



PAKISTAN CABLES
TRUSTED NOT TO COMPROMISE



A member of

ASC AMIR S.
CHINYO
GROUP

ROOT FOR GROWTH

Quarterly Accounts
for the period ended September 30, 2023

COMPANY INFORMATION

Board of Directors

Mr. Mustapha A. Chinoy	Chairman
Mr. Shoaib Javed Hussain	
Ms. Spenta Kandawalla	
Mr. Akbar Ali Pesnani	
Mr. Ali H. Shirazi	
Mr. Arshad Mohsin Tayebaly	
Mr. Mazhar Valjee	
Mr. Kamal A. Chinoy	
Mr. Fahd Kamal Chinoy	Chief Executive Officer

Chief Financial Officer

Mr. Waqas Mahmood

Company Secretary

Ms. Natasha Mohammad

Auditors

A. F. Fergusons & Co.
Chartered Accountants

Legal Advisor

ASPIRELaw Advocates and Corporate Counsel

Tax Advisors

A.F. Fergusons & Co.
Muhammad Bilal & Co.
A.Qadir & Co.

Bankers

Standard Chartered Bank (Pakistan) Limited
Bank Al-Habib Limited
Habib Bank Limited
Meezan Bank Limited
MCB Bank Limited
Industrial and Commercial Bank of China Limited
Soneri Bank Limited
BankIslami Pakistan Limited
Habib Metropolitan Bank Limited
National Bank of Pakistan
JS Bank Limited
Bank Al Falah Limited

Share Registrar

CDC Share Registrar Services Limited
CDC House, Main Shahrah-e-Faisal, Karachi.
Tel: 021 111-111-500
Email: info@cdcsrsl.com

Registered Office

B-21, Pakistan Cables Road,
Sindh Industrial Trading Estates,
Karachi -75700
P.O Box 5050,
Tel: +92 -21-32561110-75
Fax: +92-21-32564614
Email: info@pakistancables.com

Website: www.pakistancables.com

DIRECTORS' REVIEW

Sales for the first quarter ended September 30, 2023 was Rs. 6.0 billion, which is 15% higher than the sales for the same period of last year. Gross profit was recorded at Rs. 842.0 million for the quarter compared to Rs. 677.1 million in the same period of last year.

Selling, Marketing, Administrative expenses and impairment loss on trade debts for the quarter are Rs. 302.8 million compared to Rs. 267.1 million in the same period of last year. Finance cost for the quarter are Rs. 370.1 million compared to Rs. 179.0 million in the same period of last year. The rise in finance cost is a result of increase in interest rates and higher working capital requirements.

As a result of the above factors, the Company ended the first quarter with a profit after tax of Rs. 136.3 million, resulting in an EPS of Rs. 2.75 compared to a profit after tax of Rs. 158.3 million (EPS of Rs. 3.20) in the same period of last year.

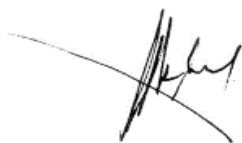
Asian Development Bank (ADB) has projected Pakistan's economy to grow by 1.9% in the current fiscal year. Similarly, the World Bank has real GDP growth projections for Pakistan at 1.7% for FY 24 and 2.4% for FY 25. The downside risks to the outlook remain high as the country faces challenges associated with increase in energy tariffs, and ongoing inflationary pressures. Amid the upcoming election season, political uncertainty will remain a risk in implementing reforms towards growth. Adherence to IMF program will remain critical in restoring macroeconomic stability and growth recovery. Slow market conditions are expected to persist till the time the economy starts to show signs of recovery and this will have an impact on the overall performance of your Company.

During the current quarter, your Company successfully launched the nation's first highest voltage (69KV) state of the art Catenary Continuous Vulcanization (CCV) line for Medium Voltage (MV) cables with world class German technology at its new factory in Nooriabad.

We are pleased to inform the shareholders that during the current quarter, your Company received the prestigious Top 25 Companies Award for the year 2022, second year in a row, from Pakistan Stock Exchange. The Company also won the 38th MAP Corporate Excellence Award 2023, 46th FPCCI Merit Export Award for the 7th consecutive year and received merit certificate for the Best Corporate Report Award for the year 2022, which shows our continued commitment towards professionalism and transparency.

The Directors would like to place on record their sincere appreciation for the hard work and dedication shown by the Management and employees of the Company during the period. On behalf of the Board of Directors and employees of the Company, we express our gratitude and appreciation to all our valued customers, distributors, dealers, bankers, vendors and all other stakeholders for the trust and confidence reposed in the Company.

