

# Agriauto Industries Limited

Condensed Interim Financial Statements  
For the Quarter Ended September 30, 2021  
(Un-audited)



# Company Information

## BOARD OF DIRECTORS

Yutaka Arae

Fahim Kapadia

Hamza Habib

Sohail P. Ahmed

Salman Burney

Ayesha T. Haq

Muhammad Ali Jameel

Chairman

Chief Executive

Non Executive Director

Non Executive Director

Non Executive Director

Independent Director

Independent Director

## AUDIT COMMITTEE

Muhammad Ali Jameel

Sohail P. Ahmed

Ayesha T. Haq

Chairman

Member

Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Muhammad Ali Jameel

Sohail P. Ahmed

Salman Burney

Yutaka Arae

Fahim Kapadia

Chairman

Member

Member

Member

Member

## CHIEF FINANCIAL OFFICER

Hassan Ali Ghazi

## COMPANY SECRETARY

Tariq Iqbal Bawani

## AUDITORS

EY Ford Rhodes

Chartered Accountants

## SHARE REGISTRAR

FAMCO Associates (Pvt.) Limited

8-F, Next to Hotel Faran, Nursery,

Block-6, P.E.C.H.S.,

Shahrah-e-Faisal, Karachi.

Tel: 34380101-5, 34384621-3

## BANKERS - CONVENTIONAL

Habib Metropolitan Bank Limited

Standard Chartered Bank (Pakistan) Ltd

National Bank of Pakistan

Habib Bank Limited

United Bank Limited

MCB Bank Limited

## REGISTERED OFFICE

5th Floor, House of Habib

3 JCHS, Main Shahrah-e-Faisal,

Karachi.

Website: [www.agriauto.com.pk](http://www.agriauto.com.pk)

Email: [info@agriauto.com.pk](mailto:info@agriauto.com.pk)

## FACTORY

**Agriauto Industries Limited**

Mouza Baroot, Hub Chowki,

Distt. Lasbella, Balochistan.

**Agriauto Stamping Company (Pvt.) Ltd**

DSU-12B, Down Stream Industrial Estate

Pakistan Steel, Bin Qasim, Karachi.

## DIRECTORS' REVIEW REPORT

On behalf of the Board of Directors of the Company, we are pleased to present the financial performance of your Company for the quarter ended September 30, 2021.

### THE BOARD OF DIRECTORS

The Board of Directors of the Company as at the reporting date is as follows:

- |  |                        |
|--|------------------------|
| 1. Mr. Yutaka Arae – Chairman          | Non-executive Director |
| 2. Mr. Fahim Kapadia – Chief Executive | Executive Director     |
| 3. Mr. Hamza Habib                     | Non-executive Director |
| 4. Mr. Sohail P. Ahmed                 | Non-executive Director |
| 5. Mr. Salman Burney                   | Non-executive Director |
| 6. Ms. Ayesha T. Haq                   | Independent Director   |
| 7. Mr. Muhammad Ali Jameel             | Independent Director   |

### AUDIT COMMITTEE

- |                            |          |
|----------------------------|----------|
| 1. Mr. Muhammad Ali Jameel | Chairman |
| 2. Mr. Sohail P. Ahmed     | Member   |
| 3. Ms. Ayesha T. Haq       | Member   |

### HUMAN RESOURCE & REMUNERATION COMMITTEE

- |                            |          |
|----------------------------|----------|
| 1. Mr. Muhammad Ali Jameel | Chairman |
| 2. Mr. Salman Burney       | Member   |
| 3. Mr. Sohail P. Ahmed     | Member   |
| 4. Mr. Yutaka Arae         | Member   |
| 5. Mr. Fahim Kapadia       | Member   |

### Financial Highlights

#### Consolidated

	Rs. in million	
	For Quarter July to Sep	
	2021	2020
Turnover	3,226	2,028
Profit before tax	327	226
Taxation	(94)	(69)
Profit after tax	233	157
Earnings Per Share (Rs.)	8.08	5.46

Consolidated turnover for the quarter ended September 30, 2021 increased from Rs. 2.03 billion to Rs. 3.23 billion compared to corresponding period last year, reflecting an increase of 59%. Profit after tax also increased by 48% to Rs. 233 M compared to Rs. 157 M in the corresponding period last year.

#### Standalone

	Rs. in million	
	For Quarter July to Sep	
	2021	2020
Turnover	1,971	1,410
Profit before tax	189	106
Taxation	(55)	(30)
Profit after tax	134	76
Earnings Per Share (Rs.)	4.66	2.65

Turnover for the quarter ended September 30, 2021 was Rs. 1.97 billion compared to Rs. 1.41 billion reflecting an increase of 40% over corresponding period last year mainly due to increase in passenger

car segment. Profit after tax also increased by 76% to Rs. 134 million compared to Rs. 76 million in corresponding period last year.

### **Business overview**

Auto Sector continued to grow during Q1 2021-22 with favorable economic momentum developed last year and tax reliefs in the Budget 2021-22. Passenger car volumes and light commercial vehicle segment grew by 88% and 94% respectively compared to the Q1 2020-21. While Motorcycle and Tractors volumes grow steadily by 0.4% and 11% respectively over same period. During the quarter, supply chain disruptions remained volatile due to higher demand globally, port congestions and COVID related shutdowns. Your company has taken suitable measures and increased safety stock levels and re-order levels to ensure steady supplies to the customers. This has also momentarily affected Company's working capital cycle which will be normalized going forward.

