



**INTERIM REPORT
SEPTEMBER 2018**

FECTO CEMENT LIMITED



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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Aamir Ghani	Chairman
Mr. Mohammed Yasin Fecto	Chief Executive
Mr. Khalid Yacoob	
Mr. Ijaz Ali	
Mr. Safdar Abbas Morawala	
Mr. Altaf A Hussain	
Mr. Mohammed Anwar Habib	
Mr. Jamil Ahmed Khan	
Mr. Rohail Ajmal (Nominee of Saudi Pak Industrial & Agricultural Investment Co. Ltd.)	

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. Abdul Samad, FCA

LEGAL ADVISOR

Mian Nisar Ahmed & Co. (MNACO)
11-E/II, Main Gulberg
Lahore

REGISTERED OFFICE

35-Darul Aman Housing Society
Block 7/8, Shahrah-e-Faisal
Karachi
Website: www.fectogroup.com

MARKETING OFFICE

339, Main Peshawar Road
Chairing Cross Service Road
Westridge-1,
Rawalpindi

AUDIT COMMITTEE

Mr. Mohammed Anwar Habib	Chairman
Mr. Safdar Abbas Morawala	
Mr. Altaf A. Hussain	

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Jamil Ahmed Khan	Chairman
Mr. Aamir Ghani	
Mr. Mohammed Anwar Habib	

AUDITORS

Rahman Sarfaraz Rahim Iqbal Rafiq,
Chartered Accountants

SHARE REGISTRAR

F. D. Registrar Services (SMC-Pvt) Ltd.
1705, 17th Floor, Saima Trade Tower-A
I. I. Chundrigar Road
Karachi-74000

FACTORY

Sangjani, Islamabad

BANKERS

Askari Commercial Bank Limited
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
National Bank of Pakistan
Silk Bank Limited

DIRECTORS' REVIEW

Your directors are pleased to present before you their report together with the un-audited financial results of the company for the Three Months ended September 30, 2018.

OVERVIEW

During the period under review overall dispatches of cement industry witnessed a growth of 4.49% with total sales volume of 10.81 million tons as against the total sales volume of 10.35 million tons of same period last year. Local sales volume of the industry decreased by 0.45% with dispatches of 9.02 million tons as against the sales volume of 9.06 million tons of same period last year whereas exports of the industry increased by 39.22% with sales volume of 1.79 million tons as against the sales volume of 1.29 million tons of same period last year.

Overall sales volume of plants located in north part of the country reduced by 6.81% out of which local sales volume reduced by 4.94% whereas exports reduced by 21.58%. As against negative performance of north zone, overall sales volume of south zone plants increased by 55.59% with growth of local volume by 21.51% and exports by 212.43% respectively.

Main reason for increase in exports from south zone was of clinker export by sea, as against lesser dispatches to Afghanistan and India from north zone which resulted negative growth of exports from north zone. Local demand also remained low in north zone as compared to same period last year due to Eid and Muharram.

OPERATING PERFORMANCE

The production and dispatches of the Company for the period under review were as follows:

	-----TONS-----		
	2018	2017	CHANGE IN%
Production			
Clinker	139,658	120,540	15.86
Cement	<u>167,015</u>	<u>192,350</u>	<u>(13.17)</u>
Dispatches			
Local	150,154	163,942	(8.41)
Export	16,046	26,315	(39.02)
Total	<u>166,200</u>	<u>190,257</u>	<u>(12.64)</u>

During the period under review, production of clinker increased by 15.86% whereas production of cement decreased by 13.17% as compared to same period last year.



Overall sales volume of the Company decreased by 12.64% during the period under review, out of which local sales volume dropped by 8.41% whereas exports reduced by 39.02%.

FINANCIAL RESULTS

During the period under review Company achieved gross local sales revenue of Rs. 1,502 million as against Rs. 1,561 million of same period last year reducing by 3.78% as against reduction in volume by 8.41%, meaning overall prices in local markets improved. This improvement in price, was however, not commensurate with increase in Federal Excise Duty (FED) from Rs. 1,250 per MT to Rs. 1,500 per MT. Net local sales revenue thus reduced by 5.94% and reached to Rs. 1,029 million as against Rs. 1,094 million of same period last year. Exports revenue reduced to Rs. 93 million as against Rs. 128 million of same period last year showing reduction of 27.34% as against reduction in volume by 39.02%. Depreciation of Pak Rupee against USD resulted, better retention per ton for exports.

