

**Interim Financial Report
for the nine months ended
September 30, 2021**

Setting New Benchmarks In Technological Advancement



Pak Elektron Limited

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Corporate Information

BOARD OF DIRECTORS

Mr. M. Naseem Saigol
 Mr. Muhammad Murad Saigol
 Mr. Muhammad Zeid Yousuf Saigol
 Syed Manzar Hassan
 Syed Haroon Rashid
 Mr. Muhammad Kamran Saleem
 Mr. Asad Ullah Khawaja
 Mr. Usman Shahid
 Ms. Azra Shoaib

Chairman - Non Executive
 Chief Executive Officer - Executive/Certified (DTP)
 Director - Executive/Certified (DTP)
 Director - Executive/Certified (DTP)
 Director - Independent/Certified (DTP)
 Director - Independent/Certified (DTP)
 Director - NIT Nominee/Independent
 Director - NBP Nominee U/S 164 of the Act / Non Executive
 Director - NBP Nominee U/S 164 of the Act / Non Executive

AUDIT COMMITTEE

Mr. Asad Ullah Khawaja	Chairman/Member
Syed Haroon Rashid	Member
Mr. Usman Shahid	Member
Syed Manzar Hassan	Member

HR & REMUNERATION COMMITTEE

Mr. Asad Ullah Khawaja	Chairman/Member
Syed Haroon Rashid	Member
Mr. Usman Shahid	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
A member of Russell Bedford International

LEGAL ADVISOR

M/s Hassan & Hassan Advocates

COMPANY REG. NO.

0000802

NATIONAL TAX NO. (NTN)

2011386-2

STATUS OF COMPANY

Public Interest Company (PIC)

SHARIAH ADVISOR

Mufti Altaf Ahmad

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

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
 Pak Brunei Investment Company Limited
 Pak Libya Holding Company (Private) Limited
 Pak Oman Investment Company Limited
 Silk Bank Limited
 Soneri Bank Limited
 Samba Bank Limited
 Summit Bank Limited
 Saudi Pak Industrial and Agriculture
 Investment Company Limited
 United Bank Limited

REGISTERED OFFICE

17- Aziz Avenue, Canal Bank,
 Gulberg-V, Lahore
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KARACHI

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 25-West Wharf Road,
 Karachi
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ISLAMABAD

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

WORKS

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

PEL Unit II

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

Directors' Review

Your directors are pleased to present the condensed unaudited interim financial information of the Company for the 3rd quarter ended September 30, 2021.

Macroeconomic Overview

Pakistan's economy has demonstrated resilience, with real GDP growth of 3.5% surpassing earlier projections. Industrial output has rebounded well, as evident from a 14.85% growth in the Large-Scale Manufacturing (LSM) Index during FY'21. The services sector forming almost 60% of GDP, which faced the brunt of Covid-19 induced lockdowns, is also expected to post a rise of 4.4% during FY'21. Headline inflation in Jun'21 fell to 9.7%, as a result of normalizing food prices, somewhat offset by an increase in prices of petroleum products and electricity tariff. Average inflation in FY'21 was 8.9%, at the higher end of the SBP's projected range of 7.0% – 9.0%, but lower than the 10.7% recorded in FY'20.

The Current Account recorded a decade-low deficit of USD 1.9 billion for FY'21, 58% lower than the deficit of USD 4.5 billion in FY'20. Foreign remittance inflows have supported the current account, remaining sustainably above USD 2 billion per month for the entire year, rising by 27% to USD 29.4 billion. Exports have picked up pace, growing by 13.7% during FY'21 to historical highs. However, a steep rise in imports, driven by the resumption of economic activity and rising oil prices, led to a widening of the trade deficit which increased by 33.3% to USD 28.2 billion.

The stability on the external front has led to a build-up in FX reserves which rose to USD 25.9 billion by the end of September 2021. Inflows from the IMF on account of the third tranche of the Extended Fund Facility (EFF), assistance from other multilateral sources and tapping international bond markets through a structured medium-term note (MTN) program have provided support to the reserves position. An enthusiastic response to the Roshan Digital Accounts program has seen inflows of USD 1.8 billion. Despite of these positive developments, Pak Rupee remained under pressure and further depreciated by 10.41% since June 30, 2021.

The fiscal deficit for FY'21 reduced to 7.1% of GDP, from 8.9% in the same period last year. Importantly, the Government has managed to increase its primary surplus to Rs 452 billion (1.0% of GDP) from Rs 194 billion (0.4% of GDP) during this period. Tax collection numbers have also been encouraging throughout FY'21 with net collection of Rs 4.7 trillion representing a growth of 18% over last year. The trends continued in Q1 of FY'22 by registering 37.3% year over growth i.e. Rs. 1,454 billion against Rs. 1,059 billion. In 1H'21, the equity market witnessed a growth of 8.2%, with the KSE100 index briefly surpassing the 48,000 level. Activity on the bourse increased, with its highest ever traded volumes recorded in May. Notably, the PSX saw strong equity raising activity during FY'21, with 7 new issues, the highest since FY'07. Positive moves in the Federal Budget in June provided impetus to the equity market which closed the fiscal year with a 7-year high return of 37.6%. However, KSE 100 Index at September 30, 2021 dropped to 44,900 owing to overall inflationary trends and other downward indicators.

Industry Overview

With a new normal after COVID-19 down slide a tangible economic recovery witnessed. Current prosperity wave is backed by overall economic growth and history ever high foreign remittances; electrical home appliances demand surged with growing disposable incomes and restoration of consumer confidence. Pakistan Bureau of Statistics reports 8M CY 21 YOY production quantum increase of Refrigerators by 151.87%, Air Conditioners 73.71%, Deep Freezers 40.10% on account of improved demand and previous year lower base. However, Production of LED TVs subdued by 3.41% as a result of lower production of "TVs Display Panels" due to global supply chain disruptions. Electrical equipments demand surge is backed by governments' electricity T&D infrastructure augmentation efforts to ensure an uninterrupted electricity to end consumers, especially after local industry revival. Metering infrastructure up gradation is also solicited to curb growing electricity pilferage resulting circular debt. Power Division Products 8M CY 21 YOY production quantum increase, Transformers, Energy Meters and Switch Gears is 16.81%, 63.81% and 186.91% respectively.

Company

During the nine month period under review company's operations continued in line with instruction from Punjab Government and strict compliance of National Command & Operation Centre (NCOC) SOPs. Company vaccinated almost all of employees at mobile vaccination centre set up by Primary and Secondary Health Care Department of Punjab Government at company's premises located at 14 KM Ferozepur Road Lahore. Families of company employees are also vaccinated at the said in house mobile vaccination centre.

