

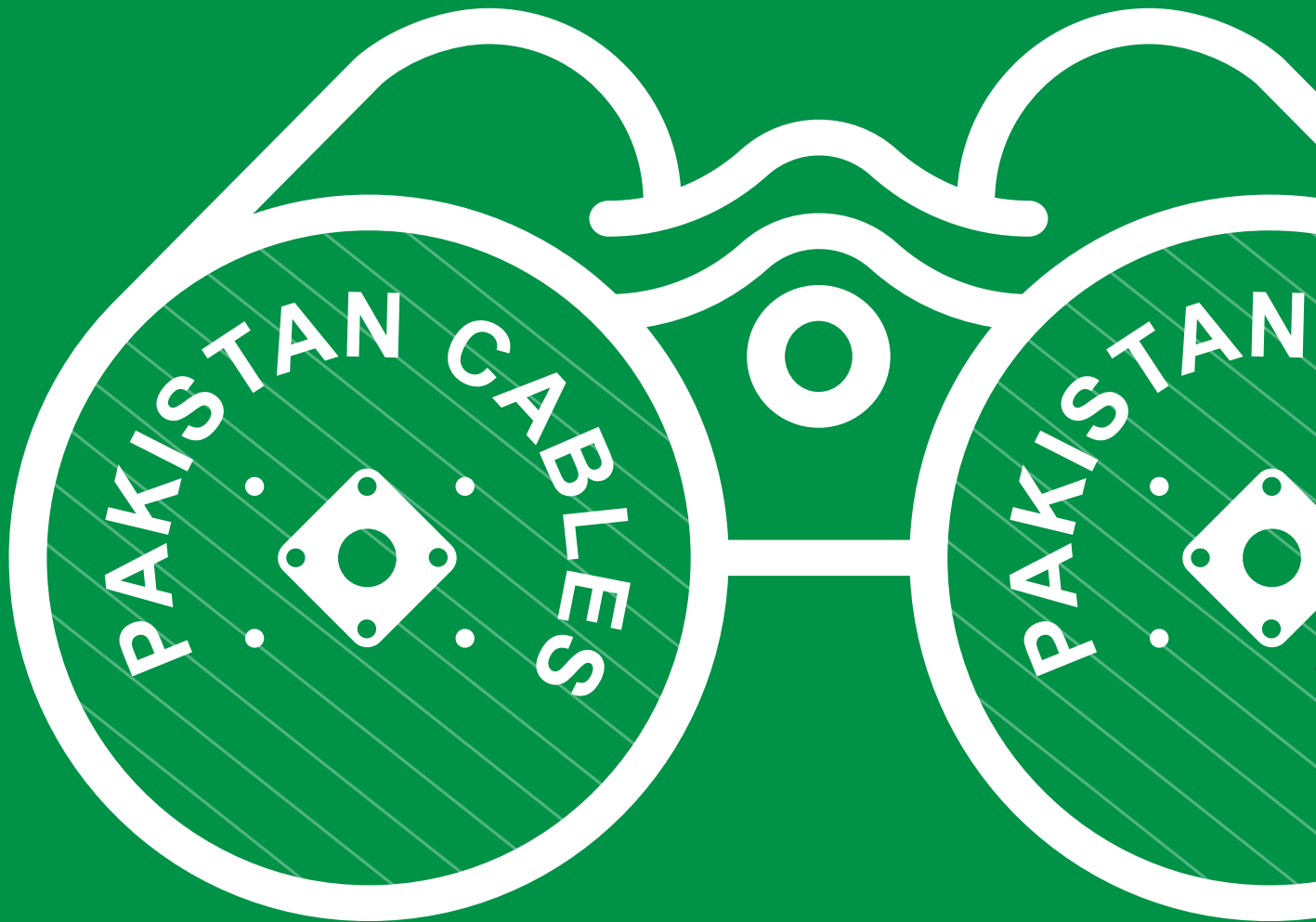


PAKISTAN CABLES
TRUSTED NOT TO COMPROMISE

A member of **ASC** AMIR S. CHINYOY GROUP

A NEW VISION

Quarterly Accounts
for the period Ended September 30, 2022



COMPANY INFORMATION

Board of Directors

Mr. Mustapha A. Chinoy	Chairman
Mr. Shoaib Javed Hussain	
Ms. Spenta Kandawalla	
Mr. Roderick Macdonald	
Mr. Akbar Ali Pesnani	
Mr. Ali H. Shirazi	
Mr. Mazhar Valjee	
Mr. Kamal A. Chinoy	
Mr. Fahd Kamal Chinoy	Chief Executive Officer

Chief Financial Officer

Mr. Waqas Mahmood

Company Secretary

Ms. Natasha Mohammad

Auditors

A. F. Fergusons & Co.

Legal Advisor

ASPIRELaw Advocates and Corporate Counsel

Tax Advisors

A.F. Fergusons & Co.
Muhammad Bilal & Co.

Bankers

Standard Chartered Bank (Pakistan) Limited
Bank Al-Habib Limited
Habib Bank Limited
Meezan Bank Limited
MCB Bank Limited
Industrial and Commercial Bank of China Limited
Soneri Bank Limited
BankIslami Pakistan Limited
Habib Metropolitan Bank Limited
National Bank of Pakistan

Share Registrar

THK Associates (Pvt.) Limited
Plot No.32-C, Jami Commercial Street 2,
D.H.A., Phase VII, Karachi-75500
Tel: 021-3510191-95
Fax: 021-35310190
Email: sfc@thk.com.pk

Registered Office

B-21 Pakistan Cables Road,
Sindh Industrial Trading Estates,
P.O Box 5050,
Karachi -75700
Tel: +92-21-32561170-5
Fax: +92-21-32564614
Email: info@pakistancables.com

Website: www.pakistancables.com

DIRECTORS' REVIEW

Sales for the first quarter ended September 30, 2022 was Rs. 5.2 billion, which is 20% higher than the sales for the same period of last year. Gross profit was recorded at Rs. 677.1 million for the quarter compared to Rs. 571.3 million in the same period of last year.

