

MISIL/FY/2021

September 17, 2021

The General Manager

Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.
By PUCAR & Courier

FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2021

Dear Sir,

We are pleased to inform you that the Board of Directors of Mughal Iron & Steel Industries Limited in their meeting held on September 17, 2021 at 11:30 a.m. at 31-A Shadman 1, Lahore, have considered and approved the audited financial statements of the Company for the year ended June 30, 2021 and recommended the following:

(i) BONUS SHARES:

To issue bonus shares in the proportion of 15 shares for every 100 shares held i.e. 15% and in this regard, further recommended, that a sum of Rs. 437.783 million shall be appropriated from the share premium account for the issuance of the said bonus shares.

(ii) ANY OTHER ENTITLEMENT/CORPORATE ACTION / ANY OTHER PRICE-SENSITIVE INFORMATION:

Subject to approval of the members, to update object clauses and incorporate principal line of business of the Company in Memorandum of Association of the Company to align it with the Companies Act, 2017.

The Financial Results of the Company for the year ended June 30, 2021 are attached herewith as **ANNEXURE-A**".

The Annual General Meeting of the Company will be held on Thursday, October 28, 2021 at 11:45 am via Zoom video-link.

The above entitlement will be paid to the shareholders whose names will appear in the Register of Members on October 20, 2021.

The share transfer books of the Company will remain closed from October 21, 2021 to October 28, 2021 (both days inclusive). Physical transfers / Central Depository System (CDS) Transaction IDs received in order by the Company's Share Registrar, M/s. THK Associates (Private) Limited,

32-C, Jami Commercial Street 2, D.H.A Phase-VII, Karachi, up to the close of business on October 20, 2021, will be considered in time for the entitlement of the members to bonus shares and attend and vote at the Meeting.

The Annual Report of the Company will be transmitted through PUCARS atleast 21 days before holding of Annual General Meeting.

The resolutions passed by the Board of Directors in respect of issuance of bonus shares are attached herewith as "**ANNEXURE-B**".

A disclosure form as required under SRO 143(1)/2012 dated December 05, 2012 read with Sections 96 and 131 of Securities Act, 2015 in relation to above inside information is attached herewith as "**ANNEXURE-C**".

Yours Sincerely
for **MUGHAL IRON & STEEL INDUSTRIES LIMITED**



MUHAMMAD FAHAD HAFEEZ
(Company Secretary)



CC: The Director / HOD
(Surveillance, Supervision and Enforcement Department),
Securities & Exchange Commission of Pakistan, Islamabad

The Director / HOD
Corporate Supervision Department
Securities & Exchange Commission of Pakistan, Islamabad

MUGHAL IRON & STEEL INDUSTRIES LIMITED
ANNEXURE-A
STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME
Page-1/2
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	----- Rupees -----	
Sales - net	44,971,836,150	27,304,991,323
Cost of sales	(38,280,467,988)	(24,687,542,736)
GROSS PROFIT	6,691,368,162	2,617,448,587
Sales and marketing expenses	(254,310,408)	(143,886,023)
Administrative expenses	(537,896,276)	(407,031,747)
Other charges	(379,245,548)	(53,449,687)
Allowance for expected credit losses	(54,959,050)	(3,356,549)
Other income	66,824,889	58,788,294
Finance cost	(1,370,293,957)	(1,514,785,880)
PROFIT BEFORE TAXATION	4,161,487,812	553,726,995
Taxation	(732,338,116)	39,145,070
PROFIT FOR THE YEAR	3,429,149,696	592,872,065
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be subsequently reclassified to profit or loss:		
- Remeasurement of defined benefit obligation	(35,575,214)	40,168,772
- Related deferred tax	10,316,812	(11,648,944)
	(25,258,402)	28,519,828
- Surplus on revaluation of property, plant and equipment	4,684,650,374	-
- Related deferred tax	(1,212,338,109)	-
	3,472,312,265	-
Other comprehensive income - net of tax	3,447,053,863	28,519,828
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	6,876,203,559	621,391,893
EARNINGS PER SHARE - BASIC AND DILUTED	12.85	Restated 2.25



