ANNUAL REPORT 2023



DEWAN CEMENT LIMITED

YD | A YOUSUF DEWAN COMPANY

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YD | A YOUSUF DEWAN COMPANY



COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Ghazanfar Babar Siddiqui	Chief Executive Officer
Mr. Abdul Basit	
Syed Maqbool Ali	

Non-Executive Directors

Mr. Ishtiaq Ahmad	Chairman Board of Directors
Mr. Waseem-ul-Haque Ansari	
Mrs. Nida Jamil	

Independent Director

Mr. Aziz-ul-Haque

AUDIT COMMITTEE MEMBERS

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

HUMAN RESOURCE & REMUNERATION COMMITTEE

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

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 the the Forty-Fourth Annual General Meeting of **Dewan Cement Limited ("DCL"** or **"the Company")** will be held on **Thursday, October 26, 2023, at 5:00 p.m.** at Dewan Cement Limited Factory Site, at Deh Dhando, Dhabeji, District Malir, Karachi, Pakistan; to transact the following businesses upon recitation from Holy Qur'aan and other religious recitals:

1. To confirm the minutes of the preceding Extra Ordinary General Meeting of the Company held on Thursday, January 26, 2023;

2. To receive, consider, approve and adopt the annual audited financial statements of the Company for the year ended June 30, 2023 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, 2024, and to fix their remuneration;

4. To consider any other business with the permission of the Chair.

By order of the Board



Muhammad Hanif German
Company Secretary

Karachi: September 28, 2023

NOTES:

1. The Share Transfer Books of the Company will remain closed for the period from October 19, 2023 to October 26, 2023 (both days inclusive).

2. Members are requested to immediately notify change in their addresses, if any, at our Shares Registrar Transfer Agent 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.

3. 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 at the abovesaid address, not less than 48 hours before the meeting.

4. CDC Account holders will further have to observe the following guidelines, as laid down in Circular 01 dated January 20, 2000, issued by the Securities and Exchange Commission of Pakistan:

a) For Attending Meeting:

i) In case of individual, the account holder or sub-account holder, and/or the person whose securities are in group account and their registration details 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 of attending the meeting.

ii) In case of corporate entity, the Board of Directors' resolution/power of attorney, along 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 or sub-account holder, and/or the person whose securities are in group account and their registration details 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, shall witness the proxy.

iii) Attested copies of CNIC or passport of the beneficial owners and proxy shall be furnished along with the proxy form.

iv) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.

v) In case of corporate entity, the Board of Directors' resolution/power of attorney, along with the specimen signature of the nominee, shall be produced (unless it has been provided earlier) along with the proxy form to the Company.

5. Notice to Shareholders who have not provided CNIC:

CNIC of the shareholders is mandatory in terms of directive of the Securities and Exchange Commission of Pakistan contained in S.R.O. 831(1)/2012 dated July 05, 2012 for the issuance of future dividend warrants etc. and in the absence of such information, payment of dividend may be withheld in term of SECP's above mentioned directive. Therefore, the shareholders who have not yet provided their CNICs are once again advised to provide the attested copies of their CNICs directly to our Shares Registrar without any further delay.

6. Mandate for E-DIVIDENDS for shareholders:

In order to make process of payment of cash dividend more efficient, e-dividend mechanism has been envisaged where shareholders can get amount of dividend credited into their respective bank accounts electronically without any delay. In this way, dividends may be instantly credited to respective bank accounts and there are no changes of dividend warrants getting lost in the post, undelivered or delivered to the wrong address, etc. The Securities and Exchange Commission of Pakistan (SECP) through Notice No. 8(4) SM/CDC 2008 dated April 5, 2013 had advised all Listed Companies to adopt e-dividend mechanism due to the benefits it entails for shareholders. In view of the above, you are hereby encouraged to provide a dividend mandate in favor of e-dividend by providing dividend mandate form duly filled in and signed.

7. 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**

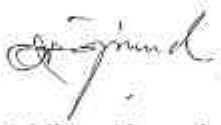
CHAIRMAN'S REVIEW

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, 2023, the seven 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

September 26, 2023
Place: Karachi

DIRECTORS' REPORT

The management of your company takes pleasure in presenting you the Forty-Fourth Annual Report of the company together with the audited accounts for the financial year ended June 30, 2023. This is the 20th annual report since the management and controlling shares of the company were taken over by Yousuf Dewan Companies.

OVERVIEW

During the year 2022-23, the cement industry experienced a decline of 15.74% in its performance as compared to that of last year. The total cement dispatches are 44.58 million metric tons, comprising of 40.02 million metric tons for local consumption and 4.56 million metric tons for exports. Whereas, in the comparative year of 2021-22, total dispatches were 52.91 million metric tons, with 47.66 million metric tons for local and 5.25 million metric tons for exports. As evident, the decline was observed in both local dispatches, which decreased by 16.03%, and exports, that demonstrated a reduction of 13.13%.

Throughout the year, the cost of conducting business has experienced a significant increase as a result of political uncertainty, higher inflation, raised interest rates, increased minimum wages, exorbitantly inflated power prices, exchange control measures by the State Bank of Pakistan and the delay in resumption of the IMF program. This has led to a sense of uncertainty in the market, resulting in an increase in the exchange rate of the USD and consequently increase in the prices of fuel, coal, and other materials.

The decline in purchasing power has had a detrimental effect on the industry, particularly evident in a 15.74% decrease in cement dispatches. This decline in dispatches is also attributable to heavy rainfall and flooding that occurred in nearly half of the country during the first quarter of the financial year, primarily affecting areas such as KPK, south Punjab, and interior Sindh.

After the approval of the IMF program, policy rate of 22% has been implemented, the government raised tax collection targets, and there has been a substantial increase in electricity and fuel prices. As a consequence, inflation has reached a staggering 38%, which has effectively halted economic growth. The GDP growth rate for the year stands at a mere 0.5%, indicating a significant slowdown in economic activity.

However, the revitalized IMF program has injected a sense of optimism into the economy. Despite imposing stringent conditions, it has also instilled trust within the business community by mitigating the risk of default, removing import restrictions, and ensuring the availability of USD.

COMPANY'S PERFORMANCE

The highlights of the financial results are tabulated below:

	2023	2022
	(Rupees in '000')	
Local Sales - net	**20,199,556**	16,518,299
Gross profit	**446,886**	1,224,761
Net Profit/(Loss) before tax	**(164,766)**	1,209
Net Loss after tax	**(586,306)**	(703,032)
Basic Loss per share	**Rs. (1.21)**	Rs. (1.45)
Diluted Loss per share	**Rs. (1.21)**	Rs. (1.45)

OPERATIONAL

Dispatches	Qty in Tons 2023	Qty in Tons 2022	% Increase/ (Decrease)
Local Dispatches	**1,564,390**	1,790,543	(12.63)
Local Dispatches - GBFS	**436**	4,170	(89.54)

The company's dispatches experienced a decline of 12.63% in comparison to the previous year, which can be attributed to a confluence of factors including political instability, elevated fuel costs, inclement weather conditions such as heavy rainfall and widespread flooding, reduced spending in the Public Sector Development Programme (PSDP), and a sluggish growth rate of the Gross Domestic Product (GDP).

FINANCIAL

During the year, the Company's gross sales revenue increased to Rs 20.199 billion which was mainly due to increase in average selling price. The per ton cost of sales of your Company increased by 47.82% as compared to that of last year. This increase is primarily attributable to a continuous rise in input costs mainly coal, power, raw material, and imported consumables, on account of the significant devaluation of PKR. The gross profit margin for the current fiscal year has decreased from 7.41% to 2.21% as compared to last year, primarily due to periodic plant maintenance shutdown, significant increase in cost of coal, power and transportation along with higher inflation. Management is committed to mitigate higher trend of cost of production with improvement of plant efficiency and real time production method considering demand supply mechanism.

FUTURE OUTLOOK

The Gross Domestic Product (GDP) significantly decreased to 0.5% in the current year as compared to that of 6.0% of the previous year. However, projections indicate a potential figure of 3.5% for the upcoming fiscal year, 2023-24.

This shift in GDP is expected to be influenced by various factors, including an increased allocation of Rs. 1,150 billion for the Public Sector Development Program (PSDP). Additionally, the completion of 10 years of the China-Pakistan Economic Corridor (CPEC) and the anticipation of Phase II are expected to contribute to growth in the local market.

Pakistan is currently facing unprecedented political challenges, with the establishment of a caretaker government and uncertainty surrounding the timings of general election which may further escalate instability in the market. Moving forward, there may be a further decline in cement demand in the domestic market. The Cement sector is facing a precarious situation, with multiple risks such as the devaluation of the Pakistani Rupee against the US Dollar, high inflation affecting the purchasing power of the public, political uncertainty, an increase in interest rates, and aggressive taxation measures impacting its profitability. These factors have a severe impact on the margins of cement manufacturers.

However, the progress of the economy may be hindered by higher interest rates and discouraging economic indicators.

Forecasts suggest that the cement industry may have a single-digit growth in the near future. This growth is expected to be driven by an increase in local dispatches due to a slight rise in demand.

ONGOING LITIGATIONS

As far as creditors mentioned in the financial statements are concerned, a number of recovery suits have been 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. 774.71 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, 2023 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.

m) Key operating and financial statistics for the last six years have been given separately.

DIVIDEND

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.

BOARD MEETING

During the year seven meetings of the Board of Directors were held, Directors' attendance in these meeting is as under:

Name of Directors	No. of meetings Attended
Mr. Aziz-ul-Haque	7
Mr.Ghazanfar Babar Siddiqi	7
Mr.Ishtiaq Ahmed	7
Syed Maqbool Ali	7
Mrs.Nida Jamil	7
Mr.Waseem-ul-Haque Ansari	6
Mr. Abdul Basit	7

AUDIT COMMITTEE MEETING

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

Name of Members	No. of meetings Attended
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:

Name of Members	No. of meetings Attended
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, 2024.

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 2024.

