

**FAUJI CEMENT COMPANY LIMITED**

**Fauji Towers, Block-III, 68 Tipu Road, Chaklala, Rawalpindi, Pakistan**

Fax No : 051-9280416 Office : 051-9280075  
E-mail : [secretaryoffice@fccl.com.pk](mailto:secretaryoffice@fccl.com.pk) Exchange : 051-9280081-83  
Website : <http://www.fccl.com.pk> : 5763321-24  
Case No : SECY/FCCL/2037/30 Dated : 28 February 2024

To: Manager, Companies & Securities Compliance - RAD  
Pakistan Stock Exchange Limited (PSX)  
Stock Exchange Building  
Stock Exchange Road Karachi-74000

Subject: **Transmission of Half-Yearly Accounts for the Period Ended 31<sup>st</sup> Dec 2023**

Reference: Section 237 of Companies Act 2017, PSX Notice No PSX/N-4403 dated 26<sup>th</sup> July 2018 and PSX Notice no PSX/N-4952 dated 29<sup>th</sup> August 2018.

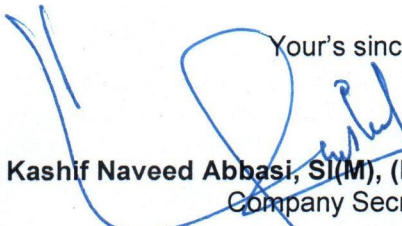
Dear Sir,

1. In compliance with above referred regulations, Half Yearly Report of Company for the period ended 31<sup>st</sup> December 2023 has already been transmitted to PSX through PUCARS. 15x copies of Half Yearly Report of Company for the period ended 31<sup>st</sup> December 2023 are submitted herewith and the report is also available on Company's Website.

2. You may inform the TRE Certificate Holders of the Pakistan Stock Exchange accordingly, please.

With regards,



Your's sincerely,  
  
**Brig Kashif Naveed Abbasi, SI(M), (Retd)**  
Company Secretary

- Copy to:
- Company Law Division  
Corporatization & Compliance Department  
Securities and Exchange Commission of Pakistan  
NIC Building, 63-Jinnah Avenue, Blue Area, Islamabad
  - Additional Registrar  
Company Registration Office, SECP  
State Life Building, 7 Blue Area, Islamabad
  - Mr. Hafiz Maqsood Munshi  
Manager, Companies & Securities Compliance - RAD  
Pakistan Stock Exchange Limited (PSX)  
Stock Exchange Building  
Stock Exchange Road Karachi-74000
  - Mr. Badiuddin Akbar  
Chief Compliance & Risk Officer  
Central Depository Company of Pakistan Limited  
CDC House, 99 B-B, Block B.S.M.C.H.S  
Main Shahrah-e-Faisal, Karachi -74400
  - Share Registrar, M/s Corplink (Pvt) Ltd, Wing Arcade,  
1-K, Commercial, Model Town, Lahore



# BUILDING A SUSTAINABLE TOMORROW

Half  
Yearly  
Report

2023-24



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**Board of Directors**

Mr. Waqar Ahmed Malik	Chairman
Mr. Qamar Haris Manzoor	Chief Executive / MD
Dr. Nadeem Inayat	Director
Maj Gen Muhammad Ihsanullah, HI(M), (Retd)	Director
Syed Bakhtiyar Kazmi	Director
Mr. Sami ul Haq Khilji	Independent Director
Ms. Maleeha Bangash	Independent Director
Ms. Naila Kassim	Independent Director

**Company Secretary**

**Brig Abid Hussain Bhatti, SI(M), (Retd)**  
 Fauji Towers, Block-III, 68 Tipu Road,  
 Chaklala, Rawalpindi  
 Tel No. +92-51-9280075  
 Fax: +92-51-9280416  
 Email: abid.hussain@fccl.com.pk

**Chief Financial Officer**

**Mr. Omer Ashraf**  
 Tel No. +92-51-5500157  
 Email: omer@fccl.com.pk

**Marketing & Sales Department**

**Brig Aziz ul Hassan Usmani, SI(M), (Retd)**  
 GM (Marketing & Sales)  
 4<sup>th</sup> Floor, AWT Plaza, The Mall, Rawalpindi  
 Tel No. +92-51-5523836,  
 +092-051-5528963-64,  
 Fax No. +92-51-5528965-66  
 Email: adminmkt@fccl.com.pk

**AUDITORS****A.F.FERGUSON & CO.**

Chartered Accountants,  
 74-East, 2<sup>nd</sup> Floor, Blue Area,  
 Jinnah Avenue, P.O Box 3021,  
 Islamabad-44000  
 Tel: +92(51)2273457-60/2604934-37  
 Fax: +92(51) 2277924, 2206473  
 Website: www.pwc.com/pk

**Legal Advisors****M/s ORR Dignam & Co Advocate**

Marina Height, 2<sup>nd</sup> Floor,  
 109 East Jinnah Avenue,  
 Islamabad  
 Tel No. +92-51-2260517-8  
 Fax No. +92-51-2260653

**Shares Registrar****M/s Corplink (Pvt) Limited**

Wings Arcade, 1-K, Commercial,  
 Model Town, Lahore  
 Tel No. +92-42-35916714-19 &  
 +92-42-35869037  
 Fax No. +92-42-35869037  
 Email: corplink786@yahoo.com

**Supply Chain Management Department**

**Syed Kamran Hassan**  
 GM (Supply Chain Management)  
 Tel No. +92-51-9281549  
 Fax No. +92-51-9280416  
 Email: kamran.hassan@fccl.com.pk

**Human Resource Department**

**Brig Mir Ameer Ali, SI(M), (Retd)**  
 GM (Human Resource & Admin)  
 Tel No. +92-51-9280084  
 Fax No. +92-51-9280416  
 Email: ameer.ali@fccl.com.pk

**Email for E-Filing & E-Services**

Email: secretaryoffice@fccl.com.pk

**Production Locations****Fauji Cement Company Limited**

Near Village Jhang Bahar,  
 Tehsil Fateh Jang, District Attock  
 Tel Exchange: +92-572-538047-48,  
 +92-572-2538138  
 Fax No. +92-572-538025

