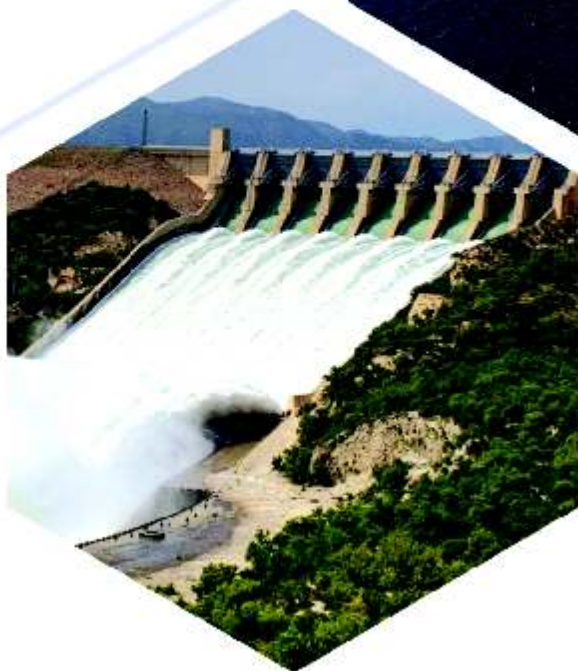




FLYING CEMENT

COMPANY LTD.

ANNUAL REPORT
2018





FLYING CEMENT COMPANY LIMITED



LIME STONE QUARRY



POWER PLANT

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CORE VALUES

At Flying Cement, core values are always given importance. These values are not only theoretical but in actual **fact delve** deep in the hearts of entire team.

These values are reflected with in the name of **FLYING** itself.

F = Focus	We believe in focusing on reducing cost and improving quality thereby offering profit to our shareholders.
L = Leadership	Our objective is to lead as a cost effective competitor. We understand the demand of cement industry at a global level as well as the needs of people within Pakistan.
Y = You	Flying Cement always maintains ' You first ' approach, not only to please our customer but also to satisfy our shareholders.
I = Initiatives	Taking initiative in incorporating modern technology to reduce cost and to improve quality.
N = New	We are pioneer in using new ideas and strategies for the cost effective and quality cement manufacturing.
G = Global	We strive to be reckoned with dignity in global market.

BUSINESS ETHICS

- ❖ Transparency in transactions
- ❖ Sound business policies
- ❖ Judicious use of Company's resources
- ❖ Avoidance of conflicts of interest
- ❖ Justice to all
- ❖ Integrity at all levels
- ❖ Compliance of laws of the land

STRATEGIC GOALS

- ❖ Lead Cement business
- ❖ Manufacture prime quality products
- ❖ Maintain operational, technological and managerial excellence
- ❖ Create new opportunities for business growth and diversification
- ❖ Eliminate duplication of resources to economize cost
- ❖ Maximize productivity and expand sales

THE VISION

“To be a premier quality cement manufacturing unit engaged in nation building through the most efficient utilization of resources”.

THE MISSION

“Successfully deliver quality cement by using innovative practices with the ultimate goal of increasing the satisfaction of our customers”.

“To minimize the cost of production by using state-of-the-art technology and utilizing our experience in increasing profits for our shareholders”.

Quality Policy

The quality policy of the cement is monitored through the chemical laboratories located at the site installed with latest instrumental analysis techniques directly linked through PLC to control the process of manufacturing automatically keeping lowest variation brand from the required values/parameters laid by the British Standards BS-12-1991.

Flying Cement Company is committed to produce high quality Ordinary Portland Cement as per International and British Standards to achieve customers' satisfaction.

The company is committed to abide by all applicable legal and regulatory requirements and shall strive for continual improvements including prevention of pollution by establishing and monitoring of its Quality and Environmental objectives.

The Chairman and Management are committed to communicate and maintain this policy at all levels of the company, and achieve continual improvement through teamwork.

Environmental Protection

Management of the company is committed towards environmental protection and prevention of pollution. FLYING has been playing its role towards the development of a better society and a better future through continual improvement in the Environmental Management System.

Cement Industry is normally considered to be highly un-friendly to the environment because of its inherent process difficulties. The management with the efforts of its employees succeeded in meeting the environmental objectives and targets after evaluating legal requirements, organizational aspects, technological options and other requirements.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Kamran Khan	Chairman
Mr. Momin Qamar	Member
Mr. Yousaf Kamran Khan	Member
Mr. Qasim Khan	Member
Mrs. Samina Kamran	Member
Mr. M. Tawassal Majid	Member
Mr. Imran Chaudhry	Member

CHIEF EXECUTIVE

Agha Hamayun Khan

AUDIT COMMITTEE

Mr. M. Tawassal Majid	Chairman
Mr. Qasim Khan	Member
Mr. Yousaf Kamran Khan	Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. M. Tawassal Majid	Chairman
Mrs. Samina Kamran	Member
Mr. Yousaf Kamran Khan	Member

STATUTORY AUDITORS

M/s. Tahir Siddiqi & Co.
Chartered Accountants
A member firm of TIAG Int'l

INTERNAL AUDITOR

Mr. Imran Matloob Khan

COMPANY SECRETARY

Mr. Muhammad Azeem
cosecretary@flyingcement.com

CHIEF FINANCIAL OFFICER

Mr. Muhammad Jamil

LEGAL ADVISOR

Mr. Waqar Hasan, Advocate High Court

BANKERS

Askari Bank Limited
The Bank of Punjab
United Bank Limited.
Al Baraka Bank (Pakistan) Limited
Faysal Bank Limited
MCB Bank Limited
National Bank of Pakistan
Bank Al-Habib Limited
Bank Al Falah Limited
Habib Bank Limited
Allied Bank Limited
Summit Bank Limited
Meezan Bank Limited

REGISTERED HEAD OFFICE

103-Fazil Road, Lahore Cantt. Lahore
Tel: 042-36674301-5 Fax: 042-36660693
www.flyingcement.com

PLANT

25-K.m. Lilla Interchange
Lahore - Islamabad Motorway,
Mangowal, Distt. Khoshab

SHARES REGISTRAR

THK Associates (Pvt) Limited.
1st Floor, 40-C, Block-6,
P.E.C.H.S.
Karachi-75530
Tel: 021-111-000-322, Fax: 021-34168271

WEB SITE

www.flyingcement.com

E-MAIL

info@flyinggroup.com.pk
info@flyingcement.com

Notes:

1. The Share Transfer Books of the Company will remain closed from October 18, 2018 to October 26, 2018 (both days inclusive) for voting purpose at Annual General Meeting, Transfers received in order by our Share Registrar, M/s THK Associates (Pvt) Limited, 1st Floor, 40 C, Block 6, P.E.C.H.S, Karachi - 75400 by the close of business on October 17, 2018 will be considered in time for the purpose of attending the Annual General Meeting
2. A shareholder eligible to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote. Votes may be given personally or by proxy or by attorney in case of a corporate entity. In this case the instrument of proxy completed in every respect, must reach to the Registered Office of the Company not later than 48 hours before the time of the meeting.

Attested copy of the shareholder's CNIC must be attached with the proxy form. The contents of Section 137 of the Companies Act, 2017 will apply in this regard.
3. The Original Computerized Identity Card of the shareholder is required to prove his/her identity along with account details etc at the time of attending meeting. In case of corporate entities, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be submitted (unless it has been provided earlier) along with proxy form.
4. The Shareholders who, have not yet submitted copy of their valid CNIC or NTN, are once again requested to immediately submit the same.
5. The Annual Report is being transmitted to shareholders through CDs/DVDs instead of sending these in Book form / hard copy in terms of SRO No. 470(I)/2016 dated May 31, 2016.
6. The Annual Report for the Financial Year ended June 30, 2018 have been placed on Company's website www.flyingcement.com However, if any shareholder desire to get the hard copy of Annual Audited Financial Statements, the same shall be provided free of cost within seven working days of receipt of such request.
7. Members can also avail video conference facility in the cities where facility can be provided keeping in view the geographical dispersal of members. In this regard fill the application as per following format and submit to the registered address of the company 10 days before the date of Annual General Meeting. The video conference facility will be provided only If the company receives consent from members holding in aggregate 10% or more shareholding residing at geographical location, The company will intimate members regarding venue of video conference facility at least 5 days before the date of Annual General Meeting along with complete information necessary to enable them to access such facility.

I / We _____ of _____ being member of Flying Cement Company Limited, holder of _____ Ordinary shares as per Register Folio # / CDC Account # / Participant ID # hereby opt for Video conference facility at _____.

Signature of shareholder

8. Notice Under Section 244(1)b of the Companies Act, 2017 sent to the shareholders inviting their respective claims against undelivered shares which have become undelivered as of 30 May, 2017. After expiry of this notice period, an advertisement was published in News Papers for the information of General Public as required under the law.

Chairman's Review

I am pleased to present a review on the performance of the Board and appreciate the Board to fulfill its commitments. There is a rising trend in production cost. Your company with the help of higher sales volume earned profit and showed 33% increase in sales volume.

In the year 2017-2018 the cement industry witnessed increase in sales keeping in view the growing demand of cement, the company decided to add line 2 enabling production from 2000 Metric Tonnage to 4000 Metric Tonnage which is in progress. The Company's marketing network will be enlarged to whole of Pakistan, enabling to capture more share in the market and Flying Cement will remain choice in the market.

It is our commitment to all stakeholders that we will attain more share in the market and Flying Cement will be choice of the market.



Kamran Khan
Chairman

Dated: October, 05 2018

DIRECTORS' REPORT

The Directors of your company have the pleasure to present before you the 25th Annual Report of your company along with duly audited Financial Statements for the year ended June 30, 2018.

INDUSTRY OVERVIEW

Cement growth in the Cement Industry reflected a sound increase of 13.84% during the year ended June 30, 2018 as compared with the year 2017. In the year 2018 capacity utilization of Cement industry stood at 92.82% of the installed capacity as against 90.17% compared to the year 2017. This is the highest ever capacity utilization since the year 1992-93.

PRINCIPAL ACTIVITIES

The main objective of the company is to manufacture and sell the Ordinary Gray Portland Cement.

BUSINESS PERFORMANCE

The production and sales volume performance

The production and sales volume figures for the year of your Company together with the comparative figures are as under:

Particulars	2018	2017	% of Increase
	(Metric Tons)		
Cement Production	527,850	396,992	32.96
Cement Dispatches	525,695	397,273	32.33

The percentage increase in production and sales shows an excellent increase production of Cement in the year 2018.

Financial Performance

A comparison of the key financial results of your Company for the year ended June 30, 2018 is as under:

Particulars	2018	2017
	(Rupees in Thousands)	
Sales revenue Gross	4,335,489	3,466,997
Less: Sales Tax/ Federal Excise Duty	1,425,129	996,772
Net: Sales revenue	2,910,360	2,470,225
Gross Profit	256,885	203,357
Operating profit	185,274	142 590
Profit before tax	233,134	198 881
Net Profit after tax	181,508	161 256
Earnings per Share	1.03	0.92

EARNING PER SHARE

The earning per share of the Company grew from Rs 0.92 for 2017 to Rs 1.03 for the year 2018 under review.

DIVIDEND

The company has not declared dividend attributable due to non-availability of sufficient revenue reserve.

UPGRADATION OF PLANT LINE-2

The Company has visualized excessive demand of Cement in coming years to come and has planned to enhance the capacity of Cement production from 2000 Metric tons to 4000 Metric tons. In this regard the management has arranged from National Bank of Pakistan the major finance, however the directors also injected fresh funds from their own sources.

RELATED PARTY TRANSACTIONS

All related party transactions entered into are at arm's length basis which were reviewed and approved by Audit Committee as well as the Board of Directors of the Company in compliance with the PSX Regulations of The Pakistan Stock Exchange Limited and of the requirement of Section 208 of Companies Act, 2017.

PRINCIPAL RISKS

The cement plant required smooth and continued power supply to run the plant smoothly and stably. Updation of the power system in our country is at risk all times. Production, distribution and instrument have not been updated since long, so the main risk of the company lies with supply of power to the plant a principal risk.

Since in the Cement Industry there are giants leading the cement marketing, distribution and are monopolising the Cement Marketing. Undue holding of markets and lowering the cement prices are tactics to control other cement manufacturers which is ethically wrong practice for the small cement manufacturing units.

IMPACT OF COMPANY'S BUSINESS ON THE ENVIRONMENT

The major impact of cement manufacturing business on environment is related to particulate matter and fugitive dust emissions of both inhalable and respirable micron sizes emitted from processes adopted for clinker production that cause a chronic fatal disease i.e. Silicosis. To overcome the dust problem raised by the plant the following measures have been taken by the management to make the environment problems minimize. The company has installed de-dusting equipment such as dust cyclones bag houses, personal protective equipment, speed limit controls and plantation, and for healthy environment at site the company has planted thousands of trees for healthy atmosphere.

CORPORATE SOCIAL RESPONSIBILITY

The Directors of the Company are aware of their ethical duties towards Society. The Company has arranged three times serving food to the employees of head office, factory staff and visitors, every year two persons perform the Hajj from the staff, serve packets to the deserving staff and others during Ramzan-ul-Mubarak and preferential jobs to disabled persons.

WHISTLE BLOWING

The management understands that through the use of a good Whistle Blowing Plan, they can discover and develop a powerful ally in building trust with its employees and manage fair and transparent operations. All the employees are protected from victimization, harassment and advised to immediately report to the higher management any of the following improper, unethical or illegal conduct of any colleague or supervisor to the management or otherwise.

UNPAID DIVIDEND AND UNCLAIMED SHARES

Notice Under Section 244(1)b of the Companies Act, 2017 sent to the shareholders inviting their respective claims against undelivered shares which have become undelivered as of 30 May, 2017. After expiry of this notice period, an advertisement was published in News papers for the information of General Public as required under the Law.

BOARD OF DIRECTORS

Composition of Board of Directors is as under.

	Description	Number of Directors
a)	Male	6
b)	Female	1

Catagoral Composition

1)	Independent Director	1
2)	Non Executive Directors	5
3)	Executive Director	1

The requirement of representation of number of independent directors is being met in the coming election of Board of Directors at Annual General Meeting.

Name of Members of the Board of Directors and its Committees.

