

Quarterly Report (Un-Audited)
For the Period ended September 30, 2019
KSB Pumps Company Limited



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Company Information

Board of Directors

Dr. Sven Baumgarten	Chairman
Mohammad Masud Akhtar	Managing Director
Sajid Mahmood Awan	
Dr. Matthias Beth	
Ayesha Aziz	
Hasan Aziz Bilgrami	
Shezada Mazhar	
Jamal Nasim	(Nominee NIT)

Company Secretary

Faisal Aman Khan

Management

Mohammad Masud Akhtar	Chief Executive Officer
Sajid Mahmood Awan	Finance, Administration
Syed Tariq Ali	Operations
Muhammad Imran Malik	Sales & Strategic Marketing
Faisal Aman Khan	Corporate Affairs & IR

Auditors

A.F. Ferguson & Co.	Chartered Accountants
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Legal Advisors

Mandviwala & Zafar

Bankers

Allied Bank Limited
 BankIslami Pakistan Limited
 Bank Alfalah Limited
 Deutsche Bank AG
 Habib Bank Limited
 MCB Bank Limited
 National Bank of Pakistan
 United Bank Limited

Audit Committee

Jamal Nasim	Chairman
Dr. Matthias Beth	Member
Shezada Mazhar	Member

Secretary Audit Committee

Saeed Hussain

HR & R Committee

Shezada Mazhar
Mohammad Masud Akhtar
Hasan Aziz Bilgrami

Chairman
Member
Member

Secretary HR & R Committee

Shahzad Saleem

Registered Office

16/2 Sir Aga Khan Road, Lahore - 54000.
Ph: (042) 36304173, 36370969
Fax: (042) 36368878, 36366192
Email: info@ksb.com.pk

Works

Hazara Road, Hassanabdal
Ph: (057) 2520236
Fax: (057) 2520237
Email: info@ksb.com.pk

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99-B, Block B, SMCHS
Shahra-e-Faisal, Karachi-74000
Tel: (021) 111-111-500
Fax: (021) 34326053

Sales Offices

Lahore

16/2 Sir Aga Khan Road Lahore.
Ph: (042) 111 572 786, 36304173
Fax: (042) 36366192, 36368878
Email: info@ksb.com.pk

Multan

Golden Heights, Nusrat Road, Multan.
Ph: (061) 111 572 786
Fax: (061) 4541784
Email: ksbumul@ksb.com.pk

Rawalpindi

309, A3 Peshawar Road, Westridge 1,
Opp. Valley Clinic, Rawalpindi.
Ph: (051) 111 572 786
Fax: (051) 5472612
Email: ksbrwp@ksb.com.pk

Karachi

307 & 308, 3rd Floor Parsa Tower, Block 6,
PECHS Shahrah-e-Faisal, Karachi
Ph: (021) 111 572 786 Fax: (021) 34388302
Email: ksbkhi@ksb.com.pk

Peshawar

3rd Floor, Mall Tower, 35 The Mall, Peshawar
Cell: 0300-5895289 Ph: 091-5285679
Fax: 091-5278919
Email: franchise.kpk@ksb.com.pk

