

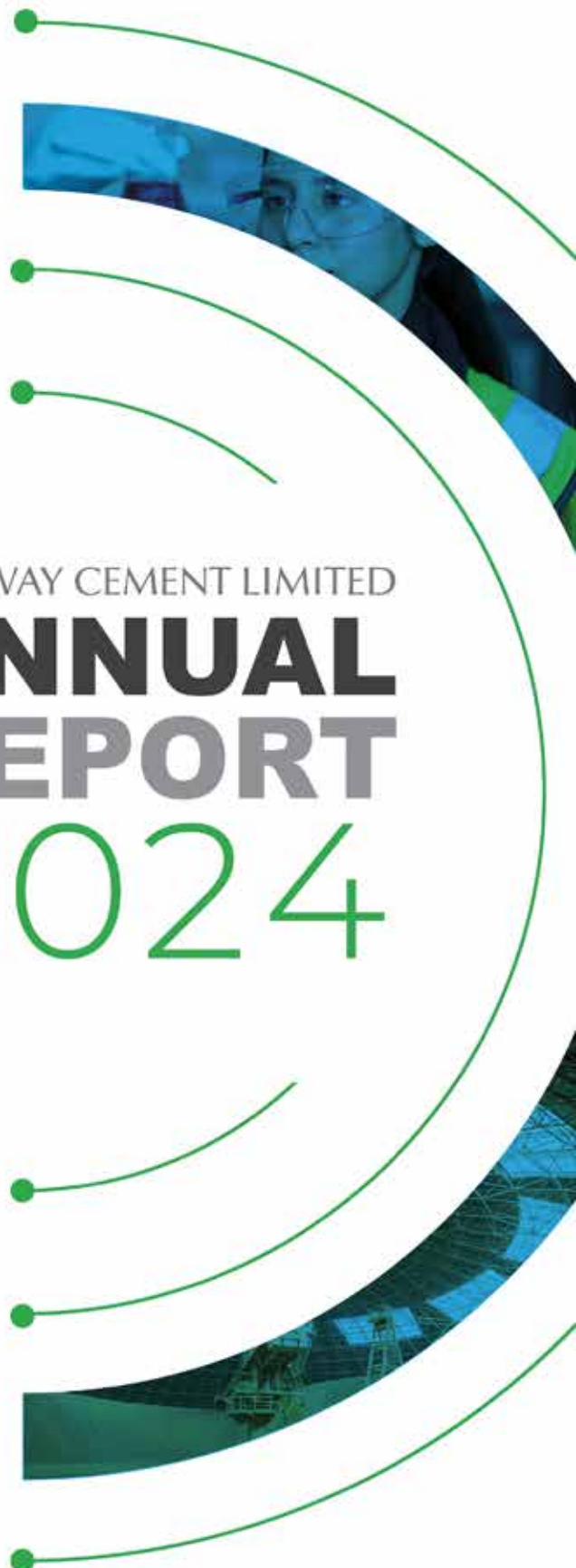


BESTWAY



BESTWAY CEMENT LIMITED

ANNUAL REPORT 2024



BUILDING ON STRENGTH



BESTWAY CEMENT LIMITED
BUILDING ON STRENGTH



XTREME BOND

FLOOR AND WALL TILE ADHESIVE WITH EXCEPTIONAL BONDING PROPERTIES

Ceramic | Porcelain | Mosaic | Slate | Marble | Granite | Stone

**TODAY'S COMPROMISE ON QUALITY
IS TOMORROW'S REGRET**

INFERIOR BOND



XTREME BOND



Now more
reliability with
QR code

BENEFITS

- Superior strength even under extreme temperature
- Ready to use, just add water
- Pre-soaking of tiles not required
- Gives stronger & long lasting grip
- Anti sagging properties
- No air-voids in the mix slurry
- Requires lesser application of mixture with a maximum bed-thickness of 2-4mm



TABLE OF CONTENTS

Company Information	1
WWF Green Office Certification	2
Vision and Mission	3
Notice of Annual General Meeting	5
Product Portfolio	6
Chairman's Review	7
Corporate Social Responsibility and Environment Awards	9
Directors' Report	10
Report of Audit Committee	16
Statement of Compliance with Listed Companies Code of Corporate Governance Regulations, 2019	18
CSR & Organizational Activities	21
Independent Auditors' Review Report	23
Independent Auditor's Report	24
Statement of Financial Position	28
Statement of Profit or Loss	29
Statement of Profit or Loss and other Comprehensive Income	30
Statement of Changes in Equity	33
Statement of Cash Flows	34
Notes to the Financial Statements	36
Key Operating and Financial Data for Six Years	86
Pattern of Shareholding	87
ڈائریکٹرز رپورٹ	96
Proxy Form	98
پراکسی فارم	100

COMPANY INFORMATION

Board of Directors

Sir Mohammed Anwar Pervez, O.B.E., H. Pk	Chairman
Lord Zameer Choudrey, CBE, SI Pk	Chief Executive
Mr. Mohammed Younus Sheikh	Director
Mr. Dawood Pervez	Director
Mr. Muhammad Irfan A. Sheikh	Managing Director
Syed Asif Shah	Director
Mr. Haider Zameer Choudrey	Director
Mrs. Fauzia Ahmad	Director
Mr. Tariq Rashid	Director

Audit Committee

Mr. Tariq Rashid	Chairman
Syed Asif Shah	
Mr. Haider Zameer Choudrey	

Human Resource & Remuneration Committee

Mrs. Fauzia Ahmad	Chairperson
Mr. Muhammad Irfan A. Sheikh	
Lord Zameer Choudrey	

Nomination Committee

Lord Zameer Choudrey	Chairman
Mr. Muhammad Irfan Anwar Sheikh	
Mr. Haider Zameer Choudrey	

Risk Management Committee

Lord Zameer Choudrey	Chairman
Mr. Muhammad Irfan Anwar Sheikh	
Mr. Haider Zameer Choudrey	

Company Secretary

Hassan Niazi

Chief Financial Officer

Muhammad Danish Khan

Registered / Head Office

Bestway Building, 19-A, College Road,
F-7 Markaz, Islamabad.
Tel: +92 (0) 51 265 4856 – 64
Fax: +92 (0) 51 265 4865
Email: management@bestway.com.pk

Plant Sites

Hattar

Suraj Gali Road, Village Shadi, Hattar, Distt. Haripur,
Khyber Pakhtunkhwa, Pakistan.
Tel: +92 (0) 995 639 261 – 3
Fax: +92 (0) 995 639 265
Email: gmworks1@bestway.com.pk

Farooqia

12 km, Taxila-Haripur Road,
Farooqia, Tehsil & Distt. Haripur,
Khyber Pakhtunkhwa, Pakistan.
Tel: +92 (0) 995 639 501 – 3
Fax: +92 (0) 995 639 505
Email: gmworks2@bestway.com.pk

Chakwal

Village Tatral, Near PSO Petrol Pump,
22 km Kallar Kahar, Choa Saiden Shah Road,
Chakwal, Pakistan.
Tel: +92 (0) 543 584 560 – 62
Fax: +92 (0) 543 584 274
Email: gmworks3@bestway.com.pk

Kallar Kahar

Choie Mallot Road, Tehsil Kallar Kahar,
Distt. Chakwal, Pakistan.
Tel: +92 (0) 51 402 0111
Fax: +92 (0) 51 402 0230
Email: gmworks4@bestway.com.pk

Mianwali

Main Kalabagh Road,
Dhair Umaid Ali Shah Pakka,
Tehsil & District Mianwali,
Punjab, Pakistan.
Email: gmproject.mwl@bestway.com.pk

Sales Office

House 276, Near Riphah University,
Opposite Roomi Park, Peshawar Road,
Rawalpindi.
Tel: +92 (0) 51 551 3110, 512 5128 – 9
Fax: +92 (0) 51 551 3109
Email: bestwaysales@bestway.com.pk

Statutory Auditors

A. F. Ferguson & Co., Chartered Accountants

Legal Advisor

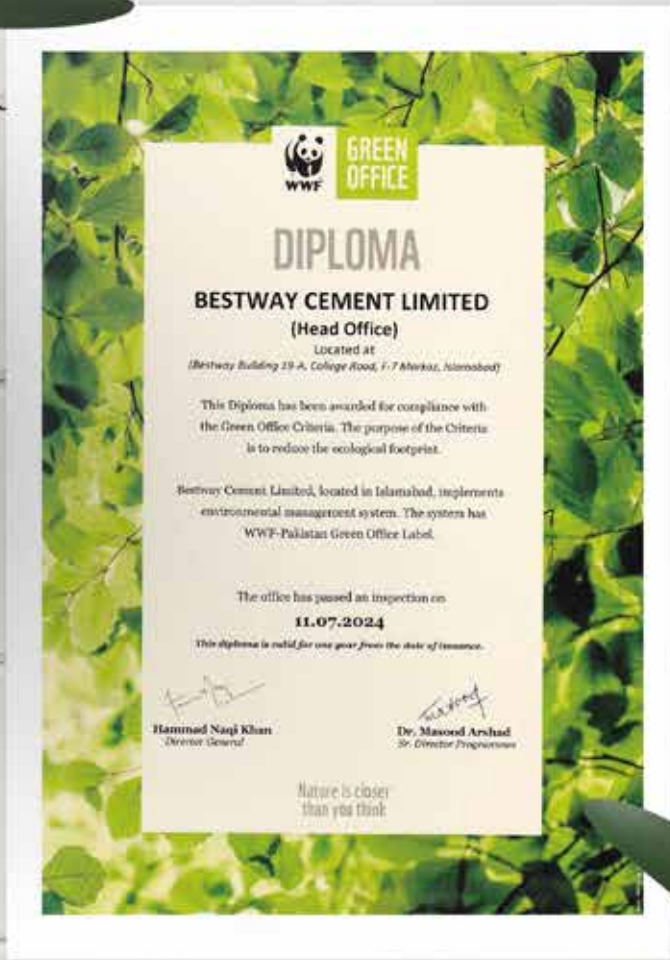
Muhammad Umer Khan Vardag, Advocate High Cour

Shares Department

THK Associates (Pvt.) Ltd.
Plot No. 32-C, Jami Commercial
Street 2, D.H.A., VII, Karachi-75500, Pakistan
Tel: +92 (0) 21 353 101 91-6
Fax: +92 (0) 21 353 101 90

Bankers

- Allied Bank Limited
- Askari Bank Limited
- Bank Alfalah Limited
- Bank Islami Pakistan Limited
- Bank of Khyber
- Bank of Punjab
- Dubai Islamic Bank Pakistan Limited
- Faysal Bank Limited
- Habib Bank Limited
- Habib Metropolitan Bank Limited
- MCB Bank Limited
- MCB Islamic Bank Limited
- Meezan Bank Limited
- National Bank of Pakistan
- Soneri Bank Limited
- United Bank Limited



WWF GREEN OFFICE CERTIFICATION

WWF's Green Office is an environmental service for offices. With its help, workplaces are able to reduce their burden on the environment, achieve savings and slow down climate change. Green Office is a practical environmental program that is easy to implement. Its aim is to reduce carbon dioxide emissions and offices' ecological footprint.

Bestway Cement Limited enrolled itself in the program during the year 2016 aiming to reduce its carbon footprint by keeping track of its water, paper and electricity consumption along with food wastage. These four KPIs were thoroughly audited by WWF Team in the previous year ensuring fulfillment of criteria of Green Office program.

WWF validated and awarded Green office certificate to Bestway Cement yet again for the year 2019-2024. Bestway Cement Limited is the second cement company in Pakistan to have the status of a Green Office.

Bestway holds a key position in sustainable solutions for conservation of environment while motivating office staff to act in an ecologically friendly way with regards to everyday tasks, improving conservational awareness and bringing cost savings.





VISION

TO PRODUCE HIGH QUALITY
CEMENT AT THE LOWEST COST



MISSION

- Consistently produce high quality cement.
- Endeavour to be the lowest cost producer.
- Achieve 25% of the market share of the North Zone in the short term and ultimately 30% in the longer term.
- Consistently maintain a high standard of customer service.
- Continue to invest in human resource through training, development and promotions from within whenever possible in order to meet future expansion needs.
- Continue to set aside adequate funds from the net profits for fulfilling its various social responsibilities, particularly in the field of education and health.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 31st Annual General Meeting (AGM) of Bestway Cement Limited (the Company) will be held at Roomy Signature Hotel, Agha Khan Road, Next to Total Petrol Pump, F-6 Markaz, Islamabad, at 3:00 p.m. on Wednesday, August 28, 2024 to transact the following business:

1. To receive, consider and adopt the Annual Audited Financial Statements for the year ended June 30, 2024 together with the Directors' and Auditors' Reports thereon.
2. To approve and declare final cash dividend of 80% in addition to the 180% interim dividends already paid for the year ended June 30, 2024, as recommended by the Board of Directors.
3. To appoint Auditors of the Company and fix their remuneration for the year ending June 30, 2025. The retiring auditors M/s A. F. Ferguson & Co., Chartered Accountants have consented to be so appointed and the Board of Directors has recommended their appointment.
4. Any other business with the permission of the chair.

By Order of the Board

August 8, 2024
Islamabad

Hassan Niazi
Company Secretary

NOTES

1. The share transfer books of the Company will remain closed from 22-08-2024 to 28-08-2024 (both days inclusive). No transfer will be accepted for registration during this period. Transfers received in order at M/s THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500 upto the close of business on 21-08-2024 will be treated in time for the purpose of the above entitlement and to attend the Annual General Meeting (AGM).
2. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote instead of him/her. Proxies in order to be effective must be received by the Company not later than 48 hours before the meeting.

For CDC Account Holders/Corporate Entities:

In addition to the above the following requirements have to be met:

3. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
4. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
5. The proxy holder shall produce his original NIC or original passport at the time of meeting.
6. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
7. Shareholders are requested to provide copies of their valid CNICs, and also promptly notify any changes in their addresses.

Online Participation in AGM:

To facilitate and ensure the safety & health of the shareholders the Company will also be providing the online platform / facility to participate in the AGM in the shape of webinar/webex/zoom.

The shareholders will be able to login and participate in the AGM proceedings through their smartphones or computer devices after completing all the formalities required for the verification and identification of the shareholders.

In this regard, shareholders are required to update their valid e-mail addresses with the Share Registrar, latest by August 21, 2024.

The shareholders who have already updated their valid e-mail addresses with the Company or its Share Registrar and are interested to attend AGM electronically, may send their request along with folio number at ir@bestway.com.pk. Such request should be sent from their duly registered valid e-mail address for the registration purposes latest by August 27, 2024.

Deposit of Physical Shares in to CDC Account

As per Section 72 of the Companies Act, 2017 every existing listed company is required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission. The Shareholders having physical shareholding are encouraged to open CDC sub - account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form. This will facilitate them in many ways, including safe custody and sale of shares any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

PRODUCT PORTFOLIO



XTREME TILE BOND
SUPERIOR TILE ADHESIVE FOR
FLOOR AND WALL TILES

XTREME TILE GROUT
LONG LASTING,
FAST COLORS



BESTWAY
ORDINARY PORTLAND CEMENT
ALL PURPOSE CEMENT



PAKCEM
ORDINARY PORTLAND CEMENT
ALL PURPOSE CEMENT



LOW ALKALI
INFRASTRUCTURE PROJECTS
ESPECIALLY FOR DAMS & BRIDGES



DURA CEM
ORDINARY PORTLAND CEMENT
ASTM C150 (TYPE I)



ECOCEM
ECONOMY WITH STRENGTH
ALL PURPOSE CEMENT



STALLION
EARLY SETTING CEMENT
FOR PRE-CAST



LOW HEAT CEMENT
LOW HEAT OF HYDRATION CEMENT
FOR MASS CONCRETING & DAMS



SRC
SULPHATE RESISTANT CEMENT
PROTECTS AGAINST
WATER LOGGED & SALINE SOILS



STALLION
HIGH QUALITY CEMENT
ALL PURPOSE CEMENT



BUZKASH
CEMENT
STRONG. DURABLE. ECONOMICAL.
ALL PURPOSE CEMENT



LION
LOW CHROME CEMENT

CHAIRMAN'S REVIEW

Dear Stakeholders

A YEAR OF RESILIENCE:

The financial year 2023-24 (FY-24) has been marked by ongoing economic challenges, including high inflation, increased taxation, currency depreciation, political instability, and geopolitical tensions. These factors have limited economic growth to a modest 2.38%.

Bestway has always remained focused on innovation and efficiency while maintaining strict financial discipline. In FY 24, we again demonstrated our ability to navigate through extremely challenging times with relative ease. Your Company has grown further in terms of revenues and has remained profitable. Other performance parameters also followed a positive trajectory. These achievements are commendable given the prevailing environment.

Despite all the challenges, Bestway increased its market share and achieved a growth of 6% in the sales volumes, outperforming the industry growth of 1.6%. The main factor behind the growth was our two new production lines at Hattar and Mianwali that became operational during FY 23.

Bestway recorded growth of 21% in gross turnover from Rs. 120.2 billion last year to Rs. 145.6 billion in the year ended 30 June 2024. Gross profit for the year grew to Rs. 32.2 billion and net profit after tax amounted to Rs. 13.8 billion. In view of the foregoing, the Board has decided to recommend a final dividend of Rs.8 per share with aggregate distribution of Rs. 26 per share for the year.

Renewable Energy

Your Company has always been pro-environment. Your Company meets a significant part of its energy requirement through green and renewable sources making it the leader in adopting green and renewable energy in Pakistan's industrial sector.

Sustainability

Corporate social responsibility is an integral part of Bestway's business philosophy. Bestway pays particular attention to the welfare of the under-privileged through activities such as improving access to quality education, vocational trainings, healthcare, environmental conservation programmes, and helping create jobs. Your Company conducts its corporate social responsibility activities mainly through its charitable trust, Bestway Foundation. During the year under review, your Company spent more than Rs. 500 million on various CSR initiatives making it one of largest corporates in the country in terms of CSR spend.

Looking forward, we will continue to pursue initiatives which impact the socio-economic development of our local communities, particularly in the areas of education and healthcare, taking part in rural and urban development and environmental conservation programs.



Governance

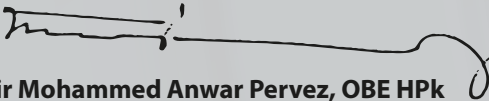
Sound governance is fundamental to corporate success and enhances stakeholders' confidence. We have designed our corporate governance structure to ensure maximum compliance with legal and regulatory framework and meeting the information needs of our stakeholders. The corporate governance framework applied by Bestway is based on Pakistan's laws, in particular Companies Act 2017, Code of Corporate Governance and other statutory, regulatory and compliance requirements that are applicable to companies listed on the Pakistan Stock Exchange. To ensure the compliance with all relevant laws and regulations, the Company has in place a code of conduct, whistle blowing policy and code of business ethics among others.

Outlook

Pakistan continues to navigate through unprecedented economic, geopolitical and security related challenges, which are likely to keep the economic growth subdued in the short term. Although the recent agreement with the IMF should provide some breathing space, comprehensive structural reforms are essential for the long-term stability and progress.

Bestway, while being proactive and strategically astute, will inevitably face challenges ahead. However, we remain committed to confronting these challenges and further optimising our performance while delivering high quality products.

I would like to extend my heartfelt gratitude to the Board of Directors for their steadfast leadership, supported by the unwavering dedication and efforts of our entire workforce. Together, we diligently steer the company towards achieving its objectives and ensuring value creation for our shareholders.



Sir Mohammed Anwar Pervez, OBE HPk
Chairman

Bestway Foundation receives Social Responsibility Award from Shaukat Khanum Memorial Cancer Hospital and Research Centre

Once again Bestway Foundation, honoured for its contribution and support to Shaukat Khanum Memorial Trust Hospital and Research Centre during the past two years, received the Social Responsibility Award for 2022 & 2023.

Bestway acknowledges its role and responsibility towards local communities, actively contributing to their socio-economic development. This commitment is evident in initiatives aimed at enhancing access to healthcare and education, participating in urban development and environmental conservation programs while helping generate employment.



Bestway Cement clinches three awards at NFEH's 16th Annual International CSR Summit 2024

Bestway Cement has been recognized for its significant contributions to sustainable development, securing three prestigious awards at the esteemed 16th Annual International CSR Summit 2024.

Bestway clinched highly coveted awards across three categories, including CSR Initiatives, Relief Efforts and Green Energy Initiatives. These accolades underscore the company's commitment to innovative corporate initiatives that form part of a holistic sustainable strategy aimed at tackling pressing environmental and social challenges.



Bestway Cement bags "Pakistan Environmental Awards 2024" for its exemplary efforts in promoting sustainable and environmentally friendly practices

Bestway Cement was awarded with the newly instituted "Pakistan Environmental Awards" to recognize and appreciate its exemplary efforts in promoting sustainable and environmentally friendly practices amongst several manufacturing entities in Pakistan.

The Awards highlighted the innovative approaches and significant initiatives made by businesses, non-profits and educational institutions contributing towards preserving our planet for future generations.

Renowned as a responsible corporate citizen, Bestway Cement prioritizes the well-being of its employees and the communities surrounding its four plant locations. The company considers the nurturing of a healthy social environment an integral aspect of its overall success.



Bestway Cement wins the 20th Annual Environment Excellence Awards 2023

Bestway Cement Limited once again recognized for its commitment to environmentally friendly practices, received the prestigious 20th Annual Environment Excellence Awards 2023 from the National Forum for Environment and Health (NFEH). Bestway Cement's four plants located in Hattar, Farooqia, Chakwal, and Kallar Kahar were all honored for their vision and consistent implementation of eco-friendly policies.

Renowned as a responsible corporate citizen, Bestway Cement prioritizes the well-being of its employees and the communities surrounding its four plant locations. The company considers the nurturing of a healthy social environment an integral aspect of its overall success.



DIRECTORS' REPORT

The Board of Directors take pleasure in presenting their report together with audited financial statements for the year ended 30 June 2024 and the Auditor's Report there on.

Overview of the Economy

Pakistan faced multiple challenges during the FY 2023-24, primarily due to political and economic instability combined with monetary tightening, geopolitical tensions, and persistently high inflation. Despite all the adversities, Pakistan's economy registered moderate recovery reflected by a GDP growth of 2.38% against previous year's contraction of 0.21%.

Last year's Standby arrangement with IMF helped to alleviate immediate risks to some extent. The gradual improvement in foreign exchange reserves combined with lifting of restriction on the imports did give some relief to the economic activity in the country, which helped the recovery.

Industry Overview

Domestic cement dispatches decreased by 5% to 38.2 million tonnes from 40.0 million last year. Export volumes grew by a healthy 54% from 4.6 million tonnes to 7.1 million tonnes. Overall, dispatches by the industry increased by 1.60% from 44.6 million tonnes last year to 45.3 million tonnes for the year ended 30 June 2024. The shrinkage in the domestic sales volumes is primarily attributed to the economic and political uncertainty, high interest rates and inflation that remained prevalent throughout the year. Increase in exports was enabled by conducive price in the international market and Rupee devaluation.

Financial and Operational Review

Production and Sales Review

	Year ended 30 June 2024	Year ended 30 June 2023	Increase/ (Decrease)	Percentage
	Tonnes	Tonnes	Tonnes	%
Clinker production	6,098,513	5,857,206	241,307	4%
Cement production	6,868,432	6,510,228	358,204	6%
Cement and Xtreme Bond sales	6,961,540	6,572,693	388,847	6%

Your Company's total cement dispatches increased by 6%, which is higher than the industry growth. This is mainly due to two new production lines at Hattar and Mianwali that came online during February and March 2023 respectively.

Despite fierce competition, Bestway successfully retained its position as the largest cement producer and the market leader in the country.

Financial Highlights

The Company recorded gross turnover of Rs. 145.6 billion in the year ended 30 June 2024, 21% higher compared with Rs. 120.2 billion last year. Net turnover for the year increased by 18%, from Rs. 87.7 billion to Rs. 103.9 billion. Higher revenue was driven by 6% increase in sales volumes on the back of the two new production lines at Hattar and Mianwali and the increase in selling prices, which was necessitated by an exorbitant increase in the input costs.

Gross profit for the year was reported at Rs. 32.2 billion as compared with Rs. 27.3 billion last year.

Financial charges increased to Rs. 11.2 billion for the year as against Rs. 6.8 billion last year due to significantly higher interest rates and borrowings for the new projects.

