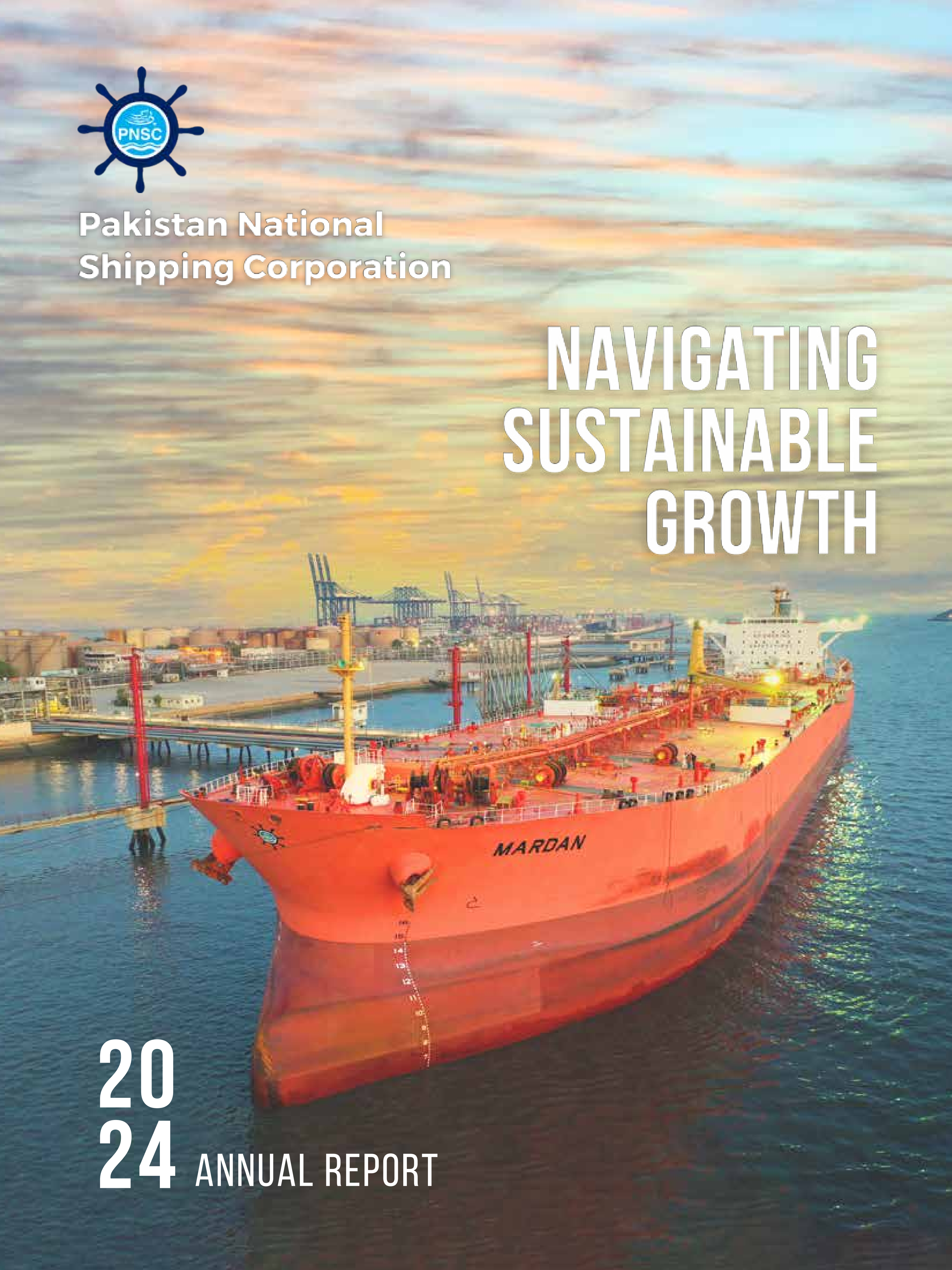
Pakistan National
Shipping Corporation

NAVIGATING SUSTAINABLE GROWTH



2024 ANNUAL REPORT

CONTENTS

Chairman's Review

On Board's Overall Performance U/S 192 of The Companies Act, 2017

I am pleased to report on overall performance of the Board of Directors of Pakistan National Shipping Corporation (the Corporation) and effectiveness of the role played by the Board in achieving the Corporation's objectives for the year ended June 30, 2024.

During the current fiscal year, The Group achieved a profit of Rs. 20,182 million. This figure, while being lower than the record profit of Rs. 29,994 million achieved during the corresponding period last year, remains the second highest annual profit recorded in the Corporation's history underscoring our resilience in a perpetually shifting and challenging economic landscape. The significant profit increase in corresponding period last year was driven by exceptional market conditions influenced by the Russia-Ukraine conflict which led to heightened demand and disruptions in supply and the Corporation's innate ability to identify and capitalize upon opportunities existing within the market. The international shipping market has remained fluid during the current fiscal year, thus absorbing to some degree the fundamental changes brought about by an increase in overall tonne-mile and various restrictions emerging from sanctions imposed upon selected trades. As the impact of conflict dilutes towards receding freight rates, this impact is starting to reflect upon the international shipping industry's returns globally and locally.

Financial results are explained in detail in the enclosed Directors' Report and Financial Statements for the year ended June 30, 2024.

Categorization of the Corporation as Strategic SOE

The Board of Directors is pleased to apprise the members that the State-Owned Enterprise (Governance and Operations) Act, 2023 (SOE Act) came into effect last year and the State-Owned Enterprise (Operation & Management) Policy (SOE Policy) has also been issued in November 2023. According to para 9(a) chapter 3 of the SOE Policy, the Corporation has been categorized as Strategic SOE by the Cabinet Committee of State Owned Enterprises.

Overview of the Board and its Committees

During the year two amendments have been made in the Pakistan National Shipping Corporation Ordinance XX of 1979 (the Ordinance). Among several important amendments, the number of Board Members of Corporation has increased from seven to eleven. Eight directors are now appointed by the Federal Government, including two Ex-officio Directors and the Chairman, while two Directors are elected by minority shareholders for a period of three years. The Chief Executive Officer shall be appointed by the Federal Government from among three candidates shortlisted and recommended by the Board of Directors.

During the year Rear Admiral Jawad Ahmed HI (M) was appointed to the position of Chief Executive Officer for a period of three months, Mr. Umar Zafar Sheikh was appointed in place of Mr. Hassan Mehmood Yousufzai and Ms. Alia Shahid retired as a result of aforesaid amendments in the Ordinance.

In order to discharge Board's responsibilities regarding overall control and management of business operations, the Board has formed its committees namely Audit Committee, HR, Nomination & CSR Committee, Strategy & Risk Management Committee and Procurement Committee.

All members of the Board as on June 30, 2024, have been appropriately certified under the Directors' Training Program from SECP approved institutions.

The Board remains committed to meet frequently to adequately discharge its responsibilities. In order to do so, the Board remained updated with respect to achievement of Corporation's objectives, goals, strategies and financial performance through regular presentations by the management, internal and external auditors and other independent consultants. The Board provided appropriate direction and oversight on a timely basis.

To evaluate the performance of the Board, an in house annual evaluation of the Board of Directors has been carried out. The objective of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objective set for the Corporation.

Overall performance and effectiveness of the role played by the Board in achieving the Corporation's objectives has been found satisfactory during the financial year under review. The overall assessment/evaluation is based on an evolution of integral components including vision and mission; engagement in strategic objectives; formulation of policies; monitoring the Corporation's business activities; monitoring financial resource management; effective fiscal oversight; equitable treatment of all employees, focus towards sustainability, compliance with law and efficiency in carrying out the Board's responsibility.

The Corporation takes its obligations towards being a responsible corporate citizen very seriously. The Board is specifically cognizant of Corporation's Corporate Social Responsibilities (CSR), duty towards environmental preservation and social well-being. In furtherance of these objectives, various schemes, initiatives, programs and projects were rolled out. The broad areas include healthcare, education, training and development, women's empowerment and environmental sustainability.

Strategic Direction

As the Corporation embarks upon its fleet development plan, it remains cognizant of the importance of conducting its business in adherence to the highest standards of fair play, transparency and ethics. The current fleet development plan is in accordance with the expectations and requirements of PNSC's clients and business partners while also remaining abreast with the current and future requirements of the international supply chain. PNSC view the phasing out of older tonnage and replacement with modern vessels as a transformational journey tilted more towards the opportunities that this holds rather than the challenges posed by such a radical transformation. The Corporation continues to explore opportunities for diversification and collaboration with prospective partners towards building synergies and lasting relationships.

The Corporation's human resource remains at the heart of PNSC's success. Attracting and retaining the best available human resource remains a challenge for PNSC given that it is the only ship owning company operating in Pakistan necessitating the initial and periodic inhouse training of employees from the very initial stage to advances skills stage. PNSC prides itself for contributing positively towards the development of its employees and for being a contributor of skilled human resources for other local and international employers when these highly skilled and trained individuals leave PNSC to seek opportunities with other employers many of which are ship owning firms located and operating abroad.

The Corporation's investments in technology and digitalization remain within the core focus of the Board and recognized as a critical aspect of doing business efficiently and effectively. PNSC's commitment towards Environmental, Social and Governance (ESG) integration into all aspects of the Corporation's business is the Board's and Management's common goal.

Vote of thanks

I extend my gratitude to all the stakeholder for their continued trust and confidence in the Corporation and, above all, our dedicated employees for their efforts and focused efforts for achieving the desired results. The commitment of Corporation's ashore and afloat employees enabled the Corporation to achieve its strategic objectives. I would also like to thank all my fellow directors who had carried their responsibilities diligently and look forward their contribution in future.

Sultan A.Chawla
Chairman

چیئرمین کا جائزہ

کمپنیز ایکٹ، 2017 کے سیکشن 192 کے تحت بورڈ کی مجموعی کارکردگی کے حوالے سے

مجھے سال اختتام از 30 جون، 2024 کے لیے پاکستان نیشنل شپنگ کارپوریشن (کارپوریشن) کے بورڈ آف ڈائریکٹرز کی مجموعی کارکردگی اور کارپوریشن کے مقاصد کے حصول میں بورڈ کے مفید کردار کے متعلق بتاتے ہوئے نہایت خوشی محسوس ہو رہی ہے۔

رواں مالی سال کے دوران، گروپ نے 20,182 ملین روپے کا منافع حاصل کیا۔ یہ اعدادوشمار، گزشتہ سال کے اسی دورانیے میں حاصل کردہ 29,994 ملین روپے کے ریکارڈ منافع سے کم ہونے کے باوجود، کارپوریشن کی تاریخ میں ریکارڈ کردہ دوسرا سب سے زیادہ سالانہ منافع ہیں، جو مسلسل بدلتے اور مشکل معاشی منظر نامے میں ہماری لچک کو واضح کرتا ہے۔ گزشتہ سال اسی دورانیے میں منافع میں نمایاں اضافہ روس-یوکرین تنازعہ سے متاثر مارکیٹ کے غیر معمولی حالات، جس سے طلب میں اضافہ ہوا اور رسد میں رکاوٹیں پیش ائیں، اور کارپوریشن کی مارکیٹ میں موجود مواقع کی شناخت اور ان سے فائدہ اٹھانے کی فطری صلاحیت کی وجہ سے ہوا۔ بین الاقوامی شپنگ مارکیٹ رواں مالی سال کے دوران متحرک رہی ہے، اس طرح مجموعی طور پر ٹن میل مسافت میں اضافے اور منتخب کردہ تجارتوں پر عائد پابندیوں سے پیدا ہونے والی مختلف پابندیوں کی وجہ سے کچھ حد تک بنیادی تبدیلیاں اپنا رہی ہے۔ چونکہ تنازعات کا اثر فریٹ کی شرحوں میں کمی کی جانب جا رہا ہے، یہ اثرات عالمی اور مقامی طور پر بین الاقوامی شپنگ کی صنعت کے منافع پر ظاہر ہونا شروع ہو گئے ہیں۔

مالیاتی نتائج کی منسلک ڈائریکٹر کی رپورٹ اور سال اختتام از جون 30، 2024 کے مالیاتی گوشواروں کے ذریعے تفصیل سے وضاحت کی گئی ہے۔

کارپوریشن کی سٹریٹیجک SOE کے طور پر درجہ بندی۔

بورڈ آف ڈائریکٹرز ممبران کو یہ بتاتے ہوئے مسرت محسوس کرتا ہے کہ اسٹیٹ اونڈ انٹرپرائز (گورننس اور آپریشنز) ایکٹ، 2023 (SOE ایکٹ) گزشتہ سال نافذ ہوا تھا اور اسٹیٹ اونڈ انٹرپرائز (آپریشن اور مینجمنٹ) پالیسی (SOE پالیسی) بھی نومبر 2023 میں بھی جاری ہو چکی ہے۔ SOE پالیسی کے پیراگراف 9(a) باب 3 کے مطابق، کارپوریشن کو اسٹیٹ اونڈ انٹرپرائزز کی کابینہ کمیٹی نے سٹریٹجک SOE کے طور پر درجہ بند کیا ہے۔

بورڈ اور اس کی کمیٹیوں کا جائزہ

رواں سال کے دوران، پاکستان نیشنل شپنگ کارپوریشن آرڈیننس XX از 1979 (آرڈیننس) میں دو ترامیم کی گئی ہیں۔ متعدد اہم ترامیم میں سے، کارپوریشن کے بورڈ ممبران کی تعداد سات سے بڑھا کر گیارہ کر دی گئی ہے۔ وفاقی حکومت کی جانب سے آٹھ ڈائریکٹرز کا تقرر کیا جاتا ہے جن میں دو Ex-Officio ڈائریکٹرز، ایک چیئرمین اور دو ڈائریکٹرز تین سال کے لیے شیئر ہولڈرز کے ذریعے منتخب کیے جاتے ہیں، اور بورڈ آف ڈائریکٹرز کے تجویز کردہ تین امیدواروں میں سے ایک کا تقرر بطور چیف ایگزیکٹو آفیسر وفاقی حکومت کرتی ہے۔

رواں سال کے دوران، ریئر ایڈمرل جواد احمد ہلال امتیاز (ملٹری) کو تین ماہ کی مدت کے لیے چیف ایگزیکٹو آفیسر کے عہدے پر تعینات کیا گیا، جناب عمر ظفر شیخ کا تقرر جناب حسن محمود یوسفزئی کی جگہ کیا گیا اور آرڈیننس میں مذکورہ بالا ترامیم کے نتیجے میں محترمہ عالیہ شاہد بطور چیف ایگزیکٹو آفیسر ریٹائر ہوئیں۔

کاروباری افعال کے مجموعی کنٹرول اور نظم کے حوالے سے بورڈ کی ذمہ داریاں ادا کرنے کے لیے، بورڈ نے آڈٹ کمیٹی، ایچ آر، نامزدگی اور سی ایس آر کمیٹی، اسٹریٹیجی اور رسک مینجمنٹ کمیٹی اور پروکیورمنٹ کمیٹی کے نام سے اپنی کمیٹیاں تشکیل دی ہیں۔

30 جون، 2024 تک بورڈ کے تمام ممبران SECP کے منظور شدہ اداروں سے ڈائریکٹرز ٹریننگ پروگرام کے تحت مناسب طور پر سند یافتہ ہیں۔

بورڈ اپنی ذمہ داریوں کو مناسب طریقے سے ادا کرنے کے لیے اکثر ملاقات کرنے کے لیے پرعزم ہے۔ ایسا کرنے کے لیے، انتظامیہ، اندرونی اور بیرونی آڈیٹرز اور دیگر خود مختار کنسلٹنٹس کی جانب سے باقاعدگی سے پریزنٹیشنز کے ذریعے بورڈ کارپوریشن کے مقاصد، اہداف، حکمت عملیوں اور مالیاتی کارکردگی کے حصول کے حوالے سے واقف رہا ہے۔ بورڈ نے بروقت بنیادوں پر مناسب ہدایات اور نگرانی فراہم کی۔

بورڈ کی کارکردگی کا جائزہ لینے کے لیے اندرونی طور پر بورڈ آف ڈائریکٹرز کا سالانہ جائزہ لیا گیا۔ جائزے کا مقصد یہ یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور افادیت کی پیمائش کی جائے اور کارپوریشن کے طے کردہ مقاصد کے مطابق توقعات سے موازنہ کیا جائے۔

زیر غور مالی سال کے دوران کارپوریشن کے مقاصد کے حصول میں بورڈ کے ادا کردہ کردار کی مجموعی کارکردگی اور افادیت تسلی بخش پائی گئی۔ مجموعی جائزہ / تجزیہ بنیادی حصوں کے ارتقاء پر مبنی ہے بشمول وژن اور مشن؛ سٹریٹجک اہداف میں شمولیت؛ پالیسیوں کی تشکیل؛ کارپوریشن کی کاروباری سرگرمیوں کی نگرانی؛ مالی وسائل کی نگرانی کا نظم؛ مالی امور کی مؤثر نگرانی؛ تمام ملازمین سے مساوی سلوک اور بورڈ کی ذمہ داریاں ادا کرنے میں لیاقت۔

کارپوریشن کارپوریٹ شہری کے طور پر اپنی ذمہ داریوں کو نہایت سنجیدگی سے لیتی ہے۔ بورڈ خاص طور پر کارپوریشن کی کارپوریٹ سماجی ذمہ داریوں (CSR)، ماحولیات کے تحفظ اور سماجی بہبود کی ذمہ داری سے واقف ہے۔ ان مقاصد کو آگے بڑھانے کے لیے مختلف اسکیموں، اقدامات، پروگراموں اور پروجیکٹس کا آغاز کیا گیا۔ وسیع تر شعبوں میں صحت کی نگہداشت، تعلیم، تربیت اور ترقی، خواتین کو بااختیار بنانا اور ماحولیاتی استحکام ہیں۔

اسٹریٹجک سمت

جیسا کہ کارپوریشن اپنے فلیٹ کی ترقی کے منصوبے پر عمل پیرا ہے، وہ اپنے کاروبار کو منصفانہ، شفاف اور اخلاقیات کے اعلیٰ ترین معیارات کے مطابق چلانے کی اہمیت سے بخوبی واقف ہے۔ فلیٹ کی ترقی کا موجودہ منصوبہ پی این ایس سی کے کلائنٹس اور کاروباری پارٹنرز کی توقعات اور ضروریات کے مطابق ہے، جبکہ بین الاقوامی سپلائی چین کی موجودہ اور مستقبل کی ضروریات کے مطابق بھی ہے۔ پی این ایس سی پرانے جہازوں کے خاتمے اور جدید جہازوں کے ساتھ تبدیلی کو ایک تبدیلی کے سفر کے طور پر دیکھتا ہے جو اس طرح کی بنیاد پرست تبدیلی سے درپیش مشکلات کو دیکھنے کی بجائے انہیں مواقع سمجھتا ہے۔ کارپوریشن ہم آہنگی اور دیرپا تعلقات کی تشکیل کے لیے ممکنہ پارٹنرز کے ساتھ تنوع اور تعاون کے مواقع تلاش کرنا جاری رکھے ہوئے ہے۔

کارپوریشن کے انسانی وسائل پی این ایس سی کی کامیابی کی کنجی ہیں۔ بہترین دستیاب انسانی وسائل کو اپنی طرف متوجہ کرنا اور انہیں برقرار رکھنا پی این ایس سی کے لیے ایک چیلنج ہے کیونکہ یہ پاکستان میں کام کرنے والی واحد جہازوں کی کمپنی ہے جس کے لیے ملازمین کی ابتدائی مرحلے سے مہارتوں کے جدید مرحلے تک ابتدائی اور وقتاً فوقتاً اندرون خانہ تربیت کی ضرورت ہوتی ہے۔ پی این ایس سی اپنے ملازمین کی ترقی کے لیے مثبت کردار ادا کرنے اور دوسرے مقامی اور بین الاقوامی ایمپلائرز کے لیے ہنر یافتہ انسانی وسائل کا شراکت دار ہونے پر فخر محسوس کرتا ہے، جب یہ انتہائی ہنر مند اور تربیت یافتہ افراد دوسرے ایمپلائرز کے ساتھ مواقع تلاش کرنے کے لیے پی این ایس سی کو چھوڑ دیتے ہیں جن میں سے بہت سی جہازوں کی مالک کمپنیاں بیرون ملک واقع ہیں اور کام کر رہی ہیں۔

ٹیکنالوجی اور ڈیجیٹلائزیشن میں کارپوریشن کی سرمایہ کاری بورڈ کی بنیادی توجہ کا مرکز ہے اور اسے کاروبار کو مؤثر اور مستعد طریقے سے کرنے کے ایک اہم پہلو کے طور پر تسلیم کیا جاتا ہے۔ کارپوریشن کے کاروبار کے تمام پہلوؤں میں ماحولیاتی، سماجی اور نظم و نسق (ESG) کے انضمام کے لیے پی این ایس سی کا عزم بورڈ اور مینجمنٹ کا مشترکہ مقصد ہے۔

اظہار تشکر

میں تمام اسٹیک ہولڈر کا کارپوریشن پر مسلسل بھروسہ اور اعتماد کرنے کے لیے، اور سب سے بڑھ کر ہمارے سرگرم ملازمین کا ان کی کوششوں اور مطلوبہ نتائج کے حصول کے لیے مرکوز کوششوں کے لیے شکریہ ادا کرتا ہوں۔ کارپوریشن کے ساحل پر اور سمندر میں موجود ملازمین کے عزم نے کارپوریشن کو اپنے سٹریٹجک اہداف حاصل کرنے کے قابل بنایا۔ میں اپنے تمام ساتھی ڈائریکٹرز کا شکریہ ادا کرنا چاہوں گا جنھوں نے اپنی ذمہ داریاں پوری تندہی سے نبھائیں اور مستقبل میں بھی ان کے تعاون کا منتظر ہوں۔

سلطان اے۔ چاولہ
چیئرمین

Board of Directors

Mr. Sultan A.Chawla
Chairman
w.e.f. September 23, 2024

Mr. Qumar Sarwar Abbasi

Mr. Umar Zafar Sheikh

Mr. Muhammad Ali

Capt. Sarfaraz Inayatullah Qureshi

Mr. Ahsan Ali Malik

Mr. Arif Habib
w.e.f. September 23, 2024

Mr. Khalil Ahmed
w.e.f. September 23, 2024

Khawaja Shahzeb Akram
w.e.f. September 23, 2024

Ms. Nadia Osman Jung
w.e.f. September 23, 2024

Corporate Information

Board of Directors

1.	**Mr. Sultan A.Chawla** w.e.f. September 23, 2024	**Chairman**
2.	**Mr. Qumar Sarwar Abbasi** Additional Finance Secretary (Corporate Finance), Finance Division Islamabad.	**Member**
3.	**Mr. Umar Zafar Sheikh** Additional Secretary Ministry of Maritime Affairs, Islamabad.	**Member**
4.	**Mr. Muhammad Ali**	**Member**
5.	**Capt. Sarfaraz Inayatullah Qureshi**	**Member**
6.	**Mr. Ahsan Ali Malik**	**Member**
7.	**Mr. Arif Habib** w.e.f. September 23, 2024	**Member**
8.	**Mr. Khalil Ahmed** w.e.f. September 23, 2024	**Member**
9.	**Khawaja Shahzeb Akram** w.e.f. September 23, 2024	**Member**
10.	**Ms. Nadia Osman Jung** w.e.f. September 23, 2024	**Member**

Audit Committee

1.	Mr. Muhammad Ali	Chairman
2.	Mr. Qumar Sarwar Abbasi	Member
3.	Mr. Umar Zafar Sheikh	Member
4.	Mr. Ahsan Ali Malik	Member
5.	Mr. Khalil Ahmed	Member
6.	Head of Internal Audit	Secretary

HR, Nomination and CSR Committee

1.	Mr. Arif Habib	Chairman
2.	Mr. Umar Zafar Sheikh	Member
3.	Mr. Ahsan Ali Malik	Member
4.	Mr. Shahzeb Akram	Member
5.	Company Secretary	Secretary

Strategy and Risk Management Committee

1.	Ms. Nadia Osman Jung	Chairman
2.	Mr. Qumar Sarwar Abbasi	Member
3.	Capt. Sarfaraz Inayatullah	Member
4.	Mr. Shahzeb Akram	Member
5.	Executive Director (Finance)	Secretary

Procurement Committee

1.	Mr. Khalil Ahmed	Chairman
2.	Mr. Muhammad Ali	Member
3.	Capt. Sarfaraz Inayatullah	Member
4.	Mr. Shahzeb Akram	Member
5.	Executive Director (SP & P)	Secretary

Chief Financial Officer
Mr. S. Jarar Haider Kazmi

Company Secretary
Mr. Muhammad Javid Ansari

Chief Internal Auditor (Acting)
Mr. Muhammad Faisal Hadi

Head Office
PNSC Building,
Moulvi Tamizuddin Khan Road, P.O.Box No. 5350,
Karachi-74000 Pakistan.
Phone: (92-21) 99203980-99 (20 Lines)
Fax: (92-21) 99203974, 35636658
www.pnsc.com.pk

Auditors
Grant Thornton Anjum Rahman, Chartered Accountants
Yousuf Adil, Chartered Accountants

Share Registrar
CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B',
S.M.C.H.S. Main Shahrah-e-Faisal, Karachi.

Bankers
Allied Bank Limited
Bank Alfalah Limited, Bahrain
Bank Alfalah Limited
Bank Al Habib Limited
Bahrain Bank Islami Pakistan Limited
MCB Islamic Bank Limited
Faysal Bank Limited
Habib Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
National Bank of Pakistan, Hong Kong
National Bank of Pakistan, Tokyo
Silk Bank Limited
Soneri Bank Limited
UniCredit Bank, Italy
United Bank Limited
United Bank Limited, London
Habib Bank Limited Bahrain

Company Milestone

Rs.46,363
Turnover (in million)

40.55%
Gross Margin

350%
Cash Dividend

50%
Bonus Shares

Rs.152.81
Earnings Per Share

22.08%
Return On Capital Employed

129%
Market Capitalization Growth

Vision

To be a prominent player and key stakeholder in global shipping industry by maintaining diversified and efficient marine assets.

Mission

To provide reliable & efficient shipping services to overseas and Pakistan's seaborne trade, maintaining relationship of integrity and trust with our customers, partners, employees, safeguarding interests of our stakeholders and contributing towards betterment of national economy, society and the environment.

Strategic Objectives

Persistent growth by strategic investment and diversification in marine sectors according to past performance and future outlook of industry.

To be optimally profitable, viable, commercial organization and contribute to the national economy by securing a reasonable return on capital and minimize outflow of national foreign reserves.

Ensure steady supplies to Pakistan defence forces in time of peace & war.

To do highly ethical, environment friendly and socially responsible business practices.

Ensuring that every employee feels proud of being part of PNSC team.

To provide its clientele safe, secure, reliable and efficient shipping services.

To practice & believe in Equal Opportunity for every one in every aspect of business.

Code of Conduct

In Pakistan National Shipping Corporation the Board, senior management and employees are committed to professionalism and understanding of themselves and others regarding accepted standards of the discipline.

The work related conduct requires a personal commitment to act in accordance with the accepted and especially professional standards of conduct and also to encourage such behaviour by employees and colleagues.

Corporation has always emphasized on the Business Ethics as a matter of policy. The Business Ethics include the principles of honesty, integrity, trust-worthiness, loyalty, fairness and justice. The business ethics are rules for conduct which raise awareness of acceptable and unacceptable behaviour. Furthermore, the ethical minds of individual employees significantly contribute to ethical business practices of the Corporation.

It is the duty and responsibilities of directors, senior management and all employees to faithfully follow the Business Ethics and comply with the policies and practices stated in this Code of Conduct. The Corporation's ultimate goal is to achieve its business objectives for the benefit of all stakeholders including the shareholders and the community at large.

POLICY STATEMENT

It is the Corporation's policy to conduct its business operations within the framework of the law and statutory rules and regulations, including the international law governing shipping operations.

The Corporation shall manage its affairs in accordance with concepts of good governance, with a high degree of integrity, transparency and accountability.

The Corporation shall constantly endeavor to formulate policies to ensure business growth, optimize operational efficiencies and profitability, and develop a corporate culture to reward merit and eliminate discrimination in all forms. It is the policy of the Corporation that professionalism is maintained in all recruiting, interviewing and hiring of individuals without regard to race, gender or religion.

There is no direct or indirect discrimination on grounds including, but not limited to race, gender, sex or marital status or religion or language and there is no harassment or victimization based on any of the aforesaid grounds.

DEVELOPMENT OF INTERNAL CONTROL SYSTEMS

It is the policy of the Corporation to maintain and update internal control systems, accounting/financial procedure, rules and regulations, in keeping with modern management practices, and ensure due compliance with regulatory requirements.

MAINTENANCE OF PROPER BOOKS OF ACCOUNT AND RECORDS

It is the policy of the Corporation to maintain proper books of account and supporting documents in accordance with law and regulatory requirements. No compromises as to the integrity of financial records or financial statements shall be permitted.

The Corporation shall ensure that all statutory records are properly maintained and that statutory returns are filed strictly according to the regulatory requirements.

All books of account, supporting documents, and statutory records shall be safeguarded and retained for such periods as may be prescribed by law or by the Corporation.

USE AND SAFEGUARDING OF CONFIDENTIAL INFORMATION

All information about the policies and business affairs of the Corporation is confidential. Information received from third parties under obligation of confidentiality belongs to those third parties and is confidential. Such information must not be used or disclosed except as permissible under the relevant agreements.

Employees shall not unauthorisedly remove any documents or tangible items which belong to the Corporation or which contain any confidential information, from the Corporation's premises, including vessels.

The responsibility to maintain the confidential nature of all nonpublic information in the Corporation's possession continues after cessation of employment.

It is the policy of the Corporation to ensure confidentiality of all inside information and do not leak any inside information out of the Corporation and no employee shall derive any personal benefit from such inside information not yet disclosed to the public and to maintain harmony among all co-workers and staff in the Corporation.

The Corporation has set up an important policy concerning the use of information of the Corporation in compliance with Good Corporate Governance and relevant regulations. The Corporation has advised its directors, senior management and employees to focus on confidential information especially internal information not yet disclosed to public or any data or information that may effect the business of the Corporation or its share price. They must not use information they receive from their directorships or employment for personal benefit or for conducting business or other activities in competition with the Corporation.

POLICY TOWARDS STAKEHOLDERS

The Corporation recognizes the rights of all stakeholders and therefore encourages cooperation between the Corporation and all the stakeholders including employees, creditors, government agencies, community and society at large.

POLICY ON SAFETY, OCCUPATIONAL HEALTH AND ENVIRONMENT

The Corporation is committed to conducting business with the highest standards of safety, occupational health and environment conditions fully complying with all legislation and regulations relating to safety, occupational health and environmental requirements at all locations in which the Corporation operates.

The Corporation shall follow practices that constantly ensure that its working environment is safe for the protection of property of the Corporation and life of its employees.

The Corporation shall encourage health and safety awareness at all levels and promote procedures and practices that ensure environmental protection taking into account the current legislation and industry codes and practices.

The Corporation shall fully disclose all information regarding its operations and standards in relation to safety, occupational health and environment.

It is the policy of the Corporation to take all necessary measures to protect the health and safety of its employees.

CONFLICT OF INTEREST

The Corporation has set up an important policy on conflict of interest. No directors, officer or employee shall have any financial interest in or be involved in the business activities of a competitor of the Corporation.

ACCEPTANCE OR GIVING OF BRIBES

No employee of the Corporation shall accept or give bribe or any illegal gratification in the conduct of the Corporation's business.

DISCIPLINE AND GENERAL CONDUCT

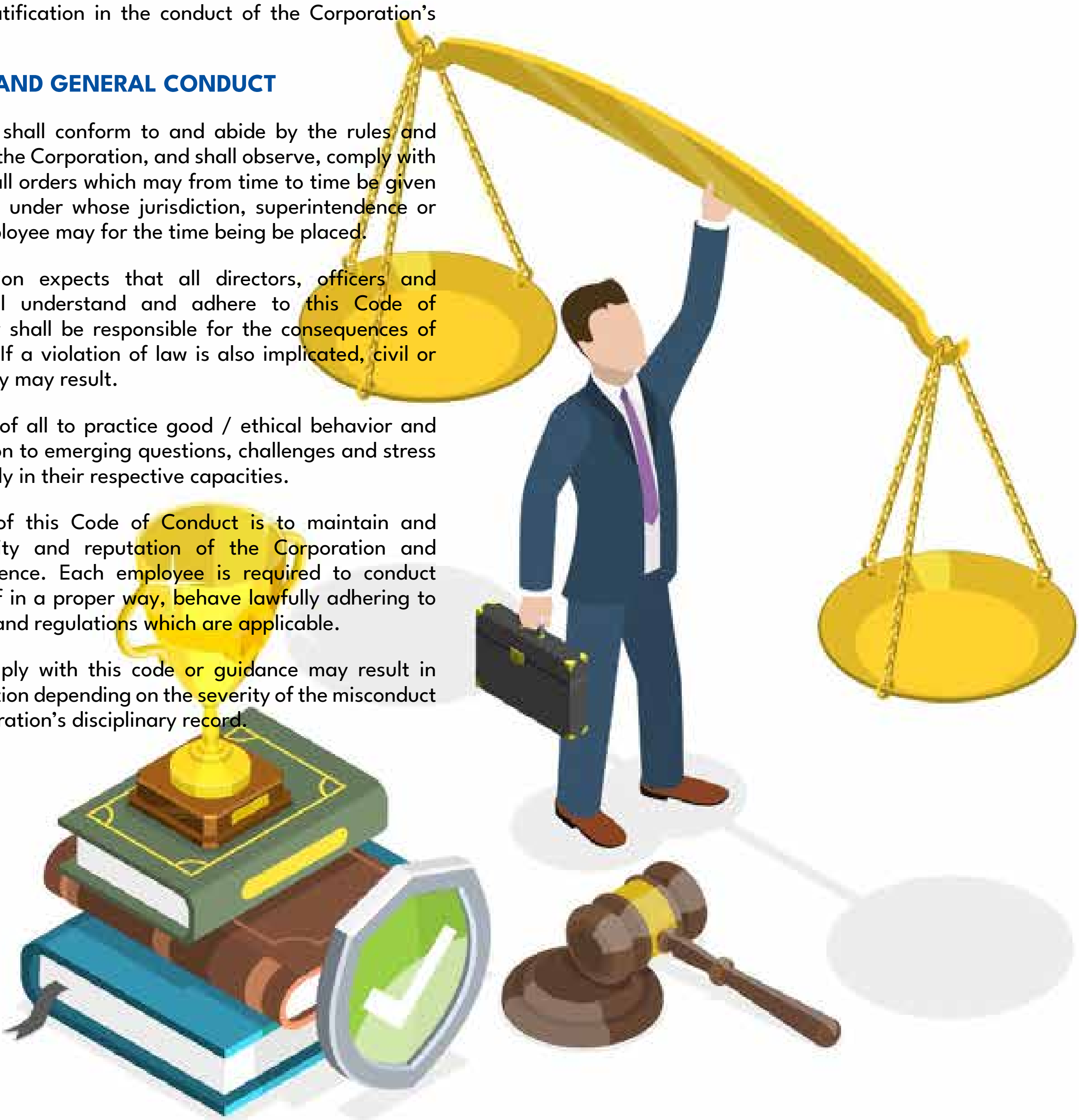
All employees shall conform to and abide by the rules and regulations of the Corporation, and shall observe, comply with and abide by all orders which may from time to time be given by any person under whose jurisdiction, superintendence or control an employee may for the time being be placed.

The Corporation expects that all directors, officers and employees will understand and adhere to this Code of Conduct. They shall be responsible for the consequences of any violation. If a violation of law is also implicated, civil or criminal liability may result.

It is expected of all to practice good / ethical behavior and to pay attention to emerging questions, challenges and stress points positively in their respective capacities.

The purpose of this Code of Conduct is to maintain and promote dignity and reputation of the Corporation and achieve excellence. Each employee is required to conduct himself/herself in a proper way, behave lawfully adhering to all laws, rules and regulations which are applicable.

Failure to comply with this code or guidance may result in disciplinary action depending on the severity of the misconduct and the Corporation's disciplinary record.



Board of Directors' Profile

Mr. Qumar Sarwar Abbasi

Ex-Officio Director
Additional Finance Secretary (Corporate Finance),
Finance Division, Islamabad

Mr. Qumar Sarwar Abbasi joined the Civil Service in 1994 through the 22nd Common Training Programme. He is an alumni of Institute for Development Policy & Management, University of Manchester (UK) from where he acquired his MA (Econ.) Development Administration and Management. He also holds an MA in International Relations.

During his career in the Civil Service Mr. Abbasi has served in different Ministries / Organizations of the Federal Government. His recent postings included Additional Secretary (HRM/CF), Ministry of Finance, Executive Director (Ops), CPEC, Authority; Senior Joint Secretary Ministry of Planning, Development and Special Initiatives; Joint Secretary to the Cabinet; Joint Secretary, Ministry of Finance; Joint Secretary (World Bank-China-Debt Management), EAD and Joint Secretary (PAC), National Assembly. He is married with three children.

Mr. Umar Zafar Sheikh

Ex-Officio Director
Additional Secretary,
Ministry of Maritime Affairs, Islamabad

Mr. Umar Zafar Sheikh did his graduation from Government College Lahore and Masters in International Relations from Quaid-e-Azam University Islamabad. He also holds a Masters degree in Accounting from University of Stockholm, Sweden, a Post Graduate Diploma in Corruption Studies from University of Hong Kong, and a certificate in Integrity Reform from University of Central Europe, Hungary.

Mr. Sheikh joined civil service in 1991. He belongs to Pakistan Audit and Accounts Service and has worked on various auditing, accounting, human resource management, financial management, and project management assignments. Major assignments include Additional Director NAB, Deputy Accountant General Senior, Director Administration, office of Auditor General of Pakistan, Director Procurement, Project to Improve Financial Reporting and Auditing, Director/Director General, President's Secretariat Public, Director General Foreign Audit, Chief Finance and Accounts Officer, and Director Finance NAB. He has recently been promoted to BS-21 and posted as Additional Secretary, Ministry of Maritime Affairs.

He has the honor of being one of the co-authors of Pakistan's first ever National Anti-Corruption Strategy. He also remained involved with implementation of the strategy, conceived and established National Accountability Bureau's awareness and prevention wing, and led its awareness campaign.

Mr. Sheikh has spoken extensively about governance, accountability, anti-corruption, motivation, financial management, communication skills and public speaking at national and international level. He is a regular guest speaker and review panelist at Civil Service training institutes.

Mr. Ahsan Malik

Director

Mr. Ahsan Malik is a Group Director of The Waterlink Group involved in Shipping, Energy, Trading and Infrastructure development businesses. He holds an L.L.B (Hons) and L.L.M.(Masters) from the University of Buckingham and is a licensed Advocate of the Sindh High Court of Pakistan. He is a Certified Director by the SECP for listed companies and is an LSE (London School of Economics) Certified Real Estate and Finance Professional. He brings a wide range of professional and business experience that spans almost two decades. Mr. Malik is passionate about CSR initiatives and the concept of a Blue Economy, he also serves as a Trustee on the Board of Muskan Welfare Trust (MWT) which focuses on Education Inspiring Change and providing Healthcare facilities to the underprivileged. Mr Malik is a member of an honorable society of Lincoln Inn, Sindh Bar Council, Karachi Bar Association and has also served on the Board of Bahria Transshipment Hub Pakistan Ltd. (BTHP). He believes that the solution to our nations Energy Security and Economic Problems, lies within the Shipping and Energy Supply Chain industry. Through his CSR and business initiatives he aims to build an example of Ethical Business, where profits, prosperity and preservation are valued equally.

Mr. Muhammd Ali

Director

He has over 27 years of experience and expertise in Energy & Petrochemical Sectors; holding leading roles that oversaw development, construction, operations and management of mega-size projects. He is currently heading industrial portfolio of JS Group of companies where he looks after the group's oil and gas, power generation, energy storage handling/businesses and other industrial business.

Previously he served as CEO of Engro Vopak Terminal - Pakistan's largest bulk liquid chemical import terminal, CEO of Engro Elengy Terminal - Pakistan's first LNG terminal and CEO of Engro Powergen Qadirpur Limited - a 220 MW gas-fired IPP. He also ran Engro's New Ventures division where he developed and operated an 84MW gas-fired IPP in Nigeria, developed and installed a 50MW Wind IPP in Pakistan, and ran the feasibility for a 450MW LNG to power plant. Prior to his power generation work at Engro, he was the Manager of Strategic Planning, Contracts and Procurement at Engro Fertilizer where he was a key leadership team member that developed and brought into production a $1.1 billion grassroots ammonia/urea plant, which at the time was the world's largest single train project of its kind.

He is currently serving as board member of Zahidjee Textile Mills Ltd.

Previously he has been a board member of the Laraib Energy (84MW Hydro power IPP), Engro Powergen (developer and majority shareholder of Sindh Engro Coal Mining Company a Thar coal mining company), Engro Powergen Thar Ltd (660MW coal IPP), GEL Nigeria (84MW Nigerian IPP) and Petroleum Institute of Pakistan.

He hold a Bachelor's degree in Electrical Engineering from University of Engineering Technology Lahore and graduated from the Advanced Management Program from INSEAD in France.

Captain (R) Sarfaraz Inayatullah TI (M)

Director

Captain Sarfaraz Inayatullah is a reputed highly qualified Engineer, Naval Architect vis-à-vis Business Management Professional with over 41 years of experience at Executive, Administrative, Management and Project Development positions both in local & international maritime sector organizations. During his illustrious career, he successfully managed the design, construction, salvage,

repairs, and safe operations of maritime assets including Tankers, FSRUs, LNG Gas Carriers, Bulk Carriers, Dredgers, Tugs, Hopper Barges, submarines and Offshore installations through implementation of International Maritime Organization (IMO) protocols & conventions pertaining to safety of life at sea.

Captain Sarfaraz Inayatullah has worked in a challenging environment of Local and International Maritime Sectors with role in senior management. Thus, he is ideally suited to help the organizations in achieving their tactical and strategic objectives.

By virtue of affiliation with professional bodies of international repute viz a viz strong background of foreign training & service, Captain Sarfaraz Inayatullah enjoys the status of chartered engineer and fellow with Engineering Council UK, Royal Institution of Naval Architects (RINA), Institution of Engineers Pakistan (IEP) and Pakistan Engineering Council (PEC). For obvious reasons, these credentials are a source of strength for any organization.

Being qualified Business Management Professional, Auditor, Inspector and Marine Surveyor with vast and versatile experience in international maritime sector, Captain Sarfaraz Inayatullah possesses excellent skills in Technical & Commercial Advisory Services required for capacity building, third party inspection & certification system, QRA, QA/QC, HSE to support the multifaceted challenges of maritime sector.

Captain Sarfaraz Inayatullah enjoys outstanding academic and professional track record both in country and abroad. Presently he is serving as Country Marine & Offshore Chief Executive of International Classification Society "Bureau Veritas Pakistan". He is an elected member on the PNSC Board of Directors.

Newly Appointed Board Members

Subsequent to year end, Federal Government vide its notification no. F. No.1(4)/2019-PNSC dated 23rd September 2024 appointed the following independent Directors on the Board of Corporation for a period of (03) years.

The Federal Government appointed Mr. Sultan A. Chawla as a Chairrman of the PNSC Board.

Mr. Sultan A.Chawla

Mr. Arif Habib

Mr. Khalil Ahmed

Khawaja Shahzeb Akram

Ms. Nadia Osman Jung

PNSC Managed Fleet

TANKERS

Vessel: M.T MARDAN — Built: Japan

Deadweight (MT): 107,123 — Length Overall (M): 246.80
Gross Tonnage (MT): 58,168

Vessel: M.T SARGODHA — Built: Japan

Deadweight (MT): 107,123 — Length Overall (M): 246.80
Gross Tonnage (MT): 58,168

Vessel: M.T BOLAN — Built: South Korea

Deadweight (MT): 74,919 — Length Overall (M): 220.89
Gross Tonnage (MT): 42,411

Vessel: M.T KHAIRPUR — Built: South Korea

Deadweight (MT): 74,986 — Length Overall (M): 220.89
Gross Tonnage (MT): 42,411

Vessel: M.T SHALAMAR — Built: Japan

Deadweight (MT): 105,315 — Length Overall (M): 228.60
Gross Tonnage (MT): 55,894

Vessel: M.T QUETTA — Built: Japan

Deadweight (MT): 107,215 — Length Overall (M): 246.80
Gross Tonnage (MT): 58,118

Vessel: M.T LAHORE — Built: Japan

Deadweight (MT): 107,018 — Length Overall (M): 246.80
Gross Tonnage (MT): 58,157

BULK CARRIERS

Vessel: **M.V SIBI** Built: Japan

Deadweight (MT): 28,442 Length Overall (M): 169.37
Gross Tonnage (MT): 17,018

Vessel: M.V MALAKAND Built: Japan

Deadweight (MT): 76,830 Length Overall (M): 225.00
Gross Tonnage (MT): 40,040

Vessel: M.V HYDERABAD Built: Japan

Deadweight (MT): 52,951 Length Overall (M): 188.50
Gross Tonnage (MT): 29,365

Vessel: M.V CHITRAL Built: Japan

Deadweight (MT): 46,710 Length Overall (M): 185.73
Gross Tonnage (MT): 26,395

Vessel: M.V MULTAN Built: Japan

Deadweight (MT): 50,244 Length Overall (M): 189.80
Gross Tonnage (MT): 27,984

TANKERS & BULK CARRIERS

SEGMENT	DEADWEIGHT (MT)	GROSS TONNAGE (MT)
TANKERS	683,699	373,327
BULK CARRIERS	255,177	140,804
TOTAL	**938,876**	**514,131**

Syed Jarar Haider Kazmi

Executive Director (Finance) / CFO

Mr. S. Jarar Haider Kazmi is Executive Director (Finance) /Chief Financial Officer of Pakistan National Shipping Corporation. He has been associated with PNSC Group since October 2005 and is a member of Board of Directors of several group companies.

He is a seasoned Senior Finance Executive with a career spanning 29 years in Finance with strong emerging market experience and carries a proven track record of managing the finance, insurance and legal functions of organization.

He has spear headed several group projects when these were at a critical stage during their execution and was also involved in practical modelling and handling of derivatives.

He is head of Chartering Committee of the Group where he constructively participates with commercial and operation teams and ensures that business decisions are grounded in solid financial criteria. He has also developed the Business Plan of the Group in the capacity of CFO/ Secretary Strategy and Risk Management Committee of the Board and proposed trajectory for sustainable growth with adequate assessment and mitigation of risk as well as compliance with applicable regulatory and other legal requirements.

Prior to joining PNSC Group, he had served on senior positions in Audit, Advisory & assurance, Automobile and Pharmaceutical Companies. He has developed and implemented Financial Systems, Strategies, processes and control that significantly improved Business scenarios.

He is a Fellow member of the Institute of Chartered Accountants of Pakistan and a Certified Director from Institute of Business Administration (IBA). Certified Director from Pakistan Institute of Corporate Governance (PICG) for State-Owned Enterprise (SOE).

He has also attended international professional development courses related to insurance and finance including Mutual Insurance and Derivatives Modelling.

As a seasoned Chief Financial Officer, he excels in devising and executing comprehensive long term strategic plans, astutely assessing the viability and potential yield of individual projects and adeptly securing optimal financing structure through commercial borrowing and sophisticated derivative transactions.

His expertise encompass the negotiation and management of complex financial instruments including options and swaps to judiciously mitigate risk and maximize return. By leveraging his in-depth knowledge of financial analytics and risk management, he has constantly delivered innovative financial solutions that drive business growth and enhance shareholders value.

His visionary leadership and technical acumen has reputed him as a trusted financial steward and a key driver of our organization's success.

He actively participates in the group's CSR initiatives especially those which render services in the fields of health, education, sports and poverty alleviation.

Mr. Khurram Mirza

Executive Director (Special Projects & Planning)

Mr. Khurrum Mirza is a Certified Management Accountant (CMA) from the Institute of Management Accountants (IMA), USA. He did his Master in Business Administration (MBA) from the Institute of Business Administration (IBA), Karachi and has been actively involved in various business development projects in Pakistan and internationally. He also has a post graduate diploma in Project Management from the Pakistan Institute of Management and has attended the maritime security course at the Pakistan Navy War College. Mr. Khurrum Mirza assumed the office of Executive Director (Special Projects & Planning) at Pakistan National Shipping Corporation (PNSC, the Corporation) in March 2017. Subsequently, he also assumed the office of Executive Director (Administration) from June 2019 to April 2022.

His major contributions to PNSC since joining the Corporation is towards spearheading a fleet development plan under which PNSC inducted two tanker vessels in 2019 and two more in 2022 and is currently in the process of inducting more tonnage. He is also the project lead for implementation of a computer based shipping ERP for the integration of all major functions of the Corporation and computerized linkage of all PNSC managed vessels with the head office in real time.

Prior to joining PNSC, he gained extensive knowledge and experience with the largest container terminal operator globally where he was involved in several international business developments projects and rose up the ranks to a senior management position. He was also an integral part of the senior project team responsible for setting up a US$ 400 million plus green field container terminal project at the Deep Water Port in Karachi. This project was successfully delivered and commenced operations in 2016. His professional interests include research, strategy formulation, project execution, relationship building, financial modeling and capacity building.

Captain Mustafa Kizilbash

Executive Director (Commercial)

Capt Mustafa Kizilbash is a Fellow Member of the Institute of Chartered Ship brokers UK. He did his MBA in Maritime Management from the University of Greenwich London. He also possess a post graduate degree in Nautical Science from the Black pool and Fylde College UK.

He assumed the office of Executive Director (Commercial), Pakistan National Shipping Corporation on 7th July, 2022. Earlier, he has been holding the key positions in PNSC Commercial Department since November 2010. He began his career in 1998 as deck Cadet and came on shore in 2009 as a Master Mariner. A passionate and diligent professional who possess over 23 years of experience within shipping industry with more than 13 years of experience in Tanker (Aframax , LR1) ,Dry bulk (PMX, Supra, Handy) & Break bulk chartering across all product segments.

His strengths include excellent knowledge of key trading routes including (DPP, CPP, Veg oil, minerals, project, general cargoes (OOG), agriculture, etc), FFA derivatives, freight market analysis, commercial contracts & negotiation skills in both liquid and dry bulk trade with a deep passion and devotion for work in the shipping industry.

Syed Muhammad Babur

Executive Director (Ship Management)

Syed Muhammad Babur is an engineer by profession who has mastered the art of analysing & strategizing the organizational needs and translating them to realistic achievements, with team work. He possesses over 31 years of rich and versatile experience in all facet of his profession with core responsibilities in the field of Systems Engineering Management; managing a large number & variety of men, material and financial resources.

He has been instrumental in Pakistan's new ship acquisition program from China and remained involved for defining customer requirements and an active part of contracting team. During ship construction phase, he was responsible for the final ship design review while being stationed at HZ Shipyard, Shanghai (China).

In past, after having served onboard ships, he remained engaged for operational management of logistics, engineering, victualling, supply support, technical training and human resource aspects of the ashore organization.

Having led several technical and non-technical green field projects with experience of their complete life cycle management, he possesses expertise in transforming abstract ideas into concise executable strategies that mitigates risks, maximize ROI and yield measureable business results.

Mr. S. M. Babur has done Masters both in the field of engineering and social sciences and is a member of Pakistan Engineering Council since 1995.

Mr. Zeeshan Taqvi

Chief Accountant

Mr. Zeeshan Taqvi, is a Fellow member of the prestigious professional accountancy body the Institute of Chartered Accountants of Pakistan (ICAP), has adeptly leading the Finance Department as Group General Manager Finance and regulatory appointed as Chief Accountant since February 2016.

In capacity as Chief Accountant has over 24 years of multifaceted experience across various domains. His special expertise includes; Financial Infrastructure Development, Financial Modeling & Reporting, IFRS Compliance, Budgeting and Forecasting, Stakeholder Management, Cost Reduction, Risk Management, Taxation, Treasury Management, Ship Financing/Refinancing, Swapping and Derivatives (in scope of IFRS-09), and Financial aspects of vessel dry-docking. He has led the development and implementation of new ERP solutions, as well as devising and developing finance-related reports for improved financial information.

Accomplished Big 4 trained Chartered Accountant with progressive work experience of successfully handling audit engagements at global level. Consistently ranked as top talent by employers, he has demonstrated strong business acumen, a result driven mindset, a drive to continuously improve processes and the ability to lead and develop others.

Mr. Taqvi has enriched his professional economic and business acumen in the maritime industry as well as finance and corporate sector by attending numerous workshops, seminars, and conferences, both domestically and internationally, continually advancing his expertise and staying abreast of the latest developments in his field.

Mr. Muhammad Javid Ansari

Corporation / Company Secretary

Mr. Muhammad Javid Ansari has been serving the PNSC Group as Company Secretary of PNSC and its 19 Subsidiary Companies, since 2019. He also served as a secretary of Board's HR, Nomination & CSR Committee.

He has served on key management positions on other organizations and has diversified professional experience of more than 24 years in the field of Corporate Governance & Compliance, Finance, Taxation and Audit.

He is a Law Graduate and member of following professional bodies:

- Fellow member of Institute of Cost Management Accountants of Pakistan (ICMAP).
- Fellow member of Institute of Corporate Secretaries of Pakistan (ICSP).
- Fellow member of Pakistan Institute of Public Finance Accountants (PIPFA).

He is a member of National Council of ICSP and serving as chairman Audit committee of the Council. He has also served on various committees formed by the aforesaid professional bodies. He is Certified Director from Institute of Cost and Management Accountants of Pakistan (ICMAP) and also from Pakistan Institute of Corporate Governance for State-Owned Enterprise (SOE) and member on Tax Committee of Karachi Chamber of Commerce and Industry.

The Board of Directors of Pakistan National Shipping Corporation (PNSC, the Corporation) Group (the Group) is pleased to submit the forty-sixth Annual Report, along with the annual audited financial statements for the year ended June 30, 2024.

BRIEF INTRODUCTION, PRINCIPAL OPERATIONS AND PERFORMANCE REVIEW

Pakistan National Shipping Corporation (PNSC), the national flag carrier of Pakistan, is a reputed player in the global maritime transportation industry. With a focus on maximizing shareholder value, PNSC operates a fleet of 12 vessels with a total carrying capacity of 938,876 tonnes, serving diverse trade routes across the globe. PNSC boasts a strategically diverse fleet, includes Five double hull Aframax and two LR-1 Product tankers catering to the country's energy needs. Panamax bulk carriers alongside Supramax, Handymax, and Handysize bulk carriers, facilitating the transport of a wide range of dry bulk commodities, including iron and steel products, fertilizers, minerals, coal, iron ore, grain, and construction materials.

PNSC prioritizes highest standards of safety and environment. The Corporation adheres to stringent international regulations while remaining committed to environmentally responsible practices.

Operated by a team of professionals, PNSC aims to excel in serving the interests of its stakeholders. The corporation actively contributes to the growth of worldwide seaborne trade.

Categorization of the Corporation as Strategic SOE.

The Board of Directors is pleased to apprise the members that the State-Owned Enterprise (Governance and Operations) Act, 2023 (SOE Act) came into effect last year and the State-Owned Enterprise (Operation & Management) Policy (SOE Policy) has also been issued in November 2023. According to para 9(a) chapter 3 of the SOE Policy, the Corporation has been categorized as Strategic SOE by the Cabinet Committee of State Owned Enterprises.

Crucial Role in National and Global Trade:

PNSC plays an essential role in meeting Pakistan's domestic demand for imported crude oil through seaborne trade primarily from the Middle East and in facilitating the exchange of dry bulk commodities across the globe.

While recognizing the influence of international freight indices and the global economic outlook on its performance, PNSC remains steadfast in its commitment to providing efficient and reliable maritime transportation services.

Modernization and Fleet Expansion:

PNSC is actively pursuing fleet modernization and replacement to ensure:

Energy Security:

The acquisition of Aframax/LR-2 vessels is underway to bolster Pakistan's energy security.

Compliance with IMO Regulations:

Expanding tonnage will guarantee the fleet's adherence to upcoming stricter regulations set by the International Maritime Organization (IMO).

Streamlined Procurement Process:

To enhance operational efficiency, PNSC is engaged in developing an independent procurement policy as required under the SOEs Act 2023. The procurement policy shall aim to streamline PNSC's procurement process, particularly for second-hand vessels, by aligning the internal processes with international shipping standards while simultaneously ensuring value for money, traceability and transparency.

Vessels Acquisition Strategy:

While the focus of vessels acquisition process shall be towards acquiring new vessels, to be built to specifications that meet PNSC's trade requirements, however, the possibility of acquiring secondhand vessels shall also be explored to enable PNSC to capitalize upon opportunities available in the market. It is noted that the cost of new vessels is usually higher than that of secondhand vessels, thus requiring higher capital outlay and longer payback period while on the other hand, secondhand vessels may not fully meet PNSC's technical requirements since they were built to some other shipping firm's requirements and the maintenance cost of secondhand vessels may also be higher as compared to new vessels. It may also be noted that maintaining a fleet comprising a mix of new and secondhand vessels is a normal international ship owning practice, practiced extensively even by the largest global shipowners. By strategically acquiring both new and pre-owned vessels, PNSC anticipates achieving economic benefits aligned with shareholder objectives. This dual pronged approach is anticipated to position PNSC toward sustainable growth in the maritime transportation sector.

GLOBAL ECONOMIC OUTLOOK

The global economy has shown remarkable resilience since end-2022, maintaining steady growth and seeing inflation return to target levels. This resilience followed a series of significant disruptions, including post-pandemic supply-chain issues, the Russia-Ukraine war triggering energy and food crises, a surge in global inflation and Israel-Palestine Conflict creating Red Sea shipping crises. Despite these challenges, a global recession was avoided, the banking system remained stable, and emerging market economies did not face severe setbacks. Inflation has notably decreased from its peak, with global growth stabilizing around 3.2% for 2024 and 2025. The reduction in inflation has been driven by falling energy prices and easing supply-chain frictions, while robust employment growth has minimized economic scarring from the pandemic.

However, several challenges remain. Although inflation trends are promising, core and services inflation remain high, posing risks to the disinflation process. The global economic outlook masks significant divergence among countries. The U.S. economy has performed exceptionally well, but this has been partly driven by unsustainable fiscal policies, raising concerns about future inflation and global financial stability. The Euro area faces modest growth with risks from persistent wage growth and services inflation, while China's economy is hindered by a property sector downturn and sluggish domestic demand. Conversely, many large emerging markets are performing well, benefiting from shifting global supply chains and trade tensions between China and the U.S.

Low-income developing countries face increasing challenges, with downward revisions in growth and upward revisions in inflation, exacerbating economic scarring from the pandemic and cost-of-living crises. Real interest rates have risen, complicating sovereign debt dynamics, particularly for highly indebted emerging markets. These countries need to focus on rebuilding fiscal buffers through credible fiscal consolidations to lower funding costs and enhance financial stability. Medium-term growth prospects are weak due to declining total factor productivity growth and increased misallocation of capital and labor. Harnessing AI for productivity gains, improving digital infrastructure, and addressing geo-economic fragmentation are crucial for future growth.

Pakistan economy has faced significant challenges including macro-economic imbalances, economic slowdown, supply shocks and impact of geo-political instability duo ongoing conflicts and wars in the world. According to the IMF Economic Outlook for the year 2024, a significant upward trajectory has been forecast in key economic indicators of Pakistan economy such as inflation, unemployment, and economic growth.

GLOBAL SHIPPING MARKET OUTLOOK

The shipping markets are experiencing a robust period, with the Clark Sea Index averaging $24,000/day in the first quarter, 35% above the 10-year trend and sustaining the strong performance of 2023. Contributing factors include underlying trade volume growth, a tight shipbuilding market, and various complexities in supply and demand influenced by geopolitical disruptions and increasing emissions regulations.

Seaborne Trade Volumes grew by 3% in 2023 to 12.4 billion tonnes, with projections for a 2% increase to 12.6 billion tonnes in 2024. Longer-haul voyages and rerouting, such as through the Cape of Good Hope instead of the Red Sea, are increasing global vessel demand by 3%. Tanker Markets Earnings average >$40,000/day due to low fleet growth and long-haul trade flows related to Russia. Container Markets benefited from Red Sea rerouting, with spot freight rates doubling and charter rates up 37% since early December. Bulk Carriers seeing a strong start to the year with firm cargo volumes and limited new build orders. Overall fleet growth projected at ~3% to 2.5 billion dwt in 2024, with uneven distribution across sectors (e.g., tankers 8%). New build orders are expected to remain strong, with shipyard capacity tight and prices up 40% since 2020. Ship recycling is limited, while S&P markets are active with prices at a 15-year high.

Green Transition in Shipping:

Shipping accounts for 1.9% of global GHG emissions. The EU ETS will extend to shipping in 2024, introducing a carbon price estimated at $6 billion annually by 2026. 65% of the deep-sea cargo fleet is A-C rated under CII, with significant impacts expected on speed trends and retrofitting. Green technology uptake includes 6% of the fleet being alternative fuel capable, 31% fitted with energy-saving technologies (ESTs), and 32% with eco engines. Significant fleet renewal is expected as 31% of the fleet is over 15 years old.

The shipping markets are currently strong with positive cash flow, though geopolitical and economic risks, supply-side constraints, and emission policies require careful monitoring as the industry navigates disruptions and green transitions.

Dry Bulk Market

The dry bulk market witnessed softness in earnings year-over-year (y/y) across all segments. Capesize earnings averaged 40% higher year-over-year in FY24, while Kamsarmax and Handymax earnings were down by 21% and 34%, respectively.

Dry bulk demand was strong throughout the year on the back of rising Chinese imports. Chinese hydro-power production suffered due to lower rains in the region, thereby increasing coal-fired electricity demand and consequently coal imports into China. Iron ore imports into China were also strong as rising Chinese steel exports supported domestic steel production despite slowdown in the property sector.

Despite strong trade growth, congestion unwinding in H1 FY24 kept earnings subdued. In Q3 FY24, congestion in Brazil surged as low river water levels impacted dispatch of cargo to ports, resulting in long queue of vessels waiting to load grains.

The conflict in Red Sea meant that a higher proportion of vessels started re-routing through the Cape of Good Hope in Q4 FY24, thus adding to the ton-miles

Dry Bulk Outlook

Overall dry bulk trade is likely to grow in FY25, mainly on the back of rising coal imports into China. China's iron ore import growth is likely to slow down in FY25 owing to higher domestic iron ore inventory levels along with slowing steel production. Moreover, weakness in Iron ore prices could restrict the supply from marginal price-sensitive exporters.

Grain trade could do well in FY25, however risk of disruption to Black Sea grain exports due to war continues to persist.

The total bulk carrier orderbook stands at 9% of the fleet, with Cape sizes being best placed with an orderbook of 6% of the fleet. Fleet is likely to grow at ~3% in CY 2024, in line with fleet growth in CY 2023.

Both upside and downside demand risks remain. A longer than assumed crisis in the Red Sea and continued Panama Canal transit restrictions will likely strengthen the market. On the other hand, a deterioration in conditions in China's property or financial sectors would harm demand.

Environmental Policies will continue to impact the market, with potential slower speeds, retrofitting, and increased S&P activity expected.

Freight rates are expected to stay stable in the near term but could cool starting in the second half of 2024. In 2025, freight rates may weaken as supply grows faster than demand.

Crude Tanker Market

Overall, the global seaborne crude trade grew by approximately 1.9% y/y during FY24, with trade surpassing the levels last seen pre-pandemic. On the other hand, the crude tanker global fleet grew by 2.6% in nominal terms during the year. Scrapping activity was negligible.

Crude tanker earnings had surged in FY23 to levels last seen in FY09, mainly propelled by sanctions on Russian crude exports. Earnings softened slightly y/y in FY24 but still sustained strong levels from a historical perspective.

The structural dislocation caused by Russia's invasion of Ukraine in February 2022 continues to benefit the Aframax and Suezmax tanker segments. US and EU's efforts to tighten sanctions on the dark fleet, the lower discount of Urals (vs Brent), have all made it challenging for Russian crude exports. Yet Russian seaborne exports increased by approximately 2% in FY24.

From early 2024, tanker markets were further buoyed by disruptions as Houthi attacks on ships in the Red Sea prompted a number of vessels to take the longer route around the Cape of Good Hope.

Product Tanker Market

The product tanker market has been witnessing a prolonged period of firm earnings since early 2022, following the onset of the Russia-Ukraine war.

Like crude tankers, product tanker earnings softened y/y in FY24 but continue to be strong from a historical perspective. Product tanker markets have been aided by strong refinery throughput, shifts in product trade patterns due to impacts from the Russia-Ukraine conflict, and the latest trade disruptions from the conflict in the Red Sea.

Seaborne product trade volumes increased by an estimated 3.4% y/y in FY24. Product tanker fleet supply grew by 2.3% in nominal terms

New Middle East refineries in Kuwait, Oman and Iraq have ramped up production, and despite higher y/y maintenance in Saudi Arabia, Middle East product exports grew by 4% in FY24.

Furthermore, the Panama Canal disruption in the second half of CY 2023 also aided West of Suez product tanker earnings. In early 2024, product tanker markets saw further upside from vessels rerouting away from the Red Sea onto longer voyages (via the Cape of Good Hope), which has added additional impetus to an already tight supply-demand balance.

Tanker Outlook

Oil demand forecasted to grow by 1.5 mbpd each in 2024 & 2025, largely driven by Asia, which structurally short oil and refined products Non-OPEC production about 1 mbpd increase YOY, primarily from Americas (US, Brazil, Canada, Guyana) Tanker ton-miles will remain supported as long as the vessels continue to divert trade via Cape of Good Hope due to Red sea conflict.

The potential increase in European imports will need to be supplied by long-haul trade, likely from the Middle East where new refineries continue to ramp up runs. This new capacity has been concentrated towards middle distillates.

On the other hand, the start-up of the large Dangote refinery in Nigeria is expected to be slow with full utilization reached by end-2025 at the earliest. As such, the import needs of West Africa are likely to remain intact for a period of time. Although the orderbook has built up recently, deliveries will remain under check at least in the coming year. Crude tanker deliveries would be ~1% of the fleet over CY 2024 while Product tanker deliveries would be about 2%. At the same time the current tanker fleet is ageing and this, coupled with new regulations (EEXI/CII), could lead to accelerated scrapping going forward.

Generally, the positive trends on the product tanker demand side combined with relatively limited tonnage supply growth, support a positive freight market development in the next three-year period. However, market volatility is expected to remain not least due to the continued geopolitical instability.

