

# FAUJI CEMENT COMPANY LIMITED

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

Fax No : 051-9280416  
E-mail : secretary@fccl.com.pk  
Website : http://www.fccl.com.pk  
Case No : SECY/FCCL/2037/30

Office : 051-9280075  
Exchange : 051-9280081-83  
5763321-24  
Dated 29 October 2021

To: The General Manager  
Pakistan Stock Exchange Limited (PSX)  
Stock Exchange Road  
Stock Exchange Building Karachi

Subject: Transmission of Quarterly Accounts for the Period Ended 30<sup>th</sup> September 2021

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.

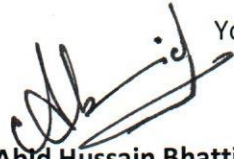
Dear Sir,

1. In Compliance with above reference regulations, Quarterly Report of Company for the period ended 30<sup>th</sup> September 2021 has been transmitted to PSX through **PUCARS** on 29<sup>th</sup> October 2021 and is also available on Company's website. 15 x Hard copies of this report will be submitted to PSX as per timeline indicated in above referred Notice of Pakistan Stock Exchange.

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

With regards,



  
Your's sincerely,  
**Brig Abid Hussain Bhatti, SI(M), (Retd)**  
Company secretary

- Copy to:
- **Mr Hafiz Maqsood Munshi**  
Manager, Companies & Securities Compliance - RAD  
Pakistan Stock Exchange Limited (PSX), Stock Exchange Building  
Stock Exchange Road Karachi-74000
  - **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 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



First  
Quarterly  
Report  
2021-22



CEMENTING  
THE FUTURE

آزادی قیمتی ہے



www.fccl.com.pk

2	Company Information
4	Directors' Review
5	ڈائریکٹرز کا تجزیہ
6	Condensed Interim Statement of Financial Position
8	Condensed Interim Statement of Profit or Loss (Un-Audited)
9	Condensed Interim Statement of Comprehensive Income (Un-Audited)
10	Condensed Interim Statement of Cash Flows (Un-Audited)
11	Condensed Interim Statement of Changes in Equity (Un-Audited)
12	Notes to the Condensed Interim Financial Statements (Un-Audited)
20	Jama Punji Information

**Board of Directors**

Mr. Waqar Ahmed Malik	- Chairman
Mr. Qamar Haris Manzoor	- Chief Executive / MD
Dr. Nadeem Inayat	- Director
Maj Gen Abid Rafique, HI(M), (Retd)	- Director
Maj Gen Naseer Ali Khan, HI(M), (Retd)	- Director
Syed Bakhtiyar Kazmi	- Director
Mr. Sami ul Haq Khilji	- Director
Mr. Jawaid Iqbal	- Independent Director
Mr. Zafar Iqbal Sobani	- Independent Director
Ms. Jahanara Sajjad Ahmad	- 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-Pakistan  
Tel No. +92-51-5523836,  
+092-051-5528963-64,  
Fax No. +92-51-5528965-66  
Email: adminmkt@fccl.com.pk

**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 Abdul Jabbar, SI(M), (Retd)**  
GM (Human Resource & Admin)  
Tel No. +92-51-9280084  
Fax No. +92-51-9280416  
Email: abdul.jabbar@fccl.com.pk

**AUDITORS**

**M/s KPMG Taseer Hadi & Co,**  
**Chartered Accountants**  
6<sup>th</sup> Floor, State Life Building No.5,  
Jinnah Avenue, Blue Area, P.O. Box  
1323,  
Islamabad, Pakistan  
Tel No. +92-51-282-3558  
Fax No. +92-51-2822671

**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

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

Email: secretaryoffice@fccl.com.pk

**Factory**

**Fauji Cement Company Limited**  
Near Village Jhang Bahtar,  
Tehsil Fateh Jang, District Attock  
Tel Exchange: +92-572-538047-48,  
+92-572-2538138  
Fax No. +92-572-538025  
Website http://www.fccl.com.pk

**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**

Mr. Zafar Iqbal Sobani	-	Chairman
Dr. Nadeem Inayat	-	Member
Mr. Sami ul Haq Khilji	-	Member
Mr. Jawaid Iqbal	-	Member
Syed Bakhtiyar Kazmi	-	Member
Brig Abid Hussain Bhatti, SI(M), (Retd)	-	Secretary