On behalf of the Board of Directors



MUSTAPHA A. CHINOY
Chairman

Karachi: October 26, 2023

30 ستمبر 2023ء کو اختتام پذیر پہلی سہ ماہی کے لئے سیلز گذشتہ برس کی اسی مدت میں سیلز سے 15 فی صد زائد یعنی 6.0 بلین روپے رہی۔ مجموعی منافع گذشتہ برس کی اسی مدت میں 677.1 بلین روپے کے مقابلے میں 842.0 بلین روپے ریکارڈ ہوا۔

مذکورہ سہ ماہی کے لئے سیلنگ، مارکیٹنگ اور ایڈمنسٹریٹو اخراجات اور تجارتی قرضوں پر خسارہ گذشتہ برس کی اسی مدت میں 267.1 بلین روپے کے مقابلے میں 302.8 بلین روپے رہا۔ مذکورہ سہ ماہی کے لئے قرضوں پر لاگت گذشتہ برس کی اسی مدت میں 179.0 بلین روپے کے مقابلے میں 370.1 بلین روپے رہی۔ قرضوں پر لاگت میں اضافہ بلند شرح سود اور درکار سرمایہ میں اضافے سے منسوب کیا جاتا ہے۔

مذکورہ بالا عوامل کے باعث کمپنی نے پہلی سہ ماہی کا اختتام 136.3 بلین روپے علاوہ ٹیکس سے کیا اور اس کے نتیجے میں فی حصص آمدنی 2.75 روپے فی حصص رہی جبکہ گذشتہ برس کی اسی مدت میں نفع علاوہ ٹیکس 158.3 بلین روپے (بعد از ٹیکس) آمدنی 3.20 روپے فی حصص رہی۔

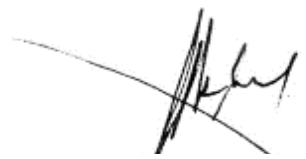
ایشیائی ترقیاتی بینک (اے ڈی بی) نے رواں بعد از ٹیکس پاکستان کی معیشت کی شرح نمو 1.9 فی صد رہنے کی پیش گوئی کی ہے۔ اسی طرح ورلڈ بینک نے مالی سال 24 کے لئے پاکستان کے لئے حقیقی جی ڈی پی کی شرح نمو کا تخمینہ 1.7 فی صد اور مالی سال 25 کے لیے 2.4 فی صد کا لگایا ہے۔ نقطہ نظر کے لئے منفی خطرات زیادہ ہیں کیونکہ ملک کو توانائی کے نرخوں میں اضافے اور جاری افراط زر کے دباؤ سے وابستہ چیلنجوں کا سامنا ہے۔ آنے والے انتخابات کے موسم میں، سیاسی طور پر غیر یقینی صورتحال ترقی کی جانب اصلاحات کو نافذ کرنے میں خطرہ بنے گی۔ آئی ایم ایف پروگرام کی پابندی میکر و اکنامک استحکام اور ترقی کے بحالی کے لئے اہم رہے گی۔ مارکیٹ کی سست صورتحال اس وقت تک برقرار رہنے کی توقع ہے جب تک معیشت بحالی کے آثار دکھانا شروع نہیں کرتی اور اس کا اثر آپ کی کمپنی کی مجموعی کارکردگی پڑے گا۔

موجودہ سہ ماہی کے دوران آپ کی کمپنی نے نوری آباد میں اپنی نئی فیکٹری میں عالمی معیار کی جرمن ٹیکنالوجی کے ساتھ میڈیم وولٹیج (MV) کیبلز کے لئے ملک کی پہلی اعلیٰ ترین وولٹیج (69KV) اسٹیٹ آف دی آرٹ کیپٹیریو کنڈیوٹس وکٹائزیشن (CCV) لائن کو کامیابی کے ساتھ لانچ کیا۔

ہم اپنے شیئر ہولڈرز کو ازراہ مسرت مطلع کرتے ہیں کہ حالیہ سہ ماہی کے دوران آپ کی کمپنی نے پاکستان اسٹاک ایکسچینج سے مسلسل دوسرے سال، سال 2022ء کے لئے باوقار 25 بڑی کمپنیوں کا ایوارڈ وصول کیا ہے۔ کمپنی نے 38 واں MAP کارپوریٹ ایکسلنس ایوارڈ 2023ء، لگا تار سات سال سے 46 واں FPCCI میرٹ ایکسپورٹ ایوارڈ اور سال 2022ء کے لئے بہترین کارپوریٹ رپورٹ ایوارڈ کے لئے میرٹ شوقیٹ حاصل کیا۔ جو پیشہ ورانہ صلاحیتوں اور شفافیت کے لئے ہمارے عزم کی عکاسی کرتے ہیں۔

ڈائریکٹرز مذکورہ مدت کے دوران کمپنی کی انتظامیہ اور ملازمین کے جذبے اور ان تھک محنت کو سراہتے ہیں۔ بورڈ آف ڈائریکٹرز اور کمپنی کے ملازمین کی جانب سے ہم اپنے تمام معزز صارفین، ڈسٹری بیوٹرز، ڈیلرز، بینکرز، وینڈرز اور اسٹیک ہولڈرز کی جانب سے ہماری کمپنی پر بھروسے اور اعتماد کے لئے خراج تحسین پیش کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز



مصطفیٰ اے چنائے

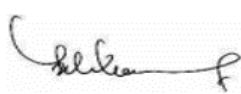
چیئرمین

کراچی: اکتوبر 26، 2023ء

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2023**

	Note	(Unaudited) September 30, 2023 (Rupees in '000)	(Audited) June 30, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	14,824,832	14,444,537
Right-of-use assets		3,448	8,241
Intangible assets		10,615	11,944
Investment in associated company		84,541	78,399
Long-term loans receivable		12,410	13,621
Long-term deposits		6,317	6,444
		14,942,163	14,563,186
Current assets			
Stores and spares		102,786	80,013
Stock-in-trade	5	4,109,428	3,761,223
Trade debts	6	4,780,737	4,146,579
Short-term loans and advances	7	566,701	181,443
Short-term deposits and prepayments		52,843	59,580
Other receivables	8	513,712	359,884
Taxation - payments less provisions		202,262	81,376
Cash and bank balances	9	164,133	161,341
		10,492,602	8,831,439
Total assets		25,434,765	23,394,625
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital 50,000,000 (June 30, 2023: 50,000,000) ordinary shares of Rs. 10 each		500,000	500,000
Issued, subscribed and paid-up capital		495,067	495,067
Capital reserves			
Share premium reserve		1,595,139	1,595,139
Revaluation surplus on property (land and building) - net of tax		4,643,292	4,785,350
Revenue reserves			
General reserve		2,618,000	1,975,000
Un-appropriated profit		141,587	643,510
Total shareholders' equity		9,493,085	9,494,066
Non-current liabilities			
Long-term financing - secured	10	4,771,817	4,767,733
Deferred income - Government grant		551,596	564,616
Lease liabilities		2,099	2,037
Staff retirement benefits		56,257	56,936
Staff compensated absences		2,019	4,696
Deferred taxation		84,578	85,397
		5,468,366	5,481,415
Current liabilities			
Current portion of long-term financing	10	185,146	181,647
Current portion of lease liabilities		1,831	1,768
Trade and other payables	11	2,502,796	3,182,426
Short-term borrowings - secured	12	6,667,295	4,000,563
Contract liabilities		701,024	700,472
Unclaimed dividend		33,379	33,379
Accrued mark-up		381,843	318,889
		10,473,314	8,419,144
Total liabilities		15,941,680	13,900,559
Contingencies and commitments	13		
Total equity and liabilities		25,434,765	23,394,625

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director

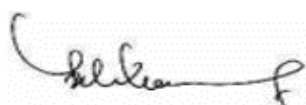


Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Note	July to September 2023 (Rupees in '000)	July to September 2022
Revenue from contracts with customers	14	5,977,590	5,203,995
Cost of sales		<u>(5,135,576)</u>	<u>(4,526,894)</u>
Gross profit		842,014	677,101
Marketing, selling and distribution costs	15	<u>(208,301)</u>	<u>(176,423)</u>
Administrative expenses	16	<u>(88,161)</u>	<u>(79,435)</u>
Impairment loss on trade debts		<u>(6,318)</u>	<u>(11,192)</u>
		(302,780)	(267,050)
Finance cost	17	<u>(370,063)</u>	<u>(178,998)</u>
Other expenses		<u>(16,184)</u>	<u>(19,927)</u>
		(386,247)	(198,925)
Other income		33,553	32,637
Share of profit / (loss) from associate under the equity basis of accounting		<u>8,520</u>	<u>(1,488)</u>
Profit before tax		195,060	242,275
Income tax expense		<u>(58,735)</u>	<u>(84,009)</u>
Profit after tax for the period		<u>136,325</u>	<u>158,266</u>
			(Rupees)
Earnings per share - basic and diluted	18	<u>2.75</u>	(Restated) <u>3.20</u>


The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	July to September 2023	July to September 2022
	(Rupees in '000)	
Profit after tax for the period	136,325	158,266
Other comprehensive income:		
Items that will not be reclassified to statement of profit or loss		
Derivative financial assets on hedge instruments - net	-	(5,524)
Related deferred tax	-	1,602
	-	(3,922)
Share of other comprehensive income / (loss) from the associated company	356	(193)
	356	(4,115)
Deficit on revaluation of land carried out during the period	(136,415)	-
Share of (deficit) / surplus on revaluation of land and building of the associated company	(1,467)	13,292
Related deferred tax	220	(1,994)
	(1,247)	11,298
	(137,306)	7,183
Total comprehensive (loss) / income - transferred to statement of changes in equity	(981)	165,449


The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Note	September 30, 2023	September 30, 2022
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	19	(1,620,427)	(997,978)
Finance costs paid		(272,760)	(120,529)
Gratuity paid		(3,465)	-
Income tax paid - net		(180,220)	(69,063)
Long-term loans receivable		1,211	56
Long-term deposits		127	-
Net cash used in operating activities		<u>(2,075,534)</u>	<u>(1,187,514)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure including intangible assets		(569,649)	(1,252,865)
Proceeds from disposal of fixed assets		1,149	7,832
Net cash used in investing activities		<u>(568,500)</u>	<u>(1,245,033)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term loans obtained		18,225	3,036,215
Repayment of long-term loans		(38,131)	(79,799)
Lease rentals paid		-	(1,080)
Loan / (Repayments) of short-term borrowings - secured		750,000	(1,836,036)
Net cash generated from financing activities		<u>730,094</u>	<u>1,119,300</u>
Net decrease in cash and cash equivalents		<u>(1,913,940)</u>	<u>(1,313,247)</u>
Cash and cash equivalents at beginning of the year		<u>(969,222)</u>	<u>(954,956)</u>
Cash and cash equivalents at end of the period	20	<u><u>(2,883,162)</u></u>	<u><u>(2,268,203)</u></u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director

