

# QUARTERLY REPORT SEPTEMBER 30 2023

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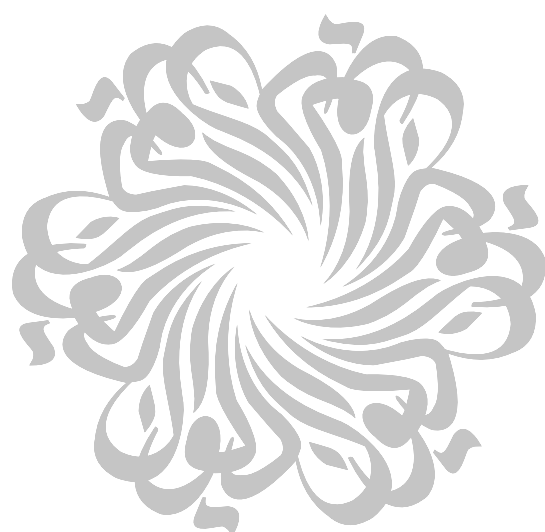
**DEWAN CEMENT LIMITED**

 **YD** | A YOUSUF DEWAN COMPANY



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## Company Information

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Ghazanfar Baber Siddiqui  
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 Siddiqui

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, 2<sup>nd</sup> Floor, Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi, Pakistan.

### FACTORY

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

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

### AUDITORS

Faruq Ali & Co.  
Chartered Accountants

### SHARES REGISTRAR TRANSFER AGENT

BMF Consultants Pakistan (Pvt.) Limited  
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.

### LEGAL ADVISOR

Muhammad Azhar Faridi (Advocate)

### WEBSITE

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

## Director's Report

The Directors are pleased to present un-audited financial results for the quarter ended September 30, 2023.

### Overview

The cement industry experienced a substantial growth of 23.48% in its dispatches during the first quarter of 2023 when compared to the same period in 2022. This growth was primarily driven by a significant increase of 17.75% in domestic dispatches and a remarkable 71.85% rise in exports. In total, the industry dispatched 11.88 million tons of cement during this quarter, comprising 10.13 million tons for the domestic market and 1.75 million tons for exports. In the previous financial quarter, the industry dispatched a total of 9.62 million tons, with 8.60 million tons sold domestically and 1.02 million tons exported.

### Production

|         | <b>Sept. 2023<br/>(In tons)</b> | <b>Sept. 2022<br/>(In tons)</b> |
|---------|---------------------------------|---------------------------------|
| Clinker | 348,122                         | 256,086                         |
| Cement  | 394,091                         | 271,958                         |

### Dispatches

|                           |                |                |
|---------------------------|----------------|----------------|
| Local Dispatches - Cement | 404,419        | 282,240        |
| Local Dispatches - GBFS   | -              | 306            |
|                           | <b>404,419</b> | <b>282,546</b> |

### Operating Performance

The operating results of the Company for the current quarter and that of the corresponding period last year are highlighted below:

|                     | <b>Sept. 2023<br/>(Rs. '000')</b> | <b>Sept. 2022<br/>(Rs. '000')</b> |
|---------------------|-----------------------------------|-----------------------------------|
| Net Sales           | 5,619,995                         | 3,531,656                         |
| Cost of goods sold  | (5,317,344)                       | 3,852,151                         |
| Gross (Loss)/profit | 302,651                           | (320,495)                         |
| Expenses & Taxes    | (418,609)                         | (361,347)                         |
| Net Loss            | (115,958)                         | (681,842)                         |

Sale volume have increase due to increase in price and dispatches during the period as compare to same period last year.

Cost of production shows increasing trend due to increasing inflation rate to gather with increasing dollar rate and Russia ukraine war. All these factors put cost of production on higher side.

#### **Future Outlook**

A renewed emphasis on the China-Pakistan Economic Corridor (CPEC) and increase in the allocation of PSDP (Public Sector Development Program) is expected to boost demand. However, escalating energy prices are likely to exert cost pressures. Macroeconomic indicators appear bleak, with inflation on the rise. In addition, it's worth noting that this is an election year, which could further influence the dynamics of the cement industry.

