

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

**Report on the Audit of the Financial Statements**

**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, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the 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, 2025 and of the profit, the total comprehensive income, the changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the 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.

**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 the State-Owned Enterprises (Governance and Operations) Act, 2023 (SOE Act 2023) and for such internal control as management determines is necessary to enable the preparation of the 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.

#### **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, 2025 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.

#### **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 Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the 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 the State-Owned Enterprises (Governance and Operations) Act, 2023 (SOE 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 Companies 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 Habib.

Place: Islamabad  
Dated: 08 OCT 2025  
UDIN: AR202510349srHYGf3K

  
CROWE HUSSAIN CHAUDHRY & CO.  
(CHARTERED ACCOUNTANTS)

Member  
Crowe  
Global

PAKISTAN STONE DEVELOPMENT COMPANY  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2025

	Note	2025 ------(Pak Rupees)-----	2024
<b>SHARE CAPITAL AND RESERVES</b>			
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		(2,017,309,493)	(2,019,498,963)
		177,125,909	174,936,439
<b>NON CURRENT LIABILITIES</b>			
Provision for leave encashment	8	2,433,656	2,551,382
Defined benefit - gratuity	9	24,504,351	27,413,112
Retention money payable		-	13,652,054
Lease liability	10	8,194,016	-
		35,132,023	43,616,548
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	47,309,390	38,250,227
Contract liability	12	813,598,760	810,898,760
Retention money payable		6,295,136	-
Current portion of lease liability	10	8,456,233	-
		875,659,519	849,148,987
<b>CONTINGENCIES AND COMMITMENTS</b>			
	13	-	-
		1,087,917,451	1,067,701,974
<b>NON CURRENT ASSETS</b>			
Property and equipment	14	119,714,888	119,828,157
Investment in projects	15	3,671,474	7,183,175
		123,386,362	127,011,332
<b>CURRENT ASSETS</b>			
Stores and spare parts	16	17,775,656	18,704,050
Stock in trade	17	-	156,873
Development properties	18	836,782,216	836,033,178
Trade debts - considered good	19	22,933,515	18,123,421
Advances	20	7,554,896	7,620,088
Deposits and prepayments	21	2,933,965	3,183,102
Short term investment	22	20,746,591	10,000,000
Other receivables	23	3,459,909	2,301,732
Income tax refundable	24	37,342,422	34,522,004
Cash and bank balances	26	15,001,919	10,046,194
		964,531,089	940,690,642
		1,087,917,451	1,067,701,974

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, 2025

	Note	2025 ------(Pak Rupees)-----	2024
Revenue	27	118,046,159	109,938,687
Cost of sales	28	(46,188,761)	(55,268,343)
<b>Gross Profit</b>		<b>71,857,398</b>	<b>54,670,344</b>
Administrative expenses	29	(76,050,149)	(76,037,390)
Allowance for expected credit losses	19 & 23	(1,397,836)	(3,687,142)
Finance charges on lease	10	(1,972,727)	(8,200)
Other income	30	14,020,955	19,862,822
		(65,399,757)	(59,869,910)
<b>Profit / (Loss) for the year</b>		<b>6,457,641</b>	<b>(5,199,566)</b>

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, 2025

		2025	2024
		----- (Pak Rupees) -----	
<b>Profit / (Loss) for the year</b>	<b>Note</b>	6,457,641	(5,199,566)
<b>Other comprehensive income for the year:</b>			
Items that will not be subsequently reclassified in profit or loss:			
Remeasurement (loss) / gain on gratuity	9.1	(4,268,171)	1,279,562
<b>Total comprehensive income / (loss) for the year</b>		<u><u>2,189,470</u></u>	<u><u>(3,920,004)</u></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, 2025

	Capital reserve		Revenue reserve	Total
	Share capital	Advance against issue of shares	Accumulated deficit	
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
Balance as at July 01, 2024	1,021,855,000	1,172,580,402	(2,019,498,963)	174,936,439
Profit for the year	-	-	6,457,641	6,457,641
Other comprehensive loss for the year	-	-	(4,268,171)	(4,268,171)
Total comprehensive income for the year	-	-	2,189,470	2,189,470
Balance as at June 30, 2025	1,021,855,000	1,172,580,402	(2,017,309,493)	177,125,909

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, 2025

	Note	2025 ----- (Pak Rupees) -----	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit / (loss) for the year		6,457,641	(5,199,566)
<b>Adjustments for:</b>			
Depreciation	14.2 & 14.4	25,012,710	30,225,177
Provision for leave encashment	8.1	919,080	199,170
Provision for gratuity	9.1	4,664,464	5,894,342
Finance cost on right of use asset		1,972,727	8,200
Allowance for expected credit loss	19.2 & 23.1	1,397,836	3,687,142
Expected credit loss on investment in projects	15	1,882,501	-
Reversal of allowance for expected credit loss	19.2 & 23.1	(2,347,668)	(1,089,772)
Written off stock in trade		156,873	-
Reversal of allowance for expected credit loss on investment in projects	10	(6,660,831)	(5,403,250)
Income from saving accounts and TDRs	30	(3,084,449)	(3,225,221)
		<u>23,913,243</u>	<u>30,295,788</u>
<b>Changes in working capital:</b>			
Development properties		(749,038)	(3,000,000)
Trade debts		(4,214,198)	(1,923,358)
Advances		65,192	(1,467,965)
Deposit and prepayments		249,137	(327,673)
Other receivables		(961,113)	(97,193)
Stoke in trade		156,873	-
Trade and other payables		9,059,163	(4,172,446)
Stores and spares		928,394	1,205,862
Retention money payable		(7,356,918)	-
Advances from customers		2,700,000	1,765,000
		<u>(122,508)</u>	<u>(8,017,773)</u>
<b>Cash generated from operations</b>		<u>30,248,376</u>	<u>17,078,449</u>
Tax paid		(2,820,418)	(2,287,363)
Leave encashment paid	8.1	(1,036,806)	(1,144,011)
Staff retirement benefits paid		(11,841,396)	(8,375,882)
		<u>(15,698,620)</u>	<u>(11,807,256)</u>
<b>Net cash generated from operating activities</b>		<u>14,549,756</u>	<u>5,271,193</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property and equipment		(579,120)	(252,850)
Receivables from projects	15	6,660,831	5,233,112
Proceeds from interest on saving accounts and TDRs		3,084,449	3,225,221
<b>Net cash generated from investing activities</b>		<u>9,166,160</u>	<u>8,205,483</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Lease rental paid	10	(8,013,600)	(7,930,322)
<b>Net cash used in financing activities</b>		<u>(8,013,600)</u>	<u>(7,930,322)</u>
<b>Net increase in cash and cash equivalents during the year</b>		<u>15,702,316</u>	<u>5,546,354</u>
Cash and cash equivalents at the beginning of the year		20,046,194	14,499,840
Cash and cash equivalents at the end of the year	25	<u>35,748,510</u>	<u>20,046,194</u>

