

Financial Reporting and Analysis

Name = Amir Ali

Roll Number = F22-1058

Program = BBA (MORNING)

**Financial Highlights
Pakistan Cables Ltd**

COMPARATIVE STATEMENT OF FINANCIAL CONDITION (TRADING / INDUSTRIAL CONCERN)

Name	Pakistan Cables Ltd	Location :	Audited	Audited	Audited	Audited	KPMG TASEEF HADI & CO	Audited
Amount in 'Million' Current - Pl. Rs								
Audited (Unaudited Specified)								
Unaudited Qualified Explain On Page 4								
Date (For, Month Year)		30.06.2019		30.06.2020		30.06.2021		30.06.2022
Description	Key	Amount	Key	Amount	Key	Amount	Key	Key
NET SALES		9,704,311,000		9,086,125,000		13,145,051,000		21,167,659,000
Net Income		126,233,000		(91,786,000)		553,647,000		827,726,000
Net Income Net Sales %		1.30%		-1.01%		4.21%		3.91%
WORKING CAPITAL		2,261,973,000		1,342,729,000		1,210,772,000		516,135,000
Current Ratio		1.84		1.47		1.25		0.94
Days Trade Debtors (Incl. Bills Discounted)		79		66		77		71
Days Trade Creditors (CCS Basis)		64		55		67		97
Days Stocks (CCS Basis)		94		84		79		77
TANGIBLE NET WORTH		4,856,336,000		4,755,595,000		5,342,989,000		9,000,266,000
Leverage (Total Lash/Tan. Net Worth)		0.73		0.77		1.06		1.17
FINANCIAL SUMMARY								
ASSETS								
1 Cash and bank balances		87,942,000		85,140,000		107,644,000		255,814,000
2 Loans and Advances		47,180,000		24,001,000		60,184,000		91,264,000
3 Trade Debtors (Incl. Bills Discounted)		2,088,764,000		1,652,652,000		2,785,565,000		4,104,314,000
4 Stocks		2,023,201,000		1,902,397,000		3,863,453,000		54,376
5 Stores & Spares		58,393,000		54,915,000		67,220,000		63,277,000
6 Short Term Prepayments and other receivables		88,026,000		88,191,000		162,917,000		172,668,000
7 Other Assets (Advance Income tax + Other financial assets + Current Rent		397,107,000		387,718,000		365,723,000		188,428,000
\$ TOTAL CURRENT ASSETS		4,970,613,000		4,195,014,000		6,054,108,000		8,759,161,000
9 Projects, Plant and equipment		3,379,073,000		4,066,478,000		4,778,649,000		10,628,822,000
10 Development and Production Assets		-		79,146,000		51,584,000		29,511,000
11 Intangible assets		9,097,000		9,091,000		12,617,000		17,746,000
12 Long term Loans		6,984,000		6,207,000		7,803,000		6,269,000
13 Investment in associated company		44,392,000		46,696,000		120,977,000		65,733,000
14 Lease term deposits and prepayments		21,435,000		14,633,000		6,200,000		-45,796
15 TOTAL NON-CURRENT ASSETS		3,460,941,000		4,222,181,000		4,977,807,000		6,020,000
16 TOTAL ASSETS		8,431,554,000		8,417,195,000		11,031,915,000		10,754,091,000
LIABILITIES								11,493,257,000
17 Trade and other payables		812,558,000		1,077,779,000		1,431,084,000		2,667,389,000
18 Short term loans from banking companies		1,498,488,000		1,234,430,000		2,133,553,000		86,4%
19 Current portion of long-term borrowings		108,750,000		218,170,000		403,951,000		129,5%
20 Lease liability		-		55,157,000		39,966,000		-2.8%
21 Accrued interest / mark-up		40,251,000		45,605,000		30,434,000		-23,7%
22 Unclaimed Dividend		26,091,000		25,630,000		25,566,000		266,3%
23 Contract Liabilities		222,502,000		195,494,000		80,188,000		10,211,000
24 TOTAL CURRENT LIABILITIES		2,708,640,000		2,857,285,000		4,843,381,000		11,417,733,000
25 Long term borrowings		680,625,000		665,014,000		712,538,000		9,255,301,000
26 Deferred liabilities for staff benefits		31,280,000		42,628,000		44,034,000		49,706,000
27 Other long-term employees benefits		37,637,000		5,457,000		6,093,000		11,0%
28 Lease liability		-		24,718,000		27,148,000		5,565,000
29 Deferred income - government grant		-		-		-		-45,3%
30 Deferred Income-Tax Liabilities		95,581,000		50,935,000		39,302,000		24,987,000
31 TOTAL NON-CURRENT LIABILITIES		845,123,000		794,752,000		839,836,000		66,034,000
32 TOTAL LIABILITIES		3,553,763,000		3,647,037,000		5,683,217,000		1,231,671,000
NET WORTH								46,7%
33 Preference Shares		-		-		-		10,496,971,000
34 Issued subscribed and paid-up Capital		355,779,000		355,779,000		355,779,000		0.0%
35 General Reserves		1,227,000,000		1,268,000,000		1,268,000,000		874,0%
36 Non-controlling interest		-		-		-		#DIV/0!
37 Share premium reserve		1,595,139,000		1,595,139,000		1,595,139,000		1,595,139,000
38 Share Capital and Premium		76,629,000		(61,694,000)		530,386,000		690,318,000
39 Surplus on Revaluation of Fixed Assets		1,623,241,000		1,612,934,000		1,599,394,000		4,290,950,000
40 TOTAL NET WORTH		4,877,791,000		4,770,158,000		4,846,698,000		9,006,296,000
41 TOTAL LIABILITIES & NET WORTH		8,431,554,000		8,417,195,000		11,031,915,000		19,493,257,000
42 Contingent Liabilities (Fadil Bal Due)		-		-		-		76,7%
43 CHECK		TRUE		TRUE		TRUE		TRUE