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

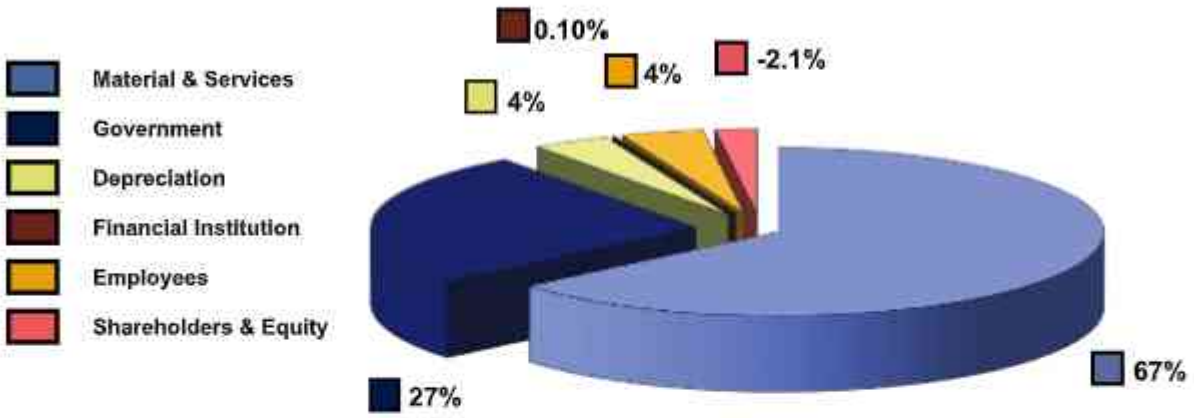
Syed Maqbool Ali
Director

Dated: September 26, 2023
Place: Karachi

KEY OPERATING AND FINANCIAL STATISTICS FOR LAST SIX YEARS

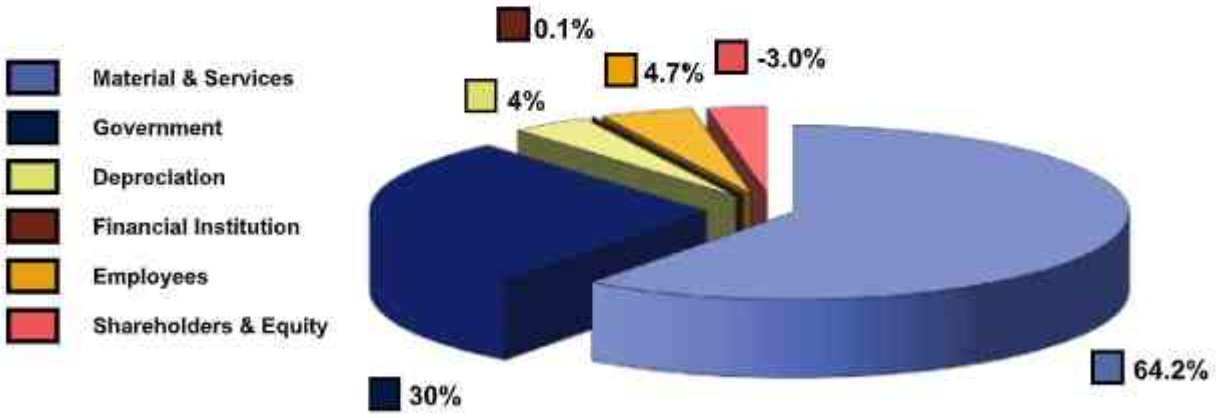
Particulars	2023	2022	2021	2020	2019	2018
	----------(Tons. in thousands)----------					
QUANTITATIVE DATA						
Clinker Production	**1,348**	1,582	874	945	1,769	2,097
Cement Production	**1,575**	1,788	880	990	1,873	2,215
Cement Despatches	**1,564**	1,791	863	1,008	1,873	2,214
Clinker Despatches	**-**	-	31	25	69	-
GGBS	**-**	4	3	1	5	19
ASSETS EMPLOYED	----------(Rs. in million)----------					
Operating property, plant and equipment	**44,605**	33,198	34,054	34,740	26,865	26,791
Long term advances & deposits	**608**	137	134	137	141	145
Current Assets	**4,331**	4,565	2,743	2,456	2,889	3,311
Total Assets Employed	**49,544**	37,901	36,931	37,333	29,895	30,247
FINANCED BY						
Shareholder equity	**27,481**	19,618	20,935	21,602	17,017	17,266
Redeemable Capital	**2,910**	2,910	3,110	3,110	3,110	3,110
Long term loan & long term liabilities/Deposits	**740**	1,236	741	851	1,069	1,465
Deffered liabilities	**10,886**	6,972	5,869	5,568	3,571	3,110
Current liabilities	**7,527**	7,165	6,276	6,202	5,128	5,296
TOTAL FUNDS INVESTED	**49,544**	37,901	36,931	37,333	29,895	30,247
TURNOVER & PROFIT						
Turnover (Net)	**20,200**	16,518	6,260	5,833	12,054	13,243
Operating Profit / (Loss)	**(561)**	(68)	(279)	(1,469)	296	1,069
Profit / (Loss) Before Taxation	**(165)**	1	(272)	(1,479)	278	1,248
Profit / (Loss) After Taxation	**(586)**	(703)	(666)	(1,324)	(275)	902
Accumulated Profit	**3,265**	3,582	3,972	4,244	5,414	5,493

WEALTH GENERATED AND DISTRIBUTED DURING 2022-2023



Total Revenue Rs.27,536.081 million

WEALTH GENERATED AND DISTRIBUTED DURING 2021-2022



Total Revenue Rs. 23,199.608 million

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 FOR THE YEAR ENDED JUNE 30, 2023

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

   Regulation 8 (1) of the CCG Regulations stipulates that it is mandatory for each listed company that the executive directors, including the chief executive officer, shall not be more than one third of the Board. In a Board comprising 7 members, one-third works out to 2.33 persons. The fraction contained in one-third is rounded up as one to improve corporate governance, facilitate effective succession planning, strengthen risk management, and increase investor trust.

   The Independent director has requisite competencies, skills, knowledge, and experience to discharge and execute his duties competently, as per applicable laws and regulations. He fulfills the necessary requirements as per applicable laws and regulations. The appointment of another independent Director for the Compliance of Code of Corporate Governance, Regulations, 2019 is temporarily delayed as the Company is facing reluctance from eligible persons on the grounds of pending litigations of the Company as mentioned in note 28.1 to its Annual Financial Statements for the year ended June 30, 2023.

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 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 compiled with requirements of Act and the regulations with respect to frequency, recording and circulating minutes of meeting of board.

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:

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, 2023
b)	HR & Remuneration Committee:	1 annual meeting held during the financial year ended June 30, 2023

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	**Directors' Training.-** 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.	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: September 26th, 2023
Place: Karachi

FARUQ ALI & CO
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S MODIFIED REVIEW REPORT TO THE MEMBERS OF DEWAN CEMENT LIMITED

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 2023 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 2023.

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:

S.No	Reference	Description
(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 2023 all the directors are required to acquire prescribed certification.

Dated: September 28th, 2023
Place: Karachi



CHARTERED ACCOUNTANTS

Engagement partner: Umer Farooq

UDIN: CR202310707lpxuA5YCa

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

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 2023, 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 a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, 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 2023 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.774.71 million (up to 30 June 2023: Rs.8,036.63 million) due to the reasons mentioned in note 35.1 to the financial statements. We do not concur with managements 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.774.71 million and markup payable would have been higher and shareholders' equity would have been lower by Rs.8,036.63 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.586.306 million, and as of that date its current liabilities exceeded its current assets by Rs.3,195.785 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.	**Revenue recognition**	
	Refer notes 4.12 and note 29 to the financial statements. The Company is engaged in the production and sale of cement. The Company recognized gross revenue from the sales of cement of Rs.27,536.081 million. We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company, large number of revenue transactions with a large number of customers in various geographical locations, inherent risk of material misstatement and significant increase in revenue from last year.	Our audit procedures in relation to the matter, amongst others, included: - Understood and evaluated management controls over revenue and checked their validation; - Performed verification of sample of revenue transactions with underlying documentation including dispatch documents and sales invoices; - Performed cut-off procedures on sample basis to ensure revenue has been recognized in the correct period;

S.no.	Key audit matters	How the matter was addressed in our audit
1.	**Revenue recognition**	
		- Performed recalculation of sales incentive as per company's policy on test basis; - Performed analytical procedures to analyze variation in the price and quantity sold during the year; - Tested journal entries relating to revenue recognized during the year based on identified risk criteria; and - Assessed the appropriateness of disclosures made in the financial statements related to revenue.

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.

Dated: September 28th, 2023
Place: Karachi

CHARTERED ACCOUNTANTS

Engagement partner: Umer Farooq

UDIN: AR202310707dTD8q4Qey

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2023

	Notes	2023	2022
ASSETS		-----(Rupees in '000')-----	
NON CURRENT ASSETS			
Property, plant and equipment	5	44,605,397	33,198,499
Long term deposits	6	604,311	132,881
Long term loans	7	3,355	4,242
		45,213,063	33,335,622
CURRENT ASSETS			
Stores and spare parts	8	1,638,432	1,900,950
Stock in trade	9	746,746	601,641
Trade debts - Unsecured	10	820,167	956,518
Loans and advances - Unsecured, considered good	11	270,168	348,664
Deposits and prepayments	12	44,305	21,643
Other receivables	13	105,789	93,114
Short term investments	14	422	341
Advance tax - Net		620,194	484,487
Cash and bank balances	15	84,956	157,927
		4,331,179	4,565,285
		49,544,242	37,900,907
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
850,000,000 (2022: 850,000,000) Ordinary shares of Rs. 10/- each		8,500,000	8,500,000
Issued, subscribed and paid-up share capital	16	4,841,133	4,841,133
Revenue reserves			
Un-appropriated profit		3,264,738	3,581,982
Capital reserve			
Merger reserve	17	629,444	629,444
Surplus on revaluation of property, plant and equipment	18	18,746,075	10,565,352
		27,481,390	19,617,911
NON CURRENT LIABILITIES			
Long term borrowings	19	123,449	116,299
Advances for investment in term finance certificates	20	2,910,000	2,910,000
Long term deposits and payables	21	616,643	1,119,656
Deferred tax liability - Net	22	10,885,796	6,972,287
		14,535,888	11,118,242
CURRENT LIABILITES			
Trade and other payables	23	4,391,001	3,907,568
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	1,749,437	1,870,660
Dividend payable		12,926	12,926
Unpaid and unclaimed dividend	27	1,780	1,780
		7,526,964	7,164,754
CONTINGENCIES AND COMMITMENTS	28	--	--
		49,544,242	37,900,907

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, 2023

	Notes	2023	2022
		-----(Rupees in '000')-----	
Turnover - Net	29	**20,199,555**	16,518,299
Cost of sales	30	**(19,752,669)**	(15,293,538)
Gross profit		**446,886**	1,224,761
Distribution cost	31	**(136,618)**	(228,758)
Administrative expenses	32	**(828,789)**	(880,778)
Other operating expenses	33	**(42,120)**	(183,645)
		(1,007,527)	(1,293,181)
Operating loss		**(560,641)**	(68,420)
Other income	34	**419,858**	96,995
Finance cost	35	**(23,983)**	(27,366)
(Loss) / profit before taxation		**(164,766)**	1,209
Taxation - Net	36	**(421,540)**	(704,241)
Loss for the year		**(586,306)**	(703,032)
Loss per share - Basic and diluted - (Rupees)	37	**(1.21)**	(1.45)

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, 2023

	Notes	2023	2022
		-----(Rupees in '000')-----	
Loss for the year		**(586,306)**	(703,032)
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss:			
Surplus on revaluation of property, plant and equipment	18	**12,279,118**	–
Related deferred tax	18	**(3,829,333)**	–
		8,449,785	–
Effect of change in tax rate		**--**	(614,434)
Total comprehensive income / (loss) for the year		**7,863,479**	**(1,317,466)**

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, 2023

	Notes	2023	2022
		-----(Rupees in '000')-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / profit before taxation		**(164,766)**	1,209
Adjustments for non-cash and other items:			
Depreciation	5.3	**992,559**	1,109,376
Gain on disposal of operating fixed assets		**--**	(35)
Workers' Profit Participation Fund	33	**--**	377
Amortization of interest free loan		**--**	(92,188)
Unwinding of discount	35	**22,126**	24,996
Workers' Welfare Fund	33	**--**	5,959
Gain on remeasurement of short term investments	33	**(80)**	(52)
Finance cost		**1,857**	2,370
Exchange loss		**37,620**	86,940
Provision against doubtful receivables	33	**--**	85,869
Cash inflows before working capital changes		**889,316**	1,224,821
Movement in working capital			
(Increase) / decrease in current assets			
Stores and spare parts		**262,518**	(563,815)
Stock in trade		**(145,105)**	(329,702)
Trade debts - Unsecured		**136,351**	(551,302)
Loans and advances - Unsecured, considered good		**78,496**	(136,213)
Deposits and prepayments		**(22,662)**	(1,786)
Other receivables		**(12,675)**	(65,677)
		296,923	(1,648,495)
Increase / (decrease) in current liabilities			
Trade and other payables		**483,432**	1,044,673
		483,432	1,044,673
Cash generated from operations		**1,669,671**	620,999
Payment for:			
Taxes net of refund received		**(473,071)**	(378,433)
Finance cost		**(1,857)**	(2,370)
Net cash inflows from operating activities		**1,194,743**	240,196

	Notes	2023	2022
		-----(Rupees in '000')-----	
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditures		(120,339)	(253,615)
Sale proceeds on disposal of fixed assets		--	48
Long term loans recovered		887	1,991
Net movement in long term deposits		(471,430)	(5,000)
Net cash outflows from investing activities		(590,882)	(256,576)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of long term borrowings		**(136,199)**	(215,558)
Net movement in long term deposits and payables		**(540,633)**	328,131
Net cash inflows / (outflows) from financing activities		**(676,832)**	112,573
Net (decrease) / increase in cash and cash equivalents		**(72,971)**	96,193
Cash and cash equivalents at the beginning of the year		**157,927**	61,734
Cash and cash equivalents at the end of the year	15	**84,956**	157,927

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, 2023

	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	
	(Rupees in '000')					
Balance as on 1 July 2021	4,841,133	3,972,237	629,444	11,492,563	12,122,007	20,935,377
Loss for the year ended 30 June 2022	–	(703,032)	–	–	–	(703,032)
Other comprehensive income	–	–	–	(614,434)	(614,434)	(614,434)
Total comprehensive loss for the year	–	(703,032)	–	(614,434)	(614,434)	(1,317,466)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	–	312,777	–	(312,777)	(312,777)	–
Balance as at 30 June 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)	–
Balance as at 30 June 2023	**4,841,133**	**3,264,738**	**629,444**	**18,746,075**	**19,375,519**	**27,481,390**

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, 2023

1 STATUS AND NATURE OF BUSINESS

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 2023 reflects loss after taxation of Rs.586.306 million (2022: Rs.703.032 million), and as of that date its current liabilities exceeded its current assets by Rs.3,195.785 million (2022: Rs.2,599.469 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 Basis of measurement

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

3.3 Changes in accounting standards, interpretations and pronouncements

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, 2023. 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.

