

## Half Yearly Report (Un-Audited)

For the Period ended June 30, 2017

KSB Pumps Company Limited



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## Company Information

### Board of Directors

Tonjes Cerovsky  
Mohammad Masud Akhtar  
Sajid Mahmood Awan  
Dr. Matthias Beth  
Rahat Kaunain Hassan  
Hasan Aziz Bilgrami  
Syed Hyder Ali  
Jamal Nasim

Chairman  
Managing Director

(Nominee NIT)

### Company Secretary

Sajid Mahmood Awan

### Management

Mohammad Masud Akhtar  
Sajid Mahmood Awan  
Syed Tariq Ali  
Muhammad Imran Malik  
Mamoon Riaz

Chief Executive Officer  
Finance, Administration & Corporate Affairs  
Operations  
Sales & Strategic Marketing  
Projects

### Auditors

A.F. Ferguson & Co.

Chartered Accountants

### 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  
NIB Bank Limited  
United Bank Limited

### Audit Committee

Jamal Nasim  
Hasan Aziz Bilgrami  
Dr. Matthias Beth  
Syed Hyder Ali  
Rahat Kaunain Hassan

Chairman  
Member  
Member  
Member  
Member

### Secretary Audit Committee

Saeed Hussain

### HR & R Committee

Rahat Kaunain Hassan  
Syed Hyder Ali  
Mohammad Masud Akhtar

Chairperson  
Member  
Member

### 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

Central Depository Company of Pakistan 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: ksbsmul@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: ksbbkhi@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	0302-8744449/8	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	Saqib Khawaja	0300-8203077	021-35390481/2	021-35390483	saqib@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	Arbab Bilal Ahmad/ Atif Javed	0308-5053175/ 0345-5555939	091-5285679	091-5278919	pakatlantis@gmail.com
5	Pak Atlantis Pumps	Rawalpindi	309, A3 Peshawar Road, Westridge 1, Opp. Valley Clinic, Rawalpindi	KSB Partners	Punjab	Arbab Bilal Ahmad/ Atif Javed	0345-5555939	051-5491413	051-5491237	pakatlantis@gmail.com
6	Modern Technology & Traders	Karachi	Plot No. 36C, 3rd & 4th Floor, Lane 11, Bukhari Commercial Phase-6 DHA, Karachi	KSB Partners	Sindh	Farhan Hasan / Mansoor Iqbal	0321-2038202/ 0333-7299905	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 half year ended June 30, 2017.

Pakistan economy has achieved the highest in 10 years GDP growth of 5.3% in FY2017. Although inflation has shown slightly upward trend during the year, overall CPI inflation remained 3.9 percent. Agriculture sector has recovered after negative growth in FY2016. Large scale manufacturing and services sectors remained other major sectors contributing to the high growth. Energy situation has improved and various energy projects are in progress, completion of which is expected in coming years. CPEC related activity is underway at satisfactory pace. Except few incidents, overall law & order and security situation remain under control. World economic outlook is optimistic for years 2017 and 2018 which would also have favourable impact on trade activities of Pakistan. Although stable outlook is foreseen for Pakistan economy, however, recent developments on political front may slow down overall performance.

The half year 2017 remained positive for KSB Pakistan. The company has shown remarkable performance in all business areas. Order Intake has shown significant growth of 37% over corresponding period of the last year. Sales figures remained almost at same level of last year with a minor decrease of 4% due to major project SAAF PAANI executed in the last year. However, the company has earned better return on sales, 9.8% as compared to 9.4% in the last year. Earnings per share have increased to PKR 13.26 as compared to 12.59 for the half year ended June 30, 2016.

During the 1st half year, water/waste water sector has been the key contribution to the order intake. Industry, Energy and Building also performed well. Provided that political conditions remain normal, further opportunities especially in industry segment are in pipeline and expected to realize in 2nd half of the year. Revenue and profitability projections remain affirmative for the year 2017.

Foundry project, under consistent monitoring, is in progress as planned. The Upgraded state-of-the-art foundry shall commence production in year 2018 giving enhanced productivity, improved quality and work efficiency.

I would like to acknowledge the hard work and commitment of the entire KSB team on successful closure of the 1st half of the year 2017 and hope for the accomplishment of overall business targets for the year 2017.