Selling, Marketing, Administrative expenses and impairment loss on trade debts for the quarter are Rs. 267.1 million compared to Rs. 203.0 million in the same period of last year. Finance costs for the quarter are Rs. 179.0 million compared to Rs. 69.6 million in the same period of last year. The rise in finance cost is a result of increase in interest rates and higher working capital requirements.

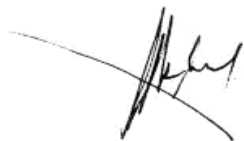
As a result of the above factors, the Company ended the first quarter with a profit after tax of Rs. 158.3 million, resulting in an EPS of Rs. 3.87 compared to a profit after tax of Rs. 184.9 million (EPS of Rs. 4.52) in the same period of last year.

The World Bank has projected Pakistan's economy to grow by 2% in the current fiscal year on the back of catastrophic floods which have created a crisis within the country. Macroeconomic risks remain high as the country faces challenges associated with the current account deficit, heavy debt burden, rupee depreciation and lower demand from its traditional exports amid subdued global growth. With inflation continuing to remain elevated there are no immediate signs of a reduction in interest rates. Slow market conditions are expected to persist till the time the economy recovers which could have an impact on the overall performance of your Company.

We are pleased to inform the shareholders that during the current quarter, your Company received the prestigious Top 25 Companies Award for the year 2021 from Pakistan Stock Exchange. All three companies of the Amir S. Chinoy (ASC) Group including International Industries, International Steel and Pakistan Cables won the award this year. The Company also won the 37th MAP Corporate Excellence Award 2022, 45th FPCCI Merit Export Award for the 6th consecutive year, Best Corporate Report Award for the year 2021 and the 16th Consumers' Choice Award 2022, which shows our continued commitment towards professionalism and transparency.

The Directors would like to place on record their sincere appreciation for the hard work and dedication shown by the Management and employees of the Company during the period. On behalf of the Board of Directors and employees of the Company, we express our gratitude and appreciation to all our valued customers, distributors, dealers, bankers, vendors and all other stakeholders for the trust and confidence reposed in the Company.

On behalf of the Board of Directors



MUSTAPHA A. CHINOY
Chairman

Karachi: October 27, 2022

30 ستمبر 2022ء کو اختتام پذیر پہلی سرمایہ کے لئے سیلز 5.2 بلین روپے رہی جو گذشتہ برس کی اسی مدت میں سیلز سے 20 فیصد زائد ہے۔ مجموعی منافع گذشتہ برس کی اسی مدت میں 571.3 بلین روپے کے مقابلے میں 677.1 بلین روپے ریکارڈ ہوا۔

فروخت، مارکیٹنگ اور انتظامی اخراجات اور تجارتی قرضوں پر خسارہ گذشتہ برس کی اسی مدت میں 203.0 بلین روپے کے مقابلے میں 267.1 بلین روپے رہا۔ مذکورہ سرمایہ کے لئے قرضوں پر لاگت گذشتہ برس کی اسی مدت میں 69.6 بلین روپے کے مقابلے میں 179.0 بلین روپے رہی۔ قرضوں پر لاگت میں اضافہ بلند شرح سود اور درکار زیر کار سرمایے میں اضافے سے منسوب کیا جاتا ہے۔

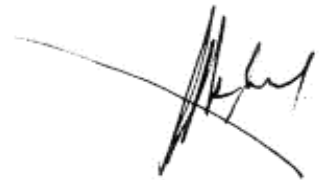
مذکورہ بالا عوامل کے باعث کمپنی نے پہلی سرمایہ کا اختتام 158.3 بلین روپے بعد از ٹیکس سے کیا اور اس کے نتیجے میں فی حصص آمدنی 3.87 روپے رہی جبکہ گذشتہ برس کی اسی مدت میں نفع بعد از ٹیکس 184.9 بلین روپے (فی حصص آمدنی 4.52 روپے) رہی۔

ورلڈ بینک نے سیلاب کی تباہ کاریوں کے باعث پاکستانی معیشت کی نمو میں 2% اضافے کی پھینکونی کی ہے۔ سیلاب کی تباہ کاریوں نے ملک میں بحرانی کیفیت پیدا کر دی ہے۔ کئی اقتصادی خطرات کی سطح بھی بلند رہی کیونکہ ملک کرنٹ اکاؤنٹ خسارے، قرضوں کے بوجھ، روپے کی قدر میں کمی اور عالمی سطح پر شرح نمو میں کمی کے باعث برآمدی طلب میں کمی جیسی مشکلات کا شکار ہے۔ افراط زر کی شرح بلند ہونے کے باعث شرح سود میں کمی کے فوری امکانات بہت کم ہیں۔ مارکیٹ کی سست روی معیشت کی بحالی تک برقرار رہے گی جس کے اثرات ہماری کمپنی کی مجموعی کارکردگی پر مرتب ہو سکتے ہیں۔