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, 2025**

**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 Organization's 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 except lease liabilities and defined benefit - gratuity which have been measured at present value.

**2.3 FUNCTIONAL AND PRESENTATION CURRENCY**

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

**PAKISTAN STONE DEVELOPMENT COMPANY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**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.

- i. Depreciation - note 5.1.3 & note 14.
- ii. Impairment - note 5.1.4 & note 14.
- iii. Stores and spare parts - note 5.5 & note 17.
- iv. Stock in trade - note 5.5 & note 16.
- iv. Expected credit loss - note 5.3, note 19 & note 23.
- v. Staff retirement benefits - 5.13 & note 9.
- vi. Provisions - 5.16
- vii. Contingencies and commitments - note 13

**4. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED AND APPROVED ACCOUNTING AND REPORTING STANDARDS**

- 4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025.

The following standards, amendments, and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either irrelevant to the Company's operations or are not expected to significantly impact the Company's financial statements other than certain additional disclosures.

	Effective date (annual reporting periods beginning on or after)
IAS 1 Presentation of Financial Statements (Amendments)	January 1, 2024
IAS 7 Amendments to IAS 7 "Statement of Cash Flows"	January 1, 2024
IFRS 7 Amendments to IFRS 7 "Financial Instruments Disclosures" - Supplier Finance Arrangements	January 1, 2024
IFRS 16 Amendments to IFRS 16 "Leases" - Clarification on how seller-lessee subsequently measures sale and lease back transaction	January 1, 2024

**PAKISTAN STONE DEVELOPMENT COMPANY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**4.2 Standards, amendments and interpretations to existing standards that are not yet effective**

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

		<b>Effective date (annual reporting periods beginning on or after)</b>
IAS 21	Amendments to lack of exchangeability	January 1, 2025
IFRS 7 & 9	Amendments to Classification and Measurement of Financial Instruments - Amendments to IFRS 7 & 9	January 1, 2026
IFRS 7 & 9	Contracts referencing Nature-dependent Electricity	January 1, 2026
IFRS 1,7,9,10 & IAS 7	Annual improvements to IFRS Accounting Standards	January 1, 2026
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information	July 1, 2027
IFRS S2	Climate-Related Disclosures	July 1, 2027

Further, the following standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan as at June 30, 2025:

- IFRS 1 First-time adoption of International Financial Reporting
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

**5. MATERIAL ACCOUNTING POLICY INFORMATION**

**5.1 Property and equipment**

**5.1.1 Recognition and measurement**

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. Maintenance and normal repairs are charged to income for the year as and when incurred, while major renewals and improvements are capitalized.

Gains and losses on disposals of property, plant and equipment are recognized in the statement of profit or loss.

**5.1.2 Subsequent expenditure**

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**PAKISTAN STONE DEVELOPMENT COMPANY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**5.1.3 Depreciation**

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.

Useful lives are determined by the management based on the expected usage of an asset, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of assets and other similar factors.

The assets' residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end. The effects of adjustments to residual values, useful lives and methods are recognized prospectively as a change in accounting estimates.

**5.1.4 Impairment**

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.

**5.2 Capital work in progress**

Capital work in progress is stated at cost less accumulated impairment losses, if any. It consists of expenditure incurred in respect of tangible assets in the course of their construction and installation. Transfers are made to the relevant fixed assets category as and when assets are available for intended use.

The carrying amounts of the capital work in progress 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 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.

**PAKISTAN STONE DEVELOPMENT COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**5.3 Financial instruments**

**5.3.1 Financial assets**

The Company classifies its financial assets in the following categories: at fair value through profit or loss and at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at the time of initial recognition.

**a) Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets.

**b) Financial assets at amortized cost**

Financial assets at amortized cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets. These comprise of loans, advances, prepayments and other receivables and cash and bank balances in the statement of financial position.

All financial assets are recognized at the time the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of investments are recognized on trade-date – the date on which the Company commits to purchase or sell the asset. Financial assets are initially recognized at fair value plus transaction costs for all financial assets except those that are carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the statement of profit or loss. Financial assets are de-recognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Financial assets at amortized cost are measured using the effective interest rate method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of profit or loss in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the statement of profit or loss as part of other income when the Company's right to receive payment is established. The Company applies simplified approach, as allowed under IFRS 9, for measuring expected credit losses which uses a lifetime expected loss allowance for all the financial assets. It assesses, on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**5.3.2 Financial liabilities**

All financial liabilities are recognized at the time the Company becomes a party to the contractual provisions of the instrument.

