

CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED

MARCH 31, 2022

GHARIBWAL
CEMENT
LIMITED



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COMPANY INFORMATION



BOARD OF DIRECTORS

- Khalid Siddiq Tirmizey (Chairman)
- Muhammad Tousif Peracha (Executive Director)
- Abdur Rafique Khan (Executive Director)
- Mustafa Tousif Ahmed Peracha (Executive Director)
- Mrs. Sorath Jumani (Non-Executive Director)
- Amna Khan (Non-Executive Director)
- Mian Nazir Ahmed Peracha (Non-Executive Director)
- Faisal Aftab Ahmad (Independent Director)
- Daniyal Jawaid Peracha (Independent Director)



AUDIT COMMITTEE

- Faisal Aftab Ahmad (Chairman)
- Khalid Siddiq Tirmizey (Member)
- Mian Nazir Ahmed Peracha (Member)



HRR COMMITTEE

- Khalid Siddiq Tirmizey (Chairman)
- Muhammad Tousif Peracha (Member)
- Mian Nazir Ahmed Peracha (Member)



EXTERNAL AUDITORS

- Kreston Hyder Bhimji & Co
Chartered Accountants
Amin Building, The Mall, Lahore



LEGAL ADVISORS

- Raja Muhammad Akram
Legal Advisors
Main Gulberg, Lahore.



KEY MANAGEMENT PERSONNEL

- Muhammad Tausif Peracha (Chief Executive Officer)
- Abdul Shoeb Piracha (Director Commercial)
- Syed Firasat Abbas (General Manager Plant)
- Muhammad Shamail Javed FCA (Chief Financial Officer)
- Rana Muhammad Ijaz (General Manager Sale)
- Farukh Naveed ACA (Financial Controller & Company Secretary)
- Muhammad Tahir (Chief Coordination Officer)
- Hassan Mehdi ACA CIA (Internal Auditor)



SHARE REGISTRAR

Corplink (Private) Limited,
Wings Arcade, 1-k, Commercaill, Model Town, Lahore.



BANKERS

- 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 & 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 information for the nine months ended March 31, 2022.

Your Company's net sales revenue increased by 31% PoP. On the other hand, cost of production also increased due to devaluation of Pakistani Rupees, increase in coal, fuel, energy and other input prices. However, the company managed to earned gross profit of Rs. 3.035 billion for the period under review.

Summary of the financial results is given below:

		9MFY2022	9MFY2021	Increase	Percentage
Sales volume	Tons	1,268,631	1,316,980	(48,349)	-3.7%
Net sales	Rs. '000	11,451,202	8,715,672	2,735,530	31.4%
Gross profit	Rs. '000	3,034,931	2,382,536	652,395	27.4%
EBITDA	Rs. '000	3,196,235	2,724,731	471,504	17.3%
Net profit	Rs. '000	1,694,442	1,179,152	515,290	43.7%
EPS	Re.	4.23	2.95	1.28	43.7%

At bottom, the Company earned profit after tax amounting to Rs. 1.694 billion with earnings per share reported at Rs. 4.23.

We foresee that there will be sufficient cement demand in the local market however ever increasing coal and fuel price can reduce the earnings of the Company 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 : April 28, 2022

