



**Quarterly Report (Un-Audited)
For the Period ended March 31, 2024
KSB Pumps Company Limited**

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Company Information

Board of Directors

Dr. Sven Baumgarten	Chairman
Imran Ghani	Chief Executive Officer / MD
Asif Malik	
Dieter Antonius Pott	
Ayesha Aziz	
Hasan Aziz Bilgrami	
Shahid Mahmood	
Sheikh Asim Rafiq	

Company Secretary

Faisal Aman Khan

Management

Imran Ghani	Chief Executive Officer /MD
M. Imran Malik	Chief Commercial Officer
Imran Ahmed	Chief Financial Officer
Fida Hussain	Chief Manufacturing Officer

Auditors

A.F. Ferguson & Co.	Chartered Accountants
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Internal Auditors

Tariq Abdul Ghani Maqbool & Co.	Chartered Accountants
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Legal Advisors

Mandviwala & Zafar

Bankers

Allied Bank Limited
BankIslami Pakistan Limited
Bank Alfalah Limited
Deutsche Bank AG
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
United Bank Limited
Meezan Bank Limited
Bank Al Habib Limited
The Bank of Punjab

Audit Committee

Ayesha Aziz	Chairperson
Dieter Antonius Pott	Member
Shahid Mahmood	Member

HR & R Committee

Asif Malik	Chairman
Imran Ghani	Member
Hasan Aziz Bilgrami	Member

Registered Office

16/2 Sir Aga Khan Road, Lahore - 54000.
Ph: (042) 36304173, 36370969
Fax: (042) 36368878, 36366192
Email: info@ksb.com.pk

Manufacturing Facility

Hazara Road, Hassanabdal
Ph: (057) 2520236
Fax: (057) 2520237
Email: info@ksb.com.pk

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99-B, Block B, SMCHS
Shahra-e-Faisal, Karachi-74000
Tel: (021) 111-111-500
Fax: (021) 34326053

Sales Offices

Lahore

16/2 Sir Aga Khan Road Lahore.
Ph: (042) 111 572 786, 36304173
Fax: (042) 36366192, 36368878
Email: info@ksb.com.pk

Multan

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Email: info@ksb.com.pk

Rawalpindi

Racecourse Landmark, 299-A, Main
Peshawar Road, Rawalpindi Cantt
Tel: +92 51 5491481-82 Fax: +92 51 5491237
Email: info@ksb.com.pk

Karachi

Plot No. 6, Sector 24, Main Korangi Road,
Korangi Industrial Area, Karachi
Ph: (021) 111 572 786 Fax: (021) 34388302
Email: info@ksb.com.pk

KSB Authorized Partners

Sr.	Channel	City	Location	Province	Service Partners	Contact No.	Email
1	Dominar Engineers	Lahore	65-A Ferozpur Road Link Samanabad Road, near LOS	Punjab	Hammad Malik/ Syed Mehdi	0302-8744449/8 042-37500078	hammad.malik@de.com.pk
2	B&I Engineering	Lahore	House # 6-E Skindar Mali Road Gulberg II, Lahore	Punjab	Imran Yousaf	0300-4056939 042-32801273	imran@biengr.com
3	Industrial Development & Engineering Associates	Karachi	20-C Mezzanine Floor, Indus Centre 14th Com st PH-II DHA	Sindh	Saqib Khawaja	0300-8203077 021-35390481/2	saqib@idea.com.pk
4	Modern Technology & Traders	Karachi	4th Floor, Building # 11-C2 Lane-11 Bukhari Commercial DHA Phase-6	Sindh	Abdul Qayyum	0333-7299905 021-35156121-4 0311-1000953	qayoomshaikh3@gmail.com
5	Wali Muhammad & Co.	Quetta	Zonkiram Road Near Millennium Mall	Balochistan	Wali Muhammad	0300-8387668 081-2829635	gulistanmachinery@yahoo.com

KSB SupremeServ - AUTHORIZED SERVICE PARTNER

Sr.	Channel	City	Location	Province	Service Partners	Contact No.	Email
1	Faisal Engineering Services	Lahore	140-Block D, Jubilee Town Lahore.	Punjab	Waqas Ahmed	0333-5549156 042-5231151	waqas@faisalengg.com
2	MASTek Associates	Faisalabad	4-A Koh-i-Noor City, Jaranwala Road, Faisalabad.	Punjab	Altaf Hussain	0321-7060604 041-5391835	mas@mascorporation.com.pk



DIRECTORS' REVIEW

I am pleased to present KSB Pumps Company Limited's financial statements for the first quarter ending on March 31, 2024.

