agriauto
INDUSTRIES LIMITED

Agriauto Industries Limited
5th Floor, House of Habib,
3 Jinnah Cooperative Housing Society,
Shahra-e-Faisal, Karachi-75350, Pakistan,
www.agriauto.com.pk
e-mail: info@agriauto.com.pk

Agriauto Industries Limited

2024
annual report

HOH
House of Habib

The Company

Agriauto Industries Limited is a public limited company incorporated in 1981 and quoted on the Pakistan Stock Exchange.

The Company is one of the leading automotive components manufacturers in the private sector and the first company in Pakistan to acquire TS-16949 Certification.

Technical Collaborations with leading international companies have added to the Company's technical versatility. The product range covers both Original Equipment Manufacturers (OEMs) and aftermarket.


agriauto
INDUSTRIES LIMITED
Fueled by precision.
Driven by passion.

agriauto INDUSTRIES LIMITED

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agriauto
INDUSTRIES LIMITED

Vision

A world class manufacturer and supplier of high entry barrier automotive components providing competitive returns to all stakeholders.

Company Information

Board of Directors

Yutaka Arae	Chairman
Fahim Kapadia	Chief Executive
Hamza Habib	Non Executive Director
Salman Burney	Non Executive Director
Sohail P. Ahmed	Non Executive Director
Ayesha T. Haq	Independent Director
Aqueel E. Merchant	Independent Director

Board Audit and Risk Management Committee

Aqueel E. Merchant	Chairman
Sohail P. Ahmed	Member
Ayesha T. Haq	Member

Human Resource and Remuneration Committee

Aqueel E. Merchant	Chairman
Salman Burney	Member
Sohail P. Ahmed	Member
Yutaka Arae	Member
Fahim Kapadia	Member

Chief Financial Officer

Tariq Iqbal Bawani

Company Secretary

Shaharyar Ashraf Khan

Auditors

A.F. Ferguson and Co., Chartered Accountants

Share Registrar

FAMCO Share Registration Services (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
Faysal Bank 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.

Board of Directors

Yutaka Arae
Chairman (Non-Executive)

With an illustrious career spanning decades, Mr. Yutaka Arae has left an indelible mark on the utomotive sector through his transformative leadership and strategic insights. His journey began at Toyota Tsusho Corporation, Japan, where he played a pivotal role in propelling the company to new heights of success. His visionary approach continued at Indus Motor Co., Ltd., Pakistan, where he led the organization to become a market leader known for innovation and operational excellence. As a director at Agriauto Industries Ltd., Mr. Arae's influence further optimized operations, cementing his reputation as a driving force in the industry. His extensive experience and proven track record have solidified his position as a revered figure in the global automotive landscape, inspiring generations to come.

Fahim Kapadia
CEO

Mr. Kapadia is the CEO of the Company since January 2010. He has over 38 years of experience in the field of Finance, General Management and Business Development in Pakistan and abroad. He has been associated with the House of Habib for the last 25 years having served as Chief Financial Officer of Thal Limited and prior to this as General Manager Finance and Deputy Managing Director of Agriauto Industries Limited. He has been serving on the Board of Agriauto Industries Limited since 2002 and a member of the Board of Agriauto Stamping Company (Private) Limited and AuVitronics Limited.

Hamza Habib
Non-Executive Director

Hamza Habib was appointed as a Director of Agriauto Industries Limited in October 2018. He is a Vice President at Habib Bank Zurich (Hong Kong) Limited. Prior to his transfer to Hong Kong in 2016, he served as Vice President at Habib Bank AG Zurich in the United Arab Emirates from 2011. From 2009 – 2011, he worked at Standard Chartered Bank in Geneva and London. Hamza Habib graduated from Babson College in Wellesley, Massachusetts (USA) in 2009, with a Bachelor of Science in Business Management.

Ayesha T. Haq
Independent Director

Ayesha T. Haq was appointed as a Director of Agriauto Industries Limited in October 2018. She practised corporate commercial law in the UAE, Pakistan, Philippines and the USA.

Aqueel E. Merchant
Independent Director

Aqueel E. Merchant is a professional with a wealth of experience spanning more than 30 years in professional services, mainly consulting, covering Banking and Financial Services, FMCGs, Manufacturing, Development, and Government and Public sector clients in Pakistan, Afghanistan, UK and Middle East. Large projects carried out by him cover Business, IT and HR transformations, Operational Improvements, Governance, Monitoring and Evaluation, Regulatory Compliance, Contract Management and Risk Management. Due to his being the only Senior Partner of EY Ford Rhodes and the founder and Country Leader of the Consulting Business, he is well placed to engage at a strategic level with C-suites and Boards to make a strong contribution to any organization in a leadership capacity.

Salman Burney
Non Executive Director

Mr. Salman Burney joined the Board in August 2017 as a Non-Executive Director. He has also served as the VP/ Area GM for GSK Pakistan, Iran and Afghanistan.

He began his career with ICI Pakistan in Sales & Marketing within various roles in Pakistan & African / Eastern Region at ICI's Agrochemicals & Seeds Business. He joined the company in 1992, was appointed MD, SmithKline Beecham in 1997 with additional responsibility for Iran and the Caspian Region. He was holding the position of MD for GSK in Pakistan and was responsible for GSK's Pharmaceutical business in Pakistan, Iran & Afghanistan. He has a degree in Economics from Trinity College, University of Cambridge, UK. Mr. Salman Burney has been the President of Pakistan's foreign investors Chamber & as Chairperson of the MNC Pharma Association has led the industry interface with the government on various issues.

Sohail P. Ahmed
Non Executive Director

He has been the Chief Executive of Naya Daur Motors and Mack Trucks, under Ministry of Production and of Allwin Engineering, Agriauto Industries Ltd, Thal Limited in the private sector. He is also Chairman of Pakistan Auto Sector Skill Development Company and Vocational Training Centre for Women, Korangi. He is a Director on many Boards in public & private sectors having served on Boards of PIDC, Pakistan Steel etc. He has been a member of the Senate of Dawood College of Engineering & Technology and Syndicate of NED University Karachi.

Trade & Professional Bodies

- Fellow of Institution of Engineers
- Member of The American Society of Mechanical Engineers
- President of "Pakistan Association of Automotive Parts & Accessories Manufacturers" (PAAPAM)

The Government of Japan has conferred the prestigious decoration, The Order of the Rising Sun, Gold Rays with Neck Ribbon to Mr. Sohail P. Ahmed, in recognition of his dedicated contributions for strengthening economic relations and mutual understanding between Japan and Pakistan.

Our Customers

TOYOTA | SUZUKI
HONDA | Atlas Honda | MILLAT TRACTORS LIMITED
MASTER | YAMAHA
HINO

Our Partners

KYB — Shock Absorbers & Struts

Gabriel — Shock Absorbers & Struts

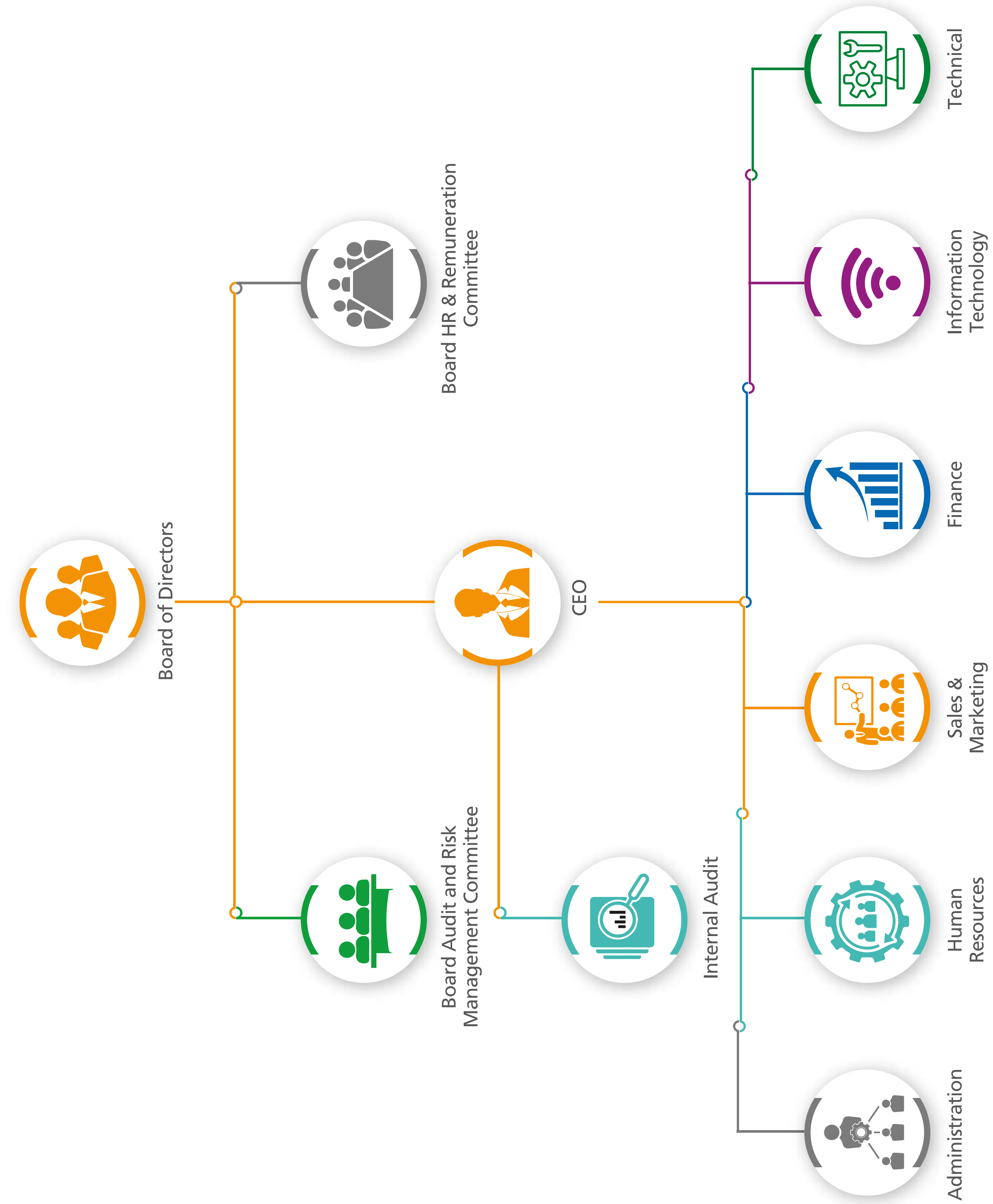
Ogihara — Sheet Metal Parts & Assemblies

AISIN — Door Hinges & Power Window Regulators

KYB — Yamaha Shocks Absorbers

SANNOU RIKEN

Organization Chart



Agriauto Stamping Company (Private) Limited (ASC)

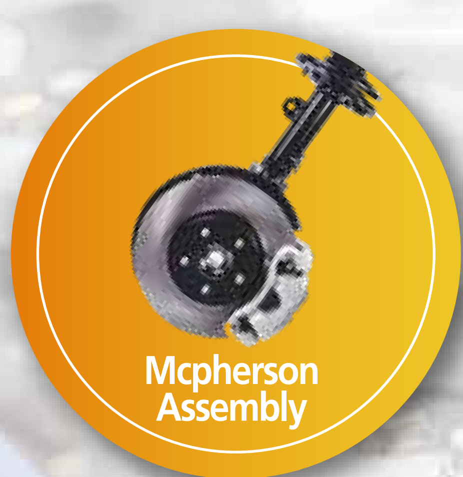
Agriauto Stamping (Private) Limited (ASC) is wholly owned subsidiary of Agriauto Industries Limited and involved in stamping of sheet metal parts, jigs and accessories, primarily for the automotive sectors.

ASC is actively engaged in securing new product developments to fortify sustainability and enhance profitability in the future. Notably, ASC recently secured a significant order for Press Dies earmarked for export to the African Region, thus expanding its global footprint. This strategic move underscores the ASC's steadfast commitment to diversification and growth.

During FY 23-24, ASC has completed the installation of a new Press line 1000-800-500-500, augmenting its production capabilities. The welding assembly line for a new model has been substantially expanded, alongside the incorporation of essential utilities to meet specific requirements. With a total investment of Rs. 1.03 billion for these projects, the completion of tandem lines, now totaling two full tandem lines with four press machines each, significantly enhances the plant capacity for press parts.

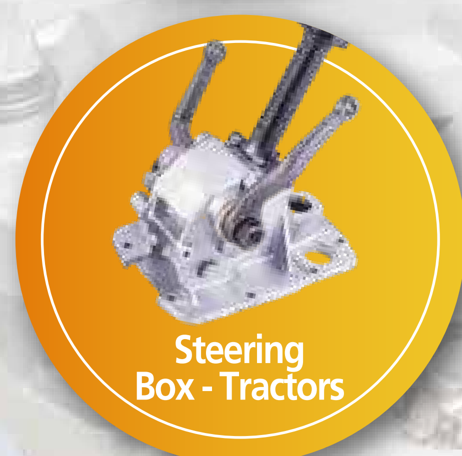
Our Products

agriauto
INDUSTRIES LIMITED

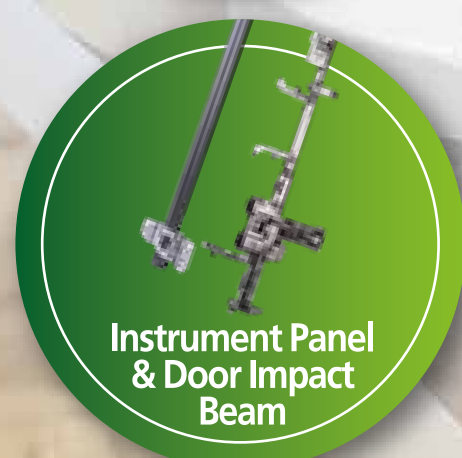

Mcpherson Assembly


Power Window Regulator


Catalytic Converters


Steering Box - Tractors

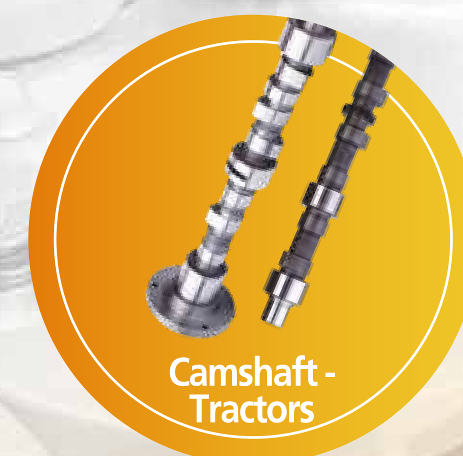

Fuel Tank Passenger Car


Instrument Panel & Door Impact Beam


Motorcyle Shock Absorbers Components


Door Hinges


Front Suspension for Motorcycle


Camshaft - Tractors


Shock Absorbers


Suspension Strut Assembly

Nurturing Talent

At Agriauto, we believe in nurturing talent and harnessing the inherent abilities of our employees. Through our comprehensive training program, we aim to refine and elevate their skills, transforming them into well-rounded professionals who excel in their respective fields.

Awards and Recognition

Our commitment to quality has earned us prestigious awards. These accolades reflect our dedication to excellence and inspire us to continue pushing boundaries in delivering reliable and superior products.

Gold Award, March 2024

Employers Federation of Pakistan Women Empowerment & Gender Equality Recognition

Diamond Recognition Award, 2024

Employers Federation of Pakistan. 10 Employer of the Year Award

Certificate of Participation Supplier Conference April 2024

Pak Suzuki Motor Co. Ltd.

EFP 17th Best Practices Award September 2023

Employers Federation of Pakistan.(Oshe Awards 2022)

Certificate of Excellence Award 2023

Management Association of Pakistan - 38th Excellence Awards 2023

60 years of the Nation's Ride November 2023

ACCA Approved Employer - Trainee Development Gold

1st Pakistan Disability Inclusion Excellence Award December 2023

Employers Federation of Pakistan Pakistan Business & Disability Network

Business Sustainability Award 2022

UN Global Compact Network Pakistan. The SDGs Pakistan Summit 2023

Gold Award - Manufacturing June 2023

Employers' Federation of Pakistan (Skills Development Employee Recognition Award 2022

Key Performance Indicators

Consolidated

Gross Turnover — 3%
Rupees in billion
2023-24 10.08
2022-23 9.77

Loss Before Tax — 149%
Rupees in million
2023-24 (314.66)
2022-23 (126.30)

Loss After Tax — 101%
Rupees in million
2023-24 (347.50)
2022-23 (173.28)

EBITDA — 34%
Rupees in million
2023-24 496.19
2022-23 371.25

LPS — 101%
In PKR
2023-24 (9.65)
2022-23 (4.81)

Equity — -6%
Rupees in billion
2023-24 5.81
2022-23 6.16

Return on Capital Employed — 1261%
In %
2023-24 (1.7%)
2022-23 (0.1%)

Return on Fixed Assets — -263%
In %
2023-24 (3.40%)
2022-23 2.09%

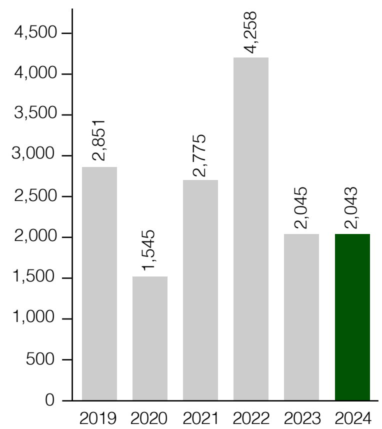
Capital Expenditures — - 81%
Rupees in million
2023-24 342
2022-23 1,801

Six Years at a Glance
Consolidated

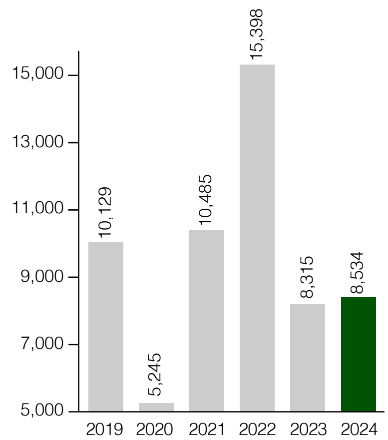
	2024	2023	2022	2021	2020	2019
Operating Results						
Net Sales (Rs. in '000')	8,534,184	8,314,517	15,397,684	10,485,027	5,244,651	10,128,569
Gross Profit (Rs. in '000')	388,520	542,184	1,930,993	1,685,479	251,466	1,681,151
(Loss) / Profit Before Levies and Income Tax (Rs. in '000')	(314,660)	(126,308)	1,104,635	1,203,265	(24,969)	1,256,752
(Loss) / Profit After Tax (Rs. in '000')	(347,502)	(173,280)	736,821	829,664	(108,438)	1,054,698
(Loss) / Earnings per share (Rs.)	(9.65)	(4.81)	20.47	23.05	(3.01)	29.30
Cash Dividend (%)	–	–	–	220%	20%	200%
Bonus Shares	–	–	25%	–	–	–
Financial Position						
Current Ratio	1.98 : 1	2.06 : 1	2.18 : 1	3.89 : 1	3.91 : 1	6.18 : 1
Paid-up Share Capital (Rs. in '000')	180,000	180,000	144,000	144,000	144,000	144,000
Res. & Unappropriated Profit (Rs. in '000')	5,634,243	5,981,745	6,191,025	5,627,004	4,970,140	5,280,178
Shareholders' Equity (Rs. in '000')	5,814,243	6,161,745	6,335,025	5,771,004	5,114,140	5,424,178
Breakup Value Per Share (Rs.)	161.51	171.16	219.97	200.38	177.57	188.34
Return on Equity (Rs.)	-5.98%	-2.81%	11.63%	14.38%	-2.12%	19.44%

Financial Highlights
Consolidated

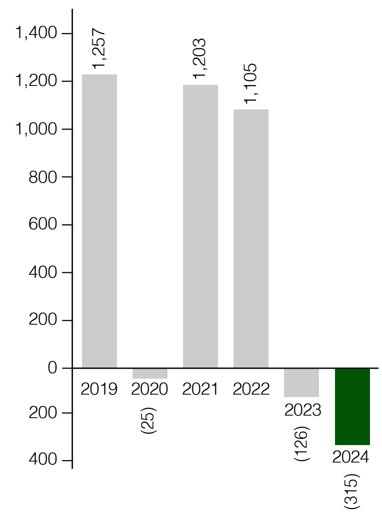
CONTRIBUTION TO
NATIONAL EXCHEQUER
(Rupees in million)



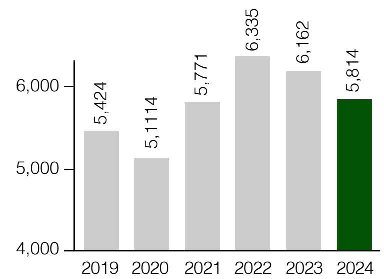
REVENUE
(Rupees in million)



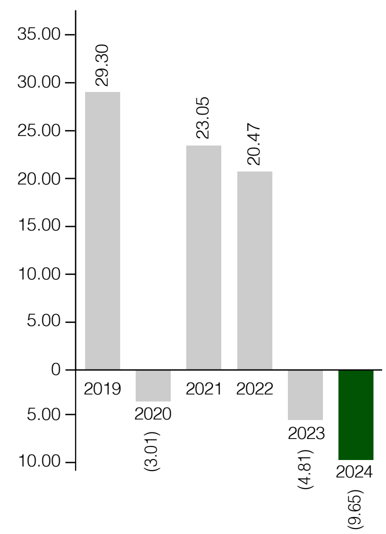
PROFIT / (LOSS) BEFORE LEVIES
AND INCOME TAX
(Rupees in million)



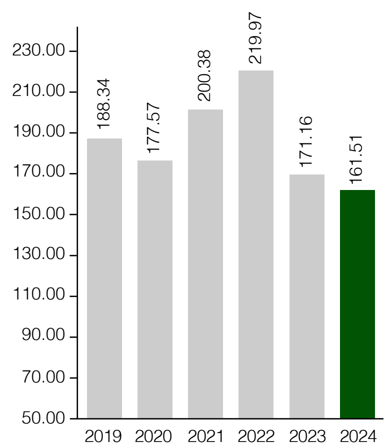
SHAREHOLDERS'
EQUITY
(Rupees in million)



EARNINGS / (LOSS)
PER SHARE
(Amount in Rupees)



BREAKUP
VALUE PER SHARE
(Amount in Rupees)



Vertical Analysis
Consolidated

	2024		2023	
	Rs. In 000's	%	Rs. In 000's	%
STATEMENT OF FINANCIAL POSITION				
EQUITY AND LIABILITIES				
Equity	**5,814,243**	**68%**	6,161,745	67%
Non-Current Liabilities	**530,183**	**6%**	658,221	7%
Current Liabilities	**2,240,843**	**26%**	2,309,539	25%
Total Equity & Liabilities	**8,585,269**	**100%**	9,129,505	100%
ASSETS				
Non-Current Assets	**4,158,334**	**48%**	4,362,168	48%
Current Assets	**4,426,935**	**52%**	4,767,337	52%
Total Assets	**8,585,269**	**100%**	9,129,505	100%
STATEMENT OF PROFIT OR LOSS				
Turnover - net	**8,534,184**	**100%**	8,314,517	100%
Cost of Sales	**(8,145,664)**	**95%**	(7,772,333)	93%
Gross Profit	**388,520**	**4.6%**	542,184	6.5%
Distribution Costs	**(139,875)**	**1.6%**	(106,078)	1.3%
Administrative Expenses	**(389,991)**	**4.6%**	(345,031)	4.1%
Operating (Loss) / Profit	**(141,346)**	**1.7%**	91,075	1.1%
Other Expenses	**(13,755)**	**0.2%**	(168,604)	2.0%
Other Income	**48,163**	**0.6%**	69,082	0.8%
Finance Costs	**(207,722)**	**2.4%**	(117,861)	1.4%
(Loss) / Profit Before Taxation	**(314,660)**	**3.7%**	(126,308)	1.5%
Taxation	**(32,842)**	**0.4%**	(46,972)	0.6%
(Loss) / Profit After Taxation	**(347,502)**	**4.1%**	(173,280)	2.1%

2022		2021		2020		2019	
Rs. In 000's	%	Rs. In 000's	%	Rs. In 000's	%	Rs. In 000's	%
6,335,025	67%	5,771,004	81%	5,114,140	83%	5,424,178	88%
167,441	2%	98,308	1%	70,835	1%	64,780	1%
3,023,639	32%	1,219,655	17%	1,008,799	16%	651,805	11%
9,526,105	100%	7,088,967	100%	6,193,774	100%	6,140,763	100%
2,936,929	31%	2,350,556	33%	2,247,843	36%	2,109,564	34%
6,589,176	69%	4,738,411	67%	3,945,931	64%	4,031,199	66%
9,526,105	100%	7,088,967	100%	6,193,774	100%	6,140,763	100%
15,397,684	100%	10,485,027	100%	5,244,651	100%	10,128,569	100%
(13,466,691)	87%	(8,799,548)	84%	(4,993,185)	95%	(8,447,418)	83%
1,930,993	12.5%	1,685,479	16.1%	251,466	4.8%	1,681,151	16.6%
(147,689)	1.0%	(122,705)	1.2%	(75,446)	1.4%	(138,242)	1.4%
(324,892)	2.1%	(249,388)	2.4%	(247,122)	4.7%	(245,478)	2.4%
1,458,412	9.5%	1,313,386	12.5%	(71,102)	1.4%	1,297,431	12.8%
(306,320)	2.0%	(173,508)	1.7%	(7,544)	0.1%	(112,512)	1.1%
54,032	0.4%	67,512	0.6%	56,886	1.1%	72,461	0.7%
(101,489)	0.7%	(4,125)	0.0%	(3,209)	0.1%	(628)	0.0%
1,104,635	7.2%	1,203,265	11.5%	(24,969)	0.5%	1,256,752	12.4%
(367,814)	2.4%	(373,601)	3.6%	(83,469)	1.6%	(202,054)	2.0%
736,821	4.8%	829,664	7.9%	(108,438)	2.1%	1,054,698	10.4%

Horizontal Analysis
Consolidated

	2024		2023	
	Rs. In 000's	24 vs 23 %	Rs. In 000's	23 vs 22 %
STATEMENT OF FINANCIAL POSITION				
EQUITY AND LIABILITIES				
Equity	**5,814,243**	**-6%**	6,161,745	-3%
Non-Current Liabilities	**530,183**	**-19%**	658,221	293%
Current Liabilities	**2,240,843**	**-3%**	2,309,539	-24%
Total Equity & Liabilities	**8,585,269**	**-6%**	9,129,505	-4%
ASSETS				
Non-Current Assets	**4,158,334**	**-5%**	4,362,168	49%
Current Assets	**4,426,935**	**-7%**	4,767,337	-28%
Total Assets	**8,585,269**	**-6%**	9,129,505	-4%
STATEMENT OF PROFIT OR LOSS				
Turnover - net	**8,534,184**	**3%**	8,314,517	-46%
Cost of Sales	**(8,145,664)**	**5%**	(7,772,333)	-42%
Gross Profit	**388,520**	**-28%**	542,184	-72%
Distribution Costs	**(139,875)**	**32%**	(106,078)	-28%
Administrative Expenses	**(389,991)**	**13%**	(345,031)	6%
Operating (Loss) / Profit	**(141,346)**	**-255%**	91,075	-94%
Other Expenses	**(13,755)**	**-92%**	(168,604)	-45%
Other Income	**48,163**	**-30%**	69,082	28%
Finance Costs	**(207,722)**	**76%**	(117,861)	16%
(Loss) / Profit Before Taxation	**(314,660)**	**149%**	(126,308)	-111%
Taxation	**(32,842)**	**-30%**	(46,972)	-87%
(Loss) / Profit After Taxation	**(347,502)**	**101%**	(173,280)	-124%

2022		2021		2020		2019	
Rs. In 000's	22 vs 21 %	Rs. In 000's	21 vs 20 %	Rs. In 000's	20 vs 19 %	Rs. In 000's	19 vs 18 %
6,335,025	10%	5,771,004	13%	5,114,140	-6%	5,424,178	15%
167,441	70%	98,308	39%	70,835	9%	64,780	-15%
3,023,639	148%	1,219,655	21%	1,008,799	55%	651,805	21%
9,526,105	34%	7,088,967	14%	6,193,774	1%	6,140,763	16%
2,936,929	25%	2,350,556	5%	2,247,843	7%	2,109,564	31%
6,589,176	39%	4,738,411	20%	3,945,931	-2%	4,031,199	9%
9,526,105	34%	7,088,967	14%	6,193,774	1%	6,140,763	16%
15,397,684	47%	10,485,027	100%	5,244,651	-48%	10,128,569	22%
(13,466,691)	53%	(8,799,548)	76%	(4,993,185)	-41%	(8,447,418)	26%
1,930,993	15%	1,685,479	570%	251,466	-85%	1,681,151	6%
(147,689)	20%	(122,705)	63%	(75,446)	-45%	(138,242)	9%
(324,892)	30%	(249,388)	1%	(247,122)	1%	(245,478)	9%
1,458,412	11%	1,313,386	-1947%	(71,102)	-105%	1,297,431	5%
(306,320)	77%	(173,508)	2200%	(7,544)	-93%	(112,512)	11%
54,032	-20%	67,512	19%	56,886	-21%	72,461	3%
(101,489)	2360%	(4,125)	29%	(3,209)	411%	(628)	5%
1,104,635	-8%	1,203,265	-4919%	(24,969)	-102%	1,256,752	4%
(367,814)	-2%	(373,601)	348%	(83,469)	-59%	(202,054)	-19%
736,821	-11%	829,664	865%	(108,438)	-110%	1,054,698	10%

Notice of the Annual General Meeting

NOTICE is hereby given that the 43rd Annual General Meeting of the Members of the Company will be held on Thursday, October 24, 2024 at 11:30 AM at ICAP Auditorium, Karachi to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended June 30, 2024, together with the Chairman's Review Report, Directors' and Auditors' Report thereon.

   In accordance with Section 223(7) of the Companies Act, 2017, and pursuant to SRO 389 (1)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the Company's website which can be downloaded from the following link and QR enabled code:

   https://www.agriauto.com.pk/pdf/jun-24/ail-annual-report-2024.pdf

2. To appoint Auditors of the Company and fix their remuneration for the year ending June 30, 2025. The present Auditors, M/s. A. F. Ferguson & Co., Chartered Accountants, retiring and being eligible, have offered themselves and consented for re-appointment, and the Board of Directors has recommended their appointment.

3. To transact any other business with the permission of the Chair.

By Order of the Board

Shaharyar Ashraf Khan
Company Secretary

Karachi
Dated: September 05, 2024

NOTES:

1. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from October 18, 2024 to October 24, 2024 (both days inclusive). Transfer request received in order at our Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited, 8-F, Next to Hotel Faran, Nursery, Block-6, PECHS, Sharah e Faisal Karachi, Tel: +92-21-34380101-5, +92-21-34384621-3 (Ext-103) Fax: +92-21-34380106, at the close of business on October 17, 2024 will be treated in time for the purpose of attending and voting at the Annual General Meeting (AGM).

2. Participation in the AGM via physical presence or through video conferencing

In order to protect wellbeing of the shareholders, the SECP has, vide its circulars issued from time to time, directed the listed companies to hold their general meetings virtually in addition to the requirements of holding physical meetings. In order to facilitate the shareholders, the Company in addition to convening a physical meeting has also arranged attendance of shareholder virtually via video link facility.

The shareholders interested in attending the AGM virtually are requested to register their intent beforehand by submitting their particulars at the designated e-mail address **agm@agriauto.com.pk** as per the table below. Video conference link details and login credentials will be shared with ONLY those Shareholders, whose particulars are received on or before October 22, 2024, from their registered e-mail addresses.

Shareholder Name	Folio/ CDC No.	CNIC Number	Cell Number	Registered Email Address

The login facility will be opened at 11:00 a.m. on October 24, 2024 enabling the participants to join the proceedings which will start at 11:30 a.m. sharp.

Members whose names appearing in the Register of Members as of October 17, 2024, are entitled to attend and vote at the Meeting. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend, speak and vote for him/her. A proxy must be a Member of the Company.

An instrument of proxy applicable for the Meeting is being provided with the Notice sent to Members. Further copies of the instrument of proxy may be obtained from the Registered Office of the Company during normal office hours. Proxy form may also be downloaded from the Company's website: www.agriauto.com.pk/investor-info/.

An instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must, to be valid, be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.

Members are requested to submit a copy of their Computerized National Identity Card/Smart National Identity Card (CNIC/SNIC), if not already provided and notify immediately changes, if any, in their registered address to our Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited.

3. Guidelines for Central Depository Company of Pakistan Limited ('CDC') Account Holders

CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000, issued by the SECP.

A. For Attending the Meeting

I. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original CNIC/SNIC or original passport at the time of attending the Meeting.

II. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. For Appointing Proxies

I. In case of individuals, the account holder or sub-account holder is and / or the person whose securities are in group account and their registration detail is uploaded as per the CDC Regulations, shall submit the proxy form as per the requirement.

II. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

III. Attested copies of the CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.

IV. The proxy shall produce his/her original CNIC or original passport at the time of the meeting.

V. In case of corporate entities, Board of directors' resolution/power of attorney with specimen signature of the nominee shall be submitted (unless provided earlier) along with the proxy form to Company.

VI. Form of proxy is enclosed.

C. Code of Conduct for Shareholders in General Meeting

I. Section 215 of the Companies Act, 2017 and Regulation 55 of the Companies Regulations, 2024, state the Code of Conduct of the Shareholders as follows:

   a) Shareholders are not permitted to exert influence or approach the management directly for decisions which may lead to creation of hurdles in the smooth functioning of management. The law states that Shareholders shall not bring such material that may cause threat to participants or premises where meeting is being held, shall confine themselves to the agenda items covered in the notice of meeting, shall keep comments and discussion restricted to the affairs of the Company and shall not conduct in a manner to disclose any political affiliation or offend religious susceptibility of other members.

   b) Any shareholder who fails to conduct in the manner provided in this section and as specified by the Commission shall be guilty of an offence under this section and shall be liable to a penalty not exceeding of level 1 on the standard scale.

II. Additionally, in compliance with Section 185 of the Companies Act, 2017; the Company is not permitted to distribute gifts in any form to its members in its meeting.

4. Postal Ballot / E-Voting

Pursuant to the Companies (Postal Ballot) Regulation 2018 read with Sections 143 and 144 of the Companies Act, 2017 members will be allowed to exercise their right of vote through postal ballot, that is voting by post or through any electronic mode, in accordance with the requirements and procedure contained in the aforesaid Regulations.

5. Electronic Transmission of Annual Report

In compliance with Section 223(6) of the Companies Act, 2017, the Company has electronically transmitted the Annual Report 2024 through e-mail to shareholders whose e-mail addresses are available with the Company's Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited.

Notwithstanding the above, the Company will provide hard copies of the Annual Report 2024, to any Member on their request, at their registered address, free of cost, within one (1) week of receiving such request. Further, Members are requested to kindly provide their valid e-mail address (along with a copy of valid CNIC) to the Company's Share Registrar, FAMCO Share Registration Services (Pvt.) Limited if the Member holds shares in physical form or, to the Member's respective Participant/Investor Account Services, if shares are held in book entry form.