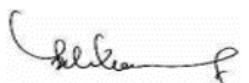


Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Share Capital	Capital Reserves		Revenue Reserves		Total
	Issued, subscribed and paid-up capital	Share premium reserve	Surplus on revaluation of assets - net of tax	General reserve	Un- appropriated profit	
	← (Rupees in '000) →					
Balance as at July 01, 2022	355,779	1,595,139	4,790,050	1,575,000	690,318	9,006,286
Total comprehensive income for the period from July 2022 to September 2022						
- Profit after tax	-	-	-	-	158,266	158,266
- Other comprehensive income - net of tax	-	-	11,298	-	(4,115)	7,183
	-	-	11,298	-	154,151	165,449
Transfer from surplus on revaluation of building - net of deferred tax	-	-	(4,396)	-	4,396	-
Transfer to general reserve for the year ended June 30, 2022	-	-	-	400,000	(400,000)	-
Transactions with owners of the Company - Distribution						
Final cash dividend for the year ended June 30, 2022 @ Rs. 6.50 per share	-	-	-	-	(231,257)	(231,257)
15% bonus shares issued - for the year ended June 30, 2022	53,367	-	-	-	(53,367)	-
Balance as at September 30, 2022	409,146	1,595,139	4,796,952	1,975,000	164,241	8,940,478
Balance as at July 01, 2023	495,067	1,595,139	4,785,350	1,975,000	643,510	9,494,066
Total comprehensive income for the period from July 2023 to September 2023						
- Profit after tax	-	-	-	-	136,325	136,325
- Other comprehensive loss - net of tax	-	-	(137,662)	-	356	(137,306)
	-	-	(137,662)	-	136,681	(981)
Transfer from surplus on revaluation of building - net of deferred tax	-	-	(4,396)	-	4,396	-
Transfer to general reserve for the year ended June 30, 2023	-	-	-	643,000	(643,000)	-
Balance as at September 30, 2023	495,067	1,595,139	4,643,292	2,618,000	141,587	9,493,085

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

**NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

1 LEGAL STATUS AND OPERATIONS

Pakistan Cables Limited ("the Company") was incorporated in Pakistan as a private limited Company on 22 April 1953 under Companies Act, 1913 (now the Companies Act, 2017) and in 1955 it was converted into a public limited Company in which year it also obtained a listing on the Pakistan Stock Exchange. The Company is engaged in the business of copper rods, wires, cables and conductors, aluminium extrusion profiles, wiring accessories and PVC compounds.

The registered office of the Company is situated at 11.15 acres of land at B/21, S.I.T.E., Karachi, Pakistan and head office of the Company is situated at 1st Floor, Arif Habib Centre, 23 M.T. Khan Road, Karachi, Pakistan. In addition, it also has a land of 42 acres at K-23, Nooriabad, Sindh and 3.9 acres at C-246 and C-247 Nooriabad, Sindh. The Company has also regional and branch offices located in Lahore, Faisalabad, Rawalpindi, Multan, Peshawar and Abbottabad.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

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

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.1.2 These condensed interim financial statements are unaudited and are being submitted to the shareholders as required section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange Limited. These condensed interim financial statements comprise of the statement of financial position as at September 30, 2023 and statement of profit or loss, statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity for the three months period ended September 30, 2023.

2.1.3 The comparative statement of financial position presented in these condensed interim financial statements as at June 30, 2023 has been extracted from the audited financial statements of the Company for the year ended June 30, 2023, whereas the comparative statement of profit or loss, statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity for the three months period ended September 30, 2022 have been extracted from the unaudited condensed interim financial statements for the period then ended.

2.1.4 These condensed interim financial statement does not include all the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements of the Company as at and for the year ended June 30, 2023.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except as disclosed otherwise.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistan Rupee which is also the Company's functional currency and all financial statements presented in Pakistani rupee have been rounded off to the nearest thousand, unless otherwise stated.

3 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2023.

3.1 Accounting estimates, judgements and financial risk management

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation are the same as those that applied to the financial statements for the year ended June 30, 2023.

4 PROPERTY, PLANT AND EQUIPMENT

	(Unaudited) September 30, 2023	(Audited) June 30, 2023
	(Rupees in '000)	
Operating fixed assets	7,098,446	7,200,107
Capital work-in-progress	7,726,386	7,244,430
	<u>14,824,832</u>	<u>14,444,537</u>

The additions and disposals in property, plant and equipments during the quarter are as under:

		Three months period ended	
	Note	September 30, 2023	September 30, 2022
		(Rupees in '000)	
Additions			
Plant and machinery		6,837	2,048
Office equipment and appliances		3,116	3,277
Others		4,983	1,273
Capital work-in-progress	4.1	554,713	1,246,267
		<u>569,649</u>	<u>1,252,865</u>
Disposals - Net book value			
Vehicles [cost Rs. 13.79 million (September 30, 2022: Rs. 4.83 million)]		460	549
Plant and machinery and others [cost Rs. 0.17 million (September 30, 2022: Rs. 13.34 million)]		-	-
Transfer from Capital work-in-progress		73,042	16,047

