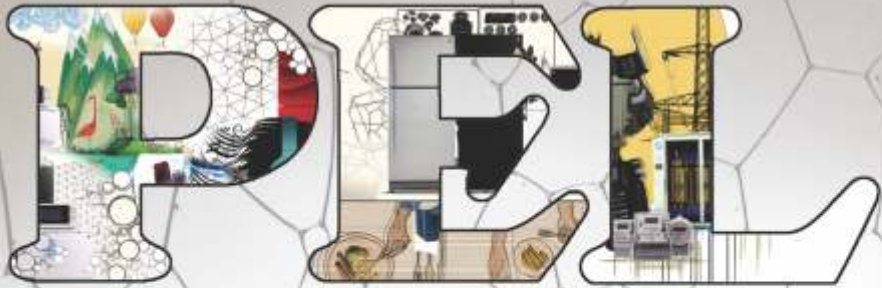


Interim Financial Report
for the quarter ended March 31, 2017



Embracing Excellence



Pak Elektron Limited

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. M. Naseem Saigol
Mr. M. Murad Saigol
Mr. M. Azam Saigol
Mr. Muhammad Zeid Yousuf Saigol
Syed Manzar Hassan
Sheikh Muhammad Shakeel
Mr. Asad Ullah Khawaja
Mr. Wajahat A. Baqai
Mr. Usman Shahid
Mirza Babur Baig

Chairman - Non Executive
Chief Executive Officer - Executive/ Certified (DTP)
Director - Non Executive
Director - Executive/Certified (DTP)
Director - Executive
Director - Non Executive
Director - NIT Nominee/Independent
Director - NBP Nominee U/S 182 of the Ordinance/ Non Executive
Director - NBP Nominee U/S 182 of the Ordinance/ Non Executive
Director - NBP Nominee U/S 182 of the Ordinance/ Non Executive

AUDIT COMMITTEE

Mr. Asad Ullah Khawaja	Chairman/Member
Mr. M. Azam Saigol	Member
Mr. Usman Shahid	Member
Sheikh Muhammad Shakeel	Member

BANKERS

Albaraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Alfalah Limited
The Bank of Khyber
The Bank of Punjab
Sindh Bank Limited
Faysal Bank Limited
Bank Islami (Pakistan) Limited
MCB Bank Limited
National Bank of Pakistan
NIB Bank Limited
Pak Brunei Investment Company Limited
Pak Libya Holding Company (Private) Limited
Pak Oman Investment Company Limited
PAIR Investment Company Limited
Silk Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Summit Bank Limited
Saudi Pak Industrial and Agriculture Investment Company Limited
United Bank Limited

HR & REMUNERATION COMMITTEE

Mr. M. Azam Saigol	Chairman/Member
Mr. M. Murad Saigol	Member
Mr. Asad Ullah Khawaja	Member
Syed Manzar Hassan	Member

COMPANY SECRETARY

Muhammad Omer Farooq

CHIEF FINANCIAL OFFICER

Syed Manzar Hassan, FCA

AUDITORS

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

LEGAL ADVISOR

M/s Hassan & Hassan Advocates

SHARE REGISTRAR

Corplink (Pvt.) Limited
Wings Arcade, 1-K Commercial
Model Town, Lahore
Tel: 042-35916714, 35839182,
Fax: 042-35869037
E-Mail: shares@corplink.com.pk

SHARIAH ADVISOR

Mufti Zeeshan Abdul Aziz
S.M. Suhail & Co.
Chartered Accountants

REGISTERED OFFICE

17- Aziz Avenue, Canal Bank,
Gulberg-V, Lahore
Tel: 042-35718274-6,
Fax: 042-35762707
E-Mail: shares@saigols.com

KARACHI

Kohinoor Building
25-West Wharf Road,
Karachi
Tel: 021-32200951-4
Fax: 021-32310303

ISLAMABAD

Room # 301, 3rd Floor,
Green Trust Tower,
Blue Area, Islamabad
Tel: 051-2824543, 2828941
Fax: 051-2273858

CHINA

206, No. 1007, Zhong
Shan Naun Er Road,
Shanghai, China
Tel: 86-21-64567713
Fax: 86-21-54109971

WORKS

14-K.M. Ferozepur Road,
Lahore
Tel: 042-35920151-9

TRANSFORMER FACILITY

34-K.M.
Ferozepur Road,
Keath Village, Lahore
Tel: 042-35935151-2

DIRECTORS' REVIEW

Your directors are pleased to present the un-audited interim financial information of the company for the first quarter ended on March 31, 2017. Alhamdulillah, company's operational performance during the period under review showed a vigorous growth both in sales and profitability. Sales of Rs. 11,814 million is achieved by acquiring 52% growth as compared to the corresponding period of previous year. Attained profit of Rs. 1,150 million during the quarter is with an increase of 108% against Rs.532 million of previous period. It has translated our earnings per share to Rs. 2.20 against Rs.1.12 per share of first quarter of corresponding last year. These positive results are achieved due to the management's active initiatives on promotion and advertisements of products, disciplined expense management along with the stringent controls over production costs, efficient capacity utilization and stable exchange rate.

Summary of key profitability measures is presented below:

Rupees in million	Quarter ended March 31, 2017	Quarter ended March 31, 2016	Increase/ (Decrease)	Percentage %
Sales	11,814	7,750	4,064	52.44
Gross Profit	2,730	1,752	978	55.82
Finance Cost	386	394	(8)	(2.03)
Profit before tax	1,396	739	657	88.90
Profit after tax	1,105	532	573	107.71
Earnings per share - Rupees	2.20	1.12	1.08	96.43

Alhamdulillah your company is well positioned to capitalize on the country's growing economy. Market of home appliances is expanding in response to the positive economic indicators and your company has managed a market share more than the market expansion. Power Division operations are relatively lean during the period due to the timing of WAPDA/Discos ordering and its execution. We expect to recoup it in future months Insha Allah.

