

Nurture **Future**

Quarterly Accounts
For The Period Ended March 31, 2022



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 and 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 nine months period ended March 31, 2022 stood at Rs. 15.3 billion which is 72% higher than sales for the same period of last year. Strong sales performance was supported by activity in the construction sector, as well as industrial and infrastructure related demand. Gross profit for the nine months period was recorded at Rs. 2,120.4 million.

Selling, Marketing and Administrative expenses and impairment loss on doubtful trade debts are Rs. 770.8 million compared to Rs. 552.2 million in same period of last year. Finance cost for the nine months' period are Rs. 229.4 million compared to Rs. 154.0 million in the same period of last year.

As a result of the above, your Company ended with a profit after tax of Rs. 724.7 million compared to a profit after tax of Rs. 311.1 million in the same period of last year. Earnings per share has increased to Rs. 20.37 compared to Rs. 8.75 in the same period of last year.

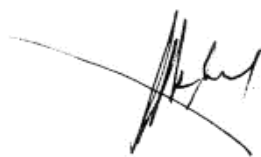
The business operating environment remained challenging during the nine month period due to rupee depreciation against the US dollar and rising commodity prices. In addition, global supply chain issues created various challenges including the impact on the availability of raw materials. Despite this, your Company was able to navigate through this environment by increasing sales and managing working capital and inventories.

The country plunged into a serious political crisis with the removal of the sitting Prime Minister through a vote of no confidence. The country's external sector vulnerabilities have increased with a widening current account deficit due to massive growth in imports, putting pressure on the falling reserves and high interest rates and taking the currency to an all-time low. The Central Bank sharply increased the policy rate by 250 basis points to curb rising inflation. The new Government will be up against several challenges in the coming months. Even though your Company is carrying forward a reasonable order book, the medium term performance will depend on the political situation and revival of the economy.

We are pleased to inform the shareholders that during the current quarter, your Company received the Corporate Social Responsibility Award 2022 from the National Forum of Environment and Health and the 9th FPCCI Achievement Award for the 3 acre Urban Forest in our Nooriabad plant, which shows our continued commitment towards supporting the environment and the communities around us.

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 period. 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 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: April 28, 2022

31 مارچ 2022ء کو اختتام پذیر نو ماہی مدت کے لئے فروخت کا حجم 15.3 ارب روپے رہا جو گذشتہ برس کی اسی مدت کی نسبت 72 فی صد زائد ہے۔ فروخت کی بابت بہترین کارکردگی تعمیراتی شعبے میں جاری سرگرمیوں اور صنعتی اور بنیادی ڈھانچے کی طلب سے منسوب کی جاتی ہے۔ اس نو ماہی مدت کا کل منافع 2,120.4 ملین روپے ریکارڈ کیا گیا۔

فروخت، تسمیری و تنظیمی اور مشکوک تجارتی قرضوں کی وصولی پر اخراجات گذشتہ برس کی اسی مدت میں 552.2 ملین روپے کے مقابلے میں 770.8 ملین روپے رہے۔ قرضوں پر لاگت گذشتہ برس کی اسی مدت میں 154.0 ملین روپے کے مقابلے میں اس نو ماہی کے دوران 229.4 روپے رہی۔ مذکورہ بالا کے باعث آپ کی کمپنی نے گذشتہ برس کی اسی مدت میں 311.1 ملین روپے نفع بعد از ٹیکس کے مقابلے میں 724.7 ملین روپے نفع بعد از ٹیکس درج کیا۔ گذشتہ برس کی اسی مدت میں فی حصص آمدنی میں بھی 8.75 روپے کی نسبت 20.37 روپے اضافہ ریکارڈ ہوا۔