Profit before tax amounted to Rs. 22.4 billion as compared to Rs. 22.6 billion for the year ended 30 June 2023. Profit after taxation for the year amounted to Rs. 13.8 billion as compared to Rs. 11.9 billion for the last year.

Earnings per share of the Company for the year stood at Rs. 23.09 as against Rs. 19.94 for the last year.

Total Equity of the Company stood at Rs. 63 billion as against Rs. 61.8 billion at the year ended 30 June 2023.

Your Company remained prompt with its repayment obligations on all types of loans.

Net current Liabilities on 30 June 2024 stood at Rs.11.5 billion (2023: Rs. 8.7 billion). This is mainly due to current portion of long term borrowings being included in the current liabilities and the company preferring short term borrowing over long term loans in order to benefit from the interest rate cuts.

Contribution to the National Exchequer

Bestway Cement is among the largest taxpayers in the country. During the year under review, your Company's contribution to the exchequer amounted to more than Rs. 43 billion on account of income tax, sales tax and excise duty. In addition, your Company pays large amounts in the form of various indirect duties and taxes to the federal, provincial and local governments.

Plants' Performance

During the year under review, all our cement plants and the waste heat recovery plants operated satisfactorily.

Return to Shareholders

Your Company is mindful of providing a superior return to its shareholders. In view of the reported performance by your Company, the directors feel great pleasure in declaring a final cash dividend of Rs 8 taking the payout for the year to date to 260%.

Quality Assurance and Marketing

Bestway continues to enjoy its status as the market leader due to its consistently superior quality, widest product range, effective marketing strategy, customer care and sheer dedication of its sales and marketing teams. Your Company is the largest cement producer in Pakistan and certified for ISO 9001 Quality Management System.

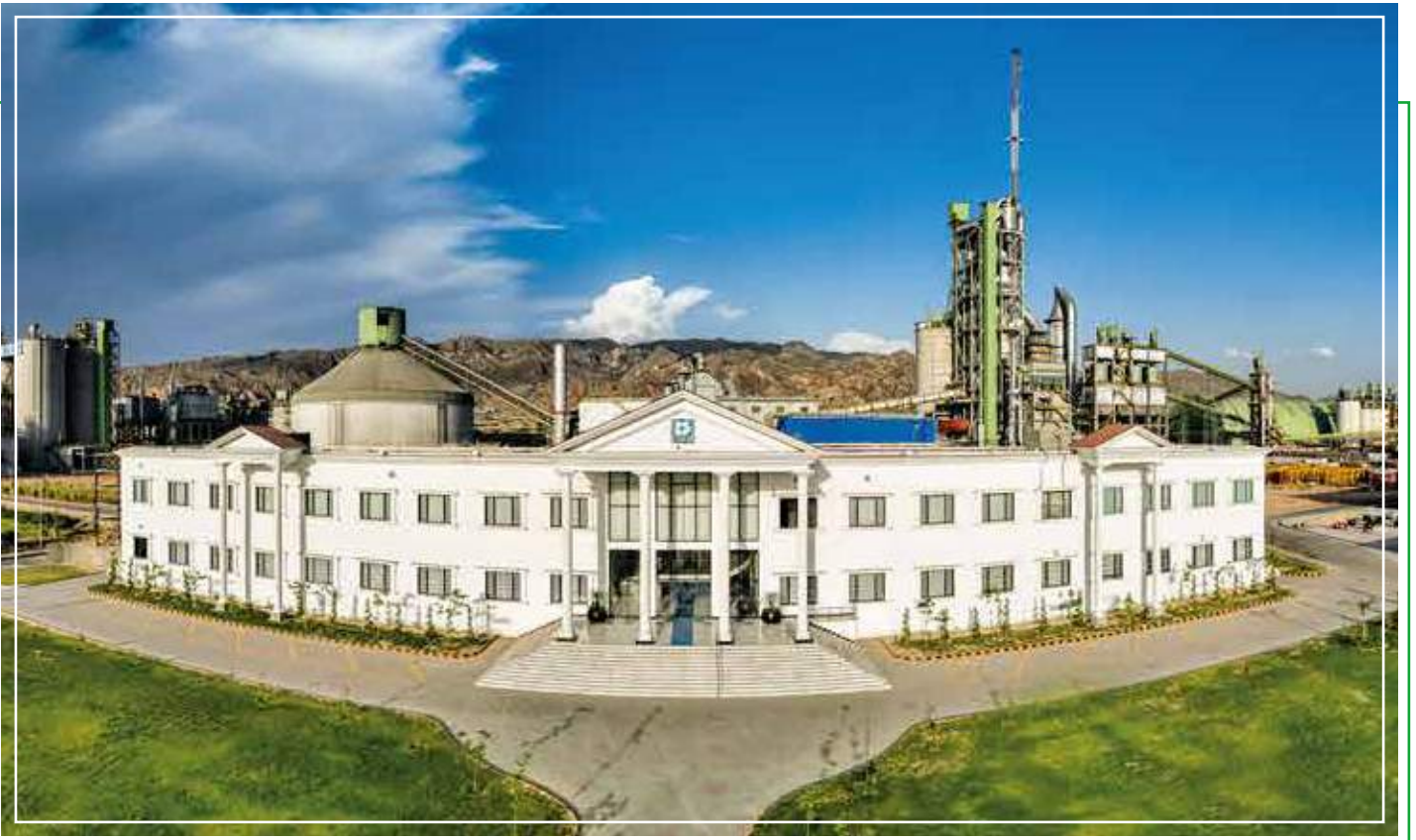
Bestway is well recognised for its supreme quality products. Its products continue to be firmly established as premium brands in the domestic market, as well as various international markets.



Training and Development

Your Company places great importance on the training, development and education of its personnel. In order to keep its workforce abreast with best operational techniques and practices, technical and general managerial training courses are organised for various departments and categories of personnel. Staff members are also sent on courses, workshops and seminars organised externally by other institutions. The Company actively encourages and assists its employees in pursuit of professional development and career enhancement.

As part of its commitment to skills development and grooming of workforce, your Company regularly employs freshly qualified engineers, graduates, professionals and even unskilled human resource. Planned training programmes are carefully conducted to ensure that these personnel are equipped with necessary knowledge, hands-on experience and confidence to become skilled and productive resource.



Bestway regularly employs trainee engineers, management trainees, apprentices and internees who undergo intensive training in their respective fields. Some of those trainees and apprentices are retained in the Company while others move on to other industries where they successfully build upon the foundation provided to them at Bestway Cement through the training imparted to them for the advancement of their careers and contributing towards the development of the country. Currently, nearly 166 trainee engineers, management trainees, apprentices and internees are undergoing training at the Company's various locations.

Health and Safety

Your Company reposes itself as a responsible corporate citizen and gives highest priority to health and safety for not only its own employees, but also for subcontracted personnel, in respect of effective conduct of our business. Your Company is therefore committed to preventing human injury and property damage at workplace and strives for continuous improvement in its health and safety management and performance.

Initiatives including training on safe system of work such as trainings on various aspects of health & safety, safety meetings, safety reporting, permit to work system coupled with risk assessments, identification and control of hazards, incident reporting, safety audits, safety champions, behaviour based safety, ISO: 45001 for understanding on international safety standards, good housekeeping and hygiene controls are actively and consistently pursued to instil safe behaviour in all personnel.



Environment

Bestway Cement reposes itself as a responsible corporate citizen and gives highest priority to protecting and creating a healthier environment for not only its own employees, but also for our communities where the Company has established its five plants. The wellbeing of the social environment in which Bestway operates is considered an integral part of the Company's success. Our plants are ISO 14001:2004 Environmental Management System (EMS) certified.

The Company ensures that its plants continue to comply with established environmental quality standards at all times. Our plants not only meet the stringent environmental quality standards prescribed by the relevant Environmental Protection Agency (EPA) of Pakistan but also voluntary adherence to the more stringent international emission standards of International Finance Corporation (IFC).

Bestway regularly participates in various environment uplift programmes including tree plantation drives and quarry rehabilitation initiatives. Comprehensive quarry rehabilitation plan is being implemented Company-wide to gradually restore the consumed portions of the quarries.

Bestway Cement ardently supports WWF Pakistan. Your Company has been praised and endorsed for its efforts in reducing the carbon footprint while working towards conservation and protection of environment. It is one of the very few companies in Pakistan which has been certified as a Green Office by WWF Pakistan.

Water Conservation

Your Company is now the leader in water conservation after installation of Air-Cooled Condenser Systems, the first and only one in the Cement industry, instead of the conventional water-cooled system which has enabled reduction of about 80% of industrial water requirements.

Rainwater harvesting has been a key area of focus and your Company has made huge strides in not only improving the existing rainwater harvesting ponds significantly but also setting up new ones. You would be pleased to learn that 100% of industrial water requirement at our Chakwal, Kallar Kahar and Mianwali plants are being fulfilled through rainwater harvesting.



Alternative Energy Initiatives

Cement manufacturing is an energy-intensive process. Power represents one of the largest costs of production. Persistent power crisis in the country and a desire to shift to green and renewable energy necessitated a shift from conventional fossil fuels to alternate energy solutions. Your Company meets a significant part of its energy requirement through green and renewable sources making it the leader in adopting green and renewable energy in Pakistan's industrial sector.



Corporate Social Responsibility

Bestway invests in its operations for long term and appreciates that it has a special responsibility towards the local communities. The Company takes pride in its proactive development and welfare of the under-privileged through activities such as improving access to health services, education, vocational trainings, environmental conservation programmes, and helping create jobs and local employment. Your Company conducts its corporate social responsibility activities mainly through its charitable trust, Bestway Foundation.

During the year under review, your Company spent more than Rs. 500 million on various CSR initiatives making it one of largest corporates in the country in terms of CSR spend.

Education

In line with our commitment to provide quality education to the underprivileged, Bestway has been actively involved in operating schools and that cater to the needs of these communities.

Bestway is currently operating five schools near its plants and a college for girls in Gujar Khan. As at reporting date, there are 1,661 students (including 848 girls), who are being provided superior education by experienced teachers at its locations at a token fee.



National & International Scholarships

Higher education is essential for building a strong and vibrant society, whereas many talented and well deserving youth is unable to continue their education due to lack of sufficient financial resources. In keeping with its resolve to support the deserving students, your Company through its philanthropic arm Bestway Foundation has established Scholarship Endowment Funds amounting to Rs 72.5 million with two leading universities for the benefit of financially challenged students enrolled at the University's undergraduate programs. The scholarships are given to 36 Student Beneficiaries, primarily covering their fee expenses every year.

Apart from the above, numerous other national and international scholarships, including 16 fully funded scholarships in the Oxford University, University of Bradford and University of Kent in the UK, are provided by Bestway to a large number of financially constrained talented students.

Health

In the areas of basic health, free medical facilities are provided to thousands of patients in the local community through all five medical centres located at Bestway's factory premises. During the year under review nearly 65,633 patients benefitted from those medical centres.



Financial Assistance

Bestway also provides regular financial assistance to nearly 464 widows and indigents in its local communities in the form of monthly stipends.

Job Creation for Local Community

Your Company has introduced hundreds of jobs for skilled and unskilled local individuals in and around its factory premises. Employment opportunities have been created in the upstream and downstream activities. Employment generation not only improves the buying power of the local population but also gives them a fair opportunity to improve their standard of living.

Disaster Management & Rehabilitation

Your Company always contributes generously towards disaster management and in aiding the efforts of relief, rehabilitation and reconstruction in the aftermath of natural disasters.

Holding Company

The Company is a subsidiary of Bestway International Holdings Limited (BIHL), which is a wholly owned subsidiary of Bestway Group Limited (BGL). Both BIHL and BGL are incorporated in Guernsey. Therefore, all subsidiaries and associated undertakings of the BGL are related parties of the Company.

Future Outlook

Pakistan is still in the midst of significant economic and political challenges. Persistently high inflation, very high interest rates and depleted foreign exchange reserves have significantly impacted the economic growth. Political and economic stability is needed to get the country out of crisis and to pave the way for future growth.

The new agreement with IMF along with restructuring of loans with friendly countries will provide stability in the short term. However, long term planning, financial discipline and structural reforms are needed to get the economy back on track. Consumer confidence will take a while to return and economic recovery is expected to remain subdued in the short term.

Unreasonably high taxation, persistent inflation, currency depreciation, high interest rates, unfriendly business environment and political uncertainty will continue to bear down on the cement industry and cement manufacturers are finding it difficult to pass on any increase in costs which may impact the profit margins.

Border issues with Afghanistan have massively dented exports of cement from the North and this situation is likely to persist until a long-term solution is agreed.

Bestway is one of the lowest cost-producers in the country, which means that it is better placed to face off any headwinds as compared to most of its competitors. Your management is always cognisant of the challenges that might lie ahead and will continue to proactively adapt in order to ensure optimum performance by your Company and superior returns for its shareholders.



A statement of the pattern of shareholding in the Company as at 30 June 2024 is in subsequent pages.

Composition of the Board

The Board comprises of 09 directors as follows:

- Male 8
- Female 1

The composition of the Board is as follows:

- Independent Directors
 - i) Ms. Fouzia Ahmad
 - ii) Mr. Syed Asif Shah
 - iii) Mr. Tariq Rashid
- Other Non-executive Directors
 - i) Sir. Mohammed Anwar Pervez - (Chairman)
 - ii) Mr. Mohammed Younus Sheikh
 - iii) Mr. Dawood Pervez
 - iv) Mr. Haider Zameer Choudrey
- Executive Directors
 - i) Lord Zameer Mohammed Choudrey
 - ii) Mr. Muhammad Irfan A. Sheikh

Committees of the Board

- Audit Committee
 - i) Mr. Tariq Rashid- (Chairman)
 - ii) Mr. Syed Asif Shah
 - iii) Mr. Haider Zameer Choudrey
- HR and Remuneration Committee
 - i) Mrs. Fouzia Ahmed (Chairperson)
 - ii) Lord Zameer Mohammed Choudrey (Chairman)
 - iii) Mr. Muhammad Irfan A. Sheikh
- Nomination Committee
 - i) Lord Zameer Mohammed Choudrey (Chairman)
 - ii) Mr. Muhammad Irfan A. Sheikh
 - iii) Mr. Haider Zameer Choudrey
- Risk Management Committee
 - i) Lord Zameer Mohammed Choudrey (Chairman)
 - ii) Mr. Muhammad Irfan Anwar Sheikh
 - iii) Mr. Haider Zameer Choudrey

Auditors

The present auditors, A. F. Ferguson & Co., Chartered Accountants retire at the conclusion of the meeting and being eligible, have offered themselves for reappointment. The Audit Committee of the Company having considered the matter, recommend the retiring auditors for reappointment.

Acknowledgements

The Directors wish to place on record their appreciation for the continued support, contribution and confidence demonstrated in the Company by its shareholders, members of staff, customers, suppliers, our Bankers particularly, Allied Bank Limited, Habib Bank Limited, Meezan Bank Limited, MCB Bank Limited, United Bank Limited, Askari Bank Limited, Soneri Bank Limited, Bank Alfalah Limited, Bank Islami Pakistan Limited, Faysal Bank Limited, Dubai Islamic Bank Pakistan Limited, MCB Islamic, Habib Metropolitan, National Bank of Pakistan, Citibank, Bank of Khyber, Bank of Khyber Islamic, Bank of Punjab and various government agencies throughout the year.

For and on behalf of the Board



Lord Zameer M. Choudrey
Chief Executive



Muhammad Irfan A. Sheikh
Managing Director

Islamabad
31 July 2024

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of the Company is appointed by the Board, and comprises of three (3) non-executive directors, out of which one is independent, and, is also the Chairperson of the Committee.

All the Committee members are financially literate and the Committee as a whole possesses significant economic, financial and business acumen.

Name of the Audit Committee members are as follows:

- Mr. Tariq Rashid (Chairperson)
- Mr. Haider Zameer Choudrey (Member)
- Mr. Syed Asif Shah (Member)

The Head of Internal Audit, who is also Secretary to the Committee, attends all Audit Committee meetings. The Chief Executive Officer (CEO), Managing Director (MD) and Chief Financial Officer (CFO), attend Audit Committee meetings by invitation. During the year four (4) audit committee meetings were held, out of which two (2) were also attended by the External auditors of the Company.

Terms of References of the Audit Committee

The role of the Audit Committee in the context of the Board's broader governance framework is to oversee:

- The integrity of Company's financial statements;
- The appointment, remuneration, qualification, independence and performance of External Auditors;
- Risk management and internal control arrangements;
- The performance of Internal audit function;
- Compliance with legal and regulatory requirements;
- Compliance by management with constraints imposed by Board;

Financial Statements

The Audit Committee has concluded its review of the conduct and operations of the Company during the year ended June 30, 2024, and reports that:

- The Audit Committee reviewed the quarterly, half yearly and annual financial statements of the Company and recommended them for approval of the Board of Directors. It has also reviewed preliminary announcements of results prior to publication.
- The preparation of Financial Statements is in conformity with International Financial Reporting Standards as applicable in Pakistan and requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments were continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under current circumstances.
- Appropriate accounting policies have been consistently applied. Applicable International Financial Reporting Standards were followed in preparation of financial statements of the Company on a going concern basis, for the financial year ended 30 June, 2024, which present fairly the state of affairs, results of operations, profits, cash flows and changes in equity of the Company for the year under review.
- The CEO and the CFO have endorsed the Financial Statements and Directors' Report. They acknowledge their responsibility for true and fair presentation of the Company's financial condition and results, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the Company.
- Proper and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017, provisions of and directives issued under the Act. The financial statements comply with the requirements of the Fourth Schedule of the Companies Act, 2017 and the external reporting is consistent with management processes and adequate for shareholder needs.
- The Audit Committee has reviewed all related party transactions and recommended the same for approval of the Board of Directors.
- The Company has issued a "Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019", which has also been reviewed and certified by the external auditors of the Company.

- The Company's code of conduct has been appropriately disseminated across the company. Further, understanding and compliance with Company's code and policies has been affirmed by the management and employees of the Company individually.
- All direct or indirect trading and holdings of Company's shares by directors & executives or their spouses were notified in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction which were notified by the Company Secretary to the Board within the stipulated time. All such holdings have been disclosed in the Pattern of Shareholdings. The Annual Secretarial Compliance Certificates are being filed regularly within stipulated time.
- Closed periods were duly determined and announced by the Company, precluding the Directors, the Chief Executive and executives of the Company from dealing in Company shares, prior to each Board meeting involving announcement of interim / final results, distribution to shareholders or any other business decision, which could materially affect the share market price of Company, along with maintenance of confidentiality of all business information.

Internal Audit

- The internal control framework has been effectively implemented through an independent in-house Internal Audit function established by the Board which is independent of the External Audit function.
- The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and adequacy.
- The Internal Audit Department carried out independent audits in accordance with an internal audit plan which was approved by the Board Audit Committee. The Committee has reviewed material Internal Audit findings, taking appropriate action or bringing the matters to the Board's attention where required.
- The Head of Internal Audit has direct access to the Chairman of the Board Audit Committee and the Committee has ensured staffing of personnel with sufficient internal audit acumen and that the function has all necessary access to management and the right to seek information and explanations.
- The progress of Internal audit function was duly discussed during the Board Audit Committee meetings, held during the year, in order to ensure that the Audit Function effectively performed its assigned task.
- Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.
- The Audit Committee has ensured the achievement of operational, compliance, risk management, financial reporting and control objectives, safeguarding of the assets of the Company and the shareholders wealth at **all** levels within the Company.
- The Committee regularly reviews the mechanism for employees and management to report concerns to the Audit Committee and ensures that any allegations are scrutinized seriously.

External Audit

- The statutory Auditors of the Company, M/s A.F. Ferguson & Co., Chartered Accountants, have completed their Audit assignment of the Company's financial Statements and the Statement of Compliance with the Code of Corporate Governance for the financial year ended 30 June, 2024, and shall retire on the conclusion of the 31st Annual General Meeting.
- The Audit Committee has reviewed and discussed all key audit matters and other issues identified during the external audit with the External Auditors and management, along with the methods used to address the same.
- The Auditors have been allowed direct access to the Committee and the effectiveness, independence and objectivity of the Auditors has thereby been ensured. The Auditors attended the General Meeting of the Company during the year and have indicated their willingness to continue as Auditors.
- The Audit Committee has recommended the reappointment of M/s A.F. Ferguson & Co., Chartered Accountants, as External Auditors of the Company for the year ending 30 June 2025.
- M/s. A.F. Ferguson & Co. Chartered Accountants has been given satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP). The Firm has no financial or other relationship of any kind with the Company except that of External Auditors.



Mr. Tariq Rashid
Chairperson, Board Audit Committee

02 August 2024
Islamabad

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of company: Bestway Cement Limited
Year ended: June 30, 2024

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are nine (9) as per the following:
 - a) Male: Eight (8)
 - b) Female: One (1)
2. The composition of the Board is as follows:
 - i) Independent directors
 1. Ms. Fauzia Ahmad
 2. Mr. Tariq Rashid
 3. Mr. Syed Asif Shah
 - ii) Non-executive directors
 1. Sir Mohammed Anwar Pervez (Chairman)
 2. Mr. Mohammed Younus Sheikh
 3. Mr. Dawood Pervez
 4. Mr. Haider Zameer Choudrey
 - iii) Executive directors
 1. Lord Zameer Choudrey
 2. Mr. Muhammad Irfan Anwar Sheikh
 - iv) Female directors
 1. Ms. Fauzia Ahmad
3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
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. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the 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 complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Out of nine directors, two directors meet the exemption requirement of the Directors' Training Program and seven directors have obtained the Directors' Training Program certification in prior years;
10. The Board has approved appointment of chief financial officer, 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. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

12. The Board has formed committees comprising of members given below:-
 - a) Audit Committee
 - i) Mr. Tariq Rashid (Chairman)
 - ii) Mr. Syed Asif Shah
 - iii) Mr. Haider Zameer Choudrey
 - b) HR and Remuneration Committee
 - i) Ms. Fauzia Ahmad (Chairperson)
 - ii) Mr. Zameer Muhammad Chauhdary
 - iii) Mr. Muhammad Irfan Anwar Sheikh
 - c) Nomination Committee
 - i) Mr. Zameer Muhammad Chauhdary (Chairman)
 - ii) Mr. Haider Zameer Choudrey
 - iii) Mr. Muhammad Irfan Anwar Sheikh
 - d) Risk Management Committee
 - i) Mr. Zameer Muhammad Chauhdary (Chairman)
 - ii) Mr. Haider Zameer Choudrey
 - iii) Mr. Muhammad Irfan Anwar Sheikh
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 – quarterly;
 - b) HR and Remuneration Committee – on required basis;
 - c) Nomination Committee – on required basis
 - d) Risk Management Committee – on required basis
15. The Board has set up an effective internal audit function;
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 Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
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 requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr. No.	Requirement	Explanation	Regulation No.
1	Disclosure of significant policies on website	The requirement to disclose significant policies on the website is non-mandatory in regulation No. 35(1), and thus the Company has uploaded limited information in this respect on its website. The Company is however, considering placing key elements of other policies on its website.	35
2	Role of board and its members to address Sustainability Risks and Opportunities	During the year, the Securities and Exchange Commission of Pakistan issued certain amendments (in relation to Regulation 10) of the Listed Companies (Code of Corporate Governance) Regulations, 2019 through its notification dated June 12, 2024. Currently, the management is assessing these amendments and compliance thereof, as applicable, will be performed in due course of time.	10A



Sir Mohammed Anwar Pervez, OBE H Pk
Chairman

CSR AND ORGANIZATIONAL ACTIVITIES

Bestway Foundation School, Tatal Awards its top positions of SSC Part I Exams 2022

A prestigious ceremony was held at Bestway Foundation School, Tatal to celebrate excellent performance of the School's students in the SSC Part I Annual Examination 2022 held under Board of Intermediate and Secondary Education, Rawalpindi and to recognise the invaluable contribution of the teachers in achieving such remarkable result.

The ceremony was attended by the guest of honour, Mr. Irfan Sheikh, (Trustee of Bestway Foundation and the Managing Director of Bestway Cement Limited), Dr Zeeshan Hanif (Deputy Commissioner, Chakwal), Mr. Ashir Iqbal Khan (Assistant Deputy Commissioner (G)), Mr. Iftikhar Ahmed Ali (Chief Officer District Council), Raja Haider Abbas (Asst. Commissioner (Choa Saiden Shah)) along with local notables and parents of the students.

