



**FOCUSED ON**  
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HALF YEARLY REPORT DECEMBER 2022



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## Company Information

### Board of Directors

Mr. Syed Najmudduja Jaffri – Chairman  
Mr. Abdus Samad Habib - Chief Executive Officer  
Mr. Kashif Habib  
Mr. Abdul Qadir Sultan  
Mr. Ahsan Anis  
Mrs. Anna Samad  
Mr. Muhammad Siddiq Khokhar

### Audit Committee

Mr. Abdul Qadir Sultan – Chairman  
Mr. Kashif Habib  
Mr. Ahsan Anis

### Human Resources & Remuneration Committee

Mr. Kashif Habib – Chairman  
Mr. Syed Najmudduja Jaffri  
Mr. Abdus Samad Habib

### Chief Financial Officer

Mr. Vaqas Rafi

### Company Secretary

Mr. Vaqas Rafi

### Auditors

Rahman Sarfaraz Rahim Iqbal Rafiq Chartered  
Accountants

### Legal Advisor

Advocate Ahsan-ul-haq Advocates and Corporate council

### Bankers and Financial institutions

Bank Islami Pakistan Limited  
Habib Metropolitan Bank Limited  
The Bank of Punjab  
Bank Alfalah Limited  
First Habib Modaraba  
Summit Bank Limited  
Meezan Bank Limited

### Registered Office

Plot # 1, Global Industry,  
Nusrat Bhutto Colony, North Nazimbad,  
Karachi, Pakistan.  
Tel: 92 345 2025369  
[www.safemixlimited.com](http://www.safemixlimited.com)

### Shares Registrar

THK Associates (Private) Limited

# Directors' Review Report

The Board of Directors of your Company are pleased to present their review report on the condensed interim financial and operational performance of your Company for the six months ended December 31, 2022.

The key financial highlights of the Company are as follows:

Particulars	July to December 2022	October to December 2022	July to December 2021	October to December 2021
	-----Rupees-----		-----Rupees-----	
Net Revenue	<b>657,052,755</b>	407,642,747	113,097,903	56,942,997
Cost Of Revenue	<b>(498,529,406)</b>	(301,253,096)	(99,322,804)	(47,100,231)
Gross Profit/(Loss)	<b>158,523,349</b>	106,389,651	13,775,099	9,842,766
Profit/(Loss) before Taxation	<b>120,217,935</b>	77,585,798	(2,190,605)	1,998,260
Taxation	<b>(41,944,835)</b>	(46,857,082)	(59,164)	642,772
Profit/(Loss) after Taxation	<b><u>78,273,100</u></b>	<u>30,728,716</u>	<u>(2,249,769)</u>	<u>2,641,032</u>
Earnings per Share- Basic and Diluted	<b><u>3.13</u></b>	<u>1.23</u>	<u>(0.09)</u>	<u>0.11</u>

## Financial and Operational Performance

During the period under review your Company achieved a record sale of PKR 657.053 million as compared to PKR 113.098 million over the corresponding period resulting in positive variance of 482%. The stellar performance was made possible due to increased sales volumes as well as price. The cost of revenue for the period remained at PKR 498.529 million as compared to PKR 99.322 million in the corresponding period. The Gross Margin of the company improved to 24.16% as compare to 12.18% in the corresponding period due to better utilization of fixed cost and cost effective measures taken by the management. The administrative and selling expenses for the period stood at PKR 18.017 million as compared to PKR 10.906 million in the corresponding period.

The profit after taxation for the period arrived at PKR 78.273 million as compared to loss after tax of PKR 2.250 million in the corresponding period.

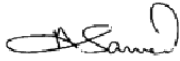
## Future Outlook

The performance of your company is directly linked to the construction and real estate industry, the recent increase in commodity prices coupled with limited availability of steel bars will affect the construction activity.

## Acknowledgement

The management of your Company would like to thank all the shareholders, financial institutions, customers, individuals and staff members who have been associated with the Company for their support and cooperation. Further, we would also like to thank SECP and the management of PSX for their continued support and guidance.