امریکی ڈالر کے مقابلے میں روپے کی قدر میں کمی اور ایشیائے ضروریہ کی بڑھتی ہوئی قیمتوں کے باعث اس نو ماہی میں کاروباری ماحول مشکلات کا شکار رہا۔ مزید برآں، عالمی سطح پر سپلائی چین نے نئی مسائل پیدا کئے جس میں خام مال کی ترسیل میں رکاوٹ سب سے بڑا چیلنج تھا۔ اس کے باوجود سیلز کے حجم میں اضافے اور ورکنگ کیپٹل اور انویٹریز کو مستحکم کر کے آپ کی کمپنی اس صورت حال سے نبرد آزما ہونے میں کامیاب ہوئی۔

فی الوقت ہمارا ملک عدم اعتماد کے دوٹ کے ذریعے حالیہ وزیراعظم کی سبکدوشی کے باعث پیچیدہ سیاسی بحران سے دوچار ہے۔ درآمدات میں بھاری اضافے، گھٹتے ہوئے زخانہ پرہاؤ، شرح سود کی بلند ترین سطح اور کرنسی کی گرتی ہوئی قدر کی وجہ سے کرنٹ اکاؤنٹ خسارے میں اضافہ کے باعث ملک خارجی سطح پر کمزور تر ہو رہا ہے۔ مرکزی بینک نے بڑھتے ہوئے افراط زر کو کنٹرول کرنے کے لئے پالیسی ریٹ میں 250 بیس پوائنٹس کا فوری اضافہ کیا ہے۔ نئی حکومت کو آئندہ مہینوں میں کئی بحرانوں کا سامنا کرنا پڑے گا۔ اگرچہ آپ کی کمپنی معقول آرڈر بک آگے لے کے جاری ہے لیکن وسطی مدتی کارکردگی سیاسی صورت حال اور معیشت کی بحالی پر منحصر ہوگی۔

ہم اپنے شیئرز ہولڈرز کو ازراہ مسرت آگاہ کرتے ہیں کہ حالیہ سہ ماہی کے دوران آپ کی کمپنی نے صحت اور ماحولیات کے قومی فورم سے کاروباری و سماجی ذمہ داری ایوارڈ 2022ء اور ہمارے نوری آباد پلانٹ میں 13 یکڑے پر مشتمل اربن فاریسٹ کی بابت نواں (9واں) FPCCI انچیومنٹ ایوارڈ حاصل کیا ہے جس سے ماحولیات اور اپنے اردگرد کی آبادیوں کی مدد کے لئے ہمارے مسلسل عزم کا اعادہ ہوتا ہے۔

ڈائریکٹرز اس سہ ماہی کے دوران میں انتظامیہ اور کمپنی ملازمین کی انتھک محنت اور جوش و جذبہ کے لئے اپنی دلی حوصلہ افزائی کو ریکارڈ پر رکھنا چاہتے ہیں۔ بورڈ آف ڈائریکٹرز اور کمپنی ملازمین کی جانب سے ہم اپنے تمام معزز صارفین، ڈسٹری بیوٹرز، ڈیلرز، بینکرز اور دیگر تمام سٹیک ہولڈرز کے ہماری کمپنی پر اعتماد اور بھروسہ کے لئے تہہ دل سے شکر گزار ہیں۔

