



FECTO CEMENT LIMITED

Builders of a New World

**Interim Report for
the Nine Months Ended
31st March, 2024**

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COMPANY INFORMATION

BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFICER

Mr. Muhammad Hanif Idrees, FCA

COMPANY SECRETARY

Mr. Abdul Wahab, FCA

LEGAL ADVISOR

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

REGISTERED OFFICE

Plot # 60-C, Khayaban-e-Shahbaz,
Phase VI, Defence Housing Authority,
Karachi-75500, Pakistan
Website: www.fectogroup.com
Phone Nos. (+ 9221) 35248921-4
Fax: (+ 9221) 35248925

MARKETING OFFICE

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

AUDIT COMMITTEE

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

HUMAN RESOURCE & REMUNERATION COMMITTEE

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

AUDITORS

Rahman Sarfaraz Rahim Iqbal Rafiq,
Chartered Accountants

SHARE REGISTRAR

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

FACTORY

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

BANKERS

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



DIRECTORS' REVIEW

Your Directors are pleased to present before you their report together with Un Audited Condensed Interim Financial Statements of the Company for the period nine months ended March 31, 2024.

INDUSTRY OVERVIEW

During the nine months ended March 31, 2024 overall sales volume of the industry increased by 0.904 million tons i.e. by 2.69% as compared to same period last year, with total sales volume of 34.504 million tons as against 33.600 million tons of same period last year. During the quarter, overall sales volume of the industry reduced by 1.214 million tons i.e. by 10.26% with sales volume of 10.622 million tons as against 11.836 million tons of same quarter last year.

Local sales volume of the industry for the nine months and quarter was of 29.403 million tons and 9.175 million tons respectively as against 30.564 million tons and 10.535 million tons of same periods last year witnessing reduction of 3.80% and 12.91% for the respective periods. On export side, industry achieved sales volume of 5.101 million tons and 1.448 million tons in nine months and quarter respectively as against sales volume of 3.036 million tons and 1.301 million tons of same periods last year. In nine months period, exports increased by 68.03% whereas on quarter to quarter it increased by 11.23%.

During nine months period, overall sales volume of plants located in north reached to 25.277 million tons with local sales volume of 24.237 million tons and exports volume of 1.040 million tons respectively. Total sales volume of plants located in north hence reduced by 2.13%, out of which local sales volume reduced by 3.24% whereas exports increased by 33.62%.

COMPANY'S PERFORMANCE

OPERATING:

During nine months, company produced 488,581 tons of clinker and 548,977 tons of cement as against 497,176 tons of clinker and 493,854 tons of cement of same period last year registering reduction in production of clinker by 1.73% and increase in production of cement by 11.16% respectively. In current quarter company produced 145,908 tons of clinker and 164,748 tons of cement as against 162,579 tons of clinker and 178,018 tons of cement of same period last year. Production of clinker and cement hence, reduced by 10.25% and 7.45% during quarter under review.

Overall sales volume of the Company for the nine months increased from 486,660 tons to 547,831 tons hence registering an increase of 12.57% out of which local sales volume increased from 466,704 to 539,361 i.e. by 15.57% whereas exports reduced from 19,956 to 8,470 i.e. by 57.56%. For the quarter total sales volume reduced from 175,531 tons to 165,643 tons i.e. by 5.63% out of which local sales volume reduced from 172,466 tons to 163,893 tons i.e. by 4.97%, whereas exports reduced from 3,065 tons to 1,750 tons i.e. by 42.90%.



FINANCIAL:

Total net sales revenue of the Company for the nine months period increased by Rs. 1,672 million to Rs. 8,233 million. This increase in term of percentage comes to 25.52% as against increase in volume by 12.57%.

Net local sales revenue for the nine months period increased by Rs. 1,796 million to Rs. 8,125 million witnessing a growth of 28.38% as against increase in local sales volume by 15.57%. The increase in local sales is due to combination of both price and quantity, as 45% of increase is due to increase in average rate of cement while quantity increase contributing to the remaining 55% which is mainly due to increase in production capacity of plant. Export revenue for the nine months reduced by Rs. 124 million to Rs. 99 million witnessing a reduction of 55.72 %, mainly due to the reduction in export sales volume.

Overall Cost of sales for the nine months increased by Rs. 1,115 million to Rs. 7,342 million of same period last year registering increase of 17.90%. The increase is mainly due to increase in sales volume by 12.57%.

The Company during the nine months and quarter achieved gross profit of Rs. 881.744 million and Rs. 142.390 million respectively as compared to gross profit of Rs. 324.466 million and Rs. 150.471 million of same periods last year. Finance cost decreased by 3.85% during the period as interest rates remained fairly stable during the period.

