

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
PAKISTAN STONE DEVELOPMENT COMPANY**

Opinion

We have audited the annexed financial statements of **PAKISTAN STONE DEVELOPMENT COMPANY** (the Company) which comprises the statement of financial position as at June 30, 2024, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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 purpose of the audit.

In our opinion and to the best of our information and according to explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the loss, comprehensive loss, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. Other information comprises of directors' report for the year ended June 30, 2024 but doesn't include the financial statements and our auditor's report thereon.

Our opinion on the financial statements doesn't cover the other information and we don't express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appear to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and State Owned Enterprises Act 2023 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirement

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) and State-owned Enterprises Act 2023;
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and State Owned Enterprises Act 2023 and are in agreement with 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) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is C.A Habib.

Place: Islamabad

Dated:

UDIN:AR202410349p31vRcnSU

CROWE HUSSAIN CHAUDHURY & CO.
(CHARTERED ACCOUNTANTS)



PAKISTAN STONE DEVELOPMENT COMPANY
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

		2024	2023
	Note	------(Pak Rupees)-----	
SHARE CAPITAL AND RESERVES			
Share capital	6	1,021,855,000	1,021,855,000
Advance against issue of shares	7	1,172,580,402	1,172,580,402
Accumulated deficit		(2,019,498,963)	(2,015,578,959)
		174,936,439	178,856,443
NON CURRENT LIABILITIES			
Provision for leave encashment	8	2,551,382	3,496,223
Defined benefit - gratuity	9	27,413,112	31,174,214
Retention money payable		13,652,054	13,652,054
		43,616,548	48,322,491
CURRENT LIABILITIES			
Trade and other payables	10	38,250,227	42,422,673
Advances from customers	11	810,898,760	809,133,760
Lease liability	12	-	7,922,122
		849,148,987	859,478,555
		1,067,701,974	1,086,657,489
CONTINGENCIES AND COMMITMENTS			
	13		
NON CURRENT ASSETS			
Property and equipment	14	119,828,157	148,200,484
Receivables from projects - net	15	7,183,175	8,613,037
		127,011,332	156,813,521
CURRENT ASSETS			
Stores and spare parts	16	18,704,050	19,909,912
Stock in trade	17	156,873	156,873
Development properties	18	836,033,178	833,033,178
Trade debts - considered good	19	18,123,421	17,589,619
Advances	20	7,620,088	6,152,123
Deposits and prepayments	21	3,183,102	2,855,429
Short term investment	22	10,000,000	9,000,000
Other receivables	23	2,301,732	3,412,353
Income tax refundable	24	34,522,004	32,234,641
Cash and bank balances	26	10,046,194	5,499,840
		940,690,642	929,843,968
		1,067,701,974	1,086,657,489

The annexed notes, from 1 to 36, form an integral part of these financial statements.

 **CHIEF EXECUTIVE OFFICER**

DIRECTOR

PAKISTAN STONE DEVELOPMENT COMPANY
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ------(Pak Rupees)-----	2023
Revenue	27	109,938,687	96,323,288
Cost of sales	28	(55,268,343)	(65,783,026)
Gross Profit		54,670,344	30,540,262
Administrative expenses	29	(76,037,390)	(85,911,381)
Provision for doubtful debts	19 & 23	(3,687,142)	-
Reversal of Impairment on receivables from projects	15	5,403,250	16,835,590
Impairment due to decrease in NRV of stores and spare parts		-	(8,002,486)
Finance charges on lease	12	(8,200)	(1,327,698)
Other income	30	14,459,572	11,595,604
		<u>(59,869,910)</u>	<u>(66,810,371)</u>
Loss for the year		<u>(5,199,566)</u>	<u>(36,270,109)</u>

The annexed notes, from 1 to 36, form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER

DIRECTOR

PAKISTAN STONE DEVELOPMENT COMPANY
 STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		----- (Pak Rupees) -----	
	Note		
Loss for the year		(5,199,566)	(36,270,109)
Other comprehensive income for the year:			
Items that will not be subsequently reclassified in profit or loss:			
Remeasurement gain on gratuity	9.1	1,279,562	7,460,054
Total comprehensive loss for the year		<u>(3,920,004)</u>	<u>(28,810,055)</u>

The annexed notes, from 1 to 36, form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER

DIRECTOR

PAKISTAN STONE DEVELOPMENT COMPANY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

		Capital reserve	Revenue reserve	
	Share capital	Advance against issue of shares	Accumulated deficit	Total
	----- (Pak Rupees) -----			
Balance as at July 01, 2022	1,021,855,000	1,172,580,402	(1,986,768,904)	207,666,498
Loss for the year	-	-	(36,270,109)	(36,270,109)
Other comprehensive income for the year	-	-	7,460,054	7,460,054
Total comprehensive loss for the year	-	-	(28,810,055)	(28,810,055)
Balance as at June 30, 2023	1,021,855,000	1,172,580,402	(2,015,578,959)	178,856,443
Balance as at July 01, 2023	1,021,855,000	1,172,580,402	(2,015,578,959)	178,856,443
Loss for the year	-	-	(5,199,566)	(5,199,566)
Other comprehensive income for the year	-	-	1,279,562	1,279,562
Total comprehensive loss for the year	-	-	(3,920,004)	(3,920,004)
Balance as at June 30, 2024	1,021,855,000	1,172,580,402	(2,019,498,963)	174,936,439

The annexed notes, from 1 to 36, form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER

DIRECTOR

PAKISTAN STONE DEVELOPMENT COMPANY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ------(Pak Rupees)-----	2023 ------(Pak Rupees)-----
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the year		(5,199,566)	(36,270,109)
Adjustments for:			
Depreciation	14.2 & 14.4	30,225,177	33,355,610
Provision for leave encashment	8.1	199,170	131,526
Provision for gratuity	9.1	5,894,342	8,441,523
Finance cost on right of use asset		8,200	1,327,698
Provision for doubtful debts	19.2 & 23.1	3,687,142	-
Reversal of Impairment on doubtful debts	19.2 & 23.1	(1,089,772)	-
Written off stock in trade		-	627,492
Written off stores and spare parts		-	8,002,486
Reversal of Impairment on receivables from projects	12	(5,403,250)	(16,835,590)
Income from saving accounts and TDRs	30	(3,225,221)	(2,164,450)
		30,295,788	32,886,295
Changes in working capital:			
Development properties		(3,000,000)	(27,112,480)
Trade debts		(1,923,358)	187,235
Advances		(1,467,965)	1,391,518
Deposit and prepayments		(327,673)	26,456
Other receivables		(97,193)	(1,562,814)
Trade and other payables		(4,172,446)	(2,895,533)
Stores and spares		1,205,862	948,386
Advances from customers		1,765,000	28,200,000
		(8,017,773)	(817,232)
Cash generated from / (used in) operating activities		17,078,449	(4,201,046)
Tax paid		(2,287,363)	(445,663)
Leave encashment paid		(1,144,011)	(602,759)
Staff retirement benefits paid		(8,375,882)	(3,172,335)
		(11,807,256)	(4,220,757)
Net cash generated from / (used in) operating activities		5,271,193	(8,421,803)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment		(252,850)	(605,895)
Receivables from projects	15	5,233,112	798,227
Proceeds from interest on saving accounts and TDRs		3,225,221	2,164,450
Net cash generated from investing activities		8,205,483	2,356,782
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease rental paid		(7,930,322)	(7,209,383)
Net cash used in financing activities		(7,930,322)	(7,209,383)
Net increase/(decrease) in cash and cash equivalents during the year		5,546,354	(13,274,404)
Cash and cash equivalents at the beginning of the year		14,499,840	27,774,244
Cash and cash equivalents at the end of the year	25	20,046,194	14,499,840

