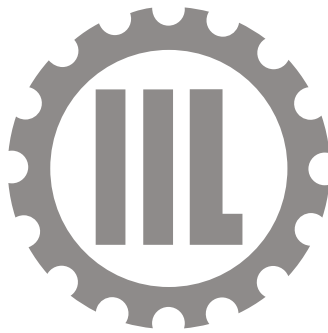




ONE IN A MILLION

Unaudited Financial Statements

for the three months ended September 30, 2022



International Industries Limited

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Company Information

Chairman (Non-Executive)

Mr. Kamal A. Chinoy

Independent Directors

Mr. Adnan Afridi
Mr. Asif Jooma
Mr. Haider Rashid
Mr. Jehangir Shah
Mr. Mansur Nur Khan

Non-Executive Directors

Mr. Mustapha A. Chinoy
Mrs. Selina Rashid Khan

Chief Executive Officer

Mr. Sohail R. Bhojani

Chief Financial Officer

Mr. Muhammad Akhtar

Company Secretary & Head of Legal Affairs

Mr. Mohammad Irfan Bhatti

External Auditor

M/s A.F. Ferguson & Co.

Bankers

Allied Bank Limited
Askari Bank Limited
Bank AL Habib Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank of China Limited
MCB Bank Limited
Meezan Bank Limited
Samba Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

Legal Advisor

K. M. S. Law Associates

National Tax Number

0710735-8

Sales Tax Registration Number

02-04-7306-001-82

Registered Office

101 Beaumont Plaza,
10 Beaumont Road,
Karachi – 75530, Pakistan
Telephone: +9221-35680045-54
UAN: +9221-111-019-019
E-mail: investors@iil.com.pk

Lahore Office

Chinoy House, 6 Bank Square,
Lahore - 54000, Pakistan
Telephone: +9242-37229752-55
UAN: +9242-111-019-019
E-Mail: lahore@iil.com.pk

Islamabad Office

Office no. 303-A, 3rd Floor, Evacuee Trust Complex,
Sir Aga Khan Road, Sector F-5/1, Islamabad, Pakistan
Telephone: +9251-2524650, +9251-4864601-2

Multan Office

1592, 2nd Floor, Quaid-e-Azam Shopping Centre No. 1,
Multan Cantt., Multan, Pakistan
Telephone: +9261-4583332

Faisalabad Office

Office No.1/1, Wahab Centre,
Electrocity Plaza, Susan Road,
Faisalabad, Pakistan
Telephone: +9241-8720037

Peshawar Office

Office No.1 & 2, 1st Floor, Hurmaz Plaza, Opp. Airport, Main
University Road, Peshawar, Pakistan
Telephone: +9291-5845068

IIL Australia Pty Limited

101-103, Abbott Road, Hallam, Victoria 3803, Australia
Website: www.iilaustralia.com

IIL Americas Inc.

Suite 210-5800
Ambler Drive, Mississauga
ONL4W4J4, Canada

IIL Construction Solutions (Pvt.) Ltd.

101 Beaumont Plaza, 10 Beaumont Road,
Karachi – 75530, Pakistan
Website: www.iil.com.pk/csl

Factories**Factory 1**

LX 15-16, Landhi Industrial Area,
Karachi – 75120, Pakistan
Telephone: +9221-35080451-55
E-mail: factory@iil.com.pk

Factory 2

Survey # 405 & 406, Rehri Road,
Landhi, Karachi – 75160, Pakistan
Telephone: +9221-35017026-28, 35017030

Factory 3

22 KM, Sheikhpura Road, Lahore, Pakistan
Telephone: +9242-37190491-3

Investor Relations Contact

Shares Registrar
CDC Share Registrar Services Limited
CDC House, 99-B, Block B, S.M.C.H.S.
Shahrah-e-Faisal, Karachi, Pakistan
Telephone: +92-0800-23275
Fax: +92-21-34326053
E-mail: info@cdcsrsl.com
Website: www.cdcsrsl.com

Corporate Website

www.iil.com.pk

Directors' Report

For the period ended September 30, 2022

The Directors of your Company are pleased to present the financial statements for the period ended September 30, 2022.

Unconsolidated sales revenue for the period stood at Rs. 6.3 Bn, which was 29% lower than in the same period last year. Domestic sales volumes shrunk by 33% as the economy remained subdued as a consequence of stringent fiscal measures adopted by the government, further exacerbated by challenges posed by the aftermath of the catastrophic floods as well as political instability. Moreover, business appetite of domestic institutional customers, especially gas companies, also remained low. The global economic slowdown caused exports to decline by 49%. The polymer segment saw volumes drop by 36%, as curtailed infrastructure projects and the precarious flood situation negatively impacted demand. On a positive note, our Construction Solutions business landed its first project for the provision of form work and shoring props, in collaboration with a globally respected German company.

Unconsolidated Profit after Tax (PAT) for the period under review was Rs. 1.037 Bn (EPS 7.86), compared to Rs. 1.762 Bn (EPS 13.36) during the first quarter of last year. This includes net dividend income of PKR 925 Mn from our subsidiary and associate companies.

Dampened demand and depressed economic conditions also negatively impacted our major subsidiary, International Steels Limited (ISL), which reported Net Sales Revenue of Rs. 16.5 Bn which was down 32% from Rs. 24.5 Bn over the same period last year. Profit after Tax (PAT) of Rs. 448 Mn (EPS 1.03) was down 88% from Rs. 3,688 Mn (EPS 6.13) during the comparative period.

It is hoped that domestic demand will gain some pace as the political uncertainty subsides and the IMF and other donor programs are revived. General elections scheduled for next year may also provide a much needed fillip to demand as pending infrastructure projects are restarted. The continued imposition of a 100% cash margin for Letters of Credit and Bank Guarantees and a policy interest rate in excess of 15% will continue to keep financial costs high and working capital requirements under stress. Nonetheless, it is hoped that, as the economic and political conditions improve and these pressures ease out, your Company is able to take advantage of improved economic situations.

We extend our gratitude to all stakeholders for their continued support and look forward to a productive remainder of the financial year.

For & on behalf of
International Industries Limited



Kamal A. Chinoy
Chairman

Karachi.
October 27, 2022

ڈائریکٹرز کی رپورٹ

برائے 30 ستمبر 2022

کے سبب مالیاتی لاگت اور جاری سرمایہ کاری کی ضروریات پر دباؤ جاری رہے گا۔ بہر حال، امید ہے کہ جیسے ہی معاشی اور سیاسی حالات میں بہتری آئی، ایسے دباؤ بھی ختم ہو جائیں گے۔ آپ کی کمپنی بہتر معاشی صورتحال میں، جو کہ ابھرتی نظر آرہی ہے، فائدہ اٹھانے کیلئے پوری طرح تیار ہوگی۔

ہم اپنے تمام اسٹیک ہولڈرز کے مسلسل تعاون پر بے حد شکر گزار ہیں اور مالیاتی سال کے بقیہ حصے کے فائدہ مند ہونے کے منتظر ہیں۔

برائے اور منجانب
انٹرنیشنل انڈسٹریز لمیٹڈ



کمال اے چنائے
چیئر مین

کراچی

27 اکتوبر 2022

ڈائریکٹرز کی رپورٹ

برائے 30 ستمبر 2022

آپ کی کمپنی کے ڈائریکٹرز مالیاتی گوشوارے برائے مدت ختمہ 30 ستمبر 2022 پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

مذکورہ مدت کیلئے غیر مجموعی فروخت کی آمدنی 6.3 بلین روپے رہی جو گزشتہ سال کی اسی مدت سے 29% کم ہے۔ مقامی فروخت کے حجم میں 33% کمی ہوئی جس کی وجہ حکومت کی جانب سے اختیار کئے گئے سخت مالیاتی اقدامات کے نتیجے میں معیشت کا دباؤ میں ہونا اور اس کے ساتھ ساتھ سیلاب کے تباہ کن اثرات اور سیاسی عدم استحکام سے بڑھنے والے چیلنجز ہیں۔ اس کے علاوہ مقامی اداراتی صارفین، خاص طور پر گیس کمپنیز کی جانب سے ملنے والے کاروبار میں کمی واقع ہوئی۔ نیز عالمی معیشت سست روی کا شکار رہی جس سے برآمدات میں 49% کمی آئی۔ پولیمر کے شعبہ کی فروخت کے حجم میں 36% کمی دیکھنے میں آئی جس کا سبب انفراسٹرکچر کے پروجیکٹس میں کٹوتی اور سیلاب کی غیر یقینی صورتحال کی بناء پر طلب میں بھی کمی رہی۔ ایک مثبت پیش رفت یہ ہے کہ ہمارے کنسٹرکشن سلوشن بزنس کے پہلے پروجیکٹ کیلئے فورم ورک اور شورنگ پروجیکٹس کا کام شروع ہو گیا ہے۔ یہ پروجیکٹ عالمی سطح کی معروف جرمن کمپنی کے اشتراک سے تیار کیا جا رہا ہے۔

زیر جائزہ مدت میں غیر مجموعی بعد از ٹیکس منافع (PAT) 1.037 بلین روپے (فی شیئر آمدنی 7.80 روپے) رہی جبکہ گزشتہ سال کی پہلی سہ ماہی میں 1.762 بلین روپے (فی شیئر آمدنی 13.36 روپے) تھا۔ اس میں ہماری ذیلی اور ایسوسی ایٹڈ کمپنیز سے حاصل ہونے والی 925 ملین روپے کی ڈیویڈنڈ کی آمدنی بھی شامل ہے۔

طلب کی کمی اور مشکل معاشی حالات نے ہمارے بڑے ذیلی ادارے انٹرنیشنل اسٹیلز لمیٹڈ (ISL) کو بھی متاثر کیا جس کی خالص فروخت کی آمدنی 16.5 بلین روپے ہوئی جو گزشتہ سال کی اسی مدت کے 24.5 بلین روپے کے مقابلے میں 32% کم ہے۔ بعد از ٹیکس منافع (PAT) 448 ملین روپے (فی شیئر 1.03 روپے) حاصل ہوا جو گزشتہ سال کے 3,688 ملین روپے (فی شیئر آمدنی 6.13 روپے) کے مقابلے میں 88% کم ہے۔

سیاسی غیر یقینی کیفیت کم ہونے اور IMF اور ڈونر پروگرام کی بحالی کے سبب مقامی طلب میں اضافہ ہونے کی توقع ہے۔ اگلے سال کے متوقع انتخابات کی بناء پر ملتوی شدہ انفراسٹرکچر پروجیکٹس کیلئے انتہائی ضروری فائدہ حاصل ہو سکتا ہے جو مقامی طلب کے بڑھنے سے حاصل ہو سکتا ہے۔ تاہم لیٹرز آف کریڈٹ پر 100% کیش مارجن اور بینک گارنٹیز اور 15% کی بلند شرح تک پالیسی انٹرسٹ ریٹ

