



Flying Cement
Company Limited

1ST QUARTER
REPORT
(UN-AUDITED)
SEPTEMBER 30, 2023

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COMPANY INFORMATION



Board of Directors

Mr. Kamran Khan
Chairman

Mr. Momin Qamar
Mr. Yousaf Kamran Khan
Mr. Qasim Khan
Mrs. Samina Kamran
Mr. Omar Naeem
Mr. Pervaiz Ahmad Khan

Chief Executive

Mr. Agha Hamayun Khan

Registered Head Office
4-Sarwar Colony, Sarwar Road, Lahore Cantt.
Tel:052-36674301-5 Fax: 042 -36660693
Website: www.flyingcement.com
Email: info@flyingcement.com

Audit Committee

Mr. Omar Naeem	Chairman
Mrs. Samina Kamran	Member
Mr. Yousaf Kamran Khan	Member

Human Resource And Remuneration Committee

Mr. Pervaiz Ahmad Khan	Chairman
Mr. Momin Qamar	Member
Mr. Yousaf Kamran Khan	Member

Credit Rating
Long Term Rating: A -
Short Term Rating: A2

Chief Financial Officer

Mr. Hamid Ur Rehman, FCA

Internal Auditor

Mr. Imran Matloob Khan

Company Secretary

Mr. Shahid Awan

Legal Advisor

Mr. Waqar Hasan

Production Facility

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

Share Registrar

THK Associates (Pvt) Limited.
Plot No.32 C , Jami Commercial Street,
D.H.A Phase VII, Karachi 75500
Tel: 021-111-000-322, Fax: 021-35310190

Auditors

External Auditors
M/s. Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

Bankers

National Bank of Pakistan
Al Baraka Bank (Pakistan) Limited
United Bank Limited
Habib Bank Limited
Meezan Bank Limited

DIRECTOR'S REVIEW



The Directors of your Company are pleased to present the un-audited condensed interim financial statements of the Company for the first Quarter ended September 30, 2023.

Financial Performance

The summarized financial performance is given below:

	1 st Quarter	1 st Quarter
	2023-24	2022-23
	Rupees	Rupees
Gross Sales	1,555,872,480	1,196,680,473
Net Sales	1,147,127,091	901,734,494
Cost of goods sold	(907,221,437)	(766,504,515)
Gross Profit	239,905,654	135,229,979
Admin and selling expenses	(27,476,643)	(18,264,310)
Financial Cost	(53,756,497)	(40,850,251)
Taxation	(69,823,336)	(18,852,009)
Profit After Taxation	88,849,179	57,263,409
Earning Per Share (Rs)	0.13	0.08

The net sales as compared to corresponding period has Increased from Rs 901 million to Rs.1,147 million and profit also Increased from Rs 57 million to Rs 89 million in the current 1st Quarter.

Revenue

During the first quarter 2023-24 under review, your Company's overall net sales revenue Increased by 27.21%.

Net Profit

The net profit of the company for the first quarter under review Increased by 55.16 %.

Future Outlook

Ongoing challenges remained import restrictions, higher energy costs, rising inflation and Pak Rupee devaluation. However, the state of the economy improved after certain corrective measures being taken by the caretaker government. As a result, the value of Pak Rupee has increased and inflationary pressures has slightly reduced over the period. The economic activities have improved resulting in increased sales of the Company. The rising population continued to increase more demand of houses in the country which is being addressed by the cement sector. The Company is quite hopeful for improvement in domestic sales on account of expected revival of economy. Going forward, potential challenges can include increase in the cost of production caused by high inflation, increasing coal prices in international markets, expected hike in electricity rates, and geo-political uncertainty.

We all are willing to go to the extra mile to contribute enthusiastically on a continuous basis. Hence, it is projected that the profitability in the remaining period of the year will improve. We assure, the management is fully committed to provide long term sustainable growth and value for all its stakeholders.

Acknowledgement

Management of your Company take pleasure in expressing their sincere gratitude and appreciation for the outstanding commitment and contribution of all the employees and continued trust and reliance placed in the Company by all the stakeholders.

