

Financial Report
March
2023



THATTA CEMENT
COMPANY LIMITED



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Vision

To transform the Company into a modern and dynamic cement manufacturing unit fully equipped to play a meaningful role on sustainable basis in the economy of Pakistan.

Mission

To provide quality products to customers at competitive prices; and
To generate sufficient profit to add to the shareholder's value.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Khawaja Muhammad Salman Younis	Chairman
Mr. Muhammad Aslam Shaikh	Chief Executive
Ms. Naheed Memon	Director
Mr. Noor Muhammad	Director
Mr. Saleem Zamindar	Director
Mr. Kamran Munir Ansari	Director

AUDIT COMMITTEE

Ms. Naheed Memon	Chairperson
Mr. Khawaja Muhammad Salman Younis	Member
Mr. Saleem Zamindar	Member

HR & REMUNERATION COMMITTEE

Mr. Noor Muhammad	Chairman
Mr. Muhammad Aslam Shaikh	Member
Mr. Kamran Munir Ansari	Member

IT STEERING COMMITTEE

Mr. Khawaja Muhammad Salman Younis	Chairman
Mr. Muhammad Aslam Shaikh	Member
Mr. Muhammad Rafique	Member
Mr. Muhammad Abid Khan	Member

CHIEF FINANCIAL OFFICER

Mr. Muhammad Rafique

COMPANY SECRETARY

Mr. Muhammad Abid Khan

STATUTORY AUDITOR

M/s BDO Ebrahim & Co., Chartered Accountants

CORPORATE ADVISOR

M/s Sharjeel Ayub & Co., Chartered Accountants

LEGAL ADVISOR

M/s Usmani & Iqbal

BANKERS - CONVENTIONAL

National Bank of Pakistan
Sindh Bank Limited
Summit Bank Limited

REGISTERED OFFICE

CL/5-4 State Life Building # 10,
Abdullah Haroon Road, Karachi, Pakistan.
UAN: 0092-21-111-842-82
Fax no.: 0092-21-35665976-77
Website: www.thattacement.com
E-mail: info@thattacement.com

FACTORY

Ghulamullah Road, Makli,
District Thatta, Sindh 73160

SHARE REGISTRAR

THK Associates (Pvt) Limited
Plot # 32-C, Jami Commercial
Street 2, Phase-VII, DHA,
Karachi, Pakistan.
UAN: 021-111-000-322
Fax: 021-35655595
Website: www.thk.com.pk

DIRECTORS' REVIEW TO SHAREHOLDERS

The Board of Directors of the company feels pleasure to present its review together with the un-audited condensed interim financial statements for the nine months period ended March 31, 2023.

OVERVIEW

Production and dispatch statistics for the nine months period ended March 31, 2023 are as follows:

Description	March 31, 2023	March 31, 2022	Variance	%
-----Metric Tons-----				
<u>Production</u>				
Clinker	308,777	262,108	46,669	17.80
Cement	323,633	358,296	(34,663)	(9.67)
<u>Dispatches</u>				
Clinker	-	4,987	(4,987)	(100)
Cement	319,959	359,723	(39,764)	(11.05)

Pakistan's economy is currently under severe stress with low foreign reserves, a depreciating currency, and high inflation. The economic activity has fallen with policy tightening, flood impacts, import controls, fuel costs, low investors; confidence, and protracted policy and political uncertainty. The unprecedented rise in SBP policy rate further worsened the country's economic condition. The restriction on imports has adversely impacted domestic manufacturing across various sectors. To address these issues it is crucial for the Government to implement strategic structural reforms whereby exports of goods and services in the medium term can be boosted, thus bringing stability to the economy.

However, the management of your Company closely monitors the situation and develops and implements mitigating strategies to minimize the impact on its operational and financial performance. Under these circumstances, the performance of the Company remained adversely affected in the first quarter of the period under review. However, in the second and third quarters, the Company's performance picked up and the Company achieved 62.38% overall clinker production capacity by producing 308,777 tons of clinker with 52.95% capacity utilization as compared to that of 262,108 tons in the corresponding period last year.

INDUSTRY REVIEW

During the period under review, cement industry posted a decline of 17.59% in local and export dispatches. Local dispatches remained low at 30.56 million tons (2021-22: 36.14 million tons) with a decline of 15.40%. Moreover, the industry exhibited constantly declining trend in export dispatches throughout the period under review. Consequently, export dispatches posted a decline of 34.62% and stood at 3.03 million tons (2021-22: 4.64 million tons).

In the southern region specifically dispatches to the local market posted a decrease of 10.86% in volumetric terms, from 6.19 million tons to 5.52 million tons whereas export dispatches showed a huge decline of 43.05% from 3.96 million tons to 2.26 million tons during the period under review.

SALES REVIEW

Local cement sales of the Company in terms of volume for the period under review decreased by 11.05% as compared to the corresponding period of last year. But, it is heartening to report here that despite decrease in volume of local sales the revenue increased by 33.36% as compared to the corresponding period, which is predominantly due to substantial increase achieved in cement retention prices.

FINANCIAL REVIEW

A comparison of the financial results of the Company's performance for the nine months period ended March 31, 2023 with the same period last year is as under:

Particulars	March 31, 2023	March 31, 2022
	Rupees in thousands	
Sales – net	3,840,469	2,896,249
Gross profit	204,662	236,303
Selling and Distribution Cost	65,516	40,308
Finance Cost	36,639	17,741
Profit before taxation	116,735	107,374
Profit after taxation	80,558	88,865
Earnings per share (Rupee)	0.81	0.89

Cost to Sales ratio increased to 97.67% during the reporting period as compared to 91.84% of the corresponding period last year. The increase in fuel and other input cost along with continuous escalating dollar rate has resulted in increasing the cost of cement by considerable margin. Moreover, during the period under review, the Company purchased electricity from HESCO at high rates due to non-availability of gas to Thatta Power (Private) Limited, a wholly owned subsidiary of Thatta Cement Company Limited. Therefore, power and fuel cost of the Company increased that consequently reduced the gross profit margin of the company.

FUTURE OUTLOOK

The overall economic scenarios, as depicted supra, will continue to prevail and can result in slowing down of the business in the remaining period of the current fiscal year. The ongoing restriction on imports and increase in the construction related product will have a negative impact on our company's prospects. The recent increase in sale tax and excise duty rates may also pose challenge to boost dispatches and recoup the lost business of the foregoing months of current fiscal year. The possibility for continual provision of gas supplies to the industry also seems gloomy that is source of cheap source of electricity for the company. If the Government is able to secure funding from foreign lenders to rebuild the flood-affected areas, then that can play catalyst factor in rising demand for cement will increase in the medium to long term.

In spite of facing all these odds your Board is determined to tap business from all possible avenues and close this fiscal year in relatively fair operational outcome.

PERFORMANCE OF THE GROUP

A brief of the financial position and performance of the Group for the nine months period ended March 31, 2023 are as follows:

Property, plant and equipment	3,894,389	4,032,532
Stock-in-Trade	746,313	565,731
Trade Debts	998,732	1,551,453
Total Equity - Holding Company	3,987,077	3,904,720
Trade and Other payables	1,472,175	1,421,311
	March 31, 2023	March 31, 2022
	----- (Rupees in thousands) -----	
<u>Statement of Profit or Loss</u>		
Sales - net	3,948,478	3,000,424
Gross Profit	384,251	319,555
Selling, Distribution cost & Administrative Expense	180,028	130,407
Profit before taxation	124,744	61,791
Profit after taxation	83,439	41,116
Earnings per share (in Rupees)	0.83	0.59

BOARD OF DIRECTORS

The following change has taken place in the Board of your Company since the last Annual Report June 30 2022:

Mr. Muhammad Jamshid Malik resigned from the directorship of the Company on February 22, 2023 after serving the Board for 3 years. The Directors would like to express their appreciation for the contributions made by Mr. Muhammad Jamshid Malik during his tenure as director of the Company.

