



**GHARIBWAL
CEMENT LIMITED**

CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE HALF YEAR ENDED
DECEMBER 31, 2019

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COMPANY INFORMATION

BOARD OF DIRECTORS



Mian Nazir Ahmed Peracha
Independent Director - Chairman

Muhammad Tousif Peracha
Chief Executive Officer - Executive Director

Abdur Rafique Khan
Executive Director

Ali Rashid Khan
Non - Executive Director

Amna Khan
Non - Executive Director

Daniyal Jawaid Paracha
Independent Director

Muhammad Niaz Paracha
Non - Executive Director

KEY EXECUTIVE MANAGEMENT



Abdul Shueb Piracha
Director Commercial

Qaseem Nametullah Siddiqi
Executive Director Operation

Syed Firasat Abbas
General Manager Plant

Muhammad Shamail Javed FCA
Chief Financial Officer & Company Secretary

Iqbal Ahmed Rizvi FCA
General Manager Taxation

Rana Muhammad Ijaz
General Manager Marketing

Farukh Naveed ACA
Financial Controller

Muhammad Tahir
Chief Coordinator Officer

AUDITORS & LEGAL ADVISORS



Kreston Hyder Bhimji & Co
Chartered Accountants
Statutory Auditors

Raja Muhammad Akram
Legal Advisors

BANKERS & FINANCIAL INSTITUTION



The Bank of Punjab
National Bank of Pakistan
Al Baraka Bank Limited
Summit Bank Limited
Pak China Investment Company
Bank Islami Pakistan Limited
The Bank of Khyber
Faysal Bank Limited
Saudi Pak Industrial & Agricultural
Investment Company

Silk Bank Limited
First Credit and Investment Bank
Meezan Bank Limited
Allied Bank Limited
Habib Bank Limited
MCB Bank Limited
United Bank Limited
Bank Al Habib Limited
Habib Metropolitan Bank

DIRECTORS' REPORT TO THE MEMBERS

The directors of your Company are pleased to present the un-audited condensed interim financial statements for the six months ended December 31, 2019.

Sales volume of the company increased by 8% PoP (Period on Period) for the six months ended December 31, 2019. Dispatches remained disturbed during the months of July 2019 and August 2019 due to strike of dealers on tax issues. Dispatches improved during 2nd quarter ended December 31, 2019 during which cement capacity utilization remained 90.6%.

New expansions are coming online and all major cement manufacturers are striving to expand their market shares. On the other hand, work on CPEC related projects and other public spending projects is either suspended or gone slow. These factors put pressure on cement sales price in local market and caused a sharp reduction especially in north region of local market. The Company also affected by these factors and its cement sales prices in local market dropped by 13% PoP resulting in decrease of 6% in net sales revenue.

Summary of the financial results is given below:

		Half year ended 31 December 2019	2018	Change	% Change
Dispatches	Ton	854,807	794,768	60,039	8%
Net sales	Rs. mn	5,166	5,510	(344)	-6%
Gross profit	Rs. mn	507	1,374	(867)	-63%
Profit/(loss) from operation	Rs. mn	(464)	883	(1,346)	-153%
EBITDA	Rs. mn	345	1,589	(1,244)	-78%
Finance expenses	Rs. mn	(341)	(210)	(131)	62%
Net profit/(loss)	Rs. mn	(245)	593	(838)	-141%
EPS	Rs.	(0.62)	1.48	(2.10)	-142%

The Company also changes its delivery term from Ex-Works (EXW) to Delivered at Place (DAP) for local market during the reported current period and incurred heavy freight expenses on sales of Rs. 446 million grouped under "Selling and Distribution Expenses". These pushed down the retention price by 20% PoP.

The Government of Punjab had increased royalty on raw material more than 100% w.e.f July 01, 2019 which is now 100% more than applicable rates in KPK, this has increased cost of production and reduced profitability of current reporting period. Gas and electricity charges had also increased sharply during the current reporting period resulting in increase in production cost. The cost of imported spare parts had also increased due to devaluation of currency. Implementation of axel load is also a major contributor to increase the freight cost on transportation of coal and cement.