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

Ms. Jahanara Sajjad Ahmad	-	Chairperson
Dr. Nadeem Inayat	-	Member
Mr. Sami ul Haq Khilji	-	Member
Mr. Jawaid Iqbal	-	Member
Brig Abid Hussain Bhatti, SI(M), (Retd)	-	Secretary

**Investment Committee**

Dr. Nadeem Inayat	-	Chairman
Mr. Qamar Haris Manzoor	-	Member
Mr. Sami ul Haq Khilji	-	Member
Ms. Jahanara Sajjad Ahmad	-	Member
Brig Abid Hussain Bhatti, SI(M), (Retd)	-	Secretary

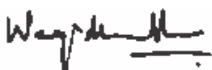
**Bankers**

- 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

## Directors' Review

1. The Board of Directors are pleased to present their Review Report along with unaudited accounts of the Company for the 1<sup>st</sup> Quarter ended 30<sup>th</sup> September 2021.
2. During first quarter of FY 22, the Company earned a Net Profit of Rs **1,359 Million** as compared to **Rs 696 Million** in same period of last year. Sales revenue stood at **Rs 6,936 Million** as compared to **Rs 5,501 Million** in corresponding period of last year showing increase of **26%**. The Company achieved capacity utilization of **94%** as compared to **97%** last year. As a result of above Gross Profit ratio increased to **30%** as compared to **22%** of corresponding period of last year.
3. Going forward, the domestic cement demand is expected to remain stable with the ongoing construction activity in the country including the demand for housing, commercial and hydro power projects. Exports to Afghanistan have slowed down due to frequent border closures but are likely to improve with the improvement in political situation.
4. On the cost side, the phenomenal increase in international coal prices at levels never seen before i.e. from USD 110/ton to almost USD 230/ton and increasing, rupee devaluation and the news of electricity prices increasing is going to impact margins going forward as passing on the full impact in prices is not likely to happen. On other hand coal supplies from Afghanistan have also reduced resulting in a sharp increase in local coal prices as well as shortage of supplies.
5. 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 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 for the quarter.

On behalf of the Board of Directors



**Waqar Ahmed Malik**  
Chairman Board of Directors, FCCL  
Rawalpindi  
**28<sup>th</sup> October 2021**



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

## ڈائریکٹر کا تجزیہ

- 1۔ فوجی سینٹ کمپنی لمیٹڈ (FCCL) کا بورڈ آف ڈائریکٹر نے جائزہ رپورٹ پیش کرنے میں مسرت محسوس کرتا ہے جس میں 30 ستمبر 2021 کو ختم ہونے والی پہلی سہ ماہی کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے بھی شامل ہیں۔
- 2۔ مالی سال 2021/22 کی پہلی سہ ماہی کے دوران، کمپنی نے گزشتہ سال کی اسی مدت میں 696 ملین روپے کے مقابلے میں 1,359 ملین روپے کا خالص منافع کمایا۔ فروخت سے آمدن 6,936 ملین روپے رہی جو کہ گزشتہ سال کی اسی مدت میں 5,501 ملین روپے کے مقابلے میں 26 فیصد زیادہ ہے۔ کمپنی نے گزشتہ سال 97 فیصد کے مقابلے میں 94 فیصد پیداواری صلاحیت کا استعمال حاصل کیا۔ مجموعی منافع کا تناسب گزشتہ سال کی اسی مدت کے 22% کے مقابلے میں 30% تک بڑھ گیا۔
- 3۔ ملک میں جاری تعمیراتی سرگرمیوں کے ساتھ گھریلو سینٹ کی طلب مستحکم رہنے کی توقع ہے جس میں ہاؤسنگ، کمرشل اور ہائیڈرو پاور پروجیکٹس کی مانگ بھی شامل ہے، بار بار سرحد کی بندش کی وجہ سے افغانستان کو برآمدات میں کمی آئی ہے لیکن اس میں بہتری آنے کا امکان ہے۔
- 4۔ دوسری طرف بین الاقوامی کونسلے کی قیمت میں بے تحاشا اضافہ (USD 110/Ton سے USD 230/Ton تک) اور مزید بڑھتی قیمت، روپے کی قدر میں کمی اور بجلی کی قیمتوں میں اضافے کی خبریں بڑھنے والے منافع کو متاثر کر رہی ہیں کیونکہ قیمتوں میں سارا اضافہ گاہک کو منتقل کرنے کا امکان نہیں ہے۔ دوسری جانب افغانستان سے کونسلے کی سپلائی میں بھی کمی آئی ہے جس کے نتیجے میں مقامی کونسلے کی قیمتوں میں زبردست اضافہ ہوا ہے اور ساتھ ہی سپلائی کی قلت بھی ہے۔
- 5۔ بورڈ آف ڈائریکٹر کمپنی کے قابل قدر شیئر ہولڈرز، صارفین، مالیاتی اداروں، سرکاری محکموں، ڈیلرز، ٹھیکیداروں، غیر ملکی اور مقامی سپلائرز کے تعاون کے لیے ان کی بھرپور تعریف کرتے ہیں۔ بورڈ آف ڈائریکٹر کمپنی کے تمام ملازمین اور انتظامیہ کو ان کی ہتھک محنت کے نتیجے میں سہ ماہی میں مثبت نتائج برآمد ہوئے ہیں۔