ACKNOWLEDGEMENT

The Directors of the company are grateful to the Company's shareholders, financial institutions and customers for their continued cooperation, support and patronage. The Directors acknowledge the relentless efforts and dedicated services, teamwork, loyalty and hard work of all the employees of the Company and hope their continued dedication shall further consolidate the Company and keep it abreast to face future developments and demands.



Muhammad Aslam Shaikh
Chief Executive Officer



Khawaja Muhammad Salman Younis
Chairman

Karachi: April 28, 2023

**CONDENSED INTERIM
UNCONSOLIDATED
FINANCIAL STATEMENTS
FOR THE QUARTER ENDED
MARCH 31, 2023**

THATTA CEMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Note	(Rupees in thousands)	
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	5	1,862,742	1,920,063
Right of use Asset		-	42,184
Intangible Assets	6	4,387	5,265
Long term investment in Subsidiary Company	7	299,158	299,158
Long term deposits		5,096	3,796
		2,171,383	2,270,466
CURRENT ASSETS			
Stores, spare parts and loose tools	8	341,800	263,932
Stock-in-trade	9	746,795	563,203
Trade debts	10	444,544	524,147
Loan to the Subsidiary		-	95,846
Advances		52,445	48,446
Trade deposits and prepayments		26,772	5,326
Short Term Investment		423,715	473,715
Other receivables & accrued mark-up		47,267	12,060
Taxation - net		118,979	147,648
Cash and bank balances		366,646	228,182
		2,568,963	2,362,505
TOTAL ASSETS		4,740,346	4,632,971
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	11	2,000,000	2,000,000
Share capital	11	997,181	997,181
Share premium		99,718	99,718
Accumulated profit		1,723,967	1,643,410
		2,820,866	2,740,309
NON - CURRENT LIABILITIES			
Lease liability		-	35,726
Long term deposits		2,787	2,791
Long term employee benefit		21,351	18,589
Deferred taxation		265,903	278,359
		290,041	335,465
CURRENT LIABILITIES			
Current maturity of lease liability		-	6,493
Trade and other payables	12	1,410,736	1,329,702
Unclaimed dividend		1,957	1,972
Accrued mark-up		10,166	6,738
Short term borrowings		206,580	212,292
		1,629,439	1,557,197
TOTAL EQUITY AND LIABILITIES		4,740,346	4,632,971

CONTINGENCIES AND COMMITMENTS

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The annexed notes from 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Note	Nine months ended		Quarter ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		(Rupees in thousands)			
Sales - net	14	3,840,469	2,896,249	1,435,255	1,289,256
Cost of sales	15	(3,635,807)	(2,659,946)	(1,275,591)	(1,205,406)
Gross profit		204,662	236,303	159,664	83,850
Selling and distribution cost		(65,516)	(40,308)	(24,804)	(18,209)
Administrative expenses		(109,873)	(85,971)	(37,981)	(26,967)
		29,273	110,024	96,879	38,674
Other operating expenses		(14,310)	(40,817)	(11,216)	(4,329)
Impairment reversal / (loss) - trade debts		-	3,783	-	-
Other income		138,411	52,125	49,692	21,221
Operating profit		153,374	125,115	135,355	55,566
Finance cost		(36,639)	(17,741)	(10,087)	(8,603)
Profit before taxation		116,735	107,374	125,268	46,963
Taxation					
Current		(48,671)	(36,685)	(18,221)	(16,317)
Prior		38	1,789	-	-
Deferred		12,456	16,387	(20,254)	(1,601)
		(36,177)	(18,509)	(38,475)	(17,918)
Profit for the period		80,558	88,865	86,793	29,045
Earnings per share - basic and diluted (Rupees)	16	0.81	0.89	0.87	0.29

The annexed notes from 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine months ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rupees in thousands)			
Profit for the period	80,558	88,865	86,793	29,045
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	80,558	88,865	86,793	29,045

The annexed notes from 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine months ended	
	March 31, 2023	March 31, 2022
Note	----- (Rupees in thousands) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	116,735	107,374
Adjustment for:		
Depreciation	5.1 96,645	83,668
Amortization	878	293
Provision for slow moving & obsolete stores and impairment of major stores & spares	4,223	4,588
Finance cost	36,639	17,741
Provision for gratuity	10,017	9,900
Provision for leave encashment	4,108	2,042
Provision / (reversal) for loss allowance	-	(3,783)
Provision for Workers' Welfare Fund	3,162	2,236
Provision for Workers' Profit Participation Fund	6,398	5,769
Fixed assets written off	-	-
Gain on disposal of property, plant and equipment	(3,070)	(1,390)
	158,999	121,064
Operating cash flows before working capital changes	275,734	228,438
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(76,781)	(62,837)
Stock-in-trade	(183,592)	67,937
Trade debts	79,603	(322,721)
Loan to subsidiary	95,846	(5,090)
Advances	(3,999)	(49,586)
Trade deposits and prepayments	(21,446)	3,745
Short term investment	50,000	
Other receivable and accrued mark-up	(35,207)	(17,846)
	(95,576)	(386,398)
Increase in current liabilities		
Trade and other payables	83,559	80,522
Cash generated from / (used in) operations	263,717	(77,438)
Finance cost paid	(33,211)	(16,232)
Gratuity paid	(9,998)	(16,168)
Leave encashment paid	(1,346)	(1,028)
Workers' Welfare Fund	(3,760)	(3,688)
Workers' Profit Participation Fund	(8,343)	(14,559)
Income tax (paid) / refund - net	(19,964)	(10,443)
Net cash generated from / (used in) operating activities	187,095	(139,556)

THATTA CEMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine months ended	
	March 31, 2023	March 31, 2022
Note	----- (Rupees in thousands) -----	
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(45,488)	(61,911)
Proceeds from sale of property, plant and equipment	3,880	1,500
Addition in intangible assets	-	(5,850)
Long term deposit - assets	(1,296)	(2,700)
Net cash used in investing activities	(42,904)	(68,961)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(15)	(24,768)
Net cash used in financing activities	(15)	(24,768)
Net increase / (decrease) in cash and cash equivalents	144,176	(233,285)
Cash and cash equivalents at the beginning of the period	15,890	156,866
Cash and cash equivalents at the end of the period	160,066	(76,419)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	366,646	80,669
Short term borrowings	(206,580)	(157,088)
	160,066	(76,419)

The annexed notes from 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Share capital	Reserves		Total
		Share premium	Accumulated profit	
	(Rupees in thousands)			
Balance as at July 1, 2021 (audited)	997,181	99,718	1,567,307	2,664,206
Total comprehensive income for the period ended March 31, 2022				
Profit for the period	-	-	88,865	88,865
Other comprehensive income	-	-	-	-
	-	-	88,865	88,865
Transactions with shareholders				
Final cash dividend @ Rs. 0.25 per share for the year ended June 30, 2021	-	-	(24,930)	(24,930)
Balance as at March 31, 2022 (unaudited)	997,181	99,718	1,631,242	2,728,141
Balance as at July 1, 2022 (audited)	997,181	99,718	1,643,409	2,740,308
Total comprehensive income for the period ended March 31, 2023				
Profit for the period	-	-	80,558	80,558
Other comprehensive income	-	-	-	-
	-	-	80,558	80,558
Balance as at March 31, 2023 (unaudited)	997,181	99,718	1,723,967	2,820,866

The annexed notes from 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

THATTA CEMENT COMPANY LIMITED
NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

1 STATUS AND NATURE OF BUSINESS

Thatta Cement Company Limited (the Company) was incorporated in Pakistan in 1980 as a public limited Company. The shares of the Company are quoted at the Pakistan Stock Exchange. The Company's main business activity is manufacturing and marketing of cement. The registered office of the Company is situated at CL 5/4, State Life Building # 10, Main Abdullah Haroon Road, Karachi, Pakistan. The production facility of the Company comprises of 233 acres and is located at Ghulamullah Road, Makli, District Thatta, Sindh.