**Mohammad Masud Akhtar**  
Managing Director

August 23, 2017  
Lahore, Pakistan

## Auditors' Report to the Members on Review of Condensed Interim Financial Information

### Introduction

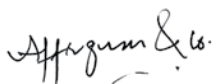
We have reviewed the accompanying condensed interim balance sheet of KSB Pumps Company Limited as at June 30, 2017 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity for the half year then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended June 30, 2017 and 2016 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2017.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we could become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the half year ended June 30, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



Chartered Accountants

Name of engagement partner: Hammad Ali Ahmad  
Lahore, August 23, 2017

## Condensed Interim Balance Sheet (Un-audited)

As at June 30, 2017

	Note	June 30, 2017 (Rupees in thousand)	December 31, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorised capital</b>			
15,000,000 (2016: 15,000,000) ordinary shares of Rs 10 each		150,000	150,000
<b>Issued, subscribed and paid up capital</b>			
13,200,000 (2016: 13,200,000) ordinary shares of Rs 10 each		132,000	132,000
General reserve		1,348,600	1,085,600
Unappropriated profit/(Loss)		175,492	375,617
		1,656,092	1,593,217
<b>NON CURRENT LIABILITIES</b>			
Long term finances - secured	5	174,149	42,689
Employees' retirement and other benefits		71,039	67,011
Deferred taxation		26,626	28,003
		271,814	137,703
<b>CURRENT LIABILITIES</b>			
Short term finances - secured		152,045	150,059
Trade and other payables	6	2,322,679	1,681,134
Provisions for other liabilities and charges		35,572	69,528
Accrued finance cost		4,370	3,010
		2,514,666	1,903,731
<b>CONTINGENCIES AND COMMITMENTS</b>			
	7		
		4,442,572	3,634,651

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

	Note	June 30, 2017 (Rupees in thousand)	December 31, 2016 (Rupees in thousand)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	435,686	403,730
Investment property		480	586
Intangible assets		457	663
Capital work-in-progress		220,733	81,695
Long-term loans and deposits		20,280	16,509
		677,636	503,183
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		76,536	65,326
Stock-in-trade		950,114	821,106
Trade debts	9	1,669,571	1,557,229
Advances, deposits, prepayments and other receivables		439,646	428,476
Cash and bank balances		629,069	259,331
		3,764,936	3,131,468
		<u>4,442,572</u>	<u>3,634,651</u>

  
Chairman

  
Chief Executive



## Condensed Interim Profit and Loss Account (Un-audited)

For the half year ended June 30, 2017

	Note	Quarter ended		Half year ended	
		June 30, 2017	June 30, 2016 (Rupees in thousand)	June 30, 2017	June 30, 2016
Sales		1,345,164	1,226,659	2,458,290	2,555,054
Cost of sales	10	(1,036,758)	(943,813)	(1,912,257)	(2,026,236)
<b>Gross profit</b>		<b>308,406</b>	<b>282,846</b>	<b>546,033</b>	<b>528,818</b>
Distribution and marketing expenses		(86,739)	(95,823)	(165,975)	(167,730)
Administrative expenses		(58,488)	(53,276)	(114,513)	(108,314)
Other operating expenses		(16,599)	(13,936)	(35,197)	(22,195)
Other operating income		7,866	25,321	22,319	29,652
<b>Profit/(Loss) from operations</b>		<b>154,446</b>	<b>145,132</b>	<b>252,667</b>	<b>260,231</b>
Finance costs		(5,791)	(8,900)	(10,278)	(20,269)
<b>Profit/(Loss) before taxation</b>		<b>148,655</b>	<b>136,232</b>	<b>242,389</b>	<b>239,962</b>
Taxation	4	(43,268)	(54,109)	(67,314)	(73,712)
<b>Profit/(Loss) for the period</b>		<b>105,387</b>	<b>82,123</b>	<b>175,075</b>	<b>166,250</b>
Earnings per share - basic & diluted Rupees		7.98	6.22	13.26	12.59

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

  
Chairman

  
Chief Executive

## Condensed Interim Statement of Comprehensive Income (Un-audited)

For the half year ended June 30, 2017

	Quarter ended		Half year ended	
	June 30, 2017	June 30, 2016 (Rupees in thousand)	June 30, 2017	June 30, 2016
Profit / (Loss) after taxation	105,387	82,123	175,075	166,250
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>105,387</b>	<b>82,123</b>	<b>175,075</b>	<b>166,250</b>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

