



**AISHA STEEL  
MILLS LIMITED**

# **Overcoming Adversity Building for Future**

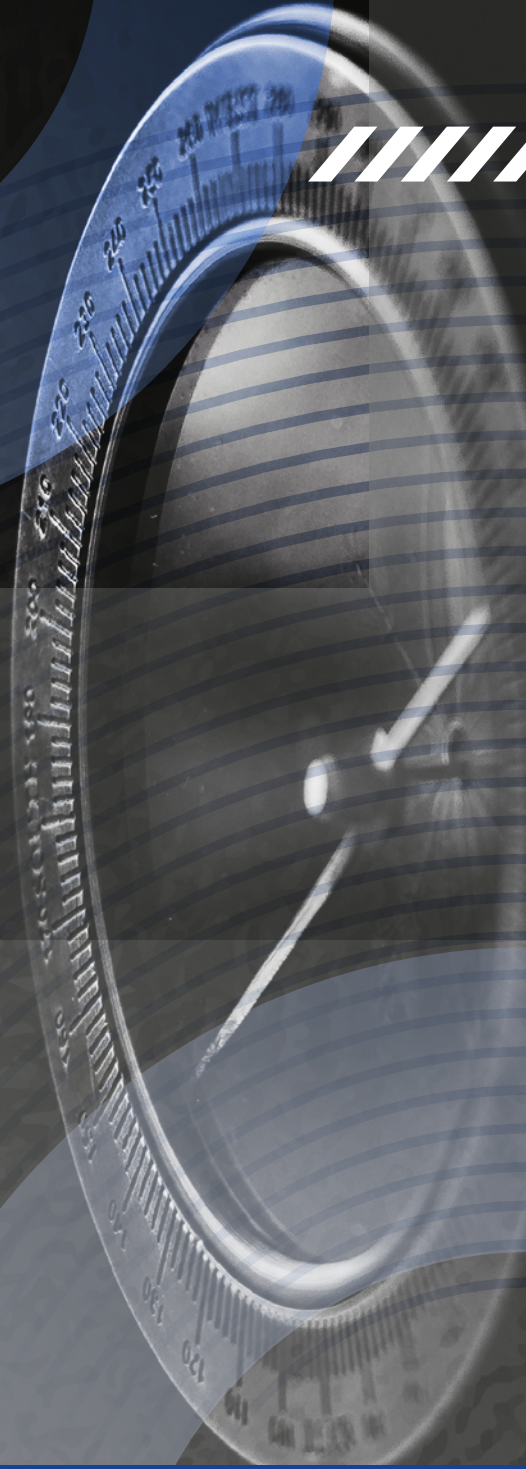
**First Quarterly Report September 2023**





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# COMPANY OVERVIEW

## Vision

To be a global leader in the flat steel industry with the largest share of the local market while fostering the culture of responsible production and consumption to be eventually acknowledged by its customers for quality and service excellence.

## Mission

To supply the highest quality products to our clients utilizing sustainable and environmentally responsible procedures. We believe in the power of human capital in accomplishing our goal of responsible production with sustained return to our shareholders and strive to be the supplier and employer of choice in the flat steel industry.

# COMPANY INFORMATION

## BOARD OF DIRECTORS

Mr. Arif Habib, Chairman  
Mr. Samad A. Habib  
Mr. Kashif A. Habib  
Mr. Nasim Beg  
Dr. Munir Ahmed, Chief Executive  
Ms. Tayyaba Rasheed  
Mr. Arslan Iqbal  
Mr. Rashid Ali Khan  
Mr. Alamgir A Shaikh

## AUDIT COMMITTEE

Ms. Tayyaba Rasheed - Chairperson  
Mr. Nasim Beg  
Mr. Samad A. Habib  
Mr. Kashif A. Habib

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Rashid Ali Khan – Chairman  
Mr. Arif Habib  
Mr. Kashif A. Habib

