

Nurture **Future**

Half Yearly Accounts
for six months ended December 31, 2021



TRUSTED NOT TO COMPROMISE

COMPANY INFORMATION

Board of Directors

Mr. Mustapha A. Chinoy	Chairman
Mr. Shoaib Javed Hussain	
Ms. Spenta Kandawalla	
Mr. Roderick Macdonald	
Mr. Akbar Ali Pesnani	
Mr. Ali H. Shirazi	
Mr. Mazhar Valjee	
Mr. Kamal A. Chinoy	
Mr. Fahd Kamal Chinoy	Chief Executive Officer

Chief Financial Officer

Mr. Waqas Mahmood

Company Secretary

Ms. Natasha Mohammad

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Legal Advisor

ASPIRELaw Advocates & Corporate Counsel

Tax Advisors

A.F. Fergusons & Co.
Muhammad Bilal & Co.

Bankers

Standard Chartered Bank (Pakistan) Limited
Bank Al-Habib Limited
Habib Bank Limited
Meezan Bank Limited
MCB Bank Limited
National Bank of Pakistan
BankIslami Pakistan Limited
Habib Metropolitan Bank Limited
Soneri Bank Limited
Industrial and Commercial Bank of China Limited

Share Registrar

THK Associates (Pvt.) Limited,
Plot No. 32-C, Jami Commercial Street 2,
D.H.A., Phase VII, Karachi-75500
Tel: 021-35310187-35310188
UAN: 021-111000322
Fax: 021-35310191
Email: secretariat@thk.com.pk

Registered Office

B-21 Pakistan Cables Road
Sindh Industrial Trading Estates,
Karachi -75700
P.O Box 5050
Tel: +92 -21- 32561170-5
Fax: +92-21-32564614
Email: info@pakistancables.com

Website: www.pakistancables.com

DIRECTORS' REVIEW

Sales for the half year period ended December 31, 2021 stood at Rs. 9.6 billion which is 85% higher than sales for the same period of last year. Strong sales performance was driven by growing volumes and rising prices of our products due to higher international metals prices and the depreciation of the rupee. Gross profit for the half year was recorded at Rs. 1,307.6 million whereas the profit after tax was at Rs. 452.8 million.

Selling, Marketing and Administrative expenses and impairment loss on trade debts for the half year are Rs. 509.5 million compared to Rs. 322.3 million in the same period of last year. The increase is mainly due to higher expenses on account of advertising and publicity. Finance cost for the half year is Rs. 139.7 million compared to Rs. 99.8 million in the same period of last year.

As a result of the above, your Company ended the half year with a profit after tax of Rs. 452.8 million compared to a profit after tax of Rs. 81.0 million in the same period of last year. Earning per share has increased to Rs. 12.73 compared to Rs. 2.28 in the same period of last year.

The country's external sector vulnerabilities have increased with a widening current account deficit due to massive growth in imports as against exports & remittances, putting pressure on the falling reserves. Rising commodity prices, high interest rates and declining rupee, are a cause of concern. These combined with supply chain challenges due to global port congestion and tight availability of vessels remain key challenges for the company. While your Company has a reasonable amount of orders currently in hand, going forward rising interest rates and higher commodity prices are raising the cost of construction, which could result in some demand suppression.

We are pleased to inform the shareholders that during the current quarter, your Company received the 36th Corporate Excellence Award 2021 from Management Association of Pakistan, which shows our continued commitment towards professionalism and ethical conduct of business. The Company also rolled out its new Vision, Mission and Values during the quarter which will set the direction for transformation as we move forward.

The Directors would like to place on record their sincere appreciation for the hard work and dedication shown by the Management and employees of the Company during the quarter. On behalf of the Board of Directors and employees of the Company, we express our gratitude and appreciation to all our valued customers, distributors, dealers, bankers, vendors, employees and all other stakeholders for the trust and confidence reposed in the Company.

On behalf of the Board of Directors



MUSTAPHA A. CHINOY
Chairman

Karachi: January 28, 2022

ڈائریکٹرز کا تجزیہ

31 دسمبر 2021ء کو اختتام پذیر پہلی ششماہی کی فروخت 9.6 ملین روپے رہی جو گذشتہ سال کی اسی مدت کے مقابلہ میں 85 فیصد زیادہ ہے۔ فروخت میں عمدہ کارکردگی، بڑھتے ہوئے حجم میں اضافہ کی وجہ سے ہیں، اور بین الاقوامی سطح پر دھاتوں کی قیمت میں اضافے اور روپے کی قدر میں کمی کے باعث ہماری مصنوعات کی قیمتوں میں خاطر خواہ اضافے کا سبب ہے۔ پہلی ششماہی کے لئے مجموعی منافع 1,307.6 ملین روپے ریکارڈ ہوا جب کہ نفع بعد از ٹیکس 452.8 ملین روپے رہا۔

پہلی ششماہی کے لئے فروخت، مارکیٹنگ اور انتظامی اخراجات اور تجارتی قرضوں میں خسارہ گذشتہ سال کی اسی مدت میں 322.3 ملین روپے کی نسبت 509.5 ملین روپے رہا۔ یہ اضافہ ایڈورٹائزنگ اور تشہیری اخراجات میں اضافے کے باعث سامنے آیا۔ گذشتہ سال کی اسی مدت میں قرضوں پر لاگت 99.8 ملین روپے کے مقابلے میں زیر جائزہ ششماہی کے دوران 139.7 ملین روپے رہی۔