منجانب بورڈ آف ڈائریکٹرز


مصطفیٰ اے چنائے

چیئرمین

کراچی: 28 اپریل، 2022ء

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

	Note	(Unaudited) 31 March 2022	(Audited) 30 June 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	6,408,797	4,778,649
Right-of-use assets		35,200	51,584
Intangible assets		14,160	12,617
Investment in associated company		75,506	120,977
Long-term loans receivable		5,466	7,780
Long-term deposits		6,220	6,200
		6,545,349	4,977,807
Current assets			
Stores and spares		72,446	67,220
Stock-in-trade	5	2,834,126	2,503,864
Trade debts	6	4,066,325	2,786,556
Short-term loans and advances	7	88,880	60,184
Short-term deposits and prepayments	8	30,280	32,012
Other receivables	9	56,589	130,905
Advance tax - net of provision		263,077	365,723
Cash and bank balances	10	93,854	107,644
		7,505,577	6,054,108
Total assets		14,050,926	11,031,915
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		500,000	500,000
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		1,592,274	1,599,394
<i>Revenue reserves</i>			
General reserve		1,575,000	1,268,000
Un-appropriated profit		584,303	530,386
Total shareholders' equity		5,702,495	5,348,698
Non-current liabilities			
Long-term borrowings	11	1,017,126	739,786
Lease liabilities		7,062	10,221
Deferred liability for staff gratuity		48,953	44,034
Other long-term employee benefits		5,262	6,493
Deferred tax liability - net	12	36,303	39,302
		1,114,706	839,836
Current liabilities			
Current portion of long-term borrowings	11	447,632	416,678
Current portion of lease liabilities		7,144	9,696
Trade and other payables	13	1,681,896	1,418,357
Short-term loans from banking companies	14	4,088,545	2,133,553
Contract liabilities		917,535	807,188
Unclaimed dividend		30,503	25,566
Mark-up accrued on bank borrowings		60,470	32,343
		7,233,725	4,843,381
Total liabilities		8,348,431	5,683,217
Contingencies and commitments	15		
Total equity and liabilities		14,050,926	11,031,915

The annexed notes from 1 to 28 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 NINE AND THREE MONTHS PERIOD ENDED 31 MARCH 2022 (Unaudited)**

	Note	Nine months period ended		Three months period ended	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
----- (Rupees in '000) -----					
Net sales	16	15,337,509	8,932,306	5,775,651	3,768,302
Cost of sales		(13,217,101)	(7,879,916)	(4,962,825)	(3,231,198)
Gross profit		2,120,408	1,052,390	812,826	537,104
Marketing, selling and distribution costs	17	(542,659)	(370,114)	(179,211)	(154,877)
Administrative expenses	18	(228,108)	(190,767)	(82,041)	(69,593)
Impairment reversal / (loss) on trade debts		-	8,683	-	(5,398)
		(770,767)	(552,198)	(261,252)	(229,868)
Finance cost	19	(229,388)	(153,950)	(89,688)	(54,133)
Impairment loss on investment in associate		(59,202)	-	(59,202)	-
Other expenses	20	(84,256)	(38,595)	(32,182)	(28,456)
		(372,846)	(192,545)	(181,072)	(82,589)
Other income		104,778	138,552	41,223	102,071
Share of profit from associate under equity basis of accounting		15,973	11,378	3,208	10,975
Profit before income tax		1,097,546	457,577	414,933	337,693
Taxation	21	(372,827)	(146,444)	(143,048)	(107,548)
Profit after tax for the period		724,719	311,133	271,885	230,145
----- (Rupees) -----					
Earnings per share - basic and diluted	22	20.37	8.75	7.64	6.47

The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.


Chief Executive Officer

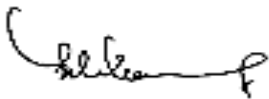

Chairman


Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE AND THREE MONTHS PERIOD ENDED 31 MARCH 2022 (Unaudited)**

	<u>Nine months period ended</u>		<u>Three months period ended</u>	
	<u>31 March</u> <u>2022</u>	<u>31 March</u> <u>2021</u>	<u>31 March</u> <u>2022</u>	<u>31 March</u> <u>2021</u>
	<u>----- (Rupees in '000) -----</u>			
Profit after tax for the period	724,719	311,133	271,885	230,145
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	(166)	257	31	(28)
Share of surplus / (deficit) on revaluation of land and building of the associated company	3,309	(224)	(44)	(77)
Related deferred tax for the period	(496)	34	7	12
	2,813	(190)	(37)	(65)
	2,647	67	(6)	(93)
Total comprehensive income - transferred to statement of changes in equity	<u>727,366</u>	<u>311,200</u>	<u>271,879</u>	<u>230,052</u>