بورڈ آف ڈائریکٹر کی نیابت سے



قمر حارث منظور

چیف ایگزیکٹو و نیٹنگ ڈائریکٹر



و قار احمد ملک

چیئر مین بورڈ آف ڈائریکٹر فوجی سینٹ کمپنی لمیٹڈ

راولپنڈی

28 اکتوبر 2021



	Note	Un-audited 30 September 2021 Rupees'000	Audited 30 June 2021 Rupees'000
<b>EQUITY</b>			
<b>Share capital and reserves</b>			
Share capital	4	13,798,150	13,798,150
Discount on issue of shares		(1,364,385)	(1,364,385)
Unappropriated profits		12,200,531	10,841,906
<b>Total equity</b>		<b>24,634,296</b>	<b>23,275,671</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long term loans - secured	5	419,259	491,502
Employee benefits		78,778	82,380
Lease liability		73,593	73,593
Deferred government grant		19,673	22,261
Deferred tax liabilities - net		3,923,478	3,960,489
		<b>4,514,781</b>	<b>4,630,225</b>
<b>Current liabilities</b>			
Trade and other payables		2,285,907	1,822,642
Accrued liabilities		1,744,818	1,554,895
Security deposits payable		266,148	260,652
Contract liabilities		379,913	435,097
Employee benefits - current portion		28,920	20,862
Payable to employees' provident fund trust		14,964	10,714
Unclaimed dividend		37,628	38,479
Short term borrowings	6	298,744	1,616,787
Current portion of lease liability		22,988	24,686
Current portion of long term loans	5	364,119	361,521
Provision for tax		362,647	-
		<b>5,806,796</b>	<b>6,146,335</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>34,955,873</b>	<b>34,052,231</b>

**CONTINGENCIES AND COMMITMENTS** 7

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 30 September 2021	Audited 30 June 2021
	Note	Rupees'000	Rupees'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	21,469,049	21,422,215
Right of use asset		83,926	89,334
Long term deposits		94,338	86,601
Long term investment	9	65,349	15,349
		<b>21,712,662</b>	<b>21,613,499</b>
<b>Current assets</b>			
Stores, spares and loose tools		3,742,369	4,250,754
Stock in trade		1,803,193	1,189,198
Trade debts		964,978	1,449,600
Advances		39,802	45,593
Trade deposits and short term prepayments		101,995	26,147
Advance tax - net		-	90,073
Other receivables		141,949	88,890
Short term investments		5,481,356	4,397,699
Cash and bank balances	10	967,569	900,778
		<b>13,243,211</b>	<b>12,438,732</b>
<b>TOTAL ASSETS</b>		<b>34,955,873</b>	<b>34,052,231</b>