Directors' Review

On Saturday, April 24, 2021 a fire broke out at refrigerator production line located at 14-KM Ferozepur Road Lahore due to electricity short circuiting. By the grace of Almighty, there is no loss of human life and it mainly affected the final assembly line of the Refrigerator. The assets damaged by fire are adequately insured and survey of the true extent of losses is being carried out.

With the dedicated team efforts Refrigerator Production started within a couple of weeks after completing necessary rehabilitation work. In this way, company's business plans for the year 2021 remained intact.

During the period company received Best Corporate Report Award securing 1st position in "Engineering & Auto Sector" awarded by the Joint Committee of ICAP and ICMAP for the Annual Report for the year 2020.

Company Financial Performance

During the period, company revenues with 45.85% increase over corresponding period of last year remained at Rs. 42,208 Million with gross profit of Rs.6,865 Million which is 44.16% increase over corresponding period of last year. Company's after tax profit is Rs. 1,375 Million against loss of Rs. 173 million during nine months period ended on September 30, 2021. Earning per share is Rs. 2.70 against loss of Rs. 0.41 of the previous year corresponding period. COVID19 down slide oriented economic revival is at the back of this revenue growth. Products demand surge is due to increase in disposable incomes in appliances segment and in power division it is much needed electricity T&D infrastructure augmentation. Profitability turnaround is due to incremental revenues and effective fixed costs absorption.

Summary of operating results is presented below:

Rupees in million	Nine months ended September 30, 2021	Nine months ended September 30, 2020	Increase/ (Decrease)	Percentage %
Revenue	42,208	28,939	13,269	45.85
Gross Profit	6,865	4,762	2,103	44.16
Finance Cost	1,604	1,784	(180)	(10.09)
Profit/(Loss) before taxation	1,857	(61)	1,918	3,144.26
Profit/(Loss) after taxation	1,375	(173)	1,548	894.80
Earnings/(Loss) Per Share (Rupees)	2.70	(0.41)		

Appliances Division

Uncertainty meltdown seen after a noticeable drop in COVID- 19 spread. An overall confidence boost also experienced due to country wide vaccination programs. Present economic stimulation and improved consumer confidence lead to a demand surge. Home Appliance Division revenues registered at Rs. 28,331 Million with 38.63% growth over Rs. 20,437 Million of same period of last year. This revenue growth is attributable to country wide economic revival. Despite of a price hike of imported inputs due to global commodity price increase and weakening of Pak Rupee against US\$, product margins largely remained intact due to cost effective product designs and fixed cost absorption.

High level consumer's "ROX- Return on Experience" is one of core objectives of the company. To achieve the objective, ongoing R&D function is there to ensure attractive esthetically improved and cost effective product designs. During the period under review energy efficient Refrigerator with expanded space "Jumbo Freezer Series", Air Conditioner "Jumbo DC, Turbo DC Series", locally produced "Panasonic ACs", fully automatic Washing Machine with "Smart Touch function" and Semi-automatic washing machines with "Twin Tubs" launched gained positive market response.

State of art manufacturing & testing facilities, highly responsive country wide sales & after sales services network, ongoing product R&D function and a team of well-versed professionals are our core capabilities to further expand our market presence.

Power Division

COVID-19 spread slowdown lead to a robust demand with an improved consumer confidence and uncertainty wipeout. An economic revival witnessed on the back of escalated demand. Electricity demand also grown to support geared up expanded production levels and it necessitated electricity T&D infrastructure augmentation to

ensure uninterrupted electricity supply. T&D infrastructure up-gradation efforts by Incumbent Government witnessed an increased demand of electrical & metering equipments. With these up gradations WAPDA power utilities also intend to curb piling up circular debt as result of electricity pilferage and technical losses.

During the period under review power division revenues registered at Rs. 13,877 million with 63.21% increase over Rs. 8,502 million of the similar period of the last year. Robust product demand, improved ordering pattern from WAPDA power utilities and timely supply by company are behind this revenue expansion. In recent past years government have achieved milestone of sufficient electricity generation by setting up energy generation projects and next priority is augmentation of T&D infrastructure, to ensure the uninterrupted supply of electricity generated so far. Further, with the expected industrial revival an incremental demand of power division products is going to rise in private industries sector. In addition to WAPDA utility companies, Incumbent Government has announced an incentive package for construction industry inclusive of housing projects under "Naya Pakistan Housing Authority". The expected boom in construction industry and housing sector will also create an additional demand of power division products.

With the healthy order book company is quite confident to meet its annual plans. Manufacturing capacities of all products are greatly sufficient to meet increasing demand.

Your company being pioneer of "Electrical Equipment Manufacturing" owns a great set of capabilities i.e. a team of well versed professionals, latest global standard manufacturing & testing facilities and a prolonged "Customers Relationship History" with WAPDA utility companies. Your company with such a great "Capability Belongings" is well determined to expand its market presence.

Future Outlook

The country's growth momentum appears sustainable, driven by recovery in the manufacturing and services sectors. GDP growth is projected at 4.8% in FY'22. The current inflation projection of 8.2% for FY'22 is credible but rising fuel and utility tariffs could pose an upside risk. The Government's and SBP's collaborative focus towards housing finance, along with directed lending targets for the banking sector, should boost growth in the construction sector, having a multiplier effect and lifting allied industries as well. The recent budget is balanced but growth-oriented; while no new major taxes have been announced, measures have been introduced to improve tax administration and widen the tax base.

Pakistan's vaccination program is on track; the government opened vaccination for everyone aged 19 or older, driven by an influx of Chinese vaccines. However, the latest surge in Covid-19 cases and the prevalence of the Delta variant may pose a real challenge. The accelerated roll-out of vaccines, which are now becoming mandatory, is critical and, along with social distancing measures, must be strictly enforced. However, in the short-term, these may dampen economic growth.

FY'21 has seen positive developments in the external position with the build-up of healthy reserves. However, higher oil prices and rising industrial imports will keep the import bill elevated and continue to exert pressure on the Current Account, exacerbating the currency weakness. The ability of the Government to tap international bond markets under the MTN program, as demonstrated by the raising of USD 1 billion in July is a welcome note. However, the timely and successful completion of the 6th IMF review under the EFF, as always, be critical to further boost FX reserves and restore external account stability, ensuring that business sentiments remain anchored. The ability and willingness of the Government to address structural issues – governance and privatization of SOEs, broadening the tax base and addressing the circular debt –will be a key to the success of the EFF program and require urgent attention.