ہم اپنے شیئر ہولڈرز کو بھد مسرت مطلع کرتے ہیں کہ حالیہ سرمایہ کے دوران آپ کی کمپنی نے پاکستان سٹاک ایکسچینج سے سال 2021ء کے لئے 25 بڑی کمپنیوں کا ایوارڈ وصول کیا ہے۔ امیر ایس چنائے (ASC) گروپ کی تینوں کمپنیوں بشمول انٹرنیشنل انڈسٹریز، انٹرنیشنل اسٹیل اور پاکستان کیلور نے امسال ایوارڈ حاصل کئے ہیں۔ کمپنی نے مزید 37 واں MAP کارپوریٹ ایکسلنس ایوارڈ 2022ء، لگاتار چھ سال سے 45 واں FPCCI میرٹ ایکسپورٹ ایوارڈ، سال 2021ء کے لئے کارپوریٹ رپورٹ ایوارڈ اور 16 واں کنزیومرز چوائس ایوارڈ 2022ء حاصل کئے ہیں۔ جو پیشہ ورانہ صلاحیتوں اور شفافیت کے لئے ہمارے عزم کی عکاسی کرتے ہیں۔

ڈائریکٹرز مذکورہ مدت کے دوران کمپنی کی انتظامیہ اور ملازمین کے جذبے اور ان تھک محنت کو سراہتے ہیں۔ بورڈ آف ڈائریکٹرز اور کمپنی کے ملازمین کی جانب سے ہم اپنے تمام معزز صارفین، ڈسٹری بیوٹرز، ڈیلرز، بینکرز، وینڈرز اور اسٹیک ہولڈرز کی جانب سے ہماری کمپنی پر بھروسے اور اعتماد کے لئے خراج تحسین پیش کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز



مصطفیٰ اے چنائے

چیئرمین

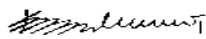
کراچی: 27 اکتوبر، 2022ء

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022**

	Note	(Unaudited) 30 September 2022	(Audited) 30 June 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	11,836,747	10,628,822
Right-of-use assets		24,587	29,511
Intangible assets		16,601	17,746
Investment in associated company		73,532	65,723
Long-term loans receivable		6,213	6,269
Long-term deposits		6,020	6,020
		11,963,700	10,754,091
Current assets			
Stores and spares		62,540	63,227
Stock-in-trade	5	4,388,514	3,863,451
Trade debts	6	4,570,788	4,104,314
Short-term loans and advances		109,293	91,264
Short-term deposits and prepayments	7	31,385	27,204
Other receivables	8	380,561	145,464
Advance tax - net of provision		163,512	188,428
Cash and bank balances	9	187,975	255,814
		9,894,568	8,739,166
Total assets		21,858,268	19,493,257
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital 50,000,000 (30 June 2022: 50,000,000) ordinary shares of Rs. 10 each		500,000	500,000
Issued, subscribed and paid-up capital		409,146	355,779
<i>Capital reserves</i>			
Share premium reserve		1,595,139	1,595,139
Revaluation surplus on property (land and building) - net of tax		4,796,952	4,790,050
<i>Revenue reserves</i>			
General reserve		1,975,000	1,575,000
Un-appropriated profit		164,241	690,318
Total shareholders' equity		8,940,478	9,006,286
Non-current liabilities			
Long-term borrowings	10	3,597,329	854,129
Deferred income - government grant		490,106	248,987
Lease liabilities		4,518	5,595
Deferred liability for staff gratuity		51,970	49,706
Other long-term employee benefits		5,042	7,210
Deferred tax liability - net		56,466	66,043
		4,205,431	1,231,670
Current liabilities			
Current portion of long-term borrowings	10	346,074	392,586
Current portion of lease liabilities		7,851	7,402
Trade and other payables	11	2,437,965	2,667,389
Short-term loan from banking companies	12	4,306,783	4,897,411
Contract liabilities		1,196,659	1,141,723
Proposed dividend payable		231,257	-
Unclaimed dividend		30,318	30,318
Mark-up accrued on bank borrowings		155,452	118,472
		8,712,359	9,255,301
Total liabilities		12,917,790	10,486,971
Contingencies and commitments	13		
Total equity and liabilities		21,858,268	19,493,257

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

	Note	July to September 2022	July to September 2021
(Rupees in '000)			
Net sales	14	5,203,995	4,341,955
Cost of sales		<u>(4,526,894)</u>	<u>(3,770,613)</u>
Gross profit		677,101	571,342
Marketing, selling and distribution costs	15	<u>(176,423)</u>	<u>(135,583)</u>
Administrative expenses	16	<u>(79,435)</u>	<u>(67,402)</u>
Impairment loss on trade debts		<u>(11,192)</u>	<u>-</u>
		(267,050)	(202,985)
Finance cost	17	<u>(178,998)</u>	<u>(69,574)</u>
Other expenses		<u>(19,927)</u>	<u>(22,839)</u>
		(198,925)	(92,413)
Other income		32,637	26,716
Share of (loss) / profit from associate under the equity basis of accounting		<u>(1,488)</u>	<u>5,500</u>
Profit before tax		242,275	308,160
Taxation		<u>(84,009)</u>	<u>(123,233)</u>
Profit after tax		158,266	184,927
(Rupees)			
Earnings per share - basic and diluted	18	<u>3.87</u>	<u>(Restated) 4.52</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

	July to September 2022	July to September 2021
	(Rupees in '000)	
Profit after tax for the period	158,266	184,927
Other comprehensive income:		
<i>Items that will not be reclassified to statement of profit or loss</i>		
Derivative financial assets on hedge instruments (net)	(5,524)	-
Related deferred tax	1,602	-
	(3,922)	-
Share of other comprehensive loss from the associated company	(193)	(215)
	(4,115)	(215)
Share of surplus on revaluation of land and building of the associated company	13,292	3,460
Related deferred tax	(1,994)	(519)
	11,298	2,941
	7,183	2,726
Total comprehensive income - transferred to statement of changes in equity	165,449	187,653

