

# Condensed Interim Consolidated Balance Sheet

As at December 31, 2015

	Note	December 31, 2015 (Un-audited)	June 30, 2015 (Audited)
(Rupees in '000)			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	1,447,783	1,315,911
Long term deposits and other receivables		13,018	13,018
		<b>1,460,801</b>	<b>1,328,929</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		63,907	55,295
Stock-in-trade		1,063,234	899,337
Trade debts		413,868	558,583
Advances, deposits, prepayments and other receivables		18,943	10,176
Accrued profit		549	893
Sales tax receivable	5	69,463	55,067
Short-term investments		161,323	390,524
Taxation – net		126,409	32,205
Cash and bank balances		346,593	331,891
		<b>2,264,289</b>	<b>2,333,971</b>
<b>TOTAL ASSETS</b>		<b>3,725,090</b>	<b>3,662,900</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital			
40,000,000 (June 30, 2015: 40,000,000) Ordinary shares of Rs. 5/- each		200,000	200,000
Issued, subscribed and paid-up share capital		144,000	144,000
Reserves		3,137,849	2,983,477
		<b>3,281,849</b>	<b>3,127,477</b>
<b>NON CURRENT LIABILITY</b>			
Deferred taxation		46,434	54,777
<b>CURRENT LIABILITIES</b>			
Trade and other payables		396,807	366,896
Short term borrowings		-	111,609
Accrued mark-up		-	2,141
		<b>396,807</b>	<b>480,646</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,725,090</b>	<b>3,662,900</b>

The annexed notes from 1 to 10 form an integral part of these consolidated condensed interim financial statements.

  
**YUTAKA ARAI**  
Chairman

  
**FAHIM KAPADIA**  
Chief Executive

# Condensed Interim Consolidated Profit and Loss Account

For the half year ended December 31, 2015 (Un-audited)

	Half-year ended		Quarter ended	
	December 31, 2015 (Rupees in '000)	December 31, 2014 (Rupees in '000)	December 31, 2015 (Rupees in '000)	December 31, 2014 (Rupees in '000)
Turnover – net	3,489,983	2,287,942	1,801,368	1,305,611
Cost of sales	(2,840,366)	(1,869,346)	(1,466,570)	(1,049,953)
<b>Gross profit</b>	<b>649,617</b>	<b>418,596</b>	<b>334,798</b>	<b>255,658</b>
Distribution costs	(53,936)	(43,515)	(27,898)	(24,327)
Administrative expenses	(86,328)	(76,229)	(45,659)	(40,512)
	(140,264)	(119,744)	(73,557)	(64,839)
<b>Operating profit</b>	<b>509,353</b>	<b>298,852</b>	<b>261,241</b>	<b>190,819</b>
Other expenses	(38,193)	(24,929)	(19,780)	(16,148)
Other income	15,925	22,030	6,923	8,192
Finance costs	(3,490)	(966)	(2,558)	(493)
	(25,758)	(3,865)	(15,415)	(8,449)
<b>Profit before taxation</b>	<b>483,595</b>	<b>294,987</b>	<b>245,826</b>	<b>182,370</b>
Taxation	(113,223)	(86,179)	(54,271)	(52,328)
<b>Profit after taxation</b>	<b>370,372</b>	<b>208,808</b>	<b>191,555</b>	<b>130,042</b>
	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
<b>Earnings per share - basic and diluted</b>	<b>12.86</b>	<b>7.25</b>	<b>6.65</b>	<b>4.52</b>

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Chief Executive

# Condensed Interim Consolidated Statement of Comprehensive Income

For the half year ended December 31, 2015 (Un-audited)

	Half-year ended		Quarter ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	(Rupees in '000)		(Rupees in '000)	
<b>Net profit for the period</b>	<b>370,372</b>	208,808	<b>191,555</b>	130,042
Other comprehensive income	-	-	-	-
<b>Total comprehensive income the period</b>	<b>370,372</b>	208,808	<b>191,555</b>	130,042