Due to local industry revival, augmentation of electricity T&D infrastructure is a dire need of the day to ensure uninterrupted electricity supply and your company has a prolonged history of being a part of Government's efforts by supplying its quality electrical & metering equipments. Development of CPEC Prioritized Special Economic Zones-SEZs is going tangible in near future and your company being pioneer in electrical equipment manufacturing is well determined to grasp its due market share.

Under the current business conditions, the Company's EPC Department is consolidating its business and concentrating on projects with better margins and least funds deployment for the proven products we have performed in the past. Your directors are optimistic that with these future expected developments, the Company will certainly take advantage of it by supplying quality products.

Acknowledgement

We would like to thank our Board of Directors for continuous support and guidance. We are also thankful to our team for their dedicated efforts to make the company operationally sustainable. We are confident that with continued team efforts we will meet expectation of all stake holders.

On behalf of the Board of Directors

Lahore
October 27, 2021

M. Murad Saigol
Chief Executive Officer

ڈائریکٹر کا جائزہ

کمپنی کے ڈائریکٹر زبیر نوماہی رپورٹ بشمول کمپنی کے غیر آڈٹ شدہ گوشوارہ جات برائے مدت مختتمہ 30 ستمبر 2021ء پیش کر رہے ہیں۔

معاشی جائزہ

پاکستانی معیشت میں 3.5 فیصد کی GDP کی نمو ہے۔ جو کہ ابتدائی تخمینہ جات سے زیادہ ہے۔ صنعتی پیداوار میں نمایاں بہتری ہوئی۔ سال 2021ء میں بڑے پیمانے کی صنعتوں کی پیداوار کی نمو میں 14.85 فیصد اضافہ ہوا ہے۔ سروس سیکٹر جو کہ GDP کا 60 فیصد ہوتا ہے Covid-19 کے باعث سست روی کا شکار رہا۔ جس میں سال 2021ء میں 4.4 فیصد کی برصوقی متوقع ہے ایشیائے خورد و نوش کی قیمتوں میں اضافہ کے ساتھ پیٹرولیم اور بجلی کے نرخوں میں اضافہ کے باعث جون 2021ء میں افراط زر کی شرح 9.7 فیصد رہی۔ اوسط افراط زر کی شرح سال 2021ء میں 8.9 فیصد رہی جو کہ ٹیٹ بینک آف پاکستان کے تخمینہ 7 سے 9 فیصد سے زیادہ اور گزشتہ سال 2020ء کے 10.70 فیصد سے کم ہے۔

کرنٹ اکاؤنٹ خسارہ موجودہ دہائی کی سب سے کم سطح 1.9 بلین ڈالر پر رہا جو کہ گزشتہ سال کے 4.5 بلین ڈالر کے مقابلے میں 58 فیصد کم ہے۔ کرنٹ اکاؤنٹ کے استحکام کی بڑی وجہ بیرونی ترسیلات ہیں جو کہ سارا سال 2 بلین ڈالر سے زیادہ رہتے ہوئے 27 فیصد اضافہ کے ساتھ تاریخی بلند ترین سطح 29.4 بلین ڈالر پر ہیں۔ برآمدات میں رواں سال میں 13.7 فیصد کا اضافہ ہوا۔ تاہم معاشی بحالی کی وجہ سے درآمدات میں نمایاں اضافہ ہوا۔ مزید خام تیل کی قیمتوں میں اضافہ کی وجہ سے تجارتی خسارہ 33.3 بلین ڈالر کے اضافہ کے ساتھ 28.2 بلین ڈالر رہا۔

بیرونی معاشی سطح پر ہونے والی بہتری کے باعث ستمبر 2021ء کے آخر پر غیر ملکی کرنسی کے ذخائر 25.9 بلین ڈالر پہنچ گئے۔ غیر ملکی کرنسی کے ذخائر میں اضافہ IMF کی طرف سے ملنے والے Extended Fund Facility (EFF) کی تیسری قسط کے ساتھ Medium-term note (MTN) پروگرام کے تحت عالمی مارکیٹ میں باڈی اجراء اور دیگر گوشواروں کا نتیجہ ہے۔ Roshan Digital Return سے 1.8 بلین ڈالر حاصل ہوئے ہیں تاہم پاکستانی روپیہ مسلسل باؤ کا شکار رہا اور جون 2021ء تک اس کی قدر میں مزید 10.41 فیصد کمی ہوئی۔

سال 2021ء کے دوران تجارتی خسارہ GDP کا 7.1 فیصد رہا جو کہ گزشتہ سال اسی عرصہ کے دوران 8.9 فیصد تھا۔ حکومت کے اقدامات کے باعث ابتدائی معاشی میزائیکس 452 بلین روپے رہا جو کہ ملکی GDP کا 1 فیصد ہے۔ گزشتہ سال میں یہ 194 بلین روپے تھا جو کہ GDP کا 0.4 فیصد بنتا ہے۔

ٹیکس کے محصولات بھی اس سال میں حوصلہ افزا رہے جو کہ گزشتہ سال سے 18 فیصد زیادہ 4.7 ٹریلین روپے ہیں۔ ٹیکس کے محصولات میں اضافہ کا یہ رجحان سال 2022ء کی پہلی سہ ماہی میں جاری رہا۔ محصولات گزشتہ سال کے 1,059 بلین روپے کے مقابلے میں 37.3 فیصد اضافہ کے ساتھ 1,454 بلین روپے رہے۔ سال 2021ء کی پہلی سہ ماہی میں شاہکار مارکیٹ انڈیکس 8.2 فیصد اضافے کے ساتھ 48,000 پوائنٹس رہی۔ مئی 2021ء میں بلند سطح کا کاروبار ہوا۔ سال رواں میں 7 نئی کمپنیاں اسٹاک ایکسچینج میں رجسٹرڈ ہوئیں۔ جو کہ سال 2007ء کے بعد سب سے زیادہ ہونے والا اضافہ ہے۔ وفاقی بجٹ میں مثبت اقدامات کے باعث گزشتہ سال کے دوران سب سے زیادہ 37.6 فیصد کے حساب سے pay out رہا۔ جو کہ سات سالہ بلند ترین سطح تھی۔ تاہم 30 ستمبر 2021ء کو شاہکار مارکیٹ انڈیکس 44,900 پوائنٹس پر بند ہوئی۔ جس کی بنیادی وجہ بینکاری کے رجحانات اور دوسرے اعشاریوں میں گراؤ تھا۔