UNCONSOLIDATED **CONDENSED INTERIM FINANCIAL STATEMENTS**

Unconsolidated Condensed Interim Statement of Financial Position

As at September 30, 2022

	Note	(Un-audited) September 30, 2022 (Rupees in '000)	(Audited) June 30, 2022
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	9,861,254	9,983,844
Intangible assets		2,388	2,730
Investments	6	3,372,515	3,372,515
Long-term deposits		1,653	1,653
		13,237,810	13,360,742
CURRENT ASSETS			
Stores and spares		288,790	277,500
Stock-in-trade	7	12,453,585	13,577,794
Trade debts		8,455,460	8,800,377
Advances, trade deposits and prepayments		176,680	60,302
Other receivables		1,189,115	70,393
Sales tax receivable		112,589	34,875
Cash and bank balances		134,442	113,580
		22,810,661	22,934,821
TOTAL ASSETS		36,048,471	36,295,563
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Issued, subscribed and paid-up capital		1,318,819	1,318,819
Revenue reserves			
General reserve		2,700,036	2,700,036
Unappropriated profit		5,743,740	5,465,105
Capital reserve			
Revaluation surplus on property, plant and equipment		5,081,958	5,110,255
TOTAL SHAREHOLDERS' EQUITY		14,844,553	14,594,215
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term financing - secured	8	1,354,365	1,346,449
Deferred income - government grant		47,294	49,959
Gas Infrastructure Development Cess	9	103,253	122,020
Staff retirement benefits		169,967	155,545
Deferred taxation - net		158,132	192,669
		1,833,011	1,866,642
CURRENT LIABILITIES			
Trade and other payables	10	2,981,266	4,440,453
Contract liabilities		519,086	341,989
Short-term borrowings - secured	11	12,662,954	12,637,320
Unclaimed dividend		829,802	39,996
Current portion of long-term financing - secured	8	1,013,947	1,078,944
Taxation - net		1,064,615	1,015,977
Accrued mark-up		299,237	280,027
		19,370,907	19,834,706
TOTAL LIABILITIES		21,203,918	21,701,348
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	12	36,048,471	36,295,563

The annexed notes 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



Jehangir Shah
Director & Chairman
Board Audit Committee



Muhammad Akhtar
Chief Financial
Officer



Sohail R. Bhojani
Chief Executive
Officer

Unconsolidated Condensed Interim Statement of Profit or Loss (Un-audited)

For the three months ended September 30, 2022

	Note	Three months ended	
		September 30, 2022	September 30, 2021
		(Rupees in '000)	
Revenue from contracts with customers	13	6,270,535	8,859,021
Cost of sales		(5,382,214)	(7,665,509)
Gross profit		888,321	1,193,512
Selling and distribution expenses		(484,769)	(562,115)
Administrative expenses		(90,702)	(82,353)
Charge of loss allowance on trade debts		(21,482)	-
		(596,953)	(644,468)
Operating profit		291,368	549,044
Finance cost		(462,277)	(231,715)
Other operating charges		(12,853)	(42,228)
		(475,130)	(273,943)
Other income	14	1,482,246	1,921,534
Profit before income tax		1,298,484	2,196,635
Income tax expense	15	(261,392)	(435,045)
Profit after tax for the period		1,037,092	1,761,590
Earnings per share			
- basic and diluted (Rupees)		7.86	13.36

The annexed notes 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



Jehangir Shah
Director & Chairman
Board Audit Committee



Muhammad Akhtar
Chief Financial
Officer



Sohail R. Bhojani
Chief Executive
Officer

Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the three months ended September 30, 2022

	Three months ended	
	September 30, 2022	September 30, 2021
	(Rupees in '000)	
Profit after tax for the period	1,037,092	1,761,590
Other comprehensive income		
Items that will not be subsequently reclassified to Unconsolidated Statement of Profit or Loss		
Remeasurement of staff retirement benefits		
- Adjustment related to opening deferred tax balance	(588)	(2,254)
Surplus on revaluation of land and buildings		
- Adjustment related to opening deferred tax balance	5,125	13,834
Other comprehensive income for the period - net of tax	4,537	11,580
Total comprehensive income for the period	1,041,629	1,773,170

The annexed notes 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



Jehangir Shah
Director & Chairman
Board Audit Committee



Muhammad Akhtar
Chief Financial
Officer



Sohail R. Bhojani
Chief Executive
Officer

Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited)

For the three months ended September 30, 2022

	Issued, subscribed and paid-up capital	Revenue Reserves General reserve	Unappropriated profit	Capital Reserve Revaluation surplus on property, plant and equipment	Total
	(Rupees in '000)				
Balance as at July 1, 2021	1,318,819	2,700,036	4,419,169	3,060,499	11,498,523
Profit after tax for the period	-	-	1,761,590	-	1,761,590
Other comprehensive (loss) / income for the period	-	-	(2,254)	13,834	11,580
Total comprehensive income for the period	-	-	1,759,336	13,834	1,773,170
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	13,367	(13,367)	-
Transactions with owners recorded directly in equity - distributions					
Dividend:					
- Final dividend at 65% (i.e. Rs. 6.50 per share) for the year ended June 30, 2021	-	-	(857,232)	-	(857,232)
Balance as at September 30, 2021	1,318,819	2,700,036	5,334,640	3,060,966	12,414,461
Balance as at July 1, 2022	1,318,819	2,700,036	5,465,105	5,110,255	14,594,215
Profit after tax for the period	-	-	1,037,092	-	1,037,092
Other comprehensive (loss) / income for the period	-	-	(588)	5,125	4,537
Total comprehensive income for the period	-	-	1,036,504	5,125	1,041,629
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	33,422	(33,422)	-
Transactions with owners recorded directly in equity - distributions					
Dividend:					
- Final dividend at 60% (i.e. Rs. 6.00 per share) for the year ended June 30, 2022	-	-	(791,291)	-	(791,291)
Balance as at September 30, 2022	1,318,819	2,700,036	5,743,740	5,081,958	14,844,553

The annexed notes 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



Jehangir Shah
Director & Chairman
Board Audit Committee



Muhammad Akhtar
Chief Financial
Officer



Sohail R. Bhojani
Chief Executive
Officer

Unconsolidated Condensed Interim Statement of Cash Flows (Un-audited)

For the three months ended September 30, 2022

		Three months ended	
	Note	September 30, 2022	September 30, 2021
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	16	757,862	(621,518)
Finance cost paid		(432,746)	(113,259)
Income on bank deposits received		1,870	47
Staff retirement benefits paid		-	(11,957)
Payment on account of compensated absences		(6,710)	(5,581)
Income tax paid - net		(242,754)	(342,481)
Net cash generated from / (used in) operating activities		77,522	(1,094,749)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of property, plant and equipment	5	(28,547)	(76,251)
Proceeds from disposal of property, plant and equipment		9,243	9,410
Net cash used in investing activities		(19,304)	(66,841)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term financing		64,220	128,671
Repayment of long-term financing		(125,725)	(120,905)
Proceeds from short-term borrowings - net		-	690,783
Dividend paid		(1,485)	(1,425)
Net cash (used in) / generated from financing activities		(62,990)	697,124
Net decrease in cash and cash equivalents		(4,772)	(464,466)
Cash and cash equivalents at beginning of the period		(10,419,740)	(8,653,002)
Cash and cash equivalents at end of the period	17	(10,424,512)	(9,117,468)

The annexed notes 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



Jehangir Shah
Director & Chairman
Board Audit Committee



Muhammad Akhtar
Chief Financial
Officer



Sohail R. Bhojani
Chief Executive
Officer

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

1. STATUS AND NATURE OF BUSINESS

International Industries Limited ("the Company") was incorporated in Pakistan on March 1, 1948 under the Companies Act, 1913 (now the Companies Act, 2017) and is quoted on the Pakistan Stock Exchange. The Company is engaged in the business of manufacturing and marketing of galvanized steel pipes, precision steel tubes, API line pipes, polymer pipes & fittings. The registered office of the Company is situated at 101 Beaumont Plaza, 10 Beaumont Road, Karachi - 75530.

The manufacturing facilities of the Company are situated as follows:

- i) LX 15 - 16, Landhi Industrial Area, Karachi;
- ii) Survey no. 402, 405 - 406, Dehshirabi Landhi Town, Karachi; and
- iii) 22 KM, Sheikhpura Road, Lahore.

The sales offices of the Company are situated as follows:

- i) Chinoy House, 6 Bank Square, Lahore;
- ii) Office no. 303-A, 3rd Floor, Evacuee Trust Complex, Sir Agha Khan Road, Sector F-5/1, Islamabad;
- iii) 1592, 2nd Floor, Quaid-e-Azam Shopping Centre no. 1, Multan Cantt;
- iv) Office no. 1/1, Wahab Centre, Electrocitiy Plaza, Susan Road, Faisalabad; and
- v) Office no. 1 & 2, 1st Floor, Hurmaz Plaza, Main University Road, Peshawar.

These unconsolidated condensed interim financial statements are separate financial statements of the Company in which investments in subsidiaries and associate have been accounted for at cost less accumulated impairment losses, if any. Details of the Company's investment in subsidiaries and associated company are stated in note 6 to these unconsolidated condensed interim financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 These unconsolidated 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:

- International Accounting Standard (IAS) 34 'Interim Financial Reporting' issued by the International Accounting Standard 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.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

- 2.1.2** These unconsolidated condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the audited annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2022.
- 2.1.3** The comparative Unconsolidated Condensed Interim Statement of Financial Position presented in these unconsolidated condensed interim financial statements have been extracted from the audited annual unconsolidated financial statements of the Company for the year ended June 30, 2022, whereas the comparative Unconsolidated Condensed Interim Statement of Profit or Loss, Unconsolidated Condensed Interim Statement of Comprehensive Income, Unconsolidated Condensed Interim Statement of Cash Flows and Unconsolidated Condensed Interim Statement of Changes in Equity are extracted from the un-audited unconsolidated condensed interim financial statements for the period ended September 30, 2021.
- 2.1.4** These unconsolidated condensed interim financial statements are un-audited and are being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

2.2 Basis of measurement

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for the Company's liability under defined benefit plan (Gratuity Fund) which is determined on the basis of the present value of defined benefit obligations less fair value of plan assets determined by an independent actuary and land and buildings at revalued amounts assessed by an independent valuer which are stated at fair value.

2.3 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

3. SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of audited annual separate financial statements of the Company as at and for the year ended June 30, 2022.

3.2 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2022. However, these do not have any significant impact on the Company's financial reporting.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

b) Standards and amendments to approved accounting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2023. However, these will not have any impact on the Company's financial reporting and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

4.1 The preparation of unconsolidated condensed interim financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

4.2 The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual unconsolidated financial statements as at and for the year ended June 30, 2022.

4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements as at and for the year ended June 30, 2022.