Near Wah Railway Station Tehsil Taxila,  
 District: Rawalpindi

Tel No. +92-057-2520452-01,  
 Tel No. +92-057-25200451

Nizampur (Village Kahi)

District: Nowshera Pakistan  
 Tel No. +92-0923-690141-42,  
 Tel No. +92-0923-610650

Zinda Peer, Mauza shadan Lund,  
 Chack Ladan, District Dera Ghazi Khan

Tel No.: 0333-1177197

**Registered Office****Fauji Cement Company Limited**

Fauji Towers, Block III, 68 Tipu Road,  
 Chaklala, Rawalpindi  
 Tel No. +92-51-9280081-83,  
 +92-51-5763321-24  
 Fax No. +92-51-9280416  
 Website http://www.fccl.com.pk

**Audit Committee**

Ms. Maleeha Bangash	Chairperson
Maj Gen Muammad Ihsanullah, HI(M), (Retd)	Member
Syed Bakhtiyar Kazmi	Member
Ms. Naila Kassim	Member
Brig Abid Hussain Bhatti, SI(M), (Retd)	Secretary

**Human Resource & Remuneration (HR&R) Committee**

Ms. Naila Kassim	Chairperson
Dr. Nadeem Inayat	Member
Mr. Sami ul Haq Khilji	Member
Brig Abid Hussain Bhatti, SI(M), (Retd)	Secretary

**Investment Committee**

Dr. Nadeem Inayat	Chairperson
Mr. Qamar Haris Manzoor	Member
Maj Gen Muammad Ihsanullah, HI(M), (Retd)	Member
Mr. Sami ul Haq Khilji	Member
Brig Abid Hussain Bhatti, SI(M), (Retd)	Secretary

**Environmental, Social and Governance (ESG) Committee**

Ms. Maleeha Bangash	Chairperson
Maj Gen Muammad Ihsanullah, HI(M), (Retd)	Member
Mr. Sami ul Haq Khilji	Member
Mr. Ahmed Saeed Khan	Secretary

**Bankers**

- United Bank Limited
- Allied Bank Limited
- Bank Al-Falah Limited
- Habib Bank Limited
- MCB Bank Limited
- Meezan Bank Limited
- Askari Bank Limited
- Standard Chartered Bank (Pak) Limited
- National Bank of Pakistan
- Silk Bank Limited
- Bank of Punjab
- Faysal Bank Limited
- Bank Al-Habib Limited
- Al-Baraka Bank Pakistan Limited
- Bank Islami Pakistan Limited
- Habib Metropolitan Bank Limited
- JS Bank Limited
- Bank of Khyber
- SME Bank Limited
- SAMBA Bank Limited
- First Women Bank Limited
- Summit Bank

## Directors' Review

The Board of Directors are pleased to present the 1<sup>st</sup> half yearly review along with un-audited financial statements duly reviewed by external auditors for the period ended December 31, 2023.

### Economic Overview

There was no major change in Economic conditions during the 1<sup>st</sup> Half FY 24 with Inflation at 29%, SBP Policy rate at 22% and GDP growth forecast of 2%. With inflows from IMF coupled with administrative measures exchange rate has remained stable. SBP has kept the policy rate un-changed during last few meetings and the trend of KIBOR is pointing towards a possible easing in the second half of FY 24

### Cement Industry and Company's Performance

Industry dispatches in 1<sup>st</sup> Half FY 24 were 23.90 million tons as compared to 21.76 million tons in the same period last year, an increase of 10% (YoY). While Domestic sales showed a meagre increase of 1% the main increase is attributable to sea exports, which have again become viable due to currency devaluation and lower imported coal prices for the companies in the South. Break up of domestic and exports is as under:

(Quantity in million tons)

	1 <sup>st</sup> Half FY 24	1 <sup>st</sup> Half FY 23	Variance (%)
Local sales	20.24	20.03	1
Export sales	3.66	1.73	111
<b>Total</b>	<b>23.90</b>	<b>21.76</b>	<b>10</b>

Company's dispatches in 1<sup>st</sup> Half FY 24 were 2.58 million tons as compared to 2.46 million tons in the same period last year, an increase of 5% (YoY). Break up of domestic and exports is as under:-

(Quantity in million tons)

	1 <sup>st</sup> Half FY 24	1 <sup>st</sup> Half FY 23	Variance (%)
Local sales	2.29	2.22	3
Export sales	0.29	0.24	20
<b>Total</b>	<b>2.58</b>	<b>2.46</b>	<b>5</b>

### Financial Performance

During 1<sup>st</sup> Half of FY 24, company earned net revenue of Rs. 40,352 million as compared to Rs. 33,673 million in the same period last year. The increase in revenue is mainly attributable to higher local and exports sales.

Gross Profit margin improved to 32% as compared to 30% in the same period last year. This, mainly, is attributable to better sales prices and cost optimization initiatives taken by the management. As a result of higher exports and devaluation of PKR, company was able to get better revenue from exports. On cost side, increased usage of local coal, initiative to use multiple types of alternative fuels, increase in own power generation and optimization of fixed costs contributed towards achieving the overall results.

The company earned a PAT of Rs. 5,274 million as compared to Rs. 5,079 million in the same period last year, an increase of 4% (YoY), despite increase in financial cost due to Expansion related Debt the company is fully compliant with all its required Covenants.

**Commencement of operation of Greenfield plant at D.G. Khan.** The Company successfully commissioned its Greenfield cement manufacturing plant on 30<sup>th</sup> November 2023, having clinker capacity of 6,500 tons per day at Shadan Lund District Dera Ghazi Khan within a record time of 13 months. With commencement of operations of the new line, total cement production capacity of the Company increased to 10.6 million per annum, which established the Company as the 3<sup>rd</sup> largest cement producer of the Country.

### ESG

The company is playing pivotal role in conserving the environment via reduction of greenhouse gases during manufacturing process, use of green energy, water harvesting and investing in initiatives to maintain the ecological balance of our surroundings at all Plant Sites.

Concurrently, FCCL Board has set up an ESG Committee with the primary goal of overseeing initiatives taken by the Company radiating from the ESG policy.

