

October 03, 2023

The General Manager  
Pakistan Stock Exchange Ltd.,  
Stock Exchange Building,  
KARACHI-74000.

Subject: **ANNUAL CORPORATE BRIEFING SESSION 2023.**

Dear Sir,

This is to inform you that the Corporate Briefing Session ("CBS") of International Steels Limited (the "Company") will be held on Tuesday, October 10, 2023 at 11:00 A.M at the Auditorium of The Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi and through video-link facility, to brief the investors/analysts/shareholders about the financial performance and future outlook of the Company. A flyer containing the details is annexed herewith.

Further, in accordance with the Pakistan Stock Exchange notice no. PSX/N-1160 dated November 18, 2022 and related guidelines a presentation of the CBS is also attached herewith.

The following video link is being provided to join the session:

October 10, 2023 at 11:00 A.M. Karachi

Topic: ISL – Corporate Briefing Session 2023

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/85689803540?pwd=ZjI1MXk0algvU3BZOFJZM0ZldGhvQT09>

Passcode: 964865

We would appreciate your assistance in communicating this information to TRE Certificate Holders of the Exchange.

Thanking you,  
Yours faithfully,  
For INTERNATIONAL STEELS LIMITED



SCHAANE ANSARI  
Company Secretary &  
Head of Legal Affairs



# Corporate Briefing Session 2023

**on Tuesday, October 10, 2023 at 11:00 A.M.**

**At the Auditorium of The Institute of Chartered Accountants of Pakistan,  
Chartered Accountants Avenue, Clifton, Karachi**

You are cordially invited to the Corporate Briefing Session of International Steels Limited, wherein the Company's Senior Management shall discuss the Company's Strategic/Operational Developments and Financial Performance for the year ended June 30, 2023.

**Presentation: 11:00 A.M.**

**Q&A Session: 11:30 A.M.**

Those who wish to attend the Corporate Briefing Session ("CBS"), are requested to confirm their participation by registering themselves latest by **Friday, October 06, 2023** at following link:

**<https://forms.gle/dZgqmebkq4zXv6p1A>**

## Guidelines for Online Participation

The participants will be able to login and participate in the Corporate Briefing Session proceedings through their smartphones or computer devices from their homes or any convenient location after completing all the formalities required for the verification and identification of the respective participant.

A detailed procedure shall be communicated through e-mail directly to the respective participant who has provided his/her valid e-mail ID and the same shall be placed at the Company's website (<http://isl.com.pk/>) in the investors relations section.

We would request you to dial-in at least 10 minutes in advance of the meeting.

Please make sure that while entering the Meeting ID, kindly enter your name and institution name in the following format 'Full Name – Institution' (in case of Analyst) and 'Full Name – Folio Number' (in case of member). Only then will you be allowed to attend the meeting.

Participants are requested to stay on 'Mute' and "off Camera" mode during the presentation by International Steels Limited management.

In case of any question or comment, participant is requested to either type in a question in the chat box or utilize the feature of 'Raise Hand' which will appear on the participants list.

Moderator will request participant to comment, once they have written their request on chat.



**INTERNATIONAL STEELS LIMITED**

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Shaping Tomorrow

# Corporate Briefing Session

October 10, 2023



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# Amir S. Chinoy Group





# Amir S. Chinoy Group



The Amir S. Chinoy Group (ASC Group) has been at the forefront of Pakistan's industrial development since the founding of the country 75 years ago. Currently, there are three companies functioning under the banner of ASC, **International Industries Limited (1948), Pakistan Cables (1953) and International Steels Limited (2007).**

Today, the ASC Group is one of the leading industrial groups in Pakistan with proven expertise in manufacturing, trading, and industrial services.

In Pakistan, the ASC Group has an extensive distribution network through **1600+ outlets** in over **500 cities and towns** across the country.

## Group Highlights



125

PKR in Billion  
Sales Turnover



31.4

PKR in Billion  
Market Capitalisation



26

PKR in Billion  
Contribution to  
National Exchequer



18

PKR in Billion  
Export Sales



380,361

(Metric Tons)  
Total Metals Produced



70

Years of  
Production



2,513

Number of  
Employees



60

Number of  
Export Destinations  
(including USA,  
Canada, Europe)



1,600

Number of  
Dealers/Distributors



500

Geographical Footprint  
in Pakistan  
(Cities & Towns)