NAME: Pakistan Cables 0

Amount: (in Million) :PK Rs	Date	No. Of Months	Key	12	30.06.2019	12	30.06.2020	12	30.06.2021	12	30.06.2022
				Amount	Sales	Amount	Sales	Amount	Sales	Amount	Sales

INCOME STATEMENT											
44	NET SALES / REVENUE	61.0%	9,704,311,000	100%	9,086,125,000	100%	13,145,051,000	100%	21,167,659,000	100%	21,167,659,000
45	Royalty	58.5%	8,558,638,000	85%	8,225,834,000	91%	11,618,566,000	88%	18,416,849,000	88%	18,416,849,000
46	Operating Expenses	#DIV/0!	-	0%	-	0%	-	0%	-	0%	0%
47	Transportation charges	-	-	-	-	-	-	-	-	-	-
48	OPERATING PROFIT	80.2%	1,145,673,000	12%	860,291,000	9%	1,526,485,000	12%	2,750,810,000	12%	1,083,481,000
49	Denomination	38.4%	775,940,000	0%	674,340,000	0%	783,103,000	0%	1,083,481,000	0%	1,083,481,000
50	Other Non-Cash Charges	-	-	-	-	-	-	-	-	-	-
51	52 Other Income	-23.5%	54,574,000	1%	36,759,000	0%	77,377,000	1%	135,634,000	1%	135,634,000
53	54 Other Expenses/W.P.F	91.2%	14,547,000	=	4,434,000	#DIV/0!	55,082,000	#DIV/0!	105,299,000	#DIV/0!	105,299,000
55	56 Finance cost	63.0%	188,601,000	-2%	283,279,000	3%	192,473,000	1%	313,772,000	1%	18,626,000
57	Share of profit	(12,462,000)	-0.1%	(567,000)	0.0%	(19,327,000)	-0.1%	(57,263,000)	0.0%	(18,626,000)	-0.1%
58	Associated company losses	-225,000	57,263,000	0.01	-	-	-	(57,263,000)	(0.00)	71,580,000	0.00
59	Profit Before Tax	77.5%	176,359,000	2%	(64,426,000)	-1%	79,794,000	6%	1,330,938,000	6%	1,330,938,000
60	Income Tax Expense	156.5%	50,126,000	1%	27,350,000	0%	96,147,000	1%	543,212,000	2%	543,212,000
61	Extra-ordinary Income	-	-	-	-	-	-	-	-	-	-
62	Extra-ordinary Charges	-	-	-	-	-	-	-	-	-	-
64	NET INCOME	49.5%	126,233,000	1%	(91,786,000)	-10%	53,647,000	4.2%	827,726,000	3.9%	827,726,000

BALANCE SHEET RECONCILIATIONS

NET WORTH											
65	OPENING NET WORTH	-	126,233,000	-	-	-	4,877,791,000	-	4,701,158,000	-	5,348,698,000
66	Plus Net Income	-	-	-	-	(91,786,000)	-	-	53,647,000	-	827,726,000
67	Increase in Paid-up Capital	-	355,779,000	-	-	-	-	-	-	-	-
68	Other Specific Equity	-	2,772,538,000	-	-	-	(5,540,000)	-	-	(360,794,000)	-
69	Surplus on Revaluation of Fixed Assets	-	1,623,241,000	-	-	(10,307,000)	(13,540,000)	-	-	3,190,566,000	-
70	TOTAL ADDITIONS	-	4,877,791,000	-	(107,633,000)	-	578,540,000	-	-	3,657,588,000	-
71	Less: Dividends Declared/Drawings	-	-	-	-	-	-	-	-	-	-
72	Other :	-	-	-	-	-	-	-	-	-	-
73	TOTAL DEDUCTIONS	-	-	-	-	-	-	-	-	-	-
75	Increase (Decrease) Net Worth	-	4,877,791,000	-	(4,877,791,000)	-	(107,633,000)	-	578,540,000	-	3,657,588,000
76	ENDING NET WORTH	-	-	-	-	-	-	-	5,348,698,000	-	9,006,286,000
77	CHECK	-	-	-	-	-	-	-	-	-	-
77	Opening Net Fixed Assets	-	-	-	-	-	3,388,120,000	-	4,075,569,000	-	4,791,266,000
78	Less: Depreciation For Period	-	775,940,000	-	-	-	674,340,000	-	783,103,000	-	1,083,481,000
79	Sub-Total	-	(775,940,000)	-	-	-	2,713,780,000	-	3,522,466,000	-	3,707,785,000
80	Exting. Net Fixed Assets	-	3,388,120,000	-	-	-	4,075,569,000	-	10,307,000	-	10,307,000
80A	Reval. N.W. Write Down During Period	-	1,623,241,000	-	-	-	(10,307,000)	-	(13,540,000)	-	3,190,566,000
80B	Sub-Total	-	1,624,872,000	-	-	-	4,085,876,000	-	4,894,806,000	-	7,455,912,000
81	Capital Expend (Net of Sale Of Assets)	-	2,540,819,000	-	-	-	1,372,096,000	-	1,512,340,000	-	3,748,127,000
82	Plus: Sale of Assets	-	-	-	-	-	-	-	-	-	-
83	Gross Capital Expenditures	-	2,540,819,000	-	-	-	1,372,096,000	-	1,512,340,000	-	3,748,127,000

