LUCKY CEMENT

UNLOCKING A **NEW ERA** FOR **NATIONAL DEVELOPMENT**

Annual Report **2024**

LUCKY CEMENT

AL MABROOKA CEMENT اسمنت المبروكة

CIMKO

NAJMAT AL-SAMAWA

UNLOCKING A **NEW ERA** FOR **NATIONAL DEVELOPMENT**

At Lucky Cement Limited, we are driving National Development across multiple sectors, propelling our country to greater heights.

Through our diverse operations, we are creating a ripple effect of progress, impacting lives and livelihoods. We are committed to sustainable practices, ensuring our growth benefits both people and the planet. By investing in local talent and technologies, we are nurturing a skilled workforce and driving innovation.

As we continue to expand and diversify, our vision remains on National Development & prosperity. We are proud to be a catalyst for growth, innovation and shaping a better tomorrow for the generations to come.

LCI LUCKY CORE INDUSTRIES

Lucky Electric Power Company

LMC Lucky Motor Corporation

NATIONAL RESOURCES

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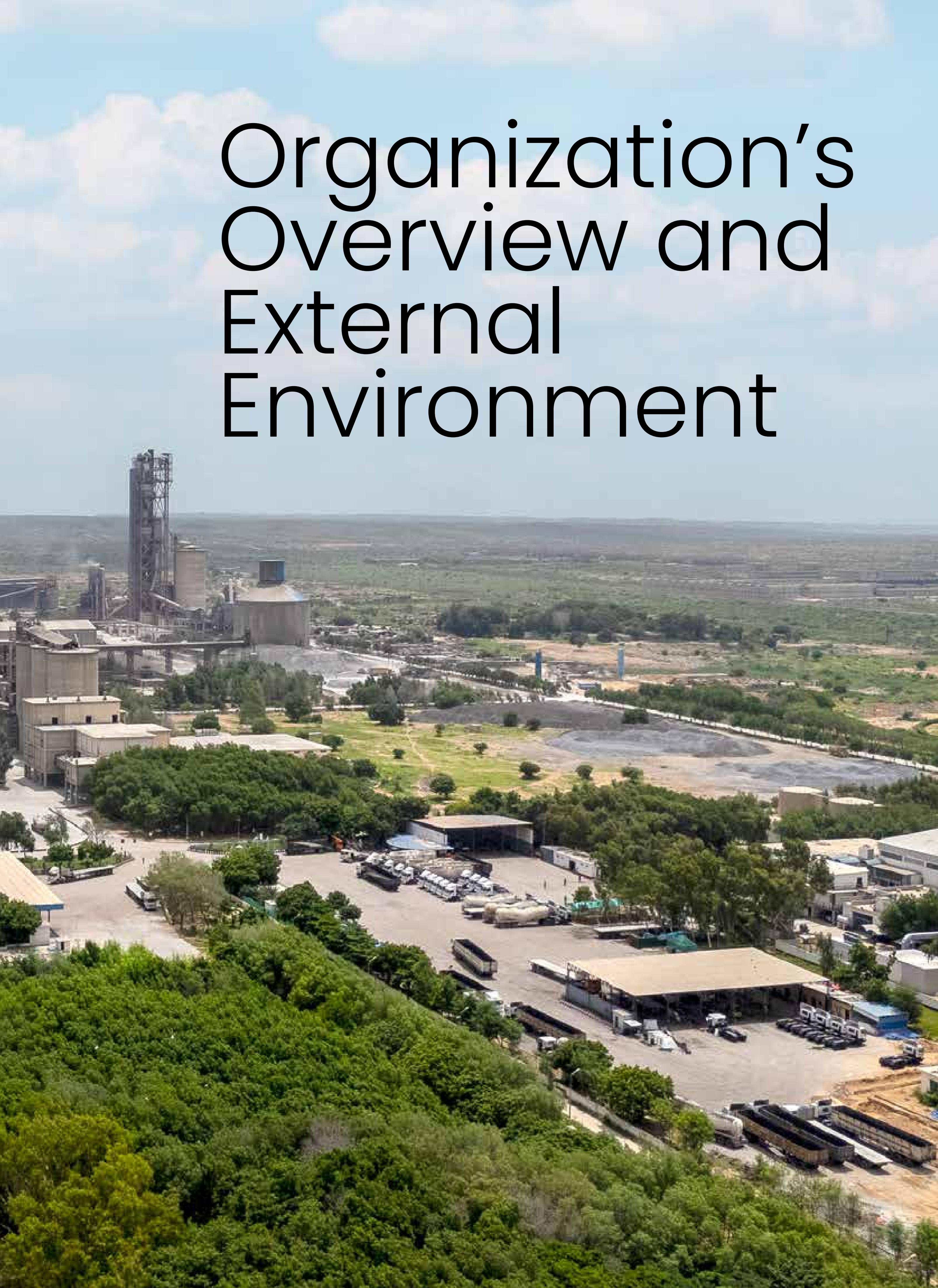
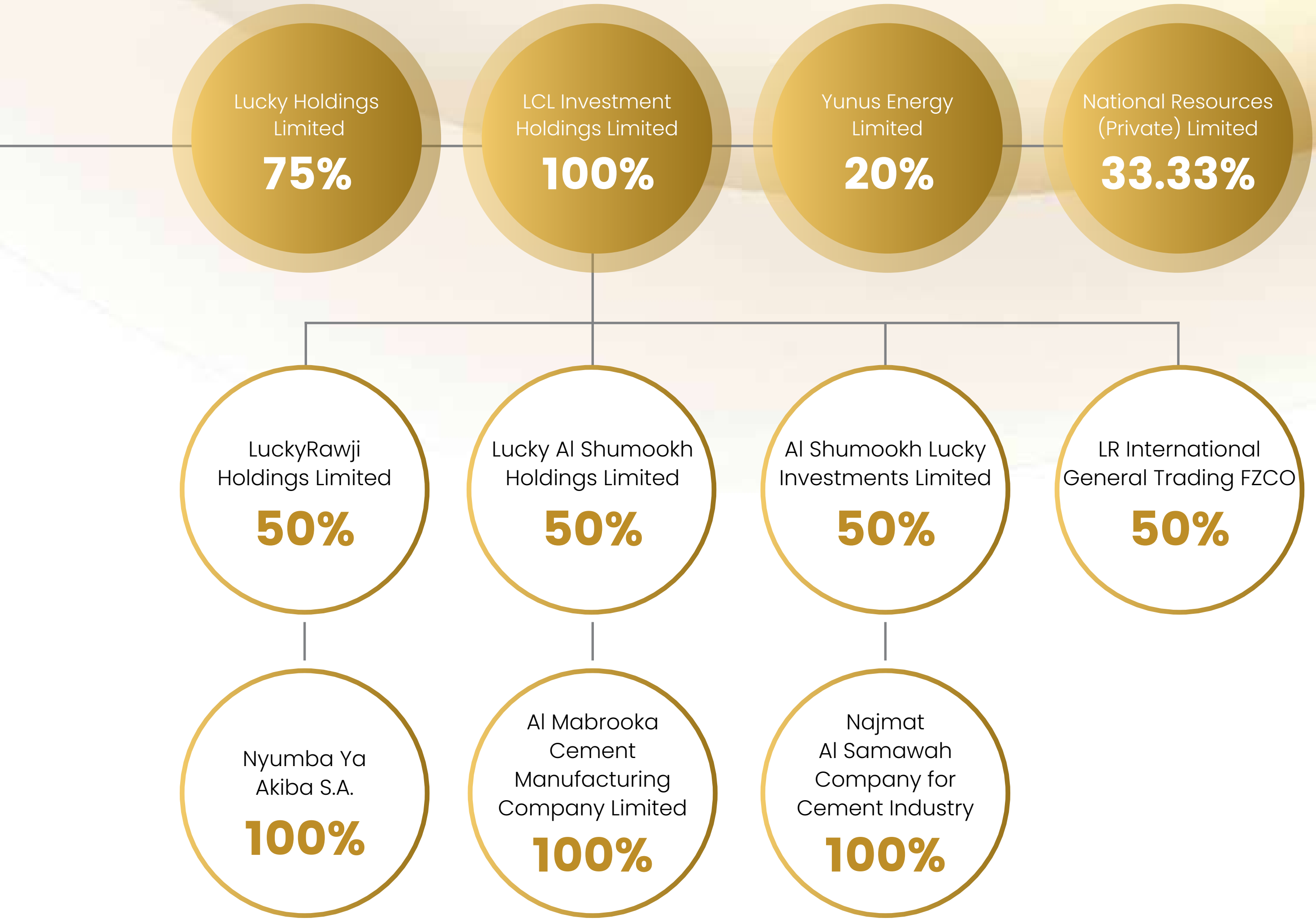


Company and its Investments


Lucky Holdings Limited
75%
LCL Investment Holdings Limited
100%
Yunus Energy Limited
20%
National Resources (Private) Limited
33.33%
LuckyRawji Holdings Limited
50%
Lucky Al Shumookh Holdings Limited
50%
Al Shumookh Lucky Investments Limited
50%
LR International General Trading FZCO
50%
Nyumba Ya Akiba S.A.
100%
Al Mabrooka Cement Manufacturing Company Limited
100%
Najmat Al Samawah Company for Cement Industry
100%

CEO's Message

I am pleased to report that Lucky Cement Limited, along with its subsidiaries, has delivered another exceptional year of performance, demonstrating our ability to thrive even in the face of significant challenges. Throughout the fiscal year 2023-24, our resilience and innovative strategies have driven substantial growth in both revenue and profitability. We achieved a consolidated gross turnover of PKR 489.4 billion, reflecting a robust 6.5% increase. Our consolidated net profit reached PKR 72.3 billion, with PKR 6.8 billion allocated to non-controlling interests, resulting in an EPS of PKR 220.51 as of June 30, 2024. These results underscore our unwavering commitment to excellence and our focus on enhancing value for our stakeholders.

As Pakistan's leading cement producer, with an annual production capacity of 15.30 million tons, we remain well equipped to meet domestic demand efficiently while also maintaining our position as the country's largest exporter of clinker and cement. Our expansion efforts continue with the ongoing construction of a new clinker production line in Samawah, Iraq, which will add 1.82 million tons of capacity. This project, expected to be completed in the second half of FY25, will bring our total combined capacity to 21.48 million tons, strengthening our local and international presence.

In addition to our core cement business, we are proud of the progress made by our subsidiaries. The 660 MW power plant operated by Lucky Electric Power Company Limited (LEPCL) at Bin Qasim, Karachi, has continued to operate efficiently using ultra-supercritical technology, with significant advancements in emission control. The transition of operational management to Harbin Electric International Company Limited has further enhanced the plant's reliability, ensuring a stable supply of power.

Meanwhile, Lucky Core Industries Limited (LCI) has pursued growth opportunities across its diverse business sectors, including Polyester Staple Fiber, Soda Ash, Pharmaceuticals, Animal Health, Chemicals, and Agri-Sciences, itself as a leader in each segment. Furthermore, the Board of LCI has approved a capacity expansion in the Company's Soda Ash Business, with the acquisition of assets from Pfizer Pakistan currently underway.

Lucky Motor Corporation Limited (LMC) successfully navigated a series of challenges in the automotive sector, including economic uncertainties, rupee devaluation, and restrictive import policies. Although these factors impacted sales volumes, LMC maintained its market position by implementing innovative strategies and introducing new schemes tailored to meet the needs of its valuable customers. Meanwhile, Peugeot reinforced its brand identity as the only locally manufactured European brand in Pakistan, maintaining its position in the B-SUV segment. The Electronics Division at LMC was equally industrious, launching five new models, including their flagship offerings: the Z Flip and Fold 6 and S 24, which entered the market during the year.

Our company, renowned for its exemplary track record, continues to uplift the societies and communities we engage with. Our Corporate Social Responsibility (CSR) efforts primarily focus on critical areas such as education, women's empowerment, health, environmental conservation, and community development. Recognizing the economic burdens posed by inflation, we have proactively implemented supportive measures, such as hardship allowances and monthly ration distributions, to improve the living conditions of our less affluent employees. This unwavering commitment to societal betterment is underscored by our rigorous adherence to the highest standards of Environmental, Social, and Governance (ESG) principles. We firmly believe that long-term stakeholder value can be realized through the meticulous implementation of top-tier ESG initiatives.

Our vision for sustainability drives continuous investment in renewable energy, and we are proud to announce that, upon the completion of our 28.8 MW wind power project, 50% of our energy needs will be met through renewable sources. This commitment to sustainability is at the core of our operational strategy.

By adopting modern manufacturing methodologies, we have also strengthened our technical capabilities and operational efficiencies. This strategy, aligned with our multifaceted business landscape, not only reinforces the nation's industrial backbone but also expands our manufacturing footprint and fosters growth opportunities. This year, our company was honored with the Amir S. Chinoy 38th Corporate Excellence Award by the Management Association of Pakistan.

As we look ahead to FY2025, we anticipate a landscape with both opportunities and challenges. Global economic conditions are expected to gradually stabilize, with easing inflationary pressures and potentially more accommodative monetary policies. However, uncertainties remain, particularly in the areas of climate change impacts and geopolitical tensions.

We are well-prepared to navigate these evolving conditions. Our strategic investments in capacity expansion, technological advancements, and sustainability initiatives position us to capitalize on emerging opportunities. By leveraging our strong market position, diversified portfolio, and innovative strategies, we are committed to delivering sustained value to our stakeholders.

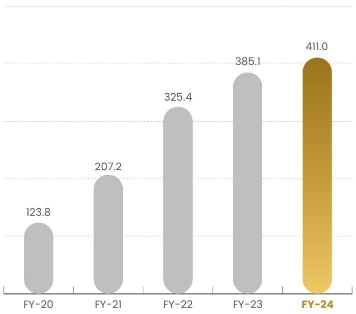
We look forward to the continued support of our valued stakeholders as we pursue our goals and navigate the complexities of the market in FY2025.

Muhammad Ali Tabba

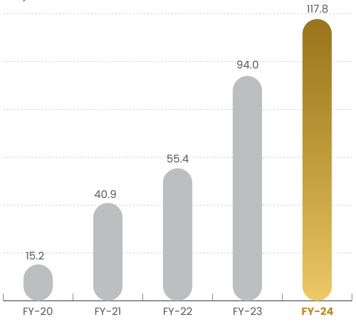
Chief Executive Officer

Key Highlights for the Year (Consolidated)

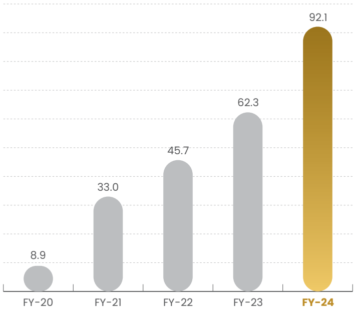
Net Revenue
(PKR B)



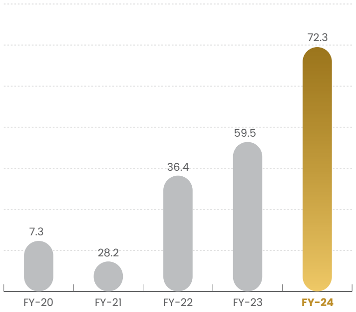
EBITDA
(PKR B)



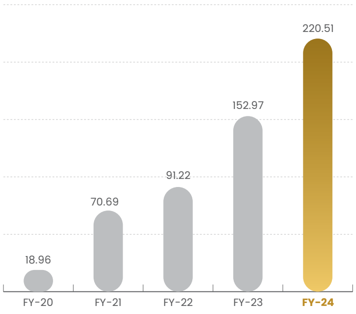
Profit Before Tax
(PKR B)



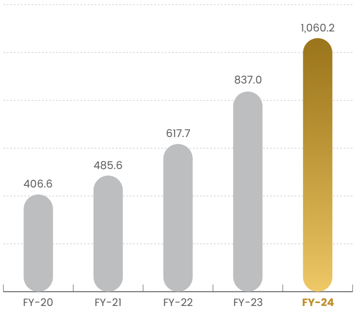
Profit After Tax
(PKR B)



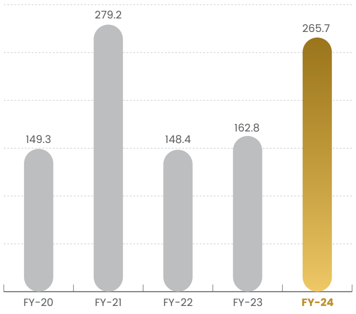
Earnings per Share
(PKR)



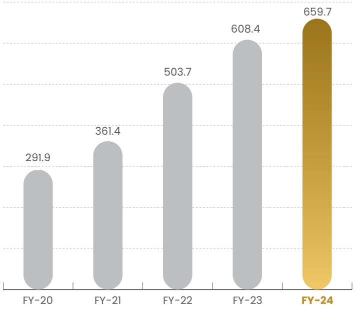
Book Value per Share
(PKR)



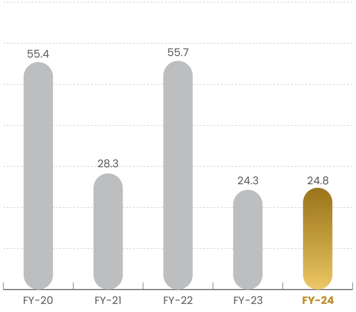
Market Capitalization
(PKR B)



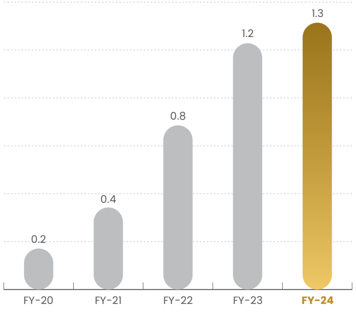
Total Assets
(PKR B)



Capital Expenditure
(PKR B)

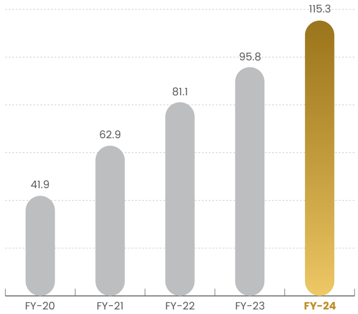


CSR Expenditure
(PKR B)

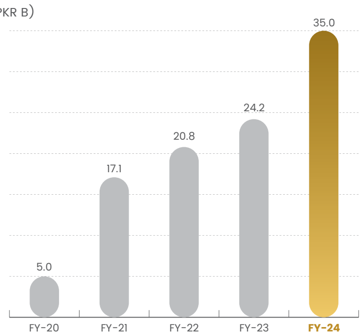


Key Highlights for the Year (Unconsolidated)

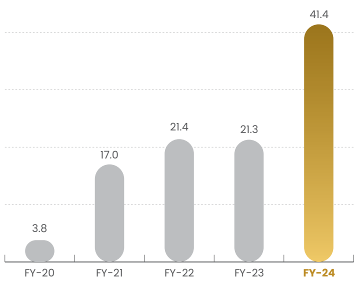
Net Revenue
(PKR B)



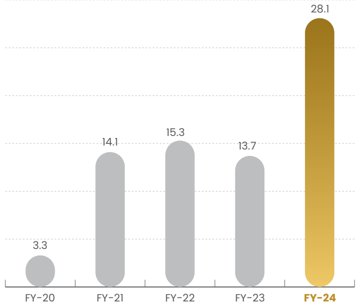
EBITDA
(PKR B)



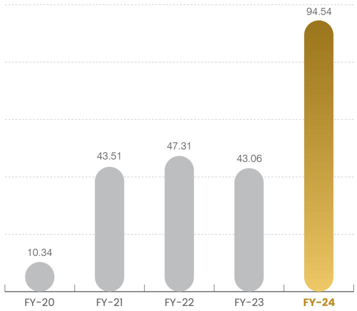
Profit Before Tax
(PKR B)



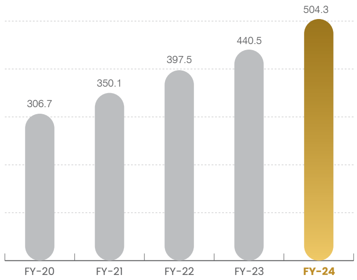
Profit After Tax
(PKR B)



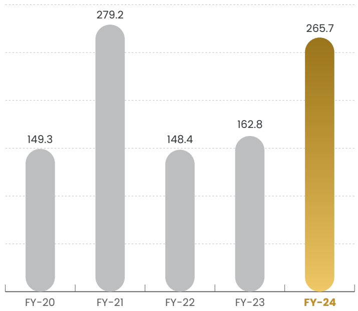
Earnings per Share
(PKR)



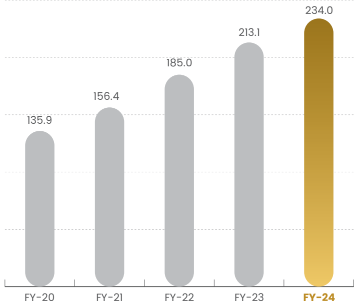
Book Value per Share
(PKR)



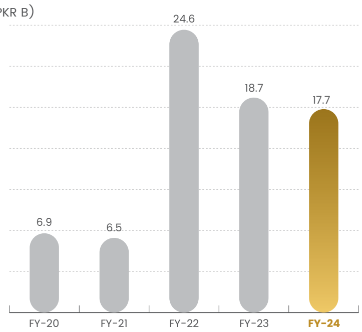
Market Capitalization
(PKR B)



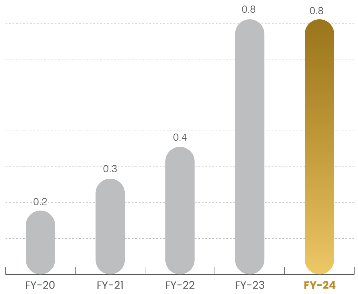
Total Assets
(PKR B)



Capital Expenditure
(PKR B)



CSR Expenditure
(PKR B)



About the Report

Dear Reader,

At Lucky Cement, we hold steadfast to the core principles of transparency and value creation, which form the bedrock of our operations. Our unwavering commitment to strong corporate governance and exemplary leadership is complemented by a transparent approach to disclosures. As we present this Annual Report, our objective is to furnish our esteemed readers with comprehensive insights into the Company's endeavors, highlighting the efficient utilization of our resources and aiding in a thorough assessment of our business. This Annual Report is designed to provide our readers with comprehensive information about the Company's capitals and assist in assessing our business. It follows the International Integrated Reporting Framework, which offers insights into our strategic thinking, encompassing strategy, governance, performance, and prospects within the global environment. To continuously enhance the quality of information shared with stakeholders, we annually review the IR Framework. This report incorporates all 9 core Content Elements of the IR Framework. This report integrates the following sections:

- Organizational overview and external environment
- Risks and opportunities
- Strategy and resource allocation
- Governance
- Stakeholder's relationship and engagement
- Outlook
- Sustainability
- Corporate social responsibility
- Excellence in corporate reporting

We remain committed to reviewing our reporting approach, aligning with best practices of reporting standards, and meeting the expectations of our stakeholders. Our goal is to provide visibility into how we create sustainable value for the communities we serve. We adopt a systematic view by presenting financial and non-financial information directly linked to our business activities, accompanied by relevant explanations.

This report covers the period from July 1, 2023, to June 30, 2024, and provides a comprehensive overview of Lucky Cement Limited. It offers insights into our core cement operations, providing a concise explanation of our performance, strategy, operating model, and outcomes using a multi-capital approach.

Annual Accounts

This report should be read in conjunction with the annual accounts (Standalone and Consolidated) to gain a complete picture of LCL's financial performance.

Forward Looking Statements

Performance outlook and Forecasts based on projections and plans for the future in this report are based on management's beliefs and assumptions drawn from current expectations, estimates, forecasts and projections. These expectations, estimates, forecasts and projections are subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those indicated in any forward-looking statement. Furthermore, any forward-looking statements are subject to change as a result of new information, future events or other developments.

We wish you a pleasant read.

Calendar of Major Events

16th
July 2023

Won the KCCI Export Trophy Award

07th
August 2023

Board of Directors Meeting – Annual Financial Statement

09th
August 2023

Won the Environment Excellence Award at the 20th Annual Environment Awards 2023.

30th
August 2023

Won the Environment, Health & Safety Awards at 9th International Award on Environment, Health & Safety.

06th
October 2023

Received the Award in the category of 'Best Investor Relations' at 20th Annual Excellence Awards.

10th
October 2023

Final cash dividend 180% credited electronically to shareholders

12th
October 2023

Won 2nd position in the Best Corporate Report Awards in the Cement Sector.

27th
October 2023

Board of Directors Meeting – 1st Quarter

25th
January 2024

Board of Directors Meeting – Half Yearly

29th
January 2024

Company's Corporate Briefing

26th
April 2024

Board of Directors Meeting – 3rd Quarter

30th
April 2024

Company's Corporate Briefing

30^{th}
August 2023

Company's Corporate Briefing

16^{th}
September 2023

Board of Directors Meeting – Renewable Power Projects

26^{th}
September 2023

30^{th} Annual General Meeting at the Registered Office at Pezu

04^{th}
October 2023

Won the Amir S. Chinoy Corporate Excellence Award in the 'Industrial Category' at 38^{th} Corporate Excellence Awards.

30^{th}
October 2023

Company's Corporate Briefing

22^{nd}
December 2023

Won the Gold Award in the SAFA Best Presented Annual Report Awards 2022 in the 'Infrastructure & Construction' category.

30^{th}
April 2024

Won the award in the "CSR Initiatives" category at the 16^{th} Corporate Social Responsibility Awards

31^{st}
May 2024

Board Meeting other than Financial Results

Principal Business Activities and Markets

Lucky Cement Limited (LCL) is part of the Yunus Brothers Group, which is one of the biggest business houses in Pakistan. Lucky Cement is the largest producer of cement in Pakistan with production capacity of 15.3 MTPA. It has production facilities at strategic locations in Karachi and Pezu, Khyber Pakhtunkhwa to serve the cement demand across the country.

Local and International Markets

Over the years, Lucky Cement has grown in leaps and bounds. Within the country, we have developed a distribution network that allows our cement to be made easily available in every part of the country. For quick delivery of cement and for best possible customer service, Lucky Cement has dedicated warehouses located near all key markets. From the port of Karachi to the picturesque valley of Kashmir and from the upcoming spectacular Gwadar city project to the highlands of Gilgit-Baltistan – Lucky Cement is everywhere!

We are proud to be associated with all major development projects being made by Government and Private sectors. Lucky Cement has been the brand of choice for major projects like Kachi Canal Project, Lahore & Islamabad smart cities, DHA Bahawalpur and Gujranwala, Hakla – DIK Motor Way, Torkham Border, Bharakao Bypass, Jaglot – Skardu Highway, Sialkot – Gujrat Motorway, Mangi Dam, Tanda Dam, Bahria Town Karachi, DHA City Phase 9, EMAAR Towers Karachi, Shaukat Khanum Memorial Cancer Hospital DHA Phase-9 Karachi, BRTS Red Line Project, Greater Karachi Bulk Water Supply Scheme (K-IV Project), DHA Storm Water Project, Orangi & Gujjar Nullah Projects as well as for construction work at Gwadar Port City in connection with CPEC.

Lucky Cement Limited has emerged as a prominent global exporter of clinker and cement, consistently securing substantial orders from diverse regions including West Africa, East Africa, Indian Ocean Islands, Bangladesh, and Sri Lanka. Notably, Lucky Cement is pioneering its expansion into new markets such as the USA and Europe.

Setting itself apart, Lucky Cement is the sole cement company in the region to possess a dedicated terminal at KPT featuring advanced Pneumatic vessel loading capabilities and four expansive steel fabricated silos for efficient storage.

At Lucky Cement Limited, we continuously strive towards greener, sustainable manufacturing. We have invested heavily in waste-heat recovery, and alternative energy sources such as solar and wind to reduce our carbon footprint and make our manufacturing process more carbon neutral. Currently, approximately 39% of our energy requirements are being fulfilled through renewable energy sources. Our strong R&D and Quality Control structure allows us to meet or exceed our client's expectations in innovation and quality consistency.

Export Destinations

Far East

Middle East

Africa

South & Central Asia

Our Product Portfolio

OPC

Ordinary Portland Cement (OPC) is used in all general constructions, especially in products where cement is needed to meet strength quality requirements. OPC is compatible with admixture/retarders. OPC has easy workability & lower heat of hydration. We maintain our technical standard of quality parameter at high level with high strength at all ages. Our cement complies to EN 197-1 CEM I 42.5N, SABS 50197 CEM I 42.5N, SLS 107 42.5N, PS 232:2008 43 Grade, IS 269:2015 43 Grade, PNS TYPE I, ASTM C150 TYPE I standards.

Portland lime stone cement 42.5R

Portland lime stone cement 42.5R is manufactured according to SLS 1253:2015 for Sri lankan Market.

Portland Fly Ash Cement

Portland fly ash cement CEM II A-V 32.5N is manufactured according to EN-197-1 for African Market.

CEM I 42.5R

42.5R Portland cement is used where rapid setting, hardening & higher early strength is required. It is manufactured in accordance with EN 197-1.

CEM II / AL 32.5N

It is a masonry cement & generally used for plastering work. It is manufactured in accordance with EN 197-1 standard.

SRC

Sulphate Resistant Cement is more resistant to Sulphate attacks and is suitable for use in foundations, seashore and control Linings. SRC has lower heat of hydration and its strength satisfies EN 197-1 CEM I 42.5N SR3, PS 612:2014 and ASTM C150 TYPE V standards.

53 GRADE CEMENT

Lucky Cement is manufacturing 53 grade OPC special high strength cement for North and South Market in accordance with PS 232:2008 53 Grade & IS 269:2015 53 Grade. It is used for high strength concrete and prerequisite for high rise buildings.

CLINKER

Clinker is usually exported. It can be easily stored as per storage protocol for several months without compromising on the quality.

LOW ALKALI CEMENT

Low Alkali cement is manufactured according to ASTM C150 Type I.

Blended Hydraulic Cement Type IP

Blended hydraulic cement Type IP (Pozzolan-Portland cement) is employed in general construction of hydraulic structures. It is manufactured in accordance with PNS 63:2019 standard.

Quality Assurance of Products

Lucky Cement's product portfolio complies with a range of standards, depending upon the geographical territory where it is sold.

Advanced technology such as Distributed Control System (DCS), Programmable Logic Controllers (PLCs), on-line X-Ray analyzers and X-Ray Diffractometer are used to ensure that product quality is consistent. Having one of the best-equipped laboratories, with facilities for analysis of fuel and raw material, we ensure that the market is supplied with high quality products.

The following international bureaus of standards have accredited Lucky Cement over the years:

- Bureau of Indian Standards
- Philippine National Standards
- Standards Organization of Nigeria
- South African Bureau of Standards
- Kenya Bureau of Standards
- ASTM Standards
- Sri Lankan Standard Institute
- Tanzania Bureau of Standards
- CE Marking

Furthermore, our products are also in compliance with EN-197-2:2014 conformity evaluation. A conformity mark "CE" is embossed on the packaging of Lucky Cement's international products, a prerequisite for exporting cement to European Union markets

Diversification and Wealth Creation for Our Shareholders

Having established a strong foothold in the cement manufacturing industry of Pakistan, Iraq and DR of Congo, Lucky Cement has evolved into a sizeable conglomerate with strategic investments in various diversified industries such as Chemicals, Automobiles, Mobile manufacturing and Power. LCI Pakistan Limited, a subsidiary of the Company, is in the business of Soda Ash, Polyester, Life Sciences and Chemicals. Lucky Motor Corporation Limited (formerly KIA Lucky Motors) is involved in the assembly, marketing, distribution and sale of various types of Kia and Stellantis N.V. branded vehicles, parts, accessories and related services. It is also engaged in the production of Samsung branded mobile devices in Pakistan under an agreement with Samsung Gulf Electronic Co. Furthermore, Lucky Electric Power Company Limited has set up a 660 MW Super Critical coal-based Power Project in Karachi and started its commercial operations in March 2022. Besides these, the Company has also made investments into renewable energy, where its associated company, Yunus Energy Limited has developed a 50 MW Wind Power Project.

With these diversifications, the Company not only creates value for its shareholders but also stands out as a progressive Pakistani conglomerate promoting the growth of industrialization in Pakistan.

LUCKY CEMENT
LCI LUCKY CORE INDUSTRIES
Lucky Electric Power Company
LMC Lucky Motor Corporation
AL MABROOKA CEMENT اسمنت المبروكة
CIMKO
NAJMAT AL-SAMAWA
NATIONAL RESOURCES

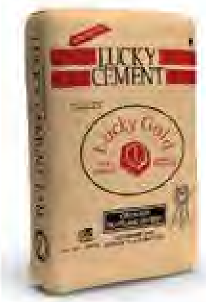

QUALITY CONTROL DEPARTMENT

Core Brands

Our Research and Development (R&D) team is driven by our customers' needs. To cater to their requirements, we have developed a product range which focuses on every type of construction in the Country. Whether it is the Southern region of Sindh & Balochistan or the Northern region of Pakistan including Punjab, KPK and Gilgit Baltistan, we have brands for each section of the Country with respect to its climatic conditions.

Variations of Ordinary Portland Cement (OPC), Sulphate Resistant Cement (SRC) and Composite Cement are manufactured to meet the wide range of needs of our customers.

Lucky Cement (Regular)



Lucky Gold (OPC)

Both the brands are specially developed to cater the needs of our customers in the Northern region of Pakistan.

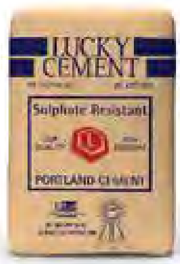
Lucky Star (OPC)

Raj Cement (Composite cement)

Both the brands are specially developed to cater the needs of our customers in the Southern region of Pakistan.

Lucky Supreme

The brand is used for precast concrete civil works (Blocks, Slabs, Poles, Pipes etc), pre stressed Concrete works (Bridges, Silos etc), high rise buildings, reinforced concrete structures, industrial works and foundations where moderate sulphate resistance is required.



Sulphate Resistant Cement (SRC)

The brand is developed specially for use along shorelines and canal linings, Lucky SRC is a national brand.

Block Cement

The brand is developed specially for block makers with quick setting time, Block Cement is a product that sells primarily in the block segment of the country and is a national brand.

Advancement in Digital Transformation to Improve Transparency and Governance

Lucky Cement has proactively embarked on a journey of digital transformation, spearheading a series of strategic initiatives to modernize and optimize its operational processes. By embracing cutting-edge digital technologies, Lucky Cement is paving the way for a more efficient and agile future. Through these transformative efforts, the company is not only enhancing its competitive edge but also elevating the overall industry standards. These initiatives showcase the company's commitment to harnessing technology for enhanced efficiency and innovation across various facets of its operations.

AI Integration: By seamlessly incorporating AI technology, Lucky Cement has revolutionized its inventory management and employee tracking mechanisms. Through sophisticated and intelligent optical systems, logistics are streamlined, optimizing resource allocation. The implementation of facial recognition technology has not only transformed attendance and overtime tracking but also ensured unprecedented accuracy, bolstering operational precision. Additionally, the AI-powered system overseeing trucks movements and cargo information has introduced a new level of operational seamlessness and data management excellence.

Banking Integration to Optimize Online Payments for Lucky Cement Customers

Abstract:
Lucky Cement is enhancing system functionalities and integrating banking infrastructure to streamline online payments for customers. By enabling direct online payments through banking channels, this integration aims to expedite payment processing, add convenience, and improve order processing efficiency for customers. The system will ensure faster reflection of payments in Lucky Cement's records through automated verification, reducing payment clearing times and enabling customers to promptly utilize their payments for booking orders.
Lucky Cement recognizes the importance of facilitating seamless online transactions for its customers. To achieve this, an enhanced integration between the system and banking infrastructure is established, aiming to optimize the online payment process.

Benefits:
1. Implement a seamless collaboration between Lucky Cement's system and banking infrastructure.
2. Enable customers to make direct online payments through banking applications.
3. Accelerate payment processing and reduce payment clearing times.
4. Enhance convenience for customers by enabling quicker order processing.

Automated Fuel Dispensing: The integration of fuel dispensers with SAP has led to meticulous control over fuel usage, fostering accurate data recording and proactive restocking. An innovative Automatic Tank Gauging System provides real-time inventory updates, eliminating discrepancies and guaranteeing precise fuel measurements. This integration ensures a more sustainable and resource-efficient fuel management process.

SAC/BI Dashboards: The deployment of SAP-SAC for analytics purposes has empowered Lucky Cement with comprehensive insights through interactive visualizations. C-level executives benefit from in-depth data analysis, irrespective of volume, facilitating well-informed decision making. The sharing of dynamic dashboards promotes collaborative data-driven discussions that steer the company's strategic direction.

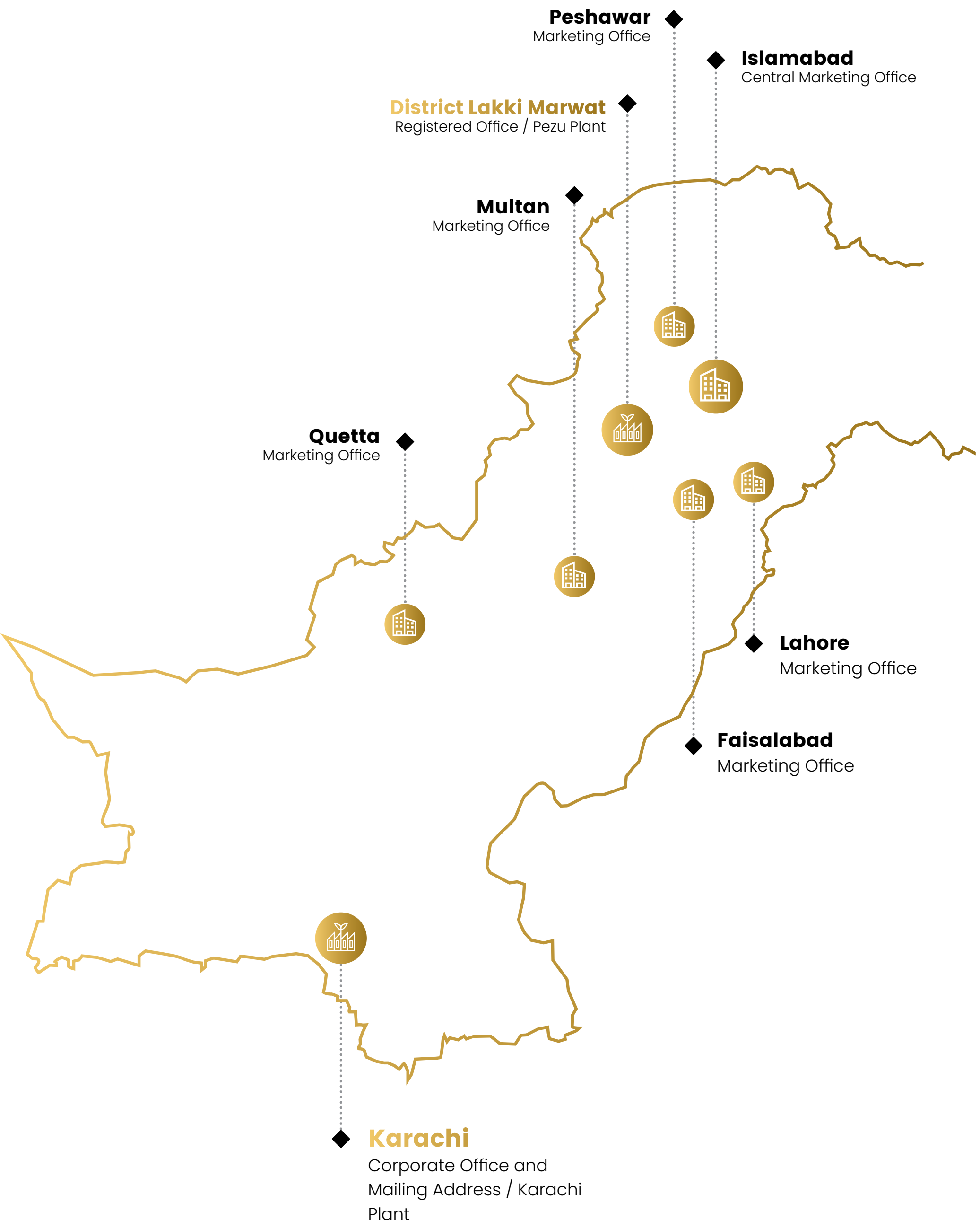
Straight2Bank: Lucky Cement's commitment to efficiency extends to its financial operations with the robust Straight2Bank solution of SCB, seamlessly connected to our SAP system. This integration guarantees swift, secure, and accurate payment processing. Comprehensive authorization protocols serve as a formidable defense against unauthorized transactions, underpinning the company's financial accuracy.

Automated Bank Reconciliation: With the implementation of SAP ERP, Lucky Cement's bank reconciliation processes have undergone a remarkable transformation. The automated system detects and rectifies issues such as cheque rejections, unauthorized credits, and overdue cheques, ensuring timely resolution and financial clarity.

Cyber Security: Lucky Cement's dedication to safeguarding its digital landscape is evident through its adherence to the ISO 27001 framework. This commitment ensures the highest standards of information security, confidentiality, integrity, and legal compliance. The integration of SIEM systems bolsters the company's ability to detect and respond to security threats, preempting potential attacks. The Security Operations Center (SOC) operates tirelessly, maintaining a vigilant watch over security threats to fortify cybersecurity.

Lucky Cement's technological evolution is marked by a spirit of continuous learning and adaptation. By remaining agile and embracing change, the company positions itself at the forefront of progress, ready to embrace future advancements and drive ongoing transformation in the industry.

Geographical Locations



Business Unit	Address
Pezu Plant (Registered Office)	Main Indus Highway, Pezu, Distt. Lakki Marwat, Khyber Pakhtunkhawa.
Karachi Plant	58 Kilometers on Main M9 Highway, Gadap Town, Karachi.
Corporate Office and Mailing Address	6-A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi-75350.
Liaison Offices	ISE Tower (16th Floor), 55-B, Jinnah Avenue, Islamabad.
	Office Number 607, 6th Floor, The United Mall, Abdali Road, (near Ramada Inn Hotel), Multan.
	73-A, Main Gulberg II, near Tricon Center, Lahore.
	Office no. 401, 4th Floor, Tri Tower, Deans City, opposite Sarhad University, Ring Road, Peshawar
	F1, First Floor, Institute of Engineers Building, Zarghoon Road, Quetta.
	1st Floor, KIA Motors Lucky Tower Old Naseem Tower West Canal Road Faisalabad.

Vision

Ensure sustainable leadership position in Pakistan and increase global footprint in the cement sector. Identify and capitalize on diversification opportunities to maximize shareholders' value while remaining socially responsive in all spheres of operations.

Mission

We strive to be a growth-oriented company by identifying opportunities, making the right investments, producing high quality cement and using innovative technology to achieve cost competitiveness and customer satisfaction. We endeavor to harness the best human resources and providing them a level playing field in achieving long-term goals. We aim to deliver sustained growth and enduring value to our stakeholders. We recognize our obligations towards environment and corporate social responsibility and seek to mitigate any adverse effects on our environment.

Culture

We promote a culture of high values, by incorporating sustainability in all of our business operations along with a transparent work environment to deliver the best to our customers. We strongly believe to invest in our human capital, which goes hand in hand with the growth of the Company. Our values of innovation, customer focus, excellence and integrity are at the heart of our efficiency driven culture. The culture of high values has a strong influence on our work-force which helps them in a win-win outcome for both the employees and the organization.

Our values provide the foundation of our culture and bind us into a world-class team yearning to stay ahead of the competition. While we thrive in the present and look towards the future, we never forget our roots, constantly reminding ourselves of who we are and how far we have come. We are proud of our history and yet humble in our approach.

Ethics

Our Code of Conduct reflects our commitment to meet the expectations of our stakeholders and contains the fundamental principles and rules concerning ethical business conduct. Lucky Cement Limited is committed to conducting its business with honesty and integrity. We expect all our employees to create value for our stakeholders by ensuring transparency and accountability in all our practices. As we continue on our trajectory of growth, we continue to maintain the highest standards of ethical and responsible behavior.

The adherence of all employees to high standards of integrity and ethical behavior is mandatory and benefits all stakeholders including our customers, communities and shareholders. The Company carefully checks for compliance with the Code by providing suitable information, laying down prevention and control tools to ensure transparency in all transactions and behaviors and takes corrective measures as and when required.

Core Values

Our core values describe how we conduct business in all spheres of operations and our attitude and values towards our stakeholders.

Customer Focused

Commitment
Quality and Consistency
Customer Satisfaction
Fair Practices

Ethics and Integrity

Honesty
Integrity
Transparency
Professional Conduct

Social Responsibility

Sustainable Development
Philanthropy Driven Projects
Community Development
Environment Friendly Initiatives

Entrepreneurship

Value Addition and Creation
Robust Ownership & Loyalty
Branding Identifying and
Capitalizing on Opportunities
Business Driven Approach

Innovation

Creative Solutions Cutting
Edge Innovations Process
Automation Improving upon
Industry Benchmarks

Excellence

Setting Industry Benchmarks
Continuous Improvement
Always Open to New Initiatives
Adoption of World Class
Technologies

Code of Conduct

We strive to conduct our businesses with honesty, integrity and in accordance with the highest ethical and legal standards. This code is intended to provide guidance to all stakeholders and applies to all board members, senior management and employees of the Company.

Corporate Governance Practices

All employees are required to maintain and support the Company in maintaining the highest degree of Corporate Governance practices.

Compliance of Applicable Laws

We expect our employees to comply with the applicable laws and regulations. If anyone commits any breach of law, or does not comply with this code in any area of operations; it should be brought to the notice of his or her supervisor.

Transactions' Transparency

Company ensures that true, fair and timely business transactions must be recorded by maintaining the accounting and financial reporting standards, as applicable to the company.

Refrain From Insider Trading

Employees are required to refrain from insider trading and to comply with the insider trading regulations laid down and updated by SECP from time to time.

Secondary Employment by Employees

Employees are expected not to indulge in any business other than the Company's employment, which consumes their time, efforts and energy without the approval of and disclosure to the Company's management.

Company Assets Fortification

All employees are expected to be custodians of the Company's assets and should ensure its efficient use including tangible and intangible assets such as facilities, supplies, equipment, machinery, finished products, vehicles, company funds, company time, confidential information, intellectual property and information systems.

Protection of Privacy and Confidentiality

Company recommends that all its employees maintain exclusivity of the Company's trade secrets and confidential information acquired during and after performance of their employment. However, the board members and senior management can disclose any such information if it is considered part of public domain by the board or required to be disclosed in accordance with the applicable laws.

Conflict of Interest

While representing the Company in dealings with third parties, all Lucky Cement employees shall ensure no actual or apparent conflict of interest exists. All such activities shall be conducted strictly on an arm's length basis. Employees are expected to be honest and ethical in dealing with each other, customers, suppliers, dealers, vendors and contractors to avoid compromises of our commitment to competitive and transparent business practices. All employees are to exercise great care in situations with pre-existing personal relationship between an individual and any third party or official of an agency with whom the Company has an existing or potential business relationship. Moreover, no employee shall influence decisions to be made by the Company if any relative is a supplier or competes with the Company in any manner, thereof. All Lucky Cement employees shall avoid conducting business except with the prior approval of the Management requiring proper disclosure with:

I. A relative.
II. A Private Limited Company in which they are a member or their relative is a Director.
III. A Public Limited Company, in which they or their relative(s) hold(s) 2% or more shares or voting rights.
IV. A firm in which a relative is a partner.

Anti-Bribery / Corruption

Lucky Cement employees shall not engage in any kind of bribery or corruption for conducting the Company's business. Employees must not get involved in money laundering or financing of terrorism or any dealings with any person who is engaged in any such activities. No dealings can be made with persons on any sanctioned lists or those subject to any criminal or civil penalties related to narcotics trafficking, corruption, and politically exposed persons or with persons engaged in any litigation or arbitral proceedings against the Company. This prohibition applies everywhere and under all circumstances.

Equal Employment Opportunity

We believe in providing equal opportunities to all. There is no discrimination of caste, religion, color, marital status or gender. All the policies and practices are administered in a manner ensuring equal opportunity to eligible candidates and all decisions are merit based.

Harassment Free Workplace

Lucky Cement strives to maintain a work environment that is free from harassment whether physical, verbal or psychological. Strict disciplinary action will be taken against any person who is found to be in breach of this rule.

Borrowing Money

Borrowing money from fellow colleagues or Company business associates is strictly forbidden.

Receiving of Gifts, Payments or Favors

No Company employees should solicit any gifts, payments or favors, from customers or suppliers or any business associates; since doing so might compromise, or appear to compromise their ability to make objective business decisions in the best interest of the Company. However, if such a gift is received, the same shall be submitted through the immediate supervisor to the Corporate Communication department for utilization by the Company.

Corporate Social Responsibility and Health and Safety Measures

We adhere to our stringent CSR policy and we do not compromise on health and safety measures in our business.

Media Relations and Involvement

All Lucky Cement employees should report and take written approval from the Corporate Communications department before any contact with media in terms of acting, television appearances or writing an article for newspapers or magazines for representing the Company's position in the industry and media.

Breach of I.T. Security

Employees shall use computer resources only for business requirements and any breach of I.T. security protocol is prohibited.

Personal Use of Telephones and Computers

All employees are expected to restrict their personal use of telephones and computers at the workplace except for urgent and unavoidable issues.

Whistle Blowing

All employees are advised to immediately report any improper, unethical or illegal conduct of any colleague or supervisor as per the procedure laid down by Whistle Blowing Policy.

Road to Success

1993
Incorporated in Pakistan.

1994
Listed on Karachi, Lahore and Islamabad Stock Exchanges (now known as Pakistan Stock Exchange).

1996
Commenced commercial production with capacity of 1.2 MTPA.

1999
Production capacity increased to 1.5 MTPA.

2001
Kiln Firing System converted from furnace oil to coal-based system.

2009
Brownfield expansion at Karachi Plant by 1.25 MTPA.

2010
Commencement of Waste Heat Recovery (WHR) projects at Karachi and Pezu Plants.

Increased investments for Logistics / Multipurpose trailers.

2011
Investment in Tyre-Derived Fuel (TDF) plant to utilize alternative fuels.

Signed a Joint Venture agreement for setting up a cement plant in DR Congo.

2012
Acquisition of Lucky Core Industries Limited (formerly ICI Pakistan Limited).

Signed Joint Venture agreement for setting up a cement grinding plant in Basra, Iraq.

2013
First Pakistani Company to receive A+ rating from Global Reporting Initiative.

2019
Commencement of CKD Operations by KIA-Lucky Motors Pakistan.

Awarded 3rd position in the Top 25 Companies award 2017 by the Pakistan Stock Exchange.

Won the 34th MAP's Corporate Excellence Award in Cement Category.

Became the first SECP certified Shariah Compliant Company of Pakistan.

Chairman of the Company was awarded Sitara-e-Imtiaz by the Government of Pakistan.

2020
Successfully completed the Brownfield Expansion for the additional line of 2.8 MTPA at Pezu.

Became the largest cement producer of Pakistan with the capacity of 12.15 MTPA.

Won the 35th MAP's Corporate Excellence Award in Cement Category.

Received the Pakistan Stock Exchange (PSX) Top 25 Companies Award for the years Award for the years 2017 and 2018.

2021
Completed greenfield expansion for cement production of 1.2 MTPA in Samawah, Iraq.

Won the best Corporate Report Award with second position in the Cement category at the "Best Corporate & Sustainability Report Awards, 2019".

2022
Lucky Electric Power Company Limited (wholly owned subsidiary of LCL) started its commercial operations of 660 MW, coal-based power plant.

Started Installation of 34 MW Solar power plant at Pezu.

Lucky Motor Company started manufacturing Samsung branded mobile phones in Pakistan.

Won the best Corporate Report Award with first position in the Cement category at the "Best Corporate & Sustainability Report Awards, 2020".

2002

First export consignment delivered.

2005

Brownfield expansion at Pezu Plant by 2.5 MTPA.

Greenfield expansion at Karachi Plant by 2.5 MTPA.

Became Pakistan's largest cement producer.

2006

Investment in Cement Export Logistics (bulkers and ship loaders)

Became Pakistan's largest cement exporter.

2007

First Company to export loose cement via sea.

2008

Set up its own cement storage facility at Karachi Port.

Furnace Oil Power Generation engines converted to Dual Fuel engines.

Listed on London Stock Exchange and became the first Pakistani cement

Company to issue GDRs

2014

Started commercial operations of cement grinding plant in Basra, Iraq of 0.871 MTPA.

Started another 5MW WHR project at Karachi Plant.

Initiation of 1 x 660MW Coal Fuel Power project in Karachi.

Became the only Pakistani company to be listed in Forbes 'Asia's 200 Best Under a Billion' list.

2015

Vertical grinding mills installed at Karachi Plant.

Commencement of operations of 5MW each Waste Heat Recovery plant in Karachi and Pezu.

Won the 30th MAP's Corporate Excellence Award in Cement Category.

2016

Won the 31st MAP's Corporate Excellence Award in Cement Category.

Implementation of SAP S/4 HANA across the Company.

2017

Started operating 10MW Waste Heat Recovery Project at Pezu Plant.

Diversified into automotive business with incorporation of KIA-Lucky Motors Pakistan.

Started commercial operations of 1.18 MTPA fully integrated cement plant in DR Congo.

Won the 32nd MAP's Amir S Chinoy Corporate Excellence Award in the Industrial Category.

2018

Completed brownfield expansion in cement grinding plant in Basra, Iraq by 0.871 MTPA.

Completed brownfield expansion at Karachi Plant by 1.30 MTPA.

CEO of the Company was awarded Sitara-e-Imtiaz by the Government of Pakistan.

Won the 33rd MAP's Corporate Excellence Award in Cement Category.

2023

Share buy-back successfully completed with the purchase of 10 million ordinary shares.

Second share buy-back announced of 23.8 million ordinary shares.

Commencement of Line 2, brownfield expansion at Pezu plant, of 3.15 MTPA which increased the total production capacity to 15.3 MTPA.

Won best Investor Relations 2021/2022, in the listed companies category, at the CFA society's 19th Annual Excellence Awards.

Received the Runner up position for the best ESG Reporting – 2021 at the CFA society's 19th Annual Excellence Awards.

Won the 37th MAP's Corporate Excellence Award in Cement Category.

Won the best Corporate Report Award with second position in the Cement category at the "Best Corporate & Sustainability Report Awards, 2021".

Commencement of operations for a 34MW solar power plant at the Pezu plant.

Announced a new 1.82 MTPA production line to boost clinker capacity at our JV in Samawah, Iraq.

2024

Successfully completed the second share buy-back with the purchase of 20.4 million ordinary shares.

Commenced operations of a 25 MW solar power plant at the KP plant.

Completed the expansion of solar capacity at the Karachi and Pezu plants by 6.3 MW and 6 MW, respectively, increasing the overall solar capacity to 74.3 MW.

Announced a 28.8 MW captive wind power project at the Karachi plant.

Won the Best Investor Relations 2022/2023 award in the listed companies' category at the CFA Society's 20th Annual Excellence Awards.

Won the 38th Amir S Chinoy Report Award with second position in the Cement category at the Best Corporate & Sustainability Report Awards, 2022.

Adjudged the Gold winner for the Best Presented Annual Report Awards 2021/2022 in the Infrastructure and Construction category at the SAFA Awards.

Won the Best Corporate Report Award with second position in the Cement category at the Best Corporate & Sustainability Report Awards, 2022.

Company Profile

Founded in 1993, Lucky Cement Limited stands as the flagship company of Yunus Brothers Group (YBG). Lucky Cement is the largest producer of Cement in Pakistan with production capacity of 15.30 MTPA and remains one of the country's leading exporters of quality cement. Lucky Cement is listed on the Pakistan Stock Exchange (PSX) and is the first Shariah Compliant Company of Pakistan certified by the SECP.

Over the years, Lucky Cement has experienced remarkable growth with production facilities in Karachi to cater to the Southern regions and Pezu, Khyber Pakhtunkhwa to serve the northern market. The Company has international footprint also, with two joint venture manufacturing facilities in Iraq, and one joint venture manufacturing facility in the Democratic Republic of Congo. As a pioneer in the cement industry, Lucky Cement holds the distinction of being Pakistan's first Company to export sizeable quantities of loose cement. Setting itself apart from other cement manufacturers, Lucky Cement operates its own loading and storage export terminal at Karachi Port, providing a seamless and reliable exporting process.

Lucky Cement strives to remain an efficient and low-cost producer, and is one of the pioneers in Pakistan to introduce and install advanced Waste Heat Recovery systems, an impressive 74.3 MW Solar Power Plant, as well as Refuse Derived Fuel (RDF) and Tyre Derived Fuel (TDF) Plants. It also has self-sufficient Captive power generation facility of 214 MW and supplies surplus electricity to support the National grid. Lucky Cement owns a fleet of Bulkers and Trailers, which gives added advantage in terms of logistics and efficient deliveries to all types of customers spread across the length and breadth of the Country. Lucky Cement remains focused on the responsible and rational use of natural resources, a strategy that allows it to reduce any adverse impact of its operations and increase its operational efficiency. Sustainability lies at the heart of Lucky Cement's operations is deeply rotted in its core values. Every eco-efficient initiative undertaken aligns with the United Nations' Sustainable Development Goals 2030, reflecting the Lucky Cement's dedication to contributing positively to global sustainability efforts. By aligning its strategies with these goals, Lucky Cement strives to make a meaningful and lasting impact on the environment and society at large.

In addition to having a strong footprint in cement manufacturing industry in Pakistan, Iraq and DR of Congo, Lucky Cement has evolved into a conglomerate having strategic investments in diversified industries such as Chemicals, Automobiles, Mobile manufacturing, Power and Mining. With its long-term strategy of diversification and value creation, Lucky Cement has become a large conglomerate with direct / indirect investments in the following companies:

- Lucky Electric Power Company Limited
- Lucky Core Industries Limited
- Lucky Core Powergen Limited
- Lucky Core Ventures (Private) Limited
- NutriCo Morinaga (Private) Limited
- NutriCo International (Private) Limited
- Lucky Motor Corporation Limited
- LCL Investment Holdings Limited
- Lucky Al Shumookh Holdings Limited (LASHL)
- Al Mabrooka Cement Manufacturing Company Limited
- Al Shumookh Lucky Investments Limited (ASLIL)
- Najmat Al-Samawah Company for Cement Industry
- Lucky Rawji Holdings Limited
- Nyumba Ya Akiba S. A. (NYA)
- LR International General Trading FZCO
- Lucky Holdings Limited
- Yunus Energy Limited
- National Resources (Private) Limited
- Lucky TG (Private) Limited

LUCKY HOLDINGS LIMITED

LHL is a subsidiary of Lucky Cement Limited and was incorporated in Pakistan in the year 2012 as a public unlisted company limited by shares under the Companies Ordinance, 1984. Lucky Cement holds 75% shares of LHL.

LCL Investments Holdings Limited

LCL Investment Holding Limited (LCIHL), a wholly owned subsidiary of Lucky Cement was incorporated in the year 2011 in the Republic of Mauritius, the company has been re-domiciled to Dubai, UAE in March 2022. LCLIHL has concluded Joint Venture Agreements (50:50) ownership interest with local partners for setting up a Cement Grinding Plant in Basra, a fully integrated Cement Manufacturing Plant in Samawah, Republic of Iraq and a fully integrated Cement Manufacturing Plant in Democratic Republic of Congo. Further, LCLIHL has also established a General Trading Company in Dubai, UAE.

Lucky Al-Shumookh Holdings Limited

Lucky Al-Shumookh Holdings Limited (LASHL) was incorporated in the year 2012 under a joint venture agreement between LCLIHL and Al-Shumookh Group, Iraq, for constructing a cement-grinding unit in Basra, the Republic of Iraq. LCLIHL holds 50 percent ownership interest in LASHL.

Al-Shumookh Lucky Investments Limited

Al-Shumookh Lucky Investments Limited (ASLIL) was incorporated in the year 2016 under a joint venture agreement between LCLIHL and Al-Shumookh Group, Iraq, for constructing an integrated cement manufacturing plant in Samawah, Iraq. LCLIHL holds 50 percent ownership interest in the ASLIL.

Lucky Rawji Holdings Limited

LuckyRawji Holdings Limited (LRHL) was incorporated in the year 2011 under a joint venture agreement between LCLIHL and Rawsons Investments Limited (registered in Cayman Islands) for constructing a fully integrated cement manufacturing plant in the Democratic Republic of Congo. LCLIHL holds 50 percent ownership interest in the LRHL.

LR International General Trading FZCO

LR International General Trading FZCO (LRIGT) was incorporated in the year 2021 under a joint venture agreement between LCLIHL and Rawji Properties Limited (registered in Dubai UAE) to establish a general trading company in Dubai, UAE. LCLIHL holds 50 percent ownership interest in the aforementioned joint venture.

LUCKY ELECTRIC POWER COMPANY LIMITED (LEPCL)

LEPCL is a 660 MW supercritical coal-fired power plant located in Bin Qasim, Karachi. The project is set to be fueled by Thar lignite coal in the long term, once it becomes available. Notably, it stands as Pakistan's first power plant utilizing indigenous fuel outside of Thar, marking a significant milestone in the country's energy sector.

This initiative heralds a new era of indigenous fuel utilization for baseload power generation, aligning with the national goal of reducing dependence on imported fuel. The plant successfully commenced commercial operations on March 21, 2022, and the generated power is currently being fed into the national grid under a Power Purchase Agreement (PPA) with the government.

The transition to 100% Thar coal operations is planned upon the completion of Phase III by the Sindh Engro Coal Mining Company (SECMC).


Lucky Electric
Power Company

LUCKY CORE INDUSTRIES

SODA ASH

POLYESTER

CHEMICALS & AGRI SCIENCES

LIFE SCIENCES

PHARMACEUTICALS | ANIMAL HEALTH

LUCKY CORE INDUSTRIES LIMITED (LCI)

Lucky Core Industries Limited (LCI) is a listed subsidiary of Lucky Cement Limited. With a rich legacy spanning over 7 decades, the Company is a leading Pakistan-based manufacturing and trading concern. LCI's diverse businesses include Polyester, Soda Ash, Pharmaceuticals, Chemicals & Agri Sciences, and Animal Health.

Through its businesses, the Company deals in a wide range of products, including polyester staple fibre (PSF), soda ash, general and specialty chemicals, pharmaceuticals, nutraceuticals, animal health, and agricultural products (chemicals, field crop seeds, vegetable seeds, etc). In the nutrition segment, NutriCo Morinaga (Private) Limited, an associate of the Company imports, locally manufactures, markets, and distributes select Morinaga Milk Industry Co. Ltd, Japan products in Pakistan.

Subsidiaries of LCI include:

Lucky Core PowerGen Limited
Lucky Core Ventures (Private) Limited
Lucky TG (Private) Limited

Lucky Core PowerGen Limited

Lucky Core PowerGen Limited is a wholly-owned subsidiary of Lucky Core Industries Limited that was established in 1991. The Company generates, sells, and supplies electricity to Lucky Core Industries Limited's Polyester-manufacturing plant and NutriCo Morinaga (Private) Limited in Sheikhupura, Punjab.


LMC
Lucky
Motor
Corporation
PEUGEOT
SORENTO

LUCKY MOTOR CORPORATION LIMITED ("LMC")

Lucky Motor Corporation Limited (LMC), a subsidiary of Lucky Cement Limited (LCL) has completed five years of operations in June 2024. The Company has been structured into three business divisions, namely, Automotive, Auto-Parts and Electronics.

The Automotive Division is engaged in the business of assembling, marketing, distribution and sales of "Kia" and "Peugeot" brand vehicles, parts and accessories in Pakistan. LMC has technical collaboration with Kia Corporation, which is part of South Korea's 2nd largest business group "Hyundai Motor Group" the world's 3rd largest automobile group, and Peugeot which is part of the Stellantis Group, which is the world's 4th Largest Automobile Group.

The Auto-Parts Division was established with the objective of achieving localization of auto parts for locally assembled Kia and Peugeot models.

The Electronics Division was formed in July 2021 as an outcome of an agreement signed with Samsung Gulf Electronics FZE for assembling Samsung mobile phones in Pakistan.

LMC is distinct in terms of its operations and portfolio diversification and is creating substantial value for its shareholders.


CIMKO

NYUMBA YA AKIBA S.A. (NYA)

Nyumba Ya Akiba S.A. (NYA) was incorporated as a limited liability company in the Democratic Republic of Congo (DRC) and is a wholly owned subsidiary of Lucky Rawji Holdings Limited (LRHL). NYA set up a Greenfield fully integrated cement plant with a production capacity of 1.31 MTPA which started commercial operations in December 2016 in the Kongo Central Province of DRC. NYA is leading in DRC with current market share of more than 50 percent.

AL MABROOKA CEMENT اسمنت المبروكة

STARTED COMMERCIAL PRODUCTION IN
2014

PRODUCTION CAPACITY OF
1.742
MILLION TONS PER ANNUM

AL MABROOKA CEMENT MANUFACTURING COMPANY LIMITED

Al Mabrooka Cement Manufacturing Company Limited (AMCMC) was incorporated as a limited liability company in Basra, Republic of Iraq and is a wholly owned subsidiary of Lucky Al Shumookh Holdings Limited (LASHL). AMCMC started its commercial production in 2014. Its current production capacity is 1.742 MTPA.

AMCMC has its owned captive power plant having generation capacity of 15.7 MW. AMCMC is currently a market leader in the region of operation, with current market share of more than 50 percent.


NAJMAT AL-SAMAWA
STARTED COMMERCIAL PRODUCTION IN
2021
PRODUCTION CAPACITY OF
1.31
MILLION TONS PER ANNUM

NAJMAT AL-SAMAWAH COMPANY FOR CEMENT INDUSTRY (NAS)

Najmat Al Samawah Company for Cement Industry (NAS) was incorporated as a limited liability company in Samawah, Republic of Iraq and is a wholly owned subsidiary of ASLIL. NAS has constructed an integrated cement manufacturing plant with a capacity of 1.31 MTPA, which commenced commercial production in March 2021.

NAS is currently pursuing an enhancement of its clinker production capacity and is in the process of adding a new production line of 1.82 MTPA.

It has its owned captive power plant having generation capacity of 29.34 MW, which may increase to 48.90 MW once the new clinker production capacity comes in operation.

NATIONAL RESOURCES

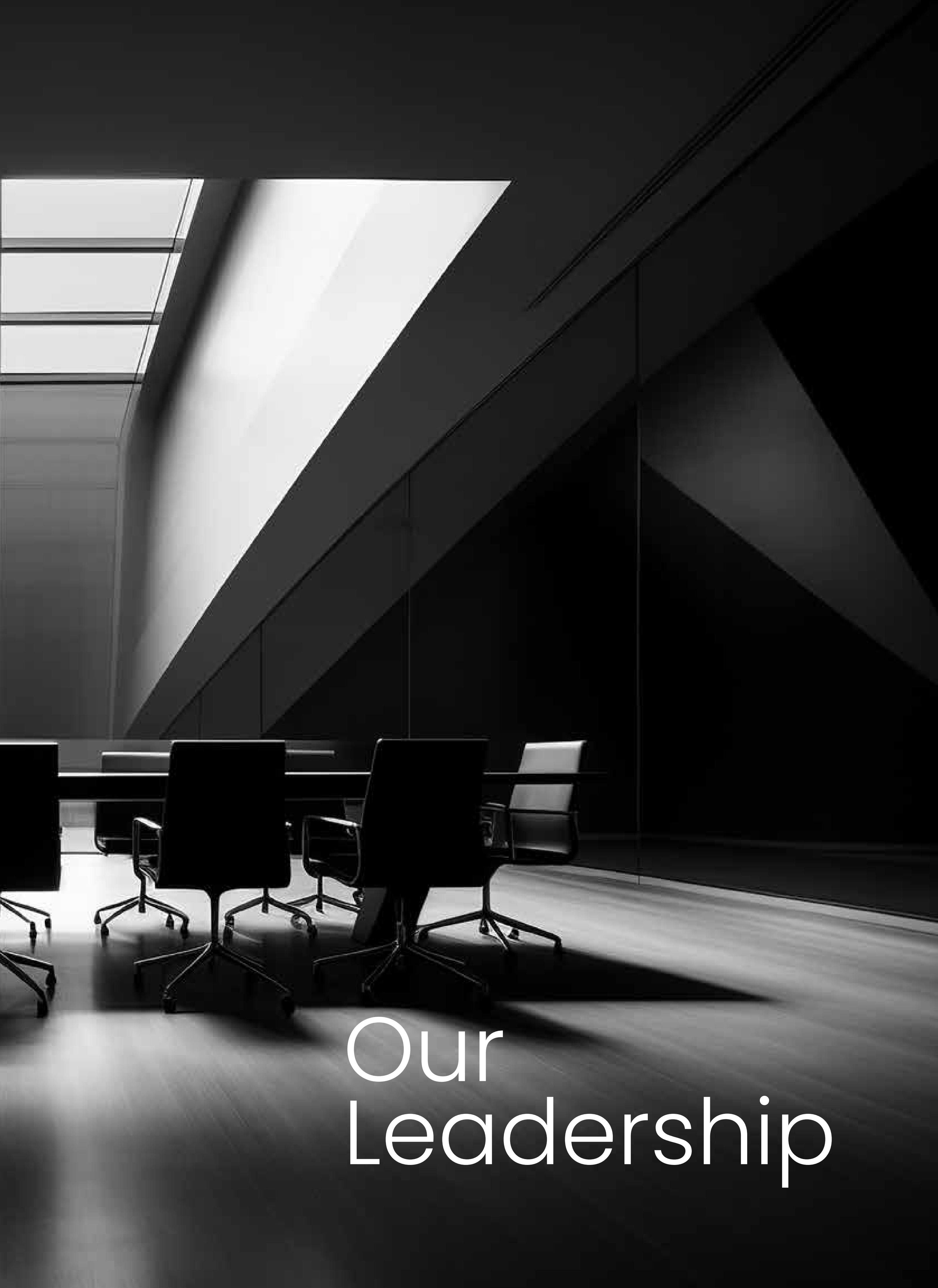
NATIONAL RESOURCES (PRIVATE) LIMITED

National Resources (Private) Limited (NRL) is a company established to drive large-scale mineral exploration and development in Pakistan. We are committed to leveraging our expertise and resources to unlock the country's rich mineral potential.

NRL was recently awarded a significant exploration lease in Balochistan's chagai district.

To ensure seamless project execution and maximize benefits for Pakistan, NRL prioritizes securing the best possible resources.

Officially kicked off in November 2023, the project has made substantial progress in identifying promising prospects. Exploration activities are well underway, paving the way for a successful future.



Our Leadership

Chairman's Profile

Muhammad Sohail Tabba

Entrepreneur | Leader | Philanthropist

Mr. Muhammad Sohail Tabba, one of Pakistan's leading business leaders and a philanthropist, leads a conglomerate of businesses and export houses under the YBG brand name. His proficient leadership in diverse sectors – textiles, cement, energy, entertainment, real estate and philanthropy - spanning over three decades - has earned laurels and accolades for his group and the country.

As the Chief Executive Officer of Gadoon Textile Mills Limited, Lucky Knits (Private) Limited and Director of Yunus Textile Mills Limited, Lucky Textile Mills Limited, he has made YBG renowned both locally and globally. Mr. Tabba has become the Chairman of Lucky Core Industries (formerly ICI Pakistan Limited) in 2014 and was appointed as the Chairman on the board of Lucky Cement Limited in 2023. Previously, he has also served as the Chairman on the board of Nutrico Morinaga (Pvt) Limited.

Mr. Tabba's relentless energy, vision, and an uncanny ability to think outside the box, resulted in the creation of LuckyOne Mall, which attracts people from all walks of life. His vision was also to provide a world-class entertainment facility for children which materialised as Onederland at LuckyOne Mall.

Besides being the Chairman of Yunus Energy Limited and CEO of Lucky Energy (Private) Limited, Lucky One (Private) Limited; Mr. Tabba is the Director of Lucky Motor Corporation Limited, and several other companies. Mr. Tabba's strong social presence in the business community has led him to become the founding member and first Vice President of the Italian Development Council. He is playing an instrumental role in contributing to the educational landscape of Pakistan by serving on the Board of Governors of the Textile Institute of Pakistan. He has also previously served on the board of Hamdard University.

Driven towards contributing to the community, Mr. Tabba is also a Director at Aziz Tabba Foundation that runs the Tabba Heart and Kidney Institutes, in addition to other welfare projects. His determination to contribute to the community has transformed the pediatric emergency rooms of government hospitals across Pakistan. Mr. Tabba became the Founding Trustee of ChildLife Foundation Pakistan in 2012. His contributions to the healthcare sector have manifested in the treatment of 8 million children in ChildLife Emergency Rooms and Telemedicine Satellite Centres across Pakistan. In the past decade, ChildLife Foundation has evolved extraordinarily and today, 13 contemporary emergency rooms are functioning efficiently in the under resourced hospitals of Sindh, Balochistan and Punjab, marking its presence in 300+ hospitals of Pakistan.

CEO's Profile

Muhammad Ali Tabba

Mr. Muhammad Ali Tabba ("Mr. Tabba") embarked on his professional journey with the prestigious Yunus Brothers Group (YBG), in 1991. YBG, a distinguished family conglomerate, has established itself as an exemplar of entrepreneurial excellence, not only in Pakistan but also across the Middle East, Central Africa, Europe, and North America. With variegated interests spanning building materials, chemicals, pharmaceuticals, energy, textiles, automotive, and real estate development, Mr. Tabba has significantly contributed to YBG's growth and diversification, solidifying the group's position as a global player in multiple industries.

Mr. Tabba assumed the role of Chief Executive at Lucky Cement Limited (LCL), succeeding his late father in 2005. His formidable leadership extends far beyond the cement industry, as he holds prominent positions as the Chairman of Yunus Textile Mills Ltd., Lucky Motors Corporation, Lucky Electric Power Company Ltd., and Gadoon Textile Mills Ltd. Additionally, he serves as the Vice Chairman of Lucky Core Industries Limited (formerly ICI Pakistan Limited), propelling the company's success through his strategic acumen.

In addition to these roles, Mr. Tabba is also the Chairman of National Resources Limited (NRL), a mining company that has received exploration leases in the Chagai district of Balochistan. The company is currently exploring the area by introducing modern mining methods with world-class consultants and training local engineers for sustainable development.

Beyond the corporate sphere, Mr. Tabba assumes pivotal roles in industry and community organizations. He serves as the Chairman of the All Pakistan Cement Manufacturing Association and his previous responsibilities included the Chairmanship at the Pakistan Textile Council and the Pakistan Business Council. He's actively engaged in several community welfare initiatives, further emphasizing his commitment to societal progress. His presence extends to renowned universities, institutions, and foundations, where he diligently sits on the Board of Governors, guiding their missions.

Mr. Tabba's commitment to philanthropy is exemplified through his role as the Chairman of the Aziz Tabba Foundation ("ATF"), a non-profit organization dedicated to the amelioration of society in areas such as social welfare, education, health, and housing. The two cutting-edge hospitals in Karachi, namely the Tabba Heart Institute and Tabba Kidney Institute, are epitomes of ATF's significant benefactions to the community. In acknowledgement of his exceptional contributions to Pakistan's social development sector, Mr. Tabba was honoured with the title of Young Global Leader by the World Economic Forum in 2010. His remarkable achievements also include receiving the prestigious Karachi Chamber of Commerce and Industry "Businessman of the Year" Gold Medal Award for 2012-2013. In a testament to his unwavering dedication, the Government of Pakistan bestowed upon him the Sitara-E-Imtiaz in 2018, one of the nation's highest civilian awards.

Mr. Muhammad Ali Tabba's multifaceted leadership, combining business excellence with a resolute adherence to social welfare, paints a compelling portrait of a visionary leader whose contributions continue to leave an indelible mark across Pakistan and beyond.

Directors' Profile

Jawed Yunus Tabba

Mr. Jawed Tabba has a rich experience in the textile industry and is currently the Chief Executive Officer and Director of a renowned textile mill, Lucky Textile Mills Limited. His untiring efforts helped him acquire deep insight and expertise into export and manufacturing activities. He has been instrumental in managing the textile concerns of the Yunus Brothers Group (YBG) and has transformed Lucky Textile Mills into one of the premier Textile Companies in Pakistan. Lucky Textile Mills is among the top five home textile exporters from Pakistan and it has been a story of rapid expansion and diversification in the textile industry under his leadership and guidance. He is also the Vice Chairman of YBG.

He is on the Board & related sub-committees of Lucky Cement Limited, LCI Pakistan Limited, Gadoon Textile Mills Limited and Lucky Motors Corporation Limited. He is keenly involved in the formulation of vision, strategies & governance structures of these companies.

Mr. Jawed Yunus Tabba is also managing the Real Estate Project Luckyone, which is the Largest Mall in Pakistan. Lucky one is currently touted as a multi-faceted – first of its kind regional shopping mall which has revolutionized the shopping experience in Pakistan.

Socially Mr. Jawed Yunus Tabba is extensively engaged in community welfare projects which include the Aziz Tabba Foundation (ATF), which is working extensively in the field of social welfare, education, health and housing. He is also a Member of Young President Organization (YPO).

Mariam Tabba Khan

Ms. Mariam Tabba Khan assumed the role of Chief Executive Officer at the not-for-profit Tabba Heart Institute (THI) on June 2nd, 2005, following the untimely passing of her philanthropic father, Mr. Abdul Razzak Tabba (S.I). Despite holding an MBA, she initially wasn't involved in her father's business pursuits during his lifetime. However, post his demise, she courageously embraced the challenge of establishing and managing the cutting-edge Tabba Heart Institute.

Under her leadership, the hospital has been unwavering in its commitment to serve both affluent and underprivileged patients. She has steered THI with dedication, fostering a culture of professionalism, humanistic-care and transparency. The Institution, an ISO 9001:2015 (Quality) and ISO 14001:2015 (Environment) certified facility, and the institution is all geared up to get ISO 45001:2015 (Safety) in the first quarter of 2024. THI is acknowledged by the College of Physicians & Surgeons Pakistan (CPSP) for delivering post-graduate training in Cardiology, Cardiothoracic Surgery, Interventional Cardiology, and Cardiothoracic Anesthesia. Additionally, THI provides a Diploma in Cardiac Nursing, recognized by the Pakistan Nursing Council (PNC). The Institute's Research Department, generously supported by the Aziz Tabba Foundation, spearheads numerous ongoing programs, including the National Cardiovascular Data Registry (NCDR), Cardiac Registry of Pakistan (CROP). Also, THI is the only hospital in Pakistan to receive the Platinum Award from American College of Cardiology (ACC).

On the Education front, the Rehabilitation Department of Tabba Heart holds accreditation from the International Council of Preventive Cardiology and Prevention (ICCPR), offering comprehensive, high-quality rehabilitation services. Tabba Heart is the first institute outside Europe to be awarded this certification. Additionally, a Registry site has been established for the Department, sharing outcomes of rehab patients with ICCPR, ensuring adherence to international benchmarks. Moreover, the institute offers BS Medical Technology programs in Cardiovascular, Operation Theater and in Perfusion Sciences, all affiliated with the University of Karachi.

In its pursuit to expand its impact, Tabba Heart Institute has established satellite centers, serving as symbols of THI's commitment to reach ailing hearts across various cities. These centers feature state-of-the-art consultation clinics, laboratories, pharmacies, and non-invasive diagnostic services, all conveniently housed under one roof. Notably, under her leadership, THI inaugurated a ground breaking Emergency First Aid & Laboratory Collection Unit in June 2018 within the premises of South Asia's largest Lucky One Mall.

Ms. Mariam Tabba Khan's fulltime commitment as CEO infuses THI's entire team with energy and drive. She epitomizes Robert Frost's quote;

"Two roads diverged in a wood and I,
I took the one less traveled by,
.. And that has made all the difference!"

Masood Karim Shaikh

Masood Karim Shaikh is a Chartered Accountant (FCA) with over 30 years of senior level experience in financial sector in Pakistan. He retired in 2017 as SEVP and Group Chief, International Banking Group at National Bank of Pakistan. He was managing their International Operations in 18 countries in Far East, Central Asia, Middle East, Europe and America. In his previous assignment with National Bank of Pakistan he held key executive responsibilities as CFO and Group Chief Corporate and Investment Banking.

He has also worked with Dubai Islamic Bank-Pakistan as Country Head Corporate and Investment Banking. His other previous assignments were with Emirates Bank International, Mashreq Bank and MCB Bank in various positions as CFO, Head of Treasury and Head of Card Division.

He has served on Boards of following financial institutions and Corporations.

United National Bank plc.UK, (UBL UK) Siemens Pakistan, National Fullerton Asset Management Fund (Chairman NAFA), Atlas Power, Taurus Securities and Maple Leaf Cement.

Presently he is working as an Independent Financial and Management Consultant.

Khawaja Iqbal Hassan

Khawaja Iqbal Hassan was appointed as an Independent Director on the Board of Lucky Cement Limited on October 20, 2021.

Mr. Hassan holds a diploma in Accountancy from the U.K. and a BSc in Finance and Marketing from the University of San Francisco, graduating cum laude in 1980. He started his career with Citibank N.A. and in 1994 co-founded Global Securities Pakistan Limited, a former joint-venture partner of UBS AG and a leading stockbroking and investment banking firm. In 2003 he founded NIB Bank Limited which, in partnership with Temasek Holdings of Singapore, became a top-10 ranked commercial bank in Pakistan within a period of 4 years. He served as the Chief Executive Officer of both institutions.

Mr. Hassan currently also serves as a Director on the Board of Y.B. Holdings, a holding company of the Yunus Brothers/ Lucky Group. He is a Trustee on the Boards of the Karachi Grammar School, the Layton Rehmatullah Benevolent Trust and The Hassan Foundation. He is also Chairman of the Advisory Committee of Development Corporation Advisers, a wholly owned subsidiary of BII (British International Investment - formerly the CDC Group Plc), the development finance institution of the United Kingdom.

Mr. Hassan was nominated by the Government of Pakistan to serve as a Member of the Monetary Policy Committee of Pakistan and as a Board Member of the State Bank of Pakistan. He has also served on the Boards of ICI Pakistan Limited, Engro Corporation Limited, the Civil Aviation Authority of Pakistan, Pakistan Steel Mills Limited, Habib Bank Limited, NIB Bank Limited, National Fullerton Asset Management Company Limited, UBS/Global Securities Pakistan Limited, Citicorp Investment Bank Pakistan, The Pakistan Fund, Lahore University of Management Sciences, the Central Depository Company of Pakistan Limited and the Pakistan Centre for Philanthropy.

Mr. Hassan is a former Vice Chairman of the Pakistan Bankers' Association and has served as Chairperson, Banking Sector Committee on the reform of Pakistan's Banking Companies Ordinance. He has also been a member of the Prime Minister of Pakistan's Task Forces on Foreign Exchange Reserves Management, Corporate Tax Reform and Capital Markets Reform.

In 2007, Mr. Hassan was awarded the Sitara-e-Imtiaz by the Government of Pakistan for meritorious contributions to national interests.

Shabbir Hamza Khandwala

Shabbir Hamza Khandwala is a fellow member of the Institute of Chartered Accountant of Pakistan and carries with him over 40 years of diversified experience of working in banking, investment banking, mutual fund, manufacturing and professional firm. He is a strategic thinker and has depth knowledge of corporate governance and risk management and now he is on the boards of two listed companies.

Shabbir has been Chief Financial Officer and Group Head Finance of Meezan Bank from March 2005 to September 2022. Meezan Bank is the fourth largest and most profitable bank in Pakistan and has the highest market capitalization. He was primarily responsible for finance and accounting disciplines of the Bank and closely worked with the Audit Committee and the Board of Directors.

Shabbir had a holistic role in Meezan Bank and was actively involved in the strategy formulation of the Bank in the last 17 years as it has grown from a small bank to the fourth largest bank in Pakistan and advised the management on shareholders' matters. He played key role in the successful merger of HSBC Pakistan with Meezan Bank.

Shabbir has been involved in lending activities of the Bank as he was a member of the Bank's Credit Committee from 2011 to 2023, a coveted position normally not occupied by a CFO. He on daily basis granted approvals to various credit proposals after detailed review and deliberations. Therefore, he has depth knowledge and experience of Risk Management.

Shabbir was also member of the Bank's Asset Liability Management Committee, Management Committee, Compliance, and Operational Risk Management Committee and Investment Committee. He has also performed duties of the Company Secretary of the Bank for five years. He played pivotal part in drafting and approval of Employee Share Option Plan and in the formation of the Meezan Bank Foundation.

Shabbir has in depth experience of financial sector and prior to joining Meezan Bank, he worked at KASB Group for 10 years in various capacities and was CEO of KASB Securities, CEO at KASB Premier Fund and Executive Director at Khadim Ali Shah Bukhari & Co. Ltd. KASB had an affiliation with Merrill Lynch whom they represented in Pakistan.

Shabbir carries with him manufacturing experience as he worked with Attock Cement Pakistan Ltd, a large cement manufacturing company for 4 years.
He has also worked with A.F. Ferguson & Co., Chartered Accountants for 9 years in various capacities. A.F. Ferguson is a member firm of Price water house Coopers International Limited.

In January 2023, he has been appointed as an Independent Director on the Board of Lucky Cement Limited, the largest cement manufacturing company and a huge conglomerate.

He is an Independent Director and Chairman of Audit Committee of Macpac Films Limited, a listed company on Pakistan Stock Exchange.

Shabbir is a certified director from the Institute of Business Administration, Karachi. He had remained director of Al-Meezan Investment Management Ltd and Faysal Management Services (Pvt.) Ltd.

Shabbir is also involved in social and community activities and is or has been member of the following:

- Member, Fund Raising Committee of The Patients' Behbud Society for Aga Khan University Hospital;
- Member, Chamber Sub-Committee, Sind Club
- Member, Finance Sub-Committee of Boat Club and has been member for more than 10 years;
- Member, Finance Sub-Committee of Sind Club for 5 years; and
- Member, Governing Board, Pakistan American Cultural Centre.

Executive Management

SAJID FEROZE
CHIEF OPERATING OFFICER INTERNATIONAL BUSINESS

ATIF KALUDI
EXECUTIVE DIRECTOR FINANCE & CHIEF FINANCIAL OFFICER

NOMAN HASAN
EXECUTIVE DIRECTOR

AMIN GANNY
CHIEF OPERATING OFFICER

WAQAS ABRAR
DIRECTOR HUMAN RESOURCES & ADMINISTRATION

MUHAMMAD SHABBIR
DIRECTOR OPERATIONS
(PEZU PLANT)

SAFDAR MALIK
DIRECTOR MARKETING
(NORTH)

KHUSRAU NADIR GILANI
CHIEF COMMERCIAL OFFICER

MIAN YASSER SULAIMAN
DIRECTOR MARKETING
(LOCAL)

ASLAM BALOCH
DIRECTOR OPERATIONS
(KARACHI PLANT)

Senior Management

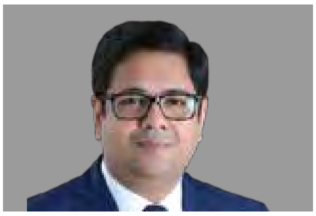
MUHAMMAD HUMAYUN KHAN
GM Govt. Relations & Administration

SYED HASSAN MAZHAR RIZVI
GM Power Generation (Karachi Plant)

AHTESHAM-UL-HAQUE
GM Supply Chain Commercial

ADNAN NASEEM QAZI
GM Information Technology & Systems

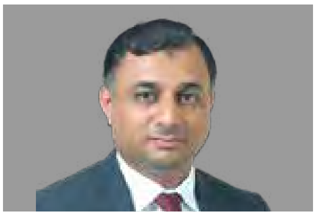
KHURRAM SIRAJ
GM Supply Chain Imports



AHMED WASEEM KHAN
GM Internal Audit & Compliance

MUHAMMAD IQBAL
GM Power Generation (Pezu Plant)

SHAHID ALLAH DITTA
GM Logistics (Operations)



RAEEL MUHAMMAD RAFIQUE
GM - Finance & Planning

ZULFIQAR ALI KHAN
GM Govt. Relations

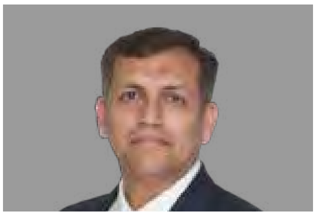
ALI SHAHAB
GM Legal & Company Secretary

SHEIKH M.SALMAN UL HAQUE
Chief of Staff (CEO Secretariat)

ZAHID AZIZ
GM Production - (Pezu Plant)

AMIR MAHMOOD BAIG
GM Administration(Karachi Plant)

SOHAIL ABDUL AZIZ KHATRI
GM Investments



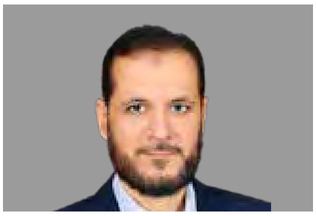
MUHAMMAD HASEEB ALI
GM Marketing (Lahore-Local)

ATTA ULLAH
GM Marketing (Peshawar-Local)

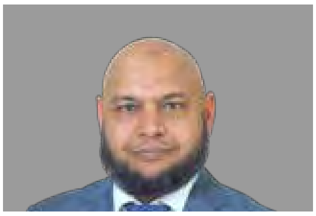
ANWAR TARIQ
GM Human Resource(Pezu Plant)

MUHAMMAD ADEEL PARACHA
GM Investments

FAIZ MUHAMMAD KHAN
GM Administration(Pezu Plant)



MOHAMMAD NAUMAN
GM Export Marketing



ATIQ-UR-REHMAN NAARU
GM Production - (Karachi Plant)

MUHAMMAD HUNAIN
GM - Finance

Group Profile

Yunus Brothers Group

The Yunus Brothers Group is a leading industrial conglomerate in Pakistan. Over the course of more than six decades, the conglomerate has consistently risen to prominence, solidifying its position as one of Pakistan's foremost industrial giants. Its pervasive influence extends across multiple sectors, including textiles, cement, building materials, real estate, power generation, automobiles, electronics, FMCG, entertainment, pharmaceuticals, chemicals, agricultural sciences and philanthropy; affirming its stature as a stalwart contributor to the nation's industrial and economic advancement, underscoring its commitment to comprehensive excellence and innovation.

YBG's commitment extends beyond business success to social responsibility, evident in philanthropy projects for the society in education and health sectors.

Y.B. HOLDINGS (PRIVATE) LIMITED

Under the umbrella of the renowned Yunus Brothers Group (YBG), a significant force in Pakistan's export sector, principally engaged in the textile export business, renewable power generation and real estate sectors, Y.B. Holdings (Private) Limited was incorporated in Pakistan on August 16, 2013, as a private company limited by shares under the Companies Ordinance, 1984.

To lead Pakistan's corporate landscape with sector diversity and a focus on forward and backward integration, aiming to become the nation's top exporter. We seize opportunities, take calculated risks, and drive growth across sectors, fostering economic expansion while prioritizing environmental sustainability.

Gadoon Textile Mills Limited

Gadoon Textile Mills Limited (GTML) established in 1988, has become one of the largest spinning units in Pakistan, with a capacity of over 370,000 spindles. Its manufacturing plants are located in Gadoon Amazai, Khyber Pakhtunkhwa, and Karachi, Sindh. In 2014, a merger with Fazal Textile Mills Limited increased GTML's production capacity and professional excellence.

The company maintains a competitive edge with vertically integrated, state-of-the-art knitting, dyeing, and stitching facilities, capable of producing over 50,000 fitted sheets per day.

Continuous innovation is at the core of our operations. Therefore, beyond its textile division, GTML operates in the dairy sector, managing a herd of over 1,300 animals. The primary focus here is the production and sale of milk, by fostering sustainable innovation and growth within the industry.

Additionally, GTML has its own power generation facility with a capacity of approximately 57 MW. Under the context of green initiatives, the Company has installed solar plants with the capacity of around 10 MW and installation of further 6 MW is in process.

Yunus Textile Mills Limited

Yunus Textile Mills Limited (YTML) is a vertically integrated home textile unit established in 1998, consisting of spinning, weaving, dyeing, printing, finishing and cut & sewing. In a span of 10 years, it became the number 1 home textile exporter of Pakistan with 10% share (approx.) of all Home Textiles exported from Pakistan. The Company has its international warehousing, distribution and design development offices in USA, UK and France.

Lucky Textile Mills Limited (LTML)

Lucky Textile Mills Limited, a leading textile manufacturer in the country since 1983, primarily focuses on the manufacturing and export of top-notch quality fabrics, home textiles, and garments, reflecting its commitment to excellence. With two cutting-edge weaving mills, it has an impressive fleet of 425 Sulzer Shuttle-less looms and 408 Air Jet looms, all equipped with state-of-the-art computerized processes featuring Karlmayer warping and sizing machines.

The Company can process 96 million meters per annum of fabric. Further LTML has its power generation facility at one of its manufacturing units. The stitching division is equipped with sophisticated high-tech machines that can stitch fabrics and transform them into home textiles as well as apparel products with a high degree of precision. Stitching machines include an automated Texpa plant as well.

In pursuit of its vision to become a vertically integrated setup, Lucky Textile Mills Limited has successfully established its own Spinning Unit. The initial phase involved the import of 22 Murata Vortex Spinning (MVS) machines and 08 Saurer Automatic Rotor Spinning Machines, all of which are fully operational.

As part of its continuous pursuit to become a "Preferred Employer", the company is undertaking a transformative journey to align company structure with market dynamics, showcasing dedication to policy standardization and the implementation of best practices across the organization. Emphasizing diversity and inclusion, Lucky Textile Mills Limited fosters an inclusive work environment that encourages innovation and collaboration.

To contribute to a sustainable future, the company is transitioning from manual to automated mechanisms, steadily reducing paper consumption. Moreover, recognizing the significance of energy conservation and sustainability, the company has installed a Solar Renewable Energy plant with a cumulative capacity of 13 MWs. LTML is actively promoting green climate practices, protecting biodiversity, and utilizing energy conservation resources, emphasizing on its commitment to a greener future.

With unwavering dedication, state-of-the-art facilities, and a continuous drive for improvement, Lucky Textile Mills Limited is poised to remain at the forefront of the textile industry. As the company continues to set new benchmarks, it reaffirms its commitment to excellence and anticipates a future of sustained success in the ever-evolving textile sector.

YB Pakistan Limited (YBPL)

Yunus Brothers (Y.B) commenced operations in 1962 as a partnership between Mr. Abdul Razzak Tabba and Mr. Muhammad Yunus Tabba, primarily focusing on trading grey cloth. Over time, the business expanded its scope to include trading in additional commodities such as wheat, rice, corn, and pulses. In 2012, to foster a corporate ethos, the management opted to transform the partnership into a public limited company named "Y.B Pakistan Limited". Presently, the company boasts a varied investment portfolio spanning across different sectors of the business.

LUCKY AIR (PRIVATE) LIMITED

Lucky Air (Private) Limited was incorporated in Pakistan in the year 2012 as a private company limited by shares. The Company operates an Aircraft of Lucky Cement Limited and provides services for crew management, technical and engineering services on inbound and outbound flights of the Aircraft.

Lucky Entertainment (Private) Limited

Onederland - Lucky Entertainment Private Limited, established in 2016, is dedicated to spreading accessible Screams of Happiness. As the largest Family Entertainment Center in Pakistan, we offer over 100 attractions across a two-story facility spanning 45,000 square feet. Our award-winning Spinning Roller Coaster and thrilling rides like Maverick, Twist & Swing, and Drop Tower provide an exhilarating experience. Guests can also enjoy virtual reality adventures, sports activities, and a range of arcade games. Onederland has recently revamped its Soft Play and Toddlers area, providing an even more enjoyable and safe experience for our youngest visitors and their families. Inclusivity is a core value, ensuring that people of all ages, genders, and socio-economic backgrounds can find joy at Onederland.

We are honored to have been nominated for the Best Family Entertainment Center by MENALAC, ranking among the top 5 in the MENA region. Onederland's state-of-the-art facility has received acclaim from customers and recognition from the education sector, serving over 10,000 students annually. We are committed to maintaining our position as the leader in Pakistan's entertainment landscape by prioritizing the environment, offering diverse packages, and ensuring a safe and enjoyable experience for all.

At Onederland, we invite everyone to embrace their inner child and join us in creating lifelong memories filled with laughter and happiness.

Lucky Landmark (Private) Limited

Lucky Landmark (Private) Limited Situated in the heart of the city, the LuckyOne Mall opened its doors to the public on 6th May 2017. One of the largest malls in Pakistan, with more than 200 retail and F&B brands, LuckyOne Mall provides an unprecedented retail space that includes a Health & Wellness Avenue, a Wedding Galleria, a Banking Enclave, and a Food Court. Having the largest in-mall Carrefour and the biggest Atrium in Pakistan under its name, LuckyOne Mall is the first in the industry to have co-working space, an international standard family entertainment center (FEC) Onederland, and the largest in-mall fitness club, TriFit, having state-of-the-art equipment and staffed by international trainers.

LuckyOne Mall has always been at the forefront of satisfying its customers by all means. To further facilitate the customers, it offers a dedicated baby feeding room, the largest male praying area in the country, a dedicated female praying area, free wheelchairs, valet parking, and a double-story indoor parking space sufficient for around 1500 cars. To ensure a safe and secure environment, a fully trained and well-equipped staff is available to deal with any unforeseen event.

Recognized for providing an ultimate shopping experience, LuckyOne Mall continues to expand, renovate, and offer an innovative and engaging experience to its audience making it the place to be trendy, happy, entertained, foodie, and the place to be YOU!

Lucky One Apartments is a magnificent, multifaceted, first-of-its-kind-end residential complex that will revolutionize the luxury living experience in Pakistan. The project comprises two phases of which Phase -1 has been launched. Conveniently situated at the prime location of Karachi on main Rashid Minhas Road, opposite UBL Sports Complex, the apartments are easily accessible through major Flyovers of Karachi. The unbeatable mix of top-class luxury apartments and hi-end amenities like Swimming Pool, Gymnasium, Jogging Track, Tennis Courts, Reading Room, Event Hall, and Play areas will make LuckyOne Apartments the premiere lifestyle destination for urban living in Karachi.

LUCKY COMMODITIES

Lucky Commodities (Private) Limited

Lucky Commodities (Private) Limited (LCPL) is a trading arm of YBG and is the leading supplier of Coal in Pakistan. LCPL aims to be the preferred supplier for customers by conducting business with integrity, unparalleled services and professionalism. Pakistan currently is facing a severe shortage of electricity with the Government's initiative and the execution of coal fired power plants in the country, many industries in Pakistan are moving towards coal as their first priority for electricity and steam generation. As the largest supplier of coal in Pakistan, LCPL makes an important contribution to the industrial sector by fulfilling their coal requirements.

LCPL is currently one of the largest importer of all types of Coal in Pakistan and at present catering to a significant portion of the country's coal requirement. Being part of the largest business conglomerate of Pakistan, LCPL has strong market presence, which support the company to build up a network of high profile clients, which include power, chemical, textile, steel and other major manufacturing industries.

LUCKY EXIM

Lucky Exim (Private) Limited

Lucky Exim, an indenting arm of (YBG), is the largest indenter of all types of Coal in Pakistan. Lucky Exim is the preferred supplier of customers as the business is conducted with integrity, unparalleled service and professionalism. Therefore, customers are provided with premium coal that offers the best value for money without compromise on quality. With an initial focus on coal trading, the company plans to diversify its trade activities to various energy and dry bulk commodities.

LUCKY KNITS (PVT) LTD

Lucky Knits (Private) Limited (LKL)

LKL started its operations in 2005 located in Karachi, the factory consists of a vertically integrated setup, having its own knitting, dyeing, cutting, printing, stitching, and packing facilities. The company manufactures and exports a substantial variety of knitted fabric and garments, with its product line ranging from T-shirts, polo shirts, hoodies, jackets, shorts, and trousers. As LKL is one of the premier apparel manufacturers in Pakistan with the advantage of having all the facilities "under one roof", it has succeeded in building effective systems in quality control and inspection procedures.

Lucky Renewables

Lucky Renewables (Private) Limited (LRPL)

LRPL is another step of YBG towards sustainable green energy, incorporated as a Special Purpose Vehicle (SPV), with a corporate structure of a private limited company, to exclusively develop a 50 MW Wind Power Project in Deh Kohistan, Jhimpir, District Thatta.

The project is equipped with state-of-the-art WTG, manufactured by Siemens Gamesa China; the electrical balance of plants has been supplied by various recognized vendors; whereas construction activities have been carried out by Hydro China International Engineering Company Limited and Orient Energy Systems (Private) Limited.

The project is financed by a consortium of local and foreign lenders. The local Lender consortium comprises Bank Al-Habib Limited and Allied Bank Limited. Foreign financing has been secured from International Finance Corporation. The company achieved its financial close on November 18, 2019, and started commercial operations in September 2021. It is a clean energy project, harnessing renewable wind resources for the generation of electric power without any carbon emissions.

LUCKY FOODS

Lucky Foods (Private) Limited

Lucky Food (Private) Limited has a strategic aim to be one of the leading corporate dairy farms in Pakistan. The company currently operates in production of wide range of dairy products in milk and yogurt and thrive to provide hygiene-quality products all across Pakistan. The Company aims to become a leading player in food-related products, across the Country by ensuring high standards of products and services to its consumers.

Yunus Energy Ltd.

Yunus Energy Limited (YEL)

YEL was incorporated as a Special Purpose Vehicle (SPV), with a corporate structure of a public unlisted company, in the year 2011, to exclusively develop a 50 MW Wind Power Project in Deh Kohistan, Jhimpir, District Thatta.

The project is equipped with state-of-the-art European technology. Wind Turbine Generators (WTGs) have been manufactured by Nordex Energy Germany, one of the top WTG manufacturers from Europe; electrical balance of plants has been supplied by Alstom France, a leading grid solution provider; whereas construction activities have been carried out by Descon Engineering Limited, the leading construction, and engineering company of Pakistan. It is a clean energy project, harnessing renewable wind resources for the generation of electric power without any carbon emissions. The project is supplying electricity to the national grid regularly post commencing commercial operations in September 2016. GTML holds 19.99% ownership in YEL.

Lucky Energy (Private) Limited

Lucky Energy Pvt Limited (LEPL), a Government-licensed Small Power Producer (SPP) under National Power Regulatory Authority Government of Pakistan, in service as a Captive Power Plant, was incorporated in July 1993. LEPL, is a gas-based thermal power generation unit, with total production capacity of 56.575 Megawatts (MW). It is equipped with one of the most sophisticated and highly efficient generators and supplies uninterruptible power to its group companies. It supplies uninterruptible power to Group Textile Companies.

Aziz Tabba Foundation

The Aziz Tabba Foundation (ATF), established in 1987 as the CSR arm of the YB Group, is a not-for-profit organization primarily funded by the commercial entities of the YB Group and its owners. ATF is dedicated to providing quality healthcare services to the underprivileged, primarily through its flagship specialty hospitals, Tabba Heart Institute (THI) and Tabba Kidney Institute (TKI).

In addition to healthcare services, ATF supports various social initiatives, including providing housing and shelter for the needy, marriage support programs for parents unable to afford wedding expenses for their daughters, and monthly aid for underprivileged individuals. The foundation also offers educational assistance to deserving students who lack access to quality education and implements programs aimed at reducing poverty and inequality, such as self-employment initiatives, vocational training, and equipment support.

In addition to the above, ATF organizes regular counseling events for the youth, focusing on various aspects of personal and professional development. These events are designed to provide guidance, support, and resources to help young individuals navigate challenges and make informed decisions about their futures.

Tabba Kidney Institute (TKI)

It is a 100-bed Post Graduate Training & Research Center with state-of-the-art technology and expertise of well experienced doctors, famous for the cure of kidney related diseases, extends Emergency, In-Patient Department, Consultant Clinics/OPD, Clinical Laboratory, Pharmacy, Radiology services besides providing High-Tech Operation theaters facility equipped with Flexible Ureterorenoscope, 3D Laparoscopic, 140-watt Laser, Trilithology and 4K Camera technology. It is certified by the International Organization for Standardization (ISO) and accredited by the College of Physicians and Surgeons Pakistan for post graduate training in Nephrology and Urology.

Tabba Heart Institute (THI)

Tabba Heart Institute (THI), located in Karachi, stands as a premier cardiac hospital since its establishment in 2005. Renowned for its commitment to state-of-the-art cardiac care, the Institute boasts cutting-edge technology and a dedicated team of skilled professionals. From diagnostic procedures to cardiac surgeries, the Institute excels in various cardiac services, earning recognition in the field.

Under the leadership of Ms. Mariam Tabba Khan, CEO, and a distinguished management team, THI is on a mission to enhance patient safety and quality of life through prevention, treatment and care, education, and research. The Platinum Award from the American College of Cardiology's National Cardiovascular Database Registry (NCDR) underscores its commitment to international standards, making it the First and Only hospital in Pakistan with this prestigious recognition.

The institute's comprehensive services extend beyond the main hospital, reaching numerous branches and partner clinics. With a focus on education and training, THI is a hub for medical professionals, offering fellowship programs, nursing education, and allied health services. As a beacon of excellence, it actively engages in ground breaking research projects, including the PAK SEHAT Study, contributing to the understanding of heart diseases risk in the region.

In addition to its medical achievements, Tabba Heart Institute excels in quality assurance, earning ISO certifications namely Quality, Environment and Health & Safety standards, and recognition from national & international accreditation bodies including Sindh Healthcare Commission and WHO. Besides this, the institute's dedication to cardiac rehabilitation, highlighted by the International Council of Cardiovascular Prevention & Rehabilitation (ICCPR), further reinforces its commitment to exceeding international standards.

Tabba Heart Institute's impact extends to corporate partnerships, providing state-of-the-art services to over 60 corporate clients and affiliations with renowned healthcare setups.

The Muawin Program reflects its commitment to providing financial assistance to the financially weak, deserving and needy patients transparently.

In summary, Tabba Heart Institute emerges as a beacon of excellence in cardiac care, setting international benchmarks and earning accolades making it a singular force in Pakistan's healthcare landscape.

Company Information

Board of Directors

Muhammad Sohail Tabba
(Chairman)

Muhammad Ali Tabba
Jawed Yunus Tabba
Mariam Tabba Khan
Masood Karim Shaikh
Khawaja Iqbal Hassan
Shabbir Hamza Khandwala

Management Team

Muhammad Ali Tabba
(Chief Executive)

Noman Hasan
(Executive Director)

Muhammad Atif Kaludi
(Executive Director Finance and Chief Financial Officer)

Amin Ganny
(Chief Operating Officer)

Sajid Feroze
(COO International Business)

Company Secretary

Ali Shahab

Head of Internal Audit

Ahmed Waseem Khan

BOARD COMMITTEES

Audit Committee

Masood Karim Shaikh
(Chairman)

Jawed Yunus Tabba
Mariam Tabba Khan
Khawaja Iqbal Hassan
Shabbir Hamza Khandwala

Human Resource and Remuneration Committee

Khawaja Iqbal Hassan
(Chairman)

Muhammad Ali Tabba
Jawed Yunus Tabba
Mariam Tabba Khan
Masood Karim Shaikh
Shabbir Hamza Khandwala

Financial Institutions

Allied Bank Limited
Allied Bank Limited – Islamic Banking
Askari Bank Limited
Bank Alfalah Limited – Islamic Banking
Bank Al-Habib Limited
Bank Al-Habib Limited – Islamic Banking
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited

Faysal Bank Limited
Habib Bank Limited
Habib Bank Limited – Islamic Banking
Habib Metropolitan Bank Limited
Habib Metropolitan Bank Limited – Islamic Banking
JS Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Pakistan Kuwait Investment Company (Private) Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Standard Chartered Bank (Pakistan) Limited – Sadiq – Islamic Banking
Saudi Pak Industrial & Agricultural Investment Company Limited
United Bank Limited
UBL Ameen Islamic Banking

CREDIT RATING

Medium to Long term rating: AA+ (Double A Plus) Short term rating: A-1+ (A-One Plus) (by VIS Credit Rating Company Limited)

External Auditors

M/s. A.F. Ferguson & Co., Chartered Accountants

COST AUDITORS

M/s. Grant Thornton Anjum Rahman – Chartered Accountants

Shariah Advisor

M/s. Alhamd Shariah Advisory Services (Pvt). Ltd

REGISTERED OFFICE

Main Indus Highway, Pezu, District Lakki Marwat, Khyber Pakhtunkhwa, Pakistan

CORPORATE OFFICE

6-A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi – 75350
UAN: (+92-21) 111-786-555
Website: www.lucky-cement.com
Email: info@lucky-cement.com

Production Facilities

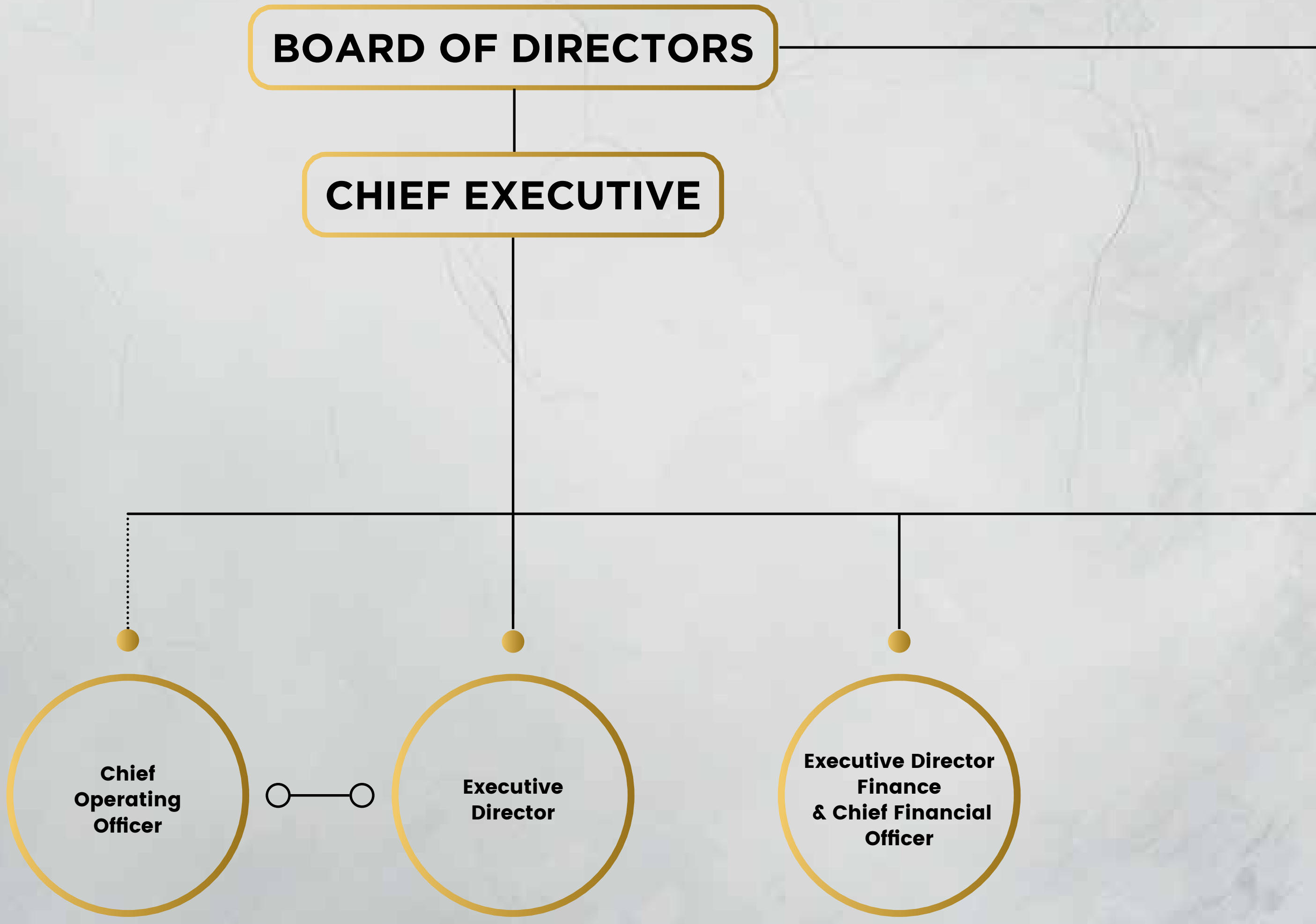
1. Main Indus Highway, Pezu, District Lakki Marwat, Khyber Pakhtunkhwa, Pakistan

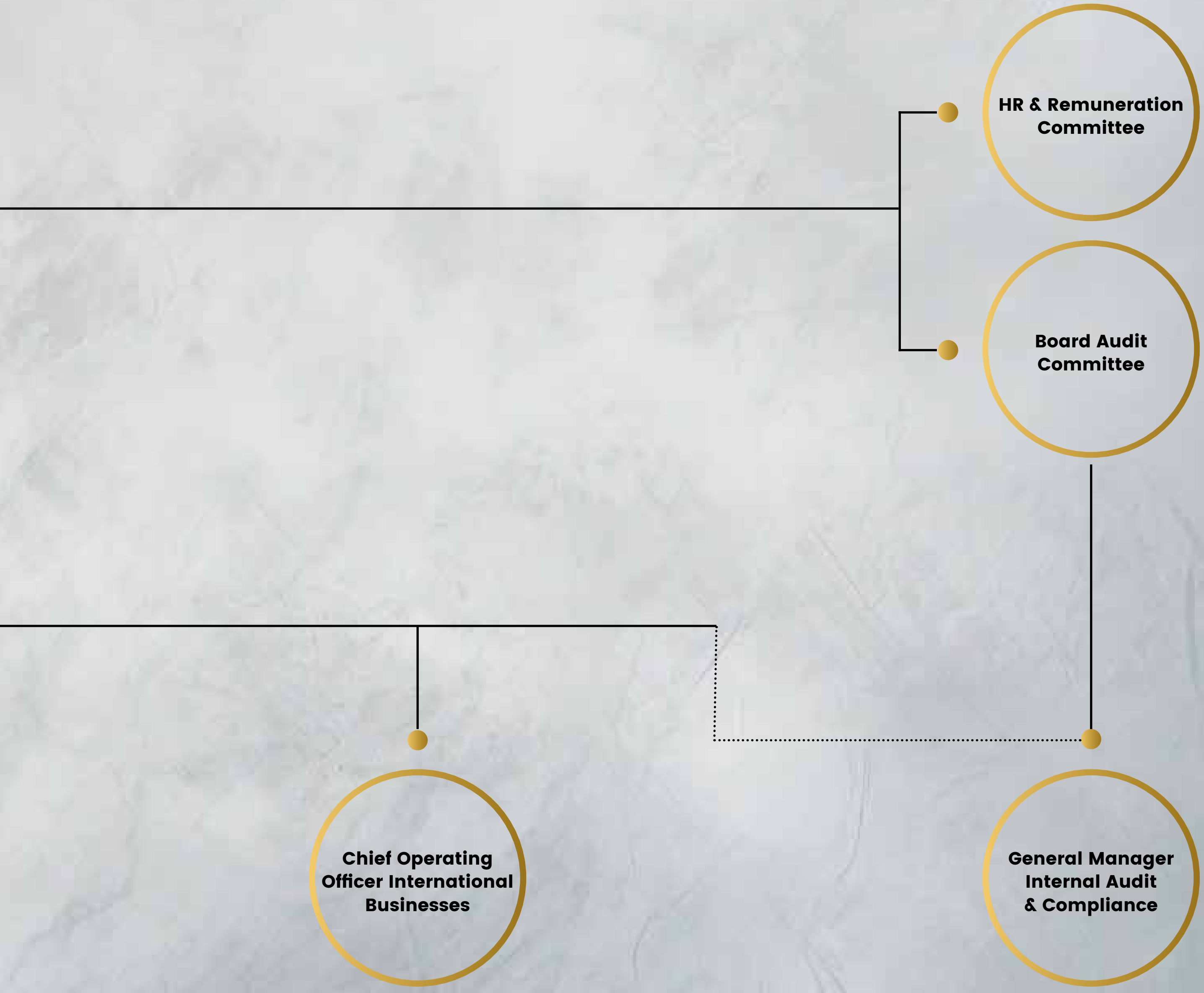
2. 58 Kilometers on Main M9 Highway, Gadap Town, Karachi, Pakistan

Share Registrar

M/s. CDC Share Registrar Services Limited (CDCSRSL) CDC House, 99-B, Block-B, S.M.C.H.S Main Shahra-e-Faisal, Karachi, Pakistan (Toll Free): 0800 23275

Organogram


BOARD OF DIRECTORS
CHIEF EXECUTIVE
Chief Operating Officer
Executive Director
Executive Director Finance & Chief Financial Officer


HR & Remuneration Committee
Board Audit Committee
Chief Operating Officer International Businesses
General Manager Internal Audit & Compliance

Our Human Capital

2,680
Total Headcount

5.10%
Employee Turnover

2,611
Average Number of Employees

9.54%
Karachi Office Female Ratio

304
Karachi Office Headcount

931
KP Headcount

1,445
Pezu Headcount

Locations	Head Office	KP	Pezu	CMO	Silo & Warehouses	Total
No. of trainings	70	68	21	4	1	164
No of Participants	997	998	381	39	6	2,421

Awards and Accolades

Best Corporate Report Award

Lucky Cement Limited has won the Best Corporate Report Award with second position in the Cement category at the "Best Corporate & Sustainability Report Awards 2022." The recognition was jointly announced by the Institute of Charted Accountants of Pakistan (ICAP) and Institute of Cost and Management Accountants of Pakistan (ICMAP).