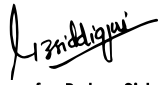
#### **Acknowledgement**

The Board of Directors places on record its gratitude to its valued customers, Federal and Provincial Governments, dealers and employees of the Company, for their continued co-operation & support.

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.

#### **LO-MY LORD IS INDEED HEARER OF PRAYER (AL-QURAN)**

For and on behalf of Board of Directors



**Ghazanfar Baber Siddiqi**  
Chief Executive Officer



**Syed Maqbool Ali**  
Director

Dated: October 25, 2023  
Place: Karachi

## Condensed Interim Statement of Financial Position As At September 30, 2023

|  |             | September 30,<br>2023 | June 30,<br>2023 |
|--|-------------|-----------------------|------------------|
|  | Notes ----- | Rupees in '000' ----- |                  |
| <b>ASSETS</b>  |             |                       |                  |
| <b>NON-CURRENT ASSETS</b>                                  |             |                       |                  |
| Property, plant and equipment                              | 5           | 44,276,827            | 44,605,397       |
| Long-term deposits   |             | 604,311               | 604,311          |
| Long-term loans  |             | 3,351                 | 3,355            |
|  |             | 44,884,489            | 45,213,063       |
| <b>CURRENT ASSETS</b>                                      |             |                       |                  |
| Stores and spare parts                                     |             | 1,549,045             | 1,638,432        |
| Stock-in-trade   |             | 688,999               | 746,746          |
| Trade debts - unsecured                                    |             | 848,564               | 820,167          |
| Loans and advances - unsecured considered good             |             | 281,318               | 270,168          |
| Trade deposits and short-term payments                     |             | 36,355                | 44,305           |
| Other receivables  |             | 42,352                | 105,789          |
| Short-term investments                                     |             | 856                   | 422              |
| Advance tax - Net  |             | 742,909               | 620,194          |
| Cash and bank balances                                     |             | 85,323                | 84,956           |
|  |             | 4,275,721             | 4,331,179        |
|  |             | 49,160,210            | 49,544,242       |
| <b>TOTAL ASSETS</b>  |             |                       |                  |
| <b>EQUITY AND LIABILITIES</b>                              |             |                       |                  |
| <b>SHARE CAPITAL AND RESERVES</b>                          |             |                       |                  |
| Authorised capital   |             |                       |                  |
| 850,000,000 (June 30, 2023: 850,000,000)                   |             |                       |                  |
| Ordinary shares of Rs. 10/- each                           |             | 8,500,000             | 8,500,000        |
|  |             |                       |                  |
| Issued, subscribed and paid-up-capital                     |             | 4,841,133             | 4,841,133        |
| Revenue Reserve  |             |                       |                  |
| Un-appropriated profit                                     |             | 3,270,811             | 3,264,738        |
| Capital Reserve  |             |                       |                  |
| Merger reserve   |             | 629,444               | 629,444          |
| Surplus on revaluation of Property,<br>Plant and equipment | 6           | 18,624,044            | 18,746,075       |
|  |             | 27,365,432            | 27,481,390       |
| <b>NON-CURRENT LIABILITIES</b>                             |             |                       |                  |
| Long term borrowings                                       | 7           | 102,363               | 123,449          |
| Advances for investment in term finance<br>certificates    | 8           | 2,910,000             | 2,910,000        |
| Long term deposits and payables                            |             | 608,908               | 616,643          |
| Deferred tax liability - Net                               |             | 10,904,346            | 10,885,796       |
|  |             | 14,525,617            | 14,535,888       |

