

Flying Cement Company Limited

ANNUAL REPORT 2022

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Culture at Flying

We promote a culture of high values, by incorporating sustainability in all of our business operations along with a transparent work environment to deliver the best to our customers. We strongly believe to invest in our human capital, which goes hand in hand with the growth of the Company. Our values of innovation, customer focus, excellence and integrity are at the heart of our efficiency driven culture. The culture of high values has a strong influence on our work-force which helps them in a win-win outcome for both the employees and the organization. Our values provide the foundation of our culture and bind us into a world-class team yearning to stay ahead of the competition. While we thrive in the present and look towards the future, we never forget our roots, constantly reminding ourselves of who we are and how far we have come. We are proud of our history and yet humble in our approach.





Core Values

At Flying Cement, core values are always given importance. These values are not only theoretical but in actual fact delve deep in the hearts of entire team

These values are reflected with in the name of FLYING itself.

Focus

We believe in focusing on reducing cost and improving quality thereby offering profit to our shareholders.

Initiatives

Taking initiative in incorporating modern technology to reduce cost and to improve quality.

Leadership

Our objective is to lead as a cost effective competitor. We understand the demand of cement industry at a global level as well as the needs of people within Pakistan.

New

We are pioneer in using new ideas and strategies for the cost effective and quality cement manufacturing.

You

Flying Cement always maintains 'You first' approach, not only to please our customer but also to satisfy our shareholders.

Global

We strive to be reckoned with dignity in global market.

Key Highlights

For The Year 2021 -22

In addition to the reported and comparable metrics, we highlight below key figures for our shareholders.

Gross Sales
PKR in million

2022	**7,146**
2021	**4,380**

Profit/Loss After Tax
PKR in million

2022	**926**
2021	**144**

Total Assets
PKR in million

2022	**20,242**
2021	**18,280**

Earning Per Share
PKR

2022	**1.33**
2021	**0.38**

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

Mr. Agha Hamayun Khan
CHIEF EXECUTIVE

Chief Financial Officer

Mr. Hamid Ur Rahman, 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. Khoshab

Shares Registrar

THK Associates (Pvt) Limited.
Plot No. 32-C, Jami Commercial Street 2, D.H.A,
Phase VII, Karachi-75500
Tel: 021-111-000-322, Fax: 021-35310190

Registered Head Office

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



Audit Committee

Mr. Omar Naeem
CHAIRMAN

Mrs. Samina Kamran
MEMBER

Mr. Yousaf Kamran Khan
MEMBER

Human Resource & 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
(By PACRA)

Auditor

External Auditor

M/s . Naveed Zafar Ashfaq Jaffery & Co.

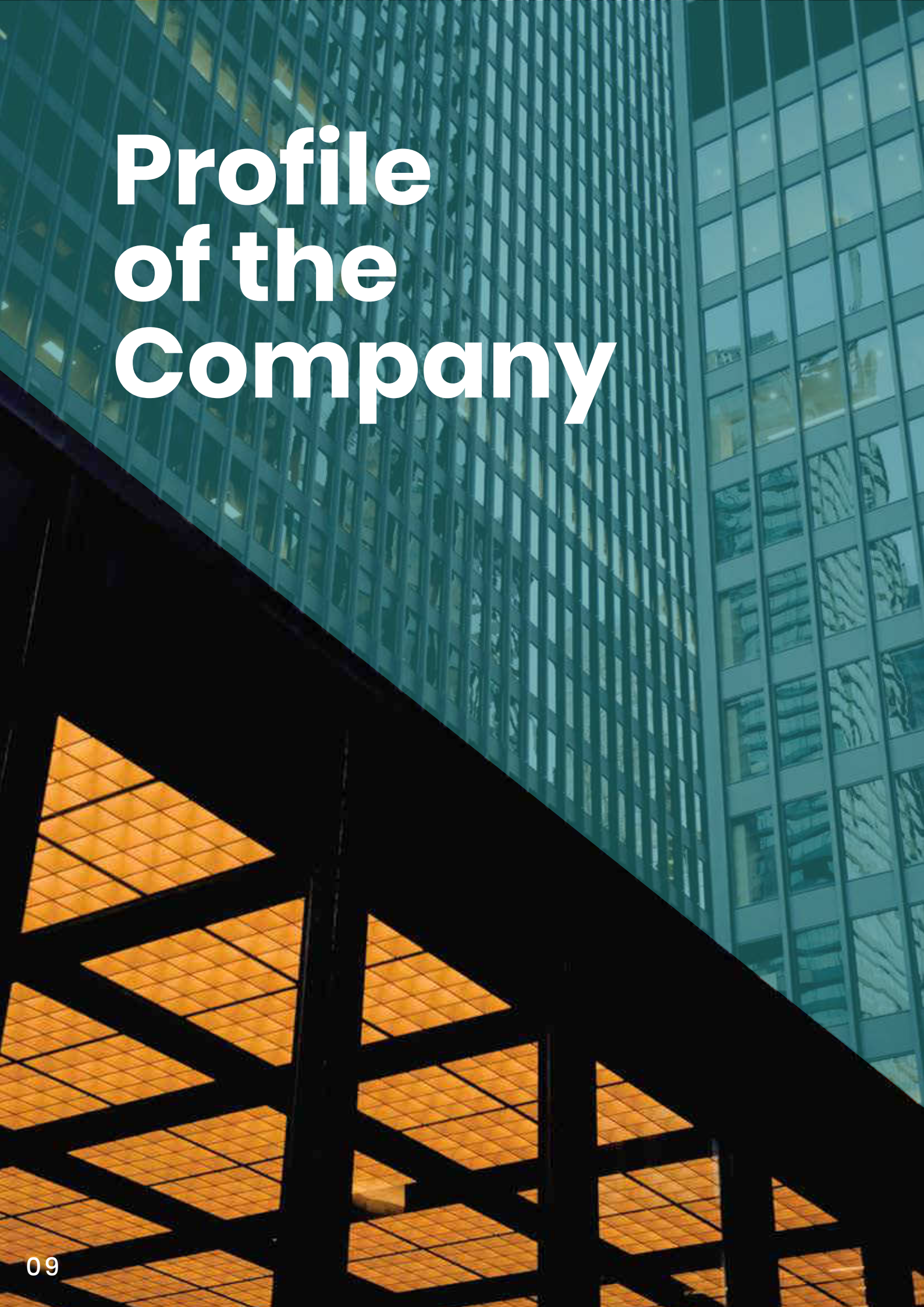
Bankers

National Bank of Pakistan

Al Baraka Bank Limited

United Bank Limited

Habib Bank Limited



Profile of the Company

Flying Cement Company Limited was incorporated as a Public Limited Company on 24th December 1992. The shares of the Company are listed on Pakistan Stock Exchange.

The Company has authorized share capital of Rs 8,000 million (800 million ordinary shares of Rs 10/- each) and the Company has paid up capital of Rs 6,948million (694.8 million ordinary share of Rs 10/- each).

The principle activity of the company is to manufacturing, marketing and sale of cement. Registered Head Office is located at 4 - Sarwar colony Sarwar road Cantt Lahore. The Manufacturing plant is located at 25km Lilla interchange Lahore- Islamabad Motorway, Mangowal District khoshab on an area of 127 acres approximately.



CHAIRMAN'S REVIEW

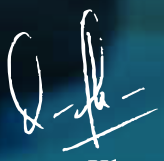
During the financial year 2022, the performance of your Company remained outstanding. The company has successfully achieved highest ever gross sales of Rs. Rs.7,145 (M) as compared to Rs. 4,379 (M) showing an increase of 63%. Hence, the Company performed remarkably and was able to eclipse its last year performance in terms of profit after taxation, from Rs. 143,684,742 to Rs. 926,097,752 reflecting land mark 545% growth.

Going forward the biggest challenge at hand is increase in the cost of production caused by high inflation, increasing coal prices in international markets, recent flood disaster, expected hike in electricity rates, weakening PKR currency, increase in interest rates and geo-political uncertainty. We are also closely monitoring the price trend to ensure minimum impact of any price increase on the Company

After due diligence and proper evaluation the management of the Company decided to further enhance capacity of Line-2 from 7,700 TPD to 9,000 TPD of Clinker by virtue of various modifications in the Plant and Machinery. By the Grace of Almighty Allah now the COD of Line-2 with enhanced Production Capacity of 9,000 TPD is expected to commence operations by end 3rd Quarter of 2023.

The Composition of the Board is well balanced between executive, non-executive and independent Directors. Corporate strategy and objectives have been set such as to align the Vision of the Company. The Company complies with all the requirements set out in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 with respect to the composition, procedure and the meetings of the Board of Directors and its Committees.

In the end, I would like to thank all stakeholders for the trust they have posed in their Company without which such a remarkable turnaround in financial and corporate performance versus last year would not have been possible. Your Company is ready to scale new heights and achieve unprecedented levels of growth going forward InshaAllah.



Kamran Khan
Chairman

Lahore
Dated October 03, 2022

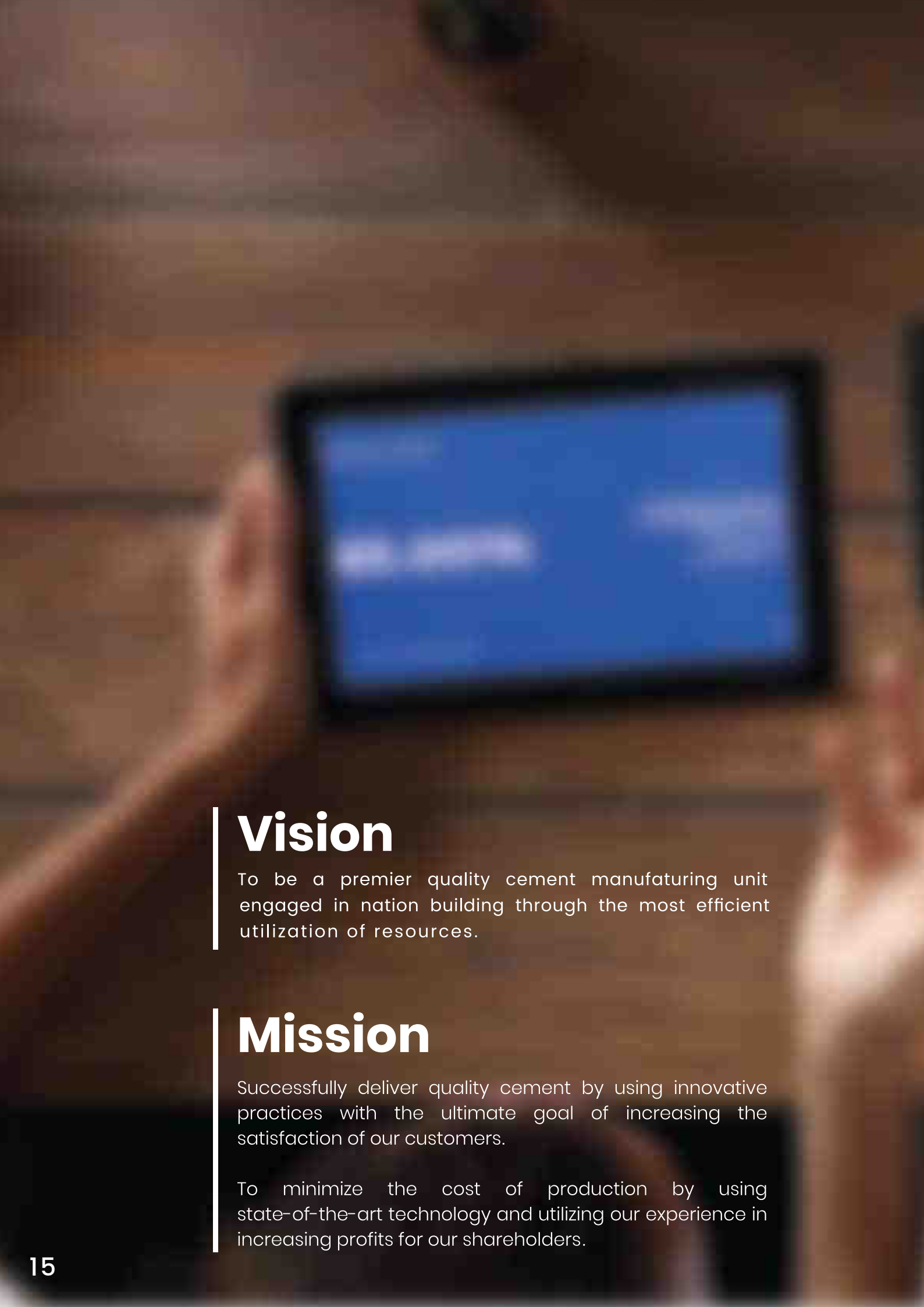




Environmental Protection

Focused on bringing new strategies and innovation to the business as our commitment towards environment and the Planet.Flying Cement Company Limited has “Embarked on a Sustainable Future” and already adopted a futuristic approach to its business operations. Through innovation, and adaptability to new technologies with sustainability as a key element to move forward, we not only continue to grow while also making our operations efficient and sustainable. Taking forward the idea of “Innovate, Renew and Sustain”, this year we have started waste heat recovery plant on-site of 7.5 MW and a captive power project with a 12 MW which is operational since January -2022. The company has installed latest technology of bag filter which reduced carbon footprint of the company. We strongly believe that stakeholder value maximization is possible on a long-term basis by implementing best-in-class Environment Social Governance (ESG) protocols. We continue upon our journey of Excellence and building Enterprise of the Future, by delivering towards sustainable development goals. Our dynamic business approach has led us to become the industry leader and we are proud to be a step ahead of our industry peers. Our resolve is to continue our duty as a socially responsible organization and we will continue investing in the betterment of our Country and commitment towards environment.





Vision

To be a premier quality cement manufaturing unit engaged in nation building through the most efficient utilization of resources.

Mission

Successfully deliver quality cement by using innovative practices with the ultimate goal of increasing the satisfaction of our customers.

To minimize the cost of production by using state-of-the-art technology and utilizing our experience in increasing profits for our shareholders.

Milestones Achieved



Achieved Profitability in the current financial year of Rs 926 million as compared to a Profit of Rs 144 million in the previous financial year.

Maintained gearing ratio at 23% compared to industry average of 47%.

Installed latest technology of bag filter which reduces carbon footprint of the company making it environment friendly.

Building Blocks for Our Business

Business Growth

- Incremental Revenue
- Incremental Profit
- Higher ROCE
- Future Potential Opportunity

Business Sustainability

- Risk Mitigation
- Changing Trends of the Customers
- Latest Technologies
- Regulatory Compliance
- Strategic Alliances

Stakeholder Engagement

The Company beleives in maintaining relationships based on trust and collaboration with its stakeholders. Our stakeholders extend valuable contributions to our growth and existence. Procedure for stakeholders' engagement includes effective communication, good harmony, and compliance with laws & regulations.



Distributors

Developing and sustaining long term relationships with our Distributors forms the key to our business success. Their expectations are focused on product quality and pricing.

Suppliers and Vendors

Our sustainable growth is also attributable to engaging reputed and dependable suppliers & vendors as business partners for supply of raw material, industrial inputs, equipment, and machinery. We believe in strategic relationships and have developed strong connections with top local and international vendors in the industry.

Regulators

Our commitment to compliance with laws and regulations is evident from our Corporate and Legal team's continued efforts for efficient and effective legal and regulatory conformity. The engagement includes submission of periodic reports, communicating through letters and emails and responding to enquiries and meetings as and when required. Active engagement with regulators improves the level of compliance.

Local People

Company's main reason for existence is to bring about a positive change in the community. To pursue this cause, the Company invest in the community. Its main areas of focus include Education, Literary Activities, Health Care and Disaster Relief.

Shareholders

Support of shareholders is critical in achieving the Company's objectives. The Company safeguards its shareholders' interest as its prime responsibility. Our shareholders' interest revolves around good returns, profitability, growth, and regulatory compliances. We respond to our shareholders' expectations through improvement in business mechanics, effective governance, and corporate reporting framework.

Investor Relations

Maintaining transparency between the Company and its shareholders, Flying Cement website, (www.flyingcement.com) contains all the major financial information needed for investors' decision-making in a separate tab of "Investor Relations".

Quality Assurance Of Products

The quality policy of the cement is monitored through the chemical laboratories located at the site installed with latest instrumental analysis techniques directly linked through PLC to control the process of manufacturing automatically keeping lowest variation brand from the required values/parameters laid by the British Standards BS-12-1991.

Flying Cement Company is committed to produce high quality Ordinary Portland Cement as per International and British Standards to achieve customers' satisfaction

The company is committed to abide by all applicable legal and regulatory requirements and shall strive for continual improvements including prevention of pollution by establishing and monitoring of its Quality and Environmental objectives.

The Chairman and Management are committed to communicate and maintain this policy at all levels of the company, and achieve continual improvement through teamwork.

The Company has quality assurance certificates from Cement Research & Development Institute, Pakistan



Strategic Goals

Since February 2022, Pakistan along with the rest of the world, has been affected due to Russia-Ukraine conflict, impact of which has been felt across industries and societies. As the cement manufacturer in Pakistan, we were impacted by the disturbed global supply chain. There has been all time high global inflation due to commodities super-cycle which has highly affected the cost of imported material, and eventually the production cost. However, with adapting to changing global spectrum, we not only managed to combat the adverse circumstances, but we also continued to achieve sustainable profitability. In the current times, when the world is significantly influenced by the economic, political, and social situation, we have spared no efforts to continue to serve our customers, while taking care of our employees and taking actions to help the wider society in fighting against the unimaginable consequences of this economic downturn. In a year impacted by political and economic circumstances, we adapted fast to ensure we could continue to create value for all our stake holders. This meant:

- Driving operational efficiencies.
- Caring for our people and the communities we serve; and
- Diversifying and investing to maximize shareholder's wealth. The agility and commitment of our people allowed us to advance.



Business Ethics

Our Code of Conduct reflects our commitment to meet the expectations of our stakeholders and contains the fundamental principles and rules concerning ethical business conduct. Flying Cement Company Limited is committed to conducting its business with honesty and integrity. We expect all our employees to create value for our stakeholders by ensuring transparency and accountability in all our practices. As we continue on our trajectory of growth, we continue to maintain the highest standards of ethical and responsible behavior. The adherence of all employees to high standards of integrity and ethical behavior is mandatory and benefits all stakeholders including our customers, communities and shareholders. The Company carefully checks for compliance with the Code by providing suitable information, laying down prevention and control tools to ensure transparency in all transactions and behaviors and takes corrective measures as and when required.



Code of Conduct

It is a fundamental policy of the Company to conduct it business with honesty, integrity and in accordance with the highest professional, ethical and legal standard. The Company has adopted a comprehensive Code of Conduct (Code) for the members of the Board of Directors and Employees. The Code define acceptable and unacceptable behavior provides guidance to directors / Employees in specific situation that may arise and foster a culture of honesty, accountability and high standards of personal and professional integrity.

Salient features of the Code for the Directors

Conflict of Interests

Each Director must avoid any conflict of interest between the Director and the Company, its associated or subsidiary undertaking(s). Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed promptly.

Corporate Opportunities

Directors are prohibited from taking for themselves personally, opportunities related to the Company's business: using the Company's property, information or position for personal gain or competing with the Company for business opportunities.

Confidentiality

Directors must maintain confidentiality of information entrusted upon to them by the Company and any other confidential information about the Company and its associated or subsidiary undertaking(s) that comes to them, except when disclosure is authorized by the Chairman of the Board or legally mandated.

Honesty, Integrity and fair dealing

Directors must act honestly and fairly and exhibit high ethical standards in dealing with all stakeholders of the Company.

Compliance with Laws, Rules and Regulations

Directors shall comply with laws, rules and regulations applicable to the Company including but not limited to the Companies Act 2017, Listing Regulations of the Stock Exchanges and Insider Trading Laws.

Compliance with Laws, Rules and Regulations

Directors shall comply with laws, rules and regulations applicable to the Company including but not limited to the Companies Act 2017, Listing Regulations of the Stock Exchanges and Insider Trading Laws.

Encouraging the Reporting of any Possible Illegal or Unethical Behavior

Directors should take steps to ensure that the Company promotes ethical behavior; encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation; encourages employees to report violation of laws, rules, regulations, Company policies and procedures or the Company's Code of Conduct to appropriate personnel; and informs employees that the Company will not allow any retaliation for reports made in good faith.

Trading in Company Shares

Certain restrictions / reporting requirements apply to trading by the Directors in Company shares. Directors shall make sure that they remain compliant with these statutory requirements.

Compliance Procedures

Directors should disclose any suspected violations of this Code promptly in the immediate subsequent meeting of the Board of Directors.

Salient features of the Code for the Employees

Conflict of Interests

employees / trainees must not engage in activities or transactions which may give rise, or which may be seen to have given rise, to Conflict between their personal interests and the interest of the Company.

Confidentiality and Disclosure of Information.

Employees / trainees are expected to safeguard confidential information and must not, without authority, disclose such information about the Company activities to the press, to any outside source, or to employee / trainees who are not entitled to such information.

Political Contribution

No funds or assets of the Company may be contributed to any political party or organization or to any individual who either holds public office or is a candidate for public office except where such a contribution is permitted by law.

Bribes and Commercial Payments

An employee / trainee must not give or receive bribes or other payments, which are intended to influence a business decision or compromise independent judgment; nor must any employee / trainee give money in order to obtain business for the Company, nor receive money for giving Company business to an outside agency.

Proper Recording of Funds, Assets, Receipts and Disbursements

All funds, assets, receipts and disbursements must be properly recorded in the books of the Company.

Agreements with Agents, Sales Representatives or Consultants

Agreements with agents, sales representatives or consultants should state clearly the services to be performed for the Company, the amount to be paid and all other relevant terms and conditions.

Relations and Dealings with Supplier, Consultants, Agents, Intermediaries and Other Third Parties

FCCL relations and dealings with supplier, consultants, agents, intermediaries and other third parties should at all times be such that FCCL's integrity and its reputation should not be damaged if details of the relationship or dealing were to become public knowledge.

Health, Safety & Environmental Policy

Every employee / trainee at work must take reasonable care for the health and safety of himself / herself and others including visitors who may be affected by his / her acts or omission at work; and co-operated in the Company's efforts to protect the environment.

Smoking Policy

Smoking and exposure of workplace to tobacco poses serious health hazards to the employees / trainees besides potential risks of fire and explosions. Considering this, smoking is permitted only in the designated 'Smoking Areas'.

Seat Belt Policy

As per the policy, it is mandatory for all FCCL employees / trainees, contractors, visitors and all other persons to fasten east belts in the front seats of the vehicle while travelling.

Other Employment, Outside Interests, Civic Activities

FCCl does not allow its employees / trainees to take any part-time and/ or full-time second employment during employees' / trainees' engagement with the Company.

Unsolicited Gifts

Accepting gifts that might place an employee / trainee under obligation is prohibited. Employee / trainee must politely but firmly decline any such offer and explain that in accordance with the Company's instructions, they are unable to accept the offer.

Family Connections and Employment of Relatives

Any dealings between staff and outside organization in which they have a direct, indirect or family connection must be fully disclosed to the Management.

Company and Personal Property

An employee / trainee must not take or use Company property or the property of another employee / trainee without permission; nor must the employee / trainee use Company's property for private purpose without the Management's permission.

Alcohol and Drugs

Alcohol in any form and the use of drugs, except under medical advice, is prohibited at all locations.

Gambling

All forms of organized gambling or betting on the Company's premises is forbidden.

Rumor Mongering & Gossiping

Rumor mongering, persuasive allegations, accusations and exaggerations with the main purpose of negatively influencing and manipulating the minds and emotions of the fellow employees / trainees are strictly prohibited.

Harassment

It is the policy of the Company to promote a productive work environment and not to tolerate verbal or physical conduct by any employee / trainee that harasses, disrupts or interferes with another's work performance, creates an intimidating, humiliating, offensive or hostile environment.

Grievance Handling

FCCL strives to provide a fair and impartial process to its employees / trainees and ensure timely resolution of their grievance.

Whistle Blowing

In order to enhance good governance and transparency, FCCL has introduced a whistle blowing policy. The policy provides an avenue to employees / trainees and vendors to raise concerns and report legal and ethical issues like fraud, corruption or any other unlawful conduct or dangers to the public or the environment.

General Discipline

Every employee / trainee must adhere to the Company's rules of service and make sure that he / she is familiar with them.

Reporting Violations / Disciplinary Actions

Any violation of this code shall be promptly reported to the Human Resources department by any employee / trainee having knowledge thereof or having reasonable belief that such a violation has occurred.

Swot Analysis

Strengths

- Capacity expansion through state of the art production line by FLSmidth Europe expected to significantly improve efficiencies and margins.
- Self power generation (CPP and WHR plants).
- Easy access to production resources
- Project cost for expansion more cost efficient than industry players comparatively.
- Trusted and efficient supply chain
- Geographically diversed & state-of-art production facilities production facilities

Weakness

- High taxation and duties
- High energy cost and inflation
- High interest rates
- Tough competition in local market
- Low exports of cement



Opportunities

- Future growth potential due to emphasis on Construction industry
- Focus on cost optimizing
- CPEC led growth opportunities
- Increase in cement prices
- Significant growth in cement demand

Threats

- Higher cost of coal and other fuels
- Increased interest rates
- Higher inflation
- Adverse publicity and bad reputation
- Depletion of raw materials
- Currency devaluation

Factors Affecting The External Environment And Organisations' Response

Political	Government instability and macroeconomic policies adversely impact the Company's business.	Timely adjustments are made in the organizational processes and policies in response to actual or anticipated changes in Government policies. Management actively looks for the changes in market conditions and strive to act accordingly in response using projections, forecasts and budgeting. Issues relating to the Cement Industry are dealt with through the forum of APCMA.
Economic	Extensive competition, fluctuating interest rates and price hike in material cost.	Management of the Company is actively looking for discovering new markets to increase the demand of its products. Cost reduction initiatives to control the costs and also efficient inventory management systems.
Social	Focus on Corporate Social Responsibility, Donations and development of communities	As a socially responsible corporate entity, the Company strives to develop the communities in which it operates by ensuring compliance with all requirements of CSR. It donates generously to various social and charitable causes including health, education and social sectors.



Technological	Continuous development of information technology infrastructures.	The Company is continuously upgrading itself in terms of technological advancement so that the Company can compete its competitor in a better way and to provide best products to its customers.
Environmental	Environmental Footprint, Global warming, Natural disasters etc.	The Company takes various steps to protect the environment including compliance with applicable environmental standards. We manage our environmental performance through efficient use of natural resources.
Legal	Compliance with the applicable regulatory laws.	The Company remains alert to the changes in applicable regulatory laws and ensure compliance with relevant laws and regulations through its professional team.

Competitive Analysis
(Porter's Five Forces)

Threat Of New Competition

Companies in the cement sector are firmly established and the sector has high barriers to entry due to the following reasons:

- High initial capital investment required;
- High setup cost; and
- Access to distribution channel is difficult

Threat From Substitute Products

There isn't any distinct substitute of cement.

Bargaining Power Of Customers

Generally, direct customers of cement manufacturers are distributors, dealers and retailers who further supply to the end consumers. The market seems to have a good appetite for the new-entrants because barriers to the entry as a cement distributor, dealer and retailer are very low. The Company has a sound customer base and enjoys a healthy and mutually beneficial relationship.

Bargaining Power Of Suppliers

The Company has a vendor selection process in place to ensure transparency and fairness. Raw material is obtained through from Mines and Mineral Department .Whereas, other input materials are purchased after market research and negotiation to protect the Company's interests.

Intensity Of Competitive Rivalry

Rivalry in the cement sector is intense and new expansions can cause over supply.

Strategic Objectives

To support value creation for all of our stakeholders, Flying Cement Company Limited's business is focused on the delivery of following four strategic priorities, which aim to increase upon sustainable growth and cost efficiency. Everyone at Flying Cement Company Limited has a role to play in delivering these strategic priorities. To achieve these strategic objectives, the management carefully sets up strategies and plans. The strategies put in place to achieve the respective strategic objectives are also mentioned below:

Plan 1

Growing local market share our focus remains on designing business strategies for the local market that ensure holding and increasing our market share. We continue to reinforce our strength to expand our share in the local market. The Company has announced its expansion plan to increase its capacity at Line-2 Plant by 2.7 MTPA in line with cement's demand projections, which will come online by March 2023. The Company is operating warehouses near all major consumption centers, which ensure that the market penetration of Company's products is maximized.

Plan 2

Efficiency We strive to continuously improve efficiency and to bring down our energy consumption and costs by optimally utilizing all available resources. Flying Cement Company Limited has regularly upgraded its manufacturing facilities by adding new, more efficient production line, which will substantially improve our production efficiency. Flying Cement Company Limited has installed state of the art Vertical Cement Mills at its Line-2 Plant thus increasing production efficiency.

Plan 3

Sustainable Development (In terms of environmental and social responsibility) We endeavor to give back to the communities that we operate in and also to the society at large by efficiently using natural resources. We aim to deliver high quality goods at competitive prices while progressively reducing ecological impacts. The Company has installed a 12 MW captive power project, which will provide clean energy as well as reduce the country's reliance on imported fossil fuel. The Company is continuously taking steps to reduce emissions by installing latest technology of bag filter project to reduce carbon emission. Further, the Company has also adopted green technology for power generation by installing 7.5 MW waste heat recovery plant WHR. Company complies with all relevant National Environmental Quality Standards. Contributes generously towards the well-being of communities in and around the geography of its operations. As a responsible corporate citizen, Flying Cement Company Limited ensures that all social ad environmental dimensions are considered while developing strategies, policies, practices and procedures.

Plan 4

HR Excellence Developing: our people is important to us. Human capital is an asset and plays an important role in our success. Our Core Values, Code of Conduct and HR policies provide an outline which serves as a guiding force for the whole organization. The Company has put in place processes to develop and groom professionals at various levels. The Company is an equal opportunity employer. Our systems are designed to ensure transparency and fairness at all levels by clearly defining KPIs for each position in alignment with Company's vision and core values. The Company conducts anonymous Climatic Survey to get employee feedback, which helps in continuous improvement. Employees are encouraged to expand their skillset through job rotation.





Going Forward

Key Priorities

(Micro)

Technological Risk of technological obsolescence.

To continue its legacy of being unparalleled of the cement industry, Flying Cement Company Limited has always given priority to latest technological developments and in this regard remained at the forefront to upgrade its manufacturing facilities. In addition to installing new Line at its Khushab Plant in recent year, Flying Cement is already in the process of installing a new line-2 in its Khushab Plant. Flying Cement has installed state-of-the art Vertical Cement Mills at its Khushab Plant thus increasing production efficiency.