صنعتی جائزہ

Covid-19 میں نمایاں کمی کے بعد معاشی سرگرمیوں میں بہتری نظر آئی ہے۔ موجودہ خوشحالی کی لہر کے پیچھے معاشی بحالی اور بیرونی ترسیلات میں اضافہ ہے۔ قابل خرچ آمدنی میں اضافہ اور صارف کے اعتماد کی بحالی گھر سے یلو برقی آلات کی طلب میں اضافہ ہوا ہے۔ پاکستان کے ادارہ برائے شماریات کے مطابق بڑھتی ہوئی طلب کے باعث سال 2021ء کے ۱۸ مئی ریفریجریز کی پیداوار میں سالانہ 151.87 فیصد اضافہ کنڈیشنل 73.71 فیصد اور ڈیپ فریزر 40.10 فیصد اضافہ ہوا ہے۔ تاہم LED TV کے شعبے میں 3.41 فیصد کمی کی رپورٹ ہوئی جس کی وجہ عالمی سپلائی چینز پر وباؤ کی وجہ سے "TV Display Panels" کی عدم دستیابی ہے بجلی کے ترسیلی اور تقسیم کاری نظام کو مضبوط بنانے کے حکومتی اقدامات کے پیش نظر برقی آلات کی طلب میں نمایاں اضافہ ہوا ہے۔ تاکہ نئی صنعتوں سمیت تمام صارفین کو تسلسل کے ساتھ بجلی فراہم کی جاسکے مزید برآں بجلی کی چوری اور اس کے نتیجے میں پیدا ہونے والے گردش قرض کو قابو میں لانے کیلئے بجلی کے ترسیلی، تقسیم کاری اور میٹرنگ کو بھی مضبوط کرنے کی ضرورت ہے اس طرح پاور ڈیوٹ کی مصنوعات فراہم کرنے والی کمپنی کی پیداوار میں سالانہ ملٹریٹ 16.81 فیصد، 63.81 فیصد اور 186.91 فیصد کا اضافہ ہوا ہے۔

کمپنی

زیر جائزہ مدت میں کمپنی نے فیضل مکا انڈیا آپریشن سنٹر (NCOC) اور پنجاب گورنمنٹ کے SOPs پر پتختی سے عمل کرتے ہوئے اپنے آپریشن جاری رکھے۔ کمپنی نے فیکٹری کے اندر پنجاب گورنمنٹ کے Primary & Secondary Health کے پائپرٹھنٹ کے قائم کردہ Mobile Vaccination Centre سے تمام ملازمین کی Vaccination یقینی بنائی مزید برآں اس سنٹر سے ملازمین کے خاندانوں کو بھی Vaccination کی سہولت فراہم کی گئی ہے۔

24 اپریل بروز ہفتہ کمپنی کی ریفریجریز پر ڈسٹن لائن واقع 14 کلومیٹر فیروز پور روڈ لاہور پر بجلی شارٹ سرکٹنگ کی وجہ سے آگ لگ گئی۔ اللہ کے فضل و کرم سے کوئی جانی نقصان نہیں ہوا۔ تاہم ریفریجریز کی فائل اسٹیلی لائن متاثر ہوئی۔ کمپنی کے تمام متاثرہ اثاثہ جات مکمل طور پر Insured ہیں اور انشورنس کمپنیاں نقصانات کا تخمینہ لگا رہی ہیں۔

تمام ٹیم کی بھرپور اور خالصانہ کوششوں کے نتیجے میں دو ہفتوں کے دورے میں ریفریجریز کا پیداواری عمل دوبارہ شروع ہو گیا ہے۔ اس طرح سے کمپنی کے Business Plan پر کوئی منفی اثرات مرتب نہیں ہوئے۔

رواں سال IICMAP اور ICAP کی مشترکہ کمیٹی کی جانب سے "Best Corporate Report Award" کا اعلان کیا گیا جس میں کمپنی نے مالی سال 2020ء کی رپورٹ پر انجمنزنگ اور آئو سیکٹر میں پہلی پوزیشن حاصل کی۔

ڈائریکٹرز کا جائزہ

کمپنی کی مالیاتی کارکردگی

زیر جائزہ مدت میں کمپنی کے محصولات 45.85 فیصد اضافہ کے ساتھ 42,208 ملین روپے رہے اور کمپنی کے خام منافع جات 44.16 فیصد اضافہ کے ساتھ 6,865 ملین روپے رہے۔ 1,375 ملین روپے کے بعد از ٹیکس منافع جات گزشتہ سال کے اسی دورانیے کے 173 ملین روپے کے نقصان کے مقابلے میں ہیں۔ فی حصص آمدنی گزشتہ سال کے اسی عرصہ کی 0.41 روپے کے نقصان کے مقابلے میں 2.70 روپے رہی محصولات کے اس اضافہ کی بنیادی وجہ Covid-19 میں نمایاں کمی کے بعد ملکی معاشی حالات میں آنے والی بہتری ہے۔ کمپنی کی مصنوعات کی طلب میں اضافہ کی وجہ قابل خرچ آمدنی میں اضافہ اور بجلی کے ترسیلی اور تقسیم کاری نظام میں بہتری کیلئے اٹھائے جانے والے حکومتی اقدامات ہیں۔ محصولات میں اضافہ کے سبب اور کمپنی کی Effective Fixed Costs Absorption کی وجہ سے کمپنی کے منافع جات میں نمایاں اضافہ ہوا ہے۔

کمپنی کے نتائج کا خلاصہ

روپے ملین میں	نومائش 30 ستمبر 2021ء	نومائش 30 ستمبر 2020ء	اضافہ / (کمی)	فیصد
مجموعی آمدنی	42,208	28,939	13,269	45.85
خام منافع	6,865	4,762	2,103	44.16
مالی لاگت	1,604	1,784	(180)	(10.09)
منافع قبل از ٹیکس	1,857	(61)	1,918	3,144.26
منافع بعد از ٹیکس	1,375	(173)	1,548	894.80
فی حصص آمدنی روپے	2.70	(0.41)		

ایپلائمنٹس ڈویژن

Covid-19 کے اثرات میں کمی اور ملکی سطح پر Vaccination پروگرام کے بعد ہونے والی معاشی بحالی سے غیر یقینی صورتحال کے بدل چھٹنے شروع ہو گئے ہیں۔ موجودہ معاشی بحالی اور صارف کے اعتماد میں اضافہ کے باعث گھر بلڈ برقی آلات کی طلب میں اضافہ ہوا ہے ہوم ایپلائمنٹس ڈویژن کے محصولات 38.63 فیصد اضافہ کے ساتھ 28,331 ملین روپے رہے جو کہ گزشتہ سال کے اسی عرصہ میں 20,437 ملین روپے تھے۔ اس محصولاتی نمو کے پیچھے ملکی معاشی بحالی کے نتیجے میں قابل خرچ آمدنی میں ہونے والا اضافہ ہے۔ عالمی منڈی میں بڑھتی ہوئی قیمتوں اور ڈالر کے مقابلے میں روپے کی قدر میں کمی کے باعث مصنوعات کی لاگت میں اضافہ ہوا ہے۔ تاہم Effective Fixed Cost Absorption کی وجہ سے منافع جات میں کمی نہیں ہوئی۔

