



**BECO STEEL LIMITED**

WE STRENGTHEN YOUR DREAMS



## COMPANY INFORMATION

### BOARD OF DIRECTORS

- |                                       |                                    |
|---------------------------------------|------------------------------------|
| 1. Mr. Muhammad Zain-ul-Afaq          | ChairPerson/Non-Executive Director |
| 2. Mr. Muhammad Ali Shafique Chaudhry | Chief Executive Officer            |
| 3. Ms. Afifa Shafique                 | Executive Director                 |
| 4. Mr. Muhammad Hashim Tareen         | Independent Director               |
| 5. Mr. Mahmood Aslam                  | Independent Director               |
| 6. Mrs. Shabana Shafique              | Non-Executive Director             |
| 7. Miss. Eman Shafique                | Non-Executive Director             |

### AUDIT COMMITTEE

- |                               |                               |
|-------------------------------|-------------------------------|
| 1. Mr. Muhammad Hashim Tareen | Chairman/Independent Director |
| 2. Mrs. Shabana Shafique      | Member                        |
| 3. Miss. Eman Shafique        | Member                        |

### HR & REMUNERATION COMMITTEE

- |                                       |                               |
|---------------------------------------|-------------------------------|
| 1. Mr. Muhammad Hashim Tareen         | Chairman/Independent Director |
| 2. Mr. Muhammad Ali Shafique Chaudhry | CEO/Director                  |
| 3. Miss. Eman Shafique                | Member                        |
| 4. Mrs. Shabana Shafique              | Member                        |

### CHIEF FINANCIAL OFFICER

Miss. Afifa Shafique

### COMPANY SECRETARY

Mr. Abdul Shakoor

### EXTERNAL AUDITORS

M/s. Sheikh and Chaudhri Chartered Accountants

## **INTERNAL AUDITORS**

Saleem Murawat

Bilal Khoker

## **SHARE REGISTRAR**

Hameed Majeed Associates (Private) Limited

## **REGISTERED OFFICE**

79 – Peco Road Badami Bagh Lahore Pakistan

## **COMPANY BANKERS**

1. Soneri Bank Limited
2. JS Bank Limited
3. Habib Metropolitan Bank Limited
4. Meezan Bank Limited
5. Samba Bank Limited
6. Bank Alfalah Limited
7. United Bank Limited

## DIRECTORS REVIEW REPORT

**Dear Esteemed Shareholders,**

The board of directors is pleased to present the unaudited financial statements for the first quarter ending September 30, 2024. During this period, the company achieved a turnover of Rs. 446.119 million, reflecting a positive trend in sales performance. The gross profit for this quarter was reported at Rs. 63.137 million, indicating effective cost management in the production process. Importantly, the company recorded a net profit of Rs. 1,660,061, demonstrating a return to profitability after previous losses. Consequently, the earnings per share (EPS) for this period stands at Rs. 0.01, signaling a positive return for shareholders.

The management team is actively engaged in identifying opportunities for improvement throughout the organization. This involves a thorough analysis of operational efficiencies, customer satisfaction, and market trends. By implementing strategic changes, the management aims to address any underlying issues that may have previously impacted performance. Our primary objectives are to stabilize operations, optimize costs, and explore potential avenues for recovery and growth in the market.

Despite the financial challenges faced in the past, BECO STEEL LIMITED remains dedicated to overcoming these obstacles. The company is committed to emerging more resilient and adaptable to changing market conditions. We sincerely appreciate the understanding and support of our shareholders during this challenging time, which is vital for our sustained growth and development.

The management team is confident in its ability to navigate these difficulties effectively. We are diligently working toward a robust recovery in the upcoming quarters by focusing on innovation, enhancing product offerings, and exploring new market opportunities. Together, we aim to strengthen our position in the industry and ensure long-term success for the company and its stakeholders.