The Company owns 62.43% shareholding of Thatta Power (Private) Limited (the Subsidiary Company). Thatta Power (Private) Limited has only class of shares and all shares have equal voting rights. The principal business of the Subsidiary Company is generation and supply of electric power.

These financial statements represent standalone financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any. Details of investment held by the Company in the Subsidiary Company has been given in note 7.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim unconsolidated financial statements are unaudited and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the Pakistan Stock Exchange Regulations.

These condensed interim unconsolidated financial statements for the nine months period ended March 31, 2023 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 Standard Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017.

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

2.2 These condensed interim unconsolidated financial statements do not include all the statements and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2022 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

2.3 The comparative unconsolidated statement of financial position presented in these condensed interim unconsolidated financial statements has been extracted from the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2022, whereas the comparative condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of cash flows and condensed interim unconsolidated statement of changes in equity are extracted from the unaudited condensed interim unconsolidated financial statements for the nine months period ended March 31, 2022.

2.4 Basis of measurement

These condensed interim unconsolidated financial statements have been prepared under the historical cost convention unless stated otherwise.

These condensed interim unconsolidated financial statements have been prepared following accrual basis of accounting except for condensed interim unconsolidated statement of cash flows.

2.5 Functional and presentation currency

These condensed interim unconsolidated financial statements have been prepared and presented in Pakistani Rupee which is the Company's functional and presentation currency.

THATTA CEMENT COMPANY LIMITED
NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

3 SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THEREIN

The accounting policies and methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in preparation of the annual audited unconsolidated financial statements as at and for the year ended June 30, 2022.

4 ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim unconsolidated financial statements require management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2022.

		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Note	(Rupees in thousands)	
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	1,708,516	1,791,462
Major stores and spares	5.2	59,796	65,871
Capital work in progress	5.3	94,430	62,730
		1,862,742	1,920,063
5.1 Operating fixed assets			
Opening net book value (NBV)		1,791,462	1,859,848
Additions during the period / year at cost	5.1.1	14,508	58,715
		1,805,970	1,918,563
WDV of disposals during the period / year		(809)	-
Fixed assets written off during the period / year		-	(110)
Depreciation charge for the period / year		(96,645)	(126,991)
		(97,454)	(127,101)
Closing net book value (NBV)		1,708,516	1,791,462
5.1.1 Detail of additions (at cost) during the period / year are as follows:			
Plant and machinery		12,199	4,714
Laboratory equipment		1,452	-
Lease hold improvement		-	820
Vehicles		-	3,042
Computers		857	113
		14,508	8,689
5.2 Major stores and spares			
Cost			
Opening balance		108,319	106,259
Additions during the period / year		4,489	18,048
Transferred during the period / year		(9,705)	(15,988)
Closing balance		103,103	108,319
Accumulated impairment			
Opening balance		(42,448)	(42,141)
Reversal / (impairment) charge for the period / year		(858)	(307)
Closing balance		(43,306)	(42,448)
Net book value		59,796	65,871

THATTA CEMENT COMPANY LIMITED
NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Note	(Rupees in thousands)	
5.3 Capital work in progress			
Opening Balance		62,730	27,780
Additions during the period / year		31,699	80,414
Transfers during the period / year		-	(45,464)
Closing Balance		<u>94,429</u>	<u>62,730</u>
6 INTANGIBLE ASSETS			
Cost		5,850	5,850
Amortization on intangibles			
Opening balance		(585)	-
Charge for the period / year		(878)	(585)
Closing balance		<u>(1,463)</u>	<u>(585)</u>
Net book value		<u>4,387</u>	<u>5,265</u>
7 LONG TERM INVESTMENT IN SUBSIDIARY COMPANY			
Thatta Power (Private) Limited (TPPL)	7.1 & 7.2	<u>299,158</u>	<u>299,158</u>
7.1	The Company owns 62.43% shareholding of TPPL as at March 31, 2023 (June 30, 2022: 62.43%). The principal business of the Subsidiary Company is generation and supply of electric power. As at March 31, 2023 TPPL has authorized and issued share capital of Rs. 500.00 million and Rs. 479.16 million divided into 50,000,000 and 47,915,830 ordinary shares respectively. Investment in Subsidiary Company is accounted and carried at cost.		
7.2	Thatta Cement Company Limited has pledged its investment in shares of TPPL in favor of National Bank of Pakistan (NBP) as the security trustee against syndicate term finance facility extended by NBP and other syndicated banks of TPPL.		
8 STORES, SPARE PARTS AND LOOSE TOOLS			
Coal and other fuels		85,814	96,606
Stores and spare parts		299,503	211,933
Loose tools		110	107
		<u>385,427</u>	<u>308,646</u>
Provision for obsolete stores		-	(3,843)
Provision for slow moving stores and spares		(43,627)	(40,871)
		<u>(43,627)</u>	<u>(44,714)</u>
		<u>341,800</u>	<u>263,932</u>
9 STOCK-IN-TRADE			
Raw material		21,224	14,957
Packing material		78,542	73,526
Work-in-process		533,228	415,295
Finished goods		113,801	59,425
		<u>746,795</u>	<u>563,203</u>

THATTA CEMENT COMPANY LIMITED
NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

			March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Note	(Rupees in thousands)		
10 TRADE DEBTS				
Considered good				
Local - unsecured			444,544	525,044
Considered doubtful				
Local - unsecured			75,107	74,210
			519,651	599,254
Provision for doubtful debts			(75,107)	(75,107)
			444,544	524,147
11 SHARE CAPITAL				
		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)	
Number of shares				
Authorised share capital				
		200,000,000	200,000,000	Ordinary shares of Rs. 10/- each
		2,000,000	2,000,000	
Issued, subscribed and paid-up capital				
		89,418,125	89,418,125	Ordinary shares of Rs. 10/- each shares allotted for consideration paid in cash
		10,300,000	10,300,000	Ordinary shares of Rs. 10/- each shares allotted for consideration other than cash
		99,718,125	99,718,125	
		997,181	997,181	
12 TRADE AND OTHER PAYABLES				
Trade creditors			463,765	429,156
Accrued liabilities			362,536	120,823
Advances from customers			434,423	711,660
Excise duty and sales tax payable			94,485	19,565
Payable to Gratuity Fund			32,333	32,314
Workers' Profit Participation Fund (WPPF)			6,398	8,343
Workers' Welfare Fund (WWF)			3,162	3,760
Other liabilities			13,635	4,081
			1,410,737	1,329,702

THATTA CEMENT COMPANY LIMITED
NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

The status of contingencies is same as disclosed in the annual audited unconsolidated financial statements for the year ended June 30, 2022 except for the matters which are mentioned below:

- 13.1.1 During the year 2014-2015, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 122(1)(5) of the Income Tax Ordinance, 2001 in respect of Tax Year 2014 raising a tax demand of Rs. 78.35 million by making certain disallowances and additions in taxable income as reported in the tax return of that year. The Holding Company filed an appeal with the Commissioner Inland Revenue - Appeals (CIR-A) against which the adverse order was passed by the CIR(A). Therefore, appeal has been filed before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A. On November 30, 2021, Appellate Tribunal Inland Revenue (ATIR) has passed an order in favor of the Holding Company. However, during the period, the Commissioner Inland Revenue has filed an appeal in the High Court of Sindh against the order passed by ATIR. The matter is pending for adjudication. In view of Holding Company's legal counsel, the case is sound in law, however definite outcome cannot be predicted with any degree of certainty.
- 13.1.2 The learned DCIR passed an amended assessment order on April 28, 2020 for the tax year 2015 and raised the tax demand of Rs. 0.6 million by disallowing certain admissible expenses including leave encashment, donation expense, salary expense and Tax credit u/s 65B. The Holding Company has filed an appeal before Commissioner Inland Revenue - Appeal (CIR-A) against the disallowances. Based on the appeal filed, the Commissioner (Appeals-I) dated December 17, 2020 remanded back the disallowance made on account of donations while confirmed the remaining disallowance. Therefore, appeal has been filed before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A. On April 27, 2021, Appellate Tribunal Inland Revenue (ATIR) has passed an order in favor of the Holding Company. However, during the period, the Commissioner Inland Revenue has filed an appeal in the High Court of Sindh against the order passed by ATIR. The matter is pending for adjudication. In view of Holding Company's legal counsel, the case is sound in law, however definite outcome cannot be predicted with any degree of certainty.
- 13.1.3 The Company has adjusted minimum tax aggregating to Rs. 31.47 million against its income tax liability in terms of section 113(2)(c) of the Income Tax Ordinance, 2001 (the Ordinance). An appeal was filed before the Commissioner Inland Revenue - Appeals (CIR-A) against the order of the Assessing Officer disallowing adjustment of minimum tax amounting to Rs. 15.721 million in respect of Tax Year 2012. However, the appeal before CIR-A has been decided against the Holding Company, therefore, further appeal has been filed before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A. On August 28, 2017, Appellate Tribunal Inland Revenue (ATIR) has passed an order in favor of the Holding Company. However, during the period, the Commissioner Inland Revenue has filed an appeal in the High Court of Sindh against the order passed by ATIR. The matter is pending for adjudication. In view of Holding Company's legal counsel, the case is sound in law, however definite outcome cannot be predicted with any degree of certainty.
- 13.1.4 On September 06, 2021, the Company has filed a Constitutional Petition (CP) No. 5382 before the Honorable High Court of Sindh (SHC) against arbitrary increase in the royalty rates through impugned notification No. T.O/M&MDD/15- 3/2021 dated June 30, 2021 issued by Ministry of Mines and Minerals Development Department, Government of Sindh. The Company's legal consultants have attended several hearings and presented their point of view before the Honourable High Court of Sindh. On October 17, 2022, the Honorable High Court of Sindh dismissed the petition on the grounds that the relevant forums as per Sindh Mining Concession Rules, 2002 were not approached. The overall impact of the aforementioned increase in royalty rates would be approximately Rs. 109.226 million as at March 31, 2023, however, management has recorded provision amounting to Rs. 54.612 million on prudent basis. Moreover, the management of the Company is considering various options available to the Company including relevant forums as per Sindh Mining Concession Rules, 2002 as also referred to by the Honorable High Court of Sindh in their judgement. The management is confident that the Company has an arguable case on merits.

13.2 Commitments

- 13.2.1 Guarantee given by a commercial bank to Sui Southern Gas Company Limited on behalf of the Company amounts to Rs. 45 million (June 30, 2022: Rs. 45 million).

THATTA CEMENT COMPANY LIMITED
NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine months ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Note	------(Rupees in thousands)-----			
14 SALES - NET				
Gross Sales				
Local	5,040,215	4,133,034	1,855,110	1,819,737
Export	-	707	-	-
	5,040,215	4,133,741	1,855,110	1,819,737
Less:				
Federal excise duty	(496,960)	(546,960)	(174,848)	(231,805)
Sales tax	(702,786)	(690,532)	(245,007)	(298,676)
	(1,199,746)	(1,237,492)	(419,855)	(530,481)
	3,840,469	2,896,249	1,435,255	1,289,256
14.1 Company's revenue disaggregated by primary geographical markets is as follows:				
Sale of cement and clinker				
Primary geographical				
Within Pakistan	3,840,469	2,895,542	1,435,255	1,289,256
Outside Pakistan	-	707	-	-
	3,840,469	2,896,249	1,435,255	1,289,256
14.2 Company's revenue disaggregated by pattern / timing of revenue recognition is as follows:				
Timing of revenue recognition				
Goods transferred at a point in time	3,840,469	2,896,249	1,435,255	1,289,256
15 COST OF SALES				
Raw material consumed	281,275	116,427	116,160	57,649
Clinker purchase	-	188,412	-	-
Manufacturing expenses				
Packing material consumed	205,266	179,049	62,301	81,267
Stores, spare parts & loose tools consumed	97,751	58,418	47,442	23,620
Fuel and power	2,810,195	1,668,680	1,132,386	902,762
Salaries, wages and other benefits	258,707	251,861	86,842	83,611
Insurance	18,401	18,110	6,130	6,357
Repairs and	9,019	5,274	3,878	1,145
Depreciation	93,800	82,027	35,409	39,328
Vehicle hire, running	19,316	11,419	6,266	4,408
Communication	1,581	1,464	436	634
Entertainment	1,224	820	501	278
Provision for slow moving & obsolete	4,223	4,588	-	-
Other production overheads	7,359	4,031	4,353	1,827
	3,526,842	2,285,741	1,385,944	1,145,237
Cost of production	3,808,117	2,590,580	1,502,104	1,202,886

THATTA CEMENT COMPANY LIMITED
NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine months ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	------(Rupees in thousands)-----			
Work-in-process				
Opening balance	415,294	334,414	386,868	260,865
Closing balance	(533,228)	(254,044)	(533,228)	(254,044)
	(117,934)	80,370	(146,360)	6,821
Cost of goods manufactured	3,690,183	2,670,950	1,355,744	1,209,707
Finished goods				
Opening balance	59,425	43,615	33,648	50,318
Closing balance	(113,801)	(54,619)	(113,801)	(54,619)
	(54,376)	(11,004)	(80,153)	(4,301)
	3,635,807	2,659,946	1,275,591	1,205,406

16 EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the period	80,558	88,865	86,793	29,045
Weighted average number of ordinary shares	99,718,125	99,718,125	99,718,125	99,718,125
Earnings per share - basic and diluted (Rupees)	0.81	0.89	0.87	0.29

There is no dilutive effect on the basic earnings per shares of the Company.

17 RELATED PARTY TRANSACTIONS & BALANCES

Related parties comprise of subsidiary company, associated undertakings, Directors of the Company, key management personnel and staff retirement funds. The Company continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions except for service level agreement for business support services with the Subsidiary Company for which the basis are approved by the Board of Directors. Details of transactions during the period ended/outstanding balances as at March 31, 2023 with related parties are as follows:

17.1 Transactions with related parties

Subsidiary Company

Thatta Power (Private) Limited

Common shared	3,337	3,035	1,010	948
Receipts for common shared expenses	6,469	-	1,010	-
Sale / (purchase) of store items - net	781	(1,597)	1,449	(10)
(Payment) on account of purchase/sale of (Purchase) of electricity (inclusive of (Payment) for electricity (inclusive of Management fee claimed (inclusive of Management fee received (inclusive of Sale of waste heat Receipt for sale of waste heat (Loan) disbursed Receipt on account of loan Interest accrued on loan Receipt on account of interest accrued on loan	(433)	(1,774)	(98)	(22)
	(577,789)	(360,931)	(212,623)	(61,911)
	(508,169)	(394,841)	(53,049)	(26,459)
	23,980	21,800	7,993	7,266
	45,296	-	7,993	-
	30,937	19,656	13,336	11,233
	56,014	-	17,256	-
	(54,192)	(40,000)	-	(40,000)
	150,038	34,910	-	14,910
	11,550	5,508	-	2,284
	20,838	-	1,330	(3,224)

THATTA CEMENT COMPANY LIMITED
NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine months ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
------(Rupees in thousands)-----				
Key management personnel				
Salaries and benefits	64,447	45,660	22,785	15,048
Other related parties				
Contribution to Gratuity Fund	9,998	16,168	-	-
Contribution to Provident Fund	8,214	8,214	3,184	1,854
Education expense - Model tarbiat school	3,294	3,245	1,015	1,124
			March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
			(Rupees in thousands)	

17.2 Balances with related parties

Subsidiary Company

Thatta Power (Private) Limited

Payable against purchase of electricity (inclusive of GST)	183,175	113,556
Receivable against management fee (inclusive of SST)	5,329	26,645
Receivable against common shared expenses	684	3,816
Receivable / (payable) against sale of store items - net	-	156
Loan/advance to the Subsidiary Company	-	95,846
Receivable against accrued interest on loan	3	9,288
Receivable against sale of waste heat (inclusive of GST)	8,202	33,278
Other related parties		
Payable to Gratuity Fund	32,333	32,316
Payable to Provident Fund	-	-

17.3 There are no transactions with key management personnel other than under their terms of employment.

18 FAIR VALUE MEASUREMENT - FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the condensed interim unconsolidated financial statements approximate their fair values. Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted prices (Unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset either directly or derived from prices.