## CFO & Head of IT

Mr. Umair Noor Muhammad

## Company Secretary

Mr. Manzoor Raza

## Head of Internal Audit

Mr. Muhammad Shahid

## Registered Office

1/F Arif Habib Centre, 23 – M. T. Khan Road,  
Karachi – Pakistan – 74000  
Tel: (+92 21) 32468317

## Plant Address

DSU – 45, Pakistan Steel  
Down Stream Industrial Estate, Bin Qasim  
Karachi – Pakistan  
Tel: (+92 21) 34740160

## Auditors

A. F. Ferguson & Co.,  
Chartered Accountants,  
State Life Building No. 1-C,  
I.I. Chundrigar Road, Karachi.

## SHARE REGISTRAR DEPARTMENT

CDC Share Registrar Services Limited  
CDC House, 99-B, Block B, SMCHS,  
Main Shahrah-e-Faisal, Karachi – 74400  
Phone: 0800 – 23275  
Fax: (+92 21) 34326053  
Email: info@cdcsrsl.com  
Website: www.cdcsrsl.com

## LEGAL ADVISOR

Ahmed & Qazi  
Khalid Anwer & Co.  
Akhund Forbes  
Mohsin Tayeb Aly & Co.  
Lex Firma  
Khalid Jawed & Co.

## BANKERS / LENDERS

Allied Bank Limited  
Askari Bank Limited  
Bank Al Habib Limited  
Bank Alfalah Limited  
Bank Islami Pakistan Limited  
Dubai Islamic Bank  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
MCB Islamic Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan (Aitemad)  
National Bank of Pakistan  
Pak China Investment Company Limited  
Saudi Pak Industrial and Agricultural Investment  
Company Limited  
Silk Bank Limited  
Sindh Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
Bank Makramah Limited (formerly known as  
Summit Bank Limited)  
The Bank of Khyber  
The Bank of Punjab  
United Bank Limited

## Website

www.aishasteel.com



# Directors' Review Report

The Directors of Aisha Steel Mills Limited (ASML) present herewith Directors' Review Report together with condensed interim financial statements (un-audited) of the Company for the first quarter ended September 30, 2023.

## Steel Market Review

The international steel market remained more or less stable during the first quarter of the financial year 2023-24. The HRC price remained around US\$ 600, C&F Pakistan. The market is expected to remain at these levels as demand remains sluggish in China and America as well as in Europe.

The country witnessed several unprecedented challenges during the financial year 2022-23. The political uncertainty, economic downturn, balance of payment crisis, rupee devaluation, high interest rates etc. weakened all sectors of economy. Import driven sectors such as the auto sector and its supply chain industry was hit harder. Resultantly demand for CRC/GI nosedived. The tough economic situation continued to bite in the first quarter of the current financial year. However, the situation is showing some signs of improvement. Recently few key administrative and financial measures were introduced to control rupee devaluation. The rupee started to recover against US\$ from its weakest point of PKR 308 to a dollar, (September 5, 2023) to PKR 287 as on 30 September 2023. The stable and fairly valued rupee shall be helpful in putting the economy back on track.

## Operational Review

The total quantity sold during the Jul-Sep 2023 Qtr was 38,789 tons as compared to 28,443 sold during the corresponding period last year, showing an increase of about 36 %. The exports during the period were 2,463 tons compared to 341 tons exported last year.

The total quantity produced during the period was 38,588 tons compared to 40,778 tons in the corresponding period last year with a 5% y-o-y decrease. The production was reduced because of the piled up finished goods inventory from the earlier period.

A brief summary of the financial results as on September 30, 2023 is as follows:

	Quarter ended	
	September 2023	September 2022
	Rs. In Millions	
Revenue	10,599	6,543
Gross profit	1,034	153
Finance Costs	(972)	(810)
Exchange Gain / (Loss) (Net)	139	(1,255)
Profit / (Loss) before tax	50	(2,016)
Profit / (Loss) after tax	35	(1,411)
Earnings / (Loss) per share (PKR)	0.01	(1.55)

## Future Outlook:

The automotive industry continues to reel under high car prices, financing cost and difficulties in CKD imports. The rupee, however, is exhibiting a positive recovery against all foreign currencies. The auto sector is anticipating modest recovery in the coming months. The steel and most of the related commodities prices in the international market are relatively stable and expected to sustain at this level in the near term.