**On behalf of the board**

**Dated: 29<sup>th</sup> October, 2024**



**Miss Eman Shafique**  
Director



**Mr. Muhammad Ali Shafique Ch**  
Chief Executive Officer

# ڈائریکٹرز کا جائزہ رپورٹ

محترم شیئر ہولڈرز،

بورڈ آف ڈائریکٹرز خوشی کے ساتھ 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے غیر آڈٹ شدہ مالی بیانات پیش کرتا ہے۔ اس دوران کمپنی نے 446.119 ملین روپے کا ٹرن اوور حاصل کیا، جو فروخت کی کارکردگی میں ایک مثبت رجحان کی عکاسی کرتا ہے۔ اس سہ ماہی کے لئے مجموعی منافع 63.137 ملین روپے رپورٹ کیا گیا، جو پیداوار کے عمل میں مؤثر لاگت کے انتظام کو ظاہر کرتا ہے۔ اہم بات یہ ہے کہ کمپنی نے 1,660,061 روپے کا خالص منافع ریکارڈ کیا، جو پچھلے نقصانات کے بعد منافع کی واپسی کا ثبوت ہے۔ اس کے نتیجے میں، اس مدت کے لئے فی شیئر آمدنی (EPS) 0.01 روپے ہے، جو شیئر ہولڈرز کے لئے ایک مثبت واپسی کی نشاندہی کرتا ہے۔

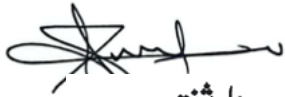
انتظامیہ کی ٹیم پورے ادارے میں بہتری کے مواقع کی شناخت کرنے میں سرگرم ہے۔ اس میں عملیاتی کارکردگی، صارف کی تسلی، اور مارکیٹ کے رجحانات کا جامع تجزیہ شامل ہے۔ حکمت عملی میں تبدیلیوں کو لاگو کر کے، انتظامیہ کسی بھی بنیادی مسائل کو حل کرنے کا ارادہ رکھتی ہے جو پچھلے کارکردگی پر اثر انداز ہو سکتے ہیں۔ ہمارے بنیادی مقاصد میں آپریشنز کو مستحکم کرنا، لاگت کو بہتر بنانا، اور بحالی اور ترقی کے ممکنہ راستوں کی تلاش شامل ہے۔

ماضی میں مالی چیلنجز کے باوجود، بی سی او اسٹیل لمیٹڈ ان رکاوٹوں پر قابو پانے کے لئے پرعزم ہے۔ کمپنی مزید مضبوط اور مارکیٹ کی بدلتی ہوئی صورتحال کے لئے قابل انطباق رہنے کے لئے پرعزم ہے۔ ہم اس مشکل وقت کے دوران ہمارے شیئر ہولڈرز کی سمجھ بوجھ اور حمایت کی دل سے قدر کرتے ہیں، جو ہمارے مسلسل ترقی اور ترقی کے لئے انتہائی اہم ہے۔

انتظامیہ کی ٹیم ان مشکلات کو مؤثر طریقے سے نمٹنے میں یقین رکھتی ہے۔ ہم نئے مواقع کی تلاش، مصنوعات کی پیشکش کو بڑھانے، اور جدت پر توجہ مرکوز کر کے آنے والی سہ ماہیوں میں مضبوط بحالی کی سمت سرگرم ہیں۔ مل کر، ہم صنعت میں اپنی حیثیت کو مضبوط کرنے اور کمپنی اور اس کے اسٹیک ہولڈرز کے لئے طویل مدتی کامیابی کو یقینی بنانے کا عزم رکھتے ہیں۔

منجانب بورڈ:

*Eman Shafiq*



علی شفیق چوہدری  
چیف ایگزیکٹو آفیسر

مس ایمان شفیق

ڈائریکٹر

تاریخ:

29 اکتوبر 2024

**BECO STEEL LIMITED**  
**CONDENSED QUARTERLY STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**  
**AS AT 30 SEPTEMBER 2024**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>30-SEP-2024</b>	<b>30-June-2024</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>Share capital and reserves</b>			
Authorised share capital:			
150,000,000 (30 June 2023: 150,000,000) ordinary shares of Rs.10 each		1,500,000,000	1,500,000,000
Issued, subscribed and paid up capital			
124,962,510 (30 June 2023: 124,962,510) ordinary shares of Rs.10 each		1,249,625,100	1,249,625,100
Share Premium		1,999,250,200	1,999,250,200
Loan from directors	5	254,672,420	254,672,420
Revenue reserve		-	-
Accumulated profit/ (loss)		(418,221,557)	(419,881,618)
		<u>3,085,326,163</u>	<u>3,083,666,102</u>
<b>Non current liabilities</b>			-
<b>Current liabilities</b>			
Trade and other payable		5,429,076,775	3,737,369,180
Unclaimed dividend		4,911,563	4,911,563
Deferred tax liability		117,866,944	117,866,944
		<u>5,551,855,282</u>	<u>3,860,147,687</u>
Contingencies and commitments	6	-	224,174,403
		<u><b>8,637,181,445</b></u>	<u><b>7,167,988,192</b></u>
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, plant and equipment		3,734,582,409	3,762,870,968
Long term deposits		450,000	450,000
		<u><b>3,735,032,409</b></u>	<u><b>3,763,320,968</b></u>
<b>Current assets</b>			
Stock in Trade		4,464,308,231	2,137,822,470
Stores, spares and loose tools		264,500	-
Director's loan		51,154,766	4,900,000
Trade debts		165,751,072	938,018,505
Income tax due from Government		139,063,396	144,639,891
Trade deposits and short term prepayments		37,554,830	164,974,930
Other receivable		158,627	-
Cash and bank balances		43,893,615	14,311,428
		<u>4,902,149,036</u>	<u>3,404,667,224</u>
		<u><b>8,637,181,445</b></u>	<u><b>7,167,988,192</b></u>

The annexed notes from 01 to 12 form an integral part of these financial statements.

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**

**BECO STEEL LIMITED**  
**CONDENSED QUARTERLY STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2024**

	Note	Quarter ended	
		30-SEP-2024	30-SEP-2023
		Rupees	Rupees
Sales		446,119,690	246,658,500
Cost of Sales		(382,982,251)	(239,653,680)
Gross profit		63,137,439	7,004,820
Distribution and selling expenses		(649,000)	(878,020)
Administrative and general expenses		(53,507,089)	(7,234,867)
Other operating expenses		(1,699,025)	(1,559,415)
		(55,855,114)	(9,672,302)
Operating profit/(loss)		7,282,325	(2,667,482)
Other income		111,735	22,519
Profit from operations		7,394,061	(2,644,963)
Finance cost		(157,505)	(81,769)
<b>Profit before taxation</b>		7,236,556	(2,726,732)
Taxation		(5,576,495)	(3,083,231)
<b>Profit/ (Loss) after taxation</b>		1,660,061	(5,809,963)
<b>Earning per share- basic and diluted</b>	7	0.01	(0.05)

The annexed notes from 01 to 12 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

**BECO STEEL LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2024**

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	Note	Quarter ended	
		30-SEP-2024	30-SEP-2023
		Rupees	Rupees
<b>Profit/(Loss) for the period</b>		1,660,061	(5,809,963)
<b>Other comprehensive income:</b>			
Item that will not be reclassified to statement of profit or loss:		-	-
Items that may be reclassified to statement of profit or loss:		-	-
Other comprehensive income for the period		-	-
<b>Total comprehensive income for the period</b>		1,660,061	(5,809,963)

The annexed notes from 01 to 12 form an integral part of these financial statements.

