



Builders of A New World

**UN-AUDITED INTERIM REPORT
SEPTEMBER 30, 2022**



FACTORY CEMENT LIMITED

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Aamir Ghani Chairman
Mr. Mohammed Yasin Fecto Chief Executive
Ms. Saira Ibrahim Bawani
Mr. Khalid Yacoob
Mr. Mohammed Anwar Habib
Mr. Jamil Ahmed Khan
Mr. Rohail Ajmal (Nominee of Saudi Pak Industrial & Agricultural Investment Co. Ltd.)

CHIEF FINANCIAL OFFICER

Mr. Abdul Samad, FCA

COMPANY SECRETARY

Mr. Abdul Wahab, FCA

LEGAL ADVISOR

Abid & Khan Advocates and legal Advisor
House # 303-D, Street # 29
Sector F-11/2
Islamabad.

REGISTERED OFFICE

Plot # 60-C, Khayaban-e-Shahbaz
Phase-VI, Defense Housing Authority
Karachi-75500, Pakistan
Website: www.fectogroup.com
Phone Nos. (+9221) 35248921-24
Fax: (+9221) 35248925

MARKETING OFFICE

339, Main Peshawar Road
Charing Cross Service Road
Westridge-1,
Rawalpindi
Phone Nos. (+ 9251) 5467111-13

AUDIT COMMITTEE

Mr. Jamil Ahmed Khan Chairman
Mr. Rohail Ajmal
Mr. Mohammed Anwar Habib

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Jamil Ahmed Khan Chairman
Mr. Khalid Yacoob
Mr. Mohammed Anwar Habib

AUDITORS

Rahman Sarfaraz Rahim Iqbal Rafiq,
Chartered Accountants

SHARE REGISTRAR

F. D. Registrar Services (Pvt) Ltd.
1705, 17th Floor, Saima Trade Tower-A
I. I. Chundrigar Road
Karachi-74000
Phone Nos. (+ 9221) 32271905-6

FACTORY

Sangjani, Islamabad
Phone Nos. (+ 9251) 2296065-8

BANKERS

Askari Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
National Bank of Pakistan
Silk Bank Limited

DIRECTORS' REVIEW

Your directors are pleased to present before you their report together with the un-audited financial results of the company for the Three Months period ended September 30, 2022.

INDUSTRY OVERVIEW

During the period under review overall sales volume of the industry reduced by 25.11% with total sales volume of 9.61 million tons as against 12.83 million tons of same period last year. Local sales volume of the industry reduced by 23.76% with dispatches of 8.60 million tons as against 11.28 million tons of same period last year, whereas exports reduced by 34.84% with sales volume of 1.01 million tons as against 1.55 million tons of same period last year. Overall sales volume of plants located in north part of the country reduced by 23.54% out of which local sales volume reduced by 23.46% whereas exports reduced by 25.53%.

OPERATING PERFORMANCE

Clinker production for the period reached to 140,401 tons as against 175,045 tons of same period last year, thus reduced by 19.80%. During the period the Company produced 136,383 tons of cement as against 178,200 tons of same period last year. Accordingly cement production reduced by 23.47% during the period under review.

Overall sales volume of the Company reduced by 23.80% during the period under review, out of which local sales volume reduced by 27.98% whereas exports increased by 95.23%. Local volume reduced mainly on account of extraordinary rains causing floods in many parts of the country, which seriously hampered construction activities. Coupled with this, political uncertainty and high inflation also affected off take of cement in the country. Exports to Afghanistan improved during the period which remained depressed during last year due to disturbance in Afghanistan.

FINANCIAL RESULTS

SALES REVENUE

During the period under review, gross local sales revenue increased to Rs. 2,193 million as against Rs. 1,992 million of same period last year, increasing by 10.09 % whereas Net local sales revenue increased by 17.85% and reached to Rs. 1,644 million as against Rs. 1,395 million of same period last year though locals sales volume reduced by 27.98%.

Exports sales on the other hand increased to Rs. 127 million as against Rs. 33 million of same period last year registering growth of 284.85% as against increase in volume by 95.33%. Main reason for such increase was improved prices in USD and depreciation of PKR against USD which resulted higher retention price for exports.