The annexed notes, from 1 to 36, form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER

DIRECTOR

PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1. THE COMPANY AND NATURE OF OPERATIONS

Pakistan Stone Development Company (the Company) is a public company limited by guarantee having share capital, incorporated and licensed under section 42 of the Companies Act, 2017. The Company is a subsidiary of Ministry of Industries and Production, Government of Pakistan (MOIP) (the Parent). PASDEC's vision is "To make Pakistan globally competitive & socially responsible player of the international dimensional stone industry". This involves demonstration of mechanized mining and modern techniques through support of model quarries, upgradation of existing quarries and establishment of industrial cities. The registered office of the Company is situated at Islamabad Chamber of Commerce Building, 2nd floor, G-8/1, Mauve Area, Islamabad, Pakistan.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS Standards), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and State Owned Enterprises Act 2023;
- Provisions of and directives issued under the Companies Act, 2017 and State Owned Enterprises Act 2023; and
- Accounting Standard for Not for profit Organisations issued by the Institute of Chartered Accountants of Pakistan.

Where provisions of and directives issued under the Companies Act, 2017 and State Owned Enterprises Act 2023 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 and State Owned Enterprises Act 2023 have been followed.

2.2 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Pakistan Rupees (PKR) which is the Company's functional and presentation currency.

3. USE OF ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements is in conformity with approved accounting and reporting standards that require the use of certain critical accounting estimates. They also require 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. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Information about critical judgments in applying policies that have the most significant effect on the amounts recognized in the financial statements is as follows:



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

a) Property and equipment

The Company reviews useful lives and residual value of property and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property and equipment with a corresponding effect on the depreciation charge and impairment.

b) Impairment of non current assets

The carrying amounts of the Company's non current assets are reviewed at each reporting date to determine whether there is any indication of impairment loss. Any change in estimates in future years might affect the carrying amounts of respective assets with a corresponding effect on depreciation/ amortization charge and impairment.

c) Stores and spare parts

The Company reviews the carrying amount of stores and spare parts on a regular basis to assess any diminution in carrying value. Carrying value of stores, spare parts and loose tools is adjusted where the net realizable value is below the cost.

d) Provision against trade debts, advances and other receivables

The carrying amounts of trade debts, advances and other receivables are assessed on a regular basis and if there is any doubt about the reliability of their carrying amounts, appropriate amount of provision is made.

e) Provisions and contingencies

The Company reviews the status of all the legal cases on a regular basis. Based on the expected outcome and lawyers' judgments, appropriate disclosure or provision is made.

f) Stock in trade

The Company reviews the carrying value of stock in trade to assess any diminution in carrying values. Net realizable value is determined with reference to estimated selling price less estimated expenditures to make the sales.

4. CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENT

- 4.1** Standards, amendments and interpretation to existing standards that are not yet effective and have not been early adopted by the Company.

		Effective date (annual reporting periods beginning on or after)
IFRS 17	Insurance Contract	January 1, 2026
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS 9	Financial Instruments -Classification and measurement of financial instruments (Amendments)	January 1, 2026
IAS-21	The Efeect of changes in Foreign Exchange Rates (Amendments)	January 1, 2025
IAS 1	Presentation of Financial Statements (Amendments)	January 1, 2024
IAS 16	Leases (amendments)	January 1, 2024
IAS 07	Statement of Cash Flows (amendments)	January 01, 2024



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION

5.1 Property and equipment

These are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management. These assets are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses, if any.

The cost includes the cost of replacing parts of the plant and equipment when that cost is incurred, if the recognition criteria are met. Depreciation is charged using the straight line method at the rates specified in note 14 when assets are available for use. No depreciation is charged on the assets in the month of sale / disposal, while full depreciation is charged in the month of acquisition. Maintenance and normal repairs are charged to income for the year as and when incurred, while major renewals and improvements are capitalized.

The carrying amounts of the Company's assets are reviewed at each date of the statement of financial position to determine whether there is any indication of impairment loss. If any such indication exists, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment losses are charged to income for the year. An item of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset is included in profit and loss in the year the asset is derecognized. The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

5.2 Intangible assets

Internally generated intangible assets and other intangible assets are distinguished separately. Intangible assets with finite life are amortized over their useful life or the amortization rates used. The useful life of an intangible asset that arises from contractual or other legal rights shall not exceed the period of the contractual or other legal rights, but may be shorter depending on the period over which the entity expects to use the assets. Amortization is charged on pro rata basis.

5.3 Stores and spare parts

Store and spare parts are valued at the lower of weighted average cost and net realizable value. Cost is based on weighted average cost principles and comprise of costs of purchase and other costs incurred in bringing the assets to their present location and condition. Items considered obsolete based on physical form of related items are fully provided for.

5.4 Development properties

Development properties include land acquired for development of industrial plots to organize dimensional stone industry activities, such as processing, training, establishment of marble storage and display centers, within one vicinity. These are carried in the balance sheet at lower of cost and net realizable value. Cost includes purchase costs, related Government taxes, construction cost, borrowing cost and other overheads necessary to bring the properties in saleable condition. Net realizable value represents the selling price in the ordinary course of business less cost of completion and estimated cost necessary to be incurred for sale.

5.5 Deposits and prepayments

These are recognized at cost, which is the fair value of the consideration given. For measurement of loss allowance for advances, deposits and other receivables, the Company applies the IFRS 9 simplified approach to measure the expected credit losses.

5.6 Receivable from projects

Receivable from projects recognized at cost which is expected realizable value of plant and machinery invested in projects.

5.7 Advance from customers

These represent actual amount received from customer against allotment of plots in the industrial state being developed by the Company.

5.8 Cash and cash equivalents

Cash and cash equivalents comprises of cash balances and bank deposits. Cash equivalents are short term highly liquid investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

5.9 Trade debts and other receivables

Trade debts and other receivables are initially recognized at fair value which is the invoice value. After initial recognition these are measured at amortized cost using the effective interest method, less provision for impairment (if any). Any change in their value is recognized in profit and loss. Trade and other receivables are assessed on regular basis for impairment.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

5.10 Staff retirement benefits

- 5.10.1** The Company has defined benefit funded gratuity plan for all of its eligible employees. The fund is administered by trustees. Annual contribution to the gratuity is based on actuarial valuation using Projected Unit Credit Method, related details are given in note 9.1 to the financial statements.