Cost of sales during the period under review increased by 2.80% as against reduction in sales volume by 12.64%, meaning overall increase in cost of sales by 15.44%. Cost of fuel and power increased by 38.80% as against increase in production of clinker by 15.86% and decrease of cement production by 13.17%, higher increase in fuel and power cost was due to increase in prices of coal in international market by approximately 30% coupled with devaluation of Pak Rupee against USD, caused further increase in overall coal cost. Increase in power rates in shape fuel price adjustment, diesel price and cement bags cost resulted, further increase in overall cost of sales. The Company achieved gross profit of Rs. 153 million as against the gross profit of Rs. 278 million of same period last year.

Increase in distribution costs and other expenses coupled with increase in cost of sales as explained above resulted reduced profit before taxation and accordingly it reached to Rs. 43 million as against Rs. 172 million of same period last year. Provision for taxation reduced during the period due to lesser profit and hence the Company achieved net profit after taxation of Rs. 37 million as against Rs. 128 million of same period last year. EPS for the period was of Rs. 0.74 per share as against Rs. 2.55 of same period last year.

FUTURE OUTLOOK

Demand of cement and prices in local markets have improved subsequent to the period under review. This will help the industry to pass on increase in costs to consumers. It is expected that demand in local market will sustain during current financial year backed by announcement of construction of 5 million houses by the new Government and coupled with its resolve to implement projects under CPEC. Depreciation of Rupees against USD will result better retention for exports. On cost side, increase in coal prices in international market as well as Rupee depreciation against USD will continue pressure on costs. The Government's decision to approach IMF to address balance of payment situation may results contraction of overall growth resulting reduction in development budget may cause disruption in cement demand.

ACKNOWLEDGEMENT

The Board would like to place on record their sincere appreciation to all the banks, customers and employees of the Company for their continued support, co-operation and dedicated work.

On behalf of the Board



MOHAMMED YASIN FECTO
CHIEF EXECUTIVE



ROHAIL AJMAL
DIRECTOR

Karachi: October 27, 2018



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018

	Un-audited 30 September 2018	Audited 30 June 2018
Note	— Rupees in thousand —	
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized Capital		
75,000,000 (June 2018: 75,000,000) ordinary shares of Rs. 10/- each	750,000	750,000
Issued, subscribed and paid up capital		
50,160,000 (June 2018: 50,160,000) ordinary shares of Rs. 10/- each	501,600	501,600
Revenue Reserves		
General reserve	550,000	550,000
Accumulated profit	3,195,512	3,158,561
	3,745,512	3,708,561
	4,247,112	4,210,161
Non-current liabilities		
Liability against assets subject to finance lease	6 13,882	14,757
Deferred taxation	7 329,863	341,866
	343,745	356,623
Current liabilities		
Trade and other payables	8 782,276	628,683
Accrued Mark-up	99	106
Unclaimed Dividend	14,032	30,052
Unpaid Dividend	377	377
Current maturity of liabilities against assets subject to finance lease	6 3,717	3,646
	800,501	662,864
Contingencies and commitments	9 -	-
Total equity and liabilities	5,391,358	5,229,648
ASSETS		
Non-current assets		
Property, plant and equipment	10 1,809,296	1,824,532
Long term deposits	6,809	6,805
Long term loans and advances	12,396	14,534
	1,828,501	1,845,871
Current assets		
Stores, spares and loose tools	1,256,316	1,035,788
Stock-in-trade	11 1,342,296	1,329,041
Trade debtors - considered good	76,255	75,428
Short term investments	12 207,822	206,895
Loans, advances, deposits, prepayments and other receivables	13 39,725	125,075
Taxation - net	155,016	138,746
Cash and bank balances	485,427	472,804
	3,562,857	3,383,777
Total assets	5,391,358	5,229,648

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.