The factors described above shrink the gross profit of the company by 63% PoP and EBITDA by 78% PoP. Finance cost increased mainly because of high effective KIBOR rate. At bottom, the Company incurred net loss of Rs. 245 million with EPS of (Rs. 0.62) for the current reporting period.

We foresee that there will be sufficient cement demand in the local market as soon as public spending projects starts and the Company will be able to improve its financial results in future periods.

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

For and on behalf of Board of Directors



Chief Executive Officer



Director

Lahore : February 21, 2020

TO THE MEMBERS OF GHARIBWAL CEMENT LIMITED REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Gharibwal Cement Limited ("the Company") as at December 31, 2019, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, and notes to the financial statements for the six month period then ended (here-in after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarter ended December 31, 2019 have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditors' report is Syed Aftab Hameed, FCA.

Lahore: February 21, 2019

KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

	Note	Un-Audited 31-12-2019 (Rupees in 000s)	Audited 30-06-2019
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	17,829,128	18,241,973
Intangible assets		2,262	2,902
Deposits		23,140	70,393
		17,854,530	18,315,268
CURRENT ASSETS			
Inventory	6	2,582,852	2,429,536
Trade and other receivables	7	658,763	626,963
Loan and advances	8	496,173	363,870
Deposits		96,503	48,950
Prepayments		125,990	165,723
Tax refunds due from Government		1,035,517	880,326
Cash and bank balances		56,032	431,760
		5,051,830	4,947,128
TOTAL ASSETS		22,906,360	23,262,396
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		4,002,739	4,002,739
Revaluation surplus on property, plant and equipment		3,001,725	3,086,133
Retained earnings		5,031,716	5,392,574
		12,036,180	12,481,446
NON CURRENT LIABILITIES			
Long term borrowings	9	2,613,583	2,909,384
Lease liabilities	5.3	15,629	-
Deferred taxation		3,053,295	3,271,186
Employees benefit obligations		101,135	99,153
		5,783,642	6,279,723
CURRENT LIABILITIES			
Trade and other payables		3,739,419	3,282,647
Contract liabilities		7,414	21,807
Unclaimed dividend		13,987	12,586
Markup and profit payable		183,675	84,438
Short term borrowings	10	1,135,179	1,099,162
Lease liabilities		6,864	587
		5,086,538	4,501,227
CONTINGENCIES AND COMMITMENTS			
	11		
TOTAL EQUITY AND LIABILITIES		22,906,360	23,262,396

The annexed notes form an integral part of these condensed interim financial statements (un-audited).


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2019

		Un-Audited Six months ended		Un-Audited Three months ended	
		31-12-2019	31-12-2018	31-12-2019	31-12-2018
		(Rupees in 000s)			
Net Sales	12	5,166,217	5,510,160	2,956,682	3,030,183
Cost of sales	13	(4,659,070)	(4,135,876)	(2,597,597)	(2,316,375)
Gross Profit		507,147	1,374,284	359,085	713,808
General and administrative expenses		(179,260)	(197,846)	(84,977)	(98,918)
Selling and distribution expenses		(452,613)	(20,988)	(295,557)	(11,619)
Other expenses		-	(64,809)	-	4,592
Other Income		2,100	2,317	1,050	1,050
Profit / (loss) from operations		(122,626)	1,092,958	(20,399)	608,913
Finance Income		39,751	15,421	23,450	8,349
Finance cost		(381,072)	(225,846)	(196,593)	(123,558)
Profit / (loss) before taxation		(463,947)	882,533	(193,542)	493,704
Taxation					
Current income tax:					
Current period		(75,090)	(167,451)	(41,947)	(159,645)
Prior period		76,017	-	76,017	-
Deferred income tax credit / (charge)		217,891	(122,021)	149,662	(10,953)
		218,818	(289,472)	183,732	(170,598)
Profit / (loss) after taxation		(245,129)	593,061	(9,810)	323,106
		Rupees		Rupees	
Earnings per share (basic & diluted)		(0.62)	1.48	(0.03)	0.81

The annexed notes form an integral part of these condensed interim financial statements (un-audited).