PROFITABILITY

Cost of sales during the period under review, increased by 40.12% as against decrease in sales volume by 23.80%. Out of 40.12% increase in total cost of sales, fuel and power cost increased by 62.25%. Increase in fuel and power cost was on account of higher coal prices in international



market coupled with depreciation of PKR against USD. Increase in power cost was due to increase in base electricity tariff by power distribution companies and imposition of higher fuel price adjustment charges on account of generation of electricity on expensive fuels.

High cost of fuel and power negated the impact of better retention prices; hence Company was able to achieve gross profit of Rs. 90 million as against Rs. 223 million of same period last year.

Finance cost increased due to higher utilization of financing facilities and long term loans for capital projects. The Company suffered loss before tax of Rs. 51 million and loss after tax of Rs. 61 million respectively for the period as against profit before tax of Rs. 105 million and profit after tax of Rs. 127 million of same period last year. Loss per share for the period was of Rs. 1.21 per share as against earnings per share of Rs. 2.53 of same period last year.

FUTURE OUTLOOK

Demand of cement in local market remained subdued during first quarter due to reasons explained above. Political uncertainty, high interest rate, high inflation and increasing fuel and utility prices have shrunk the dispensable income of masses, hence affecting overall construction activities. These factors may affect overall demand in the country; however, some improvement in off take may arise due to post flood construction activities. Exports to Afghanistan have improved during the period and we foresee this trend to continue. Prices of coal have seen some downward trends and any further reduction in prices will help reduction in its cost. Electricity rates are however, on constant rise putting pressure on overall cost of production. Installation of Solar power plant has made it possible for the Company to have some respite, further completion of capital projects will also help Company achieving fuel and power efficiency.

ACKNOWLEDGEMENT

The Board would like to place on record their appreciation to all employees of the Company for their dedicated work and for dealers for their continued support. We are also thankful to the lenders for their co operation and regulators for their guidance.

On behalf of the Board



MOHAMMED YASIN FECTO
CHIEF EXECUTIVE



ROHAIL AJMAL
DIRECTOR

Dated: October 28, 2022

Interim Report September 30, 2022

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022**

	Note	Un-audited 30 September 2022	Audited 30 June 2022
Rupees in thousand			
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized Capital			
75,000,000 (2022: 75,000,000) ordinary shares of Rs. 10/- each		750,000	750,000
Issued, subscribed and paid up capital			
50,160,000 (2022: 50,160,000) ordinary shares of Rs.10/- each		501,600	501,600
Revenue reserves			
General reserve		550,000	550,000
Accumulated profit		2,510,644	2,571,481
		3,060,644	3,121,481
Capital Reserve			
Surplus on revaluation of investment in unquoted shares		127,693	127,693
		3,689,937	3,750,774
LIABILITIES			
Non-current liabilities			
Long term financing from a banking company - secured	3	986,448	1,017,637
Lease Liability		52,726	67,173
Deferred income - Government grant	4	173,156	184,544
Deferred taxation		25,722	33,874
		1,238,052	1,303,228
Current Liabilities			
Trade and other payables		903,102	1,249,100
Short term borrowings - secured	5	1,015,657	355,362
Accrued mark-up		38,453	18,203
Unclaimed dividend		14,522	14,522
Unpaid dividend		185	185
Current maturity of long term financing - secured	3	190,491	179,239
Current maturity of lease liabilities		32,916	33,030
Current maturity of government grant	4	45,879	46,611
		2,241,205	1,896,252
Contingencies and commitments	6		
Total equity and liabilities		7,169,194	6,950,254
ASSETS			
Non-current assets			
Property, plant and equipment	7	3,023,509	3,067,900
Right-of-use assets		100,315	108,442
Long term investments	8	330,850	330,850
Long term deposits		10,061	10,273
Long term loans and advances		8,890	8,776
		3,473,625	3,526,241
Current assets			
Stores and spares		1,681,949	1,610,221
Stock-in-trade		1,546,778	1,294,183
Trade debts - unsecured		67,038	75,194
Short term investment - unsecured		99,920	99,920
Short term loan to a related party		25,395	25,395
Loans, advances, deposits, prepayments and Other Receivable		48,836	51,076
Tax refunds due from government		125,149	126,780
Cash and bank balances		100,504	141,244
		3,695,569	3,424,013
Total assets		7,169,194	6,950,254

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.