The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chairman

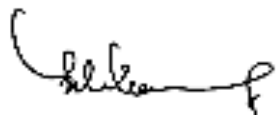


Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022 (Unaudited)**

	Note	Nine months period ended	
		31 March 2022	31 March 2021
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	23	281,722	505,370
Gratuity paid		(174)	(2,029)
Finance costs paid		(173,892)	(144,061)
Income tax paid		(273,676)	(169,905)
Long-term loans receivable		2,314	(1,712)
Long-term deposits		(20)	8,578
Net cash (used in) / generated from operating activities		(163,726)	196,241
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure including intangible assets		(1,764,991)	(632,041)
Proceeds from disposal of fixed assets		33,679	14,889
Dividend received from associate		5,385	2,218
Net cash used in investing activities		(1,725,927)	(614,934)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loan obtained		599,790	477,699
Repayment of long term loans		(300,720)	(94,108)
Lease rentals paid - net		(9,567)	(61,897)
Short-term loans from banking companies		1,477,164	(365,000)
Dividend paid		(368,632)	(64)
Net cash generated from / (used in) financing activities		1,398,035	(43,370)
Net decrease in cash and cash equivalents		(491,618)	(462,063)
Cash and cash equivalents at beginning of the period		(301,909)	(29,290)
Cash and cash equivalents at end of the period	24	(793,527)	(491,353)

The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chairman

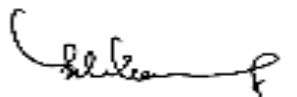


Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2022 (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 March 2021						
- Profit after tax	-	-	-	-	311,133	311,133
- Other comprehensive income	-	-	(190)	-	257	67
	-	-	(190)	-	311,390	311,200
Transfer from surplus on revaluation of building - net of deferred tax	-	-	(9,933)	-	9,933	-
Balance as at 31 March 2021	<u>355,779</u>	<u>1,595,139</u>	<u>1,602,811</u>	<u>1,268,000</u>	<u>259,629</u>	<u>5,081,358</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 March 2022						
- Profit after tax	-	-	-	-	724,719	724,719
- Other comprehensive income	-	-	2,813	-	(166)	2,647
	-	-	2,813	-	724,553	727,366
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	-	-	(9,933)	-	9,933	-
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)
Interim cash dividend for the half year ended 31 December 2021 @ Rs. 2.50 per share	-	-	-	-	(88,945)	(88,945)
Balance as at 31 March 2022	<u>355,779</u>	<u>1,595,139</u>	<u>1,592,274</u>	<u>1,575,000</u>	<u>584,303</u>	<u>5,702,495</u>

The annexed notes from 1 to 28 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 NINE MONTHS PERIOD ENDED 31 MARCH 2022 (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 March 2022 and statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity for the nine months period ended 31 March 2022.

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 nine months period ended 31 March 2022 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 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 March 2022	(Audited) 30 June 2021
	(Rupees in '000)	
Operating fixed assets	2,928,411	2,896,705
Capital work in progress	3,480,386	1,881,944
	<u>6,408,797</u>	<u>4,778,649</u>

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

	Note	Nine months period ended	
		(Unaudited) 31 March 2022	(Unaudited) 31 March 2021
		(Rupees in '000)	
Additions			
Plant and machinery		18,493	8,173
Office equipment and appliances		10,108	13,466
Vehicles		8,920	9,093
Furnitures and fixtures		6	1,101
Others		150	7,181
Capital work in progress	4.1	1,727,314	593,027
		<u>1,764,991</u>	<u>632,041</u>
Disposals - Net book value			
Vehicles [cost Rs. 16.24 million (31 March 2021: Rs. 2.76 million)]		1,493	339
Plant and machinery and others [cost Rs. 28.01 million (31 March 2021: Rs. 21.44 million)]		429	3,096
Transfer from Capital work in progress		134,078	19,259

