



Ghulam Faruque  
Group

CHERAT CEMENT COMPANY LIMITED



**CORPORATE ANALYST BRIEFING**



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# THE FOUNDER

## LATE MR. GHULAM FARUQUE

### (CIE, HPK, OBE)

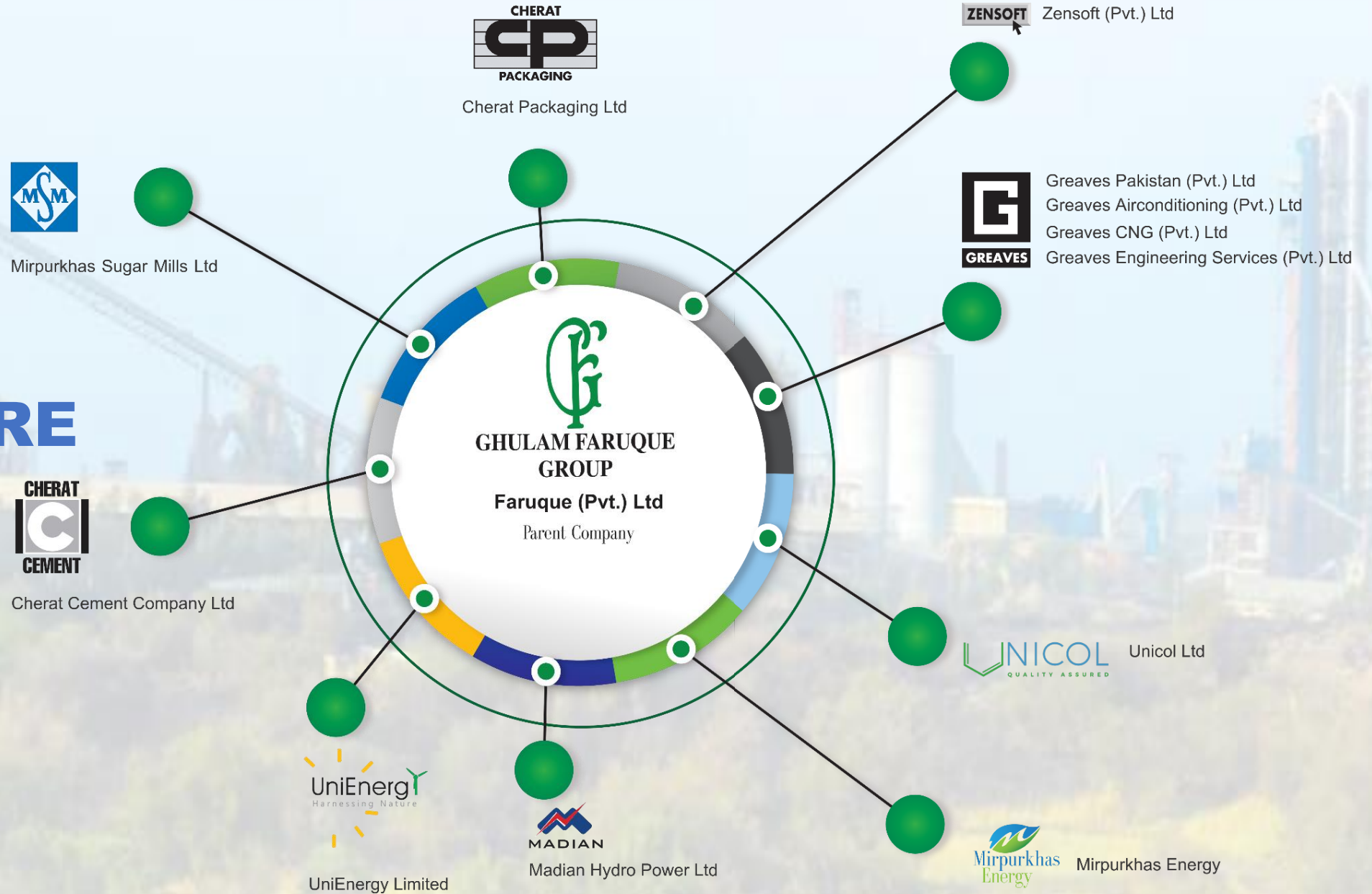
- A Visionary and a highly respected name in industrial circles.
- Spearheaded development of Pakistan's industry and laid the foundation for the Country's industrialization.