SEGMENTAL REVIEW OF MARITIME BUSINESS PERFORMANCE

PNSC having a total DWT capacity of 938,876 metric tons lifted cargo of about **09.94** million tons (FY 2023: **10.83** million tons) during the year under review, which is equivalent to about **10.31%** (FY 2023: **13.06**%) of country's total **96.37** million tons (FY 2023: **82.95** million tons) seaborne trade by volume. Bifurcated statistics of Pakistan's seaborne trade for the current year 2023-24 and last year 2022-23 along with PNSC's share is as under:

-------------------------Figures in 'million tons'--------------------

	Dry Bulk		Liquid Bulk		Total	
Description	**2024**	2023	**2024**	2023	**2024**	2023
Pakistan Seaborne Trade	**67.17**	54.13	**29.20**	28.80	**96.37**	82.95
PNSC's Share	**1.29**	1.57	**8.64**	9.26	**9.94**	10.83

Nature/arrangement wise bifurcation of total cargo transported by PNSC is tabulated below:

Segments	**Unit of Measurement**	**2024**	2023
Dry Cargo (Bulk Carrier)	Million tons	**1.268**	1.574
Liquid Cargo (Tanker)	Million tons	**8.647**	9.26
Slot Charter			
– Break Bulk	Higher of MT or CBM (W/M)	**0.030**	0.075
– Containerized Cargo	Thousand TEUs	**1.173**	1.230

SIGNIFICANT RISKS

Despite PNSC's benefit from the Ukraine-Russia war's impact and Red sea crises, the shipping industry inherently faces several risks due to deteriorated geopolitical situation in the world. The corporation acknowledges intense competition in dry and wet markets, along with excess capacity, subdued freight rates and major regulatory changes in shipping in terms of transitioning towards cleaner fuel as major commercial threats. Their earnings are directly tied to global market fluctuations. Furthermore, PNSC faces uncertainties due to factors like oversupply in bulk segments, volatile oil and bunker prices, rising operational costs, evolving industry norms, and potential disruptions in foreign payments.

Risk and opportunities and steps taken to mitigate:

Litigation Risk:

Shipping companies face significant litigation risks, including accidents, cargo damage, and contractual disputes. These risks can lead to costly settlements, damage to reputation, and loss of business.

Some common litigation risks in shipping include:

- Accidents and injuries: Ship collisions, groundings, and other accidents can result in costly lawsuits and settlements.

- Cargo damage: Damage to cargo during transit can lead to claims from cargo owners.

- Contractual disputes: Disputes with charterers, shipbuilders, or other parties can result in costly litigation.

To mitigate these risks, PNSC takes following steps;

- Conduct thorough risk assessments: Identify potential risks and take steps to mitigate them,

- Develop and implement robust safety protocols: Ensure compliance with safety regulations and industry standards.

- Maintain proper documentation: Keep accurate records of cargo, vessel maintenance, and other critical operations.

- Train crew and staff: Ensure that crew and staff are properly trained to handle emergency situations.

- Engage legal professionals: Regularly consult with legal experts to review contracts and ensure compliance with regulations.

Other effective strategies to mitigate litigation risks include:

- Alternative dispute resolution: Consider arbitration or mediation to resolve disputes outside of court,

- Insurance coverage: Maintain adequate insurance coverage for vessels, cargo, and liability.

- Regular maintenance: Regularly inspect and maintain vessels to prevent accidents and damage.

Risk of major accident or oil spillage:

PNSC, along with all shipping companies, faces the ever-present risk of major accidents or oil spills. These events can have devastating consequences for the environment, local communities, and the company's reputation. To mitigate these risks, PNSC likely invests in rigorous crew training, implements strict safety protocols, and maintains its fleet to the highest standards. Regular maintenance and inspections can help prevent equipment failures, while spill response plans and emergency procedures ensure a swift and effective response in case of an incident.

Managing Environmental Impact:

Global shipping is responsible for 3% of the total greenhouse gases. The International Maritime Organization (IMO) has implemented a series of regulations to tackle carbon emissions from international shipping. Here's a breakdown of some key points:

- 2023 IMO GHG Strategy: This ambitious strategy aims to significantly curb emissions. It targets a reduction in carbon intensity (CO_2 emissions per transport work) by at least 40% by 2030 compared to 2008 levels. Additionally, it seeks a total annual GHG emissions reduction from international shipping by at least 50% by 2050, striving for net-zero emissions altogether.

- Focus on New Technologies: The strategy emphasizes the adoption of zero or near-zero GHG emission technologies, fuels, and energy sources. It aims for these alternatives to represent at least 5% of the energy used by international shipping by 2030, with a target of reaching 10%.

- Existing Ship Measures: The IMO has established the Energy Efficiency Existing Ship Index (EEXI) which requires existing ships to improve their operational efficiency and reduce carbon intensity. Additionally, the Ship Energy Efficiency Management Plan (SEEMP) is a mandatory tool for ship operators to manage energy use and improve environmental performance.

- New Ship Standards: New ships are subject to ever-stricter regulations. The Energy Efficiency Design Index (EEDI) sets mandatory technical requirements for new ships, ensuring they are progressively more energy efficient compared to previous generations.

These regulations are a significant step towards a cleaner shipping industry. However, the IMO also recognizes the need for further action, including research and development of new technologies, and financial and technical assistance for developing countries to implement these changes.

PNSC is taking a two-pronged approach to address environmental concerns and comply with IMO regulations. Firstly, they are actively seeking to incorporate cleaner-fueled vessels into their fleet, ensuring they meet the latest IMO standards. Secondly, they are demonstrating a forward-thinking approach by hiring a consultant to develop a comprehensive strategy and action plan. This plan will specifically address environmental impact management and outline the necessary steps for PNSC to transition towards greener technologies

a. Armed Piracy in Gulf of Aden

Piracy in high-risk areas like the Gulf of Aden, Malacca Strait, and the Somali coast poses a serious threat to global shipping, including PNSC. Recognizing this danger, PNSC implements a multi-layered strategy to safeguard its vessels and crew.

Insurance Coverage: PNSC prudently secures insurance policies to mitigate financial losses arising from piracy incidents.

Best Management Practices (BMP-5): The Company adheres to the globally recognized BMP-5 guidelines, a set of protocols established to minimize the risk of pirate attacks. These practices likely involve crew training, security measures onboard vessels, and recommended routes to avoid high-risk areas.

Collaboration with Pakistan Navy: PNSC maintains close communication with Pakistan Naval headquarters, potentially allowing for coordinated efforts to ensure safe passage through these hazardous zones.

By combining insurance coverage, adherence to BMP-5, and collaboration with the Navy, PNSC demonstrates its unwavering commitment to the safety and security of its personnel and vessels.

b. Trade Risk in Gulf of Oman /Strait of Hormuz:

PNSC's oil tankers frequently navigate the Strait of Hormuz, a critical chokepoint for global oil transportation. This region, however, has become a designated war zone due to past incidents, posing a significant security risk. PNSC employs a multi-layered strategy to ensure the safe passage of its vessels carrying crude oil, furnace oil, and refined petroleum products.

Enhanced Crew Preparedness:

Recognizing the heightened risk, PNSC crews are likely subjected to rigorous training in emergency procedures, heightened vigilance protocols, and potential evasive maneuvers. This ensures their ability to react swiftly and effectively to any unforeseen circumstances.

National Support:

As Pakistan's National Flag Carrier, PNSC enjoys the crucial advantage of continuous diplomatic and military support from the Pakistani government. This backing serves as a potential deterrent and facilitates smoother passage through the Strait.

Robust Insurance Coverage:

To further mitigate financial losses in case of an incident, PNSC has secured additional insurance coverage from reputable and established providers. This comprehensive insurance plan likely covers not only damage or loss of the vessel but also potential cargo spills or disruptions.

Potential Additional Strategies:

Information Sharing and Collaboration: PNSC might participate in information-sharing initiatives with other shipping companies or regional authorities to stay updated on real-time security threats and take necessary precautions.

Alternative Routes (if feasible): Depending on the severity of the situation and cargo urgency, PNSC might explore alternative routes, albeit potentially longer or more expensive, to bypass the Strait of Hormuz entirely.

By implementing these comprehensive measures, PNSC demonstrates its commitment to safeguarding its personnel, vessels, and vital cargo shipments while navigating the challenging waters of the Strait of Hormuz.

c. Volatility in Fuel Cost

The shipping industry, and PNSC in particular, faces a major challenge due to the inherent volatility of the fuel market. Fuel costs, which account for a significant portion (around 55-60%) of voyage expenses, are intricately linked to global economic trends. This means that economic downturns can cause a drastic drop in fuel demand, leading to price fluctuations that significantly impact PNSC's financial performance.

Accurately predicting the market balance is a complex task. There's no guarantee that resulting freight rates will be sufficient to cover expenses and generate a return on investment. This inherent unpredictability creates uncertainty in PNSC's financial outlook, necessitating prudent risk management strategies.

PNSC CREDIT RATING

The annual review of Group's credit worthiness conducted by Pakistan Credit Rating Agency (PACRA) has resulted in maintenance of the credit rating at 'AA' for long term and 'A1+' for short term.

The ratings reflect PNSC's strong ownership-majority owned by the Government of Pakistan (~89.13%) and its strategic significance as the country's national flag carrier. PNSC's business profile has gained significant strength in recent years on account of efficient fleet utilization and cost reduction measures taken by the management.

FINANCIAL HIGHLIGHTS

PNSC (the Group) has complied with IFRS, the provisions of Companies Act, 2017 & the State-Owned Eneterprise (Governance and Operations) Act, 2023 (SOE Act) and other applicable laws and regulation as applicable in Pakistan for the preparation of financial statements for the year ended June 30, 2024. The highlights of financial results for the period under consideration as compared to the corresponding year are as follows:

	For the year ended June 30, 2024	For the year ended June 30, 2023	Variance	
			Amount	%
	------------------ (Rupees in '000) ------------------			
Revenue	**46,363,490**	54,597,184	(8,233,694)	-15%
Expenditures	**(27,561,069)**	(27,615,796)	54,727	-0%
Gross profit	**18,802,421**	26,981,388	(8,178,967)	-30%
Administrative expenses	**(2,003,503)**	(1,608,239)	(395,264)	25%
Impairment loss	**(173,225)**	(1,122,941)	949,716	-85%
Other expenses	**(752,394)**	(449,022)	(303,372)	68%
Other income	**7,899,179**	9,486,391	(1,587,212)	-17%
Operating profit	**23,772,478**	33,287,577	(9,515,099)	-29%
Finance cost	**(1,014,771)**	(1,411,030)	396,259	-28%
Profit before levies and tax	**22,757,707**	31,876,547	(9,118,840)	-29%
Levies and Incomes Taxes	**(2,575,972)**	(1,882,252)	(693,720)	37%
Net profit	**20,181,735**	29,994,295	(9,812,560)	-33%
EPS (Rupees)	**152.81**	227.11		

FACTORS THAT AFFECTED THE BUSINESS OF THE GROUP:

In the current fiscal year, The Group achieved a profit of Rs. **20,182 million**. This figure, while being lower than the record profit of **Rs. 29,994 million** achieved in corresponding period last year, underscores our resilience in a shifting economic landscape. The significant revenue increase in corresponding period last year was driven by exceptional market conditions influenced by the Russia-Ukraine conflict which led to heightened demand and disruptions in supply. As the impact of conflict are going towards correction the impact on the same is starting to reflect to the shipping industry globally and locally.

The Group has performed admirably despite challenging economic and operational conditions in the current year. Although profit has shown a dip of 33% as compared to the corresponding period last year, our ability to sustain performance amidst fluctuating economic and operational factors highlights the Group's robust operational framework and strategic adaptability.

INTERNAL / CORPORATION FACTORS THAT AFFECTED THE BUSINESS OF GROUP

During the financial year, the Group was able to successfully discharge its loan obligation acquired for the acquisition of LR-1 Tankers namely; MT Bolan and MT Khairpur. However, the Group encountered operational challenges, including extended dry dock periods for Lahore and Quetta aggregating to **327** days, due to excessive work required being aging vessels. Furthermore, the situation was further worsen owing to incidents reported for MV Sibi and MV Chitral that necessitated extensive repairs and maintenance and resulted in loss of **297** operational days. However, being a matter adequately covered by insurance arrangements we are in process of recovering insurance claim against these claims.

It's worth mentioning the commendable results achieved by the Treasury department, due to its effective and efficient financial strategies which resulted income from short-term investment amounting to **Rs. 7,032 million**, thereby, contributing significantly towards to bottomline of the Group's financial performance.

INTERNATIONAL MACRO ECONOMIC FACTOR THAT AFFECTED THE BUSINESS OF GROUP

The Shipping industry witnessed a decrease in average AFRA from **214** to **169 (21%)** while average worldscale increased from **5.93** to **6.47 (9%)** respectively during the current financial year as compared to corresponding period last year. Further, the average charter rate per day decreased from **USD 13,894** to **USD 8,504 (39%)**.

Whereas, exchange rate against USD remained fairly stable during the year as compared to last year. Average exchange rate to USD during the financial year was **Rs. 283/-** and The 3 months KIBOR rate reached an all time high of **23.17%** during the current year.

FINANCIAL SUMMARY

The Group's dry cargo segment experienced a significant decline this year by **48%** primarily due to the fact that average charter rates decreased by **39%**, Operational days decreased by **15%** owing to incidents as mentioned above and due to decrease in slot charter by **33%** owing to lesser Government consignements. It is also worth considering that the Group did not derive any revenue from freight from voyage performance other than time charter due to absence of business from the TCP, which was conducted in the corresponding period last year (amounting to **Rs. 2,775 million**).

The Group inspite of all challenges was able to sustain revenue from it liquid cargo segment by achieving **Rs. 39,630 million** (after a decline of **5%**). While, revenue from foreign charter vessels surged by **75%** amounting to **Rs. 4,363 million**, owing to extended dry-dock period of tanker vessels resulting in requirement of charter-hired tanker vessels for fulfillment of COA obligations, its worth considering the fact the gross profit on foreign flag vessel is considerably low as compared to fulfillment of COA obligations through owned fleet, thus contributiong towards higher direct fleet expense. However, the refinery business increase by **631,421 MT** resulting in increase in number of voyages by **9** to **102**.

Major factors contributing towards fleet expenses are increase in depreciation costs from capitalizing dry-docking expenses, significant increase in repair and maintanence costs and stores & spares consumed owing to extensive repair and maintanence required for the ageing fleet and revision in salary slabs and linking of Afloat officers and staff salaries to USD, aligning with global standards, resulting in increased salary expenses. Fluctuations in exchange rates have further exacerbated USD based costs.

Administrative expenses have increased due to inflationary pressure and salary increments.

The Group successfully repaid a **Rs. 10.5 billion** long-term loan in September 2023, despite the challenging environment of high KIBOR rates as a part of effective and efficient financial management, resulting in lower finance costs. The Group recorded exchange loss amounting to **Rs. 188 million** as compared to extraordinary exchange gain amounting to **Rs. 3,039 million** last year. Further, in the corresponding period last year the Group made a gain on disposal of MT Karachi amounting to **Rs. 3,337 million**. However, the Group achieved Rs. **7,032 million** on short-term investment.

Impairment losses recognized during the current financial year are soley based on the ECL model, while in the corresponding period last year a specific provision of **Rs. 787 million** was made for balance receivable from PSO which is yet to be recovered.

The group earnings per share is decreased to **Rs. 152.81** (2023 : Rs 227.11) due to above reasons.

DIVIDEND ANNOUNCEMENT

Your Corporation remains committed to both increasing its shareholder wealth and providing sustainable returns over the long term.

The Board of Directors is pleased to recommend a cash dividend of Rs.25/- per share i.e. 250 % & Bonus shares in proportion of 50 shares of every 100 shares held i.e. 50% for the year ended June 30, 2024 for the approval of the members in the upcoming 46th Annual General Meeting .

This is in addition to the interim cash dividend of Rs.10/- per share.

BOARD AND ITS COMMITTEES

In accordance with the provisions of PNSC Ordinance XX of 1979, (as amended) eight directors are appointed by the Federal Government including two Ex-officio Directors and a Chairman and two Directors are elected by shareholders for three years and a Chief Executive Officer is appointed by Federal Government among three candidates recommended by Board of Directors. Subsequent to year end, Federal Government vide its notification no. F. No.1(4)/2019-PNSC dated 23rd September 2024 appointed the following independent Directors on the Board of Corporation for a period of (03) years.

1. Mr. Sultan A. Chawla
2. Mr. Arif Habib
3. Mr. Khalil Ahmed
4. Khawaja Shahzeb Akram
5. Ms. Nadia Osman Jung

The Federal Government appointed Mr. Sultan A. Chawla as a Chairrman of the PNSC Board.

The names of directors and/or members of Board and Board Committees of the Corporation during the current financial year are tabulated below:

Sr. No.	Name of Director	Board	Strategy and Risk Management Committee	Audit Committee	HR, Nomination and CSR Committee	Procurement Committee
1	Rear Admiral Jawad Ahmed HI(M) (upto March 3rd 2024)	Chairman / Chief Executive Officer	-	-	-	-
2	Mr. Umar Zafar Sheikh Additional Secretary, Ministry of Maritme Affairs, Islamabad. (w.e.f. Nov. 27th 2023)	Non-Executive Director	Member	Member	Member	-
3	Mr. Qumar Sarwar Abbasi, Additional Finance Secretary, (Corporate Finance), Finance Division, Islamabad.	Non-Executive Director	Member	Member	-	-
4	Ms. Alia Shahid, Director General Ports & Shipping, Ministry of Maritime Affairs, Islamabad. (upto Nov 30th 2023)	Non-Executive Director	-	-	-	-
5	Mr .Hassan Mehmood Yousufzai Additional Secretary, Ministry of Maritime Affairs, Islamabad (upto 27th Nov 2023)	Non-Executive Director	-	-	-	-
6	Mr. Muhammad Ali	Non-Executive Director	Member	Chairman of the Committee	-	Chairman of the Committee
7	Mr. Ahsan Ali Malik	Non-Executive Director	-	Member	Chairman of the Committee	-
8	Capt. Sarfaraz Inayatullah	Non-Executive Director	Chairman of the Committee	-	Member	Member

DIRECTORS' TRAINING PROGRAM

As at June 30, 2024, all members of the Board have been appropriately certified under the Directors' Training Program from SECP approved institutions. In addition, in the current year two Board members and four senior executives satisfactorily completed Director Training Program for SOEs and acquired the certification from SECP approved institution.

BOARD MEMBERS' PERFORMANCE EVALUATION

This year Board's Performance Evaluation was conducted in-house which aims to ensure that the Board of Directors work efficiently and effectively in accomplishing their tasks in the best interests of the Corporation and its subsidiaries. The performance of the Board is satisfactory.

DIRECTORS' REMUNERATION

The Board of Directors has a "Remuneration Policy for Directors", the salient features of which are:

The Corporation does not pay any remuneration to its directors except as meeting fee for attending the Board and its Committees' meetings.

The remuneration of a Director for attending meetings of the Board of Directors or its Committees shall from time to time be determined and approved by the Board of Directors.

A Director is provided or reimbursed for all travelling, boarding, lodging and other expenses incurred by him for attending meetings of the Board, its Committees and/or General Meetings of the Corporation. Disclosure with respect to remuneration package of Chief Executive is made under note 47 of the Financial Statements for the year ended June 30, 2024.

PATTERN OF SHAREHOLDING

Pattern of shareholding of the Corporation in accordance with the Section 227 (2) (f) of the Companies Act, 2017 as at June 30, 2024 is annexed to this report.

COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 AND INTERNAL CONTROLS

Good Governance is our realistic objective while adopting ethical business framework. The Board is committed with respect to shareholders, protection of minority rights, value of input from stakeholders, besides safeguarding the Corporation's reputation in Pakistan and global shipping arena.

The Corporation firmly adheres to the good governance and best practices, and the mechanism for good governance encompasses highest standards of professionalism, ethical practices, accountability and transparency, in line with the Companies Act 2017, Rule Book of Pakistan Stock Exchange, Listed Companies (Code of Corporate Governance) Regulations, 2019 implemented through the code of conduct, Whistle Blowing policy, and the Code of Business Ethics. A separate statement of compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019, duly signed by the Chief Executive and a director of the Corporation is annexed with this Report.

The system of internal controls is sound in design and has been effectively implemented and monitored.

STRATEGIES, OBJECTIVES AND FUTURE PROSPECTS

- PNSC's current fleet comprises 5 aging Aframax tanker vessels that are approaching the end of their operational and useful life. The international merchant shipping fleet is facing increasing pressure for renewal and modernization in compliance with foreseeable international regulations aimed toward the decarbonizations of international shipping set to take effect in 2050 with the first major milestone coming into effect in 2030. As the maritime industry witnesses this significant shift towards decarbonization, with regulatory bodies implementing stricter emissions standards to combat climate change the future operations of older tonnage unable to comply with new regulations remains questionable. Additionally, advancements in maritime technology and digitalization are also transforming the sector, requiring operators to adopt more efficient and environmentally friendly practices. As such, continuing to operate aging vessels beyond

2030 poses substantial risks to PNSC in terms of compliance, competitiveness, costs and operational efficiency.

- To address these challenges, PNSC has initiated a fleet modernization strategy by floating a tender for the procurement of up to four new Aframax/LR-2 tankers. This strategic move aims to replace the aging uncoated tanker fleet with modern vessels that not only meet current environmental standards but are also future-proofed against upcoming regulations. The decision to pursue new building rather than procuring secondhand older tonnage reflects PNSC's commitment to investing in long-term sustainability and operational excellence. This initiative represents a pivotal moment in the Corporation's history, signaling a shift towards a more innovative and forward-thinking approach to maritime operations.

- The new tankers will be equipped with dual-fuel capabilities, allowing them to operate on conventional fuel or alternative fuel, thereby significantly reducing greenhouse gas emissions. The vessels will feature G series MAN B&W engines designed to comply with the International Maritime Organization's (IMO) Tier III emissions standards for nitrogen oxides (NOx) and sulfur oxides (SOx). Additionally, these vessels will meet the Energy Efficiency Design Index (EEDI) Phase III criteria, which set strict energy efficiency benchmarks for new ships. By investing in advanced technology and environmentally compliant vessels, PNSC aims to minimize its carbon footprint while enhancing its operational capabilities.

- This project marks a groundbreaking step for PNSC, as the Corporation has not previously ventured into the new building of vessels. The transformation of PNSC's fleet into a future-ready lineup is not merely a response to regulatory pressures but a strategic decision to position the company as a leader in sustainable shipping practices. By embracing innovation and investing in modern technology, PNSC can enhance its operational efficiency, reduce maintenance costs, and improve its market competitiveness. Moreover, this initiative aligns with global trends towards sustainability and corporate responsibility, reinforcing PNSC's commitment to environmental stewardship.

- PNSC's fleet modernization initiative is a forward-looking response to the challenges posed by aging vessels and stringent regulatory changes. By investing in new, environmentally compliant Aframax/LR-2 tankers, PNSC is not only ensuring compliance with future regulations but also positioning itself as a proactive player in the evolving maritime landscape. This transformation will enhance operational efficiency, reduce environmental impact, and solidify PNSC's reputation as a forward-thinking leader in the shipping industry.

STATUTORY AUDITORS

The Board on the recommendation of the Board's Audit and Finance Committee, recommended reappointment of M/s. Grant Thornton Anjum Rehman, Chartered Accountants and M/s. Yousuf Adil, Chartered Accountants as joint statutory auditors of the Corporation for the year ending June 30, 2025, for the approval of the members in the forthcoming 46th Annual General Meeting of the Corporation.

CORPORATE SOCIAL RESPONSIBILITY

As a socially responsible corporate entity, over the years, PNSC has been contributing significantly towards the welfare of the society by performing activities in the different social segments.

PNSC engages with the community in the areas around which it operates. It focusing on healthcare, education, training and development, women's empowerment and environmental sustainability. The details of which are provided in this Annual Report under a dedicated section of Corporate Social Responsibility.

GOING CONCERN

In the light of Group's liquidity position, balance sheet strength, assets, employment, and continuing cash flows from operations, the Board confirms that the going concern assumption, upon which the Group's accounts are prepared, continues to be valid and there are reasonable grounds that the Corporation and its subsidiary companies shall be able to pay their debts as they become payable.

ACKNOWLEDGMENT

The Board wishes to express appreciation and its gratitude for the co-operation by Government of Pakistan and strategic partners including financial institutions, refineries, shippers, agents, other business associates and shareholders of Corporation.

We would also like to thank our dedicated employees for their commitment towards sustainable operations.

For and on behalf of the Board of Directors

Director **Director**

Karachi

October 04, 2024

بورڈ حکومت پاکستان اور اپنے سٹریٹجک پارٹنرز بشمول مالیاتی اداروں، ریفائنریوں، جہاز رانوں، ایجنٹوں، اور دیگر کاروباری معاونین اور حصص مالکان کی جانب سے تعاون پر کاممنون ومشکور ہے۔

اپنے پرخلوص ملازمین کی مستحکم افعال کی جانب لگن کے لیے ہم ان کے بھی مشکور ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

ڈائریکٹر

ڈائریکٹر

کراچی

04 اکتوبر، 2024

- ان چیلنجز سے نمٹنے کے لیے، پی این ایس سی نے چار نئے ایفرا میکس / LR-2 ٹینکرز تک کی خریداری کے لیے ٹینڈر جاری کر کے فلیٹ کی جدت کاری کی حکمت عملی کا آغاز کیا ہے۔ اس سٹریٹجک اقدام کا مقصد پرانے غیر کوٹڈ ٹینکر فلیٹ کو جدید جہازوں سے تبدیل کرنا ہے جو نہ صرف موجودہ ماحولیاتی معیارات پر پورا اترتے ہیں بلکہ مستقبل میں آنے والے ضوابط کے مقابلے میں بھی ثابت شدہ ہیں۔ استعمال شدہ پرانے جہازوں کی خریداری کی بجائے نئی عمارت کو آگے بڑھانے کا فیصلہ پی این ایس سی کی طویل مدتی پائیداری اور آپریشنل عمدگی میں سرمایہ کاری کے عزم کی عکاسی کرتا ہے۔ یہ اقدام کارپوریشن کی تاریخ میں ایک اہم لمحے کی نمائندگی کرتا ہے، جو میری ٹائم آپریشنز کے لیے ایک زیادہ اختراعی اور آگے کی سوچ کے تناظر کی طرف تبدیلی کا عندیہ دیتا ہے۔

- نئے ٹینکرز دوہرے ایندھن کی صلاحیتوں سے لیس ہوں گے، جو انہیں روایتی ایندھن یا متبادل ایندھن پر کام کرنے کی اجازت دیں گے، اس طرح گرین ہاؤس گیسوں کے اخراج میں نمایاں کمی آئے گی۔ ان جہازوں میں G سیریز کے MANB&W انجن ہوں گے جو بین الاقوامی میری ٹائم آرگنائزیشن (IMO) درجہ III کے نائٹروجن آکسائیڈز (NOx) اور سلفر آکسائیڈز (SOx) کے اخراج کے معیارات کی تعمیل کرنے کے لیے بنائے گئے ہیں۔ مزید بر آں، یہ جہاز توانائی کی استعداد کے ڈیزائن انڈیکس (EEDI) فیز III کے معیار پر پورا اتریں گے، جو نئے جہازوں کے لیے توانائی کی استعداد کے سخت معیارات مرتب کرتے ہیں۔ جدید ٹیکنالوجی اور ماحول سے مطابقت رکھنے والے جہازوں میں سرمایہ کاری کر کے، پی این ایس سی کا مقصد اپنی آپریشنل صلاحیتوں کو بڑھاتے ہوئے اپنے کاربن کے اثرات کو کم کرنا ہے۔

- یہ منصوبہ پی این ایس سی کے لیے ایک سنگ بنیاد ہے، کیونکہ کارپوریشن پہلے نئے جہازوں کی تعمیر میں شامل نہیں ہوئی۔ پی این ایس سی کے فلیٹ کو مستقبل کے لیے تیار لائن اپ میں تبدیل کرنا محض ریگولیٹری دباؤ کا جواب نہیں ہے بلکہ کمپنی کو پائیدار شپنگ کے طریقوں میں رہنما حیثیت دینے کا ایک اسٹریٹجک فیصلہ ہے۔ جدت کو اپنانے اور جدید ٹیکنالوجی میں سرمایہ کاری کر کے، پی این ایس سی اپنی آپریشنل کارکردگی کو بڑھا سکتا ہے، دیکھ بھال کے اخراجات کو کم کر سکتا ہے، اور اپنی مارکیٹ کی مسابقت کو بہتر بنا سکتا ہے۔ مزید بر آں، یہ اقدام پائیداری اور کارپوریٹ ذمہ داری کی جانب عالمی رجحانات کے ساتھ ہم آہنگ ہے، جس سے پی این ایس سی کی ماحولیاتی ذمہ داری کے عزم کو تقویت ملتی ہے۔

- پی این ایس سی کا فلیٹ کی جدت کاری کا اقدام پرانے جہازوں اور سخت ریگولیٹری تبدیلیوں سے درپیش چیلنجز کے لیے ایک آگے کی طرف بڑھنے والا ردعمل ہے۔ نئے، ماحولیاتی مطابقت پذیر ایفرا میکس / LR-2 ٹینکرز میں سرمایہ کاری کر کے، پی این ایس سی نہ صرف مستقبل کے ضوابط کی تعمیل کو یقینی بنا رہا ہے بلکہ خود کو بدلتے ہوئے بحری منظر نامے میں ایک فعال کھلاڑی کے طور پر جگہ دے رہا ہے۔ یہ تبدیلی آپریشنل کارکردگی میں اضافہ کرے گی، ماحولیاتی اثرات کو کم کرے گی، اور شپنگ کی صنعت میں آگے کی سوچ رکھنے والے رہنما کے طور پر پی این ایس سی کی ساکھ کو مستحکم کرے گی۔

قانونی آڈیٹرز

بورڈ نے بورڈ کی آڈٹ اور فنانس کمیٹی کی تجویز پر آئندہ 46ویں سالانہ جنرل میٹنگ میں ممبران کی منظوری کے لیے میسرز گرانٹ تھورنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس اور میسرز یوسف عادل، چارٹرڈ اکاؤنٹنٹس کو سال اختتام از 30 جون، 2024 کے لیے کارپوریشن کے مشترکہ قانونی آڈیٹرز کے طور پر دوبارہ تعینات کرنے کی سفارش کی۔

کارپوریٹ سماجی ذمہ داری

سماجی طور پر ایک ذمہ دار کارپوریٹ ادارے کے طور پر، سالہا سال سے پی این ایس سی مختلف سماجی شعبوں میں سرگرمیاں انجام دے کر معاشرے کی فلاح و بہبود کے لیے اہم کردار ادا کر رہی ہے۔

پی این ایس سی اپنے کاروبار کے شعبوں سے وابستہ کمیونٹی کے ساتھ مصروف عمل ہے۔ یہ صحت کی نگہداشت، تعلیم، تربیت اور ترقی، خواتین کو بااختیار بنانے اور ماحولیاتی استحکام پر توجہ مرکوز کرتی ہے۔ جس کی تفصیلات کارپوریٹ سماجی ذمہ داری کے ایک وقف حصے کے تحت اس سالانہ رپورٹ میں فراہم کی گئی ہیں۔

کاروبار کی فعالیت

گروپ کی لیکویڈٹی کی حیثیت، بیلنس شیٹ کے استحکام، افعال سے اثاثوں، ملازمت، اور جاری کیش فلو کی روشنی میں بورڈ تصدیق کرتا ہے کہ کاروبار کی فعالیت، جس کی بنیاد پر گروپ کے کھاتے مرتب کیے گئے ہیں وہ تاحال قابل اطلاق ہے اور اس کے معقول جواز ہیں کہ کارپوریشن اور اس کی ذیلی کمپنیاں اپنے قرضوں کی ادائیگی کے قابل ہو جائیں گی جب وہ واجب ادائیگی ہوں گے۔

تسلیمات

ڈائریکٹرز کاتربیتی پروگرام

30 جون، 2024 تک، بورڈ کے تمام ممبران کو SECP کے منظور شدہ اداروں سے ڈائریکٹرز ٹریننگ پروگرام کے تحت مناسب طور پر اسناد دی گئی ہیں۔ اس کے علاوہ، رواں سال میں بورڈ کے دو اراکین اور چار سینئر ایگزیکٹوز نے SOEs کے لیے ڈائریکٹر ٹریننگ پروگرام کو تسلی بخش طریقے سے مکمل کیا اور SECP کے منظور شدہ ادارے سے سند حاصل کی۔

بورڈ کے ممبران کی کارکردگی کا جائزہ

اس سال بورڈ کی کارکردگی کا جائزہ اندرون خانہ انجام دیا گیا، جس کا مقصد یہ یقینی بنانا ہے کہ بورڈ آف ڈائریکٹرز کارپوریشن اور اس کے ذیلی اداروں کے بہترین مفاد میں اپنے کاموں کو پورا کرنے میں مؤثر طور پر اور مستعدی سے کام کریں۔ بورڈ کی کارکردگی اطمینان بخش ہے۔

ڈائریکٹرز کا معاوضہ

بورڈ آف ڈائریکٹرز "ڈائریکٹرز حضرات کے لیے معاوضے کی پالیسی" رکھتا ہے؛ جس کی نمایاں خصوصیات درج ذیل ہیں:

بورڈ اور اس کے کمیٹیوں کے اجلاس میں شرکت کے طور پر میٹنگ فیس کے علاوہ کارپوریشن اپنے ڈائریکٹرز کو کوئی معاوضہ ادا نہیں کرے گی۔

بورڈ آف ڈائریکٹرز یا اس کی کمیٹی کے اجلاس میں شرکت کرنے پر کسی ڈائریکٹر کے معاوضے کا وقتاً فوقتاً تعین کیا جائے گا اور بورڈ آف ڈائریکٹرز اس کی منظوری دیں گے۔

ہر ڈائریکٹر کو بورڈ، اس کی کمیٹیوں اور / یا کارپوریشن کی جنرل میٹنگ میں شرکت پر کیے گئے سفری، اقامتی، سامان اور دیگر اخراجات فراہم یا واپس کیے جاتے ہیں۔ چیف ایگزیکٹو کے معاوضے کے پیکج کے حوالے سے انکشاف سال اختتام از 30 جون، 2024 کے مالیاتی گوشواروں کے نوٹ 47 کے تحت کیا گیا ہے۔

شیئر ہولڈنگ کی وضع

کمپنیز ایکٹ 2017 کے سیکشن 227(2)(f) کے مطابق 30 جون، 2024 کو کارپوریشن کی شیئر ہولڈنگ کی وضع اس رپورٹ کے ساتھ لف ہے۔

لسٹڈ کمپنیوں کی تعمیل (کارپوریٹ گورننس کا ضابطہ) کے ضوابط، 2019 اور اندرونی کنٹرولز

اخلاقی کاروباری فریم ورک کو اپناتے ہوئے عمدہ نظم و نسق ہمارا حقیقت پسندانہ مقصد ہے۔ بورڈ پاکستان میں کارپوریشن کی ساکھ اور عالمی شپنگ کے میدان کے تحفظ کے علاوہ شیئر ہولڈرز، اقلیتوں کے حقوق کے تحفظ، اسٹیک ہولڈرز کی آراء کی اہمیت کے حوالے سے پر عزم ہے۔

کارپوریشن اچھے نظم و نسق اور بہترین طرز عمل کی تعمیل کرتی ہے، اور اچھے نظم و نسق کا طریقہ کار کمپنیز ایکٹ 2017، پاکستان اسٹاک ایکسچینج کی رُول بک، لسٹڈ کمپنیز (کارپوریٹ گورننس کے ضابطہ) ریگولیشنز، 2019 کے مطابق پیشہ وارانہ مہارت کے اعلیٰ ترین معیار، اخلاقی طرز عمل، احتساب اور شفافیت کا احاطہ کرتا ہے، جنہیں ضابطہ اخلاق، وہسل بلوئنگ پالیسی اور کاروباری اخلاقیات کے ضابطے کے ذریعے نافذ کیا گیا ہے۔ چیف ایگزیکٹو اور کارپوریشن کے ڈائریکٹر کی جانب سے دستخط شدہ لسٹڈ کمپنیوں (کارپوریٹ گورننس کا ضابطہ) کے ضوابط، 2019 کی تعمیل کا ایک الگ بیان اس رپورٹ کے ساتھ لف ہے۔

اندرونی کنٹرولز کے نظام کا ڈھانچہ درست ہے اور مؤثر طور پر نافذ العمل اور نگرانی شدہ ہے۔

حکمت عملی، مقاصد اور مستقبل کے امکانات

- پی این ایس سی کے موجودہ فلیٹ میں 5 پرانے افرامیکس ٹینکر جہاز شامل ہیں جو اپنی آپریشنل اور کارآمد زندگی کے اختتام کو پہنچ رہے ہیں۔ بین الاقوامی مرچنٹ شپنگ فلیٹ کو متوقع بین الاقوامی ضوابط کی تعمیل میں تجدید اور جدت کاری کے بڑھتے دباؤ کا سامنا ہے جس کا مقصد بین الاقوامی شپنگ کو کاربن سے پاک کرنا ہے جو 2050 میں نافذ العمل ہو گا اور اس کا پہلا بڑا سنگ میل 2030 میں لاگو ہو گا۔ جیسا کہ ریگولیٹری اداروں کی جانب سے ماحولیاتی تبدیلیوں سے نمٹنے کے لیے اخراج کے سخت معیارات کے نفاذ کی وجہ سے بحری صنعت کاربن سے پاک ہونے کی طرف اس اہم تبدیلی کی شاہد ہے، پرانے سامان کے مستقبل کے افعال کا نئے ضوابط کی تعمیل سے قاصر ہونا سوال اٹھاتا ہے۔ مزید برآں، میری ٹائم ٹیکنالوجی اور ڈیجیٹلائزیشن میں پیش رفت بھی اس شعبے کو تبدیل کر رہی ہے، جس کے لیے اب آپریٹرز کو زیادہ مؤثر اور ماحول دوست طرز عمل اپنانے کی ضرورت ہے۔ اس طرح، 2030 کے بعد پرانے جہازوں کو چلانا جاری رکھنا پی این ایس سی کو تعمیل، مسابقت، اخراجات اور آپریشنل کارکردگی کے لحاظ سے کافی خطرات لاحق کرتا ہے۔

بورڈ اور اس کی کمیٹیاں

پی این ایس سی آرڈیننس XX از 1979 (ترمیم شدہ) کی دفعات کے مطابق، وفاقی حکومت کی طرف سے آٹھ ڈائریکٹرز کا تقرر کیا جاتا ہے جن میں دو سابقہ ڈائریکٹرز اور ایک چیئر مین شامل ہیں، اور دو ڈائریکٹرز کا انتخاب تین سال کے لیے شیئر ہولڈرز کے ذریعے کیا جاتا ہے، اور بورڈ آف ڈائریکٹرز کے تجویز کردہ تین امیدواروں میں سے ایک کا تقرر بطور چیف ایگزیکٹو آفیسر وفاقی حکومت کی جانب سے کیا جاتا ہے۔ وفاقی حکومت نے اپنے نوٹیفکیشن نمبر F.No.1(4)/2019-PNSC مورخہ 23 ستمبر 2024 کے ذریعے کارپوریشن کے بورڈ میں (03) سال کی مدت کے لیے درج ذیل آزاد ڈائریکٹرز کا تقرر کیا:

1. جناب سلطان اے چاولہ
2. جناب عارف حبیب
3. جناب خلیل احمد
4. خواجہ شاہزیب اکرم
5. محترمہ نادیہ عثمان جنگ

وفاقی حکومت نے جناب سلطان اے چاولہ کو پی این ایس سی بورڈ کا چیئر مین مقرر کیا۔

موجودہ مالی سال کے دوران ڈائریکٹرز اور / یا بورڈ ممبران، اور کارپوریشن کی بورڈ کمیٹیوں کے نام درج ذیل درج کیے گئے ہیں:

نمبر شمار	ڈائریکٹر کا نام	بورڈ	اسٹریٹیجی اور رسک مینجمنٹ کمیٹی	آڈٹ کمیٹی	ایچ آر، نامزدگی اور سی ایس آر کمیٹی	پروکیورمینٹ کمیٹی
1	ریئر ایڈمرل جواد احمد ہلال امتیاز (ملٹری) (3 مارچ، 2024 تک)	چیئر مین / چیف ایگزیکٹو افسر	–	–	–	–
2	جناب عمر ظفر شیخ ایڈیشنل سیکرٹری وزارت سمندری امور اسلام آباد (مؤثر از تاریخ 27 نومبر، 2023)	چیئر مین / چیف ایگزیکٹو افسر	ممبر	ممبر	ممبر	–
3	جناب قمر سرور عباسی، ایڈیشنل فنانس سیکرٹری (کارپوریٹ فنانس)، فنانس ڈویژن، اسلام آباد۔	نان ایگزیکٹو ڈائریکٹر	ممبر	ممبر	–	–
4	محترمہ عالیہ شاہد، ڈائریکٹر جنرل پورٹس اور شپنگ، وزارت سمندری امور (30 نومبر، 2023 تک)	نان ایگزیکٹو ڈائریکٹر	–	–	–	–
5	جناب حسن محمود یوسفزئی ایڈیشنل سیکریٹری وزارت سمندری امور (27، نومبر 2023 تک)	نان ایگزیکٹو ڈائریکٹر	–	–	–	–
6	جناب محمد علی	نان ایگزیکٹو ڈائریکٹر	ممبر	کمیٹی چیئر مین	–	کمیٹی چیئر مین
7	جناب احسن علی ملک	نان ایگزیکٹو ڈائریکٹر	–	ممبر	کمیٹی چیئر مین	–
8	کیپٹن سرفراز عنایت اللہ	نان ایگزیکٹو ڈائریکٹر	کمیٹی چیئر مین	–	–	ممبر

یہ قابل ذکر ہے کہ محکمہ خزانہ نے اپنی مؤثر اور مستعد مالیاتی حکمت عملیوں کی وجہ سے جو قابل ستائش نتائج حاصل کیے ہیں، جن کے نتیجے میں قلیل مدتی سرمایہ کاری سے 7,032 ملین روپے کی آمدنی ہوئی، اس طرح گروپ کی مالیاتی کارکردگی کو نمایاں کرنے میں اہم کردار ادا کیا۔

گروپ کے کاروبار کو متاثر کرنے والے بین الاقوامی میکرو اکنامک عوامل

گزشتہ سال کی اسی مدت کے مقابلے میں رواں مالی سال کے دوران شپنگ کی صنعت میں اوسط ایفرا میں 214 سے 169 (21٪) تک کمی دیکھی گئی جبکہ اوسط عالمی پیمانے پر بالترتیب 5.93 سے 6.47 (9٪) تک اضافہ ہوا۔ مزید برآں، چارٹر کا اوسط یومیہ ریٹ USD13,894 سے (39٪) کم ہو کر USD8,504 ہو گیا۔

جبکہ، گزشتہ سال کے مقابلے میں رواں سال کے دوران امریکی ڈالر (USD) کے مقابلے میں شرح مبادلہ کافی مستحکم رہی۔ مالی سال کے دوران USD کی اوسط شرح مبادلہ روپے -/283 تھی اور 3 ماہ کے KIBOR کی شرح موجودہ سال کے دوران 23.17٪ کی بلند ترین سطح پر پہنچ گئی۔

مالیاتی خلاصہ

گروپ کے خشک کارگو کے شعبہ میں رواں سال 48٪ کی نمایاں کمی واقع ہوئی، جس کی بنیادی وجہ اوسط چارٹر کی شرح میں 39٪ کی کمی، مذکورہ بالا واقعات کی وجہ سے آپریشنل دنوں میں 15٪ کمی اور کم حکومتی کنسائنمنٹس کی وجہ سے سلاٹ چارٹر میں 33٪ کی ہیں۔ یہ بات بھی قابل غور ہے کہ TCP سے کاروبار نہ ہونے کی وجہ سے گروپ نے ٹائم چارٹر کے علاوہ بحری سفر کی کارکردگی سے مال برداری سے کوئی آمدنی حاصل نہیں کی، جو کہ گزشتہ سال کی اسی مدت میں (2,775 ملین روپے) تھی۔

تمام مشکلات کے باوجود گروپ اپنے مائع کارگو شعبہ سے 39,630 ملین روپے (5٪ کی کمی کے بعد) حاصل کر کے آمدنی کو برقرار رکھنے میں کامیاب رہا۔ جبکہ غیر ملکی چارٹر جہازوں سے آمدنی میں 75٪ اضافہ ہوا جس کی رقم 4,363 ملین روپے ہے، جس کی وجہ ٹینکر کے جہازوں کی ڈرائی ڈاکنگ کی مدت میں توسیع ہے جس کے نتیجے میں COA کی ذمہ داریوں کو پورا کرنے کے لیے کرایہ پر لیے گئے ٹینکر جہازوں کی ضرورت پڑی، یہ قابل غور ہے کہ غیر ملکی پرچم بردار جہازوں پر منافع زیر ملکیت فلیٹ کے ذریعے COA کی ذمہ داریوں کو پورا کرنے کے مقابلے میں کافی کم ہے، اور اس طرح براہ راست فلیٹ کے اخراجات میں اضافہ ہوتا ہے۔ تاہم، ریفائنری کے کاروبار میں 631,421 ملین ٹن کا اضافہ ہوا جس کے نتیجے میں سفروں کی تعداد 9 سے 102 تک بڑھ گئی۔

فلیٹ کے اخراجات میں معاون بڑے عوامل میں ڈرائی ڈاکنگ کے اخراجات پر سرمایہ لگانے سے فرسودگی کے اخراجات میں اضافہ، مرمت اور دیکھ بھال کے اخراجات میں نمایاں اضافہ اور پرانے فلیٹ کے لیے درکار وسیع مرمت اور دیکھ بھال کی وجہ سے استعمال ہونے والی اسٹور تیج اور پرزہ جات، اور تنخواہوں کی سلیب میں تبدیلی اور عالمی معیارات کے مطابق سفر کرنے والے افسران اور عملے کی تنخواہوں کو USD میں لنک کرنا شامل ہیں جس کے نتیجے میں تنخواہوں کے اخراجات میں اضافہ ہوا ہے۔ شرح مبادلہ میں اتار چڑھاؤ نے USD پر مبنی اخراجات کو مزید بڑھا دیا ہے۔

مہنگائی کے دباؤ اور تنخواہوں میں اضافے کی وجہ سے انتظامی اخراجات میں اضافہ ہوا ہے۔

گروپ نے KIBOR کی بلند شرحوں کے مشکل ماحول کے باوجود مؤثر اور مستعد مالیاتی نظم کے جزو کے طور پر ستمبر 2023 میں 10.5 بلین روپے کا طویل مدتی قرض کامیابی کے ساتھ ادا کیا، جس کے نتیجے میں مالیاتی اخراجات کم ہوئے۔ گروپ نے گزشتہ سال 3,039 ملین روپے کے غیر معمولی زر مبادلہ کے فائدے کے مقابلے میں 188 ملین روپے کا زر مبادلہ کا نقصان ریکارڈ کیا۔ مزید برآں، گزشتہ سال اسی مدت میں گروپ نے MT کراچی کی فروخت پر 3,337 ملین روپے کا منافع حاصل کیا۔ تاہم، گروپ نے قلیل مدتی سرمایہ کاری پر 7,032 ملین روپے حاصل کیے۔

موجودہ مالی سال کے دوران تسلیم کردہ مرمتوں کے نقصانات صرف ECL ماڈل کی بنیاد پر ہیں، جبکہ گزشتہ سال اسی مدت میں پی ایس او سے قابل وصول بیلنس کے لیے 787 ملین روپے کی مخصوص شق رکھی گئی تھی جس کی وصولی ابھی باقی ہے۔

مندرجہ بالا وجوہات کی بنا پر گروپ کی آمدن فی حصص 152.81 روپے (2023: 227.11 روپے) تک کم ہو گئی۔

ڈیویڈنڈ کا اعلان

کارپوریشن اپنے شیئر ہولڈر کی مالیت میں اضافے اور طویل معیادی پائیدار منافع فراہم کرنے کے لیے پر عزم ہیں۔

بورڈ آف ڈائریکٹرز بخوشی کیش ڈویڈنڈ 25 روپے فی شیئر یعنی 250 فیصد نقد منافع اور بونس شیئرز، 100 شیئرز کے عوض 50 شیئرز یعنی 50 فیصد بونس شیئرز جاری کرنے کا اعلان کرتے ہیں۔

یہ 10 روپے فی شیئر عبوری نقد منافع کے علاوہ ہے۔

مالیاتی جھلکیاں

پی این ایس سی (گروپ) نے سال اختتام از 30 جون، 2024 کے مالیاتی گوشواروں کی تیاری کے لیے IFRS، کمپنیز ایکٹ، 2017 اور SOE قانون کی دفعات اور پاکستان میں نافذ دیگر قابل اطلاق قوانین اور ضوابط کی تعمیل کی ہے۔ گزشتہ سال کے مقابلے میں زیر غور مدت کے مالیاتی نتائج کی جھلکیاں حسب ذیل ہیں:

	برائے اختتام سال از 30 جون 2024	برائے اختتام سال از 30 جون 2023	تغیرات رقم	تغیرات %
	------------------ روپے، ملین میں ------------------			
آمدنی	**46,363,490**	54,597,184	(8,233,694)	-15%
اخراجات	**(27,561,069)**	(27,615,796)	54,727	0%
مجموعی منافع	**18,802,421**	26,981,388	(8,178,967)	-30%
انتظامی اخراجات	**(2,003,503)**	(1,608,239)	(395,264)	25%
خلل سے نقصان	**(173,225)**	(1,122,941)	949,716	-85%
دیگر اخراجات	**(752,394)**	(449,022)	(303,372)	68%
دیگر آمدن	**7,899,179**	9,486,391	(1,587,212)	-17%
آپریٹنگ منافع	**23,772,478**	33,287,577	(9,515,099)	-29%
مالیاتی لاگت	**(1,014,771)**	(1,411,030)	396,259	-28%
قبل از ٹیکس منافع	**22,757,707**	31,876,547	(9,118,840)	-29%
ٹیکس	**(2,575,972)**	(1,882,252)	(693,720)	37%
خالص منافع	**20,181,735**	29,994,295	(9,812,560)	-33%
فی حصص آمدنی (روپے)	**152.81**	227.11		

گروپ کے کاروبار کو متاثر کرنے والے عوامل:

رواں مالی سال میں، گروپ نے 20,182 ملین روپے کا منافع حاصل کیا۔ یہ اعداد و شمار، گزشتہ سال کی اسی مدت میں حاصل کردہ 29,994 ملین روپے کے ریکارڈ منافع سے کم ہونے کے باوجود بدلتے معاشی منظر نامے میں ہماری لچک کو واضح کرتے ہیں۔ گزشتہ سال کے اسی دورانیے میں آمدنی میں نمایاں اضافہ روس یوکرین تنازعہ سے متاثر ہونے والی مارکیٹ کے غیر معمولی حالات کی وجہ سے ہوا جس سے طلب میں اضافہ ہوا اور رسد میں خلل پیش آیا۔ جیسا کہ تنازعہ کے اثرات بہتری کی طرف جارہے ہیں، اس کے اثرات عالمی اور مقامی شپنگ کی صنعت پر ظاہر ہونا شروع ہوگئے ہیں۔

گروپ نے موجودہ سال میں مشکل اقتصادی اور آپریشنل حالات کے باوجود قابل ستائش کارکردگی کا مظاہرہ کیا۔ اگرچہ منافع میں گزشتہ سال کے اسی دورانیے کے مقابلے میں 33٪ کی کمی ہوئی، لیکن اتار چڑھاؤ کا شکار معاشی اور آپریشنل عوامل کے درمیان کارکردگی کو برقرار رکھنے کی ہماری صلاحیت گروپ کے مضبوط آپریشنل فریم ورک اور حکمت عملی کی موافقت کو نمایاں کرتی ہے۔

گروپ کے کاروبار کو متاثر کرنے والے اندرونی / کارپوریشن کے عوامل

مالی سال کے دوران، گروپ MT بولان اور MT خیرپور نامی LR-1 ٹینکرز کے حصول کے لیے حاصل کردہ قرض کی ذمہ داری کو کامیابی کے ساتھ ادا کرنے میں کامیاب رہا۔ تاہم، گروپ کو آپریشنل مشکلات کا سامنا کرنا پڑا، جس میں لاہور اور کوئٹہ کے لیے ڈرائی ڈاکنگ کی مدت میں مجموعی طور پر 327 دن تک توسیع کی گئی، جس کی وجہ جہازوں کے پرانے ہونے کی وجہ سے ضرورت سے زیادہ کام تھا۔ مزید برآں، MV سبی اور MV چترال کے لیے رپورٹ ہونے والے واقعات کی وجہ سے صورت حال مزید خراب ہوگئی جس کے لیے وسیع پیمانے پر مرمت اور دیکھ بھال کی ضرورت تھی اور اس کے نتیجے میں کام کے 297 ایام کا نقصان ہوا۔ تاہم، انشورنس کے انتظامات میں کافی حد تک احاطہ کردہ معاملہ ہونے کی وجہ سے، ہم ان دعووں کے خلاف انشورنس کلیم کی وصولی کے عمل میں ہیں۔

قومی تعاون:

پاکستان کے قومی پرچم بردار کے طور پر، پی این ایس سی کو پاکستانی حکومت کی طرف سے مسلسل سفارتی اور فوجی مدد کا کلیدی فائدہ حاصل ہے۔ یہ پشت پناہی ایک ممکنہ رکاوٹ کے طور پر کام کرتی ہے اور آبنائے کے ذریعے آسانی سے گزرنے میں سہولت فراہم کرتی ہے۔

انشورنس کی مضبوط کوریج:

کسی واقعہ کی صورت میں مالی نقصانات کو مزید کم کرنے کے لیے، پی این ایس سی نے معروف اور تسلیم شدہ فراہم کنندگان سے اضافی انشورنس کوریج حاصل کی ہے۔ یہ جامع انشورنس پلان ممکنہ طور پر نہ صرف جہاز کے نقصان یا خسارے کا احاطہ کرتا ہے بلکہ ممکنہ کارگو کے گر جانے یا خلل کا بھی احاطہ کرتا ہے۔

ممکنہ اضافی حکمت عملیاں:

معلومات کا اشتراک اور تعاون: پی این ایس سی دیگر شپنگ کمپنیوں یا علاقائی حکام کے ساتھ معلومات کے تبادلے کے اقدامات میں حصہ لے سکتا ہے تاکہ حقیقی وقت میں سکیورٹی کے خطرات سے آگاہ رہیں اور ضروری احتیاطی تدابیر اختیار کریں۔

متبادل راستے (اگر موزوں ہوں): صورتحال کی شدت اور کارگو کی فوری ضرورت پر منحصر، پی این ایس سی آبنائے ہرمز کو مکمل طور پر نظر انداز کرنے کے لیے متبادل راستے تلاش کر سکتا ہے، خواہ ممکنہ طور پر طویل یا زیادہ مہنگے ہوں۔

ان جامع اقدامات پر عمل کرتے ہوئے، پی این ایس سی آبنائے ہرمز کے مشکل پانیوں سے گزرتے ہوئے اپنے اہلکاروں، جہازوں اور اہم کارگو کی ترسیل کے تحفظ کے لیے اپنے عزم کا اظہار کرتا ہے۔

c. ایندھن کی قیمت میں اتار چڑھاؤ

شپنگ کی صنعت اور خاص طور پر پی این ایس سی کو ایندھن کی مارکیٹ میں پنہاں اتار چڑھاؤ کی وجہ سے ایک بڑے چیلنج کا سامنا ہے۔ ایندھن کے اخراجات، جو بحری سفر کے اخراجات کا ایک اہم حصہ (تقریباً 60-55٪) ہیں، عالمی اقتصادی رجحانات سے پیچیدہ طور پر جڑے ہوئے ہیں۔ اس کا مطلب یہ ہے کہ معاشی بدحالی ایندھن کی طلب میں زبردست کمی کا سبب بن سکتی ہے، جس سے قیمتوں میں اتار چڑھاؤ آتا ہے جو پی این ایس سی کی مالی کارکردگی کو نمایاں طور پر متاثر کرتا ہے۔

مارکیٹ کے توازن کی درست پیش گوئی کرنا ایک پیچیدہ کام ہے۔ اس کی کوئی ضمانت نہیں ہے کہ فریٹ کی قیمتیں اخراجات کو پورا کرنے اور سرمایہ کاری پر منافع دینے کے لیے کافی ہوں گی۔ یہ پنہاں غیر متوقع صلاحیت پی این ایس سی کے مالیاتی تناظر میں غیر یقینی صورتحال پیدا کرتی ہے، جس سے خطرے کے نظم کی محتاط حکمت عملیوں کی ضرورت ہوتی ہے۔

پی این ایس سی کی کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) کی جانب سے کیے گئے کریڈٹ کی قابلیت کے سالانہ جائزے میں گروپ کی طویل مدتی قرضوں کے لیے کریڈٹ ریٹنگ 'AA' اور قلیل مدتی قرضوں کے لئے '1A+' کو برقرار رکھا گیا ہے۔

ریٹنگ پی این ایس سی کی مضبوط ملکیت - جس کا زیادہ تر حصہ حکومت پاکستان کی ملکیت ہے (~89.13٪) اور ملک کے قومی پرچم بردار کے طور پر اس کی سٹریٹجک اہمیت کی عکاسی کرتی ہے۔ فلیٹ کے مؤثر استعمال اور انتظامیہ کی جانب سے لاگت میں کمی کے اقدامات سے حالیہ سالوں میں پی این ایس سی کی کاروباری پروفائل نے نمایاں استحکام حاصل کیا ہے۔

- جہاز کی موجودہ پیمائشیں: IMO نے انرجی ایفیشنسی ایگزسٹنگ شپ انڈیکس (EEXI) قائم کیا ہے جو موجودہ جہازوں سے اپنی آپریشنل کارکردگی کو بہتر بنانے اور کاربن کی شدت کو کم کرنے کا تقاضا کرتا ہے۔ مزید برآں، شپ انرجی ایفیشنسی مینجمنٹ پلان (SEEMP) جہاز کے آپریٹرز کے لیے توانائی کے استعمال کا نظم کرنے اور ماحولیاتی کارکردگی کو بہتر بنانے کے لیے ایک لازمی ٹول ہے۔

- نئے جہاز کے معیارات: نئے بحری جہاز پہلے سے کہیں سخت قوانین کے تابع ہیں۔ انرجی ایفیشنسی ڈیزائن انڈیکس (EEDI) نئے بحری جہازوں کے لیے لازمی تکنیکی تقاضے طے کرتا ہے، اور یقینی بناتا ہے کہ وہ پچھلی نسلوں کے مقابلے میں بتدریج توانائی کے لحاظ سے زیادہ مستعد ہوں۔

یہ ضوابط صاف شپنگ کی صنعت کی طرف ایک اہم قدم ہیں۔ تاہم، IMO مزید کارروائی کی ضرورت کو بھی تسلیم کرتا ہے، بشمول نئی ٹیکنالوجیز پر تحقیق اور ترقی، اور ان تبدیلیوں کو نافذ کرنے کے لیے ترقی پذیر ممالک کے لیے مالی اور تکنیکی مدد۔

پی این ایس سی ماحولیاتی خدشات کو دور کرنے اور IMO کے ضوابط کی تعمیل کرنے کے لیے دو جہتی تناظر اختیار کر رہا ہے۔ سب سے پہلے، وہ کلینز ایندھن سے چلنے والے جہازوں کو اپنے فلیٹ میں شامل کرنے کی کوشش کر رہے ہیں، یہ یقینی بناتے ہوئے کہ وہ جدید ترین IMO معیارات پر پورا اترتے ہیں۔ دوم، وہ ایک جامع حکمت عملی اور عملی اقدام کا منصوبہ تیار کرنے کے لیے مشیر کی خدمات حاصل کر کے آگے کی سوچ کا مظاہرہ کر رہے ہیں۔ یہ منصوبہ خاص طور پر ماحولیاتی اثرات کے نظم پر توجہ دے گا اور پی این ایس سی کے لیے سبز ٹیکنالوجی کی طرف منتقلی کے لیے ضروری اقدامات کا خاکہ پیش کرے گا۔

a. خلیج عدن میں مسلح قزاقی

خلیج عدن، آبنائے ملاکا، اور صومالی ساحل جیسے زیادہ خطرے والے علاقوں میں بحری قزاقی پی این ایس سی سمیت عالمی شپنگ کے لیے سنگین خطرہ ہے۔ اس خطرے کو تسلیم کرتے ہوئے، پی این ایس سی اپنے جہازوں اور عملے کی حفاظت کے لیے ایک کثیر جہتی حکمت عملی نافذ کرتی ہے۔

<u>انشورنس کوریج:</u> پی این ایس سی سمجھداری سے بحری قزاقی کے واقعات سے ہونے والے مالی نقصانات کو کم کرنے کے لیے انشورنس پالیسیاں حاصل کرتا ہے۔

<u>بہترین نظم کے طرز عمل (BMP-5):</u> کمپنی عالمی سطح پر تسلیم شدہ BMP-5 رہنما ہدایات پر عمل کرتی ہے، جو قزاقوں کے حملوں کے خطرے کو کم کرنے کے لیے تشکیل کردہ پروٹوکولز کا ایک مجموعہ ہے۔ ان طریقوں میں ممکنہ طور پر عملے کی تربیت، جہازوں پر حفاظتی اقدامات، اور زیادہ خطرے والے علاقوں سے بچنے کے لیے تجویز کردہ راستے شامل ہیں۔

<u>پاکستان بحریہ کے ساتھ اشتراک:</u> پی این ایس سی پاکستان نیول ہیڈکوارٹرز کے ساتھ قریبی رابطہ برقرار رکھتا ہے، جو ممکنہ طور پر ان خطرناک علاقوں سے محفوظ گزرنے کو یقینی بنانے کے لیے مربوط کوششوں کی اجازت دیتا ہے۔

انشورنس کوریج، BMP-5 پر کاربند رہنے اور بحریہ کے ساتھ اشتراک کے ذریعے پی این ایس سی اپنے اہلکاروں اور جہازوں کی سلامتی اور حفاظت کے لیے اپنے غیر متزلزل عزم کا اظہار کرتا ہے۔

b. خلیج عمان / آبنائے ہرمز میں تجارتی خطرہ:

پی این ایس سی کے آئل ٹینکرز اکثر آبنائے ہرمز میں جاتے ہیں، جو تیل کی عالمی نقل و حمل کے لیے ایک اہم مقام ہے۔ تاہم، یہ خطہ ماضی کے واقعات کی وجہ سے ایک نامزد جنگی علاقہ بن چکا ہے، جو سکیورٹی کا نمایاں خطرہ لاحق کرتا ہے۔ پی این ایس سی خام تیل، فرنس آئل، اور ریفائنڈ پیٹرولیم مصنوعات لے جانے والے اپنے جہازوں کے لیے محفوظ راستے کو یقینی بنانے کے لیے ایک کثیر سطحی حکمت عملی استعمال کرتی ہے۔

عملے کی بہتر تیاری:

بڑھتے خطرے کو تسلیم کرتے ہوئے، پی این ایس سی کے عملے کو ممکنہ طور پر ہنگامی طریقہ کار، اعلیٰ مستعد پروٹوکولز اور ممکنہ بچاؤ کی تدابیر کی سخت تربیت سے آراستہ کیا جاتا ہے۔ یہ کسی بھی غیر متوقع حالات پر تیزی سے اور مؤثر طریقے سے رد عمل ظاہر کرنے کی ان کی صلاحیت کو یقینی بناتا ہے۔

ادائیگیوں میں ممکنہ رکاوٹ جیسے عوامل کی وجہ سے غیر یقینی صورتحال کا سامنا ہے۔

خطرات اور مواقع، نیز کمی کے لیے کیے جانے والے اقدامات:

قانونی چارہ جوئی کا خطرہ:

شپنگ کمپنیوں کو قانونی چارہ جوئی کے نمایاں خطرات کا سامنا ہے، بشمول حادثات، کارگو کو پہنچنے والا نقصان، اور معاہدہ جاتی تنازعات۔ یہ خطرات مہنگے تصفیے، ساکھ کے نقصان اور کاروبار کے نقصان کا باعث بن سکتے ہیں۔

شپنگ میں قانونی چارہ جوئی کے کچھ عام خطرات میں شامل ہیں:

- حادثات اور چوٹیں: جہاز کے تصادم، گراؤنڈنگ اور دیگر حادثات کے نتیجے میں مہنگے مقدمے اور تصفیہ ہو سکتے ہیں۔
- کارگو کا نقصان: سفر کے دوران کارگو کو پہنچنے والے نقصان کی وجہ سے کارگو مالکان دعویٰ کر سکتے ہیں۔
- معاہدہ جاتی تنازعات: چارٹررز، جہاز سازوں یا دیگر فریقین کے ساتھ تنازعات کے نتیجے میں مہنگی قانونی چارہ جوئی ہو سکتی ہے۔

ان خطرات کو کم کرنے کے لیے، پی این ایس سی مندرجہ ذیل اقدامات کرتا ہے؛

- خطرے کی مکمل تشخیص انجام دینا: ممکنہ خطرات کی نشاندہی کرنا اور ان کو کم کرنے کے لیے اقدامات کرنا،
- مضبوط حفاظتی پروٹوکولز تیار اور نافذ کرنا: حفاظتی ضوابط اور صنعت کے معیارات کی تعمیل کو یقینی بنانا۔
- مناسب دستاویز بندی برقرار رکھنا: کارگو، جہاز کی دیکھ بھال اور دیگر اہم کاموں کا درست ریکارڈ رکھنا۔
- عملے اور اہلکاروں کو تربیت دینا: یقینی بنانا کہ عملہ اور اہلکار ہنگامی حالات سے نمٹنے کے لیے مناسب طریقے سے تربیت یافتہ ہیں۔
- قانونی پروفیشنلز کو شامل رکھنا: معاہدوں کا جائزہ لینے اور ضوابط کی تعمیل کو یقینی بنانے کے لیے باقاعدگی سے قانونی ماہرین سے مشورہ کرنا۔

قانونی چارہ جوئی کے خطرات کو کم کرنے کے لیے دیگر موثر حکمت عملیوں میں شامل ہیں:

- تنازعہ کا متبادل حل: عدالت سے باہر تنازعات کو حل کرنے کے لیے ثالثی یا وساطت کو ملحوظ خاطر رکھنا،
- انشورنس کوریج: جہازوں، کارگو اور جوابدہی کے لیے مناسب انشورنس کوریج کو برقرار رکھنا۔
- باقاعدگی سے دیکھ بھال: حادثات اور نقصان کو روکنے کے لیے جہازوں کا باقاعدگی سے معائنہ اور دیکھ بھال کرنا۔

بڑے حادثے یا تیل کے گرنے کا خطرہ:

تمام شپنگ کمپنیوں کے ساتھ پی این ایس سی کو بھی بڑے حادثات یا تیل گرنے کے ہمیشہ سے موجود خطرے کا سامنا ہے۔ ان واقعات کے ماحولیات، مقامی کمیونٹیز اور کمپنی کی ساکھ کے لیے تباہ کن نتائج ہوسکتے ہیں۔ ان خطرات کو کم کرنے کے لیے، پی این ایس سی ممکنہ طور پر عملے کی سخت تربیت میں سرمایہ کاری کرتا ہے، سخت حفاظتی پروٹوکولز نافذ کرتا ہے، اور اپنے فلیٹ کو اعلیٰ ترین معیارات کے مطابق برقرار رکھتا ہے۔ باقاعدگی سے دیکھ بھال اور معائنے سے آلات کی ناکامی کو روکنے میں مدد مل سکتی ہے، جبکہ رسنے کے ردعمل کے منصوبے اور ہنگامی طریقہ کار کسی واقعہ کی صورت میں تیز اور مؤثر ردعمل کو یقینی بناتے ہیں۔