Speaking on the occasion, the guest of honour, Mr. Irfan Sheikh, said "Education is essential for building a strong and vibrant society. Children are our future, not only for their families but also our country. Our aim must be to produce such productive and responsible citizens who are intellectually, socially and morally well equipped to take up today's challenges. Teachers' role is not limited to just educating children but to be exemplary role models for them also. Children's character-building is a collective responsibility of parents, teachers and the society at large".



Environment Day and Plantation Drive

Committed to a greener tomorrow, this Environment Day (June 5), our Bestway Foundation Schools came together to make a difference! With the participation of both students and teachers, we engaged in recycling drives, created stunning awareness paintings and planted new trees. Company has also donated saplings to government departments and continues planation within and surrounding premises of plants.



Women's Day

This International Women's Day, Bestway proudly embraced the theme of accelerating gender equality through economic empowerment.

We were excited and honoured to present "Nurah" the first Shariah compliant handmade doll, to all the incredible women at Bestway.

"Nurah", the partially blind doll is crafted by a group of PWDs (persons with disabilities), stands as a symbol of Illumination, Strength, Uniqueness, Sustainability, Empowerment and Resilience. Handcrafted by a group of remarkable individuals who, despite facing challenges, have come together to create something beautiful as their contribution towards the society and economy.

Female staff at Bestway Cement Plants and Teachers from Bestway Foundation Schools at Chakwal, Kallar Kahar, Hattar and Farooqia participated in the events to rejoice the theme of IWD2024: "Accelerating Gender Equality Through Economic Empowerment"



Sports and Recreational Activities

Over the past year, our team at Bestway has come together in various exciting employee engagement activities, encouraging building teams and collaboration. From the thrilling matches of the Bestway Super League 2024 at our Chakwal Plant to the rejuvenating Hiking adventure in Margalla Hills; we've enjoyed countless moments of connection and fun. Our Ramadan Iftar Dinner at Café 1969 was a beautiful evening of reflection of togetherness. Here's to many more shared experiences and lasting memories!





INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Bestway Cement Limited

Review Report 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 Bestway Cement Limited (the Company) for the year ended June 30, 2024 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.

Based on our review, 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 requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

Chartered Accountants
Islamabad

Date: August 7, 2024

UDIN: CR202410050j3txYhOIQ



INDEPENDENT AUDITOR'S REPORT

To the members of Bestway Cement Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Bestway Cement Limited (the Company), which comprise the statement of financial position as at 30 June 2024, and the statement of profit or loss, the statement of profit or loss and other 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 material accounting policy information 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, the statement of financial position, statement of profit or loss, the statement of profit or loss and other 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 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for 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 opinion.

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.



Following are the Key audit matters:

S. Key audit matters	How the matter was addressed in our audit
<p>No.</p> <p>(i) Revenue recognition</p> <p>(Refer notes 4.9 and 28 to the financial statements)</p>	<p>Our audit procedures in relation to the matter, amongst others, included:</p>
<p>The Company is engaged in the production and sale of cement in the local and export market. Revenue is recognised when performance obligation is satisfied by transferring control of promised goods to the customers.</p>	<ul style="list-style-type: none"> • Performed testing of sample of revenue transactions with underlying documentation including dispatch documents and sales invoices; • Performed cut-off procedures on sample basis to assess whether revenue was recognised in the correct period; • Checked on a sample basis, approval of sales prices by the appropriate authority; • Performed recalculation of rebates, and discounts as per Company's policy on test basis; • Performed analytical procedures to analyse variation in the price and quantity sold during the year; • Tested journal entries relating to revenue recognised during the year based on identified risk criteria; and • Assessed the adequacy of disclosures made in the financial statements related to revenue in accordance with the applicable accounting and reporting standards.
<p>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.</p>	

Information Other than the Financial Statements and Auditor's 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 auditor's 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 nothing to report in this regard.

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, 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, the statement of profit or loss and other 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) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Imtiaz Aslam.

A. F. Ferguson & Co
Chartered Accountants
Islamabad

Date: August 7, 2024

UDIN: AR202410050yIGU5SRWH



FINANCIAL STATEMENTS

BESTWAY CEMENT LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
EQUITY			
Share capital and reserves			
Share capital	6	5,962,528	5,962,528
Capital reserves	7	10,171,967	8,457,184
Revenue reserves	8	46,925,483	47,425,904
		63,059,978	61,845,616
LIABILITIES			
Non-current liabilities			
Long term financing	9	40,682,768	46,338,481
Deferred income - Government grant	10	1,785,412	2,220,086
Deferred tax liability - net	11	24,058,434	20,139,187
Employee benefit obligations	12	26,884	23,237
		66,553,498	68,720,991
Current liabilities			
Trade and other payables	13	15,718,864	14,283,436
Short-term borrowings	14	12,885,088	23,292,867
Current portion of long term financing	9	8,770,992	6,452,450
Current portion of deferred income - Government grant	10	445,393	476,819
Unclaimed dividend		35,491	67,497
Unpaid dividend	15	440,144	-
		38,295,972	44,573,069
Total liabilities		104,849,470	113,294,060
Total equity and liabilities		167,909,448	175,139,676

CONTINGENCIES AND COMMITMENTS

16

The annexed notes 1 to 46 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
ASSETS			
Non-current assets			
Property, plant and equipment	17	113,482,291	115,529,367
Intangible assets and goodwill	18	7,233,120	7,315,560
Investment property	19	225,601	222,970
Long term investments	20	20,025,219	16,066,117
Long term deposits		115,882	130,967
		141,082,113	139,264,981
Current assets			
Stores, spare parts and loose tools		12,515,986	14,015,052
Stock in trade	21	5,647,036	7,307,109
Trade debts	22	1,970,886	1,210,836
Advances	23	883,314	1,889,929
Deposits and prepayments	24	81,078	50,270
Other receivables	25	61,900	1,176,57
Advance tax - net		4,106,063	4,152,878
Short term investments	26	-	4,885,660
Cash and bank balances	27	1,561,072	1,186,388
		26,827,335	35,874,695
Total assets		167,909,448	175,139,676



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2024

		2024	2023
	Note	(Rupees '000)	(Rupees '000)
Gross turnover	28	145,584,979	120,181,315
Less: rebates and discounts		(3,588,867)	(2,222,387)
Less: sales tax and excise duty		(38,073,849)	(30,217,116)
Net turnover		103,922,263	87,741,812
Cost of sales	29	(71,695,037)	(60,425,675)
Gross profit		32,227,226	27,316,137
Selling and distribution expenses	30	(1,333,621)	(987,729)
Administrative expenses	31	(1,522,064)	(996,084)
Other operating expenses	32	(1,147,928)	(1,006,892)
Operating profit		28,223,613	24,325,432
Other income - net	33	662,682	1,382,987
Finance cost	34	(11,212,392)	(6,828,004)
Share of profit of equity-accounted investees - net of tax	35	4,703,401	3,718,010
Profit before tax		22,377,304	22,598,425
Income tax expense	36	(8,608,729)	(10,706,727)
Profit for the year		13,768,575	11,891,698
Earnings per share - basic and diluted (Rupees)	37	23.09	19.94

The annexed notes 1 to 46 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
Note	(Rupees '000)	(Rupees '000)
Profit for the year	13,768,575	11,891,698
Other comprehensive income / (loss) (OCI):		
Items that will not be subsequently reclassified to profit or loss		
Re-measurement of defined benefit liability	13.5.5 116,953	(61,122)
Related tax	(45,612)	23,122
	71,341	(38,000)
Company's share of equity-accounted investees' OCI		
Re-measurement of defined benefit liability	75,401	86,120
Related tax	(18,850)	(22,403)
	56,551	63,717
Surplus / (deficit) on revaluation of equity investments	66,992	-
Related tax	(16,748)	-
	50,244	-
	178,136	25,717
Items that may be reclassified subsequently to profit or loss		
Company's share of equity-accounted investees' OCI		
Effect of translation of net investment in foreign branches and subsidiaries	(232,831)	2,393,256
Gain reclassified to profit or loss on liquidation of foreign subsidiaries	-	(520,978)
Gain / (loss) from window takaful operations	63	(22)
Surplus / (deficit) on revaluation of debt investment through FVOCI	2,704,073	(1,282,330)
Related tax	(617,826)	(79,976)
	1,853,479	509,950
Other comprehensive income - net of tax	2,031,615	535,667
Total comprehensive income for the year	15,800,190	12,427,365

The annexed notes 1 to 46 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2024

	Capital reserves				Revenue reserves		Total equity		
	Share Capital Issued, subscribed and paid up share capital	Share premium	Exchange translation reserve	Revaluation reserve	Total capital reserves	Statutory reserve		Unappropriated profit	Total revenue reserves
Balance at 01 July 2022	5,962,528	5,381,821	3,470,275	(904,862)	7,947,234	2,835,546	44,012,598	46,848,144	60,757,906
Total comprehensive income	-	-	-	-	-	-	11,891,698	11,891,698	11,891,698
Profit for the year	-	-	-	-	-	-	25,717	25,717	25,717
Other comprehensive income / (loss)	-	-	1,404,208	(894,258)	509,950	-	11,917,415	11,917,415	11,917,415
Total comprehensive income / (loss)	-	-	1,404,208	(894,258)	509,950	-	(355,877)	-	-
Transfer to statutory reserve by equity-accounted investee	-	-	-	-	-	355,877	-	-	-
Transfer from statutory reserve on liquidation of subsidiary by equity-accounted investee	-	-	-	-	-	(10,852)	-	(10,852)	(10,852)
Transactions with owners of the Company	-	-	-	-	-	-	-	-	-
Distributions	-	-	-	-	-	-	-	-	-
Dividend - Final 2022 @ Rs. 4 per share	-	-	-	-	-	-	(2,385,011)	(2,385,011)	(2,385,011)
Dividend - Interim 2023 @ Rs. 4 per share	-	-	-	-	-	-	(2,385,011)	(2,385,011)	(2,385,011)
Dividend - Interim 2023 @ Rs. 6 per share	-	-	-	-	-	-	(3,577,517)	(3,577,517)	(3,577,517)
Dividend - Interim 2023 @ Rs. 5 per share	-	-	-	-	-	-	(2,981,264)	(2,981,264)	(2,981,264)
Total transactions with owners of the Company	-	-	-	-	-	-	(11,328,803)	(11,328,803)	(11,328,803)
Balance at 30 June 2023	5,962,528	5,381,821	4,874,483	(1,799,120)	8,457,184	3,180,571	44,245,333	47,425,904	61,845,616
Balance at 01 July 2023	5,962,528	5,381,821	4,874,483	(1,799,120)	8,457,184	3,180,571	44,245,333	47,425,904	61,845,616
Total comprehensive income	-	-	-	-	-	-	13,768,575	13,768,575	13,768,575
Profit for the year	-	-	-	-	-	-	127,892	127,892	127,892
Other comprehensive income / (loss)	-	-	(174,623)	2,078,346	1,903,723	-	13,896,467	13,896,467	13,896,467
Total comprehensive income / (loss)	-	-	(174,623)	2,078,346	1,903,723	-	(3,849)	(3,849)	(3,849)
Effect of reclassification on adoption of IFRS 09 - ECL by equity accounted investee - net of tax	-	-	-	(192,789)	(192,789)	-	192,789	192,789	192,789
Effect of adoption of IFRS 09 - ECL by equity accounted investee - net of tax	-	-	-	-	-	-	(275,760)	(275,760)	(275,760)
Transfer of net loss on disposal of FVOCI equity investment from surplus to unappropriated profit by equity accounted investee - net of tax	-	-	-	3,849	3,849	-	(3,849)	(3,849)	(3,849)
Transfer to statutory reserve by equity-accounted investee	-	-	-	-	-	455,265	(455,265)	-	-
Transactions with owners of the Company	-	-	-	-	-	-	-	-	-
Distributions	-	-	-	-	-	-	-	-	-
Dividend - Final 2023 @ Rs. 6 per share	-	-	-	-	-	-	(3,577,517)	(3,577,517)	(3,577,517)
Dividend - Interim 2024 @ Rs. 6 per share	-	-	-	-	-	-	(3,577,517)	(3,577,517)	(3,577,517)
Dividend - Interim 2024 @ Rs. 6 per share	-	-	-	-	-	-	(3,577,517)	(3,577,517)	(3,577,517)
Dividend - Interim 2024 @ Rs. 6 per share	-	-	-	-	-	-	(3,577,517)	(3,577,517)	(3,577,517)
Total transactions with owners of the Company	-	-	-	-	-	-	(14,310,068)	(14,310,068)	(14,310,068)
Balance at 30 June 2024	5,962,528	5,381,821	4,699,860	90,286	10,171,967	3,635,836	43,289,647	46,925,483	63,059,978

The annexed notes 1 to 46 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED
STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		22,377,304	22,598,425
Adjustments for:			
Gain on disposal of property, plant and equipment	33	(55,155)	(110,693)
Depreciation	17.1.5	5,813,764	3,840,351
Amortisation	18.4	130,480	130,989
Provision for slow moving stock	21.1	(1,105)	(3,793)
Rental income	33	(34,362)	(31,985)
Profit on deposit accounts	33	(8,072)	(3,481)
Share of profit of equity-accounted investees, net of tax	35	(4,703,401)	(3,718,010)
Bad debts written off	30	3,031	651
Fair value gain on remeasurement of investment property	33	(2,631)	(25,876)
Interest expense on land compensation	32	14,070	14,031
Finance cost	34	11,212,392	6,828,004
Finance Income	33	(51,565)	(1,252,007)
Provision for employee retirement benefits		209,490	147,525
		12,526,936	5,815,706
		34,904,240	28,414,131
Changes in working capital:			
Decrease / (increase) in stores, spare parts and loose tools		1,499,068	(1,724,515)
Decrease / (increase) in stock in trade		1,661,178	(2,865,810)
(Increase) in trade debts		(763,081)	(295,521)
Decrease / (Increase) in advances		1,006,615	(973,179)
(Increase) / decrease in deposits and prepayments		(30,807)	26,274
Decrease in other receivables		1,114,673	1,519,978
Increase / (decrease) in trade and other payables		1,563,081	(1,788,317)
		6,050,727	(6,101,090)
Cash generated from operating activities		40,954,967	22,313,041
Long term deposits		15,085	(511)
Finance cost paid		(11,321,422)	(6,071,250)
Employee retirement benefits paid		-	(211)
Income tax paid		(5,249,783)	(5,941,648)
Net cash generated from operating activities		24,398,847	10,299,421



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

Note	2024 <u>(Rupees '000)</u>	2023 <u>(Rupees '000)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(4,110,727)	(32,675,982)
Proceeds from sale of property, plant and equipment	399,194	1,080,382
Rent received from investment property	38,228	33,218
Acquisition of intangible assets	(48,040)	-
Short term investments	4,759,885	(4,759,885)
Profit received on deposit accounts	185,411	1,129,713
Increase in investment in associate	(1,245,717)	-
Dividends received	4,236,033	2,626,276
Net cash generated from / (used in) investing activities	4,214,267	(32,566,278)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of financing	(9,112,543)	(20,110,487)
Proceeds from financing	3,095,000	47,904,211
Dividends paid	(13,901,930)	(14,619,261)
Net cash (used in) / generated from financing activities	(19,919,473)	13,174,463
Net increase / (decrease) in cash and cash equivalents	8,693,641	(9,092,394)
Cash and cash equivalents at beginning of the year	(16,891,169)	(7,798,775)
Cash and cash equivalents at end of the year	(8,197,528)	(16,891,169)

The annexed notes 1 to 46 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1 CORPORATE AND GENERAL INFORMATION

Bestway Cement Limited ("the Company") is a public limited company incorporated in Pakistan on 22 December 1993 under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017 on 30 May 2017) and its shares are quoted on the Pakistan Stock Exchange Limited since 09 April 2001. The Company is principally engaged in production and sale of cement.

The Company is a subsidiary of Bestway International Holdings Limited (BIHL), which holds 56.43% shares in the Company. BIHL is a wholly owned subsidiary of Bestway Group Limited (BGL), ("the ultimate parent company"). Both BIHL and BGL are incorporated in Guernsey.

Registered office of the Company is situated at Bestway Building, 19-A, College Road, F-7 Markaz, Islamabad, Pakistan. The Company's cement manufacturing plants are located at Hattar, Farooqia, Chakwal, Kallar Kahar and Mianwali. Its sales head office is located at House 276, near Riphah University, Peshawar Road, Rawalpindi, Pakistan, with its other regional sales offices located in Lahore, Peshawar, Multan and Rawalpindi. The Company's procurement office is located at UBL Building, Jinnah Avenue, Islamabad, Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Accounting Standards), 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 Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The applicable financial reporting framework for equity-accounted investees also include Banking Companies Ordinance, 1962, Insurance Ordinance, 2001, Islamic Financial Accounting Standards (IFAS) and underlying Rules and Directives issued by the Securities and Exchange Commission of Pakistan and State Bank of Pakistan.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost convention except for the following items, which are measured on the following basis annually on each reporting date.

Item	Measurement basis
Investment property	Fair value
Net defined benefit liability	Present value of the defined benefit obligation determined through actuarial valuation

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees (PKR or Rupee) which is the Company's functional and presentation currency. All amounts have been rounded off to the nearest thousand, unless otherwise stated.

2.4 Use of judgments and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

Notes 4.2, 11 and 36	Recognition of deferred tax and estimation of income tax provisions
Notes 4.17 and 13.5	Measurement of defined benefit obligation
Notes 4.3, 4.4 and 16	Estimation of provisions and contingent liabilities
Notes 4.5 and 17	Useful lives, residual values and depreciation method of property, plant and equipment
Notes 4.6 and 18	Useful lives, residual values and amortization method of intangible assets
Notes 4.13 and 18.3	Impairment of non-financial assets including goodwill
Notes 4.12 and 41	Impairment of financial assets
Notes 4.7, 4.8 and 21	Provision for stores and spares and stock in trade

3 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO THE APPROVED ACCOUNTING STANDARDS

- 3.1** There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2023. However, these do not have any significant impact on the Company's financial statements except as disclosed in note 4 to these financial statements.
- 3.2** Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of Financial Statements (Amendments)	January 1, 2024
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2024
IFRS 16	Leases (Amendments)	January 1, 2024
IAS 21	The Effects of changes in Foreign Exchange Rates (Amendments)	January 1, 2025
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS 17	Insurance Contracts	January 1, 2026
IFRS 9	Financial Instruments – Classification and Measurement of Financial Instruments (Amendments)	January 1, 2026

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

3.3 The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

3.4 Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at 30 June 2024;

IFRS 1 First-time Adoption of International Financial Reporting Standards

IFRIC 12 Service Concession Arrangement

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 19 Subsidiaries without Public Accountability: Disclosures

4 MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted disclosure of Accounting Policies (Amendments to IAS 1 and IFRS practice statements 2 'Making Materiality Judgments') from 01 July, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements.

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Investments in associates:

Associates are those entities in which the Company has significant influence, but not control over the financial and operating policies.

Investments in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Company's share of the profit or loss and other comprehensive income of equity-accounted investee, until the date on which significant influence ceases. Dividends received / receivable from associate are recognised as a reduction in the carrying amount of the investment.

An increase in investor's interest in an existing associate while retaining significant influence over the associate is accounted for under the cost accumulation approach. Any difference between the cost of the additional interest and its additional share in the net fair value of the associate's identifiable assets and liabilities, at the date of purchasing the additional interest, is recognized as goodwill or bargain purchase. In case of bargain purchase, the previously recognized goodwill will be reduced by the amount of the bargain purchase and if the amount of bargain purchase is higher than the previously recognized goodwill, then the excess would be recognised in the statement of profit or loss. All transaction costs are capitalised.

The Company reviews the carrying amount of the investment and its recoverability to determine whether there is an indication that such investment has suffered an impairment loss. If there is objective evidence of impairment that has an impact on the estimated future cash flow, the carrying amount of the investment is adjusted to the extent of impairment loss. Impairment losses are recognised as an expense in the statement of profit or loss.

4.2 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in OCI.

Current tax: Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

income taxes, if any. It is measured on the basis of tax laws enacted or substantially enacted at the reporting date and the decision of appellate authorities on certain cases issued in the past. Current tax also includes any tax arising from dividends.

Deferred tax: Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for the Company and the timing of reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this assumption.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and these relates to the same tax authority. Current tax assets and liabilities are offset as the Company has a legally enforceable right to offset and intends to settle on a net basis or to realize the asset and settle the liability simultaneously. The calculation of deferred tax involves an estimate of future ratio of export and local sales considering the current trends and future expectations.

4.3 Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessment of time value of money and risk specific to the liability. The unwinding of discount is recognised as finance cost.

4.4 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

4.5 Property, plant and equipment

Recognition and measurement: Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses. Freehold land and capital work in progress are stated at cost less any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. An item of property, plant and equipment is derecognized upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and its carrying amount and is recognised in profit or loss.

Subsequent expenditure: Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation: Depreciation is calculated to write off the cost of items of property, plant and equipment less their residual values using the reducing balance method, except leasehold land, buildings and plant and machinery which are depreciated on a straight-line basis. Depreciation is recognised in profit or loss. Leased assets are depreciated over the shorter of the leased term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated. Rates of depreciation/estimated useful lives are mentioned in note 17.1.1. Depreciation is charged on prorata basis from the month in which an asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed off. Days in excess of fifteen days are considered as full month for the purpose of calculation of depreciation. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

4.6 Intangible assets and goodwill

Recognition and measurement

Goodwill: Goodwill arising on acquisition is measured at cost less accumulated impairment losses.

Other intangible assets: Other intangible assets having finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure: Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortization: Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss. Goodwill is not amortized. The estimated useful lives of intangible assets are given in note 18.1. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

4.7 Stores, spare parts and loose tools

Stores, spare parts and loose tools are valued at lower of weighted average cost and net realizable value. Cost is calculated using the weighted average method and comprises of direct material and other overheads. For items which are slow moving and/or identified as surplus to the Company's requirements, adequate provision is made for any excess book value over estimated net realizable value. The Company reviews the carrying amount of stores, spare parts and loose tools on a regular basis and provision is made for obsolescence.

4.8 Stock in trade

Stock of raw materials, work in process and finished goods are valued at the lower of cost and net realizable value. Cost is calculated using the weighted average method and comprises of direct material, direct labor and appropriate manufacturing overheads. Net realizable value signifies estimated selling price less estimated cost of completion and estimated cost to sell. The Company reviews the carrying amount of stock in trade on a regular basis and provision is made for obsolescence. The closing stock of certain items may require adjustment on the basis of physical count at each period end which involves estimation of volume and density of stock and stores.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

4.9 Revenue

Revenue is recognised when performance obligation is satisfied by transferring control of promised goods or service to the customer. The control is transferred at the time of dispatch of cement from the plants and / or delivery at a specified location depending on the arrangement with the customers. Revenue is measured at transaction price, excluding discounts, rebates and government levies. The credit term does not include any financing component.

4.10 Finance income and finance costs

The Company's finance income and finance costs include interest income, interest expense, foreign currency gain or loss on monetary assets and liabilities. Interest income or expense is recognised using the effective interest method.

General and specific borrowing costs directly attributable to the acquisition, construction and production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

4.11 Financial instruments

Financial assets

Classification: The Company classifies its financial assets in the following measurement categories:

- Amortized cost
- Fair value through profit or loss (FVTPL); and
- Fair value through other comprehensive income (FVTOCI)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition: Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Further, financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement: At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

Debt instruments: Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company can classify its debt instruments:

- **Amortized cost:** Financial assets that are held for collection of contractual cash flows where the contractual terms of the financial assets give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at amortized cost. Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Company's financial assets at amortized cost include deposits, trade debts, advances, short term investments, other receivables and cash and bank balances.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

- **FVTOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses or reversals, interest income, and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit or loss.
- **FVTPL:** Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss in the period in which it arises.

Equity instruments: All equity instruments at fair value are subsequently measured at FVTPL except where the Company's management has irrevocably elected to present fair value gains and losses on equity investments in OCI. In such case, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Financial liabilities

Financial liabilities are classified in the following categories:

- Financial liabilities at fair value through profit or loss; and
- Financial liabilities at amortized cost.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in case of financial liabilities at amortized cost also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

FVTPL: Financial liabilities at FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at FVTPL. The Company has not designated any financial liability upon recognition as being at FVTPL.

Financial liabilities at amortized cost: After initial recognition, financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognised in profit or loss for the year, when the liabilities are derecognised as well as through effective interest rate amortization process.

The Company derecognizes financial liabilities when and only when the Company's obligations are discharged, cancelled or they expire.

