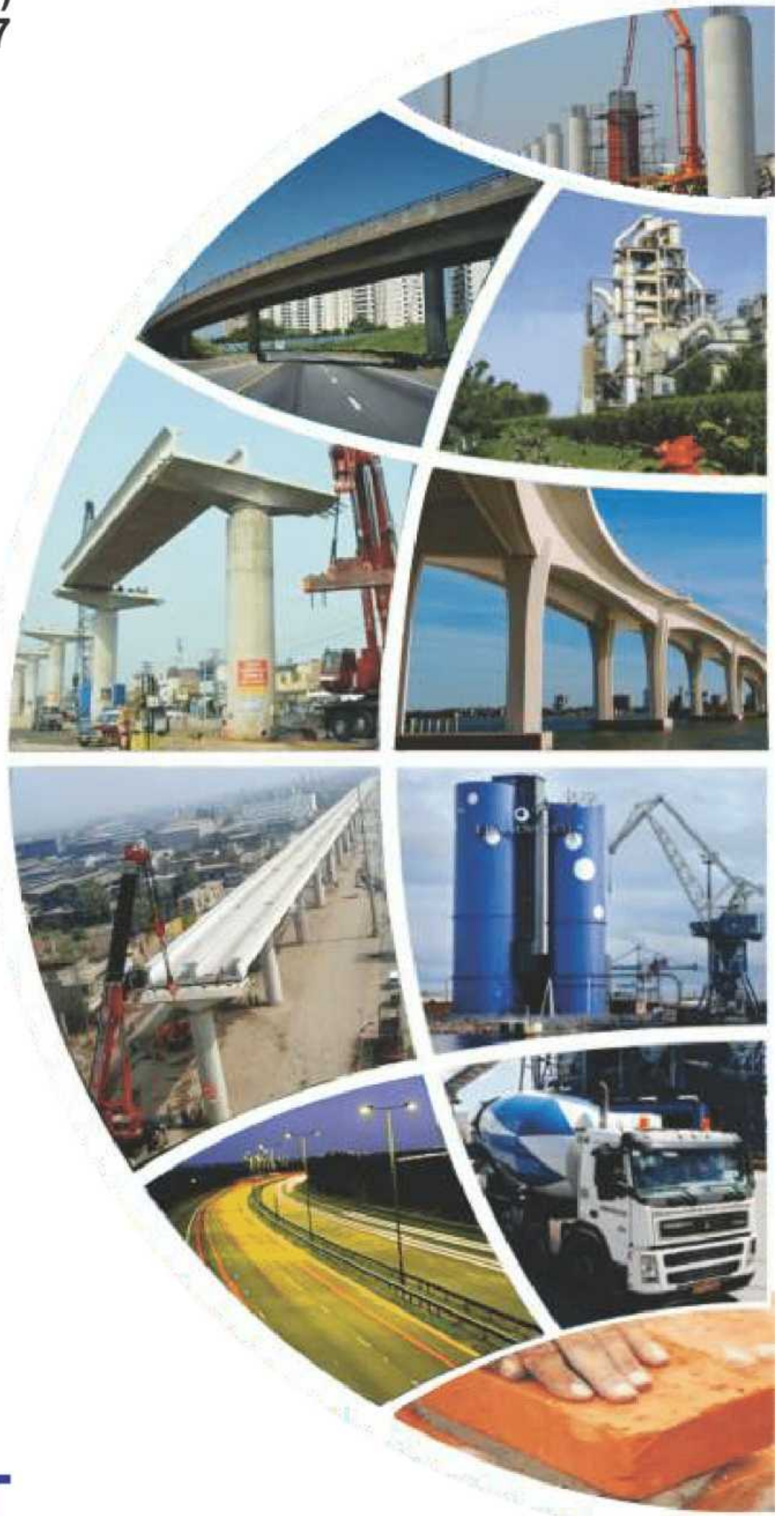
HALF YEARLY REPORT
(Un-Audited)
December 31, 2017



FLYING CEMENT
COMPANY LTD.