Apart from number of initiatives, FCCL had well before commencement of operations at an under privileged area of DG Khan established a two-room school equipped with solar power kits with an attendance of 90 students. FCCL also established a Medical Inspection Room with qualified doctors and dispensers to provide free medical care. Moreover, 600 people from local villages have been employed, directly or indirectly, at the DG Khan Plant to provide livelihood to the locals. Furthermore, clean drinking water facility has also been established for the locals of the area.

### **Outlook**

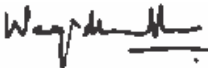
Domestic dispatches are expected to be stable with no major increase expected during 2<sup>nd</sup> Half of FY 24. Once monetary easing starts with reduction in Inflation and increase in Infrastructure related expenditure we should see an improvement in dispatches.

With a seasonal dip in Q2 of FY 2024, the exports to Afghanistan in remaining period of FY 2024 will largely depend upon the improvement of the border situation. The Management will continue its efforts on Cost optimization to deliver the best possible results.

### **Acknowledgment**

The Directors of the Company express their deep appreciation to the valued shareholders, customers, financial institutions, government departments, dealers, contractors, foreign & local suppliers for their support and cooperation. The Directors would also like to express their appreciation to all the Employees and Management of the Company for their hard work resulting in a positive outcome during the 1<sup>st</sup> half of FY 24.

On behalf of the Board of Directors



**Waqar Ahmed Malik**  
Chairman Board of Directors, FCCL  
Rawalpindi  
26<sup>th</sup> February 2024



**Qamar Haris Manzoor**  
Chief Executive & Managing Director

## ڈائریکٹرز کی جائزہ رپورٹ

بورڈ آف ڈائریکٹرز یہ ششماہی جائزہ رپورٹ پیش کرنے میں مسرت محسوس کرتے ہیں جس میں 31 دسمبر 2023 کو مکمل ہونے والے دورانے تک کمپنی کے غیر آڈٹ شدہ مالی حسابات شامل ہیں جو بیرونی آڈیٹرز سے جائزہ شدہ ہیں۔

### معاشی جائزہ

مالی سال 2024 کی پہلی ششماہی کے دوران معاشی حالات میں کوئی بڑی تبدیلی نہیں آئی، افراط زر کی شرح 29 فیصد رہی، SBP پالیسی کی شرح 22 فیصد اور جی ڈی پی کی شرح نمو 2 فیصد تک کم ہونے کے باعث معاشی حالات نامساعد رہے۔ آئی ایم ایف کی جانب سے فنڈ کی فراہمی اور اس کے ساتھ حکومتی انتظامی اقدامات کے باعث شرح مبادلہ مستحکم رہی۔ اسٹیٹ بینک نے پچھلی چند مہینوں کے دوران پالیسی ریٹ کو بغیر کسی تبدیلی کے برقرار رکھا ہے اور KIBOR کارہجان مالی سال 2024 کی دوسری ششماہی میں ممکنہ طور پر کمی کی طرف مائل ہے۔

### سینٹ کی صنعت اور کمپنی کی کارکردگی

مالی سال 2024 کی پہلی ششماہی میں سینٹ کی صنعت کی فروخت 23.90 ملین رہی جو گزشتہ سال کی اسی مدت میں 21.76 ملین ٹن تھی، یوں یہ 10 فیصد کا اضافہ ہے۔ جہاں مقامی فروخت میں 1% کا معمولی اضافہ ہوا ہے، وہاں بنیادی اضافہ سمندری برآمدات کے باعث ہے، جو کرنسی کی قدر میں کمی اور جنوبی خطے کی کمپنیوں کے لیے درآمدی کونٹریکٹ قیمتوں میں کمی کی وجہ سے دوبارہ قابل عمل ہو گئی ہیں۔ مقامی فروخت اور برآمدات کی تقسیم درج ذیل ہے:

(مقداریں ملین ٹن میں)

فیصد فرق	2023 کی پہلی ششماہی	2024 کی پہلی ششماہی	
1	20.03	20.24	مقامی فروخت
111	1.73	3.66	برآمدی فروخت
10	21.76	23.90	کل فروخت

مالی سال 2024 کی پہلی ششماہی میں کمپنی کی فروخت 5 فیصد سالانہ اضافے کے ساتھ 2.58 ملین ٹن رہی جو گزشتہ سال کے اسی دورانیے میں 2.46 ملین ٹن تھیں۔ مقامی اور برآمدی فروخت کی تفصیل درج ذیل ہے:

(مقداریں ملین ٹن میں)

فیصد فرق	2023 کی پہلی ششماہی	2024 کی پہلی ششماہی	
3	2.22	2.29	مقامی فروخت
21	0.24	0.29	برآمدی فروخت
5	2.46	2.58	کل فروخت



## مالیاتی کارکردگی

مالی سال 2024 کی پہلی ششماہی کے دوران کمپنی کو 40,352 ملین روپے کی صافی آمدن ہوئی جو گزشتہ سال کے اسی دورانیے میں 33,673 ملین روپے تھی۔ آمدنی میں یہ اضافہ بنیادی طور پر مقامی اور برآمدی فروخت کے زیادہ ہونے کے باعث ہے۔

مجموعی منافع کی شرح بہتر ہو کر %32 ہو گئی ہے جو پچھلے سال کے اسی دورانیے میں %30 تھی۔ اس اضافے کی بنیادی وجہ قیمت فروخت میں بہتری اور انتظامیہ کی طرف سے پیداواری لاگت کم کرنے کے اقدامات ہیں۔ برآمدات کے زیادہ ہونے اور پاکستانی روپے کی قدر میں کمی کے نتیجے میں، کمپنی برآمدات سے بہتر آمدنی حاصل کرنے میں کامیاب رہی۔ پیداواری لاگت کے ضمن میں مقامی کوسٹلے کے استعمال میں اضافے، متعدد قسم کے متبادل ایندھن کے استعمال کے اقدامات، اپنی پیدا کردہ بجلی کی پیداوار میں اضافے اور مستقل لاگت میں بہتری نے مجموعی نتائج کے حصول میں اہم کردار ادا کیا ہے۔