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Director

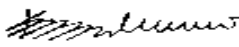

Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

	Note	30 September 2022	30 September 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	19	(997,978)	(402,614)
Finance costs paid		(120,529)	(48,237)
Income tax paid (net)		(69,063)	(120,537)
Long-term loans receivable		56	964
Long-term deposits		-	210
Net cash used in operating activities		<u>(1,187,514)</u>	<u>(570,214)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure including intangible assets		(1,252,865)	(443,146)
Proceeds from disposal of fixed assets		7,832	7,857
Net cash used in investing activities		<u>(1,245,033)</u>	<u>(435,289)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loans obtained		3,036,215	212,890
Repayment of long term loans		(79,799)	(65,468)
Lease rentals paid		(1,080)	(2,397)
Short-term loan from banking companies		(1,836,036)	442,000
Net cash generated from financing activities		<u>1,119,300</u>	<u>587,025</u>
Net decrease in cash and cash equivalents		<u>(1,313,247)</u>	<u>(418,478)</u>
Cash and cash equivalents at beginning of the year		(954,956)	(301,909)
Cash and cash equivalents at end of the period	20	<u><u>(2,268,203)</u></u>	<u><u>(720,387)</u></u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

	Share Capital	Capital Reserve		Revenue Reserve		Total
	Issued, subscribed and paid-up capital	Share premium reserve	Surplus on revaluation of assets - net of tax	General reserve	Un- appropriated profit	
------(Rupees in'000)-----						
Balance as at 01 July 2021	355,779	1,595,139	1,599,394	1,268,000	530,386	5,348,698
Total comprehensive income for the period from July 2021 to September 2021						
- Profit after tax	-	-	-	-	184,927	184,927
- Other comprehensive income - net of tax	-	-	2,941	-	(215)	2,726
	-	-	2,941	-	184,712	187,653
Transfer from surplus on revaluation of building - net of deferred tax	-	-	(3,311)	-	3,311	-
Transfer to general reserve for the year ended 30 June 2021	-	-	-	307,000	(307,000)	-
Transactions with owners of the Company - Distribution						
Final cash dividend for the year ended 30 June 2021 @ Rs. 8.00 per share	-	-	-	-	(284,624)	(284,624)
Balance as at 30 September 2021	355,779	1,595,139	1,599,024	1,575,000	126,785	5,251,727
Balance as at 01 July 2022	355,779	1,595,139	4,790,050	1,575,000	690,318	9,006,286
Total comprehensive income for the period from July 2022 to September 2022						
- Profit after tax	-	-	-	-	158,266	158,266
- Other comprehensive income - net of tax	-	-	11,298	-	(4,115)	7,183
	-	-	11,298	-	154,151	165,449
Transfer from surplus on revaluation of building - net of deferred tax	-	-	(4,396)	-	4,396	-
Transfer to general reserve for the year ended 30 June 2022	-	-	-	400,000	(400,000)	-
Transactions with owners of the Company - Distribution						
Final cash dividend for the year ended 30 June 2022 @ Rs. 6.50 per share	-	-	-	-	(231,257)	(231,257)
15% bonus shares issued - for the year ended 30 June 2022	53,367	-	-	-	(53,367)	-
Balance as at 30 September 2022	409,146	1,595,139	4,796,952	1,975,000	164,241	8,940,478

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

**NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

1 INTRODUCTION

Pakistan Cables Limited ("the Company") was incorporated in Pakistan as a private limited Company on 22 April 1953 and in 1955 it was converted into a public limited Company in which year it also obtained a listing on the Pakistan Stock Exchange. The Company is engaged in the business of copper rods, wires, cables and conductors, aluminium extrusion profiles, wiring accessories and PVC compounds.

The registered office of the Company is situated at 11.15 acres of land at B/21, S.I.T.E., Karachi, Pakistan and head office of the Company is situated at 1st Floor, Arif Habib Centre, 23 M.T. Khan Road, Karachi, Pakistan. In addition, it also has a land of 42 acres at K-23, Nooriabad, Sindh.

2 BASIS OF PRESENTATION

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements are unaudited and are being submitted to the shareholders as required section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange Limited. These condensed interim financial statements comprise of the statement of financial position as at 30 September 2022 and statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity for the three months period ended 30 September 2022.

2.3 The comparative statement of financial position presented in these condensed interim financial statements as at 30 June 2022 has been extracted from the audited financial statements of the Company for the year ended 30 June 2022, whereas the comparative statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity for the three months period ended 30 September 2021 have been extracted from the unaudited condensed interim financial statements for the period then ended.

2.4 These condensed interim financial statement does not include all the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements of the Company as at and for the year ended 30 June 2022.

2.5 These condensed interim financial statements are presented in Pakistan Rupee which is also the Company's functional currency and all financial statements presented in Pakistani rupee have been rounded off to the nearest thousand, unless otherwise stated.

3 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2022.

3.1 Accounting estimates, judgements and financial risk management

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation are the same as those that applied to the financial statements for the year ended 30 June 2022.

