with the requirements of the Fourth Schedule to the Companies act, 2017 and the external reporting is consistent with management processes and adequate for shareholder needs.
- The preparation of Financial Statements is in conformity with International Financial Reporting Standards as applicable in Pakistan and requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments were continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under current circumstances.
- All direct or indirect trading and holdings of Company's shares by directors & executives or their spouses were notified in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction which were notified by the Company Secretary to the Board within the stipulated time. All such holdings have been disclosed in the Pattern of Shareholdings. The Annual Secretarial Compliance Certificates are being filed regularly within stipulated time.

- Closed periods were duly determined and announced by the Company, precluding the Directors, the Chief Executive and executives of the Company from dealing in Company shares, prior to each Board meeting involving announcement of interim / final results, distribution to shareholders or any other business decision, which could materially affect the share market price of Company, along with maintenance of confidentiality of all business information.
- The Audit Committee has ensured the achievement of operational, compliance, risk management, financial reporting and control objectives, safeguarding of the assets of the Company and the shareholders wealth at all levels within the Company.
- The Committee regularly reviews the mechanism for employees and management to report concerns to the Audit Committee and ensures that any allegations are scrutinized seriously.

Internal Audit

- The internal control framework has been effectively implemented through an independent in-house Internal Audit function established by the Board which is independent of the External Audit function.
- The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and adequacy.
- The Internal Audit Department carried out independent audits in accordance with an internal audit plan which was approved by the Board Audit Committee. The Committee has reviewed material Internal Audit findings, taking appropriate action or bringing the matters to the Board's attention where required.
- The Head of Internal Audit has direct access to the Chairman of the Board Audit Committee and the Committee has ensured staffing of personnel with sufficient internal audit acumen and that the function has all necessary access to management and the right to seek information and explanations.
- The progress of Internal audit function was duly discussed during the Board Audit Committee meetings, held during the year, in order to ensure that the Audit Function effectively performed its assigned task.
- Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

External Auditors

- The statutory Auditors of the Company, M/s A.F. Ferguson & Co., Chartered Accountants, have completed their Audit assignment of the Company's financial Statements and the Statement of Compliance with the Code of Corporate Governance for the financial year ended 30 June, 2022, and shall retire on the conclusion of the 29th Annual General Meeting.
- The Audit Committee has reviewed and discussed all key audit matters and other issues identified during the external audit with the External Auditors and management, along with the methods used to address the same.
- The Auditors have been allowed direct access to the Committee and the effectiveness, independence and objectivity of the Auditors has thereby been ensured. The Auditors attended the General Meeting of the Company during the year and have indicated their willingness to continue as Auditors.
- The Audit Committee has recommended the reappointment of M/s A.F. Ferguson & Co., Chartered Accountants, as External Auditors of the Company for the year ending 30 June 2023.
- M/s. A.F. Fergusons & Co. Chartered Accountants has been given satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP). The Firm has no financial or other relationship of any kind with the Company except that of External Auditors.

06 September 2022
Islamabad



Ms. Najma Naheed Pirzada
Chairperson, Board Audit Committee

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of company: Bestway Cement Limited

Year ended: June 30, 2022

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are eight (8) as per the following:
 - a) Male: Six (6)
 - b) Female: Two (2)
2. The composition of the Board is as follows:
 - i) Independent directors*
 1. Ms. Najma Naheed Pirzada
 2. Ms. Nazia Nazir
 - ii) Non-executive directors
 1. Sir Mohammed Anwar Pervez (Chairman)
 2. Mr. Mohammed Younus Sheikh
 3. Mr. Dawood Pervez
 4. Mr. Haider Zameer Choudrey
 - iii) Executive directors
 1. Lord Zameer Choudrey
 2. Mr. Muhammad Irfan Anwar Sheikh
 - iv) Female directors
 1. Ms. Najma Naheed Pirzada
 2. Ms. Nazia Nazir

*Best practices of corporate governance entail having an optimal number and mix of board members with adequate skills and experience. The current Board of Directors of the Company adequately meets this requirement. Further, existing two independent directors play an effective part within the Board and make valuable contributions. Therefore, the fraction (2.67) has not been rounded up.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Out of eight directors, two directors meet the exemption requirement of the Directors' Training Program and six directors have obtained the Directors' Training Program certification in prior years;
10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:-

- a) Audit Committee
 - i) Ms. Najma Naheed Pirzada (Chairperson)
 - ii) Mr. Dawood Pervez
 - iii) Mr. Haider Zameer Choudrey
- b) HR and Remuneration Committee
 - i) Ms. Nazia Nazir (Chairperson)
 - ii) Mr. Muhammad Irfan Anwar Sheikh
 - iii) Mr. Mohammed Younus Sheikh

Subsequent to the year end, the following committees have also been constituted comprising of members as follows:

- c) Nomination Committee
 - i) Lord Zameer Choudrey (Chairperson)
 - ii) Mr. Muhammad Irfan Anwar Sheikh
 - iii) Mr. Haider Zameer Choudrey
- d) Risk Management Committee
 - i) Lord Zameer Choudrey (Chairperson)
 - ii) Mr. Muhammad Irfan Anwar Sheikh
 - iii) Mr. Haider Zameer Choudrey

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:-

- a) Audit Committee – quarterly;
- b) HR and Remuneration Committee – on required basis;

15. The Board has set up an effective internal audit function;

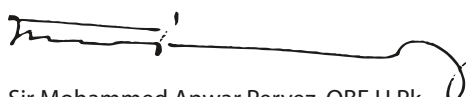
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr. No.	Requirement	Explanation
1	Constitution of Nomination Committee	The Human Resources and Remuneration Committee performed the function of Nomination Committee during recent election of directors. The Board has constituted the Committee in its meeting held on September 06, 2022, as mentioned in paragraph 12 above.
2	Constitution of Risk Management Committee	The function of Risk Management Committee is currently performed by Chief Internal Auditor, who appraises the Board accordingly. The Board has constituted the Committee in its meeting held on September 06, 2022, as mentioned in paragraph 12 above.
3	Disclosure of significant policies on website	The requirement to disclose significant policies on the website is non-mandatory in regulation no. 35 (1), and thus the Company has uploaded limited information in this respect on its website. The Company is however, considering placing key elements of other policies on its website.


Sir Mohammed Anwar Pervez, OBE H Pk
Chairman

CSR AND ORGANIZATIONAL ACTIVITIES

Bestway Foundation donates Rs. 5 million to Shahid Afridi Foundation-SAF for the construction of a School at Dera Ghazi Khan – Punjab

With it's philosophy of desire to help those less fortunate than others by supporting charities and empowering communities by advancement of education for public benefit; Bestway donated Rs.5 million to Shahid Afridi Foundation for the construction of an educational facility that will provide opportunities for 600 out of school children especially girls living in underserved communities at Dera Ghazi Khan – Punjab.



Bestway Cement Limited Participated in 2nd International Conference & Exhibition-ICE on Environment

Bestway Cement reputes itself as a responsible corporate citizen and gives highest priority to protecting and creating a healthier environment for not only its own employees, but also for it's communities situated around its four plants. The conference was organised by Punjab Environmental Protection Department (EPD) in collaboration with World Bank..

Bestway Cement Limited Co-Sponsored the First Punjab Mining Expo 2022

Amongst numerous Stalls from Private, Public and Provincial sectors, Bestway Cement Limited also participated the event. Representatives from all relevant sectors were brought under one roof to develop networking and awareness on exploration of various varieties and possibilities to increase the production of mines and minerals found in each region of Pakistan.

The event also provided a common forum to newly emerging businesses seeking support from the Government and all that is needed to know when starting a new business like setting-up a new factory or planning to export chemicals in the near future. The expo opened possibilities for both local as well as international investors in the mining field.



International Women's day Celebrated at Head office and our educational institutions



Teachers Day celebration at Bestway Foundation Schools and College



Bestway Baithak, an offline chit chat session between Head of Departments and Team



Bestway Hawks - Aim of this program is to engage trainee engineers to give them opportunity of networking, collaborating and ultimately learning exposure



MTO Graduation Ceremony was held in Islamabad, Head Office

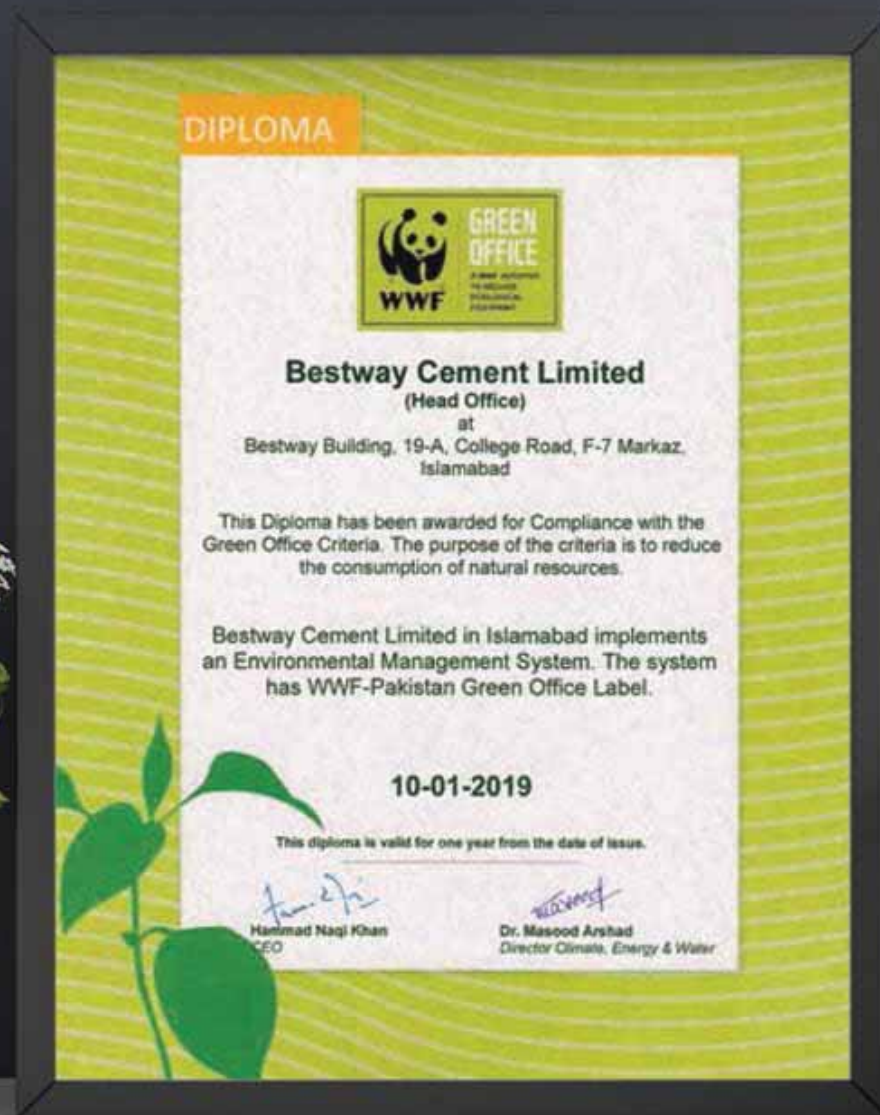
WWF GREEN OFFICE CERTIFICATION

WWF's Green Office is an environmental service for offices. With its help, workplaces are able to reduce their burden on the environment, achieve savings and slow down climate change. Green Office is a practical environmental program that is easy to implement. Its aim is to reduce carbon dioxide emissions and offices' ecological footprint.

Bestway Cement Limited enrolled itself in the program during the year 2016 aiming to reduce its carbon footprint by keeping track of its water, paper and electricity consumption along with food wastage. These four KPIs were thoroughly audited by WWF Team in the previous year ensuring fulfillment of criteria of Green Office program.

WWF validated and awarded Green office certificate to bestway cement yet again for the year 2019-2020. Bestway Cement Limited is the second cement company in Pakistan to have the status of a Green Office.

Bestway holds a key position in sustainable solutions for conservation of environment while motivating office staff to act in an ecologically friendly way with regards to everyday tasks, improving conservational awareness and bringing cost savings.



BESTWAY CEMENT LIMITED STRIVING FOR CLEANER & GREENER PAKISTAN



Emissions well within prescribed National and International standards.



44% of energy needs met through green and renewable sources which are the highest in the industry.



Leader in water conservation & least reliance on ground water for industrial use.



400,000 trees planted to date to upgrade environment.



WWF Certified Head Office.



BUILDING ON STRENGTH





INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Bestway Cement Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Bestway Cement Limited (the Company) for the year ended June 30, 2022 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2022.

Chartered Accountants
Islamabad
Date: 16 September 2022

UDIN: CR202210053UPp3Nni0R



INDEPENDENT AUDITOR'S REPORT

To the members of Bestway Cement Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Bestway Cement Limited (the Company), which comprise the statement of financial position as at 30 June 2022, and the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the Key audit matter:

S. Key audit matter

No.

How the matter was addressed in our audit

(i) Revenue recognition

(Refer notes 4.13 and 28 to the financial statements)

The Company is engaged in the production and sale of cement in the local and export market. Revenue is recognised when performance obligation is satisfied by transferring control of promised goods to the customers.

We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company, large number of revenue transactions with a large number of customers in various geographical locations, inherent risk of material misstatement and significant increase in revenue from last year.

Our audit procedures in relation to the matter, amongst others, included:

- Understood and evaluated management controls over revenue and checked their validation;
- Performed testing of sample of revenue transactions with underlying documentation including dispatch documents and sales invoices;
- Performed cut-off procedures on sample basis to assess whether revenue was recognised in the correct period;
- Checked on a sample basis, approval of sales prices by the appropriate authority;
- Performed recalculation of rebates, and discounts as per Company's policy on test basis;
- Performed analytical procedures to analyse variation in the price and quantity sold during the year;
- Tested journal entries relating to revenue recognised during the year based on identified risk criteria; and
- Assessed the adequacy of disclosures made in the financial statements related to revenue in accordance with the applicable accounting and reporting standards.

(ii) Additions to property, plant and equipment

(Refer notes 4.7 and 16.2 to the financial statements)

During the current year, the Company has incurred significant capital expenditure mainly on construction of new plant and an additional production line at one of the existing plant which were under construction at year end.

The incurrence of capital expenditure requires determination of the costs which meets criteria for capitalisation as per the International Accounting Standard – 16, 'Property, Plant and Equipment'

We consider the above as a key audit matter being significant transactions and events for the Company during the year having significant impact on the financial position of the Company.

Our audit procedures in relation to the matter, amongst others, included:

- Assessed the design and implementation of key internal controls relating to purchase of the assets;
- Tested, on a sample basis, costs capitalised during the year by comparing the costs capitalised with the relevant underlying documentation, including suppliers' invoices;
- Checked that the costs capitalised including borrowing costs, met the criteria for capitalisation in accordance with the requirements of the applicable accounting and reporting standards; and
- Assessed the adequacy of disclosures made in the financial statements related to property, plant and equipment in accordance with the applicable accounting and reporting standards.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.


From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the statement of financial position, the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Asim Masood Iqbal.



A. F. Ferguson & Co
Chartered Accountants
Islamabad

Date: 16 September, 2022
UDIN: AR202210053Zjsl1uydr



FINANCIAL STATEMENTS

BESTWAY CEMENT LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

		2022	2021
	Note	----- (Rupees '000) -----	
EQUITY			
Share capital and reserves			
Share capital	5	5,962,528	5,962,528
Capital reserves	6	7,947,234	8,045,678
Revenue reserves	7	46,848,144	46,114,328
		60,757,906	60,122,534
LIABILITIES			
Non-current liabilities			
Long term financing	8	21,982,181	11,871,853
Deferred income - Government grant	9	1,870,253	135,698
Deferred tax liability - net	10	13,312,922	11,407,649
Employee benefit obligations	11	19,150	16,301
		37,184,506	23,431,501
Current liabilities			
Trade and other payables	12	15,289,731	10,464,155
Short-term borrowings	13	11,985,105	1,652,261
Current portion of long term financing	8	4,528,015	1,186,723
Current portion of deferred income - Government grant	9	340,875	51,274
Unclaimed dividend	14	3,357,955	1,989,890
		35,501,681	15,344,303
Total liabilities		72,686,187	38,775,804
Total equity and liabilities		133,444,093	98,898,338

CONTINGENCIES AND COMMITMENTS

15

The annexed notes 1 to 47 form an integral part of these financial statements.


 CHIEF FINANCIAL OFFICER


 DIRECTOR


 CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

		2022	2021
	Note	------(Rupees '000)-----	
ASSETS			
Non-current assets			
Property, plant and equipment	16	85,670,447	55,006,919
Intangible assets and goodwill	17	7,446,549	7,578,421
Investment property	18	197,094	274,293
Long term investments	19	14,309,190	14,207,828
Long term deposits		130,456	120,673
		107,753,736	77,188,134
Current assets			
Stores, spare parts and loose tools	20	12,290,537	7,087,848
Stock in trade	21	4,437,506	3,762,448
Trade debts	22	915,966	1,052,451
Advances	23	916,750	134,976
Deposits and prepayments	24	76,544	25,162
Other receivables	25	2,696,551	712,098
Advance tax - net		2,170,949	5,134,046
Short term investments	26	1,000,000	3,090,751
Cash and bank balances	27	1,185,554	710,424
		25,690,357	21,710,204
Total assets		133,444,093	98,898,338



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2022

		2022	2021
	Note	------(Rupees '000)-----	
Gross turnover	28	103,109,755	85,197,096
Less: rebates and discounts		(3,068,281)	(2,926,880)
Less: sales tax and excise duty		(27,670,943)	(25,405,892)
Net turnover		72,370,531	56,864,324
Cost of sales	29	(49,377,451)	(40,260,925)
Gross profit		22,993,080	16,603,399
Selling and distribution expenses	30	(972,446)	(611,242)
Administrative expenses	31	(1,582,086)	(607,012)
Other operating expenses	32	(1,294,578)	(949,786)
Operating profit		19,143,970	14,435,359
Other (expenses) / income - net	33	(445,317)	255,197
Finance cost	34	(1,480,398)	(1,070,586)
Share of profit of equity-accounted investees - net of tax	35	2,129,007	1,918,069
Profit before tax		19,347,262	15,538,039
Income tax expense	36	(9,108,176)	(3,960,315)
Profit for the year		10,239,086	11,577,724
Earnings per share - basic and diluted (Rupees)	37	17.17	19.42

The annexed notes 1 to 47 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED

**STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 ------(Rupees '000)-----	2021
Profit for the year		10,239,086	11,577,724
Other comprehensive (loss) / income (OCI):			
Items that will not be subsequently reclassified in profit or loss			
Re-measurement of defined benefit liability	12.5.5	(63,172)	(7,381)
Related tax		20,013	2,012
		(43,159)	(5,369)
Company's share of equity-accounted investees' OCI			
Re-measurement of defined benefit liability		96,218	37,085
Related tax		(18,285)	(5,562)
		77,933	31,523
		34,774	26,154
Items that may be reclassified subsequently in profit or loss			
Company's share of equity-accounted investees' OCI			
Effect of translation of net investment in foreign branches and subsidiaries		943,738	(178,425)
(Loss) / income from window takaful operations		(2)	7
(Deficit) / surplus on revaluation of available for sale investment		(1,286,634)	7,533
Related tax		244,454	(1,132)
		(98,444)	(172,017)
Other comprehensive loss - net of tax		(63,670)	(145,863)
Total comprehensive income for the year		10,175,416	11,431,861

The annexed notes 1 to 47 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

	Share Capital		Capital reserves			Revenue reserves			Total equity
	Issued, subscribed and paid up share capital	Share Premium	Exchange translation reserve	Revaluation reserve	Total capital reserves	Statutory reserve	Unappropriated profit	Total revenue reserves	
					(Rupees '000)				
Balance at 01 July 2020	5,962,528	5,381,821	2,704,962	130,912	8,217,695	2,435,210	38,037,767	40,472,977	54,653,200
Total comprehensive income									
Profit for the year	-	-	-	-	-	-	11,577,724	11,577,724	11,577,724
Other comprehensive income / (loss)	-	-	(178,425)	6,408	(172,017)	-	26,154	26,154	(145,863)
Total comprehensive income	-	-	(178,425)	6,408	(172,017)	-	11,603,878	11,603,878	11,431,861
Transfer to statutory reserve by equity-accounted investee	-	-	-	-	-	188,048	(188,048)	-	-
Transactions with owners of the Company									
Distributions									
Dividend - Interim 2021 @ Rs. 3 per share	-	-	-	-	-	-	(1,788,758)	(1,788,758)	(1,788,758)
Dividend - Interim 2021 @ Rs. 3 per share	-	-	-	-	-	-	(1,788,758)	(1,788,758)	(1,788,758)
Dividend - Interim 2021 @ Rs. 4 per share	-	-	-	-	-	-	(2,385,011)	(2,385,011)	(2,385,011)
Total transactions with owners of the Company	-	-	-	-	-	-	(5,962,527)	(5,962,527)	(5,962,527)
Balance at 30 June 2021	5,962,528	5,381,821	2,526,537	137,320	8,045,678	2,623,258	43,491,070	46,114,328	60,122,534
Balance at 01 July 2021	5,962,528	5,381,821	2,526,537	137,320	8,045,678	2,623,258	43,491,070	46,114,328	60,122,534
Total comprehensive income									
Profit for the year	-	-	-	-	-	-	10,239,086	10,239,086	10,239,086
Other comprehensive income / (loss)	-	-	943,738	(1,042,182)	(98,444)	-	34,774	34,774	(63,670)
Total comprehensive income	-	-	943,738	(1,042,182)	(98,444)	-	10,273,860	10,273,860	10,175,416
Transfer to statutory reserve by equity-accounted investee	-	-	-	-	-	212,288	(212,288)	-	-
Transactions with owners of the Company									
Distributions									
Dividend - Final 2021 @ Rs. 4 per share	-	-	-	-	-	-	(2,385,011)	(2,385,011)	(2,385,011)
Dividend - Interim 2022 @ Rs. 4 per share	-	-	-	-	-	-	(2,385,011)	(2,385,011)	(2,385,011)
Dividend - Interim 2022 @ Rs. 4 per share	-	-	-	-	-	-	(2,385,011)	(2,385,011)	(2,385,011)
Dividend - Interim 2022 @ Rs. 4 per share	-	-	-	-	-	-	(2,385,011)	(2,385,011)	(2,385,011)
Total transactions with owners of the Company	-	-	-	-	-	-	(9,540,044)	(9,540,044)	(9,540,044)
Balance at 30 June 2022	5,962,528	5,381,821	3,470,275	(904,862)	7,947,234	2,835,546	44,012,598	46,848,144	60,757,906

The annexed notes 1 to 47 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 ------(Rupees '000)-----	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		19,347,262	15,538,039
Adjustments for:			
Gain on disposal of property, plant and equipment	33	(7,774)	(5,384)
Depreciation	16.1.5	3,214,498	2,936,849
Amortisation	17.4	131,872	131,872
Provision / (reversal of provision) for obsolete stores	20.1	-	(30,294)
Provision for slow moving stock	21.2	4,534	(6,358)
Rental income	33	(25,723)	(37,639)
Profit on deposit accounts	33	(9,877)	(1,373)
Share of profit of equity-accounted investees, net of tax	35	(2,129,007)	(1,918,069)
Write off of fixed assets	29.2	663,012	-
Write off of other receivable	33	615,146	-
Bad debts written off	30	115,797	238
Fair value gain on remeasurement of investment property	33	(5,661)	(8,218)
Interest expense on land compensation	32	14,031	14,943
Finance cost	34	1,480,398	1,070,586
Provision for employee retirement benefits		103,868	48,173
		4,165,114	2,195,326
		23,512,376	17,733,365
Changes in working capital:			
(Increase) / decrease in stores, spare parts and loose tools		(5,202,690)	142,220
Increase in stock in trade		(679,592)	(1,464,617)
Decrease in trade debts		20,688	675,101
(Increase) / decrease in advances		(781,774)	40,948
Increase in deposits and prepayments		(51,382)	(705)
Decrease in other receivables		(2,599,600)	129,602
Increase in trade and other payables		4,844,492	2,964,738
		(4,449,858)	2,487,287
Cash generated from operating activities		19,062,518	20,220,652
Long term deposits		(9,783)	(2,255)
Finance cost paid		(1,586,739)	(1,541,638)
Employee retirement benefits paid		(826)	(84)
Income tax paid		(3,993,624)	(2,784,054)
Net cash generated from operating activities		13,471,546	15,892,621


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 ------(Rupees '000)-----	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(34,241,738)	(2,248,615)
Proceeds from sale of property, plant and equipment		25,428	54,842
Rent received from investment property		30,312	38,343
Profit received on deposit accounts		9,877	1,373
Dividends received		1,780,964	1,264,272
Net cash used in investing activities		(32,395,157)	(889,785)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of long term financing		(1,046,646)	(223,322)
Proceeds from financing		18,296,044	1,672,461
Dividends paid		(8,273,476)	(3,940,004)
Net cash generated from / (used in) financing activities		8,975,922	(2,490,865)
Net (decrease) / increase in cash and cash equivalents		(9,947,689)	12,511,971
Cash and cash equivalents at beginning of the year		2,148,914	(10,363,057)
Cash and cash equivalents at end of the year	38	(7,798,775)	2,148,914

The annexed notes 1 to 47 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1. CORPORATE AND GENERAL INFORMATION

Bestway Cement Limited ("the Company") is a public limited company incorporated in Pakistan on 22 December 1993 under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017 on 30 May 2017) and its shares are quoted on the Pakistan Stock Exchange Limited since 09 April 2001. The Company is principally engaged in production and sale of cement.