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	Un-Audited Six months ended		Un-Audited Three months ended	
	31-12-2019	31-12-2018	31-12-2019	31-12-2018
	(Rupees in 000s)			
Profit / (loss) after taxation for the period	(245,129)	593,061	(9,810)	323,106
Other Comprehensive Income	-	-	-	-
Total comprehensive income / (loss) for the period	<u>(245,129)</u>	<u>593,061</u>	<u>(9,810)</u>	<u>323,106</u>

The annexed notes form an integral part of these condensed interim financial statements (un-audited).


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	Share Capital	Revaluation Surplus	Retained Earnings	Total
	(Rupees in 000s)			
Balance as at June 30, 2018 (Audited)	4,002,739	3,404,857	5,082,961	12,490,557
Final cash dividend @ Re. 1.5 per share for the year ended June 30, 2018	-	-	(600,411)	(600,411)
Total Comprehensive income for the half year ended December 31, 2018	-	-	593,061	593,061
Realization of revaluation surplus on PPE through depreciation	-	(81,055)	81,055	-
Balance as at December 31, 2018 (Un-Audited)	4,002,739	3,323,802	5,156,666	12,483,207
Total Comprehensive income for the half year ended June 30, 2019	-	-	138,402	138,402
Realization of revaluation surplus on PPE through depreciation	-	(81,040)	81,040	-
Revaluation surplus on deletion of PPE	-	(16,466)	16,466	-
Deferred tax impact due to change in tax rates	-	(140,163)	-	(140,163)
Balance as at June 30, 2019 (Audited)	4,002,739	3,086,133	5,392,574	12,481,446
Final cash dividend @ Re. 0.50 per share for the year ended June 30, 2019	-	-	(200,137)	(200,137)
Total Comprehensive income for the half year ended December 31, 2019	-	-	(245,129)	(245,129)
Realization of revaluation surplus on PPE through depreciation	-	(76,366)	76,366	-
Deferred tax impact due to change in tax rates	-	(8,042)	8,042	-
Balance as at December 31, 2019 (Un-Audited)	4,002,739	3,001,725	5,031,716	12,036,180

The annexed notes form an integral part of these condensed interim financial statements (un-audited).


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2019

		Un-Audited Six months ended 31-12-2019	31-12-2018
	Note	(Rupees in 000s)	
CASH FLOW FROM OPERATING ACTIVITIES			
Operating profit before working capital changes	14	342,968	1,589,104
Net changes in working capital	15	220,312	(294,147)
Cash inflow from operation		563,280	1,294,957
Finance cost paid		(218,489)	(131,253)
Retirement benefits		1,982	(1,564)
Income tax paid		(154,264)	(131,784)
Net cash inflow from operating activities		192,509	1,030,355
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(54,209)	(57,130)
Advance to Balochistan Glass Limited - net		(133,010)	(85,630)
Markup received from Balochistan Glass Limited		23,227	12,556
Rent received from Balochistan Glass Limited		1,400	-
Net cash outflow from investing activities		(162,592)	(130,204)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of long term borrowings		(475,376)	(401,083)
Proceeds of long term borrowings		181,116	-
Repayment of short term borrowings		(788,669)	(300,000)
Increase in short term borrowings		788,669	200,000
Increase in short term borrowings from directors - net		34,476	41,629
Proceeds of finance lease - net		21,906	(471)
Dividend paid - directors		(147,209)	(390,375)
Dividend paid - others		(20,558)	(46,497)
Net cash outflow from financing activities		(405,645)	(896,797)
Net increase / (decrease) in cash and cash equivalents		(375,728)	3,354
Cash and cash equivalents at beginning of the period		431,760	107,869
Cash and cash equivalents at end of the period		56,032	111,223

The annexed notes form an integral part of these condensed interim financial statements (un-audited).


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2019

1 LEGAL STATUS AND OPERATIONS

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

2 STATEMENT OF COMPLAINT

These condensed interim financial statements are unaudited but subject to limited scope review by the statutory auditors, and have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2019.

3 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in preparation of financial statements of the company for the year ended June 30, 2019.

There are certain amendments to approved accounting standards which are mandatory for the Company's annual accounting period which began on July 1, 2019. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim Financial statements.