Khurram Javaid
Chief Executive Officer



Muhammad Zafar Iqbal
Chief Financial Officer



Muhammad Mubeen Tariq Mughal
Director

MUGHAL IRON & STEEL INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2021

ANNEXURE-A
Page-2/2

	Capital Reserves			Revenue Reserve		Total Equity	
	Issued, subscribed and paid-up capital	Share premium account	Contingency reserve	Revaluation surplus on property, plant and equipment	Un-appropriated profits		Equity contribution from Directors & their relatives
	----- (Rupees) -----						
BALANCE AS AT JUNE 30, 2019	2,515,996,500	439,413,456	980,000,000	-	3,402,691,307	165,832,548	7,503,933,811
Profit for the year	-	-	-	-	592,872,065	-	592,872,065
Other comprehensive income - net of tax	-	-	-	-	28,519,828	-	28,519,828
Total comprehensive income for the year	-	-	-	-	621,391,893	-	621,391,893
Transactions with owners recognized directly in equity							
Final cash dividend paid for the year ended June 30, 2019 @ Rs. 1.20 per ordinary share i.e. 12%.	-	-	-	-	(301,919,580)	-	(301,919,580)
Transfer to equity contribution from Directors and their relatives	-	-	-	-	-	334,167,452	334,167,452
BALANCE AS AT JUNE 30, 2020	2,515,996,500	439,413,456	980,000,000	-	3,722,163,620	500,000,000	8,157,573,576
Profit for the year	-	-	-	-	3,429,149,696	-	3,429,149,696
Other comprehensive income / (loss) - net of tax	-	-	-	3,472,312,265	(25,258,402)	-	3,447,053,863
Total comprehensive income for the year	-	-	-	3,472,312,265	3,403,891,294	-	6,876,203,559
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	-	-	-	(70,067,361)	70,067,361	-	-
Transactions with owners recognized directly in equity							
Interim cash dividend paid for the year ended June 30, 2021 @ Rs. 3.00 per ordinary share i.e. 30%.	-	-	-	-	(754,798,950)	-	(754,798,950)
Issue of 40,255,944 ordinary shares of Rs. 10/- each fully paid in cash at a premium of Rs. 58/- per share	402,559,440	2,334,844,752	-	-	-	-	2,737,404,192
Transaction costs relating to issue of ordinary shares	-	(11,522,798)	-	-	-	-	(11,522,798)
Transfer to short-term loans from Directors and their relatives	-	-	-	-	-	(500,000,000)	(500,000,000)
BALANCE AS AT JUNE 30, 2021	2,918,555,940	2,762,735,410	980,000,000	3,402,244,904	6,441,323,325	-	16,504,859,579


 Khurram Javaid
 Chief Executive Officer


 Muhammad Zafar Iqbal
 Chief Financial Officer


 Muhammad Mubeen Tariq Mughal
 Director

“ANNEXURE – B” (Page-1/2)

ABSTRACT OF RESOLUTIONS PASSED AT THE BOARD MEETING OF MUGHAL IRON & STEEL INDUSTRIES LIMITED HELD ON SEPTEMBER 17, 2021 AT 11:30 A.M. AT 31-A, SHADMAN I, LAHORE.

“**RESOLVED** that in accordance with the applicable provision of the Companies Act, 2017, the provisions of the Articles of Association of the Company and other applicable rules and regulations, the Board of Directors hereby recommends the issue of 15% bonus shares i.e. in the proportion of 15 shares for every 100 existing shares held by the members and that such new shares shall rank pari passu in all respects with the existing ordinary shares of the Company and in this regard, the Board of Directors further recommends that a sum of Rs. 437,783,390 shall hereby be appropriated from the share premium account of the Company for the issuance of said bonus shares.”

“**FURTHER RESOLVED** that the said bonus shares be allotted as fully paid-up bonus shares to those members of the Company whose names will appear in the register of members as at the close of the business on October 20, 2021 in the proportion of 15 shares for every 100 existing shares.”

“**FURTHER RESOLVED** that the issuance of the said bonus shares and appropriation from the share premium account shall be subject to the approval of the members and in this regard the resolution as here under is recommended to be passed by the members as an Ordinary Resolution at the forthcoming Annual General Meeting of the Company:

“**RESOLVED** that:

- i. a sum of Rs. 437,783,390 shall be appropriated from the share premium account and applied in making payment in full of 43,778,339 ordinary shares of Rs. 10/- each and that the said shares be allotted as fully paid-up bonus shares to those members of the Company whose names appear in the register of members on October 20, 2021 @ 15% i.e., in the proportion of 15 shares for every 100 existing shares held by the members and that such new shares shall rank pari passu in all respects with the existing ordinary shares of the Company.
- ii. all fractions of bonus shares shall be consolidated and sold and proceeds therefrom shall be paid to charity;
- iii. for the purpose of giving effect to the above, the Company Secretary and/or any of the Directors be and is hereby authorized singly to give effect to these resolutions and to do or cause to be done all acts, deeds and things that may be necessary or required for the issue, allotment and distribution of the said bonus shares, sale fractions and payment of sale proceeds of the fractional shares.”



