



**Cherat Cement  
Company Limited**  
A Ghulam Faruque Group Company

STANDING  
**STRONG**

Half-Yearly Report  
December 31, 2024



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# COMPANY INFORMATION

## Board of Directors

Mr. Omar Faruque  
Mr. Azam Faruque  
Mr. Akbarali Pesnani  
Mr. Arif Faruque  
Mr. Ariful Islam  
Mr. Abrar Hasan  
Mrs. Zeeba Ansar  
Mr. Yasir Masood

Chairman  
Chief Executive  
Director  
Director  
Director  
Director  
Director  
Director

## Audit Committee

Mr. Ariful Islam  
Mr. Akbarali Pesnani  
Mr. Arif Faruque

Chairman  
Member  
Member

## Human Resource & Remuneration Committee

Mr. Abrar Hasan  
Mr. Omar Faruque  
Mr. Azam Faruque

Chairman  
Member  
Member

## Director & Chief Operating Officer

Mr. Yasir Masood

## Chief Financial Officer

Mr. Ijaz Ahmed

## Company Secretary

Mr. Asim H. Akhund

## Head of Internal Audit

Mr. Aamir Saleem

## External Auditors

M/s. Grant Thornton Anjum Rahman  
Chartered Accountants

## Cost Auditors

UHY Hassan Naeem & Co.  
Chartered Accountants

## Shariah Advisor

Alhamd Shariah Advisory Services (Private) Limited

## Legal Advisor

K.M.S. Law Associates

## Bankers

Allied Bank Limited  
Bank Al Habib Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
Industrial & Commercial Bank of China  
MCB Bank Limited  
National Bank of Pakistan  
Samba Bank Limited  
Soneri Bank Limited  
The Bank of Punjab  
United Bank Limited

## Non-Banking Financial Institution

Pakistan Kuwait Investment Co. (Private) Limited

## Islamic Bankers

Bank Alfalah Limited  
Bank-Islami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
MCB Islamic Bank Limited  
Meezan Bank Limited  
The Bank of Khyber

## Credit Rating

Long-term rating: A+  
Short-term rating: A1  
Outlook: Stable  
by The Pakistan Credit Rating  
Agency Limited (PACRA)

## Share Registrar

CDC Share Registrar Services Limited  
CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shahr-e-Faisal  
Karachi-74400  
Tel: 0800-23275  
UAN: 111-111-500  
Email: info@cdcsrsl.com

## Contact Information

UAN: 111-000-009  
Email: info@gfg.com.pk  
Web: www.gfg.com.pk



## Registered Office / Factory

Village Lakrai, P.O. Box 28,  
Nowshera  
Tel: +9291 5270531-4  
Fax: +9291 5270536

## Head Office

Modern Motors House,  
Beaumont Road  
Karachi-75530  
Tel: +9221 35683566-7, 35689538  
Fax: +9221 35683425

## Sales Offices

Peshawar:  
1st Floor, Betani Arcade,  
University Road  
Tel: +9291 5842285, 5842272  
Fax: +9291 5840447

Lahore:  
3, Sunder Das Road  
Tel: +9242 36286249-50, 36308259  
Fax: +9242 36286204

Islamabad:  
1st Floor, Razia Sharif Plaza  
Jinnah Avenue, Blue Area  
Tel: +9251 2344531-33  
Fax: +9251 2344534, 2344550

# DIRECTORS' REVIEW

The Board of Directors is pleased to present the financial results of the Company, duly reviewed by the auditors, for the half-year ended December 31, 2024.

## Overview

Pakistan's economy has witnessed steady improvement in the first half of the fiscal year, indicating a promising outlook for the future. Key macroeconomic indicators have improved, with a continued decline in inflation, successful fiscal consolidation, increased exports, and higher remittance inflows. The IMF team conducted its semi-annual program review, stressing the need for continued prudent fiscal and monetary policies, enhanced revenue mobilization, and greater provincial responsibility. To foster economic growth in a declining inflationary environment, the State Bank of Pakistan has continued to reduce its policy rate which now stands at 12%. Consequently, there has been a notable uptick in the performance of the Pakistan Stock Exchange, indicating a restoration of corporate and consumer confidence.