5. PROPERTY, PLANT AND EQUIPMENT

	Operating assets	Capital work- in-progress (including capital stores and spares)	Total
	----- (Rupees in '000) -----		
Cost / revalued amount			
Balance at beginning of the period	13,363,854	72,377	13,436,231
Additions	-	28,547	28,547
Transfers	12,863	(12,863)	-
Disposals	(10,827)	-	(10,827)
	<u>13,365,890</u>	<u>88,061</u>	<u>13,453,951</u>
Accumulated depreciation			
Balance at beginning of the period	(3,452,387)	-	(3,452,387)
Charge for the period	(149,604)	-	(149,604)
Disposals	9,294	-	9,294
	<u>(3,592,697)</u>	<u>-</u>	<u>(3,592,697)</u>
Written down value			
as at September 30, 2022 (Un-audited)	<u>9,773,193</u>	<u>88,061</u>	<u>9,861,254</u>
Written down value			
as at June 30, 2022 (Audited)	<u>9,911,467</u>	<u>72,377</u>	<u>9,983,844</u>

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

6. INVESTMENTS

(Un-audited) September 30, 2022 (Number of shares)	(Audited) June 30, 2022	Note	(Un-audited) September 30, 2022 (Rupees in '000)	(Audited) June 30, 2022
Quoted Companies				
245,055,543	245,055,543	International Steels Limited (ISL) - subsidiary company, at cost	2,450,555	2,450,555
7,006,340	6,092,470	Pakistan Cables Limited (PCL) - associated company, at cost	817,553	817,553
Un-quoted Companies				
150,000	150,000	IIL Americas Inc. (IIL Americas) - subsidiary company, at cost	17,966	17,966
100,000	100,000	IIL Australia Pty. Limited (IIL Australia) - subsidiary company, at cost	9,168	9,168
7,727,270	7,727,270	IIL Construction Solutions (Private) Limited (IIL CSL) - subsidiary company, at cost	77,273	77,273
			3,372,515	3,372,515

7. STOCK-IN-TRADE

Raw material - in hand	7.1	5,295,575	2,834,857
- in transit		1,428,517	5,033,016
		6,724,092	7,867,873
Work-in-process		1,296,513	1,539,000
Finished goods		4,327,574	4,015,843
By-products		56,339	50,531
Scrap material		49,067	104,547
		12,453,585	13,577,794

7.1 Raw material amounting to Rs. 4.6 million as at September 30, 2022 (June 30, 2022: Rs. 7.7 million) was held at a vendor's premises for the production of pipe caps.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

	Note	(Un-audited) September 30, 2022 (Rupees in '000)	(Audited) June 30, 2022
8. LONG-TERM FINANCING - secured			
CONVENTIONAL			
Long-Term Finance Facility (LTFF)	8.2	613,069	570,667
Long-term finance		1,186,364	1,186,364
Payroll Refinance Scheme	8.3	129,996	194,993
		1,929,429	1,952,024
ISLAMIC			
Diminishing Musharakah		147,728	181,819
Islamic Long-Term Finance Facility (ILTFF)	8.4	109,229	114,048
Islamic Temporary Economic Refinance Facility (ITERF)	8.5	240,281	240,281
		497,238	536,148
		2,426,667	2,488,172
Less: Deferred income - government grant		(58,355)	(62,779)
Less: Current portion of long-term financing:			
CONVENTIONAL			
Long-Term Finance Facility (LTFF)		(87,273)	(87,273)
Long-term finance		(645,455)	(645,455)
Payroll Refinance Scheme		(129,996)	(194,993)
		(862,724)	(927,721)
ISLAMIC			
Diminishing Musharakah		(136,364)	(136,364)
Islamic Long-Term Finance Facility (ILTFF)		(14,859)	(14,859)
		(151,223)	(151,223)
		(1,013,947)	(1,078,944)
		1,354,365	1,346,449

8.1 These facilities are secured by way of a charge on stocks and all present and future land, buildings and plant and machinery located at Plot Number LX - 15 & 16 and HX - 7/4, Landhi Industrial Estate, Karachi and Survey number 402, 405 - 406, Dehsharabi, Landhi Town, Karachi.

8.1.1 In relation to above borrowings, the Company needs to observe certain financial and non-financial covenants as specified in the agreement with respective lenders which are complied with as of the reporting date.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

- 8.2** This represents finance facility loan obtained from various banks under the State Bank of Pakistan (SBP) Long Term Finance Facility for plant and machinery in respect of export-oriented projects.
- 8.3** This represents long-term loans obtained by the Company for financing its salaries and wages under SBP's Payroll Refinance Scheme for payment of wages and salaries, earmarked from running finance limit.
- 8.4** This represents finance facility loan obtained from an Islamic bank under SBP's Islamic Long Term Finance Facility for plant and machinery in respect of export-oriented projects.
- 8.5** This represents long-term loans obtained by the Company under SBP's Islamic Temporary Economic Refinance Facility available from various Islamic banks at below-market interest rates.

9. GAS INFRASTRUCTURE DEVELOPMENT CESS

Supreme Court of Pakistan (SCP) upheld the vires of the Gas Infrastructure Development Cess Act, 2015 (GIDC Act, 2015) through its judgement dated August 13, 2020 and advised the Government of Pakistan (the GoP) to initiate the gas pipeline project within six months. The SCP on November 2, 2020 ordered that its decision of August 13, 2020 has validated the GIDC Act, 2015 in complete sense and the benefits allowed under Section 8(2) of the GIDC Act to the industrial sector are also available. Further, payment of due Gas Infrastructure Development Cess (the Cess) was allowed in 48 instalments instead of 24 instalments.

The Company has also filed civil suits before Sindh High Court (SHC) on the ground that the Company has not passed on the burden of the Cess. Stay orders were granted in the aforesaid suits, are operative till the next date of hearing.

Despite the aforesaid order dated August 13, 2020 by the SCP, the GoP did not initiate the gas project within six months. Therefore, during the financial year ended June 30, 2021, the Company filed a petition with the SHC challenging the validity of the GIDC Act, 2015.

		(Un-audited) Note September 30, 2022	(Audited) June 30, 2022
10. TRADE AND OTHER PAYABLES		(Rupees in '000)	
Trade creditors		201,684	262,733
Bills payable		252,617	1,810,739
Accrued expenses	10.1	1,393,566	1,335,198
Provision for Infrastructure Cess	10.2	941,265	877,022
Short-term compensated absences		1,394	5,000
Workers' Profit Participation Fund		8,393	9,980
Workers' Welfare Fund	10.3	167,444	122,645
Current portion of deferred income			
- government grant		11,061	12,820
Others		3,842	4,316
		2,981,266	4,440,453

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

- 10.1** These include the current portion of Gas Infrastructure Development Cess amounting to Rs. 228.72 million (June 30, 2022: Rs. 204.06 million) and a provision against the revision of gas tariff by the Oil and Gas Regulatory Authority amounting to Rs. 121.21 million (June 30, 2022: Rs. 116.55 million).
- 10.2** This represents a provision against the amount guaranteed to Excise and Taxation Department. The Sindh Finance Act, 1994 prescribed an infrastructure fee at the rate of 1% of the C&F value of all goods entering or leaving the province of Sindh via sea or air. The Sindh High Court (SHC), passed an interim order directing that every company subsequent to December 27, 2006, is required to clear the goods by paying 50% of the fee amount involved and furnishing a guarantee / security for the balance amount. Bank guarantees issued as per the above-mentioned interim order amounting to Rs. 1,062 million (June 30, 2022: Rs. 992 million), have been provided to the Department. However, a provision to the extent of amount utilized from the limit of guarantee has also been provided for by the Company on the basis of prudence. Subsequently through the Sindh Finance Act 2015 and 2016, the legislation has doubled the rate of Sindh infrastructure cess. The Company had obtained a stay against this and the ultimate dispute had been linked with the previous infrastructure cess case.
- The case was decided on June 4, 2021 by the SHC whereby the court declared the first four versions of the law unconstitutional and a release of bank guarantees was ordered. However, the Sindh Infrastructure Development Cess Act, 2017 was declared constitutional with retrospective effect from 1994. The operation of the order remained suspended till September 3, 2021. The Company was not in agreement with the above orders and filed an appeal before the Supreme Court of Pakistan (SCP).
- On September 1, 2021, the SCP granted a stay order against the operation of the order of SHC dated June 4, 2021, that the bank guarantees already submitted by the Company in pursuant to the order of the High Court are valid and enforceable. The Court further ordered that imports should be released on submission of fresh bank guarantees equivalent to the duty under the Act.
- 10.3** The Company filed a constitutional petition with the SHC against notice to the Company for payment of Sindh Workers Welfare Fund under the Sindh Workers Welfare Fund Act, 2014 despite the fact that the Company is making the payments of Workers Welfare Fund to the Federal Government. A stay was obtained on the ground that the Company is a trans-provincial establishment operating industrial and commercial activities across Pakistan and is liable to pay Workers Welfare Fund under federal Workers Welfare Fund Ordinance, 1971.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

	Note	(Un-audited) September 30, 2022 (Rupees in '000)	(Audited) June 30, 2022
11. SHORT-TERM BORROWINGS - secured			
CONVENTIONAL			
Running finance under mark-up arrangement from banks	11.1	1,791,516	3,348,023
Short-term borrowing under Money Market Scheme maturing within three months	11.1	3,015,500	1,320,000
Short-term borrowing under Export Refinance Scheme	11.2	2,104,000	2,104,000
ISLAMIC			
Short-term borrowing under Money Market Scheme maturing within three months	11.3	1,300,000	-
Short-term borrowing under Running Musharakah maturing within three months	11.4	4,451,938	5,865,297
		12,662,954	12,637,320
11.1	These facilities for short-term finance available from various commercial banks are for the purpose of meeting working capital requirements. The rates of mark-up on these finances range from 15.16% to 16.11% (June 30, 2022: 10.88% to 14.81%) per annum.		
11.2	The Company has obtained short-term finance under Export Refinance Scheme of the State Bank of Pakistan from commercial banks. The rate of mark-up on these facilities is 9.50% (June 30, 2022: 2.50%) per annum. These facilities mature within six months and are renewable.		
11.3	This facility for short-term finance available from an Islamic bank is for the purpose of meeting working capital requirements. The rate of mark-up on this finance is 15.46% (June 30, 2022: Nil) per annum.		
11.4	The Company has obtained facilities for short-term finance under Running Musharakah. The rates of profit on these facilities range from 15.16% to 15.81% (June 30, 2022: 11.95% to 14.51%) per annum.		
11.5	As at September 30, 2022, the unavailed facilities from the above borrowings amounted to Rs. 5,869 million (June 30, 2022: Rs. 5,601 million).		
11.6	The above facilities are secured by way of a joint pari passu charge and ranking charge over all current and future moveable assets of the Company.		
12. CONTINGENCIES AND COMMITMENTS			
12.1 Contingencies			

There have been no significant changes during the period in the contingencies reported in the annual audited unconsolidated financial statements for the year ended June 30, 2022 except as discussed below:

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

- 12.1.1** In relation to the case of the sale of zinc wastages generated from imports under manufacturing bond, the Appellate Tribunal heard the case and the Customs department submitted its response during the hearing. The Appellate Tribunal, thereafter, reserved its order and, subsequently, announced its decision upholding the order of the Collector of Customs (Adjudication - II). Being aggrieved by the decision of the Appellate Tribunal, the Company preferred a reference to the Sindh High Court (SHC). The SHC held the first hearing of the case on September 9, 2022, and has issued a short notice of a hearing to be held on October 19, 2022.
- 12.1.2** In connection to the application challenging the chargeability of tax on inter corporate dividends from the Company's subsidiary, International Steels Limited (ISL), the Company has filed a constitutional petition before the SHC to cover the final dividend of 45% declared by ISL for the year ended June 30, 2022 against bank guarantee amounting to Rs. 165.42 million. A stay was granted by the SHC on August 29, 2022 and the next date of the hearing is awaited.
- 12.1.3** Under the Finance Act, 2022, the Federal Government inserted section 4C to the Income Tax Ordinance, 2001 which imposed a super tax on persons earning more than Rs. 150 million at varying rates with retrospective effect. The rate of super tax applicable to the Company for tax year 2022 was 10%. The Company, along with the other companies aggrieved by this, preferred an appeal to the SHC. The SHC granted a stay against the collection of super tax and ordered the Federal Board of Revenue to accept annual income tax returns for tax year 2022 exclusive of the super tax. The next date of hearing of the case is awaited.
- 12.2 Commitments**
- 12.2.1** Capital expenditure commitments outstanding as at September 30, 2022 amounted to Rs. 170.04 million (June 30, 2022: Rs. 48.65 million).
- 12.2.2** Commitments under letters of credit for raw materials and stores and spares as at September 30, 2022 amounted to Rs. 1,444.0 million (June 30, 2022: Rs. 802.2 million).
- 12.2.3** Commitments under purchase contracts as at September 30, 2022 amounted to Rs. 739.7 million (June 30, 2022: Rs. 685.8 million).
- 12.2.4** The facilities for opening letters of credit and guarantees from banks as at September 30, 2022 amounted to Rs. 12,700 million (June 30, 2022: Rs. 12,700 million) and Rs. 3,050 million (June 30, 2022: Rs. 3,050 million) respectively, of which the unutilised balance at period-end amounted to Rs. 11,095 million (June 30, 2022: Rs. 11,851 million) and Rs. 802 million (June 30, 2022: Rs. 955 million) respectively.