4 SIGNIFICANT ESTIMATES

The preparation of these condensed interim financial statements requires management to make judgements, estimates and assumptions that effected the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and related disclosures at the date of the financial information. Actual results may differ from those estimates. In preparing the condensed interim financial statements, the significant judgements made by management in applying accounting policies, key estimates and uncertainty are the same as those applied in preparation of financial statements of the Company for the year ended June 30, 2019.

	Note	Un-Audited 31-12-2019	Audited 30-06-2019
		(Rupees in 000s)	
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets:			
Owned assets		16,980,858	17,456,689
Right of use assets		30,392	1,838
	5.1	17,011,250	17,458,527
		817,878	783,446
Capital work in progress		17,829,128	18,241,973

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	Note	Un-Audited Half year ended 31-12-2019 (Rupees in 000s)	Audited Full year ended 30-06-2019
5.1 OPERATING FIXED ASSETS			
Book value - opening balance		17,458,527	18,481,048
Additions during the period/year	5.2	48,757	94,554
Deletion during the period/year		(28,980)	(126,324)
		<u>17,478,304</u>	<u>18,449,278</u>
Depreciation for the period/year		(467,054)	(990,751)
Book value - closing balance		<u>17,011,250</u>	<u>17,458,527</u>
5.2 Addition to operating fixed assets:			
Land		5,781	-
Building and foundations		-	1,991
Heavy earth moving machinery		-	39,568
Plant and machinery		-	6,501
Infrastructure		6,574	-
Tools and equipment		5,470	7,572
Furniture, fixture and office equipment		1,952	8,931
Transport assets		-	29,991
Heavy earth moving machinery (Right of use assets)		28,980	-
		<u>48,757</u>	<u>94,554</u>
The Company purchased 13 kanal and 9 marlas land at its pumping station located at Moza Burj Ahmad Khan Tehsil PD Khan.			
5.3	The Company sold and then lease back wheel loaders having book value of Rs. 28.980 million during the reported period. Sales proceeds and fair value of these wheel loaders were Rs. 34.000 million at the transaction date. Lease term is for three years and markup to be paid @ 3 months KIBOR + 2.75% p.a. Sales proceeds are used for company's operation.		
	Note	Un-Audited 31-12-2019 (Rupees in 000s)	Audited 30-06-2019
6 INVENTORY			
Fuel, parts and supplies		1,929,940	1,530,954
Stock in trade		652,912	898,580
		<u>2,582,852</u>	<u>2,429,534</u>
7 TRADE AND OTHER RECEIVABLES			
Trade receivable from contracts with customers		640,017	617,932
Markup receivable from Balochistan Glass Limited (related party)		18,046	9,031
Rent receivable from Balochistan Glass Limited (related party)		700	-
		<u>658,763</u>	<u>626,963</u>
8 LOAN AND ADVANCES			
Advances to employees		24,637	25,345
Advance to Balochistan Glass Limited (related party)	8.1	471,536	338,525
		<u>496,173</u>	<u>363,870</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2019

- 8.1 The Company has approved renewal of short term advance to its associated company Balochistan Glass Limited for one year by enhancing the facility limit to Rs. 600 million from Rs. 350 million. This facility carries markup @ 3 months KIBOR + 3.5% p.a. Approval and consent of members of the Company has been obtained as required by section 199 of the Companies Act, 2017 in Annual General Meeting held on October 26, 2019. Sales of store items amounting to Rs. 70.858 million and accrued markup amounting to Rs. 23.227 million has been adjusted against this facility during the current period.

Un-Audited
31-12-2019
Audited
30-06-2019
(Rupees in 000s)

9 LONG TERM BORROWINGS

Banks and financial institutions

Interest bearing borrowings
Non interest bearing borrowings
Related party

1,856,724	2,101,082
211,659	253,301
545,200	555,000
<u>2,613,583</u>	<u>2,909,383</u>

10 SHORT TERM BORROWINGS

Banks and financial institutions

Current portion of long term borrowings

Interest bearing borrowings
Non interest bearing borrowings

836,504	835,302
264,199	263,860
<u>1,100,703</u>	<u>1,099,162</u>
34,476	-

Related parties - directors

<u>1,135,179</u>	<u>1,099,162</u>
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11 CONTINGENCIES AND COMMITMENTS

There is no change in the status of contingencies and commitments as reported in the annual financial statements of the company for the year ended June 30, 2019 except the one reported below:

The District Council Jhelum has levied water conservancy charges amounting to Rs. 405.252 million (FY2019: Rs. 312.836 million) on the order of the Supreme Court of Pakistan. The Company has filed an appeal before the Lahore High Court challenging therein the levy of water conservancy charges. The appeal is pending for adjudication at terminal date. However, the legal counsel of the Company is confident of favourable decision.