KSB Partners

Sr.	Channel	City	Location	Status	Province	Partners	Contact#	Office Landline	Fax	Email
1	Dominar Engineers	Lahore	65-A Ferozpur Road, Link Samanabad Road, near LOS	KSB Partners	Punjab	Hammad Malik/ Syed Mehdi	0302-87444498	042-37500078	042-37500078	hammad.malik@de.com.pk
2	Industrial Development & Engineering Associates	Karachi	20-C Mezzanine Floor, Indus Center, 14th Com st. PH-II, DHA	KSB Partners	Sindh	Saquib Khawaja	0300-8203077	021-353904812	021-35390483	saquib@idea.com.pk
3	Wali Muhammad & Co.	Quetta	Zonkiram Road near millennium Mall	KSB Partners	Balochistan	Wali Muhammad	0300-8387668	081-2829635	081-2829635	gulistanmachinery@yahoo.com
4	Pak Atlantis Pumps	Peshawar	3rd floor, Mall Tower, 35- The Mall, Peshawar Cantt	KSB Partners	KPK	Atif Javed	0300-5385050/ 0345-5555939	091-5285679	091-5278919	pakatlantis@gmail.com
5	B&I Engineering	Lahore	Office # 23, 1st Floor Al-Latif Centre, Main Boulevard, Gulberg	KSB Partners	Punjab	Imran Yousaf Arbab Bilal	0300-4056939	042-32801273	-	imran@biengr.com
6	Modern Technology & Traders	Karachi	4th Floor, Building # 11-C/2, Lane-11 Bukhari Commercial DHA Phase-6, Karachi	KSB Partners	Sindh	Abdul Qayyum	0333-7299905 0311-1000953	021-35156121-4	021-35156125	qayoomshaikh3@gmail.com

Directors' Review

I am pleased to present the financial statements of KSB Pumps Company Limited for the period ended September 30, 2019.

Economic outlook of Pakistan remains subdued with GDP growth forecast of 2.4% mainly due to fiscal consolidation and monetary tightening measures taken by the Government. Inflation has exceeded 11% with 13% estimate for the year mainly based on planned increase in energy tariff and taxes. After highly volatile movement, rupee is now following stable trend. The central bank has kept policy rate unchanged at 13.25%. Exports volume has increased while growth in dollar terms could not be achieved due to falling product prices. Foreign direct investment should improve with implementation of IMF programme although outcome remains very slow so far. Overall law & order and security situation remained under control, however, rising political unrest combined with FATF review, current geo political situation and tensions with neighbouring country pose further threats to slow moving economy.

Amid challenges on external front, KSB Pakistan has achieved PKR 2.76 billion turnover with profit after tax of PKR 54.3 million and earnings per share of PKR 4.11.

Looking forward, business from public sector is expected to remain slow due to drastic cut in development activities and no release of funds since April 2018. Due to overall slowdown, gradual decline in activity is foreseen in corporate sector as well. Automotive industry is facing crisis which has significantly affected KSB Pakistan's order intake from Auto sector. Order intake from international market remained positive having partial offsetting impact. KSB Pakistan expects to achieve positive financial results for the year 2019, however, due to currently prevailing slump in the business market, achievement of targets appears to be a challenge.

KSB Pakistan has won 11th Environment Excellence Award in recognition of our contribution towards sustainable development of environment friendly policies.

I appreciate the efforts of our committed team to cope with the economic challenges faced by the company.



Mohammad Masud Akhtar
MD / Chief Executive Officer

October 30, 2019
Lahore, Pakistan

Condensed Interim Statement of Financial Position (Un-audited)

As at September 30, 2019

	Note	September 30, 2019 (Un-audited) (Rupees in thousands)	December 31, 2018 (Audited) (Rupees in thousands)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
15,000,000 (2018: 15,000,000) ordinary shares of Rs 10 each		150,000	150,000
Issued, subscribed and paid up capital		132,000	132,000
General Reserves		1,729,600	1,580,600
Unappropriated profit		54,647	188,953
		1,916,247	1,901,553
NON CURRENT LIABILITIES			
Long term finances - secured	5	156,250	250,000
Employees' retirement and other benefits		99,373	100,853
Deferred taxation		81,800	82,930
		337,423	433,783
CURRENT LIABILITIES			
Current portion of long term finances - secured		125,000	125,000
Short term finances - secured	6	1,115,718	841,760
Trade and other payables	7	1,490,067	1,708,075
Contract Liability		955	20,164
Unclaimed dividend		11,548	8,957
Due to provident fund		5,143	4,168
Provisions for other liabilities and charges		49,761	78,210
		2,798,192	2,786,334
CONTINGENCIES AND COMMITMENTS			
	8	5,051,862	5,121,670

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.