CONTENTS

COMPANY INFORMATION

BOARD OF DIRECTORS

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

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
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info@flyingcement.com

DIRECTORS' REVIEW

The Board of Directors are pleased to present the un-audited financial accounts of Flying Cement Company Limited duly reviewed by the Auditors for the Half Year ended 31st December, 2017.

Financial Performance

The financial results of the company for the half year December 31, 2017 and that of the corresponding period last year are as under;

	Dec 31, 2017	Dec. 31, 2016
	Rupees	Rupees
Net Sales	1,259,664,276	1,144,666,791
Gross Profit	126,568,316	87,992,814
Net Profit	62,824,390	37,835,475
Earning Per Share	0.36	0.21

The Net Sales figure of the Company as compared to corresponding period increased from Rs. 1145(M) to Rs. 1260(M) consequent to better operational and financial management net profit increased to Rs. 63 (M) as compared to the profit of Rs.38 (M) in the corresponding period. Earning per share comes to 0.36 as against 0.21 per share in the last year.

Cement industry in Pakistan grew by 12.3% to 22.24 million tons during the half year ended December 31, 2017 compared to 19.81 million tons during the same period last year. While local sales volume registered a growth of 17.4% to 19.84% million tons during the half year compared to 16.90 million tons during the same period last year.

Future outlook

We foresee that there will be sufficient cement demand in the local market because of the Government spending on mega projects including CPEC which will help the company to maintain its growth in the current financial year. We expect better performance in future.

We thanks to all of our shareholders and look forward to their continued support in future and our appreciation of continued support and cooperation of our employees and great patronage of our valuable customers.

For and on behalf of the board

Agha Hamayun Khan
Chief Executive
Lahore; February 28, 2018

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of **FLYING CEMENT COMPANY LIMITED** (the company) as at December 31, 2017 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity, and notes thereto for the half year then ended (here-in-after referred to as the 'condensed interim financial statements'). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim profit and loss account and condensed interim statement of comprehensive income for quarters ended December 31, 2017 and 2016 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2017.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity". A review of the condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for six months period ended December 31, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Tahir Siddiqi

Tahir Siddiqi & Co.
Chartered Accountants
Engagement Partner: Mohammad Tahir Siddiqi

Lahore
February 28, 2018

CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2017 (un-audited)

	Note	Dec-17 Rupees Un-audited	Jun-17 Rupees Audited
EQUITY AND LIABILITIES			
SHARE CAPITAL & RESERVES			
Authorized share capital			
200,000,000 ordinary shares of Rs 10/- each.		**2,000,000,000**	2,000,000,000
Issued, subscribed and paid up capital			
176,000,000, ordinary shares of Rs. 10/- each.		**1,760,000,000**	1,760,000,000
Capital Reserve		**126,978,994**	126,978,994
Un appropriated profit /(loss)		**431,002,748**	352,788,164
Total Equity		**2,317,981,742**	2,239,767,158
Surplus on revaluation of fixed assets		**1,482,025,191**	1,497,415,385
NON-CURRENT LIABILITIES			
Long term finance	4	**1,532,894,499**	1,063,501,913
Long term deposits		**14,005,340**	13,505,340
Deferred liabilities	5	**623,748,395**	593,395,965
		2,170,648,234	1,670,403,218
CURRENT LIABILITIES			
Trade and other payables		**1,798,840,614**	1,699,856,315
Accrued Interest / mark-up		**10,873,047**	6,600,628
Short term finance	6	**477,335,222**	81,052,367
Current portion of long term finance	4	**83,083,000**	-
Provision for taxation		**19,084,409**	33,809,723
		2,389,216,292	1,821,319,033
TOTAL LIABILITIES		**4,559,864,526**	3,491,722,251
Contingencies and commitments	7	-	-
TOTAL EQUITY AND LIABILITIES		**8,359,871,459**	7,228,904,794
ASSETS			
NON-CURRENT ASSETS			
Property, plant & equipment	8	**4,599,127,777**	4,641,202,214
Capital work in progress	9	**1,471,678,589**	995,691,251
		6,070,806,366	5,636,893,465
Long Term Security Deposits		**31,416,883**	18,593,160
CURRENT ASSETS			
Store and Spares		**713,039,950**	438,035,187
Stock in trade		**239,345,871**	210,155,475
Trade Debts		**4,932,987**	3,429,583
Advances, deposits, prepayments & other receivables		**1,204,309,913**	906,698,199
Cash and bank balances	10	**96,019,489**	15,099,725
		2,257,648,209	1,573,418,169
TOTAL ASSETS		**8,359,871,459**	7,228,904,794