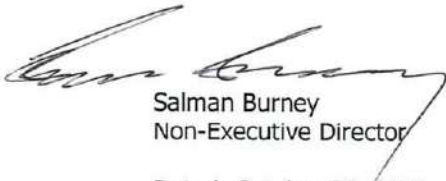
We expect higher consumer demand which will reflect positivity in the financial performance of the Company. However, this growth momentum can be disrupted due to any significant supply chain disruptions, rupee devaluation, shortage or increase in pricing of basic utilities.

### **Agriauto Stamping Company (Pvt.) Limited (ASC)**

ASC's expansion project is in its final stages and is expected to be completed in Q2 FY 2021-22. This expansion will result in process efficiencies and facilitate installation of additional press line in future. The Company is also pursuing on new product developments which will bring sustainability and improve profitability going forward.

In the end, we would like to express our sincerest appreciation to all our Customers, Dealers, Bankers and foreign technical collaborators for their unabated support and confidence reposed in the Company. We are also thankful to all our employees who have worked diligently for the progress of the Company.

On behalf of the Board of Directors.



Salman Burney  
Non-Executive Director

Dated: October 28, 2021



Fahim Kapadia  
Chief Executive

## ڈائریکٹرز کی جائزہ رپورٹ

30 ستمبر 2021ء کو اختتام پذیر سہ ماہی کے لئے کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے ہم آپ کی کمپنی کی مالیاتی کارکردگی ازراہ مسرت پیش کرتے ہیں۔

## بورڈ آف ڈائریکٹرز

تاریخ رپورٹنگ تک کمپنی کے بورڈ آف ڈائریکٹرز کی تفصیل حسب ذیل ہے:

1. جناب یوٹا کا آرائے - چیئر مین نان ایگزیکٹو ڈائریکٹر
2. جناب فہیم کپاڈیا - چیف ایگزیکٹو ایگزیکٹو ڈائریکٹر
3. جناب حمزہ حبیب نان ایگزیکٹو ڈائریکٹر
4. جناب سہیل پی۔ احمد نان ایگزیکٹو ڈائریکٹر
5. جناب سلمان برنی نان ایگزیکٹو ڈائریکٹر
6. مس عائشہ ٹی۔ حق خود مختار ڈائریکٹر
7. جناب محمد علی جمیل خود مختار ڈائریکٹر

## بورڈ آڈٹ کمیٹی

1. جناب محمد علی جمیل چیئر مین
2. جناب سہیل پی۔ احمد رکن
3. مس عائشہ ٹی۔ حق رکن

## بورڈ ہومن ریسورس ایگزیکٹو کمیٹی

1. جناب محمد علی جمیل چیئر مین
2. جناب سلمان برنی رکن
3. جناب سہیل پی۔ احمد رکن
4. جناب یوٹا کا آرائے رکن
5. جناب فہیم کپاڈیا رکن

## مالیاتی خلاصہ محمد

### ملین روپوں میں

ہائے سماوی عملاتی تا ستمبر		
2020ء	2021ء	
2,028	3,226	ٹرن اوور
226	327	نفع بمعہ ٹیکس
(69)	(94)	ٹیکسیشن
157	233	نفع علاوہ ٹیکس
5.46	8.08	فی حصص آمدنی (روپے)

30 ستمبر 2021ء کو اختتام پذیر سہ ماہی کا مجموعی کاروبار (میٹ) گذشتہ برس کے 2.03 بلین روپے سے بڑھ کر 3.23 بلین روپے ہوا۔ جو 59 فیصد اضافہ کی عکاسی کرتا ہے۔ منافع بعد از ٹیکس گذشتہ برس کے 157 بلین روپے کے منافع کے مقابلہ میں 233 بلین روپے رہا۔

## آزادانہ

### ملین روپوں میں

ہائے سماوی عملاتی تا ستمبر		
2020ء	2021ء	
1,410	1,971	ٹرن اوور
106	189	نفع بمعہ ٹیکس
(30)	(55)	ٹیکسیشن
76	134	نفع علاوہ ٹیکس
2.65	4.66	فی حصص آمدنی (روپے)

مسافر گاڑیوں کے شعبہ میں اضافہ کے باعث 30 ستمبر 2021ء کو اختتام پذیر سہ ماہی کے لئے ٹرن اوور میں گذشتہ برس کی اسی مدت کی نسبت 1.41 بلین روپے سے 1.97 بلین روپے اضافہ ہوا۔ جو 40 فیصد اضافہ کی عکاسی کرتا ہے۔ منافع بعد از ٹیکس میں بھی 76 فیصد اضافہ ہوا، یعنی گذشتہ برس کی اسی مدت میں 76 بلین روپے کے مقابلہ میں 134 بلین روپے منافع ہوا۔