  
Chairman

  
Chief Executive

## Condensed Interim Cash Flow Statement (Un-audited)

For the half year ended June 30, 2017

	Note	Half year ended	
		June 30, 2017 (Rupees in thousand)	June 30 2016
<b>Cash flows from operating activities</b>			
Cash generated/(used) from operations	12	602,817	529,498
Finance costs paid		(8,918)	(20,064)
Taxes paid		(38,137)	(27,589)
Employees' retirement and other benefits paid		(1,514)	(12,840)
Net (increase) / decrease in long term loans and deposits		(3,772)	(1,048)
<b>Net cash (used in)/from operating activities</b>		<b>550,476</b>	<b>467,957</b>
<b>Cash flows from investing activities</b>			
Fixed capital expenditure		(210,032)	(28,640)
Proceeds from sale of property, plant and equipment		3,454	2,549
<b>Net cash used in investing activities</b>		<b>(206,578)</b>	<b>(26,091)</b>
<b>Cash flows from Financing activities</b>			
Long term loan-secured		131,460	-
Dividend paid		(107,606)	(91,595)
<b>Net cash used in financing activities</b>		<b>23,854</b>	<b>(91,595)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>367,752</b>	<b>350,271</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>109,272</b>	<b>(198,868)</b>
<b>Cash and cash equivalents at the end of the period</b>	13	<b>477,024</b>	<b>151,403</b>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

  
Chairman

  
Chief Executive

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

For the half year ended June 30, 2017

	Share capital	General reserves	Unappropriated profit	Total
	(Rupees in thousand)			
Balance as at January 1, 2016	132,000	903,000	275,250	1,310,250
Final dividend for the year ended December 31, 2015 Rs 7 per share	-	-	(92,400)	(92,400)
Transfer to general reserve	-	182,600	(182,600)	-
Total comprehensive income/(loss) for the period	-	-	166,250	166,250
Balance as at June 30, 2016 (unaudited)	132,000	1,085,600	166,500	1,384,100
Total comprehensive income/(loss) for the period	-	-	209,117	209,117
Balance as at December 31, 2016 (audited)	132,000	1,085,600	375,617	1,593,217
Final dividend for the year ended December 31, 2016 Rs 8.5 per share	-	-	(112,200)	(112,200)
Transfer to general reserve	-	263,000	(263,000)	-
Total comprehensive income / (Loss) for the period	-	-	175,075	175,075
Balance as at June 30, 2017 (unaudited)	132,000	1,348,600	175,492	1,656,092

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

  
Chairman

  
Chief Executive

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

For the half year ended June 30, 2017 (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 the Companies Ordinance, 1984) and is listed on the Pakistan Stock Exchange Limited (formerly, Karachi and Lahore Stock Exchanges). The Company is a subsidiary of KSB Aktiengesellschaft and principally engaged in the manufacture and sale of industrial pumps, valves, castings and related parts. The registered office of the Company is situated at KSB Building, Sir Agha Khan road, Lahore.

### 2. Basis of preparation

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan. The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the Securities and Exchange Commission of Pakistan (SECP) vide Circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 and further clarified through its press release dated July 20, 2017, companies whose financial year, including quarterly and other interim period, closes on or before June 30, 2017, shall prepare financial statements in accordance with the provisions of Companies Ordinance, 1984. Accordingly this condensed interim financial information is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984 and is being submitted to the shareholders in accordance with Section 245 of Companies Ordinance, 1984. In case where the requirements differ, the provisions of or directives issued by Companies Ordinance, 1984 have been followed. The figures for the half year ended June 30, 2017 have been subjected to limited scope review as required by above-mentioned section of the Companies Ordinance, 1984. This condensed interim financial information does not include all information required for annual financial statements and therefore should be read in conjunction with the annual financial statements for the year ended December 31, 2016.

### 3. Accounting Policies

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the company for the year ended December 31, 2016 except as described below:

#### 3.1 Standards, amendments to published standards and interpretations effective in current year

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, 2017 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.

#### 3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

IFRS 15 'Revenue from contracts with customers' is effective from accounting periods beginning on or after January 1, 2018. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognized when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

The following amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after their respective effective dates but the Company has not early adopted them. They are not expected to have a material impact on Company's financial statements.

Standards or interpretations:	Effective date (accounting periods beginning on or after)
IFRS 9, 'Financial Instruments'	January 1, 2018
IFRS 16 - 'Leases'	January 1, 2019
IFRIC 22 - 'Foreign currency transactions and advance consideration'	January 1, 2018

### 3.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by 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, 2017 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.

## 4. Taxation

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

4.2 'Under Finance Act, 2017, a tax shall be charged at the rate of 7.5% of its accounting profit (Before Tax) on every public company other than scheduled bank that derives a profits for a tax year but does not distribute atleast 40% of its profit after tax within 6 months of the end of the tax year through cash or bonus shares.

## 5. Long term finances - secured

Long term finances represent loan secured payable to BankIslami Pakistan Limited amounting to Rs. 174 million (December 31, 2016: Rs. 43 million). It carries a mark-up of 3MK+0.10% payable quarterly. Bank Islami is the related party to the company by way of common directorship.