ANALYTICAL AND COMPARATIVE RATIOS

DESCRIPTION	Key										
OPERATING RATIOS											
84	Net Sales Growth Rate - %	#DIV/0!	130%	-	-	-	-6.37%	-	-	-	-
85	Net Income/Net Sales - %	-	2.59%	-	-	-	-1.01%	-	-	-	-
86	Net Income/Tax - Net Worth - %	-	34.82%	-	-	-	-4.75%	-	-	-	-
87	Net Fixed Assets / Net Sales - %	-	-	-	-	-	-	-	-	-	-
LIQUIDITY RATIOS											
88	Current Ratio	-	1.84	-	-	-	1.47	-	-	-	-
89	Quick Assets Ratio	-	1.0	-	-	-	0.8	-	-	-	-
90	Days Trade Debtors (Inc. Bills Discounted)	-	79	-	-	-	66	-	-	-	-
90A	Days Trade Creditors (CGS Basis)	-	64	-	-	-	55	-	-	-	-
91	Days Stock (CGS Basis)	-	94	-	-	-	84	-	-	-	-
LEVERAGE RATIOS											
92	Leverage (Total Liab/Total Net Worth)	-	0.73	-	-	-	0.76	-	-	-	-
93	L.T Leverage(L.T. Debt/Long Term Net Worth)	-	0.14	-	-	-	0.14	-	-	-	-

SACCO COMPANY 0				Islamabad			
Amount:	In (Million) :PK. Rs.	Date	No. Of Months	Key	Amount	Amount	Amount
Currency:					NET OPERATING CASH GENERATION	30.06.2020	30.06.2021
94	Net Income			12	(91,786,000)	553,647,000	827,726,000
95	Depreciation				674,340,000	783,103,000	1,063,461,000
96	Other Non-Cash Charges				-	-	-
97	GROSS OPERATING FUND GENERATION				582,554,000	1,336,750,000	1,911,207,000
98	Less: Operating Cash Needs						
99	Inc/(Dec) Rec. Cash				(436,112,00)	1,133,904,00	1,317,758,00
100	Inc/(Dec) Net Trade Debtors (Inc. B/Ds)				(300,804,00)	601,467,00	1,359,587,00
101	Inc/(Dec) Stocks				(9,389,00)	(21,995,00)	(17,295,00)
102	Inc/(Dec) Prepaid Expenses				(3,978,00)	12,305,00	(3,993,00)
103	Inc/(Dec) Stores and Spares				163,00	74,726,00	975,100
104	Inc/(Dec) other receivables						
105	TOTAL OPERATING NEEDS				(749,618,00)	1,860,407,00	2,505,808,00
106	TOTAL OPERATING NEEDS						
107	Plus: Operating Cash Sources						
108	Inc/(Dec) Trade Creditors				(264,056,00)	899,123,00	2,763,858,00
109	Inc/(Dec) Short term running finance				109,120,00	185,781,00	(11,365,00)
110	Inc/(Dec) Prov. For Taxes				(264,056,00)	899,123,00	2,763,858,00
111	Inc/(Dec) Prov. For Taxes				(461,00)	(64,00)	4,752,00
112	TOTAL OPERATING SOURCES						
113	TOTAL OPERATING SOURCES						
114	NET OPERATING CASH GENERATION				(419,157,00)	1,983,963,00	5,521,103,00
115	NET OPERATING CASH GENERATION				(801,501,00)	1,520,306,00	4,976,502,00
116	Less: Non-Operating Cash Needs						
117	Capital Expenditure				1,372,096,00	1,512,340,00	3,748,127,00
118	Dividends Paid /Drawings				461,00	64,00	(4,752,00)
119	Dec. in Long Term Debt (If Positive)				65,451,00	0	0
120	Dec. in Short Term Debt (And Bills Dis) (If Positive)				0	(27,562,00)	(22,073,00)
121	Inv. And Adv. Subs. And Affil.				79,146,00	(1,511,00)	(55,254,00)
122	Long Term Deposit				(78,700)	74,281,00	(8,363,00)
123	Intangible				44,392,00	2,304,00	(8,363,00)
124	Intangible				21,435,00	(6,872,00)	(8,363,00)
125	TOTAL NON-OPERATING NEEDS				2,587,549,000	1,511,799,000	3,664,357,000
126	Plus: Non-Operating Cash Sources						
127	Inc. In Paid up Capital				355,779,00	0	663,760,00
128	Inc. in Long Term Debt (If Positive)				972,044,00	265,241,00	492,415,00
129	Inc. in Short Term Debt (And Bills Dis) (If Positive)				812,558,00	-	1,236,305,00
130	Sale of Assets				-	(14,497,00)	(4,626,00)
131	Liabilities against leased assets				24,718,00	27,148,00	21,889,00
132	Other Specific - Equity				-	38,433,00	(360,794,00)
133	Deferred Liabilities				(5,540,00)	(19,633,00)	26,741,00
134	TOTAL NON-OPERATING SOURCES				2,772,598,00	247,773,00	1,048,496,00
135	NET INC/(DEC) IN CASH & MARKETABLE SECURITIES.				1,619,450,000	(351,011,000)	1,016,469,000
136	If Difference				(1,484,328,000)	325,030,000	(957,782,000)
	Actual				135122,00	-25981,00	58687,00