MOHAMMED YASIN FECTO
CHIEF EXECUTIVE

ROHAIL AJMAL
DIRECTOR

ABDUL SAMAD
CHIEF FINANCIAL OFFICER

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CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2022

	Note	September 30	
		2022	2021
Rupees in thousand			
Turnover - net	9	1,770,906	1,427,751
Cost of sales		(1,680,604)	(1,205,178)
Gross Profit		90,302	222,573
Administrative expenses		(70,336)	(67,132)
Distribution cost		(21,705)	(18,823)
		(92,041)	(85,955)
Finance costs		(66,914)	(47,460)
Other expenses		-	(5,509)
		(66,914)	(52,969)
		(68,653)	83,649
Other income		17,640	21,021
(Loss) / Profit before taxation		(51,013)	104,670
Provision for taxation:			
- Current		(23,271)	(17,939)
- Prior		5,296	-
- Deferred		8,151	40,409
		(9,824)	22,470
(Loss) / Profit after taxation		(60,837)	127,140
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Unrealized gain on remeasurement of investment in ordinary shares of M/s. Frontier Paper Products (Private) Limited		-	-
Related deferred tax thereon		-	-
		-	-
Total comprehensive (loss) / income for the period		(60,837)	127,140
(Loss) / Earnings per share - basic and diluted		(1.21)	2.53

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.



MOHAMMED YASIN FECTO
CHIEF EXECUTIVE



ROHAIL AJMAL
DIRECTOR



ABDUL SAMAD
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

	Share Capital	Revenue Reserves		Capital Reserves	Total
	Issued, Subscribed & Paid up	General Reserve	Accumulated Profit	Surplus on revaluation of investment in unquoted shares	
(Rupees in thousands)					
Balance as at June 30, 2021 (Audited)	501,600	550,000	2,284,778	130,684	3,467,062
Total comprehensive income for the three months ended September 30, 2021					
Profit after taxation	-	-	127,140	-	127,140
Other Comprehensive income	-	-	-	-	-
	-	-	127,140	-	127,140
Balance as at September 30, 2021	<u>501,600</u>	<u>550,000</u>	<u>2,411,918</u>	<u>130,684</u>	<u>3,594,202</u>
Balance as at June 30, 2022 (Audited)	501,600	550,000	2,571,481	127,693	3,750,774
Total comprehensive loss for the three months ended September 30, 2022					
Loss after taxation	-	-	(60,837)	-	(60,837)
Other Comprehensive income	-	-	-	-	-
	-	-	(60,837)	-	(60,837)
Balance as at September 30, 2022	<u>501,600</u>	<u>550,000</u>	<u>2,510,644</u>	<u>127,693</u>	<u>3,689,937</u>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.