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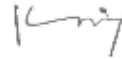
## Acknowledgement

The directors are grateful to the Company's stakeholders for their persistent confidence and patronage. We would also like to record our appreciation to our financial partners, i.e. Banks for the continuous support in the ongoing operations. We would like to record our gratitude to Regulators for their invaluable support and guidance.

For and on behalf of the Board



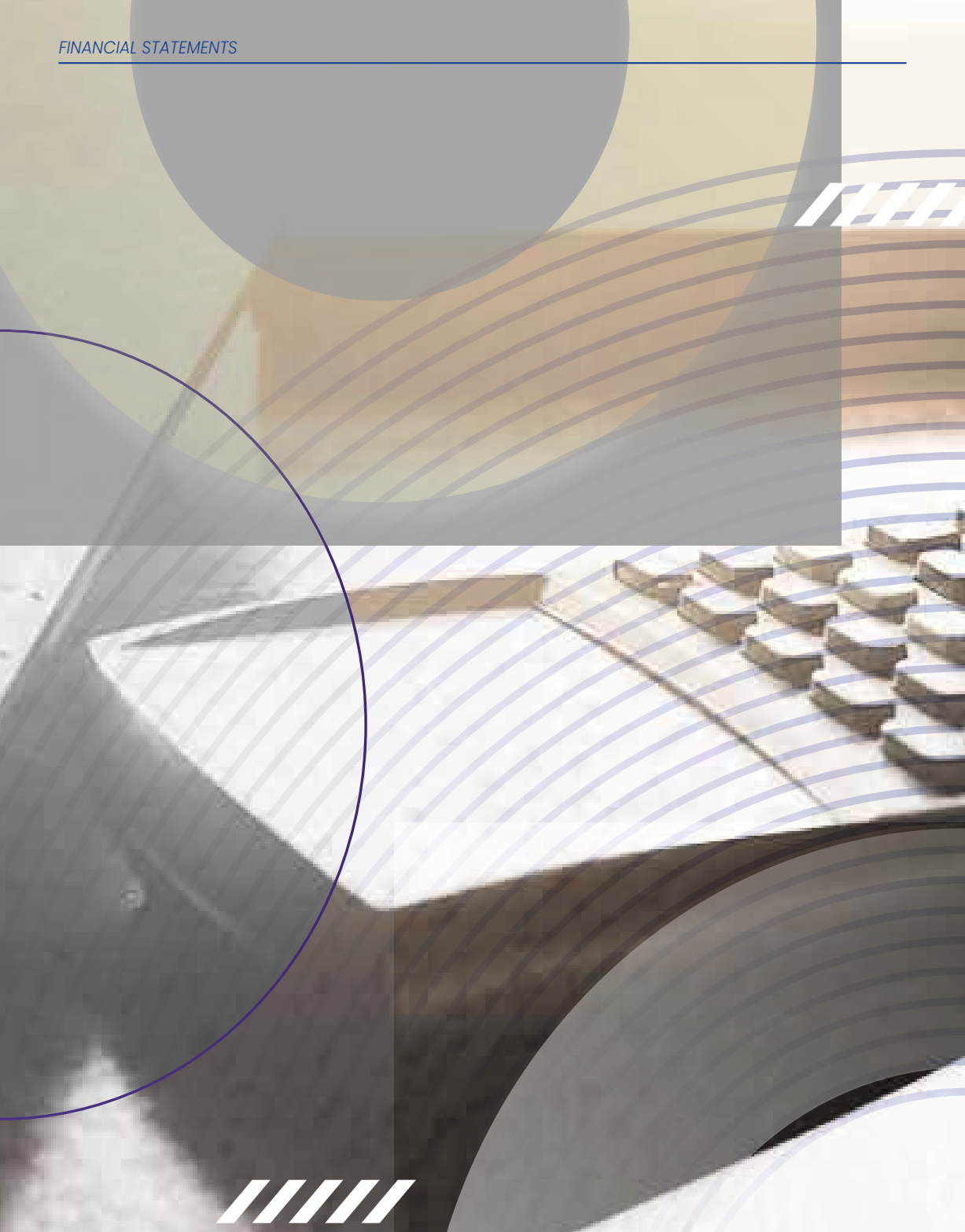
**Dr. Munir Ahmed**  
Chief Executive



**Mr. Kashif Habib**  
Director

Karachi : October 24, 2023





# FINANCIAL STATEMENTS

# Condensed Interim Statement of Financial Position

As at September 30, 2023

(Unaudited)  
September 30,  
2023

(Audited)  
June 30,  
2023

	Note	Rupees '000	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	19,618,525	19,645,720
Intangible assets		47,774	49,276
Long-term advances		315	315
Long-term deposits		68,562	68,427
Deferred tax asset		2,524,524	2,501,091
		22,259,700	22,264,829
<b>Current assets</b>			
Inventories	6	8,692,072	9,167,210
Trade and other receivables	7	1,014,340	1,042,983
Loans, advances and prepayments		733,757	888,146
Tax refunds due from government - Sales tax		27,192	259,766
Taxation - payments less provision		3,451,961	3,276,077
Cash and bank balances	8	279,862	1,147,153
		14,199,184	15,781,335
<b>Total assets</b>		<b>36,458,884</b>	<b>38,046,164</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Share capital			
Ordinary shares		9,300,159	9,300,159
Cumulative preference shares		444,950	444,950
Difference on conversion of cumulative preference shares and dividends into ordinary shares		(1,762,459)	(1,762,459)
		7,982,650	7,982,650
Surplus on revaluation of property, plant and equipment		2,105,916	2,116,203
Capital reduction reserve		667,686	667,686