Charge for the year is recognized in profit and loss account. Actuarial gains or losses arising on actuarial valuation are recorded directly in the other comprehensive income.

Calculation of gratuity requires assumptions to be made of future outcomes which mainly include increase in remuneration, expected long term return on plan assets and the discount rate used to convert future cash flows to current values. Calculations are sensitive to changes in underlying assumptions.

- 5.10.2** The Company accounts for all compensated absences when employees render services that increase their entitlement to future compensated absences. Cash compensation for the balance of earned leaves up to maximum of 48 days at the time of retirement, resignation, death or termination of service. It shall be paid at the rate of latest basic salary to the regular and contract employee of the Company.

5.11 Foreign currency transactions

Transactions in foreign currencies are recorded at the rates of exchange ruling on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated into PKR at the rate of exchange ruling on the balance sheet date and exchange differences, if any, are charged to income and expenditure account for the year.

5.12 Stock in trade

Stock in trade is valued at lower of cost or net realizable value whichever is lower. Cost of stock is based on the weighted average principle. Cost of stock comprises of direct labor and appropriate overheads. Net realizable value signifies estimated selling price less costs necessary to be incurred to effect such sale.

5.13 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each Statement of financial position date and adjusted to reflect the current best estimate.

5.14 Trade and other payables

Liabilities for trade and other amounts payables are carried at cost which is the fair value considered to be paid in the future for goods and services received, whether or not billed to the Company. Subsequent to initial recognition trade and other payables are measured at amortized cost using the effective interest method.

5.15 Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Right-of-use assets

The Company 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 lease term.

The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because 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.

The Company's lease liabilities are reflected under "Lease Liabilities" (see Note 12).

5.16 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized when recovery of the consideration is probable, the associated costs can be estimated reliably, the amount of revenue can be measured reliably and when specific criteria have been met for each of the Company's activities as described below;

Income from machinery rental:

Income from rented equipment is recognized based on utilization by the customer. The rental income is billed in units of completed hours. Receipt of advance rental is recorded as unearned revenue.

Revenue from service contracts:

Revenue from service contracts is recorded periodically as the performance obligation is satisfied over time.

Income on investments and bank deposits:

Return on bank deposits and investments is recognized using the effective interest method.

5.17 Borrowing costs

Mark-up, interest and other charges on borrowings are capitalized up to the date when the qualifying assets are substantially ready for their intended use. Borrowing cost is included in the related qualifying assets acquired / constructed out of the proceeds of such borrowings. All other mark-up, interest and related charges are charged to the income and expenditure account in the period in which they are incurred.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

5.18 Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

(a) Classification

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

- (i) Amortised cost, where the effective interest rate method will apply;
- (ii) Fair value through profit or loss (FVTPL);
- (iii) Fair value through other comprehensive income (FVTOCI).

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVTOCI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

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

Measurement

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

Debt instruments

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 is included in other operating income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other operating gains/ (losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the profit or loss.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other operating gains/(losses). Interest income from these financial assets is included in other operating income using the effective interest rate method. Impairment expenses are presented as separate line item in the profit or loss.

Fair value through profit and loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other operating gains/(losses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other operating income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and other receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Company recognises life time ECL for trade debts and other receivables, using the simplified approach.

The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors and other receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

The Company recognizes an impairment gain or loss in the profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Financial liabilities

Classification, initial recognition and subsequent measurement

The Company classifies its financial liabilities in the following categories:

- o at fair value through profit or loss; and
- o other financial liabilities

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

- (i) Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss.
- (ii) After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in the profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed is recognised in profit or loss.

Off-setting financial assets and financial liabilities

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

5.19 Taxation

The Company was granted approval as a not for profit organization under section 2(36) the Income Tax Ordinance, 2001. However due to subsequent change in the Income Tax Ordinance, management has applied for renewal, which is in process before Income Tax Tribunal. As per the Company's income tax advisor, favorable outcome is likely and accordingly provision for taxation has not been recognized in these financial statements.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

6. SHARE CAPITAL

Authorized share capital

2024	2023		2024	2023
(Number of shares)			------(Pak Rupees)-----	
110,000,000	110,000,000	Ordinary shares of Rs.10 each fully paid in cash	1,100,000,000	1,100,000,000

Issued, subscribed and paid-up share capital

2024	2023		2024	2023
(Number of shares)			------(Pak Rupees)-----	
102,185,500	102,185,500	Ordinary shares of Rs.10 each fully paid in cash	1,021,855,000	1,021,855,000

Ministry of Industries and Production (MoIP), Government of Pakistan is the Parent controlling 80,327,400 i.e. 78.61% (2023: 80,327,400 i.e. 78.61%) ordinary shares of Rs. 10 each of the Company and 21,858,100 i.e. 21.39% (2023: 21,858,100 i.e. 21.39%) ordinary shares of Rs. 10 each are held by Pakistan Industrial Development Corporation (PIDC), an associated company. All shares carry equal voting and rank equally with regard to the company's residual assets.

	Note	2024	2023
		------(Pak Rupees)-----	
7. ADVANCE AGAINST ISSUE OF SHARES			
Funds received from MoIP		1,026,733,866	1,026,733,866
Interest paid on long term loan by MoIP		145,846,536	145,846,536
	7.1	1,172,580,402	1,172,580,402

7.1 Shares against this advance have not been issued as currently the authorised share capital of the Company is not adequate.

	Note	2024	2023
		------(Pak Rupees)-----	
8. PROVISION FOR LEAVE ENCASHMENT			
Provision for leave encashment	8.1	2,551,382	3,496,223

8.1 Provision for leave encashment

Balance at 01 July	3,496,223	3,967,456
(Reversal) / charged during the year	199,170	131,526
Paid during the year	(1,144,011)	(602,759)
Balance at 30 June	2,551,382	3,496,223