کمپنی نے 5,274 ملین روپے کا بعد از ٹیکس منافع حاصل کیا جو گزشتہ سال کے اسی دورانیے میں 5,079 ملین روپے تھا، یوں یہ 4 فیصد سالانہ اضافہ ظاہر کرتا ہے باوجود اس کے کہ کمپنی کے توسیعی منصوبوں کی خاطر لیے گئے ان قرضوں کی ادائیگی کے باعث لاگت میں اضافہ ہوا جو متعلقہ معاہدوں کے مطابق ادا کیے جا رہے ہیں۔

### ڈیرہ غازی خان میں گرین فیلڈ کارخانے میں پیداوار کا آغاز

کمپنی نے 30 نومبر 2023 کو اپنے گرین فیلڈ سیمینٹ کارخانے کو 13 ماہ کی ریکارڈ مدت میں شادان لُنڈ، ضلع ڈیرہ غازی خان میں 6,500 ٹن یومیہ کلنکر کی صلاحیت کے ساتھ کامیابی سے شروع کیا ہے۔ اس نئے پلانٹ کے کام کے آغاز کے ساتھ، کمپنی کی سیمینٹ کی کل پیداواری صلاحیت 10.6 ملین سالانہ تک بڑھ گئی، جس سے کمپنی کی حیثیت سیمینٹ کی پیداوار کے لحاظ سے ملک کے تیسرے بڑے ادارے کی ہو گئی ہے۔

### ای ایس جی

کمپنی سیمینٹ کی تیاری کے عمل کے دوران گرین ہاؤس گیسوں میں کمی، ماحول دوست توانائی کے استعمال، پانی کو محفوظ کرنے اور تمام پلانٹ سائنس پر اپنے گردنواح کے ماحولیاتی توازن کو برقرار رکھنے کے لیے اقدامات میں سرمایہ کاری کے ذریعے ماحول کے تحفظ میں اہم کردار ادا کر رہی ہے۔ اس کے ساتھ ساتھ، FCCL بورڈ نے ESG کمیٹی قائم کی ہے جس کا بنیادی مقصد ESG پالیسی کے تقاضوں کے تحت کمپنی کی طرف سے کیے گئے اقدامات کی نگرانی کرنا ہے۔

متعدد دیگر اقدامات کے علاوہ، FCCL نے ڈیرہ غازی خان کے پسماندہ علاقے میں دو محروم پر مشتمل شمسی توانائی سے لیس ایک سکول قائم کیا ہے جس میں 90 طالب علم زیر تعلیم ہیں۔ FCCL نے مفت طبی سہولت فراہم کرنے کے لیے مستند ڈاکٹروں اور طبی عملے کے ساتھ ایک طبی معائنے کا مرکز بھی قائم کیا ہے۔ مزید برآں ڈیرہ غازی خان پلانٹ میں غربت کے خاتمے کے اقدام کے طور پر مقامی دیہات کے 600 افراد کو براہ راست یا بالواسطہ ملازمت فراہم کی گئی ہے۔ اس کے علاوہ علاقے

کے لوگوں کے لیے پینے کے صاف پانی کی سہولت بھی فراہم کی گئی ہے۔

### مستقبل کا جائزہ

مالی سال 2024 کی دوسری ششماہی کے دوران کسی بڑے اضافے کی توقع کے بغیر ملکی فروخت مستحکم رہیں گی۔ ایک بار جب مہنگائی میں کمی اور ترقیاتی منصوبوں پر خرچ میں اضافے کے ساتھ مالیاتی حالات سازگار ہونا شروع ہوں گے تو ہم فروخت میں بہتری دیکھ سکیں گے۔

مالی سال 2024 کی دوسری سہ ماہی میں افغانستان کو کی جانے والی برآمدات میں اس موسم میں ہر سال ہونے والی معمول کی کمی ہوئی، البتہ مالی سال 2024 کے بقیہ دورانے میں فروخت کا زیادہ تر انحصار سرحدی صورت حال کی بہتری پر ہوگا۔ انتظامیہ بہترین ممکنہ نتائج کی فراہمی کے لیے لاگت کو مزید بہتر بنانے کے لیے اپنی کوششیں جاری رکھے گی۔

### اظہار تشکر

کمپنی کے ڈائریکٹرز قابل قدر حصص داران، صارفین، مالیاتی اداروں، سرکاری محکموں، ڈیلرز، ٹھیکیداروں، غیر ملکی اور مقامی سپلائرز کی حمایت اور تعاون پر ان کی تہہ دل سے تشکر کرتے ہیں۔ ڈائریکٹرز کمپنی کے تمام ملازمین اور انتظامیہ کو بھی خراج تحسین پیش کرتے ہیں جن کی محنت کے نتیجے میں مالی سال 2024 کی پہلی ششماہی کے دوران مثبت نتائج برآمد ہوئے۔

بورڈ آف ڈائریکٹرز کی جانب سے



قرحارت منظور

چیف ایگزیکٹو و مینجنگ ڈائریکٹر



وقار احمد ملک

چیئرمین بورڈ آف ڈائریکٹرز فوجی سینٹ کمپنی لمیٹڈ

راولپنڈی، 26 فروری 2024

## Independent Auditors' Review Report

### To the members of Fauji Cement Company Limited Report on review of Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Fauji Cement Company Limited (“the Company”) as at December 31, 2023 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the “interim financial statements”). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and other comprehensive income for three-month period ended December 31, 2023 and 2022 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended December 31, 2023.

#### Scope of Review

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

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Jehanzeb Amin.



Chartered Accountants  
Islamabad

Date: February 27<sup>th</sup>, 2024.