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT MARCH 31, 2022

	Note	Un-Audited 31-03-22	Audited 30-06-21
		(Rupees in 000s)	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	19,097,720	19,623,476
Intangible asset		6,790	9,978
Loans		9,675	11,893
Deposits		47,253	70,393
		<u>19,161,438</u>	<u>19,715,740</u>
CURRENT ASSETS			
Inventories	6	4,308,633	3,076,787
Trade and other receivables	7	712,609	503,770
Loan and advances	8	605,633	594,411
Deposits		32,260	9,120
Prepayments		190,397	122,252
Advance income tax -net		656,188	1,286,271
Cash and bank balances		879,286	1,295,034
		<u>7,385,006</u>	<u>6,887,645</u>
Non current assets held for sale	9	-	50,416
		<u>7,385,006</u>	<u>6,938,061</u>
TOTAL ASSETS		<u>26,546,444</u>	<u>26,653,801</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital		4,002,739	4,002,739
Revaluation surplus on property, plant and equipment		4,591,191	4,773,441
Retained earnings		8,857,804	6,981,112
		<u>17,451,734</u>	<u>15,757,292</u>
NON CURRENT LIABILITIES			
Borrowings	10	743,248	1,459,412
Lease liability		161	5,229
Deferred taxation		4,065,427	4,154,083
Accrued liabilities		-	44,397
Employees' benefits obligations		18,526	26,155
		<u>4,827,362</u>	<u>5,689,276</u>
CURRENT LIABILITIES			
Trade and other payables		2,703,051	3,544,270
Contract liabilities		24,648	12,953
Borrowings	11	992,087	1,135,537
Lease liability		8,282	11,694
Markup and profit payable		66,535	114,065
Employees' benefits obligations		454,077	369,745
Unclaimed dividend		18,668	18,969
		<u>4,267,348</u>	<u>5,207,233</u>
CONTINGENCIES AND COMMITMENTS	10		
TOTAL EQUITY AND LIABILITIES		<u>26,546,444</u>	<u>26,653,801</u>

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Note	Jul21-Mar22	Un-Audited Jul20-Mar21	Jan22-Mar22	Jan21-Mar21
			(Rupees in 000s)		
Revenue from contracts with customers		11,451,202	8,715,672	4,001,851	3,124,909
Cost of sales		(8,416,271)	(6,333,136)	(3,195,542)	(2,185,227)
Gross Profit		3,034,931	2,382,536	806,309	939,682
General and administrative expenses		(363,441)	(281,440)	(113,294)	(122,687)
Selling and distribution expenses		(51,777)	(44,409)	(20,441)	(18,059)
Other expenses		(183,449)	(132,721)	(45,039)	(60,680)
Other income	9	60,926	-	-	-
Profit from operations		2,497,190	1,923,966	627,535	738,256
Finance income		94,556	90,797	37,003	16,738
Finance expenses		(195,928)	(261,735)	(67,756)	(79,546)
Profit before taxation		2,395,818	1,753,028	596,782	675,448
Tax expense		(701,376)	(573,876)	(149,895)	(195,784)
Profit after taxation		1,694,442	1,179,152	446,887	479,664
Earnings per share (basic & diluted)		4.23	2.95	1.12	1.20

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


CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Aimee Krawiec
DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

Note	----- Un-Audited -----			
	Jul21-Mar22	Jul20-Mar21	Jan22-Mar22	Jan21-Mar21
	(Rupees in 000s)			
Profit after taxation for the period	1,694,442	1,179,152	446,887	479,664
Other Comprehensive Income				
Total comprehensive income for the period	1,694,442	1,179,152	446,887	479,664

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Share Capital	Revaluation Surplus on PPE	Retained Earnings	Total
	(Rupees in 000s)			
Balance as at June 30, 2020 (Audited)	4,002,739	5,027,237	5,476,138	14,506,114
Total Comprehensive income for nine months ended 31-03-2021	-	-	1,179,152	1,179,152
Realization of revaluation surplus on PPE through depreciation (net of tax)	-	(121,582)	121,582	-
Balance as at March 31, 2021	4,002,739	4,905,655	6,776,872	15,685,266
Final cash dividend @ Re. 0.75 per share for the year ended 30-06-2021	-	-	(300,205)	(300,205)
Total Comprehensive income for three months ended 30-06-2021	-	-	372,231	372,231
Deferred tax impact due to change in tax rate	-	-	-	-
Realization of revaluation surplus on PPE through depreciation (net of tax)	-	(132,214)	132,214	-
Balance as at June 30, 2021 (Audited)	4,002,739	4,773,441	6,981,112	15,757,292
Total Comprehensive income for nine months ended 31-03-2022	-	-	1,694,442	1,694,442
Realization of revaluation surplus on PPE through depreciation (net of tax)	-	(182,250)	182,250	-
Balance as at March 31, 2022	4,002,739	4,591,191	8,857,804	17,451,734