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
Note	------(Pak Rupees)-----	
9. DEFINED BENEFIT - GRATUITY	9.1.	
9.1. Payable to gratuity fund		
Present value of defined benefit obligation	27,628,425	31,188,508
Fair value of plan assets	(215,313)	(14,294)
Net obligation	27,413,112	31,174,214
Amount to be recognised in income and expenditure account		
Current service cost	2,714,539	3,296,514
Past service cost (credit)	-	1,438,977
Interest cost	3,516,847	3,748,983
Interest income on plan assets	(337,044)	(42,951)
	5,894,342	8,441,523
Amount to be recognised in other comprehensive income		
Actuarial gain on obligations	(1,633,846)	(7,503,005)
Actuarial loss on plan assets	354,284	42,951
	(1,279,562)	(7,460,054)
Expected contribution to be paid for the next year	5,048,524	6,553,550
Movement in present value of defined benefit obligation		
Present value of defined benefit obligation - as at July 01	31,188,508	33,558,702
Current service cost	2,714,539	3,296,514
Past service cost (credit)	-	1,438,977
Interest cost	3,516,847	3,748,983
Benefits paid	(8,157,623)	(3,351,663)
Remeasurement gain on defined benefit obligation	(1,633,846)	(7,503,005)
Present value of defined benefit obligation - as at June 30	27,628,425	31,188,508
Movement in fair value of plan assets		
Fair value of plan assets - as at July 01	14,294	193,622
Interest Income on plan assets	337,044	42,951
Contribution for the year	8,375,882	3,172,335
Benefits paid	(8,157,623)	(3,351,663)
Return on plan assets, excluding interest income	(354,284)	(42,951)
Fair value of plan assets - as at June 30	215,313	14,294
Movement in obligation in balance sheet		
Balance as at July 01	31,174,214	33,365,080
Charge for the year	5,894,342	8,441,523
Actuarial gain on gratuity valuation	(1,279,562)	(7,460,054)
Contribution during the year	(8,375,882)	(3,172,335)
Balance as at June 30	27,413,112	31,174,214



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Actuarial assumptions

Valuation discount rate	14.75%	16.25%
Salary increase rate	7.06%	5%

Maturity Profile

2024 2023

Particulars

------(Pak Rupees)-----

Year 1	1,507,486	2,189,923
Year 2	3,304,305	3,620,681
Year 3	2,309,232	3,794,342
Year 4	3,249,156	2,730,858
Year 5	2,358,804	2,113,470
Year 6 to Year 10	16,428,000	20,626,130
Year 11 and above	237,822,361	360,596,824

Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to the assumption set out above. The following table summarises how the impact on the defined benefit obligation at the end of the reporting period would have increased / (decreased) as a result of a change in the respective assumptions by one percent.

Defined Benefit Obligation

1 percent 1 percent
increase decrease

------(Pak Rupees)-----

Discount rate	(20,911,253)	(24,747,189)
Salary increase rate	(24,808,398)	(20,827,054)

The above sensitivities are based on average duration of the benefit obligation determined at the date of the last actuarial valuation at 30 June 2023 and are applied to adjust the defined benefit obligation at the end of the reporting period for the assumptions concerned.

Description of risk:

The defined benefit plan exposes the Company to the following risks;

Final salary risks:

The risk that the final salary at the time of cessation of service is greater than what was assumed. Since the benefit is calculated on the final salary, the benefit amount increases as salary increases.

Withdrawal risks:

The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

Mortality risks:

The risk that the actual mortality experience is different than assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ------(Pak Rupees)-----	2023
10. TRADE AND OTHER PAYABLES			
Trade creditors		5,643,082	5,643,082
Accrued liabilities		5,611,866	8,170,259
Income tax payable (withheld from parties)		58,287	132,564
Security deposits against rental income		26,512,175	27,994,765
Advance from customers against rental income		400,817	458,003
Other payables		24,000	24,000
		<u>38,250,227</u>	<u>42,422,673</u>
11. ADVANCES FROM CUSTOMERS			
Advance from allottees against development properties	11.1	<u>810,898,760</u>	<u>809,133,760</u>
11.1	PASDEC has established Marble City Risalpur –an industrial estate dedicated for marble and granite sector, to achieve cluster building function. The proceeds received from Customers (i.e. provisional allottees), has been recognized as ‘Advances from Customers’ The advance from allottees is adjusted against corresponding cost of development properties on issuance of respective possession certificates to the allottees.		
11.2	This represents amount received against allocation of industrial and commercial plots in Marble City Risalpur. This industrial city is being developed to organize dimensional stone industry activities, such as processing, establishment of marble storage and display centers, within one vicinity.		
	Movement of advances from customers are as follows:		
Opening balance		809,133,760	780,933,760
Advance received from customers during the year		1,765,000	28,200,000
Advance adjusted/returned during the year		-	-
Closing balance		<u>810,898,760</u>	<u>809,133,760</u>
12. LEASE LIABILITY			
Opening balance		7,922,122	13,803,807
Additions		-	-
Payments		(7,930,322)	(7,209,383)
Accretion of interest		8,200	1,327,698
As at 30 June		<u>-</u>	<u>7,922,122</u>
Current lease liabilities		<u>-</u>	<u>7,922,122</u>
		<u>-</u>	<u>7,922,122</u>

The undiscounted maturity analysis of lease liabilities at 30 June 2024 is as follows:

	Up to 1 year	2 to 5 years	2 to 5 years
	------(Pak Rupees)-----		
Lease payments	<u>-</u>	<u>-</u>	<u>-</u>

This lease agreement was entered into between PASDEC (Pakistan Stone Development Company) and Islamabad Chamber of Commerce on August 01, 2021. Lease contract will end on July 31, 2024. The lease payments made on advance basis quarterly.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

13. CONTINGENCIES AND COMMITMENTS

13.1 CONTINGENCIES

13.1.1 Status of Law suit by ex-owners of marble city Risalpur

The Company acquired 185 acres of land from KPEZDMC [formally known as Sarhad Development Authority ("SDA")] for the development of Marble City Risalpur. This land was purchased by KPEZDMC from ex-owners. Subsequent to this purchase, ex-owners of the land filed case against KPEZDMC for upward revision of sale prices of land in the district court Nowshera, followed by appeal in Peshawar High Court that were decided in favour of ex-owners. The case was pleaded before Supreme Court of Pakistan by KPEZDMC (SDA) against the High Court judgment. The Honourable Supreme Court dismissed the appeal of the KPEZDMC.

As per the sale deed dated August 15, 2008 signed between the Company and KPEZDMC, there is provision regarding increase in the cost of land allowed by the Court. Before the execution court (District Court Nowshera) KPEZDMC filed an objection petition under section 47 of Civil Procedure Court to make PASDEC party; however the court decided in favour of PASDEC while dismissing the objection petition on September 17, 2020. KPEZDMC challenged the decision of District Court Nowshera before Peshawar High Court, which has been decided by the court in favour of PASDEC. KPEZDMC filed another writ petition in Peshawar High Court on attachment of their assets wherein PASDEC was made party, which was also dismissed by the Court in PASDEC's favour.

Further, KPEZDMC had also filed an application in Civil Court Peshawar against PASDEC to resolve the dispute as per Arbitration Act 1940, which was dismissed on maintainability grounds of jurisdiction. KPEZDMC filed application in Civil Court Nowshera, which was decided in favor of PASDEC as at 12th July 2023. Now KPEZDMC has filed appeal in Peshawar High Court against the decision of Civil Court.

The legal advisor of the Company is confident that the Company will not be required to make payment of enhanced amount of land cost. However, in the event of court decision that Company would required to pay the increased market price. In accordance to the agreement between KPEZDMC & PASDEC, the allottees of the plots would be required to make payment as per terms and conditions of allotment, therefore no provision is recorded in these financial statements in this respect.