DEWAN CEMENT LIMITED

September 30, 2023      June 30, 2023  
Notes ----- Rupees in '000' -----

**CURRENT LIABILITIES**

|  |             |           |
|--|-------------|-----------|
| Trade and other payables                               | 4,116,047   | 4,391,001 |
| Short term borrowings                                  | 579,159     | 579,159   |
| Mark-up payable  | 792,661     | 792,661   |
| Current and overdue portion of non-current liabilities | 9 1,766,588 | 1,749,437 |
| Dividend payable                                       | 12,926      | 12,926    |
| Unpaid and unclaimed dividend                          | 1,780       | 1,780     |
|  | 7,269,161   | 7,526,964 |

**CONTINGENCIES AND COMMITMENTS**

|    |                   |                   |
|----|-------------------|-------------------|
| 10 | --                | --                |
|    | <b>49,160,210</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



## Condensed Interim Statement of Profit or Loss For The Quarter Ended September 30, 2023

|                                  |       | September 30,<br>2023 | September 30,<br>2022 |
|----------------------------------|-------|-----------------------|-----------------------|
|                                  | Notes | Rupees in '000'       |                       |
| Turnover - net                   |       | 5,619,995             | 3,531,656             |
| Cost of sales                    |       | (5,317,344)           | (3,852,151)           |
| Gross (Loss)/profit              |       | 302,651               | (320,495)             |
| Distribution cost                |       | (24,974)              | (35,109)              |
| Administrative expenses          |       | (289,182)             | (244,543)             |
| Other operating expenses         |       | (5,564)               | (35,838)              |
|                                  |       | (319,720)             | (315,490)             |
| Operating Loss                   |       | (17,069)              | (635,985)             |
| Other income                     |       | 2,520                 | 2,415                 |
| Finance cost                     | 11    | (5,950)               | (6,329)               |
| Loss before taxation             |       | (20,499)              | (639,899)             |
| Taxation - net                   |       | (95,459)              | (41,943)              |
| <b>Loss for the year</b>         |       | <b>(115,958)</b>      | <b>(681,842)</b>      |
| <b>Loss per share</b>            |       |                       |                       |
| <b>Basic and diluted (Rupee)</b> | 13    | (0.24)                | (1.41)                |

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

**Condensed Interim  
Statement of Comprehensive Income  
For The Quarter Ended September 30, 2023**

|  | September 30,<br>2023       | September 30,<br>2022   |
|--|-----------------------------|-------------------------|
|  | ----- Rupees in '000' ----- |                         |
| Loss for the period  | (115,958)                   | (681,842)               |
| <b>Other comprehensive income:</b>   |                             |                         |
| <i>Items that will not be subsequently reclassified to<br/>profit or loss:</i> |                             |                         |
| Effect of change in tax rate   | --                          | --                      |
| <b>Total comprehensive loss for the period</b>                                 | <b><u>(115,958)</u></b>     | <b><u>(681,842)</u></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

## Condensed Interim Statement of Cash Flows For The Quarter Ended September 30, 2023

|   |       | September 30,<br>2023 | September 30,<br>2022 |
|---|-------|-----------------------|-----------------------|
|   | Notes | -----                 | Rupees in '000' ----- |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>               |       |                       |                       |
| Cash generated from operations                            | 12    | 257,370               | 52,755                |
| <b>Payment for:</b>                                       |       |                       |                       |
| Taxes net of refund received                              |       | (199,624)             | (86,621)              |
| Finance cost  |       | (419)                 | (81)                  |
| Net cash outflows from operating activities               |       | 57,327                | (33,947)              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>               |       |                       |                       |
| Fixed capital expenditures                                |       | (39,764)              | (852)                 |
| Long term loans recovered                                 |       | 4                     | 777                   |
| Net movement in long term deposits                        |       | --                    | (1,282)               |
| Net cash outflows from investing activities               |       | (39,760)              | (1,357)               |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>               |       |                       |                       |
| Repayments of long term borrowings                        |       | (9,465)               | (35,298)              |
| Net movement in long term deposits and payables           |       | (7,735)               | (18,971)              |
| Net cash inflows / (outflows) from financing activities   |       | (17,200)              | (54,269)              |
| Net increase / (decrease) in cash and cash equivalents    |       | 367                   | (89,573)              |
| Cash and cash equivalents at the beginning of the period  |       | 84,956                | 157,927               |
| <b>Cash and cash equivalents at the end of the Period</b> |       | <b>85,323</b>         | <b>68,354</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

