

Agriauto Industries Limited

Condensed Interim Financial Statements
For the Quarter Ended September 30, 2022
(Un-audited)



Company Information

BOARD OF DIRECTORS

Yutaka Arae
Fahim Kapadia
Hamza Habib
Salman Burney
Sohail P. Ahmed
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
Salman Burney
Sohail P. Ahmed
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

Bank Al-Habib Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
The Bank of Punjab
United Bank Limited

REGISTERED OFFICE

5th Floor, House of Habib
3 JCHS, Main Shahrah-e-Faisal,
Karachi.
Website: www.agriauto.com.pk
Email: 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, 2022.

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	
	2022	2021
Turnover	2,187	3,226
(Loss) / Profit before tax	(69)	327
Taxation	(16)	(94)
(Loss) / Profit after tax	(85)	233
(Loss) / Earnings Per Share (Rs.)	(2.37)	6.46*

*restated due to issue of bonus shares.

Consolidated turnover for the quarter ended September 30, 2022 decreased from Rs. 3.23 billion to Rs. 2.19 billion compared to corresponding period last year, reflecting a decrease of 32%.

Sales revenue decreased as State Bank of Pakistan, in an effort to preserve diminishing foreign exchange reserves, issued a circular on May 19, 2022 which requires prior approval on import of completely knocked down ("CKD") units. The continued delays and holding of approvals have disrupted the supply chain cycle and forced Auto Assemblers to restrict production.

Consequently, the Group has incurred loss before tax of Rs. 69 M compared to a profit of Rs. 327 M in the corresponding period last year.

Standalone

	Rs. in million	
	For Quarter July to Sep	
	2022	2021
Turnover	1,366	1,971
Profit before tax	27*	189
Taxation	9	(55)
Profit after tax	36	134
Earnings Per Share (Rs.)	1.00	3.73**

*Includes final dividend of Rs. 114.4 million from the subsidiary company.

** restated due to issue of bonus shares.

Turnover for the quarter ended September 30, 2022 was Rs. 1.37 billion, a decrease of 31%, compared to Rs. 1.97 billion last year.

In Taxation, Minimum Tax as per section 113 of ITO 2001 has been applied in calculating the tax for the quarter, however same was adjusted due to higher amount of deferred tax asset.

Profit after tax decreased by 74% to Rs. 36 million compared to Rs. 134 million in corresponding period last year.

Business overview

SBP's restrictions on CKD imports, highly volatile foreign exchange and calamities sadly caused by recent floods in an already vulnerable state of economy has taken its toll on Auto Sector as well, which remained impacted during Q1 2022-23. Passenger car volumes and light commercial vehicle segment decreased by 39% and 20% respectively compared to the Q1 2021-22, while Motorcycle and Tractors volumes decreased by 26% and 36% respectively over same period.

The Company's inventory levels also increased significantly due to abrupt reduction in production volumes by the auto assemblers after SBP restrictions. With decrease in sales, lower consumption of inventory and ongoing capital expenditure projects, the Company has had to bridge the gap through borrowings. The Company has however taken suitable measures to free up strapped working capital including cautious procurement.

Given the current economic and regulatory challenges, consumer demand is expected to be lower going forward and same is likely be reflected in the financial performance of the Company. Management is taking suitable measures to minimize the resultant impact.

Agriauto Stamping Company (Pvt.) Limited (ASC)

ASC continued to concentrate and excel in its core capability of stamping of high tensile sheet metal parts. Its operations are growing with increase in number of parts being produced. The Company is continuously pursuing and securing new products development, as part of its diversification strategy, which will bring sustainability and improve profitability going forward.

The expansion project with capital expenditure of Rs. 925 million which includes purchase of two new presses of 1,000 and 500 Tons is progressing as planned and expected to complete in Q3 FY 2023. After the completion of the project, company will have two full tandem lines with 4 presses each and this will increase the plant capacity of press parts and to accommodate additional business in future.

ASC has declared an interim dividend @ 10% i.e., Rupee 1.0 per share. The amount of dividend will be booked in the next quarter.

DIRECTORS' REVIEW REPORT

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.



Fahim Kapadia
Chief Executive



Salman Burney
Non-Executive Director

Dated: October 26, 2022

ڈائریکٹرز کی جائزہ رپورٹ

30 ستمبر 2022ء 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 |

آڈٹ کمیٹی

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

ہیومن ریسورس اینڈ ریمونریشن 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

مجموعی نتائج

ملین روپوں میں

برائے سہ ماہی جولائی تا ستمبر

2021ء	2022ء	
3,226	2,187	فروخت
327	(69)	(خسارہ) / نفع قبل از ٹیکس
(94)	(16)	ٹیکسیشن
233	(85)	(خسارہ) / نفع بعد از ٹیکس
6.46*	(2.37)	فی حصص (خسارہ) / آمدنی (روپے)

* بونس حصص کی وجہ سے ری اسٹیڈڈ

30 ستمبر 2022ء کو اختتام پذیر سہ ماہی پر کمپنی کی فروخت 3.23 بلین روپے سے کم ہو کر 2.19 بلین روپے رہی جو کہ پچھلے سال کی اسی مدت کی نسبت 32 فیصد کم ہے۔ فروخت میں کمی کی بنیادی وجہ اسٹیٹ بینک آف پاکستان کی جانب سے 19 مئی 2022ء کو جاری کیا گیا سرکولر بنا جس میں تمام کمپنیوں پر ("CKD") completely knocked down units درآمد کرنے سے پہلے اسٹیٹ بینک آف پاکستان سے اجازت لینا لازمی قرار دے دیا گیا جس کی وجہ سے درآمدات کی مد میں مشکلات پیش آئیں اور کمپنیوں کی پیداوار متاثر ہوئی۔ اس کے نتیجے میں گروپ کو 69 ملین روپے کا قبل از ٹیکس نقصان اٹھانا پڑا جو کہ پچھلے سال کی اسی مدت میں 327 ملین روپے کا منافع تھا۔