The Company has recognized an amount of Rs. 836.03 million as development properties as discussed under detailed note 18 to these financial statements and respective advances from the customers received amounting to Rs. 810.898 million as at June 30, 2024, as described in the note 11 to these financial statements.

13.1.2 Contingency related to tax litigation

The Company was granted approval under clause (36) of section (2) on Income Tax Ordinance 2001. However subsequent to this, there has been changes in the Income Tax Ordinance. Management has applied for renewal of its tax exemption certificate which is in process before Income Tax Tribunal. If such approval is rejected than the Company would be subject to minimum tax liability @ 1.5% of turnover which amounts to Rs. 8.75 million for tax year 2017 to 2024. As per the Company's income tax advisor, favourable outcome is likely and accordingly provision for taxation has not been recognized.

Commitments	13.2.1	-	5,593,000
-------------	--------	---	-----------

- 13.2.1** This includes commitments related to development of infrastructure in marble city Risalpur with different contractors.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

14. PROPERTY AND EQUIPMENT

	Freehold Land	Lease hold improvements	Machinery	Furniture and fittings	Vehicles	Office equipment's	Computer and accessories	Pre-fabricated containers	Training tools	Capital work in progress	Total
	------(Pak Rupees)-----										
	Note 14.1 & 14.3										
Cost											
Balance at July 01, 2022	12,000,000	5,345,934	984,683,566	3,771,516	23,966,095	6,392,081	7,457,751	5,208,743	2,081,129	40,736,700	1,091,643,516
Additions	-	-	-	-	47,000	378,895	180,000	-	-	-	605,895
Transfer from projects	-	-	16,286,136	-	15,800,000	-	-	-	-	-	32,086,136
Balance at June 30, 2023	12,000,000	5,345,934	1,000,969,702	3,771,516	39,813,095	6,770,976	7,637,751	5,208,743	2,081,129	40,736,700	1,124,335,547
Balance at July 01, 2023	12,000,000	5,345,934	1,000,969,702	3,771,516	39,813,095	6,770,976	7,637,751	5,208,743	2,081,129	40,736,700	1,124,335,547
Additions	-	-	-	212,850	-	40,000	-	-	-	-	252,850
Transfer from projects	-	-	-	-	1,600,000	-	-	-	-	-	1,600,000
Balance at June 30, 2024	12,000,000	5,345,934	1,000,969,702	3,984,366	41,413,095	6,810,976	7,637,751	5,208,743	2,081,129	40,736,700	1,126,188,397
Accumulated depreciation											
Balance at July 01, 2022	-	5,331,455	902,963,008	3,706,213	23,385,186	5,985,858	7,291,199	5,208,743	2,081,129	-	955,952,790
Charge for the year	-	6,435	24,901,863	17,257	1,903,450	117,011	86,392	-	-	-	27,032,408
Balance at June 30, 2023	-	5,337,890	927,864,871	3,723,470	25,288,636	6,102,869	7,377,591	5,208,743	2,081,129	-	982,985,198
Balance at July 01, 2023	-	5,337,890	927,864,871	3,723,470	25,288,636	6,102,869	7,377,591	5,208,743	2,081,129	-	982,985,198
Charge for the year	-	6,435	20,395,439	17,061	3,169,400	182,698	130,942	-	-	-	23,901,975
Balance at June 30, 2024	-	5,344,325	948,260,310	3,740,531	28,458,036	6,285,567	7,508,533	5,208,743	2,081,129	-	1,006,887,173
Carrying amounts											
As at June 30, 2024	12,000,000	1,609	52,709,392	243,835	12,955,059	525,409	129,218	-	-	40,736,700	119,301,223
As at June 30, 2023	12,000,000	8,044	73,104,831	48,046	14,524,459	668,107	260,160	-	-	40,736,700	141,350,348
Rates of depreciation	0%	20%	10%	15%	20%	20%	33%	15%	20%	0%	
	Note	2024	2023								
		------(Pak Rupees)-----									
Leasehold assets	14.4	526,934	6,850,136								
Owned assets	14.	119,301,223	141,350,348								
		119,828,157	148,200,484								

14.1 It includes the cost incurred on the foundation and shed of Gangsaw and Crane of Common Facility and Training Centre (CFTC) project of the Company at Risalpur. The establishment of the project was planned through PSDP funds. However, release of PSDP funds were discontinued during 2014.

4

PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
Note	----- (Pak Rupees) -----	
14.2 Depreciation charged for the period has been allocated as follows		
Cost of machinery pool	20,395,439	24,901,863
Administrative expenses	3,506,536	2,130,545
	<u>23,901,975</u>	<u>27,032,408</u>
14.3 The breakup of capital work in progress is as follows:		
Civil works	26,759,239	26,759,239
Plant and machinery	13,977,461	13,977,461
	<u>40,736,700</u>	<u>40,736,700</u>
14.4 Leasehold Assets		
Cost		
Opening	18,969,607	18,969,607
Addition	-	-
	<u>18,969,607</u>	<u>18,969,607</u>
Accumulated depreciation		
Opening	12,119,471	5,796,269
Depreciation for the year	6,323,202	6,323,202
	<u>18,442,673</u>	<u>12,119,471</u>
WDV	<u>526,934</u>	<u>6,850,136</u>
15. RECEIVABLES FROM PROJECTS - NET		
Opening balance	8,613,037	24,661,810
Add: additions during the year	870,138	1,012,363
Less: recovery during the year	(6,103,250)	(1,810,590)
Less: assets transfer during the year to PPE	(1,600,000)	(32,086,136)
Less: impairment recognized during the year	15.3 -	-
Add: reversal of impairment due to recovery from Projects	5,403,250	16,835,590
	<u>15.1 7,183,175</u>	<u>8,613,037</u>
15.1 Breakup of net receivables from projects is as follow:		
Model Quarry Chitral	-	800,000
Model Quarry Khuzdar	746,357	2,210,249
Quarry Up-gradation Mastang 1 - Slaheen	1,665,668	1,665,668
Quarry Up-gradation Mastang 2 - Aziz	1,054,233	1,054,233
Quarry Up-gradation FATA 4	3,384,671	2,550,641
Quarry Up-gradation Loralai - II	332,246	332,246
	<u>7,183,175</u>	<u>8,613,037</u>
15.2 The Company, with the objective to demonstrate mechanized mining techniques, has invested in quarry projects including the above during the year 2008-14. This involves introduction of new technologies and techniques through establishment of model quarries and up gradation of existing quarries.		

PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

- 15.3 During the FY 2023-24, an amount of Rs. 6 million has been recovered from JV partner of Model Quarry Khuzdar , Assets of Rs. 1.6 million has been transferred from Model Quarry Chitral and Rs. 103,250 recovered through sale proceeds. Impairment of amounting Rs. 1.5 million recovered during 1st quarter of 2023-24 have already been reversed last financial year . Hence, in aggregate total of impairment reversal of Rs. 5.403 million has been recognised during financial year 2023-24.