4 PROPERTY, PLANT AND EQUIPMENT

	<i>Note</i>	(Unaudited) 30 September 2022	(Audited) 30 June 2022
		(Rupees in '000)	
Operating fixed assets		6,118,056	6,140,353
Capital work-in-progress		5,718,691	4,488,469
		<u>11,836,747</u>	<u>10,628,822</u>

The additions and disposals in property, plant and equipments during the quarter are as under:

		Three months period ended	
		30 September 2022	30 September 2021
		(Rupees in '000)	
Additions			
Plant and machinery		2,048	6,193
Office equipment and appliances		3,277	1,286
Others		1,273	1,541
Capital work-in-progress	4.1	1,246,267	434,126
		<u>1,252,865</u>	<u>443,146</u>
Disposals - Net book value			
Vehicles [cost Rs. 4.83 million (30 September 2021 : Rs. 6.64 million)]		549	1,482
Plant and machinery and others [cost Rs. 13.34 million (30 September 2021: Rs. 3.39 million)]		-	-
Transfer from Capital work-in-progress		16,047	12,763

4.1 This represents the purchase of plant and machinery, building and others.

	Note	(Unaudited) 30 September 2022	(Audited) 30 June 2022
5 STOCK-IN-TRADE			
		(Rupees in '000)	
Raw materials [including Rs. 840.12 million in transit (30 June 2022 : Rs. 859.69 million)]	5.1	1,991,281	1,989,924
Work-in-process	5.2	572,464	592,355
Finished goods	5.2	1,732,746	1,168,018
Scrap		92,023	113,154
		<u>4,388,514</u>	<u>3,863,451</u>
5.1	Raw material includes slow moving items carried at nil (30 June 2022: Nil) as against their cost of Rs. 20.70 million (30 June 2022: Rs. 20.70 million).		
5.2	Work-in-process and finished goods include slow moving items amounting to Rs. 35.33 million (30 June 2022: Rs. 23.21 million) and Rs. 35.87 million (30 June 2022: Rs. 35.87 million) respectively stated at their net realizable values against their cost of Rs. 83.11 million (30 June 2022: Rs. 52.06 million) and Rs. 55.52 million (30 June 2022: Rs. 55.52 million) respectively.		
6 TRADE DEBTS			
Unsecured and non-interest bearing			
Due from related parties		485,284	365,597
Others		4,149,881	3,791,902
		<u>4,635,165</u>	<u>4,157,499</u>
Allowance for expected credit losses	6.1	(64,377)	(53,185)
		<u>4,570,788</u>	<u>4,104,314</u>
6.1 Allowance for expected credit losses			
Balance as on 01 July		53,185	65,382
Provision / (reversal) during the period - net		11,192	(8,724)
Trade debts balances written off during the period		-	(3,473)
		<u>64,377</u>	<u>53,185</u>
7 SHORT-TERM DEPOSITS AND PREPAYMENTS			
Deposits		18,448	13,319
Prepayments		12,937	13,885
		<u>31,385</u>	<u>27,204</u>
8 OTHER RECEIVABLES - considered good			
Sales tax receivable		323,556	89,282
Receivable from staff pension fund - related party		48,195	48,195
Derivative financial assets		-	5,680
Dividend receivable from associate - related party		3,802	-
Others		5,008	2,307
		<u>380,561</u>	<u>145,464</u>
9 CASH AND BANK BALANCES			
With banks - in current accounts		176,087	244,110
- profit and loss sharing account	9.1	11,756	11,399
Cash in hand		132	305
		<u>187,975</u>	<u>255,814</u>
9.1	The profit and loss sharing bank balance carry profit at the rate of 12.25% (30 June 2022: 12.25%) per annum.		

	Note	(Unaudited) 30 September 2022	(Audited) 30 June 2022
10 LONG TERM BORROWINGS - secured		(Rupees in '000)	
Loans from conventional financial institutions			
Long term Finance Facility	10.2	3,021,250	569,688
SBP Refinance - payroll	10.3	60,034	90,784
SBP Refinance - renewable energy	10.4	98,972	98,023
Temporary Economic Refinance Facility (TERF)	10.5	1,185,058	648,086
		4,365,314	1,406,581
Loans from Islamic financial institutions			
Islamic Temporary Economic Refinance Facility (ITERF)	10.5	128,249	123,656
		4,493,563	1,530,237
Less: Deferred income government grant		(550,160)	(283,522)
Less: Current portion of long-term borrowings			
Conventional financial institutions			
Long term Finance Facility		(277,917)	(297,917)
SBP Refinance - payroll		(58,068)	(87,102)
Temporary Economics Refinance Facility (TERF)		(10,089)	(7,567)
		(346,074)	(392,586)
		3,597,329	854,129