#### HONOURS CONFERRED

- Office of the Order of the British Empire, 1944
- Companion of the Order of the Indian Empire, 1946
- Commander of the Order of Merit, Spain, 1956
- Hilal-e-Pakistan, 1958 (highest-ranking civilian award of Pakistan)
- Honorary Doctorate of Science, West Pakistan University of Engineering and Technology, 1966
- Fellow of the Chartered Institute of Transport, London
- Member of the Association of Iron and Steel Engineers, USA



# GROUP STRUCTURE



# MILESTONES





# CURRENT YEAR EVENTS

All time high production, dispatches & profitability.

Delivery of Solar panels for Solar project.

LC established for Line-I BMR & main crusher.

Kicked-off Line-IV Greenfield project.



# Key Financial Information – Six Years

	2021	2020	2019	2018	2017	2016
	(Tons in '000')					
Clinker Production	3,573	2,988	2,338	2,234	1,519	897
Cement Production	3,965	3,382	2,509	2,443	1,489	1,042
Cement Dispatched	3,950	3,377	2,493	2,519	1,544	1,037

## Summary of Statement of Financial Position

### ASSETS

(Rupees in Million)

Non-Current Assets	26,347	26,237	27,186	24,238	14,238	13,457
Current Assets	7,846	6,685	8,093	6,282	4,569	2,005
<b>Total Assets</b>	<b>34,193</b>	<b>32,922</b>	<b>35,280</b>	<b>30,520</b>	<b>18,807</b>	<b>15,462</b>

### EQUITY & LIABILITIES

Shareholders' Equity	13,589	10,054	11,756	11,174	10,462	9,140
Non-current Liabilities	13,331	16,980	17,328	15,693	5,774	4,511
Current Liabilities	7,273	5,888	6,196	3,653	2,571	1,811
<b>Equity &amp; Liabilities</b>	<b>34,193</b>	<b>32,922</b>	<b>35,280</b>	<b>30,520</b>	<b>18,807</b>	<b>15,462</b>

## Summary of Statement of Profit or Loss

### TURNOVER & PROFIT / (LOSS)

(Rupees in Million)

Turnover-net	25,207	17,090	15,863	14,388	9,645	7,079
Gross Profit	6,728	386	2,883	3,139	3,213	2,634
Operating Profit / (Loss)	5,861	(196)	2,190	2,504	2,698	2,095
Profit / (Loss) Before Taxation	4,337	(2,723)	1,048	2,147	2,510	2,051
Profit / (Loss) After Taxation	3,205	(1,893)	1,763	2,132	1,957	1,405
Earnings / (Loss) Per Share (Rs.)	16.50	(9.74)	9.07	10.97	10.07	7.23



# QUANTITATIVE ANALYSIS OF INDUSTRY

## ANNUAL

Description	2021	2020	INC./((DEC.) %
	Tons in '000		
<b>LOCAL</b>	48,425	39,965	21%
<b>EXPORT:</b>			
AFGHANISTAN	2,527	1,892	34%
THROUGH SEA	6,785	5,956	14%
<b>TOTAL EXPORTS</b>	9,312	7,848	19%
<b>TOTAL DISPATCHES</b>	<b>57,737</b>	<b>47,813</b>	<b>21%</b>





# QUANTITATIVE ANALYSIS OF THE COMPANY

## ANNUAL

Description	2021	2020	INC./ (DEC.) %
	Tons in '000		
<b>CEMENT</b>			
LOCAL	3,439	2,904	18%
EXPORTS	511	474	8%
<b>TOTAL CEMENT DISPATCHES</b>	<b>3,950</b>	<b>3,377</b>	<b>17%</b>
CLINKER-LOCAL	-	-	-
<b>TOTAL DISPATCHES</b>	<b>3,950</b>	<b>3,377</b>	<b>17%</b>



