PAKISTAN STOCK EXCHANGE LIMITED
(formerly: Karachi Stock Exchange Limited)

PSX/N-1589 **NOTICE** **March 09, 2016**

Reproduced hereunder letter received from **FAUJI CEMENT COMPANY LIMITED,** for information of all TREC Holders of the Pakistan Stock Exchange.
(Copy of the same is also available on our Website www.psx.com.pk).

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FAUJI CEMENT COMPANY LIMITED

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

Fax No	:	051-9280416	**Tel**	:	051-9280075
E-mail	:	secretary1@fccl.com.pk	**Exchange**	:	051-9280081-83
Website	:	http://www.fccl.com.pk			5763321-24
Ref #	:	SECY/FCC/2037/26	**Date**	8 March 2016	

To: Muhammad Ghufran
DGM Companies Affairs
Pakistan Stock Exchange Limited
Stock Exchange Building, Stock Exchange Road,
Karachi-74000 Tel: 021-111-001-122

CC: The Director (Enforcement)
Securities & Exchange Commission of Pakistan
NIC Building, Jinnah Avenue, Blue Area, Islamabad

Subject: **Conversion of 48,699,187 Preference Shares into Ordinary Shares of the Company**

Reference: Pakistan Stock Exchange Limited letter no. PSX/C-1041- 428 dated 18th January 2016

1. With reference to the subject, certified true copies of the following documents are forwarded herewith for your kind information as required to proceed further in the matter:-

   a. Payment of Additional Listing Fee in favour of "Pakistan Stock Exchange Limited" (Annex 'A').

   b. Approval of Securities Exchange Commission of Pakistan under Section 86 (1) of the Companies Ordinance, 1984 (Annex 'B').

   c. Return of Allotment i.e. Form 3 as filed with the Registrar of Companies (Annex 'C').

   d. Auditor's Certificates in Original (Annex 'D').

   e. Tax Challan towards deduction of Income Tax out of Payment of Additional Listing Fee (Annex 'E').

2. An early action is requested please.

Brig Ch Zafar Iqbal (Retd)
Company Secretary

CC: M/s Corplink Pvt (Ltd)
Wings Arcade, 1-K Commercial,
Model Town, Lahore

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Annex B

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

(Securities Market Division)

NTC Building, Jinnah Avenue

F.C.C.L

MD	
GM (W A & C)	
Secy	
Manager (P&A)	
SO	
O/Supdt	

GM (Fin) Copy sent 13/4

No.SM/CO.86(1)/4/2002 Islamabad, April 22, 2002

Brig. (Retd) Moien ud Din Chughtai,
Company Secretary,
M/s Fauji Cement Company Ltd.,
61, Harley Street, Rawalpindi
Fax # 9272283

Subject: **Approvals under the First Proviso to Section 86(1) of the Companies Ordinance, 1984 and Rule 5 of the Companies Share Capital (Variation in Rights & Privileges) Rules, 2000**

Dear Sir,

Please refer to the correspondence resting with your letter No.GMF/FCCL/FIN dated April 5, 2002 on the subject noted above.

2. I am directed to inform you that pursuant to the Special Resolution passed in Extra Ordinary General Meeting of the members of the Company held on March 19, 2002, the Securities and Exchange Commission of Pakistan (the Commission) has been pleased to accord its approval under the first proviso to sub-section (1) of section 86 of the Companies Ordinance, 1984 to issue approximately 248,274,470 (Two hundred forty eight million, two hundred seventy four thousand and four hundred seventy) ordinary shares to sponsors and foreign lenders at a discount of 38.5% in the following manner: -

Subscriber	Subscription Amount		Approximate No. of Shares*
	US $	Pak Rs.	
1	2	3	4 (4 = 3 ÷ 6.15)
Fauji Foundation	-	503,488,000**	81,867,967
International Finance Corporation (IFC)	3,716,000	223,703,200***	36,374,504
Commonwealth Development Corp. (CDC)	3,249,000	195,589,800	31,803,220
Maatschappijvoor Ontwikkelingslanden N.V. (FMO)	966,000	58,153,200	9,455,804
Deutsche Investment UND Ntwicklungsgesellschaft MB (DEG)	1,165,000	70,133,000	11,403,740
Marubeni Corporation	2,904,000	174,820,800	28,426,146
Total	12,000,000	1,526,888,000	248,274,470

* The exact number of shares cannot be calculated due to exchange rate fluctuations (the exchange rate on the date of subscription will be taken into account).
** Rs 443.144 m (Advance) + Rs. 40 m (Advance) + Rs. 20.344 m (Interest accrued as at March 31, 2002)
*** The exchange rate used is 1$=Rs.60.20 as of April 3, 2002

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3. The Commission has also been pleased to accord its approval under the said first proviso to sub-section (1) of section 86 ibid and rule 5 of the Companies Share Capital (Variation in Rights and Privileges) Rules, 2000 to issue approximately 48,943,089 (Forty eight million, nine hundred forty three thousand and eighty nine) preference shares at a discount of 38.5% against cash equivalent to US $ 5,000,000/- to M/s Fauji Foundation. The rights and privileges of the preference shares shall remain the same as approved by the shareholders in EOGM held on March 19, 2002.