صارف کا بہترین Rox Return of Expenses کمپنی کے مقاصد میں سے ہے اس کے حصول کیلئے کمپنی کا جاریہ تحقیقی عمل، دیدہ زیب اور کم لاگت والے ڈائریزی، تخلیق کیلئے سرگرم عمل ہے۔ زیر جائزہ مدت میں کمپنی نے زیادہ گنجائش اور کم بجلی کے استعمال والے Jumbo Freezer Series کے ریفریجریٹر، DC اور Turbo DC سیریز کے ایئر کنڈیشنرز، مقامی طور پر بنائے گئے Panasonic ACs، مکمل Automatic Washing Machine سمارٹ ٹیچ فنکشن کے ساتھ، نیم آٹو بیگ واشنگ مشین Twin Tub کے ساتھ متعارف کروائے ہیں جن کو مارکیٹ پر بڑائی ملی ہے۔

بہترین پیداواری سہولیات ملک گیر ہمہ وقت چوکس بعد از فروخت سروس کا نظام، جاریہ تحقیقی عمل اور پیشہ وارانہ صلاحیتوں سے مزین ٹیم کمپنی کی بنیادی صلاحیتیں ہیں جو کہ کمپنی کی مارکیٹ میں موجودگی کو بڑھانے کیلئے پرعزم ہیں۔

پاور ڈویژن

Covid-19 کے اثرات میں نمایاں کمی کے بعد ہونے والی معاشی بحالی سے غیر یقینی صورتحال سے چھٹکارا اور صارف کے اعتماد میں اضافہ کی وجہ سے مصنوعات کی طلب میں اضافہ ہوا ہے۔ پیداواری حجم میں اضافہ کیلئے بجلی کی طلب میں اضافہ کے ساتھ بجلی کی تسلسل کے ساتھ فراہمی بہت ضروری ہے۔ موجودہ حکومت کی بجلی کے ترسیلی اور تقسیم کاری نظام کو مضبوط بنانے کی کوششوں سے پاور ڈویژن کی مصنوعات کی طلب میں اضافہ ہوا ہے جس سے واپڈا کی تقسیم کاری کمپنیاں بڑھتے ہوئے گزشتہ قریب دو برسوں میں پائیدار ہو گئی۔

زیر جائزہ مدت کے دوران پاور ڈویژن کے محصولات گزشتہ سال کے اسی عرصہ کے 8,502 ملین روپے کے مقابلے میں 63.21 فیصد اضافہ کے ساتھ 13,877 ملین روپے رہے۔ بڑھتی ہوئی طلب، واپڈا کی تقسیم کاری کمپنیوں کے آرڈرنگ کے نظام میں بہتری اور کمپنی کی بروقت سپلائی ان محصولات میں اضافہ کی نمایاں وجوہات ہیں۔ بجلی کی پیداواری گنجل کے حصول کے بعد ترجیحی بجلی کے ترسیلی اور تقسیم کاری نظام کی مضبوطی ہے تاکہ پیدا کی گئی بجلی صارفین تک پہنچائی جاسکے۔ مزید متوقع صنعتی بحالی سے پاور ڈویژن کی مصنوعات کی طلب میں اضافہ ہوگا۔ اس سے واپڈا کی تقسیم کاری کمپنیوں کے علاوہ پرائیویٹ صنعتی کسٹمرز سے آنے والے آرڈرز سے بھی طلب میں مزید اضافہ ہوگا۔ موجودہ حکومت نے کنکشن انڈسٹری اور نیا پاکستان ہاؤسنگ اتھارٹی کے زیر انصرام منصوبہ جات کیلئے مراعاتی چیک کا اعلان کیا ہے۔

جس سے پاور ڈویژن کی مصنوعات کی طلب میں مزید اضافہ ہوگا۔

کمپنی کی آرڈر بک کافی مضبوط ہے اور کمپنی اپنے سالانہ اندازہ ہدف کے حصول کیلئے پرعزم ہے۔ مزید اس ڈویژن میں تمام مصنوعات کی پیداواری گنجائش اس کی بڑھتی ہوئی طلب کو پورا کرنے کیلئے کافی ہے۔

آپ کی کمپنی Electrical Equipment کی بانی ہونے کے باوجود بہترین صلاحیتوں جیسا کہ جدید پیداواری اور ٹیسٹنگ پلانٹ، باصلاحیت پیشہ ور ٹیم اور واپڈا تقسیم کاری کمپنیوں سے کاروباری تعلقات کا

ڈائریکٹر کا جائزہ

شانداز ماضی رہا ہے۔ ان بھرپور کاروباری صلاحیتوں کے باعث کمپنی مارکیٹ میں اپنا کاروباری حصہ حاصل کرنے کیلئے پرعزم ہے۔

مستقبل کے امکانات

پیداوار اور سروس کے شعبہ جات میں بہتری آنے کے باعث ملکی منو کی رفتار مضحکم ہوئی ہے۔ سال 2022ء کیلئے 4.8 فیصد GDP نمو کا تخمینہ لگایا گیا ہے۔ سال 2022ء کیلئے افراط زر کا تخمینہ 8.2 فیصد لگایا گیا ہے۔ مگر خام تیل اور ضروریات زندگی کی اشیاء کی قیمتوں میں اضافہ کے باعث افراط زر مزید بڑھنے کا خطرہ موجود ہے۔ حکومت اسٹیٹ بینک آف پاکستان کے باہمی تعاون سے کنسٹرکشن مینکٹر کے ساتھ دوسرے صنعتی شعبوں کو بہتر کرنے کیلئے منوٹر اقدامات کر رہی ہے۔ موجودہ بجٹ نئے ٹیکس نہ لگانے کی وجہ سے نہایت منوٹر اور ترقی کا موجب ہوگا۔ ٹیکس محصولات کو بہتر کرنے کے لیے منوٹر اقدامات اٹھائے گئے ہیں۔

