

AMRELI STEELS LIMITED

**REPORT FOR THE FIRST
QUARTER ENDED**

30 SEPTEMBER 2024



**AMRELI
STEELS**

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Abbas Akberali	Chairman, Non-Executive Director
Mr. Shayan Akberali	Chief Executive Officer
Syed Asghar Jamil Rizvi	Independent Director
Mr. Sohail Feroz Shamsi	Independent Director
Mr. Zoeb Salemwala	Non-Executive Director
Mr. Hadi Abbas Akberali	Executive Director
Ms. Mariam Akberali	Non-Executive Director

AUDIT COMMITTEE

Syed Asghar Jamil Rizvi	Chairman
Mr. Sohail Feroz Shamsi	Member
Mr. Zoeb Salemwala	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Sohail Feroz Shamsi	Chairman
Syed Asghar Jamil Rizvi	Member
Mr. Shayan Akberali	Member

CHIEF OPERATING OFFICER (STRATEGY)

Mr. Hadi Abbas Akberali

CHIEF OPERATING OFFICER (OPERATIONS)

Mr. Fazal Ahmed

CHIEF FINANCIAL OFFICER

Mr. Taha Umer

COMPANY SECRETARY

Mr. Adnan Abdul Ghaffar

EXTERNAL AUDITORS

BDO Ebrahim & Co. Chartered Accountants
Lakson Square Building No. 1,
Sarwar Shaheed Road, Karachi, Pakistan.

SHARE REGISTRAR

THK Associates (Pvt) Limited
Plot No. 32-C, Jami Commercial Street - 2, D.H.A.,
Phase -VII, Karachi-75500.
UAN: (021) 111-000-322
Email: sfc@thk.com.pk

CORPORATE ADVISOR

Moore Shekha Mufti
C-253, P.E.C.H.S, Block-6,
Off Shahrah-e-Faisal, Karachi, Pakistan
Tel: 021-34374811-5

LEGAL ADVISOR

Lex Firma
Advocates, Barristers & Legal Consultants
418, Continental Trade Centre, Clifton, Karachi.

BANKERS

Al Baraka Bank Pakistan Limited	MCB Bank Limited
Allied Bank Limited	MCB Islamic Bank Limited
Askari Bank Limited	Meezan Bank Limited
Bank Al Habib Limited	National Bank Limited
Bank of Khyber	Samba Bank Limited
Bank Alfalah Limited	Silk Bank Limited
Bank Islami Pakistan Limited	Soneri Bank Limited
Dubai Islamic Bank Pakistan Limited	Standard Chartered Bank (Pakistan) Limited
Faysal Bank Limited	Bank Makramah Limited (Formerly Summit Bank Limited)
Habib Bank Limited	The Bank of Punjab
Habib Metropolitan Bank Limited	United Bank Limited
JS Bank Limited	

REGISTERED OFFICE

A-18, S.I.T.E, Karachi, Pakistan
UAN: (+92-21) 111-AMRELI (267354)
Fax: 92-21-32587240, 38798328
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SHERSHAH ROLLING MILL (SRM)

D-89, Shershah Road, Karachi, Pakistan

STEEL MELT SHOP (SMS) AND DHABEJI ROLLING MILL (DRM)

Industrial Land, Deh Gharo, Tapo Gharo,
Taluka Mirpur Sakro
(Distt: Thatta), Sindh, Pakistan

SYMBOL AT PAKISTAN STOCK EXCHANGE LIMITED

ASTL

WEBSITE INFORMATION

www.amrelisteels.com

DIRECTORS' REVIEW REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2024

Esteemed Shareholders,

The Board of Directors presents review of the financial and operational performance of the Company for the quarter ended 30 September 2024. The first quarter of the current financial year has continued to reflect the challenging economic and business environment that the steel industry has been facing over the past couple of years.