Chief Executive



Chief Financial Officer



Director

	Note	September 30, 2019 (Un-audited) (Rupees in thousands)	December 31, 2018 (Audited) (Rupees in thousands)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9	1,183,061	1,237,973
Investment property		-	160
Intangible assets		1,496	2,452
Capital work in progress		28,977	29,212
Long term loans and deposits		70,740	74,313
		1,284,274	1,344,110
CURRENT ASSETS			
Stores, spares and loose tools		79,653	112,574
Stock in trade		873,418	955,486
Trade debts	10	1,318,808	1,319,210
Contract Asset		862,845	668,490
Advances, deposits, prepayments and other receivables		579,778	550,358
Cash and bank balances		53,086	171,442
		3,767,588	3,777,560
		5,051,862	5,121,670


Chief Executive


Chief Financial Officer


Director

Condensed Interim Statement of Profit or Loss and Other Comprehensive Income (Un-audited)

For the period ended September 30, 2019

	Note	July to September		January to September	
		2019	2018 (Rupees in thousands)	2019	2018
Sales		900,217	1,116,096	2,757,228	3,753,391
Cost of sales	11	(731,420)	(1,026,742)	(2,236,911)	(3,171,593)
Gross profit		168,797	89,354	520,317	581,798
Distribution and marketing expenses		(69,051)	(70,347)	(232,789)	(220,886)
Administration expenses		(51,682)	(62,488)	(167,907)	(192,820)
Other operating expenses		(905)	7,859	(5,339)	(11,526)
Other operating income		10,762	7,970	76,269	25,725
Profit / (Loss) from operations		57,921	(27,652)	190,551	182,291
Finance cost		(48,469)	(14,477)	(121,951)	(23,442)
Profit / (Loss) before taxation		9,452	(42,129)	68,600	158,849
Taxation		(3,175)	-	(14,306)	(30,358)
Profit / (Loss) for the period		6,277	(42,129)	54,294	128,491
Other comprehensive income/ (loss):					
Items not to be reclassified to profit or loss in subsequent periods:					
Remeasurement of defined benefit plans - net of tax		-	-	-	-
Total comprehensive income for the year		6,277	(42,129)	54,294	128,491
Earnings / (Loss) per share - basic & diluted Rupees		0.48	(3.19)	4.11	9.73

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.


Chief Executive


Chief Financial Officer


Director

Condensed Interim Statement of Changes in Equity (Un-audited)

For the period ended September 30, 2019

	Share capital	General reserve	Unappropriated profit	Total
	(Rupees in thousands)			
Balance as at January 1, 2018	132,000	1,348,600	390,769	1,871,369
Final dividend for the year ended December 31, 2017 Rs 12.02 per share	-	-	(158,664)	(158,664)
Transfer to general reserve	-	232,000	(232,000)	
Total comprehensive income/(loss) for the period	-	-	128,491	128,491
Balance as at September 30, 2018	132,000	1,580,600	128,596	1,841,196
Total comprehensive income/(loss) for the period	-	-	60,357	60,357
Balance as at December 31, 2018	132,000	1,580,600	188,953	1,901,553
Final dividend for the year ended December 31, 2018 Rs 3.00 per share	-	-	(39,600)	(39,600)
Transfer to general reserve	-	149,000	(149,000)	-
Total comprehensive income / (Loss) for the period	-	-	54,294	54,294
Balance as at September 30, 2019	132,000	1,729,600	54,647	1,916,247

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.