ملین روپوں میں

انفرادی نتائج

برائے سہ ماہی جولائی تا ستمبر

2021ء	2022ء	
1,971	1,366	فروخت
189	27*	نفع قبل از ٹیکس
(55)	9	ٹیکسیشن
134	36	نفع بعد از ٹیکس
3.73**	1.00	فی حصص آمدنی (روپے)

* بشمول ذیلی کمپنی سے 114.4 بلین روپے عبوری منافع منقسمہ

** بونس حصص کی وجہ سے ری اسٹیڈڈ

30 ستمبر 2022ء کو ختم ہونے والی پہلی سہ ماہی میں کمپنی کی فروخت 1.37 بلین روپے رہی جو کہ پچھلے سال کی اسی مدت میں 1.97 بلین روپے تھی اور 31 فیصد کم ہے۔

انکم ٹیکس آرڈیننس 2001ء کے سیکشن 113 کی بنیاد پر کمپنی پر کم از کم ٹیکس لاگو ہوتا ہے یہ کم از کم ٹیکس زیادہ deferred tax asset ہونے کی وجہ سے ایڈجسٹ کر دیا۔

کمپنی کا نفع بعد از ٹیکس 74 فیصد سے کم ہو کر 36 بلین روپے رہا جو کہ پچھلے سال کی اسی مدت میں 134 بلین روپے تھا۔

کاروباری جائزہ

اسٹیٹ بینک آف پاکستان کی جانب سے CKD درآمد پر مخصوص پابندی، غیر مستحکم زرمبادلہ اور سیلاب سے پیش آنے والی افسوس ناک تباہی آٹو سیکٹر پر منفی طور پر اثر انداز ہوئے۔ پنجر کاروں کے حجم میں اور لائٹ کمرشل گاڑیوں کے شعبے میں پچھلے سال کی اسی مدت سے بلترتیب 39 فیصد اور 20 فیصد کم رہی جبکہ موٹر سائیکل اور ٹریکٹرز کے حجم میں اسی مدت کے دوران بلترتیب 26 فیصد اور 36 فیصد کمی ریکارڈ ہوئی۔

اسٹیٹ بینک آف پاکستان کی طرف سے پابندی لگنے سے پیداوار اچانک کم ہو گئی جس کی وجہ سے کمپنی کی انوینٹری میں غیر معمولی اضافہ ہو گیا۔ کاروبار کی کمی، انوینٹری کے استعمال میں کمی اور کمپنی میں جاری ترقیاتی کاموں کی وجہ سے کمپنی کو مالیاتی اداروں سے قرضہ لینا پڑا۔ کمپنی نے بہت سے اقدامات کیے ہیں جن میں درآمد پر محتاط نظر شامل ہے تاکہ جلد سے جلد کمپنی کا پھنسا ہوا سرمایہ کمپنی کے استعمال میں آجائے۔

موجودہ اقتصادی اور ریگولیٹری چیلنجز کی پیش نظر صارف کی طلب میں کمی متوقع ہے اور جس کی وجہ سے کمپنی کی مالیاتی کارکردگی پر منفی اثرات ہو سکتے ہیں۔ تاہم منجمنٹ ضروری اقدامات لے رہی ہے تاکہ کم از کم اثرات ہوں۔

ایگری آٹو اسٹیپنگ کمپنی (پرائیویٹ) لمیٹڈ (ASC)

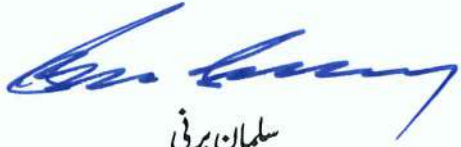
ASC تسلسل کے ساتھ اپنی بنیادی سرگرمی یعنی اعلیٰ تناؤ کے حامل شیٹ میٹل پرزوں کی اسٹیپنگ پر مرکوز ہے اور اس میں مزید اضافہ کے لیے کوشاں ہے۔ کمپنی تسلسل کے ساتھ نئی مصنوعات کی ترویج اور حصول کے لیے کوشاں ہے جو کہ اس کی متنوع حکمت عملی کا حصہ ہے جس سے مستقبل میں منافع میں پائیداری اور بہتری آئے گی۔

کمپنی کے توسیع پروجیکٹ جس پہ کہ 925 ملین روپے سرمایہ جاتی خرچہ آئے گا اور جس میں دو نئے پریس 1,000 اور 500 ٹن شامل ہیں۔ توقع ہے کہ پروجیکٹ مالیاتی سال 2023ء کی تیسری سہ ماہی میں مکمل ہو جائے گا۔ اس پروجیکٹ کی تکمیل کے بعد ASC کو دو مکمل ٹینڈم لائنیں دستیاب ہوں گی۔ اس توسیعی پروجیکٹ سے پریس پارٹس کی پیداواری گنجائش میں اضافہ ہوگا اور مستقبل کی اضافی کاروباری ضروریات کو پورا کر سکے گی۔

ASC نے ایک عبوری منافع منقسمہ 10 فیصد یعنی 1 روپیہ فی شیئر کا اعلان کیا ہے جو کہ اگلی سہ ماہی کے مالیاتی گوشواروں میں شامل کیا جائے گا۔

آخر میں ہم اپنے تمام صارفین، شیئر ہولڈرز، ڈیلرز، بینکرز اور غیر ملکی تکنیکی معاونین کی بلا تخطل حمایت اور ہماری کمپنی پر بھروسہ کے لئے اظہار تشکر کرتے ہیں۔ ہم اپنے تمام ملازمین کے بھی تہہ دل سے شکر گزار ہیں جنہوں نے کمپنی کی ترقی میں خلوص نیت سے کام کیا۔