Further, reductions in public infrastructure spending and a notable decline in construction activity have contributed to a contraction in overall domestic demand for steel. Rising prices for essential goods, especially food and fuel also present persistent challenges to economic stability. The ongoing tax exemptions for manufacturers in the FATA/PATA regions continue to be a significant challenge, as untaxed steel products enter the market at prices well below those of tax-compliant companies like ours. This creates an uneven playing field, intensifying pressures on registered steel units already struggling to sustain operations. The aforementioned challenges of the industry coupled with in-process financial restructuring of the Company's debt have put increased pressure on Company's operations, thereby resulting in financial loss once again this quarter.

The comparative financial figures for the quarter under review are presented in the table below -

	Quarter Ended 30 September 2024 (Rs. in million)	Quarter Ended 30 September 2023 (Rs. in million)
Net Sales	4,227	10,891
Gross Profit	228	1,327
Operating (loss)/ profit	(108)	754
Loss before tax	(1,377)	(397)
Loss after tax	(991)	(172)
Loss per share-basic and diluted (in Rupees)	(3.34)	(0.58)


In the quarter under review, the Company reported sales of Rs. 4.2 billion, a notable 61% drop from Rs. 10.8 billion in the same quarter of the previous year. Sales volume for this quarter reached 18,250 tons, down from 48,167 tons in the corresponding quarter last year primarily due to un-availability of working capital limits because of on-going financial restructuring. Accordingly, gross profit for the current quarter was Rs. 0.23 billion, a sharp decline from Rs. 1.3 billion in the same period last year. Finance costs rose from Rs. 1.0 billion to Rs. 1.2 billion in the first quarter of this financial year. This increase pertains to higher short-term average borrowing due to lower cash generation throughout the period from corresponding quarter to current quarter. The Company recorded a loss before tax of Rs. 1.3 billion and a loss after tax of Rs. 0.9 billion.

The Company is taking host of steps to navigate a complex economic landscape filled with both challenges and opportunities. The International Monetary Fund projects Pakistan's GDP growth rate to rise to 3.2% by 2025, up from an anticipated 2.4% in 2024, while inflation, which peaked in 2023, is expected to gradually decline to single digits by 2025. This positive outlook hinges on the successful implementation of essential reforms in the energy and financial sectors, crucial for establishing a stable economic environment.

Looking ahead, the Company remains cautiously optimistic, recognizing that the path to recovery is fraught with obstacles. For the remainder of the financial year, Company's focus will be on sustaining operational efficiency and adapting to evolving market conditions. The Company is committed to advocating for a level playing field within the steel industry to support sustainable growth. In line with other long steel manufacturers, we stand with the Pakistan Association of Large Steel Producers in engaging with relevant authorities to address policy issues affecting documented steel producers and to foster an improved investment climate that strengthens competitive position in the economy.

The Board expresses its appreciation to all stakeholders, including shareholders, employees, customers, financial institutions, and suppliers, for their ongoing support. Your contributions are instrumental in enabling the Company to navigate current economic challenges and its continued commitment to delivering value to all stakeholders.