For Interim Financials, Days to be Charged Accordingly

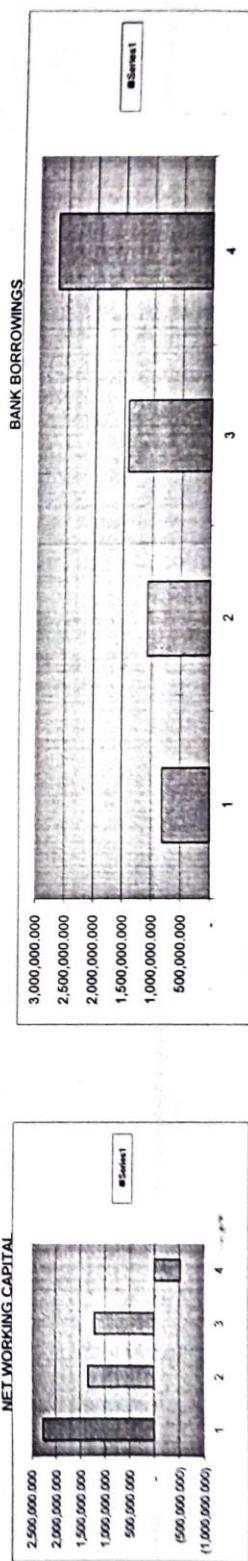
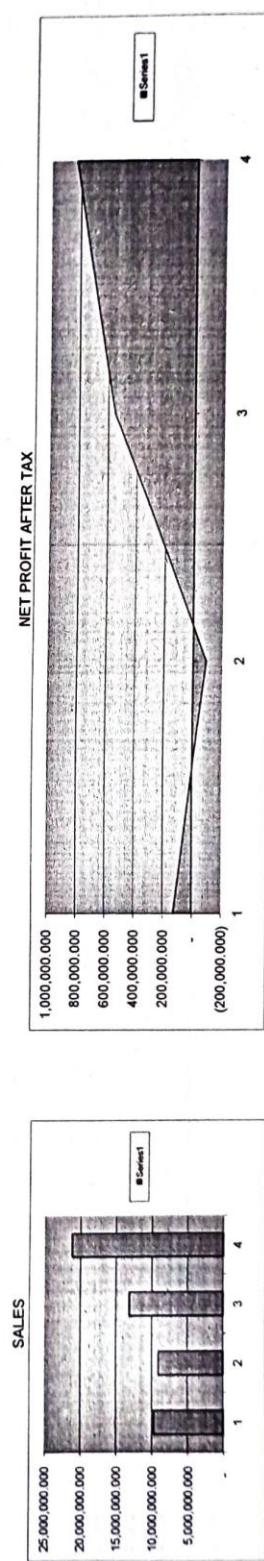
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Pakistan Cables Ltd
Financial Highlights

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KPMG TASEER HADI & CO

	Financials for the year ended						Vertical Analysis					
	30.06.2019 Audited	30.06.2020 Audited	30.06.2021 Audited	30.06.2022 Audited	2018	2019	2020	2018	2019	2020	2018	2019
Profit & Loss A/C												
Sales	9,704,311,000	9,086,125,000	13,145,051,000	21,167,659,000	-6%	45%	61%	100%	100%	100%	100%	100%
COGS	9,334,578,000	8,900,174,000	12,401,669,000	19,500,330,000	-5%	39%	57%	98%	94%	92%	92%	92%
Gross Profit	369,733,000	185,951,000	743,382,000	1,667,329,000	-50%	300%	124%	2.0%	5.7%	7.9%	0.0%	0.0%
Selling & Admin Expenses	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%
Depreciation	775,940,000	674,340,000	783,103,000	1,083,481,000	-13%	16%	38%	7.4%	6.0%	5.1%	5.1%	5.1%
EBIT	364,959,000	218,843,000	942,267,000	1,644,710,000	-40%	331%	75%	2.4%	7.2%	7.8%	7.8%	7.8%
Interest/Financial charges	188,860,000	283,279,000	192,473,000	313,772,000	50%	-32%	63%	3.1%	1.5%	1.5%	1.5%	1.5%
Net Profit after Tax	126,233,000	(91,786,000)	553,647,000	827,726,000	-703%	50%	-1.0%	4.2%	3.9%	3.9%	3.9%	3.9%
Balance Sheet												
Total Current Assets	4,970,613,000	4,195,014,000	6,054,108,000	8,739,166,000	-16%	44%	44%	50%	55%	55%	55%	55%
Total Current Liabilities	2,708,640,000	2,852,285,000	4,843,381,000	9,255,301,000	5%	70%	91%	34%	44%	44%	44%	44%
Net Working Capital	2,261,973,000	1,342,729,000	1,210,727,000	(516,135,000)	-41%	-10%	-143%	16%	11%	11%	11%	11%
Short termBank Borrowings	812,558,000	1,077,799,000	1,431,084,000	2,667,389,000	33%	33%	33%	86%	13%	13%	13%	13%
Current Portion of L.T.D	222,502,000	195,494,000	807,188,000	1,141,723,000	-12%	313%	41%	2%	7%	7%	6%	6%
Total Long Term Debts	807,486,000	764,577,000	795,974,000	969,878,000	-5%	4%	22%	9%	7%	7%	5%	5%
Total Fixed Assets	3,379,023,000	4,066,478,000	4,778,649,000	10,628,822,000	20%	18%	122%	48%	43%	43%	55%	55%
Total Liabilities(S.T & L.T)	3,553,763,000	3,647,037,000	5,683,217,000	10,486,971,000	2%	56%	85%	43%	52%	52%	54%	54%
Equity	4,877,771,000	4,770,158,000	5,348,698,000	9,006,286,000	-2%	12%	68%	57%	48%	48%	46%	46%
Balance Sheet Footing	8,431,554,000	8,417,195,000	11,031,915,000	19,493,257,000	0%	31%	77%	100%	100%	100%	100%	100%
Important Ratios												
Current Ratio	1.84	1.47	1.25	0.94	0.94	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Current Ratio / (SBP)	2.00	1.58	1.50	1.08	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Debt (L.T) to Equity ratio	0.17	0.17	0.23	0.19	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Leverage	0.73	0.76	1.06	1.16	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Return on Equity	2.6%	-1.9%	10%	9%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest Coverage	1.9	0.8	4.9	5.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Debt Service coverage (EBIT)	0.887757783	0.457091356	0.942586537	1.130000447	1.874407676	77	N/A	N/A	N/A	N/A	N/A	N/A
Debt Service coverage (EBITDA)	2.775221235	1.865566772	1.725955099	1.874407676	77	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Days Stock	94	84	79	77	71	97	N/A	N/A	N/A	N/A	N/A	N/A
Days Debtors	64	66	55	67	67	147	N/A	N/A	N/A	N/A	N/A	N/A
Days Creditors	64	55	67	67	67	147	N/A	N/A	N/A	N/A	N/A	N/A
Operating Cycle	173	151	156	156	156	156	N/A	N/A	N/A	N/A	N/A	N/A
Working Capital Requirement*	4412129,136	3677182,147	5301596,978	7871767,947	7871767,947							