# Group Portfolio



## Pipes and Tubes



Cables, Wires, Accessories, Copper Rods,  
Aluminium Profiles, PVC Compounds



## Flat Rolled Steel



Promising Reliability, For Now and Tomorrow



TRUSTED NOT TO COMPROMISE



Shaping Tomorrow

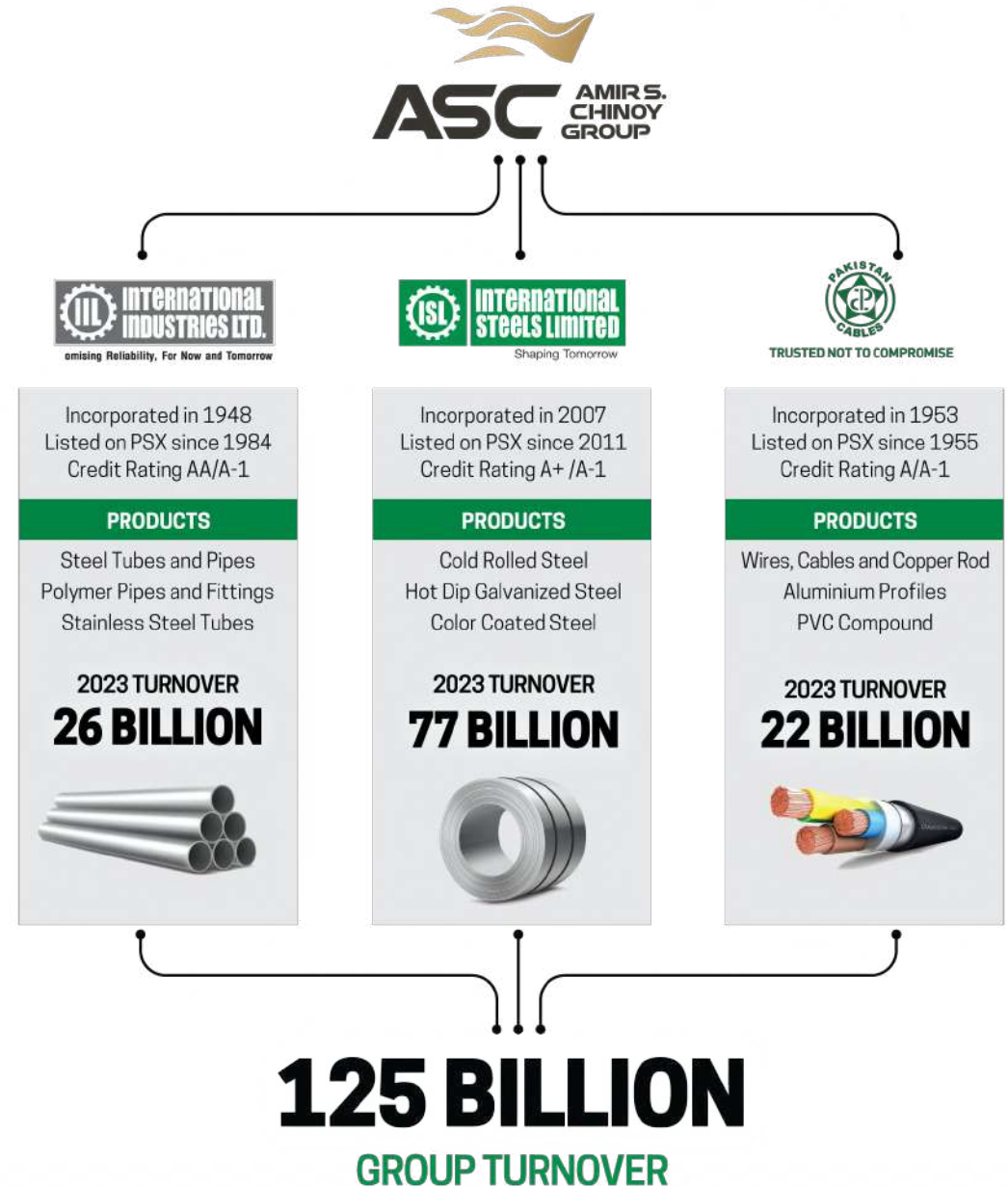


# Group Turnover

ASC Group companies have attached international equity partners of repute, which have further enriched technical expertise and best practices across its companies.

The leading equity partners, the ASC Group has been associated with, include:

- British Insulated Callender's Cable (BICC), UK
- Doogood Australia, Australia
- General Cables, USA
- JFE Steel Corporation, Japan
- MEVA Formwork Systems, Germany
- Sumitomo Corporation, Japan
- International Finance Corporation (IFC), USA



## Partners



JFE Engineering Corporation







# Vision, Mission and Value Proposition





# Vision

To be the premium manufacturer of Flat Steel Products in Pakistan.

# Mission

To establish our presence in the steel industry by providing superior quality products and reliable services, catering to the customers' needs, at competitive prices, while delivering value and fostering close partnerships.

We take pride in providing an environment that cultivates teamwork and leadership capabilities to manage our company as a model corporate citizen, complying with the highest standards of business ethics.

# Value Proposition

- ✓ Wide Availability
- ✓ Customisation
- ✓ Value-Added Products
- ✓ Customer Service Excellence







# Corporate Philosophy



Adopting world-class technologies, enhancing manufacturing capabilities, and contributing to society by providing excellent products and services.





# Corporate Philosophy



## 1

### Integrity

At our core, we uphold the highest ethical standards, cultivating a culture of trust and transparency both within and outside our organisation. This unwavering commitment to integrity guides our every action.

## 2



### Diversity

We stand as an exemplar of equal opportunity, embracing diversity in its entirety. Our stance is uncompromising zero bias towards gender, race, ethnicity, or religion. We foster an environment that celebrates open expression of opinions and encourages inclusivity.



## 3

### Respect for People

People are our cornerstone. We believe in prioritising individuals, nurturing a culture where their well-being takes precedence. We invest in their growth, ensuring that we hire, develop, and retain talents to form synergistic teams in alignment with our mission and vision.

## 4



### Fairness

Our dedication to fairness is reflected in every facet of our operations. Our policies and procedures are a testament to this commitment—promoting equal treatment, from selection and hiring to rewarding and compensating every employee. We recognise the worth of every stakeholder.



## 5

### Responsibility

We consider quality, health, safety and the environment an integral part of our activities and way of life.





**1.39 Million**  
Safe Man Hours



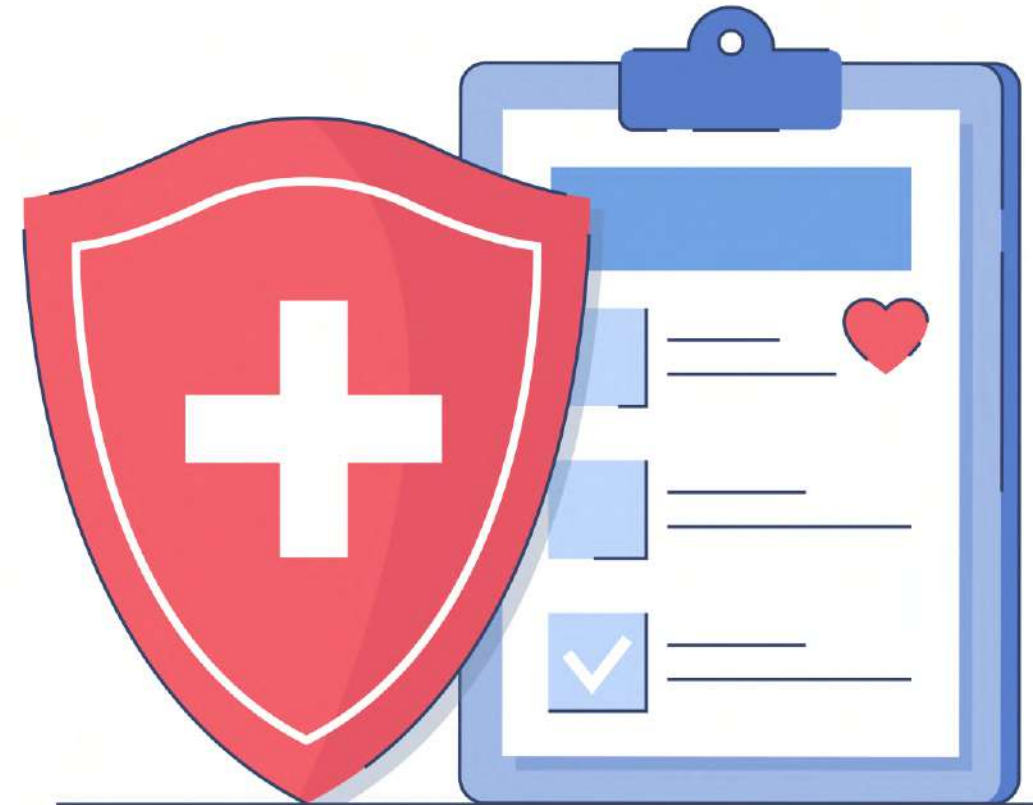
**ZERO**  
Lost Time Injury (LTI)



**0.57**  
Total Recordable Incident Rate (TRIR)



**2,089**  
HSE Training Hours





# Key Milestones

## 2018

- Debottlenecking of Push Pull Pickling Line commences.
- Pickling capacity enhances to **600,000 MT** from **500,000 MT**.
- Successful commissioning of additional annealing capacity takes place.
- Annealing capacity enhances to **200,000 MT** from **160,000 MT**.
- Second Continuous Compact Mill "CCM-2" is commissioned.
- SNI certification of Indonesia is acquired.
- Production exceeds **465,000 MT**.
- Sales volume exceeds **490,000 MT**.
- Net turnover exceeds **PKR 33 Billion**.