UDIN: RR202310083pEDoNnUam

		Un-audited December 31, 2023	Audited June 30, 2023
	Note	Rupees'000	Rupees'000
<b>EQUITY &amp; LIABILITIES</b>			
<b>EQUITY AND RESERVES</b>			
Share capital	4	24,528,476	24,528,476
Premium on issue of shares		15,253,134	15,253,134
Unappropriated profits		30,667,991	25,394,127
		<b>70,449,601</b>	<b>65,175,737</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term loans - secured	5	30,469,927	31,777,087
Employee benefits		227,716	211,595
Lease liabilities		86,330	118,972
Deferred government grant		2,448,894	2,745,849
Deferred tax liabilities - net	6	10,472,244	10,312,402
		<b>43,705,111</b>	<b>45,165,905</b>
<b>CURRENT LIABILITIES</b>			
Loan from Parent - unsecured		7,387,000	7,387,000
Trade and other payables		6,648,303	6,516,462
Accrued liabilities		3,937,281	4,022,396
Security deposits payable		530,684	455,052
Contract liabilities		448,162	584,809
Employee benefits - current portion		67,054	96,468
Payable to employees' provident fund trust		29,092	26,438
Unclaimed dividend		35,711	36,001
Short term borrowings - secured	7	6,426,164	4,530,981
Provision for tax-net		914,142	-
Current portion of lease liabilities		54,881	50,463
Current portion of long term loans	5	4,727,489	4,176,493
Current portion of deferred government grant		601,316	604,292
		<b>31,807,279</b>	<b>28,486,855</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>145,961,991</b>	<b>138,828,497</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	8		

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

		Un-audited December 31, 2023	Audited June 30, 2023
	Note	Rupees'000	Rupees'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	109,374,700	104,425,181
Right of use assets	10	164,986	181,380
Intangibles assets		10,851,680	10,957,737
Long term deposits		129,700	129,700
		<b>120,521,066</b>	115,693,998
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		10,295,842	8,011,181
Stock in trade		7,501,289	7,112,327
Trade debts		5,030,983	3,572,445
Advances		554,851	366,231
Sales tax refundable-net		486,665	1,820,851
Trade deposits and short term prepayments		129,795	24,840
Advance tax - net		-	723,704
Other receivables		405,893	282,463
Short term investments		250,000	250,000
Cash and bank balances	11	785,607	970,457
		<b>25,440,925</b>	23,134,499
<b>TOTAL ASSETS</b>		<b>145,961,991</b>	<b>138,828,497</b>



Chief Executive Officer



Director



Chief Financial Officer

Note	Three month period ended		Six month period ended	
	December 31, 2023 Rupees'000	December 31, 2022 Rupees'000	December 31, 2023 Rupees'000	December 31, 2022 Rupees'000
Revenue - net	12 20,038,667	18,972,669	40,351,754	33,673,054
Cost of sales	13 (13,501,589)	(13,318,432)	(27,493,466)	(23,434,550)
<b>Gross profit</b>	<b>6,537,078</b>	<b>5,654,237</b>	<b>12,858,288</b>	<b>10,238,504</b>
Other income	102,773	50,215	199,940	75,611
Selling and distribution expenses	14 (935,846)	(675,613)	(1,639,519)	(1,175,297)
Administrative expenses	(384,411)	(432,672)	(741,247)	(751,420)
Other expenses	(294,554)	(229,899)	(575,053)	(465,944)
<b>Operating profit</b>	<b>5,025,040</b>	<b>4,366,268</b>	<b>10,102,409</b>	<b>7,921,454</b>
Finance cost	(1,010,538)	(483,437)	(2,140,645)	(898,079)
Finance income	75,483	86,828	135,952	261,435
<b>Net finance cost</b>	<b>(935,055)</b>	<b>(396,609)</b>	<b>(2,004,693)</b>	<b>(636,644)</b>
Share of loss of associate	-	(2,313)	-	(2,313)
<b>Profit before taxation</b>	<b>4,089,985</b>	<b>3,967,346</b>	<b>8,097,716</b>	<b>7,282,497</b>
Income tax expense	(1,430,123)	(1,202,855)	(2,823,852)	(2,203,176)
<b>Profit for the period</b>	<b>2,659,862</b>	<b>2,764,491</b>	<b>5,273,864</b>	<b>5,079,321</b>
Earnings per share - restated basic & diluted (Rupees)	1.08	1.13	2.15	2.07

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

	Three month period ended		Six month period ended	
	December 31, 2023 Rupees'000	December 31, 2022 Rupees'000	December 31, 2023 Rupees'000	December 31, 2022 Rupees'000
Profit for the period	2,659,862	2,764,491	5,273,864	5,079,321
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	2,659,862	2,764,491	5,273,864	5,079,321

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

	Note	December 31, 2023 Rupees'000	December 31, 2022 Rupees'000
<b>Cash flows from operating activities</b>			
Profit before tax		8,097,716	7,282,497
<b>Adjustments for:</b>			
Depreciation - property, plant and equipment	9.1	2,001,283	1,466,716
Depreciation on right of use asset	10	16,394	19,516
Amortization of intangibles assets		106,053	99,386
Amortization of grant income		(140,163)	(29,510)
Provision for compensated absences		89,360	41,704
Workers' Profit Participation Fund including interest		435,579	391,274
Workers' Welfare Fund		140,386	78,129
Finance cost (excluding interest on WPPF)		2,175,650	761,624
Exchange (gain)/ loss		(38,083)	132,694
Gain on disposal of property, plant and equipment		(5,185)	(25,016)
Share of loss of equity accounted investee-net of tax		-	2,313
Finance income		(135,951)	(290,945)
		<b>4,645,323</b>	<b>2,647,885</b>
Operating cash flows before working capital changes		<b>12,743,039</b>	<b>9,930,382</b>
<b>Changes in</b>			
Long term deposits		-	(1,978)
Stores, spares and loose tools		(2,284,661)	1,998,996
Stock in trade		(388,962)	(2,038,443)
Trade debts		(1,458,538)	(2,029,235)
Advances		(188,620)	(347,155)
Trade deposits and short term prepayments		(104,955)	(70,635)
Other receivables		(123,430)	565,800
Sales tax refundable-net		1,334,186	-
Trade and other payables		(241,984)	104,336
Accrued liabilities		(85,115)	(956,050)
Security deposits payable		75,632	29,074
Contract liabilities		(136,647)	(496,099)
Payable to employees' provident fund trust		2,654	11,434
		<b>(3,600,440)</b>	<b>(3,229,955)</b>
Cash generated from operations		9,142,599	6,700,427
Compensated absences paid		(102,651)	(80,135)
Payment to Workers' Profit Participation Fund		(81,244)	(94,874)
Taxes paid		(1,108,978)	(1,266,150)
Net cash generated from operating activities		<b>7,849,726</b>	<b>5,259,268</b>
<b>Cash flows from investing activities</b>			
Additions in property, plant and equipment		(5,592,924)	(14,248,406)
Additions in intangibles		-	(133,329)
Short term investments - net		-	4,624,036
Proceeds from disposal of property, plant and equipment		9,575	35,585
Interest received on bank deposits		128,357	285,445
Net cash used in investing activities		<b>(5,454,992)</b>	<b>(9,436,669)</b>
<b>Cash flows from financing activities</b>			
Repayment of long term loans		(857,157)	(1,648,070)
Loans received		-	8,176,553
Lease payment		(39,160)	(6,615)
Dividend paid on ordinary shares		(291)	(44)
Finance cost paid		(3,663,659)	(555,378)
Net cash (used in) / generated from financing activities		<b>(4,560,267)</b>	<b>5,966,446</b>
<b>Net increase in cash and cash equivalents</b>		<b>(2,165,533)</b>	<b>1,789,045</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>(3,560,524)</b>	<b>(2,503,634)</b>
<b>Cash and cash equivalents at end of the period</b>		<b>(5,726,057)</b>	<b>(714,589)</b>
Cash and cash equivalents comprise of the following:			
Cash and bank balances		785,607	1,875,092
Short term borrowings		(6,426,164)	(2,504,181)
Less: Bank balance under lien		(85,500)	(85,500)
		<b>(5,726,057)</b>	<b>(714,589)</b>