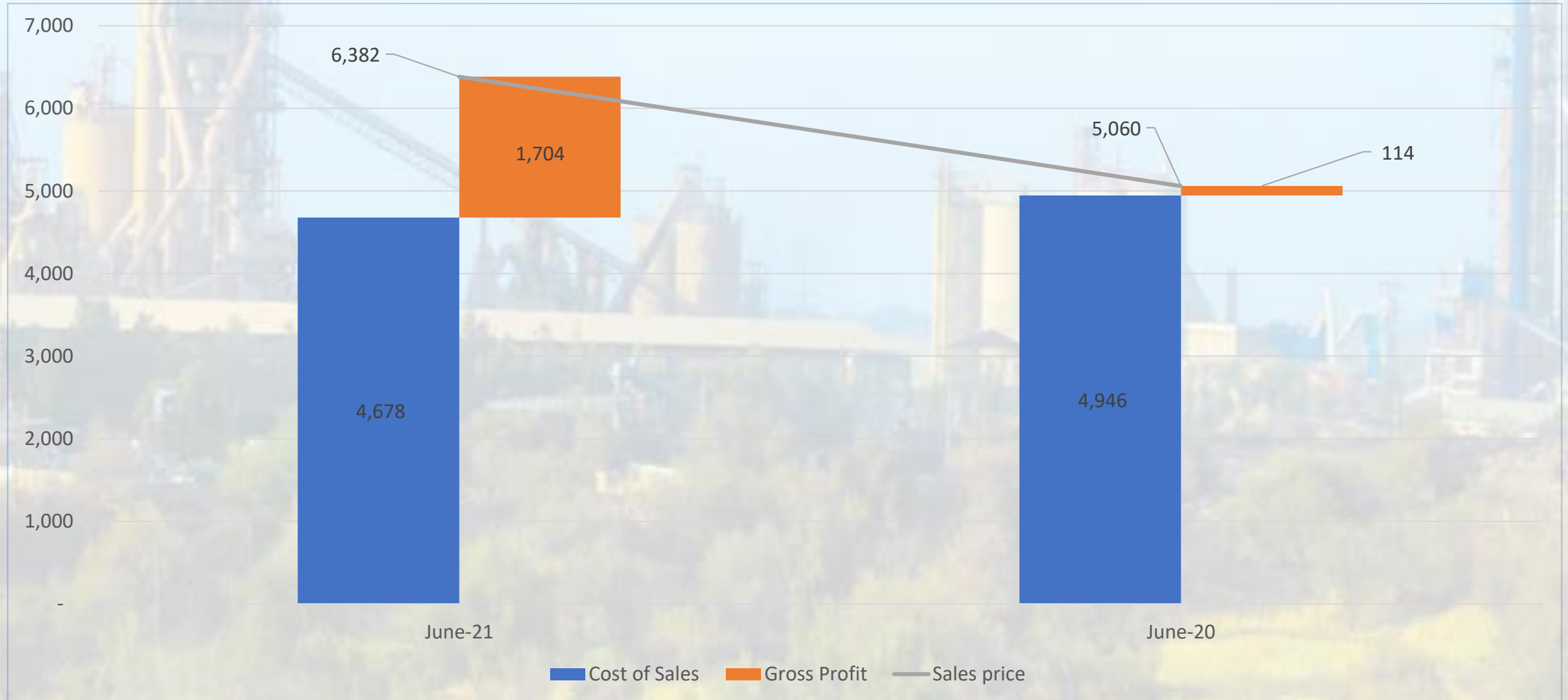
# STATEMENT OF PROFIT OR LOSS

For the year ended	2021	2020	Variance	
	----- (Rupees in '000) -----		Amount	%
Turnover – net	25,206,811	17,090,155	8,116,656	47%
Cost of sales	(18,478,508)	(16,703,668)	(1,774,840)	11%
<b>Gross profit</b>	<b>6,728,303</b>	<b>386,487</b>	<b>6,341,816</b>	<b>1641%</b>
Distribution costs	(429,264)	(362,003)	(67,261)	19%
Administrative expenses	(291,220)	(271,750)	(19,470)	7%
Other expenses	(251,324)	(19,025)	(232,299)	1221%
	(971,808)	(652,778)	(319,030)	49%
Other income	104,900	70,561	34,339	49%
<b>Operating profit / (loss)</b>	<b>5,861,395</b>	<b>(195,730)</b>	<b>6,057,125</b>	<b>-3095%</b>
Finance costs	(1,524,177)	(2,526,997)	1,002,820	-40%
<b>Profit / (loss) before taxation</b>	<b>4,337,218</b>	<b>(2,722,727)</b>	<b>7,059,945</b>	<b>-259%</b>
<b>Taxation</b>				
Current	(206,196)	-	(206,196)	1000%
Prior	-	5,048	(5,048)	-100%
Deferred	(925,966)	824,571	(1,750,537)	-212%
	(1,132,162)	829,619	(1,961,781)	-236%
<b>Net profit / (loss) for the year</b>	<b>3,205,056</b>	<b>(1,893,108)</b>	<b>5,098,164</b>	<b>-269%</b>
<b>Earnings / (loss) per share - basic and diluted</b>	<b>Rs. 16.50</b>	<b>Rs. (9.74)</b>		

# **COST PER TON ANALYSIS (Rs.)**



# GROSS PROFIT ANALYSIS (Rs. Per Ton)



# STATEMENT OF FINANCIAL POSITION

	2021	2020
	----- (Rupees in '000) -----	
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant & equipment	25,607,052	25,324,205
Other non-current assets	740,237	912,961
	<b>26,347,289</b>	<b>26,237,166</b>
<b>CURRENT ASSETS</b>		