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

4.12 Impairment of financial asset

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade debts, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at amortised cost (other than trade debts) and FVTOCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when internal and external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

4.13 Impairment of non-financial assets

Non-financial assets that have an indefinite useful life are not subject to depreciation / amortization and are tested annually for impairment. Assets that are subject to depreciation / amortization are reviewed for impairment at each statement of financial position date, or wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised for the amount for which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows i.e. Cash Generating Unit (CGU). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each statement of financial position date. Reversals of the impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no new impairment loss had been recognised. An impairment loss or reversal of impairment loss is recognised in profit or loss for the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

4.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Short term finance facilities availed by the Company, which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of statement of cash flows.

4.15 Government grants

Government grants are transfers of resources to the Company by a government entity in return for compliance with certain past or future conditions related to the Company's operating activities.

Grants that compensate the Company for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

A loan is initially recognized and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - e.g., the present value of the expected future cash flows discounted at a market-related interest rate. The benefit that is the government grant is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

4.16 Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade debts

A trade debt represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities / Advances from customers

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

4.17 Employee benefits

Short-term employee benefits: Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined benefit plans: The Company operates the following defined benefit plans:

- (a) **Gratuity:** A separate Employees' Gratuity Fund, established through a registered trust deed. The calculation of defined benefit obligations in respect of gratuity is performed annually by a qualified actuary using the Projected Unit Credit (PUC) method. The latest actuarial valuation of the plan was carried out as at 30 June 2024. The Company's net liability in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of plan assets.

Re-measurement of the net defined benefit liability, which comprises actuarial gains and losses, are recognised immediately in other comprehensive income (OCI). The Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefits payments. Net interest expense and other expenses related to defined benefit plan is recognised in profit or loss. The actuarial assumptions used in the valuation of gratuity plan are disclosed in note 13.5.

- (b) **Un-availed leaves:** The Company recognizes provision for un-availed leaves on an undiscounted basis as the impact of discounting is not material and are expensed as the related services are provided. A liability is recognised for the amount expected to be paid under un-availed leaves if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. The un-availed leaves are payable to employees at the time of retirement/termination of service. The provision is determined on the basis of last drawn salary and accumulated leaves balance at the reporting date.

5 SUMMARY OF OTHER ACCOUNTING POLICIES

Other than material accounting policies applied in the preparation of these financial statements are set out below for ease of user's understanding of these financial statements. These policies have been applied consistently for all periods presented, unless otherwise stated.

5.1 Business combinations

The Company accounts for business combination using the acquisition method when control is transferred to the Company. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Any contingent gain is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

5.2 Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. The fair value of investment property is determined at the end of each year using current market prices for comparable properties adjusted for any differences in nature, location and condition. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. A property is transferred to, or from, investment property when there is a change in use. Change in use includes commencement of owner-occupation or development with a view to owner-occupation, for a transfer from investment property to owner-occupied property. Conversely, end of owner-occupation is accounted for as a transfer from owner-occupied property to investment property.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

5.3 Foreign currency

Transactions in foreign currency are translated into Pak Rupee at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupee at the exchange rate at the reporting date. Foreign currency differences are recognised in profit or loss.

5.4 Leases

The Company assesses whether a contract is a lease based on whether the contract conveys the right to control the use of an underlying asset for a period of time in exchange for consideration.

(i) Company as a lessee

Right of use asset: The Company assesses whether a contract is or contains a lease at the inception of the contract. The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises 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 incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Where the Company determines that the lease term of identified lease contracts is short term in nature i.e. with a lease term of twelve months or less at the commencement date, right of use assets is not recognised and payments made in respect of these leases are expensed in the statement of profit or loss.

Lease liability: The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments in the measurement of the lease liability comprise the following:

- a. Fixed payments, including in-substance fixed payments;
- b. Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- c. Amounts expected to be payable under a residual value guarantee; and
- d. the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a 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.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

Variable lease payments are recognised in the profit or loss in the period in which the condition that triggers those payments occurs.

(ii) Company as a lessor

As a lessor, the Company determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

5.5 Other income

Rental income from investment property: Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as integral part of the total rental income, over the term of the lease.

Income on investments: Income on investments at amortized cost and bank deposits are recognised on time proportion basis using the effective yield method.

5.6 Share capital and dividend

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any. Dividend distribution to the shareholders is recognised as a liability in the period in which dividends are approved.

6 SHARE CAPITAL

Authorised share capital

700,000,000 (2023: 700,000,000)
ordinary shares of Rs. 10 each

Issued, subscribed and paid up share capital

				2024	2023
				(Rupees '000)	(Rupees '000)
				7,000,000	7,000,000
2024	2023				
Number of shares					
514,163,552	514,163,552	Ordinary shares of Rs. 10 each issued for cash		5,141,636	5,141,636
64,038,422	64,038,422	Ordinary shares of Rs. 10 each issued as fully paid bonus shares		640,384	640,384
1,182,944	1,182,944	Ordinary shares of Rs. 10 each issued pursuant to amalgamation of Mustehkam Cement Limited		11,829	11,829
16,867,865	16,867,865	Ordinary shares of Rs. 10 each issued pursuant to amalgamation of Pakcem Limited		168,679	168,679
596,252,783	596,252,783			5,962,528	5,962,528

6.1 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

6.2 The Company is a subsidiary of Bestway International Holdings Limited (BIHL), which holds 56.43% shares in the Company. Bestway International Holdings Limited is a wholly owned subsidiary of Bestway Group Limited (BGL), ("the ultimate parent company"). Both BIHL and BGL are incorporated in Guernsey. BIHL holds 336,468,168 i.e. 56.43% shares in the Company as at 30 June 2024 (2023: 336,468,168, 56.43% shares). Directors and associated companies hold 102,104,098 (2023: 102,104,098) and 23,324,913 (2023: 23,324,913) ordinary shares respectively at year end.

6.3 Capital management

The Company's policy is to maintain a strong capital base to strengthen investor, creditor and market confidence and to sustain future development of the business. The Board of Directors of the Company monitor the return on capital, which the Company defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also determines the level of dividend to ordinary shareholders, which is finally approved in annual general meeting of the shareholders. There were no changes to the Company's approach to capital management during the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
7 CAPITAL RESERVES			
Share premium on ordinary shares	7.1	5,381,821	5,381,821
OCI accumulated in reserves:			
- Exchange translation reserve		4,699,860	4,874,483
- Revaluation reserves		90,286	(1,799,120)
	7.2	4,790,146	3,075,363
		10,171,967	8,457,184

7.1 This reserve can be utilised by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

7.2 This amount represents the Company's share in reserves of equity-accounted investees. This amount is not available for distribution.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
8 REVENUE RESERVES			
Statutory reserve	8.1	3,635,836	3,180,571
Unappropriated profit	8.2	43,289,647	44,245,333
		46,925,483	47,425,904

8.1 This represents Company's share of statutory reserves carried by United Bank Limited ("UBL"), an equity-accounted investee, under section 21 of the Banking Companies Ordinance, 1962.

8.2 This represents unappropriated profit and is available for distribution.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
9 LONG TERM FINANCING			
Term Finance Loan	9.1	8,933,550	12,342,815
Long Term Financing Facility / Scheme (LTFF)	9.2	4,210,257	4,339,656
Temporary Economic Refinance Facility (TERF)	9.3	5,338,104	5,183,162
Renewable Energy Financing Scheme	9.4	3,600,513	3,988,399
Demand Finance	9.5	3,474,238	3,436,166
Syndicate Loan	9.6	23,897,098	23,500,733
		49,453,760	52,790,931
Less: current portion shown under current liabilities		(8,770,992)	(6,452,450)
		40,682,768	46,338,481

9.1 This includes term finance facilities amounting to Rs. 5,682.56 million (2023: Rs. 9,015.90 million) obtained from Habib Bank Limited (HBL), Allied Bank Limited (ABL) and Soneri Bank Limited (SBL) and an amount of Rs. 373.51 million (2023: Rs. 447.93 million) markup accrued on it. HBL and ABL facilities are repayable in 06 equal semi-annual installments which have started from October 2022 and November 2022, respectively. SBL facilities are repayable in 08 equal semi-annual installments which will start from October 2024. Markup is payable on semi annual basis and the rate ranges from 6-month KIBOR plus 0.15% per annum to 6-month KIBOR plus 0.20% per annum.

This also includes term finance facility amounting to Rs 2,860 million (2023: Rs. 2,860 million) obtained from ABL for purchase of commercial plot and an amount of Rs. 17.48 million (2023: Rs. 18.99 million) markup accrued on it. The facility is repayable in 10 equal semi-annual installments which will start from December 2024. Mark-up is payable on semi annual basis at the rate of 6-month KIBOR minus 0.10%.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

- 9.2** This represents loan obtained from HBL, ABL, and MCB Islamic Bank Limited (MIB), under the State Bank of Pakistan's (SBP) Long Term Financing Facility / Scheme (LTFF) and also includes an amount of Rs. 36.41 million (2023: Rs. 75.81 million) markup accrued on it. The loan obtained from MIB is repayable in 32 equal quarterly installments, which will start from August 2024. The loans obtained from ABL and HBL are repayable in 16 equal semi-annual installments, starting from April 2024 and October 2024, respectively. The facilities carry mark-up at SBP rates ranging from 4.75% to 7.75% per annum starting from the date of first disbursement and is payable in arrears on semi-annual basis.
- 9.3** This represents loan obtained from ABL, MCB Bank Limited (MCB), Bank Alfalah Limited (BAFL) and Askari Bank Limited (AKBL) under the SBP's Temporary Economic Refinance Scheme (TERF) and also includes an amount of Rs. 44.87 million (2023: Rs. 42.51 million) markup accrued on it. The loan obtained from BAFL is repayable in 32 equal quarterly installments, which will start from September 2024 whereas the loans obtained from ABL, MCB and AKBL are repayable in 16 equal semi annual installments. The facilities carry mark-up at SBP's rates ranging from 2.25% to 2.90% per annum starting from the date of first disbursement and is payable in arrears on semi-annual basis. The value of benefit of below-market interest rate on the loans has been accounted for as government grant as detailed in note 10.
- 9.4** This represents loan obtained from ABL, BAFL and Habib Metropolitan Bank Limited (HMBL) under the SBP's Renewable Energy Financing Scheme and also includes an amount of Rs. 23.07 million (2023: Rs. 33.20 million) mark-up accrued on it. The loans obtained from ABL is repayable in 20 equal semi-annual installments which started from July 2023. The loans obtained from HMBL and BAFL are repayable in 40 equal quarterly installments which started from March 2023 and April 2023 respectively. The facilities carry mark-up at SBP's rate of 3.35% per annum, starting from the date of first disbursement and is payable in arrears on quarterly/semi-annual basis.
- 9.5** This represents loan obtained from MCB and also includes an amount of Rs. 258.15 million (2023: 220.08 million) markup accrued on it. The loan is repayable in 8 equal semi-annual installments which will start from February 2026. The facility carries mark-up at 6-month KIBOR plus 0.05% per annum.
- 9.6** This represents Syndicated Term Finance Facility ("the Facility") of Rs. 22 billion (2023: Rs. 22 billion) with ABL as the mandated lead advisor and arranger acting on behalf of the participants. The syndicate is comprised of ABL, HBL, MCB, Bank of Punjab ("BOP"), Bank of Khyber ("BOK"), Bank of Khyber - Islamic ("BOK-I"), Faysal Bank Limited ("FBL") and Meezan Bank Limited ("MEBL"). Out of the total Facility of Rs. 22 billion, Rs. 9 billion are under Musharaka Agreement with MEBL, FBL, BOK-I and BOP. This also includes an amount of Rs. 1,897.09 million (2023: Rs. 1,500.73 million) markup accrued on it. The Facility is repayable in 8 equal semi-annual installments, which will start from February 2025. Mark-up is payable on semi annual basis and the rate is 6-month KIBOR plus 0.15% per annum.
- 9.7** The above facilities are secured under hypothecation charge on all present and future, current and fixed assets of the Company (excluding land, buildings and long term investments) for an amount of Rs. 82.70 billion (2023: Rs. 87.56 billion).
- 9.8** The unavailed facilities as at year end secured against a ranking hypothecation charge on all present and future current and fixed assets of the Company (excluding land, buildings and long term investments) amount to Rs. 1.14 billion (2023: Rs. 2.42 billion).
- 10 DEFERRED INCOME - GOVERNMENT GRANT**
This represents the value of benefit of below-market interest rate on loans obtained under the SBP's financing scheme as disclosed in note 9.3, which has been accounted for as government grant under IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance. The movement in deferred government grant is as follows:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Opening balance		2,696,905	2,211,128
Deferred grant recognised during the year		-	901,758
- Government grant deducted from borrowing cost		-	(273,950)
- Government grant recognised in income		(466,100)	(142,031)
		2,230,805	2,696,905
Less: Current portion of deferred income - government grant		(445,393)	(476,819)
		1,785,412	2,220,086

11 DEFERRED TAX LIABILITY - NET

Deferred taxation	11.1	24,058,434	20,139,187
-------------------	------	-------------------	------------

11.1 Breakup and movement of deferred tax balances is as follows:

	Net balance at 01 July 2023	Recognised in profit or loss	Recognised in OCI	Recognised in SOCE	Balance at 30 June 2024		
					Net	Deferred tax assets	Deferred tax liabilities
(Rupees '000)							
Property, plant and equipment	18,582,657	1,969,237	-	-	20,551,894	-	20,551,894
Intangible assets	(55,104)	(1,574)	-	-	(56,678)	(56,678)	-
Goodwill	1,335,799	316,736	-	-	1,652,535	-	1,652,535
Alternate Corporate Tax	(2,218,173)	804,093	-	-	(1,414,080)	(1,414,080)	-
Remeasurement of equity & debt investments	(608,313)	-	692,782	-	84,469	-	84,469
Share of profit of equity accounted investees	2,768,029	116,842	-	-	2,884,871	-	2,884,871
Other differences related to equity accounted investees	468,070	-	(39,358)	(91,920)	336,792	-	336,792
Other temporary differences	(133,778)	106,797	45,612	-	18,631	-	18,631
Deferred tax (assets) / liabilities	20,139,187	3,312,131	699,036	(91,920)	24,058,434	(1,470,758)	25,529,192
Set-off of deferred tax asset	-	-	-	-	-	1,470,758	(1,470,758)
Net deferred tax liabilities	20,139,187				24,058,434	-	24,058,434

	Net balance at 01 July 2022	Recognised in profit or loss	Recognised in OCI	Recognised in SOCE	Balance at 30 June 2023		
					Net	Deferred tax assets	Deferred tax liabilities
(Rupees '000)							
Property, plant and equipment	10,801,640	7,781,017	-	-	18,582,657	-	18,582,657
Intangible assets	(34,313)	(20,791)	-	-	(55,104)	(55,104)	-
Goodwill	894,911	440,888	-	-	1,335,799	-	1,335,799
Alternate Corporate Tax	-	(2,218,173)	-	-	(2,218,173)	(2,218,173)	-
Available for sale investments	(220,220)	-	(388,093)	-	(608,313)	(608,313)	-
Share of profit of equity accounted investees	1,896,273	871,756	-	-	2,768,029	-	2,768,029
Other differences related to equity accounted investees	6,034	(6,034)	490,472	-	490,472	490,472	-
Minimum tax	-	-	-	-	-	-	-
Unused tax loss credits	-	-	-	-	-	-	-
Other temporary differences	(31,403)	(101,655)	(23,122)	-	(133,778)	(133,778)	-
Deferred tax (assets) / liabilities	13,312,922	6,747,008	79,257	-	20,139,187	(2,547,298)	22,686,485
Set-off of deferred tax asset	-	-	-	-	-	2,547,298	(2,547,298)
Net deferred tax liabilities	13,312,922				20,139,187	-	20,139,187

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

11.1.1 Based on the Company's estimate of future export sales, adjustment of NIL (2023: Rs. 610.46 million) has been made in the taxable temporary differences at the year end

		2024 (Rupees '000)	2023 (Rupees '000)
12	EMPLOYEE BENEFIT OBLIGATIONS		
	Provision for un-availed leaves	26,884	23,237
	Actuarial valuation of un-availed leaves has not been carried out since management believes that the effect of actuarial valuation would not be material.		
13	TRADE AND OTHER PAYABLES	2024 (Rupees '000)	2023 (Rupees '000)
	Payable to contractors and suppliers	3,041,373	3,380,796
	Accrued liabilities	4,554,546	3,370,275
	Advances from customers - contract liability	505,211	756,904
	Security deposits	288,032	266,982
	Retention money	728,062	766,805
	Workers' Profit Participation Fund payable	911,057	1,090,695
	Workers' Welfare Fund payable	369,933	373,124
	Sales tax payable	595,355	-
	Excise duty payable	1,058,761	1,155,396
	Advance rent of investment property	17,425	13,559
	Donations payable to Bestway Foundation	1,134,902	1,045,940
	Payable to employees' gratuity fund	533,098	444,208
	Withholding taxes payable	321,489	272,201
	Other payables	1,659,620	1,346,551
		15,718,864	14,283,436

13.1 Advances from customers at the beginning of each year are recognised as revenue in the ordinary course of business.

13.2 These represent amounts received as security deposits from customers and suppliers of the Company, which are utilisable for the purpose of the business in accordance with their respective agreements.

		2024 (Rupees '000)	2023 (Rupees '000)
13.3	Workers' Profit Participation Fund payable		
	Balance at the beginning of the year	1,090,695	950,107
	Allocation for the year	907,253	924,514
	Payments during the year	(1,086,891)	(783,926)
	Balance at the end of the year	911,057	1,090,695
13.4	Workers' Welfare Fund payable		
	Balance at the beginning of the year	373,124	638,119
	Allocation for the year	226,605	68,347
	Adjustments claimed against income tax	(229,796)	(333,342)
	Balance at the end of the year	369,933	373,124

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
13.5 Payable to employees' gratuity fund			
Present value of defined benefit obligation	13.5.1	1,172,739	964,245
Fair value of plan assets	13.5.2	(639,641)	(520,037)
Payable		533,098	444,208
13.5.1 Movement in defined benefit obligation			
Obligation at the beginning of the year		964,245	739,138
Current service cost		134,433	111,894
Interest cost		148,330	93,428
Benefits paid		(93,368)	(61,271)
Re-measurement loss on obligation		19,099	81,056
Obligation at the end of the year		1,172,739	964,245
13.5.2 Movement in fair value of plan assets			
Fair value at the beginning of the year		520,037	499,279
Expected return on plan assets		76,920	62,095
Benefits paid		(93,368)	(61,271)
Re-measurement gain on plan assets		136,052	19,934
Fair value at the end of the year		639,641	520,037
13.5.3 Movement in payable to employees' gratuity fund			
Opening liability		444,208	239,859
Expense for the year	13.5.4	205,843	143,227
Re-measurement (gain) / loss recognised in OCI	13.5.5	(116,953)	61,122
Closing liability		533,098	444,208
13.5.4 Expense recognised in profit or loss during the year			
Current service cost		134,433	111,894
Net interest on defined benefit liability		71,410	31,333
		205,843	143,227
13.5.5 Re-measurement loss recognised in OCI during the year			
Re-measurement loss on obligation		19,099	81,056
Re-measurement gain on fair value of plan assets		(136,052)	(19,934)
		(116,953)	61,122
13.5.6 Components of plan assets			
Having quoted market price:			
Listed equity securities		243,628	76,300
Not having quoted market price:			
Cash and bank		4,389	8,226
Pakistan Investment Bonds		-	79,715
Market Treasury Bills		391,624	355,796
		396,013	443,737

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

13.5.7 Actuarial assumptions

Following significant actuarial assumptions were used at the reporting date:

	2024	2023
Discount rate per annum	15.50%	16.25%
Salary increase rate (short term)	15.5% (One year)	17% (One year)
Salary increase rate (long term)	13.50%	14.25%
Withdrawal rates	Moderate	Moderate

The discount rate is based on market yield on government bonds having maturity approximating to the term of the gratuity obligation. The salary increase rate takes into account expected inflation and management intentions.

The mortality rates are based on State Life Insurance Corporation (SLIC) 2001-05 ultimate mortality rate (2023: SLIC 2001-05 ultimate mortality rate), rated down by one year.

The effective duration of the future cash flows calculated based on yields available on government bonds works out to be 5.02 years (2023: 5.04 years).

13.5.8 Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	2024 Increase (Rupees '000)	2024 Decrease (Rupees '000)	2023 Increase (Rupees '000)	2023 Decrease (Rupees '000)
Discount rate (1% movement)	(55,734)	61,522	(46,858)	51,788
Future salary growth (1% movement)	67,302	(61,877)	56,456	(51,833)
Future mortality (1 year change)	391	(393)	330	(332)
Withdrawal rate (10% movement)	4,219	(4,532)	3,723	(4,012)

Although the analysis does not take into account full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

13.5.9 Expected gratuity expense

Expected gratuity expense for the next financial year is Rs. 210.9 million (2023: Rs. 183.6 million).

13.5.10 Risks associated with defined benefit plan

The gratuity fund is governed under the Trusts Act, Trust Deed and Rules of Fund, Companies Act, 2017, the Income Tax Ordinance, 2001 and the Income Tax Rules, 2002. Responsibility for governance of plan, including investment decisions and contribution schedule lies with Board of Trustees of the Fund. The Company appoints the trustees. All trustees are employees of the Company. The payments to the fund are based on the deficit in the Fund based on actuarial valuations performed at each year end. The plan is exposed to the following risks:

Investment risks

The risk arises when the actual performance of the investments is lower than expectation and thus creating a shortfall in the funding objectives. This risk is mitigated by closely monitoring the performance of investments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

Discount rate fluctuation

The plan liabilities are calculated using a discount rate. A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plan assets.

Final salary risk

The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Withdrawal / Mortality risk

The risk of actual withdrawals/ mortality varying with the actuarial assumptions can impose a risk to the benefit obligation. The movement of the liability can go either way.

13.6 This includes an amount of Rs. 659.88 million (2023: Rs. 646.04 million) including interest cost payable against compensation to the land owners for land acquired at Hattar plant pursuant to the decision of the Honourable Supreme Court of Pakistan and an amount of Rs. 941 million (2023: Rs. 657 million) payable to Bestway International Holdings Limited, parent of the Company.

13.7 This includes an amount of Rs. 58.3 million (2023: Nil) payable to Bestway Renewable Technologies Ltd. (BReT), a related party.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
14	SHORT-TERM BORROWINGS		
Running finance facilities from banking companies - secured	14.1	9,758,600	18,077,557
Short term loan	14.2	3,126,488	5,215,310
		<u>12,885,088</u>	<u>23,292,867</u>

14.1 This includes an amount of Rs. 533 million (2023: Rs. 767.48 million) of markup accrued and represents short term finance facilities obtained from various commercial banks with an aggregate limit of Rs. 25.45 billion (2023: Rs. 22.85 billion). The short term finance facilities carry mark-up at 3-months KIBOR minus 0.05% to plus 0.05% (2023: 3-months KIBOR plus 0.00% to 0.05%) and vary from bank to bank. The facilities are secured by first pari passu hypothecation charge on all present and future, current and fixed assets of the Company (excluding land and buildings and long term investments) for an amount of Rs. 32.95 billion (2023: Rs. 27.92 billion) and ranking hypothecation charge on all present and future, current and fixed assets of the Company (excluding land and buildings and long term investments) for an amount of Rs 4.3 billion (2023: Rs. 8.70 billion).

14.2 This represents money market loans for working capital requirements of the Company and includes accrued markup of Rs. 31.5 million (2023: 215 million). Markup is payable upon maturity. The facility carries markup at 3-months KIBOR minus 0.1% to minus 0.35%.

14.3 The Company has running finance and other short term borrowing facilities aggregating to Rs. 12.77 billion (2023: Rs. 3.29 billion) which remained un-availed at the year end.

15 UNPAID DIVIDEND

This represents dividend payable to the holding company amounting to Rs. 440 million (2023: Nil) awaiting remittance by the authorised bank due to pending regulatory formalities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

16.1.1 Guarantees and claims

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Letters of guarantee issued by banks on behalf of the Company	16.1.1.1	2,231,205	2,033,317
Company's share of guarantees and claims of equity-accounted investees:			
- Guarantees		26,138,924	21,454,289
- Other contingent liabilities		2,772,973	2,464,888

16.1.1.1 These include bank guarantees issued in the normal course of business to Sui Northern Gas Pipeline Limited for commercial and industrial use of gas for an amount of Rs. 1.4 billion (2023: Rs. 1.4 billion).