The award represents the Company's commitment to having the best corporate practices and governance, reflected by the stringent policies for IT, whistle-blowing, social responsibility, investor grievances, and safety record at the Company. Furthermore, full disclosure of the Company's operational environment, strategic objectives, risk management, and governance processes provided firm grounds for winning the award. This recognition has been instrumental in encouraging entities to follow transparency in preparing their annual reports according to the international best practices.

20th Annual Environment Excellence Award

Lucky Cement Limited won the Environment Excellence Award at the 20th Annual Environment Excellence Awards 2023, organized by The National Forum of Environment and Health (NFEH).

Lucky Cement received the award in recognition to its commitment and efforts towards environment conservation and sustainable business operations. Sustainable development forms a significant part in Lucky Cement's business strategies and is one of the key factors that have led the company towards progress and growth.

The National Forum for Environment & Health was established in 1999 and is a non-profit organization with the aim to facilitate and promote environmental, healthcare and educational awareness amongst the masses.

9th International Award on Environment, Health and Safety

Lucky Cement Limited has won the Environment Excellence Award at 9th International Award on Environment, Health & Safety 2023, organized by The Professionals Network (TPN).

Lucky Cement's recognitions in the 9th International Awards on Environment, Health and Safety 2023 include:

1. Health, Safety, and Environment Performance
2. Transport Safety
3. Fire Safety
4. Emission Control Technology
5. Innovation & Sustainable Solution

38th Corporate Excellence Award by Management Association of Pakistan

Lucky Cement Limited won the prestigious Amir S.Chinoy Trophy at the 38th Corporate Excellence Awards by the Management Association of Pakistan (MAP). This is recognition of the Company's position as the Best Company in the Industrial Sector in Pakistan.

The Corporate Excellence Awards was instituted by MAP in 1982 with the sole aim to recognize and honor companies showing outstanding performance and demonstrating progress and enlightened management practices.

Lucky Cement received the award based on having the best corporate practices and governance in the Industrial sector. The primary criteria for this award emanate from best Corporate and Management practices reflected by Leadership, Corporate Governance, Customer and Market Focus, HR, Strategic Planning and Communication, Social Responsibility, Risk Management, IT Infrastructure, Service Delivery and Security.

Export Trophy Award 2022-23 by KCCI

Lucky Cement Limited was honored with the prestigious KCCI Export Trophy Awards, highlighting its remarkable achievements as the top cement exporter from Pakistan. This accolade recognized the company's exceptional performance in the global cement sector.

The company has successfully exported its cement to various international markets and regions, including South Asia, South East Asia, the Middle East, and Africa. This achievement reflects the dedication and hard work of the entire Lucky Cement team.

Formed in 1959, Karachi Chamber of Commerce & Industry (KCCI) is the premier chamber of the country, representing the mainstream of economic activities by virtue of its location in the main industrial and commercial hub of the country.

20th Annual Excellence Award by the CFA Society

Lucky Cement Limited was recognized for Best Investor Relations 2022-Listed Companies at the CFA Society's 20th Annual Excellence Awards.

Lucky Cement Limited strives to be transparent through open and honest communication during our Annual General Meetings, Analysts / Corporate briefings, press releases, and ongoing dialogue with analysts and investors to maintain our close relationship with all the stakeholders. We keep our stakeholders informed on a timely basis of all the ongoing activities of the Company. We are truly humbled that our efforts are endorsed by honorable judges and all the stakeholders which were reflected in this prestigious award.

South Asian Federation of Accountants (SAFA) Award

Lucky Cement Limited received the Gold Award in the SAFA Best Presented Annual Report Awards, specifically in the 'Infrastructure & Construction' category, for the best presented annual report 2022.

Lucky Cement Limited won the 16th Corporate Social Responsibility Award 2024

Lucky Cement Limited has won the award in the "CSR Initiatives" at the 16th Corporate Social Responsibility Award 2024, organized by The National Forum of Environment and Health (NFEH) held at a local hotel in Karachi.

Key Elements of Business Model

LCL's principal business activity is to produce and sell cement products. Following are the key elements of the business model.

Key Elements of Our Business Model	Relevance with Our Business Processes
Input	Raw material (Limestone, Gypsum, Clay)
Business Process	Mining, crushing and grinding
Output	Clinker and Cement produced
Outcomes	Social and Economic Benefits and active contribution towards UN SDGs.

The details of our business model and the relevance of key elements are more fully explained in Strategy and Resource Allocation section of this report.

Position Within the Value Chain

Lucky Cement's principal business activity is to produce and sell cement products. Manufacturing cement involves blending a mixture of limestone and other minerals at a high temperature in kilns.

On the upstream part of value chain, raw material for cement manufacturing includes limestone, gypsum, clay etc. which are mainly excavated from mines either directly by the Company or through contractors. Limestone is first excavated from the mountains / quarries obtained on lease from the Minerals department, against which royalty is paid on a monthly basis. Coal used as fuel in the process is one of the major cost ingredients, which is imported by Lucky Cement. The mining, grinding, crushing and blending processes are strictly monitored by highly qualified specialists, to ensure that the best possible product is manufactured for our valued customer.

Facilitating downstream along the value chain, Lucky Cement has its own logistics fleet operations, customized for inbound and outbound goods as well as customer requirements and locations. We have an articulated fleet of prime movers, bulkers and trailers. This diversified fleet is managed expertly by a team of highly qualified

professionals to ensure the highest levels of service and efficiency from plant to premises. Lucky Cement has dedicated warehouses near all key markets which brings us a step closer towards our valued customers. The quick delivery of cement through warehouses and the prompt services provided by the logistics fleet keeps us ahead of the competition.

Value chain analysis on a regular basis has enabled Lucky Cement to identify its core competencies and to identify key stakeholders in the process of the value creation as well as those along the upstream and downstream value chain. Moreover, this analysis has helped Lucky Cement in identifying the activities which add value for its customers and also to evaluate its competitive positioning in industry.

Factors Affecting the External Environment

PESTLE Analysis

Political

Factors	Organizational Response
Political instability and turmoil have a detrimental impact on the organization, disrupting operations, creating uncertainty, and hindering growth and strategic planning.	The management of Lucky Cement Limited (LCL) closely monitors ongoing political developments and government regulatory policies that may impact the company.
Abrupt changes in the government's macroeconomic policies also adversely affect the company's business and sales projections.	The organization promptly adjusts its processes and policies in response to actual or anticipated changes in government regulations. Industry-related issues are addressed through forums such as the Pakistan Business Council (PBC), the Institute of Chartered Accountants of Pakistan (ICAP), and the All Pakistan Cement Manufacturers Association (APCMA).

Economic

Factors	Organizational Response
During periods of reduced government spending, high inflation, high interest rates, and lower economic growth, construction activities tend to slow down.	As the largest cement producer in Pakistan with enhanced production capacity in both the North and South regions, Lucky Cement exports bagged cement, break bulk cement, loose cement and clinker to various parts of the world. The company continually strives to improve efficiencies in its manufacturing processes and energy mix, mitigating the adverse effects of rising production costs. Regular cost reduction initiatives are implemented to control both production and non-production related fixed costs. With its nationwide presence, international footprint, and interests in diversified businesses, the company is well-positioned to withstand economic shocks in specific regions or segments.
Rising interest rates and high inflation levels have led to higher input costs and reduced profit margins.	The management team is actively pursuing diversification of raw material sources, including the exploration of local coal suppliers, and transitioning to renewable energy alternatives to reduce dependence on fossil fuels. Additionally, they are vigorously investigating and developing new market opportunities for our products, both within our domestic market and internationally, to further expand our customer base and enhance our global presence.

Social

Factors	Organizational Response
Focus on Corporate Social Responsibility, Donations, development of communities and Scholarships.	As a socially responsible corporate entity, Lucky Cement strives hard to develop the communities it serves. It has launched dedicated scholarship programs for the deserving youth of District Lakki Marwat, where its Pezu plant is located. The Company remains committed to making efforts for environment conservation, education, women empowerment and health initiatives.
Investment in health sector.	Lucky Cement donates generously to various social and charitable causes including health, education and social sectors. It also provides funding to various hospitals and welfare organizations including Aziz Tabba Foundation, Tabba Heart and Tabba Kidney Institutes.

Technological

Description	Organizational Response
Risk of technological obsolescence.	To continue its legacy of being the unparalleled leader of the cement industry, LCL has always given priority to the latest technological developments and in this regard, has remained at the forefront in upgrading its manufacturing facilities. After installation of Line-H at Karachi plant and Line -1 in Pezu plant, the company has recently added new cement line of 3.15 MTPA at its Pezu Plant. LCL has also installed state-of-the art Vertical Cement Mills at its Pezu and Karachi Plants thus increasing production efficiency.
Technological innovation.	LCL has a dedicated team of professionals which ensures that all its processes comply with the applicable regulatory requirements. The Company has taken various initiatives for digitalization and automation of its processes. This strategic approach not only underscores its commitment to staying at the forefront of technology but also positions it as a pioneer in harnessing technological advancements.

Legal

Description	Organizational Response
Compliance with the applicable legal and regulatory requirements.	The Company has a dedicated team of professionals which ensures that all its processes comply with the applicable regulatory requirements. Lucky Cement is the first Shariah Compliant Company of Pakistan complying with all the applicable regulations of the Shariah Governance Regulations, 2023. The Company benchmarks itself with the best in corporate Pakistan by participating in various award programs, for e.g. PSX Top 25 awards, MAP Corporate Excellence Awards, CFA Annual Excellence Awards and Best Corporate Report Awards.

Environmental

Description	Organizational Response
Environmental Footprint, Recycling, Climatic Conditions Global warming, Natural disasters etc.	The Company takes various steps to protect the environment including compliance with applicable environment standards. We manage our environmental performance through efficient use of natural resources, and identifying and implementing green alternatives. The Company has made significant investments in renewable energy projects and Waste Heat Recovery systems. Our company has made significant strides in expanding its renewable energy portfolio. We have successfully established a 34MW solar plant in Pezu, complemented by an additional 25MW solar plant project in Karachi. Furthermore, we have undertaken expansion initiatives in Karachi (6.3MW) and Pezu (8.6MW), thereby augmenting our total solar capacity to 74.3MW. Notably, we are also investing in a 28.8MW wind power project in Karachi, slated for commissioning by the first quarter of FY25. This project will increase our renewable energy capacity to 103.1MW, effectively meeting 50% of our plant's energy requirements through clean and sustainable sources. These initiatives showcase the company's dedication to reducing its carbon footprint, embracing clean energy sources, and contributing to a greener future. By investing in renewable energy infrastructure, the company not only demonstrates environmental stewardship but also paves the way for a more sustainable and resilient energy portfolio. Water conservation remains at the core of our operational practices. The company has installed bag filters and monitors dust, particulate matter and other emissions to ensure that they remain below the respective limits specified in the NEQS.

The legitimate needs, interests of key stakeholders and industry trends

Lucky Cement takes specific steps to understand the needs and interests of all its stakeholders. By employing innovative and industry leading practices, it sets the industry standards for understanding and meeting its stakeholders' needs.

To continuously exceed the expectations of its customers, Lucky Cement provides products with consistent quality. The Company has invested in an in-house Quality Assurance department, which ensures that its products meet all relevant product standards. The continuous supply of cement across the country is ensured by an in-house Logistics fleet and through long-term contracts with 3rd party transporters. For customers requiring loose cement, Lucky Cement has a large fleet of cement bulkers, ensuring punctual fulfillment of the cement requirements of such customers.

To update the shareholders of the Company's performance and emerging trends in a timely manner, the Company regularly disseminates its periodic financial statements together with directors' comments on performance and future outlook. It also holds investors' briefing sessions on a quarterly basis where analysts' queries are addressed.

Our continuous growth is attributable to engaging reputed and dependable suppliers as our business partners. We have developed multiple sources for the supply of key components and materials which ensure that the Company receives an uninterrupted supply of raw materials required for the production process.

The Company also tailors its CSR activities to create maximum impact on the communities in which it operates. This involves understanding the needs of the communities through regular community visits and interactions with area notables.

Finally, the Company contributes to the national exchequer by paying its share of due taxes on a timely basis. Being one of the largest exporters, the Company regularly brings foreign exchange in the country to strengthen the country's reserves.

SWOT Analysis

Lucky Cement Limited has been growing with the prime objective of maximizing value for all the stakeholders. The company uses its strengths to capitalize on opportunities, overcome its weaknesses and avert threats. Keeping this in perspective, our pursuits consist of diverse strategies having external and internal origins. The goal of the Board of Directors is to minimize all risks and to take advantage of potential opportunities in order to systematically and sustainably improve the value of the company for all stakeholders.

Strengths

Lucky Cement is the largest cement producer of Pakistan with a current production capacity of 15.30 MTPA, after the addition of 3.15 MTPA Line – 2 at the Pezu Plant in 2Q FY23.

The company has most efficient production facilities, bolstering its overall performance and profitability.

The strategic plant locations in North and South regions of the country, give the company access to nationwide market and mitigates exposure to any localized risks.

The company has an extensive dealership network of more than 200 dealers and distributors.

Lucky Cement Limited owns a huge fleet of Bulkers & Trailers, which gives us added advantage in terms of logistics and efficient deliveries to all types of customers spread across the length and breadth of the Country.

The only Cement Company in Pakistan, which has silos at the Port, thus, is able to export loose cement.

The Company has international footprint, with 3 plants in Iraq and Democratic Republic of Congo.

The Company has diversified its businesses and has made strategic investments in Chemicals, Automobiles, mobile manufacturing and Power.

The company has also successfully demonstrated itself as an environmentally conscious company by launching green renewable energy projects such as the completion of 43 MW solar project at Pezu plant and 31 MW solar project at Karachi plant, and the announcement of 28.8 MW captive wind power project at Karachi plant. The company's carbon emissions are significantly below the statutory limits of the country. After the completion of the ongoing projects, almost 50% of its energy requirement is expected to be met from renewable energy sources.

Weaknesses

The location of Company's North plant in Pezu, district Lakki Marwat faces high distribution cost due to the relatively large capacity of this plant and the distance from bigger markets in the North region. The Company endeavors to mitigate the impact of this limitation by an efficient warehousing network which offers effective market penetration. Further, the Company maintains an effective outreach to optimal retention areas to neutralize the impact of increased distribution cost.

OPPORTUNITIES

Pakistan has a very low per Capita consumption of cement as compared to its neighboring countries and therefore significant growth opportunities are available for the company.

The positive demographic trends like growing population, increasing urbanization and rising income levels are the key demand drivers.

Furthermore, with the anticipated Government and Private Sector's spending on infrastructure development; construction of highways, dams, special economic zones, energy projects and low-cost housing schemes, the local demand of cement is likely to increase in medium to long-term.

THREATS

The cement demand faces potential threats arising from factors such as political instability, challenging economic conditions and escalating inflation, which collectively impact the industry's stability and growth trajectory.

Rising costs on account of record high inflation coupled with the devaluation of the PKR versus other foreign currencies will continue to put pressure on the margins in the short-to-medium term.

Higher fuel prices coupled with increased freight costs will make exports unviable. Additionally, the shift in taxation regime from Final Tax to Normal Tax regime poses a significant concern for our export competitiveness. This change is likely to exert further pressure on our export operations, rendering them unviable and potentially offsetting the gains achieved through our investments in renewable energy. We anticipate that this tax regime change will have a profound impact on our bottom line and may necessitate strategic adjustments to our export strategy.

In the event of reduced Government's spending on infrastructure projects, the Company may face oversupply situation due to surplus production capacity.

Brand Equity

Our brand is a testament to excellence. With advanced technology, cutting-edge logistics, sustainable processes and energetic teams, we are privileged to have earned our customers' trust.

Our strategically located plants at the country's Southern business hub and in the rugged northern mountains give us an edge over competition. This combination has facilitated a strong nationwide network; through which we effectively cater to the needs of our consumers. Our strong foothold in the local market strengthens us to explore new horizons globally. Be it export, production processes, advertising or brand equity, we continue to raise the industry bar.

Leading the Way for Sustainable Development in Pakistan

Lucky Cement Limited is one of the largest contributors towards the socio-economic development of the country. May it be the construction of a small-scale housing project or building up of the largest water reservoirs, Lucky Cement Limited has always been the most preferred choice. With our exports to different markets, we bring precious foreign exchange to the country. We are proud partners of Pakistan's leading public and private sector institutions. We are privileged to play a vital role in the socio-economic development of the country by supporting prominent strategic state led institutions. We are also catering to the ever increasing housing needs of the country by contributing in the development of some of the largest housing schemes projects. Our strong reputation in the government and private sector has also made us the first choice for the Chinese infrastructure development projects under the China Pakistan Economic Corridor (CPEC) initiative. By playing an active role in the nation building, we at Lucky Cement are determined to continue facilitating our partners to build a better tomorrow.

Competitive Landscape and Market Positioning

The Company's competitive landscape and market positioning in terms of Porter's five-forces model is described below:

As the largest producer of Cement in Pakistan, Lucky Cement has further improved its position as a market leader during the year 2023-24. Over the years, Lucky Cement's operations have grown significantly. Within the country, we have developed a distribution network that allows us to send our domestically produced cement to every part of the country. For quick delivery of cement and for best possible customer service, Lucky Cement has dedicated warehouses located near all key markets. Our focus remains on designing business strategies for the local market that will maintain and increase our market share. We continue to reinforce our strength to expand our share in the local market. We channel our resources and energies towards the development of new markets and territories with the aim of becoming more accessible to the global construction industry and so that we can cater to the demands of our customers in local and international markets.

Power of Suppliers

The hallmark of our relationship with our suppliers consists of transparency, continuity and the building of shared value. At Lucky Cement, we believe in maintaining our Social and Relationship Capital to maintain the highest standards of quality. Our continuous growth is attributable to engaging reputed and dependable suppliers as our business partners. Having developed multiple sources for supply of key components and materials, the Company received an uninterrupted supply of raw materials required for the production process throughout the year. Our strong and healthy relationship with our suppliers and esteemed reputation in the Industry ensures that the power of the supplier is managed effectively.

Power of Customers

With customer focus as one of our Core Values, we take proactive approaches, navigate changing expectations and demonstrate business agility to win over our customers and stakeholders. We

remain responsive to our customers' needs and strive to produce high-quality cement which meets their requirements. We put customers at the core of our decisions which helps to manage the power of customers.

Competition and Rivalry

Over the years, Lucky Cement has maintained its position as a market leader in the domestic Cement Industry. We believe in healthy competition to keep us alert and focused towards maintaining our market share, continuously improving our production processes and maintaining the high quality standards of Cement and Clinker. Our state-of-the-art production facilities, vertical cement mills, efficient use of natural capital, warehouses at different locations, export terminal at Karachi Port, smart logistics setup and dedicated team of professionals not only make us a world-class Company but enable us to stay ahead of the competition.

Threat of New Entrants

Being the largest producer of Cement in Pakistan, with production facilities in the North and South and a marketing and distribution network that stretches across the length and breadth of the country, the threat of new entrants in the cement industry of Pakistan is significantly low. A highly capital-intensive production process, scarcity of raw material, market saturation and limited access to delivery channels are some of the barriers that restrict the entry of a new company in the Cement Industry.

Threat of Substitute Products

The risk of substitute products in the market is nil, because of the nature of product.

The Legislative and Regulatory Environment in which the Organization Operates

Lucky Cement usually operates in a tightly regulated environment due to its scale of operations in a critical sector of the market and by virtue of being a publicly listed company. There is a plethora of regulatory compliances that have to be satisfied, and governmental authorities closely monitor the organization for any supposed infringements of the law.

Our Company usually deals with the following areas of the law on a regular basis; the Companies Act of 2017 which regulates the overall management of our Company, the Sales Tax Act of 1990 which regulates the rate of taxes on cement at the point of sale, the Federal Excise Act of 2005 which regulates the rate of excise duty on several varieties of cement, the Income Tax Ordinance of 2001 which levies taxes on the income generated from the business and operations of our Company, the Competition Act of 2010 which ensures the prevention of anti-competitive behavior, various Labor and Employment laws which govern the rights of workers and obligations towards the employees of the Company, various federal and provincial laws relating to the protection of Pakistan's environment, several provincial mining laws which regulate the mining leases and rates of royalty on mining raw inputs for cement production, the Pakistan Stock Exchange Regulations which inter alia regulates the workings of companies listed on the stock exchange, and the Listed Companies (Code of Corporate Governance) Regulations of 2017, which delineate the procedures, formalities, composition, and technicalities of the management of publicly listed companies.

Lucky Cement prides itself on actively ensuring complete compliance with the law, and takes painstaking precautions to avert the risk of any liability arising due to a breach of any law.

The political environment where the organization operates and other countries that may affect the ability of the organization to implement its strategy.

The challenges faced by the Company during the year due to the political environment and global events have been covered in detail by the Directors in their report.

Significant Events That Occurred During the Year and After the Reporting Period

The significant events which occurred during the year ended June 30, 2024 are reported in the 'Calendar of major events' and 'Road to Success' sections of this report.

Strategy and Resource Allocation

Strategic Objectives

To support value creation for all of our stakeholders, Lucky Cement's business is focused on the delivery of the following six strategic priorities, which aim to increase sustainable growth and improve cost efficiency. Everyone at Lucky Cement has a role to play in delivering these strategic priorities. To help achieve these goals, the management carefully sets up strategies and plans. The strategies put in place to achieve the respective strategic objectives are also mentioned below:

S. No	Strategic Objectives	Strategies in place or intended to be implemented to achieve those strategic objectives	Plan
1	**Sustainable Growth / profitability** • Growing local market share • Increasing share in the international market • Efficiency • Diversification	**Growing local market share** Our focus remains on designing business strategies for the local market that ensure holding and increasing our market share. The Company completed its expansion plan to increase its capacity at Pezu Plant by 3.15 MTPA in line with cement's demand projections. The plant came online in December 2022. The Company is operating warehouses near all major consumption centers, which ensure that the market penetration of Company's products is maximized.	Short term
		Increasing share in the international market We channel our resources and energies towards the development of new markets and territories with the aim of being more accessible to the global construction industry and also to earn more foreign exchange for the country. Achieved exports aggregating to USD 80 million. The Company has continued to export its clinker and cement to various markets in South Asia and East Africa, while efforts for identification of new export markets are ongoing. The company has international production footprint, with two JV plants in Iraq and one in Democratic Republic of Congo. Moreover, the addition of a new clinker line with a capacity of 1.82 MTPA, in Samawah, Iraq, will greatly enhance the operational efficiencies of our business.	Long Term
		Efficiency We strive to continuously improve efficiency and to bring down our energy consumption and costs by optimally utilizing all available resources. Lucky Cement has regularly upgraded its manufacturing facilities by adding new, more efficient production lines, which have substantially improved our production efficiency. Lucky Cement has installed state of the art Vertical Cement Mills at its Pezu and Karachi Plants thus increasing production efficiency.	Short Term
		Diversification We endeavor to enhance stakeholders' value by diversification and making investments in such projects which maximize the returns for all stakeholders. LCI Limited is on a growth path and is increasing its product portfolio. Lucky Motor Corporation (formerly KIA Lucky Motors) showed remarkable growth. KIA was ranked as the 3rd Best Selling car brand in Pakistan. Lucky Motor Corporation has started manufacturing Samsung branded mobile phones in Pakistan. Lucky Electric Power Company has commenced the commercial operations of its 660 MW coal fired power plant in March 2022. The company has invested in National Resources (Pvt) Limited (NRL), a joint venture established to carry out activities in the field of exploration and mining of metals (mainly gold and copper).	Long Term

S. No	Strategic Objectives	Strategies in place or intended to be implemented to achieve those strategic objectives	Plan
2	**Organizational Development and Talent Management**	The Company has put in place processes to develop and groom professionals at various levels. The Company is an equal opportunity employer. Our systems are designed to ensure transparency and fairness at all levels by clearly defining KPIs for each position in alignment with Company's vision and core values. The Company conducts anonymous Climatic Survey to get employee feedback, which helps in continuous improvement. Employees are encouraged to expand their skillset through job rotation.	Medium Term
3	**Environment Social and Governance**	As a responsible corporate citizen, Lucky Cement ensures that all social and environmental dimensions are considered while developing strategies, policies, practices and procedures. The Company has made substantial investments in renewable energy solutions, including the installation of a 74.3 MW captive solar power project across both of its plant sites. This initiative not only provides clean energy but also reduces the country's dependence on imported fossil fuels. Additionally, the Company has announced the installation of a 28.8 MW wind power project at its Karachi plant, scheduled to be operational by the 1Q FY25. Further, the Company has also adopted green technology for power generation by increasing power generation capacity of WHR. Company complies with all relevant National Environmental Quality Standards. Contributes generously towards the well-being of communities in and around the geography of its operations.	Long Term
4	**Upgradation of IT infrastructure and enhancement of automation**	**Regular upgradation of Infrastructure:** The Company regularly evaluates the current IT infrastructure to identify gaps, bottlenecks, and areas for improvement. The operating and ERP system is regularly upgraded. **System/network safety, security & availability:** Regular upgradation of Network security infrastructure is carried out. Network infrastructure is regularly subjected to various audits and reviews by internal auditors and external consultants. **Promotion of automation and digitalization of various processes and use of Data Analytical tools:** The Company has automated various processes which were of repetitive nature. Implementation of Data Analytical tool in process to improve management reporting through dashboards on SAC.	Medium Term

Understanding Our Business Model

Every element of our business model is unique to our Company and has a role to play in our future long-term success. Following are the resources and relationships we depend on to create value:

Financial Capital

Our business activities require financial capital, which includes shareholders' equity and reinvested cash.

Manufactured Capital

As one of the largest producer and exporter of Cement in Pakistan, we have production facilities in Karachi and Pezu with state-of-the-art Vertical Cement Mill, WHR, Solar, Wind TDF dual fuel resources, and warehouses at different cities, and export terminal at Karachi Port.

Intellectual Capital

Our intellectual property includes our Enterprise Resource Planning (ERP) / business process management software SAP S/4 HANA and our best-in-class systems and procedures.

Human Capital

Our 2,680 people bring talent and strong capabilities relevant to all aspects of our business, from community and customer relations to the innovative thinking necessary to drive value growth and efficiency.

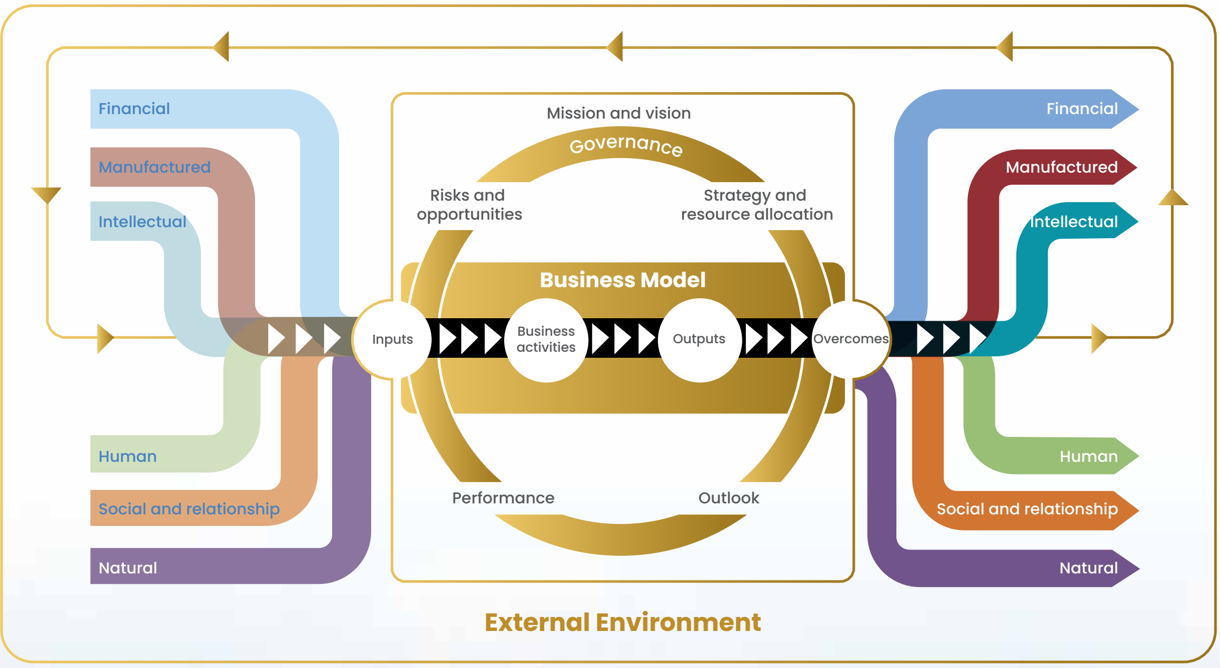
Social Capital

Our social 'license to operate' is due to our reputation and the trust of key stakeholders. Our most valuable stakeholder relationships are with our investors, our community, employees, customers, suppliers and partners as well as government and regulators.

Natural Capital

Cement and Clinker production require coal, limestone, clay and gypsum, which we seek to source responsibly and use efficiently.

Our Business Model and Value Creation Process



Value creation (preservation, diminution) over time

Business Model

Our system of transforming inputs through business activities into outputs and outcomes that aims to fulfil the organization's strategic purposes and create value over the short, medium and long term is presented below:

OUR CAPITALS (INPUTS)	OUR BUSINESS ACTIVITIES

Financial Capital
PKR 234.02 billion in Total Assets

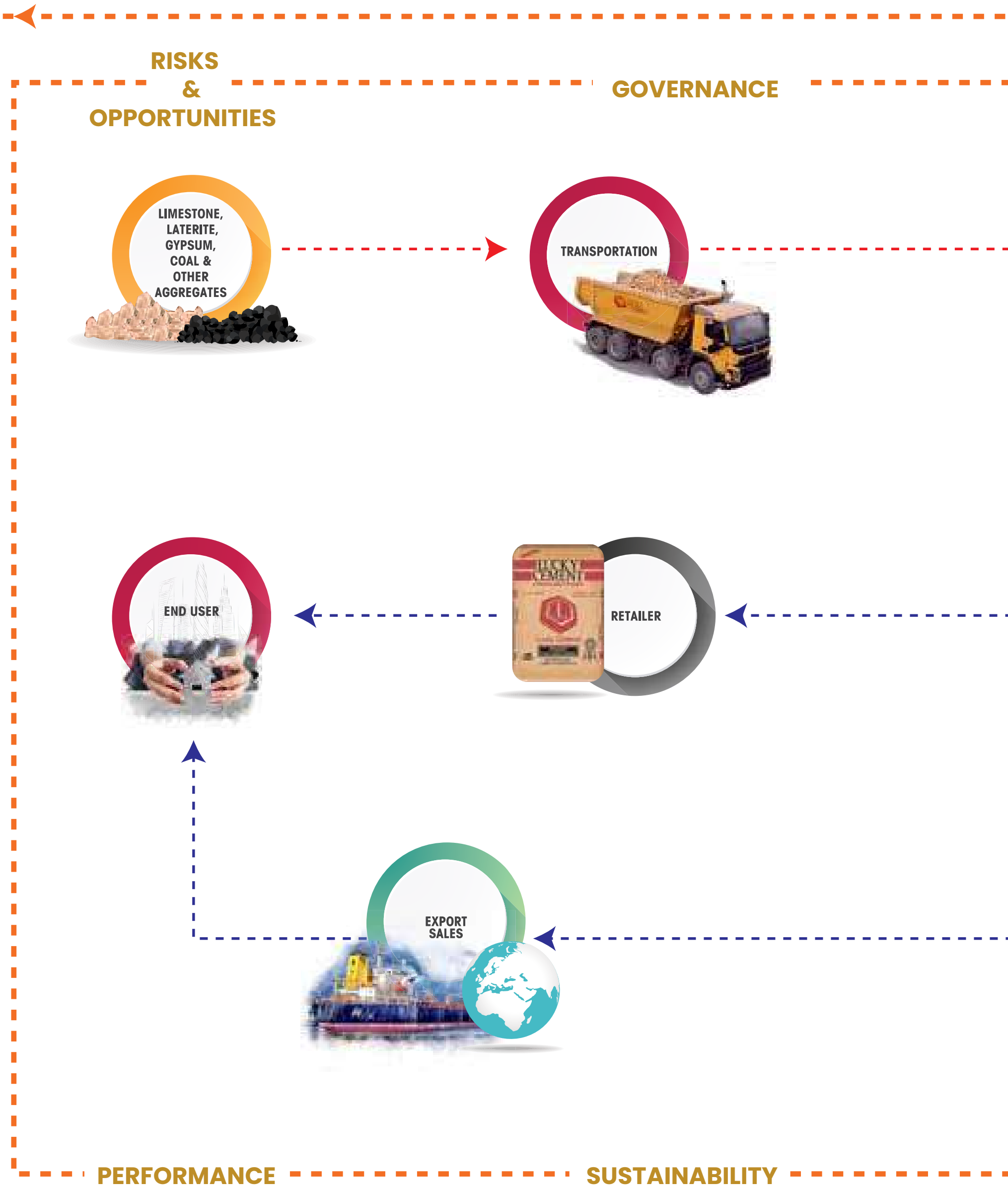
Social & Relationship Capital
200 dealers & distributors

Human Capital
2,680 employees

Intellectual Capital
SAP S/4 HANA

Manufactured Capital
Production capacity of 15.3 MTPA
- Vertical Cement Mills.
- Export terminals at Karachi Port

Natural Capital
Water, energy and environment conservation initiatives



OUR CAPITALS VALUE GENERATED & ADDED TO SOCIETY

CONTRIBUTING TO THE UNITED NATIONS SUSTAINABILITY DEVELOPMENT GOALS

STRATEGY & RESOURCE ALLOCATION

OUTLOOK

Financial Capital
- Profit after tax of PKR 28.11 billion
- PKR 39 billion contributed to Government treasury

Social & Relationship Capital
- New dealerships
- Better relationship with clients
- Customer satisfaction

Human Capital
- Talent development
- Diversity promotion in workplace

Intellectual Capital
- Efficient structures & processes
- Work from home availability

Manufactured Capital
- Annual sales of 8.59 million tonnes
- Market share of 18.7%

Natural Capital
- Better use of Natural Resources
- Active contribution towards UN SDG 2030

Resource allocation plans to implement the strategy

We aspire to be the leaders in sustainable performance. Our challenge is to continually improve the efficiency of our operations, putting customers at the core of our decisions through strategic management of costs and investments, while efficiently managing the allocation and cost of capitals. To achieve its strategic objectives, the Company deploys various resources at its disposal in a planned manner. Our value-creation model is aimed at delivering the optimum value for all our stakeholders, in various means and forms.

Financial Capital

The Management of the Company has extensive experience and knowledge of best practices in liquidity management pertaining to policies, processes, regulatory requirements and tax considerations. Capital structure mainly consists of shareholders' equity and Islamic subsidized long term/ short term debts. Management believes that the capital structure is adequate.

To implement its strategies, the Company will navigate through challenging obstacles to manage its working capital requirements through internally generated cash flows, fruitful fixed cost reducing techniques and Islamic subsidized financing. Lucky Cement Limited maintains cordial relationship with all the reputable banks and financial institutions of the Country. Moreover, the Company has financed Line-II through financing facilities, at subsidized rates.

Manufactured Capital

The Company will effectively deploy all the plant and machinery, power generation systems, buildings and infrastructure to implement its strategies. The current manufactured capital is sufficient to meet the Company's requirements. As part of its strategy to remain the market leader in cement industry and to continue with its commitment for green energy, the Company has made investments in capacity expansion and installation of a solar power project at its Pezu plant.

Intellectual Capital

The Company will put to use all the intellectual capital at its disposal for implementing its strategies. Our intellectual capital includes our brands, ERP system and our systems and procedures. Lucky Cement was the first Company to implement SAP S/4 Hana which helps the management in employing best business practices, while strengthening internal controls. The Company has obtained ISO Certifications for its HSE and Information Security systems.

Human Resources

Human capital is an asset and plays an important role in our success. Our Core Values, Code of Conduct and HR policies provide an outline which serves as a guiding force for the whole organization. The Company gives key consideration to Human Resource Management. A full fledge HR department is established which is supervised by HR & RC of the Board of Directors.

To implement its strategies, the Company has hired team of professionals with significant expertise in latest technologies who proficiently design the ways for improving and upgrading our production process, devise marketing strategies and strengthen control systems.

Social And Relationship Capital

Being a responsible corporate citizen, the Company is committed to continuous improvements in safety, health and environment protection measures. The Company has earned great respect and appreciation through continuous and generous donations to social and charitable causes including towards health, education and social sectors.

Natural Capital

The natural capital available to the Company in the form of raw materials and water is sufficient for the Company to meet its demand. The Company will continue to utilize its natural capital with responsibility and care and will continue to make efforts for sustainable operations.

Availability, Quality and Affordability of Capitals

To achieve its strategic objectives, the Company deploys various resources at its disposal in a planned manner. To drive its strategies, all the required capitals of high quality are available with the Company. The Company faces no limitation in affording these capitals.

The Company is fully confident of its ability to continue creating value for all its stakeholders for times to come.

For a description of our business model including utilization of our capitals (inputs), business activities, outputs and outcomes, please refer to the Section Business Model in this report.

Key Resources and Capabilities which Provide us Sustainable Competitive Edge

Lucky Cement, being the largest producer of Cement in Pakistan strives to efficiently deploy and manage its resources and capabilities, which ensure that it remains the market leader in sustainable performance. Due to Company's various strategic decisions and initiatives, following are some of the key resources and capabilities, which provide Lucky Cement sustainable competitive advantage:

Nationwide Presence

Lucky Cement's plant in Pezu, Lakki Marwat, KPK serves the cement demand of major consumption centers of Pakistan; whereas, the Company is able to export sizeable quantities through sea from its plant in Karachi. The Company has Marketing offices in major cities in all provinces of Pakistan.

International Footprint

A strong presence in local and international markets is at the forefront of Lucky Cement's business strategy. We are the first Pakistani cement manufacturing company with Joint Venture manufacturing facilities outside Pakistan. Lucky Cement's JV grinding plant in Basra, Iraq has been operational since 2014 has a total capacity of 1.7 MTPA. The Company's JV integrated cement manufacturing plant in Samawah, Iraq having a capacity of 1.3 MTPA commenced operations in 2021. The plant in DR Congo, commenced its commercial operations in December 2016 with capacity of 1.3 MTPA. Our overseas cement capacity now stands at 4.3 MTPA.

Diversified Businesses

Lucky Cement had already chosen to diversify its businesses and has made strategic investments in profitable ventures in Chemicals, Automobiles, mobile manufacturing and Power sectors. These diversified businesses besides providing a healthy return to the holding company also act as a cushion against market risks and secure its earnings from external shocks.

Regular Technological Upgrades

Lucky Cement has continuously invested in technological upgrades by installing new and more efficient production lines and vertical cement mills.

Energy Efficiency And Reduction Of Co2

We are considered pioneers in energy conservation and the use of alternative fuels within the cement industry of Pakistan. Committed to promoting renewable energy, the Company has successfully completed and made operational a 31.5 MW captive solar power project at its Karachi plant site and a 42.8 MW solar power plant at Pezu in District Lakki Marwat. Additionally, we are currently in the process of developing a 28.8 MW wind power project at the Karachi plant.

Over the years, numerous initiatives have been taken to save energy, starting with fuel conversion of all our power generation units from furnace oil to natural gas. This was strategic in nature as it not only reduced the Company's carbon footprint but also decreased the cost of energy generation. CO_2 emissions were further reduced through the introduction of Waste Heat Recovery (WHR) systems. The WHR system utilizes all the excess heat (which was previously being released in the atmosphere) from the production lines and power generators to generate electricity. We have set up two WHR plants at Karachi having a cumulative generation capacity of 21 MW and four WHR plants at Pezu having a cumulative generation capacity of 35 MW. Furthermore, the Company has also installed dual-fuel engines for both of its plants.

Export Terminal at Karachi Port for Loose Cement

We are the first and only cement company to own a state-of-the-art export terminal at Karachi Port. These cement silos have the capacity to store 24,000 tons of cement.

Advanced Quality Control

Our highly advanced quality control systems guarantee product dependability, quality, and customer satisfaction. We focus on manufacturing premium quality cement through highly advanced quality control systems equipped with the latest technology including DCS, PLCs and X-Ray analyzers.

Economies of Scale

The benefits of utilizing state-of-the-art technology and latest infrastructure accrue in the form of lower costs of production. Our operational process cost is constantly reviewed to reduce the same on a sustainable basis and to bring in further efficiencies by process improvements.

Smart Logistics Setup and Chain Management

With an enviable array of business partners in every domain, our fully integrated supply chain is a key source of competitive advantage for its business. This advantage is maximized via the Company's logistics fleet operations, customized for inbound and outbound goods as well as customer requirements and locations.

We have an articulated fleet of around one forty-nine (149) prime movers with over seventy-one (71) bulkers, and over a hundred and eighteen (118) trailers/ tipping trailers. This fleet is managed expertly by a team of highly qualified professionals to ensure the highest levels of service and efficiency from plant to premises, thus keeping us ahead of the competition. A well synchronized logistics' system does not only strengthen the overall capabilities of the Company, but is also a source of immense cost advantage in this highly competitive industry.

In addition to the existing fleet, the company has recently decided to expand the fleet by adding 38 new prime movers along with 12 new bulkers, 16 new trailers and 10 new tipping trailers. This addition will enhance the transportation capacity of LCL Logistics in all segments including Bagged Cement, Loose Cement and Bulk material (i.e. Clinker and Coal). Additionally, it will also reduce the time required to execute dispatches from plant while ensuring lifting of inbound material ahead of time.

The Company's integrated sales structure offers superior quality cement within the shortest possible lead-time. The service levels achieved by dedicated logistics solution available have now encouraged the Company to expand the fleet and enhance its capabilities in terms of fast and secure transportation through its own fleet.

Human resources

Through various initiatives including expansions and technological upgrades, international projects, extensive trainings and promoting the culture of transparency, Lucky Cement has developed the skill set of its human resources which play a vital role in providing it the edge over its competitors.

Value Created by the Business Using These Resources and Capabilities

By using the resources and capabilities at its disposal, Lucky Cement creates value for its stakeholders in the following manner:

Shareholders

Provide high return on investment

Employees

Provision of safe and inclusive working environment. Exposure to new challenges to develop work-force.

Customers

Provision of high-quality cement

Communities

Investment in health, education and skills development

Suppliers and service providers

Building long-term partnerships

Government

Contribution to national exchequer and generating economic value for the society

Factors Affecting Company's Strategy and Resource Allocation Plans

Technological changes: Lucky Cement being a premier corporate citizen of the country strives to leverage technological advancements taking place, whether they pertain to adoption of latest technologies for production or automation of business processes and data analytics.

Lucky cement has taken several strategic initiatives for digitalizing its various processes so as to bring efficiencies and avoid redundancies. The Company not only ensures that it acquires latest technologies and tools for its expansion projects, it also implement/replicate the newer technologies for its earlier plants as well. These investments in technology allows the Company to reap benefits in terms of efficiencies and lower costs.

Societal issues:

Lucky Cement believes in giving back to the society and accordingly the societal issues relating to education, health and poverty alleviation are part of its strategic plans. While for the employees, the Company has adequate health, safety and environment related policies and procedures; for the society at large, Company takes part in various philanthropic activities, capacity building programs, vocational training programs, sponsorship of schools, scholarships, special clinics and other health related initiatives.

Environmental challenges:

Lucky Cement acknowledges that our environment faces several problems, and many of these seem to be worsening with time. The issues which arise because of environmental challenges pose various threats to our planet and impact every individual. It is therefore increasingly important to raise awareness of the existence of these issues, as well as taking practical steps to reduce their negative impact. The environmental challenges; such as climate change, poor air quality, deforestation, waste disposal, carbon emissions and water scarcity remain a cornerstone of Lucky Cement's strategic framework. Lucky Cement takes into account the mitigating factors and technologies before taking strategic decisions about expansion and other activities which impact environment. Keeping up with its commitment for environment protection, the Company has implemented a solar power project at its Plant in Pezu and is currently endeavoring to install another at Karachi plant as well.

Company's Attitude to Risk and Mechanisms for Addressing Integrity and Ethical Issues

Apart from having a Code of Conduct for the employees, the Company has also developed a comprehensive yet simple whistle blowing policy, where any stakeholder can blow a whistle regarding any ethical, improper or illegal behavior or conduct of any colleague or supervisor. The complaints are investigated independently by the Ethics Committee, which is empowered to take appropriate actions warranting the situation. Details of whistle blown and actions taken are reported to the highest level in the organization.

Key Performance Indicators (KPIs)

We measure the progress towards achievement of Company's strategic objectives with these Key Performance Indicators. The management regularly analyzes these indicators to better gauge the Company's performance against predefined benchmarks.

Strategic Objective	Area of Impact	KPIs monitored	Future Relevance
Growing local market share	Financial Capital	Sales Volume Market share indexing	The KPIs will continue to remain relevant in the future
Increasing share in the international market	Financial Capital	Sales volume in traditional export markets Development of new export markets	
Efficiency	Manufactured Capital, Intellectual Capital	Production efficiency and activity ratios	
Diversification	Financial Capital	Investment portfolio Return on equity	
Sustainable Development	Natural Capital	Water and energy conservation Continuous support for community development Commitment towards UN SDGs 2030	
HR Excellence	Human Capital	Climatic Surveys Employee engagement Retention ratios	
Upgradation of IT infrastructure and enhancement of automation	Financial Capital / Intellectual Capital	Upgradation of infrastructure, Operating system and ERP. Digitalization and automation of processes.	

Company's Sustainability Strategy

At Lucky Cement, sustainability is a vital commitment towards ensuring a better future for our planet and generations to come. Guided by our core values of innovation, excellence, and responsibility, our sustainability strategy encapsulates our vision for a greener tomorrow.

We understand the urgency of addressing climate change. Through innovative technologies, energy efficient processes, and investments in renewable energy sources, we aim to significantly reduce our carbon footprint and lead the way towards a low-carbon cement industry. Our target is to ensure 100% compliance with Environmental Quality Standards (EQS) limits of Particular Matter, Sulfur Dioxide, Oxides of Nitrogen and Carbon Monoxide, which are regularly monitored and reported.

By promoting recycling, we pledge to reduce our consumption of virgin materials and minimize waste generation. Our aim is to transform waste into valuable resources, demonstrating our dedication to responsible production and consumption.

As stewards of the environment, we are committed to protecting and enhancing biodiversity around our operations. We actively engage with local communities and environmental experts to identify areas of ecological importance and implement measures that safeguard local ecosystems. Our goal is to leave a positive impact on the natural world while fostering harmony between our operations and the environment. Every year we set targets for tree plantations in and around our plants.

We are committed to working closely with our suppliers to ensure they adhere to ethical and sustainable practices. By promoting responsible sourcing, we aim to create a ripple effect of positive change throughout the industry, from raw material extraction to the end product.

Our success is intertwined with the well-being of the communities where we operate. Through targeted initiatives in education, healthcare, and skill development, we seek to uplift these communities and create a better quality of life. By fostering strong partnerships and transparent communication, we strive to be a force for positive change and progress.

At Lucky Cement, sustainability is not just a strategy; it's our responsibility towards the planet and future generations. By embracing innovation, fostering collaboration, and redefining industry norms, we are confident in our ability to create a world where economic growth coexists harmoniously with environmental preservation.

Significant Plans and Decisions Such as Corporate Restructuring, Business Expansion and Discontinuation of Operations

The Board of Directors wishes to assure stakeholders that the Company has no plans to undertake any corporate restructuring initiatives at this time. We have successfully completed the capacity expansion project at our Pezu Plant, as well as the solar power projects at both Pezu and Karachi sites. Furthermore, we have implemented a second share buyback program. Additionally, we are progressing on the installation of a 28.8MW wind power project in Karachi, which is expected to be completed in a timely manner. The Directors' Report provides a comprehensive update on the progress of our investment projects. There are no further plans for expansion or discontinuation of operations beyond what has been disclosed in the Directors' Report.

Business Rationale for Major Capital Expenditure

Lucky Cement Limited is a growth-oriented company. We create value for our stakeholders by diversifying our business and investing in our Manufactured Capital. We focus on optimizing our production infrastructure and adjust our cost base. To support LCL's diversification strategy, our planned capital expenditure gives us powerful operating leverage and expands our profitability through diversified revenue and profit streams. Disciplined management of working capital and capital expenditure enhances the cash we generate which in turn is invested to fuel growth in the business. The Board of Directors quarterly reviews and approves the capital expenditure plans of the Company.

The Company completed a brownfield expansion of 3.15 MTPA at its Pezu plant in FY23. The business rationale behind this expansion was the anticipated growth in cement demand. Moreover, The Company successfully completed installation of solar power project, at its Pezu Plant and Karachi Plant, in FY24 bringing the company's overall solar capacity to 74.3 MW and is currently in the process of installing 28.8 MW captive wind power project at its Karachi plant expected to be completed by 1Q FY25. The purpose of this capital expenditure is to decrease dependence on costly fuels and encourage the adoption of renewable energy sources. By utilizing its available financial and operational leverage, the Company will be able to retain its leading position. This will also allow the company to bring in further economies of scale in its operations.

Strategy to manage repayment of Debts

The Company has always been able to meet its debt obligations in a timely manner. Due to its robust business model, operational efficiencies, prudent financial management and diverse income streams, it has never faced liquidity problems. At Lucky Cement, we are committed to honoring our financial obligations while maintaining a strong financial footing. Our debt repayment strategy is underpinned by responsible financial management and a dedication to safeguarding the long-term sustainability of our business.

The Company has sufficient reserves for unforeseen circumstances and economic downturns. The Company's liquidity management strategy encompasses projecting cash flows and considering the level of liquid assets necessary to meet the cash flow requirements as well as maintaining the debt financing plans; the company faces no risk of default in payment of any obligation, as it has sufficient capacity of generating cash flows.

Human Resource Excellence

Attracting, Assessing, Onboarding & Retaining Talent

We believe that the quality of talent we attract and retain significantly influences our success. As we sustain our exponential growth, we recognize the paramount importance of striving for and attaining excellence. To achieve this, we are focused on strategically placing our skilled professionals in positions where they can assume responsibility and make meaningful contributions. Our approach emphasizes the alignment of our efforts across the entire employee journey, spanning from recruitment to development and retention. We are dedicated to providing abundant growth opportunities for our employees, fostering their career progression while driving the growth of Lucky Cement Limited.

Performance Management

Our Performance Management system is strategically designed to make business performance central to what we do. We assert that performance management serves as a cornerstone for instilling a culture of continuous improvement and fostering synergies across departments. Our foremost objective is to harmonize the efforts and dedication of our teams and individuals with the overarching goals of our organization. To accomplish this, we have designed our performance management systems to uphold transparency and equity across all levels. Our managers undergo comprehensive training on utilizing effective and outcome-driven measurement tools and procedures to conduct impartial appraisals, thereby mitigating the potential for organizational bias and discrimination. Our goal is to offer constructive feedback and identify areas of improvement for our employees, while also acknowledging their valuable contributions and accomplishments. Through harnessing performance management as a catalyst for growth and advancement, we endeavor to cultivate a motivated and high-achieving workforce at Lucky Cement.

Total Rewards

In our pursuit of organizational excellence, we are committed to ensuring that our total reward strategies are at the forefront of industry standards. We have identified our peer group and set our sights on achieving a best-in-class benchmarking level. Through comprehensive analysis and benchmarking against industry peers, we consistently work to improve the competitiveness of our compensation and benefits packages. By ensuring equitable compensation and

aligning with industry standards through salary surveys, our goal is to attract and retain top talent within our organization. This approach helps us maintain our reputation as a competitive employer while ensuring our compensation offerings remain in line with market standards.

This year, we have dedicated substantial resources and efforts towards meticulously assessing and refining our total reward offerings. As a result, we have made significant enhancements to our policies, including those related to Health Insurance, Life Insurance, Car buy-back, and work/life balance.

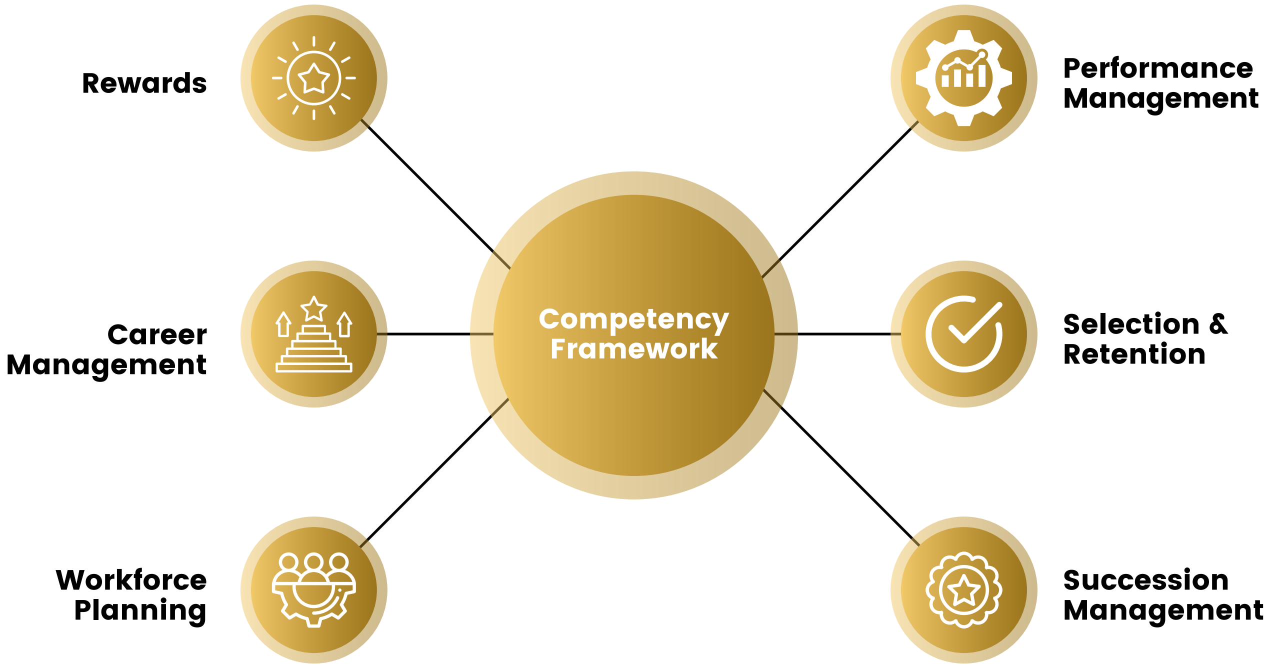
Our objective is to align these strategies with the evolving needs and expectations of our workforce, thereby fostering a culture of engagement, motivation, and retention. Moving forward, we remain dedicated to further optimizing our total reward strategies to ensure they continue to meet the mark and continue to drive our organization's success.

Health, Safety & Environment

We are committed to upholding a safe, healthy, and sustainable work environment for both our employees and stakeholders. To achieve this commitment, we have instituted regular health, safety, and environmental practices. Our team conducts frequent safety audits to identify potential hazards and proactively address risks. We adhere to Permit to Work requirements and ensure that all employees are well-versed in safety protocols and procedures. Additionally, our department-based Safety Captains conduct regular safety discussions and deliver targeted HSE awareness communications to all staff members. We prioritize ongoing training in Health, Fire Safety, and the proper use of Fire Extinguishers to equip our employees with the requisite knowledge and skills to manage emergencies effectively. Furthermore, we strategically position Automated Fire Balls and Emergency Exits throughout our facilities to ensure easy access to safety equipment and exit points in the event of an emergency.

Industrial Relations

We acknowledge the pivotal role of effective industrial relations management in driving the success of our business. Through prioritizing robust industrial relations practices, we aim to cultivate a positive work environment that strengthens our company's overall success. We have a dedicated team who are responsible for maintaining industrial peace by ensuring fair labor practices, effective grievance handling, and compliance with labor-related statutes.



Our HR/IR teams at plants and Head Office play instrumental roles in fostering harmonious labor and employee relations. Additionally, we have instituted a tribunal committee responsible for mediating and arbitrating labor-related issues, thereby fostering mutually beneficial outcomes for both the company and our workforce. Committed to swift resolution, we address grievances and conflicts promptly, ensuring that all employees are treated with dignity and equity.

Succession Planning

Our succession planning strategy is crafted to identify, develop and nurture high-potential employees for critical roles in upper management. To ensure a methodical approach, we've developed a comprehensive policy manual outlining the practices and processes involved. Central to our strategy is the integration of a competency matrix, aiding in the identification and grooming of top talent for future strategic positions. Utilizing the 9-Box Performance & Potential Matrix approach, we systematically cultivate employees for key roles, providing tailored opportunities and projects to enhance their people management, functional proficiency, and leadership skills. We recognize succession planning as an ongoing endeavor and remain committed to maintaining a robust pipeline of qualified and capable leaders prepared to assume pivotal roles as needed. Through continued investment in our employees' development, we are confident in our ability to sustain growth and thrive as an organization.

Women Empowerment

We are steadfast in our commitment to establishing a workplace that not only values and respects diversity but also actively promotes gender equity. We firmly believe that these initiatives are integral to the attainment of our long-term business objectives. We acknowledge the pivotal role that women play in shaping a better world and are committed to empowering and celebrating them. To fulfill this commitment, we have implemented concrete measures to improve our

gender equity balance and create a more inclusive workplace. Through the establishment of tailored programs and initiatives, we aim to empower our female employees and foster a workplace that is supportive and inclusive. Furthermore, we ensure that our recruitment and promotion processes remain impartial and devoid of bias, providing equal opportunities for all employees, irrespective of gender. We firmly believe that by empowering women, we not only foster a more inclusive workplace but also play a pivotal role in fostering a sustainable and equitable society and global community.

Job Rotation

We consider job rotation as a crucial component of our talent development strategy. Our systematic approach enables employees to transition between different departments within the organization. Our goal is to offer employees a comprehensive and diverse experience, benefiting both individuals and the organization as a whole. Through job rotation, we aim to provide opportunities for employees to augment their learning, exposure, and skill sets. We actively encourage employees to embrace new challenges beyond their comfort zones, fostering increased motivation and interest in their work. Our job rotation program is tailored to support the career growth of employees and enable them to broaden their horizons within the organization. It serves as an effective mechanism for retaining and nurturing our existing talent pool while fostering a dynamic and adaptable workforce.

Talent Development

We believe in the significance of nurturing talent as a cornerstone of our success. Therefore, we are dedicated to fostering a culture of continuous learning and growth throughout our organization. Our Talent Development program is meticulously crafted to unlock the potential of our employees, equipping them with the tools and resources necessary to refine their skills and advance their careers. Central to our approach is the implementation of a Competency Framework Model, which identifies both core and functional competencies and helps us to identify competency gaps. This enables us to design tailored learning interventions suited to employees at every level within the company. Among our flagship initiatives is a three-day Leadership Development Training Program, which focuses on six key behavioral leadership competencies. This program not only enhances leadership capabilities but also promotes teamwork and knowledge exchange across departments and hierarchies.

This year, we successfully launched the Competency Framework, aligning its Talent Acquisition, Learning & Development, and Talent Retention activities with this model. The primary purpose was to develop Individual Development Plans (IDPs) covering both Behavioral and Functional Competencies at different grades through which every employee becomes aware of his/her current assessment against desired levels. Launch of the Competency Framework had a positive impact in multiple ways. It facilitated achieving the mutual objective of organization and its people to bring clarity in organizational expectations regarding their required competency levels as well as solutions to meet their gaps, if any.

Our unwavering commitment lies in the continuous development of our talent pool and the creation of a supportive learning environment conducive to their success.

ICAP TRAINEE PROGRAM

Lucky Cement Limited has earned the prestigious designation of an Approved Training Organization Outside Practice (TOoP) by The Institute of Chartered Accountants of Pakistan (ICAP). This designation signifies that professionals pursuing the chartered accountancy program can now enroll with Lucky Cement Limited to fulfill their mandatory article-ship requirements. With this achievement, Lucky Cement Limited not only contributes to the professional development and enriched learning experiences of aspiring young professionals but also aligns with its commitment to giving back to society.

This strategic initiative not only reinforces the company's position as a major employer in Pakistan but also underscores its dedication to nurturing and providing quality human resources. By providing a platform for professional growth, our goal is to enhance our organization's reputation as a proactive supporter and investor in the development of future leaders.

Risk and Opportunities

Challenges are the pathway to progress. We believe in taking risks to create limitless opportunities for our stakeholders.

Key Risks and Opportunities Effecting Capital

Following are the key risks and opportunities effecting the availability, quality and affordability of capitals:

Form of Capital	Key Risk	Key Opportunities	Time Horizon
Financial Capital	• Higher cost of coal and other fuels • Increased interest rates • Higher inflation	• Identification of alternate sources of coal • Adoption of renewable energy projects • Cost optimization projects	Short to medium term
Human Capital	• Loss of qualified and competent staff	• Succession planning • Rewarding high performing employees	Medium to long term
Manufactured Capital	• Obsolescence of technology	• Investments in technology upgrades and capacity expansions	Medium to long term
Social and Relationship Capital	• Adverse publicity	• Building relationships along the value chain and investing in the Lucky brand.	Medium to long term
Natural Capital	• Depletion of raw materials	• Responsible use of raw material	Long term

Statement for determining the Company's level of risk tolerance by establishing risk management policies

The Board of Directors of Lucky Cement recognizes that effective risk management is a cornerstone to the Company's commitment to sustained success and responsible governance. In today's dynamic and ever-evolving business landscape, understanding and managing risks is paramount to safeguarding our business, stakeholders, and the trust they place in us.

We firmly believe that risk-taking is inherent in business growth, innovation, and value creation. However, it must be approached with a clear understanding of our risk appetite and tolerance. We acknowledge that not all risks are equal, and careful consideration is essential to distinguish between those that align with our strategic objectives and those that jeopardize our integrity and stability. To ensure that we navigate risks effectively, the Board has established comprehensive risk management policy that serve as a framework for identifying, assessing, mitigating, and monitoring risks across all facets of our operations. The board regularly undertakes an overall review of business risks to ensure that the management maintains a sound system of risk identification, risk management and related internal controls to safeguard assets, resources, reputation and interest of the Company and shareholders. In addition to this the Board also reviews reports from various third-party service providers, auditors and consultants to remain updated on key operational and financial matters of the Company.

Robust Assessment of Principal Risks

As mentioned in the Directors' Report, the Board of Directors have carried out a detailed assessment of risks facing the Company originating from various sources. For quick snapshot of various types of risks, please refer risk and opportunities sections of our report. The Board of Directors are satisfied with the Company's risk management practices and the mitigating strategies adopted to counter such risks.

Risk Management Framework & Methodology

Lucky Cement Limited's risk management framework is designed to assess and mitigate risks in order to minimize their potential impact and support the achievement of Lucky Cement's long-term purpose and business strategy. Risk

Low Medium High

assessment is performed regularly to create a good understanding of the company's key risks, to allocate ownership to drive specific actions around them and take any relevant steps to address them.

The uncertainties and risks that may influence the achievement of our corporate goals and objectives are managed while opportunities are tapped into. Due to their critical importance, our material issues and principal risks are integrated into our business planning processes and monitored on a regular basis by our Board of Directors. To navigate the risks effectively, the Company has established comprehensive risk management policy that serve as a framework for identifying, assessing, mitigating, and monitoring risks across all facets of our operations. The risk management framework incorporates a systematic process for identifying and assessing risks, both internal and external, that could impact our business. This involves engaging with all levels of management to gather insights, data, and perspectives that contribute to a holistic understanding of potential risks. Strategic, Commercial, Operational, Financial and Compliance risks are ranked based on their impact on Lucky Cement Limited and probability of occurrence. Once risks are identified and assessed, mitigation strategies tailored to each risk category are developed. These strategies encompass a range of actions, from proactive measures to minimizing the likelihood of risks. Clear roles and responsibilities are defined for risk management at various levels of the organization, emphasizing accountability for risk oversight and response.

In 2023-24, our risk management program was given even greater emphasis with regular discussions on emergent risks and opportunities associated with rising fuel prices and the enhanced monitoring and assessment of our principal risks. This enabled us to maintain all of our risk management routines and ensure continuity of the program. Going forward, we will use these lessons to improve the level of engagement, and the insights that engagement provides, to improve our program.

Principal Risks Facing the Business and Mitigating Strategies

Following are the major risks, which may affect our business operations and mitigating strategies for controlling these risks. Sources of risks, assessment of likelihood and magnitude of their impact are also mentioned against each risk.

Strategic Risks

Risk	Area of Impact	Mitigating Action
Energy Shortages and hike in fuel prices Considering the significant consumption of coal in cement manufacturing, hike in coal and other fuel prices heavily impact cost of sales. Assessment: Likelihood: Medium Impact: Medium	Financial Capital Strategic Objective: Sustainable Growth / Profitability **Source of Risk** External	Power generation capacity has been diversified into renewable energy sources. Ongoing efforts to incorporate additional alternate energy sources.
Change in Competitive Scenario Threat of local and foreign players causing changes in market dynamics. Any decline in cement's demand may create an over-supply situation in the industry. Assessment: Likelihood: Medium Impact: Low	Financial Capital Strategic Objective: Sustainable Growth / Profitability **Source of Risk** External	LCL matches its capacity expansion plans keeping in view the anticipated supply / demand growth pattern. Market diversification for maintaining / enhancing the market share. Deep penetration on grass root level by operating warehouses, strengthening institutional sales and improving brand perception.

Low Medium High

Strategic Risks

Risk	Area of Impact	Mitigating Action
Risk of Inconsistent/Arbitrary Changes in Government Policies Adverse impact on Company's earnings due to changes in Government's policies with respect to taxation measures, Gas tariff and Regulatory matters. Assessment: Likelihood: High Impact: Medium	Financial Capital Strategic Objective: Sustainable Growth / Profitability **Source of Risk** External	Regular advocacy through different forums, like APCMA, Pakistan Business Council etc. to timely apprise the relevant Government departments and Regulators of all issues that may have an adverse impact on the Industry or competitive environment. Management regularly monitors the changing regulatory and competitive environment and assesses the impact of any change in Government policy, so as to take timely action.
Risk to Exports And Decline in Global Cement Prices With significant hike in input costs, the exports may become unviable. Anti-dumping duties being imposed on Pakistani cement manufacturers. Falling exports to Afghanistan, due to competition from low- priced Iranian cement and political instability in the country. Loss of Indian market for exports of cement. Increasing competition and capacity building of local production in our export markets. Assessment: Likelihood: Low Impact: Medium	Financial Capital Strategic Objective: Sustainable Growth / Profitability **Source of Risk** External	The company continues to identify and develop new markets for its cement and clinker exports to countries all across the globe. The company is targeting East and West Africa for the export of Cement and Clinker to upsurge its presence in the global markets. With the improved USD/PKR parity, the Company is better able to compete with different regional cement manufacturers,

Operational Risks

Type of Risks	Area of Impact	Mitigating Action
Technology Obsolescence Technological shift rendering the Company's production process inefficient Assessment: Likelihood: Medium Impact: Medium	Intellectual/ Manufactured Capital Strategic Objective: Sustainable Growth / Profitability	The Company has regularly upgraded its manufacturing facilities by installing new and more efficient production lines at both of its plants. Major investments, such as addition of Vertical Grinding Mills are regularly made to continuously improve product quality and process efficiency. With the optimal utilization of SAP, the Company has been able to improve its business processes and strengthen the control environment.
	Source of Risk External	

Low Medium High

Operational Risks

Type of Risks	Area of Impact	Mitigating Action
Maintenance Risk Possibility of production loss due to capacity or breakdown factor. Assessment: Likelihood: Low Impact: Medium	Manufactured Capital Strategic Objective: Sustainable Growth / Profitability **Source of Risk** Internal	Effective technical monitoring programs with regards to preventive maintenance are in place to ensure maximum plant efficiency and capacity utilization.
Employee Retention and Succession Planning It is critical for the company to attract, develop, and retain the right talent to accomplish the company's objectives. Succession planning is needed to ensure that the company has sustainable operations. Assessment: Likelihood: Medium Impact: Low	Human Capital Strategic Objective: HR Excellence **Source of Risk** Internal	Efforts are made to ensure growth and well-being of employees. Various programs are in place to identify and develop high potential teams. Initiatives are taken to increase workplace diversity, resulting in a more effective workforce. Strategy on succession planning is in place to support the management in assessing employee performance for future growth and identify potential placements.
Information System Risk Loss of confidential information due to data theft IT Systems becoming unavailable because of System/Network failure, cyber-attacks etc. Assessment: Likelihood: Low Impact: Medium	Financial Capital Strategic Objective: m Sustainable Growth / Profitability Upgradation of IT infrastructure and automation **Source of Risk** Internal / External	Information is transmitted through secure connections and firewalls are in place to prevent malicious activities. Appropriate data back-up mechanism is in place. Moreover, alternative data processing sites are also available. Periodic log reviews further ensure that system related controls are in place and working effectively. Regular systems audit is performed to identify any weaknesses / non-compliances and any areas for further improvements.

Low Medium High

Financial Risks

Type of Risks	Area of Impact	Mitigating Action
Credit Risk Risk of default by Company's customers to discharge their obligations and cause financial loss to the Company Assessment: Likelihood: Low Impact: Low	Financial Capital Strategic Objective: Sustainable Growth / Profitability **Source of Risk** External	Lucky Cement extends credit to Government institutions or against appropriate security and the risk is managed through established limits. Credits are selectively given considering the business potential and risk appetite of the Company. The Company regularly reviews and monitors the credit position and credit worthiness of its customers. Such credit reflects a fractional part of company's sales.
Interest Rate Risk Increase in interest rates impact the costs of borrowing. Interest rates fluctuation also affect value of interest-bearing assets. Assessment: Likelihood: Medium Impact: Low	Financial Capital Strategic Objective: Sustainable Growth / Profitability **Source of Risk** External	Company meets its working capital requirements from internally generated cash flows. Economic indicators are carefully monitored on a regular basis and a diversified portfolio of short-term investment of funds in Islamic products is maintained.
Exchange Rate Risk Exchange rate risk impacting transactions in foreign currency Assessment: Likelihood: Medium Impact: Medium	Financial Capital Strategic Objective: Sustainable Growth / Profitability **Source of Risk** External	Lucky Cement has a natural hedge against exchange rate risk due to its exports and imports both in USD. In addition, the Company follows the policy of using a mix of foreign currencies (where possible) to maintain a portfolio to safeguard against any adverse potential short- term foreign currency exposures.

Compliance Risks

Type of Risks	Area of Impact	Mitigating Action
Risk of litigation Risk of having major legal cases initiated against the company Assessment: Likelihood: High Impact: Medium	Social and Relationship Capital Strategic Objective: Sustainable Growth / Profitability **Source of Risk** External	Significant litigation cases are handled through reputable law firms engaged by the company which specialize in particular areas. Additionally, in house legal affairs team supports operations by effective SOPs and additional review steps for significant contractual and regulatory obligations of the Company.

Low Medium High

Compliance Risks

Type of Risks	Area of Impact	Mitigating Action
Environmental Risk Actual or potential threat of adverse effects on environment arising out of the Company's activities. Assessment: Likelihood: Medium Impact: Medium	Natural capital Strategic Objective: Sustainable Growth / Profitability **Source of Risk** Internal	In our support to the UN Sustainability Development Goals, we have initiated and promoted various sustainable projects to support the UN 2030 Agenda. Various environmental friendly projects such as renewable energy project, Waste Heat Recovery units, Tyre Derived Fuel and Refuse Derived Fuel units are implemented, thus reducing environmental de- generation. The company focuses on energy conservation, operational efficiencies and carbon footprint reduction. Company's effluent emissions are regularly monitored. Regular environmental audits are also performed.
Health & Safety Risk Personal health and safety risks at operating sites Risk of pandemic related issues being ineffectively managed Assessment: Likelihood: Low Impact: Medium	Social / Human Capital Strategic Objective: Efficiency **Source of Risk** Internal	HS&E issues are addressed by focusing on safety measures such as conducting appropriate trainings, use of prescribed safety gadgets, equipment and safe practices. There is a dedicated HSE function at both the plants. Periodic review of safety related incidents and internal audits ensure process effectiveness. Lucky Cement has invested in providing awareness to its employees for precautionary measures regarding Coronavirus and about protecting their families and communities.

Opportunities

Opportunity	Area of impact	Key source of Opportunity	Strategy to materialize
State-of-the-art technology for Production resulting in efficiencies and lower costs. This will result not only in attracting and retaining new customers but will also increase value for stakeholders.	Manufactured Capital Strategic Objective: Efficiency	The installation of new production lines, state-of- the-art vertical cement mills, renewable energy project, Waste heat recovery and TDF energy systems have increased the production capacity and plant efficiency.	The company actively pursues investments in new and innovative technologies so that it continues with its legacy of being the most efficient producer of premium quality cement. With our expansion plan of an additional capacity of 3.15 MTPA, Lucky Cement maintains the position of being the largest cement producer in Pakistan.
Growth of Cement Industry	Manufactured/ Relationship Capital Strategic Objective: Growing local and international market share	The growing urbanization, launch of China–Pakistan Economic Corridor initiative, construction of special economic zones and Government's initiative to build multipurpose water reservoirs / dams presents a great opportunity for long term growth of the industry	The Company has regularly invested in its production facilities to furnish the production/supply demand to materialize potential growth.
First Shariah Compliant Company. Leading the corporate sector in Pakistan to encourage compliance with Shariah principles of doing business.	Financial Capital Strategic Objective: Efficiency	Offering investors an avenue to invest in Shariah Compliant companies.	Being the first Shariah Compliant company of Pakistan, Lucky Cement continues to comply with the applicable Shariah Governance Regulations. Lucky Cement has also continued to maintain its position on KMI-30 Index of the PSX.
Efficient work environment	Human Capital Strategic Objective: HR Excellence	Improved working conditions, personal and professional development of employees.	The Company is relentlessly striving to improve its work environment through various initiatives directed towards increasing employee satisfaction, continuous trainings

Our Approach to Materiality

In addition to disclosure of all events/transactions required by law, the management has adopted materiality approach for effective communication with all stakeholders. We regularly revise our materiality matrix to include the new challenges we are facing.

Our material issues are those that matter most to our stakeholders and contribute to our business success. Assessing their importance provides a guide to strategically manage the risks and opportunities they represent. This involves looking beyond our own footprint and considering all of the environmental, social, economic and financial topics that could affect negatively or positively our ability to create value over the short, medium and long term.

The Board has approved a formal materiality policy to set out materiality threshold to be considered by management when disclosing / reporting financial information. To support our annual materiality assessment, we conduct ongoing dialogue with our stakeholders, including suppliers, consumers, regulators and non-governmental organizations (NGOs). We also assess material issues based on their relevance to our strategic plans and objective.

Initiatives Taken by Management to Promote and Enable Innovation

The management takes pride in creating a culture that nurtures innovation and entrepreneurial thinking, establish innovation platforms and enhance employee engagement initiatives. During the year, the management took following initiatives:

- Started installation of solar power project, which will provide clean energy, reduce country's reliance on imported fossil fuel and reduce energy costs for the Company.
- Identified alternate sources of coal to mitigate the impact of rising international prices of coal.
- Kept the IT function proactive from an innovation perspective, providing ideas to the business.

Disclosure of Supply Chain Disruption Risks and Mitigation Strategy in the Face of Environmental, Social, and Governance Incidents

In an ever-evolving global landscape, businesses are increasingly recognizing the inter-dependence of their operations with environmental, social, and governance (ESG) factors. The Company acknowledges the potential risks stemming from these factors, particularly those impacting the supply chain and it maintains a comprehensive risk assessment framework to proactively identify potential supply chain disruption risks linked to ESG incidents. This involves close collaboration with internal stakeholders, suppliers, and industry partners to gain insights into emerging risks. To ensure the ongoing evaluation of supply chain risks, we employ a robust monitoring system that enables real-time tracking of relevant ESG incidents.

Mitigating the risks associated with supply chain disruptions necessitates a proactive and collaborative approach. The Company has established a multifaceted strategy to address these challenges effectively:

Supplier Engagement and Collaboration: We engage with our suppliers to enhance their awareness of ESG considerations and encourage alignment with our values. This includes fostering responsible sourcing practices, ethical labor standards, and sustainable production methods.

Diversification of Suppliers: We strive to diversify our supplier base to reduce dependency on a single source, mitigating the potential impact of disruptions in any one region.

Resilience Enhancement: We continually invest in strengthening the resilience of our supply chain, incorporating redundancy and alternative sourcing options when feasible.

The Company remains steadfast in its commitment to addressing ESG-related supply chain disruption risks. By identifying, monitoring, and mitigating these risks, we ensure the long-term sustainability of our operations, minimize potential adverse impacts, and contribute to a more resilient and responsible business ecosystem.

Governance

The aim of our leadership is to ensure transparency and accountability in all of our practices. We strive to conquer every challenge in the industry under the mentorship of our management to sustain the position of a market leader.

Chairman's Review Report

On Board's overall Performance u/s 192 of the Companies Act 2017

Lucky Cement complies with all the requirements set out in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 with respect to the composition, procedures and meetings of the Board of Directors and its committees. As required under the Code of Corporate Governance, an annual evaluation of the Board of Directors of (the "Board") of Lucky Cement Limited (the "Company") is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company. Areas where improvements are required are duly considered and action plans are framed. For the purpose of Board evaluation, a comprehensive criteria has been developed. The Board has recently completed its annual self-evaluation for the year ended June 30, 2024 and I report that: The overall performance of the Board measured on the basis of approved criteria for the year was satisfactory. The overall assessment as satisfactory is based on an evaluation of the following integral components, which have a direct bearing on Board's role in achievement of Company's objectives:

1. Diversity and Mix: The Board members effectively bring the diversity to the Board and constitute a mix of independent and non-executive directors. The non-executive and independent directors were equally involved in all key matters and decisions of the Board.

2. Engagement in strategic planning: Board has a clear understanding of the stakeholders (shareholders, customers, employees, vendors, society at large) whom the Company serves. The Board has a strategic vision of how the organization should be evolving over the next three to five years. Further, the Board has spent sufficient time on strategy formulation and it has set annual goals and targets for the management in all major performance areas.

3. Diligence: The Board members diligently performed their duties and thoroughly reviewed, discussed and approved business strategies, corporate objectives, plans, budgets, financial statements and other reports. It received clear and succinct agendas and supporting written material in sufficient time prior to board and committee meetings. The board met frequently enough to adequately discharge its responsibilities.

4. Monitoring of organization's business activities: The Board remained updated with respect to achievement of Company's objectives, goals, strategies and financial performance through regular presentations by the management, internal and external auditors and other independent consultants. The Board provided appropriate direction and oversight on a timely basis.

5. Governance and Control Environment: The Board has effectively set the tone-at-the-top, by putting in place transparent and robust system of governance. This is reflected by setting up an effective control environment, compliance with best practices of corporate governance and by promoting ethical and fair behavior across the company.

Muhammad Sohail Tabba

Chairman / Director

August 08, 2024

Details of Board Composition

The details pertaining to Board's composition are provided in the Directors' Report and the Directors' Profile section of this annual report.

Role of Chairman

The principal role of the Chairman of the Board is to manage and to provide leadership to the Board of Directors of the Company. The Chairman is responsible for providing leadership to the Board and ensuring that the Board plays an effective role in fulfilling its responsibilities. The Chairman's role involves (but is not limited to) the following:

- To act as a liaison between Company's senior management and the Board.
- To ensure that the Board plays an effective role in setting up the company's corporate strategy and business direction.
- To promote and oversee the highest standards of corporate governance within the Board and the Company.
- To ensure integrity, credibility, trustworthiness and active participation of Board members in key matters of the Company.
- To ensure that the Board only directs the Company and does not manage it.
- To ensure that relevant, accurate and up to date Company information is received from the management and shared with the board members to enable them to monitor performance, make sound decisions and give appropriate advice to promote the success of the Company.
- To review the Board performance and to take the lead in identifying and meeting the development needs of individual directors and to address the development needs of the Board as a whole with a view to enhancing its overall effectiveness as a team.
- To manage and solve conflict (if any) amongst the Board members and to also ensure freedom of opinion in the Board.
- To promote highest moral, ethical and professional values and good governance throughout the Company.

Role of CEO

The CEO is responsible for putting the strategy defined by the Board into practice. The CEO's leadership role also entails being ultimately responsible for all day-today management decisions and for implementing the Company's long and short term goals and plans. The main responsibilities of the CEO are as follows:

- To develop strategies involving the executive team, for the implementation of decisions established by the Board and its Committees.
- To maintain an effective communication with the Chairman and bring all important Company matters to the attention of the Board.
- Responsible for working in the best interest of the Company and directing its overall growth by achieving and surpassing the performance targets set by the Board.
- Oversee the implementation of the Company's financial and operational plans in accordance with its business strategy. Identify the potential avenues for diversification and investments and recommend plans/proposals to the Board for its approval.
- To ensure that all strategic and operational risks are effectively managed to an acceptable level and that adequate system of internal controls is in place for all major operational and financial areas.
- To develop Key Performance Indicators (KPIs) of the Company for the approval of Board and ensure dissemination of the same throughout the organization as the standards of performance at both individual and collective levels.
- To communicate on behalf of the Company with shareholders, employees, government authorities, other stakeholders and the public.
- To promote highest moral, ethical and professional values and good governance throughout the Company.

Corporate Governance Framework

The main goal of our corporate governance framework is to create an efficient set of incentive and monitoring mechanisms to ensure that management is always aligned with our stakeholders' best interests in a sustainable way. In order to achieve this goal, we have set up decision making bodies and institutionalized procedures to align management with our meritocratic, performance-focused and long-term value-creation culture.

The Board aims to ensure the highest standards of corporate governance, accountability and risk management. The main philosophy of business, followed by the sponsors of Lucky Cement, has been to create value for all stakeholders through fair business practices. This translates into policies approved by the Board of Directors and implemented throughout the Company to enhance the economic and social value for all stakeholders of the Company.

Board's Function and Decision Making

The function of the Board as stewards on behalf of shareholders is governance of the Company. The Board performs its duties by giving guidelines to the management, setting performance targets and monitoring their achievements.

The primary role of the Board of Directors of the Company is to enhance shareholder value. The Board of Lucky Cement is concerned with Strategic matters and overseeing the business of the Company in light of emerging risks and opportunities, on a regular basis. The Board of Lucky Cement is also involved in establishing and reviewing the strategies, yearly targets and financial objectives of the Company.

Decisions Delegated to the Management

Management is primarily concerned with setting in motion the strategies approved by the Board of Directors. It is the responsibility of management to operate the day-to-day business affairs of the Company in an effective and ethical manner in conformity with the strategies and goals approved by the Board and to identify and manage the principal risks and opportunities, which could affect the Company in the course of carrying out its business.

Board's Annual Evaluation of Performance

As required by the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board of Lucky Cement reviews its own performance annually undertakes a formal process of self-evaluation of performance of the Board and its committees. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company. The Board has recently completed its annual self-evaluation for the year ended June 30, 2024, regarding which a report by the Chairman on Board's overall Performance u/s 192 of the Companies Act 2017 is also attached with this Annual Report. For the Purpose of Board evaluation, a comprehensive criteria has been developed. The performance of the Board of Lucky Cement is evaluated regularly along the following parameters, both at individual and team levels.

Evaluation Criteria for the Board

1. **Board Composition:** Effectiveness in bringing in a mix of gender, talents, skills and philosophical perspectives. Integrity, credibility, trustworthiness and active participation of members.
2. **Leadership and Planning:** The Board spends sufficient time on strategy formulation. Its ability to provide guidance and direction to the Company,

review adequacy of resources and follow-up and review of annual targets set by the management.

3. **Board Effectiveness:** All Board members understand and fulfill their responsibilities and comply with all relevant laws. Significant issues are placed in front of the Board for consideration.

4. **Board Accountability:** The Board reviews potential risks, adequacy of internal controls and the risk management procedure.

5. **Strategy and Performance:** The Board devotes appropriate time to review the implementation of Company's strategic and financial plans.

6. **Organization:** The Board meetings are structured to make effective use of the member's time and skills. Board members receive appropriate supporting materials for timely decision-making.

7. **Ethics and Compliance:** The Board ensures that professional standards and corporate values are put in place that promote integrity for the Board, Senior Management and employees in the form of the Company's Code of Conduct. It is notified of material communications received from governmental or regulatory agencies related to areas of any non compliance.

8. **Risk Management:** The Board has a sound process for identifying and regularly reviewing the Company's principal risks, and makes necessary adjustments in light of changes to the internal and external environment. The overall performance of the Board measured on the basis of above mentioned.

Directors' Orientation

The Company has made sufficient arrangements to carry out orientation sessions for their directors to acquaint them with company's operations, applicable laws and regulations and their duties and responsibilities in order to enable them to effectively govern the affairs of the company on behalf of shareholders.

Directors Training Program

All the directors of the Company have either acquired the prescribed certification under the Director training program offered by Pakistan Institute of Corporate Governance or are exempted based on their education and experience.

External Oversight of Functions

Lucky Cement ensures the efficiency, effectiveness and credibility of all its functions by regular monitoring, making benchmarks and assessing the goals assigned to respective functions. Following is the summary of measures taken to attain the benchmarks through oversight:

- All our processes and functions are subject to systems audit by the Internal Audit function;
- The Company's processes at both of its plants and corporate office were thoroughly reviewed for compliance with best practices for HSE by a firm of external specialists.
- The Information Systems and network security were audited by a firm of external specialists / external Information Systems auditors;
- The Manufacturing processes are regularly reviewed on the basis and guidelines of International industry's best practices, industry norms and standards setting authorities, e.g. NEQS etc. ; and
- Bulk material surveys are conducted by third parties to ensure completeness and accuracy of coal and other bulk materials' inventory.

Approved Policy for Related Party Transactions

The Board of Directors have approved a Policy for Related Party Transactions, which require that the company shall carry out transactions with its related parties on an arm's length basis in the normal course of business. The term 'arm's length' entails conducting business on the same terms and conditions as the business between two unrelated / un-concerned persons. The policy specifies that all transactions entered into with related parties shall require Board's approval on the recommendation of the Board's Audit Committee, which is presided by an independent director of the Company. Transactions entered into with the related parties include, but are not limited to, sale of cement, dividends paid and received, investments made (in accordance with the approval of shareholders and board where applicable) and salaries and other benefits paid to the key management personnel. All transactions except for sale of cement arise either because of some contractual obligation (salaries to key management personnel) or under approval of shareholders (dividend).

Disclosure of Related Party Transactions

The Company has made detailed disclosures about related party transactions in its financial statements annexed with this annual report. Such disclosure is in line with the requirements of the 4th Schedule to the Companies Act, 2017 and applicable International Financial Reporting Standards. The Company undertakes sale of cement transactions on the same basis and terms as with other unrelated persons. All transactions or arrangements with all related parties were carried out in the ordinary course of business on an arm's length basis.

Details of party-wise disclosure of such transactions is also given in the statement u/s 134 annexed with the Notice of AGM.

Director's Interest

Since the Company is a part of a conglomerate, often some directors are interested in certain transactions due to their common directorships in the Group companies. Accordingly, the matter of approval of related party transactions is presented to the general meeting of the shareholders for their approval.

Policy for Governance of Risk and Internal Controls

Lucky Cement Limited's risk management framework is designed to assess and mitigate risks in order to minimize their potential impact and support the achievement of Lucky Cement's long term purpose and business strategy. Risk assessment is performed regularly to create a good understanding of the company's key risks, to allocate ownership to drive specific actions around them and take any relevant steps to address them.

Due to their critical importance, our material issues and principal risks are integrated into our business planning processes and monitored on a regular basis by our Board of Directors. Strategic, Commercial, Operational, Financial and Compliance risks are ranked based on their impact on Lucky Cement Limited and probability of occurrence. Upon identification of risks, mitigating strategies and action plans are developed, implemented and monitored.

Board's Policy on Diversity

The Board of Directors of Lucky Cement continues to have a firm commitment to policies promoting diversity, equal opportunity and talent development at every level throughout the Company, including at Board and management level and is constantly seeking to attract and recruit highly qualified candidates for all positions in its business. The Company believes that diversity at the Board level acts as a key driver of Board effectiveness, helps to ensure that the Group can achieve its overall business goals, especially in light of our geographical footprint, and is critical in promoting a diverse and inclusive culture across the whole Company. The Board of Directors firmly believes that the diverse mix of gender, knowledge, expertise and skill sets of the members enhances the effectiveness of the Board. In this regard, Lucky Cement's Board ensures that a diverse mix of directors are elected on the Board of the Company, which represent the interests of all stakeholders. Following are the cornerstones of the Board's policy on diversity:

- The Board composition will meet the minimum requirement of the applicable laws.
- The Board will have adequate female representation.
- The Board will have such directors who bring along with themselves diverse skill sets pertaining to entrepreneurship, financial matters, legal, marketing, human resources and supply chain.
- The Board of Directors will not discriminate on the basis of gender, religion or caste.

Disclosure of Director's Interest in Significant Contracts / Conflict of Interest of Board Members

In order to avoid any known or perceived conflict of interest, formal disclosure of vested interests is encouraged under the Code of Business Ethics and the Policy for Conflict of Interest relating to Board of Directors, approved by the Board. The Code and the Policy comprises of not only the principles provided under the regulatory requirements but encompasses global best practices as well. The board members are responsible for appropriate self-disclosure in a transparent manner and in the case of doubtful situation, are advised to discuss it with the chair of the meeting for guidance. Board members' suggestions and comments during their proceedings are accordingly recorded for evaluation, in addition to description and quantification of any foreseen conflict of interest prior to finalization of the proceedings' agenda.

Policy for Remuneration to Non- Executive Directors

Through the Articles of the Company, the Board of Directors is authorized to fix remuneration of Non-Executive and Independent Directors from time to time. The Board of Directors has approved a 'Remuneration Policy for Directors and Members of Senior Management'; the salient features of which are:

- The Company will not pay any remuneration to its non-executive directors except meeting fee for attending the Board and its Committee meetings.
- The remuneration of a Director for attending meetings of the Board of Directors or its Committees shall from time to time be determined and approved by the Board of Directors.
- A Director shall be provided or reimbursed for all travelling, boarding, lodging and other expenses incurred by him for attending meetings of the Board, its Committees and/or General Meetings of the Company.

Retention of Board Fee by the Executive Director Against Services Rendered As Non-Executive Director in Other Companies

The executive directors are authorized to retain board fee earned by them against provision of their services as non-executive directors in other companies.

Foreign Directors

The Company does not have any foreign directors on the Board.

Details of any Board Meetings Held Abroad

Since all the directors of the Company are based in Pakistan, no meeting of the Board of Directors of the Company was held abroad.

Human Resource Management Policy & Succession Planning

As we continue our journey of growth, the role and the development of human resources becomes all the more critical. The Company has a demonstrated track record of employing talented human resources across all its functions, which ensures availability of competent personnel for each department, in terms of an individual's potential, qualification, experience and professional attitude amongst other factors. At Lucky Cement, we form and retain a motivated workforce fully equipped to steer the Company towards achieving its vision and mission through consistent focus on grooming by way of training and development in addition to providing them with market commensurate compensation packages. This is in line with Company's progressive and forward looking Succession Planning Policy, which transforms existing talent into a competent workforce capable of occupying future strategic positions. The Policy is periodically updated in line with the Company's requirements and career growth objectives.

Social and Environmental Responsibility Policy

Lucky Cement has formulated an efficient policy for Social and Environmental responsibilities which lays down the Company's commitment towards creating a more equitable and inclusive society by supporting processes which lead to sustainable transformation and social integration. Our primary focus of social responsibility is to craft business policies that are ethical, equitable, environmentally conscious, gender sensitive and also takes care of the differently-abled. The Company ensures that all social and environmental dimensions are considered when developing its strategies, policies, practices and procedures.

We have consistently demonstrated our steadfast commitment by acting responsibly towards our connected community and environment. We believe that success of the Company is best reflected in development of the community. Lucky Cement's Social and Environmental Responsibility Policy is aligned with all our corporate statements while confirming the company's steadfast commitment to sustainable development within the country.

Protecting the Environment

Our primary objective is to minimize our carbon footprint and any negative impact we may have on the environment. Lucky Cement is committed to the following:

- Meet or exceed the requirements of relevant legislative, regulatory and environmental standards.
- To keep emissions of particulate matter, CO2, Sulphur dioxides, oxides of nitrogen, carbon monoxide etc. at minimum levels / below the respective limits specified in the National Environmental Quality Standards (NEQS).
- To identify, reduce and dispose of waste arising from our operations in a manner that minimizes harm to the environment and prevents pollution of land, air and water.
- To reduce the consumption of energy and water and use renewable and/or recyclable resources wherever practicable.

Apart from regulatory obligations, Lucky Cement will proactively protect the environment by;

- Clean Energy Projects
- Organizing reforestation excursions
- Using environmentally-friendly technologies
- Compliance with ISO 9001, ISO 14001 and OHSAS 18000

Supporting the communities

Sustainability and community development forms a part of the Core Values at Lucky Cement. As a responsible social entity, Lucky Cement shall provide support to national and local charities or entities to promote cultural and economic development of local communities.

- Lucky Cement ensures community development and uplifting of the standards of living of the masses through interventions in health, education, and environment.
- Lucky Cement supports development of quality human resources in the Country by sponsoring scholarship programs at leading universities/schools. Moreover, it supports provision of facilities / resources to such places of learnings.
- Lucky Cement contributes to various health care institutions including Cardiac Hospitals, Kidney Centers for support and relief to needy and under privileged patients.
- Lucky Cement provides free medical facilities through Welfare dispensaries located at plant sites.
- Lucky Cement also encourages its employees to share their time and skills in a socially constructive manner for the development of the society.

Our People

Lucky Cement recognizes that its human resources are its most valuable asset and it is committed to provide careers and working environments in which its people can achieve their full potential.

- Lucky Cement is dedicated to protecting human rights through its "Code of Conduct" and provision of equal opportunity to potential employees and practices all fair labor practices.
- Lucky Cement ensures that its activities do not directly or indirectly violate human rights at any of Lucky Cement's site (e.g. forced labor, child labor). As a policy, Lucky Cement does not hire minors as workforce.
- Lucky Cement provides employment to differently-abled persons, wherever business requirements allow.

- Lucky Cement makes every reasonable and practicable effort to provide safe and healthy working conditions in all its plants, sites and offices.

Charity and Income Purification

Lucky Cement is a SECP certified Shariah Complaint Company and is required to comply with the latest Shariah Governance Regulations and the pronouncements of its Shariah Advisor, wherever applicable. Accordingly, Lucky Cement contributes to charity in approved non-profit organizations as a consequence of income purification, if applicable.

Communication with stakeholders

Lucky Cement is fully committed to developing effective working relationships with all our stakeholders. Throughout all its business dealings, Lucky Cement has provided stakeholders with opportunities to provide meaningful input into management decision-making. The Company endeavors to provide full and fair disclosure of all material information to its stakeholders besides providing a wide range of information about strategy and financial information through its Annual Report and website for all stakeholders. The Company also regularly undertakes corporate briefing sessions with the investors / research analysts to update them on the Company's performance and future plans. The policy enables Lucky Cement to utilize a variety of methods to stimulate stakeholder's engagement and to understand how to best deal with them. The strategies resulting from various engagements are tailored to suit business decisions, activities and processes.

Frequency of communication with stakeholders is based on the corporate and business requirements as laid down by the Code of Corporate Governance, contractual obligations or as and when required. Employee communication is undertaken through in house newsletters, Climatic surveys, employee portals and electronic bulletin boards.

Investors Grievance Policy

At Lucky Cement, we value our relationships the most. We have earned the trust of our investors and are fully committed to sustain it. Thus to set guidelines for handling and addressing Investors' and Shareholders' grievances effectively and ensuring Investors'/ Shareholders' satisfaction, an Investor Grievance Policy has been formulated. The objective of this Policy is to safeguard and protect the interest of all investors and shareholders, while ensuring that their grievances are resolved quickly and efficiently. The Company has internally established a mechanism for investor services and grievances handling and has hired the services of an independent Share Registrar in addition to having a dedicated section (corporate secretariat) to resolve all issues of investors. The salient feature of our Investors' Grievance Policy are as follows:

Complaints are initially lodged with the Share Registrar of the Company who takes necessary steps for resolution or intimation to the Company in case they fall outside their domain.

A designated email address i.e. company.secretary@lucky-cement.com for general correspondences can also be used by investors to register complaints. The grievances can also be notified via Complaint Form available on the Company's website in line with the directives of SECP. Other options of registering complaints like phone or fax are also available.

The Corporate Secretariat function at the Company checks the official email address on a daily basis for new complaints lodged by the investors/shareholders. The Company adheres to the practice of resolving all investors' complaints within ten (10) working days of the receipt thereof. A letter/ email in this regard is sent to the investor with intimation to the Shares Registrar/ SECP/ Stock Exchange, as and when required, duly signed by the Company Secretary.

The Corporate Secretariat function maintains complete record of all the complaints received through email, fax, post, Share Registrar, SECP, and / or Stock Exchanges and their relevant replies.

Employee Health and Safety Policy

Lucky Cement has very high regard for the health and safety of its employees. The Company ensures that all HSE related dimensions are considered when developing its strategies, policies, practices and procedures. The key elements of Health and Safety policy are as follows:

- To take all necessary steps to ensure that operational practices comply with the stipulated procedures as well as with national and international regulations, guidelines and standards.
- Provide effective Quality, Health, Safety and Environmental training to all employees, drivers and sub-contractors, which will enable them to produce quality products, eliminate personnel injury, reduce environmental risks and to protect assets of the plant. Training shall be provided with the goal to prevent, prepare and respond to emergencies in a timely and effective manner to ensure zero or minimal impacts on Health, Safety and environment from our activities.
- Necessary health and Safety induction shall be given and all the staff shall be required to wear / use personal protective equipment.
- All procurement of goods and services shall be made with a view to minimize impact on the environment and ensure personnel safety.
- To prevent accidents and cases of work-related injury / health hazards, the HSE function will manage the health and safety risks in the workplace by undertaking a risk assessment and bridging the identified gaps.
- A periodic review of Health, Safety & Environment shall be conducted for routine and non-routine jobs at all site / functions of LCL.
- Health and Safety related procedures / work instructions shall be developed and awareness shall be imparted to employees. Key safety related work instructions shall be displayed prominently at production sites, workshops and other locations where employees work, in the form of posters in Urdu and English languages together with relevant pictorials.
- Appropriate record of all work related instances of injuries and near-miss incidents shall be maintained.
- Periodically conduct HSE internal and external auditing to continually improve operating systems. The frequency of such audits shall be as follows:

Whistle Blowing Policy

In view of our commitment to create an atmosphere where people can freely communicate their concerns or raise an alert against possibility of occupational fraud, noncompliance with Company's policies, Code of Conduct and regulatory framework, an effective Whistle Blowing Mechanism has been implemented. This policy is designed to enable Directors and all employees of the company to raise complaints at designated platform. The Company also encourages its suppliers, customers and service providers to also raise concerns through a dedicated whistle blowing policy formulated for external partners. An inappropriate event could be any behavior, action or incident that compromises the interests of shareholders, investors, employees, customers or any other stakeholder.

The policy provides an opportunity to internal and external partners to identify and voice any activity that deviates from company policies. In the interest of the Company, it is the responsibility of every employee to ensure that no inappropriate event occur. The Company's Whistle Blowing Policy is a comprehensive document which emphasizes on exercise of diligence and good faith on the part of whistle blowers. It covers the circumstances which may be reported and provides adequate safeguards for the protection and avoidance of victimization of the whistle blower. The Policy establishes and empowers the Ethics Committee; which also includes the Head of Internal Audit, for the oversight of Whistle blowing policy and its compliance. Such communications are investigated independently and are reported at the highest level. The policy also provides an avenue to raise any matter directly to the Chairman of the Board Audit Committee. During the year the Ethics Committee received several complaints, which were reported by the Head of Internal Audit to the Board Audit Committee.

All those who come in the ambit of Whistle Blowing Policy are encouraged to participate without fear of reprisal or repercussions, in confidentiality, under defined reporting channels.

Policy for Safety of Records

Company's policy for safety of records provides an effective mechanism for record retention till such time as is legally required. The records include books of accounts, documentation pertaining to secretarial, legal, contractual, taxation and other matters. The objective of the Policy for Safety of Records is to safeguard Company's record by taking effective actions pertaining to the creation, confidentiality, maintenance and disposal of the documents. The policy also supports the objective of holding Company records for as long as legally required and to dispose of as per the record retention policy.

Company's Approach to Managing and Reporting Policies

Lucky Cement takes a comprehensive and diligent approach to managing and reporting policies, reflecting its commitment to transparency, accountability and ethical practices. While recognizing that well-defined policies form the foundation of a robust organizational framework, our systematic policy management system encompasses policy creation, dissemination, implementation, and review. Our policies are formulated with input from relevant stakeholders, incorporating industry best practices and legal requirements.

To ensure effective communication and understanding, we employ a clear and accessible policy dissemination strategy, making them readily available to all employees through our intranet platform. We also conduct regular training sessions to enhance awareness and compliance among our workforce.

The policies provide clear guidelines to all concerned, including for management and external reporting. The policies and procedures; including for procurement, waste and emissions are subject to review at regular intervals and take into account any change in regulatory environment, operational efficiencies and compliance with international best practices.

I.T. Governance Policy

Recognizing I.T. Governance as a critical part of overall Corporate Governance, the Company has aligned itself to efficient use of Information Technology resources in achieving its operational and strategic objectives while increasing shareholders' value. The Company has formed an I.T. Steering Committee that provides strategic leadership, establishes Company-wide I.T. priorities and oversees all I.T. policies. The Committee is governed by approved roles and responsibilities. The Committee meets on a periodic basis and mainly focuses on:

- Strategic direction of the Company in terms of technology;
- Aligning the I.T. Strategy with Business Strategy;
- Ensuring adequate information security;
- Influencing development and design of technology services, policies and solutions; and
- Business Continuity Management including Disaster Recovery.
- The Company's I.T. Governance Policy encompasses:
- Engaging stakeholders to establish priorities for technology investment that are aligned with Company's goals and objectives.
- Promoting governance, transparency, accountability and dialogue about technology that facilitates effective strategy adoption.
- Securing network and data.
- Keeping the I.T. function proactive from an innovation perspective, providing ideas to the business.
- Maximizing return on technology investment with controlled spending, while providing the company with a coherent and integrated I.T. architecture and management structure.
- Ensuring compatibility, integration and avoidance of redundancy.

Business Continuity and Disaster Recovery Plan

The Board of Directors ensures that the Company has an updated Business Continuity and Disaster Recovery plan in place for the continuity of Company's business and operations in case of any extra ordinary circumstances. The comprehensive plan is designed to ensure the protection of overall company's operations and assets along with regular archival and system backups at remote sites. The Board has ensured that management has put in place-adequate systems of IT Security, real-time data backup, off-site storage of data backup, implementation of high available devices, establishment of disaster recovery facility (alternate Data Centre) and identification of critical persons for disaster recovery. It has also ensured that the disaster recovery plan is regularly tested to ensure the readiness of the IT systems in case of any disaster.

Compliance with the Best Practices of Code of Corporate Governance

Living up to its standard, the Board of Directors has throughout the financial year 2023-24, complied with the requirements for Code of Corporate Governance, the listing regulations of the Pakistan Stock Exchange and the requirements for Financial Reporting framework of Securities & Exchange Commission of Pakistan (SECP). Report of the Board's Audit Committee on adherence to the Code of Corporate Governance, statement of compliance with the Code of Corporate Governance by the Chief Executive Officer of the Company, besides review report by the Company's Auditors are included in this Report.

Governance Practices Exceeding Legal Requirements

The Company complies with all the requirements of Code of Corporate Governance and other Regulations. LCL has always believed in going the extra mile and staying ahead of its game. In view of this strategy, we comply with all mandatory legal requirements and have also carried out the following practices in addition to the legal requirements:

a. More than minimum specified independent directors

The Company has three independent directors on its Board, which are more than the minimum specified two independent directors.

b. Timely and detailed announcements to the PSX

The Company makes full disclosure of any material information and quarterly/half-yearly and annual results to the PSX with detailed overview within the stipulated time. The half yearly financial results are announced to the PSX within 30 days; whereas, the annual financial results are announced within 40 days of close of accounting period.

c. Implementation of Health and Safety Environment:

The Company has implemented robust HSE strategies and policies at its Plants and Offices to ensure proper safety for its Human Capital. It has a dedicated HSE department which oversees and ensures implementation of such policies.

d. Voluntary Adoption of Integrated Reporting Framework and disclosure of additional information:

LCL always strives for excellence in Corporate Reporting, to meet the International Standards of Corporate Reporting; we have adopted the Integrated Reporting Framework to provide insight about the resources and relationships used and affected by our organization.

e. Timely circulation of Agenda and Minutes of the meetings

The management ensures timely circulation of agenda and minutes to the members of the Board of Directors and its committee to give them suitable time to review and provide their comments and suggestions and, for timely decision making.

f. **Related Party Transactions**

The related party transactions carried out by the Company during a quarter are placed before the Audit Committee in every quarterly meeting and upon their recommendation, the same is placed before the Board. In order to promote transparent business practices, the shareholders have authorized the Board of Directors to approve transactions with the related parties from time-to-time on case to case basis, which shall be deemed to be approved by the Shareholders. These transactions are placed before the shareholders in the next AGM for their formal approval/ratification.

Details of Shares Held By Sponsors / Directors / Executives And Distribution of Shareholders

Details of shares held by sponsors and distribution of shareholders are given in the Shareholders' category and Pattern of Shareholding sections of this report.

Details of attendance in meetings of the Board committees

The details of attendance in the meetings of Board Committees are disclosed in the Directors report, included in this Annual Report.

Announcement of Financial Results

The Company has communicated its Quarterly / Half Yearly and Annual Financial Results in a timely manner. Following is the timeline for authorization of financial statements by the Board of Directors:

Particulars	Date of Authorization	Date of Authorization
First Quarterly Financial Statements	October 30, 2023	Within one month
Half-yearly Financial Statements	January 26, 2024	Within one month
Third Quarterly Financial Statements	April 29, 2024	Within one month
Annual Financial Statements	August 9, 2024	Within 40 days

Presence of the Chairman of the Board Audit Committee at the General Meetings

During the FY 2024 one Annual General Meeting and one Extra-ordinary general meeting took place. The Chairman of Board Audit Committee attended all the meetings wherein he was available to answer any question pertaining to the Board Audit Committee's activities.

Profile of the Shariah Advisor of the Company

Alhamd Shariah Advisory Services (Private) Limited is a Private Limited Company registered with the Securities and Exchange Commission of Pakistan (SECP) under the Shariah Advisors Regulations, 2017. Established solely with service objectives of promoting Halal, Shariah Compliant Financial System Globally, it operates under its Board of Directors comprising leading Shariah Scholars working for well recognized Darul-Uloom (Islamic Seminaries). The founding Directors of Alhamd Shariah bring in a unique blend of relevant qualifications and rich experience in the areas of Shariah Advisory and Audit of Islamic Banks, Mutual Funds, Islamic Insurance, Reinsurance, Asset Management & Manufacturing Companies.

Alhamd Shariah is a solution provider in the provision of complete Shariah advisory and consultancy services to financial institutions, Insurance/Takaful companies, Leasing companies, Modarabah companies, Microfinance institutions, Manufacturing and Trading companies, Mutual Funds and NGOs. It structures the products and securities with the objective of advising as to whether or not such services or activities are in conformity with the principles of Shariah and to recommend necessary changes to make them Shariah Compliant. It provides a unique combination of Shariah advisory services customized to meet different jurisdictions and regulations.

Mufti Ibrahim Essa, the Chief Executive Officer of Alhamd Shariah, is a well-known recognized Shariah Scholar in the field of Islamic Banking and Takaful. He has completed his Darse Nizami (Masters in Quran and Sunnah) and Takhassus fil Ifta (Specialization in Islamic Jurisprudence) from Jamiah Darul Uloom Karachi. Currently he is working as teacher and Member of Darul Ifta Jamiah Darul Uloom Karachi.

Mufti Ibrahim Essa is associated as Chairman and member of various banks/ financial institutions. He is also the Shariah Advisor of various banks and insurance companies; both locally and internationally. Mufti Ibrahim has also written more than three thousand Fatawa on different topics.

Mufti Uzair Bilwani, the Head - Research & Development, is a well known Shariah Scholar and registered as Shari'ah Advisor by Securities and Exchange Commission of Pakistan. He has completed his Islamic education in Johannesburg from Darululoom Azadville, South Africa where he studied various aspects of Islamic sciences including Arabic grammar, Islamic law, Tafseer ul Qur'an and Islamic history.

He then enrolled at Jamiah Darululoom Karachi where he specialized in Islamic law (Fiqh) and qualified as a Mufti. Here he was able to study under some of the world's renowned scholars including Mufti Mohammad Taqi Usmani and write over 300 Fatwas on complex issues in today's society. He is associated with various Financial and Non - Financial Institutions as Shariah Advisor locally and globally.

Shariah Review Report

For the year ended June 30, 2024

We have conducted the Shari'ah review of Lucky Cement Limited (LCL) for the year ended on June 30, 2024, in accordance with the provisions of Shariah Governance Regulations, 2023 and in our opinion:

- The transactions, the documentations and the procedures adopted have been in accordance with principles of Shariah;
- The business affairs have been carried out in accordance with rules and principles of Shariah;
- Further, the Shariah non-compliant income earned by the company during the period has been purified from the company's income.

The Company has equity investments in companies whose core businesses do not violate Shariah principles; however, to comply with clause 3 of the regulations, we recommend that the Company should also take Shariah Certificate from SECP for all the Companies in which LCL has made equity investments.

Conclusion:

Based on the Review of Company's operations, transactions, related documentation, processes, policies, legal agreements, and management's representation, in our opinion, the affairs of LCL have been carried out in accordance with the rules and principles of Shariah, and therefore, we are of the view that Lucky Cement Limited is a Shariah Compliant Company.

In the end, we pray to Allah Almighty to grant us success and help us at every step, keep us away from every hindrance and difficulty, and give financial success to Lucky Cement Limited.

For and on behalf of Alhamd Shariah Advisory Services (Pvt.) Limited.

والسلام علیکم ورحمۃ اللہ وبرکاتہ

Mufti Muhammad Ibrahim Essa
Chief Executive Officer
Dated: August 15, 2024

Mufti Uzair Bilwani
Executive Director

Disclosure on Company's use of Enterprise Resource Planning (ERP) software

Design And Integration Of Core Business Processes In A Single System

SAP is the world leading ERP software that provides integrated business modules to capture day-to-day business transactions. Lucky Cement uses SAP to hold business transactions and for financial reporting. It consists of several modules, including Financial Accounting (FI), Controlling (CO), Asset Accounting (AA), Sales & Distribution (SD), Material Management (MM), Production Planning (PP), Quality Management (QM), Plant Maintenance (PM), Human Capital Management (HCM). All these modules are integrated with each other, which ensures data integrity and process controls. The close integration and central database ensure that information flows from one ERP component to another without the need of redundant data entry. For Lucky Cement SAP ERP system provides the automation, integration, and intelligence that is essential to efficiently run all day-to-day business operations. Most of the organization's data reside in the SAP system to provide a single source of truth across the business.

Management's support in continuous updation of ERP

IT Steering committee oversee the entire process of keeping the organization up to date in terms of technology use and its updates. It is responsible to introduce new initiatives in the organization that can bring improvements in processes and increase efficiency with enhanced controls for effective business management.

The company uses standard application lifecycle management process to adapt and implement new and enhanced business process and technical scenarios holistically and effectively manage the upgrade and update project end-to-end. Steering committee oversee the entire process chain and ensure that the business process owners consider the risk involving in process upgradation or to carry on without enhancing business module. Decision is vital not only for ERP system but also for business activities because every such technology decision impacts business activities. In Lucky Cement, management decides the level of collaboration with SAP and other technological systems to bring efficiency in daily operations and control improvements.

SAP User Trainings

Lucky Cement has two manufacturing facilities and various other locations. Every year a training program is executed where users are provided a refresher of all modules on all locations to effectively use the systems being used. In addition, department can also request for training of any specific module for their new hires and existing team members.

Management of Control Risk Factors on ERP Projects

A proper study covering all the aspects of ERP project is defined prior to commencing the implementation. A detailed 'to be' document is prepared which covers all the aspects of change that is expected from the project including the associated risks. It also covers the entire process map, which has a complete buy in of all the business functions covering the holistic view of the change.

The processes are tested extensively prior to finalizing to ensure it has catered for all the requirements and have all the controls needed to achieve effective business results.

Change management and risk management is the key focus of any ERP project. Lucky Cement ensures that the process of change management is focused from the start of the project. Awareness sessions for the process owners and management impacted by the project are conducted. Process owners are made part of the project team to ensure their participation and ownership. An extensive training program for the process owners, users and management is conducted prior to the project is concluded.

All these actions are taken to ensure smooth and trouble free ERP project implementation.

System Security and access controls

Governance Risk and Control (GRC) function has been established by the company. Prior to granting access to the system, GRC ensures that conflicting duties are not assigned. Further, there is an annual process of access rights review, during which process owners ensure that rights assigned to users commensurate with their job responsibilities. Furthermore, for all the sensitive transactions, workflows are also implemented in the ERP, which enables the 4-eye principle.

External Search Consultancy for Appointment of Any Director

No external search consultancy was used for appointment of any director on the Board.

Chairman's Significant Commitments and any Changes Thereto

Mr. Muhammad Sohail Tabba is serving Lucky Cement Limited as the Chairman of the Board. With his vast leadership experience spanning over three decades, he leads the Board with utmost dedication and commitment. He does not have any significant commitment other than being the Chairman of the Board of Lucky Cement.

Government's Policy and its Impact on the Business

The impact of overall economic environment and the policies of the Government of Pakistan on the Company's businesses are disclosed in the Directors' Report, included in this annual report.

Report of the Audit Committee

The Audit Committee of Lucky Cement Limited is appointed by the Board and has five (5) non-executive directors, out of which three (3) are independent directors. The Chairman of the Committee, Mr. Masood Karim Shaikh, is an Independent Director. The committee as a whole possesses significant economic, financial and business acumen. During the year, seven meetings of the Audit Committee were held which the Chairman BOD, Chief Executive Officer and Chief Financial Officer also attended by invitation. The external auditors of the Company also attended two of the meetings when issues related to accounts and audit were discussed.

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

1. The Company has adhered in full, without any material departure, with both the mandatory and voluntary provisions of the listing regulations of the Pakistan Stock Exchange, Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company's Code of Conduct and Values and the international best practices of governance throughout the year.

2. The Company has issued a "Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019" which has also been reviewed and certified by the External Auditors of the Company.

3. The Company's Code of Conduct has been disseminated and placed on Company's website.

4. The Audit Committee reviewed quarterly, half-yearly and annual financial statements of the Company and recommended for approval of the Board of Directors. It has also reviewed preliminary announcements of results prior to publication and the internal audit reports.

5. Appropriate accounting policies have been consistently applied and exceptions, if any, have been appropriately disclosed in the financial statements. Applicable International Financial Reporting Standards were followed in the preparation of financial statements of the Company and consolidated financial statements on a going concern basis, for the financial year ended June 30, 2024, which present fairly the state of affairs, results of operations, cash flows and changes in equity of the Company and its subsidiaries for the year under review.

6. Accounting estimates are based on reasonable and prudent judgment. Proper and adequate accounting records have been maintained by the Company in accordance with the applicable laws and financial reporting is consistent with Management processes and adequate for shareholder needs.

7. These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Accordingly, approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017 (the Act), provisions of and directives issued under the Act. In case requirements differ, the provisions of or directives under the Act prevail.

8. The CEO and the CFO have endorsed the standalone as well as consolidated financial statements of the Company and the Board of Directors' Report. They acknowledge their responsibility for true and fair presentation of the Company's financial statements, accuracy of reporting, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the company.

9. The Audit Committee has reviewed the related party transactions and recommended the same for approval of the Shareholders in the Annual General Meeting after ratification from the Board of Directors.

10. Closed periods were duly determined and announced by the Company, precluding the Directors, the CEO and Executives of the Company from dealing in Company's shares, prior to each Board meeting involving announcement of interim/final results, distribution of dividend to the shareholders or communication of any other business decision, which could materially affect the market share price of the Company.

11. All direct or indirect trading and holdings of Company's shares by Directors & executives or their spouses were notified in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction which were notified by the Company Secretary to the Board within the stipulated time. All such holdings have been disclosed in the Pattern of Shareholding.

12. The statutory and regulatory obligations and requirements of best practices of governance have been met.

13. The Committee members carried out the Annual Evaluation of the Board Audit Committee in terms of board structure, Strategy, Decision Making, Internal Controls and Risk Management.

14. The Committee regularly reviews the mechanism for employees and management to report concerns to the Audit Committee and ensures that any allegations are scrutinized seriously. During the year, two whistles were blown, which were reported to the Audit Committee.

15. The Shariah Advisors ensured that the systems, policies and practices at LCL are in line with the Shariah Governance Regulations, 2018 and Shariah Guidelines issued by SECP from time to time.

Annual Report 2024

16. The Company has issued a very comprehensive Integrated Annual Report, which gives fair, balanced and understandable information in excess of the regulatory requirements to offer an in depth understanding about the management style, the policies set in place by the Company, its performance during the year, and future prospects to various stakeholders of the Company.

17. The Audit Committee believes that the Integrated Annual Report 2024 includes both financial and non-financial performance, risks and opportunities and outcomes attributable to Company's activities and key stakeholders having significant influence on its value creation ability.

Internal Audit Function

18. The Board Audit Committee has effectively implemented the internal control framework through an in-house Internal Audit function, which is independent of the External Audit function. The Company's system of internal controls is sound in design and has been continually evaluated for effectiveness and adequacy.

19. The Board Audit Committee has ensured the achievement of operational, compliance and financial reporting objectives, safeguarding of the assets of the Company and the shareholders wealth through effective financial, operational and compliance controls and risk management at all levels within the Company.

20. The Internal Audit Department carried out independent audits in accordance with an internal audit plan which was approved by the Board Audit Committee. Further, the Board Audit Committee has reviewed material Internal Audit findings and management's response thereto, taking appropriate action or bringing the matters to the Board's attention where required.

21. The Head of Internal Audit has direct access to the Chairman of the Board Audit Committee and the Committee has ensured staffing of personnel with sufficient internal audit acumen and that the function has all necessary access to Management and the right to seek information and explanations.

22. Coordination between the external and internal auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

External Auditors

23. The external auditors of the Company, M/s A.F. Ferguson & Co, Chartered Accountants, have completed their audit of the standalone and consolidated financial statements, the "Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019" and External Shariah Audit of the Company for the year ended June 30, 2024 and shall retire on the conclusion of the 31st Annual General Meeting.

24. The Board Audit Committee has reviewed and discussed Key Audit Matters and observations with the external auditors. The final Management Letter including such audit observations is required to be submitted within 45 days of the date of the Auditors' Report on the financial statements as required by the Code of Corporate Governance and shall therefore, accordingly be discussed in the next Board Audit Committee meeting. The external auditors M/s. A.F. Ferguson & Co, Chartered Accountants were allowed direct access to the Audit Committee.

25. Appointment of external auditors and fixing of their audit fee was reviewed and the Audit Committee following this review recommended to the Board of Directors re-appointment of M/s. A.F. Ferguson & Co., Chartered Accountants, as external auditors for the year ending June 30, 2025. Being one of the Big Four Audit firms, the Audit Committee is satisfied with the integrity, objectivity and effectiveness of the services provided by the firm.

26. The external auditors M/s. A.F. Ferguson & Co, Chartered Accountants have been the auditors of the Company since 2017. The current engagement partner has started his tenure from FY 2023.

27. The Company also obtains taxation related services from M/s. A.F. Ferguson & Co, Chartered Accountants as it is one of the reputed firm in provision of said services and has sound professional policies and procedure to ensure independence.

28. M/s. A.F. Ferguson & Co., Chartered Accountants has been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and they are registered with Audit Oversight Board of Pakistan. The firm is fully compliant with the International Federation of Accountants (IFAC) Guidelines on Code of Ethics, as adopted by ICAP and have indicated their willingness to continue as auditors for the year ending June 30, 2025.

Masood Karim Shaikh

CHAIRMAN AUDIT COMMITTEE

Karachi: August 8, 2024

Statement of Compliance

with Listed Companies (Code of Corporate Governance) Regulations, 2019
Lucky Cement Limited
For the year ended June 30, 2024

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

1.The total number of directors are 7 as per the following:

Male:	6 (Six)
Female:	1 (One)

2. The composition of Board is as follows:

i) Independent Directors:
Masood Karim Shaikh
Khawaja Iqbal Hassan
Shabbir Hamza Khandwala

ii) Non-Executive Directors:
Muhammad Sohail Tabba
Jawed Yunus Tabba

iii) Executive Director:
Muhammad Ali Tabba

iv) Female Director:
Mariam Tabba Khan

3. The directors have confirmed that none of them is serving as a director on the Board of more than seven listed companies, including this company;

4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

8. The Board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. All seven (7) members of Board of Directors comply with the requirements of Directors' Training as required under clause 19 of the Listed Companies (Code of Corporate Governance) Regulations, 2019;

10. The Board has approved the appointment of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief Executive Officer and Chief Financial Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed following Committees, comprising of members given below:

a. Audit Committee

i. Masood Karim Shaikh – Chairman
ii. Jawed Yunus Tabba
iii. Mariam Tabba Khan
iv. Khawaja Iqbal Hassan
v. Shabbir Hamza Khandwala

b. HR and Remuneration Committee

i. Khawaja Iqbal Hassan – Chairman
ii. Muhammad Ali Tabba
iii. Jawed Yunus Tabba
iv. Mariam Tabba Khan
v. Masood Karim Shaikh
vi. Shabbir Hamza Khandwala

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the Committee for compliance;

14. The frequency of meetings of the Committee were as per following:

(a) Audit Committee: Seven meetings during the financial year ended June 30, 2024

(b) HR and Remuneration Committee: Two meetings during the financial year ended June 30, 2024

15. The Board has set up an effective internal audit function which comprises of professionals who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and

the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and

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

Matter	Regulation No.	Explanation
Nomination Committee The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29(1)	The Board effectively discharges all the responsibilities of Nomination Committee as recommended by the Code. It regularly monitors and assesses the requirements with respect to any changes needed on Board's committees including chairmanship of those committees. The Board also actively monitors requirements regarding its structure, size and composition and timely reviews and adapts any necessary changes in that regard.
Risk Management Committee The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	30(1)	The Board itself and through its Audit Committee annually reviews business risks facing the Company to ensure that a sound system of risk identification, risk management and related systemic and internal controls is being maintained to safeguard assets. All material controls (financial, operational, compliance) are monitored and reviewed. The Board ensures that risk mitigation measures are robust.
Significant Policies The significant policies may include but not limited to the anti-harassment policy to safeguard the rights and well-being of employees, incorporating the mechanism as prescribed under the Protection Against Harassment of Women at the Workplace Act 2010 and the respective provincial laws on the protection against harassment of women at workplace for the time being in force.	10(A)(4)	The Company's Code of Conduct covers the element of workplace harassment. Nevertheless, the requirements introduced recently by SECP through its notification dated June 12, 2024 are being incorporated in an independent anti-harassment policy.
Environmental, Social and Governance (ESG) matters The board is responsible for setting the Company's sustainability strategies, priorities and targets to create long term corporate value. The board may establish a dedicated sustainability committee having at least one female director.	10(A)(5)	At present the Board provides governance and oversight in relation to the Company's initiatives on Environmental, Social and Governance (ESG) matters. Nevertheless, the requirements introduced recently by SECP through notification dated June 12, 2024 will be complied with in due course.

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive/Director

Karachi: August 8, 2024

Directors' Report

REPORT OF THE DIRECTORS FOR THE YEAR ENDED JUNE 30, 2024

The Directors are pleased to present this report, accompanied by the Company's audited financial statements for the fiscal year ended June 30, 2024. The information provided below encompasses the unconsolidated and consolidated performance of the Company during this year.

This report has been prepared in accordance with Section 227 of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 and will be submitted to the shareholders at the 31st Annual General Meeting of the Company to be held on September 26, 2024.

Overview of Economy and Consolidated Financial Performance

Overview of Economy

Over the past year, our economy has faced significant challenges, primarily driven by high interest rates and inflation, which have dampened demand and led to a slowdown in large-scale manufacturing. This deceleration has also resulted in a reduction in imports, bringing the current account deficit to its lowest level in the past decade. As a result, the PKR has remained stable against the USD.

Moreover, the recent successful completion of a USD 3 billion IMF standby agreement, remittances and additional bilateral inflows have alleviated external pressures, leading to an increase in foreign exchange reserves, which are now at a two-year high.

On the political front, the formation of federal and provincial governments has brought much-needed stability, reduced uncertainty, and restored investor confidence. This political stability is anticipated to improve economic conditions and attract foreign direct investment in targeted sectors.

In response to these macroeconomic challenges, your Company's leadership is proactively implementing strategies focused on cost optimization, risk management, and innovation to enhance operational efficiencies. We remain committed to delivering value to our stakeholders and have full confidence in our business's strength and resilience to navigate these challenges and adapt seamlessly to evolving economic conditions.

Consolidated Financial Performance

On a consolidated basis, the Company achieved a 6.7% increase in net turnover, reaching PKR 411.0 billion compared to the previous year's turnover of PKR 385.1 billion. This growth in revenue, despite the economic challenges faced, is primarily attributed to higher sales revenue from Lucky Cement due to increased sales volume.

The consolidated net profit of the Company stands at PKR 72.3 billion, which amounts to PKR 65.6 billion excluding minority interest. This is a significant increase from the previous year's net profit of PKR 59.5 billion and PKR 48.8 billion, respectively. This translates into an earnings per share (EPS) of PKR 220.51 for the fiscal year ended June 30, 2024, compared to PKR 152.97 in the prior year, representing a growth of 44.2%. The primary drivers for this increase were the operations of Lucky Electric Power Company Ltd (LEPCL) and the improved profitability of both foreign and local cement operations.

The consolidated financial performance of your Company for the year ended June 30, 2024, as compared to last year is as follows:

PKR million except EPS	FY 24	FY 23	Change (%)
Gross Revenue	489,363	459,459	6.5%
Net Revenue	410,995	385,125	6.7%
Gross Profit	123,517	93,634	31.9%
GP as % of Net Revenue	30.1%	24.3%	23.9%
Operating Profit	100,078	77,295	29.5%
EBITDA	117,801	94,047	25.3%
Net Profit*	72,337	59,537	21.5%
NP (Attributable to Owners of the holding company)	65,556	48,758	34.4%
Earnings Per Share (PKR) *	220.51	152.97	44.2%

Local Cement Operations

During FY 2024, the Company's cement dispatches reached 8.59 million tons, showing a 16.5% increase over the same period last year (SPLY). This growth was mainly due to the addition of a new production line in Pezu and a substantial rise in exports. Specifically, export dispatches increased by 88% compared to the same period last year, while local dispatches saw a slight 3% increase.

Similarly, the pre-tax operating results of cement operations increased by 53% compared to last year. This growth was primarily due to an increase in sales revenue, significant additions of renewable energy, and a decline in input costs resulting from the cost optimization initiatives.

Foreign Cement Operations

The cement production facilities in Iraq and Congo, operating under joint venture agreements, continued to enhance the Company's profitability with improved margins. Cement sales showed an upward trajectory both in Iraq and Congo. Moreover, full capacity utilization at Najmat-Al-Samawah, in Iraq, and conversion of its Kiln's fuel from HFO to Gas, further improved your Company's profitability.

Polyester, Soda Ash and Chemicals

Net Turnover at PKR 120.5 billion for the year under review is 10% higher compared to the SPLY, primarily resulting from higher export volumes from the Soda Ash business following the successful commissioning of the 135,000 tonnes per annum (TPA) expansion project in the previous year. Net Turnover of the Pharmaceuticals, Chemical & Agri Sciences and Soda Ash increased by 33%, 17%, and 15% respectively as compared to the SPLY, whereas the Animal Health and Polyester businesses remained almost in line with the SPLY.

The Operating Result at PKR 17.2 billion for the year under review is 17% higher than the SPLY. The Pharmaceuticals, Soda Ash, and Chemicals & Agri Sciences businesses delivered higher Operating Results by 130%, 31%, and 11% respectively as compared to the SPLY, whereas the Polyester and Animal Health businesses posted a decline in Operating Results by 43% and 5% respectively as compared to the SPLY.

In line with the Group's growth aspirations and strategic objectives, during the year, Lucky Core Industries entered into an Asset Purchase Agreement with Pfizer Pakistan Limited and Pfizer Inc. on May 17, 2024 for the acquisition of a manufacturing facility owned by Pfizer Pakistan Limited along with the acquisition of certain pharmaceutical products and trademarks associated with the said products (either through an outright assignment of trademarks or a perpetual license to use the relevant trademarks) from relevant Pfizer group entities. The completion of the transaction remains subject to the receipt of necessary approvals and satisfaction of the conditions contemplated in the agreements.

Power

Lucky Electric Power Company Ltd (LEPCL) owns and operates a 660 MW supercritical lignite coal-fired power plant located in Bin Qasim, Karachi. The plant achieved Commercial Operations Date on 21st March 2022 and is designed to run on Thar lignite coal.

The Company has completed 4.4 million safe hours without a Lost Workday Injury (LWI) or a significant accident since the commencement of its operations in March 2022.

To manage its cash flows effectively LEPCL has secured PKR 49.2 billion in short-term financing, including PKR 24.2 billion in working capital and PKR 25.0 billion in Sukuk. Despite lower collections from the CPPA, the company was able to meet its debt obligations in full, making principal repayment of PKR 7.3 billion and interest payment of PKR 31.4 billion.

Automobiles and Mobile Phones

The automobile sector experienced a decline in volumes mainly due to currency fluctuations, introduction of additional taxes on automobiles, high-interest rates, tighter auto financing regulations by the State Bank of Pakistan (SBP), and rising inflation and fuel prices. The sector has observed an overall volume decline of around 20% compared to last year.

The mobile phone market, on the other hand has seen an overall improvement during this financial year compared to last year. This was attributable to improved supply situation following the lifting of import restrictions on mobile phone SKD kits by the government.

Cement Industry and Company's Performance – Unconsolidated

FY24 posed several challenges to the construction sector, including political instability, high inflation and interest rates, expenditure constraints leading to lower PSDP spending, and volatile energy prices. Despite these challenges, the cement industry in Pakistan witnessed marginal growth of 2%, driven by a surge in exports reaching 45.3 million tons during the year ended June 30, 2024, compared to 44.6 million tons last year. Local sales volumes declined by 5%, totaling 38.2 million tons, down from 40.0 million tons the previous year, due to the aforementioned reasons. Conversely, exports saw a significant surge of 56%, reaching 7.1 million tons, up from 4.6 million tons last year. This increase in export volumes was primarily due to enhanced export viability given stable freight costs and lower energy costs resulting from a focus on deploying green energy projects, such as solar power and wind.

In comparison to the broader Cement Industry, your Company's overall sales volumes increased by 16%, reaching 8.6 million tons during the year ended June 30, 2024, compared to 7.4 million tons last year. Local sales volume saw a marginal increase of 3%, reaching 6.4 million tons in the current year compared to 6.2 million tons last year. Likewise, the Company's export sales volume witnessed a significant growth of 88%, reaching 2.2 million tons in the current year compared to 1.2 million tons last year, owing to the factors explained above.

Cement Production & Sales Volume Performance
The production and sales statistics of your Company for the year ended June 30, 2024, compared to last year are as follows:

Particulars	FY 24	FY 23	Growth/ (Decline)
	Tons in '000'		%
Clinker Production	8,158	6,235	30.8%
Cement Production	7,476	7,060	5.9%
Cement / Clinker Sales	8,590	7,374	16.5%

A comparison of **Pakistan's Cement Industry** and your **Company's dispatches** for the year ended June 30, 2024, in comparison with SPLY, is presented below:

Particulars Tons in '000'	FY 24	FY 23	Changes %	
Cement Industry*				
Local Sales	38,185	40,018	(1,833)	(4.6%)
Export Sales				
- Bagged	3,243	2,512	731	29.1%
- Loose	52	83	(31)	(37.6%)
- Clinker	3,816	1,971	1,845	93.6%
Total Exports	7,110	4,566	2,545	55.7%
Grand Total	**45,296**	**44,584**	**712**	**1.6%**

Particulars Tons in '000'	FY 24	FY 23	Changes %	
Lucky Cement				
Local Sales				
- Cement	6,265	6,203	61	1.0%
- Clinker	126	-	126	100%
	6,391	6,203	187	3.0%
Export Sales				
- Bagged	1,194	750	445	59.3%
- Loose	52	83	(31)	(37.6%)
- Clinker	953	337	616	182.6%
Total Exports	2,199	1,170	1,029	87.9%
Grand Total	**8,590**	**7,374**	**1,217**	**16.5%**

Market Share	FY 24	FY 23	Changes %
Local Sales	16.4%	15.5%	5.8%
Export Sales			
- Bagged	36.8%	29.8%	23.5%
- Loose	100.0%	100.0%	-
- Clinker	25.0%	17.1%	46.2%
Total Export	30.9%	25.6%	20.7%
Grand Total	**18.7%**	**16.5%**	**13.3%**

* Industry data is based on best available market estimates

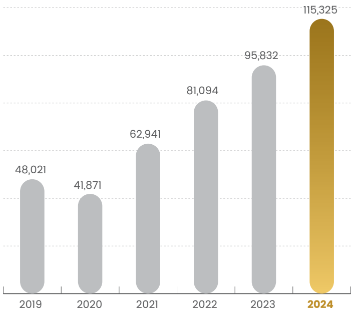
Financial Performance - Unconsolidated

The financial performance of your Company for the fiscal year ended June 30, 2024, as compared to last year is presented below:

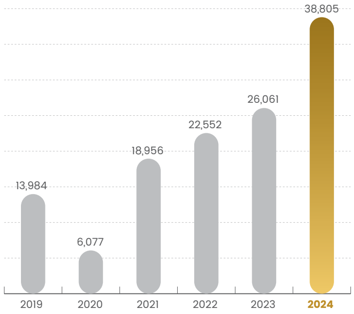
PKR million except EPS	FY24	FY23	Change (%)
Gross Revenue	151,808	125,819	20.7%
Net Revenue	115,325	95,832	20.3%
Cost of Sales	76,520	69,771	9.7%
Gross Profit	38,805	26,061	48.9%
GP as % of Net Revenue	33.6%	27.2%	23.5%
Operating Profit	28,870	18,908	52.7%
EBITDA	34,964	24,223	44.3%
Net Profit	28,107	13,726	104.8%
EPS	94.54	43.06	119.5%

Six year's financial performance:

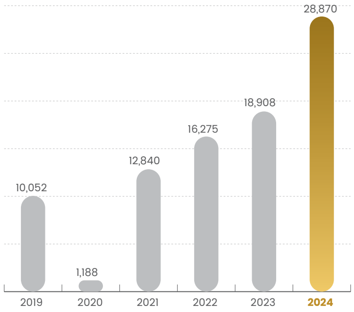
Net Revenue
(PKR in Million)



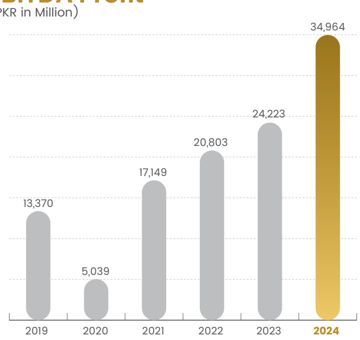
Gross Profit
(PKR in Million)



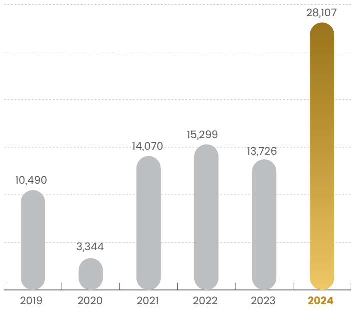
Operating Profit
(PKR in Million)



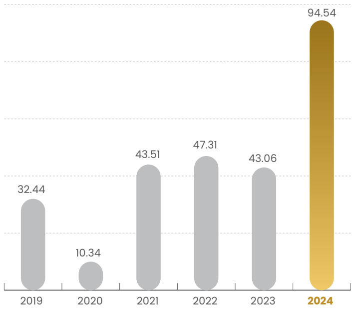
EBITDA Profit
(PKR in Million)



Net Profit
(PKR in Million)



EPS
(PKR)



Revenue

During the year under review, your Company's net sales revenue showed an increase of 20.3% (PKR 115.3 billion vs PKR 95.8 billion). The local gross sales revenue increased by 15% (PKR 129.2 billion vs PKR 112.1 billion) and export gross sales revenue increased by 65% (PKR 22.6 billion vs PKR 13.7 billion) due to increase in sales volume and cement prices.

Cost of Sales

During FY24, the cost of sales of your Company increased by 9.7% to PKR 76.5 billion as compared to PKR 69.7 billion last year. This increase is primarily attributable to higher production and sales volume compared to last year.

Gross Profit

The gross profit margin for FY24 reached 34% compared to 27% last year. Your Company's constant focus on cost, operational efficiencies and significant investment in renewable energy initiatives over the years has led to an increase in margins.

Dividend Income

The Company's dividend income for FY 2024 increased to PKR 10.6 billion, up from PKR 2.4 billion in FY 2023. While dividend income saw growth across most business segments, the primary driver of this increase was the first dividend payment from LEPCL, following the achievement of commercial operations.

Subsidiary/ Associate PKR Billion	FY 2024	FY 2023	FY 2022	FY 2021
LCI	3.0	1.3	2.0	1.3
LHL	–	0.2	0.3	0.2
YEL	0.2	0.2	0.2	0.1
LEPCL	6.0			
LMC	1.4	0.7	1.1	2.9
Total	10.6	2.4	3.5	4.4

Net Profit

Your Company achieved a profit before tax of PKR 41.4 billion during FY24 as compared to PKR 21.3 billion reported last year.

Accordingly, an after-tax profit of PKR 28.1 billion was achieved during FY24 as compared to PKR 13.7 billion reported last year, mainly on account of higher dividend income from subsidiaries and efficiency enhancement in core business operations.

Earnings per share

The earnings per share of your Company for the year ended June 30, 2024, was PKR 94.54 in comparison to PKR 43.06 reported last year.

Growth and Expansion

Renewable Energy Initiatives of Lucky Cement

A testament to your Company's commitment to energy conservation and promotion of green energy resources is evident in the various renewable energy projects initiated.

Solar Power Project

The company has implemented solar power solutions at our PEZU and Karachi plant sites, with a capacity of 42.8 MW in PEZU and 31.5 MW in Karachi, respectively. This brings our total cumulative solar power capacity to 74.3 MW. These solar installations not only reduce our reliance on conventional energy sources, thereby lowering operational costs, but also significantly contribute to our sustainability goals by minimizing our carbon footprint and promoting the use of renewable energy.

Wind Energy at Karachi Plant:

The Company has embarked on a 28.8 MW captive wind power project at its Karachi Plant, expected to be completed during 1Q FY25.

The completion of the above projects will bring the total renewable energy generation capacity of your Company to 103.1MW.

The Company's endeavors to invest in renewable energy projects will have a significant impact on cost savings and decrease the nation's dependence on imported fuel.

Clinker production capacity expansion in Samawah, Iraq – 1.82 million tons per annum

Construction and erection activities are in full swing and major plant & machinery deliveries will be completed during the 1Q FY25. The Company is targeting to complete the project during 2H FY25.

Share Buy-back of Lucky Cement Limited

In 1Q FY23, the Company announced a share buy-back of up to 10 million ordinary shares, which was approved by the shareholders in an EOGM held on September 20, 2022. This purchase, made from the Pakistan Stock Exchange Limited (PSX) at prevailing spot prices, was completed within the stipulated time at an average price of PKR 435.6 per share.

In a move to create further value for shareholders, the Company announced a second buy-back of up to 23.8 million ordinary shares in 4Q FY23, which was subsequently approved by the shareholders in the EOGM held on May 24, 2023. By November 20, 2023, 20.4 million ordinary shares had been purchased at an average price of PKR 632.6 per share, marking the completion of the prescribed time limit for the second buy-back.

Dividend & Appropriation

Your Company remains committed to both increasing its shareholder wealth and providing sustainable returns over the long term. The Company's diversification plan over the years, most of which has been financed by internally generated cash flows, has not only substantiated this commitment but has also started bearing fruit. Taking into consideration the current capital and equity investment plans the Board has recommended a final cash dividend of PKR 15/- per share subject to the approval of shareholders in the upcoming Annual General Meeting scheduled to be held on September 26, 2024.

Contribution to the National Exchequer and Earning Foreign Exchange

On a Stand-alone, your Company contributed PKR 39.0 billion (2023: PKR 31.3 billion) to the Government Treasury on account of income taxes, excise duty, sales tax, and other government levies.

Moreover, valuable foreign exchange to the tune of USD 80.03 million was generated by your Company for the Country from the export of cement during the year under review.

Health, Safety and Environment

A strong focus on HSE lies at the core of all operations of your Company. By strictly adhering to established HSE guidelines, your Company is dedicated to ensuring a safe working environment for its employees, contractors, and all stakeholders involved in its business activities. The Company upholds the highest health and safety standards, both for its on-site stakeholders and the communities in which it operates.

To enhance HSE awareness and foster a culture of continuous improvement in personal and process safety, job safety analysis and risk assessments are conducted for all critical and non-routine tasks. Additionally, the delivery of regular HSE talks and in depth awareness sessions has further reinforced our safety culture, cultivating an environment where HSE is regarded as a collective responsibility.

Zero Loss Work Day Injury

Throughout the past year, no major injuries or accidents were reported, which is a testament to our rigorous HSE follow-ups, audits, safety talks, continuous risk assessments, and the implementation of effective hazard mitigation measures. Adherence to HSE policies and procedures has been crucial in maintaining a safe work environment. These efforts underscore our commitment to ensuring the highest standards of health and safety within our operations.

Compliance With NEQ Standards

To ensure regulatory compliance, environmental testing is conducted regularly by EPA-approved laboratories. Through the use of advanced technologies and timely maintenance, all facilities of your Company operate at emissions levels which are well within the permissible limits set by NEQ standards. Our plants are equipped with state-of-the-art bag houses that control particulate matter emissions with an efficiency of 99.95%, contributing to an overall environmental protection efficiency of 99%.

In addition, your Company has implemented extensive tree plantation drives in and around its plant facilities, underscoring its commitment to sustainable and eco-friendly practices. This proactive approach to environmental stewardship not only ensures compliance with regulatory standards but also promotes a healthier ecosystem and a safer community. Through these initiatives, your Company continues to lead the industry in environmental responsibility and innovation.

Management Objectives and Strategies

Throughout its history, your Company has steadfastly navigated through numerous challenges faced by demonstrating unwavering perseverance and strength. Your Company's diverse portfolio, ever expanding operations and exemplary strategies have fortified its foundations as not just the leading manufacturer of cement, but also as one of the most successful organizations, in Pakistan. It has built a strong foundation to propel its growth through fiscal discipline, cost leadership and a robust distribution network. As the leading cement player, your Company focuses on achieving its goals by designing a strategic roadmap to reduce carbon footprints, enhance environmental measures, and identify supply chain synergies.

The management firmly believes in implementing best governance practices and upholding the true spirit of adherence. Your Company is dedicated to ensuring equitable treatment of all stakeholders, fostering trust and appreciation. Moreover, it fosters an environment of employee engagement, recognizing employees as the most valuable resource and internal stakeholders.

To accomplish the specified corporate objectives, your Company has undertaken organization-wide initiatives involving all employees in formalizing SOPs (Standard Operating Procedures) and establishing individual KPIs (Key Performance Indicators) aligned with the broader corporate goals. This approach empowers every employee as a self-assessor, with clear annual targets and transparent measurement criteria, fostering their contribution to the organizational mission. Additionally, we have optimized and strengthened our human resource strategies while creating a well-structured management trainee program in collaboration with the country's top educational institutions.

In addition, the management considers employees' health and safety protocols as a moral imperative to comply. The Company promotes a healthy work environment and continuously contributes to the society.

Your Company's financial growth and market leadership reflect its strategic alignment.

Critical Performance Indicators

The management of Your Company has highlighted the following key performance measures and indicators to support its stated objectives. These are shared across the Company at each level as "Lucky Cement Limited's 5 corporate goals" and they assist us in setting our strategic direction.

a) Sustainable growth/profitability, improving market share both in domestic and foreign markets and lower cost of production
b) Organizational development and Talent management
c) Environmental, Social and Governance (ESG)
d) Diversification of product portfolio
e) Upgrade IT infrastructure / Enhance automation

During the year, the management rolled out the objectives stated above with the intention of implementing these goals companywide in the form of KPIs for each department. The periodic Management Committee and project-related meetings held during the year involved reviewing and following up on these objectives.

Performance of Financial and Non-Financial Measures

Sustainable and Profitable Growth:

Market Share:

Despite the prevalent economic and political turmoil in the outgoing year, your Company successfully managed to increase its market share to 18.7% in FY24 vs 16.5% in FY23 due to the addition of a new line in Pezu, thus maintaining its position as the market leader in the cement sector of Pakistan.

Low-Cost Producer:

Your Company has maintained its low-cost position in FY24. The cost of production per ton remains to be one of the lowest in the industry.

Cost Reduction Initiatives:

Your Company increased its supplier base for coal and used a variety of imported and locally available coal which has improved its supply chain efficiency. Additionally, the new cement line has enhanced operational efficiencies. The Company has so far commissioned and completed a solar power project having an aggregate capacity of 74MW at its Pezu and Karachi plants. Furthermore, a 28.8 MW Wind power project is currently underway at the Karachi plant. These initiatives will result in increased utilization of cheaper, sustainable energy while contributing to Lucky Cement Limited's carbon neutrality goals.

Corporate And Brand Image

During the year under review, the Company's practices and initiatives continued to be recognized and appreciated by leading professional bodies. Following are some of the awards which the Company achieved during the outgoing financial year:

- Won the Best Corporate & Sustainability Report Awards 2022 by ICAP & ICMAP.
- Won the 20th Annual Environment Excellence Awards 2023 organized by the National Forum of Environment and Health (NFEH).

- Won the 9th International Award on Environment, Health & Safety 2023 for Health, Safety, and Environment Performance, including categories like Transport Safety, Fire Safety, Emission Control Technology, and Innovation & Sustainable Solution, organized by The Professionals Network (TPN).
- Won the 38th Corporate Excellence Award by Management Association of Pakistan in the Industrial sector category.
- Won the Export Trophy Award 2022-23 in the Cement Sector by KCCI.
- Won the Best Investor Relations 2022 – Listed Companies at the 20th Annual Excellence Award organized by the CFA Society.
- Won the South Asian Federation of Accountants (SAFA) Award in the Infrastructure & Construction category.
- Won the 16th Annual CSR Award for CSR Initiatives organized by the National Forum of Environment and Health (NFEH).

Human Resources

Lucky Cement Limited's success is built on a foundation of human capital. By cultivating a high-performing, engaged workforce, our Human Resources department plays a pivotal role in overcoming challenges, achieving sustainable growth, and delivering long-term value to all those we serve. By investing in employee's growth and development, and ensuring leadership continuity, we position ourselves for long-term success.

Creating an Empowering Work Environment

We believe that our employees are the driving force behind our success. Our HR philosophy focuses on creating a high-performance culture where individuals are empowered to excel. Focus is on creating a workplace where employees feel valued, empowered, and inspired. We prioritize employee well-being and engagement by offering challenging opportunities, fostering a supportive environment, and investing in their professional development. This holistic approach drives innovation, productivity, and long-term organizational success.

Attracting the best-fit Talent

In a talent-driven industry, our HR team is committed to building a world-class workforce. Through strategic recruitment and selection, we identify and attract exceptional individuals who align with our company's vision and values. By providing comprehensive onboarding and development programs, we empower new hires to quickly become high-performing contributors. Our focus on creating a supportive and inclusive work environment fosters employee engagement, loyalty, and a strong sense of belonging.

Organizational Culture

At Lucky Cement Limited, we believe that a diverse and inclusive workforce is essential to our success. Our commitment to fostering a culture of belonging, where every employee feels valued and empowered, is fundamental to our values of innovation, customer focus, excellence, and integrity. By prioritizing employee well-being, development, and engagement, we create a high-performance environment that drives productivity and innovation. Our strategic approach to talent acquisition and development leverages diversity to build a robust and future-ready workforce. Through initiatives such as employee engagement sessions, diversity and inclusion training, and a focus on work-life balance, we are creating a workplace where employees thrive. We are confident that this people-centric approach will position Lucky Cement Limited as a leader in the industry. We are committed to fostering a workplace where diversity is celebrated, and inclusion is a cornerstone. Our HR initiatives are designed to create a culture where employees from all walks of life feel valued, respected, and empowered to contribute their unique perspectives.

Employee Engagement and Well-being

An employee-centric culture, built on engagement, satisfaction, and well-being, is essential to our continued success. We are committed to fostering a supportive and inclusive work environment where employees feel valued, empowered, and inspired. Through initiatives such as robust employee recognition programs, engaging team-building activities, and open communication channels, we cultivate a strong sense of belonging and pride.

Enhancing Capabilities

Our commitment to fostering a culture of continuous learning is evident in our robust learning and development programs. By investing in our people, we empower them to excel in their roles, drive innovation, and adapt to the dynamic cement industry landscape. Through a combination of targeted training initiatives, mentorship, and opportunities for cross-functional collaboration, we equip our employees with the skills and knowledge necessary to thrive. Leveraging a competency-based approach, we identify skill gaps and tailor our development programs to address specific needs across all levels and functions. Partnering with both internal and external experts, we deliver a diverse range of training programs encompassing technical, leadership, and soft skills development. This holistic approach ensures our workforce is well-prepared to meet current and future challenges while contributing to the company's overall strategic objectives.

Leadership Development and Succession Planning

Recognizing the critical role of strong leadership in navigating complex business environments, we are committed to cultivating a robust pipeline of future leaders. Through targeted leadership development programs, mentorship, and coaching, we identify and nurture high-potential talent. Our succession planning initiatives ensure a seamless transition of leadership while maintaining organizational continuity. By fostering a culture that values leadership at all levels, we empower our employees to embrace challenges, drive innovation, and deliver exceptional results. This strategic approach positions Lucky Cement Limited at the forefront of the industry, ensuring our long-term competitiveness and growth.

Financial Management

The Company's stand-alone balance sheet as on June 30, 2024, remains on a strong asset footing of PKR 234.0 billion (2023: PKR 213.1 billion), with a current ratio of 1.27 (2023: 1.29) and a quick ratio of 0.82 (2023: 0.85).

Cash Flow Strategy

Your Company has an efficient Cash Flow Management System in place that projects and monitors cash inflows and outflows regularly. The working capital requirements are usually met through internal cash generation. During the year under review, the allocation of cash flows was mainly attributed to capital expenditure totaling PKR 17.7 billion, own shares purchased for cancellation (second buyback) amounting to PKR 12.1 Billion, and income tax payment of around PKR 2.2 billion.

Capital Structure and Financial Position

While your company is mostly equity financed, it also utilizes SBP's financing schemes, for its long-term requirements. Your company's biggest strength is its self-generated liquidity. This helps management in smoothly executing further cost-saving ventures and boosts stakeholders' confidence in doing business with the Company. After a 7.6% increase, our share capital and reserves which are now equal to PKR 147.8 billion, translating into book value per share of PKR 504.3. This appreciation is due to the improved cost-saving strategies and profits of your Company.

Credit Rating

Your Company maintained an "investment grade" credit rating determined by VIS Credit Rating Company Limited with a medium to long term rating of AA+ (Double A Plus) and short-term rating of A-1+ (A-One Plus). While the short-term credit rating of A-1+ assures that the Company has adequate short-term liquidity and can make timely payments, the medium to long term rating of AA+ symbolizes high credit quality and strong protection factors. The high credit rating of your company attests to its high creditworthiness, thus evidencing the fact that your Company has an efficient cash flow strategy in place to meet its financial obligations.

Segmental Review and Business Performance

In addition to having a strong footprint in the cement manufacturing industry in Pakistan, Iraq and DR of Congo, your Company has evolved into a conglomerate having strategic investments in diversified industries. The acquisition of Lucky Core Industries and investments in Lucky Electric Power Company Limited and Lucky Motor Corporation were a part of the Company's strategy to diversify its business and create value for its shareholders. While the outgoing financial year was marred by economic challenges, all the Company's subsidiaries demonstrated remarkable resilience, optimizing their operations and adhering to strict financial discipline. A snapshot of the business performance of segments is given in the operating segment results of annexed consolidated financial statements.

Risk Management

Effective risk management is essential for achieving sustainable business growth. At Lucky Cement, the Board has the overall responsibility of overseeing the Company's risk management processes. These processes, which are documented and regularly reviewed, are designed to safeguard assets and address possible risks to the Company, including the possible impact on business continuity. Any identified risk that could potentially affect the achievement of strategic, operational, financial and/or compliance objectives is promptly reported to the Board and Senior Management for timely action to ensure uninterrupted operations.

The Company maintains a clear organizational structure with a well-defined chain of authority. Senior Management is responsible for implementing procedures, monitoring risks and assessing the effectiveness of various controls.

The Company continues to employ a robust Enterprise Risk Management (ERM) framework, which is integrated within the organization to ensure the proactive identification, evaluation and assessment of risks. All highlighted risks are prioritized according to their impact and likelihood and corrective actions are devised accordingly.

Risk management is an ongoing need and, therefore, this annual process includes interim updates on both the risks and remedial and/or corrective actions.

Strategic Risks

Your Company operates in a highly dynamic business environment that exposes it to different strategic risks and leverages emerging opportunities that significantly influence the achievement of its strategic objectives. The Senior Management focuses on aligning corporate strategies that adapt to changes in the market trends, strengthen the Company's market position and progressively expand its production or manufacturing capacities to address the growing needs of the construction industry.

Moreover, your Company also mitigates the risk of economic challenges, macroeconomic indicators and uncertainties and inconsistent policy changes.

Operational Risks

With a focus on operational efficiencies, the Senior Management monitors the operational risks and ensures adequate controls to minimize the potential impact of disruptive events in production and sales.

Raw material sourcing, adequate segregation of duties, implementation of cybersecurity controls, self sufficiency in power generation at both the plants and efficient supply chain and logistic operations both in house and outsourced have enabled the Company to mitigate operational risk to an acceptable level.

Financial Risks

To minimize risks arising from uncertainty and volatility of foreign exchange fluctuations, interest rates, and high commodities prices, your Company has designed and implemented stringent policies to mitigate these risks as far as possible. These policies are reviewed periodically and are continuously aligned with the best practices and regulations of the financial market.

Compliance & Legal Risks

Any omission or failure to meet regulatory compliance may expose the Company to reputational and legal risks. Changes in laws and regulations may result in operational disruptions. Due to appropriate and diligent adherence to all applicable rules and regulations, the Company's non-compliance risk is low. To further mitigate legal risks, the Company adopts a proactive strategy by securing and regularly reviewing all legal documents. The legal department plays a crucial role in this process, ensuring that the Company remains in full compliance with current laws and regulations, and managing risks involving litigation against the Company. In addition, reputable law firms are engaged to support the legal department in handling complex legal matters including court cases.

Corporate Social Responsibility

Education as a Catalyst for Societal Growth

Education serves as the bedrock of a prosperous society, driving economic development, fostering social cohesion, and empowering individuals. It equips the workforce with essential skills, promotes informed decision-making, and encourages community contribution. By nurturing critical thinking and innovation, education addresses global challenges such as poverty and inequality, thereby promoting social mobility and reinforcing the fabric of society. At Lucky Cement Limited, we recognize the value of investing in human capital and view education as a pivotal driver of social change and leadership development. Our focus on enhancing educational opportunities aligns with our broader sustainability goals, ensuring a positive, lasting impact on society.

Scholarships and Financial Assistance

Your Company has sustained its partnerships with esteemed institutions across Pakistan to provide educational support to deserving and high-achieving students. Our primary objective is to ensure that education remains accessible and affordable for talented individuals, irrespective of their financial circumstances.

- **Lahore University of Management Sciences (LUMS):**

  We have continued our collaboration with LUMS, extending scholarships to students selected through the National Outreach Program (NOP). This flagship program aims to reach rural areas of the nation, inducting bright and talented students from less privileged regions.

- **Institute of Business Management (IoBM):**

  We maintain our strategic partnership with IoBM by providing scholarships to exceptionally talented yet financially disadvantaged students. Additionally, we support Creek High School and Creek College (IoBM Campus) to ensure the accessibility of primary and secondary education.

- **Institute of Business Administration (IBA):**

  Our partnership with IBA remains robust, providing educational assistance to outstanding students pursuing their studies at the institute.

- **National University of Sciences and Technology (NUST):**

  We have also awarded scholarships to students at other leading universities in Pakistan. Our collaboration with NUST's endowment program exemplifies our commitment to sustainable and affordable education.

PEZU College Scholarship Program

In an effort to empower the youth of Pakistan, Lucky Cement Limited has expanded its national scholarship program for the bright students of District Lakki Marwat. This initiative grants scholarships for intermediate, graduate, and undergraduate programs, making education accessible and affordable for talented students from rural areas, regardless of their financial background.

Primary and Secondary Education

Your company is dedicated to advancing the quality of primary education in Pakistan, focusing on impactful improvements at the grassroots level.

In collaboration with The Citizens Foundation, we have established a fully operational primary and secondary school near the PEZU plant, delivering quality education to students in the area. The primary campus, Abdul Razzak Tabba Block - Lucky Cement Limited PEZU Campus I, and the secondary campus, Muhammad Yunus Tabba Block - Lucky Cement Limited PEZU Campus II, provide state-of-the-art educational facilities for the children of PEZU and the surrounding localities. This initiative complements our broader vision of uplifting the area by enhancing educational opportunities.

Your Company has reinforced its partnership with the Shahid Afridi Foundation (SAF) by adopting a school in a remote, underserved area of Karachi. Additionally, we have bolstered our support for the Million Smiles Foundation (MSF) to enhance the educational infrastructure of primary schools in Kundal Shahi and Taobat Valley, Neelum Valley, Azad Jammu and Kashmir (AJK). Furthermore, in partnership with Zindagi Trust, we continue to support two leading government girls' schools in Karachi, transforming them into model educational institutions for girls in Pakistan, emphasizing the importance of women's empowerment.

Rural Development Programs

Understanding the importance of community upliftment, your Company has embarked on several initiatives to support underprivileged communities. We have solarized pressure pumps in various villages near the PEZU plant, addressing water supply challenges. This PKR 18.5 million project facilitates local residents in meeting their daily needs. We have also installed drinking water pumps, constructed storage ponds, and installed water supply lines. Over the years, we have renovated the Government High Secondary School (GHSS) in Dara Pezu, donated over 2,000 books to GHSS Pezu and Yarik village, and constructed a computer lab at GHHS Shahbaz Khel village in District Lakki Marwat. Additionally, we have provided medical facilities through the "Abdul Razzak Tabba Welfare Dispensary" and a state-of-the-art ambulance equipped with the latest first aid medical apparatus at the PEZU plant.

Health and Wellness Projects

Your Company, through the Aziz Tabba Foundation (ATF), has collaborated with various institutions in the healthcare sector to provide accessible and efficient treatment to the public.

- **Tabba Heart Institute (THI):**
  As a state-of-the-art, not-for-profit cardiac hospital, THI aims to provide quality services and compassionate care at an affordable cost. We have generously contributed to THI to enhance healthcare accessibility.

- **Tabba Kidney Institute (TKI):**
  We fervently support TKI, a center of excellence providing cost-effective, state-of-the-art dialysis facilities to underprivileged individuals, recognizing their commitment to patient care.

Employee Welfare

Your Company provides approximately 4,500 ration hampers monthly to employees within a specific salary bracket at the Karachi Plant, PEZU Plant, and Head Office. This initiative is part of our employee welfare and support program, aimed at enhancing the well being of our workforce.

Community Development

Your Company has partnered with a local NGO to develop a fully equipped compound catering to the residential and educational needs of orphans in Badin City. This project, spread over five acres, will accommodate over 300 orphans, providing necessary care and support, including sports facilities, state-of-the-art classrooms, science labs, computer labs, and a cafeteria.

We also generously donated to a local NGO organizing athletic competitions for children and adults with intellectual disabilities. This initiative offers ongoing opportunities for participants to enhance their physical fitness, showcase their courage, and experience joy and camaraderie with their families and the broader community.

Environmental Conservation

Your Company remains steadfast in its commitment to environmental stewardship. We continue to advance our eco-friendly initiatives, including tree plantation drives in and around our manufacturing sites, underscoring the significance of environmental conservation.

Code of Corporate Governance

The Directors of your Company are aware of their responsibilities under the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Rule book of Pakistan Stock Exchange. Your Company has taken all necessary steps to ensure good corporate governance and full compliance with the Code and we confirm the following:

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows, and changes in equity;
- Proper books of account of the Company have been maintained in accordance with the requirements of the law;
- Chief Executive and Chief Financial Officer duly endorsed the financial statements before the approval of the Board;
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any departure therefrom has been adequately disclosed and explained;
- The system of internal control is sound in design and has been effectively implemented and monitored;
- There are no significant doubts about the Company's ability to continue as a going concern;
- Statement of the pattern of shareholding has been included as part of this Annual Report; and
- Statement of shares held by associated undertakings and related persons have also been disclosed separately.

Composition of the Board of Directors

The diverse mix of gender, knowledge, expertise and skill sets of the members enhances the effectiveness of our Board. Our Board composition represents the interests of all categories of shareholders and it consists of:

Total number of directors		
a)	Male	6
b)	Female	1
Composition		
I)	Independent Director	3
II)	Other Non-executive Directors	3
III)	Executive Director	1

Meetings of the Board of Directors

Board of Directors - 6 Meetings

S.No.	Name of Directors	No. of Meetings Attended
1	Mr. Muhammad Sohail Tabba (Chairman) Non-Executive Director	6
2	Mr. Muhammad Ali Tabba (CEO) Executive Director	6
3	Mr. Jawed Yunus Tabba Non-Executive Director	6
4	Mrs. Mariam Tabba Khan Non-Executive Director	4
5	Mr. Masood Karim Shaikh Independent Director	6
6	Mr. Khawaja Iqbal Hassan Independent Director	5
7	Mr. Shabbir Hamza Khandwala Independent Director	6

The leave of absence was granted to the Directors who could not attend the meeting due to their preoccupation.

Training of the Board

Your Company takes a keen interest in the professional development of its Board members and regularly updates its Board members with any changes in corporate laws or the Code of Corporate Governance. It ensures that all the Directors of the Board comply with the requirements of Directors Training Certification.

Evaluation Criteria for the Board

Apart from their mandatory job requirements, the performance of the Board of your Company is evaluated regularly along the following parameters, both at individual and team levels.

1. Effectiveness in bringing in a mix of gender, talents, skills and philosophical perspectives.

2. Integrity, credibility, trustworthiness and active participation of members.
3. Follow-up and review of annual targets set by the management.
4. Ability to provide guidance and direction to the Company.
5. Ability to identify aspects of the organization's performance requiring action.
6. Review of succession planning of management.
7. Ability to assess and understand the risk exposures of the Company.
8. Contribution and interest in regard to improving health safety and environment, employment and other policies and practices in the Company.
9. Safeguarding the Company against unnecessary litigation and reputational risk.

Performance Evaluation of the Board

The overall performance of the Board measured on the basis of the above-mentioned parameters for the year was satisfactory. A separate report by the Chairman on the Board's overall performance, as required under section 192 of the Companies Act, 2017 is attached to this Annual Report.

Directors' Remuneration

The Board of Directors has approved a 'Remuneration Policy for Directors and Members of Senior Management, the salient features of which are:

- The Company will not pay any remuneration to its non-executive directors except as a meeting fee for attending the Board and its Committee meetings. As per the policy, Directors are paid an after-tax remuneration of PKR 100,000 for attending each meeting of the Board or its sub-committees.
- The remuneration of a Director for attending meetings of the Board of Directors or its Committees shall from time to time be determined and approved by the Board of Directors.
- A Director shall be provided or reimbursed for traveling, boarding, lodging and other expenses incurred by him for attending meetings of the Board, its Committees and/or General Meetings of the Company.

Board Committees and Meetings

Audit Committee

Audit Committee - 7 Meetings		
S.No.	Name of Directors	No. of Meetings Attended
1	Mr. Masood Karim Shaikh (Chairman) Independent Director	7
2	Mr. Jawed Yunus Tabba Non-Executive Director	7
3	Mrs. Mariam Tabba Khan Non-Executive Director	3
4	Mr. Khawaja Iqbal Hassan Independent Director	5
5	Mr. Shabbir Hamza Khandwala Independent Director	7

HR and Remuneration Committee

HR & Remuneration Committee – 2 Meetings		
S.No.	Name of Directors	No. of Meetings Attended
1	Mr. Khawaja Iqbal Hassan (Chairman) Independent Director	2
2	Mr. Muhammad Ali Tabba (CEO) Executive Director	2
3	Mr. Jawed Yunus Tabba Non-Executive Director	2
4	Mrs. Mariam Tabba Khan Non-Executive Director	1
5	Mr. Masood Karim Shaikh Independent Director	2
6	Mr. Shabbir Hamza Khandwala Independent Director	2

CEO Performance Review

The Board of Directors of Lucky Cement conducts regular evaluations of the CEO's performance based on the financial and non-financial KPIs that are approved at the beginning of each year. Following a comprehensive review of his performance for the latest financial year, the Board is highly satisfied with his achievements and expresses full confidence in his professional and competent management of the Company.

Moreover, the CEO is tasked with setting corporate objectives and ensuring their alignment with the KPIs for his management team. He provides regular updates to the Board on the management team's progress in achieving these goals, demonstrating a commitment to transparency and accountability.

Vision, Mission, and Overall Corporate Strategy Approved by the Board

The Board of Directors has carefully reviewed and approved the vision, mission, and overall corporate strategy of your Company and believes that it comprehensively captures the ideology with which Lucky Cement was incorporated. We ensure that our vision and mission sets the direction for our overall corporate strategy and our future journey in everything we do at all levels. The entire organization is connected and driven by this purpose and it serves as the main decision-making criterion in our day-to-day business.

Adequacy of Internal Financial Controls

The Board of Directors has established an efficient system of internal financial controls, for ensuring effective and efficient conduct of operations, safeguarding of Company assets, compliance with applicable laws and regulations, and reliable financial reporting. The independent Internal Audit function of Lucky Cement regularly appraises and monitors the implementation of financial controls, while the Audit Committee reviews the effectiveness of the internal control framework and financial statements quarterly.

Statement of Unreserved Compliance With IFRS Issued By IASB

The Board of Directors of your Company has reviewed the Financial Reporting process. The Financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting standards consist of the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and the provisions of and directives issued under the Act.

Qualifications of CFO and Head of Internal Audit

The Chief Financial Officer and Head of Internal Audit possess the requisite qualifications and experience as prescribed in the Code of Corporate Governance.

Pattern of Shareholding

The pattern of shareholding of the Company in accordance with Section 227 (2)(f) of the Companies Act, 2017 and rule 5.19.11 of the PSX Rule Book as at June 30, 2024, is annexed to this report.

Auditors

The financial statements of the Company for the current year 2023-24 were audited by M/s. A.F. Ferguson & Co. Chartered Accountants. The auditors will retire at the end of the Annual General Meeting. Being eligible, they have offered themselves for re-appointment. The Board has recommended the appointment of M/s A.F. Ferguson & Co. Chartered Accountants as auditors for the forthcoming year, as recommended by the Audit Committee, subject to the approval of the members at the upcoming Annual General Meeting.

Subsequent Events

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company and the date of this report.

Outlook

As we enter the financial year 2025, Pakistan continues to grapple with significant economic challenges. The country is confronted with issues such as a low tax-to-GDP ratio, loss-making State-Owned Enterprises (SOEs), and the imperative to bring the undocumented economy into the tax net through tax reforms. In response to these challenges, the Government has unveiled the federal budget for FY25, with a focus on the privatization of SOEs and tax reforms. These reforms encompass increasing taxes across various sectors and cracking down on non-filers, contributing to a evolving economic scenario. However, to sustain growth, the federal PSDP allocation for FY25 has been set at a substantial Rs 1,150 billion, marking a significant increase over the expenditure in FY24.

The above measures led to a staff level agreement being secured by the federal Government for a new long-term IMF program—a 36-month Extended Fund Facility worth approximately USD 7 billion. The program aims to support the Government's efforts to stabilize the economy and create conditions for stronger, more inclusive, and resilient growth. This initiative will reduce uncertainty in the financial landscape, providing stability and predictability for businesses and investors. Additionally, it opens up opportunities for further borrowing from other international lenders and friendly nations, enhancing financial flexibility.

Looking ahead, the IMF program offers hope for Pakistan's economy in FY25 despite ongoing challenges. It emphasizes the need for fiscal discipline, financial management, and strategic engagement with international financial institutions. This program will provide much-needed relief to the economy and help meet short- to medium-term financing needs. Recent trends showing a decrease in inflation have led to positive real interest rates, prompting the SBP to cut interest rates by 250 basis points in its Monetary Policy Committee's meetings held on June 10, 2024 and July 29, 2024. This suggests the potential for further cuts soon, which could stimulate demand-led growth.

Local Cement Operations

The current demand environment presents significant challenges, primarily driven by high interest rates and increased taxes, including the Federal Excise Duty (FED) on cement bags. These factors are likely to suppress demand in the near future due to rising construction costs.

Similarly, export sales face ongoing hurdles, such as high energy costs, increased transportation expenses, and heightened competition in international cement markets.

In response, your Company's management remains proactive in enhancing manufacturing efficiency and investing in renewable energy solutions. This strategic approach aims to reduce production costs while reinforcing our commitment to sustainability and a more resilient future.

Foreign Cement Operations

The addition of a new clinker line, with a capacity of 1.82 MTPA in FY 25, in Samawah, Iraq, will greatly enhance the operational efficiency of our business and improve the Company's profitability. This strategic move shall play a crucial role in achieving self-reliance in terms of clinker availability within Iraq. Strong demand is anticipated for international cement operations and the companies are well-positioned to benefit from increased utilization of existing cement capacity.

Polyester, Soda Ash and Chemicals

According to the IMF's World Economic Outlook, Pakistan's economic outlook for fiscal year 2025 is expected to indicate signs of economic recovery, with a projected growth rate of 3.5%. With Pakistan's year-on-year inflation rate recorded at 12.57% in June, there is an expectation of declining policy rates during the year. However, the impact of these rate cuts may be tempered by the tax-heavy Federal Budget FY 2024-25.

Looking ahead, the economic outlook will largely be predicated on the implementation of reforms outlined by the IMF in the staff level agreement reached on 12th July for the USD 7 Billion Extended Fund Facility

Arrangement (EFF). The agreement is aimed at stabilizing the economy to restore fiscal and external buffers through broadening the tax base, privatization of loss-making government entities, restructuring the pension bill and reforms in the energy sector. These factors will collectively influence overall industrial activity and consumer demand in Pakistan. Despite the ongoing challenges, the Company remains committed to leveraging its diverse product portfolio whilst sharply monitoring costs to minimize any adverse impacts and deliver sustainable results.

Power

Partial resolution of transmission constraints, higher demand due to economic growth, and the start of the supply of Thar coal are expected to enhance the operational efficiencies of LEPCL.

Automobiles and Mobile Phones

The outlook for the automobile sector is sluggish, with sales volumes under pressure due to economic slowdown and higher taxes on cars and SUVs. However, the subsidiary's focus on optimizing its operations and localization will help reduce reliance on imported components and protect margins and enhance competitiveness.

The mobile phone industry is also expected to experience a slow down on the back of the introduction of 18% GST as opposed to fixed sales tax on mobile phones effective 1st July 2024. In this scenario, low priced smart phones are likely to gain market share. LMC has already shifted its focus on producing and promoting low-cost phones thereby improving its market share.

Your Company's strong financial position and free cash flow generating ability are anticipated to further support its vision to improve operational efficiencies, make new investments and enhance shareholder value.

Acknowledgment

The Board of Directors would like to extend its heartfelt gratitude to all our stakeholders, including employees, customers, suppliers, shareholders, and bankers, for their unwavering support. The confidence and goodwill of our stakeholders have been instrumental in enabling the Company to sustain and grow over the years.

We recognize that the collective efforts and trust of our stakeholders have been key to our success, and we are committed to maintaining and strengthening these vital relationships. Our employees' dedication, our customers' loyalty, our suppliers' reliability, our shareholders' trust, and our bankers' support have all played crucial roles in our achievements.

As we look to the future, we continue to seek Allah's blessings for the continued success and prosperity of the Company. We remain dedicated to not only the benefit of all our stakeholders but also to the broader welfare of our Country. We pray that our endeavors contribute positively to the economic and social fabric of the nation, fostering growth and development for all.

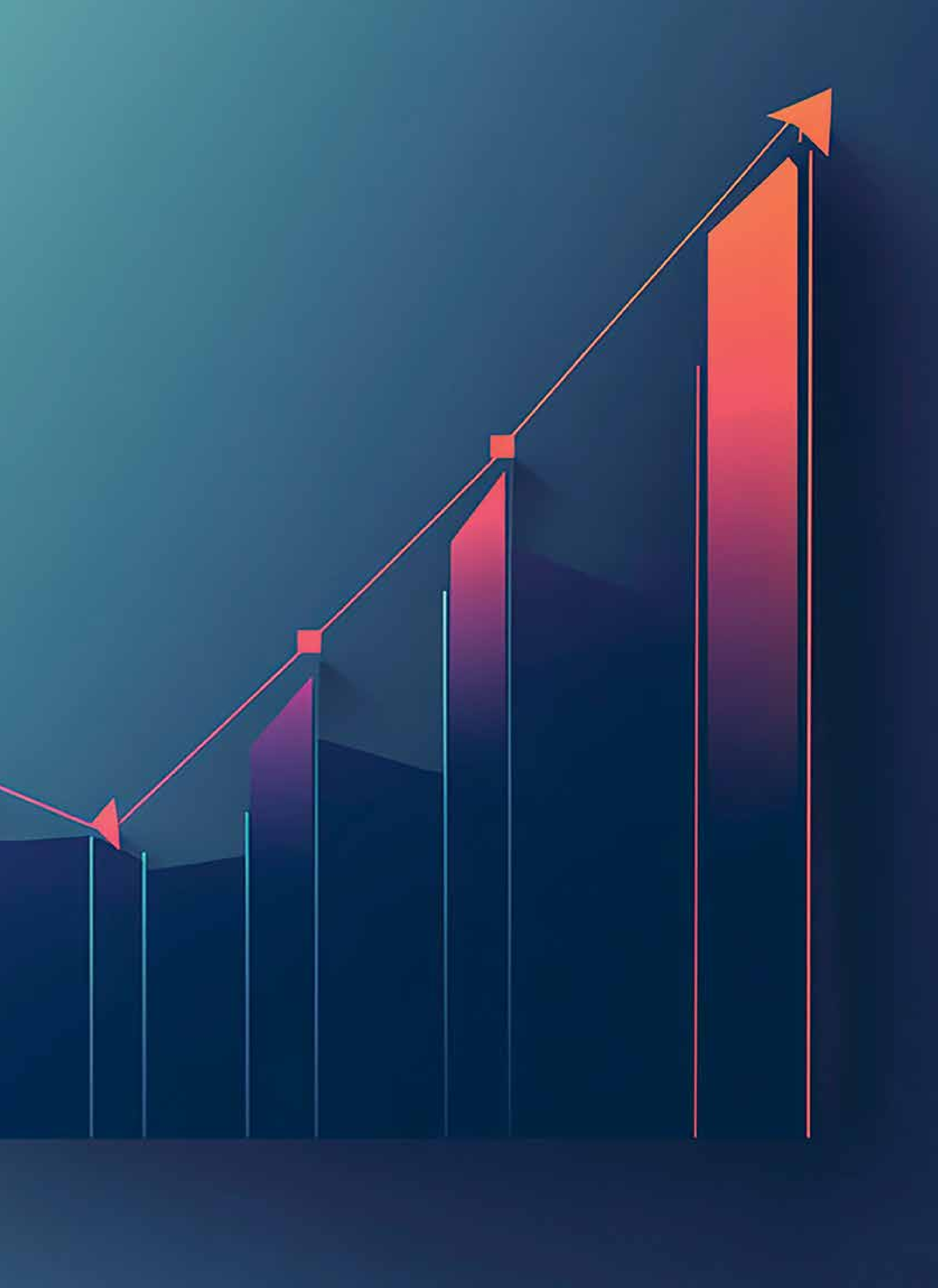
On behalf of the Board

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive / Director

Karachi: August 8, 2024

Financial Highlights Standalone



Financial Highlights Six Years at a Glance

Financial Position (PKR in million)	2019	2020	2021	2022	2023	2024
Assets Employed						
Property, plant and equipment	57,276	60,248	62,390	82,301	95,620	107,259
Intangible Assets	18	11	1	51	86	69
Long term investments	34,314	47,144	53,194	57,594	57,594	58,072
Long term advance	99	87	99	192	194	157
Long term deposit & deferred cost	3	3	8	8	8	8
Current assets	33,379	28,375	40,676	44,816	59,577	68,452
Total Assets	**125,089**	**135,868**	**156,368**	**184,962**	**213,079**	**234,018**
Financed By						
Shareholders' Equity	94,318	99,184	113,200	128,540	137,366	147,761
Long-term liabilities						
Long term finance	-	380	4,042	16,273	16,679	14,527
Current portion of long term finance	-	127	507	487	600	2,099
	-	507	4,549	16,760	17,278	16,626
Long term deposits and deferred liabilities	7,193	7,349	8,739	9,788	12,853	17,542
Current liabilities	23,578	28,955	30,387	30,361	46,181	54,188
Current portion of long term finance	-	(127)	(507)	(487)	(600)	(2,099)
Total Funds Invested	**125,089**	**135,868**	**156,368**	**184,962**	**213,079**	**234,018**
Turnover & Profit						
Turnover - Net	48,021	41,871	62,941	81,094	95,832	115,325
Gross Profit	13,984	6,077	18,956	22,552	26,061	38,805
Operating Profit	10,052	1,188	12,840	16,275	18,908	28,870
Profit before taxation	12,221	3,820	16,992	21,421	21,343	41,388
Profit after taxation	10,490	3,344	14,070	15,299	13,726	28,107
Total comprehensive income	10,539	3,508	14,016	15,340	13,984	27,972
Cash Dividends	2,587	2,102	-	-	-	5,452
Reserves	9,492	8,437	3,509	14,016	15,340	13,984
Profit carried forward	10,539	3,509	14,016	15,340	13,984	22,520
Earning per share (Rupees)	32.44	10.34	43.51	47.31	43.06	94.54
Cash Flow Summary						
Net Cash from Operating Activities	17,084	5,047	12,493	15,469	23,243	27,581
Net Cash used in Investing Activities	(28,155)	(8,396)	(5,762)	(24,826)	(12,979)	(2,580)
Net Cash (Outflow) / Inflow from Financing Activities	(2,573)	(1,667)	4,022	12,209	245	(18,620)
(Decrease) /Increase in Cash and Bank Balance	(13,644)	(5,016)	10,752	2,852	10,509	6,381
Cash and cash equivalent at the beginning of the Year	19,548	5,904	889	11,641	15,493	26,002
Cash and cash equivalent at the end of the Year	5,904	889	11,641	14,493	26,002	32,382

Analysis of Statement of Financial Position

PKR in '000	2019	2020	2021	2022	2023	2024
Share Capital & Reserves	94,318,417	99,183,861	113,200,258	128,540,324	137,366,326	147,761,277
Non Current Liabilities	7,192,747	7,729,261	12,780,738	26,060,686	29,531,862	32,068,340
Current Liabilities	23,578,050	28,955,352	30,387,066	30,361,358	46,180,879	54,188,473
Total Equity & Liabilities	**125,089,214**	**135,868,474**	**156,368,062**	**184,962,368**	**213,079,067**	**234,018,090**
Non Current Assets	91,710,415	107,493,561	115,691,694	140,146,677	153,502,425	165,566,006
Current Assets	33,378,799	28,374,913	40,676,368	44,815,691	59,576,642	68,452,084
Total Assets	**125,089,214**	**135,868,474**	**156,368,062**	**184,962,368**	**213,079,067**	**234,018,090**

Vertical Analysis - (%)	2019	2020	2021	2022	2023	2024
Share Capital & Reserves	75.40	73.00	72.39	69.50	64.47	63.14
Non Current Liabilities	5.75	5.69	8.17	14.09	13.86	13.70
Current Liabilities	18.85	21.31	19.44	16.41	21.67	23.16
Total Equity & Liabilities	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
Non Current Assets	73.32	79.12	73.99	75.77	72.04	70.75
Current Assets	26.68	20.88	26.01	24.23	27.96	29.25
Total Assets	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

Horizontal Analysis (i) Cumulative (%)	2019	2020	2021	2022	2023	2024
Share Capital & Reserves	36.06	43.08	63.29	61.11	59.05	56.66
Non Current Liabilities	3.21	10.91	83.40	261.51	299.35	345.84
Current Liabilities	145.15	201.06	215.95	193.53	203.08	129.83
Total Equity & Liabilities	**45.61**	**58.15**	**82.02**	**90.02**	**95.49**	**87.08**
Non Current Assets	97.16	131.10	148.72	174.96	132.43	80.53
Current Assets	(15.27)	(27.97)	3.25	(3.35)	38.69	105.08
Total Assets	**45.61**	**58.15**	**82.02**	**90.02**	**95.49**	**87.08**

Horizontal Analysis (ii) Year on Year (%)	2019 vs 2018	2020 vs 2019	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023
Share Capital & Reserves	9.21	5.16	14.13	13.55	6.87	7.57
Non Current Liabilities	(2.74)	7.46	65.36	103.91	13.32	8.59
Current Liabilities	54.74	22.81	4.94	(0.08)	52.10	17.34
Total Equity & Liabilities	**14.76**	**8.62**	**15.09**	**18.29**	**15.20**	**9.83**
Non Current Assets	38.86	17.21	7.63	21.14	9.53	7.86
Current Assets	(22.29)	(14.99)	43.35	10.18	32.94	14.90
Total Assets	**14.76**	**8.62**	**15.09**	**18.29**	**15.20**	**9.83**

Analysis of Statement of Profit or Loss

PKR in '000	2019	2020	2021	2022	2023	2024
Turnover	48,021,399	41,870,796	62,940,805	81,093,525	95,832,147	115,324,942
Cost of Sales	34,037,568	35,794,031	43,984,873	58,541,684	69,771,469	76,520,370
Gross Profit	**13,983,831**	**6,076,765**	**18,955,932**	**22,551,841**	**26,060,678**	**38,804,572**
Distribution Cost	2,728,809	3,699,154	4,859,096	4,764,574	5,326,894	7,773,885
Administrative Cost	1,202,939	1,189,638	1,257,074	1,512,279	1,825,578	2,160,682
Operating Profit	**10,052,083**	**1,187,973**	**12,839,762**	**16,274,988**	**18,908,206**	**28,870,005**
Finance Cost	24,933	176,378	332,905	394,517	1,169,770	1,581,168
(Other Income)/Charges	(2,194,065)	(2,808,333)	(4,485,356)	(5,540,761)	(3,604,838)	(14,098,727)
Profit before taxation	**12,221,215**	**3,819,928**	**16,992,213**	**21,421,232**	**21,343,274**	**41,387,564**
Taxation	1,730,986	475,995	2,922,024	6,122,614	7,617,460	13,281,025
Profit after taxation	**10,490,229**	**3,343,933**	**14,070,189**	**15,298,618**	**13,725,814**	**28,106,539**
Other Comprehensive Income	48,366	164,550	(53,792)	41,448	257,842	(134,802)
Total Comprehensive Income	**10,538,595**	**3,508,483**	**14,016,397**	**15,340,066**	**13,983,656**	**27,971,737**
Vertical Analysis - (%)	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Turnover	100.00	100.00	100.00	100.00	100.00	100.00
Cost of Sales	70.88	85.49	69.88	72.19	72.81	66.35
Gross Profit	**29.12**	**14.51**	**30.12**	**27.81**	**27.19**	**33.65**
Distribution Cost	5.68	8.83	7.72	5.88	5.56	6.74
Administrative Cost	2.51	2.84	2.00	1.86	1.90	1.87
Operating Profit	**20.93**	**2.84**	**20.40**	**20.07**	**19.73**	**25.03**
Finance Cost	0.05	0.42	0.53	0.49	1.22	1.37
(Other Income)/Charges	(4.57)	(6.71)	(7.13)	(6.83)	(3.76)	(12.23)
Profit before taxation	**25.45**	**9.12**	**27.00**	**26.42**	**22.27**	**35.89**
Taxation	3.60	1.14	4.64	7.55	7.95	11.52
Profit after taxation	**21.84**	**7.99**	**22.35**	**18.87**	**14.32**	**24.37**
Other Comprehensive Income	0.10	0.39	(0.09)	0.05	0.27	(0.12)
Total Comprehensive Income	**21.95**	**8.38**	**22.27**	**18.92**	**14.59**	**24.25**
Horizontal Analysis (i) Cumulative - (%)	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Turnover	6.39	(7.23)	39.45	77.50	101.57	140.15
Cost of Sales	45.53	53.04	88.06	140.04	128.09	124.81
Gross Profit	**(35.69)**	**(72.06)**	**(12.83)**	**5.89**	**53.73**	**177.50**
Distribution Cost	35.20	83.27	140.74	179.65	167.35	184.88
Administrative Cost	8.61	7.41	13.50	48.02	67.57	79.62
Operating Profit	**(46.01)**	**(93.62)**	**(31.04)**	**(12.37)**	**36.32**	**187.20**
Finance Cost	100.00	100.00	100.00	100.00	100.00	6,241.67
(Other Income)/Charges	(1,098.92)	(1,378.58)	(2,142.10)	2,596.90	188.80	542.58
Profit before taxation	**(33.58)**	**(79.24)**	**(7.65)**	**14.07**	**41.17**	**238.65**
Taxation	(68.27)	(91.28)	(46.44)	20.38	160.73	667.25
Profit after taxation	**(18.96)**	**(74.17)**	**8.70**	**11.73**	**12.53**	**167.93**
Other Comprehensive Income	59.85	443.82	(277.78)	1,037.43	(318.74)	(378.71)
Total Comprehensive Income	**(18.77)**	**(72.96)**	**8.03**	**12.00**	**15.77**	**165.42**
Horizontal Analysis (ii) Year vs Year - (%)	**2019 vs 2018**	**2020 vs 2019**	**2021 vs 2020**	**2022 vs 2021**	**2023 vs 2022**	**2024 vs 2023**
Turnover	1.01	(12.81)	50.32	28.84	18.17	20.34
Cost of Sales	11.27	5.16	22.88	33.10	19.18	9.67
Gross Profit	**(17.51)**	**(56.54)**	**211.94**	**18.97**	**15.56**	**48.90**
Distribution Cost	36.96	35.56	31.36	(1.95)	11.80	45.94
Administrative Cost	10.42	(1.11)	5.67	20.30	20.72	18.36
Operating Profit	**(27.53)**	**(88.18)**	**980.81**	**26.75**	**16.18**	**52.69**
Finance Cost	100.00	607.41	88.75	18.51	196.51	35.17
(Other Income)/Charges	75.78	28.00	59.72	23.53	(34.94)	291.11
Profit before taxation	**(19.16)**	**(68.74)**	**344.83**	**26.06**	**(0.36)**	**93.91**
Taxation	(40.75)	(72.50)	513.88	109.53	24.42	74.35
Profit after taxation	**(13.99)**	**(68.12)**	**320.77**	**8.73**	**(10.28)**	**104.77**
Other Comprehensive Income	141.03	240.22	(132.69)	(177.05)	522.09	(152.28)
Total Comprehensive Income	**(12.75)**	**(66.71)**	**299.50**	**9.44**	**(8.84)**	**100.03**

Notes on Analysis

Comments on six year Statement of Comprehensive Income analysis

Turnover

Revenues increased from PKR 48 billion in 2019 to PKR 115.3 billion in 2024 with an increase of 140.15%. The increase in revenue was mainly due to higher cement prices owing to increased cost of inputs. Also, the export revenue showed significant increase of 45% due to increase in exports volume.

Cost of Sales

The cost of sales increased from PKR 34 billion in 2019 to PKR 76.5 billion in 2024 , mainly due to the increase in input costs (coal, fuel, etc.) along with depreciating currency which has further intensified the costs of imported fuel and packaging material. Moreover, the increase in royalty on raw materials also led to an increase in the cost of sales.

Gross Profit

GP increased from PKR 14.0 billion in 2019 to PKR 38.8 billion in 2024. Gross profit margins increased by 4.5 percentage points, rising from 29.1% to 33.6%. This improvement was driven by the company's cost optimization strategy and the addition of renewable energy sources, both of which contributed to enhanced margins

Distribution Cost

The distribution cost of the company increased from PKR 2.7 billion (5.7% as % of sales) in 2019 to PKR 7.8 billion (6.7% as % of sales), an increase of 184.8%. The major reason for the increase was inflationary pressure, implementation of axle load and rise in fuel costs along with higher sea freight for exports.

Finance Cost

Finance cost is minimal since debt financing is principally based on subsidized loans bearing lower rates of mark-up. Further, the Company's capital structure is significantly based on equity financing.

Comprehensive Income

Total Comprehensive Income increased from PKR 10.5 billion to PKR 28.0 billion, majorly on account of an 167.9% increase in net profit.

Comments on six year Statement of Financial Position analysis

Share Capital & Reserves

The company's share capital changed during the period due to 2nd shares buyback of 20.4 million shares together with growth in reserves due to increase in retained earnings. The company is continuously investing profits in new projects.

Non Current Liabilities

The increase of 345.8% in non-current liabilities came from long-term subsidized loans acquired for funding expansion and other projects.

Non Current Assets

Non-Current Assets increased from PKR 91.7 billion to PKR 165.6 billion, an increase of 80.5%, in the six years. The increase came from capital expenditures on expansions (new cement lines), power generation, renewables (Solar project in Pezu and Karachi along with Wind Project in Karachi), logistics fleet, and equity investments in Lucky Motor Corporation, Lucky Electric Power, offshore projects in Iraq & Congo, and National Resources Limited.

Comments on six year Statement of Cash Flows analysis

Lucky has a prudent cash flow approach. The Company's projects and investments are primarily financed by internally generated cash flows and through subsidized financing available to the company.

Financial Ratios

Financial Ratios	UoM	2019	2020	2021	2022	2023	2024
Profitability Ratios							
Gross profit to sales	percent	29.12%	14.51%	30.12%	27.81%	27.19%	33.65%
Operating Cost to sales	percent	79.07%	97.16%	79.60%	79.93%	80.27%	74.97%
Profit before tax to sales	percent	25.45%	9.12%	27.00%	26.42%	22.27%	35.89%
Net profit after tax to sales	percent	21.84%	7.99%	22.35%	18.87%	14.32%	24.37%
EBITDA to sales	percent	27.80%	12.03%	27.25%	25.65%	30.35%	30.35%
Operating Leverage	percent	(2,728.45%)	688.49%	1,940.09%	92.77%	89.02%	259.01%
Return on Equity	percent	11.17%	3.54%	12.38%	11.93%	10.18%	18.93%
Return on Capital Employed	percent	11.67%	3.62%	12.89%	11.66%	9.32%	17.54%
Shareholders' Funds	rupees in Mn	94,318	99,184	113,200	128,540	137,366	147,761
Return on Shareholders' Funds	percent	11.12%	3.37%	12.43%	11.90%	9.99%	19.02%
Liquidity Ratios							
Current ratio	times	1.42 : 1	0.98 : 1	1.34 : 1	1.48 : 1	1.29 : 1	1.26 : 1
Quick/Acid test ratio	times	0.95 : 1	0.65 : 1	0.89 : 1	0.87 : 1	0.85 : 1	0.84 : 1
Cash to Current Liabilities	times	0.25 : 1	0.03 : 1	0.38 : 1	0.48 : 1	0.56 : 1	0.60 : 1
Cash flow from Operations to Sales	times	0.36 : 1	0.12 : 1	0.20 : 1	0.19 : 1	0.24 : 1	0.24 : 1
Cash flow to Capital Expenditures	times	0.87 : 1	0.74 : 1	1.93 : 1	0.63 : 1	1.24 : 1	1.55 : 1
Cash flow Coverage ratio	times	0.00 : 1	9.96 : 1	2.75 : 1	0.92 : 1	1.35 : 1	1.66 : 1
Activity / Turnover Ratios							
Inventory turnover	times	3.15	3.49	3.81	3.66	3.62	3.54
No. of days in Inventory	days	115.87	104.58	95.80	99.73	100.83	103.11
Debtor turnover	times	21.42	15.28	20.53	26.02	22.25	19.19
No. of days in Receivables	days	17.04	23.89	17.78	14.03	16.40	19.02
Creditor turnover	times	2.11	1.86	2.19	2.66	2.63	2.55
No. of days in Payables	days	172.99	196.24	166.67	137.22	138.78	143.14
Operating Cycle	days	(40.08)	(67.77)	(53.09)	(23.46)	(21.55)	(21.01)
Total assets turnover	times	0.38	0.31	0.40	0.44	0.45	0.49
Fixed assets turnover	times	0.84	0.69	1.01	0.98	1.00	1.07
Investment Valuation Ratios							
Earnings per share (EPS) and Diluted EPS	rupees	32.44	10.34	43.51	47.31	42.45	94.54
Price / Earning ratio (after tax)	times	11.73	44.64	19.84	9.70	12.30	9.59
Dividend Yield	percent	1.71%	0.00%	0.00%	0.00%	3.45%	1.65%
Dividend Payout ratio	percent	20.04%	0.00%	0.00%	0.00%	42.41%	15.87%
Cash Dividend per share	rupees	6.50	-	-	-	18.00	15.00
Stock Dividend per share	shares	-	-	-	-	-	-
Break up value per share:	rupees						
i) Without surplus on Revaluation of property	rupees	291.67	306.71	350.06	397.50	438.34	504.30
ii) With Surplus on Revaluation of PPE including all effect of all investments	rupees	291.67	306.71	350.06	397.50	438.34	504.30
iii) Including investment in related party at fair / market value (if any) and also with Surplus on Revaluation of PPE	rupees	291.67	306.71	350.06	397.50	438.34	504.30
Market Value Per Share as on 30th June	rupees	380.47	461.58	863.44	459.04	522.09	906.73
Year High Close	rupees	583.66	566.47	940.74	911.53	537.02	957.25
Year Low Close	rupees	344.27	310.30	488.93	436.17	383.90	514.35
Price to Book Ratio	percent	1.30	1.50	2.47	1.15	1.19	1.80
Capital Structure Ratios							
Financial leverage ratio	times	0.03 : 1	0.09 : 1	0.10 : 1	0.14 : 1	0.17 : 1	0.15 : 1
Weighted Average Cost of Debt	percent	1.72%	3.11%	3.32%	2.69%	5.72%	6.98%
Debt to Equity ratio (as per Book Value)	times	0.00 : 1	0.01 : 1	0.04 : 1	0.13 : 1	0.13 : 1	0.11 : 1
Debt to Equity ratio (as per Market Value)	times	0.00 : 1	0.00 : 1	0.02 : 1	0.11 : 1	0.11 : 1	0.06 : 1
Net assets per share	rupees	291.67	306.71	350.06	397.50	438.34	504.30
Interest Coverage ratio	times	403.16	6.74	38.57	41.25	16.16	18.26
Employee Productivity Ratios							
Production per Employee	MT	2,718	2,567	3,589	3,258	2,696	2,802
Revenue per Employee	rupees in MN	19.09	16.56	24.77	31.89	36.59	43.23
Staff turnover ratio	times	4.17%	2.77%	2.25%	3.81%	4.12%	4.23%
Non-Financial Ratios							
% of Plant Availability		81.80%	76.42%	89.63%	84.81%	47.63%	55.99%
Others							
Spares Inventory as % of Total Assets		3%	3%	4%	3%	3%	3%
Maintenance Cost as % of Operating Expenses		2%	1%	2%	1%	1%	2%

Analysis of Variation in Interim Period

Particulars	Qtr-1	Qtr-2	Qtr-3	Qtr-4	FY 2023-24
Sales Volume (in '000 Tons)	2,154	2,254	2,022	2,160	8,590
Sales Revenue	29,382	30,499	27,523	27,921	115,325
Cost of Good Sold	18,551	19,509	19,591	18,869	76,520
Gross Profit	10,830	10,990	7,932	9,052	38,805
Gross Profit Margin	37%	36%	29%	32%	34%
Operating Profit	8,607	8,447	5,487	6,329	28,870
Operating Profit Margin	29%	28%	20%	23%	25%
EBITDA	10,073	9,986	7,009	7,935	34,964
EBITDA Margin	34%	33%	25%	28%	30%
Net Profit Before Tax	10,461	10,127	7,177	13,623	41,388
Taxation	3,532	3,346	2,238	4,165	13,281
Net Profit After Tax	6,929	6,781	4,938	9,458	28,107
Net Profit After Tax Margin	24%	22%	18%	34%	24%
EPS in PKR	22.62	22.85	16.85	32.28	94.54

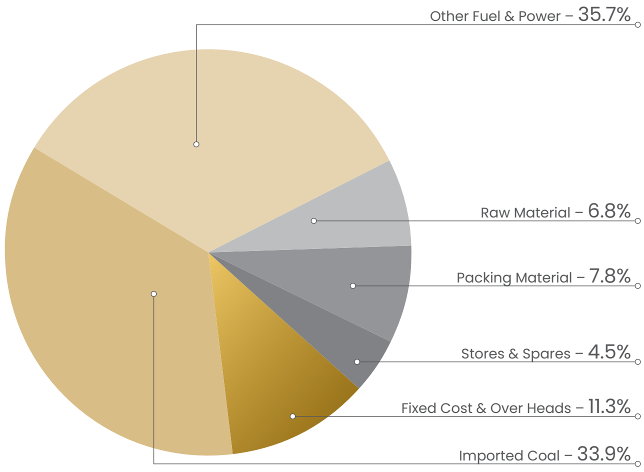
The first and second quarter outperformed during the year 2023-24 in terms of Gross Profit Margin (37% and 36%), Operating Profit (OP) Margin (29% and 28%) as well as EBITDA Margin (34% and 33%) mainly on account of consuming lower cost of coal inventory and efficient management of power. However, the bottom line was lower than the 4th quarter due to significant dividend income received in 4th quarter. In 3rd quarter, the bottom line was lower due to lower sales volume and absence of dividend income as compared to other quarters.

Composition of Local vs Imported Products & Sensitivity Analysis

Lucky Cement uses many kinds of local and imported raw materials for the production of cement. The largest cost component is Fuel & Power, which constitutes various types of foreign coal.

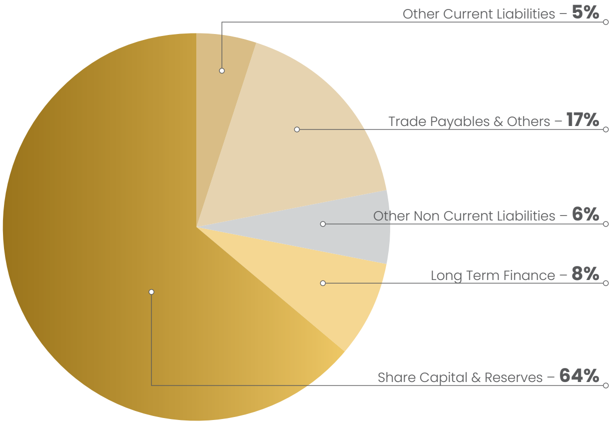
A fluctuation in coal price of PKR 100 per ton affects the cost of production by PKR 14 per ton. The cost of Sales of the Company will increase/decrease by 1.4% and 2.8% in case of foreign currency fluctuation by 10% and 20% respectively.

The company's sensitivity to foreign currency movement is moderate. To reduce the impact of currency, management proactively manages the procurement of coal while keeping an eye on the exchange rate.

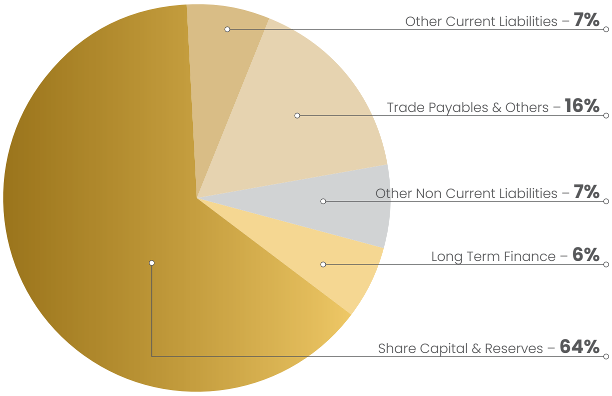


Composition of Balance Sheet

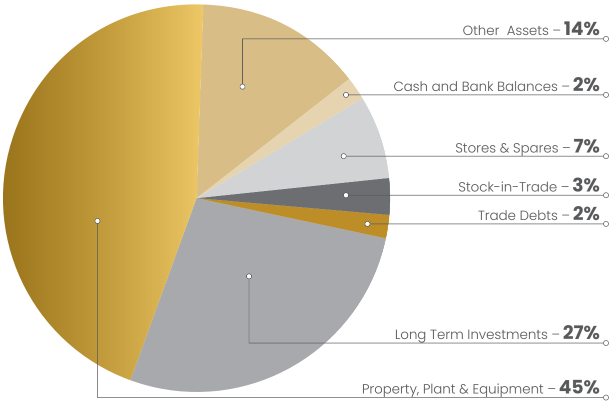
Equity and Liabilities - FY 2023
Percentage



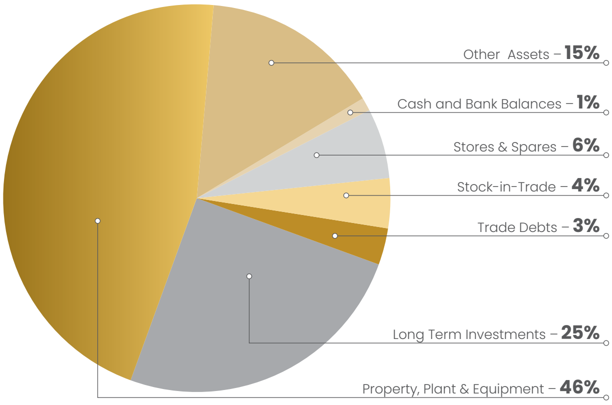
Equity and Liabilities - FY 2024
Percentage



Assets - FY 2023
Percentage

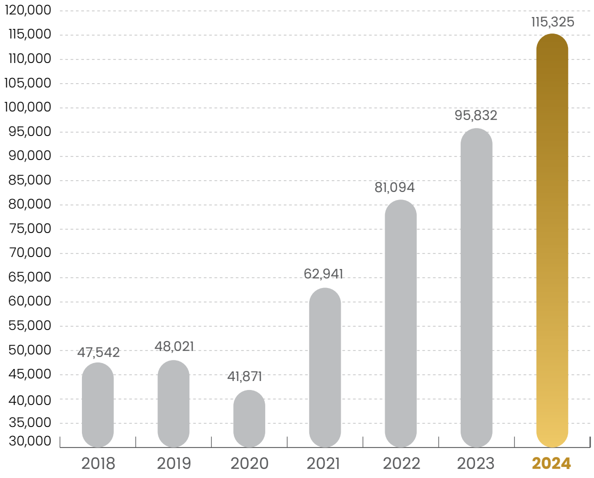


Assets - FY 2024
Percentage

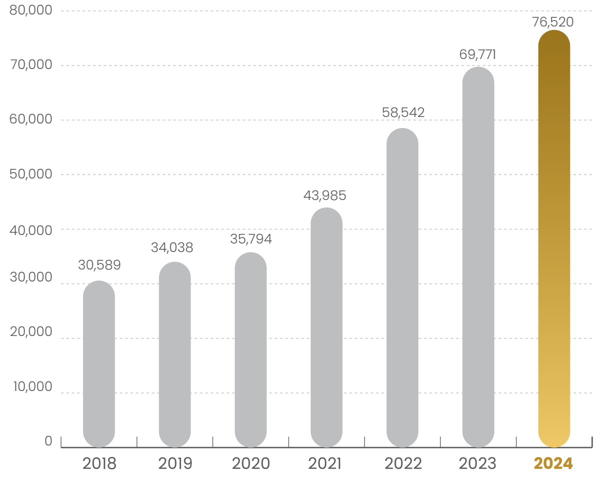


Key Financial at a Glance

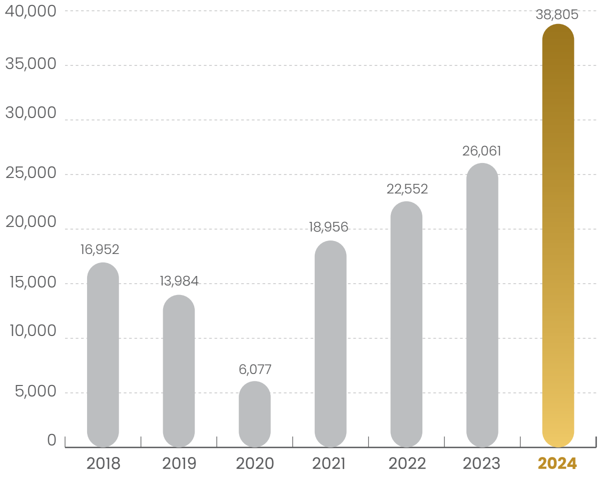
Sales Revenue
(PKR in Million)



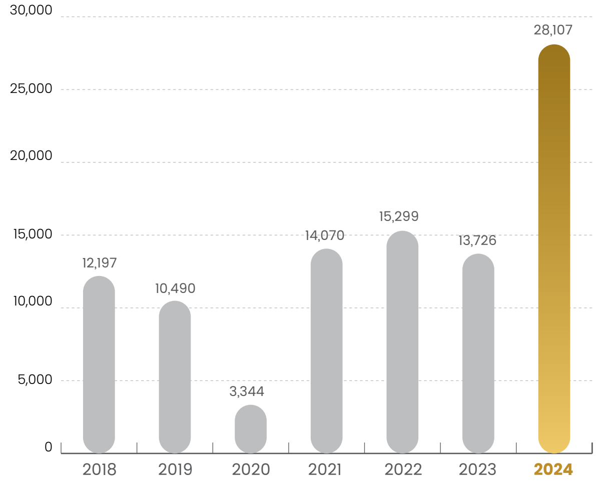
Cost of Sale
(PKR in Million)



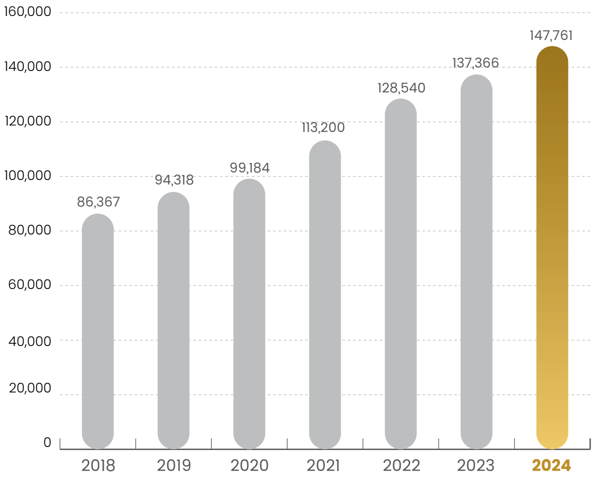
Gross Profit
(PKR in Million)



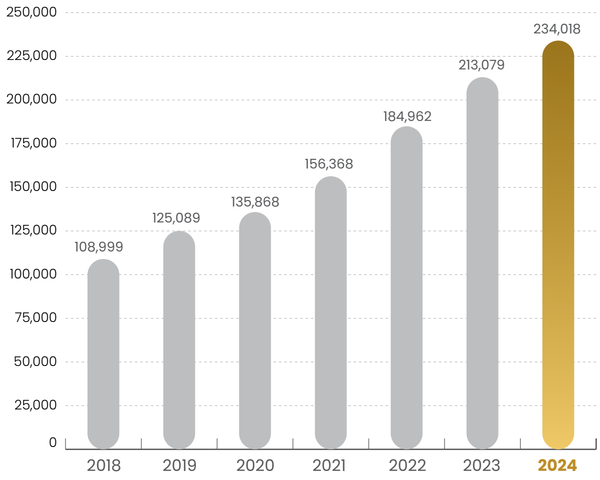
Net Profit
(PKR in Million)



Shareholders Equity
(PKR in Million)



Total Assets
(PKR in Million)

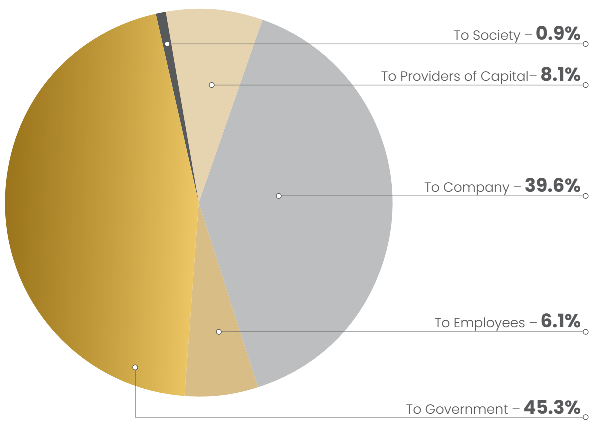


Statement of Value Addition and Wealth Distribution

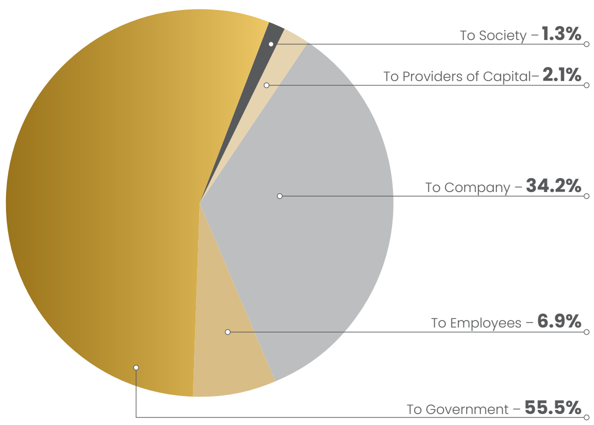
Financial Position	2024 PKR in '000'	%	2023 PKR in '000'	%
WEALTH GENERATED				
Gross Sales/ Revenues	151,808,171		125,819,372	
Bought-in-material and services	(65,624,293)		(69,422,006)	
	86,183,878	**100.0%**	**56,397,366**	**100.0%**

WEALTH DISTRIBUTION				
To Employees				
Salaries, benefits and other costs	5,279,435	6.1%	3,880,970	6.9%
To Government				
Income tax, sales tax, excise duty and others	38,997,147	45.2%	31,290,376	55.5%
To Society				
Donation towards education, health and environment	804,852	0.9%	757,832	1.3%
To Providers of Capital				
Dividend to shareholders	5,452,117	6.3%	–	0.0%
Markup / Interest expenses on borrowed funds	1,581,168	1.8%	1,169,770	2.1%
To Company				
Depreciation, amortization & retained profit	34,069,159	39.5%	19,298,418	34.2%
	86,183,878	**100.0%**	**56,397,366**	**100.0%**

Wealth Distribution - 2024
Percentage



Wealth Distribution - 2023
Percentage



Economic Value Added (EVA)

EVA is the relevant yardstick for measuring economic profits. EVA is the company's net operating profit after tax, after deducting the cost of capital. Companies, which return higher than the cost of capital, create wealth for the shareholders and on the other hand companies earning returns lower than the cost of capital, destroy shareholders wealth.

		2019-20	2020-21	2021-22	2022-23	2023-24
Cost of capital						
Cost of Equity	%	11.20%	11.26%	18.93%	20.67%	23.13%
Weighted average cost of capital (WACC)	%	14.31%	10.85%	17.14%	18.73%	21.05%
Average capital employed		96,751,139	108,719,960	120,870,291	132,953,325	142,563,802
Economic Value Added						
NOPAT		3,520,311	14,103,458	14,904,101	12,556,044	26,525,371
Less: Cost of capital		13,846,217	11,790,749	20,721,192	24,897,504	30,009,908
Economic Value added		(10,325,906)	2,312,709	(5,817,091)	(12,341,460)	(3,484,537)
Enterprise Value						
Market Value of Equity		149,263,433	279,214,910	148,442,060	163,609,954	265,671,890
Add: Debt		506,908	4,041,984	16,760,103	17,278,254	16,625,839
Less: Cash & Bank balance		888,638	11,641,039	3,871,078	4,116,181	2,567,176
Enterprise Value		148,881,703	271,615,855	161,331,085	176,772,027	279,730,553
Return ratios						
NOPAT / Average capital employed	%	4%	13%	12%	9%	19%
EVA / Average capital employed	%	-11%	2%	-5%	-9%	-2%
Enterprise value / Average capital employed	times	1.54	2.50	1.33	1.33	1.96

Free Cash Flow (FCF)

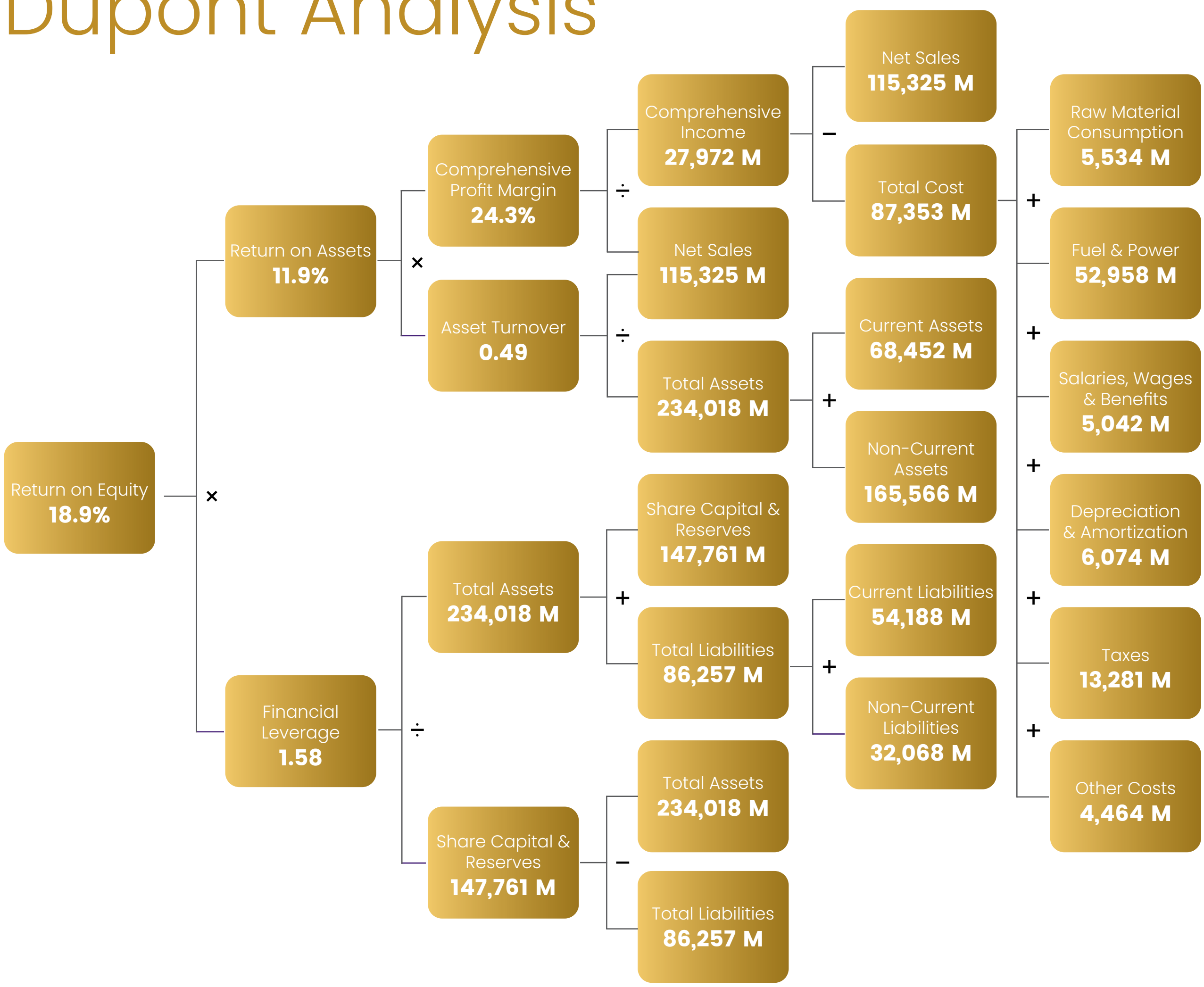
Free Cash Flow - FCF	2019-20	2020-21	2021-22	2022-23	2023-24
Net cash provided by operating activities	5,046,861	12,492,631	15,469,448	23,242,896	27,580,741
Less: Capital Addition & Investments	(15,900,417)	(12,520,913)	(28,991,059)	(18,711,022)	(18,214,715)
Add: Net Debt Issued	506,908	4,041,984	12,211,211	518,151	(652,415)
FCF - Total	(10,346,648)	4,013,702	(1,310,400)	5,050,025	8,713,611

Shariah Ratios

For the year ended June 30, 2024

	2024	2023
Interest bearing loan to market capitalization	3.52%	5.13%
Interest taking deposit to market capitalization	0.00%	0.00%
Income generated from prohibited component to total income	0.20%	0.03%
Market price per share to net liquid assets per share	30.64	24.91

Dupont Analysis



DuPont Analysis

Year	Comprehensive Profit Margin (Net Profit/Turnover)	Assets Turnover (Turnover/Total Assets)	Financial Leverage (Total Assets/Total Equity)	ROE
	A	B	C	A x B x C
2024	24.25%	0.49	1.58	18.9%
2023	14.59%	0.45	1.55	10.2%
2022	18.92%	0.44	1.44	11.9%
2021	22.27%	0.40	1.38	12.4%
2020	8.38%	0.31	1.37	3.5%
2019	21.84%	0.38	1.33	11.1%

The main highlights of DuPont analysis for the company in 2024 are as follows:

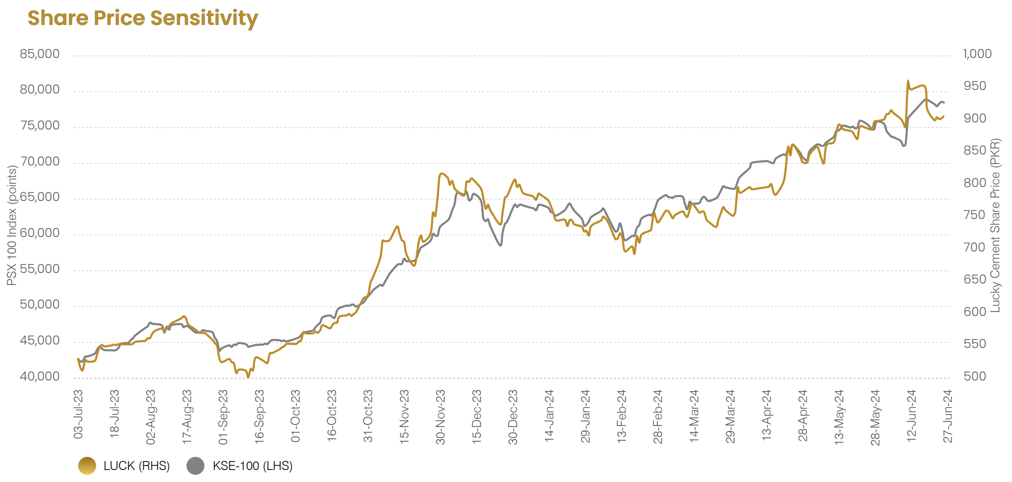
1. **Net Margin Improvement:** The net margin rose significantly to 24.25% from 14.59% last year, driven by cost optimization strategies, the addition of renewable energy sources, lower coal costs, and an increase in other income.
2. **Asset Turnover Ratio:** Despite the growth in the company's asset base, the asset turnover ratio improved to 0.49. This was mainly due to higher selling prices and increased sales volumes.
3. **Financial Leverage Ratio:** The financial leverage ratio showed an increasing trend, primarily due to the company's completion of its second share buyback, which resulted in slower growth in total equity.

Conclusion

Over the past six years, DuPont analysis reveals that the company has consistently delivered sustainable returns to its shareholders. The management regularly monitors key drivers—operational efficiency, asset utilization, and financial leverage—used in the DuPont analysis to identify strengths and weaknesses and to evaluate the company's fundamental performance.

Share Price Sensitivity Analysis

Shares of Lucky Cement Limited (LUCK) are traded on the Pakistan Stock Exchange (PSX). Our free float is 30% and market capitalization at the end of the day of the fiscal year was PKR 266 Billion. There are various factors, which might affect the share price of our Company. A few of them are listed below as follows:



Profitability

Higher production costs could potentially reduce profit margins, but an increase in retention rates and sales volume growth could boost profitability, leading to a higher EPS and, consequently, a stronger market share price

Commodity Prices

An increase in key input prices, such as coal, power, and raw materials, can negatively impact profit margins, leading to a lower EPS and subsequently a decline in the share price

Regulations And Government Policies

Government and regulatory policies, both the overall policies and the policies specific to the cement sector, may affect the share price of the company either negatively or positively, depending on whether the policy itself is in favor or against the industry.

Currency Risk

Volatility in currency exchange rates can affect the margins in a positive or a negative manner, as the company is involved in both export (of cement) and import (of input fuels). This ultimately affects the share price as well.

Market Risk

Market risk, apart from systematic risk, also leaves the market share price vulnerable to the risks of all the platforms that the share is trading on. The Beta of LCL, with respect to the stock exchange of Pakistan, is 1.26.

Interest Rate Risk

The interest rate risk is the risk that the value of a financial instrument will decline due to changes in market interest rates. The majority of the interest rate exposure arises from short and long-term borrowings and short-term deposits with banks.

Price Risk

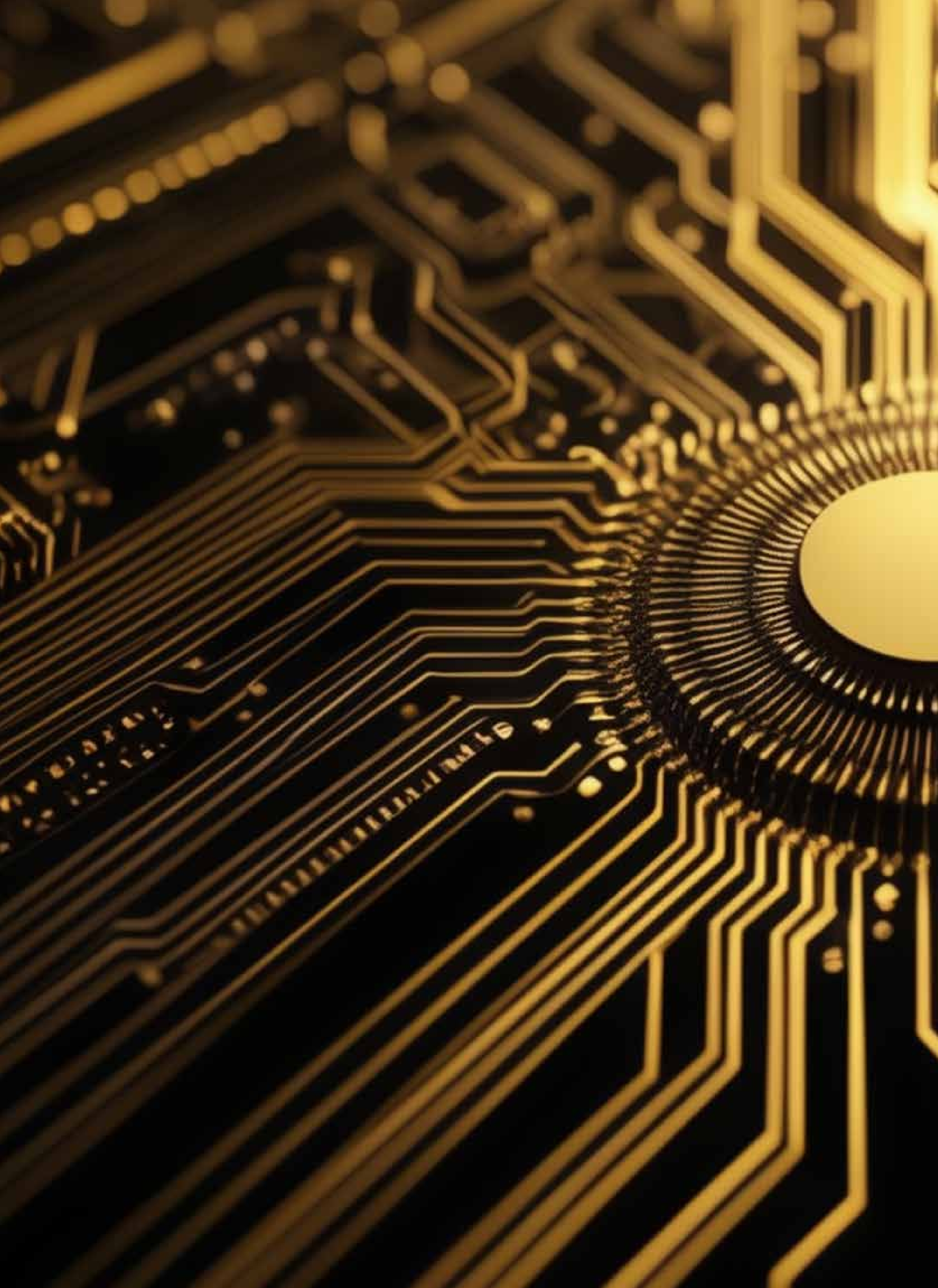
Price risk is the risk of loss resulting from a decline in the value of a financial instrument due to changes in the market prices (other than those arising from interest rate risk or currency risk). The prices may change due to any factor, whether it be related to the financial instrument itself, its issuer, or the prevailing market conditions. This risk can be mitigated through diversification.

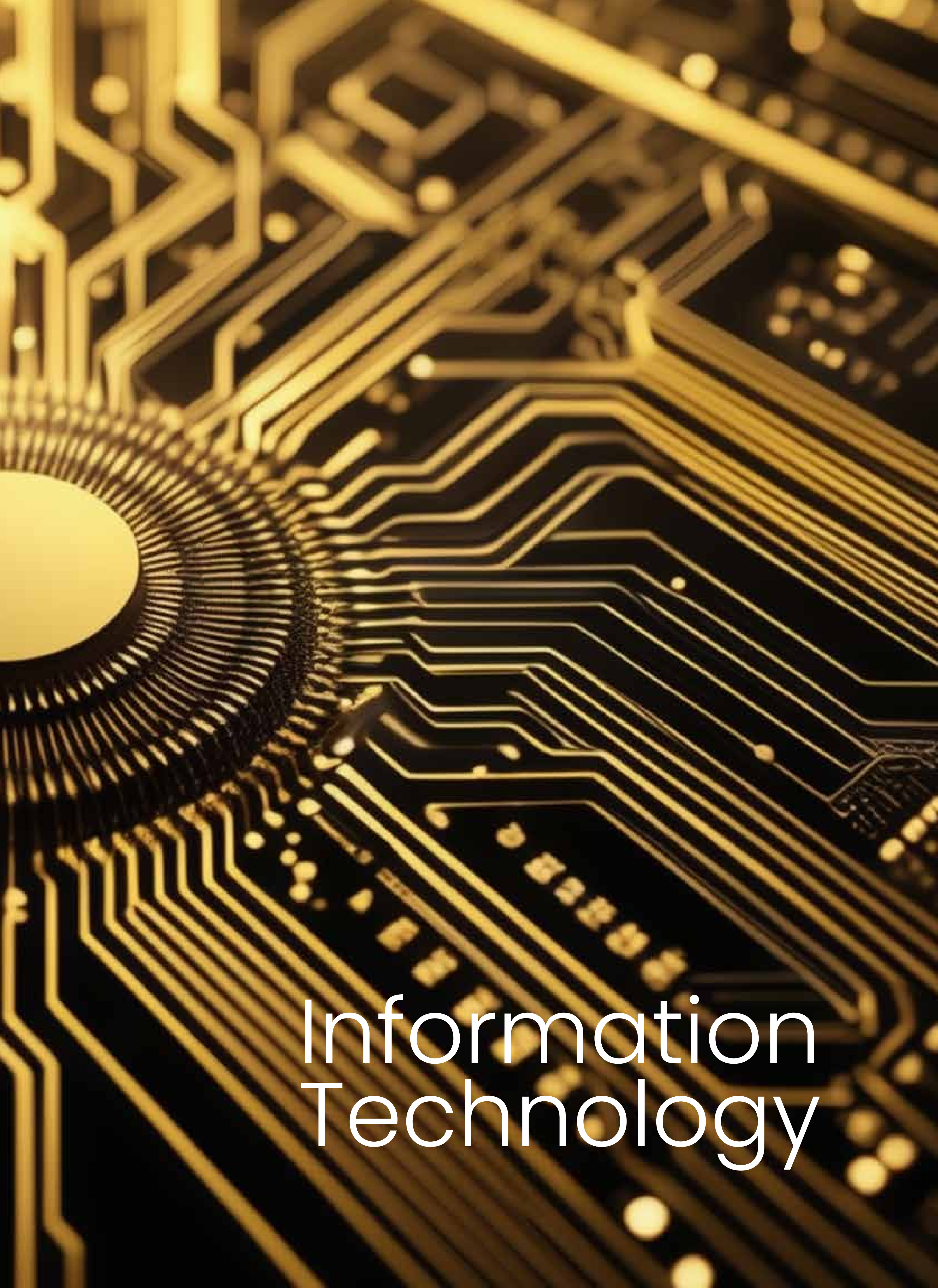
Diversification

The Company has diversified both in terms of the nature of its business and its geographical locations. Our international footprint exposes us to the benefits and risks of the markets we operate in. Therefore, diversification can affect our consolidated earnings, therefore affecting our EPS, which affects the share price, either negatively or positively.

Goodwill

The market share price may also vary according to the perception that the investor has of the company, which is quite vulnerable to the news and events that the company is associated with.





Information Technology

Information Technology Governance and Cyber Security

Statement on the evaluation and enforcement of legal and regulatory implications of cyber risks

As part of its evaluation of all risks facing the business, the Board has also evaluated the cyber risks and enforcement of legal and regulatory implications in case of any breaches. The Board has noted that the Company does not undertake any electronic transactions with its customers and does not require sensitive personal and financial data from its customers. The Company has taken sufficient measures to ensure its network security and has implemented stringent controls to protect its data privacy. The Company has also validated its network security through various internal and external audits. The Board has not evaluated the cyber risks at a high level.

IT Governance and cyber security programs

The Company has constituted an IT Steering Committee which is charged with IT Governance and cyber-security programs. Lucky Cement is an ISO27001 certified company. Therefore, while fulfilling the requirements of ISO 27001, the Company has developed detailed Information Security policies, procedures and control framework which are benchmarked with ISO 27001:2013, which is an international standard for information security.

Cybersecurity and Board's risk oversight

The Board's audit committee while performing risk oversight function also reviews and evaluates the cybersecurity risks. The budgets and capex for Network upgradation and strengthening cyber security are approved by the Board, after detailed presentation by the management. Internal Audit department regularly performs network and cyber security audits, the results of which are presented to the Board's Audit Committee. The reports of external specialists on IT risk management and cyber security are also reviewed by the Board.

Company's controls about early warning system

Company has implemented adequate controls and procedures about early warning systems. As preventive controls, the Company regularly updates its operating system and anti-virus solutions so that its operating and application systems remain updated against any vulnerability. Moreover, Incident Management policies and procedures are in place. In addition to that, company has also implemented 24x7 Siem and SOC system, which work together to monitor, detect, analyze, and respond to security threats and incidents in a continuous and proactive manner.