Company registered profit before tax of Rs. 404.696 million during nine months as against loss before tax of Rs. 109.575 million of same period last year. During the quarter, Company achieved profit before tax of Rs. 1.217 million as against profit before tax of Rs. 17.125 million of same period last year.

The Company achieved profit after tax of Rs. 209.860 million during nine months whereas in current quarter it achieved profit after tax of Rs. 31.357 million as against loss after tax of Rs. 114.795 million during nine months and profit after tax of Rs. 7.161 million during quarter of the same period last year, respectively.

The Company achieved earnings per share of Rs. 4.18 for the nine months as against loss per share of Rs. 2.29 during same period last year. During current quarter the Company achieved earnings per share of Rs. 0.63 as against earnings per share of Rs. 0.14 of same periods last year.

FUTURE OUTLOOK

In recent past PKR vs. USD has remained stable leading to easing out of concerns in respect of exchange risk. However, any adversity in the ongoing geo-political scenario in the region could

pose challenges in respect of oil and fuel prices as well as exchange rates.

Mark-up rates have peaked and as a way forward with expected taming of inflation gradual easing of monetary policy is expected which will be positive for the overall economic environment. However, continued reliance of the country on borrowing from multilateral organizations could lead to the challenges of stringent economic measures causing inflationary pressures.

In spite of the challenges, overall business confidence level is expected to improve which may lead to a boost in the real estate and construction industry, ultimately benefiting the cement sector. Your company will continue to focus on cost optimization through productivity and efficiency enhancement measures along with continued efforts for increasing sales volumes to maintain profitability.

ACKNOWLEDGMENT

We would like to record our sincere appreciation for unwavering support and cooperation of all stakeholders, including financial institutions, customers, and vendors. We would also like to acknowledge invaluable contribution of our loyal employees through their dedication, hard work and commitment in the company's endeavors.



MOHAMMED YASIN FECTO
CHIEF EXECUTIVE



ROHAIL AJMAL
DIRECTOR



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024**

	Note	Un-audited March 31 2024	Audited June 30 2023
Rupees in thousand			
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
75,000,000 (June 30, 2023: 75,000,000) ordinary shares of Rs. 10/- each		750,000	750,000
Issued, subscribed and paid up capital			
50,160,000 (June 30, 2023: 50,160,000) ordinary shares of Rs.10/- each		501,600	501,600
Revenue reserves			
General reserve		550,000	550,000
Unappropriated profits		2,648,096	2,438,236
		3,198,096	2,988,236
Capital reserve			
Surplus on revaluation of investment in unquoted shares		106,919	106,919
		3,806,615	3,596,755
Non-current liabilities			
Long term financing from a banking company - secured	3	724,204	860,641
Lease liability		24,594	48,398
Deferred income - Government grant	4	80,067	140,528
		828,865	1,049,567
Current liabilities			
Trade and other payables		1,527,658	1,346,954
Short term borrowings - secured	5	1,022,388	954,052
Accrued mark-up		45,806	54,205
Unclaimed dividend		14,476	14,489
Unpaid dividend		185	185
Current maturity of long term financing - secured	6	264,058	238,355
Current maturity of lease liability		32,116	27,900
Current maturity of government grant	4	70,960	44,017
		2,977,647	2,680,157
Contingencies and commitments	7		
Total equity and liabilities		7,613,127	7,326,479
ASSETS			
Non-current assets			
Property, plant and equipment	8	2,748,387	2,708,837
Right-of-use assets		56,520	76,812
Investment Property		102,260	102,260
Long term investments		401,511	401,511
Long term deposits		10,101	10,101
Long term loans and advances		11,300	8,466
Deferred taxation		14,014	113,586
		3,344,093	3,421,573
Current assets			
Stores and spares		1,666,300	1,508,972
Stock-in-trade		1,898,726	1,800,895
Trade debts - unsecured		261,069	146,735
Short term loan to related party		45,885	70,895
Loans, advances, deposits, prepayments and other receivable		91,261	68,911
Tax refunds due from government		112,990	109,833
Cash and bank balances		192,803	198,665
		4,269,034	3,904,906
Total assets		7,613,127	7,326,479