16.1.1.2 As at 30 June 2024, facilities of letters of guarantee amounting to Rs. 3.88 billion (30 June 2023: Rs. 2.73 billion) were available to the Company out of which Rs. 1.65 billion (30 June 2023: Rs. 0.71 billion) remained unavailed as at period end. Facilities of letters of guarantee are secured by first pari passu charge on present and future current and fixed assets of the Company (excluding land, building and long term investments).

16.2.1 Litigations

16.1.2.1 The Competition Commission of Pakistan (CCP) issued a showcause notice dated 28 October 2008 under section 30 of the Competition Ordinance, 2007. On 27 August 2009, the CCP imposed a penalty aggregating Rs. 1.04 billion on the Company. The Company challenged the CCP order in the Honourable High Court and the Honourable High Court passed an interim order restraining the CCP from taking any adverse action against the parties.

Appeals against the CCP's orders were also filed as an abundant precaution in the Honourable Supreme Court of Pakistan under Section 42 of the Competition Ordinance, 2007. However, after the enactment of the Competition Act, 2010 in which the Competition Appellate Tribunal ("CAT") had been constituted, the Honourable Supreme Court of Pakistan vide its Order dated 01 July 2017 sent the above appeals to CAT to decide the same in accordance with law.

On 26 October 2020, the Lahore High Court (LHC) decided that Parliament is empowered to legislate the Act but only to the extent of 'Inter Provincial Trade and Commerce', with the result that any anti-competitive measure that affects national trade and commerce (as opposed to provincial trade and commerce) would be governed by the Act and CCP would have jurisdiction in relation thereto. The LHC directed that every notice issued by CCP under the Act should contain the reasons disclosing that the effect of anti-competitive behaviour is spilling over territorial limits of a province. LHC further directed that for the notices already issued, and under challenge, the proceedings shall continue, however, the issue of jurisdiction shall be decided at first instance. At present, the Honorable Supreme Court has granted interim Injunctions to the petitioners.

Civil Petitions in Supreme Court of Pakistan have been filed by the cement industry among other parties against the judgment of LHC, which are currently pending. The Company and its legal advisor are confident of a favourable outcome of the matter, accordingly no provision has been made in this respect in the financial statements.

16.1.2.2 In 2002, the State Life Insurance Corporation of Pakistan (an initial shareholder of Pakcem) filed two suits before the Honourable Sindh High Court against Mr. Khawaja Mohammad Jaweed (the then Chairman of the Chakwal Group, the previous parent of Pakcem) for recovery of an aggregate amount of Rs. 461 million plus markup (at rates ranging from 16% to 20%) on account of agreements of sale and repurchase of shares, executed at various times in August 1995, between State Life Insurance Corporation of Pakistan and the then Chairman of the Chakwal Group. Pakcem received a letter dated 03 September 2014 from Chakwal Group stating that Pakcem is also a party to the case and can be held liable to pay the damages by the Honourable Sindh High Court. The legal advisor of the Company is of the opinion that the Company can be extricated from the case, provided that it can be shown to the Court that the then Chairman of the Chakwal Group was not authorised to act in this regard on behalf of Pakcem. No provision has been made against the aforementioned case in these financial statements, as the management and its legal counsel are confident that the matter will be ultimately be decided in favour of the company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

16.1.2.3 In respect of the company and its amalgamated entities Mustehkam Cement Limited and Pakcem Limited, the income tax authorities have issued amended assessment orders in respect of income tax for tax years 2013 to 2020 and 2023, and created additional tax demands resulting in net tax exposure of Rs. 1.8 billion (2023: Rs. 1.18 billion) mainly on account of disallowances of deductions relating to rebates and discounts, adjustment of losses in consequence of merger, adjustment of tax refunds and credits, advertisement expenses, disallowance of unabsorbed depreciation and tax losses, tax credit u/s 65B of the Ordinance and provision of employees gratuity fund. The Company has filed appeals against the assessment orders on various dates from April 2018 to June 2024 with the Commissioner Inland Revenue (Appeals) and Appellate Tribunal Inland Revenue, where the matters are currently pending adjudication.

Further, the tax authorities have issued amended assessment orders relating to sales tax and federal excise duty for tax years 2010 to 2021, and created additional tax demands resulting in net tax exposure of Rs. 1.34 billion (2023: Rs. 1.29 billion) mainly on account of alleged suppression of production and sales, disallowance of sales tax input adjustment, excise duty on management fee and short declaration of Federal Excise Duty. The Company has filed appeals against the assessment order on various dates from October 2013 to June 2024 with the Commissioner Inland Revenue (Appeals) and Appellate Tribunal Inland Revenue, where the matters are currently pending adjudication.

Management is confident that the above disallowances do not hold any merit and the related amounts have been lawfully claimed in the income and sales tax returns as per the applicable tax laws and that these matters will ultimately be decided in favor of the Company. Accordingly no provision has been made in respect of above in the financial statements.

16.1.2.4 Certain matters other than those disclosed in these financial statements, are pending at various authorities and courts of law. The management is of the view that the outcome of those is expected to be favourable and a liability, if any, arising at the conclusion of those cases is not likely to be material.

	2024 (Rupees '000)	2023 (Rupees '000)
16.2		
Commitments		
Outstanding letters of credit including capital expenditure	598,875	1,946,466
Capital expenditure	224,406	1,195,305
Rentals for use of land	116,824	118,504
Company's share of commitments of equity-accounted investees:		
- Letters of credit	21,701,789	18,437,201
- Forward foreign exchange contracts	36,530,710	59,532,546
- Forward government securities transactions	4,448,365	2,130,808
- Derivatives	-	69,499
- Forward lending	12,170,550	13,585,193
- Capital expenditure	658,527	228,686
- Operating leases	14,715	5,774

16.2.1 As at 30 June 2024, facilities of letters of credit amounting to Rs. 13.913 billion (30 June 2023: Rs. 13.59 billion) are available to the Company, out of which Rs. 13.31 billion (30 June 2023: Rs. 11.09 billion) remained unavailed as at period end.

		2024 (Rupees '000)	2023 (Rupees '000)
17	PROPERTY, PLANT AND EQUIPMENT		
	Note		
Operating fixed assets	17.1	112,658,384	112,146,696
Capital work in progress	17.2	823,907	3,382,671
		113,482,291	115,529,367

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

17.1 Operating fixed assets

17.1.1 Reconciliation of carrying amounts

Cost	Rupees '000										Total
	Freehold land	Leasehold land	Buildings on freehold land	Plant and machinery	Quarry equipment	Laboratory and other equipment	Furniture and fixture	Vehicles	Office equipment		
Balance as at 1 July 2022	2,947,606	39,903	16,119,010	53,161,058	4,075,129	1,214,508	152,245	693,975	403,957	78,807,391	
Additions	328,859	-	218	94,920	4,404	16,449	5,488	273,864	44,876	769,078	
Transfers from CWIP	-	2,883,251	17,483,157	41,006,006	-	-	28,179	-	48,754	61,449,347	
Disposals	-	-	-	(341,943)	(232,473)	-	-	(48,097)	(27)	(622,540)	
Transfer / write offs	-	-	-	-	-	-	-	-	-	-	
Balance at 30 June 2023	3,276,465	2,923,154	33,602,385	93,920,041	3,847,060	1,230,957	185,912	919,742	497,560	140,403,276	
Balance at 1 July 2023	3,276,465	2,923,154	33,602,385	93,920,041	3,847,060	1,230,957	185,912	919,742	497,560	140,403,276	
Additions	151,321	-	251,807	137,067	-	134,876	8,135	131,481	29,004	843,691	
Transfers from CWIP	28,479	-	1,595,655	3,867,127	-	-	6,117	-	-	5,497,378	
Disposals	-	-	-	(13,725)	(224,116)	-	-	(37,041)	-	(274,882)	
Transfers / write offs	-	-	-	(5,328)	-	-	-	-	-	(5,328)	
Balance at 30 June 2024	3,456,265	2,923,154	35,449,847	97,905,182	3,622,944	1,365,833	200,164	1,014,182	526,564	146,464,135	
Accumulated depreciation											
Balance at 1 July 2022	-	30,560	5,070,025	15,856,280	2,483,203	617,175	88,874	331,120	222,964	24,700,201	
Depreciation	-	1,217	738,691	2,660,268	237,650	70,981	7,296	91,941	32,307	3,840,351	
Adjustments	-	-	-	-	-	-	-	-	-	-	
Disposals	-	-	-	(50,721)	(199,672)	-	-	(33,565)	(14)	(283,972)	
Transfers / write offs	-	-	-	-	-	-	-	-	-	-	
Balance at 30 June 2023	-	31,777	5,808,716	18,465,827	2,521,181	688,156	96,170	389,496	255,257	28,256,580	
Balance at 1 July 2023	-	31,777	5,808,716	18,465,827	2,521,181	688,156	96,170	389,496	255,257	28,256,580	
Depreciation	-	66,675	1,285,232	4,034,772	196,122	67,242	9,358	116,279	38,084	5,813,764	
Adjustments	-	-	-	(34,315)	-	(564)	-	-	-	(34,879)	
Disposals	-	-	-	(1,385)	(201,079)	-	-	(26,596)	-	(229,060)	
Transfers / write offs	-	-	-	(654)	-	-	-	-	-	(654)	
Balance at 30 June 2024	-	98,452	7,093,948	22,464,245	2,516,224	754,834	105,528	479,179	293,341	33,805,751	
Carrying amounts											
At 30 June 2023	3,276,465	2,891,377	27,793,669	75,454,214	1,325,879	542,801	89,742	530,246	242,303	112,146,696	
At 30 June 2024	3,456,265	2,824,702	28,355,899	75,440,937	1,106,720	610,999	94,636	535,003	233,223	112,658,384	
Useful life (years)/rates of depreciation per annum											
2024		30 years / 3%	30 years / 10 years	30 years / 10 years	15%	10-15%	10%	20%	15%		
2023		30 years / 3%	30 years / 10 years	30 years / 10 years	15%	10-15%	10%	20%	15%		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

17.1.2 The details of fixed assets sold during the year, having net book value in excess of Rs. 500,000 each are as follows:

Description	Cost	Carrying amount	Sale proceeds	Gain/(loss)	Mode of disposal	Purchaser
				(Rupees '000)		
Honda Civic AEE-253	2,555	778	778	-	As per Company policy	Mr. Abdus Sattar (Employee)
Honda Civic AEX-170	2,558	703	2,507	1,804	As per Company policy	Mr. Abdul Waheed (Employee)
Honda Civic AEX-171	2,550	701	1,432	731	As per Company policy	Mr. Muhammad Azhar (Employee)
Honda Civic ADH-508	2,703	639	2,282	1,643	As per Company policy	Mr. Safdar Khan Khattak (Employee)
Honda City ALH-941	1,991	660	1,981	1,321	As per Company policy	Mr. Saqib Amir Malik (Employee)
Suzuki Cultus ABY-478	1,611	1,584	1,307	(277)	Auction	Mr. Muhammad Ramzan
Honda City AMV-130	1,908	619	881	262	As per Company policy	Mr. Ahmed Ali (Employee)
Honda City ALH-348	1,991	600	1,156	556	As per Company policy	Mr. Mir Shabbir Ahmed (Employee)
Cat Loader	25,508	5,962	9,509	3,547	Direct Sale	Rising Sons Mining (Pvt) Limited
Komatsu Loader	24,010	1,515	9,509	7,994	Direct Sale	Rising Sons Mining (Pvt) Limited
Cat Back Hoe	35,454	2,126	14,686	12,560	Direct Sale	Rising Sons Mining (Pvt) Limited
Cat Loader	27,619	6,145	5,811	(334)	Direct Sale	Rising Sons Mining (Pvt) Limited
Gemrok Drill	7,074	673	1,373	700	Direct Sale	Rising Sons Mining (Pvt) Limited
Gemrok Drill	7,074	673	3,275	2,602	Direct Sale	Rising Sons Mining (Pvt) Limited
Komatsu Dozer	17,247	1,034	14,791	13,757	Direct Sale	Rising Sons Mining (Pvt) Limited
Komatsu Dozer	17,247	1,034	15,848	14,814	Direct Sale	Rising Sons Mining (Pvt) Limited
Solar Panels	221,178	221,178	233,182	12,004	Direct Sale	Bestway Renewable Technologies Limited-Associated Company
Solar Panels	12,131	11,044	3,084	(7,960)	Insurance Claim	UBL Insurers Limited - Associated Company

17.1.3 Particulars of immovable property (i.e. land and buildings) in the name of the Company are as follows:

Location	Usage of immovable property	Total area
Suraj Gali Road, Village Shadi, Hattar, District Haripur, KPK.	Production Plant	4540 Kanals
12 km, Taxila-Haripur Road, Farooqia, District Haripur, KPK.	Production Plant	5165 Kanals
Village Tatral, choa saiden shah, 22 km Kallar Kahar, District Chakwal, Punjab.	Production Plant	10729 Kanals
Choi Mallot Road, Tehsil Kallar Kahar, District Chakwal, Punjab.	Production Plant	8215 Kanals
Pai Khel, District Mianwali, Punjab.	Production Plant	4520 Kanals
19-A, College Road, F-7 Markaz, Islamabad.	Head office building	533 Sq. Yards
Plot B2, Sector G9/F9, Blue Area, Islamabad	Head office building	1333 Sq. Yards

17.1.4 Land measuring 206 kanals and 14 marlas and 241 kanals and 8 marlas located at Farooqia and Hattar plants respectively were purchased with the funds of the Company but is not in the possession of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
17.1.5 Allocation of depreciation charge			
Cost of sales		5,705,267	3,779,777
Selling and distribution expenses		9,077	24,134
Administrative expenses		99,420	36,440
		5,813,764	3,840,351
17.2 Capital work in progress			
Opening balance		3,382,671	31,563,257
Additions during the year	17.2.1	3,267,036	33,899,882
		6,649,707	65,463,139
Transferred to operating fixed assets:			
Freehold land		(28,479)	-
Buildings on freehold land		(1,595,655)	(17,483,157)
Leasehold land		-	(2,883,251)
Plant and machinery		(3,867,127)	(41,006,006)
Furniture and fixtures		(6,117)	(28,179)
Office equipment		-	(48,754)
		(5,497,378)	(61,449,347)
Disposals / write off during the year		(328,422)	(631,121)
Balance at the end of the year	17.2.2	823,907	3,382,671

17.2.1 This includes borrowing cost capitalised amounting to Rs. Nil (2023: Rs. 1.99 billion) calculated at an average rate of Nil (2023: 9.99%) per annum. This also includes an amount of Rs. 56.92 million (2023: Rs. 162.83 million) sales tax paid on internal consumption.

17.2.2 Break up of capital work in progress including borrowing cost at the year end is as follows:

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Plant and machinery		579,971	3,067,944
Civil development works		187,210	211,281
Land		56,726	55,701
Office Equipment		-	12,433
Furniture and fixture		-	35,312
		823,907	3,382,671

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
18 INTANGIBLE ASSETS AND GOODWILL			
Computer software		82,773	56,042
Brands	18.2	88,236	197,407
Goodwill	18.3	7,062,111	7,062,111
		7,233,120	7,315,560

18.1 Reconciliation of carrying amounts

	Computer software	Brands (note 18.2)	Goodwill (note 18.3)	Total
	(Rupees '000)			
Cost				
Balance at 01 July 2022	211,150	1,091,712	7,062,111	8,364,973
Additions	-	-	-	-
Balance at 30 June 2023	211,150	1,091,712	7,062,111	8,364,973
Balance at 01 July 2023	211,150	1,091,712	7,062,111	8,364,973
Additions	48,040	-	-	48,040
Balance at 30 June 2024	259,190	1,091,712	7,062,111	8,413,013
Accumulated amortisation				
Balance at 01 July 2022	133,290	785,134	-	918,424
Amortisation	21,818	109,171	-	130,989
Balance at 30 June 2023	155,108	894,305	-	1,049,413
Balance at 01 July 2023	155,108	894,305	-	1,049,413
Amortisation	21,309	109,171	-	130,480
Balance at 30 June 2024	176,417	1,003,476	-	1,179,893
Carrying amounts				
At 30 June 2023	56,042	197,407	7,062,111	7,315,560
At 30 June 2024	82,773	88,236	7,062,111	7,233,120
Useful life (years)/Rates of amortisation				
2023	6.66 years	10 years	-	
2024	6.66 years	10 years	-	

18.2 Brands

This represents intangible assets in the form of Brands on acquisition of Pakcem and reflects the expected economic benefits to the Company from the retention differential of those Brands. The value of Brands was determined on the basis of incremental cash flows to be generated from retention of those brands which the Company intends to use. Management has estimated the useful life of the Brands to be ten years starting from the date of acquisition.

18.3 Goodwill

This represents excess of the amount paid over fair value of net assets of Pakcem Limited on its acquisition on 22 April 2015. The carrying amount of goodwill is tested for impairment annually based on its value in use, determined by discounting the future cash flows to be generated by cement plant (CGU) acquired from Pakcem Limited. Following are the key assumptions used in impairment testing:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
Discount rate	19.45%	20.80%
Terminal value growth rate	4.00%	4.00%

The discount rate is based on the weighted average cost of capital.

The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate is determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Budgeted growth is based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth. Revenue growth is projected taking into account the average growth levels experienced in the recent years and the estimated sales volume and price growth for the next five years. The operating costs are based on expected future inflation rates.

The estimated recoverable amount of the CGU exceeds its carrying amount. The Company estimates that reasonably possible changes in these assumptions would not cause the recoverable amount of the CGU to decline below the carrying amount.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
18.4 Allocation of amortisation			
Cost of sales		16,163	17,702
Selling and distribution expenses		110,647	110,042
Administrative expenses		3,670	3,245
		130,480	130,989

19 INVESTMENT PROPERTY

Balance at 01 July 2023		222,970	197,094
Change in fair value		2,631	25,876
Balance at 30 June 2024		225,601	222,970

19.1

- 19.1** The investment property is a portion of the Company's head office building in Islamabad held for letting. An independent exercise was carried out to determine the fair value of investment property. To assess the land and building prices, market survey was carried out in the vicinity of the investment property. Fair value of the investment property is based on independent valuer's judgment about average prices and has been prepared on openly available / provided information after making relevant inquiries from the market. Valuation was carried out by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. Forced sale value of the investment property amounts to Rs. 203.04 million (2023: Rs. 200.67 million).

The investment property is placed in level 2 of the fair value hierarchy as the value has been determined by a third party using current market prices for comparable properties adjusted for any differences in nature, location and condition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
20			
LONG TERM INVESTMENTS			
Investment in associated companies			
- United Bank Limited	20.1	19,720,190	15,818,793
- UBL Insurers Limited	20.2	305,029	247,324
		<u>20,025,219</u>	<u>16,066,117</u>

20.1 Investment in United Bank Limited - equity accounted investee

As at 30 June 2024, the Company holds 99,977,520 (30 June 2023: 93,649,744) ordinary shares in United Bank Limited 'UBL', a leading commercial bank in Pakistan with its registered office situated in Islamabad, Pakistan. The Company's shareholding in UBL constitutes 8.17% (2023: 7.65%) of total ordinary shares of UBL. UBL's ordinary shares are listed on Pakistan Stock Exchange Limited. UBL is treated as an 'associate' due to the Company's significant influence over it through directorship.

	2024 (Rupees '000)	2023 (Rupees '000)
20.1.1 Reconciliation of carrying amount		
Balance at 01 July 2023	15,818,793	14,079,801
Increase in investment in associate	1,245,717	-
Company's share of associate's profit for the year	4,628,390	3,693,235
Impact of adoption of IFRS 09 - ECL in opening equity	(367,680)	-
Company's share of associate's OCI for the year - net of tax:		
- Re-measurement gain on defined benefit liability	75,108	86,114
- Transfer from statutory reserve on liquidation of subsidiary	-	(10,852)
- Change in exchange translation reserve	(232,831)	1,872,278
- Re-measurement of debt and equity investments	2,766,467	(1,279,591)
	2,608,744	667,949
Less: Dividends received	(4,213,774)	(2,622,192)
Balance at 30 June 2024	<u>19,720,190</u>	<u>15,818,793</u>

20.1.2 The following table summarises the financial information of UBL as included in its un-audited consolidated condensed interim financial statements for the six months ended 30 June 2024. The information relating to revenue, profit and other comprehensive income also include amounts for the six months ended 31 December 2023. The financial year-end of UBL is 31 December.

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	2024 (Rupees '000)	2023 (Rupees '000)
Percentage of ownership (%)	8.167%	7.65%
Total assets	7,766,223,616	3,399,136,007
Total liabilities	(7,521,692,791)	(3,191,549,210)
Net assets	244,530,825	207,586,797
Non-controlling interests	(15,629,943)	(13,402,239)
Net assets attributable to ordinary shareholders (100%)	228,900,882	194,184,558
Company's share of net assets (8.17%) (2023: 7.65%)	18,694,335	14,855,119
Goodwill	1,025,855	963,674
Carrying amount of interest in associate	19,720,190	15,818,793
Mark-up / return / interest earned for the year		
Profit after tax (100%)	863,966,012	340,651,388
Company's share of net profit for the year	58,995,550	48,277,577
	4,628,390	3,693,235
Other Comprehensive Income (OCI) - net of tax:		
- Re-measurement gain on defined benefit liability		
- Change in exchange reserve		
- Change in surplus on revaluation of available-for-sale investments	981,805	1,125,673
Total OCI (100%)	(2,977,681)	24,474,222
Company's share of OCI	32,925,174	(16,726,680)
	30,929,298	8,873,215
	2,608,744	678,801

20.1.3 In accordance with the resolution approved in the Annual General Meeting (AGM) of the Company on 1 September 2023, the Company was authorized to purchase a further 50 million shares (4%) of United Bank Limited (UBL) over a span of five years at the quoted price of such shares on the Stock Exchange on the date of purchase. During the period from November 2023 onwards, the Company has further purchased 6.3 million shares in United Bank Limited (associate) at a cost of Rs 1,246 million (30 June 2023: Rs Nil), thereby increasing its equity interest by 0.517% in the associate to 8.167% (30 June 2023: 7.65%). With the increase in this interest, the Company continues to have significant influence on the associate and has accounted for the increase using a cost accumulation approach. The cost of acquiring the additional stake is added to the carrying value of the associate. The fair value for the additional stake is calculated using fair value information at the date when the additional interest is acquired. The Company has conducted its initial assessment for identification and fair valuation of assets and liabilities of the associate and has identified additional goodwill of Rs. 62 million (30 June 2023: Rs. Nil). The Company can adjust the fair values for identified assets and liabilities determined in its initial assessment within the measurement period which should not exceed 12 months from the acquisition date.

20.1.4 Cost of investment in UBL amounted to Rs. 3.11 billion (2023: Rs. 1.86 billion). Market value of investment in UBL as at 30 June 2024 was Rs. 25.62 billion (2023: Rs. 11.01 billion). As at year end, 93,649,774 shares (2023: 93,649,774 shares) owned by the Company in UBL are held with Central Depository Company of Pakistan and its sale will require prior approval of SBP. Management believes that there is no objective evidence which may indicate impairment of investment in UBL. The investment in UBL is placed in level 1 of the fair value hierarchy.

20.2 Investment in UBL Insurers Limited - equity-accounted investee

As at 30 June 2024, the Company holds 14,088,199 (30 June 2023: 14,088,199) ordinary shares in UBL Insurers Limited 'UIL', an unlisted public company engaged in insurance business with its registered office situated in Karachi, Pakistan. The Company's shareholding in UIL constitutes 12.23% (2023: 12.23%) of total ordinary shares of UIL. UIL is treated as an 'associate' due to the Company's significant influence over it through directorship.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	2024 (Rupees '000)	2023 (Rupees '000)
20.2.1 Reconciliation of carrying amount	247,324	229,389
Balance at the beginning of the year	75,011	24,775
Company's share of associate's profit for the year	293	6
Company's share of associate's OCI for the year - net of tax:	4,660	(2,762)
- re-measurement of defined benefit liability	4,953	(2,756)
- re-measurement of available-for-sale investments	(22,259)	(4,084)
Less: Dividends received	305,029	247,324
Balance at the end of the year	305,029	247,324

20.2.2 The following table summarises the financial information of UIL as included in its un-audited condensed interim financial information for the six months ended 30 June 2024. The information relating to revenue, profit and other comprehensive income also include amounts for the six months ended 31 December 2023. The financial year-end of UIL is 31 December.