Chief Executive


Chief Financial Officer


Director

Condensed Interim Cash Flow Statement (Un-audited)

For the period ended September 30, 2019

	Note	January to September	
		2019 (Rupees in thousands)	2018
Cash flows from operating activities			
Cash generated from operations	12	20,807	(607,357)
Finance costs paid		(105,920)	26,397
Taxes paid		(93,738)	(129,807)
Employees' retirement and other benefits paid		(26,677)	(16,571)
Net (increase) / decrease in long term loans and deposits		3,573	(59,459)
Net cash (used in)/from operating activities		(201,955)	(786,797)
Cash flows from investing activities			
Fixed capital expenditure		(69,139)	(128,257)
Proceeds from sale of property, plant and equipment		9,539	35
Net cash used in investing activities		(59,600)	(128,222)
Cash flows from Financing activities			
Long term loan-secured		(93,750)	873
Dividend paid		(37,009)	(54,256)
Net cash used in financing activities		(130,759)	(53,383)
Net (decrease)/increase in cash and cash equivalents		(392,314)	(968,402)
Cash and cash equivalents at the beginning of the period		(670,318)	296,643
Cash and cash equivalents at the end of the period	13	(1,062,632)	(671,759)

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.


Chief Executive


Chief Financial Officer


Director

Notes to and Forming Part of the Condensed Interim Financial Information

For the period ended September 30, 2019 (Un-audited)

1. LEGAL STATUS AND NATURE OF BUSINESS

KSB Pumps Company Limited (a KSB group company) 'the Company' was incorporated in Pakistan on July 18, 1959 under the Companies Act, 1913 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange Limited. The Company is a subsidiary of KSB SE & Co. KGaA and principally engaged in the manufacture and sale of industrial pumps, valves, castings and related parts and after market services. The registered office of the Company is situated at KSB Building, 16/2 Sir Agha Khan road, Lahore. The factory of the Company is situated at Hazara Road, Hassanabdal. The Company also has regional offices located in Lahore, Rawalpindi, Karachi, Multan and Peshawar.

2. BASIS OF PREPARATION

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

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

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

This condensed interim financial information is un-audited and is being submitted to the members of the Company as required by Section 237 of the Companies Act, 2017 (the "Act").

The condensed interim financial information does not include all the information required for annual financial statements including financial risk management information and therefore should be read in conjunction with the annual financial statements for the year ended December 31, 2018.

2.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Standards, amendments and interpretations to published standards effective in current period

Certain standards, amendments and interpretations to approved accounting standards are effective for the annual period beginning on or after January 01, 2019 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial information, except for the following:

IFRS 16 'Leases' was effective for the annual periods beginning on or after January 1, 2019. IFRS 16 'Leases' has replaced IAS 17. The new standard requires lessees to recognize nearly all leases on the balance sheet which will reflect their right to use an asset for a period of time and the associated liability for payments. IFRS 16 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. Under IFRS 16 lessees may elect not to recognize assets and liabilities for leases with a lease term of 12 months or less. In such cases a lessee recognizes the lease payments in profit or loss on a straight-line basis over the lease term. The exemption is required to be applied by class of underlying assets. The impact of the IFRS-16 has been mentioned in Note 3.

2.2.2 Standards, amendments and interpretations to existing standards not yet effective and not applicable/ relevant to the Company

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2020 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements.

2.3 Summary of significant events and transactions

The Company's financial position and performance was particularly affected by the following events and transactions during the interim reporting period:

- The export sales of the Company has increased by Rs 297.066 million during the period ended Sep 30, 2019 on account of sales made to the related parties.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended December 31, 2018 except for the application of IFRS 16 'Leases'. However, there has been no effect of the change in accounting policy on the current and prior period financial statements. Since as all the lease agreements are short term in nature and as mentioned above, lessees may elect not to recognize right to use assets and lease liabilities for leases with a lease term of 12 months or less. In such cases a lessee recognizes the lease payments in profit or loss on a straight-line basis over the lease term therefore there will be no change in application of accounting treatment during the period. Hence, the Company has utilized the practical expedient for certain leases since, the lease term ends within 12 months from the date of initial application as mentioned in the standard.

Furthermore, the basis of significant estimates are same as those that were applied to the financial statements for the year ended December 31, 2018."

4. TAXATION

Income tax expense is recognised based on management's best estimate of the weighted average income tax rate for the full financial year.