Unappropriated profit		970,704	925,176
Contributions from sponsor	9	4,000,000	4,000,000
		15,726,956	15,691,715
<b>Liabilities</b>			
Non-current liabilities			
Long-term finance - secured	10	3,068,994	3,443,995
Lease liabilities		131,064	140,724
Employee benefit obligations		157,142	153,845
		3,357,200	3,738,564
<b>Current liabilities</b>			
Trade and other payables		5,349,504	3,604,819
Accrued mark-up		788,831	906,630
Short-term borrowings	11	9,782,679	12,650,722
Unclaimed dividend		68,269	68,269
Current maturity of long-term finance		1,362,970	1,362,970
Current maturity of lease liabilities		22,475	22,475
		17,374,728	18,615,885
<b>Total liabilities</b>		<b>20,731,928</b>	<b>22,354,449</b>
<b>Contingencies and commitments</b>	12		
<b>Total equity and liabilities</b>		<b>36,458,884</b>	<b>38,046,164</b>

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

  
Chief Financial Officer

  
Chief Executive

  
Director

# Condensed Interim Statement of Profit or Loss and Other Comprehensive Income

For the Period Ended September 30, 2023 - (Unaudited)

		(Unaudited) September 30, 2023	(Unaudited) September 30, 2022
	Note	Rupees '000	
Revenue from contracts with customers	13	10,599,480	6,542,516
Cost of sales		(9,565,914)	(6,389,897)
<b>Gross profit</b>		1,033,566	152,619
Selling and distribution cost	14	(66,377)	(24,041)
Administrative expenses		(100,970)	(93,387)
<b>Operating profit</b>		866,219	35,191
Other income / (expenses)	15	135,970	(1,254,697)
Finance costs	16	(971,612)	(809,773)
Other income		19,059	13,007
<b>Profit / (loss) before taxation</b>		49,636	(2,016,272)
Income tax (expense) / credit	17	(14,395)	604,934
<b>Profit / (loss) after taxation</b>		35,241	(1,411,338)
Other comprehensive income		-	-
<b>Total comprehensive income / (loss)</b>		35,241	(1,411,338)
<b>Earnings / (loss) per share</b>			
		Rupees	
- Basic	18	0.01	(1.55)