منجانب بورڈ آف ڈائریکٹرز



سلمان برنی
نان ایگزیکٹو ڈائریکٹر



چیف ایگزیکٹو

AGRIAUTO INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022

		September 30, 2022 (un-audited)	June 30, 2022 (audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,497,081	1,235,589
Right-of-use assets		10,036	10,230
Intangible assets		70,016	75,730
Long-term investment		1,144,006	1,144,006
Long-term deposits		8,063	8,063
Deferred taxation - net	6	53,482	27,011
		2,782,684	2,500,629
CURRENT ASSETS			
Stores, spares and loose tools		143,706	149,300
Stock-in-trade		2,866,734	2,221,450
Trade debts	7	592,367	742,883
Advances, deposits, prepayments and other receivables	8	374,304	645,165
Accrued profit	9	146	1,765
Short-term investments	10	38,664	39,164
Sales tax receivable		104,478	-
Taxation – net		351,220	328,036
Cash and bank balances	11	42,567	67,147
		4,514,186	4,194,910
TOTAL ASSETS		7,296,870	6,695,539
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
40,000,000 (June 30, 2022: 40,000,000) ordinary shares of Rs. 5/- each		200,000	200,000
Issued, subscribed and paid-up capital			
28,800,000 (June 30, 2022: 28,800,000) ordinary shares of Rs. 5/- each		144,000	144,000
Reserves		4,413,033	4,377,207
		4,557,033	4,521,207
NON-CURRENT LIABILITIES			
Lease liabilities		3,387	3,387
Long-term financing - secured	12	522,902	41,770
Deferred income	12	19,435	19,435
		545,724	64,592
CURRENT LIABILITIES			
Trade and other payables	13	1,235,371	1,308,062
Current maturity of lease liabilities		8,795	8,795
Current maturity of long-term financing	12	29,020	4,020
Sales tax payable		-	11,049
Unpaid dividend		8,198	8,357
Unclaimed dividend		26,886	26,956
Short-term running finance	14	885,843	742,501
		2,194,113	2,109,740
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	15	7,296,870	6,695,539

The annexed notes from 1 to 21 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, 2022
(un-audited)

	Note	Quarter ended	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
Turnover – net		1,366,354	1,970,720
Cost of sales		<u>(1,242,474)</u>	<u>(1,688,737)</u>
Gross profit		123,880	281,983
Distribution costs		<u>(28,286)</u>	<u>(32,316)</u>
Administrative expenses		<u>(65,454)</u>	<u>(55,141)</u>
		(93,740)	(87,457)
Operating profit		30,140	194,526
Other expenses	16	<u>(73,184)</u>	<u>(15,695)</u>
Other income	17	116,610	12,648
Finance costs		<u>(46,717)</u>	<u>(2,551)</u>
		(3,291)	(5,598)
Profit before taxation		26,849	188,928
Taxation			
- Current		<u>(17,124)</u>	<u>(62,333)</u>
- Prior		<u>(370)</u>	<u>-</u>
- Deferred		<u>26,471</u>	<u>7,740</u>
		8,977	(54,593)
Profit after taxation		35,826	134,335
		----- (Rupees) -----	
		(Restated)	
Earnings per share - basic and diluted	18	<u><u>1.00</u></u>	<u><u>3.73</u></u>

The annexed notes from 1 to 21 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, 2022
(un-audited)

	Quarter ended	
	September 30, 2022	September 30, 2021
	----- (Rupees in '000) -----	
Profit after taxation for the period	35,826	134,335
Other comprehensive income for the period	-	-
Total comprehensive income for the period	35,826	134,335

The annexed notes from 1 to 21 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 QUARTER ENDED SEPTEMBER 30, 2022

	Reserves				Total reserves	Total equity
	Capital reserve	Revenue reserves		Share premium		
		General	Unappropriated profit			
Issued, subscribed and paid-up capital						
----- (Rupees in'000) -----						
Balance as at July 01, 2021 (audited)	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 income for the period	-	-	-	134,335	134,335	134,335
Balance as at September 30, 2021 (un-audited)	144,000	12,598	4,065,000	302,735	4,380,333	4,524,333
Balance as at July 01, 2022 (audited)	144,000	12,598	3,965,000	399,609	4,377,207	4,521,207
Transfer to general reserve	-	-	300,000	(300,000)	-	-
Profit after taxation for the period	-	-	-	35,826	35,826	35,826
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive profit for the period	-	-	-	35,826	35,826	35,826
Balance as at September 30, 2022 (un-audited)	144,000	12,598	4,265,000	135,435	4,413,033	4,557,033

The annexed notes from 1 to 21 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, 2022
(un-audited)