- 10.1** Long term loans have been obtained for the purpose of capital expenditure which are secured against mortgage of land and building and hypothecation of specific plant and machinery. The Company has also availed long term loans against State Bank of Pakistan (SBP) Refinancing Schemes for its salary and wages, against Temporary Economic Refinance Facility (TERF) and against Renewable Energy Scheme.
- 10.2** Long term loan of Rs. 3,000 million has been obtained for capital expenditure which are secured against mortgage of land and building at S.I.T.E., Karachi and K-23 Nooriabad thereon (charge of Rs. 4,667 million). The total amount outstanding against these loans are Rs. 2,750 million as on 30 September 2022 (30 June 2022: Rs. 250 million). Rate of markup on the above loans ranges between 15.17% per annum and 16.50% per annum (30 June 2022: 15.17% per annum). These are repayable in six half yearly equal instalments of Rs. 83.33 million, Rs. 107.14 million and Rs. 62.50 million commencing from 12 May 2021, 07 March 2025 and 30 March 2025 respectively. The facility available under the above arrangement amounted to Rs. 3,500 million of which the amount remained unutilized as at 30 September 2022 was Rs. 500 million (30 June 2022: Facility available of Rs. 1,000 million of which amount unutilized as at 30 June 2022 was Rs. 500 million).
- The Company has also obtained certain long term loans for the purpose of capital expenditure which are secured against hypothecation of specific items of plant and machinery (charge of Rs. 701 million). The total amount outstanding against these loans amounts to Rs. 271.20 million as on 30 September 2022 (30 June 2022: Rs. 319.70 million). Rate of markup on these loans at the period end ranged between 15.90% per annum to 16.10% per annum (30 June 2022: 10.83% per annum to 14.82% per annum). These loans are for five years from the date of disbursement and are repayable in eight half yearly equal principal installments of Rs. 20.00 million, Rs. 11.25 million and sixteen quarterly equal principal installments of Rs. 17.18 million commencing from 21 August 2019, 05 February 2021 and 28 December 2021 respectively. The facility available under the above arrangement amounted to Rs. 650 million of which the amount remained unutilized as at 30 September 2022 was Rs. 125 million (30 June 2022: facility available of Rs. 650 million of which amount remained unutilized at 30 June 2022 was Rs. 125).
- 10.3** In addition to the above, the Company has also obtained long term loans of Rs. 232.27 million for financing its salaries and wages under SBP Refinance Scheme for payment of wages and salaries, earmarked from running finance limit, which is secured against first Joint Pari Passu Hypothecation charge over stock and book debts (30 June 2022: Rs. 232.27 million). The total principle amount outstanding against this loan amounts to Rs. 58.1 million as on 30 September 2022 (30 June 2022: Rs. 87.1 million). The rate of markup on these loans is 1% per annum. These loans are for two and half years and are repayable in eight equal quarterly installments of Rs. 29.03 million commencing from 01 April 2021. The facility available under the above arrangement amounted to Rs. 290 million (30 June 2022: Rs. 290 million).
- 10.4** In addition to the above, the company has also obtained long term loan of Rs. 98.00 million against SBP Renewable Energy Scheme (30 June 2022: Rs. 98.00 million). The rate of markup on this loan is at 3.50% per annum (30 June 2022: 3.50% per annum). This loan is secured against hypothecation of specific plant and machinery for a 10 year period.
- 10.5** In addition to the above, the company has also obtained long term loan of Rs. 1,297.87 million against Temporary Economic Refinance Facility (TERF) under SBP refinance scheme (30 June 2022: Rs. 761.68 million). The rate of markup on these loans at year end ranged between 1.50% per annum to 2.50% per annum (30 June 2022: 1.50% per annum to 2.50% per annum). These loans are secured against hypothecation of specific plant and machinery for a 10 year period.

		(Unaudited) 30 September 2022	(Audited) 30 June 2022
11 TRADE AND OTHER PAYABLES		(Rupees in '000)	
Creditors		1,094,721	1,307,480
Accrued expenses		635,703	666,681
Salary and wages payable		16,163	19,113
Accrual for import levies		563,342	505,406
Payable to staff provident fund - related party		4,766	3,583
Workers' profit participation fund		13,013	71,618
Workers' welfare fund		31,114	26,150
Current portion of deferred income - government grant		60,054	34,535
Security deposits from distributors and employees		6,726	6,694
Derivative financial liability		-	156
Withholding income tax payable		9,956	23,539
Others		2,407	2,434
		2,437,965	2,667,389

12 SHORT TERM LOANS FROM BANKING COMPANIES

Note	(Unaudited) 30 September 2022	(Audited) 30 June 2022
	(Rupees in '000)	
	829,508	343,897
	1,626,670	866,873
	2,456,178	1,210,770
	1,810,706	3,562,560
	39,899	124,081
	4,306,783	4,897,411

Secured

Running musharka under Shariah arrangements
Running finances under mark-up arrangements
Running finances from banks

Short term finances under mark-up arrangements
Export financing scheme

12.1 Running musharka under shariah arrangements

Running Musharaka under Shariah arrangement carries mark-up at the rate of 15.36% per annum to 15.71% per annum (30 June 2022: 12.15% per annum to 14.41% per annum) and the available facility is Rs. 1,250 million (30 June 2022: Rs. 1,000 million). At 30 September 2022, the facility unutilised was Rs. 420 million (30 June 2022: Rs. 656 million).

12.2 Running finances under mark-up arrangements

The Company has also arranged short-term running finance facilities under mark-up arrangements from certain banks. The overall facility for these running finances under mark-up arrangements amounts to Rs. 5,242 million (30 June 2022: Rs. 5,213 million). Rate of mark-up on these running finance facilities under mark-up arrangements ranges between 15.41% per annum to 16.35% per annum net of prompt payment rebate (30 June 2022: 12.04% per annum to 15.06% per annum). The facilities will expire between 30 September 2022 to 31 August 2023 and are renewable.

12.3 Short term finances under mark-up arrangement

Amount outstanding against the short term finance facilities as at 30 September 2022 was Rs. 1,811 million (30 June 2022: Rs. 3,563 million) against the available facilities of Rs. 6,498 million (30 June 2022: Rs. 5,941 million). This includes facilities earmarked out of the total running finance facilities obtained from banks. Mark-up on short term finance is agreed at each disbursement and as at 30 September 2022, it was ranging between 15.21% per annum to 15.80% per annum (30 June 2022: 13.75% per annum to 14.33% per annum).

12.4 Export Financing Scheme

The amount outstanding against the Export Financing Scheme as at 30 September 2022 available from various banks was Rs. 39.9 million (30 June 2022: Rs. 124.08 million). The rate of discounting on Export Financing Scheme was at 1.0% per annum (30 June 2022: 1.0% per annum to 2.0% per annum). The total facility available under this arrangement amounts Rs. 1,150 million (30 June 2022: Rs. 1,150 million) which is a sub-limit of the above running finance limit out of which Rs. 1,110 million remains unutilized as at 30 September 2022 (30 June 2022: Rs. 826 million).

