



**Pakistan National  
Shipping Corporation**

# **NAVIGATING SUSTAINABLE GROWTH**

**UNAUDITED REPORT  
FOR THE QUARTER ENDED  
SEPTEMBER 30, 2024**

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# Corporate Information

## Board of Directors

<b>1. Mr. Sultan A.Chawla</b> w.e.f. September 23, 2024	<b>Chairman</b>
<b>2. Mr. Qumar Sarwar Abbasi</b> Additional Finance Secretary (Corporate Finance), Finance Division, Islamabad.	<b>Member</b>
<b>3. Mr. Umar Zafar Sheikh</b> Additional Secretary Ministry of Maritime Affairs, Islamabad.	<b>Member</b>
<b>4. Mr. Muhammad Ali</b>	<b>Member</b>
<b>5. Capt. Sarfaraz Inayatullah Qureshi</b>	<b>Member</b>
<b>6. Mr. Ahsan Ali Malik</b>	<b>Member</b>
<b>7. Mr. Arif Habib</b> w.e.f. September 23, 2024	<b>Member</b>
<b>8. Mr. Khalil Ahmed</b> w.e.f. September 23, 2024	<b>Member</b>
<b>9. Khawaja Shahzeb Akram</b> w.e.f. September 23, 2024	<b>Member</b>
<b>10. Ms. Nadia Osman Jung</b> w.e.f. September 23, 2024	<b>Member</b>

## Audit Committee

1. Mr. Muhammad Ali	Chairman
2. Mr. Qumar Sarwar Abbasi	Member
3. Mr. Umar Zafar Sheikh	Member
4. Mr. Ahsan Ali Malik	Member
5. Mr. Khalil Ahmed	Member
6. Head of Internal Audit	Secretary

## HR, Nomination and CSR Committee

1. Mr. Arif Habib	Chairman
2. Mr. Umar Zafar Sheikh	Member
3. Mr. Ahsan Ali Malik	Member
4. Mr. Shahzeb Akram	Member
5. Company Secretary	Secretary

## Strategy and Risk Management Committee

1. Ms. Nadia Osman Jung	Chairman
2. Mr. Qumar Sarwar Abbasi	Member
3. Capt. Sarfaraz Inayatullah	Member
4. Mr. Shahzeb Akram	Member
5. Executive Director (Finance)	Secretary

## Procurement Committee

1. Mr. Khalil Ahmed	Chairman
2. Mr. Muhammad Ali	Member
3. Capt. Sarfaraz Inayatullah	Member
4. Mr. Shahzeb Akram	Member
5. Executive Director (SP & P)	Secretary

## Chief Financial Officer

Mr. S. Jarar Haider Kazmi

## Company Secretary

Mr. Muhammad Javid Ansari

## Chief Internal Auditor (Acting)

Mr. Muhammad Faisal Hadi

## Head Office

PNSC Building,  
Moulvi Tamizuddin Khan Road, P.O.Box No. 5350,  
Karachi-74000 Pakistan.  
Phone: (92-21) 99203980-99 (20 Lines)  
Fax: (92-21) 99203974, 35636658  
www.pnsc.com.pk

## Auditors

Grant Thornton Anjum Rahman, Chartered Accountants  
Yousuf Adil, Chartered Accountants

## Share Registrar

CDC Share Registrar Services Limited  
CDC House, 99-B, Block 'B',  
S.M.C.H.S. Main Shahrah-e-Faisal, Karachi.

## Bankers

Allied Bank Limited  
Bank Alfalah Limited, Bahrain  
Bank Al Habib Limited  
Bahrain Bank Islami Pakistan Limited  
MCB Islamic Bank Limited  
Faysal Bank Limited  
Habib Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
National Bank of Pakistan, Hong Kong  
National Bank of Pakistan, Tokyo  
Silk Bank Limited  
Soneri Bank Limited  
UniCredit Bank, Italy  
United Bank Limited  
United Bank Limited, London  
Habib Bank Limited Bahrain

# Directors' Report

For the first quarter ended September 30, 2024

The Board of Directors of Pakistan National Shipping Corporation Group (the Group/PNSC) is pleased to submit the un-consolidated and consolidated condensed interim financial statements of PNSC and Group respectively for the first quarter ended September 30, 2024.

## OVERVIEW

During the review period, PNSC (Group) achieved a net profit after tax of Rs. 5,634 million, reflecting a 10% decline from Rs. 6,269 million in the same period last year. Earnings per share dropped to Rs. 42.66 from Rs. 47.46.

The Group's turnover was Rs. 10,839 million, including Rs. 1,017 million from PNSC, compared to Rs. 13,296 million (with Rs. 3,556 million from PNSC) in the prior year. Revenue from owned crude oil vessels and foreign charter-in vessels fell by Rs. 835 million and Rs. 1,880 million, respectively. However, revenue from the dry cargo segment, from owned bulk carrier vessels showed improved results by Rs. 210 million (20%) due to increase in charter rates, however slot business suffered set benefit of Rs. 668 million.

Key market and economic acumen influencing the Group's financial performance included:

- A decline in average refinery business freight rates from 12.44 USD/MT to 11.39 per USD/MT.
- A reduction in the World Scale index from 6.77 to 6.17, negatively impacting refinery revenue. Whereas AFRA rate remained fairly constant.
- A positive impact from an average 28% increase in bulk carrier charter rates compared to the previous year.
- A decrease in the average USD exchange rate from Rs. 293 to Rs. 278 i.e. decline of 5%.

Additionally, other income rose by 24%, due to effective and efficient treasury managed. At the group level, finance costs decreased by 65%, attributed to the full repayment of a long-term loan for the procurement of two LR-1 vessels, M.T. Bolan and M.T. Khairpur, in September 2023, resulting in significant savings.

## Board and its Committees

The name of Directors of Board and its Committees of the Corporation during the First Quarter ended September 30, 2024 are tabulated below:

Sr. No.	Name of Director (in alphabetical order)	Board	Strategy and Risk Management Committee	Audit Committee	HR, Nomination & CSR Committee	Procurement Committee
1	Mr. Sultan A. Chawla (w.e.f Sep 23 <sup>rd</sup> 2024)	Chairman	-	-	-	-
2	Mr. Ahsan Ali Malik	Non-Executive Director	-	Member	Member	-
3	Mr. Arif Habib (w.e.f. Sep 23 <sup>rd</sup> 2024)	Non-Executive Director	-	-	Chairman of the Committee	-
4	Mr. Khalil Ahmed (w.e.f. Sep 23 <sup>rd</sup> 2024)	Non-Executive Director	-	Member	-	Chairman of the Committee
5	Mr. Khawaja Shahzeb Akram (w.e.f. Sep 23 <sup>rd</sup> 2024)	Non-Executive Director	Member	-	Member	Member
6	Mr. Muhammad Ali	Non-Executive Director	-	Chairman of the Committee	-	Member

Sr. No.	Name of Director (in alphabetical order)	Board	Strategy and Risk Management Committee	Audit Committee	HR, Nomination & CSR Committee	Procurement Committee
7	Ms. Nadia Osman Jung (w.e.f. Sep 23 <sup>rd</sup> 2024)	Non-Executive Director	Chairman of the Committee	-	-	-
8	Mr. Qumar Sarwar Abbasi Additional Finance Secretary (Corporate Finance), Finance Division, Islamabad.	Non-Executive Director	Member	Member	-	-
9	Capt. Sarfaraz Inayatullah	Non-Executive Director	Member	-	-	Member
10	Mr. Umar Zafar Sheikh Additional Secretary of Ministry of Maritime Affairs Islamabad	Non-Executive Director	-	Member	Member	-

## FUTURE PROSPECTS

### DRY BULK MARKET

The dry bulk market witnessed softness in earnings year-over-year (y/y) across all segments. Capesize earnings averaged 40% higher year-over-year in FY24, while Kamsarmax and Handymax earnings were down by 21% and 34%, respectively.

Dry bulk demand was strong throughout the year on the back of rising Chinese imports. Chinese hydro-power production suffered due to lower rains in the region, thereby increasing coal-fired electricity demand and consequently coal imports into China. Iron ore imports into China were also strong as rising Chinese steel exports supported domestic steel production despite slowdown in the property sector.

Despite strong trade growth, congestion unwinding in H1 FY24 kept earnings subdued. In Q3 FY24, congestion in Brazil surged as low river water levels impacted dispatch of cargo to ports, resulting in long queue of vessels waiting to load grains.

The conflict in Red Sea meant that a higher proportion of vessels started re-routing through the Cape of Good Hope in Q4 FY24, thus adding to the ton-miles

### TANKER MARKET

#### Crude Tanker Market

Overall, the global seaborne crude trade grew by approximately 1.9% y/y during FY24, with trade surpassing the levels last seen pre-pandemic. On the other hand, the crude tanker global fleet grew by 2.6% in nominal terms during the year. Scrapping activity was negligible.

Crude tanker earnings had surged in FY23 to levels last seen in FY09, mainly propelled by sanctions on Russian crude exports. Earnings softened slightly (y/y) in FY24 but still sustained strong levels from a historical perspective.

The structural dislocation caused by Russia's invasion of Ukraine in February 2022 continues to benefit the Aframax and Suezmax tanker segments. US and EU's efforts to tighten sanctions on the dark fleet, the lower discount of Urals (vs Brent), have all made it challenging for Russian crude exports. Yet Russian seaborne exports increased by approximately 2% in FY24.

From early 2024, tanker markets were further buoyed by disruptions as Houthi attacks on ships in the Red Sea prompted a number of vessels to take the longer route around the Cape of Good Hope.

### Product Tanker Market

The product tanker market has been witnessing a prolonged period of firm earnings since early 2022, following the onset of the Russia-Ukraine war.

Like crude tankers, product tanker earnings softened y/y in FY24 but continue to be strong from a historical perspective. Product tanker markets have been aided by strong refinery throughput, shifts in product trade patterns due to impacts from the Russia-Ukraine conflict, and the latest trade disruptions from the conflict in the Red Sea.

Seaborne product trade volumes increased by an estimated 3.4% y/y in FY24. Product tanker fleet supply grew by 2.3% in nominal terms

New Middle East refineries in Kuwait, Oman and Iraq have ramped up production, and despite higher y/y maintenance in Saudi Arabia, Middle East product exports grew by 4% in FY24.

Furthermore, the Panama Canal disruption in the second half of CY 2023 also aided West of Suez product tanker earnings. In early 2024, product tanker markets saw further upside from vessels rerouting away from the Red Sea onto longer voyages (via the Cape of Good Hope), which has added additional impetus to an already tight supply-demand balance.

### ACKNOWLEDGMENT

The Board would like to extend its gratitude to all the stakeholders for their continued support and confidence.