		(Un-audited)	
		Three months ended	
		September 30, 2022	September 30, 2021
		(Rupees in '000)	
13. REVENUE FROM CONTRACTS WITH CUSTOMERS			
Sale of goods less returns			
Local	5,440,071	7,917,621	
Sales tax	(772,904)	(1,168,932)	
Trade discounts	(318,209)	(284,392)	
	4,348,958	6,464,297	
Export	1,923,130	2,409,386	
Export commission & discounts	(1,553)	(14,662)	
	1,921,577	2,394,724	
	6,270,535	8,859,021	

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

14. OTHER INCOME

This includes dividend income from subsidiary and associated companies amounting to Rs. 1,142.40 million (September 30, 2021: Rs. 1,764.13 million).

(Un-audited)	
Three months ended	
September 30, 2022	September 30, 2021
(Rupees in '000)	

15. INCOME TAX EXPENSE

Current	291,392	452,809
Deferred	(30,000)	(17,764)
	<u>261,392</u>	<u>435,045</u>

16. CASH GENERATED FROM / (USED IN) OPERATIONS

Profit before income tax	1,298,484	2,196,635
Add/(less): adjustment for non-cash charges and other items		
Depreciation of property, plant and equipment	149,604	124,258
Amortisation of intangible assets	342	146
Charge of loss allowance on trade debts	21,482	-
Provision for staff retirement benefits	14,422	11,957
Provision for compensated absences	3,104	7,831
Income on bank deposits	(1,870)	(47)
Gain on disposal of property, plant and equipment	(7,710)	(8,375)
Unwinding of Gas Infrastructure Development Cess	5,898	5,340
Dividend income	(1,142,351)	(1,764,129)
Government grant income	(4,423)	(8,150)
Finance cost	456,379	226,375
	<u>793,361</u>	<u>791,841</u>
Changes in working capital	16.1 (35,499)	(1,413,359)
	<u>757,862</u>	<u>(621,518)</u>

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

		(Un-audited)	
		Three months ended	
		September 30, 2022	September 30, 2021
		(Rupees in '000)	
16.1	Working capital changes		
	(Increase) / decrease in current assets:		
	Stores and spares	(11,290)	(14,616)
	Stock-in-trade	1,124,209	579,016
	Trade debts	323,435	(1,532,067)
	Advances, trade deposits and prepayments	(116,378)	(56,094)
	Other receivables	23,629	(7,049)
	Sales tax receivable	(77,714)	(137,054)
		<u>1,265,891</u>	<u>(1,167,864)</u>
	(Decrease) / increase in current liabilities:		
	Trade and other payables	(1,478,487)	(302,943)
	Contract liabilities	177,097	57,448
		<u>(1,301,390)</u>	<u>(245,495)</u>
		<u>(35,499)</u>	<u>(1,413,359)</u>
17.	CASH AND CASH EQUIVALENTS		
	Cash and bank balances	134,442	100,688
	Running finance under mark-up arrangement from banks	11 (1,791,516)	(1,030,637)
	Short-term borrowing under Money Market Scheme maturing within three months	11 (4,315,500)	(6,203,000)
	Short-term borrowing under Running Musharakah maturing within three months	11 (4,451,938)	(1,984,519)
		<u>(10,424,512)</u>	<u>(9,117,468)</u>

18. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of the subsidiary companies, associated undertakings, directors of the Company, key management personnel and staff retirement funds. The Company continues to follow a policy whereby all transactions with related parties are entered into at commercial terms at rate agreed under a contract / arrangement / agreement. The contributions to the defined contribution plan (Provident Fund) are made as per the terms of employment and contributions to the defined benefit plan (Gratuity Fund) are made on the basis of latest actuarial advice. Remuneration of key management personnel are in accordance with their terms of engagements.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary, non-executive directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than under terms of their employment / entitlement.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

(Un-audited)	
Three months ended	
September 30, 2022	September 30, 2021
(Rupees in '000)	

18.1 Transactions with related parties

Subsidiary companies

Sales	1,499,461	2,058,946
Purchases	1,563,887	995,321
Cost of shared resources	32,717	21,294
Reimbursement of expenses	663	1,068
Rental income	6,304	2,947
Dividend income	1,102,750	1,715,389

Associated companies

Purchases	7,424	2,592
Reimbursement of expenses	886	169
Insurance premium	1,275	5,605
Insurance claim	-	607
Dividend income	39,601	48,740
Dividend distribution	3,802	7,967
Subscription	2,500	2,000
Registration and training	130	15

Key management personnel

Remuneration and allowances	65,083	159,959
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Staff retirement funds

Contribution paid	9,463	33,070
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Non-executive directors

Directors' fee	1,500	1,650
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Reimbursement of Chairman's expenses

	1,650	890
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Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

19. SEGMENT REPORTING

The Company has identified Steel, Polymer and Investments as reportable segments. Performance is measured based on respective segment's results. Information regarding the Company's reportable segments is presented below.

19.1 Segment revenue and results

	Steel segment	Polymer segment	Investments segment	Total
	----- (Rupees in '000) -----			
For the three months ended September 30, 2022				
Revenue from contracts with customers				
Local	3,607,771	741,187	-	4,348,958
Exports	1,921,577	-	-	1,921,577
	<u>5,529,348</u>	<u>741,187</u>	<u>-</u>	<u>6,270,535</u>
Cost of sales	<u>(4,808,919)</u>	<u>(573,295)</u>	<u>-</u>	<u>(5,382,214)</u>
Gross profit	<u>720,429</u>	<u>167,892</u>	<u>-</u>	<u>888,321</u>
Selling and distribution expenses	(459,759)	(25,010)	-	(484,769)
Administrative expenses	(84,850)	(5,852)	-	(90,702)
Charge of loss allowance on trade debts	(15,332)	(6,150)	-	(21,482)
	<u>(559,941)</u>	<u>(37,012)</u>	<u>-</u>	<u>(596,953)</u>
Finance cost	(407,635)	(54,642)	-	(462,277)
Other operating charges	(7,516)	(5,337)	-	(12,853)
	<u>(415,151)</u>	<u>(59,979)</u>	<u>-</u>	<u>(475,130)</u>
Other income	339,895	-	1,142,351	1,482,246
Profit before income tax	<u>85,232</u>	<u>70,901</u>	<u>1,142,351</u>	<u>1,298,484</u>
Income tax expense				(261,392)
Profit after tax for the period				<u>1,037,092</u>
For the three months ended September 30, 2021				
Revenue from contracts with customers				
Local	5,728,346	735,951	-	6,464,297
Exports	2,394,724	-	-	2,394,724
	<u>8,123,070</u>	<u>735,951</u>	<u>-</u>	<u>8,859,021</u>
Cost of sales	<u>(6,982,751)</u>	<u>(682,758)</u>	<u>-</u>	<u>(7,665,509)</u>
Gross profit	<u>1,140,319</u>	<u>53,193</u>	<u>-</u>	<u>1,193,512</u>
Selling and distribution expenses	(543,024)	(19,091)	-	(562,115)
Administrative expenses	(78,073)	(4,280)	-	(82,353)
	<u>(621,097)</u>	<u>(23,371)</u>	<u>-</u>	<u>(644,468)</u>
Finance cost	(212,466)	(19,249)	-	(231,715)
Other operating charges	(41,488)	(740)	-	(42,228)
	<u>(253,954)</u>	<u>(19,989)</u>	<u>-</u>	<u>(273,943)</u>
Other income	157,405	-	1,764,129	1,921,534
Profit before income tax	<u>422,673</u>	<u>9,833</u>	<u>1,764,129</u>	<u>2,196,635</u>
Income tax expense				(435,045)
Profit after tax for the period				<u>1,761,590</u>

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

19.2 Segment assets and liabilities

	Steel segment	Polymer segment	Investments segment	Total
	----- (Rupees in '000) -----			
As at September 30, 2022 - Un-audited				
Segment assets	<u>27,257,573</u>	<u>3,063,923</u>	<u>4,514,696</u>	<u>34,836,192</u>
Segment liabilities	<u>14,792,941</u>	<u>1,569,304</u>	<u>-</u>	<u>16,362,245</u>
As at June 30, 2022 - Audited				
Segment assets	<u>29,223,455</u>	<u>2,755,839</u>	<u>3,372,515</u>	<u>35,351,809</u>
Segment liabilities	<u>16,669,182</u>	<u>1,151,798</u>	<u>-</u>	<u>17,820,980</u>

Reconciliation of segment assets and liabilities with total assets and liabilities in the Unconsolidated Statement of Financial Position is as follows :

	(Un-audited) September 30, 2022	(Audited) June 30, 2022
	(Rupees in '000)	
Total for reportable segments assets	34,836,192	35,351,809
Unallocated assets	1,212,279	943,754
Total assets as per Unconsolidated Statement of Financial Position	<u>36,048,471</u>	<u>36,295,563</u>
Total for reportable segments liabilities	16,362,245	17,820,980
Unallocated liabilities	4,841,673	3,880,368
Total liabilities as per Unconsolidated Statement of Financial Position	<u>21,203,918</u>	<u>21,701,348</u>

20. CORRESPONDING FIGURES

The comparative information has been reclassified or re-arranged in these consolidated condensed interim financial statements, wherever necessary, to facilitate comparison and to confirm with presentation in the current period, having insignificant impact.