For and on behalf of the board



**Samad Habib**

Chief Executive Officer & Director



**Syed Najmudduja Jaffri**

Chairman

Karachi: February 28th, 2023



**Russell Bedford**  
taking you further

**Rahman Sarfaraz Rahim Iqbal Rafiq**  
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF M/S. SAFE MIX CONCRETE LIMITED**

**Report on Review of Condensed Interim Financial Statements**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of M/s. Safe Mix Concrete Limited ("the Company") as at December 31, 2022 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows and notes thereto for the half yearly period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

**Scope of review**

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

As part of our engagement, we were only required to review the cumulative figures for the six-month period ended December 31, 2022. Accordingly, we have not reviewed the figures in the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the quarter period ended December 31, 2022.

**Conclusion**

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

The engagement partner on the review resulting in this independent auditor's review report is Mr. Muhammad Waseem.

  
**RAHMAN SARFARAZ RAHIM IQBAL RAFIQ**  
Chartered Accountants  
Karachi

Date: February 28, 2023  
UDIN: RR202210213FZ8SXI14


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A global network of independent accountancy firms,  
business consultants and specialist legal advisers.

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at December 31, 2022

		Unaudited 31 December 2022	Audited 30 June 2022
		(Rupees)	
	Note		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	310,530,767	328,930,166
Long term deposits		46,960	46,960
Long term advances	4	1,152,140	1,152,140
Deferred tax asset -net		43,190,033	76,921,709
		354,919,900	407,050,975
<b>Current assets</b>			
Stock-in-trade	5	29,089,445	19,805,708
Stores, spares parts and loose tools		10,699,412	7,790,399
Trade debts	6	189,597,416	184,044,628
Loans and advances	7	47,419,701	46,940,491
Prepayments and other receivables	8	3,315,508	1,510,017
Taxation - net	9	20,385,378	12,342,128
Cash and bank balances	10	56,917,915	26,474,946
		357,424,775	298,908,317
		712,344,675	705,959,292
<b>Total assets</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Authorized capital</b>			
35,000,000 (June 30, 2021: 35,000,000) ordinary shares of Rs 10/- each		350,000,000	350,000,000
Issued, subscribed and paid-up capital		250,000,000	250,000,000
Capital contribution - Loan from related party		87,000,000	87,000,000
Capital reserve			
Share premium		14,728,576	14,728,576
Revenue reserve			
Accumulated losses		(44,254,213)	(122,527,313)
		307,474,363	229,201,263
<b>Non-current liabilities</b>			
Long term financing - secured		101,451,276	100,021,093
Staff retirement benefits		8,904,596	7,664,169
		110,355,872	107,685,262
<b>Current liabilities</b>			
Short term borrowings - secured	11	55,000,000	80,000,000
Trade and other payables	12	163,399,469	109,615,559
Advance from customers	13	54,973,494	138,851,469
Current portion of long term loans from a banking company		19,496,542	18,013,522
Loan from a related party		-	18,118,274
Accrued markup		1,644,935	4,473,943
		294,514,440	369,072,767
	14	712,344,675	705,959,292
<b>Contingency and commitments</b>			
Total equity and liabilities		712,344,675	705,959,292

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

  
\_\_\_\_\_  
**Samad Habib**  
CEO

  
\_\_\_\_\_  
**Kashif Habib**  
Director

  
\_\_\_\_\_  
**Waqas Rafi**  
CFO




# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

For the half year and quarter ended December 31, 2022 (unaudited)

		Unaudited 31 December 2022	Unaudited 31 December 2021	Unaudited 31 December 2022	Unaudited 31 December 2021
	Note	(Rupees)		(Rupees)	
Revenue - net	15	657,052,755	113,097,903	407,642,747	56,942,997
Cost of revenue	16	(498,529,406)	(99,322,804)	(301,253,096)	(47,100,231)
<b>Gross profit</b>		158,523,349	13,775,099	106,389,651	9,842,766
Administrative expenses		(16,783,855)	(8,639,776)	(9,920,540)	(5,139,572)
Distribution expenses		(1,233,376)	(5,317,177)	(985,507)	(2,063,303)
		(18,017,231)	(13,956,953)	(10,906,047)	(7,202,875)
<b>Operating profit / (loss)</b>		140,506,118	(181,854)	95,483,604	2,639,891
Other operating expenses		(15,124,608)	(1,460,097)	(11,866,455)	(1,460,097)
Other income	18	13,948,662	3,543,149	5,186,139	2,853,149
		(1,175,946)	2,083,052	(6,680,316)	1,393,052
Finance costs	17	(19,112,237)	(4,091,803)	(11,217,490)	(2,034,683)
<b>Profit / (loss) before taxation</b>		120,217,935	(2,190,605)	77,585,798	1,998,260
Taxation - net	19	(41,944,835)	(59,164)	(46,857,082)	642,772
<b>Profit / (loss) after taxation</b>		78,273,100	(2,249,769)	30,728,716	2,641,032
<b>Earning per share - basic and diluted</b>	20	3.13	(0.09)	1.23	0.11