The Company is a subsidiary of Bestway International Holdings Limited (BIHL), which holds 56.43% shares in the Company. BIHL is a wholly owned subsidiary of Bestway Group Limited (BGL), ("the ultimate parent company"). Both BIHL and BGL are incorporated in Guernsey.

Registered office of the Company is situated at Bestway Building, 19-A, College Road, F-7 Markaz, Islamabad, Pakistan. The Company's cement manufacturing plants are located at Hattar, Farooqia, Chakwal and Kallar Kahar (refer to note 16.1.3 for complete addresses). The Company's sales head office is located at House 276, Near Riphah University, Peshawar Road, Rawalpindi, Pakistan. The Company's procurement office is located at UBL Building, Jinnah Avenue, Islamabad, Pakistan. The Company has other regional sales offices located in Lahore, Peshawar, Multan and Rawalpindi.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards), 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 from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The applicable financial reporting framework for equity-accounted investees also include Banking Companies Ordinance, 1962, Insurance Ordinance, 2001, Islamic Financial Accounting Standards (IFAS) and underlying Rules and Directives issued by the Securities and Exchange Commission of Pakistan and State Bank of Pakistan.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost convention except for the following items, which are measured on the following basis annually on each reporting date.

Item	Measurement basis
Investment property	Fair value
Net defined benefit liability	Present value of the defined benefit obligation determined through actuarial valuation

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees (PKR or Rupee) which is the Company's functional and presentation currency. All amounts have been rounded off to the nearest thousand, unless otherwise stated.

2.4 Use of judgments and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

Notes 4.4, 10 and 36	Recognition of deferred tax and estimation of income tax provisions
Notes 4.3 and 12.5	Measurement of defined benefit obligation
Notes 4.5, 4.6 and 15	Estimation of provisions and contingent liabilities
Notes 4.7 and 16	Useful lives, residual values and depreciation method of property, plant and equipment
Notes 4.8 and 17	Useful lives, residual values and amortization method of intangible assets
Note 4.17 and 17.3	Impairment of non-financial assets including goodwill
Note 4.9 and 18	Fair value of investment property
Note 4.16 and 41	Impairment of financial assets
Note 4.11, 4.12, 20 and 21	Provision for stores and spares and stock in trade
Note 4.18	Right of use asset and related lease liability

3. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO THE APPROVED ACCOUNTING STANDARDS

- 3.1** There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2021. However, these do not have any significant impact on the Company's financial statements.
- 3.2** Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

		Effective date (annual reporting periods beginning on or after)
IAS 1	Amendments to 'IAS 1 and IFRS Practice Statement 2' Disclosure of Accounting Policies	January 1, 2023
	Amendments to IAS 1 'Presentation of Financial Statements' Classification of Liabilities as Current or Non-current	January 1, 2023
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 1, 2023
IAS 12	Income Taxes (Amendments)	January 1, 2023
IAS 16	Property, Plant and Equipment (Amendments)	January 1, 2022
IAS 37	Provisions, Contingent Liabilities and Contingent Assets (Amendments)	January 1, 2022
IFRS 3	Business Combinations (Amendments)	January 1, 2022
IAS 41, IFRS (1, 9 and 16)	Annual improvements to IFRS Standards 2018 - 2020 (Amendments)	January 1, 2022

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

- 3.3** The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2022;

IFRS 1 First-time Adoption of International Financial Reporting Standards
IFRS 17 Insurance Contracts
IFRIC 12 Service Concession Arrangement

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Business combinations

The Company accounts for business combination using the acquisition method when control is transferred to the Company. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Any contingent gain is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

4.2 Investments in associated companies:

Associates are those entities in which the Company has significant influence, but not control over the financial and operating policies.

Investments in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Company's share of the profit or loss and other comprehensive income of equity-accounted investee, until the date on which significant influence ceases. Dividends received / receivable from associate are recognised as a reduction in the carrying amount of the investment.

The Company reviews the carrying amount of the investment and its recoverability to determine whether there is an indication that such investment has suffered an impairment loss. If there is objective evidence of impairment that has an impact on the estimated future cash flow, the carrying amount of the investment is adjusted to the extent of impairment loss. Impairment losses are recognised as an expense in the statement of profit or loss.

4.3 Employee benefits

Short-term employee benefits: Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plan: The Company operated an approved contributory provident fund for only those employees whose services were transferred to the Company upon amalgamation of Pakcem Limited (herein after referred as "Pakcem") till 30 June 2021. Equal monthly contributions were made to the fund by the Company and the employees, at the rate of 10% of the employee's basic salary. The Company's contribution to the provident fund was expensed when they were due. From 01 July 2021, all employees under the defined contribution plan were transferred to gratuity plan.

Defined benefit plans: The Company operates the following defined benefit plans:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

- (a) **Gratuity:** A separate Employees' Gratuity Fund, established through a registered trust deed. The calculation of defined benefit obligations in respect of gratuity is performed annually by a qualified actuary using the Projected Unit Credit (PUC) method. The latest actuarial valuation of the plan was carried out as at 30 June 2022. The Company's net liability in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of plan assets.

Re-measurement of the net defined benefit liability, which comprises actuarial gains and losses, are recognised immediately in other comprehensive income (OCI). The Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefits payments. Net interest expense and other expenses related to defined benefit plan is recognised in profit or loss. The actuarial assumptions used in the valuation of gratuity plan are disclosed in note 12.5.

- (b) **Un-availed leaves:** The Company recognizes provision for un-availed leaves on an undiscounted basis as the impact of discounting is not material and are expensed as the related services are provided. A liability is recognised for the amount expected to be paid under un-availed leaves if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. The un-availed leaves are payable to employees at the time of retirement/termination of service. The provision is determined on the basis of last drawn salary and accumulated leaves balance at the reporting date.

4.4 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in OCI.

Current tax: Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured on the basis of tax laws enacted or substantially enacted at the reporting date and he decision of appellate authorities on certain cases issued in the past. Current tax also includes any tax arising from dividends.

Deferred tax: Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for the Company and the timing of reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this assumption.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and these relates to the same tax authority. Current tax assets and liabilities are offset as the Company has a legally enforceable right to offset and intends to settle on a net basis or to realize the asset and settle the liability simultaneously. The calculation of deferred tax involves an estimate of future ratio of export and local sales considering the current trends and future expectations.

4.5 Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessment of time value of money and risk specific to the liability. The unwinding of discount is recognised as finance cost.

4.6 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4.7 Property, plant and equipment

Recognition and measurement: Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses. Freehold land and capital work in progress are stated at cost less any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. An item of property, plant and equipment is derecognised upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and its carrying amount and is recognised in profit or loss.

Subsequent expenditure: Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation: Depreciation is calculated to write off the cost of items of property, plant and equipment less their residual values using the reducing balance method, except leasehold land, buildings and plant and machinery which are depreciated on a straight-line basis. Depreciation is recognised in profit or loss. Leased assets are depreciated over the shorter of the leased term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated. Rates of depreciation/estimated useful lives are mentioned in note 16.1.1. Depreciation is charged on prorata basis from the month in which an asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed off. Days in excess of fifteen days are considered as full month for the purpose of calculation of depreciation. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

4.8 Intangible assets and goodwill

Recognition and measurement

Goodwill: Goodwill arising on acquisition is measured at cost less accumulated impairment losses.

Other intangible assets: Other intangible assets having finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure: Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Amortization: Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss. Goodwill is not amortized. The estimated useful lives of intangible assets are given in note 17.1. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

4.9 Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. The fair value of investment property is determined at the end of each year using current market prices for comparable properties adjusted for any differences in nature, location and condition. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. A property is transferred to, or from, investment property when there is a change in use. Change in use includes commencement of owner-occupation or development with a view to owner occupation, for a transfer from investment property to owner-occupied property. Conversely, end of owner-occupation is accounted for as a transfer from owner-occupied property to investment property.

4.10 Foreign currency

Transactions in foreign currency are translated into Pak Rupee at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupee at the exchange rate at the reporting date. Foreign currency differences are recognised in profit or loss.

4.11 Stores, spare parts and loose tools

Stores, spare parts and loose tools are valued at lower of weighted average cost and net realizable value. Cost is calculated using the weighted average method and comprises of direct material and other overheads. For items which are slow moving and/or identified as surplus to the Company's requirements, adequate provision is made for any excess book value over estimated net realizable value. The Company reviews the carrying amount of stores, spare parts and loose tools on a regular basis and provision is made for obsolescence.

4.12 Stock in trade

Stock of raw materials, work in process and finished goods are valued at the lower of cost and net realizable value. Cost is calculated using the weighted average method and comprises of direct material, direct labor and appropriate manufacturing overheads. Net realizable value signifies estimated selling price less estimated cost of completion and estimated cost to sell. The Company reviews the carrying amount of stock in trade on a regular basis and provision is made for obsolescence. The closing stock of certain items may require adjustment on the basis of physical count at each period end which involves estimation of volume and density of stock and stores.

4.13 Revenue

Revenue is recognised when performance obligation is satisfied by transferring control of promised goods or service to the customer. The control is transferred at the time of dispatch of cement from the plants and / or delivery at a specified location depending on the arrangement with the customers. Revenue is measured at transaction price, excluding discounts, rebates and government levies. The credit term does not include any financing component.

4.14 Finance income and finance costs

The Company's finance income and finance costs include interest income, interest expense, foreign currency gain or loss on financial assets and financial liabilities. Interest income or expense is recognised using the effective interest method.

General and specific borrowing costs directly attributable to the acquisition, construction and production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

recognised in statement of profit or loss in the period in which they are incurred.

4.15 Financial instruments

Financial assets

Classification: The Company classifies its financial assets in the following measurement categories:

- Amortized cost
- Fair value through profit or loss (FVTPL); and
- Fair value through other comprehensive income (FVTOCI)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition: Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Further, financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement: At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

Debt instruments: Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company can classify its debt instruments:

- **Amortized cost:** Financial assets that are held for collection of contractual cash flows where the contractual terms of the financial assets give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at amortized cost. Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Company's financial assets at amortized cost include deposits, trade debts, advances, short term investments, other receivables and cash and bank balances.
- **FVTOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses or reversals, interest income, and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit or loss.
- **FVTPL:** Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss in the period in which it arises.

Equity instruments: All equity instruments at fair value are subsequently measured at FVTPL except where the Company's management has irrevocably elected to present fair value gains and losses on equity investments in OCI. In such case, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Financial liabilities

Financial liabilities are classified in the following categories:

- Financial liabilities at fair value through profit or loss; and
- Financial liabilities at amortized cost.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in case of financial liabilities at amortized cost also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

FVTPL: Financial liabilities at FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at FVTPL. The Company has not designated any financial liability upon recognition as being at FVTPL.

Financial liabilities at amortized cost: After initial recognition, financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognised in profit or loss for the year, when the liabilities are derecognised as well as through effective interest rate amortization process.

The Company derecognizes financial liabilities when and only when the Company's obligations are discharged, cancelled or they expire.

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

4.16 Impairment of financial asset

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade debts, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at amortised cost (other than trade debts) and FVTOCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when internal and external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

4.17 Impairment of non-financial assets

Non-financial assets that have an indefinite useful life are not subject to depreciation / amortization and are tested annually for impairment. Assets that are subject to depreciation / amortization are reviewed for impairment at each statement of financial position date, or wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised for the amount for which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows i.e. Cash Generating Unit (CGU). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each statement of financial position date. Reversals of the impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no new impairment loss had been recognised. An impairment loss or reversal of impairment loss is recognised in profit or loss for the year.

4.18 Leases

The Company assesses whether a contract is a lease based on whether the contract conveys the right to control the use of an underlying asset for a period of time in exchange for consideration.

(i) Company as a lessee

Right of use asset: The Company assesses whether a contract is or contains a lease at the inception of the contract. The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Where the Company determines that the lease term of identified lease contracts is short term in nature i.e. with a lease term of twelve months or less at the commencement date, right of use assets is not recognised and payments made in respect of these leases are expensed in the statement of profit or loss.

Lease liability: The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments in the measurement of the lease liability comprise the following:

- a. fixed payments, including in-substance fixed payments;
- b. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- c. amounts expected to be payable under a residual value guarantee; and
- d. the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

Variable lease payments are recognised in the profit or loss in the period in which the condition that triggers those payments occurs.

(ii) **Company as a lessor**

As a lessor, the Company determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee.

4.19 Share capital and dividend

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any. Dividend distribution to the shareholders is recognised as a liability in the period in which dividends are approved.

4.20 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Short term finance facilities availed by the Company, which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of statement of cash flows.

4.21 Government grants

Government grants are transfers of resources to the Company by a government entity in return for compliance with certain past or future conditions related to the Company's operating activities.

Grants that compensate the Company for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

A loan is initially recognized and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - e.g., the present value of the expected future cash flows discounted at a market-related interest rate. The benefit that is the government grant is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

4.22 Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade debts

A trade debt represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities / Advances from customers

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Group transfers goods to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

4.23 Other income

Rental income from investment property: Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as integral part of the total rental income, over the term of the lease.

Income on investments: Income on investments at amortized cost and bank deposits are recognised on time proportion basis using the effective yield method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

5. SHARE CAPITAL

Authorised share capital

	2022	2021
	----- (Rupees '000) -----	

700,000,000 (2021: 700,000,000)
ordinary shares of Rs. 10 each

7,000,000 7,000,000

Issued, subscribed and paid up share capital

2022	2021			
-----Number of shares-----				
514,163,552	514,163,552	Ordinary shares of Rs. 10 each issued for cash	5,141,636	5,141,636
64,038,422	64,038,422	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	640,384	640,384
1,182,944	1,182,944	Ordinary shares of Rs. 10 each issued pursuant to amalgamation of Mustehkam Cement Limited	11,829	11,829
16,867,865	16,867,865	Ordinary shares of Rs. 10 each issued pursuant to amalgamation of Pakcem Limited	168,679	168,679
596,252,783	596,252,783		5,962,528	5,962,528

5.1 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

5.2 The Company is a subsidiary of Bestway International Holdings Limited (BIHL), which holds 56.43% shares in the Company. Bestway International Holdings Limited is a wholly owned subsidiary of Bestway Group Limited (BGL), ("the ultimate parent company"). Both BIHL and BGL are incorporated in Guernsey. BIHL holds 336,468,168 i.e. 56.43% shares in the Company as at 30 June 2022 (2021: 336,468,168, 56.43% shares). Directors and associated companies hold 102,104,098 (2021: 102,104,098) and 23,324,913 (2021: 23,324,913) ordinary shares respectively at year end.

5.3 Capital management

The Company's policy is to maintain a strong capital base to strengthen investor, creditor and market confidence and to sustain future development of the business. The Board of Directors of the Company monitor the return on capital, which the Company defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also determine the level of dividend to ordinary shareholders which are finally approved in annual general meeting of the shareholders. There were no changes to the Company's approach to capital management during the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

		2022	2021
	Note	------(Rupees '000)-----	
6. CAPITAL RESERVES			
Share premium on ordinary shares	6.1	5,381,821	5,381,821
OCI accumulated in reserves:			
- Exchange translation reserve		3,470,275	2,526,537
- Revaluation reserves		(904,862)	137,320
	6.2	2,565,413	2,663,857
		<u>7,947,234</u>	<u>8,045,678</u>
6.1	This reserve can be utilised by the Company only for the purposes specified in section 81 of the Companies Act, 2017.		
6.2	This amount represents the Company's share in reserves of equity-accounted investees. This amount is not available for distribution.		

		2022	2021
	Note	------(Rupees '000)-----	
7. REVENUE RESERVES			
Statutory reserve	7.1	2,835,546	2,623,258
Unappropriated profit	7.2	44,012,598	43,491,070
		<u>46,848,144</u>	<u>46,114,328</u>

- 7.1** This represents Company's share of statutory reserves carried by United Bank Limited ("UBL"), an equity-accounted investee, under section 21 of the Banking Companies Ordinance, 1962.
- 7.2** This represents unappropriated profit and is available for distribution.

		2022	2021
	Note	------(Rupees '000)-----	
8. LONG TERM FINANCING			
Term Finance Loan	8.1	13,863,313	11,331,591
Long Term Financing Facility / Scheme (LTFF)	8.2	4,065,555	-
Temporary Economic Refinance Facility (TERF)	8.3	4,469,050	-
Renewable Energy Financing Scheme	8.4	3,891,974	1,084,948
Salary Refinance Loan	8.5	220,304	642,037
		<u>26,510,196</u>	<u>13,058,576</u>
Less: current portion shown under current liabilities		(4,528,015)	(1,186,723)
		<u>21,982,181</u>	<u>11,871,853</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

- 8.1** This includes term finance facilities amounting to Rs. 10.95 billion (2021: Rs. 11.20 billion) obtained from Habib Bank Limited (HBL), Industrial and Commercial Bank of China (ICBC), Allied Bank Limited (ABL) and Soneri Bank Limited (SBL) and also includes an amount of Rs. 0.24 billion (2021: Rs. 0.13 billion) markup accrued on it. HBL and ABL facilities of Rs. 5 billion each, are repayable in 06 equal semi-annual installments which will start from October 2022 and November 2022, respectively. ICBC facility is repayable in 04 equal semi-annual installments which has been started from December 2021. SBL facility is repayable in 08 equal semi-annual installments which will start from October 2024. Mark-up is payable on semi annual basis and the rate ranges from 6-month KIBOR plus 0.10% per annum to 6-month KIBOR plus 0.20% per annum.

This also includes term finance facility amounting to Rs 2.66 billion (2021: Rs Nil) obtained from ABL for purchase of commercial plot and also include an amount of Rs. 0.012 billion (2021: Nil) markup accrued on it. The facility is repayable in 10 equal semi-annual installments which will start from December 2024. Mark-up is payable on semi annual basis and at the rate of 6-month KIBOR minus 0.10%.

- 8.2** This represents loan obtained from Habib Bank Limited (HBL), Allied Bank Limited (ABL), MCB Islamic Bank Limited (MIB) under the State Bank of Pakistan's (SBP) Long Term Financing Facility/ Scheme (LTFF) and also includes an amount of Rs.27.90 million (2021: Rs Nil) markup accrued on it. The loan obtained from MIB is repayable in 32 equal quarterly installments, which will start from Aug 2024, ABL and HBL are repayable in 16 equal semi-annual installments, which will start from April 2024 & Sep 2024 respectively. The facilities carries mark-up at SBP rates ranging from 2.75% to 4.75% per annum starting from the date of first disbursement and is payable in arrears on semi-annual basis.

- 8.3** This represents loan obtained from MCB Bank Limited (MCB), ABL, Bank Alfalah Limited (BAFL) and Askari Bank Limited (AKBL) under the SBP's Temporary Economic Refinance Scheme (TERF) and also includes an amount of Rs. 51.20 million (2021: Rs Nil) markup accrued on it. The loans obtained are repayable in 16 equal semi-annual installments which will start from April 2024, Sep 2024, Dec 2024 and Sep 2024 respectively. The facilities carries mark-up at SBP's rates ranging from 2.25% to 2.9% per annum starting from the date of first disbursement and is payable in arrears on semi-annual basis. The value of benefit of below-market interest rate on the loans has been accounted for as government grant as detailed in note 9.

- 8.4** This represents loan obtained from ABL, BAFL and Habib Metropolitan Bank Limited (HMBL) under the SBP's Renewable Energy Financing Scheme and also includes an amount of Rs. 33.04 million (2021: Rs. 7.8 million) mark-up accrued on it. The loans obtained from ABL and BAFL are repayable in 20 equal semi-annual installments and 40 equal semi-annual installments respectively which will start from July 2023. The loan obtained from HMBL is repayable in 40 equal quarterly installments which will start from December 2023, respectively. The facilities carry mark-up at SBP's rate of 3.35% per annum, starting from the date of first disbursement and is payable in arrears on quarterly/semi-annual basis.