Un-Audited
31-12-2019
Audited
30-06-2019
(Rupees in 000s)

Commitments

Against supply of plant and machinery
Against supply of consumable stores and spares under letters of credit

18,484	189,787
-	335,775
<u>18,484</u>	<u>525,562</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	Un-Audited Six months ended		Un-Audited Three months ended	
	31-12-2019	31-12-2018	31-12-2019	31-12-2018
(Rupees in 000s)				
12 NET SALES				
Local Sales - Net	5,184,550	5,597,621	2,975,015	3,077,001
Export Sales	-	2,989	-	-
	<u>5,184,550</u>	<u>5,600,610</u>	<u>2,975,015</u>	<u>3,077,001</u>
Discount on sales	(18,333)	(90,450)	(18,333)	(46,818)
	<u>5,166,217</u>	<u>5,510,160</u>	<u>2,956,682</u>	<u>3,030,183</u>
13 COST OF SALES				
Fuel and power	2,631,277	2,566,030	1,643,274	1,187,665
Materials and consumables	1,098,946	1,018,654	710,377	556,547
Salaries, wages and benefits	135,746	129,759	63,783	61,013
Production overheads	53,604	174,137	27,111	86,453
Depreciation	453,045	479,939	218,365	240,230
	<u>4,372,618</u>	<u>4,368,519</u>	<u>2,662,910</u>	<u>2,131,908</u>
Adjustment of work in process inventory				
Opening stock	673,348	506,902	316,133	877,811
Closing stock	(413,827)	(686,580)	(413,827)	(686,580)
	<u>259,521</u>	<u>(179,678)</u>	<u>(97,694)</u>	<u>191,231</u>
Cost of goods manufactured	4,632,139	4,188,841	2,565,216	2,323,139
Adjustment of finished goods inventory				
Opening stock	90,046	50,131	95,496	96,332
Closing stock	(63,115)	(103,096)	(63,115)	(103,096)
	<u>26,931</u>	<u>(52,965)</u>	<u>32,381</u>	<u>(6,764)</u>
	<u>4,659,070</u>	<u>4,135,876</u>	<u>2,597,597</u>	<u>2,316,375</u>

	Un-Audited Six months ended	
	31-12-2019	31-12-2018
(Rupees in 000s)		
14 OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		
Profit / (loss) before taxation	(463,947)	882,533
Depreciation and amortization	467,694	496,146
Finance cost	381,072	225,846
Finance income	(39,751)	(15,421)
Other income	(2,100)	-
	<u>342,968</u>	<u>1,589,104</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2019

Un-Audited
Six months ended
31-12-2019 31-12-2018
(Rupees in 000s)

15 NET CHANGES IN WORKING CAPITAL

Inventory	(153,316)	(228,871)
Trade and other receivables	(22,086)	61,366
Loan and advances	707	267
Deposits	(300)	12,158
Prepayments	41,980	(89,900)
Trade and other payables	367,719	(49,167)
Contract liabilities	(14,393)	-
	<u>220,312</u>	<u>(294,147)</u>

- 16 Significant transactions with related parties except those given hereunder have been declared in the relevant notes to these condensed interim financial statements.