مذکورہ بالا کے نتیجے میں آپ کی کمپنی نے پہلی ششماہی کا اختتام 452.8 ملین روپے منافع بعد از ٹیکس پر کیا جب کہ گذشتہ سال کی اسی مدت کے دوران نفع بعد از ٹیکس 81.0 ملین روپے تھا۔ فی حصص آمدنی میں گذشتہ سال کی اسی مدت میں 2.28 روپے کی نسبت 12.73 روپے اضافہ ریکارڈ ہوا۔

برآمدات اور ترسیلات زر کے مقابلے میں درآمدات میں خاطر خواہ اضافے اور بڑھتے ہوئے کرنٹ اکاؤنٹ خسارے کے باعث ملک کے بیرونی شعبوں میں عدم استحکام کا رجحان ہے جس کی وجہ سے گرتے ہوئے ذخائر پر دباؤ بڑھ رہا ہے۔ ایشیائے خورد و نوش کی قیمتوں میں اضافہ، بلند شرح سود اور روپے کی گرتی ہوئی قدر باعث تشویش ہیں۔ عالمی بندرگاہوں میں بھیڑ کا رجحان اور ویسلز کی عدم دستیابی کے باعث سپلائی چین میں مسائل کے باعث کمپنی کئی چیلنجز کا سامنا کر رہی ہے۔ اگرچہ آپ کی کمپنی کے پاس خاطر خواہ آرڈرز موجود ہیں لیکن بلند شرح سود اور ایشیائے خورد و نوش کی قیمتوں میں اضافے کا رجحان تعمیراتی لاگت میں اضافے کا باعث بن رہے ہیں جس کی وجہ سے طلب میں کمی آسکتی ہے۔

ہم اپنے شیئر ہولڈرز کو آگاہ کرتے ہوئے خوشی محسوس کرتے ہیں کہ حالیہ سہ ماہی کے دوران آپ کی کمپنی نے اینجمنٹ ایسوسی ایشن آف پاکستان سے چھٹیہواں (36 واں) کارپوریٹ ایکسی لینس ایوارڈ 2021ء حاصل کیا ہے جو ہماری پیشہ ورانہ کارکردگی اور کاروباری امور میں اخلاقی اقدار کی طرف ہمارے عزم کی عکاسی کرتا ہے۔ کمپنی نے اس سہ ماہی کے دوران اپنا نیا ویژن، مشن اور اقدار متعارف کرائی ہیں جو ہماری ترقی کو ایک نئی سمت فراہم کریں گی۔

ڈائریکٹرز اس سہ ماہی کے دوران کمپنی کی انتظامیہ اور ملازمین کی ان تھک محنت اور جذبہ کی خلوص نیت سے قدر کرتے ہیں۔ بورڈ آف ڈائریکٹرز اور کمپنی کے ملازمین کی جانب سے ہم اپنے تمام گراں قدر صارفین، ڈسٹری بیوٹرز، ڈیلرز، بینکرز، اینڈرز، ملازمین اور تمام دیگر سٹیک ہولڈرز کے کمپنی پر اعتماد اور بھروسہ کے لئے تہہ دل سے شکریہ ادا کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز



مصطفیٰ اے چنائے

چیئر مین

کراچی: 28 جنوری، 2022ء

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Pakistan Cables Limited Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Pakistan Cables Limited** as at 31 December 2021 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

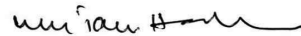
The figures for the quarter ended 31 December 2021 and 31 December 2020 in the interim financial statements have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's report is **Moneeza Usman Butt**.

Date: 03 February 2022

Karachi

UDIN: RR202110102luhJnxL5w



KPMG Taseer Hadi & Co.
Chartered Accountants
Moneeza Usman Butt

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	(Unaudited) 31 December 2021	(Audited) 30 June 2021
(Rupees in '000)			
ASSETS			
Non-current assets			
Property, plant and equipment	4	5,788,863	4,778,649
Right-of-use assets		41,272	51,584
Intangible assets		12,652	12,617
Investment in associated company		132,780	120,977
Long-term loans receivable		6,689	7,780
Long-term deposits		6,610	6,200
		<u>5,988,866</u>	<u>4,977,807</u>
Current assets			
Stores and spares		66,978	67,220
Stock-in-trade	5	2,737,378	2,503,864
Trade debts	6	3,029,397	2,786,556
Short-term loans and advances	7	52,537	60,184
Short-term deposits and prepayments	8	32,459	32,012
Other receivables	9	85,366	130,905
Advance tax - net of provision		314,734	365,723
Cash and bank balances	10	121,743	107,644
		<u>6,440,592</u>	<u>6,054,108</u>
Total assets		<u><u>12,429,458</u></u>	<u><u>11,031,915</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital 50,000,000 (30 June 2021: 50,000,000) ordinary shares of Rs. 10 each		<u>500,000</u>	<u>500,000</u>
Issued, subscribed and paid-up capital		355,779	355,779
<i>Capital reserves</i>			
Share premium reserve		1,595,139	1,595,139
Revaluation surplus on property (land and building) - net of tax		1,595,622	1,599,394
<i>Revenue reserves</i>			
General reserve		1,575,000	1,268,000
Un-appropriated profit		398,021	530,386
Total shareholders' equity		<u>5,519,561</u>	<u>5,348,698</u>
Non-current liabilities			
Long-term borrowings	11	930,998	739,786
Lease liabilities		6,429	10,221
Deferred liability for staff gratuity		47,255	44,034
Other long-term employee benefits		5,262	6,493
Deferred tax liability - net	12	33,480	39,302
		<u>1,023,424</u>	<u>839,836</u>
Current liabilities			
Current portion of long-term borrowings	11	441,033	416,678
Current portion of lease liabilities		8,342	9,696
Trade and other payables	13	1,453,549	1,418,357
Short-term loans from banking companies	14	3,090,266	2,133,553
Contract liabilities		815,755	807,188
Unclaimed dividend		29,467	25,566
Mark-up accrued on bank borrowings		48,061	32,343
		<u>5,886,473</u>	<u>4,843,381</u>
Total liabilities		<u>6,909,897</u>	<u>5,683,217</u>
Contingencies and commitments	15		
Total equity and liabilities		<u><u>12,429,458</u></u>	<u><u>11,031,915</u></u>