Chief Executive Officer

Director

Chief Financial Officer

		Quarter Ended	
	Note	30 September 2021 Rupees'000	30 September 2020 Rupees'000
Revenue - net	11	6,935,729	5,500,988
Cost of sales	12	(4,825,771)	(4,312,582)
<b>Gross profit</b>		<b>2,109,958</b>	<b>1,188,406</b>
Selling and distribution expenses		(50,557)	(47,536)
Administrative expenses		(149,617)	(103,066)
Other expenses	13	(136,974)	(70,451)
Other income		8,707	8,561
<b>Operating profit</b>		<b>1,781,517</b>	<b>975,914</b>
Finance cost		(26,743)	(29,659)
Finance income		104,164	9,860
<b>Net finance income/ (cost)</b>		<b>77,421</b>	<b>(19,799)</b>
<b>Profit before taxation</b>		<b>1,858,93</b>	<b>956,115</b>
Income tax expense		(500,313)	(260,531)
<b>Profit for the period</b>		<b>1,358,625</b>	<b>695,584</b>
Earnings per share - basic and diluted (Rupees)		<b>0.98</b>	<b>0.50</b>

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



Chief Executive Officer



Director



Chief Financial Officer

	Quarter Ended	
	30 September 2021 Rupees'000	30 September 2020 Rupees'000
Profit for the period	1,358,625	695,584
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>1,358,625</b>	<b>695,584</b>

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



Chief Executive Officer



Director



Chief Financial Officer

	Quarter Ended	
	30 September 2021 Rupees'000	30 September 2020 Rupees'000
<b>Cash flows from operating activities</b>		
Profit before tax	1,858,938	956,115
<b>Adjustments for:</b>		
Depreciation	356,954	353,523
Depreciation on right of use asset	5,407	3,770
Provision for compensated absences	11,623	11,137
Workers' (Profit) Participation Fund including interest	100,081	51,328
Workers' Welfare Fund	37,179	19,122
Finance cost (excluding interest on WPPF)	26,457	29,659
Loss/ (gain) on disposal of property, plant and equipment	826	(3,435)
Finance income	(104,164)	(9,860)
	434,363	455,244
Operating cash flows before working capital changes	2,293,301	1,411,359
<b>Changes in</b>		
Stores, spares and loose tools	508,385	(331,585)
Stock in trade	(613,995)	142,551
Trade debts	484,622	(11,148)
Advances	5,791	(8,738)
Trade deposits and short term prepayments	(75,848)	(47,687)
Other receivables	(53,059)	(45,334)
Trade and other payables	350,336	200,614
Accrued liabilities	189,923	199,815
Security deposits payable	5,496	6,064
Contract liabilities	(55,184)	46,282
Payable to employees' provident fund trust	4,250	564
Cash generated from operating activities	750,717	151,398
Compensated absences paid	(7,166)	(2,758)
Payment to Workers' (Profit) Participation Fund	(24,336)	-
Taxes paid	(84,603)	(234,250)
Long term deposit	(7,737)	-
Net cash generated from operating activities	2,920,176	1,325,749
<b>Cash flows from investing activities</b>		
Additions in property, plant and equipment	(405,968)	(21,132)
Short term investments - net	(986,079)	-
Long term investment	(50,000)	-
Proceeds from disposal of property, plant and equipment	1,354	5,009
Interest received on bank deposits	6,587	7,702
Net cash used in investing activities	(1,434,106)	(8,421)
<b>Cash flows from financing activities</b>		
Repayment of long term loans	(72,243)	(105,945)
Loans received	-	294,761
Lease payments	(4,013)	-
Unclaimed dividend	(851)	(288)
Finance cost paid	(24,129)	(38,359)
Net cash (used in)/ generated from financing activities	(101,236)	150,169
<b>Increase in cash and cash equivalents</b>	<b>1,384,834</b>	<b>1,467,497</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>(716,009)</b>	<b>(1,307,993)</b>
<b>Cash and cash equivalents at end of the period</b>	<b>668,825</b>	<b>159,504</b>
Cash and cash equivalents comprise of the following:		
Cash and bank balances	967,569	960,867
Short term borrowings	(298,744)	(801,363)
	668,825	159,504

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)  
For the Quarter Ended 30 September 2021