- 8.5** This represents long term loan obtained from MCB under the Refinance Scheme for payment of Wages and Salaries by the State Bank of Pakistan (SBP) and also includes an amount of Rs. 0.22 million (2021: Rs. 0.70 million) markup accrued on it. The loan is repayable in 08 equal quarterly installments which has been started from January 2021. The long term financing facility is secured by way of hypothecation charge over specific plant & machinery of the Company. The facility carries mark-up at 0.40% per annum starting from the date of first disbursement and is payable in arrears on quarterly basis. The value of benefit of below-market interest rate on the loans has been accounted for as government grant as detailed in note 9.

The above facilities are secured under hypothecation charge against all present and future, current and fixed assets of the Company (excluding land, buildings and long term investments) for an amount of Rs. 49.56 billion (2021: Rs. 20.67 billion).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

8.6 The entire amount of Rs. 1,187 million which was classified as current portion of Long Term Financing as at 30 June 2021 has been repaid during the year.

8.7 The unavailed facilities as at year end secured against a ranking hypothecation charge on all present and future current and fixed assets of the Company (excluding land, buildings and long term investments) amounts to Rs. 3.17 billion (2021: Rs. 13 billion).

9 DEFERRED INCOME - GOVERNMENT GRANT

This represents the value of benefit of below-market interest rate on the loans obtained under the SBP's financing scheme as disclosed in note 8.3 and 8.5, which has been accounted for as government grant under IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance. The movement in deferred government grant is as follows:

	2022	2021
	------(Rupees '000)-----	
Opening balance	186,972	-
Deferred grant recognised during the year	2,108,627	238,723
- Government grant deducted from borrowing cost	(59,076)	(5,214)
- Government grant recognised in income	(25,395)	(46,537)
	2,211,128	186,972
Less: Current portion of deferred income - government grant	(340,875)	(51,274)
	1,870,253	135,698

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

		2022	2021
	Note	------(Rupees '000)-----	

10. DEFERRED TAX LIABILITY - NET

Deferred taxation	10.1	13,312,922	11,407,649
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10.1 Breakup and movement of deferred tax balances is as follows:

	Net balance at 01 July 2021	Recognised in profit or loss	Recognised in OCI	Balance at 30 June 2022		
				Net	Deferred tax assets	Deferred tax liabilities
2022						
	------(Rupees '000)-----					
Property, plant and equipment	9,410,721	1,390,919	-	10,801,640	-	10,801,640
Intangible assets	(28,984)	(5,329)	-	(34,313)	(34,313)	-
Goodwill	577,540	317,371	-	894,911	-	894,911
Available for sale investments	24,234	-	(244,454)	(220,220)	(220,220)	-
Share of profit of equity accounted investees	1,444,851	451,422	-	1,896,273	-	1,896,273
Other differences related to equity accounted investees	(12,251)	-	18,285	6,034	-	6,034
Other temporary differences	(8,462)	(2,928)	(20,013)	(31,403)	(31,403)	-
Deferred tax (assets) / liabilities	11,407,649	2,151,455	(246,182)	13,312,922	(285,936)	13,598,858
Set-off of tax				-	285,936	(285,936)
Net deferred tax liabilities				13,312,922	-	13,312,922
	Net balance at 01 July 2020	Recognised in profit or loss	Recognised in OCI	Balance at 30 June 2021		
				Net	Deferred tax assets	Deferred tax liabilities
2021						
	------(Rupees '000)-----					
Property, plant and equipment	9,397,855	12,866	-	9,410,721	-	9,410,721
Intangible assets	(29,166)	182	-	(28,984)	(28,984)	-
Goodwill	385,027	192,513	-	577,540	-	577,540
Available for sale investments	23,101	-	1,132	24,234	-	24,234
Share of profit of equity accounted investees	1,346,781	98,070	-	1,444,851	-	1,444,851
Other differences related to equity accounted investees	(17,813)	-	5,562	(12,251)	(12,251)	-
Minimum tax	(533,675)	533,675	-	-	-	-
Unused tax loss credits	(635,984)	635,984	-	-	-	-
Other temporary differences	(28,247)	21,797	(2,012)	(8,462)	(8,462)	-
Deferred tax (assets) / liabilities	9,907,879	1,495,087	4,682	11,407,649	(49,697)	11,457,346
Set-off of tax				-	49,697	(49,697)
Net deferred tax liabilities				11,407,649	-	11,407,649

- 10.1.1** Based on the Company's estimate of future export sales, adjustment of Rs. 485 million (2021: Rs. 635 million) has been made in the taxable temporary differences at the year end.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

		2022	2021
	Note	------(Rupees '000)-----	
11. EMPLOYEE BENEFIT OBLIGATIONS			
Provision for un-availed leaves		19,150	16,301
Actuarial valuation of un-availed leaves has not been carried out since management believes that the effect of actuarial valuation would not be material.			
		2022	2021
12. TRADE AND OTHER PAYABLES	Note	------(Rupees '000)-----	
Payable to contractors and suppliers		4,018,590	3,735,257
Accrued liabilities		4,370,275	1,984,421
Advances from customers - contract liability		733,495	479,855
Security deposits	12.1	174,544	126,162
Retention money	12.2	498,347	57,580
Workers' Profit Participation Fund payable		950,107	710,215
Workers' Welfare Fund payable	12.3	638,119	403,063
Sales tax payable	12.4	21,058	208,641
Excise duty payable		1,363,570	1,119,951
Advance rent of investment property		12,326	7,737
Donations payable to Bestway Foundation		1,048,318	645,947
Payable to employees' gratuity fund	31.2	239,859	76,495
Withholding taxes payable	12.5	290,266	276,301
Other payables		930,857	632,530
	12.6	15,289,731	10,464,155
12.1	Advances from customers at the beginning of each year are recognised as revenue in the ordinary course of business.		
12.2	These represent amounts received as security deposits from customers and suppliers of the Company, which are utilisable for the purpose of the business in accordance with their respective agreements.		
		2022	2021
		------(Rupees '000)-----	
12.3 Workers' Profit Participation Fund payable			
Balance at the beginning of the year		710,215	(5,365)
Allocation for the year		947,205	714,980
Adjustment during the year		-	1,320
Payments during the year		(707,314)	(720)
Balance at the end of the year		950,107	710,215
12.4 Workers' Welfare Fund payable			
Balance at the beginning of the year		403,063	183,201
Allocation for the year		333,342	219,862
Adjustments claimed against income tax		(98,286)	-
Balance at the end of the year		638,119	403,063

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

		2022	2021
	Note	------(Rupees '000)-----	
12.5 Payable to employees' gratuity fund			
Present value of defined benefit obligation	12.5.1	739,138	485,883
Fair value of plan assets	12.5.2	(499,279)	(409,388)
Payable		239,859	76,495
12.5.1 Movement in defined benefit obligation			
Obligation at the beginning of the year		485,883	471,771
Current service cost		78,308	59,463
Interest cost		44,281	36,236
Benefits paid		(83,113)	(77,757)
Past service cost		14,387	-
Employees transferred from Provident Fund		131,100	-
Re-measurement gain / (loss) on obligation		68,292	(3,830)
Obligation at the end of the year		739,138	485,883
12.5.2 Movement in fair value of plan assets			
Fair value at the beginning of the year		409,388	462,360
Expected return on plan assets		36,784	35,996
Employer contributions		-	-
Benefits paid		(83,113)	(77,757)
Employees transferred from Provident Fund		131,100	-
Re-measurement loss / (gain) on plan assets		5,120	(11,211)
Fair value at the end of the year		499,279	409,388
12.5.3 Movement in payable to employee's gratuity fund			
Opening liability		76,495	9,411
Expense	12.5.4	100,192	59,703
Re-measurement loss / (gain) recognised in OCI	12.5.5	63,172	7,381
Closing liability		239,859	76,495
12.5.4 Expense recognised in profit or loss during the year			
Current service cost		78,308	59,463
Net interest on defined benefit liability		7,497	240
Past service cost		14,387	-
		100,192	59,703

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	----- (Rupees '000) -----	
12.5.5 Re-measurement loss recognised in OCI during the year		
Re-measurement loss / (gain) on obligation	68,292	(3,830)
Re-measurement (gain) / loss on fair value of plan assets	(5,120)	11,211
	<u>63,172</u>	<u>7,381</u>
12.5.6 Components of plan assets - unquoted		
Cash and bank	9,269	2,835
Pakistan Investment Bonds	73,805	292,543
Market Treasury Bills	380,267	114,010
Shares	35,938	-
	<u>499,279</u>	<u>409,388</u>

12.5.7 Actuarial assumptions

Following significant actuarial assumptions were used at the reporting date:

Discount rate per annum
Salary increase rate (short term)
Salary increase rate (long term)
Withdrawal rates

2022	2021
13.25%	10.00%
15% (One year)	8% (One year)
11.25%	8.00%
Moderate	Moderate

The discount rate is based on market yield on government bonds having maturity approximating to the term of the gratuity obligation. The salary increase rate takes into account expected inflation and management intentions.

The mortality rates are based on State Life Insurance Corporation (SLIC) 2001-05 ultimate mortality rate (2021: SLIC 2001-05 ultimate mortality rate), rated down by one year.

The effective duration of the future cash flows calculated based on yields available on government bonds works out to be 7.56 years (2021: 7.76 years).

12.5.8 Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	2022 Increase	2022 Decrease	2021 Increase	2021 Decrease
	----- (Rupees '000) -----	----- (Rupees '000) -----	----- (Rupees '000) -----	----- (Rupees '000) -----
Discount rate (1% movement)	(52,210)	59,478	(34,445)	39,557
Future salary growth (1% movement)	63,395	(56,427)	42,335	(37,395)
Future mortality (1 year change)	443	(445)	294	(295)
Withdrawal rate (10% movement)	1,843	(1,908)	1,403	(1,460)

Although the analysis does not take into account full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

12.5.9 Expected gratuity expense

Expected gratuity expense for the next financial year is Rs. 124.4 million (2021: Rs. 64.4 million).

12.5.10 Risks associated with defined benefit plan

The gratuity fund is governed under the Trusts Act, Trust Deed and Rules of Fund, Companies Act, 2017, the Income Tax Ordinance, 2001 and the Income Tax Rules, 2002. Responsibility for governance of plan, including investment decisions and contribution schedule lie with Board of Trustees of the Fund. The Company appoints the trustees. All trustees are employees of the Company. The payments to the fund are based on the deficit in the Fund based on actuarial valuations performed at each year end. The plan is exposed to the following risks:

Investment risks

The risk arises when the actual performance of the investments is lower than expectation and thus creating a shortfall in the funding objectives. This risk is mitigated by closely monitoring the performance of investment.

Discount rate fluctuation

The plan liabilities are calculated using a discount rate. A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plan assets.

Final salary risk

The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Withdrawal / Mortality risk

The risk of actual withdrawals/ mortality varying with the actuarial assumptions can impose a risk to the benefit obligation. The movement of the liability can go either way.

- 12.6** This includes an amount of Rs. 631.76 million (2021: Rs. 618.77 million) including interest cost payable against compensation to the land owners for land acquired at Hattar plant pursuant to the decision of the Honourable Supreme Court of Pakistan and an amount of Rs 275 million (2021: Rs Nil) payable to Bestway International Holdings Limited, parent of the Company.

	Note	2022 ----- (Rupees '000) -----	2021
13. SHORT-TERM BORROWINGS			
Running finance facilities from banking companies - secured	13.1	9,984,329	1,652,261
Short term loan	13.2	2,000,776	-
		<u>11,985,105</u>	<u>1,652,261</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

- 13.1** This includes an amount of Rs. 205.08 million (2021: Rs. 14.88 million) of markup accrued and represents short term finance facilities obtained from various commercial banks with an aggregate limit of Rs. 17.85 billion (2021: Rs. 17.28 billion) including export refinance facilities with an aggregate amount of Rs. Nil (2021: Rs. 1.37 billion). The short term finance facilities carry mark-up at 3-months KIBOR plus 0.00% to 0.05% (2021: 3-months KIBOR plus 0.00% to 0.05%) and vary from bank to bank. The export refinance facilities carry mark-up at Nil (2021: 2.05% to 3.0% per annum). These facilities are secured by first pari passu hypothecation charge on all present and future, current and fixed assets of the Company (excluding land and buildings and long term investments) for an amount of Rs. 27.92 billion (2021: Rs. 31.06 billion) and ranking hypothecation charge on all present and future, current and fixed assets of the Company (excluding land and buildings and long term investments) for an amount of Rs. 4.66 billion (2021: Rs. Nil).
- 13.2** This represents short term working capital loan obtained from MCB Bank Limited for meeting working capital requirements amounting to Rs. 2 billion (2021: Rs. Nil) and includes accrued markup of Rs. 0.78 million (2021: Rs. Nil). The facility is repayable on a lump sum basis on maturity and shall fall due within six months on rollover basis. Markup is payable on calendar quarter basis or the time of adjustment of each tranche; whichever is earlier. The applicable rate shall be dependent on the KIBOR related to the tenor of the facility.
- 13.3** The Company has running finance and other short term borrowing facilities aggregating to Rs. 8.07 billion (2021: Rs. 14.66 billion) which remained un-availed at the year end.

		2022	2021
	Note	------(Rupees '000)-----	
14 UNCLAIMED DIVIDEND			
Unclaimed dividend	14.1	<u>3,357,955</u>	<u>1,989,890</u>
14.1	This includes dividend of various foreign shareholders including holding company which is pending regulatory Approvals from State Bank of Pakistan.		
15. CONTINGENCIES AND COMMITMENTS			
15.1 Contingencies			
15.1.1 Guarantees and claims			
	Note	2022	2021
		------(Rupees '000)-----	
Letters of guarantee issued by banks on behalf of the Company	15.1.1.1	2,340,600	1,813,200
Company's share of guarantees and claims of equity-accounted investees:			
- Guarantees		15,304,248	11,045,400
- Other contingent liabilities		2,535,558	2,473,516

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

15.1.1.1 These include bank guarantees issued in the normal course of business to Sui Northern Gas Pipeline Limited for commercial and industrial use of gas for an amount of Rs. 1.2 billion (2021: Rs. 1.4 billion).

15.1.1.2 As at 30 June 2022, facilities of letters of guarantee amounting to Rs. 2.74 billion (2021: Rs. 2.73 billion) were available to the Company out of which Rs. 0.40 billion (2021: Rs. 0.92 billion) remained unavailed. Facilities of letters of guarantee are secured by first pari passu charge on present and future current and fixed assets of the Company (excluding land, buildings and long term investments).

15.1.2 Litigations

15.1.2.1 The Competition Commission of Pakistan (CCP) issued a showcause notice dated 28 October 2008 under section 30 of the Competition Ordinance, 2007. On 27 August 2009, the CCP imposed a penalty aggregating Rs. 1.04 billion on the Company. The Company challenged the CCP order in the Honourable High Court and the Honourable High Court passed an interim order restraining the CCP from taking any adverse action against the parties.

Appeals against the CCP's orders were also filed as an abundant precaution in the Honourable Supreme Court of Pakistan under Section 42 of the Competition Ordinance, 2007. However, after the enactment of the Competition Act, 2010 in which the Competition Appellate Tribunal ("CAT") had been constituted, the Honourable Supreme Court of Pakistan vide its Order dated 01 July 2017 sent the above appeals to CAT to decide the same in accordance with law.

On 26 October 2020, the Lahore High Court (LHC) decided that Parliament is empowered to legislate the Act but only to the extent of 'Inter Provincial Trade and Commerce', with the result that any anti-competitive measure that affects national trade and commerce (as opposed to provincial trade and commerce) would be governed by the Act and CCP would have jurisdiction in relation thereto. The LHC directed that every notice issued by CCP under the Act should contain the reasons disclosing that the effect of anti-competitive behaviour is spilling over territorial limits of a province. LHC further directed that for the notices already issued, and under challenge, the proceedings shall continue, however, the issue of jurisdiction shall be decided at first instance.

Civil Petitions in Supreme Court of Pakistan have been filed by the cement industry among other parties against the judgment of LHC, which are currently pending. The Company and its legal advisor are confident of a favourable outcome of the matter, accordingly no provision has been made in this respect in the financial statements.

15.1.2.2 In 2002, the State Life Insurance Corporation of Pakistan (an initial shareholder of Pakcem) filed two suits before the Honourable Sindh High Court against Mr. Khawaja Mohammad Jaweed (the then Chairman of the Chakwal Group, the previous parent of Pakcem) for recovery of an aggregate amount of Rs. 461 million plus markup (at rates ranging from 16% to 20%) on account of agreements of sale and repurchase of shares, executed at various times in August 1995, between State Life Insurance Corporation of Pakistan and the then Chairman of the Chakwal Group. Pakcem received a letter dated 03 September 2014 from Chakwal Group stating that Pakcem is also a party to the case and can be held liable to pay the damages by the Honourable Sindh High Court. The legal advisor of the Company is of the opinion that the Company can be extricated from the case, provided that it can be shown to the Court that the then Chairman of the Chakwal Group was not authorised to act in this regard on behalf of Pakcem. No provision has been made against the aforementioned case in these financial statements, as the management and its legal counsel are confident that the matter will ultimately be decided in favour of the Company.

15.1.2.3 In respect of the company and its amalgamated entities Mustehkam Cement Limited and Pakcem Limited, the income tax authorities have issued amended assessment orders in respect of income tax for tax years 2013 to 2020, and created additional tax demands resulting in net tax exposure of Rs. 4.07 billion (2021: Rs. 10.4 billion) mainly on account of disallowances of deductions relating to rebates and discounts, adjustment of losses in consequence of merger, adjustment of tax refunds and credits, advertisement expenses, disallowance of unabsorbed depreciation and tax losses, tax credit u/s 65B of the Ordinance and provision of employees gratuity fund. The Company has filed appeals against the assessment orders on various dates from April 2018 to June 2022 with the Commissioner Inland Revenue

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(Appeals) and Appellate Tribunal Inland Revenue, where the matters are currently pending adjudication.

Further, the tax authorities have issued amended assessment orders relating to sales tax and federal excise duty for tax years 2010 to 2021, and created additional tax demands resulting in net tax exposure of Rs. 1.68 billion (2021: Rs. 0.82 billion) mainly on account of alleged suppression of production and sales, disallowance of sales tax input adjustment, excise duty on management fee and short declaration of Federal Excise Duty. The Company has filed appeals against the assessment order on various dates from October 2013 to July 2022 with the Commissioner Inland Revenue (Appeals) and Appellate Tribunal Inland Revenue, where the matters are currently pending adjudication.

Management is confident that the above disallowances do not hold any merit and the related amounts have been lawfully claimed in the income and sales tax returns as per the applicable tax laws and that these matters will ultimately be decided in favour of the Company. Accordingly no provision has been made in respect of above in the financial statements.

- 15.1.2.4** Certain matters other than those disclosed in these financial statements, are pending at various authorities and courts of law. The management is of the view that the outcome of those is expected to be favourable and a liability, if any, arising at the conclusion of those cases is not likely to be material.

	Note	2022 ------(Rupees '000)-----	2021
15.2 Commitments			
Outstanding letters of credit including capital expenditure		13,326,424	14,407,747
Capital expenditure		4,677,805	51,525
Rentals for use of land		120,180	121,668
Company's share of commitments of equity-accounted investees:			
- Letters of credit		16,947,480	16,249,512
- Forward foreign exchange contracts		67,032,139	49,386,874
- Forward government securities transactions		3,446,952	54,111
- Derivatives		2,052,526	178,931
- Forward lending		13,536,827	9,378,251
- Capital expenditure		331,882	239,624
- Operating leases		19,030	16,829
- Others		13,952	10,796

- 15.2.1** As at 30 June 2022, facilities of letters of credit amounting to Rs. 32.08 billion (2021: Rs. 49.93 billion) are available to the Company, out of which Rs. 18.75 billion (2021: Rs. 35.52 billion) remained unavailed.