MOHAMMED YASIN FECTO
CHIEF EXECUTIVE



ROHAIL AJMAL
DIRECTOR



ABDUL SAMAD
CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

	Note	September 30	
		2022	2021
Rupees in thousand			
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / Profit before taxation		(51,013)	104,670
Adjustments for:			
- Depreciation on property, plant and equipment		64,632	39,073
- Depreciation on right-of-use assets		8,127	8,370
- Finance costs		66,914	61,553
- Interest income		(5,007)	(3,705)
- Amortization of deferred government grant		(12,120)	(6,744)
		<u>122,546</u>	<u>98,547</u>
Operating Profit before working capital changes		<u>71,533</u>	<u>203,217</u>
Working capital changes			
Decrease / (Increase) in current assets			
- Stores and spares		(71,728)	87,078
- Stock-in-trade		(252,595)	(40,754)
- Trade debts		8,156	5,761
- Loans, advances, deposit and prepayment		6,401	17,382
- Sales tax refundable		(11,977)	49,995
(Decrease) / Increase in current liabilities			
-Trade and other payables		(345,998)	(119,377)
		<u>(667,741)</u>	<u>85</u>
Cash (used in) / generated from operations		<u>(596,208)</u>	<u>203,302</u>
Income Tax paid		(4,368)	(5,358)
Long term deposits		212	(124)
Long Term Loan and Advances		(114)	812
Net cash (used in) / generated from operating activities		<u>(600,478)</u>	<u>198,632</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		(20,241)	(262,149)
Proceeds from redemption of Short Term Investment		-	10
Repayment of Short Term Loan by related party		-	35,000
Interest received		846	3,705
Proceeds from disposal of property, plant and equipment		102	-
Net cash used in investing activities		<u>(19,293)</u>	<u>(223,434)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment against lease liability		(14,561)	(14,572)
Lease Finance obtained during the period		-	8,844
Long term financing received		-	197,912
Repayment of Long term financing (principal portion)		(20,040)	(30,473)
Finance cost paid		(46,663)	(39,178)
Short Term Borrowings - net		200,000	(166,231)
Net cash generated from / (used in) financing activities		<u>118,736</u>	<u>(43,698)</u>
Net decrease in cash and cash equivalents		<u>(501,035)</u>	<u>(68,500)</u>
Cash and cash equivalents as at beginning of the period		<u>(134,118)</u>	<u>(409,653)</u>
Cash and cash equivalents as at end of the period	10	<u><u>(635,153)</u></u>	<u><u>(478,153)</u></u>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


MOHAMMED YASIN FECTO
CHIEF EXECUTIVE


ROHAIL AJMAL
DIRECTOR


ABDUL SAMAD
CHIEF FINANCIAL OFFICER

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

1 INTRODUCTION

1.1 Legal status of the Company

Fecto Cement Limited ('the Company') was incorporated in Pakistan on February 28, 1981 as a public limited company under the repealed Companies Act, 1913 (repealed with the enactment of the Companies Ordinance, 1984 on October 8, 1984 and subsequently by the Companies Act, 2017 on May 30, 2017). The shares of the Company are quoted on Pakistan Stock Exchange Limited.

1.2 Location of the registered office and the manufacturing facility

Registered office:

The Company's registered office is situated at Plot No. 60-C, Khayaban-e-Shahbaz, Phase-VI, Defense Housing Authority, Karachi - 75500.

Manufacturing facility:

The Company's manufacturing facility is situated at Sangjani Village Sangjani, Islamabad - 4400.

1.3 Principal business activity

The principal activity of the Company is production and sale of ordinary portland cement.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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



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

2.2 Basis of measurement of items in these financial statements

Items in these financial statements have been measured at their historical cost except for:

- (a) Long term investment in unquoted ordinary shares of M/s. Frontier Paper Products (Private) Limited which is carried at fair value through other comprehensive income; and
- (b) Short term investments which are carried at fair value through profit or loss.

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgments

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

2.5 Significant accounting policies

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

	Un-Audited September 30, 2022 — Rupees in thousand —	Audited June 30, 2022
3. LONG TERM FINANCING FROM A BANKING COMPANY - secured		
Financing under SBP schemes		
Financing Scheme for Renewable Energy Refinance Scheme for Payment of Salaries and Wages	440,009	436,213
Temporary Economic Refinance Facility (TERF)	60,357	89,988
	<u>470,710</u>	<u>464,812</u>
	<u>971,076</u>	<u>991,013</u>
Other financing arrangements		
Term Finance I	-	24,685
Term Finance II	<u>205,863</u>	<u>181,178</u>
	<u>205,863</u>	<u>205,863</u>
	<u>1,176,939</u>	<u>1,196,876</u>
Current maturity	<u>(190,491)</u>	<u>(179,239)</u>
	<u>986,448</u>	<u>1,017,637</u>
4. DEFERRED INCOME - GOVERNMENT GRANT		
Opening balance	231,155	94,997
Add: Government grant recognized during the period / year	-	178,511
Less: Amortized during the period / year	<u>(12,120)</u>	<u>(42,353)</u>
	<u>219,035</u>	<u>231,155</u>
Less: Current maturity shown under current liability	<u>(45,879)</u>	<u>(46,611)</u>
	<u>173,156</u>	<u>184,544</u>
5. SHORT TERM BORROWINGS - secured		
Running Finance	735,657	275,362
Export Re-Finance	80,000	80,000
Finance against Trust Receipt	200,000	-
	<u>1,015,657</u>	<u>355,362</u>
6. CONTINGENCIES AND COMMITMENTS		
6.1 Contingencies		
There were no change in the status of contingencies at the period end as disclosed in the annual audited financial statements for the year ended June 30, 2022.		