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

5. STOCK-IN-TRADE	(Unaudited) 31 March 2022	(Audited) 30 June 2021	
	(Rupees in '000)		
Raw materials [including Rs. 385.26 million in transit (30 June 2021: Rs. 59.92 million)]	5.1	1,345,760	1,093,179
Work-in-process	5.2	430,526	532,820
Finished goods	5.2	935,074	813,122
Scrap		122,766	64,743
		<u>2,834,126</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. 18.55 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		417,342	266,619
Others		3,710,892	2,585,319
		<u>4,128,234</u>	<u>2,851,938</u>
Allowance for expected credit losses	6.1	(61,909)	(65,382)
		<u>4,066,325</u>	<u>2,786,556</u>

6.1 Allowance for expected credit losses	<i>Note</i>	(Unaudited) 31 March 2022	(Audited) 30 June 2021
(Rupees in '000)			
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		4,247	4,649
Short-term advances to employees		1,746	2,693
Advances to suppliers		82,887	52,842
		84,633	55,535
		<u>88,880</u>	<u>60,184</u>
8. SHORT-TERM DEPOSITS AND PREPAYMENTS			
Deposits		18,673	25,523
Prepayments		11,607	6,489
		<u>30,280</u>	<u>32,012</u>
9. OTHER RECEIVABLES - considered good			
Sales tax refundable		-	74,298
Receivable from staff pension fund - related party		54,661	55,455
Derivative financial assets		987	987
Others		941	165
		<u>56,589</u>	<u>130,905</u>
10. CASH AND BANK BALANCES			
With banks - in current accounts		81,201	89,335
- profit and loss sharing account	<i>10.1</i>	12,233	17,960
Cash in hand		420	349
		<u>93,854</u>	<u>107,644</u>
10.1	The profit and loss sharing bank balance carry profit at the rate of 8.25% (30 June 2021: 5.50%) per annum.		
11. LONG TERM BORROWINGS - secured			
Loan from conventional financial institutions		1,258,112	1,116,589
Current portion shown under current liabilities		(419,097)	(403,951)
		839,015	712,638
Deferred income - government grant		206,646	39,875
Current portion of deferred income - government grant		(28,535)	(12,727)
		178,111	27,148
		<u>1,017,126</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 land at 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 March 2022 (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 March 2022 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. 336.90 million as on 31 March 2022 (30 June 2021: Rs. 438.10 million). Rate of mark-up on these loans at the period end ranged between 10.83% per annum to 12.03% 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. 850 million of which the amount remained unutilized as at that date was Rs. 325 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. 666.61 million against Temporary Economic Refinance Facility (TERF) under SBP refinance scheme as on 31 March 2022 (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.

	(Unaudited) 31 March 2022	(Audited) 30 June 2021
	(Rupees in '000)	
12. DEFERRED TAX LIABILITY - net		
Taxable temporary difference on:		
Accelerated tax depreciation	20,314	17,215
Surplus on revaluation of building on leasehold land	93,318	97,374
Share of surplus on revaluation of land and building of the associated company	2,052	1,556
Lease liability net of leased assets	-	1,291
Share of profit of an equity accounted associated company	10,595	9,007
	126,279	126,443
Deductible temporary differences on:		
Provision for staff retirement benefit	(14,206)	(12,779)
Impairment loss on doubtful trade debts	(17,954)	(18,961)
Provision for slow-moving stores and spares	(3,903)	(3,293)
Lease assets net of leased liability	(1,806)	-
Provision for import levies and other provisions	(52,107)	(52,107)
	(89,976)	(87,140)
Deferred tax liability - net	36,303	39,303
13. TRADE AND OTHER PAYABLES		
Creditors	454,970	465,742
Accrued expenses	624,923	508,279
Salary and wages payable	14,949	16,056
Accrual for import levies	457,679	352,357
Sales tax payable	24,469	-
Payable to staff provident fund - related party	3,982	3,364
Workers' profit participation fund	58,914	37,214
Workers' welfare fund	21,816	14,951
Security deposits from distributors and employees	7,878	8,357
Derivative financial liability	443	443
Withholding income tax payable	10,857	6,124
Others	1,016	5,470
	1,681,896	1,418,357