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


MOHAMMED YASIN FECTO
CHIEF EXECUTIVE


ROHAIL AJMAL
DIRECTOR


MUHAMMAD HANIF IDREES
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024**

	Note	Nine months ended		Quarter ended	
		March 31 2024	March 31 2023	March 31 2024	March 31 2023
Rupees in thousand					
Sales revenue - net	9	8,223,377	6,551,305	2,502,544	2,406,104
Cost of sales	10	(7,341,633)	(6,226,839)	(2,360,154)	(2,255,633)
Gross profit		881,744	324,466	142,390	150,471
Administrative expenses		(260,731)	(234,178)	(78,129)	(88,436)
Distribution costs		(81,118)	(71,147)	(25,995)	(24,753)
		(341,849)	(305,325)	(104,124)	(113,189)
Other income		89,820	88,472	36,874	50,504
Other expense		(21,300)	(5,315)	(64)	-
Operating profit		608,415	102,298	75,076	87,786
Finance costs		(203,719)	(211,873)	(73,859)	(70,661)
Profit / (loss) before taxation		404,696	(109,575)	1,217	17,125
Taxation	11	(194,836)	(5,220)	30,140	(9,964)
Profit / (loss) after taxation		209,860	(114,795)	31,357	7,161
Rupees					
Earning / (Loss) per share - basic and diluted		4.18	(2.29)	0.63	0.14

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



Mohammed Yasin Fecto
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CHIEF EXECUTIVE

Rohail Ajmal
ROHAIL AJMAL
DIRECTOR

Muhammad Hanif Idrees
MUHAMMAD HANIF IDREES
CHIEF FINANCIAL OFFICER


**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024**

	Nine months ended		Quarter ended	
	March 31 2024	March 31 2023	March 31 2024	March 31 2023
	Rupees in thousand			
Profit / (loss) after taxation	209,860	(114,795)	31,357	7,161
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	209,860	(114,795)	31,357	7,161

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


MOHAMMED YASIN FECTO
CHIEF EXECUTIVE


ROHAIL AJMAL
DIRECTOR


MUHAMMAD HANIF IDREES
CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024**

	Issued, Subscribed & Paid up capital	Revenue Reserves		Capital reserve	Total
		General Reserve	Un- appropriated Profit	Surplus on revaluation of investment in unquoted shares	
Rupees in thousand					
Balance as at July 1, 2022 (audited)	501,600	550,000	2,571,481	127,693	3,750,774
Total comprehensive loss for the nine months ended March 31, 2023					
- Loss after taxation	-	-	(114,795)	-	(114,795)
- Other comprehensive income	-	-	-	-	-
	-	-	(114,795)	-	(114,795)
Balance as at March 31, 2023	<u>501,600</u>	<u>550,000</u>	<u>2,456,686</u>	<u>127,693</u>	<u>3,635,979</u>
Balance as at July 1, 2023 (audited)	501,600	550,000	2,438,236	106,919	3,596,755
Total comprehensive income for the nine months ended March 31, 2024					
- Profit after taxation	-	-	209,860	-	209,860
- Other comprehensive income	-	-	-	-	-
	-	-	209,860	-	209,860
Balance as at March 31, 2024	<u>501,600</u>	<u>550,000</u>	<u>2,648,096</u>	<u>106,919</u>	<u>3,806,615</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



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CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024**

	Note	Nine months ended	
		March 31 2024	March 31 2023
Rupees in thousand			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	12	570,788	(244,008)
Income tax paid		(100,647)	(14,518)
Long term deposits		-	172
Long term loan and advances		(334)	446
Net cash generated from / (used in) operating activities		469,807	(257,908)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		(249,456)	(38,331)
Advance paid to software house		(2,500)	-
Repayment / (Disbursement) of loan by the related party		25,010	(74,500)
Interest received		15,432	5,414
Proceeds from disposal of property, plant and equipment		9,961	1,388
Net cash used in investing activities		(201,553)	(106,029)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liability (principal portion)		(19,588)	(19,248)
Dividend paid		(13)	-
Repayment of Long term financing (principal portion)		(141,651)	(110,068)
Finance costs paid		(181,200)	(158,862)
Short term borrowings - net		(31,720)	201,730
Net cash used in from financing activities		(374,172)	(86,448)
Net decrease in cash and cash equivalents		(105,918)	(450,385)
Cash and cash equivalents as at the beginning of the period		(523,667)	(134,118)
Cash and cash equivalents as at the end of the period	13	(629,585)	(584,503)

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


MOHAMMED YASIN FECTO
CHIEF EXECUTIVE


ROHAIL AJMAL
DIRECTOR


MUHAMMAD HANIF IDREES
CHIEF FINANCIAL OFFICER



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024**

1. INTRODUCTION

1.1 Legal status of the Company

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

1.2 Location of the registered office and the manufacturing facility

Registered office:

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

Manufacturing facility:

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

1.3 Principal business activity

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

These condensed interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2023.



2.2 Basis of measurement

All items in these condensed interim financial statements have been measured at their historical cost except for the following:

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

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgments

In preparing these interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied in the annual financial statements of the Company as at and for the year ended June 30, 2023.

2.5 Significant accounting policies

The significant accounting policies applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2023.