MOHAMMED YASIN FECTO
CHIEF EXECUTIVE


ROHAIL AJMAL
DIRECTOR


ABDUL SAMAD
CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2018**

	Note	2018 — Rupees in thousand —	2017 —
Sales - net	14	1,123,830	1,222,842
Cost of sales	15	(970,912)	(944,437)
Gross profit		<u>152,918</u>	<u>278,405</u>
Administrative expenses		(68,729)	(66,044)
Distribution cost		(47,644)	(36,148)
Finance cost		(1,042)	(721)
Other income		10,378	8,888
		<u>(107,037)</u>	<u>(94,025)</u>
		45,881	184,380
Worker's funds		(3,165)	(12,722)
Profit before taxation		<u>42,716</u>	<u>171,658</u>
Provision for taxation			
- Current		(17,768)	(50,682)
- Deferred		12,003	6,767
		<u>(5,765)</u>	<u>(43,915)</u>
Profit after taxation		<u><u>36,951</u></u>	<u><u>127,743</u></u>
-----Rupees-----			
Earnings per share - basic and diluted		<u>0.74</u>	<u>2.55</u>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.




MOHAMMED YASIN FECTO
CHIEF EXECUTIVE


ROHAIL AJMAL
DIRECTOR


ABDUL SAMAD
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2018**

	Note	2018 — Rupees in thousand —	2017 —
Net Profit after taxation		36,951	127,743
Other comprehensive income		-	-
Total comprehensive income for the period		<u>36,951</u>	<u>127,743</u>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



MOHAMMED YASIN FECTO
CHIEF EXECUTIVE



ROHAIL AJMAL
DIRECTOR



ABDUL SAMAD
CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2018**

	Share General Issued, Subscribed & Paid up	Revenue Reserves		Total
		General Reserve	Accumulated Profit	
Rupees in thousand				
Balance as at 30 June, 2017	501,600	550,000	2,842,223	3,893,823
Total comprehensive income for the three months ended September 30, 2017	-	-	127,743	127,743
Balance as at September 30, 2017	501,600	550,000	2,969,966	4,021,566
Total comprehensive income for the period ended June 30, 2018	-	-	313,995	313,995
Transaction with owners recorded directly in equity Final Cash dividend @ 25% for the year ended 30 June, 2017	-	-	(125,400)	(125,400)
Balance as at 30 June, 2018	501,600	550,000	3,158,561	4,210,161
Total comprehensive income for the three months ended September 30, 2018	-	-	36,951	36,951
Balance as at September 30, 2018	501,600	550,000	3,195,512	4,247,112

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.


MOHAMMED YASIN FECTO
CHIEF EXECUTIVE


ROHAIL AJMAL
DIRECTOR


ABDUL SAMAD
CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2018**

	Note	2018 — Rupees in thousand —	2017 —
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		42,716	171,658
Adjustments for:			
- Depreciation		30,086	27,407
- Gain on disposal of operating fixed assets		-	(982)
- Unrealized gain on re-measurement of investments		(937)	(1,039)
- Finance costs		1,042	721
		<u>30,191</u>	<u>26,107</u>
Operating profit before working capital changes		72,907	197,765
Working capital changes			
(Increase) / decrease in current assets			
- Stores, spares and loose tools		(220,528)	(172,393)
- Stock-in-trade		(13,255)	178,781
- Trade debtors - considered good		(827)	(36,900)
- Loans, advances, deposits, prepayments and accrued markup		85,350	20,304
Increase / (decrease) in current liabilities			
- Trade and other payables		153,594	(66,083)
Cash generated from operations		<u>77,241</u>	<u>121,474</u>
Finance cost paid		(1,049)	(721)
Taxes paid		(34,039)	(30,608)
Long term deposits		(4)	(1,969)
Long term loans and advances		2,138	(4,638)
Net cash generated from operating activities		<u>44,287</u>	<u>83,538</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(14,850)	(10,716)
Short term investments made		-	(100,000)
Proceeds from sale of operating fixed assets		-	1,500
Net cash used in investing activities		<u>(14,850)</u>	<u>(109,216)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Principal repayment of finance lease		(804)	-
Redemption of Short Term Investment		10	
Dividend paid		(16,020)	(9)
Net cash used in financing activities		<u>(16,814)</u>	<u>(9)</u>
Net increase / (decrease) in cash and cash equivalents		12,623	(25,687)
Cash and cash equivalents at the beginning of the period		472,804	457,368
Cash and cash equivalents at the end of the period		<u>485,427</u>	<u>431,681</u>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