Un-Audited
Six months ended
31-12-2019 31-12-2018
(Rupees in 000s)

Key management personnel remuneration	<u>60,702</u>	<u>77,020</u>
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- 17 The condensed interim financial statements has been approved by the Board of Directors for issue on February 21, 2020.
- 18 Figures in this information are rounded off to the nearest thousand rupees.
- 19 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of audited annual financial statements of preceding financial year, whereas the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

ڈائریکٹرز کی رپورٹ

کمپنی کے ڈائریکٹرز 31 دسمبر 2019ء کے اختتام پر پہلے 6 مہینے کی غیر آڈٹ شدہ مختصر عبوری مالیاتی گواہی اور آڈیٹر کی جائزہ رپورٹ بخوبی جانچ کر رہے ہیں۔

زیر جائزہ مدت میں سیٹھ کی حجم میں 8% کا اضافہ ہوا ہے مگر جولائی اور اگست کے مہینوں میں ٹیکس کے معاملات پر ڈیٹرز کی ہڑتال کی وجہ سے سیٹھ کی فروخت متاثر ہوئی۔ تاہم دوسری سہ ماہی میں سیٹھ کے حجم میں کچھ بہتری آئی ہے اور ٹیکس کی اپنا پیداواری استعداد کے 90.6% رہی۔

سیٹھ کی نئی پیداواری استعداد کے بروئے کار آنے کی وجہ سے سارے سیٹھ کے کارخانے مارکیٹ میں اپنا شیئر بڑھانے کی کوشش کر رہے ہیں اور دوسری طرف گورنمنٹ کے پرنٹنگس اور CPEC کا کام یا تو بند ہے یا بہت سست رووی کا فنکار ہے ان سب عوامل کی وجہ سے سیٹھ کی قیمتوں میں بہت تیزی سے کمی ہوئی ہے۔ آپ کی کمپنی بھی ان عوامل سے متاثر ہوئی ہے اور اس کی قیمت فروخت 13% کم ہوئی اور خالص فروخت میں 6% کمی آئی۔

ٹرینل	ڈن	پہلے چھ مہینے مورخہ 31 دسمبر 2019	اضافہ (کمی)	فیصد اضافہ (کمی)
ٹرینل	ڈن	854,807	794,768	60,039
خالص فروخت	رقم ملین روپوں میں	5,166	5,510	(344)
مجموعی منافع	رقم ملین روپوں میں	507	1,374	(867)
آپریٹنگ کا نفع (نقصان)	رقم ملین روپوں میں	(464)	883	(1,346)
ٹیکس اور انٹرسٹ سے قبل منافع	رقم ملین روپوں میں	345	1,589	(1,244)
سود کی ادائیگیاں	رقم ملین روپوں میں	(341)	(210)	(131)
خالص نفع (نقصان)	رقم ملین روپوں میں	(245)	593	(838)
ٹی شیئر منافع	رقم روپوں میں	(0.62)	1.48	(2.10)

کمپنی نے موجودہ مدت کے دوران اپنی سیٹھ کی فروخت کی پالیسی کو ٹیکس ریٹ (EXW) سے تبدیل کر کے "ڈیپو ڈائیٹ ٹیکس" (DAP) کر دی جس کے نتیجے میں تقسیم کے اخراجات میں 446 ملین روپے کا اضافہ ہوا جس کی وجہ سے کمپنی کی آمدن میں 20% کمی واقع ہوئی

حکومت پنجاب نے خام مال پر پرنٹنگ میں 100% اضافہ کر دیا جو کہ KPK سے دو گنا ہے اس کے علاوہ بجلی اور گیس کی قیمتوں میں اضافہ کرنسی کی گرتی ہوئی قدر کی وجہ سے درآمد شدہ پارٹس کی قیمتوں میں اضافہ اور مکمل کوڈ کے نفاذ کی وجہ سے کرایوں میں اضافہ ان تمام عوامل کی وجہ سے پیداواری لاگت میں اضافہ ہوا ہے اور آمدن میں کمی ہوئی ہے۔

اوپر بیان کئے گئے عوامل کی وجہ سے کمپنی کے مجموعی منافع میں 63% کمی ہوئی اور ٹیکس انٹرسٹ اور فروسودگی سے قبل منافع میں 78% کمی ہوئی۔ شرح سود میں اضافہ کی وجہ سے سود کی مد میں کیے گئے اخراجات میں اضافہ ہوا اور کمپن کا خالص نقصان 245 ملین روپے ہوا ہے اور ٹی شیئر کا نقصان 62 پیسے فی شیئر ہے۔

امید ہے کہ آنے والی مدت میں سیٹھ کی مانگ میں اضافہ ہوگا اور کمپنی کے مالی نتائج میں بہتری آئے گی۔

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

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

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