

Indus Motor Company Ltd.

2020
annual report



CONTINUING THE LEGACY



Vice Chairman, Mr Yuji Takarada and CEO, Mr Ali Asghar Jamali, presenting a memento to the Late Chairman, Mr Ali Suleman Habib to commemorate 30 years of Indus Motor Company Ltd.

Legends Live Forever

The start of the year 2020 has been of great grief for IMC. On April 17 this year, the company's beloved Chairman, Ali Suleman Habib left for his heavenly abode, a tragedy that drove everyone into a state of shock. It was a tremendous blow for his family – and all his admirers, as it left an indelible mark of sadness on their collective consciousness.

Most of them had seen Ali Habib literally toil and sweat to set up IMC, turning his dream to reality.

Known as ASH by everyone around him, Ali S. Habib led by practical example and demonstrated to his team in no uncertain terms that it was one's dedication to the cause, sprinkled generously with commitment and hard work that paid off in the long run.

Today, IMC moves forward on its journey of success and attains new frontiers of excellence but what is absent is the stimulating leadership of Ali Suleman Habib. He left behind a legacy of inspiring guidance. He built Indus Motor Company (IMC) brick by brick because he had seen the passion and toil of his family members in the 1980s to bring Toyota to Pakistan. He himself had faced the travails of the bureaucracy in Islamabad before the IMC plant was set up in Karachi.

Ali Habib made no compromises and built an impeccable reputation for quality and fairness. He headed the House of Habib, a business conglomerate that comprised, besides IMC, such reputable companies as Thal Limited, Shabbir Tiles & Ceramics, Habib Metropolitan Bank, Metro-Habib Cash and Carry Pakistan, etc.

He was also the founding chairman of the Pakistan Business Council and a member of the Habib University's Board of Governors and Shaukat Khanum Memorial Trust besides being a member of the Duke of Edinburgh's award program body.

Ali Habib had his schooling at Habib Public School and went on to graduate as a mechanical engineer from the University of Minnesota, USA; he also attended a management program at the Harvard University.

Ali Habib himself was a big believer in the localization process and always promoted "Make in Pakistan". A patriot to the core, he cared deeply about Pakistan, and had strong views about how to improve and change the country's direction. To promote the fair demands of Pakistan's car industry, Ali Habib took the initiative of setting up PAMA – Pakistan Automotive Manufacturers Association.

He had dreamt more than 30 years ago to put Pakistan on the world map of countries with the capability of producing motor vehicles. He brought Toyota and Daihatsu to Pakistan and founded IMC in 1989 and he never looked back ever since.

He also developed powerful platforms for the business community so that they could work collaboratively for the national economic interest. In the last five months of his life, he had been working on a six-month long project on protecting jobs in Pakistan and sensible import substitution.

The sole credit for the tremendous amount of localization levels achieved by IMC thus far goes to Ali Habib. Localization was the key which helped IMC in particular and the industry generally, to sustain severe economic challenges, including massive depreciation of the PKR over the last 30 years.

At Indus Motor Company, Ali Habib made good use of the Japanese strength of manufacturing and blended it masterfully with the 'entrepreneurial spirit' of the Pakistanis. He developed a reputation as a hard task master but a fair one at that and created a culture of trust in which he allowed others to take the lead. He practiced and preached the "Toyota Way" and would often say, "share bad news first"; he was instrumental in building a high-performance culture at IMC which delivered results.

A stalwart supporter of kaizen (search for continuous improvement) and instrumental in fostering the kaizen culture at IMC, he was a strong believer in genchi genbutsu (go to the source and see for yourself), he always stressed on everyone at IMC to follow these concepts and be present at the gembu (place where the action is). He would often walk up to team members working on the factory floor and talk to them and see for himself a certain process for his better understanding.

An astute businessman and a fearless leader, Ali Habib's passion, coupled with energy to match, was his driving force. He aimed for and settled for nothing but the best. A very hands-on person and an engineer himself, he possessed innate traits and the ability to incisively view small or big situations because he was analytically matchless.

Quality consciousness was at Ali Habib's core as was customer-centricity. He was a strong supporter of the customer's voice and would very intently listen to what customers had to say about IMC's products and services and invariably always stressed the need for top quality at IMC, at its dealers and its suppliers.

He would always say what he thought was right for the people and the country and would never hide behind diplomacy or reasons or norms. He could see through people and issues and would always do his homework; he would always back up his views with irrefutable facts and knowledge that he would laboriously extract from his personal experience. It was for this reason that he visited Japan several times to see the manufacturing of Toyota cars first-hand.

A smart business leader whose advice and wisdom were sought-after by the business community and the government, Ali Habib was also an outstanding philanthropist and urged all his companies to share their success with deserving communities in health, education and environment.

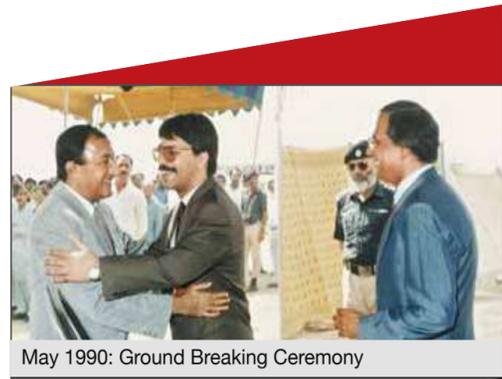
Away from work, he was a sportsman and a die-hard cricket fan who loved the outdoors. This is what makes Ali Suleman Habib's life so special. He will be missed for what he achieved as well as the space he created for others to achieve their goals.

He was a man of courage, good sense, kindness and hard work and he navigated Indus Motor Company through its most demanding moments. The IMC journey started with Ali Habib and the Company grew for over 30 years under his guidance. This success story will InshaAllah continue with his teachings enshrined in every brick of the company as IMC is a force to be reckoned with in the industry.

May his soul rest in eternal peace. Ameen.



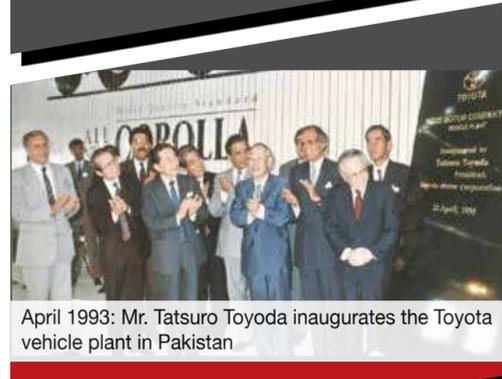
30 Years of Continuous Commitment and the Legacy Continues...



May 1990: Ground Breaking Ceremony



March 1993: Late Mr. Ali S. Habib installing the Toyota logo on the first IMC Corolla



April 1993: Mr. Tatsuro Toyoda inaugurates the Toyota vehicle plant in Pakistan



October 1997: 25,000th Vehicle Line-Off Ceremony



November 1998: Foundation Stone Laying Ceremony of the Daihatsu project



September 1999: Line-Off Ceremony of the new Hilux

The First Decade 1989-1999



March 2000: The 1st Daihatsu Cuore at the launch Ceremony



November 2006: Mr. Akio Toyoda, Executive Vice President, TMC, during his visit to IMC



August 2008: Start-up Ceremony of the Press Shop at the IMC plant

The Second Decade 2000-2009



March 2002: Line-Off Ceremony of the new 9th Generation Toyota Corolla



May 2007: Celebrating the highest sales of 50,000 units



August 2008: Line-Off Ceremony of 10th Generation Toyota Corolla



February 2013: Line-Off Ceremony of the 1st locally assembled Toyota Fortuner



January 2017: New Paint Shop Inauguration



November 2019: IMC celebrating 30 years of incorporation

The Third Decade 2010-2020



October 2016: Line-Off Ceremony of the new Hilux Vigo



November 2017: Ribbon cutting during the 750,000th Vehicle Line-Off Ceremony



March 2020: Line-Off Ceremony of all new Toyota Yaris

Corporate Profile



TOYOTA

Indus Motor Company Limited (IMC) is a joint venture between certain companies of House of Habib of Pakistan, Toyota Motor Corporation (TMC) and Toyota Tsusho Corporation (TTC) of Japan. Incorporated in 1989, the Company manufactures and markets Toyota brand vehicles in Pakistan. These include several variants of the flagship 'Corolla' and the newly launched "Yaris" in the passenger car segment, "Hilux" in the light commercial vehicle segment and "Fortuner" in Sports Utility Vehicle segment.

IMC's manufacturing facility and offices are located at a 107 acre site in Port Qasim, Karachi. The product is delivered to end customers nationwide through a strong network of 46 independent 3S Dealerships spread across the country.

Over 30 years, since inception, IMC has sold more than 903,800 CBU/CKD vehicles. It has also demonstrated impressive growth in terms of volumetric increase. From a modest beginning of 20 vehicles per day production in 1993, daily production capacity of the Company has now increased to 268 (with overtime) units per day. This has been made possible through the development of human talent embracing the 'Toyota Way' of quality and lean manufacturing.

IMC has made large scale investments in enhancing its own capacity and in meeting customer requirements for new products. Corolla is, today, the largest selling automotive brand model in Pakistan. This country is the highest Corolla-selling nation in the Asia-Pacific region and also has the distinction of being # 1 in Toyota's Asian market.

The Company has a workforce of 2,855 persons at year end. It invests heavily in training the team members and management employees and creating a culture of high performing and empowered teams who work seamlessly across the various processes in search of quality and continuous improvement.

IMC employees are encouraged to pursue high standards of business ethics and safety according to the core values of the Company; they communicate candidly by giving bad news first and extend respect to people. Employees rate IMC high on work environment and level of job satisfaction as per the bi-annual TMC morale survey.

IMC has played a major role in the development of the entire value chain of the local auto industry. It is also proud to have contributed in poverty alleviation at the grass root level by nurturing localization. This, in turn, has directly created thousands of job opportunities and transferred technology to 52 vendors supplying parts. The Company is also a major tax payer and significant contributor to the Government's exchequer.