4.1 This represents the purchase of plant and machinery, building and others.

5	STOCK-IN-TRADE	Note	(Unaudited) September 30, 2023	(Audited) June 30, 2023
	Raw materials [including Rs. 149.13 million in transit (June 30, 2023 : Rs. 588.32 million)]	5.1	1,660,144	1,833,785
	Work-in-process	5.2	647,918	786,361
	Finished goods	5.3	1,679,985	1,096,209
	Scrap		121,381	44,868
			4,109,428	3,761,223
5.1	Raw material includes slow moving items amounting to Rs. 32.07 million (June 30, 2023: Rs. 32.07 million) against which provision has been made.			
5.2	Work-in-process include slow moving items amounting to Rs. 34.75 million (June 30, 2023: Rs. 34.75 million) stated at their net realizable values against their cost of Rs. 63.56 million (June 30, 2023: Rs. 63.56 million).			
5.3	Finished goods include slow moving items amounting to Rs. 69.23 million (June 30, 2023: Rs. 69.23 million) stated at their net realizable values against their cost of Rs. 117.27 million (June 30, 2023: Rs. 117.27 million).			
6	TRADE DEBTS	Note	(Unaudited) September 30, 2023	(Audited) June 30, 2023
	Unsecured and non-interest bearing			
	Due from related parties		576,353	421,521
	Others		4,262,838	3,777,194
			4,839,191	4,198,715
	Allowance for expected credit losses	6.1	(58,454)	(52,136)
			4,780,737	4,146,579
6.1	Allowance for expected credit losses			
	Balance as on July 01		52,136	53,185
	Provision / (reversal) during the period - net		6,318	(1,049)
			58,454	52,136
7	SHORT-TERM LOANS AND ADVANCES			
	Current portion of long-term loans		6,397	6,537
	Short-term advances to employees		18,658	4,213
	Advances to suppliers		541,646	170,693
			560,304	174,906
			566,701	181,443
8	OTHER RECEIVABLES - considered good			
	Sales tax refundable		465,232	304,578
	Receivable from staff pension fund - related party		30,494	30,989
	Dividend receivable from associate - related party		1,267	-
	Margin against guarantee - related party		12,556	23,684
	Others		4,163	633
			513,712	359,884
9	CASH AND BANK BALANCES			
	Cash at bank			
	Current accounts - local currency		48,436	46,562
	- foreign currency		102,475	101,765
	Saving accounts - local currency	9.1	13,174	12,610
	Cash in hand		48	404
			164,133	161,341
9.1	The profit and loss sharing bank balance carry profit at the rate of 20.50% (June 30, 2023: 19.50%) per annum.			

	Note	(Unaudited) September 30, 2023	(Audited) June 30, 2023
10 LONG-TERM FINANCING - secured		(Rupees in '000)	
Loans from conventional financial institutions			
Long-Term Finance Facility	10.2	3,810,000	3,838,439
SBP Refinance - renewable energy	10.3	118,193	99,549
Temporary Economic Refinance Facility (TERF)	10.4	1,524,917	1,519,643
		5,453,110	5,457,631
Loans from Islamic financial institutions			
Islamic Temporary Economic Refinance Facility (ITERF)	10.4	131,338	131,498
		5,584,448	5,589,129
Less: Deferred income Government grant		(627,485)	(639,749)
Less: Current portion of long-term financing			
Conventional financial institutions			
Long-Term Finance Facility		(91,250)	(91,250)
Temporary Economic Refinance Facility (TERF)		(80,490)	(80,768)
		(171,740)	(172,018)
Loans from Islamic financial institutions			
Islamic Temporary Economic Refinance Facility (ITERF)		(13,406)	(9,629)
		(185,146)	(181,647)
		4,771,817	4,767,733

10.1 Long-term loans have been obtained for the purpose of capital expenditure which are secured against mortgage of land and building and hypothecation of specific plant and machinery. The Company has also availed long-term loans against various refinancing schemes of State Bank of Pakistan (SBP) which includes Temporary Economic Refinance Facility (TERF) and against Renewable Energy Scheme.

10.2 Long-term loans of Rs. 3,650 million has been obtained for capital expenditure which are secured against mortgage of land and building at K-23 Nooriabad thereon (charge of Rs. 4,867 million). The total amount outstanding against these loans are Rs. 3,650 million as on September 30, 2023 (June 30, 2023: 3,650 million). Rate of markup on the above loans ranges between 23.46% per annum and 24.50% per annum (June 30, 2023: 21.49% per annum and 22.58% per annum). These are repayable in half yearly equal instalments of Rs. 107.14 million, Rs. 62.5 million and quarterly installment of Rs. 41.07 million commencing from March 07, 2025, March 30, 2025 and March 12, 2025 respectively. The facility available under the above arrangement amounted to Rs. 3,650 million of which the amount remained unutilised as at September 30, 2023 was Rs. Nil (June 30, 2023: facility available of Rs. 3,650 million of which the amount remained unutilised as at June 30, 2023 was Nil).

The Company has also obtained certain long-term loans for the purpose of capital expenditure which are secured against hypothecation of specific items of plant and machinery (charge of Rs. 701 million). The total amount outstanding against these loans amounts to Rs. 160.0 million as on September 30, 2023 (June 30, 2023: Rs. 188.40 million). Rate of markup on these loans at the period end ranged between 22.71% per annum to 23.04% per annum (June 30, 2023: 18.10% per annum to 22.96% per annum). These loans are for five years from the date of disbursement and are repayable in eight half yearly equal principal installments of Rs. 11.25 million and sixteen quarterly equal principal installments of Rs. 17.18 million commencing from February 05, 2021 and December 28, 2021 respectively. The facility available under the above arrangement amounted to Rs. 650 million of which the amount of Rs. 365 million has been paid and the amount remained unutilised as at September 30, 2023 was Rs. 125 million (June 30, 2023: facility available of Rs. 650 million of which amount of Rs. 337 has been paid and the amount remained unutilised as at June 30, 2023 was Rs. 125 million).

