



FECTO CEMENT LTD.

Head Office : 35, Darul Aman Housing Society, Block 7/8, Shahrah-e-Faisal, Karachi - 75350, Pakistan.

Phones : (+9221) 34530120-2 & 4

Fax : (+9221) 34530123 & 34546455

E-mail : cement@cyber.net.pk

Website : www.fectogroup.com

FCL/SHD/001-92/ 1793

The Securities and Exchange Commission of Pakistan
Securities Market Division
National Insurance Corporation Building
Jinnah Avenue
Islamabad
Fax No. 051 9204915

March 24, 2015

The General Manager
Karachi Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi
Fax No. 021 111 573 329

The Secretary
Lahore Stock Exchange Limited
19- Khyaban-e-Aiwan-e-Iqbal
Lahore
Fax No. 042 36368485

The Secretary
Islamabad Stock Exchange Limited
ISE Tower
55-B, Jinnah Avenue
Islamabad
Fax No. 051 111 473 329

Dear Sir(s)

MATERIAL INFORMATION

In accordance with Clause XX of Code of Corporate Governance contained in the Listing Regulations of the Stock Exchanges where the Company is listed and Clause 5.6.1 (b) of the Rule Book of Karachi Stock Exchange Limited, we do hereby clarify the news appeared in various newspapers on Friday, March 20, 2015 regarding cancellation of Mining Lease of the Company.



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On March 17, 2015 Company received a letter from Mr. Bashir Ahmed, Director Industries and Labour, ICT, Islamabad informing the Company of cancellation of its Mining Lease issued vide letter No. DDI&MD/ICT/LL-5/Vol-1/2467 dated 21-12-2011 in pursuance of the Supreme Court of Pakistan's Order dated March 16, 2015.

The Company had not received ANY notice from the Hon'ble Supreme Court or any party to the proceeding that ANY matter was pending against the Company before the Hon'ble Supreme Court of Pakistan. Thus, the Company had no knowledge of hearing on 16-03-2015 and 18-03-2015. Therefore, on the next date of hearing i.e. 19-03-2015, the Company was represented before the Hon'ble Supreme Court by its learned counsel Mr. Aitzaz Ahsan, Senior ASC. The Hon'ble Supreme Court passed a detailed order wherein it was observed, "We, therefore, expressed our surprise that the said Bashir Ahmed had stated in his letter that it was in pursuance of Supreme Court order and on that basis he had proceeded to cancel the mining lease issued to M/s Fecto Cement Limited. (Copy of the Order of Hon'able Supreme Court of Pakistan dated March 19, 2015 is enclosed herewith for ready reference).

You are therefore informed that Supreme Court had NEVER passed ANY order on ANY date for cancellation of mining lease of the Company (Fecto Cement Limited).

We may submit that cement plant of the Company is in normal operation whereas dispatches are also being made as usual. In the meantime the Company is in the process to approach ICT through its legal counsel for the withdrawal of letter dated March 17, 2015.

We will keep abreast you with, whatever developments would take place in the matter.

Yours faithfully
For Fecto Cement Limited



Abdul Samad
Company Secretary

Encl: Copy of Supreme Court Order dated March 19, 2015

IN THE SUPREME COURT OF PAKISTAN

(Review Jurisdiction)

Present:

Mr. Justice Jawwad S. Khawaja

Mr. Justice Ejaz Afzal Khan

Mr. Justice Maqbool Baqar

CRPs Nos.315-316 of 2013 in CMAs-6158-6159/13 in SMC-20 of 2007

AND

CrI.O.P. No.115 of 2014.

National Highway Authority thr. its Chairman
Israr Ahmed & others

...Petitioners in both petitions

...Petitioners in CrI.O.P.115/14

Versus

Roedad Khan
Maroof Afzal, Chairman, and others

... Respondent in both petitions

... Respondents in CrI.O.P.115/14

For the petitioner(s): Nemo. (in CRPs)
Syed Nayab Hassan Gardezi, ASC
(in CrI.O.P.115/14)

For the respondents-1,4&5: Mr. Munir Paracha, Sr. ASC
Hafiz S. A. Rehman, Sr. ASC
Hafiz Hifzur Rehman, ASC/Legal Advisor
Syed Mustafain Kazmi, Member (Environment)
Dr. Sheikh Suleman, DG, (Environment)
Rana Tahir Hassan, Director (Environment)

For the respondent-2: Mr. Mian Abdul Raof, AG, Islamabad with
Mr. Bashir Ahmed, Director (Industries & Labour) ICT

For the respondent-6: Mr. Aitzaz Ahsan, Sr. ASC
Barrister Gohar, ASC
Mr. M. S. Khattak, AOR

Date of hearing: 19.03.2015

ORDER

Jawwad S. Khawaja, J.- CrI. O.P. 115 of 2014: On 6.3.2015 we had passed an order which is absolutely clear and without any ambiguity. The main thrust and purport of the order is that our order of 25.10.2013 shall not be allowed to be violated. We reproduce the relevant part of our order dated 25.10.2013:-

"5. Thus, Chairman CDA, Chairman NHA and any other executing agency are hereby restrained not to undertake any exercise towards the construction of Tunnel in the Margallah Hills enroute to the Province of KPK, nor CDA shall grant licence of crushing stones from the Margallah Hills. The Chairman CDA is further directed to constitute a team which shall put up a report that no activity of constructing of Tunnel or crushing of stones or encroachment or any other activity in the National Park is going on. If there is any such activity, the same shall be stopped at once. Copy of the compliance report shall be submitted before

this Court through Registrar for our perusal in Chambers and passing further orders if need be."

When the case was listed for hearing yesterday i.e. 18.03.2015 a letter dated 17.3.2015 was placed before us which has been issued by Bashir Ahmed, Director (Industries & Labour), Govt. of Pakistan. The said Bashir Ahmed is present in Court today and he was specifically summoned because para 2 of the aforesaid letter is in the following terms:-

"2. In pursuance of the Supreme Court of Pakistan's orders dated 16th March, 2015, in CRPs No.315,316 of 2013 in CMAs-6158-6159 of 2013 in SMC-20 of 2007 AND Cr.L.O.P.No.115 of 2014, Mining Lease of M/s FECTO Cement Limited issued vide letter No.DDI&MD/ICT/LL-5/Vol-1/2467, dated 21.12.2011 is hereby cancelled with immediate effect. You are directed to stop all activities and remove all installation forthwith."

Today, Mr. Aitzaz Ahsan, learned counsel has come to the Court on behalf of respondent No.6. He has argued that respondent No.6 i.e. M/s Fecto Cement Pvt. Ltd has not been undertaking any activities which are violative either of our order dated 25.10.2013 reproduced above or the Section 21 of the Islamabad Wildlife (Protection, Preservation, Conservation and Management) Ordinance 1979. We may point out that the moment we saw the letter on 17.3.2015 referred to above, we immediately summoned the Director (Industries & Labour) Govt. of Pakistan because our order of 16.3.2015 is clear and does not show any ambiguity. We, therefore, expressed our surprise that the said Bashir Ahmed has stated in his letter that it was in pursuance of the Supreme Court's order dated 25.10.2013 and on that basis he had proceeded to cancel the mining lease issued to M/s Fecto Cement Ltd. (respondent No.6).

3. We may make it abundantly clear that no violation of our order shall be countenanced. If indeed respondent No.6 is undertaking any quarrying activity within the area of the Margallah Hills National Park, it would be a violation of our orders because we have specifically stopped illegal activities, quarrying etc. within the area of the Margallah Hills National Park which activities are violative of our order dated 25.10.2013 and Section 21(4) of the Islamabad Wildlife (Protection, Preservation, Conservation and Management) Ordinance 1979. Needless to add, all violators of our orders shall be proceeded against.

4. Learned counsel for the petitioners Israr Ahmed and two others was asked to file a concise statement because it was his plea that the Director (Industries & Labour) had

violated our orders of 25.10.2013 and this had been done earlier also. Today, he has the concise statement with him. Let the same be filed in Court. Copy of the same shall be provided to each of the parties.

5. The matter to come up on 8.4.2015.

Judge

Judge

Judge

ISLAMABAD
19.03.2015
M. Azhar Malik*