## 2019

- Continuous Compact Mill "CCM-2" commences commercial production, increasing Cold Rolling capacity to **1,000,000 MT** from **500,000 MT**.
- Annealing capacity is enhanced to **360,000 MT** from **300,000 MT**.
- A New continuous picking line is commissioned and starts commercial production, enhancing the picking line capacity to **1,000,000 MT**.
- Production exceeds **470,000 MT**.
- Sales volume exceeds **539,000 MT**.
- Sales value exceeds **PKR 47 Billion**.
- Pakistan Stock Exchange's status at Morgan Stanley Composite Index (MSCI) is upgraded to **"Emerging Market"** and ISL is listed in it.
- JCR-VIS credit rating company awards ISL, the credit rating of **"A+/A-1"**.

## 2020

- **ISL Service Center** commences operations. The state-of-the-art service center is envisioned to provide value-added services to the customers.
- ISL bags **1st award** at the **"7th Employer of the year award"** in the Medium National Category.
- ISL received **43rd FPCCI Best Export Performance Award** 2018-19.
- International Steels Limited (ISL) wins the prestigious **Top 25 Performing Companies Award** by the **Pakistan Stock exchange**.
- ISL wins Management Association of Pakistan (MAP) **Corporate Excellence Award** 2020 for the second consecutive year.

## 2021

- ISL receives **"Employers Federation of Pakistan's (EFP) Exporters Recognition Award"**, being acknowledged among the **Top 45 largest exporters of Pakistan**.
- ISL wins the **"8th Employer of the Year Award"** for the year 2019-2020.
- ISL wins three **CSR Awards** at the NFEH's (National Forum for Environment and Health) 13th Corporate Social Responsibility Summit 2021 in the categories of: Education and Scholarships, Community Development and Services Waste Management, and Recycling.
- ISL secures **2nd position** in the **Asian Management Games 2021**.
- ISL received **44th FPCCI Best Export Performance Awards** 2019-20.

## 2022

- **Electrolytic Cleaning Line** is commissioned at ISL. This new addition improves the surface quality of our products specifically for the automotive and appliances sectors by cleaning the remaining rolling emulsion and iron fines.
- ISL was one of the sponsors of the Pakistan Pavilion at the internationally acclaimed, **Dubai Expo 2021**, hosted by Dubai, in the United Arab Emirates, from October 2021 to March 2022.
- ISL sponsored **TEDx IBA** powered by AIESEC in October 2021.
- ISL participated in the **2nd Pakistan Africa Trade Development Conference**, Nigeria facilitated by TDAP.
- For the second time, ISL won three **CSR awards** in the categories of Education and Scholarship, Community Development, Sports and Recreational Activities, at the 14th CSR Awards organized by the National Forum for Environment and Health (NFEH) in March 2022.
- In March 2022, ISL participated in the Management Association of **Pakistan's 22nd MAP Convention**, under the banner of ASC Group.
- In June 2022, International Steels Limited participated in **Project Qatar** in Doha, meeting potential partners from across Qatar and from other countries.
- ISL exhibited in **HVACR Expo**, Lahore, in June 2022, which is the largest dedicated HVACR trade exhibition in Pakistan. In the same month, the company participated in **IAPEX Building Materials Exhibition** at Expo Center, Karachi. This expo attract and target architects, builders and contractors, from all over Pakistan.
- ISL secures **3rd position** in the **Asian Management Games 2022**.





# Highlights 2022-2023

## Q1

July to September

- ISL participated in IAPEx Building Materials Exhibition and Conference at Expo Center, Karachi, along with other ASC group companies.
- ISL held the first chapter of Art from the Heart - Children's Art Competition 2022, for the young artists of age 5-13 years.
- ISL participated in the largest exhibition of automobiles in the country - The Pakistan Auto Show 2022 in July, 2022, at the Expo Centre Lahore, organized by PAAPAM.
- ISL was listed in Traded Development Authority of Pakistan (TDAP) Top 50 exporters, second year in a row.
- ISL Annual Sales Conference 2022 took place in Muzaffarabad, Pakistan from August 03 to 06, 2022.
- The Senate Standing Committee on Industries and Production paid a visit to the ISL Service Center in Bin Qasim Industrial Park.
- ISL won Pakistan Stock Exchange (PSX) "Pakistan's Top 25 Companies Award".
- ISL received "Export Performance Award" for the FY 2020-21, at FPCCI's 45th Export Awards, at Aiwan-e-Sadar, Islamabad.

## Q2

October to December

- ISL won the "Corporate Excellence Award" in the "Engineering Category" for the fourth year in a row, in the MAP's 37th Corporate Excellence Awards.
- On the same day, team ISL received 2nd runner-up shields in the Asian Management Games, organized by the Asian Association of Management Organizations (AAMO).
- ISL launched its first Newsletter - ISL Insider in October 2022.
- ISL won 1st position in the Medium National Category at the "9th Employer of the Year Awards" for the year 2021 by Employers' Federation of Pakistan, in Karachi.
- ISL and Cargill joined hands with the ASC Foundation and Rizq to support Dawn Relief's efforts in rebuilding over 90 rural homes devastated by the floods in Bajara, Sindh.
- ISL participated in The BIG 5 - International Building & Construction Show, in December, at the Dubai World Trade Centre, UAE. It is the largest and most influential event for the construction industry in the Middle East, with over 2,000 exhibitors from over 60 countries.

## Q3

January to March

- ISL Marketing and Sales Departments collaborated and organized a fourth and fifth Fabricators' Conferences in Karachi and Faisalabad, in January and February 2023.
- ISL sponsored CAP Carnival 2023 in February and under the theme of "ISL Plant for the Planet", educated and distributed 500+ Moringa Tree growing kits among families, containing 3,000+ seeds, planters, care guides, and potting medium.
- ISL won three CSR awards at the NFEH's 15th Corporate Social Responsibility Summit – 2023, for the third consecutive year.
- ASC Group Companies, celebrated International Women's Day 2023 with great enthusiasm on March 8th. The event was themed around of "Embrace Equity".
- Amir S. Chinoy Group won the Super Challengers Premier League - Edition II.
- Members of ASC Group Companies, participated in the workshop "Corporate Sustainability Disclosures: Making the Journey", organized by CERB and Interloop Pvt. Ltd.