APPLIANCES DIVISION

Home Appliances Division showed a substantial volume growth over the corresponding period of last year. Appliances division has achieved its ever highest sales of Rs. 9.22 billion in first quarter resulting in a growth of 111% as compared to the corresponding period of last period. Energy saving "PEL Inverter Series" in both Refrigerator and Air Conditioner, launched last year, gave a robust growth to the sales. Due to product quality, energy saving features and improved features & aesthetics, both of the products are well received and appraised by the market and setting new growth records. Your company is continuously strengthening its market presence through national sales network in addition to its well established institutional sales to corporate customers. Our Water Dispenser manufacturing facility has started its commercial production and will render incremental margins due to its product value addition.

Wide products range, high quality products, product R&D, effective Sales & distribution net work backed by visionary marketing campaigns are incessantly strengthening the company's market presence. Company's efficient after sales service net work with its country wide presence to take care of customers needs is the strapping foundation of the sales growth. The sale growth indicates, that Alhamdulillah your company is well positioned to meet its future plans. The Company is enduring with its focused marketing and distribution efforts to further strengthen its position in the market and will cross the previous record of sales even at half of the year. Improvement in electricity supply and expected increase in per capita income will definitely raise the demand of electrical home appliances. PEL's efficient "Inverter Energy Saver Series" Refrigerators & Air Conditioners will definitely make the difference this year and will generate another customer class.

POWER DIVISION

Power Division showed a moderate business trend due to timing of WAPDA ordering process. However, EPC & Energy Meter business showed a tremendous growth and is expected to achieve land mark success in the remaining quarters of the year due to the Governments plans of Transmission & Distribution (T&D) infrastructure augmentation after successful arrangements of electricity generation through CPEC projects. Installation of AMI metering in the country will also be another priority of the Government to resolve circular debt Issues by controlling electricity pilferage.

We are confident that by the end of period we will achieve our performance plans in Power Division. Being the market leader in electrical equipment manufacturer and supplier, we are convinced to get our due market share from WAPDA and its distribution companies. Revival of Industry will certainly raise the demand of PEL electrical equipment in private sector as well. Further company is also continuously exploring the export market to render an incremental business.

FUTURE OUTLOOK

Your company is maintaining its competitive position in both appliances and power sectors of the country since long by employing latest technology, valuing customer feedback and delivering well-timed after sales service. Going forward demand for all the products is expected to remain positive and we are optimistic to have a positive outlook for the business. Your company plans to remain focus on driving sustainable profitable growth in times to come by fulfilling customer needs, launching new products, cost reduction initiatives and strengthening relationships with existing customers and suppliers, whilst exploring opportunities for both organic and inorganic growth. We are confident that we will achieve our business plans by the end of period in terms of both sales and profitability.

ACKNOWLEDGEMENT

We take this opportunity to thank all our stakeholders for their patronage and look forward to their continued support.

On behalf of the Board of Directors

Lahore
April 10, 2017

M. Murad Saigol
Chief Executive Officer

31 مارچ 2017ء کو ختم ہونے والے تین ماہ کیلئے ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز بہ مسرت اپنے حصہ داران کو تین ماہ کی رپورٹ بشمول کمپنی کے مجموعی عبوری غیر آڈٹ شدہ مالیاتی گوشوارے برائے مدت ختمہ 31 مارچ 2017ء پیش کر رہے ہیں۔

الحمد للہ کمپنی کی کارکردگی محصولات اور منافع دونوں کے حوالے سے شاندار رہی ہے۔ کمپنی نے زیر جائزہ مدت میں 11,814 ملین روپے کی ریکارڈ سیل کی ہے۔ جو کہ گذشتہ سال اسی مدت کے مقابلے میں 52 فیصد زیادہ ہے۔ کمپنی کا منافع 1,150 ملین روپے رہا جو کہ گذشتہ سال کے پہلے تین ماہ کے 532 ملین روپے کے مقابلے میں 108 فیصد زیادہ ہے۔ فی شخص آمدنی 2.20 روپے جبکہ گذشتہ سال پہلے تین ماہ میں 1.12 روپے تھی۔ یہ مثبت کاروباری نتائج کمپنی انتظامیہ کی مصنوعات کی بھرپور تشہیری مہم، اخراجات اور پیداواری لاگت پر سخت کنٹرول، پیداواری صلاحیت کا موثر استعمال اور مستحکم زرمبادلہ کی شرح جیسے عوامل کی بدولت حاصل ہوئے ہیں۔

کمپنی کے پہلے تین ماہ ختمہ 31 مارچ 2017ء کے منافع اور کاروبار کے متعلق اعداد و شمار درج ذیل ہیں۔

روپیہ ملین میں	تین ماہ ختمہ 31 مارچ 2017ء	تین ماہ ختمہ 31 مارچ 2016ء	اشافہ (کمی)	فیصد
مجموعی آمدنی	11,814	7,750	4,064	52.44
خام منافع	2,730	1,752	978	55.82
مالی لاگت	386	394	(8)	(2.03)
منافع قبل از ٹیکس	1,396	739	657	88.90
منافع بعد از ٹیکس	1,105	532	573	107.71
فی شخص آمدنی روپے	2.20	1.12	1.08	96.43

الحمد للہ آپ کی کمپنی ملکی معیشت کے مثبت رجحان کے اثرات کو حاصل کرنے کی پوزیشن میں ہے۔ ملک کے معاشی حالات میں بہتری کے پیش نظر گھریلو برقی آلات کی مانگ میں اضافہ ہو رہا ہے اور کمپنی نے برقی آلات کی مارکیٹ میں عموماً سے زیادہ شرح سے اپنے محصولات میں اضافہ کیا ہے۔ پاور ڈویژن کا کاروبار زیر جائزہ مدت میں مستحکم رہا۔ جس کی بنیادی وجہ واپڈا کی تقسیم کار کمپنیوں کی طرف سے ملنے والے آرڈرز اور ان کی تکمیل کے درمیان وقتی فاصلہ ہے۔ انشاء اللہ آئندہ مہینوں میں اس کا مثبت ازالہ ہو جائے گا۔

ہوم اپلائنسز ڈویژن

گھریلو برقی آلات کے شعبہ کے محصولات نے پچھلے سال کے زیر جائزہ مدت کے مقابلے میں قابل ذکر نمو کی ہے۔ اس شعبہ میں 9,220 ملین کی سیل ہوئی ہے۔ جو کہ پچھلے سال کی اسی مدت سے 111 فیصد زیادہ ہے۔ توانائی کی بچت کی ”پیل انورسیریز“، ریفریجریٹرز اور ایئر کنڈیشنرز کو مارکیٹ میں بھرپور پذیرائی ملی ہے۔ جو کہ گذشتہ سال متعارف کروائے گئے تھے۔