14. SHORT TERM LOANS FROM BANKING COMPANIES	Note	(Unaudited) 31 March 2022 (Rupees in '000)	(Audited) 30 June 2021
Secured			
Running musharka under Shariah arrangements	14.1	416,996	18,264
Running finances under mark-up arrangements	14.2	470,385	391,289
Running finances from banks		<u>887,381</u>	<u>409,553</u>
Short term finances under mark-up arrangements	14.3	3,147,000	1,685,000
Export refinance under mark-up arrangements	14.4	54,164	39,000
		<u>4,088,545</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 10.48% per annum to 10.74% 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 March 2022, the facility unutilised was Rs. 583 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. 4,434 million (30 June 2021: Rs. 3,797 million). Rate of mark-up on these running finance facilities under mark-up arrangements ranges between 10.67% per annum to 11.44% 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 March 2022 to 31 December 2022 and are renewable.

14.3 Short term finances under mark-up arrangement

Amount outstanding against the short term finance facilities as at 31 March 2022 was Rs. 3,147 million (30 June 2021: Rs. 1,685 million) against the available facilities of Rs. 5,125 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 March 2022, it was ranging between 10.43% per annum to 10.94% 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 March 2022 available from various banks was Rs. 54.2 million (30 June 2021: Rs. 39.0 million). The rate of mark-up on export refinance facility is between 1.0% to 2.0% 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. 746 million (30 June 2021: Rs. 761 million) remain unutilised as at 31 March 2022.

14.5 Other facilities

The facility for opening letters of credit and guarantees as at 31 March 2022 amounted to Rs. 5,955 million including Rs. 1,755 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 March 2022 was Rs. 3,547 million including Rs. 624 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. 8,770 million and ranking charge of Rs. 400 million and Rs. 333 million for facilities availed from Bank Al Habib Limited and Meezan Bank Limited 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. 3.8 million (30 June 2021: Rs. 5.8 million) against partial exemption of import levies.
- Bank guarantees amounting to Rs. 1,131 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 March 2022 amounted to Rs. 2,354.59 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 March 2022 amounted to Rs. 1,192.35 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

	Nine months period ended	
	(Unaudited) 31 March 2022	(Unaudited) 31 March 2021
	(Rupees in '000)	
Gross local sales	17,763,778	10,338,053
Export sales	204,485	131,299
	17,968,263	10,469,352
Sales tax	(2,630,754)	(1,534,860)
Discount	-	(2,186)
	(2,630,754)	(1,537,046)
	15,337,509	8,932,306

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:

Primary geographical markets

Pakistan	15,133,024	8,801,007
Middle East	21,173	34,825
Africa	160,218	89,960
Asia (other than Pakistan)	23,094	6,514
	15,337,509	8,932,306

Major products lines

Wire and cables	15,134,057	8,758,755
Aluminium profile business	203,452	173,551
	15,337,509	8,932,306

Sales channels

Goods sold:		
- directly to consumers	12,589,518	7,254,422
- through intermediaries	2,747,991	1,677,884
	15,337,509	8,932,306

17. MARKETING, SELLING AND DISTRIBUTION COSTS

	Nine months period ended	
	(Unaudited) 31 March 2022	(Unaudited) 31 March 2021
	(Rupees in '000)	
Salaries, wages and benefits	152,581	123,144
Rent, rates and taxes	7,808	2,852
Commission	1,113	75
Repairs and maintenance	2,514	2,322
Communication and stationary	3,128	2,519
Training, travelling and entertainment	25,663	13,833
Advertising and publicity	192,068	94,702
Carriage and forwarding expenses	124,020	95,551
Depreciation	10,665	10,393
Depreciation on right-of-use assets	12,698	13,834
Subscriptions	1,726	1,619
Insurance	2,568	1,533
Fuel and power	4,677	4,484
Other expenses	1,430	3,253
	542,659	370,114