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**

**CHIEF FINANCIAL OFFICER**



**BECO STEEL LIMITED**  
**CONDENSED QUARTERLY STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2024**

	(Rupees)					
	Share capital	Share premium	Loan from sponsors	Revenue reserve General reserve	Accumulated Loss / profit	Total equity
Balance as at 30 June 2023	1,249,625,100	1,999,250,200	254,672,420	-	(325,956,731)	3,177,590,989
Profit for the three month ended 30 September 2023	-	-	-	-	(5,809,963)	(5,809,963)
Loan from sponsor	-	-	-	-	-	-
Loan from sponsor repaid	-	-	-	-	-	-
Other comprehensive income for the three month ended 30 September 2023	-	-	-	-	-	-
Total comprehensive income for the three month ended 30 September 2024	-	-	-	-	(5,809,963)	(5,809,963)
Balance as at 30 September 2024	<u>1,249,625,100</u>	<u>1,999,250,200</u>	<u>254,672,420</u>	<u>-</u>	<u>(331,766,694)</u>	<u>3,171,781,026</u>
Balance as at 30 June 2024	1,249,625,100	1,999,250,200	254,672,420	-	(419,881,618)	3,083,666,102
Profit for the three month ended 30 September 2024	-	-	-	-	1,660,061	1,660,061
Loan from directors	-	-	-	-	-	-
Loan paid to directors	-	-	-	-	-	-
Other comprehensive income for the nine month ended 30 September 2024	-	-	-	-	-	-
Total comprehensive profit for the three month ended 30 September 2024	-	-	-	-	1,660,061	1,660,061
Balance as at 30 September 2024	<u>1,249,625,100</u>	<u>1,999,250,200</u>	<u>254,672,420</u>	<u>-</u>	<u>(418,221,557)</u>	<u>3,085,326,163</u>

The annexed notes from 01 to 12 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**BECO STEEL LIMITED**  
**CONDENSED QUARTERLY STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE NINE MONTH ENDED 30 SEPTEMBER 2024**

	Note	Three month ended	
		30-SEP-2024	30-SEP-2023
		Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the period before taxation		7,236,556	(224,579,638)
Adjustments for following items:			
Depreciation		36,768,409	54,929,260
Finance cost		157,505	3,898,740
		<u>36,925,914</u>	<u>58,828,000</u>
<b>Operating profit before working capital changes</b>		44,162,469	(165,751,638)
<b>(Increase) / decrease in current assets</b>			
Trade debts - unsecured but considered good		772,267,433	(104,697,169)
Loan and advances			-
Stock-in-trade		(2,550,660,163)	(80,612,499)
Stores, spares and loose tools		(264,500)	683,494
Trade deposit and prepayment		127,420,100	(37,944,715)
Other receivable		(158,627)	-
		<u>(1,651,395,757)</u>	<u>(222,570,889)</u>
<b>Decrease / (decrease) in current liabilities</b>			
Unclaimed dividend		-	39,827
Trade and other payables		1,691,707,595	583,267,749
		<u>1,691,707,595</u>	<u>583,307,576</u>
Cash generated from operations		84,474,307	194,985,049
Finance cost paid		(157,505)	(3,898,740)
Income tax paid		-	(131,940,181)
		<u>(157,505)</u>	<u>59,146,128</u>
<b>Net cash used in operating activities</b>		84,316,802	59,146,128
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure on property, plant and equipment		(8,479,850)	-
Security deposit		-	-
<b>Net cash (used in) / generating from investing activities</b>		(8,479,850)	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Loan (to) / from directors		(46,254,766)	34,742,220
Repayment of loan from directors		-	-
<b>Net cash flows generated from / (used in) financing activities</b>		(46,254,766)	34,742,220
Net increase / (decrease) in cash and cash equivalents		29,582,186	24,403,908
Cash and cash equivalents at the beginning of the period		14,311,428	35,332,519
Cash and cash equivalents at the end of the period		<u>43,893,614</u>	<u>59,736,427</u>

The annexed notes from 01 to 12 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**BECO STEEL LIMITED**  
**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTH ENDED 30 SEPTEMBER 2024 (UN-AUDITED)**

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**1 LEGAL STATUS AND NATURE OF BUSINESS**

**1.01** M/s Beco Steel Limited (Formerly; Ravi Textile Mills Limited) ("the Company") is a public limited company incorporated in Pakistan on 21 April 1987 vide incorporation No: 0015977 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The name of the company was changed from Ravi Textile Mills Limited to Beco Steel Limited. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The principal activity of the Company shall be to carrying out the business of manufacturing of steel and allied products, along with ancillary activities thereto.

**1.02** Pursuant to the special resolutions passed by the shareholders of M/s Beco Steel Limited (formerly: Ravi Textile Mills Limited) (the "Company") at the extraordinary general meeting held on 11 May 2021, and the approvals thereby granted, for, inter alia, the issuance of shares of the Company other than by way of right offer, and for consideration other than cash, in accordance with the provisions of Section 83(1)(b) of the Companies Act, 2017 and the Companies (Further Issue of Shares) Regulations, 2020, the Company filed an application with the Securities and Exchange Commission of Pakistan ("SECP") seeking approval for issuance of shares.