*For Interim Financials, No. Days to be Changed accordingly

Interpretations

Vertical Analysis

Vertical analysis is a technique used in financial statement analysis to show the relative size of each account compared to the total amount. Vertical analysis expresses each item on a financial statement as a percentage of the total.

The base item is typically set to 100%, and all other items are expressed as a percentage of that base. This analysis helps in understanding the relative importance of various components of the financial statements and allows for comparison across different companies or periods.

For the years 2020, 2021 and 2022 shows the cost 98%, 94% and 92% respectively on their sales with the net loss of -1% in 2020 and profit of 4.2 and 3.9 on others. Vertical analysis of a balance sheet involves expressing each line item as a percentage of the total assets. This analysis provides insights into the composition of a company's assets and liabilities, helping stakeholders understand the relative proportion of each component in relation to the total size of the balance sheet. Similarly it shows all the sizes of each components of balance sheet with the major being equity 57% in 2020 and the current assets in 2021. All the values are listed in table.

Trend analysis

Trend analysis, also known as time-series analysis, is a method used in financial statement analysis to evaluate the changes in financial data over consecutive periods. This analysis helps identify patterns, trends, and potential areas of concern or improvement by examining the historical performance of a company. A brief overview of trend are

- Data Comparison
- Identifying Patterns and Trends
- Spotting Anomalies or Irregularities
- Forecasting Future Performance
- Comparing with Industry Benchmarks
-

For example for year 2021 45% sales in a trend analysis of financial statements, it means that sales, or a related metric, accounts for 45% of a particular financial measure or the total financial statement for the given period. The 45% figure indicates the proportion of sales in relation to another variable, often total revenue or total assets, depending on the context of the analysis.

Current ratio

The current ratio, as presented in a financial statement, provides insights into a company's short-term liquidity and its ability to meet its short-term obligations.

For 2019

A current ratio of 1.84 indicates that the company has current assets amounting to 1.84 times its current liabilities. The current ratio is a measure of short-term liquidity, and a ratio greater than 1 generally suggests that the company has more current assets available to cover its current liabilities. In this case, a current ratio of 1.84 is considered relatively healthy and indicates that the company has a comfortable buffer to meet its short-term obligations. This means that for every Rs.1 of current liabilities, the

company has Rs.1.84 in current assets.

Debt-to-equity ratio

The debt-to-equity ratio is a financial metric that provides insight into a company's capital structure by comparing its total debt to its shareholders' equity. The debt-to-equity ratio indicates the proportion of a company's financing that comes from debt compared to equity. A higher ratio suggests a higher level of financial leverage, meaning the company relies more on debt to finance its operations.

For 2022

A debt-to-equity ratio of 0.19 indicates that the company has a relatively low level of debt compared to its equity. This suggests a conservative capital structure with a higher proportion of financing coming from equity. A lower debt-to-equity ratio is generally considered less risky, indicating a reduced financial leverage and potentially a more stable financial position.

Return on Equity

Return on Equity is a financial metric that measures the profitability of a company in relation to its shareholders' equity. It provides insights into how effectively a company utilizes its equity to generate profits. ROE indicates how efficiently a company generates profits from the equity invested by its shareholders. A higher ROE is generally considered favorable as it suggests effective management of resources to create shareholder value.

For 2020

A Return on Equity (ROE) of -1.9% indicates that the company incurred a net loss during the period, resulting in a negative return for shareholders. This negative ROE suggests that the company's profits were insufficient to cover the equity invested by shareholders, raising concerns about its financial performance and ability to generate returns for investors.

Operating cycle

The operating cycle refers to the time it takes for a company to convert its resources, such as inventory and accounts receivable, into cash through its operational activities. It involves the various stages a company goes through from the purchase of raw materials to the collection of cash from the sale of goods or services. 173, 151, 156, 147 days are required for each year respectively.

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have 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, statement of comprehensive income, the statement of changes in equity and statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are 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) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is **Moneeza Usman Butt**.



Date: August 20th, 2020

Karachi

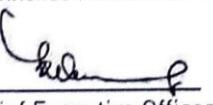
**KPMG Taseer Hadi & Co.
Chartered Accountants**