F C C L

11

First Quarterly Report 2021-22

	Share capital		Revenue reserve		Total
	Ordinary shares Rupees'000	Discount on issue of shares Rupees'000	Unappropriated profits Rupees'000	Rupees'000	
<b>Balance as at 30 June 2020</b>	13,798,150	(1,364,385)	7,370,555		19,804,320
<b>Total comprehensive income</b>					
Profit for the period	-	-	695,584		695,584
Other comprehensive income	-	-	-		-
<b>Total comprehensive income</b>	-	-	695,584		695,584
<b>Balance as at 30 September 2020</b>	<b>13,798,150</b>	<b>(1,364,385)</b>	<b>8,066,139</b>		<b>20,499,904</b>
<b>Balance as at 30 June 2021</b>	13,798,150	(1,364,385)	10,841,906		23,275,671
<b>Total comprehensive income</b>					
Profit for the period	-	-	1,358,625		1,358,625
Other comprehensive income	-	-	-		-
<b>Total comprehensive income</b>	-	-	1,358,625		1,358,625
<b>Balance as at 30 September 2021</b>	<b>13,798,150</b>	<b>(1,364,385)</b>	<b>12,200,531</b>		<b>24,634,296</b>

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



Chief Executive Officer



Director



Chief Financial Officer

## 1 STATUS AND NATURE OF BUSINESS

Fauji Cement Company Limited ("the Company") is a public limited company incorporated in Pakistan on 23 November 1992 under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on 30 May 2017). The Company commenced its business with effect from 22 May 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 Company's registered office is situated at Fauji Towers, Block-III, 68-Tipu Road, Rawalpindi. The Company's manufacturing facilities are located at village Jhang Bahatar, Tehsil Fateh Jang in district Attock.

## 2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Company have been prepared in accordance with the requirements of International Accounting Standard 34 - "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. The disclosures in the condensed interim financial statements do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended 30 June 2021. Comparative statement of financial position is extracted from annual financial statements as of 30 June 2021 whereas comparative condensed interim profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from unaudited condensed interim financial statements for the quarter ended 30 September 2020.

These condensed interim financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange .

## 3 SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies, significant judgments made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim financial statements and financial risk management policy are the same as those applied in preparation of audited annual financial statements for the year ended 30 June 2021.

## 4 SHARE CAPITAL

There is no change in composition of issued, subscribed and paid up share capital of the Company from 30 June 2021.

## 5 LONG TERM LOANS

### - Loans from banking companies (under mark up arrangements) - Conventional banks

	Un-audited 30 September 2021 Rupees' 000	Audited 30 June 2021 Rupees' 000
Term finance facilities	798,308	870,551
Less: Current portion shown under current liabilities	(359,376)	(356,788)
Deferred government grant	(19,673)	(22,261)
	<b>419,259</b>	<b>491,502</b>
<b>5.1</b> Movement in this account during the period/ year is as follows:		
Opening balance	870,551	729,180
Loans received during the period/year	-	625,610
Principal repayment during the period/ year	(72,243)	(484,239)
Closing balance	<b>798,308</b>	<b>870,551</b>
<b>5.2</b> Current Portion		
Current portion of loan	359,376	356,788
Markup accrued	4,743	4,733
	<b>364,119</b>	<b>361,521</b>

5.3 The markup rates, facility limits, securities offered are the same as disclosed in the annual audited financial statements of the Company for the year ended 30 June 2021.

## 6 SHORT TERM BORROWINGS (SECURED)

The markup rates, facility limits, securities offered are the same as disclosed in the annual audited financial statements of the Company for the year ended 30 June 2021.

## 7 CONTINGENCIES AND COMMITMENTS

### 7.1 Contingencies

There is no change in the contingent liabilities as reported in the financial statements for the year ended 30 June 2021.

### 7.2 Commitments

7.2.1 The company has opened Letters of Credit for the import of plant and machinery (expansion project), coal and spare parts valuing Rs. 20,680 million (30 June 2021: Rs. 18,812 million).

7.2.2 The Company has capital commitments of Rs. 21,032 million (30 June 2021: Rs 19,400 million) related to expansion project.



## 8 PROPERTY, PLANT AND EQUIPMENT

	Un-audited 30 September 2021 Rupees'000	Audited 30 June 2021 Rupees'000
Opening book value	21,422,215	22,065,172
Additions during the period/ year	405,968	1,007,205
Written down value of disposals	(2,180)	(49,814)
Written down value of write off	-	(26,316)
Depreciation for the period/year	(356,954)	(1,574,032)
Closing book value	21,469,049	21,422,215

## 9 LONG TERM INVESTMENT

During the period, the Company has made further investment amounting to Rs 50 million in Foundation Solar Energy (Pvt) Limited for issue of shares.