### Condensed Interim Statement of Changes in Equity For The Quarter Ended September 30, 2023

|  | Issued,<br>subscribed<br>and<br>paid-up<br>capital | Revenue<br>Reserves           | Capital reserves  |   |                              | Total<br>equity |
|--|--|-------------------------------|-------------------|---|------------------------------|-----------------|
|  |  |                               | Merger<br>reserve | Surplus on<br>revaluation<br>of Property,<br>Plant and<br>equipment | Total<br>Capital<br>reserves |                 |
|  |  | Un-<br>appropriated<br>profit | Note              |   |                              |                 |
| ----- Rupees in '000' -----  |  |                               |                   |   |                              |                 |
| 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 period ended<br>30 September 2022   | —  | (681,842)                     | —                 | —   | —                            | (681,842)       |
| Other comprehensive income   | —  | —                             | —                 | —   | —                            | —               |
| Total comprehensive loss for the year  | —  | (681,842)                     | —                 | —   | —                            | (681,842)       |
| Incremental depreciation transferred<br>from surplus on revaluation of property,<br>plant and equipment - Net of tax | —  | 57,430                        | —                 | (57,430)  | (57,430)                     | —               |
| Balance as at 30 September 2022  | 4,841,133  | 2,957,570                     | 629,444           | 10,507,922  | 11,137,366                   | 18,936,069      |
| Balance as at 1st July 2023  | 4,841,133  | 3,264,738                     | 629,444           | 18,746,075  | 19,375,519                   | 27,481,390      |
| Loss for the period ended<br>30 September 2023   | —  | (115,958)                     | —                 | —   | —                            | (115,958)       |
| Other comprehensive loss   | —  | —                             | —                 | —   | —                            | —               |
| Total comprehensive loss for the year  | —  | (115,958)                     | —                 | —   | —                            | (115,958)       |
| Incremental depreciation transferred<br>from surplus on revaluation of property,<br>plant and equipment - Net of tax | —  | 122,031                       | —                 | (122,031)   | (122,031)                    | —               |
| Balance as at 30 September 2023  | 4,841,133  | 3,270,811                     | 629,444           | 18,624,044  | 19,253,488                   | 27,365,432      |

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 Condensed Interim Financial Information For The Period Ended September 30, 2023**

### **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 Dhand, 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 period ended 30 September 2023 reflects loss after taxation of Rs.115.958 million (September 2022: Rs.681.842 million), and as of that date its current liabilities exceeded its current assets by Rs.2,993.440 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) in financial statements of 30 June 2023. 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) of 30 June 2023 financial statements. Accordingly, these financial statements have been prepared on a going concern basis.

### **3 BASIS OF PREPARATION**

This condensed interim financial information of the Company for the quarter ended 30 September 2023 has been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. The condensed interim

financial information does not include information required for full annual financial statements and should be read in conjunction with the audited financial statements for the year ended 30 June 2023.

#### 4 SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

**4.1** The accounting policies adopted in the preparation of this condensed interim financial information are consistent with those followed in the preparation of the company's annual financial statements for the year ended June 30, 2023.