	Effective Date (Period beginning on or after)
Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	1 January 2022
Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	1 January 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - Cost of fulfilling a contract	1 January 2022
Annual Improvements to IFRS Standards 2018 - 2020 Cycle (related to IFRS 9, IFRS 16 and IAS 41)	1 January 2022

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' - 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

	Effective Date (Period beginning on or after)
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
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
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' - Supplier Finance Arrangements	1 January 2024
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 standards, interpretations and amendments, the IASB has also issued the following standards which have not been adopted locally by the SECP:

- IFRS 1 'First Time Adoption of International Financial Reporting Standards'
- IFRS 17 'Insurance Contracts'

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 Use of estimates and judgements

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 affect 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.

4 SIGNIFICANT ACCOUNTING POLICIES

The significant 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 an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

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 to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The surplus on revalued assets to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

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 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

These assets are subsequently measured at fair value. Dividends are recognised 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.

4.14.2.1Trade 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.

4.14.2.2Cash 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.

4.14.5 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 44 to these financial statements.

		Notes	2023	2022
5	**PROPERTY, PLANT AND EQUIPMENT**		-----(Rupees in '000')-----	
	Operating fixed assets - Tangible	5.1	**44,503,633**	32,893,573
	Right of use assets	5.2	**174**	218
	Capital work in progress - At cost	5.4	**101,590**	304,708
			44,605,397	**33,198,499**

5.1 Operating fixed assets - Tangible

	2023								
	COST / REVALUATION				ACCUMULATED DEPRECIATION				
	As at 1 July 2022	Additions during the year	Revaluation surplus (Note 18)	As at 30 July 2023	As at 1 July 2022	Charge for the year	As at 30 June 2023	Book value as at 30 June 2023	Rate %
	(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	5to10
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	5to10
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	5to10
Furniture and fixture	140,772	2,161	–	142,933	112,669	3,616	116,285	26,648	10to20
Office equipment	67,074	735	–	67,809	35,190	4,568	39,758	28,051	10to20
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
	42,968,836	323,457	12,279,118	55,571,411	10,075,263	992,515	11,067,778	44,503,633	

	2022									
	COST / REVALUATION					ACCUMULATED DEPRECIATION				
	As at 1 July 2021	Additions during the year	(Disposal during the year)	As at 30 July 2022	As at 1 July 2021	(On disposal)	Charge for the year	As at 30 June 2022	Book value as at 30 June 2022	Rate %
	(Rupees in '000')									
Leasehold land	244,390	–	–	244,390	21,836	–	2,444	24,280	220,110	1
Freehold land	448,498	4,527	–	453,025	–	–	–	–	453,025	-
Quarry	915	–	–	915	915	–	–	915	–	-
Buildings on leasehold land and quarry development	1,734,371	338,319	–	2,072,690	888,734	–	70,769	959,503	1,113,187	5to10
Buildings and civil works on Freehold land	1,762,589	–	–	1,762,589	1,027,450	–	68,741	1,096,191	666,398	5to10
Roads	494,158	–	–	494,158	169,734	–	16,221	185,955	308,203	5
Plant and machinery	35,946,063	1,359,961	–	37,306,024	6,462,441	–	926,768	7,389,209	29,916,815	UOP
Electric installation	163,956	–	–	163,956	47,172	–	5,309	52,481	111,475	5to10
Furniture and fixture	140,462	310	–	140,772	107,766	–	4,903	112,669	28,103	10to20
Office equipment	59,985	7,089	–	67,074	30,640	–	4,550	35,190	31,884	10to20
Computers	72,965	91	–	73,056	69,919	–	1,030	70,949	2,107	33
Vehicles	155,385	34,890	(88)	190,187	139,410	(75)	8,586	147,921	42,266	20
	41,223,737	1,745,187	(88)	42,968,836	8,966,017	(75)	1,109,321	10,075,263	32,893,573	

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:

	2023	2022
	-----(Rupees in '000')-----	
Leasehold land	**140**	140
Freehold land	**92,617**	88,862
Buildings on leasehold land and quarry development	**880,169**	832,839
Buildings and civil works on freehold land	**243,909**	265,971
Plant and machinery	**15,426,850**	15,700,248
	16,643,685	**16,888,060**

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	Naclass No.2 , Dah Dhando, District Malir, Karachi, Sindh	150
2	Hattar Plant	Kamalpur Village, Hattar, District Haripur, Khyber Pakhtunkhwa	115

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 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
TOTAL - 2023	7,413	--	7,413	7,195	44	7,239	174	

Particulars	COST			ACCUMULATED DEPRECIATION			Book value as at 30 June 2022	Rate %
	As at 1 July 2020	Additions	As at 30 June 2022	As at 1 July 2020	For the year	As at 30 June 2022		
	(Rupees in '000')							
Vehicles	7,413	--	7,413	7,140	55	7,195	218	20
TOTAL - 2022	7,413	--	7,413	7,140	55	7,195	218	

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

	Notes	2023	2022
		-----(Rupees in '000')-----	
Cost of sales	30	**985,311**	1,102,623
Distribution cost	31	**710**	359
Administrative expenses	32	**6,538**	6,394
		992,559	**1,109,376**

		Notes	2023	2022
			-----(Rupees in '000')-----	
5.4	**Capital work in progress - At cost**			
	Opening balance		**304,708**	1,796,280
	Additions during the year		**101,590**	206,708
			406,298	2,002,988
	Capitalized during the year		**(304,708)**	(1,698,280)
		5.4.1	**101,590**	**304,708**
5.4.1	**Breakup is as follows:**			
	Plant and machinery		**39,657**	196,373
	Civil works		**61,933**	108,335
			101,590	**304,708**
6	**LONG TERM DEPOSITS**			
	Electricity deposits - Interest free		**125,160**	125,160
	Gas deposits - Interest free		**472,000**	--
	Others - Interest free		**7,151**	7,721
			604,311	**132,881**
7	**LONG TERM LOANS**			
	Considered good - return free			
	Executives		**2,249**	2,579
	Employees		**4,299**	2,897
		7.1	**6,548**	5,476
	Recoverable within one year	11	**(3,193)**	(1,234)
			3,355	**4,242**

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	**1,569,490**	1,800,788
	Stores and spare parts - In transit	**74,811**	106,031
		1,644,301	1,906,819
	Provision for obsolete and slow moving Stores and spares	**(5,869)**	(5,869)
		1,638,432	**1,900,950**

		Notes	2023	2022
9	**STOCK IN TRADE**		-----(Rupees in '000')-----	
	Raw and packing material		**187,315**	213,642
	Work in process		**280,885**	229,549
	Finished goods		**278,546**	158,450
			746,746	**601,641**
10	**TRADE DEBTS - Unsecured**			
	Considered good		**820,167**	956,518
	10.1 The ageing of trade debts as at 30 June is as follows:			
	Neither past due nor impaired		**820,167**	956,518
11	**LOANS AND ADVANCES - Unsecured, considered good**			
	Current portion of long term loan to executive / employees - Return free	7	**3,193**	1,234
	Advances to employees - Return free	11.1	**11,528**	10,127
	Advances to suppliers and contractors - Return free		**255,447**	337,303
			270,168	**348,664**
	11.1 Advances to employees are given to meet business expenses and are settled as and when the expenses are incurred.			
12	**DEPOSITS AND PREPAYMENTS**			
	Trade deposits - Considered good, return free			
	Short term deposits		**1,061**	1,159
	Margin against bank guarantees		**7,470**	7,470
			8,531	8,629
	Short term prepayments		**35,774**	13,014
			44,305	**21,643**
13	**OTHER RECEIVABLES**			
	Considered good			
	Export rebate receivable		**13,691**	13,691
	Refundable input tax	13.1	**49,295**	32,445
	Sales tax claim	13.2	**41,060**	46,918
	Other receivable		**1,743**	60
			105,789	93,114
	Considered doubtful			
	Sales tax claim	13.3	**13,502**	13,502
	Other receivable	13.4	**72,367**	72,367
			85,869	85,869
	Provision against doubtful advances and other receivable		**(85,869)**	(85,869)
			105,789	**93,114**

13.1 This includes Rs.29.496 million input tax on gas bill for the month of May 2022.

13.2 This represents payment made by the Company on account of extra tax paid through electricity bills for the month of January 2022 and February 2022, erroneously charged by the Peshawar Electric Supply Company (PESCO). The Company has filed complaint in Consumer Court for the refund of said extra tax. PESCO has been deposited the said tax into FBR; therefore, the matter referred to FBR. FBR certified that a sum of Rs.41.060 has become sales tax refundable and will be refunded to the Company. Subsequently, refund has been received from FBR and the petition has been withdrawn.

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

2023	2022		Notes	2023	2022
---(Number of Share)---				-----(Rupees in '000')-----	
17,717	17,717	BankIslami Pakistan Limited		**315**	213
6,930	6,930	Samba Bank Limited		**54**	68
2,603	2,603	Faysal Bank Limited		**53**	60
92,500	92,500	Zeal Pak Cement Limited		**--**	--
119,750	**119,750**			**422**	**341**

15 CASH AND BANK BALANCES

Cash in hand		**1,025**	2,261
Cash at banks:			
- Current accounts		**83,120**	136,807
- Deposit / saving accounts	15.1	**811**	18,859
		83,931	155,666
		84,956	**157,927**

15.1 These represent deposit accounts and saving accounts with commercial banks carrying profit ranging from 6.5% to 19.50% (2022: 4.75% to 11.10%) per annum.

16 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2023	2022		Notes	2023	2022
-----(Number of Share)-----				-----(Rupees in '000')-----	
431,125,000	431,125,000	Ordinary shares of Rs. 10/- each issued as fully paid in cash		**4,311,250**	4,311,250
21,250,000	21,250,000	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares		**212,500**	212,500
31,738,343	31,738,343	Ordinary shares of Rs. 10 each issued on conversion of loan from sponsors		**317,383**	317,383
484,113,343	**484,113,343**			**4,841,133**	**4,841,133**

16.1 At reporting date, 131,625,455 shares (2022: 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

	Notes		
Gross surplus			
Opening balance		**15,481,475**	15,947,212
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		**(400,502)**	(465,737)
	18.1	**27,360,091**	15,481,475
Deferred tax liability			
Opening balance		**(4,916,123)**	(4,454,649)
Related deferred tax liability of current revaluation		**(3,829,333)**	--
Effect of change in tax rates on balance revaluation surplus		**--**	(614,434)
On incremental depreciation for the year		**131,440**	152,960
		(8,614,016)	(4,916,123)
		18,746,075	**10,565,352**

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.