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

Momin Qamar	Agha Hamayun Khan	Muhammad Jamil
Momin Qamar	**Agha Hamayun Khan**	**Muhammad Jamil**
Director	Chief Executive	Chief Financial Officer

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR ENDED DECEMBER 31, 2017 (un-audited)

	For the half year ended		For the quarter ended	
	Jul - Dec 2017	Jul - Dec 2016	Oct-Dec 2017	Oct-Dec 2016
	(Rupees)			
Sales	**1,259,664,276**	1,144,666,791	**716,654,953**	658,664,823
Cost of Sales	**(1,133,095,960)**	(1,056,673,977)	**(641,384,909)**	(598,305,783)
Gross Profit	**126,568,316**	87,992,814	**75,270,044**	60,359,040
Operating Expenses				
Distribution Cost	**(5,738,019)**	(3,252,402)	**(3,895,317)**	(1,494,486)
Administrative Expenses	**(24,029,551)**	(16,363,518)	**(11,795,121)**	(8,136,533)
	(29,767,570)	(19,615,920)	**(15,690,438)**	(9,631,019)
Operating Profit	**96,800,746**	68,376,894	**59,579,606**	50,728,021
Finance Cost	**(21,264,917)**	(1,117,384)	**(11,527,894)**	(986,902)
Other Income	**36,725,400**	13,714,421	**36,725,400**	5,483,190
Profit before Taxation	**112,261,229**	**80,973,931**	**84,777,112**	55,224,309
Taxation	**(49,436,839)**	(43,138,456)	**(43,156,543)**	(37,490,118)
Profit after Taxation	**62,824,390**	**37,835,475**	**41,620,569**	17,734,191
Earning Per Share- Basic	**0.36**	0.21	**0.24**	0.10

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

Momin Qamar	**Agha Hamayun Khan**	**Muhammad Jamil**
Director	*Chief Executive*	Chief Financial Officer

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED DECEMBER 31, 2017 (un-audited)

		Dec-17 Rupees Un-audited	Dec-16 Rupees Audited
Cash Flows from Operating Activities			
Profit / (Loss) for the period - before taxation		**112,261,229**	80,973,931
Adjustment for:			
Depreciation		**46,064,437**	47,087,199
Finance cost		**21,264,917**	1,117,384
		67,329,354	48,204,583
		179,590,583	129,178,514
(Increase) in Stores, spares & loose tools		**(275,004,763)**	(186,701,524)
(Increase) / Decrease in Stock-in-trade		**(29,190,396)**	(26,802,944)
(Increase) in Trade debts		**(1,503,404)**	(4,753,498)
(Increase) / Decrease in Advances, deposits, prepayments and other receivables		**(261,056,305)**	(14,649,593)
		(566,754,868)	(232,907,559)
Increase (Decrease) in Trade and other Payables		**98,984,299**	(24,460,801)
Cash generated from operations		**(288,179,986)**	(128,189,846)
Taxes Paid		**(70,365,132)**	(27,996,222)
Net Cash from Operating Activities		**(358,545,118)**	(156,186,068)
Cash Flows from Investing Activities			
Fixed Capital Expenditures		**(479,977,338)**	(198,960,282)
Long Term Security Deposit		**(12,823,723)**	-
Net Cash (used in) Investing Activities		**(492,801,061)**	(198,960,282)
Cash Flows From Financing Activities			
Finance cost paid		**(16,992,498)**	(28,156,842)
Short Term Finance		**83,083,000**	-
Long term finance		**469,392,586**	102,094,231
Long term deposits		**500,000**	
Net Cash from / (used in) Financing Activities		**535,983,088**	73,937,389
Net Increase in Cash and Cash Equivalents		**(315,363,091)**	(281,208,961)
Cash and Cash Equivalents - at the beginning of the period		**(65,952,642)**	(64,003,932)
Cash and Cash Equivalents - at the end of the half year		**(381,315,733)**	(345,212,893)