	(Un-audited) March 31 2024	(Audited) June 30 2023
	Rupees in thousand	
3. LONG TERM FINANCING - secured (from a banking company)		
Financing under SBP schemes		
- Financing Scheme for Renewable Energy	288,404	337,199
- Temporary Economic Refinance Facility (TERF)	<u>385,825</u>	<u>422,001</u>
	674,229	759,200
Other financing arrangements		
- Term Finance II	<u>49,975</u>	<u>101,441</u>
	<u>724,204</u>	<u>860,641</u>



	(Un-audited) March 31 2024	(Audited) June 30 2023
	Rupees in thousand	
4. DEFERRED INCOME - GOVERNMENT GRANT		
Opening balance	184,545	231,155
Less: Amortized for the period / year	<u>(33,518)</u>	<u>(46,610)</u>
	151,027	184,545
Less: Current maturity shown under current liability	<u>(70,960)</u>	<u>(44,017)</u>
Non-current maturity	<u>80,067</u>	<u>140,528</u>
5. SHORT TERM BORROWINGS		
Running finance	822,388	722,332
Cash Finance	200,000	148,500
Export re-finance	-	83,220
	<u>1,022,388</u>	<u>954,052</u>
6. CURRENT MATURITY OF LONG TERM		
FINANCING - Secured		
Financing under SBP schemes		
Financing Scheme for Renewable Energy	99,212	102,130
Temporary Economic Refinance Facility (TERF)	<u>96,225</u>	<u>67,604</u>
	195,437	169,734
Other financing facilities		
Term Finance II	<u>68,621</u>	<u>68,621</u>
	<u>264,058</u>	<u>238,355</u>
7. CONTINGENCIES AND COMMITMENTS		
7.1 Contingencies		
7.1.1 The status of the contingency was the same as reported in note 13.1 to the annual financial statements of the Company for the year ended June 30, 2023.		



	Note	(Un-audited) March 31 2023	(Audited) June 30 2022
Rupees in thousand			
7.2 Commitments			
As of the reporting date, the outstanding financial commitments of the company were as follows:			
- Letter of Credit in favour of stores and spares		98,514	40,799
- Letter of guarantee in favour of Sui Northern Gas Pipeline Limited (SNGPL)		<u>110,000</u>	<u>110,000</u>
8. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets		2,230,096	2,358,969
Capital work in progress	8.1	125,694	-
Capital spares		<u>392,597</u>	<u>349,868</u>
		<u>2,748,387</u>	<u>2,708,837</u>
8.1 Capital work in progress			
Opening balance		-	126,682
Expenditure incurred during the period / year		<u>125,694</u>	<u>5,734</u>
		<u>125,694</u>	132,416
Transferred to operating fixed assets during the period / year		-	(132,416)
Transferred to capital spares during the period / year		-	-
Charged of during the period / year		-	(132,416)
		<u>125,694</u>	-
		(Un-audited) March 31, 2024	(Un-audited) March 31, 2023
Rupees in thousand			
9. SALES REVENUE - net			
Revenue from local sales		8,124,838	6,328,787
Revenue from export sales		<u>98,539</u>	<u>222,518</u>
		<u>8,223,377</u>	<u>6,551,305</u>



	Note	(Un-audited) March 31, 2024	(Un-audited) March 31, 2023
Rupees in thousand			
10. COST OF SALES			
Opening stock of finished goods		104,221	31,777
Cost of goods manufactured	10.1	7,357,515	6,329,001
		<u>7,461,736</u>	<u>6,360,778</u>
Closing stock of finished goods		(120,103)	(133,939)
		<u>7,341,633</u>	<u>6,226,839</u>
10.1 Cost of goods manufactured			
Raw material and packing material consumed		1,004,407	570,605
Conversion cost incurred		6,290,092	6,222,971
		<u>7,294,499</u>	<u>6,793,576</u>
Opening work-in-process		610,422	193,686
Closing work-in-process		(547,406)	(658,261)
		<u>63,016</u>	<u>(464,575)</u>
		<u>7,357,515</u>	<u>6,329,001</u>
11. TAXATION			
Current		103,209	87,722
Prior		(7,944)	(9,622)
		<u>95,265</u>	<u>78,100</u>
Deferred		99,571	(72,880)
		<u>194,836</u>	<u>5,220</u>