Statement of Financial Position

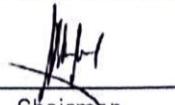
As at 30 June 2020

	Note	2020	2019
		(Rupees in '000)	
ASSETS			
Non-current assets			
Property, plant and equipment	4	4,066,478	3,379,023
Right-of-use assets	5	79,146	-
Intangible assets	6	9,091	9,097
Investment in associated company	7	46,696	44,392
Long-term loans receivable	8	6,207	6,994
Long-term deposits and prepayments		14,563	21,435
Total non-current assets		4,222,181	3,460,941
Current assets			
Stores and spares	9	54,915	58,393
Stock-in-trade	10	1,902,397	2,203,201
Trade debts	11	1,652,652	2,088,764
Short-term loans and advances	12	24,001	47,180
Short-term deposits and prepayments	13	28,715	57,235
Other receivables	14	59,476	30,791
Advance tax - net of provision	15	387,718	397,107
Cash and bank balances		85,140	87,942
Total current assets		4,195,014	4,970,613
Total assets		8,417,195	8,431,554
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital		500,000	500,000
50,000,000 (30 June 2019: 50,000,000) ordinary shares of Rs. 10 each			
Issued, subscribed and paid-up capital	16	355,779	355,779
<i>Capital reserves</i>			
Share premium reserve		1,595,139	1,595,139
Revaluation surplus on property (land and building) - net of tax	17	1,612,934	1,623,241
<i>Revenue reserves</i>			
General reserve		1,268,000	1,227,000
Un-appropriated (loss) / profit		(61,694)	76,632
Total Shareholders' equity		4,770,158	4,877,791
Non-current liabilities			
Long-term borrowings	18	663,014	680,625
Lease liabilities	5	24,718	-
Deferred liability for staff gratuity	19	42,628	31,280
Other long-term employee benefits	20	5,457	37,637
Deferred tax liability - net	21	58,935	95,581
Total non-current liabilities		794,752	845,123
Current liabilities			
Current portion of long-term borrowings	18	218,170	108,750
Current portion of lease liabilities	5	55,157	-
Trade and other payables	22	1,077,799	812,558
Short-term loan from banking companies	23	1,234,430	1,498,488
Contract liabilities		195,494	222,502
Unclaimed dividend		25,630	26,091
Mark-up accrued on bank borrowings		45,605	40,251
Total current liabilities		2,852,285	2,708,640
Total liabilities		3,647,037	3,553,763
Contingencies and commitments	24		
Total equity and liabilities		8,417,195	8,431,554

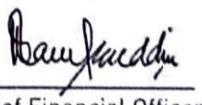
The annexed notes from 1 to 44 form an integral part of these financial statements.



Chief Executive Officer



Chairman



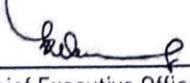
Chief Financial Officer

Statement of Profit or Loss Account

For the year ended 30 June 2020

	Note	2020	2019
		(Rupees in '000)	
Net sales	25	9,086,125	9,704,311
Cost of sales	26	(8,225,834)	(8,558,638)
Gross profit		860,291	1,145,673
Marketing, selling and distribution costs	27	(435,104)	(509,832)
Administrative expenses	28	(222,332)	(266,192)
Impairment (loss) / reversal on trade debts	11.2	(16,904)	84
		(674,340)	(775,940)
Finance cost	29	(283,279)	(188,600)
Impairment loss on investment in associate	7.2	-	(57,263)
Other expenses	30	(4,434)	(14,547)
		(287,713)	(260,410)
Other income	31	36,759	54,574
Share of profit from associate under the equity basis of accounting	7.2	567	12,462
(Loss) / profit before tax		(64,436)	176,359
Taxation	32	(27,350)	(50,126)
		(91,786)	126,233
(Loss) / profit after tax			
(Loss) / earnings per share - basic and diluted	33	(2.58)	3.56
		(Rupees)	

The annexed notes from 1 to 44 form an integral part of these financial statements.



Chief Executive Officer



Chairman



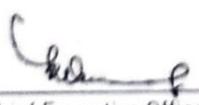
Chief Financial Officer

Statement of Comprehensive Income

For the year ended 30 June 2020

	Note	2020	2019
		----- (Rupees in '000) -----	
(Loss) / profit after tax for the year		(91,786)	126,233
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss account</i>			
Remeasurement of post employment benefit obligations	19.1.7	23,640	8,674
Related tax effect		(6,855)	(2,720)
		16,785	5,954
Surplus on revaluation of land and building carried out during the year		-	574,161
Related tax effect		-	(33,054)
		-	541,107
Share of other comprehensive income / (loss) from the associated company		9	(280)
		16,794	546,781
Total comprehensive (loss) / income		(74,992)	673,014

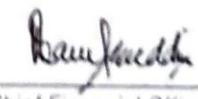
The annexed notes from 1 to 44 form an integral part of these financial statements.



Chief Executive Officer



Chairman



Chief Financial Officer

Statement of Cash Flows

For the year ended 30 June 2020

	Note	2020	2019
		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	34	1,436,319	190,662
Payments to staff retirement benefits	19.1.8	(4,796)	(23,090)
Finance costs paid		(266,041)	(174,003)
Income tax paid		(61,981)	(273,410)
Long-term loans receivable		787	(1,273)
Long-term deposits and prepayments		704	(6,168)
Net cash generated from / (used in) operating activities		1,104,992	(287,282)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure including intangible assets		(893,044)	(837,355)
Proceeds from disposal of fixed assets		2,071	8,915
Dividend received from associate	7.2	1,728	5,184
Net cash used in investing activities		(889,245)	(823,256)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loans obtained		200,284	500,000
Repayment of long term loans		(108,751)	(68,750)
Lease rentals paid		(9,985)	-
Short-term loan from banking companies		470,000	(636,523)
Proceeds against subscription of right shares		-	650,590
Dividend paid		(36,039)	(175,575)
Net cash generated from financing activities		515,509	269,742
Net increase / (decrease) in cash and cash equivalents		731,256	(840,796)
Cash and cash equivalents at beginning of the year		(760,546)	80,250
Cash and cash equivalents at end of the year	35	(29,290)	(760,546)

The annexed notes from 1 to 44 form an integral part of these financial statements.