Policy related to independent security assessment of technology environment

As a policy, in addition to the in-house audits and reviews, regular third party assessments and reviews of technology environment and networks are carried out to ensure that adequate controls are in place to address the cyber security risks and to evaluate the overall company readiness regarding security incidents. Last such review was carried out during the outgoing financial year , 2023 . Furthermore, regular vulnerability assessments are carried out on regular basis.

Contingency and Disaster Recovery Plan

The Company has an updated Disaster Recovery plan in place for the continuity of Company's business and operations in case of any extra ordinary circumstances. The comprehensive plan is designed to ensure the protection of overall company's operations and assets along with regular archival and system-backups at remote sites. The Disaster Recovery Plan is regularly tested to ensure the readiness of the IT systems in case of any disaster.

The key highlights and actions of Lucky Cements' Disaster Recovery Plan are as follows:

The Management has put in place-adequate systems of IT Security, real-time data backup, off-site storage of data back-up, implementation of High Available devices, establishment of disaster recovery facility (alternate Data Centre), identification of primary and secondary sites and identification of critical persons for disaster recovery.

The development of the plan has been done keeping in view the on-going business needs and the environment it is operating in.

A company-wide and detailed Process Documentation Activity has been done whereby all the processes are mapped and serve as an SOP / Work Instructions for all practices.

Employees are imparted multi-skill training which helps in the continuity of business activities.

To ensure protection of employees and assets, fire alarm systems are installed in the premises of all the offices. Moreover, adequate systems are in place for extinguishing fire.

The Company ensures backup of all the assets whether physical or virtual; the physical assets are backed by insurance, whereas back-up of virtual assets and data is created on a routine basis.

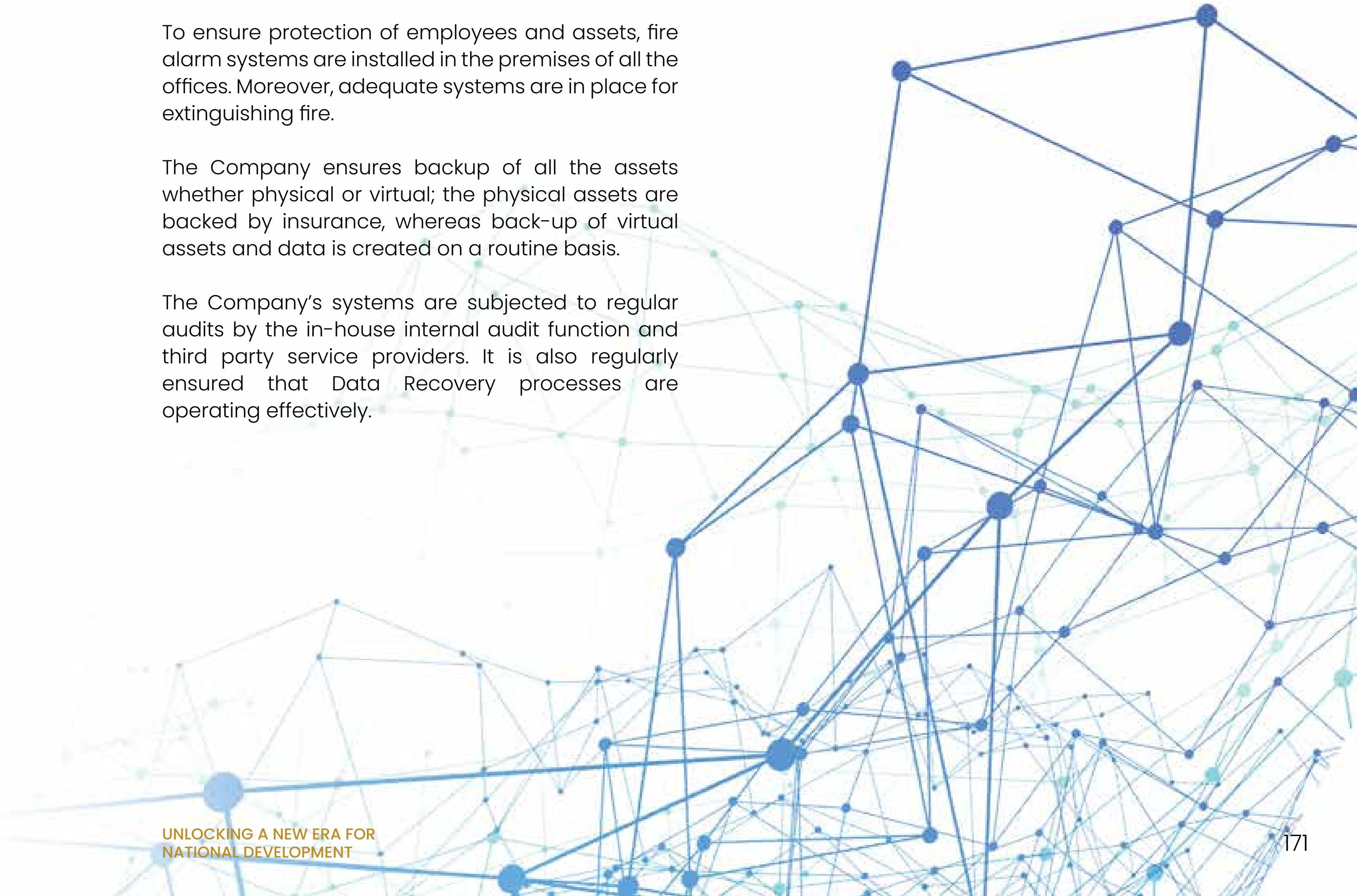
The Company's systems are subjected to regular audits by the in-house internal audit function and third party service providers. It is also regularly ensured that Data Recovery processes are operating effectively.

Advancement in digital transformation

Detailed information about the Company's initiatives on digital transformation are given in the 'Advancement in Digital Transformation to Improve Transparency and Governance' section of this report.

Education and Training to Mitigate Cyber Security Risks

Regular security awareness trainings are also provided for all locations of the Company. Whereas, security awareness emails are sent regularly to everyone. Such regular communications help users in identifying any upcoming security threats and potential risks.



Stakeholder Relationship & Engagement

We aim to maintain a responsible and ethical attitude in all of our practices. We are determined to deliver sustained growth and enduring value to our stakeholders.

Stakeholder Engagement-Bridging the Gap

Our Stakeholders

The management of the Company take pleasure in identifying and assessing the needs of all the stakeholders of the Company. Our stakeholders are all the people and corporations impacted by our business processes. Our stakeholders include:

Stakeholders Engagement Policy and Procedures

Lucky Cement is fully committed to developing effective working relationships with all our stakeholders and makes efforts to resolve issues that occur while carrying out its business dealings. We believe that Company's value depends on the trust placed in us by our stakeholders and promote dialogue with them. Lucky Cement proactively advises all stakeholders of its business operations keeping in mind corporate policies and government regulations. Throughout all its business dealings, Lucky Cement has provided stakeholders with opportunities to provide meaningful input into management decision-making. The policy, to a certain extent, allows stakeholders to understand how their views affect the company's decision-making process. The Company endeavors to provide full and fair disclosure of all material information to its stakeholders besides providing a wide range of information about strategy and financial information through its Annual Report and website for all stakeholders. The policy enables Lucky Cement to utilize a variety of methods to stimulate stakeholder's engagement and to understand how to best deal with them. The strategies resulting from various engagements are tailored to suit business decisions, activities and processes. With respect to engagement with its stakeholders, Lucky Cement is committed to:

- Being open and honest with all stakeholders;
- Providing accurate and timely information to all stake holders;
- Listening and responding to stakeholder views and concerns;
- Evaluating the effectiveness of stakeholder's engagement activities and working continuously to improve engagement performance.

Frequency of engagements is based on the corporate and business requirements as laid down by the Code of Corporate Governance, contractual obligations or as and when required. Employee communication is undertaken through in-house newsletters, Climatic surveys, employee portals and electronic bulletin boards.

Our Stakeholder Engagement Process

	Our People	Our Customers and Suppliers	Our Communities	Our Shareholders and Analysts	Our Regulators	Our providers of Financial Capital
Our priorities and commitments	Constant health and safety trainings, vaccination and blood testing drives along with external surveys of plant safety to ensure employee wellbeing Trainings based on competency framework to build capable leadership Interdepartmental trainings, meet ups and group plant visits to bring cross-functional appreciations Goal-setting and own performance reviews to ensure self-aware employees	Conducting frequent surveys with our customers to improve our services and address their needs on a priority basis Maintaining close relationship with our customers, through collecting consumer insights, in order to understand their needs Organized dealers and retailers' convention to further strengthen our relationship. Arranged various events like dinner and iftaar for our major customers and distributors. Organized plant visits for Sindh-based dealers in order to enhance confidence in the product.	To further our commitment to green energy and eco-friendly power generation, your company has installed a 42.8 MW solar power project at the Pezu plant and a 31.5 MW solar plant at the Karachi plant. Additionally, the company is in the process of installing a 28.8 MW wind power project at the Karachi plant, which will further reduce reliance on non-renewable energy sources Your company continued to support less privileged society by offering them with scholarship program on merit-based for deserving candidate To continue with our efforts for women empowerment, the company collaborated with Zindagi Trust and has been supporting two government girls' schools in Karachi	We try to keep ourselves transparent through open and honest communication during our Annual General Meetings, Analysts/ Corporate briefings, press releases, and ongoing dialogue with analysts and investors. We kept our shareholders informed on a timely basis of all the ongoing activities of the Company We regularly organize plant visits for the investor community and analysts to showcase our state-of-the-art manufacturing processes	We monitor and implement all policies and governance procedures as prescribed by relevant authorities, such as PSX, SECP, etc. We engaged with regulator by providing comments and the new laws. We also attended seminars to provide our point of views. In an effort to combat the COVID-19 Pandemic, we complied with all SOPs as recommended by the government.	We inform our lenders of any strategic decisions we make that may influence their financial exposure. Our primary goal is to fulfill all the agreed obligations.
Frequency of Engagement	Continuous	Periodic surveys	Continuous	Quarterly	As and when required	Continuous

Encouragement of Minority Shareholders to Attend the General Meetings

We value our shareholders who are the providers of Financial Capital. Each shareholder is important to the Company irrespective of the holding and voting power. We value our investors, their concerns and grievances (if any). At the Annual and Extraordinary General Meetings we ensure a two-way communication with the shareholders particularly the minority shareholders. To encourage the minority shareholders to attend the general meeting, the Company informs them to attend the meeting through video conferencing. The shareholders, irrespective of their holding can attend the general meeting, if they register themselves with the Company within the prescribed time, before the date of general meeting. Apart from this, following steps are taken to encourage our minority shareholders to attend the general meetings:

- Notice of the meeting and email is sent to all the shareholders at least 21 days before the meeting.
- Notices are published in the English and Urdu newspapers having country-wide circulation.
- DVDs of the Annual Report of the Company along with the printed proxy forms are circulated to every shareholder. The proxy forms enables them to nominate someone to attend the meeting on their behalf.
- Notices are posted on the Company's website and disseminated to PSX for better reach to the shareholders.
- We encourage and appreciate two-way communication in the general meetings, in this way we listen to our shareholders views and concerns.

Investor Relations Section on Lucky Cement's Website & Redressal of Investor Complaints

The management of the Company is committed to provide equal and fair treatment to all investors/ shareholders through transparent investor relations, increased awareness, effective communication, and prompt resolution of investors'/ shareholders' complaints.

The Company disseminates information to its investors and shareholders through a mix of information exchange platforms, including its corporate website, maintained in both, English and Urdu languages under the applicable regulatory framework. Moreover, the Company's website is updated regularly to provide detailed and latest Company's information including but not limited to business strategy, financial highlights, investor information, dividend history and other requisite information.

In order to promote investor relations and facilitate access to the Company for grievance / other query registration, a specific 'investors' relations' section is also maintained for the purpose on the Company's website.

Issues Raised In The Last AGM

Lucky Cement remains committed to engage with its shareholders, to understand their concerns, devise appropriate strategies and deliver to their expectations. During the last Annual General Meeting, we transparently briefed our shareholders about our performance. No issues were raised during the meeting. The Chairman of the meeting addressed all questions to the satisfaction of the shareholders.

In 1Q FY23, the Company announced a share buy-back of up to 10 million ordinary shares, which was approved by the shareholders in an EOGM held on September 20, 2022. This purchase, made from the Pakistan Stock Exchange Limited (PSX) at prevailing spot prices, was completed within the stipulated time at an average price of PKR 435.6 per share.

In a move to create further value for shareholders, the Company announced a second buy-back of up to 23.8 million ordinary shares in 4Q FY23, which was subsequently approved by the shareholders in the EOGM held on May 24, 2023. By November 20, 2023, 20.4 million ordinary shares had been purchased at an average price of PKR 632.6 per share, marking the completion of the prescribed time limit for the second buy-back.

Understanding Stakeholders' Views Through Corporate Briefings Sessions

Company's shareholders comprise of a cross section of investors, which include, mutual funds, investment companies, brokerage houses, insurance companies, foreign shareholders, pension funds, high net worth individuals, housewives, professionals and individuals of varied requirements. The Company regularly interacts with all categories of shareholders, through regular Corporate / investor briefings in and outside Pakistan, press releases, quarterly reports etc. The Chief Executive Officer and the Chief Financial Officer remain available to respond to any shareholder / investor's query in person or on telephone. The Chief Executive Officer regularly updates the non-executive members of the views of the major shareholders about the Company.

Lucky Cement continues to maintain a healthy relationship with the Investor community by holding Corporate Briefings quarterly, whereby the Company apprises the Local & Foreign Investor base about the entity's business environment as well as the economic indicators of the country. The Company also takes this as an opportunity to brief analysts regarding its performance, investment decisions, and challenges along with business outlook. To demonstrate our eco-friendly manufacturing process and strengthen our relationship with the investor community, we organized a plant visit for buy and sell-side analysts of the industry. The response was overwhelming and we plan to increase our interaction by organizing frequent plant visits.

Redressal of Investor Complaints

During the year under review no formal complaints was lodged by any shareholder of the Company.

Future Outlook

We aim to maintain a responsible and ethical attitude in all of our practices. We are determined to deliver sustained growth and enduring value to our stakeholders.

Forward Looking Statement

The forward-looking statement and the future outlook are covered in the Directors Report under the heading "Outlook".

Projections About Known Trends and Uncertainties

The new government has placed a strong emphasis on economic stability and growth. Notably, it successfully negotiated a new IMF program and secured a long-term IMF agreement: a 36-month Extended Fund Facility worth approximately USD 7 billion. This program aims to support the government's efforts to stabilize the economy and create conditions for stronger, more inclusive, and resilient growth. By reducing uncertainty in the financial landscape, the initiative provides stability and predictability for businesses and investors. Additionally, it opens opportunities for further borrowing from other international lenders and friendly nations, thereby enhancing financial flexibility.

Additionally, recent inflation trends showing a decline have led to positive real interest rates for the first time in three years, suggesting potential for a cut in interest rates in the upcoming fiscal year.

The government has eliminated exemptions in specific sectors while announcing new tax measures in several areas to generate additional revenue in the coming fiscal year, meeting the International Monetary Fund's criteria for tax enhancement. The Federal Excise Duty (FED) on cement has been raised from Rs 2 to Rs 4 per kg, potentially impacting the construction industry by increasing cement prices for end users, thereby adversely affecting cement demand and potentially reducing sales volume.

Lucky Cement Limited remains committed to leveraging its diverse portfolio to sustain strong earnings. The company's robust financial position is a testament to the management's efforts in ensuring operational efficiencies, making prudent investment decisions, and enhancing shareholder value.

In the long term, Pakistan's cement industry's outlook remains promising due to the government's key initiatives to build both small and mega-capacity/multipurpose water reservoirs/dams and the construction of Special Economic Zones as part of CPEC projects. The development expenditure highlighted in the Budget for FY25 showcases increased spending, which is expected to drive growth in the construction sector.

Strong demand is anticipated for international cement operations, and companies are well-positioned to benefit from increased utilization of existing operational lines in the forthcoming financial periods. Additionally, the new clinker line with a capacity of 1.82 MTPA in Samawah, Iraq, will significantly enhance operational efficiencies and achieve self-reliance in clinker availability within Iraq.

Looking ahead, the economic outlook will largely depend on the continued implementation of reforms by the new government aimed at stabilizing the economy, restoring fiscal and external buffers, privatizing loss-making government entities, and concluding a new long-term IMF program. However, these measures may constrain demand and exert some inflationary pressure in the short term. These factors will continue to impact overall industrial activity and consumer demand. Despite these challenges, Lucky Core Industries remains committed to leveraging its diverse product portfolio while closely monitoring costs to minimize any adverse impacts and deliver sustainable results.

The challenging outlook for FY25, driven by external factors detailed in this report, is expected to

directly impact automobile sector sales volumes. Management is actively addressing these challenges by optimizing operational costs and increasing localization efforts to ensure sustainability and competitiveness.

Lucky Cement's strong financial standing and ability to generate free cash flows are expected to further bolster its commitment to improving operational efficiencies, pursuing new investments, and enhancing shareholder value. The company will continue to prioritize diversification initiatives with a focus on investments in high-yielding projects aimed at maximizing shareholder value.

Financial Projections

With the highest cement capacity of 15.30 MTPA, Lucky Cement will continue to be a key driver of growth in the Pakistani cement industry and is well-positioned to maintain its leading position. The easing of the commodity super-cycle could positively impact the cement industry, with lower global coal prices and higher utilization of local coal expected to bolster profit margins. Furthermore, the company's expansion of its renewable energy capacity for a sustainable future will also contribute positively to the bottom line. Technological advancements in the industry, such as energy-efficient production methods, could further enhance these margins.

Nonetheless, it is important to recognize ongoing challenges. Any further depreciation of the Pakistani Rupee and potential increases in energy tariffs could exert additional pressure on the cement sector's profit margins. These factors could also negatively impact the competitiveness of all export sectors in the country.

Therefore, while there are encouraging signs, caution and strategic planning are still necessary to navigate this complex economic environment.
Several government initiatives, including a higher allocation for PSDP in the budget for FY25, could increase cement demand.

Export sales are anticipated to remain stable; however, prices will remain competitive due to surplus capacities available in the region. The company is continuously exploring new markets and has maintained exports to different regions.

Your Company's other income is also likely to remain stable as the Company anticipates continued dividends from its subsidiaries.

Sources of Information and Assumptions Used for Projections / Forecasts

The future projections and forecasts are made by making certain assumptions, keeping in mind the macroeconomic conditions, historical trends, and prospective developments, as well as other factors that might impact the cement industry.

The external information, such as macroeconomic factors, market dynamics, etc. is obtained through various publications and forums, such as ICAP, APCMA, PBC, SBP, PBS etc.

On the other hand, internal information is obtained through a collaborative effort of various departments within your company. The management carries out a corporate planning activity to forecast future revenues and trends for the company while considering the market dynamics, demand/ supply situation, seasonal variations, and international cement prices. To make future projections, the management makes use of their best judgment and estimates. Whereas, the Board critically analyzes the budgets and forecasts while devising new projects of expansion and diversification.

Analysis of Forward Looking Disclosures Made in the Previous Year

Extract of matters reported in Forward Looking Statement last year	Actual performance
The commodity super cycle, which began in the aftermath of the pandemic and intensified due to the Russia-Ukraine conflict, is showing signs of easing, as indicated by decreasing oil and coal prices. This development could positively affect the cement industry, with lower global coal prices and higher utilization of local coal projected to bolster the sector's profit margins.	International coal and oil prices decreased by 7% and 9% respectively, easing the pressure on rising input costs and improving the company's gross profits.
Domestically, the country is facing record high inflation levels and exorbitant interest rates that are proving to be a significant strain on the economy.	In the first six months, inflation was significant, but it started to decrease in the second half due to stable food prices, exchange rates, and commodity prices. This decreasing trend led to positive real interest rates for the first time in three years. Consequently, the State Bank of Pakistan reduced the policy rate by 150 basis points, creating optimism for additional rate cuts in the future.
Lucky Cement Limited remains committed to leveraging its diverse portfolio to augment strong earnings. Your Company's strong financial position is a testament to the efforts of the management in ensuring operational efficiencies, making wise investment decisions and enhancing shareholder value.	The company has invested in National Resources (Pvt) Limited (NRL), a joint venture established for exploration and mining of metals, primarily gold and copper. Additionally, the company is exploring other ventures to enhance shareholder wealth.
International cement operations are expected to experience robust demand, and the Company is well-positioned to benefit from increased utilization of existing operational lines in the forthcoming financial year. Additionally, the addition of a new clinker line, with a capacity of 1.82 MTPA, in Samawah, Iraq, will greatly enhance the operational efficiencies of our business.	The cement production facilities in Iraq and Congo, operating under joint venture arrangements, continued to boost the Group's profitability with increased margins. Cement demand improved in both Iraq and Congo. Furthermore, full capacity utilization at Najmat-Al-Samawah in Iraq and the conversion of the kiln from HFO to gas further improved the company's profitability.
The businesses under our subsidiary LCI, which include Polyester Staple Fiber, Soda Ash, Pharmaceutical, Animal Health and Agri Sciences, due to the fact that monetary tightening measures will continue in the short run which will keep industrial activity in check to avoid a 'boom-bust' cycle and thus will impact demand for the Subsidiary's products.	LCI's business operations continued to face challenges due to inflationary pressures, higher taxes, and higher interest rates, coupled with an uncertain demand outlook. However, cost optimization measures and expansions in the soda ash segment mitigated the impact of these macroeconomic challenges.

Status of Capital Projects in Progress

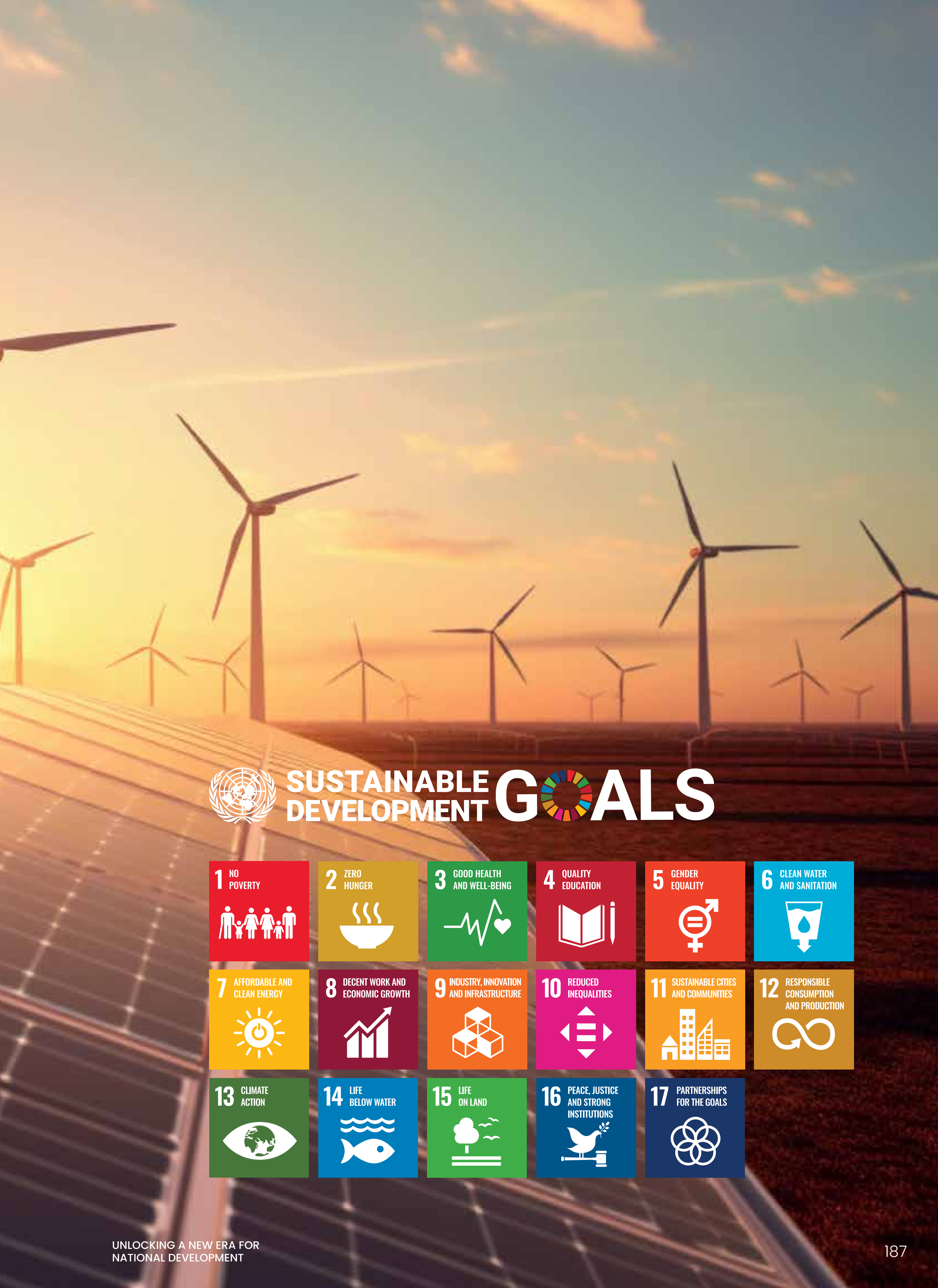
The status of projects in progress is reported in the Directors report under the heading "Growth and Expansion.

Sustainability & Environment

We aim to maintain a responsible and ethical attitude in all of our practices. We are determined to deliver sustained growth and enduring value to our stakeholders.

Adopting the Sustainable Development Goals

Being a socially responsible company, Lucky Cement has embedded sustainability at the core of its operations. Although we support all seventeen SDGs, we have prioritized our actions where we can create the most impact.


SUSTAINABLE DEVELOPMENT GOALS
1 NO POVERTY
2 ZERO HUNGER
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

United Nations Sustainable Development Goals

2030 AS OUR ROAD MAP TOWARDS A SUSTAINABLE SOCIETY

The UN Sustainable Development Goals (SDGs) have been adopted by Lucky Cement as a strategic plan for its journey towards sustainability. This year too, we continued to align our practices to meet the Global goals by 2030. The integration of the SDGs has taught us to view sustainable development as a business response to the challenges we face as a society — to use business driven approaches to create lasting economic growth to address social needs and empower communities.

The UN Sustainable Development Goals provide us with a common understanding and route-map to achieve a better future. We see the SDGs as a win-win opportunity, improving the world for future generations, whilst supporting our vision to become a value based, sustainable company.

Out of the 17 goals of the United Nations, we have thirteen SDGs to integrate into our business operations. We have also developed action plans to incorporate sustainable development principles into our business strategy. The following highlights our company's efforts to meet the UN SDGs:

The goal	What it means to us	Examples of our contribution
End poverty in all its forms everywhere	We aim at ending all forms of poverty in our domain by assuring social protection, community welfare, providing access to basic services to our employees and the poorest and most vulnerable communities in the areas where we operate. We work to alleviate all kinds of poverty in our area through inclusive growth.	• Lucky Cement strongly believes in empowering its people. We ensure market competitive pay packages to our employees and adhere to the minimum wage laws for our human capital. • We realize the importance of giving back to the community, hence our rural development programs continue to uplift the under privileged communities. (More details are given in CSR Section of the AR 2024) • Being a socially responsible Company, we understand and acknowledge the needs of the underprivileged. Our CSR initiatives are designed to assist the people in any vulnerable situations arising due to the natural calamities and unfavorable environmental changes.
Ensure healthy lives and promote well-being for all at all ages	We aspire to provide a safe working environment to all our employees and to transform lives by improving access to quality and affordable healthcare services for our employees and the communities where we operate.	• Our dedicated HSE function ensures that our operations comply with the best practices of Occupational Health, Safety and Environment. • Our logistics fleet is always on the roads serving the needs of our customers. Our drivers are given trainings regularly to reduce the risk of accidents and injury that could cause human suffering. • Our dispensaries at both the plant sites provide medical facilities to the employees and the community. We ensure wellbeing of our communities through free medical clinics in the peripheral areas of our plant locations. We support the community by providing state-of-the-art and affordable health care services through Tabba Heart and Tabba Kidney Institutes.
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	We aim to provide an environment where our employees continue to learn new skills, and we strive to expand access to education to all through scholarships and promoting girls' education.	• We believe that educated and empowered women are agents of change. To achieve the above objective, the company collaborated with Zindagi Trust by supporting the two leading Government girls' schools in Karachi. We strive to empower women by providing equal schooling opportunities, keeping in view the importance and impact of women education in Pakistan. • For our cause to help and support the differently-abled, we generously offered financial assistance to alleviate suffering of needy patients through Pakistan Association of the Blind – an NGO that provides educational and rehabilitation services for those suffering from blindness. • To provide merit-based support for the deserving and less privileged segments of the society, Lucky Cement continues to extend a number of scholarships to various students of leading universities in Pakistan. • We have partnered with The Citizen Foundation for development of a school at Pezu, District Lakki Marwat. The initiative will offer free primary and secondary education to locals. • With the aim of empowering the youth through skill development and education, three specific scholarship programs and vocational training for the rural youth of this district have been introduced.

The goal	What it means to us	Examples of our contribution
Achieve gender equality and empower all women and girls	We desire to provide fair opportunities to both women and men, create a safe environment for our employees, create equal opportunities and provide equal compensation to all.	• We take pride in being an equal opportunity employer and we promote gender diversity at all the levels. • We provide same opportunities with equal compensation and benefits to our female employees, which is offered to their male counterparts. We conducted a training on women's day to empower our female staff them with ways to maximize their potential. • We have women representation at all levels including the Board of Directors. • We have policies in place that promote harassment-free work place for our female employees.
Ensure availability and Sustainable management of water and sanitation for all	To embed the ideology of water conservation in our business strategies in order to conserve the natural capital for a sustainable future.	• Our Company believes in responsible consumption of valuable resource of water and makes every effort to reduce its usage. • Some water conservation projects include installation of RO plants at our production facilities to provide safe and clean drinking water for its employees. • To provide clean water to our communities, we have also installed tube wells at various location around Pezu plant. • We have defined goals for efficient water usage to reduce the impact on the depleting fresh water sources across the Country.
Ensure access to affordable, reliable, sustainable and modern energy for all	Increase the use of clean energy at the Company's production facilities and utilize technology to provide solar energy solutions to the community.	• We use our power generation infrastructure to conserve as much energy as possible. • We use efficient technologies and appliances, which consume minimal energy. • Our group has significant contributions towards power generation for the national grid. • We have successfully completed a 42.8 MW captive solar power project at its Pezu plant with a 5.589 MWh Reflex energy storage system, and a 31.5 MW solar power plant at its Karachi plant. The Pezu plant's solar project, now the largest on-site captive solar plant in Pakistan, can produce approximately 62 GWh (gigawatt-hours) annually, reducing CO2 emissions by around 37,400 tonnes. Similarly, the Karachi solar power plant produces approximately 50 GWh, cutting CO2 emissions by around 22,000 tonnes.

The goal	What it means to us	Examples of our contribution
8 DECENT WORK AND ECONOMIC GROWTH **Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**	To be an employer by choice, diversifying into other industries to promote economic growth across the value-chain, to train youth for greater employability and to upskill our current workforce.	• We have manufacturing facilities at two sites in Pakistan besides marketing office in different cities. After having a strong footprint in cement manufacturing industry in Pakistan, Iraq and DR of Congo, Lucky Cement has evolved into a conglomerate having strategic investments in diversified industries such as Chemicals, Automobiles, Mobile manufacturing and Power. • With these diversifications, the Company will stand out as a progressive Pakistani conglomerate promoting the growth of industrialization in Pakistan. • We regularly provide various trainings to our employees in order to increase their productivity. • Through a vocational training program, Lucky Cement Limited has not only improved their abilities but also given them employment opportunities. Students who passed out from the first batch of the vocational training programs are now employed by the Company at its Pezu Plant • By rigorously following the laid down HSE guidelines, Lucky Cement is committed to provide a safe working environment for all of its employees and stakeholders engaged in its business operations. We are an OHSAS 18001, ISO 14001 and ISO 9001 certified organization and continuously implement practices that offer health, safety and environment development at our work place.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE **Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation**	We aim at ensuring sustainable growth of the economy with responsible industrialization, to make the basics of life available and improve the standards of living, for all.	• Being the pioneer in the production of high quality cement, we recognize that Cement/ construction industry is vital for the Country's economic growth, infrastructural development and employment generation. • We strive to keep our processes eco-friendly thereby promoting sustainability by reducing emissions during our production processes. • We have used innovative methods to bring efficiencies and reduce wastages. We use Waste Heat Recovery Plants to utilize waste heat released in the air to produce electricity. • We have installed latest technology and efficient Cement Mills at our Pezu Plant, which are state of the art with respect to efficiency & safety for smooth and stable operation.
10 REDUCED INEQUALITIES **Reduce inequality within and among countries**	Reduce inequalities within our domain by providing everyone with equal access to opportunities by using our leadership, network, technologies and solutions.	• At Lucky Cement, we have stringent HR policies to promote and maintain equal and fair compensation policies for women, to promote gender, provide opportunities to deserving candidates, cultural diversity, and hiring on a merit basis etc.

The goal	What it means to us	Examples of our contribution
Make cities and human settlements inclusive, safe, resilient and sustainable.	We support Government and private sector in large infrastructure projects by providing quality cement in economical prices, and we ensure that our operations have no adverse impact on the cities and communities in which we operate	• We believe that as countries develop, solutions for sustainable prosperity are needed. Under the Government of Pakistan's initiative to provide low cost and affordable housing to the people, we remain available to address the significant need for affordable housing. • As a part of our community development programs, to empower the community and to improve income-earning possibilities, we embarked on a journey of developing a model village near our Karachi Plant. • We often sponsor initiatives that are not only environmental friendly but also supports the aspect of sustainable development in society.
Ensure sustainable consumption and production patterns	Managing our operations responsibly, decreasing our environmental impact and promoting responsible behavior among all our stakeholders.	• Lucky Cement focuses on energy conservation, operational efficiencies and carbon footprint reduction. Company's effluent emissions are regularly monitored. Regular environmental audits are also performed. • To reduce our environmental footprint, we have policies to identify, reduce and dispose of waste arising from our operations in a manner that minimizes harm to the environment and prevents pollution of land, air and water, to reduce the consumption of energy and water and use renewable and/or recyclable resources wherever practicable. • The sourcing of our raw materials accounts for a large portion of our economic, operational and environmental footprint. We promote responsible consumption of all raw and packing material. • Being an environmentally responsive Company, we take pride in promoting sustainable business practices all across our value chain as well as at public forums. • To add to our commitment towards the adoption of sustainable practices, we promote and explain our sustainable business practices on various public platforms.

The goal	What it means to us	Examples of our contribution
13 CLIMATE ACTION **Conserve and sustainably use the oceans, seas and marine resources for sustainable development**	We aim at taking accelerated action on mitigation of the impact of climate change.	• As climate change becomes an over-growing threat with only eight years to achieve the UN Sustainability Development Goals, we at Lucky Cement strive to build sustainability into everything we do. • Our responsible use of raw material, efficient technology, emission control procedures and regular tree plantations act towards mitigating the impact of climate change. • As a socially responsible manufacturing concern, we believe in creating awareness towards sustainable practices to protect the climate and environment.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS **Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels**	Manage our operations responsibly and ethically. We promote transparency and accountability in our dealings with internal and external stakeholders	• Anti-bribery and corruption policy is an essential part of our code of conduct. We strongly discourage all such acts to promote equal and fair opportunities for everyone. • External Advocacy through different forums, like APCMA, Pakistan Business Council, KCCI etc. to timely apprise the relevant Government departments and Regulators of all issues that may have an adverse impact on the Industry or competitive environment. • From top to bottom, the management of Lucky Cement empowers its staff by appreciating their ideas and suggestions. To hear what our shareholders have to say, we have an investor grievance procedure. We engage proactively and transparently with governments and other external stakeholders to support, promote and enforce policies for sustainable development practices.

Environment, Social and Governance (ESG) at Lucky Cement

ESG is a system for measuring the sustainability of a company in three specific categories: environmental, social and governance. It has developed into a broad framework that addresses key aspects including environmental and social impact, as well as how governance structures can be changed to enhance stakeholder well-being. We believe unwaveringly that stakeholder value maximization is possible on a long-term basis by implementing best-in-class ESG protocols and therefore, ESG remains a key dimension in our strategic decision making. Alongside on the path to growth, we also continue upon our journey of Excellence and building Enterprise of the Future, by delivering on our Environment Social and Governance agenda. With the evolved ESG agenda, we have embarked upon on some amazing projects pertaining to all the key elements of ESG that are shaping the sustainability of business and industries in Pakistan.

Statement for Adoption of Best Practices For CSR

At Lucky Cement, we view Corporate Social Responsibility (CSR) as an integral component of our organizational ethos and commitment to sustainable growth. We recognize our responsibility to positively impact the communities and environment in which we operate, and we are dedicated to upholding the highest standards of ethical conduct and social contribution.

With unanimous endorsement from our Board of Directors, we proudly announce the adoption of comprehensive CSR best practices that reflect our dedication to making a meaningful difference. This decision underscores our belief that business success must align harmoniously with societal well being.

Our CSR approach will be guided by a steadfast commitment to:

Ethical Governance: We commit to conducting our business with the utmost integrity, adhering to ethical principles that prioritize transparency, accountability, and fairness in all our interactions.

Stakeholder Engagement: We will engage closely with our stakeholders, including employees, customers, partners, and local communities, to understand their needs and concerns, and to collaboratively develop initiatives that address pressing social and environmental challenges.

Community Development: Through strategic philanthropic investments, skill development programs, and community partnerships, we aim to uplift under-served communities, enabling them to thrive and contribute positively to society.

Environmental Stewardship: We are resolute in minimizing our ecological footprint by embracing sustainable practices, resource efficiency, and conservation efforts that safeguard the environment for future generations.

Employee Empowerment: Our commitment extends to our employees, whom we consider vital contributors to our CSR journey. We will provide them with a safe, inclusive, and diverse work environment that fosters professional growth and nurtures a culture of giving back.

Transparency and Reporting: We pledge to transparently communicate our CSR initiatives, progress, and impact to our stakeholders through regular and comprehensive reporting, allowing for accountability and fostering a spirit of continuous improvement.

Our Board's endorsement of these best practices reflects our conviction that responsible business practices are not merely a moral obligation, but an essential driver of long-term success. We believe that by embracing these practices, we can create a lasting positive impact on society while ensuring the sustainable growth and resilience of our company.

Statement About the Company' Strategic Objectives On ESG and Sustainability Reporting

As stewards of Lucky Cement, The Board remains steadfast in its commitment to fostering a sustainable and responsible business ecosystem. With the recognition that environmental, social, and governance (ESG) considerations are vital components of our corporate strategy, we are dedicated to integrating ESG principles into every facet of our operations, aligning with our core values and the expectations of our stakeholders.

Our strategic objectives encompass:

Environmental Responsibility: We are resolute in minimizing our environmental footprint through innovative practices that conserve resources, reduce emissions, and protect biodiversity.

Social Well-being: By prioritizing employee welfare, diversity, equity, and inclusion, and by collaborating with local communities, we endeavor to create a positive impact on the lives of those we touch.

Effective Governance: Sound governance is integral to our sustainability journey. We are committed to maintaining a governance framework that emphasizes transparency, accountability, and ethical behavior across all levels of our organization.

Stakeholder Engagement: We recognize that shared success emerges from effective engagement with our stakeholders. Through open dialogue and partnerships, we seek to address concerns, gather insights, and collaboratively develop solutions that drive positive change.

Innovation and Adaptation: Our commitment to sustainability demands continuous innovation and adaptation. We will invest in research, development, and technological advancements that enable us to evolve in a dynamic and responsible manner.

Robust Reporting: We acknowledge the importance of transparent and comprehensive reporting. Our ESG and sustainability reports will provide a clear view of our progress, challenges, and opportunities, allowing our stakeholders to hold us accountable and participate in our journey.

We recognize that by setting these strategic objectives, we strengthen our resilience, enhance our reputation, and contribute to a world that thrives for generations to come.

KEY SUSTAINABILITY RELATED RISK AND OPPORTUNITIES

While integrating sustainable development into our operations, our risk and strategy approach prioritizes the issues most critical to our business. This analysis allows us to evaluate our overall risk exposure and aids in strategic decision-making, maximizing opportunities that emerge from challenges:

Risks and / or Opportunities	Company Initiatives
Energy Shortage: Energy shortages pose Significant risk to cement industry due to its energy-intensive production processes. Inadequate energy supply can lead to production disruptions, reduced output, damaging reputation and customer relationship. Energy constraints can also hinder expansion plans and prevent the company from meeting growing demand.	Considering the energy requirements, we tend to strive hard to invest more in alternate energy sources to reduce dependency on fossils fuels. LCL has made significant investment in renewable energy sources by installing an on-site captive solar power projects at both Pezu and Karachi plant. With this initiative, we are able to control substantial amount of energy cost.
Water Availability: Water scarcity can affect the entire supply chain from the extraction of raw materials to the delivery of finished products. Furthermore, excess water utilisation can lead to environmental degradation, affecting local ecosystem and bio adversity.	Naturally, cement manufacturing is a dry process requires no water consumption. However, LCL consume water in cooling of hot gases, in our heat exchangers and generating the steam in boilers, for WHR. The same water then condensate and use for tree plantation.
Cybersecurity: Breaches or mishandling of sensitive data can lead to disruption in operations, financial loss, reputational damage and regulatory penalties.	LCL has an IT steering committee charged with IT Governance and cyber security. The Company has an updated Disaster recovery plan in place for the continuity of operations in case of any disaster. Appropriate data backup mechanisms are implemented. Period logs and access control reviews to ensure effective system-related controls.
Mining: Limestone mining is a critical process in cement manufacturing that poses risk of loss of biodiversity, land disruption, contamination of ground water and air pollution due to dust and emission from mining operation, affecting local communities and ecosystem.	By nature, limestone tends to contain a lot of water and is a tough, durable rock. Due to this high moisture content, emission of fine limestone during the blasting at the quarry is very low. Since the pieces of rock (splinters) produced by the blasting process are generally large that reduces the risk of airborne particles spreading over a wide area. Continuous monitoring of noise level at limestone quarries. Additionally, the designing of the plants at Karachi and Pezu has been done in a way to maintain noise levels within the acceptable limits of NEQS.

Risks and / or Opportunities	Company Initiatives
Emerging Risk (Long term 3-5 years)	
Climate Change: Cement manufacturing being an energy and resource-intensive process is exposed to risk of frequent climate change and global warming primarily due to release of COs and combustion of fossils fuels. From physical risk perspective, the company may expose to increased severity of hurricanes, floods, drought, storms and extreme weather conditions which can damage production facilities, disrupt supply chain, halt operations and leading to increased cooling cost. From the transitional risk perspective, LCL may expose to the risk of escalating operational expenses and damaging brand reputation due to strict environment regulations, growing demand for low carbon emission products, adoption and development of new technologies for reducing emission and increasing energy efficiency and increased investor reliance on ESG performance indicators whilst making investment decisions.	In order to address climate related risk, LCL has taken various advanced sustainability initiatives to enhance resilience, vulnerabilities and long-term value. These initiatives include transformation from fossil-fuel based energy to alternative-energy systems to safeguard the ecosystem and the community surrounding our plants For reduction in CO2 emissions, LCL has installed Dual-Fuel conversion project which facilitates a switch from furnace oil to environment-friendly alternative sources. Additionally, we have a Tyre Derived Fuel plant (TDF) that provides an alternative to coal and has the capacity to utilize Refused Derived Fuel (RFD), which makes use of Municipal Solid Waste (MSW) and Rice Husk as alternative fuel. We have also adopted Waste Heat Recovery (WHR) system that help us to control exhaust gas temperature, greenhouse gases and particulate matter emissions. Tree-plantation drive at our production facilities also serves as an eco-friendly initiative for sustainable environment. Mitigating controls are also implemented on industry effluents and sewage water by treating the same and bring its pollution load within the specified values of the NEQS then reuse the treated water for irritation and tree plantation.
Regulatory Changes: Legal and regulatory requirements relating to emission, waste management, carbon pricing and taxes etc. are continuously being evolving and changes over time which require significant investment in new technologies, processes and training resulting in escalating operational cost and impacting profitability. Non-compliance to such regulations may also potentially lead to damaging reputation, loss of customer and revenue, impact suppliers that may lead to disruption and cost.	We strive hard to manage such regulatory risk by proactively developing contingency plans and accruing maximum potential exposure relating to impact of regulatory changes and by ensuring transparency in our disclosure and reporting. Actively collaborating with different stakeholders and relevant authorities to seek mediation and resolution of any issue.

Disclosure About Four Pillar Core Content (Governance, Strategy, Risk Management, Metrics and Targets)

Corporate Governance

Through unwavering commitment to sustainability and business ecosystem, the Board plays an integral role in fostering a culture of sustainability and driving continuous improvement in ESG performance. This commitment involves embedding environmental, social, and governance (ESG) principles into the core of our business strategy and ensure robust governance practices.

The Board ensures that sustainability goals are clearly defined, monitored, and integrated into all aspects of operations, aligning with stakeholder expectations and the company's long-term vision for sustainable growth.

The strategic oversight of board ensures continuous development and advancement in technology to enable us to evolve in a responsible manner. Also, the Board acknowledge transparent and comprehensive reporting of all risk and opportunities faced by the Company with respect to ESG performance and sustainability.

Sustainability Strategy

At Lucky Cement, our sustainability strategy is integral to our corporate vision and operations. We are committed to driving sustainable growth by integrating environmental, social, and governance (ESG) principles into our business strategy. Our approach ensures that we contribute positively to society and the environment while creating long-term value for our stakeholders.

Our strategy to achieve sustainability goals primarily focuses on reduces our carbon footprint through innovative technologies and processes, enhance energy efficiency and increase the use of renewable energy sources, responsible water management, focus on waste reduction, foster a safe, diversify, and equitable workplace.

Risk Management

Our Robust Enterprise Risk Management (ERM) provides a framework to identify, assess and mitigate risk across the organisation that could potentially impact the company's commitment to sustainability and long-term business success. This framework encompasses environmental, social, and governance (ESG) risks, alongside traditional financial, compliance and operational risks, ensuring a comprehensive approach to risk management.

This involves identifying all potential strategic, financial, compliance, operational and ESG-related risks based on regular risk assessment, industry benchmarking and stakeholder consultation. Each identified risk is evaluated and ranked based on its potential impact and the likelihood of occurrence.

Appropriate mitigation strategies tailored to reach identified risk are then developed to implement proactive solution to minimize the probability of occurrence of such risks. Regular updates on risk status and management activities are provided to the Board and relevant committees. Transparent communication of our ERM practices and performance is maintained through annual reports and other stakeholder engagements.

Our ERM framework is regularly reviewed and updated to adapt to evolving risks, regulatory changes, and industry best practices. We encourage innovation and continuous improvement in risk management strategies to enhance resilience and sustainable growth.

Metrics And Targets

Environment	
Green House Gas Emission	**Pezu Plant** • 264,820 tons of CO_2 released during the FY 2023-24 • 159,895 tons of CO_2 emission prevented from releasing in the environment during FY 2023-24 from energy conservative initiatives **Karachi Plant** • 110,952 tons of CO_2 released during the FY 2023-24 • 68,886 tonnes of CO_2 emission prevented from releasing in the environment during FY 2023-24 from energy conservative initiatives
Energy Usage	**Pezu Plant** • 434,547 MWH of total energy consumed during the FY 2023-24 **Karachi Plant** • 364,333 MWH of total energy consumed during the FY 2023-24
Energy Mix	**Pezu Plant** • 61% of energy requirement is met from captive sources • 26% of energy requirement is met from alternate energy (i.e., Waste Heat of Kiln (WHR)] • 13% of energy requirement is met from renewable energy sources (i.e., Solar) **Karachi Plant** • 61.7% of energy requirement is met from captive sources • 27.4% of energy requirement is met from alternate energy (i.e., Waste Heat of Kiln WHR] • 10.9% of energy requirement is met from renewable energy sources (i.e., Solar)
Water Management	**Pezu Plant** • 1.53 M^3/MWh water consumed during FY 2023-24 during different processes of power generation out of which 5% recycled water used for showering • 9.375 M^3/MWh water consumed during FY 2023-24 during different processes of cement plant out of which 8% recycled water used for Cement Mill Showering process **Karachi Plant** • 1.41 M^3/MWh water consumed during FY 2023-24 during different processes of power generation out of which 7.4% recycled water used for gardening & showering. • 10.96 M^3/MWh water consumed during FY 2023-24 during different processes of cement plant out of which 2.1% recycled water used for gardening & showering.

Social	
Employee Turnover	• 5.1% is the year-over-year change for full-time employees during the FY 2023-24
Gender Diversity	• LCL promotes an inclusive work environment by ensuring equitable representation at all levels within the organisation. Currently, female employees make up 9.54% of LCL'stotal workforce at the head office. • The mean and median pay for women is around 25% higher than that of men.
Non-Discrimination	• LCL has established a defined code of conduct and a whistle-blower policy to address all employee grievances, including workplace harassment, and establish an environment to ensure inclusion and non-discrimination among employees at all levels. • To eliminate discrimination LCL is focused on employing persons with disabilities in-line with best practice.
Global Health and Safety	• LCL is committed to maintaining a safe and healthy working environment by establishing and adhering to global health and safety policies and providing health and safety insurance coverage to all employees.

Social	
Injury Rate	• LCL successfully minimized the frequency of injury events relative to the total workforce during the reporting period, with rates of approximately 1.51% at the Karachi plant and 0.11% at the Pezu plant. • A total of 5 safety-related incidents were reported during FY 2023-24, resulting in a production loss of 720 hours across both plant locations.

Employee training and Succession planning	• LCL aims to invest in employee professional development in this regard various trainings were conducted during the FY2023-24 as follows:
	  • 31 trainings were conducted on HSE; attended by 373 participants
	  • 49 trainings were conducted on soft skills; attended by 956 participants
	  • 84 trainings were conducted on skill upgradation; attended by 1092 participants
	• As part of employee professional growth and succession planning, LCL has promoted approximately 10.70% male and 19.05% female staff during the FY 2023-24

Governance	
Board Diversity	• 85.71% of the board seats are occupied by men, while 14.29% are occupied by women.
Board Independence	• 42.87% of the board seats are occupied by Independent Directors.
Ethics and Anti-Corruption	• LCL has a robust code of conduct to address all ethics and anti-corruption related issues.
Data Privacy	• LCL has an IT steering committee charged with IT Governance and cyber security to protect data privacy.
Disclosure practices	• LCL provides sustainability data in line with IFRS S1 and S2 • LCL focuses on UN Sustainable Developments Goals (SGDs)

Chairman's Overview Leveraging Sustainable

Dear Shareholders and Stakeholders,

I am delighted to share with you how our company's unwavering commitment to sustainable practices is deeply intertwined with our financial performance. In today's dynamic business environment, where environmental, social, and governance (ESG) considerations are increasingly critical, our approach to sustainability is not just an ethical obligation—it is a strategic necessity that profoundly impacts our bottom line.

Operational Efficiency and Cost Savings:

Our commitment to sustainability drives significant operational efficiencies by optimizing resource utilization, streamlining processes, and minimizing waste. These efficiencies translate into tangible cost savings, directly enhancing our profitability while fulfilling our responsibility to preserve the planet's resources.

Risk Mitigation and Resilience:

By proactively addressing ESG factors, we mitigate risks associated with regulatory non-compliance, reputational harm, and supply chain vulnerabilities. This forward-looking approach not only safeguards our operations but also strengthens our resilience, ensuring business continuity in an increasingly unpredictable world.

Reputation and Stakeholder Trust:

Our dedication to sustainable practices enhances our reputation as a responsible corporate citizen. This reputation attracts loyal customers who prioritize ethically produced goods and services. The trust and loyalty of our stakeholders are invaluable assets, fueling long-term revenue growth and strengthening our market position.

Access to Capital and Investor Confidence:

As investors increasingly consider ESG performance in their decision-making, our robust sustainability initiatives have positioned us as an attractive choice for socially conscious investors. These investors recognize that aligning financial returns with positive societal impact is a sustainable model for long-term success, thereby expanding our access to capital.

Employee Engagement and Productivity:

Our commitment to fostering a diverse, inclusive, and ethical workplace environment drives employee loyalty, engagement, and satisfaction. Engaged employees are more productive, contributing to our overall operational efficiency and, consequently, our financial success.

Regulatory Agility and Competitive Advantage:

By staying ahead of evolving regulatory landscapes, we ensure compliance while minimizing the risk of penalties. Moreover, our proactive stance on sustainability gives us a competitive advantage in a market where responsible business practices are increasingly valued.

In conclusion, our sustainable practices are not merely adjuncts to our business strategy; they are fundamental enablers of our financial success. By harmonizing our core values with sound business decisions, we ensure that our profitability aligns with the well-being of our planet, our communities, and future generations.

Thank you for your continued support as we advance on this transformative journey.

Muhammad Sohail Tabba

Our Contribution Towards Sustainability

Lucky Cement is strongly driven by international benchmarks for sustainable practices in business. With the Board of Directors and management's strong support to conserve the natural capital, we stay committed to improve land and water use, protect forest tracts and green sanctuaries.

We remain constantly focused on the management and rational use of natural resources, a methodology that permits us to decrease the effect of our operations and increase our operational productivity. All the initiatives we have developed in relation to eco-efficiency are based on our strategy for sustainable profitability.

The Company's contribution to conservation falls into two categories: the efforts of Lucky Cement to preserve and enrich the environment in and around their areas of operation and the philanthropic thrust of the Company, which support the society with the management of natural resources, community development and livelihoods.

In line with our commitment to SDG 7, we have significantly advanced our focus on energy conservation by investing in renewable energy sources and implementing energy-efficient initiatives across our production facilities and offices. Upholding our commitment to sustainability, environmental protection, and clean energy, Lucky Cement has successfully completed the installation of solar power projects, now operational with a capacity of 31.5 MW at our Karachi Plant and 42.8 MW at our Pezu Plant. Furthermore, a 28.8 MW wind power project is currently underway at our Karachi Plant, further reinforcing our dedication to renewable energy and reducing our carbon footprint.

Energy Conservation

Waste Heat Recovery Plants - Usage of Green Technology

In any industrial process, heat is wasted as a result. If not used efficiently, waste heat is released into the atmosphere. A Waste Heat Recovery (WHR) Plant utilizes residual heat, consuming no fuel, and lowering dust emissions and temperature of discharged heat thus having a positive impact on the environment.

The WHR unit does not need any externally fed fuel to operate, but it uses the waste heat from the system. The design of these plants hinges on the idea of encapsulating all the waste heat and using this heat to generate steam from boilers, which drive the turbine engines, thus producing electricity.

Being one of the leading cement manufacturers in Pakistan, we have the responsibility and opportunity to contribute in bringing sustainability in the cement industry. For this we have extensively invested in implementing projects that reduce energy consumption and address issues of environmental degradation. These projects not only bring production efficiencies, but have significantly reduced carbon emission.

Water Conservation

Responsible consumption of water and its conservation are an integral part of Lucky Cement's sustainability efforts and its drive towards utilizing the resources responsibly. The Nature of Cement processing is a Dry Process, where water is used only for machinery cooling and generating the steam for boilers. Water sprinkling is done in the Yards, storage, roads and sideways to improve the health and to improve working environment of the area. Lucky Cement makes every effort towards reducing water wastage and ensures that water is consumed responsibly.

We reduce water intensity in all our operations and focus particularly on our impact in water conservation. We make efforts to restore natural water cycles, benefiting multiple aspects of our value chain and the people and communities we serve. We aim at ensuring that everyone has access to safe drinking water as well as adequate water for hygiene and sanitation purposes. For

our commitment towards SDG 6; Clean Water & Sanitation, Lucky Cement provides awareness and encourages its employees towards water conservation through regular safety talks. We work towards achieving SDG 6 by delivering services to enable access to safe drinking water and sanitation facilities in communities and schools, to people living in poverty, in hard-to-reach, climate-affected and under-served urban areas, including Jhang Khel, Wazir Kala, Shehbaz Khel, Tabi Murad and Azghar Khel where we have installed solar based tube wells for the locals. We have defined goals for efficient water usage to reduce the impact on the depleting fresh water sources across the Country.

Environment Conservation

Lucky Cement aims to be a more sustainable business, for a more sustainable society. This means protecting biodiversity and natural resources, while encouraging others to act responsibly. Our ambition is to strive for zero environmental impact in our operations. We use sustainably-managed renewable resources, operate more efficiently, re-use and/or re cycle wherever possible, and improve water management. Cutting energy usage is central to global efforts to cut carbon-based emissions and address the problems of climate change.

The impacts of climate change are already apparent. It is a global issue that will affect everyone. We are innovating to reduce our environmental footprint, in line with our commitment to use natural resources sustainably to conserve the environment in the times when natural resources are depleting at a high rate.

Our Quality, Health, Safety, and Environment (QHSE) policy outlines our commitment to measure and reduce the environmental impact of our operations, and our manufacturing units are certified to ISO 14001.

Our Environment strategy is built around four key areas that are critical to our sustainability efforts.

- We focus on emission control and reduction, which involves minimizing the amount of greenhouse gases and other pollutants released into the atmosphere.
- We prioritize energy management to reduce our carbon footprint and ensure that we use energy as efficiently as possible.
- We are committed to responsible water management to ensure that we use this valuable resource sustainably and minimize waste.
- We focus on waste reduction and resource management to minimize the amount of waste generated by our operations and to ensure that we use resources as efficiently as possible.

Our sustained efforts to reduce our costs and improve our impact have generated significant results for our business, our communities, society and the environment. These results correspond to contributions to the Sustainable Development Goals for sustainable communities, responsible production, and climate action. We see the SDGs as a win-win opportunity, improving the world for

future generations, whilst supporting our vision to become a value-based, sustainable company.

Implementation of environment friendly operations and practices has always been a priority of Lucky Cement. We have been successful in establishing a leadership position in the market by achieving this target through strategic orientation.

Beach Clean Drive

In an effort to promote environment conservation and highlight the importance of marine pollution a beach cleaning activity was launched.
Employees, participated in the clean-up activity with an aim to perform their civic responsibility by collecting and sorting plastic disposal and other garbage at the beach.

Sustainability has always been an integral part of our business and we are committed to take every possible step towards a cleaner environment. As climate change becomes an over-growing threat, Lucky Cement strives to build sustainability into every aspect of its business operations. From responsible use of raw material, efficient technology, emission control procedures and regular tree plantations, your Company is committed to act towards mitigating the impact of climate change

Reduction In Co_2 Emissions

Advanced Sustainability Initiatives

We are the pioneer of revolutionizing sustainable manufacturing through the execution of our Dual-Fuel Conversion Project which has helped in conversion of energy generation from furnace oil to environment-friendly alternative sources.

We have the capacity to use alternatives to coal through innovations like the Tyre Derived Fuel (TDF) Plant. The Dual Fuel Project also qualifies for the Clean Development Mechanism (CDM) under the Kyoto Protocol that creates emissions reduction credits through emissions reduction projects in developing countries. Under this protocol, pro-environment organizations can earn Certified Emission Reduction (CER) credits.

As a Company we also have the capacity to utilize Refuse Derived Fuel (RDF) system that is making use of Municipal Solid Waste (MSW) and Rice Husk as alternative to fuel. The ability to transform from a fossil-fuel based energy to alternative-energy structure is a specimen of our drive to protect the ecosystem and community around our plants.

Renewable Energy and Storage

Lucky Cement Limited has successfully completed a 42.8 MW captive solar power project at its Pezu plant, along with a 5.589 MWh Reflex energy storage system, and a 31.5 MW solar power plant at its Karachi plant. The Pezu plant's solar project, now the largest on-site captive solar plant in Pakistan, can produce approximately 62 GWh (gigawatt-hours) annually, reducing CO2 emissions by around 37,400 tonnes. Similarly, the Karachi solar power plant produces approximately 50 GWh, cutting CO2 emissions by around 22,000 tonnes.

These renewable energy projects are designed to enhance the reliability and efficiency of the company's power systems by absorbing variations in solar energy production and reducing reliance on fossil fuel generation during daylight hours. The Reflex energy storage solution at Pezu adds flexibility to the cement plant's power system, enabling a quick response to power faults and supporting continuous 24/7 operations.

In addition to these renewable projects, a 28.8 MW wind power project is also underway, which can produce approximately 100 GWh and reduce CO2 emissions by around 45,000 tonnes. This further contributes to Lucky Cement's commitment to sustainability. As an industry leader, Lucky Cement understands its responsibility toward the environment and remains dedicated to investing in technologies that ensure a sustainable future.

Tree Plantation at Karachi and Pezu Plant –"Sustaining Green" Initiative at Lucky Cement

We are proactive in promoting activities that deal with environment-preservation. Tree plantation drives are at the forefront of our sustainable eco-friendly practices and the areas surrounding Karachi and Pezu cement plants bear testimony to this fact. As part of our on-going tree plantation drive, till date, Lucky Cement has planted over 40,000 tree saplings within the surrounding area of each plant. A green belt project, spanning across some of the old mining areas of the Karachi plant, was initiated to implement sustainable mining practices.

Sustainability Practices and Controls

Bag Houses (Dust Collectors)

Lucky Plants are equipped with efficient bag houses to control Emission of Particulate Matter (PM). The efficient bag houses reduce dust emissions to minimum levels and consume less electricity due to simplicity in electro-mechanical system.

Waste heat recovery system

Lucky cement has also adopted waste heat recovery system that also helps to control; Exhaust gas temperature, Green House Gasses & Particulate matter emissions.

Mitigating Efforts to Control Industry Effluents & Sewage

The Nature of Cement processing is a Dry Process, means no water consumption required, in the production of any type of Cement.

We only use water in the cooling of hot gases, in our heat exchangers & generating the steam in boilers, for WHR. The same water then condensate and use for tree plantation.

Sewage water is treated to bring its pollution load within the specified values of the NEQS, for its use for irrigation of vegetation and trees within the plant boundaries. Resultantly, ambient environment is not affected in any way due to sewage.

Raw Materials

Raw materials/raw mix are recycled.

Paper bags

Burst paper bags sold in the market where they are reused for either paper pulp manufacture or other packing materials.

Used oil and lubricants

Used oil, lubricants are used to lubricate re-claimer's chains

Brick waste

Brick waste from the lining of the kiln is sold to the contractors for reuse in small-scale kilns for ceramic, acid proof bricks and such other refractory materials' manufacturing. Waste from Quality Control: Cement cubes (broken by strength determination), cement, pieces of cement pellets, daily analyzed samples of limestone, shale, iron ore, sand, gypsum, raw mix, kiln feed and clinker are transferred to clinker storage yard. The quantity of these materials is very low thus, there is no impact on the quality of clinker.

Empty drums and containers

Empty drums and containers are returned to the suppliers of the chemicals in them for recycling and reuse at their end.

Grinding media

The used grinding media of cement mill is sold in the market through contractor for its reuse in small scale manufacturing.

Environmental Monitoring and control

We have a comprehensive air quality measurement program/Plan so as to identify the limits of pollution parameters in the ambient air in and around Lucky Cement's plants. The stack emissions monitoring is done on a monthly basis for the priority parameters in compliance with the requirements of NEQS (Self-Monitoring and Reporting).

Emissions from Power Generation and Cement Manufacturing Process

Natural gas is the most utilized fuel for power generation. Furnace oil is also used in some engines. The levels of particulate matter, Sulphur dioxides, oxides of nitrogen, and carbon monoxide are monitored from the stacks of power generation engines by a reputable third party laboratory.

All of the parameters monitored are well below their respective limits specified in the National Environmental Quality Standards (NEQS). Similarly, the levels of emissions from stacks for particulate matter, Sulphur dioxides, oxides of nitrogen, carbon monoxide and carbon dioxide are well below their respective limits specified in the NEQS.

Nitrogen Oxides (NOx)

Emissions from the power generators in the power houses are minimized by using special low NOx burners, in addition to achieving fuel burning efficiency. Thus, we have ensured that the levels of gaseous emissions and particulate matter will remain within the NEQS limits.

Sulphur Oxides (SOx)

Like NOx emissions, the power house emissions of SOx are guaranteed to remain within the NEQS. Moreover, we have shifted from the use of Furnace Oil to Natural Gas for power generation. This has also contributed in the significant reduction of the SOx emissions.

Particulate Matter

Bag houses are installed in the entire production system and dropping distances during material transfers are kept minimum thereby reducing emissions of particulate matters. Limestone is the major raw material used in cement production. Limestone has high moisture content and is hard in nature. Due to these properties, emission of fine limestone during the blasting at the quarry is very low. Additionally, splinters generated during blasting are quite large and resultantly they do not fly over longer distances.

Coal transport from supply point to the factory and handling at the plant are other big sources of particulate matter emissions all along the roads used for transport and at the plant. Imported coal from Karachi Port is transported by trucks. In order to minimize fugitive coal dust on the way, these trucks have special covers. This drastically cuts the fugitive coal dust on the way to the plant site.

Noise Pollution

The designing of the plants at Karachi and Pezu has been done while taking into account that; the noise levels remain within the acceptable limits of the NEQS.

The plant site at Pezu is surrounded by high hills in a semicircle on its North-East side. These hills are additionally a good barrier for noise cut off in the environment.

Monitoring for noise levels was carried out at different points at Karachi and Pezu plant sites and limestone and clay quarries. Similarly, monitoring for noise levels was carried out at different points on the boundary walls of the plant sites where minimal instances of excursions were witnessed.

Regular repair and maintenance of the Plants to reduce noise levels within NEQS limits.

Monitoring for noise levels is carried out periodically.

Haulage Management

The vehicles used for handling and transportation activities are properly inspected and closely monitored before loading and leaving.

All transport conveying material from chopping machine to silos and from silos to Pre-Calciner are completely covered, Use of appropriate cover on vehicle for transportation of Raw material, Use of Certified vehicle duly tested on emission fitness.

Our Commitment to Consumer Protection

At Lucky Cement Limited, we take our commitment to consumer protection seriously. We strive to provide our customers with cement products of the highest quality, and ensure that our manufacturing units adhere to strict international safety standards. To achieve this, we conduct regular internal and third-party audits at our plants and offices, in compliance with ISO 9001:2015 Quality Management System.

In addition, we engage independent parties to serve as an additional quality checkpoint, guaranteeing that our cement meets international benchmarks of safety and quality. We are fully compliant with South African, Kenyan, and EN 197-I & II standards, and display safety notices on our packaging material to inform customers about the necessary safety measures, such as suitable safety clothing and dust masks.

We also provide Safety Data Sheets to our customers and users, ensuring that they have all the necessary information about our products' usage and any additional safety precautions that may be required. Our unwavering dedication to consumer protection has earned us the trust of our customers and cemented our position as a leader in the industry.

Our Partnerships and Commitments to Promote Sustainable Development

Good for Planet, Good for Business Webinar On Decarbonization

The British High Commission in Pakistan and the Pakistan Business Council held its 5th webinar in the 'Good for Planet, Good for Business' series which focused on how the cement and concrete sector can bring innovations which can lead to decarbonization to reduce emissions, efficiently use resources and build resilience.

While addressing the webinar the CEO of the Company as keynote speaker highlighted that the global industry will have to adapt to climate change challenges and rework business models to ensure environmental stewardship and robust growth and the cement industry in Pakistan is committed to playing its role.

By taking the Race to Zero pledge all members committed to the same overarching goal: reducing global emissions to half by 2030 and achieving net zero emissions by 2050 at the very latest.

Lucky Cement Limited Partners with AIESEC for World's Largest Lesson (WLL)

AIESEC in Pakistan is part of the largest youth-led organization in the world, which develops youth in a global learning environment that consists of over 120 countries and territories.

World's Largest Lesson is an initiative created in partnership with UNICEF to teach young people and children about Global Goals and encourage them to become the generation that can change the world. It introduces the Sustainable Development Goals to children and young people everywhere and unites them in action.

Hosting this lesson is part of the implementation of AIESEC's Youth 4 Global Goals initiative which promotes the use of the Sustainable Development Goals in learning so that children can contribute to a better future for all.

CORPORATE SOCIAL RESPONSIBILITY

As a socially responsible corporate entity, we strive hard to develop the communities in which we operate. We believe in creating value for our social capital through initiatives focusing on education, health and community development.

Corporate Social Responsibility

Our Corporate Social Responsibility Initiatives

Lucky Cement strongly believes that business's profitability and positive societal impact must be mutually reinforcing. This is the core of our Creating Shared Value approach to business. Our company can only be successful in the long term if we create value for our Social Capital.

Organizations that Create Shared Value demonstrate that business should be a force for good. Making a genuine commitment to society and helping to find solutions to global challenges is fundamental to our way of doing business. To give focus to our efforts, we have set goals that include best environmental, social and governance practices across our operations.

On the surface, the company's CSR strategy is all about the natural environment and support for solutions to community and societal issues. Company's corporate social responsibility strategy involves environmental programs and community support initiatives to fulfill stakeholders' interests.

Tree Plantation

Continuing the effort to contribute in conserving the environment, a tree plantation drive was initiated in which free tree saplings were distributed amongst employees in an effort to make Pakistan greener and environment friendly. Like every year employees were briefed about the significance of tree plantation and were encouraged to plant trees within their vicinity.

Blood Donation Camp

As part of its social responsibility, the Company, arranged a blood donation camp at the Head Office. The event, organized in collaboration with The Indus Hospital, witnessed a commendable turnout of donors who volunteered to support maintenance of blood bank stock and contribute to the health of many people.

Being one of Company's yearly CSR initiatives, the drive is aimed at raising awareness of voluntary blood donation, promoting the values of civic responsibility and giving back to the local community.

Education

As our commitment to SDG 4, Quality Education plays a key role in our CSR efforts. Following from last year, we have sustained our goal of promoting quality education in the country by granting several merit-based scholarships to students at different institutes of Pakistan.

Company's Contributions Towards Literacy, Girls Education And Scholarships

Details of Company contributions towards, literacy, girls' education and scholarship programs are given in the CSR section of the Directors Report.

Empowering the Rural Youth of Pakistan

To further strengthen the youth of Pakistan, Lucky Cement Limited has not only enhanced their skills through vocational training program but also provided employment opportunities. Students passed out from the first and second batch of vocational training program are now employed by the Company at its Pezu Plant. This has provided an environment to these students for learning vocational and technical skills, so as to enable them to be employed at various industries.

Institute of Business Administration (IBA)

We have collaborated with Institute of Business Administration (IBA), to provide educational assistance to a number of students in pursuit of quality education from the IBA through annual scholarship programs. The Abdul Razzak Tabba Academic Block at the IBA Karachi, inaugurated in 2013 by our Chairman Mr. Yunus Tabba, is a testament of our commitment towards education.

Other Universities

We have also awarded scholarships to students in other leading universities of Pakistan. A collaboration of endowment program with National University of Sciences and Technology (NUST) is another prime example of our efforts towards sustainable and affordable education.

Scholarships and Financial Assistance

We have collaborated with various prestigious institutes of Pakistan, providing educational assistance to deserving and bright students. In this respect, we particularly focused District Lakki Marwat which is one of the most deprived and underprivileged regions of Khyber Pakhtunkhwa. In an effort to empower the youth of Pakistan, Lucky Cement Limited has expanded its existing national scholarship program for the bright students of District Lakki Marwat.

Under this initiative deserving students are granted scholarships for graduate, undergraduate and vocational training programs. Three dedicated scholarship programs were announced for the rural youth of this district with an aim to empower the youth through skill development and education.

1) Lucky Cement Limited has successfully completed multiple batches of a dedicated vocational training program in collaboration with renowned institutes across Pakistan. Through this initiative, students are enrolled in professional vocational training diplomas in various trades. Lucky Cement Limited covers the boarding, lodging, and tuition fees for these students. This vocational training program is a continuous effort to support skill development and education.

2) In the second scholarship program students were offered scholarships for intermediate.

3) In the third scholarship program students were offered scholarships for graduate and undergraduate programs in Pakistan's top universities including LUMS, IBA & NUST along with the local institutions of Khyber-Pakhtunkhwa.

After the successful completion of first batch of these dedicated scholarship program, the Company launched its second batch and now the students are enrolled in the respective institutes to complete their courses.

The primary aim of the program is to make education accessible and affordable for talented students especially from the rural areas regardless of their financial background.

Empowering the Rural Youth of Pakistan

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Transform the teaching profession in Pakistan

Lucky Cement Limited partnered with Durbeen in an effort to transform the teaching profession in Pakistan and to train female students to be teachers of the highest caliber for Government schools in Pakistan.

Durbeen partnered with the Government of Sindh to take over the management of the Government Elementary College of Education (GFCL), Hussainabad, and has linked it with global best practices in teacher education through an education collaboration with the University of Helsinki in Finland and the University of Karachi.

Students scoring straight A in a given semester of this teachers training program also received the Abdul Razzak Tabba Merit Award. This award was sponsored by Mr. Muhammad Ali Tabba, CEO, Lucky Cement Limited.

Primary and Secondary School at Pezu in Collaboration with The Citizen Foundation

In an effort to uplift the marginal communities of Pakistan and to ensure provision of quality education at all levels, Lucky Cement Limited has partnered with The Citizen Foundation to establish a primary and secondary level school at Pezu, District Lakki Marwat.

The school offers world-class education to the students of nearby villages previously lacking educational facilities. Lucky Cement goes beyond by providing transportation, ensuring even those from remote areas can attend regularly. This holistic approach underscores our commitment to social responsibility and community development.

Founded in 1995 TCF is providing quality education to thousands of less privileged children through its purposebuilt schools in remote and disadvantaged communities in Pakistan.

Million Smiles Foundation

In collaboration with Million Smiles Foundation, we have also supported the school of Minhaj Campus, Kundal Shahi situated in the Mountain Top area of Neelum Valley. The school facilitates "Out Of School Children" and especially girls. The Company has sponsored an MSF Computer Lab for its students. Furthermore, as part of our ongoing commitment, we have also adopted another school in Taobat, furthering our efforts in the Neelum Valley region.

Shahid Afridi Foundation

Shahid Afridi Foundation (SAF) was founded by Shahid Afridi, the former captain of Pakistan cricket team. Started in 2014 SAF, is non a profit organization in Pakistan, with an aim to improve the conditions of underprivileged communities in terms of Education, Healthcare services, Access to Water and Sports Rehabilitation.

Lucky Cement Limited has adopted Rehri Goth School of (SAF) in Karachi. Rehri Goth is 400 hundred years old fishing community; a coastal area of Karachi, with a population of approximately 50,000.

SAF Rehri Goth Campus is a secondary school which currently enrolls 250 students. The school targets out of school children (children who have never been enrolled in a school). Out of school children go through an accelerated educational program that allows them to be enrolled in age appropriate class.

To encourage families to enroll their daughters into schools, continuous community engagement programs take place at the school.

Interventions after the Adoption

Uniform Distribution: As part of SAF education initiative all students enrolled at SAF schools are provided Uniforms, Sweaters Shoes and Socks at the start of each term.

Mini MBA Program: A program specifically for the parents of students and nearby community to coach and train to setup/grow their small businesses through improved management skills to assuage indigence and societal impoverishment through qualifying micro-entrepreneurs with the most sought-after knowledge and desired skillset.

Mini MBA for Teachers: Beyond skills, the ability to think critically and creatively is what often separates the most successful from the average. SAF Rehri Goth campus teachers were trained to impart entrepreneurial skills. Trained teachers will train the broader community at Rehri Goth and help them grow and sustain their small businesses.

Health and Other Community Projects

Health Projects

We have joined hands with various institutions from the healthcare industry to provide better, efficient and accessible treatment to the public.

Tabba Heart Institute (THI)

Tabba Heart Institute (THI) is a state-of-the-art, not-for-profit cardiac hospital, which was established with the aim provide quality services and compassionate care at an affordable cost. Devoted to the cause of community welfare development, we have generously contributed towards THI to make healthcare more accessible.

Tabba Kidney Institute (TKI)

We fervently support organizations that are dedicated to patient care without any discrimination. Tabba Kidney Institute (TKI) is a center of excellence that provides cost effective and state-of-the- art dialysis facilities to the underprivileged section of the society. Acknowledging TKI's efforts, we have generously donated funds to support their noble cause.

Community Projects

We have partnered with various not for profit organizations with an aim of community development in Pakistan:

Pakistan Welfare Association of the Blind (PWAB)

Pakistan Welfare Association of the Blind (PWAB) is an NGO that provides educational and rehabilitation services for those suffering from blindness. Lucky Cement generously offered financial assistance to alleviate suffering of needy patients.

Citizen Police Liaison Committee (CPLC)

CPLC is a unique example of public-private partnership whereby citizens have come forward as volunteers, took charge to rectify the deteriorating law and order situation in coordination with law enforcement agencies and has worked untiringly to achieve its righteous objectives.

The services and functions of CPLC Sindh kept on increasing whether it be combating crime or providing relief to masses, whether it be providing assistance to law enforcement agencies or assisting poor masses/police families, LEAs martyrs families etc. through welfare based activities. CPLC has left no stone unturned to work untiringly for the peace, tranquility, betterment of masses and deprived sections of society without any discrimination of caste, creed or religion.

Rural Development Programs

We realize the importance of giving back to the community because that is the real reason the Company has achieved the level of success that it currently enjoys. Continuing to uplift under privileged communities, we installed five solar energy based tube wells at various targeted locations near the Pezu plant including Jhang Khel, Wazir Kala, Shehbaz Khel, Tabi Murad and Azghar Khel. Earlier, limited facilities were available for drinking water in these areas. The PKR 16.2 million project is an effort made to facilitate the local residents in order to meet their everyday needs.

We have also installed drinking water pumps, constructed drinking water storage ponds and installed water supply lines. To empower the community and to improve income earning possibilities, we embarked on a journey of developing a model village near our Karachi Plant. In this regard, Yamin Goth, a small shanty village on the outskirts of Karachi was granted a renovated mosque, public toilets and primary schools.

Over the years we also renovated the Government High Secondary School (GHSS) of Dara Pezu and more than 2,000 books were also donated to GHSS Pezu and Yarik village. We also constructed Computer Lab at GHHS Shahbaz Khel village in District Lakki Marwat and installed pressure pumps and constructed toilets in school of Wanda Jogi village. We also took the initiative to provide medical facilities for the population free of cost. A dispensary clinic called “Abdul Razzak Tabba Welfare Dispensary” was set up, and a state-of-the-art ambulance equipped with the latest first aid medical apparatus, was also provided at the Pezu plant.

Since we firmly believe that an active lifestyle leads to a healthier lifestyle. In this regards we organize numerous sporting activities at both of our plants. The promotion of sporting activities provides education and awareness about the health benefits associated with engaging in physical activities.

LRBT- 7th Annual Fundraising Golf tournament

Lucky Cement Limited is dedicated to supporting initiatives related to health and well-being. Your company proudly served as the associate sponsor for the 7th Annual Fundraising Golf Tournament organized by LRBT. The event aimed to raise funds for the treatment of blindness among underprivileged patients across Pakistan. LRBT operates a vast network of 19 hospitals and 56s clinics, ensuring that individuals in need receive the necessary care. The tournament witnessed active participation from 30 teams comprising professionals from various sectors. Lucky Cement Limited recognizes the importance of transforming lives and shares LRBT’s mission that no man, woman, or child should go blind due to a lack of access to treatment.

Special Olympics Pakistan

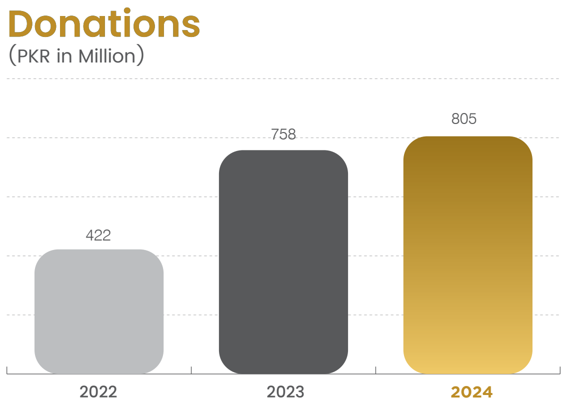
Your Company generously donated a Country’s leading NGO - Special Olympics Pakistan -, working towards the prospects of acknowledging and to spread compassion & acceptance and transform the lives of people with Intellectual Disabilities through the ‘Power of Sports’.

Pakistan Centre for Autism – SCALeD

As part of company’s dedicated efforts to create a more inclusive society, Lucky Cement Limited actively support differently-abled individuals, particularly those with Autism Spectrum Disorder (ASD). In alignment with this commitment, Lucky Cement Limited channels its support through a reputable NGO, contributing to initiatives focused on providing essential Therapy and Training for individuals affected by Autism spectrum disorder (ASD).

DONATIONS

Our company has a strong sense of Corporate Social Responsibility and we are effusively committed to support the areas of women empowerment, education, health, and community development. Our aim is to increase our contribution every year towards social responsibilities for creating a positive social impact.



HEALTH & SAFETY

We are committed to cultivate an environment which ensures health and safety embedded at its core. We are determined to offer a safe & secure workplace for our employees and all stakeholders engaged in our business operations.

Health and Safety –
Protecting the Human Capital

By rigorously following the laid down HSE guidelines, Lucky Cement is committed to provide a safe working environment for all of its employees and stakeholders engaged in its business operations. We are an ISO 45001, ISO 14001 and ISO 9001 certified organization and continuously implement practices that offer development of health, safety and environment at our work place.

Health, Safety and Environment

At Lucky Cement Limited, we are committed to maintain the highest standards of health and safety. This core value is deeply embedded in everything we do, from our daily plant operations to our interactions with the surrounding communities. Our goal is to conduct our business with zero harm to the people we work with and to create a safe and healthy environment for all stakeholders, including our employees, contractors, visitors, vendors, customers, and communities.

Our manufacturing unit is certified for ISO 45001 Management System, which serves as a testament to our commitment to occupational health and safety excellence. We have a well-structured model that is driven by line function engagement to ensure that HSE standards are implemented across the organization. Our HSE Department oversees the implementation of HSE standards, and we place strong emphasis on line management ownership to ensure that HSE practices are followed in letter and spirit.

Incident Prevention Programs:

We prioritize the safety and well-being of our employees, contractors, and all stakeholders. To ensure a safe working environment, we have implemented several safety initiatives, including:

- Safety Induction Program: All new employees, contractors, and visitors undergo a mandatory safety induction program that familiarizes them with our safety protocols and procedures.
- Working at Height: We have strict safety procedures in place for working at height, including the use of scaffolding and safe lifting practices.
- Permit to Work and Energy Isolation System: Our Permit to Work System ensures that only trained and authorized personnel can perform high-risk tasks, while our energy isolation procedures prevent the inadvertent release of hazardous energy.
- Contractor Safety Management: We closely monitor our contractors to ensure that they adhere to our safety standards and procedures.
- Incident Investigation and Root Cause Analysis: In the event of an incident, we conduct a thorough investigation to identify the root cause and take corrective actions to prevent a recurrence.
- Fire Protection System: Our fire protection system includes a water hydrant system, fire tender, fire alarm system and FM200 system for database server rooms.
- HSE Inspections and Audits: We conduct regular internal and external audits to ensure compliance with our safety standards and identify areas for improvement.

- 24x7 In-house Site Dispensary and Ambulance: We have a fully equipped in-house site dispensary to provide medical assistance to employees in case of an injury or illness.
- Fully Equipped Fire Tender: We have a fully equipped fire tender to enhance our fire fighting capabilities in case of a fire emergency.
- Pedestrian Safety Program: To ensure the safety of employees, contractors, and visitors while walking in and around the plant premises, we have implemented the Pedestrian Safety Program. The program includes clear signage, designated walkways, speed limits, and awareness campaigns etc.
- Heavy Vehicle Inspection and Operator Assessment Program: We ensure that all heavy vehicles used in the plant are regularly inspected and maintained to prevent any accidents caused by faulty equipment. The program also assesses the skills and capabilities of the vehicle operators to ensure they are qualified and trained to operate the vehicles safely.

Emergency Response and Preparedness

Emergency Response and Preparedness is a crucial aspect of any organization's safety management system. We recognize the importance of being prepared for any potential emergency situation that may arise in our premises. To this end, we have implemented a comprehensive emergency response plan that outlines the necessary steps to be taken in the event of an emergency.

Our emergency response plan is overseen by a high-level emergency response committee, which is responsible for ensuring that the plan is up-to-date and relevant. The committee comprises senior management, HSE Head, and other key personnel who have the necessary expertise and experience to manage an emergency situation effectively.

In addition to the emergency response committee, we have a dedicated response team that is comprised of all concerned shift employees. These employees are well trained in emergency response procedures and are equipped to deal with a wide range of emergency situations. To support the response team, we have a team of well-trained HSE staff who are available around the clock to provide guidance and support as needed. We also have a training program for the emergency response team, which includes regular mock drills to ensure that everyone is familiar with their roles and responsibilities in an emergency.

Frequent mock drills are being conducted including fire fighting, emergency evacuation, oil and chemical spillage, and employee recovery in case of illness or injury. We have a well-equipped in-house site dispensary, ambulance and a fully equipped fire tender to deal with any first aid, medical emergencies and fires, respectively.

Our emergency response and preparedness program is designed to ensure that we are prepared for any potential emergency situation that may arise. By having a comprehensive emergency response plan in place, a dedicated response team, and well-trained HSE staff, we are confident that we can manage any emergency situation effectively and minimize the impact on our employees and the environment.

Training and Awareness:

At Lucky Cement, we prioritize the safety and health of our employees and contract workers, and we believe that awareness and training are crucial in achieving a safe work environment. We have a comprehensive HSE awareness and training program that is regularly updated to ensure that our employees and contractors are equipped with the necessary skills and knowledge to identify, prevent and manage safety risks.

As part of this program, we conduct daily toolbox talks and monthly safety meetings with departments where information related to HSE is shared to all concerned. We also have a comprehensive training program that covers all aspects of the job, including safety procedures, safe use of equipment, and emergency response. Our employees and contractors are trained to adhere safety rules and regulations, ensuring they work in a safe environment.

Moreover, our training program includes specialized training for high-risk jobs such as working at heights, confined spaces, and hazardous materials handling. We also conduct regular safety audits and inspections to assess the effectiveness of our training program and identify areas for improvement. Our goal is to ensure that our employees and contractors are equipped with the necessary skills and knowledge to work safely and maintain a healthy work environment.

At Lucky Cement, we believe that effective HSE training is a key to achieve our safety objectives, and we are committed to provide our employees and contractual workers with the necessary resources and support to maintain a safe work environment.

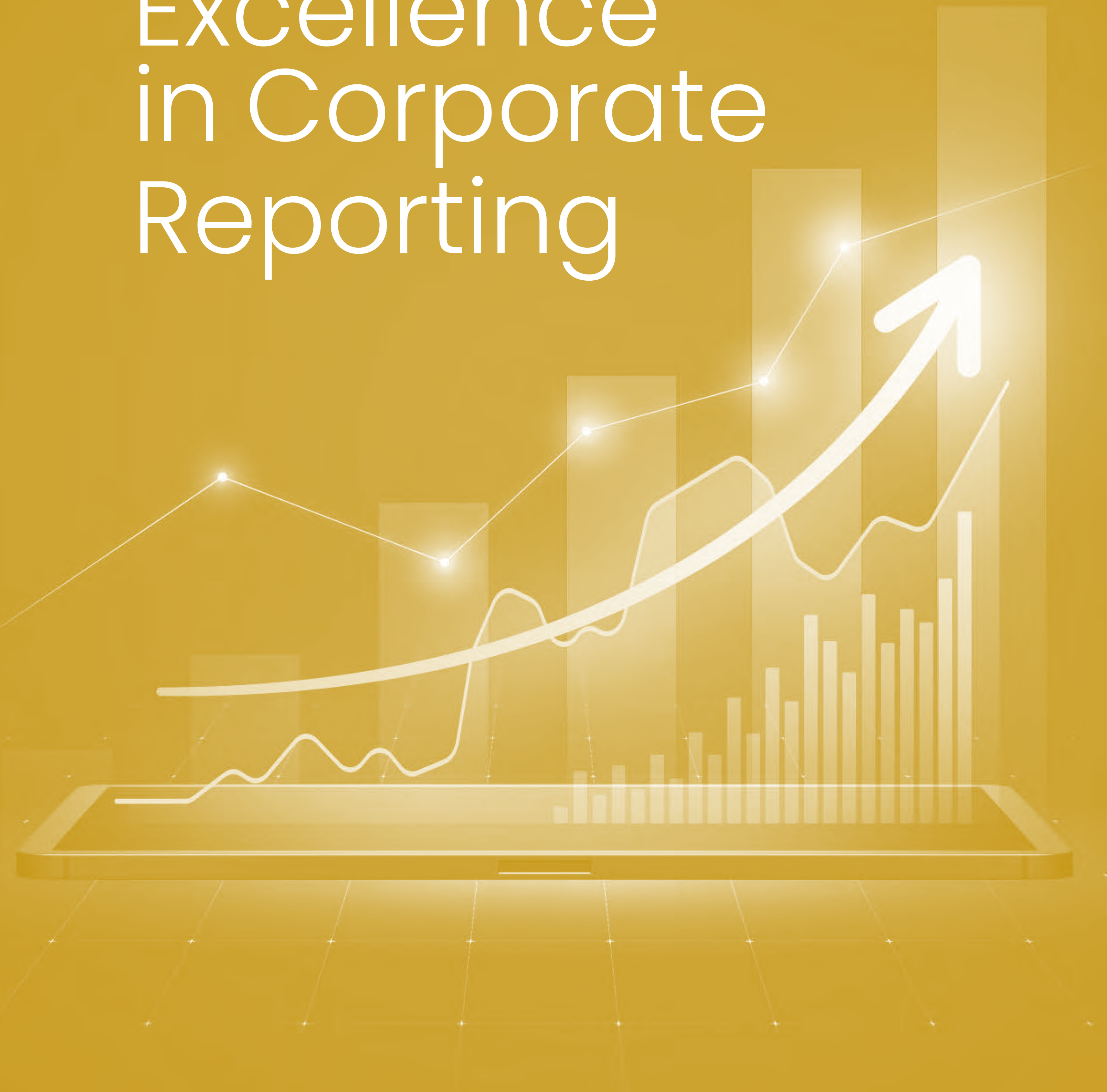
Health, Safety and Environment Department

Lucky Cement Limited has a dedicated Health, Safety and Environment (HSE) Department, responsible for monitoring, guiding, advising and improving the HSE management system of the company. The HSE Department consists of experienced and qualified professionals who provide ongoing support to all levels of the organization. They ensure that all HSE policies and procedures are followed in letter of spirit, and provide guidance to line managers on the implementation of HSE policies, standards and practices.

The HSE department is responsible for conducting regular inspections and audits to ensure compliance with HSE standards, and identifying areas for improvement. They also provide training and awareness programs for employees and contractors, covering all aspects of HSE management.

The Department also monitors and reports on key performance indicators related to HSE, and recommends improvements to the management system to reduce risks and improve overall HSE performance. In addition, the HSE Department works closely with regulatory bodies to ensure compliance with all relevant regulations and standards. Their efforts are integral in achieving Lucky Cement's goal of maintaining a healthy and safe workplace for all employees, contractors, vendors, communities, customers and stakeholders.

Striving for Excellence in Corporate Reporting



Striving for Excellence in Corporate Reporting

STATEMENT OF MANAGEMENT'S RESPONSIBILITY TOWARDS THE PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS AND DIRECTORS' COMPLIANCE STATEMENT

Management is fully aware of its responsibility towards preparation and presentation of financial statements. The Directors of the Company confirm that:

- The financial statements have been prepared which fairly represent the state of affairs of the Company, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent business judgment.
- International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of financial statements and any departures therefrom have been adequately disclosed and explained.
- The system of internal control is sound in design and has been affectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There is no material departure from the best practices of Corporate Governance as per regulations.

ADOPTION OF IR FRAMEWORK

The Company has adopted the Integrated Reporting Framework by fully applying the 'Fundamental Concepts', Content Elements and Guiding Principles in the IR Framework. The Company's statement on adoption of IR Framework is also contained in the section 'About the Report'.

A·F·FERGUSON&Co.

Independent Auditor's Review Report to the Members of Lucky Cement Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Lucky Cement Limited (the Company) for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

AFerguson&Co.

A. F. Ferguson & Co
Chartered Accountants
Karachi

September 4, 2024
UDIN: CR2024100565BKZNPvJf

A.F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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KARACHI LAHORE ISLAMABAD

Independent Assurance Report on Compliance

with the Shariah Governance Regulations, 2023

To the Board of Directors of Lucky Cement Limited

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) – External Shariah Audit of Lucky Cement Limited (the Company) for assessing compliance of the Company's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar.

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under:

(i) Legal and regulatory framework administered by the Commission;

(ii) Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;

(iii) Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;

(iv) Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and

(v) Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above.

The Commission through its letter dated July 21, 2023 has provided a clarification on an interim basis to the Company that the reference to the regulations as referred to in the above mentioned sub clause (i) shall include the screening criteria as stipulated in the Notification (S.R.O. 1348 (I)/2023) issued by the Commission.

The above criteria were evaluated for their implications on the financial statements of the Company for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts and transactions having Shariah implications, entered into by the Company with its customers, other financial institutions and stakeholders and related policies and procedures are, in substance and in their

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legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for design, implementation and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Management 1 "Quality Management for firms that perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Company's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024 based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial information issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about the compliance of the Company's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles (criteria specified in paragraph 2 above).

The procedures selected by us for the engagement depended on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Company's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in paragraph 2 above).

We believe that the evidences we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our opinion.

6. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, the Company's financial arrangements, contracts and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in the paragraph 2 above), in all material respects.

A. F. Ferguson & Co
Chartered Accountants
Karachi

Date: September 4, 2024

Name of the Engagement Partner: Osama Moon

Financial Statements

For the year ended June 30, 2024

Unconsolidated

A·F·FERGUSON&Co.

Independent Auditor's Report to the Members of Lucky Cement Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Lucky Cement Limited (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2024, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Following are the Key audit matters:

S. No.	Key audit matters	How the matter was addressed in our audit
(i)	**Revenue recognition** (refer notes 1.1, 4.15 and 28 to the annexed unconsolidated financial statements) The principal activity of the Company is manufacturing and marketing of cement. Revenue is recognised when performance obligation is satisfied by transferring control of promised goods to a customer. We considered revenue recognition as a key audit matter as it is an area of significant audit risk as part of the audit process.	Our audit procedures, amongst others, included the following: • Understood and evaluated the accounting policy with respect to revenue recognition. • Performed testing of revenue transactions on a sample basis with underlying documentation documents and sales invoices. • Tested on a 'sample basis', specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue was recognised in the correct period. • Performed audit procedures to analyze variation in the price and quantity sold during the year.
(ii)	**Stock in trade and stores and spares** (refer notes 3, 4.6, 4.7, 10 and 11 to the annexed unconsolidated financial statements) As at June 30, 2024, the Company held certain items of raw materials and consumables which included gypsum as raw material; clinker as part of work-in-progress; and coal as stores and spares. The above inventory items were stored in purpose-built sheds, stockpiles and silos. As the weighing of these inventory items was not practicable, the management assessed the reasonableness of the quantities on hand by obtaining measurements of stockpiles and converting these measurements into unit of volume by using angle of repose and bulk density values. The Company also engaged an external surveyor in the inventory count process. As the determination of stock quantities in hand, by measuring the volume and density of these items as at the reporting date, involved significant estimates, this has been considered as a key audit matter.	Our audit procedures to assess the existence of inventory included the following: • Obtained an understanding of the measurement process and procedures with respect to the specific items of the stock-in-trade and consumables stored in the form of stockpiles. • Attended physical inventory count performed by the Company and assessed the reasonableness of the management's process of measurement of stockpiles and the determination of volume using angle of repose and bulk density values. • Obtained and reviewed the inventory count report of the management's external surveyor.

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the unconsolidated and consolidated financial statements and our auditor's reports thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

(a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

(b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

(c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

(d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Osama Moon.

A. F. Ferguson & Co
Chartered Accountants
Karachi

Date: September 4, 2024

UDIN: AR202410056UdswKARDW

Unconsolidated Statement of Financial Position

as at June 30, 2024

	Note	2024	2023
		(PKR in '000')	
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	5	107,258,973	95,620,306
Intangible assets	6	69,394	85,588
		107,328,367	95,705,894
Long-term investments	7	58,072,373	57,594,485
Long-term loans and advances	8	157,424	194,204
Long-term deposits	9	7,842	7,842
		165,566,006	153,502,425
CURRENT ASSETS			
Stores and spares	10	14,591,821	14,084,018
Stock-in-trade	11	8,505,426	6,048,507
Trade debts	12	6,932,479	5,089,667
Loans and advances	13	964,732	749,292
Trade deposits and short-term prepayments	14	158,422	2,153,705
Accrued return		35,076	100,079
Other receivables	15	4,320,512	4,797,885
Tax refunds due from the Government	16	538,812	538,812
Short-term investments	17	29,837,628	21,898,496
Cash and bank balances	18	2,567,176	4,116,181
		68,452,084	59,576,642
TOTAL ASSETS		234,018,090	213,079,067
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	19	2,930,000	3,118,386
Reserves	20	144,831,277	134,247,940
		147,761,277	137,366,326
NON-CURRENT LIABILITIES			
Long-term deposits	21	255,087	252,837
Long-term loans	22	12,760,637	14,557,294
Deferred Government grant	23	1,766,055	2,121,307
Deferred liabilities			
- Staff gratuity		3,271,241	2,574,925
- Deferred tax liability		14,015,320	10,025,499
	24	17,286,561	12,600,424
		32,068,340	29,531,862
CURRENT LIABILITIES			
Trade and other payables	25	30,006,625	29,918,702
Current maturity of long-term loans	22	2,099,147	599,653
Short-term borrowings	26	5,485,000	5,885,000
Unclaimed dividend		59,148	50,115
Accrued markup		342,935	497,745
Taxation - net		16,195,618	9,229,664
		54,188,473	46,180,879
		86,256,813	75,712,741
TOTAL EQUITY AND LIABILITIES		234,018,090	213,079,067
CONTINGENCIES AND COMMITMENTS	27		

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

Muhammad Sohail Tabba	**Muhammad Ali Tabba**	**Atif Kaludi**
Chairman / Director	Chief Executive	Chief Financial Officer

Unconsolidated Statement of Profit or Loss

For the year ended June 30, 2024

	Note	2024	Restated 2023
		(PKR in '000')	
Gross sales	28	151,808,171	125,819,372
Less: Sales tax and federal excise duty		34,277,688	28,481,690
Rebates, incentives and commission		2,205,541	1,505,535
		36,483,229	29,987,225
Net sales		115,324,942	95,832,147
Cost of sales	29	(76,520,370)	(69,771,469)
Gross profit		38,804,572	26,060,678
Distribution cost	30	(7,773,885)	(5,326,894)
Administrative expenses	31	(2,160,682)	(1,825,578)
Finance cost	32	(1,581,168)	(1,169,770)
Other expenses	33	(2,476,636)	(2,442,585)
Other income	34	16,575,363	6,047,423
Profit before Taxation and Levy		41,387,564	21,343,274
Levy	2.2.1 & 35	(953,051)	(437,833)
Profit before Taxation		40,434,513	20,905,441
Taxation	35	(12,327,974)	(7,179,627)
Profit after Taxation		28,106,539	13,725,814
		(PKR)	
Earnings per share - basic and diluted	36	94.54	43.06

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

Muhammad Sohail Tabba	Muhammad Ali Tabba	Atif Kaludi
Chairman / Director	Chief Executive	Chief Financial Officer

Unconsolidated Statement of Comprehensive Income

For the year ended June 30, 2024

	Note	2024	2023
		(PKR in '000')	
Profit after Taxation		28,106,539	13,725,814
Other comprehensive income / (loss):			
Items not potentially re-classifiable to the profit or loss			
- Remeasurement of post retirement benefit obligation	24.1.2	(234,721)	429,875
- Deferred tax thereon		91,541	(167,651)
		(143,180)	262,224
- Remeasurement of equity instrument at fair value through other comprehensive income		9,575	(5,008)
- Deferred tax thereon		(1,197)	626
		8,378	(4,382)
		(134,802)	257,842
Total comprehensive income for the year		27,971,737	13,983,656

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

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive

Atif Kaludi
Chief Financial Officer

Unconsolidated Statement of Cash Flows

For the year ended June 30, 2024

	Note	2024	2023
		(PKR in '000')	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	37	30,937,432	24,515,258
Taxes and levy paid		(2,234,906)	(966,685)
Staff gratuity paid	24.1.2	(188,243)	(194,812)
Finance costs paid		(1,735,978)	(807,477)
Increase in long-term deposits (liabilities)		2,250	2,505
Income from deposits with Islamic banks		763,406	696,363
Decrease in long-term deposits (assets)		–	264
Decrease / (increase) in long-term loans and advances		36,780	(2,520)
Net cash generated from operating activities		27,580,741	23,242,896
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment including capital spares		(17,709,902)	(18,644,906)
Addition to intangible assets		(26,925)	(66,116)
Long term investment made		(477,888)	–
Proceeds on disposal of property, plant and equipment	5.3	155,199	258,041
Dividend received from subsidiary companies		10,450,559	2,134,493
Dividend received from associate		183,510	244,546
Dividend received on short term investments		4,845,426	1,983,916
Release of balances held as lien		–	1,111,111
Net cash used in investing activities		(2,580,021)	(12,978,915)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loans obtained	22.4	–	5,286,636
Long term loans repaid	22.4	(652,415)	(4,768,485)
Short term borrowings (repaid) / obtained - net		(400,000)	4,885,000
Own shares purchased for cancellation		(12,124,669)	(5,157,654)
Dividends paid		(5,443,084)	(915)
Net cash (used in) / generated from financing activities		(18,620,168)	244,582
Net increase in cash and cash equivalents		6,380,552	10,508,563
Cash and cash equivalents at the beginning of the year		26,001,579	15,493,016
Cash and cash equivalents at the end of the year	37.2	32,382,131	26,001,579

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

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive

Atif Kaludi
Chief Financial Officer

Unconsolidated Statement of Changes in Equity

For the year ended June 30, 2024

	Issued, subscribed and paid-up share capital	Capital reserves					Revenue reserves		Total reserves	Total equity
		Share premium	Capital re-purchase reserve account	Capacity expansions capital reserve	Long-term investments capital reserve	Capital redemption reserve	General reserve	Unappropriated Profit		
	(PKR in '000')									
Balance as at July 1, 2022	3,233,750	7,343,422	-	-	-	-	99,164,187	18,798,965	125,306,574	128,540,324
Transfer to general reserve	-	-	-	-	-	-	15,340,066	(15,340,066)	-	-
Profit after taxation for the year	-	-	-	-	-	-	-	13,725,814	13,725,814	13,725,814
Other comprehensive income for the year	-	-	-	-	-	-	-	257,842	257,842	257,842
Total comprehensive income for the year	-	-	-	-	-	-	-	13,983,656	13,983,656	13,983,656
Reclassification of reserve – note 20.2				40,000,000	40,000,000	36,000,000	(114,504,253)	(1,495,747)	-	-
Transaction with owners										
Cancellation of own shares purchased	(100,000)	-	100,000	-	-	-	-	(4,369,198)	(4,269,198)	(4,369,198)
Own shares purchased for cancellation	(15,364)	-	15,364	-	-	(184,125)	-	(604,331)	(773,092)	(788,456)
Balance as at June 30, 2023	3,118,386	7,343,422	115,364	40,000,000	40,000,000	35,815,875	-	10,973,279	134,247,940	137,366,326
Profit after taxation for the year	-	-		-	-	-	-	28,106,539	28,106,539	28,106,539
Other comprehensive loss for the year	-	-		-	-	-	-	(134,802)	(134,802)	(134,802)
Total comprehensive income for the year	-	-		-	-	-	-	27,971,737	27,971,737	27,971,737
Transaction with owners										
Cancellation of own shares purchased – note 36.2	(188,386)	-	188,386	-	-	(12,124,669)	-	-	(11,936,283)	(12,124,669)
Final cash dividend for the year ended June 30, 2023 at PKR 18 per share	-	-	-	-	-	-	-	(5,452,117)	(5,452,117)	(5,452,117)
Balance as at June 30, 2024	2,930,000	7,343,422	303,750	40,000,000	40,000,000	23,691,206	-	33,492,899	144,831,277	147,761,277

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

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive

Atif Kaludi
Chief Financial Officer

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2024

1. THE COMPANY AND ITS OPERATIONS

1.1 Lucky Cement Limited (the Company) was incorporated in Pakistan on September 18, 1993 under the Companies Ordinance, 1984 (now the Companies Act, 2017) and is listed on the Pakistan Stock Exchange (PSX). The principal activity of the Company is manufacturing and marketing of cement.

The registered office of the Company is located at Pezu, District Lakki Marwat in Khyber Pakhtunkhwa and the corporate office is situated at Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street in Karachi. The Company has two production facilities; one at Pezu, District Lakki Marwat in Khyber Pakhtunkhwa and the other at Main Super Highway in Karachi, Sindh. Further, the Company's liaison offices are situated in Islamabad, Quetta, Multan, Faisalabad, Lahore and Peshawar.

1.2 These unconsolidated financial statements are separate financial statements of the Company in which investments in subsidiaries and associates have been accounted for at cost less accumulated impairment losses, if any.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

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

Where provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

2.2 Changes in accounting standards, interpretations and amendments to accounting and reporting standards

2.2.1 Amendments to accounting and reporting standards and interpretation / guidance which became effective during the year ended June 30, 2024

There were certain amendments that became applicable for the Company during the year but are not considered to be relevant or did not have any significant effect on the Company's operations and have, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Company which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Company has changed its accounting policy to recognise minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognised as 'Income tax'.

The Company has accounted for the effects of these changes in accounting policy retrospectively under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures have been restated in these unconsolidated financial statements. The effects of restatements are as follows:

	Had there been no change in accounting policy (PKR '000)	Impact of change in accounting policy (PKR '000)	After incorporating effects of change in accounting policy (PKR '000)
Effect on unconsolidated statement of profit or loss			
For the year ended June 30, 2024			
Tax on export sales and on dividends on investments in mutual funds	–	953,051	953,051
Profit before tax	41,387,564	(953,051)	40,434,513
Taxation	(13,281,025)	953,051	(12,327,974)
Profit after tax	28,106,539	–	28,106,539
For the year ended June 30, 2023			
Tax on export sales and on dividends on investments in mutual funds classified as levy	–	437,833	437,833
Profit before tax	21,343,274	(437,833)	20,905,441
Taxation	(7,617,460)	437,833	(7,179,627)
Profit after tax	13,725,814	–	13,725,814

The related changes to the statement of cash flows with respect to the amount of profit before taxation have been made as well. There is no impact on profit after tax and earnings per share, basic and diluted.

2.2.2 New standards and amendments to published accounting and reporting standards that are not yet effective and not early adopted by the Company

There are certain new standards and amendments that will be applicable to the Company for its annual periods beginning on or after July 1, 2024. The new standards include IFRS 18 Presentation and Disclosure in Financial Statements and IFRS 19 Subsidiaries without Public Accountability: Disclosures both with applicability date of January 1, 2027 as per IASB. These standards will become part of the Company's financial reporting framework upon adoption by the SECP. The overall amendments include those made to IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability which are applicable effective January 1, 2026. The Company's management at present is in the process of assessing the full impacts of these new standards and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these unconsolidated financial statements in conformity with the applicable accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to these unconsolidated financial statements:

Property, plant and equipment

Estimates with respect to residual value and useful lives of property, plant and equipment are disclosed in notes 4.2 and 5 to these unconsolidated financial statements. Further, the Company reviews the carrying value of assets for impairment, if any, on each reporting date (note 4.19).

Impairment of financial and non-financial assets

Estimates with respect to impairment of financial and non-financial assets are disclosed in note 4.19 to these unconsolidated financial statements.

Provisions

Provisions are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Company would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

Stores and spares and stock-in-trade

Estimates which are made with respect to provision for slow moving, damaged and obsolete items and their net realizable value are disclosed in notes 4.6 and 4.7 to these unconsolidated financial statements.

Further, the Company's certain inventory items [i.e. raw materials (limestone, clay and gypsum), work-in-process (clinker) and stores and spares (coal)] are stored in purpose-built sheds, stockpiles and silos. As the weighing of these inventory items is not practicable, the management assesses the reasonableness of the on-hand inventory by obtaining measurement of these items and converting these measurements into unit of volume by using angle of repose and bulk density values. In making this estimate the Company involves external surveyor for determining the existence of inventory (i.e. for measurement and its conversion into volume).

Staff retirement benefits

Certain actuarial assumptions have been adopted as disclosed in note 4.10 and note 24.1 to these unconsolidated financial statements for valuation of present value of defined benefit obligation.

Income taxes

In making the estimates for current and deferred income taxes, the management considers current income tax law and the decisions of appellate authorities on certain cases issued in the past. These estimates also include impacts of the decisions of appellate authorities about the benefits that become recoupable upon any change in tax structure of the Company.

Contingencies

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies used in the preparation of these unconsolidated financial statements are the same as those applied in the preparation of the unconsolidated financial statements of the Company for the year ended June 30, 2023.

4.1 Accounting convention

These financial statements have been prepared under the historical cost convention except otherwise stated.

4.2 Property, plant and equipment

These are stated at cost less accumulated depreciation and impairment losses, if any, except for freehold land and capital work-in-progress (WIP) which are stated at cost less impairment losses, if any. Cost in relation to certain items in operating fixed assets and capital work-in-progress, signifies historical cost and financial charges on borrowings, in case of qualifying assets.

Depreciation is charged to the profit or loss, applying the straight line method at the rates mentioned in note 5.1 to these unconsolidated financial statements. Depreciation on additions is charged from the date of acquisition / transfer of asset from CWIP, whereas depreciation on disposals is charged till the date of disposal.

The assets' residual values, the method of depreciation and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Maintenance and normal repairs are charged to the profit or loss as and when incurred. Major renewals and improvements, if any, are capitalised, when it is probable that future economic benefits will flow to the Company.

Gains and losses on disposal of operating fixed assets, if any, are included in the profit or loss.

4.3 Intangible assets

These are stated at cost less accumulated amortization and impairment losses, if any.

Amortization is charged to the profit or loss applying the straight line method at the rate mentioned in note 6 to these unconsolidated financial statements.

The assets' residual values, the method of amortization and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

4.4 Investments in subsidiaries

Investments in subsidiaries are stated at cost less accumulated impairment losses, if any.

4.5 Investments in associates

Associates are entities over which the Company has significant influence but not control. Investments in associates are carried at cost less accumulated impairment losses, if any.

All purchases and sales of investments are recognised on the trade date which is the date that the Company commits to purchase or sell the investment.

4.6 Stores and spares

These are valued at lower of weighted average cost and net realizable value, except items in transit, which are stated at cost. Provision for slow moving, damaged and obsolete items are charged to the profit or loss. Ageing and value of items of stores and spares are reviewed at each reporting date to record provision for any slow moving, damaged and obsolete items.

Net realizable value signifies the selling price in the ordinary course of business less estimated costs necessary to be incurred in order to make the sale.

Spare parts of capital nature which can be used only in connection with an item of property, plant and equipment are shown separately as capital spares and are carried at cost less accumulated impairment, if any.

4.7 Stock-in-trade

These are stated at the lower of cost and net realizable value. The methods used for the calculation of cost are as follows:

(i)	Raw and packing material	at weighted average cost comprising quarrying / purchase price, transportation, government levies and other overheads.
(ii)	Work-in-process and finished goods	at weighted average cost comprising direct cost of raw material, labour and other manufacturing overheads.

Net realizable value signifies the estimated selling price in the ordinary course of business less estimated cost of completion and cost necessary to make the sale.

4.8 Trade debts and other receivables

Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case they are recognised at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest rate method. Deduction, if any, is made for doubtful receivables based on expected credit losses model.

4.9 Cash and cash equivalents

Cash and cash equivalents are stated at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise cash and cheques in hand, current and Islamic savings accounts with banks, investment in highly liquid mutual fund units, having a fixed fair value per unit invested, short term borrowings and sales collection in transit.

4.10 Staff retirement benefits

The Company operates an approved funded gratuity scheme for all eligible employees. The liability recognized in the statement of financial position is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The actuarial valuation is carried out using the Projected Unit Credit Method.

Staff retirement benefits are payable to staff on completion of prescribed qualifying period of service under the scheme.

The amounts arising as a result of re-measurements are recognized in the statement of financial position immediately, with a charge or credit to other comprehensive income in the periods in which they occur. Past-service cost are recognized immediately in the profit or loss.

4.11 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not invoiced to the Company.

4.12 Contract liabilities / advance from customers

A contract liability is recognised if a payment is received from a customer before the Company transfers the related goods. Contract liabilities are recognised as revenue when the Company transfers control of the related goods to the customer.

4.13 Provisions

Provisions are recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

4.14 Taxation - Levy and Income tax

Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these unconsolidated financial statements, except for taxes on dividends on the Company's investments in subsidiaries and associates which are specifically within the scope of IAS 12 and hence these continue to be categorised as current income tax.

Current income tax

The charge for current taxation is based on taxable income at the current rates of taxation in accordance with the Income Tax Ordinance, 2001, after taking into account tax credit available, if any.

Deferred income tax

Deferred tax is recognised using the balance sheet liability method, on all temporary differences arising at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the assets may be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at reporting date.

4.15 Revenue recognition and other income

(a) Sale of goods

Revenue is recognised when performance obligations are satisfied by transferring control of a promised goods to the customer, either over time or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies.

(b) Other income

(i) Income from the sale of electricity is recorded based on the output delivered at the rates as specified under the Power Purchase Agreement.

(ii) Profit on bank deposit in Islamic savings account is recognized on a time proportion basis on the principal amount outstanding and at the applicable rate.

(iii) Dividend is recognized when the right to receive is established.

(iv) Other income is recognized when the right to receive is established, and the amount and timing of related receipt is virtually certain.

4.16 Foreign currency transactions

Foreign currency transactions are recorded in Pakistan Rupees using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistan Rupee using the exchange rate prevailing at the reporting date. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and on translation of monetary assets and liabilities denominated in foreign currencies at reporting date are recognized in the profit or loss.

4.17 Financial assets and liabilities

Financial assets

(i) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in profit or loss.

(ii) Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss, except for the investments in equity instruments as explained in the ensuing paragraphs.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income or assets that are designated at fair value through profit or loss using fair value option, are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises.

Equity instrument financial assets are measured at fair value at and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in profit or loss. Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value or amortized cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

All purchases and sales of financial assets are recognised on the trade date which is the date on which the Company commits to purchase or sell the financial asset.

Financial assets are derecognized when the Company loses control of the contractual rights that comprise the financial asset. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.

Financial liabilities

Financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in profit or loss.

4.18 Offsetting

A financial asset and financial liability is off-set and the net amount is reported in the statement of financial position when there is a legally enforceable right to set-off the transaction and also there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.19 Impairment

(a) Financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets. The Company applies the simplified approach to recognise lifetime expected credit losses for trade debts, other receivables and contract assets.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

The Company recognises in profit or loss, as an impairment loss (or reversal of impairment), the amount of expected credit losses (or reversal of impairment) that is required to adjust the loss allowance at the reporting date. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(b) Non-Financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognized as an expense in the profit or loss.

The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4.20 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. It is recognised as income on a systematic basis over the periods in which the related costs, for which it is intended to compensate, are recorded.

4.21 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved.

4.22 Functional and presentation currency

These financial statements are presented in Pakistan Rupee (PKR), which is the Company's functional and presentation currency.

4.23 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.24 Own shares purchased for cancellation

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognized as a deduction from equity. Repurchased shares are classified as own shares purchased for cancellation and are presented in the statement of changes in equity as a separate reserve.

