



Annual Report 2023



Huffaz

Seamless Pipe Industries Limited

Committed to Excellence



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Corporate Directory

Chairman:

Mr. Muhammad Hafiz (UK)

Chief Executive:

Hafiz Abdul Majid

Board of Directors:

Mr. Talal Yousuf Mohamed Y.Najibi (UAE)
Mr. Nabil Abdul Rahman Ahmad Arif (UAE)
Mr. Fahad Abdul Aziz Eshaq (UAE)
Mr. Muhammad Hafiz (UK)
Mr. Arshad Ahmed (UK)
Hafiz Abdul Waheed
Hafiz Abdul Sami
Hafiz Abdul Aleem
Hafiz Abdul Majid
Hafiz Abdul Haseeb
Mr. Asghar Imam Khalid (Ind-Director)
Mrs. Javeria Sami (Female Director)

Company Secretary:

Mr. Masood Anwar

Chief Financial Officer:

Mr. Muhammad Anwar Khan

Head of Internal Audit:

Mr. Muhammad Naeem Noor Meo

Audit Committee:

Mr. Asghar Imam Khalid	Chairman / Member
Mr. Arshad Ahmed (UK)	Member
Mr. Muhammad Hafiz (UK)	Member

Human Resource & Remuneration Committee:

Mr. Asghar Imam Khalid	Chairman / Member
Mr. Muhammad Hafiz	Member
Mr. Arshad Ahmed	Member
Hafiz Abdul Aleem	Member
Hafiz Abdul Majid	Member
Hafiz Abdul Haseeb	Member

Auditors:

M/s. H.A.M.D & Co., Chartered Accountants

Legal Advisor:

Syed Tauqeer Ahmed
11-B, Noor ul Haq Colony, Bahawalpur

Registrar:

THK Associates (Pvt.) Limited,
Plot no. 32-C, Jami Commercial Street 2, D.H.A Phase VII,
Karachi, 75500 Pakistan.
UAN: 111-000-322, Direct: +92-21 35310191
Email: sfc@thk.com.pk
Web: www.thk.com.pk

Bankers:

Allied Bank Ltd.	Habib Metropolitan Bank
Askari Bank Ltd.	Silk Bank Ltd.
Bank Alfiah Ltd.	Sindh Bank Limited
Faysal Bank Ltd.	Standard Chartered
Habib Bank Ltd.	Dubai Islamic Bank Limited
MCB Bank Ltd.	Soneri Bank Ltd.
Meezan Bank Ltd.	UBL Bank Limited
National Bank of Pakistan	

Registered Office:

207-210 Second Floor, Marshiq Centre,
Block 14, Gulshan-e-Iqbal, Karachi.
Tel: (92-21) 34146241-3

Factory:

90 KM Super High Way, Nooriabad Industrial Estate,
District Jamshoro, Sindh.

Website:

www.huffaz.pk





Mission & Vision



To emerge as a leader among the responsible corporate citizens, benefiting all its stakeholders through innovation in its products and services.

To maintain its position as leader in providing seamless pipes and tubes and engineering goods and services in local market.

To explore export market and get benefit of competitive advantage of its internationally recognized products.

To introduce and adopt best practices within the company to achieve its objectives.

To maintain high standard and quality of its products while bringing cost effectiveness.

To provide adequate return to its investors.

To maintain congenial relationship with all of its stakeholders particularly employees, customers and suppliers.

To establish and maintain safe, healthy and environment-friendly systems.





Financial Summary

	2023 Rs in ' 000	2022 Rs in ' 000
Gross Sales		157,151
Net Sales	171,016	134,317
Profit / (Loss) before tax	(146,781)	(135,165)
Taxation	(15,908)	27,487
Profit / (Loss) after tax	(162,689)	(107,678)
Shareholders' Equity	5,299,028	5,459,456
Total Assets	7,673,217	7,726,869
Profit per Share	(2.93)	(1.94)
Number of Employees (Numbers)	73	100
Production volume (M. Tons)		
Seamless Tubular Products	859	270
Machinery and its Components	—	—
Coating of Seamless Tubular Products	2,500	3,318





Company's Profile

Huffaz Seamless Pipe Industries (HSPI) manufacture seamless steel carbon and low alloy steel pipes/tubes from high quality, aluminum-killed vacuum degassed billets/round bars. This project is jointly sponsored by a reputed Middle Eastern group and local sponsor directors on equity basis. Innovation in products, processes and systems, have helped HSPI in establishing a leading name in the manufacturing of seamless Steel Pipes/Tubes.

All the activities of the Company are based on rich experience, technical knowledge, competence, trust and quality. The foremost objective of HSPI is to supply products according to quality and lead-time desired by customers.

We have total quality focused approach which is reflected in our certifications i.e. API Q1, API 5L, API 5CT, ISO 9001:2008, OHSAS 18001:2007, ISO 14001:2004 & PED.

Beside fulfilling the entire demand of domestic market including major oil and gas organizations, we are exporting our products to USA, Australia, the Middle East, Iran and Bangladesh.

Product Range

Boiler Tubes
Heat Exchanger Tubes
High/Low Temperature Services Pipes/Tubes
Mechanical Tubes
Line Pipes
Structural Pipes/Tubes
Casing & Tubing
3 layer Polyethylene/Polypropylene & Fusion Bonded Epoxy Coating

Size Range

- Outer Diameter 6 mm - 273 mm
- Wall Thickness 0.75 mm - 25 mm
- Length 1 - 19 Meter

Production Capacity per annum in M.Tons

- Seamless Tubular Products 100,000
- Machinery & Machinery components 3,500
- Coating of Seamless Tubular Products 50,000





Company's Profile

Production Standard:

ATM 53, ATSM A106, ASTM A210, ASTM, ASTM, A213
ASTM, ASTM A333, ASTM A334, ASTM A213, ASTM,
ASTM A333, ASTM A334, ASTM 3335, ASTM, A519API
5L, API 5Lm API 5CT DIN 2391, DIN 2440, DIN 2441, DIN
2448, DIN 17175 A/2448 LIS, G346m, JIS G3444
BS1387, BS 3059/1, BS, 3059/2, BS 1775, BS6323,
NFA49-112, NFA49, NFA 49-211 UNI 8863.

Any other standard as per requirement of the customers.

Delivery Conditions:

Plain end (squares cut or bevelled), Threaded and Coupled.

Test Performed:

Destructive Test: Tensile, Flattening, Flaring, Bending
N.D.T: Hydrostatic Test, Eddy Current Test, Chemical Analysis.

Other as required by the standard or customer.

Mill Test Certificate:

Pipes/tubes are delivered with certificates as per required standard.

Marking:

On Pipes surface (Die Stamp or Paint Stencil)

On bundles (Metal Label or Plastic Labels)

Surface Protection:

Outside protective coating (Paint, Oil Varnish) Hot Dip Galvanizing

Other coating as per requirements of the customer.

Packaging:

In bundles, special packing upon request.

Quality Assurance:

At **HSPI** we believe in strict Quality Control at every stage from sourcing of our raw material to our finished products. Our commitment to Quality, Health, Safety and Environment is reflected in our compliance with International Quality Standards.

HSPI aims to provide customers, the products which give full satisfaction.





Company's Profile

Huffaz Engineering Works

Huffaz Engineering Works (HEW) has long been a key component in diverse expansion activities of HSPI. Due to its versatile manufacturing capabilities the works has managed to emerge as one of the key engineering product and service suppliers in the country. Equipped with facilities such as:

Machine Shop	Fabrication
Forging	Hard Chrome
Foundry	(Ferrous Treatment & Non-Ferrous)

We have managed to infiltrate key areas of engineering products market.

Following the foot steps of pioneer companies, HEW has maintained its resolve the deliver products and services at the right cost, time and quality. We believe the continuous and relentless efforts to ensure complete satisfaction of all our customers and other stakeholders.

Product & Services:

Pipe Flanges and Fittings for Pipe Lines, Boilers & Heat Exchanges.

Chain Spocket, Gear and Worm Wheels.

Hi-tech Precision Mechanical Components.

Dies & Moulds.

Tube Bending & Intricate Fabrication.

Machinery Components for Various Application

Product Design & Development

HEW is equipped with most modern testing facilities including Spectrometers, Tensile Testing Machine various kinds of Hardness testers, Metallographic equipment and Non-Destructive Testing.

We test and certify carbon, alloy stainless steel rolled cast forged products for various industries across the country while providing invaluable service to our internal customer.





Environment, Health & Safety

Huffaz Seamless Pipe Industries Ltd. (HSPI) is committed to the preservation of the environment, safety and health of its personnel, customers, suppliers, the communities and all stakeholders with which it interacts.

In our process, products and services we adopt designs and technologies that are the most appropriate and eco-efficient available at a reasonable cost in order to preserve health and minimize the risk of accidents and environmental impacts.

We continuously review our operations to maximize the efficiency in the use of energy and material resources, the recycling of products-both at our own facilities and those of third parties and the minimization of waste, emissions and effluents.

Environment:

Huffaz Seamless Pipe Industries Ltd's (HSPI) environmental policy is based upon the principle of sustainable development.

Following the introduction of our Health, Safety and Environment (HSE) Policy we have been working on the implementation of an integrated Health, Safety and Environment management system. The management system is a set of processes and practices that help HSPI in constantly improving its environmental performance. This management system follows the guidelines of international standards such as ISO 14000, applying eco-efficiency and integral safety concepts throughout the system, from product design and industrial investment up to operations and logistics.

HSPI adheres to worldwide sustainability principles and guidelines developed for the seamless pipe industry such as:

Investment in New Process and Products: Innovation is crucial for longer term industrial projects, therefore HSPI has established a plan to revamp all its mills and improve its processes and products.

Material Efficiency and Energy Intensity: HSPI continually reviews its operations to minimize the efficiency of energy resources, the re-se of bi-products and the appropriate treatment and disposal of waste, emissions and effluents.

Waste Recycling: Waste can be recycled, but more importantly its properties can be saved and re-used.

Employee Training: HSPI continuously offers training to all employees. Education is a fundamental tool for achieving improvements in sustainability in the long term.

Health and Safety:

Huffaz Seamless Pipe Industries Ltd's (HSPI) believes all accidents can and must be prevented. We focus on education to stimulates better attitudes and behaviours; and on the use of state-of-the-art technology to create a safe working environment. Our processes are continuously analyzed to find the best practices to reduce risks in our operations.

As part of our Health, Safety and Environment (HSE) Policy we have been working on the implementation of an integrated Health, Safety and Environment management system. The management system includes a set of processes and procedures that help HSPI to constantly improve its Safety and Health programs, and is an essential element for securing the motivation and well being of its employees.





Research & Development

Research & Development

Research & Development is an essential part of our activities as we provide our customers with products and services that not only meet the challenges of usage under extreme pressure and temperatures and highly corrosive environments, but also serve high performance mechanical and structural applications.

Our Research & Development team develops in-house scientific advances in the field of metallurgy, alloy design, corrosion resistant materials, computational mechanics, fracture mechanics, surface and coating chemistry, as well as technology for automotive components and mechanical pipe applications and full-scale testing of premium connection, line pipe and OCTG.

Code of Conduct

Huffaz Seamless Pipe Industries Limited (HSPI) has a Code of Conduct incorporating guidelines and standards on integrity and transparency applicable to all its employees and its directors.

This Code of Conduct establishes the ethical principles that form the basis for relations between the company, its employee and third parties and provides means and instruments to give transparency to issues and problems that may have a bearing on the management of the Company.

Complete Employee Code of Conduct is placed on the Company's official web-site as per the requirements of Code of Corporate Governance, 2012.





International Certifications



API Q1, API 5L, API 5CT, ISO 9001:2008,
OHSAS 18001: 2007, ISO 14001:2004 & PED certifications
are proof of HSP's superior quality standards and commitment
to quality. Due to our superior quality standards and customer
satisfaction the company was awarded the
"Industrial Affairs Award 95" and
"Pakistan Economic Excellency Award 1996-97"





Business Ethics & Practices

Huffaz Seamless Industries Limited (HSPI) as a manufacturer of high quality seamless tubular products and special precision shafting, recognize the importance of codifying the ethical principles, which guide the Directors, Executives, Managers and other employees of the Company. HSPI Code of Ethics states the values to which we are committed and embodies the ethical responsibilities of the plant operations in this changing environment. HSPI team's humility, honesty, transparency and flexibility coupled with their attention to details and obsession with quality and growth will assure Company's ascendancy to the enviable rank of the large and most trusted seamless tubular products manufacturer in the region.

The principles of this code are expressed in broad statements to guide the ethical decision-making.

Our policy reflects by the following:

Honesty and Integrity

HSPI's policy is to conduct business with honesty and integrity and be ethical in all its designs, showing respect for the interest of those with whom it has relationship.

Law and Regulation

HSPI complies with all laws and regulations. All directors and employees are expected to familiarize themselves with laws and regulations governing their individual areas of responsibility and not to transgress them. If in doubt employees and directors expected to seek advice. The Company believes in fair competition and supports appropriate competition laws.

Politics

HSPI does not support any political party nor contributes to the funds of groups whose activities promote party interests.

Quality Services

HSPI is committed to provide services, which consistently offer value in terms of price and quality and satisfy customer needs and expectations.

Social and Community Commitments

HSPI is committed to run its business in an environment that is sound and sustainable. As a good corporate organization, the Company recognizes its social responsibilities and will endeavor to contribute to community activities, for betterment of society as a whole.

Reliable and Transparent Financial Records

HSPI believes in and fully adheres to the principles of reliability and credibility in its financial reporting and in transparency of business transactions.

Human Resource Development

HSPI is an equal opportunity employer. Its employee recruitment and promotional policies are unbiased and based upon merit and excellence oriented. It recruits people who share HSPI's vision and values and develop them to reach their highest potential through continuous training, skills development and empowerment. It believes in providing its employees healthy conditions and in maintaining good channels of communications. The Company expects its employees to abide by the code of ethics, whereby Company information and assets are not used for any personal advantage or gain. Any conflict of interests should be avoided and if where it exists, it should be disclosed and guidance sought.





Business Ethics & Practices

Our Commitment is reflected by the following:

As Shareholders and Directors:

- ✦ Commit the necessary and appropriate resources.
- ✦ Foster a conducive environment through responsive policy.
- ✦ Maintain organization effectiveness for the achievement of the Company goals.
- ✦ Encourage and support compliance with legal and industry requirement.
- ✦ Support collective decision at board meetings and general body meetings.

As Executives and Managers:

- ✦ Ensure the profitability of operation while upholding social responsibilities; provide the direction and leadership for the organization.
- ✦ Ensure total customer satisfaction through excellent product and service.
- ✦ Protect the interest and assets of the Company
- ✦ Promote a culture of excellence, conservation and continual improvement.
- ✦ Cultivate work ethics and harmony among colleagues and associates
- ✦ Encourage initiative and self-realization in employees through meaningful empowerment.

- ✦ Ensure an equitable way of working and reward system.
- ✦ Institute commitment to environmental, health and safety performance.

As Employees and Staff:

- ✦ Devote productive time and effort.
- ✦ Observe Company policy and regulations.
- ✦ Promote and protect the interest of the Company.
- ✦ Exercise prudence in using Company resources.
- ✦ Observe cost-effective practice in daily activities
- ✦ Strive for excellence and quality as a way of life.





Notice of Annual General Meeting

Notice is hereby given to the Members that the **40th Annual General Meeting** of Company will be held on **Wednesday, November 26, 2025 at 03:30 p.m.** at Junagargh Community Centre Opposite. Mashriq Centre, Block-17, Gulshan-e-Iqbal, Karachi-75300 to transact the following business:-

01. To receive, consider and adopt the Audited Accounts of the Company for the year ended June 30, 2023 and the Reports of the Directors' and Auditors' thereon.
02. To appoint External Auditors for the year ending 30th June 2024 and fix their remuneration.
03. To appoint External Auditors for the year ending 30th June 2025 and fix their remuneration.
04. To consider any other business with the permission of the Chair.

By order of the Board

(Hafiz Abdul Majid)

Chief Executive

Karachi
November 05, 2025

NOTE:

01. The share transfer books of the company will remain closed from **19th November 2025 to 26th November 2025** (both days inclusive).
02. A member entitled to attend and vote at the meeting is entitled to appoint another member as his/her proxy to attend and vote instead of him/her. No person shall act as a proxy who is not a member of the Company. Proxies in order to be effective must be received at the registered office of the Company not less than 48 hours before the meeting and must be signed and witnessed.
03. A member who has deposited his/her shares into Central Depository Company of Pakistan Limited, must bring his/her participant ID number and account/sub-account number along-with Computerised National Identity Card (CNIC) or original passport at the time of attending the meeting.
04. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced at the time of meeting.
05. Members are requested not to bring children along-with them, as children will not be allowed in the meeting.



DIRECTORS' REPORT

The Directors of the Company are pleased to submit their report, together with Audited financial statements of the Company for the year ended 30 June 2023.

OPERATING RESULTS AND LINES OF ACTIVITIES

The financial results of the Company are summarized below:

	2023 (Rupees in '000)	2022
(Loss) for the year before taxation	(146,781)	(135,165)
Taxation	(15,908)	27,487
(Loss) after taxation	(162,689)	(107,678)
Total other comprehensive income for the year	644	8,348
Basic and diluted (loss) per share (Rupees)	(2.93)	(1.94)

The Company sustained loss in the Year 2023 PKR 162.689 Mn (2022 PKR 107.678 Mn). Company sustaining losses due to huge fixed cost, primarily of employees, repair & maintenance and depreciation of Seamless Segment. Whereas seamless segment remained non-operative/low level operative due to non-availability of raw materials and financial constraint. However, coating segment's share is gradually increasing. As well as Company has been import raw material from china under special arrangement.

Many coating projects of oil & gas sector are currently in negotiation stage that will help increase in absorption of the fixed cost of the company that will share the fixed cost burden and which would eventually result into profitable operation in the future period.

Other factors of losses are absence of infrastructure projects of government, slowdown in the construction sector, frequent shut down of auto industries, difficulties in importing raw materials and misuse of tax exemptions granted for the FATA and PATA regions. The Company continues to actively enhance commercial and institutional customer engagement via nationwide events, sponsorships, and direct engagement mechanisms. This is part of its keen focus on customer- centricity and maintaining a deep and research-backed understanding of market trends and requirements.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

These financial statements have been prepared by the management of the Company, present fairly, its state of affairs, the result of its operations, cash flows and changes in equity.

- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of financial statements.
- The system of internal controls is sound in design and has been effectively implemented. The system is continuously monitored by Internal Audit and through other such monitoring procedures. The process of



monitoring internal controls shall continue as an ongoing process with the objective to strengthen controls and improve the system.

- There are no significant doubts on the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the Code of Corporate Governance, 2019.
- Details of significant changes in the Company's operations during the current year as compared to last year and significant plans and decisions for the future prospects of profits are stated in the Chief Executive's Review as endorsed by the Board of Directors.
- Key operating and financial data for last six years in summarized form is annexed.
- Information about taxes and levies is given in the notes to the financial statements.
- The number of employees as at 30 June 2023 is 73 (2022: 100).
- During the year four (4) meetings of the Board of Directors and one (1) meeting of the Human Resource and Remuneration Committee were convened.

Attendance of each director is attached separately.

For the purposes of various clauses of the PSX Rule Book, the Board has defined that Functional Heads of all departments of the Company shall be considered as "Executives".

This has been reviewed and found satisfactory keeping in view the management structure of the company.