18. ADMINISTRATIVE EXPENSES

Salaries, wages and benefits	148,479	126,638
Insurance	2,576	1,495
Repairs and maintenance	10,823	9,919
Legal and professional	10,367	10,666
Auditors' remuneration	1,757	1,564
Donations and CSR	5,642	1,186
Communication and stationary	9,043	6,132
Training, travelling and entertainment	6,113	3,212
Depreciation	11,484	9,976
Depreciation on right-of-use assets	5,634	5,634
Amortization	2,307	2,245
Fuel and power	5,443	5,330
Other expenses	8,440	6,770
	228,108	190,767

19. FINANCE COST

Mark-up on finances under mark-up arrangements	105,400	58,858
Mark-up on finances under a shariah compliance arrangement	33,450	10,986
Mark-up on finances under export refinance	538	396
Mark-up on long-term loans under mark-up arrangements	49,945	54,672
Mark-up on lease liability	1,908	5,854
Mark-up on SBP refinance schemes	25,461	14,042
Mark-up on distributors deposit	225	225
Un-winding of provision for GID cess	5,764	-
Exchange (gain) / loss	(3,232)	1,110
Bank charges	9,929	7,807
	229,388	153,950

20. OTHER EXPENSES

Workers' profits participation fund	58,914	24,571
Workers' welfare fund	21,816	9,279
Liquidated damages for late deliveries	2,128	4,745
Others	1,398	-
	84,256	38,595

21. TAXATION

	Nine months period ended	
	(Unaudited) 31 March 2022	(Unaudited) 31 March 2021
	(Rupees in '000)	
Current - for the period	341,144	144,330
- prior years - net	35,179	18,736
Deferred tax - net	<u>(3,496)</u>	<u>(16,622)</u>
	<u>372,827</u>	<u>146,444</u>

22. EARNING PER SHARE - basic and diluted

Profit after tax for the period	<u>724,719</u>	<u>311,133</u>
	(Number of shares)	
Weighted average number of ordinary shares outstanding during the period	<u>35,578</u>	<u>35,578</u>
	(Rupees)	
Earnings per share - basic and diluted	<u>20.37</u>	<u>8.75</u>

23. CASH GENERATED FROM OPERATIONS

	Nine months period ended	
	(Unaudited) 31 March 2022	(Unaudited) 31 March 2021
	(Rupees in '000)	
Profit before income tax	1,097,546	457,577
Adjustments for non cash charges and other items:		
- Depreciation	127,575	147,117
- Depreciation on right-of-use asset	18,332	19,468
- Amortization of intangible assets	3,803	4,788
- Amortization of government grant	(16,237)	(8,064)
- Provision for staff gratuity	5,093	4,485
- Other long-term employee benefits	(1,231)	-
- Gain on disposal of fixed assets	(31,757)	(11,454)
- Share of profit from associate	(15,973)	(11,378)
- Impairment loss on investment in associate	59,202	-
- Finance cost	229,388	153,950
- Working capital changes	<u>(1,194,019)</u>	<u>(251,119)</u>
	<u>281,722</u>	<u>505,370</u>

23.1 Working capital changes:

<i>(Increase) / decrease in current assets</i>		
- Stores and spares	(5,226)	(4,049)
- Stock-in-trade	(330,262)	(146,635)
- Trade debts	(1,279,769)	(961,310)
- Short-term loans and advances	(28,696)	(70,850)
- Short-term deposits and payments	1,732	(166)
- Other receivables	74,316	19,376
	<u>(1,567,905)</u>	<u>(1,163,634)</u>
<i>Increase in current liabilities</i>		
- Trade and other payables	263,539	290,793
- Contract liabilities	110,347	621,722
	<u>373,886</u>	<u>912,515</u>
	<u>(1,194,019)</u>	<u>(251,119)</u>

24. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of the following items:

Cash and bank balances	93,854	85,227
Running finance from banks	(887,381)	(576,580)
	<u>(793,527)</u>	<u>(491,353)</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.