ماحولیاتی اثرات کا نظم:

عالمی شپنگ کل گرین ہاؤس گیسوں کے 3٪ کی ذمہ دار ہے۔ انٹرنیشنل میری ٹائم آرگنائزیشن (IMO) نے بین الاقوامی شپنگ سے کاربن کے اخراج سے نمٹنے کے لیے کئی ضوابط نافذ کیے ہیں۔ ذیل میں کچھ اہم نکات کی تفصیل ہے:

- IMO GHG 2023 حکمت عملی: اس پرعزم حکمت عملی کا مقصد اخراج کو نمایاں طور پر روکنا ہے۔ اس کا ہدف 2008 کی سطح کے مقابلے میں 2030 تک کاربن کی شدت (ٹرانسپورٹ کے فی کام میں کاربن ڈائی آکسائیڈ کا اخراج) میں کم از کم 40٪ کمی ہے۔ مزید برآں، اس کا مقصد 2050 تک بین الاقوامی شپنگ سے کل سالانہ GHG کے اخراج کو کم از کم 50٪ تک کم کرنا ہے، مکمل طور پر خالص صفر اخراج کے لیے کوشش کرتا ہے۔

- نئی ٹیکنالوجیز پر توجہ: حکمت عملی صفر یا صفر کے قریب GHG خراج کی ٹیکنالوجیز، ایندھن اور توانائی کے ذرائع کو اپنانے پر زور دیتی ہے۔ اس کا مقصد ان متبادلات کے لیے 2030 تک بین الاقوامی شپنگ کے ذریعے استعمال ہونے والی توانائی کے کم از کم 5٪ کی عکاسی کرنا ہے، جس کا ہدف 10٪ تک پہنچنا ہے۔

ٹینکر کا تناظر

تیل کی طلب 2024 اور 2025 میں 1.5 mpbd بڑھنے کی پیش گوئی کی گئی ہے، جس کا زیادہ تر حصہ ایشیا کے باعث ہے، جس میں ساختی طور پر کم تیل اور غیر اوپیک کی پیداوار تقریباً 1 mpbd اضافہ کرتی ہے، بنیادی طور پر امریکہ (امریکہ، برازیل، کینیڈا، گیانا) سے ٹینکر جب تک جہاز بحیرہ احمر کے تنازعہ کی وجہ سے کیپ آف گڈ ہوپ کے راستے تجارت کا رخ موڑتے رہیں گے تب تک ٹن میل کی مسافت میں معاونت جاری رہے گی۔

یورپی درآمدات میں ممکنہ اضافے کو طویل فاصلے کی تجارت کے ذریعے فراہم کرنے کی ضرورت ہوگی، ممکنہ طور پر مشرق وسطیٰ سے جہاں نئی ریفائنریاں تیزی سے چل رہی ہیں۔ اس نئی صلاحیت کو درمیانی ڈسٹلیٹس پر مرکوز کیا گیا ہے۔

دوسری طرف، نائیجیریا میں بڑی ڈینگوٹ ریفائنری کا آغاز سست ہونے کی توقع ہے اور 2025 کے اختتام تک اپنے مکمل استعمال تک پہنچنے کی توقع ہے۔ اس طرح، مغربی افریقہ کی درآمدی ضروریات ایک مدت تک برقرار رہنے کا امکان ہے۔ اگرچہ آرڈر بک حال ہی میں تیار ہوئی ہے، کم از کم آئندہ سال میں ڈیلیوریز محدود رہیں گی۔ خام ٹینکر کی ڈیلیوری موجودہ سال 2024 کے دوران فلیٹ کا ~1٪ ہوگی جبکہ مصنوعہ جاتی ٹینکر کی ڈیلیوری تقریباً 2٪ ہوگی۔ بیک وقت، موجودہ ٹینکر فلیٹ کی عمر بڑھ رہی ہے اور یہ نئے ضوابط (EEXI/CII) کے ساتھ مل کر آگے جا کر تیزی سے سکریپنگ کا شکار ہو سکتا ہے۔

عام طور پر، مصنوعہ جاتی ٹینکر کی طلب کی طرف مثبت رجحانات اور نسبتاً محدود ٹینج سپلائی میں اضافہ، آئندہ تین سال کی مدت میں فریٹ کی مارکیٹ میں مثبت ترقی کی حمایت کرتے ہیں۔ تاہم، مسلسل جغرافیائی سیاسی عدم استحکام کی وجہ سے مارکیٹ میں اتار چڑھاؤ کم سے کم رہنے کی توقع ہے۔

بحری کاروباری کارکردگی کا شعبہ جاتی جائزہ

938,876 میٹرک ٹن کی کل DWT صلاحیت کی حامل پی این ایس سی نے زیر مشاہدہ سال کے دوران تقریباً 09.94 ملین ٹن (مالی سال 2023: 10.83 ملین ٹن) کا کارگو اٹھایا، جو ملک کے کل سمندری تجارتی حجم 96.37 ملین ٹن (مالی سال 2023: 82.95 ملین ٹن) کے تقریباً 10.31٪ (مالی سال 2023: 13.06٪) کے مساوی ہے۔ پاکستان کی سمندری تجارت برائے حالیہ سال 2023-24 اور گزشتہ سال 2022-23 کے الگ الگ اعداد و شمار اور پی این ایس سی کا حصہ درج ذیل ہیں:

-------------------اعداد و شمار 'ملین ٹن میں'-------------------

	خشک بلک		مائع بلک		کُل	
تفصیل	**2024**	2023	**2024**	2023	**2024**	2023
پاکستان کی سمندری تجارت	**67.17**	54.13	**29.20**	28.80	**96.37**	82.95
پی این ایس سی کا حصہ	**1.29**	1.57	**8.64**	9.26	**9.94**	10.83

نوعیت / انتظام کے لحاظ سے پی این ایس سی کے ذریعے نقل و حمل کیے جانے والے کل کارگو کی الگ الگ تفصیل ذیل میں جدول میں درج ہے:

طبقات	پیمائش کی اکائی	**2024**	2023
ڈرائی کارگو (بلک کیریئر)	ملین ٹن	**1.268**	1.574
مائع کارگو (ٹینکر)	ملین ٹن	**8.647**	9.26
سلاٹ چارٹر			
- بریک بلک	MT یا CBM (W/M) سے زائد	**0.030**	0.075
- کنٹینر شدہ کارگو	ہزار TEU	**1.173**	1.230

نمایاں خطرات

یوکرین-روس جنگ کے اثرات اور بحیرہ احمر کے بحرانوں سے پی این ایس سی کے فائدے کے باوجود، دنیا میں بگڑتی جغرافیائی سیاسی صورتحال کی وجہ سے شپنگ کی صنعت کو فطری طور پر متعدد خطرات کا سامنا ہے۔ کارپوریشن خشک اور گیلی منڈیوں میں اضافی گنجائش، فریٹ کے کم نرخوں اور ترسیل میں صاف ایندھن کی طرف منتقلی کے لحاظ سے اہم انضباطی تبدیلیوں کے ساتھ ساتھ شدید مسابقت کو کمرشل خطرات تسلیم کرتی ہے۔ ان کی کمائی کا براہ راست تعلق عالمی منڈی کے اتار چڑھاؤ سے ہے۔ مزید برآں، پی این ایس سی کو بلک شعبوں میں ضرورت سے زیادہ رسد، تیل اور بنکر کی قیمتوں میں اتار چڑھاؤ، آپریشنل اخراجات میں اضافے، بدلتے صنعتی قواعد، اور غیر ملکی

مالی سال 2025 میں اناج کی تجارت اچھی کارکردگی کا مظاہرہ کرسکتی ہے، تاہم جنگ کی وجہ سے بحیرہ اسود کے اناج کی برآمدات میں رکاوٹ کا خطرہ بدستور برقرار ہے۔

کل بلک کیریئر آرڈر بک فلیٹ کے 9٪ پر ہے، جبکہ کیپ سائز کو بہترین طور پر فلیٹ کے 6٪ آرڈر بک کے ساتھ رکھا گیا ہے۔ سال 2023 میں فلیٹ کی نمو کے مطابق، سال 2024 میں فلیٹ میں ~3٪ اضافے کا امکان ہے۔

اوپر اور نیچے دونوں طرف کے طلب کے خطرات موجود ہیں۔ بحیرہ احمر میں تصور سے زیادہ طویل بحران اور پانامہ کینال کی مسلسل پابندیاں ممکنہ طور پر مارکیٹ کو مضبوط بنائیں گی۔ دوسری طرف، چین کی پراپرٹی یا مالیاتی شعبوں کے حالات میں بگاڑ طلب کو نقصان پہنچائے گا۔

ماحولیاتی پالیسیاں مارکیٹ پر اثرانداز ہوتی رہیں گی، ممکنہ سست رفتار، ریٹروفٹنگ، اور S&P سرگرمی میں اضافہ متوقع ہے۔

توقع ہے کہ فریٹ کے نرخ مدت قریب میں مستحکم رہیں گے لیکن 2024 کے دوسرے نصف میں کم ہونا شروع ہوسکتے ہیں۔ 2025 میں، فریٹ کی شرحیں کمزور ہوسکتی ہیں کیونکہ رسد طلب کے مقابلے میں تیزی سے بڑھتی ہے۔

خام ٹینکر مارکیٹ

مجموعی طور پر، مالی سال 2024 کے دوران عالمی بحری خام تیل کی تجارت میں تقریباً 1.9٪ سال بہ سال اضافہ ہوا، اس تجارت نے عالمی وبا سے قبل آخری مرتبہ دیکھی جانے والی سطحوں کو پیچھے چھوڑ دیا۔ دوسری طرف، خام ٹینکر کے عالمی فلیٹ میں سال کے دوران برائے نام 2.6٪ اضافہ ہوا۔ سکریپنگ کی سرگرمی نہ ہونے کے برابر تھی۔

بنیادی طور پر روسی خام برآمدات پر پابندیوں کی وجہ سے خام ٹینکر کی آمدن مالی سال 2023 میں آخری بار مالی سال 2009 میں دیکھی گئی سطح تک بڑھ گئی تھی۔ آمدنی مالی سال 2024 میں سال بہ سال قدرے نرم ہوئی لیکن پھر بھی تاریخی تناظر سے مضبوط سطح کو برقرار رکھا۔

فروری 2022 میں روس کے یوکرین پر حملے کی وجہ سے ڈھانچہ جاتی بگاڑ سے ایفرامیکس اور سویز میکس ٹینکر کے شعبوں کو فائدہ پہنچ رہا ہے۔ امریکی اور یورپی یونین کی منفی سرگرمیوں میں شامل فلیٹ پر پابندیوں کو سخت کرنے کی کوششوں، یورالز (بمقابلہ برینٹ) کی کم رعایت نے اسے روسی خام برآمدات کے لیے مشکل بنا دیا ہے۔ اس کے باوجود روسی بحری برآمدات میں مالی سال 2024 میں تقریباً 2٪ اضافہ ہوا۔

2024 کے اوائل سے، ٹینکر منڈیوں میں رکاوٹوں کی وجہ سے مزید اضافہ ہوا کیونکہ بحیرہ احمر میں بحری جہازوں پر حوثیوں کے حملوں نے کئی جہازوں کو کیپ آف گڈ ہوپ کے گرد طویل راستہ اختیار کرنے پر راغب کیا۔

مصنوعہ جاتی ٹینکر مارکیٹ

روس-یوکرین جنگ کے آغاز کے بعد سے مصنوعہ جاتی ٹینکر مارکیٹ 2022 کے اوائل سے مستحکم آمدنی کے طویل دورانیے کا مشاہدہ کر رہی ہے۔

خام ٹینکرز کی طرح، مصنوعہ جاتی ٹینکر کی آمدن مالی سال 2024 میں سال بہ سال نرم ہوئی لیکن تاریخی تناظر سے مستحکم رہی۔ مصنوعہ جاتی ٹینکر مارکیٹوں کو مضبوط ریفائنری پیداوار، روس-یوکرین تنازعہ کے اثرات اور بحیرہ احمر کے تنازعہ سے تازہ ترین تجارتی رکاوٹوں کی وجہ سے مصنوعات کے تجارتی نمونوں میں تبدیلی سے مدد ملی ہے۔

مالی سال 2024 میں سمندری مصنوعات کے تجارتی حجم میں اضافہ اندازاً 3.4٪ سال بہ سال ہوا۔ مصنوعہ جاتی ٹینکر فلیٹ کی سپلائی میں برائے نام 2.3٪ اضافہ ہوا۔

کویت، عمان اور عراق میں مشرق وسطیٰ کی نئی ریفائنریوں نے پیداوار میں اضافہ کیا ہے، اور سعودی عرب میں سال بہ سال زیادہ دیکھ بھال کے باوجود، مالی سال 2024 میں مشرق وسطیٰ کی مصنوعات کی برآمدات میں 4٪ اضافہ ہوا۔

مزید برآں، سال 2023 کی دوسری ششماہی میں پانامہ کینال میں خلل نے بھی ویسٹ آف سویز مصنوعہ جاتی ٹینکر کی آمدنی میں مدد کی۔ 2024 کے اوائل میں، مصنوعہ جاتی ٹینکر کی مارکیٹوں نے بحیرہ احمر سے طویل سفر (کیپ آف گڈ ہوپ کے ذریعے) کی طرف جانے والے جہازوں سے مزید اضافہ دیکھا، جس نے پہلے سے ہی سخت رسد و طلب کے توازن کی اضافی حوصلہ افزائی کی ہے۔

عالمی شپنگ مارکیٹ کا تناظر

پہلی سہ ماہی میں کلارک سی انڈیکس کی اوسط 24,000$ فی دن، 10 سالہ رجحان سے 35٪ زیادہ اور 2023 کی مضبوط کارکردگی کو برقرار رکھنے کے ساتھ، شپنگ مارکیٹیں ایک مستحکم دور سے گزر رہی ہیں۔ معاون عوامل میں بنیادی تجارتی حجم میں اضافہ، ایک سخت جہاز سازی کی مارکیٹ، اور جغرافیائی سیاسی رکاوٹوں اور اخراج کے بڑھتے ہوئے ضوابط سے متاثر رسد اور طلب میں مختلف پیچیدگیاں شامل ہیں۔

سمندری تجارت کا حجم 2023 میں 3٪ سے بڑھ کر 12.4 بلین ٹن ہو گیا، جبکہ 2024 میں 2٪ اضافے کے ساتھ 12.6 بلین ٹن ہونے کا تخمینہ لگایا گیا۔ بحیرہ احمر کی بجائے کیپ آف گڈ ہوپ کے ذریعے طویل فاصلے کے سفر اور راستوں کا بدلنا عالمی جہازوں کی طلب میں 3٪ اضافہ کر رہا ہے۔ فلیٹ کی کم ترقی اور روس کی وجہ سے طویل فاصلے کے تجارت کے بہاؤ کی وجہ سے ٹینکر مارکیٹس کی اوسط آمدنی >40,000$ فی دن۔ کنٹینر مارکیٹس نے بحیرہ احمر کے راستے کی تبدیلی سے فائدہ اٹھایا، جس سے اسپاٹ فریٹ کے نرخ دوگنا اور چارٹر نرخ دسمبر کے اوائل سے 37٪ بڑھ گئے۔ بلک کیریئرز کارگو کے مستحکم حجم اور محدود نئے تعمیری آرڈرز کے ساتھ سال کا مستحکم آغاز دیکھ رہے ہیں۔ 2024 میں بحری فلیٹ کی مجموعی نمو ~3٪ سے 2.5 بلین DWT تک متوقع ہے، جس میں تمام شعبوں میں غیر مساوی تقسیم ہو گی (مثلاً، ٹینکرز 8٪)۔ 2020 سے شپ یارڈ کی محدود گنجائش اور قیمتوں میں 40٪ اضافے کے ساتھ نئے تعمیراتی آرڈرز مستحکم رہیں گے۔ جہاز کی ری سائیکلنگ محدود ہے، جبکہ S&P مارکیٹیں 15 سال کی بلند ترین قیمتوں کے ساتھ فعال ہیں۔

شپنگ میں بہتر ماحولیاتی تبدیلی:

عالمی GHG کے اخراج میں شپنگ کا 1.9٪ حصہ ہے۔ EUETS شپنگ تک 2024 میں پھیل جائے گا، جو 2026 تک سالانہ 6 بلین ڈالر کی کاربن قیمت کا تخمینہ متعارف کروائے گا۔ CII کے تحت گہرے سمندر میں کارگو فلیٹ کا 65٪ A-C درجہ رکھتا ہے، جس میں رفتار کے رجحانات اور ریٹروفٹنگ پر نمایاں اثرات متوقع ہیں۔ گرین ٹیکنالوجی کے استعمال میں فلیٹ کا 6٪ متبادل ایندھن کے قابل، 31٪ توانائی بچانے والی ٹیکنالوجیز (ESTs) سے لیس اور 32٪ ماحولیاتی انجنز کے ساتھ شامل ہے۔ فلیٹ کی نمایاں تجدید متوقع ہے کیونکہ فلیٹ کا 31٪ حصہ 15 سال سے زیادہ پرانا ہے۔

شپنگ مارکیٹس فی الحال مثبت کیش فلو کے ساتھ مضبوط ہیں، حالانکہ جغرافیائی سیاسی اور اقتصادی خطرات، رسد سے متعلقہ رکاوٹوں اور اخراج کی پالیسیوں کو محتاط نگرانی کی ضرورت ہوتی ہے کیونکہ صنعت رکاوٹوں اور سبز تبدیلیوں کو نیویگیٹ کرتی ہے۔

خشک بلک مارکیٹ

خشک بلک مارکیٹ میں تمام شعبوں میں سال بہ سال کمائی میں نرمی دیکھی۔ کیپ سائز کی آمدن مالی سال 24 میں سال بہ سال اوسطاً 40٪ زیادہ رہی، جبکہ کمسار میکس اور ہینڈی میکس کی آمدنی بالترتیب 21٪ اور 34٪ کم ہوئیں۔

بڑھتی چینی درآمدات کی وجہ سے سال بھر میں خشک بلک طلب مستحکم رہی۔ خطے میں کم بارشوں کی وجہ سے چینی ہائیڈروپاور کی پیداوار کو نقصان پہنچا، اس طرح کوئلے سے چلنے والی بجلی کی طلب میں اضافہ ہوا اور اس کے نتیجے میں چین میں کوئلے کی درآمدات میں اضافہ ہوا۔ چین میں خام لوہے کی درآمدات بھی مستحکم تھیں کیونکہ بڑھتی چینی سٹیل کی برآمدات نے پراپرٹی کے شعبہ میں سست روی کے باوجود ملکی سٹیل کی پیداوار کو سہارا دیا۔

مستحکم تجارتی نمو کے باوجود، مالی سال 2024 کی پہلی ششماہی میں بھیڑ کی کمی نے آمدن کو کم رکھا۔ مالی سال 2024 کی تیسری سہ ماہی میں، برازیل میں بھیڑ بڑھ گئی کیونکہ دریا کے پانی کی کم سطح نے بندرگاہوں پر کارگو کی روانگی کو متاثر کیا، جس کے نتیجے میں اناج کو لوڈ کرنے کے لیے جہازوں کی لمبی قطار لگ گئی۔

بحیرہ احمر میں تصادم کا مطلب یہ تھا کہ بحری جہازوں کے زیادہ تناسب نے مالی سال 2024 کی چوتھی سہ ماہی میں کیپ آف گڈ ہوپ کے ذریعے دوبارہ روٹ شروع کیا، اس طرح ٹن میل کی مسافت میں اضافہ ہوا۔

خشک بلک کا تناظر

بنیادی طور پر چین میں کوئلے کی بڑھتی ہوئی درآمدات کی وجہ سے مجموعی طور پر خشک بلک تجارت کے مالی سال 2025 میں بڑھنے کا امکان ہے۔ چین کی خام لوہے کی درآمدی نمو مالی سال 2025 میں سست پڑنے کا امکان ہے کیونکہ اسٹیل کی پیداوار میں سست روی کے ساتھ مقامی خام لوہے کی انوینٹری کی سطح بلند ہے۔ مزید برآں، خام لوہے کی قیمتوں میں کمزوری قیمت کے حوالے سے حساس برآمد کنندگان کی سپلائی کو محدود کر سکتی ہے۔

IMO کے ضوابط کی تعمیل:

ٹنیج میں اضافہ بین الاقوامی میری ٹائم آرگنائزیشن (IMO) کی طرف سے مقرر کردہ آئندہ کے سخت ضوابط پر فلیٹ کے کاربند رہنے کی ضمانت دے گا۔

خریداری کا ہم آہنگ عمل: آپریشنل استعداد کو بڑھانے کے لیے، پی این ایس سی SOEs ایکٹ 2023 کے تحت درکار ایک خود مختار خریداری کی پالیسی تیار کرنے میں مصروف ہے۔ خریداری کی پالیسی کا مقصد اندرونی عمل کو بین الاقوامی شپنگ کے معیارات کے ساتھ ہم آہنگ کرتے ہوئے پی این ایس سی کی خریداری کے عمل کو ہم آہنگ کرنا ہے، خاص طور پر استعمال شدہ جہازوں کے لیے، نیز رقم کے لحاظ سے قدر، پتہ لگانا اور شفافیت کو یقینی بنانا ہے۔

جہازوں کے حصول کی حکمت عمل: اگرچہ جہازوں کے حصول کے عمل کی توجہ نئے جہازوں کے حصول کی طرف ہوگی، جو پی این ایس سی کی تجارتی ضروریات کو پورا کرنے والی خصوصیات کے مطابق بنائے جائیں گے، تاہم، پی این ایس سی کو مارکیٹ میں دستیاب مواقع سے فائدہ اٹھانے کے قابل بنانے کے لیے استعمال شدہ جہازوں کے حصول کے امکانات کو بھی تلاش کیا جائے گا۔ واضح رہے کہ نئے جہازوں کی قیمت عام طور پر استعمال شدہ جہازوں کی نسبت زیادہ ہوتی ہے، اس طرح زیادہ سرمایہ خرچ ہوتا ہے اور ادائیگی کی طویل مدت درکار ہوتی ہے جبکہ دوسری طرف، استعمال شدہ جہاز پی این ایس سی کی تکنیکی ضروریات کو مکمل طور پر پورا نہیں کرسکتے کیونکہ وہ کسی دوسری شپنگ فرم کی ضروریات کے لیے بنائے گئے تھے اور استعمال شدہ جہازوں کی دیکھ بھال کی لاگت بھی نئے جہازوں کے مقابلے میں زیادہ ہوسکتی ہے۔ یہ بھی نوٹ کیا جانا چاہیے کہ نئے اور استعمال شدہ جہازوں کے امتزاج پر مشتمل فلیٹ کو برقرار رکھنا ایک عام بین الاقوامی جہازوں کی ملکیت کی مشق ہے، یہاں تک کہ سب سے بڑے عالمی جہاز مالکان بھی بڑے پیمانے پر ایسا کرتے ہیں۔ حکمت عملی سے نئے اور پہلے سے زیر ملکیت دونوں جہازوں کو حاصل کرنے سے، پی این ایس سی شیئر ہولڈرز کے مقاصد کے ساتھ منسلک اقتصادی فوائد کے حصول کی توقع رکھتا ہے۔ اس دوہرے تناظر سے پی این ایس سی کو سمندری نقل و حمل کے شعبے میں پائیدار ترقی کی جگہ دینے کی توقع ہے

عالمی اقتصادی تناظر

مستحکم ترقی برقرار رکھتے ہوئے اور افراط زر کے ہدفی سطح پر واپس آتے ہوئے عالمی معیشت نے 2022 کے آخر سے غیر معمولی لچک دکھائی ہے۔ اس لچک جو کئی نمایاں رکاوٹوں کا سامنا ہوا، بشمول عالمی وبا کے بعد سپلائی چین کے مسائل، روس-یوکرین کی جنگ کے باعث توانائی اور خوراک کا بحران، عالمی افراط زر میں اضافہ اور اسرائیل-فلسطین تنازعہ جس نے بحیرہ احمر میں شپنگ کے بحران کو جنم دیا۔ ان چیلنجز کے باوجود، عالمی کساد بازاری سے بچا گیا، بینکاری نظام مستحکم رہا، اور ابھرتی مارکیٹ کی معیشتوں کو شدید دھچکے کا سامنا نہیں کرنا پڑا۔ افراط زر اپنی بلندی سے نمایاں طور پر کم ہوا ہے، اور عالمی ترقی 2024 اور 2025 کے لیے 3.2٪ کے قریب مستحکم رہی ہے۔ افراط زر میں کمی توانائی کی کم ہوتی قیمتوں اور سپلائی چین میں اتار چڑھاؤ کو آسان بنانے سے کارفرما ہے، جبکہ روزگار میں مستحکم ترقی نے عالمی وبا سے ہونے والے معاشی دھچکے کو کم کیا ہے۔

تاہم، متعدد چیلنجز باقی ہیں۔ اگرچہ افراط زر کے رجحانات امید افزا ہیں، بنیادی اور خدمات کی افراط زر بلند ہے، جس سے افراط زر کے عمل کو خطرات لاحق ہیں۔ عالمی اقتصادی تناظر ممالک کے درمیان اہم فرق کو ڈھانپ لیتا ہے۔ امریکی معیشت نے غیر معمولی طور پر عمدہ کارکردگی کا مظاہرہ کیا ہے، لیکن یہ جزوی طور پر غیر مستحکم مالیاتی پالیسیوں کی وجہ سے ہوا، جس سے مستقبل میں افراط زر اور عالمی مالیاتی استحکام کے بارے میں خدشات بڑھ رہے ہیں۔ یورو کے علاقے کو اجرت میں مسلسل اضافے اور خدمات کی افراط زر کے خطرات کے ساتھ معمولی ترقی کا سامنا ہے، جبکہ چین کی معیشت کو پراپرٹی کے شعبے کی مندی اور کم مقامی طلب کی وجہ سے رکاوٹ درپیش ہے۔ اس کے برعکس، بہت سی بڑی ابھرتی ہوئی مارکیٹیں اچھی کارکردگی کا مظاہرہ کررہی ہیں، جو عالمی سپلائی چینز کو تبدیل کرنے اور چین اور امریکہ کے درمیان تجارتی تناؤ سے فائدہ اٹھا رہی ہیں۔

ترقی میں نیچے کی طرف اور افراط زر میں اوپر کی طرف واپسی، عالمی وبا کی وجہ معیشت پر تیز تر منفی اثرات اور گزر بسر کے بحران کی وجہ سے کم آمدنی والے ترقی پذیر ممالک کو بڑھتی مشکلات کا سامنا ہے۔ حقیقی سود کی شرح میں اضافہ ہوا ہے، جو خاص طور پر انتہائی مقروض ابھرتی منڈیوں کے لیے خود مختار قرض کی حرکیات کو پیچیدہ بنا رہا ہے۔ ان ممالک کو فنڈنگ کے اخراجات کو کم کرنے اور مالی استحکام کو بڑھانے کے لیے قابل بھروسہ مالی مجموعہ جات کے ذریعے مالیاتی بفرز کی تشکیل نو پر توجہ مرکوز کرنے کی ضرورت ہے۔ مجموعی عنصر کی پیداواری ترقی میں کمی اور سرمائے اور محنت کی غلط تقسیم کی وجہ سے درمیانی مدت کی ترقی کے امکانات کمزور ہیں۔ پیداواری فوائد کے لیے AI کا استعمال، ڈیجیٹل انفراسٹرکچر کو بہتر بنانا، اور جغرافیائی اقتصادی تقسیم کاری سے نمٹنا مستقبل کی ترقی کے لیے اہم ہیں۔

پاکستان کی معیشت کو نمایاں مشکلات کا سامنا ہے جس میں میکرو اکنامک عدم توازن، معاشی سست روی، رسد میں کمی کے جھٹکے اور دنیا میں جاری تنازعات اور جنگوں کی وجہ سے جغرافیائی سیاسی عدم استحکام کے اثرات شامل ہیں۔ سال 2024 کے لیے آئی ایم ایف کے اقتصادی تناظر کے مطابق، پاکستان کی معیشت کے اہم اقتصادی اشاریوں جیسے مہنگائی، بیروزگاری اور معاشی نمو میں نمایاں اضافے کی پیش گوئی کی گئی ہے۔

ڈائریکٹرز رپورٹ

برائے سال اختتام از 30 جون، 2024

پاکستان نیشنل شپنگ کارپوریشن (پی این ایس سی، کارپوریشن) گروپ (گروپ) کا بورڈ آف ڈائریکٹرز سالانہ آڈٹ شدہ مالیاتی گوشواروں کے ہمراہ چھیالیسویں (46) سالانہ رپورٹ برائے اختتام سال از 30 جون، 2024 بخوشی پیش کرتا ہے۔

مختصر تعارف، بنیادی افعال اور کارکردگی کا جائزہ

پاکستان نیشنل شپنگ کارپوریشن (پی این ایس سی)، پاکستان کا قومی پرچم بردار، عالمی سمندری نقل و حمل کی صنعت میں ایک معروف کھلاڑی ہے۔ شیئر ہولڈرز کی قدر کو زیادہ سے زیادہ بڑھانے پر توجہ مرکوز کرتے ہوئے، پی این ایس سی 12 جہازوں کا ایک فلیٹ چلاتا ہے جس کی سامان لے جانے کی کل صلاحیت 938,876 ٹن ہے، جو دنیا بھر میں متنوع تجارتی راستوں پر خدمات پیش کرتا ہے۔ پی این ایس سی حکمت عملی کے لحاظ سے متنوع فلیٹ پر فخر کرتا ہے، جس میں پانچ ڈبل ہل ایفرامیکس اور دو LR-1 مصنوعہ جاتی ٹینکرز شامل ہیں، جو ملک کی توانائی کی ضروریات کو پورا کرتے ہیں۔ سپرامیکس، ہینڈی میکس اور ہینڈی سائز بلک کیریئرز کے ساتھ پینامیکس بلک کیریئرز، خشک بلک اجناس کی وسیع حد کی نقل و حمل میں سہولت فراہم کرتے ہیں، بشمول لوہے اور سٹیل کی مصنوعات، کھاد، معدنیات، کوئلہ، لوہا، اناج اور تعمیراتی مواد۔

پی این ایس سی حفاظت اور ماحول کے اعلیٰ ترین معیارات کو ترجیح دیتا ہے۔ کارپوریشن سخت بین الاقوامی ضوابط کی پابندی کرتی ہے جبکہ ماحول کے لحاظ سے ذمہ دارانہ طرز عمل کی پابند رہتی ہے۔

پروفیشنل افراد کی ایک ٹیم کے ذریعے چلتے ہوئے، پی این ایس سی کا مقصد اپنے اسٹیک ہولڈرز کے مفادات کی خدمت میں بہترین کارکردگی کا مظاہرہ کرنا ہے۔ کارپوریشن دنیا بھر میں بحری تجارت کے فروغ میں فعال کردار ادا کرتی ہے۔

کارپوریشن کی سٹریٹیجک SOE کے طور پر درجہ بندی۔

بورڈ آف ڈائریکٹرز ممبران کو یہ بتاتے ہوئے مسرت محسوس کرتا ہے کہ اسٹیٹ اونڈ انٹرپرائز (گورننس اور آپریشنز) ایکٹ، 2023 (SOE ایکٹ) گزشتہ سال نافذ ہوا تھا اور اسٹیٹ اونڈ انٹرپرائز (آپریشن اور مینجمنٹ) پالیسی (SOE پالیسی) بھی نومبر 2023 میں بھی جاری ہو چکی ہے۔ SOE پالیسی کے پیراگراف 9(a) باب 3 کے مطابق، کارپوریشن کو اسٹیٹ اونڈ انٹرپرائز کی کابینہ کمیٹی نے سٹریٹجک SOE کے طور پر درجہ بند کیا ہے۔

قومی اور عالمی تجارت میں کلیدی کردار:

پی این ایس سی بنیادی طور پر مشرق وسطیٰ سے بحری تجارت کے ذریعے درآمد شدہ خام تیل کی پاکستان کی گھریلو طلب کو پورا کرنے اور دنیا بھر میں خشک بلک اجناس کے تبادلے کو آسان بنانے میں ایک کلیدی کردار ادا کرتا ہے۔

بین الاقوامی فریٹ انڈیسز اور اپنی کارکردگی پر عالمی اقتصادی نقطہ نظر کے اثر و رسوخ کو تسلیم کرتے ہوئے، پی این ایس سی مؤثر اور قابل بھروسہ بحری نقل و حمل کی خدمات فراہم کرنے کے اپنے عزم میں ثابت قدم ہے۔

جدت کاری اور فلیٹ میں توسیع:

پی این ایس سی یہ یقینی بنانے کے لیے فلیٹ کی تجدید اور تبدیلی کے لیے سرگرم عمل ہے:

توانائی کی سکیورٹی:

پاکستان کی توانائی کی سکیورٹی کو تقویت دینے کے لیے ایفرامیکس / LR-2 جہازوں کا حصول جاری ہے۔

Pakistan National Shipping Corporation

CSR Report

Corporate Social Responsibility

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→

Contents

PNSC's efforts to promote CSR Activities

Dear Stakeholders,

Since inception, Pakistan National Shipping Corporation (PNSC) has consistently participated in Corporate Social Responsibility (CSR) endeavors, focusing on education, environment conservation, healthcare, and poverty alleviation, this bringing a positive change in society. The Federal Government has encouraged both public and private sector companies to actively contribute in CSR initiatives, emphasizing their role in promoting socio-economic development, including poverty alleviation. In line with this vision of the Federal Government, PNSC has consistently taken lead in demonstrating its commitment to CSR, going beyond core operations to positively impact society. PNSC's efforts focus on five key areas: Education, Health, Community, Workplace, and Environment, to foster sustainable development and social welfare across the country. In the current financial year, a total of Rs. 10 million has contributed to CSR activities across these pillars.

Our CSR efforts address the expectations of all key stakeholders, including regulators, suppliers, banks, employees, consumers, communities, and investors. These initiatives help us attract, retain, and develop talented and diverse individuals who are vital to our business success.

PNSC is committed to fostering an inclusive workplace that embraces diversity, respects every individual, and prioritizes creating a cleaner, safer, and healthier environment. We invest in our human capital and operate responsibly to ensure the well-being of our workforce. Above all, in everything we do, our primary responsibility is to make a meaningful, measurable, and positive impact on the people we serve.

PNSC significantly contributing to the well-being of various communities across Pakistan, aligning its efforts with national interest and fostering a positive corporate image.

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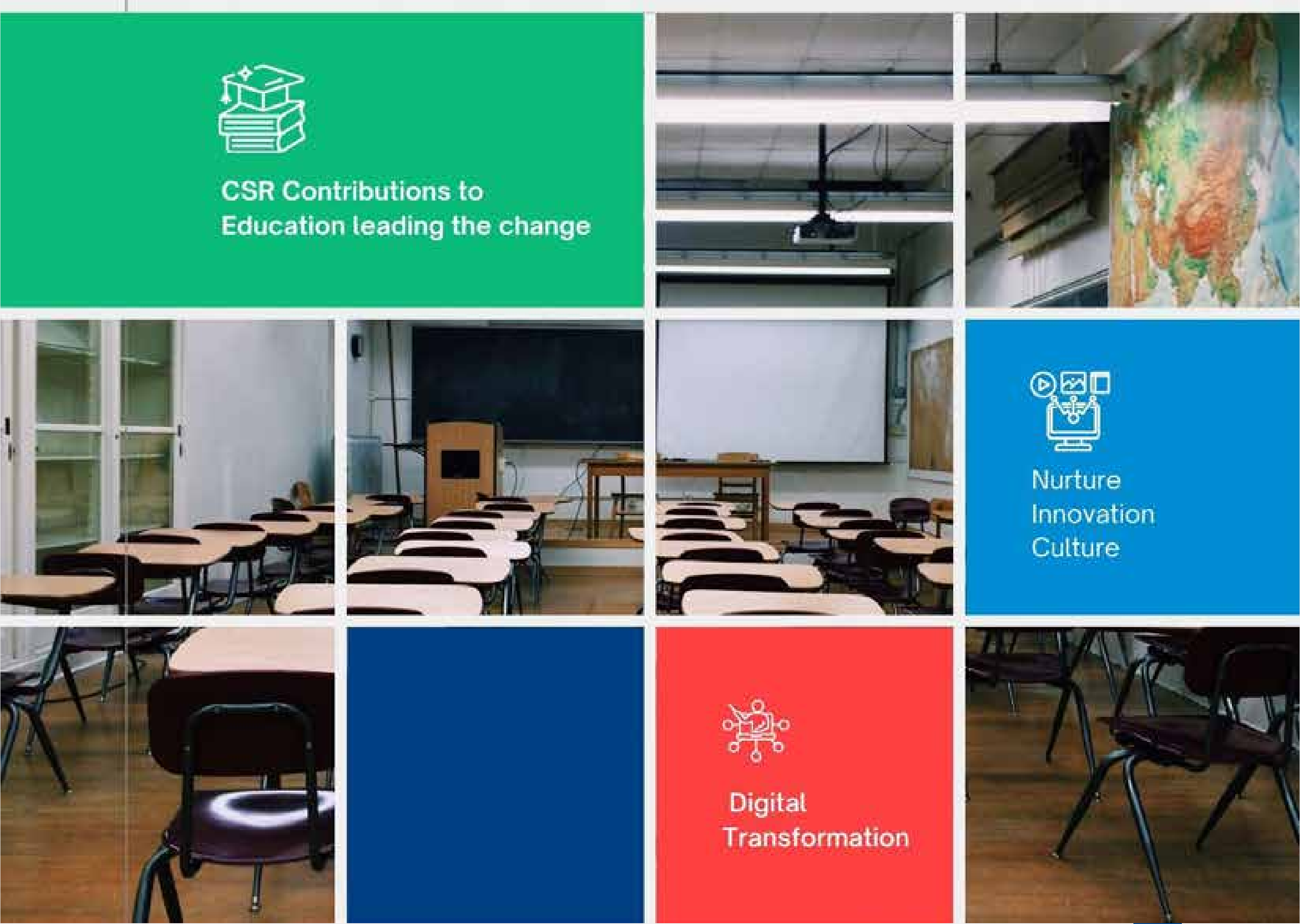
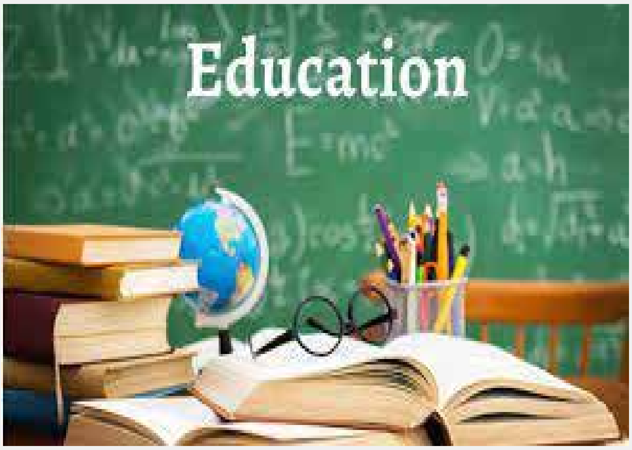
Education


CSR Contributions to
Education leading the change
Nurture
Innovation
Culture
Digital
Transformation

EDUCATION



Education is the cornerstone of a progressive society. It fosters personal growth, social inclusion, and economic advancement, ultimately creating a knowledgeable workforce that significantly contributes to societal development. PNSC consistently prioritizes investment in education particularly women, recognizing its critical role in equipping individuals with the skills and knowledge necessary to drive innovation and growth. For any nation, especially developing ones, education serves as a pathway to socio-economic stability and prosperity.

PNSC believes that enhancing access to education and training is one of the most impactful investments it can make. During the year, under this key pillar, PNSC contributed a total of **Rs. 6.2 million** to initiatives aimed at nurturing talent and promoting lifelong learning, as outlined in the highlights below:

A vital Role of the PNSC Library

PNSC library is a place where books and sources of information are stored in physical and digital format. It is easier to get access books, magazines, newspapers, and research journals encompassing source of information. Our library plays a vital role in providing with reliable content encourage and promote the process of learning and grasping knowledge.

The Corporation employees', its visitors, foreign delegations, internees from business schools, Pakistan marine academy cadets and researchers can get a unique variety of books collection to enhance the reader knowledge.

Moreover, available in the library a variety of reading material is of so wide-ranging that, one mostly gets what they are looking for, and readers may get hands on great educational material which they might not find elsewhere in the market, in turn, progresses learning capabilities and knowledge helpful in our overall development.

The library is well equipped with digital and high tech resource, remains always the favorite venue for management to organize training sessions, workshops, meetings and awareness programs for nurturing the mindset of employees, professional skills and their development throughout the year.

PMA Scholarship for Cadets

Pakistan Marine Academy (PMA) is the only institution in the public sector in Pakistan for training of seafarers.

PNSC helps to nurture the next generation of leaders in the maritime industry. In this regard, provided financial assistance of **Rs. 5.8 Million** to 61st batch cadets of the PMA, encouraging the development of future maritime professionals by making investment in these scholarships.

Free Village School (FVS) Foundation

PNSC helped to Free Village School (FVS) foundation in achieving its vision and mission to embrace the pursuit of excellence both inside and outside the classroom. The FVS encourage critical thinking and emphasize the learning process over rote memorization. The foundation is located in a mostly agricultural area, where there were no decent or affordable schools.

This foundation was planning to build a school where the children started coming and asking to begin teaching them. PNSC promotes education for girls in rural areas, through this initiative, demonstrating our commitment to gender equality and educational access for all. Educating girls may lead to multiple benefits, including improved family health, reduced poverty, and community development.

PN MDWA Special Children School and Foundation

Pakistan Navy was running a small special children's school since 1993 with an aim to extend and develop the setup of the Special Children School and for providing a better environment for Special Children with facilities of International Standards for the noble cause.

PNSC for this noble cause provided assistance to PN MDWA Special Children School and Foundation. In support of this institute, PNSC contributed to ensure that, these children receive the educational and healthcare resources they need to thrive.

Health


CSR Contributions to Health leading the change
Nurture Innovation Culture
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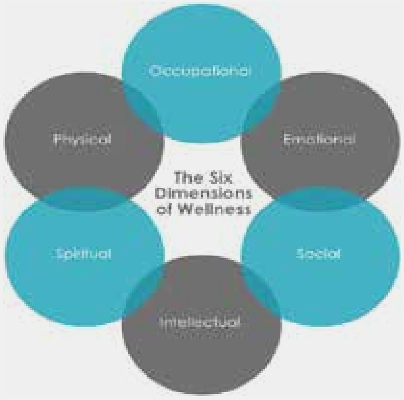
HEALTH

To achieve wellness, a person must be healthy in six interconnected dimensions of wellness emotional, occupational, physical, social, intellectual, and spiritual (National Wellness Institute [NWI], 2022).

During the year, PNSC considering the six dimensions of wellness actively supports to contribute total **Rs. 1.2 Million** in essential healthcare services for community and those employees in critical need. PNSC contribution in this one of the key five pillar with an aim to ensure the well-being of individuals and communities, particularly the most vulnerable.



Afzaal Memorial Thalassemia Foundation (AMTF)

Afzaal Memorial Thalassemia Foundation (AMTF) started with modest meager means in November 2003. AMTF has become pioneer and proud to be Pakistan's first state of the art Thalassemia Intensive Care Unit (ICU) with all required sub-specialties clinics, medical & diagnostics services for the patients suffering from thalassemia. At AMTF 100% patients are treated free of cost with the concept that "Our Patients are Our Guest".

PNSC in support of healthcare facilities for thalassemia patients, and ensuring that the patients receive the necessary medical care at Afzaal Memorial Thalassemia Foundation, took an initiative for critical and serious patients affected from the genetic blood disorder.

Transformation International Society NGO

Transformation International Society (TIS) is a not-for-profit organization. The TIS has a clear vision, where accessible and affordable healthcare facilities, education and vocational training are not only a concept, but also a real benefit in kind for individuals beyond the boundaries of age, gender, race or ethnicity. In addition, the TIS mega project is opening of Transformation Wellness Clinics in five major cities of Pakistan including the opening of Transformation Wellness Clinic at Department of Psychiatry & Behavioral Sciences at Jinnah Hospital (JPMC) the largest tertiary hospital of Pakistan.

PNSC understands the devastating toll mental health issues came forward for support of those who suffers in achieving an objective of our people want to live better life by improving their mental health. PNSC highly appreciates the current prevailing change in our society norms in which mental health issues can be openly discussed among family, friends and at workplace. But PNSC affirms that, there is still a long way to go to dispel the stigma and misunderstandings surrounding mental health issues not only in our society but also at country level.

Contribution for Bone Marrow Transplantation

PNSC use to demonstrate an extraordinary compassion and care towards its all employees and their families without any discrimination by undertaking a momentous act of kindness. Amidst a challenging and distressing situation, PNSC extended its unwavering support to an employee who faced the harrowing ordeal of having a child in need of critical medical intervention.

The child of this devoted PNSC employee required a life-saving Bone Marrow Transplantation, a complex and expensive medical procedure that held the promise of restoring health and hope to the young parent. Recognizing the gravity of the situation and the urgency to take action, PNSC wholeheartedly stepped in to bear the substantial expenses associated with the treatment.

Community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Community leading the change
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COMMUNITY

PNSC use to take social initiatives on account of community betterment and the nation at large through philanthropic contribution to various institutions. Community engagement is one of the key pillars of CSR playing pivotal role to uplift the living standards of our community, its values and traditions. The Community involvement can take many forms such as to support a local charity with financial contributions, sponsor a local event, organize clean-up events and volunteer in local schools or community projects.

PNSC thinks that, it makes commercial sense to get involved in community based CSR activities to show our services, the human face of business and at the same time, looking for opportunities that will mutually benefit to PNSC and our community by generating publicity, or improving the neighborhood around our premises. During the year, under this one of the five key pillars, PNSC contributed total amount of **Rs.2.6 Million**.

PNSC believes that, there are massive advantages of community involvement at business level. Hence, working with local community can bring a wide range of benefits, for example increase local customers being an important source of sales, improves reputation, which in turn, makes it easier to recruit or retain the key valuable employees and establishing a good healthy relationship can also help to local authorities may prefer PNSC to award potential businesses contracts through community involvement.

7th CNS Open Shooting Championship

7th Chief of the Naval Staff Open Shooting Championship was held at Pakistan Navy Shooting Range, PNS BAHADUR at Karachi. Chief of the Naval Staff Admiral Naveed Ashraf was the Chief Guest on occasion. Pakistan Navy clinched the title of CNS Open Shooting Championship 2023 with 35 Gold, 17 Silver and 13 Bronze medals whereas Sindh team secured the Runners up position.

PNSC promotes sports and community engagements through sponsorship of various sports activities. This initiative taken by the Corporation to be part of this championship was due to encourage physical activity and camaraderie among participants. It was a great honor and a proud moment for PNSC that, Chief of the Naval Staff appreciated the efforts and support of sponsors from all over Pakistan to make the championship a success.

Aitmaad Trust of Orphans -“Orphans have more rights than other people”.

Mr. Ghulam Nabi Memon (Former IG Sindh Police) has established a center to help the orphans and destitute children can play their role in the era of challenges in the future, after being educated in higher schools, colleges, and universities on behalf of the trust.

In today’s selfish era, the efforts of Aitmaad Trust to make these children good players and become a part of the Sindh and Pakistan teams cannot be ignored.

PNSC supported the Aitmaad Trust with its expectations that, orphan children will get their proper rights alike other children of society without being victim of an inferiority complex, and its positive role in this noble cause will provide a safe and nurturing environment, fulfilled with essential needs and will give them an opportunity to spend a better quality life.

Pakistan Navy Women’s Association (PNWA) Mela Exhibition

Pakistan Navy Women Association (PNWA) was established in 1970 to provide the vocational training, enhance computer literacy and inculcate general awareness among the wards of PN personnel.

PNSC always plays a vital part for the betterment of society, supported to the PANWA through its contribution helped in organizing Annual Mela for widows and family members of martyred, aiming to reduce suffering and dependency of special children, which are an important part of society. PNWA President, was the chief guest on the occasion, appreciated the efforts made by organizers through this event for prioritizing the rehabilitation of special children and widows.

Pakistan Hindu Council Job Fair & Education Expo 2024

The Pakistan Hindu Council (PHC) is much appreciated in providing a gateway towards introducing employment in Pakistan, guiding and giving opportunity to directly meet the young generation through organizing a biggest job fair and education expo in town.

PNSC realizing its national obligation actively participated in Job Fair and Education Expo, organized by the PHC contributed **Rs. One Million**. The presence of PNSC in this event was to search for graduates having sound academic background to fulfill its human resource needs for ongoing business expansion and diversification.

The young graduates were provided guidance, career counseling about Maritime Industry its associated benefits and awareness about various Internship and Management Trainee Programs (MTO) of PNSC at the expo stall briefed to skilled and unskilled graduates. PNSC encouraged youngsters to avail potential opportunities and be part of it for their better and prosperous future. Mr. Qaiser Ahmed Shaikh, the honorable Federal Minister of Maritime Affairs, stated that, the main objective of PNSC was to provide potential employment opportunities through a direct platform to professionals.

1st PNSC Inter-Provincial Women Softball Championship

First PNSC Inter-Provincial Women's Softball Championship was played at the Football Stadium KPT Sports complex, Karachi, from May 30 to June 1 2024. For this championship, PNSC sponsorship contribution was **Rs. One Million**.

The PNSC Inter-Provincial Softball Championship was an excellent platform for the women players of the four provinces in which they can become a part of the national team camp by showing outstanding performance, especially the students of the colleges and universities participating in the teams of the provinces got full opportunity from this event to make it to the national team.

The Consul General of Japan Hattori Masaru inaugurated the championship by hitting the ball during the opening ceremony. On this occasion, Consul General of Malaysia Mr. Herman Hardynata Ahmad, The Executive Director Finance & Chief Finance Officer (PNSC) Syed Jarrar Haider Kazmi, Softball Federation of Pakistan (SFP) President Asif Azeem, SVP Dr Farhan Essa, Chairperson Yasmin Haider, VP Tehmina Asif, Maj (R) Mahmood Riaz, Zubair Macha and Syed Waseem Hashmi were also present.

The kits unveiling ceremony organized at Governor's House Karachi.

Workplace


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Nurture Innovation Culture
Digital Transformation

WORKPLACE

A supportive and inclusive workplace culture is an essential for employee's well-being and Corporation's success. A positive work environment fosters employee satisfaction, enhances productivity, and promotes loyalty. It ensures that, all employees feel valued being part of the organization and are provided with opportunities for their professional growth and development.

At PNSC, continuous training and development programs are offered to employees to enhance their skills and competencies, contributing to their professional growth use to invest in its workforce, to ensure the available talent pool have the necessary skills to excel in their roles.

PNSC is committed to creating a positive and healthy workplace environment, which fosters growth and development of all employees. This includes providing scholarships, financial support in critical health issues of employees (including their family dependents) and professional grooming through providing training and development, to meet future requirements of the employer and enable them to think out of the box solutions, which might help in to mitigate challenges related to their respective areas of professional field.

Healthy workplace environment at head office

Being the only National Flag Carrier, PNSC provides internship opportunities in a healthy workplace environment to the young cadets of PMA, and university students, each year.

Such type of opportunities helps the potential graduates in gaining practical experience in respective field of specialization. Such programs give hands-on experience to interns which cannot be obtained in classrooms learning and is a great way for them to acquaint themselves with the field of their interest. This also helps the Corporation to discover quality employees for future.

PNSC also contributes towards supporting maritime research & strengthening of regulatory framework for training & certification of seafarers.

International Women's day celebration

International Women's Day (8 March) is a valuable occasion, the management recognizes the valuable role of all female staff in contributing towards the growth of the Corporation, moreover alike other organizations around the world, display its message for equal rights in clear way being equal opportunity employer. "Women's rights are human rights!"

PNSC every year celebrates this day with all women, in all their diversities at its workplace. It embraces their facets and intersections of faith, race, ethnicity, gender identity, or disability. PNSC celebrates those who came before us, those who stand beside us now, and those who will come after. It's a time to celebrate the achievements of women, whether social, political, economic or cultural.

Lecture on Kasb-E-Halal

PNSC organized a lecture on ‘Kasb-e-Halal’ to promote understanding of ethical earning practices. The event aimed to educate participants on the importance of pursuing lawful and honest means of livelihood. The management invited to a renowned Islamic Scholar Moulana Abdul Habib Qadri to chair the session.

Workshop on Awareness on Women Harassment Act

The intention of the ‘Protection Against Harassment of Women at Workplace Act 2010 is to provide an opportunity to all organizations to develop a self-regulatory mechanism; whereby organizations could handle the problems related to harassment at workplace internally. Based on the law, PNSC’s Code of Conduct had adopted the mechanism being mandatory for all organizations.

At the PNSC head office, during the training session, the presented highlighted all the important aspects of subject matter mainly, how to deal with issues might causing interference with work performance or creating an intimidating, hostile or offensive work environment. An open discussion was carried out with the participants on the topic.

Afloat Employees Training Session

In Pakistan seafarers are facing issues related to their career and future growth prospects, prioritizing these issues, the session was conducted by PNSC’s Ship Personnel Department in which Shipping Master (Government Shipping Office) was invited to discuss and suggest mitigating strategies about seafarer’s challenges and issues faced by them. About 100 seafarers have attended the session.

Environment

ENVIRONMENT

Environmental sustainability is crucial for to health of our planet and future generations, because responsible environmental practices help preserve natural resources, reduce pollution, and mitigate the impacts of climate change. Sustainable operations ensure that economic growth does not come at the expense of environmental degradation.

PNSC promotes environmental sustainability through various initiatives aimed at reducing its ecological footprint. We are committed to enhancing environmental practices within the maritime industry and ensuring that our operations are conducted in an environmentally responsible manner.

Tree Plantation Drive

PNSC prioritizing the safe and healthy environment, had undertaken a tree plantation drive at its head office on the joyous occasion of Pakistan Independence Day in August 2024 to engage in meaningful CSR activities that promote environmental conservation and learning. Tree plantation drives organized by corporates offer numerous benefits, like improves the local environment by enhancing green cover, reducing air pollution, and mitigating the urban heat island effect. These drives also promote employee engagement, team building, and a sense of pride in contributing to a sustainable cause.

Environmental Practices Enhancement

Various sustainability initiatives are undertaken to ensure that PNSC operates in an eco-friendly manner. These efforts include waste reduction, energy conservation, and promoting awareness about environmental issues among employees and stakeholders.

By integrating CSR into our core business strategy, we are not only contributing to a better world but also ensuring the implementing and promoting practices that reduce the environmental impact of our maritime operations. This includes adopting cleaner technologies and more efficient processes.

PNSC has successfully installed the Carbon Intensity Indicator (CII) and Energy Efficiency Existing Ship Index (EEXI) on its vessels to reduce carbon emissions. These measures are part of our commitment to environmental sustainability and align with global efforts to combat climate change.

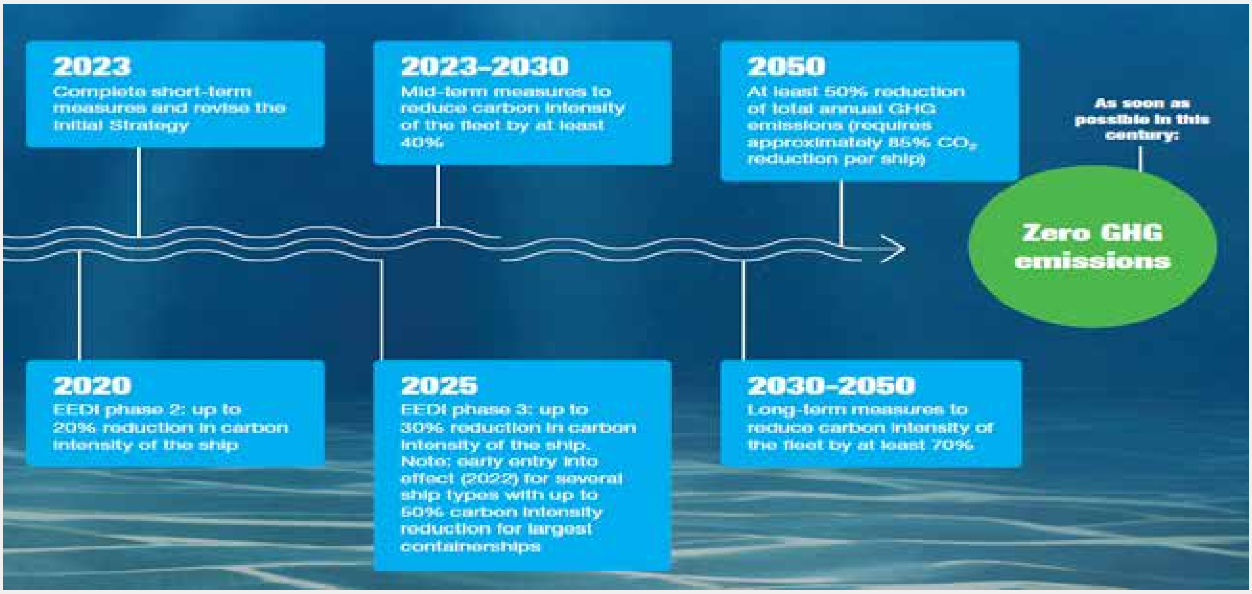
IMO has also set out an initial strategy which envisages a reduction in total GHG emissions from international shipping, in order to reduce CO2 emissions and mitigating global warming, PNSC as per IMO requirement has developed Ship Energy Efficiency Measurement Plan (SEEMP) for its fleet.

PNSC vessels operate on cleaner fuels that significantly reduce their carbon footprint. While docked in ports around the world, PNSC ships implement strict measures to prevent the discharge of effluents harmful to marine life.

Additionally, PNSC employs advanced satellite technology to chart fuel-efficient courses, minimizing excess carbon pollution. The organization is committed to energy conservation and has taken a significant step forward by installing a digital metering system to monitor and optimize energy usage.

Moreover, PNSC has developed an Environmental Management Plan for its head office, aligning with ISO 14001 standards to ensure sustainable practices within the organization.

We hope you enjoy reading about our initiatives and commitment to environmental stewardship.