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the statement of profit or loss.

**PAKISTAN STONE DEVELOPMENT COMPANY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**5.3.3 Off-setting of financial assets and financial liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

**5.4 Impairment**

**Financial assets**

The Company recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Company measures loss allowances at an amount equal to lifetime ECLs. Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

**Non-financial assets**

The carrying amount of the Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

**PAKISTAN STONE DEVELOPMENT COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

An impairment loss is recognized if the carrying amount of the assets or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit or loss. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro-rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized.

**5.5 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.

**5.6 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.

**5.7 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 statement of financial position 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.

**5.8 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.

**5.9 Investment in projects**

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

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**5.10 Contract liability**

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

**5.11 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.

**5.12 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.

**5.13 Staff retirement benefits**

**5.13.1** The Company has defined benefit funded gratuity plan for all of its eligible employees. The fund is administered by trustees. Annual funding 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.

**5.13.2** 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.

**5.14 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.

**5.15 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.

**5.16 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.

**PAKISTAN STONE DEVELOPMENT COMPANY**  
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**5.17 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.

**5.18 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 recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Right-of-use assets**

The Company recognizes 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 recognized, 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 recognizes 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).

**5.19 Revenue recognition**

Revenue is recognized in accordance with IFRS 15, which requires a five-step approach: identifying the contract with the customer, identifying performance obligations, determining the transaction price, allocating the transaction price to performance obligations, and recognizing revenue when (or as) the performance obligations are satisfied.

**Income from machinery rental:**

Revenue from rented equipment is recognized over time based on the customer's actual usage, reflecting satisfaction of the performance obligation. Rental income is billed in completed hours. Advance payments received are recorded as contract liabilities (unearned revenue) until the related service is provided.

**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.

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**6. SHARE CAPITAL**

**Authorized share capital**

2025	2024		2025	2024
(Number of shares)			----- (Pak Rupees) -----	
<u>110,000,000</u>	<u>110,000,000</u>	Ordinary shares of Rs.10 each fully paid in cash	<u>1,100,000,000</u>	<u>1,100,000,000</u>

**Issued, subscribed and paid-up share capital**

2025	2024		2024	2024
(Number of shares)			----- (Pak Rupees) -----	
<u>102,185,500</u>	<u>102,185,500</u>	Ordinary shares of Rs.10 each fully paid in cash	<u>1,021,855,000</u>	<u>1,021,855,000</u>

Ministry of Industries and Production (MoIP), Government of Pakistan is the Parent controlling 80,327,400 i.e. 78.61% (2024: 80,327,400 i.e. 78.61%) ordinary shares of Rs. 10 each of the Company and 21,858,100 i.e. 21.39% (2024: 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	2025	2024
		----- (Pak Rupees) -----	
<b>7. ADVANCE AGAINST ISSUE OF SHARES</b>			
Funds received from MoIP		<u>1,026,733,866</u>	<u>1,026,733,866</u>
Interest paid on long term loan by MoIP		<u>145,846,536</u>	<u>145,846,536</u>
	7.1	<u>1,172,580,402</u>	<u>1,172,580,402</u>

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

	Note	2025	2024
		----- (Pak Rupees) -----	
<b>8. PROVISION FOR LEAVE ENCASHMENT</b>			
Provision for leave encashment	8.1	<u>2,433,656</u>	<u>2,551,382</u>

<b>8.1 Provision for leave encashment</b>			
Balance at 01 July		<u>2,551,382</u>	<u>3,496,223</u>
(Reversal) / charged during the year		<u>919,080</u>	<u>199,170</u>
Paid during the year		<u>(1,036,806)</u>	<u>(1,144,011)</u>
Balance at 30 June		<u>2,433,656</u>	<u>2,551,382</u>

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	2025	2024
Note	------(Pak Rupees)-----	
<b>9. DEFINED BENEFIT - GRATUITY</b>	<b>24,504,351</b>	<b>27,413,112</b>
<b>9.1. Payable to gratuity fund</b>		
Present value of defined benefit obligation	25,847,876	27,628,425
Fair value of plan assets	(1,343,525)	(215,313)
Net liability	<u>24,504,351</u>	<u>27,413,112</u>
<b>Amount to be recognized in statement of profit or loss</b>		
Current service cost	2,399,565	2,714,539
Interest cost	2,527,989	3,516,847
Interest income on plan assets	(263,090)	(337,044)
	<u>4,664,464</u>	<u>5,894,342</u>
<b>Amount to be recognized in other comprehensive income</b>		
Actuarial loss / (gain) on obligations	4,464,211	(1,633,846)
Actuarial (gain) / loss on plan assets	(196,040)	354,284
	<u>4,268,171</u>	<u>(1,279,562)</u>
<b>Expected contribution to be paid for the next year</b>	<u>3,829,483</u>	<u>5,048,524</u>
<b>Movement in present value of defined benefit obligation</b>		
Present value of defined benefit obligation - as at July 01	27,628,425	31,188,508
Current service cost	2,399,565	2,714,539
Interest cost	2,527,989	3,516,847
Benefits paid	(11,172,314)	(8,157,623)
Remeasurement gain on defined benefit obligation	4,464,211	(1,633,846)
Present value of defined benefit obligation - as at June 30	<u>25,847,876</u>	<u>27,628,425</u>
<b>Movement in fair value of plan assets</b>		
Fair value of plan assets - as at July 01	215,313	14,294
Expected return on plan assets	263,090	337,044
Contribution made to the fund	11,841,396	8,375,882
Benefits paid	(11,172,314)	(8,157,623)
Remeasurement on fair value of plan assets	196,040	(354,284)
Fair value of plan assets - as at June 30	<u>1,343,525</u>	<u>215,313</u>
<b>Movement in obligation in balance sheet</b>		
Balance as at July 01	27,413,112	31,174,214
Charge for the year	4,664,464	5,894,342
Actuarial (loss) / gain on gratuity valuation	4,268,171	(1,279,562)
Contribution during the year	(11,841,396)	(8,375,882)
Balance as at June 30	<u>24,504,351</u>	<u>27,413,112</u>