**Director**  
Karachi



**Director**

October 22, 2024

2024 کے اوائل سے، بحیرہ احمر میں بحری جہازوں پر حوثیوں کے حملوں نے کئی جہازوں کو کیپ آف گڈ ہوپ کے گرد طویل راستہ اختیار کرنے پر مائل کیا جس سے ٹینکر مارکیٹ کی رکاوٹوں میں مزید اضافہ ہوا۔

## مصنوعہ جاتی ٹینکر مارکیٹ

روس-یوکرین جنگ کے آغاز کے بعد سے مصنوعہ جاتی ٹینکر مارکیٹ کو 2022 کے اوائل سے طویل عرصے تک مستحکم آمدنی کا سامنا ہے۔

خام ٹینکر کی طرح، مصنوعہ جاتی ٹینکر کی آمدنی مالی سال 2024 میں سال بہ سال زرم رہی لیکن تاریخی تناظر سے مستحکم رہی۔ مصنوعہ جاتی ٹینکر مارکیٹوں کو مضبوط ریفاہنزی پیداوار، روس-یوکرین تنازعہ کے اثرات اور بحیرہ احمر میں تازہ ترین تجارتی رکاوٹوں کی وجہ سے مصنوعات کے تجارتی طرز عمل میں تبدیلی سے مدد ملی ہے۔

مالی سال 2024 میں، سمندری مصنوعات کے تجارتی حجم میں تقریباً 3.4% سال بہ سال اضافہ ہوا۔ مصنوعہ جاتی ٹینکر فلیٹ کی رسد میں برائے نام 2.3% اضافہ ہوا۔

کویت، عمان اور عراق میں وسطی و مشرق وسطیٰ کی نئی ریفاہنزیوں نے پیداوار میں اضافہ کیا ہے، اور سعودی عرب میں سال بہ سال زیادہ دیکھ بھال کے باوجود، مالی سال 2024 میں مشرق وسطیٰ کی مصنوعات کی برآمدات میں 4% اضافہ ہوا۔

مزید برآں، رواں سال 2023 کی دوسری ششماہی میں پانامہ کینال میں رکاوٹ نے بھی ویسٹ آف سویڈ مصنوعہ جاتی ٹینکر کی آمدن میں مدد کی۔ اوائل 2024 میں، بحیرہ احمر سے دور کاراستہ اپنا کر (کیپ آف گڈ ہوپ کے ذریعے) طویل سفر پر جانے والے جہازوں کی وجہ سے مصنوعہ جاتی ٹینکر مارکیٹوں میں مزید اضافہ دیکھا گیا، جو پہلے سے رسد و طلب کے سخت توازن کا اضافی محرک بنا ہے۔

## تسلیمات

تمام اسٹیک ہولڈرز کے مسلسل تعاون اور اعتماد کے لیے بورڈ ان کا مشکور ہے



ڈائریکٹر



ڈائریکٹر

کراچی

22 اکتوبر، 2024

نمبر شمار	ڈائریکٹر کھانا (حروف تہجی کی ترتیب میں)	یورٹ	اسٹریٹیجی اور رسک منیجمنٹ کمیٹی	آڈٹ کمیٹی	ایچ آر، نازدگی اور سی ایس آر کمیٹی	پروڈیوٹ کمیٹی
6	جناب محمد علی	نان ایگزیکٹو ڈائریکٹر	-	کمیٹی چیئرمین	-	ممبر
7	محترمہ نادیہ عثمان جنگ (مؤثر تاریخ 23 ستمبر، 2024)	نان ایگزیکٹو ڈائریکٹر	کمیٹی چیئرمین	-	-	-
8	جناب قمر سرور عباسی، ایڈیشنل فنانس سیکرٹری (کارپوریٹ فنانس)، فنانس ڈویژن، اسلام آباد۔	نان ایگزیکٹو ڈائریکٹر	ممبر	ممبر	-	-
9	کمپین سر فراز عنایت اللہ	نان ایگزیکٹو ڈائریکٹر	ممبر	-	-	ممبر
10	جناب عمر ظفر شیخ ایڈیشنل سیکرٹری وزارت سمندری امور اسلام آباد	نان ایگزیکٹو ڈائریکٹر	-	ممبر	ممبر	-

## مستقبل کے امکانات

### خشک بلک مارکیٹ

خشک بلک مارکیٹ کو تمام شعبوں میں سال بہ سال آمدن میں نرمی کا سامنا رہا۔ کیپ سٹاک کی آمدن مالی سال 2024 میں سال بہ سال اوسطاً 40% زیادہ رہی، جبکہ کسار میکس اور پیڈری میکس کی آمدنی بالترتیب 21% اور 34% کم ہوئی۔

چین کی بڑھتی درآمدات کی وجہ سے پورا سال خشک بلک کی طلب مستحکم رہی۔ خطے میں کم بارشوں کی وجہ سے چینی ہائیڈرو پاور کی پیداوار کو نقصان پہنچا، اس طرح کونکے سے پیدا ہونے والی بجلی کی طلب میں اضافہ ہوا اور اس کے نتیجے میں چین میں کونکے کی درآمدات میں اضافہ ہوا۔ پراپرٹی کے شعبہ میں سست روی کے باوجود چینی سٹیل کی برآمدات نے مقامی سٹیل کی پیداوار کو سہارا دیا جس کی وجہ سے چین میں خام لوہے کی درآمدات بھی مستحکم رہیں۔

مستحکم تجارتی نمو کے باوجود، مالی سال 2024 کی پہلی ششماہی میں بجیر کی کمی نے آمدن کو کم رکھا۔ مالی سال 2024 کی تیسری سہ ماہی میں، دریائے گانگہ کی کمی کی سطح پر بندرگاہوں پر کارگو کی روانگی کو متاثر کیا، جس کے نتیجے میں اناج کو لوڈ کرنے کے لیے جہازوں کی لمبی قطار لگ گئی اور اس کی وجہ سے برازیل میں بجیر میں اضافہ ہوا۔

بجیرہا میں اقتصاد کا مطلب یہ تھا کہ بحری جہازوں کے زیادہ تناسب نے مالی سال 2024 کی چوتھی سہ ماہی میں کیپ آف گڈ ہوپ کے ذریعے راستہ تبدیل کیا، اس طرح فن شیپ سلسلے میں مسافت میں اضافہ ہوا۔

### ٹیکسٹائل مارکیٹ

### خام ٹیکسٹائل مارکیٹ

مجموعی طور پر، مالی سال 2024 کے دوران عالمی سمندری خام تیل کی تجارت میں تقریباً 1.9% سال بہ سال اضافہ ہوا، جس کی تجارت عالمی وباء سے قبل آخری مرتبہ دکھائی جانے والی سطح کو عبور کر گئی۔ دوسری طرف، خام ٹیکسٹائل کے عالمی فلیٹ میں سال کے دوران برائے نام 2.6% اضافہ ہوا۔ اسکرپٹنگ کی سرگرمی نہ ہونے کے برابر تھی۔

خام تیل کے ٹیکسٹائل کی آمدنی مالی سال 2023 میں اس سطح پر پہنچ گئی تھی جو مالی سال 2009 میں آخری بار دکھائی گئی تھی، جس کی بنیاد پر وچروسی خام تیل کی برآمدات پر پابندیاں تھیں۔ مالی سال 2024 میں آمدنی سال بہ سال قدرے نرم ہوئی لیکن پھر بھی تاریخی تناظر سے مستحکم سطح کو برقرار رکھا۔

فروری 2022 میں روس کے یوکرین پر حملے کی وجہ سے ساختی بے ترتیبی سے انفرامیکس اور سویڈ میکس ٹیکسٹائل کے شعبوں کو مسلسل فائدہ پہنچ رہا ہے۔ امریکی اور یورپی یونین کی منغنی سرگرمیوں میں طوفان بیڑے پر پابندیاں سخت کرنے کی کوششیں، یورالز (بہتابلہ برینٹ) کے کم ڈسکاونٹس نے سب وچروسی خام برآمدات کے لیے مشکل بنا دیا ہے۔ اس کے باوجود، وچروسی سمندری برآمدات میں مالی سال 2024 میں تقریباً 2% اضافہ ہوا۔



# ڈائریکٹرز رپورٹ

برائے پہلی سہ ماہی اختتام از 30 ستمبر، 2024

پاکستان نیشنل شینگ کارپوریشن گروپ (گروپ / اپنی این ایس سی) کا بورڈ آف ڈائریکٹرز نے اپنی این ایس سی اور گروپ کے پہلی سہ ماہی اختتام از 30 ستمبر، 2024 کے لیے بالترتیب منظم اور متنوع عبوری مالیاتی گوشوارے بخوشی پیش کر رہا ہے۔

## مجموعی جائزہ

زیر جائزہ مدت کے دوران، پی این ایس سی (گروپ) نے بعد از ٹیکس 5,634 ملین روپے کا خالص منافع حاصل کیا جو گزشتہ سال کے اسی دورانیے کے حاصل کردہ خالص منافع 6,269 ملین روپے کے مقابلے میں 10% کو ظاہر کرتا ہے۔ فی شخص آمدنی 47.46 روپے سے 42.66 روپے تک گر گئی۔

گروپ کا کاروبار گزشتہ سال 13,296 ملین روپے (بشمول پی این ایس سی سے 3,556 ملین روپے) کے مقابلے میں پی این ایس سی سے 1,017 ملین روپے کے ساتھ 10,839 ملین روپے رہا۔ زیر ملکیت خام تیل کے جہازوں اور غیر ملکی چارٹران جہازوں سے آمدنی میں بالترتیب 835 ملین روپے اور 1,880 ملین روپے کی کمی ہوئی۔ تاہم، خشک کارگو کے شعبہ میں چارٹر کے نرخوں میں اضافے کی وجہ سے زیر ملکیت بلک کیریئر جہازوں سے حاصل ہونے والی آمدن میں 210 ملین روپے (20%) کا اضافہ ہوا، لیکن سلاٹ کے کاروبار کو 668 ملین روپے کے فائدے کا نقصان ہوا۔

گروپ کی مالی کارکردگی پر اثر انداز ہونے والی مارکیٹ اور اقتصادیات کی کلیدی فراست میں درج ذیل شامل ہیں:

- ریفرنڈم کی کاروبار کے فریٹ کی اوسط شرح میں 12.44 ڈالر / میٹرک ٹن سے 11.39 ڈالر / میٹرک ٹن تک کمی۔
- عالمی اسکیل انڈیکس میں 6.77 سے 6.17 تک کمی، جس نے ریفرنڈم کی آمدن پر منفی اثر ڈالا۔ جبکہ ایلپرا کی شرح کافی مستحکم رہی۔
- گزشتہ سال کے مقابلے میں بلک کیریئر چارٹر کی شرحوں میں اوسطاً 28% اضافے کا مثبت اثر۔
- ڈالر کی اوسط شرح مبادلہ میں 293 روپے سے 278 روپے، یعنی 5% کمی۔