BOARD OF DIRECTORS

Mr. Muhammad Tawassal Majid	Member	Independent Director
Mr. Kamran Khan	Chairman	Non Executive Director
Mr. Yousaf Kamran Khan	Member	Non Executive Director
Mr. Qasim Khan	Member	Non Executive Director
Mr. Imran Chaudry	Member	Non Executive Director
Mrs. Samina Kamran	Member	Non Executive Director
Mr. Momin Qamar	Member	Executive Director

AUDIT COMMITTEE

Mr. Muhammad Tawassal Majid	Chairman	Independent Director
Mr. Qasim Khan	Member	Non Executive Director
Mr. Yousaf Kamran Khan	Member	Non Executive Director

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Muhammad Tawassal Majid	Chairman	Independent Director
Mrs. Samina Kamran	Member	Non Executive Director
Mr. Yousaf Kamran Khan	Member	Non Executive Director

CHAIRMAN REVIEW

The Chairman's review is enclosed and duly endorsed by Board of Directors.

CODE OF CONDUCT

Company has formed Code of Conduct to run its business operations effectively.

STATEMENT OF COMPLIANCE

Statement of Compliance duly reviewed by Board of Directors and Auditors is annexed.

REMUNERATION OF DIRECTORS

The company will not pay any remuneration to its independent directors except meeting fee for attending the Board and Committee meetings.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Board of Directors has established an efficient system of internal financial controls, to ensure effective and efficient conduct of operations, safe guarding of Company's assets, compliance with applicable laws and regulations and reliable financial reporting.

ECONOMY OUTLOOK

Elections in the country have been successfully conducted and a smooth transition of power to the new government has also been completed. This reflects a positive sign for the country's economy. In spite of unstable economy of the country, as the biggest challenge for the new Government has announced reforms to provide housing units five millions low cost houses for the masses which will eventually result in increased construction activity in the housing sector. Moreover, renewed focus on CPEC projects still provide an excellent opportunity to the Government for achieving GDP growth, consequently, increased cement demand is expected in the years to come. Stability in prices of fuel, dollar rupee parity and to curtail development budget are main issues of the economy to the present Government.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Directors of your company review the Company's strategic direction and business plans on a regular basis. The Audit Committee is empowered for

effective compliance of Code of Corporate Governance; we are taking all necessary steps to ensure good corporate governance in your Company as required by the Code. As part of the Compliance, we confirm the following.

- (a) The financial statements prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- (b) Proper books of accounts have been maintained by the company.
- (c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- (d) International Financial Reporting Standards as applicable in Pakistan have been followed in preparation of financial statements.
- (e) The system of internal control is sound in design and has been effectively implemented and monitored.
- (f) There are no significant doubts upon the company's ability to continue as a going concern.
- (g) There has been no material departure from the best practices of corporate governance as detailed in the listing regulations.
- (h) Key operating and financial data for the last six years is annexed.
- (i) No trade in shares of Flying Cement Company Limited was carried out by the CEO, Head of Internal Audit, CFO, Company Secretary and their spouses and minor children except of those as reported to the regulatory authorities and disclosed in the annexed Pattern of Shareholding.
- (j) Reasons for significant deviations from last year's operating results have been compared in the relevant section of the Directors' report.
- (k) Information about taxes and levies is given in the Notes to the Financial Statements.
- (l) The company has planned to upgrade its production operations by enhancing production capacity of its plant. The matter has been disclosed to shareholders in the due time and also has been written in this directors' report.
- (m) Details of number of Board and Committees meetings held during the year and attendance by each director has been disclosed below:

NO.	Name of Director	Board Meetings	Audit Committee Meetings	HR& R Committee Meetings
1	Mr. Kamran Khan	7	N/A	N/A
2	Mr. Momin Qamar	7	N/A	N/A
3	Mr. Yousaf Kamran Khan	6	4	1
4	Mr. Qasim Khan	5	4	N/A
5	Mrs. Samina Kamran	6	N/A	1
6	Mr. Muhammad Tawassal Majid	7	4	1
7	Mr. Imran Chaudhry	6	N/A	N/A
8	Mr. Agha Hamayun Khan	7	N/A	N/A
	Total Number of Meetings Held	7	4	1

- (n) The board has been provided with detailed in house briefings and information package to acquaint them with the code, applicable laws, their duties and responsibilities to enable them to effectively manage the affairs of the company for and on behalf of the shareholders.

Staff Retirement Benefits

An unfunded gratuity scheme has been maintained. Provision has been made in the financial statements accordingly for permanent employees of the company.

Auditors

The Auditors M/s. Tahir Siddiqi & Co; Chartered Accountants are retiring at the conclusion of forthcoming Annual General Meeting and being eligible have offered their services for the next term. The Auditors confirmed that they have been given satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants (IFAC) guidelines on code of ethics, as adopted by the ICAP. The Audit Committee and the Board recommended their re-appointment by the shareholders at the Annual General Meeting of Company as Auditors for the year ended June 30, 2019.

Modification in Auditors Report

The pattern of Auditors report has been modified as per Companies Act, 2017. Therefore the auditors report is issued in its new pattern.

Pattern of Shareholding

The pattern of shareholding as at June 30, 2018 along with disclosures as required by the Code of Corporate Governance is annexed.

Post Balance Sheet Events

There has been no material changes in the financial statements date and the reporting date except progress made in upgradation of plant Line - 2.

Acknowledgement

The Directors are grateful to the Company's shareholders, financial institutions and valued customers for their continued cooperation, support and patronage.

The Directors acknowledge the efforts and dedicated services and hard work put in by the staff members, executives.
For and on behalf of the Board



Momin Qamar
Director



Agha Hamayun Khan
Chief Executive

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS 2017

Name of Company: Flying Cement Company Limited
Year Ending : 30th June 2018

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are seven as per the following:

	Description	Number of Directors
a)	Male	6
b)	Female	1

2. The composition of board is as follows:

a)	Independent Director	1
b)	Non Executive Directors	5
c)	Executive Director	1

3. The directors have confirmed that none of them is serving as a director in more than five listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable)
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the board/Shareholders as empowered by the relevant provision of the Act and these Regulations.

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating Minutes of Meeting of Board. Written notices of the Board meetings, along-with agenda and working papers were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
8. The Board of Directors have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these regulations.
9. Following Directors have completed the certification under Directors' Trainings Program.

Name of Chief Executive officer	1- Agha Hamayun Khan
Name of Director: Non Executive	2- Yousaf Kamran Khan
Name of Director: Non Executive	3- Qasim Khan
10. No new appointment of Chief Financial Officer (CFO), Company Secretary or Head of Internal Audit has been made during the Year.
11. The Financial statements of the Company were duly endorsed by the CEO and CFO before approval of the Board.
12. The Board has formed an Audit Committee, HR and Remuneration Committee. It comprises of three members each, all of them are non Executive Directors and the chairman of the committee is an independent director.

AUDIT COMMITTEE

Mr. Muhammad Tawassal Majid	Chairman	Independent Director
Mr. Qasim Khan	Member	Non Executive Director
Mr. Yousaf Kamran Khan	Member	Non Executive Director

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Muhammad Tawassal Majid	Chairman	Independent Director
Mrs. Samina Kamran	Member	Non Executive Director
Mr. Yousaf Kamran Khan	Member	Non Executive Director

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the Committee for compliance.

14. The frequency of meetings(Quarterly/Half Yearly/Yearly) of the Committees were as per followings:

Audit Committee: Met four time during the year.

Human Resource And Remuneration Committee : Met once in the year.

15. The Board has setup an effective Internal Audit function which is considered suitably qualified and experienced for the purpose and is conversant with policies and procedures of the company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP), that neither the firm nor any of the partners of the firm, their spouses and minor children at any time since the last Annual General Meeting held, purchased, sold or took any position in the shares of the company or any of its associated companies or undertakings and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other material principles enshrined in the CCG have been complied with.

On behalf of the Board of Directors



Momin Qamar
Director



Agha Hamayun Khan
Chief Executive

REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE WITH
THE BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance Regulations 2017 for the year ended June 30, 2018, prepared by the Board of Directors of Flying Cement Company Limited (the Company) to comply with the requirements of regulation 40 of the Regulations

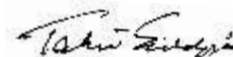
The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board's statement on internal controls covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Regulations as applicable to the Company for the year ended June 30, 2018.

Lahore:
October 05, 2018



Tahir Siddiqi & Co.
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLYING CEMENT COMPANY LIMITED

Opinion

We have audited the annexed financial statements of Flying Cement Company Limited, which comprise the statement of financial position as at June 30, 2018, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the annexed financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the annexed financial statements give a true and fair view of the financial position of the Company as at June 30, 2018, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

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 Auditor's 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 the 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annexed financial statements of the current year. These matters were addressed in the context of our audit of the annexed financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters:

S.NO	Key Audit Matters	How the matter was addressed in our audit
(i)	<p>Fourth schedule to the Companies Act, 2017</p> <p>As stated in note 4.2 to the annexed financial statements, the fourth schedule to the Companies Act, 2017 became applicable to the Company for the first time for the preparation of the annexed financial statements.</p> <p>The Companies Act, 2017 has also brought certain Changes with regard to preparation and presentation of the annexed financial statements of the Company.</p> <p>As part of this transition to the requirements, the management performed a gap analysis to identify differences between the previous financial reporting framework and the current financial reporting framework and as a result certain changes were made in the Company's annexed financial statements which are included in notes 4.7, 24.2, 30 and 31 to the annexed financial statements.</p> <p>In view of the extensive impacts in the annexed financial statements due to first time application of the fourth schedule to the Companies Act, 2017, we considered it as a key audit matter.</p>	<p>We reviewed and understood the requirements of the fourth schedule to the Companies Act, 2017. Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Considered the management's process to identify the additional disclosures required in the Company's annexed financial statements. • Obtained relevant underlying supports for the additional disclosures and assessed their appropriateness for the sufficient audit evidence. • Verified on test basis the supporting evidence for the additional disclosures and ensured appropriateness of the disclosures made.

<p>(ii) Revenue</p>	<p>Refer to note 21 to the financial statements</p> <p>The Company is engaged in the production and sale of ordinary portland cement.</p> <p>The Company recognized revenue from the sale of cement of Rs.2,910.361 million for the year ended 30 June 2018.</p> <p>We identified recognition of revenue is one of the key performance indicator of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet goals or targets.</p>	<p>Our audit procedures to assess the recognition of revenue included the following:</p> <ul style="list-style-type: none"> - Obtaining an understanding of the process relating to recognition of revenue and assessing the design, implementation and operating effectiveness of key internal controls over recording of revenue; - Comparing a sample of revenue transactions recorded during the year with sale orders, sale invoices, delivery orders and other relevant underlying documents. - Comparing a sample of revenue transactions recorded around the year end with the sale orders, transportation advices, sale invoices, delivery orders and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting periods; - Comparing the details of a sample of journal entries posted to revenue accounts during the year, which met certain specific risk-based criteria, with the relevant underlying documentation.
<p>(iii)</p>	<p>Capital Work in Progress- at cost</p> <p>Refer notes 14.5 and 14 to the financial statements.</p> <p>The Company has made significant capital expenditure of Rs. 1,087.678 million during the year on expansion of Line 2.</p> <p>We identified capitalization of plant and equipment as a key audit matter because there is a risk that amounts being capitalized may not meet the capitalization criteria with related implications on capitalization of borrowing costs and depreciation charge for the year.</p>	<p>Our audit procedures to assess the capitalization of property, plant & equipment, amongst others, included the following:</p> <ul style="list-style-type: none"> . Understanding the design and implementation of management controls over capitalization and performing tests of control over authorization of capital expenditure and accuracy of its recording in the system:

		<p>. Testing, on sample basis, the costs incurred on projects with supporting documentation and contracts;</p> <p>. Assessing the nature of costs incurred including borrowing costs for the capital projects through testing, on sample basis, of amount recorded and considering whether the expenditure meets the criteria for capitalization as per the accounting policy and applicable accounting standards; and</p> <p>. Inspecting supporting documents for the date of capitalization when project was ready for its intended use to assess whether depreciation commenced and further capitalization of costs ceased from that date and assessing the useful life assigned by management including testing of related depreciation.</p>
(iv)	<p>Stocks</p> <p>Stock & packing material in trade as disclosed in note 17 to the annexed financial statements includes:</p> <ul style="list-style-type: none"> . Raw materials comprising limestone, clay, gypsum, laterite and . Work-in-progress mainly comprising clinker. <p>Further, store & spares and stock in trade as disclosed in note 16 and 17 to the annexed financial statements include coal.</p>	<p>The Company performs annual inventory counts at the year end and issue prior notification of procedures to be performed for such inventory counts. Our audit procedures to assess the existence of inventory included the following:</p> <ul style="list-style-type: none"> - Attended physical inventory counts performed by the Company. - Assessed the management's process of measurement of stockpiles and the determination of values using conversion of volumes and density to total weight and the related yield.

	<p>The above inventory items are stored in purpose built sheds, stockpiles and silos. As the weighing of these inventories is not practicable, management assesses the reasonableness of the quantities on hand by obtaining measurement of stockpiles and converting these measurements. The Company also involves an external surveyor in the inventory count process.</p> <p>Due to the significance of inventory balance and related estimations involved, this is considered as a key audit matter.</p>	<p>. Obtained and reviewed the inventory count report of the management's external surveyor and assessed its accuracy on a sample basis.</p>
<p>(v) Current Liabilities</p>	<p>The Directors / Shareholders funded from their own sources to accomplish the B.M.R plan of the company amounting to Rs.1,515,674,892 as appearing in the long term loan. The Directors / shareholders also paid / adjusted from their own sources to different creditors outstanding in the company amounting to Rs.1,210,556,920 as shown in the current liabilities.</p> <p>Due to the significance of a material amount involved and a liability on directors & Shareholders behalf this is considered as a key audit matter.</p>	<p>Obtained the confirmation from the directors of the company regarding repayment of the outstanding amount within 1 year time.</p> <p>.we reviewed and obtained the Company's annual budget and projection for next year, as to how Company will repay the outstanding amount.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not 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 appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the 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 Companies Act, 2017 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

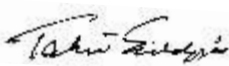
Based on our audit, we further report that in our opinion:

- (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 and other comprehensive income, the statement of changes in equity and 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 are in agreement with the books of account and returns;

- (c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) in our opinion, 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 Sarah Tahir Siddiqui.