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

  
Chief Financial Officer

  
Chief Executive

  
Director

# Condensed Interim Statement of Changes in Equity

For the Period Ended September 30, 2023 - (Unaudited)

	Share capital			Reserves			Contribution from sponsor (Note 14)	Total
	Ordinary shares	Cumulative preference shares	Difference on conversion of cumulative preference shares into ordinary shares	Capital		Revenue		
				Surplus on revaluation of property, plant and equipment	Capital reduction reserve	Unappropriated (loss)/profit		
	Rupees '000							
<b>Balance as at July 1, 2022</b>	9,248,008	444,950	(1,762,456)	1,305,870	667,686	4,131,495	-	14,035,553
Incremental depreciation net of deferred tax transferred	-	-	-	(10,284)	-	10,284	-	-
<b>Total comprehensive income for the period ended September 30, 2022</b>								
- Loss for the period	-	-	-	-	-	(1,411,338)	-	(1,411,338)
- Other comprehensive income for the period	-	-	-	-	-	-	-	-
	-	-	-	-	-	(1,411,338)	-	(1,411,338)
<b>Balance as at September 30, 2022</b>	<u>9,248,008</u>	<u>444,950</u>	<u>(1,762,456)</u>	<u>1,295,586</u>	<u>667,686</u>	<u>2,730,441</u>	<u>-</u>	<u>12,624,214</u>
<b>Balance as at July 1, 2023</b>	9,300,159	444,950	(1,762,459)	2,116,203	667,686	925,176	4,000,000	15,691,715
Incremental depreciation net of deferred tax transferred	-	-	-	(10,287)	-	10,287	-	-
<b>Total comprehensive income for the period ended September 30, 2023</b>								
- Profit for the period	-	-	-	-	-	35,241	-	35,241
- Other comprehensive income for the period	-	-	-	-	-	-	-	-
	-	-	-	-	-	35,241	-	35,241
<b>Balance as at September 30, 2023</b>	<u>9,300,159</u>	<u>444,950</u>	<u>(1,762,459)</u>	<u>2,105,916</u>	<u>667,686</u>	<u>970,704</u>	<u>4,000,000</u>	<u>15,726,956</u>

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

  
Chief Financial Officer

  
Chief Executive

  
Director

# Condensed Interim Statement Of Cash Flows

For the Period Ended September 30, 2023 - (Unaudited)

(Unaudited)  
September 30,  
2023

(Unaudited)  
September 30,  
2022

Rupees '000

## CASH FLOWS FROM OPERATING ACTIVITIES

Profit / (loss) before taxation	49,636	(2,016,272)
<b>Add / (less): Adjustment for non-cash charges and other items</b>		
Depreciation and amortisation	237,818	278,461
Mark-up charges	930,331	725,494
Unwinding of long-term finance	40,603	41,611
Finance lease charges	3,704	2,006
Provision for staff retirement benefit	6,848	18,301
Loss on disposal of fixed assets	189	135
Return on PLS savings accounts	(5,389)	(13,007)
	1,214,104	1,053,001
<b>Profit before working capital changes</b>	<b>1,263,740</b>	<b>(963,271)</b>

## Effect on cash flow due to working capital changes

### Decrease / (increase) in current assets

Inventories	475,139	(6,161,360)
Trade and other receivables	28,643	2,455,455
Loans, advances and prepayments	154,389	642,851
Tax refunds due from Government - Sales tax	232,574	(1,320,654)
	890,745	(4,383,708)

### Increase in current liabilities

Trade and other payables	1,744,685	6,930,124
Net cash generated / (used) from operations	<b>3,899,170</b>	<b>1,583,145</b>