نیز، خزانے کے مؤثر اور مستعد تقلم کی وجہ سے دیگر آمدنی میں 24% اضافہ ہوا۔ گروپ کی سطح پر، مالیاتی اخراجات میں 65% کمی ہوئی، جس کی وجہ ستمبر 2023 میں دو LR-1 جہازوں، ایم ٹی بولان اور ایم ٹی خیرپور کی خریداری کے لیے طویل مدتی قرض کی مکمل ادائیگی ہے، جس سے نمایاں بچت حاصل ہوئی۔

## بورڈ اور اس کی کمیٹیاں

پہلی سہ ماہی اختتام از 30 ستمبر، 2024 کے دوران بورڈ آف ڈائریکٹرز اور اس کی کارپوریشن کی کمیٹیوں کے ارکان کے نام ذیل میں جدول میں درج ہیں:

نمبر شمار	ڈائریکٹر کا نام (حروف تہجی کی ترتیب میں)	بورڈ	اسٹریٹیجی اور رسک مینجمنٹ کمیٹی	آڈٹ کمیٹی	ایچ آر، ٹیکس اور سی ایس آر کمیٹی	پروکیورمنٹ کمیٹی
1	جناب سلطان احمد چاولہ (مؤثر از تاریخ 23 ستمبر، 2024)	چیئر مین	ممبر	-	-	-
2	جناب احسن علی ملک	نان ایگزیکٹو ڈائریکٹر	-	ممبر	ممبر	-
3	جناب عارف حبیب (مؤثر از تاریخ 23 ستمبر، 2024)	نان ایگزیکٹو ڈائریکٹر	-	-	کیٹی چیئر مین	-
4	جناب خلیل احمد (مؤثر از تاریخ 23 ستمبر، 2024)	نان ایگزیکٹو ڈائریکٹر	-	ممبر	-	کیٹی چیئر مین
5	جناب خواجہ شاہ زیب اکرم (مؤثر از تاریخ 23 ستمبر، 2024)	نان ایگزیکٹو ڈائریکٹر	ممبر	-	ممبر	ممبر

# PNSC Managed Fleet



## TANKERS

Vessel: **M.T MARDAN**

Built: Japan



Deadweight (MT): 107,123  
Gross Tonnage (MT): 58,168

Length Overall (M): 246.80

Vessel: **M.T SARGODHA**

Built: Japan



Deadweight (MT): 107,123  
Gross Tonnage (MT): 58,168

Length Overall (M): 246.80

Vessel: **M.T BOLAN**

Built: South Korea



Deadweight (MT): 74,919  
Gross Tonnage (MT): 42,411

Length Overall (M): 220.89

Vessel: **M.T KHAIRPUR**

Built: South Korea



Deadweight (MT): 74,986  
Gross Tonnage (MT): 42,411

Length Overall (M): 220.89

Vessel: **M.T SHALAMAR**

Built: Japan



Deadweight (MT): 105,315  
Gross Tonnage (MT): 55,894

Length Overall (M): 228.60

Vessel: **M.T QUETTA**

Built: Japan



Deadweight (MT): 107,215  
Gross Tonnage (MT): 58,118

Length Overall (M): 246.80

Vessel: **M.T LAHORE**

Built: Japan



Deadweight (MT): 107,018  
Gross Tonnage (MT): 58,157

Length Overall (M): 246.80



## BULK CARRIERS

Vessel: **M.V SIBI** Built: Japan



Deadweight (MT): 28,442 Length Overall (M): 169.37  
Gross Tonnage (MT): 17,018

Vessel: **M.V MALAKAND** Built: Japan



Deadweight (MT): 76,830 Length Overall (M): 225.00  
Gross Tonnage (MT): 40,040

Vessel: **M.V HYDERABAD** Built: Japan



Deadweight (MT): 52,951 Length Overall (M): 188.50  
Gross Tonnage (MT): 29,365

Vessel: **M.V CHITRAL** Built: Japan



Deadweight (MT): 46,710 Length Overall (M): 185.73  
Gross Tonnage (MT): 26,395

Vessel: **M.V MULTAN** Built: Japan



Deadweight (MT): 50,244 Length Overall (M): 189.80  
Gross Tonnage (MT): 27,984

### TANKERS & BULK CARRIERS

SEGMENT	DEADWEIGHT (MT)	GROSS TONNAGE (MT)
TANKERS	683,699	373,327
BULK CARRIERS	255,177	140,804
<b>TOTAL</b>	<b>938,876</b>	<b>514,131</b>

The background features a hand holding a pen over a calculator and various financial charts, including bar graphs and line graphs, all in shades of blue and white. The text is overlaid on a dark blue geometric shape.

**(UNAUDITED)  
CONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS  
OF PAKISTAN NATIONAL  
SHIPPING CORPORATION  
(GROUP)**

**FOR THE QUARTER ENDED  
SEPTEMBER 30, 2024**

# Pakistan National Shipping Corporation and its Subsidiary Companies

## Consolidated Condensed Interim Statement of Financial Position

### As at September 30, 2024

		(Unaudited) September 30, 2024	(Audited) June 30, 2024
	Note	------(Rupees in '000)-----	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	35,570,203	36,500,711
Right-of-use assets		8,514	8,514
Intangible assets	6	160,336	160,445
Investment properties		4,320,352	4,320,352
Long-term investments in:			
- Related party (an associate)		-	-
- Listed companies and an other entity		35,475	36,874
Long-term loans		20,962	19,496
Deferred taxation		24,619	270,672
		<u>40,140,461</u>	<u>41,317,064</u>
<b>Current assets</b>			
Stores and spares		2,764,068	2,644,062
Trade debts	7	3,471,272	3,825,726
Agents' and owners' balances		33,269	10,195
Loans and advances		801,653	660,438
Trade deposits and short-term prepayments		41,986	41,659
Contract assets		688,150	1,532,741
Interest accrued on bank deposits and short-term investments		1,361,522	1,043,376
Other receivables	8	1,258,051	1,257,339
Taxation-net		1,127,185	889,066
Short-term investments	9	46,813,533	39,499,603
Cash and bank balances		6,157,746	7,172,765
		<u>64,618,435</u>	<u>58,676,970</u>
		<u>104,658,896</u>	<u>99,894,034</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY ATTRIBUTABLE TO THE OWNERS OF THE HOLDING COMPANY</b>			
<b>Authorised share capital</b>			
200,000,000 (2024: 200,000,000) ordinary shares of Rs 10 each		<u>2,000,000</u>	<u>2,000,000</u>
<b>Issued, subscribed and paid-up share capital</b>			
		1,320,634	1,320,634
<b>Reserves</b>			
Capital reserve		131,344	131,344
Revenue reserves		90,713,254	85,080,935
Remeasurement of post retirement benefits obligation - net of tax		(390,798)	(390,798)
Surplus on revaluation of property, plant and equipment - net of tax		2,170,853	2,170,853
<b>EQUITY ATTRIBUTABLE TO THE OWNERS OF THE HOLDING COMPANY</b>		<u>92,624,653</u>	<u>86,992,334</u>
<b>NON-CONTROLLING INTEREST</b>			
		14,596	14,596
<b>TOTAL EQUITY</b>		<u>93,959,883</u>	<u>88,327,564</u>
<b>Non-current liabilities</b>			
Long-term financing	10	1,735,215	1,952,583
Lease liabilities		11,878	11,878
Employees' benefits		1,118,183	1,128,785
		<u>2,865,276</u>	<u>3,093,246</u>
<b>Current liabilities</b>			
Trade and other payables	11	6,339,906	6,967,262
Contract liabilities		283,126	300,040
Provision against damage claims		44,080	22,408
Current portion of long-term financing		868,800	868,800
Current portion of lease liabilities		2,630	2,630
Unclaimed dividend		203,710	203,955
Accrued mark-up on long-term financing		91,485	108,129
		<u>7,833,737</u>	<u>8,473,224</u>
<b>TOTAL LIABILITIES</b>		<u>10,699,013</u>	<u>11,566,470</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>104,658,896</u>	<u>99,894,034</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	12		

The annexed notes 1 to 22 form an integral part of these consolidated condensed interim financial statements.

  
**Syed Jarar Haider Kazmi**  
 Chief Financial Officer

  
**Mr. Ahsan Ali Malik**  
 Director

  
**Capt. Sarfaraz Inayatullah Qureshi**  
 Director

**Pakistan National Shipping Corporation and its Subsidiary Companies**  
**Consolidated Condensed Interim Statement of Profit or Loss and**  
**Other Comprehensive Income**  
**For the quarter ended September 30, 2024 (Unaudited)**

		Quarter ended September 30, 2024	Restated Quarter ended September 30, 2023
	Note	------(Rupees in '000)-----	
<b>REVENUE FROM CONTRACT WITH CUSTOMERS</b>			
Income from shipping business		9,517,408	11,134,107
Other operating activities		1,240,389	2,094,076
		<u>10,757,797</u>	<u>13,228,183</u>
<b>REVENUE FROM OTHERS</b>			
Rental income		81,382	67,702
		<u>10,839,179</u>	<u>13,295,885</u>
<b>EXPENDITURE</b>			
Fleet expenses		(6,031,401)	(7,105,114)
Real estate expenses		(42,824)	(24,211)
		<u>(6,074,225)</u>	<u>(7,129,325)</u>
<b>GROSS PROFIT</b>			
		<u>4,764,954</u>	<u>6,166,560</u>
Administrative expenses		(439,463)	(419,642)
Impairment loss on financial assets		(16,465)	(84,743)
Other expenses		(190,283)	(130,362)
Other income		2,389,476	1,934,718
		<u>1,743,265</u>	<u>1,299,971</u>
<b>OPERATING PROFIT</b>			
		<u>6,508,219</u>	<u>7,466,531</u>
Finance costs	13	(140,238)	(400,715)
<b>PROFIT BEFORE LEVIES AND TAXATION</b>			
		<u>6,367,981</u>	<u>7,065,816</u>
Levies	14	(137,409)	(129,543)
<b>PROFIT BEFORE TAXATION</b>			
		<u>6,230,572</u>	<u>6,936,273</u>
Taxation	15	(596,607)	(667,423)
<b>PROFIT FOR THE PERIOD</b>			
		<u>5,633,965</u>	<u>6,268,850</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>			
		<u>5,633,965</u>	<u>6,268,850</u>
------(Rupees)-----			
<b>EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY - basic and diluted</b>			
		<u>42.66</u>	<u>47.46</u>

The annexed notes 1 to 22 form an integral part of these consolidated condensed interim financial statements.