Chief Executive Officer



Chairman



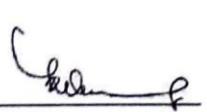
Chief Financial Officer

Statement of Changes in Equity

For the year ended 30 June 2020

Note	Share capital		Capital Reserve		Revenue Reserve		Total
	Issued, subscribed and paid-up capital	Advance against share capital	Share premium reserve	Surplus on Revaluation of assets - Net of tax	General reserve	Un- appropriated profit / (loss)	
(Rupees in '000)							
Balance as at 01 July 2018	284,623	487,905	527,800	1,104,333	1,138,000	215,336	3,757,997
Adjustment on the initial application of IFRS 9	-	-	-	-	-	(14,542)	(14,542)
Adjusted balance as at 1 July 2018	284,623	487,905	527,800	1,104,333	1,138,000	200,794	3,743,455
Total comprehensive income for the year ended 30 June 2019							
- Profit after tax						126,233	126,233
- Other comprehensive income - net of tax				541,107		5,674	546,781
				541,107		131,907	673,014
Transfer to general reserve for the year ended 30 June 2018	-	-	-	-	89,000	(89,000)	-
Transfer from surplus on revaluation of building - net of deferred tax	-	-	-	[10,821]	-	10,821	-
Effect of change in future tax rate	-	-	-	(9,450)	-	-	(9,450)
Share of surplus on revaluation of land and building of the associated company recognized during 01 July 2018 to 30 June 2019 - net of deferred tax (transfers) 17	-	-	-	[1,928]	-	-	[1,928]
Transactions with owners of the Company - Contribution							
Right shares 7,115,594 issued at the rate Rs. 160 per share (Rs. 10 par value and Rs. 150 premium per share)	71,156	(487,905)	1,067,339	-	-	-	650,590
Transactions with owners of the Company - Distribution							
Final cash dividend for the year ended 30 June 2018 @ Rs. 3.50 per share	-	-	-	-	-	(124,523)	(124,523)
Interim cash dividend for the half year ended 31 December 2018 @ Rs. 1.50 per share	-	-	-	-	-	(53,367)	(53,367)
Balance as at 30 June 2019	355,779	-	1,595,139	1,623,241	1,227,000	76,632	4,877,791
Total comprehensive income / loss for the year ended 30 June 2020							
- Loss after tax						(91,786)	(91,786)
- Other comprehensive income - net of tax						16,794	16,794
						(74,992)	(74,992)
Transfer to general reserve for the year ended 30 June 2019	-	-	-	41,000	(41,000)	-	-
Share of surplus on revaluation of land and building of the associated company recognized during 01 July 2019 to 30 June 2020	-	-	-	2,937	-	-	2,937
- net of deferred tax (transfers) 17	-	-	-	(13,244)	-	13,244	-
Transactions with owners of the Company - Distribution							
Final cash dividend for the year ended 30 June 2019 @ Re. 1.00 per share	-	-	-	-	-	(35,578)	(35,578)
Balance as at 30 June 2020	355,779	-	1,595,139	1,612,934	1,268,000	[61,694]	4,770,158

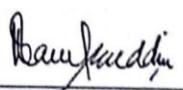
The annexed notes from 1 to 44 form an integral part of these financial statements.



Chief Executive Officer



Chairman



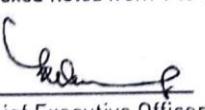
Chief Financial Officer

Statement of Financial Position

As at 30 June 2022

	Note	2022	2021
		(Rupees in '000)	
ASSETS			
Non-current assets			
Property, plant and equipment	4	10,628,822	4,778,649
Right-of-use assets	5	29,511	51,584
Intangible assets	6	17,746	12,617
Investment in associated company	7	65,723	120,977
Long-term loans receivable	8	6,269	7,780
Long-term deposits		6,020	6,200
		10,754,091	4,977,807
Current assets			
Stores and spares	9	63,227	67,220
Stock-in-trade	10	3,863,451	2,503,864
Trade debts	11	4,104,314	2,786,556
Short-term loans and advances	12	91,264	60,184
Short-term deposits and prepayments	13	27,204	32,012
Other receivables	14	145,464	130,905
Advance tax - net of provision		188,428	365,723
Cash and bank balances	15	255,814	107,644
		8,739,166	6,054,108
Total assets		19,493,257	11,031,915
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital		500,000	500,000
50,000,000 (30 June 2021: 50,000,000) ordinary shares of Rs. 10 each			
Issued, subscribed and paid-up capital	16	355,779	355,779
Capital reserves			
Share premium reserve		1,595,139	1,595,139
Revaluation surplus on property (land and building) - net of tax	17	4,790,050	1,599,394
Revenue reserves			
General reserve		1,575,000	1,268,000
Un-appropriated profit		690,318	530,386
Total Shareholders' equity		9,006,286	5,348,698
Non-current liabilities			
Long-term borrowings	18	854,129	712,638
Lease liabilities	5	5,595	10,221
Deferred liability for staff gratuity	19	49,706	44,034
Other long-term employee benefits	20	7,210	6,493
Deferred income - government grant	21	248,987	27,148
Deferred tax liability - net	22	66,043	39,302
		1,231,670	839,836
Current liabilities			
Current portion of long-term borrowings	18	392,586	403,951
Current portion of lease liabilities	5	7,402	9,696
Trade and other payables	23	2,667,389	1,431,084
Short-term loans from banking companies	24	4,897,411	2,133,553
Contract liabilities		1,141,723	807,188
Unclaimed dividend		30,318	25,566
Mark-up accrued on bank borrowings		118,472	32,343
		9,255,301	4,843,381
Total liabilities		10,486,971	5,683,217
Contingencies and commitments	25		
Total equity and liabilities		19,493,257	11,031,915

The annexed notes from 1 to 46 form an integral part of these financial statements.