MOHAMMED YASIN FECTO
CHIEF EXECUTIVE

ROHAIL AJMAL
DIRECTOR

ABDUL SAMAD
CHIEF FINANCIAL OFFICER

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2018**

1. STATUS AND NATURE OF BUSINESS

Fecto Cement Limited ('the Company') was incorporated in Pakistan on February 28, 1981 as a public limited company with its registered office situated at 35-Darulaman Housing Society, Block 7/8, Shahra-e-Faisal, Karachi. Its equity shares are quoted on Pakistan Stock Exchange Limited. The principal activity of the Company is the production and sale of portland cement.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) as notified under the Companies Act 2017: and Provision of and directives issued under the Companies Act, 2017.

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

This condensed interim financial information is unaudited and is being submitted to the members of the Company as required under section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited as required by the Code of Corporate Governance.

This condensed interim financial information does not include all the information as required to be reported in the annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended June 30, 2018.

The comparative balance sheet presented in this condensed interim financial statements as at September 30, 2018 has been extracted from the audited financial statements of the Company for the year ended June 30, 2018, whereas the comparative profit or loss account, statement of comprehensive income, statement of changes in equity and the statement of cash flows are extracted from the unaudited condensed interim financial information for the three months period ended September 30, 2017.

2.2 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees which is the Company's functional currency and rounded off to the nearest rupee.



3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information is the same as those adopted in preparation of the annual audited financial statements of the Company as at and for the year ended 30 June 2018.

During the period, certain amendments to approved accounting standards and new interpretations issued thereon became effective which were either not relevant to the Company's operations or did not have any significant impact on this condensed interim financial information. Hence, the same have not been reported.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information requires management to make judgements, estimates and assumptions that affect the accounting policies and the reported amounts of assets and liabilities, income and expenses. However, actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the preceding published annual financial statements of the Company as at and for the year ended June 30, 2018.

5. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2018.

	Un-Audited 30 September 2018	Audited 30 June 2018
	Rupees in thousand	
6. LIABILITY AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Present value of minimum lease payments	17,599	18,403
Less: Current maturity shown under current liabilities	(3,717)	(3,646)
	<u>13,882</u>	<u>14,757</u>



	Minimum lease payments	Un-Audited 30 September 2018 Finance Charges	Present value	Minimum lease payments	Audited 30 June 2017 Finance Charges	Present value
6.1 Reconciliation of minimum lease payments to their present value						
Upto one year	5,147	1,430	3,717	5,140	1,494	3,646
More than one year but less than five years	15,870	1,988	13,882	17,157	2,400	14,757
	<u>21,017</u>	<u>3,418</u>	<u>17,599</u>	<u>22,297</u>	<u>3,894</u>	<u>18,403</u>

6.2 Above amount represents finance lease entered into with Askari Bank Limited for lease of motor vehicle. The liability under the agreement is payable by October 2022 in 60 monthly installments and is subject to interest rate of 6 months KIBOR plus 2% (2018: 6 months KIBOR plus 2%)

	Un-Audited 30 September 2018	Audited 30 June 2018
	Rupees in thousand	

7. DEFERRED TAXATION

Taxable temporary differences arising in respect of :

- Accelerated tax depreciation	334,383	345,334
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Deductible temporary difference arising in respect of :

- Unrealized gain on short term investment	(172)	1,129
- Provision against slow moving and obsolete spares	(3,990)	(4,035)
- Lease liability net of leased assets	1,078	874
- Provision for doubtful trade debts	(1,436)	(1,436)
	<u>329,863</u>	<u>341,866</u>

8. TRADE AND OTHER PAYABLES

Trade creditors:

- Suppliers other than associated concerns	342,522	345,397
- Associated company	<u>18,764</u>	<u>7,371</u>

	361,286	352,768
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Accrued expenses	120,556	65,728
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Leave encashment payable	65,985	56,861
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Payable to Provident Fund	2,615	3,878
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Workers' Profit Participation funds	34,497	32,203
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Workers Welfare Fund	39,841	38,969
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Advances from customers - unsecured	60,767	42,942
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Security deposit payable	10,167	10,167
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Royalty Payable	-	58
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Excise duty payable	39,669	-
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Sales tax payable	25,205	1,331
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Withholding Income tax	2,974	4,145
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Other liabilities	<u>18,714</u>	<u>19,633</u>
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	<u>782,276</u>	<u>628,683</u>
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9. CONTINGENCIES AND COMMITMENTS

Contingencies

- 9.1 There were no change in the status of contingencies at the period end as disclosed in the annual audited financial statements for the year ended June 30, 2018.