10.3 In addition to the above, the Company has also obtained long-term loan of Rs. 116.23 million against SBP Renewable Energy Scheme (June 30, 2023: Rs. 98.00 million). The rate of markup on this loan is at 3.50% per annum (June 30, 2023: 3.50% per annum). This loan is secured against hypothecation of specific plant and machinery for a 10 year period.

10.4 In addition to the above, the Company has also obtained long-term loan of Rs. 1,624.15 million against Temporary Economic Refinance Facility (TERF) under SBP refinance scheme (June 30, 2023: Rs. 1624.15 million). The rate of markup on these loans ranged between 1.50% per annum to 2.50% per annum (June 30, 2023: 1.50% per annum to 2.50% per annum). These loans are secured against hypothecation of specific plant and machinery for a 10 year period.

		(Unaudited) September 30, 2023	(Audited) June 30, 2023
11 TRADE AND OTHER PAYABLES		(Rupees in '000)	
Creditors		1,074,323	1,605,786
Accrued expenses		571,715	713,355
Salary and wages payable		17,761	28,431
Accrual for import levies		689,581	649,785
Payable to staff provident fund - related party		5,142	4,981
Workers' profit participation fund		10,477	61,887
Workers' welfare fund		26,082	22,078
Current portion of deferred income - Government grant		75,889	75,133
Security deposits from distributors and employees		6,369	6,369
Withholding income tax payable		22,961	12,120
Others		2,496	2,501
		2,502,796	3,182,426

12 SHORT-TERM BORROWINGS - Secured	Note	(Unaudited) September 30, 2023 (Rupees in '000)	(Audited) June 30, 2023
Running musharka under Shariah arrangements	12.1	1,886,100	801,175
Running finances under mark-up arrangements	12.2	1,161,195	329,388
Running finances from banks		<u>3,047,295</u>	<u>1,130,563</u>
Short term finances under mark-up arrangements	12.3	<u>3,620,000</u>	<u>2,870,000</u>
		<u><u>6,667,295</u></u>	<u><u>4,000,563</u></u>

12.1 Running musharka under shariah arrangements

Running Musharaka under Shariah arrangement carries mark-up at the rate of 22.71% per annum to 23.11% per annum (June 30, 2023: 21.80% per annum to 22.18% per annum) and the available facility is Rs. 1,900 million (June 30, 2023: Rs. 1,250 million). At September 30, 2023, the facility unutilised was Rs. 14 million (June 30, 2023: Rs. 449 million).

12.2 Running finances under mark-up arrangements

The Company has also arranged short-term running finance facilities under mark-up arrangements from certain banks. The overall facility for these running finances under mark-up arrangements amounts to Rs. 5,900 million (June 30, 2023: Rs. 5,150 million). Rate of mark-up on these running finance facilities under mark-up arrangements ranges between 23.05% per annum to 23.73% per annum net of prompt payment rebate (June 30, 2023: 22.20% per annum to 22.94% per annum). The facilities will expire between September 30, 2023 to December 31, 2024 and are renewable.

12.3 Short term finances under mark-up arrangement

Amount outstanding against the short term finance facilities as at September 30, 2023 was Rs. 3,620 million (June 30, 2023: Rs. 2,870 million) against the available facilities of Rs. 7,245 million (June 30, 2023: Rs. 6,145 million). This includes facilities earmarked out of the total running finance facilities obtained from banks. Mark-up on short term finance is agreed at each disbursement and as at September 30, 2023, it was ranging between 22.16% per annum to 22.92% per annum (June 30, 2023: 21.52% per annum to 22.49% per annum).

12.4 Other facilities

The facility for opening letters of credit and guarantees as at September 30, 2023 amounted to Rs. 9,250 million including Rs. 2,200 million relating to the guarantees (June 30, 2023: Rs. 8,200 million including Rs. 2,050 million relating to the guarantees) of which the amount remained unutilised as at September 30, 2023 was Rs. 4,930 million including Rs. 533 million relating to the guarantees (June 30, 2023: Rs. 5,106 million including Rs. 589 million relating to the guarantees).

12.5 Securities

These above arrangements are secured by way of joint pari passu hypothecation over stocks, stores and spares and present and future trade debts of the Company of Rs. 11,225 million and a ranking charges of Rs. 100 million, Rs. 145 million, Rs. 665 million, Rs. 200 million, Rs. 200 million, Rs. 400 million and Rs. 550 million for facilities availed from Bank Al Habib Limited, Habib Bank Limited, Meezan Bank Limited, Bank Islami Pakistan Limited, National Bank of Pakistan, JS Bank Limited and Bank Al Falah Limited respectively, which will be upgraded to first Joint Pari Passu Charge.

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

- a) The Company has issued to the Collector of Customs post dated cheques amounting to Rs. 5.43 million (June 30, 2023: Rs. 5.40 million) against partial exemption of import levies.
- b) Bank guarantees amounting to Rs. 1,667 million (June 30, 2023: Rs. 1,461 million) have been given to various parties for contract performance, tender deposits, import levies, etc.