معیاری توانائی کی بچت اور بہترین خصوصیات کو حاصل مصنوعات کے نئے ریکارڈز مرتب کر رہی ہیں۔ آپ کی کمپنی وسیع اعلیٰ سیکڑ میٹ ورک کے ذریعے مارکیٹ میں اپنی پوزیشن مستحکم کر رہی ہے۔ مزید برآں مضبوط ادارہ جاتی سیکڑ ڈیپارٹمنٹ بھی اپنے دائرہ کار کو بڑھانے میں پرعزم ہے۔

وائرڈ پینس کی پروڈکشن لائن نے زیر جائزہ مدت میں کام شروع کیا ہے۔ جو کہ کمپنی کے منافع میں اضافے کا سبب بنے گا۔

اعلیٰ صفاتی مصنوعات، مصنوعات کی وسیع رینج، پیداواری اور مصنوعات کے ارتقاء کے تحقیقی عمل، کمپنی کا ملک گیر سیکڑ اور بعد از سیکڑ سروس نیٹ ورک اور بھرپور تشہیری مہم کمپنی کو مارکیٹ میں مستحکم کیے ہوئے ہے۔

کمپنی کا فعال سیکڑ اور بعد از سیکڑ سروس نیٹ ورک اپنے ملک گیر وجود کے باعث خرید کنندگان کی خدمت میں سرگرم عمل ہے اور کمپنی کی سیکڑ میں اضافے کی بنیادی وجہ ہے۔ محصولات کی رفتار میں مسلسل اضافہ اس امر کا مظہر ہے کہ انشاء اللہ آپ کی کمپنی اپنے کاروباری اہداف حاصل کرنے میں کامیاب ہوگی۔

کمپنی سال کے آنے والے ایام میں اپنی مارکیٹنگ اور ڈسٹری بیوشن ٹیم کی صلاحیتوں کی بدولت وسیع تر نمو کے امکانات کے لیے کوشاں ہے۔ بجلی کی ترسیل میں بہتری اور فی کس آمدنی میں اضافہ سے یقیناً گھریلو برقی آلات کی طلب میں اضافہ ہوگا۔ PEL کی ”توانائی کی بچت والی انورسیریز“، ریفریجریٹرز اور ایئر کنڈیشنرز یقیناً ایک واضح فرق کی وجہ سے صارفین کی ایک نئی نوع پیدا کرے گی۔

پاور ڈویژن

زیر جائزہ مدت میں پاور ڈویژن کا کاروبار قدرے معتدل رہا جس کی بنیادی وجہ واپڈا کی تقسیم کار کمپنیوں کی طرف سے ملنے والے آرڈرز کی اوقاتی ترتیب ہے۔ تاہم EPC اور انرجی میٹر کے کاروبار نے مہیب نمو ظاہر کی ہے اور موجودہ سال کے بقیہ حصہ میں امتیازی کامیابی حاصل کرنے کی توقع ہے۔ جس کی وجہ حکومتی سطح پر بجلی کی ترسیل و تقسیم کے نظام کو بہتر بنانے کے اقدامات ہیں۔ اس وجہ سے کمپنی کی مصنوعات بڑا ترانسمار زور پاور انفراسٹرکچر کی طلب میں اضافہ ہوگا۔ علاوہ ازیں نئے گزڈ اسٹیشن کی تیاری اور پرانے گزڈ اسٹیشن کی اور ہالنگ کی وجہ سے EPC کے کاروبار کے امکانات روشن ہیں۔ ملک میں AMI میٹرز کی تنصیب حکومت کی اولین ترجیح ہوگی جو کہ بجلی کی چوری کو روکتے ہوئے گزشتہ قرضوں کو تاپو کرنے میں مددگار ہوگی۔

ہم امید کرتے ہیں کہ پاور ڈویژن اس سال کے اختتام پر اپنے کاروباری اہداف پورے کرے گی۔ کمپنی Electrical Equipment کی بطور صنعت کار اور ترسیل میں مارکیٹ لیڈر ہونے کے ناطے سے واپڈا کی تقسیم کار کمپنیوں سے اپنا کاروبار میں واجب حصہ لے گی۔ مقامی صنعت کی بحالی سے بھی پاور ڈویژن کی مصنوعات کی طلب میں اضافہ ہوگا۔ علاوہ ازیں کمپنی ہمیشہ سے برآمدات کے امکانات کو اضافی کاروبار کے طور پر تلاش کرتی آ رہی ہے۔

مستقبل کے امکانات

آپ کی کمپنی ہوم اپلائنسز اور پاؤر ڈویژن دونوں میں اپنی مسابقتی پوزیشن برقرار رکھے ہوئے ہے۔ جس کی وجہ جدید ٹیکنالوجی کا استعمال، صارف کا تعامل اور بروقت بہترین بعد از فروخت سروس ہے، ہم آنے والے وقت میں بھی اپنی مصنوعات کے مستقبل کے لیے پرامید ہے اور مارکیٹ میں بھرپور پذیرائی کے لیے پرعزم ہیں۔

صارفین کی ضروریات کا خیال، نئی مصنوعات کا اجراء، مصنوعات کی لاگت میں کمی اور صارفین سے مضبوط تعلقات و روابط وہ عوامل ہیں جنکی بنیاد پر آپ کی کمپنی آنے والے وقت میں مستقل منافع کی نمو کیلئے بہت پرامید ہے۔

ہم اُمید کرتے ہیں کہ سال رواں میں بھی کمپنی تیل اور منافع کے اہداف حاصل کرے گی۔

اظہار تشکر

ہم تمام Stake Holders کی سرپرستی کے لیے ان کے مشکور ہیں اور مستقبل میں بھی راہنمائی کی توقع رکھتے ہیں۔