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

Momin Qamar	Agha Hamayun Khan	Muhammad Jamil
Director	*Chief Executive*	Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2017 (un-audited)

	Issued, subscribed & paid up 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 half year ended December 31, 2017	-	*62,824,390*	-	*62,824,390*
Incremental depreciation	-	*15,390,194*	-	*15,390,194*
Balance as at December 31, 2017	**1,760,000,000**	**431,002,748**	**126,978,994**	**2,317,981,742**

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

Momin Qamar
Director

Agha Hamayun Khan
Chief Executive

Muhammad Jamil
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2017 (un-audited)

	For the half year ended		For the quarter ended	
	Jul - Dec	Jul - Dec	Oct-Dec	Oct-Dec
	2017	2016	2017	2016
	(Rupees)			
Profit / (Loss) for the period	62,824,390	37,835,475	41,620,569	17,734,191
Other Comprehensive income	-	-	-	-
Total Comprehensive income / (loss) for the period	62,824,390	37,835,475	41,620,569	17,734,191

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

Momin Qamar
Director

Agha Hamayun Khan
Chief Executive

Muhammad Jamil
Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2017 (un-audited)

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. The main objective of the company is to manufacture and sale of cement. The registered office of the company is situated at 103 Fazil Road, Lahore Cantt. and the factory in Khushab.

2 Statement of Compliance

2.1 These Condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. As per the requirements of circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 and circular No. 23 of 2017 dated October 4, 2017 issued by the Securities & Exchange Commission of Pakistan (SECP), the Company has prepared these financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (The Ordinance). Accordingly, approved accounting standards for interim financial reporting comprise of International Accounting Standard 34, 'Interim Financial Reporting' and provisions of and directives issued under the Ordinance. In case requirements differ, the provisions of or directives issued under the Ordinance prevail.

2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2017.

3 Significant Accounting Policies

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended June 30, 2017

3.1 Change in accounting standards, interpretations and amendments to published approved accounting standards

a Amendments to published approved accounting standards which are effective during the half year ended December 31, 2017

There are certain amendments to approved accounting standards which are mandatory for the Company's annual accounting period which began on July 1, 2017. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim financial statements.

b Standards and amendments to published approved accounting standards that are not yet effective

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Company's annual accounting period 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 these condensed interim financial statements. During the current period the SECP has adopted IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from Customers', the impacts of which on the Company's future financial statements are being assessed. Further, certain new standards are yet to be adopted by the Securties and Exchange Commission of Pakistan.

In addition to the foregoing, the Companies Act, 2017 which is not effective on these condensed interim financial statements has added certain disclosure requirements which will be applicable in the future.

Accounting Estimates and Judgments

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

In preparing this condensed interim financial information, the significant judgments made by the management in applying the company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2017.

			Dec-2017 Rupees	Jun-2017 Rupees
4	**LONG TERM FINANCE**			
	National Bank of Pakistan - secured	**4.1**	**493,960,405**	484,112,250
	Loans from related Parties - unsecured	**4.2**	**990,212,542**	516,729,322
	Long Term Creditors		**48,721,552**	62,660,341
			1,532,894,499	1,063,501,913
4.1	**Loans from banking companies - secured**			
	National Bank of Pakistan Demand Finance	**4.1.1**	**493,960,405**	384,362,250
	National Bank of Pakistan Demand Finance (WHR)	**4.1.2**	**83,083,000**	99,750,000
			577,043,405	484,112,250
	Less: current portion shown under current liabilities		**83,083,000**	-
			493,960,405	**484,112,250**

4.1.1 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 TDP 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.