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<b>Actuarial assumptions</b>		
Valuation discount rate	11.75%	14.75%
Discount rate for interest cost	14.75%	16.25%
Salary increase used for year end obligation		
Salary increase FY 2026	20.00%	13.75%
Salary increase FY 2027	10.75%	13.75%
Salary increase FY 2028	10.75%	13.75%
Salary increase FY 2029	10.75%	13.75%
Salary increase FY 2030	10.75%	13.75%
Salary increase FY 2031 onward	10.75%	13.75%

Mortality rates	SLIC 2001-2005 Setback 1 Year	SLIC 2001-2005 Setback 1 Year
Withdrawal rates	Age-Based	Age-Based
Retirement assumption	Age 60	Age 60

**Maturity Profile** 2025 2024

**Particulars**

	------(Pak Rupees)-----	
	2025	2024
Year 1	2,746,456	1,507,486
Year 2	1,365,064	3,304,305
Year 3	2,980,075	2,309,232
Year 4	1,359,759	3,249,156
Year 5	1,401,176	2,358,804
Year 6 to Year 10	15,035,609	16,428,000
Year 11 and above	142,127,320	237,822,361

**Sensitivity analysis**

The calculation of the defined benefit obligation is sensitive to the assumption set out above. The following table summarizes 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.

	<b>Defined Benefit Obligation</b>	
	1 percent increase	1 percent decrease
	------(Pak Rupees)-----	
Discount rate	19,260,015	22,918,472
Salary increase rate	<u>22,944,788</u>	<u>19,206,485</u>

The above sensitivities are based on average duration of the benefit obligation determined at the date of the last actuarial valuation at 30 June 2025 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;



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**10.1 Future period lease payments and interest expense:**

	2025		
	Future lease payments	Interest expense for the future periods	Present value of minimum lease payments
	----- Pak Rupees -----		
Not more than one year	8,814,960	1,221,444	7,593,516
From 1 to 5 years	9,696,456	639,723	9,056,733
More than 5 years	-	-	-
	<u>18,511,416</u>	<u>1,861,167</u>	<u>16,650,249</u>

**Future period lease payments and interest expense:**

	2024		
	Future lease payments	Interest expense for the future periods	Present value of minimum lease payments
	----- Pak Rupees -----		
Not more than one year	-	-	-
From 1 to 5 years	-	-	-
More than 5 years	-	-	-
	<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, 2024. Lease contract will end on July 31, 2027. The lease payments made on advance basis quarterly.

**11. TRADE AND OTHER PAYABLES**

Trade creditors  
Accrued liabilities  
Income tax payable (withheld from parties)  
Security deposits against rental income  
Unearned rental income  
Other payables

Note      2025      2024  
----- (Pak Rupees) -----

-	5,643,082
4,792,835	5,611,866
242,186	58,287
33,202,287	26,512,175
9,048,082	400,817
24,000	24,000
<u>47,309,390</u>	<u>38,250,227</u>

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**12. CONTRACT LIABILITY**

Advance from allottees against development properties 12.2 

813,598,760	810,898,760
-------------	-------------

**12.1 Movement of contract liability is as follows:**

Opening balance	810,898,760	809,133,760
Advance received from customers during the year	2,700,000	1,765,000
Advance adjusted/returned during the year	-	-
Closing balance	<u>813,598,760</u>	<u>810,898,760</u>

**12.2** 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 'Contract liability'. It will be adjusted against corresponding cost of development properties on issuance of respective possession certificates to the allottees.

**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 Risaplur. This land was purchased by KPEZDMC from ex-owners. Subsequent to this purchase, ex-owners filed a case in the District Court Nowshera against KPEZDMC, seeking an upward revision of the sale price of the land. The ex-owners won both in the District Court and on appeal before the Peshawar High Court 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. In the execution proceedings before the Dictirct Court Nowshera, KPEZDMC filed an objection petition under Section 47 of the Civil Procedure Code (CPC), seeking to implead PASDEC as a party. However, on September 17, 2020, the court dismissed KPEZDMC's objection and ruled in favour of PASDEC. 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. 836.782 million as development properties as discussed under detailed note 18 to these financial statements and respective advances from the customers received amounting to Rs. 813.598 million as at June 30, 2025, as described in the note 11 to these financial statements.


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On April 23, 2025, the Peshawar High decided four cases between PASDEC and KPEZDMC. PHC advised arbitration in one case whereas in judgement of another case decided on the same date, the court mentioned that arbitration is not possible. PASDEC has filed an appeal in the Supreme Court of Pakistan against the earlier.

**13.1.2 Contingency related to tax exemption**

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. As per the Company's income tax advisor, favorable outcome is likely and accordingly provision for taxation has not been recognized.

**13.2 COMMITMENTS**

 There are no commitments as at June 30, 2025 (2024: Nil).