For and on behalf of the board

Agha Hamayun Khan
Chief Executive

Lahore; October 30, 2023

Flying Cement Company Limited
Condensed Interim Statement of Financial Position

As at 30 September 2023



	(Un-audited) September 30 2023 Rupees	(Audited) June 30 2023 Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL & RESERVES		
Authorized share capital 800,000,000 ordinary shares of Rs. 10/- each.	8,000,000,000	8,000,000,000
Issued, subscribed and paid up capital 694,800,000 ordinary shares of Rs. 10/- each.	6,948,000,000	6,948,000,000
Reserves	1,544,837,490	1,441,370,551
	8,492,837,490	8,389,370,551
Directors & shareholders loan	5 57,035,933	57,035,933
Surplus on revaluation of fixed assets	6 3,830,497,734	3,845,115,494
	3,887,533,667	3,902,151,427
	12,380,371,157	12,291,521,978
NON-CURRENT LIABILITIES		
Long term liabilities	7 4,662,396,916	4,100,004,121
Loan from associated undertaking	906,739,954	906,739,954
Long term deposits	14,505,340	14,505,340
Deferred liabilities	8 382,357,809	339,508,799
	5,966,000,019	5,360,758,214
CURRENT LIABILITIES		
Trade and other payables	3,948,655,349	3,533,344,450
Directors & shareholders loan	477,404,928	511,104,928
Unclaimed Dividend	59,526	59,526
Short term finances	9 351,198,455	280,040,805
Current portion of long term finance	7 423,852,000	993,505,000
	5,201,170,258	5,318,054,709
TOTAL LIABILITIES	11,167,170,277	10,678,812,923
Contingencies and commitments	10 -	-
TOTAL EQUITY AND LIABILITIES	23,547,541,434	22,970,334,901
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	11 21,513,783,308	21,175,355,723
Long term security deposits	32,880,151	32,880,151
	21,546,663,459	21,208,235,874
CURRENT ASSETS		
Stores, spares & loose tools	185,088,488	130,699,796
Stock in trade	896,894,038	778,965,317
Trade debts	252,362,172	172,087,368
Advances, deposits, prepayments & other receivables	624,653,505	617,999,960
Cash and bank balances	41,879,772	62,346,586
	2,000,877,975	1,762,099,027
TOTAL ASSETS	23,547,541,434	22,970,334,901

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


Director


Chief Executive


Chief Financial Officer



Flying Cement Company Limited

Condensed Interim Statement Of Profit or Loss and Other Comprehensive Income


For The Quarter Ended September 30, 2023

Note	(Un-audited) September 30 2023 Rupees	(Un-audited) September 30 2022 Rupees
Gross Sales	1,555,872,480	1,196,680,473
Less Sales tax and federal excise duty	408,745,389	294,945,979
Trade discount	-	-
Net sales	1,147,127,091	901,734,494
Cost of Sales	(907,221,437)	(766,504,515)
Gross Profit	239,905,654	135,229,979
Operating Expenses		
Distribution Expenses	(4,977,220)	(3,874,190)
Administrative Expenses	(22,499,423)	(14,390,120)
Operating Profit	212,429,012	116,965,669
Finance Cost	(53,756,497)	(40,850,251)
Profit Before Taxation	158,672,515	76,115,418
Taxation	(69,823,336)	(18,852,009)
Profit / (Loss) After Taxation	88,849,179	57,263,409
Other comprehensive income	-	-
Total Comprehensive Income for the period	88,849,179	57,263,409
Earnings Per Share (after tax) - Basic	0.13	0.08

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


Director


Chief Executive


Chief Financial Officer

FLYING CEMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)

For The Quarter Ended September 30, 2023

	Ordinary Share Capital (Rs.)	Accumulated Profit / (Loss) (Rs.)	Directors & Shareholders Loan (Rs.)	Capital Reserves		Total (Rs.)
				Revaluation Surplus (Rs.)	Gain on Disposal of Shares (Rs.)	
Balance as at July 01, 2022-Audited	6,948,000,000	983,010,923	57,035,933	3,904,779,804	126,978,994	12,019,805,654
Profit / (Loss) for the period	-	57,263,409	-	-	-	57,263,409
Other comprehensive Income / (Loss) for the period	-	-	-	-	-	-
Directors & Shareholders loan - Net	-	-	-	-	-	-
Incremental depreciation	-	14,916,077	-	(14,916,077)	-	-
Balance as at September 30, 2022 Un-Audited	6,948,000,000	1,055,190,409	57,035,933	3,889,863,727	126,978,994	12,077,069,063
Balance as at June 30, 2023-Audited	6,948,000,000	1,314,391,557	57,035,933	3,845,115,494	126,978,994	12,291,521,978
Profit / (Loss) for the period	-	88,849,179	-	-	-	88,849,179
Other comprehensive Income / (Loss) for the period	-	-	-	-	-	-
Directors & Shareholders loan - Net	-	-	-	-	-	-
Incremental depreciation	-	14,617,760	-	(14,617,760)	-	-
Balance as at September 30, 2023 Un-Audited	6,948,000,000	1,417,858,496	57,035,933	3,830,497,734	126,978,994	12,380,371,157