  
**Syed Jarar Haider Kazmi**  
 Chief Financial Officer

  
**Mr. Ahsan Ali Malik**  
 Director

  
**Capt. Sarfaraz Inayatullah Qureshi**  
 Director

## Pakistan National Shipping Corporation and its Subsidiary Companies Consolidated Condensed Interim Statement of Changes in Equity For the quarter ended September 30, 2024 (Unaudited)

		Attributable to the owners of the Holding Company								
		Capital reserve*	General reserve	Unappropriated profit reserve	Sub-total revenue reserves	Provision for retirement of post benefits obligation - net of tax	Surplus on revaluation of property, plant and equipment - net of tax	Total reserves	Non-controlling interest	Total equity
Balance as at July 01, 2023		131,344	129,307	68,067,382	68,198,089	(194,034)	1,612,524	69,747,452	11,808	71,079,894
Transactions with owners recorded directly in equity										
Profit for the period		-	-	6,268,850	6,268,850	-	-	6,268,850	522	6,269,372
Other comprehensive income / (loss) for the period		-	-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	6,268,850	6,268,850	-	-	6,268,850	522	6,269,372
Balance as at September 30, 2023		<u>1,320,634</u>	<u>129,307</u>	<u>74,336,232</u>	<u>74,465,939</u>	<u>(194,034)</u>	<u>1,612,524</u>	<u>76,016,302</u>	<u>12,330</u>	<u>77,349,266</u>
Balance as at July 01, 2024		131,344	129,307	84,951,628	85,080,935	(390,798)	2,170,853	86,992,334	14,596	88,327,564
Profit for the period		-	-	5,632,319	5,632,319	-	-	5,632,319	-	5,632,319
Other comprehensive income / (loss) for the period		-	-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	5,632,319	5,632,319	-	-	5,632,319	-	5,632,319
Transferred from surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax		-	-	-	-	-	-	-	-	-
Balance as at September 30, 2024		<u>1,320,634</u>	<u>129,307</u>	<u>90,583,947</u>	<u>90,713,254</u>	<u>(390,798)</u>	<u>2,170,853</u>	<u>92,624,653</u>	<u>14,596</u>	<u>93,859,883</u>

\* This includes an amount transferred from shareholder's equity at the line of merger between former National Shipping Corporation (NSC) and Pakistan Shipping Corporation (PSC). The reserve is not utilisable for the purpose of distribution to shareholders.

The annexed notes 1 to 22 form an integral part of these consolidated condensed interim financial statements.

  
**Syed Jarar Haider Kazmi**  
Chief Financial Officer

  
**Mr. Ahsan Ali Malik**  
Director

  
**Capt. Sarfaraz Inayatullah Qureshi**  
Director

**Pakistan National Shipping Corporation and its Subsidiary Companies**  
**Consolidated Condensed Interim Statement of Cash Flows**  
**For the quarter ended September 30, 2024 (Unaudited)**

	Note	Quarter ended September 30, 2024	Quarter ended September 30, 2023
------(Rupees in '000)-----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	16	5,647,676	7,341,040
Employees' gratuity paid		(30,118)	(3,572)
Employees' compensated absences paid		(42,250)	(15,865)
Post-retirement medical benefits paid		(4,129)	(3,307)
Long-term loans		(1,466)	2,798
Finance costs paid		(156,882)	(418,095)
Income tax and levies paid		(726,082)	(448,107)
<b>Net cash generated from operating activities</b>		<b>4,686,749</b>	<b>6,454,892</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(78,391)	(651,709)
Short-term investments made - net		(7,752,456)	(11,133,437)
Interest received on short term investments and bank balances		491,161	1,364,429
Dividend received		8,902	125,361
<b>Net cash used in investing activities</b>		<b>(7,330,784)</b>	<b>(10,295,356)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long-term financing repaid		(217,368)	(3,771,214)
Dividend paid		(245)	(7)
<b>Net cash (used in) / generated from financing activities</b>		<b>(217,613)</b>	<b>(3,771,221)</b>
Net (decrease) / increase in cash and cash equivalents		(2,861,648)	(7,611,685)
Cash and cash equivalents at the beginning of the period		24,205,364	31,634,374
Exchange (loss) / gain on cash and cash equivalents		(33,718)	182,675
<b>Cash and cash equivalents at the end of the period</b>	17	<b>21,309,998</b>	<b>24,205,364</b>

The annexed notes 1 to 22 form an integral part of these consolidated condensed interim financial statements.

  
**Syed Jarar Haider Kazmi**  
 Chief Financial Officer

  
**Mr. Ahsan Ali Malik**  
 Director

  
**Capt. Sarfaraz Inayatullah Qureshi**  
 Director



# Pakistan National Shipping Corporation and its Subsidiary Companies

## Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements

### For the quarter ended September 30, 2024 (Unaudited)

#### 1. THE GROUP AND ITS OPERATIONS

The Group consist of Pakistan National Shipping Corporation (the Holding Company), its subsidiary companies and an associate (together 'the Group'). The Holding Company was formed under the provisions of the Pakistan National Shipping Corporation Ordinance, 1979 while the subsidiaries were formed and registered under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017), respectively. The Group is principally engaged in the business of shipping, including charter of vessels, transportation of cargo and other related services. The Group is also engaged in renting out its properties to tenants under lease agreements. The Group's registered office is situated at PNSC Building, Mouli Tamizuddin Khan Road, Karachi except for Pakistan Co-operative Ship Stores (Private) Limited which is situated at 70/4, Timber Pond, N.M Reclamation Kemari, Karachi.

The Group consists of:

#### Holding company

Pakistan National Shipping Corporation

Percentage of Shareholding

#### Subsidiary companies

- Bolan Shipping (Private) Limited*	100
- Chitral Shipping (Private) Limited*	100
- Hyderabad Shipping (Private) Limited*	100
- Jotnar Shipping (Private) Limited**	100
- Karachi Shipping (Private) Limited**	100
- Khairpur Shipping (Private) Limited*	100
- Lahore Shipping (Private) Limited*	100
- Lalazar Shipping (Private) Limited*	100
- Makran Shipping (Private) Limited**	100
- Malakand Shipping (Private) Limited*	100
- Multan Shipping (Private) Limited*	100
- National Ship Management and Crewing (Private) Limited**	100
- Pakistan Marine and Shipping Services Company (Private) Limited**	100
- Quetta Shipping (Private) Limited*	100
- Sargodha Shipping (Private) Limited*	100
- Shalimar Shipping (Private) Limited*	100
- Sibi Shipping (Private) Limited*	100
- Swat Shipping (Private) Limited**	100
- Pakistan Co-operative Ship Stores (Private) Limited	73

#### Associate

- Muhammadi Engineering Works (Private) Limited	49
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\* These wholly owned subsidiaries operate one vessel / tanker.

\*\* These wholly owned subsidiaries currently do not own any vessel.

#### 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

##### 2.1 Statement of compliance

These consolidated condensed interim financial statements of the Group for the first quarter ended September 30, 2023 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and State-owned Enterprises (Governance and Operations) Act 2023.

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. These consolidated condensed interim financial statements do not include all the information and disclosures required in an annual audited financial statements, and should be read in conjunction with the financial statements for the year ended June 30, 2024 as these provide an update of previously reported information.

- 2.2 These consolidated condensed interim financial statements comprise of the consolidated condensed interim statement of financial position as at September 30, 2024 and the consolidated condensed interim statement of profit or loss and other comprehensive income, the consolidated condensed interim statement of changes in equity, the consolidated condensed interim statement of cash flows and notes thereto for the quarter ended September 30, 2024.
- 2.3 The comparative statement of financial position presented in these consolidated condensed interim financial statements as at June 30, 2024 has been extracted from the annual audited consolidated financial statements of the Group for the year ended June 30, 2024 whereas the comparative consolidated condensed interim statement of profit or loss and other comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows for the quarter ended September 30, 2023 have been extracted from the consolidated condensed interim financial statements of the Group for the quarter period then ended, which were neither subject to a review nor audit.
- 2.4 These consolidated condensed interim financial statements are unaudited and are being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

##### 2.5 Basis of measurement

These consolidated condensed interim financial statements have been prepared under the historical cost convention except for land & buildings at revalued amounts less accumulated depreciation and impairment, staff retirement benefits and compensated absences which are carried at present value and investment property and financial instrument which are carried at fair value.

## 2.6 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees which is also the Group's functional currency and all financial information presented has been rounded-off to the nearest thousand Rupee except where stated otherwise.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### (a) Amendments to published approved accounting standards which are effective during the quarter ended September 30, 2024

There are certain amendments to approved accounting standards which are mandatory for the Group's annual accounting period which began on July 01, 2023. However, these do not have any significant impact on the Group's financial reporting and, therefore, have not been detailed in these consolidated condensed interim financial statements.

(b) Certain other new standards and amendments to the approved accounting standards will also be mandatory for the Group's annual accounting periods beginning on or after July 01, 2023. However, these amendments will not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these consolidated condensed interim financial statements.

## 4. SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS, ASSUMPTIONS AND FINANCIAL RISK MANAGEMENT

The preparation of consolidated condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses, however, actual results may differ from these estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognised prospectively commencing from the period of revision.

Judgements and estimates made by the management in the preparation of these consolidated condensed interim financial statements are the same as those applied in the Group's consolidated annual financial statements for the year ended June 30, 2024.

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

	Note	(Unaudited) September 30, 2024	(Audited) June 30, 2024
------(Rupees in '000)-----			
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1 & 5.2	33,851,233	34,707,222
Major spare parts and stand-by equipments	5.1	1,679,246	1,687,539
Capital work-in-progress (CWIP)		139,724	105,950
		<u>35,570,203</u>	<u>36,500,711</u>
		(Unaudited)	
		Quarter ended September 30, 2024	Quarter ended September 30, 2023
		------(Rupees in '000)-----	
5.1 Additions (including transfers from CWIP) during the period:			
Office equipments		4,045	528
Furniture and fixtures		120	340
Computer equipments		6,148	1,162
Spare parts capitalised		31,957	22,737
Class renewal and dry docking		-	623,904
Equipment on board		2,348	2,246
		<u>44,618</u>	<u>650,917</u>
5.2 Depreciation charge for the period		<u>1,008,899</u>	<u>738,263</u>
		(Unaudited) September 30, 2024	(Audited) June 30, 2024
		------(Rupees in '000)-----	
<b>6. INTANGIBLE ASSETS</b>			
Computer Software - (CWIP)		<u>160,336</u>	<u>160,445</u>
6.1 Intangibles also include cost of Rs 16.503 million of software "Ship Management Expert System" (SES). SES was being amortised over the useful life of five years and was fully amortised as on June 30, 2009, however, it is still in active use.			
		(Unaudited) September 30, 2024	(Audited) June 30, 2024
		------(Rupees in '000)-----	
<b>7. TRADE DEBTS - unsecured</b>			
- Due from related parties	7.1	4,517,799	4,378,086
- Due from others		<u>2,360,850</u>	<u>2,838,553</u>
		6,878,649	7,216,639
Allowance for expected credit loss	7.2	<u>(3,407,377)</u>	<u>(3,390,913)</u>
		<u>3,471,272</u>	<u>3,825,726</u>