13.2 Commitments

- a) Aggregate commitments for capital expenditure as at September 30, 2023 amounted to Rs. 1,257.44 million (June 30, 2023: Rs. 1,351.42 million).
- b) Commitments under letters of credit for the import of raw materials, etc. (non-capital expenditure) as at September 30, 2023 amounted to Rs. 2,516.21 million (June 30, 2023: Rs. 1,412.63 million). These are in respect of the letters of credit opened before the period end but no shipment by then had been made.

14 REVENUE FROM CONTRACTS WITH CUSTOMERS

	Three months period ended	
	September 30, 2023	September 30, 2022
	(Rupees in '000)	
Gross local sales	6,652,485	5,961,304
Export sales	367,951	123,307
	<u>7,020,436</u>	<u>6,084,611</u>
Sales tax	(1,042,846)	(880,616)
	<u><u>5,977,590</u></u>	<u><u>5,203,995</u></u>

14.1 Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical markets, major product lines and sales channels:

	Three months period ended	
	September 30, 2023	September 30, 2022
	(Rupees in '000)	
Primary geographical markets		
Pakistan	5,609,639	5,080,688
Asia (other than Pakistan)	36,710	-
North America	217,182	884
South America	6,413	-
Africa	107,646	122,423
	<u>5,977,590</u>	<u>5,203,995</u>
Major products lines		
Wire and Cables	5,915,187	5,110,511
Aluminium profile business	62,403	93,484
	<u>5,977,590</u>	<u>5,203,995</u>
Sales channels		
Goods sold:		
- directly to consumers	4,649,056	4,232,339
- through intermediaries	1,328,534	971,656
	<u>5,977,590</u>	<u>5,203,995</u>

15 MARKETING, SELLING AND DISTRIBUTION COSTS

Salaries, wages and benefits	51,039	49,251
Rent, rates and taxes	4,758	4,302
Commission	-	172
Repairs and maintenance	1,917	1,184
Communication and stationary	798	978
Training, travelling and entertainment	16,491	12,445
Advertising and publicity	52,488	20,272
Carriage and forwarding expenses	60,416	68,555
Depreciation	5,934	4,293
Depreciation on right-of-use asset	2,915	3,046
Subscriptions	715	896
Insurance	647	1,088
Fuel and power	3,845	2,732
Others	6,338	7,209
	<u>208,301</u>	<u>176,423</u>

		Three months period ended	
		September 30,	September 30,
		2023	2022
		(Rupees in '000)	
16	ADMINISTRATIVE EXPENSES		
	Salaries, wages and benefits	49,750	42,710
	Insurance	1,191	427
	Repairs and maintenance	6,831	2,712
	Legal and professional	4,858	3,308
	Donations and CSR	917	7,876
	Auditors' remuneration	988	1,087
	Communications and stationary	4,692	4,329
	Training, travelling and entertainment	4,580	4,080
	Depreciation	4,381	3,964
	Depreciation on right-of-use asset	1,878	1,878
	Amortization	199	598
	Fuel and power	3,612	2,033
	Others	4,284	4,433
		88,161	79,435
17	FINANCE COST		
	Mark-up on finances under mark-up arrangements	230,983	92,508
	Mark-up on finances under a shariah compliance arrangement	80,664	26,848
	Mark-up on finances under export refinance	-	1,025
	Mark-up on long-term loans under mark-up arrangements	1,546	36,436
	Mark-up on lease liability	125	452
	Mark-up on SBP refinance schemes	34,224	21,037
	Mark-up on distributors deposit	75	75
	Un-winding of provision for GID cess	745	1,437
	Exchange loss / (gain)	10,875	(7,038)
	Bank charges	10,826	6,218
		370,063	178,998
18	EARNINGS PER SHARE - basic and diluted		
	Profit after taxation	136,325	158,266
		(Number of shares in '000)	
	Weighted average number of ordinary shares outstanding during the period	49,507	49,507
		(Rupees)	
		(Restated)	
	Earnings per share - basic and diluted	2.75	3.20
		Three months period ended	
		September 30,	September 30,
		2023	2022
		(Rupees in '000)	
19	CASH USED IN OPERATIONS		
	Profit before taxation	195,060	242,275
	Adjustment for non cash charges and other items:		
	- Depreciation on property, plant and equipment	52,249	43,225
	- Depreciation on right-of-use asset	4,793	4,924
	- Amortization of intangible assets	1,559	2,311
	- Amortization of government grant	(18,999)	(14,127)
	- Provision for staff retirement benefits	2,786	2,264
	- Other long-term employee benefits - net	(2,677)	(2,168)
	- Gain on disposal of fixed assets	(689)	(7,282)
	- Share of profit / (loss) from associate	(8,520)	1,488
	- Finance costs	370,063	178,998
	- Working capital changes	(2,216,052)	(1,449,886)
		(1,620,427)	(997,978)
19.1	Working capital changes		
	(Increase) / decrease in current assets		
	- Stores and spares	(22,773)	687
	- Stock-in-trade	(348,205)	(525,063)
	- Trade debts	(634,158)	(466,474)
	- Short-term loans and advances	(385,258)	(18,029)
	- Short-term deposits and payments	6,737	(4,181)
	- Other receivables - net	(152,561)	(236,975)
		(1,536,218)	(1,250,035)
	Increase / (decrease) in current liabilities		
	- Trade and other payables	(680,386)	(254,787)
	- Contract liabilities	552	54,936
		(679,834)	(199,851)
		(2,216,052)	(1,449,886)

Note

20 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of the following items:

Cash and bank balances
Running finance from banks

Three months period ended	
September 30,	September 30,
2023	2022
(Rupees in '000)	
164,133	187,975
(3,047,295)	(2,456,178)
(2,883,162)	(2,268,203)

21 TRANSACTIONS WITH RELATED PARTIES

Parties which are related to the Company in pursuit of IAS 24 'Related Party Disclosures' including associates, staff retirement benefit plans and key management personnel are considered for disclosure of related party transactions.