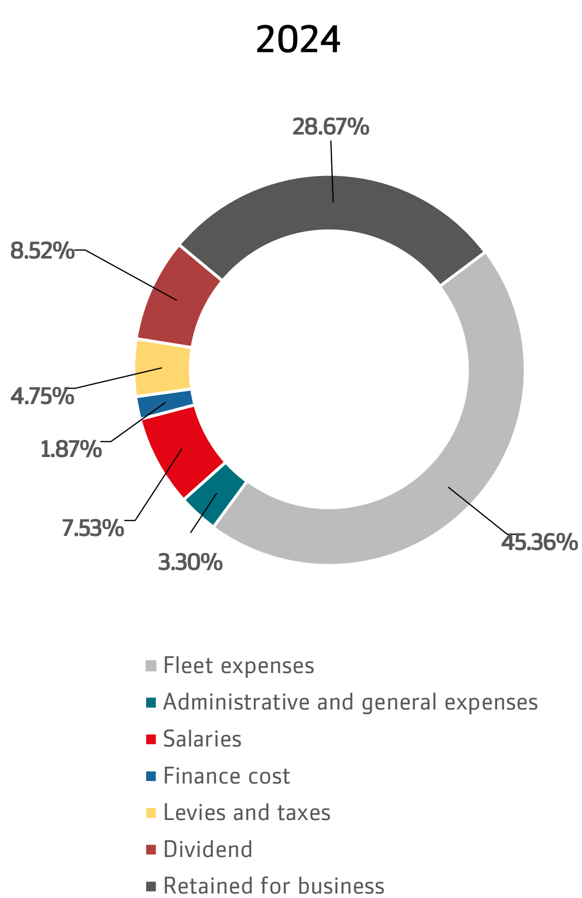
Value Added Statement

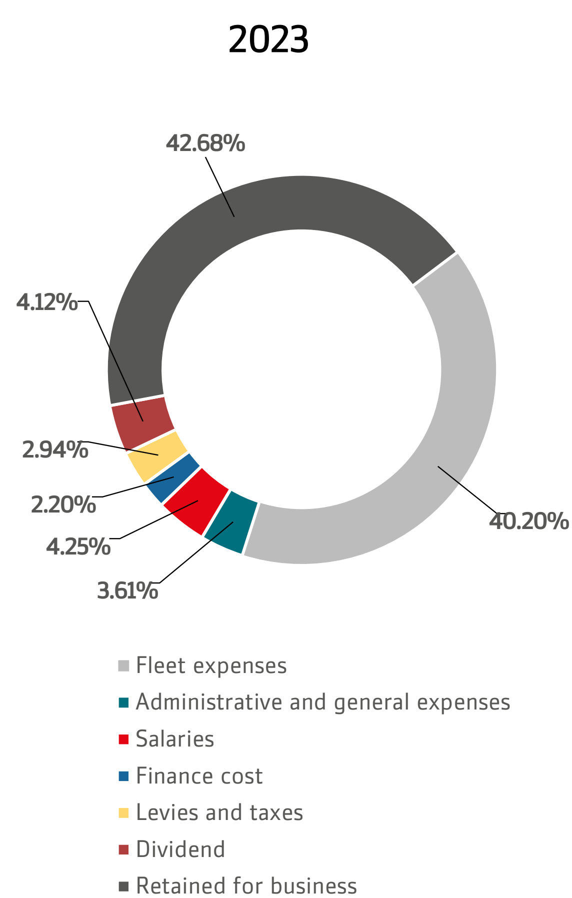
Wealth Generated

	2024		2023	
	Rs. in '000	%	Rs. in '000 (Restated)	%
Income from shipping business	40,997,915	75.55%	47,230,453	73.69%
Other operating activities	5,077,597	9.36%	7,101,274	11.08%
Rental income	287,978	0.53%	265,457	0.41%
Other income	7,899,179	14.56%	9,486,391	14.81%
	54,262,669	**100%**	**64,083,575**	**100%**

Wealth Distributed

Fleet expenses	24,613,065	45.36%	25,759,208	40.20%
Administrative and general expenses	1,791,342	3.30%	2,316,264	3.61%
Salaries	4,085,784	7.53%	2,720,526	4.25%
Finance cost	1,014,771	1.87%	1,411,030	2.20%
Levies and taxes	2,575,972	4.75%	1,882,252	2.94%
Dividend	4,622,218	8.52%	2,641,268	4.12%
Retained for business	15,559,517	28.67%	27,353,027	42.68%
	54,262,669	**100%**	**64,083,575**	**100%**





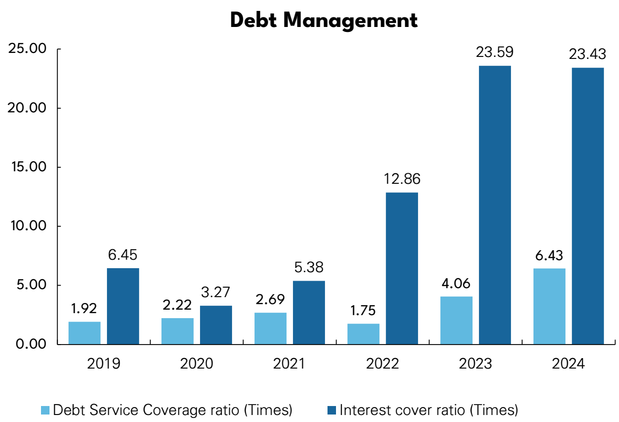
Six Years at a Glance (PNSC)

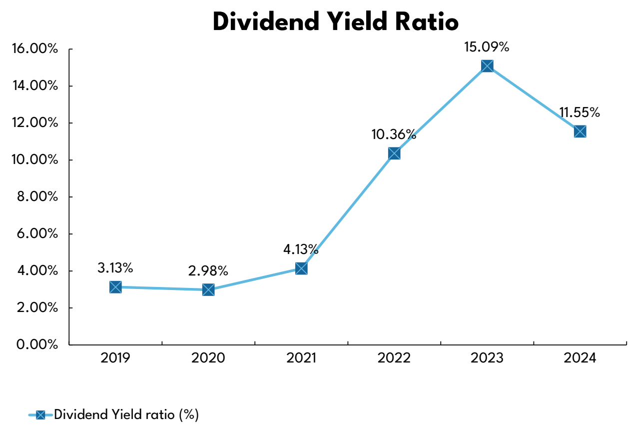
	UOM	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
		---(Rupees in '000)---					
Profit & loss							
Revenue		9,181,834	11,832,051	10,481,713	2,598,011	1,953,042	3,287,614
Expenditure		(6,918,339)	(8,459,722)	(8,618,673)	(2,151,442)	(1,752,593)	(2,823,489)
Gross profit		2,263,495	3,372,329	1,863,040	446,569	200,449	464,125
Administrative & other expenses		(1,269,667)	(788,126)	(698,014)	(418,713)	(408,772)	(545,417)
Impairment (loss) / reversal on financial assets - net		(259,521)	(706,399)	(585,498)	280,348	(302,617)	(37,264)
Other income		7,683,076	5,633,656	1,382,190	1,042,376	887,965	1,123,655
Finance costs		(1,003,486)	(1,402,093)	(525,794)	(551,417)	(1,129,661)	(445,490)
Profit / (loss) before levies and taxation		7,413,897	6,109,367	1,435,924	799,163	(752,636)	559,609
Levies and taxation		(2,429,490)	(1,275,289)	(565,922)	(104,345)	(88,206)	(205,585)
Profit / (loss) for the year		**4,984,407**	4,834,078	870,002	694,818	(840,842)	354,024
Balance sheet							
Non-current assets		54,027,703	43,802,879	43,612,839	43,422,518	42,655,967	42,519,747
Current assets		51,049,400	47,274,542	16,815,794	11,309,154	9,693,058	9,317,055
Total assets		**105,077,103**	91,077,421	60,428,633	54,731,672	52,349,025	51,836,802
Paid-up capital		1,320,634	1,320,634	1,320,634	1,320,634	1,320,634	1,320,634
Reserves		14,264,276	12,773,405	9,226,223	8,739,441	8,276,295	9,363,611
Surplus on revaluation of fixed assets		2,167,806	1,612,524	1,623,362	1,624,111	1,231,193	1,234,901
Share-holders' equity		17,752,716	15,706,563	12,170,219	11,684,186	10,828,122	11,919,146
Non-current liabilities		3,093,246	3,650,180	4,365,100	5,478,562	6,882,876	8,047,184
Current liabilities		84,231,141	71,720,678	43,893,314	37,568,924	34,638,027	31,870,472
		105,077,103	**91,077,421**	**60,428,633**	**54,731,672**	**52,349,025**	**51,836,802**
RATIOS							
Profitablility ratios							
Gross profit / operating revenue	%	24.65	28.50	17.77	17.19	10.26	14.12
Profit / (loss) before levies and tax / operating revenue	%	80.75	51.63	13.70	30.76	(38.54)	17.02
Profit / (loss) after levies and tax / operating revenue	%	54.29	40.86	8.30	26.74	(43.05)	10.77
Return on capital employed	%	23.91	24.97	5.26	4.05	(4.75)	1.77
Liquidity / leverage ratios							
Current ratio	Times	0.61	0.66	0.38	0.30	0.28	0.29
Fixed assets turnover ratio	Times	0.19	0.27	0.24	0.06	0.05	0.09
Equity / Total assets	%	16.89	17.25	20.14	21.35	20.68	22.99
Return to shareholders							
Earnings / (loss) per share	Rs.	37.74	36.60	6.59	5.26	(6.37)	2.68
Price / (loss) earning ratio	Rs.	8.03	3.62	7.33	13.82	(11.87)	23.82
Cash dividend	Rs. / share	35.00	20.00	10.00	3.00	2.25	2.00
Bonus dividend	%	50.00	-	-	-	-	-
Break-up value per share	Rs.	134.43	118.93	92.15	88.47	81.99	90.25
Share prices in rupees							
High		383.99	143.99	81.79	97.90	107.00	88.99
Low		125.25	96.92	47.77	64.00	50.01	47.13

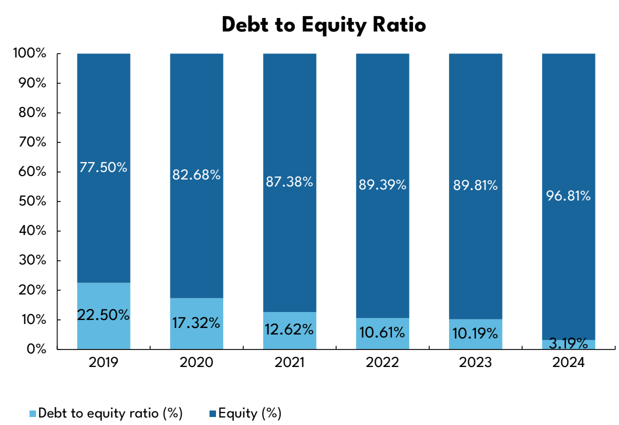
Financial Ratios

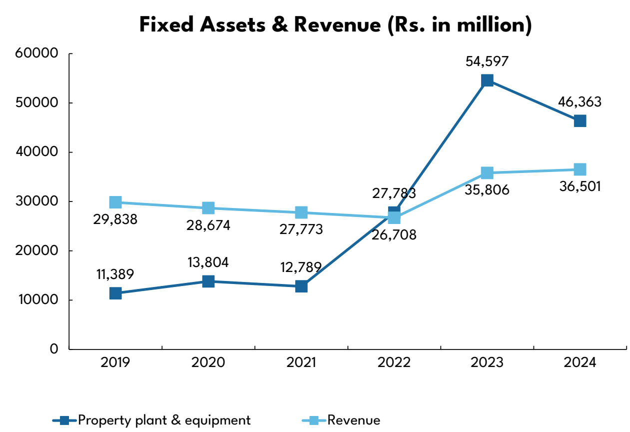
	UOM	2024	2023 Restated	2022	2021	2020	2019
Profitability ratios							
Profit before levies and tax	%	49.09	58.38	22.67	19.10	18.70	21.55
GP ratio	%	40.55	49.42	29.15	22.45	33.10	27.33
Profit after tax	%	43.53	54.94	20.34	17.71	17.49	19.27
EBITDA margin to sales	%	57.00	66.59	33.42	39.86	39.76	37.13
Operating leverage ratio	%	189.54	401.53	108.84	262.46	131.97	422.53
Return on equity	%	22.85	42.20	13.33	6.10	6.96	6.73
Return on capital employed	%	22.08	40.14	12.09	5.32	5.81	5.40
Liquidity ratios							
Current ratio	%	6.91	4.07	3.38	3.71	3.16	2.68
Cash to current liabilities	Times	0.85	0.74	0.81	0.26	1.06	1.27
Cash flow from operations to sales	Times	0.37	0.44	0.27	0.25	0.19	0.18
Activity / turnover ratios							
Debtor turnover ratio	Times	9.47	9.68	6.67	4.15	4.80	4.15
Asset turnover ratio	Times	0.46	0.63	0.52	0.27	0.30	0.25
Fixed assets turnover ratio	Times	1.14	1.54	0.89	0.40	0.43	0.34
Market ratios							
Earnings per share	Rs.	152.81	227.11	42.75	17.14	18.27	16.62
P/E ratio	Times	1.98	0.58	1.13	4.24	4.14	3.84
Price to book ratio	Times	4.01	2.04	1.19	2.06	2.18	1.87
Dividend yield ratio	%	11.55	15.09	10.36	4.13	2.98	3.13
Dividend payout ratio	Times	0.23	0.09	0.12	0.18	0.12	0.12
Dividend cover ratio	Times	4.37	11.36	8.55	5.71	8.12	8.31
Cash dividend	Rs.	35.00	20.00	5.00	3.00	2.25	2.00
Bonus dividend	%	50.00	-	-	-	-	-
Breakup value/share	Rs.	668.83	538.23	320.93	281.06	262.71	246.91
Share price at year end	Rs.	303.01	132.53	48.26	72.70	75.56	63.85
Share price - High	Rs.	383.99	143.99	81.79	97.90	107.00	88.99
Low	Rs.	125.25	96.92	47.77	64.00	50.01	47.13
Capital Structure Ratio							
Financial leverage ratio	Times	0.03	0.10	0.11	0.16	0.21	0.28
Debt service coverage ratio	Times	6.43	4.06	1.75	2.69	2.22	1.92
Debt to equity ratio	Times	0.03	0.10	0.11	0.13	0.17	0.22
Interest cover ratio	Times	23.43	23.59	12.86	5.38	3.27	6.45

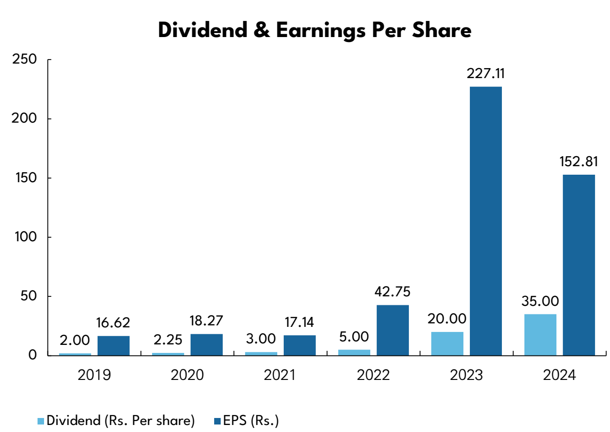
Graphical Analysis

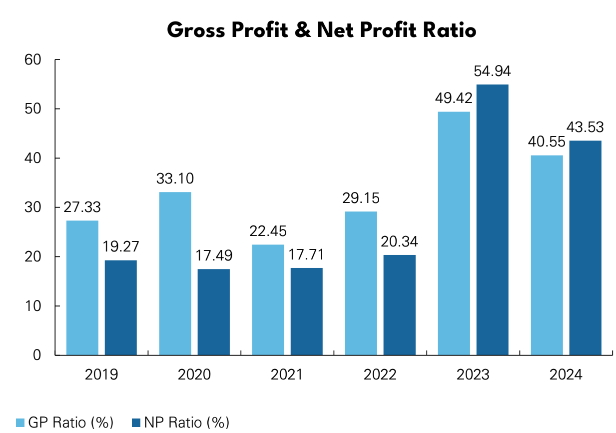


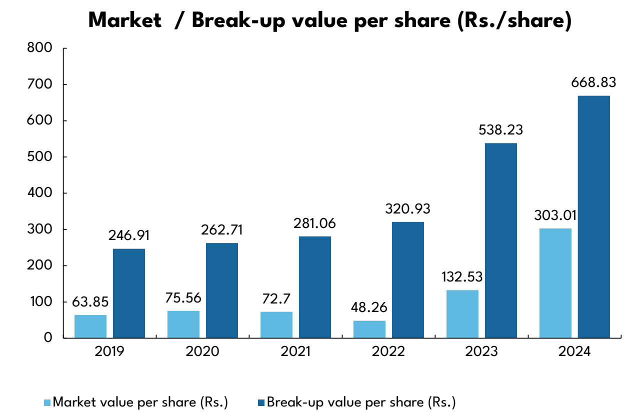


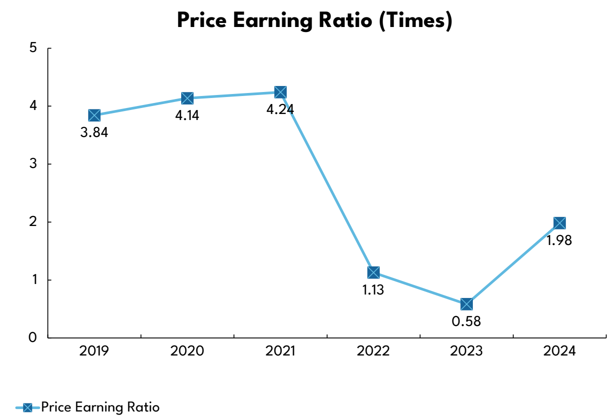


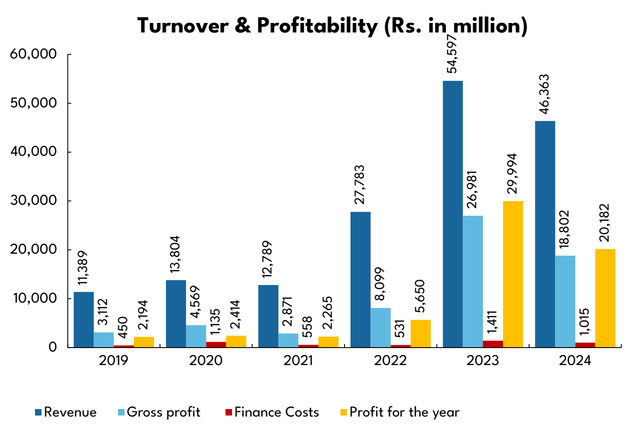


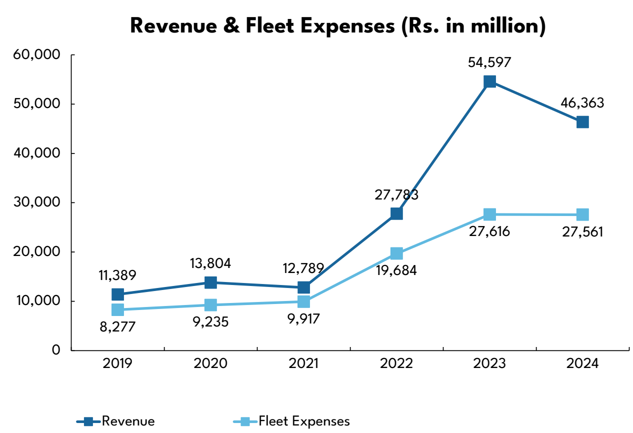


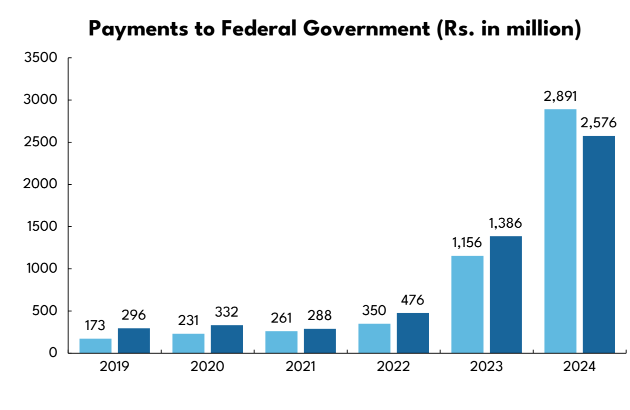


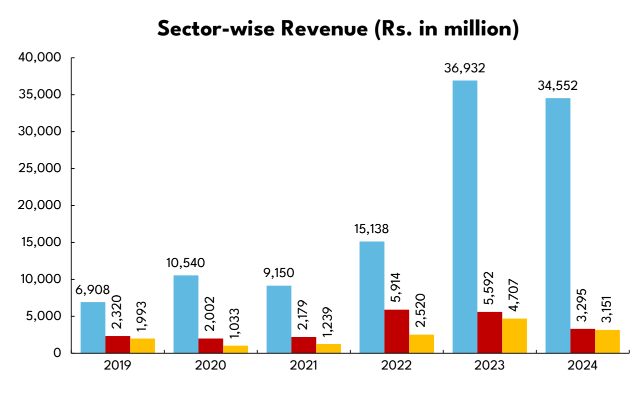

Market / Break-up value per share (Rs./share)
Market value per share (Rs.)
Break-up value per share (Rs.)
2019 63.85 246.91
2020 75.56 262.71
2021 72.7 281.06
2022 48.26 320.93
2023 132.53 538.23
2024 303.01 668.83


Price Earning Ratio (Times)
Price Earning Ratio
2019 3.84
2020 4.14
2021 4.24
2022 1.13
2023 0.58
2024 1.98


Turnover & Profitability (Rs. in million)
Revenue
Gross profit
Finance Costs
Profit for the year
2019 11,389 3,112 450 2,194
2020 13,804 4,569 1,135 2,414
2021 12,789 2,871 558 2,265
2022 27,783 8,099 531 5,650
2023 54,597 26,981 1,411 29,994
2024 46,363 18,802 1,015 20,182


Revenue & Fleet Expenses (Rs. in million)
Revenue
Fleet Expenses
2019 11,389 8,277
2020 13,804 9,235
2021 12,789 9,917
2022 27,783 19,684
2023 54,597 27,616
2024 46,363 27,561


Payments to Federal Government (Rs. in million)
Dividend
Taxes paid
2019 173 296
2020 231 332
2021 261 288
2022 350 476
2023 1,156 1,386
2024 2,891 2,576


Sector-wise Revenue (Rs. in million)
Liquid Bulk
Dry Bulk
Slot Charter
2019 6,908 2,320 1,993
2020 10,540 2,002 1,033
2021 9,150 2,179 1,239
2022 15,138 5,914 2,520
2023 36,932 5,592 4,707
2024 34,552 3,295 3,151

Horizontal Analysis (Group)

	2024		2023 Restated	
	'000	% change	'000	% change
Profit & Loss				
Revenues	46,363,490	-15%	54,597,184	97%
Expenditure	(27,561,069)	-0%	(27,615,796)	40%
Gross profit	**18,802,421**	**-30%**	**26,981,388**	**233%**
Administrative expenses	(2,003,503)	25%	(1,608,239)	30%
Impairment loss	(173,225)	-85%	(1,122,941)	21%
Other expenses	(752,394)	68%	(449,022)	6%
Finance costs	(1,014,771)	-28%	(1,411,030)	166%
Other income	7,899,179	-17%	9,486,391	622%
Profit before levies and taxation	**22,757,707**	**-29%**	**31,876,547**	**406%**
Levies and taxation	(2,575,972)	37%	(1,882,252)	191%
Profit for the year	**20,181,735**	**-33%**	**29,994,295**	**431%**
Balance sheet				
Property, plant and equipment	36,500,711	2%	35,806,011	34%
Other non-current assets	4,816,353	9%	4,400,167	5%
Trade debts	3,825,726	-36%	5,969,078	12%
Cash and bank balances	7,172,765	-14%	8,383,959	55%
Other current assets	47,578,479	51%	31,430,973	167%
Total assets	**99,894,034**	**16%**	**85,990,188**	**61%**
Shareholder's equity	88,327,564	24%	71,079,894	68%
Employee benefits	1,128,785	53%	739,613	4%
Long-term financing	1,952,583	-31%	2,822,020	-20%
Lease liabilities	11,878	-87%	88,547	-15%
Current portion of long-term financing	868,800	-80%	4,422,203	366%
Other current liabilities	7,604,424	11%	6,837,911	20%
Total equity and liabilities	**99,894,034**	**16%**	**85,990,188**	**61%**
Cash Flow Statement				
Cash flows from operating activities	16,964,908	-29%	23,919,800	220%
Cash flows from investing activities	(24,613,064)	195%	(8,353,975)	-321%
Cash flows from financing activities	(7,650,012)	-631%	1,441,645	-175%
Net increase / (decrease) in cash and cash equivalents	**(15,298,168)**	**-190%**	**17,007,470**	**82%**
Others				
Profit before levies and tax	22,757,707	-29%	31,876,547	406%
Finance costs	1,014,771	-28%	1,411,030	166%
Depreciation	3,693,128	-13%	3,066,960	25%
Amortisation	326	0%	-	0%
EBITDA	**27,465,932**	**-27%**	**36,354,537**	**292%**
Profit before levies and tax	22,757,707	-29%	31,876,547	406%
Finance costs	1,014,771	-28%	1,411,030	166%
EBIT	**23,772,478**	**-29%**	**33,287,577**	**388%**

2022		2021		2020		2019	
'000	% change	'000	% change	'000	% change	'000	% change
27,783,460	117%	12,788,561	-7%	13,803,576	21%	11,389,059	9%
(19,684,247)	98%	(9,917,093)	7%	(9,234,891)	12%	(8,276,828)	2%
8,099,213	**182%**	**2,871,468**	**-37%**	**4,568,685**	**47%**	**3,112,231**	**31%**
(1,232,701)	19%	(1,034,518)	-8%	(1,120,281)	1%	(1,113,280)	4%
(929,525)	-426%	285,266	-169%	(411,138)	608%	(58,039)	10%
(423,127)	95%	(216,557)	-19%	(268,440)	-8%	(291,396)	7%
(530,879)	-5%	(557,607)	-51%	(1,135,464)	152%	(450,153)	80%
1,314,157	20%	1,094,139	15%	948,384	-24%	1,255,068	11%
6,297,138	**158%**	**2,442,191**	**-5%**	**2,581,746**	**5%**	**2,454,431**	**32%**
(647,248)	265%	(177,165)	6%	(167,868)	-35%	(260,057)	22%
5,649,890	**149%**	**2,265,026**	**-6%**	**2,413,878**	**10%**	**2,194,374**	**34%**
26,708,229	-4%	27,772,552	-3%	28,674,222	-4%	29,837,872	35%
4,201,180	5%	3,988,111	7%	3,724,070	8%	3,441,979	8%
5,311,573	76%	3,019,161	-4%	3,141,103	20%	2,615,138	-9%
5,414,650	415%	1,050,945	-77%	4,512,021	-19%	5,578,137	102%
11,760,589	9%	10,760,215	86%	5,776,271	61%	3,582,304	-46%
53,396,221	**15%**	**46,590,984**	**2%**	**45,827,687**	**2%**	**45,055,430**	**20%**
42,383,333	14%	37,117,412	7%	34,693,967	6%	32,608,336	4%
713,135	5%	679,619	-11%	763,520	7%	711,259	18%
3,547,219	-24%	4,684,138	-22%	6,010,153	-18%	7,335,925	321%
104,746	-9%	114,805	5%	109,204	-	-	-
949,793	-29%	1,334,965	0%	1,334,964	-24%	1,747,543	44%
5,697,995	114%	2,660,045	-9%	2,915,879	10%	2,652,367	-2%
53,396,221	**15%**	**46,590,984**	**2%**	**45,827,687**	**2%**	**45,055,430**	**20%**
7,485,032	136%	3,169,002	18%	2,684,111	33%	2,017,662	59%
3,786,579	-188%	(4,299,152)	161%	(1,647,488)	-68%	(5,131,477)	132%
(1,927,259)	18%	(1,630,926)	-22%	(2,102,739)	-135%	5,927,773	-506%
9,344,352	**-438%**	**(2,761,076)**	**159%**	**(1,066,116)**	**-138%**	**2,813,958**	**-217%**
6,297,138	158%	2,442,191	-5%	2,581,746	5%	2,454,431	32%
530,879	-5%	557,607	-51%	1,135,464	152%	450,153	80%
2,457,794	17%	2,098,099	18%	1,770,878	34%	1,324,249	-9%
-	0%	-	0%	-	0%	-	0%
9,285,811	**82%**	**5,097,897**	**-7%**	**5,488,088**	**30%**	**4,228,833**	**19%**
6,297,138	158%	2,442,191	-5%	2,581,746	5%	2,454,431	32%
530,879	-5%	557,607	-51%	1,135,464	152%	450,153	80%
6,828,017	**128%**	**2,999,798**	**-19%**	**3,717,210**	**28%**	**2,904,584**	**38%**

Vertical Analysis (Group)

	2024		2023	
			Restated	
	'000	%	'000	%
Profit & Loss				
Revenues	46,363,490	100%	54,597,184	100%
Expenditure	(27,561,069)	-59%	(27,615,796)	-51%
Gross profit	**18,802,421**	**41%**	**26,981,388**	**49%**
Administrative expenses	(2,003,503)	-4%	(1,608,239)	-3%
Impairment loss / (reversal) on financial assets - net	(173,225)	-0%	(1,122,941)	-2%
Other expenses	(752,394)	-2%	(449,022)	-1%
Finance costs	(1,014,771)	-2%	(1,411,030)	-3%
Other income	7,899,179	17%	9,486,391	17%
Profit before levies and taxation	**22,757,707**	**49%**	**31,876,547**	**58%**
Levies and taxation	(2,575,972)	-6%	(1,882,252)	-3%
Profit for the year	**20,181,735**	**44%**	**29,994,295**	**55%**
Balance Sheet				
Property, plant and equipment	36,500,711	37%	35,806,011	42%
Other non-current assets	4,816,353	5%	4,400,167	5%
Trade debts	3,825,726	4%	5,969,078	7%
Cash and bank balances	7,172,765	7%	8,383,959	10%
Other current assets	47,578,479	48%	31,430,973	37%
Total assets	**99,894,034**	**100%**	**85,990,188**	**100%**
Shareholder's equity	88,327,564	88.4%	71,079,894	82.7%
Employee benefits	1,128,785	1.1%	739,613	0.9%
Long-term financing	1,952,583	2.0%	2,822,020	3.3%
Lease liabilities	11,878	0.0%	88,547	0.1%
Current portion of long-term financing	868,800	0.9%	4,422,203	5.1%
Other current liabilities	7,604,424	7.6%	6,837,911	8.0%
Total equity and liabilities	**99,894,034**	**100%**	**85,990,188**	**100%**
Cash flow statement				
Cash flows from operating activities	16,964,908	-111%	23,919,800	141%
Cash flows from investing activities	(24,613,064)	161%	(8,353,975)	-49%
Cash flows from financing activities	(7,650,012)	50%	1,441,645	8%
Net (decrease) / increase in cash and cash equivalents	**(15,298,168)**	**100%**	**17,007,470**	**100%**
Others				
Profit before levies and tax	22,757,707	86%	31,876,547	88%
Finance costs	1,014,771	4%	1,411,030	4%
Depreciation	3,693,128	10%	3,066,960	8%
Amortisation	326	0%	-	0%
EBITDA	**27,465,932**	**100%**	**36,354,537**	**100%**
Profit before levies and tax	22,757,707	96%	31,876,547	96%
Finance costs	1,014,771	4%	1,411,030	4%
EBIT	**23,772,478**	**100%**	**33,287,577**	**100%**

2022		2021		2020		2019	
‘000	%	‘000	%	‘000	%	‘000	%
27,783,460	100%	12,788,561	100%	13,803,576	100%	11,389,059	100%
(19,684,247)	-71%	(9,917,093)	-78%	(9,234,891)	-67%	(8,276,828)	-73%
8,099,213	29%	2,871,468	22%	4,568,685	33%	3,112,231	27%
(1,232,701)	-4%	(1,034,518)	-8%	(1,120,281)	-8%	(1,113,280)	-10%
(929,525)	-3%	285,266	2%	(411,138)	-3%	(58,039)	-1%
(423,127)	-2%	(216,557)	-2%	(268,440)	-2%	(291,396)	-3%
(530,879)	-2%	(557,607)	-4%	(1,135,464)	-8%	(450,153)	-4%
1,314,157	5%	1,094,139	9%	948,384	7%	1,255,068	11%
6,297,138	23%	2,442,191	19%	2,581,746	19%	2,454,431	22%
(647,248)	-2%	(177,165)	-1%	(167,868)	-1%	(260,057)	-2%
5,649,890	20%	2,265,026	18%	2,413,878	17%	2,194,374	19%
26,708,229	50%	27,772,552	60%	28,674,222	63%	29,837,872	66%
4,201,180	8%	3,988,111	9%	3,724,070	8%	3,441,979	8%
5,311,573	10%	3,019,161	6%	3,141,103	7%	2,615,138	6%
5,414,650	10%	1,050,945	2%	4,512,021	10%	5,578,137	12%
11,760,589	22%	10,760,215	23%	5,776,271	13%	3,582,304	8%
53,396,221	100%	46,590,984	100%	45,827,687	100%	45,055,430	100%
42,383,333	79.4%	37,117,412	79.7%	34,693,967	76%	32,608,336	72%
713,135	1.3%	679,619	1.5%	763,520	2%	711,259	2%
3,547,219	6.6%	4,684,138	10.1%	6,010,153	13%	7,335,925	16%
104,746	0.2%	114,805	0.2%	109,204	0.2%	-	-
949,793	1.8%	1,334,965	2.9%	1,334,964	3%	1,747,543	4%
5,697,995	10.7%	2,660,045	5.7%	2,915,879	6%	2,652,367	6%
53,396,221	100%	46,590,984	100%	45,827,687	100%	45,055,430	100%
7,485,032	80%	3,169,002	-115%	2,684,111	-252%	2,017,662	72%
3,786,579	41%	(4,299,152)	156%	(1,647,488)	155%	(5,131,477)	-182%
(1,927,259)	-21%	(1,630,926)	59%	(2,102,739)	197%	5,927,773	211%
9,344,352	100%	(2,761,076)	100%	(1,066,116)	100%	2,813,958	100%
6,297,138	68%	2,442,191	48%	2,581,746	47%	2,454,431	58%
530,879	6%	557,607	11%	1,135,464	21%	450,153	11%
2,457,794	26%	2,098,099	41%	1,770,878	32%	1,324,249	31%
-	0%	-	0%	-	0%	-	0%
9,285,811	100%	5,097,897	100%	5,488,088	100%	4,228,833	100%
6,297,138	92%	2,442,191	81%	2,581,746	69%	2,454,431	85%
530,879	8%	557,607	19%	1,135,464	31%	450,153	15%
6,828,017	100%	2,999,798	100%	3,717,210	100%	2,904,584	100%

Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8,
KCHSU, Shahrah-e-Faisal,
Karachi - 75350, Pakistan

Grant Thornton Anjum Rahman
Chartered Accountants
1st & 3rd Floor, Modern Motors House,
Beaumont Road,
Karachi - 75530, Pakistan

INDEPENDENT AUDITORS' REVIEW REPORT
To the members of Pakistan National Shipping Corporation

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") prepared by the Board of Directors of Pakistan National Shipping Corporation ("the Corporation") for the year ended June 30, 2024 in accordance with the requirements of regulation No. 36 of the Regulations.

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

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

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

Based on our review, nothing has come to the attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Corporation's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Corporation for the year ended June 30, 2024.

Further, we highlight instances of non-compliance with the requirements of the Regulations as reflected in the note 18.1 in the Statement of Compliance explaining about the Composition of the Board.

Yousuf Adil
Chartered Accountants
Karachi
Date: October 05, 2024
UDIN: CR202410186MY1X8Drxt

Grant Thornton Anjum Rahman
Chartered Accountants
Karachi
Date: October 05, 2024
UDIN: CR202410093wnT0BsqEN

YOUSUF ADIL

GrantThornton

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

PAKISTAN NATIONAL SHIPPING CORPORATION

Year ended June 30, 2024

The Corporation has complied with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") in the following manner:

1. The total number of directors are as following: (subject to explanation given in para 18.1 below)

   a) Male : 5
   b) Female : -

2. The composition of the Board of Directors (the Board) is as follows (subject to explanation given in para 18.1 below):

Category	Description
Chairman & Chief Executive	● Rear Admiral Jawad Ahmed HI(M) (retired from his position on March 03, 2024)
Independent Director Appointed by Federal Government under the PNSC Ordinance, 1979 (as amended by the Pakistan National Shipping Corporation Amendment Act 2024, promulgated on June 20, 2024) (the Ordinance)	● Mr. Muhammad Ali
Non-Executive Directors	● Mr. Qumar Sarwar Abbasi Additional Finance Secretary Corporate Finance, Finance Division, Islamabad
Appointed by Federal Government under the Ordinance	● Mr. Umar Zafar Sheikh Additional Secretary Ministry of Maritime Affairs, Islamabad
Elected by Shareholders under the Ordinance	● Mr. Ahsan Ali Malik ● Captain Sarfaraz Inayatullah Qureshi
Female Director Appointed by Federal Government under the Ordinance	● Ms. Alia Shahid (retired from her position on November 30, 2023)

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including PNSC (the Corporation).

4. The Corporation has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Corporation along with its supporting policies and procedures.

5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Corporation. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Corporation.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Ordinance, Companies Act, 2017 (the Act) and the Regulations subject to the explanation given in point 18.1.

7. The meetings of the Board were presided over by the Chairman and in his absence, any one of the director after reaching to a consensus presided the meeting. The Board has complied with the requirements of the Ordinance, the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board.

8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the PNSC Regulations, 2004 framed under the Ordinance, the Act and the Regulations.

9. All directors have obtained certification under the Directors' Training Program (DTP).

10. No new appointment of Company Secretary and Chief Financial Officer (CFO) has been made during the year except their remuneration and terms and conditions of employment, which was approved, by the Board and the Board complied with relevant requirements of the Regulations. However, an acting Chief Internal Auditor (CIA) was appointed during the last year who is in place.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

(a) Audit Committee:

Names	Designation
Mr. Muhammad Ali	Chairman of Committee
Mr. Qumar Sarwar Abbasi	Member
Mr. Umar Zafar Sheikh	Member
Mr. Ahsan Ali Malik	Member
Chief Internal Auditor	Secretary of the Committee

(b) HR, Nomination and CSR Committee:

Names	Designation
Mr. Muhammad Ali	Chairman
Mr. Umar Zafar Sheikh	Member
Captain Sarfaraz Inayatullah Qureshi	Member
Mr. Muhammad Javid Ansari	Secretary of the Committee

(c) Strategy and Risk Management Committee:

Names	Designation
Captain Sarfaraz Inayatullah Qureshi	Chairman
Mr. Qumar Sarwar Abbasi	Member
Mr. Umar Zafar Sheikh	Member
Mr. Muhammad Ali	Member
Executive Director Finance	Secretary of the Committee

(d) Procurement Committee:

Names	Designation
Mr. Muhammad Ali	Member
Captain Sarfaraz Inayatullah Qureshi	Member
Executive Director (SP&PL)	Secretary of the Committee

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings of the aforesaid committees were as per following:

Audit & Finance Committee:	05 Quarterly Meetings
HR, Nomination and CSR Committee :	15 Meetings (on need basis)

Strategy and Risk Management Committee and Vessels Procurement Committee are held as and when needed.

15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Corporation.

16. The statutory auditors of the Corporation have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firms involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer / chairman, chief financial officer, head of internal audit, company secretary or director of the Company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with subject to below explanation:

18.1 Section 505 (1) (d) of the Companies Act, 2017 (the Act) permits companies governed by special enactments to comply with their respective laws in the event of any inconsistencies with the Act. As the Corporation was established under the Ordinance, certain provisions of the Ordinance, particularly those concerning the composition of the Board, take precedence over the Act and its Regulations. Due to these amendments, the number of Board members have increased to eleven, including six independent directors and the CEO. The Corporation currently has only one independent director as at June 30, 2024. However, five independent directors including one female director (as required under Regulation 7 of the Regulations) have been appointed by the Federal Government subsequent to the year-end. Appointment of CEO is yet to be made.

CHAIRMAN

DIRECTOR

Independent Auditor's Report and Consolidated Financial Statements of PNSC (Group)

Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8,
KCHSU, Shahrah-e-Faisal,
Karachi - 75350, Pakistan

Grant Thornton Anjum Rahman
Chartered Accountants
1st & 3rd Floor, Modern Motors House,
Beaumont Road,
Karachi - 75530, Pakistan

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PAKISTAN NATIONAL SHIPPING CORPORATION

Opinion

We have audited the annexed consolidated financial statements of **Pakistan National Shipping Corporation** and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at June 30, 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

YOUSUF ADIL

Grant Thornton

Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8,
KCHSU, Shahrah-e-Faisal,
Karachi - 75350, Pakistan

Grant Thornton Anjum Rahman
Chartered Accountants
1st & 3rd Floor, Modern Motors House,
Beaumont Road,
Karachi - 75530, Pakistan

Following is the Key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1.	**Contingencies** The Group has various contingent liabilities in respect of income tax / sales tax matters and claims from employees and customers which are pending adjudication before the relevant regulatory authorities and the courts of law as disclosed in notes 33.1 to 33.23 the annexed consolidated financial statements. Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules, regulations and the probability of outcome and financial impact, if any, on the Group regarding disclosure, recognition and measurement of any provision that may be required against such contingencies. Due to significance of amounts involved, inherent uncertainties with respect to the outcome of the matters and use of significant management judgments and estimates to assess the same including related financial impacts, we considered contingencies as a key audit matter.	Our key audit procedures amongst others included the following: • Obtained an understanding of the Group's processes and controls over litigations through meetings with the management, in-house legal department and review of the minutes of the Board of Directors and the Board Audit Committee meetings. • Reviewed correspondence of the Group with regulatory departments, tax authorities (including judgments and orders passed by competent authorities from time to time, where applicable) and the Group's external counsel. Where relevant, also assessed external legal / tax advices obtained by the Group. • Discussed open matters and developments with the in-house legal department of the Group. • Involved internal tax professionals to assess management's conclusion on contingent tax matters and to evaluate the consistency of such conclusions with the views of management and external tax advisors engaged by the Group. • Circularized confirmations to the Group's external legal and tax advisors for their views and assessment on the pending cases. • Assessed the adequacy and appropriateness of related disclosures in the annexed consolidated financial statements for compliance with the requirement of the applicable financial reporting framework.

Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8,
KCHSU, Shahrah-e-Faisal,
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Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditors' report thereon.

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

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

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

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

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

YOUSUF ADIL

Grant Thornton

Yousuf Adil
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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The engagement partners on the audit resulting in this independent auditors' report are Shafqat Ali (Yousuf Adil Chartered Accountants) and Khurram Jameel (Grant Thornton Anjum Rahman).

Yousuf Adil

Yousuf Adil
Chartered Accountants
Karachi
Date: October 05, 2024
UDIN: AR202410186QUHS7v9h5

Grant Thornton Anjum Rahman
Chartered Accountants
Karachi
Date: October 05, 2024
UDIN: AR202410093ucwypeBTK

YOUSUF ADIL

Grant Thornton

Consolidated Statement of Financial Position

As at June 30, 2024

	Note	June 30, 2024	June 30, 2023
		----------------(Rupees in '000)---------------	
ASSETS			
Non-current assets			
Property, plant and equipment	8	36,500,711	35,806,011
Right-of-use assets	9	8,514	80,971
Intangible assets	10	160,445	73,559
Investment properties	11	4,320,352	4,100,505
Long-term investments in:			
- Related party (an associate)	12	-	-
- Listed companies and an other entity	13	36,874	27,027
Long-term loans	14	19,496	29,454
Deferred taxation	15	270,672	88,651
		41,317,064	40,206,178
Current assets			
Stores and spares	16	2,644,062	2,507,673
Trade debts	17	3,825,726	5,969,078
Agents' and owners' balances	18	10,195	12,736
Loans and advances	19	660,438	441,890
Trade deposits and short-term prepayments	20	41,659	45,272
Contract assets		1,532,741	345,202
Interest accrued on bank deposits and short-term investments		1,043,376	138,645
Other receivables	21	1,257,339	493,859
Taxation-net		889,066	940,023
Short-term investments	22	39,499,603	26,505,673
Cash and bank balances	23	7,172,765	8,383,959
		58,576,970	45,784,010
TOTAL ASSETS		99,894,034	85,990,188
EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE HOLDING COMPANY			
Authorised share capital			
200,000,000 (2023: 200,000,000) ordinary shares of Rs 10 each		2,000,000	2,000,000
Issued, subscribed and paid-up share capital	24	1,320,634	1,320,634
Reserves			
Capital reserve		131,344	131,344
Revenue reserves		85,080,935	68,197,618
Remeasurement of post retirement benefits obligation - net of tax		(390,798)	(194,034)
Surplus on revaluation of property, plant and equipment - net of tax	8.9	2,170,853	1,612,524
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE HOLDING COMPANY		86,992,334	69,747,452
NON-CONTROLLING INTEREST	25	14,596	11,808
TOTAL EQUITY		88,327,564	71,079,894
Non-current liabilities			
Long-term financing	26	1,952,583	2,822,020
Lease liabilities	27	11,878	88,547
Employees' benefits	28	1,128,785	739,613
		3,093,246	3,650,180
Current liabilities			
Trade and other payables	29	6,967,262	5,840,146
Contract liabilities	30	300,040	683,103
Provision against damage claims	31	22,408	23,235
Current portion of long-term financing	26	868,800	4,422,203
Current portion of lease liabilities	27	2,630	9,648
Unclaimed dividend		203,955	120,573
Accrued mark-up on long-term financing		108,129	161,206
		8,473,224	11,260,114
TOTAL LIABILITIES		11,566,470	14,910,294
TOTAL EQUITY AND LIABILITIES		99,894,034	85,990,188
CONTINGENCIES AND COMMITMENTS	32		

The annexed notes 1 to 59 form an integral part of these consolidated financial statements.

Syed Jarar Haider Kazmi
Chief Financial Officer

Capt. Sarfaraz Inayatullah Qureshi
Director

Mr. Ahsan Ali Malik
Director

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended June 30, 2024

	Note	June 30 2024	Restated June 30 2023
		----------------(Rupees in '000)----------------	
REVENUE FROM CONTRACT WITH CUSTOMERS			
Income from shipping business	33	40,997,915	47,230,453
Other operating activities	34	5,077,597	7,101,274
		46,075,512	54,331,727
REVENUE FROM OTHERS			
Rental income		287,978	265,457
		46,363,490	54,597,184
EXPENDITURE			
Fleet expenses	35	(27,428,414)	(27,507,133)
Real estate expenses	36	(132,655)	(108,663)
		(27,561,069)	(27,615,796)
GROSS PROFIT		18,802,421	26,981,388
Administrative expenses	37	(2,003,503)	(1,608,239)
Impairment loss on financial assets	38	(173,225)	(1,122,941)
Other expenses	39	(752,394)	(449,022)
Other income	40	7,899,179	9,486,391
		4,970,057	6,306,189
OPERATING PROFIT		23,772,478	33,287,577
Finance costs	41	(1,014,771)	(1,411,030)
PROFIT BEFORE LEVIES AND TAXATION		22,757,707	31,876,547
Levies	42	(1,064,110)	(308,924)
PROFIT BEFORE TAXATION		21,693,597	31,567,623
Taxation	43	(1,511,862)	(1,573,328)
PROFIT FOR THE YEAR		20,181,735	29,994,295
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss			
- Remeasurement of post-retirement benefits obligation	28.1.8 & 28.2.6	(322,564)	33,095
- Related tax	15.1	125,800	(5,346)
		(196,764)	27,749
- Revaluation of Property, plant and equipment		789,297	-
- Related tax	15.1	(225,013)	(4,849)
		564,284	(4,849)
		367,520	22,900
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		20,549,255	30,017,195
PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Equity holders of the Holding Company		20,180,089	29,993,270
Non-controlling interest	25	1,646	1,025
		20,181,735	29,994,295
TOTAL COMREHENSIVE INCOME ATTRBUTABLE TO:			
Equity holders of the Holding Company		20,546,467	30,016,170
Non-controlling interest	25	2,788	1,025
		20,549,255	30,017,195
		--------------------(Rupees)--------------------	
EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY - basic and diluted	44	152.81	227.11

The annexed notes 1 to 59 form an integral part of these consolidated financial statements.

Syed Jarar Haider Kazmi
Chief Financial Officer

Capt. Sarfaraz Inayatullah Qureshi
Director

Mr. Ahsan Ali Malik
Director

Consolidated Statement of Changes in Equity

For the year ended June 30, 2024

	Attributable to the owners of the Holding Company									
			Revenue reserves							
	Issued, subscribed and paid-up share capital	Capital reserve*	General reserve	Unappropriated profit	Sub-total revenue reserves	Remeasurement of post retirement benefits obligation - net of tax	Surplus on revaluation of property, plant and equipment - net of tax	Total reserves	Non-controlling interest (refer note 25)	Total equity
	(Rupees in '000)									
Balance as at July 01, 2022	1,320,634	131,344	129,307	39,389,686	39,518,993	(221,783)	1,623,362	41,051,916	10,783	42,383,333
Transactions with owners recorded directly in equity										
Final cash dividend for the year ended June 30, 2022 paid to shareholders of the Holding Company @ Rs. 5 per ordinary share	-	-	-	(660,317)	(660,317)	-	-	(660,317)	-	(660,317)
Interim cash dividend for the year ended June 30, 2023 paid to shareholders of the Holding Company @ Rs. 5 per ordinary share	-	-	-	(660,317)	(660,317)	-	-	(660,317)	-	(660,317)
Profit for the year	-	-	-	29,993,270	29,993,270	-	-	29,993,270	1,025	29,994,295
Other comprehensive income / (loss) for the year	-	-	-	-	-	27,749	(4,849)	22,900	-	22,900
Total comprehensive income for the year	-	-	-	29,993,270	29,993,270	27,749	(4,849)	30,016,170	1,025	30,017,195
Transferred from surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax	-	-	-	5,989	5,989	-	(5,989)	-	-	-
Balance as at June 30, 2023	1,320,634	131,344	129,307	68,068,311	68,197,618	(194,034)	1,612,524	69,747,452	11,808	71,079,894
Transactions with owners recorded directly in equity										
Final cash dividend for the year ended June 30, 2023 paid to shareholders of the Holding Company @ Rs. 15 per ordinary share	-	-	-	(1,980,951)	(1,980,951)	-	-	(1,980,951)	-	(1,980,951)
Interim cash dividend for the year ended June 30, 2024 paid to shareholders of the Holding Company @ Rs. 10 per ordinary share	-	-	-	(1,320,634)	(1,320,634)	-	-	(1,320,634)	-	(1,320,634)
Profit for the year	-	-	-	20,180,089	20,180,089	-	-	20,180,089	1,646	20,181,735
Other comprehensive income / (loss) for the year	-	-	-	-	-	(196,764)	563,142	366,378	1,142	367,520
Total comprehensive income for the year	-	-	-	20,180,089	20,180,089	(196,764)	563,142	20,546,467	2,788	20,549,255
Transferred from surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax	-	-	-	4,813	4,813	-	(4,813)	-	-	-
Balance as at June 30, 2024	1,320,634	131,344	129,307	84,951,628	85,080,935	(390,798)	2,170,853	86,992,334	14,596	88,327,564

* This includes an amount transferred from shareholder's equity at the time of merger between former National Shipping Corporation (NSC) and Pakistan Shipping Corporation (PSC). The reserve is not utilisable for the purpose of distribution to shareholders.

The annexed notes 1 to 59 form an integral part of these consolidated financial statements.

Syed Jarar Haider Kazmi
Chief Financial Officer

Capt. Sarfaraz Inayatullah Qureshi
Director

Mr. Ahsan Ali Malik
Director

Consolidated Statement of Cash Flows

For the year ended June 30, 2024

	Note	June 30 2024	June 30 2023
		-------------(Rupees in '000)----------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	45	**20,840,237**	26,683,270
Post-retirement medical benefits paid	28.1.4	**(14,298)**	(11,425)
Employees' gratuity paid	28.1.6	**(45,893)**	(45,422)
Employees' compensated absences paid	28.2.4	**(69,766)**	(81,250)
Finance costs paid		**(949,081)**	(1,385,621)
Income tax and levies paid		**(2,806,249)**	(1,230,672)
Long-term loans		**9,958**	(9,080)
Net cash generated from operating activities		**16,964,908**	23,919,800
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(3,583,623)**	(13,858,904)
Proceeds from disposal of property, plant and equipment	8.8	**119**	5,010,691
Addition to intangible assets	10	**(87,212)**	(21,753)
Additions to investment properties	11	**-**	(2,079)
Short-term investments made - net		**(26,881,483)**	(1,991,862)
Interest received on short term investments and bank balances		**3,016,686**	2,348,870
Dividend received		**2,922,449**	161,062
Net cash used in investing activities		**(24,613,064)**	(8,353,975)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term financing repaid	26.3	**(4,430,522)**	(1,601,393)
Long-term financing obtained	26.3	**-**	4,332,710
Lease liabilities paid	55	**(1,287)**	(2,366)
Dividend paid	55	**(3,218,203)**	(1,287,306)
Net cash (used in) / generated from financing activities		**(7,650,012)**	1,441,645
Net (decrease) / increase in cash and cash equivalents		**(15,298,168)**	17,007,470
Cash and cash equivalents at the beginning of the year		**31,634,374**	11,587,351
Exchange gain on cash and cash equivalents		**10,026**	3,039,553
Cash and cash equivalents at the end of the year	46	**16,346,232**	31,634,374

The annexed notes 1 to 59 form an integral part of these consolidated financial statements.

Syed Jarar Haider Kazmi	**Capt. Sarfaraz Inayatullah Qureshi**	**Mr. Ahsan Ali Malik**
Chief Financial Officer	Director	Director

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2024

1. THE GROUP AND ITS OPERATIONS

The Group consist of Pakistan National Shipping Corporation (the Holding Company), its subsidiary companies and an associate (together 'the Group'). The Holding Company was formed under the provisions of the Pakistan National Shipping Corporation Ordinance, 1979 while the subsidiaries were formed and registered under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017), respectively. The Group is principally engaged in the business of shipping, including charter of vessels, transportation of cargo and other related services. The Group is also engaged in renting out its properties to tenants under lease agreements. The Group's registered office is situated at PNSC Building, Moulvi Tamizuddin Khan Road, Karachi except for Pakistan Co-operative Ship Stores (Private) Limited which is situated at 70/4, Timber Pond, N.M Reclamation Kemari, Karachi.

The Group consists of:

Holding company

- Pakistan National Shipping Corporation

Subsidiary companies	Percentage of Shareholding
- Bolan Shipping (Private) Limited*	100
- Chitral Shipping (Private) Limited*	100
- Hyderabad Shipping (Private) Limited*	100
- Pakistan Marine and Shipping Services Company (Private) Limited**	100
- Johar Shipping (Private) Limited**	100
- National Ship Management and Crewing (Private) Limited**	100
- Karachi Shipping (Private) Limited**	100
- Khairpur Shipping (Private) Limited*	100
- Lahore Shipping (Private) Limited*	100
- Lalazar Shipping (Private) Limited*	100
- Makran Shipping (Private) Limited**	100
- Malakand Shipping (Private) Limited*	100
- Multan Shipping (Private) Limited*	100
- Quetta Shipping (Private) Limited*	100
- Sargodha Shipping (Private) Limited*	100
- Shalamar Shipping (Private) Limited*	100
- Sibi Shipping (Private) Limited*	100
- Swat Shipping (Private) Limited**	100
- Pakistan Co-operative Ship Stores (Private) Limited	73
Associate	
- Muhammadi Engineering Works (Private) Limited	49

* These wholly owned subsidiaries operate one vessel / tanker.
** These wholly owned subsidiaries currently do not own any vessel.

2. STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and

- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

3. BASIS OF MEASUREMENT

3.1 These consolidated financial statements have been prepared under the historical cost convention except as otherwise stated in the respective notes to the consolidated financial statements.

3.2 These consolidated financial statements are presented in Pakistan Rupees, which is the Group's functional and presentation currency.

4. BASIS OF CONSOLIDATION

These consolidated financial statements include the financial statements of the Holding Company and all of its subsidiaries.

4.1 Subsidiaries

Subsidiaries are entities controlled by the Holding Company. The Holding Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the subsidiary companies' shareholders' equity in these consolidated financial statements.

The financial statements of the subsidiaries are prepared for the same reporting year as the Holding Company, using consistent accounting policies.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is an asset or liability are recognised in profit or loss.

Non-controlling interest in the acquiree, which represents ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition date at either fair value or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

4.2 Transactions with non-controlling interests

The Group treats transactions with non-controlling interest that do not result in loss of control as transactions with equity owners of the Group. For purchase of interest from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the equity is remeasured to its fair value, with the change in carrying amount recognised in the profit or loss. The fair value is the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial assets. In addition, any amount previously recognised in other comprehensive income in respect to that entity is accounted for as if the Group had directly disposed off the related assets and liabilities.

5. AMENDMENTS TO ACCOUNTING STANDARDS

5.1 Amendments that are effective for the year ended June 30, 2024

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

- Amendments to IAS 1 'Presentation of Financial Statements' and IFRS practice statement 2 - Disclosure of accounting policies

- Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates

- Amendments to 'IAS 12 Income Taxes' - Deferred tax related to assets and liabilities arising from a single transaction.

- Amendments to IAS 12 ' Income taxes' - International Tax Reform — Pillar Two Model Rules

Due to the adoption of Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies effective from January 01, 2023. The word 'significant' has been replaced with 'material' as reflected in related note of accounting polices (note 6). Although the amendments did not result in any changes to the accounting policies themselves.

5.2 Standard and amendments to IFRS that are not yet effective

The following standard and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Group's operations or are not expected to have significant impact on the Group's financial statements other than certain additional disclosures.

	Effective from Accounting period beginning on or after
- Amendments to IFRS 16 'Leases' - Clarification on how seller - lessee subsequently measures sale and leaseback transactions	January 01, 2024
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants	January 01, 2024
- Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial Instruments Disclosures' - Supplier Finance Arrangements	January 01, 2024
- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
- IFRS 17 – Insurance Contracts (including amendments made in June 2020 and December 2021)	January 01, 2026
- Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments Disclosures' - Classification and measurement of financial instruments	January 01, 2026

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 18 - Presentation and Disclosures in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

6. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented except for taxation policy as disclosed in note 6.26.

6.1 Property, plant and equipment

These are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any, except for leasehold land, buildings on leasehold land, beach huts and workshop machinery and equipment which are carried at revalued amounts less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The value assigned to leasehold land is not depreciated as the leases are expected to be renewed for further periods on payment of relevant rentals. Annual lease rentals are charged to statement of profit or loss and premium paid at the time of renewal, if any, is amortised over the remaining period of the lease.

Expenditure incurred to replace a significant component of an item of plant and equipment is capitalized and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items can be measured reliably. All other expenditure (including repairs and normal maintenance) is recognised in the statement of profit or loss as an expense when it is incurred.

Cost in relation to vessel includes cost of acquisition and other related expenses incidental to the purchase of vessel accumulated to the date the vessel is commissioned into service. Major spare parts and stand-by equipment are recognized as property, plant and equipment when the Group expects to use them for more than one year. Upon acquisition of a vessel, the components of the vessel which are required to be replaced at the next drydocking are identified and the estimate of the cost to be incurred is determined. The cost of these components are depreciated over a period to the next estimated drydocking date.

Deferred charges represent drydocking expenditure incurred for major overhauls of vessels, which is deferred when incurred and depreciated over a period from the current drydocking date to the next estimated drydocking date. When significant drydocking expenditures recur prior to the expiry of the depreciation period, the remaining carrying value of the previous drydocking is written off. Maintenance and normal repairs are charged to the statement of profit or loss as and when incurred.

Depreciation in respect of equipment on board is charged to the statement of profit or loss applying the straight line method whereby the depreciable amount of an asset is written off over its estimated useful life. In case of the vessel, depreciation is charged on the basis of its remaining operating life with effect from the date the vessel is commissioned after taking into account the estimated residual value.

Depreciation is charged to statement of profit or loss applying the straight line method at the rates specified in note 8.1. No depreciation is charged if the asset's residual value exceeds its carrying amount. Full month's depreciation is charged from the month the asset is available for intended use and no depreciation is charged in the month of disposal.

Residual values, useful lives and methods of depreciation are reviewed at each reporting date and adjusted, if expectations differ significantly from previous estimates.

The revaluation of related assets is carried out at regular intervals to ensure that the carrying amounts do not differ materially from those which would have been determined using fair values at the reporting date. Increase in the carrying amounts arising on revaluation of leasehold land, buildings on leasehold land, beach huts and workshop machinery and equipment is recognised, net of tax, in other comprehensive income and accumulated in surplus on revaluation of fixed assets in statement of changes in equity. To the extent that the increase reverses a decrease previously recognised in statement of profit or loss, the increase is first recognised in statement of profit or loss.

Decrease in the carrying amounts arising as a result of revaluation, that reverses previous increase of the same asset is first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decrease are charged to statement of profit or loss.

Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to statement of profit or loss and depreciation based on the asset’s original cost, net of tax, is reclassified from the revaluation surplus on property, plant and equipment to unappropriated profit. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the assets and the net amount is restated to the revalued amount of the assets. Upon disposal, any revaluation reserve relating to the particular assets being sold is transferred to unappropriated profit. The revaluation reserve is not available for distribution.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Gains and losses on disposals determined by comparing proceeds with carrying amount of the relevant assets are included in statement of profit or loss.

6.2 Capital work-in-progress

These are stated at cost less accumulated impairment losses, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under this head. These are transferred to specific assets as and when these assets are available for intended use.

6.3 Right-of-use assets

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Group does not recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.

6.4 Intangible assets

These are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation is charged to statement of profit or loss by applying straight-line method whereby the cost less residual value, if not insignificant, of an asset is written off over its estimated useful life to the Holding Company. Full month's amortisation is charged from the month the asset is available for intended use and no amortisation is charged in the month of disposal. Gains and losses on disposals determined by comparing proceeds with carrying amount of the relevant assets are included in statement of profit or loss.

6.5 Investment properties

Properties held for long-term rental yields which are significantly rented out by the Group are classified as investment properties.

Investment properties are measured initially at cost, including related transaction costs directly attributable to acquisition. After initial recognition at cost, investment properties are carried at their fair values based on market value determined by professional independent valuer with sufficient regularity. Fair values are based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. Gain or loss arising as a result of fair valuation is charged to statement of profit or loss.

Additions to investment properties consist of costs of a capital nature. The profit on disposal is determined as the difference between the sales proceeds and the carrying amount of the asset at the commencement of the accounting period plus capital expenditure in the period.

6.6 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in statement of profit or loss.

6.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

6.7.1 Financial assets

a) Initial recognition and measurement

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; (FVOCI) – equity investment; or Fair Value through Profit or Loss (FVTPL).

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income (OCI). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade debt without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

b) Subsequent measurement

Financial assets at FVTPL - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit or loss.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in statement of profit or loss.

Debt investments at FVOCI - These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit or loss.

Equity investments at FVOCI - These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses including on account of derecognition are recognised in OCI and are never reclassified to statement of profit or loss.

6.7.2 Financial liabilities

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

Loans and borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss.

6.7.3 Impairment of financial assets

The Group recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost. The Group uses the standard's simplified approach and calculates ECL based on life time ECL on its financial assets. The Group has established a provision matrix that is based on The Group's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

At each reporting date, the Group assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

6.7.4 Off-setting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the consolidated financial statements if the Group has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

6.8 Stores and spares

Stores and spares are stated at cost less any impairment. Cost is determined as follows:

- Stores at weighted average cost; and
- Spares on first-in first-out basis.

Stores and spares in transit are valued at cost incurred upto the reporting date.

Certain spares having low value and high consumption levels are charged to statement of profit or loss at the time of purchase.

The Group reviews the carrying amount of stores and spares on a regular basis and provision is made for obsolescence, if there is any change in the usage pattern and physical form.

6.9 Trade debts, Agents' and owners' balances, Loans, Deposits, and Other receivables

Trade debts, agents' and owners' balances, loans, deposits and other receivables are stated initially at fair value and subsequently measured at amortised cost less an allowance for ECL. Allowance for ECL is based on lifetime ECLs that result from all possible default events over the expected life of the trade debts, agents' and owners' balances, loans, deposits, and other receivables. Bad debts, if any, are written off when considered irrecoverable.

6.10 Insurance claims

Insurance expenses relating to hull are charged to statement of profit or loss and claims filed against them are taken to the statement of profit or loss when such claims are accepted by the underwriters.

Afloat medical expenses, cargo claims and other relevant amounts recoverable from underwriters are taken to insurance claims receivable.

6.11 Lease liabilities

At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments include fixed payments less any incentive received, variable lease payment that are based on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option and if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Group is reasonably certain to exercise these options.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Group's estimate of the amount expected to be payable under a residual value guarantee. The corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in profit and loss if the carrying amount of right-to-use asset has been reduced to zero.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate.

The lease liability is remeasured when the Group reassesses the reasonable certainty of exercise of extension or termination option upon occurrence of either a significant event or a significant change in circumstance, or when there is a change in assessment of an option to purchase underlying asset, or when there is a change in amount expected to be payable under a residual value guarantee, or when there is a change in future lease payments resulting from a change in an index or rate used to determine those payment. The corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in profit or loss if the carrying amount of right-to-use asset has been reduced to zero.

When there is a change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increase the scope of lease by adding the right-to-use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

6.12 Trade and other payables

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

6.13 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate .

6.14 Dividend and appropriations

Dividend distribution to the Holding Company's shareholders and appropriations to / from reserves are recognised as a liability in the period in which these are approved.

6.15 Employee benefits

6.15.1 Defined contribution plan - Provident fund

The Group operates an approved provident fund scheme for all its permanent employees. Equal monthly contributions are made, both by the Group and its employees, to the fund at the rate of 10 percent of the basic salaries of employees. Contributions by the Group are charged to statement of profit or loss for the year.

6.15.2 Defined benefit plans - Gratuity fund

The Group operates a funded retirement gratuity scheme for its permanent employees other than those who joined the Group on or after October 16, 1984. Further, the Group also operates an unfunded retirement gratuity scheme for contractual employees. Provisions are made in the consolidated financial statements to cover obligations on the basis of actuarial valuation carried out annually under the projected unit credit method. The latest valuation was carried out as at June 30, 2024. The remeasurement of defined benefit plan is recognised directly to equity through other comprehensive income net of tax.

During the year, the Group has changed its employee benefit plan for contractual employees. Previously, the gratuity benefit was based on gross wages including allowances. Effective, July 1, 2023, gratuity will be calculated in two parts, i.e., the first part is based on the last drawn full basic monthly wages for each completed year of service, and the second part is based on the fixed allowances frozen at June 30, 2023 and after that, the fixed allowances will be compounded annually at a fixed interest rate (Group provided each year) until retirement or resignation. Had this change not occurred, the gratuity expense for the year would have been higher by Rs. 37.787 million and profit before tax would have been lower by the same amount.

The benefit is payable on completion of prescribed qualifying period of service under these schemes.

The Group crew members are also entitled to gratuity in accordance with the Pakistan Maritime Board Regulations. These employee benefits are recognised on provisional basis as per actuarial report.

6.15.3 Defined benefit plan - Post-retirement medical benefits

The Group provides lump sum medical allowance and free medical facilities to its retired employees in accordance with the service regulations.

During the year ended June 30, 2014, the Group introduced the policy of post-retirement medical benefits for its shore based contractual employees with effect from October 29, 2013.

Provisions are made in the consolidated financial statements to cover obligations on the basis of actuarial valuation carried out annually using the projected unit credit method. The latest valuation was carried out as at June 30, 2024. The remeasurement of post-retirement benefit obligation is recognised directly to equity through OCI.

The benefit is payable on completion of prescribed qualifying period of service under these schemes.

With effect from July 01, 2020, the Group has decided to restrict the Post-retirement medical benefits facility for contractual employees.

6.16 Employees' compensated absences

The Group accounts for the liability in respect of employees' compensated absences in the year in which these are earned.

Provisions are made in the consolidated financial statements to cover obligations on the basis of actuarial valuation carried out annually using the projected unit credit method. The latest valuation was carried out as at June 30, 2024. The remeasurement of employees' compensated absences are charged to statement of profit or loss.

6.17 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cheques in hand, bank balances and other short-term highly liquid investments with maturities of three months or less.

6.18 Foreign currency transactions and translation

Foreign currency transactions are recorded using the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupee using the exchange rate ruling at the reporting date. Foreign exchange gain or losses resulting from the settlement of foreign currency transactions and translation of monetary assets and liabilities denominated in foreign currencies at the reporting date are recognised in statement of profit or loss.

6.19 Revenue recognition

Revenue comprises the fair value of consideration received or receivable for the rendering of services in the ordinary course of the Group's activities, net of rebates, discounts and excluding amounts collected on behalf of third parties. Revenue is recognized when or as performance obligations are satisfied by transferring services to the customer, i.e. over time, provided that the stage of completion can be measured reliably.

The Group recognises revenue from the following major sources:

- voyage charter revenue
- slot charter revenue
- time charter
- demurrage income
- others

Voyage charter revenue

All freight voyage charter revenue and voyage expenses are recognized on a percentage of completion basis. Load-to-discharge basis is used in determining the percentage of completion basis. Revenue is recognised evenly over the period from point of loading of current voyage to the point of discharge of the current voyage. Management uses its judgement in estimating the total number of days of a voyage based on historical trends, the operating capability of the vessel (speed and fuel consumption) and the distance of the trade route.

Revenue is not recognised during the period of mobilization of vessel from a previous discharge port to a next load port (Ballast leg) if there is no legally binding contract in place for the subsequent charter and costs incurred in positioning the vessel from last discharge port to the next load port (ballast cost) are capitalised at the end of ballast voyage and charged to next laden voyage from load port to discharge port.

Time charter revenue

Revenue in respect of freight income for a period of time, i.e., on time charter basis are recognized over time on per day basis for the period for which the vessel is under the control of the charterer as per terms of charter party agreement.

Slot charter revenue

Slot charter revenue is recognized on percentage of completion basis estimating the total income for a vessel under a slot charter arrangement. Revenue is recognized over time based on the progress of fulfilment, measured by the number of days incurred relative to the estimated total duration of the slot charter. The measurement period begins at the commencement of the slot charter and continues until the vessel arrives at the discharge port.

Demurrage income

Freight contracts contains conditions regarding the amount of time available for loading and discharging of the vessel. Demurrage income, recognised over time, represent the compensation estimated for the additional time incurred for loading and discharging a vessel. Demurrage income due as per contractual terms is recognised on estimated basis, based on past experience of settlements and recent recovery trends.

The Group previously recognised revenue at point in time when the cargo is discharged in case of voyage charter and slot charter, which has now changed to over time based. The impact of such change is not material to these consolidated financial statements in current and prior years.

Others

- Rental income is recognised as revenue on a straight line basis over the term of the respective lease arrangements.
- Dividend income is recognised when the Group's right to receive the dividend is established.
- Mark-up on bank accounts, return on short term investments and other income is recognised on accrual basis.

6.20 Contract assets

For voyages in progress at the end of a reporting period, the Group recognises a percentage of the estimated revenue for the voyage equal to the percentage of the estimated duration of the voyage completed at the reporting date and recognises contract asset. The estimate of revenue is based on the expected duration of the voyage.

6.21 Contingent liabilities

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

6.22 Benazir Employees' Stock Option Scheme

On August 14, 2009, the Government of Pakistan (GoP) launched Benazir Employees’ Stock Option Scheme (the Scheme) for eligible employees of certain State Owned Enterprises (SOEs) and non-State Owned Enterprises (non-SOEs) where GoP holds significant investments. To administer the Scheme, the GoP transferred 12% of its investment to BESOS Trust Fund (the Trust) created for the purpose by each of such entities.

Keeping in view the difficulties that may be faced by the entities covered under the Scheme, SECP on receiving representation from some of the entities covered under the scheme and after having consulted the Institute of Chartered Accountants of Pakistan vide their letter number CAIDTS/PS& TAC/2011-2036 dated February 2, 2011 granted exemption to such entities from the application of IFRS 2 (Share based payment) to the Scheme vide SRO 587 (I)/2011 dated June 7, 2011.

The Supreme Court of Pakistan (SCP), vide its detailed judgment dated December 22, 2021, has declared the BESOS Scheme ultra vires. Accordingly, the appropriate measures in collaboration with relevant stakeholders are being taken by the Holding Company to implement the decision of the SCP.

6.23 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

6.24 Earnings per share

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

6.25 Associates

Associates are those entities in which the Holding Company has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Holding Company holds between 20 and 50 percent of the voting power of another entity or when the Holding Company has significant influence through common directorship(s).

Group’s investment in its associate is accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group’s share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

6.26 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income respectively. In making the estimates for income taxes currently payable by the Group, management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

6.26.1 Current tax

Provision for current taxation is based on taxable income at the enacted / corporate tax rate after taking into account tax credits and rebates available, if any, as per the Income Tax Ordinance, 2001.

6.26.2 Deferred tax

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes after considering, the enacted tax rate.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences and carried forward unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are measured at enacted tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

6.26.3 Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income is classified as levies in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

6.26.4 Change in accounting policy

The Institute of Chartered Accountants of Pakistan (ICAP) issued 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the guide) in May 2024 and withdrawn the Technical Release 27 'IAS 12 - Income Taxes (Revised 2012)'. The guide requires to classify certain amounts of tax paid under minimum and final tax regime separately as a levies instead of classifying under current tax.

The guide has provided two approaches namely Approach A and Approach B to select any of them considering the business model of the Group. The Group has selected Approach B, according to which, designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 ‘Income Taxes’ and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as levies falling under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. For calculation of deferred tax, enacted rate of tax is required to be used.

This change has been considered as change in accounting policy and has been applied retrospectively in these consolidated financial statements in accordance with the requirements of IAS 8 'Accounting Policies, Change in Accounting Estimates and Errors'. Following are the effects as a result of this change:

	June 30, 2023		
	Had there been no change in accounting policy	After incorporating effects of change in accounting policy	Impact of change in accounting policy
	---------------------(Rupees in '000)-------------------------		
Statement of profit or loss and other comprehensive income			
Profit before taxation	31,876,547	31,567,623	308,924
Levies	-	308,924	308,924
Taxation	1,882,252	1,573,328	308,924

There has been no effect on the statement of financial position, the statement of cash flows and earnings per share as a result of above change.

Rate for deferred tax has been used as per the guide which is not materially different from tax rate used for calculation of deferred tax. Therefore, comparative figures have not been restated.

7. SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make estimates, judgments and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

In the process of applying the accounting policies, management has made the following estimates and judgments which are significant to these consolidated financial statements:

(a) Valuation of certain property, plant and equipment and investment properties (notes 6.1, 6.5, 8 and 11);

(b) Depreciation rate and determination of the residual values of property, plant and equipment (notes 6.1 and 8);

(c) Allowance for ECL on trade debts, agents' and owners' balances, other receivables and other financial assets (notes 6.7.3, 17, 18, 21 and 38);

(d) Provision for levies, current and deferred tax (notes 6.26, 15, 42 and 43);

(e) Provision against damage claims (notes 6.13 and 31);

(f) Provision for employee benefits and compensated absences (notes 6.15, 6.16 and 28);

(g) Recognition of demurrage income, estimation of days for vessel in-transit, income from heating and miscellaneous claims (notes 6.19 and 34);

(h) Contingencies (notes 6.21 and 32); and

(i) Provision for slow moving stores and spares (notes 6.8 and 16).