Contents

| | | | | | | | |
|-------------------------------------|----|----------------------------------|----|--|-----|---|-----|
| Vision and Mission | 14 | Shareholder Information | 38 | Fun Facts & Tips for Safety | 84 | Notice of Annual General Meeting (Urdu) | 155 |
| Core Values | 16 | Operating Highlights | 40 | Statement of Compliance with Listed Companies (Code of Corporate Governance) | 90 | CEO's Report (Urdu) | 166 |
| Guiding Principles at Toyota | 20 | Financial Summary | 41 | Auditor's Review Report to the Members | 93 | Directors' Report (Urdu) | 171 |
| Toyota Motor Corporation CSR Policy | 21 | Vertical and Horizontal Analysis | 44 | Auditor's Report to the Members | 94 | Chairman's Review (Urdu) | 173 |
| Strategic Objectives | 22 | Statement of Value Addition | 46 | Financial Statements | 100 | Form of Proxy | |
| Board of Directors | 24 | Chairman's Review | 48 | Pattern of Shareholding | 147 | Form of Proxy (Urdu) | |
| Company Information | 32 | Directors' Report | 51 | Ten Years Performance Indicators | 150 | Electronic Dividend Mandate Form | |
| Corporate Governance | 34 | CEO's Report | 56 | Notice of Annual General Meeting | 152 | Electronic Dividend Mandate Form (Urdu) | |
| Organization Chart | 35 | Global Vision for Those We Serve | 82 | | | | |



Our Journey So Far

and the **JOURNEY** Continues...



2016 - Fortuner 2.8L



2016 - Hilux Revo



2017 - 11th generation Corolla (face lift)



2020 - Toyota Yaris



2014 - 11th generation Corolla



2014 - Hilux Vigo



2013 - Fortuner 2.7L



2010 - Hilux Double Cabin



2008 - 10th generation Corolla



1993 - 7th generation Corolla



1999 - Hilux Single Cabin



2000 - Daihatsu Cuore



2002 - 9th generation Corolla



2007 - Hilux Single Cabin

Vision

“To be the most respected and successful enterprise, delighting customers with a wide range of products and solutions in the automobile industry with the best people and the best technology.”

Mission

IMC’s Mission is reflected in the Company’s slogan **Action, Commitment and Teamwork** to become # 1 in Pakistan

Respect & Corporate Image

Customer Satisfaction

Production & Sales

Quality & Safety

Best Employer

Profitability



Core Values

- World class production quality
- Achieving the ultimate goal of complete customer satisfaction
- Being seen as the best employer
- Fostering the spirit of teamwork
- Inculcating ethical and honest practices



Continuing the Legacy of...

Nation's Development with Localization



52 parts suppliers



Over 30 Technical Assistance and Technology Transfer Agreements



Over 150 "Just in Time" deliveries by suppliers daily



Over 60% localization



Over Rs. 200m daily procurement of parts



Over 1 million jobs created



Guiding Principles at Toyota

Toyota Motor Corporation CSR Policy



The Toyota business is guided by seven principles:



1 | Honor the language and spirit of the law of every country and region, and undertake open and fair business activities to be a strong corporate citizen of the world.

Akio Toyoda
President, Toyota Motor Corporation



2 | Respect the culture and customs of every country and region, and contribute to economic and social development through corporate activities in their respective communities.



3 | Dedicate our business to providing clean and safe products and to enhancing the quality of life everywhere through all of our activities.



4 | Create and develop advanced technologies and provide outstanding products and services that fulfill the needs of customers worldwide.



5 | Foster a corporate culture that enhances both individual creativity and the value of teamwork, while honoring mutual trust and respect between labor and management.



6 | Pursue growth through harmony with the global community via innovative management.



7 | Work with business partners in research and manufacturing to achieve stable, long-term growth and mutual benefits, while remaining open to new partnerships.

Preamble of CSR Policy: Contribution toward Sustainable Development

We, Toyota Motor Corporation and our subsidiaries, take initiative to contribute to the harmonious and sustainable development of society and the earth through all business activities that we carry out in each country and region, based on our Guiding Principles. We comply with local, national, and international laws and regulations as well as the spirit thereof, and conduct our business operations with honesty and integrity. In order to contribute to sustainable development, we believe that management interacting with its stakeholders as described below is of considerable importance, and we will endeavor to build and maintain sound relationships with our stakeholders through open and fair communication. We expect our business partners to support this initiative and act in accordance with it.

Customers

- Based on our "Customer First" philosophy, we develop and provide innovative, safe, and outstanding high-quality products and services that meet a wide variety of customer demands to enrich the lives of people around the world. (Guiding Principles: 3 and 4)
- We will endeavor to protect the personal information of customers and everyone else we are engaged in business with, in accordance with the letter and spirit of each country and region's privacy laws. (Guiding Principle: 1)

Employees

- We respect our employees and believe that the success of our business is led by each individual's creativity and solid teamwork. We support personal growth for our employees. (Guiding Principle: 5)
- We support equal employment opportunities and diversity and inclusion for our employees. We do not discriminate against them. (Guiding Principle: 5)
- We strive to provide fair working conditions and to maintain a safe and healthy working environment for all our employees. (Guiding Principle: 5)
- We respect and honor the human rights of people involved in our business and, in particular, do not use or tolerate any form of forced or child labor. (Guiding Principle: 5)
- Through communication and dialogue with our employees, we build and share the value "Mutual Trust and Mutual Responsibility," working together for the success of our employees and the company. We recognize our employees' right to freely associate, or not to associate, complying with the laws of the countries and regions in which we operate. (Guiding Principle: 5)
- Management of each company takes leadership in fostering a corporate culture and implementing policies that promote ethical behavior. (Guiding Principles: 1 and 5)

Business Partners

- We respect our business partners such as suppliers and dealers and work with them through long-term relationships to realize mutual growth based on mutual trust. (Guiding Principle: 7)
- Whenever we seek a new business partner, we are open to any and all candidates, regardless of nationality or scale, and evaluate them based on their overall strengths. (Guiding Principle: 7)
- We maintain fair and free competition in accordance with the letter and spirit of each country and region's competition laws. (Guiding Principles: 1 and 7)

Shareholders

- We strive to enhance corporate value while achieving stable and long-term growth for the benefit of our shareholders. (Guiding Principle: 6)
- We provide our shareholders and investors with timely and fair disclosure on our operating results and financial condition. (Guiding Principles: 1 and 6)

Global Society / Local Communities

Environment

We aim for growth that is in harmony with the environment by seeking to minimize the environmental impact of our business operations, such as by working to reduce the effect of our vehicles and operations on climate change and biodiversity. We strive to develop, establish, and promote technologies that enable the environment and economy to coexist harmoniously, and to build close and cooperative relationships with a wide spectrum of individuals and organizations involved in environmental preservation. (Guiding Principle: 3)

Community

- We implement our philosophy of respect for people by honoring the culture, customs, history, and laws of each country and region. (Guiding Principle: 2)
- We constantly pursue safer, cleaner, and improved technologies that satisfy the evolving needs of society for sustainable mobility. (Guiding Principles: 3 and 4)
- We do not tolerate bribery of or by any business partner, government agency, or public authority, and maintain honest and fair relationships with government agencies and public authorities. (Guiding Principle: 1)

Social Contribution

Wherever we do business, we actively promote and engage, both individually and with partners, in social contribution activities that help strengthen communities and contribute to the enrichment of society. (Guiding Principle: 2)

Strategic Objectives



Achieving Market Leadership by Delivering Value to Customers

- Following our “Customer First” philosophy in manufacturing and providing high quality vehicles and services that meet the needs of Pakistani customers.
- Enhancing the quality and reach of our 3S Dealership network.
- Employing customer insight and feedback for continuous corporate renewal, including product development, improving service and customer care.



Optimizing Cost by Kaizen

- Fostering a kaizen culture and mindset at IMC, its dealers and vendors.
- Implementing Toyota Production System.
- Removing waste in all areas and operating in the lowest cost quartile of the industry.



Bringing Toyota Quality to Pakistan

- Maximizing QDR (Quality, Durability and Reliability) by built-in engineering.
- Transferring technology and promoting indigenization at IMC and its vendors.
- Raising the bar in all support functions to meet Toyota Global Standards.



Respecting Our People

- Treating employees as the most important sustainable competitive resource.
- Providing a continuous learning environment that promotes individual creativity and teamwork.
- Supporting equal employment opportunities, diversity and inclusion without discrimination.
- Building competitive value through mutual trust and mutual responsibility between the IMC Team and the Company.



Become a Good Corporate Citizen

- Following ethical business practices and the laws of the land.
- Engaging in philanthropic and social activities that contribute to the enrichment of the Pakistani society, especially in areas that are strategic to both societal and business needs e.g. road safety, technical education, environment protection, etc.
- Enhancing corporate value and respect while achieving a stable and long term growth for the benefit of our shareholders.

Board of Directors



Mohamedali R. Habib
Chairman

Mohamedali R. Habib is the Chairman of Indus Motor Company Limited, and a Founding Director of the Company. He has been a Director of Habib Metropolitan Bank Limited since 2004, and currently serves as the Chairman of the Board of Directors of the Bank. In addition, he serves as a Member on the Board of Thal Limited, and also serves as a Director of Habib University Foundation. He was appointed Group CEO of HBZ Group in 2016.

Mohamedali R. Habib graduated in Business Management – Finance from Clark University, Massachusetts USA in 1987, and also holds a Post Graduate Diploma in General Management from Stanford-National University of Singapore.



Yuji Takarada
Director & Vice Chairman

Yuji Takarada was appointed as a Director on the Board and Vice Chairman of Indus Motor Company Limited in January 2018. He has been serving at Toyota Motor Corporation for over 25 years and has worked in different capacities. He has also served as Marketing Director for Toyota Astra Motor, Indonesia.

He has completed his Bachelor's degree in Sociology from Hitotsubashi University, Japan.



Ali Asghar Jamali
Chief Executive Officer

Ali Asghar Jamali was appointed as Chief Executive Officer of Indus Motor Company Limited in January 2017. He has been with the Company since October 2000 and has served in key roles in various departments, owing to which he has acquired rich experience in end to end management of company operations.

He is a Fellow of the Institute of Chartered Accountants of Pakistan and has attended the Advance Management Program at Harvard University and the Accelerated Management Program at Wharton School of Business, USA.



