

**UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET  
AS AT DECEMBER 31, 2016**

<b>ASSETS</b>	<b>Note</b>	<b>December 31, 2016 (Un-audited)</b>	<b>June 30, 2016 (Audited)</b>
<b>NON-CURRENT ASSETS</b>			
------(Rupees in '000)-----			
Property, plant and equipment	4	677,192	716,566
Long term investment		1,144,006	1,144,006
Long term deposits		6,234	6,234
		1,827,432	1,866,806
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		51,689	51,530
Stock-in-trade		830,736	792,163
Trade debts		673,111	403,261
Advances, deposits, prepayments and other receivables	5	133,291	49,036
Accrued profit		614	486
Short term investments	6	142,613	361,276
Sales tax receivable		-	22,375
Taxation – net		153,471	38,820
Cash and bank balances		177,079	174,485
		2,162,604	1,893,432
		3,990,036	3,760,238
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital			
40,000,000 (June 30,2016: 40,000,000) Ordinary			
of Rs. 5/- each shares		200,000	200,000
Issued, subscribed and paid-up capital		144,000	144,000
Reserves		3,383,729	3,203,142
		3,527,729	3,347,142
<b>NON-CURRENT LIABILITY</b>			
Deferred taxation		35,940	41,404
<b>CURRENT LIABILITIES</b>			
Trade and other payables		405,316	371,692
Sales tax payable		21,051	-
		426,367	371,692
<b>COMMITMENTS</b>			
	7		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,990,036</b>	<b>3,760,238</b>

The annexed notes from 1 to 12 form an integral part of these unconsolidated condensed interim financial statements.



**YUTAKA ARAE**  
Chairman



**FAHIM KAPADIA**  
Chief Executive

**UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT  
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

Note	Half-year ended		Quarter ended	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
	(Rupees in '000)		(Rupees in '000)	
Turnover – net	2,775,658	2,831,304	1,477,419	1,448,389
Cost of sales	(2,258,778)	(2,305,657)	(1,192,648)	(1,182,623)
<b>Gross profit</b>	<b>516,880</b>	<b>525,647</b>	<b>284,771</b>	<b>265,766</b>
Distribution costs	(49,942)	(49,428)	(26,322)	(25,737)
Administrative expenses	(92,548)	(79,105)	(46,006)	(41,717)
	(142,490)	(128,533)	(72,328)	(67,454)
<b>Operating profit</b>	<b>374,390</b>	<b>397,114</b>	<b>212,443</b>	<b>198,312</b>
Other expenses	(35,773)	(30,438)	(24,159)	(15,472)
Other income	124,002	12,687	4,195	5,221
Finance costs	(194)	(414)	(114)	(366)
	88,035	(18,165)	(20,078)	(10,617)
<b>Profit before taxation</b>	<b>462,425</b>	<b>378,949</b>	<b>192,365</b>	<b>187,695</b>
Taxation	(101,838)	(113,223)	(59,058)	(54,271)
<b>Profit after taxation</b>	<b>360,587</b>	<b>265,726</b>	<b>133,307</b>	<b>133,424</b>
	----- (Rupees) -----			
<b>Earnings per share - basic and diluted</b>	<b>12.52</b>	<b>9.23</b>	<b>4.63</b>	<b>4.63</b>

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**YUTAKA ARAE**  
Chairman

  
**FAHIM KAPADIA**  
Chief Executive

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
	(Rupees in '000)		(Rupees in '000)	
<b>Profit after taxation for the period</b>	<b>360,587</b>	265,726	<b>133,307</b>	133,424
<b>Other comprehensive income for the period</b>	-	-	-	-
<b>Total comprehensive income the period</b>	<u><b>360,587</b></u>	<u>265,726</u>	<u><b>133,307</b></u>	<u>133,424</u>