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



Director



Chief Executive



Chief Financial Officer



FLYING CEMENT COMPANY LIMITED
CASH FLOW STATEMENT

For The Quarter Ended September 30, 2023




	Note	(Un-audited) September 30 2023 Rupees	(Un-audited) September 30 2022 Rupees
Cash generated from operations	12	376,653,031	296,922,209
Gratuity Paid		-	-
Finance cost paid		(53,756,497)	(40,850,251)
Income Tax (paid) / refund received		(26,974,327)	(12,939,621)
Net Cash from Operating Activities		<u>295,922,207</u>	<u>243,132,337</u>
Cash Flows From Investing Activities			
Fixed Capital Expenditure		(380,286,467)	(267,960,232)
Long Term Security deposit		-	-
Net Cash (used in) Investing Activities		<u>(380,286,467)</u>	<u>(267,960,232)</u>
Cash Flows From Financing Activities			
Term Finance - Net		63,897,445	9,029,254
Current maturity long term finance		-	-
Associated undertaking		-	-
Director & Shareholders Loan		-	-
Net Cash from Financing Activities		<u>63,897,445</u>	<u>9,029,254</u>
Net Increase / (Decrease) in Cash and Cash Equivalents		(20,466,815)	(15,798,641)
Cash and Cash Equivalents - at the beginning of the period		62,346,585	75,313,744
Cash and Cash Equivalents - at the end of the period		<u>41,879,772</u>	<u>59,515,104</u>

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


Director


Chief Executive


Chief Financial Officer

Flying Cement Company Limited

Notes To The Condensed Interim Financial Statements (Un-Audited)

For The Quarter Ended September 30, 2023



1 LEGAL STATUS AND OPERATIONS

Flying Cement Company Limited (the Company) was incorporated in Pakistan as a Public Limited Company on December 24, 1992 under the Companies Ordinance, 1984. (Now the Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchange Limited.

The principal activities of the company are to manufacturing, marketing and sale of cement. The geographical location and address of the company's business units including plants are as follows:

Business Unit	Geographical Location & Address
Head Office (Registered office)	04- Sarwar Colony Sarwar Road Cantt, Lahore.
Manufacturing Plant	25-Km. Lilla Interchange Lahore - Islamabad Motorway, Mangowal Distt. Khushab

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. The accounting and reporting standards applicable in Pakistan comprise of:

- International Accounting Standards IAS-34, Interim Financial reporting issued by IASB as notified under the Companies Act, 2017
 - Provisions of and directives issued under the Act.
- Where provisions of and directives issued under the Companies Act, 2017 differ from the IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- 2.2 This condensed interim financial statements comprises the condensed interim statement of financial position of the Company, as at 30 September 2023 and the related condensed interim statement of profit or loss account and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity together with the notes forming part thereof.
- 2.3 The condensed interim financial statements do not include all the information and disclosures required in an annual financial statements and should be read in conjunction with the financial statements for the year ended June 30, 2023.
- 2.4 Comparative statement of financial statements numbers are extracted from the annual audited financial statements of the Company for the year ended 30 June 2023, whereas comparatives of condensed interim statement of profit or loss account and other comprehensive income, statement of cash flows and statement of changes in equity are stated from unaudited condensed interim financial statements of the Company for the three months period ended 30 September 2023.
- 2.5 This condensed interim financial information is being submitted to the shareholders as required by Section 237 of the Companies Act, 2017.

3 Key Judgments and estimates

In preparing these condensed interim financial statements management has made judgments, 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.

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of annual audited financial statements for the year ended 30 June 2023.

4 Significant Accounting Policies

The accounting policies adopted for the preparation of this condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended 30 June 2023.