Muhammad Hyder Habib
Director

Muhammad Hyder Habib was appointed as a Director of Indus Motor Company Limited on June 26, 2020. He is the President and Member of the General Management at Habib Bank AG Zurich. He also serves as Chairman of the Board of Directors for the Habib Group of Banks in South Africa, Canada and UK. He is a member on the Boards of Habib Metropolitan Bank and Gefan Finanz AG, Zug, Switzerland. He is a Member of the Board of Governors of Habib University as well as the Board of Trustees for Habib University Foundation. He also serves on the Global Advisory Board for Babson College, USA.

He is a member of the Young President's Organization, Zurich Gold Chapter and the YPO Gold Emirates Chapter. He studied at the Collège du Léman, Geneva and has a Degree in Finance from Babson College, USA.



Azam Faruque
Independent Director

Azam Faruque was elected as a Director of Indus Motor Company Limited in October 2014. He is a Director and CEO of Cherat Cement Co. Limited, a Ghulam Faruque Group (GFG) company. Apart from the 27 years he has spent in the cement industry and other GFG businesses, he has served as a member on the Boards of various public and private sector institutions. Currently he is a Director of Faruque (Pvt) Limited, Greaves Pakistan (Pvt) Limited, Unicol Limited, International Industries Limited, Atlas Battery Limited, Habib University Foundation and State Bank of Pakistan.

He is an Electrical Engineering and Computer Science graduate from Princeton University, USA and has also completed his MBA with High Honors from the University of Chicago, USA.



Noriaki Kurokawa
Director

Noriaki Kurokawa was appointed as Director of Indus Motor Company Limited in June 2020. Currently he is serving as the Vice President of Corporate Strategic Planning Division of Toyota Motor Asia Pacific Pte Ltd. He has 30 years of experience in various senior positions at Toyota Motor Corporation.

He is a graduate of Tohoku University, Japan.

Board of Directors



Tetsuya Ezumi
Director

Tetsuya Ezumi was appointed as Director of Indus Motor Company Limited in May 2018. He has been associated with Toyota Motor Corporation from 1985 to 2017, during which time he has held various senior positions. He joined Toyota Tsusho Corporation in 2018 and he is presently Executive Officer of Toyota Tsusho Corporation and has served as Director on the Boards of various Toyota Group companies in countries around the globe.

He is a graduate from Faculty of Law of Kagawa University, Japan.



Imran Ali Habib
Director

Imran Ali Habib was appointed as a Director of Indus Motor Company Limited in February 2019. He is Senior Vice President at Habib American Bank in New York, USA. Prior to his transfer to the United States in 2016, he served as Senior Vice President with Habib Bank AG Zurich in the United Arab Emirates from 2008.

He has a Bachelor of Science in Business Administration from Bryant University, USA and has attended the Program for Leadership Development and is an Alumni of Harvard Business School, USA.



Riyaz T. Chinoy
Independent Director

Mr. Riyaz T. Chinoy was appointed as a Director of Indus Motor Company Limited in October 2019. He is CEO of International Industries Limited (IIL) and associated with the IIL since 1992. He has served as Chairman of the Landhi Association of Trade and Industry and Amir Sultan Chinoy Foundation and is a member of the Pakistan-India CEOs Business Forum, Pakistan-Australia Business Forum, The Institute of Industrial Engineers Pakistan and the Pakistan Engineering Council. He is also the Chairman of IIL Australia Pty Limited, a fully owned - foreign subsidiary of IIL and of the Pakistan Institute of Corporate Governance. He is also a Non-Executive Director on the Board of Bulleh Shah Packaging (Private) Limited, Pakistan Business Council, Management Association of Pakistan, The Citizens Foundation, LITE Development and Management Company and Citizens Trust Against Crime.

By profession he is a qualified Industrial Engineer and has obtained a B.Sc. in Industrial Engineering, from Case Western Reserve University, USA. He is also a certified ISO 9001 Lead Auditor and a Certified Director from the Pakistan Institute of Corporate Governance.



Syeda Tatheer Zehra Hamdani
Independent Director

Syeda Tatheer Zehra Hamdani was appointed as a Director on the Board of Indus Motor Company Limited in October 2019. She has worked in the public sector since 2003, particularly focused on conceptualizing, designing and implementing international funding projects related to primary and secondary education across Sindh. In 2008, she joined Habib University Foundation (HUF) to support the planning and launch of Habib University, Pakistan's first liberal arts and sciences center of higher learning, offering contextualized and globally rooted higher education.

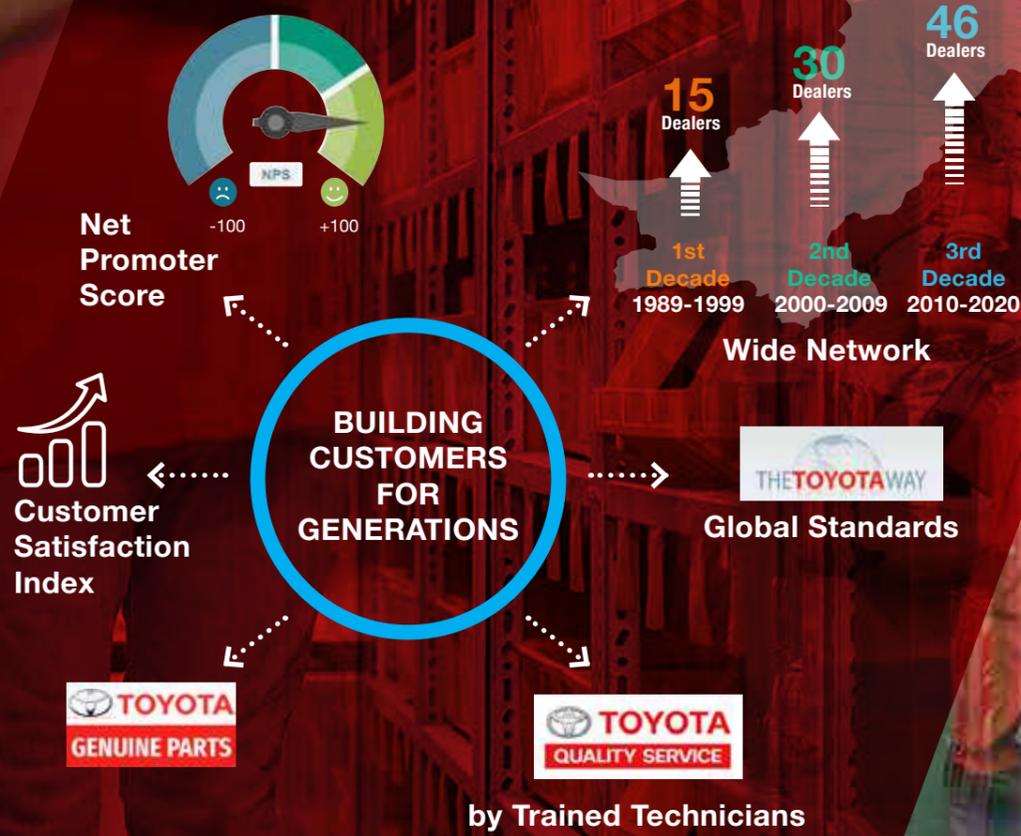
Ms. Tatheer has worked in all aspects of establishing the structures of the University including Human Resources, Communication and External Relations, Student Services and Academic Administration. She as President's Chief of Staff and Director of Global Engagement of Habib University, works directly with the President in implementing institutional strategic initiatives, raise institutional resources, support in academic administration and manage all international relationships. She holds a Master's in Business Administration from the Institute of Business Management, Pakistan.

The Senior Team



Continuing the Legacy of...

Developing the Strongest 3S Dealer Network



Company Information

Bankers

- Bank Alfalah Limited
- Bank Al-Habib Limited
- Citibank N.A.
- Habib Bank Limited
- Habib Metropolitan Bank Limited
- MCB Bank Limited
- Meezan Bank Limited
- National Bank of Pakistan
- Standard Chartered Bank (Pakistan) Limited
- United Bank Limited

Auditors

- M/s A.F. Ferguson & Co.
Chartered Accountants,
State Life Building No. 1-C,
I.I. Chundrigar Road, Karachi.

Legal Advisors

- A.K. Brohi & Company
- Mansoor Ahmed Khan & Co.
- Mahmud & Co.
- Sayeed & Sayeed

Share Registrar

- CDC Share Registrar Services Limited
CDC House, 99-B, Block "B",
S.M.C.H.S., Main Shahrah-e-Faisal,
Karachi-74400.
Tel: 0800-23275
UAN: 111-111-500
Email: info@cdcsrcsl.com

Credit Rating

- Credit Rating Company:
- VIS Credit Rating Company Limited
Long term rating: AA+
Short term rating: A-1+

Factory / Registered Office

- Plot No. N.W.Z/1/P-1, Port Qasim Authority,
Bin Qasim, Karachi.
Phone: (PABX) (92-21) 34720041-48
(UAN) (92-21) 111-TOYOTA (869-682)
Fax: (92-21) 34720056
Website: www.toyota-indus.com

Chief Financial Officer

- Mr. Mohammad Ibadullah

Company Secretary

- Mr. Muhammad Arif Anzer

Head of Internal Audit

- Mr. Azam Khan

Board Audit Committee Members

- Mr. Azam Faruque (Chairman)
- Mr. Muhammad Hyder Habib
- Mr. Imran Ali Habib
- Mr. Riyaz T. Chinoy
- Mr. Noriaki Kurokawa
- Mr. Tetsuya Ezumi
- Mr. Azam Khan (Secretary)

Board Human Resource and Remuneration Committee Members

- Mr. Azam Faruque (Chairman)
- Mr. Mohamedali R. Habib
- Mr. Yuji Takarada
- Mr. Ali Asghar Jamali
- Syeda Tatheer Zehra Hamdani
- Mr. Khurram Mahmood (Secretary)

Board Ethics Committee Members

- Mr. Riyaz T. Chinoy (Chairman)
- Mr. Ali Asghar Jamali
- Syeda Tatheer Zehra Hamdani
- Mr. Khurram Mahmood (Secretary)



Corporate Governance

IMC's Basic Approach to Corporate Governance

IMC has a range of long-standing in-house committees responsible for monitoring and discussing management and corporate activities from viewpoints of various stakeholders to make prompt decisions for developing strategies, speeding up operations while ensuring heightened transparency and the fulfillment of social obligations. IMC has a unique corporate culture that places emphasis on problem solving and preventative measures in line with Toyota Global Standards.