During the half-year under review, domestic demand for cement decreased by 10%. However, exports surged by 32%, driven mainly by sea exports. As a result, the overall industry demand declined by 4% during the first six months period of the financial year.

## Dispatches

Comparative dispatch figures of the Company for the current period and that of the corresponding period last year are as follow:

Description	December 2024	December 2023
	(in Tons)	
• Domestic Sales	988,686	1,180,496
• Export Sales	251,439	204,243
	<u>1,240,125</u>	<u>1,384,739</u>

In quantitative terms, the Company's total sales volume dropped by 10%, with domestic sales declining by 16% and exports rising by 23% from the corresponding period last year.

## Operating Performance

In terms of value, the sales revenue of the Company is approximately the same as last year, though, local revenue has increased by 3% and export revenue decreased by 23%. Cost of sales also decreased by 8%, due to decline in clinker and cement production by 12% and 10% respectively as compared to same period last year. Moreover, the Company has also managed to generate substantial saving in combustion cost by optimising efficiencies in the process and timely coal purchase. With a hike in gas tariffs, the Company has taken measures to offset the increase by optimising its power mix. Finance costs decreased substantially by 53% due to scheduled and early repayments of long-term loans made in the preceding financial year. Other income has increased due to improved liquidity. The Company has also recorded tax credit of Rs. 721 million pertaining to section 65B of the Income tax Ordinance, 2001 based on a recent Supreme Court order. As a result, the Company posted an after-tax profit of Rs. 5,148 million for the half-year ended December 31, 2024.

## Dividend

The Board of Directors is pleased to declare an interim cash dividend of Rs. 1.50 per share i.e. 15%. Share transfer books will remain closed from March 3, 2025 to March 4, 2025.

## Future Outlook

Despite global challenges, including geopolitical uncertainties and a moderate recovery in international trade, Pakistan's economy is showing signs of sustainable growth during this financial year. Declining inflation, easing policy rates, and stable commodity prices have created a favorable environment for investment. Further reductions in policy rates are expected, lowering borrowing costs for businesses and consumers. However, structural imbalances, fiscal rigidity, and high public debt remain key challenges requiring continued reforms.

Despite these positive trends, the cement sector faces challenges due to recent increases in gas tariffs and levy on captive power plants. It would be prudent for the government to reconsider these inflationary measures, rationalise the tax structure to reduce costs for end-consumers, and boost construction activity.

From the Company's perspective, domestic cement sales are expected to grow modestly, while exports, particularly to Afghanistan, present substantial growth opportunities. Although recent disruptions have impacted export volumes, demand from Afghanistan should remain strong in the near term. However, political issues may continue to affect exports.

To address rising coal and energy costs, the Company is optimizing its fuel mix by incorporating alternative energy sources. The installation of a 9 MW solar power plant is underway and will be operational by the third quarter of this fiscal year, reflecting our commitment to sustainability and cost efficiency. Additionally, we continue to invest in cost-effective production technologies to enhance operational efficiency, improve shareholder value, and optimize working capital.

**Acknowledgment**

The management would like to thank all customers, financial institutions, suppliers and staff members who have been associated with the Company for their support and cooperation.

**On behalf of the Board of Directors**

  
**Omar Faruque**  
Chairman

  
**Azam Faruque**  
Chief Executive

Karachi: February 21, 2025



# INDEPENDENT AUDITOR'S REVIEW REPORT

## To The Members of Cherat Cement Company Limited Report on review of condensed interim financial statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Cherat Cement Company Limited as at 31 December 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows for the half year then ended, and notes to the condensed interim financial statements (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

### Scope of Review

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

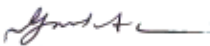
### Conclusion

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

### Other Matter

The condensed interim financial statements for the six months period ended 31 December 2023 and financial statements for the year ended 30 June 2024 were reviewed and audited respectively by EY Ford Rhodes, Chartered Accountants who expressed an unqualified conclusion and unqualified opinion thereon dated 20 February 2024 and 06 September 2024, respectively.