Tahir Siddiqi & Co
Chartered Accountants

Lahore

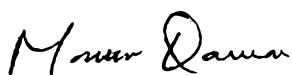
Date: October 05, 2018

BALANCE SHEET

AS AT JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL & RESERVES			
Authorized share capital		2,000,000,000	2,000,000,000
200,000,000 ordinary shares of Rs 10/- each.			
Issued, subscribed and paid up capital	5	1,760,000,000	1,760,000,000
176,000,000, ordinary shares of Rs. 10/- each.	6	692,095,204	479,767,158
Reserves			
		2,452,095,204	2,239,767,158
Surplus on revaluation of fixed assets	7	1,466,634,998	1,497,415,385
NON-CURRENT LIABILITIES			
Long term liabilities	8	2,572,520,644	1,063,501,913
Long term deposits	9	14,005,340	13,505,340
Deferred liabilities	10	592,413,717	593,395,965
		3,178,939,701	1,670,403,218
CURRENT LIABILITIES			
Trade and other payables	11	1,681,337,685	1,706,409,489
Unclaimed Dividend		47,454	47,454
Short term finances	12	705,597,637	81,052,367
Current portion of long term finance	8	237,249,000	-
Provision for taxation	28	39,632,839	33,809,723
		2,663,864,615	1,821,319,033
TOTAL LIABILITIES		5,842,804,316	3,491,722,251
Contingencies and commitments	13	-	-
TOTAL EQUITY AND LIABILITIES		9,761,534,518	7,228,904,794
ASSETS			
NON-CURRENT ASSETS			
Property, plant & equipment	14	6,639,761,686	5,636,893,465
Long term security deposits	15	31,416,883	18,593,160
CURRENT ASSETS			
Stores, spares & loose tools	16	727,988,564	438,035,187
Stock in trade	17	316,862,420	210,155,475
Trade debts	18	8,590,135	3,429,583
Advances, deposits, prepayments & other receivables	19	1,922,032,767	906,698,199
Cash and bank balances	20	114,882,063	15,099,725
		3,090,355,949	1,573,418,169
TOTAL ASSETS		9,761,534,518	7,228,904,794

The annexed notes from 1 to 39 form an integral part of these financial statements.



Momin Qamar
Director



Agha Hamayun Khan
Chief Executive



Muhammad Jamil
Chief Financial Officer

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
Sales	21	2,910,361,399	2,470,224,763
Cost of Sales	22	(2,653,476,436)	(2,266,867,959)
Gross Profit		256,884,963	203,356,804
Operating Expenses			
Distribution Expenses	23	(7,314,275)	(6,059,253)
Administrative Expenses	24	(46,480,725)	(39,343,994)
Other Operating Expenses	25	(17,815,495)	(15,363,151)
		(71,610,495)	(60,766,398)
Operating Profit		185,274,468	142,590,405
Finance Cost	26	(43,865,443)	(8,084,273)
Other Income	27	91,725,324	64,374,591
Profit Before Taxation		233,134,349	198,880,723
Taxation	28	(51,626,560)	(37,624,875)
Profit After Taxation		181,507,789	161,255,848
Earnings Per Share (before tax) - Basic	29	1.32	1.13
Earnings Per Share (after tax) - Basic	29	1.03	0.92

The annexed notes from 1 to 39 form an integral part of these financial statements.



Momin Qamar
Director



Agha Hamayun Khan
Chief Executive



Muhammad Jamil
Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2018

	2018 Rupees	2017 Rupees
Profit for the year	181,507,789	161,255,848
Remeasurements chargeable in other comprehensive income	39,870	75,967
Total Comprehensive income for the year	<u>181,547,659</u>	<u>161,331,815</u>

The annexed notes from 1 to 39 form an integral part of these financial statements.



Momin Qamar
Director



Agha Hamayun Khan
Chief Executive

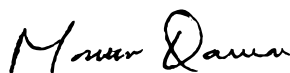


Muhammad Jamil
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
Cash Flows From Operating Activities			
Profit/(Loss) before taxation		233,134,349	198,880,723
Adjustment for:			
Depreciation		92,128,873	94,074,704
Provision for gratuity		282,785	268,547
Loss on sale of assets		-	1,463,371
Finance cost		43,865,443	8,084,273
		<u>136,277,101</u>	<u>103,890,895</u>
		369,411,450	302,771,618
 (Increase) / Decrease in Stores, spares & loose tools		(289,953,377)	(164,651,229)
(Increase) / Decrease in Stock-in-trade		(106,706,945)	8,074,268
(Increase) / Decrease in Trade debts		(5,160,552)	(2,310,629)
(Increase) / Decrease in Advances, deposits, prepayments and other receivables		(902,467,404)	(353,392,680)
 Increase in Trade and other Payables		(25,071,804)	98,531,406
 Cash generated from operations		<u>(959,948,632)</u>	<u>(110,977,246)</u>
Gratuity Paid		(123,700)	-
Taxes paid		(159,772,071)	(111,706,507)
Net Cash from Operating Activities		<u>(1,119,844,403)</u>	<u>(222,683,753)</u>
Cash Flows From Investing Activities			
Fixed Capital Expenditure		(1,094,997,093)	(459,576,342)
Sale proceed of assets		-	9,520,000
Long Term Security deposit		(12,823,723)	-
Net Cash (used in) Investing Activities		<u>(1,107,820,816)</u>	<u>(450,056,342)</u>
Cash Flows From Financing Activities			
Finance cost paid		(43,865,443)	(28,523,103)
Short Term Finance		237,249,000	-
Long term finance		1,509,018,731	699,314,488
Long term deposits		500,000	-
Net Cash from Financing Activities		<u>1,702,902,288</u>	<u>670,791,385</u>
 Net Increase / (Decrease) in Cash and Cash Equivalents		(524,762,931)	(1,948,710)
Cash and Cash Equivalents - at the beginning of the year		(65,952,642)	(64,003,932)
Cash and Cash Equivalents - at the end of the year	37	<u>(590,715,573)</u>	<u>(65,952,642)</u>

The annexed notes from 1 to 39 form an integral part of these financial statements.



Momin Qamar
Director



Agha Hamayun Khan
Chief Executive



Muhammad Jamil
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2018

	Ordinary Share Capital (Rs.)	Accumulated Profit / (Loss) (Rs.)	Capital Reserve (Rs.)	Total (Rs.)
Balance as at July 01, 2016	1,760,000,000	160,047,791	126,978,994	2,047,026,785
Total Comprehensive Income for the Year	-	161,331,815	-	161,331,815
Incremental depreciation	-	31,408,558	-	31,408,558
Balance as at June 30, 2017	1,760,000,000	352,788,164	126,978,994	2,239,767,158
Total Comprehensive Income for the year	-	181,547,659	-	181,547,659
Incremental depreciation	-	30,780,387	-	30,780,387
Balance as at June 30, 2018	1,760,000,000	565,116,210	126,978,994	2,452,095,204

The annexed notes from 1 to 39 form an integral part of these financial statements.



Momin Qamar
Director



Agha Hamayun Khan
Chief Executive



Muhammad Jamil
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

1 LEGAL STATUS AND OPERATIONS

The Company was incorporated as Public Limited Company on December 24, 1992 under the Companies Ordinance, 1984. The company is listed on Pakistan Stock Exchange (Formerly Karachi, Lahore and Islamabad Stock Exchanges). The main objective of the company is to manufacture and sell the cement. The registered office of the company is situated at 103 Fazil Road, Lahore Cantt. and the factory in Khushab.

2 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) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 ; and
- Provisions of and directives issued under the Companies Act, 2017.

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

3 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires 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. In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

- (a) recognition of taxation and deferred tax;
- (b) determining the residual value and useful lives of property, plant and equipment;
- (c) accounting for post employment benefits;
- (d) impairment of inventories / adjustment of their net realizable value.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Accounting Convention

These financial statements have been prepared under the historical cost convention except for those as stated in the respective policies and notes given here under.

4.2 New Accounting Standards, amendments to approved accounting standards and new interpretations.

Promulgation of Companies Act, 2017

- (a) Changes have been made in respect of the disclosure and presentation of the financial statements through promulgation of Companies Act, 2017 (the Act) with effect from May 30, 2017. However, the applicability of the Act in relation to the preparation of the financial statements has been deferred by the Securities and Exchange Commission of Pakistan through its Circular 17 dated July 20, 2017 for the companies having financial closure on or before June 30, 2017.

- (b) **Amendments to approved accounting and reporting standards which are effective during the year ended June 30, 2018.**

There were certain new amendments to the approved accounting and reporting standards which became effective during the year ended June 30, 2018 but are considered not be relevant or have any significant effect on the Company's financial reporting excepts as mentioned below and are, therefore, not disclosed in these unconsolidated financial statements.

The third and fourth schedule to the Companies Act 2017 became applicable to Company for the first time for the preparation of these unconsolidated financial statements. The Companies Act, 2017 (including its third and fourth schedules) forms and integral part of the statutory financial reporting framework applicable to the Company and amongst others, prescribes the nature and content of disclosures in relation to various elements of the financial statements.

Amendments to IAS 7 'Statement of Cash Flow' became effective during the year. The amendments requires disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. Accordingly, these disclosures have been included in the note 35 to these financial statements.

(c) Standards and amendments to published approved accounting standards that are not yet effective.

The certain new standards, amendments and interpretations to the approved accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2018. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in the unconsolidated financial statements. During the current year the Securities and Exchange Commission of Pakistan (SECP) has adopted IFRS 9 'Revenue from Customers' and IFRS 16 'Leases' which will not have any significant impact on the financial reporting of the Company.

4.3 Property, Plant & Equipment

4.3.1 Owned

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land and capital work-in-progress which are stated at cost less impairment losses, if any.

Maintenance and normal repairs are charged to profit and loss account, as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

An item of property, plant & equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the Profit & Loss Account in the year the asset is derecognized.

The carrying values of the Property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If such indications exist and where the carrying values exceed the recoverable amount, the assets are written down to the recoverable amounts.

Depreciation on all property, plant and equipment is charged to Profit and Loss Account on the reducing balance method, over its estimated useful life at annual rates mentioned in note 14 after taking into account their residual values. Depreciation on additions to property, plant and equipment is charged from the month in which property, plant and equipment is acquired or capitalized while no depreciation is charged for the month in which property, plant and equipment is disposed off.

Assets' residual values, useful lives and methods of depreciation are reviewed and adjusted, if appropriate, at each financial year end.

4.4 Capital Work in Progress

Capital work in progress is stated at cost less any identified impairment loss. These costs are transferred to fixed assets as and when assets are available for use.

4.5 Stock - in - trade

These are stated at the lower of cost and net realizable value. The methods used for the calculation of cost are as follows:

(a) Raw and packing material

At weighted average cost comprising quarrying / purchase price, transportation, government levies and other overheads.

(b) Work-in-process and finished goods

At weighted average cost comprising direct cost of raw material, labour and other manufacturing overheads.

Net realizable value signifies the estimated selling price in the ordinary course of business less estimated cost necessary to make sale.

4.6 Stores, spares & loose tools

These are valued at lower of cost and estimated net realizable value. The cost is determined on weighted average cost basis. Items in transit are valued at cost comprising invoice value and other charges thereon accumulated at the balance sheet date.

4.7 Taxation**Current**

Provision of current tax is based on the taxable income for the year determined in accordance with the Income Tax Ordinance, 2001. The charge for current tax is calculated using prevailing tax rates after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the balance sheet method in respect of all temporary differences arising from differences between carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of tax. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent to which it is probable that taxable profits will be available against which the deductible temporary difference, unused tax loss, and tax credits can be utilized. Deferred tax is charged or credited to profit & loss account.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantially enacted at the balance sheet date.

4.8 Trade Debts

Debtors originated by the company are recognized and carried at the original invoice value. Bad debts are written off, when identified.

4.9 Cash and Cash Equivalents

Cash and Cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise of cash in hand, balances with banks on current, saving and deposit accounts and short term borrowings under mark-up arrangements.

4.10 Trade and other payables

Trade and other payables are carried at the cost which is the fair value of the consideration to be paid in future for the goods and services received, whether or not invoiced to the company.

4.11 Mark-up bearing borrowings

Mark-up bearing borrowings are recognized initially at amortized cost. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortized cost less subsequent repayments.

4.12 Borrowing costs

Mark-up, interest and other direct charges on borrowings are capitalized to the related qualifying asset till substantially all the activities necessary to prepare the qualifying asset for its intended use are complete. All other mark-up, interest and related charges are charged to the profit & loss account in the year in which they are incurred.

4.13 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of past event, and it is probable that outflow of economic benefits will be required in the balance sheet to settle the obligation and a reliable estimate of the amount of obligation can be made. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimates.

4.14 Foreign currency transactions

Transactions in foreign currencies are accounted for in Pakistan rupees using exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into rupees at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains or losses are accounted for in Profit & Loss Account.

4.15 Financial Assets and liabilities

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. The particular measurement methods adopted are considered in individual policy statement associated with each item.

4.16 Offsetting

A financial asset and financial liability is offset and net amount is reported in the balance sheet if the company has a legal enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the assets value and settle the liability simultaneously.

4.17 Impairment

The carrying amount of Company's assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and impairment losses are recognized.

4.18 Related Party Transactions

The Company enters into transactions with related parties on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods, except in extremely rare circumstances where, subject to approval of the Board of Directors, it is in the interest of the Company to do so.

4.19 Staff Retirement Benefits

The company operates an unfunded gratuity scheme for all its permanent employees which provides for the graduated scale of benefits dependent on the length of service of the employee on terminal date, subject to the completion of minimum qualifying period of service. Gratuity is based on employee's last drawn salary.

Remeasurement gains / losses as per actuarial valuation done at financial year end are recognised immediately in other comprehensive income and all other expenses are recognised in accordance with IAS-19 "Employee Benefits" in the profit and loss account. The most recent valuation was carried out as on June 30, 2018 using the "Projected Unit Credit Method".

4.20 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved.

4.21 Surplus on Revaluation of Fixed Assets

The surplus arising on revaluation of fixed assets is credited to the "Surplus on Revaluation of Fixed Assets Account" shown below equity in the balance sheet in accordance with the requirements of section 235 of the Companies Ordinance, 1984. The said section was amended through the Companies (Amendment) Ordinance, 2002 and accordingly the Company has adopted the following accounting treatment of depreciation on revalued assets, keeping in view the Securities and Exchange Commission of Pakistan's (SECP) SRO 45(1)/2003 dated January 13, 2003.