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Note	Un-Audited Jul21-Mar22	Un-Audited Jul20-Mar21
		(Rupees in 000s)	
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before taxation		2,395,818	1,753,028
Adjustment for non-cash and other items:	13	983,873	1,103,653
Operating profit before working capital changes		3,379,691	2,856,681
Outflow from net changes in working capital	14	(2,456,478)	(1,459,440)
Cash inflow from operation		923,213	1,397,241
Finance cost paid		(215,317)	(237,221)
Markup received on bank deposits		41,491	20,249
Income tax paid		(159,946)	(85,956)
Net cash inflow from operating activities		589,441	1,094,313
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(231,034)	(32,388)
Payments for intangible asset		-	(11,091)
Proceeds from disposal of assets held for sales		111,342	-
Recovery from / (advance to) Balochistan Glass Limited (related party)		909	(49,322)
Markup received from Balochistan Glass Limited (related party)		-	48,976
Net cash outflow from investing activities		(118,783)	(43,825)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of banks borrowings		(929,662)	(402,203)
Proceeds of banks borrowings		52,038	146,247
Repayment of borrowings from related party		-	(182,428)
Repayment of lease liabilities		(8,480)	(6,643)
Repayment of dividend to others		(302)	(264)
Net cash outflow from financing activities		(886,406)	(445,291)
Net (decrease) / increase in cash and cash equivalents		(415,748)	605,197
Cash and cash equivalents at beginning of the period		1,295,034	431,400
Cash and cash equivalents at end of the period		879,286	1,036,597

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2022

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 COMPLIANCE

These condensed interim financial statements (un-audited) 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, 2021. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

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, 2021.

There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on July 01, 2021. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these condensed interim financial statements.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparation of these condensed interim financial statements, the significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that were applied to audited annual financial statements of the Company for the year ended June 30, 2021.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements for the year ended June 30, 2021.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Note	Un-Audited 31-03-2022	Audited 30-06-2021
5	PROPERTY, PLANT AND EQUIPMENT	(Rupees in 000s)	
Operating fixed assets	5.1	18,575,810	19,254,205
Right of use assets		23,216	27,313
Capital work in progress		498,694	341,958
		<u>19,097,720</u>	<u>19,623,476</u>
		<u>9 Months ended 31-03-2022</u>	<u>Year ended 30-06-2021</u>
5.1	OPERATING FIXED ASSETS	(Rupees in 000s)	
Book value - opening balance		19,254,205	20,222,654
Additions during the period/year		74,298	140,166
Transferred to/from assets held for sales / right of use asset		-	(48,995)
		<u>19,328,503</u>	<u>20,313,825</u>
Depreciation for the period/year		<u>(752,693)</u>	<u>(1,059,620)</u>
Book value - closing balance		<u>18,575,810</u>	<u>19,254,205</u>
	Note	Un-Audited 31-03-2022	Audited 30-06-2021
6	INVENTORIES	(Rupees in 000s)	
Fuel, parts and supplies		3,208,955	2,091,703
Stock in trade		1,099,678	985,084
		<u>4,308,633</u>	<u>3,076,787</u>
7	TRADE AND OTHER RECEIVABLES		
Trade receivables from contracts with customers		628,114	472,340
Markup receivable from Balochistan Glass Limited		84,495	31,430
		<u>712,609</u>	<u>503,770</u>
8	LOAN AND ADVANCES		
Employees		19,176	7,045
Balochistan Glass Limited	8.1	586,458	587,366
		<u>605,634</u>	<u>594,411</u>
8.1	The Company has approved renewal of short term advance to its associated company Balochistan Glass Limited for one year. 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 27, 2021.		
9	This represented a piece of land which was sold in open market during the current period.		