	Quarter ended	
	September 30, 2022	September 30, 2021
(Rupees in '000)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	26,849	188,928
Adjustments for:		
Depreciation and amortisation	37,796	33,415
Finance costs	46,717	2,551
Profit on term deposit receipts and deposit account	(906)	(2,952)
Dividend income	(114,401)	-
Capital work-in-progress charged off	32	-
Loss / (Gain) on disposal of operating fixed assets	1,851	(1,910)
	<u>(2,062)</u>	<u>220,032</u>
Increase in current assets	(320,672)	(545,915)
(Decrease) / Increase in current liabilities	(109,193)	2,261
Cash used in operations	<u>(431,927)</u>	<u>(323,622)</u>
Finance costs paid	(23,127)	(2,139)
Long-term deposits paid	-	(762)
Income tax paid	(40,678)	(79,119)
Net cash used in operating activities	<u>(495,732)</u>	<u>(405,642)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(296,643)	(11,246)
Proceeds from disposal of property, plant and equipment	3,577	8,062
Dividend received	114,401	-
Profit received on term deposit receipts and deposit account	3,025	2,952
Net cash used in investing activities	<u>(175,640)</u>	<u>(232)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term financing obtained	507,769	-
Long-term financing repaid	(1,637)	-
Dividend paid	(229)	(559)
Lease payments	(2,453)	(4,769)
Net cash generated from / (used in) financing activities	<u>503,450</u>	<u>(5,328)</u>
Net decrease in cash and cash equivalents	<u>(167,922)</u>	<u>(411,202)</u>
Cash and cash equivalents at the beginning of the period	(637,354)	250,871
Cash and cash equivalents at the end of the period	<u>(805,276)</u>	<u>(160,331)</u>
CASH AND CASH EQUIVALENTS		
Cash and bank balances	42,567	53,744
Short-term investments	38,000	38,000
Short-term running finance	(85,843)	(252,075)
	<u>(805,276)</u>	<u>(160,331)</u>

The annexed notes from 1 to 21 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, 2022
(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 do not include all the information and disclosures required in the unconsolidated annual financial statements, and should be read in conjunction with the unconsolidated financial statements of the Company for the year ended June 30, 2022.

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 unconsolidated financial statements for the year ended June 30, 2022.

	Note	September 30, 2022 ----- (Rupees in '000) ----- (un-audited)	June 30, 2022 ----- (Rupees in '000) ----- (audited)
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1 & 5.2	897,059	919,292
Capital work-in-progress	5.3	600,022	316,297
		<u>1,497,081</u>	<u>1,235,589</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,	
	2022	2021	2022	2021
	(un-audited)		(un-audited)	
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Owned				
Plant and machinery	4,204	610	5,326	-
Furniture and fittings	-	455	-	-
Vehicles	3,922	7,020	-	6,070
Computer equipment	4,760	2,184	102	82
	<u>12,886</u>	<u>10,269</u>	<u>5,428</u>	<u>6,152</u>

- 5.2 Depreciation charge for the period amounted to Rs. 29.69 million (September 30, 2021: Rs. 28.25 million).

	September 30, 2022 ----- (Rupees in '000) ----- (un-audited)	June 30, 2022 ----- (Rupees in '000) ----- (audited)
5.3 Capital work-in-progress		
Balance at the beginning of the period / year	316,297	38,516
Capital expenditure incurred / advances made during the period / year	287,679	360,980
Transfer to operating fixed assets during the period / year	(3,922)	(82,399)
Charged off during the period / year	(32)	(800)
Balance at the end of the period / year	<u>600,022</u>	<u>316,297</u>

	September 30, 2022 ----- (Rupees in '000) ----- (un-audited)	June 30, 2022 ----- (Rupees in '000) ----- (audited)
6 DEFERRED TAXATION - NET		
Deductible temporary differences arising due to:		
- provisions	133,624	129,706
- lease liabilities and right-of-use-assets	708	644
- loss for the period carried forward	18,913	-
Taxable temporary differences arising due to:		
- accelerated tax depreciation	<u>(99,763)</u>	<u>(103,339)</u>
	<u>53,482</u>	<u>27,011</u>

7 Includes an amount of Rs. Nil (June 30, 2022: Rs. 3.96 million) and Rs. 2.93 million (June 30, 2022: Rs. 5.04 million) receivable from Agraauto Stamping Company (Private) Limited, a wholly owned subsidiary and Thal Boshoku Pakistan (Private) Limited - associated company, respectively, against sales made by the Company.

8 Includes an amount of Rs. 87.05 million (June 30, 2022: Rs. 391.06 million) against LC margin deposits, out of which Rs. 31.74 million (June 30, 2022: Rs. 76.21 million) are held with Habib Metropolitan Bank Limited - associated company. Additionally includes Rs. 226.77 million (June 30, 2022: Rs. 226.77 million) with respect to claim against Additional Custom Duty from a customer.

9 Represents accrued profit on deposit account held with Habib Metropolitan Bank Limited - associated company.

	September 30, 2022 (un-audited)	June 30, 2022 (audited)
	----- (Rupees in '000) -----	
10 SHORT-TERM INVESTMENTS		
At amortised cost		
Term deposit receipts	10.1 38,000	38,000
Accrued profit thereon	664	1,164
	<u>38,664</u>	<u>39,164</u>

10.1 Represents three months term deposit receipts with a commercial bank under conventional banking relationship carrying profit rate of 14.2% (June 30, 2022: 12.75% to 13%) per annum and having latest maturity date of December 10, 2022.

11 Includes an amount of Rs. Nil (June 30, 2022: Rs. 29.06 million) and Rs. 38.76 million (June 30, 2022: Rs. 37.50 million) held with Habib Metropolitan Bank Limited - associated company in bank accounts and dividend accounts respectively.

12 LONG-TERM FINANCING - SECURED

SBP refinance scheme for renewable energy	12.1	51,922	45,790
Current maturity of long-term financing		<u>(4,020)</u>	<u>(4,020)</u>
		47,902	41,770
Long-term loan	12.2	500,000	-
Current maturity of long-term loan		<u>(25,000)</u>	<u>-</u>
		475,000	-
	12.3	<u>522,902</u>	<u>41,770</u>

12.1 This represents long-term financing facility obtained from a conventional bank under State Bank of Pakistan (SBP) refinance scheme for renewable energy, recognised initially at fair value. The total facility amounts to Rs. 90 million and carries mark-up at the rate of 2% plus 0.75% (June 30, 2022: 2% plus 0.75%) per annum payable quarterly. The facility is repayable in ten years from the date of disbursement. The facility is secured against first specific hypothecation charge over plant and machinery related to the solar power project for the disbursed amount in addition to margin of 15% to be secured against liquid collateral (Micro Products Division / Integrated Products Division or Government securities) held under lien. The incremental borrowing rate for the purposes of discounting adjustment for recognition at fair value is ranging from 10.02% to 16.38% (June 30, 2022: 10.02% to 15.60%) per annum.