پاکستان میں ویکسینیشن کا عمل جاری ہے۔ جائید سے ویکسین آنے کے بعد حکومت نے 19 سال سے زائد عمر کے لوگوں کے لئے ویکسینیشن عام کر دی ہے۔ تاہم Covid-19 کے مریضوں میں موجودہ اضافہ اور Delta Variant کے باعث سے ویکسینیشن کے عمل کو مزید تیز کرنا ضروری ہو گیا ہے اس کے ساتھ سماجی فاصلے قائم رکھنے کیلئے سختی سے عمل کرنا ہوگا اور یہ سب معاشی بحالی کے لئے بہت ضروری ہے۔ سال 2021ء میں بہتر سرمایہ کاری کے باعث ترقی کارخانہ دیکھنے کو ملا۔ تاہم خام تیل کی قیمتوں میں اضافے اور بڑھتی ہوئی درآمدات کے باعث جاریہ اکاؤنٹ پر باؤر ہے۔ جس کے نتیجے میں کرنسی کی قدر گراؤنٹ کا شکار رہی۔ حکومت کی طرف سے MTN پروگرام کے تحت انٹرنیشنل بانڈ کے اجراء سے جولائی میں 1 بلین ڈالر کی وصولی خوش آئند ہے۔ تاہم EFF پروگرام کے تحت IMF کے جائزے کی بروقت اور کامیاب تکمیل زر مبادلہ کے ذخائر میں مزید اضافے کا باعث بنے گی۔ جس سے کاروباری حالات مضحکم ہونگے اور اب یہ حکومت کی ذمہ داری ہے کہ درجیش مسائل جیسے کہ ٹیکس محصولات میں اضافہ اور گردش قرضہ پر کنٹرول جیسے عوامل کو مد نظر رکھتے ہوئے EFF پروگرام کو کامیاب بنانے کیلئے منوٹر اقدامات کرے۔

مقامی صنعتوں کی بحالی کے باعث بجلی کے ترسیلی اور تقسیم کاری کے نظام کو مضبوط کرنے کی اشد ضرورت ہے۔ تاکہ تمام صنعتوں کی بجلی کی سپلائی ممکن ہو سکے اور آپ کی کمپنی ہمیشہ سے معیاری Electrical Equipment سپلائی کرتے ہوئے حکومت کی تسلسل سے بجلی مہیا کرنے کی کوششوں کا حصہ رہی ہے۔ مزید CPEC کے تحت بننے والے Special Economic Zone کی Development اب شروع ہو چکی ہے جس کے نتیجے میں Electrical Equipment کی طلب میں مزید اضافہ ہوگا اور آپ کی کمپنی اس کاروبار میں بانی ہونے کی حیثیت سے اپنا کاروباری حصہ لینے کیلئے پرعزم ہے۔

موجودہ کاروباری صورتحال کے پیش نظر کمپنی کے EPC ڈیپارٹمنٹ نے صرف بہتر مارجن والے پروڈکٹس پر Focus کرنے کا فیصلہ کیا ہے۔ تاکہ کمپنی کے وسائل کو آزمودہ اور بہتر منافع والی مصنوعات میں لگایا جائے آپ کے ڈائریکٹر پرعزم ہیں کہ مستقبل کے موزوں حالات کے پیش نظر کمپنی اعلیٰ کوالٹی کی مصنوعات سپلائی کر کے بھرپور فائدہ اٹھائے گی۔

اظہار تشکر:

ہم مسلسل مدد اور رہنمائی کیلئے کمپنی کے بورڈ آف ڈائریکٹرز کے مشکور ہیں کہ ہم اپنی ٹیم ممبرز کی کمپنی کے کاروبار کو مضحکم بنیادوں پر استوار کرنے کی مخلصانہ کوششوں کیلئے ان کا شکریہ ادا کرتے ہیں اور امید کرتے ہیں کہ ہم اپنی ٹیم کی مسلسل کوششوں کے سبب حصہ داروں، بینکرز اور گاہکوں کے اعتماد پر پورا اتریں گے۔

لاہور

27 اکتوبر 2021ء

ایم مراد ہنگل

چیف ایگزیکٹو آفیسر

Condensed Interim Statement Of Financial Position

AS AT SEPTEMBER 30, 2021

		September 30, 2021	December 31, 2020
	Note	Rupees '000	Rupees '000
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Capital	6	6,000,000	6,000,000
Issued, subscribed and paid up capital	6	5,426,392	5,426,392
Reserves		4,279,947	4,279,947
Unappropriated profit		17,848,647	16,285,232
Surplus on revaluation		5,474,134	5,723,151
		33,029,120	31,714,722
NON-CURRENT LIABILITIES			
Long term financing	7	4,832,770	5,627,441
Lease Liabilities	8	73,108	155,148
Warranty obligations		134,383	142,273
Deferred taxation		2,401,484	2,338,798
Deferred income		35,088	50,027
		7,476,833	8,313,687
CURRENT LIABILITIES			
Trade and other payables		1,537,657	1,543,791
Unclaimed Dividend		10,917	14,456
Accrued interest/ mark up		362,550	372,446
Short term borrowings	9	11,952,018	10,605,608
Current Portion of Non Current Liabilities		2,505,329	2,228,633
		16,368,471	14,764,934
TOTAL LIABILITIES		23,845,304	23,078,621
CONTINGENCIES AND COMMITMENTS	10	-	-
		56,874,424	54,793,343

The annexed notes 1 to 19 form an integral part of these interim financial statements.

M. MURAD SAIGOL
Chief Executive Officer

M. ZEID YOUSUF SAIGOL
Director

		September 30, 2021	December 31, 2020
	Note	Rupees '000	Rupees '000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	24,027,945	24,119,420
Intangible assets		292,436	297,730
Long-term investments	12	13,447	10,653
Long-term deposits		449,603	463,652
Long term advances		734,776	615,576
		25,518,207	25,507,031
CURRENT ASSETS			
Stores, spare parts and loose tools		883,847	862,124
Stock-in-trade		10,057,556	9,499,264
Trade debts		11,766,840	10,436,154
Construction work in progress		858,743	1,066,852
Short Term Advances		2,661,115	2,637,536
Short term deposits and prepayments		1,190,372	1,114,164
Other receivables		388,312	366,789
Short term investments		31,799	31,881
Advance income tax		2,959,991	2,719,270
Cash and bank balances		557,642	552,278
		31,356,217	29,286,312
		56,874,424	54,793,343

SYED MANZAR HASSAN
Chief Financial Officer

Condensed Interim Statement of Profit or Loss and Other Comprehensive Income

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021 (Un-Audited)