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

8. PROPERTY, PLANT AND EQUIPMENT

	Note	June 30, 2024	June 30, 2023
		(Rupees in '000)	
Operating fixed assets	8.1	34,707,222	34,411,509
Major spare parts and stand-by equipment	8.6	1,687,539	1,330,776
Capital work-in-progress - buildings on leasehold land	8.10	105,950	63,726
		36,500,711	35,806,011

8.1 Operating fixed assets

	Leasehold land (notes 8.2 - 8.4)	Buildings on leasehold land (notes 8.2 - 8.4)	Vessel fleet (note 8.5) Cost	Vessel fleet (note 8.5) Dry docking	Vessel fleet (note 8.5) Total	Vehicles	Office equipment	Furniture and fittings	Equipment on board	Beach huts (notes 8.2 - 8.4)	Workshop machinery and equipment (notes 8.3 & 8.4)	Computer equipment	Total
	(Rupees in '000)												
As at June 30, 2022													
Cost or revalued amount	1,399,780	900,159	35,654,220	2,354,716	38,008,936	52,107	76,386	42,192	149,193	23,123	24,225	85,095	40,761,196
Accumulated depreciation	-	(137,059)	(13,021,888)	(1,485,064)	(14,506,952)	(34,892)	(63,461)	(35,626)	(76,315)	(6,707)	(17,185)	(68,366)	(14,946,563)
Accumulated impairment loss	-	(15,019)	-	-	-	-	-	-	-	-	-	-	(15,019)
Net book value	1,399,780	748,081	22,632,332	869,652	23,501,984	17,215	12,925	6,566	72,878	16,416	7,040	16,729	25,799,614
Year ended June 30, 2023													
Opening net book value	1,399,780	748,081	22,632,332	869,652	23,501,984	17,215	12,925	6,566	72,878	16,416	7,040	16,729	25,799,614
Additions including transfers	-	1,015	11,761,011	1,268,821	13,029,832	10,067	4,306	3,277	6,643	-	-	51,696	13,106,836
Write-offs													
- Cost	-	-	-	(635,166)	(635,166)	(85)	(1,266)	(330)	-	-	-	(6,721)	(643,568)
- Accumulated depreciation	-	-	-	635,166	635,166	85	1,266	330	-	-	-	6,455	643,302
	-	-	-	-	-	-	-	-	-	-	-	(266)	(266)
Disposals													
- Cost	-	-	(3,242,871)	(103,513)	(3,346,384)	-	-	-	(38,476)	-	-	(1,026)	(3,385,886)
- Accumulated depreciation	-	-	1,581,325	98,928	1,680,253	-	-	-	36,383	-	-	1,005	1,717,641
	-	-	(1,661,546)	(4,585)	(1,666,131)	-	-	-	(2,093)	-	-	(21)	(1,668,245)
Depreciation charge for the year - note 8.7	-	(34,531)	(2,006,532)	(726,094)	(2,732,626)	(6,363)	(4,356)	(1,809)	(23,382)	(1,826)	(1,313)	(20,224)	(2,826,430)
Closing net book value	1,399,780	714,565	30,725,265	1,407,794	32,133,059	20,919	12,875	8,034	54,046	14,590	5,727	47,914	34,411,509
As at June 30, 2023													
Cost or revalued amount	1,399,780	901,174	44,172,360	2,884,858	47,057,218	62,089	79,426	45,139	117,360	23,123	24,225	129,044	49,838,578
Accumulated depreciation	-	(171,590)	(13,447,095)	(1,477,064)	(14,924,159)	(41,170)	(66,551)	(37,105)	(63,314)	(8,533)	(18,498)	(81,130)	(15,412,050)
Accumulated impairment loss	-	(15,019)	-	-	-	-	-	-	-	-	-	-	(15,019)
Net book value	1,399,780	714,565	30,725,265	1,407,794	32,133,059	20,919	12,875	8,034	54,046	14,590	5,727	47,914	34,411,509
Year ended June 30, 2024													
Opening net book value	1,399,780	714,565	30,725,265	1,407,794	32,133,059	20,919	12,875	8,034	54,046	14,590	5,727	47,914	34,411,509
Additions including transfers	-	-	-	2,732,789	2,732,789	29,494	19,757	3,212	38,433	-	-	14,311	2,837,996
Write-offs													
- Cost	-	-	-	(414,727)	(414,727)	-	-	-	(192)	-	(158)	-	(415,077)
- Accumulated depreciation	-	-	-	414,727	414,727	-	-	-	192	-	47	-	414,966
	-	-	-	-	-	-	-	-	-	-	(111)	-	(111)
Disposals													
- Cost	-	-	-	-	-	-	-	(139)	-	-	-	-	(139)
- Accumulated depreciation	-	-	-	-	-	-	-	139	-	-	-	-	139
	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation surplus	289,895	469,418	-	-	-	-	-	-	-	4,196	25,788	-	789,297
Depreciation charge for the year - note 8.7	-	(38,431)	(1,585,686)	(1,657,322)	(3,243,008)	(10,795)	(4,657)	(2,391)	(16,430)	(2,312)	(1,309)	(27,155)	(3,346,488)
Reversal of Impairment	-	15,019	-	-	-	-	-	-	-	-	-	-	15,019
Closing net book value	1,689,675	1,160,571	29,139,579	2,483,261	31,622,840	39,618	27,975	8,855	76,049	16,474	30,095	35,070	34,707,222
As at June 30, 2024													
Cost or revalued amount	1,689,675	1,370,592	44,172,360	5,202,920	49,375,280	91,583	99,183	48,212	155,601	27,319	49,855	143,355	53,050,655
Accumulated depreciation	-	(210,021)	(15,032,781)	(2,719,659)	(17,752,440)	(51,965)	(71,208)	(39,357)	(79,552)	(10,845)	(19,760)	(108,285)	(18,343,433)
Accumulated impairment loss	-	-	-	-	-	-	-	-	-	-	-	-	-
Net book value	1,689,675	1,160,571	29,139,579	2,483,261	31,622,840	39,618	27,975	8,855	76,049	16,474	30,095	35,070	34,707,222
Annual rate of depreciation (%) 2024	-	3 to 20	3.33 to 20	40		20	15	10 to 15	10 to 15	10	5 to 10	33	
Annual rate of depreciation (%) 2023	-	3 to 20	3.33 to 20	40		20	15	10 to 15	10 to 15	10	5 to 10	33	

8.2 Particulars of immovable property (i.e. Leasehold land and Buildings on leasehold land) are as follows:

S.No.	Location	Usage of immovable property	Total area (Sq. yards)	Covered area (Sq. feet)
1	PNSC Building, Plot No. 30-A Off. M.T. Khan Road, Karachi.	Registered office	7,836	234,288
2	PNSC Building, Plot No. 31-A Off. M.T. Khan Road, Karachi.	Leasehold land	1,834	22,120
3	Plot No. 17/1, West Wharf, Karachi.	Storage facility	705	19,035
4	Plot No. 30, Township, Kemari, Karachi.	Workshop	7,925	33,827
5	Plot No. D-51, Block-5, Clifton, Karachi.	Residential banglow	1,000	6,385
6	PNSC Beach Hut-I, No. 12-S, Sandspit, Karachi	Beach hut	417	2,296
7	PNSC Beach Hut-II, No. 37-N, Sandspit, Karachi	Beach hut	448	2,314
8	Plot No. 70/4, Timber hard, Kemari, Karachi	Storage facility	974	15,680

8.3 Forced sales value of the aforementioned immovable properties determined on the basis of latest revaluation carried out as at June 30, 2024 by an independent valuer are as follows:

S.No.	Class of asset	(Rupees in '000)
1	Leasehold land	1,736,403
2	Buildings on leasehold land	963,025
3	Beach huts	13,179
4	Workshop machinery and equipment	24,077

8.3.1 Valuation techniques

The valuer have performed inquiries and verifications from various estate agents, brokers and dealers, the location and condition of the property, size, utilization and current trends in price of real estate including assumptions that ready buyers are available in the current scenario and analysed through detailed market surveys, the properties that have recently been sold or purchased or offered / quoted for sale into given vicinity to determine the better estimates of the fair value.

Further, for workshop machinery and equipment the valuer commensurate for the condition of machinery and to arrive at present value, they have applied suitable depreciation factor. The age, make, origin, condition etc. has been taken into account , while arriving at the present market value.

8.4 Had there been no revaluation, the carrying amount of revalued assets would have been as follows:

	June 30, 2024	June 30, 2023
	----------(Rupees in '000)----------	
Leasehold land, buildings on leasehold land and beach huts	471,316	474,554
Workshop machinery and equipment	-	148
	471,316	474,702

8.5 Cost and accumulated depreciation of vessel amounting to Rs 1.440 million relates to M.V Ilyas Bux. This vessel was seized by the Indian Authorities during the 1965 war and the Group does not have physical possession or control over the vessel.

		Note	June 30, 2024	June 30, 2023
			----------(Rupees in '000)----------	
8.6	**Major spare parts and stand-by equipment**			
	Opening net book value		1,330,776	781,917
	Additions during the year		703,403	815,306
	Write-offs		-	(20,730)
	Disposal		-	(5,187)
			2,034,179	1,571,306
	Depreciation (rate 5% - 7%)		(346,640)	(240,530)
	Closing net book value		1,687,539	1,330,776

8.7 The depreciation charge for the year has been allocated as follows:

	Note	June 30, 2024	June 30, 2023
Fleet expenses	35	3,604,920	2,998,980
Real estate expenses	36	26,708	23,779
Administrative expenses	37	61,500	44,201
		3,693,128	3,066,960

8.8 Disposals of fixed assets do not include any assets whose aggregated book value exceeds Rs. 0.5 million.

		Note	June 30, 2024	June 30, 2023
			----------(Rupees in '000)----------	
8.9	**Surplus on revaluation of property, plant and equipment - net of tax**			
	As at July 01		1,644,092	1,651,235
	Revaluation surplus during the year		789,297	-
	NCI share in revaluation surplus		(1,142)	-
	Transferred to unappropriated profit on account of incremental depreciation		(7,890)	(7,143)
			2,424,357	1,644,092
	As at June 30			
	Less: related deferred tax liability on:			
	Revaluation surplus as at July 1		31,568	27,873
	Surplus arising during the year		194,106	-
	Adjustment due to change in tax rate		30,907	4,849
	Incremental depreciation charged during the year		(3,077)	(1,154)
			253,504	31,568
			2,170,853	1,612,524
8.10	**Capital work-in-progress**			
	Balance at beginning of the year		63,726	126,698
	Additions during the year		51,880	-
	Transfers to operating fixed assets		(9,656)	(62,972)
	Balance at end of the year	8.10.1	105,950	63,726

8.10.1 It represents capital expenditure amounting to Rs. 51.88 million on renovation of 15th and 16th floor of PNSC building and Rs. 54.07 million related to PNSC mosque.

9. RIGHT-OF-USE ASSETS

	Note	June 30, 2024	June 30, 2023
		----------(Rupees in '000)----------	
Rental Properties			
Balance at the beginning of the year		**80,971**	93,312
Termination of lease during the year	9.1	**(69,322)**	-
Depreciation	37	**(3,135)**	(12,341)
Balance at the end of the year		**8,514**	80,971
Lease term (in years)		**10**	10

9.1 Lease agreements related to Gwadar workshop & Gwadar repair shade have been terminated before the expiry of their lease terms.

10. INTANGIBLE ASSETS

	Note	June 30, 2024	June 30, 2023
		----------(Rupees in '000)----------	
Ship Management Expert System			
Cost		**16,503**	16,503
Accumulated amortisation		**(16,503)**	(16,503)
	10.1	**-**	-
Backup software			
Additions during the year		**1,308**	-
Amortisation	37	**(326)**	-
Balance at the end of the year	10.2	**982**	-
Capital work in progress (CWIP)			
Balance at the beginning of the year		**73,559**	51,806
Additions during the year		**85,904**	21,753
Balance at the end of the year	10.3	**159,463**	73,559
		160,445	73,559
Annual rate of depreciation (%)		**33**	33

10.1 SES is still in use, however, it was fully amortized during the year ended June 30, 2009.

10.2 It represents addition of backup software during the year ended June 30, 2024.

10.3 It represents payments made for DANAOS software which is under development.

11. INVESTMENT PROPERTIES

	Note	Leasehold land	Buildings on leasehold land	Capital work in progress	Total
		----------------(Rupees in '000)----------------			
At fair value					
Balance as at July 1, 2022		3,845,437	104,147	-	3,949,584
Additions during the year	11.1	-	-	2,079	2,079
Gain on revaluation	11.4 & 40	143,614	5,228	-	148,842
Balance as at June 30, 2023		3,989,051	109,375	2,079	4,100,505
Transfers from CWIP		**-**	**2,079**	**(2,079)**	**-**
Gain / (loss) on revaluation	11.4 & 40	**219,880**	**(33)**	**-**	**219,847**
Balance as at June 30, 2024		**4,208,931**	**111,421**	**-**	**4,320,352**

11.1 It represents payment for renovation of Muhammadi House and Old Ralli Building.

11.2 Particulars of immovable investment properties are as follows:

Location	Usage of immovable property	Total area (Sq. yards)	Covered area (Sq. feet)
Plot bearing Survey No. 4/1-A, Main I. I. Chundrigar Road, Karachi	Investment property	2,786	230,555
Plot No. 35-B, North circular avenue, DHA, Phase I, Karachi	Investment property	1,088	5,675
Plot No. 6 & 6-A, Block H, Gulberg-II, Lahore	Investment property	268	2,410
Plot bearing Survey No. 15, Main Talpur Road, I.I. Chundrigar Road, Karachi	Investment property	9,856	111,262

11.3 Forced sales value of the aforementioned investment properties as of the reporting date are as follows:

S.No.	Class of asset	June 30, 2024	June 30, 2023
		-------(Rupees in '000)-------	
1	Leasehold land	3,367,145	3,191,240
2	Buildings on leasehold land	89,137	89,164

11.4 The revaluation of the Group's investment properties was carried out by an independent valuer as of June 30, 2024.

11.5 Valuation techniques

The valuer's have performed inquiries and verifications from various estate agents, brokers and dealers, the location and condition of the property, size, utilization and current trends in price of real estate including assumptions that ready buyers are available in the current scenario and analysed through detailed market surveys, the properties that have recently been sold or purchased or offered / quoted for sale into given vicinity to determine the better estimates of the fair value.

12. LONG-TERM INVESTMENT IN RELATED PARTY (AN ASSOCIATE)

Equity Method

No. of shares - ordinary		Name of the company	Country of incorporation	Share of net assets		Latest available audited financial statements for the year ended	Percentage holding %	Face value per share (Rupees)	June 30, 2024	June 30, 2023
June 30, 2024	June 30, 2023			June 30, 2024	June 30, 2023				--------(Rupees in '000)--------	
				------(Rupees in '000)-----						
Associate - unquoted										
12,250	12,250	Muhammadi Engineering Works Limited	Pakistan	1,600	1,600	December 31, 1982	49	100	1,600	1,600
	Less:	Accumulated impairment losses							1,600	1,600
									-	-

		Note	June 30, 2024	June 30, 2023
13.	**LONG-TERM INVESTMENTS IN LISTED COMPANIES AND AN OTHER ENTITY**		-------(Rupees in '000)-------	
	Listed companies - At fair value through profit or loss			
	Siemens (Pakistan) Engineering Company Limited			
	6,930 (2023: 6,930) fully paid ordinary shares of Rs. 10 each			
	Market value per share as at June 30, 2024 Rs. 525.59 (2023: Rs. 692.49)	13.1	3,643	4,799
	Pakistan State Oil Company Limited			
	199,336 (2023: 199,336) fully paid ordinary shares of Rs. 10 each.			
	Market value per share as at June 30, 2024 Rs. 166.21 (2023: Rs. 111.01)	13.2	33,131	22,128
			36,774	26,927
	Other entity - At cost			
	Pakistan Tourism Development Corporation Limited			
	10,000 (2023: 10,000) fully paid ordinary shares of Rs. 10 each.		100	100
			36,874	27,027

13.1 The Group holds 0.084% (2023: 0.084%) of the investee's share capital.

	Note	June 30, 2024	June 30, 2023
Balance at the beginning of the year		4,799	4,504
(Loss) / gain on revaluation	39 & 40	(1,156)	295
Balance at the end of the year		3,643	4,799

13.2 The Group holds 0.04246% (2023: 0.04246%) of the investee's share capital.

	Note	June 30, 2024	June 30, 2023
Balance at the beginning of the year		22,128	34,254
Gain / (loss) on revaluation	39 & 40	11,003	(12,126)
Balance at the end of the year		33,131	22,128

14. LONG-TERM LOANS

	Note	June 30, 2024	June 30, 2023
- due from executives	14.1 & 14.4	15,552	24,150
- due from other employees		16,996	22,637
	14.2	32,548	46,787
Less: Recoverable within one year			
- due from executives		6,851	10,813
- due from other employees		6,201	6,520
	19	13,052	17,333
		19,496	29,454

14.1 Reconciliation of carrying amount of loans to executives:

	June 30, 2024	June 30, 2023
Balance at the beginning of the year	24,150	10,718
Disbursements	4,217	24,250
Repayments	(12,815)	(10,818)
Balance at the end of the year	15,552	24,150

14.2 These loans have been given to executives and other employees of the Holding Company for personal use in accordance with their terms of employment. These loans are to be repaid over a period of one to five years in equal monthly instalments. Any outstanding loan due from an employee at the time of leaving the service of the Holding Company is adjustable against final settlement.

14.3 The maximum aggregate amount of loans due from executives at the end of any month during the year was Rs. 26.472 million (2023: Rs. 24.150 million).

14.4 The interest charged on the loans as per following criteria:

- Upto Rs. 1 million the rate is charged at 10%.
- More than Rs.1 million but less than Rs. 3 million the rate of Defence Saving Certificates (net of tax).
- More than Rs. 3 million but less than Rs. 5 million the rate of six months KIBOR.

15. DEFERRED TAXATION

	June 30, 2024	June 30, 2023
	---------(Rupees in '000)---------	
Deductible temporary differences arising in respect of		
- provisions and employee benefits	**671,310**	176,869
Taxable temporary differences arising in respect of:		
- surplus on revaluation of property, plant and equipment	**(253,504)**	(31,568)
- accelerated tax depreciation	**(92,644)**	(43,570)
- right of use assets	**(3,320)**	(13,080)
- short term investments	**(51,170)**	-
	(400,638)	(88,218)
	270,672	88,651

15.1 The movement in temporary differences is as follows:

	Balance as at July 1, 2022	For the year ended June 30, 2023 — Recognised in profit or loss	For the year ended June 30, 2023 — Recognised in other comprehensive income	Balance as at June 30, 2023	For the year ended June 30, 2024 — Recognised in profit or loss	For the year ended June 30, 2024 — Recognised in other comprehensive income	Balance as at June 30, 2024
	-------------------------(Rupees in '000)-------------------------						
Deductible temporary differences:							
- provisions and employee benefits	119,847	62,368	(5,346)	176,869	**368,641**	**125,800**	**671,310**
Taxable temporary differences:							
- surplus on revaluation of property, plant and equipment	(27,873)	1,154	(4,849)	(31,568)	**3,077**	**(225,013)**	**(253,504)**
- accelerated tax depreciation	(32,898)	(10,672)	-	(43,570)	**(49,074)**	-	**(92,644)**
- right of use asset	(11,830)	(1,250)	-	(13,080)	**9,760**	-	**(3,320)**
- short term investments	-	-	-	-	**(51,170)**	-	**(51,170)**
	(72,601)	(10,768)	(4,849)	(88,218)	**(87,407)**	**(225,013)**	**(400,638)**
	47,246	51,600	(10,195)	88,651	**281,234**	**(99,213)**	**270,672**

16. STORES AND SPARES

	Note	June 30, 2024	June 30, 2023
		---------(Rupees in '000)---------	
Stores			
- at depot		**18,408**	18,408
- at buildings		**472**	472
- on board		**73,923**	61,882
		92,803	80,762
Spares			
- at buildings		**796**	796
- in transit		**-**	7,734
- on board		**1,051,003**	825,997
		1,051,799	834,527
Bunker on board		**1,745,237**	1,801,831
		2,889,839	2,717,120
Provision for slow moving stores and spares	16.1	**(245,777)**	(209,447)
		2,644,062	2,507,673

		Note	June 30, 2024	June 30, 2023
			(Rupees in '000)	
16.1	**Provision for slow moving stores and spares**			
	Balance at the beginning of the year		209,447	182,764
	Charged during the year	39	36,330	80,376
	Write-off made during the year		-	(53,693)
	Balance at the end of the year		245,777	209,447

17. TRADE DEBTS

	Note	June 30, 2024	June 30, 2023
- Due from related parties	17.1	4,378,086	6,055,105
- Due from others		2,838,553	3,180,027
		7,216,639	9,235,132
Expected credit loss	17.4	(3,390,913)	(3,266,054)
		3,825,726	5,969,078

17.1 Ageing analysis of amounts due from related parties, included in trade debts, is as follows:

	Upto 1 month	1 to 6 months	More than 6 months	As at June 30, 2024	As at June 30, 2023
	(Rupees in '000)				
Pakistan State Oil Company Limited	-	-	2,436,165	2,436,165	2,436,165
Pak Arab Refinery Limited	899,507	84,034	341,287	1,324,828	645,215
Pakistan Refinery Limited	241,513	-	13,702	255,215	2,109,870
Sui Northern Gas Pipelines Limited	12,634	-	-	12,634	5,381
District Controller of Stores	2,252	-	2,749	5,001	33,371
Embarkation Commandant	-	420	115,242	115,662	329,995
Officer Commanding PAF	18,879	1,067	90,308	110,254	298,752
Pakistan Ordinance Factory	-	-	14,975	14,975	67,847
Others	29,845	10,366	63,141	103,352	128,509
	1,204,630	95,887	3,077,569	4,378,086	6,055,105

17.2 Ageing analysis of related parties, included in trade debts, that are past due and impaired is as follows:

	June 30, 2024	June 30, 2023
	(Rupees in '000)	
1 to 6 months	15,283	22,137
More than 6 months	2,801,637	2,851,460
	2,816,920	2,873,597

17.3 Ageing analysis of others, included in trade debts, that are past due and impaired are as follows:

	Note	June 30, 2024	June 30, 2023
		(Rupees in '000)	
1 to 6 months		153,634	21,350
More than 6 months		420,359	371,107
		573,993	392,457

17.4 Expected credit loss

	Note	June 30, 2024	June 30, 2023
Balance at beginning of the year		3,266,054	2,244,063
Charged during the year	38	124,859	1,021,991
Balance at end of the year		3,390,913	3,266,054

17.5 The maximum aggregate amount of receivable due from related parties at the end of any month during the year was Rs. 16,010 million (2023: Rs. 6,055 million).

		Note	June 30, 2024	June 30, 2023
			------------(Rupees in '000)------------	
18.	**AGENTS' AND OWNERS' BALANCES**			
	Balances from agents' and owners		35,609	27,609
	Expected credit loss	18.1	(25,414)	(14,873)
			10,195	12,736
18.1	**Expected credit loss**			
	Balance at beginning of the year		14,873	10,642
	Charged during the year	38	10,541	4,231
	Balance at end of the year		25,414	14,873

18.2 The ageing analysis of agents' and owners' balances that are past due but not impaired are as follows:

	Note	June 30, 2024	June 30, 2023
		------------(Rupees in '000)------------	
Upto 1 month		9,132	4,246
1 to 6 months		540	3,520
More than 6 months		523	4,970
		10,195	12,736

		Note	June 30, 2024	June 30, 2023
19.	**LOANS AND ADVANCES**			
	Current portion of long-term loans			
	- due from executives		6,851	10,813
	- due from other employees		6,201	6,520
		14	13,052	17,333
	Advances - unsecured			
	- employees		67,059	52,303
	- contractors and suppliers	19.1	580,247	372,174
	- others		80	80
			647,386	424,557
			660,438	441,890

19.1 The maximum aggregate amount of advance to a related party, at the end of any month during the year was Rs. 33 million (2023: Rs. 183 million).

		Note	June 30, 2024	June 30, 2023
			------------(Rupees in '000)------------	
20.	**TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS**			
	Trade deposits	20.1	27,699	30,253
	Expected credit loss		(369)	(369)
			27,330	29,884
	Short-term prepayments		14,329	15,388
			41,659	45,272

20.1 This includes Rs. 1.316 million (2023: Rs. 1.694 million) amount deposited with Karachi Port Trust (KPT), a related party.

21. OTHER RECEIVABLES

	Note	June 30, 2024	June 30, 2023
		----------(Rupees in '000)----------	
- Due from related parties	21.1	**912,154**	304,208
- Due from others		**539,235**	360,965
		1,451,389	665,173
Expected credit loss	21.4	**(194,050)**	(171,314)
		1,257,339	493,859

21.1 Ageing analysis of amounts due from related parties, included in other receivables, is as follows:

	Upto 1 month	1 to 6 months	More than 6 months	As at June 30, 2024	As at June 30, 2023
	--(Rupees in '000)--				
Karachi Port Trust	**-**	**-**	**2,979**	**2,979**	2,979
Port Qasim Authority	**293,539**	**102,290**	**7,705**	**403,534**	149,101
Government of Pakistan	**-**	**79,483**	**152,129**	**231,612**	152,129
National Insurance Company Limited	**-**	**-**	**274,030**	**274,030**	-
	293,539	**181,773**	**436,842**	**912,154**	304,208

21.2 Ageing analysis of related parties, included in other receivables, that are past due and impaired are as follows:

	June 30, 2024	June 30, 2023
	----------(Rupees in '000)----------	
Upto 1 month	**663**	2,782
1 to 6 months	**3,454**	3,215
More than 6 months	**7,307**	24,770
	11,424	30,767

21.3 Ageing analysis of others, included in other receivables, that are past due and impaired is as follows:

	Note	June 30, 2024	June 30, 2023
		----------(Rupees in '000)----------	
Upto 1 month		**82**	1,558
1 to 6 months		**417**	4,780
More than 6 months		**182,127**	134,209
		182,626	140,547

21.4 Expected credit loss

	Note	June 30, 2024	June 30, 2023
Balance at beginning of the year		**171,314**	109,890
Charged during the year	38	**22,736**	61,424
Balance at end of the year		**194,050**	171,314

21.5 The maximum aggregate amount of receivable due from related parties at the end of any month during the year was Rs. 912.154 million (2023: Rs. 304.208 million).

	Note	June 30, 2024	June 30, 2023
		-----------(Rupees in '000)-----------	
22. SHORT-TERM INVESTMENTS			
Amortised cost			
Treasury-bills having maturity of three months or less	22.1	3,045,824	15,376,043
Term deposits with banks:			
- more than three months		6,000,000	23,000
- three months or less		6,127,643	7,874,372
	22.2	12,127,643	7,897,372
Fair value through profit or loss			
Units of mutual funds	22.3	24,326,136	3,232,258
		39,499,603	26,505,673

22.1 During the period, effective interest rates ranging from 21.55% to 22.80% (2023: 15.62% to 21.99% per annum).

22.2 During the period, mark-up on term-deposits denominated in local currency ranges from 21.20% to 22.44% (2023: 15.50% to 16.65%) per annum, whereas mark-up on term deposits denominated in foreign currency ranges from 6.25% to 8.50% (2023: 3.00% to 6.50%) per annum.

22.3 Movement of mutual funds	Note	June 30, 2024	June 30, 2023
		-----------(Rupees in '000)-----------	
Opening		3,232,258	104,890
Purchased during the year		43,832,340	3,758,000
Dividend reinvested during the year		1,857,406	167,355
Redeemed during the year		(24,727,182)	(806,593)
Unrealised gain on fair value	40	131,314	8,606
Closing	22.4	24,326,136	3,232,258

22.4 Investment in units of mutual funds

S. No.		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
		-----------(Number of units)-----------		-----------(Rupees in '000)-----------	
	Conventional				
1	Alfalah GHP Income Fund	26,534,845	-	3,026,180	-
2	Alfalah GHP Money Market Fund	11,304,569	6,943,040	1,118,501	686,226
3	Faysal Income & Growth Fund	47,118,784	-	5,152,439	-
4	HBL Money Market Fund	160,272	-	16,587	-
5	JS Cash Fund	11,317	2,443,161	1,189	252,208
6	JS Government Securities Fund	25,233,329	-	2,751,947	-
7	JS Income Fund	50,574,420	-	5,181,350	-
8	JS Micro Finance Sector Fund	30,949,843	-	3,144,814	
9	NBP Money Market Fund	25,173,445	25,173,445	251,940	251,223
10	NBP Mustahkam Fund Plan - X	262,873,254	-	2,633,200	-
11	NBP Government Fund	3,339,350	35,024,771	35,025	-
12	Al Hamra Daily Dividend Fund	-	313	-	31
13	NBP Government Securities Plan - IV	-	203,737,480	-	2,042,570
	Shariah compliant				
	HBL Islamic Money Market Fund	10,012,057	-	1,012,964	-
				24,326,136	3,232,258

		Note	June 30, 2024	June 30, 2023
			-----------(Rupees in '000)-----------	
23.	**CASH AND BANK BALANCES**			
	Cash in hand			
	- local currency		-	100
	- foreign currency		10,771	15,036
			10,771	15,136
	Cash at bank			
	- in current accounts			
	- local currency		302,804	286,045
	- foreign currency		2,190,261	3,112,232
			2,493,065	3,398,277
	- in saving accounts			
	- local currency			
	- conventional	23.1 & 23.2	3,568,563	4,351,880
	- shariah compliant	23.3	1,090,073	606,791
	- foreign currency	23.4	10,293	11,875
			4,668,929	4,970,546
			7,172,765	8,383,959

23.1 This includes Rs. 24.082 million (2023: Rs. 24.082 million) held as security by various banks respectively against guarantees issued on behalf of the Holding Company.

23.2 Mark-up on these savings accounts ranges from 18.51% to 22.00% (2023: 17.00% to 21.00%) per annum.

23.3 Mark-up on these savings accounts ranges from 17.00% to 21.20% (2023: 15.00% to 19.50%) per annum.

23.4 Mark-up on these savings accounts ranges from 0.15% to 6.50% (2023: 0.15% to 5.75%) per annum.

24. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

June 30, 2024	June 30, 2023		June 30, 2024	June 30, 2023
------------(No. of shares)------------			-----------(Rupees in '000)-----------	
24,130,789	24,130,789	Ordinary shares of Rs 10 each issued to shareholders of former National Shipping Corporation (NSC) and Pakistan Shipping Corporation (PSC) in consideration of their shareholdings in those companies	241,308	241,308
25,900,000	25,900,000	Ordinary shares of Rs. 10 each issued to GoP for cash received in the year 1985	259,000	259,000
64,309,800	64,309,800	Ordinary shares of Rs. 10 each issued to the GoP on the financial restructuring of the Corporation in the year 1989-90	643,098	643,098
17,722,791	17,722,791	Ordinary shares of Rs. 10 each issued as bonus shares	177,228	177,228
132,063,380	132,063,380		1,320,634	1,320,634

24.1 As at June 30, 2024, Government of Pakistan held 115,633,710 (2023: 115,633,710) ordinary shares, representing 87.56% (2023: 87.56%) shareholding of the Holding Company.

24.2 The Holding Company has one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Holding Company. All shares rank equally with regard to the Holding Company's residual assets.

		Note	June 30, 2024	June 30, 2023
			--------------(Rupees in '000)--------------	
25.	**NON-CONTROLLING INTEREST**			
	Share of non-controlling interest in:			
	- Share capital		59	59
	- General reserve		10	10
	- Opening unappropriated profit		11,739	10,714
	- Profit for the year		1,646	1,025
	- Other comprehensive income for the year		1,142	-
			14,596	11,808
26.	**LONG-TERM FINANCING**			
	- Financing under syndicate term finance agreement	26.1	-	2,199,726
	- Financing under musharika agreement	26.1 & 26.2	2,821,383	5,044,497
			2,821,383	7,244,223
	Less: current portion shown in current liabilities:			
	- Financing under syndicate term finance agreement	26.1	-	2,199,726
	- Financing under musharika agreement	26.1 & 26.2	868,800	2,222,477
			868,800	4,422,203
			1,952,583	2,822,020

26.1 The financing facilities under syndicate term-finance and musharika agreements obtained during the year ended June 30, 2019, amounting to Rs. 6,500 million and Rs. 4,000 million respectively with a consortium led by Faysal Bank Limited carrying mark-up at the rate of 3 months KIBOR + 0.35% per annum each. The loan related to syndicate term finance agreement, along with mark-up, has been paid in full on September 22, 2023.

26.2 The Holding Company has obtained financing facility during the year ended June 30, 2023 with a consortium led by Faysal Bank Limited carrying mark-up at the rate of 3 months KIBOR + 0.12% per annum. The loan, along with mark-up, is repayable on a quarterly basis with the last repayment date on July 27, 2027. As of the reporting date, the Holding Company has drawn Rs. 2,064 million and Rs. 2,280 million to finance its subsidiary companies namely Lalazar Shipping (Private) Limited and Sargodha Shipping (Private) Limited respectively for purchase of vessels. The facility is secured by way of first mortgage charge over procured vessels owned by respective subsidiaries.

		Note	June 30, 2024	June 30, 2023
26.3	Following is the movement in long-term financing:		--------------(Rupees in '000)--------------	
	Balance at beginning of the year		7,244,223	4,497,012
	Additions		-	4,332,710
	Repayments		(4,430,522)	(1,601,393)
	Amortisation of arrangement fee	41	7,682	15,894
	Balance at end of the year		2,821,383	7,244,223

26.4 Accrued mark-up under Islamic mode of financing as at June 30, 2024 amounting to Rs. 108.129 million (2023: Rs. 150.348 million).

26.5 Accrued mark-up under conventional mode of financing as at June 30, 2024 amounting to Rs. Nil (2023: Rs. 10.859 million).

		Note	June 30, 2024	June 30, 2023
			--------------(Rupees in '000)--------------	
27.	**LEASE LIABILITIES**			
	Balance at the beginning of the year		98,195	111,550
	Interest expense	41	1,852	7,588
	Reclassified to other liabilities		(1,220)	(18,577)
	Termination of leases		(83,032)	-
	Repayment during the year		(1,287)	(2,366)
	Balance at the end of the year		14,508	98,195
	Less: Current portion shown under current liabilities		2,630	9,648
			11,878	88,547

27.1 Lease liabilities are payable as follows:

	June 30, 2024			June 30, 2023		
	Minimum lease payment	Mark-up	Present value of minimum lease payment	Minimum lease payment	Mark-up	Present value of minimum lease payment
	(Rupees in '000)			(Rupees in '000)		
Less than one year	4,460	1,830	2,630	16,626	6,978	9,648
One to five years	14,376	2,498	11,878	108,014	19,467	88,547
	18,836	4,328	14,508	124,640	26,445	98,195

28. EMPLOYEES' BENEFITS	Note	June 30, 2024	June 30, 2023
		(Rupees in '000)	
Employees' gratuity			
- funded	28.1.3	(774)	10,114
- unfunded	28.1.3	750,905	477,543
		750,131	487,657
Post-retirement medical benefits	28.1.3	55,217	55,648
Employees' compensated absences	28.2.3	323,437	196,308
		1,128,785	739,613

28.1 Retirement benefit schemes

28.1.1 The disclosures made in notes 28.1.2 to 28.1.16 of these consolidated financial statements are based on the information included in the actuarial valuation report as of June 30, 2024.

28.1.2 As stated in notes 6.15.2 and 6.15.3 of these consolidated financial statements, the Group operates a funded retirement gratuity scheme for those permanent employees who joined the Group before October 16, 1984, an unfunded retirement gratuity scheme for contractual employees and an unfunded post-retirement medical benefit scheme for permanent and contractual employees. Liability is maintained against these schemes based on the actuarial recommendations. The following significant assumptions were used for the actuarial valuation of the defined benefit obligation schemes:

	June 30, 2024			June 30, 2023		
	Employees' gratuity		Post retirement medical benefits	Employees' gratuity		Post retirement medical benefits
	Funded	Unfunded		Funded	Unfunded	
Discount rate	14.75%	14.75%	14.75%	16.25%	16.25%	16.25%
Future salary increases - for permanent employees						
For the year 2023-24	N/A	-	-	-	-	-
For the year 2024-29 and onwards	14.75%	-	-	16.25%	-	-
Future salary increases - for contractual employees						
For the year 2023-24	-	N/A	-	-	-	-
For the year 2024-25	-	20.00%	-	-	16.25%	-
For the year 2025-29 and onwards	-	14.75%	-	-	16.25%	-
Medical escalation rate	-	-	12.75%	-	-	13.25%

Death rate based on SLIC (2001-05) Ultimate mortality tables

		June 30, 2024			June 30, 2023		
		Employees' gratuity		Post retirement medical benefits	Employees' gratuity		Post retirement medical benefits
		Funded	Unfunded		Funded	Unfunded	
		-----(Rupees in '000)-----					
28.1.3	**Reconciliation of statement of financial position**						
	Present value of defined benefit obligation	33,472	750,905	55,217	46,224	477,543	55,648
	Fair value of plan assets	(34,246)	-	-	(36,110)	-	-
	Net liability / (asset) in the statement of financial position	(774)	750,905	55,217	10,114	477,543	55,648
28.1.4	**Movement in present value of defined benefit obligation**						
	Balance at beginning of the year	46,224	477,543	55,648	46,826	438,832	65,663
	Current service cost	1,318	15,216	882	1,297	51,148	893
	Interest cost	6,065	74,180	9,043	5,802	55,136	7,943
	Benefits paid	(32,431)	(35,779)	(14,298)	(6,075)	(45,422)	(11,425)
	Remeasurements on obligation	12,296	219,745	3,942	(1,626)	(22,151)	(7,426)
	Balance at end of the year	33,472	750,905	55,217	46,224	477,543	55,648
28.1.5	**Movement in fair value of plan assets**						
	Balance at beginning of the year	36,110	-	-	35,934	-	-
	Expected return on plan assets	4,422	-	-	4,359	-	-
	Actual contribution by the employer	10,114	-	-	-	-	-
	Benefits paid	(32,431)	-	-	(6,075)	-	-
	Remeasurements on plan assets	16,031	-	-	1,892	-	-
	Balance at end of the year	34,246	-	-	36,110	-	-
28.1.6	**Movement in net liability in the statement of financial position**						
	Balance at beginning of the year	10,114	477,543	55,648	10,892	438,832	65,663
	Expense recognised for the year	2,961	89,396	9,925	2,740	106,284	8,836
	Contributions made by the Holding Company / benefits paid	(10,114)	(35,779)	(14,298)	-	(45,422)	(11,425)
	Remeasurements recognised in other comprehensive income	(3,735)	219,745	3,942	(3,518)	(22,151)	(7,426)
	Balance at end of the year	(774)	750,905	55,217	10,114	477,543	55,648
28.1.7	**The amounts recognised in profit or loss**						
	Current service cost	1,318	15,216	882	1,297	51,148	893
	Net interest amount	1,643	74,180	9,043	1,443	55,136	7,943
	Expense (note 39)	2,961	89,396	9,925	2,740	106,284	8,836
28.1.8	**Remeasurements recognised in other comprehensive income**						
	Loss / (gain) from changes in financial assumptions	1,431	33,128	1,834	(4,679)	(71,659)	(972)
	(Gain) / loss from changes in Demographic assumptions	-	-	(156)	-	3,391	-
	Experience adjustment	10,865	186,617	2,264	3,053	46,117	(6,454)
	Remeasurement of fair value of plan assets	(16,031)	-	-	(1,892)	-	-
		(3,735)	219,745	3,942	(3,518)	(22,151)	(7,426)

		June 30, 2024		June 30, 2023	
		Rupees in '000	%	Rupees in '000	%
28.1.9	Categories / composition of plan assets				
	Cash and cash equivalents	**34,246**	**100%**	36,110	100%

28.1.10 The expenses in respect of employees' gratuity and post-retirement medical benefits have been charged on the basis of actuarial recommendations.

28.1.11 Actual gain on plan assets during the year ended June 30, 2024 was Rs. 20.453 million (2023: Rs. 6.251 million).

28.1.12 Assumed future salary increase rate and discount rate have a significant effect on the employees' gratuity. One percentage change in assumed future salary increase rate and discount rate would have the following effects:

		Increase / (decrease) in defined benefit obligation of			
		Funded Gratuity Scheme		Unfunded Gratuity Scheme	
	Change in assumption	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
		(Rupees in '000)			
Discount rate	1%	(329)	336	(72,177)	83,686
Salary increase rate	1%	480	(477)	79,298	(69,792)

28.1.13 The weighted average duration of the defined benefit obligations for funded and unfunded gratuity scheme is 1 year (2023: 1 year) and 9.61 years (2023: 9 years) respectively.

28.1.14 Assumed medical cost escalation rate and discount rate have a significant effect on the post-retirement medical benefit. One percentage change in assumed medical cost escalation rate and discount rate would have the following effects:

		Increase / (decrease) in defined benefit obligation of Post-Retirement Medical Benefits of Permanent Employees	
	Change in assumption	Increase in assumption	Decrease in assumption
		(Rupees in '000)	
Discount rate	1%	(706)	748

28.1.15 The weighted average duration of the defined benefit obligations post retirement medical benefit scheme for permanent employees is 2 years (2023: 2 years).

28.1.16 The employees' gratuity funded and unfunded scheme and post retirement medical benefit plans exposes the Group to the following risks:

Investment risk: The risk of the investment underperforming and not being sufficient to meet the liabilities.

Mortality risk: The risk that the actual mortality rate is different. The effect depends on the beneficiaries service / age distribution and the benefit.

Medical cost escalation risks: The risk that the hospitalisation cost could be higher than what we assumed.

Final salary risk: The risk that the final salary at the time of cessation of service is greater than what is assumed. Since the benefit is calculated on the final salary, the benefit amount increases similarly.

Withdrawal risk: The risk of higher or lower withdrawal experienced than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

28.2 Employees' compensated absences

28.2.1 The disclosures made in notes 28.2.2 to 28.2.9 of these consolidated financial statements are based on the information included in the actuarial valuation report as of June 30, 2024.

28.2.2 As stated in note 6.16 of these consolidated financial statements, the Group operates an employees' compensated absences scheme. Provision is maintained against this scheme based on the actuarial recommendations. The following significant assumptions were used for the actuarial valuation of the scheme:

	June 30, 2024	June 30, 2023
Discount rate	14.75%	16.25%
Future salary increases - for permanent employees		
For this year 2024-25 / 2023-24 and onwards	14.75%	16.25%
Future salary increases - for contractual employees		
For this year 2024-25 / 2023-24 and onwards	14.75%	16.25%

	Note	June 30, 2024	June 30, 2023
		(Rupees in '000)	
28.2.3 Reconciliation of statement of financial position			
Present value of defined benefit obligation (recognised)		323,437	196,308
28.2.4 Movement in present value of employees compensated absences			
Balance at the beginning of the year		196,308	197,748
Current service cost		62,427	53,701
Interest cost		31,856	20,783
Remeasurements of obligation		102,612	5,326
Benefits paid		(69,766)	(81,250)
Balance at the end of the year		323,437	196,308
28.2.5 Expense			
Current service cost		62,427	53,701
Interest cost		31,856	20,783
	39	94,283	74,484
28.2.6 Other comprehensive income			
Remeasurements recognised in other comprehensive income			
Loss from changes in financial assumptions		27,374	5,326
Experience adjustment		75,238	-
		102,612	5,326

28.2.7 Amounts for the current period and prior period of the present value of employees compensated absences are as follows:

	June 30, 2024	June 30, 2023
	(Rupees in '000)	
Present value of employees compensated absences	323,437	196,308

28.2.8 Assumed future salary increase rate and discount rate have a significant effect on the employees' compensated absences. One percentage change in assumed future salary increase rate and discount rate would have the following effects:

	Change in assumption	Increase / (decrease) in defined benefit obligation of Employees' Compensated	
		Increase in assumption	Decrease in assumption
		(Rupees in '000)	
Discount rate	1%	(27,831)	32,313
Future salary rate	1%	30,473	(26,762)

28.2.9 The risks to which the scheme exposes the Group are disclosed in note 28.1.16 to these consolidated financial statements.

28.2.10 The expenses in respect of employees' compensated absences have been charged on the basis of actuarial recommendations and are in accordance with the Administrative and Financial Services Agreement of the Holding Company with the subsidiary companies.

28.3 Expected retirement benefits costs for the year ending June 30, 2025 are as follows:

	(Rupees in '000)
Gratuity	
- funded	615
- unfunded	144,490
Post-retirement medical benefits	7,960
Compensated absences	110,515

28.4 Maturity profile

	June 30, 2024			
	Employees' gratuity		Post retirement medical benefits	Employees Compensated Absences
	Funded	Unfunded		
Weighted average duration of the present value of defined benefit obligations (in years)	1	9.61	2.34	8.6
Distribution of timing of benefit payments (time in periods)	(Rupees in '000)			
1	**13,057**	**51,836**	**19,080**	**-**
2	**27,315**	**80,337**	**12,753**	**-**
3	**-**	**34,565**	**8,118**	**-**
4	**-**	**21,945**	**6,043**	**-**
5	**-**	**32,563**	**-**	**-**
6 - 11	**-**	**512,773**	**-**	**-**

28.5 During the year, the Group contributed Rs. 5.199 million (2023: Rs. 5.068 million) to the provident fund.

29. TRADE AND OTHER PAYABLES

	Note	June 30, 2024	June 30, 2023
		(Rupees in '000)	
Creditors		**524,527**	481,697
Advance from charterers		**57,412**	45,557
Agents' and owners' balances		**727,746**	351,668
Accrued liabilities		**5,017,692**	4,764,591
Deposits	29.1	**78,283**	53,735
Workers' Profit Participation Fund	29.2 & 29.3	**477,963**	85,657
Withholding tax payable		**75,585**	49,187
Other liabilities		**8,054**	8,054
		6,967,262	5,840,146

29.1 These deposits are mark-up free and are repayable on demand or on completion of specific contracts. As per the requirements of section 217 of the Companies Act, 2017 deposits are utilised for the purpose of business and are kept in separate bank accounts.

29.2 The Holding Company created under federal statute Ordinance, 1979, declared strategic statutory body under para 9(a) of chapter 3 of State-Owned Enterprises (Ownership and Management Policy), 2023 by the federal cabinet. The Holding Company also falls within the definition of trans-provincial subject, and as such province cannot extend its legislative arms in the federal subject. The Holding Company is not yet been notified for the applicability of SWPPF. The amount as per legal opinion has been retained until clarification is provided by the competent court of law and that federal legislation shall apply until the mechanism has been finalized.

	Note	June 30, 2024	June 30, 2023
		------------(Rupees in '000)------------	
29.3 Workers' Profit Participation Fund			
Balance at the beginning of the year		**85,657**	-
Charge for the year	39	**295,942**	85,657
Interest on funds utilised in the Group's business	29.3.1	**96,364**	-
Balance at the end of the year		**477,963**	85,657

29.3.1 Interest on funds utilised is charged at the rate of 113% (i.e. 75% of 150% dividend announced) of last year.

30. CONTRACT LIABILITIES

Represents advance received from various related parties and customers. Revenue recognized from amounts included in contract liabilities at the beginning of the year amounted to Rs. 593.721 million (2023: Rs. 240.253 million).

	Note	June 30, 2024	June 30, 2023
		------------(Rupees in '000)------------	
31. PROVISION AGAINST DAMAGE CLAIMS			
Balance at beginning of the year		**23,235**	42,307
Reversal during the year	40	**(827)**	(19,072)
Balance at end of the year		**22,408**	23,235

32. CONTINGENCIES AND COMMITMENTS

Contingencies

32.1 The contingent liability in respect of claims not acknowledged by the Holding Company, aggregated to Rs. 535.565 million (2023: Rs. 536.9996 million).These claims mainly relate to deficiencies in shipping documentations, delay in delivery of cargo and damages to cargo. A sum of Rs. 513.157 million (2023: Rs. 513.765 million) approximately would be recoverable from P&I Club, Steamship Mutual Underwriting Association (Bermuda) Limited in the event these claims are accepted by the Holding company. As a matter of prudence, management has made a total provision of Rs. 22.408 million (2023: Rs. 23.235 million) against the aforementioned claims in these consolidated financial statement.

32.2 Chittagong Steamship Holding Company Limited and Trans Oceanic Steamship Company Limited had initiated litigation that involved the Government of Pakistan and the Holding Company. The litigation relates to the compensation to the former owners. The legal suits are pending in the High Court of Sindh. The amount claimed is approximately Rs. 1.300 million (2023: Rs. 1.300 million) and Rs. 66.800 million (2023: Rs. 66.800 million) respectively. The Holding Company disclaims any liability in respect of the above mentioned amounts and any accretions to it upto final determination and settlement of the matters.

32.3 Certain other claims have been filed against the Holding Company in respect of employees' matters for an aggregate amount of approximately Rs. 82.597 million (2023: Rs. 82.597 million). These cases are pending and the management is confident that the outcome of these cases will be in the Holding Company's favour and accordingly no provision for these claims has been made in these consolidated financial statements.

32.4 While framing the tax assessment for the income year ended June 30, 1990, the assessing officer had made an addition to income of Rs. 3,974.455 million, being the remission of liabilities due to the Federal Government under the scheme of financial restructuring of the Holding Company. The resultant tax liability including additional taxes for late payment of tax amounted to Rs. 1,293.694 million, part of which was paid by the Holding Company and the remaining amount of Rs. 1,233.694 million was directly discharged at source by the Federal Government. The assessing officer while framing the order of income year ended June 30, 1996 had treated the aforementioned payment of tax liability by the Government as the income of the Holding Company. Appellate Tribunal Inland Revenue (ATIR) has given the decision in favour of the Holding Company on the appeals filed against the above orders. However, the department has filed an appeal with the High Court of Sindh against the aforementioned order of ATIR. The High Court of Sindh has decided the appeal against the Holding Company. The leave to appeal filed by the Holding Company has been accepted by the Supreme Court of Pakistan and the decision of the High Court of Sindh has been suspended. Hearing of the appeal was pending in the Supreme Court of Pakistan. During the year ended June 30, 2018, this hearing was remanded to the High Court of Sindh. The management, in consultation with its legal advisor is confident that the matter will eventually be decided in favour of the Holding Company.

32.5 During the year ended June 30, 2012, the Officer Inland Revenue (OIR) issued assessment order under section 122 (5A) of the ITO, 2001 in respect of tax year 2011. According to the order dated March 27, 2012, the OIR has made certain additions and determined additional tax demand of Rs. 251.092 million. OIR has disallowed a portion of administrative expenses by attributing the same to the subsidiary companies and further disallowed financial expenses incurred by the Holding Company on the contention that the same is equity specific and hence being capital in nature. The Holding Company had paid Rs. 160.513 million under protest. During the year ended June 30, 2015, the Commissioner of Inland Revenue (Appeals) in his order has upheld certain additions and has given decisions in favour of the Holding Company on certain matters, and has worked out refund of Rs 15.068 million. The Holding Company and the department had filed appeals with the ATIR in respect of aforementioned disallowances, which have been decided by the ATIR. The ATIR, in its order has interalia deleted certain additions made by the OIR which were upheld by the Commissioner (Appeals). However, while giving effect to the order of the ATIR, the taxation officer has disallowed the expenses allocated to dividend income. Accordingly, the Holding Company filed an appeal before the Commissioner (Appeals) on July 20, 2018, which has been decided on September 23, 2019 in favour of the Holding Company. The ACIR vide order dated June 27, 2022 issued appeal effect order under section 124 (2)/122(5A) of the ordinance to give effect to the appellate order of Commissioner (Appeals). Through appeal effect order, the ACIR has decided the issue of allocation of common expenses against dividend income in favour of the Holding Company whereby income taxable at corporate rates has been re-computed at Rs. 155.293 million, and the tax liability and net amount of refund had been recomputed at Rs. 131.008 million and Rs. 243.247 million respectively. Further being aggrieved by the decision of the ATIR, the Tax department has filled a reference application which is pending before the High court of Sindh.

32.6 During the year ended June 30, 2013, the OIR issued assessment order under section 122 (5A) of the ITO, 2001 in respect of tax year 2012. According to the order dated June 21, 2013, the OIR has made certain additions and determined additional tax demand of Rs. 107.499 million. OIR has disallowed a portion of administrative expenses by attributing the same to the subsidiary companies and further disallowed financial expenses incurred by the Holding Company on the contention that the same is equity specific and hence being capital in nature. The Holding Company has paid Rs. 65 million under protest and filed an appeal with the Commissioner of Inland Revenue (Appeals). During the year ended June 30, 2015, Commissioner of Inland Revenue (Appeals) in his order has upheld certain additions and has given decisions in favour of the Holding Company on certain matters, and has worked out refund of Rs. 24.022 million. The Holding Company and the department have filed appeals with the ATIR in respect of aforementioned disallowances. The ATIR vide appellate order dated August 7, 2018 has interalia deleted certain additions made by the taxation officer. Appeal effect proceeding in respect of appellate order was initiated through notice dated October 4, 2019. However, while giving effect to the order of the ATIR, the taxation officer has disallowed the expenses allocated to dividend income and setting off of business loss against property income. Accordingly, the Holding Company has filed an appeal before the Commissioner (Appeals) against the appeal effect order. The said appeal was partially decided by the Commissioner Appeals through order dated March 15, 2023 in favor of Holding Company on allocation of expenses against dividend income and related disallowance and not setting off the business loss against property income and applying incorrect tax rate on property income. Appeal effect order in respect of remaining issues has not been passed till date. The Management, in consultation with its tax advisor, is confident that the matter will eventually be decided in favour of the Holding Company.

32.7 During the year ended June 30, 2014, the OIR has issued assessment order under section 122 (5A) of the ITO, 2001 in respect of tax year 2013. According to the order February 27, 2014, the OIR has made certain additions and determined additional tax demand of Rs. 303.333 million. OIR has disallowed a portion of retirement benefit expenses by attributing the same to the subsidiary companies and further disallowed financial expenses incurred by the Holding Company on the contention that the same is equity specific and hence being capital in nature. Moreover, OIR also disallowed the basis of apportionment of expenses. The Holding Company had paid Rs. 288.265 million under protest and adjusted refund of Rs. 3.581 million. Further, the management has filed an appeal with the Commissioner of Inland Revenue (Appeals) who in his order has upheld certain additions and has given decisions in favour of the Holding Company on certain matters, and worked out a Nil demand. The Holding Company and the department have filed appeals with the ATIR in respect of aforementioned disallowances. Appeal effect proceedings in respect of appellate order was initiated through notice dated October 4, 2019 and same has been responded by the Holding Company. ATIR in its order maintained certain additions and directed to allocate expenses against service fee. Further, being aggrieved by the decision of the appellate tribunal, the Holding Company has filed a reference application which is pending before the High Court of Sindh. The management, in consultation with its legal advisor, is confident that the matter will eventually be decided in favour of the Holding Company.

32.8 During the year ended June 30, 2015, ACIR issued assessment order under section 122 (5A) of the ITO, 2001 in respect of tax year 2014. According to the order dated March 13, 2015, the ACIR made certain additions and determined additional tax demand of Rs 184.059 million in respect of certain disallowances regarding financial expenses, administrative costs and post-retirement benefits. The Holding Company paid Rs. 83.438 million under protest and adjusted Rs. 86.998 million against refunds available for tax year 2008, 2009 and 2010. The Holding Company had filed an appeal before the Commissioner of Inland Revenue (Appeals) who passed his order and maintained the decision of the ACIR. The Holding Company had filed an appeal with the ATIR in respect of aforementioned order of the Commissioner Inland Revenue (Appeals) in respect of aforementioned disallowances. The management is confident that the matter will eventually be decided in favour of the Holding Company.

32.9 During the year ended June 30, 2014, the Holding Company received assessment order from the taxation authorities in respect of tax years 2008-2013. The taxation officer had held that the Holding Company is liable to deduct withholding tax under section 152(2) of the ITO, 2001, while making payments to the non-resident shipping companies and in the event of default to do so, the Holding Company becomes personally liable to pay tax under section 161 along with default surcharge under section 205 of the Ordinance. By virtue of above orders, a cumulative tax demand was raised by the taxation authorities amounting to Rs 2,695.496 million. The Holding Company filed an appeal with the Commissioner of Inland Revenue (Appeals) who maintained the orders passed by the Deputy Commissioner Inland Revenue (DCIR) and consequently an appeal was filed before the ATIR. The ATIR, in the appellate order, has held that the payments made by the Holding Company to the non-resident shipping companies are in the nature of "Royalty" and the rate of tax withholding applicable on such payments would be 15 percent. Accordingly, the tax demand originally raised was reduced to Rs 1,659.485 million. The Holding Company lodged rectification applications in respect of the orders passed by ATIR. However, during the year ended June 30, 2016, the said rectification applications have been rejected. Without prejudice to the rectification applications, the Holding Company has also filed a petition before the Sindh High Court in respect of the aforesaid orders passed by ATIR seeking protection from any adverse action. The Sindh High Court has granted an interim order restraining FBR from taking any coercive action, the said interim order is still operative. Further, the aforementioned cases are still pending with the High Court of Sindh.

32.10 During the year ended June 30, 2019, the DCIR vide order dated June 29, 2020 has treated the Holding Company assessee in default for tax year 2014 for not withholding tax on: Payments to Non-Resident shipping companies, Payment of Dividend, Interest free advance to Employees & Closing balance of advances to employees and others and on salaries. Consequent to above order, a cumulative tax demand of Rs. 899.5 million was raised by tax authorities. Being aggrieved with the order, the Holding Company filed an appeal before the Commissioner Inland Revenue (Appeal). The CIR(A) had fixed the hearing for July 20, 2020 and had granted the Holding Company a stay from recovery of tax demand till August 10, 2020. On August 7, 2020, written arguments were submitted on behalf of Holding Company and the hearing was re-fixed for August 21, 2020. However, due to transfers and postings, the stay granted by the CIR(A) could not be extended and the Holding Company had to approach Honorable Sindh High Court (SHC) for grant of stay. The SHC has granted the Holding Company a stay from recovery of tax demand vide order dated August 11, 2020. The order was passed by CIR(A) on December 9, 2021 which was partially been decided in favour of the Holding Company. No appeal effect proceedings have yet been initiated by the DCIR subsequent to the passing of the above order. Being aggrieved with the above appellate order in respect of the remaining issues relating to withholding of tax on payment of dividends, the Holding Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR). The management, in consultation with its legal advisor, is confident that the subject matter will eventually be decided in favour of the Holding Company.

32.11 During the year ended June 30, 2018, the DCIR vide order dated June 29, 2018 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2016. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits. Brought forward business losses and unabsorbed depreciation for tax year 2016 have also been adjusted in the computation of taxable income. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs. 91.592 million was raised, which is amply covered by the refunds available for prior tax years. The Holding company filed an appeal with the Commissioner Inland Revenue (Appeals) on July 23, 2018, which was decided vide order dated July 11, 2019. The CIR(A) in its order has decided all the matters in favour of the holding company by deleting all the additions made by the ACIR. However, the appeal effect order is still pending. During the year, the Holding Company received a notice dated Feb 14, 2024 issued under section 138(1) of the ordinance through which demand of the said amount was raised against which the Holding Company has submitted a detailed response explaining that the matter has already been decided by the CIR(A) in favour of the Holding Company. The Management is confident that the subject matters in respect of tax year 2016 will eventually be decided in favour of the Holding Company.

32.12 During the year ended June 30, 2018, the ACIR vide order dated June 29, 2018 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2017. The taxable income had been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits. By virtue of the aforementioned order passed by the ACIR, a tax demand amounting to Rs. 318.212 million was raised, out of which the Holding Company had made a payment of Rs. 75 million under protest. The Holding Company filed an appeal with the Commissioner Inland Revenue (Appeals) on July 23, 2018, which had been decided vide order dated July 11, 2019. The CIR(A) in its order has decided all the matters in favour of the Holding Company by deleting all the additions made by the ACIR. However, the appeal effect order is still pending. During the year ended June 30, 2023, the Holding Company received a notice dated November 24, 2022 issued under section 221 wherein the Taxation Officer observed that the Holding Company has adjusted refunds amounting to Rs. 86.598 million available from previous tax years which have not been determined under section 170(4) of the Ordinance. Accordingly, the Taxation Officer proposed to disallow the said adjustment of refunds. A detailed response was submitted explaining the facts and legalities pertaining to the case. Based on the above, the letter concluded that the proceeding is unwarranted and therefore, shall be withdrawn. Thereafter, no further correspondence has been made in this regard till date. The Management is confident that the subject matters in respect of tax year 2017 will eventually be decided in favour of the Holding Company.

32.13 During the year ended June 30, 2021, the Additional Commissioner-IR (ACIR) vide order dated May 24, 2021 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2015. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR, a tax demand amounting to Rs. 1,279.035 million was raised. During the year ended June 30, 2022, the Holding Company filed an appeal with the Commissioner Inland Revenue (Appeals), which was decided vide order dated November 15, 2021. The CIR(A) in its order has remanded back certain matters, while giving decisions in favour and against of the Holding Company on certain other matters. The ACIR vide order dated June 25, 2022 issued appeal effect order under section 124 of the Ordinance to give effect to the appellate order of the Commissioner (Appeals). The Holding Company filed appeal before Commissioner before Commissioner (Appeals) against the aforesaid appeal effect dated June 25, 2022. The said appeal has been partially decided by the Commissioner (Appeals) through order dated March 16, 2023, in favour of the Holding Company while also issuing necessary directions on disallowance of actuarial losses, super tax levy on dividend income and income from property while disregarding loss from business and computation of tax. Appeal effect order in respect of remaining issues has not been passed till date. The management, in consultation with its tax advisor, is confident that the matter will eventually be decided in favour of the Holding Company.

32.14 During the year ended June 30, 2022, the ACIR vide order dated July 28, 2021 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2018. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs. 550.722 million was raised. The Holding Company filed an appeal with the Commissioner Inland Revenue (Appeals), which was decided vide order dated November 15, 2021. The CIR(A) in its order has remanded back certain matters, while giving decisions in favour and against of the Holding Company on certain other matters. Being aggrieved with the order, management has filed an appeal with ATIR. The management, in consultation with its tax advisor, is confident that the subject matters in respect of tax year 2018 will eventually be decided in favour of the Holding Company.

32.15 During the year ended June 30, 2022, the ACIR vide order dated September 17, 2021 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2019. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR, a tax demand amounting to Rs 477.364 million was raised. The Holding Company filed an appeal with the Commissioner Inland Revenue (Appeals), which was decided vide order dated January 13, 2022. The CIR(A) in its order has remanded back certain matters, while giving decisions in favour and against of the Holding Company on certain other matters. Being aggrieved with the order, management has filed an appeal with ATIR. The management, in consultation with its tax advisor, is confident that the subject matters in respect of tax year 2019 will eventually be decided in favour of the Holding Company.

32.16 During the year ended June 30, 2022, the ACIR vide order dated September 30, 2021 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2020. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs. 271.121 million was raised. The Holding Company filed an appeal with the Commissioner Inland Revenue (Appeals), which was decided vide order dated January 13, 2022. The CIR(A) in its order has remanded back certain matters, while giving decisions in favour and against of the Holding Company on certain other matters. Being aggrieved with the order, management has filed an appeal with ATIR. The management, in consultation with its tax advisor, is confident that the subject matters in respect of tax year 2020 will eventually be decided in favour of the Holding Company.

32.17 During the year ended June 30, 2022, the ACIR vide order dated March 4, 2022 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2021. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs. 577.4 million was raised. The Holding Company filed an appeal with the Commissioner Inland Revenue (Appeals), which was decided vide order dated May 13, 2022. The CIR(A) in its order has remanded back certain matters, while giving decisions in favour and against of the Holding Company on certain other matters. Being aggrieved with the order, management has filed an appeal with ATIR. The management, in consultation with its tax advisor, is confident that the subject matters in respect of tax year 2021 will eventually be decided in favour of the Holding Company.

32.18 During the year ended June 30, 2015, the Sindh Revenue Board (SRB) issued show cause notice dated April 17, 2015 under the provisions of section 23 and 47 of the Sindh Sales Tax on Services Act, 2011. The SRB officer had selected the revenue from the unconsolidated financial statements and allegedly raised sales tax demand in respect of the revenue appearing in the audited unconsolidated financial statements for the years 2012-2014. The Holding Company had filed a suit before the Sindh High Court in respect of the aforesaid show cause notice and the Sindh High Court had granted an interim stay order restraining SRB from taking any coercive action. However, in light of the Supreme Court order dated June 27, 2018 the Holding Company had to withdraw from the suit and continued the proceedings of show cause notice. After, considering the submissions of the Holding Company, the SRB had passed an assessment order dated March 13, 2019 and raised Sales Tax demand of Rs. 2,935.797 million on the revenue of freight income and services fee for the financial years 2012-2014. The Holding Company had filed an appeal before the Commissioner (Appeals) SRB dated March 11, 2019 and obtained stay from Sindh High Court against the sales tax demand. The Sindh High Court made decision in favour of the Holding Company on December 14, 2020. However, during the year ended June 30, 2023. Sindh Revenue Board filed a petition on October 18, 2022 in Supreme court against the judgement of High court and same is still pending at Supreme Court of Pakistan. The management, in consultation with its legal advisor, is confident that the subject matters will eventually be decided in favour of the Holding Company.

32.19 The Taxation Officer (TO) issued an amended assessment order under section 122(5A) of the ITO, 2001 in respect of tax year 2003 against the subsidiary company namely Karachi Shipping (Private) Limited (KSPL). According to the amended order, TO made additions to taxable income of KSPL aggregating to Rs. 163.523 million mainly on account of interest income and gain on sale of fixed assets, which have been taxed separately. KSPL made payment of Rs. 70.315 million under protest, being the additional tax demand raised by the TO in his order and filed an appeal against the subject order with Commissioner Income Tax (Appeals) - CIT(A). Consequently, KSPL also filed a petition to Alternate Dispute Resolution Committee (ADRC) with respect to the said matter. During the year ended June 30, 2009, the ADRC upheld the decision of TO and decided the matter against KSPL. As KSPL was not satisfied with the order, KSPL continued to pursue its remedy against CIT(A) which is, at present, pending for hearing. The management is confident that the matter in the appeal shall eventually be decided in its favour. Without prejudice to the contentions of the management, the management has as a matter of prudence provided for amount aggregating to Rs. 70.315 million as payment under protest during the year ended June 30, 2008.