12.2 This represents long-term financing facility obtained from a conventional bank with a total limit of Rs. 500 million and at a markup rate of 3 months KIBOR + 30 bps payable on quarterly basis. The tenure of this facility is six years, including grace period of one year. This facility is secured by first pari passu hypothecation / first charge over present and future fixed assets (excluding land and building) of the Company with 25% margin.

		September 30, 2022 (un-audited) ----- (Rupees in '000) -----	June 30, 2022 (audited)
	Note		
12.3	Movement of long-term financing		
	Balance at beginning of the period / year	45,790	-
	Financing received during the period / year	507,769	65,483
	Repayment made during the period / year	(1,637)	(1,619)
	Recognised as deferred income for the period / year	-	(19,435)
	Accretion of interest during the period / year	-	1,361
	Balance at end of the period / year	<u>551,922</u>	<u>45,790</u>
	Current maturity of long-term financing	<u>(29,020)</u>	<u>(4,020)</u>
		<u>522,902</u>	<u>41,770</u>
12.4	This represents deferred income recognised in respect of the benefit of below-market interest rate on long term finances. The benefit has been measured as the difference between the fair value of the loan and the proceeds received. The Company has used the prevailing market rate of mark-up for similar instruments to calculate fair values of respective loan.		
13	Includes markup payable amounting to Rs. 4.88 million (June 30, 2022: Rs. Nil) to Habib Metropolitan Bank Limited - associated company.		
14	SHORT-TERM RUNNING FINANCE		
	Represents short-term running finance obtained from various banks amounting to Rs. 885.84 million (June 30, 2022: Rs. 742.50 million). The total facility limit amounts to Rs. 1,240 million (June 30, 2022: Rs. 990 million). The rate of mark-up on these finances ranges from 3 months KIBOR plus rates varying from 0.20% to 0.75% (June 30, 2022: 3 months KIBOR plus rates varying from 0.20% to 1.25%) per annum. The facilities are secured by way of pari passu hypothecation plus second charge on the Company's stock-in-trade, stores, spares, loose tools and trade debts. Includes an amount of Rs. 124.27 million (June 30, 2022: Rs. Nil) from Habib Metropolitan Bank Limited - associated company, against short-term running finance availed as at the reporting date.		
15	CONTINGENCIES AND COMMITMENTS		
15.1	Contingencies		
	There is no material change in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2022.		
15.2	Commitments		
15.2.1	Commitments in respect of outstanding letters of credit for raw material amounting to Rs. 383.36 million (June 30, 2022: Rs. 965.80 million), out of which Rs. 112.89 million (June 30, 2022: Rs. 175.82 million) is outstanding with Habib Metropolitan Bank Limited - associated company as at the reporting date.		
15.2.2	Commitments in respect of capital expenditure amounting to Rs. 163.22 million (June 30, 2022: Rs. 258.83 million), out of which Rs. 117.70 million (June 30, 2022: Rs. 154.36 million) is outstanding with Habib Metropolitan Bank Limited - associated company as at the reporting date.		
		September 30, 2022 (un-audited) ----- (Rupees in '000) -----	September 30, 2021 (un-audited)
16	OTHER EXPENSES		
	Exchange loss on foreign currency transactions - net	69,769	-
	Workers' Profit Participation Fund	1,413	10,084
	Workers' Welfare Fund	-	4,411
	Donations	151	1,200
	Loss on disposal of operating fixed assets	1,851	-
		<u>73,184</u>	<u>15,695</u>
17	Includes Rs. 114.40 million (September 30, 2021: Rs. Nil) on account of dividend income from the wholly owned subsidiary Agriauto Stamping Company (Private) Limited.		
18	EARNINGS PER SHARE - BASIC AND DILUTED		
		September 30, 2022 (un-audited)	September 30, 2021 (un-audited)
	Profit after taxation (Rs. in '000)	<u>35,826</u>	<u>134,335</u>
			(Restated)
	Weighted average number of ordinary shares outstanding during the period (shares in '000)	<u>36,000</u>	<u>36,000</u>
			(Restated)
	Earnings per share (Rs.)	<u>1.00</u>	<u>3.73</u>
18.1	The shareholders of the Company, in the Annual General Meeting held on October 20, 2022 approved to issue bonus shares in the proportion of 1 share for every 4 shares held i.e., 25%. This has resulted in restatement of basic and diluted earnings per share.		

19 **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 the normal course of business as approved by the Board of Directors of the Company. 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, 2022	September 30, 2021
			(un-audited)	(un-audited)
			----- (Rupees in '000) -----	
Subsidiary (wholly owned)				
Agriauto Stamping Company (Private) Limited	Sale of goods Dividend received	Nil	10,376 114,401	22,638 -
Associated Companies (Common directorship)				
Thal Boshoku Pakistan (Private) Limited	Sale of goods	Nil	3,743	9,131
Shabbir Tiles and Ceramics Limited	Purchases	Nil	195	-
Habib Metropolitan Bank Limited	Mark-up expense Profit earned on term deposit receipt and deposit account Bank charges Guarantee given	Nil	4,876 355 373 18,000	- 2,571 878 6,000
Retirement benefit funds				
Employees' Provident Fund	Contribution		4,176	2,819
Key management personnel				
	Remuneration and other benefits Fee for attending board meetings Sale of vehicle having net book value of Rs. 0.763 million as per the Company's policy	Nil	11,635 551 -	9,790 800 875

20 **DATE OF AUTHORISATION FOR ISSUE**

These unconsolidated condensed interim financial statements were authorised for issue on October 26, 2022 by the Board of Directors of the Company.