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

  
Samad Habib  
CEO

  
Kashif Habib  
Director


  
Vaqas Rafi  
CFO

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the half year and quarter ended December 31, 2022 (unaudited)

Note	Unaudited 31 December 2022	Unaudited 31 December 2021	Unaudited 31 December 2022	Unaudited 31 December 2021
	(Rupees)		(Rupees)	
Profit / (loss) after taxation	78,273,100	(2,249,769)	30,728,716	2,641,032
Other comprehensive income	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<u>78,273,100</u>	<u>(2,249,769)</u>	<u>30,728,716</u>	<u>2,641,032</u>

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

  
**Samad Habib**  
 CEO

  
**Kashif Habib**  
 Director


  
**Vaqas Rafi**  
 CFO

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the half year and quarter ended December 31, 2022 (unaudited)

	Issued, subscribed and paid-up capital	Share premium reserve	Loan from related party	Accumulated profit / (loss)	Total
	------(Rupees)-----				
<b>Balance as at July 01, 2021</b>	250,000,000	87,000,000	14,728,576	(168,857,411)	182,871,165
Total comprehensive loss for the half year ended December 31, 2021					
- Loss after taxation	-	-	-	(2,249,769)	(2,249,769)
- Other comprehensive income	-	-	-	-	-
	-	-	-	(2,249,769)	(2,249,769)
<b>Balance as at December 31, 2021</b>	250,000,000	87,000,000	14,728,576	(171,107,180)	180,621,396
Balance as at July 01, 2022	250,000,000	87,000,000	14,728,576	(122,527,313)	229,201,263
Total comprehensive loss for the half year ended December 31, 2022					
- Profit after taxation	-	-	-	78,273,100	78,273,100
- Other comprehensive loss	-	-	-	-	-
	-	-	-	78,273,100	78,273,100
<b>Balance as at December 31, 2022</b>	250,000,000	87,000,000	14,728,576	(44,254,213)	307,474,363

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

  
\_\_\_\_\_  
**Samad Habib**  
CEO

  
\_\_\_\_\_  
**Kashif Habib**  
Director

  
\_\_\_\_\_  
**Vaqas Rafi**  
CFO

# CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the half year ended December 31, 2022 (unaudited)

		Unaudited 31 December 2022	Unaudited 31 December 2021
		(Rupees)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit / (loss) before taxation</b>		120,217,935	(2,190,605)
Adjustments for non-cash and other items:			
- Depreciation on property, plant and equipment	3.1	14,130,598	6,691,854
- Fixed assets write off		7,113,782	-
- Provision for staff retirement benefits		1,240,428	836,358
- Irrecoverable long term deposits written off		-	189,590
- Provision for Workers' Profit Participation Fund		6,437,654	-
- Irrecoverable CWIP written off		-	1,270,507
- Finance costs	17	19,112,237	4,091,803
- Gain on final settlement with CDGK	18	-	(1,308,758)
- Gain on sale of operating fixed assets	18	(737,971)	-
- Gain on sale of asset held for sale	18	-	(200,000)
- Profit on bank deposits	18	(313,505)	(202,793)
		46,983,223	11,368,561
<b>Cash generated from operating activities before working capital changes</b>		167,201,158	9,177,956
Effect on cash flow due to working capital changes (Increase)/decrease in current assets			
- Stock-in-trade		(9,283,737)	1,982,201
- Stores and spares		(2,909,013)	(318,242)
- Trade debts		(5,552,788)	(3,713,101)
- Advances, loans, prepayments and other receivables		(2,284,701)	(31,250,332)
Increase/(decrease) in current liabilities			
- Trade and other payables		45,248,770	(79,721,913)
- Advance from customers		(83,877,975)	144,320,754
		(58,659,444)	31,299,367
<b>Cash generated from operations</b>		108,541,714	40,477,323
Income tax paid		(16,256,410)	(7,613,287)
Staff retirement benefits paid		-	(222,049)
Finance costs paid		(19,843,759)	(3,715,752)
<b>Net cash generated from / (used in) operating activities</b>		72,441,545	28,926,235
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure incurred		(4,607,010)	(1,347,880)
Proceeds from sale of operating fixed assets		2,500,000	-
Long term advance paid		-	(30,343,034)
for sale - last installment		-	1,500,000
Profit received on bank deposits		313,505	202,793
<b>Net cash used in investing activities</b>		(1,793,505)	(29,988,121)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net receipt / (payment) from bank against long term financing		2,913,203	(315,584)
Short term borrowing obtained		90,000,000	-
Short term borrowing repaid		(115,000,000)	-
Loan received from a related party		-	60,000,000
Loan repaid to a related party		(18,118,274)	(93,000,000)
<b>Net cash used in financing activities</b>		(40,205,071)	(33,315,584)
<b>Net decrease in cash and cash equivalents</b>		30,442,969	(34,377,470)
Cash and cash equivalents at the beginning of the year		26,474,946	41,595,814
<b>Cash and cash equivalents at the end of the year</b>	10	56,917,915	7,218,344