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Un-Audited 31-03-2022	Audited 30-06-2021
	(Rupees in 000s)	
10 BORROWINGS		
Banks and financial institutions		
Interest bearing	664,877	1,350,243
Non-interest bearing	78,371	109,169
	<u>743,248</u>	<u>1,459,412</u>
11 BORROWINGS		
Current maturity		
Banks and financial institutions		
Interest bearing	895,478	972,412
Non-interest bearing	96,609	163,125
	<u>992,087</u>	<u>1,135,537</u>
12 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, 2021.		
	Un-Audited Jul21-Mar22	Audited Jul20-Mar21
	(Rupees in 000s)	
13 ADJUSTMENT FOR NON-CASH AND OTHER ITEMS		
Depreciation	756,790	798,376
Amortisation	3,189	2,391
Finance expenses	195,928	261,735
Finance income	(94,556)	(90,797)
Other income	(60,926)	-
WPPF & WWF	183,448	131,948
	<u>983,873</u>	<u>1,103,653</u>
14 CASH FLOW FROM CHANGES IN WORKING CAPITAL - NET		
Inventories	(1,231,846)	(427,908)
Trade and other receivables	(155,774)	15,357
Loan and advances	(9,913)	(1,325)
Prepayments	(71,597)	(59,739)
Trade and other payables	(999,043)	(986,347)
Contract liabilities	11,695	522
	<u>(2,456,478)</u>	<u>(1,459,440)</u>
15	There are no significant transactions with related parties during the period under review, except those disclosed in these condensed interim financial statements.	
16	The condensed interim financial statements has been approved by the Board of Directos for issue on April 28, 2022.	

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

- 17 Figures in these condensed interim financial statements are rounded off to the nearest thousand rupees.
- 18 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 مارچ 2022ء کے اختتام پر پہلے نو مہینے کی غیر آڈٹ شدہ مختصر عبوری مالیاتی معلومات بخوشی پیش کرتے ہیں۔

زیر جائزہ مدت میں کمپنی کی خالص فروخت میں 31 فیصد اضافہ ہوا جبکہ دوسری طرف پیداواری لگت میں اضافہ ہوا ہے جس کی بنیادی وجہ روپے کی قدر میں کمی، کوئلہ اور ایندھن کی قیمتوں میں اضافہ ہے تاہم کمپنی نے ان نو مہینوں میں 3.035 ارب روپے کا مجموعی منافع کمایا ہے۔

مالیاتی نتائج درج ذیل ہے۔

پہلے نو مہینے مورخہ 31 مارچ

فیصد	اضافہ	2021	2022	ٹن	فروخت کا حجم
-3.7%	(48,349)	1,316,980	1,268,631	رقم ہزاروں میں	خالص فروخت
31.4%	2,735,530	8,715,672	11,451,202	رقم ہزاروں میں	مجموعی منافع
27.4%	652,395	2,382,536	3,034,931	رقم ہزاروں میں	ٹیکس انٹرسٹ اور فرسودگی سے قبل منافع
17.3%	471,504	2,724,731	3,196,235	رقم ہزاروں میں	خالص نفع
43.7%	515,290	1,179,152	1,694,442	رقم ہزاروں میں	فی شیئر منافع
43.7%	1.28	2.95	4.23	رقم روپوں میں	

کمپنی نے 1.194 ارب روپے کا بعد از ٹیکس منافع اور 4.23 روپے فی شیئر منافع کمایا ہے۔

امید ہے کہ آنے والی مدت میں سینٹ کی مانگ میں اضافہ ہوگا اور کمپنی کے مالی نتائج میں بہتری آئے گی تاہم کوئلے اور ایندھن کی قیمتوں میں اضافہ کی وجہ سے کمپنی کا منافع کم ہو سکتا ہے۔

ہم مسلسل حمایت اور تعاون کے لیے ہمارے بھائیوں اور دوسرے مالیاتی اداروں، ڈیلروں اور گاہکوں اور اسٹیک ہولڈرز جن کا ہمارے ساتھ کاروباری تعلق ہے دل کی گہرائیوں سے شکریہ ادا کرتے ہیں۔ ہمارے عمل 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۔

منجانب بورڈ آف ڈائریکٹرز

A. M. Khan
ڈائریکٹر

Chief Executive Officer
چیف ایگزیکٹو آفیسر
لاہور
28 اپریل 2022ء



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Factory:

30km Pind Dadan Khan Jehlum Road,
Ismailwal, Tehsil Choa Saidan Shah,
District Chakwal, Pakistan.