21 **GENERAL**

21.1 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, 2022

	September 30, 2022 (un-audited)	June 30, 2022 (audited)
Note	----- (Rupees in '000) -----	
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	5 3,119,739	2,835,452
Right-of-use assets	10,036	10,230
Intangible assets	70,016	75,730
Long-term deposits	16,516	15,517
	3,216,307	2,936,929
CURRENT ASSETS		
Stores, spares and loose tools	169,024	171,494
Stock-in-trade	4,599,847	3,784,346
Trade debts	6 929,873	1,179,531
Advances, deposits, prepayments and other receivables	7 668,181	903,140
Accrued profit	8 431	1,879
Short-term investments	9 77,787	78,286
Taxation – net	271,332	238,672
Sales tax receivable	214,703	61,799
Cash and bank balances	10 48,551	170,029
	6,979,729	6,589,176
TOTAL ASSETS	10,196,036	9,526,105
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital		
40,000,000 (June 30, 2022: 40,000,000) ordinary shares of Rs. 5/- each	200,000	200,000
Issued, subscribed and paid-up capital		
28,800,000 (June 30, 2022: 28,800,000) ordinary shares of Rs. 5/- each	144,000	144,000
Reserves	6,105,565	6,191,025
	6,249,565	6,335,025
NON-CURRENT LIABILITIES		
Deferred taxation - net	11 37,192	48,570
Lease liabilities	3,387	3,387
Long-term financing - secured	12 750,277	80,657
Deferred income	12 34,827	34,827
	825,683	167,441
CURRENT LIABILITIES		
Trade and other payables	13 1,824,147	1,863,191
Current maturity of lease liabilities	8,795	8,795
Current maturity of long-term financing	12 45,239	10,270
Unpaid dividend	8,198	8,357
Unclaimed dividend	26,886	26,956
Short-term running finance	14 1,207,523	1,106,070
	3,120,788	3,023,639
CONTINGENCIES AND COMMITMENTS		
	15	
TOTAL EQUITY AND LIABILITIES	10,196,036	9,526,105

The annexed notes from 1 to 20 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, 2022
(un-audited)

	Note	Quarter ended	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
Turnover – net		2,187,049	3,226,160
Cost of sales		(1,965,478)	(2,777,099)
Gross profit		221,571	449,061
Distribution costs		(30,499)	(34,754)
Administrative expenses		(99,726)	(71,569)
Operating profit		91,346	342,738
Other expenses	16	(116,895)	(27,882)
Other income		26,849	17,896
Finance costs		(70,385)	(6,120)
(Loss) / Profit before taxation		(69,085)	326,632
Taxation			
- Current		(27,383)	(110,304)
- Prior		(370)	-
- Deferred		11,378	16,234
		(16,375)	(94,070)
(Loss) / Profit after taxation		(85,460)	232,562
		----- (Rupees) -----	
		(Restated)	
(Loss) / Earnings per share - basic and diluted	17	(2.37)	6.46

The annexed notes from 1 to 20 form an integral part of these consolidated condensed interim financial statements.

 _____ Director	 _____ Chief Executive	 _____ Chief Financial Officer
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AGRIAUTO INDUSTRIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2022
(un-audited)

	Quarter ended	
	September 30, 2022	September 30, 2021
	------(Rupees in '000)-----	
(Loss) / Profit for the period	(85,460)	232,562
Other comprehensive income for the period	-	-
Total comprehensive (loss) / income for the period	(85,460)	232,562

The annexed notes from 1 to 20 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 QUARTER ENDED SEPTEMBER 30, 2022
(un-audited)

	Reserves				Total reserves	Total equity
	Capital reserve	Revenue reserves				
	Share premium	General	Unappropriated profit			
	----- (Rupees in '000) -----					
Balance as at July 01, 2021 (audited)	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
Balance as at September 30, 2021 (un-audited)	144,000	12,598	2,615,000	3,231,968	5,859,566	6,003,566
Balance as at July 01, 2022 (audited)	144,000	12,598	2,665,000	3,513,427	6,191,025	6,335,025
Transfer to general reserve	-	-	300,000	(300,000)	-	-
Loss after taxation for the period	-	-	-	(85,460)	(85,460)	(85,460)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(85,460)	(85,460)	(85,460)
Balance as at September 30, 2022 (un-audited)	144,000	12,598	2,965,000	3,127,967	6,105,565	6,249,565

The annexed notes from 1 to 20 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, 2022
(un-audited)

	Quarter ended	
	September 30, 2022	September 30, 2021
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(69,085)	326,632
Adjustments for:		
Depreciation and amortisation	82,881	75,122
Finance costs	70,385	6,120
Profit on term deposit receipts and deposit accounts	(3,622)	(3,225)
Capital work-in-progress charged off	32	-
Loss / (Gain) on disposal of operating fixed assets	1,851	(1,910)
	<u>82,442</u>	<u>402,739</u>
Increase in current assets	(383,356)	(836,033)
Decrease in current liabilities	(169,008)	(19,737)
Cash used in operations	<u>(469,922)</u>	<u>(453,031)</u>
Finance costs paid	(38,100)	(5,708)
Long-term deposits paid	(999)	(762)
Income tax paid	(60,413)	(128,686)
Net cash used in operating activities	<u>(569,434)</u>	<u>(588,187)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(364,520)	(87,814)
Proceeds from disposal of property, plant and equipment	3,577	8,062
Profit received on term deposit receipts and deposit accounts	5,539	3,225
Net cash used in investing activities	<u>(355,404)</u>	<u>(76,527)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term financing obtained	707,769	-
Long-term financing repaid	(3,180)	-
Dividend paid	(229)	(559)
Lease payments	(2,453)	(4,769)
Net cash generated from / (used in) financing activities	<u>701,907</u>	<u>(5,328)</u>
Net decrease in cash and cash equivalents	<u>(222,931)</u>	<u>(670,042)</u>
Cash and cash equivalents at the beginning of the period	(859,041)	455,215
Cash and cash equivalents at the end of the period	<u>(1,081,972)</u>	<u>(214,827)</u>
CASH AND CASH EQUIVALENTS		
Cash and bank balances	48,551	137,248
Short-term investments	77,000	98,000
Short-term running finance	(1,207,523)	(450,075)
	<u>(1,081,972)</u>	<u>(214,827)</u>