- (a) Depreciation on assets which are revalued is determined with reference to the value assigned to such assets on revaluation and depreciation charge for the year is taken to the profit and loss account; and
- (b) An amount equal to incremental depreciation for the year net of deferred taxation is transferred from "Surplus on Revaluation of Fixed Assets account" to accumulated profit / (loss) through Statement of Changes in Equity to record realization of Surplus to the extent of the incremental depreciation charge for the year.

4.22 Revenue Recognition

- (a) - Revenue from sale of goods is recognized on dispatch of goods to the customers.
- (b) - Gain on sale of property, plant and equipment is recorded when title is transferred in favour of transferee.
- (c) - Income from Banks is recognized when earned.

5 SHARE CAPITAL

a) Authorized

200,000,000 (2017: 200,000,000) ordinary shares of Rs.10/- each.

b) Issued, Subscribed and Paid Up.

- 137,419,189 (2017: 137,419,189) ordinary shares of Rs.10/- each fully paid up in cash.

- 22,580,811 (2017: 22,580,811) ordinary shares of Rs. 10/- each fully paid up for consideration other than cash - Plant & Machinery

- 16,000,000 (2017: 16,000,000) bonus shares of Rs.10/- each fully issued as bonus shares.

2018 Rupees	2017 Rupees
2,000,000,000	2,000,000,000
1,374,191,890	1,374,191,890
225,808,110	225,808,110
160,000,000	160,000,000
1,760,000,000	1,760,000,000

5.1 All ordinary share holders have same rights regarding voting, board selection, right of first refusal and block voting

6 RESERVES

Capital Reserve

6.1 126,978,994 126,978,994

Revenue Reserve

Un-appropriated Profit/(Loss)

565,151,210 352,788,164

692,130,204 **479,767,158**

6.1 Capital reserve consists of gain on disposal of 21,296,200 shares by directors / beneficial owners of the company in open market since 2008. This gain is tendered to the company as required by the Companies Ordinance, 1984.

7 SURPLUS ON REVALUATION OF FIXED ASSETS

Opening Balance of Revaluation Surplus

1,497,415,385 1,528,823,943

Less: Surplus transferred to retained earnings (accumulated loss)

Incremental depreciation

Deferred Tax effect

43,971,982	44,869,369
(13,191,595)	(13,460,811)
30,780,387	31,408,558
1,466,634,998	1,497,415,385

7.1 The company got its assets i.e. land, building, plant & machinery revalued on June 30, 2006 on the basis of current market prices by M/s Hasib Associates (Pvt.) Limited, an independent and approved valuers from Pakistan Banks Association. This amount was credited to Surplus on Revaluation of Fixed Assets account to comply with the requirements of section 235 of the Companies Ordinance, 1984. It includes surplus on revaluation of freehold land amounting to Rs.114.261 million (2017 Rs. 114.261 million). Subsequently the company got its assets revalued in June 2013 by an independent valuer. However, no material differences were identified.

8 LONG TERM LIABILITIES

Loans from banking companies - secured

8.1 972,976,153 484,112,250

Loans from related parties - unsecured

8.2 1,515,674,892 516,729,322

Long term creditors

8.3 83,869,599 62,660,341

2,572,520,644 **1,063,501,913****8.1 LOANS FROM BANKING COMPANIES - SECURED**

National Bank of Pakistan Demand Finance

8.1.1 1,160,476,153 384,362,250

National Bank of Pakistan Demand Finance (WHR)

8.1.2 49,749,000 99,750,000

1,210,225,153 **484,112,250**

Less: current portion shown under current liabilities

237,249,000 -**972,976,153** **484,112,250**

- 8.1.1** The Company has availed facility of Demand finance of Rs.1,500 million with sub-limit of Import LC-Sight from National Bank of Pakistan at 25% Margin over Fixed Assets secured against 1st charges of Rs.2,000 million over all present and future fixed assets (Hypothecation/Mortgage) of the company and personal guarantees of all directors to finance up gradation of production capacity to 4000 tons per day (TPD) from 2000 TPD. The facility includes a grace period of one year and principal to be repaid in 16 quarterly installments of Rs.93.75 million each. The first installment falls due at the end of 15th month from lodgment of Import documents. Markup shall be charged at 3 Months KIBOR plus 1.5% p.a.

Sub-limit of LC-Sight includes facility of Rs.1,450 million against nil Cash Margin to finance import requirement for up-gradation of production capacity to 4000 TPD from 2000 TPD secured against lien on documents of title to Goods and same security packages and sponsor commitment as for Demand finance facility. The facility will expire on sight and repayment against the facility will be through disbursement of demand finance / own source of company.

- 8.1.2** The Company has availed facility of letter of credit-sight limited of Rs.100 million with nil cash margin and markup payable as per schedule of charges of the bank to import Heat Exchanger.

The Company has availed facility of demand finance as a sub-limit to LC-Sight at nil cash margin with a markup of 3 month KIBOR plus 1.5% p.a to finance import of Heat Exchanger. The facility will expire on 31-12-2018 including 6 months grace period and principal is to be repaid in 6 quarterly installments of Rs.16.67 million. The facility of LC-Sight and its sub limit of demand finance are secured against 1st charge of Rs.134 million over all present and future fixed assets (hypothecation/Mortgage) of the company, lien of import documents and personal guarantees of all Directors. All these facilities also include commitment of sponsoring directors through pledge of shares.

2018 Rupees	2017 Rupees
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8.2 LOANS FROM RELATED PARTIES - UNSECURED

Directors & shareholders loan	8.2.1	1,515,674,892	516,729,322
		<u>1,515,674,892</u>	<u>516,729,322</u>

- 8.2.1** The directors have personally financed a portion of the expansion project and the loan is interest free. The repayment of the loan will be made after the completion of the expansion project subject to availability of funds.

- 8.3** This include markup free loan from associate companies i.e. Poly Paper & Board Mills (Pvt.) Limited of Rs. 34.3 million, Zaman Paper & Board Mills (Pvt.) Limited of Rs.10.153 million and Flying Paper Industries Limited Rs.35.148 million.

2018 Rupees	2017 Rupees
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9 LONG TERM DEPOSITS- unsecured

Dealers	9.1	2,805,000	2,805,000
Transporters	9.2	11,200,340	10,700,340
		<u>14,005,340</u>	<u>13,505,340</u>

- 9.1** These represents interest free security deposits from stockist and are repayable on cancellation of dealership or cessation of business. These are being utilized by the company in accordance with agreed terms.

- 9.2** These represents interest free security deposits from transporters and are repayable on cancellation of dealership or cessation of business. These are being utilized by the company in accordance with agreed terms.

2018 Rupees	2017 Rupees
----------------	----------------

10 DEFERRED LIABILITIES

Deferred Taxation	10.1	591,449,982	592,551,445
Gratuity	10.2	963,735	844,520
		<u>592,413,717</u>	<u>593,395,965</u>

10.1 Deferred Taxation - Net

Taxable temporary differences - effect thereof			
- Excess of accounting book value of fixed assets over their tax base		1,171,096,295	1,172,040,356
Deductible temporary differences - effect thereof			
- Gratuity		(289,121)	(253,356)
- Excess Tax / Minimum Tax		(39,632,839)	(33,809,723)
- WPPF & WWF		(9,521,641)	(7,668,120)
- Unused tax losses		(530,202,712)	(537,757,712)
		<u>591,449,982</u>	<u>592,551,445</u>

	2018 Rupees	2017 Rupees
10.2 The amounts recognized in the statement of financial position based on the recent actuarial valuation carried on June 30, 2018 are as follows		
10.2.1 Present value of defined benefit obligation	963,735	844,520
10.2.2 Changes in the present value of defined		
Benefit obligation are as follows:		
Balance as at July 1	844,520	651,940
Charge for the year	282,785	268,547
Remeasurement loss/ (gain) recognised in other comprehensive income	(39,870)	(75,967)
	1,087,435	844,520
Payment made during the year	(123,700)	-
	963,735	844,520
10.2.3 Charge for the year recognised in the profit or loss is as follows:		
Current service cost	210,388	209,872
Finance cost	72,397	58,675
Total amount chargeable to profit and loss account	282,785	268,547
10.2.4 The charge for the year has been allocated as follows:		
Cost of sales	-	-
Distribution cost	-	-
Administrative expenses	282,785	268,547
Cost of sale of electricity	-	-
	282,785	268,547
10.2.5 Principal actuarial assumptions used are as follows:		
Expected rate of increase in salary level	8.00%	8.25%
Valuation discount rate	9.00%	9.25%
10.2.6 Sensitivity analysis		
A sensitivity analysis for the above principal actuarial assumptions as of the statement of financial position date showing how the defined benefit obligation would have been affected by changes in the said assumptions is as follows:		
Discount rate +1%	(62,851)	
Discount rate -1%	70,432	
Long term salary increases +1%	71,890	
Long term salary increases -1%	(65,292)	
10.2.7 Maturity profile of the defined benefit obligation:		
Weighted average duration - in number of years	7 Years	
The retirement will at most continue - year	2025	
10.2.8 Description of the risks to the Company		
The defined benefit plan exposes the Company to the following risks:		
Mortality risks - The risk that the actual mortality experience is different. The effect depends on the beneficiaries service/age distribution and the benefit.		
Final salary risks - The risk that the final salary at the time of cessation of service is different than what was assumed. Since the benefit is calculated on the final salary, the benefit amount changes similarly.		
Withdrawal risks - The risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service/age distribution and the benefit.		
11 TRADE AND OTHER PAYABLES		
Trade Payables	309,108,684	1,618,121,569
Accrued liabilities	6,772,300	5,805,680
Taxes and Other Govt. Levies payable	153,106,693	80,739,152
Other liabilities	1,743,088	1,743,088
Payable Director, Shareholders	1,210,556,920	-
	1,681,337,685	1,706,409,489

The director paid from their own sources and adjusted different creditors out standing in the company account at Rs.1,210,556,920.

12 SHORT TERM FINANCES

Loans from banking companies-secured

12.1

2018 Rupees	2017 Rupees
705,597,637	81,052,367
-	-
705,597,637	81,052,367

12.1 LOANS FROM BANKING COMPANIES-SECURED

Banks - secured

Albaraka Islamic Bank

12.1.1

163,034,936

4,323,909

National Bank of Pakistan

12.1.2

442,562,701

76,728,458

National Bank of Pakistan (Cash Finance)

100,000,000

-

705,597,637	81,052,367
-	-
705,597,637	81,052,367

12.1.1 A letter of credit facility usance / acceptance 180 days of Rs. 22.50 million (2017: Rs. 42.50 million) is obtained from Albaraka Islamic Bank (Pakistan)

Limited with a sub limit of letter of guarantee of Rs. 0.20 million (2017: Rs. 0.20 million), Rs 20 Million LC Usance / Acceptance facility against 100% Cash Margin, Rs 50 Million LC Sight/Usance clubbed with similar credit limit of Flying Paper Industries Limited, Rs 235 Million LC Usance/Acceptance (OTT) to meet the contractual and import requirements of the company. The finance is secured against Ranking charge over current assets of the company valuing Rs. 144 million, Ranking charge over Fixed assets of the company valuing Rs.300 million, lien over import documents valuing Rs. 277.5 million and personal guarantee of all Directors of the company. Mark-up is charged as per bank's Schedule of charges.

12.1.2 During the year Company has enhanced financing from National Bank of Pakistan through letter of credit facility of usance (180 Days) to Rs. 700 million (wherein Rs 400 Million is OTT and Rs 300 Million is regular limit) from 300 million at 20% Cash Margin with expiry of 31-03-2019 for the purpose of importing coal, packing material and machinery parts to be repaid through internal Cash Flows routed through Sinking Fund created for the purpose. The facility is secured against 1st charge of Rs.934 million over all present and future fixed assets of the Company, personal guarantees of all Directors, Accepted Bills of Exchange and Trust Receipt.

The Company has availed facility of letter of credit-sight limited of Rs.100 million with nil cash margin and markup payable as per schedule of charges of the bank to import Heat Exchanger.

The Company has availed facility of demand finance as a sub-limit to LC-Sight at nil cash margin with a markup of 3 month KIBOR plus 1.5% p.a to finance import of Heat Exchanger. The facility will expire on 31-12-2018 including 6 months grace period and principal is to be repaid in 6 quarterly installments of Rs.16.67 million. The facility of LC-Sight and its sub limit of demand finance are secured against 1st charge of Rs.134 million over all present and future fixed assets (hypothecation/Mortgage) of the company, lien of import documents and personal guarantees of all Directors.

All these facilities also include commitment of sponsoring directors through pledge of shares.

The Company has availed facility of Demand finance of Rs.1,500 million with sub-limit of Import LC-Sight from National Bank of Pakistan at 25% Margin over Fixed Assets secured against 1st charges of Rs.2,000 million over all present and future fixed assets (Hypothecation/Mortgage) of the company and personal guarantees of all directors to finance up gradation of production capacity to 4000 tons per day (TPD) from 2000 TPD.

The facility includes a grace period of one year and principal to be repaid in 16 quarterly installments of Rs.93.75 million each.. The first installment falls due at the end of 15th month from lodgment of Import documents. Markup shall be charges at 3 Months KIBOR plus 1.5% p.a

Sub-limit of LC-Sight includes facility of Rs.1,450 million against nil Cash Margin to finance import requirement for up-gradation of production capacity to 4000 TPD from 2000 TPD secured against lien on documents of title to Goods and same security packages and sponsor commitment as for Demand finance facility. The facility will expire on sight and repayment against the facility will be through disbursement of demand finance / own source of company.

Fresh Cash Finance - Hypo Facility for Rs 100 M to Finance working capital requirement of the company against First Pari Passu charge of the company amounting to Rs 133.50 Million, First Charge over fixed assets of the company amounting to Rs 133.50 Million and personal guarantees of all Directors.

