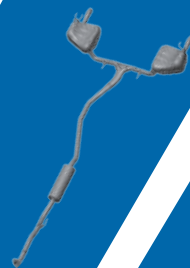


# QUARTERLY REPORT 2019

Report to the Shareholders for  
three months period ended  
September 30, 2019

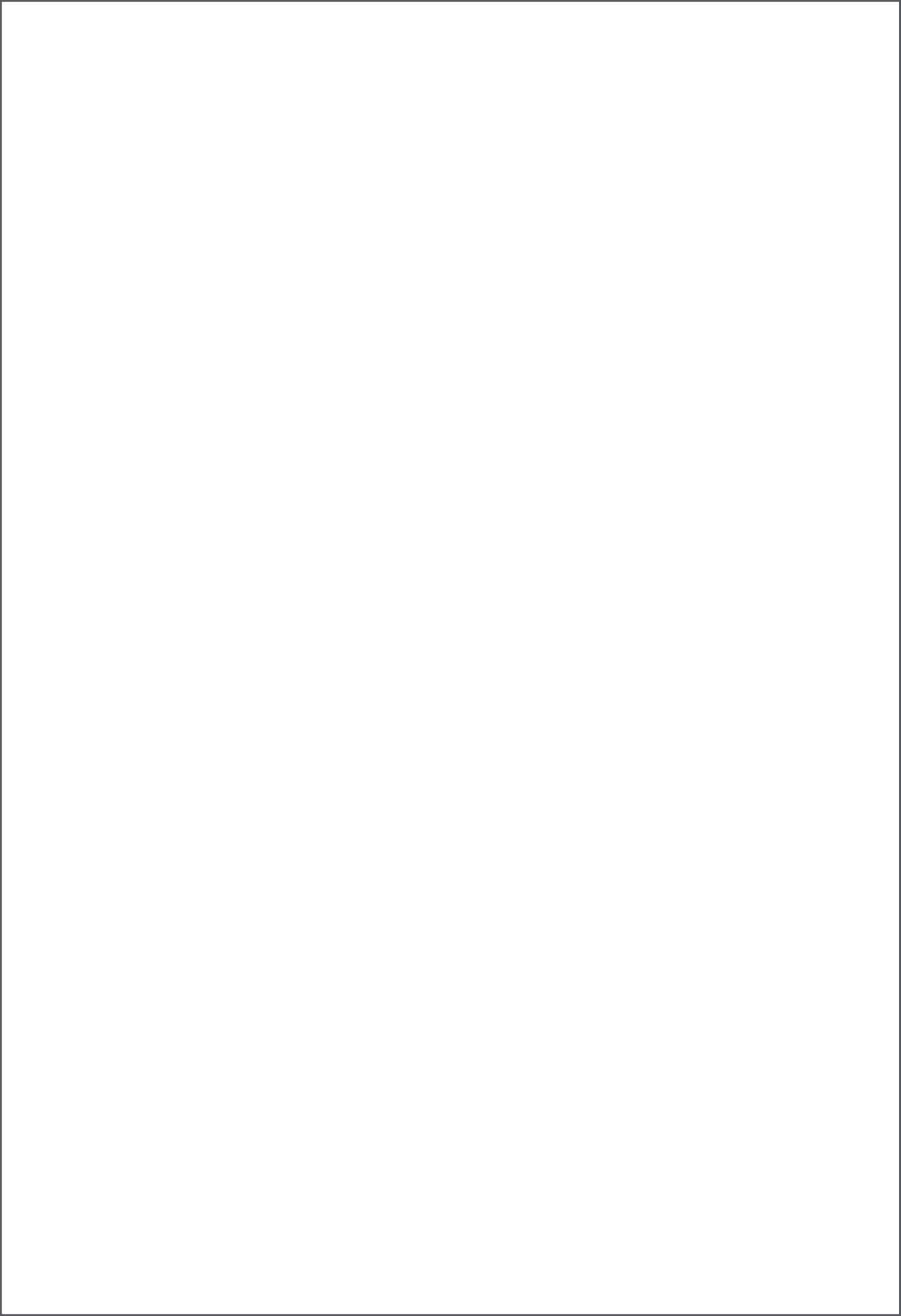


Moving towards  
the future



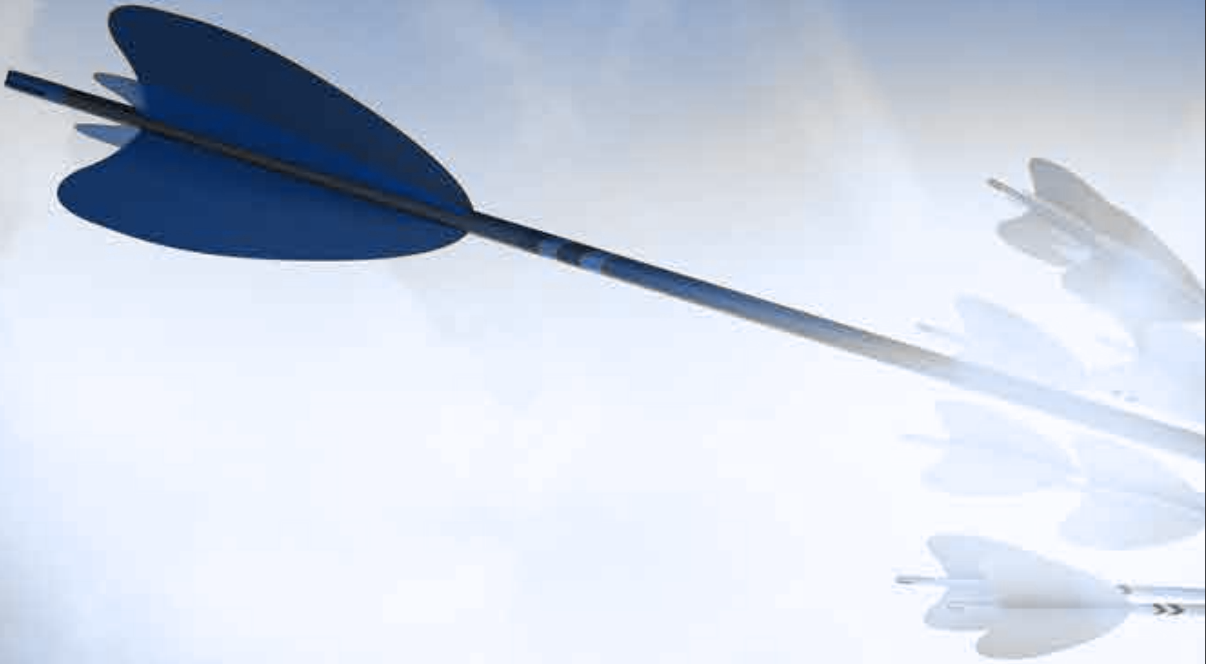
**Loads Limited**

Manufacturers of  
Exhaust Systems, Radiators &  
Sheet Metal Components



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# Vision

**“Seek innovation in quality, productivity & technology to ensure sustainable growth of the group and all the stakeholders.”**