NAME OF PERSONS WERE DIRECTORS DURING THE YEAR

All the directors who were elected in the last elections were remained the same and no changes occurred therein. List of their respective names are also mentioned in share holders' pattern. Mr. Hafiz Abdul Majid, Chief Executive Officer and Mr. Hafiz Abdul Haseeb are included in the directors.

PATTERN OF SHAREHOLDING AND SHARES TRADED

The pattern of shareholding and additional information regarding pattern of shareholding is attached separately.

No trading in the shares of the Company was carried out by any Director, the Chief Executive Officer, the Chief Financial Officer, the Company Secretary, Executives and their spouses and minor children.

PERFORMANCE EVALUATION OF BOARD OF DIRECTORS AND ITS COMMITTEES

The Governance and Nomination Committee assessed the performance of the Board of Directors and its Committees according to the established mechanism of self- assessment.

Performance evaluations for FY23 were approved by the Board on the recommendations of the Governance and Nomination Committee.

DIRECTORS

No casual vacancy occurred on the Board during the current year. The present board including the Chief Executive Officer will hold office till 30 January 2025. Details of the composition of the Board of Directors and their committees are provided in the Statement of Compliance with the Code of Corporate Governance.

The evaluation was reviewed against the following criteria:

- Leadership
- Policy and strategy
- People Management
- Business Processes/Excellence



- Governance and Compliance
- Financial Performance
- Impact on Society

CEO'S PERFORMANCE EVALUATION

During the year, the Human Resource and Remuneration Committee of the Board carried out the CEO's performance evaluation, which was approved by the Board

REMUNERATION OF CHIEF EXECUTIVE

The Chairman and other directors are entitled to remuneration in terms of Section 170 of the Companies Act, 2017. The scale of remunerations is determined by the Board as provided in the Articles of Association of the Company.

Details of remuneration paid to Chairman, Chief Executive and non-executive directors (including independent directors) are disclosed in note 31 to the enclosed financial statements. Although, Chief Executive have been voluntarily waived his remuneration for a period of three years due to financial position of the Company. He will compensated upon improvement in the performance of the company.

ROLE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman and the Chief Executive Officer have separate and distinct roles. The Chairman has all the powers vested under the Code of Corporate Governance and presides over Board meetings. The principal role of the Chairman is to manage and to provide leadership to the Board of Directors of the Company. The Chairman is accountable to the Board and is a direct liaison between the Board and the management of the Company through the Chief Executive Officer. The Chairman is independent from management and free from any interest and any business or other relationship which could conflict with the Chairman's independent judgment.

The Chief Executive Officer performs his duties in accordance with the related laws/articles of association of company. The Board, recommends and oversees implementation of the business strategies, and is responsible for overall control, operations and perpetuation of the enterprise.

FINANCIAL STATEMENTS

As required under regulation 25 of Code of Corporate Governance 2019, the Chief Executive Officer and Chief Financial Officer presented the financial statements, duly endorsed under their respective signatures, for consideration and approval of the Board of Directors. The Board, after consideration, based on the recommendations of the Audit Committee, approved and authorized the Financial Statements for issuance and circulation. No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this Statement of Financial position relates and the date of Directors' Report.

AUDITORS

The auditors, M/s. H.A.M.D. & Co., Chartered Accountants, are due to retire in the forthcoming Annual General Meeting of the Company and being eligible, have offered themselves for reappointment. The Audit Committee and the Board have recommended their appointment as external auditors for the next financial year, for shareholders consideration and approval at the upcoming annual general meeting.

TRENDS & FACTORS**AFFECT FUTURE DEVELOPMENT OF THE COMPANY**

The outgoing fiscal year continued to be challenging, particularly in the latter half as inflationary pressures continued to mount, in part triggered by growth and partially because of soaring global commodity prices.



This triggered the Central Bank to adopt monetary tightening with rates going up 675 bps to 15% by the end of the outgoing fiscal year. By this time the rupee had depreciated 38.2% to PKR 217.65/USD, Current Account Deficit for FY22 stood at USD 17.4 billion, fiscal deficit at USD 25.7 billion and, Pakistan was additionally faced with political challenges, all of it collectively contributing to a host of issues including uncertainty around the resumption of the IMF program, to which a lot of ancillary funding was tied down. The year ended with grim prospects for FY23. Today as we are writing to you, Pakistan has been hit with devastating climate change triggered flooding.

The global strengthening of USD has in part helped stabilize commodity prices which have begun to ease, albeit at little positive impact to our outflows given the weakening of the Rupee, despite Pakistan having negotiated the resumption of the IMF program.

For us, with core business dependent on infrastructure projects of government– in particular energy and water infrastructure - FY23 is marred with uncertainty. Our order book in the line pipe segment, while promising, is linked with infrastructure projects of national importance and led by State Owned Enterprises and as such they are susceptible to delays. We have participated in project tenders of gas pipeline capacity augmentation which are in progress. Our businesses in other segments will continue to provide tactical buffers including working capital support, however, we remain focused on capturing demand in the line of seamless pipe segment.

INTERNAL FINANCIAL CONTROL

The Company has introduced and implemented reasonable internal financial controls over all financial transaction to ensure optimum usage of Company's all resources including and preferably financial resources. Internal Audit committee duly reviews performance of internal audit function and internal audit reports and issue necessary directions.

ENVIRONMENT FRIENDLY MOVEMENT

The Company is very much concerned about environmental care. To play its part in this regard Company have planned to switch towards "Green Energy" sources to reduce carbon base fuel methods through installation of solar related energy items.

PERFORMING OF SOCIAL RESPONSIBILITIES

HSPIIL prides itself on being a responsible corporate citizen and positive contributor to the communities in which it operates, as well as society at large. Various programs are being supported for wellbeing of society directly and indirectly. The company encourages recreation activities in respect of sports and entertainment festivals organization for the factory staff particularly and other staff in general in addition over the years company has provided facilities of Masjid and RO plant inside the factory for factory staff and public at the adjoining areas. Further free of cost transportation facilities for school going children of staff colony in the factory.

I would like to thank all stakeholders for their patronage and look for their continued support.

For and behalf of Board of Directors



Hafiz Abdul Majid
Chief Executive Officer



Hafiz Abdul Haseeb
Director

Karachi: July 26, 2025



ڈائریکٹرز کی رپورٹ

کمپنی کے ڈائریکٹرز 30 جون 2023 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

آپریٹنگ کے نتائج اور سرگرمیوں کی لائنیں

کمپنی کے مالی نتائج کا خلاصہ ذیل میں دیا گیا ہے:

2022	2023	
..... (000' میں روپے)		
(135,165)	(146,781)	(نقصان) ٹیکس سے پہلے سال کے لیے
27,487	(15,908)	ٹیکس
(107,678)	(162,689)	ٹیکس کے بعد (نقصان)
8,348	644	سال کے لیے کل دیگر جامع آمدنی
پے (1.94)	روپے (2.93)	بنیادی اور کمزور (نقصان) فی شیئر روپے

کمپنی کو سال 2023 میں PKR 162.689 Mn جبکہ (PKR 107.678 Mn 2022) میں نقصان اٹھانا پڑا۔ کمپنی کو بھاری مقررہ لاگت، بنیادی طور پر ملازمین، مرمت اور دیکھ بھال اور سیمپلنگ سیکٹ کی فرسودگی کی وجہ سے نقصان برداشت کرنا پڑ رہا ہے۔ جبکہ خام مال کی عدم دستیابی اور مالی مجبوری کی وجہ سے ہموار طبقہ نان آپریٹو/کم لیول آپریٹو رہا۔ تاہم، کوئنگ سیکٹ کا حصہ آہستہ آہستہ بڑھ رہا ہے۔ اس کے ساتھ ساتھ کمپنی خصوصی انتظامات کے تحت چین سے خام مال درآمد کر رہی ہے۔

آئل اینڈ گیس سیکٹر کے بہت سے کوئنگ پروجیکٹ اس وقت گفت و شنید کے مرحلے میں ہیں جو کمپنی کی مقررہ لاگت کو جذب کرنے میں مدد کریں گے جو مقررہ لاگت کے بوجھ کو بانٹیں گے اور جس کے نتیجے میں مستقبل کی مدت میں منافع بخش آپریشن ہوگا۔

دیگر عوامل نقصانات میں حکومت کے بنیادی ڈھانچے کے منصوبوں کی عدم موجودگی، تعمیراتی شعبے میں سست روی، آٹو انڈسٹریز کا بار بار بند ہونا، خام مال کی درآمد میں مشکلات اور فنانس اور پائپ کے علاقوں کے لیے دی گئی ٹیکس چھوٹ کا غلط استعمال شامل ہیں۔ کمپنی ملک گیر تقریبات، کفالت اور براہ راست مشغولیت کے طریقہ کار کے ذریعے تجارتی اور ادارہ جاتی کسٹمر کی مصروفیت کو فعال طور پر بڑھا رہی ہے۔ یہ گاہک کی مرکزیت اور مارکیٹ کے رجحانات اور تقاضوں کی گہری اور تحقیقی حمایت یافتہ سمجھ کو برقرار رکھنے پر اس کی گہری توجہ کا حصہ ہے۔

کارپوریٹ پر بیانا اور مالیاتی رپورٹنگ کا فریم ورک

یہ مالیاتی بیانات کمپنی کی انتظامیہ کی طرف سے تیار کیے گئے ہیں، جو کہ منصفانہ طور پر موجود ہیں، اس کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیاں۔

- کمپنی کے کھاتوں کی صحیح کتابیں رکھی گئی ہیں۔
- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- بین الاقوامی مالیاتی رپورٹنگ کے معیارات (IFRS)، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالیاتی بیانات کی تیاری میں پیروی کی گئی ہے۔



- اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اسے مؤثر طریقے سے نافذ کیا گیا ہے۔ اندرونی آڈٹ اور اس طرح کے دیگر نگرانی کے طریقہ کار کے ذریعے نظام کی مسلسل نگرانی کی جاتی ہے۔ اندرونی کنٹرول کی نگرانی کا عمل ایک جاری عمل کے طور پر جاری رہے گا جس کا مقصد کنٹرول کو مضبوط کرنا اور نظام کو بہتر بنانا ہے۔
- ایک جاری تشریح کے طور پر جاری رکھنے کی کمپنی کی صلاحیت پر کوئی خاص شک نہیں ہے۔
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی، جیسا کہ کوڈ آف کارپوریٹ گورننس، 2019 میں تفصیل سے بتایا گیا ہے۔
- گزشتہ سال کے مقابلے موجودہ سال کے دوران کمپنی کے آپریشنز میں نمایاں تبدیلیوں اور منافع کے مستقبل کے امکانات کے لیے اہم منصوبوں اور فیصلوں کی تفصیلات چیف ایگزیکٹو کے جائزہ میں بیان کی گئی ہیں جس کی توثیق بورڈ آف ڈائریکٹرز نے کی ہے۔
- گزشتہ چھ سالوں کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا خلاصہ شکل میں منسلک کیا گیا ہے۔
- ٹیکس کے بارے میں معلومات اور ٹیکس مالیاتی گوشواروں کو نوٹس میں دیا گیا ہے۔
- 30 جون 2023 تک ملازمین کی تعداد 73 (2022: 100) ہے۔
- سال کے دوران بورڈ آف ڈائریکٹرز کے چار (4) اجلاس اور ہیومن ریسورس اینڈ ریمونڈیشن کمیٹی کا ایک (1) اجلاس بلا یا گیا۔

ہر ڈائریکٹر کی حاضری کو الگ سے منسلک کیا جاتا ہے۔

مختلف مقاصد کے لیے PSX رول بک کی شفٹوں میں، بورڈ نے وضاحت کی ہے کہ کمپنی کے تمام محکموں کے فنکشنل ہیڈز کو "ایگزیکٹو" سمجھا جائے گا۔ کمپنی کے انتظامی ڈھانچے کو مد نظر رکھتے ہوئے اس کا جائزہ لیا گیا ہے اور اسے تسلی بخش پایا گیا ہے۔

ان افراد کے نام جو سال کے دوران ڈائریکٹر تھے

گزشتہ انتخابات میں منتخب ہونے والے تمام ڈائریکٹر وہی رہے اور ان میں کوئی تبدیلی نہیں ہوئی۔ شیئر ہولڈرز کے پیٹرن میں ان کے متعلقہ ناموں کی فہرست بھی درج ہے۔ جناب حافظ عبد المجید چیف ایگزیکٹو آفیسر اور جناب حافظ عبد الحسیب ڈائریکٹر میں شامل ہیں۔

شیئر ہولڈنگ اور حصص کی تجارت کا پیٹرن

شیئر ہولڈنگ کا پیٹرن اور شیئر ہولڈنگ کے پیٹرن سے متعلق اضافی معلومات الگ سے منسلک ہیں۔

کسی بھی ڈائریکٹر، چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، کمپنی سیکرٹری، ایگزیکٹوز اور ان کی شریک حیات اور نابالغ بچوں کے ذریعہ کمپنی کے شیئرز میں کوئی تجارت نہیں کی گئی۔

بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی کارکردگی کا جائزہ

گورننس اور نامزدگی کمیٹی نے بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی کارکردگی کا خود تشخیص کے قائم کردہ طریقہ کار کے مطابق جائزہ لیا۔

گورننس اور نامزدگی کمیٹی کی سفارشات پر بورڈ نے مالی سال 23 کے لیے کارکردگی کے جائزوں کی منظوری دی تھی۔

ڈائریکٹرز

رواں سال کے دوران بورڈ میں کوئی بھی اسامی خالی نہیں ہوئی۔ موجودہ بورڈ بشمول چیف ایگزیکٹو آفیسر 30 جنوری 2025 تک اپنے عہدہ پر فائز رہے گا۔ بورڈ آف ڈائریکٹرز اور ان کی کمیٹیوں کی تشکیل کی تفصیلات کوڈ آف کارپوریٹ گورننس کے ساتھ تعمیل کے بیان میں فراہم کی گئی ہیں۔ تشخیص کا جائزہ مندرجہ ذیل معیارات کے مطابق کیا گیا:

- قیادت
- پالیسی اور حکمت عملی
- لوگوں کا انتظام
- کاروباری عمل / عمدگی
- گورننس اور تعمیل



سی ای او کی کارکردگی کا جائزہ

سال کے دوران بورڈ کی ہیومن ریسورس اینڈ ریمونزیشن کمیٹی نے سی ای او کی کارکردگی کا جائزہ لیا جسے بورڈ نے منظور کیا۔

چیف ایگزیکٹو کا معاوضہ

چیئر مین اور دیگر ڈائریکٹرز کمپنیز ایکٹ، 2017 کے سیکشن 170 کے مطابق معاوضے کے حقدار ہیں۔ معاوضے کے پیمانے کا تعین بورڈ کے ذریعے کیا جاتا ہے جیسا کہ کمپنی کی ایسوسی ایشن کے آرٹیکلز میں فراہم کیا گیا ہے۔

چیئر مین، چیف ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز (بشمول آزاد ڈائریکٹرز) کو ادا کیے گئے معاوضے کی تفصیلات منسلک مالی بیانات کے نوٹ 31 میں ظاہر کی گئی ہیں۔ اگرچہ، چیف ایگزیکٹو کو کمپنی کی مالی حالت کی وجہ سے رضاکارانہ طور پر تین سال کی مدت کے لیے ان کا معاوضہ معاف کر دیا گیا ہے۔ وہ کمپنی کی کارکردگی میں بہتری پر معاوضہ دے گا۔

کارکردار چیئر مین اور چیف ایگزیکٹو آفیسر

چیئر مین اور چیف ایگزیکٹو آفیسر کے الگ الگ کردار ہیں۔ چیئر مین کے پاس تمام اختیارات ہیں جو کوڈ آف کارپوریٹ گورننس کے تحت حاصل ہیں اور وہ بورڈ کے اجلاسوں کی صدارت کرتے ہیں۔ چیئر مین کا بنیادی کردار کمپنی کے بورڈ آف ڈائریکٹرز کو انتظام اور قیادت فراہم کرنا ہے۔ چیئر مین بورڈ کے سامنے جوابدہ ہے اور چیف ایگزیکٹو آفیسر کے ذریعے بورڈ اور کمپنی کی انتظامیہ کے درمیان براہ راست رابطہ ہے۔ چیئر مین نظم و نسق سے آزاد ہے اور کسی بھی دلچسپی اور کسی کاروبار یا دوسرے تعلق سے آزاد ہے جو چیئر مین کے آزادانہ فیصلے سے متصادم ہو سکتا ہے۔

چیف ایگزیکٹو آفیسر کمپنی کی ایسوسی ایشن کے متعلقہ قوانین/مضامین کے مطابق اپنے فرائض انجام دیتا ہے۔ بورڈ، تجارتی حکمت عملیوں کے نفاذ کی سفارش اور نگرانی کرتا ہے، اور انٹرپرائز کے مجموعی کنٹرول، آپریشنز اور اسے برقرار رکھنے کا ذمہ دار ہے۔

مالی بیانات

جیسا کہ کوڈ آف کارپوریٹ گورننس 2019 کے ضابطہ 25 کے تحت ضروری ہے، چیف ایگزیکٹو آفیسر اور چیف فنانشل آفیسر نے بورڈ آف ڈائریکٹرز کے غور اور منظوری کے لیے مالیاتی گوشواروں کو پیش کیا، جن کی ان کے متعلقہ دستخطوں کے تحت درست توثیق کی گئی تھی۔ بورڈ نے غور و خوض کے بعد، آڈٹ کمیٹی کی سفارشات کی بنیاد پر، جاری کرنے اور گردش کرنے کے لیے مالیاتی گوشواروں کی منظوری اور اجازت دی۔ مالیاتی سال کے اختتام جس سے مالیاتی پوزیشن کے اس بیان سے متعلق ہے اور ڈائریکٹرز کی رپورٹ کی تاریخ کے درمیان کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی مادی تبدیلیاں اور وعدے نہیں ہوئے ہیں۔

آڈیٹرز

آڈیٹرز، M/s. H.A.M.D. اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، کمپنی کی آئندہ سالانہ جنرل میٹنگ میں ریٹائر ہونے والے ہیں اور اہل ہونے کی وجہ سے، انہوں نے خود کو دوبارہ تقرری کے لیے پیش کیا ہے۔ آڈٹ کمیٹی اور بورڈ نے اگلے مالی سال کے لیے بیرونی آڈیٹرز کے طور پر ان کی تقرری کی سفارش کی ہے، تاکہ شیئر ہولڈرز کی آئندہ سالانہ جنرل میٹنگ میں غور و خوض اور منظوری دی جائے۔

رجحانات اور عوامل کمپنی کی مستقبل کی ترقی کو متاثر کرتی ہے۔

سبکدوش ہونے والا مالی سال مسلسل چیلنج رہا، خاص طور پر نصف کے آخر میں جب افراط زر کا دباؤ بڑھتا رہا، جس کا ایک حصہ نمو اور جزوی طور پر اشیاء کی عالمی قیمتوں میں اضافے کی وجہ سے تھا۔

اس نے سنٹرل بینک کو مالیاتی سختی اختیار کرنے پر مجبور کیا جس کی شرح سبکدوش ہونے والے مالی سال کے اختتام تک 675 bps سے بڑھ کر 15% ہو گئی۔ اس وقت تک روپے کی قدر 38.2 فیصد کم ہو کر PKR 217.65/USD ہو چکی تھی، مالی سال 22 کے لیے کرنٹ اکاؤنٹ خسارہ 17.4 بلین امریکی ڈالر، مالیاتی خسارہ 25.7 بلین