### کاروباری جائزہ

گذشتہ برس میں معیشت کی رفتار میں موافق پیش رفت اور بجٹ 2021-22 میں ٹیکس ریلیف کے باعث مالیاتی سال 2021-22 کی پہلی سہ ماہی کے دوران آٹومیٹر کی نمو کا سلسلہ جاری رہا۔ سال 2020-21 کی پہلی سہ ماہی کے مقابلہ میں مسافر گاڑیوں کا حجم اور لائٹ کمرشل گاڑیوں کے شعبہ میں بالترتیب 88 فیصد اور 94 فیصد نمو ریکارڈ ہوئی۔ جب کہ موٹر سائیکل اور ٹریکٹرز کے حجم میں اسی مدت کے دوران بالترتیب 0.4 فیصد اور 11 فیصد اضافہ ریکارڈ ہوا۔ زیر جائزہ سہ ماہی کے دوران عالمی سطح پر زیادہ طلب، بندرگاہوں میں ہجوم اور کرونا وائرس کی وجہ سے بندشوں کے باعث سپلائی چین میں رکاوٹ پیدا ہوئی۔ آپ کی کمپنی نے مناسب اقدامات کئے ہیں اور محفوظ ذخیرہ کی سطح (سیفٹی سٹاک لیولز) میں اضافہ کیا ہے تاکہ صارفین کو روانی سے سپلائی جاری رکھی جاسکے۔ یہی وجہ ہے کہ کمپنی کے سرمایہ کی گردش پر منفی اثرات مرتب ہوئے اور مستقبل میں اس کے معمول پر آنے کی توقع کی جا رہی ہے۔

ہم مستقبل میں صارفین کی طلب اضافہ اور بہتر مالیاتی نتائج کی توقع رکھتے ہیں۔ تاہم، سپلائی چین میں رکاوٹوں، روپے کی قدر میں کمی، ضروریات زندگی کی قلت یا قیمتوں میں اضافہ کے باعث تیز رفتار نمو متاثر ہو سکتی ہے۔


### ایگری انٹو اسٹریٹجک کمیٹی (پرائیویٹ) لیٹڈ (ASC)

ASC کا توسیعی منصوبہ حتمی مراحل پر ہے اور مالیاتی سال 2021-22 کی دوسری سہ ماہی میں اس کی تکمیل متوقع ہے۔ اس توسیع سے طریقہ کار میں نفاست اور مستقبل میں اضافی پریس لائن کی تنصیب میں سہولت میسر آئے گی۔ کمپنی نئی مصنوعات کی تیاری پر بھی غور کر رہی ہے جس سے مستقبل میں پائیداری اور بھرپور منافع کی توقع کی جا رہی ہے۔



آخر میں، ہم اپنے تمام صارفین، ڈیلرز، بینکرز اور غیر ملکی تکنیکی معاونین کی پرزور حمایت اور کمپنی پر اعتماد کا اظہار کرنے پر خلوص نیت سے حوصلہ افزائی کرتے ہیں۔ کمپنی کی ترقی کے لئے دلجمعی سے کام کرنے پر ہم اپنے تمام ملازمین کا بھی تہہ دل سے شکریہ ادا کرتے ہیں۔

  
فہیم کھاٹون  
چیف ایگزیکٹو

**منجانب بورڈ آف ڈائریکٹرز**  
  
سلمان برنی  
نان ایگزیکٹو ڈائریکٹر

تاریخ: 28 اکتوبر 2021ء



**AGRIAUTO INDUSTRIES LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2021**

	Note	September 30, 2021 (un-audited)	June 30, 2021 (audited)
		----- (Rupees in '000) -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	941,320	964,476
Right-of-use assets		20,952	18,740
Intangible asset		33,203	36,225
Long term investment		1,144,006	1,144,006
Long term deposits		7,563	6,801
Deferred taxation - net	6	10,288	2,547
		<b>2,157,332</b>	<b>2,172,795</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		109,114	107,240
Stock-in-trade		1,193,782	1,056,905
Trade debts	7	857,879	792,502
Advances, deposits, prepayments and other receivables	8	844,966	552,299
Accrued profit		213	1,039
Short term investments	9	38,291	122,323
Sales tax receivable		13,529	-
Taxation – net		455,109	438,325
Cash and bank balances		53,744	165,517
		<b>3,566,627</b>	<b>3,236,150</b>
<b>TOTAL ASSETS</b>		<b>5,723,959</b>	<b>5,408,945</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital			
40,000,000 (June 30, 2020: 40,000,000) ordinary shares of Rs. 5/- each		200,000	200,000
Issued, subscribed and paid-up capital			
28,800,000 (June 30, 2020: 28,800,000) ordinary shares of Rs. 5/- each		144,000	144,000
Reserves		4,380,333	4,245,998
		<b>4,524,333</b>	<b>4,389,998</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		13,305	13,305
<b>CURRENT LIABILITIES</b>			
Trade and other payables		892,868	890,610
Current maturity of lease liabilities		7,425	7,425
Sales tax payable		-	36,449
Unpaid dividend		11,331	11,655
Unclaimed dividend		22,622	22,857
Short-term running finance		252,075	36,646
		<b>1,186,321</b>	<b>1,005,642</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	10		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,723,959</b>	<b>5,408,945</b>

The annexed notes from 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.