## 10 CASH AND BANK BALANCES

	Un-audited 30 September 2021 Rupees'000	Audited 30 June 2021 Rupees'000
Cash at banks		
Deposit accounts - Conventional banks	893,439	271,303
Deposit accounts - Islamic banks	703	432,469
Current accounts - Conventional banks	72,760	193,379
Current accounts - Islamic banks	14	3,417
	966,916	900,568
Cash in hand	653	210
	967,569	900,778

## 11 REVENUE-NET

	Quarter Ended	
	30 September 2021 Rupees'000	30 September 2020 Rupees'000
Revenue from external customers		
Sale - Local	9,334,203	7,529,947
- Export	247,592	349,515
	9,581,795	7,879,462
Less: - Sales tax	1,464,167	1,181,771
- Excise duty	1,181,146	1,195,772
- Export development surcharge	753	931
	2,646,066	2,378,474
	6,935,729	5,500,988

		Quarter Ended	
		30 September 2021	30 September 2020
		Rupees'000	Rupees'000
<b>12</b>	<b>COST OF SALES</b>		
	Raw material consumed	479,631	437,436
	Packing material consumed	371,265	320,825
	Stores and spares consumed	9,436	10,692
	Salaries, wages and benefits	391,475	374,438
	Rent, rates and taxes	8,483	6,649
	Insurance	33,521	34,611
	Fuel consumed	2,426,140	1,612,525
	Power consumed	873,358	624,448
	Depreciation	351,828	349,213
	Repairs and maintenance	174,622	206,025
	Technical assistance	1,865	224
	Printing and stationery	593	371
	Traveling and conveyance	9,152	9,051
	Vehicle running and maintenance expenses	4,343	5,754
	Communication, establishment and other expenses	19,165	8,032
	Water conservancy charges	76,917	69,276
		5,231,794	4,069,570
	Add: Opening work-in-process	629,288	779,940
	Less: Closing work-in-process	(1,082,818)	(684,753)
	Cost of goods manufactured	4,778,264	4,164,757
	Add: Opening finished goods	146,340	138,345
	Less: Closing finished goods	(254,660)	(142,104)
		4,669,944	4,160,998
	Less: Own consumption	-	(8)
	Add: Freight charges	155,827	151,592
		4,825,771	4,312,582
<b>13</b>	<b>OTHER EXPENSES</b>		
	Workers' Profit Participation Fund	99,796	51,329
	Workers' Welfare Fund	37,178	19,122
		136,974	70,451
<b>14</b>	<b>RELATED PARTY TRANSACTIONS</b>		

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

	Quarter Ended	
	30 September 2021	30 September 2020
	Rupees'000	Rupees'000
<b>Transactions and balances with related parties</b>		
Fauji Foundation		
Sale of Cement	-	1,970
Payment for use of medical facilities	677	809
Payable for use of medical facilities	376	326 *
Donation paid through Fauji Foundation	1,520	-
Payment of rent and utilities	1,881	492
Payment against cost charged	20,500	-
Payable against cost charged	13,474	15,224 *
Amount against shared services/materials to Askari Cement Limited	88,276	31,494
Advance against issue of shares to Foundation Solar Energy (Pvt) Limited	50,000	-
Balance at Askari Bank Limited	600,681	204,732 *
Profit received from Askari Bank Limited	193	115
Payable against supply of crude oil to Mari Petroleum Company Limited	106,126	106,126 *
Refund against security money to Mari Petroleum Company Limited	1,000	-
<b>Transactions with other related parties</b>		
Payments made into Employees' Provident Fund	14,802	13,631
Payment of director's fee	2,100	1,200
Remuneration including benefits and perquisites to Chief Executive	5,364	3,979
Remuneration including benefits and perquisites to key management personnel	14,982	8,710

