

**UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2017**

		December 31, 2017 (Un-audited)	June 30, 2017 (Audited)
		------(Rupees in '000)-----	
<u>ASSETS</u>			
NON-CURRENT ASSETS			
	Note		
Property, plant and equipment	4	633,160	654,025
Long term investment		1,144,006	1,144,006
Long term deposits		6,234	6,234
Deferred Cost	5	8,808	-
		1,792,208	1,804,265
CURRENT ASSETS			
Stores, spares and loose tools		69,578	61,927
Stock-in-trade		839,772	745,822
Trade debts		559,309	430,360
Advances, deposits, prepayments and other receivables		25,423	11,171
Accrued profit		627	777
Short term investments	6	641,497	641,778
Sales tax receivable		-	5,259
Taxation – net		105,817	229,421
Cash and bank balances		229,665	232,115
		2,471,688	2,358,630
		4,263,896	4,162,895
TOTAL ASSETS			
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Authorised capital			
40,000,000 (June 30, 2017: 40,000,000) ordinary shares of Rs. 5/- each			
		200,000	200,000
Issued, subscribed and paid-up capital		144,000	144,000
Reserves		3,606,065	3,537,779
		3,750,065	3,681,779
NON-CURRENT LIABILITY			
Deferred taxation		19,967	28,302
CURRENT LIABILITIES			
Trade and other payables	7	476,280	452,814
Sales tax payable		17,584	-
		493,864	452,814
COMMITMENTS			
	8		
TOTAL EQUITY AND LIABILITIES		4,263,896	4,162,895

The annexed notes from 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.



YUTAKA ARAE
Chairman



FAHIM KAPADIA
Chief Executive



AQEEL LOON
Chief Financial Officer

**UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE PERIOD & QUARTER ENDED DECEMBER 31, 2017 (UN-AUDITED)**

Note	Half-year ended		Quarter ended	
	December 31, 2017 (Rupees in '000)	December 31, 2016	December 31, 2017 (Rupees in '000)	December 31, 2016
Turnover – net	2,950,076	2,775,658	1,512,357	1,477,419
Cost of sales	(2,370,407)	(2,258,778)	(1,221,821)	(1,192,648)
Gross profit	579,669	516,880	290,536	284,771
Distribution costs	(54,994)	(49,942)	(27,937)	(26,322)
Administrative expenses	(105,161)	(92,548)	(51,645)	(46,006)
	(160,155)	(142,490)	(79,582)	(72,328)
Operating profit	419,514	374,390	210,954	212,443
Other expenses	(37,631)	(35,773)	(19,916)	(24,159)
Other income	24,920	124,002	13,674	4,195
Finance costs	(148)	(194)	(72)	(114)
	(12,859)	88,035	(6,314)	(20,078)
Profit before taxation	406,655	462,425	204,640	192,365
Taxation	(122,369)	(101,838)	(62,013)	(59,058)
Profit after taxation	284,286	360,587	142,627	133,307
----- (Rupees) -----				
Earnings per share - basic and diluted	9.87	12.52	4.95	4.63

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FAHIM KAPADIA
Chief Executive



AQEEL LOON
Chief Financial Officer

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2017 (UN-AUDITED)**

	Half-year ended		Quarter ended	
	December 31, 2017 (Rupees in '000)	December 31, 2016	December 31, 2017 (Rupees in '000)	December 31, 2016
Profit after taxation for the period	284,286	360,587	142,627	133,307
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	284,286	360,587	142,627	133,307

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**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED DECEMBER 31, 2017 (UN-AUDITED)**

	Half year ended	
	December 31, 2017	December 31, 2016
	(Rs. in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	406,655	462,425
Adjustments for:		
Depreciation	38,965	40,938
Amortization of deferred cost	644	-
Finance costs	148	194
(Reversal) / provision for impairment of trade debts	(39)	73
Gain on disposal of property, plant and equipment	(2,064)	(780)
Liabilities no longer payable – written back	-	(4)
Profit on term deposits receipts / bank balances	(21,333)	(6,995)
Dividend income	-	(114,401)
	<u>422,976</u>	<u>381,450</u>
Increase in current assets	(239,504)	(337,381)
Increase in current liabilities	34,840	51,117
Cash generated from operations	<u>218,312</u>	<u>95,186</u>
Finance costs paid	(148)	(194)
Income tax paid	(7,131)	(221,951)
Net cash generated from / (used in) operating activities	<u>211,033</u>	<u>(126,959)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(22,586)	(37,379)
Proceeds from disposal of property, plant and equipment	6,551	3,441
Deferred Cost	(9,452)	-
Dividend received	-	114,401
Profit received on term deposits receipt / bank balances	20,859	7,530
Net cash (used in) / generated from investing activities	<u>(4,628)</u>	<u>87,993</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(209,762)	(176,440)
Net decrease in cash and cash equivalents	<u>(3,357)</u>	<u>(215,406)</u>
Cash and cash equivalents at the beginning of the period	869,835	534,485
Cash and cash equivalents at the end of the period	<u>866,478</u>	<u>319,079</u>
CASH AND CASH EQUIVALENTS		
Cash and bank balances	229,665	177,079
Short-term investments	636,813	142,000
	<u>866,478</u>	<u>319,079</u>

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**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2017 (UN-AUDITED)**