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



**Samad Habib**  
CEO



**Kashif Habib**  
Director



**Vaqas Rafi**  
CFO

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year and quarter ended December 31, 2022(unaudited)

## 1. THE COMPANY AND ITS OPERATIONS

**1.1** Safe Mix Concrete Limited ("the Company") incorporated in Pakistan on April 04, 2005 as Private Limited Company. Subsequently, it was converted into public limited company on February 21, 2007 in accordance with the provisions of section 45 read with section 41(3) of the Companies Ordinance, 1984 (now repealed with the enactment of the Companies Act, 2017 on May 30, 2017). On March 16, 2010, the Company was listed on Karachi Stock Exchange (now Pakistan Stock Exchange Limited). The Company is primarily engaged in the production and supply of ready mix  
Javedan Corporation Limited has provided land to the Company free of cost.

**1.2** The registered office as well as the manufacturing unit of the Company are situated at Plot No. 1, Global Industry, Nusrat Bhutto Colony, North Nazimabad, Karachi.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These condensed interim financial statements (here-in-after referred to as the 'interim financial statements') have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

These interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2022.

### 2.2 Basis of measurement

All the items in these interim financial statements have been measured at their historical cost except for the asset classified as held for sale which is measured at the lower of its carrying amount (as on the date of such classification) and its fair value less costs to sell.

### 2.3 Functional and presentation currency

Items included in these interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These interim financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

## 2.4 Judgements and sources of estimation uncertainty

In preparing these interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied in the annual financial statements of the Company as at and for the year ended June 30, 2022.

## 2.5 Significant accounting policies

The significant accounting policies applied in the preparation of these interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2022.

3. PROPERTY, PLANT AND EQUIPMENT	Note	Unaudited 31 December 2022	Audited 30 June 2022
		(Rupees)	
Operating fixed assets	3.1	309,977,757	328,930,166
Capital work in progress		553,010	-
		<u>310,530,767</u>	<u>328,930,166</u>
<b>3.1 Operating fixed assets</b>			
Net book value at the beginning of the period /year		328,930,166	184,523,323
Add: Additions during the period /year	3.1.1	4,054,000	154,965,822
Transfers from long term deposits /CWIP		-	5,330,797
		4,054,000	160,296,619
Less: Disposals / write-off during the period / year - at net book value		(8,875,811)	-
Depreciation charged during the period /year		(14,130,598)	(15,889,777)
		(23,006,409)	(15,889,777)
Net book value at the end of the period /year		<u>309,977,757</u>	<u>328,930,166</u>