Technological innovation by competitors

Flying Cement Company Limited has a dedicated team of professionals which ensures that all its processes comply with the applicable regulatory requirements. Even under the circumstances created by the Covid-19 outbreak, our systems and software remained available to our employees making work from home possible.



Key Opportunities
(Macro)

- Identification of alternate sources of coal
- Adoption of renewable energy projects
- Cost optimization projects
- Succession planning
- Rewarding high performing employees Medium to long term Manufactured Capital
- Investments in technology upgrades and capacity expansions
- Building relationships along the value chain Medium to long term Natural Capital
- Responsible use of raw material

Whistle Blowing Policy Statement

The Management encourages whistle blowing culture in the organization and has adopted a culture to detect, identify and report any activity which is not in line with the Company policies, any misuse of Company's properties or any breach of law which may affect the reputation of the Company. The Company has adopted the best corporate policies to protect employee(s) who report corporate wrongdoings, illegal conduct, internal fraud and discrimination against retaliation.

The Company promotes transparency and accountability through publication of accurate financial information to all the stakeholders, implementation of sound, effective and efficient internal control system and operational procedures.

The Company encourages Whistle Blowing System to raise the issue directly to Chairman Audit Committee and / or to Chief Executive and / or to the Company Secretary and / or to Head of Internal Audit provided that:-

- The Whistleblower has sufficient evidence(s) to ensure genuineness of the fact after a proper investigation at his own end
- The Whistleblower understands that his act will cause more good than harm to the Company and he / she is doing this because of his loyalty with the Company; and
- The Whistleblower understands the seriousness of his / her action and is ready to assume his / her own responsibility.

The Management understands that through the use of a good Whistle Blowing Plan, they can discover and develop a powerful ally in building trust with its employees and manage fair and transparent operations. The Company, therefore, provides a mechanism whereby any employee who meets the above referred conditions can report any case based on merit without any fear of retaliation and reprisal to any of the above offices.



Corporate Social Responsibility

In addition to the Contribution of the Company in Economic development, the Company is also aiming to improve the quality of life of the workforce and their families as well as of the local community and society in which the Company is operating.

In order to enrich the lives and to pave the way for sustainable living, the Company has taken different initiatives which are as follow;

- **Education and capability development for employability**
- **Sustainable and resilient infrastructure and mobility**
- **Charity, Social welfare and reduction of poverty from society**
- **Culture of environmental protection, health and safety**
- **Reduction of carbon footprints**

We aspire to positively impact Pakistan and to achieve this we undertook, but not limited to, the following activities during the current year;

- **Created job opportunities for the local community and provided the platform to train technical staff.**
- **Free medical facilities to the employees at site.**
- **Free fire-fighting service for nearby areas in extreme emergencies.**
- **Donation in shape of supply of food to nearby residents.**
- **Provided food to needy and poor people of adjoining areas**
- **Installed latest technology of bag filter which reduces carbon footprint of the company making it environment friendly.**
- **Promoting Sustainable Workplaces by improving employees' lifestyles, encouraging diversity and creating an environmentally friendly office**
- **Provided financial assistance for the education of the employee's children.**
- **Tree plantation activity was performed in the nearby area of plant.**



Corporate Governance

Role and Responsibilities of the Chairman

The Chairman is responsible for the Board's authority, effective performance, and high standards of governance. His role is to ensure that the Board as a whole is thoroughly and constructively involved in determining and establishing the strategy and policies of the Company. He also ensures that the decisions taken by the Board are in the best interest of the Company, representing the consensus of the Board.

The Chairman encourages the highest standards of integrity and establishes good corporate governance policies and practices. He ensures that the Chief Executive Officer and the Management team successfully execute the plans and policies decided by the Board.

Roles and Responsibilities of the Board of Directors

Flying's Board of Directors plays an effective role in managing strategic matters, establishing and reviewing targets, and financial objectives.

The Board fulfills its responsibilities in compliance with the legal framework under the Companies Act, 2017, and adopts corporate governance practices for effective control. The collective acumen of the Board is interpreted into its decisions which forms the basis for Management to achieve its targets.

Role and Responsibilities of the Chief Executive Officer

The CEO leads the Management, builds an organizational culture, and is a role model for the entire Company.

The Chief Executive Officer is entrusted with the general management of the Company's business and is responsible for proposing and developing the Company's strategy and overall commercial objectives, in close consultation with the Chairman and the Board of Directors. He is also responsible for the management of the Company's daily operational activities, strategic planning, budgeting, financial reporting, and risk management. The CEO is responsible for the implementation of the plans and policies approved by the Board and its Committees, in pursuit of the Company's goals and objectives, with the support of the Management team.

Evaluation of Board's Performance

As per the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board needs to act on a well-versed basis in the best interest of the Company and its stakeholders. Board's performance evaluation is carried out to set the 'tone at the top' ensuring the right mix of knowledge, expertise, and skills to maximize performance.

Details of Formal Orientation Courses for Directors

The Company makes appropriate arrangements to carry out an orientation for its Directors to acquaint them with the Regulations of the Code, applicable laws, Company's operations, their duties and responsibilities enabling them to effectively govern the affairs of the listed Company. A formal orientation program is arranged for every new member of the Board to provide better understanding of the Company's structure, business, targets and operations. This orientation provides a brief insight of the Company's core competencies, status of Company's affairs, Investments, summary of the Company's major assets, liabilities, noteworthy contracts and major competitors. It also includes details of major risks including all legal and regulatory framework risks, all major shareholders, suppliers, auditors, and other stakeholders.

Governance Practices Exceeding Legal Requirements

The Company has always believed in going the extra mile and staying ahead of the curve. Aligning with this strategy, we have complied with the mandatory legal compliances under all applicable rules, regulations, and standards including listed Companies (Code of Corporate Governance) Regulations, 2019, and the Companies Act, 2017.



DIRECTORS' REPORT

The Directors of your company have the pleasure to present before you the 29th Annual Report of your company along with duly Audited Financial Statements for the year ended June 30, 2022.

INDUSTRY OVERVIEW

The ongoing Post Covid period continued to resumption of economic activities in the country and overall good for the construction sector. However, this period has also been affected by the current political uncertainty, ongoing Russia-Ukraine conflict, sharp increase in fuel and energy prices, high inflation, mounting foreign debt and depleting foreign exchange reserves further exacerbated the economic condition for Pakistan. Energy prices witnessed increase at thirteen year high and SBP has increased the policy rate by 800 bps since September 2021, along with introducing more steps to control import which have curtailed businesses and are unlikely to fix the economy in the long term.

Overall, we expect the FY 2023 to be a tough year due to the magnitude of economic and other challenges and the construction sector including the cement industry is unlikely to escape the impact.

PRINCIPAL ACTIVITIES

The main objective of the company is to manufacture and sell Ordinary Portland Cement.

BUSINESS PERFORMANCE

The production and sales volume figures for the year of your Company together with the comparative figures are as under:

Particulars	2022	2021
Cement Production	522,500	397,000
Cement Dispatches	522,881	388,156

(Metric Tons)

The data shows astonished increase in the financial year 2022 both in terms of production and dispatched as compared to last year.

FINANCIAL PERFORMANCE

A comparison of the key financial results of your Company for the year ended June 30, 2022 is as under:

Particulars	2022	2021
	(Rupees in Thousand)	
Sales revenue Gross	**7,145,904**	**4,379,653**
Less: Sales Tax/ Federal Excise Duty	1,809,779	1,173,925
Net: Sales revenue	5,336,125	3,205,728
Gross Profit/(Loss)	872,090	302,937
Operating profit/(Loss)	**739,111**	**219,495**
Profit/(Loss) before tax	711,228	253,698
Net Profit/ (Loss) after tax	**926,098**	**143,685**
(Loss)/Earnings per Share	**1.33**	**0.38**

During the year under review, the Company's results of operations, financial position and net assets are indicative of an improved financial condition. Throughout the year, we continued to show the turnaround position by putting the best efforts which is our fundamental priority and are proud of the impact of our efforts. This improved performance of the Company, is the reflection of strength of our team, businesses and operations. During the year ended June 30, 2022, the Company remained focus on growth in terms of top line and capacity utilization. Hence, the Company performed remarkably and was able to eclipse its last year performance in terms of profit after taxation, from Rs. 143,684,742 to Rs. 926,097,752 reflecting land mark 545% growth.

The Company recorded a significant revenue growth and the Gross sales of the Company as compared to corresponding year increased from Rs. 4,379 (M) to Rs.7,145 (M) showing an increase of 63% over the year owing to continued better operational and financial management measures taken by the Company.

EARNING PER SHARE

Basic earnings per share after taxation for the year was Rs. 1.33 (2021: Rs. 0.38). There is no dilution effect on the basic earnings per share of the Company, as the Company has no convertible dilutive potential ordinary shares outstanding as of June 30, 2022.

DIVIDEND AND APPROPRIATIONS

The Board has proposed final cash dividend as Nil.

RELATED PARTY TRANSACTIONS

All related party transactions entered into are at arm's length basis which were reviewed and approved by Audit Committee as well as by the Board of Directors of the Company in compliance with the PSX Regulations of The Pakistan Stock Exchange Limited and of the requirement of Section 208 of the Companies Act, 2017.

PRINCIPAL RISKS

Pakistan, having already been impacted by a myriad of geo-political, economic and political challenges, will now also have to bear the social and economic cost of the damage caused by recent floods. Moreover, expected global recession, economic instability and political uncertainty within the country further dented consumer confidence resulting in decline in demand.

IMPACT OF COMPANY'S BUSINESS ON THE ENVIRONMENT

Management of the Company is committed towards environmental protection and prevention of pollution. The company has been dedicatedly playing its role towards the development of a better society and a better future through continual improvement in the Environmental Management System.

The Company has installed 7.5MW Waste Heat Recovery Power Plant (WHRPP) for Line-1 and is installing 12 MW WHRPP for line-2 at its site to mitigate the environment effects and significantly reduce carbon emissions. The management is also committed to introduce environmental projects in near future as well.

CORPORATE SOCIAL RESPONSIBILITY

The Directors of the Company are committed towards long term measures in line United Nation's Sustainable Development Goals. The Company strives hard to develop communities in which it operates and is actively engaged in community services. The company meets all the food requirements of all its employees free of cost and strives to take care of their families through provision of educational and health services. It also sends its employees for religious pilgrimage each year to Saudi Arabia which are selected through balloting. The company has also taken care of its nearest villagers in the time of floods and natural disasters and works for poverty alleviation, to further protect the environment and move closer to sustainable development.

WHISTLE BLOWING

The Company Whistle blowing encourages and enables all concerned to raise serious concerns within the Company rather than overlooking a problem or 'blowing the whistle' outside. The Company is committed to the highest possible standards of honesty, excellence, consistency, compassion, fairness, integrity and accountability.

BOARD OF DIRECTORS

Composition of Board of Directors is as under.

Description	Number of Directors
Male	6
Female	1

Categorical Composition	
Independent Directors	2
Non-Executive Directors	3
Executive Director	2

Members of the Board of Directors and its Committees:

BOARD OF DIRECTORS

Mr. Kamran Khan	Chairman	Non-Executive Director
Mr. Yousaf Kamran Khan	Member	Non-executive Director
Mrs. Samina Kamran	Member	Non-Executive Director
Mr. Qasim Khan	Member	Executive Director
Mr. Momin Qamar	Member	Executive Director
Mr. Omar Naeem	Member	Independent Director
Mr. Pervaiz Ahmad Khan	Member	Independent Director

Chief Executive

Mr. Agha Hamayun Khan

AUDIT COMMITTEE

Mr. Omar Naeem	Chairman	Independent Director
Mr. Yousaf Kamran Khan	Member	Non-Executive Director
Mrs. Samina Kamran	Member	Non-Executive Director

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Pervaiz Ahmad Khan	Chairman	Independent Director
Mr. Momin Qamar	Member	Executive Director
Mr. Yousaf Kamran Khan	Member	Non-Executive Director

CHAIRMAN REVIEW

The Chairman's review is enclosed and duly endorsed by Board of Directors.

CODE OF CONDUCT

The Company has formed Code of Conduct to run its business operations effectively.

STATEMENT OF COMPLIANCE

Statement of Compliance duly reviewed by Board of Directors and Auditors is annexed.

REMUNERATION OF DIRECTORS

The Company will not pay any remuneration to its independent directors except meeting fee for attending the Board and Committee meetings.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Board of Directors has established an efficient system of internal financial controls, to ensure effective and efficient conduct of operations, safe guarding of Company assets compliance with applicable laws and regulations and reliable financial reporting.

FUTURE PROSPECTS

After due diligence and proper evaluation the management of the Company decided to further enhance capacity of Line-2 from 7,700 TPD to 9,000 TPD of Clinker by virtue of various modifications in the Plant and Machinery. By the Grace of Almighty Allah now the COD of Line-2 with enhanced Production Capacity of 9,000 TPD is expected to commence operations by end 3rd Quarter of 2023.

Overall, the economy was able to pull off a V-shape recovery due to timely measures taken by the Government of Pakistan/SBP including accommodative fiscal and monetary measures. This led to faster than anticipated growth during the year in construction and allied industries which is expected gather more pace going forward.

The revival of IMF program will provide stability on the external front. The key structural reforms under the IMF program, resulting in stable foreign reserve, sustaining macroeconomic stability and increasing competitiveness. The government policies, is expected to strengthen the economy over the longer-term. Going forward, risks of a global and domestic slowdown of economy, rupee devaluation, inflationary pressures, high cost of borrowing, uncertainties in the domestic business environment and ongoing monetary tightening measures have critical threat to economy and business. Nonetheless, The Company is quite hopeful for improvement in domestic sales on account of Government spending on mega projects, multipurpose water reservoirs / Dams which will help the company to maintain its growth in the current financial year. The rising population has also increased more demand of houses in the country which is being addressed by the government.

The potential challenges going forward can include Increase in the cost of production caused by high inflation, increasing coal prices in international markets, recent flood disaster, expected hike in electricity rates, weakening PKR currency, increase in interest rates and geo-political uncertainty.

However, despite the odds, the company is well positioned for sustainable growth and profit maximization through achieving economies of scale in production, keeping input costs in check through use of optimum blend of local and imported coal and captive power generation. Moreover, company's lower debt levels compared to peers in industry will also act as a hedge against volatility. We all are highly motivated and willing to contribute enthusiastically on continuous basis. We assure, the management will continue to work hard to provide long term sustainable growth and value for all its stakeholders.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Directors of your Company review the Company's strategic direction and business plans on a regular basis. The Audit Committee is empowered for effective compliance of Code of Corporate Governance;

We are taking all necessary steps to ensure good corporate governance in your Company as required by the Code. As part of the Compliance, we confirm the following:

a) The financial statements prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
b) Proper books of accounts have been maintained by the company.
c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
d) International Financial Reporting Standards as applicable in Pakistan have been followed in preparation of financial statements.
e) The system of internal control is sound in design and has been effectively implemented and monitored.
f) There are no significant doubts upon the company's ability to continue as a going concern.
g) There has been no material departure from the best practices of corporate governance as detailed in the listing regulations.
h) Key operating and financial data for the last six years is annexed.
i) The Directors, executives and their spouse and minor children have made no transactions of the Company's shares during the year, except those reported to the regulatory authorities and disclosed in the annexed Pattern of Shareholding.
j) Reasons for significant deviations from last year's operating results have been compared in the relevant section of the Directors' report.
k) Information about taxes and levies is given in the Notes to the Financial Statements.
l) The company has planned to upgrade its production operations by enhancing production capacity of its plant. The matter has been disclosed to shareholders in the due time and also has been written in this directors' report.
m) Details of number of Board and Committees meetings held during the year and attendance by each director has been disclosed below:

Sr.No.	Name of Director	Board Meetings	Audit Committee Meetings	HR & R Committee Meetings
1	Mr. Kamran Khan	8	N/A	N/A
2	Mr. Momin Qamar	8	N/A	2
3	Mr. Yousaf Kamran Khan	8	4	2
4	Mr. Qasim Khan	8	4	N/A
5	Mrs. Samina Kamran	8	N/A	N/A
6	Mr. Omar Naeem	8	4	N/A
7	Mr. Pervaiz Ahmad Khan	8	N/A	2
8	Mr. Agha Hamayun Khan	8	N/A	N/A
	Total Number of Meetings Held	**8**	**4**	**2**

The leave of absence was granted to the Directors who could not attend meeting due to their preoccupation

n) The board has been provided with detailed in house briefings and information package to acquaint them with the code, applicable laws, their duties and responsibilities to enable them to effectively manage the affairs of the company for and on behalf of the shareholders.

BOARD EVALUTAION

As required under the Listed Companies (Code of Corporate Governance Regulations), 2019, the Board conducts a self– evaluation of its performance on an annual basis. The Board of Directors believes that

continuous assessment is critical in determining how effectively the Board has performed against the objectives and goals that they have set for themselves. Based on the results of the evaluation, areas of improvement are identified and corrective action plans are prepared and acted on

EVALUATION CRITERIA OF THE BOARD

Apart from their mandatory job requirements, the performance of the Board of our Company is evaluated regularly along the following parameters, both at individual and team levels:

- Follow-up and review of annual targets set by the management.
- Review of succession planning of management.
- Contribution and interest in regard to improving health safety and environment, employment and other policies and practices in the Company.
- Effectiveness in bringing in a mix of gender, talents, skills and philosophical perspectives.
- Ability to identify aspects of the organization's performance requiring action.

The overall performance of the Board measured on the basis of above-mentioned parameters for the year was satisfactory.

STAFF RETIREMENT BENEFITS

An unfunded gratuity scheme has been maintained. Provision has been made in the financial statements accordingly for permanent employees of the company.

AUDITOR'S

The Auditors M/s. Naveed Zafar Ashfaq Jaffery & Co., Chartered Accountants are retiring at the conclusion of forthcoming Annual General Meeting and being eligible have offered their services for the next term. The Auditors confirmed that they have been given satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants (IFAC) guidelines on code of ethics, as adopted by the ICAP. The Audit Committee and the Board recommended their re-appointment.

PATTERN OF SHAREHOLDING

The pattern of shareholding as at June 30, 2022 along with disclosures as required by the Code of Corporate Governance is annexed.

POST BALANCE SHEET EVENTS

Material changes in the Financial Statements date and the reporting date have been duly incorporated in Financials.

ACKNOWLEDGMENT

The Board acknowledges the assistance and cooperation of all stakeholders including financial institutions, customers, creditors and government departments. We also appreciate and admire the continued support and cooperation of employees of the company.

For and on behalf of the Board

Director **Chief Executive**

Lahore
Dated: October 03, 2022

Statement of Compliance with Listed Companies

(Code of Corporate Governance) Regulations, 2019

FLYING CEMENT COMPANY LIMITED
Year Ended June 30, 2022

This statement is being presented to comply with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (CCG/Regulations) for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance. Flying Cement Company Limited ("the Company") has applied the principles contained in the CCG in the following manner:

1. The total number of directors are 7 as per the following:

	Description	Number of Directors
a.	Male	06
b.	Female	01

2. The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Omar Naeem
	Mr. Pervaiz Ahmad Khan
Non-Executive Directors	Mr. Kamran Khan
	Mr. Yousaf Kamran Khan
	Mr. Qasim Khan
Executive Directors	Mr. Momin Qamar
Female Director (Non-Executive)	Mrs. Samina Kamran

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including Flying Cement Company Limited.
4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies, along with their date of approval or updating, is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Companies Act 2017 (the "Act") and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. Majority of the Directors of the Company are exempted from the requirement of Director's Training Program and Two of Directors have obtained certificate of Directors' Training Program.
10. The Board has approved the appointment of the Chief Financial Officer including his remuneration and terms and conditions of employment, and complied with relevant requirements of Regulations.
11. The Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:

a) Audit Committee:

Mr. Omar Naeem	Chairman
Mr. Qasim Khan	Member
Mr Yousaf Kamran Khan	Member

b) HR & Remuneration Committee:

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

c) Nomination Committee:

Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the human resource and remuneration committee, as and when needed so a separate committee is no considered to be necessary.

d) Risk Management Committee:

Currently, the Board has not constituted a risk management Committee and senior officers of the Company perform the requisite functions and apprise the Board accordingly.

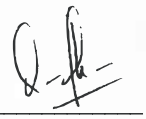
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committee was as per following.

    - Audit Committee 04
    - HR and Remuneration Committee 02

15. The Board has set up an effective internal audit function to who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company

16. The statutory auditors of Flying Cement Company Limited have confirmed that they have been given a satisfactory rating under the Quality Control Review programme of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with the Audit Oversight Board of Pakistan that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics, as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relatives (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Companies Act, 2017. These Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other material principles enshrined in the CCG have been complied with.

On behalf of the Board of Directors



KAMRAN KHAN
Chairman

Dated: October 03, 2022

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants
A member firm of
PrimeGlobal | An Association of Independent Accounting Firms

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Email: lhr@nzaj.com.pk
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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Flying Cement Company Limited

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Flying Cement Company Limited for the year ended June 30, 2022 with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2022.

Naveed Zafar Ashfaq Jaffery & Co.,
Chartered Accountants

Place: Lahore
Date: October 03, 2022

Financial Highlights

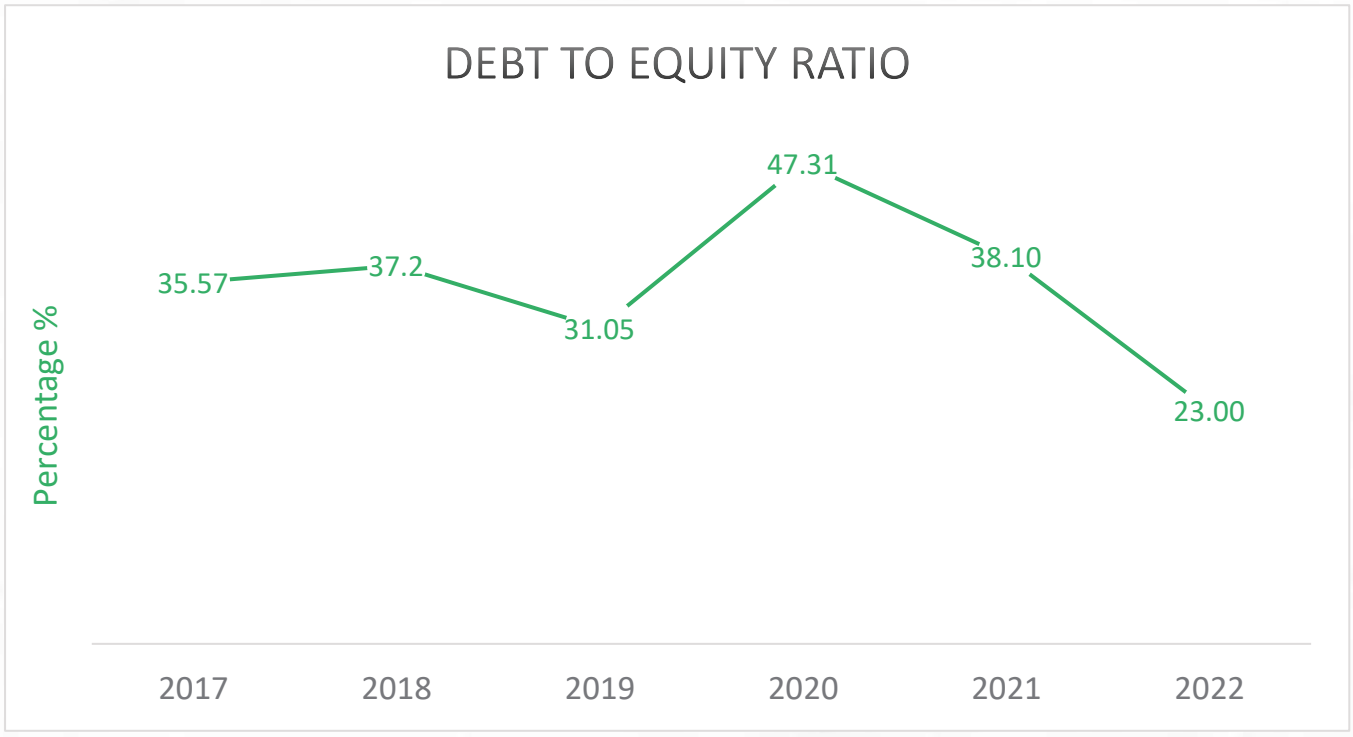
Six Years At Glance

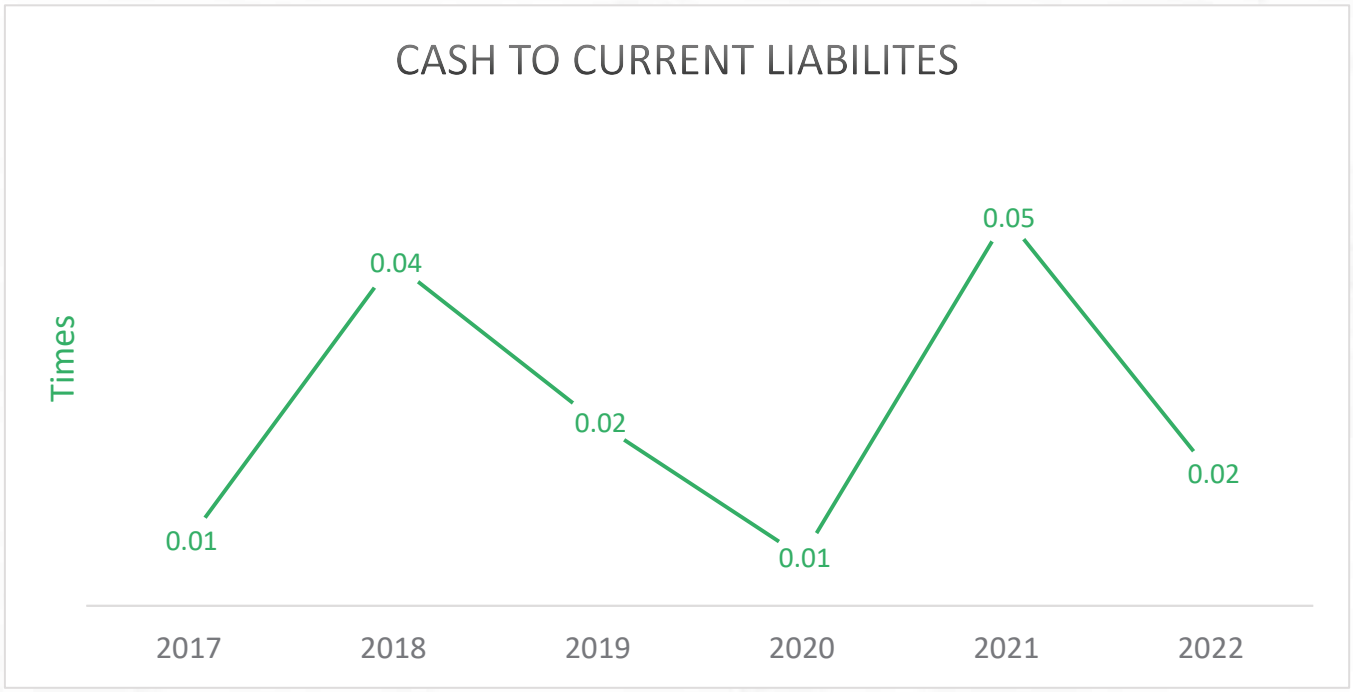


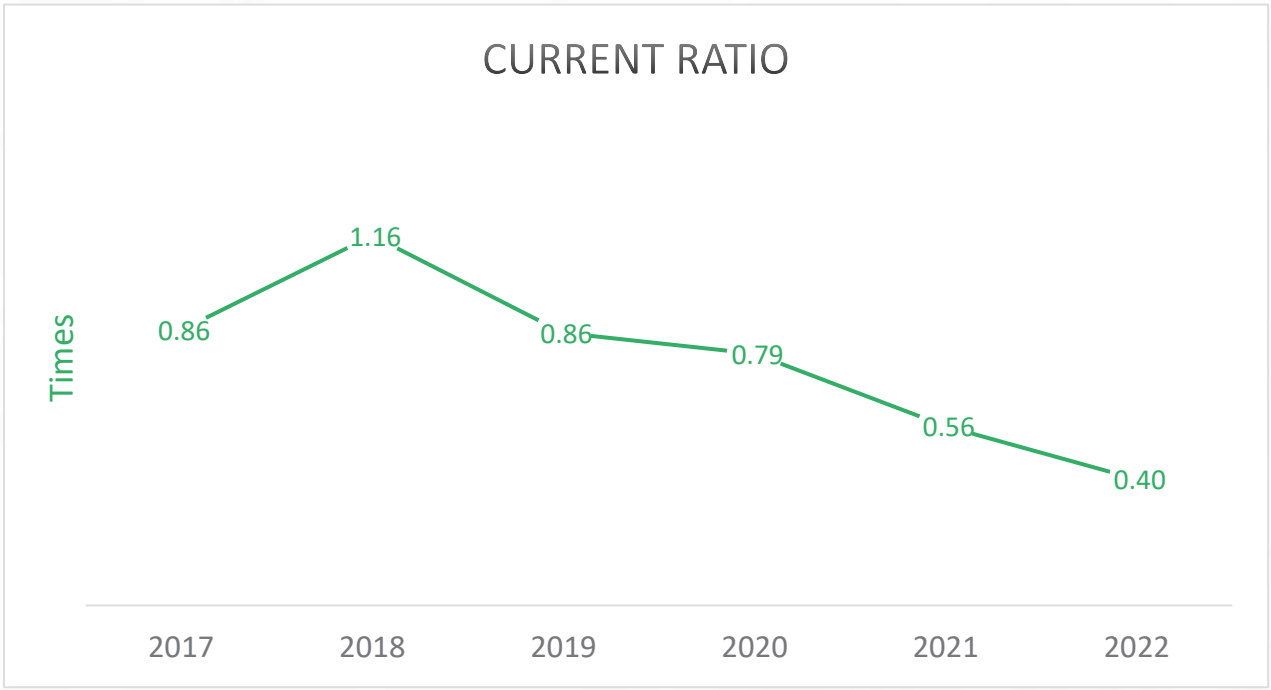
	2022	2021	2020	2019	2018	2017
Financial Position(Rupees in Million)						
Assets Employed by						
Property, plant and equipment	18,428	15,886	13,287	11,216	6,640	5,637
Other assets	33	33	33	33	31	19
Current assets	1,781	2,361	3,003	2,178	3,090	1,573
Total Assets	**20,242**	**18,280**	**16,323**	**13,427**	**9,762**	**7,229**
Financed by(Rupees in Million)						
Shareholders equity	8,058	4,309	2,158	2,625	2,452	2,240
Surplus on revaluation of fixed assets net of tax	3,905	3,966	4,028	4,091	1,467	1,497
Directors & shareholders loan	57	697	1,971	1,516	1,516	-
Long term liabilities	3,724	5,106	4,366	2,649	1,663	1,670
Other current liabilities	4,498	4,202	3,801	2,547	2,664	1,821
Total equity and liabilities	**20,242**	**18,280**	**16,323**	**13,427**	**9,762**	**7,229**
Turnover and Profit/(Loss) (Rupees in Million)						
Gross sales	7,146	4,380	1,372	4,822	4,335	3,467
Net turnover	5,336	3,206	1,080	3,271	2,910	2,470
Gross Profit/(Loss)	872	303	(462)	191	257	203
Operating Profit/(Loss)	739	219	(528)	118	185	143
Profit/(Loss) before taxation	711	254	(513)	184	233	199
Profit/(Loss) after taxation	926	144	(531)	142	182	161
Earnings/(Loss) per share (Rs.)	1.33	0.38	(3.02)	0.81	1.03	0.92
Breakup value per share (Rs.)	**31.97**	**23.86**	**46.34**	**46.77**	**30.88**	**21.23**
Analysis of Statement of Financial Position (Rupees in Million)						
Equity	12,020	8,972	8,156	8,232	5,434	3,737
Non Current Liabilities	3,724	5,106	4,366	2,649	1,663	1,670
Current Liabilities	4,498	4,202	3,801	2,547	2,664	1,821
Total Equity and Liabilities	**20,242**	**18,280**	**16,323**	**13,427**	**9,762**	**7,229**
Non Current Assets	18,461	15,919	13,320	11,249	6,671	5,655
Current Assets	1,781	2,361	3,003	2,178	3,090	1,573
Total Assets	**20,242**	**18,280**	**16,323**	**13,427**	**9,762**	**7,229**
Vertical Analysis (%)						
Equity	59.38	49.08	49.97	61.31	55.67	51.70
Non Current Liabilities	18.40	27.93	26.75	19.73	17.04	23.11
Current Liabilities	22.22	22.99	23.28	18.97	27.29	25.19
Total Equity and Liabilities	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
Non Current Assets	91.20	87.08	81.60	83.78	68.34	78.23
Current Assets	8.80	12.92	18.40	16.22	31.66	21.77
Total Assets	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
Horizontal Analysis (Cumulative %)						
Equity	221.63	140.06	118.24	120.27	45.41	100.00
Non Current Liabilities	122.96	205.67	161.40	58.59	(0.43)	100.00
Current Liabilities	146.95	130.73	108.68	39.83	46.26	100.00
Total Equity and Liabilities	**491.54**	**476.46**	**388.32**	**218.68**	**91.25**	**100.00**
Non Current Assets	226.43	181.47	135.52	98.91	17.96	100.00
Current Assets	13.19	50.06	90.88	38.43	96.41	100.00
Total Assets	**239.62**	**231.53**	**226.40**	**137.34**	**114.37**	**100.00**
Horizontal Analysis (Year on Year %)						
Equity	33.98	10.00	(0.92)	51.47	45.41	4.51
Non Current Liabilities	(27.06)	16.93	64.83	59.27	(0.43)	71.89
Current Liabilities	7.03	10.57	49.24	(4.40)	46.26	2.79
Total Equity and Liabilities	**13.95**	**37.50**	**113.15**	**106.34**	**91.25**	**79.19**
Non Current Assets	15.97	19.51	18.40	68.63	17.96	6.69
Current Assets	(24.57)	(21.39)	37.89	(29.52)	96.41	54.47
Total Assets	**(8.60)**	**(1.87)**	**56.30**	**39.11**	**114.37**	**61.16**