Commitments

- 9.2 Commitments in respect of outstanding letters of credit as at 30 September 2018 amounted to Rs. 27.76 million (30 June 2018: Rs. 27.341 million)

		Un-Audited 30 September 2018	Audited 30 June 2018
		Rupees in thousand	
10. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	10.1	1,798,914	1,822,063
Capital work in progress	10.2	10,382	2,469
		<u>1,809,296</u>	<u>1,824,532</u>

- 10.1 During the three-month period ended September 30 2018, the Company acquired property, plant and equipment aggregating Rs. 6.937 million (30 June 2018: Rest. 36.399 million).

- 10.2 This represent cost incurred on import of equipment and construction at factory building

		Un-Audited 30 September 2018	Audited 30 June 2018
		Rupees in thousand	
11. STOCK IN TRADE			
Finished goods		51,932	41,288
Work in process		418,887	441,613
Raw material		833,121	801,123
Packing material		38,356	45,017
		<u>1,342,296</u>	<u>1,329,041</u>

12. SHORT TERM INVESTMENTS - At fair value through profit or loss - held for trading

Investment in Mutual Funds

NBP - NAFA		54,798	54,214
UBL - AL AMEEN		-	52,691
UBL - AICF		53,044	-
	12.1	<u>107,842</u>	<u>106,905</u>

Financial assets at cost

Investment in Term Finance

Certificates (TFC's)	12.3	99,980	99,990
		<u>207,822</u>	<u>206,895</u>

	Un-Audited 30 September 2018 Rupees in thousand	Audited 30 June 2018
12.1 Gain on re-measurement of investments in		
Mutual Funds		
Market Value	107,842	106,905
Cost of Investment	<u>103,114</u>	<u>103,114</u>
	<u>4,728</u>	<u>3,791</u>
12.2 Unrealized (loss) / gain on the re-measurement of investment carried at fair value through profit or loss-held for trading		
At the beginning of the period	3,790	(724)
Net unrealized gain / (loss) in the value of investment for the period / year	<u>938</u>	<u>4,515</u>
Cumulative Unrealized Gain	<u>4,728</u>	<u>3,791</u>
12.3 This represents the cost of investment in 20,000 Term Finance Certificates (having face value of Rs. 5,000 each) issued by M/s. Silk Bank Limited. These carry markup at the rate of 6-Month KIBOR + 1.85% per annum payable on a quarterly basis.		
	Un-Audited 30 September 2018 Rupees in thousand	Audited 30 June 2018
13. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Current portion of long term loans - unsecured, considered good	7,843	7,843
Advances to suppliers and contractors - unsecured, considered good	10,326	13,146
Margin against bank guarantee	11,000	11,000
Advance sales tax and FED	9,320	91,107
Deposits	85	15
Prepayments	<u>1,151</u>	<u>1,964</u>
	<u>39,725</u>	<u>125,075</u>



	Three months ended September 30	
	2018	2017
	Rupees in thousand	
14. SALES-NET		
Sales - Local	1,501,852	1,560,704
Less: Trade Discount	8,340	9,078
Excise duty	225,232	204,927
Sales tax	238,914	252,368
	472,486	466,373
	1,029,366	1,094,331
- Export	92,993	127,940
Export Rebate	1,471	571
	94,464	128,511
	<u>1,123,830</u>	<u>1,222,842</u>
15. COST OF SALES		
Raw and packing material consumed:	846,140	792,402
Opening stock	124,415	111,073
Purchases	73,482	49,751
Excavation / Transportation cost	1,044,037	953,226
	(871,477)	(838,453)
Closing stock	172,560	114,773
	585,482	421,798
Fuel and power	45,677	39,308
Stores and spares consumed	111,888	100,681
Salaries, wages and benefits	6,452	6,608
Insurance	673	733
Repairs and maintenance	20,220	19,815
Depreciation	15,878	15,889
Other manufacturing overheads	958,830	719,605
	441,613	452,115
Opening work-in-process	(418,887)	(215,200)
Closing work-in-process	981,556	956,520
Cost of goods manufactured	41,288	32,657
Opening finished goods	(51,932)	(44,740)
Closing finished goods	<u>970,912</u>	<u>944,437</u>