	2024 (Rupees '000)	2023 (Rupees '000)
Percentage of ownership (%)	12.23%	12.23%
Total assets	11,607,055	9,417,498
Total liabilities	(9,112,436)	(7,394,810)
Net assets	2,494,619	2,022,688

Company's share of net assets (12.23%)	305,029	247,324
Carrying amount of interest in associate	305,029	247,324
Net insurance premium for the year	1,076,801	1,856,773
Profit after tax for the year	613,461	202,617
Company's share of net profit for the year (12.23%)	75,011	24,775
Other Comprehensive Income (OCI) - net of tax:		
- Re-measurement (loss) / gain on defined benefit liability	2,396	49
- Change in surplus on revaluation of available-for-sale investments	38,103	(22,584)
Total OCI (100%)	40,499	(22,535)
Company's share of OCI (12.23%)	4,953	(2,756)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

20.2.3 — Cost of investment in UIL amounted to Rs. 106.27 million (2023: Rs. 106.27 million).

	Note	2024 (Rupees '000)	2023 (Rupees '000)
21			
STOCK IN TRADE			
Raw and packing material		1,152,926	1,541,746
Work in process		3,420,897	4,339,081
Finished goods		1,101,548	1,455,722
		5,675,371	7,336,549
Less: Provision for slow moving stock	21.1	(28,335)	(29,440)
		5,647,036	7,307,109
21.1			
Movement in provision for slow moving stock			
Balance at the beginning of the year		29,440	33,233
Provision for the year		(1,105)	(3,793)
Balance at the end of the year		28,335	29,440
22			
TRADE DEBTS			
Trade debts - unsecured		1,970,886	1,210,836
- Considered good		5,060	5,060
- Considered doubtful		1,975,946	1,215,896
		(5,060)	(5,060)
Less: Provision against doubtful trade debts	22.1	1,970,886	1,210,836

22.1 This includes Rs. Nil (2023: Rs: 0.61 million) receivable from customers against export sales.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
23			
ADVANCES			
Advances to employees and executives - secured		10,768	6,608
Advances to suppliers and contractors - secured	23.1	872,546	1,883,321
		883,314	1,889,929

23.1 This includes an advance of Rs. 668.48 million (2023: Rs. 1,407.45 million) paid to Bestway Packaging Limited (BPL), a related party, for procurement of packing materials. Maximum aggregate amount outstanding at the end of any month during the year amounted to Rs. 1,411.64 million (2023: Rs. 1,407.45 million).

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
24 DEPOSITS AND PREPAYMENTS			
Deposits		5,611	5,719
Short-term prepayments		75,467	44,551
		81,078	50,270
25 OTHER RECEIVABLES			
Receivable from Lafarge S.A.		8,847	8,847
Sales tax receivable		-	834,994
Cash margin with banks - imports	25.1	10,732	267,593
Others	25.2	42,321	65,139
		61,900	1,176,573

25.1 This represents cash margin held by banks in respect of imports.

25.2 This includes an amount of Rs. Nil (2023: Rs. 9.13 million) from Bestway Consultancy Services (Private) Limited (BCS), a related party. Maximum aggregate amount outstanding at the end of any month during the year amounted to Rs. 7.6 million (2023: Rs. 115.8 million).

26 This represented investment made in 2023, in market treasury bills having yield to maturity of 23.8% p.a which matured during the year. This investment was under lien against short term loan obtained from MCB Bank.

	2024 (Rupees '000)	2023 (Rupees '000)
27 CASH AND BANK BALANCES		
Cash at banks:		
in current accounts	1,442,871	1,181,720
in deposit accounts	118,201	4,668
	1,561,072	1,186,388

27.1 This includes Rs. 1,126.23 million (2023: Rs. 504.64 million) held in current accounts maintained with UBL, a related party. Maximum aggregate amount outstanding at the end of any month during the year amounted to Rs. 1,126.23 million (2023: Rs. 504.64 million).

27.2 Current accounts include balances amounting to Rs. 322.50 million (2023: Rs. 261.40 million) held in US Dollar accounts.

27.3 Deposit accounts carried profit rate of 20.5% (2023: 20.5%) per annum during the year.

27.4 Following completion of acquisition process of Pakcem by the Company, the balances of Pakcem with Lafarge S.A. (previous parent entity of Pakcem) and its affiliates as of 21 April 2015 were agreed between the Company and Lafarge S.A and transferred to an escrow account maintained with Citi Bank N.A, pursuant to the Escrow Agreement dated 21 April 2015 between the Company, Lafarge S.A. and CitiBank N.A. According to the agreement the transferred funds will be utilised exclusively for payments to Lafarge S.A. from time to time and the Company will be entitled only to the balance left in the escrow account after completion of payments to Lafarge S.A. Accordingly, the amount in escrow account and payable balances aggregating to Rs. 140.89 million (2023: Rs.140.89 million) relating to Lafarge S.A. and its affiliates have been netted off in these financial statements till final settlement of the escrow account.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
28 GROSS TURNOVER			
Gross turnover:			
- Local		144,064,564	119,219,286
- Export		1,520,415	962,029
		145,584,979	120,181,315
29 COST OF SALES			
Raw and packing materials consumed	29.1	12,034,524	9,576,744
Fuel and power		45,342,021	43,786,065
Stores, spares and loose tools consumed		1,189,834	1,752,353
Repairs and maintenance		853,812	414,168
Salaries, wages and benefits	29.2	3,072,766	1,762,656
Support services		1,011,521	724,884
Rent, rates and taxes		11,606	13,515
Insurance		99,233	60,963
Equipment rental		457,031	339,389
Utilities		86,674	71,987
Travelling, conveyance and subsistence		394,171	265,764
Communication		23,108	16,223
Printing and stationery		15,165	12,620
Entertainment		20,389	13,085
Depreciation	17.1.5	5,705,267	3,779,777
Amortisation	18.4	16,163	17,702
Reversal of provision for slow moving stock		(1,105)	(3,793)
Legal and professional charges		9,069	7,200
Fees and subscriptions		11,717	18,514
Other manufacturing expenses		69,712	20,405
		70,422,678	62,650,221
Opening work in process		4,339,081	2,531,329
Closing work in process		(3,420,896)	(4,339,081)
Cost of goods manufactured		71,340,863	60,842,469
Opening finished goods stock		1,455,722	1,038,928
Closing finished goods stock		(1,101,548)	(1,455,722)
		71,695,037	60,425,675
29.1 Raw and packing materials consumed			
Opening stock		1,541,746	900,482
Purchases / expenditures during the year		11,645,704	10,218,008
Closing stock		(1,152,926)	(1,541,746)
		12,034,524	9,576,744

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

29.2 Salaries, wages and benefits include provision for employee retirement benefits amounting to Rs.166.60 million (2023: Rs. 97.74 million).

	Note	2024 (Rupees '000)	2023 (Rupees '000)
30 SELLING AND DISTRIBUTION EXPENSES			
Salaries, wages and benefits	30.1	184,934	105,007
Support services		4,765	3,479
Freight and handling - local		743,975	528,467
Rent, rates and taxes		26,691	24,447
Repairs and maintenance		8,450	5,687
Utilities		9,917	6,796
Travelling, conveyance and subsistence		49,996	33,725
Communication		5,163	3,399
Printing and stationery		21,652	2,063
Entertainment		26,482	21,090
Advertising and promotion		23,761	27,741
Depreciation		9,077	24,134
Amortisation	17.1.5	110,647	110,042
Bad debts written off	18.4	3,031	651
Fees and subscriptions		103,949	88,659
Others		1,131	2,342
		1,333,621	987,729

30.1 Salaries, wages and benefits include provision for employee retirement benefits amounting to Rs. 14.13 million (2023: Rs. 22.61 million).

	Note	2024 (Rupees '000)	2023 (Rupees '000)
31 ADMINISTRATIVE EXPENSES			
Salaries, wages and benefits	31.1	603,660	393,593
Rent, rates and taxes		22,327	13,254
Repairs and maintenance		20,177	25,662
Insurance		984	1,028
Utilities		34,876	26,305
Travelling, conveyance and subsistence		88,751	79,720
Communication		10,864	10,747
Printing and stationery		16,765	12,395
Entertainment		12,378	11,336
Advertisements		3,425	13,790
Donations		142,234	23,931
Legal and professional charges	31.2	47,223	29,754
Fees and subscriptions		56,247	33,450
Auditors' remuneration	31.3	6,319	4,167
Depreciation	17.1.5	99,420	36,440
Amortisation	18.4	3,670	3,245
Others	31.4	352,744	277,267
		1,522,064	996,084

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

31.1 Salaries, wages and benefits include provision for employee retirement benefits amounting to Rs. 28.76 million (2023: Rs. 27.39 million).

31.2 This includes charge of Rs. 137.68 million (2023: Rs. 18.92 million) for donation to Bestway Foundation. Following directors are among the trustees of the Foundation:

- Sir Mohammed Anwar Pervez
- Zameer Mohammed Choudrey
- Mohammed Younus Sheikh
- Muhammad Irfan A. Sheikh
- Haider Zameer Choudrey

None of the directors of the Company or their spouses have a beneficial interest in Bestway Foundation.

		2024 (Rupees '000)	2023 (Rupees '000)
31.3	Auditors' remuneration		
	Statutory audit fee	2,800	2,605
	Half year review	685	637
	Review of statement of code of corporate governance, CDC, free float, dividend certification and post implementation review of system	2,428	585
	Out of pocket expenses	406	340
		6,319	4,167
31.4	This includes royalty expense amounting to Rs. 285 million (2023: Rs. 221 million) payable to BIHL, the parent company.		
	Note	2024 (Rupees '000)	2023 (Rupees '000)
32	OTHER OPERATING EXPENSES		
	Workers' Welfare Fund	226,605	68,347
	Workers' Profit Participation Fund	907,253	924,514
	Interest expense on land compensation	14,070	14,031
		1,147,928	1,006,892

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
33 OTHER INCOME - NET			
Income from financial assets			
Profit on deposit accounts		8,072	3,481
Income on short term investments		51,565	1,252,007
Exchange gain / (loss)		4,661	(282,236)
		64,298	973,252
Income from non-financial assets			
Gain on disposal / (write off) of property, plant and equipment		55,155	110,693
Rental income		34,362	31,985
Change in fair value of investment property	19	2,631	25,876
		92,148	168,554
Others			
Deferred income - government grant	10	466,100	142,031
Others	33.1	40,136	99,150
		506,236	241,181
		662,682	1,382,987

33.1 This includes management fee charged to related parties, MAP Rice Mills (Pvt.) Limited amounting to Rs. 30 million (2023: Rs 30 million).

	Note	2024 (Rupees '000)	2023 (Rupees '000)
34 FINANCE COST			
Mark-up on long term financing		8,809,673	4,080,563
Mark-up on short term borrowings		2,351,590	2,700,235
Bank charges and commissions		51,129	47,206
		11,212,392	6,828,004
35 SHARE OF PROFIT OF EQUITY-ACCOUNTED INVESTEES - NET OF TAX			
United Bank Limited	20.1.1	4,628,390	3,693,235
UBL Insurers Limited	20.2.1	75,011	24,775
		4,703,401	3,718,010

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	2024 (Rupees '000)	2023 (Rupees '000)
36 INCOME TAX EXPENSE		
36.1 Amounts recognised in profit or loss		
Current tax charge / credit		
- for the year	5,371,327	4,163,843
- for prior year	(74,729)	(204,124)
	5,296,598	3,959,719
Deferred tax	3,312,131	6,747,008
Tax expense for the year	8,608,729	10,706,727
Reconciliation of tax expense		
Accounting profit before tax	22,377,304	22,598,425
Tax using the Company's domestic tax rate	6,489,418	6,553,543
Tax effects of:		
Share of profit of equity-accounted investees taxed at reduced rate	(188,136)	(411,348)
Income taxable under final tax regime (exports)	(83,870)	(57,577)
Impact of rate change on deferred tax	-	3,913,433
Effect of super tax	1,762,093	593,166
Increase in deferred tax due to change in regime for export sales	610,831	-
Others	18,393	115,510
	8,608,729	10,706,727
37 EARNINGS PER SHARE - Basic and diluted		
Profit for the year (Rupees in '000)	13,768,575	11,891,698
Weighted average number of ordinary shares in issue	596,252,783	596,252,783
Earnings per share - basic (Rupees)	23.09	19.94

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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

	Note	2024 (Rupees '000)	2023 (Rupees '000)
38 CASH AND CASH EQUIVALENTS			
Cash and bank balances	27	1,561,072	1,186,388
Running finance facilities from banking companies - secured	14	(9,758,600)	(18,077,557)
Cash and cash equivalents for the purpose of statement of cash flows		<u>(8,197,528)</u>	<u>(16,891,169)</u>

38.1 Reconciliation of movements of liabilities to cash flows arising from financing activities

	Short term financing	Long term financing	Unclaimed / unpaid dividend	Total
	------(Rupees '000)-----			
Balance at 01 July 2023	5,215,310	52,790,931	67,497	58,073,738
Changes from financing activities				
Proceeds from financing	3,095,000	-	-	3,095,000
Repayment of long term financing	(5,000,000)	(4,112,543)	-	(9,112,543)
Dividend paid	-	-	(13,901,930)	(13,901,930)
Total changes from financing cash flows	(1,905,000)	(4,112,543)	(13,901,930)	(19,919,473)
Other changes				
Dividend announced	-	-	14,310,068	14,310,068
Finance cost expensed	88,305	8,809,673	-	8,897,978
Finance cost capitalised	-	-	-	-
Deferred income - government grant	-	466,100	-	466,100
Finance cost paid	(272,127)	(8,500,401)	-	(8,772,528)
Total liability related changes	(183,822)	775,372	14,310,068	14,901,618
Balance at 30 June 2024	3,126,488	49,453,760	475,635	53,055,880
Balance at 01 July 2022	2,000,776	26,510,196	3,357,955	31,868,927
Proceeds from financing	18,919,222	28,984,989	-	47,904,211
Repayment of financing	(15,919,222)	(4,191,265)	-	(20,110,487)
Dividend paid	-	-	(14,619,261)	(14,619,261)
Total changes from financing cash flows	3,000,000	24,793,724	(14,619,261)	13,174,463
Other changes				
Dividend announced	-	-	11,328,803	11,328,803
Finance cost expensed	879,861	4,080,563	-	4,960,424
Finance cost capitalised	-	1,992,978	-	1,992,978
Deferred income - government grant	-	(485,778)	-	(485,778)
Finance cost paid	(665,327)	(4,100,752)	-	(4,766,079)
Total liability related changes	214,534	1,487,011	11,328,803	13,030,348
Balance at 30 June 2023	5,215,310	52,790,931	67,497	58,073,738

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

39 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements in respect of remuneration including benefits and perquisites of the chief executive, directors and executives of the Company are given below:

	2024			2023		
	Chief Executive	Director	Executives	Chief Executive	Directors	Executives
	(-----Rupees '000-----)			(-----Rupees '000-----)		
Managerial remuneration	60,000	41,700	948,591	60,000	36,000	797,321
Bonus	-	8,000	164,348	-	14,667	154,421
Provision for gratuity	-	2,380	52,620	-	2,000	40,916
Unavailed leaves	-	1,671	16,755	-	533	14,079
Others	-	-	11,647	-	-	38,750
	60,000	53,751	1,193,961	60,000	53,200	1,045,487
Number of persons	1	1	223	1	1	195

39.1 The Chairman, Chief Executive, Executive Director, and eligible executives are also provided with vehicle facility while medical facility is provided to Executive Director and eligible executives as per their entitled limits.

39.2 Executive means an employee whose basic salary exceeds Rs. 1.2 million (2023: Rs. 1.2 million) during the year.

39.3 In addition to the above, meeting fees amounting to Rs. 3.3 million (2023: Rs. 1.15 million) were paid to 9 directors (2023: 6) who attended the Board of Directors meetings during the year.

40 RELATED PARTIES

40.1 Parent and ultimate controlling party and related party relationships

The Company is a subsidiary of Bestway International Holdings Limited, Guernsey ("the holding company"). Bestway International Holdings Limited, Guernsey is a wholly owned subsidiary of Bestway Group Limited, Guernsey ("the ultimate parent company"). Therefore, all subsidiaries and associated undertakings of the ultimate parent company are related parties of the Company. Other related parties comprise of directors, key management personnel, entities with common directorships, entities over which the directors are able to exercise influence and employee retirement fund. Balances with related parties are shown in notes 13, 23.1, 25.2 and 27 and transactions with related parties are disclosed in notes 17.1.2, 20, 31.2, 31.4, 33.1, and 39. Transactions with related parties other than those disclosed elsewhere in these financial statements are as follows:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	2024 (Rupees '000)	2023 (Rupees '000)
Balances with Bestway International Holdings Limited (holding company)		
Unpaid dividend	440,144	-
Dividend paid	7,635,092	8,912,486
Transactions with associated undertakings under common directorship		
Dividend received	4,236,033	2,626,277
Investment during the year	1,245,717	-
Sale of cement - gross	37,535	43,047
Purchase of packing material	5,961,284	4,220,360
Insurance claims received	22,038	160,773
Dividend paid	559,762	443,145
Service/bank charges paid	22,103	21,054
Interest earned	2,463	2,775
Rent paid	27,940	25,562
Maintenance fee paid	10,307	8,512
Insurance premium paid	71,108	63,147
Sales of solar equipment	233,182	-
Purchase of solar equipment	877,852	-
Purchase of fixed assets	-	143,000
Purchases on behalf of associated undertakings	94,667	384,224
Services received	356,830	40,900
Transactions and balances with key management personnel		
Remuneration, allowances and benefits	113,751	113,200
Dividend paid	2,454,950	2,219,463
Other related party transactions		
Dividend paid	1,871,603	1,793,620

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

40.2 Following are the associated companies/undertakings and related parties with whom the Company had entered into transactions during the year:

Associated company/undertakings	Basis of relationship	Number of shares held in the Company	Aggregate %age shareholding in the Company
Bestway International Holdings Limited, Guernsey	Holding Company	336,468,168	56.43%
Bestway Foundation	Common directorship	23,323,432	3.91%
United Bank Limited	Common directorship	1,481	0.0002%
UBL Insurers Limited	Common directorship	-	-
MAP Rice Mills (Private) Limited	Common directorship	-	-
Bestway Packaging Limited	Common directorship	-	-
Bestway Consultancy Services (Private) Limited	Common directorship	-	-
Bestway Renewable Technologies Ltd.	Common directorship	-	-

Related party	Basis of relationship	Number of shares held in the Company	Aggregate %age shareholding in the Company
Sir Mohammed Anwar Pervez	Chairman	21,640,779	3.63%
Mr. Zameer Mohammed Choudrey	Chief Executive	12,358,184	2.07%
Mr. Mohammed Younus Sheikh	Director	11,711,513	1.96%
Mr Rizwan Pervez	Relatives of Chairman	40,487,027	6.79%
Mr. Dawood Pervez	Director	37,536,226	6.30%
Mr. Haider Zameer Choudrey	Director	18,695,317	3.14%
Mr. Umair Zameer Choudrey	Relatives of CEO	18,748,216	3.14%
Mr Mohammed Zaheer Choudrey	Relatives of CEO	18,748,216	3.14%
Ms. Rakhshanda Choudrey	Close family member of CEO	185,425	0.03%
Mr. Muhammad Irfan A. Sheikh	Director	161,983	0.03%
Mr. Tariq Rashid	Director	100	0.00%
Mr. Syed Asif Shah	Director	29	0.00%
Ms. Fauzai Ahmad	Director	67	0.00%
Employees' Gratuity Fund	Employees' Gratuity Fund	-	0.00%

40.3 Following particulars relate to associated companies incorporated outside Pakistan with whom the Company had entered into transactions during the year:

Particulars	Bestway International Holdings Limited, Guernsey
Registered address	Newport House, 15 The Grange, St Peter Port, Guernsey GY1 2QL
Country of incorporation	Guernsey
Basis of association	Holding Company
Aggregate Percentage of shareholding	56.43%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

41 FINANCIAL INSTRUMENTS - Fair values and risk management

41.1 Accounting classification

The following table shows the carrying amounts of financial assets and financial liabilities by categories:

	Note	30 June 2024			30 June 2023		
		Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
		(-----Rupees - '000-----)			(-----Rupees - '000-----)		
Financial assets							
Deposits		121,493	-	121,493	136,686	-	136,686
Trade debts	22	1,970,886	-	1,970,886	1,210,836	-	1,210,836
Advances	23	10,768	-	10,768	6,608	-	6,608
Short term investments	26	-	-	-	4,885,660	-	4,885,660
Other receivables	25	61,900	-	61,900	341,579	-	341,579
Cash and bank balances	27	1,561,072	-	1,561,072	1,186,388	-	1,186,388
		3,726,119	-	3,726,119	7,767,757	-	7,767,757
Financial liabilities							
Current portion of long term financing	9	-	8,770,992	8,770,992	-	6,452,450	6,452,450
Long term financing	9	-	40,682,768	40,682,768	-	46,338,481	46,338,481
Trade and other payables	13	-	11,406,535	11,406,535	-	10,177,349	10,177,349
Unclaimed dividend		-	35,491	35,491	-	67,497	67,497
Unpaid dividend	15	-	440,144	440,144	-	-	-
Short-term borrowings	14	-	12,885,088	12,885,088	-	23,292,867	23,292,867
		-	74,221,018	74,221,018	-	86,328,644	86,328,644

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

41.2 Fair values of financial assets and financial liabilities

The fair value information of current financial assets and liabilities are not disclosed as their carrying values reflected in the financial statements reasonably approximate their fair values. The carrying value of non current financial liabilities also approximate their fair values as these are interest bearing based on market interest rates.

41.3 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- 1) Credit risk
- 2) Liquidity risk
- 3) Market risk

41.3.1 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 is also responsible for development and monitoring of the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks 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, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

41.3.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and balances with banks. The carrying amount of financial assets represents the maximum credit exposure.

Bank balances and short term investments

The Company held balances of Rs. 1,572 million (2023: Rs. 1,454 million) as at June 30, 2024. Management assesses the credit quality of the counter parties as satisfactory. Geographic analysis and credit rating information is given below:

Bank / financial institution	Credit rating agency	Long term credit rating	Short term credit rating	2024 (Rupees '000)	2023 (Rupees '000)
Pakistan:					
Allied Bank Limited	PACRA	AAA	A1+	350,544	257,196
Askari Bank Limited	PACRA	AA+	A1+	1	-
Bank Alfalah Limited	PACRA	AAA	A1+	-	-
Dubai Islamic Bank Pakistan Limited	VIS	AA	A1+	-	178
Faysal Bank Limited	PACRA	AA	A1+	49	50
Habib Bank Limited	VIS	AAA	A1+	78,094	689
MCB Bank Limited	PACRA	AAA	A1+	16,236	16,915
National Bank of Pakistan	PACRA	AAA	A1+	95	3,321
Soneri Bank Limited	PACRA	AA-	A1+	1	-
United Bank Limited	VIS	AAA	A-1+	1,126,230	1,137,456
Industrial and Commercial Bank of China Limited	Fitch	A	F1+	-	1,023
Bank Islami Pakistan Limited	PACRA	AA-	A1+	133	763
MCB Islamic Bank Limited	PACRA	A+	A1+	65	35,760
Telenor Microfinance Bank	PACRA	A	A1	229	229
Bank of Punjab	PACRA	AA+	A1+	50	150
Bank of Khyber	VIS	A+	A1+	76	250

The Company has also invested in short term government debt security of Rs. Nil (2023: Rs. 4,886 million) as at 30 June 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

Trade debts

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the credit risk of its customer base. The Company has established a credit policy under which each new customer is assessed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Sales limits are established for each customer and are reviewed on monthly basis. Trade debts amounting to Rs. 104.40 million (2023: Rs. 329.17 million) are secured against post dated cheques, letters of credit and bank guarantees. The Company maintains provision for doubtful debts that represents its estimate of probable losses in respect of trade debts.