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**YUTAKA ARAE**  
Chairman



**FAHIM KAPADIA**  
Chief Executive

**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT  
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

	<u>Half year ended</u>	
	<u>December 31,</u> 2016	<u>December 31,</u> 2015
	(Rs. in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>462,425</b>	378,949
Adjustments for:		
Depreciation	<b>40,938</b>	38,437
Finance costs	<b>194</b>	414
Provision for impairment of trade debts	<b>73</b>	110
Gain on disposal of property, plant and equipment	<b>(780)</b>	(647)
Liabilities no longer payable – written back	<b>(4)</b>	(636)
Profit on term deposits receipts / bank balances	<b>(6,995)</b>	(9,885)
Dividend income	<b>(114,401)</b>	-
	<b>381,450</b>	406,742
Increase in current assets	<b>(337,381)</b>	(44,559)
Increase in current liabilities	<b>51,117</b>	16,873
<b>Cash generated from operations</b>	<b>95,186</b>	379,056
Finance costs paid	<b>(194)</b>	(184)
Income tax paid	<b>(221,951)</b>	(204,596)
<b>Net cash (used in) / generated from operating activities</b>	<b>(126,959)</b>	174,276
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	<b>(37,379)</b>	(91,164)
Proceeds from disposal of property, plant and equipment	<b>3,441</b>	2,349
Long term investment in a subsidiary	<b>-</b>	(115,686)
Dividend received	<b>114,401</b>	-
Profit received on term deposits receipt / bank balances	<b>7,530</b>	9,508
<b>Net cash generated from / (used in) investing activities</b>	<b>87,993</b>	(194,993)
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	<b>(176,440)</b>	(211,724)
<b>Net decrease in cash and cash equivalents</b>	<b>(215,406)</b>	(232,441)
<b>Cash and cash equivalents at the beginning of the period</b>	<b>534,485</b>	622,214
<b>Cash and cash equivalents at the end of the period</b>	<b>319,079</b>	389,773
 <b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	<b>177,079</b>	229,773
Short-term investments	<b>142,000</b>	160,000
	<b>319,079</b>	389,773

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**YUTAKA ARAE**  
Chairman



**FAHIM KAPADIA**  
Chief Executive

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

Issued, subscribed and paid- up capital	Capital reserve	Revenue reserves		Total	Total equity
	Share premium	General	Unapp- ropriated profit		

----- (Rupees in '000) -----

<b>Balance as at July 01, 2015</b>	144,000	12,598	2,505,000	489,080	3,006,678	3,150,678
Final dividend for the year ended June 30, 2015 @ Rs.7.5/- per share	-	-	-	(216,000)	(216,000)	(216,000)
Transfer to general reserve	-	-	170,000	(170,000)	-	-
Profit after taxation for the period	-	-	-	265,726	265,726	265,726
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	265,726	265,726	265,726
<b>Balance as at December 31, 2015</b>	<b>144,000</b>	<b>12,598</b>	<b>2,675,000</b>	<b>368,806</b>	<b>3,056,404</b>	<b>3,200,404</b>
<b>Balance as at July 01, 2016</b>	<b>144,000</b>	<b>12,598</b>	<b>2,675,000</b>	<b>515,544</b>	<b>3,203,142</b>	<b>3,347,142</b>
Final dividend for the year ended June 30, 2016 @ Rs.6.25/- per share	-	-	-	(180,000)	(180,000)	(180,000)
Transfer to general reserve	-	-	300,000	(300,000)	-	-
Profit after taxation for the period	-	-	-	360,587	360,587	360,587
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	360,587	360,587	360,587
<b>Balance as at December 31, 2016</b>	<b>144,000</b>	<b>12,598</b>	<b>2,975,000</b>	<b>396,131</b>	<b>3,383,729</b>	<b>3,527,729</b>

The annexed notes from 1 to 12 form an integral part of these unconsolidated condensed interim financial statements.

  
**YUTAKA ARAE**  
Chairman

  
**FAHIM KAPADIA**  
Chief Executive

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

**1. THE COMPANY AND ITS OPERATIONS**

- 1.1** Agriauto Industries Limited (the Company) was incorporated in Pakistan on June 25, 1981 as a public limited company, under the Companies Act, 1913 (now the Companies Ordinance, 1984), and is listed on the Pakistan Stock Exchange. The Company is engaged in the manufacture and sale of components for automotive vehicles, motor cycles and agricultural tractors. The registered office of the Company is situated at 5<sup>th</sup> Floor, House of Habib, Main Shahrah-e-Faisal, Karachi.
- 1.2** These unconsolidated condensed interim financial statements are separate financial statements of the Company in which investment in subsidiary is accounted for on the basis of direct equity interest and is not consolidated or accounted for using equity method.

**2. BASIS OF PREPARATION**

These unconsolidated condensed interim financial statements are unaudited but subject to limited scope review by auditors, except for the figures of the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended December 31, 2016 and December 31, 2015. These are required to be presented to the shareholders under Section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34, "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2016.

**3. ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2016 except as follows:

**New/ revised standards, interpretations and amendments**

The Company has adopted the following amendments to IFRS which became effective for the current period:

IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements: Investment Entities: Applying the Consolidation Exception (Amendment)  
IFRS 11-Joint Arrangements: Accounting for Acquisition of Interest in Joint Operation (Amendment)

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

IAS 1 -Presentation of Financial Statements: Disclosure Initiative (Amendment)

IAS 16-Property, Plant and Equipment and IAS 38 Intangible Assets: Clarification of Acceptable Method of Depreciation and Amortization (Amendment)

IAS 16-Property, Plant and Equipment and IAS 41 Agriculture: 'Agriculture - Bearer Plants (Amendment)

IAS 27-Separate Financial Statements: Equity Method in Separate 'Financial Statements (Amendment)

The adoption of the above amendments to accounting standards did not have any effect on these unconsolidated condensed interim financial statements.