## 6. Trade and other payables

Trade creditors include amount due to holding company of Rs. 132.400 million (December 2016: 86.548 million) and associated undertakings of Rs. 23.034 (December 2016: 16.659 million).

## 7. Contingencies and commitments

### 7.1 Contingencies

The company has obtained bank guarantees of Rs. 2,238.73 million (December 2016: Rs 1,792.56 million) against the performance of various contracts.

### 7.2 Commitments

Letters of credit other than for capital expenditure approximately Rs. 393.587 million (December 2016: Rs. 132.999 million).

	Note	June 30, 2017 Unaudited (Rupees in thousand)	December 31, 2016 Audited (Rupees in thousand)
<b>8. Property, plant and equipment</b>			
Opening book value		403,730	406,779
Add: Additions during the period	8.1	70,995	78,818
		474,725	485,597
Less: Disposal during the period (at book value)		(2,690)	(14,317)
Depreciation charged during the period		(36,349)	(67,549)
Write off		-	-
		(39,039)	(81,866)
		435,686	403,731
<b>8.1 Following is the details of additions during the period</b>			
<b>Additions</b>			
Buildings on Freehold Land		13,713	-
Plant & Machinery		9,159	26,964
Tools, Jigs and Attachments		75	1,460
Patterns		-	14,293
Other Equipment		11,400	3,126
Furniture and Fixtures		2,923	167
Office Machine & Appliances		7,345	5,277
Vehicles		26,380	27,531
		70,995	78,818
<b>9. Trade debts</b>			
Trade Debts		1,770,673	1,650,713
Less: Provision for doubtful debts		(101,102)	(93,484)
		1,669,571	1,557,229

	Quarter ended		Half year ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2017
	-----Unaudited----- (Rupees in thousand)			
<b>10. Cost of goods sold</b>				
Raw material consumed	526,416	539,532	1,047,463	1,318,357
Salaries, wages, amenities and staff welfare	75,462	71,802	163,780	147,642
Staff training	661	964	811	1,849
Electricity and power	29,726	30,171	56,368	56,828
Stores and spares consumed	72,716	52,032	132,187	116,675
Insurance	1,996	2,241	3,345	4,470
Travelling and conveyance	15,646	15,021	29,601	29,181
Postage and telephone	2,471	1,464	5,624	2,825
Printing and stationery	687	927	1,171	1,397
Rent, rates and taxes	2,166	2,652	4,088	5,235
Repairs and maintenance	(2,452)	5,343	149	9,293
Legal & Professional charges	3,280	3,340	7,386	6,687
SAP user license fee and other IT services	2,139	4,065	6,711	8,566
Packing expenses	10,287	7,439	18,108	15,590
Outside services	217,930	158,846	360,068	312,695
Depreciation on Property, plant and equipment	14,082	12,705	27,301	25,397
Provision for obsolete stores & stocks	20,500	1,500	22,000	3,000
Royalty & Trademark	4,766	5,199	8,662	10,497
Other expenses	1,369	2,707	3,136	4,593
	999,848	917,950	1,897,959	2,080,777
Opening work-in-process	537,318	402,793	521,013	321,285
Less: Closing work-in-process	486,575	379,626	486,575	379,626
(Increase)/decrease in work in process	50,743	23,167	34,438	(58,341)
Cost of goods manufactured	1,050,591	941,117	1,932,397	2,022,436
Opening stock of finished goods	20,709	17,866	14,402	18,970
Less: Closing stock of finished goods	34,542	15,170	34,542	15,170
(Increase)/decrease in finished goods	(13,833)	2,696	(20,140)	3,800
	1,036,758	943,813	1,912,257	2,026,236
Less: Cost of capital assets manufactured	-	-	-	-
	1,036,758	943,813	1,912,257	2,026,236

**10.1** This includes amount of Rs. 6.57 million (June 2016: 5.02 million) charged by the parent company (KSB Aktiengesellschaft) on account of various services provided to the company.





	June 30, 2017 ----- Unaudited ----- (Rupees in thousand)	June 30, 2016
13. Cash and cash equivalents		
Cash and cash equivalents comprise the following items:		
Cash and bank balances	629,069	289,197
Short term finances	(152,045)	(137,794)
	477,024	151,403

#### 14. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk

The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements as at December 31, 2016.

There have been no changes in the risk management policies since the year end.

#### 15. Date of authorization for issue

This condensed interim financial information was authorized for issue on August 23, 2017 by the Board of Directors of the Company.

#### 16. Events after balance sheet date

No material events have occurred subsequent to June 30, 2017.