	2024 (Rupees '000)	2023 (Rupees '000)
At reporting date, the maximum credit exposure in trade debts by geographic region was as follows:		
Domestic	1,970,886	1,210,293
Foreign	-	543
	1,970,886	1,210,836
At reporting date, the maximum credit exposure in trade debts by type of customer was as follows:		
Dealers	1,870,265	574,537
End-user customers	100,621	636,299
	1,970,886	1,210,836

At reporting date, the aging of trade debts and provision for doubtful debts were as follows:

	Gross amount		Provision for doubtful debts	
	2024 (Rupees '000)	2023 (Rupees '000)	2024 (Rupees '000)	2023 (Rupees '000)
1-30 days	1,928,616	782,901	-	-
31-60 days	26,066	221,175	-	-
61-90 days	11,190	118,688	-	-
Over 90 days	10,074	93,132	(5,060)	(5,060)
	1,975,946	1,215,896	(5,060)	(5,060)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

The management believes that all unimpaired amounts are collectable in full, based on historical payment behavior and extensive analysis of customer credit risk. There is no movement in provision for doubtful trade debts during the year.

41.3.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses different methods which assists it in monitoring cash flow requirements and optimizing its cash return on investments. The Company aims to maintain the level of its cash and cash equivalents and other highly liquid assets at an amount in excess of expected cash outflows on financial liabilities. In addition, the Company maintains lines of credit as mentioned in note 14.

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities at the reporting date.

	Carrying amount	Contractual maturities					
		Total	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
30 June 2024	(Rupees '000)						
Financial liabilities							
Current portion of long term financing	8,770,992	8,770,992	2,356,005	6,414,987	-	-	-
Long term financing	40,682,768	40,682,768	-	-	8,831,837	20,957,484	10,893,447
Trade and other payables	11,406,535	11,406,535	11,406,535	-	-	-	-
Unclaimed dividend	35,491	35,491	35,491	-	-	-	-
Unpaid dividend	440,144	440,144	-	-	-	-	-
Short-term borrowings	12,885,088	12,885,088	12,885,088	-	-	-	-
	74,221,018	74,221,018	26,683,119	6,414,987	8,831,837	20,957,484	10,893,447
30 June 2023							
Financial liabilities							
Current portion of long term financing	6,452,450	6,452,450	1,886,756	4,565,694	-	-	-
Long term financing	46,338,481	46,338,481	-	-	10,751,468	25,995,716	9,591,297
Trade and other payables	10,177,349	10,177,349	10,177,349	-	-	-	-
Unclaimed dividend	67,497	67,497	67,497	-	-	-	-
Unpaid dividend	-	-	-	-	-	-	-
Short-term borrowings	23,292,867	23,292,867	23,292,867	-	-	-	-
	86,328,644	86,328,644	35,424,469	4,565,694	10,751,468	25,995,716	9,591,297

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

The loan facilities of the Company contain loan covenants. A future breach of covenants may require the Company to repay the loan earlier than indicated in the table above. The Company monitors the compliance with covenants on regular basis. The current ratio of the Company and debt service coverage ratio of a facility was in breach of agreed financial covenants with the banks as at 30 June 2024. However, waivers from respective banks were obtained.

41.3.4 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 returns. The Company is exposed to currency risk and interest rate risk.

(a) 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. Currency risk arises mainly due to changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions of receivables and payables that exist due to transactions in foreign currencies.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk is as follows:

	2024 (Rupees '000)	2023 (Rupees '000)
USD		
Trade debts	-	543
Cash and bank balances	322,497	261,404
Trade and other payables	(463,464)	(503,486)
Net exposure	(140,967)	(241,539)
GBP		
Trade and other payables	(941,102)	(657,303)

The following significant exchange rates have been applied:

	Average rate		Year-end spot rate	
	2024	2023	2024	2023
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
USD	283.70	253.08	278.80	287.10
GBP	357.42	306.70	351.85	365.40

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the USD and GBP against Pak Rupee at 30 June would have affected the measurement of financial instruments denominated in foreign currency and affected the profit or loss and equity by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
	------(Rupees '000)-----		------(Rupees '000)-----	
30 June 2024				
USD (10% movement)	(14,097)	14,097	(8,169)	8,169
GBP (10% movement)	(94,124)	94,124	(54,545)	54,545
30 June 2023				
USD (10% movement)	(24,145)	24,145	(13,992)	13,992
GBP (10% movement)	(65,730)	65,730	(38,091)	38,091

(b) Interest rate risk

The interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from short and long term borrowings and short term deposits with banks.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	Nominal amount	
	2024	2023
	------(Rupees '000)-----	
Fixed-rate instruments		
Financial assets	118,201	4,890,328
Variable-rate instruments		
Financial liabilities	62,338,848	76,083,798

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates of variable rate instruments at the reporting date would have increased / (decreased) profit or loss and equity by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Equity, net of tax	
	100 bp Increase	100 bp Decrease	100 bp Increase	100 bp Decrease
	-----(Rupees '000)----		------(Rupees '000)-----	
30 June 2024				
Cash flow sensitivity (net)	(623,388)	623,288	(361,254)	361,254
30 June 2023				
Cash flow sensitivity (net)	(760,838)	760,838	(440,906)	440,906

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

42 PLANTS' CAPACITIES AND PRODUCTION - Clinker

	Available Capacity		Actual Production	
	2024	2023	2024	2023
	(Metric Tonnes)		(Metric Tonnes)	
Hattar	3,480,000	2,112,986	1,278,621	910,042
Chakwal	3,443,956	3,443,956	1,582,355	1,752,791
Farooqia	3,004,994	3,004,994	1,481,287	1,600,139
Kallar Kahar	2,504,801	2,504,801	1,172,588	1,301,520
Mianwali	2,160,000	556,274	583,662	292,714
	14,593,751	11,623,011	6,098,513	5,857,206

42.1 Hattar Line II and Mianwali plants commenced commercial cement production on 17 February 2023 and 29 March 2023 respectively and therefore their available capacities for the year 2023 were included on proportional basis.

42.2 The actual production is generally adjusted in view of existing and expected market conditions.

43 NUMBER OF EMPLOYEES

	2024	2023
Number of employees at year end	1,979	2,128
Average number of employees during the year	2,054	2,025

BESTWAY CEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

44 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:

	2024	2023
	------(Rupees '000)-----	
Long term loans obtained as per Islamic mode	9,650,000	10,273,141
Short term running finance facilities as per Islamic mode	8,320,720	8,476,704
Shariah compliant bank balances	-	36,753
Finance cost on Islamic mode of financing	1,231,977	1,693,746
Revenue earned from shariah compliant business	103,922,263	87,741,812

For total interest earned and finance cost including on conventional loans, refer to note 33 and 34

For exchange gains, refer to note 33

The Company maintains bank accounts with Meezan Bank Limited, Faysal Bank Limited, Dubai Islamic Bank Pakistan Limited, MCB Islamic Bank and Bank Islami Pakistan Limited.

45. DIVIDEND

The Board of Directors in their meeting held on 31 July 2024 has proposed a final dividend of Rs. 8 per share.

46. DATE OF AUTHORISATION

These financial statements were authorised for issue on 31 July 2024 by the Board of Directors.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

BESTWAY CEMENT LIMITED

KEY OPERATIONAL AND FINANCIAL DATA

FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023	2022	2021	2020	2019
OPERATING RESULTS	(-----Rupees in Million-----)					
Net turnover	103,922	87,742	72,371	56,864	37,129	53,602
Cost of sales	71,695	60,426	49,377	40,261	36,012	37,557
Gross profit	32,227	27,316	22,993	16,603	1,117	16,045
Operating profit / (loss)	28,224	24,325	19,144	14,691	(26)	13,290
Finance cost	11,212	6,828	1,480	1,071	2,152	1,498
Profit / (loss) before tax	22,377	22,598	19,347	15,538	(506)	13,246
Profit for the year	13,769	11,892	10,239	11,578	49	10,097
STATEMENT OF FINANCIAL POSITION	(-----Rupees in Million-----)					
Share capital and reserves	63,060	61,846	60,758	60,123	54,653	57,606
Property, plant and equipment	113,482	115,529	85,670	55,007	55,789	57,242
Long term financing	40,683	46,338	21,982	11,872	11,542	-
Net current (liabilities) / assets	(11,469)	(8,698)	(9,811)	6,366	(1,441)	(9,680)
SIGNIFICANT FINANCIAL INDICATORS						
Gross profit (%)	31.01	31.13	31.77	29.20	3.01	29.93
Net profit (%)	13.25	13.55	14.15	20.36	0.13	18.84
Interest coverage ratio	3.00	4.31	14.07	15.51	0.76	9.84
Return on equity (%)	21.82	19.23	16.85	19.26	0.09	17.53
Earnings per share (Rupees)	23.09	19.94	17.17	19.42	0.08	16.93
Dividend (%)	240	190	160	100	60	110
	In thousand metric tonnes					
"Despatches of cement and Xtreme bond"	6,962	6,573	7,839	8,664	7,311	8,126

BESTWAY CEMENT LIMITED

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2024

NUMBER OF SHAREHOLDERS	SHAREHOLDING		NUMBER OF SHARES HELD
	FROM	TO	
5488	1	100	169229
1608	101	500	439316
508	501	1000	412867
656	1001	5000	1638413
145	5001	10000	1111286
43	10001	15000	561877
32	15001	20000	571619
27	20001	25000	625271
7	25001	30000	190830
5	30001	35000	165832
3	35001	40000	113950
12	40001	45000	513942
7	45001	50000	341782
4	50001	55000	207505
2	55001	60000	114944
4	60001	65000	248336
7	65001	70000	472250
2	70001	75000	150000
7	75001	80000	543493
2	90001	95000	186731
2	95001	100000	197400
2	100001	105000	201600
1	105001	110000	105800
2	115001	120000	235633
1	125001	130000	129904
3	135001	140000	412400
3	150001	155000	463491
2	155001	160000	316541
1	160001	165000	161983
1	175001	180000	178500
1	185001	190000	185425
1	210001	215000	212900
5	215001	220000	1093860
1	220001	225000	222000
2	230001	235000	465258
1	235001	240000	237000
4	240001	245000	969449
2	275001	280000	556358
1	280001	285000	284500
1	285001	290000	289159
1	395001	400000	400000
1	505001	510000	507310
1	605001	610000	607794
1	620001	625000	623664
5	675001	680000	3394400
1	800001	805000	803037
1	895001	900000	899815
1	1060001	1065000	1064812
2	1085001	1090000	2178724
1	1105001	1110000	1107050
1	1355001	1360000	1357760
1	1570001	1575000	1573445

BESTWAY CEMENT LIMITED

PATTERN OF SHAREHOLDING

FOR THE YEAR ENDED 30 JUNE 2024

NUMBER OF SHAREHOLDERS	FROM	TO	NUMBER OF SHARES HELD
2	1910001	1915000	3822942
1	2200001	2205000	2202894
1	2420001	2425000	2425000
1	2695001	2700000	2698994
1	2965001	2970000	2967236
1	4320001	4325000	4323753
1	7875001	7880000	7878441
1	11710001	11715000	11711513
1	12355001	12360000	12358184
1	18695001	18700000	18695317
1	21640001	21645000	21640779
1	23320001	23325000	23323432
2	18745001	18750000	37496432
1	37535001	37540000	37536226
1	40485001	40490000	40487027
1	336465001	336470000	336468168
8,641			596,252,783

CATEGORIES OF SHAREHOLDERS	SHARES HELD	%
Directors, Chief Executive, their Spouse and Minor Children	102,289,628	17.16
Associated Companies Undertakings & Related Parties	359,791,600	60.34
NIT/ICP	564	0.00
Banks, Development Finance Institutions and Non Banking Financial Institution	2,438,651	0.41
Insurance Companies	2,985,823	0.50
Modarabas and Mutual Funds	1,737,458	0.29
Shareholders holding 10% *	-	0.00
General Public		
a. Local	126,088,966	21.15
b. Foreign	-	0.00
Others		0.00
i. Joint Stock Companies	912,893	0.15
ii. Foreign Companies	7,200	0.00
	596,252,783	100.00

* Bestway International Holdings Limited is holding 56.43% shares of the Company.

- نامزدگی کمیٹی
 - رسک مینجمنٹ کمیٹی
- | | |
|--------------------------------|--------------------------------|
| i - لارڈ ضمیر چوہدری (چیئرمین) | i - لارڈ ضمیر چوہدری (چیئرمین) |
| ii - جناب محمد عرفان انور شیخ | ii - جناب محمد عرفان انور شیخ |
| iii - جناب حیدر ضمیر چوہدری | iii - جناب حیدر ضمیر چوہدری |

آڈیٹرز

موجودہ آڈیٹرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس میٹنگ کے اختتام پر ریٹائر ہو جاتے ہیں اور اہل ہوتے ہیں، نے خود کو دوبارہ تقرری کے لیے پیش کیا ہے۔ کمپنی کی آڈٹ کمیٹی نے اس معاملے پر غور کرنے کے بعد ریٹائر ہونے والے آڈیٹرز کو دوبارہ تقرری کی سفارش کی۔

اعترافات

ڈائریکٹرز کمپنی میں اس کے شیئر ہولڈرز، عملے کے اراکین، صارفین، سپلائرز، ہمارے بینکرز خصوصاً الائیڈ بینک لمیٹڈ، حبیب بینک لمیٹڈ، میزان بینک لمیٹڈ، ایم سی بی بینک لمیٹڈ، یونائیٹڈ بینک لمیٹڈ، عسکری بینک لمیٹڈ، سونیری بینک لمیٹڈ، بینک الفلاح لمیٹڈ، بینک اسلامی پاکستان لمیٹڈ، فیصل بینک لمیٹڈ، دہی اسلامک بینک پاکستان لمیٹڈ، ایم سی بی اسلامک، حبیب میٹروپولیٹن، نیشنل بینک آف پاکستان، سٹی بینک، بینک آف خیبر، بینک آف خیبر اسلامک، بینک آف پنجاب اور مختلف سرکاری ادارے کی جانب سے پورا سال کمپنی کے ساتھ مسلسل تعاون، شراکت اور اعتماد کے مظاہرے کے لئے تعریف و تشکر کے خواہاں ہیں۔

برائے و منجانب بورڈ



محمد عرفان انور شیخ
مینجنگ ڈائریکٹر



لارڈ ضمیر محمد چوہدری
چیف ایگزیکٹو
اسلام آباد
08 اگست 2024ء

افغانستان کے ساتھ سرحدی مسائل نے شمال سے سیمنٹ کی برآمدات کو بڑے پیمانے پر متاثر کیا ہے اور یہ صورتحال اس وقت تک برقرار رہنے کا امکان ہے جب تک طویل مدتی حل پر اتفاق نہیں ہو جاتا۔

بیسٹ وے ملک میں سب سے کم لاگت والے پروڈیوسرز میں سے ایک ہے، جس کا مطلب ہے کہ یہ اپنے زیادہ تر حریفوں کے مقابلے میں کسی بھی پریشانی کا سامنا کرنے کے لیے بہتر ہے۔ آپ کی انتظامیہ ان چیلنجوں سے ہمیشہ بخوبی واقف رہتی ہے جو آپ کے سامنے آسکتے ہیں اور آپ کی کمپنی کی بہترین کارکردگی اور اس کے شیئر ہولڈرز کے لیے اعلیٰ منافع کو یقینی بنانے کے لیے فعال طور پر موافقت جاری رکھے گی۔

شیئر ہولڈنگ کا نمونہ

30 جون 2024 تک کمپنی میں شیئر ہولڈنگ کے پٹرن کا بیان بعد کے صفحات میں ہے۔

بورڈ کی تشکیل

بورڈ مندرجہ ذیل 9 ڈائریکٹرز پر مشتمل ہے:

- مرد 8
- خواتین 1

بورڈ کی تشکیل حسب ذیل ہے:

- آزاد ڈائریکٹرز
 - i - محترمہ فوزیہ احمد
 - ii - سید آصف شاہ
 - iii - جناب طارق رشید
- دیگر غیر عملی ڈائریکٹرز
 - i - سر محمد انور پرویز (چیئر مین)
 - ii - جناب محمد یونس شیخ
 - iii - مسٹر داؤد پرویز
 - iv - جناب حیدر ضمیر چوہدری
- عملی ڈائریکٹرز
 - i - لارڈ ضمیر محمد چوہدری
 - ii - جناب محمد عرفان اے شیخ

بورڈ کی کمیٹیاں

• HR اور معاوضہ کمیٹی

- i - محترمہ فوزیہ احمد (چیئر پرسن)
- ii - لارڈ ضمیر چوہدری
- iii - جناب محمد عرفان انور شیخ

• آڈٹ کمیٹی

- i - جناب طارق رشید (چیئر مین)
- ii - جناب سید آصف شاہ
- iii - جناب حیدر ضمیر چوہدری

صحت

بنیادی صحت کے شعبوں میں، پیسٹ وے کی فیکٹری کے احاطے میں واقع پانچوں طبی مراکز کے ذریعے مقامی کمیونٹی کے ہزاروں مریضوں کو مفت طبی سہولیات فراہم کی جاتی ہیں۔ زیر جائزہ سال کے دوران ان طبی مراکز سے تقریباً 65,633 مریضوں نے فائدہ اٹھایا۔

مالی معاونت

پیسٹ وے اپنی مقامی کمیونٹیز میں تقریباً 464 بیواؤں اور مسکینوں کو ماہانہ وظیفے کی شکل میں باقاعدہ مالی امداد بھی فراہم کرتا ہے۔

مقامی کمیونٹی کے لیے ملازمت کے مواقع

آپ کی کمپنی نے اپنی فیکٹری کے احاطے میں اور اس کے ارد گرد ہنرمند اور غیر ہنرمند مقامی افراد کے لیے سینکڑوں ملازمتیں متعارف کرائی ہیں۔ آپ اسٹریم اور ڈاون اسٹریم سرگرمیوں میں روزگار کے مواقع پیدا ہوئے ہیں۔ روزگار پیدا کرنے سے نہ صرف مقامی آبادی کی قوت خرید میں بہتری آتی ہے بلکہ انہیں اپنے معیار زندگی کو بہتر بنانے کا ایک مناسب موقع بھی ملتا ہے۔

ڈیزاسٹر مینجمنٹ اور بحالی

آپ کی کمپنی قدرتی آفات کے بعد ڈیزاسٹر مینجمنٹ اور ریلیف، بحالی اور تعمیر نو کی کوششوں میں مدد کرنے میں ہمیشہ فراخ دلانہ تعاون کرتی ہے۔

ہولڈنگ کمپنی

کمپنی پیسٹ وے انٹرنیشنل ہولڈنگز لمیٹڈ (BIHL) کا ذیلی ادارہ ہے، جو پیسٹ وے گروپ لمیٹڈ (BGL) کا مکمل ملکیتی ماتحت ادارہ ہے۔ BIHL اور BGL دونوں گرنسی میں شامل ہیں۔ لہذا، BGL کے تمام ذیلی ادارے اور متعلقہ ادارے کمپنی کے متعلقہ فریق ہیں۔

مستقبل کا جائزہ

پاکستان اس وقت بھی اہم معاشی اور سیاسی چیلنجز سے دوچار ہے۔ مسلسل بلند افراط زر، بہت زیادہ شرح سود اور کم ہوتے زرمبادلہ کے ذخائر نے معاشی نمو کو نمایاں طور پر متاثر کیا ہے۔ ملک کو بحرانوں سے نکلنے اور مستقبل کی ترقی کی راہ ہموار کرنے کے لیے سیاسی اور معاشی استحکام کی ضرورت ہے۔

دوست ممالک کے ساتھ قرضوں کی تنظیم نو کے ساتھ آئی ایم ایف کے ساتھ نیا معاہدہ مختصر مدت میں استحکام فراہم کرے گا۔ تاہم، معیشت کو دوبارہ پٹری پر لانے کے لیے طویل مدتی منصوبہ بندی، مالیاتی نظم و ضبط اور ساختی اصلاحات کی ضرورت ہے۔ صارفین کے اعتماد کی واپسی میں کچھ وقت لگے گا اور اقتصادی بحالی مختصر مدت میں دے رہنے کی توقع ہے۔

غیر معقول حد تک زیادہ ٹیکس، مسلسل مہنگائی، کرنسی کی قدر میں کمی، بلند شرح سود، غیر دوستانہ کاروباری ماحول اور سیاسی غیر یقینی صورتحال سیمنٹ کی صنعت پر بدستور اثر انداز ہو گی اور سیمنٹ مینوفیکچررز کو لاگت میں کسی بھی اضافے سے گزرنا مشکل ہو رہا ہے جو منافع کے مارجن کو متاثر کر سکتا ہے۔

پانی کا تحفظ

آپ کی کمپنی ایئر کولڈ کنڈینسر سسٹمز کی تنصیب کے بعد پانی کے تحفظ میں سرفہرست ہے، جو سیمنٹ کی صنعت میں روایتی واٹر کولڈ سسٹم کے بجائے پہلی اور واحد کمپنی ہے جس نے صنعتی پانی کی تقریباً 80% ضروریات کو کم کرنے کا موقع فراہم کیا ہے۔

بارش کے پانی کی ذخیرہ اندوزی پر توجہ مرکوز کرنے کا ایک اہم شعبہ رہا ہے اور آپ کی کمپنی نے بارش کے پانی کے ذخیرہ کرنے کے موجودہ تالابوں کو نہ صرف نمایاں طور پر بہتر بنانے بلکہ نئے قائم کرنے میں بھی بڑی پیش رفت کی ہے۔ آپ کو یہ جان کر خوشی ہوگی کہ ہمارے چکوال اور کلرکھار پلانٹس میں صنعتی پانی کی 100% ضرورت بارش کے پانی کی ذخیرہ اندوزی کے ذریعے پوری کی جا رہی ہے۔

توانائی کے متبادل اقدامات

سیمنٹ مینوفیکچرنگ ایک توانائی سے بھرپور عمل ہے۔ بجلی پیداوار کی سب سے بڑی لاگت میں سے ایک کی نمائندگی کرتی ہے۔ ملک میں بجلی کے مسلسل بحران اور سبز اور قابل تجدید توانائی کی طرف منتقل ہونے کی خواہش نے روایتی جیواشم ایندھن سے متبادل توانائی کے حل کی طرف تبدیلی کی ضرورت پیش کی۔ آپ کی کمپنی اپنی توانائی کی ضروریات کا ایک اہم حصہ سبز اور قابل تجدید ذرائع سے پورا کرتی ہے جس سے وہ پاکستان کے صنعتی شعبے میں سبز اور قابل تجدید توانائی کو اپنانے میں سرفہرست ہے۔

کارپوریٹ سماجی ذمہ داری

بیسٹ وے طویل مدت کے لیے اپنے آپریشنز میں سرمایہ کاری کرتا ہے اور اس بات کی تعریف کرتا ہے کہ اس کی مقامی کمیونٹی کے لیے خصوصی ذمہ داری ہے۔ کمپنی صحت کی خدمات تک رسائی، تعلیم، پیشہ ورانہ تربیت، ماحولیاتی تحفظ کے پروگراموں، اور روزگار اور مقامی روزگار پیدا کرنے میں مدد کرنے جیسی سرگرمیوں کے ذریعے اپنی فعال ترقی اور پسماندہ افراد کی فلاح و بہبود پر فخر محسوس کرتی ہے۔ آپ کی کمپنی اپنی کارپوریٹ سماجی ذمہ داری کی سرگرمیاں بنیادی طور پر اپنے خیراتی ٹرسٹ، بیسٹ وے فاؤنڈیشن کے ذریعے کرتی ہے۔

زیر جائزہ سال کے دوران، آپ کی کمپنی نے مختلف CSR اقدامات پر 500 ملین روپے سے زیادہ خرچ کیے۔ یہ اخراجات CSR اخراجات کے لحاظ سے بیسٹ وے کو ملک کے سب سے بڑے کارپوریٹس میں سے ایک بناتے ہیں۔

تعلیم

پسماندہ افراد کو معیاری تعلیم فراہم کرنے کے ہمارے عزم کے مطابق، بیسٹ وے ان کمیونٹی کی ضروریات کو پورا کرنے والے اسکولوں کو چلانے میں سرگرم عمل ہے۔ بیسٹ وے اس وقت اپنے پلانٹس کے قریب پانچ اسکول اور گورنر خان میں لڑکیوں کے لیے ایک کالج چلا رہا ہے۔ رپورٹنگ کی تاریخ تک، یہاں 1,661 طلباء (بشمول 848 لڑکیاں) ہیں، جنہیں تجربہ کار اساتذہ کے ذریعے اس کے مقامات پر ٹوکن فیس پر اعلیٰ تعلیم فراہم کی جا رہی ہے۔