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 as 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.

4.2 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.

			Dec-2017	Jun-2017
			Rupees	Rupees
5	DEFERRED LIABILITIES			
	Deferred Taxation	5.1	622,903,875	592,551,445
	Gratuity		844,520	844,520
			623,748,395	593,395,965
5.1	Deferred Taxation - Net			
	Taxable temporary differences - effect thereof			
	Excess of accounting book value of fixed assets over their tax base		1,171,555,816	1,172,040,356
	Deductible temporary differences - effect thereof			
	- Gratuity		(253,356)	(253,356)
	- Excess Tax / Minimum Tax		(19,084,409)	(33,809,723)
	- Others provisions		(7,668,120)	(7,668,120)
	- Unused tax losses		(521,646,056)	(537,757,712)
			622,903,875	592,551,445
6	SHORT TERM FINANCE			
	Loan from Banking Companies-Secured			
	Albaraka Islamic Bank	6.1	235,749,986	4,323,909
	National Bank of Pakistan	6.2	141,585,236	76,728,458
	National Bank of Pakistan (Cash Finance)	6.3	100,000,000	-
			477,335,222	81,052,367

6.1 A letter of credit facility usance / acceptance 180 days of Rs. 42.50 million (2017: Rs. 42.50 million) is obtained from Albaraka Bank (Pakistan) Limited with a sub limit of letter of guarantee of Rs. 0.20 million (2017: Rs. 0.20 million) to meet the contractual and import requirements of the company, and A letter of credit facility usance / acceptance 180 days clubbed with similar credit limits of Flying Paper Industries Limited on earmarmking basis of Rs. 60.175 million is obtained from Albarka Bank (Pakistan) Limited 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, Equitable & token mortgage of Rs 0.100 M of four plots situated at 103-E,F,G,H, Fazal Road, Saint John Park Lahore owned by Mr. Imran Qamar, Mr. Kamran Khan and Mr. Momin Qamar S/O Qamar-Uz-Zaman valuing Rs 32 M, lien over import documents valuing Rs. 102.675 million and personal guarantee of all Directors of the company. Mark-up is charged as per bank's schedule of charges.

A One Time Transaction letter of credit facility usance / acceptance 180 days of Rs. 235 million is obtained from Albarka Bank (Pakistan) Limited to meet the contractual and import requirements of the company. The finance is secured against ranking charge over fixed assets of the company valuing Rs. 300 million and personal guarantee of all Directors of the company. Mark-up is charged as per bank's Schedule of charges.

6.2 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 from 300 million at 20% Cash Margin with expiry of 31-03-2018 for the purpose of import *of* 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 limit 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 15tth 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 TDP 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.

6.3 The Company has availed fresh Cash Finance Hypo facility limited of Rs.100 million to finance working capital requirement with first pari passu charge over current assets of the company amounting to Rs 133.5 Million and markup payable as per schedule of charges of the bank.

7 CONTINGENCIES AND COMMITMENTS

7.1 The Albaraka Islamic Bank has issued letter of guarantees on behalf of company for the following:
- Excise Collection Office, Sindh Development & Maintenance amounting to Rs.0.20 million

7.2 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 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.

7.3 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 feel aggrieved filed an appeal before appellate tribunal which is pending yet and is likely to be decided in favour of the company.