	Note	2024	2023
		(PKR in '000')	
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - tangible	5.1	95,010,370	89,745,225
Capital work-in-progress	5.5	11,633,303	5,562,145
Capital spares		615,300	312,936
		107,258,973	95,620,306

5.1 Operating fixed assets - tangible

	Note	Leasehold land	Freehold land	Buildings on leasehold land	Buildings on freehold land	Plant and machinery	Generators	Quarry equipment	Vehicles including cement bulkers	Aircraft	Furniture and fixtures	Office equipment	Computer and accessories	Other assets (Laboratory equipment etc.)	Total
								(PKR in '000')							
As at July 1, 2022															
Cost		1,394,929	367,299	6,419,121	8,972,876	53,110,674	21,495,432	1,993,793	3,229,307	744,664	133,058	295,509	172,992	518,168	98,847,822
Accumulated depreciation		(223,504)	-	(3,386,244)	(3,371,800)	(17,868,290)	(9,411,491)	(1,499,951)	(1,545,054)	(673,702)	(119,928)	(271,391)	(139,825)	(363,857)	(38,875,037)
Net book value		1,171,425	367,299	3,032,877	5,601,076	35,242,384	12,083,941	493,842	1,684,253	70,962	13,130	24,118	33,167	154,311	59,972,785
Year ended June 30, 2023															
Transfers from CWIP		-	-	38,431	629,601	27,352,528	6,365,870	19,660	227,948	-	15,181	38,137	154,122	254,950	35,096,428
Disposals															
Cost		-	-	-	-	-	(66,834)	-	(175,297)	-	(22)	(925)	(11,856)	(3,743)	(258,677)
Accumulated depreciation		-	-	-	-	-	45,849	-	153,829	-	22	924	11,638	3,647	215,909
		-	-	-	-	-	(20,985)	-	(21,468)	-	-	(1)	(218)	(96)	(42,768)
Depreciation charge for the year	5.2	(21,339)	-	(324,274)	(412,093)	(2,456,737)	(1,328,585)	(153,886)	(349,608)	(70,962)	(16,159)	(29,416)	(57,194)	(60,967)	(5,281,220)
Net book value as at June 30, 2023		1,150,086	367,299	2,747,034	5,818,584	60,138,175	17,100,241	359,616	1,541,125	-	12,152	32,838	129,877	348,198	89,745,225
Year ended June 30, 2024															
Transfers from CWIP	5.5	-	1,745,463	401,214	188,287	2,940,165	4,893,811	291,901	553,480	-	14,760	33,574	209,292	64,433	11,336,380
Disposals	5.3														
Cost		-	-	-	-	(85)	-	-	(135,853)	-	(4,718)	(7,566)	(2,647)	(6,903)	(157,772)
Accumulated depreciation		-	-	-	-	85	-	-	119,416	-	4,684	7,563	2,321	6,771	140,840
		-	-	-	-	-	-	-	(16,437)	-	(34)	(3)	(326)	(132)	(16,932)
Depreciation charge for the year	5.2	(21,339)	-	(338,520)	(373,789)	(3,009,432)	(1,543,694)	(139,630)	(391,923)	-	(16,369)	(33,132)	(92,199)	(94,276)	(6,054,303)
Net book value as at June 30, 2024		1,128,747	2,112,762	2,809,728	5,633,082	60,068,908	20,450,358	511,887	1,686,245	-	10,509	33,277	246,644	318,223	95,010,370
At June 30, 2023															
Cost		1,394,929	367,299	6,457,552	9,602,477	80,463,202	27,794,468	2,013,453	3,281,958	744,664	148,217	332,721	315,258	769,375	133,685,573
Accumulated depreciation		(244,843)	-	(3,710,518)	(3,783,893)	(20,325,027)	(10,694,227)	(1,653,837)	(1,740,833)	(744,664)	(136,065)	(299,883)	(185,381)	(421,177)	(43,940,348)
Net book value		1,150,086	367,299	2,747,034	5,818,584	60,138,175	17,100,241	359,616	1,541,125	-	12,152	32,838	129,877	348,198	89,745,225
At June 30, 2024															
Cost		1,394,929	2,112,762	6,858,766	9,790,764	83,403,282	32,688,279	2,305,354	3,699,585	744,664	158,259	358,729	521,903	826,905	144,864,181
Accumulated depreciation		(266,182)	-	(4,049,038)	(4,157,682)	(23,334,374)	(12,237,921)	(1,793,467)	(2,013,340)	(744,664)	(147,750)	(325,452)	(275,259)	(508,682)	(49,853,811)
Net book value		1,128,747	2,112,762	2,809,728	5,633,082	60,068,908	20,450,358	511,887	1,686,245	-	10,509	33,277	246,644	318,223	95,010,370
Annual rates of depreciation		1.01% to 2.63%	-	5% to 33%	5% to 33%	3.33% to 20%	5% to 33%	10% to 33%	10% to 33%	10%	20%	33%	33%	10% to 33%	

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2024

5.2 Depreciation charge for the year has been allocated as follows:

	Note	2024	2023
		(PKR in '000')	
Cost of sales	29	5,602,518	4,730,828
Distribution cost	30	242,697	233,274
Administrative expenses	31	185,513	228,105
Cost of sale of electricity		23,575	89,013
		6,054,303	5,281,220

5.3 The details of operating fixed assets disposed of during the year are as follows:

Particulars	Cost	Accumulated Depreciation	Net Book Value	Sale Proceeds	Gain	Mode of Disposal	Particulars of Buyers	Relationship of purchaser with the Company or director, if any
			(PKR in '000')					
Vehicle	4,779	1,466	3,313	4,656	1,343	Insurance claim	EFU General Insurance	N/A
----do----	2,089	1,099	990	2,200	1,210	----do----	UBL Insurers Ltd	----do----
----do----	3,862	1,895	1,967	5,400	3,433	----do----	UBL Insurers Ltd	----do----
----do----	2,410	1,729	681	3,161	2,480	Auction	Abdul Ghaffar	N/A
----do----	5,079	3,289	1,790	6,322	4,532	----do----	Amin Motors	----do----
	18,219	9,478	8,741	21,739	12,998			
Items having book value less than PKR 500,000 each	139,553	131,362	8,191	133,460	125,269			
Total	157,772	140,840	16,932	155,199	138,267			
2023	258,677	215,909	42,768	258,041	215,273			

5.4 Following are the particulars of the Company's material immovable fixed assets:

S.No	Business Unit Type	Location	Total Area of land (in acre)
1	Karachi Plant	Main Super Highway, Gadap Town, Karachi	992.52
2	Pezu Plant	Main Indus Highway, Pezu, District Lakki Marwat, KPK	967.99
3	Corporate Office	Muhammad Ali Housing Society, Karachi	2.26

5.5 The following is the movement of capital work-in-progress during the year:

	Opening balance	Additions	Transferred to operating fixed assets	Closing balance
		(PKR in '000')		
Freehold land	-	1,745,463	1,745,463	-
Building on leasehold land	126,678	341,348	401,214	66,812
Building on freehold land	165,846	247,856	188,287	225,415
Plant and machinery	1,976,546	2,749,509	2,940,165	1,785,890
Generator and other power generation equipment	2,926,193	10,399,180	4,893,811	8,431,562
Quarry equipment	7,434	296,503	291,901	12,036
Vehicles including cement bulkers	33,972	780,940	553,480	261,432
Furniture and fixtures	17,087	19,290	14,760	21,617
Office equipment	2,987	32,993	33,574	2,406
Computer and accessories	5,999	210,659	209,292	7,366
Other assets (Laboratory equipment etc.)	299,403	583,797	64,433	818,767
	5,562,145	17,407,538	11,336,380	11,633,303
Intangible assets	-	26,925	26,925	-
	5,562,145	17,434,463	11,363,305	11,633,303

6. INTANGIBLE ASSETS

Represent various computer softwares amortised on straight line basis over a period of 3 years. Movement during the year is as follows:

		Note	2024	2023
			(PKR in '000')	
	Balance as at July 1, 2023 / 2022		85,588	51,352
	Transfer from capital work-in-progress	5.5	26,925	67,778
			112,513	119,130
	Less: Amortisation charge for the year	6.2	(43,119)	(33,542)
	As at June 30		69,394	85,588
6.1	As at June 30			
	Cost		185,388	338,454
	Accumulated amortisation		(115,994)	(252,866)
	Net book value		69,394	85,588
6.2	Amortisation charge for the year has been allocated as follows:			
	Cost of sales	29	717	-
	Distribution cost	30	82	-
	Administrative expenses	31	42,320	33,542
			43,119	33,542

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2024

7. LONG-TERM INVESTMENTS - at cost

	Note	2024 Equity held in %	2024 (PKR in '000')	2023 Equity held in %	2023 (PKR in '000')
Subsidiary companies					
Quoted					
Lucky Core Industries Limited 50,798,000 (2023: 50,798,000) ordinary shares of PKR 10 each		55%	9,594,091	55%	9,594,091
Unquoted					
Lucky Holdings Limited 643,500 (2023: 643,500) ordinary shares of PKR 10 each		75%	32,145	75%	32,145
LCL Investment Holdings Limited 45,000,002 (2023: 45,000,002) ordinary shares of PKR 10 each		100%	4,580,500	100%	4,580,500
Lucky Electric Power Company Limited 2,990,000,000 (2023: 2,990,000,000) ordinary shares of PKR 10 each		100%	29,900,000	100%	29,900,000
Lucky Motor Corporation Limited 50,798,000 (2023: 50,798,000) ordinary shares of PKR 10 each		71.14%	12,876,384	71.14%	12,876,384
			47,389,029		47,389,029
Associates					
Yunus Energy Limited 61,136,500 (2023: 61,136,500) ordinary shares of PKR 10 each		20%	611,365	20%	611,365
National Resources (Private) Limited 57,333,084 (2023: nil) ordinary shares of PKR 10 each	7.1	33.3%	477,888	–	–
			1,089,253		611,365
			58,072,373		57,594,485

7.1 During the year, the Company has made investment in National Resources (Private) Limited, an associate, duly approved by the shareholders of the Company in Extra Ordinary General Meeting held on November 23, 2023.

7.2 The principal place of business for Lucky Core Industries Limited (LCIL), Lucky Holdings Limited (LHL), Lucky Electric Power Company Limited (LEPCL), Lucky Motor Corporation Limited (LMCL) and Yunus Energy Limited (YEL) is Karachi, for National Resources (Private) Limited the principal place of business is Quetta and for LCL Investment Holding Limited principal place of business is Dubai.

	Note	2024	2023
		(PKR in '000')	
8. LONG-TERM LOANS AND ADVANCES			
(secured & considered good)			
Long-term loans			
Due from employees	8.1	198,906	185,768
Less: Recoverable within one year	13	134,261	116,202
		64,645	69,566
Other advances	8.3	92,779	124,638
		157,424	194,204

8.1 Loans given to employees are in accordance with the Company policy and are repayable within a period of 2 to 5 years. These loans are return free and are secured against the gratuity of the respective employees. These loans are carried at cost due to the materiality of the amounts involved. These include outstanding balances of loans aggregating PKR 22.378 million (2023: PKR 16.503 million) given to key management personnel as at June 30, 2024.

8.2 The maximum amount outstanding at the end of any month during the year ended June 30, 2024 from key management personnel aggregated to PKR 31.774 million (2023: PKR 33.353 million).

8.3 These include return free advances given to Sui Southern Gas Company Limited in respect of additional gas line.

9. LONG-TERM DEPOSITS

These represent return free long-term deposits paid to various parties in the ordinary course of business with them.

	Note	2024	2023
		(PKR in '000')	
10. STORES AND SPARES			
Stores		7,138,194	7,519,815
Spares		7,835,537	7,042,619
		14,973,731	14,562,434
Less: Provision for slow moving spares		381,910	478,416
		14,591,821	14,084,018
11. STOCK-IN-TRADE			
Raw and packing materials		1,132,846	1,417,412
Work-in-process		6,665,615	3,676,416
Finished goods		736,965	984,679
		8,535,426	6,078,507
Less: Provision for slow moving packing material		30,000	30,000
		8,505,426	6,048,507
12. TRADE DEBTS			
(considered good)			
Bills receivable - secured	12.2	1,274,586	783,740
Others - unsecured		5,657,893	4,313,863
		6,932,479	5,097,603
Less: Provision for doubtful debts	12.3	–	7,936
		6,932,479	5,089,667
12.1 The status of trade debts as at June 30 is as follows:			
Not impaired		6,932,479	5,089,667

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

		Note	2024	2023
			(PKR in '000')	
12.2	These represent receivables in respect of export sales.			
12.3	Movement of provision for doubtful debts is as follows:			
	Balance as at July 1, 2023 / 2022		7,936	10,581
	Provision during the year		–	1,080
	Less: Doubtful debts recovered		1,041	1,773
	Net reversal of provision for doubtful debts during the year	30	(1,041)	(693)
	Less: Doubtful debts written-off		6,895	1,952
	Balance as at June 30		–	7,936
13.	**LOANS AND ADVANCES**			
	(secured & considered good)			
	Current portion of long-term loans and advances to employees	8	134,261	116,202
	Other advances given to employees - return free	13.1	21,956	31,688
			156,217	147,890
	Advances to suppliers and others - return free	13.2	808,515	601,402
			964,732	749,292

13.1 Advances to employees are given to meet business expenses and are settled as and when the expenses are incurred.

13.2 This includes advance to LMC amounting to PKR 30.576 million (2023: PKR 32.448 million) against purchase of vehicles.

		Note	2024	2023
			(PKR in '000')	
14.	**TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS**			
	Trade deposits - return free			
	Utilities		3,804	5,746
	Rented premises		4,259	8,518
	Margin held in bank		8,015	2,049,343
	Others		2,020	8,066
			18,098	2,071,673
	Prepayments			
	Insurance		46,079	44,964
	Rent		20,150	17,622
	Others		74,095	19,446
			140,324	82,032
			158,422	2,153,705
15.	**OTHER RECEIVABLES**			
	(unsecured & considered good)			
	Rebate on export sales		51,683	38,571
	Due from Collector of Customs	15.1	19,444	19,444
	Hyderabad Electricity Supply Company (HESCO)	15.2	2,410,869	3,345,228
	Receivable from LCLIHL, a related party	15.3	1,754,220	1,342,820
	Dividend receivable from mutual fund		13,856	23,420
	Others	15.4	70,440	28,402
			4,320,512	4,797,885

15.1 The Company had imported cement bulkers during October 19, 2006 to December 5, 2006 for export of loose cement under SRO 575(1) of 2006 dated June 5, 2006 which provided concessionary rate of import duty to an industrial concern. The Company claimed exemption of duty at the time of port clearance. However, the Collector of Customs passed an order allowing provisional release of consignment subject to final approval from the Federal Board of Revenue (FBR) and deposit of post dated cheques for the differential amount of duty. The Company deposited three post dated cheques aggregating PKR 19.444 million for three different consignments of cement bulkers and simultaneously approached the FBR for giving direction to the Collector of Customs, Karachi.

The FBR moved a summary to the Federal Government / Economic Coordination Committee (ECC) on the representation of the Company and finally issued SRO 41(1) of 2007 dated January 7, 2007 which clarified that the imported cement bulkers were also entitled for concessional rate of duty of 5%. The Collector of Customs instead of releasing the post dated cheques, encashed the same on the plea that the effect of SRO will not be applied retrospectively despite the fact that the said clarification was issued on the representation of the Company.

The Company filed a constitutional petition before the Honorable High Court of Sindh in Karachi on July 30, 2007 challenging the illegal and malafide act of encashment of post dated cheques. The High Court of Sindh passed an order in favour of the Company and has ordered the Collector of Customs to refund the amount collected within one month from the date of judgement. The said judgement was challenged by the FBR before the Honorable Supreme Court of Pakistan. The Honorable Supreme Court of Pakistan has dismissed the appeal filed by the FBR vide its judgment dated September 13, 2022 and directed the FBR to refund the amount recovered from the Company.

The Company has filed an application to the Collector of Customs on September 24, 2022, requesting to comply with the above-referred judgment and process the refund of the customs duty amounting to PKR 19.444 million to the Company forthwith. The management is confident that the amount will be recovered in due course.

15.2 National Electric Power Regulatory Authority (NEPRA) in 2005 issued the Interim Power Procurement Regulations and through a notice published in a leading newspaper on June 15, 2007 allowed Captive Power Plants (CPPs) having surplus power of up to 50 MW to sell electricity to power purchasers at mutually agreed rates. Relying on such policy, the Company and HESCO entered into a Power Purchase Agreement (PPA) dated March 22, 2011 for the sale and purchase of electrical power at mutually agreed rates.

However, subsequent to the signing of the PPA and contrary to the earlier policy, NEPRA purported to re-determine the tariff through determination dated January 9, 2013 and granted a substantially lower tariff than what was mutually agreed. This determination was challenged by all the CPPs before the Honorable High Court of Sindh. The Honorable Court decided the case in favor of NEPRA vide judgement dated August 19, 2015.

The Company along with all other CPPs filed an appeal in the Honorable Supreme Court of Pakistan against the decision of the High Court of Sindh. Detailed hearings were held and judgement was reserved in November 2016. However, the said judgment could not be announced and since then the case has been relisted for hearing. The matter is currently being heard in the Honorable Supreme Court of Pakistan.

The supply of electricity and invoicing between the Company and HESCO is continuing on the basis of an interim agreement signed on March 6, 2017, which is subject to the outcome of the above appeals pending before the Honorable Supreme Court of Pakistan. As per the agreement, HESCO fulfilled certain conditions and also provided an amount of PKR 642 million to the Company which was netted off against other receivables and the Company supplied and invoiced electricity from March 2017 to May 2019 based on PPA rates. The Company suspended electricity sale to HESCO from May 2019 due to non-payment of bill since January 2019. The Company then resumed the supply of electricity in January 2020 after signing another settlement agreement with HESCO.

In August, 2017, the Government of Sindh promulgated the Sindh New Captive Power Plants Subsidy Act, 2017 (as amended) for provision of tariff differential support to CPPs in the province of Sindh. Under the aforementioned Act, the Company claimed and received subsidy for the period March 2015 to October 2021 amounting to PKR 2,453 million. The Company's subsidy claims pertaining to the period from November 2021 to June 2023 have been settled in the current year.

15.3 This represents receivable on account of fee for technical services provided by the Company to Nyumba Ya Akiba S.A. (NYA), another related party, which as a result of a novation agreement has been agreed to be paid by LCLIHL to the Company.

The maximum aggregate outstanding at the end of any month during the year from LCLIHL on account of fee for technical services was PKR 1,754.220 million.

15.4 These include amounts of PKR 1.745 million, PKR 2.250 million, PKR 2.149 million, PKR 0.155 million, PKR 0.097 million and PKR 10.660 million receivable from the related parties LEPCL, YB Holdings Limited, Lucky Foods (Private) Limited, Energas Terminal (Private) Limited, LMC and YB Pakistan Limited respectively on account of certain expenses incurred by the Company on behalf of these related parties.

The maximum aggregate outstanding at the end of any month during the year from these related parties was PKR 34.454 million (2023: PKR 11.320 million).

16. TAX REFUNDS DUE FROM THE GOVERNMENT

Dispute with respect to the calculation of excise duty on retail price of cement arose between the Company and the FBR from the very first day the Company started sales of cement in 1996. The FBR was of the view that excise duty is to be calculated on the declared retail price, inclusive of excise duty whereas the Company contended that the excise duty would not be included in retail price for the calculation of the excise duty payable to the Government. On June 2, 1997, the Company filed a writ petition before the Honorable Peshawar High Court seeking a judgment on this matter. The dispute was related to the period from June 26, 1996 to April 19, 1999 after which the FBR changed the mechanism of levying excise duty from percentage of retail price to a fixed amount of duty at the rate of PKR 1,400 per ton. The Peshawar High Court after hearing both the parties issued a detailed judgment, operating paragraph of which is reproduced as follows:

"For the reasons we accept the petitions and declare that present system of realization of duties of excise on the "Retail Price" inclusive of excise duty is illegal and without lawful authority, the duties of excise on cement must not form part of retail price and the petitioners are not liable to pay duties of excise forming part of the retail price of cement."

Simultaneously, a similar nature of dispute arose between various beverage companies operating in the provinces of Sindh and Punjab and accordingly such companies also filed petitions before the High Courts of Sindh and Lahore respectively. Both the High Courts also decided the case against the method of calculation of excise duty as interpreted by the FBR.

The FBR preferred an appeal before the Supreme Court of Pakistan against the judgments of all three High Courts of the country. A full bench of the Supreme Court of Pakistan heard the legal counsel of all the parties and finally announced the judgment on April 14, 2007, upholding the judgments of the High Courts and dismissed the appeal of the FBR.

As a result of the full bench judgment of the Supreme Court of Pakistan, the Company filed a claim of PKR 538.812 million on May 8, 2007 with the Collector of Central Excise and Sales Tax, Peshawar, for refund of central excise duty collected due to incorrect interpretation of law. The Company on the basis of legal opinions obtained, recognized this refund claim in the unconsolidated financial statements for the year ended June 30, 2007.

A review petition was also filed by the FBR before the Supreme Court of Pakistan. The Supreme Court of Pakistan vide its order dated January 27, 2009 dismissed the review petition filed by the FBR and upheld its earlier decision.

While verifying the refund claim, the Collector of Excise and Sales Tax Peshawar issued a show cause notice to the Company, raising certain objections against the release of the refund including an objection that the burden of this levy has been passed on to the end consumer. The Company challenged this show cause notice before the Peshawar High Court (the PHC) by filing a petition which was decided on April 27, 2011 with the direction to conduct an audit through reputed audit firms to determine whether incidence of the duty was passed on or not.

Pursuant to the order of the PHC, numerous correspondence took place between the Company and the FBR to conduct the audit. However, the FBR defaulted on its commitment made before the PHC and hence on July 6, 2013, the Company filed a complaint before the Federal Tax Ombudsman (FTO) with a request that the FBR may be directed for early issuance of refund along with the compensation for the delayed refund. The FTO directed the FBR to verify the claim of the Company and submit a report in the matter. Subsequently, the FBR on the basis of a departmental audit rather than an independent audit submitted a report to the FTO on October 11, 2013. The said report was rejected by the FTO and the FBR was directed vide order dated November 22, 2013 to get the audit conducted through an independent audit firm as agreed to by both the parties previously for fair and unbiased resolution of the issue within one month.

The FBR filed a representation before the President of Pakistan against the recommendations of the FTO under Section 32 of Federal Tax Ombudsman Ordinance, 2000. However, the President of Pakistan endorsed the recommendations of the FTO of having an audit conducted by independent firms. The FBR then filed a writ petition before the Peshawar High Court against the findings of the FTO, as endorsed by the President, which suspended the operations of the orders of FTO and President of Pakistan on June 18, 2015.

On January 30, 2018, the FBR's writ petition was dismissed by the Peshawar High Court after which the FBR filed an appeal before the Supreme Court of Pakistan. The FBR simultaneously also filed a review petition before the Peshawar High Court for review of judgment dated January 30, 2018. The review petition was dismissed by the Peshawar High Court since the matter was pending before the Supreme Court.

The appeals filed by the Chief Commissioner RTO, Peshawar were dismissed vide judgement dated September 7, 2022. The Company is now pursuing the department for conducting an audit, as directed by the FTO, to determine whether incidence of the central excise duty was passed on to end consumers or not.

The management is confident on the advice of its legal advisor that the ultimate outcome of the case would be in its favor and the full amount would be recovered in due course, therefore no provision for the above receivable has been made in these unconsolidated financial statements.

		Note	**2024**	2023
			(PKR in '000')	
17.	**SHORT-TERM INVESTMENTS**			
	Investments - Fair value through profit or loss	17.1	29,814,955	21,885,398
	Investments - Fair value through other comprehensive income	17.2	22,673	13,098
			29,837,628	21,898,496

17.1 These represent investment in units of Shariah Compliant mutual funds, the details of which are as follows:

Name of fund	**2024** Number of units	**2024** Value of investment 'PKR in '000'	2023 Number of units	2023 Value of investment 'PKR in '000'
Al Habib Islamic Munafa Fund Plan	52,093,397	5,209,340	–	–
Alfalah Islamic Rozana Amdani Fund	25,355,170	2,535,517	77,105,338	7,710,534
Faysal Islamic Cash Fund	104,670,300	10,467,030	10,027,140	1,002,714
HBL Islamic Money Market Fund	–	–	19,951,831	2,018,615
MCB - Alhamra Islamic Money Market Fund	13,090,453	1,302,631	–	–
Meezan Paaidaar Munafa Plan	–	–	203,024,640	10,151,232
UBL - Al Ameen Islamic Cash Plan	–	–	10,023,027	1,002,303
UBL - Al Ameen Islamic Fixed Term Plan	103,004,368	10,300,437	–	–
		29,814,955		21,885,398

17.2 These represent investment in 1,769,940 shares (2023: 1,769,940 shares) of Pakistan Stock Exchange.

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2024

		Note	2024	2023
			(PKR in '000')	
18.	**CASH AND BANK BALANCES**			
	Sales collection in transit		1,114,518	817,383
	Cash at bank			
	- in current accounts		585,609	274,442
	- in Islamic savings accounts	18.1	787,428	173,878
			1,373,037	448,320
			2,487,555	1,265,703
	Cash in hand and bank instruments		79,621	2,850,478
			2,567,176	4,116,181

18.1 These are shariah compliant bank balances and carry profit at rates ranging from 6.85% to 20.25% (2023: 10.04% to 18.25%) per annum.

		Note	2024	2023
			(PKR in '000')	
19.	**SHARE CAPITAL**			
	Authorised capital			
	500,000,000 (2023: 500,000,000)			
	Ordinary shares of PKR 10/- each		5,000,000	5,000,000
	Issued, subscribed and paid-up share capital			
	305,000,000 (2023: 305,000,000) Ordinary			
	shares of PKR 10/- each issued for cash		3,050,000	3,050,000
	18,375,000 (2023: 18,375,000) Ordinary			
	shares of PKR 10/- each issued as bonus shares		183,750	183,750
			3,233,750	3,233,750
	30,375,000 ordinary shares (2023: 10,000,000)			
	of PKR 10 each cancelled through purchase			
	of own shares	36.2	(303,750)	(100,000)
	1,536,361 ordinary shares purchased			
	and held for cancellation	36.2	-	(15,364)
	293,000,000 (2023: 311,838,600)			
	Ordinary shares of PKR 10/- each		2,930,000	3,118,386

19.1 During the year ended June 30, 2008, the Company had issued 15,000,000 Global Depository Receipts (GDRs), each representing four ordinary equity shares at an offer price of US Dollars 7.2838 per GDR (total receipt being US Dollars 109.257 million). The GDRs were eligible for trading on the London Stock Exchange. Accordingly, 60,000,000 ordinary equity shares of a nominal value of PKR 10 each of the Company were issued at a premium of PKR 110 per ordinary equity share (total premium amount being PKR 6,600 million).

During the year ended June 30, 2024 the Company has applied to the London Stock Exchange for the delisting of the GDRs and all formalities for the delisting have been completed. However, the formal approval from the London Stock Exchange is awaited.

	Note	2024	2023
		(PKR in '000')	
20. RESERVES			
Capital reserve			
Share premium	20.1	7,343,422	7,343,422
Capital re-purchase reserve account		303,750	115,364
Capacity expansions capital reserve	20.2	40,000,000	40,000,000
Long-term investments capital reserve	20.2	40,000,000	40,000,000
Capital redemption reserve	20.2	23,691,206	35,815,875
		111,338,378	123,274,661
Revenue reserves			
Unappropriated profit		33,492,899	10,973,279
		144,831,277	134,247,940

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

20.2 The Board of Directors of the Company in its meeting held on June 21, 2023, decided to earmark a sum of PKR 116,000 million as not available for distribution by way of dividend on account of capacity expansions, long-term investments and capital redemption to more accurately reflect the nature of these reserves. Based on this decision, the reserves against long-term investments, capacity expansions and capital redemption amounting to PKR 40,000 million, PKR 40,000 million and PKR 36,000 million (i.e. aggregating PKR 116,000 million) were recognised as capital reserves not available for distribution in the unconsolidated financial statements for the year ended June 30, 2023.

Upto June 30, 2024 an aggregate amount of PKR 12,308.794 million has been utilised against capital redemption reserve on account of buy back of the Company's shares.

	Note	2024	2023
		(PKR in '000')	
21. LONG-TERM DEPOSITS			
Cement stockists	21.1	201,207	197,457
Transporters	21.2	52,700	52,200
Others		1,180	3,180
		255,087	252,837

21.1 These represent return-free security deposits received from stockists and are repayable on cancellation or withdrawal of stockist arrangement and are also adjustable against unpaid amount of sales.

21.2 These represent return-free security deposits received from transporters and are repayable on cancellation or withdrawal of contracts.

	Note	2024	2023
		(PKR in '000')	
22. LONG-TERM LOANS			
Temporary Economic Refinance	22.1	5,313,030	5,508,080
Financing for Renewable Energy	22.2	1,670,324	1,670,324
Long Term Financing Facility	22.3	7,876,430	7,978,543
		14,859,784	15,156,947
Less: Current maturity of long-term loans		2,099,147	599,653
		12,760,637	14,557,294

22.1 The Company entered into long-term loan agreements with Habib Bank Limited - Islamic, MCB Islamic Bank Limited, Bank Alfalah - Islamic, Faysal Bank Limited - Islamic, Habib Metropolitan Bank - Islamic, United Bank Limited - Islamic and National Bank of Pakistan under the Temporary Economic Refinance Facility (TERF) of the State Bank of Pakistan. The loans are repayable in quarterly and semi-annual installments over a period of ten years concluding upto September 8, 2032, which include a grace period of two years and are secured by way of hypothecation charge over specific plant and machinery of the Company. These facilities carry mark-up ranging from 1.50% to 2.50% which is payable in arrears. The gross amount of loan outstanding as at the reporting date includes PKR 5,585.199 million (2023: PKR 6,135.502 million) obtained under Islamic mode of financing.

22.2 The Company entered into long-term loan agreements with Allied Bank Limited, Dubai Islamic Bank and Soneri Bank Limited under the Renewable Energy Scheme of the State Bank of Pakistan. The loans are repayable in quarterly and semi-annual installments over a period of twelve years concluding upto July 13, 2034, which include a grace period of two years and are secured by way of hypothecation charge over specific plant & machinery of the Company. These facilities carries mark-up ranging from 3.95% to 4.75% which is payable in arrears on quarterly basis. The amount of loan outstanding as at the reporting date includes PKR 470.324 million (2023: PKR 470.324 million) obtained under Islamic mode of financing.

22.3 The Company entered into long-term loan agreements with Bank Al Habib, Pak Kuwait Investment Company, Habib Bank Limited - Islamic, Allied Bank Limited, Meezan Bank Limited - Islamic and Saudi Pak Industrial and Agricultural Investment Company under the Long-Term Financing Facility (LTFF) of the State Bank of Pakistan. The loans are repayable in semi-annual installments over a period of ten years concluding upto July 18, 2032, which include a grace period of two years and are secured by way of hypothecation charge over specific plant and machinery of the Company. The facility carries mark-up ranging from 2.50% to 8.00%. The amount of loan outstanding as at the reporting date includes PKR 2,307.842 million (2023: PKR 2,315.451 million) obtained under Islamic mode of financing.

		Note	2024	2023
			(PKR in '000')	
22.4	**Following is the movement of long term loans:**			
	Balance as at July 1, 2023 / 2022		17,278,254	16,760,103
	Loans obtained during the year		–	5,286,636
	Loans repaid during the year		(652,415)	(4,768,485)
	Balance as at June 30		16,625,839	17,278,254
	Less: Deferred government grant	23	1,766,055	2,121,307
			14,859,784	15,156,947

23. DEFERRED GOVERNMENT GRANT

The value of benefit of below-market interest rate on the loans disclosed in note 22 to these unconsolidated financial statements has been accounted for as government grant under IAS - 20 Government grants. The carrying amount of the deferred government grant as at the reporting date amounted to PKR 1,766.055 million (2023: PKR 2,121.307 million).

		Note	2024	2023
			(PKR in '000')	
24.	**DEFERRED LIABILITIES**			
	Staff gratuity	24.1	3,271,241	2,574,925
	Deferred tax liability	24.2	14,015,320	10,025,499
			17,286,561	12,600,424

24.1 Staff gratuity

On January 26, 2023, the Company established its Lucky Cement Limited Employees' Gratuity Trust Fund (the Fund) which has been recognised by the Federal Board of Revenue (FBR) on February 14, 2023. In accordance with the Trust Deed, the Trustees in its meeting held on July 3, 2023 admitted all eligible employees who existed as at July 1, 2023 to the membership of the Fund.

The amounts recognized in the statement of financial position and other details, based on the recent actuarial valuation carried out as at June 30, 2024, are as follows:

		Note	**2024**	2023
			(PKR in '000')	
24.1.1	Reconciliation of payable to defined benefit plan			
	Present value of defined benefit obligation	24.1.3	3,301,353	2,574,925
	Less: Fair market value of plan assets	24.1.4	(30,112)	–
			3,271,241	2,574,925
24.1.2	Movement in the net liability recognised in the statement of financial position:			
	Balance as at July 1, 2023 / 2022		2,574,925	2,596,281
	Charge for the year	24.1.5	649,838	603,331
	Remeasurement loss / (gain) recognised in other comprehensive income		234,721	(429,875)
			3,459,484	2,769,737
	Contributions / payments made during the year		(188,243)	(194,812)
			3,271,241	2,574,925
24.1.3	Movement in the present value of defined benefit obligation:			
	Balance as at the beginning of the year		2,574,925	2,596,281
	Current service cost		237,462	251,118
	Interest cost		427,802	352,213
	Benefits paid		(173,557)	(194,812)
	Remeasurement loss / (gain) on obligation		234,721	(429,875)
	Balance as at the end of the year		3,301,353	2,574,925
24.1.4	Movement in the fair value of plan assets:			
	Balance as at the beginning of the year		–	–
	Interest income		15,426	–
	Contributions during the year		188,243	–
	Benefits paid		(173,557)	–
	Balance as at the end of the year		30,112	–

These plan assets are placed with shariah compliant bank account.

		2024	2023
		(PKR in '000')	
24.1.5	Charge for the year recognised in the profit or loss is as follows:		
	Current service cost	237,462	251,118
	Interest cost - net	412,376	352,213
		649,838	603,331

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2024

		2024	2023
		(PKR in '000')	
24.1.6	The charge for the year has been allocated as follows:		
	Cost of sales	460,075	424,767
	Distribution cost	49,796	51,945
	Administrative expenses	138,175	119,512
	Cost of sale of electricity	1,792	7,107
		649,838	603,331
24.1.7	Principal actuarial assumptions used are as follows:		
	Expected rate of increase in salary level		
	Next year	13.25%	12.00%
	Second year onwards	13.25%	14.25%
	Valuation discount rate	14.75%	16.25%
	Mortality rates	SLIC (2001 - 05) - 1	SLIC (2001 - 05) - 1

24.1.8 Sensitivity analysis

A sensitivity analysis for the above principal actuarial assumptions as of the reporting date showing how the defined benefit obligation would have been affected by changes in the said assumptions is as follows:

	2024
	(PKR in '000')
Discount rate +1%	(247,294)
Discount rate -1%	281,762
Long term salary +1%	298,870
Long term salary -1%	(265,942)

24.1.9 The weighted average duration of the defined benefit obligation is 7.98 years.

24.1.10 Description of the risks to the Company

The defined benefit plan exposes the Company to the following risks:

Mortality risks - The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service / age distribution and the benefit.

Final salary risks - The risk that the final salary at the time of cessation of service is different than what was assumed. Since the benefit is calculated on the final salary, the benefit amount changes similarly.

Withdrawal risks – The risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

Plan assets risks – The plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets underperform this yield, this will create a deficit. The Fund believes that due to the long-term nature of the plan liabilities and the strength of the Company's support, the current investment strategy manages this risk adequately.

24.1.11 Expected cost of the defined benefit plan for the year ending June 30, 2025 will approximate PKR 784.519 million.

		Note	2024	2023
			(PKR in '000')	
24.2	Deferred tax liability			
	This comprises the following:			
	- Taxable temporary differences arising due to accelerated tax depreciation allowance		14,619,421	11,179,358
	- Deductible temporary differences arising in respect of provisions		(604,101)	(1,153,859)
			14,015,320	10,025,499

		Note	2024	2023
25.	**TRADE AND OTHER PAYABLES**			
	Creditors		7,172,144	5,030,546
	Accrued liabilities	25.5	6,737,990	6,110,295
	Advances from customers / contract liabilities	25.4	2,903,543	4,335,126
	Retention money		1,860,838	2,132,353
	Sales tax, excise duty and other government levies	25.1	9,255,525	10,606,853
	Workers' Profit Participation Fund (WPPF)	25.2	1,201	23,215
	Workers' Welfare Fund (WWF)	25.3	1,861,029	1,513,854
	Others		214,355	166,460
			30,006,625	29,918,702

25.1 The Honorable Supreme Court of Pakistan (SCP) through its judgment dated August 13, 2020 ("GIDC Judgment") declared the Gas Infrastructure Development Cess Act, 2015 ("GIDC Act 2015") as valid and intra vires the Constitution of Pakistan 1973. It further allowed recovery of GIDC that has become due up to July 31, 2020, by the gas companies from their consumers in twenty-four equal monthly installments.

The Company has filed suits before the Honorable High Court of Sindh (SHC) on September 30, 2020 and July 8, 2021 challenging the recovery of GIDC on the grounds that factual determination of whether the burden of GIDC has been passed-on to end consumers or not needs to be carried out. The SHC has granted an interim injunction to the Company and has restrained the gas companies from recovering GIDC from the Company.

		Note	2024	2023
			(PKR in '000')	
25.2	The movement of WPPF payable is as follows:			
	Balance as at July 1, 2023 / 2022		23,215	54,998
	Allocation for the year	33	1,324,358	1,133,578
			1,347,573	1,188,576
	Payments during the year		(1,346,372)	(1,165,361)
			1,201	23,215

25.3 On May 10, 2017, the Company received a show cause notice from the Sindh Revenue Board (SRB) demanding payment of Sindh Workers' Welfare Fund. The Company has challenged the said notice before the SHC on the ground that after the 18th Amendment, SRB and Federation of Pakistan, both can only collect Workers' Welfare Fund (WWF) from the Company after a law is enacted catering to WWF collection from trans-provincial organizations. The Federation of Pakistan and the Province of Sindh along with SRB have been made parties in the said matter. The SHC has restrained SRB from taking any coercive action against the Company. The Company's legal counsel is of the view that the Company, being a trans-provincial organization, has a good chance of success.

25.4 The contract liabilities outstanding as at June 30, 2023 amounting to PKR 4,335.13 million have been fully recognized as revenue during the current year.

25.5 This include payable to Gadoon Textile Mills Limited amounting to Rs. 0.330 million (2023: Nil) against reimbursement of expenses.

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For the year ended June 30, 2024

26. SHORT-TERM BORROWINGS

The Company has obtained Islamic Export Refinance Facility of PKR 5,485 million (2023: PKR 5,885 million) from a number of banks. The facility is secured by way of hypothecation charge over plant and machinery, stock-in-trade and stores and spares. These facilities carry mark-up at the rates ranging from 13.65% to 19.00% per annum.

27. CONTINGENCIES AND COMMITMENTS

CONTINGENCIES

27.1 The Federal Government issued SROs 580(1)/91 and 561(1)/94 dated June 27, 1991 and June 9, 1994 respectively and incentivized industries by providing sales tax exemptions on goods produced for a period of 5 years from the date of commissioning of such industries if the industrial plants were set up between July 1, 1991 and June 30, 1996 within the jurisdiction of NWFP (now KPK) and Baluchistan. The Company relying on such incentive set up its manufacturing plant in Dera Pezu, District Lakki Marwat and was thus entitled to sales tax exemption on cement produced by it till June 30, 2001. Through the Finance Act, 1997, the Federal Government provided sales tax exemption to all cement manufacturers of Pakistan regardless of their geographical location and thus withdrew the incentive given earlier of sales tax exemption to industries being set up in NWFP (now KPK) and Baluchistan. Being aggrieved, the Company filed a writ petition with the Peshawar High Court in year 2000. The writ petition was subsequently withdrawn on legal advice and a suit for compensation was filed before the Learned Civil Judge, Peshawar. The Learned Civil Judge decreed the suit ex-parte on November 20, 2009 in favor of the Company for an amount of PKR 1,693.61 million along with 14% return per annum till the date of payment.

On August 3, 2011, the Company filed an execution petition for realisation of the decretal amount as per the decree granted by the Learned Civil Court. Due to objections filed by the Federal Government and the FBR, the ex-parte decree was set aside on January 17, 2012 and the matter was listed for re-hearing. The defendants contested the matter and the Learned Civil Judge, Peshawar, dismissed the suit of the Company on December 18, 2012. The Company filed an appeal before the Honorable Peshawar High Court against dismissal of the suit on March 9, 2013. The Peshawar High Court transferred the matter to the District Court Peshawar. Subsequently, the District Court Peshawar dismissed the said appeal on January 7, 2023.

The Company has thereafter filed a Civil Revision suit before the Peshawar High Court to challenge the said judgment of the District Court. The case is currently pending before the Peshawar High Court. The receivable shall be recognised when its existence is virtually certain.

27.2 The Competition Commission of Pakistan (CCP) passed a single order on August 27, 2009 against all the cement manufacturers of the country on the alleged ground of formation of cartel for marketing arrangement and imposed a penalty at the rate of 7.5% of total turnover of each company consisting of both local and export sales. The amount of penalty imposed on the Company is PKR 1,271.84 million. The Company challenged the constitutionality of the Competition Law before the Honorable Lahore High Court and also the show cause notice and subsequent order issued by the CCP. The Lahore High Court on October 26, 2020, however, dismissed the petitions of the cement manufacturers and declared the Competition Law to be intra vires. Nevertheless, the Honorable Court struck down the constitution of the Competition Appellate Tribunal (CAT). The Company has filed an appeal before the Honorable Supreme Court of Pakistan to challenge the said decision. Meanwhile, the Government has also filed an appeal to challenge the judgment of the Honorable Lahore High Court.

The Company has also filed a petition before the Honorable High Court of Sindh in relation to the constitution of CAT, wherein the Honorable Court has restrained CAT from passing a final order in the matter.

Based on advice of the Company's legal advisor, the management is confident of a positive outcome and hence no accrual has been recorded in the books of account of the Company.

27.3 Details of other matters are stated in notes 15.1, 15.2, 16 and 25.3 to these unconsolidated financial statements.

		2024	2023
		(PKR in '000')	
	COMMITMENTS		
27.4	**Capital commitments**		
	Plant, machinery and equipment under letters of credit	2,442,697	4,921,828

		2024	2023
		(PKR in '000')	
27.5	**Other commitments**		
	Stores, spares, packing material and other supplies / services under letters of credit	3,505,763	3,989,776
	Bank guarantees issued on behalf of the Company	4,025,570	2,800,837
	Post dated cheques	2,438,251	4,075,985
	Commitment on behalf of a subsidiary company in respect of cost over-run,		
	PSRA, CSA and excess debt support	53,919,919	52,839,594
28.	**GROSS SALES**		
	Local	129,184,467	112,146,161
	Export	22,623,704	13,673,211
		151,808,171	125,819,372

28.1 All revenue earned by the Company is shariah compliant.

		Note	2024	2023
			(PKR in '000')	
29.	**COST OF SALES**			
	Salaries, wages and benefits		3,541,239	3,024,796
	Raw material consumed		5,534,490	3,936,525
	Packing material consumed	29.1	5,984,407	5,148,950
	Fuel and power		52,958,060	47,273,474
	Stores and spares consumed		3,133,951	2,087,830
	Repairs and maintenance		1,105,480	710,627
	Depreciation	5.2	5,602,518	4,730,828
	Amortisation	6.2	717	-
	Insurance		196,148	144,328
	Earth moving machinery		533,408	397,781
	Vehicle running and maintenance		172,781	136,038
	Communication		14,901	12,768
	Mess subsidy		13,620	10,584
	Transportation		97,891	60,855
	Travelling and conveyance		12,040	5,637
	Rent, rates and taxes		29,630	48,210
	Printing and stationery		4,777	4,571
	Other manufacturing expenses		325,797	237,978
			79,261,855	67,971,780
	Work-in-process:			
	Opening		3,676,416	5,801,452
	Closing		(6,665,615)	(3,676,416)
			(2,989,199)	2,125,036
	Cost of goods manufactured		76,272,656	70,096,816
	Finished goods:			
	Opening		984,679	659,332
	Closing		(736,965)	(984,679)
			247,714	(325,347)
			76,520,370	69,771,469

29.1 These are net of duty draw back on export sales amounting to PKR 34.909 million (2023: PKR 22.398 million).

	Note	2024	2023
		(PKR in '000')	
30. DISTRIBUTION COST			
Salaries and benefits		478,564	400,552
Logistics and other distribution related charges		3,645,170	1,980,251
Loading and others		3,006,021	2,387,340
Communication		7,981	7,888
Travelling and conveyance		23,258	13,036
Printing and stationery		3,074	1,503
Insurance		52,157	50,940
Rent, rates and taxes		50,085	45,381
Utilities		10,227	8,549
Vehicle running and maintenance		77,246	58,244
Repairs and maintenance		30,983	36,013
Fees, subscription and periodicals		11,595	3,674
Advertisement and sales promotion		64,719	70,567
Entertainment		16,385	10,631
Security services		7,994	4,538
Depreciation	5.2	242,697	233,274
Amortisation	6.2	82	–
Net reversal of provision for doubtful debt	12.3	(1,041)	(693)
Others		46,688	15,206
		7,773,885	5,326,894
31. ADMINISTRATIVE EXPENSES			
Salaries and benefits		1,022,315	876,003
Communication		15,603	12,290
Travelling and conveyance		74,110	48,544
Insurance		73,694	48,718
Rent, rates and taxes		27,013	23,946
Vehicle running and maintenance		89,391	70,781
Aircraft running and maintenance		94,255	89,704
Printing and stationery		18,346	18,928
Fee and subscription	31.2	55,529	54,462
Security services		14,013	9,855
Legal and professional fee		125,771	94,404
Utilities		35,278	18,521
Repairs and maintenance		168,283	119,416
Advertisement		3,623	5,093
Auditor's remuneration	31.1	16,052	5,856
Depreciation	5.2	185,513	228,105
Amortisation	6.2	42,320	33,542
Training cost		25,428	28,232
Bank charges		30,736	14,565
Others		43,409	24,613
		2,160,682	1,825,578

		2024	2023
		(PKR in '000')	
31.1	Auditor's remuneration		
	Statutory audit fee - standalone	2,989	2,599
	Statutory audit fee - consolidation	706	614
	Half yearly review fee	706	614
	Fee for the review of compliance with the Code of Corporate Governance and Shariah Governance Regulations, 2023 / 2018	371	323
	Tax and other services	9,933	384
		14,705	4,534
	Out of pocket expenses and government levies	1,347	1,322
		16,052	5,856

31.2 This includes PKR 0.637 million (2023: PKR 0.637 million) relating to shariah advisor.

		2024	2023
		(PKR in '000')	
32.	**FINANCE COST**		
	Mark-up / interest on:		
	Short-term finances	1,052,832	613,581
	Long-term finances	507,703	545,215
	Others	20,633	10,974
		1,581,168	1,169,770

32.1 Finance cost include PKR 1,289.157 million (2023: PKR 841.004 million) incurred under Islamic mode of financing.

		Note	2024	2023
			(PKR in '000')	
33.	**OTHER EXPENSES**			
	Workers' Profit Participation Fund	25.2	1,324,358	1,133,578
	Workers' Welfare Fund		347,175	187,438
	Donations and scholarships	33.1 & 33.2	805,103	757,831
	Business development and technical fee		–	363,738
			2,476,636	2,442,585

33.1 These include donations amounting to PKR 330 million (2023: PKR 240 million) to Aziz Tabba Foundation (ATF), a not-for-profit organization registered under section 42 of the Companies Ordinance, 1984 (now the Companies Act, 2017). Mr. Muhammad Sohail Tabba, Chairman of the Board of Directors of the Company, is the Director of ATF and Mr. Muhammad Ali Tabba, the Chief Executive of the Company, is the Director of ATF. Further, Mr. Muhammad Jawed Tabba and Mrs. Mariam Tabba Khan, the Directors of the Company, are also Directors of ATF.

ATF is the only donee where donation amount exceeds 10% of total donations.

33.2 Includes charitable donations made to purify Shariah non-compliant element of the Company's income in accordance with the requirements of the Shariah Governance Regulations, 2023.

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The movement of the charity account is as follows:

	Note	2024	2023
		(PKR in '000')	
Balance as of July 1, 2023 / 2022		–	–
Charity due		338,428	39,013
Less: Charity paid		338,428	39,013
Balance as at June 30		–	–

		Note	2024	2023
34.	**OTHER INCOME**			
	Income from non-financial assets			
	Gain on disposal of property, plant and equipment		138,267	215,273
	Gain from sale of electricity		2,761	329,364
	Sale of scrap and others		20,434	142,807
			161,462	687,444
	Income from financial assets			
	Dividend from subsidiaries	34.1	10,450,559	2,134,493
	Dividend from associate	34.1	183,510	244,546
	Dividend from mutual funds and other investments		4,845,426	2,007,336
	Exchange gain - net		236,003	216,478
	Income from deposits with Islamic banks	34.2	698,403	757,126
			16,413,901	5,359,979
			16,575,363	6,047,423

34.1 Dividend income earned from the subsidiaries and associate has been purified by making charitable donations, as more fully explained in note 33.2 to these unconsolidated financial statements.

34.2 These represent profit earned from shariah compliant bank deposits and bank balances.

		Note	2024	2023
			(PKR in '000')	
35.	**LEVY AND TAXATION**			
	Levy	35.1	953,051	437,833
	Taxation	35.2	12,327,974	7,179,627
	Net levy and tax charged		13,281,025	7,617,460

35.1 This represents final taxes paid under sections 150 and 154 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

		2024	2023
		(PKR in '000')	
35.2	Taxation		
	- current tax	8,247,809	4,262,325
	- deferred tax	4,080,165	2,917,302
		12,327,974	7,179,627

35.3 Relationship between income tax expense and accounting profit:

	2024	Restated 2023
	(PKR in '000')	
Profit before income tax	40,434,513	20,905,441
Tax at the applicable tax rate of 29%	11,726,009	6,062,578
Tax effect under lower rate	(4,566,979)	(1,454,486)
Provision for super tax	2,730,347	1,389,990
Impact of change in tax ratio / rate	1,499,315	1,262,000
Others	939,282	(80,455)
	12,327,974	7,179,627
Effective tax rate	30%	34%

		Note	2024	2023
36.	**BASIC AND DILUTED EARNINGS PER SHARE**			
	Profit after taxation (PKR in thousands)		28,106,539	13,725,814
	Weighted average number of ordinary shares (in thousands)	36.1	297,296	318,749
	Basic and diluted earnings per share (PKR)		94.54	43.06
36.1	Weighted average number of ordinary shares			
	Outstanding number of shares before own shares purchased		311,839	323,375
	Less: Impact of own shares purchased during the year	36.2	(14,543)	(4,626)
			297,296	318,749

36.2 During the year, the Company cancelled 20.375 million of its own ordinary shares of PKR 10 each purchased during the second buy-back of share for the period from June 20, 2023 to November 20, 2023. The purchase was made pursuant to special resolution passed in the Extraordinary General Meeting held on May 24, 2023.

		Note	2024	Restated 2023
			(PKR in '000')	
37.	**CASH GENERATED FROM OPERATIONS**			
	Profit before Taxation		40,434,513	20,905,441
	Adjustments for non cash charges and other items			
	Levy	35	953,051	437,833
	Depreciation	5.2	6,054,303	5,281,220
	Amortisation of intangible assets	6.2	43,119	33,542
	Provision for slow moving spares		(96,506)	–
	Net reversal of provision for doubtful debts	12.3	(1,041)	(693)
	Gain on disposal of property, plant and equipment	34	(138,267)	(215,273)
	Income from deposits with Islamic banks	34	(698,403)	(757,126)
	Dividend income from subsidiaries	34	(10,450,559)	(2,134,493)
	Dividend income from associate	34	(183,510)	(244,546)
	Dividend income from mutual funds	34	(4,845,426)	(2,007,336)
	Provision for staff gratuity		649,838	603,331
	Finance cost	32	1,581,168	1,169,770
	Profit before working capital changes		33,302,280	23,071,670
	(Increase) / decrease in current assets			
	Stores and spares		(411,297)	(2,877,175)
	Stock-in-trade		(2,456,919)	1,122,857
	Trade debts		(1,841,771)	(1,566,043)
	Loans and advances		(215,440)	(13,955)
	Trade deposits and short-term prepayments		1,995,283	(2,013,173)
	Other receivables		477,373	63,858
			(2,452,771)	(5,283,631)
	Increase in current liabilities			
	Trade and other payables		87,923	6,727,219
			30,937,432	24,515,258
37.1	Cash Flows From Operating Activities (Direct method)			
	Collections from customers		148,534,817	126,474,175
	Receipts of other income		1,499,977	1,448,870
	Payments to suppliers and service providers		(77,718,237)	(70,726,292)
	Payments to employees		(5,287,025)	(4,122,225)
	Payments relating to income taxes		(2,234,906)	(966,685)
	Payments relating to post retirement benefits - net		(188,243)	(194,812)
	Payment of mark-up		(1,735,978)	(807,477)
	Payments relating to indirect taxes		(35,289,664)	(27,862,658)
	Net cash generated from operating activities		27,580,741	23,242,896
37.2	Cash And Cash Equivalents			
	Cash and bank balances	18	2,567,176	4,116,181
	Short term investments	17	29,814,955	21,885,398
			32,382,131	26,001,579

38. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Particulars	Chief Executive		Executives		Total	
	2024	2023	**2024**	2023	**2024**	2023
	(PKR in '000')					
Managerial remuneration	90,000	90,000	2,221,914	1,678,910	2,311,914	1,768,910
Other benefits	–	15,000	–	–	–	15,000
Charge for defined benefit obligation	7,500	50,000	499,248	329,541	506,748	379,541
	97,500	155,000	2,721,162	2,008,451	2,818,662	2,163,451
Number of persons	1	1	728	533	729	534

38.1 In addition to the above, the Chief Executive, Directors and some Executives are provided with Company maintained cars and other benefits as per the Company policy.

38.2 No remuneration has been paid to non executive directors during the year except as disclosed in note 38.3 below.

38.3 An amount of PKR 7.375 million was paid to 7 non executive directors and PKR 0.844 million was paid to 1 executive director during the current year as the fee for attending board and its committees' meetings (2023: PKR 5.719 million was paid to 7 non executive directors and PKR 0.656 million was paid to 1 executive director).

39. RELATED PARTIES

39.1 Following are the related parties with whom the Company had entered into transactions during the year:

39.1.1

S No.	Name of Related Party	Relationship	Direct Shareholding % in the Company
1	Lucky Core Industries Limited	Subsidiary	Nil
2	Lucky Electric Power Company Limited	Subsidiary	Nil
3	Lucky Holdings Limited	Subsidiary	Nil
4	Lucky Motor Corporation Limited	Subsidiary	Nil
5	LCL Investment Holding Limited	Subsidiary	Nil
6	Lucky Energy (Private) Limited	Associated Company	3.9191%
7	Yunus Textile Mills Limited	Associated Company	7.7935%
8	Lucky Textile Mills Limited	Associated Company	Nil
9	Gadoon Textile Mills Limited	Associated Company	Nil
10	National Resources (Private) Limited	Associated Company	Nil
11	Lucky One (Private) Limited	Associated Company	Nil
12	Lucky Knits (Private) Limited	Associated Company	Nil
13	Lucky Foods (Private) Limited	Associated Company	Nil
14	Lucky Commodities (Private) Limited	Associated Company	Nil
15	Aziz Tabba Foundation	Associated Company	Nil
16	Lucky Air (Private) Limited	Associated Company	Nil
17	Energas Terminal (Private) Limited	Associated Company	Nil
18	YB Holdings (Private) Limited	Associated Company	Nil
19	Lucky Landmark (Private) Limited	Associated Company	Nil
20	Yunus Energy Limited	Associated Company	Nil
21	YB Pakistan Limited	Associated Company	2.5104%
22	Lucky Paragon Readymix Limited	Associated Company	Nil
23	Lucky Eximp (Private) Limited	Associated Company	Nil
24	Mr. M. Ali Tabba	Director	2.9649%
25	Ms. Feroza Tabba	Spouse of director	0.2201%
26	Mr. M. Sohail Tabba	Director	5.6002%
27	Ms. Saima Sohail	Spouse of director	2.0717%
28	Mr. Jawed Yunus Tabba	Director	7.6718%

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S No.	Name of Related Party	Relationship	Direct Shareholding % in the Company
29	Ms. Mariam Tabba Khan	Director	1.5925%
30	Mr. Ikram Hussain Khan	Spouse of director	0.0054%
31	Ms. Zulekha Tabba Maskatiya	Relative of director	1.5925%
32	Mr. Khawaja Iqbal Hassan	Director	0.0043%
33	Mr. Masood Karim Shaikh	Director	0.000002%
34	Mr. Shabbir Hamza Khandwala	Director	0.000002%
35	Mr. Syed Noman Hasan	Key management personnel	0.0003%
36	Mr. M. Atif Kaludi	Key management personnel	0.0112%
37	Mr. Amin Ganny	Key management personnel	0.0015%
38	Mr. Ali Shahab	Key management personnel	0.000002%
39	Mr. Ahmed Waseem Khan	Key management personnel	Nil
40	Mr. M. Shabbir	Key management personnel	Nil
41	Mr. Mashkoor Ahmed	Key management personnel	Nil
42	Mr. Zahir Shah	Key management personnel	Nil
43	Mr. Waqas Abrar Khan	Key management personnel	Nil
44	Mr. M. Safdar Ashraf Malik	Key management personnel	Nil
45	Mr. Mian Yaseer Sulaiman	Key management personnel	Nil
46	Mr. Sajid Feroz	Key management personnel	Nil
47	Mr. Aslam Baloch	Key management personnel	Nil

39.2 Balances and Transactions With Related Parties

Related parties include subsidiaries, associated entities, directors, other key management personnel and close family members of directors and other key management personnel. Balances with related parties are disclosed in respective notes. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these unconsolidated financial statements, are as follows:

	2024	2023
	(PKR in '000')	
Transactions with subsidiary companies		
Reimbursement of expenses to the Company	8,827	10,389
Purchase of vehicles	369,057	220,148
Other purchases	37,407	38,271
Sales	63,585	47,787
Sale of operating fixed assets	–	25,740
Sale of stores and spare items	1,180	–
Services	1,400	34
Dividend received	10,450,659	2,134,493
Business Development Technical Fee	–	363,738
Transaction with Directors and their close family members		
Dividends paid	2,358,135	–
Meeting fee	8,219	4,656
Sales	–	544
Transactions with associated undertakings		
Sales	545,332	677,478
Reimbursement of expenses to the Company	57,804	23,868
Reimbursement of expenses from the Company	51,169	45,132
Investment made during the period	225,000	–
Acquisition of unquoted shares	252,888	–
Donation and charity	330,000	242,500
Dividends paid	1,336,496	–
Dividend income from associate	183,410	244,546

	2024	2023
	(PKR in '000')	
Transactions with other key management personnel		
Salaries and benefits	430,778	379,537
Post employment benefits	87,157	103,453
Dividends paid	749	–
Payment made to retirement benefit fund	188,243	–

	2024	2023
	Metric Tons	
40. PRODUCTION CAPACITY		
Production Capacity - (Cement)	15,300,000	15,300,000
Production Capacity - (Clinker)	14,535,000	14,535,000
Actual Production Cement	7,476,465	7,059,899
Actual Production Clinker	8,158,114	6,235,310

40.1 The utilisation rates for cement and clinker production capacities stand at 48.87% and 56.13% respectively of the total installed capacities. The production was sufficient to meet the demand.

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to market risk (including return rate risk, currency risk and other price risk), credit risk and liquidity risk. The Company's finance and treasury departments oversee the management of these risks. The Company's financial risk-taking activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk appetite. No changes were made in the objectives, policies or processes and assumptions during the year ended June 30, 2024. The policies for managing each of these risk are summarized below:

41.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: return rate risk, currency risk and other price risk.

41.1.1 Return rate risk

Return rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market return rates. As of the reporting date the Company held long term loans amounting to PKR 12,760.637 million at fixed rates which are not materially exposed to significant return rate risk.

41.1.2 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates and arises where transactions are conducted in foreign currency. Approximately 14.9% (2023: 10.87%) of the Company's sales are denominated in currencies other than Pakistan Rupee.

As at June 30, 2024, if Pakistan Rupee appreciated / depreciated by 1% against US Dollar and British Pound, with all other variables held constant, the Company's profit before tax would have been PKR 8.098 million (2023: PKR 1.899 million) higher / lower as a result of exchange gain / loss on translation of foreign currency denominated financial instruments.

41.1.3 Other price risk

Other price risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market prices. As at the reporting date, the Company is not exposed to significant other price risk.

41.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail to perform as contracted. The Company manages credit risk by limiting significant exposure to any individual customers by obtaining advance against sales. As of the reporting date, the Company is exposed to credit risk on the following assets:

Particulars	Note	2024	2023
		(PKR in '000')	
At amortised cost			
Long-term deposits	9	7,842	7,842
Trade debts	12	6,932,479	5,089,667
Loans	8 & 13	198,906	185,768
Trade deposits	14	18,098	2,071,673
Accrued return		35,076	100,079
Other receivables	15	4,249,385	4,739,870
Bank balances	18	2,487,555	4,068,703
		13,929,341	16,263,602
At fair value through profit or loss			
Short term investments - units of mutual funds	17	29,814,955	21,885,398
At fair value through other comprehensive income			
Short term investments - 1,769,940 shares of PSX (2023: 1,769,940 shares of PSX)	17	22,673	13,098

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit rating agencies or the historical information about counter party default rates as shown below:

	2024	2023
	(PKR in '000')	
Trade debts		
Neither past due nor impaired	6,496,821	4,788,383
Past due but not impaired	435,658	301,284
Total	6,932,479	5,089,667

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. Trade debts are generally due within 15 to 90 days.

	2024	2023
	(PKR in '000')	
Margin held in bank		
A1+	8,015	2,049,343
Bank balances		
A1+	2,487,490	4,068,579
A1	65	124
	2,487,555	4,068,703

Short-term investments amounting to PKR 29,814.955 million (2023: PKR 21,885.398 million) are held in mutual funds rated not below AA.

Other receivables include PKR 2,410.869 million (2023: PKR 3,345.228 million) due from HESCO, a government organisation and PKR 1,754.22 million (2023: PKR 1,342.82 million) due from LCLIHL, a related party. Accordingly, financial assets other than amount due from HESCO, LCLIHL, trade debts and bank balances are not exposed to any material credit risk.

41.3 Liquidity risk

Liquidity risk reflects the Company's inability in raising funds to meet commitments. Management closely monitors the Company's liquidity and cash flow position. This includes monitoring of balance sheet liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customers. As of the reporting date, the Company has unavailed credit facilities aggregating PKR 32,861 million (2023: PKR 42,198 million) out of the total facilities of PKR 76,145 million (2023: PKR 78,709 million), which are secured by hypothecation on certain assets of the Company. Further, due to the financial strength of the Group, the related obligations shall be settled as they mature and therefore the guarantees issued by the Company on behalf of subsidiary company (note 27.5) are not expected to be called.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	Within one year	1 to 10 years	Total
		(PKR in '000')	
June 30, 2024			
Long-term deposits	–	255,087	255,087
Trade and other payables	15,985,327	–	15,985,327
Long term loans	2,099,147	17,156,796	19,255,943
Short term borrowings	5,485,000	–	5,485,000
Accrued markup	342,935	–	342,935
Unclaimed dividend	59,148	–	59,148
	23,971,557	17,411,883	41,383,440
June 30, 2023			
Long-term deposits	–	252,837	252,837
Trade and other payables	13,439,654	–	13,439,654
Long term loans	599,653	21,539,760	22,139,413
Short term borrowings	5,885,000	–	5,885,000
Accrued markup	497,745	–	497,745
Unclaimed dividend	50,115	–	50,115
	20,472,167	21,792,597	42,264,764

Fair values of financial instruments

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. Investment in subsidiary companies and associates are carried at cost. The carrying values of all other financial assets and liabilities reflected in these unconsolidated financial statements approximate their fair values.

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (level 3).

	Level 1	Level 2	Level 3	Total
		(PKR in '000')		
Assets				
Financial assets - Fair value through				
profit or loss -				
Short term investments - units of mutual funds	–	29,814,955	–	29,814,955
Financial assets - Fair value through				
other comprehensive income -				
Short term investments - shares of PSX	22,673	–	–	22,673

There were no transfers amongst levels during the year.

42. CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is to maintain capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholder value and reduce the cost of capital.

The Company manages its capital structure and makes adjustment to it, in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the year ended June 30, 2024.

43. NUMBER OF EMPLOYEES

The total number of persons employed as on the reporting date and the average number of employees during the year are as follows:

	2024	2023
Number of employees as at June 30	2,680	2,626
Average number of employees during the year	2,611	2,584

44 SUBSEQUENT EVENT

44.1 The Board of Directors in its meeting held on August 8, 2024 has recommended a final dividend of PKR 15 per share for the year ended June 30, 2024. These unconsolidated financial statements do not reflect the effect of dividend payable.

45. GENERAL

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

46. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were authorized for issue on August 8, 2024 by the Board of Directors of the Company.

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive

Atif Kaludi
Chief Financial Officer

Financial Statements

For the year ended June 30, 2024

Consolidated

Independent Auditor's Report to the Members of Lucky Cement Limited

Opinion

We have audited the annexed consolidated financial statements of Lucky Cement Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at June 30, 2024, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of the Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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KARACHI LAHORE ISLAMABAD

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Following are the Key audit matters:

S. No.	Key audit matters	How the matter was addressed in our audit
(i)	**Revenue recognition** (refer notes 3.11, 4.21 and 31.1 to the annexed consolidated financial statements) Revenue from sale of goods is recognised when performance obligation is satisfied by transferring control of promised goods to the customers. Further, capacity and energy revenue of power generation segment is recognised based on the rates determined under the mechanism laid down in the Power Purchase Agreement and are subject to determination by the National Electric Power Regulatory Authority. We considered revenue recognition as a key audit matter as it was an area of significant audit risk as part of the audit process.	Our audit procedures, amongst others, included the following: • Understood and evaluated the accounting policy with respect to revenue recognition. • Performed testing of revenue transactions on a sample basis with underlying documentation including dispatch documents and sales invoices. • Tested on a 'sample basis' specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue was recognised in the correct period. • For revenue related to power generation segment, assessed the assumptions used to calculate the capacity and energy revenue.
(ii)	**Stock in trade and stores, spares and consumables** (refer notes 3.6, 4.9, 4.10, 12 and 13 to the annexed consolidated financial statements) Stock-in-trade and stores, spares and consumables in the Group's cement and some other segments include: • gypsum as raw material; • clinker as part of work-in-progress; and • coal as stores, spares and consumables. Further, the stock-in-trade of the power generation segment includes coal. The above items were stored in purpose-built sheds, stockpiles and silos. As the weighing of these inventory items was not practicable, the management assessed the reasonableness of the quantities on hand by obtaining measurements of stockpiles and converting these measurements into unit of volume by using angle of repose and bulk density values. The Group also engaged external surveyors in the inventory count process. As the determination of stock quantities in hand, by measuring the volume and density of these items as at the reporting date, involved significant estimates, this has been considered as a key audit matter.	Our audit procedures to assess the existence of inventory included the following: • Obtained an understanding of the measurement process and procedures with respect to the specific items of the Stock in trade and stores, spares and consumables stored in the form of stockpiles. • Attended physical inventory count performed by the Group and assessed the reasonableness of the management's process of measurement of stockpiles and the determination of volume using angle of repose and bulk density values. • Obtained and reviewed the inventory count reports of the management's external surveyors.

Information Other than the Consolidated and Unconsolidated Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and unconsolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Osama Moon.

A. F. Ferguson & Co
Chartered Accountants
Karachi

Date: September 4, 2024

UDIN: AR202410056JYKIADRxB

Consolidated Statement of Financial Position

as at June 30, 2024

	Note	2024	2023
		(PKR in '000')	
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	6	298,571,892	294,838,879
Intangible assets	7	6,625,546	6,682,998
Right-of-use assets	8	182,457	116,707
		305,379,895	301,638,584
Long-term investments	9	78,083,162	67,118,403
Long-term loans and advances	10	964,936	731,165
Long-term deposits	11	100,655	94,898
		384,528,648	369,583,050
CURRENT ASSETS			
Stores, spares and consumables	12	24,834,721	22,608,453
Stock-in-trade	13	68,049,161	48,660,510
Trade debts	14	67,727,487	59,903,590
Loans and advances	15	3,468,097	3,220,177
Trade deposits and short-term prepayments	16	6,296,487	6,270,645
Other receivables	17	17,156,798	14,141,981
Tax refunds due from the Government	18	538,812	538,812
Taxation receivable		163,398	193,198
Accrued return		35,076	100,097
Short-term investments	19	44,899,062	44,199,457
Cash and bank balances	20	41,963,878	38,939,424
		275,132,977	238,776,344
TOTAL ASSETS		659,661,625	608,359,394
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital	21	2,930,000	3,118,386
Reserves	22	270,695,520	224,365,635
Attributable to the owners of the Holding Company		273,625,520	227,484,021
Non-controlling interest		37,005,928	33,515,038
Total equity		310,631,448	260,999,059
NON-CURRENT LIABILITIES			
Long-term loans	23	124,167,975	135,857,715
Long-term deposits and other liabilities	24	9,291,073	9,532,879
Leases liabilities	8	157,478	29,064
Deferred income - Government grant	25	3,412,709	4,305,281
Deferred liabilities			
- Staff Gratuity		3,598,132	2,935,978
- Deferred tax liability		24,040,514	19,225,117
	26	27,638,646	22,161,095
		164,667,881	171,886,034
CURRENT LIABILITIES			
Current portion of long-term loans	23	11,567,233	9,009,157
Trade and other payables	27	77,587,187	80,334,556
Provision for taxation		21,065,055	13,910,125
Accrued return		4,166,355	5,046,314
Short-term borrowings and running finance	28	69,878,771	67,043,227
Current portion of lease liabilities	8	38,547	80,807
Unclaimed dividend		59,148	50,115
		184,362,296	175,474,301
		349,030,177	347,360,335
TOTAL EQUITY AND LIABILITIES		659,661,625	608,359,394
CONTINGENCIES AND COMMITMENTS	29		

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive

Atif Kaludi
Chief Financial Officer

Consolidated Statement of Profit or Loss

For the year ended June 30, 2024

	Note	2024	Restated 2023
		(PKR in '000')	
Revenue	31.1	489,363,447	459,459,165
Less: Sales tax and excise duty		64,681,767	63,863,527
Rebates and commission		13,686,497	10,470,447
		78,368,264	74,333,974
		410,995,183	385,125,191
Cost of sales	31.2	(287,478,242)	(291,491,191)
Gross profit		123,516,941	93,634,000
Distribution cost	33	(15,785,531)	(10,627,616)
Administrative expenses	34	(7,652,978)	(5,711,136)
Finance cost	35	(36,698,507)	(30,640,895)
Other expenses	36	(3,674,585)	(4,126,454)
Other income	37	16,185,370	9,278,160
		75,890,710	51,806,059
Share of profit - joint ventures and associates	9.9	16,209,618	10,521,551
Profit before Taxation and Levy		92,100,328	62,327,610
Levy	39	(1,798,556)	(835,330)
Profit before Taxation		90,301,772	61,492,280
Taxation	39	(17,965,025)	(12,047,113)
Profit after taxation from continuing operations		72,336,747	49,445,167
Profit after taxation from discontinued operations	38.3	–	10,092,201
Profit after taxation		72,336,747	59,537,368
Attributable to:			
Owners of the Holding Company		65,555,505	48,758,341
Non-controlling interest		6,781,242	10,779,027
		72,336,747	59,537,368
		(PKR)	
Earnings per share - basic and diluted	40		
- continuing operations		220.51	135.93
- discontinued operations		–	17.04
		220.51	152.97

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive

Atif Kaludi
Chief Financial Officer

Consolidated Statement of Comprehensive Income

For the year ended June 30, 2024

	Note	2024	2023
		(PKR in '000')	
Profit after taxation from continuing operations		72,336,747	49,445,167
Other comprehensive income:			
Other comprehensive income which will not be reclassified to profit or loss in subsequent periods:			
Foreign exchange differences on translation of foreign operations		(1,728,162)	12,751,519
Gain / (loss) on remeasurements of post retirement benefit obligations		(87,133)	378,871
Deferred tax thereon		14,828	(109,478)
		(72,305)	269,393
Unrealised loss on remeasurement of equity instrument at fair value through other comprehensive income		9,576	(5,008)
Deferred tax thereon		(1,197)	626
		8,379	(4,382)
		(1,792,088)	13,016,530
Total comprehensive income for the period from continuing operations		70,544,659	62,461,697
Discontinued operations			
Profit after taxation from discontinued operations	38.3	–	10,092,201
Other comprehensive income for the period		–	–
Total comprehensive income for the period		70,544,659	72,553,898
Attributable to:			
Owners of the Holding Company		63,718,285	61,777,161
Non-controlling interest		6,826,374	10,776,737
		70,544,659	72,553,898

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive

Atif Kaludi
Chief Financial Officer

Consolidated Statement of Cash Flows

For the year ended June 30, 2024

	Note	2024	2023
		(PKR in '000')	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	41	86,151,570	84,007,636
Finance cost paid		(37,548,473)	(26,146,139)
Taxes and levy paid		(7,749,823)	(6,144,766)
Income from deposits and others		5,152,093	4,408,828
Staff retirement benefits paid		(316,682)	(582,482)
Long term deposits - net		(5,757)	(24,558)
Increase in long-term loans and advances		(233,771)	(204,729)
(Decrease) / increase in long-term deposits and prepayments		(241,806)	2,362,381
Net cash generated from operating activities		45,207,351	57,676,171
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(24,812,205)	(24,305,187)
Dividends and other income from equity accounted investments		3,532,623	5,711,238
Dividends received on short term investments		7,605,308	2,007,336
Sale proceeds from disposal of shares of subsidiary	38.1	–	11,901,821
Net running finance balance settled with the disposal of shares of subsidiary		–	2,551,519
Release of balance as lien		–	1,111,111
Sale proceeds on disposal of property, plant and equipment		421,155	429,170
Net cash used in investing activities		(13,253,119)	(592,992)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term finance repaid		(10,024,236)	(3,327,671)
Dividend paid to owners of the Holding Company		(5,443,084)	(915)
Dividend paid to non-controlling interest		(3,070,884)	(1,378,687)
Buy-back of shares of subsidiary from non-controlling shareholders	1.5	(264,600)	–
Short term borrowings obtained - net		6,739,686	8,889,763
Payment against lease liability		(131,893)	(137,297)
Issuance of shares to Non-controlling interest		–	269,500
Own shares purchased for cancellation	40.2	(12,124,669)	(5,157,654)
Net cash used in financing activities		(24,319,680)	(842,961)
Net increase in cash and cash equivalents		7,634,552	56,240,218
Cash and cash equivalents at the beginning of the year		70,004,715	15,783,293
Effect of foreign currency translation on cash and cash equivalents		(15,926)	(2,018,796)
Cash and cash equivalents at the end of the year	41.1	77,623,341	70,004,715

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive

Atif Kaludi
Chief Financial Officer

Consolidated Statement of Changes in Equity

For the year ended June 30, 2024

	Attributable to the owners of the Holding Company											
	Issued, subscribed and paid-up share capital	Capital reserve			Revenue reserves					Total reserves	Non-controlling interest	Total equity
					Earmarked as capital and not available for distribution - Note 21			Other Revenue reserves				
		Share premium	Capital re-purchase reserve account	Foreign currency translation reserve	Capacity expansions capital reserve	Long-term investments capital reserve	Capital redemption reserve	General reserve	Unappropriated Profit			
	(PKR in '000')											
Balance as at 1st July 2022	3,233,750	7,343,422	-	9,433,058	-	-	-	99,164,187	51,690,097	167,630,764	28,893,975	199,758,489
Transfer to general reserves	-	-	-	-	-	-	-	15,340,066	(15,340,066)	-	-	-
Transactions with owners												
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1,378,687)	(1,378,687)
Reclassification of reserve (note 22.2)	-	-	-	-	40,000,000	40,000,000	36,000,000	(114,504,253)	(1,495,747)	-	-	
Cancellation of own shares purchased	(100,000)	-	100,000	-	-	-	-	-	(4,369,198)	(4,269,198)	-	(4,369,198)
Own shares purchased for cancellation	(15,364)	-	15,364	-	-	-	(184,125)	-	(604,331)	(773,092)	-	(788,456)
Derecognition due to step disposal (note 38.3)	-	-	-	-	-	-	-	-	-	-	(5,046,487)	(5,046,487)
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	269,500	269,500
Total comprehensive income												
Profit after taxation	-	-	-	-	-	-	-	-	48,758,341	48,758,341	10,779,027	59,537,368
Other comprehensive income	-	-	-	12,751,519	-	-	-	-	267,301	13,018,820	(2,290)	13,016,530
Total comprehensive income for the year	-	-	-	12,751,519	-	-	-	-	49,025,642	61,777,161	10,776,737	72,553,898
Balance as at June 30, 2023	3,118,386	7,343,422	115,364	22,184,577	40,000,000	40,000,000	35,815,875	-	78,906,397	224,365,635	33,515,038	260,999,059
Transfer to general reserves	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with owners												
Final cash dividend for year ended June 30, 2023									(5,452,117)	(5,452,117)		(5,452,117)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(3,070,884)	(3,070,884)
Cancellation of own shares purchased (note 40.2)	(188,386)	-	188,386	-	-	-	(12,124,669)	-	-	(11,936,283)	-	(12,124,669)
Buy-back of shares (note 1.5)	-	-	-	-	-	-	-	-	-	-	(264,600)	(264,600)
Total comprehensive income												
Profit after taxation	-	-	-	-	-	-	-	-	65,555,505	65,555,505	6,781,242	72,336,747
Other comprehensive income	-	-	-	(1,728,162)	-	-	-	-	(109,058)	(1,837,220)	45,132	(1,792,088)
Total comprehensive income for the year	-	-	-	(1,728,162)	-	-	-	-	65,446,447	63,718,285	6,826,374	70,544,659
Balance as at June 30, 2024	2,930,000	7,343,422	303,750	20,456,415	40,000,000	40,000,000	23,691,206	-	138,900,727	270,695,520	37,005,928	310,631,448

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive

Atif Kaludi
Chief Financial Officer

Notes to the Consolidated Financial Statements

For the year ended June 30, 2024

1. THE GROUP AND ITS OPERATIONS

The Group consists of Lucky Cement Limited (the Holding Company / LCL) and its subsidiary companies namely LCL Investment Holdings Limited (LCIHL), Lucky Holdings Limited (LHL), Lucky Electric Power Company Limited (LEPCL), Lucky Core Industries Limited (LCI) and Lucky Motor Corporation Limited (LMC). Brief profiles of the Holding Company and its subsidiaries are as follows:

1.1 Lucky Cement Limited

The Holding Company was incorporated in Pakistan on September 18, 1993 under the Companies Ordinance, 1984 (now the Companies Act, 2017) (the Act) and is listed on the Pakistan Stock Exchange. The principal activity of the Holding Company is manufacturing and marketing of cement. The geographical locations and production plants of the Holding Company and its subsidiary companies are as follows.

Business Units of the Group	Geographical Locations
Registered Office	
LCL & LHL	Pezu, District Lakki Marwat in Khyber Pakhtunkhwa
LMC	Plots no. LE-144-145, 154-167, 171-172, 174-175, PP 31, 48, 65, PP 83-89 survey # Nc 98, National industrial Park, Bin Qasim Town, Karachi
LEPCL	6 - A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi
LCIHL	Dubai International Finance Centre Jebel Ali Free Zone Authority, Dubai, United Arab Emirates
LCI	5 West Wharf Road, Karachi
Corporate / Head Offices	
LCL, LHL	6 - A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi
LEPCL	Al Tijarah Center, Main Shahra e Faisal, Karachi
Production / Manufacturing / Power Plants	
LCL	• Pezu, District Lakki Marwat in Khyber Pakhtunkhwa • Main Super Highway in Karachi, Sindh
LCI	• S-33, Hawksbay road, S.I.T.E, • 45-Km, off Multan road, Lahore • LCI Soda Ash, Tehsil Pind, Dadan Khan, District Jhelum • Plot No.32/2A Phase III, Industrial Estate Hattar, District Haripur • Bypass Nazam pura Road, Kasur
LEPCL	Deh Ghangiaro, Taluka Ibrahim Hyderi, District Malir, Karachi
LMC	Plots no. LE-144-145, 154-167, 171-172, 174-175, PP 31, 48, 65, PP 83-89 survey # Nc 98, National industrial Park, Bin Qasim Town, Karachi
Regional / Liaison Offices	
LCL	Quetta, Multan, Faisalabad, Lahore and Peshawar
LCI	Lahore, Islamabad and Jhelum

1.2 LCL Investment Holdings Limited

The Holding Company has made an investment in LCL Investment Holdings Limited (LCLIHL), incorporated in Mauritius and redomiciled in Dubai - United Arab Emirates where LCLIHL has been continued as an offshore Company in Jabel Ali Free Zone Authority with effect from March 30, 2022. The principal activity of LCLIHL is that of investment holding.

LCLIHL has entered into joint venture agreements with Al-Shumookh group to form Lucky Al-Shumookh Holdings Limited (LASHL) for operating a cement grinding unit in Basra, Iraq and Al-Shumookh Lucky Investment Limited (ASLIL) for operating a fully integrated cement manufacturing unit in Samawah, Iraq. LASHL and ASLIL are companies with limited liability registered in Jebel Ali Free Zone, United Arab Emirates. LCLIHL holds 50% ownership in the aforesaid joint ventures.

LCLIHL has also entered into a joint venture agreement with Rawsons Investments Limited (registered in Cayman Islands) for establishing Lucky Rawji Holdings Limited (LRHL), incorporated with limited liability under laws of British Virgin Islands, for operating a fully integrated cement manufacturing unit in the Democratic Republic of Congo. LCLIHL holds 50% ownership interest in LRHL.

LCLIHL has also entered into a joint venture agreement with Rawji Properties Limited to incorporate LR International General Trading FZCO (LRIGT). LRIGT was incorporated as an onshore company with a limited liability in Jebel Ali Free Zone, United Arab Emirates. LCLIHL holds 50% ownership interest in LRIGT.

Implementation of UAE Corporate Tax Laws and application of IAS 12 Income Taxes

On January 31, 2022, the UAE Ministry of Finance announced the introduction of Federal Corporate Tax and on December 9, 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal Corporate Tax Regime in the UAE. The Law was previously gazetted on October 10, 2022, becoming law 15 days later.

The Corporate Tax regime became effective for accounting periods beginning on or after June 1, 2023. Generally, UAE businesses will be subject to a 9% corporate tax rate, while a rate of 0% will apply to taxable income not exceeding a particular threshold of AED 375,000.

LCLIHL, registered as an offshore entity in JAFZA and incorporated outside the UAE mainland, LCLIHL has earned other income from providing technical services to one of the group entities, Nyumba Ya Akiba S.A., as well as from finance income earned on term deposits. According to Federal Decree-Law No. 47 of 2022, these sources of income are taxable at a rate of 9%. However, LCLIHL's management believes that LCLIHL qualifies as a "Qualifying Freezone Person" under Article 18 of the UAE Corporate Tax Law and therefore, the aforementioned income streams are exempt from taxation under Federal Decree-Law No. 47 of 2022. Further, based on this assessment there is no deferred tax impact on account of the CT Law in these consolidated financial statements.

The Holding Company held 100% shares of LCLIHL as at June 30, 2024 (2023: 100% holding).

1.3 Lucky Holdings Limited

Lucky Holdings Limited (LHL) was incorporated in Pakistan on September 6, 2012 as a public unlisted company under the Act. LHL is a subsidiary of the Holding Company and its main source of earning is interest income.

The Holding Company held 75% shares of LHL as at June 30, 2024 (2023: 75% holding).

1.4 Lucky Electric Power Company Limited

LEPCL was incorporated in Pakistan, on June 13, 2014, as a public unlisted company under the Act. The principal business of LEPCL is to own and operate a coal fired 660 megawatt (MW) (gross) power project at Port Qasim, Karachi (the 'Project').

The Holding Company held 100% shares of LEPCL as at June 30, 2024 (2023: 100% holding).

1.5 Lucky Core Industries Limited

LCI was incorporated in Pakistan under the Act and is listed on Pakistan Stock Exchange Limited. LCI is engaged in the manufacture of polyester staple fibre, POY chips, soda ash, specialty chemicals, sodium bicarbonate and polyurethanes; marketing of seeds, toll manufactured and imported pharmaceuticals and animal health products; merchanting of general chemicals and manufacturing of master batch. It also acts as an indenting agent and toll manufacturer. The Holding Company held 55% holding of LCI as at June 30, 2024 (2023: 55% holding). Details of LCI's equity investments are as follows:

(a) Lucky Core PowerGen Limited

Lucky Core PowerGen Limited (LCI PowerGen) is incorporated in Pakistan as an unlisted public company and is a wholly owned subsidiary of LCI. LCI PowerGen is engaged in generating, selling and supplying electricity to LCI.

(b) Lucky Core Venture (Private) Limited

Lucky Core Venture (Private) Limited was incorporated in Pakistan on March 9, 2023 as a private company and is a wholly owned subsidiary of LCI. The principal line of the business is to function as holding company of its subsidiaries and associated companies and render advisory services for promotion of their business, development and marketing for the Group.

(c) Lucky TG (Private) Limited

Lucky TG (Private) Limited (Lucky TG) was incorporated in Pakistan on October 25, 2022 as an unlisted public company as part of the Joint Venture and Shareholders Agreement with Tariq Glass Industries Limited to set up a green field state-of-the-art float glass manufacturing facility.

During the year, the Board of Directors of Lucky TG granted approval for Lucky TG to buy back a portion of its shares from its members (LCI and Tariq Glass Industries Limited) in proportion to their shareholding. By virtue of the approval, LCI and Tariq Glass Industries Limited have accepted the offer for purchase of shares from Lucky TG and the buy back transaction was executed during the year. LCI held 51% shares of Lucky TG as at June 30, 2024.

1.6 Lucky Motor Corporation Limited

Lucky Motor Corporation Limited (LMC) was incorporated in Pakistan as a public unlisted company in December 2016 under the Act. LMC is engaged in assembly, marketing, distribution and sale of various types of Kia and Stellantis N.V. branded vehicles, parts, accessories and related services. LMC has entered into an agreement with Samsung Gulf Electronic Co. FZE for producing Samsung branded mobile devices in Pakistan, and the mobile production facility for Samsung devices is located at Port Qasim Industrial Park, Special Economic Zone.

The Holding Company held 71.14% shares of LMC as at June 30, 2024 (2023: 71.14% holding).

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Statement of Compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Act; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

2.2 Basis of Consolidation

These consolidated financial statements include the financial statements of the Holding Company and its subsidiaries.

A company is a subsidiary, if the Holding Company directly or indirectly controls, beneficially owns or holds more than fifty percent of its voting securities or otherwise has power to elect and appoint more than fifty percent of its directors.

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the Holding Company, using consistent accounting policies. The accounting policies of the subsidiaries have been changed to conform with accounting policies of the Group, where required.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Where the ownership of a subsidiary is less than hundred percent and therefore, a non controlling interest (NCI) exists, the NCI is allocated its share of the total comprehensive income of the period, even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the assets (including goodwill) and liabilities of the subsidiary, carrying amount of any NCI, cumulative translation differences recognised in other comprehensive income, and recognises fair value of consideration received, any investment retained, surplus or deficit in profit or loss, and reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the subsidiary companies' shareholders' equity in these consolidated financial statements.

2.3 Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these consolidated financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In the process of applying the Group's accounting policies, management has made the following estimates and judgments which are significant to these consolidated financial statements:

3.1 Income and sales taxes

In making the estimates for income and sales taxes payable by the Group, the management considers current income and sales tax law and the decisions of Appellate authorities on certain cases issued in the past. These estimates also include impacts of the decisions of appellate authorities about the benefits that become recoupable upon any change in tax structure of the Group.

3.2 Staff retirement benefits

Certain actuarial assumptions have been adopted as disclosed in note 26 to these consolidated financial statements for valuation of present value of defined benefit obligations and fair value of plan assets. Any changes in these assumptions in future years might affect gains and losses in those years.

3.3 Property, plant and equipment and Intangible assets

Estimates with respect to residual value, method of depreciation / amortisation and rates of property, plant and equipment and intangible assets are disclosed in notes 4.4, 4.5, 6.1 and 7 to these consolidated financial statements. Further, the Group reviews the carrying value of assets for impairment, in case there are any indicators, on each reporting date.

3.4 Determining the lease term of contracts with renewal and termination options - Group as a lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

3.5 Leases - Estimating the incremental borrowing rate

Where the Group cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) and incorporates applicable spread.

3.6 Stores and spares and stock-in-trade

The Group has made estimation with respect to provision for slow moving, damaged and obsolete items and the net realisable value as disclosed in notes 4.9 and 4.10 to these consolidated financial statements. Further, the Group's certain inventory items relating to cement and power generation segments [i.e. raw materials (limestone, clay, gypsum and coal for 660 MW project), work-in-process (clinker) and stores and spares (coal for combustion)] are stored in purpose-built sheds, stockpiles and silos. As the weighing of these inventory items is not practicable, the management assesses the reasonableness of the on-hand inventory by obtaining measurement of stockpiles and converting these measurements into unit of volume by using angle of repose and bulk density values. In making this estimate the Group involves external surveyors for determining the inventory existence.

3.7 Provision for doubtful debts and other receivables

The Group reviews the recoverability of its trade debts and other receivables, to assess the amount required for provision for doubtful debts as disclosed in note 4.26 to these consolidated financial statements.

3.8 Contingencies

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Group, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non occurrence of the uncertain future events.

3.9 Provisions

Provisions are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Group would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

3.10 Impairment of goodwill and intangibles with indefinite lives

Impairment testing involves a number of judgemental areas which are subject to inherent significant uncertainty, including the preparation of cash flow forecasts for periods that are beyond the normal requirements of management reporting and the assessment of the discount rate appropriate to the business. The detailed assumptions underlying impairment testing of goodwill and intangibles with indefinite lives are given in note 7 to these consolidated financial statements.

3.11 Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of goods include a right of return and volume rebates that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.

The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of goods with rights of return, given the large number of customer contracts that have similar characteristics. In estimating the variable consideration, the Group determined that using a combination of the most likely amount method and expected value method is appropriate. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contracts.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determines that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

3.12 Un-billed revenue in respect of COD tariff adjustment

As per the applicable tariff regime, the Group has applied to National Electric Power Regulatory Authority (NEPRA) for approval of COD tariff adjustment. the Group is currently billing the Central Power Purchasing Agency (Guarantee) Limited (CPPA-G), based on the provisional tariff, being notified by NEPRA, and is recognising the revenue based on management's best estimate of final COD tariff to be approved by NEPRA. The differential unbilled revenue is being recognised as contract asset or contract liability, which will be invoiced / adjusted upon NEPRA's order in relation to COD adjustment.

3.13 Impairment of financial and non-financial assets

Estimates with respect to impairment of financial and non-financial assets are disclosed in note 4.26 to these consolidated financial statements.

3.14 Warranty obligations

The Group exercises professional judgment, based on its internal risk assessment while making assessment in respect of the warranty obligations.

4. MATERIAL ACCOUNTING POLICIES

The accounting policies used in the preparation of these consolidated financial statements are the same as those applied in the preparation of the consolidated financial statements of the Group for the year ended June 30, 2024, unless otherwise stated.

4.1 Accounting convention

These consolidated financial statements have been prepared under the historical cost convention except otherwise stated.

4.2 Change in accounting standards, interpretations and amendments to published accounting and reporting standards

(a) Amendments to accounting and reporting standards and interpretation / guidance which became effective during the year ended June 30, 2024

There were certain amendments that became applicable for the Group during the year but are not considered to be relevant or did not have any significant effect on the Group's operations and have, therefore, not been disclosed in these consolidated financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Group which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these consolidated financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Group has changed its accounting policy to recognise minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognised as 'Income tax'.

The Group has accounted for the effects of these changes in accounting policy retrospectively under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures have been restated in these consolidated financial statements. The effects of restatements are as follows:

	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	(PKR '000)	(PKR '000)	(PKR '000)
Effect on consolidated statement of profit or loss			
For the year ended June 30, 2024			
Levy	–	1,798,556	1,798,556
Profit before taxation	92,099,742	(1,798,556)	90,301,186
Taxation	(19,763,365)	1,798,556	(17,964,809)
Profit after taxation	72,336,377	–	72,336,377
For the year ended June 30, 2023			
Levy	–	835,330	835,330
Profit before taxation	62,327,610	(835,330)	61,492,280
Taxation	(12,882,443)	835,330	(12,047,113)
Profit after taxation	49,445,167	–	49,445,167

The related changes to the consolidated statement of cash flows with respect to the amount of profit before taxation have been made as well. There is no impact on profit after tax and earnings per share, basic and diluted.

(b) New standards and amendments to published accounting and reporting standards that are not yet effective and not early adopted by the Group

There are certain new standards and amendments that will be applicable to the Group for its annual periods beginning on or after July 1, 2024. The new standards include IFRS 18 Presentation and Disclosure in Financial Statements and IFRS 19 Subsidiaries without Public Accountability: Disclosures both with applicability date of January 1, 2027 as per IASB. These standards will become part of the Group's financial reporting framework upon adoption by the SECP. The overall amendments include those made to IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability which are applicable effective January 1, 2026. The Group's management at present is in the process of assessing the full impacts of these new standards and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.

4.3 Waiver from application of standards and interpretations

4.3.1 The Securities and Exchange Commission of Pakistan (SECP) vide SRO 986(I)/2019 dated September 2, 2019 partially modified its previously issued SRO 24(I)/2012 dated January 16, 2012 and granted exemption to all companies that have executed their Power Purchase Agreements (PPA) before January 1, 2019 from requirements of the following:

- IFRS 16 'Leases' to the extent of the power purchase agreements;
- IAS 21 'The Effects of Changes in Foreign Exchange Rates' to the extent of capitalisation of exchange differences; and
- In case of capitalisation of exchange differences, recognition of embedded derivative under IFRS 9 'Financial Instruments' shall not be permitted.

4.3.2 The SECP vide its SRO 67(1)/2023 dated January 20, 2023, exempted the application of 'Expected Credit Loss' (ECL model) under IFRS 9 (Financial Instruments) in respect of debts due or ultimately due from the Government of Pakistan (GOP) for the financial year ending on or before December 31, 2024. Accordingly, the Group has applied the requirements of IAS 39 'Financial Instruments: Recognition and Measurement' in these consolidated financial statements to the extent of measurement of amounts ultimately due from the GoP during the exemption period. However, subsequently unless a further exemption is granted, the application of 'Expected Credit Loss' (ECL model) under IFRS 9 (Financial Instruments) will be applicable on the Group from July 1, 2024.

4.4 Property, Plant and Equipment

These are stated at cost less accumulated depreciation and impairment losses, if any, except for freehold land and capital work-in-progress which are stated at cost less impairment losses, if any. Cost in relation to certain items in operating fixed assets and capital work-in-progress, signifies historical cost, financial charges and exchange differences on borrowings.

Depreciation is charged to profit or loss applying the straight line method at the rates mentioned in note 6.1 to these consolidated financial statements. Depreciation on additions is charged from the date of acquisition / transfer of asset, whereas depreciation on disposals is charged till the date of disposal.

The assets' residual values, the method of depreciation and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Maintenance and normal repairs are charged to the profit or loss as and when incurred. Major renewals and improvements, if any, are capitalised, when it is probable that future economic benefits will flow to the Group.

Gains and losses on disposal of operating fixed assets, if any, are included in the profit or loss.

4.5 Intangible assets

Intangible assets other than goodwill, brands distribution relationship, principal relationships and product rights are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Brands, distribution relationship, principal relationships and product rights are stated at cost less accumulated impairment losses, if any, as their useful life is indefinite. However, these assets are tested for impairment annually, either individually or at the cash generating unit (CGU) level, as appropriate. The assessment of indefinite life is reviewed annually to determine whether indefinite life continues to be supportable. If not, a change in useful life from indefinite to finite is made on a prospective basis.

Amortisation is charged to the profit or loss applying the straight line method, whereby, the cost of intangible asset is written off over its useful economic life. The useful lives of the intangible assets are stated in note 7 to these consolidated financial statements. Full month's amortisation is charged in the month of addition, whereas, amortisation on disposals is charged upto the month in which the disposal takes place.

4.6 Goodwill

Goodwill is initially measured as at the acquisition date, being the excess of (a) the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree; and (b) the net of the acquisition date amount of the identifiable assets acquired and the liabilities assumed.

In case the fair value attributable to the Group's interest in the identifiable net assets exceeds the fair value of consideration, the Group recognises the resulting gain in the profit or loss on the acquisition date.

Goodwill acquired in a business combination is measured, subsequent to initial recognition, at cost less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating unit (CGU) (or the groups of CGUs) that are expected to benefit from the synergies of the operations irrespective of whether other assets or liabilities of the acquiree are assigned to these units or group of units.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on pro rata based on the carrying amount of each asset in the CGU. Any impairment loss for goodwill is recognised directly in the consolidated profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

4.7 Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as disclosed in note 8 to these consolidated financial statements.

The right-of-use assets are also subject to impairment. Refer to the note 4.26 to these consolidated financial statements for policy on impairment of non-financial assets.

4.8 Investments in associates / joint ventures

Investments in associates / joint ventures are accounted for using the equity method, whereby the investment is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the net assets of the associates / joint ventures. The consolidated statement of profit or loss reflects the Group's share of the results of the operations of the associates / joint ventures.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associates / joint ventures is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate / joint venture and its carrying value and recognises the same in the profit or loss.

4.9 Stores, spares and consumables

These are valued at lower of weighted average cost and net realisable value, except items in transit, which are stated at cost. Provision for slow moving, damaged and obsolete items are charged to profit or loss. Ageing and value of items is reviewed at each reporting date to record provision for any slow moving, damaged and obsolete items.

Items in transit are valued at cost comprising invoice value plus other charges incurred thereon upto the reporting date.

Net realisable value signifies the selling price in the ordinary course of business less estimated cost necessarily to be incurred in order to make the sale, which is generally equivalent to the estimated replacement cost.

Spare parts of capital nature which can be used only in connection with an item of property, plant and equipment are shown separately as capital spares and are carried at cost less accumulated impairment, if any.

4.10 Stock-in-trade

These are stated at the lower of cost and net realisable value. The methods used for the calculation of cost are as follows:

(i) Raw and packing material	at weighted average cost comprising of quarrying / purchase price, transportation, government levies and other overheads. Coal held by power generation segment is valued at the lower of cost and net realisable value (NRV), cost being determined using first in first out (FIFO) method.
(ii) Work-in-process and finished goods	at weighted average cost comprising direct cost of raw material, labour and other manufacturing overheads.

Items in transit are valued at cost comprising invoice value plus other charges incurred thereon upto the reporting date.

Net realisable value signifies the estimated selling price in the ordinary course of business less estimated cost of completion and cost necessary to make the sale.

Provision is made for obsolete and slow moving stock-in-trade based on management's best estimate and is recognised in the profit or loss.

4.11 Trade debts and other receivables

Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Group holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest rate method.

4.12 Cash and cash equivalents

Cash and cash equivalents are stated at cost. For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash and cheques in hand, current and Islamic saving accounts with banks, short term borrowings, investment in highly liquid mutual fund units, having a fixed fair value per unit invested and sales collection in transit.

4.13 Staff retirement benefits

The Group's retirement benefit plans comprise of provident funds, pensions and gratuity schemes for eligible retired employees. Staff retirement benefits are payable to staff on completion of prescribed qualifying period of service under the scheme.

4.14 Defined benefit plans

The Group recognises staff retirement benefits expense and liability in accordance with IAS - 19 "Employee Benefits". An actuarial valuation of all defined benefit schemes is conducted every year. The valuation uses the Projected Unit Credit method. All remeasurement gains and losses are recognised in the other comprehensive income.

i) The Holding Company, LMC and LEPCL operates a funded gratuity scheme covering all its permanent employees.

ii) LCI operates a funded pension scheme and a funded gratuity scheme for the management staff. Pension and gratuity schemes for LCI's management staff are invested through two approved trust funds. LCI also operates unfunded gratuity scheme for non-management staff and the unfunded pensioners' medical scheme. The pension and gratuity plans are final salary plans. The pensioner's medical plan reimburses actual medical expenses to pensioners as per entitlement.

4.15 Defined contribution plans

LCI operates two registered contributory provident funds for entire staff of LCI and a registered defined contribution superannuation fund for management staff of LCI, who have either opted for this fund by July 31, 2004 or have joined LCI after April 30, 2004.

4.16 Compensated absences

The Group accounts for the liability in respect of employees' compensated absences in the year in which these are earned. Provisions to cover the obligation are made using the current salary levels of the employees. No actuarial valuation of compensated absences is carried out as the management considers that the financial impact of such valuation is not considered to be material.

4.17 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease i.e., if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date, where the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of regional sales offices, and warehouses (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

4.18 Trade and other payables

Liabilities for trade and other amounts payable are carried at fair value of the consideration to be paid in future for goods and services received, whether or not invoiced to the Group.

4.19 Provisions and contingent liabilities

A provision is recognised in the consolidated statement of financial position when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognized as a provision reflects the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. They are reviewed at each reporting date and adjusted prospectively.

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

4.20 Taxation - Levy, Income tax and Sales tax

Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these consolidated financial statements, except for taxes on dividends on the Holding company's investments in subsidiaries and associates which are specifically within the scope of IAS 12 and hence these continue to be categorised as current income tax.

Current income tax

The charge for current taxation is based on taxable income at the current rates of taxation in accordance with the tax laws, after taking into account tax credit available, if any.

LEPCL's profits and gains from power generation are exempt from tax under clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (the Ordinance). LEPCL is also exempt from minimum tax on turnover under clause 11A of part IV of the Second Schedule to the Ordinance.

LMC is tax exempt under the clause 126E of the Income Tax Ordinance, 2001.

Deferred income tax

Deferred tax is recognised, using the balance sheet liability method, on all temporary differences arising at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the assets may be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales tax included the net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

4.21 Revenue recognition and other income

(a) Revenue from sale of goods is recognised when or as performance obligations are satisfied by transferring control (i.e. at the time of transfer of physical possession) of a promised good or service to a customer, and control either transfers over time or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies.

(b) Revenue from toll manufacturing is recognised when services are rendered.

(c) Capacity and Energy revenues of power generation segment are recognised based on the rates determined under the mechanism laid down in the Power Purchase Agreement (PPA) and are subject to determination by NEPRA. The Group has assessed that performance obligations under the PPA are discharged over time.

(d) Mark-up / profit on bank deposits is recognised on a time proportion basis on the principal amount outstanding and at the rate applicable.

(e) Profit on short-term deposits is accounted for using the effective interest rate method.

(f) Commission income is recognised on date of shipment from suppliers.

(g) Dividend income is recognised when the right to receive such payment is established.

(h) Other income is recognized when the right to receive is established, and the amount and timing of related receipt is virtually certain.

4.22 Borrowing cost

Borrowing cost and other related costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred. For power generation segment, borrowing costs include exchange differences arising on foreign currency borrowings, obtained for acquisition, construction or production of qualifying assets, in accordance with SECP SRO referred to in note 4.3.

4.23 Foreign currency transactions and translation

Foreign currency transactions are recorded using the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistan Rupee using the exchange rate ruling at the reporting date. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and on translation of monetary assets and liabilities denominated in foreign currencies at reporting date are recognised in the profit or loss except as explained in note 4.22.

On consolidation, the assets and liabilities of foreign operations are retranslated into presentation currency i.e. Pakistan Rupee at the rate of exchange prevailing at the reporting date and their income and expenses are translated using the average of exchange rates for the period. The exchange differences arising on such translations are recognised in other comprehensive income.

4.24 Financial assets and liabilities

Financial assets

(i) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flow represents solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in profit or loss.

(ii) Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss, except for the investments in equity instruments as explained in the ensuing paragraphs.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income or assets that are designated at fair value through profit or loss using fair value option, are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in the profit or loss in the period in which it arises.

Equity instrument financial assets are measured at fair value at and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in the profit or loss. Dividends from such investments continue to be recognised in the profit or loss when the Group's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to the profit or loss following the derecognition of the investment.

Financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value, amortised cost or cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

All purchases and sales of financial assets are recognised on the trade date which is the date on which the Group commits to purchase or sell the financial asset.

Financial assets are derecognised when the Group loses control of the contractual rights that comprise the financial asset. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Group.

Financial liabilities

Financial liabilities are recognised at the time when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender or substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit or loss.

4.25 Offsetting

A financial asset and financial liability is off-set and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to set-off the transaction and also there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.26 Impairment

(a) Financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets. The Group applies the simplified approach to recognise lifetime expected credit losses for trade debts, other receivables and contract assets.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

The Group recognises in profit or loss, as an impairment loss (or reversal), the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(b) Non financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised as an expense in the profit or loss. The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using an appropriate discount rate. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4.27 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in these consolidated financial statements in the period in which these are approved.

4.28 Functional and presentation currency

These consolidated financial statements are presented in Pakistan Rupee, which is the Group's functional and presentation currency.

4.29 Segment reporting

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Chief Operating Decision Makers (the CODMs) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CODMs include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax assets, liabilities and related income and expenditure. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.

4.30 Operating leases / Ijarah contracts

Leases, other than those under Ijarah contracts, in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Ijarah contracts are classified as operating leases irrespective of whether significant portion of the risks and rewards of ownership are retained by lessor. Payments made under operating leases and Ijarah contracts (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

4.31 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. It is recognised as income on a systematic basis over the periods in which the related costs, for which it is intended to compensate, are recorded.

4.32 Warranty obligations

The Group recognises the estimated liability, on an accrual basis, to repair or replace products under warranty at the reporting date, and recognises the estimated product warranty costs in profit or loss when the sale is recognised.

4.33 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.34 Contract liabilities / advance from customers

A contract liability is recognised if a payment is received from a customer before the Group transfers the related goods. Contract liabilities are recognised as revenue when the Group transfers control of the related goods to the customer.

4.35 Assets and liabilities arising from rights of return

Right of return assets

Right of return asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer.

The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

4.36 Own shares purchased for cancellation

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognized as a deduction from equity. Repurchased shares are classified as own shares purchased for cancellation and are presented in the statement of changes in equity as a separate reserve.

5. CURRENT VERSUS NON CURRENT CLASSIFICATION

The Group presents assets and liabilities in the consolidated statement of financial position based on current / non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classification as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

	Note	2024	2023
		(PKR in '000')	
6. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - tangible	6.1	280,467,340	285,306,840
Capital work-in-progress	6.6	17,489,251	9,219,104
Capital spares		615,301	312,935
		298,571,892	294,838,879

6.1 Operating fixed assets - tangible

	Leasehold land (note 6.3)	Freehold land	Buildings on leasehold land	Buildings on freehold land	Limebeds on freehold land	Plant and machinery	Generators	Quarry equipment	Vehicles including cement bulkers and rolling stock	Aircraft	Furniture and fixtures	Office equipment	Computer and accessories	Other assets (Laboratory equipment etc.)	Total
	(PKR in '000')														
As at July 1, 2022															
Cost	6,636,459	2,054,024	19,535,267	12,597,098	581,452	236,179,930	21,477,484	1,993,793	3,979,267	744,664	1,540,260	686,759	472,203	2,736,460	311,215,120
Accumulated depreciation and impairment	(664,186)	-	(5,915,418)	(4,189,657)	(171,839)	(38,210,225)	(9,393,564)	(1,499,951)	(1,757,853)	(673,702)	(841,032)	(406,958)	(214,266)	(859,944)	(64,798,595)
Net book value	5,972,273	2,054,024	13,619,849	8,407,441	409,613	197,969,705	12,083,920	493,842	2,221,414	70,962	699,228	279,801	257,937	1,876,516	246,416,525
Year ended June 30, 2023															
Addition / Transfers from CWIP	-	-	1,484,104	675,533	76,916	34,574,275	6,343,870	19,660	368,237	-	136,393	47,980	175,726	343,162	44,245,856
Capitalization of exchange differences (note 6.1.2)	-	-	-	-	-	18,541,512	-	-	-	-	-	-	-	-	18,541,512
Transfer/ adjustments	-	-	-	-	-	(2,117,938)	-	-	-	-	-	-	-	-	(2,117,938)
Disposal of subsidiary (note)															
Cost	(664,823)	(392,365)	-	(2,157,152)	-	(4,666,480)	-	-	(140,280)	-	(159,327)	-	-	-	(8,180,427)
Accumulated depreciation	563,242	-	-	409,607	-	1,914,561	-	-	67,564	-	104,089	-	-	-	3,059,063
	(101,581)	(392,365)	-	(1,747,545)	-	(2,751,919)	-	-	(72,716)	-	(55,238)	-	-	-	(5,121,364)
Disposals (note 6.4)															
Cost	-	-	(89,895)	-	-	(64,385)	-	-	(345,394)	-	(138,342)	(1,155)	(21,543)	(64,527)	(725,241)
Accumulated depreciation	-	-	89,895	-	-	18,495	-	-	239,152	-	71,475	1,028	17,556	32,968	470,569
	-	-	-	-	-	(45,890)	-	-	(106,242)	-	(66,867)	(127)	(3,987)	(31,559)	(254,672)
Depreciation charge for the year (note 6.2)	(60,995)	-	(1,179,053)	(540,724)	(65,484)	(11,386,485)	(1,328,585)	(153,886)	(529,843)	(70,962)	(190,652)	(33,793)	(116,727)	(745,890)	(16,403,079)
Net book value as at June 30, 2023	5,809,697	1,661,659	13,924,900	6,794,705	421,045	234,783,260	17,099,205	359,616	1,880,850	-	522,864	293,861	312,949	1,442,229	285,306,840
Year ended June 30, 2024															
Addition / Transfers from CWIP (note 6.1.1)	-	1,745,463	1,044,510	291,693	265,112	6,244,088	4,893,811	291,901	755,655	-	256,267	37,145	263,681	65,858	16,155,184
Capitalization of exchange differences (note 6.1.2)	-	-	-	-	-	(1,723,675)	-	-	-	-	-	-	-	-	(1,723,675)
Transfer/ adjustments (note 6.1.3)	-	-	-	-	-	(1,678,946)	-	-	-	-	-	-	-	-	(1,678,946)
Disposal of subsidiary (note)															
Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals (note 6.4)															
Cost	-	-	(15,164)	-	-	(272,418)	-	-	(306,544)	-	(36,198)	(7,566)	(6,254)	(7,056)	(651,200)
Accumulated depreciation	-	-	3,313	-	-	257,591	-	-	204,319	-	32,798	7,563	4,885	6,884	517,353
	-	-	(11,851)	-		(14,827)	-	-	(102,225)	-	(3,400)	(3)	(1,369)	(172)	(133,847)
Depreciation charge for the year (note 6.2)	(60,995)	-	(1,215,373)	(463,740)	(91,419)	(12,279,069)	(1,543,694)	(139,630)	(570,766)	-	(190,543)	(39,547)	(155,708)	(707,732)	(17,458,216)
Net book value as at June 30, 2024	5,748,702	3,407,122	13,742,186	6,622,658	594,738	225,330,831	20,449,322	511,887	1,963,514	-	585,188	291,456	419,553	800,183	280,467,340
At June 30, 2023															
Cost	5,971,636	1,661,659	20,929,476	11,115,479	658,368	282,446,914	27,821,354	2,013,453	3,861,830	744,664	1,378,984	733,584	626,386	3,015,095	362,978,882
Accumulated depreciation and impairment	(161,939)	-	(7,004,576)	(4,320,774)	(237,323)	(47,663,654)	(10,722,149)	(1,653,837)	(1,980,980)	(744,664)	(856,120)	(439,723)	(313,437)	(1,572,866)	(77,672,042)
Net book value	5,809,697	1,661,659	13,924,900	6,794,705	421,045	234,783,260	17,099,205	359,616	1,880,850	-	522,864	293,861	312,949	1,442,229	285,306,840
At June 30, 2024															
Cost	5,971,636	3,407,122	21,958,822	11,407,172	923,480	285,015,963	32,715,165	2,305,354	4,310,941	744,664	1,599,053	763,163	883,813	3,073,897	375,080,245
Accumulated depreciation and impairment	(222,934)	-	(8,216,636)	(4,784,514)	(328,742)	(59,685,132)	(12,265,843)	(1,793,467)	(2,347,427)	(744,664)	(1,013,865)	(471,707)	(464,260)	(2,273,714)	(94,612,905)
Net book value	5,748,702	3,407,122	13,742,186	6,622,658	594,738	225,330,831	20,449,322	511,887	1,963,514	-	585,188	291,456	419,553	800,183	280,467,340
Annual rates of depreciation	1.01% to 4%	-	3% to 33%	5% to 50%	5% to 25%	3.33% to 50%	5% to 33%	10%	10% to 33%	10%	10% to 50%	20% to 33%	20% to 33%	10% to 33%	

6.1.1 Additions to plant and machinery include transfer from capital work-in-progress which includes borrowing cost for projects determined using an average capitalization rate of 18.88% (2023: 16.13%) amounting to PKR 233.731 million (2023: PKR 249.963 million).

6.1.2 LEPCL has adjusted exchange gain that arose during the year amounting to PKR 1,723.675 million (2023: exchange loss amounting to PKR 18,541.512 million) against the cost of plant and machinery.

6.1.3 During the year, LEPCL has made an adjustment of Rs. 1,641.846 million in plant and machinery with respect to the settlement agreement with the its supply and construction contractors on account of remaining works and unresolved warranty defects.

6.2 Depreciation charge for the year has been allocated as follows:

	Note	2024	2023
		(PKR in '000')	
Cost of sales	32	16,696,177	15,361,092
Distribution cost	33	308,263	301,159
Administrative expenses	34	430,201	458,814
Cost of sale of electricity		23,575	89,013
Discontinued operations		–	193,001
		17,458,216	16,403,079

6.3 The Government of Sindh, through its Land Utilisation Department, Board of Revenue (BoR), allotted 250 acres of land in Deh Ghangiaro, Bin Qasim Town, for the purpose of setting up a power plant. A lease agreement was subsequently signed by LEPCL with BoR. However, in August 2017, the Port Qasim Authority (PQA) filed a civil suit against LEPCL in the High Court of Sindh (HCS), alleging that 139 acres of the allotted land fell within the jurisdiction of PQA and an injunction order was obtained by PQA in its favour.

In September 2018, the court order was modified following the completion of a report by the Survey of Pakistan, reducing the injunction granted by the HCS to a land area of 75.09 acres. PQA then contested this order, arguing that the disputed land measured 109 acres. During the year ended June 30, 2021, LEPCL reached a settlement with PQA, acquiring 35 acres of land at the rate specified in PQA's schedule of charges for land allotment, amounting to Rs. 1,400 million. This acquisition was made without foregoing LEPCL's right to claim the disputed land from BoR, which was essential for the Project's completion. The settlement was finalized through a decree issued by the HCS. Based on the latest demarcation by the Board of Revenue, LEPCL holds possession of 212 acres land out of which 35 acres of land was separately acquired from PQA.

LEPCL during the year, has filed a legal suit in the HCS against BoR for the allotment or compensation of the remaining 72 acres of land, for which lease payments had already been made to BoR and PQA at the time of the initial allotment. The matter is currently pending adjudication in the HCS.