The engagement partner on the review resulting in this independent auditor's review report is Khurram Jameel.



Chartered Accountants

Place: Karachi

Date: 21 February 2025

UDIN: RR202410093ldpY3mnUt

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

	Note	December 31, 2024 (Unaudited)	June 30, 2024 (Audited)
----- (Rupees in '000) -----			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets			
Property, plant & equipment	4	28,051,961	28,332,117
Intangible assets		561,389	595,196
		<u>28,613,350</u>	<u>28,927,313</u>
Long-term investments	5	613,444	550,412
Long-term loans		37,367	49,932
Long-term deposits		8,081	4,931
		<u>29,272,242</u>	<u>29,532,588</u>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		6,368,658	5,253,535
Stock-in-trade		1,721,628	1,790,431
Trade debts		1,368,785	1,373,131
Loans and advances		218,609	107,495
Trade deposits and short-term prepayments		63,348	12,227
Other receivables		29,484	12,778
Short-term investments	6	15,007,538	2,522,353
Cash and bank balances		513,009	429,514
		<u>25,291,059</u>	<u>11,501,464</u>
<b>TOTAL ASSETS</b>		<u><b>54,563,301</b></u>	<u><b>41,034,052</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital		<u>2,250,000</u>	<u>2,250,000</u>
Share capital		1,942,950	1,942,950
Reserves		<u>28,034,325</u>	<u>23,599,979</u>
		<u>29,977,275</u>	<u>25,542,929</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term financing	7	2,654,504	2,714,802
Lease liabilities		19,465	25,334
Long-term security deposits		30,360	32,460
Government grant		1,014,812	1,173,478
Deferred taxation		4,292,716	4,187,445
		<u>8,011,857</u>	<u>8,133,519</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		3,792,905	3,653,411
Contract liabilities		136,078	128,911
Accrued mark-up		208,310	105,799
Short-term borrowings	8	9,841,148	1,888,995
Current maturity of long-term financing	7	115,889	108,966
Current portion of lease liabilities		12,815	13,852
Current portion of government grant		155,821	64,372
Taxation-net		2,185,578	1,282,175
Unclaimed dividend		75,463	76,439
Unpaid dividend		50,162	34,684
		<u>16,574,169</u>	<u>7,357,604</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>54,563,301</b></u>	<u><b>41,034,052</b></u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
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The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE HALF-YEAR ENDED DECEMBER 31, 2024

	Note	Half-year ended		Quarter ended	
		December 31, 2024	December 31, 2023 (Restated)	December 31, 2024	December 31, 2023 (Restated)
----- (Rupees in '000) -----					
Turnover - net	10	20,301,996	20,291,050	10,642,984	10,219,561
Cost of sales		(12,606,972)	(13,684,329)	(6,814,773)	(6,684,522)
<b>Gross profit</b>		<b>7,695,024</b>	<b>6,606,721</b>	<b>3,828,211</b>	<b>3,535,039</b>
Distribution costs		(408,778)	(338,462)	(200,908)	(174,801)
Administrative expenses		(293,259)	(258,000)	(144,370)	(129,826)
Other expenses		(359,929)	(276,100)	(179,737)	(153,231)
		(1,061,966)	(872,562)	(525,015)	(457,858)
Other income		871,043	189,646	522,625	141,526
<b>Operating profit</b>		<b>7,504,101</b>	<b>5,923,805</b>	<b>3,825,821</b>	<b>3,218,707</b>
Finance costs		(382,275)	(810,547)	(227,066)	(386,013)
<b>Profit before income tax and final taxes</b>		<b>7,121,826</b>	<b>5,113,258</b>	<b>3,598,755</b>	<b>2,832,694</b>
Final taxes		(1,893)	(41,442)	51,254	(20,440)
<b>Profit before income tax</b>		<b>7,119,933</b>	<b>5,071,816</b>	<b>3,650,009</b>	<b>2,812,254</b>
<b>Income tax</b>					
Current		(2,615,993)	(560,523)	(1,353,787)	(300,418)
Prior		749,825	30,387	28,866	30,387
Deferred		(105,271)	(1,140,308)	(54,454)	(673,912)
	11	(1,971,439)	(1,670,444)	(1,379,375)	(943,943)
<b>Profit after tax</b>		<b>5,148,494</b>	<b>3,401,372</b>	<b>2,270,634</b>	<b>1,868,311</b>
<b>Earnings per share - basic and diluted</b>		<b>Rs. 26.50</b>	<b>Rs. 17.51</b>	<b>Rs. 11.69</b>	<b>Rs. 9.62</b>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