## Q4

April to June

- International Steels Limited participated and exhibited at the Project Qatar - A leading business exhibition that focuses on the construction and related industries at Doha Exhibition & Convention Center (DECC) from 29th May to 1st June 2023.
- ISL participated in the Pakistan HVACR Expo, held at Expo Centre Karachi from June 8th to June 10th, 2023. Pakistan HVACR International Expo & Conference is the most established International Exhibition on Heating, Ventilation, Air-Conditioning & Refrigeration in the region, it is the only focused HVACR trade show in Pakistan.
- ISL launched new corporate videos of its manufacturing facility and ISL Service Center, showcasing the cutting-edge technology, services and culture of the Company.



# Value Creation 2011-2023



## CONTRIBUTION TO GOVERNMENT



Over  
**PKR 113 Billion**  
Contributed to the national  
exchequer

## SUBSTITUTING IMPORTS



Saving  
**\$386 Million**  
Worth of foreign exchange outflow  
through localization

## EXPORT VALUE



Earned  
**\$496 Million**  
Worth of foreign exchange by  
exporting flat steel

## GLOBAL FOOTPRINT



Exporting to over  
**30 Countries**  
Worldwide, supplying cold rolled  
and coated steels

## LEADING EXPORTER



Listed among  
**Top 50**  
Exporters of Pakistan by TDAP  
(Trade Development Authority of  
Pakistan)

## ENVIRONMENTAL RESPONSIBILITY



Practicing  
**Clean, Lean & Green**  
Manufacturing approach and  
sustainable practices

## CSR CONTRIBUTION



Allocating  
**1.5 % Profit**  
(After Tax) Annually for social  
and community uplift

## RECOGNITION IN CSR CONTRIBUTION



Third consecutive year of winning  
**3 CSR Awards**  
At the NFEH's 15th Corporate Social  
Responsibility Summit - 2023

## EMPLOYER OF CHOICE



Medium National Category  
**1st Position**  
Winner at "9th Employer of the Year  
Awards" by Employers' Federation  
of Pakistan

## SKILL DEVELOPMENT



Imparted  
**32,180 Man Hours**  
To train and develop human resources  
at ISL Factory and offices