16. TRANSACTIONS / BALANCES WITH RELATED PARTIES

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

information, are as follows:

	Un-Audited September 30,	
	2018	2017
	—Rupees in thousand—	
Associated company - M/s. Frontier Paper Products (Private) Limited		
Balance as at the beginning of the period	7,371	213
Purchases during the period	82,033	81,784
Payments during the period	(70,640)	(79,101)
Balance at the end of the period	<u>18,764</u>	<u>2,896</u>
	Three months ended September 30,	
	2018	2017
	—Rupees in thousand—	
Transactions during the period		
Key Management Personnel		
Remuneration of the Chief Executive	10,820	3,606
Directors' meeting fee	30	35
Remuneration of executives	43,111	33,885
Loans given	-	-
Loans settled	15	328
Others		
Transaction during the period		
Contribution to employees' provident fund	5,044	4,434
Outstanding balance at period end		
Loan receivable	325	1,396
Contribution payable to employees' provident fund	3,783	3,301



17. GENERAL

17.1 These condensed interim financial statements do not include the effect of Final Cash Dividend @ 20% for the year ended June 30, 2018 which has been approved in the Annual General Meeting held on October 25, 2018.

17.2 This condensed interim financial information was authorised for issue by the Board of Directors in their meeting held on October 27, 2018.



MOHAMMED YASIN FECTO
CHIEF EXECUTIVE



ROHAIL AJMAL
DIRECTOR



ABDUL SAMAD
CHIEF FINANCIAL OFFICER

حصص 74 پیسے رہی۔ جبکہ گزشتہ سال اسی عرصے کے دوران آمدن فی حصص 2.55 روپے تھی۔

مستقبل پہ نظر

زیر نظر دورانیے کے بعد مقامی سطح پر سیمنٹ کی مانگ میں اضافہ ہوا ہے۔ جس سے اُمید کی جاتی ہے کہ صنعت لاگت میں اضافے کو صارفین تک منتقل کر سکے گی۔ اُمید کی جاتی ہے کہ رواں مالی سال کے بقیہ مہینوں میں اضافے کا یہی رجحان دیکھنے کو ملے گا جس کی بنیادی وجوہات میں حکومت کی جانب سے پچاس لاکھ نئے مکانوں کی تعمیر کا اعلان اور سی پیک کے تحت شروع کیے جانے والے پروجیکٹس پر ہونے والا کام ہے۔ روپے کی قیمت میں ڈالر کے مقابلے میں کمی سے برآمدات کی قیمتوں میں بہتری آسکتی ہے۔ جبکہ اگر پیداواری لاگت کا جائزہ لیا جائے تو جیسا کہ پہلے ذکر کیا جا چکا ہے کہ کونسل کے رزخوں میں اضافے کے ساتھ روپے کی قدر میں کمی کی وجہ سے لاگت بڑھنے کے امکانات ہیں۔ حکومت کی جانب سے ادائیگیوں کے توازن کو بہتر بنانے کے لیے آئی ایم ایف سے قرضے کے حصول کی کوششوں سے شرح نمو میں کمی اور عوامی بہبود کے منصوبوں کے بجٹ میں کمی سے مقامی سطح پر سیمنٹ کی فروخت میں کمی کے امکانات ہیں۔

اظہار تشکر

ڈائریکٹر تمام بینکوں، صارفین اور کمپنی کے ملازمین کا کمپنی کے لیے ان کی مسلسل حمایت، تعاون اور خلوص نیت سے کام کرنے پر تہ دل سے مشکور ہیں۔

منجانب بورڈ



روحیل اجمل
ڈائریکٹر



محمد یسین فیکرو
چیف ایگزیکٹو

بہ مقام کراچی: 27 اکتوبر 2018



زیر نظر دورانیے میں گزشتہ سال کے اسی عرصے کے مقابلے میں کلنکر کی پیداوار میں 15.86 فیصد کا اضافہ، جبکہ سیمنٹ کی پیداوار میں 13.17 فیصد کی کمی ریکارڈ کی گئی۔