PAKISTAN STONE DEVELOPMENT COMPANY  
NOTES TO THE FINANCIAL STATEMENTS  
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14. PROPERTY AND EQUIPMENT	Note	2025	2024
Leasehold assets	14.5	15,757,723	526,934
Owned assets	14.	103,957,165	119,301,223
		119,714,888	119,828,157

14.1. PROPERTY AND EQUIPMENT

Cost	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	Note 14.1	
												(Pak Rupees)	
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		
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		
Balance at July 01, 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		
Additions	-	-	-	-	-	192,120	387,000	-	-	-	579,120		
Transfer from projects	-	-	-	-	-	-	-	-	-	-	1,629,200		
Balance at June 30, 2025	12,000,000	5,345,934	1,002,598,902	3,984,366	41,413,095	7,003,096	8,024,751	5,208,743	2,081,129	40,736,700	1,128,396,717		

Accumulated depreciation

Balance at July 01, 2023	-	5,337,890	927,864,871	3,723,470	25,288,636	6,102,869	7,577,591	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
Balance at July 01, 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
Charge for the year	-	1,609	13,744,488	48,989	3,489,400	185,022	82,869	-	-	-	17,552,377
Balance at June 30, 2025	-	5,345,934	962,004,798	3,789,520	31,947,436	6,470,589	7,591,402	5,208,743	2,081,129	-	1,024,439,550

Carrying amounts													
As at June 30, 2025	12,000,000	-	40,594,104	194,846	9,465,659	532,507	431,349	-	-	40,736,700	103,957,165		
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		

Rates of depreciation

0%	20%	10%	15%	20%	20%	20%	33%	15%	20%	0%
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14.2 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.

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	2025	2024
Note	------(Pak Rupees)-----	
<b>14.3 Depreciation charged for the period has been allocated as follows</b>		
Cost of machinery pool	13,744,488	20,395,439
Administrative expenses	3,807,889	3,506,536
	<u>17,552,377</u>	<u>23,901,975</u>
<b>14.4 The breakup of capital work in progress is as follows:</b>		
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>
<b>14.5 Leasehold Assets</b>		
<b>Cost</b>		
Opening	18,969,607	18,969,607
Addition	22,691,122	-
	<u>41,660,729</u>	<u>18,969,607</u>
<b>Accumulated depreciation</b>		
Opening	18,442,673	12,119,471
Depreciation for the year	7,460,333	6,323,202
	<u>25,903,006</u>	<u>18,442,673</u>
<b>WDV</b>	<u>15,757,723</u>	<u>526,934</u>
<b>15. INVESTMENT IN PROJECTS</b>		
Model Quarry Khuzdar	287,081	746,357
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	332,246	3,384,671
Quarry Up-gradation Loralai - II	332,246	332,246
	<u>3,671,474</u>	<u>7,183,175</u>

**15.1** 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.

**15.2** During the FY 2024-25, an amount of Rs. 6.59 million has been recovered from JV partner of Model Quarry Khuzdar , Rs. 70,831 recovered through proceeds and Assets of Rs. 1.629 million has been transferred from Quarry Up-gradation FATA 4. Hence, in aggregate total of impairment reversal of Rs. 6.66 million has been recognised during financial year 2024-25.

The net receivables of Rs. 3.671 million as at June 30, 2025 are backed by the machinery available at quarries majorly based on the values ascertained by independent valuer. 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.

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	Note	2025 ------(Pak Rupees)-----	2024
<b>16. STORES AND SPARE PARTS</b>			
Diamond wire		5,672,050	6,339,350
Others	16.1	12,103,606	12,364,700
		17,775,656	18,704,050
Provision for slow moving and obsolete stock		-	-
		<u>17,775,656</u>	<u>18,704,050</u>
16.1 This includes plug & feather, hydro pushing bags, ISD rods, electric cables etc to be used to be with machinery.			
<b>17 STOCK IN TRADE</b>			
Opening stock		156,873	156,873
Provision for slow moving and obsolete stock	17.1	(156,873)	-
		-	156,873
17.1 Stone inventory with a carrying amount of Rs. 156,873 has been written down to its net realizable value, as the estimated costs to sell exceeded the expected selling price. The resulting write-down has been recognized in the statement of profit or loss for the year.			
<b>18 DEVELOPMENT PROPERTIES</b>			
Land	18.1	88,390,000	88,390,000
Capitalised borrowing cost - net		135,599,975	135,599,975
Construction, related and directly attributable cost	18.3	612,792,241	612,043,203
	18.2	836,782,216	836,033,178
18.1 This includes 100 Acres of land which has been acquired from Khyber Pakhtunkhwa Economic Zones Development and Management Company (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.			
<b>18.2 Breakup of Development Properties</b>			
Development property related to Marble City Risalpur		1,026,546,933	1,026,546,933
Adjustment of Development Property against plots		(198,889,579)	(198,889,579)
		827,657,354	827,657,354
Development property related to Marble City Loralai		6,487,017	6,487,017
Development property related to Machinery Pool Risalpur		138,600	117,500
Development property related to Gaddani		2,499,245	1,771,307
		9,124,862	8,375,824
		<u>836,782,216</u>	<u>836,033,178</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.			

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	Note	2025 -----	2024 -----
<b>19. TRADE DEBTS</b>			
Trade debts - considered good		22,933,515	18,123,421
Trade debts - considered doubtful		66,793,069	67,388,965
	19.1	89,726,584	85,512,386
Less: Allowance for expected credit loss	19.2	(66,793,069)	(67,388,965)
		<u>22,933,515</u>	<u>18,123,421</u>
<b>19.1 Aging analysis of trade debts is as follows:</b>			
Not yet due		8,628,045	6,862,111
Past due			
31 to 90 days		8,085,926	3,271,177
91 to 180 days		5,207,881	2,657,472
181 to 365		1,011,663	86,900
More than 365 days		66,793,069	72,634,726
		<u>89,726,584</u>	<u>85,512,386</u>
<b>19.2 Movement of allowance for expected credit loss during the year</b>			
Opening balance		67,388,965	65,999,409
Charge for the year		1,397,836	2,312,492
Reversal during the year		(1,993,732)	(922,936)
Closing balance		<u>66,793,069</u>	<u>67,388,965</u>
<b>20. ADVANCES</b>			
Advances to employees - considered good	20.1	6,549,329	6,614,522
Advances to suppliers - considered good		1,005,567	1,005,566
		<u>7,554,896</u>	<u>7,620,088</u>
<b>20.1</b> This include an amount of Rs. 3,752,420 advance given to three ex-employees which is covered against their respective gratuity and its adjustment is linked with their specific performance.			
<b>21. DEPOSITS AND PREPAYMENTS</b>			
Security deposits		1,608,362	1,608,362
Prepayments		1,325,603	1,574,740
		<u>2,933,965</u>	<u>3,183,102</u>
<b>22. SHORT-TERM INVESTMENT - AMORTIZED COST</b>			
Term Deposit Receipt (TDR) - at amortised cost		<u>20,746,591</u>	<u>10,000,000</u>