	Note	2022 ------(Rupees '000)-----	2021
16. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	16.1	54,107,190	53,900,942
Capital work in progress	16.2	31,563,257	1,105,977
		85,670,447	55,006,919

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

16.1 Operating fixed assets

16.1.1 Reconciliation of carrying amounts

Cost	Freehold land	Leasehold land	Buildings on freehold land	Plant and machinery	Quarry equipment	Laboratory and other equipment	Furniture and fixture	Vehicles	Office equipment	Total
Balance at 1 July 2020	2,304,197	39,903	15,867,242	49,222,612	4,126,425	1,325,460	150,112	591,797	354,093	73,981,841
Additions	132,584	-	1,218	43,124	-	10,642	156	1,746	9,497	198,967
Transfers from CWIP	-	-	91,246	2,537,571	-	-	1,075	-	2,262	2,632,154
Adjustments	-	-	-	145,201	-	(147,815)	-	-	2,614	-
Disposals	-	-	(11,188)	-	(75,285)	-	-	(64,530)	-	(151,003)
Transfers / write offs	(832)	-	-	(376,537)	-	-	-	-	-	(377,369)
Balance at 30 June 2020	2,435,949	39,903	15,948,518	51,571,971	4,051,140	1,188,287	151,343	529,013	368,466	76,284,590
Balance at 1 July 2021	2,435,949	39,903	15,948,518	51,571,971	4,051,140	1,188,287	151,343	529,013	368,466	76,284,590
Additions	435,948	-	-	8,300	23,989	31,993	902	224,132	19,653	744,917
Transfers from CWIP	-	-	44,551	3,213,170	-	-	-	-	15,915	3,273,636
Adjustments	-	-	126,012	(126,012)	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	(59,170)	(77)	(59,247)
Transfer from Investment Property	75,709	-	7,151	-	-	-	-	-	-	82,860
Transfers / write offs	-	-	(7,222)	(1,506,371)	-	(5,772)	-	-	-	(1,519,365)
Balance at 30 June 2022	2,947,606	39,903	16,119,010	53,161,058	4,075,129	1,214,508	152,245	693,975	403,957	78,807,391
Accumulated depreciation										
Balance at 1 July 2020	-	28,126	3,937,388	12,758,674	1,939,492	536,820	74,221	297,157	164,216	19,736,094
Depreciation	-	1,217	561,487	1,871,181	326,937	85,062	7,663	54,184	29,118	2,936,849
Adjustments	-	-	-	78,017	-	(78,994)	-	-	977	-
Disposals	-	-	(2,020)	-	(61,685)	-	-	(37,840)	-	(101,545)
Transfers / write offs	-	-	-	(187,750)	-	-	-	-	-	(187,750)
Balance at 30 June 2021	-	29,343	4,496,855	14,520,122	2,204,744	542,888	81,884	313,501	194,311	22,383,648
Balance at 1 July 2021	-	29,343	4,496,855	14,520,122	2,204,744	542,888	81,884	313,501	194,311	22,383,648
Depreciation	-	1,217	568,714	2,194,163	278,459	77,090	6,990	59,173	28,692	3,214,498
Adjustments	-	-	6,463	(6,463)	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	(41,554)	(39)	(41,593)
Transfers / write offs	-	-	(2,007)	(851,542)	-	(2,803)	-	-	-	(856,352)
Balance at 30 June 2022	-	30,560	5,070,025	15,856,280	2,483,203	617,175	88,874	331,120	222,964	24,700,201
Carrying amounts										
At 30 June 2021	2,435,949	10,560	11,451,663	37,051,849	1,846,396	645,399	69,459	215,512	174,155	53,900,942
At 30 June 2022	2,947,606	9,343	11,048,985	37,304,778	1,591,926	597,333	63,371	362,855	180,993	54,107,190
Useful life (years)/rates of depreciation per annum										
2022	30 years / 3%	30 years / 3%	30 years / 3%	30 years / 10%	15%	10-15%	10%	20%	15%	
2021	30 years / 3%	30 years / 3%	30 years / 3%	30 years / 10%	15%	10-15%	10%	20%	15%	

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

16.1.2 The details of fixed assets sold during the year, having net book value in excess of Rs. 500,000 each are as follows:

Description	Cost	Carrying amount	Sale proceeds	Gain/(loss)	Mode of disposal	Purchaser
----- (Rupees '000) -----						
Vehicle (AEV-052)	2,565	1,309	1,309	-	As per Company policy	Musaddaq Ali Khan - (Ex employee)
Vehicle (AGB-644)	1,727	784	1,813	1,029	As per Company policy	Akbar Alamgir Mirza - (Ex employee)
Vehicle (AEW-183)	1,560	691	1,576	885	As per Company policy	Omer Janjua - (Ex employee)
Vehicle (ADA 945)	1,693	600	1,788	1,188	As per Company policy	Sehar Hussain - (Ex employee)
Vehicle (DW-720)	1,908	575	892	317	As per Company policy	Iftikhar Ahmed - (Employee)
Vehicle (DW-705)	1,908	554	624	70	As per Company policy	Asif Ayub - (Employee)
Vehicle (DW-713)	1,908	543	543	-	As per Company policy	Raja Sohail Mehmood - (Employee)
Vehicle (ABZ-460)	1,581	524	534	10	As per Company policy	Fazli Rahim - (Employee)
Vehicle (CG-478)	1,649	516	516	-	As per Company policy	Aasim Saeed - (Employee)
Vehicle (CG-583)	1,649	516	516	-	As per Company policy	Jalal Shah - (Ex employee)
Vehicle (ACE-358)	1,578	514	742	228	As per Company policy	Muhammad Siddique - (Ex employee)
Vehicle (ABE-913)	1,722	509	616	107	As per Company policy	Farrukh Ahmad - (Ex employee)

16.1.3 Particulars of immovable property (i.e. land and buildings) in the name of the Company are as follows:

Location	Usage of immovable property	Total area
Suraj Gali Road, Village Shadi, Hattar, District Haripur, KPK.	Production Plant	4281 Kanals
12 km, Taxila-Haripur Road, Farooqia, District Haripur, KPK.	Production Plant	5793 Kanals
Village Tatal, choa saiden shah, 22 km Kallar Kahar, District Chakwal, Punjab.	Production Plant	8941 Kanals
Choie Mallot Road, Tehsil Kallar Kahar, District Chakwal, Punjab.	Production Plant	8119 Kanals
19-A, College Road, F-7 Markaz, Islamabad.	Head office building	533 Sq. Yards
Pai Khel, District Mianwali, Punjab.	Production Plant under construction	3683 Kanals

16.1.4 Land measuring 206 kanals and 14 marlas located at Farooqia plant was purchased with the funds of the Company from Mr. Faqeer Muhammad in 2008 at the cost of Rs. 12.51 million but is not in the possession of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 ------(Rupees '000)-----	2021
16.1.5 Allocation of depreciation charge			
Cost of sales		3,170,928	2,896,120
Selling and distribution expenses		16,336	14,846
Administrative expenses		27,234	25,883
		3,214,498	2,936,849
16.2 Capital work in progress			
Opening balance		1,105,977	1,543,722
Additions during the year	16.2.1	33,730,916	2,194,409
		34,836,893	3,738,131
Transferred to operating fixed assets:			
Buildings on freehold land		(44,551)	(91,246)
Plant and machinery		(3,213,170)	(2,537,571)
Furniture and fixtures		-	(1,075)
Office equipment		(15,915)	(2,262)
		(3,273,636)	(2,632,154)
Balance at the end of the year	16.2.2	31,563,257	1,105,977

16.2.1 This includes borrowing cost capitalised amounting to Rs. 234.09 million (2021: Rs. 144.76 million) calculated at an average rate of 8.15% (2021: 6.74%) per annum. The increase in capital work in progress mainly relates to construction of new plant at Mianwali and an additional production line at Hattar, which were under construction at year end.

16.2.2 Break up of capital work in progress including borrowing cost at the year end is as follows:

	Note	2022 ------(Rupees '000)-----	2021
Plant and machinery		22,229,906	897,176
Civil development works		6,382,495	169,887
Land		2,782,144	-
Office Equipment		32,586	-
Furniture and fixture		16,536	-
Vehicles		119,590	38,914
	16.2.3	31,563,257	1,105,977

16.2.3 This includes an amount of Rs. 199.58 million (2021: Rs. Nil) sales tax paid on internal consumption.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 ----- (Rupees '000) -----	2021	
17. INTANGIBLE ASSETS AND GOODWILL				
Computer software		77,860	100,561	
Brands	17.2	306,578	415,749	
Goodwill	17.3	7,062,111	7,062,111	
		7,446,549	7,578,421	
17.1 Reconciliation of carrying amounts				
	Computer software	Brands (note 17.2)	Goodwill (note 17.3)	Total
	----- Rupees '000 -----			
Cost				
Balance at 01 July 2020	211,150	1,091,712	7,062,111	8,364,973
Additions	-	-	-	-
Balance at 30 June 2021	<u>211,150</u>	<u>1,091,712</u>	<u>7,062,111</u>	<u>8,364,973</u>
Balance at 01 July 2021	211,150	1,091,712	7,062,111	8,364,973
Additions	-	-	-	-
Balance at 30 June 2022	<u>211,150</u>	<u>1,091,712</u>	<u>7,062,111</u>	<u>8,364,973</u>
Accumulated amortisation				
Balance at 01 July 2020	87,888	566,792	-	654,680
Amortisation	22,701	109,171	-	131,872
Balance at 30 June 2021	<u>110,589</u>	<u>675,963</u>	<u>-</u>	<u>786,552</u>
Balance at 01 July 2021	110,589	675,963	-	786,552
Amortisation	22,701	109,171	-	131,872
Balance at 30 June 2022	<u>133,290</u>	<u>785,134</u>	<u>-</u>	<u>918,424</u>
Carrying amounts				
At 30 June 2021	100,561	415,749	7,062,111	7,578,421
At 30 June 2022	<u>77,860</u>	<u>306,578</u>	<u>7,062,111</u>	<u>7,446,549</u>
Useful life (years)/Rates of amortisation				
2021	6.66 years	10 years	-	
2022	6.66 years	10 years	-	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

17.2 Brands

This represents intangible assets in the form of Brands on acquisition of Pakcem and reflects the expected economic benefits to the Company from the retention differential of those Brands. The value of Brands was determined on the basis of incremental cash flows to be generated from retention of those brands which the Company intends to use. Management has estimated the useful life of the Brands to be ten years starting from the date of acquisition.

17.3 Goodwill

This represents excess of the amount paid over fair value of net assets of Pakcem Limited on its acquisition on 22 April 2015. The carrying amount of goodwill is tested for impairment annually based on its value in use, determined by discounting the future cash flows to be generated by cement plant (CGU) acquired from Pakcem Limited. Following are the key assumptions used in impairment testing:

	2022	2021
Discount rate	19.0%	18.0%
Terminal value growth rate	4.0%	4.5%

The discount rate is based on the weighted average cost of capital.

The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate is determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Budgeted growth is based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth. Revenue growth is projected taking into account the average growth levels experienced in the recent years and the estimated sales volume and price growth for the next five years. The operating costs are based on expected future inflation rates.

The estimated recoverable amount of the CGU exceeds its carrying amount. The Company estimates that reasonably possible changes in these assumptions would not cause the recoverable amount of the CGU to decline below the carrying amount.

17.4 Allocation of amortisation

	2022	2021
	----- (Rupees '000) -----	
Cost of sales	17,821	16,442
Selling and distribution expenses	110,784	111,240
Administrative expenses	3,267	4,190
	<u>131,872</u>	<u>131,872</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

		2022	2021
	Note	------(Rupees '000)-----	
18. INVESTMENT PROPERTY			
Balance at the beginning of the year		274,293	266,075
Transfer to operating fixed assets		(82,860)	-
Change in fair value		5,661	8,218
Balance at the end of the year	18.1	197,094	274,293

- 18.1** The investment property is a portion of the Company's head office building in Islamabad held for letting. An independent exercise was carried out to determine the fair value of investment property. To assess the land and building prices, market survey was carried out in the vicinity of the investment property. Fair value of the investment property is based on independent valuer's judgment about average prices and has been prepared on openly available/provided information after making relevant inquiries from the market. Valuation was carried out by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. Forced sale value of the investment property amounts to Rs. 177.38 million (2021: Rs.246.87 million).

The investment property is placed in level 2 of the fair value hierarchy. Since the value has been determined by a third party and inputs are not observable, sensitivity analysis has not been presented.

		2022	2021
	Note	------(Rupees '000)-----	
19. LONG TERM INVESTMENTS			
Investment in associated companies			
- United Bank Limited	19.1	14,079,801	13,997,241
- UBL Insurers Limited	19.2	229,389	210,587
		14,309,190	14,207,828

19.1 Investment in United Bank Limited - equity accounted investee

As at 30 June 2022, the Company holds 93,649,744 (30 June 2021: 93,649,744) ordinary shares in United Bank Limited 'UBL', a leading commercial bank in Pakistan with its registered office situated in Islamabad, Pakistan. The Company's shareholding in UBL constitutes 7.65% (2021: 7.65%) of total ordinary shares of UBL. UBL's ordinary shares are listed on Pakistan Stock Exchange Limited. UBL is treated as an 'associate' due to the Company's significant influence over it by virtue of common directorship and being a group company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	------(Rupees '000)-----	
19.1.1 Reconciliation of carrying amount		
Balance at the beginning of the year	13,997,241	13,479,425
Company's share of associate's profit for the year	2,108,569	1,916,583
Company's share of associate's OCI for the year - net of tax:		
- Re-measurement gain on defined benefit liability	96,389	36,675
- Change in exchange translation reserve	943,737	(178,425)
- Re-measurement of available-for-sale investments	(1,286,790)	7,255
	(246,664)	(134,495)
Less: Dividends received	(1,779,345)	(1,264,272)
Balance at the end of the year	14,079,801	13,997,241

- 19.1.2** The following table summarises the financial information of UBL as included in its un-audited consolidated condensed interim financial statements for the six months ended 30 June 2022. The information relating to revenue, profit and other comprehensive income also include amounts for the six months ended 31 December 2021. The financial year-end of UBL is 31 December.

	2022	2021
	------(Rupees '000)-----	
Percentage of ownership (%)	7.65%	7.65%
Total assets	3,010,802,429	2,521,196,209
Total liabilities	(2,831,029,710)	(2,343,286,743)
Net assets	179,772,719	177,909,466
Non-controlling interests	(8,320,064)	(7,536,042)
Net assets attributable to ordinary shareholders (100%)	171,452,655	170,373,424
Company's share of net assets (7.65%)	13,116,127	13,033,567
Goodwill	963,674	963,674
Carrying amount of interest in associate	14,079,801	13,997,241
Mark-up / return / interest earned for the year	188,804,698	137,543,290
Profit after tax (100%)	27,562,989	25,053,373
Company's share of net profit for the year (7.65%)	2,108,569	1,916,583
Other Comprehensive Income (OCI) - net of tax:		
- Re-measurement gain on defined benefit liability	1,259,987	479,412
- Change in exchange reserve	12,336,431	(2,332,353)
- Change in surplus on revaluation of available-for-sale investments	(16,820,784)	94,837
Total OCI (100%)	(3,224,366)	(1,758,104)
Company's share of OCI (7.65%)	(246,664)	(134,495)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

19.1.3 Cost of investment in UBL amounted to Rs. 1.86 billion (2021: Rs. 1.86 billion). Market value of investment in UBL as at 30 June 2022 was Rs. 10.59 billion (2021: Rs. 11.44 billion). As at year end, the shares owned by the Company in UBL are held with the Central Depository Company of Pakistan and its sale will require prior approval of SBP. Management believes that there is no objective evidence which may indicate impairment of investment in UBL. The investment in UBL is placed in level 1 of the fair value hierarchy.

19.2 Investment in UBL Insurers Limited - equity-accounted investee

As at 30 June 2022, the Company holds 14,088,199 (30 June 2021: 14,088,199) ordinary shares in UBL Insurers Limited 'UIL', an unlisted public company engaged in insurance business with its registered office situated in Karachi, Pakistan. The Company's shareholding in UIL constitutes 12.23% (2021: 12.23%) of total ordinary shares of UIL. UIL is treated as an 'associate' due to the Company's significant influence over it by virtue of common directorship and being a group company.

	2022	2021
	------(Rupees '000)-----	
19.2.1 Reconciliation of carrying amount		
Balance at the beginning of the year	210,587	208,405
Company's share of associate's profit for the year	20,438	1,486
Company's share of associate's OCI for the year - net of tax:		
- re-measurement of defined benefit liability	(171)	411
- re-measurement of available-for-sale investments	154	285
	(17)	696
Less: Dividends received	(1,619)	-
Balance at the end of the year	229,389	210,587

19.2.2 The following table summarises the financial information of UIL as included in its un-audited condensed interim financial information for the six months ended 30 June 2022. The information relating to revenue, profit and other comprehensive income also include amounts for the six months ended 31 December 2021. The financial year-end of UIL is 31 December.

	2022	2021
	------(Rupees '000)-----	
Percentage of ownership (%)	12.23%	12.23%
Total assets	6,729,467	6,342,378
Total liabilities	(4,853,461)	(4,620,144)
Net assets	1,876,006	1,722,234

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	------(Rupees '000)-----	
Company's share of net assets (12.23%)	229,389	210,587
Carrying amount of interest in associate	229,389	210,587
Net insurance premium for the year	1,694,838	3,698,472
Profit after tax for the year	167,153	12,149
Company's share of net profit for the year (12.23%)	20,438	1,486
Other Comprehensive Income (OCI) - net of tax:		
- Re-measurement (loss) gain on defined benefit liability	(1,398)	3,361
- Change in surplus on revaluation of available-for-sale investments	1,259	2,330
Total OCI (100%)	(139)	5,691
Company's share of OCI (12.23%)	(17)	696

19.2.3 Cost of investment in UIL amounted to Rs. 106.27 million (2021: Rs. 106.27 million).

	Note	2022	2021
		------(Rupees '000)-----	
20. STORES, SPARE PARTS AND LOOSE TOOLS			
Stores, spare parts and loose tools		12,290,537	6,562,455
Stores and spare parts in transit		-	525,393
		12,290,537	7,087,848
Less: Provision for obsolete stores	20.1	-	-
		12,290,537	7,087,848
20.1 Movement in provision for obsolete stores			
Balance at the beginning of the year		-	70,530
Reversal of provision for the year		-	(30,294)
Write off for the year		-	(40,236)
Balance at the end of the year		-	-
21. STOCK IN TRADE			
Raw and packing material		900,482	768,256
Work in process		2,531,329	2,191,609
Finished goods		1,038,928	831,282
	21.1	4,470,739	3,791,147
Less: Provision for slow moving stock	21.2	(33,233)	(28,699)
		4,437,506	3,762,448

21.1 This includes stock in transit amounting to Rs. Nil (2021: Rs. 9.89 million).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 ------(Rupees '000)-----	2021
21.2 Movement in provision for slow moving stock			
Balance at the beginning of the year		28,699	35,057
Provision / (reversal) for the year		4,534	(6,358)
Balance at the end of the year		<u>33,233</u>	<u>28,699</u>
22. TRADE DEBTS			
Trade debts - unsecured			
- Considered good		915,966	1,052,451
- Considered doubtful		5,060	5,060
	22.1	<u>921,026</u>	<u>1,057,511</u>
Less: Provision against doubtful trade debts	22.2	<u>(5,060)</u>	<u>(5,060)</u>
		<u>915,966</u>	<u>1,052,451</u>
22.1	This includes Rs. 0.54 million (2021: Rs: Nil) receivable from customers against export sales.		
22.2 Movement in provision against doubtful trade debts			
Balance at the beginning of the year		5,060	8,135
Provision for the year		-	238
Write off during the year		-	(3,313)
Balance at the end of the year		<u>5,060</u>	<u>5,060</u>
23. ADVANCES			
Advances to employees and executives - secured		6,924	11,246
Advances to suppliers and contractors - secured	23.1	<u>909,826</u>	<u>123,730</u>
		<u>916,750</u>	<u>134,976</u>
23.1	This includes an advance of Rs. 458.96 million (2021: Rs. Nil) paid to Bestway Packaging Limited (BPL), a related party, for procurement of packing materials. Maximum aggregate amount outstanding at the end of any month during the year amounted to Rs. 458.96 million (2021: Rs. Nil)		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 ------(Rupees '000)-----	2021
24. DEPOSITS AND PREPAYMENTS			
Deposits		7,996	6,991
Short-term prepayments		68,548	18,171
		76,544	25,162
25. OTHER RECEIVABLES			
Excise duty	25.1	-	615,146
Receivable from Lafarge S.A.		8,847	8,847
Cash margin with banks - imports	25.2	2,671,272	-
Others	25.3	16,432	88,105
		2,696,551	712,098

25.1 This represents claim filed by the Company for Rs. 615.15 million relating to excise duty paid on sales during the period from June 1998 to April 1999 which, pursuant to the decisions of the Honorable Supreme Court of Pakistan, detailed below, was otherwise not leviable and payable under the law. The Commissioner Appeals rejected the claim of Rs. 211.15 million pertaining to the Company (excluding Mustehkam Cement Limited) and the Company filed an appeal with Appellate Tribunal against unlawful rejection of refund claims. ATIR vide the order dated 17 March 2020 has set aside the impugned orders and has directed the Department to refund the claim filed by the Company. In 2021, Commissioner Inland Revenue (CIR) filed a reference against the order of ATIR before the Honourable Islamabad High Court u/s 34A of the Federal Excise Act, 2005. Further, on refund claim of Mustehkam Cement Limited (amalgamated with the Company) of Rs. 404 million, tax authorities held the proceedings in abeyance awaiting result of litigation pertaining to the Company's refund claim. The management and the Company's legal advisor believe that the Company's claim is valid. However, during the year the management has reassessed this matter and have also considered the status in similar cases and considering the uncertainties involved, without prejudice, has written off the receivable until the time the amount is recovered.

25.2 This represents cash margin held by Allied Bank Limited, Askari Bank Limited and Habib Bank Limited in respect of imports.

25.3 This includes an amount of Rs. 15.9 million (2021: Rs. Nil) from Bestway Consultancy Services (Private) Limited (BCS), a related party, on account of payment made on behalf BCS. Maximum aggregate amount outstanding at the end of any month during the year amounted to Rs. 15.9 million (2021: Rs. Nil)

	Note	2022 ------(Rupees '000)-----	2021
26. SHORT TERM INVESTMENTS			
Term deposit receipt	26.1	1,000,000	3,090,751
26.1			
This represents short term investment at the rate of 15% p.a (2021: 7.5% p.a) maturing on 07 July, 2022 (2021: 05 July, 2021).			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

		2022	2021
	Note	----- (Rupees '000) -----	
27. CASH AND BANK BALANCES			
Cash at banks:			
in current accounts	27.1	1,177,471	699,621
in deposit accounts	27.2	8,083	10,803
		1,185,554	710,424
27.1	This includes Rs. 1,155.57 million (2021: Rs. 666.20 million) held in current accounts maintained with UBL, a related party.		
(2021:	Maximum aggregate amount outstanding at the end of any month during the year amounted to Rs. 1,155.57 million (Rs. 675.87 million).		
27.1.1	Current accounts include balances amounting to Rs. 152.42 million (2021: Rs. 79.70 million) held in US Dollar accounts.		
27.2	Deposit accounts carried profit rate of 10% (2021: 5.5%) per annum during the year.		
27.3	Following completion of acquisition process of Pakcem by the Company, the balances of Pakcem with Lafarge S.A. (previous parent entity of Pakcem) and its affiliates as of 21 April 2015 were agreed between the Company and Lafarge S.A. and transferred to an escrow account maintained with Citi Bank N.A, pursuant to the Escrow Agreement dated 21 April 2015 between the Company, Lafarge S.A. and CitiBank N.A. According to the agreement the transferred funds will be utilised exclusively for payments to Lafarge S.A. from time to time and the Company will be entitled only to the balance left in the escrow account after completion of payments to Lafarge S.A. Accordingly, the amount in escrow account and payable balances aggregating to Rs. 140.89 million (2021: Rs.140.89 million) relating to Lafarge S.A. and its affiliates have been netted off in these financial statements till final settlement of the escrow account.		