32.20 While framing tax assessment for the year ended June 30, 2005, the TO issued an order under section 122(5A) of the ITO, 2001 whereby demand of Rs 139.118 million was raised by the tax department against the subsidiary company namely Lalazar Shipping (Private) Limited (LSPL). According to the order, the TO is of the view that the income appearing under the head 'other income' in the annual audited financial statements for the said year is taxable under Normal Tax Regime with reference to section 39 of the ITO, 2001. LSPL had filed appeals with the Commissioner Income Tax (Appeals) and Income Tax Appellate Tribunal, however, the appeals were decided in favour of the tax department. Subsequently, LSPL filed an appeal in the Sindh High Court and during the year ended June 30, 2011, the Sindh High Court had heard the appeal filed by LSPL and reduced the tax demand to Rs. 68.284 million. LSPL had paid the reduced tax demand under protest and filed an appeal with the Supreme Court for which leave to appeal was granted to the LSPL. Further, the tax department had also filed an appeal with the Supreme Court against the order and the matter has been decided against company. However, no provision is made since the demand has already been paid by the company. LSPL has filed review petition against the judgment before the Supreme Court of Pakistan.

32.21 The Additional Commissioner Inland Revenue (ACIR) issued an amended assessment order dated March 24, 2014, under section 124/122(5A) of the ITO, 2001 in respect of tax year 2012 against the subsidiary company namely Sargodha Shipping (Private) Limited (SSPL). According to the amended order, ACIR had only considered the original purchase price of the vessel for the computation of capital gain, as per annual audited financial statements for the year ended June 30, 2003 and ignored the capitalization of spare, equipment on board and dry docking expenditure. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs. 35.545 million was raised. SSPL being aggrieved with the above said order, had filed an appeal with the Commissioner (Appeals) who had decided the matter in the against of SSPL and consequently an appeal was filed before the ATIR. The ATIR in its order dated November 21, 2016 upheld the same decision of the Commissioner (Appeal). In previous years, the tax department filed a suit before the Honorable Sindh High Court, which is still pending. The management, in consultation with its tax advisor, is confident that the subject matters will eventually be decided in favour of the SSPL.

32.22 During the year ended June 2024, the ACIR vide order dated August 21, 2023 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2022. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs. 658 million was raised. The Corporation filed an appeal with the Commissioner Inland Revenue (Appeals), which was decided vide order dated November 13, 2023. The CIR(A) in its order has remanded back certain matters, while giving decisions in favour and against of the Holding Company on certain other matters. Being aggrieved with the order, management has filed an appeal with ATIR. The management, in consultation with its tax advisor, is confident that the subject matters in respect of tax year 2022 will eventually be decided in favour of the Holding Company.

32.23 During the year ended June 2024, the ACIR vide order dated July 31, 2024 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2023. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs. 1,556.2 million was raised. The Holding Company filed an appeal with ATIR. The management, in consultation with its tax advisor, is confident that the subject matters in respect of tax year 2023 will eventually be decided in favour of the Holding Company.

Commitments

32.24 Outstanding letters of guarantee amounted to Rs. 24.082 million (2023: Rs. 19.669 million).

32.25 The Holding Company has provided an undertaking amounting to USD 11.6 million (Rs. 3,228.280 million) to one of the vendor / supplier of another state owned entity. This undertaking has been provided due to arrest of two of its managed vessels operated by its subsidiaries which have been released subsequently. The Government of Pakistan has provided a counter guarantee to the Holding Company in relation to the aforesaid undertaking.

32.26 Commitments in respect of Enterprise Resource Planning (ERP) implementation and maintenance amounts to USD 0.417 million (Rs. 116.051 million) and USD 0.192 million (Rs 53.434 million) respectively.

	Note	June 30, 2024	June 30, 2023
		--------------(Rupees in '000)--------------	
33. INCOME FROM SHIPPING BUSINESS			
Bulk carriers			
Freight revenue		3,295,145	5,591,612
Oil tankers			
Freight revenue		31,262,947	33,164,802
Overage premium		(190,542)	(133,229)
Ocean losses		(589,055)	(305,306)
		30,483,350	32,726,267
		33,778,495	38,317,879
Chartered vessels - Foreign flag vessels			
Freight revenue		4,142,577	4,208,652
Overage premium		(18,248)	(3,141)
Ocean losses		(55,606)	-
		4,068,723	4,205,511
Slot charter revenue	33.1	3,150,697	4,707,063
		40,997,915	47,230,453

33.1 Sindh sales tax charged amounting to Rs. 0.378 million (2023: Rs. 0.506 million).

	Note	June 30, 2024	June 30, 2023
		--------------(Rupees in '000)--------------	
34. OTHER OPERATING ACTIVITIES			
Demurrage income		3,631,584	5,717,245
Income from miscellaneous claims		1,446,013	1,384,029
		5,077,597	7,101,274
35. FLEET EXPENSES			
Charter hire and related expenses	35.1	5,043,985	6,432,524
Diesel, fuel and lubricants consumed		8,607,218	9,604,501
Port, light, canal and customs dues		3,332,929	2,765,071
Salaries, benefits and allowances		2,815,349	1,747,925
Demurrage expense		85,206	674,845
Fleet communication expenses		114,390	79,542
Agency commission and brokerage		704,778	858,132
Victualling		310,540	257,126
Insurance		901,682	836,948
Claim charges		7,340	3,511
Stores and spares consumed		670,117	460,251
Repairs, maintenance and special surveys		301,428	180,131
Depreciation on property, plant and equipment	8.7	3,604,920	2,998,980
Services sales tax expense		196,043	108,327
Travelling and conveyance		200,535	154,924
Survey fee		151,481	137,779
Sundry expenses		380,473	206,616
		27,428,414	27,507,133

		Note	June 30, 2024	June 30, 2023
			------------(Rupees in '000)------------	
35.1	**Charter hire and related expenses**			
	Foreign flag vessels			
	- voyage charter expenses		3,511,807	3,716,600
	- slot charter expenses		1,532,178	2,715,924
			5,043,985	6,432,524

36. REAL ESTATE EXPENSES

	Note	June 30, 2024	June 30, 2023
Salaries, benefits and allowances	36.1	60,200	48,681
General establishment expenses	36.2	27,386	19,619
Rates and taxes		15,015	13,633
Insurance		2,412	2,816
Depreciation on property, plant and equipment	8.7	26,708	23,779
Legal and professional charges		934	135
		132,655	108,663

36.1 This includes Rs. 0.246 million (2023: Rs. 0.249 million) in respect of provident fund contribution. The investments out of provident fund have been made in accordance with the provisions of Section 218 of the Act and conditions specified thereunder.

		Note	June 30, 2024	June 30, 2023
			------------(Rupees in '000)------------	
36.2	**General establishment expenses**			
	Repairs and maintenance		10,463	5,768
	Security charges		9,932	7,863
	Light, power and water		6,991	5,988
			27,386	19,619

37. ADMINISTRATIVE EXPENSES

	Note	June 30, 2024	June 30, 2023
Salaries, benefits and allowances	37.1	1,210,235	923,920
General establishment	37.2	391,684	343,931
Workshop management		171,170	123,929
Legal and professional charges		93,609	104,412
Depreciation on property, plant and equipment	8.7	61,500	44,201
Rates and taxes		21,200	23,768
Depreciation on right-of-use assets	9	3,135	12,341
Amortisation	10	326	-
Directors' fee	47.1	14,331	9,799
Scholarship and training		14,755	9,004
Sales tax expenses		13,957	7,131
Short term lease		687	624
Insurance		6,761	4,584
Events and gathering		153	595
		2,003,503	1,608,239

37.1 This includes Rs. 4.953 million (2023: Rs. 4.820 million) in respect of provident fund contribution. The investments out of provident fund have been made in accordance with the provisions of Section 218 of the Act and conditions specified thereunder.

		Note	June 30, 2024	June 30, 2023
			----------(Rupees in '000)----------	
37.2	**General establishment**			
	Repairs and maintenance		45,375	33,851
	Medical		41,217	39,843
	Contribution to group term insurance		1,812	1,512
	Security charges		4,856	5,049
	Travelling and conveyance		20,886	17,458
	Entertainment and canteen subsidy		8,154	7,584
	Books, periodicals and subscription		19,779	12,626
	Uniform and liveries		3,143	2,157
	Hajj expenses		-	8,638
	Printing and stationery		9,521	7,855
	Telephone, telex and postage		19,011	18,496
	Light, power and water		66,674	54,690
	Computer expenses		29,822	21,520
	Advertisement and publicity		24,042	32,758
	Vehicle running, repairs and maintenance		51,396	14,537
	Ship inspection expenses		34,323	53,186
	Sundry expenses		11,673	12,171
			391,684	343,931

		Note	June 30, 2024	June 30, 2023
38.	**IMPAIRMENT LOSS ON FINANCIAL ASSETS**			
	Allowance for ECL on:			
	Trade debts	17.4	124,859	1,021,991
	Other receivables	21.4	22,736	61,424
	Agents and owner's balance	18.1	10,541	4,231
			158,136	1,087,646
	Trade debts and other receivables written off		15,089	35,295
			173,225	1,122,941

		Note	June 30, 2024	June 30, 2023
39.	**OTHER EXPENSES**			
	Donations	39.1	9,941	33,758
	Auditors' remuneration	39.2	13,411	11,477
	Employees' gratuity			
	- funded	28.1.7	2,961	2,740
	- unfunded	28.1.7	89,396	106,284
			92,357	109,024
	Post-retirement medical benefits	28.1.7	9,925	8,836
	Employees' compensated absences	28.2.5	94,283	79,810
	Provision for slow moving stores and spares	16.1	36,330	80,376
	Unrealised exchange loss		198,134	-
	Loss on revaluation of long-term investments in listed companies		-	11,831
	Write-off against property, plant and equipment	8.1	111	20,996
	Workers' Profit Participation Fund	29.3	295,942	85,657
	Others		1,960	7,257
			752,394	449,022

39.1 This includes donation made to Government of Pakistan Marine Academy Karachi amounting to Rs. 5.8 million, Pakistan Hindu Council amounting to Rs. 1 million and Sindh Football Association amounting to Rs.1 million. No director or his / her spouse had any interest in the donee's fund.

39.2 Auditors' remuneration

	June 30, 2024			June 30, 2023		
	Grant Thornton Anjum Rahman	Yousuf Adil Chartered Accountants	Total	Grant Thornton Anjum Rahman	Yousuf Adil Chartered Accountants	Total
	(Rupees in '000)					
Statutory audit fee - the Holding Company	1,801	1,801	3,602	1,665	1,665	3,330
Audit fee - subsidiaries	2,606	2,606	5,212	2,367	2,367	4,734
Fee for review of half yearly financial statements of Holding Company	700	700	1,400	583	583	1,166
Fee for review report on Code of corporate governance	200	200	400	179	179	358
Fee for audit of the consolidated financial statements	250	250	500	211	211	422
Tax advisory / Advisory fee	467	-	467	467	-	467
Agreed upon procedures	830	-	830	-	-	-
Out of pocket expenses	500	500	1,000	500	500	1,000
	7,354	6,057	13,411	5,972	5,505	11,477

40. OTHER INCOME

	Note	June 30, 2024	June 30, 2023
		(Rupees in '000)	
Income from saving accounts, treasury bills and term deposits			
- Conventional		3,670,785	2,327,316
- Shariah compliant		250,632	45,229
Income from long-term loans to employees		4,513	5,491
Dividend income			
- Dividend income from conventional mutual funds		2,905,702	147,401
- Dividend income from shariah compliant mutual funds		15,252	11,349
- Listed Companies		1,495	2,312
Capital gain on mutual funds		58,081	-
Unrealized gain on mutual funds	22.3	131,314	8,606
Unrealized gain on revaluation of foreign currency balances		10,026	2,529,980
Realised exchange gain		-	509,573
Gain on revaluation of long-term investments in listed companies	13	9,847	-
Gain on revaluation of investment properties	11	219,847	148,842
Agency fee		15,692	31,084
Gain on termination of lease	40.2	13,710	-
Liabilities no longer payable written back		47,718	50,304
Insurance claim income	40.1	39,351	56,936
Gain on disposal of vessel		-	3,337,259
Gain on disposal of property, plant and equipment		119	-
Reversal of provision against damage claims	31	827	19,072
Reversal of Impairment loss on property, plant and equipment	8.1	15,019	-
Gain on sale of bunker		32,594	3,226
Income from HVAC charges		15,990	-
Income from manning service		43,335	29,441
Workshop income		274,622	182,664
Others		122,708	40,306
		7,899,179	9,486,391

40.1 This represents recoveries from hull, cargo and other claims according to the insurance policies.

40.2 Right-of-use assets amounting to Rs. 69.322 million and lease liabilities amounting to Rs. 83.032 million have been reversed and accordingly, gain on termination on lease of Rs. 13.710 million have been recorded in other income.

41. FINANCE COSTS

	Note	June 30, 2024	June 30, 2023
		---------(Rupees in '000)---------	
Mark-up on long-term financing	41.1	**896,004**	1,376,720
Interest accrued against WPPF		**96,364**	-
Amortization of arrangement fees	26.3	**7,682**	15,894
Mark-up on lease liabilities	27	**1,852**	7,588
Bank charges		**12,869**	10,828
		1,014,771	1,411,030

41.1 Mark-up under Islamic mode of financing during the year amounted to Rs. 781.082 million (2023: Rs. 940.358 million).

42. LEVIES

	Note	June 30, 2024	Restated June 30, 2023
		---------(Rupees in '000)---------	
Final taxes	42.1	**632,505**	182,870
Minimum taxes	42.2	**127,028**	94,438
Super tax		**304,577**	31,616
		1,064,110	308,924

42.1 These represent final taxes paid on voyage charter revenue based gross registered tonnage, deemed income on vacant property, dividend income and capital gain account as per section 37A of the Income Tax Ordinance, 2001 respectively, and are recognized as levies in line with the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by Institute of Chartered Accountants of Pakistan.

42.2 This represents provision for minimum tax under section 153 of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognised as levies in these financial statements as per the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by Institute of Chartered Accountants of Pakistan.

43. TAXATION

	Note	June 30, 2024	Restated June 30, 2023
		---------(Rupees in '000)---------	
Tax charge for:			
- current year		**1,782,966**	1,785,239
- prior year		**10,130**	(160,311)
		1,793,096	1,624,928
- Deferred tax income	15.1	**(281,234)**	(51,600)
		1,511,862	1,573,328

		June 30, 2024	Restated June 30, 2023
		------------(Rupees in '000)------------	
43.1.	**Relationship between tax expense and accounting profit**		
	Accounting profit before levies and tax	**22,757,707**	31,876,547
	Tax rate	**29%**	29%
	Tax on accounting profit	**6,599,736**	9,244,199
	Tax saving due to lower tax rates		
	- Income under section 7A	**46,976**	28,094
	- Income under section 7A on subsidiaries profits	**(4,302,561)**	(6,383,590)
	- Dividend income	**(409,142)**	(23,754)
	- Capital gain	**(8,131)**	-
	Effect of super tax	**765,942**	483,084
	Effect of capital gain	**-**	(606,398)
	Effect on tax from income from property	**16,719**	11,395
	Effect of minimum tax on services	**250,784**	150,937
	Effect of tax on deemed income	**2,857**	18,519
	Levies	**(1,064,110)**	(308,924)
	Effect of prior year	**10,130**	(160,311)
	Deferred tax	**(281,234)**	(51,600)
	Effect of inadmissible income	**(116,104)**	(828,323)
	Tax expense for the year	**1,511,862**	1,573,327
		7%	5%

		June 30, 2024	June 30, 2023
44.	**EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY - basic and diluted**		
	Profit after taxation (Rupees in '000)	**20,180,089**	29,993,270
	Weighted average ordinary shares in issue during the year (Number)	**132,063,380**	132,063,380
	Earnings per share - basic and diluted (Rupees)	**152.81**	227.11

44.1 There were no dilutive potential ordinary shares outstanding as at June 30, 2024 and 2023.

	Note	June 30, 2024	June 30, 2023
		------------(Rupees in '000)------------	
45. CASH GENERATED FROM OPERATIONS			
Profit before levies and taxation		22,757,707	31,876,547
Adjustments for non-cash and other items:			
Depreciation on:			
Property, plant and equipment	8.7	3,693,128	3,066,960
Right-of-use assets	9	3,135	12,341
Amortisation	37	326	-
Reversal of impairment on PPE	40	(15,019)	-
Gain on disposal of property, plant and equipment	40	(119)	-
Write-off against property, plant and equipment	39	111	20,996
Impairment loss on financial assets	38	158,136	1,087,646
Trade debts and other receivables written off	38	15,089	35,295
Unrealised (gain) / loss on revaluation of foreign currency balances	39 & 40	(10,026)	(3,039,553)
Provision for employees' gratuity	28.1.7	92,357	109,024
Provision for employees' compensated absences	28.2.5	94,283	79,810
Provision for post retirement medical benefits	28.1.7	9,925	8,836
Provision for slow moving stores and spares	16.1	36,330	80,376
Provision for workers' profit participation fund	39	295,942	85,657
Dividend income	40	(2,922,449)	(161,062)
Capital gain on mutual funds	40	(58,081)	-
Unrealized gain on mutual funds	40	(131,314)	(8,606)
Reversal of provision against damage claims	40	(827)	-
Gain on termination of lease	40	(13,710)	-
Liabilities no longer payable written back	40	(47,718)	(50,304)
Income from saving account treasury bills and term deposit	40	(3,921,417)	(2,372,545)
Finance cost on:			
Long-term financing	41	903,686	1,392,614
Lease liabilities	41	1,852	7,588
(Gain) / loss on revaluation of long-term investments in listed companies	39 & 40	(9,847)	11,831
Gain on disposal of vessel	40	-	(3,337,259)
Gain on revaluation of investment properties	40	(219,847)	(148,842)
Working capital changes	45.1	128,604	(2,074,080)
		20,840,237	26,683,270

45.1 Working capital changes

(Increase) / decrease in current assets:		
Stores and spares	(172,719)	(820,586)
Trade debts	2,003,404	(1,674,892)
Trade deposits and short-term prepayments	3,613	(5,934)
Agents' and owners' balances	(8,000)	(1,260)
Loans and advances	(218,548)	(76,888)
Other receivables	(786,216)	(148,998)
Contract assets	(1,187,539)	-
Incomplete voyages	-	(244,418)
	(366,005)	(2,972,976)
Increase / (decrease) in current liabilities:		
Trade and other payables	877,672	475,118
Provision against damage claims	-	(19,072)
Contract liabilities	(383,063)	442,850
	494,609	898,896
	128,604	(2,074,080)

46. CASH AND CASH EQUIVALENTS

	Note		
Short-term investments having maturity of three months or less	22	9,173,467	23,250,415
Cash and bank balances	23	7,172,765	8,383,959
		16,346,232	31,634,374

47. REMUNERATION OF CHAIRMAN & CHIEF EXECUTIVE, DIRECTORS AND OTHER EXECUTIVES

The aggregate amount of remuneration including all benefits payable to the Chairman and Chief Executive, Executive Directors and Executives of the Group were as follows:

	Chairman & Chief Executive		Executive Directors*		Other Executives	
	June 30, 2024	June 30, 2023	**June 30, 2024**	June 30, 2023	**June 30, 2024**	June 30, 2023
	(Rupees in '000)					
Managerial remuneration and allowances	**3,544**	3,445	**42,533**	35,973	**863,909**	676,883
Retirement benefits - note 47.2	**-**	-	**-**	-	**5,199**	5,068
House rent	**-**	-	**11,611**	14,897	**185,425**	191,379
Conveyance	**-**	-	**-**	-	**7,630**	6,892
Medical	**192**	11	**4,241**	2,251	**61,616**	17,867
Utilities	**-**	-	**1,908**	2,149	**106,697**	87,203
Personal staff subsidy	**-**	-	**45**	45	**447**	468
Club membership fee and expenses	**-**	30	**270**	555	**-**	-
Bonus	**10,347**	1,117	**25,046**	6,638	**117,631**	61,508
Other allowances	**12,899**	13,540	**3,530**	13,234	**1,004,934**	602,617
	26,982	18,143	**89,184**	75,742	**2,353,488**	1,649,885
Number of persons	**1**	1	**6**	6	**240**	230

*Executive Directors designated are key personnel and are not the members of Board of Directors of the Holding Company.

47.1 The aggregate amount charged in the consolidated financial statements for fee to 7 (2023: 7) non-executive directors was Rs. 14.331 million (2023: Rs. 9.799 million).

47.2 Retirement benefits represent amount contributed towards various retirement benefit plans. The Executives of the Group are entitled to retirement benefits as outlined in note 6.15.2 to 6.16 to these consolidated financial statements.

47.3 The Chairman & Chief Executive, Executive Directors and other Executives are provided with the car allowance in lieu of Group maintained cars.

48. FINANCIAL INSTRUMENTS BY CATEGORY

	Note	**June 30, 2024**	June 30, 2023
		(Rupees in '000)	
FINANCIAL ASSETS			
Fair value through profit or loss			
Long-term investments - listed companies	13	**36,774**	26,927
Short term investment - mutual funds	22	**24,326,136**	3,232,258
		24,362,910	3,259,185
Amortised cost			
Trade debts - unsecured	17	**3,825,726**	5,969,078
Agents' and owners' balances - unsecured	18	**10,195**	12,736
Loans - employees	14	**32,548**	46,787
Trade deposits	20	**27,330**	29,884
Interest accrued on bank deposits and short-term investments		**1,043,376**	138,645
Other receivables	21	**1,257,339**	493,859
Short-term investments	22	**15,173,467**	23,273,415
Cash and bank balances	23	**7,172,765**	8,383,959
Long-term investments - other entity	13	**100**	100
		28,542,846	38,348,463
		52,905,756	41,607,648
FINANCIAL LIABILITIES			
Amortised cost			
Trade and other payables		**6,356,302**	5,659,745
Unclaimed dividend		**203,955**	120,573
Provision against damage claims	31	**22,408**	23,235
Long-term financing - unsecured	26	**2,821,383**	7,244,223
Accrued mark-up on long-term financing		**108,129**	161,206
Lease liabilities	27	**14,508**	98,195
		9,526,685	13,307,177

49. FINANCIAL RISK MANAGEMENT

49.1 Financial risk factors

The Group finances its operations through equity and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimise risk. Taken as a whole, the Group is exposed to credit risk, market risk (including interest rate risk, currency risk and other price risk) and liquidity risk. The Group's principle financial liabilities comprise trade and other payables and long term financing. The Group also has various financial assets such as trade debts, other receivables, bank balances and short-term investments which are directly related to its operations. No changes were made in the objectives, policies or processes and assumptions during the year ended June 30, 2024. The policies for managing each of these risks are summarised below:

49.1.1 Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including trade receivables and committed transactions. Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties fail completely to perform as contracted.

	Note	June 30, 2024	June 30, 2023
		---------(Rupees in '000)---------	
Trade debts - unsecured	17	**3,825,726**	5,969,078
Agents' and owners' balances - unsecured	18	**10,195**	12,736
Trade deposits	20	**27,330**	29,884
Other receivables	21	**1,257,339**	493,859
Short-term investments	22	**12,127,643**	7,897,372
Bank balances	23	**7,161,994**	8,368,823
		24,410,227	22,771,752

Credit risk related to investments and cash deposits

The Group limits its exposure to credit risk of investments by only investing in term deposit receipts (TDRs) of banks with high credit rating.

The credit risk on liquid funds (bank balances) is limited because the counter parties are banks with a reasonably high credit rating. The names and credit rating of major banks where the Group maintains its bank balances are as follows:

Name of bank	Rating agency	Credit rating	
		Long-term	Short-term
Bank Al Habib Limited	PACRA	AAA	A-1+
Habib Bank Limited	VIS	AAA	A-1+
MCB Bank Limited	PACRA	AAA	A-1+
Meezan Bank Limited	VIS	AAA	A-1+
National Bank of Pakistan Limited	PACRA / VIS	AAA	A-1+
Standard Chartered Bank Limited	PACRA	AAA	A-1+
United Bank Limited	VIS	AAA	A-1+
Bank Al Falah Limited	PACRA	AA+	A-1+
Habib Metro Bank Limited	PACRA	AA+	A-1+
Pak Oman Investment Company	VIS	AA+	A-1+
Al Baraka Bank Limited	VIS	A+	A-1
Bank Islami Pakistan Limited	PACRA	AA-	A-1
Sindh Bank Limited	VIS	A+	A-1
Dubai Islami Bank Limited	VIS	AA	A-1+
Faysal Bank Limited	PACRA / VIS	AA	A-1+
MCB Islamic Bank Limited	PACRA	A	A-1
JS Bank Limited	PACRA	AA-	A-1+

Moreover, a significant component of the receivable balances of the Group relates to amounts due from the Public Sector organisations. Due to the Group's long standing business relationships with these counterparties and after giving due consideration to their related credit standing, management does not expect non–performance by those counter parties on their obligations to the Group. However based on expected credit loss management has recorded the provision on these receivables.

The sector wise analysis of gross amounts of receivables, comprising trade debts, other receivables, agents' and owners' balances and deposits is given below:

	June 30, 2024	June 30, 2023
	---------(Rupees in '000)---------	
Public Sector	**5,291,556**	6,360,962
Private Sector	**3,439,780**	3,597,205
	8,731,336	9,958,167

Out of Rs. 8,731.336 million (2023: Rs. 9,958.167 million), the Group has recognized an allowance of ECL amounting to Rs. 3,610.746 million (2023: Rs. 3,452.610 million).

49.1.2 Market risk

a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Group faces foreign currency risk on receivable and payable transactions at foreign ports.

The Group's exposure to foreign currency risk is as follows:

	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	------------(USD in '000)------------		---------(Rupees in '000)---------	
Trade debts	**11,354**	12,637	**3,162,460**	3,618,544
Loan and Advances	**1,399**	554	**389,585**	158,519
Other receivables	**2,926**	1,549	**814,839**	443,430
Agents' and owners' balances - unsecured	**128**	96	**35,608**	27,609
Short-term investments	**22,000**	27,518	**6,127,643**	7,879,593
Bank balances	**7,939**	10,963	**2,211,325**	3,139,143
Trade and other payables	**(7,346)**	8,872	**(2,046,072)**	(2,540,539)
	38,400	62,189	**10,695,388**	12,726,299

	June 30, 2024	June 30, 2023
	PKR / USD	
Average rate	**283.19**	251.99
Reporting date rate	**278.53**	286.34

As at June 30, 2024, if the currency had weakened / strengthened by 5% against the US dollar with all other variables held constant, profit before taxation for the year would have been higher / lower by Rs. 534.769 million (2023: Rs. 636.315 million), mainly as a result of foreign exchange gains / losses on translation of US dollar denominated assets and liabilities.

b) Cash flow and fair value interest rate risk

Interest rate risk represents the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date interest rate profile of the Group's interest-bearing financial instruments was:

	Carrying amount	
	2024	2023
	---------(Rupees in '000)---------	
Exposure to interest rate risk		
Variable rate instruments		
Financial assets - KIBOR based	**4,690,993**	5,000,834
Financial liabilities - KIBOR based	**2,821,383**	7,244,223
Fixed rate instruments		
Financial assets	**15,183,951**	23,289,914

Interest rate sensitivity analysis

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended June 30, 2024 would decrease / increase by Rs.18.696 million (2023: Rs. 22.434 million). This is mainly attributable to the Group's exposure to interest rates on its variable rate long term financing and investments.

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, therefore, a change in interest rate at the reporting date would not affect statement of profit or loss.

c) Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The effects of changes in fair value of investments made by the Group, on the future profits are not considered to be material in the overall context of these consolidated financial statements.

49.1.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in raising funds to meet commitments associated with financial instruments. The Group believes that it is not exposed to any significant level of liquidity risk.

The management forecasts the liquidity of the Group on basis of expected cash flow considering the level of liquid assets necessary to meet such risk. This involves monitoring statement of financial position, liquidity ratios and maintaining debt financing plans.

Financial liabilities in accordance with their contractual maturities are presented below:

	Total Contractual cash flows	**Less than 1 year**	**Between 1 to 2 years**	**Between 2 to 5 years**	**More than 5 years**
June 30, 2024	---------(Rupees in '000)---------				
Long-term financing	**3,440,274**	**1,058,546**	**2,117,092**	**264,636**	**-**
Unclaimed dividend	**203,955**	**203,955**	**-**	**-**	**-**
Trade and other payables	**6,356,302**	**6,356,302**	**-**	**-**	**-**
Accrued mark-up on long-term financing	**108,129**	**108,129**	**-**	**-**	**-**
Provision against damage claims	**22,408**	**22,408**	**-**	**-**	**-**
Lease liabilities	**18,836**	**4,460**	**3,594**	**10,782**	**-**
	10,149,904	**7,753,800**	**2,120,686**	**275,418**	**-**

June 30, 2023	Total Contractual cash flows	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years
	(Rupees in '000)				
Long-term financing	8,641,404	5,094,942	1,374,432	2,172,030	-
Unclaimed dividend	120,573	120,573	-	-	-
Trade and other payables	5,659,745	5,659,745	-	-	-
Accrued mark-up on long-term financing	161,206	161,206	-	-	-
Provision against damage claims	23,235	23,235	-	-	-
Lease liabilities	124,640	16,626	27,004	81,011	-
	14,730,803	11,076,327	1,401,436	2,253,041	-

49.1.4 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value hierarchy

As at June 30, 2024, the Group's all assets and liabilities are carried at amortised cost except for those mentioned below:

The Group's leasehold land, buildings on leasehold land, beach huts and workshop machinery and equipment are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. The latest fair valuation of the Group's leasehold land, buildings on leasehold land, beach huts and workshop machinery and equipment was performed by an independent valuer as at June 30, 2024.

The Group classifies investment properties and long-term investments in listed companies and short term investment in mutual funds measured at fair value in the statement of financial position. The latest fair valuation of the Group's investment properties was performed by an independent valuer as at June 30, 2024.

The valuation techniques and inputs used to develop fair value measurements of aforementioned assets are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market date (unobservable inputs).

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

Details of fair value hierarchy and information relating to fair value of Group's leasehold land, buildings on leasehold land, beach huts, workshop machinery and equipment, investment categorised as fair value through profit or loss and investment properties are as follows:

Assets carried at fair value	Note	June 30, 2024 Level 1	Level 2	Level 3	Total
		-----(Rupees in '000)-----			
Long-term investments in listed companies	13	36,774	-	-	36,774
Short-term investments - mutual funds	22	24,326,136	-	-	24,326,136
		24,362,910	-	-	24,362,910
Leasehold land	8.1	-	-	1,689,675	1,689,675
Buildings on leasehold land	8.1	-	-	1,160,571	1,160,571
Beach huts	8.1	-	-	16,474	16,474
Workshop machinery and equipment	8.1	-	-	30,095	30,095
Investment properties	11	-	-	4,320,352	4,320,352
		24,362,910	-	7,217,167	31,580,077

Assets carried at fair value	Note	June 30, 2023 Level 1	Level 2	Level 3	Total
		-----(Rupees in '000)-----			
Long-term investments in listed companies	13	26,927	-	-	26,927
Short-term investments - mutual funds	22	3,232,258	-	-	3,232,258
		3,259,185	-	-	3,259,185
Leasehold land	8.1	-	-	1,399,780	1,399,780
Buildings on leasehold land	8.1	-	-	714,565	714,565
Beach huts	8.1	-	-	14,590	14,590
Workshop machinery and equipment	8.1	-	-	5,727	5,727
Investment properties	11	-	-	4,100,505	4,100,505
		3,259,185	-	6,235,167	9,494,352

50. CAPITAL RISK MANAGEMENT

The Group’s objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure by monitoring return on net assets and makes adjustment to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares.

The Group is in compliance with externally imposed capital requirements applicable at consolidated financial statements level. The debt equity ratios as at June 30, 2024 and 2023 were as follows:

	Note	June 30, 2024	June 30, 2023
		(Rupees in '000)	
Long-term financing - secured	26	**2,821,383**	7,244,223
Total equity		**88,312,968**	71,068,086
Total		**91,134,351**	78,312,309
Debt-to-equity ratio		**3:97**	10:90

51. ENTITY WIDE INFORMATION

51.1 The Group constitutes a single reportable segment, the principal classes of services provided are transportation of dry cargo, liquid cargo and rental income.

51.2 Information about services

The Group's principal classes of services accounted for the following amount of revenue:

	June 30, 2024	June 30, 2023
	(Rupees in '000)	
Transportation of dry cargo	**6,445,842**	10,298,675
Transportation of liquid cargo	**34,552,073**	36,931,778
Rental income	**287,978**	265,457
	41,285,893	47,495,910

51.3 Information about geographical areas

The Group does not hold non-current assets in any foreign country.

51.4 Information about major customers

The Group has the following exposure to concentration of credit risk with clients representing significant percentage of the total revenue balances:

	2024 Revenue		2023 Revenue	
	(Rupees in '000)	% of Total	(Rupees in '000)	% of Total
Client 1	**16,886,257**	**41.19**	15,481,331	32.78
Client 2	**5,705,579**	**13.92**	4,983,774	10.55
Client 3	**5,042,146**	**12.30**	4,044,811	8.56
	27,633,982	**67.41**	24,509,916	51.89

52. RELATED PARTY DISCLOSURES

Related parties comprise of companies affiliated to the Holding Company and the directors, chief executive of the Holding Company and employee funds maintained by the Holding Company. Particulars of remuneration to key personnel are disclosed in note 47 to these consolidated financial statements.

The significant transactions carried out by the Group with related parties during the year are given below:

Name and particulars	Relationship with the Group	June 30, 2024	June 30, 2023
		-------------(Rupees in '000)-------------	
Transactions with state owned / controlled entities			
Freight income	State owned / controlled entities	**23,939,084**	24,734,605
Income from other operating activities	State owned / controlled entities	**1,229,909**	1,256,578
Rental income	State owned / controlled entities	**29,022**	26,187
Rental and other expense	State owned / controlled entities	**47,949**	37,539
Transactions with other related parties			
Contributions to provident fund	Employees benefit plan	**5,199**	5,068
Dividend paid to Government of Pakistan	Government holding	**2,890,843**	1,156,337

52.1 Outstanding balances due from / due to related parties have been disclosed in notes 17, 20 and 21 to these consolidated financial statements.

52.2 Following are the related parties with whom the Group had entered into transactions or have arrangements / agreements in place.

S.No.	Name	Basis of relationship	Aggregate % of shareholding in the Company
1	Muhammadi Engineering Works (Private) Limited	Associate	N/A
2	Employees' Gratuity Fund	Staff retirement benefits	N/A
3	Employees' Contributory Provident Fund	Staff retirement benefits	N/A
4	Bureau Veritas	Common director	N/A
5	Central Power Generation Company Limited	State owned/controlled entity	N/A
6	Civil Aviation Authority	State owned/controlled entity/Common director	N/A
7	District Controller of Stores	State owned/controlled entity	N/A
8	Embarkation Commandant	State owned/controlled entity	N/A
9	Federal Beaurue of Revenue- Commissioner AEOI	State owned/controlled entity	N/A
10	Gwadar Port Authority	State owned/controlled entity	N/A
11	Heavy Industries Taxila	State owned/controlled entity	N/A
12	Karachi Port Trust	State owned/controlled entity	N/A
13	Kot Addu Power Company Limited	State owned/controlled entity	N/A
14	Lahore Electric Supply Company Limited	State owned/controlled entity	N/A
15	National Bank of Pakistan	State owned/controlled entity	N/A
16	National Disaster Risk Management Fund	State owned/controlled entity/Common director	N/A
17	National Telecommunication Corporation	State owned/controlled entity	N/A
18	National Security Printing Company Private Limited	State owned/controlled entity/Common director	N/A
19	National Insurance Company Limited	State owned/controlled entity	N/A
20	National Transmission & Despatch Company Limited	State owned/controlled entity	N/A
21	Naval Stores	State owned/controlled entity	N/A
22	Oil & Gas Development Company Limited	State owned/controlled entity	N/A
23	Pakistan Ordinance Factory	State owned/controlled entity	N/A
24	Pak Arab Refinery Limited	State owned/controlled entity	N/A
25	Pakistan International Airlines	State owned/controlled entity	N/A
26	Pakistan Machine Tool Factory	State owned/controlled entity	N/A
27	Pakistan Refinery Limited	State owned/controlled entity	N/A
28	Pakistan Security Printing Corporation	State owned/controlled entity	N/A
29	Pakistan State Oil Company Limited	State owned/controlled entity	N/A
30	Pakistan Telecommunication Company Limited	State owned/controlled entity	N/A
31	Pakistan Petroleum Limited	State owned/controlled entity	N/A
32	Punjab Thermal Power Limited	Common director	N/A
33	PRIMCO Limited	Common director	N/A
34	Port Qasim Authority	State owned/controlled entity/Common director	N/A
35	Quaid-e-Azam Thermal Power Plant	Common director	N/A
36	Trading Corporation of Pakistan (TCP)	State owned/controlled entity	N/A
37	Sezan International Limited	Common director	N/A
38	Siddiqsons Energy Limited	Common director	N/A
39	Stores Liaison Officers (PAF)	State owned/controlled entity	N/A
40	Sui Northern Gas Pipelines Limited	State owned/controlled entity	N/A
41	Sui Southern Gas Company Limited	State owned/controlled entity	N/A
42	Wah Brass Mills (Private) Limited	State owned/controlled entity	N/A
43	Water and Power Development Authority	State owned/controlled entity	N/A
44	Zahid Jee Textile	Common director	N/A
45	Directors / Executives	Key management personnel	N/A

53. LISTING OF SUBSIDIARY COMPANIES AND AN ASSOCIATE

Name of Subsidiaries	Financial year end
- Bolan Shipping (Private) Limited	June 30
- Chitral Shipping (Private) Limited	June 30
- Hyderabad Shipping (Private) Limited	June 30
- Johar Shipping (Private) Limited	June 30
- Karachi Shipping (Private) Limited	June 30
- Khairpur Shipping (Private) Limited	June 30
- Lahore Shipping (Private) Limited	June 30
- Lalazar Shipping (Private) Limited	June 30
- Makran Shipping (Private) Limited	June 30
- Malakand Shipping (Private) Limited	June 30
- Multan Shipping (Private) Limited	June 30
- Quetta Shipping (Private) Limited	June 30
- Sargodha Shipping (Private) Limited	June 30
- Shalamar Shipping (Private) Limited	June 30
- Sibi Shipping (Private) Limited	June 30
- Swat Shipping (Private) Limited	June 30
- Pakistan Co-operative Ship Stores (Private) Limited	June 30
- Pakistan Marine and Shipping Services Company (Private) Limited	June 30
- National Ship Management and Crewing (Private) Limited	June 30
Name of Associate	
- Muhammadi Engineering Works (Private) Limited	December 31

53.1 Set out below is summarised financial information of Pakistan Co-operative Ship Stores (Private) Limited that has Non-Controlling Interest (NCI). The following amounts are disclosed before inter-company eliminations.

	June 30, 2024	June 30, 2023
	----------- (Percentage) ----------	
Non-controlling interest	27%	27%
	--------------(Rupees in '000)--------------	
Non-current assets	16,291	12,689
Current assets	38,520	31,759
Current liabilities	1,285	1,153
Net assets attributable to NCI	14,596	11,808
Revenue	8,168	7,712
Expenses	(2,567)	(3,952)
Profit after tax for the year	5,601	3,760
Profit attributable to NCI	1,646	1,025
Other comprehensive income for the year	4,188	-
Other comprehensive income attributable to NCI	1,142	-
Total comprehensive income attributable to NCI	2,788	1,025
Net cash flows from operating activities	144	1,337
Net cash flows from investing activities	(2,574)	-
Net cash flows from financing activities	-	-

54. NUMBER OF EMPLOYEES

The average and total number of employees during the year and as at June 30, 2024 and 2023 respectively are as follows:

	June 30, 2024	June 30, 2023
Average number of employees during the year	**672**	661
Number of employees as at end of the year	**663**	680

55. RECONCILIATION OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	2024			2023		
	Long-term financing	Unclaimed dividend	Lease liabilities	Long-term financing	Unclaimed dividend	Lease liability
	(Rupees in '000)					
Balance at beginning of the year	**7,244,223**	**120,573**	**98,195**	4,497,012	87,245	111,550
Changes from financing cash flows						
Repayment	**(4,430,522)**	**-**	**(1,287)**	(1,601,393)	-	(2,366)
Obtained	**-**	**-**	**-**	4,332,710	-	-
Dividend paid	**-**	**(3,218,203)**	**-**	-	(1,287,306)	-
Total changes from financing activities	**(4,430,522)**	**(3,218,203)**	**(1,287)**	2,731,317	(1,287,306)	(2,366)
Other non cash changes						
Amortisation of arrangement fee	**7,682**	**-**	**-**	15,894	-	-
Reclassified to other liabilities	**-**	**-**	**(1,220)**	-	-	(18,577)
Accretion of interest	**-**	**-**	**1,852**	-	-	7,588
Impact of termination of leases			**(83,032)**			
Final dividend	**-**	**1,980,951**	**-**	-	660,317	-
Interim dividend	**-**	**1,320,634**	**-**	-	660,317	-
Total other changes	**7,682**	**3,301,585**	**(82,400)**	15,894	1,320,634	(10,989)
Balance at end of the year	**2,821,383**	**203,955**	**14,508**	7,244,223	120,573	98,195

56. PROVIDENT FUND RELATED DISCLOSURE

The following information is based on un-audited financial statements of the fund:

	June 30, 2024	June 30, 2023
	(Rupees in '000)	
Size of the fund - Total assets	**288,725**	313,994
Fair value of investments	**278,405**	306,092
Percentage of investment made	**96.43**	97.48

56.1 The cost of above investments amounted to Rs. 231.965 million (2023: Rs. 278.823 million).

56.2 The break-up of fair value of investments is as follows:

	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	-----------(Percentage)-----------		--------(Rupees in '000)--------	
Mutual funds	**37.01**	41.31	**103,039**	126,436
Treasury bills	**61.94**	55.92	**172,432**	171,173
Bank balances	**1.05**	2.77	**2,934**	8,483
	100	100	**278,405**	306,092

56.3 The investment out of provident fund have been made in accordance with the provision of Section 218 of the Companies Act, 2017 and the rules conditions specified thereunder.

57. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation in these consolidated financial statements.

58. GENERAL

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

58.1 EVENTS AFTER REPORTING PERIOD

The Board of Directors in their meeting held on October 4, 2024 have proposed for the year ended June 30, 2024 cash dividend of Rs 25 per share and bonus shares 50%, subject to the approval of the members at the annual general meeting to be held on October 28, 2024. These consolidated financial statements for the year ended June 30, 2024 do not include the effect of this appropriation which will be accounted for subsequent to the year end.

59. DATE OF AUTHORISATION

These consolidated financial statements were authorised for issue on October 4, 2024 by the Board of Directors (the BOD) of the Holding Company. The BOD has authorised two directors to sign these financial statements as Chief Executive Officer of the Holding Company is not yet appointed.

Syed Jarar Haider Kazmi Chief Financial Officer	**Capt. Sarfaraz Inayatullah Qureshi** Director	**Mr. Ahsan Ali Malik** Director

Independent Auditor's Report and Unconsolidated Financial Statements of PNSC

Yousuf Adil
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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PAKISTAN NATIONAL SHIPPING CORPORATION

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of **Pakistan National Shipping Corporation** (the Corporation), which comprise the unconsolidated statement of financial position as at June 30, 2024, and the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Corporation's affairs as at June 30, 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

YOUSUF ADIL

GrantThornton

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Following is the Key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1.	**Contingencies** The Corporation has various contingent liabilities in respect of income tax / sales tax matters and claims from employees and customers which are pending adjudication before the relevant regulatory authorities and the courts of law as disclosed in notes 29.1 to 29.20 to the annexed unconsolidated financial statements. Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules, regulations and the probability of outcome and financial impact, if any, on the Corporation regarding disclosure, recognition and measurement of any provision that may be required against such contingencies. Due to significance of amounts involved, inherent uncertainties with respect to the outcome of the matters and use of significant management judgments and estimates to assess the same including related financial impacts, we considered contingencies as a key audit matter.	Our key audit procedures amongst others included the following: • Obtained an understanding of the Corporation's processes and controls over litigations through meetings with the management, in-house legal department and review of the minutes of the Board of Directors and the Board Audit Committee meetings. • Reviewed correspondence of the Corporation with regulatory departments, tax authorities (including judgments and orders passed by competent authorities from time to time, where applicable) and the Corporation's external counsel. Where relevant, also assessed external legal / tax advices obtained by the Corporation. • Discussed open matters and developments with the in-house legal department of the Corporation. • Involved internal tax professionals to assess management's conclusion on contingent tax matters and to evaluate the consistency of such conclusions with the views of management and external tax advisors engaged by the Corporation. • Circularized confirmations to the Corporation's external legal and tax advisors for their views and assessment on the pending cases. • Assessed the adequacy and appropriateness of related disclosures in the annexed unconsolidated financial statements for compliance with the requirement of the applicable financial reporting framework.

Information Other than the Unconsolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual report but does not include the unconsolidated financial statements and our auditors' report thereon.

YOUSUF ADIL

GrantThornton

Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8,
KCHSU, Shahrah-e-Faisal,
Karachi - 75350, Pakistan

Grant Thornton Anjum Rahman
Chartered Accountants
1st & 3rd Floor, Modern Motors House,
Beaumont Road,
Karachi - 75530, Pakistan

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

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

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

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

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

Board of Directors are responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Unconsolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Corporation as required by the Companies Act, 2017 (XIX of 2017);

b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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 Corporation's business; and

d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Corporation and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partners on the audit resulting in this independent auditors' report are Shafqat Ali (Yousuf Adil Chartered Accountants) and Khurram Jameel (Grant Thornton Anjum Rahman).

Yousuf Adil

Yousuf Adil
Chartered Accountants
Karachi
Date: October 05, 2024
UDIN: AR202410186z8DL7h62K

Grant Thornton Anjum Rahman
Chartered Accountants
Karachi
Date: October 05, 2024
UDIN: AR202410093gdu9azExY

YOUSUF ADIL

GrantThornton

Unconsolidated Statement of Financial Position

As at June 30, 2024

ASSETS	Note	June 30, 2024	June 30, 2023
		------------------(Rupees in '000)------------------	
Non-current assets			
Property, plant and equipment	7	3,095,362	2,262,334
Right-of-use assets	8	8,514	80,971
Intangible assets	9	160,445	73,559
Investment properties	10	4,320,352	4,100,505
Long-term investments in:			
- Related parties (subsidiaries and an associate)	11	46,115,988	46,115,988
- Listed companies and an other entity	12	36,874	27,027
		46,152,862	46,143,015
Long-term loans	13	19,496	29,454
Deferred taxation	14	270,672	88,651
		54,027,703	52,778,489
Current assets			
Stores and spares	15	-	9,296
Trade debts	16	515,378	1,287,505
Agents' and owners' balances	17	10,195	12,736
Loans and advances	18	241,050	235,661
Trade deposits and short-term prepayments	19	37,745	39,300
Contract assets		531,247	-
Interest accrued on bank deposits and short-term investments		1,043,376	135,116
Other receivables	20	674,278	306,905
Taxation - net		1,362,305	1,411,725
Short-term investments	21	39,464,578	26,482,673
Cash and bank balances	22	7,169,248	8,378,015
		51,049,400	38,298,932
TOTAL ASSETS		105,077,103	91,077,421
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
200,000,000 ordinary shares of Rs. 10 each (2023: 200,000,000 ordinary shares)		2,000,000	2,000,000
Issued, subscribed and paid-up share capital	23	1,320,634	1,320,634
Reserves			
Capital reserve		126,843	126,843
Revenue reserve - unappropriated profit		14,528,229	12,840,594
Remeasurement of post retirement benefits obligation - net of tax		(390,796)	(194,032)
Surplus on revaluation of property, plant and equipment - net of tax	7.7	2,167,806	1,612,524
		16,432,082	14,385,929
		17,752,716	15,706,563
Non-current liabilities			
Long-term financing	24	1,952,583	2,822,020
Lease liabilities	25	11,878	88,547
Employees' benefits	26	1,128,785	739,613
		3,093,246	3,650,180
Current liabilities			
Trade and other payables	27	82,834,965	66,340,900
Contract liabilities		190,254	642,913
Provision against damage claims	28	22,408	23,235
Current portion of long-term financing	24	868,800	4,422,203
Current portion of lease liabilities	25	2,630	9,648
Unclaimed dividend		203,955	120,573
Accrued mark-up on long-term financing		108,129	161,206
		84,231,141	71,720,678
TOTAL LIABILITIES		87,324,387	75,370,858
TOTAL EQUITY AND LIABILITIES		105,077,103	91,077,421
CONTINGENCIES AND COMMITMENTS	29		

The annexed notes 1 to 58 form an integral part of these unconsolidated financial statements.

Syed Jarar Haider Kazmi	**Capt. Sarfaraz Inayatullah Qureshi**	**Mr. Ahsan Ali Malik**
Chief Financial Officer	Director	Director

Unconsolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended June 30, 2024

	Note	June 30, 2024	Restated June 30, 2023
		----------------(Rupees in '000)---------------	
REVENUE FROM CONTRACT WITH CUSTOMERS			
Freight income - foreign flag vessels	30	7,219,420	8,912,574
Service fees	31	1,382,324	1,550,256
Other operating activities	32	294,359	1,107,947
		8,896,103	11,570,777
REVENUE FROM OTHERS			
Rental income		285,731	261,274
		9,181,834	11,832,051
EXPENDITURE			
Fleet expenses	33	(5,313,185)	(7,307,143)
Vessel management expenses	34	(1,472,500)	(1,043,916)
Real estate expenses	35	(132,654)	(108,663)
		(6,918,339)	(8,459,722)
GROSS PROFIT		2,263,495	3,372,329
Administrative expenses	36	(423,922)	(440,948)
Impairment loss on financial assets	37	(259,521)	(706,399)
Other expenses	38	(845,745)	(347,178)
Other income	39	7,683,076	5,633,656
		6,153,888	4,139,131
OPERATING PROFIT		8,417,383	7,511,460
Finance costs	40	(1,003,486)	(1,402,093)
PROFIT BEFORE LEVIES AND TAXATION		7,413,897	6,109,367
Levies	41	(918,114)	(221,993)
PROFIT BEFORE TAXATION		6,495,783	5,887,374
Taxation	42	(1,511,376)	(1,053,296)
PROFIT FOR THE YEAR		4,984,407	4,834,078
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss			
- Remeasurement of post-retirement benefits obligation	26.14 & 26.24	(322,564)	33,095
- Related tax	14.1	125,800	(5,346)
		(196,764)	27,749
- Revaluation of Property, plant and equipment	7.1	785,108	-
- Related tax	14.1	(225,013)	(4,849)
		560,095	(4,849)
		363,331	22,900
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		5,347,738	4,856,978
		------------------- (Rupees) -------------------	
EARNINGS PER SHARE - basic and diluted	43	37.74	36.60

The annexed notes 1 to 58 form an integral part of these unconsolidated financial statements.

Syed Jarar Haider Kazmi	Capt. Sarfaraz Inayatullah Qureshi	Mr. Ahsan Ali Malik
Chief Financial Officer	Director	Director

Unconsolidated Statement of Changes in Equity

For the year ended June 30, 2024

	Issued, subscribed and paid-up share capital	Capital reserve*	Revenue reserve - unappropriated profit	Remeasurement of post-retirement benefits obligation - net of tax	Surplus on revaluation of property, plant and equipment - net of tax	Total equity
	-----------	-----------	-----(Rupees in '000)-----	-----------	-----------	-----------
Balance as at July 01, 2022	1,320,634	126,843	9,321,161	(221,781)	1,623,362	12,170,219
Transactions with owners						
Final cash dividend for the year ended June 30, 2022 (Rs. 5 per ordinary share of Rs.10 each)	-	-	(660,317)	-	-	(660,317)
Interim dividend for the year ended June 30, 2023 (Rs. 5 per ordinary share of Rs.10 each)		-	(660,317)	-	-	(660,317)
Profit for the year	-	-	4,834,078	-	-	4,834,078
Other comprehensive income / (loss)	-	-	-	27,749	(4,849)	22,900
Total comprehensive income for the year	-	-	4,834,078	27,749	(4,849)	4,856,978
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax	-	-	5,989	-	(5,989)	-
Balance as at June 30, 2023	1,320,634	126,843	12,840,594	(194,032)	1,612,524	15,706,563
Transactions with owners						
Final cash dividend for the year ended June 30, 2023 (Rs. 15 per ordinary share of Rs.10 each)	-	-	**(1,980,951)**	-	-	**(1,980,951)**
Interim dividend for the year ended June 30, 2024 (Rs. 10 per ordinary share of Rs.10 each)	-	-	**(1,320,634)**	-	-	**(1,320,634)**
Profit for the year	-	-	**4,984,407**	-	-	**4,984,407**
Other comprehensive income / (loss)	-	-	-	**(196,764)**	**560,095**	**363,331**
Total comprehensive income for the year	-	-	**4,984,407**	**(196,764)**	**560,095**	**5,347,738**
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax	-	-	**4,813**	-	**(4,813)**	-
Balance as at June 30, 2024	**1,320,634**	**126,843**	**14,528,229**	**(390,796)**	**2,167,806**	**17,752,716**

* This includes an amount transferred from shareholder's equity at the time of merger between former National Shipping Corporation (NSC) and Pakistan Shipping Corporation (PSC). The reserve is not utilisable for the purpose of distribution to shareholders.

The annexed notes 1 to 58 form an integral part of these unconsolidated financial statements.

Syed Jarar Haider Kazmi	**Capt. Sarfaraz Inayatullah Qureshi**	**Mr. Ahsan Ali Malik**
Chief Financial Officer	Director	Director

Unconsolidated Statement of Cash Flows

For the year ended June 30, 2024

	Note	June 30, 2024	June 30, 2023
		----------------(Rupees in '000)----------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	44	**17,228,612**	18,450,794
Employees' gratuity paid	26.1.6	**(45,893)**	(45,422)
Employees' compensated absences paid	26.2.4	**(69,766)**	(81,250)
Post-retirement medical benefits paid	26.1.4	**(14,298)**	(11,425)
Finance costs paid		**(949,081)**	(1,272,402)
Income tax and levies paid		**(2,661,304)**	(1,231,216)
Long-term loans		**9,958**	(9,080)
Net cash generated from operating activities		**13,498,228**	15,799,999
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	7.1 & 7.9	**(117,798)**	(67,103)
Proceeds from disposal of property, plant and equipment		**119**	-
Acquisition of intangible assets	9	**(87,212)**	(21,753)
Additions to investment properties		**-**	(2,079)
Short-term investments made - net		**(26,869,568)**	(1,991,862)
Interest received on short term investments and bank balances		**3,013,128**	2,348,870
Dividend received	39	**2,916,667**	161,062
Net cash (used in) / generated from investing activities		**(21,144,664)**	427,135
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term financing repaid	24.3	**(4,430,522)**	(1,601,393)
Long-term financing obtained		**-**	4,332,710
Lease liabilities paid	53	**(1,287)**	(2,366)
Dividend paid	53	**(3,218,203)**	(1,287,306)
Net cash (used in) / generated from financing activities		**(7,650,012)**	1,441,645
Net (decrease) / increase in cash and cash equivalents		**(15,296,448)**	17,668,779
Cash and cash equivalents at the beginning of the year		**31,628,430**	11,582,744
Exchange gain on cash and cash equivalents		**10,733**	2,376,907
Cash and cash equivalents at the end of the year	45	**16,342,715**	31,628,430

The annexed notes 1 to 58 form an integral part of these unconsolidated financial statements.

Syed Jarar Haider Kazmi	**Capt. Sarfaraz Inayatullah Qureshi**	**Mr. Ahsan Ali Malik**
Chief Financial Officer	Director	Director

1. THE CORPORATION AND ITS OPERATIONS

Pakistan National Shipping Corporation (the Corporation) was established under the provisions of the Pakistan National Shipping Corporation Ordinance, 1979 and is principally engaged in the business of shipping, including charter of vessels, transportation of cargo and other related services and providing commercial, technical, administrative, financial and other services to its subsidiaries and third parties in relation to the business of shipping. The Corporation is also engaged in renting out its properties to tenants under lease arrangements. The Corporation is listed on the Pakistan Stock Exchange. The Corporation's registered office is situated at PNSC Building, Moulvi Tamizuddin Khan Road, Karachi.

Details of the Corporation's investment in subsidiaries and associated company are stated in note 11 to these unconsolidated financial statements.

2. STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and

- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

2.2 These are separate financial statements wherein subsidiaries and an associated company are measured at cost less impairment loss, if any.

3. BASIS OF MEASUREMENT

3.1 These unconsolidated financial statements have been prepared under the historical cost convention except as otherwise stated in the respective notes to the unconsolidated financial statements.

3.2 These unconsolidated financial statements are presented in Pakistan Rupee, which is the Corporation’s functional and presentation currency.

4. AMENDMENTS TO ACCOUNTING STANDARDS

4.1 Amendments to accounting standards that are effective for the year ended June 30, 2024

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

- Amendments to IAS 1 'Presentation of Financial Statements' and IFRS practice statement 2 - Disclosure of accounting policies

- Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates

- Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction

- Amendments to IAS 12 ' Income taxes' - International Tax Reform — Pillar Two Model Rules

Due to the adoption of Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies effective from January 01, 2023. The word 'significant' has been replaced with 'material' as reflected in related note of accounting polices (note 5). Although the amendments did not result in any changes to the accounting policies themselves.

4.2 New standard and amendments to accounting standards that are not yet effective

The following new accounting standard and amendments are only effective for accounting periods, beginning on or after the date mentioned against each of them. These accounting standards and amendments are either not relevant to the Corporation's operations or are not expected to have significant impact on the Corporation's financial statements other than certain additional disclosures.

	Effective from Accounting period beginning on or after
- Amendments to IFRS 16 ' Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants	January 01, 2024
- Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 2024
- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
- IFRS 17 – Insurance Contracts (including amendments made in June 2020 and December 2021)	January 01, 2026
- Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments Disclosures' - Classification and measurement of financial instruments	January 01, 2026

Other than the aforesaid amendments, IASB has also issued following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards

- IFRS 18 - Presentation and Disclosures in Financial Statements

- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

5. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these unconsolidated financial statements are set out below. These policies have been consistently applied to all the years presented, except for taxation policy as disclosed in note 5.26.

5.1 Property, plant and equipment

These are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any, except for leasehold land, buildings on leasehold land, beach huts and workshop machinery and equipment which are carried at revalued amounts less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The value assigned to leasehold land is not depreciated as the leases are expected to be renewed for further periods on payment of relevant rentals. Annual lease rentals are charged to statement of profit or loss and premium paid at the time of renewal, if any, is amortised over the remaining period of the lease.

Expenditure incurred to replace a significant component of an item of plant and equipment is capitalized and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the Corporation and the cost of the items can be measured reliably. All other expenditure (including repairs and normal maintenance) is recognised in the statement of profit or loss as an expense when it is incurred.

Depreciation is charged to statement of profit or loss applying the straight line method at the rates specified in note 7.1. No depreciation is charged if the asset's residual value exceeds its carrying amount. Full month's depreciation is charged from the month the asset is available for intended use and no depreciation is charged in the month of disposal.

Residual values, useful lives and methods of depreciation are reviewed at each reporting date and adjusted, if expectations differ significantly from previous estimates.

The revaluation of related assets is carried out at regular intervals to ensure that the carrying amounts do not differ materially from those which would have been determined using fair values at the reporting date. Increase in the carrying amounts arising on revaluation of leasehold land, buildings on leasehold land, beach huts and workshop machinery and equipment is recognised, net of tax, in other comprehensive income and accumulated in surplus on revaluation of fixed assets in statement of changes in equity. To the extent that the increase reverses a decrease previously recognised in statement of profit or loss, the increase is first recognised in statement of profit or loss.

Decrease in the carrying amounts arising as a result of revaluation, that reverses previous increase of the same asset is first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decrease are charged to statement of profit or loss.

Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the revaluation surplus on property, plant and equipment to unappropriated profit. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the assets and the net amount is restated to the revalued amount of the assets. Upon disposal, any revaluation reserve relating to the particular assets being sold is transferred to unappropriated profit. The revaluation reserve is not available for distribution to the Corporation's shareholders.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Gains and losses on disposals determined by comparing proceeds with carrying amount of the relevant assets are included in statement of profit or loss.

5.2 Capital work-in-progress

These are stated at cost less accumulated impairment losses, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under this head. These are transferred to specific assets as and when these assets are available for intended use.

5.3 Right-of-use assets

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Corporation does not recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.

5.4 Intangible assets

These are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation is charged to statement of profit or loss by applying straight-line method whereby the cost less residual value, if not insignificant, of an asset is written off over its estimated useful life to the Corporation. Full month's amortisation is charged from the month the asset is available for intended use and no amortisation is charged in the month of disposal. Gains and losses on disposals determined by comparing proceeds with carrying amount of the relevant assets are included in statement of profit or loss.

5.5 Investment properties

Properties held for long-term rental yields which are significantly rented out by the Corporation are classified as investment properties.

Investment properties are measured initially at cost, including related transaction costs directly attributable to acquisition. After initial recognition at cost, investment properties are carried at their fair values based on market value determined by professional independent valuers with sufficient regularity. Fair values are based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. Gain or loss arising as a result of fair valuation is charged to statement of profit or loss.

Additions to investment properties consist of costs of a capital nature. The profit on disposal is determined as the difference between the sales proceeds and the carrying amount of the asset at the commencement of the accounting period plus capital expenditure in the period.

5.6 Impairment of non-financial assets

At the end of each reporting period, the Corporation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in statement of profit or loss.

5.7 Investments in subsidiaries and associate

Investments in subsidiaries and associate are stated at cost less provision for impairment, if any. The carrying amount of investments is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the investment's recoverable amount is estimated which is the higher of its value in use and its fair value less cost to sell. An impairment loss is recognised if the carrying amount exceeds its recoverable amount.

Impairment losses are recognised in statement of profit or loss. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount but limited to the extent of initial cost of investments. A reversal of impairment loss is recognised in the statement of profit or loss.

5.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

5.8.1 Financial assets

a) Initial recognition and measurement

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; (FVOCI) – equity investment; or Fair Value through Profit or Loss (FVTPL).

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Corporation may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income (OCI). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Corporation may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade debt without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

b) Subsequent measurement

Financial assets at FVTPL - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit or loss.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI - These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit or loss.

Equity investments at FVOCI - These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses including on account of derecognition are recognised in OCI and are never reclassified to statement of profit or loss.

5.8.2 Financial liabilities

Financial liabilities are initially recognised on trade date i.e. date on which the Corporation becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings, unclaimed dividend, accrued mark-up and trade and other payables. The Corporation derecognises the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liability other than at fair value through statement of profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate (EIR) method.

Loans and borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the unconsolidated statement of profit or loss.

5.8.3 Impairment of financial assets

The Corporation recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost. The Corporation uses the standard's simplified approach and calculates ECL based on life time ECL on its financial assets. The Corporation has established a provision matrix that is based on the Corporation's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

At each reporting date, the Corporation assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Corporation expects to receive. The shortfall is then discounted at an approximation to the asset's original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

5.8.4 Off-setting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the unconsolidated financial statements if the Corporation has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

5.9 Stores and spares

Stores and spares are stated at lower of cost less any impairment in value for any obsolete or slow moving items. Cost is determined as follows:

- Stores at weighted average cost; and
- Spares on first-in first-out basis.

Certain spares having low value and high consumption levels are charged to statement of profit or loss at the time of purchase.

The Corporation reviews the carrying amount of stores and spares on a regular basis and provision is made for obsolescence, if there is any change in the usage pattern and physical form.

5.10 Trade debts, agents' and owners' balances, loans, deposits and other receivables

Trade debts, agents' and owners' balances, loans, deposits and other receivables are stated initially at fair value and subsequently measured at amortised cost less an allowance for ECL. Allowance for ECL is based on lifetime ECLs that result from all possible default events over the expected life of the trade debts, agents' and owners' balances, loans, deposits and other receivables. Bad debts, if any, are written off when considered irrecoverable.

5.11 Insurance claims

Insurance expenses relating to hull are charged to statement of profit or loss and claims filed there against are taken to statement of profit or loss when such claims are accepted by the underwriters.

Afloat medical expenses, cargo claims and other relevant amounts recoverable from underwriters are taken to insurance claims receivable.

5.12 Lease liabilities

At inception of a contract, the Corporation assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Corporation.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Corporation's incremental borrowing rate.

Lease payments include fixed payments less any incentive received, variable lease payment that are based on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option and if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Corporation is reasonably certain to exercise these options.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Corporation's estimate of the amount expected to be payable under a residual value guarantee. The corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in profit and loss if the carrying amount of right-to-use asset has been reduced to zero.

The Corporation determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Corporation applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Corporation reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate.

The lease liability is remeasured when the Corporation reassesses the reasonable certainty of exercise of extension or termination option upon occurrence of either a significant event or a significant change in circumstance, or when there is a change in assessment of an option to purchase underlying asset, or when there is a change in amount expected to be payable under a residual value guarantee, or when there is a change in future lease payments resulting from a change in an index or rate used to determine those payment. The corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in profit or loss if the carrying amount of right-to-use asset has been reduced to zero.

When there is a change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increase the scope of lease by adding the right-to-use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

5.13 Trade and other payables

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

5.14 Provisions

Provisions are recognised when the Corporation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

5.15 Dividend and appropriations

Dividend distribution to the Corporation's shareholders and appropriations to / from reserves are recognised as a liability in the period in which these are approved.

5.16 Employee benefits

5.16.1 Defined contribution plan - Provident fund

The Corporation operates an approved provident fund scheme for all its permanent employees. Equal monthly contributions are made, both by the Corporation and its employees, to the fund at the rate of 10 percent of the basic salaries of employees. Contributions by the Corporation are charged to statement of profit or loss for the year.

5.16.2 Defined benefit plans - Gratuity fund

The Corporation operates a funded retirement gratuity scheme for its permanent employees other than those who joined the Corporation on or after October 16, 1984. Further, the Corporation also operates an unfunded retirement gratuity scheme for contractual employees. Provisions are made in the unconsolidated financial statements to cover obligations on the basis of actuarial valuation carried out annually under the projected unit credit method. The latest valuation was carried out as at June 30, 2024. The remeasurement of defined benefit plan is recognised directly to equity through other comprehensive income net of tax.

During the year, the Corporation has changed its employee benefit plan for contractual employees. Previously, the gratuity benefit was based on gross wages including allowances. Effective, July 1, 2023, gratuity will be calculated in two parts, i.e., the first part is based on the last drawn full basic monthly wages for each completed year of service, and the second part is based on the fixed allowances frozen at June 30, 2023 and after that, the fixed allowances will be compounded annually at a fixed interest rate (Corporation provided each year) until retirement or resignation. Had this change not occurred, the gratuity expense for the year would have been higher by Rs. 37.787 million and profit before tax would have been lower by the same amount.

The benefit is payable on completion of prescribed qualifying period of service under these schemes.

The Corporation crew members are also entitled to gratuity in accordance with the Pakistan Maritime Board Regulations. These employee benefits are recognised on provisional basis as per actuarial report.