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chairman


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE SIX AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2021 (Unaudited)

	Note	Six months period ended		Three months period ended	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
----- (Rupees in '000) -----					
Net sales	16	9,561,858	5,164,004	5,219,903	3,355,049
Cost of sales		(8,254,276)	(4,648,718)	(4,483,663)	(2,967,954)
Gross profit		1,307,582	515,286	736,240	387,095
Marketing, selling and distribution costs	17	(363,448)	(215,237)	(227,865)	(124,766)
Administrative expenses	18	(146,067)	(121,174)	(78,665)	(65,605)
Impairment reversal on trade debts		-	14,081	-	2,281
		(509,515)	(322,330)	(306,530)	(188,090)
Finance cost	19	(139,700)	(99,817)	(70,126)	(53,508)
Other expenses	20	(52,074)	(10,139)	(29,235)	(10,095)
		(191,774)	(109,956)	(99,361)	(63,603)
Other income		63,555	36,481	36,839	26,238
Share of profit from associate under equity basis of accounting		12,765	403	7,265	1,770
Profit before income tax		682,613	119,884	374,453	163,410
Taxation	21	(229,779)	(38,896)	(106,546)	(45,514)
Profit after tax for the period		452,834	80,988	267,907	117,896
----- (Rupees) -----					
Earnings per share - basic and diluted	22	12.73	2.28	7.53	3.32

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.


 Chief Executive Officer


 Chairman


 Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2021 (Unaudited)

	Six months period ended		Three months period ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	(Rupees in '000)			
Profit after tax for the period	452,834	80,988	267,907	117,896
Other comprehensive income:				
<i>Items that will not be reclassified to statement of profit or loss</i>				
Share of other comprehensive (loss) / income from the associated company	(197)	285	18	18
Share of surplus / (defecit) on revaluation of land and building of the associated company	3,353	(147)	(107)	(130)
Related deferred tax for the period	(503)	22	16	19
	2,850	(125)	(91)	(111)
	2,653	160	(73)	(93)
Total comprehensive income - transferred to statement of changes in equity	455,487	81,148	267,834	117,803

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.



 Chief Executive Officer



 Chairman



 Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021 (Unaudited)

		Six months period ended	
<i>Note</i>	31 December	31 December	
	2021	2020	
	(Rupees in '000)		
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	23	502,989	(29,120)
Gratuity paid		(175)	(701)
Finance costs paid		(108,272)	(107,186)
Income tax paid		(185,115)	(112,951)
Long-term loans receivable		1,091	23
Long-term deposits and prepayments		(410)	6,982
Net cash generated from / (used in) operating activities		210,108	(242,953)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure including intangible assets		(1,098,675)	(347,260)
Proceeds from disposal of fixed assets		20,692	6,134
Dividend received from associate		4,118	-
Net cash used in investing activities		(1,073,865)	(341,126)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loan obtained		404,580	477,699
Repayment of long term loans		(194,211)	(48,525)
Lease rentals paid - net		(8,503)	(38,375)
Short-term loans from banking companies		(1,030,259)	(425,000)
Dividend paid		(280,723)	(64)
Net cash used in financing activities		(1,109,116)	(34,265)
Net decrease in cash and cash equivalents		(1,972,873)	(618,344)
Cash and cash equivalents at beginning of the period		(301,909)	(29,290)
Cash and cash equivalents at end of the period	24	(2,274,782)	(647,634)

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.



 Chief Executive Officer



 Chairman



 Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021 (Unaudited)**

	Share Capital	Capital Reserves		Revenue Reserves		Total
	Issued, subscribed and paid-up capital	Share premium reserve	Surplus on revaluation of assets - net of tax	General reserve	Un-appropriated profit / (loss)	
	----- (Rupees in '000) -----					
Balance as at 01 July 2020	355,779	1,595,139	1,612,934	1,268,000	(61,694)	4,770,158
Total comprehensive income for the period from July 2020 to December 2020						
- Profit after tax	-	-	-	-	80,988	80,988
- Other comprehensive income	-	-	(125)	-	285	160
	-	-	(125)	-	81,273	81,148
Transfer from surplus on revaluation of building - net of deferred tax	-	-	(6,622)	-	6,622	-
Balance as at 31 December 2020	<u>355,779</u>	<u>1,595,139</u>	<u>1,606,187</u>	<u>1,268,000</u>	<u>26,201</u>	<u>4,851,306</u>
Balance as at 01 July 2021	355,779	1,595,139	1,599,394	1,268,000	530,386	5,348,698
Total comprehensive income for the period from July 2021 to December 2021						
- Profit after tax	-	-	-	-	452,834	452,834
- Other comprehensive income	-	-	2,850	-	(197)	2,653
	-	-	2,850	-	452,637	455,487
Transfer to general reserve for the year ended 30 June 2021	-	-	-	307,000	(307,000)	-
Transfer from surplus on revaluation of building - net of deferred tax	-	-	(6,622)	-	6,622	-
Transactions with owners of the Company - Distribution						
Final cash dividend for the year ended 30 June 2021 @ Rs. 8.00 per share	-	-	-	-	(284,624)	(284,624)
Balance as at 31 December 2021	<u><u>355,779</u></u>	<u><u>1,595,139</u></u>	<u><u>1,595,622</u></u>	<u><u>1,575,000</u></u>	<u><u>398,021</u></u>	<u><u>5,519,561</u></u>

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chairman



Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021 (Unaudited)

1. INTRODUCTION

Pakistan Cables Limited ("the Company") was incorporated in Pakistan as a private limited Company on 22 April 1953 and in 1955 it was converted into a public limited Company in which year it also obtained a listing on the Pakistan Stock Exchange. The Company is engaged in the manufacturing of copper rods, wires, cables and conductors, aluminium extrusion profiles, wiring accessories and PVC compounds.