	Note	Nine months ended		Three months ended	
		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
		Rupees '000'	Rupees '000'	Rupees '000'	Rupees '000'
Gross Sales	13	42,207,890	28,938,971	11,687,894	10,770,374
Sales Tax and discount	13	(10,380,778)	(7,311,084)	(2,645,531)	(2,612,685)
Net Sales		31,827,112	21,627,887	9,042,363	8,157,689
Cost of Sales	14	(24,962,004)	(16,865,426)	(7,064,584)	(6,355,978)
Gross Profit		6,865,108	4,762,461	1,977,779	1,801,711
Other Operating Income		22,279	17,519	3,614	5,492
		6,887,387	4,779,980	1,981,393	1,807,203
Distribution Cost		(1,995,560)	(1,842,696)	(514,551)	(612,375)
Administrative Cost		(1,255,686)	(1,186,649)	(410,881)	(412,910)
Other Operating Expenses		(144,272)	(3,456)	(40,428)	8,560
		(3,395,518)	(3,032,801)	(965,860)	(1,016,725)
Impairment allowance for expected credit loss		(30,129)	(22,350)	-	-
Operating Profit		3,461,740	1,724,829	1,015,533	790,478
Finance Cost		(1,604,086)	(1,784,301)	(494,469)	(488,468)
Share of profit/(loss) of associate		(495)	(1,731)	(109)	335
Profit/ (loss) Before Taxation		1,857,159	(61,203)	520,955	302,345
Provision for Taxation		(482,209)	(111,502)	(171,347)	(49,209)
Profit/ (loss) after Taxation		1,374,950	(172,705)	349,608	253,136
Earnings per share basic & diluted	15	2.70	(0.41)	0.68	0.49

The annexed notes 1 to 19 form an integral part of these interim financial statements.

M. MURAD SAIGOL
Chief Executive Officer

M. ZEID YOUSUF SAIGOL
Director

SYED MANZAR HASSAN
Chief Financial Officer

Condensed Interim Statement Of Cash Flows

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021 (Un-Audited)

	September 30, 2021	September 30, 2020
	Rupees '000'	Rupees '000'
Cash flows from operating activities		
Profit/(Loss) before taxation	1,857,159	(61,203)
Adjustments for non cash items	2,187,141	2,471,646
Cash generated from operations before working capital changes	4,044,300	2,410,443
Working capital changes	(1,792,523)	(1,181,583)
Cash generated from operations	2,251,777	1,228,860
Finance cost paid - Interest based	(1,406,822)	(1,754,890)
Income tax paid	(660,244)	(91,076)
	(2,067,066)	(1,845,966)
Net cash used in operating activities	184,711	(617,106)
Cash flows from investing activities		
Purchase of property, plant and equipment	(776,275)	(1,585,581)
Purchase of intangible assets	-	(11,342)
Proceeds from disposal of property, plant and equipment	22,917	14,330
(Increase) / decrease in long-term deposits	(105,151)	3,861
Net cash used in investing activities	(858,509)	(1,578,732)
Cash flows from financing activities		
Long Term Finances obtained	1,000,000	1,593,426
Repayment of Long Term Finances	(1,443,272)	(569,114)
Increase/ (Decrease) in liabilities against finance lease	(220,437)	(35,462)
Dividend paid	(3,539)	(464)
Increase / (Decrease) in Short Term Borrowing	1,346,410	1,416,044
Net cash from financing activities	679,162	2,404,430
Net increase/(decrease) in cash and cash equivalents	5,364	208,592
Cash and cash equivalents at beginning of the period	552,278	379,733
Cash and cash equivalents at end of the period	557,642	588,325

The annexed notes 1 to 19 form an integral part of these interim financial statements.

M. MURAD SAIGOL
Chief Executive Officer

M. ZEID YOUSUF SAIGOL
Director

SYED MANZAR HASSAN
Chief Financial Officer

Condensed Interim Statement Of Changes In Equity

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021 (Un-Audited)

	Issued, Subscribed and paid up Capital	Capital reserves		Revenue reserves	
		Share premium	Surplus on Revaluation of Property, Plant and Equipment	Accumulated Profits	Total
	Rupees '000'	Rupees '000'	Rupees '000'	Rupees '000'	Rupees '000'
Balance as at January 1, 2020	5,426,392	4,279,947	6,023,632	7,277,582	23,007,553
Loss for the period	-	-		(172,706)	(172,706)
Other comprehensive loss			(54,219)		(54,219)
Incremental depreciation			(198,384)	198,384	-
Acquired on amalgamation				7,638,684	7,638,684
Balance as at September 30, 2020	5,426,392	4,279,947	5,771,029	14,941,944	30,419,312
Total comprehensive income for the period	-	-		396,555	396,555
Other comprehensive loss			10,087		10,087
Revaluation surplus realised on disposal			(1,385)	1,385	-
Incremental depreciation	-	-	(56,580)	56,580	-
Acquired on amalgamation				888,768	888,768
Balance as at December 31, 2020	5,426,392	4,279,947	5,723,151	16,285,232	31,714,722
Profit for the period.	-	-		1,374,950	1,374,950
Other comprehensive loss			(60,552)		(60,552)
Incremental depreciation	-	-	(188,465)	188,465	-
Balance as at September 30, 2021	5,426,392	4,279,947	5,474,134	17,848,647	33,029,120

The annexed notes 1 to 19 form an integral part of these interim financial statements.

M. MURAD SAIGOL
Chief Executive Officer

M. ZEID YOUSUF SAIGOL
Director

SYED MANZAR HASSAN
Chief Financial Officer

Notes to the Condensed Interim Financial Statements

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021 (Un-Audited)

1 LEGAL STATUS AND OPERATIONS

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 Exchanges. The principal activity of the Company is manufacturing and sale of electrical capital goods and domestic appliances.

The Company is currently organized into the following operating divisions:

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, Washing Machines, Water Dispensors, LED Televisions and other domestic appliances.

2 SIGNIFICANT EVENTS AND TRANSACTIONS DURING THE YEAR

2.1 COVID-19

After implementing all the necessary Standard Operating Procedures (SOPs) to ensure safety of employees, the Company continued its operations and has taken all necessary steps to upkeep operation at a pace meeting its business plans. According to management's assessment, there is no significant accounting impact of the effects of COVID-19 on these interim financial statements.

2.2 FIRE INCIDENT

On Saturday, 24 April 2021 a fire broke out due to short circuiting at refrigerator manufacturing facility located at 14-KM, Ferozepur Road, Lahore. By the grace of Almighty, there is no loss of life and most of the production area remained safe. The assets damaged by fire are adequately insured. The insurance claim has been lodged which is being assessed by the surveyors.

3 BASIS OF PREPARATION

These interim financial statements are un audited and have been presented in condensed form and do not include all the information as is required to be provided in a full set of annual financial statements. These interim financial statements should be read in conjunction with the audited financial statements of the company for the year ended December 31, 2020.

The comparative interim balance sheet as at December 31, 2020 and the related notes to the condensed interim financial information are based on audited financial statements. The comparative interim profit and loss account/statement of comprehensive income, interim cash flow statement, interim statement of changes in equity and related notes to the condensed interim financial information for nine months ended September 30, 2020 are based on unaudited interim financial information.

3.1 Statement of compliance

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

International Accounting Standard 34- Interim Financial Reporting, issued by International Accounting Standards 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 directive issued under the companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the companies Act, 2017 have been followed.

3.2 Basis of measurement

This condensed interim 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.

3.3 Judgements, estimates and assumptions

The preparation of interim financial statements requires managements to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgements are based on historical experience and various other factors that are believe to be reasonable under the circumstances, the result of which forms the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimated is revised and in any future periods affected.

3.4 Functional currency

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

4 ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and the methods of computation adopted in the preparation of these interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the company for the year ended December 31, 2020.

5 AUTHORIZED CAPITAL

September 30, 2021	December 31, 2020		September 30, 2021	December 31, 2020
No. of shares (Un-Audited)	No. of shares (Audited)		Rupees '000 (Un-Audited)	Rupees '000 (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	A' Class preference shares	625,000	625,000
37,500,000	37,500,000	B' Class preference shares	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

6 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

September 30, 2021	December 31, 2020		September 30, 2021	December 31, 2020
<i>No. of shares</i> <i>(Un-Audited)</i>	<i>No. of shares</i> <i>(Audited)</i>		<i>Rupees '000</i> <i>(Un-Audited)</i>	<i>Rupees '000</i> <i>(Audited)</i>
Ordinary shares of Rs. 10 each fully paid				
372,751,051	372,751,051	In cash	3,727,511	3,727,511
		other than cash:		
137,500	137,500	- against machinery	1,375	1,375
408,273	408,273	- against acquisition of PEL Appliances Limited	4,083	4,083
6,040,820	6,040,820	- against conversion of preference shares	60,408	60,408
118,343,841	118,343,841	- 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

7 LONG-TERM FINANCING - SECURED

	(Un-Audited) September 30, 2021	(Audited) December 31, 2020
	<i>Rupees '000</i>	<i>Rupees '000</i>
As at beginning of the period	7,638,638	4,407,403
Obtained during the period	1,000,000	5,314,552
Paid / settled during the period	(1,443,272)	(2,083,317)
As at end of the period / year	7,195,366	7,638,638
Current portion	(2,362,596)	(2,011,197)
	4,832,770	5,627,441

8 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

Present value of minimum lease payments	150,996	321,433
Current portion	(77,888)	(166,285)
	73,108	155,148

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, 2020.

		(Un-Audited) September 30, 2021	(Audited) December 31, 2020
	Note	Rupees '000	Rupees '000
11 PROPERTY, PLANT AND EQUIPMENT			
Operating assets	11.1	20,904,888	21,553,524
Capital work-in-progress		3,123,057	2,565,896
		24,027,945	24,119,420
11.1 Operating assets			
Written down value at beginning of the period / year		21,553,527	21,759,616
Additions during the period / year	11.1.1	219,111	800,629
		21,772,638	22,560,245
Written down value of the assets disposed off / adjustments		(14,000)	(20,291)
Depreciation charged during the period / year		(853,750)	(1,148,923)
Rental properties		-	162,493
		20,904,888	21,553,524
11.1.1 Additions during the period / year			
Plant and machinery		169,945	675,190
Office equipment and furniture		16,780	14,022
Computer hardware and allied items		31,337	29,785
Vehicles		1,049	81,632
		219,111	800,629
12 LONG-TERM INVESTMENTS			
Kohinoor Power Company Limited 2,910,600 shares (December 31, 2020 2,910,600 shares) of Rs. 10 each- Relationship: Associate Ownership interest 23.10 %	12.1	13,447	10,653
		13,447	10,653

	(Un-Audited) September 30, 2021	(Audited) December 31, 2020
Note	Rupees '000	Rupees '000
12.1 Investment in associate at cost - Quoted		
Cost of investment	54,701	54,701
Share of post acquisition losses	(14,361)	(13,866)
	40,340	40,835
Accumulated impairment	(26,893)	(30,182)
	13,447	10,653

13 REVENUE

	Nine Months Ended		Quarter ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
	Rupees '000	Rupees '000	Rupees '000	Rupees '000
Contract revenue	507,492	549,626	402,659	261,240
Sales - local	41,620,693	28,273,755	11,277,547	10,422,037
Sales - export	79,705	115,590	7,688	87,097
	42,207,890	28,938,971	11,687,894	10,770,374
Sales tax and trade discount	(10,380,778)	(7,311,084)	(2,645,531)	(2,612,685)
	31,827,112	21,627,887	9,042,363	8,157,689

14 COST OF SALES

Raw material,wages and FOH	26,750,446	16,057,808	8,121,887	5,476,301
Work-in-process				
-at beginning of period	1,046,705	656,835	1,563,107	1,011,690
-at end of period	(1,867,143)	(1,008,649)	(1,867,143)	(1,008,649)
	(820,438)	(351,814)	(304,036)	3,041
Cost of goods manufactured	25,930,008	15,705,994	7,817,851	5,479,342
Finished goods				
-at beginning of period	1,529,403	1,871,490	1,838,825	1,825,321
-at end of period	(2,955,774)	(1,159,563)	(2,955,774)	(1,159,563)
	(1,426,371)	711,927	(1,116,949)	665,758
	24,503,637	16,417,921	6,700,902	6,145,100
Contract cost	458,367	447,505	363,682	210,878
Cost of sales	24,962,004	16,865,426	7,064,584	6,355,978

	(Un-Audited) September 30, 2021	(Audited) December 31, 2020
	Rupees '000	Rupees '000
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	1,374,950	(172,705)
Less: dividend payable on preference shares	(32,032)	(32,032)
Profit attributable to ordinary shares	1,342,918	(204,737)
Number of shares	(Number)	
Weighted average number of ordinary shares for the purpose of basic profit	497,681,485	497,681,485
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)	2.70	(0.41)

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:

		Un-audited September 30, 2021	Un-audited September 30, 2020
		Rupees '000	Rupees '000
Relationship	Nature of transaction		
Provident Fund Trust	Contribution for the period	61,669	60,686
Associated company	Services acquired	40,427	38,891
Key Management Personnel	Short-term employee benefits	37,146	34,974
	Post employment benefits	1,465	1,367

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 October 27, 2021.

18 GENERAL

18.1 Figures have been rounded off to the nearest thousands.

18.2 Comparative figures have been rearranged and reclassified, where necessary for the purpose of comparison. However there were no significant reclassification during the year.

19 OTHERS

There are no other significant activities since December 31, 2020 affecting this condensed interim financial information.

Notes

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