**4.2** The preparation of condensed interim financial information in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and judgment applied by the management in preparation of this condensed interim financial information is same as those applied in preparation of annual financial statements of the company for the year ended 30 June 2023.

|   |       | (Un-audited)<br>September 30,<br>2023 | (Audited)<br>June 30,<br>2023 |
|---|-------|---------------------------------------|-------------------------------|
|   | Notes | ----- Rupees in '000' -----           |                               |
| <b>5 PROPERTY, PLANT AND EQUIPMENT</b>        |       |                                       |                               |
| Operating assets - Owned                      | 5.1   | 44,137,256                            | 44,503,633                    |
| Right of use assets                           |       | 165                                   | 174                           |
| Capital work-in-progress                      | 5.2   | 139,406                               | 101,590                       |
|   |       | <u>44,276,827</u>                     | <u>44,605,397</u>             |
| <b>5.1 Operating fixed assets</b>             |       |                                       |                               |
| Opening book value                            |       | 44,503,633                            | 32,893,573                    |
| Additions / Transfer during period/year       |       | 1,948                                 | 323,457                       |
| Revaluation surplus                           |       | -                                     | 12,279,118                    |
| Depreciation charged during the period / year |       | (368,325)                             | (992,515)                     |
| Closing carrying value                        |       | <u>44,137,256</u>                     | <u>44,503,633</u>             |

|  | (Un-audited)<br>September 30,<br>2023 | (Audited)<br>June 30,<br>2023 |
|--|---------------------------------------|-------------------------------|
| ----- Rupees in '000' -----                |                                       |                               |
| <b>5.2 Capital work in progress</b>        |                                       |                               |
| Opening balance                            | 101,590                               | 304,708                       |
| Additions during the period / year         | 37,816                                | 101,590                       |
|  | 139,406                               | 406,298                       |
| Less: capitalized during the period / year | -                                     | (304,708)                     |
|  | 139,406                               | 101,590                       |

## 6 SURPLUS ON REVALUATION OF FIXED ASSETS - Net of tax

|                            |                   |                   |
|----------------------------|-------------------|-------------------|
| Gross surplus              | 27,178,417        | 27,360,091        |
| Less: Related deferred tax | 8,554,373         | 8,614,016         |
|                            | <u>18,624,044</u> | <u>18,746,075</u> |

## 7 LONG TERM FINANCING

Principal terms and conditions of outstanding loans have remained the same as disclosed in the financial statements of the Company for the year ended June 30, 2023.

## 8 ADVANCES FOR INVESTMENT IN TERM FINANCE CERTIFICATES

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 June 30, 2023.

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

- The tenor was six years inclusive of a grace period of 18 months.
- 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.
- Carries a floating rate of return of KIBOR plus 2 percent per annum.
- 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.

## 9 CURRENT AND OVERDUE PORTION OF LONG TERM BORROWING

It includes over due portion amounting to Rs.1,697.439 million.

## 10 CONTINGENCIES AND COMMITMENTS

There has been no significant change in the status of contingencies and commitments as reported in the annual financial statements for the year ended 30 June 2023.

## 11 FINANCE COST

Company has not made the provision of markup for the period amounting to Rs. 306.863 million (Upto September 30, 2023: Rs. 8,343.493 million) keeping in view of the financial restructuring proposed to the lenders as disclosed in note 2. Management is hopeful that the restructuring proposal will be accepted by the lenders. Had the provision been made the Loss for the period would have been higher by Rs. 306.863 millions and accrued markup would have been higher and shareholders' equity would have been lower by Rs. 8,343.493 million. The said non provisioning is a departure from the requirements of IAS-23 'Borrowing Costs'.

|  | (Un-audited)<br>September<br>30, 2023 | (Un-audited)<br>September<br>30, 2022 |
|--|---------------------------------------|---------------------------------------|
|  | ----- Rupees in '000' -----           |                                       |
| <b>12 CASH FLOWS FROM OPERATING ACTIVITIES</b>             |                                       |                                       |
| Loss Profit taxation                                       | (20,499)                              | (639,899)                             |
| <b>Adjustments for non-cash charges &amp; other items:</b> |                                       |                                       |
| Depreciation   | 368,334                               | 181,658                               |
| Unwinding of discount                                      | 5,531                                 | 6,249                                 |
| Workers' Welfare Fund                                      | 4,439                                 | --                                    |
| Gain on remeasurement of short term investments            | (434)                                 | 38                                    |
| Finance cost   | 419                                   | 80                                    |
| Exchange loss / (gain)                                     | --                                    | 35,838                                |
| Cash inflows / (outflows) before working capital changes   | 357,790                               | (416,036)                             |