7.1 Ageing analysis of amounts due from related parties, included in trade debts, is as follows:

	Upto 1 month	1 to 6 months	More than 6 months	(Unaudited) As at September 30, 2024	(Audited) As at June 30, 2024
	(Rupees in '000)				
Pakistan State Oil Company Limited	-	-	2,436,165	2,436,165	2,436,165
Pak Arab Refinery Limited	888,292	168,335	336,092	1,392,719	1,324,828
Pakistan Refinery Limited	219,718	-	13,702	233,420	255,215
Sui Northern Gas Pipelines Limited	2,642	-	-	2,642	12,634
District Controller of Stores	-	-	2,749	2,749	5,001
Embarkation Commandant	11,211	60,158	115,466	186,835	115,662
Officer Commanding PAF	98	23,218	91,375	114,691	110,254
Pakistan Ordnance Factory	13,450	-	14,975	28,425	14,975
Others	24,878	31,240	64,035	120,153	103,352
	<u>1,160,289</u>	<u>282,951</u>	<u>3,074,559</u>	<u>4,517,799</u>	<u>4,378,086</u>

	Note	(Unaudited) September 30, 2024	(Audited) June 30, 2024
		(Rupees in '000)	
7.2 Allowance for expected credit loss			
Opening balance		3,390,913	3,266,054
Charged during the period / year		<u>16,464</u>	<u>124,859</u>
Closing balance		<u>3,407,377</u>	<u>3,390,913</u>

8. OTHER RECEIVABLES

- Due from related parties	8.1	1,045,320	912,154
- Due from others		<u>406,781</u>	<u>539,235</u>
		1,452,101	1,451,389
Allowance for expected credit loss	8.2	<u>(194,050)</u>	<u>(194,050)</u>
		<u>1,258,051</u>	<u>1,257,339</u>

8.1 Related parties:

- Government of Pakistan		312,457	231,612
- Port Qasim Authority		502,019	403,534
- Karachi Port Trust		2,979	2,979
- National Insurance Company Limited		<u>227,865</u>	<u>274,029</u>
		<u>1,045,320</u>	<u>912,154</u>

8.2 Allowance for expected credit loss

Opening balance	194,050	171,314
Charged during the period / year	-	<u>22,736</u>
Closing balance	<u>194,050</u>	<u>194,050</u>

9. SHORT-TERM INVESTMENTS

Amortized Cost

Treasury-bills having maturity of three months or less	9.1	491,155	3,045,824
Term deposits with banks:			
- more than three months	9.2	300,000	6,000,000
- three months or less		<u>14,651,097</u>	<u>6,127,643</u>
		14,951,097	12,127,643
Fair value through profit or loss			
- Mutual funds	9.3	<u>31,361,281</u>	<u>24,326,136</u>
		<u>46,813,533</u>	<u>39,499,603</u>

9.1 During the period, effective interest rates ranging from 21.55% to 22.91% (June 30, 2024: 21.55% to 22.80%) per annum.

9.2 During the period, mark-up on term-deposits denominated in local currency ranges from 16.50% to 22.44% (June 30, 2024: 21.20% to 22.44%) per annum, whereas mark-up on term deposits denominated in foreign currency ranges from 7.85% to 8.50% (June 30, 2024: 6.25% to 8.50%) per annum.

	(Unaudited) September 30, 2024	(Audited) June 30, 2024
	(Rupees in '000)	
9.3 Movement of mutual funds		
Opening	24,326,136	3,232,258
Purchased during the period / year	32,902,959	43,832,340
Dividend reinvested during the period / year	4,959	1,857,406
Redeemed during the period / year	<u>(26,900,359)</u>	<u>(24,727,182)</u>
Unrealised gain on fair value	1,027,586	131,314
Closing	<u>31,361,281</u>	<u>24,326,136</u>

		(Unaudited) September 30, 2024	(Audited) June 30, 2024
	Note	------(Rupees in '000)-----	
<b>10. LONG TERM FINANCING - secured</b>			
Financing under musharika agreement	10.1	2,604,015	2,821,383
Less: Current portion of long-term financing shown in current liabilities	10.1	868,800	868,800
		<u>1,735,215</u>	<u>1,952,583</u>

10.1 The Corporation has obtained financing facility during the year ended June 30, 2023 with a consortium led by Faysal Bank Limited carrying mark-up at the rate of 3 months KIBOR + 0.12% per annum. The loan, along with mark-up, is repayable on a quarterly basis with the last repayment date on July 27, 2027. As of the reporting date, the Corporation has drawn Rs. 2,064 million and Rs. 2,280 million to finance its subsidiary companies namely Lalazar Shipping (Private) Limited and Sargodha Shipping (Private) Limited respectively for purchase of vessels. The facility is secured by way of first mortgage charge over procured vessels owned by respective subsidiaries.

		(Unaudited) September 30, 2024	(Audited) June 30, 2024
	Note	------(Rupees in '000)-----	
<b>11. TRADE AND OTHER PAYABLES</b>			
Creditors		455,201	524,527
Advance from charterers		65,494	57,412
Agents' and owners' balances		581,763	727,746
Accrued liabilities		4,957,342	5,017,692
Deposits	11.1	151,684	78,283
Workers' Profit Participation Fund		53,946	477,963
Withholding tax payable		64,972	75,585
Other liabilities		8,504	8,054
		<u>6,339,906</u>	<u>6,967,262</u>

11.1 These deposits are interest free and are repayable on demand or on completion of specific contracts. As per the requirements of section 217 of the Companies Act, 2017 deposits are kept in separate bank accounts.

## 12. CONTINGENCIES AND COMMITMENTS

### Contingencies

12.1 There are no major changes in the status of contingencies as reported in the annual audited consolidated financial statements for the year ended June 30, 2024, except for:

The contingent liability in respect of claims not acknowledged by the Holding Company aggregated to Rs. 274.612 million as of the period end (June 30, 2024: Rs. 535.711 millions). These claims mainly relate to deficiencies in shipping documentation, delay in delivery of cargo and damages to cargo. A sum of Rs. 230.532 million (June 30, 2024: Rs. 512.350 millions) would be recoverable from P&I Club, Steamship Mutual Underwriting Association (Bermuda) Limited in the event that these claims are accepted by the Holding Company. As a matter of prudence, the management has made a total provision of Rs. 44.080 million (June 30, 2024: Rs.22.408 million) against the aforementioned claims in these consolidated condensed interim financial

		(Unaudited)	
		Quarter ended September 30, 2024	Quarter ended September 30, 2023
		------(Rupees in '000)-----	
<b>13. FINANCE COST</b>			
Mark-up on long-term financing		136,934	397,230
Bank charges		3,304	3,485
		<u>140,238</u>	<u>400,715</u>
<b>14. LEVIES</b>			
Final taxes		68,707	46,099
Minimum taxes		66,930	63,092
Super tax		1,772	20,352
		<u>137,409</u>	<u>129,543</u>

		(Unaudited)	
		Quarter ended September 30, 2024	Quarter ended September 30, 2023
Note		----- (Rupees in '000) -----	
<b>15. TAXATION</b>			
Tax charge for:			
- Current		350,554	667,423
- Deferred		246,053	-
		<u>596,607</u>	<u>667,423</u>
<b>16. CASH GENERATED FROM OPERATIONS</b>			
Profit before levies and taxation		6,367,981	7,065,816
Adjustments for non-cash charges and other items:			
Depreciation		1,008,899	738,263
Amortization		109	-
Provision for employees' gratuity		36,276	32,537
Provision for employees' compensated absences		27,629	23,571
Provision for post-retirement medical benefits		1,990	2,481
Provision no longer required written back		(30,791)	(1,701)
Income from saving accounts and term deposits		(809,307)	(1,337,132)
Workers Profit Participation Fund		53,946	-
Finance cost		140,238	400,715
Balances written-off		-	14,929
Impairment loss		16,465	84,743
Loss / (gain) on revaluation of long-term investments in listed securities		1,399	(1,947)
Capital Gain on mutual funds		(427,335)	-
Unrealized gain on mutual funds		(1,027,586)	-
Dividend Income		(8,902)	(125,361)
Unrealized exchange loss / (gain)		33,718	(392,683)
Net increase in damage claims		21,672	126
Working capital changes	16.1	241,275	836,683
		<u>5,647,676</u>	<u>7,341,040</u>
<b>16.1 Working capital changes</b>			
(Increase) / decrease in current assets			
Stores and spares		(120,006)	(481,844)
Trade debts - unsecured		337,990	957,240
Agents' and owners' balances - unsecured		(23,074)	5,800
Loans and advances		(141,215)	(236,119)
Trade deposits and short-term prepayments		(327)	(4,010)
Other receivables		(712)	(306,462)
Contract asset		844,591	169,895
		897,247	104,500
Increase / (decrease) in current liabilities			
Trade and other payables		(639,058)	845,671
Contract liabilities		(16,914)	(113,488)
		<u>(655,972)</u>	<u>732,183</u>
		<u>241,275</u>	<u>836,683</u>
<b>17. CASH AND CASH EQUIVALENTS</b>			
Short-term investments having maturity of three months or less	9	15,152,252	17,086,204
Cash and bank balances		6,157,746	7,119,160
		<u>21,309,998</u>	<u>24,205,364</u>
<b>18. FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES</b>			
<b>18.1 Financial risk factors</b>			
The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk, currency risk and price risk), credit risk and liquidity risk.			
These consolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended June 30, 2024. There have been no changes in risk management policies since the year end.			

## 18.2 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

### Fair value hierarchy

As at September 30, 2024, the Group's all assets and liabilities are carried at cost / revalued less accumulated depreciation / impairment, if any, or at amortised cost except for those mentioned below:

The Group's leasehold land, buildings on leasehold land, beach huts and workshop machinery and equipment are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. The fair value measurements of the Group's leasehold land, buildings on leasehold land, beach huts and workshop machinery and equipment as at June 30, 2024.

The Group classifies investment properties and long-term investments in listed companies measured at fair value in the statement of financial position. The latest fair valuation of the Holding Company's investment properties was performed by an independent valuer as at June 30, 2024.

The valuation techniques and inputs used to develop fair value measurements of aforementioned assets are as follows:

**Level 1:** Quoted prices in active markets for identical assets or liabilities;

**Level 2:** Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

**Level 3:** Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the period.

Details of fair value hierarchy and information relating to fair value of Group's leasehold land, buildings on leasehold land, beach huts, workshop machinery and equipments, investments categorised as fair value through profit or loss and investment properties are as follows:

	(Unaudited)			
	September 30, 2024			Total
Level 1	Level 2	Level 3		
	( Rupees in '000)			
<b>Assets carried at fair value</b>				
Long-term investments in listed companies and other entity	35,475	-	-	35,475
Short-term investments - mutual funds	31,361,281	-	-	31,361,281
	<b>31,396,756</b>	-	-	<b>31,396,756</b>
Leasehold land	-	-	1,687,179	1,687,179
Buildings on leasehold land	-	-	1,129,538	1,129,538
Beach huts	-	-	15,791	15,791
Workshop machinery and equipments	-	-	28,808	28,808
Investment properties	-	-	4,320,352	4,320,352
	<b>31,396,756</b>	-	<b>7,181,668</b>	<b>38,578,424</b>
(Audited)				
June 30, 2024				
Level 1	Level 2	Level 3	Total	
( Rupees in '000)				
<b>Assets carried at fair value</b>				
Long-term investments in listed companies and other entity	36,874	-	-	36,874
Short-term investments - mutual funds	24,326,136	-	-	24,326,136
	<b>24,363,010</b>	-	-	<b>24,363,010</b>
Leasehold land	-	-	1,687,179	1,687,179
Buildings on leasehold land	-	-	1,129,538	1,129,538
Beach huts	-	-	15,791	15,791
Workshop machinery and equipments	-	-	28,808	28,808
Investment properties	-	-	4,320,352	4,320,352
	<b>24,363,010</b>	-	<b>7,181,668</b>	<b>31,544,678</b>

## 19. TRANSACTIONS WITH RELATED PARTIES

The Group has related party relationships with its associate, Government of Pakistan and its related entities, employee benefit plans and its directors and executive officers (including their associates). Transactions with related parties essentially entail freight income, chartering revenue recovered, recovery of demurrage, rental income and employee funds maintained by the Holding Company. Balances with related parties have been disclosed in the relevant notes to these consolidated condensed interim financial statements. Further, transactions entered into with the key management personnel as per their terms of employment are also included in related party transactions.

The significant transactions carried out by the Group with related parties during the period are given below:

Name and particulars	Relationship with the Group	(Unaudited)	
		Quarter ended September 30, 2024	Quarter ended September 30, 2023
----- (Rupees in '000) -----			
<b>Transactions with State owned / controlled entities</b>			
Freight income		5,793,712	6,409,919
Income from other operating activities		51,798	507,637
Rental income		7,410	7,268
Rental and other expenses		12,046	8,050
<b>Transactions with other related parties</b>			
Contribution to provident fund	Employees benefit plan	1,095	1,179
Directors' fee and traveling allowances	Key management personnel	1,031	2,259
Remuneration and other benefits	Key management personnel	14,815	18,678

## 20. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation in these consolidated condensed interim financial statements.

## 21. GENERAL

Figures have been rounded-off to the nearest thousand of rupees unless otherwise stated.

## 22. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on October 22, 2024 by the Board of Directors of the Holding Company.

  
**Syed Jarar Haider Kazmi**  
 Chief Financial Officer

  
**Mr. Ahsan Ali Malik**  
 Director

  
**Capt. Sarfaraz Inayatullah Qureshi**  
 Director

The background features a blurred image of a laptop and a hand holding a document with financial charts. A large, stylized 'X' shape is overlaid on the image, formed by two intersecting diagonal bands in dark blue and light blue. The text is centered over the document.

**(UNAUDITED)  
UNCONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS  
OF PAKISTAN NATIONAL  
SHIPPING CORPORATION**

**FOR THE QUARTER ENDED  
SEPTEMBER 30, 2024**



# Pakistan National Shipping Corporation and its Subsidiary Companies

## Unconsolidated Condensed Interim Statement of Financial Position

### As at September 30, 2024

		(Unaudited) September 30, 2024	(Audited) June 30, 2024
(Rupees in '000)			
<b>ASSETS</b>	<b>Note</b>		
<b>Non-current assets</b>			
Property, plant and equipment	5	3,112,543	3,095,362
Right-of-use assets		8,514	8,514
Intangible assets	6	160,336	160,445
Investment properties		4,320,352	4,320,352
Long-term investments in:			
- Related parties (subsidiaries and an associate)		46,115,988	46,115,988
- Listed companies and an other entity		35,475	36,874
		46,151,463	46,152,862
Long-term loans		20,962	19,496
Deferred taxation		24,619	270,672
		53,798,789	54,027,703
<b>Current assets</b>			
Trade debts	7	675,541	515,378
Agents' and owners' balances		32,655	10,195
Loans and advances		206,059	241,050
Trade deposits and short-term prepayments		38,621	37,745
Contract assets		283,111	531,247
Interest accrued on bank deposits and short-term investments		1,361,522	1,043,376
Other receivables	8	875,344	674,278
Taxation - net		1,600,075	1,362,305
Short-term investments	9	46,776,302	39,464,578
Cash and bank balances		6,154,669	7,169,248
		57,903,899	51,049,400
<b>TOTAL ASSETS</b>		<b>111,702,688</b>	<b>105,077,103</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorised share capital</b>		2,000,000	2,000,000
200,000,000 ordinary shares of Rs. 10 each (2024: 200,000,000 ordinary shares)			
<b>Issued, subscribed and paid-up share capital</b>		1,320,634	1,320,634
<b>Reserves</b>			
Capital reserve		126,843	126,843
Revenue reserve - unappropriated profit		15,955,723	14,528,229
Remeasurement of post retirement benefits obligation - net of tax		(390,796)	(390,796)
Surplus on revaluation of property, plant and equipment - net of tax		2,167,806	2,167,806
		17,859,576	16,432,082
		19,180,210	17,752,716
<b>Non-current liabilities</b>			
Long-term financing	10	1,735,215	1,952,583
Lease liabilities		11,878	11,878
Employees' benefits		1,118,183	1,128,785
		2,865,276	3,093,246
<b>Current liabilities</b>			
Trade and other payables	11	88,315,273	82,834,965
Contract liabilities		149,706	190,254
Provision against damage claims		25,598	22,408
Current portion of long-term financing		868,800	868,800
Current portion of lease liabilities		2,630	2,630
Unclaimed dividend		203,710	203,955
Accrued mark-up on long-term financing		91,485	108,129
		89,657,202	84,231,141
<b>TOTAL LIABILITIES</b>		<b>92,522,478</b>	<b>87,324,387</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>111,702,688</b>	<b>105,077,103</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	12		

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

  
**Syed Jarar Haider Kazmi**  
Chief Financial Officer

  
**Mr. Ahsan Ali Malik**  
Director

  
**Capt. Sarfaraz Inayatullah Qureshi**  
Director

**Pakistan National Shipping Corporation and its Subsidiary Companies**  
**Unconsolidated Condensed Interim Statement of Profit or Loss and**  
**Other Comprehensive Income**  
**For the quarter ended September 30, 2024 (Unaudited)**

	Quarter ended September 30, 2024	Restated Quarter ended September 30, 2023
Note	----- (Rupees in '000) -----	
<b>REVENUE FROM CONTRACT WITH CUSTOMERS</b>		
Freight income - foreign flag vessels	607,977	3,078,903
Service fees	318,342	323,631
Other operating activities	8,820	86,589
	<u>935,139</u>	<u>3,489,123</u>
<b>REVENUE FROM OTHERS</b>		
Rental income	81,382	66,632
	<u>1,016,521</u>	<u>3,555,755</u>
<b>EXPENDITURE</b>		
Fleet expenses	(494,310)	(2,132,352)
Vessel management expenses	(374,732)	(259,314)
Real estate expenses	(42,824)	(24,211)
	<u>(911,866)</u>	<u>(2,415,877)</u>
	<u>104,655</u>	<u>1,139,878</u>
<b>GROSS PROFIT</b>		
Administrative expenses	(52,654)	(104,855)
Impairment loss on financial assets	-	(41,742)
Other expenses	(161,123)	(116,947)
Other income	2,372,233	1,732,883
	<u>2,158,456</u>	<u>1,469,339</u>
	<u>2,263,111</u>	<u>2,609,217</u>
<b>OPERATING PROFIT</b>		
Finance costs	13 (137,262)	(397,597)
	<u>2,125,849</u>	<u>2,211,620</u>
<b>PROFIT BEFORE LEVIES AND TAXATION</b>		
Levies	14 (101,748)	(92,341)
	<u>2,024,101</u>	<u>2,119,279</u>
<b>PROFIT BEFORE TAXATION</b>		
Taxation	15 (596,607)	(667,424)
	<u>1,427,494</u>	<u>1,451,855</u>
<b>PROFIT FOR THE PERIOD</b>		
	<u>1,427,494</u>	<u>1,451,855</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		
	<u>1,427,494</u>	<u>1,451,855</u>
	----- (Rupees) -----	
<b>EARNINGS PER SHARE - basic and diluted</b>		
	<u>10.81</u>	<u>10.99</u>

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

  
**Syed Jarar Haider Kazmi**  
 Chief Financial Officer

  
**Mr. Ahsan Ali Malik**  
 Director

  
**Capt. Sarfaraz Inayatullah Qureshi**  
 Director

**Pakistan National Shipping Corporation and its Subsidiary Companies**  
**Unconsolidated Condensed Interim Statement of Changes in Equity**  
**For the quarter ended September 30, 2024 (Unaudited)**

	Issued, subscribed and paid-up share capital	Capital reserve*	Revenue reserve - unappropriated profit	Remeasurement of post-retirement benefits obligation - net of tax	Surplus on revaluation of property, plant and equipment - net of tax	Total equity
(Rupees in '000)						
Balance as at July 01, 2023	1,320,634	126,843	12,840,594	(194,032)	1,612,524	15,706,563
Profit for the period	-	-	1,451,855	-	-	1,451,855
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the first quarter ended September 30, 2023	-	-	1,451,855	-	-	1,451,855
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax	-	-	-	-	-	-
Balance as at September 30, 2023	1,320,634	126,843	14,292,449	(194,032)	1,612,524	17,158,418
Balance as at July 01, 2024	1,320,634	126,843	14,528,229	(390,796)	2,167,806	17,752,716
<b>Transactions with owners</b>						
Profit for the period	-	-	1,427,494	-	-	1,427,494
Other comprehensive income / (loss)	-	-	-	-	-	-
Total comprehensive income for the first quarter ended September 30, 2024	-	-	1,427,494	-	-	1,427,494
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax	-	-	-	-	-	-
Balance as at September 30, 2024	1,320,634	126,843	15,955,723	(390,796)	2,167,806	19,180,210

\* This includes an amount transferred from shareholder's equity at the time of merger between former National Shipping Corporation (NSC) and Pakistan Shipping Corporation (PSC). The reserve is not utilisable for the purpose of distribution to shareholders.