  
 \_\_\_\_\_  
 DIRECTOR

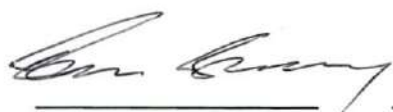
  
 \_\_\_\_\_  
 CHIEF EXECUTIVE

  
 \_\_\_\_\_  
 CHIEF FINANCIAL OFFICER

**AGRIAUTO INDUSTRIES LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**  
(un-audited)

	Quarter ended	
	September 30, 2021	September 30, 2020
	-----'(Rupees in '000)-----	
Turnover – net	1,970,720	1,409,923
Cost of sales	(1,688,737)	(1,223,067)
<b>Gross profit</b>	281,983	186,856
Distribution costs	(32,316)	(27,179)
Administrative expenses	(55,141)	(50,465)
	(87,457)	(77,644)
<b>Operating profit</b>	194,526	109,212
Other expenses	(15,695)	(8,709)
Other income	12,648	7,150
Finance cost	(2,551)	(757)
	(5,598)	(2,316)
<b>Profit before taxation</b>	188,928	106,896
Taxation		
- Current	(62,333)	(22,408)
- Deferred	7,740	(8,068)
	(54,593)	(30,476)
<b>Profit after taxation</b>	134,335	76,420
	----- (Rupees) -----	
<b>Earnings per share - basic and diluted</b>	4.66	2.65

The annexed notes from 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.

  
\_\_\_\_\_  
**DIRECTOR**

  
\_\_\_\_\_  
**CHIEF EXECUTIVE**

  
\_\_\_\_\_  
**CHIEF FINANCIAL OFFICER**

**AGRIAUTO INDUSTRIES LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**  
(un-audited)

	Quarter ended	
	September 30, 2021	September 30, 2020
	-----'(Rupees in '000)-----	
<b>Profit after taxation for the period</b>	134,335	76,420
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	134,335	76,420

The annexed notes from 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.

  
\_\_\_\_\_  
**DIRECTOR**

  
\_\_\_\_\_  
**CHIEF EXECUTIVE**

  
\_\_\_\_\_  
**CHIEF FINANCIAL OFFICER**

**AGRIAUTO INDUSTRIES LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**  
(un-audited)

	Quarter ended	
	September 30, 2021	September 30, 2020
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	188,928	106,896
<b>Adjustments for:</b>		
Depreciation and amortisation	33,415	28,542
Finance costs	2,551	757
Allowance for expected credit losses	-	74
Liabilities no longer payable - written back	-	(7)
Profit on term deposit receipts and deposit accounts	(2,952)	(3,104)
Gain on disposal of operating fixed assets	(1,910)	(1,352)
	<u>220,032</u>	<u>131,806</u>
(Increase) / decrease in current assets	(545,915)	84,975
Increase / (decrease) in current liabilities	2,261	(7,540)
<b>Cash generated from operations</b>	<u>(323,622)</u>	<u>209,241</u>
Finance cost paid	(2,139)	(262)
Long term security deposit paid	(762)	-
Income tax paid	(79,119)	(22,721)
<b>Net cash (used in) / generated from operating activities</b>	<u>(405,642)</u>	<u>186,258</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditures and capital work-in-progress	(11,246)	(32,959)
Proceeds from disposal of property, plant and equipment	8,062	1,636
Proceeds from disposal of short term investments	-	51,039
Technical fee paid	-	(8,152)
Profit received on term deposit receipts and deposit accounts	2,952	3,104
<b>Net cash (used in) / generated from investing activities</b>	<u>(232)</u>	<u>14,668</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(559)	(135)
Lease payments	(4,769)	-
<b>Net cash used in financing activities</b>	<u>(5,328)</u>	<u>(135)</u>
<b>Net increase in cash and cash equivalents</b>	<u>(411,202)</u>	<u>200,791</u>
Cash and cash equivalents at the beginning of the period	250,871	92,615
<b>Cash and cash equivalents at the end of the period</b>	<u>(160,331)</u>	<u>293,406</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	53,744	171,406
Short term investments	38,000	122,000
Short term running finance	(252,075)	-
	<u>(160,331)</u>	<u>293,406</u>

The annexed notes from 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.

  
\_\_\_\_\_  
DIRECTOR

  
\_\_\_\_\_  
CHIEF EXECUTIVE

  
\_\_\_\_\_  
CHIEF FINANCIAL OFFICER

**AGRIAUTO INDUSTRIES LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2021**  
**(un-audited)**

Issued, subscribed and paid-up capital	Reserves			Total reserves	Total equity	
	Capital reserve	Revenue reserves				
	Share premium	General	Unappropriated profit			
----- (Rupees in'000) -----						
<b>Balance as at July 01, 2020 (audited)</b>	144,000	12,598	3,765,000	(10,198)	3,767,400	3,911,400
Profit after taxation for the period	-	-	-	76,420	76,420	76,420
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	76,420	76,420	76,420
<b>Balance as at September 30, 2020 (un-audited)</b>	<u>144,000</u>	<u>12,598</u>	<u>3,765,000</u>	<u>66,222</u>	<u>3,843,820</u>	<u>3,987,820</u>
<b>Balance as at July 01, 2021 (audited)</b>	144,000	12,598	3,765,000	468,400	4,245,998	4,389,998
Transfer to general reserve	-	-	300,000	(300,000)	-	-
Profit after taxation for the period	-	-	-	134,335	134,335	134,335
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive profit for the period	-	-	-	134,335	134,335	134,335
<b>Balance as at September 30, 2021 (un-audited)</b>	<u>144,000</u>	<u>12,598</u>	<u>4,065,000</u>	<u>302,735</u>	<u>4,380,333</u>	<u>4,524,333</u>

The annexed notes from 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.

  
 \_\_\_\_\_  
 DIRECTOR

  
 \_\_\_\_\_  
 CHIEF EXECUTIVE

  
 \_\_\_\_\_  
 CHIEF FINANCIAL OFFICER

**AGRIAUTO INDUSTRIES LIMITED**  
**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**  
(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 and is listed on Pakistan Stock Exchange Limited. 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 the separate unconsolidated condensed interim financial statements of the Company in which investments in subsidiary is accounted for at cost less accumulated impairment losses, if any and is not consolidated or accounted for using equity method.

**2 STATEMENT OF COMPLIANCE**

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which 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 requirement of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**3 BASIS OF PREPARATION**

These unconsolidated condensed interim financial statements are un-audited and do not include all the information and disclosures required in the unconsolidated annual financial statements, and should be read in conjunction with the audited unconsolidated financial statements of the Company for the year ended June 30, 2021.

**4 SUMMARY OF SIGNIFICANT 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 audited unconsolidated financial statements for the year ended June 30, 2021.

	Note	September 30, 2021 ----- (Rupees in '000) ----- (un-audited)	June 30, 2021 (audited)
<b>5 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1 & 5.2	901,825	925,960
Capital work-in-progress	5.3	<u>39,495</u>	<u>38,516</u>
		<u>941,320</u>	<u>964,476</u>

- 5.1 The following additions (including transfers from capital work-in-progress) and disposals were made in the operating fixed assets during the period:

	Additions at cost / Transfers		Disposal at NBV	
	Quarter ended		Quarter ended	
	September 30,		September 30,	
	2021	2020	2021	2020
	(un-audited)		(un-audited)	
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
<b>Owned</b>				
Plant and machinery	610	10,865	-	-
Vehicles	7,020	5,127	6,070	261
Furniture and fixtures	455	-	-	-
Computers	2,184	571	82	26
	<u>10,269</u>	<u>16,563</u>	<u>6,152</u>	<u>287</u>

- 5.2 Depreciation charge for the period amounted to Rs. 28.25 million (September 30, 2020: Rs. 22.79 million).

	September 30, 2021	June 30, 2021
	----- (Rupees in '000) -----	
	(un-audited)	(audited)

5.3 **Capital work-in-progress**

Balance at the beginning of the period / year	38,516	170,283
Capital expenditure incurred / advances made during the period / year	979	96,972
Transfer to operating fixed assets during the period / year	-	(223,677)
Charged off during the period / year	-	(5,062)
Balance at the end of the period / year	<u>39,495</u>	<u>38,516</u>

6 **DEFERRED TAXATION - NET**

Deductible temporary differences arising due to:		
- provisions and lease liabilities	104,762	98,273
Taxable temporary differences arising due to:		
- accelerated tax depreciation	(94,474)	(95,726)
	<u>10,288</u>	<u>2,547</u>

- 7 Includes an amount of Rs. 12.06 million (June 30, 2021: Rs. 15.58 million) and Rs. 5.01 million (June 30, 2021: 1.95 million) receivable from Agriauto Stamping Company (Private) Limited, a wholly owned subsidiary and Thal Boshoku Pakistan (Private) Limited, an associated company, against sales made by the Company respectively.

- 8 Includes an amount of Rs. 593.37 million (June 30, 2021: Rs. 299.31 million) against LC margin deposits. Additionally includes Rs. 226.77 million (June 30, 2021: Rs. 226.77 million) with respect to claim against Additional Custom Duty from a customer.

	September 30, 2021	June 30, 2021
	(un-audited) (audited)	
	----- (Rupees in '000) -----	

9 **SHORT TERM INVESTMENTS**

	Note	September 30, 2021	June 30, 2021
<b>At amortised cost</b>			
Term deposit receipts	9.1	38,000	122,000
Accrued profit thereon		291	323
		<u>38,291</u>	<u>122,323</u>

- 9.1 Represents one to three months term deposit receipts with a commercial bank under conventional banking relationship carrying profit rate of 6% (June 30, 2021: 4.0% to 6.70%) per annum and having latest maturity date of November 27, 2021.

## 10 CONTINGENCIES AND COMMITMENTS

### 10.1 Contingencies

10.1.1 As at the reporting date, total outstanding claims on the Company by certain vendors amounted to Rs. 3.63 million (June 30, 2020: Rs. 4.53 million). Management of the Company is confident that no loss is likely to occur from these claims and accordingly no provision in this respect has been made in these unconsolidated condensed interim financial statements.

### 10.2 Commitments

There is no material change in the status of commitments as reported in the annual audited financial statements for the year ended June 30, 2021 other than described below:

10.2.1 Commitments in respect of outstanding letters of credit for raw material amounting to Rs. 1,093.68 million (June 30, 2021: Rs. 707.17 million).

10.2.2 Commitments in respect of capital expenditure amounting to Rs. 64.79 million (June 30, 2021: Rs. 20.41 million).

## 11 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise the subsidiary company, companies with common directorship, retirement funds, directors and key management personnel. All the transactions with related parties are entered into at agreed terms in normal course of business as approved by the Board of Directors of the Company. Balance due from / to the related parties have been disclosed in respective notes to these unconsolidated condensed interim financial statements wherever applicable. Details of transactions with related parties during the period, other than disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

Name of related party and relationship with the Company	Nature of transactions	Percentage of share holding in the Company %	September 30, 2021 (un-audited) ----- (Rupees in '000) -----	September 30, 2020 (un-audited)
<b>Subsidiary (wholly owned)</b> Agriauto Stamping Company (Private) Limited	Sale of goods	Nil	22,638	10,566
<b>Associated Companies (Common directorship)</b> Thal Boshoku Pakistan (Private) Limited	Sale of goods	Nil	9,131	10,139
<b>Retirement benefit funds</b> Employees' Provident fund	Contribution		2,819	2,518
<b>Key management personnel</b>	Remuneration and other benefits	Nil	9,790	7,615
	Fee for attending board meetings		800	600
	Sale of vehicle having net book value of Rs. 0.763 million as per the Company's policy		875	-

## 12 NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

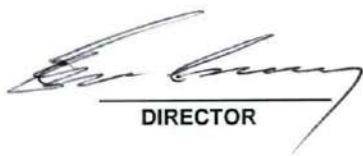
These condensed interim unconsolidated financial statements also do not include the effect of final dividend for the year ended June 30, 2021 approved in Annual General Meeting of the Company held on October 21, 2021 at Rs. 6.0 per share amounting Rs. 172.8 million.

## 13 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on October 28, 2021 by the Board of Directors of the Company.

## 14 GENERAL

Figures have been rounded off to the nearest rupees in thousands unless stated otherwise.

  
DIRECTOR

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER



**AGRIAUTO INDUSTRIES LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2021**

	Note	September 30, 2021 (un-audited)	June 30, 2021 (audited)
----- (Rupees in '000) -----			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	2,293,716	2,281,986
Right-of-use assets		20,952	18,740
Intangible asset		33,203	36,225
Long-term deposits		14,367	13,605
		<b>2,362,238</b>	<b>2,350,556</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		134,172	129,991
Stock-in-trade		2,092,863	1,726,252
Trade debts	6	1,318,008	1,159,086
Advances, deposits, prepayments and other receivables	7	1,145,715	882,286
Accrued profit		425	1,295
Short term investments	8	98,564	266,780
Sales tax receivable		49,064	29,461
Taxation – net		365,218	346,860
Cash and bank balances		137,248	225,861
		<b>5,341,277</b>	<b>4,767,872</b>
<b>TOTAL ASSETS</b>		<b>7,703,515</b>	<b>7,118,428</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital 40,000,000 (June 30, 2020: 40,000,000) ordinary shares of Rs. 5/- each		<b>200,000</b>	200,000
Issued, subscribed and paid-up capital 28,800,000 (June 30, 2020: 28,800,000) ordinary shares of Rs. 5/- each		144,000	144,000
Reserves		5,859,566	5,627,004
		<b>6,003,566</b>	5,771,004
<b>NON-CURRENT LIABILITIES</b>			
Deferred taxation - net	9	68,768	85,003
Lease liabilities		13,305	13,305
		<b>82,073</b>	98,308
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,126,423	1,134,084
Current maturity of lease liabilities		7,425	7,425
Sales tax payable		-	36,449
Unpaid dividend		11,331	11,655
Unclaimed dividend		22,622	22,857
Short-term running finance		450,075	36,646
		<b>1,617,876</b>	1,249,116
<b>CONTINGENCIES AND COMMITMENTS</b>	10		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,703,515</b>	<b>7,118,428</b>

The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements.

  
 Director

  
 Chief Executive

  
 Chief Financial Officer

**AGRIAUTO INDUSTRIES LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**  
(un-audited)

	Quarter ended	
	September 30, 2021	September 30, 2020
	----- (Rupees in '000) -----	
Turnover – net	3,226,160	2,028,506
Cost of sales	(2,777,099)	(1,715,988)
<b>Gross profit</b>	<b>449,061</b>	<b>312,518</b>
Distribution costs	(34,754)	(28,530)
Administrative expenses	(71,569)	(54,956)
	(106,323)	(83,486)
<b>Operating profit</b>	<b>342,738</b>	<b>229,032</b>
Other expenses	(27,882)	(18,032)
Other income	17,896	16,417
Finance costs	(6,120)	(853)
	(16,106)	(2,468)
<b>Profit before taxation</b>	<b>326,632</b>	<b>226,564</b>
Taxation		
- Current	(110,304)	(57,116)
- Deferred	16,234	(12,320)
	(94,070)	(69,436)
<b>Profit after taxation</b>	<b>232,562</b>	<b>157,128</b>
	----- (Rupees) -----	
<b>Earnings per share - basic and diluted</b>	<b>8.08</b>	<b>5.46</b>

The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements.

		
Director	Chief Executive	Chief Financial Officer

**AGRIAUTO INDUSTRIES LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**  
**(un-audited)**

	<u>Quarter ended</u>	
	<u>September 30,</u> <u>2021</u>	<u>September 30,</u> <u>2020</u>
	----- <u>(Rupees in '000)</u> -----	
Profit for the period	232,562	157,128
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>232,562</u>	<u>157,128</u>

The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements.

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Executive

  
\_\_\_\_\_  
Chief Financial Officer

**AGRIAUTO INDUSTRIES LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**  
(un-audited)

	Quarter ended	
	September 30, 2021	September 30, 2020
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	326,632	226,564
<b>Adjustments for:</b>		
Depreciation and amortisation	75,122	68,017
Finance costs	6,120	853
Allowance for expected credit losses	-	74
Liabilities no longer payable - written back	-	(7)
Profit on term deposit receipts and deposit accounts	(3,225)	(11,489)
Gain on disposal of operating fixed assets	(1,910)	(1,352)
	<u>402,739</u>	<u>282,660</u>
Increase in current assets	(836,033)	(132,386)
Decrease in current liabilities	(19,737)	(31,168)
<b>Cash (used in) / generated from operations</b>	<u>(453,031)</u>	<u>119,106</u>
Finance costs paid	(5,708)	(358)
Long term security deposit paid	(762)	-
Income tax paid	(128,686)	(34,054)
<b>Net cash (used in) / generated from operating activities</b>	<u>(588,187)</u>	<u>84,694</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditures and capital work-in-progress	(87,814)	(73,080)
Proceeds from disposal of property, plant and equipment	8,062	1,636
Proceeds from disposal of short-term investments	-	51,039
Technical fee paid	-	(8,152)
Profit received on term deposit receipts and deposit accounts	3,225	10,252
<b>Net cash used in investing activities</b>	<u>(76,527)</u>	<u>(18,305)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(559)	(135)
Lease payments	(4,769)	-
<b>Net cash used in financing activities</b>	<u>(5,328)</u>	<u>(135)</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<u>(670,042)</u>	<u>66,254</u>
Cash and cash equivalents at the beginning of the period	455,215	574,195
<b>Cash and cash equivalents at the end of the period</b>	<u>(214,827)</u>	<u>640,449</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	137,248	194,449
Short term investments	98,000	446,000
Short term running finance	(450,075)	-
	<u>(214,827)</u>	<u>640,449</u>

The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements.

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Executive

  
\_\_\_\_\_  
Chief Financial Officer

**AGRIAUTO INDUSTRIES LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2021**  
(un-audited)

Issued, subscribed and paid-up capital	Reserves			Total reserves	Total equity	
	Capital reserve	Revenue reserves				
	Share premium	General	Unappropriated profit			
----- (Rupees in '000) -----						
<b>Balance as at July 01, 2020 (audited)</b>	144,000	12,598	2,315,000	2,642,542	4,970,140	5,114,140
Profit after taxation for the period	-	-	-	157,128	157,128	157,128
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	157,128	157,128	157,128
<b>Balance as at September 30, 2020 (un-audited)</b>	<u>144,000</u>	<u>12,598</u>	<u>2,315,000</u>	<u>2,799,670</u>	<u>5,127,268</u>	<u>5,271,268</u>
<b>Balance as at July 01, 2021 (audited)</b>	144,000	12,598	2,315,000	3,299,406	5,627,004	5,771,004
Transfer to general reserve	-	-	300,000	(300,000)	-	-
Profit after taxation for the period	-	-	-	232,562	232,562	232,562
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	232,562	232,562	232,562
<b>Balance as at September 30, 2021 (un-audited)</b>	<u>144,000</u>	<u>12,598</u>	<u>2,615,000</u>	<u>3,231,968</u>	<u>5,859,566</u>	<u>6,003,566</u>

The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements.

  
Director

  
Chief Executive

  
Chief Financial Officer

**AGRIAUTO INDUSTRIES LIMITED**  
**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**  
**(un-audited)**

**1 THE COMPANY AND ITS OPERATIONS**

- 1.1** Agriauto Industries Limited (the Holding Company) was incorporated in Pakistan on June 25, 1981 as a public limited company and is listed on Pakistan Stock Exchange. The Holding Company is engaged in the manufacture and sale of components for automotive vehicles, motor cycles and agricultural tractors. The registered office of the Holding Company is situated at 5th Floor, House of Habib, Main Shahrah-e-Faisal, Karachi.
- 1.2** The Group comprises of the Holding Company and Agriauto Stamping Company (Private) Limited (the Subsidiary Company). The Subsidiary Company was incorporated in Pakistan on January 20, 2012 as a private limited company. The Subsidiary Company is engaged in stamping of sheet metal parts, dies, fixtures primarily for the automotive industry and has commenced its commercial operations on July 02, 2014. The registered office of the Subsidiary Company is situated at 5th Floor, House of Habib, Main Shahrah-e-Faisal, Karachi.

**2 STATEMENT OF COMPLIANCE**

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which 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 requirement of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**3 BASIS OF PREPARATION**

These consolidated condensed interim financial statements are un-audited and do not include all the information and disclosures required in the consolidated annual financial statements, and should be read in conjunction with the consolidated audited financial statements of the Company for the year ended June 30, 2021.

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual audited consolidated financial statements for the year ended June 30, 2021.

	Note	September 30, 2021 ----- (Rupees in '000) ----- (Un-audited)	June 30, 2021 (Audited)
<b>5 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1 & 5.2	2,058,549	2,122,079
Capital work-in-progress	5.3	<u>235,167</u>	<u>159,907</u>
		<u><u>2,293,716</u></u>	<u><u>2,281,986</u></u>

- 5.1 The following additions (including transfers from capital work-in-progress) and disposals were made in the operating fixed assets during the period:

	Additions at cost / Transfers		Disposal at NBV	
	Quarter ended September 30,		Quarter ended September 30,	
	2021 (un-audited)	2020	2021 (un-audited)	2020
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
<b>Owned</b>				
Plant and machinery	610	12,317	-	-
Vehicles	8,850	5,127	6,070	261
Furniture and fixtures	455	-	-	-
Computers	2,584	571	82	26
Office equipment	58	-	-	-
	<u>12,557</u>	<u>18,015</u>	<u>6,152</u>	<u>287</u>

- 5.2 Depreciation charge for the period amounted to Rs. 69.96 million (September 30, 2020: Rs. 62.27 million).

	September 30, 2021	June 30, 2021
	----- (Rupees in '000) -----	
	(un-audited)	(audited)

5.3 Capital work-in-progress

Balance at the beginning of the period / year	159,908	192,558
Capital expenditure incurred / advances made during the period / year	75,259	300,836
Transfer to operating fixed assets during the period / year	-	(328,424)
Charged off during the period / year	-	(5,062)
Balance at the end of the period / year	<u>235,167</u>	<u>159,908</u>

- 6 Includes an amount of Rs. 14.07 million (June 30, 2021: Rs. 4.04 million) receivable from Thal Boshoku Pakistan (Private) Limited, an associated company, against sales made by the Group.

- 7 Includes an amount of Rs. 809.07 million (June 30, 2021: Rs. 536.61 million) against LC margin deposits. Additionally includes Rs. 301.17 million (June 30, 2021: Rs. 301.17 million) with respect to claim against Additional custom duty from a customer.

	September 30, 2021	June 30, 2021
	----- (Rupees in '000) -----	
Note	(un-audited)	(audited)

8 SHORT TERM INVESTMENTS

At amortised cost

Term deposit receipts	8.1	98,000	266,000
Accrued profit thereon		564	780
		<u>98,564</u>	<u>266,780</u>

- 8.1 Represents one to three months term deposit receipts with commercial banks under conventional banking relationship carrying profit rate of 6% to 7% (June 30, 2021: 4% to 6.7%) per annum having latest maturity by November 27, 2021.

	September 30, 2021	June 30, 2021
	----- (Rupees in '000) -----	
	(un-audited)	(audited)

9 DEFERRED TAXATION - NET

Taxable temporary differences arising due to:			
- accelerated tax depreciation		198,626	204,658
Deductible temporary differences arising due to:			
- provisions and lease liabilities		(129,858)	(119,655)
		<u>68,768</u>	<u>85,003</u>

**AGRIAUTO INDUSTRIES LIMITED**  
**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**  
**(un-audited)**

**10 CONTINGENCIES AND COMMITMENTS**

**10.1 Contingencies**

As at the reporting date, total outstanding claims on the Group by certain vendors amounted to Rs. 5.44 million (June 30, 2021: Rs. 5.44 million). Management of the Group is confident that no loss is likely to occur from these claims and accordingly no provision in this respect has been made in these consolidated condensed interim financial statements.

**10.2 COMMITMENTS**

There is no material change in the status of commitments as reported in the annual audited financial statements for the year ended June 30, 2021 other than described below:

**10.2.1** Commitments in respect of outstanding letters of credit for raw material amounting to Rs. 1,675.81 million (June 30, 2021: Rs. 1,320.45 million).

**10.2.2** Commitments in respect of capital expenditure amounting to Rs. 81.06 million (June 30, 2021: Rs. 80.47 million).

**11 TRANSACTIONS WITH RELATED PARTIES**

Related parties of the Group comprise companies with common directorship, retirement funds, directors and key management personnel. Balance due from / to the related parties have been disclosed in respective notes to these consolidated condensed interim financial statements wherever applicable. Detail of transactions with related parties during the period, other than disclosed elsewhere in these condensed interim financial statements, are as follows:

Name of related party and relationship with the Group	Nature of transactions	Percentage of share holding in the Company %	September 30, 2021 (un-audited) ----- (Rupees in '000) -----	September 30, 2020 (un-audited)
<b>Retirement benefit funds</b>				
Employees' Provident fund	Contribution	Nil	3,280	2,875
<b>Key management personnel</b>				
	Remuneration and other benefits	Nil	10,299	8,042
	Fee for attending board meetings		800	600
	Sale of vehicle having net book value of Rs. 0.763 million as per the Company's policy		875	-
<b>Associated Companies (Common directorship)</b>				
Thal Boshoku Pakistan (Pvt.) Ltd.	Sales	Nil	22,597	20,678

**12 NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE**

These consolidated condensed interim financial statements do not include the effect of final dividend for the year ended June 30, 2021 approved in the Annual General Meeting of the Company held on October 21, 2021 at Rs. 6.0 per share amounting Rs. 172.8 million.

These consolidated condensed interim financial statements do not include the effect of the said final dividend.

**13 DATE OF AUTHORISATION FOR ISSUE**

These consolidated condensed interim financial statements were authorised for issue on October 28, 2021 by the Board of Directors of the Holding Company.

**14 GENERAL**

Figures have been rounded off to the nearest rupees in thousands.

  
 Director

  
 Chief Executive

  
 Chief Financial Officer