21. DATE OF AUTHORISATION FOR ISSUE

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



Jehangir Shah
Director & Chairman
Board Audit Committee



Muhammad Akhtar
Chief Financial
Officer



Sohail R. Bhojani
Chief Executive
Officer

CONSOLIDATED **CONDENSED INTERIM FINANCIAL STATEMENTS**

Consolidated Condensed Interim Statement of Financial Position

As at September 30, 2022

Note	(Un-audited) September 30, 2022 ----- (Rupees in '000) -----	(Audited) June 30, 2022																
5	30,366,846 28,876 192,973	30,771,384 31,335 179,596																
6	1,764,739 2,461	1,238,598 2,427																
	<u>32,355,895</u>	<u>32,223,340</u>																
7	<table border="1"><tr><td>1,184,919</td></tr><tr><td>46,904,214</td></tr><tr><td>6,184,164</td></tr><tr><td>418,394</td></tr><tr><td>144,351</td></tr><tr><td>3,002,231</td></tr><tr><td>1,036,015</td></tr><tr><td>58,874,288</td></tr></table> <u>91,230,183</u>	1,184,919	46,904,214	6,184,164	418,394	144,351	3,002,231	1,036,015	58,874,288	<table border="1"><tr><td>1,181,526</td></tr><tr><td>45,688,341</td></tr><tr><td>6,853,083</td></tr><tr><td>202,923</td></tr><tr><td>121,355</td></tr><tr><td>1,770,317</td></tr><tr><td>1,218,770</td></tr><tr><td>57,036,315</td></tr></table> <u>89,259,655</u>	1,181,526	45,688,341	6,853,083	202,923	121,355	1,770,317	1,218,770	57,036,315
1,184,919																		
46,904,214																		
6,184,164																		
418,394																		
144,351																		
3,002,231																		
1,036,015																		
58,874,288																		
1,181,526																		
45,688,341																		
6,853,083																		
202,923																		
121,355																		
1,770,317																		
1,218,770																		
57,036,315																		
	1,318,819	1,318,819																
	3,043,829	2,991,258																
	12,416,030	12,699,443																
	31,042	27,392																
	<u>7,493,060</u>	<u>6,986,115</u>																
	<u>24,302,780</u>	<u>24,023,027</u>																
	<u>8,724,593</u>	<u>9,376,528</u>																
	<u>33,027,373</u>	<u>33,399,555</u>																
8	<table border="1"><tr><td>4,056,779</td></tr><tr><td>177,686</td></tr></table>	4,056,779	177,686	<table border="1"><tr><td>4,125,295</td></tr><tr><td>186,509</td></tr></table>	4,125,295	186,509												
4,056,779																		
177,686																		
4,125,295																		
186,509																		
9	<table border="1"><tr><td>464,173</td></tr><tr><td>169,967</td></tr><tr><td>1,733,778</td></tr><tr><td>22,227</td></tr><tr><td>6,624,610</td></tr></table>	464,173	169,967	1,733,778	22,227	6,624,610	<table border="1"><tr><td>548,541</td></tr><tr><td>155,545</td></tr><tr><td>1,608,476</td></tr><tr><td>24,429</td></tr><tr><td>6,648,795</td></tr></table>	548,541	155,545	1,608,476	24,429	6,648,795						
464,173																		
169,967																		
1,733,778																		
22,227																		
6,624,610																		
548,541																		
155,545																		
1,608,476																		
24,429																		
6,648,795																		
10	<table border="1"><tr><td>8,653,090</td></tr><tr><td>1,374,727</td></tr></table>	8,653,090	1,374,727	<table border="1"><tr><td>11,020,587</td></tr><tr><td>2,654,961</td></tr></table>	11,020,587	2,654,961												
8,653,090																		
1,374,727																		
11,020,587																		
2,654,961																		
11	<table border="1"><tr><td>34,614,355</td></tr><tr><td>829,802</td></tr><tr><td>865,040</td></tr></table>	34,614,355	829,802	865,040	<table border="1"><tr><td>29,996,873</td></tr><tr><td>39,996</td></tr><tr><td>10,301</td></tr></table>	29,996,873	39,996	10,301										
34,614,355																		
829,802																		
865,040																		
29,996,873																		
39,996																		
10,301																		
8	<table border="1"><tr><td>2,387,841</td></tr><tr><td>8,015</td></tr><tr><td>2,037,350</td></tr><tr><td>807,980</td></tr><tr><td>51,578,200</td></tr><tr><td>58,202,810</td></tr></table>	2,387,841	8,015	2,037,350	807,980	51,578,200	58,202,810	<table border="1"><tr><td>2,498,439</td></tr><tr><td>7,510</td></tr><tr><td>2,431,598</td></tr><tr><td>551,040</td></tr><tr><td>49,211,305</td></tr><tr><td>55,860,100</td></tr></table>	2,498,439	7,510	2,431,598	551,040	49,211,305	55,860,100				
2,387,841																		
8,015																		
2,037,350																		
807,980																		
51,578,200																		
58,202,810																		
2,498,439																		
7,510																		
2,431,598																		
551,040																		
49,211,305																		
55,860,100																		
12	<u>91,230,183</u>	<u>89,259,655</u>																

The annexed notes 1 to 20 form an integral part of these consolidated condensed interim financial statements.



Jehangir Shah
Director & Chairman
Board Audit Committee



Muhammad Akhtar
Chief Financial
Officer



Sohail R. Bhojani
Chief Executive
Officer

Consolidated Condensed Interim Statement of Profit or Loss (Un-audited)

For the three months ended September 30, 2022

	Note	Three months ended	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
Revenue from contracts with customers	13	22,343,331	31,923,303
Cost of sales		(18,420,315)	(26,456,717)
Gross profit		3,923,016	5,466,586
Selling and distribution expenses		(611,091)	(774,311)
Administrative expenses		(172,909)	(173,652)
Charge of loss allowance on trade debts		(21,356)	-
		(805,356)	(947,963)
Operating profit		3,117,660	4,518,623
Finance cost		(1,324,275)	(407,450)
Other operating charges		(788,250)	(322,733)
		(2,112,525)	(730,183)
Other income		365,601	161,528
Share of profit in equity accounted investee		17,639	41,529
Profit before income tax		1,388,375	3,991,497
Income tax expense	14	(566,654)	(1,340,977)
Profit after tax for the period		821,721	2,650,520
Profit attributable to:			
- Owners of the Holding Company		618,906	1,513,602
- Non-controlling interest (NCI)		202,815	1,136,918
		821,721	2,650,520
		----- (Rupees) -----	
Earnings per share - basic and diluted		4.69	11.48

The annexed notes 1 to 20 form an integral part of these consolidated condensed interim financial statements.



Jehangir Shah
Director & Chairman
Board Audit Committee



Muhammad Akhtar
Chief Financial
Officer



Sohail R. Bhojani
Chief Executive
Officer

Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the three months ended September 30, 2022

Three months ended	
September 30, 2022	September 30, 2021
----- (Rupees in '000) -----	
821,721	2,650,520
(588)	(2,254)
5,125	13,834
548,168	-
(104,152)	-
444,016	-
3,650	1,848
(65)	4,269
452,138	17,697
1,273,859	2,668,217
1,071,044	1,531,299
202,815	1,136,918
1,273,859	2,668,217

The annexed notes 1 to 20 form an integral part of these consolidated condensed interim financial statements.



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Director & Chairman
Board Audit Committee



Muhammad Akhtar
Chief Financial
Officer



Sohail R. Bhojani
Chief Executive
Officer

Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)

For the three months ended September 30, 2022

	Attributable to owners of the Holding Company						Non-controlling interest	Total equity	
	Issued, subscribed and paid-up capital	Revenue reserves			Capital reserve	Total			
		General reserve	Unappropriated profit	Exchange translation reserves	Total revenue reserves				Revaluation surplus on property, plant and equipment
----- (Rupees in '000) -----									
Balance as at July 1, 2021	1,318,819	2,991,258	11,365,899	5,863	14,363,020	4,267,987	19,949,826	8,247,364	28,197,190
Profit after tax for the period	-	-	1,513,602	-	1,513,602	-	1,513,602	1,136,918	2,650,520
Other comprehensive income for the period	-	-	2,015	1,848	3,863	13,834	17,697	-	17,697
Total comprehensive income for the period	-	-	1,515,617	1,848	1,517,465	13,834	1,531,299	1,136,918	2,668,217
Transferred from transfer of surplus revaluation on property, plant and equipment on account of incremental depreciation - net of tax	-	-	18,144	-	18,144	(21,847)	(3,703)	3,703	-
Proportionate share of transfer of surplus on revaluation of property, plant and equipment - PCL	-	-	567	-	567	(585)	(18)	-	(18)
Transactions with owners recorded directly in equity									
Distributions to owners of Holding Company - Final dividend at 65% (Rs. 6.50 per share) for the year ended June 30, 2021	-	-	(857,232)	-	(857,232)	-	(857,232)	-	(857,232)
Dividend to non-controlling interest	-	-	-	-	-	-	-	(1,329,611)	(1,329,611)
Balance as at September 30, 2021	1,318,819	2,991,258	12,042,995	7,711	15,041,964	4,259,389	20,620,172	8,058,374	28,678,546
Balance as at July 1, 2022	1,318,819	2,991,258	12,699,443	27,392	15,718,093	6,986,115	24,023,027	9,376,528	33,399,555
Profit after tax for the period	-	-	618,906	-	618,906	-	618,906	202,815	821,721
Other comprehensive (loss) / income for the period	-	-	(104,805)	3,650	(101,155)	553,293	452,138	-	452,138
Total comprehensive income for the period	-	-	514,101	3,650	517,751	553,293	1,071,044	202,815	1,273,859
Proportionate share of transfer to general reserves of equity accounted investee	-	52,571	(52,571)	-	-	-	-	-	-
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	45,781	-	45,781	(45,781)	-	-	-
Proportionate share of transfer of surplus on revaluation of property, plant and equipment - PCL	-	-	567	-	567	(567)	-	-	-
Transactions with owners recorded directly in equity									
Distributions to owners of Holding Company - Final dividend @ 60% (Rs. 6.00 per share) for the year ended June 30, 2022	-	-	(791,291)	-	(791,291)	-	(791,291)	-	(791,291)
Dividend to non-controlling interest	-	-	-	-	-	-	-	(854,750)	(854,750)
Balance as at September 30, 2022	1,318,819	3,043,829	12,416,030	31,042	15,490,901	7,493,060	24,302,780	8,724,593	33,027,373

The annexed notes 1 to 20 form an integral part of these consolidated condensed interim financial statements.



Jehangir Shah
Director & Chairman
Board Audit Committee



Muhammad Akhtar
Chief Financial
Officer



Sohail R. Bhojani
Chief Executive
Officer

Consolidated Condensed Interim Statement of Cash Flows (Un-audited)

For the three months ended September 30, 2022

Note	Three months ended	
	September 30, 2022	September 30, 2021
----- (Rupees in '000) -----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash (used in) / generated from operations	15 (2,460,579)	42,187
Finance cost paid	(1,028,139)	(226,617)
Income on bank deposits received	7,043	18,947
Staff retirement benefits paid	(8,108)	(19,533)
Payment on account of compensated absences	(14,634)	(8,383)
Income tax paid - net	(937,092)	(655,243)
Net cash used in operating activities	(4,441,509)	(848,642)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for acquisition of property, plant and equipment	(154,876)	(149,278)
Payment for acquisition of intangible assets	(13,797)	-
Proceeds from disposal of property, plant and equipment	18,358	28,987
Net cash used in investing activities	(150,315)	(120,291)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term financing	64,220	128,671
Repayment of long-term financing	(254,929)	(256,557)
Proceeds from short-term borrowings - net	521,190	2,519,228
Lease rentals paid	(2,787)	(8,302)
Dividends paid to non-controlling interest	(11)	(355)
Dividends paid to shareholders of the Holding Company	(1,485)	(1,425)
Net cash generated from financing activities	326,198	2,381,260
Net increase in cash and cash equivalents	(4,265,626)	1,412,327
Cash and cash equivalents at beginning of the period	(19,741,322)	(10,667,389)
Effects of exchange rate changes in cash and cash equivalents	(13,421)	4,332
Cash and cash equivalents at end of the period	(24,020,369)	(9,250,730)

The annexed notes 1 to 20 form an integral part of these consolidated condensed interim financial statements.