December 31, 2024

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# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE HALF-YEAR ENDED DECEMBER 31, 2024

	Half-year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- (Rupees in '000) -----			
<b>Profit after tax</b>	<b>5,148,494</b>	<b>3,401,372</b>	<b>2,270,634</b>	<b>1,868,311</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified subsequently to statement of profit or loss</b>				
Unrealised gain on remeasurement of equity investments at fair value through other comprehensive income	63,032	57,201	145,497	98,418
<b>Total comprehensive income</b>	<b>5,211,526</b>	<b>3,458,573</b>	<b>2,416,131</b>	<b>1,966,729</b>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE HALF-YEAR ENDED DECEMBER 31, 2024

	December 31, 2024	December 31, 2023
	-----	-----
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before income tax and final taxes</b>	<b>7,121,826</b>	5,113,258
<b>Adjustments for:</b>		
Depreciation on operating property, plant and equipment	4 <b>846,292</b>	859,634
Depreciation on right-of-use assets	4.3 <b>9,926</b>	9,064
Amortisation	<b>33,807</b>	2,202
Gain on disposals of operating property, plant and equipment	<b>(1,429)</b>	(17,352)
Interest income on long-term loan	<b>(3,678)</b>	(4,216)
Provision for gratuity	<b>67,385</b>	68,313
Finance costs - net	<b>382,275</b>	810,547
Exchange loss / (gain)	<b>450</b>	(121)
Dividend income	<b>(12,623)</b>	(7,213)
	<b>1,322,405</b>	1,720,858
	<b>8,444,231</b>	6,834,116
<b>(Increase) / decrease in current assets</b>		
Stores, spare parts and loose tools	<b>(1,115,123)</b>	(788,982)
Stock-in-trade	<b>68,803</b>	259,354
Trade debts	<b>4,346</b>	(283,761)
Loans and advances	<b>(111,114)</b>	(115,767)
Trade deposits and short-term prepayments	<b>(51,121)</b>	(54,296)
Other receivables	<b>(16,706)</b>	(34,422)
	<b>(1,220,915)</b>	(1,017,874)
	<b>7,223,316</b>	5,816,242
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	<b>131,659</b>	724,913
Contract liabilities	<b>7,167</b>	(111,767)
	<b>138,826</b>	613,146
<b>Cash generated from operations</b>	<b>7,362,142</b>	6,429,388
Income tax paid	<b>(964,658)</b>	(220,715)
Long-term loans and deposits - net	<b>10,993</b>	16,331
Gratuity paid	<b>(60,000)</b>	(61,500)
<b>Net cash generated from operating activities</b>	<b>6,348,477</b>	6,163,504
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	<b>(554,149)</b>	(484,226)
Proceed from disposals of operating property, plant and equipment	<b>16,734</b>	29,738
Dividend received	<b>12,623</b>	7,213
<b>Net cash used in investing activities</b>	<b>(524,792)</b>	(447,275)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long-term financing - net	<b>(120,592)</b>	(2,333,227)
Lease rentals paid	<b>(9,741)</b>	(11,120)
Dividend paid	<b>(762,678)</b>	(575,168)
Finance costs paid - net	<b>(314,147)</b>	(967,229)
<b>Net cash used in financing activities</b>	<b>(1,207,158)</b>	(3,886,744)
<b>Net increase in cash and cash equivalents</b>	<b>4,616,527</b>	1,829,485
<b>Cash and cash equivalents as at the beginning of the period</b>	<b>1,062,872</b>	(1,413,232)
<b>Cash and cash equivalents as at the end of the period</b>	<b>5,679,399</b>	416,253