	2022	2021
	----- (Rupees '000) -----	
28. GROSS TURNOVER		
Gross turnover:		
- Local	102,280,906	82,476,676
- Export	828,849	2,720,420
	103,109,755	85,197,096

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 ------(Rupees '000)-----	2021
29. COST OF SALES			
Raw and packing materials consumed	29.1	8,205,490	8,169,550
Fuel and power		32,542,195	26,376,937
Stores, spares and loose tools consumed	29.2	1,920,125	1,249,631
Repairs and maintenance		497,496	238,062
Salaries, wages and benefits	29.3	2,451,330	1,305,140
Support services		597,374	581,907
Rent, rates and taxes		14,846	14,981
Insurance		54,963	53,066
Equipment rental		123,747	115,942
Utilities		79,190	88,344
Travelling, conveyance and subsistence		182,645	150,164
Communication		15,512	12,862
Printing and stationery		12,947	10,733
Entertainment		5,076	7,451
Depreciation	16.1.5	3,170,928	2,896,120
Amortisation	17.4	17,821	16,442
Provision / (reversal of provision) for slow moving stock		4,534	(6,358)
Reversal of provision for obsolete stores	20.1	-	(30,294)
Legal and professional charges		5,753	6,053
Fees and subscriptions		10,375	11,247
Other manufacturing expenses		12,470	13,437
		49,924,817	41,281,417
Opening work in process		2,191,609	1,422,506
Closing work in process		(2,531,329)	(2,191,609)
Cost of goods manufactured		49,585,097	40,512,314
Opening finished goods stock		831,282	579,893
Closing finished goods stock		(1,038,928)	(831,282)
		49,377,451	40,260,925
29.1 Raw and packing materials consumed			
Opening stock		768,256	324,131
Purchases / expenditures during the year		8,337,716	8,613,675
Closing stock		(900,482)	(768,256)
		8,205,490	8,169,550

29.2 This includes operating fixed assets written off of Rs 663 million (2021: Rs. Nil).

29.3 Salaries, wages and benefits include provision for employee retirement benefits amounting to Rs. 80.49 million (2021: Rs. 35.10 million).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

		2022	2021
	Note	----- (Rupees '000) -----	
30. SELLING AND DISTRIBUTION EXPENSES			
Salaries, wages and benefits	30.1	159,236	80,563
Support services		2,757	2,649
Freight and handling - local		361,763	231,434
Freight and handling - export		13,758	57,795
Rent, rates and taxes		22,533	20,493
Repairs and maintenance		7,749	1,699
Utilities		5,662	4,196
Travelling, conveyance and subsistence		23,001	14,231
Communication		4,204	4,619
Printing and stationery		980	(604)
Entertainment		9,688	2,224
Advertising and promotion		44,487	8,624
Depreciation	16.1.5	16,336	14,846
Amortisation	17.4	110,784	111,240
Bad debts written off		115,797	238
Fees and subscriptions		73,081	55,831
Others		630	1,164
		972,446	611,242

30.1 Salaries, wages and benefits include provision for employee retirement benefits amounting to Rs. 5.19 million (2021: Rs. 3.10 million).

		2022	2021
	Note	----- (Rupees '000) -----	
31. ADMINISTRATIVE EXPENSES			
Salaries, wages and benefits	31.1	580,911	290,391
Rent, rates and taxes		12,131	15,606
Repairs and maintenance		16,714	9,013
Insurance		1,265	1,252
Utilities		20,678	15,569
Travelling, conveyance and subsistence		53,073	31,661
Communication		9,745	8,226
Printing and stationery		6,754	7,996
Entertainment		4,229	2,034
Advertisements		11,155	6,135
Donations	31.2	411,469	121,767
Legal and professional charges		28,233	23,050
Fees and subscriptions		41,985	25,030
Auditors' remuneration	31.3	3,884	3,707
Depreciation	16.1.5	27,234	25,883
Amortisation	17.4	3,267	4,190
Others	31.4	349,359	15,502
		1,582,086	607,012

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

31.1 Salaries, wages and benefits include provision for employee retirement benefits amounting to Rs. 18.19 million (2021: Rs. 9.94 million).

31.2 This represents charge of Rs. 402.39 million (2021: Rs. 115.80 million) for donation to Bestway Foundation.

- Sir Mohammed Anwar Pervez
- Zameer Mohammed Choudrey
- Mohammed Younus Sheikh
- Muhammad Irfan A. Sheikh
- Haider Zameer Choudrey

None of the directors of the Company or their spouses have a beneficial interest in Bestway Foundation.

	2022	2021
	----- (Rupees '000) -----	
31.3 Auditors' remuneration		
Statutory audit fee	2,481	2,362
Half year review	606	578
Certification for regulatory purposes	474	452
Out of pocket expenses	323	315
	<u>3,884</u>	<u>3,707</u>

31.4 This includes management fee expense amounting to Rs. 275 million (2021: Rs Nil) payable to BIHL, the parent company.

		2022	2021
		----- (Rupees '000) -----	
32. OTHER OPERATING EXPENSES			
Workers' Welfare Fund		333,342	219,862
Workers' Profit Participation Fund		947,205	714,981
Interest expense on land compensation	12.6	14,031	14,943
		<u>1,294,578</u>	<u>949,786</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 ------(Rupees '000)-----	2021
33. OTHER (EXPENSES) / INCOME - NET			
Income from financial assets			
Profit on deposit accounts		9,877	1,373
Exchange gain		15,517	5,710
		25,394	7,083
Income from non-financial assets			
Gain on disposal of property, plant and equipment		7,774	5,384
Rental income		25,723	37,639
Disposal of waste materials		6,363	31,322
Change in fair value of investment property	18	5,661	8,218
		45,521	82,563
Others			
Deferred income - government grant	9	25,395	46,537
Write off of other receivable	25.1	(615,146)	-
Others	33.1	73,519	119,014
		(516,232)	165,551
		(445,317)	255,197
33.1	This includes an amount of Rs. 30 million (2021: Rs. 30 million) on account of management fee charged to MAP Rice Mills (Pvt.) Limited, a related party.		
34. FINANCE COST			
Mark-up on long term financing		1,152,275	821,282
Mark-up on short term borrowings		292,272	219,198
Bank charges and commissions		35,851	30,106
		1,480,398	1,070,586
35. SHARE OF PROFIT OF EQUITY-ACCOUNTED INVESTEEES - NET OF TAX			
United Bank Limited	19.1.1	2,108,569	1,916,583
UBL Insurers Limited	19.2.1	20,438	1,486
		2,129,007	1,918,069

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 ------(Rupees '000)-----	2021
36. INCOME TAX EXPENSE			
36.1 Amounts recognised in profit or loss			
Current tax			
- for the year		6,580,012	2,465,228
- for prior year		376,709	-
		6,956,721	2,465,228
Deferred tax		2,151,455	1,495,087
Tax expense for the year		9,108,176	3,960,315
Reconciliation of tax expense			
Accounting profit before tax		19,347,262	15,538,039
Tax using the Company's domestic tax rate		5,610,706	4,506,032
Tax effects of:			
Share of profit of equity-accounted investees taxed at reduced rates		(298,061)	(268,530)
Income taxable under final tax regime (exports)		(44,603)	(129,349)
Impact of rate change on deferred tax		1,810,683	-
Effect of super tax		1,847,707	-
Others		181,744	(147,838)
		9,108,176	3,960,315
37. EARNINGS PER SHARE - Basic and diluted			
Profit for the year (Rupees in '000)		10,239,086	11,577,724
Weighted average number of ordinary shares in issue		596,252,783	596,252,783
Earnings per share - basic (Rupees)		17.17	19.42
37.1 There is no dilution effect on earnings per share of the Company.			
38. CASH AND CASH EQUIVALENTS			
Cash and bank balances	27	1,185,554	710,424
Running finance facilities from banking companies - secured	13.1	(9,984,329)	(1,652,261)
Short term Investments	26	1,000,000	3,090,751
Cash and cash equivalents for the purpose of statement of cash flows		(7,798,775)	2,148,914

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

38.1 Reconciliation of movements of liabilities to cash flows arising from financing activities

	Short term financing	Long term financing	Unclaimed dividend	Total
	Rupees '000			
Balance at 01 July 2021	-	13,058,576	1,989,890	15,048,466
Changes from financing activities				
Proceeds from financing	2,000,000	16,296,044	-	18,296,044
Repayment of long term financing	-	(1,046,646)	-	(1,046,646)
Dividend paid	-	-	(8,273,476)	(8,273,476)
Total changes from financing cash flows	2,000,000	15,249,398	(8,273,476)	8,975,922
Other changes				
Dividend announced	-	-	9,540,044	9,540,044
Withholding tax on dividend	-	-	101,497	101,497
Finance cost expensed	776	1,152,275	-	1,153,051
Finance cost capitalised	-	234,093	-	234,093
Deferred income - government grant	-	(1,734,555)	-	(1,734,555)
Finance cost paid	-	(1,449,591)	-	(1,449,591)
Total liability related changes	776	(1,797,778)	9,641,541	7,844,539
Balance at 30 June 2022	2,000,776	26,510,196	3,357,955	31,868,927
Balance at 01 July 2020	-	11,814,421	37,967	11,852,388
Changes from financing activities				
Proceeds from long term financing	-	1,672,461	-	1,672,461
Repayment of long term financing	-	(223,322)	-	(223,322)
Dividend paid	-	-	(3,940,004)	(3,940,004)
Total changes from financing cash flows	-	1,449,139	(3,940,004)	(2,490,865)
Other changes				
Dividend announced	-	-	5,962,527	5,962,527
Withholding tax on dividend	-	-	(70,600)	(70,600)
Finance cost	-	821,281	-	821,281
Deferred income - government grant	-	(186,972)	-	(186,972)
Finance cost paid	-	(839,293)	-	(839,293)
Total liability related changes	-	(204,984)	5,891,927	5,686,943
Balance at 30 June 2021	-	13,058,576	1,989,890	15,048,466

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

39. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements in respect of remuneration including benefits and perquisites of the chief executive, directors and executives of the Company are given below:

	2022			2021		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
	-----Rupees '000-----			-----Rupees '000-----		
Managerial remuneration	60,000	30,000	628,870	30,000	23,121	485,201
Bonus	-	5,138	351,281	-	2,569	51,716
Provision for gratuity	-	1,667	30,427	-	1,285	20,419
Unavailed leaves	-	944	11,299	-	(899)	(2,941)
Others	-	-	28,961	-	-	307
	<u>60,000</u>	<u>37,749</u>	<u>1,050,838</u>	<u>30,000</u>	<u>26,076</u>	<u>554,702</u>
Number of persons	1	1	159	1	1	127

- 39.1** The Chairman, Chief Executive, Executive Director, and eligible executives are also provided with vehicle facility while medical facility is provided to Executive Director and eligible executives as per their entitled limits.
- 39.2** Executive means an employee whose basic salary exceeds Rs. 1.2 million (2021: Rs. 1.2 million) during the year.
- 39.3** In addition to the above, meeting fees amounting to Rs. 0.81 million (2021: Rs. 0.81 million) were paid to 7 directors (2021: 7) who attended the Board of Directors meetings during the year.

40. RELATED PARTIES

40.1 Parent and ultimate controlling party and related party relationships

The Company is a subsidiary of Bestway International Holdings Limited, Guernsey ("the holding company"). Bestway International Holdings Limited, Guernsey is a wholly owned subsidiary of Bestway Group Limited, Guernsey ("the ultimate parent company"). Therefore, all subsidiaries and associated undertakings of the ultimate parent company are related parties of the Company. Other related parties comprise of directors, key management personnel, entities with common directorships, entities over which the directors are able to exercise influence and employee retirement fund. Balances with related parties are shown in notes 12, 23.1, 25.3 and 27 and transactions with related parties are disclosed in notes 31.2, 33.1 and 39. Transactions and balances with related parties other than those disclosed elsewhere in these financial statements are as follows:

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	----- (Rupees '000) -----	
Transactions and balances with Bestway (Holdings) Limited U.K. (former holding company)		
Dividend paid during the year	-	2,018,809
Amounts paid on behalf of Bestway (Holdings) Limited U.K.	-	14,000
Amounts received from Bestway (Holdings) Limited U.K.	-	18,636
Balances with Bestway International Holdings Limited (holding company)		
Unclaimed dividend	2,519,590	1,345,873
Dividend paid	4,209,773	-
Transactions with associated undertakings under common directorship		
Dividend received	1,780,964	1,264,271
Sale of cement - gross	90,766	-
Purchase of packing material	1,350	-
Insurance claims received	4,615	22,624
Dividend paid	373,174	233,234
Service/bank charges paid	17,183	14,525
Interest earned	1,179	670
Rent paid	23,401	19,650
Maintenance fee paid	7,584	1,786
Insurance premium paid	89,052	36,777
Transactions and balances with key management personnel		
Remuneration, allowances and benefits	97,749	56,886
Dividend paid	1,360,670	746,909
Other related party transactions		
Expense / employer's contribution to provident fund	-	14,409
Dividend paid	275,986	-
Balances with related parties		
Unclaimed dividend	275,963	275,986

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

40.2 Following are the associated companies/undertakings and related parties with whom the Company had entered into transactions during the year:

Associated company/undertakings	Basis of relationship	Number of shares held in the Company	Aggregate %age shareholding in the Company
Bestway International Holdings Limited, Guernsey	Holding Company	336,468,168	56.43%
Bestway (Holdings) Limited, U.K.	Former holding company and now a group company by virtue of sharing the same ultimate parent	-	-
Bestway Foundation	Common directorship	23,323,432	3.91%
United Bank Limited	Common directorship	1,481	0.0002%
UBL Insurers Limited	Common directorship	-	-
MAP Rice Mills (Private) Limited	Common directorship	-	-
Bestway Packaging Limited	Common directorship	-	-
Bestway Consultancy (Private) Limited	Common directorship	-	-

Related party	Basis of relationship	Number of shares held in the Company	Aggregate %age shareholding in the Company
Sir Mohammed Anwar Pervez	Chairman	21,640,779	3.63%
Mr. Zameer Mohammed Choudrey	Chief Executive	12,358,184	2.07%
Mr. Mohammed Younus Sheikh	Director	11,711,513	1.96%
Mr. Dawood Pervez	Director	37,536,226	6.30%
Mr. Haider Zameer Choudrey	Director	18,695,317	3.14%
Ms. Rakhshanda Choudrey	Close family member of CEO	185,425	0.03%
Mr. Muhammad Irfan A. Sheikh	Director	161,983	0.03%
Ms. Najma Naheed Pirzada	Director	67	-
Ms. Nazia Nazir	Director	29	-
Employees' Provident Fund	Employees' Provident Fund	-	-
Employees' Gratuity Fund	Employees' Gratuity Fund	-	-

40.3 Following particulars relate to associated companies incorporated outside Pakistan with whom the Company had entered into transactions during the year:

Particulars	Bestway International Holdings Limited, Guernsey
Registered address	Newport House, 15 The Grange, St Peter Port, Guernsey GY1 2QL
Country of incorporation	Guernsey
Basis of association	Holding Company
Aggregate Percentage of shareholding	56.43%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

41. FINANCIAL INSTRUMENTS - Fair values and risk management

41.1 Accounting classification

The following table shows the carrying amounts of financial assets and financial liabilities by categories:

		30 June 2022			30 June 2021		
		Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Note							
		(Rupees '000)			(Rupees '000)		
Financial assets							
Deposits		138,452	-	138,452	127,664	-	127,664
Trade debts	22	915,966	-	915,966	1,052,451	-	1,052,451
Advances	23	6,924	-	6,924	11,246	-	11,246
Short term investments	26	1,000,000	-	1,000,000	3,090,751	-	3,090,751
Other receivables	25	2,696,551	-	2,696,551	96,952	-	96,952
Cash and bank balances	27	1,185,554	-	1,185,554	710,424	-	710,424
		<u>5,943,447</u>	<u>-</u>	<u>5,943,447</u>	<u>5,089,488</u>	<u>-</u>	<u>5,089,488</u>
Financial liabilities							
Current portion of long term financing	8	-	4,528,015	4,528,015	-	1,186,723	1,186,723
Long term financing	8	-	21,982,181	21,982,181	-	11,871,853	11,871,853
Trade and other payables	12	-	11,040,931	11,040,931	-	7,181,897	7,181,897
Unclaimed dividend	14	-	3,357,955	3,357,955	-	1,989,890	1,989,890
Short-term borrowings	13	-	11,985,105	11,985,105	-	1,652,261	1,652,261
		<u>-</u>	<u>52,894,187</u>	<u>52,894,187</u>	<u>-</u>	<u>23,882,624</u>	<u>23,882,624</u>

41.2 Fair values of financial assets and financial liabilities

The fair value information of current financial assets and liabilities are not disclosed as their carrying values reflected in the financial statements reasonably approximate their fair values. The carrying value of non current financial liabilities also approximate their fair values as these are interest bearing based on market interest rates.

41.3 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- 1) Credit risk
- 2) Liquidity risk
- 3) Market risk

41.3.1 Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for development and monitoring of the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

41.3.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and balances with banks. The carrying amount of financial assets represents the maximum credit exposure.

Bank balances and short term investments

The Company held balances of Rs. 2,186 million (2021: Rs. 3,801 million) which also includes short term investments of Rs. 1,000 million (2021: Rs. 3,091 million) with banks at 30 June 2022. Management assesses the credit quality of the counter parties as satisfactory. Geographic analysis and credit rating information is given below:

Bank / financial institution	Credit rating agency	Long term credit rating	Short term credit rating	2022	2021
------(Rupees '000)-----					
Pakistan:					
Allied Bank Limited	PACRA	AAA	A1+	5,062	3,094,268
Askari Bank Limited	PACRA	AA+	A1+	9,526	85
Bank Alfalah Limited	PACRA	AA+	A1+	-	258
Citibank N.A. Pakistan	Fitch	A+	F1	-	-
Dubai Islamic Bank Pakistan Limited	VIS	AA	A-1+	78	78
Faysal Bank Limited	PACRA	AA	A1+	1,000,000	66
Habib Bank Limited	VIS	AAA	A-1+	798	403
MCB Bank Limited	PACRA	AAA	A1+	5,747	9,467
Meezan Bank Limited	VIS	AAA	A-1+	-	944
National Bank of Pakistan	PACRA	AAA	A-1+	8	844
Soneri Bank Limited	PACRA	AA-	A1+	-	303
Standard Chartered Bank	PACRA	AAA	A1+	64	93
United Bank Limited	VIS	AAA	A-1+	1,163,285	693,578
Industrial and Commercial Bank of China Limited	Fitch	A	F1+	146	146
BankIslami Pakistan Limited	PACRA	A+	A1	586	228
Habib Metropolitan Bank Limited	PACRA	AA+	A1+	79	239
MCB Islamic Bank Limited	PACRA	A	A1	81	-
Telenor Microfinance Bank	PACRA	A	A1	229	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Trade debts

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the credit risk of its customer base. The Company has established a credit policy under which each new customer is assessed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Sales limits are established for each customer and are reviewed on monthly basis. Trade debts amounting to Rs. 4.42 million (2021: Rs. 9.9 million) are secured against post dated cheques, letters of credit and bank guarantees. The Company maintains provision for doubtful debts that represents its estimate of probable losses in respect of trade debts.

	2022 ------(Rupees '000)-----	2021
At reporting date, the maximum credit exposure in trade debts by geographic region was as follows:		
Domestic	915,423	1,052,451
Foreign	543	-
	<u>915,966</u>	<u>1,052,451</u>
At reporting date, the maximum credit exposure in trade debts by type of customer was as follows:		
Dealers	435,840	861,058
End-user customers	480,126	191,393
	<u>915,966</u>	<u>1,052,451</u>

At reporting date, the ageing of trade debts and provision for doubtful debts were as follows:

	Gross amount		Provision for doubtful debts	
	2022 (Rupees '000)	2021 (Rupees '000)	2022 (Rupees '000)	2021 (Rupees '000)
1-30 days	839,721	886,285	-	-
31-60 days	40,757	11,003	-	-
61-90 days	12,065	5,081	-	-
Over 90 days	28,483	155,142	(5,060)	(5,060)
	<u>921,026</u>	<u>1,057,511</u>	<u>(5,060)</u>	<u>(5,060)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

The management believes that all unimpaired amounts are collectable in full, based on historical payment behavior and extensive analysis of customer credit risk. The movement in provision for doubtful debts during the year is disclosed in note 22.2.

41.3.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses different methods which assists it in monitoring cash flow requirements and optimizing its cash return on investments. The Company aims to maintain the level of its cash and cash equivalents and other highly liquid assets at an amount in excess of expected cash outflows on financial liabilities. In addition, the Company maintains lines of credit as mentioned in note 13.

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities at the reporting date.

	Carrying amount	Contractual maturities					
		Total	6 to 12 months	1 to 2 years	1 to 2 years	2 to 5 years	More than 5 years
30 June 2022	(Rupees '000)			(Rupees '000)			
Financial liabilities							
Current portion of long term financing	4,528,015	4,528,015	589,778	3,938,237	-	-	-
Long term financing	21,982,181	24,193,309	-	-	3,576,560	10,346,233	10,270,516
Trade and other payables	11,040,931	11,040,931	11,040,931	-	-	-	-
Unclaimed dividend	3,357,955	3,357,955	3,357,955	-	-	-	-
Short-term borrowings	11,985,105	11,985,105	11,985,105	-	-	-	-
	52,894,187	55,105,315	26,973,769	3,938,237	3,576,560	10,346,233	10,270,516
30 June 2021							
Financial liabilities							
Current portion of long term financing	1,186,723	1,186,723	140,077	1,046,646	-	-	-
Long term financing	11,871,853	11,871,853	-	-	4,080,228	7,220,256	571,369
Trade and other payables	7,181,897	7,181,897	7,181,897	-	-	-	-
Unclaimed dividend	1,989,890	1,989,890	1,989,890	-	-	-	-
Short-term borrowings	1,652,261	1,652,261	1,652,261	-	-	-	-
	23,882,624	23,882,624	10,964,125	1,046,646	4,080,228	7,220,256	571,369

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

The loan facilities of the Company contain loan covenants. A future breach of covenants may require the Company to repay the loan earlier than indicated in the table above. The Company monitors the compliance with covenants on regular basis. The current ratio of the Company was in breach of agreed covenants with the banks as at 30 June 2022. However, waivers from respective banks were obtained.

41.3.4 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing returns. The Company is exposed to currency risk and interest rate risk.

(a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly due to changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions of receivables and payables that exist due to transactions in foreign currencies.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk is as follows:

	2022	2021
	----- (Rupees '000) -----	
USD		
Trade debts	543	-
Cash and bank balances	152,417	79,657
Trade and other payables	(756,549)	(823,121)
Net exposure	(603,589)	(743,464)

The following significant exchange rates have been applied:

	Average rate		Year-end spot rate	
	2022	2021	2022	2021
	----- (Rupees '000) -----		----- (Rupees '000) -----	
USD	178.93	157.13	204.85	157.54

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the USD against Pak Rupee at 30 June would have affected the measurement of financial instruments denominated in a foreign currency and affected the profit or loss and equity by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
	----- (Rupees '000) -----		----- (Rupees '000) -----	
30 June 2022				
USD (10% movement)	(60,349)	60,349	(34,973)	34,973
30 June 2021				
USD (10% movement)	(74,346)	74,346	(74,346)	74,346

(b) Interest rate risk

The interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from short and long term borrowings and short term deposits with banks.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	Nominal amount	
	2022	2021
	----- (Rupees '000) -----	
Fixed-rate instruments		
Financial assets	1,008,083	3,101,554
Variable-rate instruments		
Financial liabilities	38,495,301	14,710,837

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates of variable rate instruments at the reporting date would have increased / (decreased) profit or loss and equity by the amounts shown below. This analysis assumes that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	Profit or loss		Equity, net of tax	
	100 bp Increase	100 bp Decrease	100 bp Increase	100 bp Decrease
	----- (Rupees '000) -----		----- (Rupees '000) -----	
30 June 2022				
Cash flow sensitivity (net)	(384,953)	384,953	(223,080)	223,080
30 June 2021				
Cash flow sensitivity (net)	(147,108)	147,108	(147,108)	147,108

42. PLANTS' CAPACITIES AND PRODUCTION - Clinker

	Available Capacity		Actual Production	
	2022	2021	2022	2021
	(Metric Tonnes)		(Metric Tonnes)	
Hattar	1,320,300	1,230,177	848,146	1,058,332
Chakwal	3,443,956	3,443,956	2,278,263	2,534,911
Farooqia	3,004,994	3,004,994	2,073,354	2,399,026
Kallar Kahar	2,504,801	2,504,801	1,503,339	1,943,150
	10,274,051	10,183,928	6,703,102	7,935,419

42.1 The actual production is generally adjusted in view of existing and expected market conditions.

43. NUMBER OF EMPLOYEES

	2022	2021
Number of employees at year end	1,921	1,537
Average number of employees during the year	1,729	1,436

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

44. DISCLOSURE REQUIREMENT FOR SHARIAH COMPLIANT COMPANIES

As per the requirements of the fourth schedule to the Companies Act, 2017, shariah compliant companies and companies listed on the Islamic Index shall disclose the following:

	2022	2021
	----- (Rupees '000) -----	
Long term loans obtained as per Islamic mode	468,300	-
Short term running finance facilities as per Islamic mode	3,928,921	215,573
Shariah compliant bank balances	1,000,745	1,316
Finance cost on Islamic mode of financing	947,206	60,964
Revenue earned from shariah compliant business	72,370,531	56,864,324

For profits earned and finance cost on conventional loans, refer to note 33 and 34.