## CREDIT RATING



Maintaining  
**A+/A-1 Rating**  
By VIS Credit Rating Company Limited

## LISTING IN BEST PERFORMING COMPANIES



Honoured with  
**PSX Top 25**  
Companies Awards for the fourth time in a row





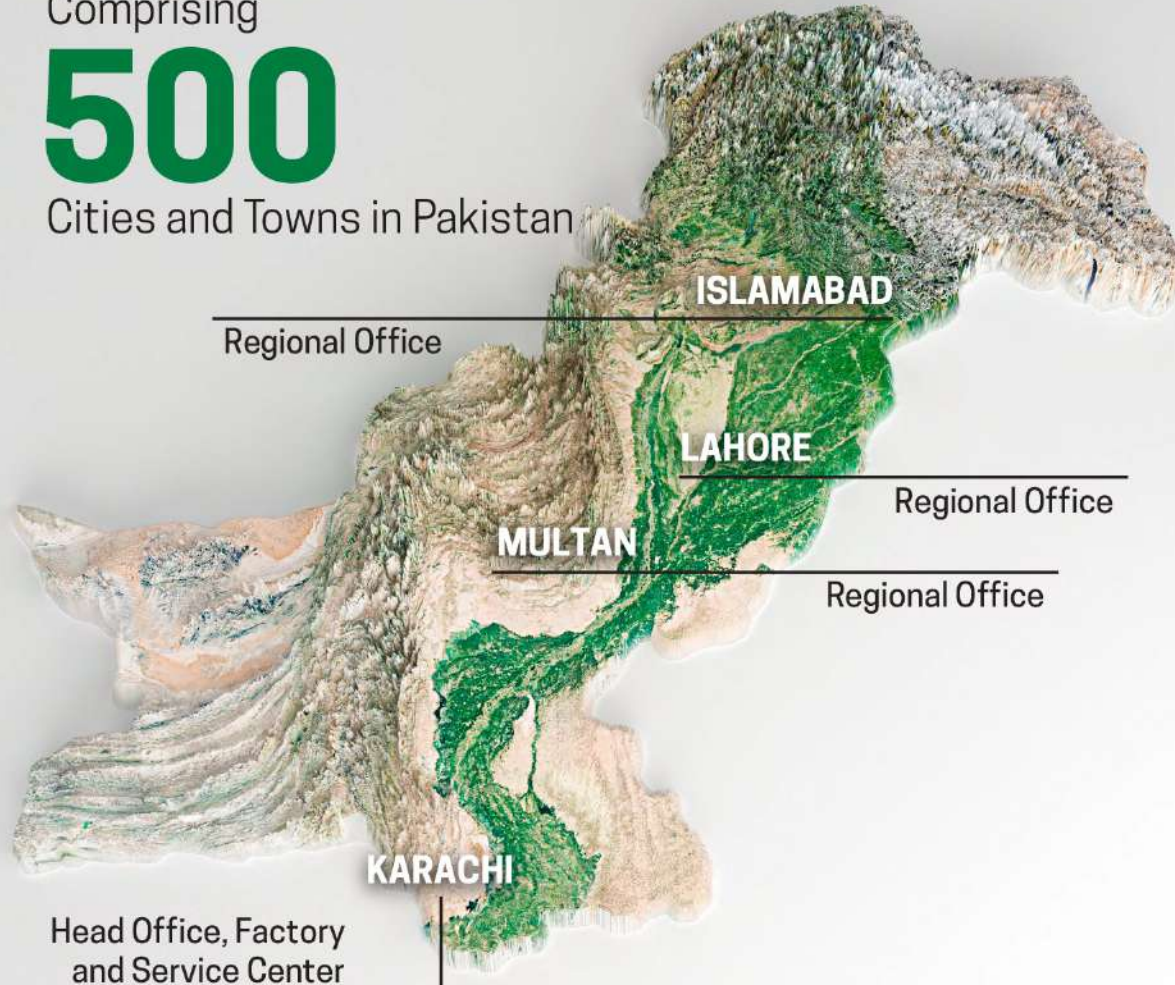


# ISL Regional Network and Geographical Presence



Comprising  
**500**

Cities and Towns in Pakistan



Exporting to more than **30** countries  
in **06** continents





# Products and Services

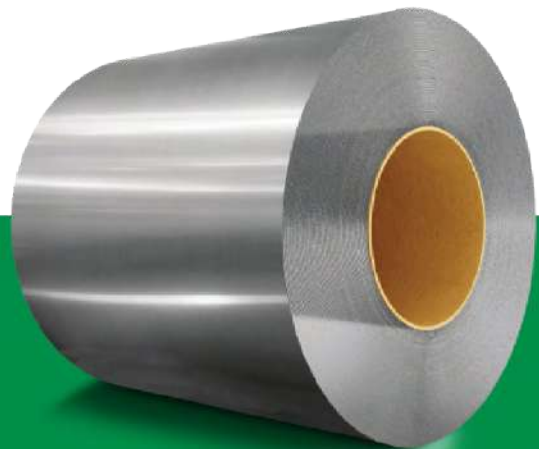




# Products



# Products and Production Capacities



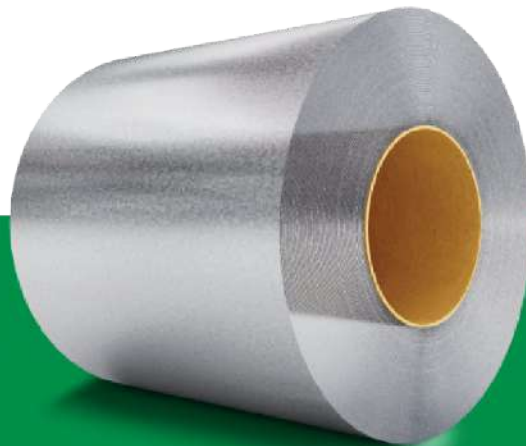
**COLD ROLLED STEEL**

1,000,000

METRIC TONS

ISL provides a wide range of CRC products, meeting diverse commercial and industrial needs, with its advanced Cold Rolling Mills from SMS Siemag, Germany, ensuring top-quality finishes and workability. ISL products are in high demand across automotive, home appliances, furniture, drum, tube, filter, tin plate, and various industrial sectors.

**Applications:**



**HOT DIP GALVANIZED STEEL**

462,000

METRIC TONS

ISL's Hot Dipped Galvanized Steel is produced on a state-of-the-art, fully automated galvanizing complex. Our manufacturing facility, a dynamic production team, and adherence to strict quality control measures, paired with best available raw materials and processes, are applied under controlled conditions to produce premium-quality zinc-coated steel.

**Applications:**



**COLOR COATED STEEL**

84,000

METRIC TONS

Galvanization is the application of a zinc coating to steel to prevent rust and corrosion. ISL's Hot Dipped Galvanized Steel is produced using a cutting-edge, fully automated galvanizing complex, ensuring premium quality through strict quality control, top-notch materials, and controlled processes.

**Applications:**







# Certificates and Compliances



**ISO 9001: 2015**

Quality Management System

**ISO 14001: 2015**

Environment Management System

**ISO 45001: 2018**

Occupational Health & Safety Management System



# Applications of Cold Rolled Steel

**AUTOMOTIVE  
COMPONENTS**



**HARDWARE AND  
SANITARY**



**TIN MILL BLACK  
PLATE (TMBP)**



**PACKAGING DRUMS**



**DOMESTIC  
APPLIANCES**



**ELECTRICAL  
GOODS**



**OIL FILTERS**



**BASE MATERIAL FOR  
GALVANIZING AND  
COATING**



**SWITCH GEARS**



**TUBES AND  
SECTIONS**





# Applications of Hot Dip Galvanized Steel



**CONSTRUCTION  
AND ROOFING**



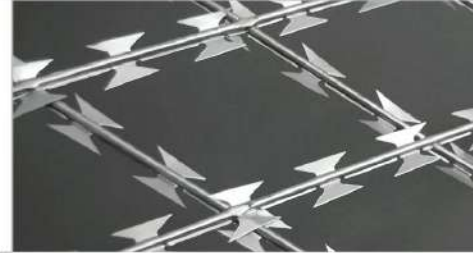
**HVACR  
AND DUCTING**



**PIPING**



**TRUNKS AND  
STORAGE BOXES**



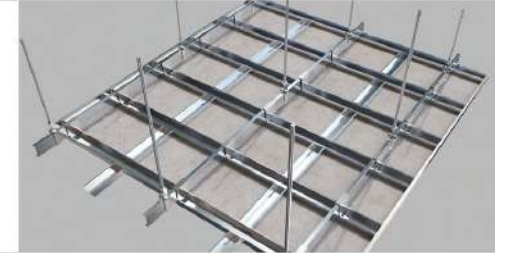
**RAZOR WIRE**



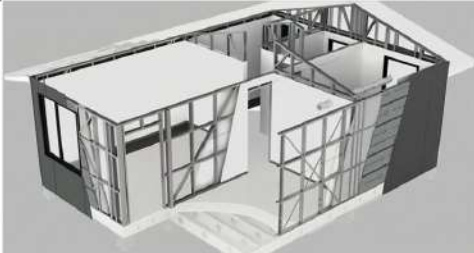
**GUARDRAILS, HANDRAILS  
AND STREET FURNITURE**



**SUSPENDED  
CEILINGS**



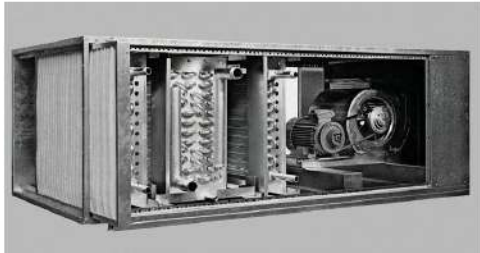
**AIR HANDLING  
UNITS (AHU)**



**LIGHT GAUGE  
STEEL STRUCTURES**



**DOMESTIC  
APPLIANCES**



**WALL  
PARTITIONS**



**AGRICULTURE AND  
HORTICULTURE**





# Applications of Color Coated Steel



## AGRICULTURE

(Grain silos, sprayers, pans, feeding troughs)



## COLD STORAGE AND UNITS



## DOMESTIC USE

(Trunks, tubs, buckets, storage bins, water tanks)



## CONSTRUCTION



## ELECTRICAL APPLIANCES



## FURNITURE AND FIXTURES



## MEP APPLICATIONS

(Ducting, drums/barrels, containers, thermal cladding, air-conditioning ducts, railway coaches and others)



## FALSE CEILING



## OUTDOOR APPLICATIONS





The background features a series of diagonal lines in various shades of gray, creating a sense of motion and depth. A solid, medium-gray horizontal band runs across the center of the image, serving as a backdrop for the text.

# Services



# Service Center - Bin Qasim Industrial Park



Service Center shapes flat rolled steel into various forms for a wide range of industrial and commercial applications, ranging from profiles that form highly durable structures to custom-cut sheets and slitted coils that serve as ready-to-use input for various purposes.