Transactions with related parties:

Name of the related party	Relationship / shareholding	Transactions during the period and period-end balances	Nine months period ended	
			(Unaudited) 31 March 2022 (Rupees in '000)	(Unaudited) 31 March 2021
Intermark (Private) Limited	Associate	Sale of goods	1,327,886	899,359
		Amount due at the period-end	410,075	291,577
International Industries Limited	Associate	Sale of goods	2,996	323
		Sharing of expenses	374	-
		Purchase of goods, services & materials	5,083	100,329
		Sharing of rental office expenses	491	440
		Dividend paid	63,971	-
		Dividend received	5,385	2,218
		Proportionate share of changes in equity	19,116	11,412
International Steels Limited	Associate	Amount due at the period-end	681	138
		Sale of goods	7,380	599
International Steels Limited	Associate	Sharing of expenses	374	-
		Purchase of goods, services & materials	23,816	13,838
		Amount due at the period-end	374	344
ILL Construction Solutions (Private) Limited	Common directorship	Purchase of goods, services & materials	137,161	-
Pakistan society for training and development	Common directorship	Purchase of goods, services & materials	113	-
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	-	1,400
		Purchase of goods, services & materials	-	78
Network of Organizations Working with Persons with Disabilities, Pakistan (NOWPDP)	Common directorship	Donation	1,000	-
Cherat Packaging Limited	Common directorship	Sale of goods	19,674	-
Atlas Engineering Limited	Common directorship	Sale of goods	-	649
National Foods Limited	Common directorship	Sale of goods	156	-
		Amount due at the period-end	183	-
Atlas Power Limited	Common directorship	Sale of goods	-	713
Fauji Fertilizer Company Limited	Common directorship	Sale of goods	15,366	-
		Amount due at the period-end	6,029	-
Shirazi Investments (Private) Limited	Common directorship	Dividend paid	15,750	-
State Life Insurance Corp. of Pakistan	Common directorship	Office Rent	94	-
		Dividend paid	26,369	-
Jubilee Life Insurance Company Limited	Common directorship	Insurance premium	7,808	823
		Insurance claim received	5,428	500
Pakistan Cables Limited - Staff Provident Fund	Staff retirement benefit plans	Net charge in respect of Staff retirement benefit plan	16,296	13,776
		Retirement benefit plans payable	3,982	3,605
Pakistan Cables Limited - Staff Pension Fund	Staff retirement benefit plans	Net charge in respect of Staff retirement benefit plans	794	3,078
		Retirement benefit plans receivable	54,661	23,050
Board of Directors (executive and non-executive) and Key Management Personnel	Key management personnel	Remuneration	80,872	56,093
		Directors' fees	3,000	2,550
		Dividend paid	66,959	-
		Directors' fee payable	225	225
Workers' Profit Participation Fund	Staff benefit plan	Net charge in respect of staff benefit plan	58,914	24,571
		Staff benefit plan payable	58,914	24,571

- 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 meter. 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

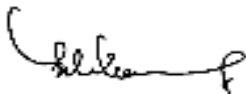
27. OPERATING SEGMENTS

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


- 27.1 Revenue from cables and wires represents 98.7% (30 June 2021: 98%) of total revenue of the Company.
- 27.2 Sales represent local sales of Rs. 15,133.02 million (31 March 2021: Rs. 8,801.01 million) and export sales of Rs. 204.49 million (31 March 2021: Rs. 131.30 million). The export represents sales to Africa amounting to Rs. 160.22 million, sales to Middle East amounting to Rs. 21.17 million and sales to Asia amounting to Rs. 23.10 million (31 March 2021: sales to Africa, Middle East and Asia amounting to Rs. 89.96 million, Rs. 34.83 million and Rs. 6.51 million respectively).
- 27.3 All non-current assets of the Company at 31 March 2022 are located in Pakistan. The Company does not have any customer having sales of 10% or more during the period ended 31 March 2022 (30 June 2021: Nil).

28. DATE OF AUTHORISATION FOR ISSUE

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


 Chief Executive Officer


 Chairman


 Chief Financial Officer

Head Office

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