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

The fair value of all other assets and liabilities is estimated to approximate their carrying value.

19 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period.

THATTA CEMENT COMPANY LIMITED
NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

20 NUMBER OF EMPLOYEES

The number of employees as at period ended March 31, 2023 was 494 (June 30, 2022: 501) and average number of employees during the period was 498 (June 30, 2022: 497).

21 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim unconsolidated financial statements have been authorized for issue on April 28, 2023 by the Board of Directors of the Company.

22 GENERAL

Amounts have been rounded off to the nearest thousands of rupees unless otherwise stated.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

**CONDENSED INTERIM
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE QUARTER ENDED
MARCH 31, 2023**

THATTA CEMENT COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Note	(Rupees in thousands)	
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	5	3,894,389	4,032,532
Right-of-use-assets	6	-	42,184
Intangible Assets	7	4,387	5,265
Long term deposits		5,096	3,796
		3,903,872	4,083,777
CURRENT ASSETS			
Stores, spare parts and loose tools	8	378,516	298,188
Stock-in-trade	9	746,313	565,731
Trade debts	10	998,732	1,551,453
Short term investment		723,715	673,715
Advances		92,660	84,788
Deposits and prepayments		230,350	6,164
Other receivables and accrued mark-up		49,224	3,016
Taxation - net		163,136	194,584
Cash and bank balances		424,386	237,515
		3,807,032	3,615,154
TOTAL ASSETS		7,710,904	7,698,931
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	11	2,000,000	2,000,000
Share capital	11	997,181	997,181
Share premium		99,718	99,718
Accumulated profit		2,890,178	2,807,821
Equity attributable to the owners of the Holding Company		3,987,077	3,904,720
Non-controlling interests		883,163	882,081
		4,870,240	4,786,801
NON - CURRENT LIABILITIES			
Long term financing		432,241	553,843
Lease liability	12	-	35,726
Long term deposits		2,787	2,791
Long term employee benefit		21,351	18,589
Deferred taxation		265,903	278,359
		722,282	889,308
CURRENT LIABILITIES			
Current maturity of lease liability		-	6,493
Trade and other payables	13	1,472,175	1,421,311
Unclaimed dividend		1,957	1,972
Accrued mark-up		124,614	67,698
Current maturity of long term financing		313,056	313,056
Short term borrowings		206,580	212,292
		2,118,382	2,022,822
TOTAL EQUITY AND LIABILITIES		7,710,904	7,698,931
CONTINGENCIES AND COMMITMENTS			
	14		

The annexed notes from 1 to 24 form an integral part of these condensed interim consolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Note	Nine months ended		Quarter ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		(Rupees in thousands)			
Sales - net	15	3,948,478	3,000,424	1,456,513	1,289,257
Cost of sales	16	(3,564,227)	(2,680,869)	(1,219,480)	(1,184,705)
Gross profit		384,251	319,555	237,033	104,552
Selling and distribution cost		(65,516)	(40,308)	(24,804)	(18,209)
Administrative expenses		(114,512)	(90,099)	(38,730)	(27,688)
		204,223	189,148	173,499	58,655
Other operating expenses		(14,310)	(40,817)	(11,216)	(4,329)
Impairment reversal / (loss) - trade debts		-	3,783	-	-
Other income		96,506	18,573	42,434	2,752
Operating profit		286,419	170,687	204,717	57,078
Finance cost		(161,675)	(108,896)	(58,447)	(42,826)
Profit before taxation		124,744	61,791	146,270	14,252
Taxation					
Current		(53,799)	(38,851)	(21,536)	(16,189)
Prior		38	1,789	-	-
Deferred		12,456	16,387	(20,254)	(1,601)
		(41,305)	(20,675)	(41,790)	(17,790)
Profit/(loss) for the period		83,439	41,116	104,480	(3,538)
Profit/(loss) for the period attributable to:					
Equity holders of the Holding Company		82,357	59,055	97,835	8,703
Non-controlling interests		1,082	(17,939)	6,645	(12,241)
		83,439	41,116	104,480	(3,538)
Earnings per share - basic and diluted (Rupees)	17	0.83	0.59	0.98	0.09

The annexed notes from 1 to 24 form an integral part of these condensed interim consolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine months ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rupees in thousands)			
Profit/(loss) for the period	83,439	41,116	104,480	(3,538)
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the period	83,439	41,116	104,480	(3,538)
Total comprehensive income/(loss) for the period attributable to:				
Equity holders of the Holding Company	82,357	59,055	97,835	8,703
Non-controlling interests	1,082	(17,939)	6,645	(12,241)
	83,439	41,116	104,480	(3,538)

The annexed notes from 1 to 24 form an integral part of these condensed interim consolidated financial statements.



CHIEF FINANCIAL OFFICER




CHIEF EXECUTIVE



DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine months ended	
	March 31, 2023	March 31, 2022
Note	------(Rupees in thousands)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	124,744	61,791
Adjustment for:		
Depreciation	5.1 177,467	159,406
Amortization	878	293
Provision for slow moving & obsolete stores and impairment of major stores & spares	4,223	5,721
Finance cost	161,675	108,896
Provision for gratuity	10,017	9,900
Provision for leave encashment	4,108	2,042
Provision / (reversal) for loss allowance	-	(3,783)
Provision for Workers' Welfare Fund	3,162	2,236
Provision for Workers' Profit Participation Fund	6,398	5,769
Fixed assets written off	-	-
Gain on disposal of property, plant and equipment	(3,070)	(1,390)
	364,857	289,090
Operating cash flows before working capital changes	489,601	350,881
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(79,241)	(64,566)
Stock-in-trade	(180,582)	59,308
Trade debts	552,721	(374,441)
Advances	(7,872)	(65,465)
Trade deposits and prepayments	(224,186)	(199,355)
Other receivable and accrued mark-up	(46,208)	(3,493)
	14,632	(648,012)
Increase in current liabilities		
Trade and other payables	53,390	91,485
Cash generated from / (used in) operations	557,623	(205,646)
Finance cost paid	(104,759)	(74,976)
Gratuity paid	(9,998)	(16,168)
Leave encashment paid	(1,346)	(1,028)
Workers' Welfare Fund	(22,313)	(11,822)
Workers' Profit Participation Fund	(3,760)	(3,688)
Income tax paid - net	(8,343)	(14,559)
Net cash generated from / (used in) operating activities	407,104	(327,887)