Basic Concept of Compliance

IMC follows the guiding principles of Toyota and not only complies with local laws and regulations, but also meets social norms, corporate ethics and expectations of various stakeholders. IMC undertakes open and fair corporate activities to meet local standards as well as Toyota Global Standards.

Board Audit Committee

The Committee consists of six Non-Executive Directors including two Independent Directors. The Committee is chaired by the Independent Director. The Committee assists the Board to effectively carry out its supervisory oversight responsibilities on financial reporting and compliance, internal controls and risks, internal and external audit functions of the Company. The Committee ensures compliance with its terms of reference approved by the Board. The Committee met separately with the external auditors and internal auditors without the Management of the Company present, to enable them to have a discussion about any matters of significance that arose during the audit process. The Committee views that it discharged its responsibilities as per its terms of reference. A separate mechanism is in place for annual evaluation of members of the Board of Directors and its Committees.

Board Human Resource and Remuneration Committee

The Remuneration Committee is a sub-committee of the Board. It recommends Human Resource Management policies to the Board. It also recommends selection, evaluation, compensation and the succession plan of the CEO and Senior Management employees who directly report to the CEO. The Committee consists of three Non-Executive Directors, one Executive Director and the CEO.

Board Ethics Committee

The Committee has the responsibility of overseeing ethical policies and compliance by the Company. It provides expeditious actions on disclosures of wrongdoing. The Ethics Committee also reviews and investigates incidents

of whistle-blowing. The Committee consists of the CEO and two Non- Executive Directors.

Board Share Transfer Committee

The Board Share Transfer Committee has been authorized by the Board to approve transfer of shares. All Share Transfer Resolutions are noted by the Board of Directors in subsequent meetings.

Investment Committee

The Investment Committee assists the Board in fulfilling its oversight responsibility for the investment in assets of the Company. It evaluates the capital expenditures required to be made and recommends the same to the Board for approval. The Committee is also responsible for formulating the overall policies for investment in fixed assets, subject to approval by the Board, and establishing investment guidelines in furtherance of those policies. The Committee consists of the CEO, two Directors, the CFO and Secretary.

Marketing Technical Coordination Committee

Marketing Technical Coordination Committee is a Management Committee responsible for synchronization between the Marketing and Technical departments. The Committee also controls new products or minor model specification changes and schedules. The Committee is chaired by the CEO every month and representatives from Marketing and Technical departments attend the meeting.

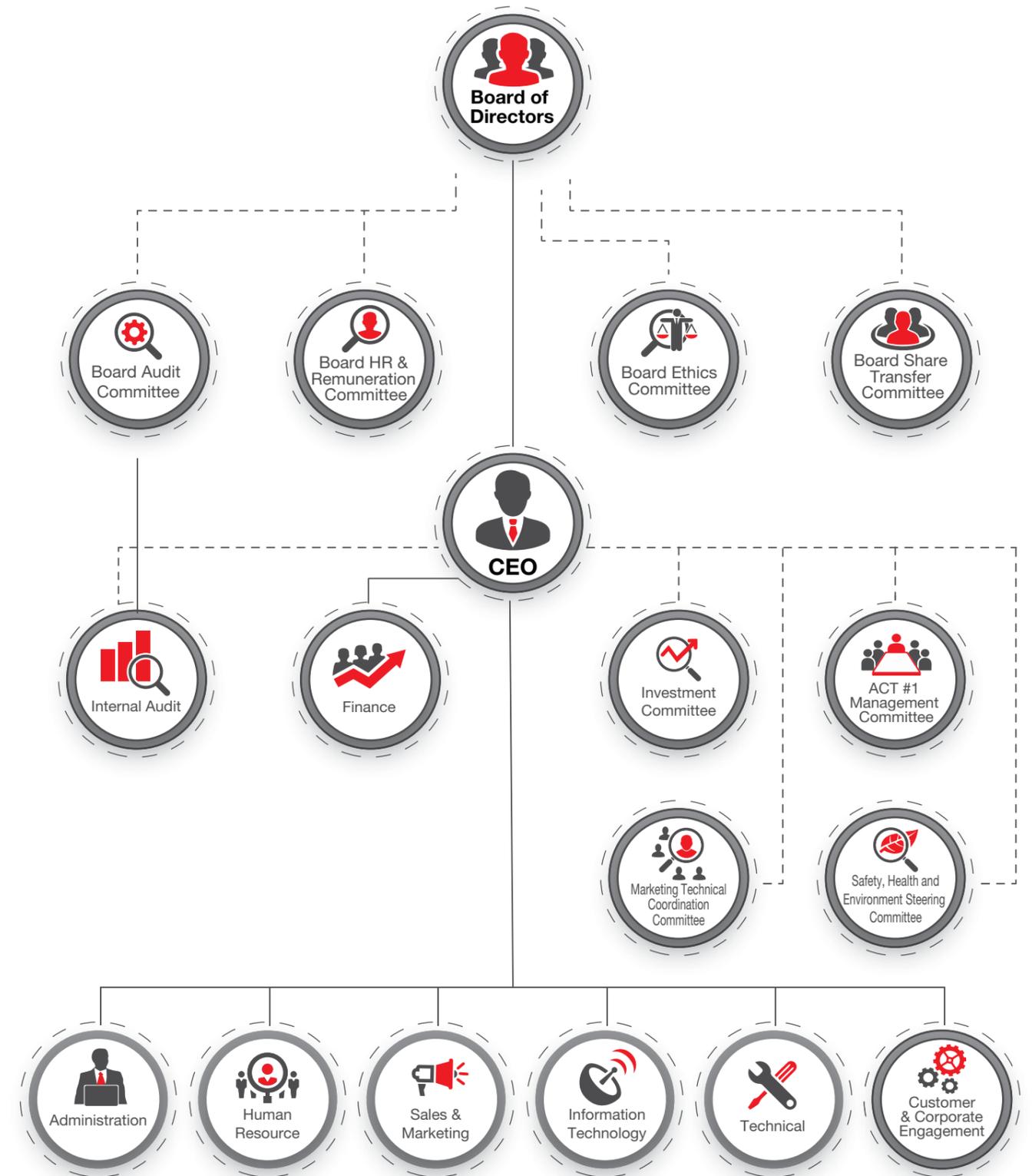
ACT #1 Management Committee

The ACT #1 Management Committee is responsible for the monitoring of organizational KPIs and stewardship of financial performance every month. It also reviews departmental targets and accomplishments achieved during the month. In addition, ACT #1 reviews government regulatory affairs including macro-economic situations which results in formation of the Company's strategy and risk management policies. The meeting is conducted by the CEO with representation from all departments.

Safety, Health and Environment Steering Committee

The Steering Committee meets on a monthly basis and keeps a close eye on companywide Safety, Health and Environment (S.H.E) statistics, KPI trends, relevant local laws compliance, promulgating drive and focus on S.H.E. right from the top; enabling Management to have a first-hand feel of S.H.E issues prevailing on the shop floor and ways to resolve them via efficient and swift decision-making. The S.H.E Steering committee, chaired by the CEO, formulates the overall policies and framework for the company.

Organization Chart



Continuing the Legacy of...

Changing Lives



Over 300 employees internationally trained



Over 10,000 Apprentices trained

CREATING OPPORTUNITIES



Over 2.4m hours of cumulative trainings



Over 4,300 Toyota Technical Education Program graduates



Shareholder Information

Factory / Registered Office

Plot No. N.W.Z./1/P-1, Port Qasim Authority
Bin Qasim, Karachi.
PABX: (92-21) 34720041-48
Fax: (92-21) 34720056

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99-B, Block "B"
S.M.C.H.S., Main Shahrah-e-Faisal,
Karachi-74400.
Tel: 0800-23275
UAN: 111-111-500
Email: info@cdcsrsl.com

Annual General Meeting

The Annual General Meeting will be held at 9:00 a.m. on September 30, 2020 through Video Link facility.

Shareholders as on September 23, 2020 are encouraged to participate and vote.

Any shareholder may appoint a proxy to vote on his or her behalf. Proxies must be deposited with the Share Registrar of the Company not less than 48 hours before the Meeting.

Ownership

On June 30, 2020 there were 4,225 shareholders on record of the Company's ordinary shares.

Dividend Payment

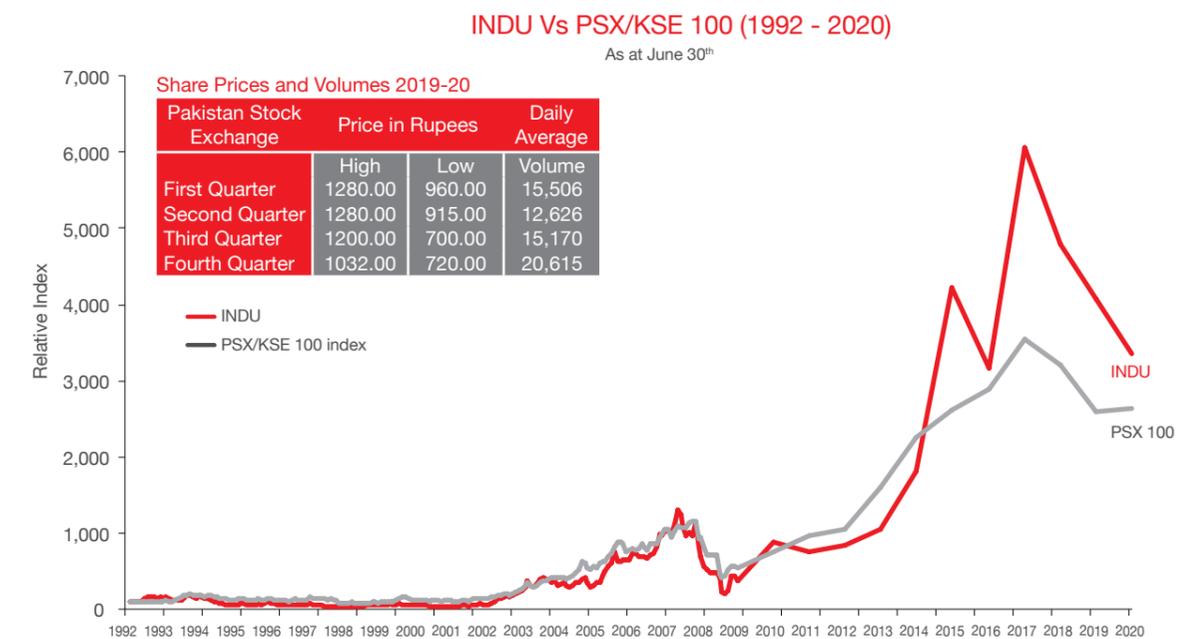
The proposal of the Board of Directors for dividend payment will be considered at the Annual General Meeting. The dividend net amount will be credited into respective account of shareholders listed in the register of members on September 23, 2020. Income Tax will be deducted in accordance with the prevailing regulations.