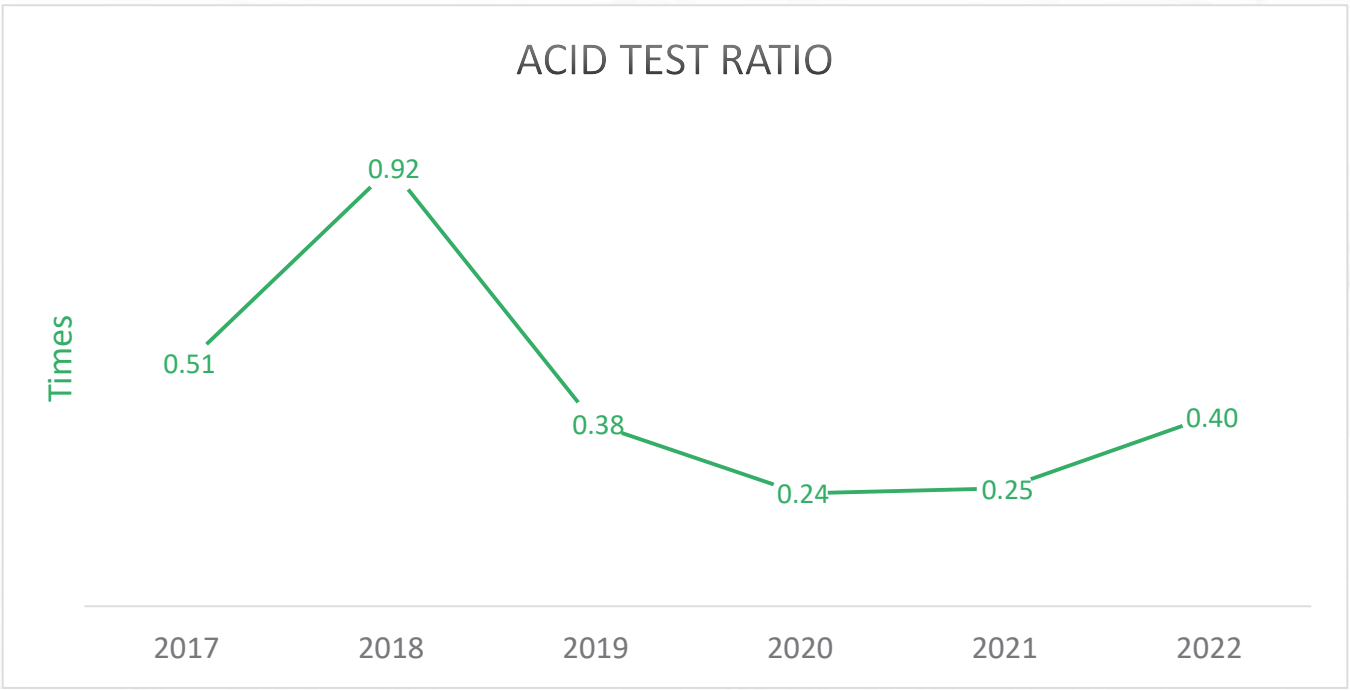
	2022	2021	2020	2019	2018	2017
Analysis of Statement of Profit and Loss Accounts						
Gross turnover	7,146	4,380	1,372	4,822	4,335	3,467
Net turnover	5,336	3,206	1,080	3,271	2,910	2,470
Cost of sales	4,464	2,903	1,542	3,081	2,653	2,267
Gross Profit/(loss)	872	303	(462)	191	257	203
Administrative Expense	(76)	(54)	(58)	(50)	(46)	(39)
Distribution Expense	(15)	(11)	(8)	(9)	(7)	(6)
Other operating expense	(42)	(19)	-	(13)	(18)	(15)
Operating Profit/(loss)	739	219	(528)	118	185	143
Finance Cost	(115)	(72)	(80)	(33)	(44)	(8)
Other Income	87	106	95	98	92	64
Profit/(Loss) before taxation	711	254	(513)	184	233	199
Taxation	215	(110)	(18)	(42)	(52)	(38)
Profit/(Loss) after taxation	926	144	(531)	142	182	161
Other Comprehensive income	1.470	0.054	0.045	0.073	0.040	0.076
Total Comprehensive income for the year	**924**	**144**	**(531)**	**142**	**182**	**161**
Vertical Analysis-%						
Turnover	100.00	100.00	100.00	100.00	100.00	100.00
Cost of Sales	83.66	90.55	142.83	94.17	91.17	91.77
Gross Profit	**16.34**	**9.45**	**(42.83)**	**5.83**	**8.83**	**8.23**
Administrative Expense	1.42	1.68	5.34	1.53	1.60	1.59
Distribution Expense	0.27	0.34	0.77	0.28	0.25	0.25
Other operating expense	0.80	0.59	-	0.40	0.61	0.62
Operating (loss) / profit	**13.85**	**6.85**	**(48.94)**	**3.62**	**6.37**	**5.77**
Finance Cost	2.16	2.24	7.41	1.00	1.51	0.33
Other Income	(1.63)	(3.30)	(8.85)	(3.01)	(3.15)	(2.61)
(Loss) / profit before taxation	**13.33**	**7.91**	**(47.51)**	**5.63**	**8.01**	**8.05**
Taxation	(4.02)	3.43	1.66	1.28	1.77	1.52
Profit/(Loss) after taxation	**17.36**	**4.48**	**(49.16)**	**4.35**	**6.24**	**6.53**
Other Comprehensive income	0.028	0.002	0.004	0.002	0.001	0.003
Total Comprehensive income for the year	**17.38**	**4.48**	**(49.16)**	**4.35**	**6.24**	**6.53**
Horizontal Analysis (Cumulative %)						
Turnover	116.01	29.77	(56.30)	32.43	17.82	100.00
Cost of Sales	96.93	28.05	(31.98)	35.90	17.05	100.00
Gross Profit	**328.79**	**48.97**	**(327.38)**	**(6.27)**	**26.32**	**100.00**
Administrative Expense	92.48	36.85	46.60	27.03	18.14	100.00
Distribution Expense	139.81	78.20	36.82	50.04	20.71	100.00
Other operating expense	176.44	22.39	(100.00)	(14.58)	15.96	100.00
Operating (loss) / profit	**418.43**	**53.93**	**(470.54)**	**(16.95)**	**29.93**	**100.00**
Finance Cost	1,324	787	889	305	443	100.00
Other Income	35.48	64.47	48.34	52.95	42.49	100.00
(Loss) / profit before taxation	**257.68**	**27.56**	**(357.86)**	**(7.40)**	**17.22**	**100.00**
Taxation	(670.78)	192.39	(52.44)	11.09	37.21	100.00
(Loss) / profit after taxation	**474.31**	**(10.90)**	**(429.12)**	**(11.72)**	**12.56**	**100.00**
Other Comprehensive income	1,835.09	(28.39)	(40.78)	(3.72)	(47.52)	100.00
Total Comprehensive income for the year	**474.95**	**(10.90)**	**(428.93)**	**(11.71)**	**12.53**	**100.00**
Horizontal Analysis (Year on Year %)						
Turnover	66.45	196.96	(67.00)	12.40	17.82	(0.22)
Cost of Sales	53.78	88.26	(49.95)	16.10	17.05	(1.83)
Gross Profit	**187.84**	**(165.52)**	**(342.58)**	**(25.80)**	**26.32**	**21.98**
Administrative Expense	40.65	(6.65)	15.41	7.53	18.14	49.06
Distribution Expense	34.57	30.24	(8.81)	24.29	20.71	16.53
Other operating expense	125.87	100.00	(100.00)	(26.34)	15.96	0.73
Operating (loss) / profit	**236.79**	**(141.54)**	**(546.17)**	**(36.08)**	**29.93**	
Finance Cost	60.58	(10.36)	144.39	(25.41)	442.60	177.29
Other Income	(17.62)	10.88	(3.02)	7.34	42.49	(17.87)
(Loss) / profit before taxation	**180.39**	**(149.47)**	**(378.47)**	**(21.01)**	**17.22**	**1.82**
Taxation	(295.21)	514.78	(57.19)	(19.04)	37.21	(24.20)
(Loss) / profit after taxation	**544.54**	**(127.07)**	**(472.80)**	**(21.57)**	**12.56**	**10.68**
Other Comprehensive income	2,602.18	20.92	(38.49)	83.45	(47.52)	22.59
Total Comprehensive income for the year	**545.32**	**(127.09)**	**(472.57)**	**(21.54)**	**12.53**	**10.68**

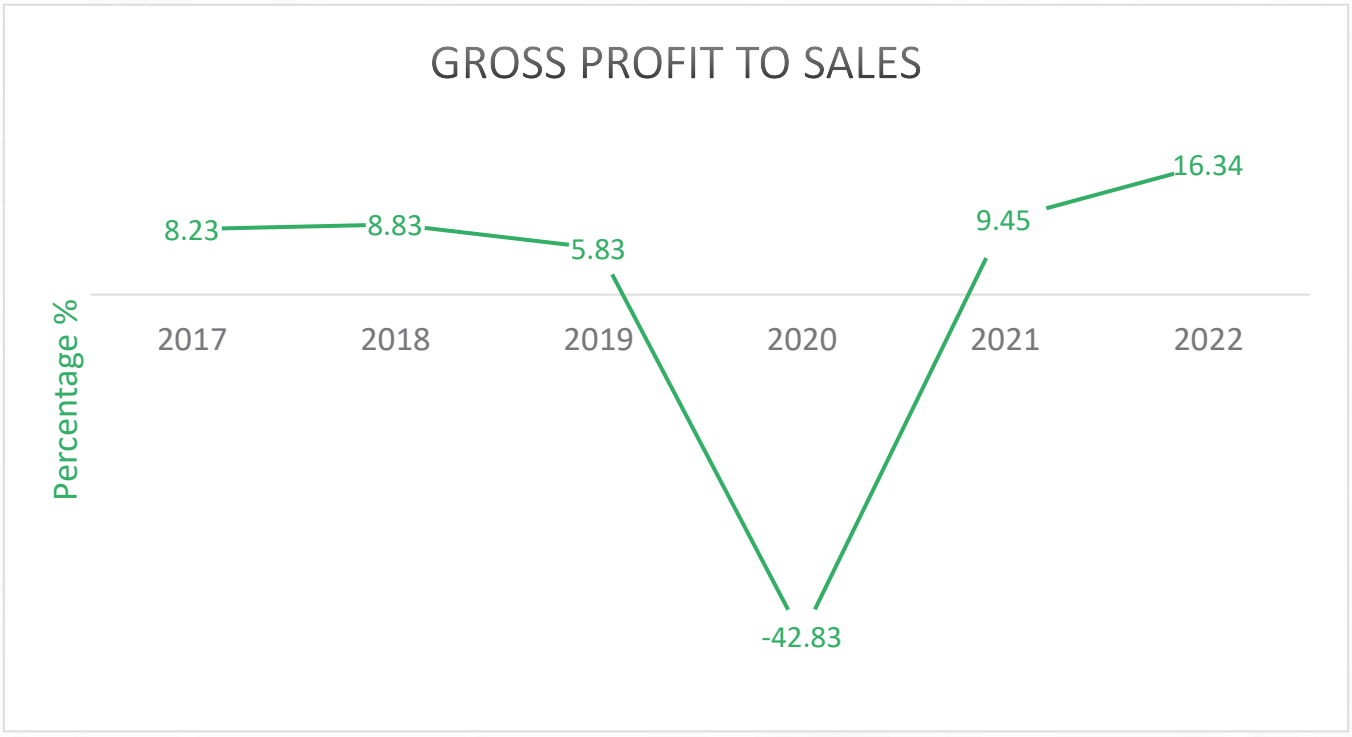
Financial Ratios

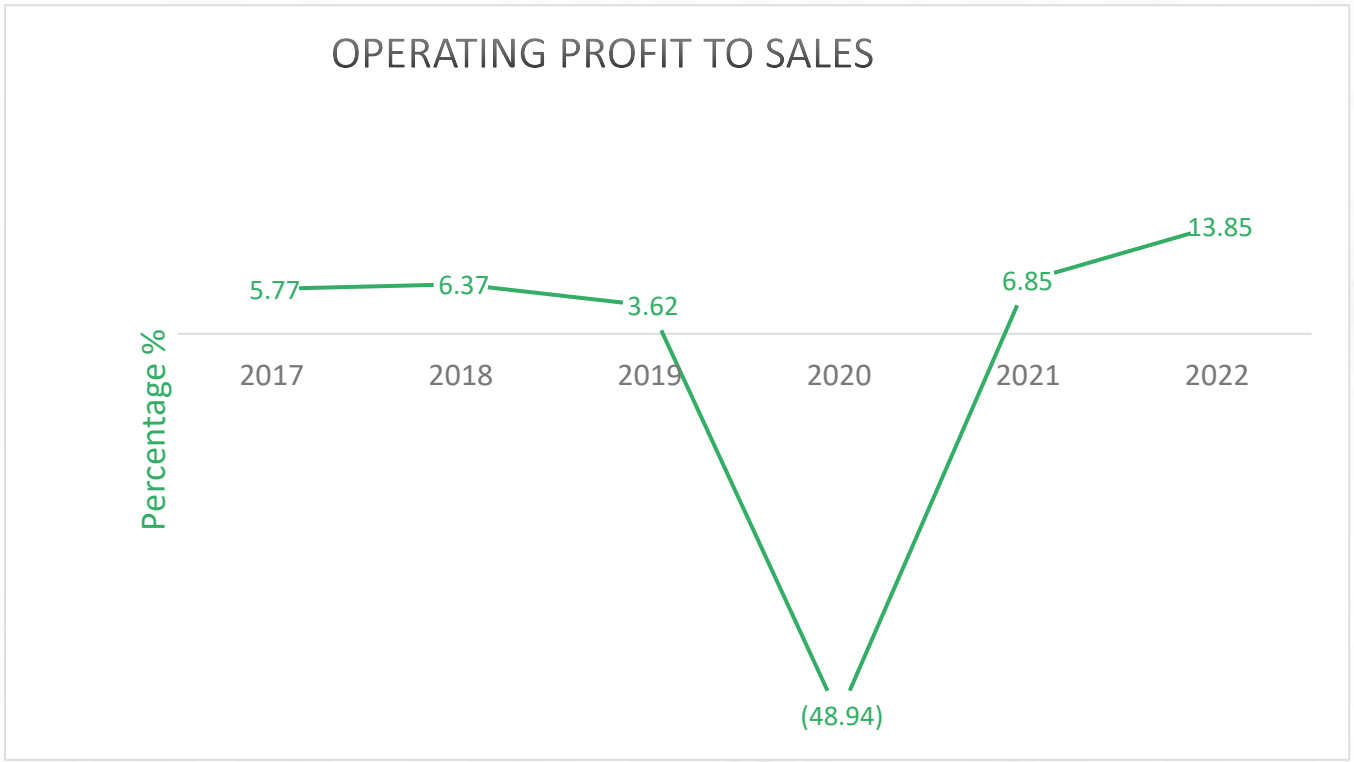


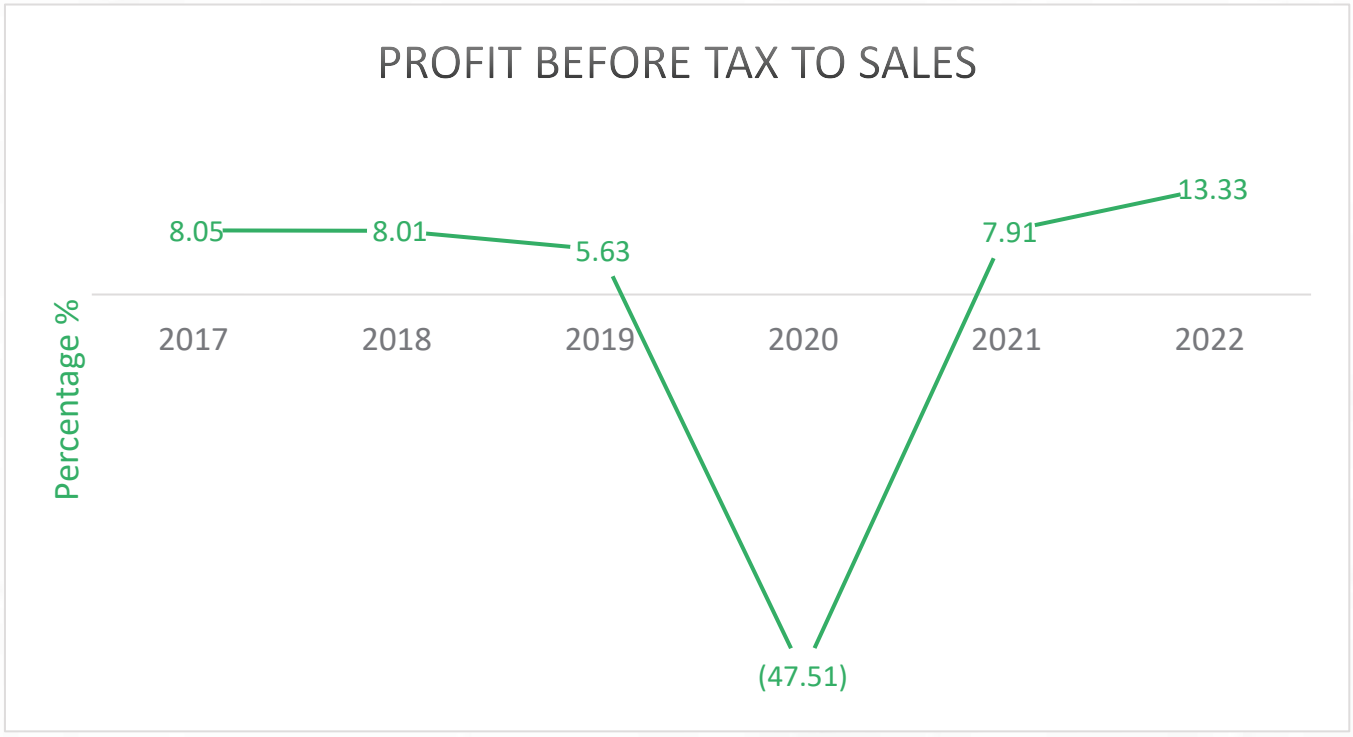


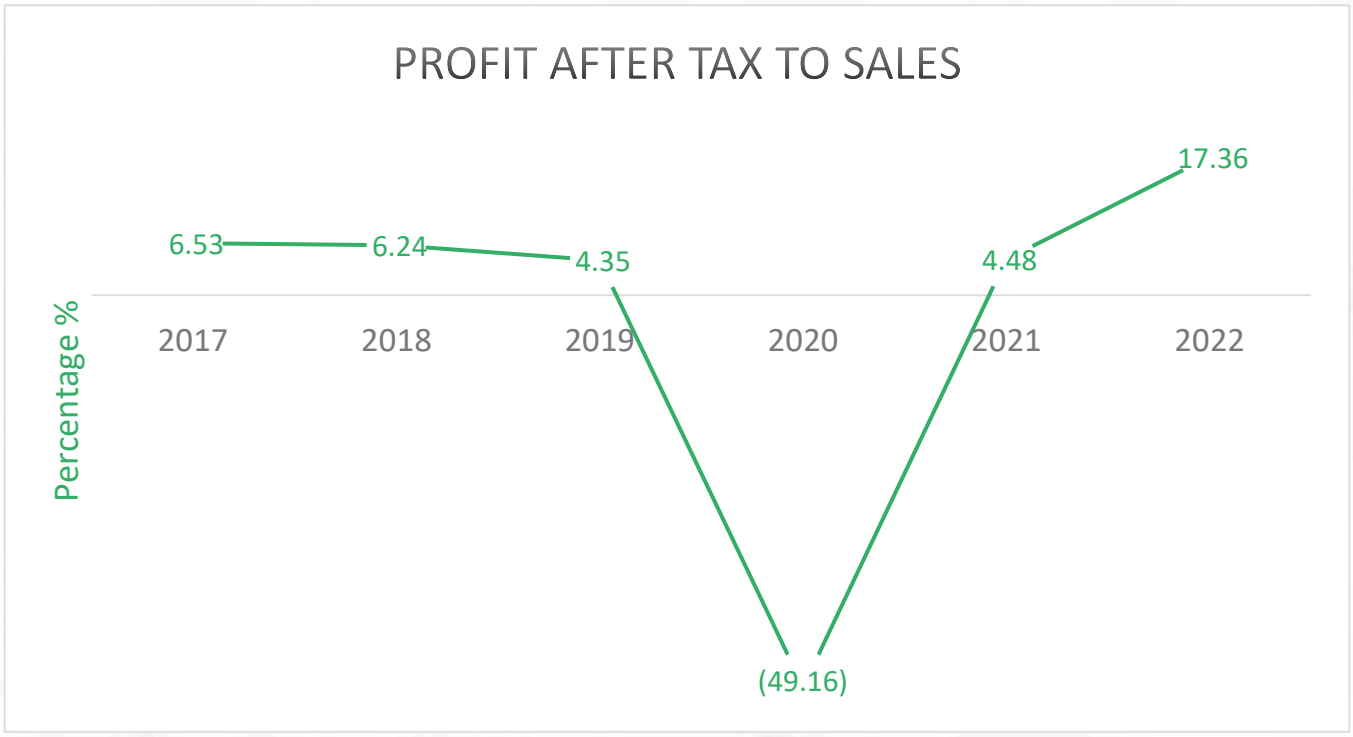

CURRENT RATIO
Times
0.86
1.16
0.86
0.79
0.56
0.40
2017
2018
2019
2020
2021
2022


ACID TEST RATIO
Times
0.51
0.92
0.38
0.24
0.25
0.40
2017
2018
2019
2020
2021
2022


GROSS PROFIT TO SALES
Percentage %
8.23
8.83
5.83
-42.83
9.45
16.34
2017
2018
2019
2020
2021
2022


OPERATING PROFIT TO SALES
Percentage %
5.77
6.37
3.62
(48.94)
6.85
13.85
2017
2018
2019
2020
2021
2022

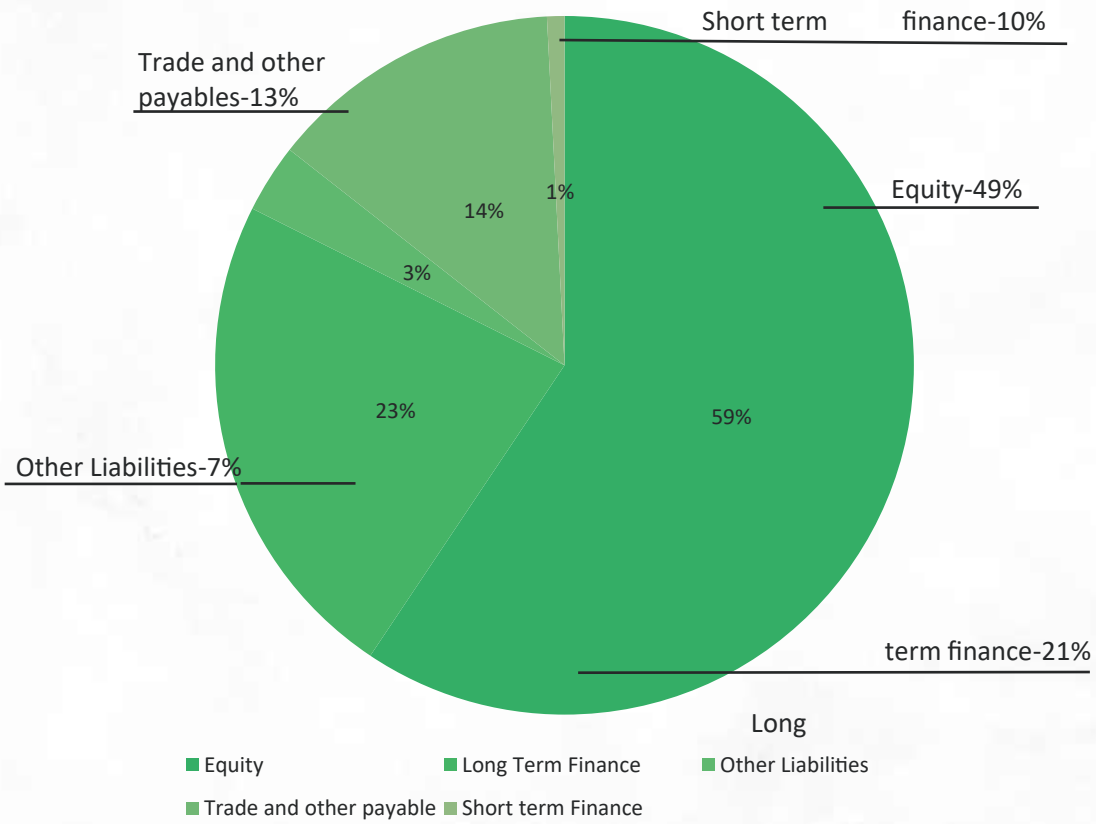

PROFIT BEFORE TAX TO SALES
Percentage %
8.05
8.01
5.63
(47.51)
7.91
13.33
2017
2018
2019
2020
2021
2022


PROFIT AFTER TAX TO SALES
Percentage %
6.53
6.24
4.35
(49.16)
4.48
17.36
2017
2018
2019
2020
2021
2022