5. LONG TERM FINANCES - SECURED

Long term finances - secured
Current portion of long term finances - secured

September 30, 2019 (Un-audited) (Rupees in thousands)	December 31, 2018 (Audited)
156,250	250,000
125,000	125,000
<u>281,250</u>	<u>375,000</u>

During the year 2016, Diminishing Musharika with a limit of Rs 500.00 million was obtained from BankIslami for the purpose of expansion of foundry which has been completely utilized in June 30, 2018 (December 31, 2018: Rs 500.00 million). The finance is secured by way of exclusive charge over specific plant and machinery (Diminishing Musharika assets) of the Company amounting to Rs 500.00 million. This carries mark-up at the rate of three month KIBOR plus 0.10% per annum payable quarterly. Effective rate of interest ranged from 9.49% to 14.02% during the period (September 30: 2018: 6.17% to 6.51%). As at September 30, 2019, the Company has repaid an amount of Rs 218.75 million (December 31, 2018: Rs 125 million).

6. SHORT TERM FINANCES - SECURED

Finances available from commercial banks under mark up arrangements amount to Rs 3,370 million (2018: Rs 2,754 million). The rates of mark up range from Re 0.082 to Re 0.405 per Rs 1,000 per diem (2018: Re 0.082 to Re 0.312 per Rs 1,000 per diem) or part thereof on the balance outstanding.

The facilities are secured by way of first pari passu charge over all present and future current assets of the Company.

7. TRADE AND OTHER PAYABLES

Trade creditors include amount due to holding company of Rs 141.75 million (December 2018: Rs 181.13 million) and associated undertakings of Rs 46.96 million (December 2018: Rs. 38.75 million). Further, it includes contract liability amounting to Rs. 395.64 million pertaining to advance received from customers relating to products.

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There is no significant change in contingencies since the date of preceding published annual financial statements, except that the Company has obtained bank guarantees of Rs. 918.82 million (December 2018: Rs 1,116.99 million) against the performance of various contracts.

8.2 Commitments in respect of

The Company has commitment in respect of letter of credits other than for capital expenditure approximately Rs. 180.06 million (December 2018: Rs. 135.54 million).

	Note	September 30, 2019 (Un-audited) (Rupees in thousands)	December 31, 2018 (Audited)
9. PROPERTY, PLANT AND EQUIPMENT			
Opening net book value		1,237,973	484,057
Additions during the period	- note 9.1	69,374	888,686
Deletions during the period		(7,475)	(9,654)
		<u>1,299,872</u>	<u>1,363,089</u>
Depreciation charged during the period		(116,811)	(125,116)
		<u>1,183,061</u>	<u>1,237,973</u>
9.1 Additions during the period			
Buildings on freehold land		16,547	123,532
Plant and machinery		39,044	627,935
Tools, jigs and attachments		2,153	395
Patterns		137	9,162
Other equipments		8,101	77,351
Furniture and fixtures		1,857	399
Office machine & appliances		-	14,168
Vehicles		1,535	35,744
		<u>69,374</u>	<u>888,686</u>

	Note	September 30, 2019 (Un-audited) (Rupees in thousands)	December 31, 2018 (Audited) (Rupees in thousands)
10. TRADE DEBTS			
Trade debts		1,452,660	1,439,138
Less: Provision for doubtful debts		(133,852)	(119,928)
		<u>1,318,808</u>	<u>1,319,210</u>