کمپنی کی فروختگی کے مجموعی حجم میں زیر نظر دورانیے کے دوران 12.64 فیصد کی کمی ریکارڈ کی گئی۔ مقامی سطح پر فروختگی کے مجموعی حجم میں 8.41 فیصد کی کمی ہوئی۔ جبکہ گزشتہ سال کے اسی عرصے کے مقابلے میں برآمدات میں 39.02 فیصد کی کمی رہی۔

مالیاتی نتائج

زیر نظر دورانیے کے دوران مقامی مجموعی فروختگی سے کمپنی نے 1,502 ملین روپے کی آمدن حاصل کی جبکہ گزشتہ سال اسی عرصے کے دوران مقامی مجموعی فروختگی سے حاصل ہونے والی آمدن 1,561 ملین روپے تھی۔ اس لحاظ سے اس آمدن میں 3.78 فیصد کی کمی ریکارڈ کی گئی۔ جب کہ اسی عرصے کے دوران مقامی فروختگی کے حجم میں 8.41 فیصد کی کمی ریکارڈ کی گئی۔ جس کا مطلب ہے کہ قیمتوں میں بہتری ہوئی ہے۔ لیکن یہ اضافہ فیڈرل ایکسائز ڈیوٹی میں ہونے والے اضافے جو کہ یکم جولائی 2018 سے 1,250 روپے فی میٹرک ٹن سے بڑھ کر 1,500 روپے فی میٹرک ٹن کر دی گئی کے مقابلے میں کم تھا۔ نتیجتاً مقامی سطح پر خالص آمدن 1,029 ملین روپے رہی۔ جبکہ یہی آمدن گزشتہ سال اسی عرصے کے دوران 1,094 ملین روپے تھی۔ اس طرح مقامی سطح پر فروختگی سے ہونے والی آمدن میں 5.94 فیصد کی کمی ہوئی۔ برآمدات سے حاصل ہونے والی آمدن اس عرصے کے دوران 27.34 فیصد کی کمی ساتھ 93 ملین روپے رہی جبکہ یہی آمدن گزشتہ سال اسی عرصے کے دوران 128 ملین روپے رہی۔ جب کہ اسی عرصے کے دوران برآمدات کے حجم میں 39.02 فیصد کی کمی ہوئی۔ اس طرح سے برآمدات کی قیمتوں میں بہتری ہوئی جس کی بنیادی وجہ پاکستانی روپے کی قدر میں ڈالر کے مقابلے میں کمی ہے۔

زیر نظر دورانیے میں لاگت برائے فروختگی میں 2.80 فیصد کا اضافہ ہوا جب کہ فروختگی کے حجم میں 12.64 فیصد کی کمی ریکارڈ کی گئی جس کا مطلب ہے کہ مجموعی لاگت میں 15.44 فیصد کا اضافہ ہوا۔ ایندھن اور بجلی کی لاگت میں 38.80 فیصد کا اضافہ ہوا۔ جب کہ سیمنٹ کی پیداوار میں 13.17 فیصد کی کمی اور کلنکر کی پیداوار میں 15.86 فیصد کا اضافہ ہوا۔ لاگت میں کمی پیداوار میں کمی کے مطابق نہ ہو سکی۔ کیونکہ عالمی منڈی میں کونسل کی قیمتوں میں تقریباً 30 فیصد اضافہ ہوا۔ جب کہ اس کے ساتھ روپے کی قدر میں ڈالر کے مقابلے میں کمی اور بجلی، ڈیزل اور سیمنٹ کے قیمتوں کی قیمتوں میں بھی اضافہ ہوا ہے جس کی وجہ سے مجموعی پیداواری لاگت میں اضافہ ہوا۔ جس کی وجہ سے اس سہ ماہی کے دوران کمپنی نے 153 ملین روپے کا خام منافع حاصل کیا۔ جب کہ گزشتہ سال اسی عرصے کے دوران کمپنی کا خام منافع 278 ملین روپے تھا۔