Persistent political instability continued in the 1st quarter of 2024 despite elections taking place in February and new parliament starting functioning. Furthermore, soaring inflation rates and substantial hikes in electricity and natural gas tariffs have compounded the challenges, exacerbating the overall economic strain. These factors did not help in the business environment as any long-term plans have been held back for the 2nd half of the fiscal year.

On the positive side, the inflation showed a downward trajectory in recent few weeks and policy rate cut expectations in the coming week may lead to improvement on the economic front. With a dynamic person from banking background negotiating new IMF program and Saudi investments in the infrastructure projects, the outlook is looking positive in next months.

Despite tough economic and political environments, KSB Pakistan has performed in line with the budgeted numbers of turnover of PKR 1,233 Million in the first quarter of 2024. A better sales mix has led to slightly increased Gross margin compared with the same period despite 7.6% lower turnover. The Earnings Before Interest and Tax (EBIT) are at a level of 3.3%, in line with the budgeted numbers for the period, though a decrease in 2024 compared to 2023, being PKR 49 Million PKR as opposed to PKR 74 Million in 2024.

Company is confident of achieving/ exceeding the budgeted numbers of the year 2024 by reaching the budgeted turnover with the improved trend of gross margin in the coming months.

To cope with higher inflation and energy costs, KSB has continued its initiatives in the areas of sustainability and green energy. In 2024, the company is planning to install an additional 850 KW solar plant at its production facility, with expected yearly savings of PKR 38 Mio and a 600 tons savings of CO2 emission. This is in addition to already installed capacities of 1000KW and 120KW in Hasanabdal and Lahore.

KSB expects promising business prospects in Water and General Industry markets with a strong outlook locally and export business via intercompany sales activities. The company's export sales remained at PKR 363 Million in the first quarter of year 2024, indicating a continued positive growth prospect for intercompany business.

The Board would like to acknowledge the dedication and hard work of the entire KSB team. I would like to thank the fellow board members and all stake holders for the trust in the management of the company.

On behalf of the Board



Imran Ghani

MD/Chief Executive Officer

29th April, 2024
Lahore, Pakistan

Condensed Interim Statement of Financial Position (Un-audited) As at March 31, 2024

	Note	March 31, 2024	December 31, 2023
(Rupees in thousand)			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
15,000,000 (2023: 15,000,000) ordinary shares of Rs 10 each		150,000	150,000
Issued, subscribed and paid up capital			
13,200,000 (2023: 13,200,000) ordinary shares of Rs 10 each		132,000	132,000
Reserves	5	1,782,762	1,882,373
		1,914,762	2,014,373
NON CURRENT LIABILITIES			
Employees' retirement and other benefits		83,691	88,105
long term finances - secured		-	-
Trade and other payables		2,504,890	2,378,964
Contract Liability		9,139	9,139
Short term finances - secured		1,858,514	1,676,112
Provisions for other liabilities and charges		50,258	57,914
Unclaimed dividend		10,570	10,644
Due to provident fund		10,390	12,423
		4,443,761	4,145,196
CONTINGENCIES AND COMMITMENTS	7		
		6,442,214	6,247,674

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.


Director


Chief Executive Officer


Chief Financial Officer

	Note	March 31, 2024	December 31, 2023
(Rupees in thousand)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	908,706	947,123
Intangible assets		643	721
Capital work in progress		149,296	147,803
Long term loans and deposits		2,030	2,419
Deferred taxation		103,227	123,667
		1,163,902	1,221,733
CURRENT ASSETS			
Stores, spares and loose tools		212,131	164,263
Stock in trade		1,549,321	1,378,432
Trade debts		1,586,695	1,761,969
Contract Asset		510,029	510,029
Advances, deposits, prepayments and other receivables		791,045	630,076
Income tax recoverable		426,539	422,684
Cash and bank balances		202,552	158,488
		5,278,312	5,025,941
		6,442,214	6,247,674