	Note	Un-Audited September 30, 2022 — Rupees in thousand —	Audited June 30, 2022
6.2 Commitments			
As of the reporting date, the outstanding financial commitments of the company were as follows:			
-in respect of import of raw material and stores and spares		16,443	27,043
- Letter of guarantee in favour of Sui Northern Gas Pipeline Limited (SNGPL)		110,000	110,000
		<u>126,443</u>	<u>137,043</u>
7. PROPERTY, PLANT AND EQUIPMENT			
Operating Assets	7.1	2,665,141	2,580,421
Capital Work in Progress		24,216	126,682
Capital Spares		334,152	360,797
		<u>3,023,509</u>	<u>3,067,900</u>
7.1 Operating assets			
Opening net book value		2,580,421	2,025,973
Additions during the period / year:			
Transfer from CWIP to plant and machinery		145,907	616,161
Transfer from CWIP to non-factory building		-	5,987
Transfer from capital spares to plant and machinery		-	50,619
Direct additions		3,546	53,016
		149,453	725,783
Disposals made during the period / year		(101)	(2,698)
Depreciation during the period / year		(64,632)	(168,637)
Closing balance		<u>2,665,141</u>	<u>2,580,421</u>

		Un-Audited September 30, 2022 — Rupees in thousand —	Audited June 30, 2022
8. LONG TERM INVESTMENTS			
At cost			
Investment in Fecto Cement Nooriabad (Private) Limited - a subsidiary		1,000	1,000
At fair value through other comprehensive income			
Investment in Frontier Paper Products (Private) Limited - a related party			
Cost of Acquisition (Rs. 10 per Share)		150,000	150,000
Unrealized gain on remeasurement to fair value		179,850	179,850
Fair Value		<u>329,850</u>	<u>329,850</u>
		<u>330,850</u>	<u>330,850</u>
		Un-audited September 30	
	Note	2022	2021
		— Rupees in thousand —	
9. TURNOVER-NET			
Revenue from Local Sales	9.1	1,644,185	1,394,698
Revenue from Export Sales	9.2	126,721	33,053
		<u>1,770,906</u>	<u>1,427,751</u>
9.1. Revenue from Local Sales			
Sales of goods to local customers - gross		2,193,335	1,992,826
Less: Trade Discount		(21,341)	(31,395)
Excise duty		(182,432)	(253,322)
Sales tax		(345,377)	(313,411)
		<u>(549,150)</u>	<u>(598,128)</u>
		<u>1,644,185</u>	<u>1,394,698</u>
9.2. Revenue from Export Sales			
Sales of goods to foreign customers		126,721	32,693
Export Rebate		-	360
		<u>126,721</u>	<u>33,053</u>



	Un-audited September 30	
	2022	2021
	Rupees in thousand	
10. CASH AND CASH EQUIVALENTS		
For the purpose of the statement of cash flows, cash and cash equivalents comprise of the following:		
Cash and bank balances	100,504	110,468
Short term borrowings - running finance	(735,657)	(588,621)
	<u>(635,153)</u>	<u>(478,153)</u>

11. TRANSACTIONS / BALANCES WITH RELATED PARTIES

The related parties of the Company comprise of group companies (associated companies), directors, key management personnel, major shareholders and their close family members and the staff provident fund. Remuneration and benefits to executives of the Company are in accordance with the terms of their employment while contribution to the provident fund is in accordance with the staff service rule. Transactions with related parties during the period, other than those disclosed elsewhere in this condensed interim financial statements, are as follows:

Name of the related party	Basis of relationship with the party	Particulars	Un-audited September 30	
			2022	2021
			Rupees in thousand	
Frontier Paper Products (Private) Limited	Associated Company	Purchases made during the period /year	83,327	78,113
		Payments made during the period	81,221	68,340
		Interest charged during the period /year against loan	1,027	1,329
		Loan Repaid	-	35,000
Directors and Key Management Personnel	Other related party	Remuneration and Meeting Fee	54,732	52,903
Staff Provident Fund	Other related party	Contribution to employees' provident fund	5,755	5,565
Balance at the end of the period / year			Un-Audited September 30, 2022	Audited June 30, 2022
			Rupees in thousand	
Frontier Paper Products (Private) Limited	Associated Company	Balance payable	44,577	42,471
		Interest outstanding	1,027	778
		Loan outstanding	25,395	25,395
Key Management Personal	Other related party	Loan receivable	420	735
Staff Provident fund	Other related party	Balance payable	4,586	4,389



12. FAIR VALUE OF ASSETS AND LIABILITIES

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. The carrying amounts of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair value.

The Company measures fair value of its assets and liabilities using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

For assets that are traded in active markets, the fair value is determined on the basis of quoted market prices. For all other assets, the fair value is determined using valuation techniques.

The table below analyses the assets measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

	September 30, 2022 (un-audited)		
	Level 1	Level 2	Level 3
	Rupees in thousand		
Investment in privately placed TFCs	-	99,920	-
Investment in unquoted ordinary shares of M/s. Frontier Paper Products (Private) Limited	-	-	329,850
	June 30, 2022 (audited)		
	Level 1	Level 2	Level 3
	Rupees in thousand		
Investment in privately placed TFCs	-	99,920	-
Investment in unquoted ordinary shares of M/s. Frontier Paper Products (Private) Limited	-	-	329,850

The Company uses the Discounted Free Cash Flows to Equity model of business valuation to arrive at the fair value of its investment in the unquoted ordinary shares of its investment in M/s. Frontier Paper Products (Private) Limited. The assumptions and inputs used in the



valuation mainly include the present risk-free rate, equity beta, equity risk premium (used in the derivation of the discount rate) as well as the projected rates of increase in sales, cost of sales, administrative and selling expenses, finance costs, other expenses and terminal growth rates.

13. GENERAL

13.1 Date of authorization for issue of these condensed interim financial statements

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on October 28, 2022.

13.2 Level of rounding

Unless otherwise stated, figures in these condensed interim financial statements have been rounded off to the nearest thousand rupees.

MOHAMMED YASIN FECTO
CHIEF EXECUTIVE

ROHAIL AJMAL
DIRECTOR

ABDUL SAMAD
CHIEF FINANCIAL OFFICER

طلب میں اضافہ ہو سکتا ہے۔ اس عرصے کے دوران افغانستان کی برآمدات میں کافی بہتری ریکارڈ کی گئی اور پُر امید ہیں کہ یہ سلسلہ بدستور چلتا رہے گا۔ کونکے کی قیمتوں میں کمی ہو رہی ہے، اور اگر یہی سلسلہ جاری رہا تو پیداواری لاگت میں بھی کمی ہوگی۔ اس کے برعکس بجلی کی قیمتوں میں اضافے سے مجموعی طور پر پیداواری لاگت دباؤ کا شکار رہے گی۔ جبکہ شمسی توانائی سے چلنے والے بجلی کا پلانٹ لگانے سے بجلی کی لاگت میں کمی ہوئی ہے اور یہ امید ہے کہ حالیہ بہتری کے لیے کیے جانے والے اقدامات سے کمپنی کی بجلی اور ایندھن کی لاگت میں کمی واقع ہوگی۔

ظہار تشکر

ڈائریکٹرز کمپنی کے ملازمین کا کمپنی کے لیے ان کے خلوص نیت سے کام کرنے پر اور ڈیلرز کی کاوشوں کے بھی تہہ دل سے مشکور ہیں نیز مالیاتی اداروں کے تعاون پر بھی ان کے شکر گزار ہیں۔