The registered office of the Company is situated at 11.15 acres of land at B/21, S.I.T.E., Karachi, Pakistan and head office of the Company is situated at 1st Floor, Arif Habib Centre, 23 M.T. Khan Road, Karachi, Pakistan. In addition, it also has a land of 42 acres at K-23, Nooriabad, Sindh.

2. BASIS OF PRESENTATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting 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 directives 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.

2.2 These condensed interim financial statements have been prepared under the historical cost convention except as disclosed otherwise.

2.3 These condensed interim financial statements are unaudited and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange Limited. These condensed interim financial statements comprise of the statement of financial position as at 31 December 2021 and statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity for the six months period ended 31 December 2021.

2.4 The comparative statement of financial position presented in these condensed interim financial statements as at 30 June 2021 has been extracted from the audited financial statements of the Company for the year ended 30 June 2021, whereas the comparative statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity for the six months period ended 31 December 2020 have been extracted from the unaudited condensed interim financial statements for the period then ended.

2.5 These condensed interim financial statements does not include all the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements of the Company as at and for the year ended 30 June 2021.

2.6 These condensed interim financial statements are presented in Pakistan Rupee which is also the Company's functional currency and all financial information presented in Pakistani rupee have been rounded off to the nearest thousand, unless otherwise stated.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2021.

3.2 New Standards, Interpretations and Amendments Adopted by the Company

A number of other pronouncements are effective from 1 July 2021 as detailed in Company's annual audited unconsolidated financial statements as at and for the year ended 30 June 2021, but they do not have a material effect on these condensed interim unconsolidated financial statements.

3.3 Standards, Interpretations and Amendments to Published Approved Accounting Standards that are not yet Effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 January 2022:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual periods beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarify what comprises the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- The following annual improvements to IFRS Standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:
 - IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
 - IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for annual periods beginning on or after 1 January 2022 clarifies that sales proceeds and costs of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
- Reference to the Conceptual Framework (Amendments to IFRS 3) - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3 . An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.
- Classification of liabilities as current or non-current (Amendments to IAS 1) amendments apply retrospectively for the annual periods beginning on or after 1 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:
 - requiring companies to disclose their material accounting policies rather than their significant accounting policies;
 - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
 - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

- Definition of Accounting Estimates (Amendments to IAS 8) – The amendments introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023 and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) – The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.

3.4 Accounting Estimates, Judgements and Financial Risk Management

The preparation of these condensed interim financial statements in conformity with accounting and reporting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to financial statements as at and for the year ended 30 June 2021.

The Company's financial risk management objectives and policies are consistent with that disclosed in the audited financial statement as at and for the year ended 30 June 2021.

4. PROPERTY, PLANT AND EQUIPMENT

	(Unaudited) 31 December 2021	(Audited) 30 June 2021
	(Rupees in '000)	
Operating fixed assets	2,962,551	2,896,705
Capital work in progress	2,826,312	1,881,944
	<u>5,788,863</u>	<u>4,778,649</u>

The additions and disposals in property, plant and equipment during the period are as under:

		Six months period ended	
		(Unaudited) 31 December 2021	(Unaudited) 31 December 2020
	Note	(Rupees in '000)	
Additions			
Plant and machinery		16,701	5,855
Office equipment and appliances		8,690	8,800
Vehicles		8,825	9,094
Others		156	7,181
Capital work in progress	4.1	<u>1,064,303</u>	<u>316,330</u>
		<u>1,098,675</u>	<u>347,260</u>
Disposals - Net book value			
Vehicles [cost Rs. 9.54 million (31 December 2020: Rs. 2.76 million)]		<u>1,493</u>	<u>339</u>
Plant and machinery and others [cost Rs. 23.22 million (31 December 2020: Rs. 11.75 million)]		<u>47</u>	<u>130</u>
Transfer from Capital work in progress		<u>126,711</u>	<u>19,181</u>

4.1 This represents the purchase of plant and machinery, building and others.

5. STOCK-IN-TRADE

	Note	(Unaudited) 31 December 2021 (Rupees in '000)	(Audited) 30 June 2021
Raw materials [including Rs. 254.57 million in transit (30 June 2021: Rs. 59.92 million)]	5.1	1,172,849	1,093,179
Work-in-process	5.2	533,685	532,820
Finished goods	5.2	952,056	813,122
Scrap		78,788	64,743
		<u>2,737,378</u>	<u>2,503,864</u>

5.1 Raw material includes slow moving items carried at Nil (30 June 2021: Nil) as against their cost of Rs. 22.47 million (30 June 2021: Rs. 22.47 million).

5.2 Work-in-process and finished goods include slow moving items amounting to Rs. 51.71 million (30 June 2021: Rs. 54.30 million) and Rs. 21.55 million (30 June 2021: Rs. 15.00 million) respectively stated at their net realizable values against their cost of Rs. 74.67 million (30 June 2021: Rs. 61.80 million) and Rs. 56.62 million (30 June 2021: Rs. 22.00 million) respectively.