COMPOSITION OF BALANCE SHEET

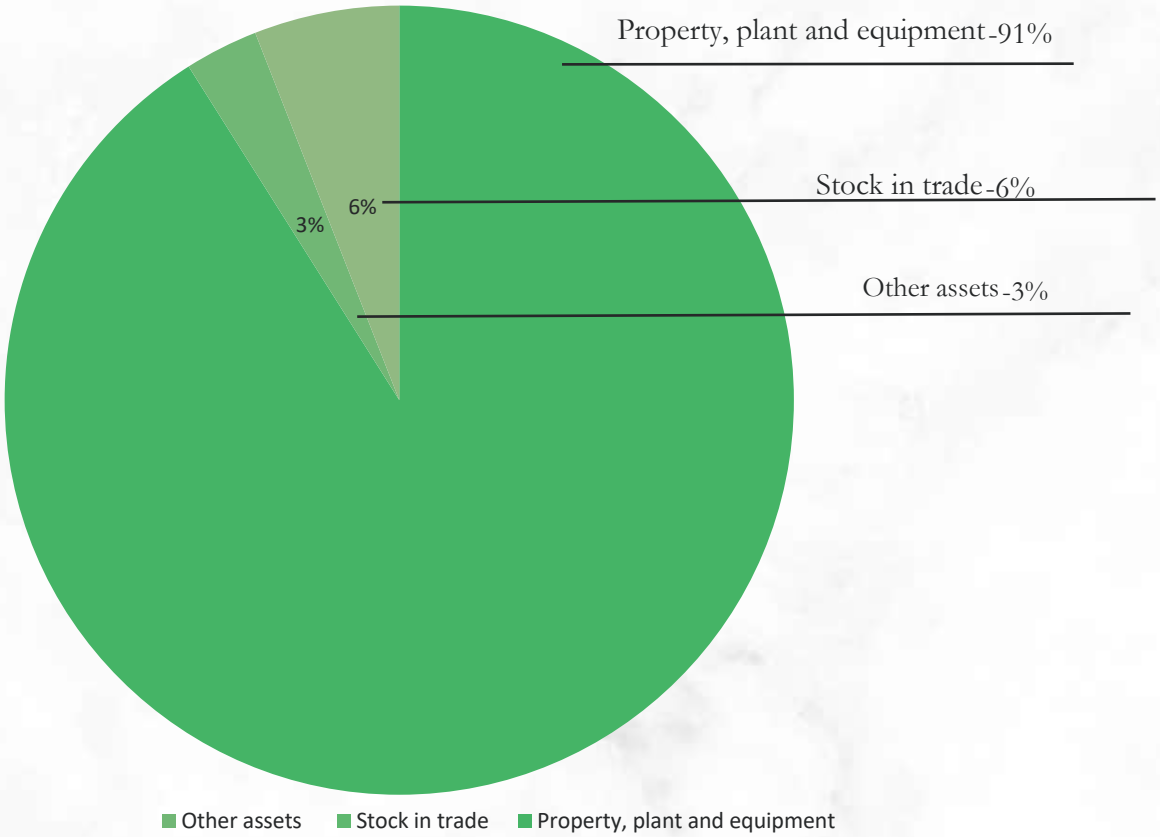
Equity and Liabilities-FY 2022

Percentage



Assets-FY 2022

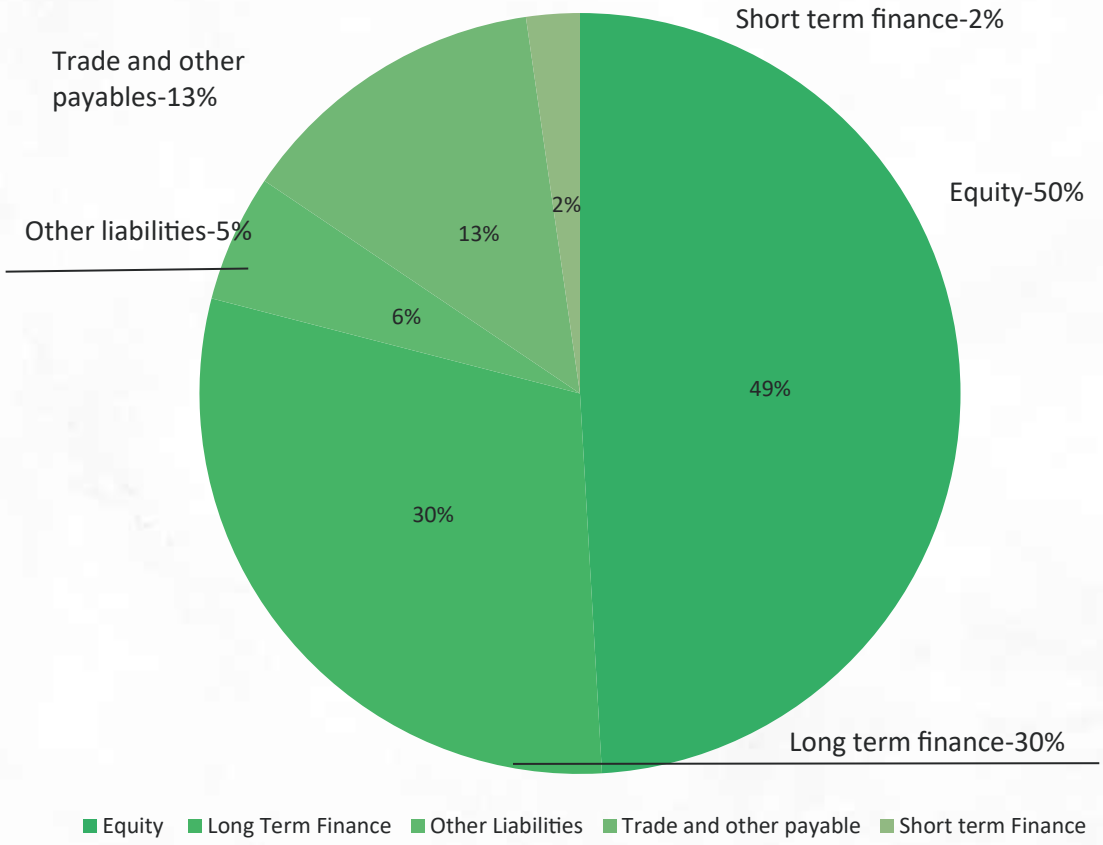
Percentage



COMPOSITION OF BALANCE SHEET

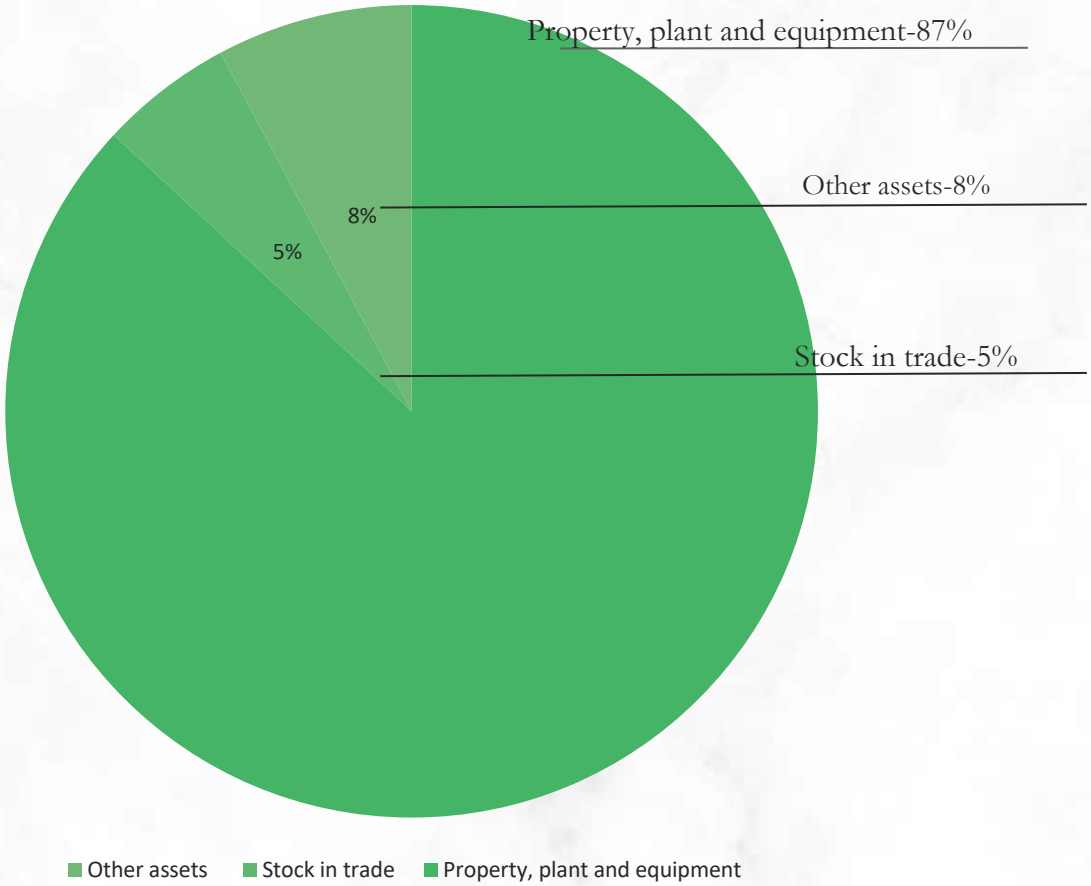
Equity and Liabilities-FY 2021

Percentage



Assets-FY 2021

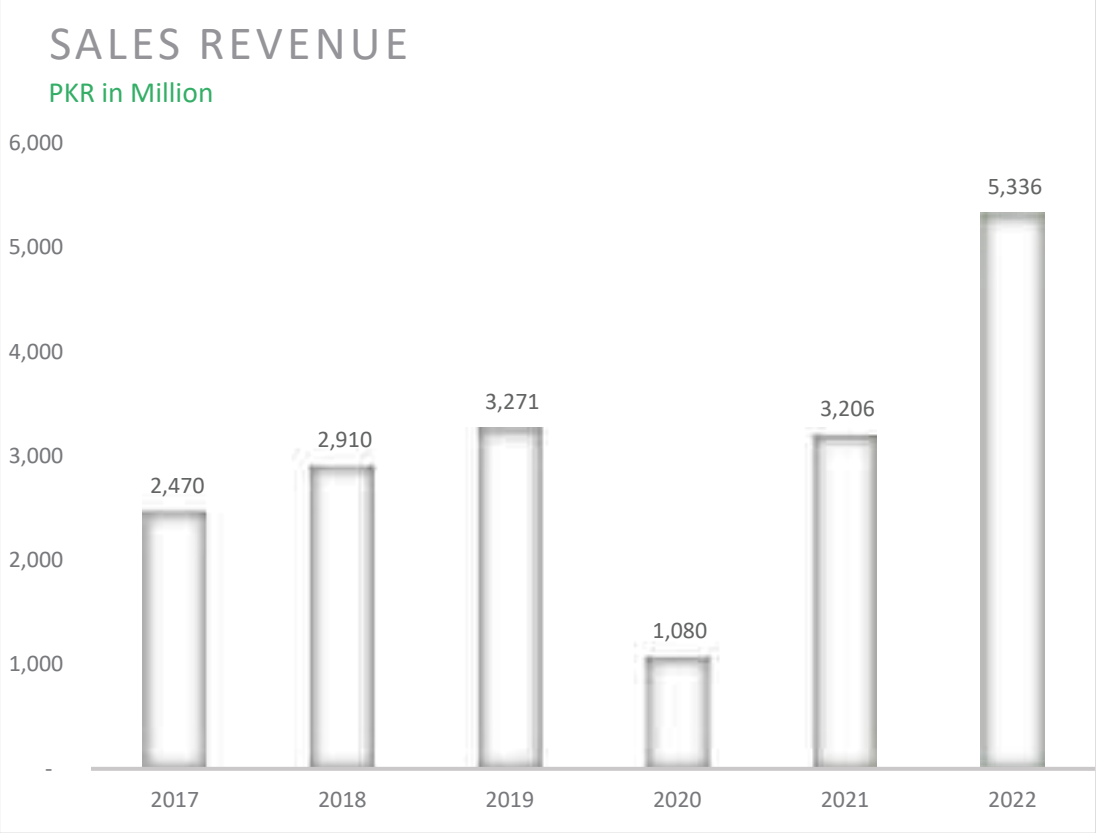
Percentage



Financials at a Glance



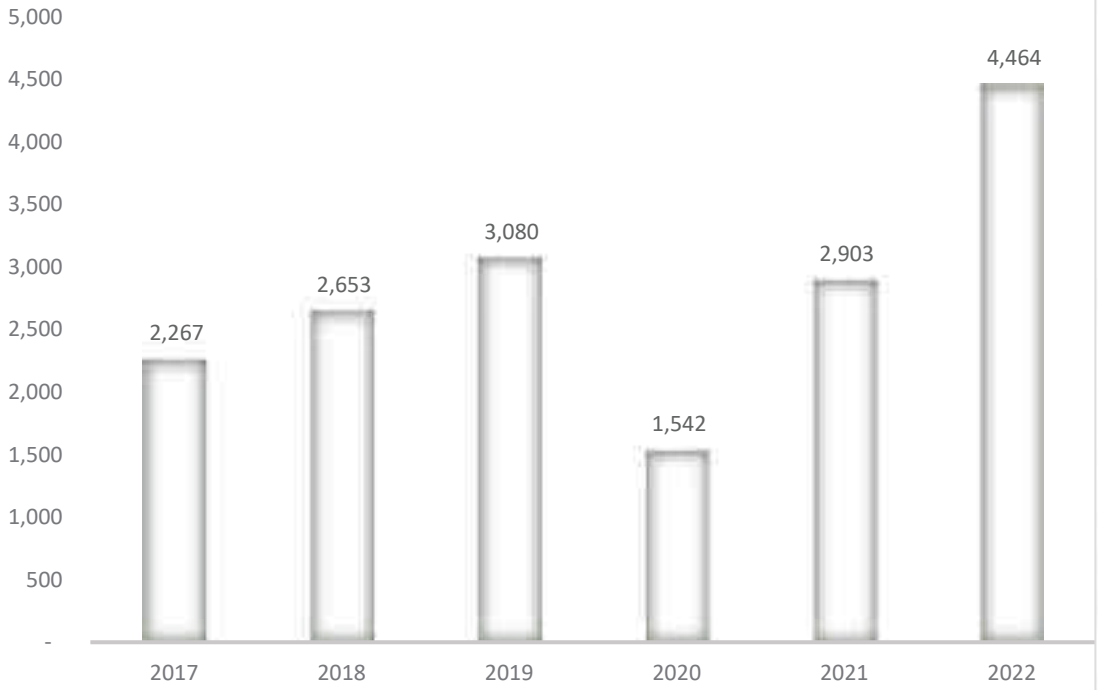
Financial At A Glance





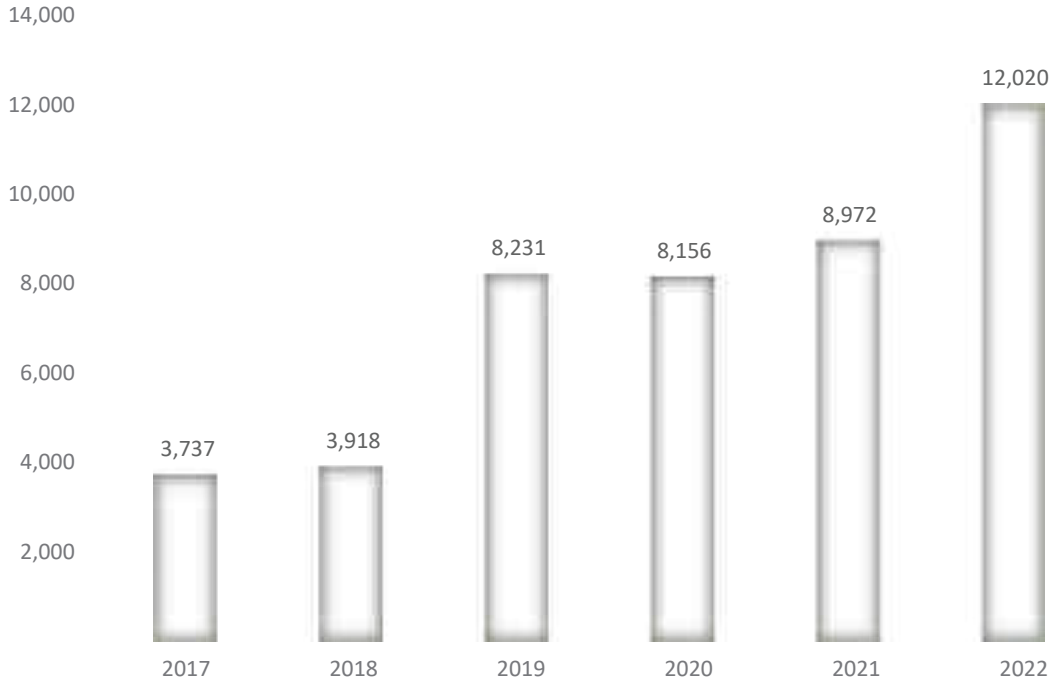
COST OF SALES

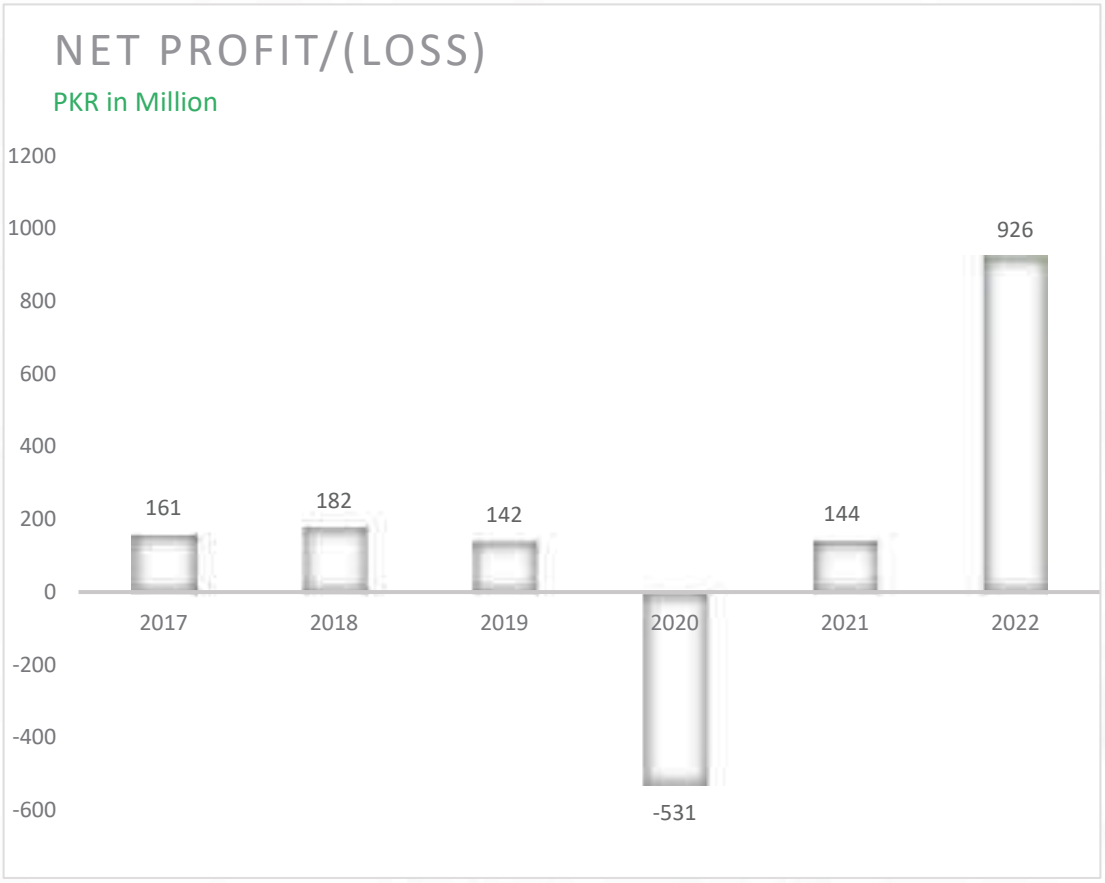
PKR in Million



SHAREHOLDERS EQUITY

PKR in Million




NET PROFIT/(LOSS)
PKR in Million
1200
1000
800
600
400
200
0
-200
-400
-600
161
182
142
-531
144
926
2017
2018
2019
2020
2021
2022


Gross Profit/(Loss)
PKR in Million
1,100
900
700
500
300
100
(100)
(300)
(500)
203
257
191
(462)
303
872
2017
2018
2019
2020
2021
2022

Striving for Excellence in Corporate Reporting



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INDEPENDENT AUDITOR'S REPORT

To the members of Flying Cement Company Limited

Report on the Audit of the Financial Statements for the year ended 30th June 2022

Opinion

We have audited the annexed financial statements of Flying Cement Company Limited (the Company), which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30,2022 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

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S.No	Key Audit Matter	How the matter was addressed in our audit
1	**Sales:** (Refer to the note no 24 to the financial statements) The company has recognized gross sales amounting to Rs. 7,145,904.911 and net of sales tax and federal excise duty recognized amounting to Rs. 5,336,125,254 during the current year. We identified sales as a Key Audit Matter because this is a key performance indicator of company and there is an inherent risk that revenue may be misstated to meet expectations or targets.	We performed following audit procedures to verify sales: For sales recorded during the year, we verified a sample of sale transactions with truck loading advice, sales invoices, gate outward passes. Quantity of sales recorded, sales tax amount and amount of federal excise duty verified from the monthly sales tax return. Cut-off performed to verify completeness of sales for the year. Assessed the adequacy of disclosures related to sales in notes to the accounts.
2	**Addition to Capital Work in Progress:** (Refer to the note no 17.6 to the financial statements) The company has recognized addition to capital work in progress amounting to Rs. 2,704,796,346 during the current year We identified addition to capital work in progress as a Key Audit Matter because there may be misclassification between capital and revenue expenditure. Further, there may also be implications on depreciation expense because of this misclassification.	We performed following audit procedures to verify addition to capital work in progress: Visited company factory during annual stock take and physically verify the construction of new plant and building. Checked that markup capitalized as borrowing cost during the year met the conditions specified in IAS-23. On a sample basis, tested cost incurred with supporting documents to verify only capital nature expenses are capitalized. Checked the adequacy of disclosure of Capital Work in Progress in the financial statements in accordance with applicable financial reporting framework.

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Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is *Shahid Mohsin Shaikh (FCA).*

Signature:

Lahore
Date: October 03, 2022

Flying Cement Company Limited

Statement of Financial Position

As at 30 June 2022

	Note	2022 Rupees	2021 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL & RESERVES			
Authorized share capital 800,000,000 ordinary shares of Rs. 10/- each.		**8,000,000,000**	4,000,000,000
Issued, subscribed and paid up capital 694,800,000 ordinary shares of Rs. 10/- each.	5	**6,948,000,000**	3,760,000,000
Reserves	6	**1,109,989,917**	548,555,943
		8,057,989,917	4,308,555,943
Directors & shareholders loan	7	**57,035,933**	697,298,582
Surplus on revaluation of fixed assets	8	**3,904,779,804**	3,965,661,753
		3,961,815,737	4,662,960,335
		12,019,805,654	8,971,516,278
NON-CURRENT LIABILITIES			
Long term liabilities	9	**3,080,625,797**	4,114,951,771
Loan from associated undertaking	10	**319,807,603**	331,867,808
Long term deposits	11	**14,005,340**	14,005,340
Deferred liabilities	12	**309,805,833**	645,044,386
		3,724,244,573	5,105,869,305
CURRENT LIABILITIES			
Trade and other payables	13	**2,158,498,915**	1,620,162,968
Directors & shareholders loan		**596,923,473**	808,540,887
Unclaimed Dividend	14	**59,526**	59,526
Short term finances	15	**162,751,637**	415,229,671
Current portion of long term finance	9	**1,579,724,743**	1,358,298,000
		4,497,958,294	4,202,291,052
TOTAL LIABILITIES		**8,222,202,867**	9,308,160,357
Contingencies and commitments	16	**-**	-
TOTAL EQUITY AND LIABILITIES		**20,242,008,521**	18,279,676,635
ASSETS			
NON-CURRENT ASSETS			
Property, plant & equipment	17	**18,428,169,619**	15,885,677,785
Long term security deposits	18	**32,880,151**	32,880,151
		18,461,049,770	15,918,557,936
CURRENT ASSETS			
Stores, spares & loose tools	19	**229,665,596**	250,053,087
Stock in trade	20	**609,824,449**	970,617,841
Trade debts	21	**173,528,856**	185,871,391
Advances, deposits, prepayments & other receivables	22	**692,626,106**	749,642,350
Cash and bank balances	23	**75,313,744**	204,934,030
		1,780,958,751	2,361,118,699
TOTAL ASSETS		**20,242,008,521**	18,279,676,635

The annexed notes from 1 to 42 form an integral part of these financial statements.

Director **Chief Executive** **Chief Financial Officer**

Flying Cement Company Limited

Statement Of Profit or Loss and Other Comprehensive Income

For The Year Ended June 30, 2022

	Note	2022 Rupees	2021 Rupees
Gross Sales	24	**7,145,904,911**	4,379,653,073
Less Sales tax and federal excise duty		**1,809,779,657**	1,167,083,956
Trade discount		**-**	6,840,640
		1,809,779,657	1,173,924,596
Net sales		**5,336,125,254**	3,205,728,477
Cost of Sales	25	**(4,464,034,650)**	(2,902,791,827)
Gross Profit		**872,090,604**	302,936,650
Operating Expenses			
Distribution Expenses	26	**(14,530,425)**	(10,797,764)
Administrative Expenses	27	**(75,979,539)**	(53,841,326)
Other Operating Expenses	28	**(42,469,337)**	(18,802,510)
		(132,979,301)	(83,441,600)
Operating Profit		**739,111,303**	219,495,050
Finance Cost	29	**(115,100,229)**	(71,675,623)
Other Income	30	**87,217,814**	105,878,210
Profit Before Taxation		**711,228,888**	253,697,637
Taxation	31	**214,868,864**	(110,012,895)
Profit / (Loss) After Taxation		**926,097,752**	143,684,742
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
		(2,070,465)	(76,622)
Remeasurement of obligation of employees retirement benefits			
Deferred tax on remeasurement of defined benefits plan		**600,435**	22,220
		(1,470,030)	(54,402)
Total Comprehensive Income / (Loss) for the year		**924,627,722**	143,630,340
Earnings / (Loss) Per Share (before tax) - Basic	32	**1.02**	0.67
Earnings / (Loss) Per Share (after tax) - Basic	32	**1.33**	0.38

The annexed notes from 1 to 42 form an integral part of these financial statements.

Director **Chief Executive** **Chief Financial Officer**

FLYING CEMENT COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2022

	Ordinary Share Capital	Accumulated Profit / (Loss)	Directors & Shareholders Loan	Capital Reserves		Total
				Revaluation Surplus	Gain on Disposal of Shares	
	(Rs.)	(Rs.)	(Rs.)	(RS.)	(Rs.)	(Rs.)
Balance as at July 01, 2020	**1,760,000,000**	**270,742,574**	**1,970,674,892**	**4,027,666,417**	**126,978,994**	**8,156,062,877**
Revaluation surplus on Property, Plant & Equipment	-	-	-	-	-	-
Profit / (Loss) for the year	-	143,684,742	-	-	-	143,684,742
Other comprehensive Income (Loss) for the year	-	(54,402)	-	-	-	(54,402)
Directors & Shareholders loan - Net	-	-	(1,273,376,310)	-	-	(1,273,376,310)
Incremental depreciation	-	62,004,664	-	(62,004,664)	-	-
Issuance of right shares	2,000,000,000					2,000,000,000
Shares issue expenses		(54,800,629)				(54,800,629)
Balance as at June 30, 2021	**3,760,000,000**	**421,576,949**	**697,298,582**	**3,965,661,753**	**126,978,994**	**8,971,516,278**
	-		-	-	-	-
Profit / (Loss) for the year	-	924,627,722	-	-	-	924,627,722
Other comprehensive Income (Loss) for the year	-	-	-	-	-	-
Directors & Shareholders loan - Net	-	-	(640,262,649)	-	-	(640,262,649)
Incremental depreciation	-	60,881,949	-	(60,881,949)	-	-
Issuance of bouns shares		(188,000,000)				(188,000,000)
Issuance of right shares	3,188,000,000	-	-	-	-	3,188,000,000
Shares issue expenses	-	(236,075,697)	-	-	-	(236,075,697)
Balance as at June 30, 2022	**6,948,000,000**	**983,010,923**	**57,035,933**	**3,904,779,804**	**126,978,994**	**12,019,805,654**

The annexed notes from 1 to 42 form an integral part of these financial statements.

Director **Chief Executive** **Chief Financial Officer**

FLYING CEMENT COMPANY LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
Cash generated from operations	40	**1,756,239,303**	1,518,681,011
Gratuity Paid		**-**	-
Finance cost paid		**(115,100,229)**	(71,675,623)
Income Tax (paid) / refund received		**(122,394,474)**	(17,624,996)
Net Cash from Operating Activities		**1,518,744,600**	1,429,380,392
Cash Flows From Investing Activities			
Fixed Capital Expenditure		**(2,694,589,070)**	(2,769,772,267)
Long Term Security deposit		**-**	-
Net Cash (used in) Investing Activities		**(2,694,589,070)**	(2,769,772,267)
Cash Flows From Financing Activities			
Term Finance		**(1,286,804,008)**	(493,076,961)
Current maturity long term finance		**221,426,743**	1,340,046,000
Associted undertaking		**(12,060,205)**	3,140,880
Increase in Share Capital		**3,000,000,000**	2,000,000,000
Shares issue expenses		**(236,075,697)**	(54,800,629)
Director & Shareholders Loan		**(640,262,649)**	(1,273,376,310)
Net Cash from Financing Activities		**1,046,224,184**	1,521,932,980
Net Increase / (Decrease) in Cash and Cash Equivalents		**(129,620,286)**	181,541,105
Cash and Cash Equivalents - at the beginning of the year		**204,934,030**	23,392,925
Cash and Cash Equivalents - at the end of the year		**75,313,744**	204,934,030

The annexed notes from 1 to 42 form an integral part of these financial statements.

Director **Chief Executive** **Chief Financial Officer**

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. Khoshab

2 BASIS OF PREPARATION

2.1 Statement Of Compliance

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention, except for certain items, as disclosed in the relevant accounting policies below.

Functional and presentation currency

These financial statements are presented in Pakistan Rupee (PKR. / Rupees) which is the Company's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of PKR. / Rupees, unless otherwise stated.

2.3 Key Judgments and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan, requires the use of certain critical accounting estimates. In, addition, it requires management to exercise judgment in the process of applying the company's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to ;

- Valuation useful lives, residual values and depreciation method of Property, Plant and equipment [Refer to Note 17].
- Provision for slow moving inventories
- Obligation of defined benefit plans for employees.[Refer to note 12.2]
- Estimate of current and deferred tax.[Refer to note 12.1]
- Estimate of contingent liabilities.
- Impairment loss of non-financial assets other than inventories.

3 Change in accounting standards, interpretations and amendments to accounting and reporting standards

3.1 Amendments to published accounting and reporting standards which became effective during the year:

There were certain amendments to the accounting and reporting standards which became mandatory for the Company during the year. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these financial statements.

IAS 1 (Amendments) 'Presentation of Financial Statements' and IAS 8 (Amendments) 'Accounting Policies, Changes in Accounting Estimates and Errors'; Effective date (annual reporting periods beginning on or after January 31, 2023

IFRS 3 (Amendments) 'Business Combination'; Effective date (annual reporting periods beginning on or after January 31, 2022

IFRS 16 (Amendments) 'Leases'; Effective date (annual reporting periods beginning on or after January 31, 2021

Interest Rate Benchmark Reform which amended IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures'. ; Effective date (annual reporting periods beginning on or after January 31, 2021

3.2 The adoption of the above standards, amendments, interpretations and improvements did not have any material effect on the financial statements.