		Notes	2023	2022
19	**LONG TERM FINANCING**		-----(Rupees in '000')-----	
	Long-term loan financial institution - Secured			
	Long term loan - I	19.1	**93,333**	93,333
	Long term loan - II	19.2	**300,000**	300,000
	Long term loan - III	19.3	**75,000**	75,000
	Long term loan - IV	19.4	**500,000**	500,000
	Long term loan - V	19.5	**350,000**	350,000
	Long term loan - VI	19.6	**92,861**	92,861
	Long term loan - VII	19.7	**250,000**	250,000
	Restructured long term financing - II	19.8	**33,510**	50,265
	Restructured long term financing - III	19.9	**13,889**	25,000
	Restructured long term financing - IV	19.10	**--**	93,333
	Restructured long term financing - V	19.11	**175,000**	190,000
			1,883,593	2,019,792
	Present value adjustment		**(152,447)**	(152,447)
			1,731,146	1,867,345
	Total interest charged to profit or loss		**100,530**	78,404
			1,831,676	1,945,749
	Current maturity of long term financing		**(47,033)**	(136,200)
	Overdue portion of long term financing		**(1,661,194)**	(1,693,250)
		26	**(1,708,227)**	(1,829,450)
			123,449	**116,299**

19.1 Represents loan obtained from a Development Financial Institution (DFI) carrying mark up at the rate of KIBOR plus 2.5% per annum with sales price of Rs.120 million and purchase price of Rs.234.4 million. The loan is repayable in 9 equal semi-annual installments commencing one year after the date of disbursement of loan i.e. April 26, 2006. The loan is secured by way of hypothecation ranking charge over fixed assets to be converted in to first pari passu charge within 90 days from the date of disbursement.

19.2 Represents loan obtained from a commercial bank carrying mark up at the rate of KIBOR plus 4.5% per annum with sales price of Rs.300 million and purchase price of Rs.637.685 million. The loan is repayable in 6 equal semi-annual installments commencing thirty months after the date of disbursement of loan i.e. November 7, 2006. The loan is secured by way of first pari-passu charge over all present and future fixed assets of the Company and corporate guarantees provided by certain group companies.

19.3 Represents loan obtained from a DFI carrying mark up at the rate of KIBOR plus 3% per annum with sales price of Rs.75 million and purchase price of Rs.117.729 million. The loan is repayable in 8 equal semi-annual installments commencing two years after the date of disbursement of loan i.e. July 28, 2006. The loan is secured by way of hypothecation ranking charge over all present and future fixed assets of the Company with 25% margin to be converted in to first pari-passu charge in favour of the DFI within 120 days from the date of first drawdown of the facility.

19.4 Represents loan obtained from a commercial bank carrying mark up at the rate of KIBOR plus 2.5% per annum with sales price of Rs.500 million and purchase price of Rs.975.562 million. The loan is repayable in 10 equal semi-annual installments commencing 30 months after the date of disbursement of loan i.e. October 31, 2006. The loan is secured by creating first pari-passu

charge by way of hypothecation over the hypothecated assets in the sum of Rs.666.667 million in favour of the bank and creation of first pari-passu charge by way of mortgage by deposit of title deeds in respect of the mortgaged properties in the sum of Rs. 666.667 million in favour of the bank.

19.5 Represents loan obtained from a commercial bank carrying mark up at the rate of KIBOR plus 2.5% per annum with sales price of Rs.500 million and purchase price of Rs.700 million. The loan is repayable in 10 equal semi-annual installments commenced from December 2006. The loan is secured by creating first pari passu hypothecation charge over present and future plant and machinery and creation of first pari passu equitable mortgage charge over land and building.

19.6 Represents loan obtained from a commercial bank carrying mark up at the rate of 3 months KIBOR plus 2% per annum with sales price of Rs.165 million and purchase price of Rs.239.309 million. The loan is repayable in 13 equal quarterly installments beginning one year after the date of restructuring of terms of loan i.e. June 28, 2008. The loan is secured by creating first pari-passu charge by way of hypothecation over the hypothecated assets in the sum of Rs.240 million in favour of the bank. Initially a ranking charge is created which will be upgraded to first pari passu charge with in 120 days of draw down.

19.7 Represents loan obtained from a commercial bank carrying mark-up at the rate of 3 months KIBOR plus 2% per annum with sales price of Rs.250 million and purchase price of Rs.353.136 million. The loan is repayable in eight equal quarterly installments commencing from the fifth quarter from date of disbursement. The financing is secured by ranking hypothecation charge and equitable mortgage over fixed assets of the Company valuing Rs.333.33 million with 25% margin. The charge was to be converted into first pari passu within 180 days from date of disbursement.

19.8 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.

19.9 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.

19.10 Advance for investment in term finance certificates from a lender has been restructured for which a settlement agreement has been made dated 15 December 2021 thereby the liability has been acknowledged at principal outstanding amount of Rs.200 million out of which Rs.60 million has been paid as upfront payment and remaining balance is now repayable in 6 equal quarterly installments of Rs.23.333 million each commencing from 31 March 2022. During the year ended 2023, outstanding restructured liability has been paid by the Company.

19.11 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 thereby 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.

19.12 The loans disclosed in 19.8, 19.9, 19.10 and 19.11 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.

19.13 The lenders listed in 19.1 to 19.11 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	2023	2022
20	**ADVANCES FOR INVESTMENT IN TERM FINANCE CERTIFICATES**		**-----(Rupees in '000')-----**	
	Advance for investment in term finance certificates - Secured	20.1	**2,910,000**	2,910,000

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	2023	2022
21	**LONG TERM DEPOSITS AND PAYABLES**		**-----(Rupees in '000')-----**	
	Security deposits	21.1	**616,643**	748,856
	Provision in respect of supplier's credit	21.2	**--**	370,800
			616,643	**1,119,656**

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.

21.2 Represents bills payable in respect of plant and machinery imported. In respect of such liability, in prior years, a memorandum of understanding was signed alongwith a repayment plan. However, in view of certain disputes, this amount was appearing as payable. The matter was under litigation and the amount that would be payable and its timing were considered to be uncertain. The court has dismissed the suit for non-prosecution. The management then decided to carry the liability on prudence basis. However, after lapse of significant time, now the management has decided to write back the liability into statement of profit or loss.

		Notes	2023	2022
22	**DEFERRED TAX LIABILITY - Net**		-----(Rupees in '000')-----	

Deferred taxation comprises temporary difference relating to:

Accelerated tax depreciation	**4,336,729**	4,306,468
Surplus on revaluation of fixed assets	**8,614,017**	4,916,123
Provisions and others	**(26,683)**	(103,121)
	12,924,063	9,119,470
Accumulated tax losses and available tax credits	**(2,038,267)**	(2,147,183)
	10,885,796	**6,972,287**

22.1 Movement of deferred tax liabilities

Balance at beginning of the year	**6,972,287**	5,869,030
Increase in deferred tax liability due to current revaluation	**3,829,333**	--
Tax charge recognised in statement of profit or loss	**84,176**	488,823
Tax charge recognised in other comprehensive income	**--**	614,434
Balance at end of the year	**10,885,796**	**6,972,287**

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	**915,899**	733,837
Accrued liabilities		**1,076,982**	1,369,906
Excise duty payable	23.2	**1,245,331**	893,801
Sales tax payable	23.2	**619,883**	570,562
Tax deducted at source	23.3	**364,167**	191,062
Advance from customers		**433**	63,213
Custom duty payable		**22,848**	22,848
Payable to an associated person	23.4	**87,600**	11,100
Provident fund payable		**11,471**	4,852
Workers' Profits Participation Fund		**377**	377
Workers' Welfare Fund	23.5	**46,010**	46,010
		4,391,001	**3,907,568**

23.1 This includes an amount of Rs.54.289 million (2022: Rs.54.289 million) representing overdue letters of credit which carry mark-up at the rate of 1 month KIBOR + 2% per annum (2022: 1 month KIBOR + 2% per annum).

23.2 The Company was unable to pay excise duty and sales tax amounting to Rs.1,245.331 million (2022: Rs.893.801 million) and Rs.619.883 million (2022: Rs.570.562 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	2023	2022
		-----(Rupees in '000')-----	
23.5 Workers' Profits Participation Fund			
Balance at the beginning of the year		**46,010**	40,051
Allocation for the year	33	**--**	5,959
Balance at the end of the year		**46,010**	**46,010**

24 SHORT TERM BORROWINGS

From financial institutions:			
Running finance	24.1	**208,159**	208,159
Export refinance	24.2	**121,000**	121,000
Bridge finance - syndicate	24.3	**250,000**	250,000
		579,159	**579,159**

24.1 Represents utilized portion of facility of Rs.200 million (2022: Rs.200 million). The running finance carries mark up at 6 months KIBOR plus 3% (2022: 6 months KIBOR plus 3%) per annum, payable quarterly in arrears. The facility is secured by way of first pari passu charge of Rs.234 million on the Company's stocks / book debts. This facility was valid upto 30 June 2009. The facility has expired and not been renewed by the bank.

24.2 The export refinance carries mark up at 7.5% per annum, payable quarterly. The facility is secured by way of pari passu charge of Rs. 237 million on stocks and book debts of the Company. These financing arrangement has expired and not been renewed by the bank.

24.3 The syndicated finance facility was obtained from two banks having share of Rs.150 million and Rs.100 million respectively. The syndicated loan carries mark up at 6 months KIBOR plus 2% per annum payable after 6 months. The facility is secured by way of first pari passu of Rs. 333.33 million on the Company's fixed assets. The facility was valid upto 12 September 2008 and has not been renewed by the banks.

24.4 The Company is in litigations with all of the above lenders as more fully explained in note 28.1(a) and 28.1(b) to the financial statements.

25 MARKUP PAYABLE

Markup payable on:		
- 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
	792,661	**792,661**

	Notes	2023	2022
		-----(Rupees in '000')-----	
26 CURRENT AND OVERDUE PORTION OF NON-CURRENT LIABILITIES			
Long term borrowings	19	**1,708,227**	1,829,450
Liabilities against assets subject to finance lease	26.1	**41,210**	41,210
		1,749,437	**1,870,660**

26.1 The Company has 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 (2022: Rs.41.210 million) payable in monthly/quarterly installments latest by January 2012. Overdue rental payments are subject to an additional charge upto 3% per month. Taxes, repairs, replacement and insurance costs are to be borne by the lessee. In case of termination of agreement, the lessee has to pay the entire rent for unexpired period. Financing rates ranging from 17.76% to 20.57% per annum have been used as discounting factor. Purchase options can be exercised by the lessee, paying 10% of the leased amount.

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 degrees 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.1,607 million, out of total suits amount certain banks / financial institutions having suits to the extent of Rs.475.529 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 in this regard.

(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 in similar cases had filed petition for review of the judgment of the Supreme Court of Pakistan. Refund application of the Company was returned with the comments that since the cases are subjudiced in review, the decision on refund will be taken after fate of review petitions. On 20 January 2009, these petitions were dismissed by the Honourable Supreme Court of Pakistan. The Company then immediately approached the Department for processing of refund. After a lapse of years, the Company then approached the Islamabad High court and on 30th June 2016 the Honourable High Court asked the FBR to hear us and the date be given for hearing. The Company was then called by the Accountant Chief FBR and decision is awaited. As a matter of prudence the Company has not accounted for the above refund in the books of account of the Company.

(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 (2022: 500 million).

(b) Guarantees issued by commercial banks on behalf of the Company amounting to Rs.115.525 million (2022: Rs.108.525 millions).