Stores, spare parts and loose tools	4,184,247	3,766,674
Stock-in-trade	1,005,590	962,470
Trade debts	407,548	300,648
Other current assets	2,248,848	1,654,887
	<b>7,846,233</b>	<b>6,684,679</b>
<b>TOTAL ASSETS</b>	<b>34,193,522</b>	<b>32,921,845</b>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Share capital	1,942,950	1,942,950
Reserves	11,646,602	8,110,608
	<b>13,589,552</b>	<b>10,053,558</b>
<b>NON-CURRENT LIABILITIES</b>		
Long-term financings	12,729,262	16,952,195
Other non-current liabilities	601,698	27,661
	<b>13,330,960</b>	<b>16,979,856</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	2,456,341	2,151,495
Short-term borrowings	1,741,387	2,662,241
Current maturity of long-term financings	2,681,904	449,957
Other current liabilities	393,378	624,738
	<b>7,273,010</b>	<b>5,888,431</b>
<b>CONTINGENCIES AND COMMITMENTS</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>34,193,522</b>	<b>32,921,845</b>



# KEY FINANCIAL RATIOS

Ratios	2021	2020
Gross Profit	26.69%	2.26%
Net Profit / (Loss) Before Tax	17.21%	-15.93%
Net Profit / (Loss) After Tax	12.72%	-11.08%
EBITDA	29.93%	9.21%
Return on Equity	30.86%	-15.85%
Earnings / (Loss) Per Share	16.50	-9.74
Price / Earnings Ratio	10.75	-8.95
Break-up Value Per Share	69.94	51.74
Debt to Equity Ratio	48 : 52	63 : 37
Interest Cover (times)	3.85	-0.07
Current Ratio	1.08	1.14
Quick / Acid Test Ratio	0.94	0.97

# CURRENT CEMENT INDUSTRY ISSUES

- Coal prices
- Fuel prices
- Cement demand uncertainties
- Exchange rate devaluation
- Afghanistan political instability

THANK YOU