#### 17. Corresponding figures

In order to comply with the requirements of International Accounting Standard (IAS) 34- 'Interim Financial Reporting', the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year; whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison. However, no significant rearrangements have been made.

  
Chairman

  
Chief Executive

## ڈائریکٹرز کا جائزہ

میں 30 جون 2017ء پختہ شدہ ششماہی کے لئے KSB بچس کمپنی لمیٹڈ کے مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔

مالی سال 2017 میں پاکستان کی اقتصادی حالت 10 سالوں میں سب سے اعلیٰ 5.3 فیصد جی ڈی پی نمو حاصل کر چکی ہے۔ اگرچہ سال کے دوران افراط زر نے قدرے بلندی کا رجحان ظاہر کیا ہے، مجموعی سی پی آئی افراط زر 3.9 فیصد رہا۔ مالی سال 2016 میں منفی نمو کے بعد زرعی شعبہ بحال ہوا ہے۔ بڑے پیمانے پر مینوفیکچررز اور خدمات کے شعبوں نے اعلیٰ ترقی میں اہم کردار ادا کیا ہے۔ توانائی کی صورتحال میں بہتری ہوئی ہے اور مختلف توانائی کے منصوبے زیر تعمیر ہیں جو آنے والے سالوں میں مکمل ہونے متوقع ہیں۔ سی پیک سے متعلقہ سرگرمی تسلی بخش رفتار سے جاری ہے۔ چند واقعات کے سوا، مجموعی طور پر امن و امان اور سیکورٹی کی صورتحال قابل مہم رہی ہے۔ عالمی اقتصادی نقطہ نظر سال 2017 اور 2018 میں اُمید افزاء رہا ہے جس سے پاکستان کی تجارتی سرگرمیوں پر بھی مثبت اثر پڑا ہے۔ اگرچہ پاکستان کی معیشت کے لئے مستحکم نقطہ نظر دیکھا جا رہا ہے۔ تاہم، سیاسی محاذ پر حالیہ تبدیلیاں مجموعی طور پر کارکردگی کو مست کرسکتی ہیں۔

نصف سال 2017 کے ایس بی پاکستان کے لئے مثبت رہا۔ کمپنی نے تمام کاروباری شعبوں میں قابل ذکر کارکردگی دکھائی ہے۔ آرڈر انٹیک نے گزشتہ سال کی اسی مدت کے مقابلے میں 37 فیصد کی نمایاں نمو ظاہر کی ہے۔ سیلز کے اعداد و شمار گزشتہ سال صاف پانی کے اہم منصوبے مکمل ہونے کی وجہ سے 4 فیصد کی معمولی کمی کے ساتھ تقریباً گزشتہ سال کی اسی سطح پر رہے۔ تاہم، کمپنی نے گزشتہ سال میں 9.4 فیصد کے مقابلے میں 9.8 فیصد فروخت پر بہتر منافع حاصل کیا ہے۔ فی حصص آمدنی 30 جون 2016ء کو ختم ہونے والی ششماہی میں 12.59 روپے کے مقابلے میں 13.26 روپے زیادہ ہوئی ہے۔

پہلے نصف سال کے دوران، واٹر/ویسٹ واٹر کے شعبے نے آرڈر انٹیک میں اہم کردار ادا کیا ہے۔ انڈسٹری، توانائی اور بلڈنگ نے بھی اچھی کارکردگی کا مظاہرہ کیا۔ بیان کیا جاتا ہے کہ اگر سیاسی حالات معمول پر رہے، تو خاص طور پر صنعت کے شعبہ میں مزید مواقع پائپ لائن میں ہیں اور سال کے دوسرے نصف حصے میں حاصل ہونے کی توقع ہے۔ سال 2017 کے لئے منافع بخش اور منافع بخش تخمینوں کے مثبت اثرات باقی ہیں۔

مسلسل نگرانی کے تحت، فاؤنڈری پروجیکٹ پر منصوبہ بندی کے مطابق پیش رفت جاری ہے۔ اعلیٰ درجے کی جدید فاؤنڈری اعلیٰ پیداوار، بہتر معیار اور کارکردگی والی پیداوار سال 2018 میں فراہم کرنا شروع کر دے گی۔

اظہار تشکر

میں سال 2017 کی پہلی ششماہی کی کامیاب تکمیل پر تمام KSB ٹیم کی سخت محنت اور وابستگی کا شکریہ ادا کرتا ہوں اور سال 2017 کے مجموعی کاروباری اہداف کے حصول کی اُمید کرتا ہوں۔

منجانب بورڈ



محمد مسعود اختر

مینیجنگ ڈائریکٹر

23 اگست 2017ء

لاہور پاکستان





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