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**YUTAKA ARAE**  
Chairman

  
**FAHIM KAPADIA**  
Chief Executive

# Condensed Interim Consolidated Cash Flow Statement

For the half year ended December 31, 2015 (Un-audited)

	Quarter ended	
	December 31, 2015	December 31, 2014
	(Rs. in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>483,595</b>	<b>294,987</b>
Adjustments for:		
Depreciation	74,083	73,401
Finance costs	3,490	966
Provision for impairment of trade debts	110	2,369
Gain on disposal of property, plant and equipment	(647)	(9)
Liabilities no longer payable – written back	(636)	(59)
Profit on short-term investments / bank balances	(11,841)	(20,121)
	<b>548,154</b>	<b>351,534</b>
Increase in current assets	(45,593)	(556,306)
Decrease in current liabilities	22,554	84,359
<b>Cash generated from operations</b>	<b>525,115</b>	<b>(120,413)</b>
Finance costs paid	(5,402)	(516)
Income tax paid	(215,700)	(126,164)
Long term deposits	-	(213)
<b>Net cash (used in) / generated from operating activities</b>	<b>304,013</b>	<b>(247,306)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(207,655)	(46,780)
Proceeds from disposal of property, plant and equipment	2,349	925
Profit received on investments / bank balances	11,387	20,549
<b>Net cash used in investing activities</b>	<b>(193,919)</b>	<b>(25,306)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(211,724)	(141,990)
<b>Net decrease in cash and cash equivalents</b>	<b>(101,630)</b>	<b>(414,602)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>608,223</b>	<b>774,132</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>506,593</b>	<b>359,530</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	346,593	175,186
Short-term investments	160,000	200,000
Short-term borrowings	-	(15,656)
	<b>506,593</b>	<b>359,530</b>

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**YUTAKA ARAI**  
Chairman

  
**FAHIM KAPADIA**  
Chief Executive

# Condensed Interim Consolidated Statement of Changes in Equity

For the half year ended December 31, 2015 (Un-audited)

	Issued, subscribed and paid- up capital	Capital reserve	Revenue reserves		Total	Total equity
		Share premium	General	Unapp- ropriated profit		
<b>Balance as at July 01, 2014</b>	144,000	12,598	2,335,000	234,259	2,581,857	2,725,857
Final dividend for the year ended June 30, 2014 @ Rs.5/- per share	-	-	-	(144,000)	(144,000)	(144,000)
Transfer to general reserve	-	-	170,000	(170,000)	-	-
Profit after taxation for the period	-	-	-	208,808	208,808	208,808
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	208,808	208,808	208,808
<b>Balance as at December 31, 2014</b>	<b>144,000</b>	<b>12,598</b>	<b>2,505,000</b>	<b>129,067</b>	<b>2,646,665</b>	<b>2,790,665</b>
<b>Balance as at July 01, 2015</b>	<b>144,000</b>	<b>12,598</b>	<b>2,505,000</b>	<b>465,879</b>	<b>2,983,477</b>	<b>3,127,477</b>
Final dividend for the year ended June 30, 2015 @ Rs.7.50/- per share	-	-	-	(216,000)	(216,000)	(216,000)
Transfer to general reserve	-	-	170,000	(170,000)	-	-
Profit after taxation for the period	-	-	-	370,372	370,372	370,372
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	370,372	370,372	370,372
<b>Balance as at December 31, 2015</b>	<b>144,000</b>	<b>12,598</b>	<b>2,675,000</b>	<b>450,251</b>	<b>3,137,849</b>	<b>3,281,849</b>

The annexed notes from 1 to 10 form an integral part of these consolidated condensed interim financial statements.