		Notes	2023	2022
29	**TURNOVER - Net**		-----(Rupees in '000')-----	
	Turnover - Local		**27,536,081**	23,199,608
	Sales tax		**(4,418,603)**	(3,714,439)
	Federal excise duty		**(2,628,058)**	(2,685,814)
	Sales incentives		**(289,865)**	(281,056)
			(7,336,526)	(6,681,309)
			20,199,555	**16,518,299**

		Notes	2023	2022
			-----(Rupees in '000')-----	
30	**COST OF SALES**			
	Fuel and power		**13,815,278**	10,824,274
	Raw and packing materials consumed		**3,312,553**	2,276,684
	Depreciation	5.3	**985,311**	1,102,623
	Salaries, wages and benefits	30.1	**759,928**	683,002
	Stores and spares consumed		**694,207**	378,077
	Security charges		**68,558**	54,136
	Transportation charges		**59,449**	35,869
	Repairs and maintenance		**64,321**	32,759
	Equipment hire charges		**41,063**	25,543
	Consultancy charges		**26,422**	24,417
	Vehicle running expense		**25,083**	15,993
	Laboratory chemicals and quality control		**4,886**	14,772
	Handling charges		**10,970**	4,238
	Printing and stationery		**8,229**	2,857
	Others manufacturing expenses		**5,564**	2,222
	Fee and subscription		**4,183**	2,096
	Communication charges		**2,245**	1,793
	Rates and taxes		**2,272**	1,480
	Travelling and conveyance		**1,052**	582
	Insurance expenses		**32,527**	–
			19,924,101	15,483,417
	Opening work in process		**229,549**	100,448
	Closing work in process		**(280,885)**	(229,549)
			(51,336)	(129,101)
	Cost of goods manufactured		**19,872,765**	15,354,316
	Opening finished goods		**158,450**	97,672
	Closing finished goods		**(278,546)**	(158,450)
			(120,096)	(60,778)
			19,752,669	**15,293,538**

30.1 This includes Rs.15.636 million (2022: Rs.15.095 million) in respect of the Company's contribution for provident funds and Rs.5.885 million (2022: Rs.3.045 million) recognised against contribution to Employees Old Age Benefits Institution (EOBI).

31	**DISTRIBUTION COST**			
	Salaries, allowances and benefits	31.1	**63,991**	98,073
	Transportation charges		**20,691**	25,982
	Fee and subscription		**14,151**	10,482
	Repairs and maintenance		**8,278**	23,225
	Travelling and conveyance		**7,947**	11,966
	Rent, rates and taxes		**7,130**	6,397
	Advertisement expenses		**6,487**	20,571
	Others		**2,794**	8,790
	Utilities		**2,487**	18,527
	Communication charges		**1,292**	4,216
	Depreciation	5.3	**710**	359
	Insurance expenses		**660**	170
			136,618	**228,758**

31.1 These include Rs.1.392 million (2022: Rs.1.185 million) in respect of the Company's contribution for provident funds and Rs.0.425 million (2022: Rs.0.352 million) recognized against contribution to EOBI.

	Notes	2023	2022
32 ADMINISTRATIVE EXPENSES		-----(Rupees in '000')-----	
Salaries, allowances and benefits	32.1	**354,599**	484,464
Legal and professional charges		**177,774**	152,648
Vehicle running expenses		**62,278**	49,168
Repairs and maintenance		**62,969**	47,556
Travelling, conveyance and cartage		**55,742**	45,985
Rent, rates and taxes		**27,275**	26,288
Security service charges		**30,094**	25,376
Utilities		**15,382**	14,842
Fee and subscription		**10,461**	9,293
Communication charges		**8,260**	9,093
Depreciation	5.3	**6,538**	6,394
Printing and stationery		**6,152**	5,730
Entertainment expenses		**1,150**	2,508
Other expenses		**9,442**	1,332
Insurance expenses		**466**	–
Newspaper and periodicals		**207**	101
		828,789	**880,778**

32.1 This includes Rs.8.705 million (2022: Rs.8.298 million) in respect of the Company's contribution for provident funds and Rs.1.322 million (2022: Rs.0.614 million) recognized against contribution to EOBI.

33 OTHER OPERATING EXPENSES			
Workers' Profit Participation Fund		**--**	377
Workers' Welfare Fund	23.5	**--**	5,959
Exchange loss		**37,620**	86,940
Auditor's remuneration	33.1	**4,500**	4,500
Provision for doubtful advance and other receivable		**--**	85,869
		42,120	**183,645**
33.1 Auditor's remuneration			
Audit fee		**3,000**	3,000
Review of condensed interim financial information		**1,000**	1,000
Review of Code of Corporate Governance		**500**	500
		4,500	**4,500**
34 OTHER INCOME			
Profit on bank deposits		**11,358**	4,720
Gain on remeasurement of short term investment		**80**	52
Liabilities no longer payable written back	34.1	**408,420**	–
Gain on disposal of operating fixed assets		**--**	35
Amortization of interest free loans		**--**	92,188
		419,858	**96,995**

34.1 This represents written back of liability related to bills payable in respect of plant and machinery imported as morefully explain in note 21.2.

		2023	2022
35	**FINANCE COST**	-----(Rupees in '000')-----	
	Unwinding of discount	**22,126**	24,996
	Commission on bank guarantees	**1,583**	1,979
	Bank charges	**274**	391
		23,983	**27,366**

35.1 Company has not made the provision of mark-up for the year amounting to Rs.774.71 million (Up to 30 June 2023: Rs.8,036.63 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.774.71 million and accrued mark-up would have been higher and shareholders' equity would have been lower by Rs.8,036.63 million. The said non-provisioning is a departure from the requirements of IAS-23 'Borrowing Costs'.

36 TAXATION - Net

Current tax	**252,636**	215,418
- for current year	**84,728**	--
- for prior years	**337,364**	215,418
Deferred tax	**84,176**	488,823
Total tax charge	**421,540**	**704,241**

36.1 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.

36.2 The Finance Act, 2017 has amended Section 5A of the Income Tax Ordinance, 2001 and introduced tax on every public company at the rate of 5% to 10% (from 2017 to 2019) of its accounting profit before tax for the year. However, this tax shall not apply in case of a public company, which distributes at least 20% to 40% (2017 to 2019) of its after tax profits within six (6) months of the end of the tax year through cash.

The Company filed a Constitutional Petition (CP) before the Sindh High Court (SHC) on 28 July 2017 challenging the vires of Section 5A of the Income Tax Ordinance,2001, and SHC accepted the CP and granted stay against the newly amended section 5A.

In case the SHC's decision is not in favour of the Company; the Company will either be required to declare dividend to the extent of 20% to 40% (2017 to 2019) of after tax profits or it will be liable to pay additional tax at the rate of 5% to 10% (2017 to 2019). Aggregate tax liability as at reporting date as per Section 5A, amounting to Rs.194.025 million. No tax charge has been recorded by the Company in these financial statements.

36.3 The assessments of the Company deemed to have been finalized upto and including tax year 2022.

37 LOSS PER SHARE - Basic and diluted

	Notes	2023	2022
		-----(Rupees in '000')-----	
37.1 Loss earnings per share - Basic			
Loss after taxation attributable to ordinary shareholders		**(586,306)**	(703,032)
		-- (Number of shares '000) --	
Weighted average number of ordinary shares outstanding		**484,113**	484,113
Loss per share - Basic	(Rupees)	**(1.21)**	(1.45)

37.2 Loss per share - Diluted

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

38 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	----------(Rupees in '000')----------							
Remuneration	**1,605**	6,419	**3,778**	5,945	**185,144**	168,252	**190,527**	180,616
House rent	**722**	2,888	**1,700**	2,675	**83,315**	75,714	**85,737**	81,277
LFA	**--**	492	**69**	482	**3,829**	6,666	**3,898**	7,640
Medical	**--**	--	**236**	344	**8,057**	2,092	**8,293**	2,436
Retirement benefits	**40**	757	**332**	495	**8,034**	13,814	**8,406**	15,066
Utilities	**160**	642	**378**	594	**18,514**	16,825	**19,052**	18,061
Others	**1**	4	**7**	7	**201**	154	**209**	165
	2,528	11,202	**6,500**	10,542	**307,094**	283,517	**316,122**	305,261
Number of persons	**1**	1	**2**	2	**51**	44	**54**	47

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.

39 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	2023	2022
		-----(Rupees in '000')-----	
Mr. Yousuf Dewan (Group Chairman)	Provided interest free loan to the Company	**76,500**	11,100
Employees' Provident Fund Trust	Expense in relation to provident fund	**25,734**	24,578

40 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.

40.1 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:

	2023		2022	
	"Financial assets"	"Maximum exposure"	"Financial assets"	"Maximum exposure"
	-------- (Rupees) --------		-------- (Rupees) --------	
Long term loans	**3,355**	**3,355**	4,242	4,242
Long term deposit	**604,311**	**604,311**	132,881	132,881
Trade debts	**820,167**	**820,167**	956,518	956,518
Loans and advances	**270,168**	**270,168**	348,664	348,664
Trade deposits	**8,531**	**8,531**	8,629	8,629
Other receivable	**1,743**	**1,743**	60	60
Short term investments	**422**	**422**	341	341
Cash and bank balances (excluding cash in hand)	**83,931**	**83,931**	155,666	155,666
	1,792,628	**1,792,628**	**1,607,001**	**1,607,001**

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.616.643 million (2022: Rs.748.856 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
Habib Bank Limited	JCR-VIS	A-1+	AAA
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+	AA+
National Bank of Pakistan	JCR-VIS	A-1+	AAA
The Bank of Punjab	PACRA	A1+	AA+
Faysal Bank Limited	PACRA	A1+	AA
Meezan Bank Limited	JCR-VIS	A-1+	AAA
MCB Bank Limited	PACRA	A1+	AAA
Dubai Islamic Bank Limited	JCR-VIS	A-1+	AA
Askari Bank Limited	JCR-VIS	A1+	AA+
Habib Metropolitan Bank Limited	JCR-VIS	A1+	AA+

40.2 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.

2023	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' ----------						
Non-derivative financial liabilities							
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	--	--	--	--
	11,177,056	11,228,973	7,498,864	28,100	2,957,866	701,643	42,500

2022	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' ----------						
Non-derivative financial liabilities							
Long term financings	1,945,749	1,970,745	1,682,745	65,600	47,033	76,200	99,167
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	1,119,656	1,119,656	--	--	--	1,119,656	--
Trade and other payables	3,907,568	3,907,568	3,907,568	--	--	--	--
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	--	--	--	--
	11,310,709	11,335,705	7,018,049	65,600	2,957,033	1,195,856	99,167

40.3 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.

40.3.1 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). As the Company exports its products, accordingly it is exposed to currency risk, primarily with respect to trade debts denominated in US Dollars (USD).

	2023		2022	
	Rupees	US Dollar	Rupees	US Dollar
	----------(in '000')----------			
Assets / (liabilities)				
Supplier credit	--	--	(370,800)	(1,800)
	--	--	(370,800)	(1,800)

The following significant exchange rate applied during the year:

40.3.2 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:

	2023	2022
Variable rate instruments	-----(Rupees in '000')-----	
Financial assets		
Cash at bank - Deposits / PLS saving accounts	**811**	18,859
Variable rate instruments		
Financial liabilities		
Advances for investment in term finance certificates	**2,910,000**	2,910,000
Long term borrowings	**1,883,593**	2,019,792
Lease liabilities	**41,210**	41,210
Short term borrowings	**579,159**	579,159
Trade payables	**54,289**	54,289
	5,468,251	**5,604,450**

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.

40.3.3 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.

40.4 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.

40.5 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.

40.6 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).

	Level 1	Level 2	Level 3
	----------(Rupees in '000)----------		
2023			
Short term investments			
Investments - Fair value through profit and loss	**422**	--	--
2022			
Short term investments			
Investments - Fair value through profit and loss	**341**	--	--

41 CAPACITY - Clinker

	2023	2022
	---- (In Metric Tonnes) ----	
Annual installed capacity		
- South unit (Line I)	**900,000**	900,000
- South unit (Line II)	**960,000**	960,000
- North unit (Line I)	**540,000**	540,000
- North unit (Line II)	**540,000**	540,000
	2,940,000	**2,940,000**
Actual production for the year		
- South unit (Line I)	**--**	--
- South unit (Line II)	**630,228**	727,417
- North unit (Line I)	**377,405**	450,365
- North unit (Line II)	**340,509**	404,339
	1,348,142	1,582,121

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.

42 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.

43 NUMBER OF EMPLOYEES

	2023	2022
	---- (Numbers) ----	
Number of employees as at 30 June	**665**	611
Average number of employees during the year	**662**	643

44 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 2023 are located in Pakistan.
- Revenues of Rs.12,223.408 million (2022: Rs.9,972.635 million) are derived from three customers.
- Revenue from M/s Oaktra Services 28.71% (2022: 23.04%) and AA Traders 9.18% (2022: 10.17%) of the total revenue of the Company.

45 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:

	2023	2022
	-----(Rupees in '000')-----	
Shariah compliant bank deposits/bank balances	**48,331**	127,374
Profit earned from shariah compliant bank deposits/bank balances	**8,855**	4,055
	57,186	131,429

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.

47 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorised for issue on **September 26th, 2023** 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, 2023

NAME OF SHAREHOLDER	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Directors, CEO, their Spouses & Minor Children			
Mr. Abdul Basit	1	1,375	0.00%
Mr. Aziz-ul-Haque	1	1,375	0.00%
Mr. Ghazanfar Baber Siddiqui	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%
Associated Companies			
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%
NIT and ICP	7	467,956	0.10%
Executives	-	-	0.00%
Banks, Development Financial Institutions, Non-Banking Finance Companies	24	181,304	0.04%
Insurance Companies	1	35,000	0.01%
Modarabas and Mutual Funds	5	300,115	0.06%
General Public			
a. Local	8,057	343,903,984	71.04%
b. Foreign	2	60,000	0.01%
Others (Joint Stock Companies, Brokrage Houses, Employees Funds & Trustees)	52	7,532,529	1.56%
TOTAL	**8,165**	**484,113,343**	**100.00%**

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 (Pvt.) 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, 2023

Number of Shareholders	Shareholdings		Total Shares held	Percebtage
	From	To		
712	1	100	34,260	0.01%
1876	101	500	765,017	0.16%
1154	501	1,000	1,098,460	0.23%
2234	1,001	5,000	6,396,839	1.32%
812	5,001	10,000	6,640,360	1.37%
501	10,001	20,000	7,717,660	1.59%
238	20,001	30,000	6,114,643	1.26%
124	30,001	40,000	4,445,786	0.92%
120	40,001	50,000	5,743,500	1.19%
38	50,001	60,000	2,111,000	0.44%
35	60,001	70,000	2,334,650	0.48%
38	70,001	80,000	2,890,275	0.60%
23	80,001	90,000	2,019,275	0.42%
63	90,001	100,000	6,236,125	1.29%
28	100,001	120,000	3,090,500	0.64%
14	120,001	140,000	1,810,500	0.37%
18	140,001	160,000	2,716,400	0.56%
8	160,001	180,000	1,385,053	0.29%
23	180,001	200,000	4,497,062	0.93%
18	200,001	250,000	4,134,002	0.85%
11	250,001	300,000	3,131,250	0.65%
14	300,001	350,000	4,604,500	0.95%
3	350,001	400,000	1,200,000	0.25%
5	400,001	450,000	2,148,313	0.44%
9	450,001	500,000	4,366,500	0.90%
2	500,001	550,000	1,053,000	0.22%
3	550,001	600,000	1,761,334	0.36%
2	600,001	650,000	1,269,226	0.26%
3	650,001	700,000	2,034,963	0.42%
2	700,001	750,000	1,452,500	0.30%
3	750,001	800,000	2,301,050	0.48%
1	800,001	900,000	870,000	0.18%
1	900,001	1,000,000	950,000	0.20%
2	1,000,001	1,100,000	2,106,956	0.44%
1	1,100,001	1,200,000	1,131,000	0.23%
3	1,200,001	1,400,000	4,130,500	0.85%
1	1,400,001	1,500,000	1,459,000	0.30%
2	1,500,001	1,700,000	3,290,500	0.68%
1	1,700,001	1,900,000	1,839,000	0.38%
1	1,900,001	2,000,000	2,000,000	0.41%
1	2,000,001	2,200,000	2,167,500	0.45%
1	2,200,001	2,400,000	2,223,500	0.46%
1	2,400,001	2,900,000	2,880,139	0.59%
3	2,900,001	3,400,000	10,000,000	2.07%
1	3,400,001	6,000,000	5,257,000	1.09%
3	6,000,001	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%
8165		**Total**	**484,113,343**	**100.00%**

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 44th Annual General Meeting of the company to be held on Thursday, October 26th, 2023 at 05:00 p.m. and / or any adjournment there of.

Signed this----------day of----------2023

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, 3rd 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 benefical 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.

YD | A YOUSUF DEWAN COMPANY

پراکسی فارم

میں/ہم _____ کی جانب سے _____ بحیثیت دیوان سینٹ کے ممبران اور _____ عام حصص یافتہ فی حصص اندراج فولیو نمبر _____ اور /یا CDS شرکا۔ آئی ڈی نمبر _____ اور سب اکاؤنٹ نمبر _____ اپنی طرف سے _____ کو بطور پراکسی نامزد کرتے ہیں۔ یہ میری/ہماری جانب سے جمعرات مورخہ 26، اکتوبر 2023ء شام 05:00 pm بجے منعقدہ کمپنی کی 44ویں سالانہ عمومی میٹنگ میں ووٹ دینے کے مجاز ہیں۔

دستخط برائے _____ بتاریخ _____ 2023ء

۱۔ دستخط _____ پانچ روپے کے ریونیو اسٹیمپ پر دستخط

۲۔ گواہ _____ کمپنی میں کہے جانے والے دستخط

نام _____ سے مختلف نا ہوں

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 پُر 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۔ انعم اسٹیٹ روم نمبر 310، 311، تیسری منزل، دارالامان سوسائٹی، شاہراہ فیصل نزد بلوچ کالونی پل۔

CDC اکاؤنٹ ہولڈرز کے لئے سکیورٹی اینڈ ایکسچینج 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۔

ب۔ 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۔

ہیومن ریسورسز اور اجرت کے بارے میں کمیٹی میٹنگ:

دوران سال ایچ آر کمیٹی کی صرف ایک میٹنگ منعقد کی گئی، اس میٹنگ میں درج ذیل ممبران نے شرکت کی:۔

ممبران کے نام:	میٹنگز میں شرکت کرنے کی تعداد:
جناب عزیز الحق	1
جناب غضنفر بابر صدیقی	1
جناب اشتیاق احمد	1

آڈیٹرز کی تقرری:

موجودہ آڈیٹرز میسرز فاروق علی اینڈ کمپنی، چارٹرڈ اکاؤنٹینٹس ریٹائر ہورہے ہیں انہوں نے 30 جون 2023ء کو ختم ہونے والے سال کیلئے بطور آڈیٹرز دوبارہ تقرری کیلئے اپنی خدمات کی پیشکش کی۔

آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے میسرز فاروق علی اینڈ کمپنی، چارٹرڈ اکاؤنٹینٹس کو آنے والے سال کیلئے کمپنی کے آڈیٹرز کے طور پر تقرری کی سفارش کی ہے۔

اظہار تشکر:

بورڈ اپنے محترم شیئر ہولڈرز وفاقی اور صوبائی حکومت میں کام کرنے والوں، بینکس، ڈویلپمنٹ فنانشل انسٹی ٹیوشن اور کسٹمرز کا ان کی جانب سے مستقل تعاون اور سپورٹ پر شکریہ ادا کرنا چاہتے ہیں۔

بورڈ اپنے ایگزیکٹیو اسٹاف ممبرز اور کمپنی کے ورکرز کا بھی شکریہ ادا کرنا چاہتے ہیں اور ان کی کوششوں کے لئے یہ تحسین آمیز کلمات ریکارڈ پر رکھنا چاہتے ہیں۔

نتیجہ:

ہم آخر میں اللہ تعالیٰ رحمن و رحیم سے دعا کرتے ہیں اور حضرت محمد ﷺ سے فضل وکرم 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 امہ کے مابین صحیح اسلامی جذبہ، اخوت اور بھائی چارگی پیدا کرے۔ آمین ثمہ آمین۔

غضنفر بابر صدیقی
چیف ایگزیکٹو آفیسر

سید مقبول علی
ڈائریکٹر

کراچی مورخہ: 26 ستمبر 2023

(ج) نظم و ضبط کے حوالے سے کوئی بھی مواد قانون کے خلاف نہیں ہے جس کی تفصیلات لسٹ میں دی گئی ہے۔
(چ) منسلک مالی حسابات میں انکشافات کے علاوہ کوئی بقایا ٹیکس اور محصول نہیں ہے۔
(ح) پرویڈنٹ فنڈ کی سرمایہ کاری کی ویلیو کا انحصار ان کے متعلقہ اکاؤنٹس مبلغ 86.173 ملین پر ہے۔
(خ) کمپنی کے شیئر ہولڈنگ کا طریقہ کار 30 جون 2022ء منسلک ہے۔
(د) اقرار کنندگان اور متعلقہ افراد کی جانب سے جاری کردہ شیئرز کا اسٹیٹمنٹ۔ (الگ الگ دیا گیا ہے)۔
(ڈ) دوران سال منعقدہ بورڈ میٹنگز کا اسٹیٹمنٹ اور ہر ڈائریکٹر کی حاضری۔
(ذ) گزشتہ چھ سالوں کیلئے کمپنی کے اہم امور اور مالیاتی تفصیلات (الگ الگ دی گئی ہیں)۔

ڈویڈنڈ:

بورڈ اس پوزیشن میں نہیں ہے کہ وہ زیر جائزہ مدت کے لئے ڈویڈنڈ کی سفارش کرے۔

کمپنی شیئرز میں تجارت:

کوئی بھی ڈائریکٹرز، سی ایف او، کمپنی سیکریٹری، ان کی بیگمات و بچے سال کے دوران کمپنی کے شیئر میں کوئی تجارت نہیں کرتے ہیں جس کا انکشاف شیئر ہولڈنگ کے طریقہ کار میں پہلے ہی درج کردیا گیا ہے۔

بورڈ کی میٹنگ:

دوران سال بورڈ آف ڈائریکٹرز کی چار میٹنگز منعقد ہوچکی ہیں، ان میٹنگز میں درج ذیل ڈائریکٹرز نے شرکت کی ہے:

ڈائریکٹرز کے نام:	میٹنگز میں شرکت کرنے کی تعداد:
جناب عزیز الحق	7
جناب غضنفر بابر صدیقی	7
جناب اشتیاق احمد	7
سید مقبول علی	7
محترمہ ندا جمیل	7
جناب وسیم الحق انصاری	6
جناب عبدالباسط	7

آڈٹ کمیٹی کی میٹنگ:

دوران سال آڈٹ کمیٹی کی چار میٹنگز منعقد ہوچکی ہیں، ان میٹنگز میں درج ذیل ممبران نے شرکت کی ہے:

ممبران کے نام:	میٹنگز میں شرکت کرنے کی تعداد:
جناب عزیز الحق	4
جناب وسیم الحق انصاری	4
جناب اشتیاق احمد	4

مارک اپ کیلئے قواعد:
کمپنی نے مارک اپ مبلغ 774.71 ملین روپے کا حساب درج نہیں کیا جو کہ اس کے سودی قرضہ جات پر لگنا ضروری تھا۔