Transactions and balances with related parties

Name of the related party	Relationship shareholding	Nature of transactions and period-end balances	Three months period ended	
			September 30, 2023	September 30, 2022
			(Rupees in '000)	
Intermark (Private) Limited	Associate	Sale of goods	590,983	437,153
		Amount due at the period-end	573,565	479,195
International Industries Limited	Associate (0.48%)	Sale of goods	230	381
		Sharing of expenses	-	1,138
		Purchase of goods, services & materials	28,407	180
		Sharing of rental office expenses	265	205
		Dividend receivable / received	1,267	3,802
		Proportionate share of changes in equity	7,409	11,610
		Amount due at the period-end	282	209
Aga Khan Cultural Service Pakistan	Common directorship	Sale of goods	1,016	-
		Amount due at the period-end	1,199	-
Agha Steel Industries	Common directorship	Purchase of goods, services & materials	5,600	-
Cherat Cement Limited	Common directorship	Sale of goods	15,651	-
		Amount due at the period-end	1,307	-
IIL Construction Solutions (Private) Limited	Associate	Purchase of goods, services & materials	14,357	215,614
International Steels Limited	Associate	Sale of goods	-	7,755
		Purchase of goods, services & materials	-	14,185
		Sharing of expenses	-	327
		Amount due at the period-end	-	1,150
Fauji Fertilizer Company Limited	Common directorship	Sale of goods	1,688	7,019
		Liquidated damages for late deliveries	-	17
Atlas Insurance Limited	Common directorship	Insurance premium expense	194	434
		Security Deposit / Cash Margin	6,169	1,420
		Amount due at the period-end	-	1,420
Jubilee General Insurance Co. Limited	Common directorship	Insurance premium expense	14,137	-
		Insurance claim received	8,486	-
Jubilee Life Insurance Company Limited	Common directorship	Insurance premium expense	3,142	2,194
		Insurance claim received	-	744
State Life Insurance Corp. of Pakistan	Common directorship	Office Rent	52	87
Pakistan society for training and development	Common directorship	Purchase of goods, services & materials	-	60
Pakistan Cables Limited - Staff Provident Fund	Staff retirement benefit plans	Net charge in respect of Staff retirement benefit plan	7,867	6,312
		Retirement benefit plans payable	5,142	4,766
Pakistan Cables Limited - Staff Pension Fund	Staff retirement benefit plans	Net charge in respect of Staff retirement benefit plans	495	-
		Retirement benefit plans receivable	30,494	48,195
Board of Directors (executive and non-executive) and Key Management Personnel	Key management personnel	Remuneration	41,765	36,824
		Directors' fees	1,500	375
Workers' Profit Participation Fund	Staff benefit plan	Net charge in respect of staff benefit plan	10,477	13,013
		Staff benefit plan payable	10,477	13,013

- 21.1** Remuneration of key management personnel are in accordance with their terms of employment.
- 21.2** Contributions to defined contribution plan (provident fund) are made as per the terms of employment and contribution to / charge for the defined benefit plan (pension scheme) are in accordance with the actuarial advice.
- 21.3** Share of profit of the associated company and dividend from them are as per the profit and dividend declared by them.
- 21.4** Other transactions are at agreed terms.

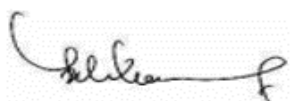
22 OPERATING SEGMENTS

These condensed interim financial statements have been prepared on the basis of single reportable segment.

- 22.1** Revenue from cables & wires represents 99% (June 30, 2023: 98.5%) of total revenue of the company.
- 22.2** Sales represent local sales of Rs. 5,609.64 million (September 30, 2022: Rs. 5,080.69 million) and export sales of Rs. 367.95 million (September 30, 2022: Rs. 123.31 million). The export represents sales to Africa amounting to Rs. 107.65 million (September 30, 2022: sales to Africa amounting to Rs. 122.42 million), Asia amounting to Rs. 36.71 (September 30, 2022: sales to Asia amounting to Rs. Nil), North America amounting to Rs. 217.18 million (September 30, 2022: sales to North America to Rs. 0.88 million) and South America amounting to Rs. 6.41 million (September 30, 2022: sales to South America to Rs. Nil).
- 22.3** All non-current assets of the Company at September 30, 2023 are located in Pakistan. The Company does not have any customer having sales of 10% or more during the period (June 30, 2023: Nil).

23 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 26, 2023 by the Board of Directors of the Company.




Chief Executive Officer



Director



Chief Financial Officer



Head Office

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