6.4 The details of property, plant and equipment disposed of during the year are as follows:

Particulars	Cost	Accumulated Depreciation	Net Book Value	Sale Proceeds	Gain/ (loss)	Mode of Disposal	Particulars of Buyers	Relationship of the purchaser with the Group or director, if any
	(PKR in '000')							
Vehicles	8,667	1,492	7,175	9,500	2,325	Auction	KIA Macca Motors	N/A
-----do----	3,851	1,344	2,507	4,999	2,492	-----do----	Muhammad Fahad Aslam	N/A
-----do----	4,291	1,431	2,860	5,581	2,721	-----do----	Shabaz Al Ghani Motors	N/A
-----do----	6,158	3,275	2,883	5,220	2,337	-----do----	Syed Sarmad Abbas Zaidi	Employee
-----do----	6,453	2,573	3,880	8,093	4,213	-----do----	Muhammad Fahad	N/A
-----do----	5,036	1,592	3,444	7,594	4,150	-----do----	Muhammad Fahad Aslam	N/A
-----do----	8,047	2,534	5,513	5,298	(215)	-----do----	Syed Sarmad Abbas Zaidi	Employee
-----do----	5,350	976	4,374	5,914	1,540	-----do----	Muhammad Fahad	N/A
-----do----	4,854	3,228	1,626	5,763	4,137	-----do----	Taha Akmal Siddiqui	Employee
-----do----	4,291	1,502	2,789	5,299	2,510	-----do----	Nida Khan	Employee
-----do----	4,596	1,218	3,378	5,283	1,905	-----do----	Syed Sarmad Abbas Zaidi	Employee
-----do----	1,811	1,041	770	2,100	1,330	-----do----	Omair Shuja	Employee
-----do----	1,924	1,060	864	2,485	1,621	-----do----	Numeri Abrar	N/A
-----do----	1,774	859	915	2,662	1,747	-----do----	Toyota Clifton Motors	N/A
-----do----	1,894	695	1,199	2,752	1,553	-----do----	Toyota Clifton Motors	N/A
-----do----	1,901	1,176	725	2,180	1,455	-----do----	Muhammad Fahad Aslam	N/A
-----do----	1,774	999	775	2,300	1,525	-----do----	Toyota Clifton Motors	N/A
-----do----	1,788	980	808	2,357	1,549	-----do----	Rao Khurram Sumair	N/A
-----do----	1,769	859	910	2,405	1,495	-----do----	Muhammad Fahad Aslam	N/A
-----do----	4,273	1,567	2,706	4,413	1,707	-----do----	Qamber Syed	N/A
-----do----	2,574	811	1,763	1,900	137	-----do----	Muhammad Adil	N/A
-----do----	2,613	783	1,830	2,567	737	-----do----	Azeem Haider	Employee
-----do----	11,757	3,335	8,422	8,422	-	-----do----	KIA Macca Motors	N/A
-----do----	4,116	1,576	2,540	5,903	3,363	-----do----	Syed Saad Grami	Employee
-----do----	4,226	1,550	2,676	4,512	1,836	-----do----	Shabaz Al Ghani Motors	N/A
-----do----	5,350	1,215	4,135	5,654	1,519	-----do----	MA Wood Asif	N/A
-----do----	4,138	1,768	2,370	5,700	3,330	-----do----	Shabaz Al Ghani Motors	N/A
-----do----	7,099	2,445	4,654	4,650	(4)	-----do----	MA Wood Asif	N/A
-----do----	3,996	3,175	821	5,754	4,933	-----do----	Shabaz Al Ghani Motors	N/A
-----do----	5,079	3,289	1,790	6,322	4,532	-----do----	Amin Motors	N/A
-----do----	2,410	1,729	681	3,161	2,480	-----do----	Abdul Ghaffar	N/A
-----do----	4,779	1,466	3,313	4,656	1,343	Insurance claim	EFU General Insurance	N/A
-----do----	6,116	916	5,200	5,000	(200)	----do----	IGI Insurance	N/A
-----do----	2,089	1,099	990	2,200	1,210	----do----	UBL Insures Ltd	N/A
-----do----	3,862	1,895	1,967	5,400	3,433	----do----	UBL Insures Ltd	N/A
Buildings	7,033	1,527	5,506	14,375	8,869	Scrap	A.M Traders	N/A
-----do----	2,649	597	2,052	5,414	3,362	----do----	A.M Traders	N/A
-----do----	2,791	-	2,791	2,791	-	----do----	A.M Traders	N/A
Items having book value less than PKR 500,000 each	488,021	457,776	30,245	234,576	204,331		----Various----	
	651,200	517,353	133,847	421,155	287,308			
2023	725,241	470,569	254,672	429,170	174,498			

6.5 Following are the particulars of the Group's immovable fixed assets:

S.No	Business Unit Type	Location	Total Area of land (in acre)
1	**Holding Company:**		
1.1	Karachi Plant	Main Super Highway, Gadap Town, Karachi	992.52
1.2	Pezu Plant	Main Indus Highway, Pezu, District Lakki Marwat, KPK	967.99
1.3	Corporate Office	Muhammad Ali Housing Society, Karachi	2.26
2	**LEPCL:**		
2.1	Plant	Deh Gangiaro, Taluka Ibrahim Hyderi, District Malir, Karachi	250.00
3	**LCI:**		
3.1	LCI Head Office and Production Plant	LCI House, 5 West Wharf, Karachi - 74000	2.70
3.2	LCI Production Plant	S-33, Hawksbay Road, S.I.T.E, Karachi - 75730	0.26
3.3	LCI Regional Office	LCI House, 63 Mozang Road, Lahore - 54000	0.65
3.4	LCI Production Plant-Polyester	30-Km, Sheikhupura Road, Lahore	44.28
3.5	LCI Production plant - Powergen	30-Km, Sheikhupura Road, Lahore	0.47
3.6	LCI Production Plant	45-Km, Off Multan Road, Lahore	0.34
3.7	LCI Regional Office and Production Plant	LCI Soda Ash, Tehsil Pind, Dadan Khan, District Jhelum	63.00
3.8	LCI Production Plant	Plot No.32/2A Phase III, Industrial Estate Hattar, District Haripur	0.92
3.9	LCI Regional Office	2nd floor, Islamabad Corporate Center, Golra Road, Islamabad	0.16
4	**LMC:**		
4.1	LMC Head Office and Production Plant	Plots # LE-144-145, 154-167, 171-172, 174-175, PP 31, 48, 65, PP-83-89 Survey # NC 98, National Industrial Park, Bin Qasim Town, Karachi	100.00

6.6 Capital work-in-progress

The following is the movement in capital work-in-progress during the year:

	Opening balance	Additions	Transferred to operating fixed assets and intangible assets	Closing balance
	(PKR in '000')			
Leasehold land	184,055	–	–	184,055
Building on leasehold land	130,000	341,488	404,536	66,952
Building on freehold land	800,740	1,771,015	1,019,152	1,552,603
Freehold land	–	1,745,463	1,745,463	–
Plant and machinery (note 6.6.1)	4,735,927	6,360,714	6,194,277	4,902,364
Generators	2,926,193	10,399,180	4,893,811	8,431,562
Quarry equipment	7,434	296,503	291,901	12,036
Vehicles including cement bulkers and rolling stock	33,972	780,940	553,480	261,432
Furniture and fixtures	17,087	19,290	14,760	21,617
Office equipment	78,294	1,116,518	37,145	1,157,667
Computer and accessories	5,999	238,035	219,481	24,553
Other assets	299,403	583,797	64,433	818,767
Intangible assets	–	82,568	26,925	55,643
	9,219,104	23,735,511	15,465,364	17,489,251

6.6.1 This includes interest charged in respect of long-term loans obtained by LCI for projects determined using an average capitalisation rate of 18.88% (2023: 16.13%) amounting to PKR 233.731 million (2023: PKR 249.963 million).

7. INTANGIBLE ASSETS

	2024					
	At July 1, 2023	Additions	Amortisation / impairment	Disposal of subsidiary	At June 30, 2024	Amortisation rate %
	(PKR in '000')					
Goodwill	2,340,329	–	–	–	2,340,329	–
Brands	1,437,679	–	–	–	1,437,679	Indefinite
Customer relationships	17,815	–	(17,812)	–	3	9 – 25
Distribution relationship	77,792	–	–	–	77,792	Indefinite
Principal relationships	1,766,423	–	–	–	1,766,423	Indefinite
Product rights	826,855	–	–	–	826,855	Indefinite
Software and license	216,105	84,508	(124,148)	–	176,465	20 – 50
	6,682,998	84,508	(141,960)	–	6,625,546	

	2023					
	At July 1, 2022	Additions	Amortisation / impairment	Disposal of subsidiary	At June 30, 2023	Amortisation rate %
	(PKR in '000')					
Goodwill	3,029,475	–	–	(689,146)	2,340,329	–
Brand						
– Definite useful life – trademark and roundel	114,956	–	(114,956)	–	–	10
– Indefinite useful life	1,437,679	–	–	–	1,437,679	Indefinite
	1,552,635	–	(114,956)	–	1,437,679	
Customer relationships	67,392	–	(49,577)	–	17,815	9 – 25
Distribution relationship	7,137,335	–	–	(7,059,543)	77,792	Indefinite
Principal relationships	1,766,423	–	–	–	1,766,423	Indefinite
Product rights	826,855	–	–	–	826,855	Indefinite
Software and license	221,960	119,378	(100,126)	(25,107)	216,105	20 – 50
	14,602,075	119,378	(264,659)	(7,773,796)	6,682,998	

7.1 The amortisation charge for the year has been allocated as follows:

	Note	2024	2023
		(PKR in '000')	
Cost of sales	32	40,293	95,527
Distribution cost	33	5,636	16,910
Administrative expenses	34	96,031	152,222
		141,960	264,659

7.2 Impairment testing of goodwill

7.2.1 Goodwill recognised on acquisition of LCI

For impairment testing, goodwill recognised on acquisition of LCI amounting to PKR 2,133.955 million has been allocated to the following segments which are Cash Generating Units (CGUs) based on their operating results at the acquisition date. These are also among the reportable segments of the Group:

(i) Soda Ash;
(ii) Pharma; and
(iii) Life Sciences and Chemicals

The recoverable amounts of all CGUs have been determined based on value-in-use calculations. The Group has used the Income Approach - Discounted Cash Flow Method (DCF) to determine the value-in-use of the operating segments. The financial projections used have been prepared by the management of LCI and approved by its Board of Directors covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below:

Key assumptions used in value-in-use calculation

The calculation of value-in-use is most sensitive to the following assumptions:

(a) Discount rates

Discount rates reflect management estimates of the rate of return required for each business. The management used the Weighted Average Cost of Capital (WACC) to determine the cost of capital rate. The cost of equity has been computed through the Capital Asset Pricing Model.

The following discount rates have been used which are based on the WACC of that CGU:

	Terminal growth rate	Discount rate
Soda Ash	5%	18.62%
Life Sciences and Chemicals	6% - 7%	17.07-19.30%
Pharma	6%	18.25%

(b) Key commercial assumptions

The valuation is based on the key commercial assumptions that revenue growth and contribution margins in the products of the CGUs would be achieved.

7.2.2 Other goodwill and brands having indefinite useful life

Goodwill and brands recognised on the acquisition of Cirin Pharmaceuticals (Private) Limited (Cirin), certain assets of Wyeth Pakistan Limited and Pfizer Pakistan Limited amounting to PKR 206.374 million and PKR 1,437.679 million have been allocated and monitored at the Pharma division of the Group. Intangible assets with indefinite useful lives include Brands. The Group has performed its annual impairment test in respect of these intangible assets as at June 30, 2024.

The recoverable amount has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by the senior management covering a five year period and applying the expected value approach. The discount rate applied to cash flow projections is 16.5% for goodwill and intangibles with indefinite useful lives for impairment testing of goodwill and intangibles. The growth rate used to extrapolate the cash flows beyond the five-year period is 5%. As a result of this analysis, the management did not identify any impairment for the cash generating unit to which goodwill of PKR 206.374 million and intangibles with indefinite useful lives (Brands) of PKR 1,437.679 million are allocated.

7.3 Impairment testing of other intangibles acquired on acquisition of LCI

The recoverable amounts of these intangibles have been determined based on fair value less cost of disposal calculations, using following methods:

Intangibles	**Basis of valuation**
Distribution relationship	Income Approach - Multi-Period Excess Earnings Method
Principal relationships	Income Approach - Multi-Period Excess Earnings Method
Product rights	Income Approach - Multi-Period Excess Earnings Method

7.3.1 Key assumptions used

The following key assumptions have been made by the management for other intangibles assets:

	Terminal growth rate	Discount rate
Distribution relationship	5%	16.5%
Principal relationships	6%	17.31% - 18.25%
Product rights	6%	17.13% - 17.31%

7.3.2 At June 30, 2024, the Group carried out an impairment testing of its intangible assets (with indefinite life) as recorded at the time of acquisition of LCI. Based on the said testing, the recoverable amount of intangible assets was in excess of their respective carrying amounts as at June 30, 2024. Hence, no impairment has been recorded during the year.

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group has lease contracts for various items of land and buildings and vehicles used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group also has certain leases of sales offices and warehouses with lease terms of 12 months or less. The Group applies the 'short-term lease' exemptions for these leases. For such contracts, the management has competitive options available in the market and the replacement costs are estimated to be minimal.

Set out below is the carrying amount of right-of-use assets recognised and the movement during the year:

	Motor Vehicles	Land and Buildings	As at June 30, 2024	As at June 30, 2023
	'PKR in '000'			
Opening	18,935	97,772	116,707	163,074
Additions	66,665	121,389	188,054	37,956
Depreciation charged	(29,946)	(92,358)	(122,304)	(84,323)
Closing	55,654	126,803	182,457	116,707

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Set out below is the carrying amount of lease liabilities and the movement during the year:

	Note	2024	2023
		(PKR in '000')	
As at July 1, 2023 / 2022		109,871	184,299
Additions		188,054	37,956
Accretion of interest	35	29,993	24,913
Payments		(131,893)	(137,297)
As at June 30, 2024 / 2023		196,025	109,871
Current portion of lease liabilities		38,547	80,807
Non - current portion of lease liabilities		157,478	29,064
		196,025	109,871

8.1 Allocation of depreciation expense

	Note	2024	2023
Cost of sales	32	37,306	51,929
Distribution cost	33	4,556	13,211
Administrative expenses	34	80,442	19,183
		122,304	84,323

9. LONG-TERM INVESTMENTS

	Note	2024	2023
Equity accounted investments			
Joint ventures			
Lucky Al Shumookh Holdings Limited	9.1	8,354,384	9,769,762
LuckyRawji Holdings Limited	9.2	33,230,106	28,626,729
Al Shumookh Lucky Investments Limited	9.3	22,965,689	15,844,762
LR International General Trading FZCO (LRIGT)	9.4	1,485	63,522
		64,551,664	54,304,775
Associates			
NutriCo Morinaga (Private) Limited	9.5	10,824,766	10,992,415
Yunus Energy Limited	9.6	2,272,476	1,818,713
National Resources (Private) Limited	9.7	431,756	-
		13,528,998	12,811,128
		78,080,662	67,115,903
Equity securities			
Arabian Sea Country Club Limited			
(250,000 ordinary shares of PKR 10/- each)		2,500	2,500
		78,083,162	67,118,403

9.1 Lucky Al Shumookh Holdings Limited (LASHL)

	Note	2024	2023
Investment at cost		1,912,283	1,912,283
Share of cumulative profit at			
the beginning of the year		139,841	3,393,895
Share of profit during the year	9.1.2	2,649,841	1,779,872
Dividend received during the year		(3,773,795)	(5,033,926)
		(984,113)	139,841
Foreign currency translation reserve		7,426,214	7,717,638
		8,354,384	9,769,762

Notes to the Consolidated Financial Statements

For the year ended June 30, 2024

		Note	2024	2023
			(PKR in '000')	
9.1.1	**The Group's interest in LASHL's assets and liabilities is as follows:**			
	Non-current assets		2,399,862	3,596,101
	Current assets excluding cash and cash equivalents		14,222,114	13,307,637
	Cash and cash equivalents		1,206,720	3,680,363
	Liabilities		(1,119,928)	(1,044,577)
	Net assets (100%)		16,708,768	19,539,524
	The Group's share of net assets (50%)		8,354,384	9,769,762
9.1.2	**The Group's share in LASHL's profit or loss is as follows:**			
	Revenue		26,282,162	19,537,830
	Cost of sales		(21,105,526)	(16,392,529)
	Operating income / (expenses)		122,443	(185,523)
	Finance income		603	599,966
	Net profit (100%)		5,299,682	3,559,744
	The Group's share of net profit (50%)		2,649,841	1,779,872
9.2	**LuckyRawji Holdings Limited (LRHL)**			
	Investment at cost		6,870,050	6,870,050
	Share of cumulative profit at the beginning of the year		6,703,648	2,808,132
	Share of profit during the year	9.2.2	5,464,536	4,328,282
	Dividend received during the year		–	(432,766)
			12,168,184	6,703,648
	Foreign currency translation reserve		14,191,872	15,053,031
			33,230,106	28,626,729
9.2.1	**The Group's interest in LRHL's assets and liabilities is as follows:**			
	Non-current assets		44,673,737	49,859,603
	Current assets excluding cash and cash equivalents		35,237,524	25,263,929
	Cash and cash equivalents		509,667	864,556
	Liabilities		(13,960,715)	(18,734,631)
	Net assets (100%)		66,460,213	57,253,457
	The Group's share of net assets (50%)		33,230,106	28,626,729
9.2.2	**The Group's share in LRHL's profit or loss is as follows:**			
	Revenue		44,458,859	35,853,687
	Cost of sales		(24,737,116)	(22,171,566)
	Operating expenses		(7,479,072)	(5,899,419)
	Finance cost		(482,525)	(444,744)
	Other income		1,027,011	1,180,790
	Taxation		(1,858,084)	137,816
	Net profit (100%)		10,929,073	8,656,564
	The Group's share of net profit (50%)		5,464,536	4,328,282

	Note	2024	2023
		(PKR in '000')	
9.3 Al Shumookh Lucky Investment Limited (ASIL)			
Investment at cost		3,399,022	3,399,022
Share of cumulative profit at the beginning of the year		6,975,533	3,014,847
Share of profit during the year	9.3.2	7,678,903	3,960,686
		14,654,436	6,975,533
Foreign currency translation reserve		4,912,231	5,470,207
		22,965,689	15,844,762
9.3.1 The Group's interest in ASIL's assets and liabilities is as follows:			
Non-current assets		44,168,523	38,128,353
Current assets excluding cash and cash equivalents		14,069,934	6,744,244
Cash and cash equivalents		2,111,985	2,878,214
Liabilities		(14,419,063)	(16,061,285)
Net assets (100%)		45,931,379	31,689,526
The Group's share of net assets (50%)		22,965,689	15,844,762
9.3.2 The Group's share in ASIL's profit or loss is as follows:			
Revenue		27,017,286	22,590,286
Cost of sales		(12,526,737)	(13,398,294)
Other income		2,052,089	–
Operating expenses		(838,348)	(450,728)
Finance cost		(346,484)	(551,378)
Other comprehensive loss		–	(268,514)
Net profit (100%)		15,357,806	7,921,372
The Group's share of net profit (50%)		7,678,903	3,960,686
9.4 LR International General Trading FZCO (LRIGT)			
Investment at cost		1,115	1,115
Share of cumulative profit / (loss) at the beginning		54,792	(3,446)
Share of (loss) / profit during the year	9.4.2	(4,752)	58,238
Dividend received during the year		(55,608)	–
		(5,568)	54,792
Foreign currency translation reserve		5,938	7,615
		1,485	63,522
9.4.1 The Group's interest in LRIGT's assets and liabilities is as follows:			
Current assets excluding cash and cash equivalents		5,252	278,105
Cash and cash equivalents		13,424	22,363
Liabilities		(15,706)	(173,424)
Net assets (100%)		2,970	127,044
The Group's share of net assets (50%)		1,485	63,522
9.4.2 The Group's share in LRIGT's profit or loss is as follows:			
Revenue		–	295,847
Cost of sales		–	(171,674)
Operating expenses		(9,504)	(7,697)
Net loss (100%)		(9,504)	116,476
The Group's share of net loss (50%)		(4,752)	58,238

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For the year ended June 30, 2024

		Note	2024	2023
			(PKR in '000')	
9.5	**NutriCo Morinaga (Private) Limited**			
	Fair value of investment on the date of recognition - Equity held 20,121,621 shares (2023: 20,121,621 shares) of face value of PKR 100/- each		11,004,115	11,004,115
	Share of cumulative loss at the beginning of the year		(11,700)	–
	Share of loss during the year	9.5.2	(167,649)	(11,700)
			(179,349)	(11,700)
			10,824,766	10,992,415
9.5.1	**The Group's interest in NutriCo's assets and liabilities is as follows:**			
	Total assets		16,152,486	16,135,396
	Total liabilities		(9,810,502)	(9,109,129)
	Net assets (100%)		6,341,984	7,026,267
	Proportion of the Group (24.5%)		1,553,787	1,721,436
	Fair value adjustment		9,270,979	9,270,979
	The Group's share of net assets		10,824,766	10,992,415
9.5.2	**The Group's share in NutriCo's profit or loss is as follows:**			
	Revenue		12,895,660	14,607,025
	Net (loss) / profit (100%)		(684,280)	396,665
	Loss from discontinued operations		–	(444,421)
			(684,280)	(47,756)
	The Group's share of net loss (24.50%)		(167,649)	(11,700)
9.6	**Yunus Energy Limited (YEL)**			
	Investment at cost		611,365	611,365
	Share of cumulative profit at the beginning of the year		1,207,348	1,056,688
	Share of profit for the year	9.6.2	634,285	406,173
	Other comprehensive gain / (loss)		2,888	(10,967)
	Dividend received during the year		(183,410)	(244,546)
			1,661,111	1,207,348
			2,272,476	1,818,713
9.6.1	**The Group's interest in net assets of Yunus Energy Limited is as follows:**			
	Non-current assets		8,100,553	8,406,177
	Current assets excluding cash and cash equivalents		4,704,970	4,380,897
	Cash and cash equivalents		1,644,596	1,297,573
	Liabilities		(3,184,147)	(5,088,086)
	Net assets (100%)		11,265,972	8,996,561
	The Group's share of net assets (20%)		2,272,476	1,818,713

Represents 20% equity investment of 61,136,500 shares @ PKR 10/- each in Yunus Energy Limited.

		Note	2024	2023
			(PKR in '000')	
9.6.2	**The Group's share in profit or loss of Yunus Energy Limited is as follows:**			
	Revenue		5,412,701	4,084,270
	Cost of sales		(1,134,236)	(1,026,681)
	Operating expenses		(418,738)	(184,804)
	Finance cost		(870,656)	(1,037,085)
	Other income		223,796	221,768
	Taxation		(40,614)	(26,036)
	Net profit (100%)		3,172,253	2,031,432
	Group's share of net profit		634,285	406,173
9.7	**National Resources (Private) Limited**			
	Investment at cost		477,888	–
	Share of loss for the year	9.7.2	(45,546)	–
	Other comprehensive loss		(586)	–
			431,756	–
9.7.1	**The Group's interest in net assets of National Resources (Private) Limited is as follows:**			
	Non-current assets		278,362	–
	Current assets excluding cash and cash equivalents		20,756	–
	Cash and cash equivalents		336,917	–
	Liabilities		(167,988)	–
	Net assets (100%)		468,047	–
	The Group's share of net assets (33.33%)		156,000	–

Represents 33.33% equity investment of 57,333,084 shares @ PKR 10/- each in National Resources (Private) Limited.

		2024	2023
		(PKR in '000')	
9.7.2	**The Group's share in profit or loss of National Resources (Private) Limited is as follows:**		
	Operating expenses	(164,095)	–
	Finance cost	(108)	–
	Other income	33,040	–
	Taxation	(5,489)	–
	Net loss (100%)	(136,652)	–
	Group's share of net loss	(45,546)	–

9.8 Investments made in joint ventures and associated companies as above have been made in accordance with the requirements of the Companies Act, 2017.

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For the year ended June 30, 2024

		Note	2024	2023
			(PKR in '000')	
9.9	**Share of profit from joint ventures and associates is as follows:**			
	Joint ventures			
	Lucky Al Shumookh Holdings Limited	9.1	2,649,841	1,779,872
	LuckyRawji Holdings Limited	9.2	5,464,536	4,328,282
	Al Shumookh Lucky Investments Limited	9.3	7,678,903	3,960,686
	LR International Trading FZCO	9.4	(4,752)	58,238
			15,788,528	10,127,078
	Associates			
	NutriCo Morinaga (Private) Limited	9.5	(167,649)	(11,700)
	Yunus Energy Limited	9.6	634,285	406,173
	National Resources (Private) Limited	9.7	(45,546)	–
			421,090	394,473
			16,209,618	10,521,551
10.	**LONG-TERM LOANS AND ADVANCES**			
	Long-term loans - considered good due from employees	10.1 & 10.2	1,358,381	1,291,073
	Less: Recoverable within one year	15	(486,224)	(684,546)
			872,157	606,527
	Others	10.4	92,779	124,638
			964,936	731,165

10.1 Loans given to employees are in accordance with the Group's policy and are repayable within a period of 2 to 5 years. These loans are return free and are secured against the gratuity of the respective employees. These loans are carried at cost due to the materiality of the amounts involved. These include outstanding balances of loans aggregating PKR 22.378 million (2023: PKR 16.503 million) given to key management personnel as at June 30, 2024.

10.2 Loans for purchase of motor cars and house building are repayable between 2 and 10 years. These loans are interest free and granted to the employees, including executives of LCI, in accordance with their terms of employment.

10.3 The maximum amount outstanding at the end of any month during the year ended June 30, 2024 from key management personnel aggregated to PKR 383.737 million (2023: PKR 227.803 million).

10.4 These include return free advance given to Sui Southern Gas Company Limited by the Holding Company in respect of additional gas line.

		Note	2024	2023
			(PKR in '000')	
11.	**LONG-TERM DEPOSITS**			
	Deposits	11.1	100,655	94,898

11.1 This includes return free long-term deposits paid to various parties in ordinary course of business with them.

	Note	2024	2023
		(PKR in '000')	
12. STORES, SPARES AND CONSUMABLES			
Stores	12.1	10,836,614	10,269,425
Spares	12.1	10,137,887	9,167,063
Consumables		4,396,774	3,791,757
		25,371,275	23,228,245
Less: Provision for slow moving spares		536,554	619,792
		24,834,721	22,608,453

12.1 These include stores and spares in transit of PKR 3,845.6 million as at June 30, 2024 (2023: PKR 2,812.1 million).

	Note	2024	2023
		(PKR in '000')	
13. STOCK-IN-TRADE			
Raw and packing material	13.1 & 13.2	42,163,181	18,679,432
Work-in-process		7,740,410	4,494,746
Finished goods - net		17,824,403	15,084,928
		67,727,994	38,259,106
Less: Provision for slow moving and obsolete stock-in-trade			
- Raw and packing material		166,293	203,441
- Finished goods		93,813	119,382
	13.3	260,106	322,823
In transit	13.4	581,273	10,724,227
		68,049,161	48,660,510

13.1 Raw and packing materials held with various toll manufacturers as at June 30, 2024 amounted to PKR 199.655 million (2023: PKR 33.206 million).

13.2 This includes coal in hand amounting to PKR 11,318.819 million (2023: PKR 2,838.644 million) relating to LEPCL.

13.3 Movement of provision for slow moving and obsolete stock-in-trade is as follows:

	Note	2024	2023
		(PKR in '000')	
Balance at the beginning of the year		322,823	156,176
Charge for the year	32	207,588	190,871
Write-off for the year against provision		(270,305)	(24,224)
		260,106	322,823

13.4 This includes coal in transit amounting to Nil (2023: PKR 6,046.489 million).

13.5 Stock-in-trade amounting to PKR 18.538 million (2023: PKR 350.435 million) is measured at net realisable value and expense amounting to PKR 7.620 million (2023: PKR 195.195 million) has been recognised in cost of sales.

	Note	2024	2023
		(PKR in '000')	
14. TRADE DEBTS			
Considered good			
Bills receivable - secured		3,350,731	2,860,132
Contract assets	14.1	17,476,122	18,277,181
Receivable for CPP & EPP	14.2	33,603,799	30,859,302
Others - unsecured	14.3	14,295,328	8,427,222
		68,725,980	60,423,837
Considered doubtful		170,820	129,576
		68,896,800	60,553,413
Less : Provision for doubtful trade debts	14.5	170,820	129,576
Less : Provision for price adjustments and discounts		998,493	520,247
		1,169,313	649,823
		67,727,487	59,903,590

14.1 This represents unbilled revenue pertaining to LEPCL, in respect of energy, capacity and delayed payment interest as per the PPA for the period starting from March 21, 2022 to June 30, 2024, which includes PKR 11,108.678 million in respect of capacity purchase price which will be invoiced upon the NEPRA's decision on the tariff true-up petition filed by LEPCL.

14.2 Represents receivable from CPPA-G. Trade debts, including delayed payment charges are secured by guarantee under Implementation Agreement and as such are not considered impaired. The ageing analysis of receivables is as follows:

	2024	2023
	(PKR in '000')	
Not yet due	9,517,340	6,913,268
Overdue		
Upto 30 days	6,314,372	11,019,281
30 - 90 days	8,770,756	6,054,074
Above 90 days	9,001,331	6,872,679
	24,086,459	23,946,034
	33,603,799	30,859,302

These amounts are overdue but not impaired. The undisputed overdue amounts, excluding delayed payment interest, carry mark-up at the rate of KIBOR plus 2% per annum.

During the pre-COD period from November 27, 2021 to March 1, 2022 [i.e., from the synchronisation date until the commencement of testing under clause 8.3 of the Power Purchase Agreement (PPA)], LEPCL produced and delivered a net electrical output of 493.756 kWh to the national grid. Consequently, an amount of PKR. 5,859.818 million (representing the fuel cost component including sales tax) was recognised as pre-COD revenue, and corresponding invoices were raised to CPPA-G. However, CPPA-G did not accept these invoices, citing that payment for pre-COD energy was not referenced in clause 9.5 of the PPA, although the right to receive payments against pre-COD energy payments is clearly set out in clauses 3.1(c) and 8.8 of the PPA.

During the year, CPPA-G, as part of settlement of PPIW claim, agreed to amend the PPA to include clauses for pre-COD energy payments which is now pending approval from PPIB and NEPRA. Accordingly, LEPCL expects to recover full amount of pre-COD revenue in due course.

		2024	2023
		(PKR in '000')	
14.3	**These include amounts due from the following associates:**		
	Yunus Textile Mills Limited	14,954	13,865
	Lucky Textile Mills Limited	3,114	16,225
	Lucky Foods (Private) Limited	–	2,913
	Tabba Kidney Institute	2,242	1,323
	Lucky Al Shumookh Holdings Limited	224	224
	Al Mabrooka Cement Manufacturing Company Limited	–	438
	Tabba Heart Institute	2,745	107
	Nutrico Morinaga (Private) Limited	17,838	–
	International Industries Limited	2	–
		41,119	35,095

14.4 The maximum amount outstanding at any time during the year from associates calculated by reference to month end balances are as follows.

		Note	2024	2023
			(PKR in '000')	
	Unsecured			
	Yunus Textile Mills Limited		22,932	13,865
	Gadoon Textile Mills Limited		814,295	–
	Lucky Textile Mills Limited		36,368	44,859
	Lucky Foods (Private) Limited		9,131	6,406
	Tabba Kidney Institute		2,242	2,313
	Tabba Heart Institute		2,745	7,681
	Lucky Al Shumookh Holdings Limited		224	224
	Al Mabrooka Cement Manufacturing Company Limited		–	438
	Child Life foundation		766	–
	International Industries Limited		4,130	–
	Nutrico Morinaga (Private) Limited		17,838	–
			910,671	75,786
14.5	**Movement in provision for doubtful trade debts is as follows:**			
	Balance at the beginning of the year		129,576	171,438
	Provision recorded / (reversed) during the year		51,039	(2,227)
	Doubtful debts recovered		(1,041)	–
	Write-off against provision during the year		(8,754)	(39,635)
			170,820	129,576
15.	**LOANS AND ADVANCES**			
	Considered good			
	Current portion of loans and advances given to employees	10	486,224	684,546
	Advance to suppliers	15.1 & 15.2	2,307,115	1,779,517
	Other advances given to employees - return free - unsecured		674,758	756,114
			3,468,097	3,220,177
	Considered doubtful		25,542	26,508
			3,493,639	3,246,685
	Less: Provision for doubtful loans and advances		25,542	26,508
			3,468,097	3,220,177

Notes to the Consolidated Financial Statements
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15.1 This includes advances to employees given to meet business expenses and are settled as and when the expenses are incurred.

15.2 This includes advance given by LEPCL to Harbin Electric International Company Limited located in China for purchase of spares amounting to PKR 590.86 million.

	Note	2024	2023
		(PKR in '000')	
16. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS			
Trade deposits - return free			
Utilities		3,804	5,746
Margin held in banks		3,983,617	3,520,784
Others	16.1	794,975	2,412,763
		4,782,396	5,939,293
Prepayments			
Insurance		1,059,315	49,233
Rent		20,150	17,622
Others		434,626	264,497
		1,514,091	331,352
		6,296,487	6,270,645

16.1 Last year in January 2023, LCI entered into a Share Purchase Agreement (SPA) with Lotte Chemical Corporation (LCC) for the acquisition of 1,135,860,105 ordinary shares of Lotte Chemical Pakistan Limited (LCPL) constituting approximately 75.01% of the issued, and paid-up capital of LCPL. As per the agreement, LCI paid an amount in an interest bearing ESCROW account in respect of the potential acquisition of LCPL.

During the year, LCI signed an Assignment and Assumption Agreement with Lucky Core Ventures (Private) Limited (LCV) and LCC, wherein the rights, obligations and liabilities of LCI under the SPA were assigned to LCV.

However, LCV terminated the SPA signed with LCC as the conditions required for completion could not be met in the time stipulated in the SPA. Accordingly, the amount deposited in the ESCROW account has been returned to LCI.

	Note	2024	2023
		(PKR in '000')	
17. OTHER RECEIVABLES			
Unsecured			
Considered good			
Duties, sales tax and octroi refunds due	17.1	11,675,777	8,426,284
Commission and discounts receivable		3,185	44,349
Receivable from principal		223,204	522,886
Rebate on export sales		51,683	38,571
Due from Collector of Customs	17.2	19,444	19,444
Due from associated companies		–	49,508
Due from Hyderabad Electricity Supply Company (HESCO)	17.3	2,410,869	3,345,228
Others		2,772,636	1,695,711
		17,156,798	14,141,981
Considered doubtful		79,699	65,505
		17,236,497	14,207,486
Less: Provision for doubtful receivables	17.4	79,699	65,505
		17,156,798	14,141,981

17.1 This includes sales tax charged on certain payments made to the contractor / vendors in relation to the development of the 660 MW coal fired power plant at LECPL. Due to unavailability of sufficient output tax, a significant amount of this sales tax has remained unadjusted. Accordingly, LEPCL has filed refund application amounting to PKR 2,279.698 million with the taxation authorities and recorded the amount of sales tax paid as a refundable in accordance with Rule 34(d) of the Sales Tax Rules, 2006.

17.2 The Holding Company had imported cement bulkers during October 19, 2006 to December 5, 2006 for export of loose cement under SRO 575(1) of 2006 dated June 5, 2006 which provided concessionary rate of import duty to an industrial concern. The Holding Company claimed exemption of duty at the time of port clearance. However, the Collector of Customs passed an order allowing provisional release of consignment subject to final approval from the Federal Board of Revenue (FBR) and deposit of post dated cheques for the differential amount of duty. The Holding Company deposited three post dated cheques aggregating PKR 19.444 million for three different consignments of cement bulkers and simultaneously approached the FBR for giving direction to the Collector of Customs, Karachi.

The FBR moved a summary to the Federal Government / Economic Coordination Committee (ECC) on the representation of the Holding Company and finally issued SRO 41(1) of 2007 dated January 7, 2007 which clarified that the imported cement bulkers were also entitled for concessional rate of duty of 5%. The Collector of Customs instead of releasing the post dated cheques, encashed the same on the plea that the effect of SRO will not be applied retrospectively despite the fact that the said clarification was issued on the representation of the Holding Company.

The Holding Company filed a constitutional petition before the Honorable High Court of Sindh in Karachi on July 30, 2007 challenging the illegal and malafide act of encashment of post dated cheques. The High Court of Sindh passed an order in favour of the Holding Company and has ordered the Collector of Customs to refund the amount collected within one month from the date of judgement. The said judgement was challenged by the FBR before the Honorable Supreme Court of Pakistan. The Honorable Supreme Court of Pakistan has dismissed the appeal filed by the FBR vide its judgment dated September 13, 2022 and directed the FBR to refund the amount recovered from the Holding Company.

The Holding Company has filed an application to the Collector of Customs on September 24, 2022, requesting the said department to comply with the above-referred judgment and process the refund of the customs duty amounting to PKR 19.444 million to the Holding Company forthwith. The management is confident that the amount will be recovered in due course.

17.3 National Electric Power Regulatory Authority (NEPRA) in 2005 issued the Interim Power Procurement Regulations and through a notice published in a leading newspaper on June 15, 2007 allowed Captive Power Plants (CPPs) having surplus power of up to 50 MW to sell electricity to power purchasers at mutually agreed rates. Relying on such policy, the Holding Company and HESCO entered into a Power Purchase Agreement (PPA) dated March 22, 2011 for the sale and purchase of electrical power at mutually agreed rates.

However, subsequent to the signing of the PPA and contrary to the earlier policy, NEPRA purported to re-determine the tariff through determination dated January 9, 2013 and granted a substantially lower tariff than what was mutually agreed. This determination was challenged by all the CPPs before the Honorable High Court of Sindh. The Honorable Court decided the case in favor of NEPRA vide judgement dated August 19, 2015.

The Holding Company along with all other CPPs filed an appeal in the Honorable Supreme Court of Pakistan against the decision of the High Court of Sindh. Detailed hearings were held and judgement was reserved in November 2016. However, the said judgment could not be announced and since then the case has been relisted for hearing. The matter is currently being heard in the Honorable Supreme Court of Pakistan.

The supply of electricity and invoicing between the Holding Company and HESCO is continuing on the basis of an interim agreement signed on March 6, 2017, which is subject to the outcome of the above appeals pending before the Honorable Supreme Court of Pakistan. As per the agreement, HESCO fulfilled certain conditions and also provided an amount of PKR 642 million to the Holding Company which was netted off against other receivables and the Holding Company supplied and invoiced electricity from March 2017 to May 2019 based on PPA rates. The Holding Company suspended electricity sale to HESCO from May 2019 due to non-payment of bill since January 2019. The Holding Company then resumed the supply of electricity in January 2020 after signing another settlement agreement with HESCO.

In August, 2017, the Government of Sindh promulgated the Sindh New Captive Power Plants Subsidy Act, 2017 (as amended) for provision of tariff differential support to CPPs in the province of Sindh. Under the aforementioned Act, the Holding Company claimed and received subsidy for the period March 2015 to October 2021 amounting to PKR 2,453 million. The Holding Company's subsidy claims pertaining to the period from November 2021 to June 2023 have been settled in the current year.

17.4 Movement in provision for doubtful receivables is as follows:

	2024	2023
	(PKR in '000')	
Balance at beginning of the year	65,505	57,261
Charge for the year	19,225	8,244
Write-off during the year against provision	(5,031)	–
	79,699	65,505

18. TAX REFUND DUE FROM THE GOVERNMENT

Dispute with respect to the calculation of excise duty on retail price of cement arose between the Holding Company and the FBR from the very first day the Holding Company started sales of cement in 1996. The FBR was of the view that excise duty is to be calculated on the declared retail price, inclusive of excise duty whereas the Holding Company contended that the excise duty would not be included in retail price for the calculation of the excise duty payable to the Government. On June 2, 1997, the Holding Company filed a writ petition before the Honorable Peshawar High Court seeking a judgment on this matter. The dispute related to the period from June 26, 1996 to April 19, 1999 after which the FBR changed the mechanism of levying excise duty from percentage of retail price to a fixed amount of duty at the rate of PKR 1,400 per ton. The Peshawar High Court after hearing both the parties issued a detailed judgment, operating paragraph of which is reproduced as follows:

"For the reasons we accept the petitions declare, that present system of realization of duties of excise on the "Retail Price" inclusive of excise duty is illegal and without lawful authority, the duties of excise on cement must not form part of retail price and the petitioners are not liable to pay duties of excise forming part of the retail price of cement."

Simultaneously, a similar nature of dispute arose between various beverage companies operating in the provinces of Sindh and Punjab and accordingly such companies also filed petitions before the High Courts of Sindh and Lahore respectively. Both the High Courts also decided the case against the method of calculation of excise duty as interpreted by the FBR.

The FBR preferred an appeal before the Supreme Court of Pakistan against the judgments of all three High Courts of the country. A full bench of the Supreme Court of Pakistan heard the legal counsel of all the parties and finally announced the judgment on April 14, 2007, upholding the judgments of the High Courts and dismissed the appeal of the FBR.

As a result of the full bench judgment of the Supreme Court of Pakistan, the Holding Company filed a claim of PKR 538.812 million on May 8, 2007 with the Collector of Central Excise and Sales Tax, Peshawar, for refund of central excise duty collected due to incorrect interpretation of law. The

Holding Company on the basis of legal opinions obtained, recognized this refund claim in the books of account during the year ended June 30, 2007.

A review petition was also filed by the FBR before the Supreme Court of Pakistan. The Supreme Court of Pakistan vide its order dated January 27, 2009 dismissed the review petition filed by the FBR and upheld its earlier decision.

While verifying the refund claim, the Collector of Excise and Sales Tax Peshawar issued a show cause notice to the Holding Company, raising certain objections against the release of the refund including an objection that the burden of this levy has been passed on to the end consumer. The Holding Company challenged this show cause notice before the Peshawar High Court (the PHC) by filing a petition which was decided on April 27, 2011 with the direction to conduct an audit through reputed audit firms to determine whether incidence of the duty was passed on or not.

Pursuant to the order of the PHC, numerous correspondence took place between the Holding Company and the FBR to conduct the audit. However, the FBR defaulted on its commitment made before the PHC and hence on July 6, 2013, the Holding Company filed a complaint before the Federal Tax Ombudsman (FTO) with a request that the FBR may be directed for early issuance of refund along with the compensation for the delayed refund. The FTO directed the FBR to verify the claim of the Holding Company and submit a report in the matter. Subsequently, the FBR on the basis of a departmental audit rather than an independent audit submitted a report to the FTO on October 11, 2013. The said report was rejected by the FTO and the FBR was directed vide order dated November 22, 2013 to get the audit conducted through an independent audit firm as agreed to by both the parties previously for fair and unbiased resolution of the issue within one month.

The FBR filed a representation before the President of Pakistan against the recommendations of the FTO under Section 32 of Federal Tax Ombudsman Ordinance, 2000. However, the President of Pakistan endorsed the recommendations of the FTO of having an audit conducted by independent firms. The FBR then filed a writ petition before the Peshawar High Court against the findings of the FTO, as endorsed by the President, which suspended the operations of the orders of FTO and President of Pakistan on June 18, 2015.

On January 30, 2018, the FBR's writ petition was dismissed by the Peshawar High Court after which the FBR filed an appeal before the Supreme Court of Pakistan. The FBR simultaneously also filed a review petition before the Peshawar High Court for review of judgment dated January 30, 2018. The review petition was dismissed by the Peshawar High Court since the matter was pending before the Supreme Court.

The appeals filed by the Chief Commissioner RTO, Peshawar were dismissed vide judgement dated September 7, 2022. The Holding Company is now pursuing the department for conducting an audit, as directed by the FTO, to determine whether incidence of the central excise duty was passed on to end consumers or not.

The management is confident on the advice of its legal advisor that the ultimate outcome of the case would be in its favor and the full amount would be recovered in due course, therefore no provision for the above receivable has been made in these consolidated financial statements.

		Note	2024	2023
			(PKR in '000')	
19.	**SHORT TERM INVESTMENTS**			
	At fair value through profit or loss	19.1	44,876,389	43,486,359
	At fair value through other comprehensive income	19.2	22,673	13,098
	At amortised cost	19.3	–	700,000
			44,899,062	44,199,457

19.1 These represent investment in units of Shariah Compliant mutual funds, the details of which are as follows:

Name of fund	2024 Number of units	2024 Value of investment 'PKR in '000'	2023 Number of units	2023 Value of investment 'PKR in '000'
ABL Islamic Cash Fund	151,755,000	1,517,547	395,897	3,958,133
Al Habib Islamic Munafa Fund Plan	52,093,397	5,209,340	–	–
Alfalah Islamic Rozana Amdani Fund	35,469,170	3,546,881	77,110,513	8,228,032
Faysal Islamic Cash Fund	120,575,717	12,057,565	10,061,135	4,402,256
HBL - Islamic Money Market Fund	43,802,000	4,431,431	56,767,982	6,242,805
MCB - Alhamra Islamic Money Market Fund	28,200,453	2,806,260	21,375,992	2,127,125
Meezan Paaidaar Munafa Plan	–	–	203,024,640	10,151,232
Meezan Rozana Amdani Fund	26,777,000	1,338,858	75,440,684	4,271,534
NBP - Islamic Daily Dividend Fund	188,514,000	1,885,140	159,492,000	1,594,920
UBL - Al Ameen Islamic Cash Fund	17,829,000	1,782,930	25,103,217	2,510,322
UBL - Al Ameen Islamic Fixed Term Plan	103,004,368	10,300,437	–	–
		44,876,389		43,486,359

19.2 These represent investment in 1,769,940 shares (2023: 1,769,940 shares) of Pakistan Stock Exchange.

19.3 The term deposit receipt was held with a Shariah Compliant bank.

	Note	2024 (PKR in '000')	2023 (PKR in '000')
20. CASH AND BANK BALANCES			
Sales collection in transit		1,114,518	817,383
Cash at bank			
- in current accounts		2,602,687	2,500,967
- in Islamic savings and deposit accounts	20.1	38,149,954	32,760,438
		40,752,641	35,261,405
Cash in hand		96,719	2,860,636
		41,963,878	38,939,424

20.1 This includes security deposits held by LCI from certain distributors amounting to PKR 1,372.207 million (2023: PKR 377 million) that are placed in various separate bank accounts at pre-agreed rate maturing at various dates. These are interest based arrangements and these term deposits are readily encashable without any penalty. The mark-up percentage on these deposits during the year ranged from 17.5% to 20% (2023: 11.1% to 18.5%). Other balances carry profit at the rate ranging from 5% to 20.50% (2023: 5% to 19%).

	Note	2024	2023
		(PKR in '000')	
21. SHARE CAPITAL			
Authorised capital			
500,000,000 (2023: 500,000,000)			
Ordinary shares of PKR 10/- each		5,000,000	5,000,000
Issued, subscribed and paid-up share capital			
305,000,000 (2023: 305,000,000) Ordinary shares			
of PKR 10/- each issued for cash	21.1	3,050,000	3,050,000
18,375,000 (2023: 18,375,000) Ordinary shares			
of PKR 10/- each issued as bonus shares		183,750	183,750
		3,233,750	3,233,750
30,375,000 ordinary shares (2023: 10,000,000)			
of PKR 10/- each cancelled through			
purchase of own shares	40.2	(303,750)	(100,000)
1,536,361 ordinary shares purchased			
and held for cancellation		-	(15,364)
293,000,000 (2023: 311,838,600)			
Ordinary shares of PKR 10/- each		2,930,000	3,118,386

21.1 During the year ended June 30, 2008, the Holding Company had issued 15,000,000 Global Depository Receipts (GDRs), each representing four ordinary equity shares at an offer price of US Dollars 7.2838 per GDR (total receipt being US Dollars 109.257 million). The GDRs were eligible for trading on the London Stock Exchange. Accordingly, 60,000,000 ordinary equity shares of a nominal value of PKR 10 each of the Holding Company were issued at a premium of PKR 110 per ordinary equity share (total premium amount being PKR 6,600 million).

During the year ended June 30, 2024 the Holding Company has applied to the London Stock Exchange for the delisting of the GDRs and all formalities for the delisting have been completed. However, the formal approval from the London Stock Exchange is awaited.

	Note	2024	2023
		(PKR in '000')	
22. RESERVES			
Capital reserve			
Share premium	22.1	7,343,422	7,343,422
Capital Re-purchase reserve account		303,750	115,364
Foreign currency translation reserve		20,456,415	22,184,577
Capacity expansions reserve	22.2	40,000,000	40,000,000
Long-term investments reserve	22.2	40,000,000	40,000,000
Capital redemption reserve	22.2	23,691,206	35,815,875
		131,794,793	145,459,238
Revenue reserve			
Unappropriated profit		138,900,727	78,906,397
		270,695,520	224,365,635

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

Notes to the Consolidated Financial Statements
For the year ended June 30, 2024

22.2 The Board of Directors of the Holding Company in its meeting held on June 21, 2023, decided to earmark a sum of PKR 116,000 million as not available for distribution by way of dividend on account of capacity expansions, long-term investments and capital redemption to more accurately reflect the nature of these reserves. Based on this decision, the reserves against long-term investments, capacity expansions and capital redemption amounting to PKR 40,000 million, PKR 40,000 million and PKR 36,000 million (i.e. aggregating PKR 116,000 million) were recognised as capital reserves not available for distribution during the year ended June 30, 2023.

Upto June 30, 2024 an aggregate amount of PKR 12,308.794 million has been utilised against capital redemption reserve on account of buy back of the Holding Company's shares.

		Note	2024	2023
			(PKR in '000')	
23.	**LONG-TERM LOANS**			
	Secured			
	LCL			
	Temporary Economic Refinance	23.1	5,313,030	5,508,080
	Financing for Renewable Energy	23.2	1,670,324	1,670,324
	Long Term Financing Facility	23.3	7,876,430	7,978,543
			14,859,784	15,156,947
	LEPCL			
	Foreign currency borrowings	23.4 to 23.6		
		& 23.10	53,176,974	59,507,504
	Local currency borrowings	23.7 to 23.10	60,925,886	63,480,304
			114,102,860	122,987,808
	Less: unamortised transaction cost		(877,467)	(1,016,966)
			113,225,393	121,970,842
	LCI			
	Banking companies / Financial Institutions		3,564,440	4,057,647
	Diminishing Musharika		1,089,485	–
	Islamic Term Finance		241,869	725,184
		23.11	4,895,794	4,782,831
	LMC			
	Islamic Temporary Economic Refinance	23.12		
		& 23.13	2,754,237	2,956,252
	Total long term loans		135,735,208	144,866,872
	Less: Current portion of long term finance		(11,567,233)	(9,009,157)
			124,167,975	135,857,715

23.1 The Holding Company entered into long-term loan agreements with Habib Bank Limited - Islamic, MCB Islamic Bank Limited, Bank Alfalah - Islamic, Faysal Bank Limited - Islamic, Habib Metropolitan Bank - Islamic, United Bank Limited - Islamic and National Bank of Pakistan under the Temporary Economic Refinance Facility (TERF) of the State Bank of Pakistan. The loans are repayable in quarterly and semi-annual installments over a period of ten years concluding upto September 8, 2032, which include a grace period of two years and are secured by way of hypothecation charge over specific plant and machinery of the Holding Company. These facilities carry mark-up ranging from 1.50% to 2.50% which is payable in arrears. The gross amount of loan outstanding as at the reporting date includes PKR 5,585.199 million (2023: PKR 6,135.502 million) obtained under Islamic mode of financing.

23.2 The Holding Company entered into long-term loan agreements with Allied Bank Limited, Dubai Islamic Bank and Soneri Bank Limited under the Renewable Energy Scheme of the State Bank of Pakistan. The loans are repayable in quarterly and semi-annual installments over a period of twelve years concluding upto July 13, 2034, which include a grace period of two years and are secured by way of hypothecation charge over specific plant and machinery of the Holding Company. These facilities carries mark-up ranging from 3.95% to 4.75% which is payable in arrears on quarterly basis.

The amount of loan outstanding as at the reporting date includes PKR 470.324 million (2023: PKR 470.324 million) obtained under Islamic mode of financing.

23.3 The Holding Company entered into long-term loan agreements with Bank Al Habib, Pak Kuwait Investment Company, Habib Bank Limited - Islamic, Allied Bank Limited, Meezan Bank Limited - Islamic and Saudi Pak Industrial and Agricultural Investment Company under the Long-Term Financing Facility (LTFF) of the State Bank of Pakistan. The loans are repayable in semi-annual installments over a period of ten years concluding upto July 18, 2032, which include a grace period of two years and are secured by way of hypothecation charge over specific plant and machinery of the Holding Company. The facility carries mark-up ranging from 2.50% to 8.00%. The amount of loan outstanding as at the reporting date includes PKR 2,307.842 million (2023: PKR 2,315.451 million) obtained under Islamic mode of financing.

23.4 LEPCL entered into a USD facility agreement on May 31, 2018 with Habib Bank Limited (HBL), Bahrain for an aggregate amount of USD 190 million for a period of 14 years. The amount is repayable in 21 semi-annual installments after 48 months of first utilisation date and thereafter subsequent principal repayment dates will fall after every 6 months. This loan facility carries a mark-up at the rate of 6 month USD LIBOR plus 4.50%. The facility is secured through a USD guarantee issued by HBL, Pakistan (non-funded facility). As per the terms of the agreement, there will be a risk participation arrangement for this guarantee under which HBL will bring in foreign currency guarantee participating banks which will participate risk with HBL. The guarantee under the non-funded facility will reduce in line with the principal repayments of the USD facility. The non-funded facility (along with other lenders) will be secured by a first security interest with 25% security margin in USD over all present and future tangible and intangible assets of LEPCL, assignment of LEPCL's rights and benefits under the Project documents and insurances and any permitted subordinated loans from the Holding Company. LEPCL has fully availed the facility aggregating to USD 190 million.

23.5 LEPCL entered into a USD facility agreement on May 31, 2018 with United National Bank Limited, United Kingdom (UNBL) for an aggregate amount of USD 20 million. The amount is repayable in 40 quarterly installments commencing from the earlier of (i) 39 months from the facility effective date; and (ii) COD. The first principal repayment date is defined as a quarter end date occurring three months after the aforementioned date and thereafter March 31, June 30, September 30 and December 31. This loan facility carries a mark-up at the rate of 3 month USD LIBOR + 4.50%. LEPCL had fully availed the facility aggregating to USD 20 million.

LEPCL had entered into a novation agreement with UNBL through which 65.9582% of the remaining liability i.e USD 18.951 million of the aforementioned USD facility was transferred to United Bank limited, UAE on March 2, 2023. This facility is secured based on the securities mentioned in note 23.10.

23.6 LEPCL's foreign currency loans as explained in notes 23.4 & 23.5 carry markup based on USD LIBOR which has been globally replaced with Secured Overnight Financing Rate (SOFR), a rate administered by Federal Reserve Bank of New York, as the benchmark reference rate for USD loans. SOFR is considered a risk free rate compared to USD LIBOR; therefore, for smooth transition, the lenders of LEPCL have recommended to add International Swaps and Derivative Association recommended Credit Adjustment Spread (CAS) to Daily Simply SOFR to replace the USD LIBOR rate.

The said terms have not yet been agreed with the lenders of the LEPCL as LEPCL is seeking tariff modification from NEPRA in order to incorporate this change in LEPCL's tariff and has engaged its consultant to proceed with such tariff modification petition. Until such time, LEPCL is accruing and paying interest on the basis of synthetic LIBOR available on Reuter's page based on mutual understanding with its lenders.

23.7 LEPCL also entered into following loan agreements on May 31, 2018:

- PKR facility agreement with a UBL-led consortium [comprising United Bank Limited (UBL), National Bank of Pakistan, Bank Alfalah Limited, Askari Bank Limited, The Bank of Punjab and Soneri Bank Limited] for an aggregate amount at PKR 38,717.56 million. LEPCL has fully availed the facility aggregating to PKR 38,717.56 million.

- Musharaka facility agreement with five banks namely Meezan Bank Limited, Faysal Bank Limited, Dubai Islamic Bank Limited, United Bank Limited and Soneri Bank Limited for an aggregate amount of PKR 17,259.918 million. LEPCL has fully availed the facility aggregating to PKR 17,259.918 million.

These loans are repayable in 40 quarterly installments commencing from the earlier of (i) 39 months from the facility effective date; and (ii) COD. The first principal repayment date is defined as a quarter end date occurring three months after the aforementioned date and thereafter March 31, June 30, September 30 and December 31. These loan facilities carry mark-up at the rate of 3 months KIBOR plus 3.50%.

23.8 LEPCL has entered into following loan agreements on June 2, 2021, for additional financing facility of PKR 7,876 million:

- Second PKR facility agreement with a UBL-led consortium (comprising Pak Oman Investment Company Limited and The Bank of Punjab) for an aggregate amount of PKR 3,000 million. LEPCL has fully utilised the facility aggregating to PKR 3,000 million.

- Second Musharaka facility agreement with four financial institutions namely Meezan Bank Limited, Pak Kuwait Investment Company (Private) Limited, Dubai Islamic Bank Limited and Pak Libya Holding Company Limited for an aggregate amount of PKR 4,876 million. LEPCL has fully availed the facility aggregating to PKR 4,876 million.

This loan is repayable in 40 quarterly installments commencing from the earlier of (i) 39 months from the facility effective date; and (ii) COD. The first principal repayment date is defined as a quarter end date occurring three months after the aforementioned date and thereafter March 31, June 30, September 30 and December 31. This loan facility carries mark-up at the rate of 3 months KIBOR plus 2.50%.

23.9 LEPCL on February 2, 2022 entered into Third PKR facility agreement with a UBL-led consortium [comprising Pak Kuwait Investment Company (Private) Limited, Pak China Investment Company Limited and Pak Brunei Investment Company Limited] for an aggregate amount of PKR 2,100 million. LEPCL has fully availed the facility aggregating to PKR 2,100 million.

This loan is repayable in 40 quarterly installments commencing from the earlier of (i) 39 months from the facility effective date; and (ii) COD. The first principal repayment date is defined as a quarter end date occurring three months after the aforementioned date and thereafter March 31, June 30, September 30 and December 31. These loan facilities carry mark-up at the rate of 3 months KIBOR plus 2.50%.

23.10 The facilities are secured primarily through first ranking hypothecation charge over future cash flows of the Project, assignment of LEPCL's rights and benefits under the Project documents and insurances, first ranking hypothecation charge over all current and future movable assets of LEPCL with a 20% margin, equitable mortgage over the unencumbered LEPCL's right in immovable property on which the Project is established with a 20% margin and a guarantee issued by the Holding Company, the parent company relating to the LEPCL first, second and third facility agreement. Further, the Holding Company has pledged shares in favour of the security trustee to the facilities.

23.11 This includes following facilities availed by LCI:

- Temporary Economic Refinance Facility - TERF, extended by SBP, for the purpose of plant expansion in Soda Ash and Polyester divisions on different dates from various banks amounting to PKR 3,996 million. The repayment is to be made in 16 equal consecutive semi-annual installments in 10 years with grace period of 2 years. The loan is secured against charge over fixed assets of LCI. The markup rate is charged at SBP rate plus 0.3% to SBP rate plus 1.5% (2023 : SBP rate plus 0.3% to SBP rate plus 1.5%) per annum. There is no unutilised amount as of the reporting date.

  Government grant has been recorded in respect of this facility. There are no unfulfilled conditions or contingencies attached to this grant.

- Long Term Finance Facility – LTFF, extended by SBP, for capital expenditure requirements of its Soda Ash Division on different dates from various banks. Repayment of loans is to be made in quarterly / semi annual installments in 10 years including 2 years grace period and is secured against charge over fixed assets of LCI. Markup is charged at concessionary SBP LTFF rate plus 0.3% to 1.5% (2023: SBP LTFF rate plus 0.3% to 1.5%) per annum. There is no unutilised amount as of the reporting date.
- Shariah compliant SBP Islamic Financing Facility for Renewable Energy (IFRE) against the total limit of PKR 211 million from a commercial bank. Repayment of loan is to be made in semi annual installments in 10 years and is secured against charge over fixed assets of LCI. Markup is charged at concessionary SBP rate plus 0.5% per annum.
- During the year, LCI has secured Diminishing Musharakah of PKR 5,000 million out of which Rs 1,089 million has been utilised from different banks for managing capital expenditure requirements of its Soda Ash business. Repayment of loan is to be made in quarterly instalments in 7 years including 2 years of grace period. Markup is charged at 3 months KIBOR + 0.14% to 3 months KIBOR + 0.20%.
- LCI has obtained Shariah compliant loans from a commercial bank. These loans are secured against charge on fixed assets of LCI. The principal repayments and mark up payments are on a semi annual basis. Mark-up is charged at 6 months KIBOR plus 0.05% per annum. There is no unutilised amount as of the reporting date and the last repayment will be in August 2024.

23.12 LMC has obtained ITERF from scheduled banks amounting to PKR 3,998.545 million, in order to finance new projects. The amount is repayable in quarterly / half yearly installments of equal amounts, following the end of 2 years grace period, over a period of 10 years. The facility is secured against first pari passu hypothecation charge over all present and future plant and machinery amounting to PKR 6,667 million. Rate applicable for disbursed amount is 1.50% all inclusive (SBP Rate 1%, Bank Spread 0.50%). At the time of initial recognition, the loan had been recognised at PKR 935.821 million while the remaining amount of PKR 652.89 million was recorded as deferred grant.

23.13 These include Shariah compliant loans obtained by LMC. The availed limit of these Islamic financing stands at PKR 4,378 million (PKR 4,357 million outstanding) while the profit rate on these long term loans ranges from 0.7% to 1.50% per annum. The maturity of these Islamic loans ranges from 2.5 to 10 years. The facility is secured against first pari passu hypothecation charge over all present and future plant and machinery. The amount is repayable in quarterly / half yearly installments.

	Note	2024	2023
		(PKR in '000')	
24. LONG-TERM DEPOSITS AND OTHER LIABILITIES			
Long term deposits			
Cement stockists	24.1	201,207	197,457
Transporters	24.2	52,700	52,200
Others		206,180	209,545
		460,087	459,202
Other liabilities			
Other non-current payables	24.3	8,830,986	9,073,677
		9,291,073	9,532,879

24.1 These represent return-free security deposits received from stockists and are repayable on cancellation or withdrawal of stockist arrangement and are also adjustable against unpaid amount of sales.

24.2 These represent return-free security deposits received from transporters and are repayable on cancellation or withdrawal of contracts.

24.3 This represents unsecured non-interest bearing liabilities relating to LCLIHL payable after one year from the reporting date.

Notes to the Consolidated Financial Statements

For the year ended June 30, 2024

	Note	2024	2023
		(PKR in '000')	
25. DEFERRED GOVERNMENT GRANT			
Represents deferred government grant recognized on account of:			
Temporary Economic Refinance		3,412,709	4,305,281
26. DEFERRED LIABILITIES			
Staff gratuity	26.1	3,598,132	2,935,978
Deferred tax liability	26.2	24,040,514	19,225,117
		27,638,646	22,161,095

26.1 The amounts recognised in the consolidated statement of financial position in respect of staff benefit schemes, based on the recent actuarial valuation carried out on June 30, 2024, are as follows:

26.1.1 The amounts recognised in the profit or loss are as follows:

Staff Gratuity and Pension	2024				2023			
		Funded		Unfunded		Funded		Unfunded
	Pension	Gratuity	Total		Pension	Gratuity	Total	
	(PKR in '000')							
Current service cost	2,094	426,553	428,647	4,519	3,007	187,946	190,953	255,187
Interest cost	79,892	607,574	687,466	17,710	75,335	127,620	202,955	366,208
Expected return on plan assets	(83,865)	(162,774)	(246,639)	–	(81,115)	(104,512)	(185,627)	–
Net (reversal) / charge for the year	(1,879)	871,353	869,474	22,229	(2,773)	211,054	208,281	621,395
Other comprehensive income:								
(Gain) / loss on obligation	(26,128)	389,380	363,252	(10,314)	(38,800)	(11,036)	(49,836)	(423,117)
Loss on assets	(142,619)	(120,884)	(263,503)	–	60,811	22,304	83,115	–
Net (gain) / loss	(168,747)	268,496	99,749	(10,314)	22,011	11,268	33,279	(423,117)

26.1.2 Movement in the net assets / (liability) recognised in the consolidated statement of financial position are as follows:

	2024				2023			
		Funded		Unfunded		Funded		Unfunded
	Pension	Gratuity	Total		Pension	Gratuity	Total	
	(PKR in '000')							
Opening balance	25,230	(265,017)	(239,787)	(2,696,191)	44,468	(119,878)	(75,410)	(2,804,294)
Transferred from unfunded to funded	–	(2,574,925)	(2,574,925)	2,574,925	–	(89,144)	(89,144)	89,144
Net charge - note 26.1.1	1,879	(871,353)	(869,474)	(22,229)	2,773	(211,054)	(208,281)	(621,395)
Other comprehensive gain / (loss)	168,747	(268,496)	(99,749)	10,314	(22,011)	(11,268)	(33,279)	423,117
Contributions / payments during the year	–	301,352	301,352	17,632	–	166,327	166,327	217,237
Closing balance	195,856	(3,678,439)	(3,482,583)	(115,549)	25,230	(265,017)	(239,787)	(2,696,191)

26.1.3 The amounts recognised in the consolidated statement of financial position are as follows:

	2024				2023			
	Funded			Unfunded	Funded			Unfunded
	Pension	Gratuity	Total		Pension	Gratuity	Total	
	(PKR in '000')							
Fair value of plan assets - note 26.1.5	714,613	1,121,823	1,836,436	–	576,829	887,157	1,463,986	–
Present value of defined benefit obligation - note 26.1.4	(518,757)	(4,800,262)	(5,319,019)	(115,549)	(551,599)	(1,152,174)	(1,703,773)	(2,696,191)
Net asset / (liability)	195,856	(3,678,439)	(3,482,583)	(115,549)	25,230	(265,017)	(239,787)	(2,696,191)

The recognized asset / liability of funded gratuity is netted off against recognized asset / liability of funded pension and recorded accordingly.

26.1.4 Movement in the present value of defined benefit obligation:

	2024				2023			
	Funded			Unfunded	Funded			Unfunded
	Pension	Gratuity	Total		Pension	Gratuity	Total	
	(PKR in '000')							
Opening balance	551,599	1,152,174	1,703,773	2,696,191	646,937	877,534	1,524,471	2,804,294
Transferred from unfunded to funded	–	2,574,925	2,574,925	(2,574,925)	–	89,144	89,144	(89,144)
Current service cost	2,094	426,553	428,647	4,519	3,007	187,946	190,953	255,187
Interest cost	79,892	607,574	687,466	17,710	75,335	127,620	202,955	366,208
Benefits paid	(88,700)	(350,344)	(439,044)	(17,632)	(134,880)	(119,034)	(253,914)	(217,237)
Actuarial (gain) / loss	(26,128)	389,380	363,252	(10,314)	(38,800)	(11,036)	(49,836)	(423,117)
Closing balance	518,757	4,800,262	5,319,019	115,549	551,599	1,152,174	1,703,773	2,696,191

26.1.5 Movement in the fair value of plan assets:

Staff Gratuity and Pension	**2024**				2023			
	Funded			Unfunded	Funded			Unfunded
	Pension	Gratuity	Total		Pension	Gratuity	Total	
	(PKR in '000')							
Opening balance	576,829	887,157	1,463,986	–	691,405	757,656	1,449,061	–
Expected return	83,865	162,774	246,639	–	81,115	104,512	185,627	–
Contributions	–	301,352	301,352	–	–	166,327	166,327	–
Benefits paid	(88,700)	(350,344)	(439,044)	–	(134,880)	(119,034)	(253,914)	–
Actuarial gain / (loss)	142,619	120,884	263,503	–	(60,811)	(22,304)	(83,115)	–
Closing balance - note 26.1.7	714,613	1,121,823	1,836,436	–	576,829	887,157	1,463,986	–

26.1.6 Historical information - funded plans

	June 30			
	2024	2023	2022	2021
	(PKR in '000')			
Present value of defined benefit obligation	5,319,019	1,703,773	1,524,471	1,573,695
Fair value of plan assets	(1,836,436)	(1,463,986)	(1,449,061)	(1,572,539)
Net liability / (asset)	3,482,583	239,787	75,410	1,156

26.1.7 Major categories / composition of plan assets are as follows:

	2024	2023
Debt instruments	55.67%	68.70%
Equity at market value	29.67%	27.74%
Cash / Others	14.66%	3.56%

Fair value of plan asset

	Pension	Gratuity	Pension	Gratuity
	2024		2023	
	(PKR in '000')			
Government bonds	406,212	579,705	351,821	476,919
Corporate bonds	–	36,484	–	56,918
Shares	279,750	265,101	209,976	147,588
Cash and term deposits	28,651	240,533	15,032	205,732
Total	714,613	1,121,823	576,829	887,157

	2024	2023
	(PKR in '000')	
Actual return on plan assets during the year:	510,142	102,512

26.1.8 The principal actuarial assumptions at the reporting date were as follows:

	2024	2023
Discount rate	14.75% to 15%	15.75% to 16.25%
Future salary increases - Management	9.5% to 15%	10% to 16.25%
Future salary increases - Non - Management	10.5% to 15%	11.25%
Future pension increases	7.25%	8.00%
Mortality rates	SLIC (2001-05)-1	SLIC (2001-05)-1

26.1.9 Impact of changes in assumptions on defined benefit scheme is as follows:

Assumption	1% Increase	1% Decrease
	(PKR in '000')	
Discount rate	(383,494)	424,685
Salary increase	458,263	(408,839)
Pension increase	(22,555)	24,703

The weighted average duration of the defined benefit obligation is 7.98 years (2023: 8.07 years) for the Holding Company, 7.68 years (2023: 7.34 years) for LMC and 5 years (2023: 5.8 years) for LCI.

26.1.10 During the year, the Group contributed in the contribution funds as follows:

	2024	2023
	(PKR in '000')	
Provident fund	199,816	180,038
Defined contribution superannuation fund	178,162	160,940

26.1.11 Investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

26.1.12 Description of the risks to the Group

The defined benefit plan exposes the Group to the following risks:

Mortality risks - The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service / age distribution and the benefit.

Final salary risks - The risk that the final salary at the time of cessation of service is different than what was assumed. Since the benefit is calculated on the final salary, the benefit amount changes similarly.

Withdrawal risks - The risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

Plan assets risks – The plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets underperform this yield, this will create a deficit. The Fund believes that due to the long-term nature of the plan liabilities and the strength of the Group's support, the current investment strategy manages this risk adequately.

Investment risks - The risk of the investment underperforming and not being sufficient to meet the liabilities. This is managed by formulating proper investment plans.

Risk of sufficiency of assets - The risk of the investment underperforming and not being sufficient to meet the liabilities. This is managed by formulating proper investment plans.

		2024	2023
		(PKR in '000')	
26.2	**Deferred tax liability**		
	This comprises of the following:		
	- Taxable temporary differences	25,420,820	21,077,239
	- Deductible temporary differences	(1,380,306)	(1,852,122)
		24,040,514	19,225,117

Notes to the Consolidated Financial Statements

For the year ended June 30, 2024

		Note	2024	2023
			(PKR in '000')	
27.	**TRADE AND OTHER PAYABLES**			
	Creditors		21,790,588	22,558,197
	Accrued liabilities		26,277,319	22,967,001
	Advance from customers / contract liabilities	27.1	4,985,904	5,561,692
	Retention money		3,728,232	6,580,860
	Sales tax payable, excise and other government levies	27.2	10,460,523	15,938,171
	Workers' Profit Participation Fund (WPPF) payable	27.3	1,103,637	517,075
	Workers' Welfare Fund (WWF) payable	27.4	2,373,479	1,947,553
	Distributors' security deposits - payable			
	on termination of distributorship	27.5	570,921	674,312
	Others		6,296,584	3,589,695
			77,587,187	80,334,556

27.1 The contract liabilities outstanding as at June 30, 2023 amounting to PKR 5,561.692 million have been fully recognised as revenue during the current year.

27.2 The Honorable Supreme Court of Pakistan (SCP) through its judgment dated August 13, 2020 ("GIDC Judgment") declared the Gas Infrastructure Development Cess Act, 2015 ("GIDC Act 2015") as valid and intra vires the Constitution of Pakistan 1973. It further allowed recovery of GIDC that has become due up to July 31, 2020, by the gas companies from their consumers in twenty-four equal monthly installments.

The Group has filed suits before the Honorable High Court of Sindh (SHC) challenging the recovery of GIDC on the grounds that factual determination of whether the burden of GIDC has been passed-on to end consumers or not needs to be carried out. The SHC has granted an interim injunction to the Group and has restrained the gas companies from recovering GIDC from the Group.

		Note	2024	2023
			(PKR in '000')	
27.3	**The movement of WPPF is as follows:**			
	Opening balance		517,075	113,367
	Allocation for the year		2,851,459	1,489,569
		27.3.1	3,368,534	1,602,936
	Payments during the year		(2,264,897)	(1,085,861)
			1,103,637	517,075

27.3.1 This includes an amount of PKR 1,066.784 million relating to Workers' profits participation fund of LEPCL. This charge will not effect LEPCL's overall profitability as this is recoverable from CPPA-G as a pass through item under Schedule I Part IV of PPA.

27.4 This includes PKR 1,861.029 million (2023: PKR 1,513.854 million) pertaining to the Holding Company. On May 10, 2017, the Holding Company received a show cause notice from the Sindh Revenue Board (SRB) demanding payment of Sindh Workers' Welfare Fund. The Holding Company has challenged the said notice before the SHC on the ground that after the 18th Amendment, SRB and Federation of Pakistan, both can only collect Workers' Welfare Fund (WWF) from the Holding Company after a law is enacted catering to WWF collection from trans-provincial organizations. The Federation of Pakistan and the Province of Sindh along with SRB have been made parties in the said matter. The SHC has restrained SRB from taking any coercive action against the Holding Company. The Holding Company's legal counsel is of the view that the Holding Company, being a trans-provincial organization, has a good chance of success.

27.5 This includes security deposits amounting to PKR 140.494 million (2023: PKR 134.404 million) relating to LCI distributors. Interest on these security deposits from certain distributors that are placed with various separate bank accounts is payable at 19% (2023: 17%) per annum as specified in the respective agreements. These security deposits are non-utilisable. Further, LCI has not utilised any such deposit for the purpose of its business during the year.

		Note	2024	2023
			(PKR in '000')	
28.	**SHORT-TERM BORROWINGS AND RUNNING FINANCE**			
	LEPCL			
	Working Capital Facilities	28.1	15,450,000	12,687,935
	Sukuks - I & II	28.2	25,000,000	27,000,000
			40,450,000	39,687,935
	LCI			
	Short-term running finance - secured	28.3 to 28.5	9,216,926	13,121,068
	Export Refinance Facility	28.6	2,517,578	1,879,578
			11,734,504	15,000,646
	LMC			
	Import Murabaha Facilities	28.7	1,416,110	861,196
	LCLIHL			
	Loan from joint venture	28.8	10,793,157	5,608,450
	LCL			
	Islamic Export Refinance Facility	28.9	5,485,000	5,885,000
			69,878,771	67,043,227

28.1 LEPCL has entered into working capital facility agreements with commercial banks for an aggregate amount of PKR 24,248.751 million (2023: PKR 18,248.751 million). The facilities are for a period upto one year carrying a mark-up at the rate of 3 months KIBOR plus spread in the range from 0.50% to 1.50% (2023: 3 months KIBOR plus 1.50%). As at June 30, 2024, the outstanding funded exposure against the said facilities was PKR 15,450 million (2023: PKR 12,687.935 million) while the outstanding unfunded exposure was PKR 8,798.751 million (2023: PKR 5,560.816 million).

The working capital facilities are secured primarily through first ranking pari-passu assignment over present and future EPP payments from CPPA-G / National Transmission and Dispatch Company (NTDC) and / or any of its successors, assigns and transferees due under the PPA, second ranking charge (hypothecation / mortgage) over all immovable and moveable properties (excluding land) of LEPCL to cover for 20% margin, hypothecation charge over imported coal in transit for the Project and the shipment documentation of such coal and hypothecation charge over sixty days fuel inventory for the Project.

28.2 LEPCL has also raised funds through private placement of four Sukuk instruments having face values ranging from PKR 5,000 million to PKR 7,000 million. These are repayable in six months time from the respective dates of issue and carry a mark-up at the rate 6 months KIBOR rate plus a spread ranging from 0.15% to 0.25% (2023: 6 months KIBOR rate plus a spread ranging from 0.30% to 0.65%).

28.3 These represents short-term financing facilities wherein, Islamic Facilities have a limit of PKR 13,740 million (June 30, 2023: PKR 11,761 million). These facilities carry mark-up ranging from KIBOR + 0.02% to KIBOR + 0.50 % per annum (June 30, 2023: KIBOR + 0.02% to KIBOR + 0.50 % per annum). The conventional short-term facilities, have a limit amounting to PKR 9,858 million (June 30, 2023: PKR 10,450 million). These facilities carry mark-up ranging from KIBOR + 0.10% to KIBOR + 0.50% per annum (June 30, 2023: KIBOR + 0.05% to KIBOR + 0.30% per annum). The aforesaid limits are interchangeable with Export Refinance Facility and Bank Guarantees as per arrangements with various banks. The facility is secured against charge on current assets of LCI.

28.4 It includes a short-term facility from Bank Al Habib Limited with a total limit of PKR 500 million, carrying mark-up at the rate of 3 month KIBOR + 0.10% and is secured against current assets. There is no outstanding balance as at June 30, 2024.

28.5 The balance as of June 30, 2023 represented money market loan obtained by LCI from a commercial bank which carried mark-up of 3-month KIBOR plus 0.15% per annum. The loan was secured against charge over fixed assets of LCI and has been repaid during the year.

28.6 LCI has availed Export Refinance Facility (ERF) of SBP Part 2, amounting to PKR 2,518 million (June 30, 2023: PKR 1,880 million) as at June 30, 2024 from various banks. It is secured against charge on current assets of LCI and carries mark-up at SBP rate + 0.50% to 1.00% per annum (June 30, 2023: SBP rate + 0.50% to 1.00% per annum). This facility is interchangeable with short-term running finance provided by the Banks.

28.7 LMC has obtained Import financing of PKR 1,416.110 million (2023: PKR 861.196 million) from commercial banks. The facilities are secured by way of first pari passu charge over stocks and receivables aggregating to PKR 17,000 million. The facilities carry mark-up of 10% to 12.75% per annum. These facilities are maturing by July 22, 2024.

28.8 This represents loan obtained by LCLIHL from its joint venture LuckyRawji Holdings Limited aggregating to USD 38,777 million (2023: USD 19,611 million). The loan is repayable within one year and is non-interest bearing.

28.9 The Holding Company has obtained Islamic Export Refinance Facility of PKR 5,485 million (2023: PKR 5,885 million) from a number of banks. The facility is secured by way of hypothecation charge over plant and machinery, stock-in-trade and stores and spares. The export refinance facility carries mark-up at the rates ranging from 13.65% to 19.00% per annum.

29. CONTINGENCIES AND COMMITMENTS

29.1 CONTINGENCIES

THE HOLDING COMPANY

29.1.1 The Federal Government issued SROs 580(1)/91 and 561(1)/94 dated June 27, 1991 and June 9, 1994 respectively and incentivized industries by providing sales tax exemptions on goods produced for a period of 5 years from the date of commissioning of such industries if the industrial plants were set up between July 1, 1991 and June 30, 1996 within the jurisdiction of NWFP (now KPK) and Baluchistan. The Holding Company relying on such incentive set up its manufacturing plant in Dera Pezu, District Lakki Marwat and was thus entitled to sales tax exemption on cement produced by it till June 30, 2001. Through the Finance Act, 1997, the Federal Government provided sales tax exemption to all cement manufacturers of Pakistan regardless of their geographical location and thus withdrew the incentive given earlier of sales tax exemption to industries being set up in NWFP (now KPK) and Baluchistan. Being aggrieved, the Holding Company filed a writ petition with the Peshawar High Court in year 2000. The writ petition was subsequently withdrawn on legal advice and a suit for compensation was filed before the Learned Civil Judge, Peshawar. The Learned Civil Judge decreed the suit ex-parte on November 20, 2009 in favor of the Holding Company for an amount of PKR 1,693.61 million along with 14% return per annum till the date of payment.

On August 3, 2011, the Holding Company filed an execution petition for realisation of the decretal amount as per the decree granted by the Learned Civil Court. Due to objections filed by the Federal Government and the FBR, the ex-parte decree was set aside on January 17, 2012 and the matter was listed for re-hearing. The defendants contested the matter and the Learned Civil Judge, Peshawar, dismissed the suit of the Holding Company on December 18, 2012. The Holding Company filed an appeal before the Honorable Peshawar High Court against dismissal of the suit on March 9, 2013. The Peshawar High Court transferred the matter to the District Court Peshawar. Subsequently, the District Court Peshawar dismissed the said appeal on January 7, 2023.

The Holding Company has thereafter filed a Civil Revision before the Peshawar High Court to challenge the said judgment of the District Court. The case is currently pending before the Peshawar High Court. The receivable shall be recognised when its existence is virtually certain.

29.1.2 The Competition Commission of Pakistan (CCP) passed a single order on August 27, 2009 against all the cement manufacturers of the country on the alleged ground of formation of cartel for marketing arrangement and imposed a penalty at the rate of 7.5% of total turnover of each company consisting of both local and export sales. The amount of penalty imposed on the Holding Company is PKR 1,271.84 million. The Holding Company challenged the constitutionality of the Competition Law before the Honorable Lahore High Court and also the show cause notice and subsequent order issued by the CCP. The Lahore High Court on October 26, 2020, however, dismissed the petitions of the cement manufacturers and declared the Competition Law to be intra vires. Nevertheless, the Honorable Court struck down the constitution of the Competition Appellate Tribunal (CAT). The Holding Company has filed an appeal before the Honorable Supreme Court of Pakistan to challenge the said decision. Meanwhile, the Government has also filed an appeal to challenge the judgment of the Honorable Lahore High Court.

The Holding Company has also filed a petition before the Honorable High Court of Sindh in relation to the constitution of CAT, wherein the Honorable Court has restrained CAT from passing a final order in the matter.

Based on advice of the Holding Company's legal advisor, the management of the Holding Company is confident of a positive outcome and hence no accrual has been recorded in the books of account of the Holding Company.

29.1.3 Details of other matters are stated in notes 17.2, 17.3, 18 and 27.4 to these consolidated financial statements.

LUCKY CORE INDUSTRIES LIMITED

29.1.4 Claims against LCI not acknowledged as debts are as follows:

	2024	2023
	(PKR in '000')	
Local bodies	84,500	84,500
Others	2,095,740	1,317,621
	2,180,240	1,402,121

29.1.5 LCI received a notice dated March 11, 2016 issued by the Tehsil Municipal Administration Pin Dadan Khan, Tehsil Officer, whereby a sum of PKR 67.05 million was demanded as conversion fee with respect to land purchased in the years 2010 and 2015. LCI filed a response to the said notice and an appeal before the Secretary Local Government and Community Development Department (SLG). SLG disposed off the appeal and issued an order dated March 2, 2018 stating that the land purchased was Banjar Qadeem (barren land) and directed the Municipal Committee (MC) to charge the conversion fee as per rule 60 of the Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009. LCI based on the advice of its external counsel decided not to challenge the order until further notice is received from MC. MC issued an impugned notice dated November 25, 2018 for payment of the conversion fee.

LCI filed a Writ Petition No.225 of 2019 on January 17, 2019 before the Lahore High Court, Rawalpindi Bench against the notices and the order.

The Learned Judge granted a stay with respect to the operation of the impugned notices and the order, till the next date of hearing subject to the deposit of PKR 2.4 million with the Deputy Registrar Judicial, within a fortnight. The amount was deposited through Pay Order No. 05138957 on February 14, 2019.

MC Khewra filed an application on March 7, 2019 under Rule 10 of the Civil Procedure Code of Pakistan (CPC) impleaded that the said matter falls within their jurisdiction. LCI submitted its response against the application of MC Khewra. The Judge impleaded the application of MC Khewra while noting down LCI's objections. The hearing of the case has not been fixed yet.

29.1.6 Suit for damages amounting to PKR 850 million was filed by a private company against LCI alleging breach of the terms of letter of intent and that LCI destroyed the warehouse premises leased from the private company for storage of its pharmaceutical products. As a response, LCI has filed a cross suit against the private company for return of security deposit and abrupt termination of the arrangement. The cases are pending for hearing before the Sindh High Court.

29.1.7 LCI, amongst others, has recently received a summon for a suit filed by Pakistan International Bulk Terminal for recovery of an aggregate amount of USD 1,613,440 on March 27, 2023, for damages claiming an alleged damage caused to its coal berth. LCI has filed a vakalatnama, however, date for hearing has not been fixed as yet.

Notes to the Consolidated Financial Statements
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29.1.8 There has been a dispute between LCI and the Collectorate of Customs regarding HS code classification of various consignments relating to Power Generation Projects. A petition was filed by LCI before the Sindh High Court against the wrong assessment of the consignment along with the submission of bank guarantees for the differential amount of PKR 685.739 million with the Nazir of SHC in order to release import shipments. LCI is confident that it has strong grounds to defend the case.

29.1.9 The LCI based on the opinion of advisors is confident that the claims / cases stated in notes 29.1.4 to 29.1.8 would be decided in LCI's favor. Accordingly, no provision in respect of these matters has been made in these consolidated financial statements.

29.1.10 Certain tax matters related to LCI are disclosed below.

Assessment Year / Tax Year / Tax Period	Brief description	Nature of demand	Estimated financial impact	Authority / Court and status
AY 1998-99	The assessment finalised was revised on certain issues and after being remanded by the Appellate Tribunal, the order dated June 29, 2010 was issued. In this order, majorly the date of commissioning of PTA plant was in dispute i.e. it was considered to fall in the subsequent tax period. Consequently, tax depreciation thereon was disallowed. Additionally, the cost of capitalisation of PTA plant was restricted and additions to income were made. In first appeal, the Commissioner Inland Revenue (Appeals) [CIR(A)] decided all the issues in LCI's favor except the matter of restriction of cost of capitalisation.	Income tax	PKR 79 million	Currently appeals of the LCI and Federal Board of Revenue (FBR) are pending before the Tribunal.
AY 2002-03 and spillover effect in TYs 2003 to 2010	After the disposal of LCI's petition by the Honourable Supreme Court of Pakistan, the assessment proceedings were finalised vide order dated May 15, 2017. Despite the finality on the de-merger of the PTA Plant and related matters in the AY 2001-2002, the date of that event was considered as falling in subsequent year. Consequently, in this order, the Officer proceeded to tax the event of transfer of PTA plant and exchange of shares and restricted the claim of depreciation relating to PTA assets. Other matters included the disallowance of financial charges and other issues. Simultaneously the orders for the TYs 2003 to 2010 were issued to reflect the reduction in carry forward of depreciation. The significant issues were maintained in first appeal. Some relief on other matters in the AY 2002-2003 was given. Subsequently, the Tribunal vide order dated June 7, 2021 has decided all the issues involved in AY 2002-03 in LCI's favor.	Income tax	(i) AY 2002-03: PKR 2,143 million, deleted by Tribunal. (ii) TYs 2003 to 2010: PKR 1,915 million in aggregate.	(i) Appeal effect order for AY 2002-03 is pending before FBR. (ii) Remand back proceedings pending before FBR.

Assessment Year / Tax Year / Tax Period	Brief description	Nature of demand	Estimated financial impact	Authority / Court and status
	During the year, the Tribunal vide order dated November 27, 2023 has remanded back these cases to the department for passing speaking orders.			
TYs 2003 to 2010 [Regular assessments & audits]	The FBR, vide various orders, made certain disallowances against provisions charged under various heads, financial charges, gain on disposal of fixed assets, exchange loss, proration of expenses against capital gains and interest free loans offered to employees. The CIR(A) had allowed all the issues in LCI's favor except for one issue in TY 2010 which has been challenged before the Tribunal. FBR also challenged the CIR(A) order in the Tribunal which has been decided against LCI on certain matters including addition on account of disposal of fixed assets and apportionment of expenses against capital gain etc. References in this regard have been filed in the Sindh High Court.	Income tax	TY 2010: PKR 79 million	Hearings of appeals are pending.
TY 2016	Monitoring proceedings were finalised vide order dated September 2, 2016 wherein demand was raised on account of alleged non-deduction of income tax on dividends paid to parties having specific exemptions. Appeal filed against the order before CIR(A) was decided against LCI which has been challenged before the Tribunal.	Income tax	PKR 138 million	Hearing of the appeal is pending before Tribunal.
TY 2017	FBR has finalised assessment proceedings vide order dated February 7, 2022, raising tax demand on certain issues including disallowance of finance cost, write-offs, and Balancing Modernisation and Replacement (BMR) credit etc. LCI has filed an appeal before CIR(A) against the order.	Income tax	PKR 240 million	Hearing of appeal before CIR(A) is pending.
TY 2022	FBR has finalised assessment proceedings vide order dated March 28, 2024, raising tax demand on income tax refunds adjusted against tax liability in income tax return. LCI has filed an appeal before CIR(A) against the order.	Income tax	PKR 415 million paid under protest	Hearing of appeal before CIR(A) is pending.
July 2012 to June 2013	Sales tax audit was finalised by FBR vide Order dated September 12, 2014 in which demand was raised by declaring exempt / zero-rated sales as taxable along with certain other issues.	Sales tax	PKR 952 million	Proceedings closed.

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Assessment Year / Tax Year / Tax Period	Brief description	Nature of demand	Estimated financial impact	Authority / Court and status
	Appeal filed with CIR(A) was decided against LCI which was challenged before the Tribunal. During the year, the Tribunal remanded back the case to the department to consider the submissions of LCI. Remand back proceedings have been finalised by the department in favour of LCI.			
July 2016 to June 2017	Sales tax audit for July 2016 to June 2017 was finalised by FBR vide order dated June 29, 2021 creating demand on various issues including inadmissible sales tax claimed on blacklisted / inactive suppliers and goods used for non-business activity. After majority of the issues were remanded back by the CIR(A), the proceedings were finalised against LCI on certain issues vide order dated June 22, 2023 which have also been maintained by CIR(A) in order dated April 17, 2024. LCI has filed an appeal before the Tribunal.	Sales tax	PKR 17 million	Hearing of appeal before Tribunal is pending.
July 2017 to June 2018	Sales tax audit was finalised by the FBR vide order June 30, 2022, raising demand on various issues including inadmissible sales tax claimed on blacklisted / inactive suppliers, non-levy of further tax on non-active customers and goods used for non-business activity etc.	Sales tax	PKR 29 million	Hearing of appeal is pending before CIR(A).

The management is confident, based on the opinion of advisors, that all the aforementioned cases will be decided in favour of LCI. Accordingly, no provision in respect of these matters has been made in these consolidated financial statements.

LUCKY ELECTRIC POWER COMPANY LIMITED

29.1.11 During the year, Commissioner Inland Revenue (CIR) issued demands of PKR 171 million and PKR 865 million relating to tax year 2018 and 2019 respectively. This is based on CIR's view that the LEPCL had not deducted tax on payments to offshore supplier under section 152 (1A) of the Income Tax Ordinance, 2001. LEPCL has filed appeals against such orders with CIR-Appeals and Appellate Tribunal which is pending adjudication. LEPCL's maximum exposure as of June 30, 2024, including the principal amount, penalty and default surcharge is approximately PKR 1,780 million. LEPCL based on the merit of the case is confident that the matter will be decided in the favour of LEPCL and accordingly no provision has been made in these consolidated financial statements.

29.1.12 The Commissioner Inland Revenue (CIR) had issued an Order No. 05 of 2023 dated October 12, 2022 wherein a sales tax demand of PKR 751.855 million was raised by disallowing certain inputs relating to the amount paid against procurement of different types of goods and services along with penalty of PKR 37.592 million. LEPCL has filed an appeal against the order which was remanded back to CIR for reconsideration. The CIR without considering submissions by LEPCL, maintained its earlier order. LEPCL has now filed Appeal against the order at the Appellate Tribunal level which is pending adjudication. LEPCL based on the merit of the case is confident that the matter will finally be settled in LEPCL and accordingly no provision has been made in these consolidated financial statements.

		2024	2023
		(PKR in '000')	
	COMMITMENTS		
29.2	**Capital commitments**		
	Plant and machinery under letters of credit and others	8,798,879	6,431,283
	Other commitments		
	Stores, spares, raw material and packing material under letters of credit	25,420,950	44,241,788
	Bank guarantees issued	8,580,375	23,146,069
	Post dated cheques	3,520,003	4,676,641
	Commitment in connection with LEPCL's project's cost over-run and payment service reserve account (PSRA) support, CSA and excess debt support	53,919,919	52,839,594

29.2.1 As of June 30, 2024, LEPCL has issued the following through commercial banks:

- Letters of credit amounting to USD 0.986 million (i.e. PKR 274.771 million) [2023: USD 1.488 million (i.e. PKR 427.492 million)] in favour of Tie Jun International (HK) Limited in accordance with the terms of Procurement and Supply of Equipment contract, USD 6.732 million (i.e. PKR 1,876.882 million) [2023: USD 6.732 million (PKR 1,932.619 million)] in favour of CPPA-G in accordance with the terms of PPA and USD 1.810 million (PKR 504.705 million)[2023: USD 39.844(2023 Rs. 11,422.156 million)] in favour of other vendors including coal suppliers.

- Bank guarantees amounting to PKR 147.109 million (2023: PKR 382.472 million) represent guarantees issued in favor of Sindh Forest Department, Collector of customs and United Bank Limited in relation advance income tax, mangrove plantation and release of import documents against outstanding LC payments respectively.

29.2.2 Commitments for rentals under Ijarah contracts in respect of vehicles are as follows:

	2024	2023
	(PKR in '000')	
Year		
2022-23	–	5,004
2023-24	6,756	6,693
2024-25	7,195	7,128
2025-26	7,663	7,591
2026-27	8,161	8,084
2027-28	8,691	–
	38,466	34,500
Payable not later than one year	6,756	5,004
Payable later than one year but not later than five years	31,710	29,496
	38,466	34,500

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30 OPERATING SEGMENT RESULTS

		Note	Cement		Polyester		Soda Ash		Pharma		Life Sciences & Chemicals		Automobiles & mobile phones assembling		Power Generation		Others		Group	
			2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024** (PKR in '000')	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
	Gross revenue																			
	Exports		22,623,704	13,673,211	8,903	418,993	11,494,235	6,323,857	376,886	185,750	43,595	-	-	-	-	-	-	-	34,547,323	20,601,811
	Inter-segment		63,586	47,787	-	-	-	-	-	-	175,180	129,161	665,955	703,882	-	-	1,622,221	1,743,943	2,526,942	2,624,773
	Local		129,120,881	112,098,374	47,537,581	47,071,878	44,886,370	42,158,187	15,879,579	12,327,407	25,876,844	22,935,228	95,693,555	95,159,935	95,556,971	106,702,641	208,633	308,307	454,760,414	438,761,957
			151,808,171	125,819,372	47,546,484	47,490,871	56,380,605	48,482,044	16,256,465	12,513,157	26,095,619	23,064,389	96,359,510	95,863,817	95,556,971	106,702,641	1,830,854	2,052,250	491,834,679	461,988,541
	Commission / toll income		-	-	-	-	-	-	-	-	55,710	95,397	-	-	-	-	-	-	55,710	95,397
	Revenue	31.1	151,808,171	125,819,372	47,546,484	47,490,871	56,380,605	48,482,044	16,256,465	12,513,157	26,151,329	23,159,786	96,359,510	95,863,817	95,556,971	106,702,641	1,830,854	2,052,250	491,890,389	462,083,938
	Sales tax and excise duty		34,261,665	28,470,455	6,732,209	6,847,981	6,623,311	6,165,045	161,081	136,735	1,760,190	1,479,889	10,246,178	12,089,855	4,602,488	8,422,852	294,645	250,715	64,681,767	63,863,527
	Rebates and commission		2,205,541	1,505,535	529,312	191,008	2,192,326	900,223	3,883,577	3,217,348	3,896,726	3,120,685	979,015	1,535,648	-	-	-	-	13,686,497	10,470,447
			36,467,206	29,975,990	7,261,521	7,038,989	8,815,637	7,065,268	4,044,658	3,354,083	5,656,916	4,600,574	11,225,193	13,625,503	4,602,488	8,422,852	294,645	250,715	78,368,264	74,333,974
			115,340,965	95,843,382	40,284,963	40,451,882	47,564,968	41,416,776	12,211,807	9,159,074	20,494,413	18,559,212	85,134,317	82,238,314	90,954,483	98,279,789	1,536,209	1,801,535	413,522,125	387,749,964
	Cost of sales	32	76,520,370	69,771,469	38,075,996	36,665,694	33,510,927	31,216,195	7,462,176	6,245,043	14,586,557	13,130,918	78,684,543	73,021,137	39,511,459	62,125,964	1,432,850	1,317,519	289,784,878	293,493,939
	Gross profit		38,820,595	26,071,913	2,208,967	3,786,188	14,054,041	10,200,581	4,749,631	2,914,031	5,907,856	5,428,294	6,449,774	9,217,177	51,443,024	36,153,825	103,359	484,016	123,737,247	94,256,025
	Distribution cost	33	7,773,885	5,326,894	253,095	301,704	2,754,052	1,117,192	1,927,505	1,485,267	2,447,211	2,126,314	629,783	270,245	-	-	-	-	15,785,531	10,627,616
	Administrative expenses	34	2,160,682	1,825,578	130,778	170,972	1,266,245	1,333,568	517,141	424,534	474,067	485,743	1,813,455	859,163	616,769	405,454	673,841	206,124	7,652,978	5,711,136
	Operating results		28,886,028	18,919,441	1,825,094	3,313,512	10,033,744	7,749,821	2,304,985	1,004,230	2,986,578	2,816,237	4,006,536	8,087,769	50,826,255	35,748,371	(570,482)	290,505	100,298,738	77,917,273
30.1	**Segment assets**	31.3	171,469,624	149,931,036	16,212,254	18,331,780	51,179,788	50,438,332	10,285,328	9,717,738	20,762,948	21,511,837	64,441,007	52,584,967	218,504,678	215,840,970	2,021,875	2,121,371	554,877,502	520,478,031
30.2	**Unallocated assets**																		123,988,446	110,029,033
																			678,865,948	630,507,064
30.3	**Segment liabilities**	31.4	63,059,190	32,670,153	14,717,312	16,622,712	10,409,028	11,605,768	5,557,449	5,525,944	3,408,947	4,273,741	23,118,653	17,232,147	10,210,020	23,185,377	4,001,425	11,024,272	134,482,024	122,140,114
30.4	**Unallocated liabilities**																		258,357,760	254,447,051
																			392,839,784	376,587,165
30.5	**Depreciation and amortisation**		6,097,422	5,374,753	631,554	694,875	2,395,040	2,122,703	205,760	169,714	227,455	215,395	3,158,816	3,142,679	4,967,836	4,810,943	38,596	27,998	17,722,479	16,559,060
30.6	**Capital expenditure**		17,736,827	18,711,022	540,962	479,207	4,693,586	2,926,010	123,895	197,903	55,446	115,303	612,659	910,776	809,588	1,032,311	106,504	52,617	24,679,467	24,425,149

30.7 There were no major customers of the Group in excess of 10% or more of the Group's revenue.

31 RECONCILIATIONS OF REPORTABLE SEGMENTS REVENUE, COST OF SALES, ASSETS AND LIABILITIES

		Note	2024	2023
			(PKR in '000')	
31.1	**Gross revenue**			
	Gross revenue for reportable segments	30	491,890,389	462,083,938
	Elimination of inter-segment revenue		(2,526,942)	(2,624,773)
			489,363,447	459,459,165
31.2	**Cost of sales**			
	Total cost of sales for reportable segments	30	289,784,878	293,493,939
	Elimination of inter-segment purchases		(2,306,636)	(2,002,748)
			287,478,242	291,491,191
31.3	**Assets**			
	Total assets reported by the segments	30.1	554,877,502	520,478,031
	Less: Adjustments and elimination of inter-segment balances		19,204,323	22,147,670
	Total assets for reportable segments of the Group		535,673,179	498,330,361
	Unallocated assets included in:			
	- taxation receivable		163,398	193,198
	- cash and bank balances	20	41,963,878	38,939,424
	- intangibles - goodwill and brands		3,778,008	3,778,008
	- long term investments	9	78,083,162	67,118,403
			123,988,446	110,029,033
			659,661,625	608,359,394
31.4	**Liabilities**			
	Total liabilities reported by the segments	30.3	134,482,024	122,140,114
	Less: Adjustments and elimination of inter-segment balances		43,790,851	29,226,830
	Total liabilities for reportable segments of the Group		90,691,173	92,913,284
	Unallocated liabilities included in:			
	- short-term borrowings and running finance	28	69,878,771	67,043,227
	- long-term loans	23	135,735,208	144,866,872
	- deferred tax liability		24,021,758	19,225,117
	- provision for taxation		21,065,055	13,910,125
	- unclaimed dividend		59,148	50,115
	- accrued return		4,166,355	5,046,314
	- deferred government grant		3,412,709	4,305,281
			258,339,004	254,447,051
			349,030,177	347,360,335

32 COST OF SALES

	Note	Cement 2024	Cement 2023	Polyester 2024	Polyester 2023	Soda Ash 2024	Soda Ash 2023	Pharma 2024	Pharma 2023	Life Sciences & Chemicals 2024	Life Sciences & Chemicals 2023	Automobiles & mobile phones assembling 2024	Automobiles & mobile phones assembling 2023	Power Generation 2024	Power Generation 2023	Others 2024	Others 2023	Group 2024	Group 2023
		(PKR in '000')																	
Salaries, wages and benefits		3,541,239	3,024,796	876,521	754,178	1,648,536	1,606,460	605,696	504,296	293,011	275,640	-		452,131	403,636	21,699	18,124	7,438,833	6,587,130
Raw material consumed		5,534,490	3,876,534	31,633,252	31,931,014	12,455,393	10,948,021	3,074,912	4,543,060	6,917,360	7,936,566	77,429,931	66,899,115	27,013,519	51,212,982	1,326,205	1,216,464	165,385,062	178,563,756
Packing material	32.1	5,984,407	5,148,950	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,984,407	5,148,950
Fuel and power		52,958,060	47,273,474	4,057,101	3,664,854	14,951,375	17,320,196	321,921	222,541	168,867	85,422	-	-	1,077,732	600,335	300	512	73,535,356	69,167,334
Stores and spares consumed		3,133,951	2,087,830	333,592	300,610	610,494	467,910	157,426	135,141	60,222	54,253	-	-	-	-	43,046	37,082	4,338,731	3,082,826
Conversion fee paid to contract manufacturers		-	-	-	-	-	-	74,216	131,005	116,577	80,477	-	-	3,602,827	2,857,964	-	-	3,793,620	3,069,446
Repairs and maintenance		1,105,480	710,627	22,536	15,136	23,285	32,998	12,736	4,998	32,027	32,680	-	-	313,131	446,036	129	120	1,509,324	1,242,595
Depreciation and amortisation	6.2, 7.1 & 8.1	5,603,235	4,790,819	626,489	653,391	2,330,563	2,036,981	174,890	139,883	137,876	151,143	2,965,730	2,938,769	4,896,415	4,769,564	38,578	27,998	16,773,776	15,508,548
Insurance		196,148	144,328	28,791	27,569	78,860	43,005	6,115	3,800	4,651	2,509	-	-	1,555,996	1,424,970	740	624	1,871,301	1,646,805
Earth moving machinery charge		533,408	397,781	-	-	-	-	-	-	-	-	-	-	-	-	-	-	533,408	397,781
Vehicle running and maintenance		172,781	136,038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	172,781	136,038
Communication		14,901	12,768	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,901	12,768
Mess subsidy		13,620	10,584	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,620	10,584
Transportation		97,891	60,855	-	-	-	-	-	-	-	-	-	-	-	-	-	-	97,891	60,855
Travelling and conveyance		12,040	5,637	127,656	-	35,811	-	6,824	-	33,511	-	-	-	-	-	8	-	215,850	5,637
Rent, rates and taxes		29,630	48,210	2,524	2,284	9,343	9,903	1,591	1,455	1,190	943	-	-	-	-	385	420	44,663	63,215
Printing and stationery		4,777	4,571	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,777	4,571
Excise duty		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,282	-	14,282
Aggregate overheads - others		-	-	-	-	-	-	-	-	-	-	2,480,474	565,580	-	-	-	-	2,480,474	565,580
Other manufacturing expenses		325,797	237,978	523,808	461,944	696,275	576,074	66,501	53,926	269,002	81,018	-	-	599,708	410,477	1,760	1,893	2,482,851	1,823,310
		79,261,855	67,971,780	38,232,270	37,810,980	32,839,935	33,041,548	4,502,828	5,740,105	8,034,294	8,700,651	82,876,135	70,403,464	39,511,459	62,125,964	1,432,850	1,317,519	286,691,626	287,112,011
Work-in-process:																			
Opening	13	3,676,416	5,801,452	368,427	179,217	-	-	50,237	61,197	31,607	89,198	368,059	898,367	-	-	-	-	4,494,746	7,029,431
Closing	13	(6,665,615)	(3,676,416)	(326,431)	(368,427)	-	-	(147,989)	(50,237)	(9,165)	(31,607)	(591,210)	(368,059)	-	-	-	-	(7,740,410)	(4,494,746)
		(2,989,199)	2,125,036	41,996	(189,210)	-	-	(97,752)	10,960	22,442	57,591	(223,151)	530,308	-	-	-	-	(3,245,664)	2,534,685
Cost of goods manufactured		76,272,656	70,096,816	38,274,266	37,621,770	32,839,935	33,041,548	4,405,076	5,751,065	8,056,736	8,758,242	82,652,984	70,933,772	39,511,459	62,125,964	1,432,850	1,317,519	283,445,962	289,646,696
Finished goods:																			
Opening		984,679	659,332	2,127,023	1,170,947	1,866,471	41,118	625,301	476,282	3,616,173	2,588,120	5,865,281	7,952,646	-	-	-	-	15,084,928	12,888,445
Purchases		-	-	-	-	-	-	2,756,873	594,715	6,113,930	5,258,140	-	-	-	-	-	-	8,870,803	5,852,855
Closing		(736,965)	(984,679)	(2,342,565)	(2,127,023)	(1,195,479)	(1,866,471)	(391,231)	(625,301)	(3,324,441)	(3,616,173)	(9,833,722)	(5,865,281)	-	-	-	-	(17,824,403)	(15,084,928)
Provision for slow moving	13.3	-	-	17,272	-	-	-	66,157	48,282	124,159	142,589	-	-	-	-	-	-	207,588	190,871
		247,714	(325,347)	(198,270)	(956,076)	670,992	(1,825,353)	3,057,100	493,978	6,529,821	4,372,676	(3,968,441)	2,087,365	-	-	-	-	6,338,916	3,847,243
		76,520,370	69,771,469	38,075,996	36,665,694	33,510,927	31,216,195	7,462,176	6,245,043	14,586,557	13,130,918	78,684,543	73,021,137	39,511,459	62,125,964	1,432,850	1,317,519	289,784,878	293,493,939

32.1 These are net of duty draw back on export sales amounting to PKR 34.909 million (2023: PKR 22.398 million).

33. DISTRIBUTION COST

	Note	Cement		Polyester		Soda Ash		Pharma		Life Sciences & Chemicals		Automobiles & mobile phones assembling		Power Generation		Others		Group	
		2024	2023	2024	2023	2024	2023	2024	2023	2024 (PKR in '000')	2023	2024	2023	2024	2023	2024	2023	2024	2023
Salaries and benefits		478,564	400,552	86,907	79,914	65,353	66,875	856,431	681,458	1,053,633	967,603	143,681	113,308	-	-	-	-	2,684,569	2,309,710
Logistics and related charges		3,645,170	1,980,251	75,681	156,055	2,648,098	1,007,320	288,338	221,390	559,271	503,879		-	-	-	-	-	7,216,558	3,868,895
Loading and others		3,006,021	2,387,340	-	-	-	-	-	-	-	-		-	-	-	-	-	3,006,021	2,387,340
Communication		7,981	7,888	-	-	-	-	-	-	-	-		-	-	-	-	-	7,981	7,888
Travelling and conveyance		23,258	13,036	20,782	14,581	13,531	8,813	363,013	270,639	362,783	284,297	7,218	5,087	-	-	-	-	790,585	596,453
Printing and stationery		3,074	1,503	-	-	-	-	-	-	-	-	5,158	5,720	-	-	-	-	8,232	7,223
Insurance		52,157	50,940	-	-	-	-	15,251	9,350	32,181	21,264	5,620	6,083	-	-	-	-	105,209	87,637
Rent, rates and taxes		50,085	45,381	-	-	1,572	1,250	16,953	6,703	25,476	16,600	10,596	9,607	-	-	-	-	104,682	79,541
Utilities		10,227	8,549	-	-	4,134	3,148	6,404	5,046	21,382	27,239		-	-	-	-	-	42,147	43,982
Vehicle running and maintenance		77,246	58,244	-	-	-	-	-	-	-	-		-	-	-	-	-	77,246	58,244
Repairs and maintenance		30,983	36,013	224	136	2,434	1,404	10,295	8,407	26,065	19,638	5,191	5,166	-	-	-	-	75,192	70,764
Fees, subscription and periodicals		11,595	3,674	-	-	-	-	-	-	-	-	3,731	3,438	-	-	-	-	15,326	7,112
Advertisement and sales promotion		64,719	70,567	16,464	23,745	5,593	12,293	251,781	190,981	121,099	124,860	201,534	69,623	-	-	-	-	661,190	492,069
Entertainment		16,385	10,631	-	-	-	-	-	-	-	-		-	-	-	-	-	16,385	10,631
Security services		7,994	4,538	-	-	-	-	-	-	-	-		-	-	-	-	-	7,994	4,538
Depreciation and amortisation	6.2, 7.1 & 8.1	242,779	233,274	-	4,416	-	5,487	11,799	12,120	25,260	35,201	38,617	40,782	-	-	-	-	318,455	331,280
Provision for doubtful debt	14.5, 15 & 17.4	(1,041)	(693)	5,304	-	756	-	16,746	4,456	46,492	2,497	-	-	-	-	-		68,257	6,260
Other general expenses		46,688	15,206	47,733	22,857	12,581	10,602	90,494	74,717	173,569	123,236	208,437	11,431	-	-	-	-	579,502	258,049
		7,773,885	5,326,894	253,095	301,704	2,754,052	1,117,192	1,927,505	1,485,267	2,447,211	2,126,314	629,783	270,245	-	-	-	-	15,785,531	10,627,616

34. ADMINISTRATIVE EXPENSES

	Note	Cement 2024	Cement 2023	Polyester 2024	Polyester 2023	Soda Ash 2024	Soda Ash 2023	Pharma 2024	Pharma 2023	Life Sciences & Chemicals 2024	Life Sciences & Chemicals 2023	Automobiles & mobile phones assembling 2024	Automobiles & mobile phones assembling 2023	Power Generation 2024	Power Generation 2023	Others 2024	Others 2023	Group 2024	Group 2023
Salaries and benefits		1,022,315	876,003	81,382	82,577	851,321	934,295	244,906	173,147	289,356	301,835	574,724	453,234	227,187	178,341	310,026	16,217	3,601,217	3,015,649
Communication		15,603	12,290	1,363	1,405	7,764	7,823	12,526	10,756	5,495	5,300	20,634	22,879	8,918	4,193	71	39	72,374	64,685
Travelling and conveyance		74,110	48,544	7,644	3,846	27,892	14,964	28,658	6,297	10,412	6,979	28,871	20,346	16,435	19,652	65,472	29,030	259,494	149,658
Insurance		73,694	48,718	4,603	65	14,495	12,214	3,805	2,966	5,130	2,685	22,482	24,333	7,001	2,519	-	-	131,210	93,500
Rent, rates and taxes		27,013	23,946	1,391	1,155	2,227	126	2,686	5	396	13	42,386	38,429	32,812	21,973	35	112,536	108,946	198,183
Vehicle running and maintenance		89,391	70,781		-	-	-	-	-	-	-	-	-	8,004	8,582	-	-	97,395	79,363
Aircraft running and maintenance		94,255	89,704		-	-	-	-	-	-	-		-	-	-	-	-	94,255	89,704
Printing and stationery		18,346	18,928		-	-	-	-	-	-	-		-	2,076	1,203	-	-	20,422	20,131
Fees and subscription		55,529	54,462		-	-	-	-	-	-	-	-	-	27,957	26,783	-	-	83,486	81,245
Security services		14,013	9,855		-	-	-	-	-	-	-		-	-	38,787	-	-	14,013	48,642
Legal fee		125,771	94,404		-	-	-	-	-	-	-	97,954	54,277	175,568	53,505	-	-	399,293	202,186
Professional and advisory services		-	-		-	-	-	-	-	-	-	14,924	13,751	-	-	12,541	260	27,465	14,011
Utilities		35,278	18,521	6,193	-	-	-	26,724	-	25,226	-		-	5,046	3,342	-	-	98,467	21,863
Repairs and maintenance		168,283	119,416	142	100	18,313	15,637	9,567	6,726	5,575	3,009	20,764	20,662	-	-	10	-	222,654	165,550
Advertisement		3,623	5,093	481	316	35,076	59,719	6,503	2,242	6,591	7,942		-	-	-	-	-	52,274	75,312
Auditors' remuneration	34.1	16,052	5,856		-	-	-	-	-	-	-	2,500	2,398	8,226	5,058	12,357	15,120	39,135	28,432
Depreciation and amortisation	6.2, 7.1 & 8.1	227,833	261,647	5,065	37,068	64,477	80,235	19,071	17,711	64,319	29,051	154,469	163,128	71,421	41,379	19	-	606,674	630,219
Training cost		25,428	28,232		-	-	-	-	-	-	-	-	-	-	-	-	-	25,428	28,232
Bank charges		30,736	14,565		-	-	-	-	-	-	-	-	-	-	-	316	232	31,052	14,797
Other general expenses		43,409	24,613	22,514	44,440	244,680	208,555	162,695	204,684	61,567	128,929	833,747	45,726	26,118	137	272,994	32,690	1,667,724	689,774
		2,160,682	1,825,578	130,778	170,972	1,266,245	1,333,568	517,141	424,534	474,067	485,743	1,813,455	859,163	616,769	405,454	673,841	206,124	7,652,978	5,711,136

		Note	2024	2023
			(PKR in '000')	
34.1	**Auditors' remuneration**			
	The Holding Company			
	Statutory audit fee			
	- standalone		2,989	2,599
	- consolidated financial statements		706	614
	Half yearly review fee		706	614
	Fee for the review of compliance with the Code of Corporate Governance and Shariah Governance Regulations, 2023 / 2018		371	323
	Tax and other services		9,933	384
			14,705	4,534
	Out of pocket expenses and government levies		1,347	1,322
			16,052	5,856
	Subsidiaries (multiple audit firms)			
	Statutory audit fee		10,578	13,613
	Half yearly review and other certifications		3,320	2,899
	Other certifications		1,694	1,614
	Others		5,662	3,298
			21,254	21,424
	Out of pocket expenses and government levies		1,829	1,152
			39,135	28,432
35.	**FINANCE COST**			
	Mark-up on long term and short term borrowings		35,358,887	29,746,992
	Accretion of interest on lease liabilities	8	29,993	24,913
	Discounting charges on receivables		181,813	85,056
	Bank charges and commission		22,776	21,778
	Guarantee fee and others		1,105,038	762,156
			36,698,507	30,640,895
36.	**OTHER EXPENSES**			
	Workers' Profit Participation Fund	27.3	1,784,675	1,489,569
	Workers' Welfare Fund		600,806	359,360
	Donations and scholarships	36.1 & 36.2	1,288,879	1,221,630
	Exchange loss - net		–	1,055,628
	Others		225	267
			3,674,585	4,126,454

36.1 These include donations amounting to PKR 762.374 million (2023: PKR 609.643 million) to Aziz Tabba Foundation (ATF), a not-for-profit organization registered under section 42 of the Companies Ordinance, 1984 (now the Companies Act, 2017). Mr. Muhammad Sohail Tabba, Chairman of the Board of Directors of the Holding Company, is the Director of ATF and Mr. Muhammad Ali Tabba, the Chief Executive of the Holding Company, is the Director of ATF. Further, Mr. Muhammad Jawed Tabba and Mrs. Mariam Tabba Khan, the Directors of the Holding Company, are also Directors of ATF.

36.2 These include charge in respect of donation to Lucky Core Foundation (LCF) (Head office, Karachi). Mr. Asif Jooma, Chief Executive Officer of LCI, Mr. Aamer Mahmud Malik, Mr. Nauman Afzal, Mr. Muhammad Umer Mushtaq, Ms. Laila Bhatia Bawany, Mr. Muhammad Farrukh Rasheed and Mr. Atif Aboobukar, Executives of LCI are amongst the Trustees of the Foundation.