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE HALF-YEAR ENDED DECEMBER 31, 2024

Issued, subscribed and paid-up capital	Reserves						Total reserves	Total
	Capital Reserves		Revenue Reserves					
	Share premium	Other	General reserves	Unappropri- ated profit	Actuarial loss on defined benefit plan - net of deferred tax	Unrealised gain on equity investments		

(Rupees in '000)

**Balance as at July 01, 2023**      1,942,950   1,047,658   50,900   420,000   17,292,598   (37,227)   162,139   18,936,068   20,879,018

Final cash dividend for the year ended

June 30, 2023 @ Rs. 3.00/- per share      -      -      -      -      (582,885)      -      -      (582,885)      (582,885)

Profit after tax

-	-	-	-	3,401,372	-	-	3,401,372	3,401,372
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Other comprehensive income

-	-	-	-	-	-	57,201	57,201	57,201
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Total comprehensive income

-	-	-	-	3,401,372	-	57,201	3,458,573	3,458,573
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**Balance as at December 31, 2023**

1,942,950	1,047,658	50,900	420,000	20,111,085	(37,227)	219,340	21,811,756	23,754,706
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**Balance as at July 01, 2024**

1,942,950	1,047,658	50,900	420,000	21,918,021	(72,924)	236,324	23,599,979	25,542,929
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Final cash dividend for the year ended

June 30, 2024 @ Rs. 4.00/- per share      -      -      -      -      (777,180)      -      -      (777,180)      (777,180)

Profit after tax

-	-	-	-	5,148,494	-	-	5,148,494	5,148,494
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Other comprehensive income

-	-	-	-	-	-	63,032	63,032	63,032
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Total comprehensive income

-	-	-	-	5,148,494	-	63,032	5,211,526	5,211,526
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**Balance as at December 31, 2024**

1,942,950	1,047,658	50,900	420,000	26,289,335	(72,924)	299,356	28,034,325	29,977,275
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The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE HALF-YEAR ENDED DECEMBER 31, 2024

## 1. CORPORATE INFORMATION

Cherat Cement Company Limited (the Company) was incorporated in Pakistan as a public company limited by shares in the year 1981. The Company is listed on the Pakistan Stock Exchange Limited. Its main business activities are manufacturing, marketing and sale of cement. The registered office of the Company is situated at Village Lakrai, District Nowshera, Khyber Pakhtunkhwa province.

## 2. BASIS OF PREPARATION

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Provisions of and directives issued under the Act.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2024. These condensed interim financial statements are unaudited, however, have been subject to limited scope review by the auditors and are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Limited and Section 237 of the Act.

2.3 The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2024 and December 31, 2023 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half-years ended December 31, 2024 and December 31, 2023.

## 3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended June 30, 2024.

Note	December 31, 2024 (Unaudited)	June 30, 2024 (Audited)
	----- (Rupees in '000) -----	

## 4. PROPERTY, PLANT AND EQUIPMENT

Operating property, plant and equipment			
		<b>25,974,002</b>	26,566,937
		Opening Net Book Value (NBV)	
		Additions during the period / year - at cost	1,168,764
4.1		<b>499,941</b>	27,735,701
		<b>26,473,943</b>	(1,744,287)
		Depreciation charged during the period / year	(17,412)
		Disposals for the period / year - at NBV	(15,305)
		<b>25,612,346</b>	25,974,002
		Closing NBV	
	4.2	<b>2,403,311</b>	2,311,885
	4.3	<b>36,304</b>	46,230
		<b>28,051,961</b>	28,332,117