For exchange gains, refer to note 33

The Company maintains bank accounts with Meezan Bank Limited, Faysal Bank Limited, Dubai Islamic Bank Pakistan Limited, MCB Islamic Bank and BankIslami Pakistan Limited.

45. CORRESPONDING FIGURES

In the statement of profit or loss, the "other (loss) / income" along with the comparative amount of Rs 225 million, which was previously shown as part of the operating profit is now presented after the operating profit. Further, current portion of deferred income of Rs 51 million which was previously disclosed in "trade and other payables" is now disclosed in statement of financial position.

46. DIVIDEND

The Board of Directors in their meeting held on 06 September 2022 has proposed a final dividend of Rs. 4 per share.

47. DATE OF AUTHORISATION

These financial statements were authorised for issue on 06 September 2022 by the Board of Directors.


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED

KEY OPERATIONAL AND FINANCIAL DATA

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021	2020	2019	2018	2017
OPERATING RESULTS	----- (Rupees '000) -----					
Net turnover	72,371	56,864	37,129	53,602	52,884	51,624
Cost of sales	49,377	40,261	36,012	37,557	33,928	29,091
Gross profit	22,993	16,603	1,117	16,045	18,956	22,533
Operating profit / (loss)	19,144	14,691	(26)	13,290	14,217	17,439
Net finance costs	1,480	1,071	2,152	1,498	600	831
Profit / (loss) before tax	19,347	15,538	(506)	13,246	14,964	18,664
Profit for the year	10,239	11,578	49	10,097	13,158	13,293

STATEMENT OF FINANCIAL POSITION	----- (Rupees '000) -----					
Share capital and reserves	60,758	60,123	54,653	57,606	53,310	47,769
Property, plant and equipment	85,670	55,007	55,789	57,242	56,086	44,732
Long term financing and Musharka	21,982	11,872	11,542	-	5,500	10,000
Net current assets / (liabilities)	9,811	6,366	(1,441)	(9,680)	(7,250)	2,008

SIGNIFICANT FINANCIAL INDICATORS	----- (Rupees '000) -----					
Gross profit (%)	31.77	29.20	3.01	29.93	35.84	43.65
Net profit (%)	14.15	20.36	0.13	18.84	24.88	25.75
Interest coverage ratio	14.07	15.51	0.76	9.84	25.94	23.46
Return on equity (%)	16.85	19.26	0.09	17.53	24.68	27.83
Earnings per share	17.17	19.42	0.08	16.93	22.07	22.29
Dividend (%)	160	100	60	110	120	120

	In thousand metric tonnes					
Despatches of cement and Xtreme bond	7,839	8,664	7,311	8,126	8,590	7,478

BESTWAY CEMENT LIMITED

PATTERN OF SHAREHOLDING

FOR THE YEAR ENDED 30 JUNE 2022

NUMBER OF SHAREHOLDERS	SHAREHOLDING FROM	TO	NUMBER OF SHARES HELD
5395	1	100	172365
1721	101	500	485099
575	501	1000	471092
746	1001	5000	1871565
158	5001	10000	1219075
55	10001	15000	725743
34	15001	20000	604739
25	20001	25000	577349
13	25001	30000	368480
7	30001	35000	234200
3	35001	40000	112800
12	40001	45000	509210
9	45001	50000	434982
5	50001	55000	263905
4	55001	60000	233800
3	60001	65000	187936
7	65001	70000	472650
7	75001	80000	539793
2	80001	85000	161983
1	90001	95000	95000
3	95001	100000	300000
1	100001	105000	101000
1	105001	110000	105800
3	115001	120000	351233
1	125001	130000	129904
2	135001	140000	277000
3	150001	155000	463491
3	155001	160000	473841
1	175001	180000	176190
1	185001	190000	185425
1	205001	210000	207000
5	215001	220000	1095460
2	230001	235000	465258
4	240001	245000	969449
1	255001	260000	255250
2	275001	280000	556358
1	285001	290000	289159
1	295001	300000	300000
2	300001	305000	607794
1	350001	355000	354500
1	395001	400000	400000
1	505001	510000	507310
2	620001	625000	1245164

BESTWAY CEMENT LIMITED

PATTERN OF SHAREHOLDING

FOR THE YEAR ENDED 30 JUNE 2022

NUMBER OF SHAREHOLDERS	SHAREHOLDING FROM	TO	NUMBER OF SHARES HELD
5	675001	680000	3394400
1	800001	805000	803037
1	895001	900000	899815
2	1060001	1065000	2129512
2	1085001	1090000	2178724
1	1355001	1360000	1357760
1	1570001	1575000	1573445
1	1735001	1740000	1738636
2	1910001	1915000	3822942
1	1970001	1975000	1975000
1	2200001	2205000	2202894
1	2695001	2700000	2698994
1	4320001	4325000	4323753
1	7875001	7880000	7878441
1	11710001	11715000	11711513
1	12355001	12360000	12358184
1	18695001	18700000	18695317
1	21640001	21645000	21640779
1	23320001	23325000	23323432
2	18745001	18750000	37496432
1	37535001	37540000	37536226
1	40485001	40490000	40487027
1	336465001	336470000	336468168
8,856			596,252,783

CATEGORIES OF SHAREHOLDERS	SHARES HELD	%
Directors, Chief Executive, their Spouse and Minor Children	102,289,523	17.16
Associated Companies Undertakings & Related Parties	359,791,600	60.34
NIT/ICP	564	0.00
Banks, Development Finance Institutions and Non Banking Financial Institution	2,277,628	0.38
Insurance Companies	2,217,236	0.37
Modarabas and Mutual Funds	1,597,173	0.27
Shareholders holding 10% *	-	0.00
General Public		
a. Local	126,622,942	21.24
b. Foreign	-	0.00
Others		0.00
i. Joint Stock Companies and Trusts	1,456,117	0.24
	596,252,783	100.00

* Bestway International Holdings Limited is holding 56.43% shares of the Company.

[illegible]

نامینیشن کمیٹی

i- لارڈ ضمیر محمد چوہدری (چیئر مین)

ii- جناب محمد عرفان انور شیخ

iii- جناب حیدر ضمیر چوہدری

رسک مینجمنٹ کمیٹی

i- لارڈ ضمیر محمد چوہدری (چیئر مین)

ii- جناب محمد عرفان انور شیخ

iii- جناب حیدر ضمیر چوہدری

ڈائریکٹرز کی معاوضہ پالیسی

کمپنی کے بورڈ آف ڈائریکٹرز نے 6 ستمبر 2022 کو منعقدہ اپنے اجلاس میں معاوضہ پالیسی کی منظوری دے دی ہے۔ اس پالیسی کے مطابق بورڈ یا کمیٹی کے اجلاس میں شرکت کرنے والے بورڈ کے اراکین اجلاس کے لئے/ PKR30,000 وصول کرنے کے حقدار ہوں گے۔ اس پالیسی میں سفر، لاجسٹک اور رہائش کے اخراجات کا بھی احاطہ کیا گیا ہے۔ اس پالیسی کی منظوری کمپنی کے شیئرز ہولڈرز 7 اکتوبر 2022 کو ہونے والے سالانہ اجلاس عام میں دیں گے۔ 30 جون 2022 کو ختم ہونے والے سال کے ڈائریکٹرز کے معاوضے کی تفصیلات نوٹ 39 میں مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔

آڈیٹرز

موجودہ آڈیٹرز، اے۔ ایف۔ فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اجلاس کے اختتام پر سبکدوش ہو جائیں گے اور انھوں نے اہلیت کے حامل ہونے کی وجہ سے دوبارہ تقرری کیلئے خود کو پیش کر دیا ہے۔ کمپنی کی آڈٹ کمیٹی نے اس امر پر غور کے بعد سبکدوش ہونے والے آڈیٹرز کی دوبارہ تقرری کیلئے سفارش کی ہے۔

اعترافات

ڈائریکٹرز اپنے شیئرز ہولڈرز، عملے کے اراکان، کسٹمرز، سپلائرز، بینکرز خاص طور پر لائیو بینک لمیٹڈ، حبیب بینک لمیٹڈ، میزبان بینک لمیٹڈ، ایم سی بی بینک لمیٹڈ، یونائیٹڈ بینک لمیٹڈ، عسکری بینک لمیٹڈ، سویری بینک لمیٹڈ، بینک الفلاح لمیٹڈ، انڈسٹریل اینڈ کمرشل بینک آف چائنا، بینک اسلامی پاکستان لمیٹڈ، فیصل بینک لمیٹڈ، دبی اسلامک بینک پاکستان لمیٹڈ، ایم سی بی اسلامک، حبیب میٹرو پولیٹن، نیشنل بینک آف پاکستان، ٹی بینک، بینک آف خیبر، بینک آف پنجاب اور مختلف سرکاری ایجنسیوں کی جانب سے پورے سال اس کمپنی میں ان کے مسلسل تعاون، شراکت اور اعتماد کے اظہار کیلئے ان کی تمام تر کوششوں کا اعتراف کرتے ہوئے اظہار تشکر کرتے ہیں۔

برائے پنجاب بورڈ



محمد عرفان اے شیخ
مینجنگ ڈائریکٹر



لارڈ ضمیر محمد چوہدری

چیئرمین ایگزیکٹو

اسلام آباد

06 ستمبر 2022ء

افغانستان کو درپیش بڑے معاشی چیلنجوں نے شمال سے سینٹ کی برآمدات کو بڑے پیمانے پر روک دیا ہے اور یہ صورتحال مستقبل قریب تک برقرار رہنے کا امکان ہے۔
 ہیٹ وے کمپنی ملک کے اندر صرف سب سے کم لاگت والی پروڈیوسرز ہی نہیں ہے بلکہ کم منافع کمانے والی کمپنی بھی ہے جس کا مطلب یہ ہے کہ اپنے حریفوں کے مقابلے میں زیادہ اطمینان بخش مقام پر فائز ہے انتظامیہ کو چیلنجز کا ادراک ہے جو کہ آگے آسکتے ہیں اور اس لئے آپ کی کمپنی کی جانب سے زیادہ سے زیادہ بہتر کارکردگی کو یقینی بنانے کی غرض سے مسلسل بڑی مستعدی اور سرگرمی سے حالات کے ساتھ موافقت پیدا کرتی چلی جا رہی ہے اور آپ نے شیئر ہولڈرز کو بڑے بڑے منافع جات کو یقینی بنادیا ہے۔

شیئر ہولڈنگ کا اسلوب

30 جون 2022ء کے مطابق کمپنی کے اندر شیئر ہولڈنگ کے اسلوب کا گوشوارہ آگے صفحات میں موجود ہے۔

بورڈ کی تشکیل و ترتیب

بورڈ درج ذیل 8 ڈائریکٹرز پر مشتمل ہے:

- مرد 6
- خواتین 2

بورڈ کی ترتیب درج ذیل ہے:

• خود مختار / آزاد ڈائریکٹرز

i- محترمہ نجمہ ناہید بیروزادہ

ii - محترمہ نازیہ نذیر

• دیگر غیر عملی ڈائریکٹرز:

i- سر محمد انور پرویز (چیئر مین)

ii- جناب محمد یونس شیخ

iii- جناب داؤد پرویز

iv- جناب حیدر ضمیر چوہدری

عملی ڈائریکٹرز

• لارڈ ضمیر محمد چوہدری

• جناب محمد عرفان اے. شیخ

بورڈ کی کمیٹیز

• آڈٹ کمیٹی

i- محترمہ نجمہ ناہید بیروزادہ (چیئر پرسن)

ii- جناب داؤد پرویز

iii- جناب حیدر ضمیر چوہدری

• ایچ آر اینڈ ریسرچ کمیٹی

i- محترمہ نازیہ نذیر (چیئر پرسن)

ii- جناب محمد یونس شیخ

iii- جناب محمد عرفان انور شیخ

مقامی افراد کیلئے روزگار کی تشکیل

آپ کی کمپنی نے اپنی ٹیکنی کے گرد و نواح میں مقامی ہنرمند اور غیر ہنرمند افراد کیلئے ہزاروں روزگار متعارف کروائے ہیں۔ روزگار کے مواقع نجلی اور اوپری سرگرمیوں میں پیدا کیے جا رہے ہیں۔ روزگار کی تشکیل سے مقامی آبادی میں ناصرف قوت خرید میں بہتری آتی ہے بلکہ اس سے ان کے معیار زندگی کو بہتر بنانے کیلئے بھی اچھے مواقع مہیا ہو جاتے ہیں۔

اپریٹس شپ اور ٹریننگ

ہیٹ وے بڑی باقاعدگی کے ساتھ زیر تربیت انجینئرز، منیجرز، اپریٹسز اور انٹرنیز جنہیں اپنے اپنے شعبے میں زبردست تربیت دی جاتی ہے اور روزگار فراہم کرتی ہے۔ ان ٹرینیز اور اپریٹسز میں سے کچھ کمپنی میں رہ جاتے ہیں جبکہ باقی دیگر صنعتوں کی طرف چلے جاتے ہیں جہاں وہ بڑی کامیابی کے ساتھ اپنے کیریئر کو آگے بڑھانے کیلئے ہیٹ وے کی مہیا کردہ بنیاد کے ذریعے ان کو دی گئی تربیت کو بروئے کار لاتے ہیں اور اس ملک کی ترقی میں اپنا کردار ادا کرتے ہیں۔ فی الحال 200 ٹرینیز انجینئرز، منیجرز، ٹرینیز، اپریٹسز اور انٹرنیز کمپنی کے مختلف مقامات پر تربیت حاصل کر رہے ہیں۔

ڈیزائنر مینجمنٹ اور بحالی

آپ کی کمپنی آفات کی نظم کاری میں فیاضی سے اپنا کردار ادا کرتی ہے اور زلزلے، سیلابوں کی وجہ سے تباہی کے بعد یا سماجی ترقی کے کسی دیگر منصوبوں کے ذریعے امدادی، بحالی اور تعمیر نو کی کوششوں میں ہاتھ بٹاتی ہے۔

ہیٹ وے گروپ نے پاکستان میں آنے والے حالیہ سیلاب سے متاثرہ ہونے والے افراد کے لئے ایک ملین ڈالر عطیہ کرنے کا اعلان کیا ہے۔ اس کے علاوہ متاثرہ علاقوں میں آپ کی کمپنی نے طبی کیپس بھی قائم کئے ہیں۔ اور سیلاب زدہ علاقوں میں کھانے کے پارسل، اور دیگر کھانے کی اشیاء کی تقسیم اور رسائی ممکن بنائی ہے۔

سماجی ترقی

ہیٹ وے باقاعدہ طور پر اپنے پلانٹس کے ارد گرد علاقوں کی ترقی و بحالی میں بھرپور حصہ لیتی ہے۔ سالانہ لاکھوں روپے ان سرگرمیوں جیسے مختلف گاؤں میں پینے کے صاف پانی کی فراہمی اور فراہمی آب کی بحالی، سینٹ کے عطیات اور مقامی علاقوں میں تعمیراتی منصوبوں کیلئے نقل و حمل میں امداد کی فراہمی جس میں مساجد اور اسکولز وغیرہ کی تعمیرات بھی شامل ہیں، اور ہماری مقامی لوگوں میں ضرورت مندوں میں گندم کی تقسیم پر خرچ کیے جاتے ہیں۔ عطیات کی ایک بڑی رقم مقامی انتظامیہ کو بھی دی جاتی ہے تاکہ مقامی میلوں، ثقافتی اجتماع اور ساج کو بہتر بنانے کے دیگر کئی منصوبوں میں مدد کی جائے۔

آپ کی کمپنی باقاعدگی سے رمضان کے مقدس مہینے میں اپنے ہیڈ آفس اور تمام تر پلانٹس پر مفت دسترخوان کا اہتمام کرتی ہے جہاں پورے مہینے کے دوران ہزاروں مقامی رہائشیوں اور مسافروں کو افطار کروایا جاتا ہے۔ اس کے علاوہ رمضان کی آمد پر مقامی علاقوں کے سینکڑوں سفید پوش گھرانوں میں اشیاء خورد و نوش بھی تقسیم کی جاتی ہیں۔

ہولڈنگ کمپنی

یہ کمپنی ہیٹ وے اور انٹرنیشنل ہولڈنگز لمیٹڈ (بی آئی ایچ ایل) کی ذیلی کمپنی، جو مکمل طور پر ہیٹ وے گروپ لمیٹڈ (بی جی ایل) کی ملکیتی ذیلی کمپنی ہے۔ بی آئی ایچ ایل اور بی جی ایل دونوں گرنڈی میں قائم ہیں۔ لہذا بی جی ایل کی تمام ذیلی کمپنیاں اور منسلک زیر حلف ادارے کمپنی کی متعلقہ پارٹنرز (فریقین) ہیں۔

مستقبل کی توقعات

پاکستانی معیشت، عالمی اجناس کی قیمتوں میں اضافے، کرنٹ اکاؤنٹ خسارہ، زرمبادلہ کے ذخائر میں کمی اور انتہائی افراط زر کے ماحول سے نمایاں طور پر متاثر ہوئی ہے۔ ایسا لگتا ہے کہ مستقبل قریب میں معیشت ان چیلنجوں سے سنبھلنے میں کامیاب نہیں ہو سکے گی۔ حالیہ سیلاب سے ہونے والا نقصان معاشی بحالی کے امکانات کو روک دے گا۔ آئی ایم ایف قرض پروگرام کی بحالی سے قلیل مدتی ریلیف مل سکتا ہے۔ تاہم آنے والا سال تعمیراتی صنعت سمیت معیشت کے لئے چیلنجوں سے بھرا ہوگا۔

پاکستان کی توانائی کی پیداوار کا زیادہ تر انحصار درآمدی ایندھن پر ہے۔ جبکہ پاکستانی روپے کی قدر میں تیزی سے گراؤٹ نے صورتحال کو گھمبیر کر دیا ہے اعلیٰ افراط زر کے نتیجے میں شرح سود میں تیزی سے اضافہ ہوا ہے۔ سال کے دوران سینٹ کے متعدد نئے پلانٹس کے آن لائن آنے کی بھی توقع ہے جس سے پیداواری صلاحیت میں نمایاں اضافہ ہوگا۔ یہ تمام عوامل، اور بلند تر نامعلوم ٹیکسوں سے سینٹ کی صنعت پر بوجھ بڑھتا رہے گا۔ اور سینٹ بنانے والوں کو لاگت میں غیر معمولی اضافے سے گزرنا مشکل ہوتا جا سکتا ہے، جس سے مستقبل قریب میں منافع کے فرق پر ممکنہ اثرات ہو سکتے۔

کے ارکان کی رہائش کیلئے اقامت گاہ پر مشتمل ہے جسے مکمل طور پر آپ کی کمپنی نے رقم فراہم کی ہے اور 30 ملین روپے کی لاگت سے بننے والا یہ پروجیکٹ سن 2011ء سے فعال ہے۔

کمپنی کے اپنے قائم کردہ تعلیمی اداروں کے علاوہ، بیسٹ وے دیہات کے محروم اور ضرورت مند علاقوں کے ارد گرد اس کی مقامی برادر یوں میں کئی سرکاری اسکولوں کو بھی مدد فراہم کر رہی ہے۔

سال کے دوران کمپنی نے شاہد آفریدی فاؤنڈیشن کو تعلیمی سہولت کی تعمیر کے لئے 5 ملین روپے عطیہ کئے۔ جس کے ذریعہ تعلیم سے محروم افراد تک اس کی رسائی کو ممکن بنا کر کیوٹیز کو بااختیار اور تعلیم یافتہ بنانے کا عمل جاری ہے۔

قومی و بین الاقوامی وظائف

اعلیٰ تعلیم کسی بھی مستحکم اور زندگی سے بھرپور سماج کی تعلیم کیلئے ضروری ہے، جبکہ کئی قابل اور مستحق نوجوان کافی مالی وسائل کی کمی کی وجہ سے اپنی تعلیم جاری رکھنے سے قاصر رہتے ہیں۔ مستحق طلباء کی مدد کے مسئلے کو حل کرنے کے عزم کے ساتھ، آپ کی کمپنی نے اپنے فلاحی ادارے بیسٹ وے فاؤنڈیشن کے ذریعے 12.5 ملین روپے کا ایک بیسٹ وے اینڈ اؤمنٹ فنڈیشنل یونیورسٹی آف سائنسز اینڈ ٹیکنالوجی (این یو ایس ٹی) کے ساتھ یونیورسٹی کے انڈرگریجویٹ پروگرامز میں اندراج شدہ مالی طور پر غیر مستحکم طلباء کے فائدے کیلئے قائم کر دیا ہے۔

یہ وظائف ہر سال طلباء کے استفادے کیلئے دینے جاتے ہیں جو کہ بنیادی طور پر ان کی فیس کے اخراجات کو پورا کرتا ہے اور یہ کسی بھی انوائرنمنٹل انجینئرنگ، میٹلر جی اینڈ میٹیریلز انجینئرنگ، میکینیکل انجینئرنگ، کمپیوٹر انجینئرنگ اور میکاٹرانکس انجینئرنگ کے شعبوں میں دیے جاتے ہیں۔