For & on behalf of the Board of Directors



Shayan Akberali
Chief Executive Officer



Syed Asghar Jamil Rizvi
Director

29 October 2024
Karachi

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2024

		30 September 2024 (Un-audited)	30 June 2024 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	29,621,574	29,955,370
Right-of-use-assets		90,320	100,238
Intangible assets		2,629	3,187
Long-term deposits and loans		226,522	175,575
		<u>29,941,045</u>	<u>30,234,370</u>
CURRENT ASSETS			
Stores and spares		2,285,343	2,453,480
Stock-in-trade	6	6,175,578	7,162,016
Short term investments		14,289	14,289
Trade debts	7	1,912,565	2,349,962
Loans and advances		73,991	60,121
Trade deposits and short-term prepayments		31,667	30,035
Other receivables	8	1,139,766	988,633
Taxation – net		2,574,534	2,928,387
Cash and bank balances		734,596	195,444
		<u>14,942,329</u>	<u>16,182,367</u>
Non current asset held for sale		423,170	423,170
TOTAL ASSETS		<u><u>45,306,544</u></u>	<u><u>46,839,907</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital		2,970,114	2,970,114
Capital reserve		2,788,742	2,788,742
Revenue reserves – Accumulated (loss) / unappropriated profit		(1,682,173)	(751,018)
Surplus on revaluation of property, plant and equipment		9,157,606	9,218,163
		<u>13,234,289</u>	<u>14,226,001</u>
NON-CURRENT LIABILITIES			
Long-term financing		-	-
Long-term provision		-	-
Loan from related parties		124,922	124,922
Deferred taxation		4,560,707	4,946,265
Deferred liability - defined benefit obligation		399,280	511,949
Lease liabilities		104,986	105,819
Government grant		-	-
		<u>5,189,895</u>	<u>5,688,955</u>
CURRENT LIABILITIES			
Trade and other payables	9	1,354,563	2,474,553
Contract liabilities		411,016	437,305
Interest / markup accrued		2,217,924	1,457,718
Short-term borrowings	10	18,108,863	17,861,957
Current portion of long-term financing		4,106,378	4,002,484
Current portion of long term provision		282,189	282,189
Current portion of lease liabilities		34,310	34,310
Current portion of government grant		361,856	369,161
Current portion of loan from related parties		-	-
Unclaimed dividend		5,261	5,274
		<u>26,882,360</u>	<u>26,924,951</u>
CONTINGENCIES AND COMMITMENTS	11		
TOTAL EQUITY AND LIABILITIES		<u><u>45,306,544</u></u>	<u><u>46,839,907</u></u>

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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED 30 SEPTEMBER 2024
(UN-AUDITED)**

	30 September 2024	30 September 2023
Note	----- (Rupees in '000) -----	
Sales	4,227,705	10,891,115
Cost of sales	(3,998,926)	(9,563,289)
Gross profit	<u>228,779</u>	<u>1,327,826</u>
Distribution costs	(160,452)	(244,672)
Administrative expenses	(190,931)	(199,540)
Reversal / (allowance) for expected credit loss	6,956	(10,920)
Other expenses	(18,410)	(119,110)
Other income	25,390	655
Operating (loss) / profit	<u>(108,668)</u>	<u>754,239</u>
Finance costs	(1,213,103)	(1,015,460)
Loss before taxation and levies	<u>(1,321,771)</u>	<u>(261,221)</u>
Levies	(55,498)	(136,078)
Loss before taxation	(1,377,269)	(397,299)
Taxation	385,558	224,518
Loss for the period	<u>(991,711)</u>	<u>(172,780)</u>
	----- (Rupees) -----	
Loss per share – basic and diluted	<u>(3.34)</u>	<u>(0.58)</u>

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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2024
(UN-AUDITED)**

	30 September 2024 ----- (Rupees in '000) -----	30 September 2023 ----- (Rupees in '000) -----
Net loss for the period	(991,711)	(172,780)
Other comprehensive income / (loss) for the period	-	-
Total comprehensive income / (loss) for the period	<u><u>(991,711)</u></u>	<u><u>(172,780)</u></u>

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

	Capital reserve	Revenue reserve	Surplus on revaluation of property, plant and equipment	Total	
	Share premium	Accumulated (loss) / unappropriated profit			
------(Rupees in '000)-----					
Balance as at 30 June 2023 (Audited)	2,970,114	2,788,742	5,160,596	3,642,789	14,562,241
Net loss for the period	-	-	(172,780)	-	(172,780)
Other comprehensive income / (loss) for the period	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	-	(172,780)	-	(172,780)
Transferred to accumulated profit in respect of: -incremental depreciation during the period – net of tax	-	-	9,482	(9,482)	-
Balance as at 30 September 2023 (Un-audited)	2,970,114	2,788,742	4,997,298	3,633,307	14,389,461
Balance as at 30 June 2024 (Audited)	2,970,114	2,788,742	(751,018)	9,218,163	14,226,001
Net loss for the period	-	-	(991,711)	-	(991,711)
Other comprehensive income / (loss) for the period	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	-	(991,711)	-	(991,711)
Transferred to accumulated profit in respect of: -incremental depreciation during the period – net of tax	-	-	60,557	(60,557)	-
Balance as at 30 September 2024 (Un-audited)	2,970,114	2,788,742	(1,682,172)	9,157,606	13,234,290