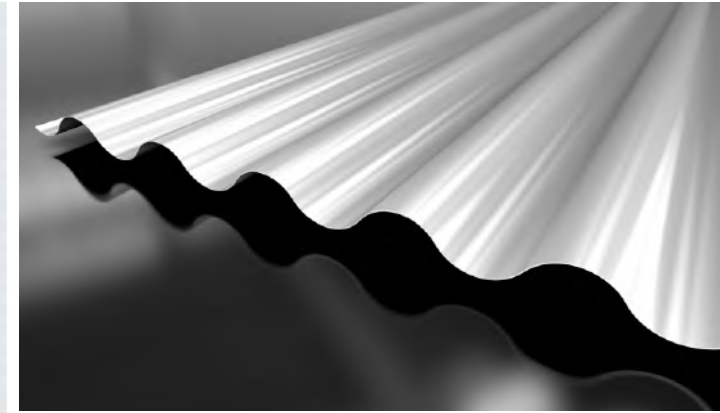
## Slitting



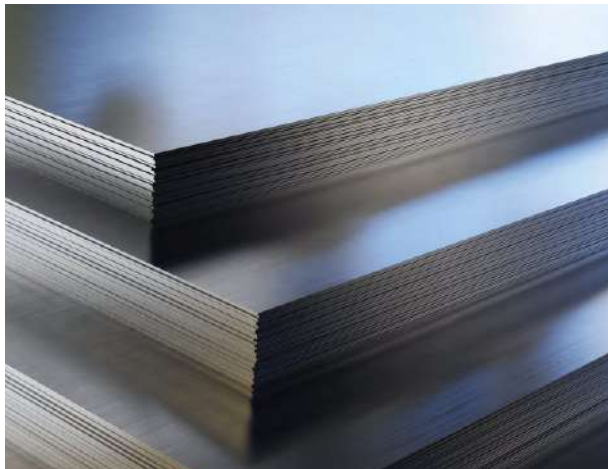
## C- Channels for LGSS / Wall Partitions



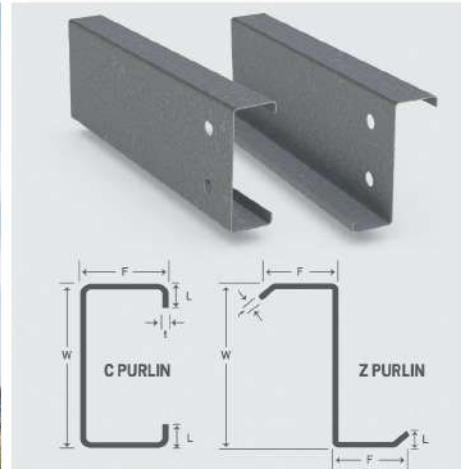
## Profiling



## Cut-to-Length



## C and Z Purlins



Sinusoidal



Clip-lock



Screw Down





## External Environment

- Global steel prices declined by almost 49% after hitting a record high of **US\$1,100 / MT** this year.
- The prices of raw materials, mainly iron ore and coking coal witnessed significant downward adjustments.
- The global market weakened in the first half of the 2022-23 but recovered in the later part of the year to **US\$650 / MT**.
- World crude steel production remained at **1.8 billion metric tons** during the year a decrease of **5%** as compared to last year with China contributing **56%** of the overall global output.
- The global economy continued to slowdown due to higher interest rates impacting the global demand for steel products.





# Business Review - FY23



## Domestic Business Environment

- Pakistan economic growth was limited to **0.29%** mainly on account of twin fiscal and current account deficits further exacerbated by devastating floods.
- PKR continued to fluctuate during the year and devalued by **40%** to **PKR 286 / USD**.
- Increase in SBP policy rate to **22%**
- Large scale manufacturing contracted by **10%**
- Establishment of LC for import of raw material remained challenging on account of declining foreign exchange reserves.







# Business Review - FY23

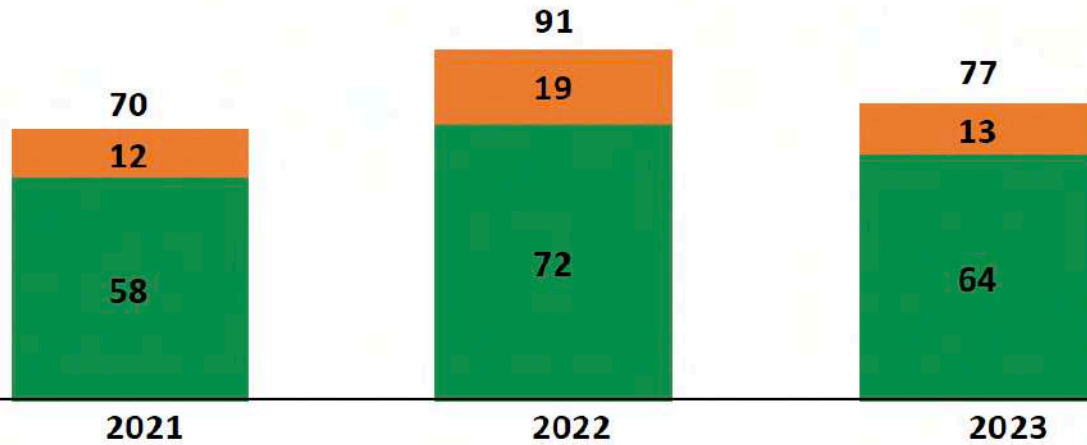


- In the fiscal year 2022-23, sales remained a challenge due to substantial **36% reduction** in the overall market size.
- The company increased its market share to **36%** from **31%** in last year. The sales volume was at **308,000 MT**, including **8,000 MT** from toll manufacturing. Even amidst the challenges posed by the contraction of the North American market and the fluctuations in international steel prices, the company has successfully exported **48,000 MT**.
- The company employs Lean manufacturing and Six Sigma to enhance production efficiency and reduce waste. Production of **304,000 MT** aligned with sales demand. Cost-saving initiatives, including strategic production planning and off-peak operations, lowered energy costs substantially. Innovative packaging and in-house maintenance reduced operational expenses, reflecting the company's commitment to cost-effective solutions and operational excellence.
- For the current fiscal year, the company has reported a revenue of **Rs. 76.7 billion**, accompanied by a gross margin of **13.8%**, exhibiting resilience in these challenging times. The company has posted **Rs. 3.5 billion profit after tax** after taking a charge of **Rs. 486 million** on account of super tax of **10%**.
- From operational activities, the company generated a robust cash flow of **Rs. 22.3 billion** and successfully lowered its overall long and short-term borrowings by **Rs. 16.8 billion** in the fiscal year 2022-23. The management remained focused on working capital management through effective inventory management and was able to reduce the inventory from **Rs. 30 billion** at the end of June 2022 to **Rs. 17 billion** at the end of June 2023.
- Conversion cost increased by **4.8%** to **Rs. 4,557 million** as compared to prior year cost of **Rs. 4,349**, despite average inflation of **28%** for the year. Selling and freight expenses decreased by **36%** to **Rs. 997 million** as compared to last year of **Rs. 1,563 million**.
- Financial charges stood at **Rs. 2,264 million** against last year's **Rs. 1,323 million**. This increase can be attributed mainly to higher interest rates and the imposition of a **100%** cash margin requirement on the imports of HRC, which exerts pressure on working capital requirements. Additionally, the introduction of a **10% super tax** amounting to **Rs. 486 million** led to a higher effective taxation rate for the year.