\* Comparative figures are as at 30 June 2021

## 15 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).

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

**On-balance sheet financial instruments**

**30 September 2021**

Rupees '000

**Financial assets not measured at fair value**

Amortized Cost	Carrying amount	Total	Level 1	Level 2	Level 3	Total
	FVTPL					
964,978	-	964,978	-	-	-	-
141,949	-	141,949	-	-	-	-
967,569	-	967,569	-	-	-	-
2,074,496	-	2,074,496	-	-	-	-

**Financial assets measured at fair value**

Long term deposits	-	94,338	-	-	94,338	94,338
Trade deposits	-	10,425	-	-	10,425	10,425
Short term investments	-	5,481,356	5,481,356	-	-	5,481,356
	-	5,586,119	5,481,356	-	104,763	5,586,119

**Financial liabilities not measured at fair value**

Long term loans (including current portion)	783,378	-	-	-	-	-
Lease liability (including current portion)	96,581	-	-	-	-	-
Creditors	670,825	-	-	-	-	-
Retention money	38,479	-	-	-	-	-
Other liabilities	257,610	-	-	-	-	-
Payable to employees provident fund trust	14,964	-	-	-	-	-
Accrued liabilities	1,744,818	-	-	-	-	-
Security deposits payable	266,148	-	-	-	-	-
Unclaimed dividend	37,628	-	-	-	-	-
Short term borrowings	298,744	-	-	-	-	-
	4,209,175	-	-	-	-	-

On-balance sheet financial instruments	Carrying amount		Fair value			
	Amortized Cost	FVTPL	Total	Level 1	Level 2	Level 3
Rupees '000						
<b>30 June 2021</b>						
<b>Financial assets not measured at fair value</b>						
Trade debts - net of impairment loss	1,449,600	-	1,449,600	-	-	-
Other receivables	88,890	-	88,890	-	-	-
Cash and bank balances	900,778	-	900,778	-	-	-
	2,439,268	-	2,439,268	-	-	-
<b>Financial assets measured at fair value</b>						
Long term deposits	-	86,601	86,601	-	-	86,601
Trade deposits	-	19,335	13,255	-	-	13,255
Short term investments	-	4,397,699	4,397,699	4,397,699	-	-
	-	4,503,635	4,497,555	4,397,699	-	99,856
<b>Financial liabilities not measured at fair value</b>						
Long term loans (including current portion)	853,023	-	853,023	-	-	-
Lease liability (including current portion)	98,279	-	98,279	-	-	-
Creditors	863,038	-	863,038	-	-	-
Retention money	32,691	-	32,691	-	-	-
Other liabilities	173,682	-	173,682	-	-	-
Payable to employees' provident fund trust	10,714	-	10,714	-	-	-
Accrued liabilities	1,554,895	-	1,554,895	-	-	-
Security deposits payable	260,652	-	260,652	-	-	-
Unclaimed dividend	38,479	-	38,479	-	-	-
Short term borrowings	1,616,787	-	1,616,787	-	-	-
	5,502,240	-	5,502,240	-	-	-

**16 DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on 28 October 2021.

**17 GENERAL**

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.



Chief Executive Officer



Director



Chief Financial Officer



www.jamapunji.pk



**Be aware, Be alert,  
Be safe**

Learn about investing at  
[www.jamapunji.pk](http://www.jamapunji.pk)

**Key features:**

- ✓ Licensed Entities Verification
- ✓ Scam meter\*
- ✓ Jamapunji games\*
- ✓ Tax credit calculator\*
- ✓ Company Verification
- ✓ Insurance & Investment Checklist
- ✓ FAQs Answered

- ✓ Stock trading simulator (based on live feed from KSE)
- ✓ Knowledge center
- ✓ Risk profiler\*
- ✓ Financial calculator
- ✓ Subscription to Alerts (event notifications, corporate and regulatory actions)
- ✓ Jamapunji application for mobile device
- ✓ Online Quizzes



Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

[jamapunji.pk](http://jamapunji.pk)

[@jamapunji\\_pk](https://twitter.com/jamapunji_pk)

\*Mobile apps are also available for download for android and ios devices



# Say No To Corruption



## **Company Secretary**

Fauji Cement Company Limited

Fauji Towers, Block 3, 68 Tipu Road, Chaklala,  
Rawalpindi, Pakistan

[www.fccl.com.pk](http://www.fccl.com.pk)