Income tax paid	(213,713)	(301,200)
Mark-up on loans paid	(1,048,130)	(569,450)
Staff retirement benefit paid	(3,551)	(1,782)
Increase in long-term deposits	(135)	(29,556)
<b>Net cash generated from operating activities</b>	<b>2,633,641</b>	<b>681,157</b>

## CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(209,654)	(157,652)
Return on PLS accounts	5,389	13,007
Sale proceeds from disposal of property, plant and equipment	344	1,416
<b>Net cash used in investing activities</b>	<b>(203,921)</b>	<b>(143,229)</b>

## CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long-term finance	(415,604)	(413,911)
Lease rental paid	(13,364)	(9,048)
<b>Net cash used in financing activities</b>	<b>(428,968)</b>	<b>(422,959)</b>

## Net increase in cash and cash equivalents

Cash and cash equivalents at beginning of the period	2,000,752	114,970
	(11,503,570)	(15,661,369)

## Cash and cash equivalents at end of the period

	(9,502,817)	(15,546,399)
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The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

  
Chief Financial Officer

  
Chief Executive

  
Director

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

For the Period Ended September 30, 2023 - (Unaudited)

## 1. THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan on May 30, 2005 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company's shares are listed on Pakistan Stock Exchange (PSX) since August 2012. The registered office of the Company is situated at Arif Habib Centre, 23 M.T. Khan Road, Karachi.

The Company has set up a cold rolling mill complex and a galvanization plant in the downstream Industrial Estate, Pakistan Steel, Bin Qasim, Karachi, to carry out its principal business of manufacturing and selling cold rolled coils and hot dipped galvanized coils.

## 2. BASIS OF PREPARATION

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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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.

These condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2023.

### 2.1 Changes in accounting standards, interpretations and pronouncements

#### a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period beginning July 01, 2022. However, these do not have any significant impact on the Company's financial reporting.

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

There are standards and certain other amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 01, 2023. However, these are considered either not to be relevant or to have any significant impact on the Company's financial statements and operations and, therefore, have not been disclosed in these financial statements.

## 3. SIGNIFICANT 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 annual financial statements of the Company for the year ended June 30, 2023.

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

For the Period Ended September 30, 2023 - (Unaudited)

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

4.1 The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

However, management believes that the change in outcome of judgements, estimates and assumptions would not have a material impact on the amounts disclosed in these condensed interim financial statements.

4.2 Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to the financial statements as at and for the year ended June 30, 2023.

4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2023.

	(Unaudited) September 30, 2023	(Audited) June 30, 2023
Rupees '000		

## 5. PROPERTY, PLANT AND EQUIPMENT

Operating assets - note 5.1	17,599,269	17,715,001
Capital work in progress (at cost)	2,187	49,288
Major spare parts and stand-by equipment	2,017,069	1,881,431
	19,618,525	19,645,720

5.1 Additions to operating assets during the period are as follows:

	(Unaudited)			
	Additions (at cost)		Disposals (at net book value)	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Rupees '000				
<b>Owned assets:</b>				
Building and civil works on leasehold land	-	-	-	-
Plant and machinery	89,848	11,679	-	-
Electrical equipment	5,758	1,766	-	-
Office equipment	1,446	3,122	-	136
Furniture and fixtures	-	-	-	-
Motor vehicles	-	114	-	-
<b>Right of use assets:</b>				
Motor vehicles	23,518	-	533	1,380
	120,570	16,681	533	1,516

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

For the Period Ended September 30, 2023 - (Unaudited)