	(Un-audited) March 31 2024	(Un-audited) March 31 2023
Note	Rupees in thousand	
12. CASH USED IN OPERATIONS		
Profit / (Loss) before taxation	404,696	(109,575)
Adjustments for:		
- Depreciation on property, plant and equipment	203,099	199,149
- Depreciation on right-of-use assets	20,292	18,608
- Finance costs	203,719	211,873
- Interest income	(31,058)	(22,034)
- Gain on disposal of operating fixed assets	(3,154)	(996)
- Provision against Workers' Profit Participation Fund	21,300	-
- Amortization of deferred government grant	(33,518)	(35,303)
	<u>380,680</u>	<u>371,297</u>
Operating Profit before working capital changes	785,376	261,722
Working capital changes		
Decrease / (Increase) in current assets		
- Stores and spares	(157,328)	64,292
- Stock-in-trade	(97,831)	(618,917)
- Trade debts	(114,334)	(71,777)
- Loans, advances, deposit and prepayment	(6,724)	(1,832)
- Sales tax refundable	2,225	(18,614)
Increase in current liabilities		
Trade and other payables	159,404	141,118
	<u>(214,588)</u>	<u>(505,730)</u>
Cash generated from / (used in) operations	<u>570,788</u>	<u>(244,008)</u>
13. CASH AND CASH EQUIVALENTS		
Cash and bank balances	192,803	115,551
Short term borrowings - running finance	5 (822,388)	(700,054)
	<u>(629,585)</u>	<u>(584,503)</u>
14. TRANSACTIONS AND BALANCES WITH RELATED PARTIES		
The related parties of the Company comprise of M/s Frontier Paper Products (Private) Limited		



(an associated company), M/s. Fecto Cement Nooriabad (Private) Limited (a subsidiary), key management personnel (including directors) and their close family members, and the staff provident fund. Transactions entered into, and balances held with, the related parties were as follows:

			(Un-audited) March 31 2024	(Un-audited) March 31 2023
			— Rupees in thousand —	
Transactions during the period				
Name of the related party	Basis of relationship with the party	Nature of the transaction		
Frontier Paper Products (Private) Limited	Associated company	Purchases made	549,516	387,454
		Payments made	517,135	348,862
		Interest income on loan receivable	9,459	7,485
		Loan disbursed	-	74,500
		Loan recovered	25,010	-
	Associated company	Remuneration of the Chief Executive	28,820	30,640
		Directors' meeting fee	220	100
		Remuneration of executives	189,071	169,537
Fecto Cement Limited - Staff Provident Fund	Post-employment benefit plan	Contribution for the period	22,300	19,126

			(Un-audited) March 31, 2024	(Audited) June 30, 2023
			— Rupees in thousand —	
Balances outstanding as of the reporting date				
Name of the related party	Basis of relationship with the party	Nature of the balance outstanding		
Frontier Paper Products (Private) Limited	Associated company	Trade payable	80,171	47,790
		Loan receivable	45,885	70,895
		Interest receivable on loan	2,735	5,101
Fecto Cement Limited - Staff Provident Fund	Post-employment benefit plan	Contribution payable	4,389	5,157



15. FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying amounts of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair value.

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

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

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

	March 31, 2024 (Un-audited)		
	Level 1	Level 2	Level 3
	Rupees in '000'		
Investment in privately placed TFCs	-	99,920	-
Investment in unquoted ordinary shares of M/s. Frontier Paper Products (Private) Limited	-	-	300,591
	June 30, 2023 (Audited)		
	Level 1	Level 2	Level 3
	Rupees in '000'		
Investment in privately placed TFCs	-	99,920	-
Investment in unquoted ordinary shares of M/s. Frontier Paper Products (Private) Limited	-	-	300,591



The Company uses the Discounted Free Cash Flows to Equity model of business valuation to arrive at the fair value of its investment in the unquoted ordinary shares of its investment in M/s. Frontier Paper Products (Private) Limited. The assumptions and inputs used in the valuation mainly include the present risk-free rate, equity beta, equity risk premium (used in the derivation of the discount rate) as well as the projected rates of increase in sales, cost of sales, administrative and selling expenses, finance costs, other expenses and terminal growth rates.

16. GENERAL

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

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on April 29, 2024.

16.2 Level of rounding

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



MOHAMMED YASIN FECTO
CHIEF EXECUTIVE



ROHAIL AJMAL
DIRECTOR



MUHAMMAD HANIF IDREES
CHIEF FINANCIAL OFFICER



مارکسپ کی شرمیں مروج پر پہنچ گئی ہیں اور متوقع اخراجات زبردستی کا پانے کے ساتھ ساتھ زری پالیسی میں بتدریج نرمی کی توقع ہے جو مجموعی اقتصادی ماحول کے لیے مثبت ہوگی۔ ہم کیش ایجنسی تنظیموں سے قرض لینے پر ملک کا مسلسل انحصار اخراجات زبردستی کا پانے کے ساتھ ساتھ زری پالیسی میں بتدریج نرمی کی توقع ہے جو مجموعی اقتصادی ماحول کے لیے مثبت ہوگی۔