Pursuant to Notification vide SRO.787(I)/2014 of September 08, 2014, the SECP has directed to facilitate the members of the Company receiving Annual Financial Statements and Notices through electronic mail system (e-mail). We are pleased to offer this facility to our members who desire to receive Annual Financial Statements and Notices of the Company through e-mail in future. In this respect, members are hereby requested to convey their consent via e-mail on a standard request form which is available at the Company website i.e. www.agriauto.com.pk/investor-info/. Please ensure that your e-mail has sufficient rights and space available to receive such e-mail. Further, it is responsibility of the member to timely update the Share Registrar of any change in the registered e-mail address.

6. Submission of CNIC/SNIC/NTN (Mandatory)

Pursuant to the directives of the SECP, the dividend of shareholders whose CNIC/SNIC or NTN (in case of corporate entities), are not available with the Share Registrar could be withheld. Shareholders are therefore, requested to submit a copy of their valid CNIC/SNIC (if not already provided) to the Company's Share Registrar, FAMCO Share Registration Services (Pvt.) Limited, 8-F, Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi.

7. Dividend Mandate (Mandatory)

In accordance with the provisions of Section 242 of the Companies Act 2017, and Regulation 4 of the Companies (Distribution of Dividends) Regulations 2017, a listed company is required to pay cash dividend to the shareholders ONLY through electronic mode directly into the bank account designated by the entitled shareholders instead of issuing physical dividend warrants.

In compliance with the above law, in order to receive dividends directly in your bank account, you are requested to provide the information mentioned in the Form placed at the Company's website http://www.agriauto.com.pk otherwise the Company would be constrained to withhold payment dividend (if any) in terms of Regulation 6 of the Companies (Distribution of Dividends) Regulations 2017. Shareholders shall submit the information directly to their brokers / Central Depository Company Ltd. If the shares are held in the electronic form or to the Company's Share Registrar if the shares are held in physical form.

8. Deposit of Physical Shares in CDC account

As per Section 72 of the Companies Act, 2017 every listed company is required to replace its physical shares with book-entry form. Therefore, the shareholders having physical shares are requested to convert the shares into book entry.

9. Withholding Tax on Dividend

The rates of deduction of income tax from dividend payments under Section 150 of the Income Tax Ordinance, 2001 shall be as follows:

1. Persons appearing in Active Tax Payers List (ATL) 15%
2. Persons not appearing in Active Tax Payers List (ATL) 30%

To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered in ATL before the first day of book closure, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

Withholding Tax exemption from the dividend income, shall only be allowed if copy of valid tax exemption certificate or stay order from a competent court of law is made available to FAMCO Share Registration Services (Pvt.) Limited, by the first day of Book Closure.

Further, according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard all shareholders who hold shares jointly are requested to provide shareholding Proportions of Principal shareholders and Joint-holder(s) in respect of shares held by them (only if not already provided) to our Share Registrar, in writing as follows:

Company Name	Folio / CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

The required information must reach our Share Registrar within 10 days of this notice; otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint-holder(s).

Corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send copy of their NTN certificate to the Company or FAMCO Share Registration Services (Pvt.) Limited. Shareholders while sending NTN or NTN certificates, as the case may be, must quote the Company name and their respective folio numbers. Without the NTN, the Company would not be in a position to check filer status on the ATL and hence higher tax of 30% may be applied in such cases.

10. Availability of Annual Audited Financial Statements on the Company's website

In accordance with the provisions of Section 223(7) of the Companies Act 2017, the audited financial statements of the Company for the year ended June 30, 2024, are available on the Company's website (www.agriauto.com.pk).

Chairman's Review

Dear Shareholders,

It is my privilege to present an overview of Agriauto Industries Limited's and its subsidiary's performance for the year ended June 30, 2024. Even in a difficult economic climate, we stayed dedicated to safeguarding value for our shareholders.

Pakistan's economic landscape has been marked by persistent challenges, including inflation, restrictive monetary policies, and foreign exchange shortages, which have significantly impacted the auto industry. The rising cost of raw materials and components along with utility costs and financial charges has led to higher production costs for automakers. This, in turn, has pushed up vehicle prices, making them less affordable for consumers and causing a decline in demand. Additionally, the government's restrictive policies on imports, aimed at conserving foreign exchange reserves and mandatory exports, have further strained the supply chain, exacerbating production delays. The combined effect of these economic pressures has led to reduced sales, plant closures, and layoffs within the auto industry, signaling a period of contraction and uncertainty for the sector.

Despite facing challenges, the Company remained resolute in pursuing its strategic objectives. In response to the decline in OEM volumes, the Company strategically redirected its focus toward alternative avenues for boosting sales. Over the year, the Company achieved after-market sales of Rs. 829 million and successfully exported products exceeding USD 100,000. Furthermore, the Company expanded its die-making capabilities and secured an export order for die development.

We value our employees' dedication and have invested in their growth through training and development opportunities. Our corporate social responsibility efforts continue to focus on healthcare, education, and community development, reflecting our commitment to a positive societal impact. During the year, the Company contributed Rs. 4 million to support a range of important causes.

The future outlook for Pakistan's auto sector remains cautiously optimistic but fraught with challenges. The sector is likely to continue grappling with economic headwinds such as inflation, currency volatility, and import restrictions, which could maintain pressure on production costs and consumer demand. However, there is potential for gradual recovery if the government implements supportive policies, such as easing import restrictions, stabilizing the currency, and providing incentives for local manufacturing.

The shift towards localization of auto parts and the government's focus on promoting electric vehicles could open new growth opportunities, particularly if infrastructure development keeps pace with these advancements.

We extend our gratitude to the Board, employees, customers, and partners for their continued support. Together, we remain focused on sustaining our growth trajectory and creating value for all stakeholders.

The Board recognizes its duty concerning the Corporate and Financial Reporting Framework. It is also fully aware of its strategic significance in attaining the Company's primary goals and is dedicated to enhancing returns for shareholders and other stakeholders. The Board is committed to ongoing contributions through the consistent provision of high-quality products to our esteemed customers.

Yutaka Arae
Chairman

September 05, 2024

چیئرمین کا جائزہ

محترم شیئر ہولڈرز،

میرے لیے یہ اعزاز کی بات ہے کہ میں ایگری آٹو انڈسٹریز لمیٹڈ اور اس کے ذیلی ادارے کی 30 جون 2024 کو ختم ہونے والے سال کی کارکردگی پیش کر رہا ہوں۔ مشکل ترین معاشی صورتحال کے باوجود ہم اپنے شیئر ہولڈرز کے لیے فوائد کا تحفظ کرنے کے حوالے سے پُرعزم رہے ہیں۔

پاکستان کا معاشی منظر نامہ مستقل بحرانوں بشمول مہنگائی، سخت مانیٹری پالیسیوں اور غیر ملکی زرمبادلہ میں کمی کی وجہ سے مسائل سے دوچار رہا ہے جس نے آٹو انڈسٹری پر بھی مضر اثرات مرتب کیے ہیں۔ خام مال اور دیگر کمپونینٹس کی بڑھتی ہوئی قیمتیں بشمول یوٹیلٹی کے نرخ اور مالیاتی اخراجات کے باعث آٹو میکرز کے لیے پیداواری لاگت بڑھ گئی۔ اس کی وجہ سے گاڑیوں کی قیمتوں میں بھی اضافہ ہوا اور صارفین کی استطاعت کم ہو جانے سے طلب میں بھی کمی آئی۔ مزید برآں حکومت کی درآمدات کے حوالے سے سخت پالیسیاں، جو غیر ملکی زرمبادلہ کے ذخائر کو بچانے اور برآمدات کو فروغ دینے کے ضمن میں لاگو کی گئی تھیں، سپلائی چین کو مزید پابند کر گئیں اور پروڈکشن میں تاخیر کا موجب بھی بنیں۔ ان معاشی دباؤ کے مشترکہ اثرات نے سیلز کو مختصر کرنے، پلانٹ کی بندش اور آٹو انڈسٹری کے اندر ملازمین کی چھانٹیوں کی صورت میں نکلے جو اس سیکٹر کے لیے بحران اور غیر یقینی کی مدت کا اشارہ ہیں۔

چیلنجز کا سامنا کرنے کے باوجود کمپنی نے اپنے اسٹراٹیجک مقاصد کو سامنے رکھا ہوا ہے۔ او ای ایم کے حجم میں کمی کے جواب میں کمپنی نے سیلز بڑھانے کے لیے متبادل راستوں پر اپنی توجہ دینے کی براہ راست حکمت عملی اختیار کی۔ سال بھر کے دوران کمپنی نے 829 ملین روپے کی آفٹر مارکیٹ سیلز حاصل کی اور کامیابی کے ساتھ 100,000 امریکی ڈالر سے زائد کی پروڈکٹس برآمد کیں۔ مزید برآں کمپنی نے اپنی ڈائی بنانے کی مہارتوں کو بروئے کار لاتے ہوئے ڈائی کی برآمد کا آرڈر حاصل کیا۔

ہم اپنے ملازمین کی لگن کی قدر کرتے ہیں اور ہم نے ان کی کارکردگی کو بہتر بنانے میں سرمایہ کاری کی ہے۔ ہماری تمام تر توجہ ادارتی سماجی ذمہ داری کی کوششوں، صحت کی دیکھ بھال، تعلیم اور کمیونٹی کی ترقی پر مرکوز رہتی ہے جو مثبت سماجی اثرات کیلئے ہمارے عزم کی عکاسی کرتی ہے۔ سال کے دوران کمپنی نے اہم سماجی مقاصد کی رینج میں 4 ملین روپے کی شراکت کی۔

پاکستان کے آٹو سیکٹر کا مستقبل محتاط طور پر پُرعزم رہے گا تاہم چیلنجز بدستور درپیش ہیں۔ یہ سیکٹر ممکنہ معاشی رکاوٹوں جیسا کہ مہنگائی، کرنسی کے اُتار چڑھاؤ اور درآمدی پابندیوں کی گرفت میں رہے گا جو کہ پیداواری لاگتوں اور صارفین کی طلب پر دباؤ برقرار رکھ سکتی ہیں۔ تاہم بتدریج بحالی کی صورت موجود ہے اگر حکومت کی لاگو کردہ معاون پالیسیوں، مثلاً درآمدی پابندیوں میں نرمی، کرنسی کی قدر میں استحکام اور مقامی مینوفیکچرنگ کے فروغ کو ترجیح دی گئی۔

آٹو پارٹس کی مقامی سطح پر منتقلی اور ای ویز کے فروغ پر حکومت کی توجہ گروتھ کے نئے مواقعوں کے راستے ہموار کر سکتی ہے خصوصاً اگر انفرااسٹرکچر کی ڈیولپمنٹ کی رفتار کو برقرار رکھا جائے۔

ہم بورڈ، ملازمین، صارفین اور شراکت داروں کے مسلسل تعاون پر ان کا شکریہ ادا کرتے ہیں۔ ہماری توجہ مل کر ترقی کی رفتار کو برقرار رکھنے اور تمام اسٹیک ہولڈرز کیلئے قدر پیدا کرنے پر مرکوز ہے۔

بورڈ ادارتی اور مالیاتی رپورٹنگ کے نظام کے حوالے سے اپنی ذمہ داری کو تسلیم کرتا ہے۔ بورڈ کمپنی کے بنیادی مقاصد کے حصول میں اپنے کلیدی کردار سے آگاہ ہے اور اس کی توجہ حصص یافتگان اور متعلقین کو منفعت فراہم کرنے پر مرکوز ہے اور اپنے قابل قدر گاہکوں کو اعلیٰ معیاری مصنوعات کی فراہمی میں معاونت جاری رکھے گا۔

یوٹا کا آرائے
چیئرمین

05 ستمبر 2024

Economy & the Auto Market

Local automobile industry in deep trouble: PAMA

RECORDER REPORT

KARACHI: The local automobile industry, already grappling with myriad of challenges, is now being severely impacted by a sharp surge in the import of used cars and SUVs following the withdrawal of regulatory duty and additional customs duty under SROs 1571 and 1572.

Sounding the alarm, Abdul Waheed Khan, Director General of the Pakistan Automotive Manufacturers Association (PAMA), stated, "With the withdrawal of SROs 1571/22 and 1572/22, the regulatory duty and additional customs duty levied on used vehicles have been eliminated. This has placed locally produced vehicles at a significant competitive disadvantage, as revised higher taxation has not been reinstated."

Khan pointed out that SRO 577/2005, which prescribes duties and taxes on used vehicles, was last amended nearly a decade ago in 2014 and 2015. This has resulted in lower duty calculations when combined with the existing 60% depreciation allowance.

While the government's stance has traditionally been to ban the import of used vehicles, Khan lamented, "It is the circumvention of this policy, with impunity, that has enabled traders to illegally purchase vehicles overseas for bulk imports under the guise of provisions for overseas Pakistanis."

The numbers make for startling reading. During the recent months, a staggering 5,139 used SUVs were imported – nearly eight times higher than the 669 units imported during the same period last year. The eco-Pickup and Minivan category also saw a dramatic spike, with 5,099 units imported compared to just 1,025 units the previous year.

Most alarmingly, during the current financial year, a total of 25,098 used vehicles have made their way into the country – a jaw-dropping 641% increase compared to the 3,386 units imported the previous year. February 2024 alone witnessed the import of 3,213 used vehicles, in stark contrast to the 396 units imported in February 2023.

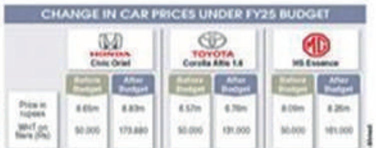
The repercussions of this influx extend far beyond market dynamics. Local automotive manufacturers, who have invested heavily in capacity enhancement and developing local vendor industries, now find themselves at a significant disadvantage. The unfair competition posed by the abundance of imported used cars not only undermines their efforts but also threatens the livelihoods of countless workers employed directly and indirectly in this sector.

"The traders facilitating these imports often evade taxes, resulting in a loss of revenue for the government. In contrast, the auto industry brings in foreign investment, facilitates technology transfer, creates jobs, and contributes significantly to the country's economic growth," Khan stressed.

Duty exemption for small used cars irks auto industry

Assemblers claim over 50,000 people lost jobs in FY24 due to used cars' influx

By Aamir Shafaat Khan



[illegible]

Pak Suzuki Motor Co shuts down plant in Karachi

MUHAMMAD ALI

KARACHI: Pak Suzuki Motor Company has been forced to shut down its manufacturing plant in Karachi due to a prolonged delay in the clearance of CKD kits at the port, following the strict implementation of WP29 UNR standards.

Shafiq Ahmad Shaikh, the head of corporate affairs at Pak Suzuki, confirmed that the company has been saddled with billions of rupees in demurrage and detention charges over the last 45 days as a result of the holdup in clearing completely knocked-down (CKD) kits at the port.

In a letter sent to the Ministry of Industries, the Pakistan Association of Auto Parts & Accessories Manufacturers (PAAPAM) has requested to allow one more year of deferral in implementing WP29 UNR regulations.

The letter highlighted the significant hardships parts suppliers face in meeting the new WP29 standards. While many vendors have achieved full compliance for the 17 affected components, they have had to shoulder the heavy costs of certification by foreign laboratories, as Pakistan lacks the necessary domestic testing facilities. This has strained their cash flows and resulted in a significant outflow of foreign exchange.

However, some vehicle models have been unable to attain WP29 certification due to a lack of technical support from Japanese vendors, who have been reluctant to collaborate with Pakistani firms or send their engineers to the country, citing concerns over country risk.

As a result, the Engineering Development Board has not been approving import quotas for automakers, leading some original equipment manufacturers (OEMs) to announce production shutdowns. This is expected to have a devastating impact on parts suppliers, potentially pushing many companies into financial ruin.

To address the crisis, PAAPAM has urged the government to grant a one-year deferral in the implementation of the WP29 regulations, allowing the industry more time to resolve the technical and logistical challenges it is facing. The association remains hopeful that these difficulties can be overcome with the support of OEM and Japanese vendors.

The automobile sector's growth fell by 25.03pc in FY24 as import restrictions on CKD and SKD kits further reduced production capacity – File

Big industry output contracts in FY24

Key sectors remain plagued by high input costs, low demand

By Mubarak Zeb Khan

[illegible]

PM to unveil new economic plan on 14th to drive liberalisation

Tariff protection, subsidies to go

By Mubarak Zeb Khan

ISLAMABAD: Prime Minister Shehbaz Sharif will unveil an economic plan on Aug 14. The plan will focus on devising the main principles for real-time export-led growth and removing decade-old economic bottlenecks.

The plan was evolved by a task force constituted by the premier, later joined by Professor of Economic Policy at the University of Oxford Stefan Dercon over the past two months. The local team collated the facts and shared them with the professor to create a consensus document.

Well-placed sources told *Dawn* that the last meeting on the draft policy titled 'Home-grown economic plan' took place on Saturday and is now ready for presentation to the prime minister.

According to the sources, the economic plan's contents will be disclosed to a large group of stakeholders following the Independence Day.

The document's main focus is on economic liberalisation, eliminating the government's involvement in providing subsidies to any sector, and exposing local producers to worldwide competition. There will be no restrictions on imports to manage the current account deficit instead, the focus will be on increasing exports from the country.

According to a source in the Planning Commission, the evolving document continues the work of former chief economist Dr Muhammad Ahmed Zubair, who was hired by the PTI government.

According to a source, Mr Zubair's policy statement also addressed structural challenges that hampered growth and elite capture of economic policy formulation. The policy also addressed structural flaws that have resulted in a concentration of export of raw materials and semi-finished products, rather than a shift towards high-value-added products.

Ex-premier Imran Khan approved the three-year implementation plan just a few days before his government was ousted in a no-confidence vote. The approved plan anticipated the export target to be $110 billion by the end of the policy.

However, the PDM government did not approve the policy for implementation. Then, according to the source, the caretaker government began work on establishing a new policy, and this effort is being further led by Planning Minister Ahsan Iqbal.

Mr Ahsan worked with the relevant parties to develop a five-year plan. During the deliberations on the plan, Professor Stefan Dercon penned an op-ed in *Dawn* in April 2024, advising the new administration to learn five lessons from recent development winners such as Indonesia, Ghana, Bangladesh, and India.

According to the source, PM Shehbaz read this article and directed his team to engage Mr Stefan in discussions about the country's economic plan. He abandoned previous proposed policy plans, including the one developed by his Planning Minister Ahsan Iqbal.

The source said this will be Pakistan's first economic plan, as the government now only possesses budgetary documents. This document will set the course of the economy as the country has not had any economic plan in place for decades.

Mr Stefan referred to the finance ministry's budget documents as a strategic blueprint for revenue and expenditure. The budgetary document is export-biased, with import volumes significantly lower than the economy's needs. He said the lack of direction has caused economic distortions, making exports less competitive.

The economist also identified import tariffs, such as additional customs duty, regulatory duty, and export duty, as one of the primary causes of Pakistan's sluggish export growth. The finance ministry's budget policy evolved to tax raw materials or semi-finished products, imposing taxes on rising sectors.

The new plan calls for less government participation in running the economy or supporting industries through subsidies or high tariff protection. The policy is based on the whole spirit of neoliberalism, which advocates open capital flow, investment, and a market-driven exchange rate.

Mr Stefen has written a book titled Development Bargain, in which a country's elites change from safeguarding their positions to betting on a growth-based future. Despite the flaws of such deals, China is one of the most notable recent success stories, along with Indonesia and less expected destinations like Bangladesh, Ghana, and Ethiopia. Gambling on Development is about these winning attempts, as opposed to countries trapped in elitist bargains that lead nowhere.

Most analysts expect policy rate cut amid low inflation

Over a quarter expect reduction of 100bps, 11.5pc predict 150bps cut

By Shahid Iqbal

[illegible]

Islaah beyond IMF

Dr Muhammad Faisal Ali

[illegible]

It's crucial to move beyond the narrow focus on "Plotistan" or Housing Societies and recognize real estate as encompassing major construction projects that develop city centers and commercial areas. Therefore, abolishing FBR valuation and DC rates will eliminate artificial pricing barriers. Regulating file trading under SECP (securities and exchange commission of Pakistan) as securities will curb speculative practices. Separating regulation from the real estate business will mitigate conflicts of interest and enhance oversight effectiveness

[illegible]

MCML plans local assembling of EVs

By Our Staff Reporter

KARACHI: Master Changan Motors Ltd (MCML), a joint venture between Master Group of Industries and Changan International, intends to convert its newly launched imported electric vehicles into a completely knocked down (CKD) project within a year.

Currently, the existing plant is fully operational, and after the upgrade, it will be converted to roll out locally assembled EVs.

MCML unveiled its two imported EV models — Deepal L07 (sports luxury sedan) and S07 (SUV) — at Dolmen Mall, Clifton, on Friday.

On the event's sideline, MCML Director Sales and Marketing Shahid-ul-Din said the company is targeting an overall investment of $50 million for rolling out three to four CKD models in the next two to three years.

He said the company aimed to provide a pure electric vehicle at the right price with a travelling range of over 500km, like the recently launched imported Deepal vehicles, which can go from Lahore to Islamabad on a single charge or more within the city at least for one week.

Mr Shahid said all the 21 after-sales countrywide networks would also be converted into EV workshops.

MCML Chief Executive Danial Malik said the company would ensure charging infrastructure in 17 cities [illegible]

He said [illegible] non-fossil fuel energy generation. On the other hand, the $15.1bn oil import bill is the largest imported commodity burdening the country's foreign reserves.

Stock market-linked Mutual Funds

SECP concerned about lack of investors' interest

ISLAMABAD: The Securities and Exchange Commission of Pakistan (SECP) has expressed serious concern that the stock market-linked Mutual Funds have not attracted new investors.

[illegible] —SOHAIL SARFRAZ

Millat Tractors shuts plant on lack of GST refund mechanism

By Our Staff Reporter

[illegible]

Directors' Report to the Shareholders

Directors' Report to the Shareholders
For the year ended June 30, 2024

The Directors of Agriauto Industries Limited take pleasure in presenting the Directors' Report, along with the Audited Financial Statements of the Company for the year ended June 30, 2024.

PRINCIPAL ACTIVITIES OF THE COMPANY

Agriauto Industries Limited is a public limited company incorporated in 1981 and quoted on the Pakistan stock exchange. The company is one of the leading automotive components manufacturers in the private sector.

FINANCIAL & BUSINESS PERFORMANCE

CONSOLIDATED RESULTS

On a consolidated basis, the Company's sales witnessed an increase by 2.64% and closed at Rs. 8.53 billion in FY 2024 as compared to last year. The company incurred a loss of Rs. 347.5 million as compared to the loss of Rs. 173.28 million last year. The loss for the year is mainly attributable to the massive decline in the production and sale of passenger cars.

	2024	2023
	----- Rs in 000's -----	
Turnover	8,534,184	8,314,517
Gross Profit	388,520	542,184
Loss before Levies and Income Tax	(314,660)	(126,308)
Levies and Income Tax	(32,842)	(46,972)
Loss after Taxation	(347,502)	(173,280)
Loss Per Share (Rs.)	(9.65)	(4.81)

STANDALONE RESULTS

During FY 2024, sales for the year closed at Rs. 5.92 billion, representing an increase of 11.1% as compared to last year. The Company posted a loss after tax of Rs. 275.72 million as compared to loss of Rs. 44.28 million in the preceding year - which included the dividend income from the subsidiary amounting to Rs. 228 million. The loss for the year is mainly attributable due to the decline in the automotive sector and the rapidly rising cost of business.

	2024	2023
	----- Rs in 000's -----	
Turnover	5,927,227	5,336,118
Gross Profit	207,825	218,819
Loss before Levies and Income Tax	(267,158)	(32,604)
Levies and Income Tax	(8,560)	(11,679)
Loss after Taxation	(275,718)	(44,283)
Loss Per Share (Rs.)	(7.66)	(1.23)

Dividend & Appropriation of Profit

The Board of Directors are not recommending any dividend for the approval of the shareholders at the Annual General Meeting of the Company to be held on October 24, 2024.

THE BOARD OF DIRECTORS

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

Mr. Yutaka Arae	Chairman
Mr. Fahim Kapadia	Chief Executive
Mr. Hamza Habib	
Mr. Sohail P. Ahmed	
Mr. Salman Burney	
Ms. Ayesha Tammy Haq	
Mr. Aqueel E. Merchant	

COMPOSITION OF THE BOARD

Gender	Number
Male	6
Female	1

Categories	Names
Non-Executive Director	Mr. Yutaka Arae *Chairman* Mr. Hamza Habib Mr. Sohail P. Ahmed Mr. Salman Burney
Executive Director	Mr. Fahim Kapadia *Chief Executive*
Independent Director	Ms. Ayesha Tammy Haq *(Female Director)* Mr. Aqueel E. Merchant

During the year, Board of Directors held 6 (six) meetings, Board Audit and Risk Management Committee held 4 (four) meetings, and Human Resource and Remuneration Committee (HR & R) held 3 (three) meetings. The attendance of the Directors is given below:

SN. #	Name of Director	Board of Directors Meetings
1	Mr. Yutaka Arae	6
2	Mr. Fahim Kapadia	6
3	Mr. Hamza Habib	5
4	Mr. Sohail P. Ahmed	6
5	Mr. Salman Burney	5
6	Ms. Ayesha Tammy Haq	5
7	Muhammad Ali Jameel*	1
8	Mr. Aqueel E. Merchant**	4

SN. #	Name of Director	Audit and Risk Management Committee Meeting
1	Mr. Sohail P. Ahmed	4
2	Ms. Ayesha Tammy Haq	3
3	Mr. Aqueel E. Merchant**	3

SN. #	Name of Director	HR & R Committee Meeting
1	Mr. Yutaka Arae	3
2	Mr. Fahim Kapadia	3
3	Mr. Sohail P. Ahmed	3
4	Mr. Salman Burney	3
5	Mr. Aqueel Merchant**	2

**Mr. Muhammad Ali Jameel resigned on August 25, 2023. Only one Board meeting was held before his resignation.*

***Mr. Aqueel E. Merchant was elected to the Board on October 23, 2023.*

PAKISTAN'S ECONOMY

Pakistan's economy has shown resilience in the face of political tensions, high inflation, and exorbitantly high interest rates. Throughout the year, a steady improvement in basic economic fundamentals was observed, largely due to the prudent fiscal and monetary policies enforced as part of the IMF program.

During 2023-24, the Government maintained administrative and policy restrictions to curb imports. As a result, the country posted a modest current account deficit of **$681 million**, a reduction of 79% compared to last year's deficit of **$3.275 billion**.

The CAD now stands at 0.2% of GDP, the lowest level in the last 13 years. This reduction in the current account deficit (CAD) helped stabilize the Pakistani Rupee (PKR) against the US Dollar (USD), albeit at the cost of reduced industrial output. Agricultural performance also remained positive, helping in GDP growth.

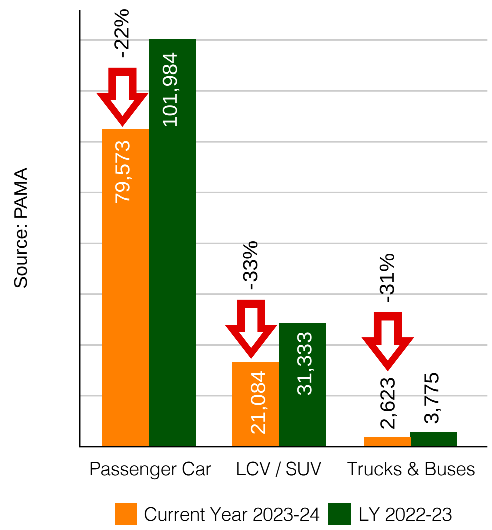
Pakistan is looking to enter a fresh long-term extended IMF program, which requires the Government of Pakistan (GoP) to continue following a market-based exchange rate regime, curtail the fiscal deficit, and fast-track structural reforms to address energy sector circular debt.

So far, the GoP has taken measures to curb the accumulation of circular debt in the energy sector through price hikes and the removal of subsidies. While these measures are significant, the country's long-term economic sustainability hinges on its ability to reduce energy costs, thereby making its industries more competitive compared to global peers.

Auto Industry

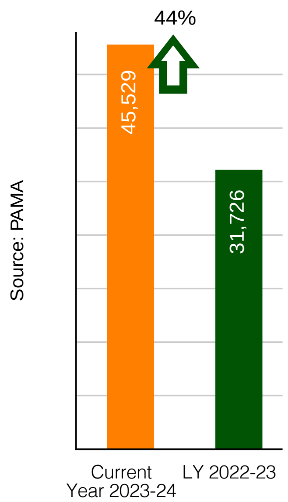
Throughout the year, the challenges of Pakistan's economy impacted the auto sector. Companies struggled to procure the raw materials, exorbitant lending rates dampened overall demand. Additionally, the central bank's limits on auto financing and the imposition of a 25% sales tax on cars valued above Rs. 4 million further exacerbated the situation. As a result, the year saw multiple plant shutdowns, and significant decrease in volumes.

Yearly Performance 4-Wheeler:



Yearly Performance 2-Wheeler:

Yearly Performance Tractors:



Future Outlook:

Recent economic data indicates that inflation is on a downward trajectory which has enabled SBP to lower the interest rates; a much-needed impetus to revive flagging industrial output and spurring demand.

Pakistan is on course to get into a fresh long-term IMF program which would ensure foreign currency inflows from multilateral & bilateral partners, supporting forex reserves & provide GoP sufficient leverage to progressively ease import restrictions.

The incentives provided under the Auto Industry Development Plan (AIDP) 2016-21 led to the introduction of various new models by new entrants into the market. While this diversification initially appeared promising, it has resulted in market saturation, with low production volumes for each model. This scenario poses challenges for the viability of localization of parts, as lower volumes do not justify the investment in localization.

Adding to this complexity is the advent of Electric Vehicles (EVs), which, despite their growing global presence, have yet to establish widespread acceptance in the local market. The impact of EVs on the localization of their components remains uncertain, further complicating decisions regarding investment in this area.

Given these factors, the management of our company is exercising caution in committing to investments in the development of parts for Original Equipment Manufacturers (OEMs). Nevertheless, we have engaged in some development activities for our current auto assembler partners, who are in the process of introducing new variants in the near future. This selective approach allows us to balance the need for innovation with prudent risk management.

Key Highlights of the Year:

1) Diversification:

In the power sector, the Company has partnered with a power distributor company to identify products that have a potential for localization / import substitution that will extend the benefit to the country as a whole.

2) Focus on Aftermarket:

With the continuously declining OE business, the Company has enhanced its focus on the replacement market. During the year company has successfully added certain new models to the aftermarket product portfolio. In addition to this, the Company is also conducting market studies for several other models with the plan to launch in the upcoming years.

3) Export Initiative:

In the year 2023-24, Agriauto Industries Limited made a significant breakthrough on the exports front and successfully exported goods worth $100,000.

Looking ahead, we expect further consolidation of our global footprint. In addition to exporting shock absorbers, we also secured an export order for Die Development business at Agriauto Stamping Company (ASC) for the year 2024-25. Furthermore, ASC got in the business of developing dies for the local auto assemblers. During the year these dies were successfully developed and supplied.

We are confident in our ability to further enhance our Die Development capabilities, transforming it into a strategic business center for both export and import substitution.

PRINCIPAL RISKS AND UNCERTAINTIES

Having a robust and efficient risk management system is essential for any company in their daily operations. Agriauto is cognizant of the risks faced by the company, and are constantly seeking opportunities to improve and stay ahead in the market while achieving our goals. The Board of Directors recognizes the significance of risk management and actively participates in developing and overseeing the Company's risk management framework, as well as creating and monitoring its risk management policies.

A committee consisting of senior management, known as the Risk Management and Strategic Plan Committee, has also been established to address and determine all issues related to the Company's risk management and strategic plan at regular intervals. This committee provides precise, comprehensive, and timely information that reaches all levels and departments to assist in making strategic decisions. It manages the Risk Register which includes but not limited to exchange risk, operational risk and concentration risks. Furthermore, it takes proactive measures to manage risks within the predetermined risk appetite and tolerance levels.

HEALTH, SAFETY AND ENVIRONMENT (HSE)

Agriauto Industries Limited is fully committed to conduct its business in a sustainable and socially responsible manner. At Agriauto, we take complete care of the health and safety of our employees, the environment, and others affected by our activities, including the communities in which we operate.

The company promotes a culture of quality, health, and safety by enabling access to the appropriate resources, training and coaching to our employees, contractors, visitors and other stakeholders. The management encourages effective consultation and participation with workers on all health, safety, and environment-related matters and ensures compliance with the relevant laws and regulations.

Following are the highlights of the key activities.

Automation of Chrome Plating Process

As part of our safety improvement initiatives, we have introduced an automated chrome plating system (Autochrome Plating) to enhance workplace safety and efficiency. Automation significantly reduces the need for direct handling of hazardous chemicals, promoting a safer environment. It minimizes physical strain by reducing manual handling, lowering the risk of injuries related to repetitive tasks. The automated system is equipped with advanced scrubbers, which efficiently capture and neutralize harmful fumes and airborne contaminants, improving air quality and protecting worker health. This step reflects our commitment to continuous safety improvements and the well-being of our employees.

Emergency Drills, 5S & Safety

In order to ascertain the firefighting response of employees and to gauge their preparedness, emergency fire drills are conducted regularly in various departments to create

awareness and make them aware of their responsibilities during emergencies. Real life-based Scenarios of Fire incident were created for Emergency Drill and firefighting was carried out by AIL fire fighter and Rapid Intervention Vehicle was operated by the trained fire fighters.

Emergency Preparedness and response, safe use of RIV, KYT, Safety Tool Box Talks, and Basic Life Support trainings were held during the year.

Safety Week

The Safety Week was organized from 18th - 23rd Sep'23. The focus of the event was to enhance the awareness level of Hazard Identification, Fire Safety, Zero Injury Goal & Behavioral Safety. In addition, Risk-based emergency drills were conducted with required controls. Staff participated proactively and all critical identified issues were resolved.

Corporate Social Responsibility (CSR):

Agriauto believes in giving back to society and committed to improve the quality of life of our stakeholders, communities and the underprivileged members of the society. The Company made a total contribution of Rs. 4.03 million in 2023-24 in CSR activities. Various activities were conducted spanning across all our business segments. The primary focus of these measures is on healthcare, education, environment, employee's welfare, and community development.

Distribution of Ration to workers

The Company distributes ration hampers among all its workers each year, to support the well-being of workers and their families.

AWARDS & RECOGNITION:

Management Excellence Award 2023:

Agriauto secured Runner Up Certificate at Corporate Awards in Automobile & Accessories Sector at the 38th Corporate Excellence Awards by Management Association of Pakistan (October 2023).

Disability, Inclusion & Excellence Award 2023 by EFP:

Agriauto won Disability, Inclusion& Excellence award from the Employers Federation of Pakistan (EFP). This award recognizes AIL's contribution and commitment to promoting disability inclusion in the workplace.

Skills Development Employers' Recognition Award 2022 by EFP:

Agriauto secured a Gold Award under the Manufacturing Sector at the Skills Development Employers' Recognition Award 2022 on June 12, 2023, by the Employers Federation of Pakistan (EFP). This award recognizes companies that have made a significant contribution to the skills development of their employees.

Women Empowerment & Gender Equality Recognition Award by EFP

Agriauto always promotes Equal Employee Opportunity. In recognition of its effort, AGIL has won the 'Gold Award' in the Women Empowerment & Gender Equality Excellence Recognition Awards.