ایم مراد سہگل

چیف ایگزیکٹو آفیسر

لاہور

10 اپریل 2017ء

Condensed Interim
Consolidated Financial Information

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2017

		March 31 2017	December 31 2016
	Note	Rupees '000' (Un-Audited)	Rupees '000' (Audited)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Capital	4	6,000,000	6,000,000
Issued, subscribed and paid up capital	5	5,426,392	5,426,392
Reserves		4,279,947	4,279,947
Unappropriated profit		12,290,536	11,134,131
		21,996,875	20,840,470
 SURPLUS ON REVALUATION		 4,617,188	 4,670,762
NON-CURRENT LIABILITIES			
Redeemable Capital	6	2,969,690	3,151,594
Long-term financing	7	1,776,215	1,406,092
Liabilities against assets subject to finance lease	8	42,691	46,383
Deferred taxation		2,386,064	2,326,193
Deferred income		40,246	40,755
CURRENT LIABILITIES			
Trade and other payables		893,236	915,100
Interest/ mark-up accrued on loans and payables		174,158	159,422
Short-term borrowings	9	6,016,828	4,981,662
Current Portion of Non Current Liabilities:			
Long term loans		1,730,615	1,723,389
Liabilities against assets subject finance lease		50,330	65,062
		8,865,167	7,844,635
Contingencies and Commitments	10	-	-
		42,694,135	40,326,884

The annexed notes from 1 to 18 form an integral part of this condensed interim consolidated financial information.

M. MURAD SAIGOL
Chief Executive Officer

		March 31 2017	December 31 2016
	Note	Rupees '000' (Un-Audited)	Rupees '000' (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	16,597,435	16,442,378
Intangible assets		320,898	323,656
Long-term investments	12	23,838	26,341
Long term advances and deposits		1,266,100	1,275,152
		18,208,271	18,067,527
CURRENT ASSETS			
Stores, spare parts and loose tools		801,026	812,915
Stock-in-trade		8,982,554	7,845,800
Trade debts		9,625,052	8,433,424
Due against construction work in progress		1,174,539	1,127,996
Advances		937,215	954,881
Trade deposits and short-term prepayments		1,243,194	1,258,874
Other receivables		461,244	480,244
Other financial assets		23,307	23,106
Income tax refundable		713,506	769,907
Cash and bank balances		524,227	552,210
		24,485,864	22,259,357
		42,694,135	40,326,884

CONDENSED INTERIM**CONSOLIDATED PROFIT AND LOSS ACCOUNT/STATEMENT OF COMPREHENSIVE INCOME****FOR THE QUARTER ENDED MARCH 31, 2017 (Un-Audited)**

		March 31 2017	March 31 2016
	Note	Rupees '000'	Rupees '000'
Gross Sales	13	11,813,703	7,749,528
Sales Tax and discount	13	2,966,715	1,251,249
Net Sales		8,846,988	6,498,279
Cost of Sales	14	6,117,455	4,746,189
Gross Profit		2,729,533	1,752,090
Other Operating Income		14,085	11,710
		2,743,619	1,763,800
Distribution Cost		614,407	353,842
Administrative Cost		277,756	237,962
Other Operating Expenses		69,915	37,602
Finance Cost		386,007	394,300
Share of profit / (loss) of associate		540	(682)
Profit Before Tax		1,396,074	739,412
Provision for Taxation		290,867	207,848
Profit after tax		1,105,206	531,564
Earnings per share - Rupees			
Basic & diluted	15	2.20	1.12

The annexed notes from 1 to 18 form an integral part of this condensed interim consolidated financial information.

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT

FOR THE QUARTER ENDED MARCH 31, 2017 (Un-Audited)

	March 31 2017	March 31 2016
	Rupees '000'	Rupees '000'
Cash flows from operating activities		
Profit before taxation	1,396,074	739,412
Adjustments for non cash and other items	599,544	510,303
Cash generated from operations before working capital changes	1,995,618	1,249,715
Working capital changes	(2,328,842)	(1,569,309)
Cash generated from operations	(333,224)	(319,594)
Finance cost paid	(369,278)	(327,700)
Compensated absence paid	(2,881)	(2,542)
Dividend	(2,502)	(873)
Income tax paid	(174,595)	(176,011)
	(549,256)	(507,126)
Net cash used in operating activities	(882,480)	(826,720)
Cash flows from investing activities		
Purchase of property, plant and equipment	(369,914)	(580,515)
Proceeds from disposal of property, plant and equipment	3,172	18,073
(Increase) / decrease in long-term deposits and advances	9,052	(283,040)
Net cash used in investing activities	(357,690)	(845,482)
Cash flows from financing activities		
Increase / (Decrease) in Long Term Financing	195,445	(507,574)
Increase/ (Decrease) in liabilities against finance lease	(18,424)	(45,116)
Proceeds from issue of ordinary shares	-	2,406,200
Increase / (Decrease) in Short Term Borrowing	1,035,166	(97,870)
Net cash from financing activities	1,212,187	1,755,640
Net increase/(decrease) in cash and cash equivalents	(27,983)	83,438
Cash and cash equivalents at beginning of the period	552,210	577,687
Cash and cash equivalents at end of the period	524,227	661,125

The annexed notes from 1 to 18 form an integral part of this condensed interim consolidated financial information.

M. MURAD SAIGOL
Chief Executive Officer

SYED MANZAR HASSAN
Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED MARCH 31, 2017 (Un-Audited)

	Share capital	Capital reserves Premium on issue of shares	Revenue reserves Unappropriated profit	Total
	Rupees '000'	Rupees '000'	Rupees '000'	Rupees '000'
Balance as at December 31, 2015	4,431,029	1,293,858	7,891,437	13,616,324
Total comprehensive income for the period	-	-	531,564	531,564
Issue of right ordinary shares	995,363	2,986,089		3,981,452
Incremental depreciation	-	-	46,550	46,550
Balance as at March 31, 2016	5,426,392	4,279,947	8,469,551	18,175,890
Total comprehensive income for the period	-	-	3,138,376	3,138,376
Incremental depreciation	-	-	148,306	148,306
Dividend			(622,102)	(622,102)
Balance as at December 31, 2016	5,426,392	4,279,947	11,134,131	20,840,470
Total comprehensive income for the period.	-	-	1,105,206	1,105,206
Issue of right ordinary shares	-	-		-
Incremental depreciation	-	-	51,199	51,199
Balance as at March 31, 2017	5,426,392	4,279,947	12,290,536	21,996,875

The annexed notes from 1 to 18 form an integral part of this condensed interim consolidated financial information.