# Mission

**“Satisfy customers with timely  
supplies of products  
confirming to quality standards  
at competitive prices.”**

# Company Information

**Board of Directors**

Syed Shahid Ali	– Chairman*
Mr. Saulat Said	– Vice Chairman*
Mr. Munir K. Bana	– Chief Executive
Mr. Sajid Zahid	– Independent Director
Mr. M. Z. Moin Mohajir	– Independent Director
Mrs. Rozina Muzammil	– Independent Director
Syed Sheharyar Ali	– Non-Executive Director
Mr. Amir Zia	– Non-Executive Director
Mr. Shamim A. Siddiqui	– Executive Director

\* Chairman and Vice Chairman are Non-Executive Directors

**Audit Committee**

Mr. M. Z. Moin Mohajir	– Chairman
Mr. Saulat Said	– Member
Syed Sheharyar Ali	– Member
Mr. Amir Zia	– Member

**Human Resources & Remuneration Committee**

Mrs. Rozina Muzammil	– Chairperson
Mr. Saulat Said	– Member
Mr. Munir K. Bana	– Member
Syed Sheharyar Ali	– Member
Mr. Amir Zia	– Member
Mr. Shamim A. Siddiqui	– Member

**Chief Financial Officer**

Mr. Shamim A. Siddiqui

**Company Secretary**

Mr. Babar Saleem

**Head of Internal Audit**

Mr. Khawaja M. Akber

**Auditors**

KPMG Taseer Hadi & Co., Chartered Accountants

**Legal Advisors**

Altaf K. Allana & Co., Advocates

**Corporate Advisors**

Cornelius, Lane & Mufti, Advocates & Solicitors

**Symbol**

Loads

**Credit Rating**

A1 - Short term  
A - Long term

**Exchange**

Pakistan Stock Exchange

**Bankers**

Al Baraka Bank (Pakistan) Limited  
Bank Al Habib Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan Limited  
Soneri Bank Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Islami Pakistan Limited

**Subsidiaries**

- Specialized Autoparts Industries (Private) Limited
- Multiple Autoparts Industries (Private) Limited
- Specialized Motorcycles (Private) Limited
- Hi-Tech Alloy Wheels Limited

**Registered Office**

Plot No. 23, Sector 19  
Korangi Industrial Area, Karachi  
Tel: +92-21-35065001-5  
+92-302-8674683-9  
Fax: +92-21-35057453-54  
E-mail: inquiry@loads-group.pk

**Shares Registrar**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block-B, S.M.C.H.S.  
Main Shahra-e-Faisal, Karachi  
Tel: Customer Support Services: 0800-23275  
Fax: +92-21-34326053  
E-mail: info@cdcpak.com

**Registration with Authorities**

Company Registration Number: 0006620  
National Tax Number: 0944311-8  
Sales Tax Number: 0205870801264

**Website**

www.loads-group.pk

# DIRECTORS' REPORT TO THE SHAREHOLDERS

The directors are pleased to present their report together with the consolidated un-audited accounts of Loads Limited and its subsidiaries for the first quarter ended September 30, 2019.

## SUMMARY OF COMPARATIVE FINANCIAL RESULTS

	Rupees in million					
	September 30, 2019		September 30, 2018		% Change	
	Loads	Consolidated	Loads	Consolidated	Loads	Consolidated
Sales	970	970	1,573	1,573	-38%	-38%
Gross Profit	121	119	136	194	-11%	-39%
Operating Profit (OP)	105	114	108	148	-3%	-23%
Profit before Taxation (PBT)	27	9	66	103	-59%	- 91%
Profit after Taxation (PAT)	13	-8	46	65	-72%	- 112%
Earnings per share (EPS) – basic & diluted	0.08	-0.05	0.30	0.40	-72%	- 112%

## BUSINESS REVIEW

Your group has recorded sales of Rs. 970 million for the quarter ended September 30, 2019, registering a decline of Rs. 603 million (-38%) over the same period of previous year. The decrease reflects downturn of automotive industry on account of uncertain economic conditions, including devaluation, taxation measures, interest hikes, etc.

### Company Results

Operating Profit (OP), Profit before Taxation (PBT) and Profit after Taxation (PAT) of Loads Limited reflects the above impact and registered a decrease of 3%, 59% & 72% respectively over the same period of previous year. Therefore, EPS reflects a reduction from Rs. 0.30 to Rs. 0.08 per share.

### Group Results

Consolidated Operating Profit (OP), Profit before Taxation (PBT) and Profit after Taxation (PAT) also declined by 23%, 91% & 112% respectively, affected by following factors:

- Financial charges on investments in subsidiary, M/s. Hi-Tech Alloy Wheels Limited (Rs.75 million versus Rs.37 million in the same period of previous year).
- Share of loss from associated undertaking, M/s Treet Corporation Limited (Rs.28 million versus Rs.9 million in the same period of previous year).

## AUTOMOTIVE INDUSTRY REVIEW

### (a) Passenger Cars / Light Commercial Vehicles (LCVs)

Overall car sales for the first quarter decreased over previous year's quarter by 41%, mainly due to reduction in Toyota, Honda and Pak Suzuki volumes by 57%, 67% and 21% respectively.

**(b) Heavy Commercial Vehicles**

Heavy vehicle volumes declined by 47% from previous period’s 2,005 units to 1,070 units, due to decrease of 50% in trucks and 27% in buses.

**(c) Tractors**

The tractor industry’s sales declined by 32% over previous period, registering sales of 9,395 units in 2019 (2018: 13,731 units), mainly on account of decrease in Millat Tractor volumes by 52%.

**COMPANY’S SALES PERFORMANCE**

The overall sales of the group decreased by 38%. The Company’s product-wise performance for the first quarter ended September 30, 2019, as compared with the corresponding period, is analyzed below:

Products	Rs. in million		
	Sales		
	First quarter September 2019	First quarter September 2018	+/- %
Exhaust Systems	627	1,121	-44%
Radiators	76	214	-64%
Sheet Metal Components	267	238	+12%
Total	970	1,573	-38%

Comments on performance of various product groups are given below:

**(a) Exhaust Systems**

Sales of exhaust systems have decreased by 44%, mainly on account of downturn of auto industry.

**(b) Radiators**

Decline of 64% reflects loss of radiator sales due to declining sales of tractors, heavy vehicles and discontinuation of Suzuki Mehran cars.

**(c) Sheet Metal Components**

This group of products has registered a growth of 12%, as compared to previous period, mainly due to addition of parts from Suzuki’s new vehicle, Alto 660cc.