HUMAN RESOURCE (HR)

At Agriauto, we are dedicated to achieving excellence in the manufacturing of high-quality automotive parts while upholding our commitment to maintaining a safe, healthy, equitable and socially responsible workplace.

We value teamwork and engage in effective consultation and participation with our Junior Team Members on all matters continually seeking opportunities for improvement and innovation. Our aim is to ensure compliance with all relevant requirements, laws, and regulations, thereby safeguarding the well-being of our workforce and the communities in which we operate.

Training & Development

A variety of Training and Development opportunities were offered to employees in-house, & external.

Soft Skills

Soft skills, including communication, teamwork, adaptability, and emotional intelligence, are essential interpersonal abilities that influence how individuals interact within the workplace. Agriauto is dedicated to enhancing these skills among its employees, recognizing that they play a key role in fostering a productive, collaborative, and healthy work environment. In an increasingly competitive global landscape, these attributes are vital to the organization's success and growth

Sustainability and DE&I Initiatives

Agriauto Industries Limited (AGIL) remains committed to embedding sustainability principles and promoting diversity, equity, and inclusion (DE&I) within the organization. In line with our sustainability strategy, the Group installed a 2 MW

Solar Facility at its manufacturing facilities, significantly reducing our reliance on non-renewable energy sources. This initiative has helped us reduce greenhouse gas emissions by approximately 2,800 metric tons of CO_2 annually, contributing to our goal of minimizing our environmental footprint.

Regarding workforce diversity, the Company has employed 42 female employees, reflecting our ongoing efforts to promote gender equality and inclusion across all levels of the organization. We aim to implement policies that encourage gender mainstreaming and increase the participation of women in both management and the broader workforce. These initiatives will be closely monitored and reviewed to ensure alignment with our DE&I targets, fostering a more inclusive and equitable work environment.

The Company has also established an Effluent Treatment Plant (ETP) at its Hub facility to treat hazardous chemicals, ensuring that only non-toxic water is discharged into the drainage system.

The Board continues to monitor the company's efforts, ensuring that our strategies and targets are periodically reviewed and aligned with our long-term vision of creating corporate value through responsible and sustainable business practices.

CONTRIBUTION TO NATIONAL EXCHEQUER

During the year under review, the Company contributed Rs. 2.04 billion (2023: Rs. 2.05 billion) to the National Exchequer.

REMUNERATION POLICY OF NON-EXECUTIVE DIRECTORS

The fee of the Non-Executive and Independent Directors for attending the Board and Committee meetings of the Company is determined by the Board from time to time.

Board Evaluation

In accordance with the Corporate Governance Code (CCG), the Board's performance is evaluated annually. The Company utilizes an internal approach for this evaluation process. The Board of Directors recognizes that ongoing assessment is essential to measure how effectively it has met its established objectives and goals.

PATTERN OF SHAREHOLDING

The pattern of shareholding as on June 30, 2024 is annexed.

RELATED PARTY TRANSACTIONS

All transactions with related parties have been carried out in normal course of business at agreed terms and have been disclosed in the financial statements under relevant notes.

CORPORATE AND FINANCIAL REPORTING

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

- The financial statements prepared by management of the Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act), and provisions of and directives under the Act, have been followed in the preparation of financial statements.
- The Board has outsourced the internal audit function to M/s. Noble Computer Services (Pvt) Ltd., who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedure of the Company.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- All members of the Audit Committee are independent/ non-executive Directors.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- The key operating & finance data for the last 6 years are annexed to the report.

AUDITORS

The existing Auditors; M/s. A.F. Ferguson & Co., Chartered Accountants retired and have offered themselves for re-appointment. The reappointment has also been recommended by the Board Audit and Risk Management Committee to the Board.

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The statement of compliance with the Code of Corporate Governance is annexed herewith.

ACKNOWLEDGMENT

We would like to express our sincere appreciation to all our employees for their untiring efforts and through a cordial and positive relationship during the year which helped us in meeting and overcoming our challenges due to which the company continued its year on year growth and we expect the same level of support from our employees in the year ahead.

On behalf of the Board of Directors, we would like to place on record our appreciation to all our Patrons, Dealers, Suppliers and Employees for their valuable help, continuous support and contribution to the Company. We are also thankful to all our overseas technical collaborators, M/s Ride Control, LLC. USA, M/s KYB Corporation, Japan, M/s Aisin Seiki Co. Ltd, Japan, M/s. Shiroki Corporation, Japan, M/s. Sannou Riken Co Ltd, Japan, M/s KMS (KYB Motorcycle Suspension, Japan) and M/s. Ogihara (Thailand) Co. Ltd for their technical assistance and advice.

On behalf of the Board of Directors.

Fahim Kapadia
Chief Executive

Salman Burney
Director

KARACHI
DATED: September 5, 2024

آڈیٹرز

موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹینس ریٹائر ہورہے ہیں اورانہوں نے خودکودوبارہ تقرری کیلئے پیش کیا ہے۔ان کی دوبارہ تقرری کے لئے بورڈ آڈٹ اینڈ رسک مینجمنٹ کمیٹی نے بھی بورڈ سے سفارش کی ہے۔

ادارتی نظم وضبط کے ضابطے کی پاسداری سے متعلق بیان:

ادارتی نظم وضبط کے ضابطے کی پاسداری سے متعلق بیان منسلک ہے۔

اعتراف:

سال کے دوران اپنے ملازمین کی انتھک محنت اوران کے مہذبانہ اورمثبت تعلقات پر ہم انہیں اپنی مخلصانہ تہنیت پیش کرتے ہیں جس سے چیلنجز کو پورا کرنے اورقابو کرنے میں مدد ملی جس کی وجہ سے سال بہ سال تسلسل کے ساتھ کمپنی میں نمو جاری رہی اورہمیں توقع ہے کہ ہمارے ملازمین کی طرف سے اسی طرح کا تعاون مستقبل میں بھی جاری رہے گا۔

بورڈ آف ڈائریکٹرز کی جانب سے اپنے تمام سرپرستوں، ڈیلروں، سپلائرز اور ملازمین کے قابل قدر تعاون، مسلسل تائیداور مدد پر انہیں ستائش پیش کرتے ہیں۔ ہم بیرون ملک تیکنیکی مددگاروں میسرز KYB کارپوریشن، میسرز اوگھی ارا (تھائی لینڈ) کمپنی لمیٹڈ، میسرز رائیڈ کنٹرول LLC، یو ایس اے، جاپان، میسرز Aisin Seiki کمپنی لمیٹڈ، جاپان، میسرز KYB) KMS موٹرسائیکل سسپینشن، جاپان) اور میسرز Sannou Riken کمپنی لمیٹڈ، جاپان کی تیکنیکی مدداور مشوروں پر ان کے مشکور ہیں۔

فہیم کپاڈیا
چیف ایگزیکٹو

سلمان برنی
ڈائریکٹر

کراچی: 5 ستمبر 2024

میں 2 ایم ڈبلیو سولر فیسلیٹی نصب کی ہے تاکہ ہم ناقابل تجدید توانائی کے ذرائع پر اپنا انحصار کم کرسکیں۔ اس اقدام سے ہمیں لگ بھگ 2,800 میٹرک ٹن سالانہ CO2 کے ذریعے گرین ہاؤس گیس کے اخراج کو کم کرنے میں مدد ملی جس سے ہمارے ماحولیاتی آلودگی کو کم کرنے کے ہدف میں شراکت ممکن ہوئی۔

افرادی قوت کو مختلف سمتوں میں فروغ دینے کے ضمن میں کمپنی نے 42 خواتین ملازمین کو تعینات کیا جو کہ ہمارے مساوی صنفی رویوں کی عکاسی کرنے کے ساتھ ادارے میں تمام سطحوں پر خواتین کی شمولیت کو فروغ دیتا ہے۔ ہمارا مقصد ایسی پالیسیاں نافذ کرنا ہے کہ تمام صنفوں کو سامنے لانے کی حوصلہ افزائی کی ہے اور انتظامی و وسیع تر افرادی قوت دونوں میں خواتین کی شراکت کو بڑھایا جائے۔ ان اقدامات کو باریک بینی سے مانیٹر کیا جارہا ہے اور جائزہ لیا جارہا ہے تاکہ ہمارے ڈی ای اینڈ آئی اہداف کو حاصل کر کے کام کرنے کے ماحول کو زیادہ بہتر اور مساویانہ بنایا جائے۔

کمپنی نے اپنی حب میں واقع فیسلیٹی میں ایک ایفلیونٹ ٹریٹمنٹ پلانٹ (ETP) بھی قائم کیا ہے تاکہ مہلک کیمیکلز کو ٹریٹ کیا جائے اور اس امر کو یقینی بنایا جائے کہ ڈرینج سسٹم میں صرف غیر زہریلا پانی ہی چھوڑا جارہا ہے۔

بورڈ اپنی کمپنی کی کاوشوں کی باقاعدگی سے نگرانی جاری رکھے ہوئے ہے تاکہ اس امر کو یقینی بنایا جائے کہ ہماری حکمت عملیوں اور اہداف کا باقاعدگی سے جائزہ لیا جاتا ہے اور انتہائی ذمہ دارانہ اور پائیدار کاروباری طریقہ کار کے ذریعے ہمارے طویل مدتی کارپوریٹ ویژن پر عمل کیا جارہا ہے۔

قومی خزانے کو معاونت

جائزہ سال کے دوران، کمپنی نے قومی خزانے میں 2.04 بلین روپے (2023: 2.05 بلین روپے) کی معاونت فراہم کی۔

نان۔ایگزیکٹوڈائریکٹرز کے معاوضے کی پالیسی

کمپنی کے بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے لئے بورڈ نان۔ایگزیکٹو اور آزاد ڈائریکٹرز کی فیس کا وقتاً فوقتاً تعین کرتا ہے۔

بورڈ کی جانچ پڑتال

کارپوریٹ گورنینس کوڈ (سی سی جی) کے مطابق بورڈ کی کارکردگی کی سالانہ بنیاد پر جانچ پڑتال کی جاتی ہے۔ کمپنی جانچ کے اس عمل کے لئے ایک اندرونی طریقہ کار اختیار کرتی ہے۔ بورڈ آف ڈائریکٹرز اس امر کو تسلیم کرتے ہیں کہ اسیسمنٹ کا یہ جاری عمل اس لیے ضروری ہے تاکہ ہم اپنے اغراض ومقاصد اور اہداف کو موثر طور پر پورا کرسکیں۔

حصص داری کی ساخت

30 جون 2024 کی حصص داری کی ساخت منسلک کی گئی ہے۔

متعلقہ فریقین کے ساتھ لین دین

تمام متعلقہ فریقین کے ساتھ معمول کے مطابق لین دین کیا گیا اور تفصیلات مالیاتی گوشواروں میں متعلقہ نوٹس میں منکشف کیا گیا ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ

ادارتی اور مالیاتی نظام پر ادارتی نظم وضبط کی ضابطہ کی پاسداری کا بیان

- کمپنی کی انتظامیہ کے تیار کردہ مالیاتی گوشوارے کمپنی کے معاملات، اس کے کاروباری نتائج، نقدی کے بہاؤ اور ایکویٹی میں تبدیلیوں کو شفافیت کے ساتھ پیش کرتے ہیں۔
- کمپنی میں حسابات کی کتابیں مناسب انداز میں رکھی گئی ہیں۔
- درست حساباتی پالیسیوں کو تسلسل کے ساتھ مالیاتی گوشواروں کی تیاری کے دوران ملحوظِ خاطر رکھا گیا ہے اور حساباتی تخمینوں کی بنیاد معقول اور مضبوط فیصلوں پر ہے۔
- انٹرنیشنل اکاؤنٹنگ اسٹینڈرز بورڈ (IASB) کے جاری کردہ عالمی مالیاتی رپورٹنگ معیارات جن کا تذکرہ کمپنیز ایکٹ، 2017 (ایکٹ) کیا گیا ہے اور ایکٹ کی شقوں اور ہدایت کو مالیاتی گوشواری کی تیاری کے دوران ملحوظِ خاطر رکھا گیا ہے۔
- بورڈ نے انٹرنل آڈٹ فنکشن ایک بیرونی فریق میسرز نوبل کمپیوٹر سروسز (پرائیویٹ) لمیٹڈ کو سونپا گیا ہے، جنہیں اس مقصد کیلئے موزوں، تعلیم یافتہ اور تجربہ کار خیال کیا گیا ہے اور وہ کمپنی کی پالیسوں اور طریقہ کار سے آگاہ ہیں۔
- اندورنی کنٹرول کے نظام کی شکل مضبوط ہے اور موثر انداز میں نافذ العمل ہے اور اس کی نگرانی کی جاتی ہے۔
- کمپنی کی آڈٹ کمیٹی کے تمام ممبران آزاد/ نان۔ایگزیکٹوڈائریکٹرز ہیں۔
- کمپنی کے چلتے ہوئے ادارے کی صلاحیت میں کوئی قابل ذکر شق وشبہ نہیں ہے۔
- لسٹنگ ریگولیشنز میں دیئے گئے ادارتی نظم وضبط کے بہترین طور طریقوں سے کوئی بھی بڑا انحراف نہیں کیا گیا ہے۔
- گزشتہ 6 سالوں کے کاروباری اور مالیاتی اعداد وشمار رپورٹ کے ساتھ منسلک ہیں۔

اسکلز ڈیولپمنٹ ایمپلائرز ریکگنیشن ایوارڈ 2022 منجانب ای ایف پی

ایگری آٹو نے ایمپلائرز فیڈریشن آف پاکستان کی جانب سے مینوفیکچرنگ سیکٹر کے تحت 12 جون 2023 کو اسکلز ڈیولپمنٹ ایمپلائرز ریکگنیشن ایوارڈ 2022 میں گولڈ ایوارڈ حاصل کیا۔ یہ ایوارڈ ان کمپنیوں کی کاوشوں کا اعتراف ہے جو اپنے ملازمین کی مہارت کو فروغ دینے کے ضمن میں قابل قدر شراکت انجام دیتی ہیں۔

ای ایف پی کی جانب سے خواتین کو بااختیار بنانے اور مساوی صنفی رویوں کو تسلیم کرنے کا اعزاز

ایگری آٹو نے ہمیشہ ملازمین کو مساوی مواقع فراہم کرنے کو فروغ دیا ہے۔ اس کی ان ہی کوششوں کے اعتراف میں اے جی آئی ایل نے خواتین کو بااختیار بنانے اور مساوی صنفی رویوں کو تسلیم کرنے کا اعزاز حاصل کرتے ہوئے گولڈ میڈل حاصل کیا۔

ہیومن ریسورس (ایچ آر)

ایگری آٹو میں ہم اعلیٰ معیار کے آٹو موٹیو پارٹس کی تیاری میں اعزاز حاصل کرنے کے لئے پُرعزم ہیں، اس کے ساتھ ہم کام کرنے کے مقام پر ایک محفوظ، صحتمند، موزوں اور سماجی ذمہ داری کا ماحول برقرار رکھنے پر بھی خصوصی توجہ دیتے ہیں۔

ہم اپنے ٹیم ورک کی قدر کرتے ہیں اور تمام معاملات میں اپنے جونیئر ٹیم ممبران کے ساتھ مستقل طور پر موثر مشاورت اور ان کی شراکت پر بھی توجہ دیتے ہیں تا کہ ان کی مہارت میں اضافے کے ساتھ وہ بھی جدت طرازی کے عمل میں مواقع حاصل کر سکیں۔ ہمارا مقصد تمام متعلقہ ضوابط، قوانین اور شرائط پر عملدرآمد ہے، جس کے ذریعے ہماری افرادی قوت کی بہبود اور ان طبقات کی خوشحالی کو تحفظ دینا ہے جہاں ہم کام کر رہے ہیں۔

تربیت اور ترقی

ملازمین کو اندرونِ ملک اور بیرونِ ملک تربیت اور ترقی کے متعدد مواقع فراہم کئے گئے۔

سافٹ اسکلز

سافٹ اسکلز بشمول کمیونیکیشن، ٹیم ورک، موافقت اور جذباتی ذہانت باہمی روابط کی صلاحیتوں کیلئے انتہائی ضروری ہیں جو کہ اس امر پر اثر انداز ہوتی ہیں کہ کس طرح افراد اپنے کام کے مقامات پر ایک دوسرے کے ساتھ رابطہ کرتے ہیں۔ ایگری آٹو اپنے ملازمین کے مابین ان صلاحیتوں کو فروغ دینے کے لئے پرعزم ہے کیونکہ وہ اسے تسلیم کرتا ہے کہ یہ کسی بھی پیداواری، اشتراکی اور صحتمند ورکنگ ماحول کے لئے ایک کلیدی کردار ادا کرتے ہیں۔ ایک انتہائی مسابقتی عالمی صورتحال کے اندر یہ کسی بھی ادارے کی کامیابی اور اس کے فروغ کے لئے ناگزیر ہے۔

پائیداری واستحکام اور ڈی ای اینڈ آئی اقدامات

ایگری آٹو انڈسٹریز لمیٹڈ (AGIL) ادارے کے اندر پائیداری و استحکام کے اصولوں کو فروغ دینے اور تنوع، ایکویٹی اور شمولیت (ڈی ای اینڈ آئی) کی حوصلہ افزائی کے لئے پُرعزم رہا ہے۔ اپنی پائیداری اور استحکام کی حکمت عملی پر عمل کرتے ہوئے گروپ نے اپنی مینوفیکچرنگ فیسیلٹیز

ملازمین کوان کی ذمہ داریوں سے آگاہ رکھنے اورانہیں باقاعدگی سے آگاہی فراہم کی جائے۔ ہنگامی مشقوں کے لئے آگ لگنے کی حقیقی زندگی پر مبنی صورتحال پیدا کی جاتی ہے اور فائر فائٹنگ کا اقدام AIL فائر فائٹر اور ریپڈ انٹروینشن وہیکل کی جانب سے انجام دیا گیا جسے تربیت یافتہ فائر فائٹرز نے آپریٹ کیا تھا۔

ہنگامی صورتحال کی تیاریوں اوراس کے ردعمل کے لئے آر آئی وی، کے وائی ٹی، سیفٹی ٹول باکس ٹاکس اور بنیادی لائف سپورٹ ٹریننگز کا محفوظ استعمال پورے سال کے دوران کیا گیا۔

ہفتہ تحفظ

18 سے 23 ستمبر 2023 تک ہفتہ تحفظ منایا گیا۔اس ایونٹ کا مقصد آفات کی نشاندہی، فائر سیفٹی، زیرو انجری کے ہدف اور رویوں کے تحفظ کے پیمانے کے بارے میں آگاہی کو فروغ دینا تھا۔اس کے علاوہ خطرات پر مبنی ہنگامی مشقیں مطلوبہ کنٹرول کے ساتھ منعقد کی گئیں۔ عملے نے موثر طور پر اس میں شرکت کی اورتمام پیچیدہ مشکلات اورمسائل اورانہیں حل کرنے کے عمل میں حصہ لیا۔

کارپوریٹ سماجی ذمہ داری (CSR)

ایگری آٹو معاشرے کی خدمت خلق پر یقین رکھتا ہے اور اپنے اسٹیک ہولڈرز، کمیونٹیز اور معاشرے کے پسماندہ افراد کے معیار زندگی کو بہتر بنانے کے لئے پُرعزم ہے۔کمپنی نے سال 2023-24 کے دوران سی ایس آر سرگرمیوں میں مجموعی طور پر 4.03 ملین روپے کی شراکت کی۔ ہمارے تمام کاروباری شعبوں پر مشتمل مختلف سرگرمیاں انجام دی گئیں۔ ان اقدامات کی بنیادی توجہ ہیلتھ کیئر، تعلیم، ماحولیات، ملازمین کی بہبود اور کمیونٹی کی بہتری پر تھی۔

ورکرز کوراشن کی تقسیم

کمپنی ہر سال ورکرز کوراشن اور ہیمپرز کو تقسیم کرتی ہے تاکہ ورکرز اوران کی اہل خانہ کی مدد ہو سکے۔

اعزازات اوراعتراف

مینجمنٹ ایکسیلینس ایوارڈ 2023

ایگری آٹو سیکورڈ رنراپ سرٹیفکیٹ 38 ویں کارپوریٹ ایکسیلینس ایوارڈز میں آٹوموبائیل اینڈ اسیسریز سیکٹر میں مینجمنٹ ایسوسی ایشن آف پاکستان کی جانب سے حاصل کیا (اکتوبر 2023)۔

ڈس ایبلٹی، انکلوژن اینڈ ایکسلینس ایوارڈ 2023 منجانب ای ایف پی

ایگری آٹو نے ایمپلائرز فیڈریشن آف پاکستان (ای ایف پی) کی جانب سے ڈس ایبلٹی۔انکلوژن اینڈ ایکسلینس ایوارڈ حاصل کیا، یہ ایوارڈ کام کرنے کے مقام پر AIL کی ڈس ایبلٹی کے ضمن میں شراکت اوراس کے عزم کوفروغ دینے کی کوششوں کا اعتراف تھا۔

آگے بڑھتے ہوئے ہم توقع کرتے ہیں کہ عالمی سطح پر ہمارے قدم مزید مضبوط ہوں گے۔ اس کے علاوہ شاک ابزار بر کی برآمد کے لئے بھی ہم ڈائی ڈیولپمنٹ بزنس کے سلسلے میں برآمدی آرڈر سال 2024-25 کیلئے ایگری آٹو اسٹیمپنگ کمپنی (اے ایس سی) پر حاصل کر چکے ہیں۔ مزید برآں اے ایس سی نے مقامی آٹو اسمبلرز کے لئے ڈائز کی تیاری کا بزنس بھی حاصل کیا ہے۔ سال کے دوران یہ ڈائز کامیابی سے تیار کر کے سپلائی کی گئیں۔

ہم اپنی ڈائی ڈیولپمنٹ صلاحیتوں، برآمدی اور درآمدی دونوں شعبوں کیلئے ایک اسٹراٹیجک برنس کو تشکیل دینے اور اسے مزید فروغ دینے کے ضمن میں اپنی مہارت کے بارے میں پُر اعتماد ہیں۔

بنیادی خطرات اور غیر یقینی صورتحال

کسی بھی کمپنی کے روزمرہ کے امور میں ایک مظبوط اور موثر رِسک مینجمنٹ سسٹم کا ہونا ضروری ہے۔ ایگری آٹو کمپنی کو درپیش خطرات سے آگاہ ہے اور اپنے اہداف کو حاصل کرتے ہوئے مارکیٹ میں بہتری اور آگے رہنے کے مواقع کی تلاش میں ہے۔ بورڈ آف ڈائریکٹرز رِسک مینجمنٹ کی اہمیت تسلیم کرتے ہیں اور کمپنی کے رِسک مینجمنٹ فریم ورک کو تیار کرنے اور اس کی نگرانی کرنے کے ساتھ ساتھ اس کی رِسک مینجمنٹ پالیسیوں کی تشکیل اور نگرانی میں فعال طور پر حصہ لیتے ہیں۔

سینئر مینجمنٹ پر مشتمل ایک کمیٹی جو کہ رِسک مینجمنٹ اور اسٹراٹیجک پلان کمیٹی کے نام سے جانی جاتی ہے، کمپنی کے رِسک مینجمنٹ اور اسٹراٹیجک پلان سے متعلق تمام مسائل کو وقفوں کے ساتھ باقاعدہ حل کرنے اور ان کا تعین کرنے کے لئے بھی قائم کی گئی ہے یہ کمیٹی درست، جامع اور بروقت معلومات فراہم کرتی ہے جو تمام سطحوں اور محکموں تک پہنچائی جاتی ہے تاکہ حکمت عملی کے ساتھ فیصلے کرنے میں مدد کی جاسکے۔ یہ خطرات کو رجسٹر کرنے کا انتظام کرتا ہے جس میں ایکسچینج رِسک، آپریشنل خطرات اور کنسنٹریشن خطرات شامل ہیں تاہم یہ محض اس تک محدود نہیں ہیں۔ مزید برآں یہ خطرات سے نمٹنے کی حد اور اس کی برداشت کے پیمانوں کے اندر رِسک کا بندوبست کرنے کے لئے موثر اقدامات کرتا ہے۔

صحت، حفاظت اور ماحولیات (ایچ ایس ای)

ایگری آٹو انڈسٹریز لمیٹڈ اپنے کاروبار کو مستحکم اور سماجی طور پر ذمہ دارانہ انداز میں چلانے کے لئے پوری طرح پُرعزم ہے۔ ایگری آٹو میں ہم اپنے ملازمین، ماحولیات اور ہماری سرگرمیوں سے متاثر ہونے والے دیگر لوگوں بشمول وہ کمیونٹیز جن میں ہم کام کرتے ہیں، ان کی صحت و حفاظت کا مکمل خیال رکھتے ہیں۔

کمپنی اپنے ملازمین، کنٹریکٹرز، مہمانوں اور دیگر اسٹیک ہولڈرز کو مناسب وسائل، تربیت اور کوچنگ تک رسائی کے قابل بنا کر معیار، صحت اور حفاظت کے کلچر کو فروغ دیتی ہے۔ انتظامیہ صحت، حفاظت اور ماحولیات سے متعلق تمام معاملات پر ورکرز کے ساتھ موثر مشاورت اور شرکت کی حوصلہ افزائی کرتی ہے اور متعلقہ قوانین اور ضوابط کی تعمیل کو یقینی بناتی ہے۔

اہم سرگرمیوں کی جھلکیاں درج ذیل ہیں:

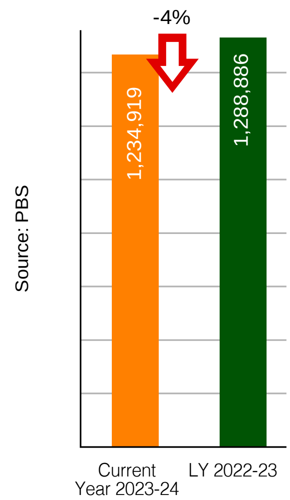
کروم پلیٹنگ کے عمل کا خودکار نظام

ہمارے سیفٹی بہتر بنانے کے اقدامات کے ایک حصے کے طور پر ہم نے خودکار کروم پلیٹنگ سسٹم (آٹو کروم پلیٹنگ) متعارف کرایا تاکہ کام کرنے کے مقام پر سیفٹی اور برق رفتاری کو فروغ دیا جائے۔ آٹومیشن نمایاں طور پر مہلک کیمیکلز کی براہِ راست ہینڈلنگ کی ضرورت کو کم کرنے، ایک محفوظ ماحول کو فروغ دینے میں معاون ہوتا ہے۔ یہ فزیکل طور پر مینوئل ہینڈلنگ کا سلسلہ کم کر کے فزیکل دباؤ کو کم کرنے کے ساتھ مستقل طور پر انجام دیئے جانے والے کاموں کیلئے زخمی ہونے کے رِسک کو دور کرتا ہے۔ خودکار نظام جدید ترین اسکربرز سے آراستہ ہے جو مستعدی سے مہلک فیومز اور ہوا میں پھیلنے والی آلودگی کو ضبط کر کے اسے نارمل بنانے، ہوا کی کوالٹی بہتر بنانے اور ورکر کی صحت کا تحفظ کرتا ہے۔ یہ اقدام ہمارے سیفٹی اقدامات کو مستقل طور پر بہتر بنانے اور ہمارے ملازمین کی بہبود کیلئے کیے جانے والے اقدامات کا عکاس ہے۔

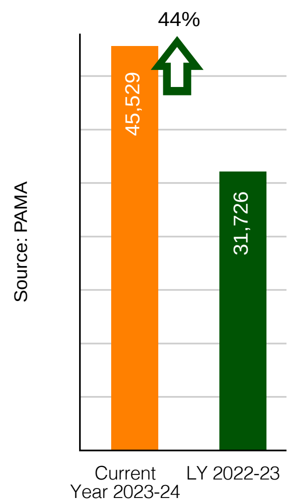
ہنگامی مشقیں، 5S اور سیفٹی

آگ بھڑکنے کی صورت میں ملازمین کے ردعمل اور ان کو تیار رکھنے کے ضمن میں آگ لگنے کی ہنگامی مشقیں مختلف شعبوں میں باقاعدگی سے منعقد کی جاتی ہیں تاکہ ہنگامی صورتحال کے دوران

موٹر سائیکل کی سالانہ کارکردگی



ٹریکٹرز کی سالانہ کارکردگی



مستقبل کا منظر نامہ

حالیہ معاشی اعداد و شمار اس امر کی نشاندہی کرتے ہیں کہ مہنگائی میں کمی کا رجحان برقرار رہے گا جس سے اسٹیٹ بینک شرح سود میں کمی کر سکے گا جس کی اس وقت صنعتی پیداوار اور بڑھتی ہوئی طلب کی بحالی کے لئے اشد ضرورت محسوس کی جا رہی ہے۔

پاکستان اس وقت آئی ایم ایف کے تازہ طویل مدتی پروگرام میں شامل ہونے کے مرحلے پر ہے جو کئی کثیر نوعیتی، باہمی شراکت کاروں سے غیر ملکی کرنسی کے انفلوز کو یقینی بنانے کے ساتھ غیر ملکی زرمبادلہ کے ذخائر کیلئے معاونت فراہم کرے گا اور حکومت پاکستان کو درآمدی پابندیاں اٹھانے میں مناسب سہولت مل سکے گی۔

آٹو انڈسٹری ڈیولپمنٹ پلان 21-2016(AIDP) کے تحت حاصل کردہ مراعات مارکیٹ میں نئے اداروں کے ذریعے مختلف نئے ماڈلز کو متعارف کرانے کا باعث بنیں۔ اگرچہ یہ تنوع ابتدائی طور پر امید افزاء ظاہر ہوا لیکن اس کے نتیجے میں ہر ایک ماڈل کیلئے پروڈکشن کے کم حجم کے

ساتھ مارکیٹ بھرپور دکھائی دی۔ اس منظرنامے سے پارٹس کی مقامی اہمیت کیلئے چیلنجز ظاہر ہوئے جیسا کہ کم تر حجم سے مقامی سطح پر سرمایہ کاری کا جواز پیدا نہیں ہوتا۔

اس بحران میں الیکٹرک وہیکلز کے آ جانے سے مزید اضافہ ہوا، جو کہ عالمی سطح پر اپنی بڑھتی ہوئی موجودگی کے باوجود مقامی مارکیٹ میں وسیع پیمانے پر قبول نہیں کی گئی تھی۔ ای ویز کے اثرات مقامی سطح پر ان کے کمپونینٹس کی وجہ سے بدستور بے یقینی کا شکار ہیں اور اس شعبے میں سرمایہ کاری سے متعلق فیصلوں کو مزید پیچیدہ بنا رہے ہیں۔

ان عناصر کو سامنے رکھتے ہوئے ہماری کمپنی کی انتظامیہ نے اوریجنل ایکوپمنٹ مینوفیکچررز (او ای ایمز) کے لئے پارٹس کی ڈیولپمنٹ میں سرمایہ کاری کے ضمن میں بہت احتیاط برتی ہے۔ اس کے باوجود ہم اپنے ان کرنٹ آٹو اسمبلر پارٹنرز کیلئے چند ترقیاتی سرگرمیوں میں مصروف ہیں، جو مستقبل قریب میں نئی مصنوعات متعارف کرانے کے عمل سے گزر رہے ہیں۔ یہ منتخب طریقہ کار ہمیں خطرات سے نمٹنے کیلئے محتاط طریقہ کار کے ضمن میں توازن برقرار رکھنے کی صلاحیت فراہم کرتا ہے۔

سال کیلئے کلیدی نکات

1) تنوع

پاور سیکٹر میں کمپنی نے ایک پاور ڈسٹری بیوٹر کمپنی کے ساتھ شراکت کی ہے تاکہ ان پروڈکٹس کی شناخت کی جائے جو کہ مقامی سطح/متبادل امپورٹ کیلئے نہایت اہمیت کی حامل ہوں تاکہ مجموعی طور پر اس کا فائدہ ملک کو پہنچایا جا سکے۔

2) بعد از مارکیٹ پر توجہ

او ای کاروبار میں مستقل طور پر کمی کے ساتھ کمپنی نے اپنی توجہ متبادل مارکیٹ پر بڑھائی ہے۔ سال کے دوران کمپنی نے کامیابی کے ساتھ بعد از مارکیٹ پورٹ فولیو کے لئے متعدد نئے ماڈلز کا اضافہ کیا ہے۔ اس اضافے کے ساتھ کمپنی نے آنے والے سالوں میں متعدد دیگر ماڈلز متعارف کرانے کیلئے بھی مارکیٹ اسٹیڈیز کا انعقاد کیا۔

3) برآمدی اقدام

سال 24-2023 میں اگیری آٹو انڈسٹریز لمیٹڈ نے برآمدی محاذ پر ایک نمایاں کامیابی حاصل کی اور کامیابی کے ساتھ 100,000 امریکی ڈالر مالیت کی اشیاء برآمد کیں۔

سال کے دوران بورڈ آف ڈائریکٹرز کے 6 (چھ) اجلاس منعقد ہوئے، بورڈ آڈٹ کمیٹی اور رِسک مینجمنٹ کمیٹی کے 4 (چار) اجلاس، اور ہیومن ریسورس اینڈ ریمونریشن کمیٹی (HR&R) کے 3 (تین) اجلاس منعقد ہوئے۔ڈائریکٹرز کی شرکت درج ذیل میں دی گئی ہے:

نمبر شمار	ڈائریکٹرز کے نام	بورڈ آف ڈائریکرز کے اجلاس
1	جناب یوٹا کا آر آئے۔چیئرمین	6
2	جناب فہیم کپاڈیا	6
3	جناب حمزہ حبیب	5
4	جناب سہیل پی۔احمد	6
5	جناب سلمان برنی	5
6	محترمہ عائشہ ٹی۔حق	5
7	محمد علی جمیل*	1
8	جناب عقیل ای۔مرچنٹ**	4

نمبر شمار	ڈائریکٹرز کے نام	آڈٹ اور رسک مینجمنٹ کمیٹی کے اجلاس
1	جناب سہیل پی۔احمد	4
2	محترمہ عائشہ ٹی۔حق	3
3	جناب عقیل ای۔مرچنٹ**	3

نمبر شمار	ڈائریکٹرز کے نام	ہیومن ریسورس اینڈ ریمونریشن کمیٹی کے اجلاس
1	جناب یوٹا کا آرائے	3
2	جناب فہیم کپاڈیا	3
3	جناب سہیل پی۔احمد	3
4	جناب سلمان برنی	3
5	جناب عقیل ای۔مرچنٹ**	2

* جناب محمد علی جمیل نے 25 اگست 2023 کو استعفیٰ دے دیا تھا، ان کے استعفے سے قبل بورڈ کی صرف ایک میٹنگ منعقد کی گئی تھی۔

** جناب عقیل ای مرچنٹ 23 اکتوبر 2023 کو بورڈ کے لئے منتخب کیے گئے۔

پاکستان کی معیشت

پاکستان کی معیشت نے سیاسی کشیدگی، ریکارڈ بلند افراطِ زر اور غیر معمولی شرح سود کے تناظر میں لچک کا مظاہرہ کیا، پورے سال کے دوران بنیادی معاشی اشاریوں میں بتدریج بہتری کا سلسلہ جاری رہا جس کی بڑی وجہ جس کی بڑی وجہ آئی ایم ایف پروگرام کے ذریعے نافذ کی جانے والی محتاط مالی اور مالیاتی پالیسیاں ہیں۔