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION

FOR THE QUARTER ENDED MARCH 31, 2017 (Un-Audited)

1 REPORTING ENTITY

The group comprises of the following companies

Parent Company

Pak Elektron Limited ("PEL" or "the Company") was incorporated in Pakistan on March 03, 1956 as a public limited company under the Companies Act, 1913 (replaced by the Companies Ordinance, 1984). Registered office of the Company is situated at 17 - Aziz Avenue, Canal Bank, Gulberg - V, Lahore. PEL is currently listed on Pakistan Stock Exchange Limited. The principal activity of PEL is manufacturing and sale of Electrical Capital Goods and Domestic Appliances.

PEL is currently organized into two main operating divisions - Power Division & Appliances Division. PEL's activities are as follows:

Power Division: manufacturing and distribution of transformers, switchgears, energy meters, power transformers, construction of grid stations and equipment procurement and construction (EPC) business.

Appliances Division: manufacturing, assembling and distribution of refrigerators, air conditioners, deep freezers, microwave ovens, water dispensers and other home appliances.

Subsidiary Company

PEL marketing (Private) Limited (PMPL) was incorporated in Pakistan on August 11, 2011 as a private limited company under the companies ordinance 1984. Registered office of PMPL is situated at 17 Aziz Avenue, canal bank Gulberg V, Lahore. The principal activity of PMPL is sale of electrical capital goods and domestic appliances . PMPL is wholly owned subsidiary of PEL.

2 BASIS OF PREPARATION

This interim consolidated financial information is not audited and has been presented in condensed form and does not include all the information and disclosures as are required to be provided or made in a full set of annual financial statements. This condensed interim consolidated financial information should be read in conjunction with the audited financial statements of the Group for the year ended December 31, 2016.

The comparative interim consolidated balance sheet as at December 31, 2016 and the related notes to the condensed interim consolidated financial information are based on audited financial statements. The comparative interim consolidated profit and loss account/statement of comprehensive income, interim consolidated cash flow statement, interim consolidated statement of changes in equity and related notes to the condensed interim consolidated financial information for the three months ended March 31, 2016 are based on unaudited interim financial information.

2.1 Statement of compliance

This condensed interim consolidated financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting, and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984 have been followed.

2.2 Basis of measurement

This condensed interim consolidated financial information has been prepared under the historical cost convention except for property, plant and equipment at revalued amounts and certain financial instruments at fair value/amortized cost. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

2.3 Functional currency

This financial information is prepared in Pak Rupees which is the Group's functional currency.

3 ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended December 31, 2016.

4 AUTHORIZED CAPITAL

March 31 2017	December 31 2016		March 31 2017	December 31 2016
No. of Shares	No. of Shares		Rupees '000'	Rupees '000'
			(Un-Audited)	(Audited)
500,000,000	500,000,000	Ordinary shares of Rs. 10 each	5,000,000	5,000,000
		Preference shares of Rs. 10 each:		
62,500,000	62,500,000	Class A preference shares of Rs 10 each	625,000	625,000
37,500,000	37,500,000	Class B preference shares of Rs 10 each	375,000	375,000
100,000,000	100,000,000		1,000,000	1,000,000
600,000,000	600,000,000		6,000,000	6,000,000

5 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

March 31 2017	December 31 2016		March 31 2017	December 31 2016
No. of Shares	No. of Shares		Rupees '000'	Rupees '000'
			(Un-Audited)	(Audited)
372,751,051	372,751,051	Ordinary shares of Rs.10 each fully paid:		
		- In cash	3,727,511	3,727,511
137,500	137,500	Other than cash:		
		-against machinery	1,375	1,375
408,273	408,273	-issued on acquisition of PEL Appliances Limited	4,083	4,083
6,040,820	6,040,820	-issued against conversion of preference shares	60,408	60,408
118,343,841	118,343,841	-Issued as bonus shares	1,183,439	1,183,439
497,681,485	497,681,485		4,976,816	4,976,816
		A class preference shares of Rs 10 each		
44,957,592	44,957,592	Issued for cash	449,576	449,576
542,639,077	542,639,077		5,426,392	5,426,392

	March 31 2017	December 31 2016
	Rupees '000' (Un-Audited)	<i>Rupees '000'</i> (Audited)
5.1 Reconciliation of number of ordinary shares of Rs. 10 each:		
At beginning of the year	497,681,485	398,145,188
Add: - Issued during the year as Right shares	-	99,536,297
At the end of the year	497,681,485	497,681,485
6 REDEEMABLE CAPITAL		
As at beginning of the period/ year	3,951,888	4,955,485
Issued during the period	-	-
Paid during the year	181,904	1,003,597
Current Maturity	800,294	800,294
As at end of the period / Year	2,969,690	3,151,594
7 LONG-TERM FINANCING - SECURED		
As at beginning of the period/ year	2,329,187	3,017,428
Obtained during the period / year	500,000	58,068
Paid / settled during the period / year	122,651	746,309
Current portion	930,321	923,095
	1,776,215	1,406,092
8 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Present value of minimum lease payments	93,021	111,445
Less Current maturity	50,330	65,062
	42,691	46,383
9 SHORT TERM BORROWING		
These facilities have been obtained from various banks under mark-up arrangements for working capital requirements. These facilities are secured against the pledge/hypothecation of raw material and components, work-in-process, finished goods, machinery, spare parts, charge over book debts, shares of public companies and other assets of the company.		
10 CONTINGENCIES AND COMMITMENTS		
There is no material changes in contingencies and commitments as disclosed in the notes to the financial statements for the year ended December 31, 2016.		