Listing on Stock Exchanges

Indus Motor Company Limited equity shares are listed on the Pakistan Stock Exchange.

Stock Code

The Stock code for dealer in equity shares of Indus Motor Company Limited at PSX is 'INDU'.



Operating Highlights

Net Revenues (Rs. in billion)

| | |
|------|-------------|
| 2020 | 86.2 |
| 2019 | 158.0 |

Vehicle Production (Units)

| | |
|------|---------------|
| 2020 | 28,519 |
| 2019 | 65,346 |

Vehicle Sales (Units)

| | |
|------|---------------|
| 2020 | 28,837 |
| 2019 | 66,211 |

Earnings Per Share (Rs.)

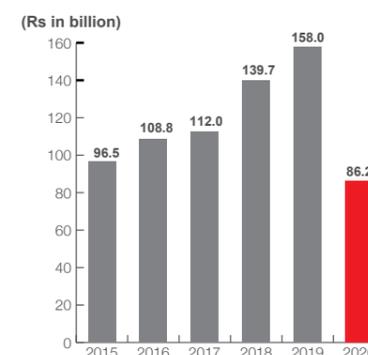
| | |
|------|-------------|
| 2020 | 64.7 |
| 2019 | 174.5 |

| | | Year ended June 30 | |
|------------------------------------|------------------|--------------------|--------|
| | | 2020 | 2019 |
| Profit After Tax | Rs in billion | 5.1 | 13.7 |
| Vehicle Sales | Units | 28,837 | 66,211 |
| Vehicle Production | Units | 28,519 | 65,346 |
| Net Revenues | Rs in billion | 86.2 | 158.0 |
| Earnings Per Share | Rs | 64.7 | 174.5 |
| Annual Cash Dividend Per Share | Rs | 30 | 115 |
| Shareholders' Equity | Rs in billion | 41.2 | 40.0 |
| Contribution to National Exchequer | Rs in billion | 35.9 | 52.3 |
| Manpower | No. of employees | 2,855 | 3,349 |

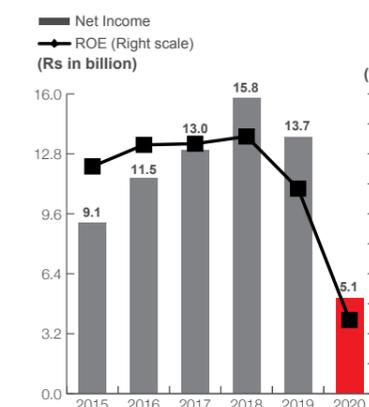
Financial Summary

| For The Year: | | % Change 2020 vs 2019 | Year ended June 30 | | | | | |
|-------------------------------------|---------------|-----------------------------|--------------------|----------|----------|----------|--------|----------|
| | | | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Units sold | | -56% | 28,837 | 66,211 | 64,000 | 60,586 | 64,584 | 57,387 |
| Net revenues | Rs in billion | -45% | 86.2 | 158.0 | 139.7 | 112.0 | 108.8 | 96.5 |
| Profit before tax | Rs in billion | -62% | 7.3 | 19.0 | 23.0 | 19.1 | 17.4 | 14.1 |
| Profit after tax | Rs in billion | -63% | 5.1 | 13.7 | 15.8 | 13.0 | 11.5 | 9.1 |
| Return on equity | Percentage | -64% | 12.3 | 34.2 | 42.9 | 41.7 | 41.5 | 37.9 |
| Per Share Data: | | | | | | | | |
| Earnings (EPS) | Rs | -63% | 64.7 | 174.5 | 200.7 | 165.4 | 145.7 | 115.9 |
| Cash dividends | Rs | -74% | 30.0 | 115.0 | 140.0 | 115.0 | 100.0 | 80.0 |
| Shareholders' equity | Rs | 3% | 523.8 | 509.5 | 467.5 | 396.9 | 351.5 | 305.8 |
| At Year-End: | | | | | | | | |
| Total assets | Rs in billion | 24% | 80.3 | 64.8 | 81.9 | 63.9 | 57.5 | 50.4 |
| Shareholders' equity | Rs in billion | 3% | 41.2 | 40.0 | 36.7 | 31.2 | 27.6 | 24.0 |
| Share Performance (June 30): | | | | | | | | |
| Price per share | Rs | -17% | 994.99 | 1,203.92 | 1,421.46 | 1,793.60 | 939.54 | 1,249.00 |
| Market capitalization | Rs in billion | -17% | 78.2 | 94.6 | 111.7 | 141.0 | 73.8 | 98.2 |

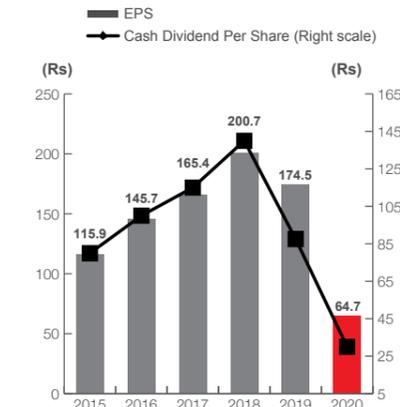
Net Revenues



Net Income / ROE



EPS / Dividend per share



Continuing the Legacy of...

Concern Beyond Cars



Above Rs. 1 billion overall CSR spend during last 10 years



Over 300,000 tree saplings planted



Over 1,100 students annually studying at 3 TCF campuses



CONTRIBUTION TOWARDS SUSTAINABLE DEVELOPMENT



Above 1 million people nourished with cooked food since inception



Over 2.5 million hours served under Toyota Goth Education Program



Above 1 million patients treated since inception



Vertical Analysis

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| STATEMENT OF FINANCIAL POSITION | (Rs in million) | | | | | | (Percentage) | | | | | |
| Property, plant and equipment | 16,502 | 13,805 | 7,225 | 6,258 | 4,919 | 5,184 | 20.56 | 21.31 | 8.82 | 9.80 | 8.55 | 10.29 |
| Intangibles | 73 | 93 | 87 | 88 | 19 | 10 | 0.09 | 0.14 | 0.11 | 0.14 | 0.03 | 0.02 |
| Long-term loans and advances | 12 | 16 | 49 | 9 | 4 | 11 | 0.01 | 0.02 | 0.06 | 0.01 | 0.01 | 0.02 |
| Long-term investments | - | - | - | - | 5,006 | 4,955 | - | - | - | - | 8.70 | 9.83 |
| Long-term deposits | 10 | 11 | 9 | 9 | 10 | 10 | 0.01 | 0.02 | 0.01 | 0.01 | 0.02 | 0.02 |
| Deferred taxation | 64 | - | 14 | 74 | 199 | 5 | 0.08 | - | 0.02 | 0.12 | 0.35 | 0.01 |
| Stores and spares | 478 | 544 | 301 | 204 | 154 | 179 | 0.60 | 0.84 | 0.37 | 0.32 | 0.27 | 0.35 |
| Stock-in-trade | 15,933 | 13,560 | 11,151 | 9,318 | 7,785 | 6,150 | 19.85 | 20.93 | 13.61 | 14.59 | 13.53 | 12.20 |
| Trade debts | 1,142 | 2,548 | 1,453 | 759 | 1,132 | 448 | 1.42 | 3.93 | 1.77 | 1.19 | 1.97 | 0.89 |
| Loans and advances | 2,991 | 3,728 | 3,715 | 1,653 | 1,125 | 1,221 | 3.73 | 5.75 | 4.53 | 2.59 | 1.96 | 2.42 |
| Short-term prepayments | 27 | 32 | 15 | 21 | 46 | 19 | 0.03 | 0.05 | 0.02 | 0.03 | 0.08 | 0.04 |
| Accrued return | 111 | 35 | 120 | 376 | 513 | 419 | 0.14 | 0.05 | 0.15 | 0.59 | 0.89 | 0.83 |
| Other receivables | 439 | 3,110 | 556 | 402 | 191 | 168 | 0.55 | 4.80 | 0.68 | 0.63 | 0.33 | 0.33 |
| Short-term investments | 41,195 | 23,402 | 55,031 | 41,488 | 33,697 | 26,257 | 51.31 | 36.12 | 67.17 | 64.95 | 58.57 | 52.10 |
| Taxation - payment less provision | 131 | 617 | - | - | - | - | 0.16 | 0.95 | - | - | - | - |
| Cash and bank balances | 1,171 | 3,282 | 2,201 | 3,221 | 2,738 | 5,365 | 1.46 | 5.07 | 2.69 | 5.04 | 4.76 | 10.65 |
| Total Assets | 80,279 | 64,783 | 81,927 | 63,880 | 57,537 | 50,399 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Issued, subscribed and paid up capital | 786 | 786 | 786 | 786 | 786 | 786 | 0.98 | 1.21 | 0.96 | 1.23 | 1.37 | 1.56 |
| Reserves | 40,383 | 39,259 | 35,958 | 30,411 | 26,844 | 23,250 | 50.30 | 60.60 | 43.89 | 47.61 | 46.65 | 46.13 |
| Shareholders' Equity | 41,169 | 40,045 | 36,744 | 31,197 | 27,630 | 24,036 | 51.28 | 61.81 | 44.85 | 48.84 | 48.02 | 47.69 |
| Long term loan | 479 | 81 | - | - | - | - | 0.60 | 0.13 | - | - | - | - |
| Deferred taxation | - | 425 | - | - | - | - | - | 0.66 | - | - | - | - |
| Deferred revenue | 32 | 57 | 27 | 4 | - | - | 0.04 | 0.09 | 0.03 | 0.01 | - | - |
| Trade, dividend and other payables | 14,065 | 16,245 | 15,974 | 9,683 | 10,035 | 9,181 | 17.52 | 25.08 | 19.50 | 15.16 | 17.44 | 18.22 |
| Advances from customers and dealers | 24,534 | 7,930 | 27,491 | 22,189 | 19,127 | 16,193 | 30.56 | 12.24 | 33.56 | 34.74 | 33.24 | 32.13 |
| Taxation - provision less payment | - | - | 1,691 | 807 | 745 | 990 | - | - | 2.06 | 1.26 | 1.29 | 1.96 |
| Total Equity and Liabilities | 80,279 | 64,783 | 81,927 | 63,880 | 57,537 | 50,399 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| PROFIT AND LOSS ACCOUNT | | | | | | | | | | | | |
| Net sales | 86,167 | 157,996 | 139,716 | 111,943 | 108,759 | 96,516 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Cost of sales | 78,716 | 138,805 | 115,831 | 92,450 | 91,027 | 82,272 | 91.35 | 87.85 | 82.9 | 82.59 | 83.70 | 85.24 |
| Gross profit | 7,451 | 19,191 | 23,885 | 19,493 | 17,731 | 14,244 | 8.65 | 12.15 | 17.10 | 17.41 | 16.30 | 14.76 |
| Distribution costs | 1,469 | 1,404 | 1,284 | 1,228 | 1,061 | 996 | 1.70 | 0.89 | 0.92 | 1.10 | 0.98 | 1.03 |
| Administrative expenses | 1,385 | 1,410 | 1,524 | 1,053 | 931 | 799 | 1.61 | 0.89 | 1.09 | 0.94 | 0.86 | 0.83 |
| Other operating expenses | 197 | 235 | 194 | 177 | 144 | 119 | 0.23 | 0.15 | 0.14 | 0.16 | 0.13 | 0.12 |
| WPPF and WWF | 232 | 1,406 | 1,705 | 1,418 | 1,285 | 1,052 | 0.27 | 0.89 | 1.22 | 1.27 | 1.18 | 1.09 |
| Operating income | 3,205 | 4,307 | 3,901 | 3,593 | 3,164 | 2,907 | 3.72 | 2.73 | 2.79 | 3.21 | 2.91 | 3.01 |
| Finance costs | 86 | 67 | 80 | 69 | 77 | 52 | 0.10 | 0.04 | 0.06 | 0.06 | 0.07 | 0.05 |
| Profit before taxation | 7,287 | 18,976 | 22,999 | 19,141 | 17,397 | 14,133 | 8.46 | 12.01 | 16.46 | 17.10 | 16.00 | 14.64 |
| Taxation | 2,205 | 5,261 | 7,227 | 6,140 | 5,943 | 5,022 | 2.56 | 3.33 | 5.17 | 5.48 | 5.46 | 5.20 |
| Profit after taxation | 5,082 | 13,715 | 15,772 | 13,001 | 11,455 | 9,110 | 5.90 | 8.68 | 11.29 | 11.61 | 10.53 | 9.44 |