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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2024
(UN-AUDITED)**

		30 September 2024	30 September 2023
		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES	Note		
Cash generated from / (used in) operating activities	14	977,145	(959,417)
Income taxes paid		(131,205)	(151,797)
Gratuity paid		(145,554)	(13,626)
Finance costs paid		(449,275)	(924,410)
Long-term deposits – net		(50,947)	2,052
Net generated from / (used in) operating activities		200,164	(2,047,198)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(8,192)	(175,827)
Proceeds from disposal of operating fixed assets		1,745	1,032
Net cash used in investing activities		(6,447)	(174,795)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short-term borrowings – net		703,275	1,352,933
Long-term financing – net		103,894	(353,365)
Related party loan		-	(128,333)
Dividend paid		(13)	(141)
Lease rentals paid		(4,455)	(4,975)
Net cash generated from financing activities		802,701	866,119
Net Increase / (decrease) in cash and cash equivalents		996,418	(1,355,874)
Cash and cash equivalents at the beginning of the period		(3,052,524)	(1,700,884)
Cash and cash equivalents at the end of the period	15	<u>(2,056,106)</u>	<u>(3,056,758)</u>

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



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

Amreli Steels Limited (the Company) was incorporated in 1984 as a private limited company and converted into a public unquoted company in 2009. The Company enlisted on Pakistan Stock Exchange in 2015. The Company is engaged in manufacture and sale of steel bars and billets. The registered office of the Company is situated at Plot No. A-18, S.I.T.E., Karachi.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements of the company 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:

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

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

These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2022. These condensed interim financial statements are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017

3. BASIS OF PREPARATION

- 3.1 These financial statements have been prepared under the historical cost convention except as otherwise disclosed in the accounting policies below.
- 3.2 These financial statements are prepared in Pak Rupees, which is the Company's functional and presentation currency.

4. ACCOUNTING POLICIES AND ACCOUNTING STANDARDS

The accounting policies and the methods of computations adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual audited financial statements for the year ended June 30, 2024.

New standards, amendments, improvements to approved accounting standards and the framework for financial reporting.

4.1 Amendments to approved accounting standards and the framework for financial reporting that became effective during the current year

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

4.2 Standards, amendments and improvements to the approved accounting standards that are not yet effective

There were certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2024. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

	Note	30 September 2024 (Un-audited) ----- (Rupees in '000) -----	30 June 2024 (Audited)
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets		27,892,365	28,196,929
Capital work-in-progress		1,729,209	1,758,441
		<u>29,621,574</u>	<u>29,955,370</u>

	Note	30 September 2024 (Un-audited) ----- (Rupees in '000) -----	30 June 2024 (Audited)
5.1 Operating fixed assets			
Balance at the beginning of the period / year		28,196,929	20,632,188
Additions during the period / year		892	38,892
Transfer from CWIP during the period / year	5.2	36,533	347,485
Transfer to non-current asset held for sale		-	(423,170)
Revaluation during the period / year		-	8,852,652
Disposals during the period / year	5.1.1	(1,638)	(213,169)
Depreciation charged during the period / year		(340,351)	(1,037,949)
Balance at the end of the period / year		<u>27,892,365</u>	<u>28,196,929</u>

5.1.1 Details of additions and disposals are as follows:

	Additions (cost)		Deletions (Net book value)	
	30 September 2024 -----(Un-audited)-----	30 September 2023	30 September 2024 -----(Un-audited)-----	30 September 2023
	----- (Rupees in '000) -----			
Leasehold land	-	-	-	-
Buildings	1,685	-	-	-
Plant and machinery	34,024	56,250	367	-
Furniture and fittings	842	-	-	-
Office equipment	278	783	1,271	-
Vehicles	596	228	-	797
Computers	-	5,664	-	149
	<u>37,425</u>	<u>62,925</u>	<u>1,638</u>	<u>946</u>