Jehangir Shah
Director & Chairman
Board Audit Committee



Muhammad Akhtar
Chief Financial
Officer



Sohail R. Bhojani
Chief Executive
Officer

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

1. THE GROUP AND ITS OPERATIONS

1.1 The Group consists of International Industries Limited (the Holding Company), its 56.33%-owned subsidiary International Steels Limited (ISL), its wholly-owned subsidiary IIL Construction Solutions (Private) Limited (IIL CSL) and its wholly-owned foreign subsidiaries IIL Australia Pty. Limited (IIL Australia) and IIL Americas Inc. (IIL Americas) [together referred to as "the Group" and individually as "Group entities"] and the Holding Company's 17.124% interest in an equity accounted investee, Pakistan Cables Limited (PCL).

1.2 The Holding Company was incorporated in Pakistan in 1948 and is quoted on the Pakistan Stock Exchange. It is engaged in the business of manufacturing and marketing of galvanized steel pipes, precision steel tubes, API line pipes and polymer pipes and fittings. The registered office of the Holding Company is situated at 101 Beaumont Plaza, 10 Beaumont Road, Karachi - 75530.

The manufacturing facilities of the Holding Company are situated as follows:

- i) LX 15 - 16, Landhi Industrial Area, Karachi;
- ii) Survey no. 402, 405 - 406, Dehshrahi Landhi Town, Karachi; and
- iii) 22 KM, Sheikhpura Road, Lahore.

The sales offices of the Holding Company are situated as follows:

- i) Chinoy House, 6 Bank Square, Lahore;
- ii) Office no. 303-A, 3rd Floor, Evacuee Trust Complex, Sir Agha Khan Road, Sector F-5/1, Islamabad;
- iii) 1592, 2nd Floor, Quaid-e-Azam Shopping Centre no. 1, Multan Cantt;
- iv) Office no. 1/1, Wahab Centre, Electrocitiy Plaza, Susan Road, Faisalabad; and
- v) Office no. 1 & 2, 1st Floor, Hurmaz Plaza, Main University Road, Peshawar.

1.3 International Steels Limited ("the Subsidiary Company") was incorporated on September 3, 2007 as a public unlisted company limited by shares under the repealed Companies Ordinance, 1984 and is domiciled in the province of Sindh. Subsequent to the sale of shares by the Holding Company to general public under an Initial Public Offer, the Subsidiary Company was listed on the Pakistan Stock Exchange on June 1, 2011. The primary activities of the Subsidiary Company is the business of manufacturing of cold rolled steel coils and galvanized sheets. The Subsidiary Company commenced commercial operations on January 1, 2011. The registered office of the Subsidiary Company is situated at 101 Beaumont Plaza, 10 Beaumont Road, Karachi - 75530. The Holding Company has 56.33% ownership interest in the Subsidiary Company.

The manufacturing facilities of the Subsidiary Company are situated as follows:

- i) 399 - 405, Rehri Road, Landhi Industrial Area, Karachi; and
- ii) Plot No. LE 73 - 79, 102 - 103, 112 - 118, 125 - 129, Survey No. NC 98, National Industrial Parks (NIP), Bin Qasim Industrial Zone, Karachi.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

The sales offices of the Subsidiary Company are situated as follows:

- i) Chinoy House, 6 Bank Square, Lahore;
- ii) Office no. 303-A, 3rd Floor, Evacuee Trust Complex, Sir Aga Khan Road, Sector F-5/1, Islamabad; and
- iii) Office no. 708-A, United Mall, Abdali Road, Multan.

1.4 IIL CSL was incorporated on August 19, 2020 under the Companies Act, 2017. It is engaged in the business of providing scaffolding and other business solutions. Its registered office is situated at 101 Beaumont Plaza, 10 Beaumont Road, Karachi-75530.

1.5 IIL Australia was incorporated in Australia on May 2, 2014. It is engaged in the business of distribution and marketing of galvanized steel pipes, precision steel tubes, pre-galvanized pipes and galvanized sheets and coils. Its registered office and sales office is situated at 101 - 103, Abbot Road, Hallam, Victoria 3803, Australia.

1.6 IIL Americas was incorporated in Canada on October 8, 2019. It is engaged in the business of distribution and marketing of galvanized steel pipes, precision steel tubes and pre-galvanized pipes. Its registered office and sales office is situated at 36 Gerigs St., Scarborough, Ontario, Canada MIL 0B9.

1.7 Details of the equity accounted investee is given in note 6 to these consolidated condensed interim financial statements.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These consolidated condensed interim financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. 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 Standard 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.

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

2.1.2 The comparative Consolidated Condensed Interim Statement of Financial Position presented in these consolidated condensed interim financial statements have been extracted from the audited annual consolidated financial statements for the year ended June 30, 2022, whereas the comparative Consolidated Condensed Interim Statement of Profit or Loss, Consolidated Condensed Interim Statement of Comprehensive Income, Consolidated Condensed Interim Statement of Cash Flows and Consolidated Condensed Interim Statement of Changes in Equity are extracted from the unaudited consolidated condensed interim financial statements for the period ended September 30, 2022.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

2.2 Basis of measurement

These consolidated condensed interim financial statements have been prepared under the historical cost convention except for the Group entities' liabilities under defined benefit plan (Gratuity Fund) which is determined based on the present value of defined benefit obligations less fair value of plan assets determined by an independent actuary and land and buildings at revalued amounts assessed by an independent valuer which are stated at fair value.

2.3 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees which is also the Holding Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.4 Basis of consolidation

2.4.1 Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Further, the Group also considers whether:

- it has power to direct the activities of the subsidiaries;
- is exposed to variable returns from the subsidiaries; and
- decision-making power allows the Group to affect its variable returns from the subsidiaries.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are derecognised from the date the control ceases. These consolidated condensed interim financial statements include the Holding Company and all companies which it directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors (the Subsidiaries).

The interim financial statements of the Subsidiaries have been consolidated on a line-by-line basis. Inter-company transactions, balances, income and expenses on transactions between Group entities are eliminated. Unrealised profits and losses are also eliminated. Accounting policies of the Subsidiaries are consistent with the policies adopted by the Group.

2.4.2 Transactions and non-controlling interests

Where the ownership of a subsidiary is less than hundred percent and therefore, a non controlling interest (NCI) exists, the NCI is allocated its share of the total comprehensive income for the period, even if that results in a deficit balance.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of a subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of audited annual consolidated financial statements as at and for the year ended June 30, 2022.

3.2 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Group's annual accounting period which began on July 1, 2022. However, these do not have any significant impact on the Group's financial reporting.

b) Standards and amendments to approved accounting standards that are not yet effective

There are certain amendments to the accounting and reporting standards that will be mandatory for the annual accounting periods beginning on or after July 1, 2023. However, these are considered either not to be relevant or to have any significant impact on the consolidated financial statements and, therefore, have not been disclosed in these consolidated condensed interim financial statements.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

4.1 The preparation of consolidated condensed interim financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

4.2 The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements as at and for the year ended June 30, 2022.

4.3 The Group's financial risk management objectives and policies are consistent with those disclosed in the audited annual consolidated financial statements as at and for the year ended June 30, 2022.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

5. PROPERTY, PLANT AND EQUIPMENT

	Operating assets	Capital work- in-progress (including capital spares)	Total
	----- (Rupees in '000) -----		
Cost / revalued amount			
Balance at beginning of the period	41,611,309	1,286,526	42,897,835
Additions	-	141,575	141,575
Translation reserve	263	-	263
Adjustments / transfers - net	46,335	(33,033)	13,302
Disposals	(21,538)	-	(21,538)
	<u>41,636,369</u>	<u>1,395,068</u>	<u>43,031,437</u>
Accumulated depreciation			
Balance at beginning of the period	(11,991,887)	(134,564)	(12,126,451)
Charge for the period	(549,964)	(6,077)	(556,041)
Disposals	17,901	-	17,901
	<u>(12,523,950)</u>	<u>(140,641)</u>	<u>(12,664,591)</u>
Written down value as at September 30, 2022 (Un-audited)	<u>29,112,419</u>	<u>1,254,427</u>	<u>30,366,846</u>
Written down value as at June 30, 2022 (Audited)	<u>29,619,422</u>	<u>1,151,962</u>	<u>30,771,384</u>
	Note	(Un-audited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	

6. INVESTMENT IN EQUITY ACCOUNTED INVESTEE

Pakistan Cables Limited (PCL)			
- associated company	6.1	<u>1,764,739</u>	<u>1,238,598</u>

6.1 The Holding Company holds a 17.124% (June 30, 2022: 17.124%) ownership interest in PCL. The Chief Executive Officer of PCL is Mr. Fahd K. Chinoy. The Holding Company considers it has significant influence over PCL as, in addition to its holding, the companies have common directorships. The price per share of PCL as at reporting date was Rs. 121.50 (June 30, 2022: Rs. 139.50) resulting in a market value of total investment amounting to Rs. 851.27 million (June 30, 2022: Rs. 849.90 million). The share of profit and other comprehensive income for the period is recognised based on the financial statements of PCL as at June 30, 2022 as the latest financial statements as at September 30, 2022 were presently not available.

6.2 Market value of the investment disclosed in note 6.1 is categorised as level 1 fair value measurement in accordance with IFRS 13 "Fair Value Measurement".

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

	Note	(Un-audited) September 30, 2022 ----- (Rupees in '000) -----	(Audited) June 30, 2022
7. STOCK-IN-TRADE			
Raw material - in hand	7.1	22,515,945	15,436,789
- in transit		1,456,641	9,745,563
		<u>23,972,586</u>	<u>25,182,352</u>
Work-in-process		4,966,440	6,833,793
Finished goods - in hand		16,438,022	11,335,368
- in transit		1,365,574	2,110,127
By-products		81,894	72,635
Scrap material		79,698	154,066
		<u>46,904,214</u>	<u>45,688,341</u>

- 7.1** Raw material of the Holding Company amounting to Rs. 4.6 million as at September 30, 2022 (June 30, 2022: Rs. 7.7 million) was held at a vendor's premises for the production of pipe caps.