منجانب بورڈ



روحیل اجمل
ڈائریکٹر



محمد یسین فیکری
چیف ایگزیکٹو

بمقام کراچی: 28 اکتوبر 2022

مالیاتی نتائج

آمدن از فروختگی

زیر نظر دورانیہ کے دوران آمدن مقامی مجموعی فروختگی میں اضافے کے ساتھ 2,193 ملین روپے ریکارڈ کی گئی۔ گزشتہ سال اسی عرصے کے دوران مقامی مجموعی فروختگی سے حاصل ہونے والی آمدن 1,992 ملین روپے تھی۔ اس لحاظ سے اس آمدن میں 10.09 فیصد کا اضافہ ریکارڈ کیا گیا۔ مقامی فروختگی خالص آمدن 17.85 فیصد اضافے کے ساتھ 1,644 ملین روپے رہی۔ جبکہ یہی آمدن گزشتہ سال اسی عرصے کے دوران 1,395 ملین روپے تھی، اگرچہ اس عرصے کے دوران مقامی فروختگی کے حجم میں 27.98 فیصد کمی ہوئی۔ جب کہ دوسری جانب برآمدات سے حاصل ہونے والی آمدن اس عرصے کے دوران 284.85 فیصد اضافے کے ساتھ 127 ملین روپے ریکارڈ کی گئی۔ جبکہ گزشتہ سال کے اسی عرصے میں یہ آمدن 33 ملین روپے ریکارڈ کی گئی تھی۔ جبکہ اسی عرصے میں برآمدات کے حجم میں 95.33 فیصد اضافہ ہوا۔ اضافے کی بنیادی وجہ ڈالر میں قیمتوں میں بہتری اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی تھی۔

منفعت

زیر نظر دورانیہ میں لاگت برائے فروختگی میں 40.12 فیصد اضافہ ہوا۔ جب کہ فروختگی کے حجم میں 23.80 فیصد کمی ریکارڈ کی گئی۔ 40.12 فیصد کے اضافے میں سے صرف ایندھن اور بجلی کی لاگت میں 62.25 فیصد اضافہ ہوا۔ ایندھن اور بجلی کی لاگت میں اضافہ بین الاقوامی مارکیٹ میں کونکے قیمتوں میں غیر معمولی اضافے اور ساتھ ہی ساتھ پاکستانی روپے کی قدر کے مقابلے میں امریکی ڈالر کی قدر میں مسلسل اضافے کے پیش نظر ہوا۔ بجلی کی لاگت میں بھی اضافہ بجلی کی ترسیل پر مامور کمپنیوں کا فنی یونٹ ریٹ بڑھانے اور زیادہ فیول ایڈجسٹمنٹ چارجز عائد کرنے کی وجہ سے ہوا۔

ایندھن اور بجلی کی لاگت میں اضافے کے منفی اثرات کے پیش نظر مقامی مارکیٹ میں قیمتوں میں اضافے کے باوجود کمپنی نے 90 ملین روپے خام منافع حاصل کیا۔ جو کہ گزشتہ سال اسی عرصے کے دوران 223 ملین روپے تھا۔

مالی اعتبار سے لاگت میں اضافہ قرضوں کے زیادہ استعمال اور طویل مدتی قرض برائے سٹشی توانائی سے چلنے والے بجلی کا پلانٹ لگانے کی وجہ سے ہوا۔ زیر نظر دورانیہ میں کمپنی کو ٹیکس ادا ہونے سے پہلے 51 ملین روپے اور ٹیکس ادا ہونے کے بعد 61 ملین روپے کا نقصان ہوا۔ جب کہ گزشتہ سال اس عرصے کے دوران ٹیکس ادا ہونے سے پہلے 105 ملین روپے اور ٹیکس ادا ہونے کے بعد 127 ملین روپے کا منافع ہوا۔ اس عرصے میں خسارہ فی حصص 1.21 روپے رہا جب کہ گزشتہ سال اسی عرصے کے دوران نفع فی حصص 2.53 روپے رہا۔

مستقبل پہ نظر

زیر نظر دورانیہ میں مقامی سطح پر سینٹ کی طلب دوران پہلی سہ ماہی میں مندرجہ بالا وجوہات کی بنا پر مسلسل دباؤ کا شکار رہی۔ غیر یقینی سیاسی صورت حال، شرح سود میں اضافہ، افراط زر اور بڑھتی ہوئی ایندھن کی قیمتوں نے عوام پر ناقابل تلافی بوجھ ڈالا نتیجتاً تعمیراتی سرگرمیاں بے حد متاثر ہوئیں ہیں۔ ان تمام عوامل کے پیش نظر ملکی سطح پر مجموعی طلب میں کمی واقع ہو سکتی ہے۔ لیکن یہ امید کی جا سکتی ہے کہ سیلاب کے بعد تعمیراتی سرگرمیوں کی وجہ سے