Director


Chief Executive Officer


Chief Financial Officer

Condensed Interim Statement Of Profit Or Loss And Other Comprehensive Income (Un-Audited) for the 1st Quarter ended March 31, 2024

	Note	March 31, 2024	March 31, 2023
(Rupees in thousand)			
Sales		1,232,627	1,333,846
Cost of sales		(999,174)	(1,102,769)
Gross profit		233,453	231,077
Distribution and marketing expenses		(127,613)	(102,038)
Administration expenses		(76,357)	(74,744)
Other operating expenses		(884)	(1,063)
Profit / (Loss) from operations		28,599	53,232
Other operating income		20,449	20,970
Finance cost		(113,622)	(73,079)
Profit / (Loss) before taxation		(64,574)	1,123
Taxation		(35,037)	(15,121)
Profit / (Loss) for the period		(99,611)	(13,998)
Other comprehensive income/ (loss):			
Items not to be reclassified to profit or loss in subsequent periods:			
Remeasurement of defined benefit plans - net of tax		-	-
Total comprehensive income for the year		(99,611)	(13,998)
Earnings / (Loss) per share - basic & diluted Rupees		(7.55)	(1.06)

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.


Director


Chief Executive Officer


Chief Financial Officer

Condensed Interim Statement of Changes In Equity (Un-Audited) for the 1st Quarter ended March 31, 2024

	Share Capital	General Reserves	Unappropriated Profit	Total
	(Rupees in thousand)			
Balance as at January 1, 2023	132,000	1,843,100	36,562	2,011,662
Total comprehensive income/(loss) for the period	-	-	(13,998)	(13,998)
Balance as at March 31, 2023	132,000	1,843,100	22,564	1,997,664
Transfer to general reserve	-	36,000	(36,000)	-
Total comprehensive income/(loss) for the period	-	-	16,709	16,709
Final dividend for the year ended				
December 31, 2022 Rs 0 per share	-	-	-	-
Balance as at December 31, 2023	132,000	1,879,100	3,273	2,014,373
Total comprehensive income / (Loss) for the period	-	-	(99,611)	(99,611)
Balance as at March 31, 2024	132,000	1,879,100	(96,338)	1,914,762

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.


Director


Chief Executive Officer


Chief Financial Officer

Condensed Interim Cash Flow Statement (Un-Audited) for the 1st Quarter ended March 31, 2024

		January to March	
	Note	2024	2023
(Rupees in thousand)			
Cash flows from operating activities			
Cash generated/ (used) from operations	9	14,078	430,781
Finance costs paid		(113,988)	(75,258)
Taxes paid		(18,452)	(17,909)
Employees' retirement and other benefits paid		(15,443)	(15,404)
Net (increase) / decrease in long term loans and deposits		389	(35)
Net cash (used in) operating activities		(133,416)	322,175
Cash flows from investing activities			
Fixed capital expenditure		(9,993)	(6,020)
Proceeds from sale of property, plant and equipment		5,145	4,630
Net cash used in investing activities		(4,848)	(1,390)
Cash flows from Financing activities			
Long term loan-secured		-	-
Dividend paid		(74)	-
Net cash used in financing activities		(74)	-
Net (decrease)/increase in cash and cash equivalents		(138,338)	320,785
Cash and cash equivalents at the beginning of the period		(1,517,624)	(1,387,458)
Cash and cash equivalents at the end of the period	10	(1,655,962)	(1,066,673)

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.


Director


Chief Executive Officer


Chief Financial Officer

Notes To And Forming Part Of The Condensed Interim Financial Information For The For the 1st Quarter ended March 31, 2024 (Un-Audited)

1. Legal status and nature of business

KSB Pumps Company Limited (a KSB group company) 'The Company' was incorporated in Pakistan on July 18, 1959 under the Companies Act, 1913 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange Limited. The Company is a subsidiary of KSB SE & Co. KGaA and principally engaged in the manufacture and sale of industrial pumps, valves, castings and related parts and provision of after market services. The registered office of the Company is situated at KSB Building, 16/2 Sir Agha Khan road, Lahore. The factory of the Company is situated at Hazara Road, Hassanabdal. The Company also has regional offices located in Lahore, Rawalpindi, Karachi and Multan.

2. Basis of preparation

- 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 applicable in Pakistan for interim financial reporting comprise of:

International Accounting Standards (IAS) 34 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 from 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 do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual audited financial statements for the year ended 31 December, 2023.