	(Unaudited) September 30, 2023	(Audited) June 30, 2023
Rupees '000		
<b>6. INVENTORIES</b>		
Raw material [including in transit Rs. 3,564.28 million (June 30, 2023: Rs. 3,770.57 million)]	4,454,456	5,462,750
Work-in-process	782,257	186,311
Finished goods [including coil end sheets Rs. 70.67 million (June 30, 2023: Rs. 26.27 million)]	1,961,914	1,985,420
	7,198,627	7,634,481
Stores	939,523	970,041
Spares	553,922	562,688
	1,493,445	1,532,729
	<u>8,692,072</u>	<u>9,167,210</u>
<b>7. TRADE AND OTHER RECEIVABLES</b>		
<b>Trade receivables - considered good:</b>		
Not yet due	189,442	231,433
Other receivables:		
Receivable from Etimaad Engineering (Private) Limited	138,485	138,485
Receivable from insurance company	668,212	668,212
Others	18,201	4,853
	824,898	811,550
	<u>1,014,340</u>	<u>1,042,983</u>
<b>8. CASH AND BANK BALANCES</b>		
With banks on		
- Current accounts	103,333	673,253
- PLS savings accounts - note 8.1	176,324	473,630
Cash in hand	205	269
	<u>279,862</u>	<u>1,147,152</u>

**8.1** At September 30, 2023 the rates of mark up on PLS savings accounts range from 15.5% to 20.5% (June 30, 2023: 15.5% to 20.5%) per annum.

## 9. CONTRIBUTION FROM SPONSOR

Last year effective from January 1, 2023 the Company entered into an agreement with Mr. Arif Habib (Sponsor) for investment of Rs. 4,000 million on the following terms and conditions:

- The repayment of the principal amount and mark-up shall be at the sole and absolute discretion of the Company (taking into consideration the profitability and availability of its cash flows). However, in the event of liquidation, the sponsor will have preferred liquidation rights for recovery of the contribution and outstanding markup prior to Ordinary Shareholders of ASL.



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

For the Period Ended September 30, 2023 - (Unaudited)

- The financing shall carry mark-up at the rate of 3 month KIBOR + 1.8%. However, the payment of mark-up shall also be at the sole and absolute discretion of the Company. Further, dividends to the ordinary shareholders will only be declared after the payment of markup to sponsor.

Pursuant to the requirements of IAS 32 - 'financial instruments presentation' and the terms of the arrangement, the loan is classified as equity in these financial statements.

	(Unaudited) September 30, 2023	(Audited) June 30, 2023
	Rupees '000	

## 10. LONG-TERM FINANCE - secured

Loan under restructuring agreement - note 10.1	2,654,456	3,029,457
Loan for expansion project - note 10.2	1,777,508	1,777,508
	<u>4,431,964</u>	<u>4,806,965</u>
Less: Current maturity of long-term finance	(1,362,970)	(1,362,970)
	<u>3,068,994</u>	<u>3,443,995</u>

**10.1** The facility carries mark-up ranging from 6 months KIBOR plus 1% per annum to 6 months KIBOR plus 3.25% per annum on the outstanding amount excluding frozen mark-up. It is repayable in 10 unequal semi-annual installments from July 19, 2021 to January 19, 2025.

**10.2** The facility carries mark up ranging between 6 months KIBOR plus 1.9% per annum to be determined on semi-annual basis to mark up at 6 months KIBOR prevailing one day before the first Musharaka contribution date, plus a margin of 1.9% per annum to be determined on semi-annual basis. It is repayable in 10 consecutive semi-annual installments in arrears from December 2021 to June 2026.

	(Unaudited) September 30, 2023	(Audited) June 30, 2023
	Rupees '000	

## 11. SHORT-TERM BORROWINGS - secured

Short term finance facilities under:		
- Running finance under mark-up arrangement	987,624	2,264,586
- Istisna-cum-Wakala arrangement	3,559,707	4,976,563
- Finance against Trust Receipts	5,235,348	4,719,912
- Foreign Currency Import Finance	-	689,661
	<u>9,782,679</u>	<u>12,650,722</u>

## 12. CONTINGENCIES AND COMMITMENTS

### 12.1 Contingencies

There has been no significant change during the period in the contingencies reported in the annual financial statements for the year ended June 30, 2023.

### 12.2 Commitments

Commitments for capital expenditure outstanding as at September 30, 2023 amounted to Rs. 138.8 million (June 30, 2023: Rs. 188.41 million).