The annexed notes from 1 to 20 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, 2022
(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.
- 1.3 As of the reporting date, the Group's shareholding in its subsidiary is 100% (June 30, 2022: 100%)

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 Group for the year ended June 30, 2022.

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 Group's annual audited consolidated financial statements for the year ended June 30, 2022.

	Note	September 30, 2022 ---- (Rupees in '000) ---- (un-audited)	June 30, 2022 ---- (Rupees in '000) ---- (audited)
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1 & 5.2	2,151,503	2,214,120
Capital work-in-progress	5.3	968,236	621,332
		<u>3,119,739</u>	<u>2,835,452</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, 2022 (un-audited) ---- (Rupees in '000) ----	2021	September 30, 2022 (un-audited) ---- (Rupees in '000) ----	2021
Owned				
Plant and machinery	8,652	610	5,326	-
Furniture and fittings	-	455	-	-
Vehicles	3,922	8,850	-	6,070
Office equipment	-	58	-	-
Computer equipment	5,010	2,584	102	82
	<u>17,584</u>	<u>12,557</u>	<u>5,428</u>	<u>6,152</u>

- 5.2 Depreciation charge for the period amounted to Rs. 74.78 million (September 30, 2021: Rs. 69.96 million).

	September 30, 2022 ---- (Rupees in '000) ---- (un-audited)	June 30, 2022 ---- (Rupees in '000) ---- (audited)
5.3 Capital work-in-progress		
Balance at the beginning of the period / year	621,332	159,908
Capital expenditure incurred / advances made during the period / year	350,858	816,449
Transfer to operating fixed assets during the period / year	(3,922)	(354,225)
Charged off during the period / year	(32)	(800)
Balance at the end of the period / year	<u>968,236</u>	<u>621,332</u>

- 6 Includes an amount of Rs. 6.42 million (June 30, 2022: Rs. 9.48 million) receivable from Thal Boshoku Pakistan (Private) Limited - associated company, against sales made by the Group.
- 7 Includes an amount of Rs. 301.98 million (June 30, 2022: Rs. 566.36 million) against LC margin deposits, out of which Rs. 60.85 million (June 30, 2022: Rs. 105.77 million) are held with Habib Metropolitan Bank Limited - associated company. Additionally includes Rs. 301.17 million (June 30, 2022: Rs. 301.17 million) with respect to claim against Additional custom duty from a customer.

8 Represents accrued profit on deposit accounts held with Habib Metropolitan Bank Limited - associated company.

		September 30, 2022	June 30, 2022
		---- (Rupees in '000) ----	
	Note	(un-audited)	(audited)
9 SHORT-TERM INVESTMENTS			
At amortised cost			
Term deposit receipts	9.1	77,000	77,000
Accrued profit thereon		787	1,286
		<u>77,787</u>	<u>78,286</u>

9.1 Represents three months term deposit receipts with a commercial bank under conventional banking relationship carrying profit rate ranging from 12.75% to 14.20% (June 30, 2022: 9.25% to 13%) per annum and having maturity latest by December 10, 2022.

10 Includes an amount of Rs. Nil (June 30, 2022: Rs. 129.07 million) and Rs. 38.76 million (June 30, 2022: Rs. 37.50 million) held with Habib Metropolitan Bank Limited - associated company in bank accounts and dividend accounts respectively.

		September 30, 2022	June 30, 2022
		---- (Rupees in '000) ----	
	Note	(un-audited)	(audited)
11 DEFERRED TAXATION - NET			
Taxable temporary differences arising due to:			
- accelerated tax depreciation		229,925	228,103
Deductible temporary differences arising due to:			
- provisions		(187,716)	(178,889)
- lease liabilities and right-of-use-assets		(708)	(644)
- loss for the period carried forward		(4,309)	-
		<u>37,192</u>	<u>48,570</u>

12 LONG-TERM FINANCING - SECURED

SBP refinance scheme for renewable energy	12.1	95,516	90,927
Current maturity of long-term financing		(10,239)	(10,270)
		85,277	80,657
Long-term loan	12.2	700,000	-
Current maturity of long-term loan		(35,000)	-
		665,000	-
	12.3	<u>750,277</u>	<u>80,657</u>

12.1 This represents long-term financing facility obtained from a conventional bank under State Bank of Pakistan (SBP) refinance scheme for renewable energy, recognised initially at fair value. The total facility amounts to Rs. 175 million and carries mark-up at the rate of 2% plus 0.75% (June 30, 2022: 2% plus 0.75%) per annum payable quarterly. The facility is repayable in ten years from the date of disbursement. The facility is secured against first specific hypothecation charge over plant and machinery related to the solar power project for the disbursed amount in addition to margin of 15% to be secured against liquid collateral (Micro Products Division / Integrated Products Division or Government securities) held under lien. The incremental borrowing rate for the purposes of discounting adjustment for recognition at fair value is ranging from 8.72% to 16.38% (June 30, 2022: 8.72% to 15.60%) per annum.

