

1st Quarterly Report September 30, 2021

Inspiring Excellence through Strength



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CORPORATE INFORMATION

Board of Directors

Mr. Nasim Beg	Chairman
Mr. Muhammad Kashif Habib	Chief Executive
Mr. Samad A. Habib	
Mr. Syed Salman Rashid	
Mr. Anders Paludan-Müller	
Mr. Javed Kureishi	
Ms. Saira Nasir	

Audit Committee

Ms. Saira Nasir	Chairperson
Mr. Samad A. Habib	Member
Mr. Syed Salman Rashid	Member

HR & Remuneration Committee

Mr. Javed Kureishi	Chairman
Mr. Muhammad Kashif Habib	Member
Mr. Syed Salman Rashid	Member

Chief Financial Officer & Company Secretary

Mr. Tahir Iqbal

Chief Operating Officer

Mr. Ahsan Anis

External Auditors

A.F. Ferguson & Co. Chartered Accountants

Legal Advisor

HaiderMota & Co.
Advocates

Mr. Asad Iftikhar

Share Registrar

CDC Share Services Limited
CDC House, 99-B, Block-B, SMCHS, Main
Shahrah-e-Faisal, Karachi – 74400

Bankers / Lenders of the Company

Local Banks / DFIs

Allied Bank Limited
Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Bankislami Pakistan Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited
First Credit & Investment Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
National Bank of Pakistan
Pak Oman Investment Company Limited
The Bank of Punjab
The Bank of Khyber
Summit Bank Limited
Samba Bank Limited
United Bank Limited

Foreign Banks / DFIs

DEG - Deutsche Investitionsund
Entwicklungsgesellschaft mbH - Germany
The OPEC Fund for International Development
("OFID") - Austria
Islamic Corporation for the Development
of the Private Sector ("ICD") - Saudi Arabia

Registered Office

Arif Habib Centre, 23, M.T. Khan Road, Karachi

Factory

Nooriabad Industrial Area, Deh Kalo, Kohar,
District Jamshoro, Sindh

Website:

www.powercement.com.pk

Contact number

021-32468231-32
021-32468350-51

Fax number

021-32463209

DIRECTORS' REVIEW

The Directors of your Company present herewith their review along with the un-audited Condensed Interim Financial Information for the first quarter ended September 30, 2021.

INDUSTRY OVERVIEW

The Cement industry sales volume declined by 5.7 percent to 12.9 million tons during the period under review as compared to 13.6 million tons during the same period last year. The domestic dispatches registered a growth of 3.9 percent to 11.3 million tons during the period under review as compared to 10.9 million tons during the same period last year. The exports, however, registered a decline of 43.6 percent to 1.54 million tons from 2.74 million tons during the same period last year.

The domestic sales volume in the South Zone, where your Company is situated increased by 29% to 1.79 million tons during the period under review as compared to 1.39 million tons during the same period last year. However, the export sales volume decreased

by 45% to 1.16 million tons as compared to 2.12 million tons during the same period last year. As a result, the South Zone closed at a total dispatch of 2.95 million tons.

In the North Zone, the domestic sales volume more or less remained the same, however the export sales volume declined by 37.7%. As a result, the North Zone recorded a net decline of 2%.

BUSINESS PERFORMANCE

Production & Sales Volume Performance:

The production and sales volume statistics of your Company for the first quarter ended September 30, 2021 together with the corresponding period is as under:

Particulars	First quarter ended		
	September 30 2021	September 30 2020	Variance %
	Tons		
Cement production	344,433	376,516	(9) %
Clinker production	605,843	546,738	11 %

Particulars	First quarter ended		
	September 30 2021	September 30 2020	Variance %
	Tons		
Cement / clinker dispatches (Local)	429,337	308,270	39 %
Cement dispatches (Export)	1,046	85,850	(99) %
Clinker dispatches (Export)	184,350	180,027	2 %
Total	614,733	574,147	7 %

The production of clinker increased by 59,105 metric tons, however the cement production declined by 32,083 metric tons. The capacity utilization of clinker stood at 75% as compared to 68% of the corresponding period.

Financial performance

An analysis of the key financial results of your Company for the first quarter ended September 30, 2021 is as under:

Particulars	First quarter ended	
	September 30 2021	September 30 2020
	Rupees in '000	
Net sales revenue	4,113,790	3,258,446
Gross profit	836,664	667,801
Loss after tax	(190,408)	(170,776)
Loss per share (Rupee)	(0.23)	(0.17)

Net Sales Revenue

The net sales revenue increased by 26% in line with increase in local sales volumes – 429,337 tons as compared to 308,270 tons during the corresponding period. However, the exports remained under pressure primarily due to unprecedented high freights and swelled production costs owing to the ever increasing coal prices.

Gross Profit

The Gross Margin of the Company remained the same at 20% as compared to the corresponding period.

Net Loss

The Company suffered a net loss primarily due to exchange loss suffered on account of depreciated PKR.

FUTURE OUTLOOK

Construction package announced by the Federal Government, including Naya Pakistan Housing scheme, coupled with overall effective management of COVID by the Government, significant reduction in policy rate and multiple incentive schemes (subsidized Housing Finance, Long Term loans for new plants/Expansion/BMR) have seeded the groundwork for robust economic growth and suggests a positive outlook for the Cement Industry in Pakistan. However, the escalation in current account deficit and downward pressure on currency present downside risks to growth outlook.

In order to boost liquidity and profitability, the Management of your Company is focused on cost control measures and has adopted strategies accordingly. Your Company is working in all relevant areas including use of alternative fuels, however, the ever swelling input costs continue to pose a serious challenge.

ACKNOWLEDGEMENT

The Directors are grateful to the Company's stakeholders for their continuing confidence and patronage. We wish to place on record our appreciation and thanks for the faith and trust reposed by our Shareholders, Business Partners, Bankers and Financial Institutions. We thank the Ministry of Finance, Ministry of Industries & Production, the Securities & Exchange Commission of Pakistan, the State Bank of Pakistan, the Competition Commission of Pakistan, Central Depository Company of Pakistan and the Management of Pakistan Stock Exchange for their continued support and guidance which has gone a long way in giving present shape to the Company.

The results of an organization are greatly reflective of the efforts put in by the people who work for and with the Company. The Directors fully recognize the collective contribution made by the employees of the Company and its contractors towards the successful completion of expansion project. We also appreciate the valuable contribution and active role of the members of the audit and other committees in supporting and guiding the management on matters of great importance.



Muhammad Kashif Habib
Chief Executive Officer

Karachi: October 29, 2021



Nasim Beg
Chairman

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION UNAUDITED

AS AT SEPTEMBER 30, 2021

	(Unaudited) September 30, 2021 (Rupees in '000)	(Audited) June 30, 2021
Note		
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share capital		
9		
Ordinary shares	10,634,144	10,634,144
Cumulative preference shares	2,445,853	2,445,853
	13,079,997	13,079,997
Reserves		
Capital Reserve		
Share premium	739,493	739,493
Hedging reserve	189,282	-
Revenue Reserves		
Accumulated loss	(3,264,983)	(3,074,575)
	10,743,789	10,744,915
LIABILITIES		
NON-CURRENT LIABILITIES		
Long-term financing	18,073,495	18,403,049
Long-term lease liability	32,492	31,674
Deferred grant income	1,997	1,997
Staff retirement benefits	95,080	108,965
	18,203,064	18,545,685
CURRENT LIABILITIES		
Trade and other payables	3,561,818	5,272,881
Unclaimed dividend	126	126
Accrued mark-up	861,133	1,258,520
Loan from related party	2,266,000	680,000
Short-term financing	7,730,320	7,679,924
Current portion of long-term lease liability	8,513	11,755
Current portion of long-term financing	1,857,252	1,297,872
	16,285,162	16,201,078
Total Liabilities		
10		
CONTINGENCIES AND COMMITMENTS		
TOTAL EQUITY AND LIABILITIES	45,232,015	45,491,678



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION UNAUDITED

AS AT SEPTEMBER 30, 2021

	Note	(Unaudited) September 30, 2021 (Rupees in '000)	(Audited) June 30, 2021
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	36,083,147	36,270,530
Intangible asset		2,324	2,958
Right-of-use asset		34,370	37,086
Long-term investments		25,174	24,873
Deferred tax assets		2,071,918	2,104,838
Long-term deposits		42,377	42,338
		38,259,310	38,482,623
CURRENT ASSETS			
Inventories	5	1,422,003	1,149,511
Stores, spares and loose tools	6	1,152,219	1,748,535
Trade receivables - considered good	7	286,219	275,250
Advances and other receivables - unsecured, considered good		391,074	385,427
Taxation - payments less provision		553,685	512,210
Derivative financial asset		1,031,527	529,816
Trade deposits and short-term prepayments		62,165	63,440
Tax refunds due from government - sales tax		1,828,887	2,063,361
Short-term investments		26,399	26,399
Cash and bank balances	8	218,527	255,106
		6,972,705	7,009,055
TOTAL ASSETS		45,232,015	45,491,678

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME


FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021 - UNAUDITED

	Note	First Quarter Ended	
		September 30, 2021	September 30, 2020
(Rupees in '000)			
Revenue from contracts with customers	11	4,113,790	3,258,446
Cost of sales		(3,277,126)	(2,590,645)
Gross profit		836,664	667,801
Selling and distribution expenses	12	(234,708)	(344,270)
Administrative expenses		(61,140)	(40,054)
Other (expenses) / income		(124,949)	13,128
		(420,798)	(371,196)
Operating profit		415,867	296,605
Finance income		1,332	1,152
Finance cost		(639,096)	(638,221)
Finance costs - net		(637,764)	(637,069)
Loss before income tax		(221,897)	(340,464)
Taxation		31,490	169,688
Loss for the period		(190,408)	(170,776)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
Cash flow hedges - effective portion of changes in fair value			
Related deferred tax		189,282	185,108
Total comprehensive (loss) / income for the period		(1,126)	14,332
(Rupee)			
Loss per share - basic	13	(0.23)	(0.17)

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021 - UNAUDITED

	Note	First Quarter Ended	
		September 30, 2021	September 30, 2020
----- (Rupees in '000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	14	(502,574)	698,935
Gratuity paid		(26,415)	(1,478)
Income tax paid		(53,611)	(24,963)
Finance cost paid		(1,035,137)	(717,263)
		<u>(1,115,163)</u>	<u>(743,704)</u>
Net cash used in operating activities		(1,617,737)	(44,769)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure - operations		(47,209)	(89,590)
Interest received		1,031	1,152
Net cash used in investing activities		(46,178)	(88,438)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term financing		(505,291)	(43,998)
Proceeds from long-term financing		500,000	-
Lease rentals paid		(3,769)	-
Repayment of short term borrowing		(250,663)	-
Proceeds from issue of preference shares		-	1,648,392
Proceeds of loan from related party		1,586,000	-
Repayment of loan from related party - net		-	(1,230,000)
Net cash generated from financing activities		1,326,277	374,394
Net (decrease) / increase in cash and cash equivalents		(337,638)	241,187
Cash and cash equivalents at beginning of the period		(244,894)	(7,982,373)
Cash and cash equivalents at end of the period	15	<u>(582,532)</u>	<u>(7,741,185)</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021 - UNAUDITED

	Share Capital Issued, subscribed and paid up capital	Advance against preference right issue	Capital reserve		Revenue reserves	Total equity
			Hedging Reserve	Share premium	Unappropriated profit / (accumulated loss)	
----- (Rupees in '000) -----						
Balance as at July 1, 2020	10,634,144	523,754	447,724	749,063	(3,126,291)	9,228,394
Loss for the period	-	-	-	-	(170,776)	(170,776)
Issuance costs	-	-	-	(18,372)	-	(18,372)
Preference shares issued	2,445,853	(523,754)	-	-	-	1,922,099
Other comprehensive income for the period	-	-	185,108	-	-	185,108
Total comprehensive income for the period	2,445,853	(523,754)	185,108	(18,372)	(170,776)	1,918,059
Balance as at September 30, 2020	13,079,997	-	632,832	730,691	(3,297,067)	11,146,453
Balance as at July 1, 2021	13,079,997	-	-	739,493	(3,074,575)	10,744,915
Total comprehensive income for the period	-	-	-	-	-	-
Loss for the period	-	-	-	-	(190,408)	(190,408)
Other comprehensive income for the period	-	-	189,282	-	-	189,282
	-	-	189,282	-	(190,408)	(1,126)
Balance as at September 30, 2021	13,079,997	-	189,282	739,493	(3,264,983)	10,743,789

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021 - UNAUDITED

1. STATUS AND NATURE OF BUSINESS

Power Cement Limited (the Company) was established as a Private Limited Company on December 1, 1981 and was converted into a Public Limited Company on July 9, 1987. The Company is also listed on Pakistan Stock Exchange. The Company's principal activity is manufacturing, selling and marketing of cement. The registered office of the Company is situated at Arif Habib Centre, 23 M.T. Khan Road, Karachi and its undertaking is situated at Deh Kalo Kohar, Nooriabad Industrial Estate, District Jamshoro (Sindh).

2. BASIS OF PREPARATION

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

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

These condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2021.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2021.

4. PROPERTY, PLANT AND EQUIPMENT

	Note	(Un-audited) September 30, 2021	(Audited) June 30, 2021
----- (Rupees in '000) -----			
Operating assets	4.1	35,720,623	35,926,940
Capitalisable stores and spares	4.2	362,524	343,589
		<u>36,083,147</u>	<u>36,270,530</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021 - UNAUDITED

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
4.1 Operating assets	Note	----- (Rupees in '000) -----
Opening written down value	35,926,940	13,371,374
Additions during the period / year - at cost		
Plant and machinery	22,950	20,413,006
Factory building on leasehold land	-	22,982
Non Factory building on leasehold land	-	1,337,271
Waste Heat Recovery System	-	1,760,338
Factory and laboratory equipment	6,597	2,380
Computers and peripherals	640	4,359
Office equipment	1,158	2,107
Furniture and fixtures	10	471
Vehicles	268	1,768
	31,623	23,544,683
Disposals during the period - Net book value	-	(1,492)
Depreciation for the period	(237,940)	(987,624)
	(237,940)	(989,116)
Closing written down value	35,720,623	35,926,940
4.2 Capitalisable stores and spares		
Opening balance	343,589	437,637
Additions during the year	42,131	10,379
Transferred to property, plant and equipment	(23,197)	(104,427)
Closing balance	362,524	343,589
5. INVENTORIES		
Raw material	97,461	107,618
Packing material	154,987	147,619
Work-in-process	1,043,202	747,945
Finished goods	126,353	146,329
	1,422,003	1,149,511
6. STORES, SPARES AND LOOSE TOOLS	September 30, 2021	June 30, 2021
	----- (Rupees in '000) -----	
Stores	396,272	433,566
Coal	135,901	752,461
Spare parts	623,044	567,372
Loose tools	10,521	8,655
	1,165,738	1,762,054
Provision for slow moving / obsolete stock	(13,519)	(13,519)
	1,152,219	1,748,535

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021 - UNAUDITED

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
7. TRADE RECEIVABLES - Considered good	Note	----- (Rupees in '000) -----	
Unsecured			
- Due from related parties		50,525	51,780
- Others		364,059	351,835
		<u>414,584</u>	<u>403,615</u>
Less: Provision for doubtful debts		<u>(128,365)</u>	<u>(128,365)</u>
		<u>286,219</u>	<u>275,250</u>
8. CASH AND BANK BALANCES			
Cash in hand		709	939
Cash with banks:			
- In current accounts		111,821	146,066
- In savings accounts	8.1	103,897	106,001
- Term deposits	8.2	2,100	2,100
		<u>218,527</u>	<u>255,106</u>
8.1	These accounts are maintained under profit and loss sharing arrangements with Islamic banks at rates ranging from 3.5% - 5% (June 30, 2021: 3.5% - 5%).		
8.2	This includes term deposit certificate with local banks and carry profit at declared rates of 4.07% - 7.2%. (June 30, 2021: 4.07% - 7.20%).		
9. SHARE CAPITAL			
9.1 Authorised share capital			
		(Unaudited) September 30, 2021	(Audited) June 30, 2021
		----- (Number of Shares) -----	----- (Rupees in '000) -----
		<u>1,310,000,000</u>	<u>1,310,000,000</u>
		1,310,000,000	13,100,000
		Ordinary and Cumulative Preference Shares of Rs. 10 each	<u>13,100,000</u>
9.2 Issued, subscribed and paid-up capital			
		(Unaudited) September 30, 2021	(Audited) June 30, 2021
		----- (Number of Shares) -----	----- (Rupees in '000) -----
		<u>1,051,234,846</u>	<u>1,051,234,846</u>
		840,000	840,000
		11,339,588	11,339,588
		<u>1,063,414,434</u>	<u>1,063,414,434</u>
		Fully paid ordinary shares of Rs. 10 each issued:	<u>10,512,348</u>
		For cash	8,400
		For consideration other than cash Bonus shares	113,396
		<u>10,634,144</u>	<u>10,634,144</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021 - UNAUDITED

9.3 Cumulative Preference Shares

(Unaudited) September 30, 2021	(Audited) June 30, 2021		(Unaudited) September 30, 2021	(Audited) June 30, 2021
----- (Number of Shares) -----			----- (Rupees in '000) -----	
<u>244,585,300</u>	<u>244,585,300</u>	Cumulative Preference Shares of Rs. 10 each	<u>2,445,853</u>	<u>2,445,853</u>

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There is no change in the status of the contingencies as disclosed in note 27.1 to the annual financial statements for the year ended June 30, 2021.

10.2 Commitments

Commitments against open letter of credit for:

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
	----- (Rupees in '000) -----	
Coal	1,099,604	1,840,596
Stores and spares	182,217	157,248
	<u>1,281,821</u>	<u>1,997,844</u>

Commitments against letter of guarantees
Ijarah rentals

	6,973,000	6,702,700
	54,467	56,584
	<u>8,309,288</u>	<u>8,757,128</u>

11. REVENUE FROM CONTRACTS WITH CUSTOMERS

	(Un-audited) First Quarter Ended 30 September 2021	2020
	----- (Rupees in '000) -----	
Local Sales	4,466,332	2,838,175
Sales tax	(735,654)	(503,363)
Federal excise duty	(643,679)	(461,511)
	<u>3,086,999</u>	1,873,301
Commission	(62,932)	(6,119)
Net local sale of goods	<u>3,024,067</u>	1,867,182
Export Sales	1,213,649	1,464,801
Freight	(123,926)	(73,536)
	<u>1,089,723</u>	1,391,265
	<u>4,113,790</u>	<u>3,258,446</u>

12. SELLING AND DISTRIBUTION EXPENSES

This include Rs. 204.04 million (September 30, 2020: Rs 279.78 million) incurred in respect of export sales.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021 - UNAUDITED

13. LOSS PER SHARE

13.1 BASIC

Profit / (loss) after taxation attributable to	(190,408)	(170,776)
Adjustment for cumulative preference share dividend	(57,827)	(9,171)
Profit / (loss) after taxation for calculation of basic earnings / (loss) per share	(248,235)	(179,947)
Weighted average number of ordinary shares outstanding at the end of period (in thousands)	1,063,414	1,063,414
Basic (loss) per share (Rupee)	(0.23)	(0.17)

(Un-audited)
First Quarter Ended
30 September

14. CASH (USED IN) / GENERATED FROM OPERATIONS

	2021	2020
	----- (Rupees in '000) -----	
Loss before taxation	(221,897)	(340,464)
Adjustment for:		
Depreciation and amortisation	240,657	257,354
Finance cost on short-term financing	184,027	183,050
Finance cost on long-term financing - operations	455,068	455,171
Exchange gain - net	124,980	(10,637)
Finance income	(1,332)	(1,152)
Provision for gratuity	11,706	4,956
	1,015,107	888,741
Operating profit / (loss) before working capital changes	793,210	548,277
Decrease / (increase) in current assets		
Stores, spares and loose tools	596,316	426,806
Inventories	(272,492)	127,571
Trade receivables	(10,968)	61,376
Advances and other receivables	228,828	131,788
Deposits and prepayments	1,236	11,764
	542,919	759,305
(Decrease) / increase in current liabilities	(1,838,703)	(608,648)
Net cash (used in) / generated from operations	(502,574)	698,935

15. CASH AND CASH EQUIVALENTS

Cash and bank balances	218,527	429,708
Short term borrowings	(801,059)	(8,170,893)
	(582,532)	(7,741,185)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021 - UNAUDITED

16. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Transactions with related parties during the period as follows:

			(Un-audited) First Quarter Ended September 30,	
			2021	2020
			----- (Rupees in '000) -----	
Transactions with related parties				
Name of the related party	Relationship	Transactions during the period		
Aisha Steel Mills Limited	Associated company by virtue of common directorship	- Sale of goods	-	189
		- Payment received	157	-
Safe Mix Concrete Limited	Associated company by virtue of common directorship	- Sale of goods	1,981	8,933
		- Payment received	3,600	6,160
Javedan Corporation Limited	Associated company by virtue of common directorship	- Sale of goods	3,615	3,861
		- Payment received	3,251	11,370
Rotocast Engineering Company (Private) Limited	Associated company by virtue of common directorship	- Services received	5,184	2,157
		- Rent accrued	7,545	3,430
		- Payments made	3,150	3,730
		- Loan received	100,000	-
Arif Habib Corporation Limited	Associated company by virtue of common directorship	- Loan received	-	232,000
		- Loan paid	-	232,000
		- Mark-up accrued	-	206
		- Guarantee commission accrued	-	635
		- Guarantee commission paid	376	446
Arif Habib Equity (Private) Limited	Associated company by virtue of common directorship	- Funds received against shares	-	730,000
		- Loan paid	154,445	-
		- Mark-up accrued	81,743	81,788
		- Mark-up paid	113,005	178,957
		- Shares subscribed	-	730,000
Mr. Arif Habib	Substantial Shareholder	- Loan received	1,486,000	-
		- Loan paid	-	1,230,000
		- Mark-up accrued	-	10,886
		- Shares subscribed	-	796,959
EFU Life Assurance Limited	Associated company by virtue of common directorship	- Services received	5,410	3,001
		- Payments made	5,017	3,001
FLSmith A/S	Related party by virtue of nominee director	- Payments made	921,098	-
Allied Rental Modaraba	Associated company by virtue of common directorship	- Services received	-	997
		- Payment made	350	525
Fatima Fertilizer Company Limited	Associated company by virtue of common directorship	- Services received	7,283	-
		- Payment made	2,865	-
Fatima Packaging Limited	Associated company by virtue of common directorship	- Purchase of goods	88,928	52,763
		- Payments made	116,073	90,064
Memon Health & Education Foundation	Associated company by virtue of common directorship	- Sale of goods	1,840	-
		- Payment received	2,162	-
Pakistan Stock Exchange Limited	Associated company by virtue of common directorship	- Services received	2,514	5,772
		- Payment made	2,514	5,772
Key management personnel	Key management	- Remuneration and other benefits	60,248	55,238
		- Advances disbursed to employees	1,808	5,079
		- Advances repaid by employees	1,705	1,761
Staff retirement benefit fund	Staff benefit plan	- Charge during the period	11,706	4,956
		- Contribution during the period	26,415	1,478

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021 - UNAUDITED

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
	----- (Rupees in '000) -----	
Balances with related parties		
Aisha Steel Mills Limited		
- Trade receivable	(229)	(71)
Safe Mix Concrete Limited		
- Trade receivable	41,207	42,826
Javedan Corporation Limited		
- Trade receivable	9,279	8,915
- Other receivable	39	39
Rotocast Engineering Company (Private) Limited		
- Amount payable against services received (including loan)	790,683	681,114
Arif Habib Corporation Limited		
- Guarantee commission payable	-	376
Arif Habib Equity (Private) Limited		
- Loan payable (including mark-up)	1,583,013	1,798,719
Sponsor - Mr. Arif Habib		
- Loan payable	1,486,000	-
- Mark-up payable	293,985	293,985
EFU Life Assurance Limited		
- Amount payable against services received	393	-
FLSmith A/S		
- Amount payable against services received	-	921,098
Allied Rental Modaraba		
- Amount payable against services received	-	350
Fatima Fertilizer Company Limited		
- Amount payable against goods purchased	4,393	(25)
Fatima Packaging Limited		
- Amount payable against goods purchased	42,819	69,964
Memon Health & Education Foundation		
- Advance from customer	(472)	(149)
Pakistan Stock Exchange Limited		
- Amount payable against services received	-	-
Key management personnel		
- Advances to employees	43,563	43,460
Staff retirement benefit fund		
- Payable to gratuity fund	95,080	108,965

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021 - UNAUDITED

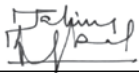
17. OPERATING SEGMENTS

17.1 This condensed interim financial statements have been prepared on the basis of single reporting segment.

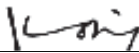
17.2 All non-current assets of the Company as at September 30, 2021 are located in Pakistan.

18. DATE OF AUTHORIZATION FOR ISSUE

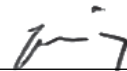
This condensed interim financial statements has been authorized for issue on October 29, 2021 by the Board of Directors.



Chief Financial Officer



Chief Executive Officer



Director



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Power Cement Limited

Arif Habib Centre,
23, M.T. Khan Road, Karachi
Tel: 021-32468231-8
www.powercement.com.pk