6. TRADE DEBTS

Unsecured and non-interest bearing

Due from related parties		274,359	266,619
Others		2,816,947	2,585,319
		3,091,306	2,851,938
Allowance for expected credit losses	6.1	(61,909)	(65,382)
		<u>3,029,397</u>	<u>2,786,556</u>

6.1 Allowance for expected credit losses

Balance as on 01 July	65,382	78,064
Reversal during the period - net	-	(8,683)
Trade debts balances written off during the period	(3,473)	(3,999)
	<u>61,909</u>	<u>65,382</u>

7. SHORT-TERM LOANS AND ADVANCES

Current portion of long term loans	4,558	4,649
Short-term advances to employees	2,086	2,693
Advances to suppliers	45,893	52,842
	47,979	55,535
	<u>52,537</u>	<u>60,184</u>

8. SHORT-TERM DEPOSITS AND PREPAYMENTS

Deposits	17,437	25,523
Prepayments	15,022	6,489
	<u>32,459</u>	<u>32,012</u>

9. OTHER RECEIVABLES - considered good

Sales tax refundable	29,288	74,298
Receivable from staff pension fund - related party	54,926	55,455
Derivative financial assets	987	987
Others	165	165
	<u>85,366</u>	<u>130,905</u>

	Note	(Unaudited) 31 December 2021 (Rupees in '000)	(Audited) 30 June 2021
10. CASH AND BANK BALANCES			
With banks - in current accounts		109,157	89,335
- profit and loss sharing account	10.1	12,407	17,960
Cash in hand		179	349
		<u>121,743</u>	<u>107,644</u>

10.1 The profit and loss sharing bank balance carry profit at the rate of 7.25% (30 June 2021: 5.50%) per annum.

11. LONG TERM BORROWINGS - secured

Loan from conventional financial institutions	1,223,888	1,116,589
Current portion shown under current liabilities	(416,575)	(403,951)
	807,313	712,638
Deferred income - government grant	148,143	39,875
Current portion of deferred income - government grant	(24,458)	(12,727)
	123,685	27,148
	<u>930,998</u>	<u>739,786</u>

11.1 Long term loans have been obtained for the purpose of capital expenditure which are secured against mortgage of land and building and hypothecation of specific plant and machinery. The Company has also availed long term loans against State Bank of Pakistan (SBP) Refinancing Schemes for its salary & wages and against Temporary Economic Refinance Facility (TERF).

A long term loan of Rs. 500 million has been obtained for capital expenditure which is secured against mortgage of landat S.I.T.E., Karachi and building thereon (charge of Rs. 1,333 million). The total amount outstanding against this loan is Rs. 333 million as on 31 December 2021 (30 June 2021: Rs. 417 million). Rate of mark-up on the above loan is at 9.16% per annum (30 June 2021: 7.87% per annum). It is repayable in six half yearly equal instalments of Rs. 83.33 million commencing from 12 May 2021. The facility available under the above arrangement amounted to Rs. 1,000 million of which the amount remained unutilized as at 31 December 2021 was Rs. 500 million (30 June 2021: Facility available of Rs. 1,000 million of which amount unutilized as at 30 June 2021 was Rs. 500 million).

The Company has also obtained certain long term loans for the purpose of capital expenditure which are secured against hypothecation of specific items of plant and machinery (charge of Rs. 748 million). The total amount outstanding against these loans amounts to Rs. 385.30 million as on 31 December 2021 (30 June 2021: Rs. 438.10 million). Rate of mark-up on these loans at the period end ranged between 7.66% per annum to 10.40% per annum (30 June 2021: 7.50% per annum to 8.16% per annum). These loans are for five years from the date of disbursement and are repayable in eight half yearly equal principal instalments of Rs. 20.00 million, Rs. 11.25 million and sixteen quarterly equal principal instalments of Rs. 17.18 million commencing from 21 August 2019, 05 February 2021 and 28 December 2021 respectively. The facility available under the above arrangement amounted to Rs. 750 million of which the amount remained unutilized as at that date was Rs. 225 million (30 June 2021: Facility available of Rs. 785 million of which amount remained unutilized as at 30 June 2021 was Rs. 225 million).

In addition to the above, the Company has also obtained long term loans of Rs. 232.27 million for financing its salaries and wages under SBP Refinance Scheme for payment of wages and salaries, earmarked from running finance limit, which is secured against first Joint Pari Passu Hypothecation charge over stock and book debts (30 June 2021: Rs. 232.27 million). The rate of mark-up on these loans is at 1% per annum. These loans are for two and half years and are repayable in eight equal quarterly instalments of Rs. 29.03 million commencing from 01 April 2021. The facility available under the above arrangement amounted to Rs. 290 million (30 June 2021: Rs. 290 million).

In addition to the above, the Company has also obtained long term loan of Rs. 498.80 million against Temporary Economic Refinance Facility (TERF) under SBP refinance scheme as on 31 December 2021 (30 June 2021: Rs. 92.42 million). The rate of mark-up on these loans at period end ranged between 1.50% per annum to 2.50% per annum (30 June 2021: 1.50% per annum to 1.75% per annum). These loans are secured against hypothecation of specific plant and machinery for 10 years period.