	<b>Note</b>	<b>December 31, 2016 (Un-audited)</b>	<b>June 30, 2016 (Audited)</b>
<b>4 PROPERTY, PLANT AND EQUIPMENT</b>		----- (Rupees in '000) -----	
Operating fixed assets	4.1	<b>661,871</b>	668,889
Capital work-in-progress	4.2	<u><b>15,321</b></u>	<u>47,677</u>
		<u><b>677,192</b></u>	<u>716,566</u>

**4.1** The following additions and deletions (at cost) were made in operating fixed assets during the period:

	<u>Half year ended</u>	
	<u>December 31, 2016</u>	
	<u>(Un-audited)</u>	
	<u>Additions</u>	<u>Deletions</u>
	----- (Rupees in '000) -----	-----
<b>Owned</b>		
Plant and machinery	<b>26,753</b>	<b>4,791</b>
Building	-	-
Vehicles	<b>6,032</b>	<b>3,048</b>
Furniture and fixtures	<b>3,472</b>	<b>96</b>
Computers	<b>244</b>	-
Office equipment	<b>80</b>	-
	<u><b>36,581</b></u>	<u><b>7,935</b></u>

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

**4.2 Capital work-in-progress**

	<b>Plant and machinery</b>	<b>Civil works</b>	<b>Total</b>
	----- (Rupees in '000) -----		
Balance as at July 01, 2016	47,677	-	47,677
Capital expenditure incurred / advances made during the period	798	-	798
Transfer to subsidiary company	<u>(33,154)</u>	-	<u>(33,154)</u>
<b>Balance as at December 31, 2016</b>	<b><u>15,321</u></b>	<b>-</b>	<b><u>15,321</u></b>

**5.1 ADVANCES, DEPOSITS, PREPAYMENTS  
AND OTHER RECEIVABLES**

Includes an amount of Rs. 110.669 million (June 30, 2016: Rs. 39.211 million) due from a wholly owned subsidiary company.

	<b>Note</b>	<b>December 31, 2016 (Un-audited)</b>	<b>June 30, 2016 (Audited)</b>
		----- (Rupees in '000) -----	
<b>6. SHORT TERM INVESTMENTS</b>			
<b>Held- to- maturity</b>			
Term deposit receipts	6.1	<b>142,000</b>	360,000
Accrued profit thereon		<u>613</u>	<u>1,276</u>
		<b><u>142,613</u></b>	<b><u>361,276</u></b>

**6.1** Represents one to three months term deposit receipts with a commercial bank under conventional banking relationship carrying profit rate ranging from of 4.65% to 5.60% (June 30, 2016: 5.35% to 6.15%) per annum and will mature by March 2017.

**7. COMMITMENTS**

There is no material change in the status of commitments as reported in the annual financial statements for the year ended June 30, 2016 other than described below:

**7.1** Commitments in respect of outstanding letters of credit for raw material amount to Rs.388.269 million (June 30, 2016: Rs.369.705 million).

**7.2** Commitments in respect of capital expenditure amount to Rs.5.698 million (June 30, 2016: Rs.86.886 million).



**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

**8. OTHER INCOME**

Includes dividend income amounting to Rs. 114.401 million (December 31, 2015: Nil) received from a wholly owned subsidiary company.

**9. TRANSACTIONS WITH RELATED PARTIES**

Related parties of the Company comprise subsidiary company, companies with common directorship, retirement funds, directors and key management personnel. Detail of transactions with related parties during the period, other than disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

	<b>December 31, 2016 (Un-audited) ----- (Rupees in '000) -----</b>	<b>December 31, 2015 (Un-audited) -----</b>
Purchase of goods/ assets	<u>610</u>	<u>702</u>
Contribution to provident fund	<u>4,014</u>	<u>3,399</u>
Key management personnel compensation	<u>6,954</u>	<u>4,905</u>
Sale of goods	<u>15,328</u>	<u>16,559</u>

**10. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE**

The Board of Directors has proposed and approved an interim cash dividend of Rs. 2.50 per share for the half year ended December 31, 2016 in its meeting held on February 20, 2017.

**11. DATE OF AUTHORISATION FOR ISSUE**

These unconsolidated condensed interim financial statements were authorized for Issue on February 20, 2017 by the Board of Directors of the Company.

**12. GENERAL**

Figures have been rounded off to the nearest thousands.



**YUTAKA ARAE**  
Chairman



**FAHIM KAPADIA**  
Chief Executive