	Note	2024	2023
		(PKR in '000')	
37 OTHER INCOME			
Income from non-financial assets			
Gain on disposal of property, plant and equipment	6.4	287,308	174,498
Gain from sale of electricity		2,761	329,364
Sale of scrap		304,326	319,219
Others		251,672	187,584
		846,067	1,010,665
Income from financial assets			
Dividends		7,605,307	2,007,336
Fee for Technical Services		2,222,943	1,791,025
Exchange gain		423,981	–
Return from deposits with Islamic bank and other financial institutions		5,087,072	4,469,134
		15,339,303	8,267,495
		16,185,370	9,278,160

38 DISCONTINUED OPERATIONS

38.1 On September 16, 2022, LCI entered into a Share Purchase Agreement (SPA) with Morinaga Milk Industry Co. Ltd Japan (Morinaga Milk) for partial divestment of its 26.5% shareholding in NutriCo Morinaga at an aggregate sale price of USD 45,082,657 (approximately USD 2.07 per share) equivalent to PKR 11,902 million. Prior to this transaction, LCI held 51% shareholding in NutriCo Morinaga. The transaction was approved by shareholders of LCI in the Annual General Meeting dated September 27, 2022 and by the Competition Commission of Pakistan on December 8, 2022. The transaction was concluded on January 27, 2023, after which NutriCo Morinaga ceased to be treated as a subsidiary of LCI. LCI continues to hold approximately 24.5% of the share capital of NutriCo Morinaga and NutriCo Morinaga is treated as an associate.

38.2 An analysis of assets and liabilities attributable to discontinued operation as at January 27, 2023 is as follows:

	As at January 27, 2023 (PKR in '000')
Assets attributable to discontinued operations	
Property & equipment	5,142,703
Intangible assets and goodwill	7,773,796
Long-term loans	25,259
Long-term deposits and prepayments	195
Stores, spares and consumables	57,779
Stock-in-trade	4,315,912
Trade debts	1,073,584
Loans and advances	245,186
Trade deposits and short-term prepayments	300,461
Other receivables	1,862,121
Taxation - net	452,720
Cash and bank balances	32,728
Total assets	21,282,444
Liabilities associated with discontinued operations	
Long-term loan	1,316,330
Trade & other payables	5,109,313
Short-term running finance	2,584,247
Current portion of long term loans	448,103
Deferred tax liability	1,022,700
Total liabilities	10,480,693
Net assets attributable to discontinued operations	10,801,751

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For the year ended June 30, 2024

38.3 Financial performance of discontinued operations was as follows:

	For the period from July 1, 2022 to January 27, 2023 (PKR in '000')
Turnover - net	8,536,961
Cost of sales	(6,531,073)
Gross Profit	2,005,888
Selling and distribution expenses	(522,791)
Administrative and general expenses	(159,828)
Operating profit	1,323,269
Other charges	(882)
Financial charges	(373,892)
Exchange loss - net	(294,777)
Other income	9,602
Profit before taxation	663,320
Taxation	(218,899)
Profit after taxation	444,421
Gain on partial disposal of Nutrico Morinaga (Private) Limited	17,150,672
Workers' Welfare Fund	(196,843)
Taxation	(7,306,049)
	10,092,201

38.4 Cash flows attributable to discontinued operations:	
Net cash generated from operating activities	341,898
Net cash generated from investing activities	4,745
Net cash used in financing activities	(616,552)
Net cash used in discontinued operations	(269,909)

	Note	2024 (PKR in '000')	2023
39. LEVY AND TAXATION			
Levy	39.1	1,798,556	835,330
Taxation	39.2	17,965,025	12,047,113
Net levy and tax charged		19,763,581	12,882,443

39.1 This represents final taxes paid under sections 150 and 154 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

	2024 (PKR in '000')	2023
39.2 Taxation		
- current tax	13,135,997	7,718,602
- deferred tax	4,829,028	4,328,511
	17,965,025	12,047,113

39.3 Relationship between income tax expense and accounting profit:

	2024	Restated 2023
	(PKR in '000')	
Profit before income tax	90,301,772	61,492,280
Tax at the applicable tax rate of 29%	26,187,514	18,075,007
Tax effect of exempt income	(7,520,286)	(4,240,025)
Provision of super tax	3,972,712	2,645,693
Tax effect under lower rate of tax	(5,453,521)	(1,714,419)
Impact of change in tax ratio / rate	1,499,315	1,262,000
Others	(720,709)	(3,981,143)
	17,965,025	12,047,113

40. EARNINGS PER SHARE - basic and diluted

There is no dilutive effect on the basic earnings per share of the Holding Company, which is based on:

	Note	2024	2023
Profit attributable to owners of the Holding Company (PKR in thousands)		65,555,505	48,758,341
Weighted average number of ordinary shares (in thousands)	40.1	297,296	318,749
Basic and diluted earnings per share - PKR		220.51	152.97

	Note	2024	2023
		(PKR in '000')	
40.1 Weighted average number of ordinary shares			
Outstanding number of shares before own shares purchased		311,839	323,375
Less: Impact of own shares purchased during the year	40.2	(14,543)	(4,626)
		297,296	318,749

40.2 During the year, the Holding Company purchased 20.375 million of its own ordinary shares of PKR 10 during the second buy-back of share for the period from June 20, 2023 to November 20, 2023. The purchase was made pursuant to special resolution passed in the Extraordinary General Meeting held on May 24, 2023.

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	Note	2024	Restated 2023
		(PKR in '000')	
41. CASH GENERATED FROM OPERATIONS			
Profit before taxation		90,301,772	61,492,280
Profit before taxation - discontinued operations		–	17,617,149
		90,301,772	79,109,429
Adjustments for non cash charges and other items			
Levy	39	1,798,556	835,330
Depreciation and amortisation	6.2, 7.1 & 8.1	17,722,480	16,752,061
Reversal of provision for slow moving spares	12	(83,238)	(17,320)
Provision for slow moving and obsolete stocks	13.3	207,588	190,871
Provision for doubtful trade debts, advances and other receivables	14.5	68,257	6,260
Gain on partial disposal of NutriCo Moringaa (Private) Limited	38.3	–	(17,150,672)
Gain on disposal of operating fixed assets	37	(287,308)	(174,498)
Provision for staff gratuity	26.1.1	891,703	829,676
Share of profit - joint venture and associates	9.9	(16,209,618)	(10,521,551)
Dividend income	37	(7,605,307)	(2,007,336)
Return from deposits with Islamic banks and other financial institutions	37	(5,087,072)	(4,469,134)
Finance cost	35	36,698,507	30,640,895
Profit before working capital changes		118,416,320	94,024,011
(Increase) / decrease in current assets			
Stores, spares and consumables		(2,143,030)	(8,102,661)
Stock-in-trade		(19,596,239)	18,854,603
Trade debts		(7,723,114)	(24,619,834)
Loans and advances		(246,954)	21,060
Trade deposits and short-term prepayments		(25,842)	(5,535,261)
Other receivables		(3,034,042)	2,577,679
		(32,769,221)	(16,804,414)
Increase in current liabilities			
Trade and other payables		504,471	6,788,039
		86,151,570	84,007,636
41.1 Cash and cash equivalents			
Cash and bank balances	20	41,963,878	38,939,424
Short-term borrowings and running finance	28	(9,216,926)	(13,121,068)
Short-term investments	19	44,876,389	44,186,359
		77,623,341	70,004,715

42 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

42.1 Aggregate amounts charged in these consolidated financial statements are as follows:

	Chief Executive of the Holding Company		Executives (note 42.6)		Total	
	2024	2023	**2024**	2023	**2024**	2023
			(PKR in '000')			
Managerial remuneration	90,000	90,000	6,648,500	5,455,352	6,738,500	5,545,352
Other benefits	–	15,000	–	–	–	15,000
Charge for defined benefit obligation & contribution plans	7,500	50,000	933,377	700,009	940,877	750,009
	97,500	155,000	7,581,877	6,155,361	7,679,377	6,310,361
Number of persons	1	1	1449	1185	1450	1186

42.2 Managerial remuneration includes bonus amounting to PKR 711.114 million (2023: PKR 741.114 million) paid in accordance with the Group's policy.

42.3 In addition to the above, the chief executive, directors and some executives are provided with the Group maintained cars and other benefits as per the Group's policy.

42.4 No remuneration has been paid to directors during the year except as disclosed in note 42.5 below.

42.5 An amount of PKR 7.375 million was paid to 7 non-executive directors and PKR 0.844 million was paid to 1 executive director during the current year as the fee for attending board meetings (2023: PKR 5.719 million was paid to 7 non-executive directors and PKR 0.656 million was paid to 1 executive director).

42.6 Executives as mentioned above include Chief Executive Officers of subsidiaries.

43. RELATED PARTIES

43.1 Following are the related parties with whom the Group had entered into transactions during the year:

43.1.1

S No.	Name of related parties	Relationship	Direct Shareholding % in the Holding Company
1	Lucky Energy (Private) Limited	Associated Company	3.9200%
2	Yunus Textile Mills Limited	Associated Company	7.7900%
3	Lucky Textile Mills Limited	Associated Company	Nil
4	Gadoon Textile Mills Limited	Associated Company	Nil
5	Lucky Paragon ReadyMix Limited	Associated Company	Nil
6	Lucky One (Private) Limited	Associated Company	Nil
7	Lucky Knits (Private) Limited	Associated Company	Nil
8	Lucky Foods (Private) Limited	Associated Company	Nil
9	Lucky Commodities (Private) Limited	Associated Company	Nil
10	Aziz Tabba Foundation	Associated Company	Nil
11	Lucky Air (Private) Limited	Associated Company	Nil
12	Energas Terminal (Private) Limited	Associated Company	Nil
13	Nyumba Ya Akiba S.A.	Associated Company	Nil

43.1.1 Continued

S No.	Name of related parties	Relationship	Direct Shareholding % in the Holding Company
14	Lucky Al Shumookh Holdings Limited	Associated Company	Nil
15	Al Mabrooka Cement Manufacturing Company Limited	Associated Company	Nil
16	Nyumba Ya Akiba S.A.	Associated Company	Nil
17	YB Holdings (Private) Limited	Associated Company	Nil
18	Lucky Landmark (Private) Limited	Associated Company	Nil
19	Yunus Energy Limited	Associated Company	Nil
20	YB Pakistan Limited	Associated Company	2.5100%
21	NutriCo Morinaga (Private) Limited	Associated Company	Nil
22	Lucky Core Foundation	Associated company	Nil
23	Lahore University of Management Sciences	Associated company	Nil
24	Child Life Foundation	Associated company	Nil
25	Pakistan Business Council	Associated company	Nil
26	Global Commodities Limited	Associated company	Nil
27	Tabba Kidney Institute	Associated company	Nil
28	Tabba Heart Institute	Associated company	Nil
29	National Bank of Pakistan	Associated company	0.2800%
30	Systems Limited	Associated company	Nil
31	Bank Al Habib Limited	Associated company	Nil
32	Siemens (Pakistan) Engineering Company Limited	Associated company	Nil
33	The Kidney Centre Institute	Associated company	Nil
34	International Industries Limited	Associated company	Nil
35	Lucky Landmark (Private) Limited	Associated company	Nil
36	Tariq Glass Industries Limited	Associated company	Nil
37	Lucky Landmark (Pvt.) Limited	Associated Company	Nil
38	Lucky Entertainment (Pvt). Limited	Associated Company	Nil
39	Lucky Renewables	Associated Company	Nil
40	Arabian Sea Country Club Limited	Equity investment	Nil
41	Mr. Muhammad Ali Tabba	Director	2.9600%
42	Mr. Muhammad Sohail Tabba	Director	5.6000%
43	Mr. Jawed Yunus Tabba	Director	7.6700%
44	Ms. Mariam Tabba Khan	Director	1.5900%
45	Mr. Khawaja Iqbal Hassan	Director	0.0043%
46	Mr. Masood Karim Shaikh	Director	Nil
47	Mr. Shabbir Hamza Khandwala	Director	Nil
48	Mr. Muhammad Hassan Tabba	Key management personnel	Nil
49	Mr. Muhammad Atif Kaludi	Key management personnel	0.0119%
50	Mr. Intisar ul Haq Haqqi	Key management personnel	Nil
51	Mr. Ruhail Muhammad	Key management personnel	0.0085%
52	Mr. Muhammad Faisal	Key management personnel	Nil
53	Mr. Yasser Aleem Sattar	Key management personnel	0.0036%
54	Mr. Rahil Rawji	Key management personnel	Nil
55	Mr. Sulaiman Mehdi	Key management personnel	Nil
56	Ms. Saima Sohail	Spouse of director	2.0700%
57	Ms. Feroza Tabba	Spouse of director	0.2200%
58	Mr. Ikram Hussain Khan	Spouse of director	0.0100%
59	Ms. Zulekha Tabba Maskatiya	Spouse of director	1.5900%
60	LEPCL Staff Gratuity Fund	Staff retirement benefit funds	Nil
61	Lucky Core Management Staff Provident Fund	Staff retirement benefit funds	0.0159%

43.1.1 Continued

S No.	Name of related parties	Relationship	Direct Shareholding % in the Holding Company
62	Lucky Core Management Staff Pension Fund	Staff retirement benefit funds	0.0140%
63	Lucky Core Management Staff Gratuity Fund	Staff retirement benefit funds	0.0073%
64	Lucky Core Management Staff Defined Contribution Superannuation Fund	Staff retirement benefit funds	Nil
65	Lucky Core Non-Management Staff Provident Fund	Staff retirement benefit funds	Nil
66	LMC Staff Gratuity Fund	Staff retirement benefit funds	Nil
67	Mr. Syed Noman Hasan	Key management personnel	0.0003%
68	Mr. Amin Ganny	Key management personnel	0.0016%
69	Mr. Ali Shahab	Key management personnel	Nil
70	Mr. Raeel Muhammad Rafique	Key management personnel	Nil
71	Mr. Ahmed Waseem Khan	Key management personnel	Nil
72	Mr. Muhammad Shabbir	Key management personnel	Nil
73	Mr. Mashkoor Ahmed	Key management personnel	Nil
74	Mr. Zahir Shah	Key management personnel	Nil
75	Mr. Waqas Abrar Khan	Key management personnel	Nil
76	Mr. Muhammad Safdar Ashraf Malik	Key management personnel	Nil
77	Mr. Mian Yaseer Sulaiman	Key management personnel	Nil
78	Mr. Asif Jooma	Key management personnel	0.0160%
79	Mr. Muhammad Umer Mushtaq	Key management personnel	Nil
80	Mr. Atif Aboobukar	Key management personnel	Nil
81	Mr. Nauman Afzal	Key management personnel	Nil
82	Mr. Atif Siddiqui	Key management personnel	Nil
83	Mr. Aamer Mahmud Malik	Key management personnel	Nil
84	Mr. Muhammad Farrukh Rasheed	Key management personnel	Nil
85	Mr. Rizwan Afzal Chaudhary	Key management personnel	Nil
86	Ms. Laila Bhattia Bawany	Key management personnel	Nil
87	Mr. Eqan Ali Khan	Key management personnel	Nil
88	Mr. Syed Muhammad Shabbar Zaidi	Key management personnel	Nil
89	Mr. Ariful Islam	Key management personnel	0.0064%
90	Mr. Adnan Afridi	Key management personnel	Nil
91	Ms. Amina Abdul Aziz Bawany	Key management personnel	Nil
92	Mr. Ahsan Abdul Qayoom	Key management personnel	Nil
93	Mr. Zulfiqar Ali Rana	Key management personnel	Nil
94	Mr. Naeem Kasbati	Key management personnel	Nil
95	Mr. Abul Fazal Rizvi	Key management personnel	Nil
96	Mr. Muhammad Asad	Key management personnel	Nil
97	Mr. Moiz Saifuddin	Key management personnel	Nil
98	Ms. Beena Tauseef Shaha	Key Management Personnel	Nil
99	Adamjee Yaqoob	Key Management Personnel	Nil
100	Syed Ebad Ali Naqvi	Key Management Personnel	Nil
101	Mr. Hak Hee Kim	Key management personnel	Nil
102	Mr. Muhammad Omer Emran	Key management personnel	Nil
103	Mr. Muhammad Zeeshan Mehdi	Key management personnel	Nil
104	Mr. Babar Salim	Key management personnel	Nil
105	Mr. Imran Latif Rawn	Key management personnel	Nil
106	Mr. Faisal Rahman Atique	Key management personnel	Nil
107	Ms. Nida Khan	Key management personnel	Nil
108	Mr. Bilal Ahmed Javeri	Key management personnel	Nil

43.2 Balances and Transactions with Related Parties

Related parties include associated entities, directors and their close family members and other key management personnel. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these consolidated financial statements, are as follows:

	2024	2023
	(PKR in '000')	
Transactions with directors and their close family members		
Sales	–	544
Meeting Fee	15,031	10,437
Dividend paid	2,358,135	–
Transactions with associates		
Sales	7,522,702	5,664,610
Purchase of goods, materials and services	727,899	3,511,689
Reimbursement of expenses to the Group	106,995	59,067
Reimbursement of expenses from the Group	51,169	45,132
Donation and Charity	1,091,160	669,514
Services rendered	20,471	15,865
Dividends paid	2,807,233	663,858
Dividend received	2,635,640	5,494,722
Investment made	477,888	–
Loan obtained from Joint Venture	5,452,034	5,608,451
Transactions with key management personnel		
Salaries and benefits	1,771,580	1,404,204
Dividends	44,827	59,187
Post employment benefits	138,126	166,121
Sales	621	–
Staff retirement benefits		
Contribution paid	318,984	507,700

The outstanding balances with related parties are disclosed in notes 10 and 14 to these consolidated financial statements.

43.3 Except as disclosed elsewhere in these consolidated financial statements, there are no transactions with key management personnel outside the terms of their employment.

44. PRODUCTION CAPACITY

In metric tonnes except Power Generation which is in megawatt hours and Vehicles and Electronics which are in units:

	Note	2024		2023	
		Annual Name Plate Capacity	Production	Annual Name Plate Capacity	Production
Cement	44.1	15,300,000	7,476,465	15,300,000	7,059,899
Clinker	44.1	14,535,000	8,158,114	14,535,000	6,235,310
Polyester		122,250	111,507	122,250	124,866
Soda Ash	44.2 & 44.3	560,000	544,572	560,000	512,002
Sodium Bicarbonate	44.2 & 44.3	54,000	47,250	54,000	42,150
Power Generation	44.4	5,452,771	1,723,095	5,438,208	3,362,969
Vehicles	44.5	50,000-60,000	5,931	50,000-60,000	10,264
Electronics	44.5	3,000,000	753,457	3,000,000	489,957

44.1 The utilisation rates for cement and clinker production capacities stand at 48.87% and 56.13% respectively of the total installed capacities. The production was sufficient to meet the demand.

44.2 Out of total production of 544,572 metric tonnes (2023: 512,002 metric tonnes) soda ash, 42,525 metric tonnes (2023: 37,935 metric tonnes) was transferred for production of 47,250 metric tonnes (2023: 42,150 metric tonnes) of Sodium Bicarbonate.

44.3 The capacity of Chemicals, Pharma, Animal Health and Nutraceuticals segment is indeterminable because these are multi-product with multiple dosage and multiple pack size plants. The production was sufficient to meet the demand.

44.4 This comprises power generation capacity and production of LCI PowerGen and LEPCL. Electricity is produced by LCI PowerGen as per demand of LCI and LEPCL as per authority's directive.

44.5 The automobile sector is experiencing a decline in volumes, mainly due to currency fluctuations, introduction of additional taxes on automobiles, high-interest rates, stricter auto financing regulations by the State Bank of Pakistan (SBP), and rising inflation and fuel prices.The sector observed an overall volume decline as compared to last year. The production of vehicles and electronics was sufficient to meet their respective demands.

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to market risk (including return rate risk, currency risk and other price risk), credit risk and liquidity risk. The Group's finance and treasury departments oversee the management of these risks. The Group's financial risk-taking activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Group's policies and risk appetite. No changes were made in the objectives, policies or processes and assumptions during the year ended June 30, 2024. The policies for managing each of these risk are summarized below:

45.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: return and interest rate risk; currency risk and other price risk.

45.1.1 Return and interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates.

Majority of the interest rate risk of the Group arises from long term loans and mark-up bearing deposits held with a bank. Long term loans at variable interest rates expose the Group to cash flow interest rate risk and deposits with bank at fixed interest rates give rise to fair value interest rate risk.

At June 30, 2024, if the interest rate on the Group's loans had been higher / lower by 100 basis points with all other variables held constant, the Group's profit before tax for the year would have been lower / higher by, approximately PKR 1,700 million (2023: approximately PKR 1,800 million).

45.1.2 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group is exposed to the currency risk where transactions are done in foreign currency.

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As at the reporting date, if Pakistan Rupee depreciated / appreciated by 1% against USD, CNY, Euro, GBP and JPY, with all other variables held constant, the Group's profit before tax would have been lower / higher by PKR 725.055 million (2023: PKR 698.734 million) as a result of exchange gain / (loss) on translation of foreign currency denominated financial instruments.

45.1.3 Other price risk

Other price risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market prices. The Group does not carry material financial assets exposed to other price risk.

45.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail to perform as contracted. The Group manages credit risk by limiting significant exposure to any individual customers by obtaining advance against sales. As of the reporting date, the Group is exposed to credit risk on the following assets:

As of the reporting date, the Group is exposed to credit risk on the following assets:

	Note	2024	2023
		(PKR in '000')	
Financial assets carried at:			
Amortised cost			
Long-term loans	10	872,157	606,527
Long-term deposits	11	100,655	94,898
Trade debts	14	67,727,487	59,903,590
Loans	15	486,224	684,546
Trade deposits	16	4,782,396	5,939,293
Other receivables	17	5,409,894	5,657,682
Accrued return		35,076	100,097
Short-term investments	19	–	700,000
Bank balances	20	41,867,159	36,078,788
		121,281,048	109,765,421
At fair value through other comprehensive income			
Short-term investment - 1,769,940 shares of PSX (2023: 1,769,940 shares of PSX)	19	22,673	13,098
At fair value through profit or loss			
Short-term investment - units of mutual funds	19	44,876,389	43,486,359
		44,899,062	43,499,457
		166,180,110	153,264,878

Credit quality of financial assets

The credit quality of financial assets can be assessed by reference to external credit rating agencies or the historical information about counter party default rates as shown below:

The Group has placed its funds with banks which are rated A1, A1+, A3, AA3 and P1 as per the short term ratings by PACRA/ Moody's and JCR-VIS.

Short-term investments amounting to PKR 44,899.06 million (2023: PKR 44,199.4 million) are held in mutual funds rated not below AA.

Margin held in bank amounting to PKR 3,983.717 million (2023: PKR 3,520.784 million) are held in banks rated not below A1+.

Other receivables mainly include amount receivable in connection with electricity supply for which the Group considers risk to be minimal.

45.3 Liquidity risk

Liquidity risk reflects the Group's inability in raising funds to meet commitments. Management closely monitors the Group's liquidity and cash flow position. This includes maintenance of liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customers.

As of the reporting date, the Holding Company has unavailed credit facilities aggregating PKR 32,861 million (2023: PKR 42,198 million) out of the total facilities of PKR 76,145 million (2023: PKR 78,709 million), which are secured by hypothecation on certain assets of the Holding Company. These facilities include financing arranged for expected capital expenditure in respect of the Holding Company's plan to increase the production capacity of its cement segment. Further, due to the financial strength of the Group, the related obligations shall be settled as they mature and therefore the guarantees issued by the Group (note 29.2) are not expected to be called.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	Within 1 year	1 to 10 years	Total
		(PKR in '000')	
June 30, 2024			
Long-term loans	11,567,233	127,580,684	139,147,917
Long-term deposits and other liabilities	–	9,291,073	9,291,073
Lease liabilities	38,547	157,478	196,025
Short-term borrowings and running finance	69,878,771	–	69,878,771
Trade and other payables	58,663,643	–	58,663,643
Accrued return	4,166,355	–	4,166,355
Unclaimed dividend	59,148	–	59,148
	144,313,697	137,029,235	281,402,932
June 30, 2023			
Long-term loans	9,009,157	140,162,996	149,172,153
Long-term deposits and other liabilities	–	9,532,879	9,532,879
Lease liabilities	80,807	29,064	109,871
Short-term borrowings and running finance	67,043,227	–	67,043,227
Trade and other payables	56,609,851	–	56,609,851
Accrued return	5,046,314	–	5,046,314
Unclaimed dividend	50,115	–	50,115
	137,839,471	149,724,939	287,564,410

Notes to the Consolidated Financial Statements

For the year ended June 30, 2024

46. CAPITAL RISK MANAGEMENT

The primary objective of the Group's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximise shareholders' value and reduce the cost of capital.

The Group manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, purchase it's own shares or issue new shares. No changes were made in the objectives, policies and processes during the year ended June 30, 2024.

The gearing ratios as at June 30, 2024 and 2023 were as follows:

	Note	2024	2023
		(PKR in '000')	
Long-term finance	23 & 25	127,580,684	140,162,996
Accrued return		4,166,355	5,046,314
Short-term borrowings and running finance	28	69,878,771	67,043,227
Current portion of long-term finance	23	11,567,233	9,009,157
Total debt		213,193,043	221,261,694
Share capital	21	2,930,000	3,118,386
Reserves	22	270,695,520	224,365,635
Equity		273,625,520	227,484,021
Capital		486,818,563	448,745,715
Gearing ratio		43.79%	49.31%

47. FAIR VALUES OF FINANCIAL INSTRUMENTS

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. Investment in associates are carried using equity method. The carrying values of all other financial assets and liabilities reflected in these consolidated financial statements approximate their fair values.

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Inputs for the asset or liability that are not based on observable market data (level 3).

	Level 1	Level 2	Level 3	Total
		(PKR in ‘000’)		
Assets				
Financial assets				
- Short-term investments				
As at June 30, 2024	22,673	44,876,389	-	44,899,062
As at June 30, 2023	13,098	43,486,359	-	43,499,457

There were no transfers amongst levels during the year.

48. NUMBER OF EMPLOYEES

The total number of persons employed as at the year end date and the average number of employees during the year are as follows:

	2024	2023
Number of employees as at June 30	7,092	7,236
Average number of employees during the year	7,146	7,073

49. SUBSEQUENT EVENT

49.1 The Board of Directors in its meeting held on August 8, 2024 has recommended a final dividend of PKR 15/- per share for the year ended June 30, 2024. These consolidated financial statements do not reflect the effect of dividend payable.

50. GENERAL

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

50.2 Corresponding figures and balances have been rearranged and / or reclassified, where considered necessary, for the purpose of comparison and better presentation the effects of which are not material.

51. DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorised for issue on August 8, 2024 by the Board of Directors of the Holding Company.

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive

Atif Kaludi
Chief Financial Officer

Pattern of Shareholding

AS AT JUNE 30, 2024

No of Shareholders	Shareholding From	Shareholding To	Total Shares Held
3602	1	100	125,657
1711	101	500	487,072
2598	501	1000	1,563,639
951	1001	5000	2,287,044
238	5001	10000	1,761,909
118	10001	15000	1,489,059
73	15001	20000	1,272,120
50	20001	25000	1,122,592
35	25001	30000	970,556
24	30001	35000	793,486
21	35001	40000	784,457
14	40001	45000	603,586
14	45001	50000	674,500
8	50001	55000	427,319
4	55001	60000	232,386
6	60001	65000	379,943
3	65001	70000	202,388
4	70001	75000	288,609
4	75001	80000	311,782
5	80001	85000	417,976
6	85001	90000	527,614
4	90001	95000	366,390
2	95001	100000	195,300
3	100001	105000	312,202
3	105001	110000	320,589
3	110001	115000	336,892
1	115001	120000	118,500
1	120001	125000	124,000
3	130001	135000	399,083
1	135001	140000	135,500
5	140001	145000	710,838
2	150001	155000	304,581
5	155001	160000	785,535
1	160001	165000	163,700
4	165001	170000	672,748
2	170001	175000	344,957
4	175001	180000	712,698
1	185001	190000	187,360
2	195001	200000	397,500
1	200001	205000	201,742
3	205001	210000	621,640
1	215001	220000	217,819
1	220001	225000	222,100

No of Shareholders	Shareholding From	To	Total Shares Held
2	225001	230000	452,008
2	230001	235000	465,161
3	245001	250000	749,350
2	250001	255000	504,197
2	255001	260000	516,634
2	265001	270000	537,000
2	270001	275000	546,748
4	285001	290000	1,154,526
2	300001	305000	606,362
2	310001	315000	625,908
1	315001	320000	320,000
1	325001	330000	328,326
1	330001	335000	333,275
1	340001	345000	340,502
1	350001	355000	355,000
2	360001	365000	723,576
1	370001	375000	373,025
1	390001	395000	392,479
1	400001	405000	405,000
1	415001	420000	417,750
1	420001	425000	424,659
2	430001	435000	867,507
1	440001	445000	441,360
2	445001	450000	895,079
1	450001	455000	453,900
1	475001	480000	475,926
1	490001	495000	494,136
1	505001	510000	509,027
2	520001	525000	1,042,582
1	545001	550000	549,400
1	560001	565000	563,124
1	590001	595000	593,307
1	605001	610000	606,081
1	635001	640000	635,292
1	640001	645000	645,000
1	660001	665000	665,000
1	665001	670000	667,535
1	670001	675000	672,028
1	680001	685000	685,000
1	685001	690000	685,756
1	705001	710000	710,000
1	725001	730000	726,417
1	750001	755000	751,974

Pattern of Shareholding

AS AT JUNE 30, 2024

No of Shareholders	Shareholding From	Shareholding To	Total Shares Held
1	800001	805000	801,818
2	805001	810000	1,614,001
1	845001	850000	846,000
1	1000001	1005000	1,000,696
1	1020001	1025000	1,023,178
1	1030001	1035000	1,034,873
1	1120001	1125000	1,124,284
2	1195001	1200000	2,399,262
1	1235001	1240000	1,236,639
1	1315001	1320000	1,315,713
1	1505001	1510000	1,509,623
1	1545001	1550000	1,547,006
1	1640001	1645000	1,644,124
1	1725001	1730000	1,726,500
1	2035001	2040000	2,035,174
1	2280001	2285000	2,283,225
1	2980001	2985000	2,983,687
1	3860001	3865000	3,860,842
3	4665001	4670000	13,998,501
2	6065001	6070000	12,140,000
1	7355001	7360000	7,355,498
1	7955001	7960000	7,956,138
1	8685001	8690000	8,687,332
1	8955001	8960000	8,958,351
1	9455001	9460000	9,457,594
1	9755001	9760000	9,758,400
1	11480001	11485000	11,482,875
2	16405001	16410000	32,816,956
1	22475001	22480000	22,478,477
2	22800001	22805000	45,606,058
1	22830001	22835000	22,834,890
9,640			**293,000,000**

Shareholders' Category

AS AT JUNE 30, 2024

Shareholders' Category	Number of Shareholders	Number of Shares Held	Percentage %
Director, Chief Executive Officer and their			
Spouse and minor children:			
- Directors	6	43,565,636	14.87
- Spouses	3	6,732,000	2.30
- Chief Executive officer	1	8,687,332	2.96
- Sponsors	7	72,027,573	24.58
- Executives	4	40,605	0.01
Associated companies. Undertakings and related parties	5	74,234,692	25.34
NIT & ICP	8	2,289,138	0.78
Banks. Development Financial Institutions,			
Non Banking Financial Institutions	24	4,734,526	1.62
Insurance Companies	21	2,906,466	0.99
Modarbas	4	35,424	0.01
Mutual Funds	74	10,433,367	3.56
Shareholders holding 10% or more	–	–	–
General Public:			
(a) Local	9,237	36,684,533	12.53
(b) Foreign	77	26,845,083	9.16
Others (To Be Specified)	169	3,783,625	1.29
Total	**9,640**	**293,000,000**	**100**

NIT & ICP			
CDC - TRUSTEE NATIONAL	1	1,000,696	0.34
CDC - TRUSTEE NIT-EQUITY	1	807,636	0.28
CDC - TRUSTEE NIT ISLAMIC	1	271,748	0.09
NATIONAL BANK OF PAKISTAN	1	168,485	0.06
CDC - TRUSTEE NIT ASSET	1	14,948	0.01
CDC - TRUSTEE NITIPF EQUITY	1	14,000	0.00
CDC - TRUSTEE NITPF EQUITY	1	7,500	0.00
CDC - TRUSTEE NIT	1	4,125	0.00
	8	2,289,138	0.78

Banks Development Financial Institutions,			
Non Banking Financial Institutions.			
MEEZAN BANK LIMITED	1	806,365	0.28
UNITED BANK LIMITED	1	710,000	0.24
HABIB BANK LIMITED	1	685,756	0.23
NATIONAL BANK OF PAKISTAN	1	635,292	0.22
PAKISTAN KUWAIT	1	494,136	0.17
ASKARI BANK LIMITED	1	441,360	0.15

Shareholders' Category
AS AT JUNE 30, 2024

Shareholders' Category	Number of Shareholders	Number of Shares Held	Percentage %
FAYSAL BANK LIMITED	1	373,025	0.13
MCB BANK LIMITED -	1	340,502	0.12
FAYSAL BANK LIMITED	1	67,630	0.02
PAKISTAN INDUSTRIAL	1	63,490	0.02
PAKISTAN VENTURE CAPITAL	1	33,462	0.01
SECURITY INVESTMENT BANK	1	25,480	0.01
PAK-OMAN INVESTMENT	1	25,250	0.01
BANK ALFALAH LIMITED -	1	15,850	0.01
SECURITY STOCK FUND LTD	1	3,762	0.00
UNION BANK LIMITED	1	2,765	0.00
SAMBA BANK LIMITED	1	2,604	0.00
NATIONAL BANK OF PAKISTAN	1	1,781	0.00
B. R. R. INVESTMENT	1	1,500	0.00
FAYSAL BANK LIMITED.	1	1,505	0.00
NATIONAL BANK OF PAKISTAN	1	1,000	0.00
FAYSAL BANK LIMITED	1	544	0.00
THE BANK OF KHYBER	1	967	0.00
SECURITY INVESTMENT BANK	1	500	0.00
	24	4,734,526	1.62
Insurance Companies			
EFU LIFE ASSURANCE	1	1,509,623	0.52
ADAMJEE LIFE ASSURANCE	1	726,417	0.25
ATLAS INSURANCE LIMITED	1	170,941	0.06
ADAMJEE LIFE ASSURANCE	1	157,849	0.05
JUBILEE GENERAL INSURANCE	1	140,744	0.05
RELIANCE INSURANCE	1	35,500	0.01
HABIB INSURANCE	1	25,000	0.01
DAWOOD FAMILY TAKAFUL	1	20,137	0.01
ASKARI GENERAL INSURANCE	1	19,200	0.01
DAWOOD FAMILY TAKAFUL	1	18,482	0.01
ALFALAH INSURANCE COMPANY	1	16,850	0.01
IGI GENERAL INSURANCE	1	15,215	0.01
5TH PILLAR FAMILY TAKAFUL	1	15,100	0.01
ADAMJEE LIFE ASSURANCE	1	9,675	0.00
GHAF LIMITED	1	6,500	0.00
CENTURY INSURANCE COMPANY	1	6,068	0.00

Shareholders' Category	Number of Shareholders	Number of Shares Held	Percentage %
PREMIER INSURANCE LIMITED	1	5,500	0.00
JUBILEE GENERAL WINDOW	1	3,500	0.00
JUBILEE GENERAL WINDOW	1	2,000	0.00
5TH PILLAR FAMILY TAKAFUL	1	1,450	0.00
DAWOOD FAMILY TAKAFUL	1	715	0.00
	21	2,906,466	0.99
Modarabas			
M/S. FIRST UDL MODARABA	1	24,480	0.01
M/S. FIRST CONFIDENCE MODARABA	1	537	0.00
M/S. INDUSTRIAL CAPITAL MODARABA	1	4,407	0.00
B.F.MODARABA	1	6,000	0.00
	4	35,424	0.01
Mutual Funds			
CDC - TRUSTEE MEEZAN	1	2,035,174	0.69
CDC - TRUSTEE AL-AMEEN	1	1,199,262	0.41
CDC - TRUSTEE ATLAS STOCK	1	1,023,178	0.35
CDC - TRUSTEE UBL STOCK	1	522,286	0.18
CDC - TRUSTEE NBP STOCK	1	520,296	0.18
CDC - TRUSTEE ATLAS	1	509,027	0.17
CDC - TRUSTEE AL MEEZAN	1	445,842	0.15
CDC - TRUSTEE ALHAMRA	1	433,682	0.15
CDC - TRUSTEE MEEZAN	1	424,659	0.14
CDC - TRUSTEE MCB	1	405,000	0.14
CDC - TRUSTEE KSE MEEZAN	1	328,326	0.11
CDC-TRUSTEE AL-AMEEN	1	230,961	0.08
CDC - TRUSTEE NBP ISLAMIC	1	174,016	0.06
CDC-TRUSTEE ALHAMRA	1	156,500	0.05
MC FSL - TRUSTEE JS	1	156,119	0.05
CDC - TRUSTEE ABL STOCK	1	144,599	0.05
CDC - TRUSTEE ALFALAH GHP	1	140,695	0.05
CDC - TRUSTEE UBL	1	110,612	0.04
CDC - TRUSTEE MEEZAN	1	105,978	0.04
CDC - TRUSTEE LAKSON	1	103,503	0.04
MCBFSL - TRUSTEE ABL	1	91,998	0.03
CDC - TRUSTEE JS LARGE	1	86,950	0.03
CDC - TRUSTEE ALFALAH GHP	1	78,682	0.03
CDC - TRUSTEE APIF	1	78,400	0.03
CDC - TRUSTEE UNIT TRUST	1	77,600	0.03

Shareholders' Category

AS AT JUNE 30, 2024

Shareholders' Category	Number of Shareholders	Number of Shares Held	Percentage %
CDC - TRUSTEE HBL	1	67,758	0.02
CDC - TRUSTEE MCB	1	57,400	0.02
CDC - TRUSTEE AL HABIB	1	53,500	0.02
CDC - TRUSTEE APF-EQUITY	1	52,350	0.02
CDC - TRUSTEE PAKISTAN	1	45,750	0.02
CDC - TRUSTEE AL-AMEEN	1	43,596	0.01
CDC - TRUSTEE PAK-QATAR	1	41,312	0.01
CDC - TRUSTEE AL HABIB	1	38,000	0.01
CDC - TRUSTEE NBP ISLAMIC	1	35,700	0.01
CDC - TRUSTEE ALFALAH GHP	1	35,059	0.01
CDC TRUSTEE - MEEZAN	1	32,274	0.01
CDC - TRUSTEE ATLAS	1	31,500	0.01
CDC - TRUSTEE AKD INDEX	1	29,822	0.01
CDC - TRUSTEE NBP	1	26,857	0.01
CDC - TRUSTEE MEEZAN	1	23,531	0.01
CDC - TRUSTEE JS ISLAMIC	1	23,081	0.01
CDC - TRUSTEE FAYSAL MTS	1	18,603	0.01
CDC - TRUSTEE UBL ASSET	1	15,637	0.01
CDC - TRUSTEE NBP SAVINGS	1	14,995	0.01
CDC - TRUSTEE NBP SARMAYA	1	13,663	0.00
CDC - TRUSTEE LAKSON	1	11,976	0.00
CDC - TRUSTEE AWT ISLAMIC	1	11,556	0.00
CDC - TRUSTEE LAKSON	1	11,201	0.00
CDC - TRUSTEE MEEZAN	1	10,800	0.00
MCBFSL TRUSTEE ABL	1	8,859	0.00
CDC - TRUSTEE JS PENSION	1	8,643	0.00
CDC - TRUSTEE FAYSAL	1	8,471	0.00
CDC - TRUSTEE NBP	1	8,007	0.00
CDC - TRUSTEE AWT STOCK	1	7,500	0.00
CDC - TRUSTEE NBP	1	7,163	0.00
CDC - TRUSTEE ABL ISLAMIC	1	5,956	0.00
CDC - TRUSTEE HBL - STOCK	1	5,850	0.00
CDC - TRUSTEE ALFALAH GHP	1	5,548	0.00
CDC - TRUSTEE FAYSAL	1	4,630	0.00
CDC - TRUSTEE UBL	1	4,224	0.00
CDC - TRUSTEE ALFALAH	1	4,169	0.00
CDC - TRUSTEE ABL PENSION	1	4,133	0.00

Shareholders' Category	Number of Shareholders	Number of Shares Held	Percentage %
CDC - TRUSTEE MAHAANA	1	3,920	0.00
CDC - TRUSTEE ALFALAH GHP	1	3,700	0.00
CDC - TRUSTEE FAYSAL	1	2,694	0.00
CDC - TRUSTEE JS ISLAMIC	1	2,235	0.00
CDC - TRUSTEE FAYSAL	1	1,939	0.00
CDC - TRUSTEE PAK QATAR	1	1,670	0.00
CDC - TRUSTEE FIRST	1	1,500	0.00
CDC - TRUSTEE HBL INCOME	1	1,500	0.00
CDC - TRUSTEE AL HABIB	1	1,000	0.00
CDC - TRUSTEE NBP MAHANA	1	350	0.00
CDC - TRUSTEE HBL MULTI	1	240	0.00
ABA ALI HABIB SECURITIES	1	200	0.00
	74	10,433,367	3.56

Lucky Cement Limited Notice of 31st Annual General Meeting

Notice is hereby given that the 31st Annual General Meeting (AGM) of Lucky Cement Limited (the "Company") will be held and conducted on Thursday, September 26, 2024 at 12:00 noon, at the registered office of the Company situated at factory premises in Pezu, District Lakki Marwat, Khyber Pakhtunkhwa, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company, together with the Board of Directors' and Independent Auditors' reports thereon, for the year ended June 30, 2024.

In accordance with Section 223 of the Companies Act, 2017, and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the website of the Company which can be downloaded from the following web link and QR enabled code:

https://www.lucky-cement.com/investor-relations/downloads/financial-reports/	

2. To declare and approve final cash dividend @ 150%, i.e. PKR 15/- per ordinary share of PKR 10/- each, for the year ended June 30, 2024, as recommended by the Board of Directors.

3. To appoint Auditors of the Company and fix their remuneration for the year ending June 30, 2025. The present Auditors, M/s. A. F. Ferguson & Co., Chartered Accountants, retiring and being eligible, have offered themselves and consented for re-appointment, and the Board of Directors has recommended their appointment.

4. To elect seven (7) Directors as fixed by the Board of Directors in accordance with Section 159 of the Companies Act, 2017 for a term of three (3) years commencing from the date of the AGM i.e., September 26, 2024. The names of retiring Directors are Ms. Muhammad Sohail Tabba, Mr. Muhammad Ali Tabba, Mr. Jawed Yunus Tabba, Ms. Mariam Tabba Khan, Mr. Masood Karim Shaikh, Mr. Khawaja Iqbal Hassan and Mr. Shabbir Hamza Khandwala.

SPECIAL BUSINESS:

5. To consider and if deemed fit, ratify and approve (as the case may be), the following resolutions, as special resolutions, with respect to related party transactions / arrangements conducted / to be conducted, in terms of Sections 207 and / or 208 of the Companies Act, 2017 (to the extent applicable), with or without modification:

   "RESOLVED THAT the transactions carried out by the Company with different Related Parties, during the year ended June 30, 2024, as disclosed in note 39 of the unconsolidated financial statements of the Company for the said period, and specified in the Statement of Material Information under Section 134(3), be and are hereby ratified and confirmed.

   FURTHER RESOLVED THAT the Company be and is hereby authorized to enter into arrangements or carry out transactions from time to time including, but not limited to, for the purchase and sale of goods, commodities and materials including cement, chemicals, vehicles, or availing or rendering of services or share subscription, with different related parties to the extent deemed fit and / or approved by the Board of Directors, during the financial year ending June 30, 2025. The members have noted that for the aforesaid arrangements and transactions some or a majority of the Directors may be interested. Notwithstanding the same, the members hereby grant an advance authorization and approval to the Board Audit Committee and the Board of Directors of the Company, including under Sections 207 and

/ or 208 of the Companies Act, 2017 (to the extent applicable) to review and approve all related party transactions as per the quantums approved by the Board of Directors from time to time.

FURTHER RESOLVED THAT the related party transactions, for the period ending June 30, 2025, shall be deemed to have been approved by the members, and shall subsequently be placed before the members in the next Annual General Meeting for ratification and confirmation."

ANY OTHER BUSINESS:

6. To transact any other business with the permission of chair.

(Attached to this Notice is the Statement of Material Facts covering the above-mentioned Special Businesses, as required under Section 134(3) of the Companies Act, 2017).

By Order of the Board

Karachi: September 05, 2024

ALI SHAHAB
Company Secretary

Notes:

1. Closure of Share Transfer Books

The Share Transfer Books of the Company shall remain closed from Monday, September 16, 2024 to Thursday, September 26, 2024 (both days inclusive). Share transfers received in order at the office of our Share Registrar / Transfer Agent, CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400, by the close of business on Friday, September 13, 2024 shall be treated as being in time for the purpose of attending, and voting at, the AGM and entitlement of receiving cash dividend, if approved by the members.

2. Participation in the AGM, via physical presence including through proxy

Members whose names appear in the Register of Members as of September 16, 2024, are entitled to attend and vote at the AGM. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend, speak and vote for him / her.

An instrument of proxy applicable for the AGM is being provided with the Notice sent to the members. Proxy form may also be downloaded from the Company's website: http://www.lucky-cement.com. An instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a certified true copy of such power or authority duly notarized must, to be valid, be deposited through email on Company.secretary@lucky-cement.com or by post at the registered address of the Company's Share Registrar, CDC Share Registrar Services Limited (CDCSRSL) not less than forty-eight (48) hours before the time of AGM, excluding public holidays.

Members are requested to submit a copy of their Computerized National Identity Card (CNIC) at the registered address to our Share Registrar, CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block 'B', S.M.C.H. Society, Main Shahra-e-Faisal, Karachi, 74400.

If a member appoints more than one proxy and more than one instrument of proxy is deposited by a member, all such instruments of proxy shall be rendered invalid.

3. Participation in the AGM through video conferencing:

a. To attend the AGM through video-conferencing facility, members are requested to register themselves by providing the following information through email at company.secretary@lucky-cement.com at least forty-eight (48) hours before the AGM:

(i) Name of Member;

(ii) CNIC / NTN No.;

(iii) Folio No. / CDC IAS No.;

(iv) Cell No.; and

(v) Email Address.

b. Members will be registered, after necessary verification as per the above requirement and will be provided a video-link by the Company via email.

c. Only those members will be accepted at the AGM via video-conferencing whose names match the details shared with the Company for registration (as mentioned in point 'a' above).

d. The login facility will remain open from 11:30 a.m. till the end of AGM.

4. Guidelines for Central Depository Company of Pakistan Limited ('CDC') Investor Account Holders:

CDC Investor Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular No. 1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan (SECP).

a. For attending the AGM:

(i) In case of individuals, the investor account holder or sub-account holder and / or the person whose securities are in group account where registration details are uploaded as per the CDC Regulations, shall authenticate his / her identity by showing his / her original CNIC or valid passport at the time of attending the AGM.

(ii) In case of a corporate entity, the Board of Directors' resolution / Power of Attorney with specimen signature of the nominee shall be produced at the time of the AGM.

b. For appointing Proxies:

(i) In case of individuals, the investor account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirement.

(ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

(iii) Copies of CNIC or the valid passport of the beneficial owners and the proxy shall be furnished along with the proxy form.

(iv) The proxy shall produce his original CNIC or original valid passport at the time of the AGM.

(v) In case of a corporate entity, the Board of Directors' resolution / Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

5. **Unclaimed shares and dividend**

As per the provision of section 244 of the Act, any shares issued, or dividend declared by the Company which have remained unclaimed / unpaid for a period of three years from the date on which it was due and payable are required to be deposited with SECP for the credit of Federal Government after issuance of notices to the Shareholders to file their claim. The details of the shares issued, and dividend declared by the Company which have remained due for more than three years were sent to Shareholders.

Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged promptly. In case, no claim is lodged with the Company in the given time, the Company shall, after giving notice in the newspaper, proceed to deposit the unclaimed / unpaid amount and shares with the Federal Government pursuant to the provision of Section 244(2) of the Act.

6. **E-voting and Postal Ballot**

It is hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 and its amendments notified vide SRO 2192(1)/2022 dated December 5, 2022, members will be allowed to exercise their right to vote for the special business (es) in the AGM, in accordance with the conditions mentioned in the aforesaid Regulations. The Company shall provide its members with the following options for voting:

i) E-Voting Procedure

(a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company within due course. Members who intend to exercise their right of vote through E-Voting shall provide their valid cell numbers and e-mail addresses on or before September 15, 2024.

(b) The web address, login details, will be communicated to members via email.

(c) Identity of the members intending to cast vote through E-Voting shall be authenticated through authentication for login.

(d) E-Voting lines will start from September 20, 2024, 9:00 a.m., and shall close on September 25, 2024 at 5:00 p.m. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently.

ii) Postal Ballot

(a) Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website www.lucky-cement.com to download.

(b) The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at 6-A Muhammad Ali Housing Society, Karachi (Attention of the Company Secretary) by Wednesday, September 25, 2024 before 5:00 p.m. The signature on the ballot paper shall match with the signature on CNIC/record of the Company. A postal ballot received after this time / date shall not be considered for voting.

7. **Withholding tax on Dividend**

In compliance with Section 150 read with Division I of Part III of the First Schedule of the Income Tax Ordinance, 2001, withholding tax on dividend income will be deducted for 'filer' and 'non-filer' shareholders at 15% and 30% respectively. A 'filer' is a taxpayer whose name appears in the latest available Active Taxpayers List (ATL) issued by the FBR from time to time and a 'non-filer' is a person other than a filer. To enable the Company to withhold tax at 15% for filers, all members are advised to ensure that their names appear in the latest available ATL on FBR's website, otherwise tax on their cash dividend will be deducted at 30% for non-filers. Withholding tax exemption from the dividend income shall only be allowed if a copy of valid tax exemption certificate is made available to the Share Registrar, / Transfer Agent CDC Share Registrar Services Limited (CDCSRSL), of the Company by the first day of book closure.

According to the clarification from the FBR, withholding tax in case of joint accounts will be determined separately based on the 'Filer/ Non-Filer' status of the principal member as well as the status of the joint holder(s) based on their shareholding proportions. Members that hold shares with joint shareholders are requested to provide the shareholding proportions of the principal member and the joint holder(s) in respect of shares held by them to our Share Registrar / Transfer Agent, CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400 in writing. In case the required information is not provided to our Registrar it will be assumed that the shares are held in equal proportion by the principal member and the joint holder(s).

8. Conversion of Physical Shares into the Book Entry Form

The SECP through its letter No. CSD/ED/Misc/2016- 639-640 dated March 26, 2021 has advised listed companies to adhere to provisions of Section 72 of the Companies Act, 2017 by replacing physical shares issued by them into book entry form.

Members having physical shareholding are encouraged to open CDC sub - account with any of the brokers or Investor Account directly with the CDC to convert their physical shares into scrip less form. This will facilitate them in many ways, including safe custody and sale of shares any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

9. Submission of the CNIC/NTN details (Mandatory)

In accordance with the notifications / directives of the SECP vide SRO 779(1)/2011 dated August 18, 2011 and SRO 83(1)/2012 dated July 5, 2012, dividend warrants should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members. Accordingly, members who have not yet submitted copy of their valid CNIC or NTN (in case of corporate entities) are requested to submit the same to the Company's Shares Registrar. In case of non-compliance, the Company may withhold dispatch of dividend warrants under intimation to the regulator till such time they provide the valid copy of their CNIC / NTN (as the case may be) as per law.

10. Provision of International Banking Account Number (IBAN Detail)

In accordance with the provisions of Section 242 of the Companies Act, 2017 and SECP's Circular No. 421(I) 2018 dated March 19, 2021, it is mandatory for a listed Company to pay cash dividend to its members only through electronic mode directly into bank account designated by the entitled member. In this context, in order to receive dividends directly into their bank account, members having shareholding in physical form are requested to provide their IBAN details duly signed along with a copy of CNIC to the Registrar of the Company, CDC Share Registrar Services Limited, CDC House 99-B, Block 'B' S.M.C.H.S, Main Shahra-e-Faisal Karachi-74400. Members having shareholding in book entry form in CDS are advised to submit their IBAN details directly to relevant broker/ participant/CDC Investor Account Services. In case of non-receipt of information, the Company will be constrained to withhold payment of dividend to members.

11. Availability of Financial Statements and Reports on the Website

In accordance with the Provision of Sections 223(6) and (7) of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2024 are available on the Company's website.

Notwithstanding the above, the Company will provide hard copies of the audited financial statements, to any Member on their request, at their registered address, free of cost, within one (1) week of receiving such request.

Statement of Material Facts Under Section 166(3) of the Companies Act, 2017

Agenda Item 4 - Election of Directors

This Statement sets out the material facts pertaining to the Ordinary Business as described in the Notice of the AGM of the Company.

The term of office of the current directors of the Company will expire on September 27, 2024. In accordance with Section 159(1) of the Act, the Board of Directors have fixed the number of Directors to be elected at the AGM at seven (07) to hold the office of director for a period of three (3) years commencing from the date of the AGM.

Independent Directors shall be selected in accordance with the provisions of the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

Accordingly, in compliance with the provisions of Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019, Election of Directors will be held separately for the following three categories:

S. No.	Categories	No. of Seats
1.	Female Director (may also be considered as an Independent Director if meets the criteria of independence set out under Section 166 of the Act)	01
2.	Independent Directors	03
3.	Other Directors	03

In order to safeguard the interest of the minority shareholders, any member can send his/her nomination for contesting the election in any of above-mentioned categories.

Any person who seeks to contest the election of the office of director, whether they are a retiring director or otherwise, shall submit to the Company Secretary at the Registered Office address Pezu, District Lakki Marwat, Khyber Pakhtunkhawa, not later than fourteen (14) days before the date of AGM, the following documents:

1. Notice of his/her intention to offer himself/herself for the election of directors as per Section 159(3) of the Act, and consent to act as a director on Form 9 as prescribed under the Act, and the Companies Regulations, 2024. (Any person contesting the election of directors must be a Member of the Company at the time of filing his/her consent unless such person is representing a Member which is not a natural person.)

2. **A signed declaration confirming that:**

   a. He/she is aware of his/her duties and powers under the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Rule Book of Pakistan Stock Exchange Limited, Memorandum and Articles of Association of the Company and other relevant laws and regulations.

   b. He/she is not ineligible to become a director of a listed company under the provisions of the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and other applicable laws/ regulations.

3. A detailed profile along with his/her office address for placement on the Company's website as required under SRO 1196 (I)/2019 dated October 03, 2019.

4. Detail of other directorships held.

5. Copy of valid CNIC or Passport (in case of a foreign national) along with NTN and Folio Number/CDC Account or Sub Account number.

6. The following additional documents are required to be submitted by the candidates intending to contest the election as an independent director:

   a. Declaration of independence under Regulation 6(3) of the Listed Companies (Code of Corporate Governance) Regulations,2019.

   b. Undertaking on non-judicial stamp paper that he/she meets the requirements of Regulation 4(1) of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

All the notices received for the category of Independent Director, shall be subject to due diligence by the Company as prescribed under Section 166 of the Act and 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The final list of candidates contesting the election will be circulated not later than seven (7) days before the date of the AGM in terms of Section 159(4) of the Act. The website of the Company will be updated with the required information and Directors' profile.

Statement of Material Facts Under Section 134(3) of the Companies Act, 2017

This Statement sets out the material facts pertaining to the Special Business items to be transacted at the Annual General Meeting of Lucky Cement Limited (the "Company").

1. **Agenda Item Number 5 of the notice – Ratification and approval (to the extent applicable) of the related party transactions / arrangements conducted / to be conducted by the Company**

   The Company routinely enters into arrangements and carries out transactions with its related parties in accordance with its policies and the applicable laws and regulations. Certain related party transactions, in which a majority of the Directors are interested, would require members' approval under Sections 207 and / or 208 (to the extent applicable) of the Companies Act, 2017, read with Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

   As some/majority of the Directors of the Company may be deemed to be interested in certain arrangements / transactions with related parties, including due to their shareholding or common directorships in related entities/parties, and to promote transparency, an approval from the members was sought during the 30th AGM of the Company, where the members authorized the Board of Directors to approve such related party transactions conducted by the Company from time to time (and on a case to case basis) during the financial year ended June 30, 2024, and such transactions were deemed to be approved by the members. All the related party transactions have been disclosed in Note 39 to the unconsolidated financial statements for the year ended June 30, 2024. Such transactions were to be placed before the members in next AGM for their ratification / confirmation. Accordingly, these transactions are being placed before the AGM for ratification / confirmation by the members.

Party-wise details of such related party transactions are given below:

Name of Related Party	Transaction Type	PKR
Lucky Core Industries Limited	Sales	61,453,673
	Dividend Received	3,047,880,000
	Purchase	37,406,808
Lucky Electric Power Company Limited	Dividend Received	5,980,000,000
	Reimbursement of expenses to the Company	5,431,399
Lucky Motor Corporation Limited	Sales	2,131,500
	Sales of stores and spares items	1,180,000
	Purchase of Vehicles	369,057,268
	Dividend received	1,422,779,471
	Reimbursement of expenses to the Company	3,395,947
	Services received	1,399,981
Yunus Energy Limited	Dividend received	183,409,500
Lucky Energy (Private) Limited	Dividend paid	206,690,594
Lucky Textile Mills Limited	Sales	92,422,492
Yunus Textile Mills Limited	Sales	56,951,029
	Reimbursement of expenses to the Company	750,000
	Dividend paid	411,028,020
Gadoon Textile Mills Limited	Sales	96,672,972
	Reimbursement of expenses from the Company	1,445,200
Lucky Knits (Private) Limited	Sales	32,804,440
Lucky Foods (Private) Limited	Reimbursement of expenses to the Company	13,624,526
	Sales	42,600
Lucky Commodities (Private) Limited	Reimbursement of expenses to the Company	175,164
Aziz Tabba Foundation	Donation	330,000,000
Energas Terminal (Private) Limited	Reimbursement of expenses to the Company	703,816
Lucky Air (Private) Limited	Reimbursement of expenses from the Company	49,723,484
	Reimbursement of expenses to the Company	5,712
YB Holdings (Private) Limited	Reimbursement of expenses to the Company	7,302,834
YB Pakistan Limited	Reimbursement of expenses to the Company	35,242,126
	Dividend paid	132,398,964
	Purchase of unquoted shares	252,888,190
National Resource (Private) Limited	Investment made during the period	225,000,000
Lucky Paragon Ready mix (Pvt.) Ltd.	Sales	81,787,867
Lucky Landmark (Private) Limited	Sales	184,650,721
Grandcres (Private) Limited	Dividend paid	175,651,200
Kenzo holdings limited	Dividend paid	410,454,522
Lucky Exim (Private) Limited	Dividend paid	272,700
Directors and close family members	Meeting fee	8,218,750
	Dividend paid	2,358,134,738
LCL Gratuity Fund Trust	Payment made to retirement benefit fund	188,242,639
Key Management Personnel (KMP)	Salaries and benefits	430,777,769
	Retirement Benefits	87,156,858
	Dividend paid	748,890

The Company carries out transactions and enters into arrangements with its related parties primarily on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. All transactions / arrangements entered into with related parties require the approval of the Board Audit Committee, which is chaired by an independent director of the Company. Upon the recommendation of the Board Audit Committee, such arrangements / transactions are placed before the Board of Directors for approval.

The nature of relationship with these related parties has also been indicated in the Note 39 to the unconsolidated financial statements of the Company for the year ended June 30, 2024. The Directors are interested in the resolution only to the extent of their common directorships and shareholdings (to the extent applicable) in such related parties.

Accordingly, the members are requested to ratify and confirm the transactions with related parties as disclosed in the unconsolidated financial statements of the Company for the year ended June 30, 2024.

Furthermore, the Company will be entering into arrangements and conducting transactions with its related parties including, but not limited to, those stipulated in the resolution, during the year ending June 30, 2025. As some or a majority of the Directors of the Company may be deemed to be interested in certain arrangements or transactions, inter alia, due to their shareholding or common directorships in related entities, and in order to promote transparent business practices, an approval from the members is being sought to authorize the Company to conduct such related party transactions and enter into arrangements with related parties, and further to authorize and grant power to the Board of Directors to approve related party transactions to be conducted by the Company during the financial year ending June 30, 2025 (irrespective of composition of the Board and interest of the Directors). The related party transactions as aforesaid for the year ending June 30, 2025 shall be deemed to have been approved by the members.

The members should note that it is not possible for the Company or the Directors to accurately predict the nature of related party arrangements / transactions, or the specific related parties with whom the transactions will be carried out. The transactions that may be carried out by the Company include, but are not limited to, the purchase and sale of goods, commodities and materials including cement, chemicals, vehicles, or availing or rendering of services or share subscription.

The members should also note that, for the Special Resolutions described in the Notice of AGM, it is not possible for the Company to predict the quantum of related party transactions / arrangements to be undertaken in the period ending June 30, 2025; accordingly, the members are also requested to authorize the Board of Directors to determine the quantum of the related party transactions / arrangements that may be undertaken from time to time. The Company will present the actual figures for subsequent ratification and confirmation by the members, at the next AGM.

Based on the aforesaid the members are requested to pass the Special Resolutions (with or without modification) as stated in the Notice.

The Directors are interested in the resolutions only to the extent of their shareholdings and / or common directorships (to the extent applicable) in such related parties.

BALLOT PAPER

Ballot Paper for voting through post for the Special Businesses at the Annual General Meeting to be held on Thursday, September 26, 2024, at 12:00 noon at factory premises in Pezu, District Lakki Marwat, Khyber Pakhtunkhwa and through video conferencing.

Contact Details of the Chairman at which the duly filled in ballot paper may be sent:

Address: The Chairman, Lucky Cement Limited, 6-A Muhammad Ali Housing Society, Karachi. Attention of the Company Secretary E-mail address: company.secretary@lucky-cement.com Phone: +92-21- 111-786-555 Website: www.lucky-cement.com.

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares Held	
CNIC/Passport No. (in case of foreigner) (copy to be attached)	
Additional information and enclosures (in case of representative of body corporate, corporation, and federal Government)	
Name and CNIC of Authorized Signatory	

I/we hereby exercise my/our vote in respect of the following special resolutions through postal ballot by conveying my/our assent or dissent to the resolutions by placing tick (✓) mark in the appropriate box below: (In case if both the boxes are marked as (✓), your poll shall be treated as "Rejected").

S.#	Agenda / Description of Special Resolutions	I/We assent to the Resolution(s) (FOR)	I/We dissent to the Resolution(s) (AGAINST)
1	**Resolution For Agenda Item No. 5** To consider and if deemed fit, ratify and approve (as the case may be), the following resolutions, as special resolutions, with respect to related party transactions / arrangements conducted / to be conducted, in terms of Sections 207 and / or 208 of the Companies Act, 2017 (to the extent applicable), with or without modification: **"RESOLVED THAT** the transactions carried out by the Company with different Related Parties, during the year ended June 30, 2024, as disclosed in note 39 of the unconsolidated financial statements of the Company for the said period, and specified in the Statement of Material Information under Section 134(3), be and are hereby ratified and confirmed. **FURTHER RESOLVED THAT** the Company be and is hereby authorized to enter into arrangements or carry out transactions from time to time including, but not limited to, for the purchase and sale of goods, commodities and materials including cement, chemicals, vehicles, or availing or rendering of services or share subscription, with different related parties to the extent deemed fit and / or approved by the Board of Directors, during the financial year ending June 30, 2025. The members have noted that for the aforesaid arrangements and transactions some or a majority of the Directors may be interested. Notwithstanding the same, the members hereby grant an advance authorization and approval to the Board Audit Committee and the Board of Directors of		

S.#	Agenda / Description of Special Resolutions	I/We assent to the Resolution(s) (FOR)	I/We dissent to the Resolution(s) (AGAINST)
	the Company, including under Sections 207 and / or 208 of the Companies Act, 2017 (to the extent applicable) to review and approve all related party transactions as per the quantums approved by the Board of Directors from time to time. **FURTHER RESOLVED THAT** the related party transactions, for the period ending June 30, 2025, shall be deemed to have been approved by the members, and shall subsequently be placed before the members in the next Annual General Meeting for ratification and confirmation."		

1. Duly filled ballot paper should be sent to the Chairman of Lucky Cement Limited at 7-A Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi. Attention of the Company Secretary or e-mail at company.secretary@lucky-cement.com

2. Copy of CNIC/Passport (in case of foreigner) should be enclosed with the postal ballot form

3. Ballot paper should reach the Chairman within business hours by or before Wednesday, September 25, 2024. Any postal Ballot received after this date, will not be considered for voting.

4. Signature on ballot paper should match with signature on CNIC/ Passport. (In case of foreigner).

5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.

6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution / Power of Attorney / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.

7. Ballot Paper form has also been placed on the website of the Company at: www.lucky-cement.com. Members may download the Ballot paper from the website.

____

Shareholder / Proxy Holder Signature/Authorized Signatory
(In case of corporate entity, please affix company Stamp)

Form of Proxy

I / We ____

of (full address) ____

____

being member of LUCKY CEMENT LIMITED holding ____________________ ordinary shares as

per Share Register Folio No. ____________________ and/or CDC Participant I.D. No. ____________________ and

Sub-Account No. ____________________ hereby appoint ____________________

of (full address) ____

or failing him/her ____

of (full address) ____ who is also a member of Lucky Cement Limited, as my / our proxy in my / our absence to attend and vote for me / us and on my / our behalf at annual general meeting of the company to be held on Thursday, September 26, 2024 at 12:00 noon, and / or any adjournment thereof.

Signature this ____________________ ____________________ year 2024.

(day) (date, month)

Witnesses:

1. Signature: ____________________

Name ____________________

Address ____________________

CNIC No. ____________________

Signature

Signature of members should match with the specimen signature registered with the company

2. Signature: ____________________

Name ____________________

Address ____________________

CNIC No. ____________________

Important:

1. In order to be effective, this form of proxy duly completed, stamped, signed and witnessed along with power of attorney, or other instruments (if any), must be deposited at the registered office of the company at factory premises Pezu, district Lakki Marwat, Khyber Pakhtunkhwa at least 48 hours before the time of the meeting.

2. If a member appoints more than one proxy and more than one form of proxy are deposited by a member with the company, all such forms of proxy shall be rendered invalid.

3. In case of proxy for an individual beneficial owner of shares from CDC, attested copies of beneficial owner's computerized national identity card (CNIC) or passport, account and participant's ID numbers must be deposited along with the form of proxy. In case of proxy for representative of corporate members from CDC, board of directors' resolution and power of attorney and the specimen signature of the nominee must be deposited along with the form of proxy. The proxy shall produce his / her original CNIC or passport at the time of meeting.

مختارنامہ (پراکسی فارم)

میں/ہم مسمی/مسماۃ ____________________

ساکن ____________________ ضلع ____________________

بحثیت رکن (ممبر) لکی سیمنٹ لمیٹڈ مقرر کرتا ہوں/کرتی ہوں/کرتے ہیں مسمی/مسماۃ ____________________

ساکن ____________________

کو جو خود بھی لکی سیمنٹ لمیٹڈ کا رکن ہے کہ وہ بطور میرا/ہمارا مختار (پراکسی) لکی سیمنٹ لمیٹڈ کے سالانہ اجلاس عام میں جو بروز جمعرات 26 ستمبر 2024 بوقت دوپہر 12:00 بجے منعقد ہو رہا ہے یا اس کے کسی ملتوی شدہ اجلاس میں شرکت کرے اور میری/ہماری جگہ میری/ہماری طرف سے حق رائے دہی استعمال کرے۔

مؤرخہ ____________________ 2024 کے میرے/ہمارے دستخط سے جاری ہوا۔

فولیو نمبر	سی ڈی سی کھاتہ نمبر	حصص کی تعداد	دستخط

دستخط کمپنی میں درج نمونہ کے دستخط کے مطابق ہونے چاہیے

گواہ نمبر 1

دستخط ____________________

نام ____________________

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر ____________________

پتہ ____________________

گواہ نمبر 2

دستخط ____________________

نام ____________________

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر ____________________

پتہ ____________________

ہدایات

1۔ مختار (پراکسی) کا کمپنی کا رکن (ممبر) ہونا ضروری ہے۔

2۔ ممبر (رکن) کے دستخط، نمونہ دستخط شدہ/اندراج شدہ دستخط سے مماثلت ضروری ہے۔

3۔ سی ڈی سی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر کو مختارنامہ (پراکسی فارم) کے ہمراہ کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل منسلک کرنا ضروری ہے۔ کارپوریٹ اداروں کے نمائندوں کو معمول کے مطابق دستاویزات ساتھ لانا ضروری ہے۔

4۔ مختارنامہ (پراکسی فارم) مکمل پُر شدہ کمپنی کے رجسٹرار آفس میں اجلاس کے مقررہ وقت سے کم از کم 48 گھنٹے قبل جمع کرانا ضروری ہے۔

کمپنی مارکیٹ میں رائج قیمت کی بنیاد پر متعلقہ پارٹیوں سے لین دین کے معاملات کرتی ہے اوراس سلسلے میں "متعلقہ پارٹیوں سے لین دین" کی طے شدہ پالیسی کے مطابق عام کاروباری حالات کوپیش نظر رکھا جاتا ہے۔متعلقہ پارٹیوں سے لین دین کے تمام معاملات میں کمپنی کے بورڈ کی آڈٹ کمیٹی سے منظوری حاصل کرنا ضروری ہے جس کی صدارت کمپنی کا ایک غیر جانبدار ڈائریکٹر کرتا ہے۔ کمپنی کے بورڈ کی آڈٹ کمیٹی کی تجویز پر ہی اس قسم کے معاملات کو بورڈ کے سامنے منظوری کیلئے پیش کیا جاتا ہے۔

کمپنی کی غیر یکجا مالیاتی دستاویزات بابت مالی سال اختتامیہ 30 جون 2024 کے نوٹ نمبر 39 میں کمپنی کے ساتھ ان متعلقہ پارٹیوں کے تعلق کی وضاحت بھی کی جا چکی ہے۔ ڈائریکٹرز ان قراردادوں میں متعلقہ پارٹیوں سے لین دین کے معاملات میں اپنی مشترکہ ڈائریکٹرشپ کی حد تک قرارداد میں دلچسپی رکھتے ہیں (جہاں تک قابل اطلاق ہو)۔

لہذا ممبران سے درخواست کی جاتی ہے کہ متعلقہ پارٹیوں سے لین دین کے معاملات کی منظوری وتوثیق فرمادیں جیسا کہ کمپنی کی غیر یکجا مالیاتی دستاویزات بابت مالی سال اختتامیہ 30 جون 2024 میں مذکور ہے۔

کمپنی کی جانب سے مالی سال اختتامیہ 30 جون 2025 کے دوران متعلقہ پارٹیوں کے ساتھ منظور شدہ "متعلقہ پارٹیوں کے ساتھ لین دین کے معاملات" کی پالیسی کے مطابق عام کاروباری حالات کو مدنظر رکھتے ہوئے مارکیٹ میں رائج قیمتوں پر لین دین کے معاملات کیے جائیں گے۔ ڈائریکٹروں کی اکثریت منسلکہ / ذیلی کمپنیوں میں اپنی مشترکہ ڈائریکٹرشپ کی وجہ سے ان معاملات میں دلچسپی رکھتی ہے۔ تمام تر کاروباری معاملات کو شفاف انداز سے چلانے کیلئے حصص داران کی جانب سے بورڈ آف ڈائریکٹرز کو اس بات کا مجاز بنایا جا رہا ہے کہ مالی سال اختتامیہ 30 جون 2025 کے دوران متعلقہ پارٹیوں سے لین دین کے معاملات کی منظوری دے اور اس سلسلے میں ہر کیس کو فرداً فرداً دیکھا جائے گا نیز اس سلسلے میں دی جانے والی منظوریوں کو حصص داران کی جانب سے منظور شدہ گردانا جائے گا (بورڈ کے امتزاج اور ڈائریکٹروں کے مفادات سے قطع نظر)۔ متعلقہ پارٹیوں سے لین دین کے ان معاملات دوران مالی سال اختتامیہ 30 جون 2025 کی نوعیت اور قدر کو مندرجہ بالا سطور میں بیان کیا جا چکا ہے جنہیں ممبران کی جانب سے منظور تصور کیا جائے گا۔

بلحاظ پارٹی متعلقہ پارٹیوں سے لین دین کے معاملات کی تفصیلات درج ذیل ہیں:

Name of Related Party	Transaction Type	PKR
Lucky Core Industries Limited	Sales	61,453,673
	Dividend Received	3,047,880,000
	Purchase	37,406,808
Lucky Electric Power Company Limited	Dividend Received	5,980,000,000
	Reimbursement of expenses to the Company	5,431,399
Lucky Motor Corporation Limited	Sales	2,131,500
	Sales of stores and spares items	1,180,000
	Purchase of Vehicles	369,057,268
	Dividend received	1,422,779,471
	Reimbursement of expenses to the Company	3,395,947
	Services received	1,399,981
Yunus Energy Limited	Dividend received	183,409,500
Lucky Energy (Private) Limited	Dividend paid	206,690,594
Lucky Textile Mills Limited	Sales	92,422,492
Yunus Textile Mills Limited	Sales	56,951,029
	Reimbursement of expenses to the Company	750,000
	Dividend paid	411,028,020
Gadoon Textile Mills Limited	Sales	96,672,972
	Reimbursement of expenses from the Company	1,445,200
Lucky Knits (Private) Limited	Sales	32,804,440
Lucky Foods (Private) Limited	Reimbursement of expenses to the Company	13,624,526
	Sales	42,600
Lucky Commodities (Private) Limited	Reimbursement of expenses to the Company	175,164
Aziz Tabba Foundation	Donation	330,000,000
Energas Terminal (Private) Limited	Reimbursement of expenses to the Company	703,816
Lucky Air (Private) Limited	Reimbursement of expenses from the Company	49,723,484
	Reimbursement of expenses to the Company	5,712
YB Holdings (Private) Limited	Reimbursement of expenses to the Company	7,302,834
YB Pakistan Limited	Reimbursement of expenses to the Company	35,242,126
	Dividend paid	132,398,964
	Purchase of unquoted shares	252,888,190
National Resource (Private) Limited	Investment made during the period	225,000,000
Lucky Paragon Ready mix (Pvt.) Ltd.	Sales	81,787,867
Lucky Landmark (Private) Limited	Sales	184,650,721
Grandcres (Private) Limited	Dividend paid	175,651,200
Kenzo holdings limited	Dividend paid	410,454,522
Lucky Exim (Private) Limited	Dividend paid	272,700
Directors and close family members	Meeting fee	8,218,750
	Dividend paid	2,358,134,738
LCL Gratuity Fund Trust	Payment made to retirement benefit fund	188,242,639
Key Management Personnel (KMP)	Salaries and benefits	430,777,769
	Retirement Benefits	87,156,858
	Dividend paid	748,890

لہذا لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے ریگولیشن 7A کے تحت درج ذیل کیٹگریز کے تحت ڈائریکٹرز کا انتخاب علیحدہ علیحدہ کیا جائے گا:

نمبر شمار	کیٹگریز	اسامیوں کی تعداد
1	خواتین ڈائریکٹرز کو بھی آزاد ڈائریکٹر تصور کیا جا سکتا ہے (بشرطیکہ ایکٹ کے سیکشن 166 کا اطلاق ہوتا ہو)۔	01
2	آزاد ڈائریکٹرز	03
3	دیگر ڈائریکٹرز	03

مائنارٹیز کے مفادات کی حفاظت کی غرض سے کوئی بھی ممبر مذکورہ بالا کیٹگریز کے تحت انتخابات کیلئے اپنا نام بھیج سکتا/سکتی ہے۔

کوئی بھی شخص جو کہ ڈائریکٹر کے عہدے کیلئے انتخاب میں حصہ لینا چاہتا ہو، خواہ ریٹائر ہونے والا کوئی ڈائریکٹر ہو یا کوئی اور شخص، تو اسے چاہیئے کہ کمپنی سیکریٹری کو رجسٹرڈ شدہ پتے پیزو، ڈسٹرکٹ لکی مروت، خیبر پختونخواہ پر سالانہ اجلاس عام منعقد ہونے سے کم از کم چودہ (14) دن پہلے درج ذیل دستاویزات ارسال کرے:

1۔ امیدوار کی جانب سے ایکٹ کے سیکشن (3)159 کے تحت ڈائریکٹر کے انتخاب میں حصہ لینے کیلئے اظہار دلچسپی کو نوٹس اور ایکٹ کے فارم نمبر 9 پر کمپنیز ریگولیشنز 2024 کے مطابق بطور ڈائریکٹر فرائض منصبی ادا کرنے کیلئے اظہار رضامندی۔ (اظہار رضامندی جمع کرواتے وقت، ڈائریکٹر کے انتخاب میں حصہ لینے والے شخص کیلئے کمپنی کا ممبر ہونا لازم ہے، ماسوائے اس کے کہ کوئی شخص کسی شخص غیر حقیقی کی نمائندگی کر رہا ہو۔)

2۔ ایک دستخط شدہ اعلان جس میں واضح کیا گیا ہو کہ:

الف۔ امیدوار ایکٹ، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019، رول بک آف پاکستان اسٹاک ایکسچینج لمیٹڈ، میمورنڈم اینڈ آرٹیکلز آف ایسوسی ایشن آف دی کمپنی اور متعلقہ قوانین کے تحت بطور ڈائریکٹر اس عہدے کی فرائض منصبی سے بخوبی آگاہ ہے۔

ب۔ یہ بیان کہ ایکٹ، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 اور مروجہ قوانین و ضوابط کے تحت امیدوار لسٹڈ کمپنی کا ڈائریکٹر بننے کیلئے نااہل نہیں ہے۔

3۔ ایس آر او 2019/(I)1196 مورخہ 3 اکتوبر 2019 کے تحت کمپنی کی ویب سائٹ پر شائع کرنے کیلئے اپنے مکمل کوائف معہ پتہ جمع کروائے۔

4۔ دیگر کمپنیوں میں ڈائریکٹرشپ کی تفصیلات۔

5۔ کارآمد کمپیوٹرائزڈ قومی شناختی کارڈ یا (بصورت غیر ملکی) پاسپورٹ کی نقل، این ٹی این اور فولیو نمبر/سی ڈی سی اکاؤنٹ یا ذیلی اکاؤنٹ نمبر۔

6۔ اگر امیدوار آزاد ڈائریکٹر کی کیٹگری میں انتخاب کا خواہاں ہے تو درج ذیل دستاویزات اضافی جمع کروانا ہونگے:

الف۔ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے ریگولیشن (3)6 کے تحت آزادی کا اعلان۔

ب۔ غیر عدالتی اسٹامپ پیپر پر حلف نامہ کہ امیدوار کے کوائف کمپنیز (مینر اینڈ سلیکشن آف انڈیپنڈنٹ ڈائریکٹرز) کے ریگولیشن (I)4 کے عین مطابق ہیں۔

آزاد ڈائریکٹر کی کیٹگری میں موصول ہونے والے تمام نوٹسز کمپنی کی جانب سے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے سیکشن 7A اور ایکٹ کے سیکشن 166 کے تحت جانچ کے عمل سے گزارے جائیں گے۔

ایکٹ کے سیکشن (4)159 کے تحت تمام امیدواروں کی حتمی فہرست سالانہ اجلاس عام کی تاریخ سے کم از کم سات (7) دن پہلے ارسال کردی جائے گی۔ کمپنی کی ویب سائٹ پر مطلوبہ تجدید کے ساتھ ڈائریکٹرز کے کوائف شائع کردیے جائیں گے۔

کمپنیز ایکٹ 2017 کے سیکشن (3)134 کے تحت اہم حقائق سے متعلق بیان

بیان ہذا لکی سیمنٹ لمیٹڈ ("کمپنی") کے سالانہ اجلاس عام میں امور خصوصی کے عنوان سے زیر کارروائی لائے جانے والے امور سے متعلق ہے۔

آئٹم نمبر 5 بابت نوٹس۔ تصحیح و منظوری (قابل اطلاق ہونے کی حد تک) بابت متعلقہ پارٹی لین دین معاملات / بندوبست / بندوبست منجانب کمپنی

کمپنی معمول کے مطابق متعلقہ افراد سے لین دین کے معاملات اور دیگر بندوبست کرتی ہے، یہ معاملات مروجہ قوانین اور کمپنی کی پالیسی کے مطابق ہوتے ہیں۔ چند معاملات بابت متعلقہ افراد جن میں اکثر ڈائریکٹرز کے مفادات وابستہ ہیں کیلئے کمپنیز ایکٹ 2017 کے سیکشنز 207 اور/یا 208 کے مطابق (قابل اطلاق ہونے کی حد تک) معہ خواندگی ریگولیشن 15 بابت لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 ممبران کی منظوری درکار ہوگی۔

جیسا کہ کمپنی کے کچھ/اکثر ڈائریکٹرز متعلقہ پارٹیوں سے لین دین کے معاملات میں دلچسپی رکھتے ہوں، اپنی شیئر ہولڈنگ یا متعلقہ اداروں میں اپنی مشترکہ ڈائریکٹرشپ کی وجہ سے اور شفافیت کو یقینی بنانے کی غرض سے 30 ویں سالانہ اجلاس عام میں ممبران کی منظوری طلب کی گئی تھی جہاں ممبران کی جانب سے اس بات کی منظوری دی گئی تھی کہ کمپنی کے بورڈ آف ڈائریکٹرز کو اس بات کا مجاز بنایا جاتا ہے کہ گاہے بگاہے (فردا فردا ہر کیس کی بنیاد پر) مالی سال اختتامیہ 30 جون 2024 کے دوران متعلقہ پارٹیوں سے لین دین کے معاملات کی منظوری دیں، اور ایسے معاملات ممبران کی جانب سے منظور شدہ تصور کیے گئے تھے۔ مالی سال اختتامیہ 30 جون 2024 کی غیر یکجا مالیاتی دستاویز کے نوٹ 39 میں ایسی تمام متعلقہ پارٹیوں سے لین دین کے معاملات کو بیان کر دیا گیا ہے۔ ایسے معاملات کو اگلے سالانہ اجلاس میں توثیق و منظوری کیلئے ممبران کے سامنے پیش کیا جانا تھا۔ لہٰذا ان معاملات کو سالانہ اجلاس عام سے قبل ممبران کو توثیق و منظوری کیلئے پیش کیا جا رہا ہے۔

ایف بی آر کی جانب سے وضاحت کے مطابق، اگر جوائنٹ اکاؤنٹ ہو تو وہ ہولڈنگ ٹیکس فائلر اور نان فائلر کے حساب سے علیحدہ علیحدہ منہا کیا جائے گا، جیسا کہ پرنسپل اکاؤنٹ ہولڈر اور جوائنٹ اکاؤنٹ ہولڈرز کا اسٹیٹس ہوگا اور جو بھی ان کا تناسب ہوگا۔ ایسے ممبران جو کہ جوائنٹ شیئر ہولڈرز ہیں کو چاہیئے کہ پرنسپل اکاؤنٹ ہولڈر اور جوائنٹ اکاؤنٹ ہولڈرز کے مابین پائے جانے والے تناسب سے ہمارے شیئر رجسٹرار / ٹرانسفر ایجنٹ سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ (CDCSRSL) سی ڈی سی ہاؤس B-99، بلاک بی، ایس ایم سی ایچ ایس مین شاہراہ فیصل کراچی-74400 کو تحریراً آگاہ کردیں۔ اگر مذکورہ معلومات ہمارے رجسٹرار کو فراہم نہیں کی جاتیں ہیں تو تصور کیا جائے گا کہ جوائنٹ شیئر ہولڈنگ میں پرنسپل اور جوائنٹ اکاؤنٹ ہولڈرز کا شیئر برابر ہے۔

8۔ فزیکل / کاغذی حصص کی بک انٹری فارم میں منتقلی

ایس ای سی پی کی جانب سے بذریعہ لیٹر نمبر CSD/ED/Misc/2016-639-640 مورخہ 26 مارچ 2021 لسٹڈ کمپنیوں کو ہدایت دی گئی ہے کہ کمپنیز ایکٹ 2017 کے سیکشن 72 کے تحت تمام فزیکل / کاغذی حصص کو مجوزہ بک انٹری کی صورت میں تبدیل کرلیں۔

ایسے حصص داران جو کہ فزیکل / کاغذی حصص کے حامل ہیں کو چاہیئے کہ سی ڈی سی میں براہ راست بروکر یا انویسٹر اکاؤنٹ میں اپنے ذیلی سی ڈی سی اکاؤنٹ کھلوا کر اپنے فزیکل / کاغذی حصص کو بک انٹری کی صورت میں منتقل کروالیں۔ ایسا کرنے سے انھیں کئی سہولیات میسر آسکتی ہیں جیسا کہ حصص کی محفوظ تحویل اور فروخت جب بھی وہ چاہیں کیونکہ اب پاکستان اسٹاک ایکسچینج کے قواعد کے مطابق فزیکل / کاغذی صورت میں حصص کی فروخت کی اجازت نہیں ہے۔

9۔ کمپیوٹرائزڈ قومی شناختی کارڈ / این ٹی این (لازمی)

بمطابق نوٹس از سیکیوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) بحوالہ SRO 779(1)/2011 مورخہ 18 اگست 2011 اور SRO 83(1)/2012 مورخہ 5 جولائی 2012، ڈیویڈنڈ وارنٹس پر رجسٹرڈ ممبر یا اس کے مجاز شخص کا کمپیوٹرائزڈ قومی شناختی کارڈ کا نمبر درج ہونا ضروری ہے ماسوائے نابالغ یا کارپوریٹ ممبران کے۔ لہذا اگر کسی حصص داران کی جانب سے کارآمد کمپیوٹرائزڈ قومی شناختی کارڈ یا جمع نہیں کروائے گئے یا کارپوریٹ اداروں کی صورت میں بھی گزارش کی جاتی ہے کہ متعلقہ معلومات کمپنی کے شیئرز رجسٹرار کے پاس جمع کروادیں۔ بصورت دیگر کمپنی کیجانب سے ڈیویڈنڈ وارنٹس ارسال کیے جانے سے روک لئے جائیں گے اس وقت تک جب تک کہ ریگولیٹر کے قواعد کے مطابق مذکورہ کمپیوٹرائزڈ قومی شناختی کارڈ / این ٹی این (جیسی بھی صورت ہو) جمع کروا دیے جائیں۔

10۔ انٹرنیشنل بینکنگ اکاؤنٹ نمبر (IBAN) کی فراہمی

کمپنیز ایکٹ 2017 کے سیکشن 242 کے پروویژنز اور ایس ای سی پی کے سرکلر نمبر 2018 (1)421 مورخہ 19 مارچ 2021 کی رو سے لسٹڈ کمپنیوں کیلئے لازم ہے کہ اپنے حصص داران کو نقد ڈیویڈنڈ بذریعہ الیکٹرانک ذرائع براہ راست انکے اس بینک اکاؤنٹ میں جمع کروائے جائیں جو کہ حصص داران کی جانب سے مختص کیے گئے ہیں۔ لہذا، ایسے حصص داران جن کے پاس کاغذی / فزیکل حصص موجود ہیں سے درخواست کی جاتی ہے کہ اپنے دستخط کے ساتھ IBAN کی تفصیلات بمعہ قومی شناختی کارڈ کی نقل رجسٹرار کمپنی سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس B-99 بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل کراچی 74400 کے پاس جمع کروادیں۔ ایسے حصص داران جن کے پاس حصص بک انٹری کی صورت سی ڈی سی کے پاس موجود ہیں ان سے درخواست کی جاتی ہے کہ اپنے IBAN کی تفصیلات براہ راست اپنے متعلقہ بروکر / شراکت دار / سی ڈی سی انویسٹر اکاؤنٹ سروسز کے پاس جمع کروا دیں۔

11۔ مالیاتی دستاویزات اور رپورٹس کی ویب سائٹ پر فراہمی

کمپنیز ایکٹ 2017 کے سیکشن (6)223 اور (7) کے پروویژنز کے مطابق کمپنی کی آڈٹ شدہ مالیاتی دستاویزات برائے مالی سال اختتامیہ 30 جون 2024 کمپنی کی ویب سائٹ پر دستیاب ہیں۔

بہرکیف، کمپنی کی جانب سے کسی ممبر کی درخواست پر رجسٹرڈ شدہ پتے پر درخواست کرنے کے ایک ہفتے کے اندر آڈٹ شدہ مالیاتی دستاویزات کی ہارڈ کاپی بھی فراہم کی جاسکتی ہے۔

کمپنیز ایکٹ 2017 کے سیکشن (3)166 کے تحت اہم حقائق سے متعلق بیان

اسٹیٹمنٹ ہذا امور خصوصی سے متعلق اہم حقائق کو سالانہ اجلاس عام کی سیمنٹ لمیٹڈ ("کمپنی") میں پیش کیے جانے سے متعلق ہے۔

ایجنڈا آئٹم نمبر 4- ڈائریکٹرز کا انتخاب

اسٹیٹمنٹ ہذا امور عمومی سے متعلق اہم حقائق کو سالانہ اجلاس عام کی سیمنٹ لمیٹڈ ("کمپنی") میں پیش کیے جانے سے متعلق ہے۔

کمپنی کے موجودہ ڈائریکٹرز کی مدت 27 ستمبر 2024 کو ختم ہو رہی ہے۔ ایکٹ کے سیکشن (1)159 کے تحت بورڈ آف ڈائریکٹرز کی جانب سے سالانہ اجلاس عام میں منتخب کیے جانے والے ڈائریکٹرز کی تعداد سات (7) مقرر کی گئی ہے، ان ڈائریکٹرز کی مدت سالانہ اجلاس عام کی تاریخ سے آئندہ تین سال تک ہوگی۔

آزاد ڈائریکٹرز کا انتخاب ایکٹ کے پروویژنز، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 اور کمپنیز (مینر اینڈ سلیکشن آف انڈیپنڈنٹ ڈائریکٹرز) ریگولیشنز 2018 کے مطابق کیا جائے گا۔

ب۔ پراکسی تقرری سے متعلق

(i) بصورت افراد، انویسٹر اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور/ یا ایسے افراد جن کی سیکیورٹیز گروپ کی صورت میں ہیں جہاں کہ رجسٹریشن سے متعلق تفصیلات کو سی ڈی سی کے قواعد کے مطابق اپ لوڈ کیا جاتا ہے، کو اپنی شناخت ثابت کرنے کیلئے سالانہ اجلاس عام میں شرکت کے وقت مذکورہ بالا شرائط کے تحت اپنا پراکسی فارم جمع کروانا ہوگا۔

(ii) پراکسی فارم پر دو گواہوں کے دستخط معہ نام، پتہ اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبر درج کیا جانا لازم ہے۔

(iii) مستفید مالکان اور پراکسی کی کمپیوٹرائزڈ قومی شناختی کارڈ یا کارآمد پاسپورٹ کی نقول فراہم کرنا لازم ہے۔

(iv) پراکسی کیلئے سالانہ اجلاس عام میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا کارآمد پاسپورٹ دکھانا لازم ہوگا۔

(v) بصورت کارپوریٹ ادارہ، بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی معہ نمونہ دستخط (اگر اس سے قبل فراہم نا کیا گیا ہو) پراکسی فارم کے ساتھ کمپنی میں جمع کروانا ہونگے۔

5 ۔ غیر دعوی شدہ حصص اور ڈیویڈنڈز

ایکٹ کے سیکشن 244 کے مطابق کمپنی کی جانب سے جاری کردہ کوئی بھی حصص یا اعلان کردہ کوئی بھی ڈیویڈنڈ جن پر تاریخ اجراء سے تین سال کوئی حق دعوی نہیں کیا گیا حصص یافتگان کو نوٹسز بھیجنے کے بعد بحق وفاقی ایس ای سی پی کے پاس جمع کروا دیے جائیں گے۔ کمپنی کی جانب سے جاری کردہ حصص اور اعلان کردہ ڈیویڈنڈ جن پر حق دعوی نا کئے ہوئے تین سال سے زائد کا عرصہ گزر چکا ہے ان کی تفصیلات سے متعلق حصص یافتگان کو نوٹس بھجوائے جا چکے ہیں۔

حصص یافتگان سے گزارش ہے کہ اس بات کو یقینی بنائیں کہ غیر دعوی شدہ ڈیویڈنڈ اور حصص کے سلسلے میں اپنے دعوے جلد از جلد دائر کریں۔ اگر دیے گئے وقت کے اندر اندر حصص یافتگان کی جانب سے ایسے دعوے موصول نہیں ہوتے تو ایکٹ کے سیکشن (2) 244 کے تحت اخبارات میں نوٹسز شائع کرنے کے بعد غیر دعوی شدہ ڈیویڈنڈ اور حصص کو بحق وفاقی حکومت جمع کروا دیا جائے گا۔

6 ۔ ای ووٹنگ / پوسٹل بیلٹ

بذریعہ ہذا مطلع کیا جاتا ہے کہ کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 اور اس میں کی گئی ترامیم نوٹس شدہ براہ SRO 2192(1)/2022 مجریہ 5 دسمبر 2022 ممبران کو اس بات کی اجازت ہوگی کہ اپنا حق رائے دہی برائے امور خصوصی بوقت سالانہ اجلاس عام مذکورہ بالا شرائط کے تحت استعمال کر سکتے ہیں۔ اس سلسلے میں کمپنی کی جانب سے ممبران کو درج ذیل اختیارات برائے حق رائے دہی دیے جائیں گے:

(i) ای ووٹنگ کا طریقہ کار

الف۔ ای ووٹنگ سے متعلق تفصیلات کمپنی کے ان ممبران کو بذریعہ ای میل ارسال کی جائیں گی جن کے کارآمد کمپیوٹرائزڈ قومی شناختی کارڈ نمبر، موبائل فون نمبر، اور ای میل ایڈریس بروقت کمپنی کے رجسٹر برائے ممبران میں درج ہونگے۔ ایسے ممبران جو کہ بذریعہ ای ووٹنگ سہولت اپنا حق رائے دہی استعمال کرنے کے خواہشمند ہیں کو چاہیے کہ 15 ستمبر 2024 سے پہلے اپنا کارآمد موبائل فون نمبر اور ای میل ایڈریس فراہم کریں۔

ب۔ ویب ایڈریس اور لاگ ان کی تفصیلات ممبران کو بذریعہ ای میل ارسال کر دی جائیں گی۔

ج۔ ایسے ممبران جو کہ بذریعہ ای ووٹنگ اپنا حق رائے دہی استعمال کرنا چاہتے ہیں کی شناخت بذریعہ ای میل برائے لاگ ان کی جائے گی۔

د۔ ای ووٹنگ لائنز 20 ستمبر 2024 صبح 9:00 بجے شروع ہونگی اور 25 ستمبر 2024 شام 5:00 بجے تک بند کی جائیں گی۔ ممبران اس دوران کسی بھی وقت اپنا حق رائے دہی استعمال کر سکتے ہیں۔ ایک مرتبہ ایک ممبر کی جانب سے قرارداد پر ووٹ دے دیا گیا تو بعد ازاں انھیں اس میں تبدیلی کی اجازت نہیں ہوگی۔

(ii) پوسٹل بیلٹ

الف۔ بطور متبادل ممبران کی جانب سے پوسٹل بیلٹ کا انتخاب بھی کیا جا سکتا ہے۔ ممبران کی سہولت کیلئے نوٹس ہذا کے ساتھ بیلٹ پیپر منسلک کیا جا رہا ہے، نیز یہ فارم کمپنی کی ویب سائٹ www.lucky-cement.com سے بھی ڈاؤن لوڈ کیا جا سکتا ہے۔

ب۔ ممبران اس بات کو یقینی بنائیں کہ باقاعدہ پر شدہ اور دستخط شدہ بیلٹ پیپر معہ کمپیوٹرائزڈ قومی شناختی کارڈ کی نقل چیئرمین اجلاس کو بذریعہ پوسٹ 6-A محمد علی ہاؤسنگ سوسائٹی کراچی (معرفت کمپنی سیکرٹری) بروز بدھ مورخہ 25 ستمبر 2024 شام 5 بجے تک پہنچ جانا چاہیے۔ بیلٹ پیپر پر ثبت شدہ دستخط کا کمپیوٹرائزڈ قومی شناختی کارڈ پر کئے گئے دستخط سے مشابہ ہونا لازم ہے۔ ایسا بیلٹ پیپر جو کہ مذکورہ تاریخ یا وقت کے بعد موصول ہو حق رائے دہی میں شمار نہیں کیا جائے گا۔

7 ۔ ڈیویڈنڈ پر ودہولڈنگ ٹیکس

انکم ٹیکس آرڈیننس 2001 کے سیکشن 150 معہ خواندگی ڈویژن I بابت پارٹ III بابت فرسٹ شیڈول کے قواعد کے مطابق ڈیویڈنڈ کی آمدن پر فائلر اور نان فائلر سے بالترتیب 15% اور 30% ودہولڈنگ ٹیکس منہا کیا جائے گا۔ فائلر اس ٹیکس دہندہ کو کہا جاتا ہے جس کا نام ایف بی آر کی جانب سے گاہے بگاہے جاری کی جانے والی ایکٹیو ٹیکس پیئرز لسٹ میں درج ہوتا ہے، بصورت دیگر کسی شخص کو نان فائلر کہا جاتا ہے۔ کمپنی کو سہولت فراہم کرنے کیلئے کہ فائلر ہونے کی صورت میں 15% کے حساب سے ودہولڈنگ ٹیکس کاٹے، تمام ممبران سے درخواست ہے کہ اس بات کو یقینی بنائیں کہ ان کا نام ایف بی آر کی ویب سائٹ پر ایکٹیو ٹیکس پیئرز لسٹ میں درج ہو بصورت دیگر نان فائلر ہونے کی صورت میں ڈیویڈنڈ پر بحساب 30% ٹیکس کاٹا جائے گا۔ ودہولڈنگ ٹیکس کی کٹوتی سے بچت صرف اسی صورت میں ممکن ہے کہ شیئر رجسٹرار / ٹرانسفر ایجنٹ سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ (CDCSRSL) کو کھاتے بند کئے جانے کے پہلے دن ہی ٹیکس سے استثناء کا سرٹیفکیٹ جمع کروا دیا جائے۔

نوٹس

1۔ حصص منتقلی کھاتوں کی بندش

کمپنی کے حصص منتقلی کھاتے بروز پیر 16 ستمبر 2024 سے بروز جمعرات 26 ستمبر 2024 تک بند رہیں گے (دونوں ایام مذکورہ بھی اس میں شامل ہیں)۔ ہمارے شیئر رجسٹرار ٹرانسفر ایجنٹ میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ (CDCSRSL)، سی ڈی سی ہاؤس B-99، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل کراچی 74400 کو دفتری ایام کار کے دوران بروز جمعہ 13 ستمبر 2024 تک موصول ہونے والی شیئرز کی منتقلی کی درخواستوں کو تسلیم کیا جائے گا اور وہ ممبران سالانہ اجلاس عام میں شرکت کے لئے اہل ہونگے اور ایسے ممبران اجلاس عام میں شرکت، حق رائے دہی اور نقد ڈیویڈنڈ وصول کرنے، بصورت منظوری از ممبران، کے حقدار بھی ہوں گے۔

2۔ اجلاس عام میں ذاتی یا بذریعہ پراکسی شرکت

وہ ممبران جن کے نام ممبران کے رجسٹر میں مورخہ 16 ستمبر 2024 کو مندرج ہوں اجلاس عام میں شرکت اور حق رائے دہی استعمال کرنے کے اہل ہونگے۔ کوئی بھی ایسا ممبر جو کہ اجلاس میں شرکت کرنے اور حق رائے دہی کا استعمال کرنے کا مجاز ہو کو اس بات کی اجازت ہے کہ اپنی جانب سے اجلاس میں شرکت اور حق رائے دہی کیلئے پراکسی کا انتخاب عمل میں لائے۔

سالانہ اجلاس عام کیلئے نوٹس ہذا کے ساتھ منسلک پراکسی فارم ممبران کو ارسال کیا جارہا ہے۔ پراکسی فارم کمپنی کی ویب سائٹ http://www.lucky-cement.com سے بھی ڈاؤن لوڈ کیا جاسکتا ہے۔ پراکسی فارم اور پاور آف اٹارنی یا دیگر اتھارٹی (اگر کوئی ہو) جس کی جانب سے اس پر دستخط کئے گئے ہوں، یا تصدیق کی گئی ہو، ایسی اتھارٹی کی اصل معہ تصدیق از نوٹری پبلک ، جو کہ کارآمد ہو، بذریعہ ای میل company.secretary@lucky-cement.com کو ای میل کردی جائے یا بذریعہ ڈاک کمپنی شیئر رجسٹرار کے رجسٹرڈ شدہ پتے سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ (CDCSRSL) کو اجلاس منعقد ہونے سے کم از کم 48 گھنٹے پہلے موصول ہوجائے اور اس سلسلے میں ایسے ایام کو شمار نہیں کیا جائے گا جو ایام کار نہ ہوں۔

ممبران سے درخواست کی جاتی ہے کہ اپنا کمپیوٹرائزڈ قومی شناختی کارڈ کی نقل کمپنی شیئر رجسٹرار کے رجسٹرڈ شدہ پتے سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ (CDCSRSL)، سی ڈی سی ہاؤس B-99، بلاک B، ایس ایم سی ایچ ایس سوسائٹی، مین شاہراہ فیصل، کراچی-74400 کے پاس جمع کروادیں۔

اگر ایک ممبر کی جانب سے ایک سے زائد پراکسی منتخب کئے جاتے ہیں اور ایک سے زائد پراکسی فارم جمع کروائے جاتے ہیں تو ایسے تمام پراکسی فارم کو کالعدم قرار دے دیا جائے گا۔

3۔ سالانہ اجلاس عام میں شرکت بذریعہ ویڈیو کانفرنس

الف۔ سالانہ اجلاس عام میں بذریعہ ویڈیو کانفرنسنگ شرکت کیلئے ممبران سے درخواست کی جاتی ہے کہ ای میل ایڈریس company.secretary@lucky-cement.com پر خود کو سالانہ اجلاس عام شروع ہونے سے کم از کم 48 گھنٹے پہلے رجسٹر کروالیں اور اس سلسلے میں مذکورہ بالا ای میل ایڈریس پر مندرجہ ذیل کوائف ارسال کرنا لازم ہیں:

(i) ممبر کا نام

(ii) قومی شناختی کارڈ/ این ٹی این نمبر

(iii) فولیو نمبر/ سی ڈی سی آئی اے ایس نمبر

(iv) موبائل فون نمبر اور

(v) ای میل

ب۔ مندرجہ بالا معلومات کے ضمن میں توثیق کرنے کے بعد ممبران کو رجسٹر کیا جائے گا اور اس کے بعد ممبران کو کمپنی کی جانب سے بذریعہ ای میل ویڈیو لنک ارسال کیا جائے گا۔

ج۔ بذریعہ ویڈیو کانفرنسنگ محض انہی ممبران کو شرکت کی اجازت دی جائے گی جن کے نام ان ناموں کے مطابق ہونگے جو کہ کمپنی کے پاس (مذکورہ بالا نکتہ الف کے مطابق) رجسٹرڈ کروائے گئے ہونگے۔

د۔ لاگ ان کی سہولت صبح 11:30 سے سالانہ اجلاس عام کے اختتام تک دستیاب رہے گی۔

4۔ سینٹرل ڈپازٹری کمپنی (سی ڈی سی) سے متعلق ہدایات برائے انویسٹر اکاؤنٹ ہولڈرز

سی ڈی سی اکاؤنٹ ہولڈرز کو سرکلر نمبر 1 مورخہ 26 جنوری 2000 مجریہ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کی مندرجہ ذیل ہدایات پر بھی عمل کرنا ہوگا۔

الف۔ سالانہ اجلاس عام میں شرکت سے متعلق

(i) بصورت افراد، انویسٹر اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور/یا ایسے افراد جن کی سیکیورٹیز گروپ کی صورت میں ہیں جہاں کہ رجسٹریشن سے متعلق تفصیلات کو سی ڈی سی کے قواعد کے مطابق اپ لوڈ کیا جاتا ہے، کو اپنی شناخت ثابت کرنے کیلئے سالانہ اجلاس عام میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا کارآمد پاسپورٹ دکھانا ہوگا۔

(ii) بصورت کارپوریٹ ادارہ، بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی معہ نمونہ دستخط از نامزد کردہ شخص بوقت شرکت سالانہ اجلاس عام دکھانا ہونگے۔

لکی سیمنٹ لمیٹڈ

اطلاع برائے 31واں سالانہ اجلاس عام

بذریعہ ہذا اطلاع دی جاتی ہے کہ لکی سیمنٹ لمیٹڈ ("کمپنی") کا 31واں سالانہ اجلاس عام بروز جمعرات مؤرخہ 26 ستمبر 2024 دوپہر 12:00 بجے بمقام رجسٹرڈ آفس، پیزو، ڈسٹرکٹ لکی مروت، خیبر پختون خواہ میں مندرجہ ذیل امور کی منظوری کے لئے منعقد ہوگا:

عمومی کاروائی:

1۔ کمپنی کے آڈٹ شدہ مالیاتی گوشوارے بابت مالی سال اختتامیہ 30 جون 2024 اور ان کے بارے میں بورڈ آف ڈائریکٹرز اور غیر جانبدار آڈیٹرز کی رپورٹس کو زیر غور لانا اور انکی منظوری دینا۔

کمپنیز ایکٹ 2017 کے سیکشن 223 اور ایس آر او 389(I)/2023 مجریہ 21 مارچ 2023 کے مطابق کمپنی کی مالیاتی دستاویزات کمپنی کی ویب سائٹ پر اپ لوڈ کی جا چکی ہیں۔ ان دستاویزات کو کمپنی کی ویب سائٹ سے بذریعہ درج ذیل ویب لنک یا کیو آر کوڈ ڈاؤن لوڈ کیا جا سکتا ہے:

	https://www.lucky-cement.com/investor-relations/downloads/financial-reports/

2۔ بورڈ ڈائریکٹرز کی جانب سے سفارش کے مطابق حتمی نقد ڈیویڈنڈ بحساب 150% یعنی 15 روپے فی عام حصص برائے مالی سال اختتامیہ 30 جون 2024 کا اعلان کرنا اور اس کی منظوری دینا۔

3۔ آئندہ مالی سال اختتامیہ 30 جون 2025 کیلئے کمپنی کے آڈیٹرز کا تقرر کرنا اور ان کے معاوضے کی منظوری۔ ریٹائر ہونے والے آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی جانب سے اپنی اہلیت کی بنیاد پر ایک مرتبہ پھر اپنی خدمات ادا کرنے کی پیش کش کی گئی ہے اور بورڈ آف ڈائریکٹرز کی جانب سے ان کی تقرری کی سفارش کی گئی ہے۔

4۔ کمپنیز ایکٹ 2017 کے سیکشن 159 کے تحت بورڈ کی جانب سے مقررہ تعداد کے مطابق سالانہ اجلاس عام کی تاریخ یعنی 26 ستمبر 2024 سے تین سال کی مدت کیلئے سات (7) ڈائریکٹرز کا انتخاب کرنا۔ ریٹائر ہونے والے ڈائریکٹرز میں محمد سہیل طبہ، محمد علی طبہ، جاوید یونس طبہ، مریم طبہ خان، مسعود کریم شیخ، خواجہ اقبال حسن اور شبیر حمزہ کھانڈوالا شامل ہیں۔

خصوصی کاروائی:

5۔ کمپنیز ایکٹ 2017 کے سیکشنز 207 اور/یا 208 (جہاں تک اس کا اطلاق ہو) کے مطابق مندرجہ ذیل خصوصی قراردادوں کو زیر غور لانا، اور اگر مناسب سمجھا جائے تو ان میں ترمیم کرنا، اور اس سلسلے میں درج ذیل قراردادوں کو بطور خصوصی قراردادیں پاس کرنا، ترمیمات کے ساتھ یا ترمیمات کے بغیر:

"**قرار دیا جاتا ہے** کہ مالی سال اختتامیہ 30 جون 2024 کے دوران کمپنی کی جانب سے مختلف متعلقہ پارٹیوں کے ساتھ کی جانے والی لین دین، جیسا کہ کمپنی کی غیر یکجا رپورٹ کے نوٹ 39 میں بیان کیا جا چکا ہے اور سیکشن 134(3) بابت بیان برائے اہم معلومات میں بھی مذکور ہے، کی توثیق کرنا اور اسکی منظوری دینا۔

مزید قرار دیا جاتا ہے کہ کمپنی کو بذریعہ ہذا مجاز بنایا جاتا ہے کہ وہ گا ہے بگا ہے بندوبست کرے اور لین دین کے معاملات کرے جن میں، اشیاء اور دیگر اموال بشمول سیمنٹ، کیمیکلز، گاڑیوں کی خرید و فروخت، خدمات سرانجام دینا یا حاصل کرنا، حصص کی سبسکرپشن کرنا مختلف متعلقہ پارٹیوں کے ساتھ جس حد تک مناسب سمجھا جائے اور/یا بورڈ آف ڈائریکٹرز کی جانب سے منظور کیا جائے، دوران مالی سال اختتامیہ 30 جون 2025 وغیرہ، البتہ یہ امور مذکورہ امور تک محدود نہیں ہیں۔ ممبران کی جانب سے اس بات کو نوٹ کیا گیا ہے کہ مذکورہ بالا بندوبست یا لین دین کے معاملات میں اکثر یا کچھ ڈائریکٹرز بھی دلچسپی لے سکتے ہیں۔ لہٰذا ممبران کی جانب سے بذریعہ ہذا پیشگی اختیار اور منظوری بورڈ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز کو بشمول کمپنیز ایکٹ 2017 کے سیکشنز 207 اور/یا 208 (جس حد تک ان کا اطلاق ہو) کے تحت دیا جاتا ہے کہ وہ گا ہے بگا ہے متعلقہ پارٹیوں سے لین دین کے تمام معاملات کو بورڈ آف ڈائریکٹرز کی جانب سے منظور کیے گئے حجم کے تحت منظور کرتے ہیں

مزید قرار دیا جاتا ہے کہ متعلقہ پارٹیوں سے لین دین، برائے مالی سال اختتامیہ 30 جون 2025، کی توثیق و منظوری ممبران سے کروائی جائے گی، اور آئندہ منعقد کیے جانے والے سالانہ عام اجلاس میں ممبران کے سامنے توثیق اور منظوری کیلئے پیش کی جائیں گی۔"

اس کے علاوہ دیگر امور:

6۔ ان کے علاوہ ایسے دیگر امور کو زیر غور لانا جنھیں پیش کرنے کی چیئرمین کی جانب سے اجازت دی جائے۔

(نوٹس ہذا کے ساتھ اہم حقائق سے متعلق ایک دستاویز منسلک شدہ ہے جس میں کمپنیز ایکٹ 2017 کے سیکشن 134(3) کے تحت مذکورہ بالا خصوصی امور کی تفصیلات درج ہیں۔)

بحکم بورڈ

علی شہاب
کمپنی سیکریٹری

بمقام کراچی: 05 ستمبر 2024

مقامی سیمنٹ آپریشنز

طلب کی موجودہ پوزیشن بڑے مسائل سے دوچار ہے، اس کی بڑی وجوہات میں بلند شرح سود اور ٹیکسوں میں اضافہ ہے جن میں سیمنٹ کی بوریوں پر عائد کیا جانے والی فیڈرل ایکسائز ڈیوٹی (FED) بھی شامل ہے۔ ان عوامل کی وجہ سے تعمیرات کے بڑھتے ہوئی لاگت کے پیش نظر مستقبل قریب میں طلب کے دباؤ کے تحت رہنے خدشہ ہے۔

اسی طرح برآمدات کے سلسلے میں بھی فی الوقت رکاوٹوں کا سامنا ہے، جیسا کہ توانائی کی بڑھتی ہوئی قیمتیں، ٹرانسپورٹ کے اخراجات میں اضافہ اور سیمنٹ کی بین الاقوامی مارکیٹ میں سخت مسابقت کا سامنا۔

اس کے جواب میں، آپکی کمپنی کی جانب سے اقدامی حکمت عملی اپناتے ہوئے پیداواری صلاحیت کو مؤثر بنایا جارہا ہے اور قابل تجدید ذرائع سے توانائی پیدا کرنے کیلئے سرمایہ کاری کی جارہی ہے۔ اس طرح ایک جانب سے پیداواری لاگت میں خاطر خواہ کمی لائی جارہی ہے اور دوسری جانب مستقل ترقی اور محفوظ مستقبل کو یقینی بنایا جا سکتا ہے۔

غیر ملکی سیمنٹ آپریشنز

ساوہ، عراق میں 1.82 (MTPA) میٹرک ٹن سالانہ (FY25) کی پیداواری لائن کے اضافے کی وجہ سے کمپنی کی پیداواری صلاحیت اور منافع میں بہت اضافہ ہوگا۔ اس اقدام کے بعد عراق میں کلنکر کی پیداوار میں کمپنی خود کفالت حاصل کر پائے گی۔ بین الاقوامی سیمنٹ آپریشنز کے تناظر میں سیمنٹ کی طلب میں اضافے کی توقع ہے اور کمپنیاں اپنی پیداواری صلاحیتوں سے فائدہ اٹھانے کی بھرپور پوزیشن میں ہیں۔

پولیسٹر، سوڈا ایش اور کیمیکلز

آئی ایم ایف کی جانب سے عالمی معاشی منظرنامے کی رپورٹ کے مطابق مالی سال 2025 میں پاکستان کا معاشی منظرنامے میں معیشت کی بحالی کے مثبت اشارے مل رہے ہیں، جس کے تحت پاکستان میں شرح نمو %3.5 رہنے کی توقع ظاہر کی جارہی ہے۔ جون کے مہینے میں پاکستان میں سال بہ سال کی بنیاد پر افراط زر کی شرح %12.57 درج کی گئی ہے، اس بات کی امید کی جاتی ہے کہ پالیسی ریٹس میں کمی آئے گی۔ تاہم ان کوتیوں کا اثر ٹیکسوں سے بھرپور وفاقی بجٹ 25-2024 سے زائل بھی ہوسکتا ہے۔

اگر مستقبل پر نظر ڈالی جائے تو معلوم ہوتا ہے کہ مستقبل کے معاشی منظرنامے کا انحصار 12 جولائی کو آئی ایم ایف کے ساتھ 7 ارب ڈالر کیلئے اسٹاف لیول معاہدے میں طے پانے والی شرائط پر ہوگا جس میں ایکسٹینڈڈ فنڈ فیسلیٹی (EFF) کے تحت چند معاشی اصلاحات کی جانی ہیں۔ اس معاہدے میں یہ اہداف مقرر کیے گئے ہیں کہ معیشت میں استحکام پیدا کیا جائے مالیاتی ساکھ اور بیرونی بفر کا بحال کیا جائے، اس ضمن میں ٹیکس نیٹ میں وسعت لانی ہوگی، ریاست کے تحت نقصان میں چلنے والے اداروں کی نجکاری کرنا ہوگی، پنشن بل میں بنیادی تبدیلیاں کرنا ہونگی اور انرجی سیکٹر میں اصلاحات کرنا ہونگی۔ ان اقدامات کی وجہ سے مجموعی طور پر پاکستان کی انڈسٹری پر مثبت اثرات مرتب ہونگے اور صارفین کی جانب سے طلب میں بھی اضافہ ہوگا۔ موجودہ مسائل کے باوجود کمپنی متنوع پورٹفولیو میں سرمایہ کاری کیلئے پرعزم ہے، اسی کے ساتھ ساتھ پیداواری لاگت میں کمی لانے پر توجہ مرکوز رکھی جائے گی اور کسی بھی نامساعد حالات سے نمٹنے کیلئے مستقل مزاجی کے ساتھ مثبت نتائج پر بھرپور توجہ دی جارہی ہے۔

توانائی

ٹرانسمیشن کے مسئلے کے جزوی حل، معاشی ترقی کے باعث طلب میں اضافے اور جدید ترین طریقوں پر تھر کوئلے کی سپلائی کے پیش نظر لکی الیکٹرک پاور کمپنی لمیٹڈ (LEPCL) کے کاروباری افعال مزید مؤثر انداز سے چلائے جانے کی توقع ہے۔

آٹوموبائل اور موبائل فونز

آٹوموبائل سیکٹر کا مستقبل سست روی کا شکار معلوم ہوتا ہے، معاشی سست روی اور SUVs اور کاروں پر ٹیکسوں کی بلند شرح کی وجہ سے فروخت کے حجم میں کمی آئی ہے۔ تاہم ذیلی کمپنی کی جانب سے اپنے کاروباری افعال کو مستعد بنانے اور مقامی طور پر پیداواری عمل شروع کرنے سے درآمدی پارٹس پر انحصار کم ہوگا جس سے کمپنی کے منافع میں اضافہ ہوگا اور کمپنی کی مسابقت کی قوت میں بھی اضافہ ہوگا۔