SECP vide its letter No. EMD/CI/80/2008/58 dated 31 January 2022, approved the issuance of 99,962,510 ordinary shares of the Company, having par value of PKR 10/- each, at a premium of PKR 20/- per share, in aggregate amounting to the equivalent of PKR 2,998,875,300/-, by way of other than right offer against consideration of non-cash assets, including land, building, and plant & machinery, subject to the fulfilment of the conditions prescribed by the SECP, transfer of the non-cash assets to the Company by the subscribers/allotees of such shares, and carrying out other formalities / steps in accordance with applicable laws. The company is currently in process of completing legal formalities for the transfer of non-cash assets, including land, building, and plant & machinery, and for the issuance of shares.

**2 BASIS OF PREPARATION**

**2.01 Statement of Compliance**

(a) These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards 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 Companies Act, 2017; and
- Provisions of and directives issued under Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

(b) These condensed interim financial statements comprise the condensed interim statement of financial position of the company as at 31 December 2023 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with notes forming part thereof.

(c) These condensed interim statements are un-audited and being submitted to the shareholders as required by the Listing Regulation of Pakistan Stock Exchange Limited and Section 237 of the Company Act, 2017.

(d) These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements as at and for the year ended 30 June 2024. Comparative condensed interim statement of financial position has been extracted from annual financial statements for the year ended 30 June 2024, whereas comparatives for condensed interim statement of profit or loss and condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and related notes for the Three months ended 30 September 2024 have not been subject to either review or audit.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

**4 ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing this un condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended 30 June 2024.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2024.

**BECO STEEL LIMITED**  
**SELECTED NOTES TO THE CONDENSED QUARTERLY FINANCIAL STATEMENTS**  
**FOR THE NINE MONTH ENDED 30 SEPTEMBER 2024 (UN-AUDITED)**

	Note	Un-Audited 30-Sep-24 Rupees	Audited 30-Jun-24 Rupees
<b>5 DIRECTOR'S LOAN</b>	5.01	<u>254,672,420</u>	<u>254,672,420</u>

**5.01**

These are interest free loans from directors of the Company payable at the discretion of the entity. They do not pass the liability test and thus recorded as equity at face value. They will not be re-measured subsequently. The decision by the entity at any time in future to deliver cash or any other financial asset to settle the directors' loan would be direct debit to equity as per TR-32 'Accounting Directors' Loan' issued by Institute of Chartered Accountants of Pakistan.

**6 CONTINGENCIES AND COMMITMENTS**

There is no change in the status of contingencies and commitments as disclosed in the audited financial statements as at 30 June 2024.

	Quarter ended	
	30-Sep-24 Rupees	30-Sep-23 Rupees
<b>7 Basic earnings per share</b>		
Profit/ (Loss) for the period (Rupees)	1,660,061	(5,809,963)
Weighted average number of ordinary shares (Numbers)	124,962,510	124,962,510
Earnings per share - Basic (Rupees)	0.01	(0.05)

A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at 30 September 2024 and 2023 which would have any effect on the profit per share if the option to convert is exercised.

7.2 Decreases in EPS ratio due to geopolitical and Inflationary impact.

**8 TRANSACTIONS WITH RELATED PARTIES**

The related parties comprises of associated undertaking, directors and key management personnel. The Company in the normal course of business carried out transaction with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in this condensed quarterly financial statements are as follows:

	Quarter ended	
	30-Sep-24 Rupees	30-Sep-23 Rupees
<b>Related Party Transaction</b>		
Purchases from Beco Steel Ferrous And Non Ferrous Metal	11,159,858	-

**9 FINANCIAL RISK MANAGEMENT**

The company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the company for the year ended 30 June 2024.

**12 DATE OF AUTHORIZATION FOR ISSUE**

These condensed quarterly financial statements were approved by the Board of Directors and authorized for issue on 29 October 2024.

**13 GENERAL**

Figures have been rounded off to nearest of Rupee.



**CHIEF EXECUTIVE OFFICER**



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**