		March 31 2017	December 31 2016
	Notes	Rupees '000' (Un-Audited)	Rupees '000' (Audited)
11	PROPERTY, PLANT AND EQUIPMENT		
Operating assets	11.1	16,448,441	16,309,076
Capital work-in-progress		148,995	133,302
		16,597,436	16,442,378
11.1	Operating assets		
Written down value at beginning of the period / year		16,309,076	15,446,465
Additions during the period / year	11.1.1	354,222	1,745,391
		16,663,298	17,191,856
Written down value of the assets disposed off / adjustments		3,934	47,589
Depreciation charged during the period / year		210,923	835,191
		16,448,441	16,309,076
11.1.1	Additions during the period / year		
Plant and machinery		347,595	1,610,214
Office equipment and furniture		895	11,558
Computer hardware and allied items		665	12,651
Vehicles		5,067	98,306
		354,222	1,745,391
12	LONG-TERM INVESTMENTS		
Investment in associate at equity method - Quoted		23,838	26,341
		23,838	26,341
Kohinoor Power Company Limited			
Ownership interest 23.10 %			
Cost of investment			
2,910,600 shares		54,701	54,701
Share of post acquisition profit- net of dividend received		(507)	(1,047)
		54,194	53,654
Less: provision for impairment in value of investment		30,356	27,313
		23,838	26,341

	March 31 2017	March 31 2016
	Rupees '000' (Un-Audited)	<i>Rupees '000'</i> (Un-Audited)
13 REVENUE		
Contract revenue	535,610	42,091
Sales - local	10,758,890	6,338,817
Sales - export	519,203	1,368,620
	11,813,703	7,749,528
Less: - sales tax and excise duty	1,292,387	866,587
- trade discounts	1,674,328	384,662
	2,966,715	1,251,249
	8,846,988	6,498,279
14 COST OF SALES		
Raw material consumed	5,013,148	3,884,766
Direct wages	244,323	183,294
Factory overhead	608,061	522,626
	5,865,532	4,590,686
Work-in-process		
-at beginning of period	1,033,340	1,143,657
-at end of period	(1,054,130)	(841,205)
	(20,790)	302,452
Cost of goods manufactured	5,844,742	4,893,138
Finished goods		
-at beginning of period	1,895,253	1,125,190
-at end of period	(2,073,310)	(1,305,433)
	(178,057)	(180,243)
	5,666,685	4,712,895
Contract cost	450,769	33,294
Cost of sales	6,117,455	4,746,189

	March 31 2017	March 31 2016
	Rupees '000' (Un-Audited)	Rupees '000' (Un-Audited)
15 EARNINGS PER SHARE - BASIC AND DILUTED		
Earnings	1,105,206	531,564
Less: dividend on preference shares	10,677	10,677
	1,094,529	520,887
Number of shares	(Number)	
Weighted average number of ordinary shares.	497,681,485	464,457,575
	497,681,485	464,457,575

Basic and diluted Profit per share have been calculated through dividing Profit as stated above by weighted average number of ordinary shares.

Basic Profit per share (Rupees)	2.20	1.12
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16 TRANSACTIONS WITH RELATED PARTIES

Related parties from the Group's perspective comprise associated companies, post employment benefit plans and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company.

Transactions with key management personnel are limited to payment of short term employee benefits only. The Group in the normal course of business carries out various transactions with other related parties and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an arm's length transaction.

Details of transactions and balances with related parties is as follows:

		March 31 2017	March 31 2016
		Rupees '000' (Un-Audited)	Rupees '000' (Un-Audited)
Relationship	Nature of transaction		
Key Management Personnel	Short-term employee benefits	25,882	22,371
	Post employment benefits	986	1,292
Other related parties:			
Associated companies	Services acquired	108,446	77,249

16.1 All transactions with related parties have been carried out on commercial terms and conditions.

17 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been approved by the Board of Directors of the Company and authorized for issue on April 10, 2017.

18 OTHERS

There are no other significant activities since December 31, 2016 affecting this condensed interim financial information.

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Condensed Interim Financial Information

CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2017

		March 31 2017	December 31 2016
	Note	Rupees '000' (Un-Audited)	Rupees '000' (Audited)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Capital	4	6,000,000	6,000,000
Issued, subscribed and paid up capital	5	5,426,392	5,426,392
Reserves		4,279,947	4,279,947
Unappropriated profit		7,518,835	6,784,446
		17,225,174	16,490,785
SURPLUS ON REVALUATION		4,617,188	4,668,386
NON-CURRENT LIABILITIES			
Redeemable Capital	6	2,969,690	3,151,594
Long-term financing	7	1,776,215	1,406,092
Liabilities against assets subject to finance lease	8	42,691	46,383
Deferred taxation		1,632,228	1,598,160
Deferred income		40,246	40,755
CURRENT LIABILITIES			
Trade and other payables		824,321	796,525
Accrued interest/ mark up		174,158	159,422
Short-term borrowings	9	6,016,828	4,981,662
Current Portion of Non Current Liabilities:			
Long term loans		1,730,615	1,723,389
Liabilities against assets subject finance lease		50,330	65,062
		8,796,252	7,726,060
CONTIGENCIES AND COMMITMENTS	10	-	-
		37,099,683	35,128,215

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information

M. MURAD SAIGOL
Chief Executive Officer

		March 31 2017	December 31 2016
	Note	Rupees '000' (Un-Audited)	Rupees '000' (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	16,597,436	16,442,378
Intangible assets		320,898	323,656
		16,918,334	16,766,034
Long-term investments	12	23,938	26,441
Long-term deposits		257,201	266,353
CURRENT ASSETS			
Stores, spare parts and loose tools		801,026	812,915
Stock-in-trade		8,636,405	7,693,450
Trade debts		4,745,684	3,842,374
Due against construction work in progress		1,174,539	1,127,996
Advances		937,215	954,881
Trade deposits and short-term prepayments		1,243,194	1,258,874
Other receivables		461,244	480,244
Other financial assets		23,307	23,106
Advance income tax		1,446,207	1,419,797
Cash and bank balances		431,390	455,750
		19,900,211	18,069,387
		37,099,683	35,128,215

CONDENSED INTERIM

PROFIT AND LOSS ACCOUNT/STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED MARCH 31, 2017 (Un-Audited)

		March 31 2017	March 31 2016
	Note	Rupees '000'	Rupees '000'
Gross Sales	13	9,264,420	5,623,535
Sales Tax and discount	13	1,292,387	866,587
Net Sales		7,972,033	4,756,948
Cost of Sales	14	6,348,349	3,866,448
Gross Profit		1,623,685	890,500
Other Operating Income		14,625	11,028
		1,638,310	901,528
Distribution Cost		208,070	108,458
Administrative Cost		169,007	134,622
Other Operating Expenses		69,915	28,561
Finance Cost		271,049	264,011
Profit Before Taxation		920,269	365,876
Provision for Taxation		237,078	62,199
Profit after tax		683,191	303,677
Earnings per share			
Basic & diluted	15	1.35	0.63