	Note	July to September		January to September	
		2019	2018 (Rupees in thousands)	2019	2018
11. COST OF GOODS SOLD					
Raw material consumed		375,207	604,158	1,154,851	2,006,316
Salaries, wages, amenities and staff welfare		73,566	85,911	227,488	261,352
Staff training		-	125	340	327
Electricity and power		34,636	42,149	103,983	101,022
Stores and spares consumed		75,201	95,047	187,303	221,137
Insurance		1,622	1,545	4,928	4,531
Travelling and conveyance		10,305	14,132	33,437	45,256
Postage and telephone		2,458	2,705	7,490	8,114
Printing and stationery		339	(958)	1,122	2,788
Rent, rates and taxes		1,207	1,766	3,081	5,737
Repairs and maintenance		4,335	10,756	10,676	27,083
Legal and professional charges		-	2,131	608	6,732
SAP user license fee and other IT services		8,918	6,205	25,809	14,819
Packing expenses		5,859	9,699	22,448	31,017
Outside services		89,067	85,814	270,561	336,380
Depreciation on property, plant and equipment		35,735	34,826	106,069	73,558
Provision for obsolete stores and stocks		1,500	1,500	4,500	4,500
Royalty & trademark		6,047	4,780	16,944	16,198
Other expenses		1,255	1,513	7,154	10,327
		<u>727,257</u>	<u>1,003,804</u>	<u>2,188,792</u>	<u>3,177,194</u>
Opening work-in-process		372,080	449,350	399,059	465,442
Less: Closing work-in-process		359,924	440,209	359,924	440,209
(Increase)/ decrease in work in process		12,156	9,141	39,135	25,233
Cost of goods manufactured		<u>670,172</u>	<u>1,119,581</u>	<u>1,488,514</u>	<u>2,189,482</u>
Opening stock of finished goods		57,149	125,167	74,126	80,536
Less: Closing stock of finished goods		65,142	111,370	65,142	111,370
Increase in finished goods		<u>(7,993)</u>	<u>13,797</u>	<u>8,984</u>	<u>(30,834)</u>
		<u>731,420</u>	<u>1,026,742</u>	<u>2,236,911</u>	<u>3,171,593</u>

12. CASH GENERATED FROM OPERATIONS	Note	September 30, 2019 (Un-audited) (Rupees in thousands)	December 31, 2018 (Audited)
Profit before taxation		68,600	158,849
Adjustment of non-cash items:			
Depreciation on property, plant and equipment		116,811	86,041
Depreciation on Investment property		160	160
Depreciation on Intangible assets		956	758
Profit on sale of property, plant and equipment		(2,064)	(35)
Employees' retirement and other benefits		25,197	19,305
Provision for doubtful debts & receivables		14,546	(2,875)
Stock-in-trade written off		4,500	4,500
Finance cost		121,951	(23,442)
Exchange (gain)/loss		(41,267)	(4,662)
Profit before working capital changes		309,390	238,599
Effect of cash flow due to working capital changes			
(Increase)/decrease in current assets:			
Stores, spares and loose tools		32,921	(29,528)
Stock-in-trade		77,568	(97,887)
Trade debts		42,923	(255,649)
Contract asset		(193,605)	(171,716)
Advances, deposits, prepayments and other receivables		47,488	(40,269)
Increase/(decrease) in current liabilities:			
Trade and other payables		(249,195)	(192,167)
Contract liability		(19,209)	(43,164)
Due to provident fund		975	1,020
Provisions for other liabilities and charges		(28,449)	(16,596)
		(288,583)	(845,956)
		20,807	(607,357)
13. CASH AND CASH EQUIVALENTS			
Cash and bank balances		53,086	38,759
Short term running finances - secured		(1,115,718)	(710,518)
		(1,062,632)	(671,759)

	September 30, 2019 (Rupees in thousands)	September 31, 2018
14. TRANSACTIONS WITH RELATED PARTIES		
Purchase of goods and services	302,509	591,072
Sale of goods and services	534,606	230,645
Commission income	12,032	7,993
Commission expense	35,981	24,000
Royalty & Trademark	16,944	16,198
Expense charged in respect of retirement and other benefits	43,401	38,458
Key management personnel & executives compensation	182,055	193,620

	September 30, 2019 (Un-audited) (Rupees in thousands)	December 31, 2018 (Audited)
Period-end balances		
Receivable from related parties	344,520	275,239
Payable to related parties	188,713	260,940

15. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on October 30, 2019 by the Board of Directors of the company.