CHIEF FINANCIAL OFFICER


CHIEF EXECUTIVE


DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine months ended	
	March 31, 2023	March 31, 2022
Note	----- (Rupees in thousands) -----	
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(45,488)	(61,911)
Proceeds from disposal of property, plant & equipment	3,880	1,500
Short term investment	(50,000)	-
Addition in intangible assets	-	(5,850)
Long term deposit - assets	(1,296)	(2,700)
Net cash used in investing activities	(92,904)	(68,961)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from encashment of short term investment	-	306,000
Repayment of long term financing	(121,602)	(125,223)
Dividend paid	(15)	(24,768)
Net cash (used in) / generated from financing activities	(121,617)	156,009
Net increase / (decrease) in cash and cash equivalents	192,583	(240,839)
Cash and cash equivalents at beginning of the period	25,223	173,403
Cash and cash equivalents at end of the period	217,806	(67,436)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	424,386	89,652
Short term borrowings	(206,580)	(157,088)
	217,806	(67,436)

The annexed notes from 1 to 24 form an integral part of these condensed interim consolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Attributable to the owners of the Holding Company			Total	Non-controlling interests	Total shareholders' equity
	Share capital	Reserves				
		Share premium	Accumulated profits			
----- Rupees in thousands -----						
Balance as at July 1, 2021 (audited)	997,181	99,718	2,752,233	3,849,132	894,427	4,743,559
<i>Final cash dividend @ Rs. 0.25 per share for the year ended June 30, 2021</i>	-	-	(24,930)	(24,930)	-	(24,930)
<i>Total comprehensive income for the period ended March 31, 2022</i>						
Profit for the period	-	-	59,055	59,055	(17,939)	41,116
Balance as at March 31, 2022 (un-audited)	<u>997,181</u>	<u>99,718</u>	<u>2,670,579</u>	<u>3,767,478</u>	<u>888,095</u>	<u>4,655,573</u>
Balance as at July 1, 2022 (audited)	997,181	99,718	2,807,821	3,904,720	882,081	4,786,801
<i>Total comprehensive income for the period ended March 31, 2023</i>						
Profit / (loss) for the period	-	-	82,357	82,357	1,082	83,439
<i>Transactions with shareholders</i>						
Balance as at March 31, 2023 (un-audited)	<u>997,181</u>	<u>99,718</u>	<u>2,890,178</u>	<u>3,987,077</u>	<u>883,163</u>	<u>4,870,240</u>

The annexed notes from 1 to 24 form an integral part of these condensed interim consolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

THATTA CEMENT COMPANY LIMITED
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

1 THE GROUP AND ITS OPERATIONS

- 1.1** The Group consists of Thatta Cement Company Limited (TCCL) and Thatta Power (Private) Limited (TPPL) (together referred as "the Group").
- 1.2** Thatta Cement Company Limited (the Holding Company) was incorporated in Pakistan in 1980 as a public limited company. The shares of the Holding Company are quoted at the Pakistan Stock Exchange. The Holding Company's main business activity is manufacturing and marketing of cement. The registered office of the Holding Company is situated at CL 5/4, State Life Building # 10, Main Abdullah Haroon Road, Karachi, Pakistan. The production facility of the Holding Company is located at Ghulamullah Road, Makli, District Thatta, Sindh.
- 1.3** Thatta Power (Private) Limited (the Subsidiary Company) is a 62.43% owned subsidiary of the Holding Company as at March 31, 2023 (June 30, 2022: 62.43%). The principal business activity of the Subsidiary Company is generation and supply of electric power. As at March 31, 2023 TPPL has authorized and issued capital of Rs. 500 million and Rs. 479.16 million divided into 50,000,000 (June 30, 2022: 50,000,000) ordinary shares and 47,915,830 (June 30, 2022: 47,915,830) ordinary shares respectively. The registered office and generation facility of the Subsidiary Company is situated at Ghulamullah Road, Makli, District Thatta, Sindh.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim consolidated financial statements for the nine months period ended March 31, 2023 have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017. In case the requirements differ, the provisions of and directives issued under the Companies Act, 2017 shall prevail. The disclosures in these condensed interim consolidated financial statements do not include all of the information required in the annual audited consolidated financial statements and should be read in conjunction with the annual audited consolidated financial statements of the Group as at and for the year ended June 30, 2022.

These condensed interim consolidated financial statements are unaudited and are being submitted to the shareholders as required under section 228 and 237 of the Companies Act, 2017 and the Pakistan Stock Exchange Regulations.

These condensed interim consolidated financial statements comprise of the condensed interim consolidated statement of financial position as at June 30, 2022 and condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of cash flows and condensed interim consolidated statement of changes in equity for the nine months period ended March 31, 2023.

2.2 Basis of consolidation

These condensed interim consolidated financial statements include the condensed interim financial statements of the Holding Company and the Subsidiary Company.

The condensed interim financial statements of the Subsidiary Company are included in the condensed interim consolidated financial statements from the date on which more than 50% voting rights are transferred to the Holding Company or power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Upon loss of control, the Holding Company derecognises the assets and liabilities of the Subsidiary Company, any non-controlling interests and other components of equity related to the Subsidiary Company. Any surplus or deficit arising on the loss of control is recognised in profit and loss account.

The financial statements of the Subsidiary Company are prepared for the same reporting period as of the Holding Company, using accounting policies that are generally consistent with those of the Holding Company.

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The assets and liabilities of the Subsidiary Company have been consolidated on a line-by-line basis. The carrying value of investment held by the Holding Company is eliminated against the Subsidiary Company's shareholders' equity in the condensed interim consolidated financial statements. Intra-group balances and transactions are eliminated.

2.3 Functional and presentation currency

These condensed interim consolidated financial statements have been prepared and presented in Pakistani Rupee which is the Group's functional and presentation currency.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in preparation of the annual audited consolidated financial statements as at and for the year ended June 30, 2022.

4 ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim consolidated financial statements require management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the group's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2022.

		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Note	(Rupees in thousands)	
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	3,737,219	3,900,987
Major stores and spares	5.2	62,741	68,815
Capital work in progress	5.3	94,429	62,730
		3,894,389	4,032,532
5.1 Operating fixed assets			
Opening net book value (NBV)		3,900,987	4,055,939
Additions during the period at cost	5.1.1	14,508	75,793
		3,915,495	4,131,732
WDV of disposals during the period / year		(809)	(110)
Fixed assets written off during the period / year		-	-
Depreciation charge for the period / year		(177,467)	(230,635)
		(178,276)	(230,745)
Closing net book value (NBV)		3,737,219	3,900,987
5.1.1 Detail of additions (at cost) during the period are as follows:			
Plant and machinery		12,199	23,584
Electrical installations		-	38,250
Leasehold improvements		-	6,459
Office equipment		-	2,005
Furniture and fixtures		-	252
Vehicles		1,452	2,199
Computer		857	3,044
		14,508	75,793

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		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Note	(Rupees in thousands)	
5.2 Major stores and spares			
Cost			
Opening balance		111,263	109,203
Additions during the period		4,489	18,048
Transferred during the period		(9,705)	(15,988)
Closing balance		106,047	111,263
Accumulated impairment			
Opening balance		(42,448)	(42,141)
Reversal / (impairment) charge for the period		(858)	(307)
Closing balance		(43,306)	(42,448)
Net book value		62,741	68,815
5.3 Capital work in progress			
Opening Balance		62,730	27,780
Additions during the period / year		31,699	80,414
Transfers during the period / year		-	(45,464)
Closing Balance		94,429	62,730
6 RIGHT-OF-USE ASSET			
Cost		45,197	45,197
Amortization on right-of-use asset			
Opening balance		(3,013)	-
Charge for the period / year	6.2	(3,766)	(3,013)
Lease cancellation	6.3	(38,418)	-
Closing balance		(45,197)	(3,013)
		-	42,184
6.1	The Holding Company has entered into a lease agreement during the year for an office building used as head office. The Holding Company intends to use the office for the next five years. Accordingly, the Holding Company has account the right-of-use asset on five years.		
6.2	Depreciation charged on right-of-use assets has been allocated to administrative expenses amounting to Rs. 3.766 million (June 2022: 3.013 million).		
6.3	During the period, the Holding Company has canceled lease contract and has shifted its office.		
7 INTANGIBLE ASSETS			
Cost		5,850	5,850
Amortization on intangibles			
Opening balance		(585)	-
Charge for the period / year		(878)	(585)
Closing balance		(1,463)	(585)
Net book value		4,387	5,265

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		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Note	(Rupees in thousands)	
8	STORES, SPARE PARTS AND LOOSE TOOLS		
Coal and other fuels		85,814	96,606
Stores & spare parts		340,098	250,068
Loose tools		110	107
		426,022	346,781
Provision for obsolete stores		-	(3,843)
Provision for slow moving stores and spares		(47,506)	(29,531)
		(47,506)	(33,374)
		378,516	313,407
9	STOCK-IN-TRADE		
Raw material		21,224	14,957
Packing material		78,542	73,526
Work-in-process		532,804	417,628
Finished goods		113,743	59,620
		746,313	565,731
10	TRADE DEBTS		
Considered good			
Local - unsecured	10.1	998,732	1,552,350
Considered doubtful			
Local - unsecured		75,107	74,210
		1,073,839	1,626,560
Provision for doubtful debts		(75,107)	(75,107)
		998,732	1,551,453
10.1	It includes receivable from HESCO by the Subsidiary Company is secured against Standby Letter of Credit (SBLC) issued by National Bank of Pakistan to the extent of Rs. 286.71 million.		
11	SHARE CAPITAL		
		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
		--- Number of shares ---	
	Authorized share capital		
		200,000,000	200,000,000
		Ordinary shares of Rs. 10/- each	2,000,000
			2,000,000
	Issued, subscribed and paid-up share capital		
		89,418,125	89,418,125
		Ordinary shares of Rs. 10/- each	894,181
		- shares allotted for	894,181
		consideration fully paid in cash	
		10,300,000	10,300,000
		Ordinary shares of Rs. 10/- each	103,000
		- shares allotted for	103,000
		consideration other than cash	
		99,718,125	99,718,125
			997,181
			997,181

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	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
Note	(Rupees in thousands)	
12 LEASE LIABILITY		
Balance as at July 01,	42,219	-
Addition during the period / year	-	45,197
	42,219	45,197
Repayments during the period / year	(1,554)	(2,978)
Balance as at March 31,	40,665	42,219
Lease cancellation	(40,665)	-
Less: current portion of lease liability	-	(6,493)
Non current portion of lease liability	-	35,726
13 TRADE AND OTHER PAYABLES		
Trade creditors	299,827	505,494
Accrued liabilities	453,855	67,909
Bills payable	59,858	-
Advances from customers	434,423	711,660
Payable to Gratuity Fund	110,268	29,258
Payable to Provident Fund	32,333	32,315
Workers' Profit Participation Fund (WPPF)	61,123	47,999
Workers' Welfare Fund (WWF)	3,162	18,829
Other liabilities	17,327	7,847
	1,472,175	1,421,311

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

The status of contingencies is same as disclosed in the annual audited consolidated financial statements for the year ended June 30, 2022 except for the matters which are mentioned below:

- 14.1.1** During the year 2014-2015, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 122(1)(5) of the Income Tax Ordinance, 2001 in respect of Tax Year 2014 raising a tax demand of Rs. 78.35 million by making certain disallowances and additions in taxable income as reported in the tax return of that year. The Holding Company filed an appeal with the Commissioner Inland Revenue - Appeals (CIR-A) against which the adverse order was passed by the CIR(A). Therefore, appeal has been filed before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A. On November 30, 2021, Appellate Tribunal Inland Revenue (ATIR) has passed an order in favor of the Holding Company. However, during the period, the Commissioner Inland Revenue has filed an appeal in the High Court of Sindh against the order passed by ATIR. The matter is pending for adjudication. In view of Holding Company's legal counsel, the case is sound in law, however definite outcome cannot be predicted with any degree of certainty.
- 14.1.2** The learned DCIR passed an amended assessment order on April 28, 2020 for the tax year 2015 and raised the tax demand of Rs. 0.6 million by disallowing certain admissible expenses including leave encashment, donation expense, salary expense and Tax credit u/s 65B. The Holding Company has filed an appeal before Commissioner Inland Revenue - Appeal (CIR-A) against the disallowances. Based on the appeal filed, the Commissioner (Appeals-I) dated December 17, 2020 remanded back the disallowance made on account of donations while confirmed the remaining disallowance. Therefore, appeal has been filed before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A. On April 27, 2021, Appellate Tribunal Inland Revenue (ATIR) has passed an order in favor of the Holding Company. However, during the period, the Commissioner Inland Revenue has filed an appeal in the High Court of Sindh against the order passed by ATIR. The matter is pending for adjudication. In view of Holding Company's legal counsel, the case is sound in law, however definite outcome cannot be predicted with any degree of certainty.

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14.1.3 On September 06, 2021, the Holding Company has filed a Constitutional Petition (CP) No. 5382 before the Honorable High Court of Sindh (SHC) against arbitrary increase in the royalty rates through impugned notification No. T.O/M&MDD/15- 3/2021 dated June 30, 2021 issued by Ministry of Mines and Minerals Development Department, Government of Sindh. The Holding Company's legal consultants have attended several hearings and presented their point of view before the Honourable High Court of Sindh. On October 17, 2022, the Honorable High Court of Sindh dismissed the petition on the grounds that the relevant forums as per Sindh Mining Concession Rules, 2002 were not approached. The overall impact of the aforementioned increase in royalty rates would be approximately Rs. 109.226 million as at March 31, 2023, however, management has recorded provision amounting to Rs. 54.612 million on prudent basis. Moreover, the management of the Company is considering various options available to the Company including relevant forums as per Sindh Mining Concession Rules, 2002 as also referred to by the Honorable High Court of Sindh in their judgement. The management is confident that the Company has an arguable case on merits.

14.2 Commitments

14.2.1 Guarantee given by a commercial bank to Sui Southern Gas Company Limited on behalf of the Holding Company amounts to Rs. 45 million (June 30, 2022: Rs. 45 million).

14.2.2 Other outstanding guarantees given on behalf of the Group by banks amount to Rs. 247.96 million (June 30, 2022: Rs. 273.68 million).

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	Nine months ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rupees in thousands)			
15 SALES - NET				
Gross Sales				
Local	5,167,092	4,254,919	1,880,460	1,819,738
Export	-	707	-	-
	5,167,092	4,255,626	1,880,460	1,819,738
Less:				
Federal excise duty	(496,960)	(546,960)	(174,848)	(231,805)
Sales tax	(721,654)	(708,242)	(249,099)	(298,676)
	(1,218,614)	(1,255,202)	(423,947)	(530,481)
	3,948,478	3,000,424	1,456,513	1,289,257
15.1 Group's revenue disaggregated by primary geographical markets is as follows:				
Primary geographical markets				
Sale of cement and clinker				
Within Pakistan	3,840,469	2,895,542	1,435,255	1,289,257
Outside Pakistan	-	707	-	-
Sale of electric power				
Within Pakistan	108,009	104,175	21,258	-
	3,948,478	3,000,424	1,456,513	1,289,257
15.2 Group's revenue disaggregated by pattern/timing of revenue recognition is as follows:				
Timing of revenue recognition				
Goods / electric power transferred at a point in time	3,948,478	3,000,424	1,456,513	1,289,257
16 COST OF SALES				
Raw material consumed	281,275	116,427	116,160	57,649
Clinker purchase	-	188,412	-	-
Manufacturing expenses				
Fuel and power	2,596,209	1,571,120	1,021,799	850,194
Salaries, wages and other benefits	258,707	251,861	86,842	83,611
Depreciation	174,623	157,766	67,817	59,143
Packing material consumed	205,266	179,049	62,301	81,267
Stores, spare parts and loose tools consumed	130,085	82,166	58,177	27,551
Vehicle hire, running & maintenance	19,316	11,419	6,266	(6,315)
Repairs, operations and maintenance	26,630	22,578	9,653	15,567
Insurance	26,737	27,100	9,669	11,349
Other production overheads	7,651	4,229	4,445	1,861
Communication	1,581	1,464	436	634
Entertainment	1,224	820	501	278
Provision for slow moving & obsolete stores and spares	4,223	5,721	-	-
	3,452,252	2,315,293	1,327,906	1,125,140
Cost of production	3,733,527	2,620,132	1,444,066	1,182,789
Work-in-process				
Opening balance	417,627	329,838	388,241	263,697
Closing balance	(532,804)	(257,365)	(532,804)	(257,365)
	(115,177)	72,473	(144,563)	6,332
Cost of goods manufactured	3,618,350	2,692,605	1,299,503	1,189,121

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	Nine months ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rupees in thousands)			
Finished goods				
Opening balance	59,620	43,279	50,599	50,599
Closing balance	(113,743)	(55,015)	(113,743)	(55,015)
	(54,123)	(11,736)	(63,144)	(4,416)
	<u>3,564,227</u>	<u>2,680,869</u>	<u>1,236,359</u>	<u>1,184,705</u>

17 EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the period attributable to the owners of the Holding Company	82,357	59,055	97,835	8,703
Weighted average number of ordinary shares	99,718,125	99,718,125	99,718,125	99,718,125
Earnings per share - basic and diluted (Rupees)	0.83	0.59	0.98	0.09

18 RELATED PARTY TRANSACTIONS & BALANCES

Related parties comprise of associated undertakings, directors of the Group, key management personnel and staff retirement funds. The Group continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions. Further, contribution to the defined contribution plan (provident fund) is made as per the terms of employment and trust deed and contribution to the defined benefit plan (gratuity fund) is in accordance with the actuarial advice. Details of transactions during the period ended / outstanding balances as at March 31, 2023 with related parties are as follows:

18.1 Transactions with related parties

18.1.1 Key management personnel

Salaries and benefits	64,447	45,660	22,785	15,048
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18.1.2 Other related parties

Contribution to Gratuity Fund	9,998	16,168	-	-
Contribution to Provident Fund	8,214	8,214	3,184	1,854
Education expense - Model tarbiat school	3,294	3,245	1,015	1,124

March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
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-- Rupees in thousands --

18.2 Balances with related parties

18.2.1 Other related parties

Payable to Gratuity Fund	32,333	32,316
Payable to Provident Fund	-	-

18.3 There are no transactions with key management personnel other than under their terms of employment.

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19 OPERATING SEGMENTS

For management purposes the Group is organized into following major business segments.

Cement Engaged in manufacturing and marketing of cement.

Power Engaged in generation and supply of electric power.

19.1 Revenues

	Cement		Power		Intra group adjustment		Consolidated	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
----- Un-audited -----								
----- Rupees in thousands -----								
Sales - net	3,840,469	2,896,249	600,790	683,901	(492,781)	(308,488)	3,948,478	3,271,662
Cost of sales	(3,635,807)	(2,659,946)	(445,660)	(548,252)	517,240	335,028	(3,564,227)	(2,873,170)
Gross profit	204,662	236,303	155,130	135,649	24,459	26,540	384,251	398,492
Selling and distribution cost	(65,516)	(40,308)	-	-	-	-	(65,516)	(40,308)
Administrative expenses	(109,873)	(85,971)	(25,861)	(21,723)	21,222	19,292	(114,512)	(88,402)
Other operating expenses	(14,310)	(40,817)	-	(52)	-	-	(14,310)	(40,869)
Impairment reversal/(loss) - trade debts	-	3,783	-	-	-	-	-	3,783
Other income	138,411	52,125	18,336	22,160	(60,241)	(42,711)	96,506	31,574
Operating profit	153,374	125,115	147,605	136,034	(14,560)	3,121	286,419	264,270
Finance cost	(36,639)	(17,741)	(136,586)	(94,134)	11,550	5,508	(161,675)	(106,367)
Segment results	116,735	107,374	11,019	41,900	(3,010)	8,629	124,744	157,903
Unallocated expenditures	-	-	-	-	-	-	-	-
Profit/(loss) before tax	116,735	107,374	11,019	41,900	(3,010)	8,629	124,744	157,903
Taxation	(36,177)	(18,509)	(5,128)	(5,785)	-	-	(41,305)	(24,294)
Profit/(loss) for the period	80,558	88,865	5,891	36,115	(3,010)	8,629	83,439	133,609

19.2 Other information

	Cement		Power		Intra group adjustment		Consolidated	
	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
----- Rupees in thousands -----								
Segment assets	4,740,346	4,632,971	3,454,975	3,582,882	(484,418)	(457,073)	7,710,903	7,758,780
Unallocated corporate assets	-	-	-	-	-	-	-	-
Total assets	4,740,346	4,632,971	3,454,975	3,582,882	(484,418)	(457,073)	7,710,903	7,758,780
Segment liabilities	1,919,480	1,892,662	1,104,357	1,238,155	(183,175)	(151,399)	2,840,663	2,979,418
Unallocated corporate liabilities	-	-	-	-	-	-	-	-
Total liabilities	1,919,480	1,892,662	1,104,357	1,238,155	(183,175)	(151,399)	2,840,663	2,979,418
Capital expenditure	45,488	61,911	-	17,078	-	-	45,488	78,989
Depreciation	96,645	83,668	75,738	115,557	-	-	172,383	199,225
Non-cash expenses other than depreciation	1,153	3,198	1,133	210	-	-	2,286	3,408

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19.3 Reconciliation of reportable segment revenues, profit and loss, assets and liabilities:

		Consolidated	
		March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)
		-- Rupees in thousands --	
19.3.1 Operating revenues			
	Total revenue of reportable segments	4,441,259	3,308,912
	Elimination of intra group revenue	(492,781)	(308,488)
	Consolidated revenue	3,948,478	3,000,424
19.3.2 Profit and loss			
	Total profit before tax of reportable segments	127,754	53,162
	Adjustment of unrealized profit and intra group transactions	(3,010)	8,629
	Consolidated profit before taxation	124,744	61,791
		Consolidated	
		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
		-- Rupees in thousands --	
19.3.3 Assets			
	Total assets of reportable segments	8,195,321	8,215,853
	Elimination of intra group balances and unrealised profit	(482,815)	(455,470)
	Reclassification for consolidation purposes	(1,603)	(1,603)
	Consolidated assets	7,710,903	7,758,780
19.3.4 Liabilities			
	Total liabilities of reportable segments	3,023,838	3,130,817
	Elimination of intra group balances	(183,175)	(151,399)
	Consolidated liabilities	2,840,663	2,979,418

19.4 Information about major customers

Major customers for cement segment are various individual dealers, builders, developers & manufacturers of building material whereas major customer for power segment is Hyderabad Electric Supply Company Limited (HESCO).

20 FAIR VALUE MEASUREMENTS

The carrying values of all financial assets and liabilities reflected in the condensed interim consolidated financial statements approximate their fair values. Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted prices (Unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset either directly or derived from prices.

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

21 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period.

22 NUMBER OF EMPLOYEES

The number of employees as at period ended March 31, 2023 was 494 (June 30, 2022: 501) and average number of employees during the period was 498 (June 30, 2022: 497).

23 DATE OF AUTHORIZATION FOR ISSUE


These condensed interim consolidated financial statements have been authorized for issue on April 28, 2023 by the Board of Directors of the Holding Company.

24 GENERAL

Amounts have been rounded off to the nearest thousands of rupees unless otherwise stated.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR



THATTA CEMENT

COMPANY LIMITED

Head Office
CL/5-4 State Life Building # 10,
Abdullah Haroon Road, Karachi, Pakistan.

Factory
Ghulamullah Road, Makli,
District Thatta, Sindh