اس سہ ماہی کے دوران گزشتہ سال اسی عرصے کے مقابلے میں تقسیم مال اور تموہلی لاگت اور دوسرے پیداواری اخراجات کی لاگت میں جیسے کہ اوپر بتایا گیا، اضافہ ہوا جس کی وجہ سے کمپنی نے اس عرصے کے دوران قبل از ادائیگی ٹیکس 43 ملین روپے کا صافی منافع ٹیکس کی ادائیگی سے پہلے حاصل کیا جو کہ گزشتہ سال اسی عرصے کے دوران 172 ملین روپے تھا۔ اس عرصے کے دوران منافع میں کمی کی وجہ سے ٹیکس کے پروویژن میں بھی کمی ہوئی اور اس طرح کمپنی نے بعد از ٹیکس 37 ملین روپے کا صافی منافع حاصل کیا ہے جو کہ گزشتہ سال اسی عرصے کے دوران 128 ملین روپے تھا، اس عرصے میں آمدن فی

ڈائریکٹرز جائزہ

آپ کی کمپنی کے ڈائریکٹرز انتہائی مسرت کے ساتھ کمپنی کی کارکردگی کا جائزہ مع غیر آڈٹ شدہ مالیاتی دستاویزات بابت سہ ماہی 30 ستمبر 2018 آپ کی خدمت میں پیش کر رہے ہیں۔

جائزہ

دوران سال رواں کی پہلی سہ ماہی میں سیمنٹ کی صنعت میں مجموعی فرویج 10.81 ملین ٹن کے اعتبار سے مجموعی طور پر مال کی رواںگی میں 4.49 فیصد کی شرح نمو ریکارڈ کی گئی جبکہ گزشتہ سال اسی عرصے کے دوران مجموعی فرویج کا حجم 10.35 ملین ٹن تھا۔ مقامی سطح پر صنعت میں فرویج کی مجموعی 9.02 ملین ٹن رہا اور اس اعتبار سے 0.45 فیصد کی کمی ریکارڈ کی گئی۔ جبکہ گزشتہ سال اسی عرصے کے دوران مقامی فرویج کا حجم 9.06 ملین ٹن تھا۔ اس کے برعکس برآمدات کی مد میں صنعت کی سطح پر فرویج کا مجموعی حجم 1.79 ملین ٹن رہا جس کے اعتبار سے 39.22 فیصد کا اضافہ ریکارڈ کیا گیا۔ جبکہ گزشتہ سال اسی عرصے کے دوران برآمدات کی مد میں فرویج کا حجم 1.29 ملین ٹن تھا۔

شمالی زون میں واقع پلانٹس کی سیمنٹ کی فروخت میں مجموعی طور پر 6.81 فیصد کی کمی ہوئی۔ اس میں سے 4.94 فیصد کی کمی مقامی سطح پر سیمنٹ کی فروخت میں ہوئی۔ جبکہ برآمدات میں 21.58 فیصد کی کمی ہوئی۔ شمالی زون میں واقع پلانٹس کی منفی کارکردگی کے مقابلے میں جنوبی زون میں واقع پلانٹس کی مجموعی فرویج میں 55.59 فیصد کا اضافہ ہوا۔ مقامی سطح کی فروخت میں 21.51 فیصد جبکہ برآمدات میں 212.43 فیصد کا اضافہ ریکارڈ کیا گیا۔ جنوبی زون کی برآمدات بڑھنے کی سب سے بڑی وجہ کلنکر کی برآمد براستہ سمندر ہونے کی وجہ سے ہوئی۔ جبکہ اس مقابلے میں شمالی زون سے افغانستان اور انڈیا کو کم سیمنٹ برآمد کی گئی۔ شمالی زون کی مقامی سطح پر بھی فرویج میں عید اور محرم کی وجہ سے فرق پڑا۔

کارکردگی بر مبنی کاروباری افعال

زیر نظر دورانیے کے دوران کمپنی کی جانب سے پیداوار اور مال کی رواںگی کا جائزہ ذیل میں پیش خدمت ہے۔

پیداوار	ٹنوں میں		تبدیلی فیصد میں
	2018	2017	
کلنکر	139,658	120,540	15.86
سیمنٹ	167,015	192,350	(13.17)
مال کی رواںگی			
مقامی	150,154	163,942	(8.41)
برآمدات	16,046	26,315	(39.02)
مجموعی	166,200	190,257	(12.64)

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