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer



# Condensed Interim Statement of Change in Equity (Un - Audited)

F C C L

15

For the Six Month Period Ended December 31, 2023

Half Yearly Report 2023-24

	Share capital		Revenue reserve	Total
	Ordinary shares	Premium on issue of shares		
	Rupees '000			
<b>Balance at July 1, 2022</b>	21,803,090	17,978,520	17,954,446	57,736,056
Bonus shares issued @12.5%	2,725,386	(2,725,386)	-	-
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	5,079,321	5,079,321
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	5,079,321	5,079,321
<b>Balance at December 31, 2022</b>	24,528,476	15,253,134	23,033,767	62,815,377
<b>Balance at July 1, 2023</b>	24,528,476	15,253,134	25,394,127	65,175,737
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	5,273,864	5,273,864
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	5,273,864	5,273,864
<b>Balance at December 31, 2023</b>	24,528,476	15,253,134	30,667,991	70,449,601

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

## 1 COMPANY AND ITS OPERATIONS

- 1.1 Fauji Cement Company Limited ("the Company") was incorporated in Pakistan on November 23, 1992 as a public limited company incorporated under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The Company commenced its business from May 22, 1993. The shares of the Company are quoted on Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of different types of cement.

The geographical location and address of the Company's business units, including plants is as under:

- The Company's registered office is situated at Fauji Towers, Block-III, 68-Tipu Road, Rawalpindi.
- The Company's marketing and sales office is situated at AWT Plaza, The Mall, Rawalpindi.

The Company's manufacturing facilities are located at:

- Village Jhang Bahtar, Tehsil Fateh Jang in district Attock
- Railway Station Wah in district Rawalpindi
- Village Kahi, Nizampur in district Nowshera
- Zinda Peer, district Dera Ghazi Khan

## 2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

- 2.1 These condensed interim financial statements for six month period ended December 31, 2023 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

i) International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

ii) Provisions of and directives issued under the Companies Act, 2017.

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

- 2.2 These condensed interim financial statements do not include all the information reported for full annual financial statements and should therefore be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2023. Comparative condensed interim statement of financial position is extracted from annual financial statements as at June 30, 2023 whereas comparative condensed interim statement of profit or loss, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from un-audited condensed interim financial statements of the Company for the six month period ended December 31, 2022.

- 2.3 These condensed interim financial statements are un-audited and are prepared in compliance with the requirements of Section 237 of the Companies Act, 2017 as well as the listing regulations of the Pakistan Stock Exchange.

### 3 SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies and significant judgements made in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the audited financial statements of the Company for the year ended June 30, 2023.

### 4 SHARE CAPITAL

4.1 There is no change in composition of authorised, issued, subscribed and paid up share capital of the Company from June 30, 2023.

4.2 Fauji Foundation holds 1,512,162 thousand (2023: 1,512,162 thousand) ordinary shares of the Company at the period end. In addition Fauji Fertilizer Company Limited and Fauji Oil Terminal & Distribution Company Limited are related parties that hold 105,469 thousand (2023: 105,469 thousand) and 21,094 thousand (2023: 21,094 thousand) ordinary shares respectively of the Company at the period end, whereas 10 thousand (2023: 10 thousand) shares are held by Directors of the Company.

### 5 LONG TERM LOANS-SECURED

#### Loans from banking companies (under mark up arrangements)

	Note	Un-audited December 31, 2023 Rupees' 000	Audited June 30, 2023 Rupees' 000
Term finance facilities	5.1	37,286,111	38,143,268
Less: Current portion shown under current liabilities		(2,808,911)	(2,331,175)
Deferred portion of grant income-net		(3,881,558)	(3,891,645)
Transaction cost		(127,715)	(143,361)
		<b>30,469,927</b>	<b>31,777,087</b>
5.1	Movement during the period / year is as follows:		
	Opening balance	38,143,268	24,671,890
	Loans received during the period / year	-	15,976,605
	Principal repayment during the period / year	(857,157)	(2,505,227)
	Closing balance	<b>37,286,111</b>	<b>38,143,268</b>
5.2	<b>Current Portion of long term loans</b>		
	Current portion of loan	2,806,911	2,331,175
	Markup accrued	1,920,578	1,845,318
		<b>4,727,489</b>	<b>4,176,493</b>

5.3 There is no significant change in the terms and conditions of the long term loans as disclosed in the annual audited financial statements as at and for the year ended June 30, 2023.

### 6 DEFERRED TAX LIABILITY - NET

This comprises of the following:

- Taxable temporary differences
- Deductible temporary differences

	Un-audited December 31, 2023 Rupees' 000	Audited June 30, 2023 Rupees' 000
	11,395,539	11,218,424
	(923,295)	(906,022)
	<b>10,472,244</b>	<b>10,312,402</b>

## 7 SHORT TERM BORROWINGS - SECURED

There is no significant change in the terms and conditions of the short term borrowings - secured as disclosed in the annual audited financial statements as at and for the year ended June 30, 2023.