	Issued, subscribed and paid-up capital	Capital reserve	Revenue reserves		Total reserves	Total equity
		Share premium	General	Unapp- ropriated profit		
----- (Rupees in '000) -----						
Balance as at July 01, 2016	144,000	12,598	2,675,000	515,544	3,203,142	3,347,142
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
Balance as at December 31, 2016	<u>144,000</u>	<u>12,598</u>	<u>2,975,000</u>	<u>396,131</u>	<u>3,383,729</u>	<u>3,527,729</u>
Balance as at July 01, 2017	144,000	12,598	2,975,000	550,181	3,537,779	3,681,779
Final dividend for the year ended June 30, 2017 @ Rs.7.5 /- per share	-	-	-	(216,000)	(216,000)	(216,000)
Transfer to general reserve	-	-	300,000	(300,000)	-	-
Profit after taxation for the period	-	-	-	284,286	284,286	284,286
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	284,286	284,286	284,286
Balance as at December 31, 2017	<u>144,000</u>	<u>12,598</u>	<u>3,275,000</u>	<u>318,467</u>	<u>3,606,065</u>	<u>3,750,065</u>

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YUTAKA ARAE
Chairman



FAHIM KAPADIA
Chief Executive



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Chief Financial Officer

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD & QUARTER ENDED DECEMBER 31, 2017 (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 repealed Companies Act, 1913 (now the repealed 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 5th 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

- 2.1** These unconsolidated condensed interim financial statements 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 repealed Companies Ordinance, 1984 (note 2.1.1). In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 have been followed.
- 2.1.1** The Companies Ordinance, 1984 has been repealed after the enactment of Companies Act, 2017. However, as allowed by the SECP vide its circular dated October 04, 2017, these unconsolidated condensed interim financial statements have been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.
- 2.2** 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 audited unconsolidated financial statements for the year ended June 30, 2017.
- 2.3** These unconsolidated condensed interim financial statements are un-audited but subject to limited scope review by the 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, 2017 and December 31, 2016.

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD & QUARTER ENDED DECEMBER 31, 2017 (UN-AUDITED)**

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of the unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's audited unconsolidated financial statements for the year ended June 30, 2017. The company has adopted certain amended International Financial Reporting Standards which became effective during the period and referred to in note 4.2 to the audited unconsolidated financial statements for the year ended June 30, 2017. The adoption of such amended standard did not have any effect on these unconsolidated condensed interim financial statements.

	Note	December 31, 2017 (Un-audited) ----- (Rupees in '000) -----	June 30, 2017 (Audited)
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	632,470	653,335
Capital work-in-progress		<u>690</u>	<u>690</u>
		<u>633,160</u>	<u>654,025</u>

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

	Additions at cost		Deletions at cost	
	Half year ended December 31,		Half year ended December 31,	
	2017 (Rupees in '000) ----- (Un-audited)	2016	2017 (Rupees in '000) ----- (Un-audited)	2016
Owned				
Plant and machinery	10,583	26,753	2,636	4,791
Vehicles	10,514	6,032	7,885	3,048
Furniture and fixtures	490	3,472	-	96
Computers	951	244	437	-
Office equipment	<u>48</u>	<u>80</u>	<u>-</u>	<u>-</u>
	<u>22,586</u>	<u>36,581</u>	<u>10,958</u>	<u>7,935</u>

5. DEFERRED COST

This represents amount paid for technical assistance and expertise acquired in respect of parts for upcoming models.

	Note	December 31, 2017 (Un-audited) ----- (Rupees in '000) -----	June 30, 2017 (Audited)
6. SHORT TERM INVESTMENTS			
Held- to- maturity			
Term deposit receipts	6.1	242,000	242,000
Treasury bills	6.2	394,813	395,720
Accrued profit thereon		<u>4,684</u>	<u>4,058</u>
		<u>641,497</u>	<u>641,778</u>

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD & QUARTER ENDED DECEMBER 31, 2017 (UN-AUDITED)**

6.1 Represents one to three months term deposit receipts with a commercial bank under conventional banking relationship carrying profit rate ranging from of 4.05% to 5.30% (June 30, 2017: 4.25% to 6.25%) per annum having maturity date of 30 January 2018.

6.2 Represents one to three months treasury bills with a commercial bank under conventional banking relationship carrying profit rate ranging from 5.88% to 5.93% (June 30, 2017: 5.75% to 5.90%) per annum having maturity date of 15 February 2018.

7. TRADE AND OTHER PAYABLES

Includes an amount of Rs. 14,167 million (June 30, 2017: NIL) due to wholly owned subsidiary company - Agriauto Stamping Company (Private) Limited on account of group taxation u/s 59AA of Income Tax Ordinance 2001.

8. COMMITMENTS

There is no material change in the status of commitments as reported in the annual financial statements for the year ended June 30, 2017 other than described below:

8.1 Commitments in respect of outstanding letters of credit for raw material amounted to Rs. 511.249 million (June 30, 2017: Rs.482.266 million).

8.2 Commitments in respect of capital expenditure amounted to Rs. 31.305 million (June 30, 2017: Rs.0.978 million).

9. OTHER INCOME

Includes dividend income amounting to Nil (December 31, 2016: Rs. 114.401 million) received from a wholly owned subsidiary company - Agriauto Stamping Company (Private) Limited.

10. 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:

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD & QUARTER ENDED DECEMBER 31, 2017 (UN-AUDITED)**

	December 31, 2017 (Un-audited) ----- (Rupees in '000) -----	December 31, 2016 (Un-audited)
Purchase of goods / assets	<u>883</u>	<u>610</u>
Contribution to provident fund	<u>4,340</u>	<u>4,014</u>
Key management personnel compensation	<u>6,084</u>	<u>6,954</u>
Sale of goods	<u>14,801</u>	<u>15,328</u>

11. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors has proposed and approved and interim cash dividend of Rs. 4.00 per share for the half year ended December 31, 2017 in its meeting held on February 21, 2018.

12. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on February 21, 2018 by the Board of Directors of the Company.

13. GENERAL

Figures have been rounded off to the nearest thousands.



YUTAKA ARAE
Chairman



FAHIM KAPADIA
Chief Executive



AQEEL LOON
Chief Financial Officer