Horizontal Analysis

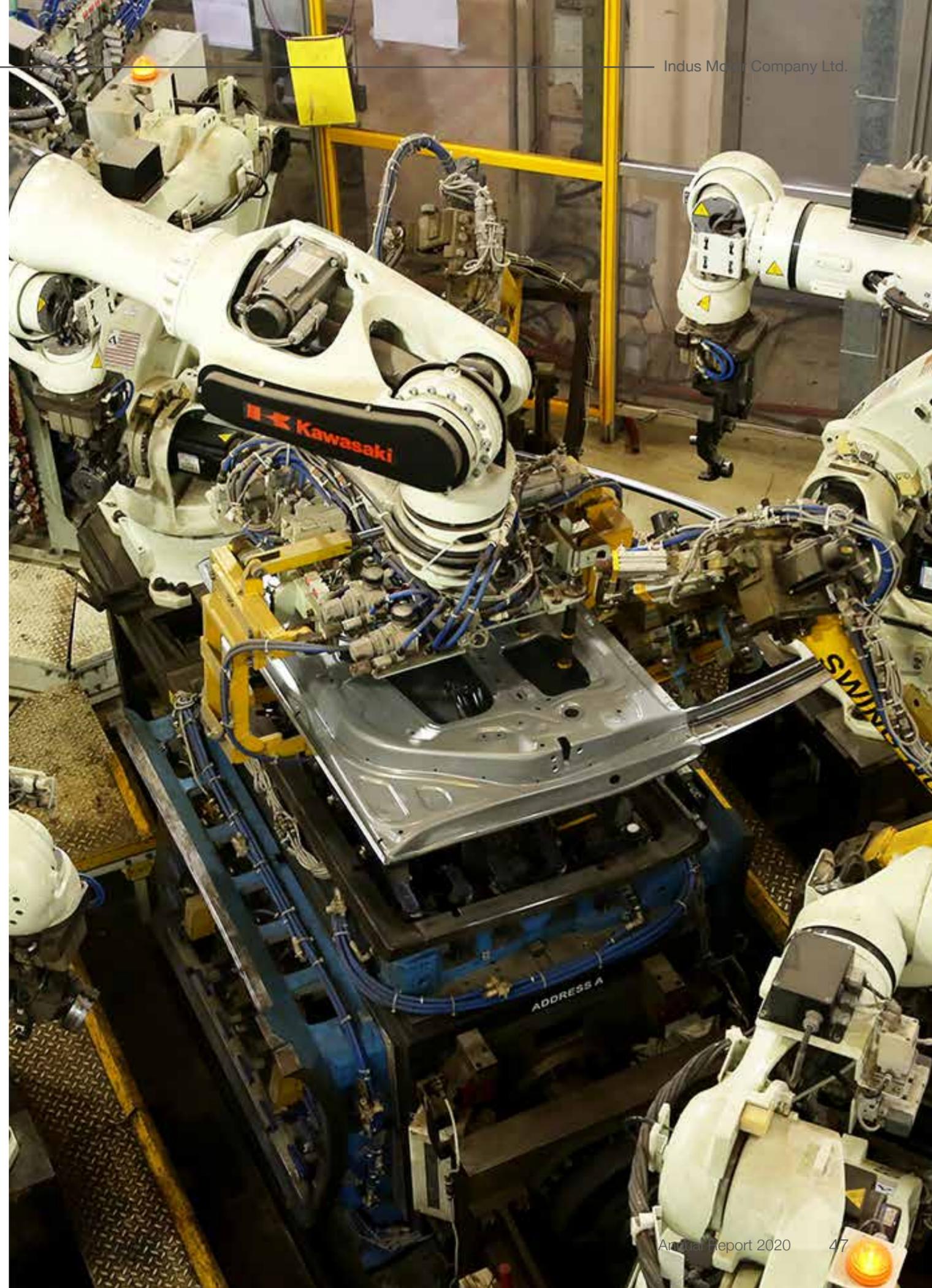
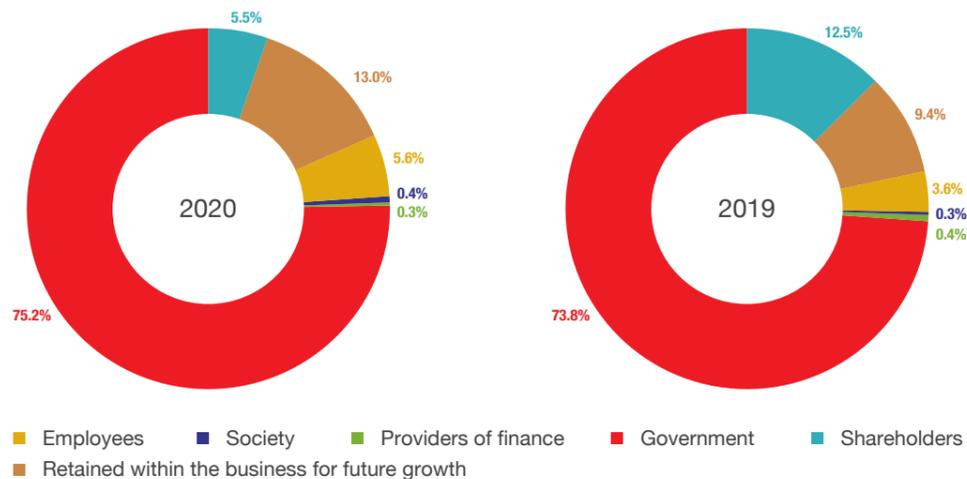
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2020 vs 2019 | 2019 vs 2018 | 2018 vs 2017 | 2017 vs 2016 | 2016 vs 2015 | |
|--|-----------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|--------------|--------------|--------------|--|
| STATEMENT OF FINANCIAL POSITION | (Rs in million) | | | | | | (Percentage) | | | | | |
| Property, plant and equipment | 16,502 | 13,805 | 7,225 | 6,258 | 4,919 | 5,184 | 19.54 | 91.07 | 15.45 | 27.22 | (5.11) | |
| Intangibles | 73 | 93 | 87 | 88 | 19 | 10 | (21.51) | 6.90 | (1.14) | 356.17 | 98.32 | |
| Long-term loans and advances | 12 | 16 | 49 | 9 | 4 | 11 | (25.00) | (67.35) | 444.44 | 137.22 | (65.81) | |
| Long-term investments | - | - | - | - | 5,006 | 4,955 | - | - | - | (100.00) | 1.03 | |
| Long-term deposits | 10 | 11 | 9 | 9 | 10 | 10 | (9.09) | 22.22 | - | (9.53) | 2.91 | |
| Deferred taxation | 64 | - | 14 | 74 | 199 | 5 | 115.06 | (3,135.71) | (81.08) | (62.74) | 3,851.10 | |
| Stores and spares | 478 | 544 | 301 | 204 | 154 | 179 | (12.13) | 80.73 | 47.55 | 32.85 | (14.02) | |
| Stock-in-trade | 15,933 | 13,560 | 11,151 | 9,318 | 7,785 | 6,150 | 17.50 | 21.60 | 19.67 | 19.69 | 26.58 | |
| Trade debts | 1,142 | 2,548 | 1,453 | 759 | 1,132 | 448 | (55.18) | 75.36 | 91.44 | (32.93) | 152.75 | |
| Loans and advances | 2,991 | 3,728 | 3,715 | 1,653 | 1,125 | 1,221 | (19.77) | 0.35 | 124.74 | 46.87 | (7.79) | |
| Short-term prepayments | 27 | 32 | 15 | 21 | 46 | 19 | (15.63) | 113.33 | (28.57) | (53.87) | 140.60 | |
| Accrued return | 111 | 35 | 120 | 376 | 513 | 419 | 217.14 | (70.83) | (68.09) | (26.76) | 22.57 | |
| Other receivables | 439 | 3,110 | 556 | 402 | 191 | 168 | (85.88) | 459.35 | 38.31 | 110.14 | 14.04 | |
| Short-term investments | 41,195 | 23,402 | 55,031 | 41,488 | 33,697 | 26,257 | 76.03 | (57.47) | 32.64 | 23.12 | 28.34 | |
| Taxation - payment less provision | 131 | 617 | - | - | - | - | (78.77) | 136.49 | - | - | - | |
| Cash and bank balances | 1,171 | 3,282 | 2,201 | 3,221 | 2,738 | 5,365 | (64.32) | 49.11 | (31.67) | 17.66 | (48.98) | |
| Total Assets | 80,279 | 64,783 | 81,927 | 63,880 | 57,537 | 50,399 | 23.92 | (20.93) | 28.25 | 11.02 | 14.16 | |
| Issued, subscribed and paid up capital | 786 | 786 | 786 | 786 | 786 | 786 | - | - | - | - | - | |
| Reserves | 40,383 | 39,259 | 35,958 | 30,411 | 26,844 | 23,250 | 2.86 | 9.18 | 18.24 | 13.29 | 15.46 | |
| Shareholders' Equity | 41,169 | 40,045 | 36,744 | 31,197 | 27,630 | 24,036 | 2.81 | 8.98 | 17.78 | 12.91 | 14.95 | |
| Long term loan | 479 | 81 | - | - | - | - | 491.36 | - | - | - | - | |
| Deferred taxation | - | 425 | - | - | - | - | (115.06) | 3,135.71 | - | - | - | |
| Deferred revenue | 32 | 57 | 27 | 4 | - | - | (43.86) | 111.11 | 575.00 | - | - | |
| Trade, dividend and other payables | 14,065 | 16,245 | 15,974 | 9,683 | 10,035 | 9,181 | (13.42) | 1.70 | 64.97 | (3.51) | 9.31 | |
| Advances from customers and dealers | 24,534 | 7,930 | 27,491 | 22,189 | 19,127 | 16,193 | 209.38 | (71.15) | 23.89 | 16.01 | 18.12 | |
| Taxation - provision less payment | - | - | 1,691 | 807 | 745 | 990 | - | (136.49) | 109.54 | 8.34 | (24.78) | |
| Total Equity and Liabilities | 80,279 | 64,783 | 81,927 | 63,880 | 57,537 | 50,399 | 23.92 | (20.93) | 28.25 | 11.02 | 14.16 | |
| PROFIT AND LOSS ACCOUNT | | | | | | | | | | | | |
| Net sales | 86,167 | 157,996 | 139,716 | 111,943 | 108,759 | 96,516 | (45.46) | 13.08 | 24.81 | 2.93 | 12.68 | |
| Cost of sales | 78,716 | 138,805 | 115,831 | 92,450 | 91,027 | 82,272 | (43.29) | 19.83 | 25.29 | 1.56 | 10.64 | |
| Gross profit | 7,451 | 19,191 | 23,885 | 19,493 | 17,731 | 14,244 | (61.17) | (19.65) | 22.53 | 9.94 | 24.48 | |
| Distribution costs | 1,469 | 1,404 | 1,284 | 1,228 | 1,061 | 996 | 4.63 | 9.35 | 4.56 | 15.75 | 6.51 | |
| Administrative expenses | 1,385 | 1,410 | 1,524 | 1,053 | 931 | 799 | (1.77) | (7.48) | 44.73 | 13.13 | 16.54 | |
| Other operating expenses | 197 | 235 | 194 | 177 | 144 | 119 | (16.17) | 21.13 | 9.60 | 23.05 | 20.42 | |
| WPPF and WWF | 232 | 1,406 | 1,705 | 1,418 | 1,285 | 1,052 | (83.50) | (17.54) | 20.24 | 10.31 | 22.15 | |
| Operating income | 3,205 | 4,307 | 3,901 | 3,593 | 3,164 | 2,907 | (25.59) | 10.41 | 8.57 | 13.54 | 8.86 | |
| Finance costs | 86 | 67 | 80 | 69 | 77 | 52 | 28.36 | (16.25) | 15.94 | (10.70) | 48.93 | |
| Profit before taxation | 7,287 | 18,976 | 22,999 | 19,141 | 17,397 | 14,133 | (61.60) | (17.49) | 20.16 | 10.02 | 23.10 | |
| Taxation | 2,205 | 5,261 | 7,227 | 6,140 | 5,943 | 5,022 | (58.09) | (27.20) | 17.70 | 3.32 | 18.32 | |
| Profit after taxation | 5,082 | 13,715 | 15,772 | 13,001 | 11,455 | 9,110 | (62.95) | (13.04) | 21.31 | 13.50 | 25.74 | |