Flying Cement Company Limited
Notes To The Condensed Interim Financial Statements (Un-Audited)
For The Quarter Ended September 30, 2023

	Note	(Un-audited) September 30 2023 Rupees	(Audited) June 30 2023 Rupees
5 DIRECTORS & SHAREHOLDERS LOAN - UNSECURED			
Directors & shareholders loan	5.1	57,035,933	57,035,933
		<u>57,035,933</u>	<u>57,035,933</u>
5.1 The directors have provided interest free loan for expansion and working capital requirements. The repayment of the loan is at the discretion of the Company.			
6 SURPLUS ON REVALUATION OF FIXED ASSETS			
Balance as July 01,		3,845,115,494	3,904,779,804
Add: Revaluation Surplus		-	-
		<u>3,845,115,494</u>	<u>3,904,779,804</u>
Less: Surplus transferred to accumulated profit			
Incremental depreciation		20,588,394	84,034,239
Deferred Tax effect		(5,970,634)	(24,369,929)
		<u>14,617,760</u>	<u>59,664,310</u>
		<u>3,830,497,734</u>	<u>3,845,115,494</u>
7 LONG TERM LIABILITIES			
Loans from banking companies - secured	7.1	4,648,676,707	4,083,452,707
Loans from banking companies - secured	7.2	13,720,209	16,551,414
		<u>4,662,396,916</u>	<u>4,100,004,121</u>
7.1 LOANS FROM BANKING COMPANIES - SECURED			
National Bank of Pakistan Demand Finance - II	7.1.1	1,086,548,580	1,086,548,580
National Bank of Pakistan Demand Finance - III	7.1.2	-	4,429,000
National Bank of Pakistan Demand Finance - IV	7.1.3	980,405,433	980,405,433
National Bank of Pakistan Demand Finance - V	7.1.4	360,000,000	360,000,000
National Bank of Pakistan Demand Finance - VI	7.1.5	103,288,000	103,288,000
National Bank of Pakistan Demand Finance - VII	7.1.6	1,218,435,000	1,218,435,000
National Bank of Pakistan Demand Finance - VIII	7.1.7	116,162,314	116,162,314
National Bank of Pakistan Demand Finance - IX	7.1.8	733,400,000	733,400,000
Al Baraka Bank Diminishing Musharika	7.1.9	474,289,380	474,289,380
		5,072,528,707	5,076,957,707
7.2 LOANS FROM BANKING COMPANIES - SECURED			
Invest Capital Investment Bank Ltd.		13,720,209	16,551,414
		<u>5,086,248,916</u>	<u>5,093,509,121</u>
Less: current portion of long term liabilities as shown under current liabilities		423,852,000	993,505,000
		<u>4,662,396,916</u>	<u>4,100,004,121</u>

7.1.1 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 charge 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. (The facility rescheduled Rs.1274.049 million on 01-09-2020).

The rescheduled facility includes a deferment period of 9 months and principal to be repaid in 14 quarterly installments of Rs.93.75 million each. The first installment will be fall due on 31-12-2021. 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 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.

7.1.2 The Company has availed facility of demand finance facility III fresh facility of Rs.73 million for cost over runs of plant expansion to finance for retirement of import documents including bills of exchange arising due to upward fluctuations in currency appreciation of Euro / Dollar parity with Pak Rupees with a markup of 3 month KIBOR plus 2% p.a. The principal is to be repaid in 16 quarterly instalments of Rs.4.563 million. The facility of demand finance are secured against 1st charge of Rs.98 million over all present and future fixed assets (hypothecation/Mortgage) of the Company, lien of import documents and personal guarantees of all Directors.



Flying Cement Company Limited

Notes To The Condensed Interim Financial Statements (Un-Audited)