	Note	(Unaudited) 31 December 2021	(Audited) 30 June 2021
12. DEFERRED TAX LIABILITY - net			
Taxable temporary difference on:			
Accelerated tax depreciation		14,219	17,215
Surplus on revaluation of building on leasehold land		94,670	97,374
Share of surplus on revaluation of land and building of the associated company		2,059	1,556
Share of profit of an equity accounted associated company		10,304	9,007
		<u>121,252</u>	<u>125,152</u>
Deductible temporary differences on:			
Provision for staff retirement benefit		(13,713)	(12,779)
Impairment loss on doubtful trade debts		(17,954)	(18,961)
Provision for slow-moving stores and spares		(3,789)	(3,293)
Provision for import levies and other provisions		(52,316)	(50,817)
		<u>(87,772)</u>	<u>(85,850)</u>
Deferred tax liability - net		<u>33,480</u>	<u>39,302</u>
13. TRADE AND OTHER PAYABLES			
Creditors		371,528	465,742
Accrued expenses		568,570	508,279
Salary and wages payable		15,561	16,056
Accrual for import levies		406,874	352,357
Payable to staff provident fund - related party		3,625	3,364
Workers' profit participation fund		36,637	37,214
Workers' welfare fund		28,447	14,951
Security deposits from distributors and employees		8,237	8,357
Derivative financial liability		443	443
Withholding income tax payable		12,699	6,124
Others		928	5,470
		<u>1,453,549</u>	<u>1,418,357</u>
14. SHORT TERM LOANS FROM BANKING COMPANIES			
Secured			
Running musharka under Shariah arrangements	14.1	340,863	18,264
Running finances under mark-up arrangements	14.2	2,055,662	391,289
Running finances from banks		2,396,525	409,553
Short term finances under mark-up arrangements	14.3	675,000	1,685,000
Export refinance under mark-up arrangements	14.4	18,741	39,000
		<u>3,090,266</u>	<u>2,133,553</u>
14.1 Running musharka under Shariah arrangements			
Running Musharaka under Shariah arrangement carries mark-up at the rate of 7.98% per annum to 9.62% per annum (30 June 2021: 7.64% per annum to 7.73% per annum) and the available facility is Rs. 1,000 million (30 June 2021: Rs. 750 million). At 31 December 2021, the facility unutilised was Rs. 659 million (30 June 2021: Rs. 732 million).			
14.2 Running finances under mark-up arrangements			
The Company has also arranged short-term running finance facilities under mark-up arrangements from certain banks. The overall facility for these running finances under mark-up arrangements amounts to Rs. 4,105 million (30 June 2021: Rs. 3,797 million). Rate of mark-up on these running finance facilities under mark-up arrangements ranges between 7.93% per annum to 10.26% per annum net of prompt payment rebate (30 June 2021: 7.73% per annum to 8.58% per annum). The facilities will expire between 31 December 2021 to 31 August 2022 and are renewable.			
14.3 Short term finances under mark-up arrangement			
Amount outstanding against the short term finance facilities as at 31 December 2021 was Rs. 675 million (30 June 2021: Rs. 1,685 million) against the available facilities of Rs. 4,850 million (30 June 2021: Rs. 4,292 million). This includes facilities earmarked out of the total running finance facilities obtained from banks. Mark-up on short term finance is agreed at each disbursement and as at 31 December 2021, it was ranging between 8.04% per annum to 10.92% per annum (30 June 2021: 7.55% per annum to 7.66% per annum).			

14.4 Export Refinance under mark-up Arrangement

The amount outstanding against the export refinance facility as at 31 December 2021 available from various banks was Rs. 18.7 million (30 June 2021: Rs. 39.0 million). The rate of mark-up on export refinance facility is 3.0% per annum (30 June 2021: 3.0% per annum). The total facility available under this arrangement amounts Rs. 800 million (30 June 2021: Rs. 800 million) which is a sub-limit of the above running finance limit out of which Rs. 781 million (30 June 2021: Rs. 761 million) remain unutilised as at 31 December 2021.

14.5 Other facilities

The facility for opening letters of credit and guarantees as at 31 December 2021 amounted to Rs. 5,955 million including Rs. 1,886 million relating to the guarantees (30 June 2021: Rs. 5,755 million including Rs. 1,735 million relating to the guarantees) of which the amount remained unutilized as at 31 December 2021 was Rs. 4,258 million including Rs. 596 million relating to the guarantees (30 June 2021: Rs. 4,503 million including Rs. 537 million relating to the guarantees).

14.6 Securities

These above arrangements are secured by way of joint pari passu hypothecation over stocks, stores and spares and present and future trade debts of the Company of Rs. 6,485 million and ranking charge of Rs. 200 million, Rs. 250 million, Rs. 333 million, Rs. 333 million, Rs. 500 million, Rs. 333 million, Rs. 500 million and Rs. 500 million for facilities availed from Bank Al Habib Limited, Habib Bank Limited, Meezan Bank Limited, MCB Bank Limited, Soneri Bank Limited, Bank Islami Pakistan Limited, Habib Metropolitan Bank and National Bank of Pakistan respectively, which will be upgraded to first Joint Pari Passu Charge.

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

- The Company has issued to the Collector of Customs post dated cheques amounting to Rs. 13.2 million (30 June 2021: Rs. 5.8 million) against partial exemption of import levies.
- Bank guarantees amounting to Rs. 1,290 million (30 June 2021: Rs. 1,198 million) have been given to various parties for contract performance, tender deposits, import levies, etc.
- There has been no change in the status of tax contingencies as disclosed under note 24.1 of the annual financial statements.

15.2 Commitments

- Aggregate commitments for capital expenditure as at 31 December 2021 amounted to Rs. 2,208.37 million (30 June 2021: Rs. 1,991.92 million).
- Commitments under letters of credit for the import of raw materials, etc. (non-capital expenditure) as at 31 December 2021 amounted to Rs. 451.51 million (30 June 2021: Rs. 222.72 million). These are in respect of the letters of credit opened before the period end but no shipment by then had been made.