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE QUARTER ENDED MARCH 31, 2017 (Un-Audited)

	March 31 2017	March 31 2016
	Rupees '000'	Rupees '000'
Cash flows from operating activities		
Profit before taxation	920,269	365,876
Adjustments for non cash items	486,581	472,057
Cash generated from operations before working capital changes	1,406,850	837,933
Working capital changes	(1,850,573)	(1,370,119)
Cash generated from operations	(443,723)	(532,186)
Finance cost paid	(256,313)	(289,453)
Compensated absence paid	(2,881)	(2,542)
Dividend Paid	(2,502)	(873)
Income tax paid	(173,537)	(176,013)
	(435,233)	(468,881)
Net cash used in operating activities	(878,956)	(1,001,067)
Cash flows from investing activities		
Purchase of property, plant and equipment	(369,915)	(580,515)
Proceeds from disposal of property, plant and equipment	3,172	18,073
(Increase) / decrease in long-term deposits	9,152	(67,814)
Net cash used in investing activities	(357,591)	(630,256)
Cash flows from financing activities		
Increase / (decrease) in Redeemable capital and long term finances	195,445	(507,574)
Increase/ (Decrease) in liabilities against finance lease	(18,424)	(45,116)
Proceeds from issue of ordinary shares	-	2,406,200
Increase / (Decrease) in Short Term Borrowing	1,035,166	(97,870)
Net cash from financing activities	1,212,187	1,755,640
Net increase/(decrease) in cash and cash equivalents	(24,360)	124,317
Cash and cash equivalents at beginning of the period	455,750	427,378
Cash and cash equivalents at end of the period	431,390	551,695

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information

M. MURAD SAIGOL
Chief Executive Officer

SYED MANZAR HASSAN
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED MARCH 31, 2017 (Un-Audited)

	Share capital	Capital reserves Premium on issue of shares	Revenue reserves Unappropriated profit	Total
	Rupees '000'	Rupees '000'	Rupees '000'	Rupees '000'
Balance as at December 31, 2015	4,431,029	1,293,858	5,258,423	10,983,310
Total comprehensive income for the period	-	-	303,678	303,678
Issue of right ordinary shares	995,363	2,986,089		3,981,452
Incremental depreciation	-	-	46,550	46,550
Balance as at March 31, 2016	5,426,392	4,279,947	5,608,651	15,314,990
Total comprehensive income for the period	-	-	1,647,215	1,647,215
Incremental depreciation	-	-	150,682	150,682
Dividend			(622,102)	(622,102)
Balance as at December 31, 2016	5,426,392	4,279,947	6,784,446	16,490,785
Total comprehensive income for the period	-	-	683,191	683,191
Issue of right ordinary shares	-	-		-
Incremental depreciation	-	-	51,199	51,199
Balance as at March 31, 2017	5,426,392	4,279,947	7,518,835	17,225,174

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE QUARTER ENDED MARCH 31, 2017 (Un-Audited)

1 REPORTING ENTITY

Pak Elektron Limited ("PEL" or "the Company") was incorporated in Pakistan on March 03, 1956 as a public limited company under the Companies Act, 1913 (replaced by the Companies Ordinance, 1984). Registered office of the Company is situated at 17 - Aziz Avenue, Canal Bank, Gulberg - V, Lahore. The Company is currently listed on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of electrical capital goods and domestic appliances.

The Company is currently organized into two main operating divisions - Power Division & Appliances Division. The Company's activities are as follows:

Power Division: manufacturing and distribution of transformers, switchgears, energy meters, power transformers, construction of grid stations and electrification works.

Appliances Division: manufacturing, assembling and distribution of refrigerators, air conditioners, deep freezers, microwave ovens, water dispensers and other home appliances.

2 BASIS OF PREPARATION

This interim consolidated financial information is not audited and has been presented in condensed form and does not include all the information and disclosures as are required to be provided or made in a full set of annual financial statements. This condensed interim consolidated financial information should be read in conjunction with the audited financial statements of the company for the year ended December 31, 2016.

The comparative interim consolidated balance sheet as at December 31, 2016 and the related notes to the condensed interim consolidated financial information are based on audited financial statements. The comparative interim consolidated profit and loss account/statement of comprehensive income, interim consolidated cash flow statement, interim consolidated statement of changes in equity and related notes to the condensed interim consolidated financial information for the three months ended March 31, 2016 are based on unaudited interim financial information.

2.1 Statement of compliance

This condensed interim consolidated financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting, and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984 have been followed.

2.2 Basis of measurement

This condensed interim consolidated financial information has been prepared under the historical cost convention except for property, plant and equipment at revalued amounts and certain financial instruments at fair value/amortized cost. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

2.3 Functional currency

This financial information is prepared in Pak Rupees which is the Group's functional currency.

3 ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended December 31, 2016.

4 AUTHORIZED CAPITAL

March 31 2017	December 31 2016		March 31 2017	December 31 2016
No. of Shares	No. of Shares		Rupees '000'	Rupees '000'
			(Un-Audited)	(Audited)
500,000,000	500,000,000	Ordinary shares of Rs. 10 each	5,000,000	5,000,000
		Preference shares of Rs. 10 each:		
62,500,000	62,500,000	Class A preference shares of Rs 10 each	625,000	625,000
37,500,000	37,500,000	Class B preference shares of Rs 10 each	375,000	375,000
100,000,000	100,000,000		1,000,000	1,000,000
600,000,000	600,000,000		6,000,000	6,000,000

5 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

March 31 2017	December 31 2016		March 31 2017	December 31 2016
No. of Shares	No. of Shares		Rupees '000'	Rupees '000'
			(Un-Audited)	(Audited)
372,751,051	372,751,051	Ordinary shares of Rs.10 each fully paid:		
		- In cash	3,727,511	3,727,511
137,500	137,500	Other than cash:		
		-against machinery	1,375	1,375
408,273	408,273	-issued on acquisition of PEL Appliances Limited	4,083	4,083
6,040,820	6,040,820	-issued against conversion of preference shares	60,408	60,408
118,343,841	118,343,841	-Issued as bonus shares	1,183,439	1,183,439
497,681,485	497,681,485		4,976,816	4,976,816
		Fully paid A class preference shares of Rs 10 each		
44,957,592	44,957,592	In cash	449,576	449,576
542,639,077	542,639,077		5,426,392	5,426,392