## PROSPECTS

The economy continues to show signs of weakness due to adverse macroeconomic indicators, rupee devaluation, interest hike, taxation measures and rising energy costs. In today's competitive landscape, the Company is continuously gearing up its business to meet the challenges that lie ahead. The Company remains strongly focused on the overall performance and the Directors remain confident that the Company is well positioned to capitalize on growth opportunities in the coming year and is working to enhance its product range and productive capacity through innovative plant upgrade and optimization that will benefit our shareholders, employees and customers.

We continue to focus on innovations, increased customer focus and a strong performance culture within the organization. Our people remain crucial for the continued growth of the business.

## ACKNOWLEDGEMENTS

The Board wishes to thank all the employees and our customers for their continued support.

### By order of the Board



**Munir K. Bana**  
Chief Executive

Karachi: October 29, 2019



**M. Z. Moin Mohajir**  
Director



آٹوموٹو صنعت کا جائزہ

(a) مسافر کاریں/ہلکی تجارتی گاڑیاں (LCVs)

ہلکی سہ ماہی کے دوران کاروں کی مجموعی فروخت میں گزشتہ سال کی سہ ماہی پر نسبت 41 فیصد کمی ہوئی جس کی بنیادی وجہ ٹویٹا، ہونڈا، پاک سوزوکی کے حجم فروخت میں بالترتیب 57 فیصد، 67 فیصد اور 21 فیصد کمی تھی۔

(b) بھاری تجارتی گاڑیاں

بھاری تجارتی گاڑیوں کے حجم فروخت میں گزشتہ مدت کی پر نسبت 47 فیصد کمی ہوئی جو کہ 2,005 یونٹس سے گر کر 1,070 یونٹس رہ گئی جس کی وجہ ٹرکوں میں 50 فیصد کمی اور بسوں میں 27 فیصد کمی تھی۔

(c) ٹریکٹرز

ٹریکٹرز کی صنعت کی فروخت میں گزشتہ مدت کی پر نسبت 32 فیصد کمی ہوئی جس کی فروخت 2019 میں گر کر 9,395 یونٹس رہ گئی (2018 میں 13,731 یونٹس)۔ جس کی بنیاد وجہ ٹریکٹرز کے حجم فروخت میں 52 فیصد کمی تھی۔

کمپنی کی فروخت کی کارکردگی

مجموعی طور پر گروپ کی فروخت میں 38 فیصد کمی ہوئی۔ ہلکی سہ ماہی مدت مختصر 30 ستمبر 2019 میں گزشتہ سال کی اسی مدت کے مقابلہ میں کمپنی کی مصنوعات وائز کارکردگی کا جائزہ درج ذیل ہے:

روپے ملین میں			مصنوعات
فروخت			
+/- (%)	ہلکی سہ ماہی ستمبر 2018	ہلکی سہ ماہی ستمبر 2019	
-44%	1,121	627	ایگزاسٹ سسٹم
-64%	214	76	ریڈی ایٹرز
+12%	238	267	ٹیٹنٹیل کے اجزاء
-38%	1,573	970	کل

گروپ کی مختلف مصنوعات کی کارکردگی کا جائزہ درج ذیل ہے:

(a) ایگزاسٹ سسٹم

ایگزاسٹ سسٹم کی فروخت میں 44 فیصد کمی ہوئی جس کی بنیاد وجہ ٹوکی صنعت کی زیوں حالی تھی۔

(b) ریڈی ایٹرز

ریڈی ایٹرز کی فروخت میں 64 فیصد کمی کی وجوہات میں ٹریکٹرز، بھاری تجارتی گاڑیوں کی گرتی ہوئی فروخت اور سوزوکی مہران کاروں کی پیداوار کا منقطع ہونا شامل ہیں۔

## حصص یافتگان کے لئے ڈائریکٹران کی رپورٹ

ڈائریکٹران اپنی رپورٹ کے ساتھ لوڈز لمیٹڈ اور اس کی ذیلی کمپنیوں کے مجموعی غیر آڈٹ شدہ مالیاتی گوشوارے برائے پہلی سہ ماہی تھمہ 30 ستمبر 2019 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

### متقابلہ مالیاتی نتائج کا اختصار یہ

روپے ملین میں		30 ستمبر 2018		30 ستمبر 2019		
تبدیلی (فیصد)						
مجموعی	لوڈز	مجموعی	لوڈز	مجموعی	لوڈز	
-38%	-38%	1,573	1,573	970	970	فروخت
-39%	-11%	194	136	119	121	خاص منافع
-23%	-3%	148	108	114	105	کاروباری منافع
-91%	-59%	103	66	9	27	منافع قبل از ٹیکس
-112%	-72%	65	46	-8	13	منافع بعد از ٹیکس
-112%	-72%	0.40	0.30	-0.05	0.08	نی حصص آمدن - بنیادی اور ترقی

### کاروباری جائزہ

آپ کے گروپ کی فروخت سہ ماہ مدت تھمہ 30 ستمبر 2019 میں 970 ملین روپے رہی جس میں گزشتہ سال کے بد نسبت 603 ملین روپے (38- فیصد) کی کمی ہوئی۔ کمی کی وجوہات میں غیر یقینی معاشی صور حال کے نتیجے میں آٹوموٹو صنعت میں تنزلی، روپے کی قدر میں کمی، ٹیکس اقدامات، بشرح سوڈ میں اضافہ وغیرہ شامل ہیں۔

### کمپنی کے نتائج

لوڈز لمیٹڈ کے کاروباری منافع (OP)، منافع قبل از ٹیکس (PBT) اور منافع بعد از ٹیکس (PAT) میں مندرجہ بالا اثرات کی عکاسی ہوتی ہے اور ان میں گزشتہ سال اسی مدت کی بد نسبت باتر تیب 3 فیصد، 59 فیصد اور 72 فیصد کمی کی ہوئی۔ لہذا EPS بھی 0.30 روپے فی حصص سے کم ہو کر 0.08 روپے فی حصص رہ گئی۔

### گروپ کے نتائج

مجموعی کاروباری منافع (OP)، منافع قبل از ٹیکس (PBT) اور منافع بعد از ٹیکس (PAT) میں بھی باتر تیب 23 فیصد، 91 فیصد اور 112 فیصد کمی کی ہوئی، جو کہ مندرجہ ذیل عوامل کی وجہ سے متاثر ہوئے:

☆ ذیلی کمپنی ہمسرز ہائی ٹیک الے وہیلر لمیٹڈ میں سرمایہ کاری پر مالیاتی اخراجات (75 ملین روپے جبکہ گزشتہ سال اسی مدت میں 37 ملین روپے تھے)