قومی اور بین الاقوامی وضائف

ایک مضبوط اور متحرک معاشرے کی تعمیر کے لیے اعلیٰ تعلیم ضروری ہے، جب کہ بہت سے باصلاحیت اور مستحق نوجوان کافی مالی وسائل کی کمی کی وجہ سے اپنی تعلیم جاری رکھنے سے قاصر ہیں۔ مستحق طلباء کی مدد کرنے کے اپنے عزم کو مد نظر رکھتے ہوئے، آپ کی کمپنی نے اپنی فلاحی تنظیم بیسٹ وے فاؤنڈیشن کے ذریعے یونیورسٹی کے انڈرگریجویٹ پروگراموں میں داخلہ لینے والے مالی طور پر معذور طلباء کے فائدے کے لیے دو معروف یونیورسٹیوں کے ساتھ 72.5 ملین روپے کے اسکالرشپ انڈومنٹ فنڈز قائم کیے ہیں۔ یہ وظائف 36 طالب علموں کو دیے جاتے ہیں، جو بنیادی طور پر ہر سال ان کی فیس کے اخراجات کو پورا کرتے ہیں۔

مندرجہ بالا کے علاوہ، متعدد دیگر قومی اور بین الاقوامی اسکالرشپس، بشمول آکسفورڈ یونیورسٹی، یونیورسٹی آف بریڈ فورڈ اور یو کے کی کینٹ میں 16 مکمل فنڈڈ اسکالرشپس، بیسٹ وے کی طرف سے مالی طور پر مجبور باصلاحیت طلباء کی ایک بڑی تعداد کو فراہم کی جاتی ہے۔

مہارتوں کی نشوونما اور افرادی قوت کو تیار کرنے کے اپنے عزم کے ایک حصے کے طور پر، آپ کی کمپنی باقاعدگی سے نئے قابل انجینئرز، گریجویٹس، پیشہ ور افراد اور یہاں تک کہ غیر ہنرمند انسانی وسائل کو بھی ملازمت دیتی ہے۔ منصوبہ بند تربیتی پروگرام احتیاط سے منعقد کیے جاتے ہیں تاکہ یہ یقینی بنایا جاسکے کہ یہ اہلکار ہنرمند اور پیداواری وسیلہ بننے کے لیے ضروری علم، تجربہ اور اعتماد سے لیس ہیں۔

زیر تربیت انجینئرز الیکٹریکل، مکینیکل اور کان کنی کے شعبوں میں گہری تربیت سے گزرتے ہیں، جبکہ مینجمنٹ ٹرینیز کو مارکیٹنگ، فنانس، اہلکاروں اور انتظامیہ میں شامل کیا جاتا ہے جہاں انہیں مستقبل میں موثر مینیجر بننے کے لیے احتیاط سے تربیت دی جاتی ہے۔ تمام فیکٹریوں میں مختلف تکنیکی شعبوں میں اپرنٹس ملازم ہیں۔ جب کہ ان میں سے کچھ ٹرینیز اور اپرنٹس کو کمپنی میں برقرار رکھا جاتا ہے، باقی دیگر صنعتوں کی طرف چلے جاتے ہیں جہاں وہ بیسٹ وے سینٹ میں انہیں فراہم کی گئی تربیت کے ذریعے کامیابی سے اپنے کیریئر اور ملک کی ترقی میں اپنا حصہ ڈالتے ہیں۔ اس وقت تقریباً 166 ٹرینی انجینئرز، مینجمنٹ ٹرینیز، اپرنٹس اور انٹرنیز کمپنی کے مختلف مقامات پر تربیت حاصل کر رہے ہیں۔

صحت اور تحفظ

آپ کی کمپنی اپنے آپ کو ایک ذمہ دار کارپوریٹ شہری کے طور پر شہرت دیتی ہے اور ہمارے کاروبار کے موثر طرز عمل کے سلسلے میں نہ صرف اپنے ملازمین بلکہ ذیلی کٹریکٹڈ اہلکاروں کے لیے صحت اور حفاظت کو سب سے زیادہ ترجیح دیتی ہے۔ اس لیے آپ کی کمپنی کام کی جگہ پر انسانی اور املاک کو بچانے والے نقصان کو روکنے کے لیے پرعزم ہے اور اپنے ماحول، صحت اور حفاظت کے انتظام اور کارکردگی میں مسلسل بہتری کے لیے کوشاں ہے۔

کام کے محفوظ نظام کے بارے میں تربیت جیسے اقدامات جیسے صحت اور حفاظت کے مختلف پہلوؤں پر تربیت، حفاظتی میٹنگز، حفاظتی رپورٹنگ، کام کے نظام کی اجازت کے ساتھ ساتھ خطرے کی تشخیص، خطرات کی شناخت اور کنٹرول، واقعے کی رپورٹنگ، حفاظتی آڈٹ، حفاظتی چیپمنٹ، رویے بین الاقوامی حفاظتی معیارات کو سمجھنے کے لیے آئی ایس او: 45001 پر مبنی حفاظت، اچھی ہاؤس کیپنگ اور حفظان صحت کے کنٹرولز کو فعال اور مستقل طور پر تمام اہلکاروں میں محفوظ رویے کو فروغ دینے کے لیے جاری رکھا گیا ہے۔

ماحولیات

بیسٹ وے سینٹ خود کو ایک ذمہ دار کارپوریٹ شہری کے طور پر پہچانتا ہے اور نہ صرف اپنے ملازمین کے لیے بلکہ ہماری کمیونٹیز کے لیے بھی جہاں کمپنی نے اپنے پانچ پلانٹس قائم کیے ہیں، کے تحفظ اور صحت مند ماحول کی تشکیل کو سب سے زیادہ ترجیح دیتا ہے۔ بیسٹ وے جس سماجی ماحول میں کام کرتا ہے اس کی فلاح و بہبود کو کمپنی کی کامیابی کا ایک لازمی حصہ سمجھا جاتا ہے۔ ہمارے پلانٹس ISO 14001:2004 ماحولیاتی مینجمنٹ سسٹم (EMS) سے تصدیق شدہ ہیں۔

کمپنی اس بات کو یقینی بناتی ہے کہ اس کے پلانٹس ہر وقت ماحولیاتی معیار کے قائم کردہ معیارات کی تعمیل کرتے رہیں۔ ہمارے پلانٹس نہ صرف کے تجویز کردہ ماحولیاتی معیار کے سخت معیارات پر پورا اترتے ہیں بلکہ بین الاقوامی مالیاتی کارپوریشن (EPA) پاکستان کی متعلقہ ماحولیاتی تحفظ ایجنسی (IFC) کے زیادہ سخت بین الاقوامی اخراج کے معیارات کی رضاکارانہ پابندی بھی کرتے ہیں۔

بیسٹ وے ماحولیاتی بہتری کے مختلف پروگراموں میں باقاعدگی سے حصہ لیتا ہے جن میں درخت لگانے کی مہم اور کان کنی بحالی کے اقدامات شامل ہیں۔ کانوں کے استعمال شدہ حصوں کو بتدریج بحال کرنے کے لیے جامع کان کنی، بحالی کا منصوبہ کمپنی بھر میں نافذ کیا جا رہا ہے۔

بیسٹ وے سینٹ WWF پاکستان کی بھرپور حمایت کرتا ہے۔ ماحول کے تحفظ کے لیے کام کرتے ہوئے کاربن فٹ پرنٹ کو کم کرنے کی کوششوں کے لیے آپ کی کمپنی کی تعریف اور تائید کی گئی ہے۔ یہ پاکستان کی ان چند کمپنیوں میں سے ایک ہے جسے WWF پاکستان نے گرین آفس کے طور پر سرٹیفائیڈ کیا ہے۔

اس سال کے لئے مجموعی منافع 32.2 ارب روپے نوٹ کیا گیا جو گزشتہ سال کے دوران 27.3 ارب روپے تھا۔

مالی چارجز گزشتہ سال کے 6.8 ارب روپے کے مقابلے میں اس سال بڑھ کر 11.2 ارب روپے ہو گئے۔ یہ اضافہ بلند شرح سود اور نئے منصوبوں کے لئے قرضے لینے کی وجہ سے ہوا۔

اس سال کے لئے منافع قبل از ٹیکس 22.3 ارب روپے رہا جبکہ 30 جون 2023ء میں 22.6 ارب روپے تھا۔ بعد از ٹیکس منافع اس سال کے لئے 13.8 ارب روپے رہا جو گزشتہ سال 11.9 ارب روپے تھا۔

30 جون 2024 کو ختم ہونے والے سال کے لیے کمپنی کی فی شیئر آمدنی 23.09 روپے رہی جو گزشتہ سال 19.94 ارب روپے تھی۔

کمپنی کی کل ایکویٹی 30 جون 2023 کو ختم ہونے والے سال کی 61.8 ارب روپے کے مقابلے میں 63 ارب روپے رہی۔

آپ کی کمپنی نے تمام قسم کے قرضوں کی فوری ادائیگی کی اپنی ذمہ داریوں کو بروقت پورا کیا۔

30 جون 2024 کو خالص موجودہ واجبات 11.5 ارب (2023: خالص موجودہ واجبات 8.7 ارب روپے) روپے رہے۔ اس کی بنیادی وجہ طویل مدتی قرضوں کے موجودہ حصے کو موجودہ واجبات میں شامل کیا جانا ہے اور کمپنی سود کی شرح میں کمی سے فائدہ اٹھانے کے لیے طویل مدتی قرضوں پر مختصر مدت کے قرض لینے کو ترجیح دیتی ہے۔

قومی خزانے میں حصہ ڈالنا

بیسٹ وے سیمنٹ کا شمار ملک کے سب سے بڑے ٹیکس دہندگان میں ہوتا ہے۔ زیر جائزہ سال کے دوران، خزانے میں انکم ٹیکس، سیلز ٹیکس اور ایکسائز ڈیوٹی کی مد میں آپ کی کمپنی کی شراکت 43 ارب روپے سے زیادہ تھی۔ اس کے علاوہ، آپ کی کمپنی وفاقی، صوبائی اور مقامی حکومتوں کو مختلف بالواسطہ ڈیوٹیوں اور ٹیکسوں کی شکل میں بڑی رقم ادا کرتی ہے۔

پلانٹ کی کارکردگی

زیر جائزہ سال کے دوران، ہمارے تمام سیمنٹ پلانٹس اور ویسٹ ہیٹ ریکوری پلانٹس نے تسلی بخش کام کیا۔

شیئر ہولڈرز کو واپس ادائیگی

آپ کی کمپنی اپنے حصص یافتگان کو بہترین منافع فراہم کرنے کا خیال رکھتی ہے۔ آپ کی کمپنی کی رپورٹ کردہ کارکردگی کے پیش نظر، ڈائریکٹرز 8 روپے کے حتمی منافع کا اعلان کرتے ہوئے بہت خوشی محسوس کرتے ہیں، جس سے سال کا آج تک کا منافع 260% تک ہو گیا ہے۔

معیار کی یقین دہانی اور مارکیٹنگ

بیسٹ وے اپنے مسلسل اعلیٰ معیار، وسیع تر مصنوعات کی رینج، موثر مارکیٹنگ حکمت عملی، کسٹمر کیئر اور اپنی سلیز اور مارکیٹنگ ٹیموں کی سراسر لگن کی وجہ سے مارکیٹ لیڈر کے طور پر اپنی حیثیت سے لطف اندوز ہونا جاری رکھے ہوئے ہے۔ آپ کی کمپنی پاکستان میں سیمنٹ بنانے والی سب سے بڑی کمپنی ہے اور آئی ایس او 9001 کوالٹی مینجمنٹ سسٹم کے لیے تصدیق شدہ ہے۔

بیسٹ وے اپنی اعلیٰ معیار کی مصنوعات کے لیے مشہور ہے۔ اس کی مصنوعات گھریلو مارکیٹ کے ساتھ ساتھ مختلف بین الاقوامی منڈیوں میں پریمیئم برانڈز کے طور پر مضبوطی سے قائم ہیں۔

ترہیت اور ترقی

آپ کی کمپنی اپنے ملازمین کی تربیت، ترقی اور تعلیم کو بہت اہمیت دیتی ہے۔ اپنی افرادی قوت کو بہترین آپریشنل تکنیکوں اور طریقوں سے باخبر رکھنے کے لیے مختلف محکموں اور اہلکاروں کے زمروں کے لیے تکنیکی اور جنرل مینجری ٹریننگ کورسز کا انعقاد کیا جاتا ہے۔ اسٹاف ممبران کو کورسز، ورکشاپس اور سیمینارز میں بھی بھیجا جاتا ہے جو دوسرے اداروں کے ذریعے بیرونی طور پر منعقد کیے جاتے ہیں۔ کمپنی پیشہ ورانہ ترقی اور کیریئر میں بہتری کے حصول میں اپنے ملازمین کی فعال طور پر حوصلہ افزائی اور مدد کرتی ہے۔

ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز 30 جون 2024ء کو ختم شدہ سال کیلئے پڑتال شدہ مالیاتی گوشواروں اور آڈیٹرز رپورٹ کے ہمراہ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معیشت کا جائزہ

پاکستان کو مالی سال 2023-24 کے دوران متعدد چیلنجوں کا سامنا کرنا پڑا، بنیادی طور پر جس کی وجہ سیاسی اور معاشی عدم استحکام کے ساتھ ساتھ مالیاتی سختی، جغرافیائی سیاسی تناؤ اور مسلسل بلند افراط زر تھی۔ تمام تر مشکلات کے باوجود، پاکستان کی معیشت نے اعتدال پسند بحالی درج کی جس کی عکاسی گزشتہ سال کے 0.21 فیصد کے سکڑاؤ کے مقابلے میں 2.38 فیصد کی مجموعی ملکی پیداوار کی نمو سے ہوئی۔

آئی ایم ایف کے ساتھ پچھلے سال کے اسٹینڈ بائی انتظامات نے کسی حد تک فوری خطرات کو کم کرنے میں مدد کی۔ زرمبادلہ کے ذخائر میں بتدریج بہتری اور درآمدات پر سے پابندی کے خاتمے سے ملک میں معاشی سرگرمیوں کو کچھ راحت ملی جس سے بحالی میں مدد ملی۔

صنعتی جائزہ

اندرون ملک سیمنٹ کی ترسیلات گزشتہ سال کے 40.0 ملین ٹن سے 5 فیصد کم ہو کر 38.2 ملین ٹن ہو گئی۔ برآمدات کا حجم 54 فیصد اضافہ کے ساتھ 4.6 ملین ٹن سے 7.1 ملین ٹن ہو گیا۔ مجموعی طور پر، صنعت کی طرف سے ترسیلات گزشتہ سال کے 44.6 ملین ٹن سے 1.60 فیصد بڑھ کر 30 جون 2024 کو ختم ہونے والے سال کے لیے 45.3 ملین ٹن ہو گئیں۔ ملک کے اندر فروخت کے حجم میں کمی بنیادی طور پر اقتصادی اور سیاسی غیر یقینی صورتحال، بلند شرح سود اور افراط زر کی وجہ سے ہے۔ جو سال بھر جاری رہا۔ برآمدات میں اضافہ بین الاقوامی منڈی میں سازگار قیمت اور روپے کی قدر میں کمی سے ہوا۔

پیداوار اور فروخت کا جائزہ

فیصد	اضافہ/(کمی)	30 جون 2023ء کو ختم شدہ سال	30 جون 2024ء کو ختم شدہ سال	
%	ٹن	ٹن	ٹن	
4%	241,307	5,857,206	6,098,513	کلنٹر کی پیداوار
6%	358,204	6,510,228	6,868,432	سیمنٹ کی پیداوار
6%	388,847	6,572,693	6,961,540	سیمنٹ اور ایکسٹریم بولڈ کی فروخت

آپ کی کمپنی کی کل سیمنٹ کی ترسیل میں 6% کا اضافہ ہوا، جو کہ صنعت کی ترقی سے زیادہ ہے۔ اس کی بنیادی وجہ حطار اور میانوالی میں دو نئی پروڈکشن لائنیں ہیں جو بالترتیب فروری اور مارچ 2023 کے دوران آن لائن ہوئیں۔

سخت مقابلے کے باوجود، بیسٹ وے نے ملک میں سیمنٹ کے سب سے بڑے پروڈیوسر اور مارکیٹ لیڈر کے طور پر کامیابی سے اپنی پوزیشن برقرار رکھی۔

معاشی جھلکیاں

کمپنی نے 30 جون 2024ء کو ختم ہونے والے سال کے دوران مجموعی کاروبار 145.6 ارب روپے ریکارڈ کیا جو گزشتہ سال کے دوران 120.2 ارب روپے کے مقابلے میں 21 فیصد زیادہ ہے۔ سالانہ خالص کاروبار 18 فیصد کے اضافے کے ساتھ 87.7 ارب روپے سے بڑھ کر 103.9 ارب روپے ہو گیا۔ زیادہ آمدنی فروخت کے حجم میں 6% اضافے سے ہوئی جس کی پشت پناہی حطار اور میانوالی میں دو نئی پروڈکشن لائنوں نے کی اور فروخت کی قیمتوں میں اضافے کی وجہ سے ہوئی، جس کی ضرورت ان پٹ لاگت میں بے تحاشہ اضافے کی وجہ سے تھی۔

PROXY FORM

The Company Secretary
Bestway Cement Limited
Bestway Building, 19-A, College Road,
F-7 Markaz, Islamabad.

Folio No. / CDC A/C No.	
Shares held	

I/We _____ of _____
being a member (s) of Bestway Cement Limited (the 'Company') hereby appoint Mr./Mrs./Miss _____ of
_____ or failing him/her Mr./Mrs./Miss _____ of _____ (being member(s))
of the Company as my/our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the
Company to be held on Wednesday, August 28, 2024 at 3 p.m at Roomy Signature Hotel, Agha Khan Road, Next to
Total , Petrol Pump, F-6 Markaz, Islamabad and at every adjournment thereof.

Signed this _____ day of _____ 2024.

1. Witness: _____
Signature _____
Name _____
CNIC/Passport No. _____
Address _____
2. Witness: _____
Signature _____
Name _____
CNIC/Passport No. _____
Address _____



Signature _____
(Signature appended above
should agree with the specimen
signatures registered with the
Company.)

Important:

1. This form of proxy, duly completed and signed, must be received at the Registered Office of the Company, Bestway Building, 19-A, College Road, F-7 Markaz, Islamabad not less than 48 hours before the time of holding meeting.
2. No person shall act as proxy unless he/she himself/herself is a member of the Company, except that a corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than one instrument of proxy is deposited by the member with the Company, all such instruments of proxy shall be rendered invalid.

For CDC Account Holders the following requirements have to be met:

- (i) The form of proxy shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- (ii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the form of proxy.
- (iii) The proxy shall produce his original CNIC or original passport at the time of meeting.
- (iv) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with the form of proxy to the Company.



AFFIX
CORRECT
POSTAGE

The Company Secretary
BESTWAY CEMENT LIMITED
Bestway Building, 19-A, College Road,
F-7 Markaz, Islamabad

پراکسی فارم

کمپنی سیکرٹری

بیسٹ وے سینٹ لمیٹڈ

بیسٹ وے بلڈنگ، 19-A کالج روڈ

F-7 مرکز، اسلام آباد

فولیو نمبر / CDC A/C No.	
شینئر زیپیلڈ	

میں / ہم _____ ساکن _____ بحیثیت رکن / اراکین بیسٹ وے سینٹ لمیٹڈ (کمپنی) اپنی جانب سے
محترم / محترمہ _____ ساکن _____ یا ان محترم / محترمہ کی ناکامی کی صورت میں محترم / محترمہ
_____ ساکن _____ (بحیثیت رکن / اراکین) کو بذریعہ ہذا اپنا / ہمارا پراکسی مقرر کرتا / کرتی ہوں تاکہ میری / ہماری عدم
موجودگی میں کمپنی کے سالانہ اجلاس عام جو کہ 28 اگست 2024 بروز بدھ دن 3:00 بجے رومی سکینچر ہوٹل، آغا خان روڈ، ٹوٹل پیٹرول پمپ کے ساتھ مرکز، اسلام آباد میں منعقد ہو رہا ہے یا
اس کے التوائی اجلاس میں میری / ہماری طرف سے شرکت اور ووٹ دے سکے۔

دستخط کئے گئے _____ دن _____ سال 2024

1- گواہ:

دستخط:

نام:

قومی شناختی کارڈ / پاسپورٹ نمبر:

پتہ:

2- گواہ:

دستخط:

نام:

قومی شناختی کارڈ / پاسپورٹ نمبر:

پتہ:

ریونیو
سٹیپ
یہاں لگائیں

دستخط:

مندرجہ بالا دستخط کو کمپنی میں رجسٹرڈ دستخطوں

کے نمونہ جات کے ساتھ مطابقت رکھنا

چاہیے۔

ضروری نوٹ:

1- مکمل و دستخط شدہ پراکسی فارم کمپنی کے رجسٹرڈ دفتر، بیسٹ وے سینٹ لمیٹڈ، بیسٹ وے بلڈنگ، 19-A کالج روڈ، اسلام آباد میں اجلاس کے وقت سے کم از کم 48 گھنٹے پہلے موصول
ہو جانا چاہیے۔

2- کوئی بھی شخصیت اس وقت تک پراکسی کا کردار نہیں ادا کر سکتا / سکتی جب تک کہ وہ کمپنی کا / کی رکن نہ ہو، البتہ کارپوریٹیشنز کسی بھی ایسے فرد کو نامزد کر سکتی ہیں جو کمپنی کا رکن نہ ہو۔

3- اگر کوئی رکن ایک سے زیادہ پراکسی کو نامزد کرتا ہے اور ایک سے زیادہ انسٹرومنٹ برائے پراکسی کمپنی کو جمع کراتا ہے تو ایسے تمام انسٹرومنٹ برائے پراکسی غلط تصور ہوں گے۔

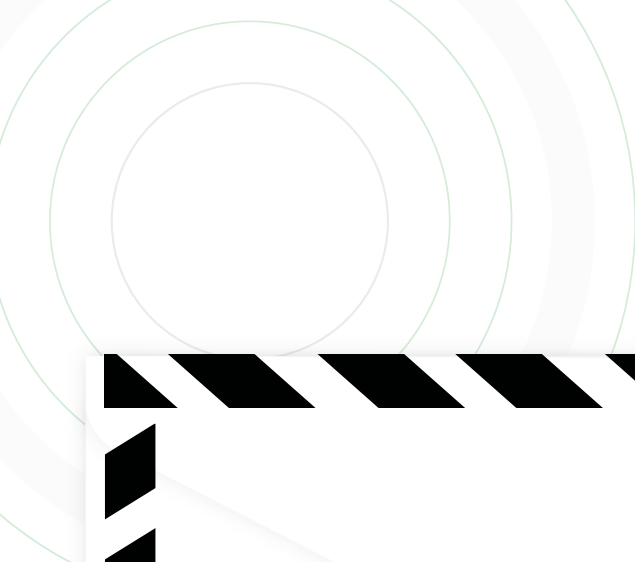
سی ڈی سی کھاتہ داران کیلئے درج ذیل ضروریات کو پورا کرنا ضروری ہے:

1- پراکسی فارم کیلئے دو افراد گواہ ہوں گے جن کے نام، پتے اور شناختی کارڈ نمبر فارم پر درج ہونے چاہئیں۔

2- پراکسی کے ہمراہ مالکان اور پراکسی دونوں کے شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول پراکسی فارم کے ساتھ مہیا کرنا ہوگی۔

3- اجلاس کے وقت پراکسی کو اپنا اصل شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔

4- کارپوریٹ ادارہ ہونے کی صورت میں بورڈ آف ڈائریکٹرز کی رضامندی / مختیار نامہ بمعہ نمونہ دستخط پراکسی فارم کے ساتھ (اگر پہلے نہ مہیا کی گئی ہو تو) کمپنی کے پاس جمع کرانی ہوں گی۔



AFFIX
CORRECT
POSTAGE

The Company Secretary
BESTWAY CEMENT LIMITED
Bestway Building, 19-A, College Road,
F-7 Markaz, Islamabad



BESTWAY CEMENT LIMITED

Bestway Building, 19-A, College Road,
F-7 Markaz, Islamabad 44000, Pakistan
Tel: +92 (0) 51 265 4856 - 64
Fax: +92 (0) 51 265 4865
Email: info@bestway.com.pk

+92 51 111 111 722 WWW.BESTWAY.COM.PK

BUY CEMENT ONLINE

PAY THROUGH



PAKISTAN'S ONLY CEMENT MANUFACTURER TO TAKE ORDERS ONLINE AT YOUR CONVENIENCE.