	March 31 2017	December 31 2016
	Rupees '000' (Un-Audited)	<i>Rupees '000'</i> (Audited)
6 REDEEMABLE CAPITAL		
As at beginning of the period/ year	3,951,888	4,955,485
Issued during the period	-	-
Paid during the year	181,904	1,003,597
Current Maturity	800,294	800,294
As at end of the period / Year	2,969,690	3,151,594
7 LONG-TERM FINANCING - SECURED		
As at beginning of the period	2,329,187	3,017,428
Obtained during the period	500,000	58,068
Paid / settled during the period	122,651	746,309
Current portion	930,321	923,095
	1,776,215	1,406,092
8 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Present value of minimum lease payments	93,021	111,445
Less Current maturity	50,330	65,062
	42,691	46,383
9 SHORT TERM BORROWINGS		
These facilities have been obtained from various banks under mark-up arrangements for working capital requirements. These facilities are secured against the pledge/hypothecation of raw material and components, work-in-process, finished goods, machinery, spare parts, charge over book debts, shares of public companies and other assets of the company.		
10 CONTINGENCIES AND COMMITMENTS		
There is no material changes in contingencies and commitments as disclosed in the notes to the financial statements for the year ended December 31, 2016.		

		March 31 2017	December 31 2016
	Notes	Rupees '000' <i>(Un-Audited)</i>	<i>Rupees '000'</i> <i>(Audited)</i>
11	PROPERTY, PLANT AND EQUIPMENT		
Operating assets	11.1	16,448,441	16,309,076
Capital work-in-progress		148,995	133,302
		16,597,436	16,442,378
11.1	Operating assets		
Written down value at beginning of the period / year		16,309,076	15,446,465
Additions during the period / year	11.1.1	354,222	1,745,391
		16,663,298	17,191,856
Written down value of the assets disposed off / adjustments		3,934	47,589
Depreciation charged during the period / year		210,923	835,191
		16,448,441	16,309,076
11.1.1	Additions during the period / year		
Building		-	12,662
Plant and machinery		347,595	1,610,214
Office equipment and furniture		895	11,558
Computer hardware and allied items		665	12,651
Vehicles		5,067	98,306
		354,222	1,745,391
12	LONG-TERM INVESTMENTS		
Investments in related parties			
Wholly owned subsidiary at cost - Unquoted			
Pel Marketing Private Limited			
10,000 shares (December 31, 2015: 10,000 shares)		100	100
of Rs. 10 each			
Associate at cost - Quoted	12.1	23,838	26,341
		23,938	26,441

	March 31 2017	December 31 2016
	Rupees '000' (Un-Audited)	<i>Rupees '000'</i> (Audited)

12.1 Investment in associate at cost - Quoted

Kohinoor Power Company Limited

Ownership interest 23.10 %

Cost of investment

2,910,600 shares (2015: 2,910,600 shares) **54,701** 54,701

Less: provision for impairment in value of investment **30,863** 28,360

23,838 26,341

	March 31 2017	March 31 2016
	Rupees '000' (Un-Audited)	<i>Rupees '000'</i> (Un-Audited)

13 REVENUE

Contract revenue **535,610** 42,091

Sales - local **8,209,607** 4,212,824

Sales - export **519,203** 1,368,620

9,264,420 5,623,535

Less: - sales tax and excise duty

1,292,387 866,587

- trade discounts

- -

1,292,387 866,587

7,972,033 4,756,948

	March 31 2017	March 31 2016
	Rupees '000' (Un-Audited)	<i>Rupees '000'</i> (Un-Audited)
14 COST OF SALES		
Raw material consumed	4,950,243	2,893,826
Direct wages	244,325	183,294
Factory overhead	608,060	522,627
	5,802,628	3,599,747
Work-in-process		
-at beginning of period	1,033,340	1,143,657
-at end of period	(1,054,129)	(841,205)
	(20,789)	302,452
Cost of goods manufactured	5,781,839	3,902,199
Finished goods		
-at beginning of period	1,742,903	429,020
-at end of period	(1,627,162)	(498,065)
	115,741	(69,045)
	5,897,580	3,833,154
Contract cost	450,769	33,294
Cost of sales	6,348,349	3,866,448

15 EARNINGS PER SHARE - BASIC AND DILUTED

The calculation of basic and diluted profit per ordinary share is based on the following data:

Profits for the period	683,191	303,677
Less: dividend payable on preference shares	10,677	10,677
Profit attributable to ordinary shares	672,513	293,000

Number of shares**(Number)**

Weighted average number of ordinary shares for the purpose of basic profit

497,681,485 467,925,373

Basic and diluted profit per share have been calculated through dividing profit as stated above by weighted average number of ordinary shares.

Basic earnings per share (Rupees)**1.35**

0.63

16 TRANSACTIONS WITH RELATED PARTIES

Related parties from the company's perspective comprise associated companies, post employment benefit plans and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company.

Transactions with key management personnel are limited to payment of short term employee benefits only. The company in the normal course of business carries out various transactions with other related parties and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an arm's length transaction.

Details of transactions and balances with related parties is as follows:

		March 31 2017	March 31 2016
		<i>Rupees '000'</i> <i>(Un-Audited)</i>	<i>Rupees '000'</i> <i>(Un-Audited)</i>
Relationship	Nature of transaction		
Subsidiary:			
PEL Marketing Private Limited	Sales of goods and services	5,333,619	2,248,644
			-
Key Management Personnel	Short-term employee benefits	15,698	12,903
	Post employment benefits	763	413
Other related parties:			
Associated companies	Purchase of services	116,518	24,335

16.1 All transactions with related parties have been carried out on commercial terms and conditions.

17 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been approved by the Board of Directors of the Company and authorized for issue on April 10, 2017.

18 OTHERS

There are no other significant activities since December 31, 2016 affecting this condensed interim financial information.

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