درج بالا کے علاوہ، کئی دیگر ملکی و بین الاقوامی وظائف بھی آپ کی کمپنی لا تعداد قابل طلباء کو فی الوقت فراہم کر رہی ہے۔ ان وظائف کا مقصد ان طلباء کو مالی امداد فراہم کرنا ہے جو اپنی تعلیم کو جاری رکھنا چاہتے ہیں۔

بیسٹ وے برطانیہ کے اندر آکسفورڈ یونیورسٹی، یونیورسٹی آف بریڈفورڈ اور یونیورسٹی آف کینٹ میں مستحق اور قابل پاکستانی طلباء کیلئے ہر سال 12 مکمل فنڈ ڈاسکالرشپس بھی دیتی ہے۔

خیر و فلاح کے کاموں کا فروغ

بیسٹ وے ان اداروں اور تنظیموں کو باقاعدگی کے ساتھ مالی امداد فراہم کرتی ہے جو تعلیم و صحت کے شعبوں میں حقیقی فرق وتبدیلی لانے کیلئے کوشاں ہے۔

گزشتہ چند برسوں میں کچھ مستفید ہونے والے اداروں میں انسٹی ٹیوٹ آف بزنس ایڈمنسٹریشن، کراچی، غلام اسحاق خان انسٹیٹیوٹ، صوابی، نمل کالج میانوالی، بینشیل یونیورسٹی آف سائنس اینڈ ٹیکنالوجی، اسلام آباد، لاہور یونیورسٹی آف مینجمنٹ سائنسز، سہارا فور لائف ٹرسٹ میانوالی، زندگی ٹرسٹ، سندھ یونیورسٹی آف یورولوجی اینڈ ٹرانسپلنٹیشن، پاکستان ہندو کونسل، عبدالستار ایڈمی فاؤنڈیشن، شوکت خانم میموریل ٹرسٹ، مسکن انسٹی ٹیوٹ سوات، ثار فاطمہ گرلز اسکول، شالیمار ہسپتال، انجیل کور فاؤنڈیشن، محمد گلستان خان فاؤنڈیشن، لیٹن رحمت اللہ بیولٹ ٹرسٹ، بینشیل سوسائٹی فور مینٹل اینڈ اموشنل ہیلتھ یکیپیڈ چلڈرن، فورمین کریچن کالج یونیورسٹی، فیملی ایجوکیشنل سروسز فاؤنڈیشن، نارورن یونیورسٹی پشاور، دی سیمیٹرن فاؤنڈیشن، ٹنگ کور، کے پی ایس ایس سیکنڈری اسکول، سیگل آباد، چکوال، سلطانہ فاؤنڈیشن، کیئر فاؤنڈیشن، کاغان میموریل ٹرسٹ، المصطفیٰ ٹرسٹ، ہضی ویلفیئر فاؤنڈیشن، ضیاء العلوم ٹرسٹ، دی کڈنی سینٹر کراچی، پاکستان فاؤنڈیشن فائننگ بلاسٹڈ ٹیس، نورانی فاؤنڈیشن، شاہد آفریدی فاؤنڈیشن، اخوت فاؤنڈیشن اور کئی دیگر تنظیمیں شامل ہیں۔

صحت

بنیادی صحت کے شعبے میں، بیسٹ وے کی فیکٹری کے علاقے میں واقع تمام کے تمام چاروں مراکز کے ذریعے مقامی آبادی میں ہزاروں مریضوں کو مفت طبی سہولیات فراہم کی جاتی ہیں۔ زیر جائزہ سال کے دوران، 13,000 سے زائد مریضوں نے ان طبی مراکز سے استفادہ کیا۔

مالی امداد

تعلیم کی بہتری اور صحت کی بنیادی سہولیات کی فراہمی کے اپنے اہم ترین مقاصد کے حصول کے علاوہ، آپ کی کمپنی اپنے فلاحی و رفاہی شعبے کے ساتھ مل کر 362 بیوگان اور مقامی آبادی کے افراد کو ماہانہ مشاہیرے کی شکل میں مالی امداد بھی فراہم کرتی ہے۔

باش کے پانی کو جمع کرنا توجہ کا اہم مرکز ہے اور آپ کی کمپنی نے ناصرف باش کے پانی کو جمع کرنے کے موجودہ تالابوں کو بہتر بنانے کی اچھی خاصی کوشش کی ہے بلکہ نئے بھی قائم کر دیئے ہیں۔ آپ کو یہ جان کر خوشی ہوگی کہ ہمارے پکوال اور کلرکھار پلانٹس کی صنعتی پانی کی ضروریات کا 100% باش کے پانی کو جمع کرنے کے ذریعے پوری کی جاتی ہیں۔

آپ کی کمپنی نے انڈسٹریل ویسٹ وائر کو دوبارہ استعمال کے قابل بنانے کیلئے جدید ٹیکنالوجی کے حامل ریپورس اوٹوموس پلانٹس بھی نصب کر دیئے ہیں۔ اس کے علاوہ پلانٹ کے رہائشی علاقوں کا گھریلو پانی کو بھی ری ٹریٹ اور ری سائیکل کیا جا رہا ہے چنانچہ پانی کی ایک بھاری مقدار کو محفوظ کیا جا رہا ہے۔

توانائی کے متبادل اقدامات

سینٹ سازی شدہ توانائی سے بھرپور عمل ہے۔ بجلی پیداوار کی لاگتوں میں سے ایک بڑی لاگت کی ترجمان ہے۔ ملک میں مستقل طور پر جاری بجلی کے بحران نے روایتی زیر زمین ایندھن سے توانائی کے متبادل حل کی جانب منتقلی کی ضرورت کو پیدا کر دیا ہے۔ قومی گزڈ پرائیوٹ انحصار میں کمی کی حکمت عملی کے جزو کے طور پر، آپ کی کمپنی نے تمام کی تمام چاروں جگہوں پکوال، ہتار، فاروقیہ اور کلرکھار پریسٹ ریگوری پاور پلانٹ (WHRPP) قائم کر رکھے ہیں۔ پکوال پر قائم بیسٹ وے کا ڈبلیو ایچ آر پی ٹی پاکستان کی سینٹ انڈسٹری کا پہلا پلانٹ ہے جو دوسروں کو ترغیب دیتا ہے کہ وہ بھی اس کی پیروی کریں۔

آپ کی کمپنی کیلئے یہ بقائے توانائی کے سلسلے میں ایک اہم قدم ہے، جس سے کمپنی اپنے تمام تر آپریشنز پر ڈبلیو ایچ آر ٹیکنالوجی کو اختیار کرنے والوں میں پیشرو کی حیثیت حاصل کر لی ہے۔ ان منصوبوں سے بجلی کے بیرونی ذرائع پر کمپنی کے انحصار میں اچھی خاصی کمی لانے میں مدد ملے گی چنانچہ پیداوار کی لاگتوں، عملی استعداد کا کو بہتر بنانے اور ماحولیات کے تحفظ میں بھی مدد حاصل ہوگی۔ زیر جائزہ سال کے دوران، آپ کی کمپنی نے ڈبلیو ایچ آر پی ٹی، بوائز اور سولر کے ذریعے اپنی توانائی کی 44% ضروریات کی تکمیل کر لی ہے۔

سولر پاور جزییشن

ماحولیاتی طور پر باشعور کمپنی ہونے کی وراثت پر تعمیر کرتے ہوئے آپ کو یہ جان کر خوشی ہوگی کہ چاروں مقامات پر ہمارے سٹش توانائی کے پلانٹ اب مکمل طور پر فعال ہیں۔ ہماری 155.4 ایم ڈبلیو کی کل گنجائش نصف پاکستان بلکہ پورے خطے میں اب تک کی سب سے بڑی تقسیم شدہ کیلنڈر بجلی پیدا کرنے کی صلاحیت ہے۔ آپ کی کمپنی مستقبل قریب میں چاروں پلانٹس میں سٹش توانائی کی پیداواری صلاحیت کو بڑھانے کا ارادہ رکھتی ہے۔

سٹش توانائی کی پیداوار نے نصف آپ کی کمپنی کے قومی گزڈ پرائیوٹ کمزید کم کیا ہے بلکہ اسے اس منصوبے کے ذریعے پنے کاربن فٹ پرنٹ 3.4 ملین ٹن سے زیادہ کاربن ڈائی آکسائیڈ کے اخراج کو کم کرنے کے قابل بنایا ہے جو تقریباً 5.4 ملین درختوں کی شجرکاری کے برابر ہے۔

آپ کی کمپنی کا ڈبلیو ایچ آر پی ٹی اپنی سٹش توانائی کی پیداوار کے ساتھ اسے سبز اور قابل تجدید توانائی اپنانے میں پیش پیش بناتا ہے۔

ادارہ جاتی سماجی ذمے داری

بیسٹ وے اپنے امور کار میں طویل مدت کیلئے سرمایہ کاری کرتی ہے اور مقامی برادر یوں کی طرف خصوصی ذمے داری جو اس پر عائد ہے کو سراہتی ہے۔ کمپنی سرگرمیوں کے ذریعے جیسے خدمات صحت تک رسائی میں بہتری، تعلیم، ہنرمندانہ تربیت، پروگرام برائے بقائے ماحولیات، اور روزگار کی تشکیل میں اعانت اور مقامی افراد کے روزگار کے ذریعے پسماندہ افراد کی فلاح و بہبود اور ان کی فعالیت ترقی کو باعث افتخار سمجھتی ہے۔ آپ کی کمپنی اپنے رفائی ٹرسٹ، بیسٹ وے فاؤنڈیشن کے ذریعے ہی زیادہ تر اپنی ادارہ جاتی سماجی ذمے داری کی سرگرمیوں کا انعقاد کرتی ہے۔

زیر جائزہ سال کے دوران، آپ کی کمپنی نے مختلف سی ایس آر اقدامات میں 162 ملین روپے سے زائد خرچ کیے جس سے آپ کی کمپنی سی ایس آر اخراجات کے لحاظ سے خرچ کرنے ملک کی نمایاں کمپنیز میں سے ایک ہو گئی ہے۔

تعلیم

معیاری تعلیم کیلئے محروموں کی مدد کے مقاصد کو جاری رکھتے ہوئے، بیسٹ وے سال 2018ء سے فاروقیہ، ٹیکسلا-ہری پور روڈ، کے قرب وجوار میں ایک پرائمری اسکول چلا رہی ہے اور ایک بڑا مقصد اور آراستہ پرائمری تاسیسنڈری اسکول پکوال ڈسٹرکٹ کے تیزال گاؤں میں سن 2016ء سے کام کر رہا ہے جس کی تعمیر پر 67 ملین روپے کی لاگت آئی ہے۔

فی الوقت مجموعی طور پر کوئی 897 طلباء کا تجربہ کار اساتذہ کی طرف سے عمدہ تعلیم برائے نام فیس کے ساتھ دونوں مقامات پر فراہم کی جا رہی ہے۔

بیسٹ وے، فخر پرویز ڈگری کالج، گوجران خان، کے ذریعے مفت کالج لے تعلیم خصوصی طور پر لڑکیوں کیلئے فراہم کر رہی ہے۔ یہ پروجیکٹ کئی کلاس رومز، لیبارٹریز، غیر نصابی سرگرمیوں کیلئے سہولیات اور تدریسی عملے

اقدامات جس میں کام کے محفوظ نظام پر تربیت بھی شامل ہے کیونکہ صحت و حفاظت، حفاظتی اجلاس، ورک سسٹم کیلئے اجازت نامہ مع خطرات کی تشخیص، نشاندہی اور خطرات کے قابو، واقعات کی اطلاع کرنا، ہینٹنٹی آڈٹس، ہینٹنٹی چیمپنر، اچھی ماؤس کیپنگ اور حفظان صحت کے کنٹرولز کے مختلف پہلوؤں پر تربیتوں کو سرگرمی سے اور لگاتار جاری رکھا جاتا ہے تاکہ عمل کے تمام افراد میں حفاظتی برتاؤ کو فروغ دیا جائے۔ آپ کی کمپنی صنعتی امور کار کو محفوظ تر بنانے کیلئے کوشاں ہے، اور ملازمین، کنٹریکٹرز اور دیگر اسٹیک ہولڈرز جیسے وزیٹرز اور درگاہوں کی آبادیوں میں آگہی کی سطح میں اضافے کی غرض سے کئی احکامات اور معیارات اور مشورہ جات قائم کر دیے ہیں۔ یہ مشورہ جات پورے ادارے میں سختی سے پیروی کیے جائیں گے اور بہترین طور طریقوں کے طور پر بیرونی اسٹیک ہولڈرز کے ساتھ تبادلہ کیے جائیں گے کیونکہ ہمارے لئے حفاظت فرض مضامین کی بجائے ایک طرز زندگی ہے۔

ماحول

ہیٹ وے سینٹ کی اپنی شہرت ایک نئے دارکار پوریٹ سینیٹور کی ہے اور وہ نا صرف اپنے ملازمین کیلئے حفاظت اور صحت مند ماحول کی تشکیل کو اولین ترجیح دیتی ہے بلکہ ہماری ان برادریوں کیلئے بھی جہاں کمپنی کے اپنے چار پلائٹس قائم ہیں کو اولین ترجیح دیتی ہے۔ سماجی ماحول کی بھلائی جس میں ہیٹ وے کام کرتی ہے اسے کمپنی کی کامیابی کا لازمی جزو تصور کیا جاتا ہے۔ ہمارے پلائٹس ISO 14001:2004 انوائرنمنٹل مینجمنٹ سسٹم (ای ایم ایس) سرٹیفائیڈ ہیں۔

کمپنی اس بات کو یقینی بناتی ہے کہ اس کے پلائٹس ہمہ وقت ماحولیات کے قائم شدہ معیاری معیارات کی پاسداری کے تسلسل کو برقرار رکھیں۔ ہمارے پلائٹس صرف متعلقہ ادارہ برائے تحفظ ماحول پاکستان (ای پی اے) کے مجوزہ ماحولاتی معیاری معیارات کی سختی سے تکمیل کرتے ہیں بلکہ وہ زیادہ کڑے عالمی اخراج کے معیارات کی بھی رضا کارانہ طور پر پاسداری کرتے ہیں۔ اسے ہمارے پلائٹس اور ذیلی پلائٹس کی ڈیزائن سسٹم میں ماحولاتی تصورات کو شامل کرنے کے ذریعے حاصل کر لیا گیا ہے۔ نصب کردہ الیکٹرو اسٹیک پر سیٹھیٹز اور بیگ۔ ہاؤس فلٹرز اس کلاس میں بہترین ہیں جبکہ لگاتار دیکھ بھال اور اپ گریڈیشن نے کمپنی کو اس کے زبردست امپلیمینٹیشن ریکارڈ کو برقرار رکھنے میں مدد دیتا ہے۔

ہیٹ وے خود مختار ماہرین کے ذریعے اپنی پروڈکشن سہولیات کے باقاعدہ جائزے کا انعقاد بھی کرتی ہے اور فریق ثالث مشیروں کے ذریعے اخراج کی ماہانہ نگرانی بھی کی جاتی ہے تاکہ اس بات کو یقینی بنایا جائے کہ ہم انضباطی شرائط اور اندرونی اہداف کے ساتھ ہم آہنگ ہیں۔ مزید برآں ای پی اے کے ساتھ فعال اشتراک بھی تمام تر ہیٹ وے پلائٹس پر ماحولیات کا عالمی دن منانے کی بجائے جاری رہا جس میں متعلقہ ای پی اے کے نمائندوں نے شرکت کی۔

ہیٹ وے ماحولیات کو بہتر بنانے کے مختلف پروگرامز میں باقاعدگی سے شریک ہوتی ہے جس میں شجر کاری مہم اور کانوں کی بحالی کے اقدامات بھی شامل ہیں۔ ایک جامع کانوں کی بحالی کا منصوبہ کمپنی کی سطح پر نافذ کیا جا رہا ہے تاکہ ان کانوں کے استعمال شدہ حصوں کو بتدریج بحال کر دیا جائے۔

چکوال پلانٹ پر زیتون کے کئی درخت لگائے گئے جن کی اب تعداد 11,000 سے بھی تجاوز کر چکی ہے۔ اس جگہ کو حکومت پنجاب کی طرف سے زیتون کیلئے مرکزی علاقہ قرار دے دیا گیا ہے۔ لوکاٹ چکوال کے علاقے کا پھلدار مقامی درخت ہے۔ ہیٹ وے کے صاف و شفاف سرسبز عزم کے جزو کے طور پر، صرف پچھلے سال کے دوران ہم نے قریباً 38,000 پودے کام کی تمام تر جگہوں پر کاشت کیے۔ اس کے علاوہ تمام کے تمام چاروں پلائٹس پر دیگر پھلوں کے باغات بھی قائم ہیں جو کہ آپ کی کمپنی کے وہ جاری و ساری کام ہیں جو پائیدار ترقی کے حصول کا حصہ ہے۔

کلرکھاری کانوں کے علاقے میں ایک دلکش منظر قائم ہے جس میں 100 سے زائد صنوبر اور دودار (سرو) اور دیگر مقامی انواع کے درخت بھی شامل ہیں۔ ختار کانوں کے علاقے میں ایک اور خوبصورت منظر ہے، جس میں دیگر پھولوں/سجائوٹی پودوں کے درمیان 300 صنوبر کے درخت ہیں یہ پودے اختار انڈسٹریل اسٹیٹ اور اس کے گرد و نواح میں یہ پرکشش منظر مہمانوں کیلئے قائم کیے گئے ہیں اور اسے مختلف اجتماعات کے انعقاد کیلئے بھی استعمال کیا جاتا ہے۔

ہیٹ وے سینٹ ڈبلیو ڈبلیو ایف پاکستان کی پر جوش حامی ہے۔ آپ کی کمپنی کو کاربن کے نقش پائیں کی کاوشوں کیلئے خوب سراہا جاتا ہے اور زبردست تعریف کی جاتی ہے جبکہ ہم بھائے ماحولیات اور اس کے تحفظ کیلئے بھی کام کر رہے ہیں۔ یہ پاکستان میں چند اداروں میں سے ایک ہے جسے ڈبلیو ڈبلیو ایف پاکستان کی جانب سے ایک گرین آفس (دفتر سبز) کے طور پر سند دی گئی ہے۔

بقائے آب (پانی کا تحفظ)

آپ کی کمپنی آب ایئر کولڈنٹس سسٹم کی تعصیب کے بعد بقائے آب میں پیش رو کی حیثیت حاصل کر چکی ہے، پہلی اور واحد کمپنی ہے جس نے روایتی واٹر کولڈ سسٹم کی جگہ جدید سسٹم نصب کیا ہے جس سے پانی کی صنعتی ضروریات کے تقریباً 80 فیصد کی کمی کو ممکن بنایا ہے۔

زیر جائزہ سال کے دوران، ہمارے تمام سینٹ پلائس اور ویٹ ریکوری پلائس اطمینان بخش طور پر چلتے رہے۔ آپ کی کمپنی نے اس سال کے دوران اوسط سینٹ بنانے کی صلاحیت کا (81%: 2021) 73% حاصل کیا۔ گزشتہ سال کے مقابلے میں اس سال صلاحیت کے کم استعمال کی وجہ سے سینٹ کی طلب میں کمی ہے۔

شیر ہولڈرز کے لئے منافع

آپ کی کمپنی اپنے شیر ہولڈرز کو عمدہ منافع کی فراہمی کا احساس رکھتی ہے۔ آپ کی کمپنی کی جانب سے اطلاع کردہ کارکردگی کے پیش نظر، ڈائریکٹرز 4 روپے فی حصص کے حتمی نقد منافع منقسمہ کا اعلان کرتے ہوئے خوشی محسوس کرتے ہیں جس سے اس سال کیلئے منافع کی ادائیگی 16 روپے فی حصص ہو گئی ہے۔

معیاری یقین دہانی

بیٹ وے سینٹ وہ کمپنی ہے جو شعوراً استعداد و معیار سے متحرک ہے۔ معیار کے ضوابط کے سخت طریقہ کار کے نفاذ کے ساتھ، کمپنی نے پلائس پر معیار کے ضوابط کو پرکھنے کیلئے بلند درجے کا ساز و سامان لگا رکھا ہے۔ بیٹ وے کی لیبارٹریز جدید ترین ایکس رے فلورسینس اور ڈفریکشن اینالائزرز سے لیس ہیں اور یہ پاکستان میں فی مہارت کو سب سے پہلے متعارف کروانے کا سہرا بھی بیٹ وے کے سر ہے۔ اس ساز و سامان کی وجہ سے، کمپنی ملک میں فی الوقت دستیاب سینٹ کی نسبت مسلسل بہتر معیار کا سینٹ تیار کر رہی ہے۔ فاروقیہ پلانٹ میں لیبارٹریز ISO 17025 سرٹیفیکیشن کی حامل ہیں جس سے بیٹ وے پاکستان میں صرف دوسری سینٹ بنانے والی کمپنی ہے جس نے یہ سنگ میل عبور کیا ہے۔ تین دیگر پلائس پر ہماری لیبارٹریز بھی اس سرٹیفیکیشن کے حصول کیلئے بھی کارروائی میں مصروف ہیں۔

مارکیٹنگ

بیٹ وے اپنی مستقل اعلیٰ معیار، وسیع ترین مصنوعات کی حد بندی، موثر خرید و فروخت کی حکمت عملی، صارف کی سہولت اور اپنی سرگرم و پرمز خرید و فروخت کی ٹیڑگی وجہ سے اپنی بطور مارکیٹ لیڈر کی حیثیت کو مسلسل برقرار رکھے ہوئے ہے۔ آپ کی کمپنی پاکستان کے اندر دوسری سب سے بڑی سینٹ بنانے والی کمپنی ہے اور ISO 9001 کو اپنی مینجمنٹ سسٹم کیلئے تصدیق شدہ ہے۔

بیٹ وے اپنی اعلیٰ کوالٹی پروڈکٹس کیلئے معروف ہے۔ اس کی پروڈکٹس ملکی مارکیٹ اور بین الاقوامی مارکیٹس میں بھی اعلیٰ برانڈز کے طور پر مضبوطی سے قائم ہے۔ آپ کی کمپنی تسلسل کے ساتھ افغانستان کو سینٹ برآمد کرنے والے بڑے برآمد کنندگان میں سے ایک ہے۔

ترتیب اور فروغ

آپ کی کمپنی اپنے عملے کیلئے تربیت، فروغ اور تعلیم کو بڑی اہمیت دیتی ہے۔ اپنی ورک فورس کو بہترین عملی تکنیک اور طور طریقوں سے آگاہ رکھنے کی غرض سے مختلف شعبوں اور افراد کی مختلف اقسام کیلئے ٹیکنیکل اور جنرل مینجریل ٹریننگ کورسز کا اہتمام کیا جاتا ہے۔ اسٹاف ممبرز کو دیگر اداروں کی جانب سے بیرونی طور پر ترتیب دیئے گئے کورسز، ورکشاپس اور سیمینارز پر بھی بھیجا جاتا ہے۔ کمپنی اپنے ملازمین میں پروفیشنل ڈویلپمنٹ اور کریئر کو آگے بڑھانے کی لگن میں ان کی بڑی استعداد سے حوصلہ افزائی کرتی ہے اور انہیں مدد بھی کرتی ہے۔