	Dec-2017 Rupees	Jun-2017 Rupees
8 PROPERTY, PLANT & EQUIPMENT		
Opening book value	**4,641,202,214**	4,732,417,418
Add: Additions during the period	**3,990,000**	2,859,500
	4,645,192,214	4,735,276,918
Less Deletion during the year - net off depreciation	**-**	-
	4,645,192,214	4,735,276,918
Less: Depreciation charged during the period	**46,064,437**	94,074,704
Closing book value	**4,599,127,778**	4,641,202,214
Additions during the period		
Electrical installations	**3,990,000**	2,859,500
	3,990,000	2,859,500
9 CAPITAL WORK IN PROGRESS		
Building	**167,132,700**	113,132,700
Plant & machinery	**1,304,545,889**	882,558,551
	1,471,678,589	995,691,251
10 CASH AND BANK BALANCES		
In hand	**1,589,755**	4,662,383
At Banks- current accounts	**94,429,733**	10,437,342
	96,019,488	15,099,725

11 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:

Sales to Associated Companies	**-**	12,768,053
Purchases from Associated Companies	**117,429,515**	170,073,773

12 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on February 28, 2018 by the board of directors of the company.

13 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

Momin Qamar
Director

Agha Hamayun Khan

Agha Hamayun Khan
Chief Executive

Muhammad Jamil
Chief Financial Officer

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹر 31 دسمبر 2017 پر اختتام پزیر پہلی ششماہی کی غیر آڈٹ شدہ مختصر، عبوری مالیاتی معلومات بخوشی پیش کرتے ہیں۔

مالی کارکردگی

کمپنی کی ششماہی نتائج کا تقابلی جائزہ درج ذیل ہے۔

دسمبر **2017**	دسمبر 2016	
روپے	روپے	
1,259,664,276	1,144,666,791	
126,568,316	87,992,814	مجموعی منافع
62,824,390	37,835,475	خالص منافع
0.36	0.21	فی حصص منافع

کمپنی کی خالص فروخت پچھلے سال 2016 کی نسبت 1145 ملین روپے سے کمپنی کی استعداد اور مالی ضابطگی کی وجہ سے بڑھ کر 1260 ملین روپے ہوگئی ہے۔ خالص منافع جو کہ پچھلی ششماہی میں 38 ملین روپے تھا اور اب 2017 کی ششماہی میں 63 ملین روپے ہوگیا ہے۔

پچھلی ششماہی 2016 میں کمپنی کی آمدن فی حصص 0.21 پیسہ تھی جو کہ پہلی ششماہی 2017 میں بڑھ کر 0.36 پیسہ فی حصص ہوگئی ہے۔

مالی سال 31 دسمبر 2017 کی ششماہی کے دوران پاکستان میں سیمنٹ کی صنعت کی شرح 12.3 فیصد کے ساتھ 22.24 ملین ٹن رہی۔ جبکہ گذشتہ سال اسی عرصے کے دوران سیمنٹ کی صنعت کا کل پیداواری حجم 19.81 ملین ٹن تھا۔ مقامی سطح پر فروختگی میں 17.4% کی شرح نمو کے ساتھ فروختگی کا حجم 19.84% ملین ٹن رہا۔ جو کہ گذشتہ سال اسی عرصے کے دوران 16.90% ملین ٹن تھا۔

مستقبل کا نقطۂ نظر

ہم اندازہ کرتے ہیں کہ سیمنٹ کی بڑھتی ہوئی طلب مقامی مارکیٹ میں حکومت پاکستان کے بڑے بڑے پراجیکٹ بشمول سی پیک کی وجہ سے سیمنٹ کی مانگ میں اضافہ ہوتا جارہا ہے۔

ہم مسلسل حمایت اور تعاون کیلئے ہمارے بینکوں اور دوسرے مالیاتی اداروں، ڈیلروں اور کارکنوں اور دیگر شیئر ہولڈرز جن کا ہمارے ساتھ کاروباری تعلق ہے، دل کی گہرائیوں سے شکریہ ادا کرتے ہیں۔ ہمارے تمام عملے کی وابستگی، لگن اور محنت بھی دلی تعریف کے لائق ہے۔

آخر میں معزز اراکین ہم آپ کے اس اعتماد اور یقین کے دل کی گہرائیوں سے ممنون ہیں جو آپ نے ہمیشہ سے ہم پر کیا۔

آغا ہمایوں خان

چیف ایگزیکٹو آفیسر

لاہور 28 فروری 2018

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