Statement of Value Addition

For the year ended 30 June 2020

| | 2020 | | 2019 | |
|--|--------------------|---------------|--------------------|---------------|
| | Rupees in '000 | % | Rupees in '000 | % |
| Wealth Generated | | | | |
| Gross revenue | 108,193,994 | 97.1% | 191,383,617 | 97.8% |
| Other income | 3,204,872 | 2.9% | 4,306,662 | 2.2% |
| | <u>111,398,866</u> | <u>100.0%</u> | <u>195,690,279</u> | <u>100.0%</u> |
| Wealth Distributed | | | | |
| Bought in material and services and other expenses | | | | |
| | 68,470,102 | 61.5% | 123,494,196 | 63.1% |
| | <u>42,928,764</u> | <u>38.5%</u> | <u>72,196,083</u> | <u>36.9%</u> |
| Wealth Distributed | | | | |
| Employees | | | | |
| Salaries, wages and other benefits | 2,412,683 | 5.6% | 2,589,935 | 3.6% |
| Society | | | | |
| Donations towards education, health and environment | 189,983 | 0.4% | 229,992 | 0.3% |
| Providers of Finance | | | | |
| Finance cost | 109,724 | 0.3% | 275,718 | 0.4% |
| Government | | | | |
| Income tax, sales tax, excise duty, customs duty, WWF and WPPF | 32,295,165 | 75.2% | 53,264,406 | 73.8% |
| Shareholders | | | | |
| Dividend | 2,358,000 | 5.5% | 9,039,000 | 12.5% |
| Retained within the business for future growth | | | | |
| Retained earnings, depreciation and amortization | 5,563,209 | 13.0% | 6,797,032 | 9.4% |
| | <u>42,928,764</u> | <u>100.0%</u> | <u>72,196,083</u> | <u>100.0%</u> |

Distribution Of Wealth



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

Mohamedali R. Habib

Chairman



Chairman's Review

“I welcome you to this 31st Annual General Meeting of your Company for the year ended June 30, 2020.”

Dear Shareholders,

It is with a heavy heart that we look back to the events of the year. We are deeply saddened by the tragic loss of our beloved founding Director and Chairman, Mr. Ali S. Habib. He was instrumental in establishing Indus Motor Company Limited (IMC) in collaboration with Toyota Motor Corporation / Toyota Tsusho Corporation, Japan and House of Habib, Pakistan in the late eighties. IMC commenced commercial production in 1993, paving the way towards becoming Pakistan's leading automaker, which remains one of the celebrated achievements of Mr. Ali S. Habib's life. He was actively involved in delivering powerful platforms focused towards the benefit of the business community, and to further the nation's economic development. He was committed to the Government's 'Make in Pakistan' initiative, and truly believed in quality and potential of Pakistani products and services.

The diligent leadership of Late Mr. Ali Suleman Habib will forever be missed. We are privileged that his inspiring guidance and wisdom will remain with us, and lead us to new accomplishments and greater success.

The world is currently dealing with the impact of COVID-19 pandemic. It has created considerable uncertainty and is expected to have a lasting effect on the global economy. As a result, economic growth has slowed down globally and it appears unlikely that a moderate pace of expansion can be achieved in the near future. The situation presents serious challenges going forward.

Economic growth is anticipated to slow down further in the year 2020-21 due to macroeconomic interventions that have been introduced in the country. The collective impact of higher taxation, shrinking GDP, PKR devaluation and the COVID-19 lockdown, has greatly impacted the operations of the automotive industry. The automotive sector provides direct and indirect employment to over a million people, and serves as a major industrial and economic force in Pakistan. Unfortunately, the industry already facing economic challenges, has now been exposed to additional burdens on account of the pandemic.

In these unprecedented times, we remain committed to monitoring development of the situation and proactively tackling the risks posed by the pandemic. We have addressed the need to protect and take care of our most important asset, our people. Our

'Safety First' philosophy remains the cornerstone of our approach in tackling the situation emerging from COVID-19. Unfortunately, the Company was required to shut down its operations completely for over two months, and smart lockdown remains imposed in Karachi. IMC has continued to fully comply with Government directions, such as implementing remote working, maintaining social distancing, enforcing daily sanitization, daily body temperature screening of all employees, daily disinfection of the entire facility and transport vehicles, mandatory use of face masks and proper personal hygiene measures.

In the current crisis situation, however, we reiterate our request to the Government to take action to support the sector, so that volumes may be sustained and employment may be maintained. In order to support the industry, it is requested to eliminate Federal Excise Duty on vehicles, reduce Customs Duty on non-localized parts and eliminate Additional Customs Duty on imports of materials. These recommendations are in view of the fact that, unfortunately, these revenue collection measures have proven to be detrimental to automotive industry's growth by impacting the volumes, which consequently has affected the Government's ability to meet desired revenue targets as well.

The Government's consistent efforts to promote the local automotive industry in the Hybrid sector are noteworthy. Its intent to locally develop Hybrid Electric Vehicles (HEVs), Plug-in Hybrids (PHEVs) and Battery Electric Vehicles (BEVs) in order to mitigate climate change and reduce oil imports is most welcome. This would encourage local automakers to invest in the development of hybrid technology. To promote growth of Hybrid Electric Vehicles, we recommend the Government creates an enabling environment for the local production of such vehicles.