IFRS 17 Insurance Contract

4 Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Property, Plant and equipment

The Company has adopted revaluation model for its property, plant and equipment. Property, plant and equipment except for equipments furniture and fixture and vehicles which are stated at cost less accumulated depreciation and impairment loss if any. Freehold land is stated at cost less impairment loss, if any.

Depreciation charged on all depreciable assets is charged to profit and loss account on the reducing balance method over its estimated useful life at annual rates mentioned in note of fixed assets (17) after taking into account their residual values. Depreciation on additions is charged from the month in which asset is available for use and on disposal before the month of disposal. Residual values and and the useful lives of the assets are reviewed at least at each financial year end and adjusted if impact on depreciation is significant.

Subsequent costs including major renewals and improvements are included in the carrying amount of the asset or are recognized as separate asset as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the company and cost can be measured reliably. The carrying amount of the replaced part is derecognized at the time of replacement. Normal repair and maintenance and day to day servicing are charged to the statement of profit or loss as incurred.

The depreciation methods, useful lives and residual values of items of property, plant and equipment are reviewed periodically and altered if circumstances or expectations have changed significantly. Any change or adjustment in depreciation method, useful lives and residual values is accounted for as a change in accounting estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' and is applied prospectively in the financial statements by adjusting the depreciation charge for the period in which the amendment or change has been made and for future periods. Disposal of an item of property, plant and equipment is recognised when significant risk and rewards, incidental to the ownership of that asset, have been transferred to the buyer. Gain and loss on disposal is determined by comparing the carrying amount of that asset with the sales proceed and is recognised within 'other income / other operating expenses' in the statement of profit .

4.2 Capital Work in Progress

Capital work in progress is stated at cost less any identified impairment loss. All expenditures connected to the specific assets incurred and construction period is carried under capital work in progress. These are transferred to specific assets as and when these are available for use.

4.3 Stock - in - trade

Stock in trade are stated at the lower of cost and net realizable value. Cost of raw materials and components represent invoice values plus other charges incurred thereon. Cost of inventory is based on weighted average cost. Cost in relation to work in process and finished goods represent direct cost of raw materials, wages and appropriate manufacturing overheads. Goods in transit are valued at cost accumulated upto the reporting date.

The company reviews the carrying amount of stock in trade on an ongoing basis and as appropriate, inventory is written down to its net realizable value or provision is made for obsolescence if there is any change in usage pattern and physical form of related inventory.

Net realizable value is the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make sale.

4.4 Stores, spares & loose tools

Stores, spares and loose tools are stated at lower of cost and net realizable value. The cost of inventory is based on weighted average cost. Items in transit are stated at cost accumulated up to the reporting date. The Company reviews the carrying amounts of stores, spares and loose tools on an on-going basis and provision is made for obsolescence if there is any change in usage.

4.5 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in the previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is recognized using the balance sheet method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

4.6 Trade debts and other receivables

Trade debts and other receivables are classified as financial assets at amortized cost according to IFRS 9. Under IAS 39, trade and other receivables were previously classified as loans and receivables. Trade debts are initially recognized at original invoice amount which is the fair value of the consideration to be received in future and subsequently measured at cost less provision for doubtful debts. The Company uses simplified approach for measuring the expected credit losses for all trade and other receivables including contract assets based on lifetime expected credit losses. The Company estimates the credit losses using a provision matrix, where trade receivables are grouped based on different customer attributes along with historical, current and forward looking assumptions. Bad debts are written off with the approval of board of directors when identified.

4.7 Cash and Cash Equivalents

Cash and cash equivalents are stated at cost in the statement of financial position. For the purpose of cash flow statement cash and cash equivalent consists of cash in hand and balances with banks and short term borrowings under markup arrangement, saving and deposit accounts.

4.8 Trade and other payables

Liabilities for trade and other payables are carried at their amortized cost, which approximate fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company

4.9 Financial Liabilities

Financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value less directly attributable transactions costs, if any, and subsequently measured at amortized cost using effective interest method.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a DE recognition of original liability and recognition of a new liability and the difference in respective carrying amounts is recognized in the statement of profit or loss.

4.10 Financial Assets

The details of new accounting policies after the application of IFRS 9 is as follows. The new IFRS effectively eliminated loans and receivables category of the previous IAS 39.

4.10.1 Classification

Financial assets are classified, into following categories: financial assets at amortized cost, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income as per the requirements of IFRS-9. The financial assets are classified at initial recognition based on the business model used for managing the financial assets and contractual terms of the cash flows.

a) Financial assets at amortized cost

A financial asset shall be classified as financial asset at amortized cost if both of the following conditions are met

- the assets held within a business model whose objective is to hold assets in order to collect contractual cash flows
- Contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at Fair Value through Other Comprehensive Income

Debt instruments where contractual cash flows are solely payments of principal and interest and the objective of the company is achieved by both collecting cash flows and selling the financial assets.

Equity investments that are not held for trading and the company made an irrevocable election at initial recognition to measure it at fair value with only dividend income recognized in profit or loss.

c) Financial asset at fair value through Profit or loss

Financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive Income.

A debt instrument can be classified as financial asset at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring from measuring assets or liabilities or recognizing the gains or losses on them on different basis.

4.10.2 Recognition and Measurement

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the statement of profit or loss. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. After initial recognition, financial assets are measured at amortized cost. Gains or losses arising from changes in fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of profit or loss within 'other income / other operating expenses' in the period in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognized in the statement of profit or loss as part of 'other income' when the Company's right to receive payments is established. Gains or losses arising from changes in fair value of the 'financial assets at fair value through other comprehensive income' category are recognized in other comprehensive income with only dividend income recognized in profit or loss. The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss - is removed from equity and recognized in the statement of profit or loss. Impairment losses recognized in the statement of profit or loss on equity instruments are not reversed through the statement of profit or loss.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on allies the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

4.11 Derivative, financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair values. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, if so, the nature of the item being hedged. The Company designates certain derivatives as either fair value hedge or cash flow hedge.

a) Fair Value Hedge

A hedge of the exposure to changes in fair value of a recognized asset or liability or an unrecognized firm commitment or a component of any such item that is attributable to a particular risk and could affect profit or loss.

A hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with all or a component of a recognized asset or liability or a highly probable forecast transaction and could affect profit or loss.

4.12 Borrowing Costs

Borrowing costs are recognized as an expense in the period in which they are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which case such costs are capitalized as part of the cost of that asset.

4.13 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate

4.14 Foreign Currency Transactions

Transactions in foreign currencies are accounted for in Pakistan rupees at monthly average rates. Monetary assets and liabilities in foreign currencies are translated into rupees at the rate of exchange prevailing at the reporting date. Exchange gain or losses are charged to profit and loss account.

4.15 Impairment of Non- financial assets

Non-financial assets are reviewed at each reporting date to identify circumstances indicating occurrence of impairment loss or reversal of previous impairment losses, if any. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Reversal of impairment loss is restricted to the original cost of the asset.

4.16 Revenue recognition

According to the core principles of IFRS-15, the Company recognizes the revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services. The Company recognizes the revenue in accordance with that core principle by applying the following steps.

- Identify the contract with customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognize revenue when the entity satisfies a performance obligation.

The Company is involved in manufacturing and sale of foam and allied products. Revenue from sale of goods is recognized when the Company satisfies a performance obligation (at a point of time) by transferring promised goods to customers being when the goods are dispatched to customers. Revenue is measured at fair value of the consideration received or receivable and is reduced for allowances such as taxes, duties, commission, sales returns and discounts. Income from different sources other than above is recognized on the following basis

- Dividend income is recognized when the right to receive payment is established.

4.17 Related Party transactions

The company enters into transactions with related parties on arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods, except in extremely rare circumstances where, subject to approval of the board of directors it is in the interest of the company to do so.

Long term investment in associates

Investment in associated companies is accounted for using the equity method of accounting. Under this method, investment is initially recognized at cost plus the the Company's equity in undistributed earnings and losses after acquisition, less any impairment in the value of individual investments.

4.18 Staff Retirement benefits

The Company operates a defined benefit plan i.e gratuity scheme for all its permanent employees subject to attainment of retirement age and minimum service of prescribed period. Contributions are made to fund on the basis actuarial recommendations. Actuarial valuation is carried out using the projected unit credit method. All actuarial gains and losses are recognized in other comprehensive Income.

4.19 Earning Per Share-Basic

The Company presents earning per share data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

4.20 Dividend and appropriations

Dividend is recognised as liability in period in which it is declared. Appropriations of profit are reflected in the statemen of changes in equity in the period in which apprpriations are approved.

4.21 Share Capital

Ordinary shares are classified as equity and recognized at face value.

		Note	2022 Rupees	2021 Rupees
5	**SHARE CAPITAL**			
	a) Authorized Capital			
	800,000,000 (2021 : 400,000,000) ordinary shares of Rs.10/- each.		**8,000,000,000**	4,000,000,000
	b) Issued, Subscribed and Paid Up Capital		**6,374,191,890**	3,374,191,890
	- 637,419,189 (2021 : 337,419,189) ordinary shares of Rs.10/- each fully paid up in cash.			
	- 22,580,811 (2021: 22,580,811) ordinary shares of Rs. 10/- each fully paid up for consideration other than cash - Plant & Machinery		**225,808,110**	225,808,110
	- 34,800,000 (2021: 16,000,000) bonus shares of Rs.10/- each issued as bonus shares.		**348,000,000**	160,000,000
			6,948,000,000	3,760,000,000
6	**RESERVES**			
	Capital Reserve		**126,978,994**	126,978,994
	Revenue Reserve			
	Un-appropriated Profit/(Loss)		**983,010,923**	421,576,949
			1,109,989,917	548,555,943
7	**DIRECTORS & SHAREHOLDERS LOAN - UNSECURED**			
	Directors & shareholders loan	**7.1**	**57,035,933**	697,298,582
			57,035,933	697,298,582

7.1 The directors have provided interest free loan for expansion project. The repayment of the loan is at the discretion of the Company.

8	**SURPLUS ON REVALUATION OF FIXED ASSETS**			
	Balance as July 01,		**3,965,661,753**	4,027,666,417
	Add: Revaluation Surplus		**-**	-
			3,965,661,753	4,027,666,417
	Less: Surplus transferred to accumulated profit			
	Incremental depreciation		**85,749,224**	87,330,512
	Deferred Tax effect		**(24,867,275)**	(25,325,848)
			60,881,949	62,004,664
			3,904,779,804	3,965,661,753

8.1 The company got its assets i.e. land, building, plant & machinery revalued on June 30, 2006 on the basis of current market prices by M/s Hasib Associates (Pvt.) Limited, an independent and approved valuers from Pakistan Banks Association. Subsequently the company got its assets revalued in June 2013 by an independent valuer. However, no material differences were identified. Subsequently, as per principles and guidelines issued by IFRS, the company got its assets i.e. land, building, plant & machinery revalued on June 30, 2019 on the basis of current market prices by M/s Hasib Associates (Pvt.) Limited, an independent and approved valuers from Pakistan Banks Association. Surplus on revaluation includes freehold land amounting to Rs.111.594 million (2021: Rs. 111.594 million).

		Note	2022 Rupees	2021 Rupees
9	**LONG TERM LIABILITIES**			
	Loans from banking companies - secured	**9.1**	**3,064,301,157**	4,114,951,771
	Loans from banking companies - secured	**9.2**	**16,324,640**	-
			3,080,625,797	4,114,951,771
9.1	**LOANS FROM BANKING COMPANIES - SECURED**			
	National Bank of Pakistan Demand Finance - II	**9.1.1**	**1,086,548,580**	1,274,048,580
	National Bank of Pakistan Demand Finance - III	**9.1.2**	**13,555,000**	36,370,000
	National Bank of Pakistan Demand Finance - IV	**9.1.3**	**980,405,433**	1,124,548,433
	National Bank of Pakistan Demand Finance - V	**9.1.4**	**360,000,000**	400,000,000
	National Bank of Pakistan Demand Finance - VI	**9.1.5**	**111,664,000**	134,000,000
	National Bank of Pakistan Demand Finance - VII	**9.1.6**	**1,400,000,000**	1,349,369,125
	National Bank of Pakistan Demand Finance - VIII	**9.1.7**	**133,940,314**	608,382,580
	Al Baraka Bank Diminishing Musharika	**9.1.8**	**546,531,053**	546,531,053
			4,632,644,380	5,473,249,771
	LOANS FROM BANKING COMPANIES - SECURED			
9.2	Invest Capital investment Bank Ltd.	**9.2.1**	**27,706,160**	-
			4,660,350,540	5,473,249,771
	Less: current portion of long term liabilities as shown under current liabilities		**1,579,724,743**	1,358,298,000
			3,080,625,797	4,114,951,771

9.1.1 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 deferrement 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 secure 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.

9.1.2 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 facility will expire on 30-06-2023 and principal is to be repaid in 16 quarterly installments 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.

9.1.3 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 prorate 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 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.

9.1.4 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 quartertly installments of Rs 20 million each starting from 31-12-2021. It will be charged with 3 Months KIBOR plus 1.75 %

9.1.5 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. tentatively up 31-03-2025.

9.1.6 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. tentatively up 31-03-2027.

9.1.7 Fresh Demand Finance Facility Rs 610 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 installments started from 31-03-2021 to 29-02-2024.

All these facilities also include commitment of sponsoring directors through pledge of shares.

9.1.8 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 and half years grace period for principal repayment only and afterward, the due amount installment shall be paid by 7 equal half yearly installments over the remaining year 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%.

9.2.1 Lease finance facility of Rs. 31,500,000 is obtained from Investment Capital Bank Limited against finance tenure 36-months with monthly installment 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.

		Note	**2022** **Rupees**	2021 Rupees
10	**LOAN FROM ASSOCIATED UNDERTAKINGS - UNSECURED**			
	Flying Paper Industries Limited		**161,329,946**	174,480,989
	Flying Board & Paper Products Limited		**114,024,025**	112,933,186
	Poly Paper & Board Mills(Pvt) Limited		**34,300,000**	34,300,000
	Zamam Paper & Board Mills (Pvt) Limited		**10,153,633**	10,153,633
			319,807,603	331,867,808

These represents markup free loans from associated undertakings that will be repayable on discretion of the company

11	**LONG TERM DEPOSITS - UNSECURED**			
	Dealers	**11.1**	**2,805,000**	2,805,000
	Transporters	**11.2**	**11,200,340**	11,200,340
			14,005,340	14,005,340

11.1 These represent interest free security deposits from delears and the dealership is provided for a period of five years. The agreement is renewable on expiry of previous contract period.These are being utilized by the Company in accordance with agreed terms.

11.2 These represent interest free security deposits from transporters and as per agreement these are repayable after a period of five years. The agreement is renewable on expiry of previous contract period. These are being utilized by the Company in accordance with agreed terms.

			2022	2021
			Rupees	Rupees
12	**DEFERRED LIABILITIES**			
	Deferred Taxation	**12.1**	**305,416,731**	643,280,504
	Gratuity	**12.2**	**4,389,102**	1,763,882
			309,805,833	645,044,386

12.1 Deferred Taxation - Net

Taxable temporary differences - effect thereof		
-Excess of accounting book value of fixed assets over their tax base	**734,455,831**	1,130,887,726
-Prepaid rent	**-**	87,000
Deductible temporary differences - effect thereof		
-Gratuity	**(1,873,275)**	(489,305)
-WPPF & WWF	**(20,338,224)**	(11,973,368)
Remeasurement of defined benefits	**-**	(22,220)
-Unused tax losses	**(406,827,602)**	(475,209,329)
	305,416,731	643,280,504

12.2 The amounts recognized in the statement of financial position based on the recent actuarial valuation carried on June 30, 2022 are as follows

12.2.1 Statement of Financial Position

Present value of defined benefit obligation	**4,329,102**	**1,763,882**
	4,329,102	1,763,882

12.2.2 Change in present value of defined benefits obligations

Present value of defined benefit obligation at the beginning of the year	**1,763,882**	1,275,306
Current service cost for the year	**381,367**	303,553
Interest cost on defined benefit obligation	**173,388**	108,401
Benefits due but not paid (payable)	**(60,000)**	-
Benefits paid	**-**	-
Gains and losses arising on plan settlements	**-**	-
Remeasurements		
Actuarial (gains) / losses from changes in demographic assumptions	**-**	-
Actuarial (gains) / losses from changes in financial assumptions	**10,393**	2,327
Experience adjustments	**2,060,072**	74,295
Present value of defined benefit obligation	**4,329,102**	1,763,882

12.2.3 Charge for the year

Current service cost	**381,367**	303,553
Interest cost on defined benefit obligation	**173,388**	108,401
Expenses charged to profit and loss	**554,755**	411,954

		2022	2021
12.2.4	**The charge for the year has been allocated as follows:**	**Rupees**	Rupees
	Cost of sales	**-**	-
	Distribution cost	**-**	-
	Administrative expenses	**554,755**	411,954
	Cost of sale of electricity	**-**	-
		554,755	411,954
12.2.5	**Principal actuarial assumptions used are as follows:**		
	Expected rate of increase in salary level	**N/A**	N/A
	Valuation discount rate	**10%**	8.50%

The entity operates a salary based defined benefit plan for the empolyees.

Expected charge to profit and loss account for year ended June 30, 2022amount to Rs.554,755

12.2.6 Sensitivity analysis

A sensitivity analysis for the above principal actuarial assumptions as of the statement of financial position date showing how the defined benefit obligation would have been affected by changes in the said assumptions is as follows:

Discount rate + 100 bps	**4,217,111**	1,709,811
Discount rate - 100 bps	**4,449,561**	1,822,600
Salary increases + 100 bps	**4,451,746**	1,823,661
salary increases - 100 bps	**4,213,113**	1,707,860

12.2.7 Maturity profile of the defined benefit obligation:

Weighted average duration - in number of years	3 Years	6 Years
The retirement will at most continue - year	2027	2027

12.2.8 Description of the risks to the Company

The defined benefit plan exposes the Company to the following risks:
Mortality risks - The risk that the actual mortality experience is different. The effect is more pronounced in schemes where the age and service distribution is on the higher side.

Final salary risks - The risk that the final salary at the time of cessation of service is greater than what was assumed. Since the benefit is calculated on the final salary, the benefit amount increase as salary increase.

Withdrawal risks - The risk of actual withdrawals experience is different from assumed withdrawal probability.The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

		Note	2022 Rupees	2021 Rupees
13	**TRADE AND OTHER PAYABLES**			
	Trade Payables & others - unsecured		**1,463,838,709**	855,731,547
	Accrued liabilities		**12,701,315**	9,751,517
	Accrued Markup		**177,190,331**	225,020,171
	Taxes and Other Govt. Levies payable		**361,980,361**	379,942,770
	Other liabilities		**142,788,200**	149,716,963
			2,158,498,915	1,620,162,968

14 UNCLAIMED DIVIDEND

It represent amount of unclaimed dividend pertaining to past years and is still un claimed. This amount is being transfered to a seperate bank account.

15	**SHORT TERM FINANCES**			
	Loans from banking companies-secured	**15.1**	**162,751,637**	415,229,671
			162,751,637	415,229,671

15.1 LOANS FROM BANKING COMPANIES-SECURED	Note	2022 Rupees	2021 Rupees
Albaraka Islamic Bank		-	45,696,561
National Bank of Pakistan	15.1.1	**162,751,637**	369,533,110
		162,751,637	415,229,671

15.1.1 During the year, the Company has facility of letter of credit facility of usance (180 Days) from National Bank of Pakistan of Rs. 400 million at 20% Cash Margin with expiry of 31-12-2023 for the purpose of importing coal, packing material and machinery parts. The facility is secured against 1st charge of Rs.534 million over all present and future fixed assets of the Company and personal guarantees of two sponsor Directors. All these facilities also include commitment of sponsoring directors through pledge of shares.

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

16.2 The Competition Commission of Pakistan (CCP) has issued a show cause notice to the company for an increase in prices of cement across the country. As a result of it an amount of Rs. 12 million was imposed as a penalty. The case is currently before the Honorable High Court. The Court granted the stay order restricting the CCP to pass any adverse order(s) against the show cause notices issued to the cement manufacturers. Starting date of hearing in the Court was 11-11-2008.

16.3 Sales tax audit was conducted in 2015 and an impugned liability of Rs. 40.9 million was determined out of which Rs. 20 million has been deposited by the company under protest. The company feeling aggrieved filed an appeal before appellate tribunal which is pending and is likely to be decided in favour of the Company.

16.4 Income Tax audit was conducted of tax year 2016, 2018 and 2019. and also sales tax audit of the year 2016,2018, 2019 and 2020. The Company have stay order against audit from Honorable Lahore High Court Lahore.

Commitments

16.5 Commitments in respect of outstanding letter of credit amount to Rs.239 million (2021 Rs.140(M). It includes letter of credit facilities for procurement of new cement production plant,raw material and parts of machinery.

17 PROPERTY, PLANT & EQUIPMENT	Note	2022 Rupees	2021 Rupees
Operating Assets - tangible	17.1	**8,559,485,014**	7,356,066,326
Capital Work in Progress - at cost	17.6	**9,868,684,605**	8,529,611,459
		18,428,169,619	15,885,677,785

17.1

Operating Assets - tangible

Particulars	Land-Freehold	Building on freehold land	Roads	Plant and Machinery	Electrical Insatallation	Tools and Equipment	Furniture, fixture and equipme	Vehicles	Total operating assets
	----------(Rupees)----------								
At July 01, 2020									
Cost	124,717,500	617,424,582	5,514,865	7,370,595,265	23,079,785	1,391,363	1,524,309	26,029,385	8,170,277,054
Accumulated depreciation	-	162,226,235	1,761,586	1,198,065,265	13,506,743	982,230	1,195,213	17,479,949	1,395,217,221
Net book value	124,717,500	455,198,347	3,753,279	6,172,530,000	9,573,042	409,133	329,096	8,549,436	6,775,059,833
Movement during the period									
Net book value as on July 01,2020	124,717,500	455,198,347	3,753,279	6,172,530,000	9,573,042	409,133	329,096	8,549,436	6,775,059,833
Additions	-	-	-	720,651,127	760,000	-	-	-	721,411,127
Disposals:									
Cost	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Depreciation charge	-	9,103,967	75,066	129,334,272	962,562	40,913	32,910	854,944	140,404,634
Closing Net Book Value	124,717,500	446,094,380	3,678,213	6,763,846,855	9,370,480	368,220	296,186	7,694,492	7,356,066,326
At June 30, 2021									
Cost/Revalued amount	124,717,500	617,424,582	5,514,865	8,091,246,392	23,839,785	1,391,363	1,524,309	26,029,385	8,891,688,181
Accumulated depreciation	-	171,330,202	1,836,652	1,327,399,537	14,469,305	1,023,143	1,228,123	18,334,893	1,535,621,855
Net book value	124,717,500	446,094,380	3,678,213	6,763,846,855	9,370,480	368,220	296,186	7,694,492	7,356,066,326
At July 01, 2021									
Cost/Revalued Amount	124,717,500	617,424,582	5,514,865	8,091,246,392	23,839,785	1,391,363	1,524,309	26,029,385	8,891,688,181
Accumulated depreciation	-	171,330,202	1,836,652	1,327,399,537	14,469,305	1,023,143	1,228,123	18,334,893	1,535,621,855
Net book value	124,717,500	446,094,380	3,678,213	6,763,846,855	9,370,480	368,220	296,186	7,694,492	7,356,066,326
Movement during the period									
Net book value as on July 01,2021	124,717,500	446,094,380	3,678,213	6,763,846,855	9,370,480	368,220	296,186	7,694,492	7,356,066,326
Additions	-	-	-	1,365,723,200	5,683,500	-	-	4,505,274	1,375,911,974
Disposals:				(20,396,050)					(20,396,050)
Cost	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Depreciation charge	-	8,921,888	73,564	140,741,525	963,908	36,822	29,619	1,329,910	152,097,236
Closing Net Book Value	124,717,500	437,172,492	3,604,649	7,968,432,480	14,090,072	331,398	266,567	10,869,856	8,559,485,014
At June 30, 2022									
Cost/Revalued amount	124,717,500	617,424,582	5,514,865	9,436,573,542	29,523,285	1,391,363	1,524,309	30,534,659	10,247,204,105
Accumulated depreciation	-	180,252,090	1,910,216	1,468,141,062	15,433,213	1,059,965	1,257,742	19,664,803	1,687,719,091
Net book value	124,717,500	437,172,492	3,604,649	7,968,432,480	14,090,072	331,398	266,567	10,869,856	8,559,485,014
Annual rate of depreciation (%)	-	2	2	2	10	10	10	10	

		2022	2021
		Rupees	Rupees
17.2	**Depreciation for the year has been allocated as under:**		
	Cost of Goods Sold	**150,737,707**	139,516,780
	Administrative expenses	**1,359,529**	887,854
		152,097,236	**140,404,634**

17.3 The company have revalueed its Land, Building and Plant & Machinery. Revaluation of the assets was carried out by indipended valuer M/S Habib Associates (Pvt) Limited on June 30, 2019. The force sale value of Rs. 6,887,705,610 comprise of Land is Rs.124,717,500 Building is Rs.464,488,100 and Plant and machinery Rs.6,298,500,000 as per valuation report.

17.4 Had there been no revaluation, the carrying amount of the assets would be as follows:

Particulars	Land-Freehold	Building on freehold land	Roads	Plant and Machinery	Electrical Installation	Tools and Equipment	Furniture, fixture and equipment	Vehicles	Total operating assets
	(Rupees)								
At July 01, 2020									
Cost	13,123,746	292,730,850	5,514,865	2,608,446,474	23,079,785	1,391,363	1,524,309	26,029,385	2,968,840,777
Accumulated depreciation	-	90,744,589	1,761,585	546,229,971	13,506,743	962,230	1,195,213	17,479,949	671,880,280
Net book value	13,123,746	201,986,261	3,753,280	2,059,216,503	9,573,042	429,133	329,096	8,549,436	2,296,960,497
Movement during the period									
Net book value as on July 01,2019	13,123,746	201,986,261	3,753,280	2,059,216,503	9,573,042	429,133	329,096	8,549,436	2,296,960,497
Additions	-	-	-	720,651,127	760,000	-	-	-	721,411,127
Disposals:									
Cost	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Depreciation charge	-	4,039,725	75,066	47,189,756	962,562	40,913	32,910	854,944	53,195,876
Closing Net Book Value	13,123,746	197,946,536	3,678,214	2,732,677,874	9,370,480	388,220	296,186	7,694,492	2,965,175,748
At June 30, 2021									
Cost	13,123,746	292,730,850	5,514,865	3,326,097,601	23,839,785	1,391,363	1,524,309	26,029,385	3,690,251,904
Accumulated depreciation	-	94,784,314	1,836,651	593,419,727	14,469,305	1,023,143	1,228,123	18,334,893	725,096,156
Net book value	13,123,746	197,946,536	3,678,214	2,732,677,874	9,370,480	368,220	296,186	7,694,492	2,965,155,748
At July 01, 2021									
Cost	13,123,746	292,730,850	5,514,865	3,326,097,601	23,839,785	1,391,363	1,524,309	26,029,385	3,690,251,904
Accumulated depreciation	-	94,784,314	1,836,651	593,419,727	14,469,305	1,023,143	1,228,123	18,334,893	725,096,156
Net book value	13,123,746	197,946,536	3,678,214	2,732,677,874	9,370,480	368,220	296,186	7,694,492	2,965,155,748
Movement during the period									
Net book value as on July 01,2021	13,123,746	197,946,536	3,678,214	2,732,677,874	9,370,480	368,220	296,186	7,694,492	2,965,155,748
Additions	-	-	-	1,365,723,200	5,683,500	-	-	4,505,274	1,375,911,974
Delection	-	-	-	(20,396,050)	-	-	-	-	(20,396,050)
Disposals:									
Cost	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Depreciation charge	-	3,958,931	73,564	68,626,066	963,908	36,822	29,619	879,382	74,568,292
Closing Net Book Value	13,123,746	193,987,605	3,604,650	4,009,378,958	14,090,072	331,398	266,567	11,320,384	4,246,103,380
At June 30, 2022									
Cost	13,123,746	292,730,850	5,514,865	4,671,424,751	29,523,285	1,391,363	1,524,309	30,534,659	5,045,767,828
Accumulated depreciation	-	98,743,245	1,910,215	662,045,793	15,433,213	1,059,965	1,257,742	19,214,275	799,664,448
Net book value	13,123,746	193,987,605	3,604,650	4,009,378,958	14,090,072	331,398	266,567	11,320,384	4,246,103,380
Annual rate of depreciation (%)	-	2	2	2	10	10	10	10	

17.5 **Particulars of immovable property (i.e. land & building in the name of company) are as follows.**

Location	25-Km. Lilla Interchange Lahore - Islamabad Motorway, Mangowal Distt. Khoshab
Usage	For production purposes
Area	120 Acres 4 Kanal

17.6 **Movement in Capital Work in Progress**

	As at 01-07-2021	Addition	Adjustment	Revaluation	As at 30-06-2022
Building	523,438,420	486,185,988	-	-	1,009,624,408
Plant & machinery	8,006,173,039	2,218,610,358	1,365,723,200	-	8,859,060,197
	8,529,611,459	**2,704,796,346**	**1,365,723,200**	-	**9,868,684,605**

Movement in Capital Work in Progress

	As at 01-07-2020	Addition	Adjustment	Revaluation		As at 30-06-2021
Building	356,349,590	167,088,830	-	-		523,438,420
Plant & machinery	6,155,464,270	2,571,359,896	720,651,127	-		8,006,173,039
	6,511,813,860	**2,738,448,726**	**720,651,127**	-	-	**8,529,611,459**