12.5 Other facilities

The facility for opening letters of credit and guarantees as at 30 September 2022 amounted to Rs. 6,749 million including Rs. 1,829 million relating to the guarantees (30 June 2022: Rs. 6,497 million including Rs. 1,805 million relating to the guarantees) of which the amount remained unutilized as at 30 September 2022 was Rs. 2,976 million including Rs. 429 million relating to the guarantees (30 June 2022: Rs. 3,457 million including Rs. 328 million relating to the guarantees).

12.6 Securities

These above arrangements are secured by way of joint pari passu hypothecation over stocks, stores and spares and present and future trade debts of the Company of Rs. 8,770 million and a ranking charge of Rs. 400 million, Rs. 667 million, Rs. 317 million, Rs. 667 million and Rs. 400 million for facilities availed from Bank Al Habib Limited, Meezan Bank Limited, Soneri Bank Limited, MCB Bank Limited and Habib Bank Limited respectively, which will be upgraded to first Joint Pari Passu Charge.

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

- The Company has issued to the Collector of Customs post dated cheques amounting to Rs. 9.50 million (30 June 2022: Rs. 9.50 million) against partial exemption of import levies.
- Bank guarantees amounting to Rs. 1,400 million (30 June 2022: Rs. 1,477 million) have been given to various parties for contract performance, tender deposits, import levies, etc.

13.2 Commitments

- Aggregate commitments for capital expenditure as at 30 September 2022 amounted to Rs. 1,801.15 million (30 June 2022: Rs. 2,446.04 million).
- Commitments under letters of credit for the import of raw materials, etc. (non-capital expenditure) as at 30 September 2022 amounted to Rs. 2,318.30 million (30 June 2022: Rs. 1,481.62 million). These are in respect of the letters of credit opened before the year end but no shipment by then had been made.

14 NET SALES

	Three months period ended	
	30 September 2022	30 September 2021
	(Rupees in '000)	
Gross local sales	5,961,304	5,022,962
Export sales	123,307	62,699
	6,084,611	5,085,661
Sales tax	(880,616)	(743,706)
	5,203,995	4,341,955

14.1 Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical markets, major product lines and sales channels:

Primary geographical markets

Pakistan	5,080,688	4,279,255
Asia (other than Pakistan)	-	17,536
North America	884	-
Africa	122,423	45,164
	5,203,995	4,341,955

Major products lines

Wire and Cables	5,110,511	4,291,319
Aluminium profile business	93,484	50,636
	5,203,995	4,341,955

Sales channels

Goods sold:		
- directly to consumers	4,232,339	3,696,560
- through intermediaries	971,656	645,395
	5,203,995	4,341,955

15 MARKETING, SELLING AND DISTRIBUTION COSTS

Salaries, wages and benefits	49,251	43,699
Rent, rates and taxes	4,302	1,675
Commission	172	-
Repairs and maintenance	1,184	1,073
Communication and stationary	978	1,199
Training, travelling and entertainment	12,445	6,273
Advertising and publicity	20,272	30,400
Carriage and forwarding expenses	68,555	39,957
Depreciation	4,293	3,442
Depreciation on right-of-use assets	3,046	4,266
Subscriptions	896	598
Insurance	1,088	713
Fuel and power	2,732	1,791
Other expenses	7,209	497
	176,423	135,583

		Three months period ended	
		30 September	30 September
		2022	2021
		(Rupees in '000)	
16	ADMINISTRATIVE EXPENSES		
	Salaries, wages and benefits	42,710	44,887
	Insurance	427	787
	Repairs and maintenance	2,712	3,429
	Legal and professional	3,308	1,851
	Donation and CSR	7,876	287
	Auditors' remuneration	1,087	592
	Communication and stationary	4,329	3,587
	Training, travelling and entertainment	4,080	1,273
	Depreciation	3,964	3,469
	Depreciation on right-of-use assets	1,878	1,878
	Amortization	598	793
	Fuel and power	2,033	2,028
	Other expenses	4,433	2,541
		<u>79,435</u>	<u>67,402</u>
17	FINANCE COSTS		
	Mark-up on finances under mark-up arrangements	92,508	31,873
	Mark-up on finances under a shariah compliance arrangement	26,848	9,386
	Mark-up on finances under export finance scheme	1,025	219
	Mark-up on long-term loans under mark-up arrangements	36,436	16,318
	Mark-up on lease liability	452	694
	Mark-up on SBP refinance schemes	21,037	5,736
	Mark-up on distributors deposit	75	75
	Un-winding of provision for GID cess	1,437	2,078
	Exchange (gain) / loss	(7,038)	300
	Bank charges	6,218	2,895
		<u>178,998</u>	<u>69,574</u>
18	EARNING PER SHARE - basic and diluted		
	Profit after taxation	<u>158,266</u>	<u>184,927</u>
		(Number of shares in '000)	
	Weighted average number of ordinary shares outstanding during the period	<u>40,915</u>	<u>40,915</u>
		(Rupees)	
	Earnings per share - basic and diluted	<u>3.87</u>	<u>4.52</u>
		(Restated)	
		<u>3.87</u>	<u>4.52</u>
		Three months period ended	
		30 September	30 September
		2022	2021
		(Rupees in '000)	
19	CASH USED IN OPERATIONS		
	Profit before taxation	242,275	308,160
	Adjustments for non cash charges and other items:		
	- Depreciation	43,225	41,842
	- Depreciation on right-of-use asset	4,924	6,144
	- Amortization of intangible assets	2,311	1,291
	- Amortization of government grant	(14,127)	(3,700)
	- Provision for staff gratuity	2,264	1,698
	- Other long-term employee benefits	(2,168)	-
	- Gain on disposal of fixed assets	(7,282)	(6,374)
	- Share of loss / (profit) from associate	1,488	(5,500)
	- Finance cost	178,998	69,574
	- Working capital changes	(1,449,886)	(815,749)
		<u>(997,978)</u>	<u>(402,614)</u>
19.1	Working capital changes:		
	(Increase) / decrease in current assets		
	- Stores and spares	687	5,222
	- Stock-in-trade	(525,063)	(200,632)
	- Trade debts	(466,474)	(275,921)
	- Short-term loans and advances	(18,029)	(123,442)
	- Short-term deposits and payments	(4,181)	3,158
	- Other receivables - net	(236,975)	5,484
		<u>(1,250,035)</u>	<u>(586,131)</u>
	Increase / (decrease) in current liabilities		
	- Trade and other payables	(254,787)	(8,649)
	- Contract liabilities	54,936	(220,969)
		<u>(199,851)</u>	<u>(229,618)</u>
		<u>(1,449,886)</u>	<u>(815,749)</u>