## 8 CONTINGENCIES AND COMMITMENTS

### 8.1 Contingencies

There has been no significant change in the status of contingencies as disclosed in note 15 to the audited financial statements of the Company for the year ended June 30, 2023 other than the following:

-In the matter involving input tax adjustment and tax demand of Rs. 2,851 million as outlined in note 15.1 (f) of annual financial statements of the Company for the year ended June 30, 2023, the matter has now been remanded back to assessing officer by the Commissioner Inland Revenue - Appeals (CIR-A) with directions to allow Company the rightfully claimed input tax.

-In the case involving short of withholding of income tax as outlined in note 15.1 (l) of annual financial statements of the Company for the year ended June 30, 2023, various matters have been decided in favour of the Company whereas a matter involving partial tax demand, the CIR-A has remanded the matter to assessing officer with directions including to verify documentary evidence.

### 8.2 Commitments

	Un-audited December 31, 2023 Rupees' 000	Audited June 30, 2023 Rupees' 000
8.2.1 Outstanding letters of credit for import of plant and machinery, spare parts and fuel	4,115,272	5,025,000
8.2.2 Capital commitments	1,845,798	5,285,000

## 9 PROPERTY, PLANT AND EQUIPMENT

9.1 Following is the movement in property, plant and equipment during the period / year:

	Un-audited December 31, 2023 Rupees'000	Audited June 30, 2023 Rupees'000
Opening balance - operating fixed assets	69,627,000	43,788,465
Additions during the period / year	9.2 465,220	29,304,644
	70,092,220	73,093,109
Less: Disposals during the period / year (WDV)	(4,389)	(70,778)
Depreciation for the period / year	(2,001,283)	(3,395,331)
Operating fixed assets (WDV) - closing balance	68,086,548	69,627,000
Add: Capital work-in-progress	9.3 40,968,164	34,531,172
Add: Capital spares	319,988	267,009
	109,374,700	104,425,181

9.2 Following additions were made during the period/ year in operating fixed assets:

<b>Operating Fixed Assets</b>	<b>Un-audited December 31, 2023 Rupees'000</b>	<b>Audited June 30, 2023 Rupees'000</b>
Freehold land	546	377,191
Building	26,846	4,550,662
Plant, machinery and equipment	258,768	24,212,792
Office equipment	2,645	2,188
Computers	31,245	52,127
Electric, gas Installations and motors	26,077	19,628
Furniture and fixture	13,094	2,362
Motor vehicles	105,999	87,694
	<b>465,220</b>	<b>29,304,644</b>

9.3 Following is the movement in capital work-in-progress during the period / year:

Opening balance	34,531,172	29,802,170
Add: Additions during the period / year	6,463,377	33,194,595
	<b>40,994,549</b>	<b>62,996,765</b>
Less: Transferred to operating fixed assets	(26,385)	(28,465,593)
Closing balance	<b>40,968,164</b>	<b>34,531,172</b>

## 10 RIGHT-OF-USE ASSETS

	<b>Un-audited December 31, 2023 Rupees'000</b>	<b>Audited June 30, 2023 Rupees'000</b>
Opening net book value	181,380	132,263
Add: Modification of lease	-	22,503
Add: Additions during the period / year	-	79,626
Less: Deletions during the period / year	-	(3,805)
Less: Depreciation charged during the period / year	(16,394)	(49,207)
Closing net book value	<b>164,986</b>	<b>181,380</b>

## 11 CASH AND BANK BALANCES

Cash at banks		
Deposit accounts		
Conventional banks	163,530	374,071
Islamic banks	291	389
Term deposit receipts		
Conventional banks	553,851	544,256
Islamic banks	-	-
Current accounts		
Conventional banks	66,685	50,728
Islamic banks	289	478
	<b>784,646</b>	<b>969,922</b>
Cash in hand	961	535
11.1	<b>785,607</b>	<b>970,457</b>

11.1 This amount includes lien marked on bank balance amounting to Rs 85,500 thousand (2023: Rs 85,500 thousand) in respect of the guarantee extended by the bank.

	Three month period ended		Six month period ended	
	December 31, 2023 Rupees'000	December 31, 2022 Rupees'000	December 31, 2023 Rupees'000	December 31, 2022 Rupees'000
<b>12 REVENUE - NET</b>				
The disaggregation of turnover from contracts with customers is as follows:				
Sales - Local	25,575,327	23,572,530	50,469,811	41,556,458
- Export	1,368,873	1,488,225	3,708,206	2,743,348
	<u>26,944,200</u>	<u>25,060,755</u>	<u>54,178,017</u>	<u>44,299,806</u>
Less: - Sales tax	4,153,630	3,688,292	8,173,598	6,503,552
- Excise duty	2,278,247	1,885,384	4,578,791	3,333,582
- Rebates and discounts	470,239	510,538	1,064,797	783,015
- Export development surcharge	3,417	3,872	9,077	6,603
	<u>6,905,533</u>	<u>6,088,086</u>	<u>13,826,263</u>	<u>10,626,752</u>
	<u>20,038,667</u>	<u>18,972,669</u>	<u>40,351,754</u>	<u>33,673,054</u>
<b>13 COST OF SALES</b>				
Raw material consumed	1,475,424	898,778	2,698,726	1,758,863
Packing material consumed	731,326	664,841	1,676,541	1,210,804
Repair and maintenance	671,717	499,998	1,096,690	1,031,311
Salaries, wages and benefits	980,833	879,705	2,002,124	1,759,576
Rent, rates and taxes	21,732	19,658	43,988	37,438
Insurance	68,481	46,043	136,990	104,093
Fuel consumed	7,264,317	7,522,040	12,926,349	13,727,051
Power consumed	2,802,519	2,157,828	5,220,074	4,191,063
Depreciation	982,281	744,049	1,957,428	1,437,018
Depreciation on right of use asset	715	-	1,429	-
Technical assistance	16,685	5,190	24,379	5,756
Printing and stationery	3,472	1,553	5,256	3,266
Traveling and conveyance	39,152	33,235	75,968	54,823
Vehicle running and maintenance expenses	18,522	17,318	38,747	34,793
Communication, establishment and other expenses	66,356	80,418	161,852	130,124
Water conservancy charges	279	223	556	1,008
	<u>15,143,811</u>	<u>13,570,877</u>	<u>28,067,097</u>	<u>25,486,987</u>
Add: Opening work-in-process	3,379,041	3,594,753	4,464,731	2,098,340
Less: Closing work-in-process	(4,762,833)	(3,631,493)	(4,762,833)	(3,631,493)
Cost of goods manufactured	<u>13,760,019</u>	<u>13,534,137</u>	<u>27,768,995</u>	<u>23,953,834</u>
Add: Opening finished goods	1,191,893	882,774	1,240,545	626,363
Less: Closing finished goods	(1,412,743)	(1,060,996)	(1,412,743)	(1,060,996)
Finished goods in transit	-	-	-	-
	<u>13,539,169</u>	<u>13,355,915</u>	<u>27,596,797</u>	<u>23,519,201</u>
Less: Own consumption	(37,580)	(37,483)	(103,331)	(84,651)
	<u>13,501,589</u>	<u>13,318,432</u>	<u>27,493,466</u>	<u>23,434,550</u>
<b>14 SELLING AND DISTRIBUTION EXPENSES</b>				