		Note	2022 Rupees	2021 Rupees
17.8	**CAPITAL WORK IN PROGRESS**			
	Building		**1,009,624,408**	523,438,420
	Plant & machinery		**8,859,060,197**	8,006,173,039
			9,868,684,605	8,529,611,459
18	**LONG TERM SECURITY DEPOSITS**			
	Security deposits-WAPDA		**32,880,151**	32,880,151
			32,880,151	32,880,151
18.1	These are security deposits held with WAPDA and do not carry any markup arrangement.			
19	**STORES, SPARES AND LOOSE TOOLS**			
	Stores & Spares		**40,670,224**	1,084,673
	Furnace oil, coal & lubricants		**188,995,372**	248,968,414
			229,665,596	250,053,087
20	**STOCK IN TRADE**			
	Raw & Packing material		**5,198,567**	35,762,643
	Work in process	**25**	**533,533,215**	830,352,224
	Finished goods	**25**	**71,092,667**	104,502,974
			609,824,449	970,617,841
	Stock in trade is recorded at lower of cost or net realizable value.			
21	**TRADE DEBTS-** considered good though unsecured		**173,528,856**	185,871,391
22	**ADVANCES, DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES**			
	Advances to suppliers - Unsecured, considered good	**22.1**	**136,204,209**	146,575,596
	Advances to staff - Unsecured, considered good		**149,000**	204,000
	Margin held by banks		**82,398,566**	53,626,546
	Advance income tax		**200,578,545**	433,726,721
	Sales tax & excise duty tax year 2013		**20,000,000**	20,000,000
	Other advances		**253,295,786**	95,509,487
			692,626,106	749,642,350
22.1	It includes balance with Flying Kraft Paper Mill (Pvt) Limited and Lahore Paper Sack amounting to Rs 4,311,307 (2021: 4,311,307) and Rs 41,020,828 (2021: 41,020,828) respectively.			
23	**CASH AND BANK BALANCES**			
	In Hand		**40,712,294**	560,568
	At Banks- current accounts		**34,601,450**	204,373,462
			75,313,744	204,934,030

		Note	2022 Rupees	2021 Rupees
24	**SALES**			
	Gross Sales			
	Local - Cement		**6,496,400,651**	3,639,948,382
	- Agriculture Produce		**649,504,260**	739,704,691
			7,145,904,911	4,379,653,073
	Less :			
	Sales Tax		**1,025,458,157**	584,849,956
	Excise Duty		**784,321,500**	582,234,000
	Trade discount		**-**	6,840,640
			1,809,779,657	1,173,924,596
	NET SALES		**5,336,125,254**	3,205,728,477
25	**COST OF SALES**			
	Raw Material Consumed		**120,358,132**	86,585,099
	Furnace Oil, Diesel, Coal and Lubricants consumed		**1,603,567,670**	778,540,712
	Packing Material consumed		**464,056,894**	271,582,975
	Stores and Spares consumed		**16,778,800**	11,305,097
	Agriculture Produce		**306,700,512**	352,565,578
	Salaries , Wages and Benefits		**99,402,513**	88,024,339
	Electricity		**1,278,447,214**	855,822,647
	Extraction Charges and government charges		**76,610,078**	79,650,750
	Repair and Maintenance		**4,150,359**	2,915,100
	Vehicle Running Expenses		**5,055,326**	915,391
	Communication		**274,029**	83,100
	Entertainment		**73,317**	68,825
	Printing and Stationery		**940,041**	215,030
	Travelling and Conveyance		**286,840**	163,270
	Other Manufacturing Expenses		**6,365,902**	7,468,609
	Depreciation	**17.2**	**150,737,707**	139,516,780
			4,133,805,334	2,675,423,302
	Work In Process			
	Opening stock		**830,352,224**	1,145,936,536
	Closing stock		**(533,533,215)**	(830,352,224)
			296,819,009	315,584,312
	Cost of Goods Manufactured		**4,430,624,343**	2,991,007,614
	Finished Goods			
	Opening stock		**104,502,974**	16,287,187
	Closing stock		**(71,092,667)**	(104,502,974)
			33,410,307	(88,215,787)
	Cost of Sales		**4,464,034,650**	2,902,791,827

		Note	2022 Rupees	2021 Rupees
26	**DISTRIBUTION COST**			
	Salaries, Wages and Benefits		**14,183,430**	10,524,042
	Rent, Rates and Taxes		**80,000**	204,405
	Travelling, Conveyance and Vehicle Running		**48,785**	17,190
	Communication		**21,675**	6,722
	Electricity, Water & Sui Gas		**22,885**	11,273
	Advertisement		**100,000**	-
	Entertainment & Miscellaneous		**73,650**	34,132
			14,530,425	10,797,764
27	**ADMINISTRATIVE EXPENSES**			
	Salaries, Wages and Benefits	**27.1**	**22,347,156**	13,558,278
	Directors' Remuneration		**9,600,000**	22,800,000
	Rent, Rates and Taxes		**3,660,000**	600,000
	Electricity, Water & Sui Gas		**1,904,035**	-
	Legal and Professional		**125,000**	1,650,000
	Communication		**606,907**	873,494
	Charity and Donation	**27.2**	**378,200**	20,000
	Fee and Subscription		**16,940,208**	2,650,808
	Insurance		**17,104,542**	8,560,127
	Auditors' Remuneration	**27.3**	**1,917,500**	1,277,000
	Fine & Penalties		**28,962**	963,765
	Entertainment		**7,500**	-
	Depreciation	**17.2**	**1,359,529**	887,854
			75,979,539	53,841,326

27.1 Salaries, Wages and Benefits includes Rs. 554,755/- (2021: Rs. 411,954/-) in respect of gratuity.

27.2 The Company has paid the charity and donation of Rs. 378,200/-(2021: Rs.20,000/-) and directors or their spouses were not interested in the donee.

27.3	**Auditors' Remuneration**		
	Audit Fee	**1,500,000**	852,000
	Code of Corporate Governance	**-**	60,000
	Half yearly review	**367,500**	315,000
	Out of pocket expenses	**50,000**	50,000
		1,917,500	1,277,000
28	**OTHER EXPENSES**		
	Workers' Profit Participation Fund	**37,335,685**	13,625,007
	Workers' Welfare Fund	**5,133,652**	5,177,503
		42,469,337	18,802,510
29	**FINANCE COST**		
	Mark up	**114,781,500**	71,232,931
	Leasing Expenses	**58,000**	-
	Bank Charges and Commission	**260,729**	442,692
		115,100,229	71,675,623
30	**OTHER INCOME**		
	Sale of Trees, Scrap and damaged stock	**87,217,814**	76,690,921
	Creditors written back (Over Three Years)	**-**	29,187,289
		87,217,814	105,878,210

		Note	2022 Rupees	2021 Rupees
31	**TAXATION**			
	Prior year Taxation		**1,485,563**	-
	Current		**120,908,911**	48,188,537
	Deferred		**(337,263,338)**	61,824,358
			(214,868,864)	110,012,895

31.1 Numerical reconciliation between the average tax rate and applicable tax rate has not been presented as the company is subject to the provisions of minimum tax under section 113 and alternate corporate tax under section 113 C of the Income Tax Ordinance, 2001.

31.2 The applicable income tax rate for subsequent years beyond tax year 2019 was reduced to 29% on account of changes made to the Income Tax Ordinance, 2001 through Finance Act 2020. Therefore, deferred tax is computed at the rate of 29% applicable to the period when temporary differences are expected to be reversed / utilized.

32 EARNINGS / (LOSS) PER SHARE-BASIC

There is no dilutive effect on the earnings per share, and basic earnings per share is based on:

Profit / (Loss) before taxation		**711,228,888**	253,697,637
Profit / (Loss) after taxation		**926,097,752**	143,684,742
		(No. of shares)	
Weighted average number of ordinary shares		**694,800,000**	376,000,000
		(Rupees)	
32.1 Earnings/(Loss) per share (before tax) - Basic		**1.02**	0.67
32.2 Earnings/(Loss) per share (after tax) - Basic		**1.33**	0.38

33 NUMBER OF EMPLOYEES

Number of employees at the end of year	**535**	544
Average number of employees during the year	**469**	403

34 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:

Nature of transaction Purchase of goods, services	**Relationship**	**2022 Rupees**	2021 Rupees
Flying Paper Industries Limited	Associate	**-**	4,740,000
Flying Board & Paper Products Limited	Associate	**-**	1,599,120
		-	6,339,120
Sales of goods, services	**Relationship**		
Flying Board & Paper Products Limited	Associate	**-**	-
		-	-
Loan Received from	**Relationship**		
Kamran Khan	Director	**140,500,000**	93,909,845
Momin Qamar	Director	**180,000,000**	17,650,000
Samina Kamran	Director	**-**	-
		320,500,000	111,559,845

			2022	2021
34.1	**Year end balances**	**Notes**	**Rupees**	Rupees
	Payable to related parties.	**10**	**319,807,603**	331,867,808
	Receivable from related parties	**Relationship**		
	Flying Kraft Paper Mills (Pvt) Ltd	10% Shareholding of directors of Flying Cement Company Limited in Flying Kraft Paper Mills	4,311,307	4,311,307
	Lahore Paper Sack	Son of director of Flying Cement Company Limited is director in Lahore Paper Sack.	41,020,828	41,020,828
			45,332,135	45,332,135

34.2 All transactions with related parties have been carried out on commercial terms and conditions.

34.3 Following are the related parties with whom the Company had entered into transactions or have arrangement / agreement in place.

34.4 The maximum balance was outstanding as at 30th June 2022 shown in note above.

Name	**Basis of association**	**Aggregate % of Shareholding (Directly or Indirectly)**
Flying Paper Industries Limited	Associated Company - Common share holding	23% shareholding in Flying Paper Industries Limited and 26% shareholding in Flying Cement Company Limited
Flying Board & Paper Products Limited	Associated Company - Common share holding	64% shareholding in Flying Board & Paper Products Limited and 31% shareholding in Flying Cement Company Limited
Zaman Paper & Board Mill (Private) Limited	Associated Company - Common share holding	64% shareholding in Zaman Paper & Board Mill (Private) Limited and 31% shareholding in Flying Cement Company Limited
Poly Paper & Board Mills (Private) Limited	Associated Company - Common share holding	41% shareholding in Poly Paper & Board Mills (Private) Limited and 26% shareholding in Flying Cement Company Limited

35 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASHF LOW ARISING FROM FINANCIAL ACTIVITIES

	2022				
	Short term finanace	Long term loan	Current maturity of long term loan	Associated under taking	Director loan
Balance as on 01 July 2021	415,229,671	4,114,951,771	1,358,298,000	331,867,808	697,298,582
Increse/(Decrease)					
Short term finanace	(252,478,034)				
Long term loan		(1,034,325,974)			
Current maturity of long term loan			221,426,743		
Associated under taking				(12,060,205)	
Director loan					(640,262,649)
Balance as on 30 June 2022	162,751,637	3,080,625,797	1,579,724,743	319,807,603	57,035,933

	2021				
	Short term finanace	Long term loan	Current maturity of long term loan	Associated under taking	Director loan
Balance as on 01 July 2020	1,582,311,299	3,440,947,104	18,252,000	328,726,928	1,970,674,892
Increse/(Decrease)					
Short term finanace	(1,167,081,628)				
Long term loan		674,004,667			
Current maturity of long term loan			1,340,046,000		
Associated under taking				3,140,880	
Director loan					(1,273,376,310)
Balance as on 30 June 2022	415,229,671	4,114,951,771	1,358,298,000	331,867,808	697,298,582

36 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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.

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

36.1 Credit risk

Credit risk is the risk representing accounting loss that would be recognized at the reporting date if one party to a financial instrument will fail to discharge an obligation or its failure to perform duties under the contract as contracted. Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations that is susceptible to changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry. The maximum exposure to credit risk at the reporting date is as follows:

The company's Credit risk exposures are categorized under the following heads:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at reporting date was:

	Note	**2022** **Rupees**	2021 Rupees
Trade debtors	21	**173,528,856**	185,871,391
Advances, deposits, prepayments and other receivables	22	**335,843,352**	149,340,033
Cash at banks	23	**34,601,450**	204,373,462
Long term security deposits	18	**32,880,151**	32,880,151
		576,853,810	572,465,037

The trade debts at the statement of financial position date are all domestic debts. Furthermore, credit quality of customers is assessed taking into consideration their financial position and previous dealings and on that basis, individual credit limits are set. Moreover, the management regularly monitors and reviews customers' credit exposure. Accordingly, the Company is not exposed to any significant credit risk.

The aging of trade receivables at the reporting date:	**2022** **Rupees**	2021 Rupees
Not past due	**45,117,503**	48,326,562
Past due 1-30 days	**64,205,677**	68,772,415
Past due 31-60 days	**38,176,348**	40,891,706
Past due 61-90 days	**15,617,597**	16,728,425
Over 90 days	**10,411,731**	11,152,283
	173,528,856	185,871,391

Advances, deposits, prepayments and other receivable includes staff advacnes, margin held with the Banks and advances to Associated Companies. Considering the financial position of related parties and credit quality of the institution, the Company's exposure to credit risk is not significant.

Long term deposits have been mainly placed with suppliers of electricity, gas and telecommunication services. Considering the financial position and credit quality of the institutions, the Company's exposure to credit risk is not significant.

36.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due. The Company is not materially exposed to liquidity risk as substantially obligations / commitments of the Company are short term in nature and are restricted to the extent of available liquidity. In addition, the Company has obtained finance facilities from various commercial banks to meet any deficit, if required to meet the short term liquidity commitments.

The following are the contractual maturity analysis of financial

	2022					
	Carrying amount	Contractual cash flows	Within 6 months	More than 6 months and upto 1 year	More than 1 year and upto 2 years	More than 2 years and upto 5 years
Long term finances	5,009,487,917	5,009,487,917	972,341,364	600,564,859	**1,208,275,229**	**2,228,306,465**
Trade and other payables	1,619,328,224	1,619,328,224	1,619,328,224	-	-	-
Accrued Markup	177,190,331	177,190,331	177,190,331	-	-	-
Short term borrowings	162,751,637	162,751,637	162,751,637	-	-	-
Unclaimed dividend	59,526	59,526	59,526	-	-	-
	6,968,817,634	6,968,817,634	2,931,671,081	600,564,859	1,208,275,229	2,228,306,465

	2021					
	Carrying amount	Contractual cash flows	Within 6 months	More than 6 months and upto 1 year	More than 1 year and upto 2 years	More than 2 years and upto 5 years
Long term finances	6,502,416,161	6,502,416,161	678,111,000	680,187,000	1,360,240,000	3,783,878,161
Trade and other payables	1,015,200,027	1,015,200,027	1,015,200,027	-	-	-
Accrued Markup	225,020,171	225,020,171	225,020,171	-	-	-
Short term borrowings	415,229,671	415,229,671	415,229,671	-	-	-
Unclaimed dividend	59,526	59,526	59,526			
	8,157,925,556	8,157,925,556	2,333,620,395	680,187,000	1,360,240,000	3,783,878,161

36.3 Market Risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company is exposed to currency risk and interest rates only.

36.3.1 Interest rate risk

At the reporting date the interest rate profile of the Company's interest bearing financial instruments were:

	Effective rate in %		Carrying Amount (Rupees)	
	2022	2021	**2022**	2021
Financial Liabilities				
Variable Rate instruments:				
Short term borrowings	**11.43**	8.76	**162,751,637**	415,229,671
Long term borrowings	**11.28**	9.26	**4,632,644,380**	5,473,249,771
				-

36.3.1.1 Fair value sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore a change in interest rate at the reporting date would not affect profit and loss account.

36.3.1.2 Cash flow sensitivity analysis for various rate instruments

A change of 100 basis points in interest rate at the reporting date would have increased / (decreased) profit or loss by amount shown below. This analysis assumes that all other variables, in a particular foreign currency rate (if any), remains constant. The analysis is performed on the same basis as for the previous year:-

	Rupees Increase Profit	Rupees Decrease Profit
As at June 30, 2022	**47,953,960**	(47,953,960)
As at June 30, 2021	**58,884,794**	(58,884,794)

The sensitivity analysis prepared is not necessarily indicative of the effect on profit / (loss) for the year and assets / liabilities of the Company.

36.3.2 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The company is not exposed to any price risk as there are no financial instruments at the reporting date that are sensitive to price fluctuations.

36.3.3 Currency Risk

Foreign currency risk is the risk that the value of financial assets or liabilities will fluctuate due to change in foreign exchange rates. It arises mainly where receivable and payable exist due to transactions entered into foreign currencies. The company is exposed to currency risk on import of machinery mainly dominated in US dollars. The Company's exposure to foreign currency risk for US dollars is as follows:

	2022 **Rupees**	2021 Rupees
Outstanding letter of credits	**162,751,637**	415,229,671
Average rate	**181.46**	160.31
Reporting date rate	**204.85**	158.30

36.3.3.1 Sensitivity Analysis

At reporting date, if the PKR had strengthened by 10% against the foreign currencies with all other variables held constant, post-tax profit for the year would have been higher by the amount shown below, mainly as a result of net foreign exchange gain on translation of outstanding letter of credits.

The effect on profit and loss account is	**16,275,164**	41,522,967

The weakening of PKR against foreign currencies would have an equal but opposite impact on the post tax profit. The sensitivity analysis prepared is not necessarily indicative of the effects on (loss)/profit for the year and assets/liabilities of the Company.

36.4 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the company is a going concern and there is no 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 date of statement of financial position. 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 or 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 that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

'The Company has not disclosed fair values of these financial assets and liabilities as these are for short term or reprice over short term. Therefore, carrying amounts of material assets and liabilities are reasonable approximation of fair value.

30-Jun-22	Note	Fair value through Profit/Loss	Fair value through OCI	Cash and cash equivalents	Amortized cost	Total	Level 1	Level 2	Level 3	Total
Financial assets-measured at fair value		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Financial assets-not measured at fair value										
Long term security deposits	18	-	-	-	32,880,151	32,880,151	-	-	-	-
Trade debts	21	-	-	-	173,528,856	173,528,856	-	-	-	-
Advances, deposits, prepayments & other receivables	22	-	-	-	692,626,106	692,626,106	-	-	-	-
Cash and bank balances	23	-	-	75,313,744	-	75,313,744	-	-	-	-
		-	-	75,313,744	899,035,113	974,348,857	-	-	-	-
Financial Liabilities-measured at fair value		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Financial liabilities-not measured at fair value										
Long term liabilities	9	-	-	-	3,080,625,797	3,080,625,797	-	-	-	-
Trade and other payables	13	-	-	-	2,158,498,915	2,158,498,915	-	-	-	-
Directors & shareholders loan		-	-	-	596,923,473	596,923,473	-	-	-	-
Markup accrued	13	-	-	-	177,190,331	177,190,331	-	-	-	-
Unclaimed Dividend	14	-	-	-	59,526	59,526	-	-	-	-
Short term finances	15	-	-	-	162,751,637	162,751,637	-	-	-	-
		-	-	-	6,176,049,679	6,176,049,679	-	-	-	-
30-Jun-21										
Financial assets-measured at fair value		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Financial assets-not measured at fair value										
Long term security deposits	18	-	-	-	32,880,151	32,880,151	-	-	-	-
Trade debts	21	-	-	-	185,871,391	185,871,391	-	-	-	-
Advances, deposits, prepayments & other receivables	22	-	-	-	749,642,350	749,642,350	-	-	-	-
Cash and bank balances	23	-	-	204,934,030	-	204,934,030	-	-	-	-
		-	-	204,934,030	968,393,892	1,173,327,922	-	-	-	-
Financial Liabilities-measured at fair value		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Financial liabilities-not measured at fair value										
Long term liabilities	9	-	-	-	4,114,951,771	4,114,951,771	-	-	-	-
Trade and other payables	13	-	-	-	1,620,162,968	1,620,162,968	-	-	-	-
Directors & shareholders loan		-	-	-	808,540,887	808,540,887	-	-	-	-
Markup accrued	13	-	-	-	225,020,171	225,020,171	-	-	-	-
Unclaimed Dividend	14	-	-	-	59,526	59,526	-	-	-	-
Short term finances	15	-	-	-	415,229,671	415,229,671	-	-	-	-
		-	-	-	7,183,964,994	7,183,964,994	-	-	-	-

37 Capital Risk Management

The Company's prime objective when managing capital is to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust capital structure, the company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as debt divided by total capital employed. Total capital employed is calculated as equity as shown in the statement of financial position plus debt.

	2022	2021
	Rupees	Rupees
Total Borrowings	**3,603,896,330**	5,559,347,832
Total Equity	**12,019,805,654**	8,971,516,278
Total Capital Employed	**15,623,701,984**	14,530,864,110
Gearing Ratio	**23.07%**	38.26%

38 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		**Executive Directors**		**Non Executive Directors**		**Executives**	
	2022	2021	**2022**	2021	**2022**	2021	**2022**	2021
	Rupees	Rupees	**Rupees**	Rupees	**Rupees**	Rupees	**Rupees**	Rupees
Managerial remuneration	**876,000**	876,000	**8,727,273**	8,727,273	**-**	-	**15,000,000**	9,600,000
Medical allowance	**87,600**	87,600	**872,727**	872,727	**-**	-	**1,500,000**	960,000
	963,600	963,600	**9,600,000**	9,600,000	**-**	-	**16,500,000**	10,560,000
Number of persons	**1**	1	**1**	1			**25**	20

38.1 No amount was paid to directors for attending the Board of Directors meeting.

39 PRODUCTION CAPACITY

	Installed Capacity		Actual Production	
	2022	2021	**2022**	2021
	Tons	Tons	**Tons**	Tons
Clinker	**686,000**	686,000	**450,948**	291,741
Cement	**720,000**	720,000	**522,500**	397,000

- Shortfall in production is due to closure of factory in the 1st quarter of financial year 2021 because of COVID-19 and also due to prevailing market conditions.

			2022	2021
			Rupees	Rupees
	Cash Flows from Operating Activities			
40	**Profit / (Loss) for the period - before taxation**	**Note**	**711,228,888**	253,697,637
	Adjustment for:			
	Depreciation		**152,097,236**	140,404,634
	Creditors written off		**-**	(29,187,289)
	Provision for Gratuity		**554,755**	411,954
	Finance cost		**115,100,229**	71,675,623
			267,752,220	183,304,922
			978,981,108	437,002,559
	(Increase) / decrease in current assets			
	(Increase) in Stores, spares & loose tools		**20,387,491**	549,050,592
	(Increase) / Decrease in Stock-in-trade		**360,793,392**	336,699,170
	(Increase) / decrease in Trade debts		**12,342,535**	(182,382,608)
	(Increase) / Decrease in Advances, deposits, prepayments and other receivables		**57,016,244**	120,456,495
			450,539,662	823,823,649
	(Increase) / decrease in current liabilities			
	Increase / (Decrease) in director and Shareholder loan		**(211,617,414)**	64,097,968
	Increase (Decrease) in Trade and other Payables		**538,335,947**	193,756,836
			326,718,533	257,854,803
	Cash generated from operations		**1,756,239,303**	1,518,681,011

41 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 03 October 2022 by the Board of Directors of the Company.

42 GENERAL

- Figures in the 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**

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that **29th Annual General Meeting** of the Shareholders of **Flying Cement Company Limited** (the "Company") will be held on 27th October 2022 at 11:00 hours at (Thursday) at Heaven Banquet Hall, 343-D-1, Nespak Society, Lahore to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the last General Meeting held on 15-12-2021.

2. To receive, consider and adopt audited financial statements of the Company for the year ended 30 June 2022 together with Directors', Auditors' Report and Chairman's Review thereon.

3. To appoint auditors and to fix their remuneration for the year ending 30 June 2023.

SPECIAL BUSINESS:

Ratify and Approval of Related Parties Transaction

4. To ratify and approve transactions conducted with Related Parties for the year ended June 30, 2022 by passing the following special resolution with or without modification:

   "RESOLVED THAT the transactions conducted with Related Parties as disclosed in the note 34 of the financial statements for the year ended June 30, 2022 be and are hereby ratified, approved and confirmed."

5. To authorize the Board of Directors of the Company to approve transactions with Related Parties for the financial year ending June 30, 2023 by passing the following special resolutions with or without modification:

   "RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties on case to case basis for the financial year ending June 30, 2023.

   RESOLVED FURTHER that these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval."

Director's Remuneration

6. To Consider and if thought fit, approve the increase in the Director's Remuneration and to pass the ordinary resolution as proposed in the Statement of Material Facts.

   (Attached to this Notice is a Statement of Material Facts covering the above-mentioned Special Business, as required under Section 134 (3) of the Companies Act, 2017).

ANY OTHER BUSINESS:

7. To transact any other business with permission of the Chair.

By order of the Board



Shahid Ahmad Awan
Company Secretary

Lahore
Dated: October 03, 2022

Notes:

1. **Closure of Share Transfer Books:**

The Share Transfer Books of the Company will remain closed from **October 20, 2022 to October 27, 2022** (both days inclusive). Transfers received in order at the office of Share Registrar M/s THK Associates (Pvt.) Ltd., Plot No. 32-C, Jami Commercial Street 2, D.H.A. Phase VII, Karachi by the closed of business on **October 19, 2022**, will be considered in time for attending the Annual General Meeting. A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote on his/her behalf. The instrument appointing proxy must be received at Company's Head Office 4-Sarwar Colony, Sawar Road, Lahore Cantt., Lahore duly stamped and signed not later than 48 hours before the meeting. Proxy Form may also be downloaded from the Company's website: **www.flyingcement.com**

CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular No.1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

A. For Attending the Meeting:

I. In case of individuals, the account holders or sub account holders and / or the person whose securities are in group account and their registration detail are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.

II. In case of corporate entity, the Board of Director's resolution / power of attorney with the specimen signature of the nominee shall be produced (unless it has been provided earlier at the time of the meeting.

B. For Appointing Proxies:

I. In case of individuals, the holder or sub account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.

II. The proxy form shall be witnessed by two persons whose names, addresses and CNIC Numbers shall be mentioned on the form.

III. Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.

IV. The proxy shall produce his / her original CNIC or original Passport at the time of the meeting.

V. In case of corporate entity, the Board of Director's resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

2. **Video Conference Facility**

Pursuant to the provisions of the Companies Act, 2017, the shareholders residing in a city other than Lahore, and holding at least 10% of the total paid up share capital may demand the Company to provide the facility of video –link for participating in the meeting. The demand for video-link facility shall be received by the Share Registrar at the address given herein above at least 7 days prior to the date of the meeting. The Company will intimate members regarding venue of video conference facility at least 5 days before the date of Annual General Meeting along with complete information necessary to enable them to access such facility.

I / we _____ of _____ being member of Flying Cement Company Limited, holder of _____ Ordinary shares as per Register Folio#/CDC Account # / participant ID # hereby opt for Video Conference facility at _____.

3. **Change of Address**

   Members are requested to notify any change in their addresses immediately. Shareholders are requested to provide above mentioned information/documents to (i) respective Central Depository System (CDS) participants and (ii) in of physical securities to the Share Registrar of The Company.

4. **Email, CNIC, IBAN:**

   Members are requested to provide their Email, International Banking Account Number (IBAN), NTN and a copy of their Computerized National Identity Card (CNIC) to update our records otherwise all dividends entitlement (if any) will be withheld in terms of Regulation 6 of the Companies (Distribution of Dividends) Regulations, 2017;

   - For physical shares to M/s THK Associates (Pvt.) Ltd.
   - For shares in CDS to CDC Investors A/c Services or respective Participant

5. The Annual Report is being transmitted to shareholders through CDs/DVDs instead of sending these in Book form / hard copy.

6. The Annual Report for the Financial Year ended June 30, 2022 has been placed on Company's website at www.flyingcement.com. However, if any shareholder desire to get the hard copy of Annual Audited Financial Statements, the same shall be provided free of cost within seven working days of receipt of such request.

7. **Deposit of Physical Shares into CDC Account:**

   As per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission.

   The Shareholders having physical shareholding are encouraged to open CDC sub - account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017

Agenda No.4 of Notice of AGM

Ratification and approval of the related party transactions carried out during the year ended June 30, 2022:

Transactions conducted with all related parties have to be approved by the Board of Directors duly recommended by the Audit Committee on quarterly basis pursuant to clause 15 of the listed Companies (Code of Corporate Governance) Regulations, 2019. However, during the year since Company's Directors were interested in certain transactions due to their common directorships in the associated companies, therefore common directors did not participate for approval of these transactions pursuant to section 207 of the Companies Act, 2017. The Board of Directors has approved the transactions with the related parties from time-to-time on case to case basis for the year ended June 30, 2022 and such transactions were deemed to be approved by the shareholders. Such transactions were to be placed before the shareholders in the AGM for their formal approval /ratification.

All transactions with related parties to be ratified have been disclosed in the note 34 to the financial statement for the year ended June 30, 2022.

The company carries out transactions with its related parties on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. All transactions entered into with related parties require the approval of the Board Audit Committee of the Company, which is chaired by an independent director of the company. Upon the recommendation of the Audit Committee, such transactions are placed before the board of directors for approval.

The nature of relationship with these related parties has also been indicated in the note 34 to the financial statement for the year ended June 30, 2022.The Directors are interested in the resolution only to the extent of their common directorships in such related parties.

Agenda No.5 of Notice of AGM

Authorization for the Board of Directors to approve the related party transactions during the year ending June 30, 2023:

The Company shall be conducting transactions with its related parties during the year ending June 30, 2023 on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. The Directors interested in these transactions due to their common directorship in the associated companies and other related parties. In order to promote transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time-to-time on case to case basis for the year ending June 30, 2023, which transactions shall be deemed to be approved by the Shareholders. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification.

The Directors are interested in the resolution only to the extent of their common directorships in such related parties.

Agenda No.6 of Notice of AGM

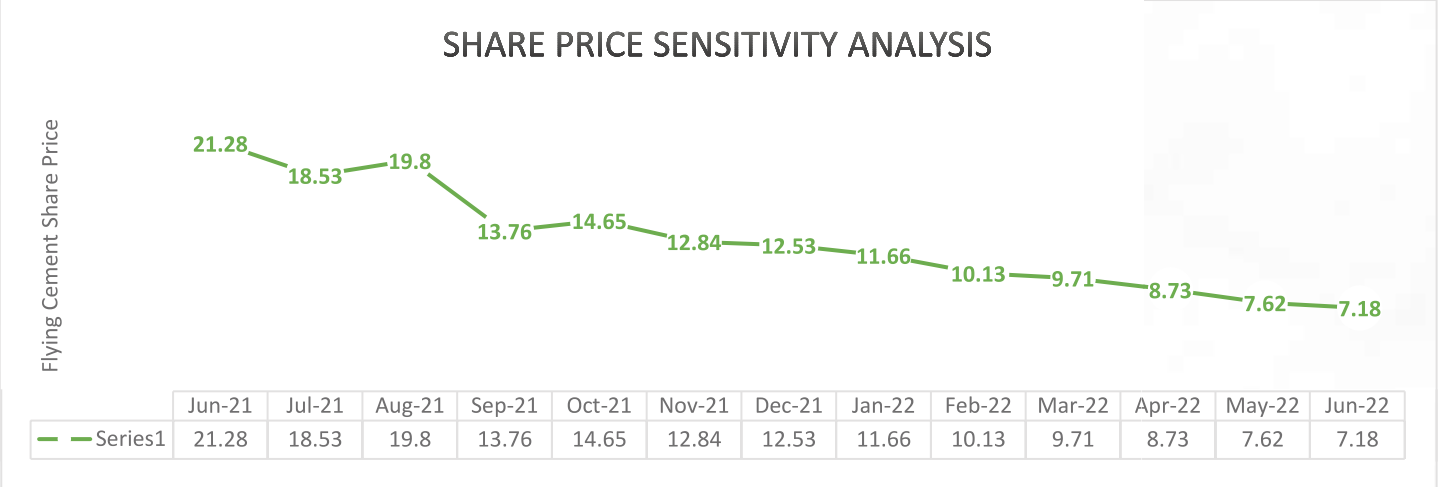
The Board of Directors, on the recommendations of Board Human Resource & Remuneration Committee has decided the Director’s Remuneration of Mr. Momin Qamar Executive Director increased to Rs.1,500,000 p.m. and the change of status of Mr. Qasim Khan as Executive Director at remuneration of Rs.1,200,000 p.m. inclusive of utilities and allowances w.e.f. October 01, 2022.