For The Quarter Ended September 30, 2023

- 7.1.3 LC-Sight OTT includes facility for import of additional machinery / upgrading production capacity to fresh facility PKR equivalent of up to USD 8.882 million calculated at conversion rate on the date of issuance of LC or PKR 133 USD which ever is lower i.e. maximum up to 1,181.306 million against nil Cash Margin to retire import documents / to finance additional machinery arising due to modification in previous CAPEX in order to assure reliability of plant at enhanced capacity secured against lien on documents of title to Goods and same security packages and sponsor commitment as for Demand finance facility. Upon retirement of each bill of exchange, customer shall deposit prorata amount of exchange difference over and above the DF limit of Rs 1,181.306 million ensuring that NBP funded exposure remains within DF limit of Rs 1,181.306 million. The facility will expire on sight and repayment against the facility will be through disbursement of demand finance / own source of the Company with a markup of 3 month KIBOR Plus 2% p.a. It will be paid off in 72 months including grace period of 18 months from the first drawn down in limit tentively up till 30-09-2025. The repayment of the instalments has been deferred till 31.12.2027.
- The Company has availed facility of Demand finance of Rs.1,181.306 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.1,576 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.
- 7.1.4 The Company has availed facility of Demand finance facility-V of Rs 400 million from National Bank of Pakistan secured against 1st Pari Passu charge of Rs 534 million over all present and future fixed assets (Hypothecation/Mortgage) of the Company, Mortgage of two leased residential properties of Sponsors of 5 & 5A, Bridge Colony, Abid Majeed Road, Lahore having forced sale value Rs 190.153 M and personal guarantees of all directors. The facility is rescheduled on 01-09-2020. As per the rescheduled letter, the Company is required to pay 20 quarterly instalments of Rs 20 million each starting from 31-12-2021. It will be charged with 3 Months KIBOR plus 1.75 %. The repayment of the instalments has been deferred till 31.12.2028.
- 7.1.5 Fresh Demand Finance - Facility for Rs 134 million to Finance foreign exchange differential amount / finance cost overrun requirement of the Company against First Pari Passu charge of the company amounting to Rs 179 million and personal guarantees of all Directors. It will be charged with 3 Months KIBOR plus 2 %. It will be paid of in 57 months including grace period of 9 months from first draw down in limit tentively up 31-03-2025. The repayment of the instalments has been deferred till 29.10.2027.
- 7.1.6 Fresh Demand Finance Facility Rs 1,400 million have been obtained for against our current facilities of LC 300 million and 1,000 million and Cash Finance Rs 100 million against 1st Pari Passu charge of the Company amounting to Rs 1,867 million over all present & future fixed assets of the Company, Hypothecation charge over Plant & Machinery and mortgage charge on land and personal guarantees of two sponsor Directors. Markup shall be charged at 3 Months KIBOR plus 2 %. It will be paid of in 78 months including grace period of 18 months from first draw down in limit tentively up 31-03-2027. The repayment of the instalments has been deferred till 30.06.2029.
- 7.1.7 Fresh Demand Finance Facility Rs 610 M-million have been obtained against our current mark up on CF, DF and LC facilities against 1st Pari Passu charge of the company amounting to Rs 814 Million, First Charge over all present & Future fixed assets of the company. Hypothecation charge over Plant & Machinery and mortgage charge on land and personal guarantees of all Directors. It will be paid in 36 monthly instalments started from 31-03-2021 to 29-02-2024. The repayment of the instalments has been deferred till 31.10.2025.
- 7.1.8 The Company has availed facility of Demand Finance of Rs 750 Million to refinance CAPEX of BMR (waste Heat Recovery Plant) from National Bank of Pakistan at 25% margin on limit over Fixed Assets secured against 1st charge of Rs 1,000 Million over all present and future fixed assets (Hypothecation/Mortgage) of the company and personal guarantees of two Sponsor Directors. Mark up shall be charged at 3 Month Kibor + 1.5% PA.
- 7.1.9 A Diminishing Musharika Facility of Rs 600 million is obtained from Albaraka Bank Pakistan Limited, as per Islamic mode of financing tenor is 5 years with one half years grace period for principal repayment only and afterward, the due amount instalment shall be paid by 7 equal half yearly instalments over the remaining years of 3.5 years. The finance is secured against 1st Pari Passu charge over current assets of the Company valuing Rs. 144 million, 1st Pari Passu charge over Fixed assets of the Company valuing Rs 882 million, and personal guarantee of all Directors of the Company. Mark-up is charged 6 month KIBOR + 3%. All these facilities also include commitment of sponsoring directors through pledge of shares.
- 7.2.1 Lease finance facility of Rs. 31,500,000 is obtained from Investment Capital Bank Limited against finance tenure 36-months with monthly instalment of 1st twelve months of Rs.948,460 and 2nd twelve months of Rs.943,735 and 3rd twelve months of Rs.901,210 starting from March, 2022 till February, 2025. The finance is secured by the pledge of original documents of Mercedes Benz s-400 hybrid, LEB-17-4 which is owned by the director of company.



Flying Cement Company Limited
Notes To The Condensed Interim Financial Statements (Un-Audited)
For The Quarter Ended September 30, 2023

		(Un-audited) September 30 2023 Rupees	(Audited) June 30 2023 Rupees
8 DEFERRED LIABILITIES			
Deferred Taxation	8.1	377,348,181	334,499,171
Gratuity		5,009,628	5,009,628
		<u>382,357,809</u>	<u>339,508,799</u>
8.1 Deferred Taxation - Net			
Taxable temporary differences - effect thereof			
-Excess of accounting book value of fixed assets over their tax base		793,670,370	699,686,375
-Prepaid rent		-	-
Deductible temporary differences - effect thereof			
-Gratuity		(1,452,792)	(1,260,556)
-WPPF & WWF		(16,908,762)	(16,908,762)
-Remeasurement of defined benefits			
-Unused tax losses		(397,960,635)	(347,017,885)
		<u>377,348,181</u>	<u>334,499,171</u>
9 SHORT TERM FINANCES			
Loans from banking companies-secured	9.1	351,198,455	280,040,805
		<u>351,198,455</u>	<u>280,040,805</u>
9.1 LOANS FROM BANKING COMPANIES-SECURED			
Albaraka Islamic Bank		-	-
National Bank of Pakistan		351,198,455	280,040,805
		<u>351,198,455</u>	<u>280,040,805</u>
9.2			
There is no change in the terms and conditions as disclosed in the Company's annual audited financial statements for the year ended June 30, 2023.			
10 CONTINGENCIES AND COMMITMENTS			
Contingencies			
10.1			
There is no significant change in the contingencies as disclosed in the financial statements for the year ended June 30, 2023.			
Commitments			
10.2			
Commitments in respect of outstanding letter of credit amount to Rs.81.563 million (30 June 2023 Rs.117.239 million). It includes letter of credit facilities for procurement of new cement production plant, raw material and parts of machinery.			
11 PROPERTY, PLANT & EQUIPMENT			
Operating Assets - tangible	11.1	8,350,452,221	8,391,893,103
Capital Work in Progress	11.2	13,163,331,087	12,783,462,620
		<u>21,513,783,308</u>	<u>21,175,355,723</u>
11.1 Operating Assets - tangible			
Opening book value		8,391,893,103	8,559,485,014
Additions for the period / year	11.1.1	418,000	3,148,072
Deletions during the period / year		-	-
Depreciation for the period / year		(41,858,882)	(170,739,983)
		<u>8,350,452,221</u>	<u>8,391,893,103</u>
11.1.1 Additions for the period / year - net		418,000	3,148,072
11.2 CAPITAL WORK IN PROGRESS			
Building		1,285,954,754	1,282,756,762
Plant & machinery		11,877,376,333	11,500,705,858
		<u>13,163,331,087</u>	<u>12,783,462,620</u>



Flying Cement Company Limited
Notes To The Condensed Interim Financial Statements (Un-Audited)
For The Quarter Ended September 30, 2023

	(Un-audited) September 30 2023 Rupees	(Un-audited) September 30 2022 Rupees
12 CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) for the period - before taxation	158,672,515	76,115,418
Adjustment for:		
Depreciation	41,858,882	42,684,996
Provision for Gratuity	-	-
Finance cost	53,756,497	40,850,251
	<u>95,615,379</u>	<u>83,535,247</u>
(Increase) / decrease in current assets		
(Increase) in Stores, spares & loose tools	(54,388,692)	(11,808,777)
(Increase) / Decrease in Stock-in-trade	(117,928,721)	(58,464,765)
(Increase) / decrease in Trade debts	(80,274,804)	11,187,770
(Increase) / Decrease in Advances, deposits, prepayments and other receivables	(6,653,545)	(57,357,903)
	<u>(259,245,762)</u>	<u>(116,443,675)</u>
(Increase) / decrease in current liabilities		
Increase / (Decrease) in director and Shareholder loan	(33,700,000)	(24,079,909)
Increase (Decrease) in Trade and other Payables	415,310,899	277,795,128
	<u>381,610,899</u>	<u>253,715,219</u>
Cash generated from operations	<u>376,653,031</u>	<u>296,922,209</u>

13 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:

	September 30 2023	June 30 2023
13.1 Year end balances		
Payable to related parties.	906,739,954	906,739,954

14 FINANCIAL RISK MANAGEMENT

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. The Company follows an effective cash management and planning policy and maintains flexibility in funding by keeping committed credit lines available. Market risks are managed by the Company through the adoption of appropriate policies to cover currency risks and interest rate risks.

There have been no changes in the risk management policies since June 30, 2023. Consequently, these condensed interim financial statements do not include all the financial risk management information and disclosures required for the annual financial statements.

15 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on 30 October 2023 by the Board of Directors of the Company.

16 GENERAL

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

Director

Chief Executive

Chief Financial Officer



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