The net receivables of Rs. 7.183 million as at June 30, 2024 are backed by the machinery available at quarries majorly based on the values ascertained by independent valuer during September 2023. Since the receivable represents cost of the assets which have carrying amount substantially equivalent to the market value, therefore, fresh valuation has not been performed of these machines during the year.

	2024	2023
Note	------(Pak Rupees)-----	
16. STORES AND SPARE PARTS		
Diamond wire	6,339,350	6,339,350
Others	12,364,700	21,573,048
	18,704,050	27,912,398
NRV loss	-	(8,002,486)
	<u>18,704,050</u>	<u>19,909,912</u>
16.1 This includes plug & feather, hydro pushing bags, ISD rods, electric cables etc to be used to be with machinery.		
17 STOCK IN TRADE		
Opening stock	156,873	784,365
NRV loss	-	(627,492)
	<u>156,873</u>	<u>156,873</u>
18 DEVELOPMENT PROPERTIES		
Land	88,390,000	88,390,000
Capitalised borrowing cost - net	135,599,975	135,599,975
Construction, related and directly attributable cost	612,043,203	609,043,203
	<u>836,033,178</u>	<u>833,033,178</u>
18.1 This includes land having value of Rs. 44.72 million (2023: Rs. Rs. 44.72 million) which has been acquired from KPMEZD & MC [formally known as Sarhad Development Authority ("SDA") under an agreement for the development of Marble City Risalpur. The title of land has not been transferred in the name of the Company.		
18.2 Breakup of Development Properties		
Development property related to Marble City Risalpur	1,026,546,933	1,023,546,933
Adjustment of Development Property against plots	(198,889,579)	(198,889,579)
	<u>827,657,354</u>	<u>824,657,354</u>
Development property related to Marble City Loralai	6,487,017	6,487,017
Development property related to Machinery Pool Risalpur	117,500	117,500
Development property related to Gaddani	1,771,307	1,771,307
	<u>8,375,824</u>	<u>8,375,824</u>
	<u>836,033,178</u>	<u>833,033,178</u>
18.3 This represents cost spend for development of industrial and commercial plots in Marble City Risalpur, along with cost incurred on planning and acquisition of 50 Acres land of Mable City Loralai.		

PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ------(Pak Rupees)-----	2023
19. TRADE DEBTS			
Trade debts - considered good		18,123,421	17,589,619
Trade debts - considered doubtful		67,388,965	65,999,409
	19.1	85,512,386	83,589,028
Less: Provision for trade debts	19.2	(67,388,965)	(65,999,409)
		<u>18,123,421</u>	<u>17,589,619</u>
19.1 Aging analysis of trade debts is as follows:			
Not yet due		6,862,111	8,188,809
Past due			
31 to 90 days		3,271,177	587,420
91 to 180 days		2,657,472	-
181 to 365		86,900	2,610,906
More than 365 days		72,634,726	72,201,893
		<u>85,512,386</u>	<u>83,589,028</u>
19.2 Movement of provision for trade debts during the year			
Opening balance		65,999,409	66,709,838
Charge for the year		2,312,492	-
Reversal during the year		(922,936)	(710,429)
Closing balance		<u>67,388,965</u>	<u>65,999,409</u>
20. ADVANCES			
Advances to employees - considered good		6,614,522	5,146,556
Advances to suppliers - considered good		1,005,566	1,005,567
		<u>7,620,088</u>	<u>6,152,123</u>
21. DEPOSITS AND PREPAYMENTS			
Security deposits		1,608,362	1,608,362
Prepayments		1,574,740	1,247,067
		<u>3,183,102</u>	<u>2,855,429</u>
22. SHORT-TERM INVESTMENT - AMORTIZED COST			
Term Deposit Receipt (TDR)		<u>10,000,000</u>	<u>9,000,000</u>

PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	------(Pak Rupees)-----	
23. OTHER RECEIVABLES			
- considered good		78,082	173,234
- considered doubtful		12,052,161	10,844,348
		12,130,243	11,017,582
Provision for doubtful other receivables	23.1	(12,052,161)	(10,844,348)
		78,082	173,234
Receivable from CIPK		1,726,407	2,999,684
Sales tax receivable - net		497,243	239,435
		<u>2,301,732</u>	<u>3,412,353</u>

23.1 Movement of expected credit loss during the year

Opening balance	10,844,348	12,454,129
Charge for the year	1,374,650	-
Written off during the year	-	-
Reversal during the year	(166,837)	(1,609,781)
Closing balance	<u>12,052,161</u>	<u>10,844,348</u>

24. INCOME TAX REFUNDABLE

The Company was granted approval under clause (36) of section (2) of Income Tax Ordinance 2001. However, subsequent to this there has been changes in the Income Tax Ordinance. Management has applied for renewal/grant of the said approval, which case is pending before Tribunal Income Tax. The Company has also advance tax refundable from taxation authorities aggregating to Rs. 34.52 million as at June 30, 2024 (2023: 32.23 million) for which the Company has filed tax refund application and has compiled the supporting evidence for the preceding years. The refund of advance tax will depend over the grant of approval under Section 2(36) of Income Tax Ordinance 2001.

		2024	2023
	Note	------(Pak Rupees)-----	
25. CASH AND CASH EQUIVALENTS			
Cash and bank balances	26.	10,046,194	5,499,840
Term deposit Certificates	22.	10,000,000	9,000,000
		<u>20,046,194</u>	<u>14,499,840</u>
		2024	2023
26. CASH AND BANK BALANCES			
Cash in hand		70,587	98,173
Bank balances:			
Current accounts		2,294,931	2,290,013
Deposit accounts	26.1	7,680,676	3,111,654
		9,975,607	5,401,667
		<u>10,046,194</u>	<u>5,499,840</u>

26.1 These carry interest rate ranging from 19.5% to 20.1% per annum (2023:13.75% to 19.5%).



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ------(Pak Rupees)-----	2023
27. REVENUE			
Income from machinery rentals		115,357,782	95,128,501
Service charges on rental of CIPK machinery		9,398,744	13,168,535
		124,756,526	108,297,036
Less: Sales tax		(14,817,839)	(11,973,748)
		<u>109,938,687</u>	<u>96,323,288</u>
28. COST OF SALES			
Cost of machinery pool	28.1	<u>55,268,343</u>	<u>65,783,026</u>
28.1 COST OF MACHINERY POOL			
Salaries, wages and other benefits		23,168,415	23,273,018
Consultancy charges		315,000	-
Depreciation	14.2	20,395,439	24,901,863
Travelling, lodging and conveyance		114,539	448,801
Advertisement		108,816	130,874
Freight charges		725,730	1,765,800
Rent		1,546,205	1,442,345
Communication		142,460	154,490
Vehicles' running and maintenance		735,275	1,221,137
Entertainment		-	65,370
Legal and professional charges		66,000	100,000
Utilities		650,009	670,923
Printing and stationery		11,170	21,020
Insurance		2,172,107	2,137,549
Office supplies		53,225	63,409
Security services		622,497	576,840
Impairment due to decrease in NRV of stock	17	-	627,492
Repairs and maintenance		3,230,025	7,192,392
Stores and spares consumed	28.2	1,205,862	981,186
Bank charges/commission		5,069	5,517
Miscellaneous expenses		500	3,000
		<u>55,268,343</u>	<u>65,783,026</u>