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

For the Period Ended September 30, 2023 - (Unaudited)

	(Unaudited)	
	September 30, 2023	September 30, 2022
	Rupees '000	
<b>13. REVENUE FROM CONTRACTS WITH CUSTOMERS</b>		
Local sale of goods - note 13.1	12,057,159	7,771,654
Sales tax	(1,754,569)	(1,125,538)
Rebates and discounts	(339,027)	(182,211)
	<u>9,963,563</u>	<u>6,463,905</u>
Exports	635,917	78,611
	<u>10,599,480</u>	<u>6,542,516</u>

**13.1** This includes scrap sale of coil-end sheets net of sales tax amounting to Rs. 403.98 million (September 30, 2022: Rs. 442.30 million).

## 14. SELLING AND DISTRIBUTION COST

This includes freight charges on export sales amounting to Rs. 45.8 million (September 30, 2022: Rs. 7.2 million).

	(Unaudited)	
	September 30, 2023	September 30, 2022
	Rupees '000	
<b>15. OTHER (INCOME) / EXPENSES</b>		
Workers' Profits Participation Fund	2,508	-
Workers' Welfare Fund	1,003	-
Exchange (gain) / loss	(139,481)	1,254,697
	<u>(135,970)</u>	<u>1,254,697</u>
<b>16. FINANCE COSTS</b>		
Mark-up expense:		
- long-term finance	162,412	166,445
- impact of unwinding on long-term finance	40,603	41,611
- short-term borrowings	754,495	553,375
Finance lease charges	3,704	2,006
Bank and other charges	10,398	46,336
	<u>971,612</u>	<u>809,773</u>
<b>17. INCOME TAX EXPENSE / (CREDIT)</b>		
Current	37,828	38,132
Deferred	(23,433)	(643,066)
	<u>14,395</u>	<u>(604,934)</u>

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

For the Period Ended September 30, 2023 - (Unaudited)

	(Unaudited)	
	September 30, 2023	September 30, 2022
	Rupees '000	
<b>18. EARNINGS / (LOSS) PER SHARE</b>		
<b>18.1 BASIC</b>		
Profit / (loss) after taxation attributable to ordinary shareholders	35,241	(1,411,338)
Adjustment for cumulative preference share dividend	(26,691)	(18,436)
Profit / (loss) after taxation for calculation of basic earnings / (loss) per share	8,551	(1,429,773)
Weighted average number of ordinary shares outstanding at the end of period (in thousand)	930,016	924,801
	Rupees	
Basic earnings / (loss) per share	0.01	(1.55)

## 18.2 DILUTED

Diluted earnings per share has not been presented for period ended September 30, 2023 as it has anti-dilutive effect on the earnings per share.

## 19. TRANSACTIONS WITH RELATED PARTIES

Disclosure of transactions with related parties during the period are as follows:

Relationship	Name of company	Nature of transaction	(Unaudited)	
			September 30, 2023	September 30, 2022
			Rupees '000	
<b>Associated companies</b>				
	Arif Habib Corporation Limited	- Finance facility utilised	690,000	-
		- Repayment of finance facility utilised	690,000	-
		- Long-term loan repaid	14,217	14,217
		- Mark-up on finance facilities	7,890	5,613
		- Mark-up on finance facilities paid	69,772	8,056
		- Guarantee commission	331	326
		- Guarantee commission paid	325	325
	Power Cement Limited	- Purchase of construction material	-	463
	Rotocast Engineering Co. (Private) Limited	- Rent and maintenance	5,955	2,173
		- Rent and maintenance paid	5,955	2,843
<b>Key management personnel</b>				
	Chief Executive Officer, Chief Financial Officer & Company Secretary	- Salaries and other employee benefits	7,774	6,661
	Chief Financial Officer & Company Secretary	- Post retirement benefits	179	179
	Non-Executive Director	- Meeting and other expenses	170	-

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

For the Period Ended September 30, 2023 - (Unaudited)

## 20. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Company on October 24, 2023.



Chief Financial Officer



Chief Executive



Director



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