Note

19.1

20 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of the following items:

Cash and bank balances
Running finance from banks

Three months period ended
30 September 2022 30 September 2021
(Rupees in '000)

	187,975	119,577
	(2,456,178)	(839,964)
	(2,268,203)	(720,387)

21 TRANSACTIONS WITH RELATED PARTIES

Parties which are related to the Company in pursuit of IAS 24 'Related Party Disclosures' including associates, staff retirement benefit plans and key management personnel are considered for disclosure of related party transactions.

Transactions and balances with related parties

Name of the related party	Relationship shareholding	Nature of transactions and period-end balances	Three months period ended	
			30 September 2022	30 September 2021
			(Rupees in '000)	
Cherat Packaging Limited	Associate	Sale of goods	-	6,924
		Amount due at the period-end	-	4,639
Intermark (Pvt) Limited	Associate	Sale of goods	437,153	314,815
		Amount due at the period-end	479,195	308,912
International Industries Limited	Associate	Sale of goods	381	395
		Sharing of expense	1,138	-
		Purchase of goods, services & materials	180	-
		Sharing of rental office expenses	205	169
		Dividend receivable	3,802	4,118
		Proportionate share of changes in equity	11,610	8,745
		Amount due at the period-end	209	188
IIL Construction Solutions Private Limited	Associate	Purchase of goods, services & materials	215,614	-
International Steels Limited	Associate	Sale of goods	7,755	-
		Purchase of goods, services & materials	14,185	-
		Sharing of expense	327	-
		Amount due at the period-end	1,150	-
Fauji Fertilizer Company Limited	Common directorship	Sale of goods	7,019	-
		Liquidated damages for late deliveries	17	-
Atlas Insurance Limited	Common directorship	Insurance premium expense	434	-
		Security Deposit / Cash Margin	1,420	-
		Amount due at the period-end	1,420	-
Jubilee Life Insurance Company Limited	Common directorship	Insurance premium expense	2,194	3,560
		Insurance claim received	744	-
State Life Insurance Corp. of Pakistan	Common directorship	Office Rent	87	42
Young President Organization Pakistan	Common directorship	Subscription	-	1,000
Pakistan society for training and development	Common directorship	Purchase of goods, services & materials	60	-
Pakistan Cables Limited - Staff Provident Fund	Staff retirement benefit plans	Net charge in respect of Staff retirement benefit plan	6,312	5,357
		Retirement benefit plans payable	4,766	4,285
Pakistan Cables Limited - Staff Pension Fund	Staff retirement benefit plans	Net charge in respect of Staff retirement benefit plans	-	265
		Retirement benefit plans receivable	48,195	55,191
Board of Directors (executive and non-executive) and Key Management Personnel	Key management personnel	Remuneration	36,824	41,485
		Directors' fees	375	1,125
		Directors' fee payable	-	675
Workers' Profit Participation Fund	Staff benefit plan	Net charge in respect of staff benefit plan	13,013	16,541
		Staff benefit plan payable	13,013	16,541

- 21.1** Remuneration of key management personnel are in accordance with their terms of employment.
- 21.2** Contributions to defined contribution plan (provident fund) are made as per the terms of employment and contribution to / charge for the defined benefit plan (pension scheme) are in accordance with the actuarial advice.
- 21.3** Share of profit of the associated company and dividend from them are as per the profit and dividend declared by them.
- 21.4** Other transactions are at agreed terms.

22 OPERATING SEGMENTS

These condensed interim financial statements have been prepared on the basis of single reportable segment.

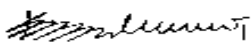
- 22.1** Revenue from cables & wires represents 98% (30 June 2022: 99%) of total revenue of the company.
- 22.2** Sales represent local sales of Rs. 5,080.69 million (30 September 2021: Rs. 4,279.26 million) and export sales of Rs. 123.31 million (30 September 2021: Rs. 62.70 million). The export represents sales to Africa amounting to Rs. 122.42 million (30 September 2021: sales to Africa amounting to Rs. 45.16 million), Asia amounting to Rs. Nil (30 September 2021: sales to Asia amounting to Rs. 17.54 million) and North America amounting to Rs. 0.89 million (30 September 2021: sales to North America to Rs. Nil).
- 22.3** All non-current assets of the Company at 30 September 2022 are located in Pakistan. The Company does not have any customer having sales of 10% or more during the period (30 June 2022: Nil).

23 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 27 October 2022 by the Board of Directors of the Company.



Chief Executive Officer



Director



Chief Financial Officer

Head Office

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