### 3.1.1 The class-wise amounts of additions and disposals are as follows:

	Half year ended December 31, 2022			Year ended June 30, 2022		
	Additions (at cost)	Transfers from long term deposits	Disposals / Write off * (at NBV)	Additions (at cost)	Transfers from long term deposits / CWIP	Disposals (at NBV)
	----- Rupees -----					
Building	728,000	-	(7,113,782) *	2,967,835	-	-
Plant and machinery	-	-	-	151,735,807	1,965,730	-
Vehicles	3,256,000	-	(1,762,029)	-	3,365,067	-
Furniture and fixtures	-	-	-	3,030	-	-
Computers	70,000	-	-	186,000	-	-
Office equipment	-	-	-	73,150	-	-
	<u>4,054,000</u>	<u>-</u>	<u>(8,875,811)</u>	<u>154,965,822</u>	<u>5,330,797</u>	<u>-</u>

		Unaudited 31 December 2022	Audited 30 June 2022
<b>4. LONG TERM ADVANCES</b>	Note	(Rupees)	
Long Term Advance To Employee	4.1	1,152,140	1,152,140

**4.1** These represent the amounts provided to employees in accordance with the terms of employment and Company's policy to facilitate employees to obtain motor vehicles on diminishing musharka. These are secured against the balance held in gratuity account.

		Unaudited 31 December 2022	Audited 30 June 2022
<b>5. STOCK-IN-TRADE</b>	Note	(Rupees)	
<b>5.1 Disaggregation by material type</b>			
Cement		1,227,437	3,245,209
Fly ash		365,469	293,706
Sand		8,160,604	6,095,078
Crush		13,793,593	8,866,207
Chemical		5,542,342	1,305,508
		<u>29,089,445</u>	<u>19,805,708</u>

**5.2** The stock is pledged with banks as security against Isitisa facilities (refer note. 11).

		Unaudited 31 December 2022	Audited 30 June 2022
<b>6. TRADE DEBTS</b>	Note	(Rupees)	
Total trade debts outstanding	6.1	316,802,680	309,676,720
Less: provision for expected credit losses	6.2	(127,205,264)	(125,632,092)
		<u>189,597,416</u>	<u>184,044,628</u>

**6.1** This includes receivable from related parties amounting to Rs. 30.389 million (June 30, 2022: Rs. 72.525 million ), Rs. 11.389 million (June 30, 2022: nil) and Rs. 0.943 million from M/s. Global Residency REIT, Rahat Residency REIT and SIDR respectively in respect of goods sold during the period / year.

		Unaudited 31 December 2022	Audited 30 June 2022
<b>6.2 Provision for expected credit losses</b>	Note	(Rupees)	
Balance as at the beginning of the period / year		125,632,092	126,866,786
Charge / (reversal) for the period / year		1,573,172	(1,234,694)
Balance as at the end of the period / year		<u>127,205,264</u>	<u>125,632,092</u>

		Unaudited 31 December 2022	Audited 30 June 2022
		(Rupees)	
<b>7.</b>	<b>ADVANCES, LOANS, PREPAYMENTS AND OTHER RECEIVABLES</b>	Note	
	Advances:		
	- to suppliers	44,026,285	45,413,075
	- to staff	1,354,196	-
		45,380,481	45,413,075
	Loans to employees	2,039,220	1,527,416
		47,419,701	46,940,491

**7.1** These include an advance of Rs. 20.979 million (June 30, 2022: 6.89 million) made to M/s. Power Cement Limited, a related party, for procurement of ordinary Portland cement.

**7.2** These are interest free loans provided to employees in accordance with the terms of employment and are recovered through deduction from monthly payroll. These are secured against the balance held in gratuity account.

		Unaudited 31 December 2022	Audited 30 June 2022
		(Rupees)	
<b>8.</b>	<b>PREPAYMENTS AND OTHER RECEIVABLES</b>	Note	
	Prepayment	3,075,510	1,413,214
	Other receivables	239,998	96,803
		3,315,508	1,510,017
<b>9.</b>	<b>TAXATION - net</b>		
	Opening balance	12,342,128	10,329,577
	Payment made / tax refund during the year	16,256,409	8,493,722
		28,598,537	18,823,299
	Less : Provision for taxation - current year	(8,213,159)	(6,481,171)
	Closing balance	20,385,378	12,342,128

		Unaudited 31 December 2022	Audited 30 June 2022
		(Rupees)	
<b>10.</b>	<b>CASH AND BANK BALANCES</b>	Note	
	Cash in hand	751,365	6,175
	Cash at bank:		
	- Balance held in current accounts	30,744,399	2,541,298
	- Balance held in saving accounts	25,422,151	23,927,473
		56,166,550	26,468,771
		56,917,915	26,474,946

**10.1** During the year, average interest rate on saving accounts is 3.75% to 12.00% (June 30, 2022: 2.75% to 9.00%).



## 11. SHORT TERM BORROWINGS - SECURED

This represents financing facilities under Islamic mode of financing from Islamic bank for working capital requirement of the company, to the extent of Rs. 86 million (June 30, 2022: Rs. 86 million). The facility carries profit rate of 6 month's KIBOR plus 2% (June 30, 2022: 6 month's KIBOR plus 2%). The facilities are valid upto January 31, 2023.