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

  
**Syed Jarar Haider Kazmi**  
 Chief Financial Officer

  
**Mr. Ahsan Ali Malik**  
 Director

  
**Capt. Sarfaraz Inayatullah Qureshi**  
 Director

**Pakistan National Shipping Corporation and its Subsidiary Companies**  
**Unconsolidated Condensed Interim Statement of Cash Flows**  
**For the quarter ended September 30, 2024 (Unaudited)**

	Note	Quarter ended September 30, 2024	Quarter ended September 30, 2023
------(Rupees in '000)-----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	16	5,583,462	6,643,796
Employees' gratuity paid		(30,118)	(3,572)
Employees' compensated absences paid		(42,250)	(15,865)
Post-retirement medical benefits paid		(4,129)	(3,307)
Finance costs paid		(153,906)	(414,677)
Income tax and levies paid		(690,072)	(404,046)
Long-term loans		(1,466)	2,618
<b>Net cash generated from operating activities</b>		<b>4,661,521</b>	<b>5,804,947</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(44,087)	(1,956)
Short-term investments made - net		(7,762,874)	(11,125,478)
Interest received on short term investments		491,161	1,360,871
Dividend received		8,902	125,361
<b>Net cash (used in) / generated from investing activities</b>		<b>(7,306,898)</b>	<b>(9,641,202)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long-term financing repaid		(217,368)	(3,771,214)
Dividend paid		(245)	(7)
<b>Net cash (used in) / generated from financing activities</b>		<b>(217,613)</b>	<b>(3,771,221)</b>
Net (decrease) / increase in cash and cash equivalents		<b>(2,862,990)</b>	<b>(7,607,476)</b>
Cash and cash equivalents at the beginning of the year		24,203,629	31,628,430
Exchange (loss) / gain on cash and cash equivalents		(33,718)	182,675
<b>Cash and cash equivalents at the end of the period</b>	17	<b>21,306,921</b>	<b>24,203,629</b>

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

  
**Syed Jarar Haider Kazmi**  
 Chief Financial Officer

  
**Mr. Ahsan Ali Malik**  
 Director

  
**Capt. Sarfaraz Inayatullah Qureshi**  
 Director

# Pakistan National Shipping Corporation and its Subsidiary Companies

## Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements

### For the quarter ended September 30, 2024 (Unaudited)

#### 1. THE CORPORATION AND ITS OPERATIONS

- 1.1 Pakistan National Shipping Corporation (the Corporation) was established under the provisions of the Pakistan National Shipping Corporation Ordinance, 1979 and is principally engaged in the business of shipping, including charter of vessels, transportation of cargo and other related services and providing commercial, technical, administrative, financial and other services to its subsidiaries and third parties in relation to the business of shipping. The Corporation is also engaged in renting out its properties to tenants under lease arrangements. The Corporation is listed on the Pakistan Stock Exchange. The Corporation's registered office is situated at PNSC Building, Mouvi Tamizuddin Khan Road, Karachi.
- 1.2 These unconsolidated condensed interim financial statements are separate financial statements of the Corporation in which investments in subsidiaries and associate are accounted for at cost less accumulated impairment losses, if any.

#### 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

##### 2.1 Statement of compliance

These unconsolidated condensed interim financial statements of the Corporation for the quarter ended September 30, 2024 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and State-owned Enterprises (Governance and Operations) Act 2023.

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. These unconsolidated condensed interim financial statements do not include all the information and disclosures required in an annual audited financial statements, and should be read in conjunction with the financial statements for the year ended June 30, 2024 as these provide an update of previously reported information.

- 2.2 These unconsolidated condensed interim financial statements comprise of the unconsolidated condensed interim statement of financial position as at September 30, 2024 and the unconsolidated condensed interim statement of profit or loss and other comprehensive income, the unconsolidated condensed interim statement of changes in equity, the unconsolidated condensed interim statement of cash flows and notes thereto for the first quarter ended September 30, 2024.
- 2.3 The comparative statement of financial position presented in these unconsolidated condensed interim financial statements as at June 30, 2024 has been extracted from the annual audited financial statements of the Corporation for the year ended June 30, 2024 whereas the comparative unconsolidated condensed interim statement of profit or loss and other comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows for the quarter ended September 30, 2023 have been extracted from the unconsolidated condensed interim financial statements of the Corporation for the quarter then ended, which were neither subject to a review nor audit.
- 2.4 These unconsolidated condensed interim financial statements are unaudited and are being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

##### 2.5 Basis of measurement

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for land & buildings at revalued amounts less accumulated depreciation and impairment, staff retirement benefits and compensated absences which are carried at present value and investment property and financial instruments which are carried at fair value.

##### 2.6 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees which is also the Corporation's functional currency and all financial information presented has been rounded-off to the nearest thousand Rupee except where stated otherwise.

#### 3. SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the unconsolidated financial statements for the year ended June 30, 2024.

##### 3.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

###### (a) Amendments to published approved accounting standards which are effective during the quarter ended September 30, 2024

There are certain amendments to approved accounting standards which are mandatory for the Corporation's annual accounting period which began on July 01, 2023. However, these do not have any significant impact on the Corporation's financial reporting and, therefore, have not been detailed in these unconsolidated condensed interim financial statements.

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

Certain new standards and amendments to the approved accounting standards will be mandatory for the Corporation's annual accounting periods beginning on or after July 01, 2023. However, these amendments will not have any significant impact on the financial reporting of the Corporation and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

#### 4. SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS, ASSUMPTIONS AND FINANCIAL RISK MANAGEMENT

The preparation of unconsolidated condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses, however, actual results may differ from these estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognised prospectively commencing from the period of revision.

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the Corporation's unconsolidated annual financial statements for the year ended June 30, 2024.

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

		(Unaudited) September 30, 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1 & 5.2	2,972,819	2,989,412
Capital work-in-progress (CWIP)		139,724	105,950
		<u>3,112,543</u>	<u>3,095,362</u>
		----- (Unaudited) -----	
		Quarter ended September 30, 2024	Quarter ended September 30, 2023
		----- (Rupees in '000) -----	
<b>5.1 Additions (including transfers from CWIP) during the period:</b>			
Office equipments		4,045	528
Furniture and fixtures		120	340
Computer equipment		6,148	1,087
		<u>10,313</u>	<u>1,955</u>
<b>5.2 Depreciation charge for the period</b>			
		<u>26,903</u>	<u>20,459</u>
		----- (Unaudited) -----	
		(Unaudited) September 30, 2024	(Audited) June 30, 2024
		----- (Rupees in '000) -----	
<b>6. INTANGIBLE ASSETS</b>			
Computer Software - CWIP	6.1	<u>160,336</u>	<u>160,445</u>
<b>6.1</b> It represents payments made for DANAOS software which is under development.			
<b>6.2</b> Intangible also include cost of Rs 16.503 million of software "Ship Management Expert System" (SES). SES was being amortised over the useful life of five years and was fully amortised as on June 30, 2009, however, it is still in active use.			
		(Unaudited) September 30, 2024	(Audited) June 30, 2024
		----- (Rupees in '000) -----	
<b>7. TRADE DEBTS - unsecured</b>			
- Due from related parties	7.1	2,376,777	2,319,354
- Due from others		<u>396,856</u>	<u>394,116</u>
		<u>2,773,633</u>	<u>2,713,470</u>
Less: Allowance for expected credit loss (ECL)	7.2	<u>2,198,092</u>	<u>2,198,092</u>
		<u>575,541</u>	<u>515,378</u>

7.1 Ageing analysis of amounts due from related parties, included in trade debts, are as follows:

	Upto 1 month	1 to 6 months	More than 6 months	(Unaudited) As at September 30, 2024	(Audited) As at June 30, 2024
(Rupees in '000)					
Pakistan State Oil Company Limited	-	-	1,849,833	1,849,833	1,849,833
Pak Arab Refinery Limited	-	-	59,065	59,065	95,259
Pakistan Refinery Limited	-	-	12,384	12,384	12,384
Sui Northern Gas Pipelines Limited	2,642	-	-	2,642	12,634
National Refinery Limited	-	-	-	-	-
District Controller of Stores	-	-	2,749	2,749	5,001
Embarkation Commandant	11,211	60,158	115,466	186,835	115,662
Officer Commanding PAF	98	23,218	91,375	114,691	110,254
Pakistan Ordnance Factory	13,450	-	14,975	28,425	14,975
Others	24,878	31,240	64,035	120,153	103,352
	<b>52,279</b>	<b>114,616</b>	<b>2,209,862</b>	<b>2,376,777</b>	<b>2,319,354</b>

	Note	(Unaudited) September 30, 2024	(Audited) June 30, 2024
(Rupees in '000)			
7.2 Allowance for ECL			
Opening balance		2,198,092	1,929,383
Charged during the period / year		-	272,297
Write-off during the period / year		-	(3,588)
Closing balance		<b>2,198,092</b>	<b>2,198,092</b>

8. OTHER RECEIVABLES

- Due from related parties	8.1	817,455	638,124
- Due from others		115,209	93,474
		<b>932,664</b>	<b>731,598</b>
Less: Allowance for ECL	8.2	57,320	57,320
		<b>875,344</b>	<b>674,278</b>

8.1 Related parties:

- Government of Pakistan		312,457	231,612
- Port Qasim Authority		502,019	403,533
- Karachi Port Trust		2,979	2,979
		<b>817,455</b>	<b>638,124</b>

8.2 Allowance for ECL

Opening balance		57,320	80,637
Charged / (reversal) during the period / year		-	(23,317)
Closing balance		<b>57,320</b>	<b>57,320</b>

9. SHORT-TERM INVESTMENTS

Amortised cost

Treasury-bills having maturity of three months or less	9.1	491,155	3,045,824
Term-deposits with banks having maturity of:			
- more than three months		300,000	6,000,000
- three months or less		14,661,097	6,127,643
	9.2	<b>14,961,097</b>	<b>12,127,643</b>

Fair value through profit or loss

- Mutual funds	9.3	31,324,050	24,291,111
		<b>46,776,302</b>	<b>39,464,578</b>

9.1 During the period, effective interest rates ranging from 21.55% to 21.91% (June 30, 2024: 21.55% to 22.80%) per annum.

9.2 During the period, mark-up on term-deposits denominated in local currency ranges from 16.50% to 22.44% (June 30, 2024: 21.20% to 22.44%) per annum, whereas mark-up on term deposits denominated in foreign currency ranges from 7.85% to 8.50% (June 30, 2024: 6.25% to 8.50%) per annum.