12.2 This represents long-term financing facility obtained from a conventional bank with a total limit of Rs. 1,400 million and at a markup rate of 3 months KIBOR + 30 bps payable on quarterly basis. The tenure of this facility is six years, including grace period of one year. This facility is secured by first pari passu hypothecation / first charge over present and future fixed assets (excluding land and building) of the Group with 25% margin.

		September 30, 2022 ---- (Rupees in '000) ---- (un-audited)	June 30, 2022 (audited)
12.3	Movement of long-term financing		
	Balance at beginning of the period / year	90,927	-
	Financing received during the period / year	707,769	127,226
	Repayment made during the period / year	(3,180)	(4,322)
	Recognised as deferred income for the period / year	-	(34,827)
	Accretion of interest during the period / year	-	2,850
	Balance at end of the period / year	<u>795,516</u>	<u>90,927</u>
	Current maturity of long-term financing	<u>(45,239)</u>	<u>(10,270)</u>
		<u>750,277</u>	<u>80,657</u>
12.4	This represents deferred income recognised in respect of the benefit of below-market interest rate on long-term finances. The benefit has been measured as the difference between the fair value of the loan and the proceeds received. The Group has used the prevailing market rate of mark-up for similar instruments to calculate fair values of respective loan.		
13	Includes markup payable amounting to Rs. 5.65 million (June 30, 2022: Rs. Nil) to Habib Metropolitan Bank Limited - associated company.		
14	SHORT-TERM RUNNING FINANCE		
	Represents short-term running finance obtained from various banks amounting to Rs. 1,207.52 million (June 30, 2022: Rs. 1,106.70 million). The total facility limit amounts to Rs. 2,390 million (June 30, 2022: Rs. 1,990 million). The rate of mark-up on these finances ranges from 3 months KIBOR plus rates varying from 0.20% to 1.00% (June 30, 2022: 3 months KIBOR plus rates varying from 0.20% to 1.25%) per annum. The facilities are secured by way of pari passu hypothecation on the Group's stock-in-trade, stores, spares, loose tools and trade debts. Includes an amount of Rs. 171.06 million (June 30, 2022: Rs. Nil) from Habib Metropolitan Bank Limited - associated company, against short-term running finance availed as at the reporting date.		
15	CONTINGENCIES AND COMMITMENTS		
15.1	Contingencies		
	There is no material change in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2022.		
15.2	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, 2022 other than described below:		
15.2.1	Commitments in respect of outstanding letters of credit for raw material, stores, spares and loose tools amounting to Rs. 697.96 million (June 30, 2022: Rs. 1,447.08 million), out of which Rs. 188.05 million (June 30, 2022: Rs. 297.49 million) is outstanding with Habib Metropolitan Bank Limited - associated company as at the reporting date.		
15.2.2	Commitments in respect of capital expenditure amounting to Rs. 581.01 million (June 30, 2022: Rs. 782.22 million), out of which Rs. 518.37 million (June 30, 2022: Rs. 660.63 million) is outstanding with Habib Metropolitan Bank Limited - associated company as at the reporting date.		
15.2.3	Outstanding bank guarantees issued to Collector of Customs in respect of infrastructure cess, custom duty and non-deduction of withholding tax amounting to Rs. 121 million (June 30, 2022: Rs. 103 million), Rs. 210.97 million (June 30, 2022: Rs. 153.46 million) and Rs. 8.62 million (June 30, 2022: Rs. 8.62 million) respectively.		
16	OTHER EXPENSES		
		September 30, 2022 ---- (Rupees in '000) ---- (un-audited)	September 30, 2021 (un-audited)
	Exchange loss on foreign currency transactions - net	107,265	-
	Workers' Profit Participation Fund	2,340	17,394
	Workers' Welfare Fund	1,088	7,787
	Donations	4,351	2,700
	Loss on disposal of operating fixed assets	1,851	-
		<u>116,895</u>	<u>27,881</u>
17	(LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED		
	(Loss) / Profit after taxation (Rs. in '000)	<u>(85,460)</u>	<u>232,562</u>
			(Restated)
	Weighted average number of ordinary shares outstanding during the period (shares in '000)	<u>36,000</u>	<u>36,000</u>
			(Restated)
	Earnings per share (Rs.)	<u>(2.37)</u>	<u>6.46</u>
17.1	The shareholders of the Holding Company, in the Annual General Meeting held on October 20, 2022 approved to issue bonus shares in the proportion of 1 share for every 4 shares held i.e., 25%. This has resulted in restatement of basic and diluted earnings per share.		

18 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Group comprise the companies with common directorship, retirement funds, directors and key management personnel. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of Directors of the Group. 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 Holding Company %	September 30, 2022 (un-audited) ----- (Rupees in '000) -----	September 30, 2021 (un-audited)
Associated Companies (Common directorship)				
Thal Boshoku Pakistan (Private) Limited	Sales	Nil	<u>12,581</u>	<u>22,597</u>
Shabbir Tiles and Ceramics Limited	Purchases	Nil	<u>195</u>	<u>-</u>
Habib Metropolitan Bank Limited	Gain on foreign exchange forward cover	Nil	20,251	-
	Mark-up expense		5,646	-
	Profit earned on term deposit receipts and deposit accounts		1,855	5,086
	Bank charges		455	1,109
	Guarantee given		<u>51,202</u>	<u>12,000</u>
Retirement benefit funds				
Employees' Provident Fund	Contribution	Nil	<u>5,663</u>	<u>3,280</u>
Key management personnel	Remuneration and other benefits	Nil	12,222	10,299
	Fee for attending board meetings		551	800
	Sale of vehicle having net book value of Rs. 0.76 million as per the Group's policy		<u>-</u>	<u>875</u>

19 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on October 26, 2022 by the Board of Directors of the Group.

20 GENERAL

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


Director


Chief Executive


Chief Financial Officer