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۔

مفروضہ سے متعلق امور:
آڈیٹرز نے کمپنی کی کاروباری صلاحیت کے متعلق تشویش پر پیراگراف کا اضافہ کیا ہے۔ انتظامیہ کی رائے کے مطابق کمپنی کی تجاویز کو مالیاتی ادارے/بینکر قبول کرلینگے اور اس کی بنیاد پر مالیاتی حسابات تیار کئے گئے ہیں۔

سیلز ٹیکس اور فیڈرل ایکسائز ڈیوٹی کی ادائیگی:
آڈیٹرز نے سیلز ٹیکس، ایکسائز ڈیوٹی اور ود ہولڈنگ ٹیکس کی تاخیر سے ادائیگیوں پر معاملے کے پیراگراف پر زور دیا ہے۔ انتظامیہ اضافی نقد بہاؤ پیدا کرکے بقایا ادائیگیوں کو ختم کرنے کے لیے پراعتماد ہے جو مقررہ وقت کے اندر نہیں کی گئی ہیں۔ بقیہ رقوم کے لیے امید کی جاتی ہے کہ محکمہ کی طرف سے یہ بقایا ادائیگیوں میں بھی آسانی ہو جائے گی اور کمپنی جلد ہی اپنی بقایا رقم ادا کر سکے گی۔

نظم و ضبط کا اسٹیٹمنٹ اور مالیاتی رپورٹنگ کا فریم ورک:
ڈائریکٹرز یہ بتاتے ہوئے خوشی محسوس کررہے ہیں کہ آپ کی کمپنی سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے تحت بہتر کارپوریٹ گورننس اور کوڈ کو یقینی بنانے کے لئے مستقل طور پر اقدامات کررہی ہے۔

کارپوریٹ اور فنانشل رپورٹنگ فریم ورک کے بارے میں بیانات درج ذیل ہیں:

(الف) کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کے حالات، اس کے کاروباری نتائج، نقد رقم کی ترسیل اور حصص میں ردوبدل کی شفاف عکاسی کرتے ہیں۔

(ب) کمپنی کے کھاتے مناسب طریقہ سے تیار کئے جاتے ہیں۔

(پ) مناسب محاسبی پالیسیوں کے تسلسل کو مالیاتی گوشوارے کی تیاری میں لاگو کیا گیا ہے۔ محاسبی کے اندازے ماہرانہ اور محتاط فیصلوں پر مبنی ہوتے ہیں۔

(ت) مالیاتی گوشوارے کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیارات، جو کہ پاکستان میں نافذ العمل ہیں، ان کی پیروی کی گئی ہے۔

(ٹ) اندرونی کنٹرول کے نظام منظم ہیں اور اس کی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔ اس کے پراسس کا جائزہ مستقل رہے گا اور کنٹرول میں کسی بھی کمزوری کو دور کردیا جائے گا۔

(ث) آنے والے سالوں میں کمپنی کے کاروباری تسلسل پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں جیسا کہ مالیاتی حسابات کے نوٹ نمبر ۲ میں تفصیل درج کی گئی ہے۔

مستقبل کا نظریہ:

مجموعی گھریلو پیداوار (جی ڈی پی) گزشتہ سال کے ۶.۰ فیصد کے مقابلے موجودہ سال میں نمایاں طور پر 0.5 فیصد تک کم ہو گئی۔ تاہم، تخمینے آئندہ مالی سال 2023-24 کے لیے 3.5 فیصد کے ممکنہ اعداد و شمار کی نشاندہی کرتے ہیں۔

جی ڈی پی میں یہ تبدیلی مختلف عوامل سے متاثر ہونے کی توقع ہے، جس میں روپے کا اضافہ بھی شامل ہے۔ پبلک سیکٹر ڈویلپمنٹ پروگرام (PSDP) کے لیے 1,150 ارب روپے۔ مزید برآں، چین پاکستان اقتصادی راہداری (CPEC) کے 10 سال مکمل ہونے اور فیز II کی توقع سے مقامی منڈی میں نمو کی توقع ہے۔

پاکستان کو اس وقت بے مثال سیاسی چیلنجز کا سامنا ہے، نگران حکومت کے قیام اور عام انتخابات کے اوقات کے گرد غیر یقینی صورتحال جس سے مارکیٹ میں عدم استحکام مزید بڑھ سکتا ہے۔ آگے بڑھتے ہوئے، مقامی مارکیٹ میں سیمنٹ کی طلب میں مزید کمی ہو سکتی ہے۔ سیمنٹ سیکٹر کو ایک نازک صورتحال کا سامنا ہے، جس میں متعدد خطرات جیسے کہ امریکی ڈالر کے مقابلے پاکستانی روپے کی قدر میں کمی، بلند افراط زر عوام کی قوت خرید کو متاثر کر رہی ہے، سیاسی غیر یقینی صورتحال، شرح سود میں اضافہ، اور جارحانہ ٹیکسوں کے اقدامات اس پر اثر انداز ہو رہے ہیں۔ منافع ان عوامل کا سیمنٹ مینوفیکچررز کے مارجن پر شدید اثر پڑتا ہے۔

تاہم، بلند شرح سود اور معاشی اشاریوں کی حوصلہ شکنی کی وجہ سے معیشت کی ترقی میں رکاوٹ ہو سکتی ہے۔

پیشین گوئیاں بتاتی ہیں کہ مستقبل قریب میں سیمنٹ کی صنعت میں سنگل ہندسے کی ترقی ہو سکتی ہے۔ توقع ہے کہ یہ نمو مقامی ترسیل میں اضافے کی وجہ سے ہوگی جس کی وجہ مانگ میں معمولی اضافہ ہے۔

جاری مقدمہ سازی:

جہاں تک مالیاتی حسابات میں قرض دہندگان کے متعلق سوال ہے تو اس سلسلے میں وصولی کیلئے کئی مقدمے بینکس /مالیاتی اداروں نے دائر کئے ہوئے ہیں اور ان مقدموں کا دفاع وکلاء حضرات کامیابی سے کررہے ہیں۔وکلاء نے ان مقدمات کے سلسلے میں اپنی رائے داخل کی ہے اس کا جائزہ لیا جارہا ہے تاکہ ان مقدمات کا کامیابی سے دفاع کیا جاسکے۔

آڈیٹرز رپورٹ کا جائزہ:

آڈیٹرز نے درج ذیل بنیاد پر اپنی رپورٹ مکمل کی ہے جس کی وضاحت درج ذیل ہے:

پری آئی پی او انویسٹمنٹ کے لئے ایڈوانس:

آڈیٹرز انتظامیہ کے ساتھ پری آئی پی او انویسٹمنٹ کیلئے ایڈوانس کی درجہ بندی مبلغ 2,910 ملین روپے بطور طویل مدتی قرضہ جات پر متفق نہیں ہیں۔

انتظامیہ کی رائے کے مطابق آئی پی او کو منتظمین نے بند نہیں کیا تھا لہٰذا ٹی ایف سی جاری نہیں کی جاسکی۔ ہم نے انہیں دوبارہ ترمیم کیلئے نظرثانی کی پیشکش کی تھی اور پوری امید ہے کہ یہ مستقبل قریب میں حل ہوجائے گا۔یہاں یہ بھی تحریر کرنا ضروری ہے کہ تقریباً 27% قرضہ جات پر نظرثانی کی جاچکی ہے۔

کمپنی کی کارکردگی:

مالیاتی نتائج کی تفصیلات درج ذیل ہے:

	2023	2022
	('000' Rupees in)	
فروخت		
مقامی۔ صافی	20,199,556	16,518,299
کل منافع /(خسارہ)	446,886	1,224,761
قبل از ٹیکس صافی خسارہ	(164,766)	1,209
بعد از ٹیکس صافی خسارہ	(586,306)	(703,032)
بنیادی خسارہ فی شیئر	(1.21) روپے	(1.45) روپے
خسارہ کا تناسب فی شیئر	(1.21) روپے	(1.45) روپے

ترسیلات	ٹن میں تعداد	ٹن میں تعداد	% اضافہ (/کمی)
	2023	2022	
مقامی ترسیل۔ سیمنٹ	1,564,390	1,790,543	(12.63)
مقامی ترسیل۔ جی بی ایف ایس	436	4,170	(89.54)

کمپنی کی ترسیلات میں گزشتہ سال کے مقابلے میں 12.63 فیصد کی کمی واقع ہوئی، جس کی وجہ سیاسی عدم استحکام، ایندھن کی بلند قیمت، خراب موسمی حالات جیسے شدید بارش اور بڑے پیمانے پر سیلاب، پبلک سیکٹر میں اخراجات میں کمی جیسے عوامل کے سنگم کو قرار دیا جا سکتا ہے۔ ترقیاتی پروگرام (PSDP)، اور مجموعی گھریلو مصنوعات (GDP) کی سست شرح نمو۔

مالیاتی جائزہ:

سال کے دوران، کمپنی کی مجموعی فروخت آمدنی 20.199 بلین روپے تک بڑھ گئی جس کی بنیادی وجہ فروخت کی اوسط قیمت میں اضافہ تھا۔ آپ کی کمپنی کی سیلز کی فی ٹن لاگت میں گزشتہ سال کے مقابلے میں 47.82 فیصد اضافہ ہوا ہے۔ یہ اضافہ بنیادی طور پر PKR کی نمایاں قدر میں کمی کی وجہ سے بنیادی طور پر کوئلہ، بجلی، خام مال، اور درآمدی استعمال کی اشیاء کی لاگت میں مسلسل اضافے سے منسوب ہے۔ رواں مالی سال کے لیے مجموعی منافع کا مارجن گزشتہ سال کے مقابلے میں 7.41% سے کم ہو کر 2.21% ہو گیا ہے، جس کی بنیادی وجہ پلانٹ کی وقفے وقفے سے دیکھ بھال کی بندش، کوئلے، بجلی اور نقل و حمل کی لاگت میں نمایاں اضافہ کے ساتھ ساتھ مہنگائی میں اضافہ ہے۔ مینجمنٹ پلانٹ کی کارکردگی میں بہتری اور ڈیمانڈ سپلائی میکانزم پر غور کرتے ہوئے حقیقی وقت میں پیداوار کے طریقہ کار کے ساتھ پیداواری لاگت کے اعلیٰ رجحان کو کم کرنے کے لیے پرعزم ہے۔

ڈائریکٹرز رپورٹ

آپ کی کمپنی کی مینجمنٹ آپ کو 30 جون 2023ء کو ختم ہونے والے مالی سال کے آڈٹ شدہ حسابات کے ساتھ کمپنی کی 44 ویں کی سالانہ رپورٹ پیش کرنے میں خوشی محسوس کر رہی ہے۔ یہ کمپنی کی 20ویں سالانہ رپورٹ ہے جب سے یوسف دیوان کمپنیز نے کمپنی کی مینجمنٹ اور کنٹرولنگ شیئرز حاصل کئے۔

جائزہ:

سال 2022-23 کے دوران، سیمنٹ کی صنعت نے گزشتہ سال کے مقابلے میں اپنی کارکردگی میں 15.74 فیصد کی کمی کا تجربہ کیا۔ سیمنٹ کی کل ترسیل 44.58 ملین میٹرک ٹن ہے جس میں 40.02 ملین میٹرک ٹن مقامی کھپت اور 4.56 ملین میٹرک ٹن برآمدات ہیں۔ جبکہ 2021-22 کے تقابلی سال میں کل ترسیلات 52.91 ملین میٹرک ٹن تھیں، جن میں 47.66 ملین میٹرک ٹن مقامی اور 5.25 ملین میٹرک ٹن برآمدات کے لیے تھے۔ جیسا کہ واضح ہے، کمی مقامی ترسیل میں دیکھی گئی، جس میں 16.03% کی کمی واقع ہوئی، اور برآمدات، جس نے 13.13% کی کمی کو ظاہر کیا۔