		(Unaudited) September 30, 2024	(Audited) June 30, 2024
	Note	------(Rupees in '000)-----	
<b>9.3 Movement of mutual funds</b>			
Opening		24,291,111	3,232,258
Purchased during the period / year		32,902,959	43,802,340
Dividend reinvested during the period / year		4,959	1,852,491
Redeemed during the period / year		(26,900,359)	(24,727,162)
Unrealised gain on fair value		1,025,380	131,204
Closing		<u>31,324,050</u>	<u>24,291,111</u>
<b>10. LONG-TERM FINANCING - secured</b>			
Financing under musharika agreement	10.1	2,604,015	2,821,383
Less: Current portion of long-term financing shown in current liabilities	10.1	868,800	868,800
		<u>1,735,215</u>	<u>1,952,583</u>
10.1 The Corporation has obtained financing facility during the year ended June 30, 2023 with a consortium led by Faysal Bank Limited carrying mark-up at the rate of 3 months KIBOR + 0.12% per annum. The loan, along with mark-up, is repayable on a quarterly basis with the last repayment date on July 27, 2027. As of the reporting date, the Corporation has drawn Rs. 2,064 million and Rs. 2,280 million to finance its subsidiary companies namely Lalazar Shipping (Private) Limited and Sargodha Shipping (Private) Limited respectively for purchase of vessels. The facility is secured by way of first mortgage charge over procured vessels owned by respective subsidiaries.			
		(Unaudited) September 30, 2024	(Audited) June 30, 2024
	Note	------(Rupees in '000)-----	
<b>11. TRADE AND OTHER PAYABLES</b>			
Creditors		141,769	188,266
Current account balances with subsidiary companies		85,975,098	79,792,991
Agents' and owners' balances		581,763	727,744
Accrued liabilities		1,336,809	1,486,351
Deposits	11.1	151,684	78,283
Workers' Profit Participation Fund		53,946	477,963
Withholding tax payable		64,700	75,313
Other liabilities		9,504	8,054
		<u>88,315,273</u>	<u>82,834,965</u>
11.1 These deposits are interest free and are repayable on demand or on completion of specific contracts. As per the requirements of section 217 of the Companies Act, 2017 deposits are kept in separate bank accounts.			
<b>12. CONTINGENCIES AND COMMITMENTS</b>			
<b>Contingencies</b>			
12.1 There are no major changes in the status of contingencies as reported in the annual audited unconsolidated financial statements for the year ended June 30, 2024, except for:			
The contingent liability in respect of claims not acknowledged by the Corporation aggregated to Rs. 228.052 million as of the period end (June 30, 2024: Rs. 535.711 millions). These claims mainly relate to deficiencies in shipping documentation, delay in delivery of cargo and damages to cargo. A sum of Rs. 202.455 million (June 30, 2024: Rs. 512.350 millions) would be recoverable from P&I Club, Steamship Mutual Underwriting Association (Bermuda) Limited in the event that these claims are accepted by the Corporation. As a matter of prudence, the management has made a total provision of Rs. 25.598 million (June 30, 2024: Rs. 22.408 million) against the aforementioned claims in these unconsolidated condensed interim financial statements.			
		(Unaudited) September 30, 2024	(Audited) June 30, 2024
	Note	------(Rupees in '000)-----	
<b>13. FINANCE COST</b>			
Mark-up on long-term financing		136,934	397,230
Bank charges		328	367
		<u>137,262</u>	<u>397,597</u>
<b>14. LEVIES</b>			
Final taxes		68,707	46,099
Minimum taxes		31,269	25,890
Super tax		1,772	20,352
		<u>101,748</u>	<u>92,341</u>
<b>15. TAXATION</b>			
Tax charge for:			
- Current		350,554	667,424
- Deferred		246,053	-
		<u>596,607</u>	<u>667,424</u>



		(Unaudited)	
		Quarter ended September 30, 2024	Quarter ended September 30, 2023
		----- (Rupees in '000) -----	
<b>16. CASH GENERATED FROM / (USED IN) OPERATIONS</b>	Note		
Profit before levies and taxation		2,125,849	2,211,620
Adjustments for non-cash charges and other items:			
Depreciation		26,903	20,459
Amortization		109	-
Provision for employees' gratuity		35,766	32,236
Provision for employees' compensated absences		27,629	23,571
Provision for post-retirement medical benefits		1,990	2,481
Provision no longer required written back		(29,379)	-
Workers Profit Participation Fund		53,946	-
Finance cost		137,262	397,597
Income from saving accounts and term deposits		(809,307)	(1,337,103)
Capital Gain on mutual funds		(427,335)	-
Unrealized gain on mutual funds		(1,025,380)	-
Balances written-off		-	3,428
Impairment loss on financial assets		-	41,742
Loss / (gain) on revaluation of long-term investments in listed securities		1,399	(1,947)
Dividend income		(8,902)	(125,361)
Unrealized exchange loss / (gain)		33,718	(290,811)
Net increase in damage claims		3,190	126
Working capital changes	16.1	5,436,004	5,665,758
		<b>5,583,462</b>	<b>6,643,796</b>
<b>16.1. Working capital changes</b>			
(Increase) / decrease in current assets:			
Trade debts - unsecured		(60,163)	(344,040)
Contract assets		248,136	-
Agents' and owners' balances - unsecured		(22,460)	5,800
Loans and advances		34,991	(125,771)
Trade deposits and short-term prepayments		(876)	(1,430)
Other receivables		(201,066)	(136,358)
		(1,438)	(601,799)
Increase / (decrease) in current liabilities:			
Trade and other payables		5,477,990	6,388,517
Contract liabilities		(40,548)	(120,960)
		<b>5,437,442</b>	<b>6,267,557</b>
		<b>5,436,004</b>	<b>5,665,758</b>
<b>17. CASH AND CASH EQUIVALENTS</b>			
Short-term investments having maturity of three months or less		15,152,252	17,086,204
Cash and bank balances		6,154,669	7,117,425
		<b>21,306,921</b>	<b>24,203,629</b>
<b>18. FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES</b>			
<b>18.1 Financial risk factors</b>			
The Corporation's activities expose it to a variety of financial risks: market risk (including interest rate risk, currency risk and price risk), credit risk and liquidity risk.			
These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Corporation's annual unconsolidated financial statements as at June 30, 2024. There have been no changes in risk management policies since the year end.			
<b>18.2 Fair value estimation</b>			
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.			

## Fair value hierarchy

As at September 30, 2024, the Corporation's all assets and liabilities are carried at cost less accumulated depreciation / impairment, if any, or at amortised cost except for those mentioned below:

The Corporation's leasehold land, buildings on leasehold-land, beach huts and workshop machinery and equipment are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. The fair value measurements of the Corporation's leasehold-land, buildings on leasehold-land, beach huts and workshop machinery and equipment as at June 30, 2024 was performed by an independent valuer.

The Corporation classifies investment properties and long-term investments in listed companies measured at fair value in the statement of financial position. The latest fair valuation of the Corporation's investment properties was performed by an independent valuer as at June 30, 2024.

The valuation techniques and inputs used to develop fair value measurements of aforementioned assets are as follows:

**Level 1:** Quoted prices in active markets for identical assets or liabilities;

**Level 2:** Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

**Level 3:** Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the period.

Details of fair value hierarchy and information relating to fair value of Corporation's leasehold-land, buildings on leasehold-land, beach huts, workshop machinery and equipment, investments categorised as fair value through profit or loss and investment properties are as follows:

	(Unaudited)			
	September 30, 2024			
	Level 1	Level 2	Level 3	Total
	( Rupees in '000 )			
<b>Assets carried at fair value</b>				
Long-term investments - Fair value through profit or loss	35,475	-	-	35,475
Short-term investments - mutual funds	31,324,050	-	-	31,324,050
	<u>31,359,525</u>	<u>-</u>	<u>-</u>	<u>31,359,525</u>
Leasehold-land	-	-	1,687,179	1,687,179
Buildings on leasehold-land	-	-	1,129,538	1,129,538
Beach huts	-	-	15,791	15,791
Workshop machinery and equipments	-	-	28,808	28,808
Investment properties	-	-	4,320,352	4,320,352
	<u>31,359,525</u>	<u>-</u>	<u>7,181,668</u>	<u>38,541,193</u>
	(Audited)			
	June 30, 2024			
	Level 1	Level 2	Level 3	Total
	( Rupees in '000 )			
<b>Assets carried at fair value</b>				
Long-term investments - Fair value through profit or loss	36,874	-	-	36,874
Short-term investments - mutual funds	24,291,111	-	-	24,291,111
	<u>24,327,985</u>	<u>-</u>	<u>-</u>	<u>24,327,985</u>
Leasehold-land	-	-	1,687,179	1,687,179
Buildings on leasehold-land	-	-	1,143,135	1,143,135
Beach huts	-	-	16,474	16,474
Workshop machinery and equipments	-	-	30,095	30,095
Investment properties	-	-	4,320,352	4,320,352
	<u>24,327,985</u>	<u>-</u>	<u>7,197,235</u>	<u>31,525,220</u>

## 19. TRANSACTIONS WITH RELATED PARTIES

The Corporation has related party relationships with its subsidiaries, associate, Government of Pakistan and its related entities, employee benefit plans and its directors and executive officers (including their associates). Transactions with related parties essentially entail investments made in subsidiary companies, dividend income received from related investee companies, freight income and chartering revenue recovered, recovery of demurrage, rental income, services fee charged on account of rendering of technical, commercial, administrative and financial services, expenses charged to subsidiary companies on actual cost basis etc. Service fee charges on account of rendering of technical, commercial, administrative and financial services is charged to subsidiary companies and related parties on the basis of mutually agreed terms. Balances with related parties have been disclosed in the relevant notes to these unconsolidated condensed interim financial statements. Further, transactions entered into with the key management personnel as per their terms of employment are also included in related party transactions.

The significant transactions carried out by the Corporation with related parties during the period are given below:

Relationship with the Corporation	(Unaudited)	
	Quarter ended	Quarter ended
	September 30, 2024	September 30, 2023
------(Rupees in '000)-----		
<b>Name and particulars</b>		
<b>Transactions with State owned / controlled entities</b>		
Freight income - foreign flag vessels	661,928	2,120,702
Income from operating activities	8,820	68,863
Rental income	7,410	7,268
Rental and other expenses	356	649
<b>Transactions with subsidiary companies</b>		
Service fee charged to subsidiary companies	318,342	323,631
Retirement benefit costs charged to subsidiary companies	510	300
<b>Transactions with other related parties</b>		
Contribution to provident fund	1,095	1,179
Directors' fee and traveling allowances	1,031	2,259
Remuneration and other benefits	14,815	18,678

19.1 In addition, the Corporation is also engaged in making certain payments / collections on behalf of the subsidiary companies in accordance with the Technical and Commercial Services and Administrative and Financial Services Agreement which are settled through current accounts of the subsidiary companies.

**20. GENERAL**

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

**21. DATE OF AUTHORISATION FOR ISSUE**

These unconsolidated condensed interim financial statements were authorised for issue on October 22, 2024 by the Board of Directors of the Corporation.

  
**Syed Jarar Haider Kazmi**  
 Chief Financial Officer

  
**Mr. Ahsan Ali Malik**  
 Director

  
**Capt. Sarfaraz Inayatullah Qureshi**  
 Director



**Pakistan  
National  
Shipping  
Corporation**



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