*✍* The investment carries interest rate ranging from 9% to 9.5% per annum (2024:13% to 14%).

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	2025	2024
23. OTHER RECEIVABLES	------(Pak Rupees)-----	
<b>Due from related parties - unsecured</b>		
PIDC - considered doubtful	19,050	19,050
FATA - Secretariat - considered doubtful	1,920,579	1,920,579
	1,939,629	1,939,629
Provision for doubtful receivables from related parties	(1,939,629)	(1,939,629)
	-	-
<b>Others</b>		
- considered good	445,143	78,082
- considered doubtful	11,313,226	12,052,161
	11,758,369	12,130,243
Allowance for expected credit loss	23.1 (11,313,226)	(12,052,161)
	445,143	78,082
Receivable from Competitive Industries Project for Khyber Pakhtunkhwa (CIPK)	2,512,342	1,726,407
Sales tax receivable - net	502,424	497,243
	<u>3,459,909</u>	<u>2,301,732</u>
<b>23.1 Movement of expected credit loss during the year</b>		
Opening balance	12,052,161	10,844,348
Charge for the year	-	1,374,650
Reversal during the year	(738,935)	(166,837)
Closing balance	<u>11,313,226</u>	<u>12,052,161</u>
<b>24. INCOME TAX REFUNDABLE</b>		
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. 37.34 million as at June 30, 2025 (2024: 34.52 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 depend over the grant of approval under Section 2(36) of Income Tax Ordinance 2001.		
<b>25. CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	26. 15,001,919	10,046,194
Term deposit Certificates	22. 20,746,591	10,000,000
	<u>35,748,510</u>	<u>20,046,194</u>
<b>26. CASH AND BANK BALANCES</b>		
Cash in hand	70,681	70,587
<b>Bank balances:</b>		
Current accounts	2,841,122	2,294,931
Deposit accounts	26.1 12,090,116	7,680,676
	14,931,238	9,975,607
	<u>15,001,919</u>	<u>10,046,194</u>

26.1 These carry interest rate ranging from 8.5% to 11.5% per annum (2024:19.5% to 20.1%).

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	2025	2024
Note	------(Pak Rupees)-----	
<b>27. REVENUE</b>		
Income from machinery rentals	122,215,922	115,357,782
Service charges on rental of Competitive Industries Project for Khyber Pakhtunkhwa (CIPK) machinery	11,690,189	9,398,744
	133,906,111	124,756,526
Less: Sales tax	(15,859,952)	(14,817,839)
	<u>118,046,159</u>	<u>109,938,687</u>
<b>28. COST OF SALES</b>		
Cost of machinery pool	<u>28.1 46,188,761</u>	<u>55,268,343</u>
<b>28.1 COST OF MACHINERY POOL</b>		
Salaries, wages and other benefits	18,502,623	23,168,415
Consultancy charges	-	315,000
Depreciation	14.3 13,744,488	20,395,439
Travelling, lodging and conveyance	324,240	114,539
Advertisement	76,034	108,816
Freight charges	453,910	725,730
Rent	1,552,666	1,546,205
Communication	148,420	142,460
Vehicles' running and maintenance	1,147,749	735,275
Entertainment	13,760	-
Legal and professional charges	282,000	66,000
Utilities	749,886	650,009
Printing and stationery	18,965	11,170
Insurance	2,121,967	2,172,107
Office supplies	31,140	53,225
Security services	561,063	622,497
Repairs and maintenance	5,326,558	3,230,025
Stores and spares consumed	28.2 928,394	1,205,862
Bank charges/commission	4,835	5,069
Marketing expenses	37,170	-
Miscellaneous expenses	6,020	500
Stock in trade written off	156,873	-
	<u>46,188,761</u>	<u>55,268,343</u>

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

PAKISTAN STONE DEVELOPMENT COMPANY  
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		2025	2024
	Note	----- (Pak Rupees) -----	
<b>29. ADMINISTRATIVE EXPENSES</b>			
Salaries, wages and other benefits	29.1	50,452,797	50,947,193
Consultancy charges		605,330	723,790
Depreciation	14.3	3,807,889	3,506,536
Depreciation on right of use asset	14.5	7,460,333	6,323,202
Travelling, lodging and conveyance		754,318	906,377
Advertisement		174,119	445,374
Freight charges		34,500	-
Rent		785,757	675,679
Communication		744,409	892,896
Vehicles' running and maintenance		1,975,951	2,122,609
Entertainment		310,492	104,922
Legal and professional charges		2,405,880	2,177,050
Utilities		1,882,517	1,890,548
Printing and stationery		629,924	639,338
Insurance		433,225	396,634
Trainings		50,000	-
Office supplies		215,295	154,724
Auditors' remuneration	29.2	500,000	500,000
Security services		1,787,222	2,652,749
Repairs and maintenance		852,619	682,515
Newspapers, books and periodicals		-	13,515
Bank charges/commission		38,468	1,185
Marketing expenses		82,500	227,426
Miscellaneous expenses		66,604	53,128
		<u>76,050,149</u>	<u>76,037,390</u>

29.1 It includes gratuity of Rs. 4,664,464 (2024: Rs. 5,894,342) and remuneration of CEO, Directors and Executive amounting to Rs. 22,091,334 (2024: 20,784,433).