چیلنجوں کے باوجود، مجموعی طور پر کاروباری اعتماد کی سطح میں بہتری کی توقع ہے جو ریکل اسٹیٹ اونٹنی واتی صنعت کٹروٹ وینے کا باعث بن سکتی ہے جس سے باآز سبٹ کے شعبے کو فائدہ ہوگا۔ آپ کی کھنی منافع کو برقرار رکھنے کے لیے فروخت کے حجم میں اضافے کے لیے مسلسل کوششوں کے ساتھ پیداواریت اور کارکردگی بڑھانے کے اقدامات کے ذریعے لاگت کی اصلاح پر توجہ مرکوز رکھے گی۔

اعمال و تفکر:

ہم تمام اسٹیٹ ہولڈرز بشمول مالیاتی اداروں، صارفین اور وینڈرز کی غیر حرجز ل حمایت اور تعاون کے لیے اپنی غلصا نہ تعریف ریکارڈ کرنا چاہیں گے۔ ہم اپنے وفادار ملازمین کی کھنی کوششوں میں ان کی لگن، محنت اور مزم کے ذریعے انمول شراکت کا بھی اعتراف کرنا چاہیں گے۔

منجانب بورڈ



روحیل اجمل

ڈائریکٹر



محمد یسین فیکو

چیف ایگزیکٹو

بمقام کراچی: 29 اپریل 2024

نوماد کے دوران کپنی کی مجموعی فروخت کا حجم 486,660 ٹن سے بڑھ کر 547,831 ٹن ہو گیا جس سے 12.57 فیصد کا اضافہ ریکارڈ کیا گیا۔ جس میں مقامی فروخت کا حجم 466,704 سے بڑھ کر 539,361 ہو گیا یعنی 15.57 فیصد کا اضافہ جب کہ برآمدات 19,956 ٹن سے 8,470 یعنی 57.56 فیصد کی کمی ریکارڈ کی گئی۔ اس سرمایہ کے لیے مجموعی فروخت کا حجم 175,531 ٹن سے کم ہو کر 165,643 ٹن ریکارڈ کی گئی جو کہ 5.63 فیصد کم ہوا۔ جس میں سے مقامی حجم میں 172,466 ٹن سے کم ہو کر 163,893 ٹن ہو گئی جو کہ 4.97 فیصد کی ہوئی، جب کہ برآمدات 3,065 ٹن سے کم ہو کر 1,750 ٹن رہی جو کہ منفی 42.90 فیصد رہی۔

مالیاتی نتائج

نوماد کی مدت کے لیے کپنی کی کل خالص فروخت میں 1,672 ملین روپے سے بڑھ کر 8,233 ملین روپے ہو گئی۔ یہ اضافہ 25.52 فیصد رہا جب کہ حجم میں 12.57 فیصد اضافہ ہوا ہے۔

نوماد کی مقامی فروخت میں 1,796 ملین روپے اضافہ ریکارڈ کیا گیا جو کہ 8,125 ملین روپے رہی جو کہ 28.38 فیصد رہی جبکہ مقامی فروخت کی حجم میں 15.57 فیصد اضافہ ہوا۔ مقامی فروخت میں اضافہ قیمت اور مقدار دونوں کے استخراج کی وجہ سے ہوا ہے کیونکہ 45 فیصد اضافہ سینٹ کی اوسط شرح میں اضافے کی وجہ سے ہوا ہے۔ جب کہ مقدار میں اضافہ 55 فیصد کا حصہ ہے جس کی بنیادی وجہ پلائنٹ کی پیداواری صلاحیت میں اضافہ ہے۔ نوماد کے لیے برآمدات میں 124 ملین روپے کی کمی ہوئی جو کہ 99 ملین روپے رہی جبکہ حجم میں 55.72 فیصد کی دیکھی گئی۔

نوماد میں فروخت کی مجموعی لاگت میں پچھلے سال کی ایسی مدت کے مقابلے میں 1,115 ملین روپے کا اضافہ ہوا جو کہ 7,342 ملین روپے رہی جبکہ 17.90 فیصد کا اضافہ درج کیا گیا۔ جب کہ مجموعی فروخت کے حجم میں 12.57 فیصد اضافہ ہوا۔

کپنی نے نوماد اور سرمایہ کے دوران 881.744 ملین روپے اور 142.390 ملین روپے باآز تریب کا مجموعی منافع حاصل کیا جبکہ پچھلے سال اسی ادوار کے دوران 324.466 ملین روپے اور 150.471 ملین روپے باآز تریب مجموعی منافع حاصل کیا۔ اس مدت کے دوران مالیاتی لاگت میں 3.85 فیصد کمی واقع ہوئی کیونکہ اس مدت کے دوران شرح سود کافی مستحکم رہتی ہے۔

کپنی نے قبل از محمول نوماد کے دوران 404.696 ملین روپے کا منافع درج کیا گزشتہ سال اسی مدت میں 109.575 کا نقصان درج کیا جبکہ موجودہ سرمایہ 1.217 ملین روپے کا قبل از محمول منافع حاصل کیا جبکہ گزشتہ سال اسی مدت کے دوران 17.125 ملین روپے کا منافع حاصل کیا۔

نوماد میں کپنی نے 4.18 روپے فی حصص منافع حاصل کیا جبکہ گزشتہ سال اسی مدت کے دوران 2.29 روپے نقصان ہوا۔ موجودہ سرمایہ کے دوران کپنی نے 0.63 روپے فی حصص آمدنی حاصل کی جبکہ پچھلے سال اسی دوران 0.14 روپے فی حصص آمدنی رہی۔

مستقبل پر نظر:

ماضی قریب میں پاکستانی روپے کے مقابلے میں امریکی ڈالر مستحکم رہا۔ جس کی وجہ سے زرمبادلہ کے خطر سے کھولے سے خدشات دور ہو گئے ہیں۔ تاہم، خطے میں جاری ہزاروں نئی سیاسی مظاہرے میں کوئی بھی خرابی نہیں اور ایندھن کی قیمتوں کے ساتھ ساتھ شرح مبادلہ کے خولے سے بھی چیلنجز پیدا کر سکتی ہے۔



فیو سیٹ لیجنڈ

ڈائریکٹرز جائزہ

آپ کی کھپنی کے ڈائریکٹرز کھپنی کی کارکردگی کا جائزہ بعد غیر آڈٹ شدہ مالیاتی دستاویزات برائے ختم ہونے والے برس سے 31 مارچ 2024 آپ کی خدمت میں پیش کر رہے ہیں۔

مصنعتی جائزہ

31 مارچ 2024 کو ختم ہونے والے نو ماہ کے دوران صنعت کی مجموعی فروخت کے ختم میں گزشتہ سال کی اسی مدت کے مقابلے میں 0,904 ٹن اضافہ ہوا جو کہ 2.69 فیصد رہی جبکہ مجموعی طور پر فروخت 34,504 ٹن ٹن رہی جو گزشتہ سال کی اسی مدت کے دوران 33,600 ٹن ٹن تھی۔ اس سرمایہ کے دوران، صنعت کی مجموعی فروخت کا ختم 10,26 فیصد کم ہوا جب کہ ٹن میں 1,214 ٹن کی ہوئی۔ جس کی فروخت کا ختم 10,622 ٹن ٹن رہا جو گزشتہ سال کی اسی سرمایہ میں 11,836 ٹن ٹن تھا۔