	Note	(Un-audited) September 30, 2022 ----- (Rupees in '000) -----	(Audited) June 30, 2022
8. LONG-TERM FINANCING - secured			
CONVENTIONAL			
Long-Term Finance Facility (LTFF)	8.2	1,433,353	1,462,053
Long-term finance		1,186,364	1,186,364
Payroll Refinance Scheme	8.3	129,996	194,993
Temporary Economic Refinance Facility (TERF)	8.4	442,889	442,889
		<u>3,192,602</u>	<u>3,286,299</u>
ISLAMIC			
Diminishing Musharakah		147,728	181,819
Islamic Long-Term Finance Facility (ILTFF)	8.5	541,468	561,450
Islamic Temporary Economic Refinance Facility (ITERF)	8.6	240,281	240,281
Long-term finance		2,450,000	2,450,000
Payroll Refinance Scheme	8.7	85,880	128,820
		<u>3,465,357</u>	<u>3,562,370</u>
		<u>6,657,959</u>	<u>6,848,669</u>
Less: Deferred income - government grant		(213,339)	(224,935)

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

	Note	(Un-audited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
Less: Current portion of long-term financing:			
CONVENTIONAL			
Long-Term Finance Facility (LTFF)		(337,293)	(337,293)
Long-term finance		(645,455)	(645,455)
Payroll Refinance Scheme		(129,996)	(194,993)
		(1,112,744)	(1,177,741)
ISLAMIC			
Diminishing Musharakah		(136,364)	(136,364)
Long-term finance		(980,000)	(980,000)
Islamic Long-Term Finance Facility (ILTFF)		(72,853)	(75,514)
Payroll Refinance Scheme		(85,880)	(128,820)
		(2,387,841)	(2,498,439)
		4,056,779	4,125,295

- 8.1** The above loans are secured by way of a charge on stocks and all present and future land, buildings and plant and machinery located at Plot Number LX - 15 & 16 and HX-7/4, Landhi Industrial Estate, Karachi and Survey number 402, 405 - 406, Dehsharabi, Landhi Town, Karachi of the Holding Company and by way of joint pari passu charge and ranking charge over the fixed assets of ISL (such as land, building, plant and machinery etc.).
- 8.1.1** In relation to the above borrowings, the Holding Company and ISL need to observe certain financial and non-financial covenants as specified in the agreements with various lenders which are complied with as of the reporting date.
- 8.2** This represents finance facility loans obtained by the Holding Company and ISL from various banks under the State Bank of Pakistan's (SBP) Long-Term Finance Facility for plant and machinery in respect of export-oriented projects.
- 8.3** This represents long-term loans obtained by the Holding Company for financing its salaries and wages under the SBP's Payroll Refinance Scheme for payment of wages and salaries, earmarked from running finance limit.
- 8.4** This represents finance facility loans obtained from various banks by ISL under SBP's Temporary Economic Refinance Facility available at below-market interest rates for setting up new industrial units.
- 8.5** This represents finance facility loans obtained by the Holding Company and ISL from Islamic banks under SBP's Islamic Long-Term Finance Facility for plant and machinery in respect of export-oriented projects.
- 8.6** This represents long-term loans obtained by the Holding Company under the SBP's Islamic Temporary Economic Refinance Facility available to the Holding Company from various Islamic banks at below-market interest rates.
- 8.7** This represents long-term loans obtained by ISL under the SBP's Payroll Refinance Scheme for payment of wages and salaries, earmarked from running finance limit.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

9. GAS INFRASTRUCTURE DEVELOPMENT CESS

Supreme Court of Pakistan (SCP) upheld the vires of the Gas Infrastructure Development Cess Act, 2015 (GIDC Act, 2015) through its judgement dated August 13, 2020 and advised the Government of Pakistan (the GoP) to initiate the gas pipeline project within six months. The SCP on November 2, 2020 ordered that its decision of August 13, 2020 has validated the GIDC Act, 2015 in complete sense and the benefits allowed under Section 8(2) of the GIDC Act to the industrial sector are also available. Further, payment of due Gas Infrastructure Development Cess (the Cess) was allowed in 48 instalments instead of 24 instalments.

The Holding Company and ISL have also filed civil suits before Sindh High Court (SHC) on the ground that they have not passed on the burden of the Cess. Stay orders were granted in the aforesaid suits, which are operative till the next date of hearing.

Despite the aforesaid order dated August 13, 2020 by the SCP, the GoP did not initiate the gas project within six months. Therefore, during the financial year ended June 30, 2021, the Holding Company and ISL filed a petition with the SHC challenging the validity of the GIDC Act, 2015.

		(Un-audited) Note September 30, 2022	(Audited) June 30, 2022
10. TRADE AND OTHER PAYABLES		----- (Rupees in '000) -----	
Trade creditors		592,544	743,293
Bills payable		252,617	1,810,739
Accrued expenses	10.1	3,342,357	3,973,524
Provision for Infrastructure Cess	10.2	3,795,713	3,473,999
Provision for government levies		1,679	778
Short-term compensated absences		13,784	22,242
Workers' Profit Participation Fund		34,977	440,127
Workers' Welfare Fund	10.3	508,225	452,793
Current portion of deferred income - government grant		35,652	38,426
Others		75,542	64,666
		8,653,090	11,020,587

10.1 These include the current portion of Gas Infrastructure Development Cess amounting to Rs. 1,028.22 million (June 30, 2022: Rs. 917.34 million) and also a provision against the revision of gas tariff by the Oil and Gas Regulatory Authority amounting to Rs. 829.88 million (June 30, 2022: Rs. 804.93 million).

10.2 This represents a provision against the amount guaranteed to Excise and Taxation Department. The Sindh Finance Act, 1994 prescribed an infrastructure fee at the rate of 1% of the C&F value of all goods entering or leaving the province of Sindh via sea or air. The Sindh High Court (SHC) passed an interim order directing that every company subsequent to December 27, 2006, is required to clear the goods by paying 50% of the fee amount involved and furnishing a guarantee / security for the balance amount. Bank guarantees issued as per the above-mentioned interim order amounting to Rs. 3,884.5 million (June 30, 2022: Rs. 3,615 million) have been provided to the Department. However, a provision to the extent of amount utilized from the limit of guarantee has also been provided for by the Holding Company and ISL on the basis of prudence. Subsequently, through the Sindh Finance Act 2015 and 2016, the legislation has doubled the rate of Sindh Infrastructure Cess. The Holding Company and ISL had obtained a stay against this and the ultimate dispute has been linked with the previous infrastructure cess case.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

The case was decided on June 4, 2021 by the SHC whereby the court declared the first four versions of the law unconstitutional and a release of bank guarantees was ordered. However, the Sindh Infrastructure Development Cess Act, 2017 was declared constitutional with retrospective effect from 1994. The operation of the order remained suspended till September 3, 2021. The Holding Company and ISL were not in agreement with the above orders and filed an appeal before the Supreme Court of Pakistan (SCP).

On September 1, 2021, the SCP granted a stay order against the operation of the order of SHC dated June 4, 2021, that the bank guarantees already submitted by the Holding Company and ISL in pursuant to the order of the SHC are valid and enforceable. The Court further ordered that imports should be released on submission of fresh bank guarantees equivalent to the duty under the Act.

- 10.3** The Holding Company and ISL have filed a constitutional petition with the SHC against a notice to the companies for payment of Sindh Workers Welfare Fund under the Sindh Workers Welfare Fund Act, 2014 despite the fact that the companies are making the payments of Workers Welfare Fund to the Federal Government. A stay was obtained on the ground that the Holding Company and ISL are trans-provincial establishments operating industrial and commercial activities across Pakistan and are liable to pay Workers Welfare Fund under federal Workers Welfare Fund Ordinance, 1971.

	Note	(Un-audited) September 30, 2022	(Audited) June 30, 2022
11. SHORT-TERM BORROWINGS - secured		----- (Rupees in '000) -----	
CONVENTIONAL			
Running finance under mark-up arrangement from banks	11.1	2,676,411	4,558,025
Short-term borrowing under Money Market Scheme maturing within three months	11.1	15,565,500	8,270,000
Short-term borrowing under Export Refinance Scheme	11.2	7,392,971	7,036,781
ISLAMIC			
Short-term borrowing under Money Market Scheme maturing within three months	11.3	1,300,000	-
Short-term borrowing under Running Musharakah maturing within three months	11.4	4,964,473	6,432,067
Term Musharakah maturing within three months		550,000	1,700,000
Short-term borrowing under Export Refinance Scheme	11.5	2,165,000	2,000,000
		34,614,355	29,996,873

- 11.1** These facilities for short-term finance available from various commercial banks are for the purpose of meeting working capital requirements. The rates of mark-up on these finances obtained by the Holding Company range from 15.16% to 16.11% (June 30, 2022: 10.88% to 14.81%) per annum. The rates of mark-up on these finances obtained by ISL range from 15.24% to 16.11% (June 30, 2022: 11.95% to 14.61%) per annum.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

- 11.2** The Holding Company and ISL have obtained short-term running finance facilities under the Export Refinance Scheme of the SBP from commercial banks. The rate of mark-up on these facilities obtained by Holding Company is 9.50% (June 30, 2022: 2.50%) per annum. The rates of mark-up on these facilities obtained by ISL range from 7.50% to 10.00% (June 30, 2022: 2.50% to 7.50%) per annum. These facilities mature within six months and are renewable.
- 11.3** This facility for short-term finance available to the Holding Company from an Islamic bank is for the purpose of meeting working capital requirements. The rate of mark-up on this finance is 15.46% (June 30, 2022: Nil) per annum.
- 11.4** The Holding Company and ISL have obtained facilities for short-term finance under Running Musharakah. The rates of profit on these finances obtained by the Holding Company range from 15.16% to 15.81% (June 30, 2022: 11.95% to 14.51%) per annum. The rates of profit on these finances obtained by ISL range from 15.25% to 15.72% (June 30, 2022: 11.99% to 12.46%) per annum.
- 11.5** ISL has availed short-term running finance facilities under the Islamic Export Refinance Scheme of the SBP from an Islamic bank. The rate of profit on this facility is 10% (June 30, 2022: Range from 3.00% to 7.50%) per annum.
- 11.6** As at September 30, 2022, the unavailed facilities from above borrowings for the Holding Company amounted to Rs. 5,869 million (June 30, 2022: Rs. 5,601 million) and for ISL amounted to Rs. 6,723 million (June 30, 2022: Rs. 8,900 million).
- 11.7** The above facilities are secured by way of a joint pari passu charge and ranking charge over all current and future movable assets of the Holding Company and ISL.

12. CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

There have been no significant changes during the period in the contingencies reported in the audited annual consolidated financial statements for the year ended June 30, 2022 except as discussed below.

Holding Company

- 12.1.1** In relation to the case of the sale of zinc wastages generated from imports under manufacturing bond, the Appellate Tribunal heard the case and the Customs department submitted its response during the hearing. The Appellate Tribunal, thereafter, reserved its order and, subsequently, announced its decision upholding the order of the Collector of Customs (Adjudication - II). Being aggrieved by the decision of the Appellate Tribunal, the Holding Company preferred a reference to the Sindh High Court (SHC). The SHC held the first hearing of the case on September 9, 2022, and has issued a short notice of a hearing to be held on October 19, 2022.
- 12.1.2** In connection to the application challenging the chargeability of tax on inter corporate dividends from ISL, the Holding Company has filed a constitutional petition before the SHC to cover the final dividend of 45% declared by ISL for the year ended June 30, 2022 against a bank guarantee amounting to Rs. 165.4 million. A stay was granted by the SHC on August 29, 2022 and the next date of the hearing is awaited.
- 12.1.3** Under the Finance Act, 2022, the Federal Government inserted section 4C to the Income Tax Ordinance, 2001 which imposed a super tax on persons earning more than Rs. 150 million at varying rates with retrospective effect. The rate of super tax applicable to the Holding Company for tax year 2022 was 10%. The Holding Company, along with the other companies aggrieved by this, preferred an appeal to the SHC. The SHC granted a stay against the collection of super tax and ordered the Federal Board of Revenue to accept annual income tax returns for tax year 2022 exclusive of the super tax. The next date of hearing of the case is awaited.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

12.2 Commitments

Holding Company and ISL

12.2.1 Capital expenditure commitments outstanding as at September 30, 2022 amounted to Rs. 443.6 million (June 30, 2022: Rs. 273.7 million).

