

Agriauto Industries Limited

Condensed Interim Financial Statements
For the Quarter Ended September 30, 2024
(Un-audited)



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.

DIRECTORS' REVIEW REPORT

On behalf of the Board of Directors of the Company, we are pleased to present the financial performance of your Company for the quarter ended September 30, 2024.

THE BOARD OF DIRECTORS

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

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

AUDIT AND RISK MANAGEMENT COMMITTEE

- | | |
|---------------------------|----------|
| 1. Mr. Aqueel E. Merchant | Chairman |
| 2. Mr. Sohail P. Ahmed | Member |
| 3. Ms. Ayesha T. Haq | Member |

HUMAN RESOURCE AND REMUNERATION COMMITTEE

- | | |
|---------------------------|----------|
| 1. Mr. Aqueel E. Merchant | Chairman |
| 2. Mr. Salman Burney | Member |
| 3. Mr. Sohail P. Ahmed | Member |
| 4. Mr. Yutaka Arae | Member |
| 5. Mr. Fahim Kapadia | Member |

Financial Highlights

Consolidated

	Rs. in million	
	For Quarter July to Sep	
	2024	2023
Turnover	2,299	1,753
Gross Profit	167	175
(Loss) / Profit before levies and income tax	(48)	29
Levies and income taxation	(17)	(23)
Loss / (Profit) after tax	(65)	6
(Loss) / Earnings Per Share (Rs.)	(1.80)	0.17

For the quarter ended September 30, 2024, consolidated turnover rose by 31%, from Rs. 1.75 billion to Rs. 2.29 billion, compared to the same period last year. This growth is primarily driven by increased demand for passenger cars, with the segment experiencing a 30% rise in production (20,768 units in Q1 CY vs. 15,993 units in Q1 LY). The Two-Wheeler segment also saw a 20% production increase (319,267 units in Q1 CY vs. 266,050 units in Q1 LY), while the Tractor segment declined by 52% (5,523 units in Q1 CY vs. 11,586 units in Q1 LY). Despite the revenue growth, the company reported a loss after tax of Rs. 65 million, compared to a profit after tax of Rs. 6 million in the same period last year. This loss is largely attributed to a significant rise in financial charges & other operating expenses.

Standalone

	Rs. in million	
	For Quarter July to Sep	
	2024	2023
Turnover	1,487	1,227
Gross Profit	19	104
(Loss) / Profit before levies and income tax	(138)	9
Levies and income Taxation	9	(17)
Loss after tax	(129)	(8)
Loss Per Share (Rs.)	(3.58)	(0.23)

For the quarter ended September 30, 2024, turnover stood at Rs. 1.49 billion, reflecting a 21% increase compared to Rs. 1.23 billion in the same period last year. The company reported a loss after tax of Rs. 129 million, significantly higher than the loss of Rs. 8 million recorded in the corresponding period last year.

Business Overview

The Pakistani automotive sector continues to confront significant challenges in 2024, marked by persistently low demand for vehicles despite recent policy rate cuts by the State Bank of Pakistan (SBP). While inflation rates have reached record lows, a higher base effect in the calculation contributes to this perception, masking underlying economic pressures. Consequently, consumer purchasing power remains severely constrained, limiting the market's ability to rebound.

Moreover, the automotive market's challenges are exacerbated by supply chain disruptions which continue to hinder production capabilities. Looking ahead, while there are hopes for gradual recovery, sustained improvement in consumer purchasing power and overall economic conditions will be crucial for reviving demand in the latter part of Financial Year 2025.

Agriauto Stamping Company (Pvt.) Limited (ASC)

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

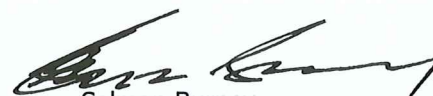
The Company is actively engaged in securing new product developments to fortify sustainability and enhance profitability in the future. Notably, the Company recently secured an order for Press Dies earmarked for export to the African Region, thus expanding its global footprint. This strategic move underscores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

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

On behalf of the Board of Directors.



Fahim Kapadia
Chief Executive



Salman Burney
Non-Executive Director

Dated: October 21, 2024

ڈائریکٹرز کی جائزہ رپورٹ

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے ہم 30 ستمبر 2024ء کو اختتام پذیر سہ ماہی کے لئے آپ کی کمپنی کی مالیاتی کارکردگی ازراہ مسرت پیش کرتے ہیں۔

بورڈ آف ڈائریکٹرز

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

1. جناب یوٹا کا آرائے - چیئرمین
 2. جناب فہیم کپاڈیا - چیف ایگزیکٹو
 3. جناب حمزہ حبیب
 4. جناب سہیل پی - احمد
 5. جناب سلمان برنی
 6. محترمہ عائشہ ٹی - حق
 7. جناب عقیل ای - مرچنٹ
- نان ایگزیکٹو ڈائریکٹر
ایگزیکٹو ڈائریکٹر
نان ایگزیکٹو ڈائریکٹر
نان ایگزیکٹو ڈائریکٹر
نان ایگزیکٹو ڈائریکٹر
خود مختار ڈائریکٹر
خود مختار ڈائریکٹر

آڈٹ اینڈ رسک مینجمنٹ کمیٹی

1. جناب عقیل ای - مرچنٹ
 2. جناب سہیل پی - احمد
 3. محترمہ عائشہ ٹی - حق
- چیئرمین
رکن
رکن

ہیومن ریسورس اینڈ ریمونریشن کمیٹی

1. جناب عقیل ای - مرچنٹ
 2. جناب سلمان برنی
 3. جناب سہیل پی - احمد
 4. جناب یوٹا کا آرائے
 5. جناب فہیم کپاڈیا
- چیئرمین
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مالیاتی خلاصہ مجموعی

ملین روپوں میں

برائے سہ ماہی جولائی تا ستمبر		
2023ء	2024ء	
1,753	2,299	ٹرن اوور
175	167	کل منافع
29	(48)	(نقصان)/منافع بمعہ لیوی اور انکم ٹیکس
(23)	(17)	لیوی اور انکم ٹیکس
6	(65)	(نفع)/نقصان علاوہ ٹیکس
0.17	(1.08)	فی حصص (خسارہ)/آمدنی (روپے)

30 ستمبر 2024ء کو اختتام پذیر سہ ماہی کے لئے کل ٹرن اوور 31% تک بڑھا جو گذشتہ برس کی اسی سہ ماہی میں 1.75 بلین روپے کے مقابلے میں 2.29 بلین روپے ہو گیا۔ اس نمو کو بنیادی طور پر سفری گاڑیوں کی طلب میں اضافہ سے منسوب کیا جاتا ہے جو کہ اس شعبہ کی پیداوار میں 30% اضافے سے عیاں ہے (رواں برس کی پہلی سہ ماہی: 20,768 یونٹس بنام گذشتہ برس کی پہلی سہ ماہی میں 15,993 یونٹس)۔ ٹو وہیلر شعبے کی پیداوار میں بھی 20% اضافہ دیکھا گیا (رواں برس کی پہلی سہ ماہی میں 319,267 یونٹس بنام گذشتہ برس کی پہلی سہ ماہی میں 266,050 یونٹس) جب کہ ٹریکٹر کے شعبے میں 52% کمی واقع ہوئی (رواں برس کی پہلی سہ ماہی میں 5,523 یونٹس بنام گذشتہ برس کی پہلی سہ ماہی میں 11,586 یونٹس)۔ آمدنی میں اضافے کے باوجود کمپنی نے گذشتہ برس کی اسی مدت میں 6 بلین روپے منافع علاوہ ٹیکس کے مقابلے میں 65 بلین روپے خسارہ علاوہ ٹیکس رپورٹ کیا۔ اس خسارے کو قرضوں پر لاگت اور دیگر آپرینٹنگ اخراجات میں نمایاں اضافے سے منسوب کیا جاتا ہے۔

انفرادی

ملین روپوں میں

برائے سہ ماہی جولائی تا ستمبر		
2023ء	2024ء	
1,227	1,487	ٹرن اوور
104	19	کل منافع
9	(138)	(نقصان)/منافع بمعہ لیوی اور انکم ٹیکس
(17)	9	لیوی اور انکم ٹیکس
(8)	(129)	نقصان علاوہ ٹیکس
(0.23)	(3.58)	فی حصص خسارہ (روپے)

30 ستمبر 2024ء کو اختتام پذیر سہ ماہی کے لئے ٹرن اور 1.49 بلین روپے رہا جو گذشتہ برس میں 1.23 بلین روپے کے مقابلہ میں 21% اضافے کی عکاسی کرتا ہے۔ کمپنی نے 129 ملین روپے خسارہ علاوہ ٹیکس رپورٹ کیا جو گذشتہ برس کی اسی مدت میں ریکارڈ کئے گئے 8 ملین روپے خسارے کے مقابلے میں کافی بلند ہے۔

کاروبار کا جائزہ

پاکستانی آٹوموٹیو سیکٹر کو سال 2024ء میں کئی شدید چیلنجز کا سامنا کرنا پڑا جسے اسٹیٹ بینک آف پاکستان (SBP) کی جانب سے پالیسی کی شرح میں حالیہ کمی کے باوجود گاڑیوں کی مسلسل کم طلب سے منسوب کیا جاتا ہے۔ اگرچہ افراط زر کی شرح ریکارڈ کم شرح پر پہنچ چکی ہے لیکن اس کے تعین میں زیادہ بنیادی اثر اس تصور میں اضافہ کرتا ہے جو موجودہ معاشی دباؤ سے عیاں ہے۔ نتیجے کے طور پر، صارفین کی قوت خرید کافی محدود رہی جس سے منڈی میں ابھرنے کی استعداد معدوم ہوئی۔

مزید برآں، آٹوموٹیو مارکیٹ کی مشکلات سپلائی چین میں رکاوٹ سے مزید بڑھیں جس سے پیداواری استعداد شدید متاثر ہوتی رہی۔ مستقبل میں، چونکہ بتدریج بحالی کے امکانات موجود ہیں لہذا صارفین کی قوت خرید میں استحکام اور مجموعی معاشی حالات مالیاتی سال 2025ء کے اواخر میں طلب میں بہتری کے لئے اہم ترین ہوں گے۔

اگلی آٹو اسٹیٹنگ کمپنی (پرائیویٹ) لمیٹڈ (ASC)

کمپنی ہائی ٹیکنالوجی پارٹس کی سٹامپنگ کی اپنی بنیادی صلاحیت پر بھرپور توجہ دے رہی ہے اور اس بابت اپنے قدم جمانے کی کوشش کر رہی ہے جب کہ تیار ہونے والے پرزوں کی تعداد میں اضافے سے آپریشنز میں بہتری آرہی ہے۔ تنوع کے لئے اپنی حکمت عملی کو مد نظر رکھتے ہوئے کمپنی نئی مصنوعات کی تیاری پر تیز رفتاری سے کام کر رہی ہے تاکہ مستقبل میں پائیداری کو بڑھایا جاسکے اور منافع میں بہتری لائی جاسکے۔ کمپنی پائیداری اور مستقبل میں منافع بڑھانے کے لئے نئی پروڈکٹس کی تیاری میں بھرپور توجہ دے رہی ہے۔ قابل ذکر امر یہ ہے کہ کمپنی نے حال ہی میں پریس ڈائیز کا ایک آرڈر حاصل کیا ہے جس کا مقصد افریقی خطے میں اس کی برآمد ہے جس سے کمپنی عالمی سطح پر بھی اپنے قدم جمانے میں کامیاب ہو جائے گی۔ یہ اسٹریٹجک اقدام تنوع اور نمو کے لئے کمپنی کے عزم کی عکاسی کرتا ہے۔

آخر میں، ہم اپنے تمام صارفین، ڈیلرز، بینکرز اور غیر ملکی تکنیکی معاونین کی لاثانی سپورٹ اور کمپنی پر اپنے اعتماد کے لئے خلوص نیت سے خراج تحسین پیش کرنا چاہتے ہیں۔ ہم اپنے تمام ملازمین کا بھی شکریہ ادا کرتے ہیں جنہوں نے کمپنی کی ترقی کے لئے انتھک محنت کی۔

منجانب بورڈ آف ڈائریکٹرز



سلمان برنی
نان ایگزیکٹو ڈائریکٹر



فہیم کھاٹا
چیف ایگزیکٹو

تاریخ: 21 اکتوبر 2024ء

AGRIAUTO INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

		September 30, 2024 (un-audited)	June 30, 2024 (audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,762,158	1,789,153
Right-of-use assets		10,410	2,376
Intangible assets		28,902	33,615
Long-term investment		1,144,006	1,144,006
Long-term deposits		11,022	11,022
Deferred taxation - net	6	177,448	149,398
		3,133,946	3,129,570
CURRENT ASSETS			
Stores, spares and loose tools		138,040	119,939
Stock-in-trade		1,821,657	1,518,452
Trade debts - unsecured	7	803,477	803,121
Advances, deposits, prepayments and other receivables	8	312,419	294,652
Short-term investments	9	38,918	39,526
Taxation - net		315,781	344,690
Sales tax receivable		73,672	-
Cash and bank balances	10	87,609	131,038
		3,591,573	3,251,418
TOTAL ASSETS		6,725,519	6,380,988
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
40,000,000 (June 30, 2024: 40,000,000) ordinary shares of Rs. 5/- each		200,000	200,000
Issued, subscribed and paid-up capital			
36,000,000 (June 30, 2024: 36,000,000) ordinary shares of Rs. 5/- each		180,000	180,000
Reserves		3,892,353	4,021,206
		4,072,353	4,201,206
NON-CURRENT LIABILITIES			
Lease liabilities		7,140	1,906
Long-term financing - secured	11	272,083	294,418
Deferred income		14,635	15,199
		293,858	311,523
CURRENT LIABILITIES			
Trade and other payables	12	1,179,964	1,234,528
Current maturity of lease liabilities		574	574
Current maturity of long-term financing	11	99,095	83,615
Current maturity of deferred income		2,259	2,259
Sales tax payable		-	45,186
Warranty obligations		131,819	126,762
Unpaid dividend		3,819	3,819
Unclaimed dividend		30,103	30,113
Short-term finance - secured	13	911,675	341,403
		2,359,308	1,868,259
CONTINGENCIES AND COMMITMENTS	14		
TOTAL EQUITY AND LIABILITIES		6,725,519	6,380,988

The annexed notes from 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



 DIRECTOR



 CHIEF EXECUTIVE



 CHIEF FINANCIAL OFFICER

AGRIAUTO INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024
(un-audited)

	Note	Quarter ended	
		September 30, 2024	September 30, 2023
		----- (Rupees in '000) -----	
Turnover – net		1,487,435	1,227,080
Cost of sales		<u>(1,468,453)</u>	<u>(1,123,227)</u>
Gross profit		18,982	103,853
Distribution costs		<u>(37,438)</u>	<u>(28,311)</u>
Administrative expenses		<u>(71,794)</u>	<u>(63,493)</u>
		(109,232)	(91,804)
Operating (loss) / profit		(90,250)	12,049
Other expenses	15	<u>(7,107)</u>	<u>(9,594)</u>
Other income		9,957	8,878
Finance costs		<u>(50,910)</u>	<u>(2,040)</u>
		(48,060)	(2,756)
(Loss) / Profit before levies and income tax		(138,310)	9,293
Levies (minimum tax)	16	<u>(18,593)</u>	<u>-</u>
Loss before income tax		(156,903)	9,293
Taxation	17	28,050	(17,595)
Loss after taxation		(128,853)	(8,302)
		----- (Rupees) -----	
Loss per share - basic and diluted		(3.58)	(0.23)

The annexed notes from 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



 DIRECTOR



 CHIEF EXECUTIVE



 CHIEF FINANCIAL OFFICER

AGRIAUTO INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2024
(un-audited)

	Quarter ended	
	September 30, 2024	September 30, 2023
	----- (Rupees in '000) -----	
Loss after taxation for the period	(128,853)	(8,302)
Other comprehensive income / (loss) for the period	-	-
Total comprehensive loss for the period	<u><u>(128,853)</u></u>	<u><u>(8,302)</u></u>

The annexed notes from 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



DIRECTOR



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER

AGRIAUTO INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Reserves				Total reserves	Total equity
	Capital reserve	Revenue reserves				
		Share premium	General	Unappropriated profit / (loss)		
	----- (Rupees in'000) -----					
Balance as at July 01, 2023 (audited)	180,000	12,598	4,265,000	19,326	4,296,924	4,476,924
Loss for the period	-	-	-	(8,302)	(8,302)	(8,302)
Other comprehensive income / (loss) for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(8,302)	(8,302)	(8,302)
Balance as at September 30, 2023 (un-audited)	<u>180,000</u>	<u>12,598</u>	<u>4,265,000</u>	<u>11,024</u>	<u>4,288,622</u>	<u>4,468,622</u>
Balance as at July 01, 2024 (audited)	180,000	12,598	4,265,000	(256,392)	4,021,206	4,201,206
Loss for the period	-	-	-	(128,853)	(128,853)	(128,853)
Other comprehensive income / (loss) for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(128,853)	(128,853)	(128,853)
Balance as at September 30, 2024 (un-audited)	<u>180,000</u>	<u>12,598</u>	<u>4,265,000</u>	<u>(385,245)</u>	<u>3,892,353</u>	<u>4,072,353</u>

The annexed notes from 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



 DIRECTOR



 CHIEF EXECUTIVE




 CHIEF FINANCIAL OFFICER

AGRIAUTO INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024
(un-audited)

	Quarter ended	
	September 30, 2024	September 30, 2023
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	(156,903)	9,293
Adjustments for:		
Depreciation and amortisation	64,495	46,733
Levy (minimum tax)	18,593	-
Finance costs	50,910	2,040
(Reversal) / Provision for obsolescence	(11,847)	28,696
Profit on term deposit receipts and deposit account	(1,749)	(3,146)
(Gain) / Loss on disposal of operating fixed assets	(1,413)	2,498
	(37,914)	86,114
Increase in current assets	(372,345)	(29,598)
Decrease in current liabilities	(111,565)	(26,170)
Cash (used in) / generated from operations	(521,824)	30,346
Finance costs paid	(47,786)	(1,555)
Long-term deposits paid	-	(1,000)
Short-term finance obtained	291,905	-
Minimum and income tax adjusted / paid	(8,278)	7,147
Net cash (used in) / generated from operating activities	(285,983)	34,938
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(35,833)	(59,622)
Proceeds from disposal of property, plant and equipment	5,405	7,259
Purchase of term deposit receipts	-	(38,000)
Profit received on term deposit receipts and deposit account	2,723	3,127
Net cash used in investing activities	(27,705)	(87,236)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(10)	(143)
Lease payments	(3,563)	(2,545)
Long-term financing repaid	(6,855)	(51,851)
Net cash used in financing activities	(10,428)	(54,539)
Net decrease in cash and cash equivalents	(324,116)	(106,837)
Cash and cash equivalents at the beginning of the period	(94,684)	87,377
Cash and cash equivalents at the end of the period	(418,800)	(19,460)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	87,609	47,789
Short-term running finance	(506,409)	(67,249)
	(418,800)	(19,460)

The annexed notes from 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



DIRECTOR



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER

AGRIAUTO INDUSTRIES LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024
(un-audited)

1 THE COMPANY AND ITS OPERATIONS

1.1 Agriauto Industries Limited (the Company) was incorporated in Pakistan on June 25, 1981 as a public limited company and is listed on Pakistan Stock Exchange Limited. The Company is engaged in the manufacture and sale of components for automotive vehicles, motor cycles and agricultural tractors. The registered office of the Company is situated at 5th Floor, House of Habib, 3-J.C.H.S., Block 7/8, Main Shahrah-e-Faisal, Karachi.

1.2 These unconsolidated condensed interim financial statements are the separate unconsolidated condensed interim financial statements of the Company in which investments in subsidiary is accounted for at cost less accumulated impairment losses, if any and is not consolidated or accounted for using equity method.

2 STATEMENT OF COMPLIANCE

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which comprise of International Accounting Standard (IAS) 34 - 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirement of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 BASIS OF PREPARATION

These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the unconsolidated annual financial statements, and should be read in conjunction with the unconsolidated financial statements of the Company for the year ended June 30, 2024.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual unconsolidated financial statements for the year ended June 30, 2024.

			September 30, 2024	June 30, 2024
	Note		----- (Rupees in '000) ----- (un-audited)	(audited)
5		PROPERTY, PLANT AND EQUIPMENT		
		Operating fixed assets	1,750,020	1,787,613
	5.1 & 5.2	Capital work-in-progress	12,138	1,540
	5.3		<u>1,762,158</u>	<u>1,789,153</u>

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

	Additions at cost / Transfers		Disposal at NBV	
	Quarter ended September 30,		Quarter ended September 30,	
	2024	2023	2024	2023
	(un-audited)		(un-audited)	
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Owned				
Building	-	144,816	-	-
Plant and machinery	1,492	220,764	-	4,494
Furniture and fittings	1,185	-	-	-
Vehicles	20,828	26,564	3,961	5,226
Computer equipment	1,730	842	31	37
	<u>25,235</u>	<u>392,986</u>	<u>3,992</u>	<u>9,757</u>

5.2 Depreciation charge for the period amounted to Rs. 58.84 million (September 30, 2023: Rs. 40.97 million).

	Note	September 30, 2023 ----- (Rupees in '000) ----- (un-audited)	June 30, 2024 ----- (Rupees in '000) ----- (audited)
5.3 Capital work-in-progress			
Balance at the beginning of the period / year		1,540	769,105
Capital expenditure incurred / advances made during the period / year	5.3.1	10,598	114,907
Transfer to operating fixed assets during the period / year		-	(882,472)
Balance at the end of the period / year		<u>12,138</u>	<u>1,540</u>

5.3.1 During the period, borrowing costs have been capitalised amounting to Nil (June 30, 2024: Rs. 34.30 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 11.2 to these unconsolidated interim financial statements.

		September 30, 2024 ----- (Rupees in '000) ----- (un-audited)	June 30, 2024 ----- (Rupees in '000) ----- (audited)
6 DEFERRED TAXATION - NET			
Deductible / (taxable) temporary differences arising due to:			
- provisions		141,106	130,872
- lease liabilities and right-of-use-assets		(782)	30
- unused business losses		179,152	165,004
- accelerated tax depreciation		(142,028)	(146,508)
		<u>177,448</u>	<u>149,398</u>

7 This includes an amount of Rs. 1.44 million (June 30, 2024: Rs. 0.002 million) and Rs. 8.29 million (June 30, 2024: Rs. 0.26 million) receivable from Agriauto Stamping Company (Private) Limited - a wholly owned subsidiary and Thal Boshoku Pakistan (Private) Limited - an associated company, respectively, against sales made by the Company.

8 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

8.1 This includes an amount of Rs. 44 million (June 30, 2024: Rs. 24.58 million) against LC and LG margin deposits, out of which Rs. 44 million (June 30, 2024: Rs. 14 million) are held with Habib Metropolitan Bank Limited - an associated company.

8.2 Also includes Rs. 226.77 million (June 30, 2024: Rs. 226.77 million) in respect of claim against Additional Custom Duty (ACD) from a customer.

8.3 Also includes an amount of Nil (June 30, 2024: Rs. 5.01 million) pertaining to accrued profit on deposit accounts held with Habib Metropolitan Bank Limited - an associated company.

	Note	September 30, 2024 (un-audited)	June 30, 2024 (audited)
9 SHORT-TERM INVESTMENTS			
At amortised cost			
Term deposit receipts	9.1	38,000	38,000
Accrued profit thereon		918	1,526
		<u>38,918</u>	<u>39,526</u>

9.1 This represents three months term deposit receipts, marked as lien, with a commercial bank against long-term financing and bank guarantees, carrying profit rates ranging from 15.50% to 18.25% (June 30, 2024: 18.25% to 18.85%) per annum and having maturity latest by December 11, 2024.

10 This includes an amount of Nil (June 30, 2024: Rs. 29.45 million) and Rs. 50.46 million (June 30, 2024: Rs. 46.52 million) held with Habib Metropolitan Bank Limited - an associated company in deposit accounts and dividend accounts respectively.

		September 30, 2024 (un-audited) ----- (Rupees in '000) -----	June 30, 2024 (audited)
11	LONG-TERM FINANCING - SECURED		
	SBP refinance scheme for renewable energy	40,698	44,628
	Current maturity of long-term financing	(6,148)	(6,148)
		<u>34,550</u>	<u>38,480</u>
	Long-term financing	330,480	333,405
	Current maturity of long-term financing	(92,947)	(77,467)
		<u>237,533</u>	<u>255,938</u>
		<u>272,083</u>	<u>294,418</u>

11.1 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% (June 30, 2024: 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% (June 30, 2024: 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 9) held under lien. As at September 30, 2024, the unutilised portion of the facility is Nil (June 30, 2024: Nil).

11.2 This represents long-term financing facility obtained from a conventional bank to refinance capital expenditure, with a total limit of Rs. 500 million (June 30, 2024: Rs. 500 million) at a markup rate of 3 months KIBOR + 0.3% (June 30, 2024: 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 September 30, 2024, the unutilised portion of the facility is Nil (June 30, 2024: Nil).

	September 30, 2024 (un-audited) ----- (Rupees in '000) -----	June 30, 2024 (audited)	
11.3	Movement of long-term financing		
	Balance at beginning of the period / year	378,033	469,134
	Repayment made during the period / year	(6,855)	(177,863)
	Accretion of interest during the period / year	-	86,762
	Balance at end of the period / year	<u>371,178</u>	<u>378,033</u>
	Current maturity of long-term financing	<u>(99,095)</u>	<u>(83,615)</u>
		<u>272,083</u>	<u>294,418</u>

12 This includes payable to Agriauto Stamping Company (Private) Limited - a wholly owned subsidiary amounting to Rs. 22.95 million (June 30, 2024: Rs. 22.95 million).

13 **SHORT-TERM FINANCE - SECURED**

13.1 This includes short-term running finance obtained from various commercial banks including short term running finance amounting to Rs. 336.27 million (June 30, 2024: Rs. 3.38 million) availed from Habib Metropolitan Bank Limited - an associated company. The total facility limit amounts to Rs. 1,240 million (June 30, 2024: 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% (June 30, 2024: 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.

- 13.2** This includes 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 (June 30, 2024: Rs. 250 million). 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 September 30, 2024, the unutilised portion of the facility is Rs. 149.73 million (June 30, 2024: Rs. 190.64 million).
- 13.3** This includes 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 (June 30, 2024: Rs. 250 million). 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 September 30, 2024, the unutilised portion of the facility is Rs. 145 million (June 30, 2024: Rs. 196 million).

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

There is no material change in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2024.

14.2 Commitments

- 14.2.1** This includes bank guarantees amounting to Rs. 144 million (June 30, 2024: Rs. 114 million) obtained from Habib Metropolitan Bank Limited - an associated company.
- 14.2.2** This also includes bank guarantees amounting to Rs. 6.89 million (June 30, 2024: Rs. 6.89 million) issued to the Collector of Customs in respect of custom duty.
- 14.2.3** Commitments in respect of outstanding letters of credit for raw material, stores, spares and loose tools amounting to Rs. 435.06 million (June 30, 2024: Rs. 1,000.83 million), out of which Rs. 272.46 million (June 30, 2024: Rs. 417 million) is outstanding with Habib Metropolitan Bank Limited - an associated company.
- 14.2.4** Commitments in respect of outstanding letters of credit for capital expenditure amounts to Rs. 10.01 million (June 2024: Rs. 2.74 million), out of which Rs. 9.35 million (June 30, 2024: Rs. 2.08 million) is outstanding with Habib Metropolitan Bank Limited - an associated company.

15 OTHER EXPENSES

Exchange loss on foreign currency transactions - net
Workers' Profit Participation Fund
Workers' Welfare Fund
Loss on disposal of operating fixed assets

September 30, 2024 (un-audited) ----- (Rupees in '000) -----	September 30, 2023 (un-audited) ----- (Rupees in '000) -----
7,107	6,623
-	297
-	176
-	2,498
<u>7,107</u>	<u>9,594</u>

(Restated)	
September 30, 2024 (un-audited) ----- (Rupees in '000) -----	September 30, 2023 (un-audited) ----- (Rupees in '000) -----

16 LEVIES (MINIMUM TAX)

Minimum tax u/s 113

<u>18,593</u>	<u>-</u>
---------------	----------

- 16.1** This represents minimum tax paid under section 113 of the Income Tax Ordinance, 2001, representing levy in terms of the requirements of IFRIC 21.

	September 30, 2024 (un-audited)	(Restated) September 30, 2023 (un-audited)
17 TAXATION		
Current		
For the period	-	15,373
Prior	-	100
	-	15,473
Deferred	(28,050)	2,122
	(28,050)	17,595

18 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.

19 TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS AND RELATED PARTIES

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 period, other than disclosed elsewhere in these unconsolidated condensed interim 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 %	September 30, 2024 (un-audited)	September 30, 2023 (un-audited)
			----- (Rupees in '000) -----	
Subsidiary Company (wholly owned)				
Agriauto Stamping Company (Private) Limited	Sales	Nil	9,654	4,712
Associated companies (Common directorship)				
Thal Boshoku Pakistan (Private) Limited	Sales	Nil	7,505	-
Auvitronics Limited	Sales	Nil	-	190
Shabbir Tiles and Ceramics Limited	Purchases	Nil	-	6,189
Habib Metropolitan Bank Limited	Mark-up expense	Nil	6,343	2,433
	Profit earned on deposit account		6	1,326
	Bank charges		1,089	342
	Guarantees issued		30,000	6,000
Retirement benefit funds				
Employees' Provident Fund	Contribution	Nil	5,396	4,883
Key management personnel				
	Remuneration and other benefits	Nil	12,100	10,574
	Fee for attending board meetings		600	900

20 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on October 21, 2024 by the Board of Directors of the Company.

21 GENERAL

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



DIRECTOR



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER

AGRIAUTO INDUSTRIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

	September 30, 2024 (un-audited)	June 30, 2024 (audited)
Note	--- (Rupees in '000) ---	
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	5 3,915,366	4,018,436
Right-of-use assets	10,410	2,376
Intangible assets	28,902	33,615
Long-term deposits	19,675	19,675
Deferred taxation	6 124,799	84,232
	4,099,152	4,158,334
CURRENT ASSETS		
Stores, spares and loose tools	163,273	159,237
Stock-in-trade	2,728,167	2,157,304
Trade debts - unsecured	7 1,181,278	1,148,235
Advances, deposits, prepayments and other receivables	8 395,881	385,433
Short-term investments	9 75,840	77,056
Taxation - net	273,129	328,572
Sales tax receivable	100,371	-
Cash and bank balances	10 88,555	171,098
	5,006,494	4,426,935
TOTAL ASSETS	9,105,646	8,585,269
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital		
40,000,000 (June 30, 2024: 40,000,000) ordinary shares of Rs. 5/- each	200,000	200,000
Issued, subscribed and paid-up capital		
36,000,000 (June 30, 2024: 36,000,000) ordinary shares of Rs. 5/- each	180,000	180,000
Reserves	5,569,482	5,634,243
	5,749,482	5,814,243
NON-CURRENT LIABILITIES		
Lease liabilities	7,140	1,906
Long-term financing - secured	11 469,883	503,350
Deferred income	23,500	24,927
	500,523	530,183
CURRENT LIABILITIES		
Trade and other payables	1,612,503	1,520,611
Current maturity of lease liabilities	574	574
Current maturity of long-term financing	11 111,738	89,314
Current maturity of deferred income	4,902	4,902
Sales tax payable	-	684
Warranty obligations	131,819	126,762
Unpaid dividend	3,819	3,819
Unclaimed dividend	30,103	30,113
Short-term finance - secured	12 960,183	464,064
	2,855,641	2,240,843
CONTINGENCIES AND COMMITMENTS	13	
TOTAL EQUITY AND LIABILITIES	9,105,646	8,585,269

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


 Director

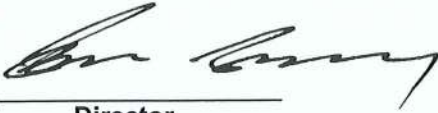

 Chief Executive


 Chief Financial Officer


AGRIAUTO INDUSTRIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024
(un-audited)

	Note	Quarter ended	
		September 30, 2024	September 30, 2023
----- (Rupees in '000) -----			
Turnover – net		2,298,518	1,753,483
Cost of sales		<u>(2,132,010)</u>	<u>(1,578,678)</u>
Gross profit		166,508	174,805
Distribution costs		<u>(45,825)</u>	<u>(31,986)</u>
Administrative expenses		<u>(100,882)</u>	<u>(92,910)</u>
		<u>(146,707)</u>	<u>(124,896)</u>
Operating profit		19,801	49,909
Other expenses	14	<u>(15,446)</u>	<u>(21,426)</u>
Other income		<u>14,228</u>	<u>18,097</u>
Finance costs		<u>(66,765)</u>	<u>(17,450)</u>
		<u>(67,983)</u>	<u>(20,779)</u>
(Loss) / Profit before levies and income tax		(48,182)	29,130
Levies (minimum tax)	15	<u>(28,731)</u>	-
(Loss) / Profit before income tax		(76,913)	29,130
Taxation	16	<u>12,152</u>	<u>(23,110)</u>
(Loss) / Profit after taxation		(64,761)	6,020
----- (Rupees) -----			
(Loss) / Earnings per share - basic and diluted		<u><u>(1.80)</u></u>	<u><u>0.17</u></u>

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



 Director



 Chief Executive



 Chief Financial Officer

AGRIAUTO INDUSTRIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2024
(un-audited)

	Quarter ended	
	September 30, 2024	September 30, 2023
	------(Rupees in '000)-----	
(Loss) / Profit for the period	(64,761)	6,020
Other comprehensive income / (loss) for the period	-	-
Total comprehensive (loss) / income for the period	(64,761)	6,020

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



Director



Chief Executive




Chief Financial Officer

AGRIAUTO INDUSTRIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2024
(un-audited)

	Reserves				Total reserves	Total equity
	Capital reserve	Revenue reserves				
	Share premium	General	Unappropriated profit			
	----- (Rupees in '000) -----					
Balance as at July 01, 2023 (audited)	180,000	12,598	3,165,000	2,804,147	5,981,745	6,161,745
Profit for the period	-	-	-	6,020	6,020	6,020
Other comprehensive income / (loss) for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	6,020	6,020	6,020
Balance as at September 30, 2023 (un-audited)	<u>180,000</u>	<u>12,598</u>	<u>3,165,000</u>	<u>2,810,167</u>	<u>5,987,765</u>	<u>6,167,765</u>
Balance as at July 01, 2024 (audited)	180,000	12,598	3,165,000	2,456,645	5,634,243	5,814,243
Loss for the period	-	-	-	(64,761)	(64,761)	(64,761)
Other comprehensive income / (loss) for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(64,761)	(64,761)	(64,761)
Balance as at September 30, 2024 (un-audited)	<u>180,000</u>	<u>12,598</u>	<u>3,165,000</u>	<u>2,391,884</u>	<u>5,569,482</u>	<u>5,749,482</u>

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



Director



Chief Executive



Chief Financial Officer

AGRIAUTO INDUSTRIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024
(un-audited)

	Quarter ended	
	September 30, 2024	September 30, 2023
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before income tax	(76,913)	29,130
Adjustments for:		
Depreciation and amortisation	150,900	99,761
Levy (minimum tax)	28,731	-
Finance costs	66,765	17,450
Profit on term deposit receipts and deposit accounts	(3,481)	(5,431)
(Reversal) / provision for obsolescence	(47,185)	1,154
(Gain) / loss on disposal of operating fixed assets	(1,413)	435
	<u>117,404</u>	<u>142,499</u>
Increase in current assets	(492,834)	(90,721)
Decrease in current liabilities	(42,411)	(208,423)
Cash used in operations	<u>(417,841)</u>	<u>(156,645)</u>
Finance costs paid	(60,688)	(11,380)
Minimum and income tax paid / adjusted	(20,298)	(58,616)
Short-term finance obtained	221,037	-
Long-term deposits paid	-	(1,200)
Net cash used in operating activities	<u>(277,790)</u>	<u>(227,841)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(46,163)	(144,794)
Proceeds from disposal of property, plant and equipment	5,405	13,857
Profit received on term deposit receipts and deposit accounts	5,283	5,915
Net cash used in investing activities	<u>(35,475)</u>	<u>(125,022)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term financing repaid	(11,043)	(53,642)
Dividend paid	(10)	(143)
Lease payments	(3,563)	(2,545)
Net cash (used in) / generated from financing activities	<u>(14,616)</u>	<u>(56,330)</u>
Net decrease in cash and cash equivalents	<u>(327,881)</u>	<u>(409,193)</u>
Cash and cash equivalents at the beginning of the period	(112,660)	1,994
Cash and cash equivalents at the end of the period	<u>(440,541)</u>	<u>(407,199)</u>
CASH AND CASH EQUIVALENTS		
Cash and bank balances	88,555	51,419
Short-term running finance	(529,096)	(458,618)
	<u>(440,541)</u>	<u>(407,199)</u>

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



 Director



 Chief Executive



 Chief Financial Officer

AGRIAUTO INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024
(un-audited)

1 THE COMPANY AND ITS OPERATIONS

- 1.1** Agriauto Industries Limited (the Holding Company) was incorporated in Pakistan on June 25, 1981 as a public limited company under the repealed Companies Act, 1913 (now the Companies Act, 2017) and started its commercial production on February 16, 1982. The Holding Company is listed on Pakistan Stock Exchange Limited. The Holding Company is engaged in the manufacture and sale of components for automotive vehicles, motor cycles and agricultural tractors. The registered office of the Holding Company is situated at 5th Floor, House of Habib, 3-J.C.H.S., Block 7/ 8, Main Shahrah-e-Faisal, Karachi.
- 1.2** The Group comprises of the Holding Company and Agriauto Stamping Company (Private) Limited (the Subsidiary Company). The Subsidiary Company was incorporated in Pakistan on January 20, 2012 as a private limited company. The Subsidiary Company is engaged in stamping of sheet metal parts, dies, fixtures primarily for the automotive industry and has commenced its commercial operations on July 02, 2014. The registered office of the Subsidiary Company is situated at 5th Floor, House of Habib, 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% (June 30, 2024: 100%)

2 STATEMENT OF COMPLIANCE

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which comprise of International Accounting Standard (IAS) 34 - 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirement of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 BASIS OF PREPARATION

These consolidated condensed interim financial statements are un-audited and do not include all the information and disclosures required in the consolidated annual financial statements, and should be read in conjunction with the consolidated audited financial statements of the Group for the year ended June 30, 2024.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the Group's annual audited consolidated financial statements for the year ended June 30, 2024.

5 PROPERTY, PLANT AND EQUIPMENT

	Note	September 30, 2024 ----- (Rupees in '000) ----- (un-audited)	June 30, 2024 ----- (audited)
Operating fixed assets	5.1 & 5.2	3,903,228	4,016,896
Capital work-in-progress	5.3	12,138	1,540
		3,915,366	4,018,436

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

	Additions at cost / Transfers		Disposal at NBV	
	Quarter ended		Quarter ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	(un-audited)		(un-audited)	
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Owned				
Building	-	144,816	-	-
Plant and machinery	1,492	256,894	-	4,494
Furniture and fittings	1,185	-	-	-
Vehicles	30,703	48,731	3,961	9,761
Computer equipment	2,185	1,210	31	37
Dies and tools	-	142,446	-	-
	<u>35,565</u>	<u>594,097</u>	<u>3,992</u>	<u>14,292</u>

- 5.2 Depreciation charge for the period amounted to Rs. 145.24 million (September 30, 2023: Rs. 93.99 million).

	September 30, 2024	June 30, 2024
Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
	(un-audited)	(audited)

5.3 Capital work-in-progress

Balance at the beginning of the period		1,540	1,812,980
Capital expenditure incurred / advances made during the period	5.3.1	10,598	255,798
Transfer to operating fixed assets during the period		-	(2,067,238)
Balance at the end of the period		<u>12,138</u>	<u>1,540</u>

- 5.3.1 During the period, borrowing costs have been capitalised amounting to Nil (June 30, 2024: Rs. 67.14 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 11.3 and 11.4 to these consolidated interim financial statements.

	September 30, 2024	June 30, 2024
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
	(un-audited)	(audited)

6 DEFERRED TAXATION - NET

Deductible / (taxable) temporary differences arising due to:		
- provisions	197,700	183,031
- lease liabilities and right-of-use-assets	(782)	30
- unused business losses	234,830	220,682
- accelerated tax depreciation	(306,949)	(319,511)
	<u>124,799</u>	<u>84,232</u>

- 7 This includes an amount of Rs. 11.78 million (June 30, 2024: Rs. 2 million) receivable from Thal Boshoku Pakistan (Private) Limited - an associated company, against sales made by the Group.

8 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

- 8.1 This includes an amount of Rs. 44 million (June 30, 2024: Rs. 24.87 million) against LC and LG margin deposits, out of which Rs. 44 million (June 30, 2024: Rs.14.29 million) are held with Habib Metropolitan Bank Limited - an associated company.
- 8.2 Also includes Rs. 301.19 million (June 30, 2024: Rs. 301.19 million) with respect to claim against Additional Custom Duty from a customer.
- 8.3 Also includes an an amount of Rs. 0.55 million (June 30, 2024: Rs. 5.29 million) pertaining to accrued profit on deposit accounts held with Habib Metropolitan Bank Limited - an associated company.

	Note	September 30, 2024 ----- (Rupees in '000) ----- (un-audited)	June 30, 2024 ----- (Rupees in '000) ----- (audited)
9 SHORT-TERM INVESTMENTS			
At amortised cost			
Term deposit receipts	9.1	74,605	74,605
Accrued profit thereon		1,235	2,451
		<u>75,840</u>	<u>77,056</u>

- 9.1 These represent three months term deposit receipts, marked as lien, with a commercial bank against long-term financing and bank guarantees, carrying markup rate ranging from 15.50% to 18.25% (June 30, 2024: 18.45% to 18.85%) per annum and having maturity latest by December 30, 2024.

- 10 This includes an amount of Nil (June 30, 2024: Rs. 66.60 million) and Rs. 50.46 million (June 30, 2024: Rs. 46.52 million) held with Habib Metropolitan Bank Limited - an associated company in deposit accounts and dividend accounts respectively.

	Note	September 30, 2024 ----- (Rupees in '000) ----- (un-audited)	June 30, 2023 ----- (Rupees in '000) ----- (audited)
11 LONG-TERM FINANCING - SECURED			
SBP refinance scheme for renewable energy	11.1 & 11.2	81,697	87,418
Current maturity of long-term financing		(10,687)	(10,687)
		71,010	76,731
Long-term financing	11.3 & 11.4	499,924	505,246
Current maturity of long-term financing		(101,051)	(78,627)
		398,873	426,619
	11.5	<u>469,883</u>	<u>503,350</u>

- 11.1 This includes 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 and carries contractual mark-up at the rate of 2% plus 0.75% (June 30, 2024: 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% (June 30, 2024: 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 9) held under lien. As at September 30, 2024, the unutilised portion of the facility is Nil (June 30, 2024: Nil).

- 11.2** This includes 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 and carries contractual mark-up at the rate of 2% plus 0.75% (June 30, 2024: 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 16.27% (June 30, 2024: 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 9) held under lien. As at September 30, 2024, the unutilised portion of the facility is Nil (June 30, 2024: Nil).
- 11.3** This includes 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 (June 30, 2024: Rs. 500 million) at a markup rate of 3 months KIBOR + 0.3% (June 30, 2024: 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 September 30, 2024, the unutilised portion of the facility is Nil (June 30, 2024: Nil).
- 11.4** This includes 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 (June 30, 2024: Rs 900 million) at a markup rate of 3 months KIBOR + 0.3% (June 30, 2024: 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 September 30, 2024, the unutilised portion of the facility is Nil (June 30, 2024: Nil).

	September 30, 2024	June 30, 2024
	----- (Rupees in '000) -----	
	(un-audited)	(audited)

11.5 Movement of long-term financing

Balance at beginning of the period	592,664	769,141
Financing received during the period	-	-
Repayment made during the period	(11,043)	(319,270)
Accretion of interest during the period	-	142,793
Balance at end of the period	581,621	592,664
Current maturity of long-term financing	(111,738)	(89,314)
	469,883	503,350

12 SHORT-TERM FINANCE - SECURED

- 12.1** This includes short-term running finance obtained by the Holding Company from various commercial banks including short term running finance amounting to Rs. 336.27 million (June 30, 2024: Rs. 3.38 million) availed from Habib Metropolitan Bank Limited - associated company. The total facility limit amounts to Rs. 1,240 million (June 30, 2024: 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% (June 30, 2024: 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.
- 12.2** This includes short-term running finance obtained by the Subsidiary Company from commercial banks amounting to Rs. 15.85 million (June 30, 2024: Rs. 15.11 million). The total facility limit amounts to Rs. 1,050 million (June 30, 2024: Rs. 1,050 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% (June 30, 2024: 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 Company's stock-in-trade, stores, spares, loose tools and trade debts.

- 12.3** This includes short-term financing facility (Musawamah) obtained by the Holding Company from an Islamic bank for financing the working capital requirements of the Company. The facility has a total limit of Rs. 250 million (June 30, 2024: Rs. 250 million). 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 September 30, 2024, the unutilised portion of the facility is Rs. 149.73 million (June 30, 2024: Rs. 190.64 million).
- 12.4** This includes short-term financing facility (Musawamah) obtained by the Subsidiary Company from an Islamic bank amounting to Rs. 25.82 million (June 30, 2024: Rs. 96.69 million) for financing the working capital requirements of the Company. The facility has a total limit of Rs. 200 million (June 30, 2024: 200 million). 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 September 30, 2024, the unutilised portion of the facility is Rs. 174.18 million (June 30, 2024: Rs.103.31 million).
- 12.5** This includes 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 (June 30, 2024: Rs. 250 million). 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 September 30, 2024, the unutilised portion of the facility is Rs. 145 million (June 30, 2024: Rs. 196 million).

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

There is no material change in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2024.

13.2 Commitments

There is no material change in the status of commitments as reported in the annual audited financial statements for the year ended June 30, 2024 other than described below:

- 13.2.1** This includes bank guarantees amounting to Rs. 347.86 million (June 30, 2024: Rs. 317.86 million) obtained from Habib Metropolitan Bank Limited - an associated company.
- 13.2.2** Commitments in respect of outstanding letters of credit for raw material, stores, spares and loose tools amounting to Rs. 621.67 million (June 30, 2024: Rs. 1,497.96 million), out of which Rs. 322.57 million (June 30, 2024: Rs. 685.38 million) is outstanding with Habib Metropolitan Bank Limited - an associated company.
- 13.2.3** Commitments in respect of capital expenditure amounting to Rs. 10.01 million (June 30, 2024: Rs. 2.74 million), out of which Rs. 9.35 million (June 30, 2024: Rs. 2.08 million) is outstanding with Habib Metropolitan Bank Limited - an associated company.

14 OTHER EXPENSES

	September 30, 2024 ----- (Rupees in '000) ----- (un-audited)	September 30, 2023 ----- (Rupees in '000) ----- (un-audited)
Exchange loss on foreign currency transactions - net	8,772	16,918
Workers' Profit Participation Fund	4,836	1,271
Workers' Welfare Fund	1,838	739
Loss on disposal of operating fixed assets	-	2,498
	<u>15,446</u>	<u>21,426</u>

	September 30, 2024 ----- (Rupees in '000) ----- (un-audited)	(Restated) September 30, 2023 ----- (Rupees in '000) ----- (un-audited)
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15 LEVIES (MINIMUM TAX)

Minimum tax u/s 113	<u>28,731</u>	<u>-</u>
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15.1 This represents minimum tax paid under section 113 of the Income Tax Ordinance, 2001, representing levy in terms of the requirements of IFRIC 21.

	September 30, 2024 ----- (Rupees in '000) ----- (un-audited)	(Restated) September 30, 2023 ----- (Rupees in '000) ----- (un-audited)
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16 TAXATION

Current		
For the year	28,416	23,311
Prior	-	(77)
	<u>28,416</u>	<u>23,234</u>
Deferred	(40,568)	(124)
	<u>(12,152)</u>	<u>23,110</u>

17 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.

18 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Group comprise the companies with common directorship, retirement funds, directors and key management personnel. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of Directors of the Group. Detail of transactions with related parties during the year, other than disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

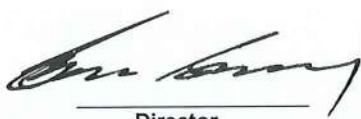
Name of related party and relationship with the Group	Nature of transactions	Percentage of share holding in the Holding Company %	September 30, 2024 (un-audited)	September 30, 2023 (un-audited)
----- (Rupees in '000) -----				
Associated companies (Common directorship)				
Thal Boshoku Pakistan (Private) Limited	Sales	Nil	<u>17,696</u>	<u>2,039</u>
Auvitronics Limited	Sales	Nil	<u>-</u>	<u>190</u>
Shabbir Tiles and Ceramics Limited	Purchases	Nil	<u>-</u>	<u>6,189</u>
Habib Metropolitan Bank Limited	Mark-up expense	Nil	<u>7,759</u>	<u>6,240</u>
	Profit earned on deposit accounts		<u>201</u>	<u>2,082</u>
	Bank charges		<u>2,220</u>	<u>559</u>
	Guarantees issued		<u>30,000</u>	<u>12,000</u>
Retirement benefit funds				
Employees' Provident Funds	Contribution	Nil	<u>6,540</u>	<u>5,881</u>
Key management personnel				
	Remuneration and other benefits	Nil	<u>12,553</u>	<u>10,574</u>
	Fee for attending board meetings		<u>800</u>	<u>1,000</u>

19 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on October 21, 2024 by the Board of Directors of the Group.

20 GENERAL

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



Director



Chief Executive



Chief Financial Officer