امریکی ڈالر تھا اور پاکستان کو سیاسی چیلنجوں کا بھی سامنا تھا، یہ سب اجتماعی طور پر IMF کے غیر متوقع مسائل کی میزبانی میں حصہ لے رہے تھے۔ پروگرام، جس میں بہت سے ذیلی فنڈز بندھے ہوئے تھے۔ سال FY23 کے خوفناک امکانات کے ساتھ ختم ہوا۔ آج جیسا کہ ہم آپ کو لکھ رہے ہیں، پاکستان تباہ کن موسمیاتی تبدیلیوں کی وجہ سے سیلاب کا شکار ہے۔

امریکی ڈالر کی عالمی سطح پر مضبوطی نے جزوی طور پر اجناس کی قیمتوں کو مستحکم کرنے میں مدد کی ہے جو کم ہونا شروع ہو گئی ہیں، حالانکہ روپے کی کمزوری کے باعث ہمارے اخراج پر بہت کم مثبت اثر پڑا ہے، اس کے باوجود کہ پاکستان نے آئی ایم ایف پروگرام کو دوبارہ شروع کرنے کے لیے بات چیت کی۔

کے لیے ہمارے ساتھ، بنیادی کاروبار حکومت کے بنیادی ڈھانچے کے منصوبوں پر منحصر ہے۔ خاص طور پر توانائی اور پانی کے بنیادی ڈھانچے پر۔ FY23 غیر یقینی صورتحال سے دوچار ہے۔ لائن پائپ سیگنٹ میں ہماری آرڈر بک، وعدہ کرتے ہوئے، قومی اہمیت کے بنیادی ڈھانچے کے منصوبوں سے منسلک ہے اور اس کی قیادت ریاستی ملکیتی اثر پر انز کرتی ہے اور اس وجہ سے وہ تاخیر کا شکار ہیں۔ ہم نے گیس پائپ لائن کی صلاحیت بڑھانے کے پروجیکٹ ٹینڈرز میں حصہ لیا ہے جو جاری ہے۔ دیگر طبقات میں ہمارے کاروبار ٹیکنیکل بفرز فراہم کرتے رہیں گے جس میں ورکنگ کیمپنیل سپورٹ شامل ہے، تاہم، ہم سیمپلس پائپ سیگنٹ کی لائن میں مانگ کو حاصل کرنے پر مرکوز ہیں۔

اندرونی مالیاتی کنٹرول

کمپنی نے تمام مالیاتی لین دین پر معقول داخلی مالیاتی کنٹرول متعارف کرائے ہیں اور ان کو نافذ کیا ہے تاکہ کمپنی کے تمام وسائل بشمول اور ترجیحی طور پر مالی وسائل کا زیادہ سے زیادہ استعمال یقینی بنایا جاسکے۔ انٹرئل آڈٹ کمیٹی اندرونی آڈٹ فنکشن اور اندرونی آڈٹ رپورٹس کی کارکردگی کا بغور جائزہ لیتی ہے اور ضروری ہدایات جاری کرتی ہے۔

ماحول دوست تحریک

کمپنی ماحولیاتی نگہداشت کے بارے میں بہت زیادہ فکر مند ہے۔ اس سلسلے میں اپنا کردار ادا کرنے کے لیے کمپنی نے شمسی توانائی سے متعلقہ اشیاء کی تنصیب کے ذریعے کاربن فٹ پرنٹ کو کم کرنے کے لیے "گرین انرجی" ذرائع کی طرف جانے کا منصوبہ بنایا ہے۔


سماجی ذمہ داریوں کی انجام دہی

HSPIL اپنے آپ کو ایک ذمہ دار کارپوریٹ شہری ہونے پر فخر کرتا ہے اور ان کمیونٹیز کے لیے مثبت تعاون کرنے والا جس میں یہ کام کرتی ہے، نیز بڑے پیمانے پر معاشرے میں۔ بالواسطہ اور بالواسطہ طور پر معاشرے کی بھلائی کے لیے مختلف پروگراموں کی مدد کی جارہی ہے۔ کمپنی فیکٹری کے عملے بالخصوص عام طور پر دیگر عملے کے لیے کھیلوں اور تفریحی تہواروں کی تنظیم کے سلسلے میں تفریحی سرگرمیوں کی حوصلہ افزائی کرتی ہے، اس کے علاوہ کمپنی نے گزشتہ برسوں میں فیکٹری کے عملے اور ملحقہ علاقوں میں عوام کے لیے فیکٹری کے اندر مسجد اور آر او پلانٹ کی سہولیات فراہم کی ہیں۔ فیکٹری میں اسٹاف کالونی کے اسکول جانے والے بچوں کے لیے مزید مفت سفری سہولیات۔

میں تمام اسٹیک ہولڈرز کی سرپرستی کے لیے ان کا شکریہ ادا کرنا چاہتا ہوں اور ان کی مسلسل حمایت کے لیے کوشاں ہوں۔

برائے اور منجانب بورڈ آف ڈائریکٹرز


حافظ عبدالحسیب
ڈائریکٹر


حافظ عبدالمجید
چیف ایگزیکٹو آفیسر

کراچی: 26 جولائی 2025





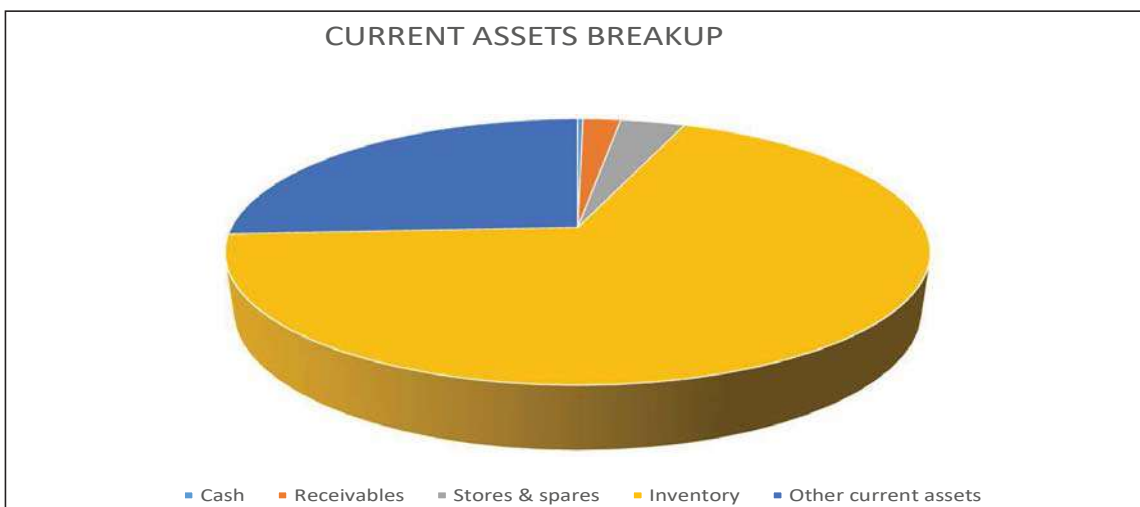
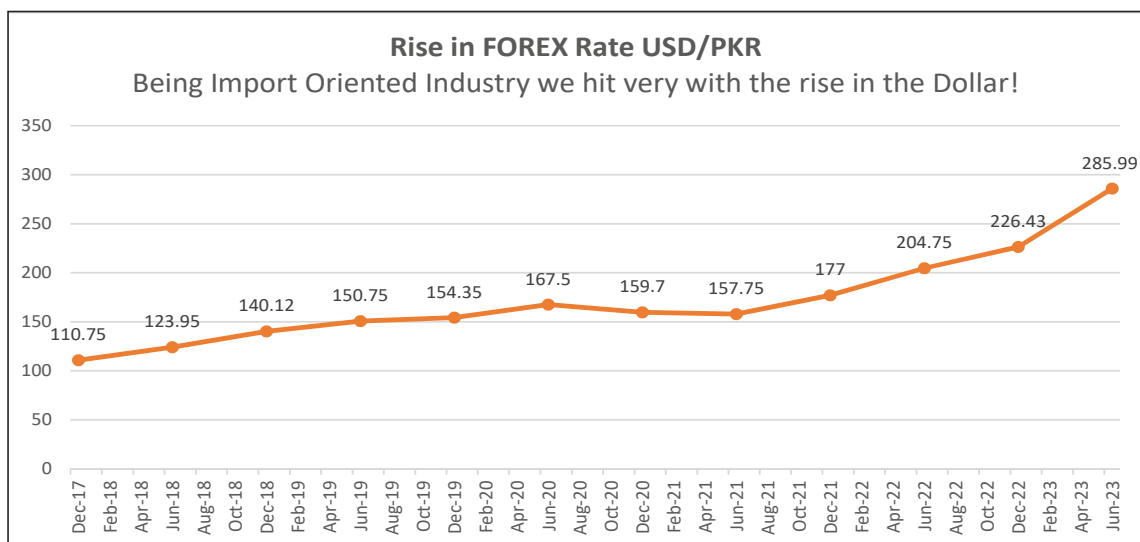
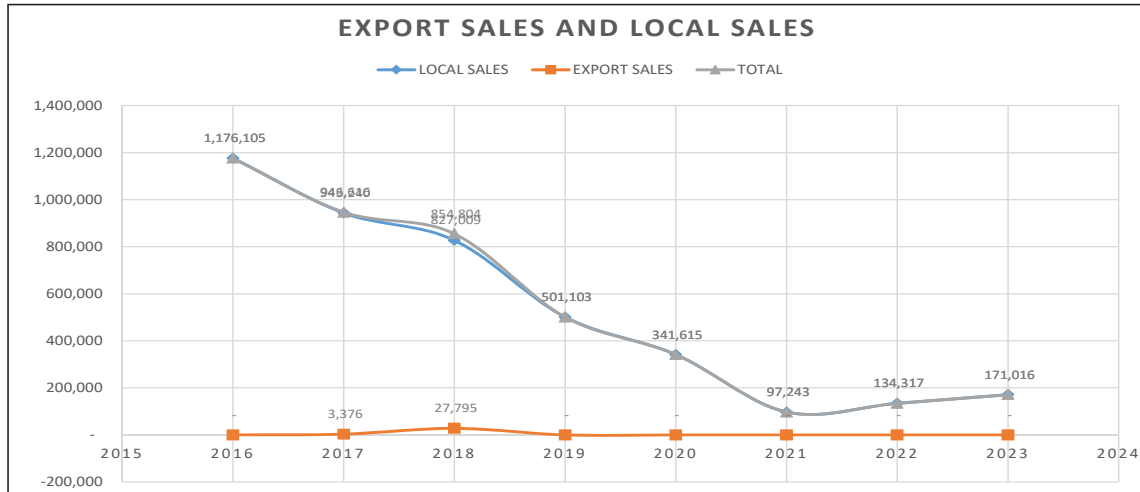
Decade at a Glance

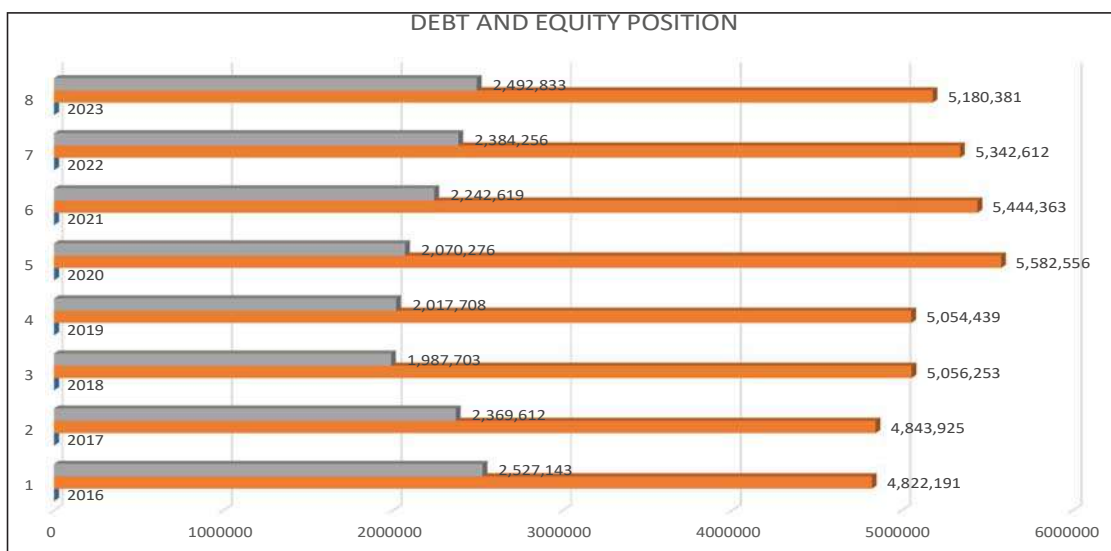
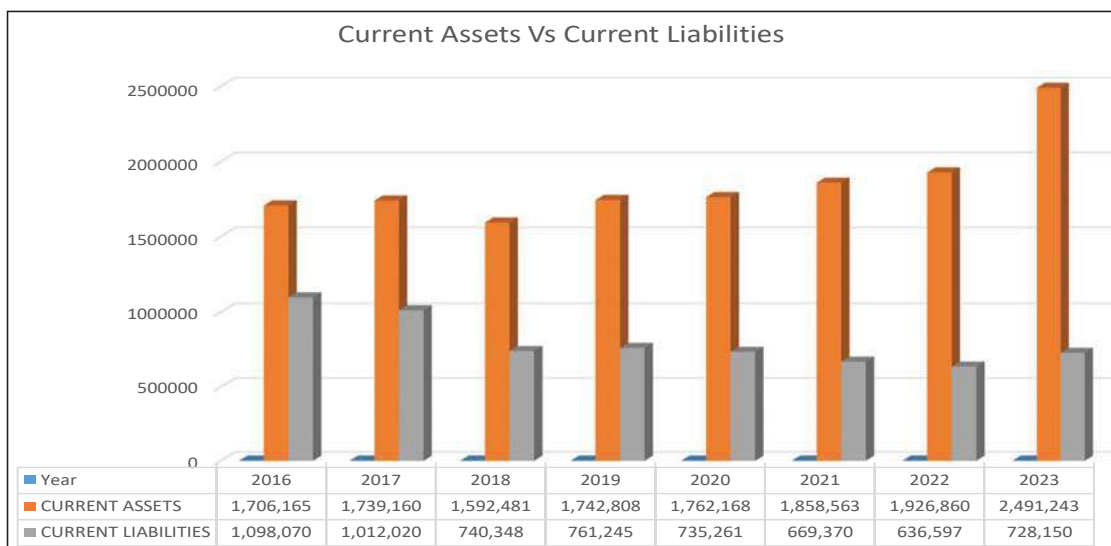
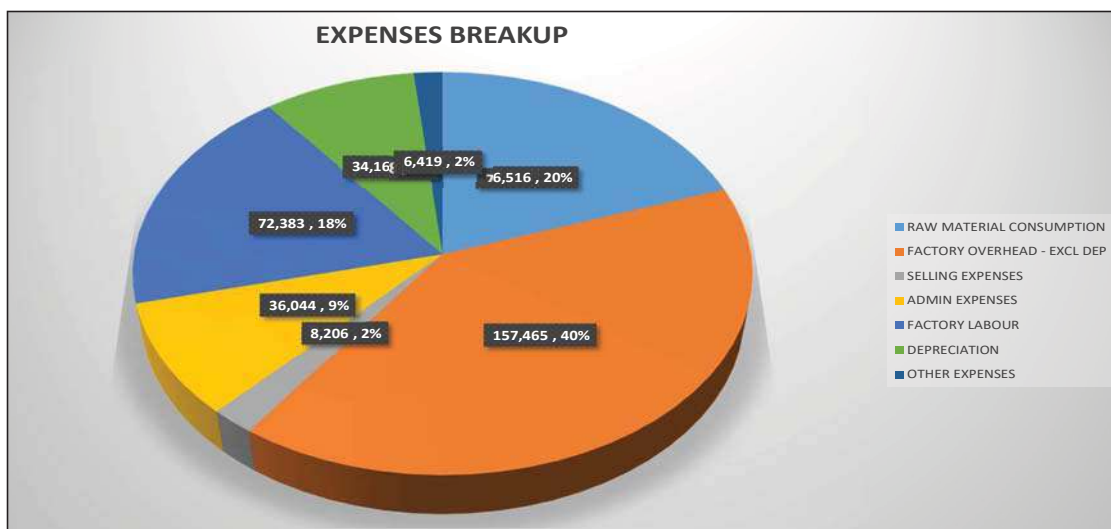
Product: Seamless Steel Pipes and Tubes Location of H/O: Karachi Location of Plant: Nooriabad CEO: Hafiz Abdul Majid		Year Ended									
		30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
				(Restated)				(Restated)	(Restated)		
		Rupees in "000"									
Balance sheet data	Cash	7174	12,448	22,408	4,576	10,428	40,951	68,147	104,273	5,787	88,962
	Receivables	51492	33,281	19,990	31,357	59,489	103,498	120,818	88,656	421,027	102,396
	Stores & spares	87840	95,612	60,930	65,058	71,583	72,984	78,829	81,376	97,521	73,966
	Inventory	1701986	1,694,864	1,642,184	1,582,744	1,470,640	1,211,228	1,272,776	1,258,474	901,281	901,521
	Other current assets	642751	90,655	113,055	78,433	130,668	163,820	198,590	173,386	73,981	111,773
	Non-current assets	5181971	5,800,009	5,828,419	5,890,664	5,329,339	5,451,475	5,474,377	5,643,169	5,770,570	5,970,919
	Total assets	7,673,214	7,726,868	7,686,982	7,652,832	7,072,147	7,043,956	7,213,537	7,349,334	7,270,167	7,249,537
	Account payables	719,965	633,879	667,349	733,241	758,607	697,659	830,775	1,095,193	1,090,016	938,391
	Other current liabilities	6,162	696	-	-	619	40,671	179,228	861	1,551	68,675
	Long term liability	1,648,106	1,632,839	1,242,178	1,254,289	1,175,302	1,183,738	1,295,652	1,351,867	1,428,619	1,670,859
	Surplus on revaluation of land and building	3,595,760	3,610,630	3,626,182	3,468,318	2,997,349	3,092,182	3,241,684	3,343,817	3,391,585	3,328,901
	Directors loan	118,599	116,842	333,092	82,746	83,180	65,636	63,957	79,222	15,074	-
	Paid-up capital	554,845	554,844	554,844	554,844	554,844	554,844	554,844	554,844	554,844	554,844
	Share Premium	109,437	109,437	109,437	109,437	109,437	109,437	109,437	109,437	109,437	109,437
	Retained earning/ (loss)	880,339	1,027,701	1,113,900	1,409,957	1,352,809	1,259,790	897,960	774,093	639,041	538,430
	Reserves	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
	Total equity & liabilities	7,673,214	7,726,868	7,686,982	7,652,832	7,072,147	7,043,956	7,213,537	7,349,334	7,270,167	7,249,537
Income statement data	Net Sale	171,016	134,317	97,243	341,615	501,103	854,804	946,616	1,002,394	1,973,972	1,518,120
	Cost of goods sold	277,393	237,416	169,886	268,158	368,540	727,554	848,368	928,932	1,759,452	1,486,901
	Gross profit	(106,377)	(103,099)	(72,643)	73,457	132,563	127,250	98,248	73,462	178,520	31,219
	Administration, selling and Other expenses	44,250	48,560	34,207	62,389	92,248	70,829	51,922	37,022	199,905	51,793
	Operating Profit or Loss (EBIT)	(150,627)	(151,659)	(106,850)	24,147	81,485	56,421	46,326	36,440	(21,385)	(20,574)
	Financial charges	551	918	36,972	33,622	48,577	41,722	23,984	32,053	37,117	34,330
	EBT	146,781	135,165	(138,537)	(9,475)	32,908	14,699	22,342	4,387	(58,502)	(54,904)
	Taxation	15,908	(27,487)	(28,484)	(3,381)	30,703	53,175	3,221	15,633	45,811	(18,556)
	Net profit (PAT)	130,873	162,652	(105,825)	(6,094)	2,205	67,874	25,563	20,020	(12,691)	(36,348)
	Depreciation and Amortization	34,835	34,168	34,835	67,369	175,574	184,545	193,677	202,492	211,126	220,088
Liquidity	Cash flow from operation	(33,170)	(141,954)	(141,954)	35,326	161,467	130,865	(154,881)	44,134	(9,063)	(58,946)
	Net working capital	1,771,277	1,292,981	1,191,214	1,028,927	983,582	854,151	729,158	610,111	408,030	271,552
	Current ratio	3.46	3.04	2.78	2.40	2.30	2.16	1.72	1.56	1.37	1.27
	Quick ratio	-	-	-	0.16	0.26	0.42	0.38	0.33	0.46	0.30
	Payable/receivable	13.98	19.05	33.38	6.68	3.99	2.76	3.16	4.18	2.21	4.70
Activity	Cash flow/ total debt	-1.33%	-5.96%	-6.33%	1.71%	8.00%	6.58%	-6.54%	1.75%	-0.36%	-2.20%
	Inventory age (days)	2,240	2,606	3,528	2,154	1,457	608	548	494	187	221
	Collection period (days)	110	90	75	34	43	44	47	32	78	25
Profitability	Operating assets turnover	0.03	0.02	0.02	0.06	0.09	0.16	0.17	0.18	0.34	0.25
	Gross profit margin	-62%	-77%	-75%	22%	26%	15%	10%	7%	9%	2%
	Net profit margin	77%	121%	-109%	-2%	0%	8%	3%	2%	-1%	-2%
	Return on capital	1.9%	2.3%	-1.5%	-0.2%	0.1%	2.1%	0.9%	0.7%	-0.5%	-1.3%
	Return on operating assets	7.4%	9.3%	-6.3%	-0.1%	0.0%	1.2%	0.5%	0.4%	-0.2%	-0.6%
Per share data	Return on equity	8%	9%	-5%	0%	0%	3%	2%	1%	-1%	-3%
	Revenue per share	3	2	2	6	9	15	17	18	36	27
	Earning per share (Rs)	(2.93)	(1.94)	(1.98)	(0.11)	0.04	1.22	0.46	0.36	(0.23)	(0.66)
	Face value of share	10	10	10	10	10	10	10	10	10	10
	Break-up value per share	28.67	31.23	32.77	38	37	35	29	27	24	22
Share trend	Earning per break-up value of share	(0.52)	(0.52)	(0.52)	(0.03)	0.01	0.35	0.16	0.14	(0.09)	(0.29)
	Earning per share % of face value	-29%	-19%	-20%	-1%	0%	12%	5%	4%	-2%	-7%
	Earning per share % of break-up value	-10%	-6%	-6%	0%	0%	3%	2%	1%	-1%	-3%
	High stock price-at end	16.50	16.50	16.50	21.50	21.50	21.50	43.40	17.50	18.24	20.70
	Low stock price-at end	16.00	16.00	16.00	20.90	20.90	20.90	42.64	17.50	18.22	20.70
Plant capacity (M.Tons)	Average stock price-at end	16.25	16.25	16.25	21.20	21.20	21.20	43.02	17.50	18.23	20.70
	Growth since last year (Rs)	(5)	(5)	(5)	-	-	(22)	26	(1)	(2)	(2)
	Growth since last Year %	-151%	-98%	-1803%	0%	0%	-51%	146%	-4%	-12%	-7%
	Price earning ratio- at average price	(5.54)	(8.37)	(8.21)	(193.02)	533.54	17.33	93.38	48.50	(79.70)	(31.60)
	Seamless Tubular										
Plant capacity (M.Tons)	Installed Capacity	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
	Utilized Capacity	859	270	800	747	2,744	5,303	7,023	8,652	12,196	10,925
	Coating of pipes and tubes										
	Installed Capacity	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
	Utilized Capacity	2,500	3,318	4,075	4,829	4,076	3,094	2,982	4,512	5,329	1,204
	Special Precision Shafting										
	Installed Capacity										
	Utilized Capacity										
	Machinery and components										
	Installed Capacity	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
	Utilized Capacity	-	-	-	-	-	-	-	-	-	757