The decision of increase the remuneration and change of status as Executive Director has been made to compensate for the time and efforts required to discharge director’s obligations and to value their skills and expertise in managing the affairs of the Board and Board’s Committees. In term of the “ Board Remuneration Policy” The payments and increase in the director’s remuneration is being presented to the Shareholders of the company for their approval by passing the following resolution as an Ordinary Resolution, if thought fit:

“Resolved that the Director’s Remuneration of Mr. Momin Qamar Executive Director increased to Rs.1,500,000 p.m. and the change of status of Mr. Qasim Khan as Executive Director at remuneration of Rs.1,200,000 p.m. inclusive of utilities and allowances w.e.f. October 01, 2022 be and is hereby approved.”

The Directors of the company have no personal interest, directly or indirectly in the above-mentioned special business that would require further disclosure except to the extent of their remuneration.

Share Price Senstiveity Analysis



The Companys' market capitalisation stood at Rs 8.658 billion, depicting a increase of 8.24% as compared to last year whereas KSE-100 index rise from 47,356 to 41,540 at the end of the year registering a decrease of (12.28)% as compared to last year.

Companys' share price direclty linked with the operational and financial performance of the Company. Following are the major factors which might affect the share price of the Company in stock echange.

1 **Increase in Demand**
Increase in demand of cement may result in increase in market price of bag which will contribute towards better profitability and Earning per Share (EPS), which will ultimately increase the share price.

2 **Increase in Input Costs**
Any variation in major input costs (coal and electricity) may affect the gross margins, profitability and EPS favorably or unfavorably.

3 **Currency Risk**
The currency exchange rate fluctuations can have an adverse or favorable affect the market share prices as the Company is involved in import.

4 **Change in Government Policies**
Any change in Government policies related to cement sector may affect the share price of the Company favorably or unfavorably.

A 10 % increase / decrease in share price of the Company would have the following impact on its Market Capitalization:

Share Price Sensitivity	Impact on Market Capitalization(Rs. Million)
+10%	+800
-10%	-800

Pattern of Shareholding

AS AT JUNE 30, 2022



PATTERN OF SHAREHOLDING AS AT JUNE 30, 2022

No. of Shareholders	Having Shares		Total Shares Held
	From	To	
729	1	100	29090
763	101	500	296603
1778	501	1000	1227764
2817	1001	5000	7122460
994	5001	10000	7513511
478	10001	15000	5903617
292	15001	20000	5240055
219	20001	25000	5037882
160	25001	30000	4462194
92	30001	35000	3014475
83	35001	40000	3172665
57	40001	45000	2438166
85	45001	50000	4193229
49	50001	55000	2575363
37	55001	60000	2143564
17	60001	65000	1070125
19	65001	70000	1297752
31	70001	75000	2286575
13	75001	80000	1025629
18	80001	85000	1493891
13	85001	90000	1148000
11	90001	95000	1017093
49	95001	100000	4880050
21	100001	105000	2179450
13	105001	110000	1409343
8	110001	115000	901908
12	115001	120000	1420450
12	120001	125000	1471750
7	125001	130000	898500
4	130001	135000	530250
6	135001	140000	829650
1	140001	145000	143000
7	145001	150000	1042000
2	150001	155000	303606
4	155001	160000	632015
2	160001	165000	326250
4	165001	170000	672000
3	170001	175000	525000
1	175001	180000	180000
6	180001	185000	1101250
4	185001	190000	753100
2	190001	195000	386500
11	195001	200000	2200000
2	200001	205000	406847
7	205001	210000	1467450
3	210001	215000	638000
1	215001	220000	219375
4	220001	225000	892517
3	225001	230000	680725
1	235001	240000	240000
1	240001	245000	244000
1	245001	250000	249375
1	250001	255000	250500

PATTERN OF SHAREHOLDING AS AT JUNE 30, 2022

No. of Shareholders	Having Shares		Total Shares Held
	From	To	
1	255001	260000	260000
1	265001	270000	266500
1	270001	275000	275000
1	275001	280000	277180
1	280001	285000	282640
1	285001	290000	286000
6	295001	300000	1787000
2	300001	305000	603325
2	305001	310000	614575
3	310001	315000	945000
2	315001	320000	638000
1	320001	325000	325000
4	330001	335000	1332499
1	335001	340000	340000
2	350001	355000	710000
2	360001	365000	723622
2	365001	370000	735500
1	375001	380000	380000
1	390001	395000	392500
2	395001	400000	800000
1	405001	410000	407500
1	415001	420000	416500
1	430001	435000	431000
1	450001	455000	455000
1	460001	465000	461000
1	465001	470000	469800
1	470001	475000	470400
2	495001	500000	1000000
1	520001	525000	525000
1	530001	535000	532000
1	545001	550000	550000
1	550001	555000	553000
1	560001	565000	562500
1	570001	575000	572544
1	580001	585000	583500
1	595001	600000	600000
1	630001	635000	634500
1	665001	670000	668500
1	695001	700000	700000
1	710001	715000	714000
1	755001	760000	759794
1	795001	800000	796500
1	825001	830000	830000
1	835001	840000	840000
1	875001	880000	876000
2	895001	900000	1800000
2	900001	905000	1806000
1	920001	925000	925000
2	935001	940000	1874600
1	960001	965000	965000
2	995001	1000000	2000000
1	1020001	1025000	1024800
1	1175001	1180000	1176500
1	1295001	1300000	1300000
1	1360001	1365000	1363500
1	1425001	1430000	1430000
1	1495001	1500000	1500000
1	1590001	1595000	1593375

PATTERN OF SHAREHOLDING AS AT JUNE 30, 2022

No. of Shareholders	Having Shares		Total Shares Held
	From	To	
1	1620001	1625000	1625000
1	1685001	1690000	1688000
1	1830001	1835000	1833000
1	2035001	2040000	2038200
1	2050001	2055000	2052000
1	2225001	2230000	2228500
1	2265001	2270000	2268052
1	2400001	2405000	2401000
1	2470001	2475000	2474000
1	2620001	2625000	2625000
1	2715001	2720000	2716800
1	3175001	3180000	3179870
1	3445001	3450000	3450000
1	3510001	3515000	3515000
1	3685001	3690000	3686016
1	3810001	3815000	3811000
1	4030001	4035000	4034000
1	4160001	4165000	4165000
1	4260001	4265000	4263001
1	4295001	4300000	4300000
1	4390001	4395000	4395000
1	4965001	4970000	4965500
1	5425001	5430000	5425539
1	7590001	7595000	7591805
1	10145001	10150000	10146500
1	11605001	11610000	11608327
1	11695001	11700000	11700000
1	15330001	15335000	15334697
1	19145001	19150000	19147195
1	23745001	23750000	23747846
1	31175001	31180000	31179353
1	35520001	35525000	35520314
1	35890001	35895000	35892193
1	36980001	36985000	36982238
1	47150001	47155000	47151411
1	58545001	58550000	58547073
1	69415001	69420000	69416810
1	69765001	69770000	69768042
9076	**Total**		**694800000**

Categories of Shareholders as at June30, 2022

Particulrs	Shareholders	Shares held	Percentage
DIRECTORS, CEO & CHILDREN	10	306,331,974	44.09
BANKS, DFI & NBFI	4	1,086,550	0.16
INSURANCE COMPANIES	1	150,000	0.02
MUTUAL FUNDS	11	3,356,550	0.48
GEDERAL PUBLIC (LOCAL)	8,196	318,592,636	45.85
GENERAL PUBLIC (FOREIGN)	784	17,915,346	2.58
OTHERS	69	46,652,944	6.71
FOREIGN COMPANIES	1	714,000	0.10
Total:	**9,076**	**694,800,000**	**100.00**

Shareholder Category **Directors, CEO, their Spouses And Minor Childern**	No. of Shares held
Mr. Kamran Khan	69,416,810
Mr. Momin Qamar	72,947,912
Mr. Yousaf Kamran Khan	59,910,573
Mr. Qasim Khan	35,892,193
Mrs. Samina Kamran	36,982,238
Mr. Pervaiz Ahmad Khan	1,972
Mr. Omar Naeem	923
Mrs. Misbah Momin (W/O Mr. Momin Qamar	31,179,353
Executives	-
Associatted Companies, Undertaking and Related Rarties	-
Public Sector Companies and Corporations	-
Banks, Development Financial Institutions, Non-Banking Financial Instituions And Insurance Companines	1,236,550
Shareholders Holding 10% or More Other Than Those Reported in Directors	-
Mutual Funds	3,356,550
Others	46,652,944
Individuals Local	318,592,636
Foreign	17,915,346
Foregin Compoanies	714,000
	694,800,000

Transaction / Trade of Company's Shares

The CEO, Directors, Cfo, Head of Internal Auditors, Company Secretary (including their spouses and minor Childern) executed the following transactions in the shares of the Company during the financial year ended June 30, 2022

Name	Purchase	Gift In	Sales	Others & Gift Out
Mr. Kamran Khan	-	30,200,244	-	15,000,000
Mr. Momin Qamar	-	15,000,000	-	60,200,244
Mr. Yousaf Kamran Khan	1,513,500	-	-	-

عمومی کاروباری امور میں آرمز لینگتھ (arm's length) کی بنیاد پر متعلقہ فریقین سے لین دین کرے گی۔ ایسوسی ایٹڈ کمپنی میں مشترکہ ڈائریکٹرشپ کے باعث ان لین دین کے امور میں دلچسپی رکھنے والے ڈائریکٹرز۔ شفاف کاروباری عمل داری کی ترویج کے لئے حصص داران بورڈ کو 30 جون 2023ء کو اختتام پذیر سال کے لئے ہر معاملہ پر متعلقہ فریقین سے ہمہ وقت لین دین کی منظوری کے لئے بورڈ آف ڈائریکٹرز کو مجاز ٹھہرانے کے خواہش مند ہیں۔ ایسے لین دین کی منظوری کو شیئر ہولڈرز کی منظوری شمار کیا جائے گا۔ ایسے لین دین کی باقاعدہ منظوری/تصحیح کے لئے اگلے سالانہ اجلاس عام میں حصص داران کے سامنے پیش کیا جائے گا۔

متعلقہ فریقین میں اپنی مشترکہ ڈائریکٹرشپ کی حد تک ہی ڈائریکٹرز قرارداد میں دلچسپی ظاہر کرتے ہیں۔

AGM نوٹس کا ایجنڈا آئیٹم نمبر 6

بورڈ ہیومن ریسورس اینڈ ریمونریشن کمیٹی کی سفارشات پر بورڈ آف ڈائریکٹرز نے مسٹر مومن قمر ایگزیکٹو ڈائریکٹر کا معاوضہ 1,500,000 روپے ماہانہ کر دیا ہے اور مسٹر قاسم کو ایگزیکٹو ڈائریکٹر کی حیثیت سے ترقی دی گئی ہے۔ جن کا معاوضہ 1,200,000 روپے ماہانہ ہوگا جس میں تمام سہولیات اور الاؤنس شامل ہوں گے۔ یہ تبدیلی یکم اکتوبر 2022ء سے مؤثر ہوگی۔

معاوضہ میں اضافے اور ایگزیکٹو ڈائریکٹر میں ترقی ڈائریکٹرز کی حیثیت سے فرائض سرانجام دینے اپنا وقت اور توانائی صرف کرنے کے عوض نیز بورڈ اور بورڈ کمیٹیوں کے امور چلانے میں ان کی مہارت اور تجربہ کے اعتراف کے طور پر دیا گیا ہے۔ 'بورڈ ریمونریشن پالیسی' کے تحت رقوم اور ڈائریکٹرز کے معاوضہ میں اضافہ کو کمپنی کے شیئر ہولڈرز کے سامنے پیش کیا جا رہا ہے تاکہ مناسب سمجھنے پر عمومی قرارداد کے طور پر مندرجہ ذیل قرارداد کو پاس کرنے کے لئے کمپنی کے شیئر ہولڈرز کی منظوری حاصل کی جا سکے:

''قرار پایا کہ مسٹر مومن قمر ایگزیکٹو ڈائریکٹر کا معاوضہ 1,500,000 روپے ماہانہ کر دیا گیا ہے اور مسٹر قاسم خان کو بحیثیت ایگزیکٹو ڈائریکٹر ترقی دی گئی ہے جن کا معاوضہ 1,200,000 روپے ماہانہ بمعہ سہولیات اور الاؤنس ہوگا۔ یہ قرارداد یکم اکتوبر 2022ء سے مؤثر ہوگی اور اسے باقاعدہ منظور کیا جاتا ہے۔''

کمپنی کے ڈائریکٹرز مذکورہ بالا قرارداد میں کوئی ذاتی، بالواسطہ یا بلاواسطہ مفاد نہیں رکھتے جس سے ان کے معاوضے کے علاوہ مزید اظہار درکار ہو۔

قبضہ اور فروخت کر سکتے ہیں کیونکہ پاکستان سٹاک ایکسچینج کی تازہ ترین ضوابط کے تحت فزیکل شیئرز میں تجارت کی اجازت نہیں ہے۔

کمپنیز ایکٹ 2017ء کے سیکشن 134(3) کے تحت مادی حقائق کا اعلامیہ

AGM نوٹس کا ایجنڈا آئیٹم نمبر 4

30 جون 2022ء کو اختتام پذیر سال کے لئے متعلقہ فریقین سے لین دین کی تصحیح و منظوری:

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ضوابط، 2019ء کی شق 15 کی پیروی میں لازمی امر ہے کہ سہ ماہی بنیادوں پر آڈٹ کمیٹی کی باضابطہ سفارشات پر متعلقہ فریقین سے لین دین کی منظوری بورڈ آف ڈائریکٹرز منظوری دیں۔ البتہ، سال بھر کے دوران کمپنی کے ڈائریکٹرز ایسوسی ایٹڈ کمپنیوں میں مشترکہ ڈائریکٹرشپ ہونے کے باعث، کئی لین دین کی چند سرگرمیوں میں دلچسپی رکھتے تھے۔ لہٰذا مشترکہ ڈائریکٹر کمپنیز ایکٹ 2017ء کے سیکشن 207 کی پیروی میں ان لین دین کے امور کی منظوری میں شریک نہ تھے۔ بورڈ آف ڈائریکٹرز نے 30 جون 2022ء کو اختتام پذیر سال کے لئے ہر معاملہ پر متعلقہ فریقین سے ہمہ وقت لین دین کی منظوری دی ہے۔ ایسے لین دین کی منظوری کو شیئر ہولڈرز کی منظوری شمار کیا جائے گا۔ باقاعدہ منظوری/توثیق کے لئے ایسے لین دین کو سالانہ اجلاس عام میں شیئر ہولڈرز کے سامنے رکھا جائے گا۔

متعلقہ فریقین کے ساتھ قابل تصحیح تمام لین دین کو 30 جون 2022ء کو اختتام پذیر سال کی مالیاتی اسٹیٹمنٹس کے نوٹ 34 میں ظاہر کیا گیا ہے۔

کمپنی کاروبار کے عمومی امور کے دوران متعلقہ فریقین سے لین دین کی منظور شدہ پالیسی کے تحت arm's length بنیاد پر متعلقہ فریقین کے ساتھ لین دین کا عمل کرتی ہے۔ متعلقہ فریقین سے طے شدہ تمام لین دین کی منظوری کمپنی کی آڈٹ کمیٹی سے درکار ہوتی ہے جس کی صدارت کمپنی کا خودمختار ڈائریکٹر کرتا ہے۔ آڈٹ کمیٹی کی سفارش پر منظوری کے لئے ایسے لین دین کو بورڈ آف ڈائریکٹرز کے سامنے رکھا جاتا ہے۔

متعلقہ فریقین سے تعلق کی نوعیت کے بارے میں 30 جون 2023ء کو اختتام پذیر سال کی مالیاتی اسٹیٹمنٹس کے نوٹ 34 میں وضاحت کی گئی ہے۔ ڈائریکٹرز متعلقہ فریقین کے ضمن میں مشترکہ ڈائریکٹرشپ کی حد تک ہی قرارداد میں دلچسپی لیتے ہیں۔

AGM نوٹس کا ایجنڈا آئیٹم نمبر 5

30 جون 2022ء کو اختتام پذیر سال کے دوران متعلقہ فریقین سے لین دین کی منظوری کے لئے بورڈ آف ڈائریکٹرز کو مجاز ٹھہرانا:

30 جون 2023 اختتام پذیر مالیاتی سال کے دوران 'متعلقہ فریقین سے لین دین' کی بابت منظور شدہ پالیسی کے تحت کمپنی

فلائنگ سیمنٹ کمپنی لمیٹڈ کے رکناور رجسٹرفولیونمبر/CDC اکاؤنٹ نمبر/شرکت آئی ڈی نمبر کے تحت.....
عمومی حصص کا مالک ہونے کی حیثیت سے میں/ہم .....مقام.....پر
ویڈیو کانفرنس سہولت حاصل کرنے کے خواہش مند ہیں۔

3. پتہ میں تبدیلی

اپنے پتہ میں تبدیلی کے صورت میں اراکین کو فوراً آگاہ کرنے کی درخواست کی جاتی ہے۔حصص داران سے درخواست ہے کہ وہ مذکورہ بالا معلومات/دستاویزات (i) متعلقہ سینٹرل ڈیپازیٹری سسٹم (CDS) شرکاء اور (ii) فزیکل سیکیورٹیز کی صورت میں کمپنی کے شیئر رجسٹرار کو درج کرائیں۔

4. ای میل، شناختی کارڈ، IBAN

اپنے ریکارڈ کی تجدید کی غرض سے ای میل، بین الاقوامی بینک اکاؤنٹ نمبر (IBAN)، NTN اور شناختی کارڈ کی نقل فراہم کرنے کے لئے اراکین کو درخواست کی جاتی ہے۔بصورت دیگر منافع منقسمہ کی اہلیت (اگر کوئی ہے) کو کمپنیز (منافع منقسمہ کی تقسیم) ضوابط 2017ء کے ضابطہ 6 کے تحت معطل کر دیا جائے گا۔

- فزیکل حصص کے لئے میسرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ کو
- CDS میں موجود حصص کے لئے CDC انویسٹرز اکاؤنٹ سروسز یا متعلقہ شرکاء کو

5. سالانہ رپورٹ کتابی صورت/کاغذی نقل کی بجائے DVDs / CDs کے ذریعے حصص داران کو ارسال کی جارہی ہے۔

6. 30 جون 2022ء کو اختتام پذیر مالیاتی سال کے لئے سالانہ رپورٹ کمپنی کی ویب سائٹ www.flyingcement.com پر جاری کر دی گئی ہے۔سالانہ پڑتال شدہ مالیاتی اسٹیٹمنٹس کی کاغذی نقل حاصل کرنے کے خواہش مند حصص داران کو درخواست موصول ہونے کے 7 یوم کے اندر اسے بالکل مفت فراہم کیا جائے گا۔

7. فزیکل شیئر کا CDC اکاؤنٹ میں ڈیپازٹ

کمپنیز ایکٹ 2017ء کے سیکشن 72 کے تحت تمام حالیہ لسٹڈ کمپنیز کو اپنے فزیکل شیئرز کمیشن کی ہمہ وقت فراہم کردہ ہدایات کی روشنی میں Book-entry میں تبدیل کرنا ہوں گے۔فزیکل شیئر ہولڈنگ کے حامل حصص داران کو CDC ذیلی اکاؤنٹ کسی بھی بروکر یا CDC میں انویسٹرا کاؤنٹ کھولنے کی حوصلہ افزائی کی جاتی ہے تاکہ فزیکل شیئرز کو غیر دستاویزی شکل دی جاسکے۔اس طرح ان کو کئی سہولیات میسر آئیں گی جس میں وہ کسی بھی وقت حصص کا

A. اجلاس میں شرکت کے لئے:

I. فرد واحد کی صورت میں اکاؤنٹ ہولڈرز یا ذیلی اکاؤنٹ ہولڈرز اور/یا گروپ اکاؤنٹ میں سیکیورٹیز اور ضوابط کے تحت اپ لوڈ رجسٹریشن معلومات کے حامل افراد کو اجلاس میں شرکت کے وقت اپنی شناخت ثابت کرنے کے لئے اصلی شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔

II. کاروباری ادارہ کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/مختارنامہ بمعہ نامزد فرد کے نمونہ کے دستخط (اگر پہلے فراہم نہ کیا گیا ہو) اجلاس میں شرکت سے قبل پیش کرنا ہوگا۔

B. پراکسیز کی تقرری کے لئے

I. فرد واحد کی صورت میں اکاؤنٹ ہولڈرز یا ذیلی اکاؤنٹ ہولڈرز اور/یا گروپ اکاؤنٹ میں سیکیورٹیز اور ضوابط کے تحت اپ لوڈ رجسٹریشن معلومات کے حامل افراد کو مذکورہ بالا معیار کے مطابق اپنا پراکسی فارم جمع کرانا ہوگا۔

II. پراکسی فارم کی گواہی دو افراد دیں گے جن کے نام، پتے اور شناختی کارڈ نمبر فارم میں تحریر ہوں گے۔

III. استفادہ حاصل کرنے والے مالکان کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول پراکسی فارم کے ساتھ جمع کرائی جائیں۔

IV. پراکسی کو اجلاس کے موقع پر اپنا اصلی شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔

V. کاروباری ادارہ کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/مختارنامہ بمعہ نامزد فرد کے نمونہ کے دستخط (اگر پہلے فراہم نہ کیا گیا ہو) بمعہ پراکسی فارم اجلاس میں شرکت سے قبل پیش کرنا ہوگا۔

2. <u>ویڈیو کانفرنس کی سہولت</u>

کمپنیز ایکٹ، 2017ء قواعد کی پیروی میں لاہور کے علاوہ کسی اور شہر میں مقیم اور کم از کم 10 فی صد ادا شدہ سرمایہ حصص کے حامل شیئر ہولڈرز اجلاس میں شرکت کے لئے ویڈیو لنک سہولت کی فراہمی کا مطالبہ کر سکتے ہیں۔ ویڈیو لنک سہولت کی درخواست اجلاس کے انعقاد سے 7 یوم قبل شیئر رجسٹرار کے مذکورہ پتہ پر وصول ہو جانی چاہئے۔ کمپنی سہولت تک رسائی حاصل کرنے کے لئے سالانہ اجلاس عام سے 5 یوم قبل ویڈیو کانفرنس سہولت کے مقام اور دیگر ضروری معلومات سے متعلق اراکین کو آگاہ کرے گی۔

(کمپنیز ایکٹ 2017ء کے سیکشن 134(3) کے تحت مذکورہ بالا خصوصی امور کی بابت مادی حقائق کا اعلامیہ نوٹس ہذا کے ساتھ منسلک ہے)

دیگر امور

7. چیئرمین کی اجازت سے دیگر امور پر بحث کرنا۔

بحکم بورڈ

شاہد احمد اعوان
کمپنی سیکریٹری

لاہور

مؤرخہ: 03 اکتوبر 2022ء

مندرجات:

1. شیئر ٹرانسفر بک کی بندش:

کمپنی کی شیئر ٹرانسفر کتابیں مؤرخہ 20 اکتوبر 2022ء سے 27 اکتوبر 2022ء (بشمول دونوں ایام) تک بند رہیں گی۔ 19 اکتوبر 2022ء کو کاروبار بند ہونے تک شیئر رجسٹرار میسرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ دفتر واقع پلاٹ نمبر C-32، جامی کمرشل سٹریٹ 2، ڈی ایچ اے، فیز VII، کراچی کو باقاعدہ موصول ٹرانسفرز کو اجلاس میں شرکت کے لئے بروقت وصولی شمار کیا جائے گا۔ اجلاس ہذا میں شرکت اور ووٹ کرنے کا/کی اہل رکن کسی دوسرے رکن کو اپنی جگہ شرکت اور ووٹ کرنے کے لئے اپنا پراکسی مقرر کرسکتا/سکتی ہے۔ پراکسی کی تقرری کا باقاعدہ مہر اور دستخط شدہ دستاویز کمپنی کے مرکزی دفتر واقع 4-سرور روڈ، لاہور کینٹ، لاہور کو اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل پہنچ جانا چاہیئے۔ پراکسی فارم کمپنی کی ویب سائٹ www.flyingcement.com سے بھی ڈاؤن لوڈ کیا جاسکتا ہے۔

CDC اکاؤنٹ ہولڈرز کو مؤرخہ 26 جنوری، 2000ء کو جاری کردہ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے مراسلہ نمبر 1 میں بیان کردہ مندرجہ ذیل ہدایات پر عمل کرنا ہوگا:

نوٹس برائے سالانہ اجلاس عام

نوٹس ہذا سے مطلع کیا جاتا ہے کہ فلائنگ سیمنٹ کمپنی لمیٹڈ (''کمپنی'') کا انتیسواں (29واں) سالانہ اجلاس عام مؤرخہ 27 اکتوبر 2022ء کو دن 11:00 بجے بروز جمعرات ہیون بینکویٹ ہال، 1-D-343، نیسپاک سوسائٹی لاہور میں مندرجہ ذیل امور پر بحث کے لئے منعقد ہوگا۔

عمومی امور

1. سابقہ اجلاس عام منعقدہ 15-12-221 کی روئیداد کی توثیق کرنا۔
2. 30 جون 2022ء کو اختتام پذیر سال کے لئے ڈائریکٹرز، آڈیٹرز رپورٹ اور چیئرمین کے تجزیہ کے ہمراہ کمپنی کی پڑتال شدہ مالیاتی اسٹیٹمنٹس کو وصول کرنا، اپنانا اور انہیں زیرغور لانا۔
3. 30 جون 2023ء کو اختتام پذیر سال کے لئے آڈیٹرز کا تقرر نا اور ان کا مشاہیرہ طے کرنا۔

خصوصی امور

متعلقہ فریقین سے لین دین کی توثیق اور منظوری

4. 30 جون 2022ء کو اختتام پذیر سال کے لئے متعلقہ فریقین سے کئے گئے لین دین کی توثیق اور منظوری کی بابت مندرجہ ذیل خصوصی قرارداد کو بمعہ/ علاوہ ترمیم پاس کرنا:

''قرار پایا کہ 30 جون 2022ء کو اختتام پذیر سال کی مالیاتی اسٹیٹمنٹس کے نوٹ 34 میں ظاہر متعلقہ فریقین سے کئے گئے لین کی یہاں باضابطہ طور پر تصدیق، منظوری اور توثیق کی جاتی ہے۔''

5. مالیاتی سال مختتمہ 30 جون 2023ء کے لئے متعلقہ فریقین سے لین دین کی منظوری کی بابت کمپنی کے بورڈ آف ڈائریکٹرز کو مجاز ٹھہرانے کے لئے مندرجہ ذیل خصوصی قرارداد کو بمعہ/ علاوہ ترمیم پاس کرنا:

''قرار پایا کہ مالیاتی سال مختتمہ 30 جون 2023ء کے لئے متعلقہ فریقین سے ہمہ وقت لین دین کی منظوری کی بابت کمپنی کے بورڈ آف ڈائریکٹرز کو یہاں باضابطہ طور پر مجاز ٹھہرایا جاتا ہے۔''

''مزید قرار پایا کہ بورڈ کی جانب سے کی گئی یہ ٹرانزیکشنز شیئر ہولڈرز کی جانب سے منظوری تصور ہوں گی اور باضابطہ توثیق/منظوری کے لئے انہیں آئندہ سالانہ اجلاس عام میں شیئر ہولڈرز کے سامنے رکھا جائے گا۔''

ڈائریکٹرز کا معاوضہ

6. ڈائریکٹر کے معاوضہ میں اضافہ کی منظوری کو زیرغور لانا اور مناسب سمجھنے پر منظور کرنا اور مادی حقائق کے اعلامیہ کی مجوزہ عمومی قرارداد کو پاس کرنا۔

کوڈ آف کارپوریٹ گورننس کے تحت 30 جون 2022ء تک شیئر ہولڈنگ کی وضع اور اس کا اظہار لف ہذا ہے۔

پوسٹ بیلنس شیٹ ایونٹس

مالیاتی اسٹیٹمنٹس میں مادی تبدیلیوں کی تاریخ اور رپورٹنگ کی تاریخ کو مالیات میں باقاعدگی سے درج کیا گیا ہے۔

اظہار تشکر

بورڈ تمام سٹیک ہولڈرز بشمول مالیاتی اداروں، صارفین، قرض دہندگان اور سرکاری محکموں کے تعاون اور مدد کا اعتراف کرتا ہے۔ ہم کمپنی کے ملازمین کی مسلسل سپورٹ اور تعاون کو بھی قدر کی نگاہ سے دیکھتے ہیں۔

منجانب/ برائے بورڈ

ڈائریکٹر **چیف ایگزیکٹو**

لاہور:

مؤرخہ: 03 اکتوبر 2022ء

لسٹڈکمپنیز (کوڈ آف کارپوریٹ گورننس) ضوابط 2019ء کے تحت بورڈ سالانہ کی بنیاد پر اپنی کارکردگی کا ازخود تعین کرتا ہے۔ بورڈ آف ڈائریکٹرز یقین رکھتے ہیں کہ اپنے لئے طے شدہ اہداف اور مقاصد میں مؤثر کامیابی کا تعین کرنے کے لئے اپنی کارکردگی کا تعین نہایت اہمیت کا حامل امر ہے۔ جائزہ کے نتائج کی بنیاد پر بہتری کے حامل شعبوں کی نشاندہی کی گئی اور اصلاحی اقدامات کا منصوبہ تیار اور نافذ کیا گیا ہے۔