	Opening balance	Additions	Transfers to operating fixed assets	Closing balance
	Un-audited ----- (Rupees in '000) -----			
Leasehold land	120,000	-	-	120,000
Plant and machinery	1,372,072	6,296	(34,848)	1,343,520
Civil works	266,369	1,005	(1,685)	265,689
	<u>1,758,441</u>	<u>7,301</u>	<u>(36,533)</u>	<u>1,729,209</u>

	30 September 2024 (Un-audited) ----- (Rupees in '000) -----	30 June 2024 (Audited)
6. STOCK-IN-TRADE		
Raw materials		
- In hand	1,311,813	4,196,151
- In transit	256,219	644,404
	<u>1,568,032</u>	<u>4,840,555</u>
Work-in-process	754,181	253,890
Finished goods	3,853,365	2,067,571
	<u>6,175,578</u>	<u>7,162,016</u>

		30 September 2024 (Un-audited)	30 June 2024 (Audited)
		----- (Rupees in '000) -----	
7. TRADE DEBTS	Note		
Unsecured			
Considered good		1,912,565	2,349,962
Considered doubtful		<u>665,966</u>	<u>672,922</u>
		<u>2,578,531</u>	<u>3,022,884</u>
Allowance for expected credit loss	7.1	<u>(665,966)</u>	<u>(672,922)</u>
		<u><u>1,912,565</u></u>	<u><u>2,349,962</u></u>
7.1 Movement of allowance for expected credit loss			
Balance at the beginning of the period/year		672,922	297,714
(Reverse)/ charge for the period/year		(6,956)	379,205
Write off during the period/year		-	(3,997)
Balance at end of the period/year		<u><u>665,966</u></u>	<u><u>672,922</u></u>
8 OTHER RECEIVABLE			
It included the sales tax receivable amounting to Rs. 1,131 million (30 June 2024: Rs. 981 million)			
9. TRADE AND OTHER PAYABLES			
It includes foreign trade creditors amounting to Rs. Nil million (30 June 2024: Rs.1086 million).			
		30 September 2024	30 June 2024
		----- (Rupees in '000) -----	
10. SHORT-TERM FINANCE - Secured			
Utilized under mark-up arrangement			
Conventional			
Cash finance		835,799	891,487
Finance against trust receipts		8,795,596	7,903,905
Running finance		2,392,401	2,435,960
Short term loan		-	151,632
		<u>12,023,796</u>	<u>11,382,984</u>
Islamic			
Running finance		398,301	812,008
Murahaba		356,540	544,644
Istisna		5,330,226	5,122,321
		<u>6,085,067</u>	<u>6,478,973</u>
		<u><u>18,108,863</u></u>	<u><u>17,861,957</u></u>
11. CONTINGENCIES AND COMMITMENTS			
11.1 Contingencies			
There were no material changes in the status of contingencies as reported in the annual financial statements for the year ended 30 June 2024.			
		30 September 2024	30 June 2024
		----- (Rupees in '000) -----	
11.2 Commitments			
11.2.1 Outstanding letters of credit			
-Materials		729,418	2,883,937
-Capex		-	34,860
		<u>729,418</u>	<u>2,918,797</u>
11.2.2 Outstanding letters of guarantee		<u>484,856</u>	<u>487,856</u>
11.2.3 Commitments for rentals payable under Ijarah contracts in respect of vehicles and plant and machinery with Islamic banks are as follows:			
Not later than one year		<u>15,456</u>	<u>25,243</u>
Later than one year but not later than five years		<u>-</u>	<u>-</u>

30 September 30 September
2024 2023
(Un-audited)
----- (Rupees in '000) -----

12 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks. These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 30 June 2024. There have been no change in any risk management policies since the year end.

13 FAIR VALUE OF FINANCIAL INSTRUMENTS

There were no transfers amongst levels during the period.