4. The Company shall furnish progress report in the matter on monthly basis till the said shares are issued.

Yours truly,

(Amir M. Khan Afridi)
Deputy Director (CI)

CERTIFIED TRUE COPY

Brig Ch. Zafar Iqbal (Retd)
Company Secretary
Fauji Cement Company Limited

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E-mail: amir.khan@secp.gov.pk
URL: www.secp.gov.pk

KPMG

KPMG Taseer Hadi & Co.
Chartered Accountants
Sixth Floor, State Life Building No. 5
Jinnah Avenue, Blue Area
Islamabad, Pakistan

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+ 92 (51) 282 5956
Fax + 92 (51) 282 2671
Internet www.kpmg.com.pk

Mr. Omer Ashraf
Chief Financial Officer
Fauji Cement Company Limited
Rawalpindi

Our Ref: I-877-2016
Our Contact: Riaz Pesnani

26 February 2016

Dear Sir,

Fauji Cement Company Limited

Statutory Auditors' Report on Agreed Upon Procedures

We confirm that we are the statuory auditors' of the Company and we have performed the procedures agreed with you and enumerated below with respect to the inspection of records of Fauji Cement Company Limited ("the Company") relating to conversion of preference shares into ordinary shares in accordance with requirements of the Companies Ordinance, 1984.

Our engagement was carried out in accordance with International Standards on Related Services (ISRS)-4400 "Engagements to Perform Agreed Upon Procedures Regarding Financial Information" applicable to agreed upon procedures engagements. The procedures were performed solely to assist the Company in complying with the requirements of the Companies Ordinance, 1984.

Procedures performed

1. Reviewed minutes of extraordinary general meeting dated 19 March 2002 approving issuance of preference shares.

2. Reviewed Securities and Exchange Commission of Pakistan (SECP) approval dated 22 April 2002 for issuance of preference shares at terms and conditions as approved in extraordinary general meeting (EOGM) dated 19 March 2002.

3. Reviewed request dated 28 October 2015 from the preference shareholder for conversion of their preference shares into ordinary shares.

4. Reviewed certified copy of board of directors' resolution approving the conversion.

5. Reviewed letter from the Company to Karachi stock Exchange, Lahore Stock Exchange and Islamabad Stock Exchange regarding conversion of preference share into ordinary shares.

6. Reviewed that all the preference share certificates are cancelled in physical form pursuant to conversion of preference shares into ordinary shares and ordinary shares certificates are issued in physical form to the shareholder.

We report our findings below:

1) With respect to item No.1 above, shareholders approved amendment in articles of association thereby allowing the Company to issue preference shares that are convertible into ordinary shares at the option of shareholder at any time without further payment and such conversion being irreversible once exercised.

2) With respect to item No.2 above, SECP, in its letter dated 22 April 2002 to the Company secretary approved issuance of preference shares with rights and privileges as approved by the shareholders in EOGM held on 19 March 2002.

3) With respect to item No.3 above, in preference shareholder's letter dated 28 October 2015 to the Company, it is requested by the preference share holder to convert their entire preference shares into ordinary shares.

4) With respect to item No.4 above, the board of directors in their meeting held on 16 February 2016 approved conversion of preference shares into ordinary shares with immediate effect at the ratio of 1:1. The board further approved the revised paid up capital (ordinary) after conversion of preference shares. Reconciliation of share capital before and after conversion of preference shares into ordinary shares is as follows;

RECONCILIATION OF PAID-UP SHARE CAPITAL BEFORE AND AFTER CONVERSION OF PREFERENCE SHARES

Description	Before Conversion		After Conversion	
	No. of Shares	Amount (Rs)	No. of Shares	Amount (Rs)
Ordinary Shares	1,331,115,838	13,311,158,380	1,379,815,025	13,798,150,250
Preference Shares	48,699,187	486,991,870	-	-
Total	**1,379,815,025**	**13,798,150,250**	**1,379,815,025**	**13,798,150,250**

5) With respect to item No.5 above, the Company through letter dated 11 January 2016 informed all the stock exchanges of Pakistan regarding conversion of preference shares into ordinary shares.

6) With respect to item No.6 above, we have checked that preference shares certificate is cancelled and ordinary shares certificate is issued to the shareholder dated 11 January 2016.

General

Because the above procedures do not constitute either an audit in accordance with International Standards on Auditing or a review made in accordance with International Standards on Review Engagements, we do not express any assurance on the compliance with laws and regulations regarding conversion of preference shares to ordinary shares.

Had we performed additional procedures or had we performed an audit in accordance the International Standards on Auditing or review of the financial statements in accordance with the International Standards on Review Engagements other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report. This certificate is being issued at specific request of the Company for submission to Central Depository Company of Pakistan Limited (CDC) and is not to be used for any other purpose or to be distributed to any other parties. This letter relates only to the matter specified above and do not extend to any financial statements of the Company, taken as a whole.

Yours faithfully

KPMG Taseer Hadi & Co.