Chief Executive


Chief Financial Officer


Director

مجلس نظماء کی جائزہ رپورٹ

میں 30 ستمبر 2019ء کو ختم ہونے والی مدت کے لئے KSB پیپس کمپنی لمیٹڈ کے مالیاتی کھاتے پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔

پاکستان کی جی ڈی پی کی شرح نمو 2.4 فیصد رہنے کی پیش گوئی کی گئی ہے، اس کی بنیادی وجہ حکومت کی طرف سے مالی استحکام اور سخت معاشی اقدامات ہیں۔ بنیادی طور پر بجلی کے نرخوں اور ٹیکسوں میں منصوبہ بند اضافہ پر مبنی اس سال کے لئے 13 فیصد تخمینے کے ساتھ افراط زر کی شرح 11 فیصد سے تجاوز کر گئی ہے۔ انتہائی اتار چڑھاؤ کے بعد، روپیہ کی قدر اب مستحکم ہو رہی ہے۔ مرکزی بینک نے پالیسی کی شرح 13.25 فیصد میں کوئی تبدیلی نہیں کی۔ برآمدات کا حجم بڑھ گیا ہے جبکہ مصنوعات کی قیمتوں میں کمی کی وجہ سے ڈالر کی قیمت میں اضافہ کا فائدہ حاصل نہیں ہو سکا۔ آئی ایم ایف پروگرام کے نفاذ کے ساتھ براہ راست غیر ملکی سرمایہ کاری میں بہتری آئی چاہئے جبکہ اس کے نتائج اب تک بہت سست ہیں۔ مجموعی طور پر امن و امان اور سیکورٹی کی صورتحال قابو میں رہی، تاہم، بڑھتی ہوئی سیاسی بد امنی، ایف اے ٹی ایف کے جائزہ، موجودہ جغرافیائی سیاسی صورتحال اور پڑوسی ملک کے ساتھ تناؤ کے نتیجے میں معیشت کی رفتار کو سست کرنے کے لئے مزید خطرات پیدا کر دیئے ہیں۔

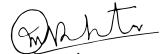
بیرونی محاذ پر چیلنجوں کے مابین KSB پاکستان میں 2.76 بلین روپے کی سیلز پر بعد از ٹیکس منافع 54.3 بلین روپے اور 4.11 روپے فی حصص کی آمدنی حاصل کی ہے۔

آگے بڑھتے ہوئے، ترقیاتی سرگرمیوں میں شدید کمی اور اپریل 2018 سے فنڈز جاری نہ ہونے کی وجہ سے پبلک سیکٹر سے کاروبار میں سست روی متوقع ہے۔ مجموعی سست روی کے باعث، کارپوریٹ سیکٹر میں بھی بتدریج کمی کی سرگرمی دیکھی گئی ہے۔ آٹوموٹو انڈسٹری، بحران کا شکار ہے جس نے KSB پاکستان کے آٹوموٹو سیکٹر سے آرڈر اینٹیک کو نمایاں طور پر متاثر کیا ہے۔ بین الاقوامی منڈی سے آرڈر کی مقدار مثبت رہی جس کا جزوی آفسیٹنگ اثر پڑا۔ KSB پاکستان کو سال 2019 کے لئے مثبت مالی نتائج حاصل ہونے کی امید ہے، تاہم، کاروباری مارکیٹ میں موجودہ مندی کے سبب، اہداف کا حصول ایک چیلنج ہے۔

ماحول دوست پالیسیوں کی پائیدار ترقی میں ہماری شراکت کے اعتراف میں KSB پاکستان نے 11 واں ماحولیاتی ایکسلینس ایوارڈ جیتا ہے۔

میں کمپنی کو درپیش اقتصادی مشکلات سے نمٹنے کے لئے اپنی سرشار ٹیم کی سخت محنت اور کوششوں کو سراہتا ہوں۔

منجانب بورڈ



محمد مسعود اختر

مینجنگ ڈائریکٹر / چیف ایگزیکٹو آفیسر

30 اکتوبر 2019ء

لاہور، پاکستان



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