This includes an amount of Rs. 703,673 thousand (2022: Rs. 537,843 thousand) for quarter ended December 31, 2023 and amount of Rs. 1,321,251 thousand (2022: Rs. 908,662 thousand) for half year ended December 31, 2023 as freight charges related to sales made during respective periods.

15 RELATED PARTY TRANSACTIONS AND BALANCES

There is no significant change in relationship with related parties during the period. Significant transactions with related parties are as follows:

	December 31, 2023 Rupees'000	June 30, 2023 Rupees'000
<b>Balances with related parties</b>		
<b>Fauji Foundation</b>		
Loan payable	7,387,000	7,387,000
Payable against cost re-charged	37,500	33,750
Payable against use of medical facilities	8	359
Payable against letter of support fee	32,137	31,788
<b>Askari Bank Limited</b>		
Loan payable	2,825,000	2,845,000
Balance in bank	37,941	265,794
Export refinance payable	1,087,000	693,000
<b>Other related parties</b>		
Payable to Foundation Solar Energy (Pvt) Limited against supply of solar equipment	-	17,517
Payable to Cherat Packaging Limited against supply of packing material	34,496	217,103
<b>Transactions with related parties</b>		
	Un-audited December 31, 2023 Rupees' 000	Un-audited December 31, 2022 Rupees' 000
<b>Fauji Foundation</b>		
Sale of cement	1,638	30,279
Donation paid through Fauji Foundation	83,800	67,000
Payment of rent and utilities	30,877	5,120
Payment against cost re-charged	84,252	73,136
Payment for use of medical facilities	757	910
Payment against letter of support fee	64,486	63,925
Consultancy charges paid	10,142	12,609
<b>Askari Bank Limited</b>		
Interest on long term loans	145,895	88,094
Principal repayment of loan	100,000	100,000
Payment of export refinance	693,000	700,000
Receipt of export refinance	1,087,000	-
Interest on export re-finance	27,628	50,326
Bank charges	8,230	2,821
Profit received	11,510	7,656
<b>Transactions with other related parties</b>		
Payment to Foundation Solar Energy (Pvt) Limited	324,561	1,223,994
Payment to Cherat Packaging Limited against supply of packing material	496,479	-
Insurance premium to TPL Insurance Limited	9,662	-
Insurance premium to Habib Insurance Company Limited	4,831	-
Payment to Mari Petroleum Company Limited against supply of crude oil	19,734	-
Payments made into Employees' Provident Fund	73,502	71,903
Directors' fee	3,700	3,350
Remuneration paid including benefits and perquisites to Chief Executive	40,835	42,935
Remuneration paid including benefits and perquisites to key management personnel (other than Chief Executive)	119,914	101,225

## 16 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).



16.1 The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	Carrying amount		Fair value			Total
	Amortized cost	FVTPL	Total	Level 1	Level 2	
			Rupees '000			
<b>On-balance sheet financial instruments</b>						
<b>December 31, 2023</b>						
<b>Financial assets not measured at fair value</b>						
Trade debts - net of impairment loss	5,030,983	-	5,030,983	-	-	-
Other receivables	405,893	-	405,893	-	-	-
Short term investments	250,000	-	250,000	-	-	-
Cash and bank balances	785,607	-	785,607	-	-	-
	<u>6,472,483</u>	<u>-</u>	<u>6,472,483</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Financial assets measured at fair value</b>						
Long term deposits	-	129,700	129,700	-	-	129,700
Trade deposits	-	34,606	34,606	-	-	34,606
	<u>-</u>	<u>164,306</u>	<u>164,306</u>	<u>-</u>	<u>-</u>	<u>164,306</u>
<b>Financial liabilities not measured at fair value</b>						
Long term loans (including current portion)	35,197,416	-	35,197,416	-	-	-
Lease liability (including current portion)	141,211	-	141,211	-	-	-
Loan from Parent - unsecured	7,387,000	-	7,387,000	-	-	-
Creditors	3,540,830	-	3,540,830	-	-	-
Accrued liabilities	3,937,281	-	3,937,281	-	-	-
Security deposits payable	530,684	-	530,684	-	-	-
Payable to employees' provident fund trust	29,092	-	29,092	-	-	-
Unclaimed dividend	35,711	-	35,711	-	-	-
Short term borrowings - secured	6,426,164	-	6,426,164	-	-	-
	<u>57,225,389</u>	<u>-</u>	<u>57,225,389</u>	<u>-</u>	<u>-</u>	<u>-</u>



**17 GENERAL**

- 17.1** These condensed interim financial statements include respective corresponding figures which have been reclassified where necessary to reflect more appropriate presentation of the related transactions in line with the current period's financial statements and do not impact on net results as previously reported.
- 17.2** The amounts in these condensed interim financial statements have been rounded-off to the nearest thousand Rupees.
- 17.3** These condensed interim financial statements were authorised for issue by the Board of Directors of the Company on February 26<sup>th</sup>, 2024.



Chief Executive Officer



Director



Chief Financial Officer



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# Say No To Corruption



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