3. Significant accounting policies

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 31 December 2023.

4. Significant accounting judgments, estimates and assumptions

The preparation of these condensed interim financial statements in conformity with the approved accounting standards require the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual financial statements of the Company for the year ended 31 December 2023.

5. Reserves	Note	March 31, 2024	December 31, 2023
(Rupees in thousand)			
General reserve		1,879,100	1,879,100
Unappropriated profit		(96,338)	3,273
		1,782,762	1,882,373

6. Trade and other paybles

Trade creditors include amount due to holding Company of Rs: 685.82 million (2023: Rs 648.33 million) and associated undertakings of Rs 151.73 million (2023: Rs:129.17 million).

7. Contingencies and commitments

7.1 Contingencies

The company has obtained bank guarantees of Rs. 669.93 million (December 2023: Rs 547.14 million) against the performance of various contracts.

7.2 Commitments in respect of

Letters of credit other than for capital expenditure approximately Rs. 394.23 million (December 2023: Rs. 119.05 million).

8. Property, plant and equipment	Note	March 31, 2024	December 31, 2023
(Rupees in thousand)			
Opening net book value		947,122	986,418
Additions during the period	- note 8.1	8,501	123,120
Deletions during the period		(4,982)	(1,677)
		950,641	1,107,861
Depreciation charged during the period		(41,935)	(160,739)
Closing net book value		908,706	947,122

8.1 Additions during the period

8.1 Additions during the period	Note	March 31, 2024	December 31, 2023
(Rupees in thousand)			
Buildings on freehold land		-	-
Plant and machinery		152	12,617
Other equipments		956	38,472
Furniture and fixtures		-	2,728
Office machine & appliances		7,393	27,734
Vehicles		-	230
		8,501	123,120

9. Cash generated from operations	Note	March 31, 2024	March 31, 2023
		(Rupees in thousand)	
Profit before taxation		(64,574)	1,123
Adjustment of non-cash items:			
Depreciation on property, plant and equipment		41,935	40,201
Depreciation on Intangible assets		78	50
Profit on sale of property, plant and equipment		(163)	(3,515)
Employees' retirement and other benefits		11,029	9,204
Loss allowance		(1,025)	(8,540)
Finance cost		113,622	73,079
Exchange (gain)/loss		884	1,063
Profit before working capital changes		101,786	112,665
Effect of cash flow due to working capital changes			
(Increase)/decrease in current assets:			
Stores, spares and spares		(47,868)	50,458
Stock-in-trade		(170,889)	109,104
Trade debts		162,504	481,709
Contract asset		-	(49,855)
Advances, deposits, prepayments and other receivables		(160,969)	75,654
Increase/(decrease) in current liabilities:			
Trade and other payables		139,203	(351,194)
Contract liability		-	(4,150)
Due to provident fund		(2,033)	(2,528)
Provisions for other liabilities and charges		(7,656)	13,212
		(87,708)	322,410
		14,078	435,075
10. Cash and cash equivalents			
Cash and bank balances		202,552	293,056
Short term running finances - secured		(1,858,514)	(1,359,730)
		(1,655,962)	(1,066,674)

11. Transactions with related party

	Note	March 31, 2024	March 31, 2023
(Rupees in thousand)			
Purchase of goods and services		161,289	190,043
Sale of goods and services		364,171	666,983
Commission income		1,949	557
Commission expense		-	-
Royalty & Trademark		10,749	6,671
Expense charged in respect of retirement and other benefits		11,029	9,203
Key management personnel & executives compensation		81,809	87,342
(Rupees in thousand)			
Period-end balances			
Receivable from related parties		467,608	615,413
Payable to related parties		857,923	797,876

12. Date of authorization for issue

This condensed interim financial information was authorized for issue on April 29, 2024 by the Board of Directors of the company.