13 CONTINGENCIES AND COMMITMENTS**13.1 Contingencies**

13.1.1 The Albaraka Islamic Bank has issued letter of guarantees on behalf of the company for the following:

- Excise Collection Office, Sindh Development & Maintenance amounting to Rs. 0.20 million

13.2 The Competition Commission of Pakistan (CCP) has issued a show cause notice to the company for an increase in prices of cement across the country. As a result of it an amount of Rs. 12 million was imposed as a penalty. The case is currently before the Honorable High Court. The Court granted the stay order restricting the CCP to pass any adverse order(s) against the show cause notices issued to the cement manufacturers.

13.3 Sales tax audit was conducted in 2015 and an impugned liability of Rs. 40.9 million was determined out of which Rs. 20 million has been deposited by the company under protest. The company feeling aggrieved filed an appeal before appellate tribunal which is pending yet and is likely to be decided in favour of the company.

14 PROPERTY, PLANT & EQUIPMENT

		2018 Rupees	2017 Rupees
Operating Assets - tangible	14.1	4,556,392,342	4,641,202,214
Capital Work in Progress - at cost	14.5	2,083,369,344	995,691,251
		6,639,761,686	5,636,893,465

14

Particulars	Cost / Revaluation				Rate %	Accumulated Depreciation				Book value as at 30-06-2018
	As at 01-07-2017	Addition/ (Deletion)	Adjustment	As at 30-06-2018		As at 01-07-2017	Adjustment	For the period	As at 30-06-2018	
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	
Owned Assets										
Land - freehold	6,276,246	4,485,000	-	10,761,246		-	-	-	-	10,761,246
Revaluation	114,261,254	-	-	114,261,254		-	-	-	-	114,261,254
	120,537,500	4,485,000	-	125,022,500		-	-	-	-	125,022,500
Building-on freehold land					2					
Revaluation	292,730,850	-	-	292,730,850		78,123,989	-	4,292,137	82,416,126	210,314,724
	287,101,651	-	-	287,101,651	2	57,210,357	-	4,597,826	61,808,183	225,293,468
	579,832,501	-	-	579,832,501		135,334,346	-	8,889,963	144,224,309	435,608,192
Roads	5,514,865	-	-	5,514,865	2	1,527,071	-	79,756	1,606,827	3,908,038
Plant & machinery										
Revaluation	2,503,783,127	-	-	2,503,783,127	2	421,756,906	-	41,640,524	463,397,430	2,040,385,697
	2,458,637,095	-	-	2,458,637,095	2	489,929,292	-	39,374,156	529,303,448	1,929,333,647
	4,962,420,222	-	-	4,962,420,222		911,686,198	-	81,014,680	992,700,878	3,969,719,344
Electrical installations	21,686,785	286,000	-	21,972,785	10	10,108,991	-	1,157,779	11,266,770	10,706,016
Tools & equipment	1,391,363	-	-	1,391,363	10	830,139	-	56,122	886,261	505,102
Furniture, fixtures & equipment	1,524,309	-	-	1,524,309	10	1,072,874	-	45,144	1,118,018	406,291
Vehicles	23,443,385	2,548,000	-	25,991,385	10	14,589,097	-	885,429	15,474,526	10,516,859
Total	5,716,350,930	7,319,000	-	5,723,669,930		1,075,148,716	-	92,128,873	1,167,277,589	4,556,392,342

14.1 Depreciation for the year has been allocated as under:

	2018	2017
	Rupees	Rupees
Cost of Goods Sold	91,198,300	90,739,685
Administrative expenses	930,573	1,148,855
	92,128,873	91,888,540

14.1

Particulars	Cost / Revaluation				Rate %	Accumulated Depreciation				Book value as at 30-06-2017 Rs.
	As at 01-07-2016	Addition/ (Deletion)	Adjustment	As at 30-06-2017		As at 01-07-2016	Adjustment	For the period	As at 30-06-2017	
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	
Owned Assets										
Land - freehold	6,276,246	-	-	6,276,246		-	-	-	-	6,276,246
Revaluation	114,261,254	-	-	114,261,254		-	-	-	-	114,261,254
	120,537,500	-	-	120,537,500		-	-	-	-	120,537,500
Building-on freehold land	292,730,850	-	-	292,730,850	2	73,744,257	-	4,379,732.00	78,123,989	214,606,861
Revaluation	287,101,651	-	-	287,101,651	2	52,518,698	-	4,691,659.00	57,210,357	229,891,294
	579,832,501	-	-	579,832,501		126,262,955	-	9,071,391.00	135,334,346	444,498,155
Roads	5,514,865	-	-	5,514,865	2	1,445,687	-	81,384.00	1,527,071	3,987,794
Plant & machinery	2,538,783,127	-	(35,000,000)	2,503,783,127	2	403,283,204	(24,016,629)	42,490,332.00	421,756,907	2,082,026,220
Revaluation	2,458,637,095	-	-	2,458,637,095	2	449,751,582	-	40,177,710.00	489,929,292	1,968,707,803
	4,997,420,222	-	(35,000,000)	4,962,420,222		853,034,786	(24,016,629)	82,668,042.00	911,686,199	4,050,734,023
Electrical installations	18,827,285	2,859,500	-	21,686,785	10	8,951,431	-	1,157,560.00	10,108,991	11,577,795
Tools & equipment	1,391,363	-	-	1,391,363	10	767,781	-	62,358.00	830,139	561,224
Furniture, fixtures & equipment	1,524,309	-	-	1,524,309	10	1,022,715	-	50,159.00	1,072,874	451,435
Vehicles	23,443,385	-	-	23,443,385	10	13,605,287	-	983,810.00	14,589,097	8,854,288
Total	5,748,491,430	2,859,500	(35,000,000)	5,716,350,930		1,005,090,642	(24,016,629)	94,074,704	1,075,148,717	4,641,202,214

2017 Rupees	2016 Rupees
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14.2 Depreciation for the year has been allocated as under:

Cost of Goods Sold	93,040,734	90,739,685
Administrative expenses	1,033,969	1,148,855
	<u>94,074,703</u>	<u>91,888,540</u>

14.3 Particulars of assets

Particulars of assets	Cost	Accumulated Depreciation	Book Value	Sales proceeds
Generator	35,000,000	24,016,629	10,983,371	9,520,000
	<u>35,000,000</u>	<u>24,016,629</u>	<u>10,983,371</u>	<u>9,520,000</u>

Gain / (Loss)	Mode of disposal
(1,463,371)	Negotiation
<u>(1,463,371)</u>	

14.4 Had there been no revaluation the carrying amount of the assets would be:

Land	10,761,246	6,276,246
Building	210,314,724	214,606,861
Plant & Machinery	2,040,385,697	2,082,026,221
	<u>2,261,461,667</u>	<u>2,302,909,328</u>

14.5 CAPITAL WORK IN PROGRESS

Building	167,274,390	113,132,700
Plant & machinery	1,916,094,954	882,558,551
	<u>2,083,369,344</u>	<u>995,691,251</u>

15 LONG TERM SECURITY DEPOSITS

Security deposits-WAPDA	31,416,883	18,593,160
	<u>31,416,883</u>	<u>18,593,160</u>

15.1 These are security deposits held with WAPDA and do not carry any markup arrangement.

16 STORES, SPARES AND LOOSE TOOLS

Stores & Spares	8,671,151	9,759,028
Furnace oil, coal & lubricants	719,317,413	428,276,159
	<u>727,988,564</u>	<u>438,035,187</u>

17 STOCK IN TRADE

Raw & Packing material	20,742,954	19,833,727
Work in process	22 284,575,094	188,257,571
Finished goods	22 11,544,372	2,064,177
	<u>316,862,420</u>	<u>210,155,475</u>

18 TRADE DEBTS- considered good though unsecured

<u>8,590,135</u>	<u>3,429,583</u>
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19 ADVANCES, DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES

Advances to suppliers - Unsecured, considered good	329,160,936	72,927,548
Advances to staff - Unsecured, considered good	331,400	376,400
Margin held by banks	186,641,873	90,984,169
Advance income tax	417,359,250	304,492,086
Sales tax & excise duty tax year 2013	20,000,000	20,000,000
Other advances	968,539,308	417,917,996
	<u>1,922,032,767</u>	<u>906,698,199</u>

20 CASH AND BANK BALANCES

In Hand	2,847,150	4,662,383
At Banks- current accounts	112,034,913	10,437,342
	<u>114,882,063</u>	<u>15,099,725</u>

		2018 Rupees	2017 Rupees
21 SALES			
Gross Sales			
Local - Cement		4,335,489,989	3,452,058,357
Material Transferred to Associate		-	14,938,622
		4,335,489,989	3,466,996,979
Less :			
Sales Tax		743,480,981	590,439,616
Excise Duty		672,107,250	397,273,000
Rebate/Commission on Sales		9,540,359	9,059,600
		1,425,128,590	996,772,216
NET SALES		2,910,361,399	2,470,224,763
22 COST OF SALES			
Raw Material Consumed		203,532,297	83,235,912
Furnace Oil, Diesel, Coal and Lubricants consumed		1,124,893,843	801,799,441
Packing Material consumed		262,233,742	188,264,866
Stores and Spares consumed		3,561,462	7,983,451
Material Transferred to Associate		-	12,768,053
Salaries , Wages and Benefits		64,661,963	56,455,675
Water Charges		1,284,564	1,213,467
Electricity		955,114,072	966,694,691
Extraction Charges		45,470,990	35,725,500
Repair and Maintenance		2,885,085	2,332,774
Vehicle Running Expenses		2,398,343	3,137,004
Communication		119,180	208,056
Entertainment		71,310	69,897
Printing and Stationery		43,950	48,835
Travelling and Conveyance		243,340	332,140
Other Manufacturing Expenses		1,561,713	2,700,300
Depreciation	14.2	91,198,300	93,040,734
		2,759,274,154	2,256,010,796
Work In Process			
Opening stock		188,257,571	197,470,634
Closing stock		(284,575,094)	(188,257,571)
		(96,317,523)	9,213,063
Cost of Goods Manufactured		2,662,956,631	2,265,223,859
Finished Goods			
Opening stock		2,064,177	3,708,277
Closing stock		(11,544,372)	(2,064,177)
		(9,480,195)	1,644,100
Cost of Sales		2,653,476,436	2,266,867,959

23 DISTRIBUTION COST

	2018 Rupees	2017 Rupees
Salaries , Wages and Benefits	6,861,794	5,652,542
Rent, Rates and Taxes	220,400	165,000
Travelling, Conveyance and Vehicle Running	57,294	23,030
Communication	43,410	30,938
Electricity, Water & Sui Gas	18,736	16,147
Advertisement	98,750	148,878
Entertainment & Miscellaneous	13,891	22,718
	7,314,275	6,059,253

24 ADMINISTRATIVE EXPENSES

		2018 Rupees	2017 Rupees
Salaries , Wages and Benefits	24.1	7,911,532	6,459,124
Directors' Remuneration		22,800,000	17,100,000
Travelling, Conveyance and Vehicle Running		3,092,530	2,321,125
Legal and Professional		2,494,400	2,129,000
Communication		2,869,121	2,242,036
Charity and Donation	24.2	272,100	285,950
Fee and Subscription		2,229,520	3,124,843
Insurance		3,880,949	2,373,638
Fine & Penalties		-	2,274,309
Depreciation	14.2	930,573	1,033,969
		46,480,725	39,343,994

24.1 Salaries , Wages and Benefits includes Rs.282,785/- (2017: Rs. 219,378/-) in respect of gratuity.

24.2 The company has paid the charity and donation of Rs. 272,100/-(2017: Rs.285,950/-) and directors or their spouses were not interested in the donee.

25 OTHER EXPENSES

	2018 Rupees	2017 Rupees
Workers' Profit Participation Fund	12,512,492	10,667,094
Workers' Welfare Fund	4,333,003	3,794,057
Auditors' Remuneration	970,000	902,000
	17,815,495	15,363,151

25.1 Auditors' Remuneration

Audit Fee	700,000	650,000
Half yearly review and CCG certification	220,000	202,000
Out of pocket expenses	50,000	50,000
	970,000	902,000

26 FINANCE COST

Mark up	42,105,696	6,676,335
Bank Charges and Commission	1,759,747	1,407,938
	43,865,443	8,084,273

27 OTHER INCOME

Loss on disposal of fixed assets	-	(1,463,371)
Sale of Trees & Scrap	71,602,770	65,837,962
Creditors written off (Over Three Years)	20,122,554	-
	91,725,324	64,374,591

28 TAXATION

Prior	13,095,184	4,717,067
Current	39,632,839	33,809,723
	52,728,023	38,526,790
Deferred	(11,01,463)	(901,915)
	51,626,560	37,624,875

28.1 Numerical reconciliation between the average tax rate and applicable tax rate has not been presented as the company is subject to the provisions of minimum tax under section 113 and alternate corporate tax under section 113 C of the Income Tax Ordinance, 2001.

28.2 The applicable income tax rate for subsequent years beyond tax year 2017 was reduced to 30% on account of changes made to the Income Tax Ordinance, 2001 through Finance Act 2015. Therefore, deferred tax is computed at the rate of 30% applicable to the period when temporary differences are expected to be reversed / utilized.

29 EARNINGS / (LOSS) PER SHARE-BASIC

There is no dilutive effect on the earnings per share, and basic earnings per share is based on:
Profit/(Loss) before taxation

2018 Rupees	2017 Rupees
----------------	----------------

233,184,349	198,880,723
-------------	-------------

Profit / (Loss) after taxation

181,507,789	161,255,848
-------------	-------------

(No. of shares)

Weighted average number of ordinary shares

176,000,000	176,000,000
-------------	-------------

(Rupees)

29.1 Earnings/(Loss) per share (before tax) - Basic

1.32	1.13
------	------

29.2 Earnings/(Loss) per share (after tax) - Basic

1.03	0.92
------	------

30 NUMBER OF EMPLOYEES

Total number of employees at the end of year.

335	305
-----	-----

Average number of employees during the year.

315	295
-----	-----

31 RELATED PARTIES TRANSACTIONS

Related parties of the company comprise associated undertakings, directors, key employees and management personnel. Detail of transactions with related parties except remuneration and benefits to directors and management personnel under their terms of employment, are as under:

Nature of transaction

Purchase of goods, services

Relationship

2018 Rupees	2017 Rupees
----------------	----------------

Flying Paper Industries Limited

Associate

184,683,551	76,372,185
-------------	------------

Flying Board & Paper Products Limited

Associate

96,763,791	93,701,588
------------	------------

281,447,342	170,073,773
-------------	-------------

Nature of transaction

Sales of goods, services

Relationship

Flying Board & Paper Products Limited

Associate

-	12,768,053
---	------------

-	12,768,053
---	------------

31.1 Year end balances

Payable to related parties.