28.2 It is related to the cost of stores and spares sold during the year.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		------(Pak Rupees)-----	
29. ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits	29.1	50,947,193	61,787,871
Consultancy charges		723,790	623,750
Depreciation	14.2	3,506,536	2,130,545
Depreciation on right of use asset	14.4	6,323,202	6,323,202
Travelling, lodging and conveyance		906,377	841,266
Advertisement		445,374	85,157
Rent		675,679	1,466,904
Communication		892,896	936,538
Vehicles' running and maintenance		2,122,609	2,291,766
Entertainment		104,922	104,731
Legal and professional charges		2,177,050	1,134,150
Utilities		1,890,548	1,527,127
Printing and stationery		639,338	681,658
Insurance		396,634	411,767
Trainings		-	130,000
Office supplies		154,724	281,983
Auditors' remuneration	29.2	500,000	450,000
Security services		2,652,749	2,691,969
Repairs and maintenance		682,515	974,149
Newspapers, books and periodicals		13,515	22,745
Bank charges/commission		1,185	7,270
Marketing expenses		227,426	958,831
Miscellaneous expenses		53,128	48,002
		76,037,390	85,911,381

29.1 It includes gratuity of Rs. 5,894,342 (2023: 8,441,523) and remuneration of CEO, Directors and Executive amounting to Rs. 20,784,433 (2023: 21,009,493).

29.2 Breakup of auditor's remuneration is as follows:

Audit fee	293,103	271,551
Code of corporate governance review fee	90,517	90,517
Out of pocket expenses	55,000	30,000
Applicable sales tax	61,379	57,931
	500,000	450,000



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

30. OTHER INCOME

Income from financial assets

Income from saving accounts
Interest income on short-term investments
Reversal of provision through recovery

2024

2023

------(Pak Rupees)-----

1,527,330	1,216,238
1,697,891	948,212
1,089,773	2,320,210
4,314,994	4,484,660

Income from non-financial assets

Restoration, transfer fee and others from plots
Surcharge on late payments against the plots allotment
Penalty recovered from contractor
Insurance recovery
Additional development charges recovered from MCR allottees
Repair cost of Machinery charged to party
Income from Sale of Scrap items
Income from QUG Dir Granite
Others

3,261,400	2,967,760
21,830	113,583
733,607	52,146
52,100	-
1,300,000	
2,912,210	393,040
-	1,980,000
-	494,500
1,863,431	1,109,915
10,144,578	7,110,944
14,459,572	11,595,604



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

31. REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

The aggregate amounts charged in the financial statements for the year with respect to remuneration, including benefits and perquisites, were as follows:

	Chief Executive		Directors		Executives	
	2024	2023	2024	2023	2024	2023
	(Pak Rupees)		(Pak Rupees)		(Pak Rupees)	
Managerial remuneration	4,202,258	7,200,000	-	-	10,527,548	10,590,012
Allowances and meeting fee	100,000	-	1,775,000	1,150,000	-	-
Travelling and other expenses	69,000	444,474	377,475	187,535	76,420	15,200
Leave Encashment	498,750	-	-	-	206,866	-
Gratuity expense	431,250	750,000	-	-	2,519,866	672,272
	<u>5,301,258</u>	<u>8,394,474</u>	<u>2,152,475</u>	<u>1,337,535</u>	<u>13,330,700</u>	<u>11,277,484</u>
Number of persons	<u>3</u>	<u>1</u>	<u>7</u>	<u>8</u>	<u>5</u>	<u>4</u>

- 31.1 The Chief Executive is provided with medical insurance facility and Company maintained car as per his limit. Gratuity is payable to the Executives in accordance with the terms of employment and determined based on actuarial valuations.

32. TRANSACTIONS WITH RELATED PARTIES

The Company is subsidiary of Ministry of Industries and Production, Government of Pakistan (the "Parent Company"). Therefore all the department and agencies controlled by the parent company are related parties of the Company. Other related parties comprise of associated companies, directors and close family members, companies with common directorship, executives, key management personnel and major shareholders of the Company. Balances with related parties are shown elsewhere in the notes to the financial statements. Remuneration of chief executive, directors and executives is disclosed in note 29 to the financial statements. Transactions with related parties disclosed elsewhere in these financial statements are as follows:

Name of related party	Basis of relationship	Percentage of shareholding	
Ministry of Industries and Production, Government of Pakistan	Parent	80,327,400	78.61% Shares
Pakistan Industrial Development Corporation [Associated Company]	Associated company	21,858,098	21.39% Shares
Shamama Tul Amber Arbab	Chairperson & Director	N/A	
Khadim Hussain	Director	N/A	
Rizwan Ahmed Bhatti	Director	N/A	
Naimatullah Khan	Director	N/A	
Sardar Rizwan Kehar	Director	N/A	
Asad Islam	Director	N/A	
Fareed Iqbal Qureshi	Director	N/A	
Sarah Aslam	Ex CEO	N/A	
Atta Muhammad Khakwani	Chief Executive	N/A	
Babar Miraj Shami	Ex Chief Executive	N/A	
Shahzad Basharat	Key Management Personnel	N/A	
Moin Qadir Janjua	Key Management Personnel	N/A	
Asad Ali	Key Management Personnel	N/A	
Naveed Akhtar	Key Management Personnel	N/A	
Rukhsana Iqbal	Key Management Personnel	N/A	

PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Transactions with associated company
Shares issued to PIDC

	2024	2023
Notes	----- (Pak Rupees) -----	
	-	-

Remuneration of key management personnel
Remuneration, allowances and benefits

32.1	14,875,226	18,249,686
------	------------	------------

32.1 Remuneration of key managerial personnel

Managerial remuneration
Travelling expenses

14,729,806	17,790,012
145,420	459,674
<u>14,875,226</u>	<u>18,249,686</u>



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

33. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks associated with its financial instruments:

Credit risk
Liquidity risk
Market risk

The senior management of the Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders. Further, senior management under the guidance of Board of Directors (the Board) ensures that the Company's financial risk-taking activities are governed through resolution passed by the Board and that financial risks are identified, measured and managed in accordance with the Company's policies and risk appetite.

The capital structure of the Company consists of equity (comprising issued capital and advance against issues of shares in note 6 & 7). The Company is not subject to any externally imposed capital requirements.