(Un-audited) (Un-audited)  
September September  
30, 2023 30, 2022  
----- Rupees in '000' -----

**Movement in working capital**

*(Increase) / decrease in current assets*

|  |          |          |
|--|----------|----------|
| Stores and spare parts                             | 89,388   | 284,036  |
| Stock in trade                                     | 57,747   | (99,160) |
| Trade debts - Unsecured                            | (28,397) | 170,416  |
| Loans and advances - Unsecured,<br>considered good | (11,150) | (89,514) |
| Deposits and prepayments                           | 7,950    | 3,185    |
| Other receivables                                  | 63,437   | (59,437) |
|  | 178,975  | 209,526  |

*Increase / (decrease) in current liabilities*

|                          |                |               |
|--------------------------|----------------|---------------|
| Trade and other payables | (279,395)      | 259,265       |
|                          | <u>257,370</u> | <u>52,755</u> |

**13 EARNING PER SHARE - BASIC AND DILUTED**

Quarter Ended

September 30, September 30,  
2023 2022

----- Rupees in '000' -----

|                                    |                  |                  |
|------------------------------------|------------------|------------------|
| Loss for the period after taxation | <u>(115,958)</u> | <u>(681,842)</u> |
|------------------------------------|------------------|------------------|

----- No. of Shares '000' -----

|   |                |                |
|---|----------------|----------------|
| Weighted average number of shares<br>in issue | <u>484,113</u> | <u>484,113</u> |
|---|----------------|----------------|

----- Rupee -----

|                                    |               |               |
|------------------------------------|---------------|---------------|
| Loss per share - Basic and diluted | <u>(0.24)</u> | <u>(1.41)</u> |
|------------------------------------|---------------|---------------|

**14 TRANSACTIONS WITH RELATED PARTIES**

Related parties comprise related group companies, associate, directors and executives. The Company in the normal course of business carries out transactions with various related parties. Material transactions and balances with related parties are given below:

(Un-audited) (Un-audited)  
September 30, September 30,  
2023 2022  
----- Rupees in '000' -----

|                       |       |       |
|-----------------------|-------|-------|
| Employee benefit fund | 7,945 | 6,566 |
|-----------------------|-------|-------|

**15 CAPACITY - CLINKER (Tons)**

|                                   | Quarter Ended            |                       |
|-----------------------------------|--------------------------|-----------------------|
|                                   | September 30,<br>2023    | September 30,<br>2022 |
|                                   | ----- Metric Tones ----- |                       |
| Installed capacity for the period | <u>735,000</u>           | <u>735,000</u>        |
| Actual production for the period  | <u>348,122</u>           | <u>256,086</u>        |

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.

**16 CORRESPONDING FIGURES**

In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting", balance sheet has been compared with the balances of annual financial statements, whereas profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

**17 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorized for issue on 25th October, 2023 by the Board of Directors of the Company.

**GENERAL**

Figures have been rounded off to the nearest thousand rupees unless otherwise stated.



**Ghazanfar Baber Siddiqi**  
Chief Executive Officer



**Hazrat Ali**  
Chief Financial Officer



**Syed Maqbool Ali**  
Director

پچھلے سال کی اسی مدت کے مقابلے میں اس مدت کے دوران قیمتوں اور ترسیلات میں اضافے کی وجہ سے فروخت کے حجم میں اضافہ ہوا ہے۔

ڈالر کی بڑھتی ہوئی شرح اور روس یوکرین جنگ کے ساتھ جمع ہونے کی وجہ اور مہنگائی کی شرح میں اضافہ پیداواری لاگت بڑھتے ہوئے رجحان کو ظاہر کرتا ہے۔ ان تمام عوامل کی وجہ سے پیداواری لاگت بڑھ جاتی ہے۔