☆ ملحقہ کمپنی ہمسرز ڈیٹ کارپوریشن لمیٹڈ کے خسارہ میں حصہ (گزشتہ سال 28 ملین روپے جبکہ گزشتہ سال اسی مدت میں 9 ملین روپے تھا)

# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION


As at 30 September 2019

ASSETS	Note	30 September 2019 (Un-audited)	30 June 2019 (Audited)
------(Rupees)-----			
<b>Non-current assets</b>			
Property, plant and equipment	5	606,754,395	615,333,893
Intangible assets		895,572	1,138,159
Long term investments		1,278,056,827	1,293,354,344
Long term loan and receivable		-	6,897,737
		<u>1,885,706,794</u>	<u>1,916,724,133</u>
<b>Current assets</b>			
Stores and spares		52,182,035	51,696,875
Stock-in-trade		1,338,239,870	1,404,712,679
Trade debts - net		527,320,052	601,589,094
Loans and advances		166,984,221	62,401,011
Deposits, prepayments and other receivables		217,526,894	307,683,953
Current maturity of long term receivables		13,995,364	13,995,364
Due from related parties		1,201,996,874	976,856,001
Taxation - net		88,306,634	73,093,061
Investments		21,371,746	27,009,259
Cash and bank balances		3,462,551	3,079,537
		<u>3,631,386,241</u>	<u>3,522,116,834</u>
<b>Total assets</b>		<u><b>5,517,093,035</b></u>	<u><b>5,438,840,967</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Authorised capital</b>			
200,000,000 (30 June 2019: 200,000,000) ordinary shares of Rs. 10 each		<u>2,000,000,000</u>	<u>2,000,000,000</u>
Issued, subscribed and paid-up capital		1,512,500,000	1,512,500,000
Share premium		1,095,352,578	1,095,352,578
<b>Revenue reserve</b>			
Fair value reserve		(237,180,756)	(217,988,192)
Unappropriated profit		489,387,371	476,845,898
		<u>2,860,059,193</u>	<u>2,866,710,284</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Liabilities against assets subject to finance lease		1,164,019	1,665,777
Deferred tax liabilities		43,678,920	43,678,920
Employee benefits - gratuity		10,463,240	10,467,240
		<u>55,306,179</u>	<u>55,811,937</u>
<b>Current liabilities</b>			
Current maturity of liabilities against assets subject to finance lease		2,849,839	4,104,846
Short term borrowings		2,282,836,450	2,082,088,834
Trade and other payables		259,940,984	381,874,542
Unclaimed dividend		3,527,190	3,535,500
Accrued mark-up on short term borrowings		52,573,200	44,715,024
		<u>2,601,727,663</u>	<u>2,516,318,746</u>
<b>Total equity and liabilities</b>		<u><b>5,517,093,035</b></u>	<u><b>5,438,840,967</b></u>

## CONTINGENCIES AND COMMITMENTS

6

The annexed notes 1 to 10 form an integral part of this condensed interim unconsolidated financial information.



**Chief Financial  
Officer**



**Chief Executive**



**Director**

**CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)**

**For the three months period ended 30 September 2019**

	Note	For the three months period ended	
		30 September 2019	30 September 2018
		------(Rupees)-----	
Turnover		970,285,476	1,573,171,795
Cost of sales	7	(849,576,215)	(1,437,304,705)
<b>Gross profit</b>		<b>120,709,261</b>	135,867,090
Administrative and selling expenses		(44,395,140)	(41,819,825)
		<b>76,314,121</b>	94,047,265
Other expenses		(2,039,465)	(4,963,087)
Other income		30,400,735	19,174,617
		<b>28,361,270</b>	14,211,530
<b>Operating profit</b>		<b>104,675,391</b>	108,258,795
Finance cost		(75,837,170)	(42,958,063)
Equity investments at FVTPL - net change in fair value		(1,742,466)	637,419
<b>Profit before taxation</b>		<b>27,095,755</b>	65,938,151
Taxation		(14,554,282)	(19,809,550)
<b>Profit after taxation</b>		<b>12,541,473</b>	46,128,601
<b>Earnings per share - basic and diluted</b>		<b>0.08</b>	0.30

The annexed notes 1 to 10 form an integral part of this condensed interim unconsolidated financial information.



**Chief Financial Officer**



**Chief Executive**



**Director**

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**

**For the three months period ended 30 September 2019**

	<u>For the three months period ended</u>	
	<u>30 September</u>	<u>30 September</u>
	<u>2019</u>	<u>2018</u>
	<u>------(Rupees)-----</u>	
Profit after taxation	12,541,473	46,128,601
<b>Other comprehensive income:</b>		
<i>Items that are or may be reclassified subsequently to profit and loss</i>		
Unrealized loss on re-measurement of available-for-sale investments	-	(2,164,544)
<i>Items that will not be reclassified to profit or loss</i>		
Equity securities at FVOCI - net change in fair value	(19,192,924)	-
<b>Total comprehensive (loss) / income for the period</b>	<u><b>(6,651,451)</b></u>	<u><b>43,964,057</b></u>

The annexed notes 1 to 10 form an integral part of this condensed interim unconsolidated financial information.



**Cheif Financial Officer**



**Chief Executive**



**Director**

# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOW (UN-AUDITED)

For the three months period ended 30 September 2019

For the three months period ended  
30 September 2019      30 September 2018  
------(Rupees)-----

**CASH FLOWS FROM OPERATING ACTIVITIES**

Profit before taxation	27,095,755	65,938,151
<b>Adjustments for:</b>		
Depreciation	18,252,753	21,624,531
Amortisation	242,587	328,231
Mark-up expense	69,421,074	35,942,138
Finance lease charges	23,413	162,115
Mark-up income	(22,035,146)	(17,306,617)
Interest income on PTC	(7,582,410)	-
Gain on disposal of equipment	(426,413)	524,363
Equity investments at FVTPL - net change in fair value	1,742,466	(637,419)
	<u>86,734,079</u>	<u>106,575,493</u>

**Working capital changes**

**Decrease / (increase) in current assets**

Stores and spares	(485,160)	1,179,236
Stock-in-trade	66,472,809	(92,731,485)
Trade debts - net	74,269,042	52,802,754
Loans and advances	(104,583,210)	60,885,976
Deposits, prepayments and other receivables	97,739,469	(178,796,740)
Current maturity of long term receivables	6,897,737	15,752,463
	<u>140,310,687</u>	<u>(140,907,796)</u>

**Increase / (decrease) in current liabilities**

Due from related parties - net	31,391,259	(21,556,375)
Unclaimed dividend	(8,310)	(17,495)
Trade and other payables	(121,933,558)	97,324,644
	<u>(90,550,609)</u>	<u>75,750,774</u>