12.2.2 Commitments under letters of credit for raw materials and stores and spares as at September 30, 2022 amounted to Rs. 2,321.6 million (June 30, 2022: Rs. 3,593.9 million).

12.2.3 Facilities for opening letters of credit and guarantees from banks as at September 30, 2022 amounted to Rs. 50,000.0 million (June 30, 2022: Rs. 45,000.0 million) and Rs. 10,440.0 million (June 30, 2022: Rs. 10,440.0 million) respectively, of which the unutilised balance at period-end amounted to Rs. 47,244.0 million (June 30, 2022: Rs. 41,134.0 million) and Rs. 1,077.0 million (June 30, 2022: Rs. 1,434.0 million) respectively.

Holding Company

12.2.4 Commitments under purchase contracts as at September 30, 2022 amounted to Rs. 739.7 million (June 30, 2022: Rs. 685.8 million).

----- (Un-audited) -----
Three months ended
September 30, September 30,
2022 2021
----- (Rupees in '000) -----

13. REVENUE FROM CONTRACTS WITH CUSTOMERS

Sale of goods less returns

Local	19,068,400	29,502,775
Sales tax	(2,773,366)	(4,324,317)
Trade discounts	(553,636)	(509,923)
	15,741,398	24,668,535

Export	6,603,486	7,269,430
Export commission & discounts	(1,553)	(14,662)
	6,601,933	7,254,768
	22,343,331	31,923,303

14. INCOME TAX EXPENSE

Current	540,969	1,321,032
Deferred	25,685	19,945
	566,654	1,340,977

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

		----- (Un-audited) -----	
		Three months ended	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
15. CASH (USED IN) / GENERATED FROM OPERATIONS			
Profit before income tax		1,388,375	3,991,497
Add / (less): adjustments for non-cash charges and other items			
Depreciation of property, plant and equipment		556,041	509,091
Depreciation of right-of-use assets		2,459	2,043
Amortisation of intangible assets		420	224
Charge of loss allowance on trade debts		21,356	-
Provision for obsolescence against stores and spares		18,719	16,346
Provision for staff retirement benefits		22,530	19,533
Provision for compensated absences		6,176	10,983
Income on bank deposits		(7,043)	(18,947)
Gain on disposal of property, plant and equipment		(14,721)	(7,365)
Share of profit from associated company		(17,639)	(41,529)
Government grant income		(11,595)	(12,541)
Unwinding of Gas Infrastructure Development Cess		26,513	24,007
Finance cost		1,297,761	383,443
		3,289,352	4,876,785
Changes in working capital	15.1	(5,749,931)	(4,834,598)
		(2,460,579)	42,187
15.1 Changes in working capital			
(Increase) / decrease in current assets:			
Stores and spares		(22,112)	(109,900)
Stock-in-trade		(1,029,670)	(10,900,673)
Trade debts		786,028	(4,258,096)
Advances, trade deposits and prepayments		(215,649)	(411,289)
Other receivables		17,961	19,872
Sale tax receivable		(1,232,809)	883,998
		(1,696,251)	(14,776,089)
(Decrease) / increase in current liabilities:			
Trade and other payables		(2,773,446)	9,322,712
Contract liabilities		(1,280,234)	618,779
		(5,749,931)	(4,834,598)

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

----- (Un-audited) -----
Three months ended
September 30, September 30,
2022 2021
 ----- (Rupees in '000) -----

16. CASH AND CASH EQUIVALENTS

Cash and bank balances	1,036,015	636,460
Running finance under mark-up arrangement from banks	(2,676,411)	(1,481,045)
Short-term borrowing under Money Market scheme maturing within three months	(16,865,500)	(6,203,000)
Short-term borrowing under Running Musharakah maturing within three months	(4,964,473)	(2,203,145)
Short-term borrowing under Running Musharakah maturing within three months	(550,000)	-
	(24,020,369)	(9,250,730)

17. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of the associated undertakings, directors of the group entities, key management employees and staff retirement funds. The group entities continue to follow a policy whereby all transactions with related parties are entered into at commercial terms and conditions. The contributions to the defined contribution plan (Provident Fund) of the group entities, wherever applicable, are made as per the terms of employment and contributions to the group entities defined benefit plan (Gratuity Fund), wherever applicable, are in accordance with the latest actuarial advice. Remuneration to key management personnel is in accordance with their terms of employment and the policies of respective group entities.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the group entities. The Group entities consider their Chief Executive Officer, Chief Financial Officer, Company Secretary, non-executive directors and departmental heads to be their key management personnel. There are no transaction with key management personnel other than their terms of employment / entitlement.

- 17.1** Details of transactions with related parties, other than those which have been specially disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

	----- (Un-audited)-----	
	Three months ended	
	September 30, 2022	September 30, 2021
	----- (Rupees in '000) -----	
Associated companies		
Sales	<u>922,782</u>	<u>1,009,772</u>
Purchases	<u>9,635,175</u>	<u>24,489,134</u>
Reimbursement of expenses	<u>1,213</u>	<u>169</u>
Insurance premium	<u>1,275</u>	<u>5,605</u>
Insurance claim	<u>-</u>	<u>607</u>
Rent income	<u>724</u>	<u>719</u>
Dividend income	<u>39,601</u>	<u>48,740</u>
Dividend distribution	<u>181,451</u>	<u>284,311</u>
Registration and training	<u>130</u>	<u>15</u>
Subscription	<u>2,500</u>	<u>2,000</u>
Services	<u>1,167</u>	<u>379</u>
Key management personnel		
Remuneration and allowances	<u>147,297</u>	<u>231,071</u>
Staff retirement funds		
Contribution paid	<u>26,861</u>	<u>49,271</u>
Non-executive directors		
Directors' fee	<u>3,700</u>	<u>2,950</u>
Reimbursement of Chairman's expenses	<u>1,650</u>	<u>890</u>

18. SEGMENT REPORTING

Performance is measured based on respective segment's results. Information regarding the reportable segments is presented below:

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

	Steel coils & sheets	Steel pipes	Polymer pipes	Investment	Total
	(Rupees in '000)				
18.1 Segment revenue and results					
For the three months ended September 30, 2022					
Revenue from contracts with customers					
Local	11,425,762	3,574,449	741,187	-	15,741,398
Exports	3,775,082	2,826,851	-	-	6,601,933
	15,200,844	6,401,300	741,187	-	22,343,331
Cost of sales	(12,938,208)	(4,908,812)	(573,295)	-	(18,420,315)
Gross profit	2,262,636	1,492,488	167,892	-	3,923,016
Selling and distribution expenses	(62,772)	(523,309)	(25,010)	-	(611,091)
Administrative expenses	(67,574)	(99,483)	(5,852)	-	(172,909)
Charge of loss allowance on trade debts	-	(15,206)	(6,150)	-	(21,356)
	(130,346)	(637,998)	(37,012)	-	(805,356)
Finance cost	(861,446)	(408,187)	(54,642)	-	(1,324,275)
Other operating charges	(775,086)	(7,827)	(5,337)	-	(788,250)
	(1,636,532)	(416,014)	(59,979)	-	(2,112,525)
Other income	25,463	340,138	-	-	365,601
Share of profit in equity accounted investee	-	-	-	17,639	17,639
Profit before income tax	521,221	778,614	70,901	17,639	1,388,375
Income tax expense					(566,654)
Profit after tax for the period					821,721
For the three months ended September 30, 2021					
Revenue from contracts with customers					
Local	18,204,238	5,728,346	735,951	-	24,668,535
Exports	5,266,154	1,988,614	-	-	7,254,768
	23,470,392	7,716,960	735,951	-	31,923,303
Cost of sales	(19,315,293)	(6,458,666)	(682,758)	-	(26,456,717)
Gross profit	4,155,099	1,258,294	53,193	-	5,466,586
Selling and distribution expenses	(177,375)	(577,845)	(19,091)	-	(774,311)
Administrative expenses	(84,576)	(84,796)	(4,280)	-	(173,652)
	(261,951)	(662,641)	(23,371)	-	(947,963)
Finance cost	(175,697)	(212,504)	(19,249)	-	(407,450)
Other operating charges	(280,141)	(41,852)	(740)	-	(322,733)
	(455,838)	(254,356)	(19,989)	-	(730,183)
Other income	6,190	155,338	-	-	161,528
Share of profit in equity accounted investee	-	-	-	41,529	41,529
Profit before income tax	3,443,500	496,635	9,833	41,529	3,991,497
Income tax expense					(1,340,977)
Profit after tax for the period					2,650,520

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

	Steel coils & sheets	Steel pipes	Polymer pipes	Investments	Total
	(Rupees in '000)				
18.2 Segment assets and liabilities					
As at September 30, 2022 - Un-audited					
Segment assets	<u>57,671,172</u>	<u>27,478,638</u>	<u>3,063,923</u>	<u>1,804,170</u>	<u>90,017,903</u>
Segment liabilities	<u>36,587,174</u>	<u>15,024,694</u>	<u>1,569,304</u>	<u>-</u>	<u>53,181,172</u>
As at June 30, 2022 - Audited					
Segment assets	<u>55,565,427</u>	<u>28,756,037</u>	<u>2,755,839</u>	<u>1,238,598</u>	<u>88,315,901</u>
Segment liabilities	<u>34,091,155</u>	<u>16,674,831</u>	<u>1,151,798</u>	<u>-</u>	<u>51,917,784</u>

Reconciliation of segment assets and liabilities with total assets and liabilities in the Unconsolidated Condensed Interim Statement of Financial Position is as follows :

	(Un-audited) September 30, 2022 ----- (Rupees in '000) -----	(Audited) June 30, 2022
Total for reportable segments assets	90,017,903	88,315,901
Unallocated assets	1,212,280	943,754
Total assets as per Consolidated Condensed Interim Statement of Financial Position	<u>91,230,183</u>	<u>89,259,655</u>
Total for reportable segments liabilities	53,181,172	51,917,784
Unallocated liabilities	5,021,638	3,942,316
Total liabilities as per Consolidated Condensed Interim Statement of Financial Position	<u>58,202,810</u>	<u>55,860,100</u>

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months ended September 30, 2022

19. CORRESPONDING FIGURES

The comparative information has been reclassified or re-arranged in these consolidated condensed interim financial statements, wherever necessary, to facilitate comparison and to confirm with presentation in the current period, having insignificant impact.

20. DATE OF AUTHORIZATION FOR ISSUE

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



Jehangir Shah
Director & Chairman
Board Audit Committee



Muhammad Akhtar
Chief Financial
Officer



Sohail R. Bhojani
Chief Executive
Officer



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