بورڈ کی کارکردگی کے تعین کا معیار

کام کے لازمی فرائض کے علاوہ، انفرادی اور اجتماعی سطح پر، ہماری کمپنی کے بورڈ کی کارکردگی کا تعین مندرجہ ذیل معیارات کے ساتھ باقاعدگی سے کیا جاتا ہے۔

- انتظامیہ کے طے شدہ سالانہ اہداف پر رائے اور نظر ثانی کرنا
- انتظامی عملے کو برقرار رکھنے کی پالیسی پر نظر ثانی کرنا۔
- حفاظت صحت، ماحولیات، ملازمت اور دیگر پالیسیوں اور کمپنی کے طریقہ ہائے کار کی بہتری کی بابت اپنی کردار ادا کرنا۔
- مخلوط جنس کی تعیناتی، قابلیت اور مہارت کو سامنے لانے میں اپنا کردار ادا کرنا۔
- قابل کارروائی ادارے کی کارکردگی کے عوامل کی نشاندہی کرنے کی صلاحیت۔

مذکورہ سال کے لئے مذکورہ بالا معیارات کے مطابق متعین کردہ بورڈ کی مجموعی کارکردگی حوصلہ افزا قرار پائی ہے۔

عملے کے لئے ریٹائرمنٹ مراعات

ایک ان فنڈڈ (unfunded) گریجوایٹی سکیم تیار کی گئی ہے۔ کمپنی کے مستقل ملازمین کے لئے باضابطہ طور پر مالیاتی اسٹیٹمنٹس میں اس کی شق موجود ہے۔

آڈیٹرز

آڈیٹرز میسرز نوید، ظفر، اشفاق، جعفری اینڈ کو، چارٹرڈ اکاؤنٹنٹس، آئندہ سالانہ اجلاس عام کے اختتام پر ریٹائر ہو رہے ہیں اور اہلیت کی بنا پر اگلی مدت کے لئے اپنی خدمات کی پیش کش کرتے ہیں۔ آڈیٹرز نے توثیق کی ہے کہ انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹس آف پاکستان (ICAP) کے کوالٹی کنٹرول ریویو پروگرام کے تحت انہیں تسلی بخش درجہ دیا گیا ہے اور فرم ICAP کے اپنائے گئے ضابطۂ اخلاق میں انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (IFAC) ہدایات کی کلی تعمیل کرتی ہے۔ آڈٹ کمیٹی اور بورڈ نے ان کی دوبارہ تقرری کی سفارش کی ہے۔

شیئر ہولڈنگ کی وضع

تھے۔ ماسوائے ان افراد کے جن کے متعلق ریگولیٹری اتھارٹیز کو آگاہ کیا گیا ہو اور ان کا منسلک شیئر ہولڈنگ کی وضع میں درج ہو۔

j) گذشتہ برس کے آپریٹنگ نتائج سے نمایاں انحراف کی وجوہات کا ڈائریکٹرز کی رپورٹ کے متعلقہ شعبہ میں موازنہ کیا گیا ہے۔

k) مالیاتی اسٹیٹمنٹس کے نوٹس میں ٹیکس اور لیوی کی معلومات درج ہیں۔

l) کمپنی اپنے پلانٹ کی پیداواری صلاحیت میں اضافہ کے ذریعے پیداواری امور کو بڑھانے کا ارادہ رکھتی ہے۔ مقررہ وقت میں اس معاملہ کو شیئر ہولڈرز کے سامنے رکھا گیا ہے جسے ڈائریکٹرز رپورٹ ہذا میں تحریر بھی کیا گیا ہے۔

m) سال بھر میں منعقد ہونے والے بورڈ اور اس کی کمیٹیوں کے اجلاس کی تعداد اور ہر ڈائریکٹر کی حاضری حسب ذیل درج کی گئی ہے:

نمبر شمار	نام ڈائریکٹر	بورڈ اجلاس	آڈٹ کمیٹی اجلاس	HR&R کمیٹی اجلاس
1	مسٹر کامران خان	8	دستیاب نہیں	دستیاب نہیں
2	مسٹر مومن قمر	8	دستیاب نہیں	2
3	مسٹر یوسف کامران خان	8	4	2
4	مسٹر قاسم خان	8	4	دستیاب نہیں
5	مسز ثمینہ کامران	8	دستیاب نہیں	دستیاب نہیں
6	مسٹر عمر نعیم	8	4	دستیاب نہیں
7	مسٹر پرویز احمد خان	8	دستیاب نہیں	2
8	مسٹر آغا ہمایوں خان	8	دستیاب نہیں	دستیاب نہیں
	منعقدہ اجلاس کی کل تعداد	**8**	**4**	**2**

مصروفیت کے باعث اجلاس میں شرکت نہ کرنے والے ڈائریکٹرز کو غیر حاضری کی رخصت عنایت کی گئی۔

n) ڈائریکٹرز کو اپنے فرائض و ذمہ داریوں، لاگو قوانین اور ضابطہ سے واقف کرانے کے لئے بورڈ نے انہیں تفصیلی ان ہاؤسنگ بریفنگ اور معلوماتی پیکیج فراہم کیا ہے تاکہ وہ حصص داران کی جانب سے/ کے لئے کمپنی کے امور کو مؤثر انداز میں چلا سکیں۔

بورڈ کی کارکردگی کا جائزہ

پولیٹکل بے یقینی شامل ہیں۔

البتہ مذکورہ بالا مشکلات کے باوجود کمپنی مقامی اور درآمدی کوئلہ کے استعمال اور کیپٹو پاور جنریشن کی مدد سے کم لاگت پیداوار کے ذریعے پائیدار نمو اور منافع حاصل کرنے کی پوزیشن میں ہے۔ مزید برآں، حریفین کے مقابلہ میں قرضہ کی کم ترین سطح کے باعث کمپنی عدم استحکام کے آگے سیسہ پلائی ہوئی دیوار بن جائے گی۔ ہم مستقبل بنیادوں پر کام کر کے اپنی کمپنی کو پائیدار نمو کے قابل بنانے کے لئے کوشاں ہیں۔ ہمیں یقین ہے کہ انتظامیہ طویل مدتی پائیدار نمو اور اپنے سٹیک ہولڈرز کو بھرپور منافع دینے کے لئے ان تھک محنت جاری رکھے گی۔

کوڈ آف کارپوریٹ گورننس کی تعمیل

آپ کی کمپنی کے ڈائریکٹرز کمپنی کی حکمت عملی اور کاروباری منصوبہ کا باقاعدگی سے جائزہ لیتے ہیں۔ آڈٹ کمیٹی کوڈ آف کارپوریٹ گورننس کی مؤثر تعمیل کے لئے ذمہ دار ہے۔

ہم ضابطہ کے تحت آپ کی کمپنی میں بہتر کاروباری عمل داری کو یقینی بنانے کے لئے تمام ضروری اقدامات کر رہے ہیں۔ تعمیل کے طور پر ہم مندرجہ ذیل کی توثیق کرتے ہیں:

a) کمپنی کی انتظامیہ کی تیار کردہ مالیاتی اسٹیٹمنٹس نصفت میں تبدیلی، کیش فلو، آپریشنز اور کاروباری امور کی بہترین عکاسی کرتی ہیں۔

b) کمپنی کے کھاتوں کی باقاعدہ کتابیں تیار کی گئی ہیں۔

c) مالیاتی اسٹیٹمنٹس کی تیاری میں موافق اکاؤنٹنگ پالیسیوں کا اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینہ جات موزوں فیصلوں کی بنیاد پر لگائے گئے ہیں۔

d) مالیاتی اسٹیٹمنٹس کی تیاری میں پاکستان میں رائج بین الاقوامی مالیاتی رپورٹنگ سٹینڈرڈز (IFRS) کی پیروی کی گئی ہے اور اس میں کسی بھی قسم کے سقم کو مناسب انداز میں ظاہر اور واضح کیا گیا ہے۔

e) داخلی نظم وضبط ایک مربوط نظام موجود ہے اور اس کو مؤثر انداز میں لاگو اور مانیٹر کیا جاتا ہے۔

f) کمپنی کی کاروبار جاری رکھنے کی صلاحیت میں کوئی ابہام موجود نہ ہے۔

g) لسٹنگز ضوابط میں بیان کردہ کارپوریٹ گورننس کی بہترین عمل داری میں کوئی سقم موجود نہ ہے۔

h) گذشتہ چھے سال کے اہم فعالی و مالیاتی اعداد و شمار رپورٹ کے ساتھ منسلک ہیں۔

i) ڈائریکٹرز، ایگزیکٹوز اور ان کے اہلیان اور نابالغ بچے سال بھر میں کمپنی کے حصص میں کسی لین دین کے عمل کا حصہ نہ

تعمیل کا اعلامیہ

بورڈ آف ڈائریکٹرز اور آڈیٹرز کی جانب سے باقاعدہ نظر ثانی شدہ تعمیلی اعلامیہ لف ہذا ہے۔

ڈائریکٹرز کا معاوضہ

بورڈ کمیٹی اجلاس میں شرکت کے لئے اجلاس فیس کے علاوہ کمپنی اپنے خودمختار ڈائریکٹر کو معاوضہ ادا نہیں کرے گی۔

داخلی مالیاتی نظم وضبط کی موزونیت

بورڈ آف ڈائریکٹرز نے مروجہ قوانین وضوابط اور قابل بھروسہ مالیاتی رپورٹنگ کی تعمیل میں داخلی مالیاتی نظم وضابط کا ایک مؤثر سسٹم تشکیل دیا ہے تاکہ آپریشنز کو مؤثر انداز میں اور عمدگی سے چلایا جاسکے اور کمپنی کے اثاثہ جات کو محفوظ رکھا جاسکے۔

مستقبل کے امکانات

انتھک محنت اور باقاعدہ نظر ثانی کے بعد کمپنی کی انتظامیہ نے پلانٹ اور مشینری میں متعدد تبدیلیوں کے ذریعے کلنکر کی پیداواری صلاحیت میں 7,700 TPD سے 9,000 TPD اضافہ کیا گیا ہے۔ اللہ تعالیٰ کے فضل وکرم سے 9,000 TPD کی اضافی پیداواری صلاحیت کی حامل لائن-2 کا مالیاتی سال 2023 کی تیسری سہ ماہی میں اپنا کام شروع کردے گا۔

اجتماعی سطح پر حکومت پاکستان/ SBP کے بروقت اور موافق مالیاتی ومانیٹری اقدامات کی بدولت معیشت V-shape بحال کے قابل ہوئی۔ جس کے باعث سال بھر کے دوران تعمیراتی وملحقہ صنعتوں میں توقع سے زیادہ نمو میں تیزی آئی ہے جس کے باعث مستقبل قریب میں اس کی رفتار بڑھنے کے قوی امکانات ہیں۔

IMF پروگرام کی بحالی خارجی سطح پر استحکام پیدا کرے گا۔ آئی ایم ایف پروگرام کی اہم سٹرکچرل اصلاحات غیر ملکی زرمبادلہ کے زخائر میں بہتری اور کلی معاشی استحکام اور متقابل رویہ میں اضافہ کا باعث بنیں۔ توقع کی جاتی ہے حکومتی پالیسیاں آئندہ برسوں میں معیشت میں استحکام لائیں گی۔ مزید برآں، عالمی اور ملکی سطح پر معیشت کی سست روی، روپے کی قدر میں کمی، افراطِ زر کا دباؤ، قرضوں کی بلند لاگت، ملکی کاروباری ماحول میں بے چینی اور معیشت کو سکیڑنے کے جاری اقدامات جیسے خطرات معیشت اور کاروبار کے لئے شدید خطرناک ہیں۔ علاوہ ازیں، حکومت کی جانب سے بڑے پروجیکٹس، کثیر المقاصد پانی کے زخائر/ ڈیمز کی تعمیر پر اخراجات کے باعث کمپنی ملکی سطح پر فروخت میں اضافہ کے لئے پرعزم ہے اور کمپنی کو حالیہ مالیاتی سال کے دوران اپنی نمو کو برقرار رکھنے میں مدد ملے گی۔ بڑھتی ہوئی آبادی نے ملک بھر میں گھروں کی طلب میں اضافہ کیا ہے جس پر حکومت توجہ دے رہی ہے۔

مستقبل میں ممکنہ چیلنجز میں زیادہ افراط زر کے باعث پیداواری لاگت میں اضافہ، بین الاقوامی منڈیوں میں کوئلے کی قیمتوں میں اضافہ، حالیہ سیلابی صورتحال، بجلی کے نرخوں میں متوقع اضافہ، پاکستانی روپے کی بے قدری، شرح سود میں اضافہ اور جیو

بورڈ آف ڈائریکٹرز کے اراکین اور اس کی کمیٹیاں

بورڈ آف ڈائریکٹرز

مسٹر کامران خان	چیئرمین	نان ایگزیکٹو ڈائریکٹر
مسٹر یوسف کامران خان	رکن	نان-ایگزیکٹو ڈائریکٹر
مسز ثمینہ کامران	رکن	نان-ایگزیکٹو ڈائریکٹر
مسٹر قاسم خان	رکن	ایگزیکٹو ڈائریکٹر
مسٹر مومن قمر	رکن	ایگزیکٹو ڈائریکٹر
مسٹر عمر نعیم	رکن	خودمختار ڈائریکٹر
مسٹر پرویز احمد خان	رکن	خودمختار ڈائریکٹر

چیف ایگزیکٹو

مسٹر آغا ہمایوں خان

آڈٹ کمیٹی

مسٹر عمر نعیم	چیئرمین	خودمختار ڈائریکٹر
مسٹر یوسف کامران خان	رکن	نان-ایگزیکٹو ڈائریکٹر
مسز ثمینہ کامران	رکن	نان-ایگزیکٹو ڈائریکٹر

ہیومن ریسورس اینڈ ریمونریشن کمیٹی

مسٹر پرویز احمد خان	چیئرمین	خودمختار ڈائریکٹر
مسٹر مومن قمر	رکن	ایگزیکٹو ڈائریکٹر
مسٹر یوسف کامران خان	رکن	نان-ایگزیکٹو ڈائریکٹر

چیئرمین کا تجزیہ

چیئرمین کا تجزیہ لف ہذا ہے جس کی بورڈ آف ڈائریکٹرز نے توثیق کی ہے۔

ضابطۂ اخلاق

کمپنی نے اپنے کاروباری امور کو مؤثر انداز میں چلانے کے لئے ضابطۂ اخلاق مرتب کیا ہے۔

کاروباری وسماجی ذمہ داری

کمپنی کے ڈائریکٹرز اقوام متحدہ کے پائیدار ترقیاتی اہداف (UNSDG) کی روشنی میں طویل مدتی اقدامات پر عمل درآمد کے لئے پرعزم ہیں۔ کمپنی اپنے امور کے دائرہ کار میں موجود کمیونٹیز کی ترقی وترویج کے لئے کوشاں ہے اور کمیونٹی سروسز میں فعال کردار ادا کرتی ہے۔ کمپنی اپنے تمام ملازمین کی غذائی ضروریات کو بالکل مفت پورا کرتی ہے اور تعلیم وصحت کی سہولیات کے ذریعے ان کے گھرانوں کی دیکھ بھال کے لئے بھی پرعزم ہے۔ کمپنی بذریعہ قرعہ اندازی اپنے ملازمین کو ہر سال سعودی عرب میں حج کے لئے بھی بھیجتی ہے۔ کمپنی نے سیلاب اور قدرتی آفات کے دوران ملحقہ علاقوں میں بھی اپنی خدمات سرانجام دی ہیں۔ کمپنی غربت مٹانے، ماحولیاتی تحفظ اور پائیدار ترقی کے لئے بھی کام کررہی ہے۔

وہسل بلوئنگ

کمپنی مسئلہ کو سنگین بنانے یا کمپنی سے باہر اس کی تشہیر کی بجائے وہسل بلوئنگ پالیسی کے ذریعے تمام متعلقہ افراد کو کمپنی میں پیدا ہونے والے سنجیدہ معاملات پر آواز اٹھانے کی حوصلہ افزائی کرتی ہے۔ کمپنی ایمانداری، برتری، مستقل مزاجی، ہمدردی، انصاف پسندی، سالمیت اور جوابدہی کے اعلیٰ معیار کو برقرار رکھنے کے لئے پرعزم ہے۔

بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز کی ترکیب حسب ذیل ہے:

تفصیل	تعداد ڈائریکٹرز
مرد	6
خاتون	1

درجہ بندی کے لحاظ سے ترکیب

خودمختار ڈائریکٹرز	2
نان-ایگزیکٹو ڈائریکٹرز	3
ایگزیکٹو ڈائریکٹرز	2

فی حصص آمدنی

سال بھر کے دوران بنیادی فی حصص آمدنی علاوہ ٹیکس 1.33 روپے (2021: 0.38 روپے) رہی۔ کمپنی کی بنیادی فی حصص آمدنی میں تحلیلی اثر شامل نہیں ہے کیونکہ 30 جون 2022ء تک کمپنی کے پاس تغیر پذیر ممکنہ تحلیلی عمومی حصص موجود نہیں ہیں۔

منافع منقسمہ اور تخصیصات

بورڈ نے صفر روپے حتمی نقد منافع منقسمہ تجویز کیا ہے۔

متعلقہ فریق سے لین دین

متعلقہ فریقین سے لین دین کا عمل آرمز لینگتھ (arm's length) کی بنیاد پر کیا جاتا ہے اور پاکستان سٹاک ایکسچینج کے PSX ضوابط اور کمپنیز ایکٹ 2017ء کے سیکشن 208 کے معیارات کی تعمیل میں کمپنی کے بورڈ آف ڈائریکٹرز اور آڈٹ کمیٹی کی نظر ثانی اور منظوری سے مشروط ہے۔

بنیادی خطرات

جیو پولیٹیکل، معاشی اور سیاسی چیلنجز بحرانوں سے متاثرہ پاکستان کو اب حالیہ سیلابی صورت حال سے پیدا نقصان کے لئے سماجی و معاشی اثرات کو بھی برداشت کرنا پڑے گا۔ مزید برآں، ممکنہ عالمی جمود، معاشی عدم استحکام اور ملک میں جاری سیاسی بے چینی نے صارفین کے اعتماد کو ٹھیس پہنچائی ہے جس کے نتیجے میں طلب کا گراف کم ہوا ہے۔

کمپنی کاروبار کے ماحولیاتی اثرات

کمپنی کی انتظامیہ ماحولیاتی تحفظ اور آلودگی سے بچاؤ کے لئے پرعزم ہے۔ کمپنی ماحولیاتی انتظام کے سسٹم میں مسلسل بہتری کے ذریعے بہترین معاشرے کے قیام اور بہتر مستقبل کو یقینی بنانے میں اپنا کلیدی کردار ادا کر رہی ہے۔

کمپنی نے اپنی سائٹ پر 7.5 میگاواٹ ویسٹ ہیٹ ریکوری پاور پلانٹ (WHRPP) جو کہ لائن-I ہے اور 12 میگاواٹ کا (WHRPP) لائن-II کے لئے تعمیر کر رہی ہے تاکہ ماحولیاتی اثرات کو کم اور کاربن کے اخراج میں نمایاں کمی کی جا سکے۔ انتظامیہ مستقبل قریب میں ماحولیاتی منصوبوں کو متعارف کرانے کے لئے بھی پرعزم ہے۔

مالیاتی کارکردگی

30 جون 2022ء کو اختتام پذیر سال کے لئے آپ کی کمپنی کے اہم مالیاتی نتائج کا موازنہ حسب ذیل ہے:

تفصیلات	2022ء	2021ء
	(ہزار روپوں میں)	
مجموعی سیلز ریونیو	7,145,904	4,379,653
منفی: سیلز ٹیکس/فیڈرل ایکسائز ڈیوٹی	1,809,779	1,173,925
خالص سیلز ریونیو	5,336,125	3,205,728
مجموعی منافع/(نقصان)	872,090	302,937
آپریٹنگ نفع/(نقصان)	739,111	219,495
نفع/(نقصان) بمعہ ٹیکس	711,228	253,698
خالص نفع/(نقصان) علاوہ ٹیکس	926,098	143,685
فی حصص آمدنی/(خسارہ)	1.33	0.38

زیر جائزہ سال کے دوران کمپنی آپریشنز کے نتائج، مالیاتی حالت اور خالص اثاثہ جات بہتر مالیاتی حالت کی عکاسی کرتے ہیں۔ سال بھر میں ہم نے اپنی بنیادی ترجیح کو مدنظر رکھتے ہوئے ہر ممکن کوشش کو بروئے کار لا کر اپنی منافع بخش پوزیشن واضح کی ہے اور ہم اپنی ان کوششوں پر فخر محسوس کرتے ہیں۔ کمپنی کی یہ بہتر کارکردگی ہماری ٹیم، کاروبار اور آپریشنز کے استحکام کی عکاسی کرتے ہیں۔ 30 جون 2022ء کو اختتام پذیر سال کے دوران کمپنی نے ٹاپ لائن اور استعداد کے بھرپور استعمال کے ذریعے نمو پر بھرپور توجہ دی لہٰذا کمپنی نے حیران کن کارکردگی دکھائی اور نفع علاوہ ٹیکس کی مد میں گذشتہ برس کی کارکردگی کی نسبت بہتر نمو حاصل کی جو 143,684,742 روپے کے مقابلہ میں 926,097,752 روپے رہی جو 545 فی صد تاریخی نمو کی عکاسی کرتی ہے۔

آپ کی کمپنی نے گذشتہ برس کے مقابلہ میں آمدنی اور مجموعی فروخت میں پائیدار نمو ریکارڈ کی۔ کمپنی کی جانب سے بہتر آپریشنل اور مالیاتی مینجمنٹ کے لئے کئے گئے اقدامات کے باعث اعداد و شمار کے مطابق آمدنی و مجموعی فروخت میں 4,379 ملین (M) سے 7,145 ملین (M) یعنی 63 فیصد اضافہ ہوا۔

ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 جون 2022ء کو اختتام پذیر سال کے لئے باقاعدہ پڑتال شدہ مالیاتی اسٹیٹمنٹس کے ہمراہ انتیسویں (29ویں) سالانہ رپورٹ ازراہِ مسرت پیش کرتے ہیں۔

صنعتی تجزیہ

ملک بھر میں اور اجتماعی سطح پر تعمیراتی شعبے میں معاشی سرگرمیوں کی بحالی میں کرونا بحران کے مابعد اثرات جاری ہیں۔ البتہ، مذکورہ مدت میں حالیہ سیاسی بے چینی، روس اور یوکرائن کی جاری جنگ، ایندھن اور توانائی کی قیمتوں میں تیز رفتار اضافے، بلند افراط زر، غیر ملکی قرضوں میں اضافہ اور کم ہوتے ہوئے غیر ملکی زرمبادلہ کے ذخائر نے پاکستان کی معیشت میں مزید بگاڑ پیدا کر دیا ہے۔ توانائی کی قیمتیں تیرہ سال کی بلند ترین سطح پر پہنچ چکی ہیں جب کہ SBP نے درآمدات پر قابو پانے کے اقدامات کے علاوہ ستمبر 2021ء میں پالیسی کی شرح میں 800 بیسز پوائنٹس اضافہ کیا ہے جس کی وجہ سے کاروبار میں انجماد پیدا کر دیا ہے لیکن مستقبل میں معیشت کی بہتری کے امکانات موجود ہیں۔

مجموعی سطح پر توقع کی جارہی ہے کہ معیشت کی رفتار کے لحاظ سے مالیاتی سال 2023ء مشکل سال ثابت ہوگا اور تعمیراتی شعبہ بشمول سیمنٹ کی صنعت ان اثرات سے نہیں بچ پائے گی۔

بنیادی سرگرمیاں

کمپنی کی بنیادی سرگرمیوں میں عام پورٹ لینڈ سیمنٹ کی تیاری اور فروخت شامل ہے۔

کاروباری کارکردگی

آپ کی کمپنی کے پیداواری اور فروخت کے حجم کے اعداد و شمار اور تقابلی اعداد و شمار مندرجہ ذیل ہیں:

تفصیلات	2022ء	2021ء
	(میٹرک ٹن)	
سیمنٹ پیداوار	522,500	397,000
سیمنٹ کی ترسیل	522,881	388,156

گذشتہ برس کے مقابلہ میں پیداوار اور ترسیل کے ضمن میں مالیاتی سال 2022ء کے دوران اعداد و شمار نمایاں اضافہ ظاہر کرتے ہیں۔

فلائنگ سیمنٹ کمپنی لمیٹڈ

پراکسی فارم

بطور رکن فلائنگ سیمنٹ کمپنی لمیٹڈ میں/ہم .....

عدم حاضری کی صورت میں کمپنی کے رکن .....کو یہاں باضابطہ طور پر مؤرخہ 27 اکتوبر 2022ء بوقت 11:00 بجے صبح بروز جمعرات ہیون بینکویٹ ہال، 343-D-1، نیسپاک، سوسائٹی، لاہور میں منعقدہ سالانہ اجلاس عام یا اس کی دیگر نشست میں شرکت اور ووٹ کرنے کے لئے اپنا/ ہمارا پراکسی مقرر کرتا ہوں/کرتے ہیں۔

مؤرخہ ..... کو مندرجہ ذیل گواہان کی موجودگی میں مذکورہ رکن .....نے اپنے دستخط ثبت کئے۔

-/5 روپے کی ریونیو سٹامپ چسپاں کریں۔

دستخط گواہ:	.....	دستخط گواہ:	.....
نام:	.....	نام:	.....
شناختی کارڈ نمبر:	.....	شناختی کارڈ نمبر:	.....

اہم ترین:

پراکسی کا یہ دستاویز مجاز تصور نہیں کیا جائے گا تاوقتیکہ کمپنی کے رجسٹرڈ آفس واقع 4-سرور کالونی، سرور روڈ، لاہور کینٹ کو اجلاس کے انعقاد سے 48 گھنٹے قبل یہ جمع اور وصول نہ کرایا جائے۔

Proxy Form

IMPORTANT

Instruments of Proxy will not be considered as valid unless deposited or received at the Company's Registered Office at 4-Sarwar Colony, Sarwar Road, Lahore Cantt not later than 48 hours before the time of holding the meeting.

Registered Folio /

Participant ID No. &

A/c No.

No. of Shares Held.

I / We _____ of _____ being a member of Flying Cement Company Limited and holder of _____ Shares do hereby authorize _____ of _____ another member of the company as my/our proxy to attend and vote for me /us and on my /our behalf at the 29th Annual General Meeting of the Company to be held on Thursday 27th October 2022 at 11:00 hours or adjournment thereof.

Please affix

Rupees Five

Revenue stamp

Signature

Witnesses:

1 Signature: _____

Name: _____

Address: _____

CNIC or Passport _____

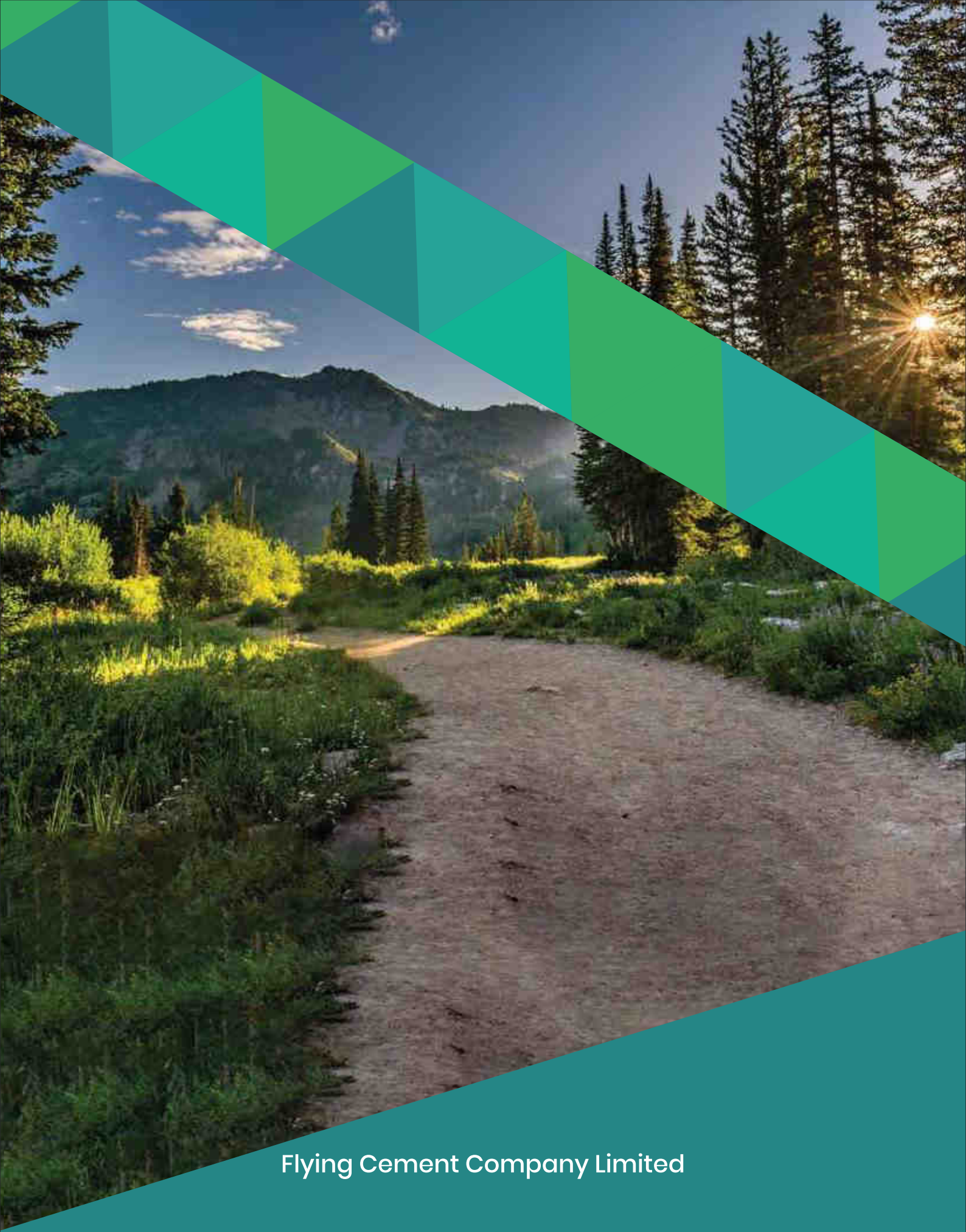
1 Signature: _____

Name: _____

Address: _____

CNIC or Passport _____

Dated _____ **2021.**



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