**Cash used in operations**

Mark-up paid	136,494,157	41,418,471
Tax paid - net	(61,562,898)	(21,892,822)
<b>Net cash generated from operating activities</b>	<u>(29,771,855)</u>	<u>(10,901,793)</u>
	45,159,404	8,623,856

**CASH FLOWS FROM INVESTING ACTIVITIES**

Acquisition of property, plant and equipment	(9,815,842)	(7,786,875)
Proceeds from disposal of equipment	569,000	1,356,068
<b>Net cash used in investing activities</b>	<u>(9,246,842)</u>	<u>(6,430,807)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Lease rentals paid	(1,780,178)	(6,746,929)
Loan to subsidiaries companies - unsecured	(234,496,986)	(2,050,000)
<b>Net cash used in financing activities</b>	<u>(236,277,164)</u>	<u>(8,796,929)</u>

**Net decrease in cash and cash equivalents during the period**

<u>(200,364,602)</u>	<u>(6,603,880)</u>
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Cash and cash equivalents at beginning of the period

<u>(2,079,009,297)</u>	<u>(1,430,672,166)</u>
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**Cash and cash equivalents at end of the period**

<u>(2,279,373,899)</u>	<u>(1,437,276,046)</u>
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The annexed notes 1 to 10 form an integral part of this condensed interim unconsolidated financial information.

  
Chief Financial Officer

  
Chief Executive

  
Director

# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the three months period ended 30 September 2019

	Share capital		Capital reserve	Revenue reserve	Total
	Issued, subscribed and paid up capital	Share premium	Fair value reserve of equity securities - FVOCI	Unappropriated profit	
----- (Rupees) -----					
Balance as at 30 June 2018	1,512,500,000	1,095,352,578	15,068,260	434,398,893	3,057,319,731
Adjustment on initial application of IFRS 9 mainly on account of remeasurement of investment to FVTOCI	-	-	(47,748,629)	-	(47,748,629)
Adjustment on initial application of IFRS 15	-	-	-	11,265,520	11,265,520
<b>Adjusted balance as at 1 July 2018 - restated</b>	<b>1,512,500,000</b>	<b>1,095,352,578</b>	<b>(32,680,369)</b>	<b>445,664,413</b>	<b>3,020,836,622</b>
<b>Total comprehensive income for the three months period ended 30 September 2018</b>					
Profit after taxation	-	-	-	46,128,601	46,128,601
Effect of application of standard	-	-	-	4,045,082	4,045,082
<b>Other comprehensive income</b>					
Unrealised loss on revaluation of available-for-sale investment	-	-	(2,164,544)	-	(2,164,544)
Re-measurement of defined benefit liability - net	-	-	-	-	-
	-	-	(2,164,544)	50,173,683	48,009,139
<b>Transactions with owners of the Company</b>	-	-	-	-	-
Balance as at 30 September 2018 - restated	<u>1,512,500,000</u>	<u>1,095,352,578</u>	<u>(34,844,913)</u>	<u>495,838,096</u>	<u>3,068,845,761</u>
Balance as at 1 July 2019	1,512,500,000	1,095,352,578	(217,988,192)	476,845,898	2,866,710,284
<b>Total comprehensive income for the three months period ended 30 September 2019</b>					
Profit after taxation	-	-	-	12,541,473	12,541,473
Other comprehensive loss	-	-	(19,192,564)	-	(19,192,564)
	-	-	(19,192,564)	12,541,473	(6,651,091)
<b>Balance as at 30 September 2019</b>	<b><u>1,512,500,000</u></b>	<b><u>1,095,352,578</u></b>	<b><u>(237,180,756)</u></b>	<b><u>489,387,371</u></b>	<b><u>2,860,059,193</u></b>

The annexed notes 1 to 10 form an integral part of this condensed interim unconsolidated financial information.



**Chief Financial  
Officer**



**Chief Executive**



**Director**

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)

For the three months period ended 30 September 2019

## 1. STATUS AND NATURE OF BUSINESS

### 1.1 Legal status and operations

Loads Limited (the Company) is a public listed company, which was incorporated in Pakistan on 1 January 1979, as a private limited company under the Companies Act, 1913 (repealed with the enactment of the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017) on May 30, 2017).

On 19 December 1993, the status of the Company was converted from private limited company to public unlisted company. On 1 November 2016, the shares of the Company were listed on Pakistan Stock Exchange Limited (PSX).

The principal activity of the Company is to manufacture and sale of radiators, exhaust systems and other components for automotive industry.

The Company's registered office and plant is situated at Plot No. 23, Sector 19, Korangi Industrial Area, Karachi.

There are four subsidiaries and one associate of the Company. Subsidiaries are carried at cost. The details are as follows:

Name of the Company	Incorporation date	Effective holding %		Principle line of business
		30 September 2019	30 June 2019	
<b>Subsidiaries</b>				
Specialized Autoparts Industries (Private) Limited (SAIL)	2 June 2004	91%	91%	Manufacture and sell components for the automotive industry.
Multiple Autoparts Industries (Private) Limited (MAIL)	14 May 2004	92%	92%	Manufacture and sell components for the automotive industry.
Specialized Motorcycles (Private) Limited (SMPL)	28 September 2004	100%	100%	Acquire, deal in, purchase, import, sales, supply and export motorcycles and auto parts. The operations have been ceased from 1 July 2015.
Hi-Tech Alloy Wheels Limited (HAWL)	13 January 2017	80%	80%	It will manufacture alloy wheels of various specifications and sell them to local car assemblers.
<b>Associate</b>				
Treet Corporation Limited	22 January 1977	5.32%	5.32%	Manufacture and sale of razors, razor blades and other trading activities

### 1.2 Plants of SAIL and MAIL are situated at DSU-19 and DSU-38 respectively in Downstream Industrial Estate Pakistan Steel Mills Bin Qasim Town, Karachi.

HAWL has acquired land for establishing industrial unit which is located at National Industrial Park, Bin Qasim, the Special Economic Zone declared by Government of Sindh.

**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)**

**For the three months period ended 30 September 2019**

**2. BASIS OF PREPARATION**

These condensed interim unconsolidated financial statements for the three months period ended 30 September 2019 has been prepared in accordance with the requirements of the accounting and reporting standards as applicable in Pakistan for the interim financial reporting. The accounting and reporting standards as applicable in Pakistan for the interim financial reporting comprise of International Accounting Standards (IAS) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions and directives issued under the Companies Act, 2017. In case where requirements differ with the requirements of IAS 34, the provisions or directives issued under the Companies Act, 2017 have been followed.

This condensed interim unconsolidated financial statements do not include information required for full annual financial statements and therefore should be read in conjunction with the audited unconsolidated financial statements for the year ended 30 June 2019.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the methods of computation used in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of annual audited financial statements of the Company for the year ended 30 June 2019.