29.2 Breakup of auditor's remuneration is as follows:

Audit fee	293,103	293,103
Code of corporate governance review fee	90,517	90,517
Out of pocket expenses	55,000	55,000
Applicable sales tax	61,380	61,379
	<u>500,000</u>	<u>500,000</u>

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**30. OTHER INCOME**

2025

2024

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

**Income from financial assets**

Income from saving accounts

1,836,449

1,527,330

Interest income on short-term investments

1,248,000

1,697,891

Reversal of impairment through recovery

4,778,330

5,403,250

Reversal of provision through recovery

2,347,668

1,089,773

10,210,447

9,718,244

**Income from non-financial assets**

Restoration, transfer fee and others from plots

1,306,860

3,261,400

Surcharge on late payments against the plots allotment

639,300

21,830

Penalty recovered from contractor

-

733,607

Insurance recovery

-

52,100

Additional development charges recovered from MCR allottees

300,000

1,300,000

Repair cost of Machinery charged to party

68,000

2,912,210

*to* Others

1,496,348

1,863,431

3,810,508

10,144,578

14,020,955

19,862,822

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**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	
	2025	2024	2025	2024	2025	2024
	(Pak Rupees)		(Pak Rupees)		(Pak Rupees)	
Managerial remuneration	8,400,000	4,202,258	-	-	10,220,376	10,527,548
Allowances and meeting fee	-	100,000	1,750,000	1,775,000	-	-
Travelling and other expenses	-	69,000	453,783	377,475	14,000	76,420
Leave Encashment	-	498,750	-	-	-	206,866
Gratuity expense	-	431,250	-	-	1,253,175	2,519,866
	<b>8,400,000</b>	<b>5,301,258</b>	<b>2,203,783</b>	<b>2,152,475</b>	<b>11,487,551</b>	<b>13,330,700</b>
Number of persons	<b>1</b>	<b>1</b>	<b>8</b>	<b>7</b>	<b>3</b>	<b>5</b>

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 31 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	
Muhammad Asad Islam Mahni	Director	N/A	
Socrat Aman Rana	Director	N/A	
Atta Muhammad Khakwani	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	

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		2025	2024
	Notes	----- (Pak Rupees) -----	
Transactions with associated company			
Shares issued to PIDC			
Remuneration of key management personnel			
Remuneration, allowances and benefits	32.1	18,634,376	14,875,226
<b>32.1 Remuneration of key managerial personnel</b>			
Managerial remuneration		18,620,376	14,729,806
Travelling expenses		14,000	145,420
		18,634,376	14,875,226

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**33. FINANCIAL RISK MANAGEMENT**

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

Credit risk  
Liquidity risk  
Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors have overall responsibility for establishment and oversight of the Company's risk management framework and policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

**33.1 Credit risk**

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk from its operating and financing activities including deposits with bank. The Company's credit risk exposure are categorized under the following headings:

**33.1.1 Counterparties**

The Company conducts transactions with the following major types of counterparties:

**Government of Pakistan (Khyber Pakhtunkhwa)**

The Company has receivables from GOP (KP) and Company does not expect any threat to its recoverability.

**Banks**

The Company limits its exposure to credit risk by maintaining bank accounts only with counterparties that have a credit rating of at least A1 and A. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.

	Rating		Agency	2025	2024
	Short	Long		---- Pak Rupees ----	
United Bank Limited	A-1+	AAA	VIS	11,579,784	7,023,992
Allied Bank limited	A-1+	AAA	PACRA	511,144	663,721
Bank Alfalah Limited	A-1+	AA+	PACRA	32,998	32,998
MCB Bank Limited	A-1+	AAA	PACRA	15,201	15,201
Bank Al Habib	A1+	AAA	PACRA	2,825,919	2,239,695
				<u>14,965,046</u>	<u>9,975,607</u>

**33.1.2 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:

	2025	2024
	---- Pak Rupees ----	
Trade debts - net	22,933,515	18,123,421
Investment in projects	3,671,474	7,183,175
Advances	7,554,896	7,620,088
Other receivables	3,459,909	2,301,732
Short term investment	20,746,591	10,000,000
Bank balances	14,965,046	9,975,607
	<u>35,711,637</u>	<u>19,975,607</u>

After giving due consideration to their strong financial standing the Company believes that no impairment allowance is necessary in respect of deposits, receivable from the Government of Pakistan (KP) as the Company is satisfied that recovery of the amount owing is possible. Accordingly the credit risk is minimal.

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**33.1.3 Impairment losses**

The aging of receivable at the reporting date is:

	2025			2024		
	Gross	Impairment	Net Receivables	Gross	Impairment	Net Receivables
	----- (Pak Rupees) -----					
Not yet due 1-30 days	8,628,045	-	8,628,045	6,862,111	-	6,862,111
Not yet due 31-90 days	8,085,926	-	8,085,926	3,271,177	-	3,271,177
Past due 91-180 days	5,207,881	-	5,207,881	2,657,472	-	2,657,472
Past due 181-365 days	1,011,663	-	1,011,663	592,150	(505,250)	86,900
More than 365 days	66,793,069	(66,793,069)	-	72,129,476	(66,883,715)	5,245,761
	<b>89,726,584</b>	<b>(66,793,069)</b>	<b>22,933,515</b>	<b>85,512,386</b>	<b>(67,388,965)</b>	<b>18,123,421</b>

**33.2 Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

Management believes the liquidity risk to be low because of sufficient cash and bank balance.