	<b>December 31, 2024 (Unaudited)</b>	June 30, 2024 (Audited)
	----- (Rupees in '000) -----	
<b>4.1 Additions during the period / year</b>		
Freehold land	<b>84,255</b>	-
Building on leasehold land	<b>98,336</b>	389,461
Plant and machinery	<b>82,379</b>	521,723
Power and other installations	<b>10,337</b>	2,083
Furniture and fittings	<b>17,455</b>	12,644
Quarry, factory and laboratory equipment	<b>42,488</b>	22,883
Motor vehicles	<b>133,903</b>	158,863
Office equipment	<b>9,420</b>	36,501
Computer	<b>21,368</b>	24,606
	<b>499,941</b>	1,168,764
<b>4.1.1</b> Additions and depreciation on property, plant and equipment during the period ended December 31, 2023 were Rs. 382.69 million and Rs. 859.63 million respectively.		
	<b>December 31, 2024 (Unaudited)</b>	June 30, 2024 (Audited)
	----- (Rupees in '000) -----	
<b>4.2 Capital work-in-progress</b>		
Opening balance	<b>2,311,885</b>	2,320,362
Capital expenditure incurred / advances made during the period / year	<b>591,367</b>	1,792,816
	<b>2,903,252</b>	4,113,178
Transferred to operating fixed assets	<b>(499,941)</b>	(1,801,293)
Closing balance	<b>2,403,311</b>	2,311,885
<b>4.3 Right-of-use assets</b>		
Opening balance	<b>46,230</b>	47,667
Additions during the period	-	17,550
Depreciation for the period / year	<b>(9,926)</b>	(18,987)
Closing balance	<b>36,304</b>	46,230
<b>4.3.1</b> The Company has recognised right-of-use assets in respect of sales offices and head offices under rental agreements.		
	<b>December 31, 2024 (Unaudited)</b>	June 30, 2024 (Audited)
	----- (Rupees in '000) -----	
<b>5. LONG-TERM INVESTMENTS - related parties</b>		
	<b>Note</b>	
At fair value through other comprehensive income	5.1	605,098
Interest in a Joint Venture - UniEnergy Limited		542,066
		<b>8,346</b>
		550,412
		<b>613,444</b>
<b>5.1 At fair value through other comprehensive income</b>		
Cherat Packaging Limited		496,510
Mirpurkhas Sugar Mills Limited		116,352
		<b>605,098</b>



<b>December 31,</b>	June 30,
<b>2024</b>	2024
<b>(Unaudited)</b>	<b>(Audited)</b>
----- (Rupees in '000) -----	

## 6. SHORT-TERM INVESTMENTS

### At fair value through profit or loss

Conventional investments	<b>12,173,394</b>	1,666,953
Shariah compliant investments	<b>2,834,144</b>	795,305
	<b>15,007,538</b>	2,462,258

### At amortised cost

Conventional investments	-	60,095
	<b>15,007,538</b>	2,522,353

## 7. LONG-TERM FINANCING – secured

### Islamic banks

Islamic Finance Facility for Renewable Energy	<b>1,058,755</b>	1,039,327
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### Conventional banks

Temporary Economic Refinance Facility	<b>1,367,937</b>	1,444,589
Finance Scheme for Renewable Energy	<b>143,701</b>	139,852
Term Finance Facility	<b>200,000</b>	200,000
	<b>2,770,393</b>	2,823,768

Current maturities	<b>(115,889)</b>	(108,966)
	<b>2,654,504</b>	2,714,802

7.1 The terms and conditions remain the same as disclosed in the annual financial statements for the year ended June 30, 2024.

<b>Note</b>	<b>December 31,</b>	June 30,
	<b>2024</b>	2024
	<b>(Unaudited)</b>	<b>(Audited)</b>
	----- (Rupees in '000) -----	

## 8. SHORT-TERM BORROWINGS – secured

Islamic banks	8.1	<b>8,293,507</b>	916,045
Conventional banks	8.2	<b>1,547,641</b>	972,950
		<b>9,841,148</b>	1,888,995

8.1 Represents facilities obtained from various Islamic banks amounting to Rs. 11,000 million (June 30, 2024: Rs. 4,500 million) out of which Rs. 2,707 million (June 30, 2024: Rs. 3,584 million) remain unutilised at the period end. These facilities carry profit ranging 1 month KIBOR + 0.40% per annum to 1 month KIBOR + 0.60% per annum and 3 month KIBOR - 3.50% per annum to 3 month KIBOR + 0.75% per annum. These facilities are secured against joint pari-passu hypothecation charge over stocks and book debts for Rs. 5,602 million (June 30, 2024: Rs. 5,602 million) and ranking hypothecation charge over fixed asset and stocks and book debts of Rs. 6,500 million and 400 million respectively. This also includes Export Refinance Facility (ERF) amounting to Rs. 1,243 million (June 30, 2024: Rs. 915 million) from two Islamic banks. It carries mark-up at the range 10% to 19% per annum (June 30, 2024: 14% to 19% per annum) during the period.