Director



Chief Executive Officer



Chief Financial Officer

مجلس نظماء کا جائزہ

مجھے 31 مارچ 2024 کو ختم ہونے والی پہلی سہ ماہی کے لیے KSB پیپس کمپنی لمیٹڈ کے مالی گوشوارے پیش کرتے ہوئے خوشی ہو رہی ہے۔ فروری میں انتخابات اور نئی پارلیمنٹ کے فعال ہونے کے باوجود 2024 کی پہلی سہ ماہی میں مسلسل سیاسی عدم استحکام جاری رہا۔ مزید برآں، مہنگائی کی بڑھتی ہوئی شرحوں اور بجلی اور قدرتی گیس کے نرخوں میں خاطر خواہ اضافہ نے مشکلات کو مزید بڑھا دیا، جس سے مجموعی معاشی دباؤ بڑھ گیا ہے۔ ان عوامل نے کاروباری ماحول میں مدد نہیں کی کیونکہ کوئی بھی طویل مدتی منصوبہ مالی سال کی دوسری ششماہی تک روک دیا گیا ہے۔

مثبت پہلو پر، حالیہ چند ہفتوں میں مہنگائی کم ہوئی اور آئندہ پالیسی ریٹ میں کمی کی توقعات معاشی محاذ پر بہتری کا باعث بن سکتی ہیں۔ بینکنگ پس منظر سے تعلق رکھنے والے ایک متحرک فرد کے ساتھ نئے IMF پروگرام اور بنیادی ڈھانچے کے منصوبوں میں سعودی سرمایہ کاری پر گفت و شنید، اگلے مہینوں میں نقطہ نظر مثبت نظر آ رہا ہے۔

سخت معاشی اور سیاسی ماحول کے باوجود، KSB پاکستان نے 2024 کی پہلی سہ ماہی میں 1,233 ملین روپے کے ٹرن اوور کے بجٹ اعداد و شمار کے مطابق کارکردگی کا مظاہرہ کیا ہے۔ ایک بہتر سیکرٹس نے 7.6 فیصد کم ہونے کے باوجود گزشتہ اسی مدت کے مقابلے مجموعی مارجن میں قدرے اضافہ ہوا ہے۔ سود اور ٹیکس (EBIT) سے پہلے کی آمدنی %3.3 کی سطح پر ہے، جو کہ اس مدت کے ہدف اعداد و شمار کے مطابق ہے، حالانکہ 2023 کے مقابلے میں 2024 میں کمی ہوئی ہے، جو کہ 49 ملین روپے کے مقابلے 2024 میں 74 ملین روپے تھی۔

کمپنی آئندہ مہینوں میں مجموعی مارجن کے بہتر رجحان کے ساتھ ہدف ٹرن اوور تک پہنچ کر سال 2024 میں ہدف کے اعداد و شمار حاصل کرنے/ اس سے تجاوز کرنے کے لئے پُر اعتماد ہے۔

افراط زر اور توانائی کی زیادہ اخراجات سے نمٹنے کے لیے، KSB نے پائیداری اور گرین توانائی کے شعبوں میں اپنے اقدامات جاری رکھے ہیں۔ 2024 میں، کمپنی اپنی پیداواری سہولت پر ایک اضافی KW850 سٹیم پلانٹ لگانے کا منصوبہ بنا رہی ہے، جس سے 38 ملین روپے کی متوقع سالانہ بچت اور 600 ٹن CO2 کے اخراج کی بچت ہوگی۔ یہ حسن ابدال اور لاہور میں 1000KW اور 120KW کی پہلے سے نصب شدہ صلاحیتوں کے علاوہ ہے۔

KSB انٹرکمپنی سبزرگرمیوں کے ذریعے مقامی طور پر اور برآمدی کاروبار کے مضبوط نقطہ نظر کے ساتھ پانی اور عام صنعت کی مارکیٹوں میں امید افزاء کاروباری امکانات کی توقع کرتا ہے۔ سال 2024 کی پہلی سہ ماہی میں کمپنی کی برآمدی فروخت 363 ملین روپے رہی جو کہ انٹرکمپنی کاروبار کے لیے مسلسل مثبت نمو کے امکانات کی نشاندہی کرتی ہے۔

بورڈ KSB کی پوری ٹیم کی لگن اور سخت محنت کو سراہتا ہے۔ کمپنی کی انتظامیہ پر اعتماد کے لئے میں فیلو بورڈ ممبران اور تمام اسٹیک ہولڈرز کا شکریہ ادا کرتا ہوں۔

منجانب بورڈ

M. A. Anwar

عمران غنی

ایم ڈی / چیف ایگزیکٹو آفیسر

29 اپریل 2024

لاہور، پاکستان

**BOOK POST
PRINTED MATTER**

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