پورے سال کے دوران، سیاسی غیر یقینی صورتحال، مہنگائی میں اضافہ، شرح سود میں اضافہ، کم از کم اجرت میں اضافہ، بجلی کے نرخوں میں اضافہ، اسٹیٹ بینک آف پاکستان کے زر مبادلہ کے کنٹرول کے اقدامات اور اس میں تاخیر کے نتیجے میں کاروبار چلانے کی لاگت میں نمایاں اضافہ ہوا ہے۔ آئی ایم ایف پروگرام کی بحالی اس کی وجہ سے مارکیٹ میں غیر یقینی صورتحال پیدا ہوئی ہے، جس کے نتیجے میں امریکی ڈالر کی شرح مبادلہ میں اضافہ ہوا ہے اور اس کے نتیجے میں ایندھن، کوئلے اور دیگر مواد کی قیمتوں میں اضافہ ہوا ہے۔

قوت خرید میں کمی کا صنعت پر نقصان دہ اثر پڑا ہے، خاص طور پر سیمنٹ کی ترسیل میں 15.74 فیصد کمی سے واضح ہے۔ ترسیل میں یہ کمی مالی سال کی پہلی سہ ماہی کے دوران ملک کے تقریباً نصف حصے میں آنے والی شدید بارشوں اور سیلاب کی وجہ سے بھی ہے، جس سے بنیادی طور پر کے پی کے، جنوبی پنجاب اور اندرون سندھ جیسے علاقے متاثر ہوئے۔

آئی ایم ایف پروگرام کی منظوری کے بعد پالیسی ریٹ 22 فیصد لاگو کیا گیا، حکومت نے ٹیکس وصولی کے اہداف بڑھا دیئے، بجلی اور ایندھن کی قیمتوں میں خاطر خواہ اضافہ ہوا۔ اس کے نتیجے میں، افراط زر 38 فیصد تک پہنچ گیا ہے، جس نے اقتصادی ترقی کو مؤثر طریقے سے روک دیا ہے۔ سال کے لیے جی ڈی پی کی شرح نمو محض 0.5 فیصد ہے، جو معاشی سرگرمیوں میں نمایاں سست روی کی نشاندہی کرتی ہے۔

تاہم، آئی ایم ایف کے نئے پروگرام نے معیشت میں رجائیت کا احساس پیدا کیا ہے۔ سخت شرائط عائد کرنے کے باوجود، اس نے ڈیفالٹ کے خطرے کو کم کرکے، درآمدی پابندیوں کو ہٹا کر، اور USD کی دستیابی کو یقینی بنا کر کاروباری برادری میں اعتماد پیدا کیا ہے۔

چیئرمین کا جائزہ

بورڈ آف ڈائریکٹرز کمپنی کے انتظام کے لیے ذمہ دار ہے، جو تمام اہم پالیسیاں اور حکمت عملی تیار کرتا ہے۔ بورڈ متعلقہ قوانین اور ضوابط کے تحت چلتا ہے اور اس کی ذمہ داریاں، حقوق، ذمہ داریاں اور فرائض اس میں متعین اور تجویز کردہ ہیں۔

بورڈ آف ڈائریکٹرز متنوع علم کے حامل افراد پر مشتمل ہوتا 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 تجزیے کا مقصد اس بات کو یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور تاثیر کو کمپنی کے لیے مقرر کردہ مقاصد کے تناظر میں توقعات کے خلاف ماپا اور بینچ مارک کیا جائے۔

30 جون 2023 کو ختم ہونے والے مالی سال کے دوران بورڈ کے سات اجلاس منعقد ہوئے۔ کمپنی کے بورڈ آف ڈائریکٹرز کو ایجنڈا اور معاون تحریری مواد ملا جس میں بورڈ اور اس کی کمیٹی کے اجلاسوں سے پہلے کافی وقت میں فالو اپ مواد بھی شامل ہے۔ تمام ڈائریکٹرز اہم فیصلوں میں برابر کے شریک ہوتے ہیں۔ بورڈ کی مجموعی کارکردگی اور تاثیر کو تسلی بخش قرار دیا گیا ہے۔

غضنفر بابر صدیقی

چیئرمین بورڈ آف ڈائریکٹرز

26 ستمبر 2023ء

کراچی

ب) پروکسی کی تقرری

i) انفرادی اکاؤنٹ ہولڈر یا سب ہولڈر اور یا افراد کی صورت میں جن کی سیکیورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن تفصیلات ضابطہ کے تحت اپ لوڈڈ ہوں پروکسی فارم مندرجہ بالا شرائط کے مطابق داخل کرائے ہوں گے۔

ii) پروکسی فارم پر دو افراد کی گواہی ہونی چاہیے جن کے نام پتے اور سی این آئی سی نمبر فارم میں درج ہوں۔

iii) ممبر اور پروکسی کے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپیاں پروکسی فارم سے منسلک کرنی ہوں گی۔

iv) پروکسی کو اجلاس کے موقع پر اصل قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ پیش کرنا ہوگا۔

v) کارپوریٹ انٹٹی کی صورت میں بورڈ آف ڈائریکٹرز کی قرار داد/ پاور آف اٹارنی مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کیے گئے ہوں) پروکسی فارم ہمراہ کمپنی کو پیش کرنے ہوں گے۔

۱۔ تا حال سی این آئی سی فراہم نہ کرنے والے شیئرز ہولڈرز کو نوٹس

سیکیورٹیز اینڈ ایکسچینج آف پاکستان کے ایس آر او (1)831 / 2012 مورخہ 5 جولائی 2012ء میں درج ذیل ہدایات کے مطابق شیئرز ہولڈرز کو ڈیویڈنڈ وارنٹس وغیرہ کے اجرا کے لیے سی این آئی سی لازمی ہے جس کی عدم موجودگی میں ڈیویڈنڈ کی ادائیگی ایس ای سی پی کی مندرجہ بالا ہدایات کے مطابق روکی جاسکتی ہے لہٰذا جن حصص یافتگان نے تاحال اپنے سی این آئی سی فراہم نہیں کیے ہیں ان کو ایک بار پھر ہدایت کی جاتی ہے کہ اپنے سی این آئی سی کی تصدیق شدہ کاپی بلاتاخیر براہ راست ہمارے شیئر رجسٹرار کو فراہم کردیں۔

۲۔ شیئر ہولڈرز کے لیے ای ڈیویڈنڈ مینڈیٹ

نقد منافع منقسمہ کی ادائیگی کو مزید بہتر بنانے کے لیے ای ڈیویڈنڈ میکنزم متعارف کرایا گیا ہے جس کے تحت حصص یافتگان ڈیویڈنڈ کی رقم فوری طور پر اپنے متعلقہ بینک اکاؤنٹ میں الیکٹرونک طور پر وصول کرسکتے ہیں اس طریقہ سے ڈیویڈنڈان کے بینک اکاؤنٹ میں منتقل ہوجائے گا اور بذریعہ ڈاک گمشدگی، عدم وصولی اور غلط پتے پر وصولی وغیرہ کے خدشات نہیں ہوں گے، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کے نوٹس نمبر 8(4) ایس ایم/ سی ڈی سی 2008ء مورخہ 5 اپریل 2013ء کے ذریعہ تمام لسٹڈ کمپنیوں کو حصص ہولڈرز کے مفاد میں ای ڈیویڈنڈ میکنزم کو اختیار کرنے کی ہدایات جاری کی گئی ہیں، مندرجہ بالا کے پیش نظر آپ کو ڈیویڈنڈ مینڈیٹ فارم پر اور دستخط کے ہمراہ جمع کراکے ڈیویڈنڈ مینڈیٹ فراہم کیا جارہا ہے۔

۳۔ مالی گوشواروں وغیرہ کی الیکٹرونکی منتقلی

ایس ای سی پی نے اپنے اعلامیہ نمبر ایس آر او 787(1)/2014 مورخہ 8 ستمبر 2014 کمپنیوں کو سالانہ آڈٹ شدہ مالی گوشواروں مع سالانہ اجلاس کے نوٹس ڈاک کی بجائے بذریعہ ای میل ان ممبران کو ارسال کرنے کی اجازت دی ہے جو اس سہولت سے استفادہ حاصل کرنے کے متمنی ہیں مذکورہ بالا گوشوارے اور سالانہ اجلاس عام کے نوٹس بذریعہ ای میل وصول کرنے کے خواہشمند ممبران سے درخواست ہے کہ وہ کمپنی کی ویب سائٹ http://www.yousufdewan.com/DCL/index.html اسٹینڈرڈ ریکوئسٹ فارم پر اپنی خواہش تحریری طور پر فراہم کریں۔

نوٹس برائے سالانہ عمومی میٹنگ

ہذا کو مطلع کیا جاتا ہے کہ دیوان سیمنٹ لمیٹڈ (ڈی سی ایل یا کمپنی) کا چوالیسواں 44 سالانہ اجلاس عام جمعرات 26 اکتوبر 2023 کو شام 05:00 بجے دیوان سیمنٹ لمیٹڈ۔ فیکٹری سائٹ واقع دیہہ ڈھنڈو۔ دھابیجی۔ ضلع ملیر کراچی پاکستان میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد کیا جائے گا۔ اجلاس کا آغاز تلاوت قرآن پاک سے ہوگا۔

عمومی امور

(۱۔ کمپنی کے گزشتہ غیر معمولی اجلاس عام منعقدہ جمعرات 26 جنوری 2023ء کی کارروائی کی توثیق۔

(۲۔ 30 جون 2023ء کو مکمل ہونے والے سال کے آڈٹ شدہ مالی گوشواروں معہ آڈیٹرز اور ڈائریکٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری۔

(۳۔ 30 جون 2024ء کو مکمل ہونے والے سال کیلئے کمپنی کے آڈیٹرز کی تقرری اور ان کے مشاہرہ کا تعین۔

(۴۔ چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔

بحکم بورڈ

محمد حنیف جرمن
کمپنی سیکرٹری

کراچی 26 ستمبر 2023

نوٹ:

۱۔ کمپنی کی منتقلی حصص کی کتب 19 اکتوبر 2023 تا 26 اکتوبر 2023 (دونوں دن شامل) بند رہیں گی۔

۲۔ ممبران سے پتہ میں کسی قسم کی تبدیلی سے فوری طور پر ہمارے شیئرز رجسٹرار ٹرانسفر ایجنٹ بی ایم ایف کنسلٹنٹس پاکستان (پرائیوٹ) لمیٹڈ واقع انعم اسٹیٹ بلڈنگ کمرہ نمبر 310 اور 311 تھرڈ فلور 49 دارالامان سوسائٹی مین شاہراہ فیصل متصل بلوچ کالونی پل، کراچی پاکستان کو مطلع کرنے کی درخواست کی جاتی ہے۔

۳۔ اجلاس ہٰذا میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کیلئے دوسرے ممبر کو اپنا پروکسی مقرر کر سکتا ہے۔ تاہم پروکسی کی تقرری کی دستاویز اجلاس کے انعقاد سے کم از کم اڑھتالیس 48 گھنٹے قبل کمپنی کو مندرجہ بالا پتہ پر مل جانی چاہیے۔

۴۔ سی ڈی سی اکاؤنٹ ہولڈرز کو مزید براں سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ سرکلر نمبر 1 مورخہ 20 جنوری 2000ء میں درج مندرجہ ذیل ہدایت پر عمل کرنا ہوگا۔

الف) برائے اجلاس میں شرکت

i) انفرادی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور یا افراد کی صورت میں یا جن کی سیکیورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن تفصیلات ضابطہ کے مطابق اپ لوڈڈ ہوں اپنی شناخت کے لیے اصل قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ اجلاس میں شرکت کے موقع پر پیش کرنا ہوگا۔

ii) کارپوریٹ انٹٹی کی صورت میں بورڈ آف ڈائریکٹرز کی قرار داد/ پاور آف اٹارنی معہ نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کیے گئے ہوں) اجلاس کے موقع پر پیش کرنا ہوگا۔

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