REGISTERED OFFICE:

31-A, Shadman -1, Lahore.
Office: +92-42-35960841-3
Fax: +92-42-35960846
E-mail: fahadhafeez@mughalsteel.com
Website: www.mughalsteel.com

NTN #: 3533975-6
STRN #: 03-06-7326-012-82

WORKS:

17- K.M, Sheikhpura Road, Sheikhpura.
Tel: +92-42-37970226-7
Fax: +92-42-37970326

"ANNEXURE – B" (Page-2/2)

"FURTHER RESOLVED that the Company be and is hereby authorized to close its share transfer books from October 21, 2021 to October 28, 2021 (both days inclusive)."

"FURTHER RESOLVED that any of the Directors or the Company Secretary be hereby authorized, such that any one of them may do all or any of the following for and on behalf and in the name of the Company:

- i. To take all necessary actions, as required by the Securities and Exchange Commission of Pakistan ("SECP") / Pakistan Stock Exchange Limited ("PSX") / Central Depository Company of Pakistan Limited ("CDC") (including, but not limited to allotment of shares, filling of statutory forms/ returns, credit of bonus shares in Central Depository System of the ("CDC")) and in that connection to sign all requisite applications, undertakings and other documents on behalf of the Company; and
- ii. To take all other necessary steps, and do all other acts, deeds and things, sign physical shares and any other documents and to make any amendment in the said documents and to take all necessary actions as may be required in this regard including but not limited to execution of any documents and agreements or any ancillary or incidental actions to give effect to the above resolutions."



**DISCLOSURE FORM
IN TERMS OF SECTIONS 96 AND 131 OF THE SECURITIES ACT, 2015**

Name of Company:	Mughal Iron & Steel Industries Limited
Date of Report:	September 17, 2021
Contact Information:	Muhammad Fahad Hafeez Company Secretary 31-A Shadman 1, Lahore Contact No. 042-35960841(155) Fax No. 042-35960846 Email: fahadhafeez@mughalsteel.com

Disclosure of inside information by listed company

Public disclosure of inside information, which directly concerns the listed securities:

To issue bonus shares in the proportion of 15 shares for every 100 shares held i.e. 15% and in this regard, further recommended, that a sum of Rs. 437.783 million shall be appropriated from the share premium account for the issuance of the said bonus shares.

Subject to approval of the members, to update object clauses and incorporate principal line of business of the Company in Memorandum of Association of the Company to align it with the Companies Act, 2017.

The Financial Results of the Company for the year ended June 30, 2021 are attached herewith as **ANNEXURE-A**”.

The Annual General Meeting of the Company will be held on Thursday, October 28, 2021 at 11:45 am via Zoom video-link.

The above entitlement will be paid to the shareholders whose names will appear in the Register of Members on October 20, 2021.

The share transfer books of the Company will remain closed from October 21, 2021 to October 28, 2021 (both days inclusive). Physical transfers / Central Depository System (CDS) Transaction IDs received in order by the Company's Share Registrar, M/s. THK Associates (Private) Limited, 32-C, Jami Commercial Street 2, D.H.A Phase-VII, Karachi, up to the close of business on October 20, 2021, will be considered in time for the entitlement of the members to bonus shares and attend and vote at the Meeting.

The Annual Report of the Company will be transmitted through PUCARS atleast 21 days before holding of Annual General Meeting.

The resolutions passed by the Board of Directors in respect of issuance of bonus shares are attached herewith as “**ANNEXURE-B**”.

SIGNATURES

In case of company pursuant to the requirements of the securities Exchange Ordinance 1969 (XVII), the Company has duly caused this form / statement to be signed / on its behalf by the undersigned hereunto duly authorized.



Muhammad Fahad Hafeez
(Company Secretary)



Dated: September 17, 2021

REGISTERED OFFICE:

31-A, Shadman -1, Lahore.
Office: +92-42-35960841-3
Fax: +92-42-35960846
E-mail: fahadhafeez@mughalsteel.com
Website: www.mughalsteel.com

NTN #: 3533975-6
STRN #: 03-06-7326-012-82

WORKS:

17- K.M, Sheikhpura Road, Sheikhpura.
Tel: +92-42-37970226-7
Fax: +92-42-37970326