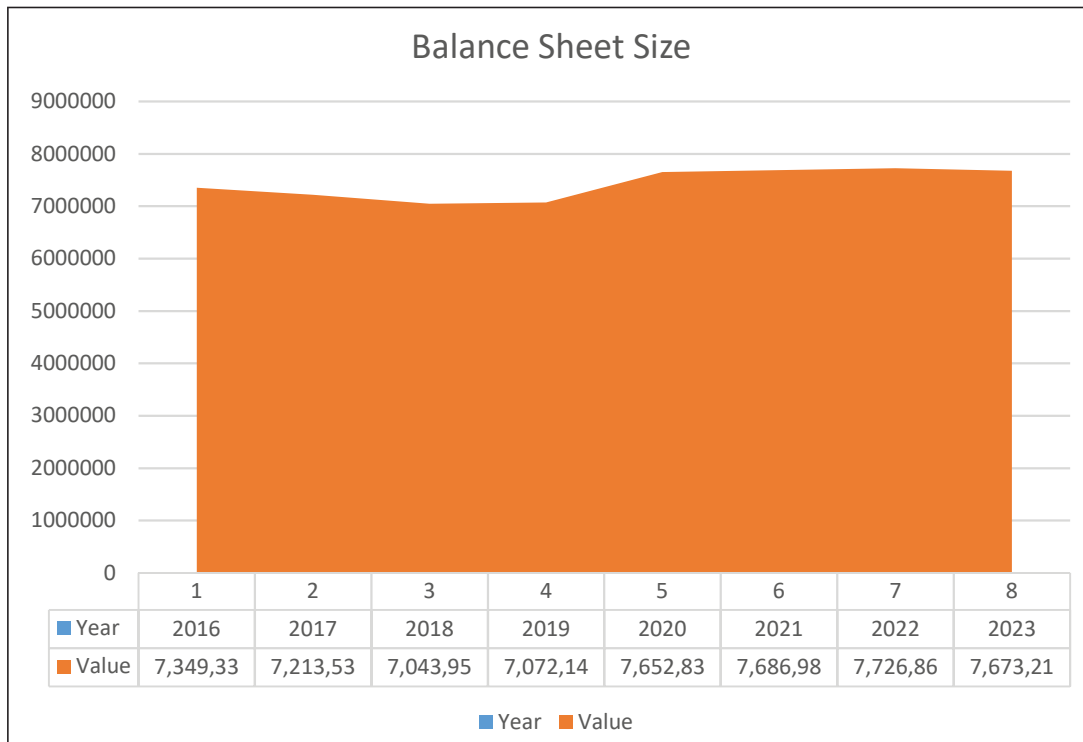




Diagrammatical Performance Review







STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2019 For the year ended JUNE 30, 2023

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 12 as per the following:

- a. Male: Eleven (11)
- b. Female: One (1)

2. The composition of board is as follows:

CATEGORY	NAMES
a) Independent Directors	Mr. Asghar Imam Khalid (Chartered Accountant)
b) Other Non-executive Director	Mr. Talal Yousuf Mohamed Y. Najibi Mr. Nabil Abdul Rahman Ahmad Arif Mr. Fahad Abdul Aziz Eshaq Mr. Muhammad Hafiz Mr. ArshadAhmed Hafiz AbdulWaheed Hafiz Abdul Sami Hafiz Abdul Aleem M/s Javeria Sami (Female Director) Hafiz Abdul Haseeb
c) Executive Directors	Hafiz Abdul Majid (CEO)

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable)
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the board are presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The Board of directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Board of Directors of the Company consists of twelve (12) eminent Directors, out of which four (04) Directors are already certified under the Directors Training Program as follow:
 1. Hafiz Abdul Haseeb
 2. Hafiz Abdul Sami
 3. Hafiz Abdul Aleem
 4. Syed Asghar Imam Khalid



10. The Board has approved appointment of chief financial officer and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;
12. The board has formed committees comprising of members given below:
 - a) Audit Committee**

1. Syed Asghar Imam Khalid	(Independent Director)	Chairman
2. Muhammad Hafiz	(Non-Executive Director)	Member
3. Mr. Arshad Ahmed	(Non-Executive Director)	Member
 - b) Human Resource and Remuneration Committee (Name of members and Chairman)**

1. Syed Asghar Imam Khalid	(Independent Director)	Chairman
2. Muhammad Hafiz	Non-Executive Director	Member
3. Hafiz Abdul Majid	Chief Executive Officer)	Member
4. Mr. Arshad Ahmed	Non-Executive Director	Member
5. Hafiz Abdul Haseeb	Non-Executive Director	Member
6. Hafiz Abdul Aleem	Non-Executive Director	Member
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee was as per following:
 - a) HR&R Committee 01 Meeting
 - b) Audit Committee 01 Meeting
15. The board has set up an effective internal audit function supervised by a well experienced person.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below (if applicable).


HAFIZ ABDUL MAJID

Chief Executive Officer

Dated: July 26, 2025

Karachi:





H.A.M.D & Co.
Chartered Accountants



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Huffaz Seamless Pipe Industries Limited

Review Report on the Statement of Compliance Contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Huffaz Seamless Pipe Industries Limited (the Company) for the year ended June 30, 2023 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, except for the matters given a-c below, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respect, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2023:

- 1) At present, the fixed term of three-year period under section 161 of Companies Act 2017 of holding office of directors has been expired on 23rd December, 2021. The election of directors under section 159 of Companies Act 2017, was scheduled on January 6th, 2022 for which notices have also been served and consent of directors was obtained. However, a dissenting director approached Honorable High Court of Sindh and obtained a stay order for holding election of directors. Regarding day-to-day affair of the Company, the Honorable High Court of Sindh allowed Board of Directors to take decision considering interest of the Company;
- 2) Under regulation No. 10 (2) of the Regulation, the Board should establish a Risk Management Committee who would review effectiveness of risk management procedures and present a report to the Board on the matters such as, an overall review of business risks and risk management monitoring and review of all material controls (financial, operational, compliance), risk mitigation measures are robust and integrity of financial information is ensured, to safeguard assets, reputation, interest of shareholders, and appropriate extent of disclosure of Company's risk framework and internal control system in Directors report. The said committee was not established in the year. In this regard we have been informed by the management that such committee would be formed after the election of the upcoming Board of Directors of the Company;
- 3) The Chief Financial Officer of the Company has been expired subsequent to year end date and no succeeding Chief Financial Officer was appointed in his replacement and the office remain vacant.
- 4) Quarterly Financial Statements for the current year as well as half yearly financial statements for the half year ended December 31, 2022 have not been prepared/issued by the Company as required by the Regulation 10 (v) and 25.

H.A.M.D. Le
Chartered Accountants
Karachi

Date:
UDIN: CR202310553WNfP85JBC

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H.A.M.D & Co.
Chartered Accountants



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OPINION

We have audited the annexed financial statements of **Huffaz Seamless Pipe Industries Limited** (the Company), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ('the Financial Statements'), and we stated that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EXPHASIS OF MATTER

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

Without qualifying our opinion, we draw attention to Note # 2 of the accompanying financial statements. As more fully described in that note company's sales in the year 2023 was **Rs. 171,016** thousand (2022: Rs 134,317 thousand). Except for the current year, company's sales performance showed declining trend over past six years period and company is under serious liquidity problems. The company suffered losses in the current year 2023 **Rs. 162,689 thousand** (2022: Rs 107,678 thousand) and losses over past four years aggregated to Rs 386,683 thousand. Company's seamless plant and production has been remained inoperative for major portion of the current year and previous year periods. These conditions casts significant doubts about Company's ability to continue as a going concern for a foreseeable future period, and the Company may not be able to realize its assets and settle its liabilities in normal course of business.

Head Office Karachi:

302 Land Mark Plaza, Mohammed Bin
Qasim Road, Off I. I. Chundrigarh Road,
Karachi-74200, Pakistan.
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However, directors are optimistic that due to mitigating factors as well as financial and other supports provided by the sponsors and directors of the company, the company would be able to operate as a going concern in the foreseeable future period. Therefore, accompanying financial statements have been prepared applying going concern basis of accounting. Our opinion is not qualified in respect of above matters.

KEY AUDIT MATTER(S)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S. #	KEY AUDIT MATTER(S)	HOW THE MATTER WAS ADDRESSED IN OUR AUDIT
1.	<p>Defined benefit plan - Staff Gratuity</p> <p>We draw attention to note # 19.1 to the accompanying financial statements;</p> <p>The company operates a defined benefit obligation-staff unfunded gratuity scheme for eligible employees giving rise to liabilities of 2023 Rs. 119,657 thousand (2022 Rs. 105,094 thousand) which is significant in the context of the overall financial position of the company.</p> <p>The valuation of Gratuity requires judgments and technical expertise in choosing appropriate assumptions. Changes in a number of the key assumptions, including:</p> <ul style="list-style-type: none"> – Salary increases and inflation; – Discount rate; and – Mortality rate. <p>All assumptions can have a material impact on the calculation of the liability. The company uses management expert for actuarial valuation of the scheme to assist in assessing these assumptions.</p>	<p>Our audit procedures to address the matter amongst others includes the following:</p> <ul style="list-style-type: none"> ● We have reviewed Management Expert report and for using it as audit evidence, we have: <ul style="list-style-type: none"> ▪ Obtained an understanding of the work of the Management Expert; ▪ Evaluated the competence, capabilities and objectivity of the Management Expert; and ▪ Evaluated the appropriateness of Management Expert work for verifying existence, completeness and valuation techniques applied. ● We assessed, whether assumption in calculating the Gratuity including salary increases, inflation, mortality rate and discount rate etc., were consistent with the benchmarks of national and industry data; ● A complete disclosure in term of IAS 19 – ‘Employee benefit’ was made as was made in the previous period. ● We also performed sample testing to agree underlying membership data to supporting human resources documentation and assessed the appropriateness of the closing liability based on known movements and assumptions.

S. #	KEY AUDIT MATTER(S)	HOW THE MATTER WAS ADDRESSED IN OUR AUDIT
2.	<p>LONG TERM LOAN/DEFERRED LIABILITIES</p> <p>We draw attention to note no.18 and note no.19 of the accompanying financial statements. Significant liability of amount payable as WPPF in 2023 Rs. 410,300 thousand (2022 Rs 410,187 thousand in the year) has been re-classified Rs. 49,461 thousand as long-term loan and Rs. 360,839 thousand in deferred liabilities on the basis of an agreement between the management and worker representatives (union). We focused on this area because of significant amount involved which remained unpaid from past several years</p>	<p>Our audit procedures to address the matter amongst others includes the following:</p> <ul style="list-style-type: none"> • We reviewed the provision contain in the relevant law of WPPF Act and ensured provision of liability including interest on the unpaid balance provided properly in the financial statements of the company; • We have reviewed the agreement between worker representative (union) and management of the company ensuring the liability amount of WPPF and its settlement provided in the agreement and also ensure the relevant re-classification in the financial statements into long term loan and deferred liabilities. • We have reviewed actual payment in the year as well as reviewed rewinding of notional income in the current year 2023 and classification of the liability between the current maturity and long-term loan portion of the liability. <p>We were also provided with legal advice stating that the agreement between management and worker representatives is proper and legally enforceable and did not have any adverse effects on the company.</p>

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

Management is responsible for the other information. The other information comprises the information in the annual report including, in particular Financial Summary, Company's Overview, Director's Report, Financial and Business Highlights, Diagrammatical Performance review including Graphic presentation, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and these are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubts on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the Disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide the board of directors with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit, we further report that in our opinion:

- (a) Proper book of accounts has been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) The statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and in agreement with the books of account and returns;
- (c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

OTHER MATTERS

The Election of directors was scheduled on 6th January 2022, for election of retiring directors whose terms expired on December 22, 2021. However, a stay order on the matter of election of directors was granted by the Honorable High Court of Sindh. Consequently, election was not held. However, regarding day-to-day affairs of the Company, the Honorable High Court of Sindh allowed board of directors to take decision considering interest of the company. The accompanying Financial Statement have been approved by the Board of Directors and signed by the Chief Executive and a director who continued in the office under aforesaid order.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Tahir Saeed Effendi, FCA.



Chartered Accountants

Karachi

Dated:

UDIN: AR202310553Z20ItEA4o

Statement of Financial Position

As at June 30, 2023

	Note	30 June 2023	30 June 2022
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	5,171,158	5,248,744
Long term deposits	6	10,813	10,813
		5,181,971	5,259,557
Current Assets			
Non-current assets held for short term disposal	5.7	540,453	540,452
Stores and spares	7	87,840	95,612
Stock-in-trade	8	1,701,986	1,694,864
Trade debts (unsecured)	9	51,492	33,281
Loan and advances	10	24,313	31,799
Trade deposits	11	18,746	7,600
Other receivables	12	36,907	35,491
Advance tax - net of provision	13	22,332	15,765
Cash and bank balances	14	7,174	12,448
		2,491,243	2,467,312
TOTAL ASSETS		7,673,214	7,726,869
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Share Capital	15	554,845	554,845
Share premium		109,437	109,437
Surplus on revaluation of property, plant and equipment	16	3,595,760	3,610,630
Directors Loan	17	118,599	116,842
Revenue reserves		40,000	40,000
Unappropriated profit / (loss)		880,339	1,027,701
Total equity		5,298,981	5,459,455
Non-Current Liabilities			
Long Term Loans	18	43,995	49,348
Deferred liabilities	19	1,604,111	1,583,491
		1,648,106	1,632,839
Current Liabilities			
Trade and other payables	20	719,965	633,879
Current Maturity of Long Term Loan	18	5,466	-
Unclaimed Dividend		696	696
		726,127	634,575
Contingencies and commitments	21		
TOTAL EQUITY AND LIABILITIES		7,673,214	7,726,869

The annexed notes from 1 to 37 form an integral part of these financial statements.


Hafiz Abdul Majid
Chief Executive


Hafiz Abdul Haseeb
Director


Muhammad Anwer Khan
Chief Financial Officer

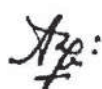


Statement of Profit or Loss

For the year ended June 30 2023

		30 June 2023	30 June 2022
	Note	------(Rupees in '000)-----	
Revenue from contract with customers (Net)	22	171,016	134,317
Cost of revenue from contract with customers	23	(277,393)	(237,416)
Gross (Loss)		(106,377)	(103,099)
Selling and distribution expenses	24	(8,206)	(4,029)
Administrative expenses	25	(36,044)	(44,531)
		(44,250)	(48,560)
		(150,627)	(151,659)
Other operating income / (charges)	26	4,397	17,412
		(146,230)	(134,247)
Finance cost	27	(551)	(918)
(Loss) before taxation		(146,781)	(135,165)
Taxation	28	(15,908)	27,487
(Loss) after taxation		(162,689)	(107,678)
		------(Rupees)-----	
(Loss) per share - basic and diluted (Rupees)	29	(2.93)	(1.94)

The annexed notes from 1 to 37 form an integral part of these financial statements.