16. NET SALES

	Six months period ended	
	(Unaudited) 31 December 2021	(Unaudited) 31 December 2020
Gross local sales	11,019,227	5,935,677
Export sales	172,284	114,465
	<u>11,191,511</u>	<u>6,050,142</u>
Sales tax	(1,629,653)	(883,952)
Discount	-	(2,186)
	<u>(1,629,653)</u>	<u>(886,138)</u>
	<u>9,561,858</u>	<u>5,164,004</u>

16.1 Disaggregation of revenue

As required for the condensed interim financial statements, the Company disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

In the following table, revenue is disaggregated by primary geographical markets, major product lines and sales channels:

	Six months period ended	
	(Unaudited)	(Unaudited)
	31 December	31 December
	2021	2020
	(Rupees in '000)	
Primary geographical markets		
Pakistan	9,389,574	5,049,538
Middle East	-	34,825
Africa	154,748	74,741
Asia (other than Pakistan)	17,536	4,900
	9,561,858	5,164,004
Major products lines		
Wire and cables	9,439,573	5,086,758
Aluminium profile business	122,285	77,246
	9,561,858	5,164,004
Sales channels		
Goods sold:		
- directly to consumers	7,884,504	4,196,362
- through intermediaries	1,677,354	967,642
	9,561,858	5,164,004
17. MARKETING, SELLING AND DISTRIBUTION COSTS		
Salaries, wages and benefits	95,185	75,067
Rent, rates and taxes	4,620	1,598
Commission	1,005	75
Repairs and maintenance	1,775	1,385
Communication and stationary	2,195	1,725
Training, travelling and entertainment	14,040	8,825
Advertising and publicity	142,422	44,777
Carriage and forwarding expenses	79,641	58,848
Depreciation	7,015	6,823
Depreciation on right-of-use assets	8,505	9,285
Subscriptions	1,194	1,040
Insurance	1,623	1,042
Fuel and power	3,339	3,298
Other expenses	889	1,449
	363,448	215,237
18. ADMINISTRATIVE EXPENSES		
Salaries, wages and benefits	91,616	76,999
Insurance	1,584	602
Repairs and maintenance	7,434	6,992
Legal and professional	7,830	8,391
Auditors' remuneration	1,496	1,317
Donations and CSR	3,869	480
Communication and stationary	6,449	3,917
Training, travelling and entertainment	4,093	2,175
Depreciation	7,328	6,645
Depreciation on right-of-use assets	3,756	3,756
Amortization	1,557	1,452
Fuel and power	3,839	4,036
Other expenses	5,216	4,412
	146,067	121,174
19. FINANCE COST		
Mark-up on finances under mark-up arrangements	62,596	37,814
Mark-up on finances under a shariah compliance arrangement	18,749	5,930
Mark-up on finances under export refinance	482	396
Mark-up on long-term loans under mark-up arrangements	32,447	36,676
Mark-up on lease liability	1,408	4,762
Mark-up on SBP refinance schemes	14,302	8,406
Mark-up on distributors deposit	150	150
Un-winding of provision for GID cess	4,001	-
Exchange (gain) / loss	(1,458)	1,085
Bank charges	7,023	4,598
	139,700	99,817

	Six months period ended	
	(Unaudited)	(Unaudited)
	31 December	31 December
	2021	2020
	(Rupees in '000)	
20. OTHER EXPENSES		
Workers' profits participation fund	36,637	6,418
Workers' welfare fund	13,496	2,492
Liquidated damages for late deliveries	543	1,229
Others	1,398	-
	<u>52,074</u>	<u>10,139</u>
21. TAXATION		
Current - for the period	200,925	36,710
- prior years - net	35,179	6,510
Deferred - due to changes in temporary differences - net	(6,325)	(4,324)
	<u>229,779</u>	<u>38,896</u>
22. EARNING PER SHARE - basic and diluted		
Profit after tax for the period	<u>452,834</u>	<u>80,988</u>
	(Number of shares)	
Weighted average number of ordinary shares outstanding during the period	<u>35,578</u>	<u>35,578</u>
	(Rupees)	
Earning per share - basic and diluted	<u>12.73</u>	<u>2.28</u>
23. CASH GENERATED FROM / (USED IN) OPERATIONS		
	Six months period ended	
	(Unaudited)	(Unaudited)
	31 December	31 December
	2021	2020
	(Rupees in '000)	
Profit before taxation	682,613	119,884
Adjustments for non cash charges and other items:		
- Depreciation	84,322	100,272
- Depreciation on right-of-use asset	12,261	13,041
- Amortization of intangible assets	2,565	3,147
- Amortization of government grant	(9,104)	(4,837)
- Provision for staff gratuity	3,396	2,990
- Other long-term employee benefits	(1,231)	-
- Gain on disposal of fixed assets	(19,153)	(5,665)
- Share of profit from associate	(12,765)	(403)
- Finance cost	139,700	99,817
- Working capital changes	23.1 (379,615)	(357,366)
	<u>502,989</u>	<u>(29,120)</u>
23.1 Working capital changes:		
<i>(Increase) / decrease in current assets</i>		
- Stores and spares	242	1,964
- Stock-in-trade	(233,514)	(66,796)
- Trade debts	(242,841)	(354,018)
- Short-term loans and advances	7,647	(12,557)
- Short-term deposits and payments	(447)	5,490
- Other receivables	45,539	(25,192)
	<u>(423,374)</u>	<u>(451,109)</u>
<i>Increase / (decrease) in current liabilities</i>		
- Trade and other payables	35,192	(13,783)
- Contract liabilities	8,567	107,526
	<u>43,759</u>	<u>93,743</u>
	<u>(379,615)</u>	<u>(357,366)</u>

	Note	Six months period ended	
		(Unaudited) 31 December 2021	(Unaudited) 31 December 2020
24. CASH AND CASH EQUIVALENTS			
Cash and cash equivalents comprise of the following items:			
Cash and bank balances		121,743	107,824
Running finance from banks	14	(2,396,525)	(755,458)
		<u>(2,274,782)</u>	<u>(647,634)</u>

25. TRANSACTIONS WITH RELATED PARTIES

Parties which are related to the Company in pursuit of IAS 24 'Related Party Disclosures' including associates, staff retirement benefit plans and key management personnel are considered for disclosure of related party transactions.