The arrangement is secured against the following:

- 1st charge of PKR 160 million over all present and future current assets of the Company registered with SECP;
- 1st charge of PKR 160 million over all present and future fixed assets of the Company registered with SECP;
- Assignment of contractual payments to the extent of PKR 86 million;
- Personal guarantee of directors.

## 12. TRADE AND OTHER PAYABLES

Note

	Unaudited 31 December 2022	Audited 30 June 2022
	(Rupees)	
Trade creditors	76,411,800	52,116,314
Advances from customers		
Accrued expenses	10,205,068	12,823,856
Withholding tax payable	40,203,702	15,474,355
Workers' Welfare Fund	1,715,311	1,715,311
Workers' Profit Participation Fund	29,506,785	20,971,645
Other payables	5,356,803	6,514,078
	<u>163,399,469</u>	<u>109,615,559</u>
Advance from customers	13.1 <u>54,973,494</u>	<u>138,851,469</u>

## 13. ADVANCE FROM CUSTOMERS

13.1 These include an advance of Rs. 43.585 million (June 30, 2022: Rs. 132.625 million) from M/s. Javedan Corporation Limited, a related party.

## 14. CONTINGENCY AND COMMITMENTS

### 14.1 Contingencies

There has been no change in the status of contingent liabilities as reported in note no. 23.1 to the annual financial statements of the Company for the year ended June 30, 2022.

**15. REVENUE - net**

	Half year ended (Un-audited)		Quarter ended (Un-audited)	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	----- Rupees -----			
Sale of concrete mix	742,469,613	127,800,630	460,636,303	64,345,587
Less: Sindh sales tax	(85,416,858)	(14,702,727)	(52,993,556)	(7,402,590)
	<u>657,052,755</u>	<u>113,097,903</u>	<u>407,642,747</u>	<u>56,942,997</u>

**16. COST OF REVENUE**

Raw materials and stores consumed	370,226,717	37,736,179	236,642,648	15,925,238
Fuel and power	60,022,370	25,080,447	33,692,989	13,887,075
Salaries, wages and other benefits	36,238,515	25,083,394	18,938,057	11,674,003
Repair and maintenance	11,507,390	5,157,998	6,067,614	3,044,414
Equipment hiring charges	2,721,263	-	1,482,150	-
Depreciation	13,291,353	5,888,832	1,652,420	2,389,899
Site preparation and sample testing	2,909,265	-	1,978,090	-
Insurance expenses	1,612,533	375,954	799,128	179,602
	<u>498,529,406</u>	<u>99,322,804</u>	<u>301,253,096</u>	<u>47,100,231</u>

**17. FINANCE COSTS**

Mark-up on borrowings	16,988,842	4,072,629	9,100,310	2,020,487
Interest on worker participation profit fund	2,097,486	-	2,097,486	-
Bank charges	25,909	19,174	19,694	14,196
	<u>19,112,237</u>	<u>4,091,803</u>	<u>11,217,490</u>	<u>2,034,683</u>

**18. OTHER INCOME**

Other income	848,241	150,070	139,910	150,070
Gain on final settlement with CDGK	-	1,308,758	-	1,308,758
Gain on sale of raw material	-	405,128	-	586,400
Grouting and other charges - net of sales tax	12,095,949	1,276,400	4,161,749	405,128
Returns on bank deposits	266,501	202,793	146,509	202,793
Gain on sale of operating fixed assets	737,971	-	737,971	-
Gain on sale of asset held for sale	-	200,000	-	200,000
	<u>13,948,662</u>	<u>3,543,149</u>	<u>5,186,139</u>	<u>2,853,149</u>