The Board reviews and agrees the policies for measuring each of their risks which are summarized below:

FINANCIAL INSTRUMENTS BY CATEGORIES

The Company's activities are exposed to a variety of financial risks namely credit risk, interest rate risk, foreign exchange risk and liquidity risk. Overall, risks arising from the Company's financial instruments are limited. The Company manages its exposure to financial risk in the following manner:

June 30, 2024

Description	INTEREST / MARK UP BEARING			NON INTEREST / MARK-UP BEARING			
	Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	Total
	(Pak Rupees)						
FINANCIAL ASSETS							
Amortised cost							
Trade debts - net	-	-	-	18,123,421	-	18,123,421	18,123,421
Receivables from projects - net	-	-	-	-	7,183,175	7,183,175	7,183,175
Advances	-	-	-	7,620,088	-	7,620,088	7,620,088
Other receivables - net	-	-	-	2,301,732	-	2,301,732	2,301,732
Cash and bank balances	7,680,676	-	7,680,676	2,365,518	-	2,365,518	10,046,193
	<u>7,680,676</u>	<u>-</u>	<u>7,680,676</u>	<u>30,410,759</u>	<u>7,183,175</u>	<u>37,593,934</u>	<u>45,274,610</u>
FINANCIAL LIABILITIES							
Financial liabilities measured at amortized cost							
Trade and other payables	-	-	-	38,250,227	-	38,250,227	38,250,227
	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,250,227</u>	<u>-</u>	<u>38,250,227</u>	<u>38,250,227</u>

June 30, 2023

Description	INTEREST / MARK UP BEARING			NON INTEREST / MARK-UP BEARING			
	Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	Total
	(Pak Rupees)						
FINANCIAL ASSETS							
Amortised cost							
Trade debts - net	-	-	-	17,589,619	-	17,589,619	17,589,619
Receivables from projects - net	-	-	-	-	8,613,037	8,613,037	8,613,037
Advances	-	-	-	6,152,123	-	6,152,123	6,152,123
Other receivables - net	-	-	-	3,412,353	-	3,412,353	3,412,353
Cash and bank balances	3,111,654	-	3,111,654	2,388,185	-	2,388,185	5,499,840
	<u>3,111,654</u>	<u>-</u>	<u>3,111,654</u>	<u>29,542,280</u>	<u>8,613,037</u>	<u>38,155,317</u>	<u>41,266,973</u>
FINANCIAL LIABILITIES							
Financial liabilities measured at amortized cost							
Trade and other payables	-	-	-	42,422,673	-	42,422,673	42,422,673
	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,422,673</u>	<u>-</u>	<u>42,422,673</u>	<u>42,422,673</u>



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

33.1 Credit risk

Credit risk represents that risk that one party to a financial instruments will cause a financial loss for the another party by failing to discharge an obligation and arises from receivables, trade debts, advances, deposits, other receivables and bank balances.

33.1.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follow:

		2024	2023
		----- (Pak Rupees) -----	
	Note		
Trade debts - net	33.1.2	18,123,421	17,589,619
Receivables from Projects	15	7,183,175	8,613,037
Advances	20	7,620,088	6,152,123
Other receivables	23	2,301,732	3,412,353
Short term investment	22	10,000,000	9,000,000
Cash and bank balances	26	10,046,194	5,499,840
		<u>55,274,610</u>	<u>50,266,972</u>

33.1.2 Impairment losses

The aging of receivable at the reporting date is:

	2024			2023		
	Gross	Impairment	Net Receivables	Gross	Impairment	Net Receivables
	(Pak Rupees)					
Not yet due 1-30 days	6,862,111	-	6,862,111	8,188,809	-	8,188,809
Not yet due 31-90 days	3,271,177	-	3,271,177	587,420	-	587,420
Past due 91-180 days	2,657,472	-	2,657,472	-	-	-
Past due 181-365 days	592,150	(505,250)	86,900	2,610,906	(1,305,453)	1,305,453

33.1 Credit risk



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

The Company's credit risk is primarily attributes to its short term investments and balances at banks. The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. The name and credit ratings of major banks where the Company maintains its bank balances are as follows:

Name of Bank	Rating Agency	Credit Rating	
		Short Term	Long Term
United Bank Limited	VIS	A-1+	AAA
Allied Bank limited	PACRA	A-1+	AAA
Bank Alfalah Limited	PACRA	A-1+	AA+
MCB Bank Limited	PACRA	A-1+	AAA

33.2 Market risk

33.2.1 Interest rate risk

Interest Rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market interest rates. The Company's income and operating cash flows are substantially independent of market interest rates.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:

	2024	2023
	----- (Pak Rupees) -----	
Financial assets		
Bank balances	<u>7,680,676</u>	<u>3,111,654</u>

The effective interest rates for the financial assets are mentioned in respective notes to the financial statements.

Interest rate sensitivity analysis

At June 30, 2024 if interest rates had been 50 basis points higher/ lower and all other variables were held constant, the Company's profit before tax for the year ended June 30, 2024 would increase/ decrease by Rs.60,553 (2023: increase/ decrease by Rs 107,557).

32.2.2 Foreign currency risk

Foreign currency risk is the risk that changes in foreign exchange rates will affect the Company's income of the value of its holding of financial instruments. The objective of foreign currency risk exposures within acceptable parameters, while optimizing the return on financial instruments.

The Company does not have any financial instruments involving any foreign currency risk.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

33.3 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulties in raising funds to meet commitments associated with financial instruments. Prudent liquidity risk management implies maintaining sufficient cash and bank balances and availability of funding through an adequate amount of committed credit facilities.

Financial liabilities in accordance with their contractual maturities are presented below:

June 30, 2024

	Rupees		
	Carrying amount	Contractual cash flows	Less than 1 Year
Trade and other payables	38,250,227	38,250,227	38,250,227
	<u>38,250,227</u>	<u>38,250,227</u>	<u>38,250,227</u>

June 30, 2023

	Rupees		
	Carrying amount	Contractual cash flows	Less than 1 Year
Trade and other payables	42,422,673	42,422,673	42,422,673
	<u>42,422,673</u>	<u>42,422,673</u>	<u>42,422,673</u>

33.4 Fair value of financial Instruments

Fair value is the price 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. The Company has no financial instruments under the fair value hierarchy. As at statement of financial position date, the carrying values of the financial assets and financial liabilities approximate their fair values.

33.4.1 Fair value hierarchy

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the price 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.

Fair value hierarchy:

- **Level 1** Quoted prices (unadjusted) in active markets for identical assets or liabilities
- **Level 2** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- **Level 3** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The Company does not have any financial instruments which are required to be classified under aforesaid fair value hierarchies.



PAKISTAN STONE DEVELOPMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

33.5 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide return for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses. The Company manages its capital to ensure that it will be able to continue as a going concern. There were no changes to the Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements.

	2024	2023
	-----Number-----	
34 NUMBER OF EMPLOYEES		
Total number of employees (contractual) at end of the year	39	49
Average number of employees (contractual) during the year	44	49

35 CORRESPONDING FIGURES

The retention money, which was previously classified under current liabilities, has now been reclassified as non-current liabilities. No other major reclassifications have been made during the year. Figures have been rounded to the nearest of rupees.

36 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors on of the Company in its meeting held on _____.

 _____
CHIEF EXECUTIVE OFFICER

DIRECTOR