8.3

83,869,599	62,660,341
------------	------------

Receivable from related parties

64,832,734	48,232,384
------------	------------

31.2 All transactions with related parties have been carried out on commercial terms and conditions.

32 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOW ARISING FROM FINANCING ACTIVITIES

	Short term running finance used for cash management purposes	Long term loan	Accrued markup	Share Capital	Retained earnings	Total
Balance as on July 01, 2017	81,052,367	1,063,501,913	-	1,760,000,000	479,767,158	3,384,321,438
Change from financing cash flow						
Repayment of loan						-
Finance cost paid for the year			(43,865,443)			(43,865,443)
Dividend paid						-
Total changes from financing flows	81,052,367	1,063,501,913	(43,865,443)	1,760,000,000	479,767,158	3,340,455,995
Other Changes						
Liability related						
Increase in short term running finance	624,545,270	1,746,267,731				2,370,813,001
Finance cost expense for the year			43,865,443			43,865,443
Total liability related other changes	624,545,270	1,746,267,731	43,865,443	-	-	2,414,678,444
Equity related						
Total comprehensive income for the year					212,328,046	212,328,046
change in unclaimed dividend						-
Total equity related other changes	-	-	-	-	212,328,046	212,328,046
Balance as on June 30, 2018	705,597,637	2,809,769,644	-	1,760,000,000	692,095,204	5,967,462,485

33 FINANCIAL RISK MANAGEMENT

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls, and to monitor the risks and adherence to the limits. Risk management policies and systems are regularly reviewed 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.

The Board of Directors of the Company oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risk faced by the Company. The Board is assisted in its oversight role by Internal Audit Function. Internal Audit Function undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

33.1 Credit risk

The company's Credit risk exposures are categorized under the following heads:

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

	2018 Rupees	2017 Rupees
Trade debtors	8,590,135	3,429,583
Advances, deposits, prepayments and other receivables	1,155,512,581	509,278,565
Cash at banks	112,034,913	10,437,342
	1,276,137,629	523,145,490

The trade debts at the balance sheet date are all domestic debts.

The aging of trade receivables at the reporting date:

Not past due	2,233,435	891,692
Past due 1-30 days	3,178,350	1,268,946
Past due 31-60 days	1,889,830	754,508
Past due 61-90 days	773,112	308,662
Over 90 days	515,408	205,775
	8,590,135	3,429,583

Based on historic records, the company believes that no impairment allowance in respect of loans and receivables is required.

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. The Company's approach to manage liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due. The Company is not materially exposed to liquidity risk as substantially obligations / commitments of the Company are short term in nature and are restricted to the extent of available liquidity. In addition, the Company has obtained finance facilities from various commercial banks to meet any deficit, if required to meet the short term liquidity commitments.

The Table below show :-

At June 30 , 2018

	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
Long term finances	2,488,651,045	2,488,651,045	-	-	-	2,488,651,045
Trade and other payables	317,674,072	317,674,072	317,674,072	-	-	-
Accrued Markup	-	-	-	-	-	-
Short term borrowings	705,597,637	705,597,637	705,597,637	-	-	-
	3,511,922,754	3,511,922,754	1,023,271,709	-	-	2,488,651,045

At June 30 , 2017

	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
Long term finances	1,000,841,572	1,000,841,572	-	-	-	1,000,841,572
Trade and other payables	1,625,670,337	1,625,670,337	1,625,670,337	-	-	-
Accrued Markup	6,600,628	6,600,628	6,600,628	-	-	-
Short term borrowings	81,052,367	81,052,367	81,052,367	-	-	-
	2,714,164,904	2,714,164,904	1,713,323,332	-	-	1,000,841,572

33.3 Market Risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company is exposed to currency risk and interest rates only.

33.3.1 Interest rate risk

At the reporting date the interest rate profile of the Company's interest bearing financial instruments were:

	Effective rate in %		Carrying Amount (Rupees)	
	2018	2017	2018	2017
Financial Liabilities				
Variable Rate instruments:				
Short term borrowings	8.42	7.62	705,597,637	81,052,367
Long term borrowings	8.42	7.64	1,210,225,153	484,112,250
			-	-

33.3.1.1 Fair value sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore a change in interest rate at the reporting date would not affect profit and loss account.

33.3.1.2 Cash flow sensitivity analysis for various rate instruments

A change of 100 basis points in interest rate at the reporting date would have increased / (decreased) profit or loss by amount shown below. This analysis assumes that all other variables, in a particular foreign currency rate (if any), remains constant. The analysis is performed on the same basis as for the previous year:-

	Rupees	Rupees
	Increase Profit	Decrease Profit
As at June 30, 2018	19,158,228	(19,158,228)
As at June 30, 2017	5,651,646	(5,651,646)

The sensitivity analysis prepared is not necessarily indicative of the effect on profit / (loss) for the year and assets / liabilities of the company.

33.3.2 Price risk

Price risk is 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). The company is not exposed to any price risk as there are no financial instruments at the reporting date that are sensitive to price fluctuations.

33.3.3 Currency Risk

Foreign currency risk is the risk that the value of financial assets or liabilities will fluctuate due to change in foreign exchange rates. It arises mainly where receivable and payable exist due to transactions entered into foreign currencies. The company is exposed to currency risk on import of machinery mainly dominated in US dollars. The Company's exposure to foreign currency risk for US dollars is as follows:

	2018 Rupees	2017 Rupees
Outstanding letter of credits	605,597,637	81,052,367
Average rate	112.44	104.95
Reporting date rate	121.50	106.85

33.3.3.1 Sensitivity Analysis

At reporting date, if the PKR had strengthened by 10% against the foreign currencies with all other variables held constant, post-tax profit for the year would have been higher by the amount shown below, mainly as a result of net foreign exchange gain on translation of outstanding letter of credits.

The effect on profit and loss account is	60,559,764	8,105,237
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The weakening of PKR against foreign currencies would have an equal but opposite impact on the post tax profit. The sensitivity analysis prepared is not necessarily indicative of the effects on (loss)/profit for the year and assets/liabilities of the Company.

33.4 Fair values of the financial instruments

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

34 Capital Risk Management

The Company's prime objective when managing capital is to safeguard its ability to continue as going concern in order to provide adequate returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust capital structure, the company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as debt divided by total capital employed. Total capital employed is calculated as equity as shown in the balance sheet plus debt.

	2018 Rupees	2017 Rupees
Total Borrowings	3,194,248,682	1,081,893,939
Total Equity	2,452,130,204	2,239,767,158
Total Capital Employed	5,646,378,886	3,321,661,097
Gearing Ratio	56.57%	32.57%

35 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Executive Directors		Non Executive Directors		Executives	
	2018	2017	2018	2017	2018	2017	2018	2017
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Managerial remuneration	876,000	876,000	8,727,273	6,545,400	12,000,000	9,000,000	5,236,000	4,050,000
Medical allowance	87,600	87,600	872,727	654,600	1,200,000	900,000	523,600	405,000
	963,600	963,600	9,600,000	7,200,000	13,200,000	9,900,000	5,759,600	4,455,000
Number of persons	1	1	1	1	2	2	12	10

35.1 No amount was paid to directors for attending the Board of Directors meeting.

36 PRODUCTION CAPACITY

	Installed Capacity		Actual production	
	2018	2017	2018	2017
	Tons	Tons	Tons	Tons
Clinker	686,000	600,000	503,379	374,033
Cement	720,000	600,000	527,850	396,992

Reason for shortfall

The major reason of short fall in production vis-à-vis production capacity is due to old Plant & Machinery causing frequent break down of the Plant. Further frequent long load shedding of Electricity also augmented the short fall of the production.

2018	2017
Rupees	Rupees

37 CASH AND CASH EQUIVALENTS

Cash & Bank balances	114,882,063	15,099,725
Short term finances	(705,597,637)	(81,052,367)
	(590,715,574)	(65,952,642)

38 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 05, 2018 by the board of directors of the company.

39 GENERAL

- Figures in the financial statements have been rounded off to the nearest rupee.
- Corresponding figures have been rearranged and reclassified, wherever necessary, for the purposes of comparison.



Momin Qamar
Director



Agha Hamayun Khan
Chief Executive



Muhammad Jamil
Chief Financial Officer

Operating and Financial Data

Particulars	2018	2017	2016	2015	2014	2013
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(Restated)**Operating Results (Rs.)**

Net Sales	2,910,361,399	2,470,224,763	2,475,777,927	2,222,797,816	2,064,569,791	841,229,501
Gross Profit / (Loss)	256,884,963	203,356,804	166,714,477	119,612,703	105,978,256	(5,151,382)
Pre tax profit / (loss)	233,184,349	198,880,723	195,334,906	188,375,282	151,341,885	29,750,399
After tax profit / (loss)	181,542,789	161,255,848	145,696,468	117,134,811	100,358,339	11,117,733

Financial Position (Rs.)

Current Assets	3,090,355,949	1,573,418,169	1,018,604,825	895,760,306	736,287,613	778,473,782
Current Liabilities	2,663,823,115	1,821,319,033	1,771,924,390	1,805,745,250	1,502,531,941	1,395,684,687
Property, Plant & Equipment	6,639,761,686	5,636,893,465	5,282,375,198	5,163,980,638	5,234,261,754	5,033,425,637
Total Assets	9,761,534,518	7,228,904,794	6,319,573,183	6,101,534,104	6,012,342,527	5,853,692,579
Long Term Liabilities	2,586,525,984	1,077,007,253	377,692,765	278,389,686	633,868,898	717,476,814
Shareholders Equity	2,452,130,204	2,239,767,159	2,047,026,785	1,869,218,800	1,720,824,278	1,588,864,796

Ratios (%)

Current Ratio	1.16	0.86	0.57	0.50	0.49	0.56
Debt to Equity Ratio	56.57%	32.57%	17.22%	13.75%	25.00%	33.39%
Gross Profit to Sale Ratio	8.83%	8.23%	6.73%	5.38%	5.13%	-0.61%
Net Profit to Sales Ratio (before tax)	8.01%	8.05%	7.89%	8.47%	7.33%	3.54%

Earnings Per Share (Rs.)

Basic (before tax)	1.32	1.13	1.11	1.07	0.86	0.17
Basic (after tax)	1.03	0.92	0.83	0.67	0.57	0.06

PATTERN OF SHAREHOLDING AS AT JUNE 30, 2018

No. of Shareholders	Having Shares		Total Shares Held
	From	To	
619	1	100	27195
379	101	500	161354
1303	501	1000	864561
605	1001	5000	1602440
132	5001	10000	1049534
47	10001	15000	600201
30	15001	20000	545200
20	20001	25000	483650
9	25001	30000	254500
6	30001	35000	195700
3	35001	40000	116500
6	40001	45000	255000
9	45001	50000	450000
4	50001	55000	210549
1	55001	60000	56000
2	60001	65000	125800
4	70001	75000	292000
2	80001	85000	170000
1	85001	90000	86500
1	90001	95000	91000
5	95001	100000	497500
1	105001	110000	105500
2	110001	115000	225500
2	120001	125000	250000
1	125001	130000	126000
1	140001	145000	140100
1	180001	185000	182000
1	265001	270000	270000
1	330001	335000	334000
2	425001	430000	860000
1	2160001	2165000	2160050
1	2650001	2655000	2651000
1	3510001	3515000	3510492
1	3645001	3650000	3647050
1	5035001	5040000	5039280
1	7005001	7010000	7009400
1	7230001	7235000	7230291
1	9180001	9185000	9180500
1	9995001	10000000	10000000
1	11055001	11060000	11055550
1	11080001	11085000	11082007
1	13800001	13805000	13804500
1	14830001	14835000	14834314
1	16795001	16800000	16799549
1	18295001	18300000	18297298
1	29070001	29075000	29070435
3216	Total		176000000

CATEGORIES OF SHAREHOLDERS AS AT JUNE 30, 2018

Particulars	Shareholders	Shares held	Percentage
Directors, CEO, Spouse & Children	8	83,942,504	47.6946
Banks, DFI, NBFIs	1	25,000	0.0142
Modarabas, Mutual Funds	1	5,000	0.0028
General Public (Local)	3144	91,001,322	51.7053
General Public (Foreign)	44	325,068	0.1847
Others	18	701,106	0.3984
Total	3216	176,000,000	100

**PATTERN OF SHAREHOLDING
ADDITIONAL INFORMATION AS AT JUNE 30, 2018**

SHAREHOLDERS CATEGORY **No. of Shares held**

DIRECTORS, CEO, THEIR SPOUSES AND MINOR CHILDREN

Mr. Muhammad Tawassal Majid	1500
Mr. Imran Chaudhry	500
Mr. Kamran Khan	14834314
Mr. Momin Qamar	29070435
Mr. Yousaf Kamran Khan	11082007
Mr. Qasim Khan	3647050
Mrs. Samina Kamran	18297298
Mrs. Misbah Momin (W/O Mr. Momin Qamar)	7009400

EXECUTIVES -

PUBLIC SECTOR COMPANIES AND CORPORATIONS -

BANKS, DEVELOPMENT FINANCIAL INSTITUTIONS, 25000
NON BANKING FINANCIAL INSTITUTIONS AND
INSURANCE COMPANIES.

*SHAREHOLDERS HOLDING 5% OR MORE 60840099
(other than those reported in Directors)

MUTUAL FUNDS 5000

OTHERS 701106

INDIVIDUALS	Local	30161223
	Foreign	325068
		<u>176000000</u>

***SHAREHOLDERS HOLDING 5% OR MORE**

Munaf Ibrahim	13804500
Umair Ammanullah	10000000
Bilal Qamar	11055550
Imran Qamar	16799549
Muhammad Zaman Ahmed Qamar	9180500

The CEO, Directors, CFO, Head of Internal Auditors, Company Secretary and their spouses and minor children have made no Sale/Purchase in the shares of company during the financial year ended June 30, 2018.