5.16.3 Defined benefit plan - Post-retirement medical benefits

The Corporation provides lump sum medical allowance and free medical facilities to its retired employees in accordance with the service regulations.

Provisions are made in the unconsolidated financial statements to cover obligations on the basis of actuarial valuation carried out annually using the projected unit credit method. The latest valuation was carried out as at June 30, 2024. The remeasurement of post-retirement benefit obligation is recognised directly to equity through OCI.

The benefit is payable on completion of prescribed qualifying period of service under these schemes.

With effect from July 01, 2020, the Corporation has decided to restrict the Post-retirement medical benefits facility for contractual employees.

5.17 Employees' compensated absences

The Corporation accounts for the liability in respect of employees' compensated absences in the year in which these are earned.

Provisions are made in the unconsolidated financial statements to cover obligations on the basis of actuarial valuation carried out annually using the projected unit credit method. The latest valuation was carried out as at June 30, 2024. The remeasurement of employees' compensated absences are charged to statement of profit or loss.

5.18 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cheques in hand, bank balances and other short-term highly liquid investments with maturities of three months or less.

5.19 Foreign currency transactions and translation

Foreign currency transactions are recorded using the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupee using the exchange rate ruling at the reporting date. Foreign exchange gain or losses resulting from the settlement of foreign currency transactions and translation of monetary assets and liabilities denominated in foreign currencies at the reporting date are recognised in statement of profit or loss.

5.20 Revenue recognition

Revenue comprises the fair value of consideration received or receivable for the rendering of services in the ordinary course of the Corporation’s activities, net of rebates, discounts and excluding amounts collected on behalf of third parties. Revenue is recognized when or as performance obligations are satisfied by transferring services to the customer, i.e. over time, provided that the stage of completion can be measured reliably.

The Corporation's recognises revenue from the following major sources: -

- voyage charter revenue
- slot charter revenue
- demurrage income
- others

Voyage charter revenue

All freight voyage charter revenue and voyage expenses are recognized on a percentage of completion basis. Load-to-discharge basis is used in determining the percentage of completion basis. Revenue is recognised evenly over the period from point of loading of current voyage to the point of discharge of the current voyage. Management uses its judgement in estimating the total number of days of a voyage based on historical trends, the operating capability of the vessel (speed and fuel consumption) and the distance of the trade route.

Revenue is not recognised during the period of mobilization of vessel from a previous discharge port to a next load port (Ballast leg) if there is no legally binding contract in place for the subsequent charter and costs incurred in positioning the vessel from last discharge port to the next load port (ballast cost) are capitalised at the end of ballast voyage and charged to next laden voyage from load port to discharge port.

Slot charter revenue

Slot charter revenue is recognized on percentage of completion basis estimating the total income for a vessel under a slot charter arrangement. Revenue is recognized over time based on the progress of fulfilment, measured by the number of days incurred relative to the estimated total duration of the slot charter. The measurement period begins at the commencement of the slot charter and continues until the vessel arrives at the discharge port.

Demurrage income

Freight contracts contains conditions regarding the amount of time available for loading and discharging of the vessel. Demurrage income due as per contractual terms is recognised on estimated basis, based on past experience of settlements and recent recovery trends.

Freight contracts contains conditions regarding the amount of time available for loading and discharging of the vessel. Demurrage income, recognised over time, represent the compensation estimated for the additional time incurred for loading and discharging a vessel. Demurrage income due as per contractual terms is recognised on estimated basis, based on past experience of settlements and recent recovery trends.

Others

- Fee for technical, commercial, administrative and financial services are recognised as revenue as and when the services are rendered in accordance with the terms of the agreement.

- Rental income is recognised as revenue on a straight line basis over the term of the respective lease arrangements.

- Dividend income is recognised when the Corporation's right to receive the dividend is established.

- Mark-up on bank accounts, return on short term investments and other income is recognised on accrual basis.

5.21 Contract assets

For voyages in progress at the end of a reporting period, the Corporation recognises a percentage of the estimated revenue for the voyage equal to the percentage of the estimated duration of the voyage completed at the reporting date and recognises contract asset. The estimate of revenue is based on the expected duration of the voyage.

5.22 Contingent liabilities

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Corporation; or

- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

5.23 Benazir Employees' Stock Option Scheme

On August 14, 2009, the Government of Pakistan (GoP) launched Benazir Employees' Stock Option Scheme (the Scheme) for eligible employees of certain State Owned Enterprises (SOEs) and non-State Owned Enterprises (non-SOEs) where GoP holds significant investments. To administer the Scheme, the GoP transferred 12% of its investment to BESOS Trust Fund (the Trust) created for the purpose by each of such entities.

Keeping in view the difficulties that may be faced by the entities covered under the Scheme, SECP on receiving representation from some of the entities covered under the scheme and after having consulted the Institute of Chartered Accountants of Pakistan vide their letter number CAIDTS/PS& TAC/2011-2036 dated February 2, 2011 granted exemption to such entities from the application of IFRS 2 (Share based payment) to the Scheme vide SRO 587 (I)/2011 dated June 7, 2011.

The Supreme Court of Pakistan (SCP), vide its detailed judgment dated December 22, 2021, has declared the BESOS Scheme ultra vires. Accordingly, the appropriate measures in collaboration with relevant stakeholders are being taken by the Corporation to implement the decision of the SCP.

5.24 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

5.25 Earnings per share

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

5.26 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income respectively. In making the estimates for income taxes currently payable by the Corporation, management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

5.26.1 Current tax

Provision for current taxation is based on taxable income at the enacted / corporate tax rate after taking into account tax credits and rebates available, if any, as per the Income Tax Ordinance, 2001.

5.26.2 Deferred tax

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes after considering, the enacted tax rate.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences and carried forward unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are measured at enacted tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

5.26.3 Levy

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income is classified as levies in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

5.26.4 Change in accounting policy

The Institute of Chartered Accountants of Pakistan (ICAP) issued 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the guide) in May 2024 and withdrawn the Technical Release 27 'IAS 12 - Income Taxes (Revised 2012)'. The guide requires to classify certain amounts of tax paid under minimum and final tax regime separately as a levies instead of classifying under current tax.

The guide has provided two approaches namely Approach A and Approach B to select any of them considering the business model of the Corporation. The Corporation has selected Approach B, according to which, designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 ‘Income Taxes’ and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as levies falling under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. For calculation of deferred tax, enacted rate of tax is required to be used.

This change has been considered as change in accounting policy and has been applied retrospectively in these unconsolidated financial statements in accordance with the requirements of IAS 8 'Accounting Policies, Change in Accounting Estimates and Errors'. Following are the effects as a result of this change:

	June 30, 2023		
	Had there been no change in accounting policy	After incorporating effects of change in accounting policy	Impact of change in accounting policy
	--------------------(Rupees in '000)------------------------		
Statement of profit or loss and other comprehensive income			
Profit before taxation	6,109,367	5,887,374	221,993
Levies	-	221,993	221,993
Taxation	1,275,289	1,053,296	221,993

There has been no effect on the statement of financial position, the statement of cash flows and earnings per share as a result of above change.

Rate for deferred tax has been used as per the guide which is not materially different from tax rate used for calculation of deferred tax. Therefore, comparative figures have not been restated.

6. SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of the Corporation's unconsolidated financial statements requires management to make estimates, judgments and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

In the process of applying the accounting policies, management has made the following estimates and judgments which are significant to these unconsolidated financial statements:

(a) Valuation of certain property, plant and equipment and investment properties (notes 5.1, 5.5, 7 and 10);

(b) Depreciation rate and determination of the residual values and useful lives of property, plant and equipment (notes 5.1 and 7);

(c) Recoverable amount of long-term investment in related parties - subsidiaries (notes 5.7 and 11);

(d) Expected credit loss on trade debts, agents' and owners' balances, other receivables and other financial assets (notes 5.8.3, 16, 17 and 20);

(e) Provision for levies, current and deferred tax (notes 5.26, 14, 41 and 42);

(f) Provision against damage claims (notes 5.14 and 28);

(g) Provision for employee benefits (notes 5.16, 5.17 and 26);

(h) Recognition of demurrage income, estimation of days for vessel in-transit, income from heating and miscellaneous claims (notes 5.20 and 32);

(i) Contingencies and commitments (notes 5.22 and 29); and

(j) Provision for slow moving stores and spares (notes 5.9 and 15).

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

		Note	June 30, 2024	June 30, 2023
			----(Rupees in '000)----	
7.	**PROPERTY, PLANT AND EQUIPMENT**			
	- Operating fixed assets	7.1	**2,989,412**	2,208,264
	- Capital work-in-progress (CWIP) - buildings on leasehold land	7.9	**105,950**	54,070
			3,095,362	2,262,334

7.1 Operating fixed assets

	Leasehold land (notes 7.2 - 7.4)	Buildings on leasehold land (notes 7.2 - 7.4)	Vessel (note 7.5)	Vehicles	Office equipment	Furniture and fittings	Equipment on board	Beach huts (notes 7.2 - 7.4)	Workshop machinery and equipment (note 7.3 & 7.4)	Computer equipment	Total
	-----(Rupees in '000)-----										
As at June 30, 2022											
Cost or revalued amount	1,399,780	883,363	1,440	51,839	80,899	42,221	1,736	23,123	24,227	117,130	2,625,758
Accumulated depreciation	-	(136,262)	(1,440)	(34,624)	(67,929)	(35,646)	(1,736)	(6,707)	(17,187)	(99,932)	(401,463)
Accumulated impairment	-	(15,019)	-	-	-	-	-	-	-	-	(15,019)
Net book value	1,399,780	732,082	-	17,215	12,970	6,575	-	16,416	7,040	17,198	2,209,276
Year ended June 30, 2023											
Opening net book value	1,399,780	732,082	-	17,215	12,970	6,575	-	16,416	7,040	17,198	2,209,276
Additions	-	1,015	-	10,068	3,744	3,277	-	-	-	41,064	59,168
Transfers from CWIP					562					7,373	7,935
Write-offs:											
Cost or revalued amount	-	-	-	(85)	(1,266)	(330)	-	-	-	(6,721)	(8,402)
Accumulated depreciation	-	-	-	85	1,266	330	-	-	-	6,455	8,136
	-	-	-	-	-	-	-	-	-	(266)	(266)
Depreciation charge for the year - note 7.6	-	(34,400)	-	(6,363)	(4,356)	(1,809)	-	(1,826)	(1,313)	(17,782)	(67,849)
Closing net book value	1,399,780	698,697	-	20,920	12,920	8,043	-	14,590	5,727	47,587	2,208,264
As at June 30, 2023											
Cost or revalued amount	1,399,780	884,378	1,440	61,822	83,939	45,168	1,736	23,123	24,227	158,846	2,684,459
Accumulated depreciation	-	(170,662)	(1,440)	(40,902)	(71,019)	(37,125)	(1,736)	(8,533)	(18,500)	(111,259)	(461,176)
Accumulated impairment	-	(15,019)	-	-	-	-	-	-	-	-	(15,019)
Net book value	1,399,780	698,697	-	20,920	12,920	8,043	-	14,590	5,727	47,587	2,208,264
Year ended June 30, 2024											
Opening net book value	**1,399,780**	**698,697**	**-**	**20,920**	**12,920**	**8,043**	**-**	**14,590**	**5,727**	**47,587**	**2,208,264**
Additions	**-**	**-**	**-**	**29,494**	**19,757**	**3,212**	**-**	**-**	**-**	**13,455**	**65,918**
Write-offs											
Cost or revalued amount	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(158)**	**-**	**(158)**
Accumulated depreciation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**47**	**-**	**47**
	-	**-**	**-**	**-**	**-**	**-**			**(111)**	**-**	**(111)**
Disposals											
Cost or revalued amount	**-**	**-**	**-**	**-**	**-**	**(139)**	**-**	**-**	**-**	**-**	**(139)**
Accumulated depreciation	**-**	**-**	**-**	**-**	**-**	**139**	**-**	**-**	**-**	**-**	**139**
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Revaluation surplus	**287,399**	**467,725**	**-**	**-**	**-**	**-**	**-**	**4,196**	**25,788**	**-**	**785,108**
Reversal of impairment	**-**	**15,019**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15,019**
Depreciation charge for the year - note 7.6	**-**	**(38,306)**	**-**	**(10,795)**	**(4,657)**	**(2,389)**	**-**	**(2,312)**	**(1,309)**	**(25,018)**	**(84,786)**
Closing net book value	**1,687,179**	**1,143,135**	**-**	**39,619**	**28,020**	**8,866**	**-**	**16,474**	**30,095**	**36,024**	**2,989,412**
As at June 30, 2024											
Cost or revalued amount	**1,687,179**	**1,352,103**	**1,440**	**91,316**	**103,696**	**48,380**	**1,736**	**27,319**	**49,857**	**172,301**	**3,535,327**
Accumulated depreciation	**-**	**(208,968)**	**(1,440)**	**(51,697)**	**(75,676)**	**(39,514)**	**(1,736)**	**(10,845)**	**(19,762)**	**(136,277)**	**(545,915)**
Net book value	**1,687,179**	**1,143,135**	**-**	**39,619**	**28,020**	**8,866**	**-**	**16,474**	**30,095**	**36,024**	**2,989,412**
Annual rate of depreciation (%)											
2024		**3 to 20**	**3 to 4**	**20**	**15**	**10 to 15**	**10 to 15**	**10**	**5 to 10**	**33**	
2023		3 to 20	3 to 4	20	15	10 to 15	10 to 15	10	5 to 10	33	

7.2 Particulars of immovable property (i.e. leasehold land, buildings on lease hold land and beach huts) are as follows:

S.No.	Location	Usage of immovable property	Total area (Sq. yards)	Covered area (Sq. feet)
1	PNSC Building, Plot No. 30-A, Off. M.T. Khan Road, Karachi		7,836	234,288
2	PNSC Building, Plot No. 31-A, Off. M.T. Khan Road, Karachi	Leasehold land	1,834	22,120
3	Plot No. 17/1, West Wharf, Karachi	Storage facility	705	19,035
4	Plot No. 30, Township, Kemari, Karachi	Workshop	7,925	33,827
5	Plot No. D-51, Block - 5, Clifton, Karachi	Residential Bungalow	1,000	6,385
6	PNSC Beach Hut-I, No. 12-S, Sandspit, Karachi	Beach hut	417	2,296
7	PNSC Beach Hut-II, No. 37-N, Sandspit, Karachi	Beach hut	448	2,314

7.3 Forced sales value of the aforementioned immovable properties determined on the basis of latest valuation carried out as at June 30, 2024 by an independent valuer are as follows:

S.No.	Class of asset	(Rupees in '000)
1	Leasehold land	1,736,403
2	Buildings on leasehold land	963,025
3	Beach huts	13,179
4	Workshop machinery and equipment	24,077

7.3.1 Valuation techniques

The valuer has performed inquiries and verifications from various estate agents, brokers and dealers, the location and condition of the property, size, utilization and current trends in price of real estate including assumptions that ready buyers are available in the current scenario and analysed through detailed market surveys, the properties that have recently been sold or purchased or offered / quoted for sale into given vicinity to determine the better estimates of the fair value.

Further, for workshop machinery and equipment the valuer commensurate for the condition of machinery and to arrive at present value, they have applied suitable depreciation factor. The age, make, origin, condition etc. has been taken into account , while arriving at the present market value.

7.4 Had there been no revaluation, the carrying amount of revalued assets would have been as follows:

	June 30, 2024	June 30, 2023
	(Rupees in '000)	
Leasehold land, buildings on leasehold land and beach huts	**455,573**	474,554
Workshop machinery and equipment	**-**	148
	455,573	474,702

7.5 Cost and accumulated depreciation of vessel amounting to Rs 1.440 million relates to M.V Ilyas Bux. This vessel was seized by the Indian Authorities during the 1965 war and the Corporation does not have physical possession or control over the vessel.

7.6 The depreciation charge for the year has been allocated as follows:

	Note	June 30, 2024	June 30, 2023
		----------(Rupees in '000)----------	
Vessel management expenses	34	**53,611**	40,922
Real estate expenses	35	**26,707**	23,779
Administrative expenses	36	**4,468**	3,148
		84,786	67,849

7.7 Surplus on revaluation property, plant and equipment - net of tax

	June 30, 2024	June 30, 2023
As at July 01	**1,644,092**	1,651,235
Revaluation surplus during the year	**785,108**	-
Transferred to unappropriated profit on account of incremental depreciation	**(7,890)**	(7,143)
	2,421,310	1,644,092
As at June 30		
Less: related deferred tax liability on:		
Revaluation surplus as at July 1	**31,568**	27,873
Surplus arising during the year	**194,106**	-
Adjustment due to change in tax rate	**30,907**	4,849
Incremental depreciation charged during the year	**(3,077)**	(1,154)
	253,504	31,568
	2,167,806	1,612,524

7.8 Disposals of fixed assets do not include any asset whose aggregated book value exceeds Rs. 0.5 million.

7.9 Capital work-in-progress (CWIP) - Building on leasehold land

	Note	June 30, 2024	June 30, 2023
		----------(Rupees in '000)----------	
Balance at beginning of the year		**54,070**	62,005
Additions during the year		**51,880**	-
Transfers to operating fixed assets		**-**	(7,935)
Balance at end of the year	7.9.1	**105,950**	54,070

7.9.1 It represents capital expenditure amounting to Rs. 51.88 million on renovation of 15th and 16th floor of PNSC building and Rs. 54.07 million related to PNSC mosque.

8. RIGHT-OF-USE ASSETS

	Note	June 30, 2024	June 30, 2023
		----------(Rupees in '000)----------	
Rental properties			
Balance at the beginning of the year		**80,971**	93,312
Termination of lease during the year	8.1	**(69,322)**	-
Depreciation	36	**(3,135)**	(12,341)
Balance at the end of the year		**8,514**	80,971
Lease term (in years)		**10**	10

8.1 Lease agreements related to Gwadar workshop & Gwadar repair shade have been terminated before the expiry of their lease terms.

	Note	June 30, 2024	June 30, 2023
		(Rupees in '000)	
9. INTANGIBLE ASSETS			
Ship Management Expert System (SES)			
Cost		16,503	16,503
Amortization		(16,503)	(16,503)
	9.1	-	-
Backup Software			
Additions during the year		1,308	-
Amortisation	9.4	(326)	-
Balance at end of the year		982	-
Capital work-in-progress (CWIP)			
Balance at beginning of the year		73,559	51,806
Additions during the year	9.3	85,904	21,753
Balance at end of the year		159,463	73,559
		160,445	73,559
Annual rate of depreciation (%)		33	33

9.1 SES is still in use, however, it was fully amortized during the year ended June 30, 2009.

9.2 It represents addition of backup software during the year ended June 30, 2024.

9.3 It represents payments made for DANAOS software which is under development.

9.4 The amortisation charge for the year has been allocated as follows:

	Note	June 30, 2024	June 30, 2023
		(Rupees in '000)	
Vessel management expenses	34	301	-
Administrative expenses	36	25	-
		326	-

10. INVESTMENT PROPERTIES

	Note	Leasehold land	Buildings on leasehold land	Capital work in progress	Total
		(Rupees in '000)			
At fair value					
Balance as at July 1, 2022		3,845,437	104,147	-	3,949,584
Additions during the year		-	-	2,079	2,079
Gain on revaluation	10.3 & 39	143,614	5,228	-	148,842
Balance as at June 30, 2023		3,989,051	109,375	2,079	4,100,505
Transfers from CWIP		-	2,079	(2,079)	-
Gain / (loss) on revaluation	10.3 & 39	219,880	(33)	-	219,847
Balance as at June 30, 2024		4,208,931	111,421	-	4,320,352

10.1 Particulars of immovable investment properties are as follows:

S.No.	Location	Total area (Sq. yards)	Covered area (Sq. feet)
1	Plot bearing Survey No. 4/1-A, Main I. I. Chundrigar Road, Karachi	2,786	230,555
2	Plot No. 35-B, North circular avenue, DHA, Phase I, Karachi	1,088	5,675
3	Plot No. 6 & 6-A, Block H, Gulberg-II, Lahore	268	2,410
4	Plot bearing Survey No. 15, Main Talpur Road, off I.I. Chundrigar Road, Karachi	9,856	111,262

10.2 Forced sales value of the aforementioned investment properties as of the reporting date are as follows:

S.No.	Class of asset	June 30, 2024	June 30, 2023
		-----------(Rupees in '000)----------	
1	Leasehold land	**3,367,145**	3,191,240
2	Buildings on leasehold land	**89,137**	89,164

10.3 The revaluation of the Corporation's investment properties were carried out by an independent valuer as of June 30, 2024.

10.4 **Valuation Techniques**

The valuer have performed inquiries and verifications from various estate agents, brokers and dealers, the location and condition of the property, size, utilization and current trends in price of real estate including assumptions that ready buyers are available in the current scenario and analysed through detailed market surveys, the properties that have recently been sold or purchased or offered / quoted for sale into given vicinity to determine the better estimates of the fair value.

11. LONG-TERM INVESTMENTS IN RELATED PARTIES (SUBSIDIARIES AND AN ASSOCIATE)

No. of shares - ordinary		Name of the company	Country of incorporation	Latest available audited financial statements for the year ended	Percentage holding		Face value per share	June 30, 2024	June 30, 2023
June 30, 2024	June 30, 2023				June 30, 2024	June 30, 2023			
							(Rupees)	-----(Rupees in '000)-----	
(i) Subsidiary companies - unquoted									
439,599,957	439,599,957	Bolan Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	4,396,000	4,396,000
275,344,100	275,344,100	Chitral Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	2,753,441	2,753,441
226,825,500	226,825,500	Hyderabad Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	2,268,255	2,268,255
15,686,000	15,686,000	Pakistan Marine and Shipping Services Company (Private) Limited	Pakistan	June 30, 2024	100	100	10	156,860	156,860
36,000	36,000	Johar Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	360	360
7,286,000	7,286,000	National Ship Management and Crew (Private) Limited	Pakistan	June 30, 2024	100	100	10	72,860	72,860
330,000,000	330,000,000	Karachi Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	3,451,994	3,451,994
441,997,735	441,997,735	Khairpur Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	4,419,977	4,419,977
340,000,000	340,000,000	Lahore Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	3,400,000	3,400,000
14,686,000	14,686,000	Lalazar Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	146,860	146,860
9,486,000	9,486,000	Makran Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	94,860	94,860
336,016,700	336,016,700	Malakand Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	3,360,167	3,360,167
140,547,500	140,547,500	Multan Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	1,405,475	1,405,475
500,000,000	500,000,000	Quetta Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	5,000,000	5,000,000
6,936,000	6,936,000	Sargodha Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	69,360	69,360
347,055,800	347,055,800	Shalamar Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	3,470,558	3,470,558
254,012,300	254,012,300	Sibi Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	2,540,123	2,540,123
13,236,000	13,236,000	Swat Shipping (Private) Limited	Pakistan	June 30, 2024	100	100	10	132,360	132,360
1,600	1,600	Pakistan Co-operative Ship Stores (Private) Limited	Pakistan	June 30, 2024	73	73	100	868	868
								37,140,378	37,140,378
(ii) Associate - unquoted									
12,250	12,250	Muhammadi Engineering Works Limited	Pakistan		49	49	100	1,600	1,600
		Less: Accumulated impairment losses						1,600	1,600
								-	-
(iii) Advance against issue of share capital									
		Sargodha Shipping (Private) Limited						4,712,930	4,712,930
		Lalazar Shipping (Private) Limited						4,262,680	4,262,680
								8,975,610	8,975,610
								46,115,988	46,115,988

12. LONG-TERM INVESTMENTS IN LISTED COMPANIES AND AN OTHER ENTITY

	Note	June 30, 2024	June 30, 2023
		------------(Rupees in '000)------------	
Listed companies - At fair value through profit or loss			
Siemens (Pakistan) Engineering Company Limited 6,930 (2023: 6,930) fully paid ordinary shares of Rs. 10 each. Market value per share as at June 30, 2024 Rs. 525.59 (2023: Rs. 692.49)	12.1	3,643	4,799
Pakistan State Oil Company Limited (related party due to Government holding) 199,336 (2023: 199,336) fully paid ordinary shares of Rs. 10 each. Market value per share as at June 30, 2024 Rs. 166.21 (2023: Rs. 111.01)	12.2	33,131	22,128
		36,774	26,927
Other entity - At cost			
Pakistan Tourism Development Corporation Limited 10,000 (2023: 10,000) fully paid ordinary shares of Rs. 10 each.		100	100
		36,874	27,027

12.1 The Corporation holds 0.084% (2023: 0.084%) of the investee's share capital

	Note	June 30, 2024	June 30, 2023
Balance at beginning of the year		4,799	4,504
(Loss) / gain on revaluation	39 & 38	(1,156)	295
Balance at end of the year		3,643	4,799

12.2 The Corporation holds 0.04246% (2023: 0.04246%) of the investee's share capital

	Note	June 30, 2024	June 30, 2023
Balance at beginning of the year		22,128	34,254
Gain / (loss) on revaluation	39 & 38	11,003	(12,126)
Balance at end of the year		33,131	22,128

13. LONG-TERM LOANS

	Note	June 30, 2024	June 30, 2023
- Due from executives	13.1 to 13.4	15,552	24,150
- Due from other employees	13.4	16,996	22,637
		32,548	46,787
Less: Recoverable within one year			
- due from executives		6,851	10,813
- due from other employees		6,201	6,520
	18	13,052	17,333
		19,496	29,454

13.1 Reconciliation of carrying amount of loans to executives:

	June 30, 2024	June 30, 2023
Balance at the beginning of the year	24,150	10,718
Disbursements	4,217	24,250
Repayments	(12,815)	(10,818)
Balance at the end of the year	15,552	24,150

13.2 These loans have been given to executives and other employees of the Corporation for personal use in accordance with their terms of employment. These loans are to be repaid over a period of one to five years in equal monthly instalments. Any outstanding loan due from an employee at the time of leaving the service of the Corporation is adjustable against final settlement.

13.3 The maximum aggregate amount of loans due from executives at the end of any month during the year was Rs. 26.47 million (2023: Rs. 24.15 million).

13.4 The interest charged on the loans as per following criteria:

- Upto Rs. 1 million the rate is charged at 10%.

- More than Rs.1 million but less than Rs. 3 million the rate of Defence Saving Certificates (net of tax).

- More than Rs. 3 million but less than Rs. 5 million the rate of six months KIBOR.

14. DEFERRED TAXATION	**Note**	**June 30, 2024**	June 30, 2023
		-----------(Rupees in '000)----------	
Deductible temporary differences arising in respect of - provisions		**671,310**	176,869
Taxable temporary differences arising in respect of:			
- surplus on revaluation of property, plant and equipment	7.7	**(253,504)**	(31,568)
- accelerated tax depreciation		**(92,644)**	(43,570)
- right of use assets		**(3,320)**	(13,080)
- short term investments		**(51,170)**	-
		(400,638)	(88,218)
		270,672	88,651

14.1 The movement in temporary differences is as follows:

	Balance as at July 1, 2022	For the year ended June 30, 2023: Recognised in profit or loss	For the year ended June 30, 2023: Recognised in other comprehensive income	Balance as at June 30, 2023	For the year ended June 30, 2024: Recognised in profit or loss	For the year ended June 30, 2024: Recognised in other comprehensive income	Balance as at June 30, 2024
	-----------	-----------	-----(Rupees in '000)	-----------	-----------	-----------	-----------
Deductible temporary differences							
- provisions and employee benefits	119,847	62,368	(5,346)	176,869	**368,641**	**125,800**	**671,310**
Taxable temporary differences							
- surplus on revaluation of property, plant and equipment	(27,873)	1,154	(4,849)	(31,568)	**3,077**	**(225,013)**	**(253,504)**
- accelerated tax depreciation	(32,898)	(10,672)	-	(43,570)	**(49,074)**	-	**(92,644)**
- right of use assets	(11,830)	(1,250)		(13,080)	**9,760**	-	**(3,320)**
- short term investments	-	-	-	-	**(51,170)**	-	**(51,170)**
	(72,601)	(10,768)	(4,849)	(88,218)	**(87,407)**	**(225,013)**	**(400,638)**
	47,246	51,600	(10,195)	88,651	**281,234**	**(99,213)**	**270,672**

15. STORES AND SPARES	**Note**	**June 30, 2024**	June 30, 2023
		-----------(Rupees in '000)----------	
Stores			
- at depot		**18,408**	18,408
- at buildings		**472**	472
		18,880	18,880
Spares			
- at buildings		**796**	796
Provision for slow moving stores and spares	15.1	**(19,676)**	(10,380)
		-	9,296

		Note	June 30, 2024	June 30, 2023
			------------(Rupees in '000)------------	
15.1	**Provision for slow moving stores and spares**			
	Balance at the beginning of the year		10,380	10,380
	Charged during the year	38	9,296	-
	Balance at the end of the year		19,676	10,380
16.	**TRADE DEBTS**			
	- Due from related parties	16.1	2,319,354	2,789,168
	- Due from others	16.3	394,116	427,720
			2,713,470	3,216,888
	Allowance for expected credit loss	16.4	(2,198,092)	(1,929,383)
			515,378	1,287,505

16.1 Ageing analysis of related parties, included in trade debts, is as follows:

	Upto 1 month	1 to 6 months	More than 6 months	As at June 30, 2024	As at June 30, 2023
	-----------------	-----------------	(Rupees in '000)	-----------------	-----------------
Pakistan State Oil Company Limited	-	-	1,849,833	1,849,833	1,849,833
Pak Arab Refinery Limited	13,969	17,030	64,260	95,259	64,260
Pakistan Refinery Limited	-	-	12,384	12,384	11,219
Sui Northern Gas Pipelines Limited	12,634	-	-	12,634	5,381
District Controller of Stores	2,252	-	2,749	5,001	33,372
Embarkation Commandant	-	420	115,242	115,662	329,995
Officer Commanding PAF	18,879	1,067	90,308	110,254	298,752
Pakistan Ordinance Factory	-	-	14,975	14,975	67,847
Others	29,845	10,366	63,141	103,352	128,509
	77,579	28,883	2,212,892	2,319,354	2,789,168

16.2 Ageing analysis of related parties, included in trade debts, that are past due and impaired are as follows:

	June 30, 2024	June 30, 2023
	------------(Rupees in '000)------------	
1 to 6 months	706	378
More than 6 months	1,963,055	1,865,716
	1,963,761	1,866,094

16.3 Ageing analysis of others, included in trade debts, that are past due and impaired are as follows:

	June 30, 2024	June 30, 2023
	------------(Rupees in '000)------------	
1 to 6 months	33	-
More than 6 months	234,298	62,519
	234,331	62,519

		Note	June 30, 2024	June 30, 2023
			------------(Rupees in '000)------------	
16.4	**Allowance for expected credit loss**			
	Balance at beginning of the year		1,929,383	1,296,575
	Charged during the year	37	272,297	632,808
	Write-off during the year		(3,588)	-
	Balance at end of the year		2,198,092	1,929,383

16.5 The maximum aggregate amount of receivable due from related parties at the end of any month during the year was Rs. 6,353.99 million (2023: Rs. 2,789.168 million).

		Note	June 30, 2024	June 30, 2023
			------------(Rupees in '000)------------	
17.	**AGENTS' AND OWNERS' BALANCES**			
	Balances from agents' and owners		35,609	27,609
	Allowance for expected credit loss	17.1	(25,414)	(14,873)
			10,195	12,736
17.1	**Allowance for expected credit loss**			
	Balance at beginning of the year		14,873	10,642
	Charged during the year	37	10,541	4,231
	Balance at end of the year		25,414	14,873

17.2 The ageing analysis of agents' and owners' balances that are past due but not impaired are as follows:

		Note	June 30, 2024	June 30, 2023
			------------(Rupees in '000)------------	
	Upto 1 month		9,132	4,246
	1 to 6 months		540	3,520
	More than 6 months		523	4,970
			10,195	12,736
18.	**LOANS AND ADVANCES**			
	Current portion of long-term loans			
	- due from executives		6,851	10,813
	- due from other employees		6,201	6,520
		13	13,052	17,333
	Advances - unsecured			
	- employees		67,059	52,303
	- contractors and suppliers		160,859	165,945
	- others		80	80
		18.1	227,998	218,328
			241,050	235,661

18.1 The maximum aggregate amount of advance to a related party, at the end of any month during the year was Rs. 33 million (2023: Rs. 108 million).

	Note	June 30, 2024	June 30, 2023
		------------(Rupees in '000)------------	
19. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS			
Trade deposits	19.1	**23,785**	24,281
Allowance for expected credit loss		**(369)**	(369)
		23,416	23,912
Short-term prepayments		**14,329**	15,388
		37,745	39,300

19.1 This includes Rs. 1.374 million (2023: Rs. 1.694 million) amount deposited with Karachi Port Trust (KPT), a related party.

	Note	June 30, 2024	June 30, 2023
		------------(Rupees in '000)------------	
20. OTHER RECEIVABLES			
- Due from related parties	20.3	**638,124**	304,208
- Due from others		**93,474**	83,334
		731,598	387,542
Allowance for expected credit loss	20.4	**(57,320)**	(80,637)
		674,278	306,905

20.1 Ageing analysis of related parties, included in other receivables, that are past due and impaired are as follows:

	June 30, 2024	June 30, 2023
	------------(Rupees in '000)------------	
Upto 1 month	**663**	2,783
1 to 6 months	**3,454**	3,215
More than 6 months	**7,307**	24,770
	11,424	30,768

20.2 Ageing analysis of others, included in other receivables, that are past due and impaired is as follows:

	June 30, 2024	June 30, 2023
	------------(Rupees in '000)------------	
Upto 1 month	**249**	-
1 to 6 months	**-**	1,759
More than 6 months	**45,647**	48,110
	45,896	49,869

20.3 Ageing analysis of amounts due from related parties, included in other receivables, is as follows:

	Upto 1 month	1 to 6 months	More than 6 months	As at June 30, 2024	As at June 30, 2023
	---(Rupees in '000)---				
Karachi Port Trust	-	-	2,979	2,979	2,979
Port Qasim Authority	293,539	102,290	7,705	403,533	149,101
Government of Pakistan	-	79,483	152,129	231,612	152,129
	293,539	181,773	162,813	638,124	304,208

20.4 Allowance for expected credit loss

	Note	June 30, 2024	June 30, 2023
		-----------(Rupees in '000)-----------	
Balance at beginning of the year		80,637	46,572
(Reversal) / charged during the year	37	(23,317)	34,065
Balance at end of the year		57,320	80,637

20.5 The maximum aggregate amount of receivable due from related parties at the end of any month during the year was Rs. 638.124 million (2023: Rs. 304.208 million).

21. SHORT-TERM INVESTMENTS

	Note	June 30, 2024	June 30, 2023
		-----------(Rupees in '000)-----------	
Amortised cost			
Treasury-bills having maturity of three months or less	21.1	3,045,824	15,376,043
Term-deposits with banks having maturity of:			
- more than three months		6,000,000	-
- three months or less		6,127,643	7,874,372
	21.2	12,127,643	7,874,372
Fair value through profit or loss			
Units of mutual funds	21.3	24,291,111	3,232,258
		39,464,578	26,482,673

21.1 During the period, these have effective interest rates ranging from 21.55% to 22.80% (2023: 15.62% to 21.99%) per annum.

21.2 During the period, mark-up on term-deposits denominated in local currency ranges from 21.20% to 22.44% (2023: 15.8 5% to 16.65%) per annum, whereas mark-up on term deposits denominated in foreign currency ranges from 6.25% to 8.50% (2023: 3% to 6.50%) per annum.

21.3 Movement of mutual funds

	Note	June 30, 2024	June 30, 2023
		-----------(Rupees in '000)-----------	
Opening		3,232,258	104,890
Purchased during the year		43,802,340	3,758,000
Dividend reinvested during the year		1,852,491	167,355
Redeemed during the year		(24,727,182)	(806,593)
Unrealised gain on fair value	39	131,204	8,606
Closing	21.4	24,291,111	3,232,258

21.4 Investment in units of mutual funds

S.No.		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
		---------(Number of units)---------		-----------(Rupees in '000)-----------	
S.No.	**Conventional**				
1	Alfalah GHP Income Fund	**26,534,845**	-	**3,026,180**	-
2	Alfalah GHP Money Market Fund	**11,304,569**	6,943,040	**1,118,501**	686,226
3	Faysal Income & Growth Fund	**47,118,784**	-	**5,152,439**	-
4	HBL Money Market Fund	**160,272**	-	**16,587**	-
5	JS Cash Fund	**11,317**	2,443,161	**1,189**	252,208
6	JS Government Securities Fund	**25,233,329**	-	**2,751,947**	-
7	JS Income Fund	**50,574,420**	-	**5,181,350**	-
8	JS Micro Finance Sector Fund	**30,949,843**	-	**3,144,814**	
9	NBP Money Market Fund	**25,173,445**	25,173,445	**251,940**	251,223
10	NBP Mustahkam Fund Plan - X	**262,873,254**	-	**2,633,200**	-
11	Al Hamra Daily Dividend Fund	**-**	313	**-**	31
12	NBP Government Securities Plan - IV	**-**	203,737,480	**-**	2,042,570
S.No.	**Shariah Compliant**				
1	HBL Islamic Money Market Fund	**10,012,057**	-	**1,012,964**	-
				24,291,111	3,232,258

22. CASH AND BANK BALANCES

	Note	June 30, 2024	June 30, 2023
		-----------(Rupees in '000)-----------	
Cash in hand			
- local currency		**-**	100
- foreign currency		**10,771**	15,036
		10,771	15,136
Cash at bank			
- in current accounts			
- local currency	22.1	**299,287**	280,101
- foreign currency		**2,190,261**	3,112,232
		2,489,548	3,392,333
- in saving accounts			
- local currency			
- conventional	22.2	**3,568,563**	4,351,880
- shariah compliant	22.3	**1,090,073**	606,791
- foreign currency	22.4	**10,293**	11,875
		4,668,929	4,970,546
		7,169,248	8,378,015

22.1 This includes Rs. 24.082 million (2023: Rs. 24.082 million) held as security by various banks respectively against guarantees issued on behalf of the Corporation.

22.2 Mark-up on these saving accounts ranges from 18.51% to 22.00% (2023: 17.00% to 21.00%) per annum.

22.3 Mark-up on these saving accounts ranges from 17.00% to 21.20% (2023: 15.00% to 19.50%) per annum.

22.4 Mark-up on these saving accounts ranges from 0.15% to 6.50% (2023: 0.15% to 5.75%) per annum.

23. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

June 30, 2024	June 30, 2023		June 30, 2024	June 30, 2023
(No. of shares)			(Rupees in '000)	
24,130,789	24,130,789	Ordinary shares of Rs. 10 each issued to shareholders of former National Shipping Corporation (NSC) and Pakistan Shipping Corporation (PSC) in consideration of their shareholdings in those companies	**241,308**	241,308
25,900,000	25,900,000	Ordinary shares of Rs. 10 each issued to GoP for cash received in the year 1985	**259,000**	259,000
64,309,800	64,309,800	Ordinary shares of Rs. 10 each issued to the GoP on the financial restructuring of the Corporation in the year 1989-90	**643,098**	643,098
17,722,791	17,722,791	Ordinary shares of Rs. 10 each issued as bonus shares	**177,228**	177,228
132,063,380	132,063,380		**1,320,634**	1,320,634

23.1 As at June 30, 2024, Government of Pakistan held 115,633,710 (2023: 115,633,710) ordinary shares, representing 87.56% (2023: 87.56%) shareholding of the Corporation.

23.2 The Corporation has one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Corporation. All shares rank equally with regard to the Corporation's residual assets.

24. LONG-TERM FINANCING - secured

	Note	June 30, 2024	June 30, 2023
		(Rupees in '000)	
- Financing under syndicate term finance agreement	24.1	**-**	2,199,726
- Financing under musharika agreement	24.1 & 24.2	**2,821,383**	5,044,497
		2,821,383	7,244,223
Less: current portion shown in current liabilities:			
- Financing under syndicate term finance agreement		-	2,199,726
- Financing under musharika agreement		**868,800**	2,222,477
		868,800	4,422,203
		1,952,583	2,822,020

24.1 The financing facilities under syndicate term-finance and musharika agreements obtained during the year ended June 30, 2019, amounting to Rs. 6,500 million and Rs. 4,000 million respectively with a consortium led by Faysal Bank Limited carrying mark-up at the rate of 3 months KIBOR + 0.35% per annum each. The loan related to syndicate term finance agreement, along with mark-up, has been paid in full on September 22, 2023.

24.2 The Corporation has obtained financing facility during the year ended June 30, 2023 with a consortium led by Faysal Bank Limited carrying mark-up at the rate of 3 months KIBOR + 0.12% per annum. The loan, along with mark-up, is repayable on a quarterly basis with the last repayment date on July 27, 2027. As of the reporting date, the Corporation has drawn Rs. 2,064 million and Rs. 2,280 million to finance its subsidiary companies namely Lalazar Shipping (Private) Limited and Sargodha Shipping (Private) Limited respectively for purchase of vessels. The facility is secured by way of first mortgage charge over procured vessels owned by respective subsidiaries.

		Note	June 30, 2024	June 30, 2023
			-----------(Rupees in '000)----------	
24.3	Following is the movement in long-term financing:			
	Balance at beginning of the year		**7,244,223**	4,497,012
	Additions		**-**	4,332,710
	Repayments		**(4,430,522)**	(1,601,393)
	Amortisation of arrangement fee	40	**7,682**	15,894
	Balance at end of the year		**2,821,383**	7,244,223

24.4 Accrued mark-up under Islamic mode of financing as at June 30, 2024 amounting to Rs. 108.129 million (2023: Rs. 150.348 million).

24.5 Accrued mark-up under conventional mode of financing as at June 30, 2024 amounting to Rs. Nil (2023: Rs. 10.859 million).

		Note	June 30, 2024	June 30, 2023
			-----------(Rupees in '000)----------	
25.	**LEASE LIABILITIES**			
	Balance at the beginning of the year		**98,195**	111,550
	Interest expense	40	**1,852**	7,588
	Reclassified to other liabilities		**(1,220)**	(18,577)
	Termination of leases		**(83,032)**	-
	Repayments during the year		**(1,287)**	(2,366)
	Balance at the end of the year	25.1	**14,508**	98,195
	Less: current portion shown under current liabilities		**2,630**	9,648
			11,878	88,547

25.1 Lease liabilities are payable as follows:

	2024			2023		
	Minimum lease payments	Mark-up	Present value of minimum lease payments	Minimum lease payments	Mark-up	Present value of minimum lease payments
	-----Rupees in '000-----			-----Rupees in '000-----		
Less than one year	**4,460**	**1,830**	**2,630**	16,626	6,978	9,648
One to five years	**14,376**	**2,498**	**11,878**	108,014	19,467	88,547
	18,836	**4,328**	**14,508**	124,640	26,445	98,195

		Note	June 30, 2024	June 30, 2023
			-----------(Rupees in '000)----------	
26.	**EMPLOYEES' BENEFITS**			
	Employees' gratuity			
	- funded	26.1.3	**(774)**	10,114
	- unfunded	26.1.3	**750,905**	477,543
			750,131	487,657
	Post-retirement medical benefits	26.1.3	**55,217**	55,648
	Employees' compensated absences	26.2.4	**323,437**	196,308
			1,128,785	739,613

26.1 Retirement benefit schemes

26.1.1 The disclosures made in notes 26.1.2 to 26.1.16 of these unconsolidated financial statements are based on the information included in the actuarial valuation reports as of June 30, 2024.

26.1.2 As stated in notes 5.16.2 and 5.16.3 of these unconsolidated financial statements, the Corporation operates a funded retirement gratuity scheme for those permanent employees who joined the Corporation before October 16, 1984, an unfunded retirement gratuity scheme for contractual employees and an unfunded post-retirement medical benefit scheme for permanent and contractual employees. Liability is maintained against these schemes based on the actuarial recommendations. The following significant assumptions were used for the actuarial valuation of the defined benefit obligation schemes:

	June 30, 2024			June 30, 2023		
	Employees' gratuity		Post retirement medical benefits	Employees' gratuity		Post retirement medical benefits
	Funded	Unfunded		Funded	Unfunded	
Discount rate	14.75%	14.75%	14.75%	16.25%	16.25%	16.25%
Future salary increases - for permanent employees						
For the year 2023-24	N/A	-	-	-	-	-
For the year 2024-29 and onwards	14.75%	-	-	16.25%	-	-
Future salary increases - for contractual employees						
For the year 2023-24	-	N/A	-	-	-	-
For the year 2024-25	-	20.00%	-	-	16.25%	-
For the year 2025-29 and onwards	-	14.75%	-	-	16.25%	-
Medical escalation rate	-	-	12.75%	-	-	13.25%

Death rate based on SLIC (2001-05) Ultimate mortality tables.

	June 30, 2024			June 30, 2023		
	Employees' gratuity		Post retirement medical benefits	Employees' gratuity		Post retirement medical benefits
	Funded	Unfunded		Funded	Unfunded	
	(Rupees in '000)					
26.1.3 Reconciliation of statement of financial position						
Present value of defined benefit obligation	33,472	750,905	55,217	46,224	477,543	55,648
Fair value of plan assets	(34,246)	-	-	(36,110)	-	-
Net liability / (asset) in the statement of financial position	(774)	750,905	55,217	10,114	477,543	55,648
26.1.4 Movement in present value of defined benefit obligation						
Balance at beginning of the year	46,224	477,543	55,648	46,826	438,832	65,663
Current service cost	1,318	15,216	882	1,297	51,148	893
Past service cost	-	-	-	-	-	-
Interest cost	6,065	74,180	9,043	5,802	55,136	7,943
Benefits paid	(32,431)	(35,779)	(14,298)	(6,075)	(45,422)	(11,425)
Remeasurement on obligation	12,296	219,745	3,942	(1,626)	(22,151)	(7,426)
Balance at end of the year	33,472	750,905	55,217	46,224	477,543	55,648

	June 30, 2024			June 30, 2023		
	Employees' gratuity		Post retirement medical benefits	Employees' gratuity		Post retirement medical benefits
	Funded	Unfunded		Funded	Unfunded	
	(Rupees in '000)					
26.1.5 Movement in fair value of plan assets						
Balance at beginning of the year	36,110	-	-	35,934	-	-
Expected return on plan assets	4,422	-	-	4,359	-	-
Actual contribution by the employer	10,114	-	-	-	-	-
Benefits paid	(32,431)	-	-	(6,075)	-	-
Remeasurement on plan assets	16,031	-	-	1,892	-	-
Balance at end of the year	34,246	-	-	36,110	-	-
26.1.6 Movement in net liability in the statement of financial position						
Balance at beginning of the year	10,114	477,543	55,648	10,892	438,832	65,663
Expense recognised for the year	2,961	89,396	9,925	2,740	106,284	8,836
Contributions made by the Corporation / benefits paid	(10,114)	(35,779)	(14,298)	-	(45,422)	(11,425)
Remeasurements recognised in other comprehensive income	(3,735)	219,745	3,942	(3,518)	(22,151)	(7,426)
	(774)	750,905	55,217	10,114	477,543	55,648
26.1.7 The amounts recognised in profit or loss						
Current service cost	1,318	15,216	882	1,297	51,148	893
Net interest amount	1,643	74,180	9,043	1,443	55,136	7,943
	2,961	89,396	9,925	2,740	106,284	8,836
Less: charged to subsidiaries	-	6,256	-	-	1,003	-
	2,961	83,140	9,925	2,740	105,281	8,836
26.1.8 Remeasurements recognised in other comprehensive income						
Loss / (gain) arising from Financial assumptions	1,431	33,128	1,834	(4,679)	(71,659)	(972)
(Gain) / loss arising from Demographic assumptions	-	-	(156)	-	3,391	-
Experience adjustment	10,865	186,617	2,264	3,053	46,117	(6,454)
Remeasurement of fair value of plan assets	(16,031)	-	-	(1,892)	-	-
	(3,735)	219,745	3,942	(3,518)	(22,151)	(7,426)

26.1.9 Categories / composition of plan assets

	June 30, 2024		June 30, 2023	
	(Rupees in '000)	%	(Rupees in '000)	%
Cash and cash equivalents	34,246	100%	36,110	100%

26.1.10 The expenses in respect of employees' gratuity and post-retirement medical benefits have been charged on the basis of actuarial recommendations and are in accordance with the Administrative and Financial Services Agreement of the Corporation with the subsidiary companies.

26.1.11 Actual gain on plan assets during the year ended June 30, 2024 was Rs. 20.453 million (2023: Rs. 6.251 million).

26.1.12 Assumed future salary increase rate and discount rate have a significant effect on the employees' gratuity. One percentage change in assumed future salary increase rate and discount rate would have the following effects:

		Increase / (decrease): defined benefit obligation			
		Funded Gratuity Scheme		Unfunded Gratuity Scheme	
	Change in assumption	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
		(Rupees in '000)			
Discount rate	1%	(329)	336	(72,177)	83,686
Salary increase rate	1%	480	(477)	79,298	(69,792)

26.1.13 The weighted average duration of the defined benefit obligations for funded and unfunded gratuity scheme is 1 year (2023: 1 year) and 9.61 years (2023: 9 years) respectively.

26.1.14 Assumed medical cost escalation rate and discount rate have a significant effect on the post-retirement medical benefit. One percentage change in assumed medical cost escalation rate and discount rate would have the following effects:

		Post Retirement Medical Benefits	
		Permanent Employees	
	Change in assumption	Increase in assumption	Decrease in assumption
		(Rupees in '000)	
Discount rate	1%	(706)	748

26.1.15 The weighted average duration of the defined benefit obligations post retirement medical benefit scheme for permanent employees is 2.34 years (2023: 2 years).

26.1.16 The employees' gratuity funded and unfunded scheme and post retirement medical benefit plans exposes the Corporation to the following risks:

Investment risk: The risk of the investment underperforming and not being sufficient to meet the liabilities.

Mortality risk: The risk that the actual mortality rate is different. The effect depends on the beneficiaries service / age distribution and the benefit.

Medical cost escalation risks: The risk that the hospitalisation cost could be higher than what we assumed.

Final salary risk: The risk that the final salary at the time of cessation of service is greater than what is assumed. Since the benefit is calculated on the final salary, the benefit amount increases similarly.

Withdrawal risk: The risk of higher or lower withdrawal experienced than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

26.2 Employees' compensated absences

26.2.1 The disclosures made in notes 26.2.2 to 26.2.3 of these unconsolidated financial statements are based on the information included in the actuarial valuation as of June 30, 2024.

26.2.2 As stated in note 5.17 to these unconsolidated financial statements the Corporation operates an employees' compensated absences scheme. Provision is maintained against this scheme based on the actuarial recommendations. The following significant assumptions were used for the actuarial valuation of the scheme:

	June 30, 2024	June 30, 2023
Discount rate	14.75%	16.25%
Future salary increases - for permanent employees		
For this year 2024-25 / 2023-24 and onwards	14.75%	16.25%
Future salary increases - for contractual employees		
For this year 2024-25 / 2023-24 and onwards	14.75%	16.25%

	Note	June 30, 2024	June 30, 2023
		(Rupees in '000)	
26.2.3 Reconciliation of statement of financial position			
Present value of employees compensated absences (recognised)		323,437	196,308
26.2.4 Movement in present value of employees compensated absences			
Balance at the beginning of the year		196,308	197,748
Current service cost		62,427	53,701
Interest cost		31,856	20,783
Remeasurements of obligation		102,612	5,326
Benefits paid		(69,766)	(81,250)
Balance at the end of the year		323,437	196,308
26.2.5 Expense			
Current service cost		62,427	53,701
Interest cost		31,856	20,783
	38	94,283	74,484
26.2.5.1 Other comprehensive income			
Remeasurements recognised in other comprehensive income			
Loss from changes in financial assumptions		27,374	5,326
Experience adjustment		75,238	-
		102,612	5,326

26.2.6 Amounts for the current period and prior period of the present value of defined benefit obligation are as follows:

	June 30, 2024	June 30, 2023
	(Rupees in '000)	
Present value of defined benefit obligation	323,437	196,308

26.2.7 Assumed future salary increase rate and discount rate have a significant effect on the employees' compensated absences. One percentage change in assumed future salary increase rate and discount rate would have the following effects:

	Change in assumption	Employees Compensated Absences	
		Increase in assumption	Decrease in assumption
		(Rupees in '000)	
Discount rate	1%	(27,831)	32,313
Future salary rate	1%	30,473	(26,762)

26.2.8 The risks to which the scheme exposes the Corporation are disclosed in note 26.1.16 of these unconsolidated financial statements.

26.2.9 The expenses in respect of employees' compensated absences have been charged on the basis of actuarial recommendations and are in accordance with the Administrative and Financial Services Agreement of the Corporation with the subsidiary companies.

26.3 Expected retirement benefits costs for the year ending June 30, 2025 are as follows:

	(Rupees in '000)
Gratuity	
- funded	615
- unfunded	144,490
Post-retirement medical benefits	7,960
Compensated absences	110,515

26.4 Maturity Profile

	June 30, 2024			
	Employees' gratuity		Post retirement medical benefits	Employees Compensated Absences
	Funded	Unfunded		
Weighted average duration of the present value of defined benefit obligations (in years)	**1**	**9.61**	**2.34**	**8.6**
Distribution of timing of benefit payments (time in periods)				
	(Rupees in '000)			
1	**13,057**	**51,836**	**19,080**	**-**
2	**27,315**	**80,337**	**12,753**	**-**
3	**-**	**34,565**	**8,118**	**-**
4	**-**	**21,945**	**6,043**	**-**
5	**-**	**32,563**	**-**	**-**
6 - 10	**-**	**512,773**	**-**	**-**

26.5 During the year, the Corporation contributed Rs. 5.199 million (2023: Rs. 5.068 million) to the provident fund.

		Note	June 30, 2024	June 30, 2023
			--------------(Rupees in '000)--------------	
27.	**TRADE AND OTHER PAYABLES**			
	Creditors		188,266	104,621
	Current account balances with subsidiary companies	27.1	79,792,991	64,483,208
	Agents' and owners' balances		727,744	351,668
	Accrued liabilities		1,486,351	1,205,047
	Deposits	27.2	78,283	53,735
	Workers' Profit Participation Fund	27.3 & 27.4	477,963	85,657
	Withholding tax payable		75,313	48,910
	Other liabilities		8,054	8,054
			82,834,965	66,340,900

27.1 The break-up of current account balances with subsidiary companies is as follows:

	June 30, 2024	June 30, 2023
	--------------(Rupees in '000)--------------	
Bolan Shipping (Private) Limited	6,655,881	4,968,655
Chitral Shipping (Private) Limited	2,361,986	3,056,253
Hyderabad Shipping (Private) Limited	2,504,226	2,496,682
Pakistan Marine and Shipping Services Company (Private) Limited	615,218	646,148
National Ship Management and Crewing (Private) Limited	1,322,588	1,323,199
Khairpur Shipping (Private) Limited	6,565,925	4,070,529
Makran Shipping (Private) Limited	312,037	312,518
Malakand Shipping (Private) Limited	2,386,857	2,274,487
Multan Shipping (Private) Limited	1,816,266	1,762,659
Sargodha Shipping (Private) Limited	4,859,123	1,516,191
Sibi Shipping (Private) Limited	1,375,417	1,527,051
Shalamar Shipping (Private) Limited	11,684,263	8,301,891
Swat Shipping (Private) Limited	1,168,750	1,169,237
Lalazar Shipping (Private) Limited	6,210,637	1,760,469
Johar Shipping (Private) Limited	1,224,945	1,225,431
Lahore Shipping (Private) Limited	8,187,464	8,209,570
Karachi Shipping (Private) Limited	11,666,333	11,661,257
Quetta Shipping (Private) Limited	8,875,399	8,201,119
Pakistan Cooperative Ship Stores (Private) Limited	(324)	(138)
	79,792,991	64,483,208

27.2 These deposits are mark-up free and are repayable on demand or on completion of specific contracts. As per the requirements of section 217 of the Companies Act, 2017 deposits are utilised for the purpose of business and are kept in separate bank accounts.

27.3 The Corporation created under federal statute Ordinance, 1979, declared strategic statutory body under para 9(a) of chapter 3 of State-Owned Enterprises (Ownership and Management Policy), 2023 by the federal cabinet. The Corporation also falls within the definition of trans-provincial subject, and as such province cannot extend its legislative arms in the federal subject. The Corporation is not yet been notified for the applicability of SWPPF. The amount as per legal opinion has been retained until clarification is provided by the competent court of law and that federal legislation shall apply until the mechanism has been finalized.

		Note	June 30, 2024	June 30, 2023
			--------------(Rupees in '000)--------------	
27.4	**Workers' Profit Participation Fund**			
	Balance at the beginning of the year		85,657	-
	Charge for the year	38	295,942	85,657
	Interest on funds utilised in the Corporation's business	27.4.1	96,364	-
	Balance at the end of the year		477,963	85,657

27.4.1 Interest on funds utilised is charged at the rate of 113% (i.e. 75% of 150% dividend announced) of last year.

		Note	June 30, 2024	June 30, 2023
			--------------(Rupees in '000)--------------	
28.	**PROVISION AGAINST DAMAGE CLAIMS**			
	Balance at beginning of the year		23,235	17,858
	(Reversal) / charged during the year	38 & 39	(827)	5,377
	Balance at end of the year		22,408	23,235

29. CONTINGENCIES AND COMMITMENTS

Contingencies

29.1 The contingent liability in respect of claims not acknowledged by the Corporation aggregated to Rs. 535.565 million (2023: Rs. 536.999 million). These claims mainly relate to deficiencies in shipping documentation, delay in delivery of cargo and damages to cargo. A sum of Rs. 513.157 million (2023: Rs. 513.764 million) would be recoverable from P&I Club, Steamship Mutual Underwriting Association (Bermuda) Limited in the event that these claims are accepted by the Corporation. As a matter of prudence, the management has made a total provision of Rs. 22.408 million (2023: Rs. 23.235 million) against the aforementioned claims in these financial statements.

29.2 Chittagong Steamship Corporation Limited and Trans Oceanic Steamship Company Limited had initiated litigation that involved the Government of Pakistan and the Corporation. The litigation relates to the compensation to the former owners. The legal suits are pending in the High Court of Sindh. The amount claimed is approximately Rs. 1.3 million (2023: Rs. 1.3 million) and Rs. 66.8 million (2023: Rs. 66.8 million) respectively. The Corporation disclaims any liability in respect of the above mentioned amounts and any accretions to it upto final determination and settlement of the matters.

29.3 Certain other claims have been filed against the Corporation in respect of employees' matters for an aggregate amount of approximately Rs. 82.597 million (2023: Rs. 82.597 million). These cases are pending and the management is confident that the outcome of these cases will be in the Corporation's favour and accordingly no provision for these claims has been made in these unconsolidated financial statements.

29.4 While framing the tax assessment for the income year ended June 30, 1990, the assessing officer had made an addition to income of Rs. 3,974.455 million, being the remission of liabilities due to the Federal Government under the scheme of financial restructuring of the Corporation. The resultant tax liability including additional taxes for late payment of tax amounted to Rs. 1,293.694 million, part of which was paid by the Corporation and the remaining amount of Rs. 1,233.694 million was directly discharged at source by the Federal Government. The assessing officer while framing the order of income year ended June 30, 1996 had treated the aforementioned payment of tax liability by the Government as the income of the Corporation. Appellate Tribunal Inland Revenue (ATIR) has given the decision in favour of the Corporation on the appeals filed against the above orders. However, the department has filed an appeal with the High Court of Sindh against the aforementioned orders of ATIR. The High Court of Sindh has decided the appeal against the Corporation. The leave to appeal filed by the Corporation has been accepted by the Supreme Court of Pakistan and the decision of the High Court of Sindh has been suspended. Hearing of the appeal was pending in the Supreme Court of Pakistan. During the year ended June 30, 2018, this hearing was remanded to the High Court of Sindh. The management, in consultation with its legal advisor is confident that the matter will eventually be decided in favour of the Corporation.

29.5 During the year ended June 30, 2012, the Officer Inland Revenue (OIR) issued assessment order under section 122 (5A) of the ITO, 2001 in respect of tax year 2011. According to the order dated March 27, 2012, the OIR has made certain additions and determined additional tax demand of Rs. 251.092 million. OIR has disallowed a portion of administrative expenses by attributing the same to the subsidiary companies and further disallowed financial expenses incurred by the Corporation on the contention that the same is equity specific and hence being capital in nature. The Corporation had paid Rs. 160.513 million under protest. During the year ended June 30, 2015, the Commissioner of Inland Revenue (Appeals) in his order has upheld certain additions and has given decisions in favour of the Corporation on certain matters, and has worked out refund of Rs 15.068 million. The Corporation and the department had filed appeals with the ATIR in respect of aforementioned disallowances, which have been decided by the ATIR. The ATIR, in its order has interalia deleted certain additions made by the OIR which were upheld by the Commissioner (Appeals). However, while giving effect to the order of the ATIR, the taxation officer has disallowed the expenses allocated to dividend income. Accordingly, the Corporation filed an appeal before the Commissioner (Appeals) on July 20, 2018, which has been decided on September 23, 2019 in favour of the Corporation. The ACIR vide order dated June 27, 2022 issued appeal effect order under section 124 (2)/122(5A) of the ordinance to give effect to the appellate order of Commissioner (Appeals). Through appeal effect order, the ACIR has decided the issue of allocation of common expenses against dividend income in favour of the Corporation whereby income taxable at corporate rates has been re-computed at Rs. 155.293 million, and the tax liability and net amount of refund had been recomputed at Rs. 131.008 million and Rs. 243.247 million respectively. Further being aggrieved by the decision of the ATIR, the Tax department has filled a reference application which is pending before the High Court of Sindh.

29.6 During the year ended June 30, 2013, the OIR issued assessment orders under section 122 (5A) of the ITO, 2001 in respect of tax year 2012. According to the orders, the OIR has made certain additions and determined additional tax demand of Rs. 107.499 million. OIR has disallowed a portion of administrative expenses by attributing the same to the subsidiary companies and further disallowed financial expenses incurred by the Corporation on the contention that the same is equity specific and hence being capital in nature. The Corporation has paid Rs 65 million under protest and filed an appeal with the Commissioner of Inland Revenue (Appeals). During the year ended June 30, 2015, Commissioner of Inland Revenue (Appeals) in his order has upheld certain additions and has given decisions in favour of the Corporation on certain matters, and has worked out refund of Rs. 24.022 million. The Corporation and the department have filed appeals with the ATIR in respect of aforementioned disallowances. The ATIR vide appellate order dated August 7, 2018 has interalia deleted certain additions made by the taxation officer. Appeal effect proceeding in respect of appellate order was initiated through notice dated October 4, 2019. However, while giving effect to the order of the ATIR, the taxation officer has disallowed the expenses allocated to dividend income and setting off of business loss against property income. Accordingly, the Corporation has filed an appeal before the Commissioner (Appeals) against the appeal effect order. The said appeal was partially decided by the Commissioner Appeals through order dated March 15, 2023 in favor of Corporation on allocation of expenses against dividend income and related disallowance and not setting off the business loss against property income and applying incorrect tax rate on property income. Appeal effect order in respect of remaining issues has not been passed till date. Management, in consultation with its tax advisor, is confident that the matter will eventually be decided in favour of the Corporation.

29.7 During the year ended June 30, 2014, the OIR has issued assessment order under section 122 (5A) of the ITO, 2001 in respect of tax year 2013. According to the order February 27, 2014, the OIR has made certain additions and determined additional tax demand of Rs. 303.333 million. OIR has disallowed a portion of retirement benefit expenses by attributing the same to the subsidiary companies and further disallowed financial expenses incurred by the Corporation on the contention that the same is equity specific and hence being capital in nature. Moreover, OIR also disallowed the basis of apportionment of expenses. The Corporation had paid Rs. 288.265 million under protest and adjusted refund of Rs. 3.581 million. Further, the management has filed an appeal with the Commissioner of Inland Revenue (Appeals) who in his order has upheld certain additions and has given decisions in favour of the Corporation on certain matters, and worked out a Nil demand. The Corporation and the department have filed appeals with the ATIR in respect of aforementioned disallowances. Appeal effect proceedings in respect of appellate order was initiated through notice dated October 4, 2019 and same has been responded by the Corporation. ATIR in its order maintained certain additions and directed to allocate expenses against service fee. Further, being aggrieved by the decision of the appellate tribunal, the Corporation has filed a reference application which is pending before the High Court of Sindh. The management, in consultation with its legal advisor, is confident that the matter will eventually be decided in favour of the Corporation.

29.8 During the year ended June 30, 2015, ACIR issued assessment order under section 122 (5A) of the ITO, 2001 in respect of tax year 2014. According to the order March 13, 2015, the ACIR made certain additions and determined additional tax demand of Rs. 184.059 million in respect of certain disallowances regarding financial expenses, administrative costs and post-retirement benefits. The Corporation paid Rs. 83.438 million under protest and adjusted Rs. 86.998 million against refunds available for tax year 2008, 2009 and 2010. The Corporation had filed an appeal before the Commissioner of Inland Revenue (Appeals) who passed his order and maintained the decision of the ACIR. The Corporation had filed an appeal with the ATIR in respect of aforementioned order of the Commissioner Inland Revenue (Appeals) in respect of aforementioned disallowances. The management is confident that the matter will eventually be decided in favour of the Corporation.

29.9 During the year ended June 30, 2014, the Corporation received assessment order from the taxation authorities in respect of tax years 2008-2013. The taxation officer had held that the Corporation is liable to deduct withholding tax under section 152(2) of the ITO, 2001, while making payments to the non-resident shipping companies and in the event of default to do so, the Corporation becomes personally liable to pay tax under section 161 along with default surcharge under section 205 of the Ordinance. By virtue of above orders, a cumulative tax demand was raised by the taxation authorities amounting to Rs 2,695.496 million. The Corporation filed an appeal with the Commissioner of Inland Revenue (Appeals) who maintained the orders passed by the Deputy Commissioner Inland Revenue (DCIR) and consequently an appeal was filed before the ATIR. The ATIR, in the appellate order, has held that the payments made by the Corporation to the non-resident shipping companies are in the nature of "Royalty" and the rate of tax withholding applicable on such payments would be 15 percent. Accordingly, the tax demand originally raised was reduced to Rs 1,659.485 million. The Corporation lodged rectification applications in respect of the orders passed by ATIR. However, during the year ended June 30, 2016, the said rectification applications have been rejected. Without prejudice to the rectification applications, the Corporation has also filed a petition before the Sindh High Court in respect of the aforesaid orders passed by ATIR seeking protection from any adverse action. Sindh High Court has granted an interim order restraining FBR from taking any coercive action, the said interim order is still operative. Further, the aforementioned cases are still pending with High Court of Sindh.