Hafiz Abdul Majid
Chief Executive



Hafiz Abdul Haseeb
Director



Muhammad Anwer Khan
Chief Financial Officer



Statement of Comprehensive Income

For the year ended June 30 2023

	30 June 2023	30 June 2022
	------(Rupees in '000)-----	
Loss/Profit after taxation	(162,689)	(107,678)
<i>Items that will not be reclassified subsequently to profit and loss account</i>		
- Remeasurement of defined benefit obligation	18.1.5	
Surplus on revaluation - net of deferred tax		
- Impact of tax		
	644	8,348
	(187)	(2,421)
	457	5,927
Total comprehensive income / (loss) for the period	(162,232)	(101,751)

The annexed notes from 1 to 37 form an integral part of these financial statements.



Hafiz Abdul Majid
Chief Executive



Hafiz Abdul Haseeb
Director



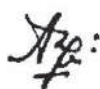
Muhammad Anwer Khan
Chief Financial Officer



Statement of Changes in Equity
For the year ended June 30 2023

	Issued, Subscribed & Paid-up Capital	Share Premium	Revenue Reserve	Revaluation Surplus	Directors Loan (Note No. 17)	Unappropriated Profit	Total
	(Rupees in '000)						
Balance as at 01 July 2021	554,845	109,437	40,000	3,626,183	116,842	1,113,900	5,561,207
Total comprehensive income for the period							
Loss for the year ended June 30, 2022	-	-	-	-	-	(107,678)	(107,678)
Other comprehensive income / (loss)	-	-	-	-	-	5,927	5,927
Total comprehensive income / (loss) for the year	-	-	-	-	-	(101,751)	(101,751)
Transfer from property, plant and equipment - net of deferred tax	-	-	-	(15,552)	-	15,552	-
related deferred tax in surplus	-	-	-	-	-	-	-
Balance as at 30 June, 2022	554,845	109,437	40,000	3,610,631	116,842	1,027,701	5,459,456
Balance as at 01 July 2022	554,845	109,437	40,000	3,610,631	116,842	1,027,701	5,459,456
Total comprehensive income for the period							
Loss for the year ended June 30, 2023	-	-	-	-	-	(162,689)	(162,689)
Other comprehensive income / (loss)	-	-	-	-	-	457	457
Total comprehensive income / (loss) for the year	-	-	-	-	-	(162,232)	(162,232)
Transfer from property, plant and equipment - net of deferred tax	-	-	-	(14,870)	-	14,870	-
related deferred tax in surplus	-	-	-	-	-	-	-
Current year	-	-	-	-	1,803	-	1,803
Balance as at 30 June, 2023	554,845	109,437	40,000	3,595,761	118,599	880,339	5,299,028

The annexed notes from 1 to 37 form an integral part of these financial statements.



Hafiz Abdul Majid
Chief Executive



Hafiz Abdul Haseeb
Director



Muhammad Anwer Khan
Chief Financial Officer

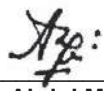


Cash Flow Statement

For the year ended June 30, 2023

	Note	2023	2022 Re-stated
		-----'(Rupees in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(146,781)	(135,165)
Adjustments for:			
Depreciation	5.1	34,168	34,835
Provision of Staff gratuity	19.1.4	17,540	15,996
Provision of earned leave		1,525	1,505
Notional income / rewinding		1,323	(17,412)
		<u>54,556</u>	<u>34,924</u>
Operating Loss before working capital changes		(92,225)	(100,241)
Changes in working capital			
(Increase) / decrease in current assets	30	(22,637)	(71,246)
Increase / (decrease) in current liability	30	93,573	38,655
Changes in working capital - Net		70,936	(32,591)
Gratuity paid		(2,976)	(781)
Earned leaves paid		(200)	-
Income Tax paid	13	(8,704)	(8,341)
		<u>(11,880)</u>	<u>(9,122)</u>
Net cash generated in operating activities		(33,170)	(141,954)
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition to property, plant and equipment	5	(8,862)	(2,545)
Long term deposits	6	-	(3,877)
Net cash flow from investing activities		(8,862)	(6,422)
CASH FLOWS FROM FINANCING ACTIVITIES			
Directors loan	17	1,757	37,026
Advance against sales of Non-current assets held for short term disposal		35,000	101,390
Net cash flow from financing activities		<u>36,757</u>	<u>138,416</u>
NET (DECREASE) IN CASH FLOWS FROM ALL SOURCES		(5,274)	(9,960)
Cash and cash equivalents at beginning of the year		12,448	22,408
CASH & CASH EQUIVALENT AT END OF THE YEAR	15	<u>7,174</u>	<u>12,448</u>

The annexed notes from 1 to 37 form an integral part of these financial statements.


Hafiz Abdul Majid
Chief Executive


Hafiz Abdul Haseeb
Director


Muhammad Anwer Khan
Chief Financial Officer



Notes to the Financial Statements

For the year ended June 30, 2023

1. STATUS AND NATURE OF BUSINESS

- 1.1** Huffaz Seamless Pipe Industries Limited ("the Company") was incorporated in Pakistan on October 9, 1983 as a public company limited by shares. The shares of the Company are quoted on Pakistan Stock Exchange (PSX) (formerly divided into KSE & LSE). The principal objective and business of the Company is manufacturing and selling of seamless steel pipes and tubes (tubular products). The Company also has a coating facility capable of applying three layer high density polyethylene coating, polypropylene coating and tape coating on steel pipes. The registered office of the Company is situated at 207-210, Mashriq Center, Block 14, Gulshan-e-Iqbal, Karachi and the factory of the Company is located at Nooriabad, District Jamshoro, Sindh province.

2 GOING CONCERN ASSUMPTION AND MITIGATING FACTORS:

Sales in the current period was Rs 171,016 thousand compare to Rs 134,317 thousand in the previous year showing a small rise due to income from coating activities. Its principal business line seamless continued to show a declining trend in current year which was Rs: 3,656 thousand compared to Rs: 36,699 thousand in the previous year. Since a eight-year period including 2023 a declining trend was regularly observed year after year in the principle line of business of the company. As a consequence, company was faced with serious liquidity problems to arrange raw material for production of pipes. Production of seamless pipe remained closed in the major part of the year due to non availability of high price raw material in the international market and relative paucity of financial resources. The company has suffered gross and net loss in the year and net loss after tax was Rs.162,689 thousand Compared to 2022: Rs 107,678 thousand in previous year aggregating Rs.382,287 thousand in four years period. The foregoing conditions along with other related matters cast significant doubts about company's ability to continue as a going concern for a foreseeable future period and the company may not be able to realize its assets and settle its liabilities in the

Mitigating Factors:

The management of the company strive hard to improve upon the operating performance and in this connection made concerted efforts in the government and other circles which would pave the way for the sizeable enhancement in the company sale in the future period ahead. The company management has adopted a rationing policy and cost reduction program and company also manage to retained its key personal to ensure that Company should not lose its technical strength. The Chief Executive along with other Sponsors and Directors of the company have provided financial support to the company by way of loan Rs 118,599 thousand (2022: 116,842 thousand). Furthermore, in order to support working capital requirement of the Company. Management has negotiated disposal of plot of land in a short term period and in this connection have collected advances from the negotiating party. In addition, company has also made an understanding with a sponsor for the purpose of improving its operations and financing requirements. Director have also evaluated the future outlook of the company and are optimistic that the company would be able to operate as a "Going Concern" for a foreseeable future period. Therefore, in view of the mitigating factors, these financial statements have been prepared by applying going concern basis of accounting.

3. BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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



**3.2 Basis of measurement**

These financial statements have been prepared under the historical cost convention except that:

- the obligations under employees' defined benefit plan which are measured at present value of defined benefits less fair value of plan assets; and
- the leasehold land, factory building, plant and machinery and coating sheds are stated at fair values which are determined by the independent valuer.

3.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the Company's functional currency. All amounts have been rounded to the nearest rupees in thousand, unless otherwise

3.4 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2023

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional

	Effective for the period beginning on or after
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice	1-Jan-23
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	1-Jan-23
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	1-Jan-23
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	1-Jan-23

3.4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective for the period beginning on or after
IFRS 7	Amendments to IFRS 7 'Financial Instruments: Disclosures' - supplier finance arrangements
IFRS 7	Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of
IFRS 9	Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial
IFRS 16	Amendments to IFRS 16 'Leases' to clarify how a seller-lessee subsequently measures sale and leaseback transactions
IAS 1	Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current





IAS 1	Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	1-Jan-24
IAS 7	Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	1-Jan-24
IAS 21	Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	1-Jan-25
IFRS 17	IFRS 17 Insurance Contracts	1-Jan-26

3.4.2 New Standards issued by IASB and but not yet been notified / adopted by SECP

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

3.4.3 The following International Financial Reporting Standards (IFRS Standards) and amendments not yet

IFRS 16	COVID-19 - Related Rent Concessions	
	<p>The International Accounting Standards Board (the Board) has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate.</p> <p>Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:</p>	
		Effective Date (Annual Period beginning and or after)
	A) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;	
	B) Any reduction in lease payments affects only payments originally due on or before 30 June 2021;	
	C) there is no substantive change to the other terms and conditions of the lease. The standard is not likely to have any effect on Company's financial statements.	
IFRS 3	Business Combinations - amendments updating a reference to the Conceptual Framework	January 01, 2023
IFRS 4	Insurance Contracts - Amendments regarding the expiry date of the deferral approach	January 01, 2023



IFRS 9	Financial Instruments - The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognize	January 01, 2023
IAS 1	Presentation of Financial Statements - Amendments regarding the classification of current and non-current liabilities.	January 01, 2023
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - Amendment regarding the definition of accounting estimates, the standard defines the concept of a "change in accounting	
IAS 12	Income taxes - Amendment regarding to clarify how companies account for deferred tax on leases and decommissioning obligations	January 01, 2023
IAS 16	Property, Plant and equipment - The amendments clarify the prohibition on an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items in profit or loss	January 01, 2023
IAS 37	Provisions, Contingent Liabilities and Contingent Assets - The amendments specify the costs a company should include as the cost of fulfilling a contract when assessing whether a contract is	January 01, 2023



- The IASB issued 'Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)' with amendments that address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The amendments are effective for annual periods beginning on or after January 1, 2021. The standard is not likely to have any effect on Company's financial statements.
- The following new standards and interpretations have been issued by the IASB, which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1	First time adoption of International Financial Reporting Standard
IFRS 17	Insurance Contracts

3.5 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates underlying the assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

3.5.1 Property, plant and equipment - carrying value Rs 5,171.158 thousand

Note 5

The Company's management reviews the rates of depreciation / estimated useful lives used in the calculation of depreciation charge for its property, plant and equipment and the value of the assets for possible impairment at each financial year end. Further, the Company estimates revalued amounts and useful lives of leasehold land, factory building, plant and machinery and coating sheds based on the periodic valuations carried out by independent professional valuer. Any change in estimate in future might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge, impairment, surplus on revaluation and annual transfer of incremental depreciation from surplus on revaluation of property, plant and equipment account to unappropriated profit together with any tax effect. **The effect of change in revision in useful life as well as revaluation has been disclosed in Note 5.**

3.5.2 Stock-in-trade and stores and spares - carrying value Rs 1,789,826 thousand

Note 9

The Company at each balance sheet date reviews the net realizable value of stock-in-trade and stores and spares to assess any diminution in their respective carrying values. Any change in estimates in future years might affect the carrying amounts of stock-in-trade and stores and spares with a corresponding effect on the profit and loss account of those future years.



3.5.3 Trade debts and other receivables - carrying value Rs 88,399 thousand

Note 10

The Company reviews its doubtful trade debts and other receivables at each balance sheet date to assess the adequacy of provision there against (if any). In particular, judgment is required in the estimation of the amount and **future recoveries** & cash flows when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provision.

3.5.4 Employee benefits - carrying value Rs 119,657 thousand

Note 19

The liabilities relating to defined benefit plan - staff gratuity are determined through actuarial valuation using the Projected Unit Credit Method. The method involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long-term nature of these benefits, such estimates are subject to uncertainties. Significant assumptions used to carry out the actuarial valuation have been disclosed in note 18 to these financial statements.

The liability related to compensated absences is determined by the management based on entitlement of absences of employees.

3.5.5 Taxation - carrying value Rs 22,332 thousand

Note 13.2

In making estimate for income tax payable by the Company, the Company takes into account the applicable tax laws. Deferred tax asset is recognized for all unused tax losses and available credits to the extent that it is probable that sufficient taxable temporary differences and taxable profits will be available against which such losses and credits can be utilized. Significant judgment is exercised to determine the amount of deferred tax asset to be recognized.

4.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are the same, as those applied in the preparation of financial statements of the Company for the year ended June 30, **2020** and are enumerated as follows:

4.1 Property, plant and equipment

4.1.1 Operating assets and depreciation

Initial Recognition

The cost of an item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of such item can be measured reliably. Recognition of the cost in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the management. Cost includes expenditure that is directly attributable to the acquisition of an asset including borrowing costs, if any. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.



Measurement

Property, plant and equipment (except leasehold land, factory building, plant and machinery and coating sheds) are stated at cost less accumulated depreciation and impairment losses, if any. Factory building, plant and machinery and coating sheds are stated at revalued amount less accumulated depreciation and impairment losses, if any, whereas leasehold land is stated at revalued amount less impairment loss, if any. The value assigned to leasehold land is not amortized as the respective leases are expected to be renewed for further periods on payment of relevant rentals. The costs of property, plant and equipment include:

- A. its purchase price including import duties, non-refundable purchase taxes after deducting trade discounts and rebates; and
- B. any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- C. Borrowing costs, if any

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be reliably measured. Cost incurred to replace a component of an item of property, plant and equipment is capitalized and the asset so replaced is derecognized. Normal repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

Depreciation

- Depreciation is charged on reducing balance method or **units of production method** at rates specified in note 5.1 to the financial statements and is recognized in the statement of profit or loss.
- Depreciation on addition is charged from the month the asset is available for use while no depreciation is charged in the month of disposal.
- The company has applied units of production method for computing depreciation on Plant & Machinery in accordance with paragraph 62 of IAS 16 'Property Plant and Equipment'. Management believes that depreciation charge applying units of production method represents a charge based on the expected use or output of Plant & Machinery (Note# 33) and resulted in expected pattern of consumption of the future economic benefits embodied in the asset.
- Depreciation methods, useful lives and residual values of each part of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each balance sheet date.



Revaluation surplus

Surplus on revaluation of leasehold land, factory building, plant and machinery and coating sheds is credited to the surplus on revaluation account. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the estimated fair value. To the extent of the incremental depreciation charged on the revalued assets, the related surplus on revaluation of property, plant and equipment (net of deferred taxation) is transferred directly to retained earnings / unappropriated profit.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on DE recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit and loss account in the year the asset is derecognized. When revalued assets are disposed off, any related amount included in the revaluation surplus is transferred to retained earnings.

4.1.2 Capital work-in-progress

These are stated at cost less impairment, if any, and consist of expenditure incurred and advances made in respect of assets in the course of their acquisition, construction and installation. The assets are transferred to relevant category of property, plant and equipment when they are available for intended use.

4.2 Investment

Investment in joint venture is accounted for in accordance with the joint venture agreement as well as provisions of IAS-31 Accounting for Joint Venture. The Company uses equity method of accounting where by its proportionate share of income/loss of JV company on the basis of latest available financial statement. Investment has been derecognized in the current period with retrospective effect (Note# 7.2).

4.3 Stores and spares

Stores and spares are stated at lower of weighted average cost and net realizable value, less provision for impairment, if any. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

Provision for obsolete and slow moving stores, spares and loose tools is determined based on management's estimate regarding their future usability.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs necessary to be incurred to make the sale.

4.4 Stock-in-trade

These are valued at lower of cost and net realizable value. Cost is determined under the weighted average basis. Cost of work-in-process and finished goods consists of Raw and Coating materials, labor and applicable production overheads. The company reviews the Net realizable value(NRV) of finished goods **based on internal/ external evaluation in order** to assess any diminution in the respective carrying value of stock of Finished goods in hand. Net realizable value(NRV) signifies the estimated selling price in the ordinary course of the business less estimated cost of completion and selling expenses.



Items in transit are valued at cost comprising invoice value plus other charges paid thereon up to the Scrap inventory is valued at estimated realizable value.

4.5 Trade debts and other receivables

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. **The credit is allowed to costumers generally is a 60/90-180 days period extended on a case to case basis. Receivables** are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years **as well as any subsequent recoveries are considered for computing expected credit losses using a 'simplified approach'.**

4.6 Staff retirement benefits

Defined benefit plan:

The Company operates an unfunded gratuity scheme covering all its permanent employees who have completed the minimum qualifying period one year of service as defined under the scheme. The Company's obligation under the scheme is determined through actuarial valuation carried out at each year end under the Projected Unit Credit Method. Remeasurements which comprise actuarial gains and losses are recognized immediately in other comprehensive income.

The Company determines the interest expense on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then defined benefit liability, taking into account any changes in the defined benefit liability during the period as a result of benefit payments. Interest expense and current service cost are recognized in profit and loss account. The most recent valuation of the scheme was carried out as at June 30, 2023. Details of the scheme are given in note 19.1 of these financial statements.

4.7 Compensated absences

The liability for accumulated compensated absences of employees is recognized in the period in which employees render services that increases their entitlement to future compensated absences.

4.8 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

4.9 Markup bearing borrowings

Loans and borrowings are initially recognized at fair value of the consideration received less directly attributable transaction costs, if any. Subsequently, these are measured at amortized cost using the effective markup rate method.

4.10 Revenue recognition

Income from sale of seamless pipe/Coating is recognized at the point in time when control of the asset is transferred to the customer, the company's performance obligation is complete as soon as goods are delivered. **Credit is allowed to costumers generally is a 60/90-180 days period extended on a case to case basis.** The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Scrap / wastage sales accounted when invoice accompanied by actual delivery and collection.

4.11 Taxation

Income Tax expenses comprises current and deferred tax. Income Tax expense is recognized in the profit and loss account, except to the extent that it relates to items recognized directly in other comprehensive income or below equity, in which case it is recognized in other comprehensive income or below equity respectively.



Current

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years.

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account the available tax credits and tax rebates, if any. The charge for the current tax also includes adjustments where necessary, relating to prior years which arise from assessment framed / finalized (if any) during the year.

Deferred

Deferred tax is recognized using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and their tax base. This is recognized on the basis of the expected manner of the realization or settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reduced to the extent that is no longer probable that the related tax benefit will be realized. The Company also recognizes deferred tax liability on surplus on revaluation of property, plant and equipment in accordance with the requirements of International Accounting Standard 12 'Income Taxes'.

4.12 Borrowing costs

Borrowing costs are recognized as an expense in the period in which these are incurred using the effective markup rate method except those which are directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalized as part of the cost of that asset.

4.13 Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

4.14 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise cash and bank balances. Short-term borrowing / running finances that are repayable on demand if any and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of cash flow statement.

4.15 Foreign currency translations

Transactions in foreign currencies are initially accounted for in Pakistan Rupees at the foreign exchange rates prevailing on the dates of transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistan Rupees at the rates of exchange prevailing on the balance sheet date. Exchange differences are included in the profit and loss account.



4.16 Financial instruments

4.16.1 Initial measurement of financial assets

The Company classifies its financial assets into following three categories

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortized cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Debt Investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss account. Other net gains and losses are recognized in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

Equity Investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit or loss account unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to the statement of profit or loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognized in the statement of profit or loss.

Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss.

4.16.2 Non-derivative financial assets

All non-derivative financial assets are initially recognized on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalent. The Company derecognizes the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.