ڈائریکٹرز جائزہ

آپ کی کمپنی کے ڈائریکٹرز انتہائی مسرت کے ساتھ کمپنی کی کارکردگی کا جائزہ مع غیر آڈٹ شدہ مالیاتی دستاویزات بابت سہ ماہی 30/ستمبر 2022 آپ کی خدمت میں پیش کر رہے ہیں۔

جائزہ

دوران سال رواں کی پہلی سہ ماہی میں سیمنٹ کی صنعت میں مجموعی فروختگی منفی 25.11 فیصد نمونہ کے اعتبار سے مجموعی طور پر مال کی رواں 9.6 ملین ٹن ریکارڈ کی گئی جبکہ گزشتہ سال اسی عرصے کے دوران مجموعی فروختگی کا حجم 12.82 ملین ٹن تھا۔ مقامی سطح پر صنعت میں فروختگی کا حجم 8.60 ملین ٹن رہا اور اس اعتبار سے 23.76 فیصد کمی ریکارڈ کی گئی۔ جبکہ گزشتہ سال اسی عرصے کے دوران مقامی فروختگی کا حجم 11.28 ملین ٹن تھا۔ اس کے برعکس برآمدات کی مد میں صنعت کی سطح پر فروختگی کا مجموعی حجم منفی 34.84 فیصد نمونہ کے ساتھ 1.01 ملین ٹن ریکارڈ کیا گیا۔ جب کہ گزشتہ سال اسی عرصے کے دوران برآمدات کی مد میں فروختگی کا حجم 1.55 ملین ٹن تھا۔ اس طرح سے برآمدات میں 34.84 فیصد کمی دیکھی گئی۔

شمالی زون میں واقع پلانٹس کی سیمنٹ کی فروخت میں مجموعی طور پر منفی 23.54 فیصد کمی شرح نمونہ ریکارڈ کی گئی۔ اس میں سے 23.46 فیصد کمی مقامی سطح پر سیمنٹ کی فروخت میں ہوئی۔ جب کہ برآمدات میں 25.53 فیصد کمی ہوئی۔

کارکردگی بر مبنی کاروباری افعال

زیر نظر دورانیے میں کلنکر کی پیداوار منفی 19.80 فیصد شرح نمونہ کے اعتبار مجموعی طور پر 140,401 ملین ٹن ریکارڈ کی گئی۔ جبکہ گزشتہ سال اسی عرصے کے دوران کلنکر کی پیداوار 175,045 ملین ٹن تھی۔ زیر نظر دورانیے میں سیمنٹ کی پیداوار منفی 23.47 فیصد شرح نمونہ کے اعتبار سے مجموعی طور پر 136,383 ملین ٹن ریکارڈ کی گئی، جب کہ گزشتہ سال کے اسی عرصے کے دوران یہ پیداوار 178,200 ملین ٹن تھی۔

کمپنی کی فروختگی کے مجموعی حجم میں زیر نظر دورانیے کے دوران 23.80 فیصد کمی ریکارڈ کی گئی۔ جس میں مقامی سطح پر فروختگی کے مجموعی حجم میں 27.98 فیصد کمی ہوئی۔ جبکہ برآمدات میں 95.23 فیصد کا اضافہ ہوا۔ مقامی سطح پر فروختگی کے حجم میں کمی ملک میں حالیہ شدید بارشوں سے آنے والے سیلاب کے باعث تعمیراتی سرگرمیوں میں شدید خلل پیدا ہونے کی وجہ سے ہے۔ اس کے ساتھ ہی ساتھ ملک میں غیر یقینی سیاسی صورت حال اور افراط زر نے بھی سیمنٹ کی پیداوار کو متاثر کیا۔ جبکہ اس عرصے کے دوران افغانستان کی برآمدات میں کافی بہتری ریکارڈ کی گئی۔ جو کہ گزشتہ سال اسی عرصے کے دوران بوجہ ناقص حالات کی ریکارڈ کی گئی تھی۔





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