  
**YUTAKA ARAE**  
Chairman

  
**FAHIM KAPADIA**  
Chief Executive

# Notes to the Condensed Interim Consolidated Financial Statements

## For the half year ended December 31, 2015 (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, under the Companies Act, 1913 (now the Companies Ordinance, 1984), and is listed on the Pakistan Stock Exchange. The Company is engaged in the manufacture and sale of components for automotive vehicles, motor cycles and agricultural tractors. The registered office of the Company is situated at 5<sup>th</sup> Floor, House of Habib, Main Shahrah-e-Faisal, Karachi.
- 1.2 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, under the Companies Ordinance, 1984. 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 2, 2014. The registered office of the Subsidiary Company is situated at 5th Floor, House of Habib, Main Shahrah-e-Faisal, Karachi.

### 2. BASIS OF PREPARATION

These consolidated condensed interim financial statements are unaudited but subject to limited scope review by auditors, except for the figures of the consolidated condensed interim profit and loss account and consolidated condensed interim statement of comprehensive income for the quarters ended December 31, 2015 and December 31, 2014. These are required to be presented to the shareholders under Section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of the International Accounting Standard (IAS) – 34, "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2015.

### 3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2015 except as follows:

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

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

IFRS 10 - Consolidated Financial Statements

IFRS 11 - Joint Arrangements

IFRS 12 - Disclosures of Interests in Other Entities

IFRS 13 - Fair Value Measurement

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

# Notes to the Condensed Interim Consolidated Financial Statements

## For the half year ended December 31, 2015 (Un-audited)

		2015 (Un-audited)	2015 (Audited)
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>		(Rupees in '000)	
Operating fixed assets	4.1	1,311,975	1,314,818
Capital work-in-progress		135,808	1,093
		<b>1,447,783</b>	<b>1,315,911</b>

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

		Half year ended December 31, 2015 (Un-audited)	
		Additions (Rs. in 000')	Deletions
<b>Owned</b>			
Plant and machinery		58,587	-
Building		2,521	-
Vehicles		10,428	4,094
Furniture and fixtures		694	-
Computers		586	-
Office equipment		123	-
		<b>72,939</b>	<b>2,668</b>

Note	December 31, 2015 (Un-audited)	June 30, 2015 (Audited)
	(Rs. in 000')	

### 5. SHORT TERM INVESTMENTS

#### Held-to-maturity

Term deposit receipts	5.1	160,000	390,000
Accrued profit thereon		1,323	524
		<b>161,323</b>	<b>390,524</b>

5.1 Represents three months term deposit receipts with a commercial bank carrying profit rate ranging from of 5.35% to 5.50% (June 30, 2015: 6.6%) per annum and will mature by February 2016.

### 6. CONTINGENCIES AND COMMITMENTS

There is no material change in the status of contingencies and commitments as reported in the annual financial statements for the year ended June 30, 2015 other than described below:

#### Commitments

- 6.1 Commitments in respect of outstanding letters of credit for raw material amount to Rs. 393.725 million (June 30, 2015: Rs. 387.954 million).
- 6.2 Commitments in respect of capital expenditure amount to Rs. 34.424 million (June 30, 2015: Rs. 8.235 million).

# Notes to the Condensed Interim Consolidated Financial Statements

## For the half year ended December 31, 2015 (Un-audited)

### 7. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise subsidiary company, companies with common directorship, retirement funds, directors and key management personnel. Detail of transactions with related parties during the period, are as follows:

	December 31, 2015 (Un-audited)	December 31, 2014 (Un-audited)
	(Rs. in 000')	
Purchase of asset/goods	702	218
Contribution to provident fund	3,717	2,974
Key management personnel compensation	4,905	7,797

### 8. NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the holding company has approved an interim cash dividend of Rs. 2.50 per share for the half year ended December 31, 2015 in its meeting held on February 26, 2016.

### 9. GENERAL

Figures have been rounded off to the nearest thousands.

### 10. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on February 26, 2016 by the Board of Directors of the Company.

  
YUTAKA ARAE  
Chairman

  
FAHIM KAPADIA  
Chief Executive