ورک فورس کے ہنر کے فروغ اور اسے نکھارنے کے عزم کے حصے کے طور پر، آپ کی کمپنی اہل انجینئرز، گریجویٹس، پروفیشنلز اور حتیٰ کہ غیر ہنرمند افراد کو بھی باقاعدگی سے ملازمت فراہم کرتی ہے۔ منظم ٹریننگ پروگرامز کو پوری احتیاط کے ساتھ منعقد کیا جاتا ہے تاکہ عملے کے ان افراد کو ضروری علم، عملی تجربے اور ہنرمند اور مفید ذریعہ بن جانے کے اعتماد سے آراستہ کرنے کو یقینی بنایا جائے۔

زیر تربیت انجینئرز کو ایکٹریکل، میکینیکل اور کان کنی کے شعبوں میں زبردست تربیت دی جاتی ہے، جبکہ زیر تربیت انتظامی افراد کو مارکیٹنگ، فنانس، افرادی وسائل اور انتظامی امور میں شامل کر لیا جاتا ہے جہاں انہیں مستقبل میں موثر مینجریل بننے کی با اہتمام تربیت دی جاتی ہے۔ انجینئرز کو تمام ٹیکنیکل شعبوں میں مختلف ٹیکنیکل شعبوں میں ملازمت دی جاتی ہے۔ جبکہ ان میں سے کچھ زیر تربیت اور انجینئرز کو کمپنی ہی میں رکھ لیا جاتا ہے، دیگر افراد دوسری صنعتوں میں چلے جاتے ہیں جہاں وہ بیٹ وے سینٹ کی طرف سے فراہم کردہ بنیاد پر کامیاب تعمیر اس تربیت کے ذریعے کرتے ہیں جو انہیں ان کے کریئر میں ترقی کیلئے فراہم کی گئی تھی اور اس وہ اس ملک کی ترقی میں اپنا کردار ادا کرتے ہیں۔

صحت و حفاظت

آپ کی کمپنی کی اپنی شہرت ایک ذمے دار ادارہ جاتی شہری کے طور پر ہے اور وہ صرف اپنے ملازمین کی صحت و حفاظت کو سب سے اولین ترجیح نہیں دیتی بلکہ اپنے کاروبار کو موثر طور پر انجام دینے کے سلسلے میں سب کنٹریکٹ افراد کیلئے بھی ترجیح دیتی ہے۔ آپ کی کمپنی اس لئے کام کی جگہ پر جانی نقصان اور املاک کی بربادی کی روک تھام کیلئے بھی پرمز ہے اور اپنے ماحول، صحت اور سیفٹی مینجمنٹ اور کارکردگی میں مسلسل بہتری کیلئے کوشاں ہے۔

مالی چار جز سال کے لئے بڑھ کر 1.5 ارب روپے ہو گئے جبکہ گزشتہ سال یہ 1.07 ارب روپے تھے۔ یہ اضافہ ورکنگ کیپیٹل کی ضروریات میں اضافے، زیادہ شرح سود اور نئے منصوبوں کے لئے قرضوں کی وجہ سے ہے۔

اس سال کے لئے منافع قبل از ٹیکس 19.3 ارب روپے رہا جبکہ 30 جون 2021 کو ختم ہونے والے سال کے لئے 15.5 ارب روپے تھا۔ بعد از ٹیکس منافع گزشتہ سال کے 11.6 ارب روپے کے مقابلے میں کم ہو کر 10.2 ارب روپے ہو گیا جس کی وجہ 10% سوپر ٹیکس کا نفاذ ہے اور جو اس سال کے ٹیکس میں نمایاں اضافے کا باعث بنا۔

30 جون 2022 کو ختم ہونے والے سال کے لئے کمپنی کی فی حصص آمدنی گزشتہ سال کے 19.42 روپے کے مقابلے میں 17.17 روپے رہی۔

کمپنی کی اوٹل ایکویٹی 60.8 ارب روپے رہی جبکہ 30 جون 2021 کو ختم ہونے والے سال میں یہ 60.1 ارب روپے تھی۔

آپ کی کمپنی اپنے ہر اقسام کے قرضوں کی ادائیگی کے فرائض میں جلدی کا مظاہرہ کرتی ہے۔

30 جون 2022 کو خالص موجودہ واجبات 9.8 ارب روپے (2021: 6.4 ارب روپے کے خالص موجودہ اثاثے) رہے۔ اہم تبدیلی سال کے آخر میں زیادہ قلیل مدتی قرضوں کے حصول کے نتیجے میں ہوئی۔

دیگر سرمایہ کاریاں

یونائیٹڈ بینک لمیٹڈ

یونائیٹڈ بینک لمیٹڈ میں آپ کی کمپنی کی سرمایہ کاری کمپنی کیلئے مستحکم منافع کے حصول کو جاری رکھے ہوئے ہے تاہم 30 جون 2022 کو ختم شدہ ششماہی میں 10% سوپر ٹیکس کے نفاذ کی وجہ سے بینک کے بعد از ٹیکس منافع میں کمی دیکھی گئی ہے جو کہ کم ہو کر 2.8 ارب روپے یا 19% پچھلے سال کے اسی عرصہ کے مقابلے میں ہو گیا ہے۔

آپ کو یہ جان کر خوشی ہوگی کہ 31 دسمبر 2021 کو ختم شدہ سال کیلئے بینک نے 18 روپے فی حصص ادا کیا ہے اس طرح آپ کی سرمایہ کاری پر 11.7 ارب روپے کا منافع دیا ہے۔

یو بی ایل انشوررز لمیٹڈ

یو آئی ایل نے 31 دسمبر 2021 کو ختم شدہ سال کیلئے 102 ملین روپے کے قبل از ٹیکس منافع کی اطلاع دی ہے۔ یو بی ایل انشوررز نے 31 دسمبر 2021 کو اس کے ختم شدہ سال کیلئے 1.15 فیصد کا منافع ادا کیا۔ اس طرح سرمایہ کاری پر 1.6 ملین روپے کا منافع فراہم کیا گیا۔

قومی خزانے میں حصہ

ہیٹ وے سینٹ ملک کے اندر سب سے بڑے ٹیکس دہندگان میں سے ایک ہے۔ زہر سال کے دوران، آپ کی کمپنی کا قومی خزانے میں حصہ انکم ٹیکس، سیز ٹیکس اور ایکسائز ڈیوٹی کی مدد میں 32 ارب روپے سے زائد تھا۔ اس کے علاوہ، آپ کی کمپنی وفاقی، صوبائی اور بلدیاتی حکومتوں کو بڑی رقم کئی بالواسطہ ڈیویڈنڈ اور ڈیویڈنڈ کی صورت میں بھی ادا کرتی ہے۔

صلاحیت میں توسیع

پائے خیل میں گرین فیلڈ پلانٹ

ڈسٹرکٹ میانوالی میں پائے خیل کے قریب ہمارے گرین سیمنٹ پلانٹ پر کام جاری ہے جس کی گنجائش 7200 ٹریکلینکر یومیہ ہے۔ ہم توقع کرتے ہیں کہ یہ پلانٹ سال 2022 کے اختتام سے پہلے ہی کام شروع کر دے گا۔

ختار میں براؤن فیلڈ

کمپنی نے ختار پلانٹ کے مقام پر 9 میگا واٹس ہیٹ ویسٹ ریکوری پاور پلانٹ کے ساتھ 7200 ٹریکلینکر یومیہ کے براؤن فیلڈ پلانٹ پر کام تیزی سے جاری ہے اور ہم توقع رکھتے ہیں کہ پلانٹ 30 جون 2023 تک فعال ہو جائیگا۔

پلائس کی کارکردگی

آپ کی کمپنی کی انتظامیہ آغاز سے ہی مزممت کی روک تھام کے جامع منصوبے پر کاربند ہے۔ اس فعال سوچ نے کم سے کم رکاوٹوں کے ساتھ مستعد اور مستحکم آپریشنز کو یقینی بنایا ہے۔ ہمارے پُر عزم منیجرز، انجینئرز، ٹیکنیشنز اور مینٹننس اور ایڈمنسٹریٹو اسٹاف کے دیگر ممبران کی مربوط ٹیم نے اس منصوبے کے کامیاب نفاذ میں کلیدی کردار ادا کیا ہے۔

ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز 30 جون 2022ء کو ختم شدہ سال کیلئے آڈٹ شدہ مالیاتی گوشواروں اور آڈیٹرز رپورٹ کے ہمراہ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی جائزہ

اقتصادی سروے آف پاکستان کے مطابق مالی سال 2022 میں ملک میں جی ڈی پی میں 5.97 فیصد اضافہ ہوا۔ تاہم سپلائی اور طلب میں عدم توازن اور عالمی سپلائی چین میں خلل کے نتیجے میں عالمی اشیاء کی قیمتوں میں تیزی سے اور نمایاں اضافہ ہوا۔ 2022 کے اوائل میں روس اور یوکرین تنازعہ نے اجناس اور توانائی کی قیمتوں کو اس سطح پر دھکیل دیا جو پہلے نہیں دیکھا گیا تھا جس سے دنیا بھر میں افراط زر کی شرح میں اضافہ ہوا اور پاکستان بھی اس سے مستثنیٰ نہیں تھا۔

سیاسی عدم استحکام، کرنٹ اکاؤنٹ خسارہ میں اضافہ، کرنسی کی قدر میں نمایاں کمی، غیر ملکی قرضوں میں اضافہ اور زرمبادلہ کے ذخائر میں کمی نے پاکستان کے لئے صورتحال کو مزید خراب کر دیا اگرچہ اسٹیٹ بینک نے شرح سود میں تیزی سے اضافہ کر کے اور درآمدات میں کمی لانے کی کوشش کے لئے سخت اقدامات متعارف کروائے لیکن اٹھائے گئے اقدامات سے عام طور پر کاروباری اداروں کو نقصان پہنچا ہے اور جب تک بنیادی ڈھانچہ جاتی اصلاحات نہیں کی جاتی طویل مدت میں معیشت مستحکم ہونے کے امکانات کم ہیں۔

صنعتی جائزہ

اندرون ملک سینٹ کی ترسیلات گزشتہ سال کے 48.1 ملین ٹن کے مقابلے میں 1 فیصد کم ہو کر زیر جائزہ سال کے لئے 47.6 ملین ٹن ہو گئیں۔ برآمدات کے حجم میں 44 فیصد کمی ریکارڈ کی گئی جو گزشتہ سال کے 9.3 ملین ٹن کے مقابلے میں کم ہو کر 5.3 ملین ٹن رہ گئی۔ مجموعی طور پر صنعت کی جانب سے ترسیلات 57.4 ملین ٹن سے 7.9 فیصد کم ہو کر زیر جائزہ سال کے لئے 52.9 ملین ٹن ہو گیا ہے۔ ملکی اور برآمدی فروخت دونوں کے حجم میں کمی بنیادی طور پر روس یوکرین جنگ کی وجہ سے ایندھن اور توانائی کی قیمتوں میں تیزی سے اضافے کی وجہ سے ہوئی۔ ملک کے اندر معاشی عدم استحکام اور سیاسی غیر یقینی صورتحال نے صارفین کے اعتماد کو مزید نقصان پہنچایا جس کے نتیجے میں سینٹ کی کھپت میں کمی واقع ہوئی۔

مالیاتی و عملی جائزہ

پیداوار اور فروخت کا جائزہ

	30 جون 2022ء کو ختم شدہ سال	30 جون 2021ء کو ختم شدہ سال	اضافہ/ (کمی)	فیصد
	ٹن	ٹن	ٹن	%
کلنٹر کی پیداوار	6,703,105	7,935,419	(1,232,314)	(16%)
سینٹ کی پیداوار	7,755,128	8,696,792	(941,664)	(11%)
سینٹ اور ایکسٹریم بونڈ کی فروخت	7,839,478	8,663,504	(824,026)	(10%)

مقامی اور برآمدی فروخت دونوں حجم میں کمی کی وجہ سے آپ کی کمپنی کے کل سینٹ ڈسپینچ میں 10 فیصد کمی دیکھی گئی۔ جس کی وجوہات کی وضاحت اوپر کردی گئی ہے۔ سخت مسابقت کے باوجود، میٹ وے نے کامیابی سے ملک کے اندر سب سے بڑے سینٹ بنانے والوں میں سے ایک اور مارکیٹ لیڈر کے طور پر اپنی حیثیت کو برقرار رکھا۔

مالیاتی جھلکیاں

کمپنی نے 30 جون 2022ء کو ختم ہونے والے سال کے دوران مجموعی کاروبار 103 ارب روپے ریکارڈ کیا جو گزشتہ سال کے دوران 85.2 ارب روپے کے مقابلے میں 21 فیصد زیادہ ہے۔ سال کے لئے خالص کاروبار 27 فیصد بڑھ کر 56.8 ارب روپے سے بڑھ کر 72.4 ارب روپے ہو گیا۔ زیادہ آمدنی فروخت کی قیمتوں میں اضافے کی وجہ سے ہوئی جو ان پٹ لاگت میں بے تحاشہ اضافے کی وجہ سے ضروری ہوئی تھی۔

ریونیو میں اضافے کے باعث سال کا مجموعی منافع بھی گزشتہ سال کے 16 ارب 60 کروڑ روپے سے بڑھ کر 23 ارب روپے ہو گیا۔

[illegible]

PROXY FORM

The Company Secretary
Bestway Cement Limited
Bestway Building, 19-A, College Road,
F-7 Markaz, Islamabad.

Folio No. / CDC A/C No.	
Shares held	

I/We _____ of _____
being a member (s) of Bestway Cement Limited (the 'Company') hereby appoint Mr./Mrs./Miss _____ of _____ or failing him/her Mr./Mrs./Miss _____ of _____ (being member(s))
of the Company as my/our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Friday October 07, 2022 at 3 p.m. at the Registered Office, Bestway Building, 19-A, College Road, F-7 Markaz, Islamabad and at every adjournment thereof.

Signed this _____ day of _____ 2022.

- Witness: _____
Signature _____
Name _____
CNIC/Passport No. _____
Address _____
- Witness: _____
Signature _____
Name _____
CNIC/Passport No. _____
Address _____



Signature _____
(Signature appended above
should agree with the specimen
signatures registered with the
Company.)

Important:

- This form of proxy, duly completed and signed, must be received at the Registered Office of the Company, Bestway Building, 19-A, College Road, F-7 Markaz, Islamabad not less than 48 hours before the time of holding meeting.
- No person shall act as proxy unless he/she himself/herself is a member of the Company, except that a corporation may appoint a person who is not a member.
- If a member appoints more than one proxy and more than one instrument of proxy is deposited by the member with the Company, all such instruments of proxy shall be rendered invalid.

For CDC Account Holders the following requirements have to be met:

- The form of proxy shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the form of proxy.
- The proxy shall produce his original CNIC or original passport at the time of meeting.
- In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with the form of proxy to the Company.



پراکسی فارم

کمپنی سیکرٹری

بیسٹ وے سینٹ لمیٹڈ

بیسٹ وے بلڈنگ، 19-A کالج روڈ

F-7 مرکز، اسلام آباد

فولیو نمبر /	CDC A/C No.
شیرز ہیلڈ	

میں / ہم _____ ساکن _____ بحیثیت رکن / اراکین بیسٹ وے سینٹ لمیٹڈ (کمپنی) اپنی جانب سے
محترم / محترمہ _____ ساکن _____ یا ان محترم / محترمہ کی ناکامی کی صورت میں محترم / محترمہ
_____ ساکن _____ (بحیثیت رکن / اراکین) کو بذریعہ ہذا اپنا / ہمارا پراکسی مقرر کرتا / کرتی ہوں تاکہ میری / ہماری عدم
موجودگی میں کمپنی کے سالانہ اجلاس عام جو کہ 07 اکتوبر 2022 بروز جمعہ دن 3:00 بجے رجسٹرڈ آفس، بیسٹ وے سینٹ لمیٹڈ، بیسٹ وے بلڈنگ، 19-A کالج روڈ، اسلام آباد میں منعقد ہو رہا ہے یا
اس کے التوائی اجلاس میں میری / ہماری طرف سے شرکت اور ووٹ دے سکے۔

دستخط کئے گئے _____ دن _____ سال 2022

1- گواہ:

دستخط: _____

نام: _____

قومی شناختی کارڈ / پاسپورٹ نمبر: _____

پتہ: _____

2- گواہ:

دستخط: _____

نام: _____

قومی شناختی کارڈ / پاسپورٹ نمبر: _____

پتہ: _____

رہنما
سٹیپ
یہاں لگائیں

دستخط: _____

مندرجہ بالا دستخط کو کمپنی میں رجسٹرڈ دستخطوں

کے نمونہ جات کے ساتھ مطابقت رکھنا

چاہیے۔

ضروری نوٹ:

1- مکمل دستخط شدہ پراکسی فارم کمپنی کے رجسٹرڈ دفتر، بیسٹ وے سینٹ لمیٹڈ، بیسٹ وے بلڈنگ، 19-A کالج روڈ، اسلام آباد میں اجلاس کے وقت سے کم از کم 48 گھنٹے پہلے موصول
ہو جانا چاہیے۔

2- کوئی بھی شخصیت اس وقت تک پراکسی کا کردار نہیں ادا کر سکتا / سکتی جب تک کہ وہ کمپنی کا / کی رکن نہ ہو، البتہ کارپوریشنز کسی بھی ایسے فرد کو نامزد کر سکتی ہیں جو کمپنی کا رکن نہ ہو۔

3- اگر کوئی رکن ایک سے زیادہ پراکسی کو نامزد کرتا ہے اور ایک سے زیادہ انسٹرومنٹ برائے پراکسی کمپنی کو جمع کراتا ہے تو ایسے تمام انسٹرومنٹ برائے پراکسی غلط تصور ہوں گے۔

سی ڈی سی کھاتہ داران کیلئے درج ذیل ضروریات کو پورا کرنا ضروری ہے:

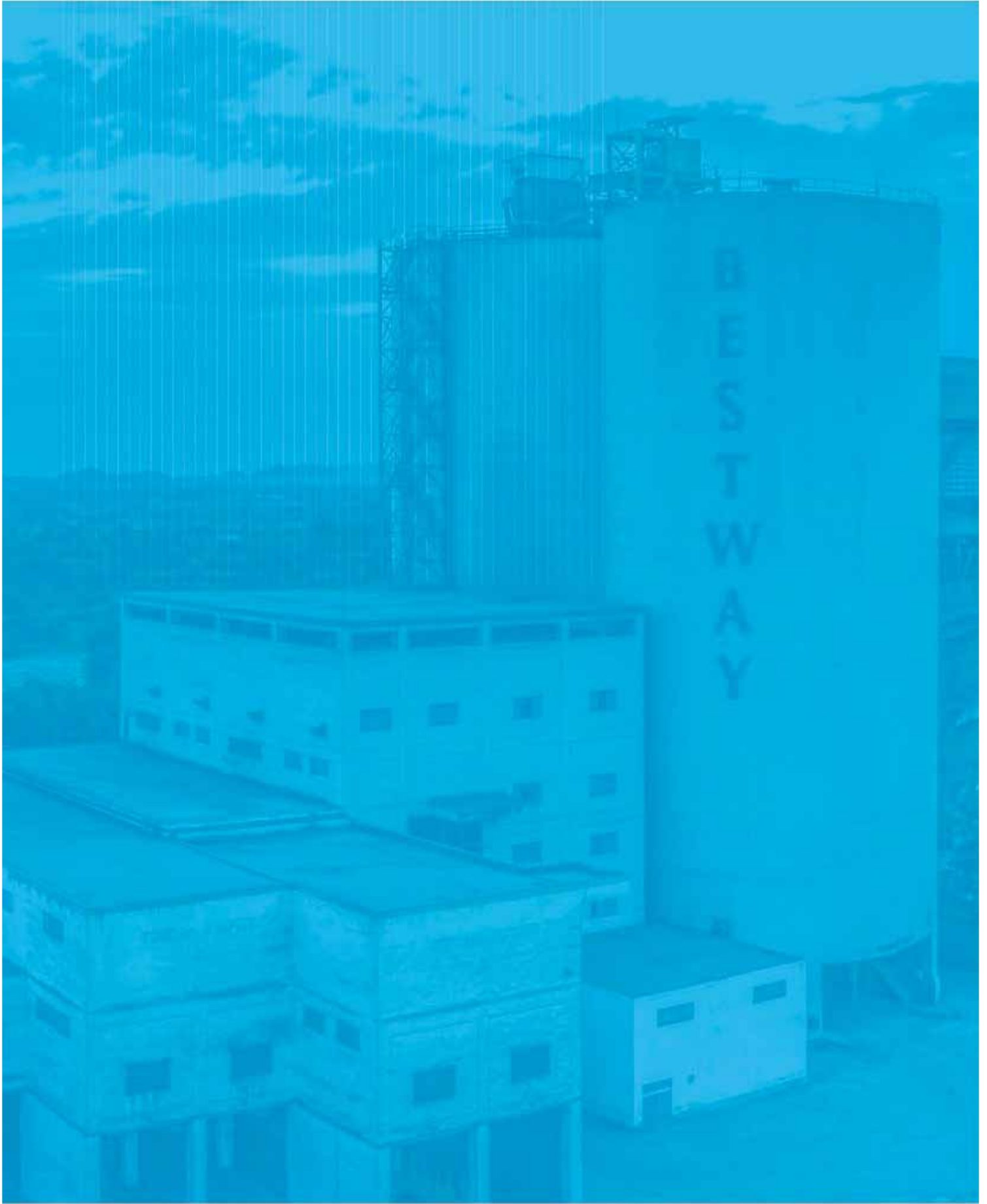
1- پراکسی فارم کیلئے دو افراد گواہ ہوں گے جن کے نام، پتے اور شناختی کارڈ نمبر فارم پر درج ہونے چاہئیں۔

2- پراکسی کے ہمراہ مالکان اور پراکسی دونوں کے شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول پراکسی فارم کے ساتھ مہیا کرنا ہوں گی۔

3- اجلاس کے وقت پراکسی کو اپنا اصل شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔

4- کارپوریٹ ادارہ ہونے کی صورت میں بورڈ آف ڈائریکٹرز کی رضامندی / اختیار نامہ بمعہ نمونہ دستخط پراکسی فارم کے ساتھ (اگر پہلے نہ مہیا کی گئی ہو تو) کمپنی کے پاس جمع کرانی ہوں گی۔





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