

6 Mineral Products

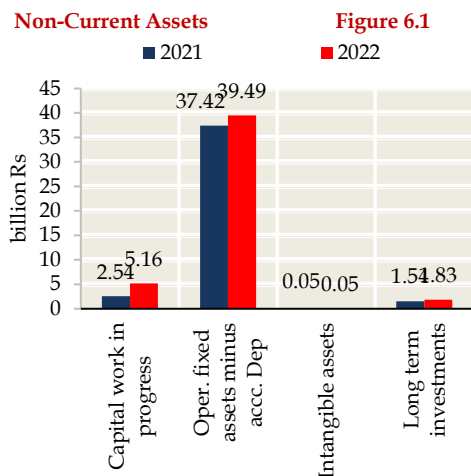
Performance at a Glance

The balance sheet size of the mineral products sector increased to Rs 78.25 billion during 2022, recording an increase of Rs 11.48 billion (17.19 percent). The sector earned Rs 11.20 billion profit (after tax) during the period under review, posting a YoY growth of 55.41 percent. As a result, Shareholders' equity improved by Rs 5.87 billion, reaching Rs 40.59 billion by end 2022.

Sector's Summary (billion Rs)		Table 6.1	
Items	2022	2021	Growth (%)
Assets	78.25	66.77	17.19
Non-Current	47.78	42.49	12.45
Current	30.47	24.29	25.46
Liabilities	37.66	32.05	17.50
Non-Current	12.79	13.28	(3.73)
Current	24.88	18.77	32.51
Shareholders' Equity	40.59	34.72	16.90
<i>of which</i>			
Paid-up Capital	17.40	17.40	-
Reserves	17.73	11.72	51.28
Sales	83.50	59.86	39.48
Gross Profit	21.43	13.70	56.38
Profit after tax	11.20	7.21	55.41
ROA (%)	15.45	11.50	-
ROE (%)	29.75	23.87	-

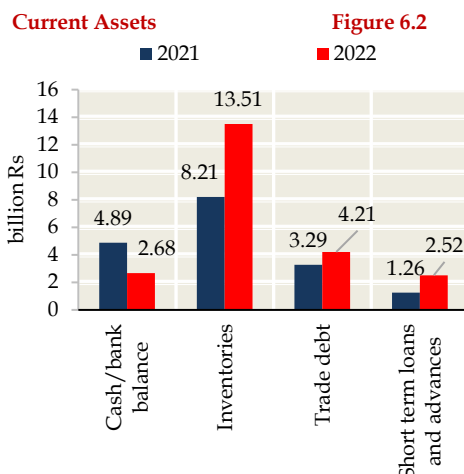
Assets

Total assets of the sector reached Rs 78.25 billion during 2022, out of which non-current assets stood at Rs 47.78 billion.



A further analysis of non-current assets reveals that Operating fixed assets - after deducting accumulated depreciation - constitutes 82.66 percent share in non-current assets, increased by Rs 2.08 billion during 2022, recording a growth of 5.55 percent.

The capital work in progress grew by 103.37 percent during 2022, reaching Rs 5.16 billion.

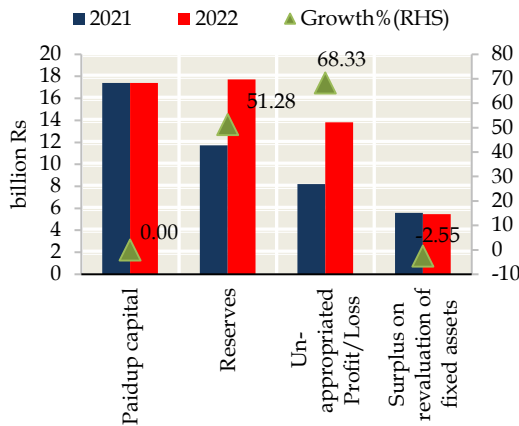


The current assets increased by Rs 6.18 billion during 2022, out of which inventories grew substantially. Stock of finished goods reached Rs 9.10 billion during 2022 from Rs 4.00 billion, recording 127.19 percent growth. Similarly, trade debts/accounts receivable and short term loans & advances recorded significant growth during 2022. However, the cash & bank balances and short term investment decreased during 2022 by 45.22 percent and 9.57 percent respectively.