The maturity profile of the Company's financial liabilities based on the contractual amounts are as follows:

June 30, 2025

	Pak Rupees		
	Carrying Amount	Contractual cash flows	Less than 1 Year
Trade and other payables	47,309,390	47,309,390	47,309,390
	<b>47,309,390</b>	<b>47,309,390</b>	<b>47,309,390</b>

June 30, 2024

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

**33.3 Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. The Company's exposure to market risk is explained as follows:

**33.3.1 Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is not exposed to currency risk as all of its transactions are in local currency and no foreign currency receivables and payables exists at the balance sheet date.

**33.3.2 Other price risk**

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to other price risk.

**33.3.3 Interest rate risk**

This represents risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market markup rates.

Profile

At the balance sheet date the interest rate profile of the Company's interest bearing financial instruments was:

	2025	2024
	----- Pak Rupees -----	
Financial assets		
Bank balances	12,090,116	7,680,676
	<b>12,090,116</b>	<b>7,680,676</b>

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

Markup rate sensitivity analysis

	120,901	76,807
--	---------	--------

Sensitivity to markup rate risk arises from mismatches of financial assets and liabilities that mature in a given period. If interest rates at the year end date, fluctuates by 1% higher/ lower with all other variables held constant, mark up income for the year would have been Rs. 120,909 (2024: Rs 76,807) higher/ lower, mainly as a result of higher/ lower interest income. This analysis is prepared assuming the amounts of bank balances outstanding at balance sheet date was outstanding for the whole period.

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**33.3.4 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, 2025

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)							
<b>FINANCIAL ASSETS</b>							
Amortized cost							
Trade debts - net	-	-	-	22,933,515	-	22,933,515	22,933,515
Investment in project	-	-	-	-	3,671,474	3,671,474	3,671,474
Advances	-	-	-	7,554,896	-	7,554,896	7,554,896
Other receivables - net	-	-	-	3,459,909	-	3,459,909	3,459,909
Cash and bank balances	12,090,116	-	12,090,116	2,911,803	-	2,911,803	15,001,919
	<u>12,090,116</u>	<u>-</u>	<u>12,090,116</u>	<u>36,860,123</u>	<u>3,671,474</u>	<u>40,531,597</u>	<u>52,621,713</u>
<b>FINANCIAL LIABILITIES</b>							
Financial liabilities measured at amortized cost							
Trade and other payables	-	-	-	47,309,390	-	47,309,390	47,309,390
	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,309,390</u>	<u>-</u>	<u>47,309,390</u>	<u>47,309,390</u>

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)							
<b>FINANCIAL ASSETS</b>							
Amortized cost							
Trade debts - net	-	-	-	18,123,421	-	18,123,421	18,123,421
Investment in project	-	-	-	-	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>
<b>FINANCIAL LIABILITIES</b>							
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>

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**33.3.5 Fair values of financial instruments**

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable willing parties in an arms length transactions. The carrying values of all financial assets and liabilities reflected in financial statements approximate their fair values.

**Fair value hierarchy**

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

- **Level 1** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.
- **Level 2** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- **Level 3** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There were no financial instruments held by the Company which are measured at fair value as of June 30, 2025 and June 30, 2024.

	Note	Original carrying amount			Fair Value			
		Financial assets at amortized cost	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total
19		22,933,515	-	22,933,515	-	-	-	-
15		3,671,474	-	3,671,474	-	-	-	-
20		7,554,896	-	7,554,896	-	-	-	-
23		3,459,909	-	3,459,909	-	-	-	-
26		15,001,919	-	15,001,919	-	-	-	-
		52,621,713	-	52,621,713	-	-	-	-
			47,309,390	47,309,390	-	-	-	-
			47,309,390	47,309,390	-	-	-	-

**On statement of financial position - financial instruments**

As at June 30, 2025

**Financial assets at amortized cost**

- Trade debts - net
- Investment in project
- Advances
- Other receivables - net
- Cash and bank balances

**Financial liabilities at amortized cost**

- Trade and other payables

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	Note	Original carrying amount		Fair Value				
		Financial assets at amortized cost	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total
On statement of financial position - financial instruments								
As at June 30, 2024								
Financial assets at amortized cost								
Trade debts - net	19	18,123,421	-	18,123,421	-	-	-	-
Investment in project	15	7,183,175	-	7,183,175	-	-	-	-
Advances	20	7,620,088	-	7,620,088	-	-	-	-
Other receivables - net	23	2,301,732	-	2,301,732	-	-	-	-
Cash and bank balances	26	10,046,194	-	10,046,194	-	-	-	-
		45,274,610	-	45,274,610	-	-	-	-
Financial liabilities at amortized cost								
Trade and other payables	11	-	38,250,227	38,250,227	-	-	-	-
		-	38,250,227	38,250,227	-	-	-	-



PAKISTAN STONE DEVELOPMENT COMPANY  
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	2025	2024
	----Number----	
<b>34 NUMBER OF EMPLOYEES</b>		
Total number of employees (contractual) at end of the year	28	39
Average number of employees (contractual) during the year	33	44
<b>35 CORRESPONDING FIGURES</b>		
Corresponding figures have been re-classified, where considered necessary, for more appropriate presentation of transactions and events for the purpose of comparison. Figures have been rounded to the nearest of rupees.		
<b>36 DATE OF AUTHORISATION FOR ISSUE</b>		
These financial statements were authorized for issue by the Board of Directors on of the Company in its meeting held on <u>08 OCT 2025</u>		

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR