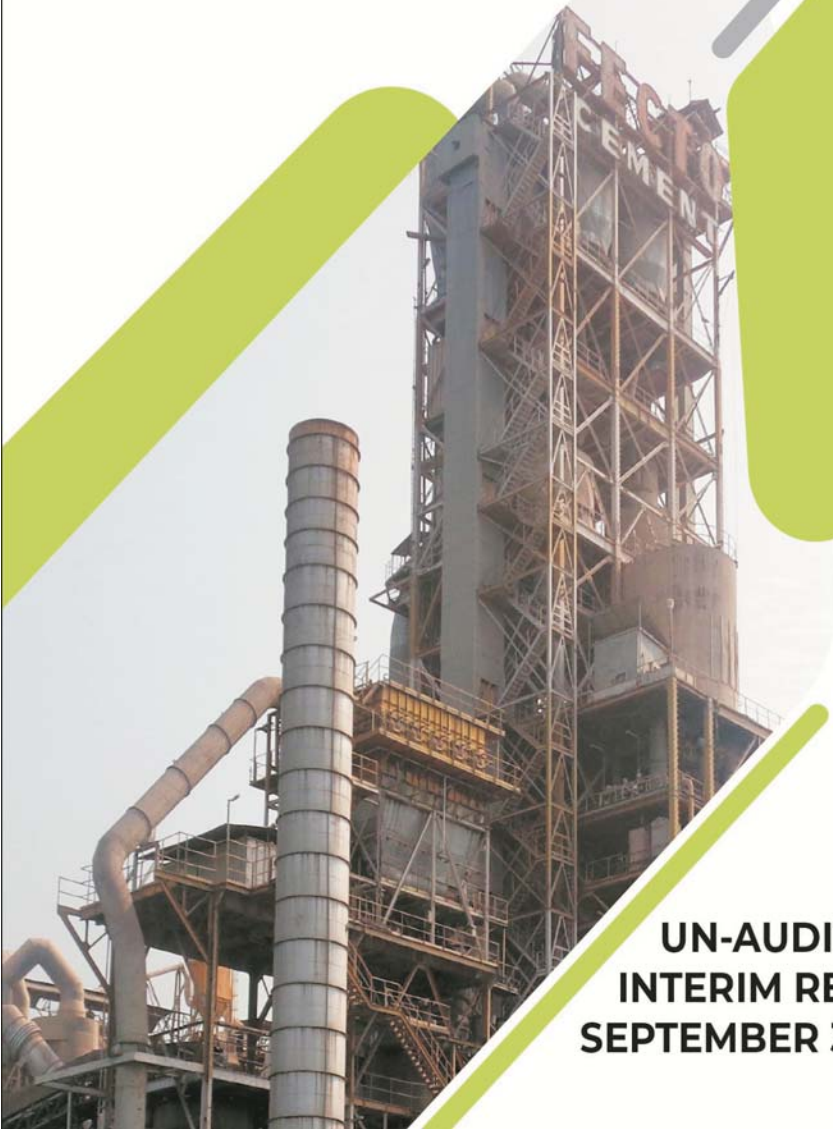




# FECTO CEMENT LIMITED

Builders of a New World



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

### COMPANY SECRETARY

Mr. Abdul Wahab, FCA

### LEGAL ADVISOR

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

### REGISTERED OFFICE

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

### MARKETING OFFICE

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

### AUDIT COMMITTEE

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

### HUMAN RESOURCE & REMUNERATION COMMITTEE

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

### AUDITORS

Rahman Sarfaraz Rahim Iqbal Rafiq,  
Chartered Accountants

### SHARE REGISTRAR

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

### FACTORY

Sangjani, Islamabad  
Phone Nos. (+ 9251) 2296065-88

### BANKERS

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

### WEBSITE:

[www.fectogroup.com](http://www.fectogroup.com)

## DIRECTORS' REVIEW

The Directors of your Company are pleased to present before you their review together with the unaudited financial statement for the first quarter ended 30th September 2024.

### ECONOMIC AND INDUSTRY OVERVIEW

During the quarter under review there have been positive developments on the economic front. Declining rates of inflation and discount rates, increasing foreign exchange reserves and contracting current account deficit are encouraging indications but its trickledown effect is yet to be witnessed.

In the wake of the prevailing economic landscape environment overall industry volumes during the first quarter were 10.28 million tons i.e. a decline of 13.53% over the corresponding period of last year with export volumes of 2.14 million tons i.e. a growth of 22.36%. Domestic volumes during the first quarter were 8.13 million tons, i.e. a decline of 19.73% over the corresponding period of last year.

Volumes of the North Zone during the first quarter were 7.37 million tons i.e. a decline of 15.88% over the corresponding period of last year with export volumes of 0.51 million tons i.e. a growth of 18.44%. Domestic volumes during the first quarter were 6.86 million tons, i.e. a decline of 17.64% over the corresponding period of last year.

Volumes of the South Zone during the first quarter were 2.91 million tons i.e. a decline of 6.95% over the corresponding period of last year with export volumes of 1.64 million tons i.e. a growth of 23.63%. Domestic volumes during the first quarter were 1.27 million tons, i.e. a decline of 29.43% over the corresponding period of last year.

### OPERATING & FINANCIAL PERFORMANCE OF THE COMPANY

Overall sales volume of the Company in the domestic market declined by 7.30% over the corresponding period of last year, which has been offset by export volumes growing exponentially at 4.2 times of the corresponding period of last year resulting in over decline by around 4%. However, the overall sales value during the first quarter was 2,875.038 million, i.e. an increase of 9.50% over the corresponding period of last year. Domestic sales increased by 7.14% whereas revenue from exports was 3.60 times of the export revenue for the corresponding period.

As a result of subdued demand production of Cement during the first quarter was 165,606 tons i.e. lower by 6.76% over the corresponding period of last year. Overall capacity utilization of Cement has been 66% as compared to 71% in corresponding period of last year.

The cost of sales during the first quarter decreased by 3.22%. Fuel and power increased by 4.03% mainly driven by an increase in electricity charges by 13.52%. Stores and spares and salaries and wages increased by 42.43% and 28.91% respectively mainly driven by inflationary trends. Gross profit for the period was Rs. 662.696 million i.e. 23.05% of the turnover as compared to Rs. 339.857 million, i.e. 12.94% of the turnover in the corresponding period of the last year.



Administrative costs and distribution costs increased by 19.22% and 33.97% with major contribution from increase in salaries and wages.

As a result of active working capital management and reduction in borrowing levels due to retirement of term loans financial charges have reduced by 28.78% over the corresponding period of last year.

During the quarter your Company achieved Profit before tax of Rs. 453.617 million and Profit after Tax of Rs. 250.021 million as compared to Rs. 138.355 million and Rs.89.253 million during the corresponding period of last year. Resultantly your Company achieved earnings per share of Rs. 4.98 as compared to Rs.1.78 for the corresponding period of last year.

#### **FUTURE OUTLOOK**

The positive impact of the encouraging economic indicators is expected to have its resultant impact over the remaining period of the year. The export market will remain under focus to offset any adverse impact on domestic volumes. Volatility in the prices of coal could pose challenges. Efficiency measures coupled with a capital expenditure project for further improvement in product quality which is expected to be completed in the next quarter are also expected to have a positive impact.

Overall management is optimistic while being cognizant of the expected challenges and remains committed to focusing on product quality, customer service, operational efficiencies and cost optimization to maintain the growth in topline and bottom line.

#### **ACKNOWLEDGEMENT**

The Board of Directors would like to place on record their appreciation for the valuable contribution of all stakeholders including the employees for their dedication and hard work, customers and vendors for their unwavering support, regulators for their continued support and guidance and financial institutions for the trust reposed on sponsors and management which plays a pivotal role in the successful operational and financial performance of the Company.

On behalf of the Board



**MOHAMMED YASIN FECTO**  
CHIEF EXECUTIVE



**ROHAIL AJMAL**  
DIRECTOR

Dated: October 28, 2024

Interim Report September 30, 2024

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2024**

	Note	Un-audited 30 September 2024	Audited 30 June 2024
Rupees in thousand			
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Authorized Capital</b>			
75,000,000 (2024: 75,000,000) ordinary shares of Rs. 10/- each		750,000	750,000
<b>Issued, subscribed and paid up capital</b>			
50,160,000 (2024: 50,160,000) ordinary shares of Rs.10/- each		501,600	501,600
Revenue reserves			
General reserve		550,000	550,000
Accumulated profit		3,005,580	2,755,559
		3,555,580	3,305,559
<b>Capital Reserve</b>			
Surplus on revaluation of investment in unquoted shares		54,527	54,527
		4,111,707	3,861,686
<b>Non-current liabilities</b>			
Long term financing from a banking company - secured	4	632,040	678,308
Lease Liability		10,478	12,285
Deferred income - Government grant		93,329	102,067
Deferred taxation		181,844	88,006
		917,691	880,666
<b>Current Liabilities</b>			
Trade and other payables		1,958,860	1,955,084
Short term borrowing - secured		898,701	735,513
Accrued mark-up		29,569	38,699
Unclaimed dividend		14,473	14,473
Unpaid dividend		185	185
Provision for taxation		84,681	-
Current maturity of long term financing - secured		260,492	262,238
Current maturity of lease liabilities		27,716	27,335
Current maturity of government grant		36,977	38,471
		3,311,654	3,071,998
Contingencies and commitments	5		
<b>Total equity and liabilities</b>		<b>8,341,052</b>	<b>7,814,350</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	2,937,701	2,951,117
Intangible Asset	7	9,852	-
Right-of-use assets		39,841	46,248
Investment Property		102,260	102,260
Long term investments		327,720	327,720
Long term deposits		10,101	10,101
Long term loans and advances		30,752	40,126
Deferred taxation		-	-
		3,458,227	3,477,572
<b>Current assets</b>			
Stores and spares		1,613,576	1,470,666
Stock-in-trade		2,403,772	1,999,639
Trade debts - unsecured		381,823	478,780
Short term loan to a related party		19,990	19,990
Loans, advances, deposits, prepayments and Other Receivable		18,768	44,721
Tax refunds due from government		55,954	41,735
Cash and bank balances		388,942	281,247
		4,882,825	4,336,778
<b>Total assets</b>		<b>8,341,052</b>	<b>7,814,350</b>

The annexed notes from 1 to 12 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 AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Note	September 30	
		2024	2023
Rupees in thousand			
Sales revenue - net	8	2,875,038	2,625,901
Cost of sales		(2,212,342)	(2,286,044)
<b>Gross profit</b>		<b>662,696</b>	<b>339,857</b>
Administrative expenses		(110,206)	(92,434)
Distribution costs		(35,894)	(26,793)
		<b>(146,100)</b>	<b>(119,227)</b>
Finance costs		(53,169)	(74,655)
Other expenses		(28,364)	(9,022)
<b>Operating Profit</b>		<b>435,063</b>	<b>136,953</b>
Other income		18,554	34,473
<b>Profit before levies and taxation</b>		<b>453,617</b>	<b>171,426</b>
Levies		-	(33,071)
<b>Profit before taxation</b>		<b>453,617</b>	<b>138,355</b>
Taxation		(203,596)	(49,102)
<b>Profit after taxation</b>		<b>250,021</b>	<b>89,253</b>
Other comprehensive income		-	-
<b>Total Comprehensive income</b>		<b>250,021</b>	<b>89,253</b>
----- (Rupees) -----			
<b>Earning per share - basic and diluted</b>		<b>4.98</b>	<b>1.78</b>

The annexed notes from 1 to 12 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 SEPTEMBER 30, 2024**

	Share Capital	Revenue Reserves		Capital Reserves	Total
	Issued, Subscribed & Paid up	General Reserve	Accumulated Profit	Surplus on revaluation of investment in unquoted shares	
	(Rupees in thousands)				
<b>Balance as at June 30, 2023 (Audited)</b>	501,600	550,000	2,438,236	106,919	3,596,755
Total comprehensive income for the three months ended September 30, 2023					
Profit after taxation	-	-	89,253	-	89,253
Other Comprehensive income	-	-	-	-	-
	-	-	89,253	-	89,253
<b>Balance as at September 30, 2023 (Un-Audited)</b>	<u>501,600</u>	<u>550,000</u>	<u>2,527,489</u>	<u>106,919</u>	<u>3,686,008</u>
<b>Balance as at June 30, 2024 (Audited)</b>	501,600	550,000	2,755,559	54,527	3,861,686
Total comprehensive income for the three months ended September 30, 2024					
- Profit after taxation	-	-	250,021	-	250,021
- Other comprehensive income	-	-	-	-	-
	-	-	250,021	-	250,021
<b>Balance as at September 30, 2024 (Un-Audited)</b>	<u>501,600</u>	<u>550,000</u>	<u>3,005,580</u>	<u>54,527</u>	<u>4,111,707</u>

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.



*Mohammed Yasin Fecto*  
**MOHAMMED YASIN FECTO**  
 CHIEF EXECUTIVE

*Rohail Ajmal*  
**ROHAIL AJMAL**  
 DIRECTOR

*Muhammad Hanif Idrees*  
**MUHAMMAD HANIF IDREES**  
 CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Note	September 30	
		2024	2023
Rupees in thousand			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before levies and taxation		453,617	171,426
<b>Adjustments for:</b>			
- Finance costs		53,169	74,655
- Depreciation on property, plant and equipment		25,332	66,487
- Depreciation on right-of-use assets		6,407	7,000
- Provision against Workers' Profit Participation Fund		24,099	9,022
- Amortization of deferred government grant		(10,232)	(11,389)
- Interest income		(1,247)	(9,865)
- Loss on disposal of property, plant and equipment		-	1,644
		97,528	137,554
<b>Operating Profit before working capital changes</b>		551,145	308,980
<b>Working capital changes</b>			
<b>Decrease / (Increase) in current assets</b>			
- Stores and spares		(142,910)	418,507
- Stock-in-trade		(404,133)	(120,956)
- Trade debts		96,957	(28,391)
- Loans, advances, deposit and prepayment		23,011	(13,232)
- Sales tax refundable		(35,661)	(3,811)
<b>(Decrease) in current liabilities</b>			
Trade and other payables		(20,323)	16,306
		(483,059)	268,423
<b>Cash generated from operations</b>		68,086	577,403
Income tax paid		(3,632)	(4,007)
Long term loan and advances		(478)	1,894
<b>Cash generated from operating activities</b>		63,976	575,290
<b>CAH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment		(11,917)	(15,785)
Repayment of Short Term Loan by related party		-	25,010
Interest received		4,190	5,268
Proceeds from disposal of property, plant and equipment		-	4,313
<b>Net cash (used in) / generated from investing activities</b>		(7,727)	18,806
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of lease liability (principal portion)		(1,426)	(14,371)
Repayment of Long term financing (principal portion)		(57,459)	(38,427)
Finance cost paid		(52,857)	(79,469)
Short Term Borrowings - net		200,000	(148,520)
<b>Net cash generated from / (used in) financing activities</b>		88,258	(280,787)
<b>Net increase in cash and cash equivalents</b>		144,507	313,309
Cash and cash equivalents as at beginning of the period		(404,266)	(523,667)
<b>Cash and cash equivalents as at end of the period</b>	9	(259,759)	(210,358)

The annexed notes from 1 to 12 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 SEPTEMBER 30, 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 facilities**

**Registered office:**

The Company's registered office is situated at Plot # 60-C, Khayaban-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. Accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of, and 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 30,2024.

## 2.2 Basis of measurement of items in these financial statements

Items in these condensed interim financial statements have been measured at their historical cost except for 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.

## 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 condensed interim financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material 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, 2024 except the following:

### 3.1 Intangible Assets

These are stated at cost less accumulated amortization and impairment losses, if any. Amortization is charged to the profit or loss applying the straight line method at the determined rate. The assets' residual values, the method of amortization and useful lives are reviewed and adjusted, if appropriate, at each reporting date. Intangible assets in progress are not amortized during the progression stage; amortization will begin after the asset is completed.

	Un-Audited September 30, 2024	Audited June 30, 2024
	———— Rupees in thousand ————	
<b>4. LONG TERM FINANCING FROM A BANKING COMPANY - secured</b>		
Financing under SBP schemes		
Financing Scheme for Renewable Energy	255,226	271,903
Temporary Economic Refinance Facility (TERF)	361,149	373,585
	<u>616,375</u>	<u>645,488</u>
Other financing arrangements		
Term Finance II	15,665	32,820
	<u>632,040</u>	<u>678,308</u>

**5. CONTINGENCIES AND COMMITMENTS****5.1 Contingencies****5.1.1** Contingent liabilities existing as at the reporting date

**5.1.1.1** 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, 2024.

Note	Un-Audited September 30, 2024	Audited June 30, 2023
	— Rupees in thousand —	
<b>5.2 Commitments</b>		
As of the reporting date, the outstanding financial commitments of the company were as follows:		
-in respect of import of stores and spares	5,390	69,842
- Letter of guarantee in favour of Sui Northern Gas Pipeline Limited (SNGPL)	<u>110,000</u>	<u>110,000</u>
	<u>115,390</u>	<u>179,842</u>

**6. PROPERTY, PLANT AND EQUIPMENT**

Operating Assets	2,345,644	2,370,613
Capital Work in Progress	255,404	140,903
Capital Spares	<u>336,653</u>	<u>439,601</u>
	<u>2,937,701</u>	<u>2,951,117</u>

**7. INTANGIBLE ASSET**

Intangible asset under progress	<u>9,852</u>	-
	<u>9,852</u>	-



	Note	Un-Audited Three months ended September 30,	
		2024	2023
Rupees in thousand			
<b>8. SALES REVENUE - net</b>			
Revenue from Local Sales	8.1	<b>2,787,343</b>	2,601,545
Revenue from Export Sales	8.2	<b>87,695</b>	24,356
		<b><u>2,875,038</u></b>	<u>2,625,901</u>
<b>8.1 Revenue from Local Sales</b>			
Sales of goods to local customers - gross		<b>4,179,558</b>	3,581,576
Less: Trade Discount		<b>(32,969)</b>	(33,720)
Excise duty		<b>(648,031)</b>	(349,532)
Sales tax		<b>(711,215)</b>	(596,779)
		<b><u>(1,392,215)</u></b>	<u>(980,031)</u>
		<b><u>2,787,343</u></b>	<u>2,601,545</u>
<b>8.2 Revenue from Export Sales</b>			
Sales of goods to foreign customers		<b>87,695</b>	24,356
Export Rebate		-	-
		<b><u>87,695</u></b>	<u>24,356</u>
<b>9. CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		<b>388,942</b>	214,810
Short term borrowings - running finance		<b>(648,701)</b>	(425,168)
		<b><u>(259,759)</u></b>	<u>(210,358)</u>
<b>10. TRANSACTIONS AND BALANCES WITH RELATED PARTIES</b>			

The related parties comprise of Frontier Papers Products (Private) Limited, Fecto Cement Nooriabad (Private) Limited key management personnel of the Company and directors and their close family members and staff provident fund. Transactions with related parties during the year other than those disclosed elsewhere in these condensed interim financial statements are as follows:

## Interim Report September 30, 2024

Name of the related party	Basis of relationship with the party	Particulars	Un-audited September 30	
			2024	2023
Rupees in thousand				
Frontier Paper Products (Private) Limited	Associated Company	Purchases made	211,338	179,100
		Purchase made	156,627	140,957
		Interest charged	1,108	3,947
		Loan Repaid	-	25,010
Directors and Key Management Personnel	Other related party	Remuneration and Meeting Fee	72,084	73,516
Staff Provident Fund	Other related party	Contribution to employees' provident fund	7,366	6,758
			<b>Note</b>	
Balance at the end of the period / year			<b>Un-Audited September 30, 2024</b>	<b>Audited June 30, 2024</b>
Rupees in thousand				
Frontier Paper Products(Private)Limited	Associated Company	Balance payable	101,043	75,443
		Interest outstanding	1,108	4,050
		Loan outstanding	19,990	19,990
Key Management Personnel	Other related party	Loan receivable	760	1,005
Staff Provident Fund	Other related party	Balance Payable	5,581	5,351

### 11. FAIR VALUE OF FINANCIAL 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. Consequently, differences can arise between carrying values and the fair value estimates.

The carrying amounts of all financial assets and liabilities reflected in the financial statements approximate their fair values.

The Company measures fair values 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).

Fair values of assets that are traded in active markets are based on quoted market prices. For all other assets the Company determines fair values using valuation techniques unless the instruments do not have a market \ quoted price in an active market and whose fair value cannot be reliably measured.



	September 30, 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	-	-	226,800
	June 30, 2024(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	-	-	226,800

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.

## 12. GENERAL

### 12.1 Date of authorization of these condensed interim financial statements

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on October 28, 2024.

### 12.2 Level of rounding

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

ہوا جس کی بنیادی وجہ افراط زر کے رجحانات تھے۔ مدت کا خام منافع 662.696 ملین روپے یعنی فروخت کا 23.05 فیصد رہا جو کہ گزشتہ سال اسی مدت میں 339.857 ملین روپے یعنی فروخت کا 12.94 فیصد تھا۔

انتظامی لاگتوں اور تقسیمی لاگتوں میں بالترتیب 19.22 فیصد اور 33.97 فیصد اضافہ ہوا جن میں اضافے کی بڑی وجہ تنخواہوں اور اجرتوں میں اضافہ تھا۔

رواں سرمائے کے متحرک انتظام اور مدتی قرضوں سے سبکدوشی کے نتیجے میں قرضوں کی سطح میں کمی سے مالیاتی اخراجات میں گزشتہ سال کی اسی مدت کی بہ نسبت 28.78 فیصد کمی ہوئی۔

سہ ماہی کے دوران آپ کی کمپنی کا منافع قبل از ٹیکس 453.617 ملین روپے رہا اور منافع بعد از ٹیکس 250.021 ملین روپے رہا جبکہ گزشتہ سال اسی مدت میں 138.355 اور 89.253 ملین روپے تھا۔ جس کے نتیجے میں کمپنی کی فی حصص آمدن 4.98 روپے رہی جو کہ گزشتہ سال اسی مدت میں 1.78 روپے تھی۔

### مستقبل کی پیش بینی

حوصلہ افزاء معاشی اشاریوں کے مثبت اثرات کے نتیجے میں پیدا ہونے والے اثرات توقع ہے کہ سال کی بقایا مدت میں نظر آئیں گے۔ مقامی حجم کے ناموافق اثرات میں کمی کے لئے برآمدی مارکیٹ پر توجہ مرکوز رہے گی۔ کوسٹ کی انتہائی متزلزل قیمتیں دشواری کا باعث بن سکتی ہیں۔ کارکردگی میں اضافے کے اقدامات کے ساتھ ساتھ پروجیکٹ میں سرمایہ جاتی اخراجات سے مصنوعات کے معیار میں مزید بہتری آئے گی جو کہ اندازہ ہے کہ اگلی سہ ماہی میں مکمل ہو جائے گی جس سے توقع ہے کہ مثبت اثرات مرتب ہوں گے۔

انتظامیہ متوقع چیلنجوں سے آگاہ ہونے کے ساتھ ساتھ مجموعی طور پر پر اعتماد ہے اور مصنوعات کے معیار، گاہکوں کی خدمات، کاروباری استعداد اور لاگتوں میں کمی کے ذریعے فروخت اور خالص منافع میں نمو کو برقرار رکھنے پر توجہ مرکوز کئے ہوئے ہے۔

### اعتراف

بورڈ آف ڈائریکٹرز اپنے تمام قابل قدر مستفیدان بشمول ملازمین کی لگن اور انتھک محنت، گاہکوں اور وینڈروں کے غیر متزلزل تعاون، مگران اداروں کی مسلسل سرپرستی اور رہنمائی اور مالیاتی اداروں کے ہمارے سرپرستوں اور انتظامیہ پر مسلسل اعتماد پران کا مشکور ہے جس نے کمپنی کی کامیاب کاروباری اور مالیاتی کارکردگی میں بنیادی کردار ادا کیا۔

مخائب بورڈ آف ڈائریکٹرز



روحیل اجمل

ڈائریکٹر



محمد یسین فیکلو

چیف ایگزیکٹو

بہتنام کراچی: October 28, 2024





فیکٹوسینٹ لمیٹڈ  
ڈائریکٹران کا جائزہ

محترم ممبران!

آپ کی کمپنی کے ڈائریکٹران اپنی رپورٹ کے ساتھ پہلی ششماہی پختہ 30 ستمبر 2024 کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

معاشی اور صنعتی جائزہ

زیر جائزہ سہ ماہی کے دوران معاشی محاذ پر مثبت پیشقدمیاں دیکھی گئیں۔ افراط زر کی شرح اور رعایتی نرخوں میں کمی، زرمبادلہ کے ذخائر میں اضافہ اور رواں کھاتے کے خسارے میں کمی حوصلہ افزاء اشارے رہے لیکن ان کے اثرات کے مشاہدات آنا باقی ہیں۔

پہلی ششماہی کے دوران موجودہ معاشی ماحول کے منظر نامے میں صنعتی پیداواری حجم 10.28 ملین ٹن رہا یعنی گزشتہ سال کی اسی مدت کی بد نسبت 13.53 فیصد کمی ہوئی جبکہ برآمدات کا حجم 2.14 ملین ٹن رہا جس میں 22.36 فیصد اضافہ ہوا۔ پہلی ششماہی میں مقامی حجم 8.13 ملین ٹن رہا یعنی گزشتہ سال کی بد نسبت اس میں 19.73 فیصد کمی ہوئی۔

پہلی سہ ماہی کے دوران شمالی زون کا حجم 7.37 ملین ٹن رہا یعنی گزشتہ مدت کی بد نسبت 15.88 فیصد کمی ہوئی جبکہ برآمدی حجم 0.51 ملین ٹن رہا جس میں 18.44 فیصد اضافہ ہوا۔ پہلی سہ ماہی کے دوران مقامی حجم 686 ملین ٹن رہا یعنی گزشتہ سال کی بد نسبت 17.64 فیصد کمی ہوئی۔

پہلی سہ ماہی کے دوران جنوبی زون کا حجم 2.91 ملین ٹن رہا یعنی گزشتہ مدت کی بد نسبت 6.95 فیصد کمی ہوئی جبکہ برآمدی حجم 1.64 ملین ٹن رہا جس میں 23.63 فیصد اضافہ ہوا۔ سہ ماہی کے دوران مقامی حجم 1.27 ملین ٹن رہا یعنی گزشتہ سال کی بد نسبت 29.43 فیصد کمی ہوئی۔

کمپنی کی کاروباری اور مالیاتی کارکردگی

گزشتہ سال کی اسی مدت کے مقابلے میں مقامی مارکیٹ میں کمپنی کی فروخت کے مجموعی حجم میں 7.3 فیصد کمی ہوئی جس کے اثرات کو برآمدی حجم نے کم کیا جس میں گزشتہ سال کی اسی مدت کی بد نسبت 4.2 گنا اضافہ ہو جس کے نتیجے میں کمی صرف 4 فیصد تک رہ گئی۔ تاہم پہلی سہ ماہی کے دوران مجموعی فروخت کی مالیت 2,875.038 ملین روپے رہی یعنی گزشتہ سال کی بد نسبت 9.5 فیصد اضافہ ہوا۔ مقامی فروخت میں بلحاظ مالیت 7.14 فیصد اضافہ ہوا جبکہ گزشتہ مدت کی بد نسبت برآمدات کی آمدن میں 3.6 گنا اضافہ ہوا۔

سینٹ کی زیریں طلب کی وجہ سے سال کی پہلی ششماہی میں پیداوار 165,606 رہی یعنی گزشتہ سال اسی مدت کی بد نسبت 6.76 فیصد اضافہ ہوا۔ مجموعی پیداواری گنجائش سے استفادہ 66 فیصد رہا جبکہ گزشتہ سال اسی مدت میں 71 فیصد تھا۔

پہلی ششماہی کے دوران فروخت کی لاگت میں 3.22 فیصد کمی ہوئی۔ ایندھن اور توانائی کی لاگت میں 4.03 فیصد اضافہ ہو جس کی بنیادی وجہ بجلی کے نرخوں میں 13.52 فیصد اضافہ تھا۔ اسٹور و فاضل پرزہ چات اور تنخواہوں و اجرتوں میں بالترتیب 42.43 فیصد اور 28.91 فیصد اضافہ



## **FECTO CEMENT LIMITED**

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