8.2 Represents facilities obtained from various conventional banks amounting to Rs. 6,150 million (June 30, 2024: Rs. 6,150 million) out of which Rs. 4,602 million (June 30, 2024: Rs. 5,177 million) remains unutilised at the period end. These facilities carry mark-up ranging from 1 month KIBOR + 0.40% per annum to 1 month KIBOR + 0.75% per annum and 3 months KIBOR + 0.50% per annum to 3 months KIBOR + 0.65% per annum. These facilities are secured against joint pari-passu hypothecation charge over stocks and book debts for Rs. 7,938 million

(June 30, 2024: Rs. 7,938 million) and ranking hypothecation charge over stocks and book debts of Rs. 267 million. This also includes, Export Refinance Facility (ERF) amounting to Rs. 1,073 million (June 30, 2024: Rs. 973 million) from three Conventional banks. It carries mark-up at the range 10% to 19% per annum (June 30, 2024: 14% to 19% per annum) during the period.

## 9. CONTINGENCIES AND COMMITMENTS

### 9.1 Contingencies

There are no material changes in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2024, except as disclosed below:

During the period, one of the Company's limestone lease renewal fell due, and a renewal request was filed with the Mines and Minerals Department. On November 19, 2024, the department issued a letter granting conditional renewal of the lease, subject to the deposit of an arbitrary demand amounting to Rs.154 million. Subsequently, the Company filed an appeal before the Mines Tribunal, which granted a stay order on December 18, 2024, on the condition that 25% of the disputed amount be deposited into the Government treasury, in accordance with Section 102(3) of the KP Mines & Minerals Act, 2017. In compliance with the Tribunal's order, an amount of Rs. 38 million has been deposited under protest. Based on the advice of legal counsel, management believes that the Company has strong grounds for a favorable decision accordingly, no provision for the above matter has been made in these condensed interim financial statements.

<b>December 31, 2024 (Unaudited)</b>	June 30, 2024 (Audited)
----- (Rupees in '000) -----	

### 9.2 Commitments

Letters of credit - Islamic and Conventional banks	<b>82,968</b>	106,260
Letters of guarantee - Islamic and Conventional banks	<b>1,219,995</b>	1,209,995
Capital commitments	<b>305,000</b>	305,000

## 10. TURNOVER - NET

Includes export sales amounting to Rs. 3,164 million (December 31, 2023: Rs. 2,553 million).

## 11. INCOME TAX

**11.1** Provision for current taxation is based on taxable income at the current rates of taxation.

**11.2** As disclosed in note 37.3 to the annual financial statements of the Company for the year ended June 30, 2024, during the year 2019, the Company recorded tax credit under section 65B of the Income Tax Ordinance, 2001 (the Ordinance) at the rate of 10% on commissioning and installation of Line-III as per law. Through Finance Act, 2019, the Government has reduced tax credit under section 65B of the Ordinance from 10% to 5% retrospectively for the tax year 2019 and abolished the same for subsequent years. The management challenged the same in Peshawar High Court (PHC) and initially obtained a stay based on which the management claimed full tax credit in the tax returns. However, as a matter of prudence the same credit was not taken in the financial statements. Later on, PHC vide its order dated September 07, 2023 decided the case in favour of the Company. The department filed CPLA against the judgment of PHC before the Honorable Supreme Court of Pakistan (SCP) and during the current period, the SCP vide order dated September 24, 2024, allowed the Company to claim a 10% tax credit for plant and machinery purchased and installed on or before June 30, 2019. After reviewing the legal and accounting requirements, the Company has recognised Rs. 721 million being 5% balance tax credit under section 65B as prior year tax income in these condensed interim financial statements.