نوٹس | سالانہ اجلاس عام

فلاننگ سیمنٹ کمپنی لمیٹڈ کے اراکین کا پچیسواں (25واں) سالانہ اجلاس عام بروز جمعہ مورخہ 26 اکتوبر 2018ء بوقت صبح 10:00 بجے ہیون بینکویٹ ہال، 343-D-1، نیسپاک سوسائٹی، لاہور میں مندرجہ ذیل امور پر بحث کے لئے منعقد کیا جائے گا۔

1. 28 اکتوبر 2017ء کو منعقدہ 24 ویں اجلاس عام کی روئیداد کی توثیق کرنا۔
2. 30 جون 2018ء کو اختتام پذیر سال کے لئے کمپنی کی پڑتال شدہ سالانہ مالی اسٹیٹمنٹس بمعہ آڈیٹرز اور ڈائریکٹرز کی رپورٹ وصول کرنا اور ان کو زیر غور لانا اور اختیار کرنا۔
3. آئندہ مالی سال 2018-19 کے لئے کمپنی کے بیرونی آڈیٹرز کی تقرری اور ان کا مشاہیرہ طے کرنا۔
4. کمپنیز ایکٹ 2017ء کے سیکشن (1) 150 کے تحت بورڈ آف ڈائریکٹرز کی جانب سے مقرر کردہ کمپنی کے سات ڈائریکٹرز کا انتخاب کرنا۔ ریٹائر ہونے والے ڈائریکٹرز کے نام حسب ذیل ہیں:

محترم مومن قمر	محترم کامران خان
محترم قاسم خان	محترم یوسف کامران خان
محترم عمران چوہدری	محترمہ ثمنہ کامران
	محترم محمد توصل مجید

5. چیئرمین کی اجازت سے دیگر امور پر بحث کرنا۔
بحکم بورڈ

(محمد عظیم)

کمپنی سیکریٹری

لاہور، 05 اکتوبر 2018ء

مندرجات:

1. کمپنی کی شیئرز ٹرانسفر بکس 18 اکتوبر 2018ء سے 26 اکتوبر 2018ء تک (بشمول دونوں ایام) بند رہے گی تاکہ سالانہ اجلاس عام میں ووٹ کرنے کے لئے اراکین کی اہلیت کا تعین کیا جاسکے۔ شیئر رجسٹرار، میسرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، پہلی منزل، C-40 بلاک 6، PECHS کراچی، 75400 کو 17 اکتوبر 2018ء کو کاروباری اوقات ختم ہونے تک حسب ضابطہ موصول ٹرانسفرز کو سالانہ اجلاس عام میں شرکت کی اہلیت بروقت حاضری تصور کیا جائے گا۔
2. اجلاس میں شرکت اور ووٹ کرنے کا/کی اہل رکن اپنی جگہ شرکت اور ووٹ کرنے کے لئے اپنا پراکسی مقرر کر سکتا/سکتی ہے۔ ووٹ بذات خود یا پراکسی یا کاروباری ادارہ کی صورت میں اٹارنی کے ذریعے کیا جاسکتا ہے۔ اس صورت میں ہر لحاظ سے مکمل شدہ پراکسی کا انسٹرومنٹ اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ پتہ پر پہنچ جانا چاہئے۔ شیئر ہولڈر کے CNIC کی تصدیق شدہ نقل پراکسی فارم کے ساتھ منسلک ہو۔ اس صورت میں کمپنیز ایکٹ 2017ء کے سیکشن 137 کا اطلاق ہوگا۔
3. اجلاس میں شرکت کے وقت شیئر ہولڈر کو اپنی شناخت ثابت کرنے کے لئے اپنا اصلی کمپیوٹرائزڈ شناختی کارڈ بمعہ اکاؤنٹ کی تفصیلات پیش کرنا ہوں گی۔ کاروباری ادارہ کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ بمعہ نامزد شخص کے نمونہ کے دستخط (اگر یہ پہلے فراہم نہ کیا گیا ہو) بمعہ پراکسی فارم جمع کرانا ہوں گے۔
4. حصہ داران کو دوبارہ درخواست کی جاتی ہے کہ کارآمد شناختی کارڈ/ٹیکس نمبر جمع کروائیں۔
5. 31 مئی 2016ء کے مراسلہ نمبر SRO 470(I)/2016 کے تحت سالانہ رپورٹ کی کتاب/کاغذات کی شکل میں فراہمی کی بجائے شیئر ہولڈرز کو CD/DVD کے ذریعے رپورٹ ہذا ارسال کی جارہی ہے۔
6. 30 جون 2018ء کو اختتام پذیر سال مالی سال کے لئے سالانہ رپورٹ کمپنی کی ویب سائٹ www.flyingcement.com میں رکھ دی گئی ہے۔ تاہم، اگر کوئی شیئر ہولڈر سالانہ پڑتال شدہ مالی اسٹیٹمنٹ کی کاغذات کی شکل میں نقول حاصل کرنے کا خواہش مند ہو تو درخواست کی وصولی سے سات یوم کے اندر بالکل مفت فراہم کی جائیں گی۔

7. اراکین کی دوسرے شہر میں موجودگی اور وہاں سہولت دستیاب ہونے کی صورت میں ایسے اراکین ویڈیو کانفرنس کی سہولت حاصل کر سکتے ہیں۔ اس تناظر میں، مندرجہ ذیل وضع پر درخواست پر کر کے سالانہ اجلاس عام کے انعقاد سے 10 یوم قبل کمپنی کے رجسٹرڈ پتہ پر جمع کرائیں۔ ویڈیو کانفرنس کی سہولت صرف اسی صورت میں فراہم کی جائے گی اگر کمپنی 10 فی صد یا اس سے زائد کے مجموعی حصص کا حامل کسی دوسرے شہر میں قیام پذیر شیئر ہولڈر سے رضا مندی کی درخواست وصول کرے۔ سالانہ اجلاس عام کے انعقاد سے 5 یوم قبل کمپنی اس سہولت تک رسائی کے لئے ضروری معلومات کے ہمراہ مطلع کرے گی۔

میں/ہم.....فلاننگ سیمنٹ کمپنی لمیٹڈ کے رکن کی حیثیت سے رجسٹرڈ فلیو نمبر/CDC اکاؤنٹ نمبر/شراکت کے آئی ڈی نمبر.....کے تحت.....عمومی حصص کا/کے حامل ہونے پر.....شہر میں ویڈیو کانفرنس کی سہولت کے خواہش مند ہیں۔

دستخط شیئر ہولڈر

8. حصہ داران کمپنیز ایکٹ 2017ء زیر دفعہ b(1) 244 اطلاع دی جاتی ہے کہ لادعوی شیئر اور غیر منقسم ڈیپٹ کی مورخہ 30 مئی 2017ء اطلاع دے دی تھی اور ایک نوٹس برائے اطلاع عوام الناس کے لئے مشتہر کر دیا تھا۔

ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز آپ کو 30 جون، 2018ء کو اختتام پذیر سال کے لئے آپ کی کمپنی کی پچیسویں سالانہ رپورٹ کے ہمراہ حسب ضابطہ پڑتال شدہ مالی اسٹیٹمنٹ پیش کرتے ہوئی دلی خوشی محسوس کرتے ہیں۔

انڈسٹری کا جائزہ

سال 2017ء کے مقابلہ میں 30 جون 2018ء کو اختتام پذیر سال کے دوران سیمنٹ انڈسٹری میں سیمنٹ کی نمو میں 13.84 فیصد کا اضافہ ریکارڈ کیا گیا۔ سال 2017ء میں نصب صلاحیت کے 90.17 فی صد سیمنٹ انڈسٹری کے استعمال کے مقابلہ میں سال 2018ء کے دوران 92.82 فی صد رہا۔ 1992-93 سے صلاحیت کا یہ سب سے زیادہ استعمال ہے۔

کمپنی کا بڑا کام

آپ کی کمپنی کا بڑا کام سیمنٹ بنانا اور فروخت کرنا ہے۔

کاروباری کارکردگی

پیداوار اور فروخت کے حجم کی کارکردگی

تفصیلات	سال 2018	سال 2017	فیصد اضافہ
	(میٹرک ٹن)		
سیمنٹ کی پیداوار	527,850	396,992	32.96
سیمنٹ ڈسپینج	525,695	397,273	32.33

پیداوار اور فروخت میں فیصد اضافہ سال 2018ء میں سیمنٹ کی پیداوار میں زیادہ اضافہ ظاہر کرتا ہے۔

مالی کارکردگی

30 جون 2018ء کو اختتام پذیر سال کے لئے آپ کی کمپنی کے بنیادی مالی نتائج حسب ذیل ہیں:

تفصیلات	2018ء	2017ء
	(روپے ہزاروں میں)	
مجموعی فروخت	4,335,489	3,466,997
نفی: سیلز ٹیکس/ فیڈرل ایکسائز ڈیوٹی	1,425,129	996,772
خالص فروخت	2,910,360	2,470,225
مجموعی نفع	256,885	203,357
آپریٹنگ نفع	185,274	142,590
نفع بمعہ ٹیکس	233,134	198,881
خالص نفع علاوہ ٹیکس	181,508	161,256
فی حصص آمدنی	1.03 (روپے)	0.92 (روپے)

فی حصص آمدنی

سال 2017ء میں 0.92 روپے فی حصص آمدنی کے مقابلہ میں زیر جائزہ سال 2018ء کے لئے فی حصص آمدنی 1.03 روپے رہی۔

منافع منقسمہ

موزوں مالی استطاعت کی عدم دستیابی کی وجہ سے کمپنی نے منافع منقسمہ کا اعلان نہیں کیا۔

پلانٹ لائن-2 کی اپ گریڈیشن

کمپنی نے آئندہ برسوں میں سیمنٹ کی بڑھتی ہوئی طلب کو مد نظر رکھتے ہوئے سیمنٹ کی پیداواری صلاحیت کو 2,000 میٹرک ٹن سے 4000 میٹرک ٹن تک بڑھانے کا منصوبہ بنایا ہے۔ اس تناظر میں، انتظامیہ نے نیشنل بینک آف پاکستان سے قرض کا انتظام کیا ہے، تاہم ڈائریکٹرز نے اپنے ذرائع سے بھی رقوم فراہم کی ہیں۔

متعلقہ پارٹی لین دین

تمام متعلقہ پارٹی کے لین دین کو بڑی توجہ سے آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے پاکستان اسٹاک ایکسچینج لمیٹڈ کے PSX ضوابط کی تعمیل میں اوکینیز ایکٹ 2017ء کے سیکشن 208 کی روشنی میں نظر ثانی کی ہے اور منظوری دی ہے۔

بنیادی خدشات

پلانٹ کی بلا روک ٹوک روانی کے لئے بجلی کی مسلسل فراہمی انتہائی ضروری ہے۔ ملک میں توانائی نظام کی تجدید ہمیشہ خطرات کے گھیرے میں رہی اور کافی عرصہ سے پیداوار، تقسیم اور آلات کی تجدید نہیں ہو رہی اس لئے پلانٹ کو بجلی کی فراہمی سب سے بڑا خدشہ ہے۔

سیمنٹ انڈسٹری میں مارکیٹنگ، تقسیم اور اجارہ دار موجود ہیں۔ جو منڈیوں کی غیر ضروری بندش اور سیمنٹ کی قیمتوں میں کمی سیمنٹ کے دیگر صنعتوں کو کنٹرول کرنے کا ذریعہ ہیں جو سیمنٹ کے چھوٹے صنعت کاروں کے لئے غیر موزوں ہیں۔

ماحول پر کمپنی کے کاروبار کا اثر

سیمنٹ کے کاروبار کا ماحول پر سب سے بڑا اثر یہ ہے کلنکر کی تیاری کے دوران ذرات اور دھول جو سانس لیتے وقت جسم میں داخل ہوتے جو موذی جان لیوا بیماری سلی کو سز کا باعث بنتے ہیں۔ پلانٹ سے اٹھنے والے گرد ذرات کے تدارک کے لئے انتظامیہ نے ماحولیاتی مسائل کو کم کرنے کی غرض سے کئی اقدامات کئے ہیں۔ کمپنی نے گرد کو ختم کرنے کے آلات نصب کئے ہیں جن میں ڈسٹ سائیکلون بیگ ہاؤس، ذاتی حفاظتی سامان، سپیڈ لمٹ کنٹرولز اور شجر کاری شامل ہیں۔ سائیٹ پر صحت مند ماحول کے لئے کمپنی نے ہزاروں درخت لگائے ہیں۔

کارپوریٹ سماجی ذمہ داری

کمپنی کے ڈائریکٹرز معاشرے کے لئے اپنی اخلاقی ذمہ داری سے بخوبی آگاہ ہیں۔ کمپنی نے مرکزی دفتر کے ملازمین، فیکٹری کے عملہ اور ملاقیوں کے لئے تین وقت کے کھانا کا انتظام کیا ہے۔ عملہ میں سے ہر سال 2 افراد حج کا فریضہ ادا کرتے ہیں، رمضان المبارک میں مستحق عملہ اور دیگر کو رمضان تکبیر دیئے جاتے اور معذور افراد کو ترجیحی نوکریاں بھی دی جاتی ہیں۔

وہسل بلونگ

انتظامیہ اس بات سے آگاہ ہے کہ بہتر وہسل بلونگ پلان کے استعمال سے اپنے ملازمین میں اپنا اعتماد بڑھا سکتی ہے اور شفاف اور منصفانہ عمل داری کو یقینی بنا سکتے ہیں۔ تمام ملازمین کو انتقام اور ہراساں کرنے سے محفوظ رکھا جاتا ہے اور کسی بھی ساتھی یا نگران کی جانب سے نامناسب، غیر اخلاقی یا غیر قانونی عمل کی صورت میں اعلیٰ انتظامیہ کو فوراً مطلع کریں۔

غیر ادا شدہ منافع منقسمہ اور لادعویٰ حصص

کمپنیز ایکٹ 2017ء کے سیکشن b(1) 244 کے تحت حصص داران کو ان کے آخری معلوم پتہ پر بھیجے گئے نوٹس کے نتیجہ میں صرف چند حصص داران نے موجودہ واجبات کے تحت لادعویٰ حصص کے اظہار پر غیر ادا شدہ منافع منقسمہ کی ملکیت کے لئے جواب دائر کیا ہے۔

بورڈ آف ڈائریکٹرز کی ترکیب

کمپنیز ایکٹ 2017ء کے سیکشن 227 کے تحت سالانہ رپورٹ میں شامل بورڈ آف ڈائریکٹرز کی ترکیب حسب ذیل ہے:

تعداد ڈائریکٹرز	تفصیل
6	مرد (a)
1	خواتین (b)

ترکیب

1	آزاد ڈائریکٹرز	(1)
5	نان ایگزیکٹو ڈائریکٹرز	(2)
1	ایگزیکٹو ڈائریکٹرز	(3)

بورڈ کمیٹی کے اراکین کے نام

آزاد ڈائریکٹر	رکن	محترم محمد توصل مجید
نان ایگزیکٹو ڈائریکٹر	چیئر مین	محترم کامران خان
نان ایگزیکٹو ڈائریکٹر	رکن	محترم یوسف کامران خان
نان ایگزیکٹو ڈائریکٹر	رکن	محترم قاسم خان
نان ایگزیکٹو ڈائریکٹر	رکن	محترم عمران چوہدری
نان ایگزیکٹو ڈائریکٹر	رکن	محترمہ ثمنہ کامران
ایگزیکٹو ڈائریکٹر	رکن	محترم مومن قمر

آڈٹ کمیٹی

آزاد ڈائریکٹر	چیئر مین	محترم محمد توصل مجید
نان ایگزیکٹو ڈائریکٹر	رکن	محترم قاسم خان
نان ایگزیکٹو ڈائریکٹر	رکن	محترم یوسف کامران خان

ہیومن ریسورس اینڈ ریمونریشن کمیٹی

آزاد ڈائریکٹر	چیئر مین	محترم محمد توصل مجید
نان ایگزیکٹو ڈائریکٹر	رکن	محترمہ ثمنہ کامران
نان ایگزیکٹو ڈائریکٹر	رکن	محترم یوسف کامران خان

چیئر مین کا جائزہ

چیئر مین کے جائزہ کو بورڈ آف ڈائریکٹرز نے بھی منظور کیا ہے۔

کوڈ آف کنڈیکٹ

کمپنی نے کوڈ آف کنڈیکٹ تشکیل دیا ہے جس کے تحت کمپنی کو بطریق احسن چلایا جائے گا۔

عملدرآمد اسٹیٹمنٹ

بورڈ آف ڈائریکٹرز نے عملدرآمد اسٹیٹمنٹ کی منظوری دے دی ہے جو کہ ساتھ منسلک ہے۔

ڈائریکٹرز کا مشاہرہ

کمپنی آزاد ڈائریکٹرز کو کوئی معاوضہ ادا نہیں کرے گی ماسوائے بورڈ اور کمیٹی اجلاس میں شرکت کے لئے میٹنگ فیس کے۔

اندرونی مالی کنٹرول و ابستگی

بورڈ آف ڈائریکٹرز نے اندرونی مالی کنٹرول کا موثر نظام قائم کیا ہے تاکہ کارکردگی میں نفاست، کمپنی کے اثاثہ جات کے تحفظ، لاگو قوانین و ضوابط کی تعمیل اور قابل بھروسہ مالی رپورٹنگ کو یقینی بنایا جاسکے۔

معیشت کا جائزہ

ملک میں انتخابات کا کامیاب انعقاد ہو چکا ہے اور نئی حکومت کو اختیارات کی منتقلی کا عمل بھی مکمل ہو چکا ہے۔ اس کا پاکستان کی معیشت پر مثبت اثر ہوا ہے۔ ملک کی غیر مستحکم معیشت کے باوجود، حکومت نے عوام کو 5 ملین کم قیمت رہائشی یونٹ فراہم کرنے کا منصوبہ بنایا ہے۔ جس کے نتیجے میں ہاؤسنگ کے شعبہ میں تعمیراتی سرگرمیوں میں اضافہ ہوگا۔ مزید برآں، CPEC منصوبوں پر نظر ثانی کے باوجود حکومت شرح نمو میں اضافہ کے لئے پرامید ہے نتیجتاً، آئندہ سالوں میں سیمنٹ کی طلب میں اضافہ بھی متوقع ہے۔ ایندھن کی قیمتوں میں استحکام، ڈالر اور روپے میں عدم توازن اور ترقیاتی بجٹ میں کٹوتی حالیہ حکومت کے لئے بنیادی اقتصادی مسائل ہیں۔

کوڈ آف کارپوریٹ گورننس کی تعمیل

آپ کے کمپنی کے ڈائریکٹرز کمپنی کی حکمت عملی اور کاروباری منصوبوں پر باقاعدگی سے نظر ثانی کرتے ہیں۔ آڈٹ کمیٹی کوڈ آف کارپوریٹ گورننس کے موثر اطلاق کے لئے بااختیار ہے، ہم آپ کی کمپنی میں کارپوریٹ گورننس کے بہتر اطلاق کو یقینی بنانے کے لئے تمام ضروری اقدامات کر رہے ہیں۔ تعمیل کے لحاظ سے ہم مندرجہ ذیل کی توثیق کرتے ہیں:

- (a) انتظامیہ کی جانب سے تیار کی گئی مالی اسٹیٹمنٹس کمپنی کے کاروباری امور، آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں کی درست تصویر پیش کرتی ہیں۔
- (b) کمپنی نے کھاتوں کو باضابطہ طور پر تیار کیا ہے۔
- (c) مالی اسٹیٹمنٹس کی تیاری میں موزوں اکاؤنٹنگ پالیسیوں کا تسلسل سے اطلاق کیا جاتا ہے اور اکاؤنٹنگ تخمینے مناسب اور قابل تعین کی بنیاد پر لگائے جاتے ہیں۔
- (d) مالی اسٹیٹمنٹس کی تیاری کے لئے پاکستان میں لاگو انٹرنیشنل فائننشیل رپورٹنگ معیارات کی پیروی کی گئی ہے۔
- (e) انٹرنل کنٹرول کا نظام بہت اعلیٰ ہے اور اس پر موثر عمل درآمد اور نگرانی کی جاتی ہے۔
- (f) کمپنی کے لئے اپنے کاروباری امور کو جاری رکھنے کی کمپنی کی صلاحیت میں کوئی ابہام موجود نہیں۔

- (g) لسٹنگ ضوابط میں موجود کارپوریٹ گورننس کی بہترین عمل داری میں کوئی ٹھوس اخراج نہیں ہے۔
- (h) گذشتہ چھ سال کے بنیادی آپریٹنگ اور مالی اعداد و شمار لف ہذا ہیں۔
- (i) CEO، سربراہ انٹرپرائز آڈٹ، CFO، کمپنی سیکریٹری اور ان کے ازدواج اور نابالغ بچے فلائنگ سیمنٹ کمپنی لمیٹڈ کے حصص کی تجارت میں شامل نہیں ماسوائے ان کے جن کی رپورٹ ریگولیٹری اتھارٹیز کو کی گئی ہے اور شیئر ہولڈنگ کی منسلک لسٹ میں جن کے نام ظاہر کئے گئے ہیں۔
- (j) گذشتہ سال کے آپریٹنگ نتائج سے نمایاں فرق کی وجوہات ڈائریکٹرز رپورٹ کے متعلقہ سیکشن میں واضح کئے گئے ہیں۔
- (k) مالی اسٹیٹمنٹس میں محصولات اور لیوائز سے متعلق معلومات فراہم کی گئی ہیں۔
- (l) کمپنی نے اپنے پلانٹ کی پیداواری صلاحیت کو بڑھا کر اپنے پیداواری آپریشنز کو اپ گریڈ کرنے کی منصوبہ بندی کی ہے۔ اس معاملہ پر حصص داران کو بروقت آگاہ کر دیا گیا ہے اور اس ڈائریکٹرز رپورٹ میں تحریر کر دیا گیا ہے۔
- (m) سال بھر میں منعقد ہونے والے بورڈ اور کمیٹیوں کے اجلاس کی تعداد اور ہر ڈائریکٹر کی حاضری حسب ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	بورڈ کے اجلاس	آڈٹ کمیٹی کے اجلاس	HR&R کمیٹی کے اجلاس
1	محترم کامران خان	7	دستیاب نہیں	دستیاب نہیں
2	محترم مومن قمر	7	دستیاب نہیں	دستیاب نہیں
3	محترم یوسف کامران خان	6	4	1
4	محترم قاسم خان	5	4	دستیاب نہیں
5	محترمہ شمینہ کامران	6	دستیاب نہیں	1
6	محترم محمد توصل مجید	7	4	1
7	محترم عمران چوہدری	6	دستیاب نہیں	دستیاب نہیں
8	محترم آغا ہمایوں خان	7	دستیاب نہیں	دستیاب نہیں
		7	4	1

- (n) بورڈ کو تفصیلی ان ہاؤس بریفنگ دی گئی ہے اور معلومات پہنچ فراہم کیا گیا ہے تاکہ ضابطہ، لاگو قوانین، ان کے فرائض اور ذمہ داریوں سے ان کو آگاہی دی جاسکے تاکہ وہ حصص داران کے لئے اور ان کی جانب سے کمپنی کے امور کو بہتر انداز میں سرانجام دے سکیں۔

عملہ کی ریٹائرمنٹ کے فوائد

ان فنڈ ڈگریجوائی اسکیم تیار کی گئی ہے۔ کمپنی کے مستقبل ملازمین کے لئے مالی اسٹیٹمنٹس میں حسب ضابطہ قواعد مرتب کئے گئے ہیں۔

آڈیٹرز

آڈیٹرز میسرز طاہر صدیقی اینڈ کو، چارٹرڈ اکاؤنٹنٹس آئینڈ سالانہ اجلاس عام کے اختتام پر ریٹائر ہو رہے ہیں اور اہل ہونے پر اگلی مدت کے لئے اپنی خدمات فراہم کرنے کی پیش کش کی ہے۔ آڈیٹرز نے توثیق کی ہے کہ انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کے کوالٹی کنٹرول نظر ثانی پروگرام کے تحت انہیں تسلی بخش ریٹنگ دی گئی ہے اور فرم ICAP میں لاگو ضابطہ اخلاق پر انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (IFAC) کی ہدایات پر کلی طور پر عمل پیرا ہے۔ آڈٹ کمیٹی اور بورڈ نے 30 جون 2019ء کو اختتام پذیر سال کے لئے شیئر ہولڈرز کی جانب سے کمپنی کے آڈیٹرز کی دوبارہ تقرری کی سفارش کی ہے۔

آڈیٹرز رپورٹ میں تبدیلی

کمپنیز ایکٹ 2017ء کے مطابق آڈیٹرز رپورٹ میں تبدیلی کردی گئی ہے اور آڈیٹرز رپورٹ نئے ضوابط کے تحت جاری کی گئی ہے۔

شیئر ہولڈنگ کی وضع

30 جون 2018ء کو کوڈ آف کارپوریٹ گورننس کے تحت اظہارات کے ساتھ شیئر ہولڈنگ کی وضع لف ہذا ہے۔

اعتراف

ڈائریکٹرز کمپنی کے حصص داران، مالی اداروں اور صارفین کے مسلسل تعاون، حمایت اور معاونت کے شکر گزار ہیں۔
ڈائریکٹرز عملہ کی سخت محنت اور موقوف خدمات اور کاوشوں کا اعتراف کرتے ہیں۔

منجانب / برائے بورڈ

مومن قمر

ڈائریکٹر

05 اکتوبر 2018

فلاننگ سیمنٹ کمپنی لمیٹڈ

تشکیل نیابت داری برائے سالانہ اجلاس عام

میں/ہم _____ ساکن _____
فلاننگ سیمنٹ کمپنی لمیٹڈ کا / کی / کے حصص
دار ہوں / ہیں اور بموجب رجسٹرڈ کھاتہ نمبر یا مجوزہ سی ڈی سی کھاتہ نمبر کے تحت _____ عمومی حصص کا / کی / کے مالک
ہوں / ہیں۔ اپنی جگہ پر حق رائے دہی کے لیے _____ رہائشی _____ اور بموجب
رجسٹرڈ کھاتہ نمبر یا مجوزہ سی ڈی سی کھاتہ نمبر _____ کو یا اس کے آنے کی صورت میں _____
رہائشی _____ اور بموجب رجسٹرڈ کھاتہ نمبر یا مجوزہ سی ڈی سی کھاتہ نمبر _____
کو جو کہ فلاننگ سیمنٹ کمپنی لمیٹڈ کا / کی / کے حصہ دار ہے ہیں۔ کو اپنی جگہ بروز جمعہ بتاریخ 26 اکتوبر 2018 بوقت صبح 10 بجے
لاہور میں منعقد ہونے والے 25 ویں سالانہ اجلاس عام یا کسی متبادل دن جو بھی ہوگا میں رائے دہندگی کے لئے نمائندہ مقرر کرتا / کرتی
/ کرتے ہوں / ہیں۔

پانچ روپے کی رسیدی ٹکٹ

چسپاں کریں

دستخط۔

کمپنی کے ریکارڈ کے مطابق دستخط

گواہ نمبر: 2

دستخط

نام

پتہ

شناختی کارڈ نمبر یا

پاسپورٹ نمبر

گواہ نمبر: 1

دستخط

نام

پتہ

شناختی کارڈ نمبر یا

پاسپورٹ نمبر

تاریخ: 2018_____

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POSTAGE

The Company Secretary,

Flying Cement Company Limited

103-Fazil Road, St. John Park,

Lahore Cantt. Pakistan

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Fold Here

FLYING CEMENT COMPANY LIMITED
25th Annual General Meeting

Registered Folio /
Participant ID No. &
A/c No.
No. of Shares Held.

PROXY FORM

IMPORTANT

Instruments of Proxy will not be considered as valid unless deposited or received at the Company's Registered Office at 103-Fazil Road, Lahore Cantt. Not later than 48 hours before the time of holding the meeting.

I / We _____
of _____ being a
member of **Flying Cement Company Limited** and holder of _____ Shares do hereby
authorize _____ of _____ another member of the company
as my/our proxy to attend and vote for me /us and on my /our behalf at the 25th Annual General
Meeting of the Company to be held on Friday, 26th October 2018 at 10:00 hours or any
adjournment thereof.

Signature

Please affix
Rupees Five
revenue stamp

Witnesses:

1. Signature: _____

Name _____

Address: _____

CNIC or Passport _____

2. Signature: _____

Name _____

Address: _____

CNIC or Passport _____

Dated 2018

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AFFIX
CORRECT
POSTAGE

The Company Secretary,

Flying Cement Company Limited

103-Fazil Road, St. John Park,

Lahore Cantt. Pakistan

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