**19. TAXATION**

Current - for the period	8,213,159	1,413,724	5,095,534	711,788
Current - for prior period(s)	-	-	-	-
	<u>8,213,159</u>	<u>1,413,724</u>	<u>5,095,534</u>	<u>711,788</u>
Deferred	33,731,676	(1,354,560)	41,761,548	(1,354,560)
	<u>41,944,835</u>	<u>59,164</u>	<u>46,857,082</u>	<u>(642,772)</u>

	Half year ended (Un-audited)		Quarter ended (Un-audited)	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	----- Rupees -----			
Profit / (loss) after taxation	78,273,100	(2,249,769)	30,728,716	2,641,032
	----- Number -----			
Weighted average number of ordinary shares outstanding	25,000,000	25,000,000	25,000,000	25,000,000
	----- Rupees -----			
Earnings per share - basic	3.13	(0.09)	1.23	0.11

## 20.2 Diluted (loss) / earnings per share

There is no dilutive effect on the basic loss / earnings per share of the Company, since there were no potential ordinary shares in issue as at December 31, 2022 and December 31, 2021.

## 21. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related party comprise of associated companies, directors and key management personnel. The transactions entered into, and the balances held with, related parties during the period are as follows:

<u>Transaction with related parties</u>	Half year ended (Un-audited)	
	December 31, 2022	December 31, 2021
	(Rupees)	
<b>M/s. Javedan Corporation Limited</b>		
Sale of goods	110,733,073	7,548,289
Payment Received during the year	132,501,872	-
<b>M/s. Power Cement Limited</b>		
Purchase of raw materials	189,921,322	16,140,490
Payment made during the year	285,816,078	-
<b>M/s. Arif Habib Corporation Limited</b>		
Loan repaid during the period	18,118,274	-
Interest paid during the period	2,740,983	-
<b>M/s. Globe Residency R.E.I.T</b>		
Sale of goods	396,320,140	-
Payment Received during the year	441,954,451	-

		<b>Half year ended (Un-audited)</b>	
		<b>December 31, 2022</b>	<b>December 31, 2021</b>
		(Rupees)	
<b>M/s. Rahat Residency</b>			
Sale of goods		32,335,023	-
Payment Received during the year		1,740,182	-
<b>M/S. SIDR</b>			
Sale of goods		2,315,839	-
Payment Received during the year		1,372,409	-
<b>Mr. Arif Habib (An individual with significant influence over the Company)</b>			
Loan obtained during the period		-	60,000,000
Loan repaid during the period		-	93,000,000
<b>Mr. Samad Habib (The Chief Executive Officer of the Company)</b>			
Loan obtained during the period		-	4,879,022
		<b>Unaudited 31 December 2022</b>	<b>Audited 30 June 2022</b>
		(Rupees)	
<b><u>Balances held at the end of the reporting period</u></b>			
<b>Javedan Corporation Limited</b>			
Advance against sale of concrete mix		43,585,078	139,972,176
<b>Power Cement Limited</b>			
Advance paid for purchases of cement		20,979,372	30,646,530
<b>Mr. Arif Habib (An individual with significant influence over the Company)</b>			
Loan payable		-	33,000,000
<b>Mr. Samad Habib (The Chief Executive Officer of the Company)</b>			
Loan payable (classified as equity)		87,000,000	87,000,000
<b>M/s. Arif Habib Corporation Limited</b>			
Loan payable		-	-
<b>M/s.Globe Residency R.E.I.T</b>			
Trade receivable (against sale of concrete mix)		30,861,806	-
<b>M/s. Rahat Residency</b>			
Trade receivable (against sale of concrete mix)		30,594,842	-
<b>M/S. SIDR</b>			
Trade receivable (against sale of concrete mix)		943,431	-

Note

## **22. GENERAL**

### **22.1 Reclassification of corresponding figures**

In these interim financial statements, the following corresponding figures have been reclassified for the purpose of comparison and better presentation, the impact of which is not regarded as material.

<b>Reclassified from component</b>	<b>Reclassified to component</b>	<b>Amount (Rupees)</b>
Other Payable	Accrued Expenses	606,271

### **22.2 Date of authorization for issue of these interim financial statements**

These interim financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on February 28 2023

### **22.3 Level of rounding**

Unless otherwise indicated, all figures in these interim financial statements have been rounded off to the nearest rupee.



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## **Safe Mix Concrete Limited**

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