سال 2023-24 کے دوران حکومت نے درآمدات کو کنٹرول کرنے کیلئے سخت انتظامی اور پالیسی پابندیاں لگانا جاری رکھیں، اس کے نتیجے میں ملک میں کرنٹ اکاؤنٹ خسارہ **681 ملین** امریکی ڈالر کی نمایاں حد تک کم ہوا اس کے مقابلے میں گزشتہ سال کا خسارہ **3.275 بلین** امریکی ڈالر کے مقابلے میں 79 فیصد کم ہے۔

کرنٹ اکاؤنٹ خسارہ اب جی ڈی پی کے 0.2 فیصد کی سطح پر موجود ہے جو گزشتہ 13 سالوں میں کم ترین سطح ہے۔کریڈٹ اکاؤنٹ خسارے (سی اے ڈی) میں اس کمی سے امریکی ڈالر (یو ایس ڈی) کے مقابلے میں پاک روپے (پی کے آر) کو مستحکم کرنے میں مدد ملی اور اس کے ساتھ صنعتی پیداوار کی لاگت میں بھی کمی آئی۔زرعی کارکردگی بھی مثبت سطح پر برقرار رہنے سے جی ڈی پی گروتھ میں معاونت ملی۔

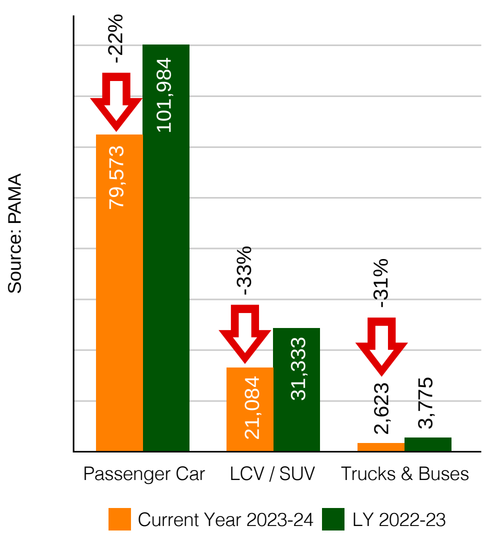
پاکستان آئی ایم ایف کے طویل مدتی توسیع شدہ پروگرام میں شامل ہونے کا منتظر ہے جس کیلئے حکومت پاکستان (جی او پی) کو ایک مارکیٹ پر مبنی زرمبادلہ کے نرخوں کی رجیم پر عملدرآمد جاری رکھنے، مالی اخراجات میں کمی کرنے اور فاسٹ ٹریک اسٹرکچرل اصلاحات پر عمل کرنا ہوگا تاکہ توانائی کے شعبے کے سرکلر ڈیٹ پر قابو پایا جائے۔

اب تک حکومت نرخوں میں اضافے اور سبسڈیز کے خاتمے کے ذریعے انرجی سیکٹر میں سرکلر ڈیبٹ پر قابو پانے کے لئے اقدامات کرتی آئی ہے۔اگرچہ یہ اقدامات مناسب ہیں تاہم ملک کو طویل مدتی معاشی استحکام کی راہ میں حائل رکاوٹوں کو دور کرنے کے لئے انرجی کی لاگت میں کمی کی صلاحیت حاصل کرنی ہوگی جس کے ذریعے اس کی صنعتی عالمی سطح کے مقابلے میں مزید مسابقتی ہوجائیں گی۔

آٹو انڈسٹری

پورے سال کے دوران پاکستان کی معیشت غیر ملکی زرمبادلہ کی قلت سے دوچار رہی جس کے آٹو سیکٹر پر مضر اثرات مرتب ہونے سے چیلنجز کا سامنا رہا۔کمپنیوں کو خام مال کے حصول، حد سے زیادہ قرضے کی شرح نے مجموعی طلب کو کم کردیا۔مزید برآں سینٹرل بینک کی آٹو فنانسنگ پر حدود اور 4 ملین روپے سے زائد مالیت کی کاروں پر 25 فیصد سیلز ٹیکس کے نفاذ نے صورتحال کو مزید متاثر کیا، اس کے نتیجے میں سال کے دوران کئی پلانٹ بند ہوگئے اور حجم میں نمایاں حد تک کمی آگئی۔

4 وہیلر کی سالانہ کارکردگی



ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز

30 جون 2024 کوختم ہونے والے سال کیلئے

اگیری آٹو انڈسٹریز لمیٹڈ کے ڈائریکٹرز 30 جون 2024 کوختم ہونے والے سال کے لئے کمپنی کے آڈٹ شدہ مالیاتی گوشواروں کو پیش کرنے میں خوشی محسوس کرر ہے ہیں۔

کمپنی کی بنیادی سرگرمیاں

اگیری آٹو انڈسٹریز لمیٹڈ ایک پبلک لمیٹڈ کمپنی ہے جس کی تشکیل 1981 میں ہوئی اور پاکستان اسٹاک ایکسچینج میں اندراج شدہ ہے۔ کمپنی نجی شعبہ میں گاڑیوں، موٹر سائیکلوں اور زرعی ٹریکٹروں کے پُرزوں کی تیاری میں نمایاں حیثیت رکھتی ہے۔

مالیاتی اور کاروباری کارکردگی

مجموعی نتائج

مجموعی طور پر کمپنی کی سیلز میں گزشتہ سال کی نسبت 2.64 فیصد تک کا اضافہ دیکھا گیا اور یہ سیلز سال 2024 میں 8.53 بلین روپے پر بند ہوئی۔ کمپنی کو 347.5 ملین روپے کا خسارہ ہوا جبکہ اس کے مقابلے میں گزشتہ سال 173.28 ملین روپے کا خسارہ ہوا تھا۔ سال کیلئے یہ خسارہ بنیادی طور پر مسافر کاروں کی پیداوار اور فروخت میں بڑے پیمانے پر کمی کی وجہ سے ہوا۔

	2024	2023
	----- روپے ہزاروں میں -----	
فروخت	8,534,184	8,314,517
مجموعی منافع	388,520	542,184
خسارہ قبل از لیویز اور انکم ٹیکس	(314,660)	(126,308)
لیویز اور انکم ٹیکس	(32,842)	(46,972)
خسارہ بعد از ٹیکسیشن	(347,502)	(173,280)
خسارہ فی شیئر (روپے)	(9.65)	(4.81)

جزوی مالیاتی نتائج

مالی سال 2024 کے دوران سال کے لئے سیلز 5.92 بلین روپے پر بند ہوئی جو گزشتہ سال کے مقابلے میں 11.1 فیصد کے اضافے کو ظاہر کرتی ہے۔ کمپنی نے 275.72 ملین روپے کا خسارہ بعد از ٹیکس ظاہر کیا جبکہ اس کے مقابلے میں گزشتہ سال میں 44.28 ملین روپے کا خسارہ ظاہر کیا گیا تھا۔ جس میں 228 ملین روپے تک ذیلی ادارے کی رقم سے منافع منقسمہ شامل تھا۔ سال کے لئے خسارہ بنیادی طور پر آٹوموٹیو سیکٹر میں گراوٹ، معیشت اور صنعت میں افراطِ زر کے بڑھتے ہوئے دباؤ کی وجہ سے ہے۔

	2024	2023
	----- روپے ہزاروں میں -----	
فروخت	5,927,227	5,336,118
مجموعی منافع	207,825	218,819
خسارہ قبل از لیویز اور انکم ٹیکس	(267,158)	(32,604)
لیویز اور انکم ٹیکس	(8,560)	(11,679)
خسارہ بعد از ٹیکس	(275,718)	(44,283)
خسارہ فی شیئر (روپے)	(7.66)	(1.23)

منافع منقسمہ اور منافع کا اختصاص

بورڈ آف ڈائریکٹرز نے 24 اکتوبر 2024 کو منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں حصص یافتگان کی منظوری کیلئے کسی منافع منقسمہ کی سفارش نہیں کی ہے۔

بورڈ آف ڈائریکٹرز

ختم شدہ سال پر کمپنی کے بورڈ آف ڈائریکٹرز درج ذیل ہیں:

جناب یوٹا کا آرائے۔ چیئر مین
جناب فہیم کپاڈیا۔ چیف ایگزیکٹو
جناب حمزہ حبیب
جناب سہیل پی۔احمد
جناب سلمان برنی
محترمہ عائشہ ٹی۔حق
جناب عقیل ای۔مرچنٹ

بورڈ کی تشکیل

جنس	تعداد
مرد	6
خاتون	1

درجہ بندی	نام
نان۔ایگزیکٹو ڈائریکٹرز	جناب یوٹا کا آرائے۔ چیئر مین جناب حمزہ حبیب جناب سہیل پی۔احمد جناب سلمان برنی
ایگزیکٹو ڈائریکٹر	جناب فہیم کپاڈیا۔ چیف ایگزیکٹو
آزاد ڈائریکٹرز	محترمہ عائشہ ٹی۔حق (خاتون ڈائریکٹر) جناب عقیل ای۔مرچنٹ

The Year at a Glance


agriauto


agriauto

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

Agriauto Industries Limited
For the year ended June 30, 2024

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 7 as per the following:

   a. Male: - 06

   b. Female: - 01

2. The composition of the Board is as follows:

Category	Name
Independent Directors*	Ms. Ayesha T. Haq (Female Director) Mr. Aqueel E. Merchant
Non-Executive Directors	Mr. Yutaka Arae (Chairman) Mr. Hamza Habib Mr. Salman Burney Mr. Sohail P. Ahmed
Executive Director	Mr. Fahim Kapadia (Chief Executive)

   *In a Board comprising 7 members, one-third works out to be 2.33, which is below half (i.e. 0.5). The fraction contained in such one-third is not rounded up to one as the Company has experienced and well-rounded independent directors on the Board who perform and carry out their responsibilities diligently.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;

4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. All of the directors have either completed Directors' Training program or are exempt from doing so under these regulations. During the year, the Board has arranged Directors' Training Programs for the following individuals:

Name	Designation
Mr. Aqueel E. Merchant Mr. Omar Razzaq	Independent Director Director - Technical Department

10. The Board has approved the appointment and change in remuneration of chief financial officer and company secretary. A new appointment of head of internal audit has taken place during the year. The Board has complied with relevant requirements of the Regulations;

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:

    a) Board Audit and Risk Management Committee

    – Mr. Aqueel E. Merchant — Chairman
    – Mr. Sohail P. Ahmed — Member
    – Ms. Ayesha T. Haq — Member

b) Board HR and Remuneration Committee

– Mr. Aqueel E. Merchant	Chairman
– Mr. Yutaka Arae	Member
– Mr. Fahim Kapadia	Member
– Mr. Salman Burney	Member
– Mr. Sohail P. Ahmed	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings of the committee were as per following:

    a) Board Audit and Risk Management Committee - Four quarterly meetings
    b) Board HR and Remuneration Committee - Three meetings

15. The Board has outsourced the internal audit function to M/s. Noble Computer Services (Private) Limited who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

S.No.	Requirement	Explanation	Regulation No.
1.	The Board may constitute a separate committee, designed as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	The responsibilities as prescribed for the nomination committee are being taken care of at the Board level, as and when needed, therefore a separate committee is not considered to be necessary by the Board.	29
2.	The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	The Board has formed Audit and Risk Management Committee to address risk management framework at the Company's level.	30
3.	The Company may post on its website key elements of its significant policies including but not limited to the following: i. Communication and disclosure policy; ii. Code of conduct for members of board of directors, senior management and other employees; iii. Risk management policy; iv. Internal control policy; v. Whistle blowing policy; vi. Corporate social responsibility / sustainability / environmental, social and governance related policy; and vii. policies for promoting DE&I and protection against harassment at the workplace.	As the regulation provides option for the disclosure of key elements of significant policies on the Company's website, only those policies which were considered necessary by management, have been posted on the website.	35 (1)
4.	Role of the Board and its members to address sustainability risks and opportunities, whereby the Board is also encouraged to adopt SECP's ESG Disclosure Guidelines, in addition to certain other requirements as laid down in SRO 920 (I)/2024 dated June 12, 2024.	Currently, management is assessing these amendments / requirements and compliance thereof, as applicable, will be ensured in due course.	10A

YUTAKA ARAE
Chairman / Director

FAHIM KAPADIA
Chief Executive

Dated: September 05, 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Agriauto Industries Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Agriauto Industries Limited ('the Company') for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: September 23, 2024
UDIN: CR202410081TxRuJ7XP3

INDEPENDENT AUDITOR'S REPORT

To the members of Agriauto Industries Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Agriauto Industries Limited (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2024, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of-cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the Key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
(i)	**Revenue from contracts with customers** As disclosed in note 25 to the accompanying unconsolidated financial statements, the Company recognized revenue aggregating to Rs. 5,927.23 million, net of taxes, for the year ended June 30, 2024. The Company is engaged in the manufacturing and sale of components for automotive vehicles, motor cycles and agricultural tractors. Revenue is recognised when the performance obligation is satisfied by transferring control of a promised goods to a customer. We considered revenue recognition as a key audit matter as it is one of the key performance indicators of the Company. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.	We performed, amongst others, the following audit procedures: • Assessed the design, implementation and operating effectiveness of the key internal controls involved in revenue recognition. • Understood and evaluated the accounting policy with respect to revenue recognition. • Tested, revenue transactions, on a sample basis, with underlying documentation including goods delivery notes and sales invoices. • Tested, on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue was recognised in the correct period. • Assessed the adequacy of disclosures made in the unconsolidated financial statements related to revenue.

Information Other than the Unconsolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the unconsolidated financial statements and our auditor's report thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

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Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter

The unconsolidated financial statements of the Company for the year ended June 30, 2023 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon, vide their report dated September 7, 2023.

The engagement partner on the audit resulting in this independent auditor's report is **Khattab Muhammad Akhi Baig**.

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: September 23, 2024
UDIN: AR202410081kHftZ7oT6

Financial Statements Unconsolidated

For the year ended June 30, 2024

Unconsolidated Statement of Financial Position
As at June 30, 2024

	Note	2024	2023
		--------- (Rupees in '000) ---------	
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	**1,789,153**	1,859,965
Right-of-use assets	5	**2,376**	2,227
Intangible assets	6	**33,615**	54,459
Long-term investment	7	**1,144,006**	1,144,006
Long-term deposits	8	**11,022**	9,022
Deferred taxation - net	9	**149,398**	83,908
		3,129,570	3,153,587
Current Assets			
Stores, spares and loose tools	10	**119,939**	129,303
Stock-in-trade	11	**1,518,452**	1,788,694
Trade debts - unsecured	12	**803,121**	505,492
Advances, deposits, prepayments and other receivables	13	**294,652**	343,407
Short-term investments	14	**39,526**	38,928
Taxation - net		**344,690**	317,497
Cash and bank balances	15	**131,038**	89,528
		3,251,418	3,212,849
TOTAL ASSETS		**6,380,988**	6,366,436
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital			
40,000,000 (2023: 40,000,000) ordinary shares of Rs. 5/- each		**200,000**	200,000
Issued, subscribed and paid-up capital	16	**180,000**	180,000
Reserves		**4,021,206**	4,296,924
		4,201,206	4,476,924
Non-Current Liabilities			
Lease liabilities	17	**1,906**	–
Long-term financing - secured	18	**294,418**	367,198
Deferred income	19	**15,199**	15,856
		311,523	383,054
Current Liabilities			
Trade and other payables	20	**1,234,528**	1,207,062
Current maturity of lease liabilities	17	**574**	3,387
Current maturity of long-term financing	18	**83,615**	101,936
Current maturity of deferred income	19	**2,259**	4,528
Sales tax payable		**45,186**	25,476
Warranty obligations	21	**126,762**	127,504
Unpaid dividend	22	**3,819**	6,748
Unclaimed dividend	22	**30,113**	27,666
Short-term finance - secured	23	**341,403**	2,151
		1,868,259	1,506,458
CONTINGENCIES AND COMMITMENTS	24		
TOTAL EQUITY AND LIABILITIES		**6,380,988**	6,366,436

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

DIRECTOR	CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER

Unconsolidated Statement of Profit or Loss
For the year ended June 30, 2024

	Note	2024	(Restated) 2023
		---------(Rupees in '000)---------	
Turnover - net	25	**5,927,227**	5,336,118
Cost of sales	26	**(5,719,402)**	(5,117,299)
Gross profit		**207,825**	218,819
Distribution and marketing expenses	27	**(129,330)**	(94,984)
Administrative expenses	28	**(261,250)**	(242,084)
		(390,580)	(337,068)
Operating loss		**(182,755)**	(118,249)
Other expenses	29	**(3,356)**	(98,768)
Other income	30	**32,543**	259,322
Finance costs	31	**(113,590)**	(74,909)
		(84,403)	85,645
Loss before levies and income tax		**(267,158)**	(32,604)
Levies (minimum tax and final tax)	32	**(74,050)**	(66,694)
Loss before income tax		**(341,208)**	(99,298)
Taxation	33	**65,490**	55,015
Loss after taxation for the year		**(275,718)**	(44,283)
		------------(Rupees)------------	
Loss per share - basic and diluted	34	**(7.66)**	(1.23)

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

DIRECTOR	CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER

Unconsolidated Statement of Comprehensive Income
For the year ended June 30, 2024

	2024	2023
	--------- (Rupees in '000) ---------	
Loss after taxation for the year	**(275,718)**	(44,283)
Other comprehensive income / (loss)	**–**	–
Total comprehensive loss for the year	**(275,718)**	(44,283)

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

DIRECTOR **CHIEF EXECUTIVE** **CHIEF FINANCIAL OFFICER**

Unconsolidated Statement of Changes in Equity

For the year ended June 30, 2024

	Issued, subscribed and paid-up capital	Reserves				Total equity
		Capital reserve	Revenue reserves		Total reserves	
		Share premium	General (note 16.3)	Unappropriated profit / (loss)		
	(Rupees in '000)					
Balance as at July 01, 2022	144,000	12,598	3,965,000	399,609	4,377,207	4,521,207
Transfer to general reserve	–	–	300,000	(300,000)	–	–
Transaction with owners in the capacity as owners directly recorded in equity						
Issue of bonus shares	36,000	–	–	(36,000)	(36,000)	–
Total comprehensive loss for the year ended June 30, 2023						
Loss for the year	–	–	–	(44,283)	(44,283)	(44,283)
Other comprehensive income / (loss) for the year	–	–	–	–	–	–
	–	–	–	(44,283)	(44,283)	(44,283)
Balance as at June 30, 2023	180,000	12,598	4,265,000	19,326	4,296,924	4,476,924
Total comprehensive loss for the year ended June 30, 2024						
Loss for the year	–	–	–	(275,718)	(275,718)	(275,718)
Other comprehensive income / (loss) for the year	–	–	–	–	–	–
	–	–	–	(275,718)	(275,718)	(275,718)
Balance as at June 30, 2024	180,000	12,598	4,265,000	(256,392)	4,021,206	4,201,206

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

DIRECTOR **CHIEF EXECUTIVE** **CHIEF FINANCIAL OFFICER**

Unconsolidated Statement of Cash Flows

For the year ended June 30, 2024

	Note	2024	(Restated) 2023
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	35	**205,451**	1,044,890
Long-term deposits paid		**(2,000)**	(959)
Finance cost paid		**(116,883)**	(70,867)
Minimum and income tax paid/adjusted		**(101,243)**	(58,037)
Warranty claims paid	21.1	**(10,305)**	(9,489)
Royalty paid	20.4	**(38,205)**	(16,920)
Short-term finance obtained during the year		**113,361**	–
Net cash generated from operating activities		**50,176**	888,618
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		**(174,882)**	(773,988)
Proceeds from disposal of operating fixed assets		**24,700**	14,384
Profit received on short-term investments - term deposit receipts		**6,625**	5,254
Profit received on deposit accounts		**3,663**	3,198
Purchase of term deposit receipts		**–**	(38,000)
Dividend received		**–**	228,802
Net cash used in investing activities		**(139,894)**	(560,350)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		**(482)**	(899)
Lease payments		**(3,447)**	(3,276)
Long-term financing obtained during the year		**–**	507,769
Long-term financing repaid during the year		**(88,414)**	(107,131)
Net cash (used in) / generated from financing activities		**(92,343)**	396,463
Net (decrease) / increase in cash and cash equivalents		**(182,061)**	724,731
Cash and cash equivalents at the beginning of the year		**87,377**	(637,354)
Cash and cash equivalents at the end of the year	36	**(94,684)**	87,377

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

DIRECTOR | **CHIEF EXECUTIVE** | **CHIEF FINANCIAL OFFICER**

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

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, 3-J.C.H.S., Block 7/ 8, Main Shahrah-e-Faisal, Karachi.

1.2 Geographical location and addresses of all the business units are as under:

Location	Business unit
Karachi	
5th Floor, House of Habib, 3-J.C.H.S., Block 7/8, Main Shahrah-e-Faisal.	Registered Office
Hub	
Mouza Baroot, Hub Chowki, District Lasbella, Balochistan.	Manufacturing Facility

1.3 These unconsolidated financial statements are separate 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 BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

2.2 Basis of measurement

2.2.1 These unconsolidated financial statements have been prepared under the historical cost convention except otherwise specified in respective notes to the unconsolidated financial statements.

2.2.2 These unconsolidated financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

2.3 Standards, interpretations, improvements and amendments applicable to unconsolidated financial statements

2.3.1 Amendments to approved accounting and reporting standards that became effective during the year

There are certain new and amended standards, issued by the International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after July 1, 2023 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these unconsolidated financial statements, except for the following:

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

i. Amendment to IAS 1 "Presentation of financial statements" (IAS 1)

This amendment aims to help entities in providing accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about the accounting policy disclosures. This amendment only had an impact on the Company’s disclosures of accounting policies, but not on the measurement, recognition or presentation of any item in these unconsolidated financial statements.

ii. Interpretation on IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes

The Institute of Chartered Accountants of Pakistan has issued application guidance on accounting for minimum and final taxes vide its Circular No. 07/2024 dated May 15, 2024 (the Guidance).

Accordingly, effective from July 1, 2023 the Company has changed its accounting policy to recognise such taxes as 'levies' which were previously being recognised as 'income tax'. This change has been accounted for retrospectively in line with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures in the unconsolidated statement of profit and loss and other comprehensive income and unconsolidated statement of cash flows have been restated. The change has no impact on loss after tax or loss per share of the Company.

	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	----------	(Rupees in ‘000)	----------
EFFECT ON THE UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
For the year ended June 30, 2024			
Levies - minimum tax and final tax	–	(74,050)	(74,050)
Loss before income tax	(267,158)	(74,050)	(341,208)
Taxation - Income tax	(8,560)	74,050	65,490
EFFECT ON THE UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
For the year ended June 30, 2023			
Levies - minimum tax and final tax	–	(66,694)	(66,694)
Loss before income tax	(32,604)	(66,694)	(99,298)
Taxation - Income tax	(11,679)	66,694	55,015

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

2.3.2 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Company's accounting period beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Company's unconsolidated financial statements except for:

– the new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit or Loss and Other Comprehensive Income' with certain additional disclosures in the financial statements.

– amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities and financial assets.

2.4 Material accounting policy information

2.4.1 Current versus non-current classification

The Company presents assets and liabilities in the unconsolidated statement of financial position based on current / non-current classification. An asset is current when it is:

– expected to be realised or intended to be sold or consumed in the normal operating cycle;

– held primarily for the purpose of trading;

– expected to be realised within twelve months after the reporting period; or

– cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

– expected to be settled in the normal operating cycle;

– held primarily for the purpose of trading; or

– due to be settled within twelve months after the reporting period.

2.4.2 Property, plant and equipment

Operating fixed assets

These are stated at cost less accumulated depreciation and impairment loss, if any, except for freehold land which is stated at cost, less impairment, if any.

Depreciation on operating fixed assets is charged to the unconsolidated statement of profit or loss applying the reducing balance method at the rates specified in note 4.1 to these unconsolidated financial statements. Depreciation on additions is charged from the month of addition and in case of disposal, prior to the month of disposal. Maintenance and normal repairs are charged to unconsolidated statement of profit or loss as and when incurred, while major renewals and improvements are capitalised.

Disposal of an item of operating fixed assets is recognised when significant risk and rewards, incidental to the ownership of that asset, have been transferred to the buyer. Gains and losses on disposals are determined by comparing the carrying amount of that asset with the sales proceeds and are recognised within ‘other income/other expenses’ in the unconsolidated statement of profit or loss.

The carrying values of assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or related cash-generating units are written down to their recoverable amount.

Capital work-in-progress

These are stated at cost less impairment in value, if any. Capital work-in-progress consist of expenditure incurred and advance made in respect of operating fixed assets in the course of their construction and installation.

2.4.3 Right-of-use assets and related liabilities

The Company assesses at contract inception whether a contract is, or contains, a lease, i.e. if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.4.3.1 Right-of-use-assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received as applicable.

Right-of-use-assets are depreciated on a straight-line basis over the lower of the lease term and the estimated useful lives of the assets as specified in note 5 to these unconsolidated financial statements. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

2.4.3.2 Lease liabilities

The Company applies a single recognition and measurement approach for all leases, except for short-term leases, if any. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The extension and termination options are incorporated in the determination of the lease term only when the Company is reasonably certain to exercise these options.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the commencement date of the lease, if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

2.4.4 Intangible assets

These are stated at cost less accumulated amortisation and impairment loss, if any.

Costs in relation to intangible assets are only capitalised when it is probable that future economic benefits attributable to that asset will flow to the Company and the same is amortised applying the straight line method at the rate disclosed in note 6 to these unconsolidated financial statements.

Research and development expenditure that do not meet the criteria mentioned in IAS 38 'Intangible Assets' are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Such expenses are charged to the unconsolidated statement of profit or loss, as and when incurred.

The assets' residual values, useful lives and amortisation methods are reviewed at each reporting date, and adjusted if material.

2.4.5 Stores, spares and loose tools

Stores, spares and loose tools are stated at lower of cost and net realisable value. The cost is determined by the weighted moving average cost method except for those in transit which are valued at purchase price, freight value and other charges incurred thereon upto the reporting date.

Net realisable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred to make the sale.

2.4.6 Stock-in-trade

Stock-in-trade, except goods-in-transit, is stated at the lower of net realisable value (NRV) and cost determined as follows:

Raw and packing materials	Moving average basis, cost of raw materials comprises of purchase price plus import duties and taxes (other than those that are subsequently recoverable).
Work-in-process	Cost of direct materials plus conversion cost valued on the basis of equivalent production units.
Finished goods	Cost of finished goods comprises of direct materials plus conversion cost valued on time proportion basis.

Goods-in-transit are valued at purchase price, freight value and other charges incurred thereon upto the reporting date.

Stock-in-trade is regularly reviewed by management and obsolete items, if any, are brought down to their NRV. NRV signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.4.7 Trade debts and other receivables

Trade debts and other receivables are classified as financial assets at amortised cost.

Trade debts and other receivables are recognised and carried at original invoice amount (unless there is a significant financing component) less an estimated allowance made for doubtful debts and receivables based on the 'Expected Credit Loss' (ECL) model. Balances considered bad and irrecoverable are written off when identified. Subsequent recoveries of amounts previously written off are credited in the unconsolidated statement of profit or loss.

2.4.8 Investment in subsidiary company

Investment in subsidiary is stated at cost less accumulated impairment, if any.

2.4.9 Cash and cash equivalents

For the purpose of unconsolidated statement of cash flows, cash and cash equivalents comprise of cash in hand, bank balances, readily encashable investments and short-term running finance that is repayable on demand and forms an integral part of the Company's cash management. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

2.4.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The financial assets of the Company mainly include trade debts, deposits, short-term investments, other receivables and cash and bank balances.

On initial recognition, a financial asset is classified as measured at amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or Fair Value through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Based on the business model of the Company, the financial assets of the Company are measured and classified under IFRS 9 as follows:

Trade debts, short-term investments and other financial assets are measured at amortised cost using the effective interest rate method less an allowance for expected credit losses, if any.

Derecognition

A financial asset, a part of a financial asset or part of a group of similar financial assets is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either the Company has transferred substantially all the risks and rewards of the asset or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On derecognition of a financial asset, in its entirety, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in the unconsolidated statement of profit or loss.

Financial liabilities

The financial liabilities of the Company mainly include long-term financing, short-term finance and trade creditors. All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs. For the purpose of subsequent measurement, financial liabilities are either classified at amortised cost or fair value through profit or loss. The Company does not have any financial liability at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the unconsolidated statement of profit or loss.

Impairment of financial assets - allowance for expected credit losses

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive.

At each date of statement of financial position, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset. The Company considers a financial asset in default when contractual payments are 90 days past due and it is subsequently written off when there is no reasonable expectation of recovering the contractual cash flows. This definition is based on the Company's internal credit risk management policy.

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and contract assets. The Company applies the simplified approach to recognise life time expected credit losses for trade debts while general 3 - stage approach for other financial assets i.e. to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the unconsolidated statement of financial position if there is currently an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.4.11 Impairment of non-financial assets

The carrying amounts of non-financial assets other than stock-in-trade, stores, spares and loose tools and deferred tax assets are assessed at date of unconsolidated statement of financial position to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the unconsolidated statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets.

2.4.12 Levies

The Company considers unrecoupable minimum taxes in excess of normal tax liability and tax deducted at source under final tax regime are out of scope of IAS 12 'Income Taxes' and fall in the ambit of IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

2.4.13 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or minimum tax on turnover or Alternate Corporate Tax whichever is higher in accordance with the provisions of the Income Tax Ordinance, 2001 ('the Ordinance'). The minimum tax under section 113 which is not recoupable is classified under levies. The Company has opted for Group Taxation under section 59AA of the Ordinance. The Group consists of Agriauto Industries Limited (the Holding Company) and Agriauto Stamping Company (Private) Limited - wholly owned subsidiary.

Deferred

Deferred tax is recognised using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts appearing in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the temporary differences will reverse in the future and taxable income will be available against which the temporary differences can be utilised.

Deferred tax is recognised for tax losses, minimum tax, alternative corporate tax and depreciation available for carry forward to the extent of realisation of the related tax benefit through future taxable profits, based on projections, is probable. The carrying amount of deferred tax assets is reviewed at each unconsolidated statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the unconsolidated statement of financial position date.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

2.4.14 Warranty obligations

A provision is recognised for expected warranty claims on products sold, based on past experience of the level of repairs and returns and recognises the estimated product warranty costs in the unconsolidated statement of profit or loss when the sale is recognised. It is expected that these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties are based on current sales levels and current information available about returns based on the warranty period for all products sold.

2.4.15 Contingent liabilities

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measure with sufficient reliability.

The assessment of contingent liabilities inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

2.4.16 Deferred income

The benefit of a long-term financing at a below-market rate of interest is treated as a deferred income, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. The deferred income is held on the unconsolidated statement of financial position as a deferred credit and realised to the unconsolidated statement of profit or loss over the periods necessary to match the related finance cost.

2.4.17 Revenue from contract with customers

The Company manufactures and sells components for automotive vehicles, motorcycles and agriculture tractors to Original Equipment Manufacturers (OEMs) and certain after market suppliers. Revenue from contracts with customers is recognised when the control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods according to the negotiated contractual terms. The Company has generally concluded that it acts as a principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Company's performance obligations, comprising of the sale of components of automotive vehicles, motor cycles and agricultural tractors, are not separable, and are not partially satisfied, since they are satisfied at a point in time, when the customer accepts the products. Moreover, the payment terms identified in most sources of revenue are short term usually 30 to 60 days upon delivery, without any variable considerations, financing components and guarantees.

The Company recognises an account receivable when the performance obligations have been met, recognising the corresponding revenue. Moreover, the considerations received before satisfying the performance obligations are recognised as advances from customer.

Advance from customers is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. Advance from customers is recognised as revenue when the Company performs under the contract.

2.4.18 Other income

Return on bank deposits / saving accounts and short-term investments is recognised using effective interest rate method.

Dividend income is recognised when the Company's right to receive the dividend is established.

Scrap sales are recognised at sales proceeds less book value on the day of transaction.

Other income, if any, is recognised on accrual basis.

2.4.19 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

2.4.20 Sales tax

Revenues, expenses and assets are recognised, net off amount of sales tax except:

- where sales tax incurred on a purchase of asset or service is not recoverable from the taxation authorities, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable;
- trade receivables or trade payables are stated with the amount of sales tax; and
- the net amount of sales tax recoverable from, or payable to, the taxation authorities is included as part of sales tax receivables or payables in the unconsolidated statement of financial position.

2.4.21 Unclaimed dividend

This is recognised at the amount of dividend declared and unclaimed by shareholders from the date it became due and payable.

2.4.22 Unpaid dividend

This is recognised at the amount of dividend declared and claimed by shareholders but remained unpaid for the period of 3 years from the date it became due and payable.

2.4.23 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

2.4.24 Provisions

Provision is recognised in the unconsolidated statement of financial position when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each date of unconsolidated statement of financial position and adjusted to reflect the current best estimate.

2.4.25 Operating segments

For management purposes, the activities of the Company are organised into one reportable operating segment. The Company operates in the said reportable operating segment based on the nature of the products, risks and returns, organisational and management structure, and internal financial reporting systems. Accordingly, the figures reported in these unconsolidated financial statements are related to the Company's only reportable segment.

2.4.26 Share capital and reserves

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Reserves comprise of capital and revenue reserves. Capital reserves represent share premium while revenue reserves comprise of general reserves and unappropriated profit.

2.4.27 Dividends and appropriation to reserve

Dividend and appropriation to reserve are recognised in the unconsolidated financial statements in the period in which these are approved. Transfer between reserves made subsequent to the statement of financial position date is considered as a non-adjusting event and is recognised in the unconsolidated financial statements in the period in which such transfers are made.

2.4.28 Foreign currency transactions and translation

Transactions in foreign currencies are accounted for in Pakistani Rupees at the foreign exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are re-translated into rupees at the foreign exchange rates approximating those prevailing at the unconsolidated statement of financial position date. Exchange differences if any are taken to the unconsolidated statement of profit or loss.

2.4.29 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of unconsolidated financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In the process of applying the accounting policies, management has made the following judgments and estimates which are significant to these unconsolidated financial statements:

- Residual values, method of depreciation, useful lives and impairment of assets (note 2.4.2, 2.4.3, 2.4.4, 2.4.11, 4.1, 5 & 6).
- Valuation of stock-in-trade (note 2.4.6 & 11).
- Levies, provision for income tax and deferred tax (note 2.4.12, 2.4.13, 9, 32 & 33).
- Warranty obligations (note 2.4.14 & 21).
- Contingent liabilities (note 2.4.15 & 24).

4 PROPERTY, PLANT AND EQUIPMENT

	Note	2024	2023
		(Rupees in '000)	
Operating fixed assets	4.1	**1,787,613**	1,090,860
Capital work-in-progress	4.5	**1,540**	769,105
		1,789,153	1,859,965

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

4.1 Operating fixed assets

	COST			Depreciation rate	ACCUMULATED DEPRECIATION				WRITTEN DOWN VALUE
	As at July 1, 2023	Additions/ transfer*/ (disposals)	As at June 30, 2024		As at July 1, 2023	Charge for the year (Note 4.2)	(On disposals)	As at June 30, 2024	As at June 30, 2024
	(Rupees in '000)			%	(Rupees in '000)				
Owned									
Freehold land	**1,652**	**–**	**1,652**	**–**	**–**	**–**	**–**	**–**	**1,652**
Building on freehold land	**303,836**	**–**	**713,809**	**10**	**162,439**	**41,675**	**–**	**204,114**	**509,695**
		409,973*					**–**		
Plant and machinery	**1,638,702**	**15,286**	**2,019,013**	**10-20**	**808,490**	**135,157**	**–**	**933,553**	**1,085,460**
		384,052*					**–**		
		(19,027)					**(10,094)**		
Furniture and fittings	**31,807**	**–**	**31,807**	**15**	**18,127**	**2,052**	**–**	**20,179**	**11,628**
Vehicles	**136,597**	**39,098**	**162,374**	**20**	**63,073**	**19,712**	**–**	**75,859**	**86,515**
		632*					**–**		
		(13,953)					**(6,926)**		
Office equipment	**6,664**	**4,199**	**10,863**	**20**	**5,162**	**790**	**–**	**5,952**	**4,911**
Computer equipment	**37,315**	**1,392**	**34,631**	**33**	**29,617**	**2,806**	**–**	**28,488**	**6,143**
		(4,076)					**(3,935)**		
Dies and tools	**102,628**	**–**	**190,069**	**40**	**81,433**	**27,401**	**–**	**108,460**	**81,609**
		87,815*					**–**		
		(374)					**(374)**		
	2,259,201	**59,975**	**3,164,218**		**1,168,341**	**229,593**	**–**	**1,376,605**	**1,787,613**
		882,472*					**–**		
		(37,430)					**(21,329)**		

*represents transfer from capital work-in-progress to operating fixed assets.

	COST			Depreciation rate	ACCUMULATED DEPRECIATION				WRITTEN DOWN VALUE
	As at July 1, 2022	Additions/ transfer*/ (disposals)	As at June 30, 2023		As at July 1, 2022	Charge for the year (Note 4.2)	(On disposals)	As at June 30, 2023	As at June 30, 2023
	(Rupees in '000)			%	(Rupees in '000)				
Owned									
Freehold land	1,652	–	1,652	–	–	–	–	–	1,652
Building on freehold land	303,836	–	303,836	10	146,728	15,711	–	162,439	141,397
Plant and machinery	1,367,845	157,642	1,638,702	10-20	742,775	89,396	–	808,490	830,212
		143,435*					–		
		(30,220)					(23,681)		
Furniture and fittings	31,807	–	31,807	15	15,713	2,414	–	18,127	13,680
Vehicles	121,853	10,795	136,597	20	45,935	17,153	–	63,073	73,524
		4,044*				–	–		
		(95)					(15)		
Office equipment	6,664	–	6,664	20	4,787	375	–	5,162	1,502
Computer equipment	33,721	5,232	37,315	33	27,474	3,398	–	29,617	7,698
		(1,638)					(1,255)		
Dies and tools	102,628	–	102,628	40	67,302	14,131	–	81,433	21,195
	1,970,006	173,669	2,259,201		1,050,714	142,578	–	1,168,341	1,090,860
		147,479*					–		
		(31,953)					(24,951)		

*represents transfer from capital work-in-progress to operating fixed assets.

4.2 Depreciation charge for the year has been allocated as follows:

	Note	2024	2023
		(Rupees in '000)	
Cost of sales	26	**215,975**	130,129
Distribution and marketing expenses	27	**1,561**	1,872
Administrative expenses	28	**12,057**	10,577
		229,593	142,578

4.3 Particulars of immovable property (i.e. freehold land and building on freehold land) in the name of the Company are as follows:

Location	Use of immovable property	Total area
Mouza Baroot, Hub Chowki, Distt. Lasbella, Balochistan	Manufacturing Facility	18.2 acres

4.4 Particulars of operating fixed asset having net book value of five hundred thousand rupees or more disposed off during the year are as follows:

Particulars	Cost	Book Value	Sales proceeds	Gain / (loss)	Mode of disposal	Particulars of buyer	Relationship
	(Rupees in '000)						
Plant and machinery							
Shock Absorber - Spray Paint Booth	7,522	3,035	8,906	5,871	Insurance Claim	Habib Insurance Company Limited	Insurer
Chrome Module	7,453	4,445	645	(3,800)	Negotiation	M/s. Noorani Trading Co.	Independent Purchaser
Vehicles							
Toyota Hilux	2,295	515	3,900	3,385	Negotiation	Mr. Uzair Ahmad	Independent Purchaser
Corolla XLI	2,625	1,211	1,211	–	Company Policy	Mr. Adil MustiKhan	Employee
Suzuki Cultus VXL	1,970	1,158	3,000	1,842	Insurance Claim	Habib Insurance Company Limited	Insurer
Suzuki Cultus	1,970	1,157	1,157	–	Company Policy	Mr. Azeemuddin	Employee
Toyota Yaris 1.3 CVT	2,775	1,659	1,659	–	Company Policy	Mr. Muhammad Sumair	Employee
Suzuki Cultus VXL	1,970	1,198	2,515	1,317	Negotiation	M/s. Mezan Beverages (Private) Limited	Independent Purchaser
	28,580	14,378	22,993	8,615			
Operating fixed assets having WDV less than Rs. 0.5 million	8,850	1,723	1,707	(16)	Various	Various	
2024	37,430	16,101	24,700	8,599			
2023	31,953	7,002	14,384	7,382			

4.5 Capital work-in-progress

	Note	2024	2023
		(Rupees in '000)	
Building on freehold land		**–**	217,485
Plant and machinery		**1,540**	494,157
Dies and tools		**–**	57,463
	4.5.1	**1,540**	769,105

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

4.5.1 Movement in capital work-in-progress is as follows:

	Note	2024	2023
		(Rupees in '000)	
As at July 01		**769,105**	316,297
Capital expenditure incurred / advances made during the year	4.5.2	**114,907**	600,319
Transfer to operating fixed assets during the year	4.1	**(882,472)**	(147,479)
Charged off during the year		**–**	(32)
As at June 30		**1,540**	769,105

4.5.2 During the year, borrowing costs have been capitalised amounting to Rs. 34.30 million (2023: Rs. 77.06 million) using capitalisation rate of 3 months KIBOR + 0.3% per annum on account of long-term financing obtained specifically for this purpose as fully mentioned in note 18.2 to these unconsolidated financial statements.

5 RIGHT-OF-USE ASSETS

	Note	2024	2023
		(Rupees in '000)	
As at July 1		**2,227**	10,230
Addition during the year		**2,442**	–
Disposal during the year		**–**	(1,926)
Depreciation charge for the year	5.2	**(2,293)**	(6,077)
As at June 30		**2,376**	2,227

5.1 This represents lease contract for the premises acquired for office use. Lease tenure of the premises is 3 years and 1 month.

5.2 Depreciation charge for the year has been allocated as follows:

	Note	2024	2023
		(Rupees in '000)	
Cost of sales	26	**–**	3,850
Distribution and marketing expenses	27	**793**	727
Administrative expenses	28	**1,500**	1,500
		2,293	6,077

6 INTANGIBLE ASSETS

	COST			Amortisation rate	ACCUMULATED AMORTISATION				WRITTEN DOWN VALUE
	As at July 1, 2023	Additions/ (retirements)	As at June 30, 2024		As at July 1, 2023	Charge for the year (Note 6.1)	(On retirements)	As at June 30, 2024	As at June 30, 2024
	(Rupees in '000)			%	(Rupees in '000)				
License*	**88,389**	**(417)**	**87,972**	**20**	**54,986**	**15,468**	**(417)**	**70,037**	**17,935**
Software	**26,880**	**–**	**26,880**	**20**	**5,824**	**5,376**	**–**	**11,200**	**15,680**
	115,269	**(417)**	**114,852**		**60,810**	**20,844**	**(417)**	**81,237**	**33,615**

* This represents license and technical fee of certain products / components that are being manufactured by the Company under the technical service agreements.

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

	COST			Amorti-sation rate	ACCUMULATED AMORTISATION				WRITTEN DOWN VALUE
	As at July 1, 2022	Additions/ (retire-ments)	As at June 30, 2023		As at July 1, 2022	Charge for the year (Note 6.1)	(On retire-ments)	As at June 30, 2023	As at June 30, 2023
	-------- (Rupees in '000) ------			%	----------------- (Rupees in '000) -----------------				
License*	88,389	–	88,389	20	39,091	15,895	–	54,986	33,403
Software	26,880	–	26,880	20	448	5,376	–	5,824	21,056
	115,269	–	115,269		39,539	21,271	–	60,810	54,459

* This represents license and technical fee of certain products / components that are being manufactured by the Company under the technical service agreements.

6.1 Amortisation charge for the year has been allocated as follows:

	Note	2024	2023
		--------- (Rupees in '000) ---------	
Cost of sales	26	**19,159**	19,586
Distribution and marketing expenses	27	**241**	241
Administrative expenses	28	**1,444**	1,444
		20,844	21,271

7 LONG-TERM INVESTMENT

Investment in subsidiary company - at cost

	Note	2024	2023
Agriauto Stamping Company (Private) Limited 114,400,634 (2023: 114,400,634) ordinary shares of Rs. 10/- each	7.1	**1,144,006**	1,144,006

7.1 This represents investment in wholly owned subsidiary incorporated on January 20, 2012 as a private limited company. The subsidiary company is engaged in the business of stamping of sheet metal parts, dies, fixtures primarily for the automotive industry. The registered office of the subsidiary company is situated at 5th Floor, House of Habib, 3-J.C.H.S., Block 7/8, Main Shahrah-e-Faisal, Karachi.

	Note	2024	2023
		--------- (Rupees in '000) ---------	
8 LONG-TERM DEPOSITS			
Security deposits - considered good	8.1 & 8.2	**11,022**	9,022

8.1 This represent interest free deposits with suppliers having no fixed maturity. Fair value of these deposits is not considered to be materially different from the amortised cost.

8.2 This includes long-term deposit held with Habib Metropolitan Bank Limited - associated company, amounting to Rs. 0.03 million (2023: Rs. 0.03 million).

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

		2024	2023
		(Rupees in '000)	
9	**DEFERRED TAXATION - NET**		
	Deductible temporary differences arising due to:		
	– provisions	**130,872**	125,620
	– lease liabilities and right-of-use assets	**30**	336
	– unused business losses	**165,004**	77,885
	Taxable temporary difference arising due to:		
	– accelerated tax depreciation	**(146,508)**	(119,933)
		149,398	83,908

9.1 As of the date of unconsolidated statement of financial position, deferred tax asset amounting to Rs. 140.40 million (2023: Rs. 66.75 million) and Rs. 16.19 million (2023: Rs. 12.99 million) in respect of minimum tax credits and unused business losses respectively have not been recognised in these unconsolidated financial statements.

		Note	2024	2023
			(Rupees in '000)	
10	**STORES, SPARES AND LOOSE TOOLS**			
	Stores		**90,629**	102,728
	Spares		**72,353**	64,787
	Loose tools		**6,854**	5,046
			169,836	172,561
	Less: provision for obsolescence	10.1	**(49,897)**	(43,258)
			119,939	129,303

10.1 This includes Rs. 6.64 million (2023: Rs. 10.93 million) charged during the year in respect of provision for obsolescence.

		Note	2024	2023
			(Rupees in '000)	
11	**STOCK-IN-TRADE**			
	Raw material	11.1	**1,140,111**	1,635,724
	Less: provision for obsolescence		**(207,090)**	(177,164)
			933,021	1,458,560
	Packing material		**7,595**	5,622
	Less: provision for obsolescence		**(570)**	(614)
			7,025	5,008
	Work-in-process		**5,537**	72,252
	Finished goods		**64,738**	125,057
	Less: provision for obsolescence		**(4,198)**	(1,207)
			60,540	123,850
	Goods-in-transit		**512,329**	129,024
			1,518,452	1,788,694

11.1 As at the reporting date, raw materials amounting to Rs. 61.76 million (2023: Rs. 65.11 million) are held with the sub-contractors.

		Note	2024	2023
			(Rupees in '000)	
12	**TRADE DEBTS - UNSECURED**			
	Considered good	12.2 & 12.3	**803,121**	505,492

12.1 These include balance due from various customers for whom there is no recent history of default. The ageing analysis of these trade debtors is as follows:

	2024	2023
	(Rupees in '000)	
Not yet due	**772,970**	500,686
Upto 1 month	**25,839**	1,984
1 to 2 months	**669**	2,783
3 to 6 months*	**3,580**	39
More than 6 months*	**63**	–
	803,121	505,492

* The Company has realised the full amount of receivables subsequent to the reporting date.

12.2 This includes an amount of Rs. 0.002 million (2023: Nil) and Rs. 0.26 million (2023: Nil) receivable from Agriauto Stamping Company (Private) Limited – a wholly owned subsidiary and Thal Boshoku Pakistan (Private) Limited - associated company respectively, against sales made by the Company.

12.3 The maximum aggregate amount receivable from the related parties at the end of any month during the year was Rs. 6.55 million (2023: Rs. 11.05 million).

		Note	2024	2023
			(Rupees in '000)	
13	**ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**			
	Advances - unsecured, considered good			
	Contractors		**4,380**	6,272
	Employees		**1,008**	1,733
	Suppliers		**5,278**	2,623
			10,666	10,628
	Deposits	13.1	**27,409**	96,185
	Prepayments			
	Insurance		**9,717**	4,939
	Software maintenance		**5,528**	1,007
			15,245	5,946
	Other receivables - secured, considered good	13.2 & 13.3	**241,332**	230,648
			294,652	343,407

13.1 This includes an amount of Rs. 24.58 million (2023: Rs. 95.36 million) against LC and LG margin deposits, out of which Rs. 14 million (2023: Rs. 89.07 million) are held with Habib Metropolitan Bank Limited - associated company.

13.2 This includes Rs. 226.77 million (2023: Rs. 226.77 million) in respect of claim against Additional Custom Duty (ACD) (as disclosed in note 20.6) from a customer.

13.3 This includes an amount of Rs. 5.01 million (2023: Rs. 3.49 million) pertaining to accrued profit on deposit accounts held with Habib Metropolitan Bank Limited - associated company.

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

	Note	2024	2023
		---------(Rupees in '000)---------	
14 SHORT-TERM INVESTMENTS			
At amortised cost			
Term deposit receipts	14.1	**38,000**	38,000
Accrued profit thereon		**1,526**	928
		39,526	38,928

14.1 These represent three months term deposit receipts, marked as lien, with a commercial bank against long-term financing and bank guarantees, carrying markup rates ranging from 18.25% to 18.85% (2023: 12.75% to 19.25%) per annum and having maturity latest by September 11, 2024.

	Note	2024	2023
		---------(Rupees in '000)---------	
15 CASH AND BANK BALANCES			
In hand		**8**	8
With banks in			
– current accounts		**55,060**	2,864
– deposit accounts	15.1 & 15.2	**75,970**	86,656
		131,030	89,520
		131,038	89,528

15.1 This represent balances in deposit accounts maintained with Habib Metropolitan Bank Limited - associated company under interest / mark-up arrangements. These carry interest at the rate of 20.5% (2023: 12.25% to 19.50%) per annum.

15.2 These include an amount of Rs. 29.45 million (2023: Rs. 45.31 million) and Rs. 46.52 million (2023: Rs. 40.32 million) held with Habib Metropolitan Bank Limited - associated company in deposit accounts and dividend accounts respectively.

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2024	2023		2024	2023
(Number of shares in '000)			---------(Rupees in '000)---------	
		Ordinary shares of Rs. 5/- each		
22,800	22,800	Fully paid in cash	**114,000**	114,000
13,200	13,200	Issued as bonus shares	**66,000**	66,000
36,000	36,000		**180,000**	180,000

16.1 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

16.2 Share premium reserve can be utilised by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

16.3 General reserve has been maintained for general purposes. The purpose of general reserves includes, but not limited to, fulfilling various business needs like meeting contingencies, enhancing the working capital, etc.

16.4 As at the reporting date, 2,644,500 shares (2023: 2,644,500 shares) are held by Thal Limited - associated company.

17 LEASE LIABILITIES

The Company has certain lease arrangements for its offices in which rentals are payable in advance. The weighted average incremental borrowing rate of the Company is 21.39% (2023: 8.08% to 14.00%) per annum.

As at June 30, 2024, the Company has a lease for its office having lease term of 3 years and 1 month. The lease contract include extension and termination options subject to the mutual consent of the Company and the lessor.

	Note	2024	2023
		--------- (Rupees in '000)	---------
Lease liabilities		**2,480**	3,387
Current maturity of lease liabilities		**(574)**	(3,387)
	17.1	**1,906**	–

17.1 Movement of lease liabilities

	Note	2024	2023
As at July 01		**3,387**	12,182
Disposal during the year		**–**	(6,323)
Addition during the year		**2,363**	–
Finance cost during the year		**177**	804
Payments during the year		**(3,447)**	(3,276)
As at June 30	17.2	**2,480**	3,387
Current maturity of lease liabilities		**(574)**	(3,387)
		1,906	–

17.2 The maturity analysis of lease liabilities as at the reporting date is as follows:

	2024	2023
Up to 1 year	**574**	3,387
1 to 3 years	**1,906**	–
Total lease liabilities	**2,480**	3,387

18 LONG-TERM FINANCING - SECURED

	Note	2024	2023
SBP refinance scheme for renewable energy	18.1	**44,628**	46,915
Current maturity of long-term financing		**(6,148)**	(4,717)
		38,480	42,198
Long-term financing	18.2	**333,405**	422,219
Current maturity of long-term financing		**(77,467)**	(97,219)
		255,938	325,000
	18.3	**294,418**	367,198

18.1 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 contractual mark-up at the rate of 2% plus 0.75% (2023: 2% plus 0.75%) per annum payable quarterly. The effective mark-up rate as calculated with reference to fair value of the loan ranges from 10.02% to 16.30% (2023: 10.02% to 16.30%) per annum. The tenure of this facility is ten years and is due to mature latest by September 29, 2032. 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 (Term Deposit Receipts as fully mentioned in note 14.1) held under lien. As at June 30, 2024, the unutilised portion of the facility is Nil (2023: Nil).

18.2 This represents long-term financing facility obtained from a conventional bank to refinance capital expenditure incurred by the Company, with a total limit of Rs. 500 million (2023: Rs. 500 million) at a markup rate of 3 months KIBOR + 0.3% (2023: 3 months KIBOR + 0.3%) payable on quarterly basis. The tenure of this facility is six years, including grace period of one year and is due to mature by July 3, 2028. 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. As at June 30, 2024, the unutilised portion of the facility is Nil (2023: Nil).

	Note	2024	2023
		--------- (Rupees in '000) ---------	
18.3 Movement of long-term financing			
As at July 01		**469,134**	45,790
Financing received during the year		**–**	507,769
Repayment made during the year (including interest)		**(177,863)**	(107,131)
Recognised as deferred income	19.1	**–**	(3,208)
Accretion of interest during the year		**86,762**	25,914
As at June 30		**378,033**	469,134
Current maturity of long-term financing		**(83,615)**	(101,936)
		294,418	367,198
19 DEFERRED INCOME			
Deferred income	19.1	**17,458**	20,384
Current maturity of deferred income		**(2,259)**	(4,528)
		15,199	15,856
19.1 Movement of deferred income			
As at July 01		**20,384**	19,435
Recognised as deferred income	18.3	**–**	3,208
Amortisation during the year	31	**(2,926)**	(2,259)
As at June 30		**17,458**	20,384

19.2 This represents deferred income recognised in respect of the benefit of below-market interest rate on long-term financing. 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.

	Note	2024	2023
		--------- (Rupees in '000) ---------	
20 TRADE AND OTHER PAYABLES			
Creditors	20.1	**419,971**	278,855
Accrued liabilities	20.2 & 20.3	**463,730**	435,079
Royalty payable	20.4	**23,430**	32,124
Advance from customers (contract liabilities)	25.1	**1,539**	151,596
Additional custom duty payable	20.6	**291,103**	291,103
Payable to provident fund	20.7	**4,705**	4,276
Withholding tax payable		**11,956**	3,830
Workers' Profit Participation Fund	20.8	**–**	–
Workers' Welfare Fund	20.9	**–**	–
Others		**18,094**	10,199
		1,234,528	1,207,062

20.1 This includes payable to Agriauto Stamping Company (Private) Limited - a wholly owned subsidiary amounting to Rs. 22.95 million (2023: Nil).

20.2 This includes an amount of Rs. 42.27 million (2023: Rs. 22.46 million) in respect of sales incentive payable to distributors.

20.3 Additionally includes an amount of Rs. 301.09 million (2023: Rs. 271.09 million) in respect of Sindh Infrastructure Development Cess, for which guarantees amounting to Rs. 266 million (2023: Rs. 248 million) have been provided with commercial banks (as disclosed in note 24.2.1).

	Note	2024	2023
		(Rupees in '000)	
20.4 Movement of royalty payable			
As at July 01		**32,124**	23,031
Charge for the year	20.5	**29,511**	26,013
Payment during the year		**(38,205)**	(16,920)
As at June 30		**23,430**	32,124

20.5 Royalty paid during the year comprise of the following:

Company Name	Address	Relationship with the Company	2024	2023
			(Rupees in '000)	
KYB Corporation	World Trade Center Building 4-1, Hamamatsu-Cho 2 Chome, Minato-Ku, Tokyo 105 Japan	Technical Partner	**36,854**	16,717
Aisin Seiki Co., Ltd	2-1, Asahi-Machi, Kariya, Aichi, 448-8650, Japan	Technical Partner	**1,351**	203

20.6 This represents Additional Custom Duty (ACD) payable to the Customs Authorities (Federal Board of Revenue) on import of certain raw materials. The provision has been maintained in respect of ACD levied under SRO 670 (I)/2019 dated June 28, 2019 at enhanced rates upto June 30, 2021. The Company is contesting levy of ACD under SRO 670 (I)/2019 dated June 28, 2019 and has filed a petition in the Honorable High Court of Sindh (the Court) against the aforesaid additional levy. The Court has granted a stay order after the submission of Corporate Guarantees by the Company amounting to Rs. 288 million (2023: Rs. 288 million) with the Court.

The Company has recorded a receivable from customer, on the basis of comfort letter, amounting to Rs. 226.77 million (2023: Rs. 226.77 million) in respect of the ACD payable as disclosed in note 13.2.

20.7 Investments in collective investment schemes, listed equity and listed debt securities out of provident funds have been made in accordance with the provisions of section 218 of the Act and the rules formulated for this purpose.

	Note	2024	2023
		(Rupees in '000)	
20.8 Workers' profit participation fund			
As at July 01		**–**	24,344
Allocation for the year		**–**	–
		–	24,344
Payment made during the year		**–**	(24,344)
As at June 30		**–**	–
20.9 Workers' Welfare Fund			
As at July 01		**–**	11,202
Allocation for the year		**–**	–
		–	11,202
Payment made during the year		**–**	(11,202)
As at June 30		**–**	–
21 WARRANTY OBLIGATIONS			
Warranty obligations	21.1 & 21.2	**126,762**	127,504
21.1 Movement of warranty obligations			
As at July 01		**127,504**	138,293
Charge / (reversal) for the year	27	**9,563**	(1,300)
Claims paid during the year		**(10,305)**	(9,489)
As at June 30		**126,762**	127,504

21.2 This represents Company's best estimate of the amount required to be paid / settled to cover the potential warranty claims based on the historical experience.

22 UNPAID DIVIDEND AND UNCLAIMED DIVIDEND

The Company has opened separate bank accounts as required under the provision of section 244 of the Act and the required amounts have been transferred accordingly.

	Note	2024	2023
		--------- (Rupees in '000) ---------	
23 SHORT-TERM FINANCE - SECURED			
Conventional			
Running finance facility		202,592	–
Accrued interest thereon		23,130	2,151
	23.1	225,722	2,151
Islamic			
Musawamah		59,361	–
Accrued profit thereon		300	–
	23.2	59,661	–
Tijarah		54,000	–
Accrued profit thereon		2,020	–
	23.3	56,020	–
		341,403	2,151

23.1 This represents short-term running finance obtained from various commercial banks including short term running finance amounting to Rs. 3.38 million (2023: Nil) availed from Habib Metropolitan Bank Limited - associated company. The total facility limit amounts to Rs. 1,240 million (2023: Rs. 1,240 million). The rate of mark-up on these finances ranges from 1 month to 3 months KIBOR plus spreads varying from 0.10% to 0.75% (2023: 1 month to 3 months KIBOR plus spreads varying from 0.20% to 0.75%) per annum. The facilities are secured by way of first pari passu and ranking hypothecation charge on the Company's stock-in-trade, stores, spares, loose tools and trade debts.

23.2 This represents short-term financing facility (Musawamah) obtained from an Islamic bank for financing the working capital requirements of the Company. The facility has a total limit of Rs. 250 million (2023: Nil). These carry mark-up at the rate of matching tenure KIBOR + 0.5% per annum. The facility can be drawn and settled in tranches with maximum tenure of 180 days. The current drawn amount is payable by November 15, 2024. The facility is secured by way of first joint pari passu hypothecation charge over present and future stock-in-trade and trade debts of the Company with 25% margin. As at June 30, 2024, the unutilised portion of the facility is Rs. 190.64 million (2023: Nil).

23.3 This represents short-term financing facility (Tijarah) obtained from an Islamic bank for financing the working capital requirements of the Company. The facility has a total limit of Rs. 250 million (2023: Nil). These carry mark-up at the rate of matching tenure KIBOR + 0.5% per annum. The facility can be drawn and settled in tranches with maximum tenure of 180 days. The current drawn amount is payable by October 29, 2024. The facility is secured by way of first joint pari passu hypothecation charge over present and future stock-in-trade and trade debts of the Company with 25% margin. As at June 30, 2024, the unutilised portion of the facility is Rs. 196 million (2023: Nil).

24 CONTINGENCIES AND COMMITMENTS

24.1 Contingencies

24.1.1 Income tax related contingencies are disclosed in note 33.4.

	Note	2024	2023
		--------- (Rupees in '000) ---------	
24.2 Commitments			
24.2.1 Outstanding bank guarantees	24.2.2 & 24.2.3	273,424	255,424

24.2.2 This includes bank guarantees amounting to Rs. 114 million (2023: Rs. 96 million) obtained from Habib Metropolitan Bank Limited - associated company.

24.2.3 This also includes bank guarantees amounting to Rs. 6.89 million (2023: Rs. 6.89 million) issued to the Collector of Customs in respect of custom duty.

24.2.4 Commitments in respect of outstanding letters of credit for raw material amounts to Rs. 1,000.83 million (2023: Rs. 474.28 million), out of which Rs. 417 million (2023: Rs. 186.43 million) is outstanding with Habib Metropolitan Bank Limited - associated company as at the reporting date.

24.2.5 Commitments in respect of outstanding letters of credit for capital expenditure amounts to Rs. 2.74 million (2023: Rs. 80.72 million), out of which Rs. 2.08 million (2023: Rs. 6.57 million) is outstanding with Habib Metropolitan Bank Limited - associated company as at the reporting date.

	Note	2024	2023
		(Rupees in '000)	
25 TURNOVER – NET			
Gross sales			
Local sales		**6,964,821**	6,268,063
Export sales	25.2	**28,196**	3,030
		6,993,017	6,271,093
Less: sales tax		**(1,065,790)**	(934,975)
Revenue from contract with customers		**5,927,227**	5,336,118

25.1 Revenue recognised from amounts included in advance from customers at the beginning of the year amounted to Rs. 150.0 million (2023: Rs. 3.95 million).

	2024	2023
	(Rupees in '000)	
25.2 Region wise export sales are as under:		
United Arab Emirates	**28,196**	3,030

Notes to the Unconsolidated Financial Statements
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	Note	2024	2023
		(Rupees in '000)	
26 COST OF SALES			
Raw material consumed			
Opening stock		**1,458,560**	1,635,844
Purchases		**3,430,991**	3,575,071
		4,889,551	5,210,915
Closing stock	11	**(933,021)**	(1,458,560)
		3,956,530	3,752,355
Manufacturing expenses			
Salaries, wages and benefits	26.1	**637,900**	533,200
Stores, spares and loose tools consumed		**284,052**	274,946
Utilities		**178,407**	137,484
Amortisation of intangible assets	6.1	**19,159**	19,586
Royalty	20.4	**29,511**	26,013
Depreciation on operating fixed assets	4.2	**215,975**	130,129
Depreciation on right-of-use assets	5.2	**–**	3,850
Transportation and travelling		**139,828**	112,683
Repairs and maintenance		**67,398**	58,608
Packing material consumed		**47,128**	37,988
Rates and taxes		**275**	275
Research costs		**2,045**	5,711
Insurance		**4,343**	4,446
Communications and professional fee		**2,178**	1,597
Printing and stationery		**1,504**	2,044
Legal and professional charges		**2,875**	2,150
Others		**269**	4,617
		1,632,847	1,355,327
Work-in-process			
Opening stock		**72,252**	121,728
Closing stock	11	**(5,537)**	(72,252)
		66,715	49,476
Cost of goods manufactured		**5,656,092**	5,157,158
Finished goods			
Opening stock		**123,850**	83,991
Closing stock	11	**(60,540)**	(123,850)
		63,310	(39,859)
		5,719,402	5,117,299

26.1 This includes Rs.12.98 million (2023: Rs.11.05 million) in respect of staff retirement benefits.

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

27 DISTRIBUTION AND MARKETING EXPENSES

	Note	2024	2023
		(Rupees in '000)	
Salaries, wages and benefits	27.1	**16,106**	14,503
Advertisement and sales promotion		**42,932**	23,022
Carriage and forwarding		**50,326**	49,973
Travelling and conveyance		**2,799**	2,431
Depreciation on operating fixed assets	4.2	**1,561**	1,872
Depreciation on right-of-use assets	5.2	**793**	727
Amortisation of intangible assets	6.1	**241**	241
Charge / (reversal) for warranty claims	21.1	**9,563**	(1,300)
Communications		**139**	119
Insurance		**2,611**	2,439
Repairs and maintenance		**290**	245
Others		**1,969**	712
		129,330	94,984

27.1 This includes Rs. 0.7 million (2023: Rs. 0.6 million) in respect of staff retirement benefits.

28 ADMINISTRATIVE EXPENSES

	Note	2024	2023
		(Rupees in '000)	
Salaries, wages and benefits	28.1	**110,655**	97,218
Legal and professional charges		**49,592**	50,505
Travelling and conveyance		**23,793**	25,550
Repairs and maintenance		**34,165**	28,945
Depreciation on operating fixed assets	4.2	**12,057**	10,577
Depreciation on right-of-use assets	5.2	**1,500**	1,500
Amortisation of intangible assets	6.1	**1,444**	1,444
Security services		**12,153**	11,617
Communications and professional fee		**1,057**	1,312
Printing and stationery		**1,903**	2,555
Rates and taxes		**202**	50
Utilities		**1,671**	1,756
Auditors' remuneration	28.2	**3,474**	2,792
Insurance		**1,845**	1,609
Others		**5,739**	4,654
		261,250	242,084

28.1 This includes Rs. 2.96 million (2023: Rs. 2.99 million) in respect of staff retirement benefits.

28.2 Auditors' remuneration

	2024	2023
	(Rupees in '000)	
Audit fee for unconsolidated financial statements	**1,400**	1,300
Audit fee for consolidated financial statements	**400**	250
Fee for review of half yearly financial statements	**250**	200
Other certifications	**875**	600
Sindh sales tax	**257**	207
Out of pocket expenses	**292**	235
	3,474	2,792

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

		Note	2024	2023
			(Rupees in '000)	
29	**OTHER EXPENSES**			
	Exchange loss on foreign currency transactions - net		–	95,753
	Donations	29.1 & 29.2	2,928	3,015
	Sales tax receivable written off		428	–
			3,356	98,768

29.1 Donation to following parties exceeds 10% of the Company's total donations or Rs. 1 million, whichever is higher:

	2024	2023
	(Rupees in '000)	
Muhammad Ali Habib Welfare Trust	–	2,000
Indus Hospital & Health Network	1,000	–

29.2 None of the donations were made to any donee in which a director or their spouse had any interest at any time during the year.

		Note	2024	2023
			(Rupees in '000)	
30	**OTHER INCOME**			
	Income from financial assets			
	Profit on:			
	– short-term investments - term deposit receipts		7,223	5,018
	– eposit accounts	30.1	1,783	4,922
			9,006	9,940
	Reversal of expected credit losses		–	22
	Exchange gain on foreign currency transactions - net		2,518	–
	Dividend income from Agriauto Stamping Company (Private) Limited		–	228,802
			11,524	238,764
	Income from non-financial assets			
	Gain on disposal of operating fixed assets		8,599	7,382
	Liabilities no longer payable - written back		–	1,596
	Gain on disposal of lease and right-of-use asset		–	4,398
	Scrap sales		9,420	7,133
	Miscellaneous income		3,000	49
			21,019	20,558
			32,543	259,322

30.1 Represents profit earned from Habib Metropolitan Bank Limited - associated company, under conventional banking relationship.

		Note	2024	2023
			(Rupees in '000)	
31	**FINANCE COSTS**			
	Interest / profit on:			
	– long-term financing		55,148	5,733
	– short-term finance		59,365	69,302
	– lease liabilities		177	804
	Bank charges and commission		1,826	1,329
	Amortisation of deferred income	19.1	(2,926)	(2,259)
			113,590	74,909

		2024	(Restated) 2023
		---------(Rupees in '000)---------	
32	**LEVIES (MINIMUM TAX AND FINAL TAX)**		
	Minimum tax u/s 113	**73,738**	66,664
	Final tax u/s 154	**282**	30
	Prior	**30**	–
		74,050	66,694

32.1 This represents minimum and final tax paid under section 113 and 154 of the Income Tax Ordinance, 2001, representing levy in terms of the requirements of IFRIC 21 / IAS 37.

		Note	2024	(Restated) 2023
			---------(Rupees in '000)---------	
33	**TAXATION**			
	Current			
	For the year		**–**	–
	Prior		**–**	1,882
			–	1,882
	Deferred	9	**(65,490)**	(56,897)
			(65,490)	(55,015)

33.1 Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the unconsolidated statement of profit or loss, is as follows:

	2024	2023
	---------(Rupees in '000)---------	
Current tax liability for the year as per applicable tax laws	**74,050**	68,576
Portion of current tax liability as per tax laws, representing income tax under IAS 12	**–**	(1,882)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21	**74,050**	66,694
Difference	**–**	–

33.2 During the year, provision for current taxation is based on minimum and final tax regime. Accordingly, the reconciliation between accounting loss and tax expense has not been presented in these unconsolidated financial statements.

33.3 Income tax returns of the Company have been submitted up to tax year 2023 on self-assessment basis under section 120 of the Income Tax Ordinance, 2001.

33.4 Description of income tax proceedings:

During the year, the Additional Commissioner Inland Revenue (ACIR), Large Taxpayers' Office, amended the deemed assessment order of the Company for the tax year 2021. An order was passed, resulting in a demand of Rs. 2.23 million, as against refundable balance of Rs. 86.86 million claimed in the tax return, on account of incorrect adjustment of minimum tax brought forward u/s 113(2)(c) amounting to Rs. 78.67 million (including Rs. 22.37 million minimum tax brought forward u/s 113(2)(c) of the Subsidiary Company) and certain other inadmissible expenses claimed in the said tax year's return.

The Company preferred an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] against the said order of ACIR. The CIR(A) passed an order dated January 4, 2024 and confirmed the order of ACIR.

The Company has challenged the decision of CIR(A) before the Appellate Tribunal Inland Revenue (ATIR) which is yet to be fixed for hearing. The management, based on the advice of its tax advisor, has not recorded any provision in respect of this matter in these unconsolidated financial statements as they believe that the matter will be decided in their favour.

Notes to the Unconsolidated Financial Statements
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34 LOSS PER SHARE – basic and diluted

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	2024	2023
Loss for the year (Rs. in '000)	**(275,718)**	(44,283)
Weighted average number of ordinary shares outstanding during the year (shares in '000)	**36,000**	36,000
Loss per share (Rs.)	**(7.66)**	(1.23)

35 CASH GENERATED FROM OPERATIONS

	Note	2024	(Restated) 2023
		---------(Rupees in '000)---------	
Loss before income tax		**(341,208)**	(99,298)
Adjustments for:			
Depreciation and amortisation	4, 5 & 6	**252,730**	169,926
Levy (minimum tax and final tax)	32	**74,050**	66,694
Finance costs	31	**113,590**	74,909
Sales tax receivable written off	29	**428**	–
Reversal of expected credit losses	30	**–**	(22)
Unrealised exchange gain on foreign currency transactions		**–**	(1,024)
Liabilities no longer payable - written back	30	**–**	(1,596)
Profit on short-term investments - term deposit receipts	30	**(7,223)**	(5,018)
Profit on deposit accounts	30	**(1,783)**	(4,922)
Charge / (reversal) for warranty claims	27	**9,563**	(1,300)
Provision for royalty	20	**29,511**	26,013
Dividend income	30	**–**	(228,802)
Capital work-in-progress charged off	4.5.1	**–**	32
Gain on disposal of lease and right-of-use asset	30	**–**	(4,398)
Provision for obsolescence		**33,643**	142,045
Gain on disposal of operating fixed assets	30	**(8,599)**	(7,382)
		495,910	225,155
		154,702	125,857
Decrease / (increase) in current assets			
Stores, spares and loose tools		**9,364**	19,997
Stock-in-trade		**236,599**	290,711
Trade debts - unsecured		**(297,629)**	237,413
Advances, deposits, prepayments and other receivables		**48,755**	305,247
		(2,911)	853,368
Increase in current liabilities			
Trade and other payables		**33,950**	51,238
Sales tax payable		**19,710**	14,427
		53,660	65,665
		205,451	1,044,890

35.1 CHANGES IN LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Note	Long-term financing-secured (including deferred income)	Unclaimed and unpaid dividend	Lease liabilities
		2024		
		(Rupees in '000)		
As at July 01		**489,518**	**34,414**	**3,387**
Changes from financing cash flows				
Dividend paid during the year		**–**	**(482)**	**–**
Payments made during the year	17.1	**–**	**–**	**(3,447)**
Long-term financing repaid during the year	18.3	**(177,863)**	**–**	**–**
		(177,863)	**(482)**	**(3,447)**
Other changes				
Addition of lease during the year	17.1	**–**	**–**	**2,363**
Amortisation of deferred income during the year	19.1	**(2,926)**	**–**	**–**
Finance cost during the year	18.3	**86,762**	**–**	**177**
		83,836	**–**	**2,540**
As at June 30		**395,491**	**33,932**	**2,480**

	Note	Long-term financing-secured (including deferred income)	Unclaimed and unpaid dividend	Lease liabilities
		2023		
		(Rupees in '000)		
As at July 01		65,225	35,313	12,182
Changes from financing cash flows				
Dividend paid during the year		–	(899)	–
Payments made during the year	17.1	–	–	(3,276)
Long-term financing obtained during the year	18.3	507,769	–	–
Long-term financing repaid during the year	18.3	(107,131)	–	–
		400,638	(899)	(3,276)
Other changes				
Disposal of lease during the year	17.1	–	–	(6,323)
Amortisation of deferred income during the year	19.1	(2,259)	–	–
Finance cost during the year	18.3	25,914	–	804
		23,655	–	(5,519)
As at June 30		489,518	34,414	3,387

		Note	2024	2023
			--------- (Rupees in '000) ---------	
36	**CASH AND CASH EQUIVALENTS**			
	Cash and bank balances	15	**131,038**	89,528
	Short-term running finance	23	**(225,722)**	(2,151)
			(94,684)	87,377
37	**FINANCIAL RISK MANAGEMENT**			
37.1	**Financial instruments by category**			
	Financial assets at amortised cost			
	Long-term deposits	8	**11,022**	9,022
	Trade debts - unsecured	12	**803,121**	505,492
	Deposits and other receivables	13	**268,741**	326,833
	Short-term investments	14	**39,526**	38,928
	Cash and bank balances	15	**131,038**	89,528
			1,253,448	969,803
	Financial liabilities at amortised cost			
	Lease liabilities	17	**2,480**	3,387
	Long-term financing - secured	18	**378,033**	469,134
	Trade and other payables	20	**466,200**	325,454
	Unpaid dividend	22	**3,819**	6,748
	Unclaimed dividend	22	**30,113**	27,666
	Short-term finance - secured	23	**341,403**	2,151
			1,222,048	834,540

37.2 Financial risk management objectives and policies

The main risks arising from the Company's financial instruments are market risks, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

37.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables. Market risk comprises of three types of risks: currency risk, interest rate risk and other price risk. The Company manages its market risk by monitoring exposure on financial instruments and by following internal risk management policies.

(i) Interest rate risk

Interest rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of change in market interest rate relates primarily to the Company's liability against long-term financing and short-term finance with floating interest rates. The Company manages its risk by ensuring minimal utilisation of interest bearing financing.

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Interest rate profile of financial instruments

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments were as follows:

	Note	2024	2023
		(Rupees in '000)	
Financial assets at amortised cost			
Short-term investments	14	**39,526**	38,928
Bank balances	15	**75,970**	86,656
		115,496	125,584
Financial liabilities at amortised cost			
Lease liabilities	17	**2,480**	3,387
Long-term financing	18	**378,033**	469,134
Short-term finance - secured	23	**341,403**	2,151
		721,916	474,672

Sensitivity analysis of variable rate instruments

A change of 100 basis points (1%) in interest rate at the reporting date would have changed the Company's loss before tax for the year by the amounts shown below, with all other variables held constant.

		2024	2023
Change in interest rate	±	**1%**	1%
Effect on loss before tax (Rs. in '000)	±	**6,064**	3,491

(ii) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currencies. The Company manages its foreign currency risk through taking adequate cover, if any, in accordance with its approved risk management policy. The Company's exposure to foreign currency risk at the reporting date is as follows:

	2024	2023
	(FCY in '000)	
USD		
Trade and other payables	**808**	110
JPY		
Trade and other payables	**4,084**	21,693
CNY		
Trade and other payables	**1,643**	–

	Statement of financial position date rate		Average rate	
	2024	2023	2024	2023
USD	**278.34**	285.99	**283.17**	248.09
JPY	**1.73**	1.99	**1.89**	1.81
EUR	**297.69**	312.93	**306.00**	264.02
CNY	**38.31**	39.67	**39.23**	35.68
AED	**75.78**	77.86	**77.10**	67.52

Sensitivity analysis

A ten percent strengthening / weakening of the Pakistani Rupee against the above foreign currencies at the reporting date would decrease / increase loss before tax for the year by Rs. 29.49 million (2023: Rs. 7.46 million). This analysis assumes that all other variables, in particular interest rates, remain constant.

(iii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from foreign currency risk and interest risk), whether those changes are caused by factors specific to the individual financial instruments, or its issuer or factors affecting all similar financial instruments traded in the market. As at June 30, 2024, the Company is not exposed to the price risk.

37.2.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Company is exposed to credit risk mainly on trade debts, short-term investments, long-term deposits, short-term deposits, other receivables and bank balances.

	Note	2024	2023
		--------- (Rupees in '000) ---------	
The maximum exposure to credit risk at reporting date is as follows:			
Long-term deposits	8	**11,022**	9,022
Trade debts - unsecured	12	**803,121**	505,492
Deposits and other receivables	13	**268,741**	323,344
Short-term investments	14	**39,526**	38,928
Bank balances	15	**131,030**	89,520
		1,253,440	966,306

The credit quality of financial assets other than bank balances and short-term investments can be assessed with reference to their historical performance with no defaults in recent history. The ageing analysis of trade debts is given in note 12.1.

The credit quality of the Company's bank balances and short-term investments can be assessed with reference to external credit ratings as follows:

Banks	Rating Agency	Rating	2024	2023
			--------- (Rupees in '000) ---------	
Habib Metropolitan Bank Limited	PACRA	A-1+	**75,970**	85,631
Habib Bank Limited	VIS	A-1+	**40,226**	38,443
National Bank of Pakistan	PACRA	A-1+	**899**	576
Meezan Bank Limited	VIS	A-1+	**1,877**	531
Standard Chartered Bank Pakistan Limited	PACRA	A-1+	**50,578**	440
United Bank Limited	VIS	A-1+	**20**	1,025
Bank AL Habib Limited	PACRA	A-1+	**–**	297
The Bank of Punjab Limited	PACRA	A-1+	**986**	577

For trade debts, long-term deposits, short-term deposits and other receivables, the internal risk assessment process determines the credit quality of each counter party, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by management. The utilisation of credit limits is regularly monitored. Accordingly, the management believes that the credit risk is minimal and in the opinion of the management, the Company is not exposed to major concentration of credit risk.

37.2.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in raising funds to meet commitments associated with financial instruments. Management of the Company believes that it is not exposed to any significant level of liquidity risk.

Management forecasts the liquidity of the Company on the basis of expected cashflow considering the level of liquid assets necessary to mitigate the liquidity risk. The table below summarises the maturity profile of the Company's financial liabilities at the reporting date:

2024	On Demand	Not later than one year	Later than one year	Total
	(Rupees in '000)			
Non-interest bearing financial liabilities				
Trade and other payables	**442,770**	**23,430**	**–**	**466,200**
Unpaid dividend	**3,819**	**–**	**–**	**3,819**
Unclaimed dividend	**30,113**	**–**	**–**	**30,113**
Interest bearing financial liabilities				
Lease liabilities	**–**	**574**	**1,906**	**2,480**
Long-term financing	**–**	**83,615**	**294,418**	**378,033**
Short-term finance - secured	**225,722**	**115,681**	**–**	**341,403**
	702,424	**223,300**	**296,324**	**1,222,048**

2023	On Demand	Not later than one year	Later than one year	Total
	(Rupees in '000)			
Non-interest bearing financial liabilities				
Trade and other payables	293,330	32,124	–	325,454
Unpaid dividend	6,748	–	–	6,748
Unclaimed dividend	27,666	–	–	27,666
Interest bearing financial liabilities				
Lease liabilities	–	3,387	–	3,387
Long-term financing	–	101,936	367,198	469,134
Short-term finance - secured	2,151	–	–	2,151
	329,895	137,447	367,198	834,540

38. CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximise shareholder value and reduce the cost of capital. The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. As of the unconsolidated statement of financial position date, the debt to equity ratio is as follows:

	2024	2023
	(Rupees in '000)	
Debt	**721,916**	474,672
Equity	**4,201,206**	4,476,924
Gearing Ratio	**17.18%**	10.60%

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

39 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The different levels of fair valuation method have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of the reporting date, the Company does not have any financial assets carried at fair value that required categorisation in Level 1, Level 2 and Level 3.

40 REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

40.1 The aggregate amount charged in the unconsolidated financial statements for remuneration including certain benefits to the Chief Executive, directors and executives of the Company are as follows:

	2024		2023	
	Chief Executive	Executives	Chief Executive	Executives
	(Rupees in '000)			
Managerial remuneration	**35,983**	**123,393**	30,753	86,270
Bonus	**7,096**	**18,713**	4,800	7,153
Retirement benefits	**2,631**	**6,398**	2,249	4,475
Utilities	**654**	**359**	654	256
Medical expenses	**9**	**645**	9	1,014
	46,373	**149,508**	38,465	99,168
Number of persons	**1**	**22**	1	22

40.2 The Chief Executive and certain executives are also provided with free use of Company maintained vehicles in accordance with the Company's policy.

40.3 Four (2023: three) non-executive directors have been paid fees of Rs. 3.2 million (2023: Rs. 2.3 million) for attending board and other meetings.

41 TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS AND RELATED PARTIES

41.1 The associated undertakings and related parties of the Company comprises of the subsidiary company, companies with common directorship, retirement funds, directors and key management personnel. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary and directors as key management personnels. All the transactions with associated undertakings and related parties are entered into at agreed terms in the normal course of business as approved by the Board of Directors of the Company. Detail of transactions with associated undertakings and related parties during the year, other than disclosed elsewhere in the unconsolidated financial statements, are as follows:

Name of associated undertaking / related party and relationship with the Company	Nature of transactions	Percentage of share holding in the Company	2024	2023
		%	(Rupees in '000)	
Subsidiary Company (wholly owned)				
Agriauto Stamping Company (Private) Limited	Sales	100	**28,921**	27,560
	Purchase of dies and tools		**4,008**	13,265
	Dividend received		**–**	228,802
	Tax refund payable to the Subsidiary Company under group taxation		**22,955**	26,651
Associated companies (Common directorship)				
Auvitronics Limited	Sale of goods	Nil	**375**	–
Habib Metropolitan Bank Limited	Mark-up expense	Nil	**17,978**	12,107
	Profit earned on deposit account		**1,783**	4,989
	Bank charges		**2,908**	2,229
	Guarantees issued		**18,000**	36,000
Shabbir Tiles and Ceramics Limited	Purchases	Nil	**6,189**	651
Thal Boshoku Pakistan (Private) Limited	Sales	Nil	**6,260**	19,763
Retirement benefits fund				
Employees' Provident Fund	Contribution	Nil	**19,269**	16,941
Key management personnel	Sale of laptop having net book value of Rs. Nil (2023: Rs. 0.04 million) as per the Company's policy		–	18
	Travelling and boarding charges reimbursed to a director	Nil*	**67**	–

*Nil due to rounding off.

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2024

41.2 The outstanding balances with related parties as at reporting date have been disclosed in the respective notes to the unconsolidated financial statements.

41.3 Details of compensation to the key management personnel have been disclosed in the note 40 to the unconsolidated financial statements.

42 PRODUCTION CAPACITY

The production capacity of the Company cannot be determined as this depends on the relative proportions of various types of vehicles and agricultural tractors produced by Original Equipment Manufacturers (OEMs).

43 NUMBER OF EMPLOYEES

	2024	2023
Total number of employees as at June 30	**666**	698
Average number of employees during the year	**682**	734

44 OPERATING SEGMENTS

These unconsolidated financial statements have been prepared on the basis of a single reportable segment.

All sales of the Company comprise of sale of components for automotive vehicles, motor cycles and agricultural tractors.

All non-current assets of the Company at the end of the current and preceding year were located in Pakistan.

Three (2023: three) of the Company's customers contributed Rs. 4,532.74 million (2023: Rs. 4,199.27 million) and each customer individually exceeded 10% of the revenue.

45 UNUTILISED CREDIT FACILITIES

As of reporting date, the Company has unutilised facilities for letter of credit, bonds and guarantees and terms of loan available from various banks amounted to Rs. 3,658.10 million (2023: Rs. 3,228.61 million). The facilities are secured by way of lien on import documents and pari passu ranking hypothecation charge on the Company's specific fixed assets, stock-in-trade, stores, spares, loose tools and trade debts.

46 GENERAL

46.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

46.2 Corresponding figures (including the following) have been re-arranged, wherever necessary, to reflect more appropriate presentation of events and transactions for the purposes of comparison.

Description of item	Nature	Rupees in '000	From	To
Accrued interest on long-term financing	Liability	22,996	Trade and other payables	Current maturity of long-term financing - secured
Accrued interest on short-term finance	Liability	2,151	Trade and other payables	Short-term finance
Term deposit receipts	Asset	38,000	Cash and cash equivalents	Cash flow from investing activities
Accrued profit on deposit and dividend accounts	Asset	3,489	Accrued profit	Other receivables
Amortisation of deferred income	Income	2,259	Other income	Finance cost
Warranty obligations	Provision	127,504	Trade and other payables	Warranty obligations

47 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were authorised for issue on September 5, 2024 by the Board of Directors of the Company.

DIRECTOR | CHIEF EXECUTIVE | CHIEF FINANCIAL OFFICER

pwc

A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REPORT

To the members of Agriauto Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Agriauto Industries limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at June 30, 2024, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the Key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
(i)	**Revenue from contracts with customers** As disclosed in note 24 to the accompanying consolidated financial statements, the Group recognized revenue aggregating to Rs. 8,534.18 million, net of taxes, for the year ended June 30, 2024. The Group is engaged in the manufacturing and sale of components for automotive vehicles, motor cycles and agricultural tractors and stamping of sheet metal parts, dies and fixtures primarily for he automotive industry. Revenue is recognised when the performance obligation is satisfied by transferring control of a promised goods to a customer. We considered revenue recognition as a key audit matter as it is one of the key performance indicators of the Group. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.	We performed, amongst others, the following audit procedures: • Assessed the design, implementation and operating effectiveness of the key internal controls involved in revenue recognition. • Understood and evaluated the accounting policy with respect to revenue recognition. • Tested, revenue transactions, on a sample basis, with underlying documentation including goods delivery notes and sales invoices. • Tested, on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue was recognised in the correct period. • Assessed the adequacy of disclosures made in the consolidated financial statements related to revenue.

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the unconsolidated and consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statements of the Group for the year ended June 30, 2023 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon, vide their report dated September 7, 2023.

The engagement partner on the audit resulting in this independent auditor's report is **Khattab Muhammad Akhi Baig**.

AFFerguson & Co.

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: September 23, 2024
UDIN: AR202410081a185fhVnR

Financial Statements Consolidated
For the year ended June 30, 2024

Consolidated Statement of Financial Position
As at June 30, 2024

	Note	2024	2023
		(Rupees in '000)	
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	**4,018,436**	4,277,485
Right-of-use assets	5	**2,376**	2,227
Intangible assets	6	**33,615**	54,459
Long-term deposits	7	**19,675**	17,475
Deferred taxation - net	8	**84,232**	10,522
		4,158,334	4,362,168
Current Assets			
Stores, spares and loose tools	9	**159,237**	152,957
Stock-in-trade	10	**2,157,304**	2,691,663
Trade debts - unsecured	11	**1,148,235**	731,621
Advances, deposits, prepayments and other receivables	12	**385,433**	525,774
Short-term investments	13	**77,056**	75,953
Taxation - net		**328,572**	280,790
Sales tax receivable		**–**	146,010
Cash and bank balances	14	**171,098**	162,569
		4,426,935	4,767,337
TOTAL ASSETS		**8,585,269**	9,129,505
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital			
40,000,000 (2023: 40,000,000) ordinary shares of Rs. 5/- each		**200,000**	200,000
Issued, subscribed and paid-up capital	15	**180,000**	180,000
Reserves		**5,634,243**	5,981,745
		5,814,243	6,161,745
Non-Current Liabilities			
Lease liabilities	16	**1,906**	–
Long-term financing - secured	17	**503,350**	628,675
Deferred income	18	**24,927**	29,546
		530,183	658,221
Current Liabilities			
Trade and other payables	19	**1,520,611**	1,793,775
Current maturity of lease liabilities	16	**574**	3,387
Current maturity of long-term financing	17	**89,314**	140,466
Current maturity of deferred income	18	**4,902**	8,439
Sales tax payable - net		**684**	–
Warranty obligations	20	**126,762**	127,504
Unpaid dividend	21	**3,819**	6,748
Unclaimed dividend	21	**30,113**	27,666
Short-term finance - secured	22	**464,064**	201,554
		2,240,843	2,309,539
CONTINGENCIES AND COMMITMENTS	23		
TOTAL EQUITY AND LIABILITIES		**8,585,269**	9,129,505

The annexed notes from 1 to 47 form an integral part of these consolidated financial statements.

DIRECTOR **CHIEF EXECUTIVE** **CHIEF FINANCIAL OFFICER**

Consolidated Statement of Profit or Loss
For the year ended June 30, 2024

	Note	2024	(Restated) 2023
		---------- (Rupees in '000) ----------	
Turnover - net	24	**8,534,184**	8,314,517
Cost of sales	25	**(8,145,664)**	(7,772,333)
Gross profit		**388,520**	542,184
Distribution and marketing expenses	26	**(139,875)**	(106,078)
Administrative expenses	27	**(389,991)**	(345,031)
		(529,866)	(451,109)
Operating (loss) / profit		**(141,346)**	91,075
Other expenses	28	**(13,755)**	(168,604)
Other income	29	**48,163**	69,082
Finance costs	30	**(207,722)**	(117,861)
		(173,314)	(217,383)
Loss before levies and income tax		**(314,660)**	(126,308)
Levies (minimum tax and final tax)	31	**(106,551)**	(68,808)
Loss before income tax		**(421,211)**	(195,116)
Taxation	32	**73,709**	21,836
Loss after taxation for the year		**(347,502)**	(173,280)
		---------- (Rupees) ----------	
Loss per share - basic and diluted	33	**(9.65)**	(4.81)

The annexed notes from 1 to 47 form an integral part of these consolidated financial statements.

DIRECTOR	CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER

Consolidated Statement of Comprehensive Income
For the year ended June 30, 2024

	Note	2024	2023
		-------- (Rupees in '000)	--------
Loss after taxation for the year		**(347,502)**	(173,280)
Other comprehensive income / (loss)		**–**	–
Total comprehensive loss for the year		**(347,502)**	(173,280)

The annexed notes from 1 to 47 form an integral part of these consolidated financial statements.

DIRECTOR | CHIEF EXECUTIVE | CHIEF FINANCIAL OFFICER

Consolidated Statement of Changes in Equity

For the year ended June 30, 2024

	Issued, subscribed and paid-up capital	Reserves					Total equity
		Capital reserve	Revenue reserves		Total reserves		
		Share premium	General (note 15.3)	Unappropriated profit			
	(Rupees in '000)						
Balance as at July 01, 2022	144,000	12,598	2,665,000	3,513,427	6,191,025		6,335,025
Transfer to general reserve	–	–	500,000	(500,000)	–		–
Transaction with owners in the capacity as owners directly recorded in equity							
Issue of bonus shares	36,000	–	–	(36,000)	(36,000)		–
Total comprehensive loss for the year ended June 30, 2023							
Loss for the year	–	–	–	(173,280)	(173,280)		(173,280)
Other comprehensive income / (loss) for the year	–	–	–	–	–		–
	–	–	–	(173,280)	(173,280)		(173,280)
Balance as at June 30, 2023	180,000	12,598	3,165,000	2,804,147	5,981,745		6,161,745
Total comprehensive loss for the year ended June 30, 2024							
Loss for the year	–	–	–	(347,502)	(347,502)		(347,502)
Other comprehensive income / (loss) for the year	–	–	–	–	–		–
	–	–	–	(347,502)	(347,502)		(347,502)
Balance as at June 30, 2024	180,000	12,598	3,165,000	2,456,645	5,634,243		5,814,243

The annexed notes from 1 to 47 form an integral part of these consolidated financial statements.

DIRECTOR **CHIEF EXECUTIVE** **CHIEF FINANCIAL OFFICER**

Consolidated Statement of Cash Flows
For the year ended June 30, 2024

	Note	2024	(Restated) 2023
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	34	**652,926**	2,335,547
Long-term deposits paid		**(2,200)**	(1,958)
Finance cost paid		**(194,445)**	(122,905)
Levies and income tax paid		**(176,341)**	(148,182)
Warranty claims paid		**(10,305)**	(9,489)
Royalty paid		**(67,239)**	(41,442)
Short-term finance obtained during the year		**210,051**	–
Net cash generated from operating activities		**412,447**	2,011,571
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		**(341,757)**	(1,801,498)
Proceeds from disposal of operating fixed assets		**31,434**	14,468
Purchase of term deposit receipts		**–**	(74,500)
Profit received on short-term investments - term deposit receipts		**12,487**	10,533
Profit received on deposit accounts		**5,760**	10,060
Net cash used in investing activities		**(292,076)**	(1,840,937)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		**(482)**	(899)
Lease payments		**(3,447)**	(3,276)
Long-term financing obtained during the year		**–**	917,691
Long-term financing repaid during the year		**(154,165)**	(264,094)
Net cash (used in) / generated from financing activities		**(158,094)**	649,422
Net (decrease) / increase in cash and cash equivalents		**(37,723)**	820,056
Cash and cash equivalents at the beginning of the year		**(38,985)**	(859,041)
Cash and cash equivalents at the end of the year	35	**(76,708)**	(38,985)

The annexed notes from 1 to 47 form an integral part of these consolidated financial statements.

DIRECTOR | CHIEF EXECUTIVE | CHIEF FINANCIAL OFFICER

Notes to the Consolidated Financial Statements
For the year ended June 30, 2024

1 THE COMPANY, GROUP 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, 3-J.C.H.S., Block 7/8, Main Shahrah-e-Faisal, Karachi.

1.2 The group comprises of the Agriauto Industries Limited (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 2, 2014. The registered office of the Company is situated at 5th Floor, House of Habib, 3-J.C.H.S., Block 7/8, Main Shahrah-e-Faisal, Karachi.

1.3 As of the reporting date, the Group's shareholding in its subsidiary is 100% (2023: 100%).

1.4 Geographical location and addresses of all the business units are as under:

Location	Business unit
5th Floor, House of Habib, 3-J.C.H.S., Block 7/8, Main Shahrah-e-Faisal, Karachi, Sindh.	Registered Office
DSU-12B, Downstream Industrial Estate, Pakistan Steel Mills, Bin Qasim Town, Karachi, Sindh.	Manufacturing Facility
Mouza Baroot, Hub Chowki Distt. Lasbella, Balochistan.	Manufacturing Facility

2 BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

2.2 Basis of measurement

2.2.1 These consolidated financial statements have been prepared under the historical cost convention except otherwise specified in respective notes to the consolidated financial statements.

2.2.2 These consolidated financial statements are presented in Pak Rupees which is the Group’s functional and presentation currency.

2.3 Standards, interpretations, improvements and amendments applicable to consolidated financial statements

2.3.1 Amendments to approved accounting and reporting standards that became effective during the year

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after July 1, 2023 but are considered not to be relevant or do not have any significant effect on the Group's operations and therefore not detailed in these consolidated financial statements, except for the following:

i. Amendment to IAS 1 "Presentation of Financial Statements" (IAS 1)

This amendment aims to help entities in providing accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about the accounting policy disclosures. This amendment only had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any item in these consolidated financial statements.

ii. Interpretation on IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes

The Institute of Chartered Accountants of Pakistan has issued application guidance on accounting for minimum and final taxes vide its Circular No. 07/2024 dated May 15, 2024 (the Guidance).

Accordingly, effective from July 01, 2023 the Group has changed its accounting policy to recognise such taxes as 'levies' which were previously being recognised as 'income tax'. This change has been accounted for retrospectively in line with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures in the consolidated statement of profit and loss and other comprehensive income and consolidated statement of cash flows have been restated. The change has no impact on loss after tax or loss per share of the Group.

	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	(Rupees in '000)		
EFFECT ON THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
For the year ended June 30, 2024			
Levies - minimum tax and final tax	–	(106,551)	(106,551)
Loss before income tax	(314,660)	(106,551)	(421,211)
Taxation - Income tax	(32,842)	106,551	73,709
EFFECT ON THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
For the year ended June 30, 2023			
Levies - minimum tax and final tax	–	(68,808)	(68,808)
Loss before income tax	(126,308)	(68,808)	(195,116)
Taxation - Income tax	(46,972)	68,808	21,836

2.3.2 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Group's accounting period beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Group's consolidated financial statements except for:

- the new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit or Loss and Other Comprehensive Income' with certain additional disclosures in the consolidated financial statements.
- amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities and financial assets.

2.4 Material accounting policy information

2.4.1 Basis of consolidation

These consolidated financial statements include the financial statements of the Holding Company and its Subsidiary Company as at June 30, 2024, here-in-after referred to as "the Group".

The financial statements of the subsidiary are prepared for the same reporting year as the Holding Company, using consistent accounting policies.

The assets, liabilities, income and expenses of subsidiary company are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the Subsidiary Company's shareholders' equity in the consolidated financial statements. All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

2.4.1.1 Subsidiaries

Subsidiaries are those entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

2.4.2 Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current / non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading; or
- due to be settled within twelve months after the reporting period.

2.4.3 Property, plant and equipment

Operating fixed assets

These are stated at cost less accumulated depreciation and impairment loss, if any, except for freehold land which is stated at cost, less impairment, if any.

Depreciation on operating fixed assets is charged to the consolidated statement of profit or loss applying the reducing balance method at the rates specified in note 4.1 to these consolidated financial statements. Depreciation on additions is charged from the month of addition and in case of disposal, prior to the month of disposal. Maintenance and normal repairs are charged to the consolidated statement of profit or loss as and when incurred, while major renewals and improvements are capitalised.

Disposal of an item of operating fixed assets is recognised when significant risk and rewards, incidental to the ownership of that asset, have been transferred to the buyer. Gains and losses on disposals are determined by comparing the carrying amount of that asset with the sales proceeds and are recognised within 'other income/other expenses' in the consolidated statement of profit or loss.

The carrying values of assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or related cash-generating units are written down to their recoverable amount.

Capital work-in-progress

These are stated at cost less impairment in value, if any. Capital work-in-progress consist of expenditure incurred and advance made in respect of operating fixed assets in the course of their construction and installation.

2.4.4 Right-of-use assets and related liabilities

The Group assesses at contract inception whether a contract is, or contains, a lease, i.e. if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.4.4.1 Right-of-use-assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received as applicable.

Right-of-use assets are depreciated on a straight-line basis over the lower of the lease term and the estimated useful lives of the assets as specified in note 5 to these consolidated financial statements. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

2.4.4.2 Lease liabilities

The Group applies a single recognition and measurement approach for all leases, except for short-term leases, if any. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The extension and termination options are incorporated in the determination of the lease term only when the Group is reasonably certain to exercise these options.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the commencement date of the lease, if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

2.4.5 Intangible assets

These are stated at cost less accumulated amortisation and impairment loss, if any.

Costs in relation to intangible assets are only capitalised when it is probable that future economic benefits attributable to that asset will flow to the Group and the same is amortised applying the straight line method at the rate disclosed in note 6 to these consolidated financial statements.

Research and development expenditure that do not meet the criteria mentioned in IAS 38 'Intangible Assets' are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Such expenses are charged to the consolidated statement of profit or loss, as and when incurred.

The assets' residual values, useful lives and amortisation methods are reviewed at each reporting date, and adjusted if material.

2.4.6 Stores, spares and loose tools

Stores, spares and loose tools are stated at lower of cost and net realisable value. The cost is determined by the weighted moving average cost method except for those in transit which are valued at purchase price, freight value and other charges incurred thereon upto the reporting date.

Net realisable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred to make the sale.

2.4.7 Stock-in-trade

Stock-in-trade, except goods-in-transit, is stated at the lower of net realisable value (NRV) and cost determined as follows:

Raw and packing materials	Moving average basis, cost of raw materials comprises of purchase price plus import duties and taxes (other than those that are subsequently recoverable).
Work-in-process	Cost of direct materials plus conversion cost valued on the basis of equivalent production units.
Finished goods	Cost of finished goods comprises of direct materials plus conversion cost valued on time proportion basis.

Goods-in-transit are valued at purchase price, freight value and other charges incurred thereon upto the reporting date.

Stock-in-trade is regularly reviewed by management and obsolete items, if any, are brought down to their NRV. NRV signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.4.8 Trade debts and other receivables

Trade debts and other receivables are classified as financial assets at amortised cost.

Trade debts and other receivables are recognised and carried at original invoice amount (unless there is a significant financing component) less an estimated allowance made for doubtful debts and receivables based on the ‘Expected Credit Loss’ (ECL) model. Balances considered bad and irrecoverable are written off when identified. Subsequent recoveries of amounts previously written off are credited in the consolidated statement of profit or loss.

2.4.9 Cash and cash equivalents

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise of cash in hand, bank balances, readily encashable investments and short-term running finance that is repayable on demand and forms an integral part of the Group's cash management. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

2.4.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The financial assets of the Group mainly include trade debts, deposits, short-term investments, other receivables and cash and bank balances.

On initial recognition, a financial asset is classified as measured at amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or Fair Value through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Based on the business model of the Company, the financial assets of the Company are measured and classified under IFRS 9 as follows:

Trade debts, short-term investments and other financial assets are measured at amortised cost using the effective interest rate method less an allowance for expected credit losses, if any.

Derecognition

A financial asset, a part of a financial asset or part of a group of similar financial assets is primarily derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement and either the Group has transferred substantially all the risks and rewards of the asset or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On derecognition of a financial asset, in its entirety, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in the consolidated statement of profit or loss.

Financial liabilities

The financial liabilities of the Group mainly include long-term financing, short-term finance and trade creditors. All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs. For the purpose of subsequent measurement, financial liabilities are either classified at amortised cost or fair value through profit or loss. The Group does not have any financial liability at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Impairment of financial assets - allowance for expected credit losses

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive.

At each date of the consolidated statement of financial position, the Group assesses whether financial assets are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset. The Group considers a financial asset in default when contractual payments are 90 days past due and it is subsequently written off when there is no reasonable expectation of recovering the contractual cash flows. This definition is based on the Group's internal credit risk management policy.

The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and contract assets. The Group applies the simplified approach to recognise life time expected credit losses for trade debts while general 3 - stage approach for other financial assets i.e. to measure ECL through loss allowance at an amount equal to 12 - month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is currently an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.4.11 Impairment of non-financial assets

The carrying amounts of non-financial assets other than stock-in-trade, stores, spares and loose tools and deferred tax assets are assessed at date of the consolidated statement of financial position to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the consolidated statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets.

2.4.12 Levies

The Group considers unrecoupable minimum taxes in excess of normal tax liability and tax deducted at source under final tax regime are out of scope of IAS 12 'Income Taxes' and fall in the ambit of IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

2.4.13 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or minimum tax on turnover or Alternate Corporate Tax whichever is higher in accordance with the provisions of the Income Tax Ordinance, 2001 ('the Ordinance'). The minimum tax under section 113 which is not recoupable is classified under levies. The Holding Company has opted for Group Taxation under section 59AA of the Ordinance.

Deferred

Deferred tax is recognised using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts appearing in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the temporary differences will reverse in the future and taxable income will be available against which the temporary differences can be utilised.

Deferred tax is recognised for tax losses, minimum tax, alternative corporate tax and depreciation available for carry forward to the extent of realisation of the related tax benefit through future taxable profits, based on projections, is probable. The carrying amount of deferred tax assets is reviewed at each consolidated statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the consolidated statement of financial position date.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

2.4.14 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Group.

2.4.15 Provisions

Provision is recognised in the consolidated statement of financial position when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each date of consolidated statement of financial position and adjusted to reflect the current best estimate.

2.4.16 Warranty obligations

A provision is recognised for expected warranty claims on products sold, based on past experience of the level of repairs and returns and recognises the estimated product warranty costs in the consolidated statement of profit or loss when the sale is recognised. It is expected that these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties are based on current sales levels and current information available about returns based on the warranty period for all products sold.

2.4.17 Contingent liabilities

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measure with sufficient reliability.

The assessment of contingent liabilities inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Group, based on the availability of latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

2.4.18 Deferred income

The benefit of long-term financing at a below-market rate of interest is treated as a deferred income, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. The deferred income is held on the consolidated statement of financial position as a deferred credit and realised to the consolidated statement of profit or loss over the periods necessary to match the related finance cost.

2.4.19 Revenue from contract with customers

The Group manufactures and sells components for automotive vehicles, motorcycles and agriculture tractors to Original Equipment Manufacturers (OEMs) and certain after market suppliers. Revenue from contracts with customers is recognised when the control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods according to the negotiated contractual terms. The Group has generally concluded that it acts as a principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Group's performance obligations, comprising of the sale of components of automotive vehicles, motor cycles and agricultural tractors, are not separable, and are not partially satisfied, since they are satisfied at a point in time, when the customer accepts the products. Moreover, the payment terms identified in most sources of revenue are short term usually 30 to 60 days upon delivery, without any variable considerations, financing components and guarantees.

The Group recognises an account receivable when the performance obligations have been met, recognising the corresponding revenue. Moreover, the considerations received before satisfying the performance obligations are recognised as advances from customer.

Advance from customers is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. Advance from customers is recognised as revenue when the Group performs under the contract.

2.4.20 Other income

Return on bank deposits / saving accounts and short-term investments is recognised using effective interest rate method.

Scrap sales are recognised at sales proceeds less book value on the day of transaction.

Other income, if any, is recognised on accrual basis.

2.4.21 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.4.22 Sales tax

Revenues, expenses and assets are recognised, net off amount of sales tax except:

- where sales tax incurred on a purchase of asset or service is not recoverable from the taxation authorities, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable;
- trade receivables or trade payables are stated with the amount of sales tax; and
- the net amount of sales tax recoverable from, or payable to, the taxation authorities is included as part of sales tax receivables or payables in the consolidated statement of financial position.

2.4.23 Unclaimed dividend

This is recognised at the amount of dividend declared and unclaimed by shareholders from the date it became due and payable.

2.4.24 Unpaid dividend

This is recognised at the amount of dividend declared and claimed by shareholders but remained unpaid for the period of 3 years from the date it became due and payable.

2.4.25 Operating segments

For management purposes, the activities of the Group are organised into one reportable operating segment. The Group operates in the said reportable operating segment based on the nature of the products, risks and returns, organisational and management structure, and internal financial reporting systems. Accordingly, the figures reported in these consolidated financial statements are related to the Group's only reportable segment.

2.4.26 Share capital and reserves

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Reserves comprise of capital and revenue reserves. Capital reserves represent share premium while revenue reserves comprise of general reserves and unappropriated profit.

2.4.27 Dividends and appropriation to reserve

Dividend and appropriation to reserve are recognised in the consolidated financial statements in the period in which these are approved. Transfer between reserves made subsequent to the statement of financial position date is considered as a non-adjusting event and is recognised in the consolidated financial statements in the period in which such transfers are made.

2.4.28 Foreign currency transactions and translation

Transactions in foreign currencies are accounted for in Pakistani Rupees at the foreign exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are re-translated into rupees at the foreign exchange rates approximating those prevailing at the consolidated statement of financial position date. Exchange differences, if any, are taken to the consolidated statement of profit or loss.

2.4.29 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In the process of applying the accounting policies, management has made the following judgments and estimates which are significant to these consolidated financial statements:

- Residual values, method of depreciation, useful lives and impairment of assets (note 2.4.3, 2.4.4, 2.4.5, 2.4.11, 4.1, 5 & 6).
- Valuation of stock-in-trade (note 2.4.7 & 10).
- Levies, provision for income tax and deferred tax (note 2.4.12, 2.4.13, 8, 31 & 32).
- Warranty obligations (note 2.4.16 & 20).
- Contingent liabilities (note 2.4.17 & 23).

4 PROPERTY, PLANT AND EQUIPMENT

	Note	2024	2023
		(Rupees in '000)	
Operating fixed assets	4.1	**4,016,896**	2,464,505
Capital work-in-progress	4.5	**1,540**	1,812,980
		4,018,436	4,277,485

Notes to the Consolidated Financial Statements
For the year ended June 30, 2024

4.1 Operating fixed assets

	COST			Deprec-iation rate	ACCUMULATED DEPRECIATION				WRITTEN DOWN VALUE
	As at July 1, 2023	Additions/ transfer*/ (disposals)	As at June 30, 2024		As at July 1, 2023	Charge for the year (Note 4.2)	(On disposals)	As at June 30, 2024	As at June 30, 2024
	(Rupees in '000)			%	(Rupees in '000)				
Owned									
Freehold land	**1,652**	**–**	**1,652**	**–**	**–**	**–**	**–**	**–**	**1,652**
Leasehold land	**29,418**	**–**	**29,418**	**1.79**	**5,778**	**525**	**–**	**6,303**	**23,115**
Building on freehold land	**303,836**	**–** **409,973***	**713,809**	**10**	**162,439**	**41,675**	**–** **–**	**204,114**	**509,695**
Building on leasehold land	**480,877**	**–** **177,324***	**658,201**	**10**	**240,439**	**31,432**	**–** **–**	**271,871**	**386,330**
Plant and machinery	**3,142,983**	**17,814** **1,249,049*** **(19,027)**	**4,390,819**	**10-20**	**1,389,155**	**341,219**	**–** **–** **(10,094)**	**1,720,280**	**2,670,539**
Furniture and fittings	**46,218**	**171** **(469)**	**45,920**	**15**	**24,169**	**3,301**	**–** **(286)**	**27,184**	**18,736**
Vehicles	**204,175**	**61,265** **632*** **(21,473)**	**244,599**	**20**	**90,810**	**30,780**	**–** **–** **(9,910)**	**111,680**	**132,919**
Office equipment	**11,836**	**4,199**	**16,035**	**10-20**	**7,665**	**1,170**	**–**	**8,835**	**7,200**
Computer equipment	**88,584**	**2,510** **(4,076)**	**87,018**	**33**	**52,211**	**12,442**	**–** **(3,935)**	**60,718**	**26,300**
Dies and tools	**521,279**	**–** **230,260*** **(374)**	**751,165**	**40**	**393,687**	**117,442**	**–** **–** **(374)**	**510,755**	**240,410**
2024	**4,830,858**	**85,959** **2,067,238*** **(45,419)**	**6,938,636**		**2,366,353**	**579,986**	**–** **–** **(24,599)**	**2,921,740**	**4,016,896**

*represents transfer from capital work-in-progress to operating fixed assets.

	COST			Deprec-iation rate	ACCUMULATED DEPRECIATION				WRITTEN DOWN VALUE
	As at July 1, 2022	Additions/ transfer*/ (disposals)	As at June 30, 2023		As at July 1, 2022	Charge for the year (Note 4.2)	(On disposals)	As at June 30, 2023	As at June 30, 2023
	(Rupees in '000)			%	(Rupees in '000)				
Owned									
Freehold land	1,652	–	1,652	–	–	–	–	–	1,652
Leasehold land	29,418	–	29,418	1.79	5,253	525	–	5,778	23,640
Building on freehold land	303,836	–	303,836	10	146,728	15,711	–	162,439	141,397
Building on leasehold land	422,471	– 58,406*	480,877	10	216,969	23,470	– –	240,439	240,438
Plant and machinery	2,693,449	190,244 289,510* (30,220)	3,142,983	10-20	1,223,709	189,127	– – (23,681)	1,389,155	1,753,828
Furniture and fittings	40,941	530 4,747*	46,218	15	20,738	3,431	– –	24,169	22,049
Vehicles	186,197	14,029 4,044* (95)	204,175	20	64,048	26,777	– – (15)	90,810	113,365
Office equipment	11,036	800	11,836	10-20	6,902	763	–	7,665	4,171
Computer equipment	83,892	6,460 (1,768)	88,584	33	36,286	17,223	– (1,298)	52,211	36,373
Dies and tools	480,231	– 41,048*	521,279	40	318,370	75,317	– –	393,687	127,592
2023	4,253,123	212,063 397,755* (32,083)	4,830,858		2,039,003	352,344	– – (24,994)	2,366,353	2,464,505

*represents transfer from capital work-in-progress to operating fixed assets.

Notes to the Consolidated Financial Statements
For the year ended June 30, 2024

4.2 Depreciation charge for the year has been allocated as follows:

	Note	2024	2023
		(Rupees in '000)	
Cost of sales	25	**549,379**	324,292
Distribution and marketing expenses	26	**3,664**	4,858
Administrative expenses	27	**26,943**	23,194
		579,986	352,344

4.3 Particulars of immovable properties (i.e. freehold land, leasehold land, building on freehold land and building on leasehold land) in the name of the Group, are as follows:

Location	Total area
Mouza Baroot, Hub Chowki, Distt. Lasbella, Balochistan.	18.2 acres
DSU-12B, Downstream Industrial Estate, Pakistan Steel Mills, Bin Qasim Town, Karachi.	6.08 acres

4.4 Particulars of operating fixed asset having net book value of five hundred thousand rupees or more disposed off during the year are as follows:

Particulars	Cost	Book Value	Sales proceeds	Gain / (loss)	Mode of disposal	Particulars of buyer	Relationship
	(Rupees in '000)						
Plant and machinery							
Shock Absorber - Spray Paint Booth	7,522	3,035	8,906	5,871	Insurance Claim	Habib Insurance Company Limited	Insurer
Chrome Module	7,454	4,445	645	(3,800)	Negotiation	M/s. Noorani Trading Co.	Independent Purchaser
Vehicles							
Toyota Hilux	2,294	515	3,900	3,385	Negotiation	Mr. Uzair Ahmad	Independent Purchaser
Corolla XLI	2,625	1,211	1,211	–	Company Policy	Mr. Adil MustiKhan	Employee
Yaris 1.3 CVT	2,775	1,659	3,770	2,111	Negotiation	M/s.Ibn e Seena Health Care Private Limited	Independent Purchaser
Yaris ATIV CVT	2,775	1,658	1,630	(28)	Company Policy	Mr. Abdul Basit	Employee
Toyota Yaris 1.3 CVT	2,775	1,659	1,659	–	Company Policy	Mr. Muhammad Sumair	Employee
Suzuki Cultus	1,970	1,157	1,157	–	Company Policy	Mr. Azeemuddin	Employee
Suzuki Cultus	1,970	1,219	1,199	(20)	Company Policy	Mr. Muhammad Furqan	Employee
Suzuki Cultus VXL	1,970	1,158	3,000	1,842	Insurance Claim	Habib Insurance Company Limited	Insurer
Suzuki Cultus VXL	1,970	1,198	2,515	1,317	Negotiation	M/s. Mezan Beverages (Private) Limited	Independent Purchaser
	36,100	18,914	29,592	10,678			
Operating fixed assets having WDV less than Rs. 0.5 million	9,319	1,905	1,842	(63)	Various	Various	
2024	45,419	20,819	31,434	10,615			
2023	32,083	7,089	14,468	7,379			

Notes to the Consolidated Financial Statements
For the year ended June 30, 2024

4.5 Capital work-in-progress

	Note	2024	2023
		(Rupees in '000)	
Building on freehold land		–	217,485
Plant and machinery		**1,540**	1,423,475
Dies and tools		–	172,020
	4.5.1	**1,540**	1,812,980

4.5.1 Movement in capital work-in-progress is as follows:

	Note	2024	2023
As at July 01		**1,812,980**	621,332
Capital expenditure incurred / advances made during the year	4.5.2	**255,798**	1,589,435
Transfer to operating fixed assets during the year	4.1	**(2,067,238)**	(397,755)
Charged off during the year		–	(32)
As at June 30		**1,540**	1,812,980

4.5.2 During the year, borrowing costs have been capitalised amounting to Rs. 67.14 million (2023: Rs. 101.38 million) using capitalisation rate of 3 months KIBOR + 0.3% per annum on account of long-term financing obtained specifically for this purpose as fully mentioned in notes 17.3 and 17.4 to these consolidated financial statements.

5 RIGHT-OF-USE ASSETS

	Note	2024	2023
		(Rupees in '000)	
As at July 01		**2,227**	10,230
Addition during the year		**2,442**	–
Disposal during the year		–	(1,926)
Depreciation charge for the year	5.2	**(2,293)**	(6,077)
As at June 30		**2,376**	2,227

5.1 This represents lease contract for the premises acquired for office use. Lease tenure of such premises is 3 years and 1 month.

5.2 Depreciation charge for the year has been allocated as follows:

	Note	2024	2023
		(Rupees in '000)	
Cost of sales	25	–	3,850
Distribution and marketing expenses	26	**793**	727
Administrative expenses	27	**1,500**	1,500
		2,293	6,077

6 INTANGIBLE ASSETS

	COST			Amorti-sation rate	ACCUMULATED AMORTISATION				WRITTEN DOWN VALUE
	As at July 1, 2023	Additions/ (retire-ments)	As at June 30, 2024		As at July 1, 2023	Charge for the year (Note 6.1)	(On retire-ments)	As at June 30, 2024	As at June 30, 2024
	(Rupees in '000)			%	(Rupees in '000)				
License*	**88,389**	**(417)**	**87,972**	**20**	**54,986**	**15,468**	**(417)**	**70,037**	**17,935**
Software	**26,880**	**–**	**26,880**	**20**	**5,824**	**5,376**	**–**	**11,200**	**15,680**
	115,269	**(417)**	**114,852**		**60,810**	**20,844**	**(417)**	**81,237**	**33,615**

* This represents license and technical fee of certain products / components that are being manufactured by the Group under the technical service agreements.

	COST			Amortisation rate	ACCUMULATED AMORTISATION				WRITTEN DOWN VALUE
	As at July 1, 2022	Additions/ (retirements)	As at June 30, 2023		As at July 1, 2022	Charge for the year (Note 6.1)	(On retirements)	As at June 30, 2023	As at June 30, 2023
	(Rupees in '000)			%	(Rupees in '000)				
License*	88,389	–	88,389	20	39,091	15,895	–	54,986	33,403
Software	26,880	–	26,880	20	448	5,376	–	5,824	21,056
	115,269	–	115,269		39,539	21,271	–	60,810	54,459

* This represents license and technical fee of certain products / components that are being manufactured by the Group under the technical service agreements.

6.1 Amortisation charge for the year has been allocated as follows:

	Note	2024	2023
		(Rupees in '000)	
Cost of sales	25	**19,159**	19,586
Distribution and marketing expenses	26	**241**	241
Administrative expenses	27	**1,444**	1,444
		20,844	21,271

7 LONG-TERM DEPOSITS

	Note	2024	2023
Security deposits - considered good	7.1 & 7.2	**19,675**	17,475

7.1 This represent interest free deposits with suppliers having no fixed maturity. Fair value of these deposits is not considered to be materially different from the amortized cost.

7.2 This includes long-term deposit held with Habib Metropolitan Bank Limited - associated company, amounting to Rs. 0.03 million (2023: Rs. 0.03 million).

8 DEFERRED TAXATION - NET

	2024	2023
	(Rupees in '000)	
Deductible temporary differences arising due to:		
– provisions	**183,031**	177,098
– lease liabilities and right-of-use assets	**30**	336
– unused business losses	**220,682**	77,885
Taxable temporary differences arising due to:		
– accelerated tax depreciation	**(319,511)**	(244,797)
	84,232	10,522

8.1 As of the date of consolidated statement of financial position, deferred tax asset amounting to Rs. 175.90 million (2023: Rs. 104.56 million) and Rs. 16.19 million (2023: Rs. 12.99 million) in respect of minimum tax credits and unused business losses have not been recognised in these consolidated financial statements.

Notes to the Consolidated Financial Statements
For the year ended June 30, 2024

	Note	2024	2023
		--------- (Rupees in '000) ---------	
9 STORES, SPARES AND LOOSE TOOLS			
Stores		**126,681**	122,361
Spares		**88,469**	80,933
Loose tools		**14,927**	9,102
		230,077	212,396
Less: provision for obsolescence	9.1	**(70,840)**	(59,439)
		159,237	152,957

9.1 This includes Rs. 11.40 million (2023: Rs. 17.51 million) charged during the year in respect of provision for obsolescence.

	Note	2024	2023
		--------- (Rupees in '000) ---------	
10 STOCK-IN-TRADE			
Raw material	10.1	**1,740,031**	2,412,758
Less: provision for obsolescence		**(335,698)**	(281,284)
		1,404,333	2,131,474
Packing material		**7,595**	5,622
Less: provision for obsolescence		**(570)**	(614)
		7,025	5,008
Work-in-process		**77,569**	157,664
Finished goods		**113,643**	222,621
Less: provision for obsolescence		**(6,195)**	(437)
		107,448	222,184
Goods-in-transit		**560,929**	175,333
		2,157,304	2,691,663

10.1 As at the reporting date, raw materials amounting to Rs. 128.38 million (2023: Rs. 174.52 million) are held with the sub-contractors.

	Note	2024	2023
		--------- (Rupees in '000) ---------	
11 TRADE DEBTS - UNSECURED			
Considered good	11.2 & 11.3	**1,148,235**	731,621

11.1 These include balance due from various customers for whom there is no recent history of default. The ageing analysis of these trade debtors is as follows:

	2024	2023
	--------- (Rupees in '000) ---------	
Not yet due	**1,072,034**	716,439
Upto 1 month	**70,596**	12,328
1 to 2 months	**1,685**	2,815
3 to 6 months	**3,614**	39
More than 6 months	**306**	–
	1,148,235	731,621

11.2 This includes an amount of Rs. 2 million (2023: Rs. 1.64 million) receivable from Thal Boshoku Pakistan (Private) Limited - associated company, against sales made by the Group.

11.3 The maximum aggregate amount receivable from the related parties at the end of any month during the year was Rs. 9.52 million (2023: Rs. 16.26 million).

	Note	2024	2023
		(Rupees in '000)	
12 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Advances - unsecured, considered good			
Contractors		**11,696**	16,842
Employees		**1,706**	2,573
Suppliers		**5,278**	2,623
		18,680	22,038
Deposits	12.1	**27,765**	189,872
Prepayments			
Insurance		**15,095**	6,096
Software maintenance		**5,528**	1,007
Others		**945**	197
		21,568	7,300
Other receivables - secured, considered good	12.2, 12.3 & 12.4	**317,420**	306,564
		385,433	525,774

12.1 This includes an amount of Rs. 24.87 million (2023: Rs. 188.91 million) against LC and LG margin deposits, out of which Rs. 14.29 million (2023: Rs. 161.80 million) are held with Habib Metropolitan Bank Limited - associated company.

12.2 This includes Rs. 301.19 million (2023: Rs. 301.19 million) with respect to claim against Additional Custom Duty (ACD) (as disclosed in note 19.5) from a customer.

12.3 Includes an amount of Rs. 5.29 million (2023: Rs. 3.92 million) pertaining to accrued profit on deposit accounts held with Habib Metropolitan Bank Limited - associated company.

12.4 Includes Rs. 1.14 million (2023: Rs. 0.82 million) receivable from AuVitronics Limited - associated company in respect of reimbursement of salary expense paid by the Group on behalf of the associated company.

	Note	2024	2023
		(Rupees in '000)	
13 SHORT-TERM INVESTMENTS			
At amortised cost			
Term deposit receipts	13.1	**74,605**	74,500
Accrued profit thereon		**2,451**	1,453
		77,056	75,953

13.1 These represent three months term deposit receipts, marked as lien, with a commercial bank against long-term financing and bank guarantees, carrying markup rates ranging from 18.45% to 18.85% (2023: 12.75% to 19.25%) per annum and having maturity latest by September 30, 2024.

		Note	2024	2023
			(Rupees in '000)	
14	**CASH AND BANK BALANCES**			
	In hand		**108**	61
	With banks in			
	– current accounts		**57,868**	6,961
	– deposit accounts	14.1 & 14.2	**113,122**	155,547
			170,990	162,508
			171,098	162,569

14.1 This represent balances in deposit accounts maintained with Habib Metropolitan Bank Limited - associated company under interest / mark-up arrangements. These carry interest at the rate of 20.50% (2023: 12.25% to 19.50%) per annum.

14.2 These include an amount of Rs. 66.60 million (2023: Rs. 114.20 million) and Rs.46.52 million (2023: Rs. 40.32 million) held with Habib Metropolitan Bank Limited - associated company in deposit accounts and dividend accounts respectively.

15 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2024	2023		2024	2023
(Number of shares in '000)			(Rupees in '000)	
		Ordinary shares of Rs. 5/- each		
22,800	22,800	Fully paid in cash	**114,000**	114,000
13,200	13,200	Issued as bonus shares	**66,000**	66,000
36,000	36,000		**180,000**	180,000

15.1 All ordinary shares rank equally with regard to the Holding Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Holding Company.

15.2 Share premium reserve can be utilised by the Holding Company only for the purposes specified in section 81 of the Companies Act, 2017.

15.3 General reserve has been maintained for general purposes. The purpose of general reserves includes, but not limited to, fulfilling various business needs like meeting contingencies, enhancing the working capital, etc.

15.4 As at the reporting date, 2,644,500 shares (2023: 2,644,500 shares) are held by Thal Limited - associated company.

16 LEASE LIABILITIES

The Holding Company has certain lease arrangements for its offices in which rentals are payable in advance. The weighted average incremental borrowing rate of the Group is 21.39% (2023: 8.08% to 14.00%) per annum.

As at June 30, 2024, the Holding Company has a lease for its office having lease term of 3 years and 1 month. The lease contract include extension and termination options subject to the mutual consent of the Holding Company and the lessor.

	Note	2024	2023
		---------(Rupees in '000)---------	
Lease liabilities		**2,480**	3,387
Current maturity of lease liabilities		**(574)**	(3,387)
	16.1	**1,906**	–

16.1 Movement of lease liabilities:

	Note	2024	2023
As at July 01		**3,387**	12,182
Disposal during the year		**–**	(6,323)
Addition during the year		**2,363**	–
Finance cost during the year		**177**	804
Payments during the year		**(3,447)**	(3,276)
As at June 30	16.2	**2,480**	3,387
Current maturity of lease liabilities		**(574)**	(3,387)
		1,906	–

16.2 The maturity analysis of lease liabilities as at the reporting date is as follows:

	2024	2023
Up to 1 year	**574**	3,387
1 to 3 years	**1,906**	–
Total lease liabilities	**2,480**	3,387

17 LONG-TERM FINANCING - SECURED

	Note	2024	2023
SBP refinance scheme for renewable energy	17.1 & 17.2	**87,418**	92,679
Current maturity of long-term financing		**(10,687)**	(9,004)
		76,731	83,675
Long-term financing	17.3 & 17.4	**505,246**	676,462
Current maturity of long-term financing		**(78,627)**	(131,462)
		426,619	545,000
	17.5	**503,350**	628,675

17.1 This includes Rs. 44.63 million (2023: Rs. 46.92 million) long-term financing facility obtained by the Holding Company 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 (2023: Rs. 90 million) and carries contractual mark-up at the rate of 2% plus 0.75% (2023: 2% plus 0.75%) per annum payable quarterly. The effective mark-up rate as calculated with reference to fair value of the loan ranges from 10.02% to 16.30% (2023: 10.02% to 16.30%) per annum. The tenure of this facility is ten years and is due to mature latest by September 29, 2032. 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 (Term Deposit Receipts as fully mentioned in note 13.1) held under lien. As at June 30, 2024, the unutilised portion of the facility is Nil (2023: Nil).

17.2 This includes Rs. 42.79 million (2023: Rs. 45.76 million) long-term financing facility obtained by the Subsidiary Company 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. 85 million (Rs. 85 million) and carries contractual mark-up at the rate of 2% plus 0.75% (2023: 2% plus 0.75%) per annum payable quarterly. The effective mark-up rate as calculated with reference to fair value of the loan ranges from 8.72% to 16.30% (2023: 8.72% to 16.30%) per annum. The tenure of this facility is ten years and is due to mature latest by September 30, 2032. 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 (Term Deposit Receipts as fully mentioned in note 13.1) held under lien. As at June 30, 2024, the unutilised portion of the facility is Nil (2023: Nil).

17.3 This includes Rs. 333.41 million (2023: Rs. 422.22 million) long-term financing facility obtained by the Holding Company from a conventional bank to refinance capital expenditure incurred by the Company, with a total limit of Rs. 500 million (2023: Rs. 500 million) at a markup rate of 3 months KIBOR + 0.3% (2023: 3 months KIBOR + 0.3%) payable on quarterly basis. The tenure of this facility is six years, including grace period of one year and is due to mature by July 3, 2028. 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. As at June 30, 2024, the unutilised portion of the facility is Nil (2023: Nil).

17.4 This includes Rs. 171.84 million (2023: Rs. 254.24 million) long-term financing facility obtained by the Subsidiary Company from a conventional bank to refinance capital expenditure incurred by the Company, with a total limit of Rs. 900 million (2023: Rs. 900 million) at a markup rate of 3 months KIBOR + 0.3% (2023: 3 months KIBOR + 0.3%) payable on quarterly basis. The tenure of this facility is six years, including grace period of one year and is due to mature latest by August 3, 2028. 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. As at June 30, 2024, the unutilised portion of the facility is Nil (2023: Rs. 650 million).

		Note	2024	2023
			(Rupees in '000)	
17.5	**Movement of long-term financing**			
	As at July 01		**769,141**	90,927
	Financing received during the year		**–**	917,691
	Repayment made during the year		**(319,270)**	(285,637)
	Recognised as deferred income	18.1	**–**	(7,372)
	Accretion of interest during the year		**142,793**	53,532
	As at June 30		**592,664**	769,141
	Current maturity of long-term financing		**(89,314)**	(140,466)
			503,350	628,675
18	**DEFERRED INCOME**			
	Deferred income	18.2	**29,829**	37,985
	Current maturity of deferred income		**(4,902)**	(8,439)
			24,927	29,546
18.1	**Movement of deferred income**			
	As at July 01		**37,985**	34,827
	Recognised as deferred income	17.5	**–**	7,372
	Amortisation during the year	30	**(8,156)**	(4,214)
	As at June 30		**29,829**	37,985

18.2 This represents deferred income recognised in respect of the benefit of below-market interest rate on long-term financing. 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.

		Note	2024	2023
			(Rupees in '000)	
19	**TRADE AND OTHER PAYABLES**			
	Creditors		**414,363**	342,908
	Accrued liabilities	19.1 & 19.2	**652,582**	687,859
	Royalty payable	19.3	**31,095**	54,353
	Advance from customers (contract liabilities)		**8,600**	301,596
	Additional custom duty payable	19.5	**365,519**	365,519
	Payable to provident fund	19.6	**5,148**	4,636
	Withholding tax payable		**17,046**	5,104
	Workers' Profit Participation Fund	19.7	**7,263**	7,263
	Workers' Welfare Fund	19.8	**902**	3,604
	Others		**18,093**	20,933
			1,520,611	1,793,775

19.1 This includes an amount of Rs. 42.27 million (2023: Rs. 22.46 million) in respect of sales incentive payable to distributors.

19.2 Additionally includes an amount of Rs. 473.28 million (2023: Rs. 429.07 million) in respect of Sindh Infrastructure Development Cess, for which guarantees amounting to Rs. 417 million (2023: Rs. 387 million) have been provided with commercial banks (as disclosed in note 23.2.1).

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		Note	2024	2023
			(Rupees in '000)	
19.3	**Movement of royalty payable**			
	As at July 01		**54,353**	47,553
	Charge for the year		**43,981**	48,242
	Payment during the year	19.4	**(67,239)**	(41,442)
	As at June 30		**31,095**	54,353

19.4 Royalty paid during the year comprise of the following:

Company Name	Address	Relationship with the Company	2024	2023
			(Rupees in '000)	
KYB Corporation	World Trade Center Building 4-1, Hamamatsu-Cho 2 Chome, Minato-Ku, Tokyo 105 Japan	Technical Partner	**36,854**	16,717
Aisin Seiki Co., Ltd	2-1, Asahi-Machi, Kariya, Aichi, 448-8650, Japan	Technical Partner	**1,351**	203
Ogihara (Thailand) Company Limited	231 Ladkrabang Industrial Estate Phase 3, Chalongkrung Rd, Ladkrabang, Bangkok, Thailand.	Technical Partner	**29,034**	24,522

19.5 This represents Additional Custom Duty (ACD) payable to the Customs Authorities (Federal Board of Revenue) on import of certain raw materials. The provision has been maintained in respect of ACD levied under SRO 670 (I)/2019 dated June 28, 2019 at enhanced rates upto June 30, 2021. The Group is contesting levy of ACD under SRO 670 (I)/2019 dated June 28, 2019 and has filed a petition in the Honorable High Court of Sindh (the Court) against the aforesaid additional levy. The Court has granted a stay order after the submission of Corporate Guarantees by the Group amounting to Rs. 362.42 million (2023: Rs. 362.42 million) with the Court.

The Group has recorded a receivable from customer, on the basis of comfort letter, amounting to Rs. 301.19 million (2023: Rs. 301.19 million) in respect of the ACD payable as disclosed in note 12.2.

19.6 Investments in collective investment schemes, listed equity and listed debt securities out of provident funds have been made in accordance with the provisions of section 218 of the Act and the rules formulated for this purpose.

		Note	2024	2023
			(Rupees in '000)	
19.7	**Workers' Profit Participation Fund**			
	As at July 1		**7,263**	59,018
	Allocation for the year	28	**–**	7,263
			7,263	66,281
	Payment made during the year		**–**	(59,018)
	As at June 30		**7,263**	7,263
19.8	**Workers' Welfare Fund**			
	As at July 1		**3,604**	27,094
	Allocation for the year	28	**–**	2,905
			3,604	29,999
	Payment made during the year		**(2,702)**	(26,395)
	As at June 30		**902**	3,604
20	**WARRANTY OBLIGATIONS**			
	Warranty obligations	20.1	**126,762**	127,504
20.1	**Movement of warranty obligations**			
	As at July 1		**127,504**	138,293
	Charge / (reversal) for the year	26	**9,563**	(1,300)
	Claims paid during the year		**(10,305)**	(9,489)
	As at June 30		**126,762**	127,504

20.2 This represents the Group's best estimate of the amount required to be paid / settled to cover the potential warranty claims based on the historical experience.

21 UNPAID DIVIDEND AND UNCLAIMED DIVIDEND

The Holding Company has opened separate bank accounts as required under the provision of section 244 of the Act and the required amounts have been transferred accordingly.

	Note	2024	2023
		--------- (Rupees in '000) ---------	
22 SHORT-TERM FINANCE - SECURED			
Conventional			
Running finance facility		**217,703**	194,924
Accrued markup thereon		**30,103**	6,630
	22.1 & 22.2	**247,806**	201,554
Islamic			
Musawamah		**156,051**	–
Accrued profit thereon		**4,187**	–
	22.3 & 22.4	**160,238**	–
Tijarah		**54,000**	–
Accrued profit thereon		**2,020**	–
	22.5	**56,020**	–
		464,064	201,554

22.1 This includes Rs. 225.72 million (2023: Rs. 2.15 million) short-term running finance obtained by the Holding Company from various commercial banks including short term running finance amounting to Rs. 3.38 million (2023: Nil) availed from Habib Metropolitan Bank Limited - associated company. The total facility limit amounts to Rs. 1,240 million (2023: Rs. 1,240 million). The rate of mark-up on these finances ranges from 1 month to 3 months KIBOR plus spreads varying from 0.10% to 0.75% (2023: 1 month to 3 months KIBOR plus spreads varying from 0.20% to 0.75%) per annum. The facilities are secured by way of first pari passu and ranking hypothecation charge on the Holding Company's stock-in-trade, stores, spares, loose tools and trade debts.

22.2 This includes Rs. 22.08 million (2023: Rs. 199.40 million) short-term running finance obtained by the Subsidiary Company from a commercial bank amounting to Rs. 15.11 million (2023: Rs. 194.92 million). The total facility limit amounts to Rs. 1,050 million (2023: Rs. 1,150 million) and the rate of mark-up on these finances ranges from 1 month to 3 months KIBOR plus spreads varying from 0.20% to 1.00% (2023: 1 month to 3 months KIBOR plus spreads varying from 0.20% to 1.00%) per annum. The facilities are secured by way of pari passu hypothecation plus ranking charge on the Subsidiary Company's stock-in-trade, stores, spares, loose tools and trade debts.

22.3 This includes Rs. 59.66 million (2023: Nil) short-term financing facility (Musawamah) obtained by the Holding Company from an Islamic bank for financing the working capital requirements of the Holding Company. The facility has a total limit of Rs. 250 million (2023: Nil). These carry mark-up at the rate of matching tenure KIBOR + 0.5% per annum. The facility can be drawn and settled in tranches with maximum tenure of 180 days. The current drawn amount is payable by November 15, 2024. The facility is secured by way of first joint pari passu hypothecation charge over present and future stock-in-trade and trade debts of the Holding Company with 25% margin. As at June 30, 2024, the unutilised portion of the facility amounts to Rs. 190.64 million (2023: Nil).

22.4 This includes Rs. 100.58 million (2023: Nil) short-term financing facility (Musawamah) obtained by the Subsidiary Company from an Islamic bank for financing the working capital requirements of the Subsidiary Company. The facility has a total limit of Rs. 200 million (2023: Nil). These carry mark-up at the rate of matching tenure KIBOR + 0.5% per annum. The facility can be drawn and settled in tranches with maximum tenure of 180 days. The current drawn amount is payable by October 18, 2024. The facility is secured by way of first joint pari passu hypothecation charge over present and future stock-in-trade and trade debts of the Subsidiary Company with 25% margin. As at June 30, 2024, the unutilised portion of the facility amounts to Rs. 103.31 million (2023: Nil).

22.5 This includes Rs. 56.02 million (2023: Nil) short-term financing facility (Tijarah) obtained by the Holding Company from an Islamic bank for financing the working capital requirements of the Holding Company. The facility has a total limit of Rs. 250 million (2023: Nil). These carry mark-up at the rate of matching tenure KIBOR + 0.5% per annum. The facility can be drawn and settled in tranches with maximum tenure of 180 days. The current drawn amount is payable by October 29, 2024. The facility is secured by way of first joint pari passu hypothecation charge over present and future stock-in-trade and trade debts of the Holding Company with 25% margin. As at June 30, 2024, the unutilised portion of the facility amounts to Rs. 196 million (2023: Nil).

Notes to the Consolidated Financial Statements
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23 CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

23.1.1 Income tax related contingencies are disclosed in note 32.4.

23.1.2 In 2022, the Subsidiary Company received orders from the Custom Authorities i.e. West Collectorate and East Collectorate, regarding the short payment of custom duties and taxes amounting to Rs. 861.50 million and Rs. 28.14 million respectively, totaling Rs. 889.64 million, alleging the application of incorrect tariff classification/rate on a component, being imported since 2017. Both cases were adjudicated in favor of the department. Based on valid grounds and legal position/arguments the Subsidiary Company filed separate appeals in both these cases before the Customs Appellate Tribunal (CAT) along with an application seeking relief.

For the West Collectorate – CAT upheld earlier decision of the Adjudicator but waived the penalty and fine. Aggrieved with this decision of the CAT, the Subsidiary Company preferred an appeal/reference before the Honorable Sindh High Court (SHC). The SHC was pleased to grant relief, restraining customs authorities from taking any coercive action against the Subsidiary Company. The Subsidiary Company has furnished bank guarantees amounting to Rs. 258.48 million in favour of customs authorities (as disclosed in note 23.2.1).

The CAT accepted the contention of the Subsidiary Company in the other identical cases pertaining to East Collectorate, and set aside the earlier order of the Adjudicator in favour of the Subsidiary Company. The department has filed a reference against the decision with the SHC.

There are now varying decisions of two different benches of the CAT on the same issue in the SHC, with the most recent judgment being in favour of the Subsidiary Company. Based on the facts of the matter and in the light of the opinion of a legal advisor, the Subsidiary Company is confident that the ultimate outcome will be in favour of the Subsidiary Company, and accordingly no provision is required to be recorded in these consolidated financial statements.

	2024	2023
	(Rupees in '000)	
23.2 Commitments		
23.2.1 Outstanding bank guarantees	**691,529**	661,529

23.2.2 This includes bank guarantees amounting to Rs. 317.86 million (2023: Rs. 287.86 million) obtained from Habib Metropolitan Bank Limited - associated company.

23.2.3 Outstanding bank guarantees issued to Collector of Customs in respect of custom duty and non-deduction of withholding tax amounting to Rs. 265.37 million (2023: Rs. 265.37 million) and Rs. 8.62 million (2023: Rs. 8.62 million) respectively.

23.2.4 Commitments in respect of outstanding letter of credit for raw material, stores, spares and loose tools amounts to Rs. 1,497.96 million (2023: Rs. 747.77 million), out of which Rs. 685.38 million (2023: Rs. 194.65 million) is outstanding with Habib Metropolitan Bank Limited - associated company as at the reporting date.

23.2.5 Commitments in respect of outstanding letter of credits for capital expenditure amounting to Rs. 2.74 million (2023: Rs. 80.72 million), out of which Rs. 2.08 million (2023: Rs. 6.57 million) is outstanding with Habib Metropolitan Bank Limited - associated company as at the reporting date.

	Note	2024	2023
		(Rupees in '000)	
24 TURNOVER – net			
Gross sales			
Local sales		**10,046,957**	9,771,234
Export sales	24.2	**28,196**	3,030
		10,075,153	9,774,264
Less: sales tax		**(1,540,969)**	(1,459,747)
Revenue from contract with customers		**8,534,184**	8,314,517

24.1 Revenue recognised from amounts included in advance from customers at the beginning of the year amounted to Rs. 300.0 million (2023: Rs. 3.95 million).

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		Note	2024	2023
			--------- (Rupees in '000) ---------	
24.2	**Region wise export sales are as under:**			
	United Arab Emirates		**28,196**	3,030
25	**COST OF SALES**			
	Raw material consumed			
	Opening stock		**2,131,474**	2,719,194
	Purchases		**4,899,495**	5,399,627
			7,030,969	8,118,821
	Closing stock	10	**(1,404,333)**	(2,131,474)
			5,626,636	5,987,347
	Manufacturing expenses			
	Salaries, wages and benefits	25.1	**830,793**	708,916
	Stores, spares and loose tools consumed		**295,041**	286,935
	Utilities		**195,479**	161,975
	Amortisation of intangible assets	6.1	**19,159**	19,586
	Royalty		**43,981**	48,242
	Depreciation on operating fixed assets	4.2	**549,379**	324,292
	Depreciation on right-of-use assets	5.2	**–**	3,850
	Transportation and travelling		**189,818**	155,249
	Repairs and maintenance		**122,922**	87,353
	Packing material consumed		**47,128**	37,988
	Rates and taxes		**1,024**	1,373
	Research costs		**2,055**	5,997
	Insurance		**8,563**	7,634
	Communications and professional fee		**3,727**	6,436
	Printing and stationery		**2,187**	2,230
	Legal and professional charges		**5,435**	2,150
	Others		**7,506**	10,485
			2,324,197	1,870,691
	Work-in-process			
	Opening stock		**157,664**	121,728
	Closing stock	10	**(77,569)**	(157,664)
			80,095	(35,936)
	Cost of goods manufactured		**8,030,928**	7,822,102
	Finished goods			
	Opening stock		**222,184**	172,415
	Closing stock	10	**(107,448)**	(222,184)
			114,736	(49,769)
			8,145,664	7,772,333

25.1 This includes Rs. 15.89 million (2023: Rs. 13.96 million) in respect of staff retirement benefits.

	Note	2024	2023
		(Rupees in '000)	
26 DISTRIBUTION AND MARKETING EXPENSES			
Salaries, wages and benefits		**16,106**	14,503
Advertisement and sales promotion		**44,474**	23,022
Carriage and forwarding		**53,102**	52,968
Travelling and conveyance		**4,805**	2,431
Depreciation on operating fixed assets	4.2	**3,664**	4,858
Depreciation on right-of-use assets	5.2	**793**	727
Amortisation of intangible assets	6.1	**241**	241
Charge / (reversal) for warranty claims	20.1	**9,563**	(1,300)
Communications		**139**	119
Insurance		**2,995**	2,924
Repairs and maintenance		**1,065**	798
Others		**2,928**	4,787
		139,875	106,078

26.1 This includes Rs. 0.7 million (2023: Rs. 0.6 million) in respect of staff retirement benefits.

	Note	2024	2023
		(Rupees in '000)	
27 ADMINISTRATIVE EXPENSES			
Salaries, wages and benefits	27.1	**137,834**	112,964
Legal and professional charges		**96,026**	88,424
Travelling and conveyance		**43,949**	38,833
Repairs and maintenance		**44,033**	31,293
Depreciation on operating fixed assets	4.2	**26,943**	23,194
Depreciation on right-of-use assets	5.2	**1,500**	1,500
Amortisation of intangible assets	6.1	**1,444**	1,444
Security services		**15,573**	14,708
Communications and professional fee		**2,842**	16,639
Printing and stationery		**2,144**	2,604
Rates and taxes		**202**	50
Utilities		**1,671**	1,756
Auditors' remuneration	27.2	**4,543**	3,602
Insurance		**2,776**	2,734
Others		**8,511**	5,286
		389,991	345,031

27.1 This includes Rs. 3.48 million (2023: Rs. 3.52 million) in respect of staff retirement benefits.

	2024	2023
	(Rupees in '000)	
27.2 Auditors' remuneration		
Audit fee for unconsolidated financial statements	**2,000**	1,800
Audit fee for consolidated financial statements	**400**	250
Fee for review of half yearly financial statements	**400**	300
Other certifications	**1,025**	728
Sindh sales tax	**336**	268
Out of pocket expenses	**382**	256
	4,543	3,602

	Note	2024	2023
		(Rupees in '000)	
28 OTHER EXPENSES			
Exchange loss on foreign currency transactions - net		**9,299**	149,221
Workers' Profit Participation Fund	19.7	**–**	7,263
Workers' Welfare Fund	19.8	**–**	2,905
Donations	28.1 & 28.2	**4,028**	9,215
Sales tax receivable written off		**428**	–
		13,755	168,604

28.1 Donation to following parties exceeds 10% of the Group's total donations or Rs. 1 million, whichever is higher:

	2024	2023
	(Rupees in '000)	
Muhammad Ali Habib Welfare Trust	**–**	2,000
Karachi Relief Trust	**–**	4,200
Indus Hospital & Health Network	**2,000**	2,000

28.2 None of the donations were made to any donee in which a director or their spouse had any interest at any time during the year.

	Note	2024	2023
29 OTHER INCOME		(Rupees in '000)	
Income from financial assets			
Profit on:			
– short-term investments - term deposit receipts		**13,485**	10,820
– deposit accounts	29.1	**4,156**	12,099
		17,641	22,919
Reversal of expected credit losses		**–**	22
		17,641	22,941
Income from non-financial assets			
Gain on disposal of operating fixed assets		**10,615**	7,379
Gain on forward cover		**–**	20,250
Liabilities no longer payable - written back		**–**	1,596
Gain on disposal of lease and right-of-use asset		**–**	4,398
Scrap sales		**16,907**	12,469
Miscellaneous income		**3,000**	49
		30,522	46,141
		48,163	69,082

29.1 This represents profit earned from Habib Metropolitan Bank Limited - associated company, under conventional banking relationships.

	Note	2024	2023
30 FINANCE COSTS		(Rupees in '000)	
Interest / profit on:			
– long-term financing		**78,336**	10,430
– short-term finance		**133,633**	107,318
– lease liabilities		**177**	804
Bank charges and commission		**3,732**	3,523
Amortisation of deferred income	18.1	**(8,156)**	(4,214)
		207,722	117,861

		2024	(Restated) 2023
		(Rupees in '000)	
31	**LEVIES (MINIMUM TAX AND FINAL TAX)**		
	Minimum tax u/s 113	**106,306**	68,778
	Final tax u/s 154	**282**	30
	Prior	**(37)**	–
		106,551	68,808

31.1 This represents minimum and final tax paid under section 113 and 154 of the Income Tax Ordinance, 2001, representing levy in terms of the requirements of IFRIC 21 / IAS 37.

		2024	(Restated) 2023
		(Rupees in '000)	
32	**TAXATION**		
	Current		
	For the year	**–**	35,183
	Prior	**–**	2,073
		–	37,256
	Deferred	**(73,709)**	(59,092)
		(73,709)	(21,836)

32.1 Reconciliation of current tax charged as per tax laws for the year, with current tax recognised in the consolidated statement of profit or loss, is as follows:

	2024	2023
	(Rupees in '000)	
Current tax liability for the year as per applicable tax laws	**106,551**	106,064
Portion of current tax liability as per tax laws, representing income tax under IAS 12	**–**	37,256
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21 / IAS 37	**106,551**	68,808
Difference	**–**	–

32.2 During the year, provision for current taxation is based on minimum and final tax regime. Accordingly, the reconciliation between accounting loss and tax expense has not been presented in these consolidated financial statements.

32.3 Income tax returns of the Group have been submitted up to tax year 2023 on self-assessment basis under section 120 of the Income Tax Ordinance, 2001.

32.4 Description of income tax proceedings:

During the year, the Additional Commissioner Inland Revenue (ACIR), Large Taxpayers' Office, amended the deemed assessment order of the Group for the tax year 2021. An order was passed, resulting in a demand of Rs. 2.23 million, as against refundable balance of Rs. 86.86 million claimed in the tax return, on account of incorrect adjustment of minimum tax brought forward u/s 113(2)(c) amounting to Rs. 78.67 million (including Rs. 22.37 million minimum tax brought forward u/s 113(2)(c) of the Subsidiary Company) and certain other inadmissible expenses claimed in the said tax year's return.

The Holding Company preferred an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] against the said order of ACIR. The CIR(A) passed an order dated January 4, 2024 and confirmed the order of ACIR.

The Holding Company has challenged the decision of CIR(A) before the Appellate Tribunal Inland Revenue (ATIR) which is yet to be fixed for hearing. The management, based on the advice of its tax advisor, has not recorded any provision in respect of this matter in these consolidated financial statements as they believe that the matter will be decided in their favour.

33 LOSS PER SHARE – basic and diluted

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	2024	2023
Loss for the year (Rs. in '000)	**(347,502)**	(173,280)
Weighted average number of ordinary shares	**36,000**	36,000
Loss per share (Rs.)	**(9.65)**	(4.81)

	Note	2024	(Restated) 2023
		(Rupees in '000)	
34 CASH GENERATED FROM OPERATIONS			
Loss before income tax		**(421,211)**	(195,116)
Adjustments for:			
Depreciation and amortisation	4.2, 5.2 & 6.1	**603,123**	379,692
Levy (minimum tax and final tax)		**106,551**	68,808
Finance costs	30	**207,722**	117,861
Sales tax receivable written off	28	**428**	–
Unrealised exchange gain foreign currency transactions		**–**	(1,024)
Reversal for expected credit losses	29	**–**	(22)
Liabilities no longer payable - written back	29	**–**	1,596
Profit on short-term investments - term deposit receipts	29	**(13,485)**	(10,820)
Profit on deposit accounts	29	**(4,156)**	(12,099)
Capital work-in-progress charged off	4.5.1	**–**	32
Charge / (reversal) for warranty claims	26	**9,563**	(1,300)
Provision for royalty	25	**43,981**	48,242
Provision for obsolescence		**48,727**	206,830
Gain on disposal of lease and right-of-use asset	29	**–**	(4,398)
Gain on disposal of operating fixed assets	29	**(10,615)**	(7,379)
		991,839	786,019
		570,628	590,903
Decrease / (increase) in current assets			
Stores, spares and loose tools		**(17,681)**	18,537
Stock-in-trade		**474,231**	885,853
Trade debts		**(416,614)**	447,910
Advances, deposits, prepayments and other receivables		**140,341**	381,284
Sales tax receivable		**146,694**	(84,211)
		326,971	1,649,373
(Decrease) / increase in current liabilities			
Trade and other payables		**(244,673)**	95,271
		652,926	2,335,547
35 CASH AND CASH EQUIVALENTS			
Cash and bank balances	14	**171,098**	162,569
Short-term running finance	22	**(247,806)**	(201,554)
		(76,708)	(38,985)

36 CHANGES IN LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Note	2024 Long-term financing-secured (including deferred income)	2024 Unclaimed and unpaid dividend	2024 Lease liabilities
		(Rupees in '000)		
As at July 1		**807,126**	**34,414**	**3,387**
Changes from financing cash flows				
Dividend paid during the year	21	**–**	**(482)**	**–**
Payments made during the year	16.1	**–**	**–**	**(3,447)**
Long-term financing repaid during the year	17.5	**(319,270)**	**–**	**–**
		(319,270)	**(482)**	**(3,447)**
Other changes				
Addition of lease during the year	16.1	**–**	**–**	**2,363**
Amortisation of deferred income during the year	18.1	**(8,156)**	**–**	**–**
Finance cost during the year	16.1 & 17.5	**142,793**	**–**	**177**
		134,637	**–**	**2,540**
As at June 30		**622,493**	**33,932**	**2,480**

	Note	2023 Long-term financing-secured (including deferred income)	2023 Unclaimed and unpaid dividend	2023 Lease liabilities
		(Rupees in '000)		
As at July 1		125,754	35,313	12,182
Changes from financing cash flows				
Dividend paid during the year	21	–	(899)	–
Payments made during the year	16.1	–	–	(3,276)
Long-term financing obtained during the year	17.5	917,691	–	–
Long-term financing repaid during the year	17.5	(285,637)	–	–
		632,054	(899)	(3,276)
Other changes				
Disposal of lease during the year	16.1	–	–	(6,323)
Amortisation of deferred income during the year	18.1	(4,214)	–	–
Finance cost during the year	16.1 & 17.5	53,532	–	804
		49,318	–	(5,519)
As at June 30		807,126	34,414	3,387

	Note	2024	2023
		(Rupees in '000)	

37 FINANCIAL RISK MANAGEMENT

37.1 FINANCIAL INSTRUMENTS BY CATEGORY

	Note	2024	2023
Financial assets at amortised cost			
Long-term deposits	7	**19,675**	17,475
Trade debts - unsecured	11	**1,148,235**	731,621
Deposits and other receivables	12	**345,185**	496,436
Short-term investments	13	**77,056**	75,953
Cash and bank balances	14	**171,098**	162,569
		1,761,249	1,484,054
Financial liabilities at amortised cost			
Lease liabilities	16	**2,480**	3,387
Long-term financing -secured	17	**592,664**	769,141
Trade and other payables	19	**468,699**	422,830
Unpaid dividend	21	**3,819**	6,748
Unclaimed dividend	21	**30,113**	27,666
Short-term finance - secured	22	**464,064**	201,554
		1,561,839	1,431,326

37.2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Group’s financial instruments are market risks, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

37.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables. Market risk comprises of three types of risks: currency risk, interest rate risk and other price risk. The Group manages its market risk by monitoring exposure on financial instruments and by following internal risk management policies.

(i) Interest rate risk

Interest rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Group's exposure to the risk of change in market interest rate relates primarily to the Group's liability against long-term financing and short-term finance with floating interest rates. The Group manages its risk by ensuring minimal utilisation of interest bearing financing.

Interest rate profile of financial instruments

At the reporting date, the interest rate profile of the Group's interest bearing financial instruments were as follows:

	Note	2024	2023
		(Rupees in '000)	
Financial assets at amortised cost			
Short-term investments - secured	13	**77,056**	75,953
Bank balances	14	**113,122**	155,547
		190,178	231,500
Financial liabilities at amortised cost			
Lease liabilities	16	**2,480**	3,387
Long-term financing - secured	17	**592,664**	769,141
Short-term finance - secured	22	**464,064**	201,554
		1,059,208	974,082

Sensitivity analysis of variable rate instruments

A change of 100 basis points (1%) in interest rate at the reporting date would have changed the Group's loss before tax for the year by the amounts shown below, with all other variables held constant.

		2024	2023
Change in interest rate	±	**1%**	1%
Effect on loss before tax (Rs. in '000)	±	**8,690**	7,426

(ii) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currencies. The Group manages its foreign currency risk through taking adequate cover, if any, in accordance with its approved risk management policy. The Group's exposure to foreign currency risk at the reporting date is as follows:

	2024	2023
	(FCY in '000)	
USD		
Trade and other payables	**808**	242
JPY		
Trade and other payables	**4,164**	21,693
CNY		
Trade and other payables	**1,643**	–

Sensitivity analysis

The following significant exchange rates were applied during the year:

	Statement of financial position date rate		Average rate	
	2024	2023	2024	2023
USD	**278.34**	285.99	**283.17**	248.09
JPY	**1.73**	1.99	**1.89**	1.81
EUR	**297.69**	312.93	**306.00**	264.02
CNY	**38.31**	39.67	**39.23**	35.68
AED	**75.78**	77.86	**77.10**	67.52

A ten percent strengthening / weakening of the Pakistani Rupee against the above foreign currencies at the reporting date would decrease / increase loss before tax for the year by Rs. 29.50 million (2023: Rs. 11.23 million). This analysis assumes that all other variables, in particular interest rates, remain constant.

(iii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from foreign currency risk and interest risk), whether those changes are caused by factors specific to the individual financial instruments, or its issuer or factors affecting all similar financial instruments traded in the market. As at June 30, 2024, the Group is not exposed to the price risk.

37.2.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Group is exposed to credit risk mainly on trade debts, short-term investments, long-term deposits, short-term deposits, other receivables and bank balances.

	Note	2024	2023
		(Rupees in '000)	
The maximum exposure to credit risk at reporting date is as follows:			
Long-term deposits	7	**19,675**	17,475
Trade debts - unsecured	11	**1,148,235**	731,621
Deposits and other receivables	12	**345,185**	496,436
Short-term investments	13	**77,056**	75,953
Bank balances	14	**170,990**	162,508
		1,761,141	1,483,993

The credit quality of financial assets other than bank balances and short-term investments can be assessed with reference to their historical performance with no defaults in recent history. The ageing analysis of trade debts is given in note 11.1.

The credit quality of the Group's bank balances and short-term investments can be assessed with reference to external credit ratings as follows:

Banks	Rating Agency	Rating	2024	2023
			(Rupees in '000)	
Habib Metropolitan Bank Limited	PACRA	A-1+	**113,122**	154,522
Habib Bank Limited	VIS	A-1+	**77,756**	76,599
National Bank of Pakistan	PACRA	A-1+	**1,409**	949
Meezan Bank Limited	VIS	A-1+	**2,849**	725
Standard Chartered Bank Pakistan Limited	PACRA	A-1+	**50,578**	440
United Bank Limited	VIS	A-1+	**20**	1,025
Bank AL Habib Limited	PACRA	A-1+	**30**	297
The Bank of Punjab Limited	PACRA	A-1+	**1,264**	1,414
Dubai Islamic Bank Limited	VIS	A-1+	**1,018**	1,037

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For trade debts, long-term deposits, short-term deposits and other receivables, the internal risk assessment process determines the credit quality of each counter party, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by management. The utilisation of credit limits is regularly monitored. Accordingly, the management believes that the credit risk is minimal and in the opinion of the management, the Group is not exposed to major concentration of credit risk.

37.2.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in raising funds to meet commitments associated with financial instruments. Management of the Group believes that it is not exposed to any significant level of liquidity risk.

Management forecasts the liquidity of the Group on the basis of expected cashflow considering the level of liquid assets necessary to mitigate the liquidity risk. The table below summarises the maturity profile of the Group's financial liabilities at the financial reporting date:

2024	On Demand	Not later than one year	Later than one year	Total
	(Rupees in '000)			
Non-interest bearing financial liabilities				
Trade and other payables	**437,604**	**31,095**	**–**	**468,699**
Unpaid dividend	**3,819**	**–**	**–**	**3,819**
Unclaimed dividend	**30,113**	**–**	**–**	**30,113**
Interest bearing financial liabilities				
Lease liabilities	**–**	**574**	**1,906**	**2,480**
Long-term financing	**–**	**89,314**	**503,350**	**592,664**
Short-term finance - secured	**247,806**	**216,258**	**–**	**464,064**
	719,342	**337,241**	**505,256**	**1,561,839**

2023	On Demand	Not later than one year	Later than one year	Total
	(Rupees in '000)			
Non-interest bearing financial liabilities				
Trade and other payables	368,477	54,353	–	422,830
Unpaid dividend	6,748	–	–	6,748
Unclaimed dividend	27,666	–	–	27,666
Interest bearing financial liabilities				
Lease liabilities	–	3,387	–	3,387
Long-term financing	–	140,466	628,675	769,141
Short-term running finance	201,554	–	–	201,554
	604,445	198,206	628,675	1,431,326

38 CAPITAL RISK MANAGEMENT

The primary objective of the Group's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximise shareholder value and reduce the cost of capital. The Group manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. As of the consolidated statement of financial position date, the debt to equity ratio is as follows:

	2024	2023
	(Rupees in '000)	
Debt	**1,059,208**	974,082
Equity	**5,814,243**	6,161,745
Gearing ratio	**18.22%**	15.81%

39 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The different levels of fair valuation method have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of the reporting date, the Group does not have any financial assets carried at fair value that required categorisation in Level 1, Level 2 and Level 3.

40 REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

40.1 The aggregate amount charged in the consolidated financial statements for remuneration including certain benefits to the Chief Executive, directors and executives of the Group are as follows:

	2024		2023	
	Chief Executive	Executives	Chief Executive	Executives
	(Rupees in '000)			
Managerial remuneration	**35,983**	**161,562**	30,753	97,024
Bonus	**7,096**	**24,389**	4,800	8,133
Retirement benefits	**2,631**	**8,381**	2,249	5,063
Utilities	**654**	**661**	654	844
Medical expenses	**9**	**2,628**	9	1,245
	46,373	**197,621**	38,465	112,309
Number of persons	**1**	**28**	1	26

40.2 The Chief Executive and certain executives are also provided with free use of Group maintained vehicles in accordance with the Group's policy.

40.3 Five (2023: three) non-executive directors of the Group have been paid fees of Rs. 4 million (2023: Rs. 2.5 million) for attending board and other meetings.

Notes to the Consolidated Financial Statements
For the year ended June 30, 2024

41 TRANSACTIONS WITH RELATED PARTIES

41.1 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 year, other than disclosed elsewhere in the consolidated 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	2024	2023
		%	(Rupees in '000)	
Associated companies (Common directorship)				
Habib Metropolitan Bank Limited	Mark-up expense	Nil	**35,501**	18,779
	Gain on foreign exchange forward cover		**–**	20,250
	Profit earned on deposit account		**3,406**	12,166
	Bank charges		**5,213**	4,701
	Guarantee issued		**30,000**	109,087
Auvitronics Limited	Sales	Nil	**375**	–
Shabbir Tiles and Ceramics Limited	Purchases	Nil	**6,797**	651
Thal Boshoku Pakistan (Private) Limited	Sales	Nil	**26,091**	42,921
Retirement benefit funds				
Employees' Provident Funds	Contribution	Nil	**23,172**	20,815
Key management personnel	Sale of laptop having net book value of Rs. Nil (2023: Rs. 0.04 million) as per the Group's policy	Nil	**–**	18
	Reimbursement of travelling and boarding charges to a Director and the Chairman		**2,521**	–

41.2 The outstanding balances with related parties as at reporting date have been disclosed in the respective notes to the consolidated financial statements.

41.3 Details of compensation to the key management personnel have been disclosed in the note 40 to the consolidated financial statements.

42 PRODUCTION CAPACITY

The production capacity of the Group cannot be determined as this depends on the relative proportions of various types of vehicles and agricultural tractors produced by Original Equipment Manufacturers (OEMs).

43 NUMBER OF EMPLOYEES

	2024	2023
Total number of employees as at June 30	**941**	979
Average number of employees during the year	**960**	1,020

44 OPERATING SEGMENTS

These consolidated financial statements have been prepared on the basis of a single reportable segment.

All sales of the Group comprise of sale of components for automotive vehicles, motor cycles and agricultural tractors.

All non-current assets of the Group at the end of the current and preceding year were located in Pakistan.

Three (2023: three) of the Group's customers contributed Rs. 6,791.94 million (2023: Rs. 6,816.44 million) and each customer individually exceeded 10% of the revenue.

45 UNUTILISED CREDIT FACILITIES

As of reporting date, the Group has unutilised facilities for letter of credit, bonds and guarantees and terms of loan available from various banks amounted to Rs. 6,111.55 million (2023: Rs. 5,990.59 million). The facilities are secured by way of lien on import documents and pari passu ranking hypothecation charge on the Group's specific fixed assets, stock-in-trade, stores, spares, loose tools and trade debts.

46 GENERAL

46.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

Notes to the Consolidated Financial Statements
For the year ended June 30, 2024

46.2 Corresponding figures (including the following) have been re-arranged, wherever necessary, to reflect more appropriate presentation of events and transactions for the purposes of comparison.

Description of item	Nature	Rupees in '000	From	To
Accrued interest on long-term financing	Liability	27,239	Trade and other payables	Current maturity of long-term financing - secured
Accrued interest on short-term finance	Liability	6,630	Trade and other payables	Short-term finance
Term deposit receipts	Asset	74,500	Cash and cash equivalents	Cash flow from investing activities
Accrued profit on deposit and dividend accounts	Asset	3,918	Accrued profit	Other receivables
Amortisation of deferred income	Income	4,214	Other income	Finance cost
Warranty obligations	Provision	127,504	Trade and other payables	Warranty obligations

47 DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorised for issue on September 5, 2024 by the Board of Directors of the Group.

DIRECTOR	CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER

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APPROVED ACCA EMPLOYER

Trainee Development - Gold

Pattern of Shareholding
As at June 30, 2024

No. of Shareholders	Size of Shareholding		Total Shares Held
	From	To	
1,538	1	100	40,339
836	101	500	199,327
320	501	1000	239,153
387	1001	5000	830,334
80	5001	10000	600,437
32	10001	15000	408,720
22	15001	20000	372,645
7	20001	25000	156,649
9	25001	30000	255,078
9	30001	35000	293,220
6	35001	40000	227,320
4	40001	45000	170,344
5	45001	50000	238,947
3	50001	55000	158,078
6	55001	60000	351,733
5	60001	65000	315,872
2	65001	70000	133,265
2	75001	80000	152,171
2	80001	85000	162,791
1	85001	90000	88,113
3	90001	95000	281,228
4	95001	100000	391,226
1	100001	105000	101,833
3	105001	110000	322,826
2	115001	120000	236,875
2	120001	125000	247,952
1	135001	140000	136,032
2	140001	145000	283,042
3	145001	150000	443,855
2	150001	155000	309,676
1	160001	165000	163,000
1	165001	170000	167,281
2	180001	185000	365,898
1	200001	205000	202,652
1	215001	220000	218,650
1	235001	240000	239,576
3	245001	250000	750,000
1	255001	260000	259,375
1	270001	275000	270,750
1	285001	290000	286,000
1	325001	330000	327,500
1	330001	335000	332,375
1	395001	400000	395,630
4	450001	455000	1,814,429
1	475001	480000	477,250
1	500001	505000	502,515
1	530001	535000	531,250
1	580001	585000	580,225
1	620001	625000	625,000
1	655001	660000	657,032
1	720001	725000	720,406
4	745001	750000	3,000,000
1	1245001	1250000	1,246,275
1	1560001	1565000	1,560,173
1	2105001	2110000	2,108,750
1	2640001	2645000	2,644,500
1	7400001	7405000	7,404,427
3,335			**36,000,000**

Pattern of Shareholding
As at June 30, 2024

S. No.	Categories of Shareholders	No. of Shares Held	Category-wise No.of Folios / CDC Accounts	Category-wise Shares Held	Percentage (%)
1	Individuals		3,231	11,815,838	32.82
2	Investment Companies		3	10,161	0.03
3	Joint Stock Companies		28	1,464,876	4.07
4	Directors, Chief Executive Officer and Their Spouse and Minor Children		7	11,000	0.03
	Yutaka Arae	1,250			
	Fahim Kapadia	3,750			
	Hamza Habib	1,250			
	Sohail P. Ahmed	1,250			
	Muhammad Salman Burney	1,250			
	Aqueel E. Merchant	1,000			
	Ayesha T. Haq	1,250			
5	Executives	–	–	–	–
6	Associated Companies, Undertakings and Related Parties				
	Thal Limited		1	2,644,500	7.35
7	Public Sector Companies and Corporations	–	–	–	–
8	Banks, DFI's , NBFIs, Insurance Companies, Takaful, Modarabas and Pension Funds		20	3,036,546	8.43
	Financial Institutions	2,142,070			
	Insurance Companies	500,880			
	Modaraba	125			
	Pension Funds	393,471			
9	Mutual Funds		10	1,535,275	4.26
	Golden Arrow Stock Fund	1,250			
	CDC - Trustee MCB Pakistan Stock Market Fund	155,000			
	CDC - Trustee NBP Stock Fund	13,750			
	CDC - Trustee NBP Islamic Sarmaya Izafa Fund	1,750			
	CDC - Trustee MCB Pakistan Asset Allocation Fund	92,625			
	CDC - Trustee NIT-Equity Market Opportunity Fund	3,125			
	CDC - Trustee National Investment (Unit) Trust	1,246,275			
	CDC - Trustee NBP Islamic Stock Fund	250			
	CDC - Trustee NIT Islamic Equity Fund	17,500			
	CDC - Trustee NITIPF Equity Sub-Fund	3,750			
10	Foreign Investors		19	15,207,958	42.24
11	Co-Operative Societies		3	2,427	0.01
12	Charitable Trust		1	31	0.00
13	Others		12	271,388	0.75
	TOTAL		3,335	36,000,000	100.00

Shareholders holding Five (5) Percent or more Voting Interest in the Company

Name of Shareholder (s)	No. of Shares Held	Description	Percentage (%)
Thal Limited	2,644,500	Falls in Category # 6	7.35
National Bank of Pakistan	2,136,917	Falls in Category # 8	5.94
Robert Finance Corporation, AG.	8,964,600	Falls in Category # 10	24.90

Form of Proxy

The Secretary
Agriauto Industries Limited
House of Habib, 5th Floor
Shahrah-e-Faisal,
Karachi-75350

I/We ____

of ________________________in the district of____

being a member of Agriauto Industries Limited and holder of ____________________________________

____ Ordinary shares as per Share Register Folio _________

(No. of Shares) ____

No. _____________________________ and/or CDC Participant I.D. No. _______________________________

And Sub. Account No. ____________________ hereby appoint ______________________________________

of __________________________________ in the district of _______________________________________

or failing him/her _______________________________ of ____

who is/are also member/s of Agriauto Industries Limited as my/our proxy to vote for me/us and on my/our behalf at the 43rd Annual General Meeting of the Company to be held on October 24, 2024 and at any adjournment thereof.

Signed this ____________ day of _____________ 2024.

Folio No.	CDC Participant ID No.	CDC Account/Sub Account No.	No. of Shares held

Signature

The signature should agree with specimen registered with the Company.

WITNESS 1

Signature ____________________________

Name ____________________________

CNIC/Passport No. ____________________________

Address ____________________________

WITNESS 2

Signature ____________________________

Name ____________________________

CNIC/Passport No. ____________________________

Address ____________________________

Note:

1. This proxy form duly completed and signed, must be received at the Registered Office of the Company or Share Registrar of the Company, not less than 48 hours before the time of holding the meeting.
2. No person shall act as proxy unless he/she himself/herself is a member of the Company, except that a corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

For CDC Account Holders / Corporate Entities:

In addition to the above the following requirements have to be met:

i) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
ii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
iii) The proxy shall produce his original CNIC or original passport at the time of meeting.
iv) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

پراکسی فارم

سیکریٹری
ایگری آٹو انڈسٹریز لمیٹڈ
ہاؤس آف حبیب، پانچویں منزل
شاہراہِ فیصل، کراچی۔ 75350

میں/ہم __________ برائے __________ ایگری آٹو انڈسٹریز لمیٹڈ کے
ممبر (ممبران) اور __________ عام شیئرز ہولڈر بطور شیئر رجسٹر فولیو/سی ڈی سی اکاؤنٹ نمبر __________ تقرر کرتا ہوں __________
فولیو/سی ڈی سی اکاؤنٹ نمبر __________ اور __________ کمپیوٹرائزڈ قومی شناختی کارڈ/ پاسپورٹ نمبر __________
جس کے ذریعے __________ فولیو/سی ڈی سی اکاؤنٹ نمبر __________ کمپیوٹرائزڈ قومی شناختی کارڈ/ پاسپورٹ نمبر __________
جو کمپنی کا ممبر بھی ہے میرے/ ہمارے پراکسی کے طور پر مجھے/ہمیں 43ویں سالانہ اجلاس عام جو 24 اکتوبر 2024 کو منعقد کیا جائے گا، میں ووٹ ڈالنے کا اہل ہے۔

مورخہ __________ 2024 کو میرے/ ہمارے دستخط سے جاری ہوا۔

یہ دستخط کمپنی کے پاس رجسٹرڈ شدہ
دستخط جیسے ہونے چاہئیں

گواہان:

دستخط __________	دستخط __________
نام __________	نام __________
ایڈریس __________	ایڈریس __________
کمپیوٹرائزڈ قومی شناختی کارڈ/ پاسپورٹ نمبر __________	کمپیوٹرائزڈ قومی شناختی کارڈ/ پاسپورٹ نمبر __________

اہم نکات:

۱۔ سالانہ اجلاس عام سے 48 گھنٹے قبل پراکسی کا یہ فارم جو ہر لحاظ سے مکمل اور دستخط شدہ ہو کمپنی کے رجسٹرڈ آفس یا کمپنی کے شیئر رجسٹرار کے پاس جمع کرادیا جائے
۲۔ کوئی بھر فرد خود سے ممبر کے طور پر کام نہیں کرسکتا جب تک کہ کارپوریشن کسی فرد کو ممبر مقرر نہ کرے۔
۳۔ اگر کوئی ممبر ایک سے زائد نمائندہ مقرر کرتا ہے اور ممبر کی جانب سے کمپنی کو نمائندہ کی ایک سے زائد دستاویز جمع کرواتا ہے تو نمائندہ کی اس طرح کی تمام دستاویزات غیر قانونی تصور ہوں گی۔

برائے سی ڈی سی اکاؤنٹ ہولڈرز/ کارپوریٹ ادارے

i) پراکسی کیلئے 2 افراد نے گواہی دی وہ جن کے نام، پتہ اور کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ نمبر فارم پر درج ہوں۔
ii) پراکسی فارم کے ہمراہ مالکان کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول بھی دی جائیں۔
iii) پراکسی کو اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ سالانہ اجلاس عام کے وقت دکھانا ہوگا۔
iv) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی معہ دستخط کے نمونے پراکسی کے ہمراہ (اگر پہلے جمع نہ کرایا ہو) کمپنی میں جمع کروانی ہوگی۔


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