**11.3** During the period, the Company has challenged the levy of super tax for the tax year 2024 under section 4C of the Ordinance and an interim stay has been granted by the PHC to file income tax return for the tax year 2024 by excluding super tax amounting to Rs. 680 million subject to deposit of post-dated cheque. Keeping in view the inherent uncertainties involved in such matters, the management, as a matter of prudence, has maintained a provision for this amount in these condensed interim financial statements.

December 31,      December 31,  
2024                      2023  
(Unaudited)              (Unaudited)  
----- (Rupees in '000) -----

## 12. CASH AND CASH EQUIVALENTS

Cash and bank balances	513,009	332,112
Short-term investments	15,007,538	2,122,902
Short-term borrowings	<u>(9,841,148)</u>	<u>(2,038,761)</u>
	<u>5,679,399</u>	<u>416,253</u>

## 13. FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2024. There have been no changes in any risk management policies since the year end.

### 13.1 Fair value measurement

Fair value is the price 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 fair values.

The following table shows assets recognised at fair value, analysed between those whose fair value is based on:

Level 1: Quoted prices in active markets for identical assets or liabilities,

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

December 31, 2024 (Unaudited)						
Carrying amount			Fair value			
Fair value through statement of profit or loss	Fair value through OCI	Total	Level 1	Level 2	Level 3	
Note ----- (Rupees in '000) -----						
<b>Financial assets measured at fair value</b>						
Long-term investments	5.1	-	605,098	605,098	605,098	-
Short-term investments	6	15,007,538	-	15,007,538	15,007,538	-
		<u>15,007,538</u>	<u>605,098</u>	<u>15,612,636</u>	<u>15,612,636</u>	<u>-</u>

June 30, 2024 (Audited)						
Carrying amount			Fair value			
Fair value through statement of profit or loss	Fair value through OCI	Total	Level 1	Level 2	Level 3	
----- (Rupees in '000) -----						
<b>Financial assets measured at fair value</b>						
Long-term investments	5.1	-	542,066	542,066	-	-
Short-term investments	6	2,462,258	-	2,462,258	2,462,258	-
		<u>2,462,258</u>	<u>542,066</u>	<u>3,004,324</u>	<u>3,004,324</u>	<u>-</u>

During the period, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurement.

- 13.1.1 Financial instruments which are tradeable in an open market are revalued at the market prices prevailing on the statement of financial position date.

#### 14. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprises of associated companies, retirement funds, companies with common directorship and key management personnel. Transactions with related parties other than those disclosed elsewhere in these condensed interim financial statements, are as follows:

Relationship	Nature of transactions	Half-Year Ended	
		December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)
		----- (Rupees in '000) -----	
Associated companies	Purchases	1,383,035	1,449,712
	Sale of goods	780	56
	Purchase of fixed assets	19,145	19,383
	Royalty and excise duty	370,190	229,531
	Services received	117	179
	IT support charges	20,871	15,005
	Dividend received	12,623	7,213
	Dividend paid	238,590	179,475
	Insurance premium	55,183	47,267
	Remuneration to key management personnel	781,897	681,942
	Contribution to staff provident and gratuity funds	108,677	105,225

- 14.1 In addition, certain administrative expenses are being shared amongst the group companies.

#### 15. OPERATING SEGMENTS

These condensed interim financial statements have been prepared on the basis of a single reportable segment.

#### 16. DATE OF AUTHORISATION AND INTERIM DIVIDEND

##### 16.1 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 21, 2025 by the Board of Directors of the Company.

##### 16.2 INTERIM DIVIDEND

The Board of Directors in its meeting held on February 21, 2025 has proposed an interim cash dividend of Rs. 1.50 per share (December 31, 2023: Rs. 1.50 per share) amounting to Rs. 291.44 million (December 31, 2023: Rs. 291.44 million) for the half-year ended December 31, 2024.

#### 17. GENERAL

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER





GHULAM FARUQUE  
GROUP

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