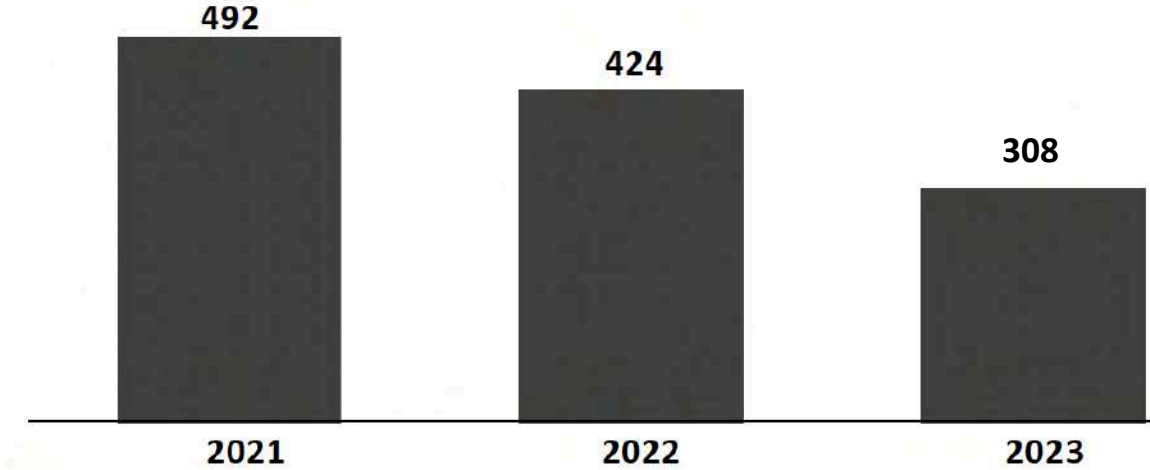


# Financial Highlights

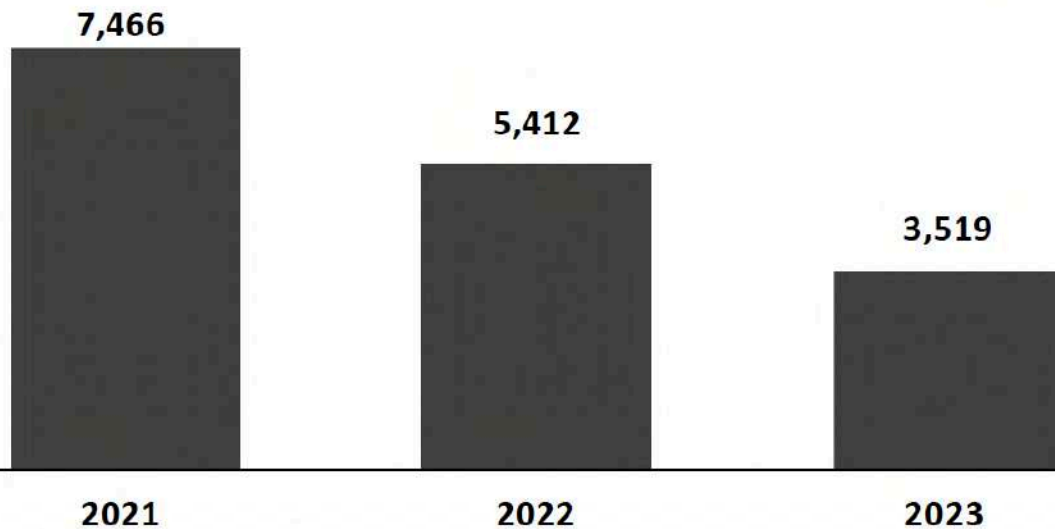
Domestic Sales (in PKR Bn)  
Export Sales (in PKR Bn)



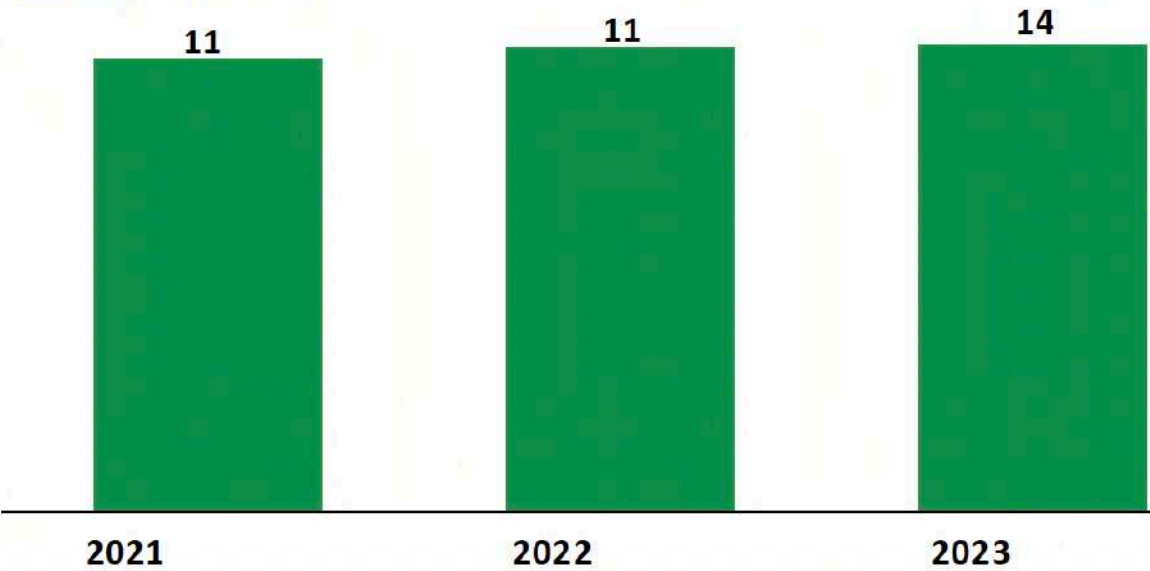
Sales Volume (in MT '000)



Profit after tax (in PKR Mn)



Dividend Yield %







# STATEMENT OF FINANCIAL POSITION (As at June 30, 2023)

	30 June 2023	30 June 2022
	(Rupees in '000)	
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	20,304,569	20,749,605
Right-of-use assets	43,839	63,725
Intangible assets	309,580	176,866
Long term deposit with Central Depository Company of Pakistan Limited	100	100
	20,658,088	20,990,296
<b>CURRENT ASSETS</b>		
Stores and spares	1,004,646	904,026
Stock-in-trade	17,261,712	30,196,653
Trade debts	1,148,499	1,034,132
Receivable from K-Electric Limited (KE)	16,685	32,874
Advances, trade deposits and prepayments	55,862	110,795
Staff retirement benefits	-	-
Sales tax receivable	480,954	1,739,818
Cash and bank balances	1,765,136	896,462
	21,733,494	34,914,760
<b>TOTAL ASSETS</b>	<b>42,391,582</b>	<b>55,905,056</b>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Share capital		
Issued, subscribed and paid-up capital	4,350,000	4,350,000
Revenue reserve		
Unappropriated profit	15,146,402	14,835,313
Capital reserve		
Revaluation surplus on property, plant and equipment	2,187,478	2,410,776
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>21,683,880</b>	<b>21,596,089</b>
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
Long term financing - secured	1,005,986	2,778,846
Deferred income - government grant	126,738	136,550
Gas Infrastructure Development Cess	148,993	426,521
Deferred taxation - net	1,989,947	1,705,161
Lease liabilities	29,426	48,786
	3,301,090	5,095,864
<b>CURRENT LIABILITIES</b>		
Trade and other payables	10,712,974	6,470,477
Contract liabilities	1,816,607	2,290,226
Short term borrowings - secured	3,334,225	17,359,553
Unpaid dividend	1,527	-
Unclaimed dividend	8,497	10,301
Current portion of long term financing - secured	377,378	1,419,495
Current portion of lease liabilities	19,859	16,155
Taxation - net	920,894	1,375,883
Accrued mark-up	214,651	271,013
	17,406,612	29,213,103
<b>TOTAL LIABILITIES</b>	<b>20,707,702</b>	<b>34,308,967</b>
<b>CONTINGENCY AND COMMITMENTS</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>42,391,582</b>	<b>55,905,056</b>



# STATEMENT OF PROFIT OR LOSS (For the year ended June 30, 2023)



	2023	2022
	(Rupees in '000)	
Revenue from contracts with customers	76,753,334	91,423,698
Cost of sales	(66,145,658)	(79,042,389)
<b>Gross profit</b>	<b>10,607,676</b>	12,381,309
Selling and distribution expenses	(997,224)	(1,563,129)
Administrative expenses	(389,057)	(339,808)
	(1,386,281)	(1,902,937)
Operating profit	<b>9,221,395</b>	10,478,372
Finance cost	(2,264,167)	(1,322,584)
Other operating charges	(1,921,613)	(1,356,009)
	(4,185,780)	(2,678,593)
Other income	155,796	200,971
<b>Profit before income tax</b>	<b>5,191,411</b>	8,000,750
Income tax expense	(1,672,621)	(2,588,560)
<b>Profit for the year</b>	<b>3,518,790</b>	5,412,190
	(Rupees)	
<b>Earnings per share - basic and diluted</b>	<b>8.09</b>	12.44





# STATEMENT OF CASH FLOWS (For the year ended June 30, 2023)

	2023	2022
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated from / (used in) operations	26,624,898	(401,931)
Finance cost paid	(2,296,540)	(1,101,392)
Income on bank deposits received	89,310	26,685
Staff retirement benefits paid	(63,012)	(48,054)
Payment on account of compensated absences	(10,618)	(4,045)
Income tax paid	(1,982,315)	(1,924,504)
	(4,263,175)	(3,051,310)
<b>Net cash generated from / (used in) operating activities</b>	<b>22,361,723</b>	<b>(3,453,241)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment for acquisition of property, plant and equipment	(1,277,643)	(1,655,678)
Payment for acquisition of intangible asset	(133,084)	(176,293)
Proceeds from disposal of property, plant and equipment	53,932	120,904
Investments in Term Deposit Receipt	(384,000)	-
<b>Net cash used in investing activities</b>	<b>(1,740,795)</b>	<b>(1,711,067)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term financing	245,465	616,189
Repayment of long term financing	(3,070,248)	(1,475,612)
Short term borrowings - net	(3,882,781)	2,712,924
Lease rentals paid	(23,366)	(22,029)
Dividend paid	(3,262,777)	(3,913,497)
<b>Net cash used in financing activities</b>	<b>(9,993,707)</b>	<b>(2,082,025)</b>
Net increase / (decrease) in cash and cash equivalents	<b>10,627,221</b>	<b>(7,246,333)</b>
Cash and cash equivalents at beginning of the year	<b>(9,530,310)</b>	<b>(2,283,977)</b>
Cash and cash equivalents at end of the year	<b>1,096,911</b>	<b>(9,530,310)</b>



# Successful Commissioning of Electrolytic Cleaning Line



Commissioned in FY 2021-22, the Electrolytic Cleaning Line at ISL Manufacturing facility achieved full functionality in FY 2022-23.

This addition enhances product surface quality, with a focus on the automotive and appliances sectors, by effectively removing residual rolling emulsion and iron fines.

The inclusion of a rewinding line with a dedicated electrolytic cleaning section aims to streamline cold rolled capacity and boost efficiency in **TMBP (Tin Mill Black Plate)** production.







# Creating Efficiency in the Supply Chain



The company is in process of implementing new and improved supply chain automation modules in order to:

- Enhance Visibility throughout the Supply Chain
- Improve Demand Forecasting and Planning
- Improve Efficiency
- Reduce Delivery Times, and
- Enhance Service Levels to Customers





# REDEFINING TOMORROW

CREATING IMPACT THAT MATTERS

## SHAREHOLDERS

Maximize shareholder value through transparent and open operations, unwavering commitment to strong corporate governance, and ensuring seamless business continuity.

## EMPLOYEES

Offer diverse employment opportunities, championing diversity, inclusion, and prioritizing employee welfare and wellbeing.

## CUSTOMERS

Deliver premium products at fair, transparent prices to customers, while facilitating easy access to vital raw materials for downstream industries.

## GOVERNMENT

Contribute to government revenue, foster import substitution, address critical national challenges within our value chain, and support government welfare initiatives

## SOCIETY

Drive genuine social uplift through value creation, tackle key human development issues, and collaborate with corporate and social entities to advance overlooked social development goals.

For ISL, winning is all about creating impact that matter, across our all stakeholders. This drives the company to actively support various social, educational and healthcare related initiatives in the country. The company partakes in various social activities to promote wellbeing and welfare to society. Every year, ISL allocates 1.5% of after tax profit for social uplift and charitable causes.





# DRIVEN BY THE **CLEAN, LEAN AND GREEN APPROACH**

TOWARDS RESPONSIBLE AND SUSTAINABLE MANUFACTURING



EFFLUENT TREATMENT



WASTE HEAT UTILIZATION



CO-GENERATION POWER PLANT



ACID REGENERATION PLANT

ISL wholeheartedly embraces sustainable green practices. Our unwavering commitment is to attain carbon negativity, thus setting the standard for responsible manufacturing. Guided by the **Clean, Lean, and Green** philosophy, we tirelessly endeavour to ensure that our operations are as environmentally friendly as possible. This journey includes substantial investments in state-of-the-art green technologies and the efficient management and treatment of waste generated throughout our operations.





# Awards and Recognition





# Awards and Recognition



**FPCCI 45th Export Awards**



**MAP's 37th Corporate Excellence Award**



**Asian Management Games 2022**



**EFP Employer of the Year Awards FY-2021**



**NFEH's 15th CSR Awards**





SHAPING **TOMORROW**

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INTERNATIONAL STEELS LIMITED