Chief Executive Officer



Director



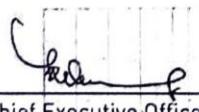
Chief Financial Officer

Statement of Profit or Loss

For the year ended 30 June 2022

	Note	2022 (Rupees in '000)	2021
Net sales	26	21,167,659	13,145,051
Cost of sales	27	(18,416,849)	(11,618,566)
Gross profit		2,750,810	1,526,485
Marketing, selling and distribution costs	28	(762,922)	(519,795)
Administrative expenses	29	(329,283)	(271,991)
Impairment reversal on trade debts	11.2	8,724	8,683
		(1,083,481)	(783,103)
Finance cost	30	(313,772)	(192,473)
Impairment (loss) / reversal on investment in associate	7.2	(71,580)	57,263
Other expenses	31	(105,299)	(55,082)
		(490,651)	(190,292)
Other income	32	135,634	177,377
Share of profit from associate under the equity basis of accounting	7.2	18,626	19,327
Profit before tax		1,330,938	749,794
Taxation	33	(503,212)	(196,147)
Profit after tax		827,726	553,647
(Rupees)			
Earnings per share - basic and diluted	34	23.27	15.56

The annexed notes from 1 to 46 form an integral part of these financial statements.


Chief Executive Officer


Director

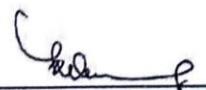

Chief Financial Officer

Statement of Comprehensive Income

For the year ended 30 June 2022

	Note	2022 (Rupees in '000)	2021
Profit after tax for the year		827,726	553,647
Other comprehensive income:			
<i>Items that will not be reclassified to statement of profit or loss</i>			
Remeasurement of post employment benefit obligations	19.1.7	(6,002)	35,116
Related tax effect		1,741	(10,184)
		(4,261)	24,932
Derivative financial assets on hedge instruments (net)	14.2	5,524	-
Related deferred tax		(1,602)	-
		3,922	-
Share of other comprehensive (loss) / income from the associated company		(130)	257
		(469)	25,189
Surplus on revaluation of land and building carried out during the year	17	3,231,195	-
Related deferred tax		(30,029)	-
		3,201,166	-
Share of surplus / (deficit) on revaluation of land and building of the associated company		3,216	(348)
Related deferred tax		(482)	52
		2,734	(296)
		3,203,900	(296)
		3,203,431	24,893
Total comprehensive income - transferred to statement of changes in equity		4,031,157	578,540

The annexed notes from 1 to 46 form an integral part of these financial statements.



Chief Executive Officer



Director



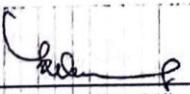
Chief Financial Officer

Statement of Cash Flows

For the year ended 30 June 2022

	Note	2022	2021
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	35	681,073	200,177
Payments to staff retirement benefits	19.1.8	(937)	(2,823)
Finance costs paid		(187,235)	(180,168)
Income tax paid - net		(329,548)	(203,919)
Long-term loans receivable		1,511	(1,573)
Long-term deposits		180	8,363
Net cash generated from / (used in) operating activities		<u>165,044</u>	<u>(179,943)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure including intangible assets		(2,804,639)	(916,955)
Proceeds from disposal of fixed assets	4.1.3	38,314	15,188
Dividend received from associate	7.2	5,386	2,218
Net cash used in investing activities		<u>(2,760,939)</u>	<u>(899,549)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loans obtained		766,754	489,052
Repayment of long term loans		(406,502)	(221,721)
Lease rentals paid - net		(11,228)	(64,394)
Short-term loan from banking companies		1,962,641	604,000
Dividend paid		(368,817)	(64)
Net cash generated from financing activities		<u>1,942,848</u>	<u>806,873</u>
Net decrease in cash and cash equivalents		<u>(653,047)</u>	<u>(272,619)</u>
Cash and cash equivalents at beginning of the year		(301,909)	(29,290)
Cash and cash equivalents at end of the year	36	<u>(954,956)</u>	<u>(301,909)</u>

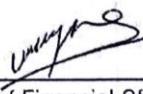
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Chief Executive Officer



Director



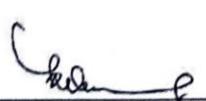
Chief Financial Officer

Statement of Changes in Equity

For the year ended 30 June 2022

Note	Share capital		Capital Reserve		Revenue Reserve		Total
	Issued, subscribed and paid-up capital	Share premium reserve	Surplus on Revaluation of assets - Net of tax	General reserve	Un- appropriated profit / (loss)		
(Rupees in '000)-----							
Balance as at 01 July 2020	355,779	1,595,139	1,612,934	1,268,000	[61,694]	4,770,158	
Total comprehensive income for the year ended 30 June 2021							
- Profit after tax	-	-	-	-	553,647	553,647	
- Other comprehensive income - net of tax	-	-	(296)	-	25,189	24,893	
Transfer from surplus on revaluation of building - net of deferred tax	-	-	(296)	-	578,836	578,540	
Balance as at 30 June 2021	355,779	1,595,139	1,599,394	1,268,000	530,386	5,348,698	
Total comprehensive income for the year ended 30 June 2022							
- Profit after tax	-	-	-	-	827,726	827,726	
- Other comprehensive income - net of tax	-	-	3,203,900	-	(469)	3,203,431	
Transfer from surplus on revaluation of building - net of deferred tax	-	-	3,203,900	-	827,257	4,031,157	
Transfer to general reserve for the year ended 30 June 2021	-	-	(13,244)	-	13,244	-	
Balance as at 30 June 2021	-	-	-	307,000	(307,000)	-	
Transactions with owners of the Company - Distribution							
Final cash dividend for the year ended 30 June 2021 @ Rs. 8.00 per share	-	-	-	-	(284,624)	(284,624)	
Interim cash dividend for the half year ended 31 December 2021 @ Rs. 2.50 per share	-	-	-	-	(88,945)	(88,945)	
Balance as at 30 June 2022	355,779	1,595,139	4,790,050	1,575,000	690,318	9,006,286	

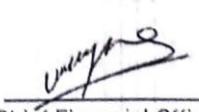
The annexed notes from 1 to 46 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer