

27 April 2019
Ref: ASL/PSX/0135/2019

FORM 7

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

SUBJECT: FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2019

Dear Sir,

We have to inform you that the Board of Directors of Amreli Steels Limited in their meeting held on Saturday 27 April 2019 at 12:00 noon at Karachi, recommended the following:

- i. **CASH DIVIDEND**
NIL
- ii. **BONUS SHARES**
NIL
- iii. **RIGHT SHARES**
NIL
- iv. **ANY OTHER ENTITLEMENT/ CORPORATE ACTION**
NIL
- v. **ANY OTHER PRICE-SENSITIVE INFORMATION**
NIL

The financial results of the Company for the third quarter ended 31 March 2019 are attached as "Annexure-A".

The quarterly report of the Company for the period ended 31 March 2019 will be transmitted through PUCARS separately, within the specified time.

Yours Sincerely,

FOR AMRELI STEELS LIMITED



Adnan Abdul Ghaffar
Company Secretary

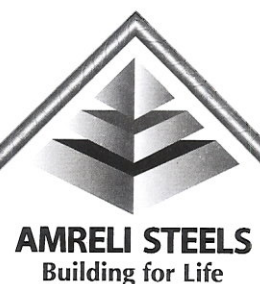


c.c.:

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

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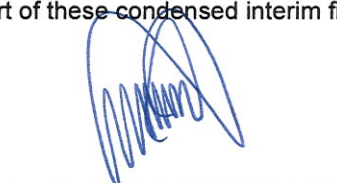
AMRELI STEELS LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT 31 MARCH 2019

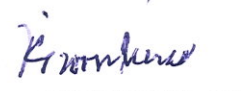
"Annexure-A.1"

		31 March 2019 (Un-audited)	30 June 2018 (Audited)
	Note	----- (Rupees) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	16,484,198,616	15,528,653,230
Intangibles	6	34,058,545	27,888,714
Long-term investments		15,289,370	15,289,370
Long-term deposits		137,709,007	135,599,448
		16,671,255,538	15,707,430,762
CURRENT ASSETS			
Stores and spares		1,012,746,211	869,765,512
Stock-in-trade	7	9,395,226,961	7,459,068,100
Trade debts	8	2,634,449,458	1,787,703,846
Loans and advances		22,453,268	23,377,452
Trade deposits and short-term prepayments		34,538,193	44,233,685
Other receivables		173,127,504	227,188,878
Taxation – net		666,632,558	393,017,333
Cash and bank balances		111,981,596	131,073,813
		14,051,155,749	10,935,428,619
TOTAL ASSETS		30,722,411,287	26,642,859,381
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		2,970,114,270	2,970,114,270
Reserves		2,788,741,922	2,788,741,922
Revenue reserves – accumulated profit		4,353,146,510	4,727,294,416
Actuarial loss on gratuity fund		(40,439,405)	(40,439,405)
Revaluation surplus on property, plant and equipment – net of tax		2,378,736,980	2,434,441,250
		12,450,300,277	12,880,152,453
NON-CURRENT LIABILITIES			
Long-term financing		1,992,415,545	2,204,388,750
Deferred taxation	9	936,109,193	1,006,648,806
Deferred liability – staff gratuity		173,706,406	155,677,808
		3,102,231,144	3,366,715,364
CURRENT LIABILITIES			
Trade and other payables	10	3,364,533,855	2,428,873,755
Interest / markup accrued		327,129,896	135,648,698
Short-term borrowings		10,304,863,799	7,053,113,896
Current portion of long-term financing		1,166,101,205	775,245,124
Unclaimed dividends		7,251,111	3,110,091
		15,169,879,866	10,395,991,564
CONTINGENCIES AND COMMITMENTS	11		
TOTAL EQUITY AND LIABILITIES		30,722,411,287	26,642,859,381

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.


 Chief Executive Officer


 Chief Financial Officer


 Director

AMRELI STEELS LIMITED
CONDENSED INTERIM PROFIT OR LOSS ACCOUNT
FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2019
(UN-AUDITED)

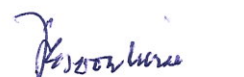
"Annexure-A.2"

		Nine months ended		Quarter-ended	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
Note		(Rupees)			
Sales	12	18,723,108,676	10,865,882,245	6,405,881,301	4,628,016,189
Cost of sales		(16,882,764,083)	(8,719,896,211)	(6,090,860,292)	(3,646,766,877)
Gross profit		1,840,344,593	2,145,986,034	315,021,009	981,249,312
Distribution costs	13	(438,690,133)	(228,186,183)	(153,763,623)	(92,351,092)
Administrative expenses		(371,454,907)	(298,288,629)	(134,773,262)	(113,842,411)
Other expenses		(21,792,017)	(96,286,791)	23,688,324	(47,028,976)
Other income		5,191,369	1,842,552	(24,206,632)	1,223,685
Operating profit		1,013,598,905	1,525,066,983	25,965,816	729,250,518
Finance costs	14	(860,091,226)	(324,034,902)	(370,453,388)	(117,282,514)
Profit / (loss) before taxation		153,507,679	1,201,032,081	(344,487,572)	611,968,004
Taxation	15	70,065,284	(203,880,450)	51,727,604	(139,226,463)
Net profit / (loss) for the period		223,572,963	997,151,631	(292,759,968)	472,741,541
Earnings / (loss) per share – basic and diluted		0.75	Rs. 3.36	(0.99)	Rs. 1.59

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.


 Chief Executive Officer


 Chief Financial Officer

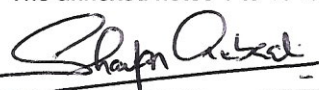

 Director

AMRELI STEELS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED 31 MARCH 2019
(UN-AUDITED)

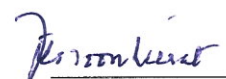
"Annexure-A.3"

	31 March 2019	31 March 2018
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	153,507,679	1,201,032,081
Adjustments for:		
Depreciation	496,036,628	272,033,154
Amortization	8,489,311	5,135,203
Provision for doubtful debts	16,026,785	35,499,922
Provision for gratuity	26,892,914	18,470,919
Gain on disposal of operating fixed assets	(299,633)	(379,259)
Finance costs	860,091,226	324,034,902
	<u>1,407,237,231</u>	<u>654,794,841</u>
 (Increase) / decrease in current assets:		
Stores and spare	(142,980,697)	(142,889,291)
Stock-in-trade	(1,936,158,860)	(1,926,224,771)
Trade debts	(862,772,397)	(210,319,559)
Loans and advances	924,184	(14,187,428)
Trade deposits and short-term prepayments	9,695,490	(13,621,395)
Other receivables	54,061,373	(80,035,090)
	<u>(2,877,230,907)</u>	<u>(2,387,277,534)</u>
(Decrease) / Increase in current liabilities:		
Trade and other payables	362,868,931	219,585,038
Net cash used in operations	<u>(953,617,066)</u>	<u>(311,865,574)</u>
 Income taxes paid	(274,089,551)	(234,998,576)
Gratuity paid	(8,864,317)	(2,127,586)
Long-term deposits – net	(2,109,559)	(7,231,635)
Net cash used in operating activities	<u>(1,238,680,493)</u>	<u>(556,223,371)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(1,452,080,488)	(2,329,588,669)
Proceeds from disposal of fixed assets	798,107	3,471,753
Acquisition of intangible assets	(14,659,143)	(1,849,541)
Net cash used in investing activities	<u>(1,465,941,524)</u>	<u>(2,327,966,457)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES		
Short-term borrowings – net	3,824,541,071	2,430,894,400
Long-term financing – net	(101,117,124)	1,042,850,710
Loan from Directors	280,000,000	-
Dividend paid	(649,284,119)	(313,142,247)
Finance costs paid	(668,610,028)	(275,003,445)
Net cash generated from financing activities	<u>2,685,529,800</u>	<u>2,885,599,418</u>
Net (decrease) / increase in cash and cash equivalents	<u>(19,092,217)</u>	<u>1,409,590</u>
 Cash and cash equivalents at the beginning of the period	<u>131,073,813</u>	<u>69,558,113</u>
Cash and cash equivalents at the end of the period	<u>111,981,596</u>	<u>70,967,703</u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer


Director