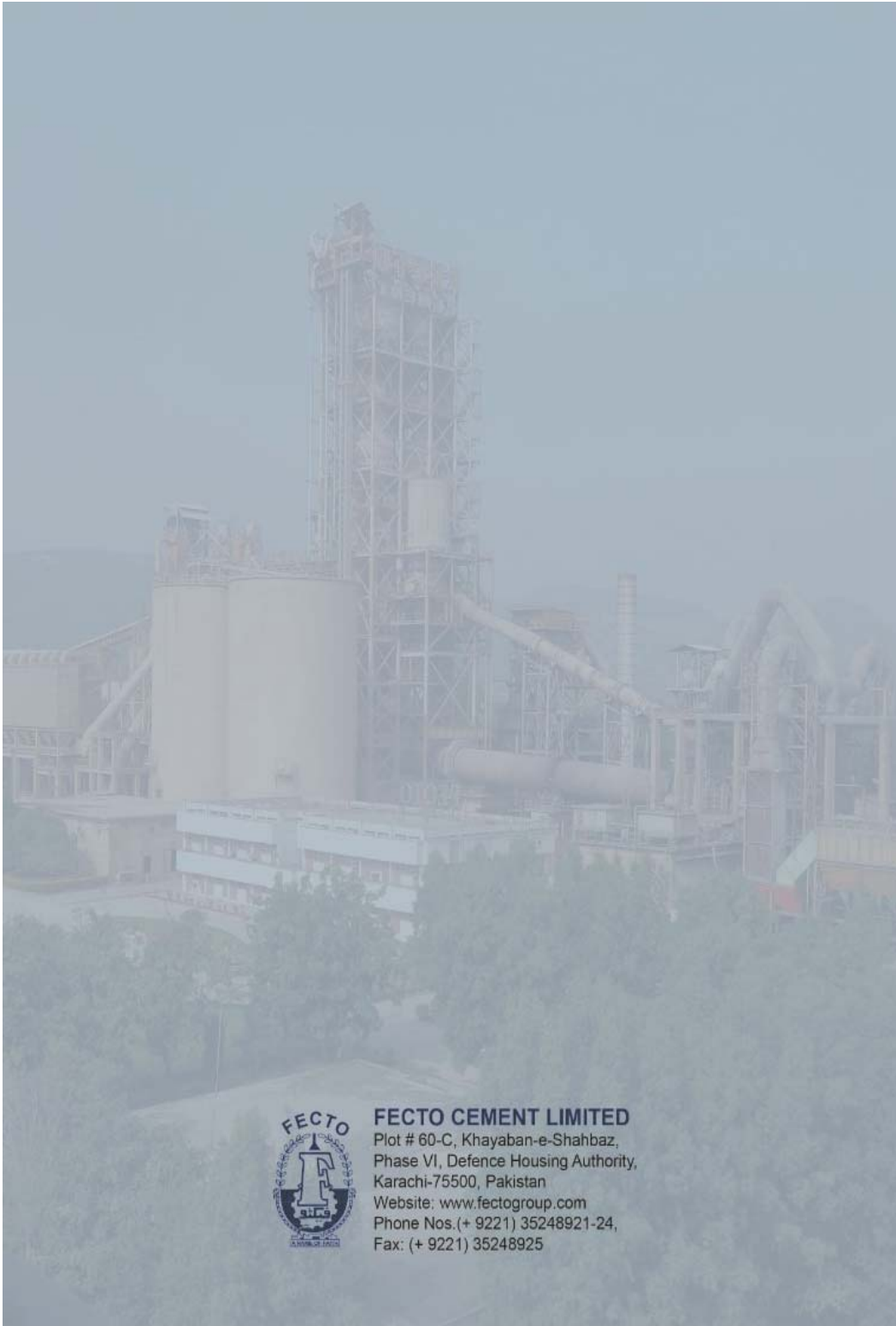
نو ماہ اور سرمایہ کے لیے صنعت کی مقامی فروخت کا ختم بائزریب 29,403 ٹن ٹن اور 9,175 ٹن ٹن تھا۔ جو گزشتہ سال اسی مدت کے دوران 30,564 ٹن ٹن اور 10,535 ٹن ٹن تھا جو صنعت مدت کے لیے 3.80 فیصد اور 12.91 فیصد کی کمی کا مشاہدہ کرتا ہے۔ برآمدات کی طرف، صنعت نے نو ماہ اور سرمایہ میں بائزریب 5,101 ٹن ٹن اور 1,448 ٹن ٹن فروخت کا ختم حاصل کیا جبکہ گزشتہ سال اسی مدت کے دوران 3,036 ٹن ٹن اور 1,301 ٹن ٹن فروخت کا ختم تھا۔ نو ماہ کی مدت میں برآمدات میں 68.03 فیصد اضافہ ہوا جب کہ سرمایہ کے دوران اس میں 11.23 فیصد اضافہ ہوا۔

نو ماہ کی مدت کے دوران، شمال میں واقع پائٹس کی مجموعی فروخت کا ختم بائزریب 24,237 ٹن ٹن اور برآمدات کا ختم 1,040 ٹن ٹن کے ساتھ 25,277 ٹن ٹن تک پہنچ گیا۔ شمال میں واقع پائٹس کی کل فروخت کا ختم 2,13 فیصد کم ہوا، جس میں سے مقامی فروخت کا ختم 3,24 فیصد کم ہوا جب کہ برآمدات میں 33.62 فیصد اضافہ ہوا۔

کھپنی کی کارکردگی

کارکردگی یعنی کاروباری افعال

نو ماہ کے دوران کھپنی نے 488,581 ٹن کلنگر اور 548,977 ٹن سینٹ کی پیداوار کی جو گزشتہ سال کی اسی مدت کے دوران 497,176 ٹن کلنگر اور 493,854 ٹن سینٹ کے مقابلے میں 1.73 فیصد کمی اور سینٹ کی پیداوار میں بائزریب 1.6 فیصد اضافہ رکھنا کی گئی۔ موجودہ سرمایہ میں کھپنی نے 145,908 ٹن کلنگر اور 164,748 ٹن سینٹ کی پیداوار کی جو گزشتہ سال کی اسی مدت میں 162,579 ٹن کلنگر اور 178,018 ٹن سینٹ تھی۔ اس ہجڑ سے کلنگر اور سینٹ کی پیداوار اور زبرد جائزہ سرمایہ کے دوران 10.25 فیصد تک کم ہوئی۔



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