**4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**

The preparation of condensed interim unconsolidated financial statements requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reporting amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Company’s accounting policies and the key sources of estimation uncertainly were the same as those that applied to the audited annual financial statements as at and for the year ended 30 June 2019.

The Company’s financial risk management objectives and policies are consistent with those disclosed in the Company’s annual financial statements as at and for the year ended 30 June 2019. Provision for taxation for the period has been made on an estimated basis.

**5. PROPERTY, PLANT AND EQUIPMENT**

	<b>30 September 2019 (Un-audited)</b>	<b>30 June 2019 (Audited)</b>
	----- <b>(Rupees)</b> -----	
Operating property, plant and equipment	<b>579,090,075</b>	590,671,546
Capital work-in-progress	<b>27,664,320</b>	24,662,347
	<b><u>606,754,395</u></b>	<u>615,333,893</u>

**6. CONTINGENCIES AND COMMITMENTS**

**6.1 Contingencies**

There is no change in the status of contingencies as disclosed under note 16 of the annual unconsolidated financial statements of the Company for the year ended 30 June 2019.

**6.2 Commitments**

Commitments in respect of letters of credit amounted to Rs. 548.335 million (30 June 2019: Rs. 343.870 million).

**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)**

**For the three months period ended 30 September 2019**

**7. COST OF SALES**

**For the three months period ended**

	<b>30 September 2019 (Un-audited)</b>	<b>30 September 2018 (Un-audited)</b>
	------(Rupees)-----	
Raw materials and components consumed	734,202,182	1,187,255,710
Ancillary materials consumed	14,118,985	14,642,891
<b>Manufacturing expenses</b>		
Salaries, wages and other employee benefits	<b>55,700,983</b>	58,195,322
Toll manufacturing	<b>102,991,565</b>	193,502,945
Depreciation	<b>18,252,753</b>	19,803,147
Gas, power and water	<b>3,870,712</b>	5,119,238
Others	<b>12,860,887</b>	15,216,498
Manufacturing cost	<b>193,676,900</b>	291,837,150
Opening stock of work-in-process	<b>80,695,276</b>	150,978,815
Impact of IFRS 15	<b>(80,695,277)</b>	-
Closing stock of work-in-process	<b>(92,421,851)</b>	(173,950,179)
	<b>(92,421,852)</b>	(22,971,364)
Opening stock of finished goods	-	49,683,031
Closing stock of finished goods	-	(83,142,713)
	-	(33,459,682)
	<b>849,576,215</b>	<b>1,437,304,705</b>

**8. TRANSACTIONS WITH RELATED PARTIES**

Related parties comprise of subsidiaries, associated company and other companies with common directorship and significant influence, employees retirement benefit funds and key management personnel. Transactions with related parties are at rates determined in accordance with the agreed terms. Transactions and balances with related parties, other than those disclosed elsewhere in this condensed interim unconsolidated financial information, are disclosed below:

	<b>30 September 2019 (Un-audited)</b>	<b>30 June 2019 (Audited)</b>
	------(Rupees)-----	
<b>Balance as at</b>		
<b>Investment in Treet Corporation Limited</b>		
Ordinary shares: 8,741,438 shares (30 June 2019: 8,741,438 shares)	<b>118,096,827</b>	133,394,344
Participation Term Certificates (PTCs): 1,831,500 PTCs (30 June 2019: 1,831,500 PTCs)	<b>9,157,500</b>	10,787,535



## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)

For the three months period ended 30 September 2019

The Company enters into transactions with related parties on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods.

### 9. DATE OF AUTHORIZATION

This un-audited condensed interim financial information was authorized for issue by the Board Of Directors on October 29, 2019.

### 10. GENERAL

The amounts have been rounded off to nearest rupee, unless otherwise stated.



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Chief Financial  
Officer



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Chief Executive



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Director

# CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2019

ASSETS	Note	30 September 2019 (Un-audited)	30 June 2019 (Audited)
		------(Rupees)-----	
<b>Non-current assets</b>			
Property, plant and equipment	5	4,722,920,024	4,597,075,115
Intangible assets		895,572	1,138,159
Long term investments		250,776,019	278,706,019
Long term loan and receivable		-	6,897,737
		<u>4,974,591,615</u>	<u>4,883,817,030</u>
<b>Current assets</b>			
Stores and spares		73,922,909	61,971,605
Stock-in-trade		1,338,239,870	1,404,712,679
Trade debts - net		527,320,052	601,589,094
Loans and advances		217,093,266	69,088,671
Deposits, prepayments and other receivables		379,309,211	496,866,412
Current maturity of long term receivables		13,995,364	13,995,364
Taxation - net		140,462,394	123,339,561
Short term investments		29,097,687	34,735,199
Cash and bank balances		139,396,953	32,771,396
		<u>2,858,837,706</u>	<u>2,839,069,981</u>
<b>Total assets</b>		<u><u>7,833,429,321</u></u>	<u><u>7,722,887,011</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Authorised capital</b>			
200,000,000 (30 June 2019: 200,000,000) ordinary shares of Rs.10/- each		<u>2,000,000,000</u>	<u>2,000,000,000</u>
Issued, subscribed and paid up capital		1,512,500,000	1,512,500,000
Share premium		1,095,352,578	1,095,352,578
Fair value reserve		(7,287,990)	(3,392,943)
Unappropriated profit		633,790,470	641,560,112
		<u>3,234,355,058</u>	<u>3,246,019,747</u>
<b>Non-Controlling Interest</b>		<u>329,673,210</u>	<u>330,115,497</u>
		<u>3,564,028,268</u>	<u>3,576,135,244</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Liabilities against assets subject to finance lease		1,164,019	1,665,777
Loans and borrowings		166,666,667	166,666,667
Deferred tax liabilities		69,986,776	69,986,776
Employee benefits - gratuity		10,463,240	10,467,240
		<u>248,280,702</u>	<u>248,786,460</u>
<b>Current liabilities</b>			
Current maturity of liabilities against assets subject to finance lease		2,849,839	4,104,846
Short term financing		3,534,458,872	3,274,028,285
Due to Related Party		48,768,351	33,818,656
Trade and other payables		346,788,926	501,533,063
Unclaimed Dividend		3,527,190	3,535,500
Accrued mark-up on short term financing		84,727,173	80,944,957
		<u>4,021,120,351</u>	<u>3,897,965,307</u>
<b>Total equity and liabilities</b>		<u><u>7,833,429,321</u></u>	<u><u>7,722,887,011</u></u>

## CONTINGENCIES AND COMMITMENTS

6

The annexed notes 1 to 10 form an integral part of the condensed interim consolidated financial information.



**Chief Financial  
Officer**



**Chief Executive**



**Director**

**CONDENSED INTERIM CONSOLIDATED PROFIT OR LOSS ACCOUNT (UN-AUDITED)**

**For the three months period ended 30 September 2019**

	Note	For the three months period ended	
		30 September 2019	30 September 2018
		------(Rupees)-----	
Turnover		970,285,476	1,573,171,795
Cost of sales	7	(850,799,582)	(1,378,977,908)
<b>Gross profit</b>		<b>119,485,894</b>	194,193,887
Administrative and selling expenses		(51,230,831)	(51,879,719)
		<b>68,255,063</b>	142,314,168
Other expenses		(2,543,188)	(9,071,601)
Other income		48,639,840	15,230,355
		<b>46,096,652</b>	6,158,754
<b>Operating profit</b>		<b>114,351,715</b>	148,472,922
Financial charges		(75,878,504)	(37,231,204)
Equity investments at FVTPL - net change in fair value		(1,742,466)	637,419
Share of loss in associates-net		(27,930,000)	(8,543,438)
<b>Profit before taxation</b>		<b>8,800,745</b>	103,335,699
Taxation		(17,012,674)	(38,097,594)
<b>(Loss) / profit after taxation</b>		<b>(8,211,929)</b>	65,238,105
<b>(Loss) / profit attributable to:</b>			
Owners of the Company		(7,769,642)	60,635,654
Non-controlling interest		(442,287)	4,602,451
		<b>(8,211,929)</b>	65,238,105
<b>(Loss) / earnings per share - basic and diluted</b>		<b>(0.05)</b>	0.40

The annexed notes 1 to 10 form an integral part of the condensed interim consolidated financial information



Chief Financial Officer



Chief Executive



Director

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the three months period ended 30 September 2019

	For the three months period ended	
	30 September 2019	30 September 2018
	------(Rupees)-----	
(Loss) / profit after taxation	(8,211,929)	65,238,105
<b>Other comprehensive income:</b>		
<i>Items that are or may be reclassified subsequently to profit and loss</i>		
Un-realised loss on re-measurement of available-for-sale investment	-	(2,150,903)
<i>Items that will not be reclassified to profit and loss</i>		
Equity securities at FVOCI - net change in fair value	(3,895,047)	-
<b>Total comprehensive (loss) / income for the period</b>	<u><u>(12,106,976)</u></u>	<u><u>63,087,202</u></u>

The annexed notes 1 to 10 form an integral part of the condensed interim consolidated financial information.



Chief Financial  
Officer



Chief Executive



Director

# CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

For the three months period ended 30 September 2019

	<b>For the three months period ended</b>	
	<b>30 September 2019</b>	<b>30 September 2018</b>
	------(Rupees)-----	
Profit before taxation	8,800,745	103,335,699
<b>Adjustment for:</b>		
Depreciation	21,829,794	24,975,929
Amortisation	242,587	328,231
Mark-up expense	75,855,091	30,203,756
Finance lease charges	23,413	162,115
Interest income on PTC	(7,582,410)	(7,582,410)
Gain on disposal of equipment	(426,413)	(524,363)
Share of loss in associates - net	27,930,000	8,705,553
Equity investments at FVTPL - net change in fair value	1,742,466	(637,419)
	<b>128,415,273</b>	<b>158,967,091</b>
<b>Working capital changes</b>		
<b>(Increase) / decrease in current assets</b>		
Stores and spares	(11,951,304)	(1,472,028)
Stock-in-trade	66,472,809	(92,731,485)
Trade debts	74,269,042	52,802,754
Loans and advances	(148,004,595)	34,736,621
Deposits, prepayments and other receivables	124,454,938	(155,166,055)
	<b>105,240,890</b>	<b>(161,830,193)</b>
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	(139,794,442)	93,870,248
Dividend paid	(8,310)	(17,495)
	<b>(139,802,752)</b>	<b>93,852,753</b>
<b>Cash generated from operations</b>	<b>93,853,411</b>	<b>90,989,651</b>
Mark-up paid	(71,327,660)	(22,232,968)
Tax paid	(34,884,723)	(23,723,694)
<b>Net cash (used in) / generated from operating activities</b>	<b>(12,358,972)</b>	<b>45,032,989</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(147,817,290)	(191,794,918)
Interest received	7,582,410	-
Proceeds from disposal of equipment	569,000	1,356,068
(Purchase) / Redemption of investments - net	-	(21,462)
<b>Net cash used in investing activities</b>	<b>(139,665,880)</b>	<b>(190,460,312)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Lease rentals paid	(1,780,178)	(6,746,929)
<b>Net cash used in financing activities</b>	<b>(1,780,178)</b>	<b>(6,746,929)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(153,805,030)</b>	<b>(152,174,252)</b>
Cash and cash equivalents at beginning of the period	<b>(3,241,256,889)</b>	<b>(903,734,756)</b>
<b>Cash and cash equivalents at end of the period</b>	<b>(3,395,061,919)</b>	<b>(1,055,909,008)</b>

The annexed notes 1 to 10 form an integral part of the condensed interim consolidated financial information.

  
Chief Financial Officer

  
Chief Executive

  
Director

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the three months period ended 30 September 2019

	Share capital		Capital reserve	Revenue reserve	Total
	Issued, subscribed and paid up Capital	Share premium	Fair value reserve of equity securities - FVOCI	Unappropriated profit	
(Rupees)					
Balance as at 30 July 2018	1,512,500,000	1,095,352,578	13,240,378	696,944,970	3,318,037,926
Adjustment on initial application of IFRS 15	-	-	-	11,265,520	11,265,520
<b>Adjusted balance as at 1 July 2018 - restated</b>	<b>1,512,500,000</b>	<b>1,095,352,578</b>	<b>13,240,378</b>	<b>708,210,490</b>	<b>3,329,303,446</b>
Profit after taxation	-	-	-	60,635,654	60,635,654
Effect of application of standard	-	-	-	4,045,082	4,045,082
Other comprehensive loss	-	-	(2,150,903)	-	(2,150,903)
	-	-	(2,150,903)	64,680,736	62,529,833
Transactions with owners	-	-	-	-	-
Balance as at 30 September 2018 - restated	<u>1,512,500,000</u>	<u>1,095,352,578</u>	<u>11,089,475</u>	<u>772,891,226</u>	<u>3,391,833,279</u>
<b>Balance as at 01 July 2019</b>	<b>1,512,500,000</b>	<b>1,095,352,578</b>	<b>(3,392,943)</b>	<b>641,560,112</b>	<b>3,246,019,747</b>
Loss after taxation	-	-	-	(7,769,642)	(7,769,642)
Other comprehensive loss	-	-	(3,895,047)	-	(3,895,047)
	-	-	(3,895,047)	(7,769,642)	(11,664,689)
Transactions with owners	-	-	-	-	-
<b>Balance as at 30 September 2019</b>	<u>1,512,500,000</u>	<u>1,095,352,578</u>	<u>(7,287,990)</u>	<u>633,790,470</u>	<u>3,234,355,058</u>

The annexed notes 1 to 10 form an integral part of the condensed interim consolidated financial information.



Chief Financial Officer



Chief Executive



Director

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)

For the three months period ended 30 September 2019

## 1. STATUS AND NATURE OF BUSINESS

- 1.1** Loads Limited (“the Parent Company”) was incorporated in Pakistan on 1 January 1979 as a private limited company under the Companies Act, 1913 (repealed with the enactment of the Companies Ordinance, 1984 (repealed with the enactment of Companies Act, 2017 on May 30, 2017)).
- 1.2** On 19 December 1993, the Parent Company was converted from private limited company to unlisted public limited company and subsequently on 1 November 2016, the shares of the Parent Company were listed on Pakistan Stock Exchange Limited. The registered office of the Parent Company is situated at Plot No. 23, Sector 19, Korangi Industrial Area, Karachi.
- 1.3** The principal activity of the Parent Company is to manufacture and sale of radiators, exhaust systems and other components for automotive industry.
- 1.4** There are four subsidiaries and one associate (Treet Corporation Limited) of the parent company. The details are as follows:

Name of the Company	Incorporation date	Principle line of business
Specialized Autoparts Industries (Private) Limited (SAIL)	2 June 2004	Manufacture and sell components for the automotive industry.
Multiple Autoparts Industries (Private) Limited (MAIL)	14 May 2004	Manufacture and sell components for the automotive industry.
Specialized Motorcycles (Private) Limited (SMPL)	28 September 2004	Acquire, deal in, purchase, import, sales, supply and export motorcycles and auto parts. (note 1.5)
Hi-Tech Alloy Wheels Limited (Hi-Tech)	13 January 2017	Manufacture modern autoparts, dies, moulds, and fabrication of different products. Hi-Tech has yet to commence its operations

- 1.5** The operations of the subsidiary company, SMPL have been ceased from 1 July 2015.

## 2. BASIS OF PREPARATION

These condensed interim consolidated financial statements for the three months period ended 30 September 2019 has been prepared in accordance with the requirements of the accounting and reporting standards as applicable in Pakistan for the interim financial reporting. The accounting and reporting standards as applicable in Pakistan for the interim financial reporting comprise of International Accounting Standards (IAS) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions and directives issued under the Companies Act, 2017. In case where requirements differ with the requirements of IAS 34, the provisions or directives issued under the Companies Act, 2017 have been followed.

This condensed interim consolidated financial statements do not include information required for full annual financial statements and therefore should be read in conjunction with the audited consolidated financial statements for the year ended 30 June 2019.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation used in the preparation of these condensed consolidated financial statements are the same as those applied in the preparation of annual audited financial statements of the Company for the year ended 30 June 2019.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)**

**For the three months period ended 30 September 2019**

**4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**

The preparation of condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reporting amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements as at and for the year ended 30 June 2019.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual financial statements as at and for the year ended 30 June 2019. Provision for taxation for the period has been made on an estimated basis.

**5. PROPERTY, PLANT AND EQUIPMENT**

	<b>30 September 2019 (Un-audited)</b>	30 June 2019 (Audited)
	------(Rupees)-----	
Operating property, plant and equipment	<b>835,215,861</b>	859,206,477
Capital work-in-progress	<b><u>3,887,704,163</u></b>	<u>3,737,868,638</u>
	<b><u>4,722,920,024</u></b>	<u>4,597,075,115</u>

**6. CONTINGENCIES AND COMMITMENTS**

**6.1 Contingencies**

There is no change in the status of contingencies as disclosed under note 16 of the annual consolidated financial statements of the Company for the year ended 30 June 2019.

**6.2 Commitments**

Commitments in respect of letters of credit amounted to Rs. 548.335 million (30 June 2019: Rs. 343.870 million).

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)**

**For the three months period ended 30 September 2019**

**7. COST OF SALES**

**For the three months period ended**

	<b>30 September 2019 (Un-audited)</b>	<b>30 September 2018 (Un-audited)</b>
	----- <b>(Rupees)</b> -----	
Raw materials and components consumed	<b>723,585,552</b>	1,187,255,710
Ancillary materials consumed	<b>19,123,548</b>	32,385,491
<b>Manufacturing Expenses</b>		
Salaries, wages and other employee benefits	<b>120,393,245</b>	117,928,748
Toll manufacturing	<b>17,752,508</b>	35,115,360
Depreciation	<b>21,829,794</b>	23,054,745
Gas, power and water	<b>8,716,090</b>	11,232,204
Others	<b>21,204,067</b>	28,436,696
Manufacturing cost	<b>932,604,804</b>	1,435,408,954
Opening stock of work-in-process	<b>80,659,276</b>	150,978,815
Impact of IFRS 15	<b>(75,489,408)</b>	-
Closing stock of work-in-process	<b>(86,975,090)</b>	(173,950,179)
	<b>(81,805,222)</b>	(22,971,364)
Opening stock of finished goods	-	49,683,031
Closing stock of finished goods	-	(83,142,713)
	-	(33,459,682)
	<b>850,799,582</b>	1,378,977,908

**8. TRANSACTIONS WITH RELATED PARTIES**

Related parties comprise of subsidiaries, associated company and other companies with common directorship and significant influence, employees retirement benefit funds and key management personnel. Transactions with related parties are at terms determined in accordance with the agreed rates.

Transactions and balances with related parties are disclosed below:

	<b>30 September 2019 (Un-audited)</b>	<b>30 June 2019 (Audited)</b>
	----- <b>(Rupees)</b> -----	
<b>Investment in Treet Corporation</b>		
Participation Term Certificates (PTCs): 1,831,500 PTCs (30 June 2019: 1,831,500 PTCs)	<b>9,157,500</b>	10,787,535
Receivable from provident fund	<b>8,241,254</b>	9,004,535
Employee benefits - gratuity payable	<b>(10,463,240)</b>	(10,467,240)
<b>Treet Corporation Limited</b>		
Interest income from PTCs	<b>7,582,410</b>	7,582,410

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)

For the three months period ended 30 September 2019

The Company enters into transactions with related parties on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods.

### 9. DATE OF AUTHORIZATION

This un-audited condensed interim financial information was authorized for issue by the Board Of Directors on October 29, 2019.

### 10. GENERAL

#### 10.1 All Shares Islamic Index Screening

Advances, deposits and bank balances do not carry any mark-up except for balance in saving accounts. Bank balances are placed with conventional banks in current and saving accounts.

10.2 The amounts have been rounded off to nearest rupee.



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Chief Financial  
Officer



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Chief Executive



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

Director










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