**4.16.2. Trade debts, advances and other receivables**

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss. (Note 4.5)

4.16.2.1 Cash and cash equivalents

For the purpose of presentation in statement of cash flow, cash and cash equivalents includes cash in hand, balances with banks and borrowings availed by the Company, which are repayable on demand and form an integral part of the Company's cash management.

4.16.3 Financial liabilities

Financial liabilities are initially recognized on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings and trade and other payables. The Company derecognizes the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liability other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortized cost using effective interest rate method.

4.16.3.1 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognized initially at fair value, less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortized cost, while the difference between the cost (reduced for periodic payments) and redemption value is recognized in the statement of profit or loss account over the period of the borrowings using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the relevant asset.

4.16.3.1 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable costs, if any, and subsequently measured at amortized costs.

4.17 Impairment of financial assets

Aside from this note, other disclosures relating to impairment of financial assets (trade receivables) are included. The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate, when applicable. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognized in two stages.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).



For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. Whenever considered necessary, the Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors (subsequent collection) and the general economic conditions of the country.

Aside from this note, other disclosures relating to impairment of financial assets (trade receivables) are included.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 60/90-180 days (extended in case to case basis) past due.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

Initial recognition and measurement

- 4.18** Financial liabilities are classified, at initial recognition, as financial liabilities at amortized cost, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, sponsor loans and borrowings including bank overdrafts and derivative financial instruments.



Subsequent

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments

Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings (if any) are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings (if any).

DE recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the DE recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities

4.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting structure. Management monitors the operating results of its products (i.e. production of seamless pipes and coating income) separately for the purpose of making decisions regarding resource allocation and

4.20 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved by the members and board of directors.

4.21 Earnings per share basic and diluted

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.



5. PROPERTY, PLANT AND EQUIPMENT

- 0.10

30 June 2023

30-Jun
2022
Re-stated

Operating fixed assets
Capital work-in-progress

5.1 5,171,158 5,185,483
5.7 - 63,261
5,171,158 5,248,744
5.1 Operating fixed assets

Operating fixed assets													
Jun-23													
COST / REVALUATION					DEPRECIATION								
As at	Addition	Adjustments for Addition / Transfer (Note 5.1.1)			As at	As at	Adjustment (note 5.1.1)	As at	Charge	Disposal	As at	Book Value as at	Rate %
1-Jul 2022	/ transfer	Cost	Surplus on Revaluation	total	30 June 2023	1-Jul 2022		01-07-2022	for the Period	/ Reversal	30 June 2023	30 June 2023	
(Rupees in '000)													
Owned Assets													
Land - lease hold (Note 5.1)	1,080,905	-	-	-	1,080,905	-	-	-	-	-	-	1,080,905	0
Building - factory	2,229,220	8,254	-	-	2,237,474	463,912	-	463,912	29,481	-	493,392.19	1,744,082	1.67
Building - head office	3,792	-	-	-	3,792	3,253	-	3,253	54	-	3,307	485	10
Plant and machinery	4,125,608	11,516	-	-	4,137,124	1,328,100	-	1,328,100	1,085	-	1,329,185	2,807,939	Units of production 10
Furniture and fixtures	3,239	-	-	-	3,239	2,574	-	2,574	67	-	2,640	599	10
Office equipment	5,450	-	-	-	5,450	4,325	-	4,325	113	-	4,437	1,013	10
Electric and gas appliances	27,753	-	-	-	27,753	18,207	-	18,207	955	-	19,161	8,591	10
Air conditioners	1,965	-	-	-	1,965	1,441	-	1,441	52	-	1,493	472	10
Drawings and survey equipment	363	-	-	-	363	356	-	356	1	-	357	6	10
Motor vehicles	37,194	-	-	-	37,194	35,488	-	35,488	341	-	35,830	1,364	20
Computer and allied equipment	9,611	42	-	-	9,652	8,937	-	8,937	143	-	9,080	572	20
Security weapons	1,178	-	-	-	1,178	900	-	900	28	-	927	251	10
Coating Sheds	88,901	-	-	-	88,901	22,697	-	22,697	1,655	-	24,352	64,549	2.50
Assets under Diminishing Musharika Financing													
Motor vehicles	5,006	33	-	-	5,039	4,061	-	4,061	195	-	4,257	782	20
7,620,185		19,845	-	-	-	7,640,030	1,894,251	-	1,894,251	34,169	-	1,928,419	5,711,611
(540,453)						(540,453)	0	-	0		-	(540,453)	
7,079,733		19,845	-	-	-	7,099,577	1,894,251	-	1,894,251	34,169	-	1,928,419	5,171,158
Less: Reclassified into asset held for short term													
Owned Assets													
Land - lease hold	1,064,075	-	128	16,702	16,830	1,080,905	-	-	-	-	-	1,080,905	0
Building - factory	2,010,352	-	78,808	140,060	218,868	2,229,220	401,761	32,169	433,930	29,981	-	463,911.53	1,765,309 1.67
Building - head office	3,792	-	-	-	-	3,792	3,194	-	3,194	60	-	3,254	538 10
Plant and machinery	4,125,608	-	-	-	-	4,125,608	1,327,186	-	1,327,186	915	-	1,328,101	2,797,507 Units of production 10
Furniture and fixtures	3,239	-	-	-	-	3,239	2,500	-	2,500	74	-	2,574	665 10
Office equipment	5,450	-	-	-	-	5,450	4,200	-	4,200	125	-	4,325	1,125 10
Electric and gas appliances	27,753	-	-	-	-	27,753	17,146	-	17,146	1,061	-	18,207	9,546 10
Air conditioners	1,965	-	-	-	-	1,965	1,383	-	1,383	58	-	1,441	524 10
Drawings and survey equipment	363	-	-	-	-	363	355	-	355	1	-	356	7 10
Motor vehicles	37,194	-	-	-	-	37,194	35,062	-	35,062	426	-	35,488	1,706 20
Computer and allied equipment	9,566	45	-	-	-	9,611	8,769	-	8,769	169	-	8,937	673 20
Security weapons	1,178	-	-	-	-	1,178	869	-	869	31	-	900	278 10
Coating Sheds	83,132	-	6,716	(946)	5,769	88,901	19,626	1,373	20,999	1,698	-	22,697	66,205 2.50
Assets under Diminishing Musharika Financing													
Motor vehicles	5,006	-	-	-	-	5,006	3,825	-	3,825	236	-	4,061	945 20
7,378,673		45	85,652	155,816	241,468	7,620,186	1,825,874	33,542	1,859,417	34,835	-	1,894,251	5,725,935
(540,453)						(540,453)	0	-	0		-	(540,453)	
Less: Reclassified into asset held for short term													
6,838,220		45	85,652	155,816	241,468	7,079,733	1,825,874	33,542	1,859,417	34,835	-	1,894,251	5,185,483



- 5.1** The plant facilities & factory of the Company has been situated on leasehold land measuring 422.88 acres of land at 90 KM, Nooriabad Industrial Estate, Sindh.

5.2 Allocation of depreciation		30 June 2023	30 June 2022
Cost of revenue from contract with customers	26.1	33,485	34,154
Administrative expenses	28	683	680
		34,168	34,834

5.3 Revaluation of Property, Plant and equipment

The Company carries its leasehold land, factory building, plant and machinery and coating sheds at revalued amounts under IAS 16 'Property, Plant and Equipment'. The latest valuation was carried out on June 30, 2020 by M/s. K.G. Traders (Private) Limited, an independent professional valuer, on the basis of present market values which resulted in a surplus on revaluation amounting to Rs. 623.859 million.

The forced sale value of land and building as per the aforesaid revaluation report was Rs. 2,313 million.

The forced sale value of plant and machinery as per the aforesaid revaluation report was Rs. 1,960 million.

Management is planning to make an assesment of revaluation of its assets in the subsequent period 2024, so that current valuation assigned would be updated

5.4 Fair Value Hierarchy

Levels of fair value are defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Details of fair value hierarchy and information relating to fair value of Company's leasehold land, building, electric installations and plant and machinery is as follows:

	Note	Level 1 ----- Rupees in '000 -----	Level 2 -----	Total
Land - leasehold	5.5	-	540,453	540,453
Building - factory		-	1,744,082	1,744,082
Plant and machinery		-	2,807,939	2,807,939
Coating sheds - owned		-	64,549	64,549
Vehicles		-	2,146	2,146
Others		-	552,441	552,441
As at June 30, 2023		-	5,711,611	5,711,611
Land - leasehold	5.5	-	540,453	540,453
Building - factory		-	1,765,309	1,765,309
Plant and machinery		-	2,797,507	2,797,507
Coating sheds - owned		-	66,205	66,205
Vehicles		-	2,651	2,651
Others		-	553,812	553,812
As at June 30, 2022		-	5,725,935	5,725,935



	30 June 2023	30 June 2022
	----- (Rupees in '000) -----	
Land - lease hold	14,997	14,997
Building - factory	432,693	480,770
Plant and machinery	503,428	481,771
Coating sheds	61,019	60,264

The Leasehold land comprising 422.88 acres of land situated at Nooriabad District Jamshoro, Sindh

5.6 Capital work-in-progress

	As at 01 July 2022 Re-stated	Additions	(Deletion)	As at 30 June 2023
	----- (Rupees in '000) -----			
Building - Head Office and Factory	8,254	-	(8,254)	-
Plant and Machinery	55,007	10,256	(65,263)	-
	63,261	10,256	(73,517)	-

	As at 01 July 2021 Re-stated	Additions	(Deletion)	As at 30 June 2022
	----- (Rupees in '000) -----			
Building - Head Office and Factory	8,254	-	-	8,254
Plant and Machinery	52,507	2,500	-	55,007
	60,761	2,500	-	63,261

- 5.7** This represents plot of land measuring around 200 acres held for short term disposal in accordance with the disposal agreement between the Company and the prospective buyer of the land. The objective of the disposal is to provide adequate injection of fund in order to support cash flow requirements of the Company. The Company has also received Rs.389,666 thousand as advance against the disposal transaction (Note. No.20). The transaction is expected to be complete in the near future upon transfer of legal title to the buyer. Accordingly any gain on disposal would be recognized at the conclusion of the transaction.

	30 June 2023	30 June 2022
	----- (Rupees in '000) -----	
6. LONG TERM DEPOSITS		
Long term deposits	10,813	10,813
	10,813	10,813

Management believe there was no impairment in long term deposit balances.

7. STORES AND SPARES

Stores - in hand	92,986	98,758
Spare parts and loose tools	3,854	3,854
	96,840	102,612
Less: Provision for impairment / obsolescence	(9,000)	(7,000)
	87,840	95,612

- 7.1 There have been no capital item in stores spares and tools



		30 June 2023	30 June 2022
		----- (Rupees in '000) -----	
8.	STOCK-IN-TRADE		
	Raw material - in hand	101,795	91,165
	Work-in-process	90,097	155,443
	Finished goods	1,212,162	1,194,551
	Rejection / scrap material	297,932	276,957
		1,701,986	1,718,116
	Impairment/ diminution in value of finished goods written off (NOTE#8.1)	-	(23,252)
		1,701,986	1,694,864
8.1	The Company has engaged an Independent Professional Valuator M/S. K.G. Traders Pvt Ltd, for valuation of stock of seamless pipes, kept in hand. A valuation report has been submitted by the valuator dated March 24, 2023. Management has reviewed the independent valuation and also made its judgment on a prudent/conservative basis in order to ascertain the likely recoverable values. On the basis of its judgment, an impairment / Diminution in value of stock written off in the year was Rs Nil (2022: Rs 23,252).		
9.	TRADE DEBTS - unsecured		
	Considered good	51,492	33,281
	Considered doubtful	337	-
		51,829	33,281
	Less: Provision for doubtful debts	(337)	-
		51,492	33,281
9.1	Credit allowed to costumers generally is a 90-180 days period extended on a case to case basis		
9.2	The aging of trade debt balances at the balance sheet date was as follows:		
		2023	2022
		Impairment	Impairment
	Less than 90 days	- 51,492	33,281
	91 to 180 days old	- -	-
	181 to 365 days old	- 337.15	-
		- 51,829	33,281
9.3	Trade debtos include amount due from associate Rs.Nil (2022: Rs.Nil). Maximum amount due from associates at any time during the year was Rs.Nil.		
10.	LOANS AND ADVANCES - considered good		
	Advances to suppliers - unsecured	10.1 15,565	14,166
	Advances to employees for expenses	443	8,589
	Loans and advances to employees	10.2 8,305	9,044
		24,313	31,799
10.1	This reprtesents advances/deposits to suppliers for purchases. The amounts paid have been adjusted subsequently upon supply of goods to the company.		
10.2	This represents interest free medical loan provided to employees. The advances are adjusted from salaries or settle down by wa of deduction from employees full & final settlement.		



			30-Jun 2023	30-Jun 2022	
			------(Rupees in '000)-----		
11. TRADE DEPOSITS					
Trade deposits	11.1		18,746	7,600	
			18,746	7,600	
11.1	This represents deposits held by Customers of the Company in accordance with the supply agreement entered for supply of Company's product				
Trade deposits - considered good			18,746	9,106	
Less: Provision for doubtful accounts			-	1,506	
			18,746	7,600	
12. OTHER RECEIVABLES					
Sales tax Refundable			24,139	22,723	
Letter of credit			1,169	1,169	
Margin against guarantee			11,599	11,599	
			36,907	35,491	
13. ADVANCE TAX - NET OF PROVISION					
Tax receivable as at 1 July			15,766	8,754	
Tax paid during the year			8,704	8,341	
			24,470	17,095	
Reversal of provision for the prior year			-	350	
Provision for taxation			(2,138)	(1,680)	
			22,332	15,765	
14. CASH AND BANK BALANCES					
Cash in hand			19	36	
With banks in current accounts			7,771	13,594	
With bank in foreign currency accounts			21	21	
			7,811	13,651	
Less: Book Over draft			(637)	(1,203)	
			7,174	12,448	
15. SHARE CAPITAL					
30 June	30-Jun		30-Jun	30-Jun	
2023	2022		2023	2022	
(Number of shares)			------(Rupees in '000)-----		
Authorized:					
70,000,000	70,000,000	Ordinary Shares of Rs. 10 each	700,000	700,000	
Issued, subscribed and paid up					
12,200,278	12,200,278	Ordinary Shares of Rs. 10 each fully paid in cash	122,004	122,004	
38,906,565	38,906,565	Ordinary Shares of Rs. 10 each issued as bonus shares	389,066	389,066	
4,377,460	4,377,460	Issued right shares fully paid in cash	43,775	43,775	
55,484,303	55,484,303		554,845	554,845	



15.1 The above includes shares having face value of Rs. 101.213 million (2022: Rs. 101.213 million) held by the foreign sponsors of the Company.

15.2 Out of authorized capital of 70 million shares unissued shares was 14.516 million (2022-14.516 Million)

16 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX

30-Jun 2023 30-Jun 2022
------(Rupees in '000)-----

As at July 1, 2021

Leasehold land	1,069,315	1,069,314
Factory building, plant and machinery and coating sheds	3,561,626	3,583,532
	4,630,941	4,652,846

Less: transferred to unappropriated profit:

Surplus on	(14,870)	(15,552)
Current Year - Related deferred tax	(6,074)	(6,353)
	(20,944)	(21,905)
	4,609,997	4,630,941

Less: related deferred tax liability on:

- Revaluation as at July1	(1,020,311)	(1,026,664)
- Incremental depreciation charged during the year on related assets transferred to profit and loss account	6,074	6,353
- (Deficit) / Surplus arising during the year	(1,014,237)	(1,020,311)
	3,595,760	3,610,630

17. Directors' loan - unsecured

Directors' loan	118,599	116,842
	118,599	116,842

This represents unsecured and interest free loan from sponsors/directors repayable at the discretion of the Company.

18. LONG TERM LOAN

Long Term Loans	49,461	66,760
Less: Notional income	-	(17,412)
Less: Current Maturity	(5,466)	-
	43,995	49,348

Opening	49,348	-
Arises during the year	-	66,760
Less: Notional Income	-	(17,412)
Add: rewinding notional income	1,323	-
Less: payment	(1,210)	-
Less: Current maturity	(5,466)	-
	43,995	49,348

18.1 The management of the company has negotiated an agreement with the trustees of workers profit participation fund trust and workers representative (Union) effective from Jan 1, 2024. The objective and the spirit of the agreement is payment of companies liability to workers of workers profit participation fund provided in the previous period financial statements. In accordance with the agreement, the said liability of Rupees 66,760,000 would be payable in equal installements in a 5 year period. And the same declassified to the long term loan. Loan carry no interest. The agreement further provides for that as soon as a complete liability of loan discharged, interest provided in the financial statements of the company would be cancelled/wavied. Consequently the interest amounting to Rs 360.839 million included as part of the liability in the previous period financial statements transferred to deffered liability in the year 2022. (Note 19)



		30-Jun 2023	30-Jun 2022
		------(Rupees in '000)-----	
19.	DEFERRED LIABILITIES		
	Staff gratuity	19.1 119,657	105,094
	Less: Benefits due but not yet paid	20 (7,899)	
		111,758	105,094
	Deferred taxation - net	19.2 1,131,514	1,117,558
		1,243,272	1,222,652
	Interest on long term loan	19.3 360,839	360,839
		1,604,111	1,583,491
19.1	Staff gratuity - defined benefit plans		
19.1.1	General description of the defined benefit plan and accounting policy for the remeasurements of the defined benefits obligations is disclosed in note 4.6 to these financial statements		
19.1.2	Liability recognized in the balance sheet		
	Present value of defined benefit obligations	19.1.3 102,451	95,786
	Payable - current period	17,206	9,308
		119,657	105,094
19.1.3	Changes in present value of defined benefit obligations		
	Balance at the beginning of the year	95,786	88,137
	Current service cost	5,339	4,694
	Past services cost (credit)	187	2,489
	Interest cost on defined benefits/obligation	12,014	8,814
	Benefits due but not paid during the year	(7,899)	
	Total remeasurements recognised in other comprehensive income		
	Benefits paid during the year	(2,333)	-
	Gain and losses arising on plan settlement		
	Remesaurements:	-	
	Actuarial loss / (gain) from changes in demographics assumptions	1,664	-
	Actuarial loss / (gain) from changes in financial assumptions	111	122
	Expreience adjustments	(2,419)	(8,470)
	Obligation as at 30 June	102,451	95,786
19.1.4	Amount recognized in profit and loss account		
	Current service cost	5,339	4,694
	Past services cost (credit)	187	2,489
	Interest cost	12,014	8,814
		17,540	15,996
19.1.5	Actuarial valuation of staff gratuity scheme has been carried out as at Jun 30, 2023 using Projected Unit Credit Method and the following significant assumptions have been used		
	Discount rate	13.25%	10.00%
	Discount rate for year end valuation	16.25%	13.25%
	Salary increase rate	N/A	N/A
	Mortality rate	SLIC 2001-2005 Set back 1 Year	SLIC 2001-2005 Set back 1 Year
	Retirement age	60 years	60 years
19.1.6	Number of employees covered by the scheme	73	100



19.1.7 Sensitivity analysis

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

	Change in assumption	Increase in assumption on ------(Rupees in '000)-----	Decrease in assumption
Discount rate	3%		(5,502)
Salary growth rate	3%		6,315

19.1.8 The gratuity scheme exposes the Company to the following risks:
Longevity risks: The risk arises when the actual lifetime of retirees is longer than expectation. This risk is measured at the plan level over the entire retiree population.