موبائل فونز پر فلیٹ سیلز ٹیکس کے مقابلے میں یکم جولائی 2024 سے %18 جی ایس ٹی کے نفاذ سے اس بات کا خدشہ ہے کہ موبائل فونز کی انڈسٹری بھی سست روی کا شکار رہے گی۔ اس تناظر میں سستے اسمارٹ فونز مارکیٹ میں اپنی جگہ بنا سکتے ہیں۔ لکی موبائل کمپنی پہلے ہی سستے فونز بنانے اور انہیں فروغ دینے کی حکمت عملی بنا چکی ہے تاکہ مارکیٹ میں اپنے شیئرز کو بڑھایا جا سکے۔

آپ کی کمپنی کی مضبوط مالی پوزیشن اور نقد رقوم کی ترسیل کی صلاحیت سے توقع کی جاتی ہے کہ کاروباری افعال کو مزید مؤثر بنانے، نئی سرمایہ کاری کرنے اور شیئرز ہولڈر کے سرمائے کی قدر کو بڑھانے کے لیے اس کے وژن کی میں مزید معاون ثابت ہوگی۔

اظہار تشکر

بورڈ آف ڈائریکٹرز اپنے تمام شراکت داروں بشمول ملازمین، صارفین، سپلائرز، شیئرز ہولڈرز اور بینکاروں کا ان کی غیر متزلزل حمایت کے لیے تہہ دل سے شکر گزار ہے۔ ہمارے شراکت دار کا اعتماد اور خیر سگالی کمپنی کو طویل عرصے سے برقرار رکھنے اور ترقی کرنے کے قابل بنانے میں اہم کردار ادا کرتی رہی ہے۔

ہم تسلیم کرتے ہیں کہ ہمارے شراکت داروں کی اجتماعی کاوشیں اور اعتماد ہماری کامیابی کی کلید ہے، اور ہم ان اہم تعلقات کو برقرار رکھنے اور انھیں مزید مضبوط بنانے کے لیے پرعزم ہیں۔ ہمارے ملازمین کی لگن، ہمارے صارفین کی وفاداری، ہمارے سپلائرز کا بھروسہ، ہمارے شیئرز ہولڈرز کا اعتماد، اور ہمارے بینکاروں کے تعاون نے ہماری کامیابیوں میں اہم کردار ادا کیا ہے۔

مستقبل پر نظر رکھتے ہوئے، ہم کمپنی کی مسلسل کامیابی اور خوشحالی کے لیے اللہ تعالی سے دعا گو ہیں۔ ہم نہ صرف اپنے تمام شراکت داروں کے فائدے کے لیے بلکہ اپنے ملک کی وسیع تر فلاح و بہبود کے لیے اپنی کاوشوں کو وقف کرتے ہیں۔ ہم دعا گو ہیں کہ ہماری کوششیں ملک کی معاشی اور سماجی ترقی میں مثبت کردار ادا کریں، شرح نمو اور ترقی میں ہر ایک فرد کا حصہ ہو۔

منجانب بورڈ

محمد سہیل ٹبہ
چیئرمین / ڈائریکٹر

محمد علی ٹبہ
چیف ایگزیکٹو / ڈائریکٹر

کراچی: 8 اگست 2024

سی ای او کی کارکردگی کا جائزہ

بورڈ آف ڈائریکٹرز کی جانب سے مستقل بنیادوں پر مالیاتی اور غیر مالیاتی نتائج کے معیارات کو مدنظر رکھتے ہوئے سال کے آغاز میں ہی سی ای او کی کارکردگی کا جائزہ لیا جاتا ہے۔ بورڈ کی جانب سے سی ای او کی کارکردگی برائے گزشتہ سال کا جائزہ لیا جاچکا ہے اور بورڈ سی ای او کی کارکردگی اور سالانہ اہداف کے حصول سے مطمئن ہے۔ بورڈ کو اس بات کا مکمل اطمینان ہے کہ سی ای او کمپنی کے تمام امور کو مستعدی کے ساتھ چلانے کیلئے صلاحیتوں کے حامل ہیں۔ وہ اس بات کے بھی ذمہ دار ہیں کہ مینجمنٹ ٹیم کیلئے کام کے معیارات کو مدنظر رکھتے ہوئے کارپوریٹ مقاصد کا تعین کریں اور مستقل بنیادوں پر ان مقاصد سے بورڈ کو آگاہ کریں کہ ٹیم کی کارکردگی کیسی رہی اور مقاصد کا حصول کس حد تک ممکن ہوا۔

مزید برآں، سی ای او پر یہ ذمہ داری بھی عائد ہوتی ہے کارپوریٹ اہداف کا تعین کریں اور ان اہداف کو کارکردگی کے طے شدہ معیارات کے ساتھ منطبق کریں تاکہ ان انتظامی ٹیم اس پر عمل پیرا ہو سکے۔ انکی ذمہ داریوں میں یہ بھی شامل ہے کہ انتظامی امور سے متعلق بورڈ کو جدید ترین معلومات سے آگاہ کریں کہ ان کی جانب سے اہداف کے حصول کی صورتحال کیا ہے، اور احتساب اور شفافیت کو ممکن بنانے کیلئے اپنے عزائم کا اظہار کرتے رہیں۔

ویژن، مشن اور مجموعی کارپوریٹ حکمت عملی کی بورڈ سے منظوری

بورڈ کی جانب سے انتہائی باریک بینی کے ساتھ ویژن، مشن اور مجموعی کارپوریٹ حکمت عملی کی بورڈ کا جائزہ لئے جانے کے بعد ان کی منظوری دی جاچکی ہے اور بورڈ کو اس بات پر مکمل اعتماد ہے کہ یہ اس فلسفے کے عین مطابق ہیں جس کی بنیاد پر لکی سیمنٹ قائم کیا گیا تھا۔ ہم اس بات پر مکمل یقین رکھتے ہیں کہ ہمارا ویژن اور مشن مجموعی کارپوریٹ حکمت عملی کی راہ متعین کرتے ہیں اور ہمارے مستقبل کے سفر کی ہر سطح پر غمازی کرتے ہیں۔ پورا ادارہ اسی مقصد کیلئے یکجا اور منسلک ہے اور یہی ہمارے روزمرہ کے فیصلوں کی بنیاد ہیں۔

اندرونی مالیاتی کنٹرول کی معقولیت

بورڈ آف ڈائریکٹرز کی جانب سے ایک مؤثر اندرونی فنانشل کنٹرول سسٹم تشکیل دیا گیا ہے تاکہ ایک جانب تمام افعال کو مؤثر انداز اور مستعدی کے ساتھ سرانجام دیا جاسکے تو دوسری جانب کمپنی کے اثاثوں کی حفاظت بھی ہو سکے اور اس کے ساتھ ساتھ تمام تر مطلوبہ قوانین اور قواعد کی پاسداری کو یقینی بناتے ہوئے قابل بھروسہ فنانشل رپورٹنگ کی جائے۔ لکی سیمنٹ کا آزاد اندرونی آڈٹ فنکشن مسلسل فنانشل کنٹرولز اور اس کے نفاذ کی نگرانی کرتا ہے جبکہ آڈٹ کمیٹی اندرونی کنٹرول سسٹم کے مؤثر ہونے اور اس کے فریم ورک کا سہ ماہی کی بنیادوں پر جائزہ لیتی ہے۔

بیان بابت غیر مشروط پاسداری IFRS جاری کردہ IASB

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے مالیاتی رپورٹنگ کے طریق کار کا جائزہ لیا جاچکا ہے۔ تمام مالیاتی دستاویزات کو پاکستان میں رائج محاسبی اور رپورٹنگ معیارات کے عین مطابق تیار کیا گیا ہے۔ منظور شدہ محاسبی معیارات انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (IFRSs) پرمبنی ہیں جنھیں انٹرنیشنل اکاؤنٹنگ اسٹینڈرڈز بورڈ (IASB) کی جانب سے جاری کیا گیا ہے اور کمپنیز ایکٹ 2017 میں ان کی بابت نوٹس جاری کیا جاچکا ہے، دستاویزات کی تیاری میں ایکٹ ہذا کے قواعد اور ہدایات کی بھی پاسداری کی گئی ہے۔

سی ایف او اور اندرونی آڈٹ کے سربراہ کی قابلیت

سی ایف او اور اندرونی آڈٹ کے سربراہ کوڈ آف کارپوریٹ گورننس کی شرائط کے مطابق اہلیت کے حامل ہیں۔

ترتیب حصص داری

کمپنیز ایکٹ 2017 کے سیکشن (f) (2) 227 اور رول 5.19.11 بابت پاکستان ایکسچینج رول بک کی شرائط کے مطابق کمپنی کی ترتیب حصص داری بتاریخ 30 جون 2024 رپورٹ ہذا کے ساتھ منسلک ہے۔

آڈیٹرز

کمپنی کی مالیاتی دستاویزات برائے مالی سال 24-2023 کو میسرز اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے آڈٹ کیا ہے۔ موجودہ آڈیٹرز سالانہ عام اجلاس کے اختتام تک ریٹائرڈ ہو جائیں گے۔ اہلیت کے حامل ہوتے ہوئے آڈیٹرز نے اپنی خدمات دوبارہ پیش کی ہیں۔ بورڈ کی جانب سے آڈٹ کمیٹی کی سفارش کو مدنظر رکھتے ہوئے میسرز اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کو اگلے سال کیلئے ایک مرتبہ پھر آڈیٹر مقرر کرنے کی سفارش کی گئی ہے جو کہ اگلے سالانہ عام اجلاس میں منظوری سے مشروط ہے۔

دیگر واقعات

کمپنی کے مالی سال کے اختتام سے آج کی تاریخ تک کسی قسم کا نہ کوئی قابل ذکر واقع رونما ہوا اور نا ہی کمپنی کی جانب سے کسی سلسلے میں کوئی وعدہ کیا گیا جس کا اثر کمپنی کی مالی صورتحال پر پڑتا ہو۔

مستقبل پر نظر

جیسا کہ ہم مالی سال 2025 میں داخل ہو رہے ہیں، پاکستان اب بھی معاشی مسائل کے گرداب میں پھنسا ہوا نظر آتا ہے۔ ملک اس وقت کم از کم ٹیکس جی ڈی پی ریشو، ریاستی اداروں میں خسارے اور غیر رجسٹرڈ شدہ اداروں کو دستاویزی شکل میں لانے جیسے مسائل میں الجھا ہوا ہے تاکہ ٹیکس نیٹ کو بڑھایا جاسکے جس کیلئے ٹیکس اصلاحات کی اشد ضرورت ہے۔ ان مسائل سے نبرد آزما ہونے کیلئے حکومت کی جانب سے مالی سال 2025 کیلئے بجٹ ظاہر کیا گیا ہے جس میں ریاست کے تحت چلنے والے اداروں کی نجکاری اور ٹیکس اصلاحات نافذ کرنے کا عزم کیا گیا ہے۔ ان اقدامات میں ٹیکسوں میں اضافہ کرنا اور نان فائلرز کی نشاندہی کرنا شامل ہے جس کے باعث ایک مستحکم معیشت پروان چڑھنے کی توقع کی جاسکتی ہے۔ تاہم مستقل ترقی کیلئے وفاق کی جانب سے پی ایس ڈی پی کی مد میں مالی سال 2025 کیلئے 1,150 بلین روپے کی خطیر رقم مختص کی گئی ہے جو کہ مالی سال 2024 کے مقابلے میں کافی زیادہ ہے۔

مذکورہ بالا اقدامات کی وجہ سے وفاقی حکومت آئی ایم ایف کے ساتھ اسٹاف لیول ایگریمنٹ کے قریب ہے جس کے تحت 36 ماہ طویل ایکسٹینڈڈ فنڈ فیسلیٹی کا پروگرام تشکیل دیا جائے گا جو 7 بلین ڈالر پر مشتمل ہے۔ یہ پروگرام حکومت کی جانب سے معیشت کو مستحکم بنانے اور مضبوط، سب کو ساتھ لے کر چلنے اور مسائل سے نمٹنے کے قابل ترقی کو ممکن بنائے۔ ان اقدامات کی وجہ سے، معاشی میدان میں غیر یقینی صورتحال کا خاتمہ کرنے میں مدد ملے گی، استحکام آئے گا اور غیر ملکی سرمایہ کاروں کیلئے کاروبار میں سرمایہ کاری کے سلسلے میں راہیں کھلیں گی۔ علاوہ ازیں، اس کے بعد دیگر بین الاقوامی اداروں اور دوست ممالک کی جانب سے قرضوں کے حصول میں مدد ملے گی اور پاکستان کی فنانسنگ کی صورتحال میں کافی لچک پیدا ہو جائے گی۔

اگر مستقبل کو سامنے رکھ کر دیکھا جائے تو آئی ایم ایف کا پروگرام پاکستان کی معیشت کیلئے مالی سال 2025 میں تمام تر مسائل کے باوجود امید کی ایک کرن ہے۔ اس پروگرام میں مالیاتی نظم وضبط، فنانشل مینجمنٹ اور بین الاقوامی مالیاتی اداروں کے ساتھ تعلقات پر زور دیا گیا ہے۔ اس پروگرام کے باعث پاکستان کو بڑا ریلیف ملے گا اور قلیل المدتی سے متوسط عرصے کیلئے فنانس کی ضروریات کو پورا کیا جاسکے گا۔ حال ہی میں افراط زر کی شرح میں آنے والی کمی سے حقیقی شرح سود کا حصول ممکن ہوا ہے اور اس طرح اسٹیٹ بینک آف پاکستان کی جانب سے مانیٹری پالیسی کمیٹی میٹنگ مورخہ 10 جون 2024 اور 29 جولائی 2024 کو 250 بیسس پوائنٹس کی بنیاد پر شرح سود میں کمی کا فیصلہ کیا گیا ہے۔ اس فیصلے سے اس بات کا عندیہ بھی ملتا ہے کہ شرح سود میں مزید کمی بھی آسکتی ہے جس کے باعث طلب میں اضافے کی وجہ سے معیشت میں جان پڑ سکتی ہے۔

بورڈ کی جانچ کیلئے معیارات

بورڈ ممبران کے بنیادی فرائض کی بجا آوری کے علاوہ، بورڈ کی کارکردگی کو جانچنے کیلئے با قاعدہ معیارات مقرر شدہ ہیں جس کی بنیاد پر ڈائریکٹروں کی انفرادی اور بطور ٹیم کارکردگی کو جانچا جاتا ہے۔

1۔ بورڈ میں جنسی تنوع، ذہانتوں اور مہارتوں کے بہترین امتزاج اور فلسفیانہ سوچ کے حامل ڈائریکٹروں کی شمولیت۔

2۔ بورڈ ممبران کی جانب سے دیانت، اچھی ساکھ اور مستعدی کا مظاہرہ کرنا۔

3۔ انتظامیہ کی جانب سے سالانہ اہداف پر نظر ثانی کرنا اور ان پر گہری نظر رکھنا۔

4۔ کمپنی کو رہنمائی فراہم کرنا اور کمپنی کی سمت کے تعین کرنے کی اہلیت کا مظاہرہ کرنا۔

5۔ ادارے میں ایسے امور کی نشاندہی کرنے کی قابلیت کا اظہار کرنا جن کیلئے اصلاح کی ضرورت ہو۔

6۔ مینجمنٹ کی سکسیشن پلاننگ پر نظر ثانی کرنا۔

7۔ کمپنی کو لاحق رسک کو سمجھنے کی صلاحیت ہونا اور انکے تجزیے کی صلاحیت کا حامل ہونا۔

8۔ کمپنی میں صحت، ماحولیات، ملازمت کے مواقع اور دیگر پالیسیوں کی اصلاح اور نفاذ کے ضمن میں دلچسپی ظاہر کرنا اور عملی طور پر حصہ لینا۔

9۔ کمپنی کو غیر ضروری قانونی مقدمات اور ساکھ کو لاحق رسک کے خلاف کمپنی کی حفاظت کرنا۔

بورڈ کی کارکردگی کی جانچ

مندرجہ بالا معیارات کی بنیاد پر بورڈ کی مجموعی سالانہ کارکردگی اطمینان بخش رہی۔ بورڈ کی مجموعی کارکردگی کے حوالے سے کمپنیز ایکٹ 2017 کے سیکشن 192 کے تحت چیئرمین کی جانب سے پیش کی گئی رپورٹ کو بھی سالانہ رپورٹ کے ساتھ منسلک کیا گیا ہے۔

ڈائریکٹروں کا مشاہرہ

بورڈ آف ڈائریکٹرز کی جانب سے ڈائریکٹروں اور سینئر مینجمنٹ کے ممبران کے مشاہرے کیلئے ایک پالیسی کی منظوری دی جاچکی ہے۔ اس پالیسی کے چیدہ چیدہ نکات درج ذیل ہیں:

- کمپنی کی جانب سے کسی بھی غیر انتظامی ڈائریکٹر کو مشاہرہ ادا نہیں کیا جائے گا ماسوائے بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کے اجلاس میں شرکت کی فیس کے۔ پالیسی کے مطابق ڈائریکٹروں کو ہر ایک اجلاس میں شرکت کرنے کے عوض ٹیکس منہا کرنے کے بعد مبلغ 100,000 روپے ادا کئے جاتے ہیں، یہ شرکت بورڈ یا بورڈ کی کسی کمیٹی میں ہوسکتی ہے۔

- ڈائریکٹروں کی جانب سے بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کے اجلاس میں شرکت کیلئے فیس کا گاہے بگاہے جائزہ لیا جاتا رہے گا اور اسے بورڈ آف ڈائریکٹرز سے باقاعدہ منظور بھی کروایا جائے گا۔ کسی بھی ڈائریکٹر کو کمپنی کے بورڈ آف ڈائریکٹرز، اس کی کمیٹیوں میں شرکت کے سلسلے میں مشاہرے کی کی منظوری گاہے بگاہے بورڈ آف ڈائریکٹرز سے لی جاتی ہے۔

- کسی بھی ڈائریکٹر کو بورڈ کے اجلاس یا بورڈ کی کسی کمیٹی کے اجلاس یا اجلاس عام میں شرکت کیلئے آنے کے عوض سفری، رہائشی، اور دیگر اخراجات کمپنی کی جانب سے ادا کئے جاتے ہیں خواہ وہ ان اخراجات کو پہلے اپنی جانب سے کرچکا ہو۔

بورڈ کی کمیٹیاں اور ان کے اجلاس

آڈٹ کمیٹی

نمبر شمار	آڈٹ کمیٹی - کل اجلاس 7 ڈائریکٹروں کے نام	اجلاس میں حاضری
1	مسعود کریم شیخ (چیئرمین) آزاد ڈائریکٹر	7
2	جاوید یونس ٹبہ غیر انتظامی ڈائریکٹر	7
3	مریم ٹبہ خان غیر انتظامی ڈائریکٹر	3
4	خواجہ اقبال حسن آزاد ڈائریکٹر	5
5	شبیر حمزہ کھنڈ والا آزاد ڈائریکٹر	7

وہ ممبران جو اپنی مصروفیات کی وجہ سے ان اجلاسوں میں شرکت نہیں کر سکے انہیں غیر حاضری کیلئے رخصت دے دی گئی تھی۔

انسانی وسائل و ادائیگیوں کی کمیٹی

نمبر شمار	انسانی وسائل و ادائیگیوں کی کمیٹی - 2 اجلاس ڈائریکٹروں کے نام	اجلاس میں شرکت کی تعداد
1	خواجہ اقبال حسن (چیئرمین) آزاد ڈائریکٹر	2
2	محمد علی ٹبہ (سی ای او) انتظامی ڈائریکٹر	2
3	جاوید یونس ٹبہ غیر انتظامی ڈائریکٹر	2
4	مریم ٹبہ خان غیر انتظامی ڈائریکٹر	1
5	مسعود کریم شیخ آزاد ڈائریکٹر	2
6	شبیر حمزہ کھنڈ والا آزاد ڈائریکٹر	2

کمیونٹی ڈویلپمنٹ

آپکی کمپنی کی جانب سے بدین شہر کے پاس ایک این جی او کے تعاون سے تمام سہولتوں سے آراستہ ایک رہائشی اور تعلیمی منصوبہ تعمیر کیا گیا ہے جہاں علاقے کے یتیم بچوں کی ضروریات کو پورا کیا جائے گا۔ یہ پروجیکٹ پانچ ایکڑ پر محیط ہے، اس میں 300 یتیم بچوں کی نگہداشت کی جائے گی جہاں انھیں کھیل کود، جدید ترین ماحول میں تعلیم، سائنس لیب، کمپیوٹر لیب اور کھیلنے کی سہولیات فراہم کی جائیں گی۔

ہماری جانب سے ایک مقامی این جی او کی دل کھول کر امداد کی گئی جن کی جانب سے ذہنی معذوری کے شکار بچوں اور بڑوں کیلئے ایتھلیٹ کا بندوبست کیا گیا تھا۔ اس قسم کے اقدامات سے ایسے جاری پروجیکٹس کو آگے بڑھانے میں مدد ملے گی جس کے تحت ایسے افراد اپنی جسمانی حالت کو بہتر بنا سکتے ہیں، انکی حوصلہ افزائی کی جاسکتی ہے اور اپنے خاندانوں اور کمیونٹی کے ساتھ تفریح بھی کر سکتے ہیں۔

ماحولیاتی تحفظ

ماحولیات سے متعلق آپ کی کمپنی ہمیشہ سنجیدگی کے ساتھ ذمہ داری کا مظاہرہ کرتی آئی ہے۔ آپ کی کمپنی نے ماحولیات سے متعلق اقدامات کو جاری رکھا جس میں اپنی مینوفیکچرنگ سائٹس کے ارد گرد درخت لگانے کی مہم شامل ہے تاکہ بقائے ماحولیات کی اہمیت کو ذہنوں میں تر و تازہ رکھا جائے۔

کوڈ آف کارپوریٹ گورننس

پاکستان اسٹاک ایکسچینج کیجانب سے لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشن 2019 اور رول بک آف پاکستان اسٹاک ایکسچینج سے متعلق ذمہ داریوں سے آپکی کمپنی کے ڈائریکٹرز بخوبی آگاہ ہیں۔ آپکی کمپنی کی جانب سے کوڈ آف کارپوریٹ گورننس کے اطلاق اور اسکی مکمل پاسداری کیلئے تمام ضروری اقدامات اٹھائے جاتے ہیں:

- کمپنی کی جانب سے تیار کی جانے والی مالیاتی دستاویزات شفاف انداز سے کمپنی کے معاملات، کاروباری نتائج، نقد رقوم کی ترسیل اور سرمایہ پر مبنی حصص میں تبدیلی کی نمائندگی کرتی ہیں۔
- کمپنی کی جانب سے محاسبی کے کھاتوں کو باقاعدہ محفوظ رکھا جاتا ہے۔
- بورڈ سے منظوری لئے جانے سے قبل چیف ایگزیکیٹو اور چیف فنانشل آفیسر کی جانب سے مالیاتی دستاویزات کی باقاعدہ توثیق کی جاچکی تھی۔
- محاسبی کی مناسب پالیسیوں کو مستقل بنیادوں پر مالیاتی دستاویزات کی تیاری میں استعمال کیا جاتا ہے اور محاسبی کے تمام تخمینے قرین قیاس ہیں۔
- مالیاتی دستاویزات بناتے وقت پاکستان میں مستعمل انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز کی مکمل پاسداری کو ممکن بنایا جاتا ہے اور اگر اس سلسلے میں کسی بھی قسم کی کوئی بھی روگردانی کی جائے تو اس کی توضیح و تشریح بیان کر دی جاتی ہے۔
- اندرونی کنٹرول کا نظام انتہائی مربوط ہے اور موثر انداز سے اس کا نفاذ کرنے کے بعد اس کی مسلسل مانیٹرنگ بھی کی جاتی ہے۔
- اس بات سے کسی شک کی کوئی گنجائش نہیں ہے کمپنی ہمیشگی کی بنیاد پر اپنے کاروبار کو چلا رہی ہے۔
- اسٹیٹمنٹ برائے ترتیب حصص داری کو سالانہ رپورٹ ہذا کا حصہ بنایا گیا ہے۔
- ایسوسی ایٹڈ انڈرٹیکنگز اور ریلیٹڈ پرسنز کی جانب سے ملکیت میں لئے گئے حصص سے متعلق اسٹیٹمنٹ کو بھی علیحدہ سے رپورٹ ہذا میں ظاہر کیا جاچکا ہے۔

بورڈ آف ڈائریکٹرز کا امتزاج

بورڈ کی تشکیل میں جنس، علوم، مہارتوں اور مختلف صلاحیتوں کے امتزاج سے بورڈ کی کارکردگی میں اضافہ ہو جاتا ہے۔ ہمارے بورڈ کی تشکیل سے تمام شعبہ ہائے زندگی سے تعلق رکھنے والے حصص داران کی نمائندگی کا عکس نمایاں ہے جو کہ درج ذیل ہے:

ڈائریکٹرز کی کل تعداد	
الف) مرد حضرات	6
ب) خواتین	1
بورڈ کی تشکیل	
I) آزاد ڈائریکٹر	3
II) دیگر غیر انتظامی ڈائریکٹر	3
III) انتظامی ڈائریکٹر	1

بورڈ آف ڈائریکٹرز کے اجلاس

بورڈ آف ڈائریکٹرز — 6 اجلاس		
نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری
1	محمد سہیل ٹبہ (چیئرمین) غیر انتظامی ڈائریکٹر	6
2	محمد علی ٹبہ (سی ای او) انتظامی ڈائریکٹر	6
3	جاوید یونس ٹبہ غیر انتظامی ڈائریکٹر	6
4	مریم ٹبہ خان غیر انتظامی ڈائریکٹر	4
5	مسعود کریم شیخ آزاد ڈائریکٹر	6
6	خواجہ اقبال حسن آزاد ڈائریکٹر	5
7	شبیر حمزہ کھانڈ والا آزاد ڈائریکٹر	6

وہ ڈائریکٹرز جو اپنی مصروفیات کی بنیاد پر ان اجلاسوں میں شرکت نہ کر سکے انہیں غیر حاضری کیلئے رخصت دے دی گئی تھی۔

بورڈ کی تربیت

کمپنی کی جانب سے بورڈ کے ممبران کی پیشہ ورانہ تربیت کو بہت اہمیت دی جاتی ہے اور کوڈ آف کارپوریٹ گورننس کی شرائط کے مطابق بورڈ ممبران کی تربیت کیلئے ضروری اقدامات کئے گئے ہیں اور اس بات کو یقینی بنایا گیا ہے کہ بورڈ کے تمام ڈائریکٹرز ڈائریکٹرز ٹریننگ سرٹیفکیشن کی شرائط پر پورے اتریں۔

ہوتا ہے۔لکی سیمنٹ میں ہماری جانب سے اس بات کو اہمیت دی جاتی ہے کہ انسانی وسائل پر سرمایہ کاری کی جائے اور تعلیم کو معاشرے میں مثبت تبدیلی لانے اور لیڈر شپ پیدا کرنے کیلئے بطور کلید استعمال کیا جا سکتا ہے۔ تعلیم کو اہمیت دیئے جانے کے پس منظر میں ہمارے وسیع النظر اہداف ہیں جن کے تحت مستقل بنیادوں پر ترقی کو ممکن بنایا جا سکتا ہے اور تعلیم کے ذریعے معاشرے پر دیرپا مثبت اثرات مرتب کیے جا سکتے ہیں۔

اسکالرشپ/مالی امداد

لکی سیمنٹ لمیٹڈ پاکستان میں مستحق اور ذہین طلباء کو تعلیمی مدد فراہم کرنے والے مختلف نامور اداروں کے ساتھ مل کر کام کر رہا ہے۔اس کا بنیادی مقصد ہونہار طلباء کی مالی حیثیت سے قطع نظر تعلیم کو ان کیلئے قابل رسائی اور سستا بنانا ہے۔

- لاہور یونیورسٹی آف مینجمنٹ سائنسز(LUMS):

لکی سیمنٹ لمیٹڈ نے اپنے نیشنل آؤٹ ریچ پروگرام(NOP) کے ذریعے منتخب طلباء کو اسکالرشپ فراہم کرنے کے لیے لاہور یونیورسٹی آف مینجمنٹ سائنسز (LUMS) کے ساتھ اپنے تعاون کو جاری رکھے ہوئے ہے۔اس فلیگ شپ پروگرام کا مقصد پورے ملک میں دیہی علاقوں تک رسائی حاصل کرنا ہے اور غیر مراعات یافتہ ذہین طلباء کو اس پروگرام میں شامل کرنا ہے۔

- انسٹی ٹیوٹ آف بزنس مینجمنٹ(IoBM):

لکی سیمنٹ لمیٹڈ نے IoBM کے ساتھ مستحق اور ذہین طلباء کو وظائف فراہم کرنے کے لیے تعاون جاری رکھا ہوا ہے۔ تسلسل کے ساتھ، لکی سیمنٹ لمیٹڈ IoBM اور کریک ہائی سکول اور کریک کالج (IoBM) کیمپس کے ریگولر طلباء کو وظائف فراہم کر رہا ہے تاکہ پرائمری اور سیکنڈری تعلیم تک رسائی کو ممکن بنایا جا سکے۔

- انسٹی ٹیوٹ آف بزنس ایڈمنسٹریشن:(IBA)

لکی سیمنٹ لمیٹڈ نے انسٹی ٹیوٹ آف بزنس ایڈمنسٹریشن(IBA) کے ساتھ بھی شراکت داری کی ہے جس کے تحت آئی بی اے(IBA) سے معیاری تعلیم کے حصول میں ذہین طلباء کو مدد فراہم کی جاتی ہے اور مستحق اور ہونہار طلباء کی سرپرستی کی جاری ہے۔

نیشنل یونیورسٹی آف سائنسز اینڈ ٹیکنالوجی(NUST):

ہماری جانب سے پاکستان کی دیگر معروف جامعات میں بھی اسکالرشپ پروگرام جاری کئے گئے ہیں۔ NUST کے انڈومنٹ پروگرام کے ساتھ ہماری جانب سے تعاون قابل برداشت اور مستقل تعلیم کیلئے ہماری کوششوں کا غماز ہے۔

پیزو کالج اسکالرشپ پروگرام

لکی سیمنٹ لمیٹڈ نے پاکستان کے نوجوانوں کو با اختیار بنانے کی کوشش میں پیزو اسکالرشپ پروگرام کے ذریعے ضلع لکی مروت کے ذہین طلباء کے لیے اپنے موجودہ قومی اسکالرشپ پروگرام کو وسعت دی ہے۔اس اقدام کے تحت مستحق طلباء کو انٹرمیڈیٹ، گریجویٹ اور انڈر گریجویٹ پروگراموں کے لیے وظائف دیے جاتے ہیں۔اس پروگرام کا بنیادی مقصد با صلاحیت طلباء کے لیے خاص طور پر دیہی علاقوں سے تعلق رکھنے والے طلباء کیلئے مالی وسائل سے قطع نظر سستی اور معیاری تعلیم کو قابل رسائی بنانا ہے۔

پرائمری و سیکنڈری تعلیم

آپ کی کمپنی وطن عزیز میں معیاری پرائمری تعلیم کیلئے پرعزم ہے تاکہ بنیاد سے ہی مؤثر تعلیمی بنیاد فراہم کی جا سکے۔

دی سٹیزن فاؤنڈیشن کے تعاون سے پیزو پلانٹ کے قریب مکمل طور پر فعال ایک پرائمری ع سیکنڈری اسکول کام کر رہا ہے، جہاں علاقے کے بچوں کو معیاری تعلیم فراہم کی جا رہی ہے۔ پرائمری کیمپس، عبدالرزاق ٹبہ بلاک - لکی سیمنٹ لمیٹڈ پیزو کیمپس-I اور سیکنڈری کیمپس، محمد یونس ٹبہ بلاک- لکی سیمنٹ لمیٹڈ کیمپس-II پیزو اور قرب جوار کے طلباء کو بہترین تعلیمی وسائل فراہم کر رہے ہیں۔ان اقدامات کے پیچھے ہمارا وژن کارفرما ہے کہ تعلیمی مواقع فراہم کر کے ان علاقوں کے معیار زندگی کو بہتر بنایا جا سکے۔

آپ کی کمپنی کی جانب سے شاہد آفریدی فاؤنڈیشن (SAF) کے ساتھ بھی اپنی پارٹنر شپ کا اعادہ کیا گیا ہے اور اس ضمن میں کراچی کے پسماندہ اور دور افتادہ علاقے میں ایک اسکول کو گود لیا گیا ہے۔علاوہ ازیں، ہماری جانب سے ملینز اسمائل فاؤنڈیشن(MSF) کی کاوشوں کو تقویت بخشنے کیلئے کنڈل شاہی، وادی تو بات، وادی نیلم، آزاد جموں و کشمیر(AJK) میں تعلیمی اداروں کے انفرااسٹرکچر کو بنانے کیلئے تعاون کیا جا رہا ہے۔مزید یہ کہ زندگی ٹرسٹ کے ساتھ تعاون کرتے ہوئے کراچی میں دو گرلز اسکول چلائے جا رہے ہیں تاکہ ان دونوں اسکولوں کو گرلز کیلئے ماڈل اسکولز بنا کر پیش کیا جائے، اس اقدام سے خواتین کی خود مختاری کو بھی تقویت حاصل ہوگی۔

دیہی ترقیاتی پروگرامز

کمیونٹیز کے معیار زندگی کو بڑھانے کی اہمیت کا ادراک کرتے ہوئے آپکی کمپنی کی جانب سے غیر مراعات یافتہ کمیونٹیز کیلئے بہت سے اقدامات اٹھائے جا رہے ہیں۔پیزو پلانٹ کے پاس مختلف گاؤں میں پریشر پمپس کو شمسی توانائی سے چلایا جا رہا ہے جس سے پانی کی سپلائی کا مسئلہ حل ہوا ہے۔اس پروجیکٹ پر 18.5 ملین روپے کی لاگت آئی ہے جس سے قرب و جوار کے لوگوں کی ضروریات پوری ہو رہی ہیں۔علاوہ ازیں ہماری جانب سے پینے کے پانی کے پمپس نصب کیے گئے ہیں، ذخیرہ تالاب تعمیر کیے گئے ہیں اور واٹر سپلائی لائنیں بھی بچھائی گئی ہیں۔گزشتہ سالوں کے دوران ہماری جانب سے گورنمنٹ ہائی سیکنڈری اسکول(GHSS) درہ پیزو کی تزئین و آرائش کا کام بھی کروایا گیا ہے، GHSS پیزو اور یارک ویلج میں اسکولوں کو 2000 کتابیں بھی عطیہ کی گئی ہیں اور GHSS شہباز خیل گاؤں لکی مروت میں ایک کمپیوٹر لیب بھی بنوائی گئی ہے۔نیز پیزو پلانٹ کے پاس "عبدالرزاق ٹبہ ویلفیئر ڈسپنسری" بنوائی گئی ہے اور جدید ترین سہولیات سے لیس ایمبولینسیں فراہم کی گئی ہیں اور جدید ترین فرسٹ ایڈ میڈیکل آلات کی فراہمی بھی کی گئی ہے۔

صحت کے اقدامات

عزیز ٹبہ فاؤنڈیشن(ATF) کے ذریعے عوام الناس کو صحت کی سہولیات بہم فراہم کرنے کی غرض سے صحت کے شعبے میں مختلف اداروں کے ساتھ تعاون کیا جا رہا ہے۔

- ٹبہ ہارٹ انسٹیٹیوٹ(THI):

جدید ترین سہولیات سے لیس، ایک غیر منافع بخش ہسپتال، ٹبہ ہارٹ انسٹیٹیوٹ انتہائی کم فیس کے ساتھ اعلیٰ طبی سہولیات فراہم کر رہا ہے۔ہماری جانب سے ٹبہ ہارٹ انسٹیٹیوٹ(THI) کے ساتھ مکمل تعاون کیا جا رہا ہے تاکہ صحت کی سہولیات زیادہ سے زیادہ لوگوں تک پہنچائی جا سکیں۔

- ٹبہ کڈنی انسٹیٹیوٹ(TKI):

ہماری جانب سے ٹبہ کڈنی انسٹیٹیوٹ(TKI) کے ساتھ مکمل تعاون کیا جا رہا ہے۔یہ ایک جدید ترین ادارہ ہے جہاں ڈائلیسس جیسی سہولت انتہائی کم فیس پر فراہم کی جا رہی ہے، جہاں غیر مراعات یافتہ طبقوں سے وابستہ افراد کو علاج کی سہولیات فراہم کی جاتی ہیں اور ہر مریض کی انتہائی نگہداشت کی جاتی ہے۔

ملازمین کی فلاح و بہبود

آپکی کمپنی کی جانب سے ایک خاص حد تک تنخواہ دار ملازمین کو پیزو پلانٹ، کراچی پلانٹ اور ہیڈ آفس میں 4,500 راشن کے تھیلے بانٹے جاتے ہیں۔یہ اقدام ہمارے ایمپلائز ویلفیئر اینڈ سپورٹ پروگرام کا حصہ ہے جس کے ذریعے ہم اپنے ملازمین کی فلاح و بہبود کو فروغ دیتے ہیں۔

واپسی کے سلسلے میں بہت اچھی ساکھ کی حامل ہے اور یہ کہ اپنی مالی ذمہ داریوں سے نمٹنے کیلئے نقد رقوم کی ترسیل کے سلسلے میں کمپنی موثر حکمت عملی پر عمل پیرا ہے۔

شعبوں کی بنیاد پر کاروباری کارکردگی کا جائزہ

پاکستان، عراق اور ڈی آر آف کانگو میں سیمنٹ کی صنعت میں مضبوطی کے ساتھ قدم جمانے اور مختلف النوع صنعتوں میں سرمایہ کاری کرنے کے بعد آپکی کمپنی ایک کونگلومیریٹ بن چکی ہے۔ ایل سی آئی پاکستان کا حصول اور لکی الیکٹرک اور لکی موٹر کارپوریشن میں سرمایہ کاری جیسے اقدامات کمپنی کی جانب سے مختلف النوع صنعتوں میں سرمایہ کاری کرنے کی حکمت عملی

کا حصہ ہیں تا کہ حصص داران کی سرمایہ کاری کی قدر میں اضافہ کیا جاسکے۔ جیسا کہ ختم ہونے والا مالی سال معاشی چیلنجوں سے دوچار تھا، کمپنی کے تمام ذیلی اداروں کی جانب سے خاطر خواہ لچک کا مظاہرہ کیا گیا، اپنے کاروباری افعال کو نہایت مستعدی کے ساتھ چلایا گیا اور سخت مالی نظم وضبط کا اہتمام کیا گیا۔ شعبوں کے لحاظ سے ذیل میں کاروباری تصویر یکجا مالیاتی گوشوارے میں بطور ضمیمہ پیش کی جارہی ہے۔

رسک مینجمنٹ

کسی بھی کاروباری نشوونما کیلئے موثر رسک مینجمنٹ ایک کلیدی کردار ادا کرتا ہے۔ لکی سیمنٹ میں مجموعی طور پر یہ ذمہ داری بورڈ پر عائد ہوتی ہے کہ رسک مینجمنٹ کے پورے عمل کی نگرانی کرے جس میں رسک مینجمنٹ کے ساتھ اندرونی کنٹرول کے ضوابط بھی شامل ہیں۔ یہ طریقے کار جنہیں باقاعدہ دستاویزی شکل دی جاتی ہے اور ان پر نظر ثانی بھی کی جاتی ہے اثاثوں کی حفاظت اور ممکنہ رسک کو کنٹرول کرنے کیلئے مرتب کیا گیا ہے جس میں یہ دیکھنا بھی شامل ہے کہ اس سارے عمل کا کاروبار کو جاری رکھنے میں کیا کردار ہوسکتا ہے۔ ایسا کوئی بھی ممکنہ رسک جس کے اثرات کمپنی حکمت عملی، آپریشنل، مالیاتی اور/یا قواعد کی پاسداری سے متعلق اہداف کے حصول پر پڑ سکتے ہوں کو نشاندہی کے فوراً بعد بورڈ اور سینئر مینجمنٹ کے علم میں لایا جاتا ہے تا کہ معمول کے کاروباری افعال کو متاثر کئے بغیر ان کے بارے میں فوری ایکشن لیا جاسکے۔

کمپنی کا اپنا ایک واضح تنظیمی ڈھانچہ ہے جو کہ ایک طے شدہ اتھارٹی کے تحت آتا ہے۔ سینئر مینجمنٹ کی ذمہ داری ہے کہ تمام قواعد وضوابط کے نفاذ کو یقینی بنائے، رسک کی نگرانی کرے اور مختلف اقسام کے کنٹرولز کے موثر ہونے کی جانچ پڑتال کرے۔

کمپنی کے پاس ایک موثر انٹرپرائز رسک مینجمنٹ فریم ورک کام کر رہا ہے جسے کمپنی کی تنظیم کے ساتھ مربوط کیا گیا ہے تا کہ اس بات کو یقینی بنایا جاسکے کہ کسی بھی ممکنہ رسک کے پہنچنے سے پہلے ہی اس کی نشاندہی، اس کی حساسیت اور جانچ کو ممکن بنایا جاسکے۔ تمام نشان زدہ رسک کو ان کے اثرات اور ان کے واقع ہونے کے امکانات کے حساب سے ترجیحاً دیکھا جاتا ہے تا کہ ان کے خلاف ممکنہ تدارکی اقدامات اٹھائے جاسکیں۔

رسک مینجمنٹ ایک ایسا عمل ہے جسے ہمہ وقت جاری رکھنے کی ضرورت رہتی ہے، لہذا سالانہ بنیادوں کے علاوہ مختلف اوقات میں بھی رسک کے سلسلے میں اٹھائے جانے والے اقدامات کا جائزہ لیا جاتا ہے۔

حکمت عملی کے رسک

آپ کی کمپنی ایک ایسے کاروباری ماحول میں کام کر رہی ہے جہاں ہر پل حالات بدلتے رہتے ہیں اور اس طرح کمپنی ہمہ وقت مختلف اقسام کے حکمت عملی کے متعلق رسک سے دوچار رہتی ہے اور ایسے کاروباری مواقع سے فائدہ اٹھانے کی پوزیشن میں بھی رہتی ہے جن کی وجہ سے کمپنی کی حکمت عملی سے متعلق اہداف کے حصول متاثر ہوسکتے ہیں۔ حکمت عملی کے رسک میں، گیس یا متبادل ایندھن کی فراہمی برائے توانائی کی مسلسل نگرانی کی جاتی ہے۔ کمپنی کی سینئر انتظامیہ کی جانب سے کارپوریٹ حکمت عملی کو مارکیٹ میں آنے والی تبدیلیوں کے ساتھ مرتب کیا جاتا ہے، کمپنی کی مارکیٹ پوزیشن کو مضبوط کیا جاتا ہے اور تعمیرات کی صنعت کی بڑھتی کو طلب کے تناسب سے پیداواری صلاحیت میں اضافہ کیا جاتا ہے۔

مزید برآں، آپ کی کمپنی معاشی رسک کو کم از کم کرنے کیلئے بھی کوشاں رہتی ہے، ان کلی معاشی اشاریے، غیر مستقل حکومتی پالیسیاں، غیر متوقع ریگولیٹری رجیم تبدیلیاں اور ٹیکنالوجی میں آنے والی تبدیلیاں بھی شامل ہیں۔

کاروباری افعال کے رسک

آپریشنل کارکردگی کو موثر بنانے کیلئے ان کی کڑی نگرانی کرنے کے ساتھ ساتھ انتظامیہ کی جانب سے آپریشنل رسک کی نگرانی بھی کی جاتی ہے اور کاروبار کو مستعدی کے ساتھ چلانے اور بڑے مسائل سے نمٹنے کیلئے رسک کو کم از کم کیا جاتا ہے تا کہ کمپنی کی فروخت اور پیداوار کا عمل بڑے مسائل کی صورت میں بھی بلا تعطل جاری رہ سکے۔

خام مال کی ترسیل کیلئے ذرائع، فرائض منصبی کی ادائیگی کیلئے درجہ بندی، سائبر سیکیوریٹی کنٹرول دونوں پلانٹس میں پاور جنریشن کے سلسلے میں خود کفالت، اور اندرونی اور بیرونی طور موثر سپلائی چین اور لاجسٹک کے نظام وہ اقدامات ہیں جن کی وجہ سے آپریشنل رسک کو کم از کم حد تک رکھنے میں خاطر خواہ مدد ملی ہے۔

مالیاتی رسک

کوئلے اور کلنکر کی درآمد اور برآمد کا ڈالر میں ہونے کی وجہ سے آپ کی کمپنی زرمبادلہ میں اتار چڑھاؤ سے جذوی طور پر محفوظ رہتی ہے اور مالیاتی رسک کم ہوجاتا ہے۔ سخت مالیاتی نظم وضبط، نقد رقوم کی ترسیل کے مناسب بندوبست اور غیر ملکی کرنسی کی لین دین میں پاکستانی کرنسی کے مقابلے میں برابری کی نگرانی سے مناسب حکمت عملیوں کی نشاندہی ہوتی ہے جس سے اندرونی اور پروجیکٹ سے متعلق سرمایہ کاری سے وابستہ خطرات کو کم کرنے میں مدد ملتی ہے۔ غیر یقینی صورتحال اور غیر ملکی کرنسی کے اتار چڑھاؤ، شرح سود اور اشیاء کی اونچی قیمتوں سے پیدا ہونے والے رسک کو کم کرنے کے لیے آپ کی کمپنی نے سخت پالیسیاں وضع کی ہیں اور ان پر عمل درآمد کیا ہے۔ ان پالیسیوں کا وقتاً فوقتاً جائزہ لیا جاتا ہے اور مالیاتی مارکیٹ کے بہترین طریقوں اور ضوابط کے ساتھ مسلسل ہم آہنگ ہوتے ہیں۔

ضوابط کی پاسداری کے رسک

کسی بھی قسم کی ریگولیٹری عدم پاسداری یا بھول چوک کی وجہ سے کمپنی کو ضوابط کی پاسداری کے رسک لاحق ہوسکتے ہیں۔ قوانین وضوابط میں تبدیلی کی وجہ سے پریشانی ہوسکتی ہے۔ کمپنی کی جانب سے تمام قواعد اور ضوابط کی مکمل پاسداری اور فنانشل رپورٹنگ میں شفافیت کی وجہ سے کمپنی اس رسک سے تقریباً محفوظ ہے۔ ضرورت پڑنے پر اہم قانونی مقدمات میں ملوث ہونے کی صورت میں کمپنی کی جانب سے معروف قانونی فرمز اور ماہرین قانون سے مشاورت کی جاتی ہے، اس لیے کمپنی کی جانب سے عدم پاسداری کا رسک بہت کم ہے۔ اس رسک کو مزید کم کرنے کیلئے کمپنی کی جانب سے اقدامی حکمت عملی مرتب کی جاتی ہے اور مستقبل میں آنے والی تبدیلیوں کے تناظر میں تمام قانونی دستاویزات مرتب کی جاتی ہیں اور ان پر نظر ثانی کا عمل ہمہ وقت جاری رہتا ہے۔ اس سلسلے میں شعبہ قانون کا کردار بہت اہم ہوتا ہے، اس شعبے کی جانب سے اس بات کو ممکن بنایا جاتا ہے کہ تمام مروجہ قوانین وضوابط پر سختی کے ساتھ عمل پیرا ہوا جائے۔ علاوہ ازیں، شعبہ قانون کے ساتھ معروف لیگل فرمز کی مشاورت بھی جاری رہتی ہے تا کہ عدالت میں زیر التواء مقدمات کی پیچیدگیوں کے سلسلے میں موثر مشاورت کی جاسکے۔

کارپوریٹ معاشرتی ذمہ داری

تعلیم معاشرے کی نشوونما میں ایک عمل انگیز کا کام کرتا ہے

تعلیم کسی بھی معاشرے کی ترقی میں بنیاد کا کردار ادا کرتی ہے، تعلیم معاشی پہیئے کو رواں رکھتی ہے، معاشرے میں رشتوں کو مضبوط کرتی ہے اور افراد کو خود مختار بناتی ہے۔ تعلیم کے ذریعے افرادی قوت کو ضروری مہارتوں سے آراستہ کیا جاسکتا ہے، فیصلے سازی کی قوت میں اضافہ ہوتا ہے اور کمیونٹی کی فلاح و بہبود کو فروغ ملتا ہے۔ اگر تنقیدی سوچ اور اختراعی عمل کو بھی شامل کرلیا جائے تو تعلیم عالمی مسائل سے نبرد آزما ہونے کے قابل بھی بناتی ہے جیسا کہ غربت، عدم مساوات اور اس طرح معاشرے میں ایک تحریک پیدا کرنے میں مدد ملتی ہے اور معاشرے مضبوط بنیادوں پر استوار

ادارے کا کلچر

ہم اس بات پر یقین رکھتے ہیں کہ تنوع اور شمولیت جدت طرازی کو فروغ دینے، فیصلہ سازی کو مؤثر بنانے اور ایک ہم آہنگ ماحول کار کو فروغ دینے کے لیے بہت ضروری ہیں۔ انسانی وسائل کو بروئے کار لانے کیلئے ہمارے اقدامات ایک متنوع اور جامع ثقافت کو فروغ دینے کی جانب مؤثر قدم ہیں جہاں مختلف پس منظر، تجربات، اور نقطہ نظر کے حامل ملازمین خود کو گرانقدر اور سراہتا ہوا محسوس کرتے ہیں۔

لکی سیمنٹ لمیٹڈ میں، ہم ایک مثبت اور جامع ورکنگ کلچر کو فروغ دینے کے لیے پرعزم ہیں جو ہماری بنیادی اقدار اور ضابطہ اخلاق کے مطابق ہو۔ جدت طرازی، صارفین کی خدمت، بہترین صلاحیتوں کا فروغ، اور دیانت داری جیسی اقدار کو ہماری ثقافت کی بنیاد ہیں۔ اعلیٰ اقدار پر مبنی ثقافت کو فروغ دینے سے، ہم اپنی افرادی قوت کو بااختیار بناتے ہیں، پیداواری صلاحیت کو بڑھاتے ہیں، اور جدت طرازی کو فروغ دیتے ہیں، اور اپنے تنظیمی ڈھانچے کو مضبوط بناتے ہیں۔ مزید برآں، ہم اپنے ملازمین کی فلاح و بہبود، ترقی، نمو اور مشغولیت کو ترجیحات میں شامل کرتے ہوئے ایک جامع منصوبے پر عمل پیرا رہتے ہیں۔ لکی سیمنٹ لمیٹڈ کو افرادی قوت میں تنوع کی اہمیت کا مکمل ادراک ہے۔ ہم متنوع افرادی قوت کی طاقت کا ادراک کرتے ہوئے اور بامقصد طریقے سے شمولیت کو فروغ دے کر ایک اعلیٰ کارکردگی کا مظاہرہ کرنے والے ٹیلنٹ پول کو تیار کرنے کا ماحول پیدا کرتے ہیں۔ دوران سال متعارف کرائے گئے متعدد اقدامات اور تربیتی مجالس کے ذریعے، ملازمین کو اپنی اعلیٰ ترین صلاحیت کے مطابق کارکردگی کا مظاہرہ کرنے کا اختیار دیتے ہیں۔ متنوع نقطہ نظر، پس منظر اور تجربات کو اپناتے ہوئے، ہم جدت، تخلیقی صلاحیتوں اور موافقت کو فروغ دیتے ہیں، ایسی موافقت ہمیں متحرک کاروباری ماحول میں ترقی کی منازل طے کرنے کے قابل بناتی ہے۔ ہماری ترقی کے ساتھ ساتھ، لکی سیمنٹ لمیٹڈ ہمارے تنظیمی کلچر کو مسلسل بہتر بنانے کے اپنے عزم میں ثابت قدم ہے۔

ملازمین کی دلچسپی و بہبود

لکی سیمنٹ لمیٹڈ میں، ہم سمجھتے ہیں کہ دلچسپی کے ساتھ کام کرنے والے اور مطمئن ملازمین ہی ہماری کامیابی کی بنیاد ہیں۔ ہم ایک جامع اور تعاون پر مبنی کام کا ماحول بنانے پر بہت زور دیتے ہیں جو تعاون، تخلیقی صلاحیتوں اور افرادی ترقی کی حوصلہ افزائی کرتا ہے۔ ملازمین کی کاوشوں کو تسلیم کرنے، ٹیمیں بنانے، اور شفاف مواصلاتی چینلز قائم کرنے جیسے مختلف اقدامات کے ذریعے، ہم اپنی افرادی قوت کے درمیان تعلق پیدا کرتے ہیں اور ایسا ماحول بنایا جاتا ہے کہ انہیں یہاں کی افرادی قوت میں شمار ہونے پر فخر کا احساس ہو۔

صلاحیتوں کو پروان چڑھانا

ہمارے ہمہ زبردست تعلیمی و ترقیاتی پروگرامز سے ہمارے عزائم کا اظہار ہوتا ہے کہ ایک ایسا کلچر پروان چڑھانا چاہتے ہیں جہاں کچھ سیکھنے کا جذبہ ہمہ جہت اور ہمہ وقت ہو۔ اپنی افرادی قوت میں سرمایہ کاری کرکے دراصل ہم اس بات کو یقینی بناتے ہیں کہ ہماری افرادی قوت اپنا متعین کردار ادا کرنے میں خودمختاری محسوس کرے اور اپنے کردار میں مہارت حاصل کرے، نت نئی اختراعات کرے، سیمنٹ انڈسٹری کے ہر لمحہ بدلتے ماحول کے مطابق خود کو ڈھال سکے۔ ہماری جانب سے اپنے ملازمین کیلئے ایسے پروگرام مرتب کئے جاتے ہیں اور بین الشعبہ جاتی مواقع پیدا کئے جاتے ہیں جس کی وجہ سے ہمارے ملازمین اپنے کردار کو ادا کرنے کیلئے ضروری مہارتوں اور علوم سے آشنا ہوتے ہیں اور آگے بڑھنے کی صلاحیت رکھتے ہیں۔ ہماری جانب سے کمپنی میں ہر سطح پر مہارتوں کے فقدان کی نشاندہی کے بعد اہم ضروریات کو مدنظر رکھتے ہوئے ایسے تربیتی پروگرامز مرتب کئے جاتے ہیں کہ ہر سطح پر لازمی مہارتوں کی ضروریات کو پورا کیا جاسکے۔ اندرونی اور بیرونی ماہرین کے ساتھ مشاورت کے بعد ایسے جامع پروگرامز مرتب کئے جاتے ہیں جن تکنیکی مہارتوں، لیڈرشپ اور سافٹ اسکلز کا مکمل لحاظ رکھا جاتا ہے۔ اس طرح جامع منصوبہ بندی کے تحت مرتب کئے جانے والے ان پروگرامز کے بعد ہماری افرادی قوت کمپنی کے اہداف کو مدنظر رکھتے ہوئے نا صرف حال کے مسائل سے نبرد آزما ہونے کیلئے تیار رہتی ہے بلکہ مستقبل کے چیلنجز سے نبرد آزما ہونے کی صلاحیت بھی رکھتی ہے۔

لیڈرشپ کو پروان چڑھانے اور جانشینی کا منصوبہ

اس بات کرتے ہوئے کہ کاروباری ماحول کس قدر پیچیدہ ہے، ہم اس بات کیلئے پرعزم ہیں کہ ہمارے پاس مستقبل کے لیڈرز کا ایک ذخیرہ ہمہ وقت موجود ہو۔ مقررہ اہداف کے تناظر میں، تربیت اور کوچنگ کے ساتھ ہماری جانب سے مطلوبہ ٹیلنٹ کی نشاندہی کی جاتی ہے اور نشاندہی کے بعد ان کی تربیت کا بندوبست کیا جاتا ہے۔ ہمارے جانشینی کے پروگرام کے تحت تنظیمی ڈھانچے میں کوئی خلل پیدا کئے بغیر لیڈرشپ کا انتقال ہوتا رہتا ہے۔ کمپنی میں ہر سطح پر ایسا کلچر پروان چڑھایا گیا ہے کہ لیڈرشپ کی قدر کی جائے، افرادی قوت کو مسائل سے نبرد آزما ہونے کیلئے خودمختار بنایا جاتا ہے، ان میں اختراعی صلاحیت پیدا کی جاتی ہے تا ہماری افرادی قوت غیر معمولی نتائج دینے کی اہل ہو۔ کمپنی کی مذکورہ حکمت عملی کے پیش نظر لکی سیمنٹ اپنی مسابقتی صلاحیتوں کو پروان چڑھاتے ہوئے اور ترقی کے زینے طے کرتے ہوئے انڈسٹری میں لیڈرشپ کا کردار ادا کر رہی ہے۔

مالیاتی نظام

کمپنی کی غیر مربوط بیلنس شیٹ بتاریخ 30 جون 2024 ٹھوس اثاثوں کی بنیاد پر 234.0 ارب روپے ہے (213.1 ارب روپے بمطابق 2023)، کرنٹ ریشو 1.27 (1.29 بمطابق 2023) اور کوئیک ریشو 0.82 (0.85 بمطابق 2023) ہیں۔

حکمت عملی برائے ترسیل نقد رقوم

آپکی کمپنی کی جانب سے نقد رقوم کی ترسیل کیلئے ایک مؤثر اور جامع نظام نافذ العمل ہے جس کے تحت نقد رقوم کی آمدن اور اخراجات کے تخمینے لگائے جاتے ہیں اور باقاعدگی کے ساتھ ان کی نگرانی کی جاتی ہے۔ جہاں تک ورکنگ کیپیٹل کا تعلق ہے اس کا بندوبست بنیادی طور پر کمپنی کے اندرونی ذرائع سے کیا جاتا ہے۔ زیر نظر مالی سال کے دوران کمپنی کی جانب سے 17.7 ارب روپے کیپٹل سرمایہ کی مد میں، 12.1 ارب روپے کمپنی کی جانب سے اپنے ہی حصص خریدنے میں تاکہ انہیں منسوخ کیا جائے (دوسری بائے بیک)، اور 2.2 ارب روپے انکم ٹیکس کی ادائیگی کی مد میں خرچ کئے گئے۔

سرمائے کی ساخت اور مالیاتی پوزیشن

گو کہ آپ کی کمپنی بنیادی طور ایکیوٹی پر قائم ہے لیکن اس نے اسٹیٹ بینک آف پاکستان کی جانب سے مختلف طویل المدتی فنانسنگ کی اسکیموں سے فائدہ اٹھاتی ہے۔ آپ کی کمپنی کی اندرونی ذرائع سے نقد رقوم حاصل کرنے کی صلاحیت اس کی سب سے بڑی طاقت ہے۔ اس سے کمپنی کی انتظامیہ کو یہ موقع حاصل ہوتا ہے کہ کمپنی کی جانب سے لاگت میں کمی لانے جیسے منصوبوں پر سرمایہ کاری کی جائے اور دوسری جانب سپلائرز بھی پورے اعتماد کیساتھ ہمارے کاروبار میں شامل ہوتے ہیں۔ دوران سال رواں ہمارے ذخائر میں 7.6% اضافہ ہوا ہے جس کے بعد ہمارے ذخائر 147.8 ارب روپے تک پہنچ چکے ہیں۔ اس طرح فی حصص بک ویلیو 504.3 روپے تک پہنچ چکی ہے۔ ذخائر میں اضافے کا سہرا کمپنی کیجانب سے پیداواری لاگت میں کمی لانے کیلئے متعارف کروائی جانے والی حکمت عملی اور حاصل شدہ منافع سے ہے۔

کریڈٹ ریٹنگ

زیر نظر مالی سال کے دوران وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ کی جانب سے درمیان اور طویل المیعاد قرضوں کے سلسلے میں AA+ (ڈبل اے پلس) اور قلیل المیعاد قرضوں کے سلسلے میں A-1+ (اے ون پلس) کی ریٹنگ کمپنی کو دی گئی ہے۔ درمیانی سے طویل المیعاد قرضوں کے سلسلے میں دی گئی ریٹنگ سے کریڈٹ کے اعلیٰ معیار اور زبردست حفاظتی اقدامات کا اظہار ہوتا ہے۔ نیز قلیل المیعاد قرضوں کی ریٹنگ A-1+ کمپنی کی جانب سے قرضوں کی بروقت واپسی اور یقینی صورتحال کے علاوہ کمپنی کے پاس وافر مقدار میں قلیل المدتی نقد رقوم کی ترسیل کا اظہار ہے، درمیانی مدت سے طویل مدت کیلئے AA+ ریٹنگ اس بات کی علامت ہے کہ کمپنی کو اعلیٰ کریڈٹ معیار اور سخت حفاظتی اقدامات کا اعزاز حاصل ہے۔ آپ کی کمپنی کو دی جانے والی اعلیٰ کریڈٹ ریٹنگ اس بات کی غماز ہے کمپنی قرضوں کی

کارکردگی کے معیارات

طے شدہ مقاصد واہداف کے حصول کو ممکن بنانے کیلئے کمپنی کی جانب سے کارکردگی کو جانچنے کے معیارات وعلامتیں مقرر کی گئی ہیں۔ ان معیارات کو کمپنی کے ہر شعبے اور طول عرض میں "لکی سیمنٹ لمیٹڈ کے 5 اہداف" کے نام سے فراہم کیا جا چکا ہے۔ ان معیارات کی وجہ سے اپنے مستقبل کی حکمت عملی طے کرنے میں بھی مدد ملتی ہے۔

الف) مقامی اور برآمدی مارکیٹوں میں مستقل اور منافع بخش نشوونما کو ممکن بنانا اور پیداواری لاگت کو کم از کم کرنا۔

ب) تنظیمی ڈھانچہ اور ٹیلنٹ مینجمنٹ

ج) ماحولیات، معاشرہ اور گورننس (ای ایس جی)۔

د) مصنوعات کے پورٹ فولیو میں تنوع پیدا کرنا۔

ھ) آئی ٹی سسٹم انفرااسٹرکچر اخودکاریت کا فروغ۔

دوران سال رواں انتظامیہ نے مزکورہ بالا اہداف کو کمپنی میں ہر سطح پر اس مقصد کیلئے سب تک پہنچا دیا ہے تاکہ ہر شعبہ طے شدہ معیارات کو مدنظر رکھتے ہوئے اپنے اپنے دائرے میں تمام امور بشمول انسانی وسائل کے استعمال کے ضمن میں ان پر عمل درآمد شروع کردے۔ سال کے دوران ان اہداف کو گاہے بگاہے جانچنا اور ان پر عمل درآمد کو چیک کرنے کا کام مینجمنٹ کمیٹی اور پروجیکٹس سے متعلق ہونے والے اجلاس میں ہوتا رہا ہے۔

مالیاتی وغیر مالیاتی امور میں کارکردگی کی جانچ

مستقل اور منافع بخش نشوونما

مارکیٹ میں حصہ:

ختم ہونے والے مالی سال 24-2023 کے دوران معاشی اور سیاسی عدم استحکام کی صورتحال کے باوجود آپ کی کمپنی مارکیٹ میں اپنا حصہ 18.7% تک بڑھانے میں کامیاب رہی جبکہ مالی سال 2023 کے دوران یہ حصہ 16.5% تھا، اس کی وجہ پیزو پلانٹ پر پیداواری صلاحیت میں نئی لائن کا اضافہ تھا، اور اس طرح پاکستان کی سیمنٹ انڈسٹری میں اسکی لیڈرشپ کا مقام اپنی جگہ قائم ودائم رہا۔

کم از کم پیداواری لاگت:

آپ کی کمپنی نے مالی سال 2024 کے دوران اپنی کم از لاگت برائے پیداوار کی روایت کو قائم رکھا۔ کمپنی کی لاگت برائے فی ٹن پیداوار صنعت میں کم سے کم لاگت برائے فی ٹن پیداوار میں سے ایک ہے۔

پیداواری لاگت میں کمی کیلئے اقدامات:

آپکی کمپنی کی جانب سے کوئلے کی سپلائی میں اضافہ کیا گیا ہے اور مقامی و درآمد شدہ کوئلے کے متناسب امتزاج کو زیر استعمال لاکر کمپنی نے اپنی سپلائی چین مینجمنٹ کو مزید مؤثر بنا دیا ہے۔ مزید برآں، نئی سیمنٹ لائن کی تنصیب سے بھی پیداواری صلاحیت میں اضافہ ہوا ہے۔ اب تک کمپنی کی جانب سے اپنے پیزو اور کراچی پلانٹس کی سائٹس پر 74 میگا واٹ تک سولر انرجی پیدا کرنے کی صلاحیت حاصل کر لی ہے۔ علاوہ ازیں، کراچی پلانٹ پر 28.8 میگا واٹ کا ونڈ پاور پروجیکٹ زیر تعمیر ہے۔ توانائی کے ان پروجیکٹس کی وجہ سے کمپنی کو مستقل اور سستی توانائی حاصل ہوگی اور اس طرح لکی سیمنٹ لمیٹڈ کی جانب سے کاربن نیوٹریلٹی کا ہدف بھی حاصل ہو پائے گا۔

کارپوریٹ اور برانڈ کی ساکھ

زیر نظر مالی سال کے دوران کمپنی کی جانب سے کوششیں کی جاتی رہیں کہ کمپنی ایک اہم پروفیشنل ادارے کے طور اپنی پہچان اور ساکھ کو برقرار رکھے۔ ذیل میں کچھ ایسے ایوارڈز کا ذکر کیا جا رہا ہے جو زیر نظر مالی سال کے دوران کمپنی نے حاصل کیے:

- بیسٹ کارپوریٹ اینڈ سسٹین ایبلٹی ایوارڈز 2022 از ICAP اور ICMAP جیتا گیا۔
- نیشنل فورم آف انوائرنمنٹ اینڈ ہیلتھ (NFEH) کی جانب سے 20 واں اینول انوائرنمنٹ ایکسیلینس ایوارڈز 2023 جیتا گیا۔
- پروفیشنلز نیٹ ورک (TPN) کی جانب سے 9 واں انٹرنیشنل ایوارڈ برائے انوائرنمنٹ، ہیلتھ اینڈ سیفٹی 2023، یہ ایوارڈ صحت، حفاظت اور ماحولیات کیلئے دیا گیا ہے جس میں ٹرانسپورٹ سیفٹی، فائر سیفٹی، فاضل مادوں کے اخراج کو کنٹرول کرنے والی ٹیکنالوجی، اختراعات اور مستقل حل جیسے شعبے شامل ہیں۔
- انڈسٹریل سیکٹر میں 38 واں کارپوریٹ ایکسیلینس ایوارڈ از مینجمنٹ ایسوسی ایشن آف پاکستان۔
- سیمنٹ انڈسٹری میں ایکسپورٹ ٹرافی ایوارڈ 23-2022 از کے سی سی آئی۔
- سی ایف اے سوسائٹی کی جانب سے منعقدہ 20 واں سالانہ بہترین کارکردگی ایوارڈ تقریب میں بیسٹ انویسٹر ریلیشنز 2022 - لارج کمپنیز ایوارڈ۔
- انفرااسٹرکچر اور تعمیرات کی کیٹگری میں ساؤتھ ایشین فیڈریشن آف اکاؤنٹنٹس (SAFA) ایوارڈ۔
- نیشنل فورم آف انوائرنمنٹ اینڈ ہیلتھ کی جانب 16 واں اینول سی ایس آر ایوارڈ برائے سی ایس آر اقدامات۔

ترقی برائے انسانی وسائل

سیمنٹ سیکٹر میں سب سے بڑی کمپنی ہونے کے ناطے لکی سیمنٹ اس بات پر یقین رکھتی ہے کہ سیمنٹ انڈسٹری میں بنیادی طور پر ہماری طاقت اور صلاحیتوں اصل سرچشمہ ہماری افرادی قوت ہی ہے۔ ہمارے انسانی وسائل ہی بنیادی طور پر ہمیں انتہائی مؤثر، مخلص اور خودمختار افرادی قوت فراہم کرتے ہیں جن کے بل بوتے پر ہم مسائل سے نبرد آزما ہوتے ہیں، دیرپا ترقی کا حصول ممکن ہوتا ہے اور اپنے شراکت داروں کو مستقل بنیادوں پر گرانقدر خدمات فراہم کرتے ہیں۔

خودمختار ماحول کار کی جانب اقدامات

ہم اس بات پر یقین رکھتے ہیں کہ ہماری کامیابی کے پیچھے ہمارے انسانی وسائل کا ہاتھ ہے۔ انسانی وسائل سے متعلق ہمارے فلسفے کا مرکز ایک بااختیار کام کے ماحول کی تخلیق ہے جو ملازمین کی صلاحیتوں کو فروغ دے اور ان کی صلاحیتوں کو بھرپور انداز سے اجاگر کرے۔ ہم اپنے ملازمین کو پیشہ ورانہ ترقی کے لیے اہم مواقع فراہم کرنے کے لیے پرعزم ہیں، یہ تسلیم کرتے ہوئے کہ ان کا علم، مہارت اور لگن ہماری تنظیمی کامیابی کو آگے بڑھانے میں اہم کردار ادا کرتی ہے۔ ہم پانے ملازمین کی فلاح و بہبود اور کام سے لگن کو مدنظر رکھتے ہوئے انھیں چیلنجز دیتے ہیں، ایسا ماحول پیدا کرتے ہیں جہاں ملازمین کو کام میں مدد مل سکے، اور ان کی پیشہ ورانہ تربیت میں سرمایہ کاری کرتے ہیں۔ ہماری ہمہ جہت کوششوں میں اختراعات، پیداواریت اور کمپنی کی طویل المدتی کامیابی جیسے عناصر شامل ہیں۔

بہترین ٹیلنٹ کو راغب کرنا

ایک ایسی صنعت میں جہاں ٹیلنٹ کامیابی کی کلید ہے، ہماری انسانی وسائل کی ٹیم بہترین پیشہ ور افراد کو راغب کرنے اور انہیں برقرار رکھنے میں انتھک محنت کر رہی ہے۔ اسٹریٹجک بھرتیوں کے ذریعے، ہم نے ایسے افراد کی تلاش کی ہے جو ہماری بنیادی اقدار کو اپنی شناخت بنانے کا جذبہ رکھتے ہوں اور ہماری کمپنی کو آگے بڑھانے کے لیے ضروری مہارتوں اور فنون کے حامل ہوں۔ لازمی علم، وسائل، آلات اور معاونت نئے ملازمین کو فراہم کرکے، ہم انھیں اس قابل بنانے کیلئے کوشاں ہیں کہ وہ اپنے کردار کے مطابق خود کو تیزی کے ساتھ ڈھال سکیں اور آغاز کے دنوں ہی سے اپنا مؤثر کردار ادا کریں۔ سب کو ساتھ لے کر چلنے کا ہمارا کلچر باہمی تعلق اور مقصد کے احساس کو فروغ دینے کے لیے ڈیزائن کیا گیا ہے، جس سے ملازمین کو ہماری تنظیمی ثقافت اور اہداف کے ساتھ ہم آہنگ ہونے کا موقع ملتا ہے۔

ڈیویڈنڈ اور تقسیم منافع

آپ کی کمپنی اس بات کیلئے پرعزم ہے کہ حصص داران کی دولت میں نہ صرف اضافہ کیا جائے بلکہ انھیں مستقل اور طویل المیعاد بنیادوں پر منافع بھی فراہم کیا جاتا رہے۔ گزشتہ سالوں میں کمپنی مختلف نوعیت کے کاروباروں میں سرمایہ کاری کے ذریعے اپنی توسیع کی پالیسی پر عمل پیرا ہے اور اس سلسلے میں سرمایہ گیر پروجیکٹس میں سرمایہ کاری کیلئے کمپنی اپنے کاروباری افعال سے حاصل ہونے والی نقد رقوم کو سرمایہ کاری استعمال میں لاتی رہی ہے جس کی وجہ سے نہ صرف کمپنی کے ان عزائم کی توثیق ہوتی ہے، بلکہ ان توسیعی منصوبوں کے ثمرات بھی کمپنی کو مل رہے ہیں۔ موجودہ سرمایہ اور ایکویٹی سرمایہ کاری کے منصوبوں کو مدنظر رکھتے ہوئے بورڈ نے 26 ستمبر 2024 کو منعقد کی جانے والی آئندہ سالانہ اجلاس عام میں حصص داران کی منظوری سے مشروط 15 روپے فی حصص کے حتمی نقد ڈیویڈنڈ کی سفارش کی ہے۔

قومی خزانے میں حصہ

غیر یکجا طور پر آپکی کمپنی کی جانب سے سرکاری خزانے میں 39.0 ارب روپے (بمطابق 2023: 31.3 ارب روپے) انکم ٹیکس، ایکسائز ڈیوٹی، سیلز ٹیکس اور دیگر سرکاری لیویز کی مدات میں جمع کروائے گئے۔

مزید برآں، آپکی کمپنی کی جانب سے زیر نظر مالی سال کے دوران سیمنٹ کی برآمدات کے ذریعے سے وطن عزیز کیلئے تقریباً 80.03 ملین ڈالر کا قیمتی زرمبادلہ بھی حاصل کیا گیا ہے۔

صحت، حفاظت اور ماحولیات

لکی سیمنٹ کے تمام آپریشنز کی بنیادوں میں ایک مضبوط صحت، حفاظت اور ماحولیات (ایچ ای ای) پالیسی کارفرما ہے۔ اپنی اس پالیسی پر سختی کے ساتھ عمل پیرا ہوتے ہوئے لکی سیمنٹ اپنے تمام ملازمین اور شراکت داروں کیلئے ان آپریشنز کو محفوظ بنانے کیلئے پرعزم ہے۔ کمپنی کی جانب سے نا صرف سائٹ پر ان آپریشنز میں مشغول افراد کیلئے اعلی معیار کی صحت اور حفاظت پالیسی پر سختی کے ساتھ عمل کیا جاتا ہے بلکہ جس معاشرے میں ان افعال کو سرانجام دیا جارہا ہے اس معاشرے میں موجود کمیونٹیز کیلئے بھی ان پالیسیوں پر عمل کیا جاتا ہے۔

حفاظت سے متعلق شعور بیدار کرنے کیلئے اور ایک ایسے کلچر کو فروغ دینے کیلئے جہاں ہر فرد اپنے ذاتی فعل میں حفاظت کو یقینی بنانے کیلئے جہد مسلسل کو اپنا شعار بنائے، علاوہ ازیں صحت، حفاظت اور ماحولیات کے شعور پوری طرح بیدار کرنے کیلئے جامع آگاہی پروگرامز نے بھرپور کردار ادا کیا ہے، جس سے ایک ایسا ماحول اور کلچر پیدا کرنے میں مدد ملی ہے جہاں ہر فرد کی جانب سے اسے ایک اجتماعی ذمہ داری سمجھا جاتا ہے۔

زیرو لاس ورک انجری

ختم ہونے والے مالی سال کے دوران کسی بھی قسم کا کوئی قابل ذکر حادثہ پیش نہیں آیا۔ ایسا صرف ایچ ایس ای فالواپس، آڈٹس، حفاظتی مباحث، مسلسل رسک جائزوں اور ممکنہ حادثات کی روک تھام کے ذریعے ہی ممکن ہو پایا ہے۔ ایچ ایس ای پالیسی پر سختی سے عمل پیرا ہونے اور ایس او پیز پر عمل کرنے کی وجہ حفاظتی اقدامات میں بہت مدد ملی ہے اور ان اقدامات کی وجہ سے کام کرنے کا محفوظ ماحول پیدا ہوا ہے۔

این ای کیو معیارات کی پاسداری

ریگولیٹری پاسداری کو یقینی بنانے کیلئے، ماحولیاتی ٹیسٹنگ باقاعدگی کے ساتھ ای پی اے سے منظور شدہ لیبارٹری سے کروائی جاتی ہے۔ کمپنی کی سہولیات کو این ای کیو کے معیارات کے مطابق رکھا جاتا ہے اور اس ہدف کے حصول کو ممکن بنانے کیلئے جدید ٹیکنالوجی کو زیر استعمال لایا جاتا ہے، بروقت دیکھ بھال کی جاتی ہے اور پلانٹس پر ڈبلیو ایچ آر کا استعمال کیا جاتا ہے۔ لکی سیمنٹ کے پلانٹ ذرات کے اخراج کو کنٹرول کرنے کے لیے نئے اور زیادہ جدید بیگ ہاؤسز سے لیس ہیں۔ بیگ ہاؤس کی کارکردگی 99.95% ہے اور ماحولیاتی تحفظ کی کارکردگی 99% ہے۔

پلانٹس کے اندر اور آس پاس درخت لگانے کی مہم ہمارے پائیدار ماحول دوست طریقوں میں سب سے زیادہ اہمیت حاصل ہے۔ ان اقدامات سے نا صرف یہ ظاہر ہوتا ہے کہ کمپنی ریگولیٹری اتھارٹیز کی جانب سے بنائے جانے والے قواعد کی مکمل پاسداری کرتی ہے بلکہ دوسری جانب سے ان اقدامات کی وجہ سے ایک صحت مند ماحول بھی میسر آئے گا جس میں ہماری کمیونٹی محفوظ رہے گی۔ ان اقدامات کو اٹھانے کی وجہ سے ماحولیات کی بقاء اور بقاء کیلئے اختراعات میں آپ کی کمپنی پوری انڈسٹری میں ایک لیڈر کی حیثیت رکھتی ہے۔

انتظامیہ کے اہداف اور حکمت عملی

گزشتہ کئی برسوں کے دوران، آپ کی کمپنی کئی معاشی منجدھاروں اور صنعتی چکروں سے گزر کر آج مضبوط بنیادوں پر قائم ہے۔ آپکی کمپنی اپنے متنوع پورٹ فولیو ہمیشہ توسیعی آپریشنز اور مثالی حکمت عملی نے اس کی بنیادوں کو نہ صرف بڑے سیمنٹ مینوفیکچررز کے طور پر بلکہ پاکستان میں سب سے زیادہ خوشحال تنظیم کے طور پر بھی مضبوط کیا ہے۔

آپ کی کمپنی مضبوط بنیادوں پر اپنے مالیاتی نظم وضبط، پیداواری لاگت میں لیڈرشپ اور موثر نظام ترسیل کو استوار کرنے میں کامیاب رہی ہے تاکہ کامیابی کے ان راستوں پر آگے بڑھ سکے۔ آپ کی کمپنی سیمنٹ کی انڈسٹری میں ایک اہم کردار ادا کرنے کے ناطے اپنی توجہ اس بات پر مذکور رکھتی ہے کہ اپنے اہداف حاصل کرے اور جدید ٹیکنالوجی کو زیر استعمال لاتے ہوئے ایک ایسا نقشہ مرتب کیا جائے جس میں کاربن کے اخراج کو کنٹرول کرنا، ماحول کو محفوظ بنانا جیسے عوامل کو ترجیح دی جائے اور سپلائی چین کا ایک ایسا نظام وضع کیا جائے جو کم خرچ بالانشین ہو۔

کمپنی کی انتظامیہ اس بات کیلئے پرعزم ہے کہ گورننس کے بہترین اصولوں کی پاسداری کی جائے۔ آپ کی کمپنی تمام شراکت داروں کو ساتھ لے کر چلنے پر یقین رکھتی ہے، جس کے باعث کمپنی کو اپنے تمام شراکت داروں کا نا صرف اعتماد حاصل ہے بلکہ وہ اس بات کے معترف بھی ہیں۔ ان اقدامات کی وجہ سے ملازمین کے مابین ایک ایسا ماحول پروان چڑھانے میں مدد ملی ہے جہاں تمام ملازمین دل وجاں سے اپنے فرائض منصبی کی ادائیگی کرتے ہیں اور ملازمین کو گرانقدر اثاثہ گردانا جاتا ہے۔

طے شدہ کارپوریٹ اہداف کے حصول کو ممکن بنانے کیلئے آپکی کمپنی نے ادارے کے طول عرض میں تمام اعلی و ادنی ملازمین کو شامل کرتے ہوئے ہر کام کے سرانجام دینے کیلئے SOPs (کام سرانجام دینے کے معیارات) اور KPIs (کارکردگی کو جانچنے کے پیمانے) مقرر کر دیے ہیں۔ ان پیمانوں اور معیارات کو وسیع النظر کارپوریٹ اہداف کے ساتھ متوازن رکھا گیا ہے تاکہ کمپنی کا ہر ملازم ان شفاف پیمانوں کو مدنظر رکھتے ہوئے سالانہ اہداف کے پیش نظر بذات خود اس بات کا اندازہ لگا سکے کہ وہ کتنا کامیاب رہا۔ مزید برآں، ہماری جانب سے انسانی وسائل سے متعلق پالیسیوں میں بھی مزید نکھار پیدا کیا گیا ہے اور کامیابی کے ساتھ ملک کے معروف تعلیمی اداروں کے اشتراک سے ایک طے شدہ مینجمنٹ تربیتی پروگرام کا آغاز کیا گیا ہے۔

علاوہ ازیں، کمپنی تمام ملازمین کی صحت اور حفاظت سے متعلق قواعد وضوابط پر عمل کو اپنا اخلاقی فرض سمجھتی ہے۔ لکی سیمنٹ کی جانب سے کام کیلئے ایک صحت افزاء ماحول پیدا کرنے کیلئے مسلسل کوششیں جاری رکھی جاتی ہیں اور حالیہ سیلاب کے دوران معاشرے کی فلاح وبہبود کیلئے بھی اقدامات اٹھائے گئے۔

آپ کی کمپنی کی مالیاتی شرح نمو اور مارکیٹ لیڈرشپ اس بات کی غماز ہے کہ کمپنی اپنی حکمت عملی کے مطابق آگے بڑھ رہی ہے۔

آمدن

زیرِغور مالی سال کے دوران گزشتہ مالی سال کے مقابلے میں آپکی کمپنی کی خام آمدن از فروخت میں20.3% کا اضافہ ہوا ہے (115.3بلین روپے بمقابلہ 95.8بلین روپے)۔ مقامی سطح پر فروخت کے حجم میں15% کا اضافہ ہوا ہے(129.2 بلین روپے بمقابلہ112.1 بلین روپے)۔ اسی طرح برآمدات میں65% کا اضافہ ہوا ہے(22.6 بلین روپے بمقابلہ13.7 بلین روپے)۔ اس اضافے کی وجہ حجم برائے فروخت اور سیمنٹ کی قیمت فروخت میں اضافہ ہے۔

لاگت برائے فروخت

گزشتہ مالی سال کے مقابلے میں زیرِغور مالی سال اختتامیہ30 جون2024 کے دوران لاگت برائے فروخت میں9.7% کا اضافہ درج کیا گیا ہے اور اس طرح یہ اخراجات76.5بلین روپے ریکارڈ کیے گئے، جبکہ گزشتہ مالی سال کیلئے یہ اخراجات69.7 بلین روپے تھے۔ یہ اضافہ گزشتہ مالی سال کے مقابلے میں زیادہ پیداوار اور زیادہ فروخت کی وجہ سے ہوا ہے۔

خام منافع

گزشتہ مالی سال کے27% کے مقابلے میں زیرِغور مالی سال2024 کے دوران خام منافع34% رہا۔ اس سے صاف ظاہر ہے کہ گزرے چند سالوں سے آپ کی کمپنی کی توجہ پیداواری لاگت میں کمی لانے اور پیداواری افعال کی کارکردگی موثر بنانے اور قابلِ تجدید ذرائع سے توانائی کے حصول پر مرکوز رہی اور ان اقدامات کی وجہ سے آج بہتر منافع حاصل ہو رہا ہے۔

آمدن از ڈیویڈنڈ

مالی سال اختتامیہ30 جون2024 کے دوران آپکی کمپنی کی جانب سے وصول کی گئی آمدن از ڈیویڈنڈ10.6 بلین روپے رہی جو کہ مالی سال2023 کے دوران2.4 بلین روپے تھی۔ گو کہ ڈیویڈنڈ سے حاصل ہونے والی آمدن تمام کاروباری اداروں سے حوصلہ افزا رہی تاہم اس آمدن کا بڑا حصہ لکی الیکٹرک پاور کمپنی لمیٹڈ سے حاصل ہونے والے اولین ڈیویڈنڈ پر مشتمل ہے، جو کمرشل آپریشنز شروع ہونے کے بعد حاصل ہو رہے ہیں۔

ذیلی کمپنیوں کے نام	مالی سال 2024	مالی سال 2023	مالی سال 2022	مالی سال 2021
ایل سی آئی	3.0	1.3	2.0	1.3
ایل ایچ ایل	-	0.2	0.3	0.2
وائی ای ایل	0.2	0.2	0.2	0.1
ایل ای پی سی ایل	6.0			
ایل ایم سی	1.4	0.7	1.1	2.9
کل	10.6	2.4	3.5	4.4

صافی منافع

زیرِغور مالی سال اختتامیہ30 جون2024 کے دوران آپکی کمپنی نے41.4 بلین روپے کا منافع قبل از ٹیکس کمایا ہے، جبکہ گزشتہ مالی سال کے اختتام پر صافی منافع21.3 بلین روپے تھا۔

اسی طرح مالی سال2024 کے اختتام پر بعد از ٹیکس منافع28.1 بلین روپے رہا، جبکہ گزشتہ مالی سال کے اختتام پر بعد از ٹیکس منافع13.7 بلین روپے تھا۔ اس اضافے کی بنیادی وجوہات میں ذیلی کمپنیوں سے بہتر ڈیویڈنڈ آمدن اور کمپنی کی جانب سے بنیادی کاروباری افعال کو مزید موثر بنانے کیلئے اٹھائے جانے والے اقدامات شامل ہیں۔

آمدن فی حصص

آپکی کمپنی کی آمدن فی حصص مالی سال30 جون2024 کے اختتام پر94.54 روپے فی حصص رہی، جبکہ گزشتہ مالی سال کے اختتام پر آمدن فی حصص43.06 روپے درج کی گئی تھی۔

توسیع و ترقی

لکی سیمنٹ کی جانب سے قابلِ تجدید توانائی کیلئے اقدامات

آپ کی کمپنی توانائی کی بچت اور صاف ستھری توانائی کیلئے ہمہ وقت کوشاں رہتی ہے جس کا ثبوت کمپنی کی جانب سے قابلِ تجدید توانائی پلانٹس لگانے کا سلسلہ ہے۔

سولر پاور پروجیکٹ

کمپنی کی جانب سے اپنے پیزو اور کراچی پلانٹس کی سائٹس پر سولر پاور کے منصوبوں کی تنصیب کی جا چکی ہے، ان پلانٹس کی پیداواری صلاحیت بالترتیب42.8 میگاواٹ اور31.5 میگاواٹ ہے۔ اس طرح سے ہماری سولر توانائی کی کل پیداواری صلاحیت74.3 میگاواٹ تک پہنچ چکی ہے۔ ان پلانٹس کی تنصیب سے نہ صرف ہم اس قابل ہو چکے ہیں کہ روایتی توانائی پر کم از کم انحصار کریں بلکہ یہ پلانٹس ہمیں اس قابل بھی بناتے ہیں کہ ہم کاربن فٹ پرنٹس میں زیادہ سے زیادہ کمی لانے اور قابلِ تجدید ذرائع سے گرین انرجی پیدا کرنے کے اپنے نصب العین پر عمل پیرا ہو سکیں۔

ونڈ انرجی پلانٹ بمقام کراچی

کمپنی کی جانب سے اپنے کراچی پلانٹ کی سائٹ پر28.8 میگاواٹ کا کیپٹیو پاور پروجیکٹ نصب کیا جا رہا ہے، امید ہے کہ یہ پلانٹ مالی سال2025 کی پہلی سہ ماہی تک مکمل کر لیا جائے گا۔

مذکورہ بالا پروجیکٹس کی تکمیل کے بعد قابلِ تجدید ذرائع سے پیدا کی جانے والی توانائی کے سلسلے میں آپ کی کمپنی کی کل پیداواری صلاحیت103.1 میگاواٹ تک پہنچ جائے گی۔

کمپنی کی جانب سے قابلِ تجدید ذرائع برائے حصول توانائی میں کی جانے والی سرمایہ کاری کی وجہ سے ایک جانب تو کمپنی کی پیداواری لاگت میں خاطر خواہ کمی واقع ہو گی، اور اس کے ساتھ ساتھ درآمد شدہ ایندھن پر بھی وطنِ عزیز کا انحصار کم از کم ہو جائے گا۔

سماوہ، عراق میں کلنکر کی پیداوار میں توسیعی منصوبہ 1.82 ملین ٹن سالانہ

اس پروجیکٹ پر تعمیر و تنصیبات کا کام مکمل رفتار سے جاری ہے اور پلانٹ و مشینری کی ترسیل مالی سال2025 کی پہلی سہ ماہی تک مکمل ہو جائے گا۔ کمپنی کی جانب سے اس پروجیکٹ کو مالی سال2025 کی ششماہی تک مکمل کرنے کا ہدف مقرر کیا گیا ہے۔

لکی سیمنٹ لمیٹڈ کے حصص کی از خود خریداری

مالی سال2023 کی پہلی سہ ماہی میں کمپنی نے10 ملین عام حصص تک کے شیئرز کی از خود خریداری کا اعلان کیا تھا جسے بعد ازاں 20 ستمبر2022 کو منعقد کیے جانے والے غیر معمولی سالانہ اجلاس عام (EOGM) میں شیئر ہولڈرز نے منظور کیا تھا۔ مذکورہ خریداری طے شدہ وقت کے اندر اندر پاکستان اسٹاک ایکسچینج لمیٹڈ (PSX) سے اوسطاً435.6 روپے فی حصص بمطابق اسپاٹ پرائس کی بنیاد پر کی گئی تھی۔

حصص داران کی دولت میں مزید قدر پیدا کرنے کے مقصد کو مدِنظر رکھتے ہوئے، کمپنی کی جانب سے23.8 ملین عام حصص تک کی دوسری از خود خریداری کا اعلان بھی مالی سال2023 کی چوتھی سہ ماہی میں کر دیا گیا تھا، جسے بعد ازاں 24 مئی2023 کو منعقدہ غیر معمولی سالانہ اجلاس عام (EOGM) میں شیئر ہولڈرز نے منظور کیا تھا۔ 20 نومبر2023 تک20.4 ملین کے عام حصص خریدے جا چکے تھے جن کی اوسط قیمت632.6 روپے فی حصص تھی، اور اس طرح دوسرے بائے بیک میں طے شدہ حد کی تکمیل بھی کر لی گئی۔

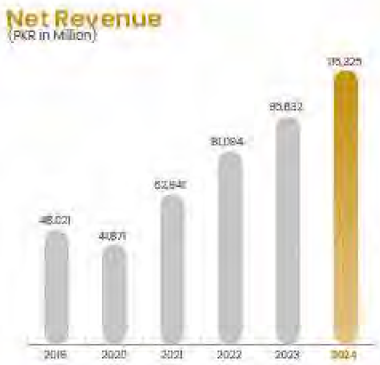
مارکیٹ میں حصہ	مالی سال 2024	مالی سال 2023	اضافہ/(کمی)%
	ہزاروں ٹن میں		
مقامی فروختگی	16.4%	15.5%	5.8%
برآمدات			
بوری بند سیمنٹ	36.8%	29.8%	23.5%
کھلا سیمنٹ	100.0%	100.0%	-
کلنکر	25.0%	17.1%	46.2%
کل برآمدات	**30.9%**	**25.6%**	**20.7%**
مجموعی کل	**18.7%**	**16.5%**	**13.3%**

مالیاتی کارکردگی۔ غیر یکجا

آپکی کمپنی کی غیر یکجا مالیاتی کارکردگی برائے مالی سال اختتامیہ 30 جون 2024 اور گزشتہ سال کا تقابلی جائزہ ذیل میں پیش کیا جارہا ہے:

پاکستانی روپے میں ماسوائے آمدن فی حصص	2024	2023	تبدیلی %
خام آمدن	151,808	125,819	20.7%
صافی آمدن	115,325	95,832	20.3%
لاگت برائے فروخت	76,520	69,771	9.7%
خام منافع	38,805	26,061	48.9%
خام منافع بلحاظ فیصد صافی منافع	33.6%	27.2%	23.5%
کاروباری منافع	28,870	18,908	52.7%
آمدن قبل از سود، انکم ٹیکس، فرسودگی	34,964	24,223	44.3%
صافی منافع	28,107	13,726	104.8%
فی حصص آمدن	94.54	43.06	119.5%

چھ سالہ مالیاتی کارکردگی کا جائزہ



17 مئی 2024 کو طے پایا ہے جس کے تحت فائزر پاکستان لمیٹڈ کے ملکیتی مینوفیکچرنگ پلانٹ کو حاصل کیا جائے گا، اس ڈیل میں کچھ فارماسیوٹیکلز پروڈکٹس اور ان پروڈکٹس سے منسلک ٹریڈ مارکس بھی شامل ہیں (یہ ٹریڈ مارکس یا تو مخصوص اسائنمنٹ سے منسلک ہیں یا ان ٹریڈ مارکس کو پیکنگ کی بنیاد پر استعمال کرنے کا لائسنس حاصل کیا جائے گا) جن کا تعلق فائزر گروپ کے متعلقہ اداروں سے ہے۔ اس معاملے کی تکمیل معاہدے میں مذکور چند شرائط اور منظوریوں سے مشروط ہے۔

توانائی

لکی الیکٹرک پاور کمپنی لمیٹڈ (LEPCL) کی ملکیت میں بن قاسم کراچی کے مقام پر 660 میگاواٹ کا سپر کریٹیکل اگنائٹ کول فائرڈ پاور پلانٹ کام کر رہا ہے۔ اس پلانٹ نے 21 مارچ 2022 کو اپنا کمرشل آپریشن شروع کیا اور اس پلانٹ کا تھر اگنائٹ کو پر چلایا جا رہا ہے۔

کمپنی کی جانب سے محفوظ اوقات کار کے 4.4 ملین گھنٹے مکمل کئے جا چکے ہیں، مارچ 2022 میں اپنے آپریشنز کے آغاز سے اب تک یہ پلانٹ کسی بھی قسم کی ورک ڈے انجری (LWI) کے بغیر کام کر رہا ہے اور اب تک اس پلانٹ پر کوئی قابل ذکر حادثہ پیش نہیں آیا۔

اس پلانٹ کے کیش فلو کو موثر انداز سے چلانے کیلئے لکی الیکٹرک پاور کمپنی لمیٹڈ (LEPCL) کی جانب سے 49.2 بلین روپے قلیل المدتی تمویل کا بندوبست کیا گیا ہے جس میں 24.2 بلین روپے کا ورکنگ کیپیٹل اور 25.0 بلین روپے کے صکوک شامل ہیں۔ سی پی پی اے کی جانب سے کم تر وصولیوں کے باوجود کمپنی کی جانب سے اپنے تمام قرضے مکمل طور پر ادا کئے گئے ہیں جس میں 7.3 بلین روپے بنیادی رقوم کی ادائیگی اور 31.4 بلین روپے سود کی ادائیگی کیلئے دی گئی ہے۔

آٹوموبائل اور موبائل فونز

کئی وجوہات کی بناء پر آٹوموبائل سیکٹر میں مندی کا شکار ہے۔ ان وجوہات میں کرنسی کا اتار چڑھاؤ، آٹوموبائلز پر اضافی ٹیکسوں کا عائد کیا جانا، بلند شرح سود، اسٹیٹ بینک آف پاکستان کی جانب سے آٹوموبائل فنانسنگ کیلئے سخت قواعد بنانا، افراط زر اور ایندھن کی بڑھتی ہوئی قیمتیں شامل ہیں۔ گزشتہ سال کے مقابلے میں اس سیکٹر کے کاروباری حجم میں تقریباً 20% کی کمی واقع ہوئی ہے۔

جبکہ دوسری جانب، گزشتہ مالی سال کے مقابلے میں موبائل مارکیٹ میں کافی تیزی ریکارڈ کی گئی ہے۔ اس کی وجہ حکومت کی جانب سے ایس کے ڈی کٹس اور درآمدات پر عائد پابندیوں کا ختم کیا جانا شامل ہے، جس کے باعث موبائل سیکٹر میں سپلائی میں بہتری پیدا ہوئی ہے۔

سیمنٹ انڈسٹری اور کمپنی کی کارکردگی۔ خیر یکجا

مالی سال 2024 میں تعمیرات کی صنعت کئی مسائل کا شکار رہی، جیسا سیاسی عدم استحکام، افراط زر کی بلند شرح، بلند شرح سود، عوامی فلاح و بہبود کے تعمیراتی منصوبوں میں کٹوتی اور توانائی کی بڑھتی قیمتیں وغیرہ۔ ان تمام نامساعد حالات کے باوجود پاکستان میں مقامی طور پر سیمنٹ کی انڈسٹری میں 2% کا معمولی سا اضافہ درج کیا گیا ہے، علاوہ ازیں مالی سال اختتامیہ 30 جون 2024 کے دوران سیمنٹ کی برآمدات کا حجم 45.3 ملین ٹن رہا جبکہ گزشتہ مالی سال کے دوران یہ حجم 44.6 ملین ٹن تھا۔ مقامی سطح پر فروخت میں 5% کی کمی واقع ہوئی اور اس کمی کے ساتھ مقامی مارکیٹ میں سیمنٹ کا حجم 38.2 ملین ٹن ریکارڈ کیا گیا ہے جو گزشتہ مالی سال کے دوران 40.0 ملین ٹن تھا۔ اس کمی کی وجہ بھی مذکورہ بالا مسائل ہیں۔ اس کے برعکس برآمدات میں 56% کا اضافہ ریکارڈ کیا گیا ہے، برآمدات کی مد میں سیمنٹ کا حجم 7.1 ملین ٹن رہا جو کہ گزشتہ مالی سال کے دوران 4.6 ملین ٹن ریکارڈ کیا گیا تھا۔ برآمدات میں اس اضافے کی وجہ برآمدات کیلئے حالات کا سازگار ہونا تھا، ان حالات کا سہرا فریٹ ریٹس میں استحکام اور توانائی کی لاگت میں کمی ہے، کیونکہ سولر پاور اور ونڈ پاور کے گرین انرجی پروجیکٹس لگائے جانے کے بعد توانائی کی لاگت میں کمی واقع ہوئی ہے۔

اگر مجموعی طور پر پوری سیمنٹ انڈسٹری کو دیکھا جائے تو مالی سال اختتامیہ 30 جون 2024 کے دوران آپکی کمپنی کی جانب سے مجموعی طور پر فروخت کا حجم 16% زائد رہا اور اس شرح فیصد کے ساتھ سیمنٹ کا حجم 8.6 ملین ٹن تھا، جبکہ گزشتہ مالی سال کے دوران یہ حجم 7.4 ملین ٹن تھا۔ مقامی سطح پر سیمنٹ کے حجم میں 3% کا معمولی سا اضافہ ہوا ہے، اور اسطرح زیر نظر عرصے کے دوران سیمنٹ کا حجم 6.4 ملین ٹن رہا، جبکہ گزشتہ مالی سال کے دوران یہ حجم 6.2 ملین ٹن تھا۔ اسی طرح کمپنی کی برآمدات کی فروخت میں 88% کا ایک بڑا اضافہ ہوا ہے، اور اس شرح کے ساتھ سیمنٹ کا حجم 2.2 ملین ٹن ریکارڈ کیا گیا ہے، جبکہ گزشتہ مالی سال کے دوران سیمنٹ کا یہ حجم 1.2 ملین ٹن تھا، ان تمام تبدیلیوں کا سہرا مذکورہ بالا عوامل کو جاتا ہے۔

سیمنٹ کی پیداوار اور بلحاظ حجم فروخت کی کارکردگی

مالی سال اختتامیہ 30 جون 2024 کی بابت آپ کی کمپنی کی پیداوار اور فروخت کے اعداد و شمار بمقابلہ گزشتہ مالی سال ذیل میں پیش کئے جا رہے ہیں:

تفصیلات	مالی سال 2024	مالی سال 2023	اضافہ / (کمی) %
	(ہزار ٹن میں)		
کلنکر کی پیداوار	8,158	6,235	30.8%
سیمنٹ کی پیداوار	7,476	7,060	5.9%
فروخت برائے سیمنٹ کلنکر	8,590	7,374	16.5%

آپکی کمپنی کے کاروبار اور پاکستان کی سیمنٹ کی صنعت کا تقابلی جائزہ برائے مالی سال اختتامیہ 30 جون 2024 ذیل میں پیش کیا جا رہا ہے:

تفصیلات (ہزار ٹن میں)	مالی سال 2024	مالی سال 2023	اضافہ / (کمی) %	
	(ہزار ٹن میں)			
سیمنٹ کی صنعت*				
مقامی فروختگی	38,185	40,018	(1,833)	(4.6%)
برآمدات				
پوری بند سیمنٹ	3,243	2,512	731	29.1%
کھلا سیمنٹ	52	83	(31)	(37.6%)
کلنکر	3,816	1,971	1,845	93.6%
کل برآمدات	**7,110**	**4,566**	**2,545**	**55.7%**
مجموعی کل	**45,296**	**44,584**	**712**	**1.6%**
لکی سیمنٹ				
مقامی فروختگی				
سیمنٹ	6,265	6,203	61	1.0%
کلنکر	126	-	126	100%
	6,391	**6,203**	**187**	**3.0%**
برآمدات				
پوری بند سیمنٹ	1,194	750	445	59.3%
کھلا سیمنٹ	52	83	(31)	(37.6%)
کلنکر	953	337	616	182.6%
کل برآمدات	**2,199**	**1,170**	**1,029**	**87.9%**
مجموعی کل	**8,590**	**7,374**	**1,217**	**16.5%**

ڈائریکٹرز رپورٹ

برائے مالی سال اختتامیہ 30 جون 2024

کی جانب سے انتہائی مسرت کے ساتھ رپورٹ ہذا، بمعہ کمپنی کے آڈٹ شدہ مالیاتی دستاویزات برائے مالی سال اختتامیہ 30 جون 2024 آپکی خدمت میں پیش کیے جا رہے ہیں۔ ذیل میں دی گئی معلومات زیرِ غور مالی سال کے دوران کمپنی کی یکجا اور غیر یکجا کارکردگی پر مشتمل ہے۔

رپورٹ ہذا کمپنیز ایکٹ 2017 کے سیکشن 227 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تحت تیار کی گئی ہے اور رپورٹ ہذا کو 26 ستمبر 2024 کو منعقد کئے جانے والے کمپنی کے اکتیسویں (31st) سالانہ اجلاس عام کے دوران حصص داران کی خدمت میں پیش کی جائے گی۔

جائزہ برائے معیشت و یکجا مالیاتی کارکردگی

معیشت کا جائزہ

گزشتہ سال سے ہماری معیشت مسائل کا شکار ہے، ان مسائل میں بلند شرح سود اور افراطِ زر بنیادی طور پر سرِفہرست ہیں، ان مسائل کی وجہ سے ایک جانب تو طلب میں کمی واقع ہوئی ہے تو دوسری جانب بڑے پیمانے کی صنعتیں بھی سست روی کا شکار ہوئی ہیں۔ اس دورانیے میں بھی درآمدات میں کمی واقع ہوئی ہے اور نتیجتاً کرنٹ اکاؤنٹ خسارے میں گزشتہ دہائی کی سب سے بڑی کمی واقع ہوئی ہے۔ اس طرح پاکستانی روپیہ ڈالر کے مقابلے میں مستحکم رہا۔

مزید برآں، حال ہی میں آئی ایم ایف کے ساتھ 3 بلین ڈالر کا اسٹینڈ بائی معاہدہ بھی کامیابی کے ساتھ تکمیل پا چکا ہے، ترسیلات زر اور اضافی طور پر دو طرفہ رقوم کے تبادلوں سے بیرونی دباؤ میں کمی واقع ہوئی ہے۔ اس کے نتیجے میں زرِ مبادلہ کے ذخائر میں اضافہ ہوا ہے اور یہ ذخائر گزشتہ دو سال کی بلند ترین سطح پر ہیں۔

سیاسی محاذ پر، صوبائی اور وفاقی حکومتوں کی تشکیل کے بعد سیاسی استحکام پیدا ہوا ہے، جس کی بہت سخت ضرورت تھی، غیر یقینی صورتحال میں کمی واقع ہوئی ہے، اور سرمایہ کاروں کا اعتماد بحال ہوا ہے۔ معیشت کی بحالی اور مطلوبہ سیکٹرز میں غیر ملکی براہِ راست سرمایہ کاری کیلئے سیاسی استحکام کا کردار بہت اہم ہے۔

ان تمام مسائل کو مدِنظر رکھتے ہوئے آپکی کمپنی کی لیڈرشپ کی جانب سے اقدامی حکمتِ عملی اپنائی گئی ہے جس میں پیداواری لاگت کو کم از کم رکھنا، رسک میں کمی لانا اور کاروباری افعال کو مزید موثر بنانے کیلئے اختراعات متعارف کروانے جیسے اہم اقدامات شامل ہیں۔

یکجا مالیاتی کارکردگی

یکجا بنیادوں پر آپکی کمپنی کا کاروباری حجم گزشتہ مالی سال کے مقابلے میں 6.7% کے اضافے کے ساتھ 411.0 بلین روپے رہا، جبکہ گزشتہ مالی سال کے دوران کاروباری حجم 385.1 بلین روپے تھا۔ مذکورہ بالا مسائل کے باوجود یہ کمپنی کی جانب سے خاطر خواہ آمدن کا سہرا ملکی سیمنٹ کی فروخت کو جاتا ہے، سیمنٹ کی فروخت کے حجم میں کافی اضافہ ہوا ہے۔

زیرِ نظر مالی سال کے اختتام پر کمپنی کا یکجا صافی منافع 72.3 بلین روپے رہا، اقلیتی حصص کو منہا کرنے کے بعد یہ رقم 65.6 بلین روپے بنتی ہے۔ گزشتہ مالی سال کے منافع بالترتیب 59.5 اور 48.8 بلین روپے کے مقابلے میں منافع میں خاطر خواہ اضافہ ہوا ہے۔ اس طرح مالی سال اختتامیہ 30 جون 2024 کیلئے آمدن فی حصص 220.51 روپے رہی جبکہ گزشتہ مالی سال کیلئے آمدن فی حصص 152.97 روپے درج کی گئی تھی، اس طرح اس ضمن میں 44.2% کا اضافہ درج کیا گیا ہے۔ اس منافع کا سہرا بنیادی طور پر لکی الیکٹرک پاور کمپنی لمیٹڈ (LEPCL) کے کاروباری افعال اور مقامی اور بین الاقوامی سطح پر سیمنٹ سازی کی بہتر کارکردگی کو جاتا ہے۔

گزشتہ مالی سال کے مقابلے میں مالی سال اختتامیہ 30 جون 2024 سے متعلق آپکی کمپنی کی یکجا مالیاتی کارکردگی کو ذیل میں پیش کیا جا رہا ہے:

ملین روپے ماسوائے آمدن فی حصص	مالی سال 2024	مالی سال 2023	تبدیلی (فیصد)
خام آمدن	**489,363**	459,459	6.5%
صافی آمدن	**410,995**	385,125	6.7%
خام منافع	**123,517**	93,634	31.9%
خام منافع بلحاظ فیصد بابت صافی آمدن	**30.1%**	24.3%	23.9%
کاروباری منافع	**100,078**	77,295	29.5%
آمدن قبل از سود، ٹیکس، فرسودگی و تخفیف	**117,801**	94,047	25.3%
صافی منافع	**72,337**	59,537	21.5%
صافی منافع (برائے مالکان ہولڈنگ کمپنی)	**65,556**	48,758	34.4%
آمدن فی حصص (روپے میں)	**220.51**	152.97	44.2%

مقامی سیمنٹ آپریشنز

مالی سال 2024 کے دوران سیمنٹ کی ترسیل کا حجم 8.59 ملین ٹن رہا، یہ حجم گزشتہ مالی سال کی اسی عرصے کے مقابلے میں 16.5% زائد تھا۔ اس اضافے کی وجوہات میں پیزو کے مقام پر جدید پیداواری صلاحیت کی تنصیب اور برآمدات میں ہونے والا بڑا اضافہ شامل ہیں۔ بالخصوص برآمدات کی مد میں سیمنٹ کی ترسیل میں گزشتہ مالی سال کے اسی عرصے کے مقابلے میں 88% اضافہ درج کیا گیا ہے، جبکہ مقامی سطح پر 3% کا معمولی سا اضافہ درج کیا گیا ہے۔

اسی طرح، گزشتہ مالی سال کے مقابلے میں رواں مالی سال میں سیمنٹ کے کاروبار سے حاصل ہونے والی آمدن قبل از ٹیکس میں 53% کا اضافہ ہوا ہے۔ اس اضافے کا سہرا آمدن از فروخت میں اضافے، قابلِ تجدید توانائی کے ذرائع میں خاطر خواہ اضافے اور پیداواری لاگت کو کم از کم کرنے کے سلسلے میں کئے جانے والے اقدامات کے نتیجے میں پیداواری لاگت میں کمی کو جاتا ہے۔

غیر ملکی سیمنٹ آپریشنز

جوائنٹ وینچر کے تحت، عراق اور کانگو میں سیمنٹ سازی کی سہولیات مسلسل گروپ کے منافع میں اپنا حصہ ملا رہی ہیں۔ عراق میں سیمنٹ کی طلب میں استحکام رہا۔ نجمۃ السماوہ میں پیداواری صلاحیت کو بھرپور استعمال کیا گیا اور بھٹی کو ایچ ایف او سے گیس میں تبدیل کرنے کی وجہ سے کمپنی کے منافع میں بھی اضافہ ہوا ہے۔ اسی طرح کانگو میں بھی سیمنٹ کی طلب میں اضافے کا رجحان قائم رہا اور مستقل نوعیت کے اخراجات کا انجذاب موثر رہا جس کے باعث منافع میں بھی اضافہ ہوا۔

پولیسٹر، سوڈا ایش اور کیمیکلز

گزشتہ مالی سال کے اسی عرصے کے مقابلے میں زیرِ نظر عرصے کے دوران 10% اضافے کے ساتھ کاروباری حجم 120.5 بلین روپے درج کیا گیا ہے، اس کی بنیادی وجہ سوڈا ایش کے کاروبار سے بڑے پیمانے پر کی جانے والی برآمدات ہیں، گزشتہ مالی سال کے دوران اس کاروبار میں اضافے کیلئے 135,000 ٹن سالانہ کا توسیعی منصوبہ کامیابی سے شروع کیا گیا۔ دواسازی، کیمیکل و زراعتی سائنسز اور سوڈا ایش کے صافی حجم میں بالترتیب 33%، 17% اور 15% کا اضافہ درج کیا گیا ہے۔ البتہ ہیلتھ سائنسز اور پولیسٹر کا کاروباری حجم گزشتہ مالی سال کے اسی عرصے کے مقابلے تقریباً وہی رہا۔

گزشتہ مالی سال کے اسی عرصے کے مقابلے میں 17% اضافے کے ساتھ کاروباری افعال کی آمدن 17.2 بلین روپے ریکارڈ کی گئی ہے۔ گزشتہ مالی سال کے اسی عرصے کے مقابلے میں زیرِ نظر مالی سال کے دوران فارماسیوٹیکلز، سوڈا ایش اور کیمیکلز کے کاروبار سے بالترتیب 130%، 31% اور 11% زائد آمدن حاصل ہوئی ہے، جبکہ دوسری جانب پولیسٹر اور اینیمل ہیلتھ کے کاروبار میں بالترتیب 43% اور 5% کی کمی واقع ہوئی ہے۔

گروپ کی جانب ترقی و نشوونما اور حکمتِ عملی کے اہداف کو مدِنظر رکھتے ہوئے، زیرِ نظر سال کے دوران، لکی کور انڈسٹریز فائزر پاکستان لمیٹڈ اور فائزر انکارپوریشن کے ساتھ ایسٹ پرچیز کے معاہدے کا حصہ بھی بن چکی ہے۔ یہ معاہدہ

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12.01	Specific disclosures of the financial statements required under the Companies Act, 2017 and IFRSs (Annexure II).	403
Annexure II	**Specific Disclosures of the Financial Statements**	
1	Fair value of Property, Plant and Equipment.	Not Applicable
2	Particulars of significant/ material assets and immovable property including location and area of land.	Page # 250 - Note # 5.4 Page # 311 - Note # 6.5
3	Capacity of an industrial unit, actual production and the reasons for shortfall.	Page # 273 - Note # 40 Page # 358 - Note # 44
4	Forced sale value in case of revaluation of Property, Plant and Equipment or investment property.	Not Applicable
5	Specific disclosures required for shariah compliant companies/ companies listed on the Islamic Indices as required under clause 10 of the Fourth Schedule of the Companies Act, 2017.	Not Applicable
6	Disclosure requirements for common control transactions as specified under the Accounting Standard on 'Accounting for common control transactions' developed by ICAP and notified by SECP (through SECP S.R.O. 53 (I)/2022 dated January 12, 2022)	Not Applicable
7	Disclosure about Human Resource Accounting (includes the disclosure of process of identifying and measuring the cost incurred by the company to recruit, select, hire, train, develop, allocate, conserve, reward and utilize human assets).	Not Applicable
8	In financial statements issued after initial or secondary public offering(s) of securities or issuance of debt instrument(s) implementation of plans as disclosed in the prospectus/offering document with regards to utilization of proceeds raised till full implementation of such plans	Not Applicable
9	Where any property or asset acquired with the funds of the company and is not held in the name of the company or is not in the possession and control of the company, this fact along with reasons for the property or asset not being in the name of or possession or control of the company shall be stated; and the description and value of the property or asset, the person in whose name and possession or control it is held shall be disclosed	Not Applicable
Specific disclosures required for shariah compliant companies		
	Loans/advances obtained as per Islamic mode	Page # 259 - Note # 22 Page # 330-333 - Note # 23
	Shariah compliant bank deposits/bank balances	Page # 258 - Note # 18 Page # 328 - Note # 20
	Profit earned from shariah compliant bank deposits/bank balances;	Page # 268 - Note # 34 Page # 351- Note # 37
	Revenue earned from a shariah compliant business segment	Page # 265 - Note # 28.1
	Gain/loss or dividend earned from shariah compliant investments	Page # 268- Note # 34.1
	Exchange gain earned	Not applicable
	Mark up paid on Islamic mode of financing	Page # 267 - Note # 32.1
	Relationship with shariah compliant banks; and	Not applicable
	Profits earned or interest paid on any conventional loan or advance	Page # 267 - Note # 32

Glossary

Derivative Financial Instruments
Transactions used to manage interest rate and / or currency risks

Dividend Payout Ratio
The dividend payout ratio is the ratio between the dividend for the fiscal year and the earnings per share

EBIT
Earnings Before Interest and Taxes. EBIT represents the results of operations

EBITDA
Earnings Before Interest, Taxes, Depreciation and Amortisation

EPS
Earnings Per Share

Gearing Ratio
Securing a transaction against risks, such as fluctuations in exchange or interest rates, by entering into an offsetting hedge transaction, typically in the form of a forward contact

HESCO
Hyderabad Electric Supply Corporation

PESCO
Peshawar Electric Supply Corporation

IAS
International Accounting Standards (Accounting standards of the IASB)

IASB
International Accounting Standards Board (The authority that defines the International Financial Reporting Standards)

IR
Integrated Report

IIRC
International Integrated Reporting Framework

LCHPL
Lucky Cement Holdings (Private) Limited

IFRIC
International Financial Reporting Interpretations Committee (predecessor of the International Financial Reporting Standards Interpretations Committee, IFRSC IC)

IFRS
International Financial Reporting Standards (The accounting standards of IASB)

IFRS IC
International Financial Reporting Standards Interpretations Committee. The Body that determines appropriate accounting treatment in the context of existing IFRS and IAS.

LCL
Lucky Cement Limited

LHL
Lucky Holdings Limited

Net Indebtedness
The net amount of interest bearing financial liabilities as recognized in the balance sheet, cash and cash equivalents, the positive fair values of the derivative instruments as well as other interest bearing investments

mtpa
million tons per annum

NEPRA
National Electric & Power Regulatory Authority

OPC
Ordinary Portland Cement

Operating Assets
Operating assets are the assets less liabilities as reported in the balance sheet, without recognizing the net indebtedness, discounted trade bills, deferred tax assets, income tax receivable and payable, as well as other financial assets and debts

Operating Lease
A form of lease that is largely similar to rental. Leased assets are recognized in the lessor's balance sheet and capitalized

RDF
Refuse Derived Fuel

ROCE
Return On Capital Employed. We define ROCE as the ratio of EBIT to average operating assets for the fiscal year

SIC
Standing Interpretations Committee (predecessor to the IFRIC)

SRC
Sulphate Resistant Cement

TDF
Tyre Derived Fuel

WHR
Waste Heat Recovery

YBG
Yunus Brothers Group

NRL
National Resources Limited

Official Political MAP of Pakistan is used in this report as available on: **http://www.surveyofpakistan.gov.pk**

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