14 CASH GENERATED FROM OPERATIONS

30 September 30 September
2024 2023
----- (Rupees in '000) -----

Cash flows from operating activities

Loss before taxation	(1,377,269)	(261,221)
Adjustments for:		
Depreciation – operating fixed assets	340,351	238,818
Depreciation – right-of-use-asset	9,918	10,094
Amortization	556	1,345
Bad debts written off	-	(3,997)
(Reversal of) / allowance for expected credit loss	(6,956)	10,920
Provision for gratuity	32,885	30,275
Reversal GIDC provision	-	(2,691)
Gain on disposal of operating fixed assets	(108)	(86)
Amortization of government grant	(7,305)	-
Unrealised exchange loss	-	(17,311)
Finance Cost:		
- Others	1,209,481	1,011,030
- Lease liabilities	3,622	4,430
	<u>1,582,444</u>	<u>1,282,827</u>
Operating profit before working capital changes	205,175	1,021,606
(Increase) / decrease in current assets:		
Stores and spares	168,137	100,794
Stock-in-trade	986,438	(286,269)
Trade debts	444,354	(41,011)
Loans and advances	(13,871)	(38,396)
Trade deposits and short-term prepayments	(1,632)	(6,699)
Other receivables	(151,133)	209,881
	<u>1,432,293</u>	<u>(61,700)</u>
Decrease in current liabilities:		
Trade and other payables	(634,034)	(1,828,238)
Contract liabilities	(26,289)	(91,085)
	<u>(660,323)</u>	<u>(1,919,323)</u>
Cash generated from / (used in) operations	<u>977,145</u>	<u>(959,417)</u>
15 CASH AND CASH EQUIVALENTS		
Cash and bank balances	734,596	315,932
Running finance	(2,790,702)	(3,372,690)
	<u>(2,056,106)</u>	<u>(3,056,758)</u>

16 TRANSACTION WITH RELATED PARTIES

Related parties of the Company comprise of directors, associated companies, key management personnel and retirement fund. The related parties with whom the Company had entered into transactions or have arrangement / agreement during the quarter ended 30 September 2024 are same as reported in the annual financial statements for the year ended 30 June 2024. Details of transactions with related parties during the period, other than those disclosed elsewhere in these condensed interim financial statements are as follows:

		30 September 2024	30 September 2023
		(Unaudited)	
		---(Rupees in '000)---	
Nature of transaction	Relationship with the Company		
Remuneration and other benefits	Key management personnel	<u>126,329</u>	<u>111,638</u>
Contribution to staff gratuity fund	Retirement benefit fund	<u>32,885</u>	<u>30,275</u>
Interest expense charged on related parties loan	Directors	<u>6,367</u>	<u>17,877</u>
Payment of related parties interest	Directors	<u>-</u>	<u>26,923</u>
Sales made	Director	<u>-</u>	<u>1,442</u>
Meeting fee	Directors	<u>175</u>	<u>975</u>
Purchase of bakery items from Hobnob Bakeries	Associate	<u>295</u>	<u>-</u>
Repayment of related party loans		<u>-</u>	<u>128,333</u>
Donation to related parties		<u>-</u>	<u>524</u>

17. OPERATING SEGMENTS

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

Revenue from export sales represents 2.92% (30 September 2023: 0.28%) of the total gross revenue of the Company.

All non-current assets of the Company as at 30 September 2024 and 2023 are located in Pakistan.

Sales made by the Company to its twenty major customers during the period constituted 14% (30 September 2023: 19%) of total sales.

18. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on 29 October 2024 by the Board of Directors of the Company.

19. GENERAL

19.1 Figures have been rounded off to the nearest thousand Rupee, unless otherwise stated.

19.2 Corresponding figures have been rearranged and reclassified, where necessary, for the purpose of comparison.



Chief Executive Officer



Chief Financial Officer



Director

Investors' Education

In pursuance of SRO 924(1)/2015 dated September 9th, 2015 issued by the Securities and Exchange Commission of Pakistan (SECP), the following informational message has been reproduced to educate investors.

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







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