

Gharibwal Cement Limited

Corporate Briefing Takeaways

The management of Gharibwal Cement Limited (GWLC) held a corporate briefing session on 24th Nov'23 to discuss the FY23 and 1QFY24 financial result and future outlook.

Brief Takeaways

- To recall, the company posted a profit after tax of PKR 1,232mn (EPS: PKR 3.08) in FY23 vis-à-vis 1,355mn (EPS: PKR 3.38) in SPLY.
- About 20bn capex remains for a new production line, having a capacity of 10,000 tpd.
- The company has a captive generation of 58MW.
- Solar power plant of 10MW is anticipated to be completed by the end of FY24. The total cost is forecasted to be around PKR ~1bn which will be 100% equity financed.
- Turbine purchased for multi fuel based power plant having capacity of 10MW, with focus to use local coal and alternative fuel.
- The power mix for the company during FY23 was: WHR&CFB, NG, HFO and gas, 50%, 31%, 19%, and 0%, respectively.
- The average coal cost in FY23 came at PKR 48,000 per ton.
- The local coal comprises of 20% in the fuel mix. Whereas, Afghan and imported coal contributes about 58% and 22%, respectively.
- After the implementation of the axle load factor, the maximum coal quantity that can be carried would be approximately 30,000 tons, whereas previously it ranged from 50,000-55,000 tons.
- Electricity rate for the company was PKR 37-40/Kwh.
- Cement demand is expected to remain flattish in FY24, as per management. Growth could come in FY25.

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Muhammad Amad

D: +92 21 32462589

UAN: +92 21 111 245 111, Ext: 255

muhammad.amad@arifhabibltd.com