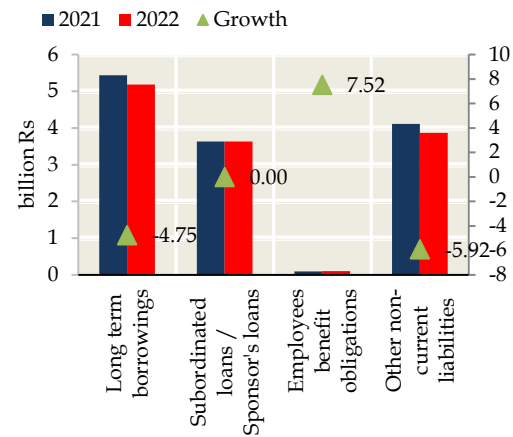
Shareholders' Equity & Liabilities

Shareholders' equity beefed up to Rs 40.59 billion from Rs 34.72 billion during 2022. The revenue reserves - constituting 41.02 percent share in equity - recorded a significant growth during 2022 primarily in the form of unappropriated profit/retained earnings, posting 68.33 percent growth. However, capital reserves decreased by 12.05 percent in the same period.

Shareholders' Equity **Figure 6.3**

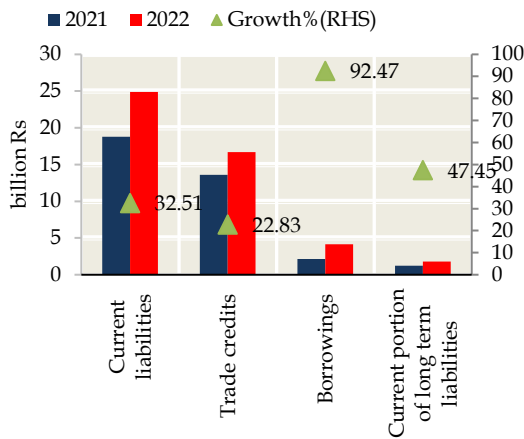


Non-Current Liabilities **Figure 6.5**



The details of liabilities reveals that current liabilities increased to Rs 24.88 billion from Rs 18.77 billion during 2022, showing a growth of 32.51 percent. Short term borrowings recorded a growth of 92.47 percent, reached Rs 4.12 billion during 2022.

Current Liabilities **Figure 6.4**

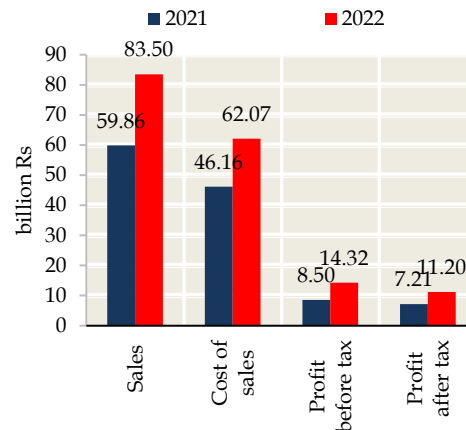


Other notable development was 22.83 percent growth in trade credit & other account payables (which constitute 67.13 percent share of total current liabilities), which reached Rs 16.70 billion during 2022. The non-current liabilities decreased to Rs 12.79 billion from Rs 13.28 billion during 2022, primarily owing to decline in long term borrowing by 4.75 percent.

Operating Efficiency & Ratio Analysis

The gross sales (both local and exports) of mineral products sector showed a YoY growth of 39.48 percent during 2022, reaching Rs 83.50 billion. As a result, the gross profit recorded a YoY growth of 56.38 percent (Rs 7.73 billion) during 2022. The general administrative & other expenses recorded relatively smaller increase during same period; consequently, profit before tax and after tax increased YoY by Rs 5.81 billion and Rs 3.99 billion respectively during 2022.

Operating Efficiency **Figure 6.6**



Improvement in profit during 2022 resulted in improved performance indicators like ROE, ROA, and Earning per share etc. Precisely, ROE and ROA increased to 29.75 percent and 15.45 percent respectively during 2022 from 23.87 percent and 11.50 percent in 2021.