#### مستقبل کا نظریہ:

چین پاکستان اقتصادی راہداری (CPEC) پر نئے سرے سے زور اور PSDP (پبلک سیکٹر ڈویلپمنٹ پروگرام) کی مختص رقم میں اضافے سے طلب میں اضافہ متوقع ہے۔ تاہم، توانائی کی قیمتوں میں اضافہ لاگت پر دباؤ ڈالنے کا امکان ہے۔ مہنگائی میں اضافے کے ساتھ، میکرو اکنامک اشارے تاریک نظر آتے ہیں۔ اس کے علاوہ، یہ بات قابل توجہ ہے کہ یہ انتخابی سال ہے، جو سہینٹ کی صنعت کی حرکیات کو مزید متاثر کر سکتا ہے۔

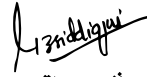
#### نتیجہ:

ہم آخر میں اللہ تعالیٰ الرحمن الرحیم 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 ثناء آمین۔

بورڈ آف ڈائریکٹرز کی جانب سے



سید مقبول علی  
ڈائریکٹر



غففر ابرار صدیقی  
چیف ایگزیکٹو آفیسر

کراچی مورخہ: 25 اکتوبر 2023

## ڈائریکٹرز رپورٹ

ڈائریکٹرز 30 ستمبر 2023 کو ختم ہونے والی سہ ماہی کے لیے غیر آڈٹ شدہ مالیاتی نتائج پیش کرنے پر خوش ہیں۔

جائزہ:

سینٹ کی صنعت نے 2023 کی پہلی سہ ماہی کے دوران 2022 کی اسی مدت کے مقابلے میں اپنی ترسیل میں 23.48 فیصد کی خاطر خواہ اضافہ کا تجربہ کیا۔ اس اضافے کی وجہ مقامی ترسیلات میں اضافہ 17.75 فیصد کے نمایاں اضافے اور 71.85 فیصد مجموعی طور پر برآمدات میں، اضافے کی وجہ سے تھی۔ صنعت نے اس سہ ماہی کے دوران 11.88 ملین ٹن سینٹ روانہ کیا، جس میں مقامی مارکیٹ کے لیے 10.13 ملین ٹن اور برآمدات کے لیے 1.75 ملین ٹن شامل ہیں۔ پچھلی مالی سہ ماہی میں، صنعت نے کل 9.62 ملین ٹن روانہ کیے، جس میں 8.60 ملین ٹن مقامی طور پر فروخت ہوئے اور 1.02 ملین ٹن برآمد ہوئے۔

پیداوار:

| ستمبر 2023ء تک<br>(ٹن میں) | ستمبر 2022ء تک<br>(ٹن میں) |       |
|----------------------------|----------------------------|-------|
| 348,122                    | 256,086                    | کلنٹر |
| 394,091                    | 271,958                    | سینٹ  |

ترسیلات:

| مقامی ترسیلات - سینٹ | 404,419        | 282,240        |
|----------------------|----------------|----------------|
| مقامی ترسیلات - GBFS | -              | 306            |
|                      | <u>404,419</u> | <u>282,546</u> |

عملی کارکردگی:

موجودہ سہ ماہی اور گزشتہ سال اسی مدت کے لیے کمپنی کے آپریٹنگ نتائج ذیل میں نمایاں ہیں:

| ستمبر 2023ء تک<br>(روپے '000) | ستمبر 2022ء تک<br>(روپے '000) |                        |
|-------------------------------|-------------------------------|------------------------|
| 5,619,995                     | 3,531,656                     | کل فروخت               |
| (5,317,344)                   | 3,852,151)                    | فروخت کردہ مال کی قیمت |
| 302,651                       | (320,495)                     | کل منافع/(خسارہ)       |
| (418,609)                     | (361,347)                     | اخراجات اور ٹیکسز      |
| (115,958)                     | (681,842)                     | نقد خسارہ              |