

The Board of Directors is pleased to present its review report along with un-audited accounts of the Company for the nine months period ended 31st March 2017.

Industry Overview

The cement industry achieved a growth of 6.9% during nine months of current financial year with volumetric sales of 30.30 Million Tons as compared to 28.35 Million Tons during the same period last year. Local sales volume of the industry during nine months of current financial year registered a growth of 10.9 % with volumetric sales of 26.55 Million Tons as compared to 23.94 Million Tons in same period last year. Whereas export sales registered a decline of 15% with volumetric sales of 3.75 Million Tons as compared to 4.41 Million Tons in same period of last year.

Company Overview

During the nine months period ended the Company earned a net profit of Rs.1,972 Million as compared to Rs. 4,337 Million in the same period last year. The Company achieved capacity utilization of 87% as compared to 82% in the corresponding period of the last year. Local dispatches stood at 2,132,617 tons as compared to 1,848,297 tons during the corresponding period of the last year showing an increase of 15%. Export dispatches stood at 112,698 tons as compared to 268,365 tons in the same period of last year showing decrease of 58%.

Future Outlook

The Rehabilitation of Line-II is in full swing with Civil Works progressing satisfactorily and imported equipment delivery has started to arrive. We expect operations to commence in first quarter of 2017-18. Work on Waste Heat Recovery (WHR) Project on Line-1 is also progressing as planned.

With the start of summer season, dispatches are expected to maintain same momentum going forward. Due to non-conducive export regime and influx of cheap Iranian and Tajik cement in Afghanistan, exports continue to decline.



Rawalpindi
Dated 17th April 2017

Lt Gen Khalid Nawaz Khan (Retd), HI(M), Sitara-i-Esar
Chairman Board of Directors of FCCL