



# DEWAN CEMENT LIMITED



## ANNUAL REPORT 2024

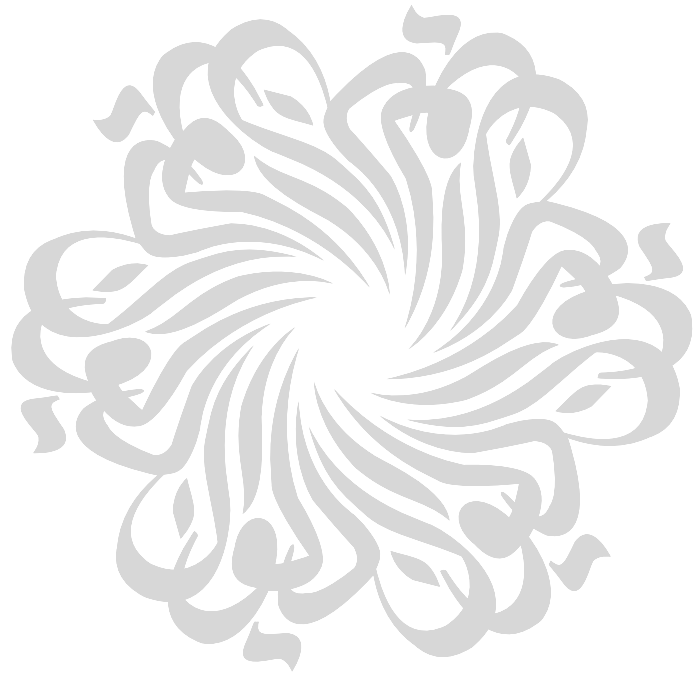
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**YD**

A YOUSUF DEWAN COMPANY



## COMPANY INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Ghazanfar Baber Siddiqi  
Mr. Abdul Basit  
Syed Maqbool Ali

Chief Executive Officer

#### Non-Executive Directors

Mr. Ishtiaq Ahmad  
Mr. Waseem-ul-Haque Ansari  
Mrs. Nida Jamil

Chairman Board of Directors

#### Independent Director

Mr. Aziz-ul-Haque

### AUDIT COMMITTEE MEMBERS

Mr. Aziz-ul-Haque  
Mr. Waseem-ul-Haque Ansari  
Mr. Ishtiaq Ahmad

Chairman  
Member  
Member

### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Aziz-ul-Haque  
Mr. Ishtiaq Ahmad  
Mr. Ghazanfar Baber Siddiqi

Chairman  
Member  
Member

### CHIEF FINANCIAL OFFICER

Mr. Hazrat Ali

### COMPANY SECRETARY

Mr. Muhammad Hanif German

### REGISTERED ADDRESS

Dewan Centre, 3-A, Lalazar, Beach Hotel Road,  
Karachi, Pakistan.

### CORPORATE OFFICE

Block-A, 2nd Floor, Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi, Pakistan.

### FACTORY

1. Deh Dhando, Dhabeji  
District, Malir, Karachi.

2. Kamilpur Near Hattar  
District, Haripur, Khyber Pakhtoonkhuwa.

### AUDITORS

Faruq Ali & Co.  
Chartered Accountants

### SHARES REGISTRAR TRANSFER AGENT

BMF Consultants Pakistan (Pvt.) Limited  
Anum Estate, Room No. 310 & 311, 3rd Floor,  
49, Darul Aman Society, Main Shahrah-e-Faisal,  
Adjacent to Baloch Colony Bridge, Karachi, Pakistan.

### LEGAL ADVISOR

Muhammad Azhar Faridi (Advocate)

### WEBSITE

[www.yousufdewan.com](http://www.yousufdewan.com)

# *The Vision Statement*

*"The vision of Dewan Cement Limited is to become leading market player  
in the cement sector".*

# *The Mission Statement*

*To assume leadership role in the technological advancement of the industry and to achieve the highest level of qualitative and quantitative indigenization.*

*To be the finest organization in its industry, and to conduct its business responsibly and in a straight forward manner.*

*To seek long-term and good relations with our suppliers and Sales Agents with fair, honest and mutually profitable dealings.*

*To achieve the basic aim of benefiting its customers, employees and shareholders and to fulfill its commitments to the society.*

*To create a work environment highlighting team work, which motivates, recognizes and rewards achievements at all levels of the organization, because "In ALLAH we believe, and in people we trust".*

*To be honest, initiative and be able to respond effectively to changes in all aspects of life, including technology, culture and environment.*

*To be a contributing corporate citizen for the betterment of society and to exhibit a socially responsible behaviour.*

*To conduct with integrity and strive to be the best.*



## NOTICE OF THE FORTY-FOURTH ANNUAL GENERAL MEETING

Notice is hereby given that 45th Annual General Meeting of **Dewan Cement Limited** will be held at Dewan Cement Limited Factory Site, at Deh Dhand, Dhabeji, District Malir, Karachi, Pakistan on Thursday, October 24, 2024 at 03:00 p.m. to transact the following businesses:

1. To confirm the minutes of the preceding Annual General Meeting of the Company held on Thursday, October 26, 2023;
2. To receive, consider, approve and adopt the annual audited financial statements of the Company for the year ended June 30, 2024, together with the Directors' and Auditors' Reports thereon;
3. To confirm the appointment of the Statutory Auditors of the Company for the year ended June 30, 2025, and to fix their remuneration;

By order of the Board

**Muhammad Hanif German**  
Company Secretary

Karachi: October 02, 2024

- a. The share transfer books of the company will remain closed from October 17, 2024 to October 24, 2024 (both days inclusive). Transfers received in order at the share registrar office M/s. BMF Consultants Pakistan (Private) Limited, Located at Anum Estate Building, Room No.310 & 311,3rd Floor,49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi, Pakistan.
- b. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote for his/her behalf. proxies in order to be effective must be received at the Shares Registrar Office duly stamped and signed not less than 48 hours (Working days only) before the time of holding of the meeting. **CDC Account Holder will further have to follow the guidelines as laid down in Circular 1 dated January 26,2000 issued by Securities and Exchange commission of Pakistan for attending the meeting and appointment of proxies.**
- c. members are requested to promptly communicate the change in their addresses, if any, to the Company's share registrar.
- d. **Electronic Transmission of Financial Statements Etc.:**

SECP through its notification No. SRO 787(1)/2014 dated September 8, 2014 has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting through email instead of sending the same through post, to those members who desires to avail this facility? The members who desire to opt to receive aforesaid statements and notice of AGM through e-mail are requested to provide their written consent on the Standard Request Form available on the Company's website: <http://www.yousufdewan.com/Dcl/index.html>

**e. Video Conference Facility:**

Pursuant to the provisions of the Companies Act, 2017, member can avail video conference facility to participate in this Annual General Meeting provided that the company receives consent from the members holding in aggregate 10% or more shareholding, residing in a city, at least seven (7) days prior to the date of meeting. Subject to the fulfillment of the above conditions, members shall be informed of the venue along with complete information necessary to access the facility. Format of request form has been placed on the Company's website.

**f. Attendance through Zoom:**

The members may attend the AGM online through ZOOM, by following the below guidelines:

- (i) The member shall get himself/herself registered by sending his/her request to the Company at e-mail ID [dcl.corp@yousufdewan.com](mailto:dcl.corp@yousufdewan.com) as per Standard Request Form available on the Company's website (<http://www.yousufdewan.com/DCL/index.html>) or can send his/her request to the Company Secretary at Dewan Centre, 3-A Lalazar Beach Hotel Road Karachi along with a legible copy of CNIC not later than October 22, 2024.
- (ii) Zoom link shall be sent by the Company only on email ID or Mobile/WhatsApp Number mentioned in Standard request Form.

**g. Deposit of physical Shares into CDC Account;**

As per section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the commission, within a period not exceeding four years from the commencement of the Act i.e May 30, 2017.

The physical Shareholders having physical shareholding are encouraged to open CDC Investor Account with CDC or CDC Sub-Account with any of the brokers to place their physical shares into Script less form.

**h. E-Voting Procedure**

- (a) Details of the e-voting facility will be shared through an email with those members of the Company who have their valid CNIC numbers, cell numbers, and email addresses available in the register of members of the Company within due course.
- (b) The web address, login details, will be communicated to members via email.
- (c) Identity of the members indenting to cast vote through E-voting shall be authenticated through authenticated login.
- (d) E-Voting lines will start from October 17, 2024 at 10 am and shall close on October 23, 2024 at 5 p.m. Members can cast their votes any time in the period.



**YD**

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**i) Postal Ballot**

For voting through Postal Ballot members may exercise their right to vote as per provisions of the Companies (Postal Ballot) Regulations, 2018 subject to the requirement of Section 143 and 144 of the Companies Act, 2017. Further details in this regard will be communicated to the shareholders within the legal time frame as stipulated under these said Regulations, if required.

The members shall ensure that duly filed and signed ballot paper along with copy of CNIC should reach the Chairman of the meeting through post on the Company's Registered office or email at [dcl.corp@yousufdewan.com](mailto:dcl.corp@yousufdewan.com) one day before the Annual General Meeting i.e., October 23, 2024 during the working hours. The signature on the ballot paper shall match with the signature on CNIC or Company records.

**j) Particulars of Physical Shareholders:**

According to section 119 of the Companies Act, 2017 and Regulation 19 of the Companies (General Provisions and Forms) Regulations, 2018, all physical Shareholders are advised to provide their mandatory information such as CNIC number, address, email address, contact mobile/telephone number, International Bank Account Number (IBAN), etc. to Company's Share Registrar at their address M/s. BMF Consultants Pakistan (Private) Limited, Located at Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi, email ([bmfconsultantspakistan@gmail.com](mailto:bmfconsultantspakistan@gmail.com)) immediately to avoid any non-compliance of law or any inconvenience in future.

**CHAIRMAN'S REVIEW**

The board of directors is responsible for the management of the company, which formulates all significant policies and strategies. The board is governed by relevant laws & regulations and its obligations, rights, responsibilities and duties are as specified and prescribed therein.

The Board of Directors comprises of individuals with diversified knowledge who endeavor to contribute towards the aims of the Company with the best of their abilities.

An annual self-evaluation of the Board of Directors of the Company is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company.

During financial year ended June 30, 2024, the four board meetings were held. The Board of Directors of the Company received agendas and supporting written material including follow up materials in sufficient time prior to the board and its committee meetings. All of the directors are equally involved in important decisions. The Board's overall performance and effectiveness has been assessed as Satisfactory.



**Ishtiaq Ahmed**  
Chairman Board of Directors

October 01, 2024  
Place: Karachi



## DIRECTORS' REPORT

The management of your company takes pleasure in presenting you the Forty-Fifth Annual Report of the company together with the audited accounts for the financial year ended June 30, 2024. This is the 21st annual report since the management and controlling shares of the company were taken over by Yousuf Dewan Companies.

### OVERVIEW

#### Overview of the Economy

The fiscal year 2023-24 has proven to be a tumultuous period for Pakistan. Throughout this year, the nation encountered significant challenges, including political instability characterized by a transition from a caretaker government to an elected administration during an election year. Additionally, issues related to law and order, geopolitical tensions, higher interest rates, and persistently higher inflation contributed to a GDP growth of only 2.38%. This growth, which improved from 0.21% of last year to 2.38%, can be attributed to a standby agreement with the International Monetary Fund (IMF), which helped to ease external pressures and stabilize the value of Pakistani Rupee against US dollar.

#### Industry Overview

During the current year review, the local cement sector experienced a slight decline in dispatches, with a reduction of 5% as compared to last year, translating to a decrease of 1.8 million tonnes, from 40 million tonnes to 38.2 million tonnes. In contrast, exports witnessed a significant increase of 55%, rising to 7.1 million tonnes as compared to 4.6 million tonnes of the previous year. The industry's overall dispatches, rose by 1.60%, representing 45.3 million tonnes as compared to 44.6 million tonnes of the last year.

### COMPANY'S PERFORMANCE

The highlights of the financial results are tabulated below:

	2024	2023
	(Rupees in '000')	
Local Sales– net	22,319,082	20,199,556
Gross profit	393,933	446,886
Loss before income tax and levies	(611,142)	(164,766)
Net Loss after tax	(509,712)	(586,306)
Basic Loss per share	Rs. (1.05)	Rs. (1.21)
Diluted Loss per share	Rs. (1.05)	Rs. (1.21)

### OPERATIONAL

Dispatches	Qty in Tonnes 2024	Qty in Tonnes 2023	% Increase/ (Decrease)
Local Dispatches	1,577,569	1,564,390	0.84
Local Dispatches - GBFS	-	436	(100)

The Company's dispatches have almost maintained at a consistent level compared to the previous year, reflecting a slight growth of 0.84%. This indicates the company's stable position within the local market. During the year under consideration, the Company's tile bond project also commenced its production in the month of June-2024.

**FINANCIAL**

During the fiscal year, the Company experienced a 13% increase in gross sales revenue, reaching Rs 31.136 billion, compared to Rs 27.536 billion in the previous year. The net turnover for the year rose by 10.4%, increasing from Rs 20.199 billion to Rs 22.319 billion. This growth in revenue was primarily driven by a slight rise in sales volume alongside showing an increase in the average selling price.

Despite of increase in selling price, the gross margin for the year remained relatively low owing to the increased cost of production, particularly for cost of coal, power, raw materials and imported consumables. The gross profit margin for the current fiscal year decreased to 1.78%. as compared to 2.2% for the last year.

In the absence of working capital facilities from financial institutions the operational cashflows are used for capital as well as revenue expenditures. Management is striving hard to enhance production efficiency as well as to reduce the production cost through regular upkeep and maintenance. For the reduction of power costs plans for use of alternate energy sources are also under way.

**GROWTH AND EXPANSION**

As mentioned above, during the year, your Company has engaged in energy conservation initiatives and the promotion of renewable energy resources. In the initial phase, 1 MW and 300 KW solar systems have been added in South and North plants respectively. Both the projects have successfully been installed and integrated into the system subsequent to the reporting date. Further expansions are in the planning phase. These solar installations will not only diminish our dependence on traditional energy sources but also contribute towards global trend of shifting to renewable energy sources apart from reduction in power costs.

**FUTURE OUTLOOK**

As the financial year 2025 approaches, Pakistan faces considerable economic, political, and geopolitical hurdles. The nation is struggling with a low tax-to-GDP ratio, compounded by the inefficiencies of State-Owned Enterprises (SOEs), and there is an urgent need to integrate the informal economy into the tax system through comprehensive reforms. In light of these issues, the Government has presented the federal budget for FY25, which emphasizes the privatization of SOEs and the implementation of tax reforms. These measures aim to boost tax revenues across multiple sectors and strengthen actions against non-filers, with the ultimate goal of fostering a more vibrant economic landscape. Forecasts suggest a potential GDP growth of 3.6 percent for the fiscal year 2024-25.

On July 12, 2024, Pakistan and the International Monetary Fund (IMF) finalized a staff-level agreement concerning a \$7 billion, 37-month Extended Fund Facility (EFF) Arrangement. Although the new IMF loan program awaits the board's approval, Pakistan remains optimistic about securing this endorsement. Additionally, the restructuring of loans with allied nations is expected to contribute to both short-term stability and long-term financial security.

The Public Sector Development Programme (PSDP) serves as a fundamental pillar for both the construction industry and the overall economic health of nations, driving them toward advancement. For the fiscal year 2024-25, the PSDP allocation has been sanctioned at Rs. 3,792.3 billion, encompassing projects from both federal and provincial governments. This initiative is expected to enhance the growth of the local market.

The recent modifications to taxation in the Finance Act 2024, coupled with increasing input costs especially in electricity and fuel higher interest rates, political instability, and ongoing inflation, will pose significant challenges for the cement industry.

Taking into account the IMF loan package and the factors previously discussed, industry projections indicate that the cement sector may experience a growth rate of 2.4% in FY 2025. This growth is anticipated to be primarily fueled by a rise in export dispatches, whereas local dispatches are expected to remain largely unchanged.

### **ONGOING LITIGATIONS**

As far as creditors mentioned in the financial statements are concerned, a number of recovery suits were instituted by Banks / Financial Institutions. These suits are being successfully defended by our Counsels. The counsels have submitted their observations / opinions in respect of litigations being handled by them and all of them are of the view that these suits can be successfully defended.

### **OBSERVATIONS IN THE AUDITORS' REPORT**

The auditors have qualified their report on the Advance for Pre-IPO investment and Provision for markup which are duly explained as below:

#### **Advance for Pre-IPO Investment:**

The auditors do not concur with the management's assertion regarding the classification of advance for Pre-IPO investment amounting to Rs. 2,910 million as long-term liability.

The management is of the view that since IPO was not closed by the arrangers so TFC's could not be issued. We have offered revised terms of restructuring and are very much hopeful that the matters will be closed in near future. It is pertinent to mention here that almost 25% of the loan was restructured and timely payments are being made as committed.

#### **Provision for markup:**

The Company has not made provision of markup for the year amounting to Rs. 1,191.257 million on its markup bearing liabilities.

The management approached its bankers / financial institutions for restructuring of its long-term obligations. The management is confident that the Company's restructuring proposals given by the management will be accepted by the financial institutions / bankers. Therefore, the Company has not made any provision for markup as the markup will not be payable in accordance with the terms of restructuring.

The auditors has also emphasized the following matters in their report:

#### **Going Concern Assumption:**

The auditors have added an emphasis of matter paragraph on the company's ability to continue as a going concern. However, the management is of the view that the Company's restructuring proposals will be accepted by the financial institutions / bankers and preparation of the financial statement on going concern assumption is justified.

#### **Sales tax and Federal Excise duty**

The auditors have added an emphasis of matter paragraph on delayed payments of sales tax, excise duty and withholding taxes. The management is confident to clear the outstanding payments those have not been made within stipulated time by generating additional cash flows. For the rest of the amounts it is expected that these outstanding payments will also be eased out by the department and the Company will be able to pay such outstanding balances soon.

### **STATEMENT OF CORPORATE GOVERNANCE AND FINANCIAL REPORTING FRAMEWORK**

The directors are pleased to state that the company is compliant with the provisions of the

Code of Corporate Governance as required by Securities and Exchange Commission of Pakistan (SECP).

Following are the statements on Corporate and Financial Reporting Frame work:

- a) The financial statements, prepared by the management of the company, present fairly its state of affairs, the results of its operations, cash flow and changes in equity;
- b) Proper books of accounts of the company have been maintained;
- c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment;
- d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements except for the departures disclosed in financial statements;
- e) The system of internal control is sound in design and is effectively implemented and monitored. The process of review will continue and any weaknesses in control will be removed;
- f) The doubts about the company's ability to continue as a going concern and its mitigating factors are disclosed in note 2 to the financial statements;
- g) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations;
- h) There are no outstanding taxes and levies other than those disclosed in the annexed financial statements;
- i) The value of investment of provident fund based on their respective latest accounts is Rs. 86.173 million.
- j) The pattern of shareholding of the Company as at June 30, 2024 is annexed;
- k) Statement of shares held by associated undertakings and related persons has been given separately.
- l) Statement of the Board meetings held during the year and attendance by each director is given under a separate paragraph of this report.
- m) Key operating and financial statistics for the last six years have been given separately.

#### **DIVIDEND**

On account of loss for the year, the Board is not in a position to recommend dividend for the period under review.

#### **TRADING IN COMPANY SHARES**

None of the Directors, CFO, Company Secretary, their spouses and minor children have traded in the shares of the Company during the year other than that has already been disclosed in the pattern of shareholding.



## **REMUNERATION OF DIRECTORS & CHIEF EXECUTIVE**

Complete details of remuneration of CEO and directors are given in note 39 to the financial statements.

## **CORPORATE SOCIAL RESPONSIBILITY**

We are dedicated to Corporate Social Responsibility (CSR) and the incorporation of effective social practices into our daily business operations. The Company is resolute in its efforts to thoughtfully consider and balance the interests of all stakeholders, particularly the community in which we operate and the employees who are fundamental to our success.

### ***Community Relations***

Our organization has been pivotal in enhancing access to essential facilities for the local population. This has been achieved through the distribution of food supplies, the organization of free medical and vaccination clinics, and the provision of safe drinking water to residents.

### ***Job Creation for Local Community***

Our Company has created numerous job opportunities for both skilled and unskilled individuals within the local community surrounding our factories. These employment opportunities span both upstream and downstream activities. The generation of jobs not only enhances the purchasing power of the local populace but also provides them with a valuable chance to elevate their quality of life.

### ***Environment***

Caring for the environment is one of our foremost priorities. We are committed to nurturing and safeguarding the natural surroundings of our operations. The implementation of solar energy systems represents a significant step towards promoting a sustainable environment.

## **SUBSEQUENT EVENTS**

There have been no material changes and commitment affecting financial position of the Company, that have occurred between end of the financial year to which the financial statements relate and the date of this report.

## **NAME OF DIRECTORS AND BOARD MEETINGS**

Names of the persons who, at any time during the year, were directors of the Company, number of meetings held and their attendance in the said meetings are as under:

<b>Name of Directors</b>	<b>No. of meetings Attended</b>
Mr. Aziz-ul-Haque	4
Mr. Ghazanfar Babar Siddiqi	4
Mr. Ishtiaq Ahmed	4
Syed Maqbool Ali	4
Mrs. Nida Jamil	3
Mr. Waseem-ul-Haque Ansari	4
Mr. Abdul Basit	4

**AUDIT COMMITTEE MEETING**

During the year four meetings of the audit committee were held, members' attendance in these meeting is as under:

<b>Name of Members</b>	<b>No. of meetings Attended</b>
Mr. Aziz-ul-Haque	4
Mr. Waseem-ul-Haque Ansari	4
Mr. Ishtiaq Ahmed	4

**HUMAN RESOURCES & REMUNERATION COMMITTEE MEETING**

During the year one meeting of the HR Committee was held, Members' attendance in this meeting is as under:

<b>Name of Members</b>	<b>No. of meetings Attended</b>
Mr. Aziz-ul-Haque	1
Mr. Ghazanfar Baber Siddiqi	1
Mr. Ishtiaq Ahmed	1

**AUDITORS APPOINTMENT**

The present auditors M/s. Faruq Ali & Co., Chartered Accountants, retire and being eligible, have offered their services for re-appointment as auditors for the ensuing year ending June 30, 2025.

The audit committee and the Board of Directors have recommended appointment of M/s. Faruq Ali & Co., Chartered Accountants as auditors of the company for the year ending 2025.

**VOTE OF THANKS**

The Board would like to place on record its gratitude to its valuable shareholders, Federal and Provincial government functionaries, banks, development financial institutions, and customers for their cooperation, continued support and patronage.

The Board also expresses its thanks to the executives, staff members and workers of the company and wishes to place on record its appreciation for the efforts they are making in turning around the company.

**CONCLUSION**

In conclusion, we bow, beg and pray to Almighty Allah, Ar-Rahman Ar-Raheem, in the name of our beloved prophet, Muhammad, Peace be upon him for continued showering of His Blessings, Guidance, Strength, Health and Prosperity to us, our company, Country and Nation; and pray to Almighty Allah to bestow peace, harmony, brotherhood and unity in true Islamic spirit to whole of Muslim Ummah, amen, Summa-Ameen.

For and on behalf of the Board of Directors



**Ghazanfar Baber Siddiqi**  
Chief Executive officer



**Syed Maqbool Ali**  
Director

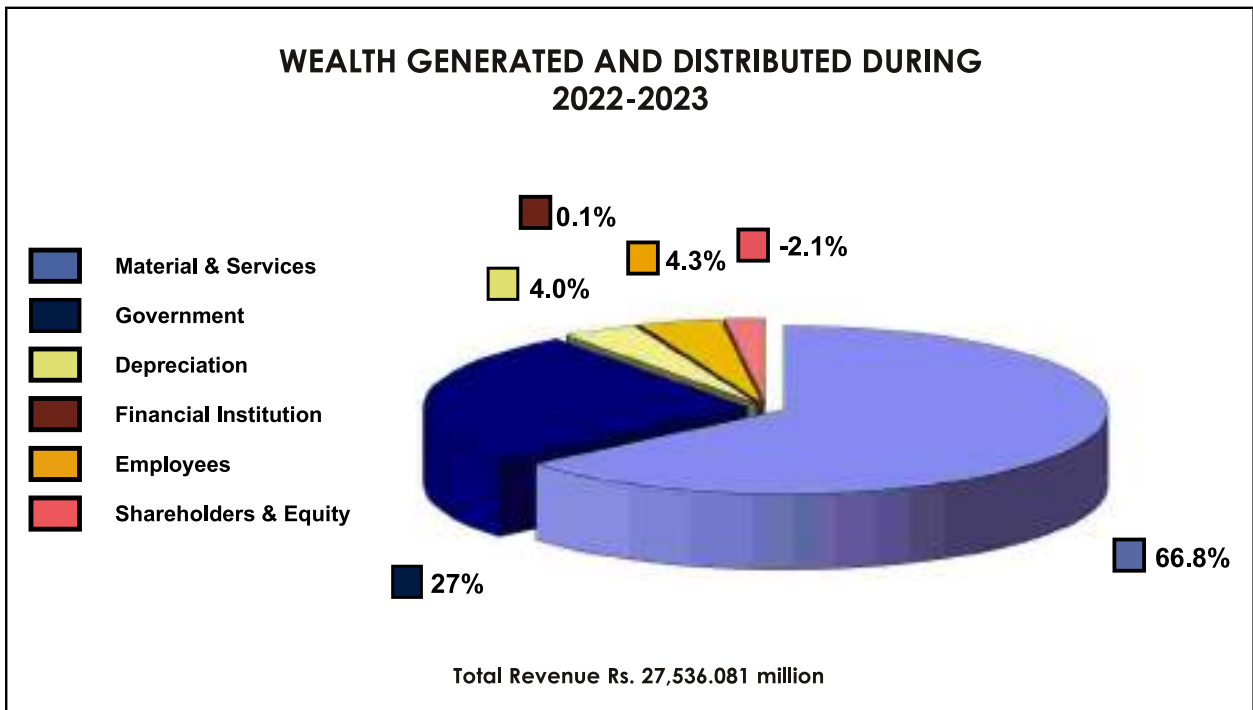
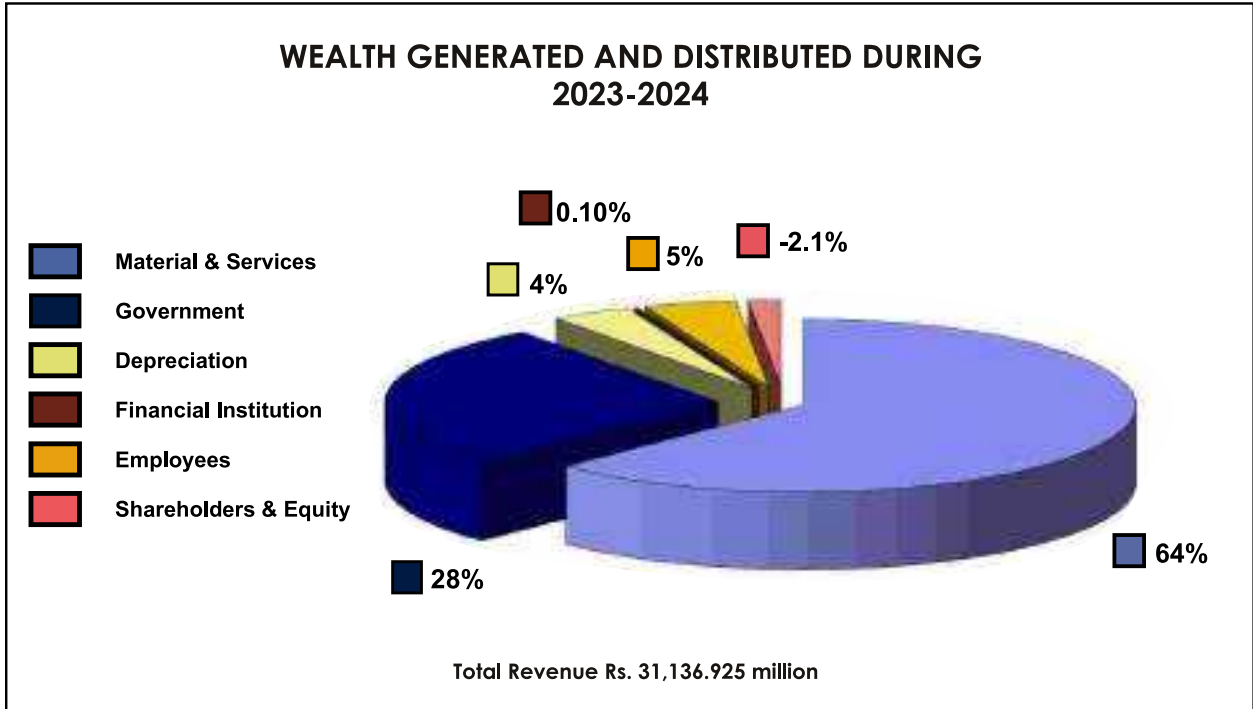
Dated: October 01, 2024  
Place: Karachi





## KEY OPERATING AND FINANCIAL STATISTICS FOR LAST SIX YEARS

Particulars	2024	2023	2022	2021	2020	2019
	------(Tons. in thousands)-----					
<b>QUANTITATIVE DATA</b>						
Clinker Production	1,254	1,348	1,582	874	945	1,769
Cement Production	1,556	1,575	1,788	880	990	1,873
Cement Despatches	1,578	1,564	1,791	863	1,008	1,873
Clinker Despatches	-	-	-	31	25	69
GGBS	-	-	4	3	1	5
<b>ASSETS EMPLOYED</b>	------(Rs. in million)-----					
Property, plant and equipment	43,715	44,605	33,198	34,054	34,740	26,865
Long term advances & deposits	135	608	137	134	137	141
Current Assets	4,922	4,331	4,565	2,743	2,456	2,889
<b>Total Assets Employed</b>	<b>48,772</b>	<b>49,544</b>	<b>37,901</b>	<b>36,931</b>	<b>37,333</b>	<b>29,895</b>
<b>FINANCED BY</b>						
Shareholder equity	26,972	27,481	19,618	20,935	21,602	17,017
Redeemable Capital	2,910	2,910	2,910	3,110	3,110	3,110
Long term loan & long term liabilities/Deposits	558	740	1,236	741	851	1,069
Deffered liabilities	10,505	10,886	6,972	5,869	5,568	3,571
Current liabilities	7,828	7,527	7,165	6,276	6,202	5,128
<b>TOTAL FUNDS INVESTED</b>	<b>48,772</b>	<b>49,544</b>	<b>37,901</b>	<b>36,931</b>	<b>37,333</b>	<b>29,895</b>
<b>TURNOVER &amp; PROFIT</b>						
Turnover (Net)	22,319	20,200	16,518	6,260	5,833	12,054
Operating Profit / (Loss)	(637)	(561)	(68)	(279)	(1,469)	296
Profit / (Loss) Before Taxation	(611)	(165)	1	(272)	(1,479)	278
Profit / (Loss) After Taxation	(510)	(586)	(703)	(666)	(1,324)	(275)
Accumulated Profit	3,197	3,265	3,582	3,972	4,244	5,414



## STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 FOR THE YEAR ENDED JUNE 30, 2024

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

1. The total number of directors are seven as per the following:
  - a) Male: 6
  - b) Female: 1
  
2. The composition of board is as follows:
  - a) Independent Director: Mr. Aziz-ul-Haque
  
  - b) Other Non-executive Directors: Mr. Ishtiaq Ahmed  
Mr. Waseem-ul-Haque Ansari  
Mrs. Nida Jamil
  
  - c) Executive Directors: Mr. Ghazanfar Baber Siddiqi  
Mr. Abdul Basit  
Syed Maqbool Ali

Six Directors have confirmed that they are not serving as Director in more than seven listed Companies including this Company, however, one Director is serving as Director in more than seven listed Yousuf Dewan Companies.

3. Six Directors have confirmed that they are not serving as Director in more than seven listed Companies including this Company, however, one Director is serving as Director in more than seven listed Yousuf Dewan Companies.
  
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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
  
6. All the powers of the board have been duly exercised and decision on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the
  
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
  
9. Three Directors are qualified under the directors training program. During the year the board did not arrange training program. However, we will arrange the same in the next coming session.
  
10. The board has approved appointment of CFO, 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. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:  
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 requirements of Act and the regulations with respect to frequency, recording and circulating minutes of meeting of board.
- |    |                                 |                             |          |
|----|---------------------------------|-----------------------------|----------|
| a) | Audit Committee :               | Mr. Aziz-ul-Haque           | Chairman |
|    |                                 | Mr. Waseem-ul-Haque Ansari  | Member   |
|    |                                 | Mr. Ishtiaq Ahmed           | Member   |
| b) | HR and Remuneration Committee : | Mr. Aziz-ul-Haque           | Chairman |
|    |                                 | Mr. Ghazanfar Baber Siddiqi | Member   |
|    |                                 | Mr. Ishtiaq Ahmed           | Member   |
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 :            | 4 meetings during the financial year ended June 30, 2024            |
| b) | HR & Remuneration Committee: | 1 annual meeting held during the financial year ended June 30, 2024 |
15. The board has set up an effective internal audit function. The staffs are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
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 ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
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 other requirements of the Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:



S.No.	Non-Mandatory Requirement	Reg No.	Explanation
1	<b>Directors' Training.-</b> <b>It is encouraged that by June 30, 2022 all the directors on their Boards have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.</b>	19	Currently, three Directors are qualified under the directors training program. The Company is encouraging and planning to arrange DTP certification for the remaining Directors.

**Ghazanfar Baber Siddiqi**  
Chief Executive officer

**Syed Maqbool Ali**  
Director

**Dated: October 01, 2024**  
**Place: Karachi**



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## REVIEW REPORT TO THE MEMBERS 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 Dewan Cement Limited (the Company) for the year ended 30 June 2024 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.

Following instances of non-compliance with the requirements of the Regulations were observed which are not stated in the Statement of Compliance:

- a) It is mandatory that each listed company shall have at least two or one third members of the Board, whichever is higher, as independent directors; but, there is only one independent director, Mr.Aziz ul Haque serving as independent director on the board of the Company. Further, Mr.Aziz ul Haque in our view neither meet the criteria of independence on account of his cross directorship in associated companies;
- b) The chairman of the Audit Committee shall be an independent director, whereas in our view Mr.Aziz ul Haque does not meet the criteria of independence due to the reason referred in paragraph (a) above; and
- c) The chairman of the HR and Remuneration Committee shall be an independent director, whereas in our view Mr.Aziz ul Haque does not meet the criteria of independence due to the reason referred in paragraph (a) above.



Based on our review, except for the above instances of non-compliance, 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 Regulations as applicable to the Company for the year ended 30 June 2024.

Further, we highlight below instances of non-compliance with the requirements of the Codes as reflected in the paragraph reference where these are stated in the Statement of Compliance:

<b>S.No</b>	<b>Reference</b>	<b>Description</b>
(1)	Paragraph 2	The board of the directors includes only one independent director, which is below the limit of one third of the board, as required by regulations.
(2)	Paragraph 2	The board of the directors consists of three executive directors, which exceeds the limit of one third of the board, as required by regulations.
(3)	Paragraph 3	One of the directors of the Company is serving as a director in more than seven listed companies.
(4)	Paragraph 9 & 19	Three directors are qualified under the directors' training program which is less than the prescribed criteria of the directors' training program as by 30 June 2024 all the directors are required to acquire prescribed certification.

CHARTERED ACCOUNTANTS

**Place: Karachi**

**Dated: October 03, 2024**

UDIN: CR202410707rjDuYR8KN

Engagement Partner: Umer Farooq



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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DEWAN CEMENT LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Qualified Opinion

We have audited the annexed financial statements of Dewan Cement Limited ('the Company'), which comprise the statement of financial position as at 30 June 2024, and the statement of profit or loss, the statement of 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 material accounting policy information 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, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the statement of financial position, the statement of profit or loss, the statement of 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 2024 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

### Basis for Qualified 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 qualified opinion.

- a) The Company has classified 'advances for investment in term finance certificates' amounting to Rs.2,910 million (refer note 20 to the financial statements) as long term liability for the reason mentioned in said note. We do not concur with the management's assertion regarding its classification as long-term liability. In our opinion the entire liability should be classified as current liability as per terms of agreement with the investors.
- b) The Company has not made provision of markup for the year amounting to Rs.1,191.257 million (up to 30 June 2024: Rs.9,227.884 million) due to the reasons mentioned in note 35.1 to the financial statements. We do not concur with management's view of non-provisioning of markup. Therefore, the provision of markup should have been made in these financial statements. Had the provision of markup





been made in the financial statements, the loss before taxation would have been higher by Rs.1,191.257 million and markup payable would have been higher and shareholders' equity would have been lower by Rs.9,227.884 million.

**Material Uncertainty Relating to Going Concern**

We draw attention of the members to note 2 in the financial statements which indicates loss after taxation of Rs.509.712 million, and as of that date its current liabilities exceeded its current assets by Rs.2,905.006 million, a consent decree was obtained by majority of the lenders on the terms and conditions stipulated in standstill agreement (refer note 28.1(a) in the financial statements) and certain lenders have gone into litigation for recovery of their liabilities through attachment and sale of the Company's hypothecated / mortgaged properties and some of the lenders have also filed winding up petitions (refer note 28.1(b) in the financial statements). Accordingly, the financial institutions have not been provided bank confirmations as at reporting date. These conditions, along with other matters as set forth in note 2, indicate the existence of material uncertainty which may cast significant doubt about Company's ability to continue as going concern therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The amounts of current liabilities reported in said note do not include the effect of matters discussed in Basis for Qualified Opinion. Our opinion is not modified in respect of this matter.

**Emphasis of Matter**

We draw attention of the members to note 23.2 and 23.3 to the financial statements which indicates non-payment of excise duty, sales tax and withholding taxes within the stipulated time as prescribed in respective laws. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

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. In addition to the matters described in the Basis for Qualified Opinion section, Emphasis of Matter section and in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

S.no.	Key audit matters	How the matter was addressed in our audit
1.	<b>Revenue recognition</b>	
	<p>Refer notes 4.12 and note 29 to the financial statements.</p> <p>The Company is engaged in the production and sale of cement. The Company recognized gross revenue from the sales of cement of Rs.31,136.925 million.</p> <p>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</p>	<p>Our audit procedures in relation to the matter, amongst others, included:</p> <ul style="list-style-type: none"> <li>- Understood and evaluated management controls over revenue and checked their validation;</li> <li>- Performed verification of sample of revenue transactions with underlying documentation including dispatch documents and sales invoices;</li> <li>-</li> </ul>

S.no.	Key audit matters	How the matter was addressed in our audit
	number of customers in various geographical locations, inherent risk of material misstatement and significant increase in revenue from last year.	<ul style="list-style-type: none"> <li>- Performed cut-off procedures on sample basis to ensure revenue has been recognized in the correct period;</li> <li>- Performed recalculation of sales incentive as per company's policy on test basis;</li> <li>- Performed analytical procedures to analyze variation in the price and quantity sold during the year;</li> <li>- Tested journal entries relating to revenue recognized during the year based on identified risk criteria; and</li> <li>- Assessed the appropriateness of disclosures made in the financial statements related to revenue.</li> </ul>

**Information Other than the Financial Statements and Auditors' 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 auditors' 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 concluded that the other information is materially misstated for the same reason with respect to the matters described in the basis for Qualified Opinion section and in the Material Uncertainty Related to Going Concern section.

**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, except for the matters described in the Basis for Qualified Opinion section and Emphasis of Matter section, 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 and the statement of 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) No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Umer Farooq.



CHARTERED ACCOUNTANTS

**Place: Karachi**

**Dated: October 03, 2024**

UDIN: AR2024107078L2FHy0Wx



## STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

<u>ASSETS</u>	Notes	2024	2023
<b>----- (Rupees in '000) -----</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5	43,714,896	44,605,397
Long term deposits	6	132,311	604,311
Long term loans	7	2,482	3,355
		<b>43,849,689</b>	45,213,063
<b>CURRENT ASSETS</b>			
Stores and spare parts	8	1,909,774	1,638,432
Stock in trade	9	841,176	746,746
Trade debts - Unsecured	10	976,206	820,167
Loans and advances - Unsecured, considered good	11	366,791	270,168
Deposits and prepayments	12	13,603	44,305
Other receivables	13	44,719	105,789
Short term investments	14	612	422
Advance tax - Net		610,349	620,194
Cash and bank balances	15	159,266	84,956
		<b>4,922,496</b>	4,331,179
		<b>48,772,185</b>	<b>49,544,242</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital 850,000,000 (2023: 850,000,000) Ordinary shares of Rs. 10/- each		<b>8,500,000</b>	8,500,000
Issued, subscribed and paid-up share capital	16	4,841,133	4,841,133
Revenue reserves			
Un-appropriated profit		3,197,283	3,264,738
Capital reserve			
Merger reserve	17	629,444	629,444
Surplus on revaluation of property, plant and equipment	18	18,303,818	18,746,075
		<b>26,971,678</b>	27,481,390
<b>NON CURRENT LIABILITIES</b>			
Long term borrowings	19	90,419	123,449
Advances for investment in term finance certificates	20	2,910,000	2,910,000
Long term deposits and payables	21	467,644	616,643
Deferred tax liability - Net	22	10,504,942	10,885,796
		<b>13,973,005</b>	14,535,888
<b>CURRENT LIABILITES</b>			
Trade and other payables	23	4,690,706	4,391,001
Short term borrowings	24	579,159	579,159
Mark-up payable	25	792,661	792,661
Current and overdue portion of non-current liabilities	26	1,750,270	1,749,437
Dividend payable		12,926	12,926
Unpaid and unclaimed dividend	27	1,780	1,780
		<b>7,827,502</b>	7,526,964
<b>CONTINGENCIES AND COMMITMENTS</b>			
	28	--	--
		<b>48,772,185</b>	<b>49,544,242</b>

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

**Ghazanfar Baber Siddiqi**  
Chief Executive Officer

**Hazrat Ali**  
Chief Financial Officer

**Syed Maqbool Ali**  
Director

**STATEMENT OF PROFIT OR LOSS**  
FOR THE YEAR ENDED JUNE 30, 2024

	Notes	2024	2023
------(Rupees in '000')-----			
Turnover - Net	29	22,319,082	20,199,555
Cost of sales	30	(21,925,149)	(19,752,669)
Gross profit		393,933	446,886
Distribution cost	31	(149,296)	(136,618)
Administrative expenses	32	(873,477)	(828,789)
Other operating expenses	33	(7,881)	(42,120)
		(1,030,654)	(1,007,527)
Operating loss		(636,721)	(560,641)
Other income	34	46,669	419,858
Finance cost	35	(21,090)	(23,983)
Loss before income tax and levies		(611,142)	(164,766)
Levies	36	(279,424)	(252,636)
Loss before income tax		(890,566)	(417,402)
Taxation - Net	37	380,854	(168,904)
<b>Loss for the year</b>	38	<b>(509,712)</b>	<b>(586,306)</b>
Loss per share - Basic and diluted - (Rupees)		(1.05)	(1.21)

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



**Ghazanfar Baber Siddiqi**  
Chief Executive Officer



**Hazrat Ali**  
Chief Financial Officer



**Syed Maqbool Ali**  
Director

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

	Notes	2024	2023
----- (Rupees in '000') -----			
Loss for the year		(509,712)	(586,306)
<b>Other comprehensive income</b>			
<b>Items that will not be subsequently reclassified to profit or loss:</b>			
Surplus on revaluation of property, plant and equipment	18	--	12,279,118
Related deferred tax	18	--	(3,829,333)
		--	8,449,785
<b>Total comprehensive income / (loss) for the year</b>		<b>(509,712)</b>	<b>7,863,479</b>

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



**Ghazanfar Baber Siddiqi**  
Chief Executive Officer



**Hazrat Ali**  
Chief Financial Officer



**Syed Maqbool Ali**  
Director

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED JUNE 30, 2024

Notes	2024	2023
	----- <b>(Rupees in '000')</b> -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before income tax and levies	<b>(611,142)</b>	(164,766)
<b>Adjustments for non-cash and other items:</b>		
Depreciation	5.3 <b>1,412,962</b>	992,559
Gain on disposal of operating fixed assets	<b>(19)</b>	--
Unwinding of discount	35 <b>14,836</b>	22,126
Workers' Welfare Fund	33 <b>2,931</b>	--
Gain on remeasurement of short term investments	33 <b>(190)</b>	(80)
Finance cost	35 <b>6,254</b>	1,857
Exchange loss	33 <b>--</b>	37,620
Cash inflows before working capital changes	<b>825,632</b>	889,316
<b>Movement in working capital</b>		
<i>(Increase) / decrease in current assets</i>		
Stores and spare parts	<b>(271,342)</b>	262,518
Stock in trade	<b>(94,430)</b>	(145,105)
Trade debts - Unsecured	<b>(156,039)</b>	136,351
Loans and advances - Unsecured, considered good	<b>(96,623)</b>	78,496
Deposits and prepayments	<b>30,702</b>	(22,662)
Other receivables	<b>61,070</b>	(12,675)
	<b>(526,662)</b>	296,923
<i>Increase / (decrease) in current liabilities</i>		
Trade and other payables	<b>296,774</b>	483,432
	<b>296,774</b>	483,432
Cash generated from operations	<b>595,744</b>	1,669,671
<b>Payment for:</b>		
Taxes net of refund received	<b>(269,579)</b>	(473,071)
Finance cost	<b>(6,254)</b>	(1,857)
<b>Net cash inflows from operating activities</b>	<b>319,911</b>	1,194,743
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditures	<b>(522,587)</b>	(120,339)
Sale proceeds on disposal of fixed assets	<b>145</b>	--
Long term loans recovered	<b>873</b>	887
Net movement in long term deposits	<b>472,000</b>	(471,430)
Net cash outflows from investing activities	<b>(49,569)</b>	(590,882)



	Notes	2024	2023
------(Rupees in '000')-----			
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayments of long term borrowings		<b>(47,033)</b>	(136,199)
Net movement in long term deposits and payables		<b>(148,999)</b>	(540,633)
<b>Net cash outflows from financing activities</b>		<b>(196,032)</b>	(676,832)
Net increase / (decrease) in cash and cash equivalents		<b>74,310</b>	(72,971)
Cash and cash equivalents at the beginning of the year		<b>84,956</b>	157,927
<b>Cash and cash equivalents at the end of the year</b>	15	<b>159,266</b>	84,956

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



**Ghazanfar Baber Siddiqi**  
Chief Executive Officer



**Hazrat Ali**  
Chief Financial Officer



**Syed Maqbool Ali**  
Director

**STATEMENT OF CHANGES IN EQUITY**  
FOR THE YEAR ENDED JUNE 30, 2024

	Issued, subscribed & paid-up share capital	Revenue reserves		Capital reserves			Total Equity
		Un- appropriated profit	Merger reserve Note 17	Surplus on revaluation of property, plant & equipment	Total capital reserves		
----- <b>(Rupees in '000')</b> -----							
Balance as on 1 July 2022	4,841,133	3,581,982	629,444	10,565,352	11,194,796	19,617,911	
Loss for the year ended 30 June 2023	—	(586,306)	—	—	—	(586,306)	
Other comprehensive income	—	—	—	8,449,785	8,449,785	8,449,785	
Total comprehensive income for the year	—	(586,306)	—	8,449,785	8,449,785	7,863,479	
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	—	269,062	—	(269,062)	(269,062)	—	
<b>Balance as at 30 June 2023</b>	<b>4,841,133</b>	<b>3,264,738</b>	<b>629,444</b>	<b>18,746,075</b>	<b>19,375,519</b>	<b>27,481,390</b>	
Loss for the year ended 30 June 2024	—	(509,712)	—	—	—	(509,712)	
Other comprehensive income	—	—	—	—	—	—	
Total comprehensive loss for the year	—	(509,712)	—	—	—	(509,712)	
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	—	442,257	—	(442,257)	(442,257)	—	
<b>Balance as at 30 June 2024</b>	<b>4,841,133</b>	<b>3,197,283</b>	<b>629,444</b>	<b>18,303,818</b>	<b>18,933,262</b>	<b>26,971,678</b>	

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



**Ghazanfar Baber Siddiqi**  
Chief Executive Officer



**Hazrat Ali**  
Chief Financial Officer



**Syed Maqbool Ali**  
Director



## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024**

### **1 THE COMPANY AND ITS OPERATIONS**

Dewan Cement Limited ('the Company / DCL') was incorporated in Pakistan as a public limited company in March, 1980. Its shares are quoted in the Pakistan Stock Exchange. The principal activity of the Company is manufacturing and selling of cement.

The registered office of the Company is situated at Dewan Centre, 3-A, Lalazar, Beach Hotel Road, Karachi, Pakistan. The Company has two production facilities at Deh Dhando, Dhabeji Karachi, Sindh and Kamilpur Hattar Industrial Estate, district Khyber Pakhtunkhwa. The Company has regional offices located in Islamabad and Peshawar.

### **2 GOING CONCERN ASSUMPTION**

The financial statements for the year ended 30 June 2024 reflects loss after taxation of Rs.509.712 million (2023: Rs.586.306 million), and as of that date its current liabilities exceeded its current assets by Rs.2,905.006 million (2023: Rs.3,195.785 million). The Company's short-term borrowing facilities have expired and not been renewed and the Company has been unable to ensure scheduled payments of long term borrowings due to the liquidity problems. Following course, majority of the lenders had gone into litigation for repayment of liabilities through attachment and sale of Company's hypothecated / mortgaged properties and certain lenders had also filed winding up petitions as more fully explained in note 28.1 (a) and note 28.1 (b). These conditions indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern; therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company is fully committed to discharge its admitted liability in stand still agreements as more fully explained in note 28.1 (a). Accordingly, these financial statements have been prepared on a going concern basis.

### **3 BASIS OF PREPARATION**

#### **3.1 Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan with the exception of departure of IFRS as mentioned in note 35.1 to the financial statements, for which the management concludes that provisioning of mark up would conflict with the objectives of the financial statements. The accounting and reporting standards applicable in Pakistan comprise of:

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

### 3.2 Accounting convention

These financial statements have been prepared on historical cost convention, except as otherwise stated in respective accounting policies.

### 3.3 Adoption of amendments to approved accounting standards effective during the year

#### 3.3.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the company's operations or not expected to have significant impact on the company's financial statements other than certain additional disclosures.

	<b>Effective Date (Period beginning on or after)</b>
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	1 January 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates	1 January 2023
Amendments to IAS 12 'Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction	1 January 2023
Amendments to IAS 12 'Income Taxes' - International Tax Reform — Pillar Two Model Rules	1 January 2023

#### 3.3.2 Standards, interpretation and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the company's operations or are not expected to have significant impact on the company's financial statements other than certain additional disclosure.

Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	1 January 2024
Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions	1 January 2024



	<b>Effective Date (Period beginning on or after)</b>
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	1 January 2024
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' - Supplier Finance Arrangements	1 January 2024
Amendments to IAS 21 'The effects of changes in foreign exchange rates' - Lack of exchangeability	1 January 2025
Amendments to IFRS 7 'Financial instruments - Disclosures' and IFRS 9 'Financial Instruments' - classification and measurement of financial instruments	1 January 2026
	<b>Effective Date (Period beginning on or after)</b>
Standard IFRS 17 'Insurance Contract'	1 January 2026
Amendment to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	"Deferred indefinitely"
Other than the aforesaid amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:	
<ul style="list-style-type: none"> <li>- IFRS 1 'First Time Adoption of International Financial Reporting Standards'</li> <li>- IFRS 18 'Presentation and Disclosures in Financial Statements'</li> <li>- IFRS 19 'Subsidiaries without Public Accountability: Disclosures'</li> </ul>	

### **3.4 Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

### **3.5 Critical accounting estimates and judgments**

The preparation of the financial statements in conformity with approved accounting standards as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

### **3.5.1 Operating fixed assets, revaluation and depreciation**

The Company reviews appropriateness of the rate of depreciation, useful lives and residual values used in the calculation of depreciation. The estimates of revalued amounts of revalued assets are based on valuations carried out by a professional valuer. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Company uses the technical resources available with the Company. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effects on the depreciation charge and impairment.

### **3.5.2 Stores and spare parts**

The Company reviews the net realizable value (NRV) and impairment of stores and spare parts to assess any diminution in the respective carrying values and wherever required provision for NRV / impairment is made. The calculation of provision involves the use of estimates with regards to future estimated use and past consumption along with stores and spares holding period.

### **3.5.3 Stock in trade**

The Company reviews the net realizable value (NRV) of stock in trade to assess any diminution in the respective carrying values. Any change in the estimates in future years might affect the carrying amounts of stock in trade and corresponding effect in statement of profit or loss of those future years. Net realizable value is determined with respect to estimated selling price less estimated expenditures to make the sales.

### **3.5.4 Trade debts**

The Company reviews its doubtful trade debts at each reporting date to assess whether provision should be recorded in the statement of profit or loss. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provisions.



### **3.5.5 Income tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that items recognized directly in equity or other comprehensive income.

In making the estimates for income tax currently payable by the Company, the management considers the current income tax laws and the decisions of appellate authorities on certain issues in the past.

### **3.5.6 Contingencies**

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

### **3.5.7 Impairment of financial and non-financial assets**

Estimates with respect to impairment of financial and non-financial assets are disclosed in note 4.15 to these financial statements.

### **3.5.8 Provisions**

Provisions are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Company would rationally pay to settle the obligation at the reporting date or to transfer it to third party.

## **3.6 Adoption of new accounting policy**

### **Accounting for minimum taxes and final taxes**

The guide was issued by Institute of Chartered Accountants of Pakistan (ICAP) in May 2024 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the guide).

In view of the clarifications from ICAP, it has been established that minimum tax and final taxes do not meet the criteria of income tax expense as per IAS 12 hence it should be accounted for under IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

The guide issued by ICAP provides two (2) approaches to account for minimum and final regime taxes, which is a choice of accounting policy of which the Company has chosen the following:

Designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as a levy falling under the scope of IFRIC 21/IAS 37.

Therefore, the effective rate of income tax is equal to the enacted rate of income tax.

Similarly, any amount deducted as final taxes will be classified as a levy in the statement of profit or loss and there would be no deferred tax liability / (asset) recognised in case of final taxes.

Super tax charged to entities as per provisions of Income Tax Ordinance, 2001, will be classified as either 'Income Tax' or 'levy'. If super tax calculation is based on taxable profits as defined in IAS 12, then, such super tax shall be recognised as 'income tax' otherwise such super tax shall qualify for recognition as 'levy' as per IFRIC 21 / IAS 37.

Advance taxes paid under any section of the Income Tax Ordinance, 2001 have been netted off with the levy amount and the net position is shown in the statement of financial position.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) - 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the statement of financial position, the statement of changes in equity, the statement of cash flows and earning per share as a result of this change.

	For the year ended June 30, 2024			For the year ended June 30, 2023		
	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of changes in accounting policy	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of changes in accounting policy
------(Rupees in '000)-----						
<b>For the year ended June 30,</b>						
Levies	—	(279,424)	(279,424)	—	(252,636)	(252,636)
Profit before income tax	(611,142)	(279,424)	(890,566)	(164,766)	(252,636)	(417,402)
Income tax expense	101,430	279,424	380,854	(421,540)	252,636	(168,904)

#### 4 MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from April 1, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements.

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:





## **4.1 Property, plant and equipment**

### **4.1.1 Operating fixed assets**

Property, plant and equipment are stated at cost or revalued amounts less accumulated depreciation or accumulated impairment, if any, except capital work-in-progress which is stated at historical cost.

The value of leasehold land is being amortised over the lease period in equal installments. Quarry development cost is amortised over its estimated useful life.

Depreciation on additions is charged from the month in which the asset is available for use, whereas on disposals, no depreciation is charged in the month of disposal. Depreciation on all tangible fixed assets, except plant and machinery, is charged to statement of profit or loss using the reducing balance method at the rates mentioned in note 5.1 to the financial statements. Depreciation on plant and machinery is charged using units of production method.

The carrying values of property, plant and equipment are reviewed for impairment on periodic basis. If any indication exists that the carrying value exceeds the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements which increases the asset's remaining useful economic life or the performance beyond the current estimated levels are capitalised and the assets so replaced, if any, are retired.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount of the relevant assets. These are included in the statement of profit or loss. When revalued assets are sold, the relevant undepreciated surplus is transferred directly by the Company to its unappropriated profit account.

### **4.1.2 Capital work-in-progress**

All expenditure connected with specific assets incurred during development, installation and construction period are carried as capital work-in-progress. These are transferred to specific assets as and when these assets are available for use.

### **4.1.3 Right-of-use asset and lease liability**

The Company accounts for property, plant and equipment acquired under lease agreement by recording the right of use asset and related lease liability.

"The right-of-use asset is initially measured based on 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 remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of-use asset is depreciated on a reducing balance method over the shorter of lease-term or assets economic life. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. "

Initially on lease commencement date, the lease liability is measured at the present value of unpaid lease payments. These unpaid lease payments are discounted using interest rate implicit in the lease, if readily determinable. If that rate cannot be readily determined then the incremental borrowing rate is used.

The lease liability is subsequently measured (at amortised cost) by increasing the carrying amount to reflect interest on the lease liability using the effective interest method and by reducing the carrying amount to reflect the lease payments made. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, 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 whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the income and expenditure account.

For short term leases and leases of low / immaterial value assets, the Company's recognises the lease payments as an expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

#### **4.2 Borrowing costs**

The Company capitalizes borrowing costs relating to qualifying assets, during the period in which these are acquired and developed for the intended use. Other borrowing costs are charged to statement of profit or loss.

#### **4.3 Stores and spare parts**

These are valued at lower of average cost and net realisable value (NRV). Stores and spare parts in-transit are valued at invoice value plus other charges incurred thereon.

Provision / write off, if required, is made in the accounts for slow moving, obsolete and unusable items to bring their carrying value down to NRV.



#### **4.4 Stock in trade**

These are valued at lower of cost and net realisable value (NRV). Cost is determined as follows:

- Raw and packing material      - at average cost
- Work-in-process                      - at average cost of goods produced
- Finished goods                      - at average cost of goods produced

NRV is the estimated selling price in the ordinary course of business less the estimated cost of completion and costs necessarily to be incurred to make the sale.

#### **4.5 Trade debts and other receivables**

Trade debts and other receivables are stated initially at fair value and subsequently measured at amortized cost using the effective interest rate method, if applicable, less provision for impairment, if any. A provision for impairment is established where there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Trade debts and receivables are written off when considered irrecoverable.

#### **4.6 Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably measured.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in provision due to passage of time is recognised as interest expense.

#### **4.7 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, cheques in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

#### **4.8 Surplus on revaluation of property and equipment**

Any revaluation increase arising on the revaluation of assets is recognised in other comprehensive income and presented as a separate component of equity as 'Revaluation surplus on property, plant and equipment', except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of assets is charged

## 4.9 Taxation

### 4.9.1 Current

Provision for current taxation is based on taxable income at the current rates of taxation or based on turnover or accounting profit at the specified rates, whichever is higher, after taking into account tax credits and rebates available.

### 4.9.2 Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income, which is not adjustable against the future tax liability, is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21/IAS 37.

### 4.9.3 Deferred

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the amounts used for financial reporting purpose and amounts used for taxation purposes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the assets may be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rate that are expected to apply to the year when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantially enacted at the balance sheet date.

## 4.10 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable cost, if any, and subsequently measured at amortised cost.

## 4.11 Share capital

Share capital is classified as equity and recognised at the face value.



#### **4.12 Revenue recognition**

- Revenue is recognised when or as performance obligations are satisfied by transferring control of a promised goods or service to a customer, and control either transfers over time or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies.
  - Local sale of goods is recognised on dispatch of goods to customers.
  - Revenue from export sales is recognised on the basis of terms of sale with the customer.
- Dividend income is recognised when right to receive the dividend is established.
- Profit on bank deposits, interest income is recognised on a time proportion basis on the principal amount outstanding and at the applicable rate and other revenues are accounted for on accrual basis.

#### **4.13 Staff retirement benefits**

##### **4.13.1 Provident fund**

The Company operates separate defined contributory provident funds for all its employees who are eligible for the plan. Equal contributions are made by the Company and employees to the funds at the rate of 8.33% of basic salary.

##### **4.13.2 Compensated absences**

The Company accounts for compensated absences on the basis of unavailed earned leaves balance of each employee at the end of the year using current salary levels.

#### **4.14 Financial instruments**

##### **4.14.1 Initial measurement of financial asset**

The Company classifies its financial assets into following three categories:

- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL); and
- Measured at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

**Subsequent measurement***Debt investments at FVOCI*

These assets are subsequently measured at fair value. Interest / mark-up income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

*Equity investments at FVOCI*

sed as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the statement of profit or loss.

*Financial assets at FVTPL*

These assets are subsequently measured at fair value. Net gains and losses, including any interest / mark-up or dividend income, are recognised in the statement of profit or loss.

*Financial assets measured at amortised cost*

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / mark-up income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss.

**4.14.2 Non-derivative financial assets**

All non-derivative financial assets are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalent. The Company derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

**4.14.2.1 Trade debts, advances and other receivables**

These are classified at amortised cost and are initially



recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

#### **4.14.2.2 Cash and cash equivalents**

For the purpose of presentation in statement of cash flow, cash and cash equivalents includes cash in hand, balances with banks and investments with maturities of less than three months or less from acquisition date that are subject to insignificant risk of changes in fair value and short term borrowings availed by the Company, which are repayable on demand and form an integral part of the Company's cash management.

#### **4.14.3 Financial liabilities**

Financial liabilities are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings and trade and other payables. The Company derecognises the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liability other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate method.

##### **4.14.3.1 Mark-up bearing borrowings and borrowing costs**

Mark-up bearing borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortised cost, while the difference between the cost (reduced for periodic payments) and redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the relevant asset.

##### **4.14.3.2 Trade and other payables**

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised costs.

**4.14.4 Derivative financial instruments - Other than hedging**

Derivatives that do not qualify for hedge accounting are recognised in the statement of financial position at estimated fair value with corresponding effect to statement of profit or loss. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

**4.14.4 Derivative financial instruments - Other than hedging**

Derivatives that do not qualify for hedge accounting are recognised in the statement of financial position at estimated fair value with corresponding effect to statement of profit or loss. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

**4.14.5 Derivative financial instruments - Cash flow hedges**

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in fair value of the derivative is recognised in other comprehensive income and accumulated in hedging reserve. Any ineffective portion of changes in fair value of derivative is recognised immediately in the statement of profit or loss. The amount accumulated in equity is removed therefrom and included in the initial carrying amount of non-financial asset upon recognition of non-financial asset.

The fair value of forward exchange contracts is estimated using appropriate valuation techniques. These are carried as assets when the fair value is positive and liabilities when the fair value is negative.

**4.14.6 Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Company has currently legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

**4.15 Impairment****4.15.1 Financial assets**

The Company recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost.





The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the Gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due. The adoption of the expected loss approach has not resulted in any material change in impairment provision for any financial asset.

#### **4.15.2 Non-financial assets**

The carrying amounts of the Company's non-financial assets, other than deferred tax assets and inventories are reviewed at each balance sheet date to determine whether there is any indication of

impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss.

#### **4.16 Foreign currency translations**

Foreign currency transactions during the year are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange which approximate those prevailing on the balance sheet date. Gains and losses on translation are charge to statement of profit or loss.

#### **4.17 Dividend and other appropriations**

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the shareholders of the Company.

#### **4.18 Earnings per share**

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

#### **4.19 Segment reporting**

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker (CODM). The Company considers Chief Executive as its CODM who is responsible for allocating resources and assessing performance of the operating segments. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment; however, certain information about the Company's products, as required by the accounting and reporting standards, is presented in note 45 to these financial statements.



	Notes	2024	2023
<b>5</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>	<b>----- (Rupees in '000') -----</b>	
Operating fixed assets - Tangible	5.1	<b>43,552,506</b>	44,503,633
Right of use assets	5.2	<b>139</b>	174
Capital work in progress - At cost	5.5	<b>162,251</b>	101,590
		<b><u>43,714,896</u></b>	<b><u>44,605,397</u></b>

**5.1 Operating fixed assets - Tangible**

----- 2024 -----										
COST / REVALUATION				ACCUMULATED DEPRECIATION				Book value as at 30 June 2024	Rate %	
As at 1 July 2023	Additions during the year	(Disposal during the year)	As at 30 June 2024	As at 1 July 2023	(On disposal)	Charge for the year	As at 30 June 2024			
----- (Rupees in '000') -----										
Leasehold land	401,724	--	--	401,724	26,724	--	4,017	30,741	370,983	1
Freehold land	974,524	19,555	--	994,079	--	--	--	--	994,079	-
Quarry	915	--	--	915	915	--	--	915	--	-
Buildings on leasehold land and quarry development	2,274,184	--	--	2,274,184	1,048,543	--	100,585	1,149,128	1,125,056	5 to 10
Buildings and civil works on Freehold land	2,033,930	114,370	--	2,148,300	1,158,296	--	81,726	1,240,022	908,278	5 to 10
Roads	494,158	--	--	494,158	201,365	--	14,640	216,005	278,153	5
Plant and machinery	48,741,937	315,527	--	49,057,464	8,189,204	--	1,188,245	9,377,449	39,680,015	UOP
Electric installation	163,956	--	--	163,956	57,524	--	4,791	62,315	101,641	5 to 10
Furniture and fixture	142,933	871	--	143,804	116,285	--	3,604	119,889	23,915	10 to 20
Office equipment	67,809	4,335	--	72,144	39,758	--	4,482	44,240	27,904	10 to 20
Computers	75,355	2,598	--	77,953	72,011	--	1,735	73,746	4,207	33
Vehicles	199,986	4,670	(129)	204,527	157,153	(3)	9,102	166,252	38,275	20
	<b>55,571,411</b>	<b>461,926</b>	<b>(129)</b>	<b>56,033,208</b>	<b>11,067,778</b>	<b>(3)</b>	<b>1,412,927</b>	<b>12,480,702</b>	<b>43,552,506</b>	

----- 2023 -----										
COST / REVALUATION				ACCUMULATED DEPRECIATION				Book value as at 30 June 2023	Rate %	
As at 1 July 2022	Additions during the year	Revaluation surplus (Note 18)	As at 30 June 2023	As at 1 July 2022	(On disposal)	Charge for the year	As at 30 June 2023			
----- (Rupees in '000') -----										
Leasehold land	244,390	--	157,334	401,724	24,280	--	2,444	26,724	375,000	1
Freehold land	453,025	3,755	517,744	974,524	--	--	--	--	974,524	-
Quarry	915	--	--	915	915	--	--	915	--	-
Buildings on leasehold land and quarry development	2,072,690	108,335	93,159	2,274,184	959,503	--	89,040	1,048,543	1,225,641	5 to 10
Buildings and civil works on Freehold land	1,762,589	--	271,341	2,033,930	1,096,191	--	62,105	1,158,296	875,634	5 to 10
Roads	494,158	--	--	494,158	185,955	--	15,410	201,365	292,793	5
Plant and machinery	37,306,024	196,373	11,239,540	48,741,937	7,389,209	--	799,995	8,189,204	40,552,733	UOP
Electric installation	163,956	--	--	163,956	52,481	--	5,043	57,524	106,432	5 to 10
Furniture and fixture	140,772	2,161	--	142,933	112,669	--	3,616	116,285	26,648	10 to 20
Office equipment	67,074	735	--	67,809	35,190	--	4,568	39,758	28,051	10 to 20
Computers	73,056	2,299	--	75,355	70,949	--	1,062	72,011	3,344	33
Vehicles	190,187	9,799	--	199,986	147,921	--	9,232	157,153	42,833	20
	<b>42,968,836</b>	<b>323,457</b>	<b>12,279,118</b>	<b>55,571,411</b>	<b>10,075,263</b>	<b>--</b>	<b>992,515</b>	<b>11,067,778</b>	<b>44,503,633</b>	

**5.1.1** Had there been no revaluation, the net book value of the following items of property, plant and equipment would have been as follows:

## DEWAN CEMENT LIMITED

	2024	2023
----- (Rupees in '000') -----		
Leasehold land	140	140
Freehold land	112,172	92,617
Buildings on leasehold land and quarry development	814,131	880,169
Buildings and civil works on freehold land	339,726	243,909
Plant and machinery	15,110,898	15,426,850
	<b>16,377,067</b>	<b>16,643,685</b>

### 5.1.2 Following are the particulars of the Company's immovable fixed assets:

S.No	Business Unit Type	Location	Total Area of land in acre
1	Karachi Plant	Naiclass No.2 , Dah Dhando, District Malir, Karachi, Sindh	150
2	Hattar Plant	Kamalpur Village, Hattar, District Haripur, Khyber Pakhtunkhwa	117

### 5.1.3 The forced sale value of the revalued property, plant and equipment owned by the Company had been assessed at Rs.30,802.473 million as on latest valuation date.

## 5.2 Right of use assets.

Particulars	COST			ACCUMULATED DEPRECIATION			Book value as at 30 June 2024	Rate %
	As at 1 July 2023	Additions	As at 30 June 2024	As at 1 July 2023	For the year	As at 30 June 2024		
----- (Rupees in '000') -----								
Vehicles	7,413	--	7,413	7,239	35	7,274	139	20
<b>TOTAL - 2024</b>	<b>7,413</b>	<b>--</b>	<b>7,413</b>	<b>7,239</b>	<b>35</b>	<b>7,274</b>	<b>139</b>	

Particulars	COST			ACCUMULATED DEPRECIATION			Book value as at 30 June 2023	Rate %
	As at 1 July 2022	Additions	As at 30 June 2023	As at 1 July 2022	For the year	As at 30 June 2023		
----- (Rupees in '000') -----								
Vehicles	7,413	--	7,413	7,195	44	7,239	174	20
<b>TOTAL - 2023</b>	<b>7,413</b>	<b>--</b>	<b>7,413</b>	<b>7,195</b>	<b>44</b>	<b>7,239</b>	<b>174</b>	

### 5.3 The depreciation charge for the year has been allocated as follows:

	Notes	2024	2023
----- (Rupees in '000') -----			
Cost of sales	30	1,404,795	985,311
Distribution cost	31	1,813	710
Administrative expenses	32	6,354	6,538
		<b>1,412,962</b>	<b>992,559</b>

**5.4** Assets disposed off during the year have aggregating net book value less than rupees five million, and all the disposals were made in accordance with the Company's policy.

<b>5.5 Capital work in progress - At cost</b>	Notes	<b>2024</b>	<b>2023</b>
<b>----- (Rupees in '000') -----</b>			
Opening balance		<b>101,590</b>	304,708
Additions during the year		<b>490,558</b>	101,590
		<b>592,148</b>	406,298
Capitalized during the year		<b>(429,897)</b>	(304,708)
	5.5.1	<b>162,251</b>	<b>101,590</b>

**5.5.1 Breakup is as follows:**

Plant and machinery		<b>2,348</b>	39,657
Civil works		<b>56,916</b>	61,933
Advance for capital expenditure		<b>102,987</b>	--
		<b>162,251</b>	<b>101,590</b>

**6 LONG TERM DEPOSITS**

Electricity deposits - Interest free		<b>125,160</b>	125,160
Gas deposits - Interest free		--	472,000
Others - Interest free		<b>7,151</b>	7,151
		<b>132,311</b>	<b>604,311</b>

**7 LONG TERM LOANS**

Considered good - return free			
Executives		<b>1,106</b>	2,249
Employees		<b>5,023</b>	4,299
	7.1	<b>6,129</b>	6,548
Recoverable within one year	11	<b>(3,647)</b>	(3,193)
		<b>2,482</b>	<b>3,355</b>

**7.1** Loans given to executives and employees are in accordance with the Company policy and are repayable within a period of 3 to 5 years. These loans are return free and are secured against the outstanding provident fund balance of the respective employees. These loans are carried at cost as the effect of carrying these balances at amortized cost would not be material to the financial statements.

**8 STORES AND SPARE PARTS**

Stores and spare parts - In hand		<b>1,764,193</b>	1,569,490
Stores and spare parts - In transit		<b>151,450</b>	74,811
		<b>1,915,643</b>	1,644,301
Provision for obsolete and slow moving Stores and spares		<b>(5,869)</b>	(5,869)
		<b>1,909,774</b>	<b>1,638,432</b>

## DEWAN CEMENT LIMITED

	Notes	2024	2023
<b>9</b>	<b>STOCK IN TRADE</b>	----- (Rupees in '000') -----	
	Raw and packing material	206,333	187,315
	Work in process	585,411	280,885
	Finished goods	49,432	278,546
		<u>841,176</u>	<u>746,746</u>
<b>10</b>	<b>TRADE DEBTS - Unsecured</b>		
	Considered good	<u>976,206</u>	<u>820,167</u>
	<b>10.1</b> The ageing of trade debts as at 30 June is as follows:		
	Neither past due nor impaired	<u>976,206</u>	<u>820,167</u>
<b>11</b>	<b>LOANS AND ADVANCES - Unsecured, considered good</b>		
	Current portion of long term loan to executive / employees - Return free	7 3,647	3,193
	Advances to employees - Return free	11.1 20,994	11,528
	Advances to suppliers and contractors - Return free	342,150	255,447
		<u>366,791</u>	<u>270,168</u>
	<b>11.1</b> Advances to employees are given to meet business expenses and are settled as and when the expenses are incurred.		
<b>12</b>	<b>DEPOSITS AND PREPAYMENTS</b>		
	Trade deposits - Considered good, return free		
	Short term deposits	1,071	1,061
	Margin against bank guarantees	7,470	7,470
		<u>8,541</u>	<u>8,531</u>
	Short term prepayments	5,062	35,774
		<u>13,603</u>	<u>44,305</u>
<b>13</b>	<b>OTHER RECEIVABLES</b>		
	<i>Considered good</i>		
	Export rebate receivable	13,691	13,691
	Refundable input tax	13.1 29,496	49,295
	Sales tax claim	13.2 --	41,060
	Other receivable	1,532	1,743
		<u>44,719</u>	<u>105,789</u>
	<i>Considered doubtful</i>		
	Sales tax claim	13.3 13,502	13,502
	Other receivable	13.4 72,367	72,367
		<u>85,869</u>	<u>85,869</u>
	Provision against doubtful advances and other receivable	(85,869)	(85,869)
		<u>44,719</u>	<u>105,789</u>



- 13.1** This is related to input tax claim on gas bill from Sui Southern Gas Company.
- 13.2** Peshawar Electric Supply Company (PESCO) imposed an extra tax on bills in the year 2022, which was contested in Consumer Court. The court ruled in favour of the Company and subsequently referred the matter to the Federal Board of Revenue (FBR), resulting in a refund of the amount during the year.
- 13.3** Represents claims of sales tax filed before the collector of sales tax and large tax payer unit for the different periods. The Company has made provision against this claim on the prudent basis.
- 13.4** This amount has been paid under protest by the Company on the basis of decision of the Custom Tribunal. However the Company has filed reference before the Honourable High Court against the decision of the Tribunal. In the reference numerous legal issues has been raised on the basis of which the Company anticipate that the order of the Tribunal will be vacated and amount will be refunded. However, the Company has made provision against this protest money on the prudent basis.

#### 14 SHORT TERM INVESTMENTS

Investments - Fair value through profit and loss

2024	2023		Notes	2024	2023
---(Number of Share)---				----- (Rupees in '000') -----	
17,717	17,717	BankIslami Pakistan Limited		394	315
6,930	6,930	Samba Bank Limited		81	54
2,603	2,603	Faysal Bank Limited		137	53
92,500	92,500	Zeal Pak Cement Limited		--	--
<b>119,750</b>	<b>119,750</b>			<b>612</b>	<b>422</b>

#### 15 CASH AND BANK BALANCES

Cash in hand				3,758	1,025
Cash at banks:					
- Current accounts				67,271	83,120
- Deposit / saving accounts			15.1	88,237	811
				155,508	83,931
				<b>159,266</b>	<b>84,956</b>

- 15.1** These represent deposit accounts and saving accounts with commercial banks carrying profit ranging from 8.5% to 20.5% (2023: 6.5% to 19.50%) per annum.

**16 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL**

2024	2023		Notes	2024	2023
----- <b>(Number of Share)</b> -----				----- <b>(Rupees in '000')</b> -----	
<b>431,125,000</b>	431,125,000	Ordinary shares of Rs. 10/- each issued as fully paid in cash		<b>4,311,250</b>	4,311,250
<b>21,250,000</b>	21,250,000	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares		<b>212,500</b>	212,500
<b>31,738,343</b>	31,738,343	Ordinary shares of Rs. 10 each issued on conversion of loan from sponsors		<b>317,383</b>	317,383
<b><u>484,113,343</u></b>	<b><u>484,113,343</u></b>			<b><u>4,841,133</u></b>	<b><u>4,841,133</u></b>

**16.1** At reporting date, 131,625,455 shares (2023: 131,625,455 shares) are held by associated companies.

**17 MERGER RESERVES**

This represents capital reserve created on amalgamation of Dewan Hattar Company Limited with the Company.

**18 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT**

**Gross surplus**

Opening balance		<b>27,360,091</b>	15,481,475
Surplus arising due to revaluation of property, plant and equipment	5.1	--	12,279,118
Transfer to unappropriated profit in respect of incremental depreciation charged during the current year		<b>(658,237)</b>	(400,502)
	18.1	<b>26,701,854</b>	27,360,091
<b>Deferred tax liability</b>			
Opening balance		<b>(8,614,016)</b>	(4,916,123)
Related deferred tax liability of current revaluation		--	(3,829,333)
On incremental depreciation for the year		<b>215,980</b>	131,440
		<b>(8,398,036)</b>	(8,614,016)
		<b><u>18,303,818</u></b>	<u>18,746,075</u>

**18.1** This represents surplus on revaluation of leasehold land, freehold land, buildings on leasehold land and quarry development, buildings and civil works on freehold land and plant and machinery. The revaluation are carried on the basis of market value or depreciated replacement values as applicable. The latest revaluation was carried out on 30 June 2023 by an independent valuer M/s Anderson Consulting (Private) Limited which resulted in surplus on property, plant and equipment amounting to Rs. 12,279.118 million.

**18.2** The revaluation surplus on property, plant and equipment is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.



19	LONG TERM FINANCING	Notes	2024	2023
----- (Rupees in '000') -----				
<b>Long-term loan financial institution - Secured</b>				
	Long term loan	19.1	1,661,194	1,661,194
	Restructured long term financing - II	19.2	16,755	33,510
	Restructured long term financing - III	19.3	2,778	13,889
	Restructured long term financing - V	19.4	155,833	175,000
			<b>1,836,560</b>	1,883,593
	Present value adjustment		<b>(138,174)</b>	(152,447)
			<b>1,698,386</b>	1,731,146
	Total interest charged to profit or loss		<b>101,093</b>	100,530
			<b>1,799,479</b>	1,831,676
	Current maturity of long term financing		<b>(47,866)</b>	(47,033)
	Overdue portion of long term financing		<b>(1,661,194)</b>	(1,661,194)
		26	<b>(1,709,060)</b>	(1,708,227)
			<b>90,419</b>	123,449

**19.1** Represents overdue balances of loans obtained from various commercial banks and financial institutions, with interest rates varying between KIBOR plus 2.5% and 4.5% per annum. The repayment schedule were consisted of equal installments made semi-annually and quarterly. The loans were secured by way of hypothecation charge over present and future fixed assets of the Company. Legal actions have been initiated by these lenders in the Honorable High Court of Sindh in Karachi. However, in 2017, some lenders reached a standstill agreement, leading to the consent decrees.

**19.2** Advance for investment in term finance certificates from a lender has been restructured for which a compromise agreement has been executed dated 15 January 2013 thereby the liability has been acknowledged at principal outstanding amount of Rs.150 million which was repayable in 35 equal installments of Rs.4.160 million each and last installment of Rs.4.4 million commencing after grace period of one year. The liability is secured by first pari passu charge over plant and machinery and land and buildings.

A supplemental compromise agreement has been executed dated 9 May 2016 thereby the liability has been further rescheduled at principal outstanding amount of Rs.150 million (Rs.20.148 million has been paid at the time of signing of supplemental compromise agreement) and Rs.129.852 was repayable in 31 equal quarterly installments of Rs.4.189 million each commencing from 30 July 2016. The other terms and conditions will remain same as per the master agreement dated 15 January 2013.

**19.3** Advance for investment in term finance certificates from a lender has been restructured for which a compromise agreement has been executed dated 13 September 2013 thereby the liability has been acknowledged at principal outstanding amount of Rs.100 million which is now repayable in 36 equal quarterly installments of Rs.2.777 million each commencing after grace period of one year. The liability is secured by first pari passu charge over plant and machinery and land and buildings.

**19.4** Represents loan obtained from a DFI carrying mark up at the rate of KIBOR plus 3.25% per annum with sales price of Rs.200 million and purchase price

of Rs.289.375 million. The loan is repayable in 8 equal semi-annual installments starting two years after the date of disbursement of loan i.e. November 1, 2006. The loan is secured by way of ranking charge convertible to a first pari-passu charge within ninety days of the disbursement of the facility over all present and future fixed assets of the Company with a margin of 25 percent.

A settlement agreement has been made dated 21 March 2022 whereby the liability has been acknowledged at principal outstanding amount of Rs.200 million and cost of fund amount of Rs.497.019 million (total indebtedness Rs.697.019 million). The first party has agreed to settled its total indebtedness against the settlement amount of Rs.200 million. The settlement amount is now repayable in 4 quarterly installment of Rs. 5 million each commencing from 1 January 2022, 4 quarterly installment of Rs.2.5 million each commencing from 1 January 2023 and 24 equal quarterly installments of Rs.7.083 million each commencing from 31 March 2024. Upon successful settlement, the cases will be withdrawn by the lenders and the difference of settlement amount over the recorded liabilities will be taken to statement of profit or loss.

**19.5** The loans disclosed in 19.2, 19.3 and 19.4 are interest free and have been measured at amortized cost in accordance with International Financial Reporting Standards 9, Financial Instruments, and have been discounted using the interest rate ranging from 7.05% to 9.75% per annum.

**19.6** The lenders listed in 19.1 to 19.4 are in litigation with the Company as more fully explained in note 28.1 (a) and note 28.1 (b) to the financial statements.

	Notes	2024	2023
<b>20</b>	<b>ADVANCES FOR INVESTMENT IN TERM FINANCE CERTIFICATES</b>	----- (Rupees in '000') -----	
	Advance for investment in term finance certificates - Secured	20.1 <u><b>2,910,000</b></u>	<u>2,910,000</u>

**20.1** It represents private placement (Pre-IPO) investment of Rs.2,910 million received as advanced against issue of rated, listed and secured term finance certificates out of total issue of Rs.5,000 million for a tenure of six years. The Company was required to complete the public offering on or before 270 days of signing of the respective agreements i.e. 5 October 2008. The Company was unable to complete the requisite formalities of public offering due to the factors beyond its control (Force Majure) i.e. global recession and unforeseen shut down of stock exchanges. Following course, certain investors have filed suits and winding up petitions in Hon'able High Court of Sindh as more fully explained in note 28.1 (a) and note 28.1 (b) to the financial statements.

The principal terms and conditions for the proposed issue of rated, listed and secured Term Finance Certificates (TFCs) were as follows:

- a) The tenor was six years inclusive of a grace period of 18 months.
- b) Profit payments payable semi-annually in arrears on the outstanding principal amount and calculated on a 365-days year basis. The first profit payment will fall due six months from the issue date and subsequently every six months thereafter.



- c) Carries a floating rate of return of KIBOR plus 2 percent per annum.
- d) Will be redeemed in nine equal semi annual installments starting from the twenty-fourth month of the issue.
- e) Secured by first pari passu charge over plant and machinery and land and buildings.

	Notes	2024	2023
<b>21</b>	<b>LONG TERM DEPOSITS AND PAYABLES</b>	----- <b>(Rupees in '000')</b> -----	
	Security deposits	<b>467,644</b>	<b>616,643</b>

**21.1** These represent interest free security deposits received from stockists and are repayable on cancellation or withdrawal of stockists arrangement and are also adjustable against unpaid amount of sales.

**22 DEFERRED TAX LIABILITY - Net**

Deferred taxation comprises temporary difference relating to:

Accelerated tax depreciation	<b>4,308,982</b>	4,336,729
Surplus on revaluation of fixed assets	<b>8,398,036</b>	8,614,017
Provisions and others	<b>(31,590)</b>	(26,683)
	<b>12,675,428</b>	12,924,063
Accumulated tax losses and available tax credits	<b>(2,170,486)</b>	(2,038,267)
	<b>10,504,942</b>	<b>10,885,796</b>

**22.1 Movement of deferred tax liabilities**

Balance at beginning of the year	<b>10,885,796</b>	6,972,287
Increase in deferred tax liability due to current revaluation	--	3,829,333
Tax charge recognised in statement of profit or loss	<b>(380,854)</b>	84,176
Balance at end of the year	<b>10,504,942</b>	<b>10,885,796</b>

**22.2** Deferred tax balance has been recognised at the rate at which these are expected to be settled / realised.

**23 TRADE AND OTHER PAYABLES**

Creditors	23.1	<b>999,329</b>	915,899
Accrued liabilities		<b>1,148,088</b>	1,076,982
Excise duty payable	23.2	<b>1,385,805</b>	1,245,331
Sales tax payable	23.2	<b>773,736</b>	619,883
Tax deducted at source	23.3	<b>217,560</b>	364,167
Advance from customers		--	433
Custom duty payable		<b>22,848</b>	22,848
Payable to an associated person	23.4	<b>87,600</b>	87,600
Provident fund payable		<b>6,422</b>	11,471
Workers' Profits Participation Fund		<b>377</b>	377
Workers' Welfare Fund	23.5	<b>48,941</b>	46,010
		<b>4,690,706</b>	<b>4,391,001</b>

- 23.1** This includes an amount of Rs.54.289 million (2023: Rs.54.289 million) representing overdue letters of credit which carry mark-up at the rate of 1 month KIBOR + 2% per annum (2023: 1 month KIBOR + 2% per annum).
- 23.2** The Company was unable to pay excise duty and sales tax amounting to Rs.1,385.805 million (2023: Rs.1,245.331 million) and Rs.773.736 million (2023: Rs.619.883 million) respectively within the stipulated time as prescribed in respective laws. Arrangements are being made for the payment of these amounts.
- 23.3** This represents tax withheld on salaries, payments on account of purchase of goods, services and expenses. Arrangements are being made for the payment of this amount.
- 23.4** The amount represent interest free loan payable to a sponsor of the Company which is payable on demand.

	Notes	2024	2023
		------(Rupees in '000')-----	
<b>23.5 Workers' Profits Participation Fund</b>			
Balance at the beginning of the year		46,010	46,010
Allocation for the year	33	2,931	--
Balance at the end of the year		<u>48,941</u>	<u>46,010</u>
<b>24 SHORT TERM BORROWINGS</b>			
<b>From financial institutions:</b>			
Running finance	24.1	208,159	208,159
Export refinance	24.1	121,000	121,000
Bridge finance - syndicate	24.1	250,000	250,000
		<u>579,159</u>	<u>579,159</u>
<b>24.1</b> These represents utilized portion of facilities which are secured by way of first pari passu charge of Rs.471 million on the Company's stocks / book debts and Rs. 333.33 million on the Company's fixed assets. These financing arrangement has expired and not been renewed by the bank.			
<b>24.2</b> The Company is in litigations with all of the lenders as more fully explained in note 28.1(a) and 28.1(b) to the financial statements.			
<b>25 MARKUP PAYABLE</b>			
<b>Markup payable on:</b>			
- advances for investment in term finance certificates		398,488	398,488
- long term borrowings		342,519	342,519
- short term borrowings		51,654	51,654
		<u>792,661</u>	<u>792,661</u>



	Notes	2024	2023
----- <b>(Rupees in '000')</b> -----			
<b>26</b>	<b>CURRENT AND OVERDUE PORTION OF NON-CURRENT LIABILITIES</b>		
Long term borrowings	19	<b>1,709,060</b>	1,708,227
Liabilities against assets subject to finance lease	26.1	<b>41,210</b>	41,210
		<b><u>1,750,270</u></b>	<b><u>1,749,437</u></b>

**26.1** The Company had entered into lease agreements with certain leasing companies for lease of vehicles and machinery. Total lease rentals due under various lease agreements aggregate Rs.41.210 million. The Company is in litigations with all of the lenders as more fully explained in note 28.1(a) and 28.1(b) to the financial statements.

**27 UNPAID AND UNCLAIMED DIVIDEND**

This represent dividend withheld due to awaiting legal process.

**28 CONTINGENCIES AND COMMITMENTS**

**28.1 Contingencies**

(a) In respect of liabilities towards banks / financial institutions disclosed in note 19, 20, 23.1, 24, 25 and 26 to the financial statements, lender banks / financial institutions have filed suits in Honorable High Court of Sindh at Karachi for recovery of their liabilities through attachment and sale of Company's hypothecated / mortgaged properties. During the year ended 2017, out of these banks / financial institutions, certain lenders have entered into standstill agreements with the Company for an aggregate liability of Rs.6,078.45 million sought by lenders in the suits filed by them and it was agreed that the Company would settle all the liabilities at principle amount of Rs.4,751.87 million through disposal of its certain assets. Hence joint applications were filed in Honorable High Court to obtain consent decrees for the terms and conditions stipulated in standstill agreement and the consent decrees were obtained. However, due to non execution of the terms of the standstill agreement the lenders filed application with the Honorable Sindh High Court for execution of consent decrees. The Company filed suits against the lenders for performance of consent decrees in the Honorable High Court of Sindh, at Karachi wherein it has been strongly contested that filing of executions is unjust and against the law. For settlement of liabilities, the Company entered into non-binding agreement for sale of its assets, but the sale could not be finalized, however, the Company is still looking for buyers for sale of its north plant. Consequent to which the Company would be able to settle the liabilities.

(b) Out of the lenders as disclosed in note 19, 20, 23.1, 24, 25 and 26 to the financial statements, some lenders did not become signatory of the settlement agreement and continue to pursue their suits filed in Honourable High Court of Sindh at Karachi for recovery of their liabilities through attachment and sale of Company's hypothecated/ mortgaged properties. The aggregate suits amount in respect of these is Rs.747 million, out of total suits amount certain banks / financial institutions

having suits to the extent of Rs. 247.380 million have also filed winding up petitions u/s 301 of the Companies Act, 2017. Since the Company is in dispute with banks / financial institutions therefore the estimated financial effect of litigations is not being disclosed, as it may have adverse effect on Company's position in the suits.

The default of the Company is attributable to the Arrangers of the proposed Term Finance Certificates [TFCs] as they took the Company towards engineered default. The Company withdrew the foreign currency Convertible Bond issue which was completed with regard to the investors and approvals from SECP and SBP were also in place in all respect; and converted this into local TFCs under the firm commitment of major banks of the Company that it would be closed within a few weeks. Unfortunately, the TFC issue has so far not been closed.

The management has disputed the claim and is strongly contesting the case. The management has filed counter claims alleging that the banks claims are highly exaggerated as they have charged mark-up on mark-up and other levies higher than the rate of mark-up agreed and other charges in violation of State Bank of Pakistan rules and all other applicable laws of Pakistan. The management is hopeful that the decision will be in favour of the Company and the base less suits shall be rejected by the concerned courts. Since all the cases are pending before Honourable Courts therefore the ultimate outcome cannot be established at this stage.

- (c) On 27 August 2009, the Competition Commission of Pakistan (CCP) passed a single order against all the cement manufacturers of the country on the alleged ground of formation of cartel for marketing arrangement and imposed a penalty at the rate of 7.5% of total turnover of each company consisting of both local and export sales. The amount of penalty imposed on the Company is amounting to Rs.345 million. The constitutionality of the Competition Law challenged by the Company before the Honorable Lahore High Court including the show cause notice and subsequent order issued by the CCP.

On 26 October 2020, the Lahore High Court dismissed the petitions of the cement manufacturers and declared the Competition Law to be intra vires. Nevertheless, the Honorable Court struck down the constitution of the Competition Appellate Tribunal (CAT). The Company has filed an appeal before the Honorable Supreme Court of Pakistan to challenge the said decision. Meanwhile, the Government has also filed an appeal to challenge the judgment of the Honorable Lahore High Court.

The Company has also filed a petition before the Honorable High Court of Sindh in relation to the constitution of CAT, wherein the Honorable Court has restrained CAT from passing a final order in the matter.

Based on advice of the Company's legal advisor, the management is confident of a positive outcome and hence no accrual has been recorded in the books of account of the Company.



- (d) On 3 January 2008, the Company filed a refund claim for the period from 17 June 1994 to 18 April 1999, amounting to Rs.608.015 million before Collector of Sales Tax and Federal Excise (the department) in view of Supreme Court judgment regarding the value of goods for the purpose of imposition of excise duty, under section 4(2) of the Central Excise Act, 1944 (the "1944 Act"). In the Supreme Court judgment it has been categorically held that no excise duty could be added to the retail price for levying excise duty under section 4(2) of the 1944 Act.

"The department had previously submitted petitions for the review of judgments issued by the Supreme Court of Pakistan in similar cases. The Company's application for a refund was returned with the note that, due to the ongoing review of these cases, a decision regarding the refund would be made only after the outcome of the review petitions. On January 20, 2009, the Honourable Supreme Court of Pakistan dismissed these petitions.

The Company subsequently reached out to the Federal Board of Revenue (FBR) to commence the refund process; however, there was no response from the FBR regarding this matter. In pursuit of resolution, the Company turned to the Islamabad High Court, which issued a directive on June 30, 2016, instructing the FBR to arrange a hearing. Following this, the Chief Accountant of the FBR made contact with the Company, and a decision is now awaited. As a precaution, the Company has refrained from recognizing the expected refund in its financial statements."

- (e) A Constitutional Petition was filed by the Company against the Customs Department to recover a sum of Rs.56 million representing the sale proceeds of certain goods of the Company auctioned by Customs Department and adjusted against unlawful demand / claim of Rs.89 million. The said Petition is pending and is at the stage of arguments and Company expects the same will be decided in its favour and the amount will be refunded.

## 28.2 Commitments

- (a) Letter of credit available amounting to Rs.500 million (2023: Rs.500 million).
- (b) Guarantees issued by commercial banks on behalf of the Company amounting to Rs.10 million (2023: Rs.115.525 millions).

	Notes	2024	2023
<b>29</b>	<b>TURNOVER - Net</b>	<b>----- (Rupees in '000') -----</b>	
	Turnover - Local	<b>31,136,925</b>	27,536,081
	Sales tax	<b>(5,215,961)</b>	(4,418,603)
	Federal excise duty	<b>(3,155,139)</b>	(2,628,058)
	Sales incentives	<b>(446,743)</b>	(289,865)
		<b>(8,817,843)</b>	(7,336,526)
		<b><u>22,319,082</u></b>	<b><u>20,199,555</u></b>

## DEWAN CEMENT LIMITED

	Notes	2024	2023
<b>30 COST OF SALES</b>		<b>----- (Rupees in '000') -----</b>	
Fuel and power		<b>14,114,814</b>	13,815,278
Raw and packing materials consumed		<b>4,408,664</b>	3,312,553
Depreciation	5.3	<b>1,404,795</b>	985,311
Salaries, wages and benefits	30.1	<b>935,101</b>	759,928
Stores and spares consumed		<b>678,572</b>	694,207
Security charges		<b>91,002</b>	68,558
Transportation charges		<b>39,718</b>	59,449
Repairs and maintenance		<b>92,785</b>	64,321
Equipment hire charges		<b>31,885</b>	41,063
Consultancy charges		<b>33,439</b>	26,422
Vehicle running expense		<b>31,878</b>	25,083
Laboratory chemicals and quality control		<b>13,886</b>	4,886
Handling charges		<b>15,020</b>	10,970
Printing and stationery		<b>7,673</b>	8,229
Others manufacturing expenses		<b>4,385</b>	5,564
Fee and subscription		<b>3,773</b>	4,183
Communication charges		<b>6,239</b>	2,245
Rates and taxes		<b>20,334</b>	2,272
Travelling and conveyance		<b>33,839</b>	1,052
Insurance expenses		<b>32,759</b>	32,527
		<b>22,000,561</b>	19,924,101
Opening work in process		<b>280,885</b>	229,549
Closing work in process		<b>(585,411)</b>	(280,885)
		<b>(304,526)</b>	(51,336)
Cost of goods manufactured		<b>21,696,035</b>	19,872,765
Opening finished goods		<b>278,546</b>	158,450
Closing finished goods		<b>(49,432)</b>	(278,546)
		<b>229,114</b>	(120,096)
		<b>21,925,149</b>	19,752,669

**30.1** This includes Rs.21.019 million (2023: Rs.15.636 million) in respect of the Company's contribution for provident funds and Rs.9.455 million (2023: Rs.5.885 million) recognised against contribution to Employees Old Age Benefits Institution (EOBI).

### 31 DISTRIBUTION COST

Salaries, allowances and benefits	31.1	<b>74,610</b>	63,991
Transportation charges		<b>5,973</b>	20,691
Fee and subscription		<b>23,246</b>	14,151
Repairs and maintenance		<b>5,771</b>	8,278
Travelling and conveyance		<b>10,918</b>	7,947
Rent, rates and taxes		<b>7,742</b>	7,130
Advertisement expenses		<b>9,992</b>	6,487
Others		<b>2,876</b>	2,794
Utilities		<b>2,762</b>	2,487
Communication charges		<b>1,708</b>	1,292
Depreciation	5.3	<b>1,813</b>	710
Insurance expenses		<b>1,885</b>	660
		<b>149,296</b>	136,618





**31.1** These include Rs.1.624 million (2023: Rs.1.392 million) in respect of the Company's contribution for provident funds and Rs.0.666 million (2023: Rs.0.425 million) recognized against contribution to EOBI.

	Notes	2024	2023
<b>32 ADMINISTRATIVE EXPENSES</b>		------(Rupees in '000')-----	
Salaries, allowances and benefits	32.1	414,140	354,599
Legal and professional charges		173,274	177,774
Vehicle running expenses		72,566	62,278
Repairs and maintenance		49,555	62,969
Travelling, conveyance and cartage		48,765	55,742
Rent, rates and taxes		28,840	27,275
Security service charges		40,435	30,094
Utilities		10,436	15,382
Fee and subscription		10,024	10,461
Communication charges		6,229	8,260
Depreciation	5.3	6,354	6,538
Printing and stationery		3,401	6,152
Entertainment expenses		4,042	1,150
Other expenses		4,728	9,442
Insurance expenses		476	466
Newspaper and periodicals		212	207
		<b>873,477</b>	<b>828,789</b>

**32.1** This includes Rs.10.575 million (2023: Rs.8.705 million) in respect of the Company's contribution for provident funds and Rs.1.979 million (2023: Rs.1.322 million) recognized against contribution to EOBI.

**33 OTHER OPERATING EXPENSES**

Workers' Welfare Fund	23.5	2,931	--
Exchange loss		--	37,620
Auditor's remuneration	33.1	4,950	4,500
		<b>7,881</b>	<b>42,120</b>

**33.1 Auditor's remuneration**

Audit fee		3,300	3,000
Review of condensed interim financial information		1,100	1,000
Review of Code of Corporate Governance		550	500
		<b>4,950</b>	<b>4,500</b>

**34 OTHER INCOME**

**Income from financial assets**

Profit on deposits / saving accounts		20,822	11,358
Profit on gas deposits		13,991	--
Gain on remeasurement of short term investment		190	80
		<b>35,003</b>	<b>11,438</b>

**Income from non-financial assets**

Liabilities no longer payable written back	34.1	--	408,420
Gain on disposal of operating fixed assets		19	--
Rental income		11,647	--
		<b>11,666</b>	<b>408,420</b>
		<b>46,669</b>	<b>419,858</b>

**34.1** This represents written back of liability related to bills payable in respect of plant and machinery imported in prior years.

	2024	2023
<b>35 FINANCE COST</b>	----- <b>(Rupees in '000')</b> -----	
Unwinding of discount	<b>14,836</b>	22,126
Commission on bank guarantees	<b>1,979</b>	1,583
Bank charges	<b>4,275</b>	274
	<b><u>21,090</u></b>	<u>23,983</u>

**35.1** Company has not made the provision of mark-up for the year amounting to Rs.1,191.257 million (Up to 30 June 2024: Rs.9,227.884 million) keeping in view that the admitted liability will be reduced to the principle amounts on account of settlement of liabilities in accordance with the standstill agreements with lenders. Had the provision been made the loss for the year would have been higher by Rs.1,191.257 million and accrued mark-up would have been higher and shareholders' equity would have been lower by Rs.9,227.884 million. The said non-provisioning is a departure from the requirements of IAS-23 'Borrowing Costs'.

**36 LEVIES**

Minimum tax	<b><u>279,424</u></b>	<u>252,636</u>
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**37 TAXATION - Net**

Current tax		
- for current year	--	--
- for prior years	--	84,728
	--	84,728
Deferred tax	<b><u>(380,854)</u></b>	84,176
Total tax charge	<b><u>(380,854)</u></b>	<u>168,904</u>

**37.1 Reconciliation between income tax expense and accounting profit:**

Numerical reconciliation between the average tax rate and the applicable tax rate has not been given as the Company is subject to the provisions of minimum tax under Section 113 of the Income Tax Ordinance, 2001 ('Ordinance'), alternate corporate tax under section 113C of the Ordinance and super tax on high earning person under section 4C of the Ordinance.

**37.2** The assessments of the Company deemed to have been finalized upto and including tax year 2023.



<b>38</b>	<b>LOSS PER SHARE - Basic and diluted</b>	Notes	<b>2024</b>	<b>2023</b>
			----- <b>(Rupees in '000')</b> -----	
<b>38.1</b>	<b>Loss earnings per share - Basic</b>			
	Loss after taxation attributable to ordinary shareholders		<u><b>(509,712)</b></u>	<u>(586,306)</u>
			-- <b>(Number of shares '000)</b> --	
	Weighted average number of ordinary shares outstanding		<u><b>484,113</b></u>	<u>484,113</u>
	Loss per share - Basic (Rupees)		<u><b>(1.05)</b></u>	<u>(1.21)</u>

**38.2 Loss per share - Diluted**

There is no dilution effect on loss per share of the Company.

**39 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES**

	Chief Executive		Directors		Executives		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	----- <b>(Rupees in '000')</b> -----							
Remuneration	--	1,605	<b>4,307</b>	3,778	<b>231,444</b>	185,144	<b>235,751</b>	190,527
House rent	--	722	<b>1,938</b>	1,700	<b>104,150</b>	83,315	<b>106,088</b>	85,737
LFA	--	--	<b>262</b>	69	<b>5,685</b>	3,829	<b>5,947</b>	3,898
Medical	--	--	<b>245</b>	236	<b>10,488</b>	8,057	<b>10,733</b>	8,293
Retirement benefits	--	40	<b>359</b>	332	<b>12,075</b>	8,034	<b>12,434</b>	8,406
Utilities	--	160	<b>431</b>	378	<b>23,144</b>	18,514	<b>23,575</b>	19,052
Others	--	1	<b>7</b>	7	<b>285</b>	201	<b>292</b>	209
	--	2,528	<b>7,549</b>	6,500	<b>387,271</b>	307,094	<b>394,820</b>	316,122
Number of persons	--	1	<b>2</b>	2	<b>71</b>	51	<b>73</b>	54

The director and certain executives are also provided with free use of Company owned and maintained cars and other benefits in accordance with their entitlements as per rules of the Company.

**40 RELATED PARTY DISCLOSURES**

Related parties include associated entities, directors, the other key management personnel and close family members of directors and other key management personnel. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Name of the related party	Transactions during the year	2024	2023
		----- <b>(Rupees in '000')</b> -----	
Mr. Yousuf Dewan (Group Chairman)	Provided interest free loan to the Company	<u><b>--</b></u>	<u>76,500</u>
Employees' Provident Fund Trust	Expense in relation to provident fund	<u><b>33,219</b></u>	<u>25,734</u>

## 41 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

### 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 of Directors is responsible for developing and monitoring the Company's risk management policies.

The Company's objective in managing risk is the creation and protection of shareholders value. The Company's risk management policies are established to identify and analyse the risk 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 the Company's activities. The Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

### 41.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

#### Exposure to credit risk

The carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:



	2024		2023	
	"Financial assets"	"Maximum exposure"	"Financial assets"	"Maximum exposure"
	----- (Rupees) -----		----- (Rupees) -----	
Long term loans	2,482	2,482	3,355	3,355
Long term deposit	132,311	132,311	604,311	604,311
Trade debts	976,206	976,206	820,167	820,167
Loans and advances	366,791	366,791	270,168	270,168
Trade deposits	8,541	8,541	8,531	8,531
Other receivable	1,532	1,532	1,743	1,743
Short term investments	612	612	422	422
Cash and bank balances (excluding cash in hand)	155,508	155,508	83,931	83,931
	<b>1,643,983</b>	<b>1,643,983</b>	<b>1,792,628</b>	<b>1,792,628</b>

The Company manages credit risk of receivables through the monitoring of credit exposures and continuous assessment of credit worthiness of its customers.

The management believes that no provision is required during the year. Further credit risk in respect of trade debts is mitigated by the security deposits amounting to Rs.467.644 million (2023: Rs.616.643 million). The credit quality of the Company's receivable can be assessed with their past performance.

#### Cash and cash equivalents

The cash and cash equivalents are held with banks, which are rated as follows:

Name of Bank	Rating Agency	Rating	
		Short term	Long term
United Bank Limited	JCR-VIS	A-1+	AAA
Allied Bank Limited	PACRA	A1+	AAA
BankIslami Pakistan Limited	PACRA	A1	AA-
Bank Alfalah Limited	PACRA	A1+	AAA
National Bank of Pakistan	JCR-VIS	A-1+	AAA
Meezan Bank Limited	JCR-VIS	A-1+	AAA
Dubai Islamic Bank Limited	JCR-VIS	A-1+	AA
Askari Bank Limited	JCR-VIS	A1+	AA+

#### 41.2 Liquidity risk

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements. At present the Company is facing liquidity problems and have been unable to make timely repayment of its liabilities resulting in overdues, further, the short term finance facilities have expired and not been renewed by the lenders.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments.

2024

**Non-derivative financial liabilities**

	Carrying Amounts	Contractual Cash flows	Six months or less	Six to twelve months	One to two years	Two to five years	More than five years
-----Rupees in '000'-----							
Long term financings	1,799,479	1,836,560	1,686,516	22,544	28,333	85,000	14,167
Term finance certificates	2,910,000	2,910,000	--	--	2,910,000	--	--
Short term borrowings	579,159	579,159	579,159	--	--	--	--
Lease liabilities	41,210	41,210	41,210	--	--	--	--
Long term deposits and payables	467,644	467,644	--	--	--	467,644	--
Trade and other payables	4,690,706	4,690,706	4,690,706	--	--	--	--
Mark up payable	792,661	792,661	792,661	--	--	--	--
Dividend payable	12,926	12,926	12,926	--	--	--	--
Unpaid and unclaimed dividend	1,780	1,780	1,780	--	--	--	--
	<b>11,295,565</b>	<b>11,332,646</b>	<b>7,804,958</b>	<b>22,544</b>	<b>2,938,333</b>	<b>552,644</b>	<b>14,167</b>

2023

**Non-derivative financial liabilities**

	Carrying Amounts	Contractual Cash flows	Six months or less	Six to twelve months	One to two years	Two to five years	More than five years
-----Rupees in '000'-----							
Long term financings	1,831,676	1,883,593	1,680,127	28,100	47,866	85,000	42,500
Term finance certificates	2,910,000	2,910,000	--	--	2,910,000	--	--
Short term borrowings	579,159	579,159	579,159	--	--	--	--
Lease liabilities	41,210	41,210	41,210	--	--	--	--
Long term deposits and payables	616,643	616,643	--	--	--	616,643	--
Trade and other payables	4,391,001	4,391,001	4,391,001	--	--	--	--
Mark up payable	792,661	792,661	792,661	--	--	--	--
Dividend payable	12,926	12,926	12,926	--	--	--	--
Unpaid and unclaimed dividend	1,780	1,780	1,780	--	--	--	--
	<b>11,177,056</b>	<b>11,228,973</b>	<b>7,498,864</b>	<b>28,100</b>	<b>2,957,866</b>	<b>701,643</b>	<b>42,500</b>

**41.3 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 the return.

**41.3.1 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. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

The Company is exposed to foreign currency risk on purchases that are denominated in a currency other than Pak Rupees (PKR). The financial instruments of the Company are not exposed to currency risk as there were no financial instruments in foreign currency.

**41.3.2 Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:



	2024	2023
<b>Variable rate instruments</b>	----- <b>(Rupees in '000')</b> -----	
<b>Financial assets</b>		
Cash at bank - Deposits / PLS saving accounts	<b>88,237</b>	811
<b>Variable rate instruments</b>		
<b>Financial liabilities</b>		
Advances for investment in term finance certificates	<b>2,910,000</b>	2,910,000
Long term financings	<b>1,836,560</b>	1,883,593
Lease liabilities	<b>41,210</b>	41,210
Short term borrowings	<b>579,159</b>	579,159
Trade payables	<b>54,289</b>	54,289
	<b>5,421,218</b>	5,468,251

**Fair value sensitivity analysis for fixed rate instruments:**

The impact of change in fair value due to a change in interest rate is not considered to be material to these financial statements.

**Cash flows sensitivity analysis for variable rate instruments:**

Since the Company has not made provision of mark-up on its borrowings on account of restructuring proposal offered to lenders, therefore sensitivity analysis cannot be given.

**41.3.3 Equity price risk**

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

The Company does not have investments in listed equity securities and is not exposed to market price risk.

**41.4 Capital risk management**

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholder value and reduce the cost of capital.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. Net debt is calculated as total loans and borrowings including any finance cost thereon, trade and other payables, less cash and bank balances and investments. Capital signifies equity as shown in the balance sheet plus net debt.

#### 41.5 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's activities, either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of operation behaviour. Operational risks arise from all the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation while achieving its objectives of becoming a profitable organisation, producing high quality cement and generating returns for investors. Primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors.

#### 41.6 Fair value of financial assets and liabilities

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

##### Fair value hierarchy

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	------(Rupees in '000)-----		
<b>2024</b>			
<b>Short term investments</b>			
Investments - Fair value through profit and loss	<b>612</b>	--	--
<b>2023</b>			
<b>Short term investments</b>			
Investments - Fair value through profit and loss	<b>422</b>	--	--





<b>42 CAPACITY - Clinker</b>	<b>2024</b>	<b>2023</b>
	<b>---- ( In Metric Tonnes) ----</b>	
<b>Annual installed capacity</b>		
- South unit (Line I)	<b>900,000</b>	900,000
- South unit (Line II)	<b>960,000</b>	960,000
- North unit (Line I)	<b>540,000</b>	540,000
- North unit (Line II)	<b>540,000</b>	540,000
	<b><u>2,940,000</u></b>	<b><u>2,940,000</u></b>
<b>Actual production for the year</b>		
- South unit (Line I)	<b>--</b>	--
- South unit (Line II)	<b>597,066</b>	630,228
- North unit (Line I)	<b>147,617</b>	377,405
- North unit (Line II)	<b>509,503</b>	340,509
	<b><u>1,254,186</u></b>	<b><u>1,348,142</u></b>

Actual production is less than the installed capacity due to planned maintenance, shutdown and gap between market demand and supply of the company's product.

**43 PROVIDENT FUND RELATED DISCLOSURES**

The investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

<b>44 NUMBER OF EMPLOYEES</b>	<b>2024</b>	<b>2023</b>
	<b>---- (Numbers) ----</b>	
Number of employees as at 30 June	<b><u>673</u></b>	<u>665</u>
Average number of employees during the year	<b><u>678</u></b>	<u>662</u>

**45 OPERATING SEGMENTS**

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. These financial statements have been prepared on the basis of single reportable segment. Revenue from sales of cement represents 100% of the gross sales of the Company.

- All non-current assets of the Company at 30 June 2024 are located in Pakistan.
- Revenues of Rs.9,742.222 million (2023: Rs.12,223.408 million) are derived from three customers.
- Revenue from M/s Oaktra Services 18.98% (2023: 28.71%) and AA Traders 7.57% (2023: 9.18%) of the total revenue of the Company.

**46 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:

	2024	2023
	----- <b>(Rupees in '000')</b> -----	
Shariah compliant bank deposits/bank balances	<b>29,926</b>	48,331
Profit earned from shariah compliant bank deposits/bank balances	<b>7,946</b>	8,855
	<b><u>37,872</u></b>	<b><u>57,186</u></b>

The Company maintains bank accounts with Meezan Bank Limited, Dubai Islamic Bank, Allied Bank Limited Islamic and Bank Islami Pakistan Limited.

**46 CORRESPONDING FIGURES**

The corresponding figures have been rearranged and reclassified for the purpose of comparison and better presentation. However, there were no significant restatements or reclassifications except as disclosed in note 3.6.

**47 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorised for issue on **October 01, 2024** by the Board of Directors of the Company.

**48 GENERAL**

Figures have been rounded off to the nearest thousand of Rupees, unless otherwise stated.



**Ghazanfar Baber Siddiqi**  
Chief Executive Officer



**Hazrat Ali**  
Chief Financial Officer



**Syed Maqbool Ali**  
Director



**PATTERN OF SHAREHOLDING UNDER REGULATION 37(XX)(I) OF THE CODE OF CORPORATE GOVERNANCE AS AT JUNE 30TH, 2024**

NAME OF SHAREHOLDER	Number of Shareholders	Number of Shares held	Percentage of Shareholding
<b>Directors, CEO, their Spouses &amp; Minor Children</b>			
Mr. Abdul Basit	1	1,375	0.00%
Mr. Aziz-ul-Haque	1	1,375	0.00%
Mr. Ghazanfar Babar Siddiqi	1	1,375	0.00%
Mr. Waseem-ul-Haque Ansari	1	1,375	0.00%
Mr. Ishtiaq Ahmad	1	500	0.00%
Mr. Syed Maqbool Ali	1	500	0.00%
Mrs. Nida Jamil	1	500	0.00%
<b>Associated Companies</b>			
Dewan Motors (Pvt.) Limited	3	18,125,000	3.74%
Dewan Mushtaq Motors Company (Pvt) Ltd.	3	18,125,000	3.74%
Dewan Development (Private) Limited	2	30,000,000	6.20%
Dewan Farooque Motors Limited	2	65,375,455	13.50%
<b>NIT and ICP</b>	7	467,956	0.10%
<b>Executives</b>	-	-	0.00%
<b>Banks, Development Financial Institutions, Non-Banking Finance Companies</b>			
	23	156,304	0.03%
<b>Insurance Companies</b>			
	1	35,000	0.01%
<b>Modarabas and Mutual Funds</b>			
	6	305,115	0.06%
<b>General Public</b>			
a. Local	7,929	338,369,017	69.89%
b. Foreign	2	60,000	0.01%
<b>Others (Joint Stock Companies, Brokrage Houses, Employees Funds &amp; Trustees)</b>			
	61	13,087,496	2.70%
<b>TOTAL</b>	<b>8,046</b>	<b>484,113,343</b>	<b>100.00%</b>

**SHAREHOLDERS HOLDING FIVE PERCENT OR MORE VOTING RIGHTS**

NAME OF SHAREHOLDER	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Dewan Development (Private) Limited	2	30,000,000	6.20%
Dewan Farooque Motors Limited	2	65,375,455	13.50%
Dewan Muhammad Yousuf Farooqui	3	190,000,606	39.25%

**DETAILS OF TRADING IN THE SHARES OF THE COMPANY BY DIRECTORS, CEO, CFO, COMPANY SECRETARY, THEIR SPOUSES AND MINOR CHILDREN**

During the year under review, none of the CEO, CFO, Directors, Company Secretary, their spouses and minor children have traded in the shares of the Company.

**PATTERN OF SHAREHOLDING  
AS AT JUNE 30TH, 2024**

Number of Shareholders	Shareholdings		Total Shares held	Percentage
	From	To		
847	1	100	39,814	0.01%
1892	101	500	741,166	0.15%
1118	501	1,000	1,044,087	0.22%
2130	1,001	5,000	6,075,948	1.26%
769	5,001	10,000	6,251,592	1.29%
488	10,001	20,000	7,521,443	1.55%
201	20,001	30,000	5,171,681	1.07%
104	30,001	40,000	3,813,067	0.79%
105	40,001	50,000	5,051,763	1.04%
30	50,001	60,000	1,678,264	0.35%
33	60,001	70,000	2,167,880	0.45%
39	70,001	80,000	2,962,587	0.61%
30	80,001	90,000	2,615,057	0.54%
60	90,001	100,000	5,921,834	1.22%
18	100,001	120,000	1,931,396	0.40%
20	120,001	140,000	2,598,238	0.54%
14	140,001	160,000	2,130,510	0.44%
15	160,001	180,000	2,556,286	0.53%
22	180,001	200,000	4,317,118	0.89%
22	200,001	250,000	5,020,219	1.04%
12	250,001	300,000	3,504,250	0.72%
10	300,001	350,000	3,324,387	0.69%
9	350,001	400,000	3,542,832	0.73%
9	400,001	450,000	3,879,932	0.80%
9	450,001	500,000	4,368,500	0.90%
2	500,001	550,000	1,091,000	0.23%
3	550,001	600,000	1,761,334	0.36%
2	600,001	650,000	1,269,226	0.26%
1	650,001	700,000	692,963	0.14%
2	700,001	750,000	1,453,942	0.30%
2	750,001	800,000	1,501,050	0.31%
1	800,001	850,000	810,661	0.17%
1	850,001	900,000	900,000	0.19%
1	900,001	950,000	944,600	0.20%
2	950,001	1,000,000	2,000,000	0.41%
2	1,000,001	1,100,000	2,106,956	0.44%
1	1,100,001	1,700,000	1,640,500	0.34%
2	1,700,001	2,300,000	4,443,500	0.92%
1	2,300,001	2,900,000	2,880,139	0.59%
3	2,900,001	3,400,000	10,000,000	2.07%
1	3,400,001	4,000,000	3,790,565	0.78%
1	4,000,001	6,000,000	5,257,000	1.09%
1	6,000,001	8,000,000	7,035,811	1.45%
3	8,000,001	10,000,000	29,360,178	6.06%
1	10,000,001	12,000,000	11,738,343	2.42%
1	12,000,001	13,000,000	12,867,734	2.66%
1	13,000,001	15,000,000	14,776,250	3.05%
1	15,000,001	17,000,000	16,322,744	3.37%
1	17,000,001	21,000,000	20,639,822	4.26%
1	21,000,001	70,000,000	65,374,818	13.50%
1	70,000,001	81,000,000	80,000,000	16.53%
1	81,000,001	100,000,000	95,224,356	19.67%
<b>8046</b>	<b>Total</b>		<b>484,113,343</b>	<b>100.00%</b>

## FORM OF PROXY

I/We-----of----- being member(s) of Dewan Cement Limited and holder of-----Ordinary Shares as per Share Register Folio No.----- and/or CDS Participant I.D. No. -----and Sub Account No.----- hereby appoint-----of----- or failing him/her-----of-----as my proxy to vote for me and on my behalf at the 45<sup>th</sup> Annual General Meeting of the company to be held on Thursday, October 24<sup>th</sup>, 2024 at 03:00 p.m. and / or any adjournment there of.

Signed this-----day of-----2024

1. Signature:-----

Witness:-----

Name:-----

Address:-----

-----

C.N.I.C. No:-----

Passport No.:-----

Signature on  
Five Rupees  
Revenue Stamp

The Signature should agree with the specimen registered with the company

2. Signautre:-----

Witness:-----

Name:-----

Address:-----

-----

C.N.I.C. /Passport No.:-----

### NOTES:

A member of the Company entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received by the Company, duly completed at our shares registrar transfer agent BMF Consultants Pakistan (Pvt.) Ltd. Anum Estate, Room No. 310 & 311, 3<sup>rd</sup> Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, Adjacent to Baloch Colony Bridge, Karachi, Pakistan, not less than 48 hours before the meeting. CDC account holders will further have the following guidelines as laid down by the Securities & Exchange Commission of Pakistan.

- a. For Attending Meeting:
  - i. In case of individual, the account holder of sub-account holder and/or the person whose securities are in group account and their registration detail are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original National Identity Card (CNIC) or original passport at the time or attending the meeting.
  - ii. In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with the specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting.
- b. For Appointing Proxies.
  - i. In case of individual, the account holder of sub-account holder and/or the person whose securities are in group account and their registration detail are uploaded as per the regulations, shall submit the proxy form as per the above requirements.
  - ii. Two persons, whose names, addresses and CNIC numbers shall be mentioned on the form to witness the proxy.
  - iii. Attested copies of CNIC or passport of the beneficial owners and proxy shall be furnished with the proxy form.
  - iv. The proxy shall produce his/her original CNIC or original passport at the time of meeting.
  - v. In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with the specimen signature of the nominee shall be produced (unless it has been provided earlier) alongwith the proxy form of the Company.



## پراکسی فارم

میں / ہم \_\_\_\_\_ کی جانب سے \_\_\_\_\_ بحیثیت دیوان سینٹ کے ممبران اور \_\_\_\_\_ عام حصص یافتہ فی حصص اندراج فولیو نمبر \_\_\_\_\_ اور  
ایا CDS شراہ آئی ڈی نمبر \_\_\_\_\_ اور سب اکاؤنٹ نمبر \_\_\_\_\_ اپنی طرف سے \_\_\_\_\_ کو بطور پراکسی نامزد کرتے ہیں۔ یہ میری / ہماری جانب سے  
جمرات مورخہ 24، اکتوبر 2024ء شام 03:00 pm بجے منعقدہ کمپنی کی 45 ویں سالانہ عمومی میٹنگ میں ووٹ دینے کے مجاز ہیں۔

دستخط برائے \_\_\_\_\_ بتاریخ \_\_\_\_\_ 2024ء

پانچ روپے کے ریونیو اسٹیپ پر دستخط	_____	دستخط	۱۔
کمپنی میں کئے جانے والے دستخط	_____	گواہ	۲۔
سے مختلف ناہوں	_____	نام	
	_____	پتہ	
	_____	شناختی کارڈ نمبر	
	_____	پاسپورٹ نمبر	

نوٹس

کمپنی کا ممبر میٹنگ میں حاضر ہونے اور ووٹ دینے کا اختیار کسی دوسرے کو بطور پراکسی دے سکتا ہے۔ مکمل ہر ہوئے پراکسی فارم میٹنگ کے شروع ہونے سے 48 گھنٹے پہلے تک ہمارے  
شیئر ٹرانسفر ایجنٹ بی ایم ایف کنسلٹنٹس پاکستان پرائیویٹ لمیٹڈ کو ذیل درج پتے پر موصول ہو جانے چاہیں۔ انعام اسٹیٹ روم نمبر 310، 311، تیسری منزل، دارالامان سوسائٹی، شاہراہ  
فیصل نزد بلوچ کالونی ٹیل۔

CDC اکاؤنٹ ہولڈرز کے لئے سیکیورٹی اینڈ ایگزیکٹو کمیشن آف پاکستان کی ہدایات کی روشنی میں درج ذیل ہدایات پر عمل کرنا ضروری ہے۔

a۔ میٹنگ میں حاضری کے لئے

i کسی ایک فرد کے معاملے میں اکاؤنٹ ہولڈر اپنی شناخت ثابت کرنے کے لئے اپنے ہمراہ قومی شناختی کارڈ یا قومی پاسپورٹ لائیں گے۔  
ii میٹنگ میں کارپوریٹ کی نمائندگی کے معاملے میں اپنے ہمراہ بورڈ آف ڈائریکٹرز کی جانب سے دی گئی پاور آف اٹارنی لائیں گے جس میں نامزد کردہ شخص کے حق میں تمام  
بورڈ کے ممبران کے دستخط ہونگے۔

- پراکسی کی نامزدگی کے لئے:

i کسی ایک فرد کے معاملے میں میٹنگ میں شرکت کے لئے اکاؤنٹ ہولڈر اور سب اکاؤنٹ ہولڈر اور وہ شخص جس کے حصص گروپ اکاؤنٹ میں موجود ہیں اپنے ہمراہ  
پراکسی فارم لیکر آئیں گے۔

ii کسی دو اشخاص کے معاملے میں فارم پر دونوں کے قومی شناختی کارڈ نمبر اور ایڈریس پراکسی فارم پر موجود ہونے چاہیں۔

iii نامزد کردہ پراکسی اور اصل شیئر ہولڈر کے شناختی کارڈ کی تصدیق شدہ نقول لازمی ساتھ ہونی چاہیں

iv نامزد کردہ پراکسی میٹنگ میں شمولیت کے وقت اپنے ہمراہ اصل شناختی کارڈ / پاسپورٹ لیکر آئیں گے۔

v میٹنگ میں کارپوریٹ کی نمائندگی کے معاملے میں اپنے ہمراہ بورڈ آف ڈائریکٹرز کی جانب سے دی گئی پاور آف اٹارنی لائیں گے جس میں نامزد کردہ پراکسی شخص کے حق

میں تمام بورڈ کے ممبران کے دستخط ہونگے اور پراکسی فارم بھی لازمی ہے۔

آڈیٹرز کی تقرری

موجودہ آڈیٹرز میسرز فاروق علی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہونے اور اہل ہونے کے بعد، 30 جون 2025 کو ختم ہونے والے آنے والے سال کے لیے آڈیٹرز کے طور پر دوبارہ تقرری کے لیے اپنی خدمات پیش کی ہیں۔

آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے میسرز فاروق علی اینڈ کمپنی کی 2025 کو ختم ہونے والے سال کے لیے کمپنی کے آڈیٹرز کے طور پر چارٹرڈ اکاؤنٹنٹس کی تقرری کی سفارش کی ہے۔

شکریہ کا ووٹ

بورڈ اپنے قیمتی شیئر ہولڈرز، وفاقی اور صوبائی حکومت کے ذمہ داران، بینکوں، ترقیاتی مالیاتی اداروں اور صارفین کے تعاون، مسلسل حمایت اور سرپرستی کے لیے ان کا شکریہ ادا کرنا چاہتا ہے۔

بورڈ کمپنی کے ایگزیکٹوز، سٹاف ممبران اور ورکرز کا بھی شکریہ ادا کرتا ہے اور کمپنی کو تبدیل کرنے کے لیے کی جانے والی کوششوں کے لیے اپنی تعریف کو ریکارڈ پر رکھنا چاہتا ہے۔

بورڈ آف ڈائریکٹرز کے لیے اور اس کی جانب سے

نتیجہ

ہم آخر میں اللہ تعالیٰ رحمن و رحیم سے دعا کرتے ہیں اور حضرت محمد ﷺ سے فضل و کرم کی دعا مانگتے ہیں کہ ہماری کمپنی، ہمارے ملک کو ترقی و طاقت عطا کرے، ہم اللہ تعالیٰ سے یہ بھی دعا کرتے ہیں کہ وہ تمام مسلم ائمہ کے مابین صحیح اسلامی جذبہ، اخوت اور بھائی چارگی پیدا کرے۔ آمین ثمہ آمین۔



سید مقبول علی  
ڈائریکٹر



غففر بابر صدیقی  
چیف ایگزیکٹو آفیسر

بتاریخ: 01 اکتوبر 2024

مقام: کراچی



### ڈائریکٹرز اور بورڈ مینٹگنز

ان افراد کے نام جو سال کے دوران کسی بھی وقت کمپنی کے ڈائریکٹر تھے، مینٹگنز کی تعداد اور مذکورہ مینٹگنز میں ان کی حاضری حسب ذیل ہے:

مینٹگنز میں شرکت کرنے کی تعداد:

4	جناب عزیز الحق
4	جناب غضنفر بابر صدیقی۔
4	جناب اشتیاق احمد
4	سید مقبول علی
3	مسز ندر جمیل
4	جناب وسیم الحق انصاری
4	عبدالباسط صاحب

### آڈٹ کمیٹی کا اجلاس

سال کے دوران آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے، ان اجلاسوں میں اراکین کی حاضری حسب ذیل ہے۔

اراکین کے نام اجلاسوں میں شرکت کی تعداد

4	جناب عزیز الحق
4	جناب وسیم الحق انصاری
4	جناب غضنفر بابر صدیقی۔

### انسانی وسائل اور معاوضے کی کمیٹی کا اجلاس

سال کے دوران HR کمیٹی کا ایک اجلاس منعقد ہوا، اس اجلاس میں اراکین کی حاضری حسب ذیل ہے:

اراکین کے نام اجلاسوں میں شرکت کی تعداد

1	جناب عزیز الحق
1	جناب غضنفر بابر صدیقی
1	جناب اشتیاق احمد



### کمپنی کے حصص میں تجارت

کسی بھی ڈائریکٹر، سی ایف او، کمپنی سیکرٹری، ان کی شریک حیات اور نابالغ بچوں نے سال کے دوران کمپنی کے حصص میں تجارت نہیں کی ہے اس کے علاوہ شیئر ہولڈنگ کے پیٹرن میں پہلے ہی ظاہر کیا جا چکا ہے۔

### ڈائریکٹرز اور چیف ایگزیکٹو کا معاوضہ

سی ای او اور ڈائریکٹرز کے معاوضے کی مکمل تفصیلات مالی بیانات میں نوٹ 39 میں دی گئی ہیں۔

### کارپوریٹ سماجی ذمہ داری

ہم کارپوریٹ سماجی ذمہ داری (CSR) اور اپنے روزمرہ کے کاروباری کاموں میں موثر سماجی طریقوں کو شامل کرنے کے لیے وقف ہیں۔ کمپنی تمام اسٹیک ہولڈرز، خاص طور پر جس کمیونٹی میں ہم کام کرتے ہیں اور ملازمین جو ہماری کامیابی کے لیے بنیادی حیثیت رکھتے ہیں، کے مفادات پر غور و فکر اور توازن قائم کرنے کی اپنی کوششوں میں پرعزم ہے۔

### کیونٹی ریلیشنز

ہماری کمپنی مقامی آبادی کے لیے ضروری سہولیات تک رسائی کو بڑھانے میں اہم رہی ہے۔ یہ خوراک کے سامان کی مفت تقسیم، طبی اور ویکسینیشن کلینکس کی تنظیم، اور رہائشیوں کو پینے کے صاف پانی کی فراہمی کے ذریعے حاصل کیا گیا ہے۔

### مقامی کمیونٹی کے لیے ملازمت کی تخلیق

ہماری کمپنی نے ہماری فیکٹری کے ارد گرد مقامی کمیونٹی کے اندر ہنرمند اور غیر ہنرمند افراد دونوں کے لیے ملازمت کے بے شمار مواقع پیدا کیے ہیں۔ روزگار کے یہ مواقع اپ اسٹریم اور ڈاون اسٹریم دونوں سرگرمیوں پر محیط ہیں۔ ملازمتوں کی تخلیق نہ صرف مقامی آبادی کی قوت خرید میں اضافہ کرتی ہے بلکہ انہیں ان کے معیار زندگی کو بلند کرنے کا ایک قیمتی موقع بھی فراہم کرتی ہے۔

### ماحولیات

ماحولیات کی دیکھ بھال ہماری اولین ترجیحات میں سے ایک ہے۔ ہم اپنے آپریشنز کے قدرتی ماحول کی پرورش اور حفاظت کے لیے پرعزم ہیں۔ سٹی توانائی کے نظام کا نفاذ ایک پائیدار ماحول کو فروغ دینے کی طرف ایک اہم قدم کی نمائندگی کرتا ہے۔

### بعد کے واقعات

کمپنی کی مالی پوزیشن پر اثر انداز ہونے والی کوئی مادی تبدیلیاں اور عزم نہیں ہے، جو مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان واقع ہوئے ہیں۔



## کارپوریٹ گورننس اور مالیاتی رپورٹنگ فریم ورک کا بیان

ڈائریکٹرز کو یہ بتاتے ہوئے خوشی ہو رہی ہے کہ کمپنی سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی طرف سے مطلوبہ ضابطہ کارپوریٹ گورننس کی دفعات کی تعمیل کر رہی ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر بیانات درج ذیل ہیں:

(الف) کمپنی کی انتظامیہ کے ذریعہ تیار کردہ مالیاتی بیانات، اس کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کی شفاف عکاسی کرتے ہیں۔

(ب) کمپنی کے کھاتے۔ مناسب طریقوں سے تیار کیے جاتے ہیں۔

(پ) مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔

(ت) بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالی بیانات کی تیاری میں پیروی کی گئی ہے۔

(ث) اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اسے مؤثر طریقے سے لاگو کیا جاتا ہے اور اس کی نگرانی کی جاتی ہے۔ جائزہ لینے کا عمل جاری رہے گا اور کنٹرول میں موجود کسی بھی کمزوری کو دور کر دیا جائے گا۔

(ج) جاری تشویش کے طور پر جاری رکھنے کی کمپنی کی صلاحیت کے بارے میں شکوک و شبہات اور اس کے کم کرنے والے عوامل مالی بیانات کے نوٹ 2 میں ظاہر کیے گئے ہیں۔

(ج) کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی اخراج نہیں ہوا ہے، جیسا کہ فہرست سازی کے ضوابط میں تفصیل ہے۔

(ج) منسلک مالیاتی گوشواروں میں ظاہر کیے گئے ٹیکس اور لیویز کے علاوہ کوئی بقایا نہیں ہے۔

(ح) پروویڈنٹ فنڈ کی سرمایہ کاری کی قیمت ان کے متعلقہ تازہ ترین کھاتوں کی بنیاد پر 86.173 ملین روپے ہے۔

(خ) 30 جون 2024 تک کمپنی کے شیئر ہولڈنگ کا پیٹرن منسلک ہے۔

(د) متعلقہ اداروں اور متعلقہ افراد کے پاس حصص کا بیان الگ سے دیا گیا ہے۔

(ڈ) سال کے دوران منعقد ہونے والے بورڈ کے اجلاسوں کا بیان اور ہر ڈائریکٹر کی حاضری اس رپورٹ کے الگ پیراگراف کے تحت دی گئی ہے۔

(ذ) پچھلے چھ سالوں کے کلیدی آپریشننگ اور مالیاتی اعداد و شمار الگ الگ دیئے گئے ہیں۔

## ڈیویڈنڈ

سال کے نقصان کی وجہ سے، بورڈ اس پوزیشن میں نہیں ہے کہ وہ زیر جائزہ مدت کے لیے منافع کی سفارش کر سکے۔

آڈیٹرز کی رپورٹ میں مشاہدات

آڈیٹرز نے ایڈوائس فار پری IPO سرمایہ کاری اور مارک اپ کے لیے پروویژن کے بارے میں اپنی رپورٹ کو کو ایفائی کیا ہے جس کی وضاحت ذیل میں کی گئی ہے:

پری IPO سرمایہ کاری کے لیے پیشگی:

آڈیٹرز پری IPO سرمایہ کاری کے لیے پیشگی کی درجہ بندی کے حوالے سے انتظامیہ کے دعوے سے متفق نہیں ہیں 2,910 ملین طویل مدتی ذمہ داری کے طور پر۔

انتظامیہ کا خیال ہے کہ چونکہ IPO منتظمین نے بند نہیں کیا تھا اس لیے TFC جاری نہیں کیا جاسکتا۔ ہم نے تنظیم نو کی نظر ثانی شدہ شرائط پیش کی ہیں اور بہت پر امید ہیں کہ یہ معاملات مستقبل قریب میں بند ہو جائیں گے۔ یہاں یہ بات قابل ذکر ہے کہ تقریباً 25 فیصد قرضے کی تشکیل نو کی گئی تھی اور اس کی بروقت ادائیگی کی جارہی ہے۔

مارک اپ کی فراہمی:

کمپنی نے سال کے لیے روپے کے مارک اپ کی فراہمی نہیں کی ہے۔ اس کے مارک اپ بیزنس واجبات پر 1,191.257 ملین۔

انتظامیہ نے اپنی طویل مدتی ذمہ داریوں کی تنظیم نو کے لیے اپنے بینکرز/ مالیاتی اداروں سے رابطہ کیا۔ انتظامیہ کو یقین ہے کہ انتظامیہ کی طرف سے دی گئی کمپنی کی تنظیم نو کی تجاویز کو مالیاتی ادارے/ بینکر قبول کر لیں گے۔ لہذا، کمپنی نے مارک اپ کے لیے کوئی بندوبست نہیں کیا ہے کیونکہ ری اسٹرکچرنگ کی شرائط کے مطابق مارک اپ قابل ادائیگی نہیں ہوگا۔

آڈیٹرز نے اپنی رپورٹ میں درج ذیل امور پر بھی زور دیا ہے۔

تشویش کا مفروضہ:

آڈیٹرز نے جاری تشویش کے طور پر کمپنی کی جاری رکھنے کی صلاحیت پر مادے کے پیراگراف پر زور دیا ہے۔ تاہم، انتظامیہ کا خیال ہے کہ کمپنی کی تنظیم نو کی تجاویز کو مالیاتی اداروں/ بینکروں کی طرف سے قبول کیا جائے گا اور مالیاتی گوشوارہ کی تیاری کو تشویش کے مفروضے پر جائز قرار دیا جائے گا۔

سیلز ٹیکس اور فیڈرل ایکسائز ڈیوٹی

آڈیٹرز نے سیلز ٹیکس، ایکسائز ڈیوٹی اور وہولڈنگ ٹیکس کی تاخیر سے ادائیگیوں پر معاملے کے پیراگراف پر زور دیا ہے۔ انتظامیہ اضافی نقد بہاؤ پیدا کر کے بقایا ادائیگیوں کو ختم کرنے کے لئے پر اعتماد ہے جو مقررہ وقت کے اندر نہیں کی گئی ہیں۔ بقیہ رقم کے لیے امید کی جاتی ہے کہ محکمہ کی طرف سے یہ بقایا ادائیگیوں میں بھی آسانی ہو جائے گی اور کمپنی جلد ہی اس طرح کے بقایا جات ادا کر سکے گی۔

## مستقبل کا نظریہ

جیسے جیسے مالی سال 2025 قریب آ رہا ہے، پاکستان کو کافی اقتصادی، سیاسی اور جغرافیائی سیاسی رکاوٹوں کا سامنا ہے۔ قوم ٹیکس سے جی ڈی پی کے کم تناسب کے ساتھ جدوجہد کر رہی ہے، جو کہ ریاستی ملکیت والے اداروں (SOEs) کی ناکارہیوں کی وجہ سے ہے، اور جامع اصلاحات کے ذریعے غیر رسمی معیشت کو ٹیکس کے نظام میں ضم کرنے کی فوری ضرورت ہے۔ ان مسائل کی روشنی میں، حکومت نے مالی سال 25 کا وفاقی بجٹ پیش کیا ہے، جس میں SOEs کی نجکاری اور ٹیکس اصلاحات کے نفاذ پر زور دیا گیا ہے۔ ان اقدامات کا مقصد متعدد شعبوں میں ٹیکس محصولات کو بڑھانا اور نان فائلرز کے خلاف کارروائیوں کو مضبوط بنانا ہے، جس کا حتمی مقصد زیادہ متحرک اقتصادی منظر نامے کو فروغ دینا ہے۔ پیشن گوئی مالی سال 2024-25 کے لیے 3.6 فیصد کی ممکنہ GDP نمو کی تجویز کرتی ہے۔

12 جولائی 2024 کو، پاکستان اور بین الاقوامی مالیاتی فنڈ (IMF) نے 7 بلین ڈالر، 37 ماہ کے توسیعی فنڈ سہولت (EFF) انتظامات سے متعلق عملے کی سطح کے معاہدے کو حتمی شکل دی۔ اگرچہ آئی ایم ایف کا نیا قرضہ پروگرام بورڈ کی منظوری کا منتظر ہے، لیکن پاکستان اس توثیق کو حاصل کرنے کے لیے پرامید ہے۔ مزید برآں، امید کی جاتی ہے کہ اتحادی ممالک کے ساتھ قرضوں کی تنظیم نو سے قلیل مدتی استحکام اور طویل مدتی مالیاتی تحفظ دونوں میں مدد ملے گی۔

پبلک سیکٹر ڈویلپمنٹ پروگرام (PSDP) تعمیراتی صنعت اور قوموں کی مجموعی اقتصادی صحت دونوں کے لیے ایک بنیادی ستون کے طور پر کام کرتا ہے، جو انہیں ترقی کی طرف گامزن کرتا ہے۔ مالی سال 2024-25 کے لیے، پی ایس ڈی پی کی مختص رقم کی منظوری دی گئی ہے۔ 3,792.3 بلین، وفاقی اور صوبائی دونوں حکومتوں کے پراجیکٹس پر مشتمل ہے۔ توقع ہے کہ اس اقدام سے مقامی مارکیٹ کی نمو میں اضافہ ہوگا۔

فنانس ایکٹ 2024 میں ٹیکس لگانے میں حالیہ تبدیلیاں، خاص طور پر بجلی اور ایندھن کی بلند شرح سود، سیاسی عدم استحکام اور جاری مہنگائی میں ان پٹ لاگت کے ساتھ مل کر، سیمنٹ کی صنعت کے لیے اہم چیلنجز کا باعث بن سکتی ہیں۔

آئی ایم ایف کے قرضہ پنچ اور اس سے پہلے زیر بحث آنے والے عوامل کو مد نظر رکھتے ہوئے، صنعت کے تخمینے بتاتے ہیں کہ مالی سال 2025 میں سیمنٹ سیکٹر میں 2.4 فیصد کی شرح نمو ہو سکتی ہے۔ یہ نمو بنیادی طور پر برآمدات کی ترسیل میں اضافے کی وجہ سے متوقع ہے، جبکہ مقامی ترسیلات بڑی حد تک کوئی تبدیلی نہیں رہنے کی توقع ہے۔

## جاری قانونی چارہ جوئی

جہاں تک مالیاتی گوشواروں میں ذکر کردہ قرض دہندگان کا تعلق ہے، بینکوں / مالیاتی اداروں کی طرف سے متعدد ریکوری سوٹ قائم کیے گئے ہیں۔ ہمارے وکیلوں کے ذریعے ان سوٹس کا کامیابی سے دفاع کیا جا رہا ہے۔ وکلاء نے ان کی طرف سے زیر سماعت قانونی چارہ جوئی کے سلسلے میں اپنے مشاہدات / رائے پیش کی ہیں اور ان سب کا خیال ہے کہ ان مقدمات کا کامیابی سے دفاع کیا جاسکتا ہے۔

ترسیلات	ٹن میں تعداد	ٹن میں تعداد	% اضافہ (/کمی)
	2023	2024	
مقامی ترسیل - سیمنٹ	1,564,390	1,577,569	0.84
مقامی ترسیل - جی بی ایف ایس	436	-	(100)

کمپنی کے ڈسپچر نے پچھلے سال کے مقابلے میں مسلسل سطح کو برقرار رکھا ہے، جو کہ 0.84% کی معمولی نمو کو ظاہر کرتا ہے۔ یہ مقامی مارکیٹ میں کمپنی کی مستحکم پوزیشن کی نشاندہی کرتا ہے۔ زیر غور سال کے دوران، کمپنی کے ٹائل ہاڈ پروجیکٹ نے بھی جون-2024 کے مہینے میں اپنی پیداوار شروع کی۔

### مالی

مالی سال کے دوران، کمپنی نے مجموعی سیلز ریویو میں 13 فیصد اضافہ دیکھا، جو پچھلے سال کے 27.536 بلین روپے کے مقابلے میں 31.136 بلین روپے تک پہنچ گئی۔ سال کے لیے خالص کاروبار میں 10.4 فیصد اضافہ ہوا، جو 20.199 بلین روپے سے بڑھ کر 22.319 بلین روپے ہو گیا۔ آمدنی میں یہ اضافہ بنیادی طور پر فروخت کے حجم میں معمولی اضافے کے ساتھ ساتھ فروخت کی اوسط قیمت میں اضافے کی وجہ سے ہوا تھا۔

قیمت فروخت میں اضافے کے باوجود، سال کے لیے مجموعی مارجن نسبتاً کم رہا جس کی وجہ پیداواری لاگت میں اضافہ ہوا، خاص طور پر کوئلہ، بجلی، خام مال اور درآمدی استعمال کی اشیاء کی لاگت۔ رواں مالی سال کے لیے مجموعی منافع کا مارجن 1.78 فیصد تک کم ہو گیا۔ پچھلے سال کے 2.2 فیصد کے مقابلے میں۔

مالیاتی اداروں سے ورکنگ کیپیٹل کی سہولیات کی عدم موجودگی میں آپریشنل کیش فلوکوسرمانے کے ساتھ ساتھ محصولات کے اخراجات کے لیے استعمال کیا جاتا ہے۔ انتظامیہ پیداواری کارکردگی کو بڑھانے کے ساتھ ساتھ باقاعدگی سے دیکھ بھال اور دیکھ بھال کے ذریعے پیداواری لاگت کو کم کرنے کی بھرپور کوشش کر رہی ہے۔ بجلی کی لاگت میں کمی کے لیے توانائی کے متبادل ذرائع کے استعمال کے منصوبے بھی زیر تکمیل ہیں۔

### ترقی اور توسیع

جیسا کہ اوپر بتایا گیا ہے، سال کے دوران، آپ کی کمپنی نے توانائی کے تحفظ کے اقدامات اور قابل تجدید توانائی کے وسائل کو فروغ دینے میں مصروف عمل ہے۔ ابتدائی مرحلے میں جنوبی اور شمالی پلانٹس میں بالترتیب 1 میگا واٹ اور 300 کلو واٹ کے سولر سسٹمز شامل کیے گئے ہیں۔ رپورٹنگ کی تاریخ کے بعد دونوں پراجیکٹس کو کامیابی سے انشال اور سسٹم میں ضم کر دیا گیا ہے۔ مزید توسیع منصوبہ بندی کے مرحلے میں ہے۔ یہ شمسی تنصیبات نہ صرف توانائی کے روایتی ذرائع پر ہمارا انحصار کم کریں گی بلکہ بجلی کی لاگت میں کمی کے علاوہ قابل تجدید توانائی کے ذرائع کی طرف منتقل ہونے کے عالمی رجحان میں بھی حصہ ڈالیں گی۔



## ڈائریکٹرز رپورٹ

آپ کی کمپنی کی انتظامیہ آپ کو 30 جون 2024 کو ختم ہونے والے مالی سال کے آڈٹ شدہ کھاتوں کے ساتھ کمپنی کی بیسٹائیلیسوس سالانہ رپورٹ پیش کرنے میں خوشی محسوس کرتی ہے۔ یہ 21 ویں سالانہ رپورٹ ہے جب سے کمپنی کے انتظامی اور کنٹرولنگ حصص یوسف دیوان کمپنیز نے حاصل کئے ہیں۔

### جائزہ

#### معیشت کا جائزہ

مالی سال 2023-24 پاکستان کے لیے ایک ہنگامہ خیز دور ثابت ہوا ہے۔ اس پورے سال کے دوران، قوم کو اہم چیلنجوں کا سامنا کرنا پڑا، جس میں سیاسی عدم استحکام بھی شامل ہے جو کہ انتخابی سال کے دوران نگران حکومت سے منتخب انتظامیہ میں منتقلی ہے۔ مزید برآں، امن و امان سے متعلق مسائل، جغرافیائی سیاسی تناؤ، بلند شرح سود، اور مسلسل بلند افراط زر نے صرف 2.38 فیصد کی معمولی GDP نمو میں حصہ لیا۔ یہ نمو، جوہ 0.21% سے 2.38% تک بہتر ہوئی، کو بین الاقوامی مالیاتی فنڈ (IMF) کے ساتھ اسٹینڈ بائی معاہدے سے منسوب کیا جاسکتا ہے، جس نے بیرونی دباؤ کو کم کرنے میں مدد کی اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر کو مستحکم کیا۔

#### صنعت کا جائزہ

موجودہ سال میں، مقامی سیمنٹ سیکٹر نے ترسیلات میں معمولی کمی کا سامنا کیا، جس میں گزشتہ سال کے مقابلے میں 5% کمی واقع ہوئی، جو کہ 40 ملین ٹن سے 38.2 ملین ٹن تک 1.8 ملین ٹن کمی کا ترجمہ کرتی ہے۔ اس کے برعکس برآمدات میں 55 فیصد کا نمایاں اضافہ دیکھا گیا، جو پچھلے سال کے 4.6 ملین ٹن کے مقابلے بڑھ کر 7.1 ملین ٹن تک پہنچ گئی۔ صنعتوں کی مجموعی ترسیل میں 1.60 فیصد اضافہ ہوا، جو گزشتہ سال کے 44.6 ملین ٹن کے مقابلے 45.3 ملین ٹن کی نمائندگی کرتا ہے۔

#### کمپنی کی کارکردگی

#### مالیاتی نتائج کی جھلکیاں ذیل میں دی گئی ہیں

2023	2024
(Rupees in '000')	
20,199,556	22,319,082
446,886	393,933
(164,766)	(611,142)
(586,306)	(509,712)
Rs. (1.21)	Rs. (1.05)
Rs. (1.21)	Rs. (1.05)

مقامی سیلز - نیٹ

مجموعی منافع

انکم ٹیکس اور لیویز سے پہلے نقصان

ٹیکس کے بعد خالص نقصان

فی شیئر بنیادی نقصان

فی شیئر خسارہ کا تناسب

## چیرمین کا جائزہ

بورڈ آف ڈائریکٹرز متنوع علم کے حامل افراد پر مشتمل ہے جو اپنی بہترین صلاحیتوں کے ساتھ کمپنی کے مقاصد میں حصہ ڈالنے کی کوشش کرتے ہیں۔ کمپنی کے بورڈ آف ڈائریکٹرز کا سالانہ خود جائزہ لیا جاتا ہے۔ اس تجربے کا مقصد اس بات کو یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور تاثر کو کمپنی کے لیے مقرر کردہ مقاصد کے تناظر میں توقعات کے خلاف مایا اور بیچ مارک کیا جائے۔

30 جون 2024 کو ختم ہونے والے مالی سال کے دوران بورڈ کے چار اجلاس منعقد ہوئے۔ کمپنی کے بورڈ آف ڈائریکٹرز کو ایجنڈا موصول ہوا اور تحریری مواد بشمول بورڈ اور اس کی کمیٹی کے اجلاسوں سے پہلے کافی وقت میں فالو اپ مواد۔ تمام ڈائریکٹرز اہم فیصلوں میں برابر کے شریک ہوتے ہیں۔ بورڈ کی مجموعی کارکردگی اور تاثر کو تسلی بخش قرار دیا گیا ہے۔



اشتیاق احمد

چیرمین بورڈ آف ڈائریکٹرز

بتاریخ: 01 اکتوبر 2024

مقام: کراچی



## آئی (پوسٹل بیلٹ)

بذریعہ بیلٹ ووٹنگ کیلئے اراکین کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 کی دفعات کے مطابق اپنا حق رائے دہی استعمال کر سکتے ہیں جو کمپنیز ایکٹ 2017 کے سیکشن 143 اور 144 کے تقاضوں سے مشروط ہے۔ مذکورہ ریگولیشنز کے تحت متعین قانونی ٹائم فریم کے اندر اگر ضرورت محسوس ہوئی تو مزید تفصیلات اراکین کو ارسال کی جائیں گی۔

اراکین اس بات کو یقینی بنائیں گے کہ باضابطہ طور پر دستخط شدہ بیلٹ پیپر معہ شناختی کارڈ کی نقل چیئرمین کو کمپنی کے رجسٹرڈ پتہ [dcl.corp@yousufdewan.com](mailto:dcl.corp@yousufdewan.com) پر ای میل کے ذریعے سالانہ اجلاس عام کے انعقاد کے دن سے ایک دن قبل یعنی 23 اکتوبر، 2024 کے کاروبار ایام کے دوران ارسال کیے جائیں گے۔ بیلٹ پیپر پر دستخط شناختی کارڈ یا کمپنی کے ریکارڈز پر موجود دستخط جیسے ہونے چاہئے۔

## بے (فیزیکی حصص یافتگان کے کوائف)

کمپنیز ایکٹ 2017 کے سیکشن 119 او کمپنیز (جنرل پرووڈز نرائیڈ فارمز) ریگولیشنز 2018 کے ضابطہ 19 کے مطابق تمام فیزیکی حصص یافتگان کو مشورہ دیا جاتا ہے کہ وہ مستقبل میں کسی بھی قانون کی عدم تعمیل یا کسی بھی پریشانی سے بچنے کیلئے اپنی لازمی معلومات جیسا کہ شناختی کارڈ نمبر، پتہ، ای میل ایڈریسز، رابطہ نمبر، انٹرنیشنل بینک اکاؤنٹ نمبر (IBAN) وغیرہ کمپنی کے شیئر رجسٹرار کو ان کے پتے میسرز بی ایم ایف کنسلٹنٹس پاکستان (پرائیویٹ) لمیٹڈ واقع انعم اسٹیٹ بلڈنگ، کمرہ نمبر 310 اور 311، چوتھی منزل، 49، دارالامان سوسائٹی، مرکزی شاہراہ فیصل، نزد بلوچ کالونی پل، کراچی ای میل ([bmfconsultantspakistan@gmail.com](mailto:bmfconsultantspakistan@gmail.com)) پر فوری طور پر ارسال کریں۔



(ای) ویڈیو کانفرنس کی سہولت

کمپنیز ایکٹ 2017 کی دفعات کی تعمیل میں اراکین سالانہ اجلاس عام میں ویڈیو کانفرنس کی سہولت کے ذریعے شرکت کر سکتے ہیں بشرطیکہ 10 فیصد یا زائد حصص رکھنے اور شہر میں رہنے والے اراکین اجلاس کی تاریخ سے کم سے کم 7 روز قبل اپنی رضامندی فراہم کریں گے۔ مذکورہ بالا شرائط کی تعمیل کی صورت میں تمام ضروری معلومات اور جگہ کے بارے میں آگاہ کیا جائے گا، درخواست کا فارم کمپنی کی ویب سائٹ پر دستیاب ہے۔

(ایف) زوم اپیلی کیشن کے ذریعے اجلاس میں شرکت

اراکین درج ذیل ہدایات پر عمل درآمد کر کے زوم کے ذریعے سالانہ اجلاس عام میں آن لائن شرکت کر سکتے ہیں۔

(i) اراکین 22 اکتوبر، 2024 سے قبل کمپنی کی ویب سائٹ:

<http://www.yousufdewan.com/dcl/index.html> پر دستیاب معیاری درخواست فارم کے مطابق اپنی درخواست ای

میل [dcl.corp@yousufdewan.com](mailto:dcl.corp@yousufdewan.com) پر یا دیوان سینٹر، 3-A، لالہ زار بیچ ہوٹل روڈ کراچی میں کمپنی سیکرٹری کے نام پر اپنی

درخواست ارسال کر کے خود رجسٹر کر سکتے ہیں۔

(ii) کمپنی کی طرف سے معیاری درخواست فارم پر درج ای میل آئی ڈی یا موبائل/واٹس ایپ نمبر پر زوم کانک بھیجا جائے گا۔

(جی) سی ڈی سی اکاؤنٹ میں فیزیکل شیئرز کی منتقلی

کمپنیز ایکٹ 2017 کی دفعہ 72 کے تحت تمام ہر لسنڈ کمپنی کیلئے ضروری ہے کہ وہ کمیشن کی طرف سے جاری کردہ نوٹیفیکیشن کی تاریخ اور کمپنیز ایکٹ

2017 کے آغاز یعنی 30 مئی 2017 سے چار سال کے اندر فیزیکل سرٹیفکیٹس کو بک انٹری فارم میں منتقل کریں۔

فیزیکل حصص رکھنے والے حصص یافتگان اپنے فیزیکل سرٹیفکیٹس کو سکرپٹ لیس فارم میں منتقل کرنے کیلئے کسی بھی سی ڈی سی یا سی ڈی سی ڈیلی

اکاؤنٹ کے ساتھ سی ڈی سی انویسٹر اکاؤنٹ کھول سکتے ہیں۔

(ایچ) ای ووٹنگ کا طریقہ کار

(اے) ای ووٹنگ کی تفصیلات کمپنی کے ان اراکین کو ای میل کے ذریعے ارسال کی جائیں گی جن کے مستند شناختی کارڈ نمبرز، فون نمبرز اور ای میل

ایڈریس کمپنی کے اراکین کے رجسٹرڈ میں دستیاب ہوں گے۔

(بی) اراکین کو ای میل کے ذریعے ویب ایڈریس، لاگ ان کی تفصیلات ارسال کی جائیں گی۔

(سی) ای ووٹنگ کے ذریعے ووٹ ڈالنے کا ارادہ رکھنے والے اراکین کی شناخت تصدیقی لاگ ان کے ذریعے کی جائے گی۔

(ڈی) ای ووٹنگ لائنز کا آغاز 17 اکتوبر، 2024 سے صبح دس بجے شروع ہوگی اور 23 اکتوبر، 2024 کی شام پانچ بجے بند ہوں گی۔ اراکین اس

مدت کے دوران اپنا ووٹ ڈال سکتے ہیں۔



## نوٹس برائے سالانہ عمومی میٹنگ

بذریعہ نوٹس ہذا کو مطلع کیا جاتا ہے کہ دیوان سینٹ لمیٹڈ کا 45 واں سالانہ اجلاس عام بروز جمعرات 24 اکتوبر، 2024ء سے پہلے 3:00 بجے دیوان سینٹ فیکٹری سائٹ، دیہہ ڈھنڈو، دھائیجی، ضلع ملیر، کراچی میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

1. جمعرات 26 اکتوبر، 2023 کو منعقدہ کمپنی کے سالانہ اجلاس عام کی کارروائی کی توثیق۔
2. 30 جون، 2024ء کو مکمل ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالی گوشواروں مع ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری۔
3. 30 جون، 2025ء کو مکمل ہونے والے سال کیلئے کمپنی کے قانونی آڈیٹرز کی تقرری اور ان کے مشاہرہ کا تعین۔
4. چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔

بمقام بورڈ

محمد حنیف جومان  
کمپنی سیکرٹری

کراچی 02 اکتوبر، 2024

نوٹ:

(الف) کمپنی کی حصص منتقلی کی کتب 17 اکتوبر، 2024 سے 24 اکتوبر، 2024 تک (بشمول دونوں دن) بند رہیں گی۔ شیئرز رجسٹرار کے دفتر واقع میسرز بی ایم ایف کنسلٹنٹ پاکستان (پرائیویٹ) لمیٹڈ، واقع انعم اسٹیٹ بلڈنگ، کمرہ نمبر 310 اور 311، تیسری منزل، 49 دارالامان سوسائٹی، مرکزی شاہراہ فیصل، نزد بلوچ کالونی پل، کراچی پاکستان میں موصول ہونیوالی منتقلیاں اجلاس میں شرکت اور رائے دہی کیلئے بروقت سنبھالی جائیں گی۔

(بی) اجلاس ہذا میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کیلئے دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا ہے۔ مکمل پراکسی فارم اجلاس کے انعقاد کے وقت سے 48 گھنٹے قبل کمپنی کے شیئرز رجسٹرار آفس میں جمع کرانا ہوگا۔

سی ڈی سی حصص یافتگان کو اجلاس میں شرکت اور پراکسیوں کی تعیناتی کیلئے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے مورخہ 26 جنوری، 2000 کو جاری کردہ سرکلر 1 میں دی گئیں مندرجہ ذیل ہدایات پر عمل درآمد کرنا ہوگا۔

(سی) اراکین سے درخواست ہے کہ پتہ میں کسی قسم کی تبدیلی سے فوری طور پر کمپنی کے شیئرز رجسٹرار کو مطلع کریں

(ڈی) مالی گوشواروں کی الیکٹرانک ترسیل

ایس ای سی پی نے اپنے نوٹیفکیشن نمبر SRO 787(1)/2014 بتاریخ 8 ستمبر، 2014 کے ذریعے کمپنیوں کو اجازت دی ہے کہ سالانہ اجلاس عام کے نوٹس کے ہمراہ سالانہ آڈٹ شدہ مالی گوشوارے ڈاک کی بجائے ای میل کے ذریعے ان اراکین کو ارسال کیے جائیں۔ ای میل کے ذریعے مذکورہ بالا گوشوارے اور ای ایم کے نوٹس وصول کرنے کے خواہشمند اراکین سے درخواست ہے کہ وہ کمپنی کی ویب سائٹ۔

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