Salary increase risk: The most common type of retirement benefit is one where the benefit is linked with final salary. The risk arises when the actual increases are higher than expectation and impacts the liability accordingly. Withdrawal risk: The risk of actual withdrawals varying with the actuarial assumptions can impose a risk to the benefit obligation. The movement of the liability can go either way.

19.1.9 The weighted average duration of defined benefit obligation as at June 30, 2022/2023 is 5 years.

19.1.10 The expected gratuity expense for the next one year from July 1, 2023 would be Rs.18,851 thousand (July 1, 2022 to Rs. 15,273 thousand).

19.2 Deferred taxation - net

	30-Jun 2023	30-Jun 2022
	------(Rupees in '000)-----	
<i>Taxable temporary difference arising in respect of:</i>		
Accelerated tax depreciation and amortization	227,049	188,169
Surplus on revaluation of property, plant and equipment	1,014,237	1,031,155
Finance lease arrangement / DM financing	(219)	274
	1,241,067	1,219,598
<i>Deductible temporary differences arising in respect of:</i>		
Defined benefit plan's obligation	(34,514)	(28,048)
Provision for compensated absences	(5,121)	(4,737)
Others	(67,226)	(67,226)
Provision for store & Spare	(2,610)	(2,030)
	(109,471)	(102,041)
Net	1,131,596	1,117,557

19.3 This represent brought forward outstanding liability of interest on outstanding balance in respect of WPPF reclassified into deferred liability. In accordance with an agreement with the workers representative (union)- (note 18), upon payment of the entire amount of liability of WPPF the interest amount may be considered as cancelled or waived in the future.

20. TRADE AND OTHER PAYABLES

Trade creditors	62,937	35,616
Accrued liabilities	91,176	98,949
Tax deducted at source	15,478	14,427
Workers' welfare fund	15,337	15,337
Advances from customers	118,829	97,840
Provision for compensated absences	17,659	16,334
Gratuity due but not yet paid	7,899	-
Advance against sales of Non-current assets held for short term disposal	389,666	354,666
Others	985	709
	719,965	633,879



- 20.1** Creditors and Advances from customers included balances due to associated undertaking Rs 19,164 thousand and Rs 10,522 thousand respectively. The maximum amounts due at any time during the year were Rs 19,164 thousand and Rs 10,522 thousand respectively.

21. CONTINGENCIES AND COMMITMENTS

21.1 Contingencies

- 21.1.1** Guarantees as at June 30, 2023 amounting to Rs. 11.599 million (2022: Rs. 11.599 million) have been furnished in favor of various customers.

21.1.2 Tax Contingencies

Custom Duty/Sales Tax

The Collector of Custom, Hyderabad issued the show cause notice No 832 dated 17/09/2020 and subsequently filled an FIR in this case against some Directors of Huffaz Seamless Pipes Industries Limited in respect of Custom duty & Sales Tax covering an amount of Rs. 61.766 million. The Company approached Honorable High Court of Sindh in this regard and obtained stay order. The matter is '*subjudice*' as the case is proceeded in Honorable High Court of Sindh. Legal counsel of the company is optimistic that, there would be no adverse consequences against the Company regarding this case and the outcome would be in the favor of the company.

- 21.1.3** The Sui Southern Gas Company Limited (SSGC) has levied Gas Infrastructure Development Cess (GIDC) in accordance with GIDC Act 2015 and has sent a bill of Rs 90 million for the levy of GIDC cess of previous periods up to and including the year 2021. The company has challenged this bill and filed a suit in the Honorable High Court of Sindh contending the said levy was not legal as per the para 37 & 42 of the order passed by the Honorable Supreme Court of Pakistan and obtain a stay order against the payment of aforesaid bill of SSGC. The legal advisor of the company has expressed his legal opinion stating that, the matter is '*subjudice*' before the court and there would not be any likelihood that claim of Sui Southern Gas Company Limited (SSGC) would be materialized.

21.2 Commitments

- 21.2.1** Commitments under letters of credit as at June 30, 2023 amounted to Rs. 1.150 million (2022: Rs. 1.150 million).



22. Revenue from contract with customers		30 June 2023	30 June 2022
		----- (Rupees in '000) -----	
Gross Revenue -Local		201,190	157,151
Less -Sales Tax		(30,174)	(22,834)
		171,016	134,317
22.1 DISAGGREGATION OF REVENUE			
In the following table, revenue is disaggregated by primary geographical markets and major product			
22.1.1 Major Product Lines:			
Seamless and other pipes		17,853	21,509
Coating Income		153,163	112,808
		171,016	134,317
22.1.2 Primary geographical markets:			
Sindh		144,112	121,086
Other provinces		26,904	13,231
		171,016	134,317
23. COST OF REVENUE FROM CONTRACT WITH CUSTOMERS			
Opening stock of finished goods (net)		1,171,299	1,142,218
Cost of goods manufactured	23.1	318,256	266,497
Total Goods available for sale		1,489,555	1,408,715
Closing stock			
Finished goods	9	(1,212,162)	(1,194,551)
Impairment/ diminution in value of finished goods written off		-	23,252
		(1,212,162)	(1,171,299)
Cost of Goods Sold		277,393	237,416
23.1 Cost of goods manufactured			
Opening work in progress		155,443	133,698
Raw & coating material consumed	23.1.1	76,516	122,032
Store and spare parts consumed		24,682	20,586
Gas consumed		16,545	11,414
Processing expense (outside factory)		-	3,948
Power, fuel and water		37,461	32,218
Salaries, wages, and other benefits	23.1.2	72,383	73,643
Rent, rates and taxes		1,114	1,293
Insurance	#	-	14
Repairs and maintenance		5,030	2,974
Carriage and cartage		250	2,526
Depreciation	5.2	33,485	34,154
Others		6,419	7,472
Closing work in progress		(90,097)	(155,443)
		339,231	290,529
Rejection / scrap material			
Opening		276,957	252,925
Closing		(297,932)	(276,957)
		(20,975)	(24,032)
Cost of Goods Manufactured		318,256	266,497



23.1.1 Raw & Coating material consumed

Opening stock	91,165	113,338
Purchases		
Domestic	87,146	50,535
Imported	-	49,324
	87,146	99,859
	178,311	213,197
Closing stock	(101,795)	(91,165)
	76,516	122,032

23.1.2 Salaries, wages and other benefits include Rs.14,076 thousand (2022: Rs.12,468 thousand) in respect of staff retirement benefits.

24. SELLING AND DISTRIBUTION EXPENSES

		30 June 2023	30 June 2022
		----- (Rupees in '000) -----	
Salaries, wages and other benefits	24.1	1,801	4,029
Travelling and conveyance		15	-
Provision for doubtful debts		337	-
Late Delivery Charges		1,665	-
Miscellaneous		4,388	-
		8,206	4,029

24.1 Salaries, wages and other benefits include Rs.91.890 thousand (2022: Rs.452.764 thousand) in respect of staff retirement benefits.

25. ADMINISTRATIVE EXPENSES

Salaries, wages and other benefits	25.1	25,077	28,058
Travelling and conveyance		474	1,366
Legal and professional charges		673	508
Fees and subscription		5,262	5,317
Telephone, telex and postage		885	1,408
Vehicle running and maintenance		100	1,248
Auditors' remuneration	25.2	1,194	1,160
Printing and stationary		97	92
Depreciation	5.2	683	680
Utilities		812	626
Repairs and maintenance		403	2,818
Advertisement		20	103
Entertainment		3	1,139
Others		361	7
		36,044	44,531

25.1 Salaries and other benefits includes Rs. 3,571 thousand (2022: Rs. 3,075 thousand) in respect of staff retirement benefits.



		30 June 2023	30 June 2022
		------(Rupees in '000)-----	
25.2 Auditors' remuneration			
Audit fee		1,000	1,000
Out of pocket expenses		194	160
		<u>1,194</u>	<u>1,160</u>
26. OTHER OPERATING INCOME / CHARGES			
Notinal income	26.1	-	17,412
Notional income rewinding		(1,323)	
Scrap sales		5,548	-
Others		172	-
		<u>4,397</u>	<u>17,412</u>
26.1 Carrying value of interest-free long term loan (Note# 18) has been remeasured at present value a the discount rate of 11% and the diffrence arrived at between the carrying value of long term loan liability and present value is notional income recorded in the current period. Rewinding of notional income would be recorded in the subsequent period upon repayment of the installement of long term loan at the original amount.			
27. FINANCE COST			
Bank charges		551	918
		<u>551</u>	<u>918</u>
28. TAXATION			
Current			
for the year on Turnover		2,138	1,680
for prior years		-	(350)
		<u>2,138</u>	<u>1,330</u>
Deferred		13,770	(28,817)
		<u>15,908</u>	<u>(27,487)</u>

- 28.1** The management believes amount provided for income tax liability for current and previous year has been in accordance with the prevalent income tax law and sufficient enough to meet the tax liability of the company. An analysis of tax provision and tax assessment for past 5 years is as under:

	.------(Rupees in '000') -----	
Tax Year	Tax Assessment	Provision of tax
2021	1,458	1,545
2020	13,960	17,904
2019	49,033	49,373
2018	44,524	52,326
2017	63,965	64,320

28.2 Relationship between tax expenses and accounting profit

(Loss)/Profit before taxation	(146,781)	(135,165)
Tax at the applicable rate of 29%	(42,566)	(39,198)
Tax effect of temporary / permanent difference	13,770	(28,817)
Effect of prior year charges	-	(350)
Turnover Tax	2,138	1,680
Others disallowances due to turnover tax	42,567	39,198
	<u>15,908</u>	<u>(27,487)</u>



**29. (LOSS) PER SHARE - basic and diluted**

	2023	2022
	------(Rupees in '000)-----	
(Loss) after tax	(162,689)	(107,678)
	(Number in '000)	
Weighted average number of Ordinary Shares	55,484	55,484
	------(Rupees)-----	
(Loss) per share - basic and diluted	(2.93)	(1.94)
There was no diluted earning per share		

30. Changes in working capital**Decrease / (increase) in current assets**

Stores and spare parts	7,772	(34,682)
Stock in trade	(7,122)	(52,684)
Trade debts	(18,211)	(13,291)
Loans and advances, trade deposits, prepayments and other receivables	7,486	(4,427)
Trade deposits	(11,146)	24,001
Other Receivable	(1,416)	9,837
	(22,637)	(71,246)

Increase in current liability

Trade and other payables	93,573	38,655
	70,936	(32,591)

30.1 There were no non-cash assets or liabilities effecting cash flow statement.

31. REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

	Chief Executive		Director		Executives	
	2023	2022	2023	2022	2023	2022
	------(Rupees in '000)-----					
Managerial remuneration	-	6,274	-	-	17,099	9,866
House rent	-	2,823	-	-	6,839	4,440
Utilities	-	-	-	-	2,564	987
Gratuity	-	758	-	-	5,656	1,274
	-	9,855	-	-	32,158	16,567
Number of persons	1	1	0	0	9	9

31.1 Due to losses suffered by the Company, the Chief Executive has voloutraily waived his remuneration for the current period and at least three years ahead. In the subsequent period, on improvement of in performance of the Company, remuneration will than be allowed to the Chief Executive.

31.2 In addition to the above Chief Executive, Director, Executive and certain other employees are provided with free use of Company maintained vehicles in accordance with the Company's policy.

31.2 During the year Rs.40,000 was paid (2022: NIL) to Directors for attending the Board of Directors' meeting.

32. CAPACITY AND PRODUCTION

	2023	2022
	-----Metric Ton-----	
Seamless Pipe and Tubes		
Normal Capacity	55,000	55,000
Actual Production	859	800
Percentage	1.6%	1.5%
Coating of Seamless Tubular Products		
Normal Capacity	30,000	30,000
Actual Production	2,500	4,829
Percentage	8.3%	16.1%
Machinery & Machinery Components		
Normal Capacity	3,500	3,500
Actual Production	-	-
Percentage	-	-

The production capacity of the plant is dependent on the relative proportions of the various types of seamless pipes and tubes produced by the company.

Capacity under utilized in the year due to shortage of demand.

33. NUMBER OF EMPLOYEES

The permanent number of employees as at year end were 73 (2022: 100) and total average number of employees were 96 (2022: 96) the average number of factory employees in the year were 57 (2022: 96).



34. TRANSACTIONS WITH RELATED PARTIES
34.1 Composition and Relationship

Related parties comprise of

- Associated companies
- Directors of the Company (Note 31)
- Companies in which directors also hold directorship
- Related group companies
- Key management personnel (Note 31)

3.4.2 Common Holding

Director of the Company Hafiz Abdul Waheed (10.49%), Hafiz Abdul Sami (1.69%) & Hafiz Abdul Aleem (1.62%) shares in the Company and is the owner of Huffaz Corporation (Pvt) Ltd.

Director of the Company Hafiz Abdul Waheed (10.49%), Hafiz Abdul Sami (1.69%) & Hafiz Abdul Aleem (1.62%) shares in the Company and is the owner of M/s Hafiz Abdul Waheed & Brothers Pvt Ltd

34.3 All related party transactions are unsecured and settle by way of banking transactions.

34.4 Transactions with related parties are as follows:

Name	Nature of relationship	Nature of transaction	2023	2022
----- (Rupees in '000) -----				
Hafiz Abdul Waheed and Brothers Pvt Ltd	Associated Company	Sale of goods	-	-
		Receipts	-	1,000
		Outstanding balance	7,714	7,714
		Purchase of Goods	NIL	NIL
		Outstanding balance by purchase of Goods	NIL	NIL
Huffaz Corporation Pvt Ltd	Associated Company	Sale of goods	27,240	15,480
		Receipts in respect of sale of goods	23,879	14,762
		Outstanding balance by sale of goods	553	2,808
		Purchase of goods	NIL	NIL
		Outstanding balance by of purchase of goods	19,163	19,163
Transactions with directors	Related party	Directors loan received	5,000	40,029
Directors loan repaid		3,197	3,049	
Key management personnel including CEO & Directors		Remuneration	32,158	26,422
Balance as at 30 June in relation to transactions related to related parties are as follows:				-
Name	Nature of relationship	Nature of transaction	2023	2022
----- (Rupees in '000) -----				
Hafiz Abdul Waheed and Brothers Pvt Ltd	Associated Company	Balance as at date of Balance Sheet - Net	(7,714)	(7,714)
Huffaz Corporation Pvt Ltd	Associated Company	Sale of goods	(27,240)	(3,527)
Transactions with directors	Related party	Balance as at the date of balance sheet	118,599	116,842
Staff Retirement Benefit-Gratuity			119,657	105,094



35. OPERATING SEGMENTS

The Company has identified Seamless and Coating as two reportable segments. Performance is measured based on respective segment results. Information regarding the Company's reportable segment is presented below:

35.1 Segment revenue and results

	Seamless Segment	Coating Segment	Total
	-----Rs in '000-----		
For the period ended 30 June 2023			
Revenue from contract with customers	17,853	153,163	171,016
Cost of revenue from contract with customers	<u>(28,958)</u>	<u>(248,435)</u>	<u>(277,393)</u>
Gross (Loss)/Profit	<u>(11,105)</u>	<u>(95,272)</u>	<u>(106,377)</u>
For the period ended 30 June 2022			
Revenue from contract with customers	21,509	112,808	134,317
Cost of revenue from contract with customers	<u>(38,019)</u>	<u>(199,397)</u>	<u>(237,416)</u>
Gross (Loss)/Profit	<u>(16,510)</u>	<u>(86,589)</u>	<u>(103,099)</u>
Reconciliation of segment results with profit after tax is as follows:			
	30 June 2023	30 June 2022	
	------(Rupees in '000)-----		
Total results for reportable segments	(106,377)	(103,099)	
Selling, distribution and administrative expenses	(44,250)	(48,560)	
Other operating expenses	-	-	
Other operating income	4,397	17,412	
Financial charges	(551)	(918)	
Taxation	(15,908)	27,487	
(Loss) after tax	<u>(162,689)</u>	<u>(107,678)</u>	

35.2 Segment assets and liabilities

	Seamless Segment	Coating Segment	Total
	-----Rs in '000-----		
As at 2023			
Segment assets	6,368,767	1,304,446	7,673,214
Segment liabilities	<u>726,127</u>	<u>-</u>	<u>726,127</u>
As at 2022			
Segment assets	6,413,301	1,313,568	7,726,869
Segment liabilities	<u>634,575</u>	<u>-</u>	<u>634,575</u>

Reconciliation of segment assets and segment liabilities with total assets and liabilities in the statement of financial position is as follows:



	30 June 2023	30 June 2022
	------(Rupees in '000)-----	
Total for reportable segment assets	7,143,096	7,196,751
Unallocated assets	530,118	530,118
Total assets as per statement of financial position	<u>7,673,214</u>	<u>7,726,869</u>
Total for reportable segment liabilities	726,127	634,575
Unallocated liabilities	1,648,106	1,632,839
Total liabilities as per statement of financial position	<u>2,374,233</u>	<u>2,267,414</u>

35.3 Segment revenue reported above are revenue generated from external customers. There were no inter-segment sales during the year (June 2021 nil)

35.4 Segment assets reported above comprising of property, plant and equipment and stock in trade.

35.5 All non-current assets of the Company as at 30 June 2022 are located in Pakistan.

35.6 Revenue from a major customer of seamless segment represents an aggregate amount of Rs. 11.348 million (2021: Rs. 31.568 million) of total seamless segment revenue of Rs. 21.508 million (2021: 78.440 million). Further, revenue from a major customer of coating segment represents an aggregate amount of Rs. 110.927 million (2021: Rs. 18.802 million) out of total

36 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial risk management

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk Management Framework

The Board meets frequently throughout the year for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate policies and systems and reviewed regularly to reflect changes in market condition and the company's activities. The Company, through its standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks of the Company.

36.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same party, or when counter parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk the Company has developed a policy of obtaining advance payments from its customers and except for customers relating to the Government and certain small and medium sized enterprises, the management strictly adheres to this policy. For any balances receivable from such small and medium sized enterprises, the management continuously monitors the credit exposure towards them and makes provisions against those balances considered doubtful of recovery. Cash is held only with banks with high quality credit worthiness.



The maximum exposure to credit risk at the reporting date is as follows:

	2023		2022	
	Carrying value	Maximum exposure	Carrying value	Maximum exposure
	----- (Rupees in '000) -----			
Long Term deposits	10,813	-	10,813	-
Trade debts	51,492	51,492	33,281	19,990
Trade Deposits	18,746	-	7,600	-
Other receivables	11,599	11,599	11,599	27,177
Bank balances	7,155	7,155	12,412	22,233
	<u>99,805</u>	<u>70,246</u>	<u>75,705</u>	<u>72,467</u>

The maximum exposure to credit risk for trade debts at the balance sheet date by type of customer is as follows:

	30 June 2023	30 June 2022
	----- (Rupees in '000) -----	
Dealers and distributors	(2,220)	(32,622)
End-user customers	53,712	32,622
	<u>51,492</u>	<u>-</u>

As at the year end the Company's most significant customers included a distributor from whom Rs. 0.00 million was due (2022: Rs.0.659 million) and an end-user from whom Rs. 51.492 million was due (2022: Rs. 32.622 million).