29.10 During the year ended June 30, 2019, the DCIR vide order dated June 29, 2020 has treated the Corporation assesse in default for tax year 2014 for not withholding tax on: Payments to Non-Resident shipping companies, Payment of Dividend, Interest free advance to Employees & Closing balance of advances to employees and others and on salaries. Consequent to above order, a cumulative tax demand of Rs. 899.5 million was raised by tax authorities. Being aggrieved with the order, the Corporation filed an appeal before the Commissioner Inland Revenue (Appeal). The CIR(A) had fixed the hearing for July 20, 2020 and had granted the Corporation a stay from recovery of tax demand till August 10, 2020. On August 7, 2020, written arguments were submitted on behalf of Corporation and the hearing was re-fixed for August 21, 2020. However, due to transfers and postings, the stay granted by the CIR(A) could not be extended and the Corporation had to approach Sindh High Court (SHC) for grant of stay. The SHC has granted the Corporation a stay from recovery of tax demand vide order dated August 11, 2020. The order was passed by CIR(A) on December 9, 2021 which was partially decided in favour of the Corporation. No appeal effect proceedings have yet been initiated by the DCIR subsequent to the passing of the above order. Being aggrieved with the above appellate order in respect of the remaining issues relating to withholding of tax on payment of dividends, the Corporation filed an appeal before the Appellate Tribunal Inland Revenue (ATIR). The management, in consultation with its legal advisor, is confident that the subject matter will eventually be decided in favour of the Corporation.

29.11 During the year ended June 30, 2018, the DCIR vide order dated June 29, 2018 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2016. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits. Brought forward business losses and unabsorbed depreciation for tax year 2016 have also been adjusted in the computation of taxable income. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs. 91.592 million was raised, which is amply covered by the refunds available for prior tax years. The Corporation filed an appeal with the Commissioner Inland Revenue (Appeals) on July 23, 2018, which was decided vide order dated July 11, 2019. The CIR(A) in its order has decided all the matters in favour of the Corporation by deleting all the additions made by the ACIR. However, the appeal effect order is still pending. During the year, the Corporation received a notice dated Feb 14, 2024 issued under section 138(1) of the ordinance through which demand of the said amount was raised against which the Corporation has submitted a detailed response explaining that the matter has already been decided by the CIR(A) in favour of the Corporation. The management is confident that the subject matters in respect of tax year 2016 will eventually be decided in favour of the Corporation.

29.12 During the year ended June 30, 2018, the ACIR vide order dated June 29, 2018 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2017. The taxable income had been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits. By virtue of the aforementioned order passed by the ACIR, a tax demand amounting to Rs. 318.212 million was raised, out of which the Corporation had made a payment of Rs. 75 million under protest. The Corporation filed an appeal with the Commissioner Inland Revenue (Appeals) on July 23, 2018, which had been decided vide order dated July 11, 2019. The CIR(A) in its order has decided all the matters in favour of the Corporation by deleting all the additions made by the ACIR. However, the appeal effect order is still pending. During the year ended June 30, 2023, the Corporation received a notice dated November 24, 2022 issued under section 221 wherein the Taxation Officer observed that the Corporation has adjusted refunds amounting to Rs. 86.598 million available from previous tax years which have not been determined under section 170(4) of the Ordinance. Accordingly, the Taxation Officer proposed to disallow the said adjustment of refunds. A detailed response was submitted explaining the facts and legalities pertaining to the case. Based on the above, the letter concluded that the proceeding is unwarranted and therefore, shall be withdrawn. Thereafter, no further correspondence has been made in this regard till date. The management is confident that the subject matters in respect of tax year 2017 will eventually be decided in favour of the Corporation.

29.13 During the year ended June 30, 2021, the Additional Commissioner-IR (ACIR) vide order dated May 24, 2021 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2015. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR, a tax demand amounting to Rs. 1,279.035 million was raised. During the year ended June 30, 2022, the Corporation filed an appeal with the Commissioner Inland Revenue (Appeals), which was decided vide order dated November 15, 2021. The CIR(A) in its order has remanded back certain matters, while giving decisions in favour and against of the Corporation on certain other matters. The ACIR vide order dated June 25, 2022 issued appeal effect order under section 124 of the Ordinance to give effect to the appellate order of the Commissioner (Appeals). The Corporation filed appeal before Commissioner before Commissioner (Appeals) against the aforesaid appeal effect dated June 25, 2022. The said appeal has been partially decided by the Commissioner (Appeals) through order dated March 16, 2023, in favour of the Corporation while also issuing necessary directions on disallowance of actuarial losses, super tax levy on dividend income and income from property while disregarding loss from business and computation of tax. Appeal effect order in respect of remaining issues has not been passed till date. The management, in consultation with its tax advisor, is confident that the matter will eventually be decided in favour of the Corporation.

29.14 During the year ended June 30, 2022, the ACIR vide order dated July 28, 2021 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2018. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs. 550.722 million was raised. The Corporation filed an appeal with the Commissioner Inland Revenue (Appeals), which was decided vide order dated November 15, 2021. The CIR(A) in its order has remanded back certain matters, while giving decisions in favour and against of the Corporation on certain other matters. Being aggrieved with the order, management has filed an appeal with ATIR. The management, in consultation with its tax advisor, is confident that the subject matters in respect of tax year 2018 will eventually be decided in favour of the Corporation.

29.15 During the year ended June 30, 2022, the ACIR vide order dated September 17, 2021 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2019. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR, a tax demand amounting to Rs 477.364 million was raised. The Corporation filed an appeal with the Commissioner Inland Revenue (Appeals), which was decided vide order dated January 13, 2022. The CIR(A) in its order has remanded back certain matters, while giving decisions in favour and against of the Corporation on certain other matters. Being aggrieved with the order, management has filed an appeal with ATIR. The management, in consultation with its tax advisor, is confident that the subject matters in respect of tax year 2019 will eventually be decided in favour of the Corporation.

29.16 During the year ended June 30, 2022, the ACIR vide order dated September 30, 2021 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2020. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs. 271.121 million was raised. The Corporation filed an appeal with the Commissioner Inland Revenue (Appeals), which was decided vide order dated January 13, 2022. The CIR(A) in its order has remanded back certain matters, while giving decisions in favour and against of the Corporation on certain other matters. Being aggrieved with the order, management has filed an appeal with ATIR. The management, in consultation with its tax advisor, is confident that the subject matters in respect of tax year 2020 will eventually be decided in favour of the Corporation.

29.17 During the year ended June 30, 2022, the ACIR vide order dated March 4, 2022 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2021. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs. 577.4 million was raised. The Corporation filed an appeal with the Commissioner Inland Revenue (Appeals), which was decided vide order dated May 13, 2022. The CIR(A) in its order has remanded back certain matters, while giving decisions in favour and against of the Corporation on certain other matters. Being aggrieved with the order, management has filed an appeal with ATIR. The management, in consultation with its tax advisor, is confident that the subject matters in respect of tax year 2021 will eventually be decided in favour of the Corporation.

29.18 During the year ended June 30, 2015, the Sindh Revenue Board (SRB) issued show cause notice dated April 17, 2015 under the provisions of section 23 and 47 of the Sindh Sales Tax on Services Act, 2011. The SRB officer had selected the revenue from the unconsolidated financial statements and allegedly raised sales tax demand in respect of the revenue appearing in the audited unconsolidated financial statements for the years 2012-2014. The Corporation had filed a suit before the Sindh High Court in respect of the aforesaid show cause notice and the Sindh High Court had granted an interim stay order restraining SRB from taking any coercive action. However, in light of the Supreme Court order dated June 27, 2018 the Corporation had to withdraw from the suit and continued the proceedings of show cause notice. After, considering the submissions of the Corporation, the SRB had passed an assessment order dated March 13, 2019 and raised Sales Tax demand of Rs. 2,935.797 million on the revenue of freight income and services fee for the financial years 2012-2014. The Corporation had filed an appeal before the Commissioner (Appeals) SRB dated March 11, 2019 and obtained stay from Sindh High Court against the sales tax demand. The Sindh High Court made decision in favour of the Corporation on December 14, 2020. However, during the year ended June 30, 2023. Sindh Revenue Board filed a petition on October 18, 2022 in Supreme court against the judgement of High court and same is still pending at Supreme Court of Pakistan. The management, in consultation with its legal advisor, is confident that the subject matters will eventually be decided in favour of the Corporation.

29.19 During the year ended June 30, 2024, the ACIR vide order dated August 21, 2023 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2022. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs. 658 million was raised. The Corporation filed an appeal with the Commissioner Inland Revenue (Appeals), which was decided vide order dated November 13, 2023. The CIR(A) in its order has remanded back certain matters, while giving decisions in favour and against of the Corporation on certain other matters. Being aggrieved with the order, management has filed an appeal with ATIR. The management, in consultation with its tax advisor, is confident that the subject matters in respect of tax year 2022 will eventually be decided in favour of the Corporation.

29.20 During the year ended June 30, 2024, the ACIR vide order dated July 31, 2024 proceeded to amend the assessment under the provisions of section 122(5A) of the Ordinance in respect of tax year 2023. The taxable income has been recomputed by allocating expenses against dividend income, and disallowances made on account of interest on long term finances and payments claimed against staff retirement benefits and service fee etc. By virtue of the aforementioned order passed by the ACIR a tax demand amounting to Rs 1,556.2 million was raised. The Corporation filled an appeal with ATIR. The management, in consultation with its tax advisor, is confident that the subject matters in respect of tax year 2023 will eventually be decided in favour of the Corporation.

Commitments

29.21 Outstanding letters of guarantee amounted to Rs. 24.082 million (2023: Rs. 19.669 million).

29.22 The Corporation has provided an undertaking amounting to USD 11.6 million (Rs. 3,228.280 million) to one of the vendor / supplier of another state owned entity. This undertaking has been provided due to arrest of two of its managed vessels operated by its subsidiaries which have been released subsequently. The Government of Pakistan has provided a counter guarantee to the Corporation in relation to the aforesaid undertaking.

29.23 Commitments in respect of Enterprise Resource Planning (ERP) implementation and maintenance amounts to USD 0.417 million (Rs. 116.051 million) and USD 0.192 million (Rs. 53.434 million) respectively.

		Note	June 30, 2024	June 30, 2023
			--------------(Rupees in '000)--------------	
30.	**FREIGHT INCOME - foreign flag vessels**			
	Voyage charter revenue		**4,142,577**	4,208,652
	Overage premium		**(18,248)**	(3,141)
	Ocean losses		**(55,606)**	-
			4,068,723	4,205,511
	Slot charter revenue	30.1	**3,150,697**	4,707,063
			7,219,420	8,912,574

30.1 Sindh sales tax charged amounting to Rs. 0.378 million (2023: Rs. 0.506 million).

		Note	June 30, 2024	June 30, 2023
31.	**SERVICE FEES**			
	Technical and commercial services fee		**1,036,743**	1,162,692
	Administrative and financial services fee		**345,581**	387,564
			1,382,324	1,550,256

31.1 Sindh sales tax charged amounting to Rs. 29.097 million (2023: Rs. 28.976 million).

		Note	June 30, 2024	June 30, 2023
32.	**OTHER OPERATING ACTIVITIES**			
	Demurrage income		**123,838**	1,029,592
	Income from miscellaneous claims		**170,521**	78,355
			294,359	1,107,947
33.	**FLEET EXPENSES**			
	Charter, hire and related expenses	33.1	**5,043,985**	6,432,524
	Demurrage expense		**85,206**	674,845
	Agency commission and brokerage		**62,077**	65,465
	Insurance		**42,530**	38,535
	Repairs and maintenance		**47,227**	55,043
	Sundry expenses		**32,160**	40,731
			5,313,185	7,307,143
33.1	Charter, hire and related expenses - foreign flag vessels			
	- voyage charter expenses		**3,511,807**	3,716,600
	- slot charter expenses		**1,532,178**	2,715,924
			5,043,985	6,432,524

		Note	June 30, 2024	June 30, 2023
			--------------(Rupees in '000)--------------	
34.	**VESSEL MANAGEMENT EXPENSES**			
	Workshop management		**171,170**	123,929
	Salaries, benefits and allowances	34.1	**984,338**	690,621
	General establishment expenses	34.2	**236,741**	161,791
	Rates and taxes		**20,098**	22,396
	Insurance		**6,241**	4,257
	Depreciation on property, plant and equipment	7.6	**53,611**	40,922
	Amortization		**301**	-
			1,472,500	1,043,916

34.1 This includes Rs. 4.010 million (2023: Rs. 3.645 million) in respect of provident fund contribution. The investments out of provident fund have been made in accordance with the provisions of Section 218 of the Act and conditions specified thereunder.

		Note	June 30, 2024	June 30, 2023
			--------------(Rupees in '000)--------------	
34.2	**General establishment expenses**			
	Repairs and maintenance		**36,441**	22,939
	Medical		**33,236**	29,280
	Security		**4,482**	4,688
	Travelling and conveyance		**13,585**	11,426
	Entertainment and canteen subsidy		**6,621**	5,671
	Uniform and liveries		**2,901**	2,003
	Printing and stationery		**6,738**	5,107
	Telephone, telex and postage		**15,107**	13,765
	Light, power and water		**54,220**	40,895
	Computer expenses		**21,607**	15,146
	Vehicle running, repairs and maintenance		**41,803**	10,871
			236,741	161,791
35.	**REAL ESTATE EXPENSES**			
	Salaries, benefits and allowances	35.1	**60,200**	48,681
	General establishment expenses	35.2	**27,386**	19,619
	Rates and taxes		**15,015**	13,633
	Insurance		**2,412**	2,816
	Depreciation on property, plant and equipment	7.6	**26,707**	23,779
	Legal and professional charges		**934**	135
			132,654	108,663

35.1 This includes Rs 0.246 million (2023: Rs. 0.249 million) in respect of provident fund contribution. The investments out of the provident fund have been made in accordance with the Section 218 of the Act and conditions specified thereunder.

		June 30, 2024	June 30, 2023
35.2	**General establishment expenses**	--------------(Rupees in '000)--------------	
	Repairs and maintenance	**10,463**	5,768
	Security charges	**9,932**	7,863
	Light, power and water	**6,991**	5,988
		27,386	19,619

	Note	June 30, 2024	June 30, 2023
		-----------(Rupees in '000)----------	
36. ADMINISTRATIVE EXPENSES			
Salaries, benefits and allowances	36.1	225,897	233,299
General establishment expenses	36.2	107,833	134,851
Rates and taxes		988	1,099
Scholarship and training expenses		14,755	9,004
Insurance		520	327
Depreciation on property, plant and equipment	7.6	4,468	3,148
Depreciation on right-of-use-assets	8	3,135	12,341
Amortization		25	-
Directors' fee		14,331	9,799
Legal and professional charges		37,173	28,730
Sales tax expenses		13,957	7,131
Short term lease		687	624
Events and gathering		153	595
		423,922	440,948

36.1 This includes Rs 0.943 million (2023: Rs. 1.175 million) in respect of provident fund contribution. The investments out of the provident fund have been made in accordance with the Section 218 of the Act and conditions specified thereunder.

	Note	June 30, 2024	June 30, 2023
		-----------(Rupees in '000)----------	
36.2 General establishment expenses			
Repairs and maintenance		8,934	10,912
Medical expenses		7,628	9,875
Contribution to group term insurance		1,812	1,512
Hajj expenses		-	8,638
Security charges		374	361
Travelling and conveyance		3,118	4,014
Entertainment and canteen subsidy		1,520	1,913
Books, periodicals and subscription		18,981	12,626
Uniform and liveries		242	154
Printing and stationery		1,546	1,722
Telephone, telex and postage		3,467	4,481
Light, power and water		12,443	13,792
Computer expenses		4,959	5,108
Advertisement and publicity		22,081	31,524
Vehicle running, repairs and maintenance		9,593	3,666
Ship inspection charges		309	12,757
Sundry expenses		10,826	11,796
		107,833	134,851
37. IMPAIRMENT LOSS ON FINANCIAL ASSETS			
Allowance / (reversal) for ECL on:			
Trade debts	16.4	268,709	632,808
Other receivables	20.4	(23,317)	34,065
Agents' and owners' balances	17.1	10,541	4,231
		255,933	671,104
Written off against trade debts and other receivables		3,588	35,295
		259,521	706,399

		Note	June 30, 2024	June 30, 2023
			----------(Rupees in '000)----------	
38.	**OTHER EXPENSES**			
	Donations	38.1	9,941	33,758
	Auditors' remuneration	38.2	8,199	6,743
	Employees' gratuity			
	- funded	26.1.7	2,961	2,740
	- unfunded	26.1.7	83,140	105,281
			86,101	108,021
	Post-retirement medical benefits	26.1.7	9,925	8,836
	Employees' compensated absences	26.2.5	94,283	79,810
	Loss on revaluation of long-term investments in listed companies	12	-	11,831
	Write off against property, plant and equipment	7.1	111	266
	Provision against damage claims	28	-	5,377
	Provision on slow moving stores and spares	15.1	9,296	-
	Realised exchange loss		331,329	-
	Workers' Profit Participation Fund	27.4	295,942	85,657
	Others		618	6,879
			845,745	347,178

38.1 This includes donation made to Government of Pakistan Marine Academy Karachi amounting to Rs. 5.8 million, Pakistan Hindu Council amounting to Rs. 1 million and Sindh Football Association amounting to Rs.1 million. No director or his / her spouse had any interest in the donees' fund.

38.2 Auditors' remuneration

	June 30, 2024			June 30, 2023		
	Grant Thornton Anjum Rahman	Yousuf Adil Chartered Accountants	Total	Grant Thornton Anjum Rahman	Yousuf Adil Chartered Accountants	Total
	----------(Rupees in '000)----------					
Statutory audit fee	1,801	1,801	3,602	1,665	1,665	3,330
Fee for review of half yearly financial statements	700	700	1,400	583	583	1,166
Fee for review report on Code of corporate governance	200	200	400	179	179	358
Fee for audit of consolidated financial statements	250	250	500	211	211	422
Tax advisory / Advisory fee	467	-	467	467	-	467
Agreed upon procedures	830	-	830	-	-	-
Out of pocket expenses	500	500	1,000	500	500	1,000
	4,748	3,451	8,199	3,605	3,138	6,743

		Note	June 30, 2024	June 30, 2023
			----------(Rupees in '000)----------	
39.	**OTHER INCOME**			
	Income from saving accounts, treasury bills and term deposits			
	- Conventional		3,670,756	2,323,787
	- Shariah compliant		250,632	45,229
	Income from long-term loans to employees		4,513	5,491
	Dividend income			
	- Dividend income from conventional mutual funds		2,899,920	147,401
	- Dividend income from shariah compliant mutual funds		15,252	11,349
	- Listed companies		1,495	2,312
	Capital gain on mutual funds		58,081	-
	Unrealized gain on mutual funds	21.3	131,204	8,606
	Unrealised exchange gain		10,733	2,376,907
	Realised exchange gain		-	292,478
	Reversal of provision against damage claims	28	827	-
	Reversal of impairment loss on property, plant and equipment	7.1	15,019	-
	Gain on revaluation of investment properties	10	219,847	148,842
	Gain on revaluation of long-term investments in listed companies	12	9,847	-
	Liabilities no longer payable written back		10,392	2,024
	Gain on termination on lease	39.1	13,710	-
	Agency fee		15,692	31,084
	Gain on disposal of property, plant and equipment		119	-
	Workshop income		274,622	182,664
	Income from recovery of HVAC charges		15,990	-
	Income from manning service		43,335	29,441
	Commission income		10,464	11,063
	Others		10,626	14,978
			7,683,076	5,633,656

39.1 Right-of-use assets amounting to Rs. 69,322 and lease liabilities amounting to Rs. 83,032 have been reversed and accordingly, gain on termination on lease of Rs. 13,710 have been recorded.

		Note	June 30, 2024	June 30, 2023
40.	**FINANCE COSTS**		----------(Rupees in '000)----------	
	Mark-up on long-term financing	40.1	896,004	1,376,720
	Interest accrued against WPPF		96,364	-
	Amortization of arrangement fees	24.3	7,682	15,894
	Mark-up on lease liabilities	25	1,852	7,588
	Bank charges		1,584	1,891
			1,003,486	1,402,093

40.1 Mark-up under Islamic mode of financing during the year amounted to Rs. 781.082 million (2023: Rs. 940.358 million).

		Note	June 30, 2024	Restated June 30, 2023
41.	**LEVIES**		----------(Rupees in '000)----------	
	Final taxes	41.1	486,509	63,923
	Minimum taxes	41.2	127,028	124,020
	Super tax		304,577	34,050
			918,114	221,993

41.1 These represent final taxes paid on voyage charter revenue based on gross registered tonnage, deemed income on vacant property, dividend income and capital gain account as per section 37A of the Income Tax Ordinance, 2001 respectively, and are recognized as levies in line with the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by Institute of Chartered Accountants of Pakistan.

41.2 This represents provision for minimum tax under section 153 of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognised as levies in these unconsolidated financial statements as per the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by Institute of Chartered Accountants of Pakistan.

42. TAXATION

	Note	June 30, 2024	Restated June 30, 2023
		----------(Rupees in '000)----------	
Tax charge for:			
- current year		1,782,480	1,265,207
- prior year		10,130	(160,311)
		1,792,610	1,104,896
- Deferred tax	14.1	(281,234)	(51,600)
		1,511,376	1,053,296

42.1. Relationship between tax expense and accounting profit

	June 30, 2024	Restated June 30, 2023
Accounting profit before levies and tax	7,413,897	6,109,367
Tax rate	29%	29%
Tax on accounting profit	2,150,030	1,771,716
Tax saving due to lower tax rates		
- Income under section 7A	46,976	28,094
- Dividend income	(408,333)	(23,754)
- Capital gain	(8,131)	-
Effect of super tax	765,942	358,461
Effect on tax from income from property	16,573	11,549
Effect of minimum tax on services	250,784	150,937
Effect of tax on deemed income	2,857	18,519
Levies	(918,114)	(221,993)
Effect of prior year	10,130	(160,311)
Deferred tax	(281,234)	(51,600)
Effect of inadmissible income	(116,104)	(828,322)
	1,511,376	1,053,296
Effective tax rate	20%	17%

43. EARNINGS PER SHARE - basic and diluted

	June 30, 2024	June 30, 2023
Profit for the year (Rupees in '000)	4,984,407	4,834,078
Weighted average ordinary shares in issue during the year (Number)	132,063,380	132,063,380
Earnings per share - basic and diluted (Rupees)	37.74	36.60

43.1 There are no dilutive potential ordinary shares outstanding as at June 30, 2024 and 2023.

	Note	June 30, 2024	June 30, 2023
		--------------(Rupees in '000)--------------	
44. CASH GENERATED FROM OPERATIONS			
Profit before levies and taxation		7,413,897	6,109,367
Adjustments for non-cash and other items:			
Depreciation on:			
Property, plant and equipment	7.6	84,786	67,849
Right-of-use assets	8	3,135	12,341
Amortisation	9	326	-
Gain on disposal of property, plant and equipment	39	(119)	-
Write-off of disposal of property, plant and equipment	38	111	266
Unrealized gain loss on revaluation of foreign currency balances		(10,733)	(2,376,907)
Reversal of impairment		(15,019)	-
Provision for employees' gratuity	26.1.7	86,101	108,021
Provision for post-retirement medical benefits	26.1.7	9,925	8,836
Provision for employees' compensated absences	26.2.5	94,283	79,810
Provision for slow moving stores and spares	38	9,296	-
Provision for Workers' Profit Participation Fund	38	295,942	85,657
Provision against damage claims	28	(827)	5,377
Dividend income	39	(2,916,667)	(161,062)
Capital gain on mutual funds	39	(58,081)	-
Gain on termination of lease	39	(13,710)	-
Unrealized gain on mutual funds	39	(131,204)	(8,606)
Impairment loss on financial assets	37	255,933	671,104
Trade debts and other receivables written off	37	3,588	35,295
Liabilities no longer required to pay	39	(10,392)	(2,024)
Income from saving accounts and term deposits	39	(3,921,388)	(2,369,016)
Finance cost:			
Long-term financing - secured	40	903,686	1,392,614
Lease liabilities	40	1,852	7,588
Gain on revaluation of investment properties	39	(219,847)	(148,842)
(Gain) / loss on revaluation of long-term investments in listed companies	38 & 39	(9,847)	11,831
Working capital changes	44.1	15,373,585	14,921,295
		17,228,612	18,450,794

	June 30, 2024	June 30, 2023
44.1 Working capital changes		
(Increase) / decrease in current assets		
Trade debts - unsecured	499,830	(300,090)
Agents' and owners' balances - unsecured	(8,000)	(1,260)
Loans and advances	(5,389)	(9,097,521)
Trade deposits and short-term prepayments	1,555	(3,657)
Other receivables	(344,056)	(153,146)
Contract assets	(531,247)	46,524
	(387,307)	(9,509,150)
Increase / (decrease) in current liabilities		
Trade and other payables	16,213,551	23,937,967
Contract liabilities	(452,659)	492,478
	15,760,892	24,430,445
	15,373,585	14,921,295

	Note	June 30, 2024	June 30, 2023
		---------(Rupees in '000)---------	
45. CASH AND CASH EQUIVALENTS			
Short-term investments having maturity of three months or less	21	9,173,467	23,250,415
Cash and bank balances	22	7,169,248	8,378,015
		16,342,715	31,628,430

46. REMUNERATION OF CHAIRMAN & CHIEF EXECUTIVE, EXECUTIVE DIRECTORS AND OTHER EXECUTIVES

The aggregate amount of remuneration including all benefits payable to the Chairman & Chief Executive, Executive Directors and other Executives of the Corporation were as follows:

	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Chairman & Chief Executive		Executive Directors*		Other Executives	
	----- (Rupees in '000) -----					
Managerial remuneration and allowances	3,544	3,445	42,533	35,973	227,339	183,594
Retirement benefits - note 46.2	-	-	-	-	5,199	5,068
House rent	-	-	11,611	14,897	84,785	107,699
Conveyance	-	-	-	-	7,630	6,892
Medical	192	11	4,241	2,251	20,159	17,867
Utilities	-	-	1,908	2,149	13,496	11,966
Personal staff subsidy	-	-	45	45	447	468
Club membership fee and					-	-
expenses	-	30	270	555	-	-
Bonus	10,347	1,117	25,046	6,638	117,631	34,904
Other allowances	12,899	13,540	3,530	13,234	88,536	49,597
	26,982	18,143	89,184	75,742	565,222	418,055
Number of persons	1	1	6	6	96	87

*Executive Directors represent the designation of the key personnel and are not the members of Board of Directors of theCorporation.

46.1 The aggregate amount charged in the unconsolidated financial statements for fee to 7 (2023: 7) non-executive directors was Rs 14.331 million (2023: Rs 9.799 million).

46.2 Retirement benefits represent amount contributed towards various retirement benefit plans. The Executives of the Corporation are entitled to retirement benefits as outlined in note 5.16 to these unconsolidated financial statements.

46.3 The Chairman & Chief Executive, Executive Directors and other Executives are provided with the car allowance in lieu of Corporation owned cars.

	Note	June 30, 2024	June 30, 2023
		--------------(Rupees in '000)--------------	
47. FINANCIAL INSTRUMENTS BY CATEGORY			
FINANCIAL ASSETS			
Fair value through profit or loss			
Long term investments	12	36,774	26,927
Short term investment - mutual funds	21	24,291,111	3,232,258
		24,327,885	3,259,185
Amortised cost			
Trade debts - unsecured	16	515,378	1,287,505
Agents' and owners' balances - unsecured	17	10,195	12,736
Loans - employees	13	32,548	46,787
Trade deposits	19	23,416	23,912
Interest accrued on bank deposits and short-term investments		1,043,376	135,116
Other receivables	20	674,278	306,905
Short-term investments	21	15,173,467	23,250,415
Cash and bank balances	22	7,169,248	8,378,015
		24,641,906	33,441,391
		48,969,791	36,700,576
FINANCIAL LIABILITIES			
Amortised cost			
Trade and other payables	27	82,281,689	66,206,333
Unclaimed dividend		203,955	120,573
Long-term financing		2,821,383	7,244,223
Provision against damage claims	28	22,408	23,235
Lease liabilities	25	14,508	98,195
Accrued mark-up on long-term financing		108,129	161,206
		85,452,072	73,853,765

48. FINANCIAL RISK MANAGEMENT

48.1 Financial risk factors

The Corporation finances its operations through equity and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimise risk. Taken as a whole, the Corporation is exposed to credit risk, market risk (including interest rate risk, currency risk and other price risk) and liquidity risk. The Corporation's principle financial liabilities comprise trade and other payables and long term financing. The Corporation also has various financial assets such as trade debts, other receivables, bank balances and short-term investments which are directly related to its operations. No changes were made in the objectives, policies or processes and assumptions during the year ended June 30, 2024. The policies for managing each of these risks are summarised below:

48.1.1 Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including trade receivables and committed transactions. Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties fail completely to perform as contracted.

	Note	June 30, 2024	June 30, 2023
		--------------(Rupees in '000)--------------	
Trade debts - unsecured	16	**515,378**	1,287,505
Agents' and owners' balances - unsecured	17	**10,195**	12,736
Trade deposits	19	**23,416**	23,912
Other receivables	20	**674,278**	306,905
Short-term investments	21	**12,127,643**	7,874,372
Bank balances	22	**7,158,477**	8,362,879
		20,509,387	17,868,309

Credit risk related to investments and cash deposits

The Corporation limits its exposure to credit risk of investments by only investing in term deposit receipts (TDRs) of banks with high credit rating.

The credit risk on liquid funds (bank balances) is limited because the counter parties are banks with a reasonably high credit rating. The names and credit rating of major banks where the Corporation maintains its bank balances are as follows:

Name of bank	Rating agency	Credit rating	
		Long-term	Short-term
Bank Al Habib Limited	PACRA	AAA	A-1+
Habib Bank Limited	VIS	AAA	A-1+
MCB Bank Limited	PACRA	AAA	A-1+
Meezan Bank Limited	VIS	AAA	A-1+
National Bank of Pakistan Limited	PACRA / VIS	AAA	A-1+
Standard Chartered Bank Limited	PACRA	AAA	A-1+
United Bank Limited	VIS	AAA	A-1+
Bank Al Falah Limited	PACRA	AA+	A-1+
Habib Metro Bank Limited	PACRA	AA+	A-1+
Pak Oman Investment Company	VIS	AA+	A-1+
Al Baraka Bank Limited	VIS	A+	A-1
Bank Islami Pakistan Limited	PACRA	AA-	A-1
Sindh Bank Limited	VIS	A+	A-1
Dubai Islami Bank Limited	VIS	AA	A-1+
Faysal Bank Limited	PACRA / VIS	AA	A-1+
MCB Islamic Bank Limited	PACRA	A	A-1
JS Bank Limited	PACRA	AA-	A-1+

Moreover, a significant component of the receivable balances of the Corporation relates to amounts due from the Public Sector organisations. Due to the Corporation's long standing business relationships with these counterparties and after giving due consideration to their related credit standing, management does not expect non–performance by those counter parties on their obligations to the Corporation. However based on expected credit loss management has recorded the provision on these receivables.

The sector wise analysis of gross amounts of receivables, comprising trade debts, other receivables, agents' and owners' balances and deposits is given below:

	June 30, 2024	June 30, 2023
	---------(Rupees in '000)---------	
Public Sector	2,958,852	3,095,070
Private Sector	545,610	561,250
	3,504,462	3,656,320

Out of Rs. 3,504.462 million (2023: Rs. 3,656.320 million), the Corporation has recognized an allowance of ECL amounting to Rs. 2,281.195 million (2023: Rs. 2,025.262 million).

48.1.2 Market risk

a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Corporation faces foreign currency risk on receivable and payable transactions at foreign ports.

The Corporation's exposure to foreign currency risk is as follows:

	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	----------(USD in '000)----------		---------(Rupees in '000)---------	
Trade debts	1,653	1,623	460,369	464,635
Other receivables	402	665	112,082	190,334
Agents' and owners' balances	128	96	35,608	27,609
Short-term investments	22,000	27,500	6,127,643	7,874,372
Bank balances	7,939	10,963	2,211,325	3,139,143
Trade and other payables	(1,726)	(3,903)	(480,712)	(1,117,597)
	30,396	36,944	8,466,315	10,578,496

	June 30, 2024	June 30, 2023
	PKR / USD	
Average rate	283.19	251.99
Reporting date rate	278.53	286.34

As at June 30, 2024, if the currency had weakened / strengthened by 5% against the US dollar with all other variables held constant, profit before levies and taxation for the year would have been higher / lower by Rs. 423.316 million (2023: Rs. 528.925 million), mainly as a result of foreign exchange gains / losses on translation of US dollar denominated assets and liabilities.

b) Cash flow and fair value interest rate risk

Interest rate risk represents the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date interest rate profile of the Corporation interest-bearing financial instruments was:

	Carrying amount	
	June 30, 2024	June 30, 2023
	---------(Rupees in '000)---------	
Exposure to interest rate risk		
Variable rate instruments		
Financial assets - KIBOR based	4,690,993	5,000,834
Financial liabilities - KIBOR based	2,821,383	7,244,223
Fixed rate instruments		
Financial assets	15,183,951	23,266,914

Interest rate sensitivity analysis

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Corporation's profit for the year ended June 30, 2024 would decrease / increase by Rs.18.696 million (2023: Rs. 22.434 million). This is mainly attributable to the Corporation's exposure to interest rates on its variable rate long term financing and investments.

The Corporation does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, therefore, a change in interest rate at the reporting date would not affect statement of profit or loss.

c) Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The effects of changes in fair value of investments made by the Corporation, on the future profits are not considered to be material in the overall context of these unconsolidated financial statements.

48.1.3 Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulties in raising funds to meet commitments associated with financial instruments. The Corporation believes that it is not exposed to any significant level of liquidity risk.

The management forecasts the liquidity of the Corporation on basis of expected cash flow considering the level of liquid assets necessary to meet such risk. This involves monitoring statement of financial position, liquidity ratios and maintaining debt financing plans.

Financial liabilities in accordance with their contractual maturities are presented below:

	Total contractual cash flows	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years
	--------------------------------------(Rupees in '000)--------------------------------------				
June 30, 2024					
Long-term financing	3,440,274	1,058,546	2,117,092	264,636	-
Unclaimed dividend	203,955	203,955	-	-	-
Trade and other payables	82,281,689	82,281,689	-	-	-
Accrued mark-up on long-term financing	108,129	108,129	-	-	-
Provision against damage claims	22,408	22,408	-	-	-
Lease liabilities	18,836	4,460	3,594	10,782	-
	86,075,291	83,679,187	2,120,686	275,418	-

	Total contractual cash flows	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years
	(Rupees in '000)				
June 30, 2023					
Long-term financing	8,641,404	5,094,942	1,374,432	2,172,030	-
Unclaimed dividend	120,573	120,573	-	-	-
Trade and other payables	66,206,333	66,206,333	-	-	-
Accrued mark-up on long-term financing	161,206	161,206	-	-	-
Provision against damage claims	23,235	23,235	-	-	-
Lease liabilities	124,640	16,626	27,004	81,011	-
	75,277,391	71,622,915	1,401,436	2,253,041	-

48.1.4 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value hierarchy

As at June 30, 2024, the Corporation's all assets and liabilities are carried at amortised cost except for those mentioned below:

The Corporation's leasehold land, buildings on leasehold land, beach huts and workshop machinery and equipment are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. The latest fair valuation of the Corporation's leasehold land, buildings on leasehold land, beach huts and workshop machinery and equipment was performed by an independent valuer on June 30, 2024.

The Corporation classifies investment properties, long-term investments in listed companies and short term investment in mutual funds measured at fair value in the statement of financial position. The latest fair valuation of the Corporation's investment properties was performed by an independent valuer as at June 30, 2024.

The valuation techniques and inputs used to develop fair value measurements of aforementioned assets are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

Details of fair value hierarchy and information relating to fair value of Corporation's leasehold land, buildings on leasehold land, beach huts, workshop machinery and equipment, investment categorised as fair value through profit or loss and investment properties are as follows:

		June 30, 2024			
		Level 1	Level 2	Level 3	Total
	Note	(Rupees in '000)			
Assets carried at fair value					
Long-term investments in listed companies and an other entity	12	36,774	-	-	36,774
Short-term investments - mutual funds	21	24,291,111	-	-	24,291,111
		24,327,885	-	-	24,327,885
Leasehold land	7.1	-	-	1,687,179	1,687,179
Buildings on leasehold land	7.1	-	-	1,143,135	1,143,135
Beach huts	7.1	-	-	16,474	16,474
Workshop machinery and equipment	7.1	-	-	30,095	30,095
Investment properties	10	-	-	4,320,352	4,320,352
		24,327,885	-	7,197,235	31,525,120

		June 30, 2023			
		Level 1	Level 2	Level 3	Total
	Note	(Rupees in '000)			
Assets carried at fair value					
Long-term investments in listed companies and an other entity	12	26,927	-	-	26,927
Short-term investments - mutual funds	21	3,232,258	-	-	3,232,258
		3,259,185	-	-	3,259,185
Leasehold land	7.1	-	-	1,399,780	1,399,780
Buildings on leasehold land	7.1	-	-	698,697	698,697
Beach huts	7.1	-	-	14,590	14,590
Workshop machinery and equipment	7.1	-	-	5,727	5,727
Investment properties	10	-	-	4,100,505	4,100,505
		3,259,185	-	6,219,299	9,478,484

49 CAPITAL RISK MANAGEMENT

The Corporation’s objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Corporation manages its capital structure by monitoring return on net assets and makes adjustment to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Corporation may adjust the amount of dividends paid to shareholders or issue new shares.

The Corporation is in compliance with the externally imposed capital requirements, which are applicable at the consolidated financial statements level. The debt equity ratios as at June 30, 2024 and 2023 were as follows:

	Note	June 30, 2024	June 30, 2023
		-----------(Rupees in '000)-----------	
Long-term financing - secured	24	**2,821,383**	7,244,223
Total equity		**17,752,716**	15,706,563
Total		**20,574,099**	22,950,786
Debt-to-equity ratio		**16:84**	46:54

50. ENTITY WIDE INFORMATION

50.1 The Corporation constitutes as a single reportable segment, the principal classes of services provided are transportation of dry cargo, liquid cargo through chartered vessels, rental income and service fees.

50.2 Information about services

The Corporation's principal classes of services accounted for the following amount of revenue:

	June 30, 2024	June 30, 2023
	-----------(Rupees in '000)-----------	
Transportation of dry cargo	**3,150,697**	4,707,063
Transportation of liquid cargo	**4,068,723**	4,205,511
Rental income	**285,731**	261,274
Services fee - net	**1,382,324**	1,550,256
	8,887,475	10,724,104

50.3 Information about geographical areas

The Corporation does not hold non-current assets in any foreign country.

50.4 Information about major customers

The Corporation has the following exposure to concentration of credit risk with clients representing greater than 10% of the total revenue balances:

	June 30, 2024 Revenue		June 30, 2023 Revenue	
	(Rupees in '000)	% of Total	(Rupees in '000)	% of Total
Client 1	**1,929,851**	**21.02**	2,775,182	23.45
Client 2	**1,902,635**	**20.72**	1,944,915	16.44
Client 3	**811,055**	**8.83**	1,162,159	9.82
	4,643,541	**50.57**	5,882,256	49.71

51. RELATED PARTY DISCLOSURES

The Corporation has related party relationships with its subsidiaries, associate, GoP and its related parties, associated companies, employee benefit plans and its directors and executive officers (including their associates). Transactions with related parties essentially entail investments made in subsidiary companies, dividend income received from related investee companies, freight income and chartering revenue recovered, service fees charged on account of rendering of technical, commercial, administrative and financial services, expenses charged to subsidiary companies on actual cost basis etc. Service fees charges on account of rendering of technical, commercial, administrative and financial services is charged to subsidiary companies and related parties on the basis of mutually agreed terms. Investment in and balances with related parties have been disclosed in respective notes to these unconsolidated financial statements. Significant transactions with related parties during the year are as follows:

Nature of transactions	Relationship with the Corporation	June 30, 2024	June 30, 2023
		----------(Rupees in '000)----------	
Freight income - foreign flag vessels	State owned / controlled entities	**5,226,537**	6,687,922
Service fee - note 31	Subsidiaries	**1,382,324**	1,550,256
Rental income	State owned / controlled entities / Common director	**29,022**	26,187
Rental expense	State owned / controlled entities	**1,680**	4,472
Income from other operating activities - note 32	State owned / controlled entities	**200,828**	27,569
Retirement benefit costs charged	Subsidiaries	**6,256**	1,003
Contribution to gratuity fund	Employees benefit plan	**10,114**	-
Contribution to provident fund	Employees benefit plan	**5,199**	5,068
Dividend to Government of Pakistan	Government holding	**2,890,843**	1,156,337

51.1 In addition, the Corporation is substantially engaged in making payments / collections on behalf of the subsidiary companies in accordance with the 'Technical and Commercial Services' and 'Administrative and Financial Services Agreement' which are settled through a current account of the subsidiary companies.

51.2 Following are the details of related parties with whom the Corporation had entered into transactions or have arrangements / agreements in place, except subsidiaries, which have been disclosed in note 27.1 to these unconsolidated financial

S.No.	Name	Basis of relationship	Aggregate % of shareholding in the Company
1	Muhammadi Engineering Works (Private) Limited	Associate	N/A
2	Employees' Gratuity Fund	Staff retirement benefits	N/A
3	Employees' Contributory Provident Fund	Staff retirement benefits	N/A
4	Bureau Veritas	Common director	N/A
5	Central Power Generation Company Limited	State owned/controlled entity	N/A
6	Civil Aviation Authority	State owned/controlled entity / Common director	N/A
7	District Controller of Stores	State owned/controlled entity	N/A
8	Embarkation Commandant	State owned/controlled entity	N/A
9	Federal Bureau of Revenue- Comissionor AEOI	State owned/controlled entity	N/A
10	Gawadar Port Authority	State owned/controlled entity	N/A
11	Heavy Industries Taxila	State owned/controlled entity	N/A

S.No.	Name	Basis of relationship	Aggregate % of shareholding in the Company
12	Karachi Port Trust	State owned/controlled entity	N/A
13	Kot Addu Power Company Limited	State owned/controlled entity	N/A
14	Lahore Electric Supply Company Limited	State owned/controlled entity	N/A
15	National Bank of Pakistan	State owned/controlled entity	N/A
16	National Disaster Risk Management Fund	State owned/controlled entity / Common director	N/A
17	National Telecommunication Corporation	State owned/controlled entity	N/A
18	National Security Printing Company Private Limited	State owned/controlled entity / Common director	N/A
19	National Insurance Company Limited	State owned/controlled entity	N/A
20	National Transmission & Despatch Company Limited	State owned/controlled entity	N/A
21	Naval Stores	State owned/controlled entity	N/A
22	Oil & Gas Development Company Limited	State owned/controlled entity	N/A
23	Pakistan Ordinance Factory	State owned/controlled entity	N/A
24	Pak Arab Refinery Limited	State owned/controlled entity	N/A
25	Pakistan International Airlines	State owned/controlled entity	N/A
26	Pakistan Machine Tool Factory	State owned/controlled entity	N/A
27	Pakistan Refinery Limited	State owned/controlled entity	N/A
28	Pakistan Security Printing Corporation	State owned/controlled entity	N/A
29	Pakistan State Oil Company Limited	State owned/controlled entity	N/A
30	Pakistan Telecommunication Company Limited	State owned/controlled entity	N/A
31	Pakistan Petroleum Limited	State owned/controlled entity	N/A
32	Punjab Thermal Power Limited	Common director	N/A
33	PRIMCO Limited	Common director	N/A
34	Port Qasim Authority	State owned/controlled entity / Common director	N/A
35	Quaid-e-Azam Thermal Power Plant	Common director	N/A
36	Trading Corporation of Pakistan (TCP)	State owned/controlled entity	N/A
37	Sezan International Limited	Common director	N/A
38	Siddiqsons Energy Limited	Common director	N/A
39	Stores Liaison Officers (PAF)	State owned/controlled entity	N/A
40	Sui Northern Gas Pipelines Limited	State owned/controlled entity	N/A
41	Sui Southern Gas Company Limited	State owned/controlled entity	N/A
42	Wah Brass Mills (Private) Limited	State owned/controlled entity	N/A
43	Water and Power Development Authority	State owned/controlled entity	N/A
44	Zahid Jee Textile	Common director	N/A
45	Directors / Executives	Key management personnel	N/A

52. NUMBER OF EMPLOYEES

The average and total number of employees during the year and as at June 30, 2024 and 2023 respectively are as follows:

	June 30, 2024	June 30, 2023
Average number of employees during the year	**672**	661
Number of employees as at the end of the year	**663**	680

53. RECONCILIATION OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	June 30, 2024			June 30, 2023		
	Long-term financing	Unclaimed dividend	Lease Liabilities	Long-term financing	Unclaimed dividend	Lease Liabilities
	(Rupees in '000)					
Balance at beginning of the year	7,244,223	120,573	98,195	4,497,012	87,245	111,550
Changes from financing cash flows						
Repayment	(4,430,522)	-	(1,287)	(1,601,393)	-	(2,366)
Obtained	-	-	-	4,332,710	-	-
Dividend paid	-	(3,218,203)	-	-	(1,287,306)	-
Total changes from financing activities	(4,430,522)	(3,218,203)	(1,287)	2,731,317	(1,287,306)	(2,366)
Other non cash changes						
Amortisation of arrangement fee	7,682	-	-	15,894	-	-
Reclassified to other liabilities	-	-	(1,220)	-	-	(18,577)
Accretion of interest	-	-	1,852	-	-	7,588
Impact of termination of leases	-	-	(83,032)	-	-	-
Final dividend	-	1,980,951	-	-	660,317	-
Interim dividend	-	1,320,634	-	-	660,317	-
Total other changes	7,682	3,301,585	(82,400)	15,894	1,320,634	(10,989)
Balance at end of the year	2,821,383	203,955	14,508	7,244,223	120,573	98,195

54. PROVIDENT FUND RELATED DISCLOSURE

The following information is based on un-audited financial statements of the fund:

	June 30, 2024	June 30, 2023
	(Rupees in '000)	
Size of the fund - Total assets	288,725	313,994
Fair value of investments	278,405	306,092
Percentage of investment made	96.43%	97.48%

54.1 The cost of above investments amounted to Rs. 231.965 million (2023: Rs. 278.823 million).

54.2 The break-up of fair value of investments is as follows:

	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	(Percentage)		(Rupees in '000)	
Mutual funds	37.01	41.32	103,039	126,436
Treasury bills	61.94	55.92	172,432	171,173
Bank balances	1.05	2.77	2,934	8,483
	100	100	278,405	306,092

54.3 The investment out of provident fund have been made in accordance with the provision of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

55. EVENTS AFTER REPORTING PERIOD

The Board of Directors in their meeting held on October 4, 2024 have proposed for the year ended June 30, 2024 cash dividend of Rs 25 per share and bonus shares 50%, subject to the approval of the members at the annual general meeting to be held on October 28, 2024. These unconsolidated financial statements for the year ended June 30, 2024 do not include the effect of this appropriation which will be accounted for subsequent to the year end.

56. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation in these financial statements.

57. GENERAL

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

58. DATE OF AUTHORISATION

These unconsolidated financial statements were authorised for issue on October 4, 2024 by the Board of Directors (the BOD) of the Corporation. The BOD has authorised two diretors to sign these financial statement as Chief Executive Officer of the Corporation is not yet appointed.

Syed Jarar Haider Kazmi	**Capt. Sarfaraz Inayatullah Qureshi**	**Mr. Ahsan Ali Malik**
Chief Financial Officer	Director	Director

Pattern of Shareholding

As at June 30, 2024

# Of Shareholders	Shareholdings'Slab			Total Shares Held
11185	1	to	100	365,470
3062	101	to	500	711,643
775	501	to	1000	560,318
634	1001	to	5000	1,327,924
79	5001	to	10000	566,996
28	10001	to	15000	351,792
18	15001	to	20000	322,087
7	20001	to	25000	153,979
4	25001	to	30000	110,842
4	30001	to	35000	125,400
2	35001	to	40000	79,075
1	40001	to	45000	43,000
2	45001	to	50000	96,500
3	55001	to	60000	175,165
3	95001	to	100000	294,600
1	100001	to	105000	103,300
1	110001	to	115000	113,000
1	120001	to	125000	120,900
1	125001	to	130000	126,000
1	145001	to	150000	150,000
2	155001	to	160000	318,512
1	195001	to	200000	196,000
1	200001	to	205000	201,500
1	225001	to	230000	227,170
1	275001	to	280000	275,500
2	295001	to	300000	600,000
1	430001	to	435000	432,564
1	470001	to	475000	471,324
1	590001	to	595000	594,707
1	675001	to	680000	678,089
1	1960001	to	1965000	1,963,298
1	2070001	to	2075000	2,073,014
1	2495001	to	2500000	2,500,000
1	115630001	to	115635000	115,633,710
15828				**132,063,379**

Categories of Shareholding
As at June 30, 2024

Categories of Shareholders	Shareholders	Shares Held	Percentage
Government Holding			
DIRECTOR GENERAL PORT & SHIPPING	1	115,633,710	87.56
Directors, Chief Executive Officer and their spouse(s) and minor children			
AHSAN ALI MALIK	1	56,500	0.04
SANILAH ARSAL	1	10,000	0.01
SARFARAZ INAYATULLAH QURESHI	1	11,000	0.01
Associated Companies, undertakings and related parties			
MOHAMMADI ENGG. WORKS LTD	1	4,766	0.00
MOHSIN ALI	1	678,089	0.51
FAST TRACK PROJECTS & LOGISTICS (PRIVATE) LIMITED	1	13,000	0.01
M/S PNSC EMPLOYEES EMPOWERMENT TRUST	1	2,073,014	1.57
NIT and ICP	13	511,343	0.39
Banks Development Financial Institutions, Non-Banking Financial Institutions	66	705,791	0.53
Insurance Companies	11	42,905	0.03
Modarabas and Mutual Funds			
FIRST EQUITY MODARABA	1	15	0.00
M/S. SECOND PRUDENTIAL MODARABA	1	77	0.00
THIRD PRUDENTIAL MODARABA	1	628	0.00
FIRST PRUDENTIAL MODARABA	1	16	0.00
CDC - TRUSTEE ATLAS STOCK MARKET FUND	1	275,500	0.21
CDC - TRUSTEE ATLAS ISLAMIC STOCK FUND	1	126,000	0.10
CDC - TRUSTEE NBP STOCK FUND	1	1,963,298	1.49
CDC - TRUSTEE NBP BALANCED FUND	1	103,300	0.08
CDC - TRUSTEE APF-EQUITY SUB FUND	1	15,000	0.01
CDC - TRUSTEE NBP ISLAMIC SARMAYA IZAFA FUND	1	99,300	0.08
CDC - TRUSTEE APIF - EQUITY SUB FUND	1	20,000	0.02
CDC - TRUSTEE ALFALAH GHP STOCK FUND	1	113,000	0.09
CDC - TRUSTEE ALFALAH GHP ALPHA FUND	1	58,800	0.04
CDC - TRUSTEE NBP SARMAYA IZAFA FUND	1	34,000	0.03
CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND	1	12,350	0.01
CDC - TRUSTEE NBP ISLAMIC STOCK FUND	1	227,170	0.17
CDC - TRUSTEE ALFALAH GHP DEDICATED EQUITY FUND	1	8,100	0.01
General Public			
a. Local	15,558	8,310,591	6.29
b. Foreign	33	20,464	0.02
Foreign Companies	8	206,886	0.16
Others	114	728,766	0.55
Totals	**15,828**	**132,063,379**	**100.00**

Share holders holding 10% or more	Shares Held	Percentage
DIRECTOR GENERAL PORT & SHIPPING	115,633,710	87.56

**Including 2356 shareholders whose current domicile is not known

Notice of Annual General Meeting

Notice is hereby given that the 46th Annual General Meeting (AGM) of Pakistan National Shipping Corporation (Corporation) will be held at the **Jasmine Hall, Beach Luxury Hotel** Off: M.T. Khan Road, Karachi on Monday, the 28th October, 2024 at 1100 hours to transact the following business:

ORDINARY BUSINESS

1. To confirm minutes of the 45th Annual General Meeting of the Members of the Corporation held on 26th October, 2023.

2. To consider and adopt the audited financial statements of the Corporation and the consolidated financial statements of the PNSC Group together with the reports of Auditors and Directors for the year ended 30th June, 2024.

   In term of the approval of the corporation in its (AGM) held on 26th October 2023 and pursuant to the SECP S.R.O. 389(1)/2023 dated 21st March 2023, the Annual Report for the Annual Audited Financial Statements along with notice of Annual General Meeting may be viewed and download by QR code and web-link as given hereunder.

Web-link	QR Code
https://pnsc.com.pk/financial-statements.html	

3. To consider and approve Board's recommendation to pay Rs. 25/- per share Cash Dividend (i.e.) 250% and issue a Bonus Shares in proportion of 50 shares of every 100 shares held i.e. 50% to the members. The said shares shall rank pari passu with the existing shares of the Corporation as regards future dividend and in all other respects.

4. To consider appointment of joint auditors of the Corporation for the year ending 2024-25 and to fix their remuneration.

5. To transact any other business with the permission of the chair.

By order of the Board

Muhammad Javid Ansari
Company Secretary

Karachi
Dated**:** 5th October 2024

Notes:

i) The Share Transfer Books of the Corporation will remain closed from 22nd October, 2024 to 28th October, 2024 (both days inclusive).

ii) Transfer received in order by the Corporation's shares registrar M/S CDC Shares Registrar Services Limited by the close of business hours on October 21st, 2024 will be considered in time for registration in the name of transfers, and be eligible for the purpose of attending and vote at the AGM and for above entitlement.

iii) A member entitled to attend and vote at the meeting is also entitled to appoint his/her proxy to attend the meeting. Proxies must be received at the Head Office of the Corporation not less than 48 hours before the time of holding the meeting. CDC Accounts Holders will further have to follow the guidelines as laid down in Circular 1, dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan. The members are requested to promptly notify Share Registrars of the Corporation/s CDC Share Registrar Services limited of any change in their addresses.

A. For Attending Meeting:

i) In case of individ uals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration detail is uploaded as per the Regulation, shall authenticate their identity by showinghis/her original Identify Card (**"CNIC") /** original passport at the time of attending the meeting.

ii) In case of corporate entity, Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless provided earlier) at the time of the meeting.

iii) Members interested to participate in the meeting through video link are requested to get themselves registered with Corporate Affairs & Shares department by providing the following details at the earliest but not later than two working days before the AGM through following means:
Mobile/ WhatsApp: 0300 8272582
E-mail: kashif.fazlani@pnsc.com.pk

Name of Members	CNIC Number	CDC Account No./ Folio No.	Mobile Number	Email Address

iv. Upon receipt of the above information from the interested members, the Corporation will send the login credentials at their e-mail address. On the date of AGM login facility will be opened at half hour before the meeting time, members will be able to login and join in the AGM proceedings through their smartphone / computer devices.

v. In view of the above the Members may also provide their comments/suggestions for theproposed agenda items of the AGM at least two working days before AGM by using the aforesaid means. Members are requested to mention their full name, CNIC and CDC/Folio no. for this purpose.

vi. In case of corporate entity, Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be provide to the Corporation in the manner described in para A(iii) above.

B. For Appointing Proxies:

i. In case of individuals, the account holder or sub-account holder is and / or the person whose securities are in group account and their registration detail is uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirement.

ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

iii. Attested copies of the CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iv. In case of corporate entities, board of directors' resolution / power of attorney with specimen signature of the nominee shall be submitted along with the proxy form to the Corporation.

C. CNIC / NTN Number on Dividend Warrant (Mandatory)

As has already been notified from time to time, the Securities and Exchange Commission of Pakistan (SECP) vide Notification SRO 275(1)/2016 dated March 31, 2016 read with Notification SRO 19(1)/2014 dated January 10, 2014 and Notification SRO 831(1)/2012 dated July 5,2012 required that the Dividend Warrant(s) should also bear the Computerized National Identity Card (CNIC) Number of the registered member or the authorized person, except in case of minor(s) and corporate member(s). Henceforth, issuance of dividend warrant(s) will be subject to submission of CNIC (individuals) NTN (corporate entitles) by members.

D. Withholding Tax on Dividend (Mandatory)

i. Pursuant to the provision of the Finance Act 2024 the rates of deduction of Income tax from dividend payments under the Income Tax Ordinance, 2001 are as follows:

a)	For filers of income tax returns	**15%**
b)	For non-filers of income tax returns	**30%**

ii. Members who are filers, are advised to make sure that their names are entered into latest Active Tax Payers List (ATL) provided on the website of FBR at the time of dividend payment, otherwise they shall be treated as non-fliers and tax on their cash dividend will be deducted accordingly**.**

E. Withholding Tax on Dividend In case of Joint Account Holders

i. According to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal member as well as joint-holder(s) based on their shareholding proportions in case of joint accounts.

ii. In this regard all members who hold shares jointly are requested to provide shareholding Proportions of Principal member and Joint-holder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Corporation Name	Folio/CDS Account No.	Total Status	Principal Member		Joint Member(s)	
			Name & CNIC No	Shareholding proportion (No. Shares)	Name & CNIC No	Shareholding Proportion. (No.of Shares)

iii. The required information must be provided to Corporation's Share Registrar within 10 days of this notice; otherwise it will be assumed that the shares are equally held by Principal Member and Joint Holder(s).

iv. As per FBR Circulars C. No.1 (29) WHT/2006 dated 30 June 2010 and C. No.1 (43) DG (WHT) 2008- Vol. 11-664174-R dated 12 May 2015, the valid exemption certificate is mandatory to claim exemption of withholding tax U/S 150 of the Income Tax Ordinance, 2001 (tax on dividend amount) where the statutory exemption under clause 47B of Part-IV of Second Schedule is available. The members who fall in the category mentioned in above clause and want to avail exemption U/S 150 of the Ordinance, must provide valid Tax Exemption Certificate to Corporation's Share Registrar, before book closure otherwise, tax will be deducted on dividend as per applicable rates.

v. The corporate members having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participant, whereas corporate physical members should send a copy of their NTN certificate to Corporation's Share Registrar. The members while sending NTN or NTN certificate, as the case may be, must quote Corporation name and their respective folio numbers.

F. Dividend Mandate

i. The provision of Section 242 of the Companies Act, 2017 (the "Act") provides that any dividend declared by a listed company shall only be paid through electronic mode directly into the bank account designated by the entitled members.

ii. Further SECP through Circular No.18/2017 dated 1st August, 2017 has required the listed companies to approach their members for obtaining electronic dividend mandate. In this connection please refer to the Corporation's announcement previously published in leading news papers. Therefore, all Members are hereby advised once again to provide, if not already provided, details of their bank mandatesat their earliest in the format also available on PNSC website www.pnsc.com.pk

G. Distribution of Annual Report

i) Annual Report has also been e-mailed to those shareholders who have provided their valid e-mail IDs to the Company.

ii) The shareholders who wish to receive hard copy of the Annual Report may send to the Company Secretary / Share Registrar, the Standard Request Form available on the website of the Company www.pnsc.com.pk and the Company will supply hard copies of the Annual Report to the shareholders on demand, free of cost, within one week of such demand.Members, who wish to avail this facility, should send duly filled-in Consent Form along with a copy of CNIC or valid passport (in case of foreign member) to Corporation's Secretary at Registered Office of the Corporation. It will be the responsibility of members to intimate any change in their valid registered email address to the Corporation in timely manner.

H. Unclaimed Dividends & Bonus Shares

i. Members, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, are advised to contact Corporation's Share Registrar, to collect / enquire about their unclaimed dividend or pending shares, if any.

ii. Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three years from the date due and payable shall be deposited to the credit of the Federal Government and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan.

iii. In this regard, a Notice dated July 12, 2021 was sent by TCS on the last known addresses of the members to submit their claims within 90 days to the Corporation. In compliance of Section 244(1)(b)of the Companies Act, 2017 a Notice had also been published on 02nd August 2021 in two daily newspapers i.e. (i)Daily Dawn and (ii) Daily Jang, in English language and Urdu language respectively. The same publication was also posted on PSX website for information of the members.

I. Conversion of Shares from Physical Form to Book-Entry-Form

i. The Securities and Exchange Commission of Pakistan (SECP) has issued a letter No. CSD/ED/Misc./2016-639-640dated March 26, 2021 addressed to all listed companies referring their attention towards the provision of Section 72 of the Companies Act, 2017 (Act) which requires to all the then existing companies to replace shares issued by them in physical form with shares to be issued in the Book-Entry-form within a period not exceeding four years from the date of the promulgation of the Act.

ii. In order to ensure full compliance with the provisions of the aforesaid Section 72 and to be benefitted of the facility of holding shares in the Book-Entry-Form, the members who still hold shares in physical form are requested to convert their shares in the Book-Entry-Form. In compliance of Section 72 of the Companies Act, 2017 a Notice had also been published on 21st June 2021in two daily newspapers i.e. (i)Business Recorder and (ii) Daily Jang, in English languageand Urdu language respectively. The same publication was also posted on PSX website for information of the members.

J. Code of Conduct for Members in General Meeting

i. Pursuant to the provision of Section 215 of Companies Act, 2017(the "Act")

    i. A member of a company shall act in good faith while exercising its powers as a member at the general meetings and shall not conduct themselves in a manner that is considered disruptive to proceedings of the meeting.

    ii. Without prejudice to his rights under this Act, a member of the company shall not exert influence or approach the management directly for decisions which may lead to create hurdle in the smooth functioning of management.

    iii. Any member who fails to conduct in the manner provided in this section and as specified by the Commission shall be guilty of an offence under this section and shall be liable to a penalty not exceeding of level 1 on the standard scale.

In compliance with Section 185 of Companies Act, 2017 Corporation shall not distribute gifts in any form to its members in its meeting.

.

Form of Proxy

I/We ____

of____ (full address)

being a member of Pakistan National Shipping Corporation and holder of______________________ordinary shares

as per Registered Folio No. _______________here by appoint______________________________________

of ____(full address)

or falling him ____

of ____ (full address)

as my/our proxy to vote for me/us and on my/our behalf at the 46th Annual General Meeting of the Corporation to be held on Monday, October 28th, 2024 at 11:00 am and at any adjournment thereof.

Signed by me/us this _____________day of ______________2024.

Please affix Revenue Stamp of Rs. 5

Witnesses:

1. Signature ____________________

   Name: ______________________

   CNIC No: ____________________

   Address: ____________________

   ____

2. Signature ____________________

   Name: ______________________

   CNIC No: ____________________

   Address: ____________________

   ____

____

Signature of Member
(Signature should agree with the specimen signature registered with the corporation)

Important:

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him/her such proxy must be a member of the Corporation.

2. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarially attested copy of power of attorney must be deposited at the Registered Office of the Corporation situated at PNSC Building, Moulvi Tamizuddin Khan Road, P. O. Box No. 5350, Karachi-74000, Pakistan at least 48 hours before the time of the meeting.

3. CDC Shareholders or their Proxies are each requested to attach an attested photocopy of their National Identity Card or Passport with this Proxy Form before submission to the Corporation.

پاکستان نیشنل شپنگ کارپوریشن

چھیالیسواں سالانہ اجلاسِ عام-2024

پراکسی فارم

میں / ہم ________________________________

ساکن ________________________________ (مکمل پتہ)

پاکستان نیشنل شپنگ کارپوریشن کے ممبر کی حیثیت سے ____________ عمومی شیئرز کی تحویل رکھتے ہیں۔

رجسٹرڈ فولیو نمبر ____________ میں / ہم بذریعہ ہذا جناب / محترمہ ________________________________

ساکن ________________________________ (مکمل پتہ)

یا ان کی جگہ جناب / محترمہ ________________________________

ساکن ________________________________ (مکمل پتہ)

کا تقرر کرتا / کرتی ہوں کہ وہ بروز پیر 28 اکتوبر 2024 کو صبح 11:00 بجے یا التوا کی صورت میں کسی بھی دیگر وقت مقررہ پر منعقد ہونے والے کمپنی کے 46 ویں سالانہ اجلاس عام میں میرے / ہمارے پراکسی کی حیثیت سے شرکت کریں اور ووٹ دیں۔

اس پر میری / ہماری طرف سے ____________ 2024 کو دستخط کیے گئے۔

5 روپے کا رسیدی ٹکٹ چسپاں کریں

____

ممبر کا دستخط (یہ دستخط کمپنی کے پاس رجسٹرڈ کردہ نمونہ دستخط کے مطابق ہو)

گواہان:-

1 دستخط ________________________________

نام ________________________________

CNIC نمبر: ________________________________

پتہ: ________________________________

____

2 دستخط ________________________________

نام ________________________________

CNIC نمبر: ________________________________

پتہ: ________________________________

____

اہم نوٹ:

1) اجلاس ہذا میں شرکت کرنے اور ووٹ دینے کا اہل ممبر اپنی جانب سے شرکت اور ووٹ دینے کے لیے کسی دوسرے فرد کو اپنا پراکسی مقرر کر سکتا ہے۔ پراکسی کا کمپنی کا ممبر ہونا لازمی ہے۔

2) پراکسی دستاویز اور پاور آف اٹارنی جس کے تحت اس پراکسی پر دستخط کیے گئے ہوں یا اس پاور آف اٹارنی کی نوٹری سے تصدیق شدہ نقل، اجلاس کے مقررہ وقت سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر بمقام مولوی تمیز الدین خان روڈ، پی او بکس نمبر۔5350، کراچی 74000 میں جمع کروائی جائیں۔

3) CDC شیئرز ہولڈرز یا ان کے پراکسیز اپنے اصل قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقل اس پراکسی فارم کو کمپنی میں جمع کروانے سے قبل ساتھ منسلک کریں۔

Electronic Payment of Cash Dividends

To Date: ____________________

SUBJECT: BANK ACCOUNT DETAILS FOR PAYMENT OF DIVIDEND THROUGH ELECTRONIC MODE

Dear Sir / Madam,

I/We/Messers,____, being a / the shareholder(s) of **Pakistan National Shipping Corporation** (the "Corporation"), hereby, authorize the Corporation, to directly credit cash dividends declared by it, if any, in my/ our bank account as detailed below:

(i) Shareholder's details:	
Name of Shareholder	
CDC Participant ID & Sub-Account No./CDC IAS/Folio No.	
CNIC/NICOP/Passport/NTN No. (please attach copy)	
Contact Number (Landline & Cell Nos.)	
Shareholder's Address	
(ii) Shareholder's Bank Account details:	
Title of Bank Account	
IBAN (See Note 1 below)	
Bank's Name	
Branch Name & Code No.	
Branch Address	

It is stated that the above particulars given by me / us are correct and I/we shall keep the Corporation informed in case of any change(s) in the said particulars in future.

Yours truly,

____

Signature of Shareholder
(Please affix company stamp in case of a corporate entity)

Note:

1. Please provide complete IBAN, after checking with your concerned bank/branch to enable electronic credit directly into your bank account.
2. Incase of shares held in electronic form, this letter must be sent to shareholder's participants/CDC investor Account Services which maintains his/her CDC account for incorporation of bank account details for director credit of cash dividend declared by PNSC from time to time.
3. Incase of shares held in help certificate form, this letter must be sent to the corporation's Share Registrar, CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B',S.M.C.H.S. Main Shahra-e-Faisal, Karachi.

Pakistan National Shipping Corporation

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Fax: (92-21) 99203974, 35636658
Email: communication@pnsc.com.pk
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