Name of the related party	Relationship / shareholding	Transactions during the period	Six months period ended	
			(Unaudited) 31 December 2021	(Unaudited) 31 December 2020
(Rupees in '000)				
Intermark (Private) Limited	Associate	Sale of goods	837,478	517,468
International Industries Limited	Associate	Sale of goods	705	323
		Purchase of goods, services & materials	1,229	30,984
		Sharing of rental office expenses	329	301
		Dividend paid	48,740	-
		Dividend received	4,118	-
		Proportionate share of changes in equity	15,922	541
International Steels Limited	Associate	Sale of goods	7,380	158
		Purchase of goods, services & materials	17,889	9,335
ILL Construction Solutions (Private) Limited	Common directorship	Purchase of goods, services & materials	137,162	-
Atlas Autos (Private) Limited	Common directorship	Sale of goods	-	229
Atlas Energy Limited	Common directorship	Sale of goods	-	1,761
Atlas Honda Limited	Common directorship	Sale of goods	-	104
		Purchase of goods, services & materials	-	78
Cherat Packaging Limited	Common directorship	Sale of goods	19,674	-
Fauji Fertilizer Company Limited	Common directorship	Sale of goods	1,802	-
Shirazi Investments (Private) Limited	Common directorship	Dividend paid	12,000	-
State Life Insurance Corp. of Pakistan	Common directorship	Office Rent	42	-
		Dividend paid	20,091	-
Young President Organization Pakistan	Common directorship	Subscription	1,000	-
Jubilee Life Insurance Company Limited	Common directorship	Insurance premium	5,545	823
		Insurance claim received	1,159	500
Pakistan Cables Limited - Staff Provident Fund	Staff retirement benefit plans	Net charge in respect of Staff retirement benefit plan	10,764	9,209
		Retirement benefit plans payable	3,625	2,939
Pakistan Cables Limited - Staff Pension Fund	Staff retirement benefit plans	Net charge in respect of Staff retirement benefit plans	530	2,052
		Retirement benefit plans receivable	54,926	24,077
Board of Directors (executive and non-executive) and Key Management Personnel	Key management personnel	Remuneration	61,159	62,261
		Directors' fees	1,875	1,575
		Dividend paid	50,149	-
Workers' Profit Participation Fund	Staff benefit plan	Net charge in respect of staff benefit plan	36,637	6,418
		Staff benefit plan payable	36,637	6,418

- 25.1 Remuneration of key management personnel are in accordance with their terms of employment.
- 25.2 Contributions to defined contribution plan (provident fund) are made as per the terms of employment and contribution to / charge for the defined benefit plan (pension scheme) are in accordance with the actuarial advice.
- 25.3 Share of profit of the associated company and dividend from them are as per the profit and dividend declared by them.

26. FAIR VALUES

Management assessed that the fair values of cash and cash equivalent, short-term loan, advances and deposits, other receivable, trade debts, trade payables, short term borrowings and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. For long term deposit assets and long term liabilities management consider that their carrying values approximates fair value.

Non financial assets measured at fair value	Date of valuation	Valuation approach and inputs used	Inter-relationship between significant unobservable input and fair value measurement
<i>Revalued property, plant and equipment</i>			
- Land and building	30 June 2019	The valuation model is based on price per square metre. In determining the valuation for land and building the valuer refers to numerous independent market inquiries from local estate agents / realtors in the vicinity to establish the present market value. The fair valuation of land and building are considered to represent a level 3 valuation based on significant non-observable inputs being the location and condition of the assets.	The fair value are subject to change owing to changes in input. However, management does not expect there to be a material sensitivity to the fair value arising from the non-observable inputs.
Financial assets measured at fair value			
- Forward exchange contracts	30 June 2021	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.	Not applicable

27. OPERATING SEGMENTS

These condensed interim financial statements have been prepared on the basis of single reportable segment.

- 27.1 Revenue from cables and wires represents 99% (30 June 2021: 98%) of total revenue of the Company.
- 27.2 Sales represent local sales of Rs. 9,389.57 million (31 December 2020: Rs. 5,049.53 million) and export sales of Rs. 172.28 million (31 December 2020: Rs. 114.47 million). The export represents sales to Africa amounting to Rs. 154.75 million and sales to Asia Rs. 17.54 million (31 December 2020: sales to Middle East, Africa and Asia amounting to Rs. 34.83 million, Rs. 74.74 million and Rs. 4.90 million respectively).
- 27.3 All non-current assets of the Company at 31 December 2021 are located in Pakistan. The Company does not have any customer having sales of 10% or more during the period ended 31 December 2021 (30 June 2021: Nil).

28. INTERIM DIVIDEND

The Board of Directors in their meeting held on 28 January 2022 have for the half year ended 31 December 2021, declared interim cash dividend of Rs. 2.50 per share (31 December 2020: Rs. Nil per share) amounting to Rs. 88.94 million (31 December 2020: Nil). The financial statements for the half year ended 31 December 2021 do not include the effect of the declared interim cash dividend which will be recognised in the financial statements for the year ending 30 June 2022.

29. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 28 January 2022 by the Board of Directors of the Company.


Chief Executive Officer


Chairman


Chief Financial Officer

Head Office

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1st Floor, 23 MT Khan Road, Karachi

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