The Company deposits its funds with banks carrying good credit standings assessed by reputable credit agencies. These banks are credit rated as follows:

Local banks	Credit Rated	Short term	Long term
		C to A1+	B to AAA
		2023	2022
		----- (Rupees in '000) -----	
National Bank of	A1+	121	121
Meezan Bank Ltd	A1+	3,664	10,032
MCB Bank Ltd	A1+	538	24
Bank Islami	A1+	97	927
Bank Al Habib Ltd	A1+	364	1,826
HABIB	A1+	32	512
METROPOLITON			
Other Banks	A1+	2,954	173
Total		<u>7,771</u>	<u>13,615</u>



**36.2 Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities, including interest payments:

	2023				
	Carrying Amount	Contractual cash flows	Six months or less	Six to twelve months	Two to five years
Non-Derivative Financial liabilities	----- (Rupees in '000) -----				
Long Term Loan	49,461	49,461		5,466	43,995
Directors loan	118,599	118,599	-	-	118,599
Creditors, Accrued Liabilit	154,113	154,113	-	154,113	-
	322,173	322,173	-	159,579	162,594
					-
	2022				
	Carrying Amount	Contractual cash flows	Six months or less	Six to twelve months	Two to five years
Non-Derivative Financial liabilities	----- (Rupees in '000) -----				
Long Term Loan	49,348	49,348		-	49,348
Directors loan	116,842	116,842	-	-	116,842
Creditors, Accrued Liabilit	134,565	134,565	-	134,565	-
	300,756	300,756	-	134,565	166,190
					-

36.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. Market risk comprises of currency risk, interest rate risk and other price risk. The Company is exposed to currency risk and interest rate risk only.

36.3.1 Currency risk

Foreign currency risk is the risk that the value of a financial asset or liability will fluctuate due to a change in foreign exchange rates.

It arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

The Company is exposed to currency risk on purchase and borrowings and sales that are denominated in a foreign currency (primarily U.S. Dollar). The Company's exposure to foreign currency risk is as follows:

	2023		2022	
	Rupees in '000	US Dollars in '000	Rupees in '000	US Dollars in '000
Foreign currency bank accounts	21	0.125	21	0.125
	21	0.125	21	0.125

Following are the significant exchange rates applied during the year:

	Average rates		Balance sheet date rate	
	2023	2022	2023	2022
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
US Dollars	246.00	246.00	286.00	206.00



**Sensitivity analysis**

A 5.0% change in Rupee against US Dollar at June 30, 2023 would have decreased equity an increased post tax loss by Rs. 6.76 million (2021: Rs. 4.8 million @ 5%). This analysis assumes that all other variables, in particular interest rates, remains constant. The analysis is performed on the same basis for 2023.

36.3.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from short and long term borrowings from banks. At the statement of financial position date the interest rate profile of the Company's interest-bearing financial instrument was as follows:

	Carrying amount	
	2023	2022
	(Rupees in '000)	
Variable rate instruments		
Financial liabilities	0	0

All borrowings bear variable interest rate and are indexed to KIBOR. Borrowing is generally determined on the basis of business needs. Company is not exposed to interest rate risk

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have decreased the equity and increased loss as of June 30, 2023 by Rs. 0.00 million (2022: Rs. 0.00 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2020.

36.4 Fair value of financial assets and liabilities

The carrying amounts of all financial assets and liabilities reflected in the financial statements represents their fair values.

Fair value sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through the profit and loss account. Therefore a change in interest rates at the reporting date would not affect the profit and loss account.



**36.4.1 Measurement Of Fair Values**

Management engage an independent external expert / valuer to carry out valuation of its non-financial assets (i.e. Land and Building , Plant & Machinery) and obtain rate from financial institution to value derivative financial instruments. Involvement of external valuers is decided upon by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

When measuring the fair value of an asset or a liability, the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the management recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

30-Jun-23							
Carrying Amount				Fair Value			
Loans and receivable	Other financial assets	Liabilities at fair value through profit and loss	Other financial liabilities	Total	Level 1	Level 2	Level 3

Amount in Rs '000'

Financial assets not measured at fair value

Long term deposits	10,813	-	-	-	10,813	-	10,813	-
Trade debts-considered good	51,492	-	-	-	51,492	-	51,492	-
Loan, advances, trade deposits	43,059	-	-	-	43,059	-	43,059	-
Other receivables	36,907	-	-	-	36,907	-	36,907	-
Cash and bank balances	7,174	-	-	-	7,174	-	7,174	-

Financial liabilities measured at fair value

- Derivative financial liabilities	-	-	-	-	-	-	-	-
------------------------------------	---	---	---	---	---	---	---	---

Financial liabilities not measured at fair value

Trade and other payables	-	-	-	719,965	719,965	-	719,965	-
Long term loan	-	-	-	43,995	43,995	-	43,995	-
Directors loan	-	-	-	118,599	118,599	-	118,599	-

30-Jun-22							
Carrying Amount				Fair Value			
Loans and receivable	Other financial assets	Liabilities at fair value through profit and loss	Other financial liabilities	Total	Level 1	Level 2	Level 3

Amount in Rs '000'

Financial assets not measured at fair value

Long term deposits	10,813	-	-	-	10,813	-	10,813	-
Trade debts-considered good	33,281	-	-	-	33,281	-	33,281	-
Loan, advances, trade deposits	39,399	-	-	-	39,399	-	39,399	-
Other receivables	35,491	-	-	-	35,491	-	35,491	-
Cash and bank balances	12,448	-	-	-	12,448	-	12,448	-

Financial liabilities measured at fair value

- Derivative financial liabilities	-	-	-	-	-	-	-	-
------------------------------------	---	---	---	---	---	---	---	---

Financial liabilities not measured at fair value

Trade and other payables	-	-	-	633,879	633,879	-	633,879	-
Long term loan	-	-	-	49,348	49,348	-	49,348	-
Directors loan	-	-	-	116,842	116,842	-	116,842	-





The following table provides the fair value measurement hierarchy of the Company's assets and liabilities measured at fair value:

Assets measured at fair value	Date of valuation	Valuation approach and inputs used	Inter-relationship between significant unobservable inputs and fair value measurement
- Land and Building	30-Jun-20	The valuation model is based on price per square feet for building and per acre for land. In determining the valuations for land and buildings, the valuer refers to current market conditions, structure, sale prices of comparable land in similar location adjusted for differences in key attributes such as land size and inquires with numerous independent local estate agents / realtors in the vicinity to establish the present market value. The fair valuation of land and building are considered to represent a level 3 valuation based on significant non-observable inputs being the location and condition of the assets.	The fair value are subject to change owing to changes in input. However, the management does not expect there to be a material sensitivity to the fair values arising from the non-observable inputs.
Liabilities measured at fair value			
Derivative financial liabilities			
- Forward exchange contract		The fair value of forward exchange contracts is determined based on the forward exchange rates as at reporting date. The fair value of forward exchange contract are included in level 2 in the fair value hierarchy. However at balance sheet date no forward exchange contract.	

Management assessed that the fair values of cash & cash equivalent and short-term deposits, other receivable, trade receivables, trade payables, short term borrowing and other current liabilities closely approximate their carrying amounts largely due to short-term maturities of these instruments. For long term deposit asset and long term liabilities, management consider that their carrying values approximates fair value owing to credit standing of counterparties and interest payable on borrowings are market rate. The fair value of the Land and Building on freehold land are determined by an independent valuer based on price per square feet and price per acre and current replacement cost method adjusted for depreciation factor for existing asset in use. The resulting fair value is a level 3 fair value measurement. Fair values of investment in joint venture is disclosed in note 7 investments.

36.5 Capital risk management

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend to the shareholders or issue bonus / new shares.

The Company is not subject to externally imposed capital requirements.

The quantitative data of share capital issued including cash bonus and right issues have been disclosed in Note No. 15.



37. GENERAL
37.1 Corresponding Figures

During the year the significant corresponding figures have been rearranged / reclassified as under:

	30-Jun 2023	30-Jun 2022
Reclassified - Directors Loan from Sponsors loan	118,599	116,842
Reclassified - Trade & other payable from sponsor loan	389,666	354,666
Reclassified - Non-current assets held for short term disposal from lease hold la	540,453	540,453

37.2 Date of authorization for issue

These financial statements have been approved by the Board of Directors of the company and authorized for issue on _____.



Hafiz Abdul Majid
Chief Executive



Hafiz Abdul Haseeb
Director



Muhammad Anwer Khan
Chief Financial Officer





Pattern of Shareholding

As on June 30, 2023

No. of Shareholders	From	Having Shares To	Shares Held	Percentage
338	1	100	7988	0.0144
380	101	500	126778	0.2285
199	501	1000	158421	0.2855
313	1001	5000	826142	1.4890
82	5001	10000	609462	1.0984
32	10001	15000	398613	0.7184
34	15001	20000	608704	1.0971
13	20001	25000	297168	0.5356
15	25001	30000	416835	0.7513
6	30001	35000	198056	0.3570
11	35001	40000	419808	0.7566
6	40001	45000	252484	0.4551
7	45001	50000	337754	0.6087
6	50001	55000	316365	0.5702
1	55001	60000	57543	0.1037
1	60001	65000	62500	0.1126
4	65001	70000	274052	0.4939
1	70001	75000	75000	0.1352
5	75001	80000	388307	0.6998
3	85001	90000	260498	0.4695
1	90001	95000	90703	0.1635
1	95001	100000	100000	0.1802
1	100001	105000	103583	0.1867
2	110001	115000	227386	0.4098
1	115001	120000	119993	0.2163
1	120001	125000	124556	0.2245
2	140001	145000	287940	0.5190
2	145001	150000	298722	0.5384
1	155001	160000	159171	0.2869
2	165001	170000	334047	0.6021
1	170001	175000	172643	0.3112
2	180001	185000	367576	0.6625
3	185001	190000	568982	1.0255
4	195001	200000	796239	1.4351
3	200001	205000	604239	1.0890
1	225001	230000	227388	0.4098
1	240001	245000	243301	0.4385
1	260001	265000	261492	0.4713
3	270001	275000	812910	1.4651
2	285001	290000	575480	1.0372
1	310001	315000	311256	0.5610
1	340001	345000	341745	0.6159
5	345001	350000	1726446	3.1116
1	375001	380000	379190	0.6834
3	400001	405000	1208520	2.1781
1	420001	425000	423800	0.7638
2	435001	440000	877716	1.5819
1	485001	490000	487500	0.8786
1	565001	570000	568258	1.0242
1	570001	575000	574040	1.0346
1	605001	610000	606371	1.0929
1	625001	630000	627212	1.1304
1	745001	750000	747350	1.3470
1	785001	790000	788782	1.4216
1	830001	835000	833761	1.5027
1	860001	865000	862258	1.5541
1	930001	935000	931322	1.6785
1	1060001	1065000	1060359	1.9111
1	1065001	1070000	1067213	1.9234
1	1085001	1090000	1088021	1.9610
1	1310001	1315000	1311896	2.3644
1	1380001	1385000	1381175	2.4893
1	1775001	1780000	1775453	3.1999
1	1820001	1825000	1822612	3.2849
1	2215001	2220000	2216551	3.9949
1	2820001	2825000	2821602	5.0854
1	3020001	3025000	3021317	5.4454
1	3525001	3530000	3525755	6.3545
1	4635001	4640000	4636615	8.3566
1	4890001	4895000	4891378	8.8158
1529		Company Total	55484303	100.0000



Categories of Shareholders

As at June 30, 2023

	No of Shares	Percentage of Shareholding
1 Associated companies, undertakings and related parties (name wise detail)	—	—
2 Mutual funds (name wise detail)		
2.1 Golden Arrow Selected Stocks Fund Limited	341,745	0.62%
	341,745	0.62%
3 Directors their spouses and minor children (name wise detail)		
3.1 Hafiz Abdul Majid	4,636,615	8.36%
Mrs. Fareeda Majid W/o Hafiz Abdul Majid	1,822,612	3.28%
3.2 Hafiz Abdul Haseeb	2,224,768	4.01%
3.3 Hafiz Abdul Waheed	5,822,700	10.49%
Mrs. Najma Waheed W/o Hafiz Abdul Waheed	3,427,973	6.18%
3.4 Yusuf Mohammed Yusuf Najibi	3,525,755	6.35%
3.5 Mr. Arshad Ahmad	2,262,953	4.08%
Mrs. Bilquees Ahmed W/o Arshad Ahmed	879,485	1.59%
3.6 Mr. Mohammad Hafiz	574,040	1.03%
3.7 Mr. A. Aziz Ehsaq A. Rehman	3,021,317	5.45%
3.8 Mr. Nabeel Abdul Rehman Arif	345,287	0.62%
3.9 Hafiz Abdul Sami	938,468	1.69%
3.10 Hafiz Abdul Aleem	896,072	1.61%
	30,378,045	54.75%
4 Executives	—	—
5 Public sector companies and corporations		
5.1 CDC-Trustee National Investment (Unit) Trust	1,311,896	2.36%
5.2 Trustee NBP Employee Pension Fund	128,927	0.23%
5.3 Others	235,387	0.42%
	1,676,210	3.02%
6 Banks, Development Financial Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds		
6.1 IDBP (ICP Unit)	5,952	0.01%
6.2 National Bank of Pakistan	764	0.00%
6.3 M/s First Crescent Modaraba	375	0.00%
6.4 First UDL Modarba	23,500	0.04%
	30,591	0.06%
7 Shareholders holding five percent or more voting rights (Name wise detail)	—	—
8 Others	23,057,712	41.52%
TOTAL	55,484,303	100%





Huffaz Seamless Pipe Industries Ltd.

Proxy Form

40th Annual General Meeting

Folio No.
CDC ID No.
Sub A/C No.
Shares held
CNIC No.
Passport No. (in case of Foreigner)

I/We.....of
(full address) being a member / members of Huffaz Seamless Pipe Industries Ltd., hereby appoint
(Name)
of(full address) who is
also a member of this Company as my / our Proxy to attend and vote for me / us and on my / our behalf at 40th Annual
General Meeting of Company will be held on Wednesday, November 26, 2025 at 03:30 p.m. at Junagargh Community
Centre Opposite. Mashriq Centre, Block-17, Gulshan-e-Iqbal, Karachi-75300 and any adjournment thereof.

Signature of Proxy

Proxy's:

Folio Number

CDC Participant ID No.

Sub-Account Number

CNIC Number

Passport Number

(in case of foreigner)

Signature.....

of Shareholder

(Signature appended above should agree with the specimen signatures registered with the Company)

1) Witness:
Signature
Name:
CNIC No.
Passport No.
(in case of foreigner)
Address

2) Witness:
Signature
Name:
CNIC No.
Passport No.
(in case of foreigner)
Address

NOTE:

- (1) A member entitled to attend and vote at the Meeting is entitled to appoint another member as his/her proxy to attend and vote instead of him/her at the meeting.
- (2) The instrument appointing a proxy should be signed by the member(s) or, in case of corporate entity to attend attorney duly authorized in writing. If the member is a corporation, its common seal must be affixed on the instrument.
- (3) CDC Shareholders are requested to bring with them their Computerised National Identity Cards along-with the participants' ID number and their accounts numbers at the time of attending the Annual General Meeting in order to facilitate identification of the respective shareholders.
- (4) The instrument appointing a proxy, together with Power of Attorney, in case of corporate entity, if any, under which it is signed or notarially certified copy thereof, must be deposited at the Company's registered officer not later than 48 hours before the time of holding the meeting.
- (5) In case of Proxy of Attorney from a member, same should also meet and comply with all the conditions relating to proxy, including the deposit of the original Power of Attorney with the Company.
- (6) In the absence of CNIC, the receipt of CNIC application with NADRA alongwith old/expired NIC/CNIC, will also be acceptable wherever the CNIC is required.

Please affix
Revenue Stamp
of Rs. 5/-



حفاظت سیم لیس پائپ انڈسٹریز لمیٹڈ

پراکسی فارم

40 واں سالانہ اجلاس

فولیو نمبر:
سی ڈی سی آئی ڈی نمبر:
ذیلی اکاؤنٹ نمبر:
حصص کی تعداد:
کمپیوٹرائزڈ شناختی کارڈ نمبر:
پاسپورٹ نمبر (اگر غیر ملکی شہری ہو تو):

میں / ہم _____ از _____
 بطور ممبر حفاظت سیم لیس پائپ انڈسٹریز لمیٹڈ بنام _____
 از _____ (مکمل پتہ) کو

اپنی / ہماری غیر موجودگی میں اپنا / ہمارا کیل مقرر کرتا ہوں / کرتے ہیں تاکہ وہ میری / ہماری جانب سے کمپنی کے 40 ویں سالانہ اجلاس جو بروز بدھ مورخہ 26 نومبر 2025ء بوقت 03:30 بجے بمقام جونا گڑھ کمیونٹی سینٹر، بالمقابل مشرق سینٹر، بلاک 17 گلشن اقبال، کراچی-75300 اس اجلاس میں شرکت کر سکے۔

پانچ روپے والی
ریونیو اسٹیپ گائیں

دستخط پراکسی: _____
 فولیو نمبر: _____
 سی ڈی سی آئی ڈی نمبر: _____
 ذیلی اکاؤنٹ نمبر: _____
 کمپیوٹرائزڈ شناختی کارڈ نمبر: _____
 پاسپورٹ نمبر (اگر غیر ملکی شہری ہو تو): _____
 (اوپر کئے گئے دستخط کمپنی کے ریکارڈ پر موجود نمونہ دستخط کے مطابق ہونا چاہیے)
 گواہ نمبر 1
 گواہ نمبر 2

دستخط _____ نام _____
 دستخط _____ نام _____
 کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____ کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____
 پاسپورٹ نمبر (اگر غیر ملکی شہری ہو تو) _____ پاسپورٹ نمبر (اگر غیر ملکی شہری ہو تو) _____
 پتہ _____ پتہ _____
 نوٹس

- 1- ممبر جو اجلاس میں شرکت کرنے اور ووٹ ڈالنے کا حق رکھتا ہے وہ اپنی جگہ کسی اور ممبر کو بھی پراکسی منتخب کر سکتا ہے کی وہ اس کی جگہ شرکت کرے اور ووٹ ڈالے۔
- 2- اس کاغذ پر ممبر کے دستخط ہوں اور اگر کوئی ممبر کسی کارپوریٹ ادارے کی نمائندگی کر رہا ہو تو لازم ہے کہ اسکے پاس تحریر شدہ مختار نامہ اور پراکسی فارم جس پر ادارے کی عمومی مہر ثبت شدہ ہو۔
- 3- حاملین سی ڈی سی آئی ڈی اکاؤنٹ اور ذیلی اکاؤنٹ کو چاہئے کہ پراکسی فارم کے ساتھ اپنے اور پراکسی ممبر کے کارآمد قومی شناختی کارڈ / پاسپورٹ کی نقل بھی منسلک کریں۔
- 4- باقاعدہ پر شدہ اور دستخط شدہ پراکسی فارم کمپنی سیکرٹری کے پاس کمپنی کے رجسٹرڈ دفتر کو اجلاس شروع ہونے سے کم از کم 48 گھنٹے پہلے موصول ہو جانا لازم ہے۔
- 5- کسی پراکسی کے attorney ہونے کی صورت میں پراکسی کی تمام شرائط پورا کرنا لازم ہے اس کے علاوہ کمپنی کو اصل پاورٹارنی بھی جمع کرانا ہوگی۔
- 6- سی این آئی سی کے غیر موجودگی میں نادرا کو جمع کرائی گئی سی این آئی سی کی درخواست کی رسید یا پرانا NIC/CNIC جس کی مدت ختم ہوگئی ہو بھی قابل قبول ہونگیاں۔



Huffaz

Seamless Pipe Industries Limited

Committed to Excellence

Registered Office:
207-210, Second Floor,
Mashriq Centre,
Block 14, Gulshan-e-Iqbal, Karachi.

Factory:
90 KM Super High Way,
Nooriabad Industrial Estate,
District Jamshoro, Sindh.

Website: www.huffaz.com.pk