IMC has pioneered the introduction of an Electric Vehicles (EV) policy in Pakistan as we expect it to be the future. We support the Government's "Make In Pakistan" initiative, and we appeal to the Government to consider duty concessions under EV and Hybrid Electric Vehicles (HEV) policy to EV and HEV exclusive parts only, as opposed to current Policy under consideration which envisages duty concessions to common vehicle parts also, which are already being manufactured locally. The proposed policy in its current form would, not only severely damage our local vendors and suppliers, who are already facing business and economic challenges, but would also unnecessarily strain the country's foreign exchange reserves.

IMC has always produced top of the line vehicles by following the philosophy of “Kaizen” (Continuous Improvement) and diligent practice of the “Toyota Way” throughout its operations. It has been fully supported by its shareholders and customers, and has progressed to achieve consistent levels of excellence in all vehicle brands. This year, we bid farewell to our flagship car, the Toyota Corolla 1.3L variant. This car made Pakistan the highest Corolla selling nation in the world and had placed the country firmly on the world auto map. Corolla has been known for its luxury, style and performance. As a front engine front wheel drive sedan, it is the most popular car in Pakistan. The comfort and efficiency of the Toyota Corolla has remained unmatched over the years. A wide variety of different Corolla models offered by IMC in Pakistan have made the car accessible to a broad range of consumers.

The entire IMC team has worked passionately to bring a new passenger car, the Toyota Yaris to Pakistan. The ambitious launch plan for Yaris, though was affected by COVID-19 lockdown, however same was successfully managed online, thus receiving extensive coverage through electronic media. Yaris offers an entirely new exterior styling which makes it stand out on the road. Moving forward, we aim to work closely with Toyota to explore new exciting products that may further strengthen our existing product range and provide a wider choice to customers, ensuring sustainable growth and value creation for our stakeholders.

IMC Toyota Revo has remained steadfast in the face of tough competition over the years, but sales to the Government and public institutions have recently reduced due to Government’s austerity measures. Overall, our sales of all cars in terms of percentages have been encouraging and we retain a reasonable market share. The Fortuner has been recognized as the most popular premium SUV in Pakistan. It has a high-riding stance, the interior is spacious and the reliability quotient is up to Toyota standards.

Despite a clear element of uncertainty, the Company has continued to move forward. In order to sustain our Dealers and Vendors, we have curtailed our operational expenditures and have adjusted capital expenditures accordingly. We have also taken meaningful steps on the HSE (Health, Safety & Environment) front to restrict the spread of COVID-19, and to build operational resilience to tackle the related challenges.

During the year ended June 30, 2020, Mr. Sadatoshi Kashihara, Mr. Parvez Ghias, Mr. Susumu Matsuda, and Mr. Tadao Nasu esteemed Directors of the Company resigned as members of the Board of Directors. Mr. Riyaz T. Chinoy and Syeda Tatheer Zehra Hamdani were appointed as Independent Directors during the year. Mr. Noriaki Kurokawa and Mr. Muhammad Hyder Habib were appointed as Directors. The Board duly acknowledges the valuable contributions made by the outgoing Directors and expresses sincere gratitude on behalf of the Company, and welcomes the new Directors on the Board of IMC.

I am pleased to report that your Company’s Board of Directors has continued to provide valuable guidance and oversight to ensure strong governance and to effectively provide encouragement and input to the management throughout the year. A review of the Board’s performance and effectiveness through a self-assessment basis has been conducted during the year under review to ensure best practices.

During the year under review, there were six Board meetings, in which the Board received presentations on the Company’s operations, challenges and progress towards achieving objectives in line with the Board’s vision. We are privileged to have a rich balance of expatriates who bring Toyota’s global knowledge to our Company as well as highly experienced and respected Pakistanis who provide meaningful guidance and input. We are particularly grateful to our Board Audit Committee members who conduct extremely detailed and diligent reviews to ensure that we continue to anticipate and mitigate risks and comply with corporate best practices.

Finally, on behalf of the Board of Directors, I would like to express my gratitude to all the shareholders for their continued trust and confidence in the Company. The Board and I are united in extending our thanks to each member of the IMC team as we acknowledge their unwavering support and dedication to the Company. We are committed to maintaining our leadership in the industry and pray to Almighty Allah to bless us in our future endeavors.



Mohamedali R. Habib
Chairman

Directors’ Report

The Directors of Indus Motor Company Limited take pleasure in presenting the Directors’ Report, together with the Audited Financial Statements of the Company for the year ended June 30, 2020:

Financial Results, Appropriations and Subsequent Effects

The Financial results and appropriations for the year ended June 30, 2020 are as follows:

| | 2020 | 2019 |
|---|------------------|------------|
| | (Rupees in ‘000) | |
| Profit After Taxation | 5,082,027 | 13,714,975 |
| Other Comprehensive Income (OCI) for the year | 11,355 | 492 |
| OCI & Unappropriated Profit brought forward | 450,259 | 273,792 |
| | 5,543,641 | 13,989,259 |
| Appropriations | | |
| 1 st Interim Dividend @ 70% i.e. Rs.7 per share (2019: 325% i.e. Rs.32.50 per share) | 550,200 | 2,554,500 |
| 2 nd Interim Dividend @ 60% i.e. Rs.6 per share (2019: 250% i.e. Rs.25 per share) | 471,600 | 1,965,000 |
| 3 rd Interim Dividend @ 100% i.e. Rs.10 per share (2019: 300% i.e. Rs.30 per share) | 786,000 | 2,358,000 |
| | 1,807,800 | 6,877,500 |
| Unappropriated Profit carried forward at year end | 3,735,841 | 7,111,759 |
| Subsequent Effects | | |
| Proposed Final Dividend @ 70% i.e. Rs.7 per share (2019: 275% i.e. Rs.27.50 per share) | 550,200 | 2,161,500 |
| Proposed Transfer to General Reserves | 3,000,000 | 4,500,000 |
| | 3,550,200 | 6,661,500 |
| Basic and Diluted Earnings per share (Rupees) | 64.66 | 174.49 |

Principal Activities of the Company

Indus Motor Company Limited (the Company) was incorporated in Pakistan as a public limited company in December 1989 and started commercial production in May 1993. The shares of the Company are quoted on the Pakistan Stock Exchange. The Company’s principal activity is the assembly, progressive manufacturing and marketing of Toyota vehicles in Pakistan.

Company Performance

During the year ended June 30, 2020, the sales volume of CKD and CBU vehicles decreased by 56%, to 28,837 units as against 66,211 units sold last year. Owing to reduced demand, the Company produced 28,519 units for the year, as compared to 65,346 units produced in the same period last year.

The net sales turnover for the year ended June 30, 2020, decreased by 46% to Rs.86 billion as compared to Rs.158 billion in the last fiscal year, while profit after tax for the year also decreased by 63% to Rs.5.08 billion, as against Rs.13.71 billion achieved in the same period last year. The decline in turnover and profitability for the year was mainly due to lower CKD and CBU volumes, primarily due to challenging economic conditions, imposition of taxes & duties and lockdown on account of COVID-19 pandemic.

During the year, the Company discontinued the Corolla 1.3L vehicles in March 2020, which performed as a market leader in the segment for over 25 years. The flagship Corolla brand will continue with vehicles in 1.6L and 1.8L segments, as available worldwide.

On March 19, 2020, the Company opened booking for the much-awaited the new age masterpiece, the all new Toyota Yaris vehicle with variants in 1.3L as well as 1.5L segments. Due to the COVID-19 pandemic, the launch event of Toyota Yaris was cancelled and all marketing and promotion activities aligned to celebrate the launch were suspended. Despite the smart lockdown on account of the COVID-19 pandemic and absence of any Marketing activities, the Toyota Yaris has been very well received by customers.

Contribution to National Exchequer

During the year, the Company contributed a sum of Rs.36 billion to the national exchequer, which is around 1% of the total tax revenue collection by the Government of Pakistan. Since, the Company's incorporation in 1989, our contribution stands in excess of Rs.454 billion.

Principal Risk and Uncertainties

The Company's financial performance was exceptional in previous years, however, due to decline in demand of vehicles, the current year observed major decline in profitability. The continuous depreciation of Pak Rupee against USD and JPY, rise in inflation and international commodity prices continue to be vital factors that have an impact on current and the future financial statements of the Company. The increase in taxes and duties by the Government, resulted in increase in prices of products, which affected the volumes of the industry to a large extent.

The recent COVID-19 pandemic has surfaced as a major event forcing the world into a lockdown and restricting economic activity across the globe. For Pakistan this has come at a time when the country was heading towards some economic stability. Emergence of the pandemic has dampened the country's economic growth. This has led to downside risks posed to consumer demand amidst temporary business shutdowns, and decline in consumer purchasing power. The impact of COVID-19 pandemic may continue in the coming years.

Corporate Social Responsibility

Over the last five years, the Company has contributed around Rs.1 billion in aggregate, towards Corporate Social Responsibility (CSR) activities including but not limited to donations to hospitals, educational institutes, welfare organizations etc., and social welfare activities related to health, education, natural calamities, etc.

Your company has undertaken the following major CSR activities and donations made during the year to contribute towards the welfare of society as a responsible company.

- Donation of Rs.20 million to the "Prime Minister's COVID-19 Pandemic Relief Fund 2020";
- Donation of an aggregate amount of Rs.35 million to various hospitals towards COVID-19 and other health related matters;
- Donation of an aggregate amount of Rs.75 million to various educational institutions;
- 300,000 tree saplings planted across the country under the Company's "Million Tree Plantation Drive";
- "5S Clean and Green Drive" in schools and other places in Karachi;
- Free, weekly food distribution in villages neighboring IMC factory;
- Free weekly medical and psychiatric camps in neighboring communities; and
- Toyota Goth Education Program for children in neighboring communities for quality education from elementary to higher/secondary level.

Impact on Environment

The Company's Environment Management System is a comprehensive framework and conforms to ISO 14001 standards. Business processes and operations are managed in accordance with the environmental policies and Toyota Global Standards. The Company has been expanding its environmental activities to all its business partners including suppliers and dealers nationwide to promote environmental conservation and achieve our global environmental objectives.

During the year, our major initiatives for environment, mainly includes capacity enhancement of waste water treatment plant to recycle water for plantation purposes and 4MW Solar PV Plant project, which will enhance installation of the current Solar System capacity to 4.5MW by 2021.

Sad Demise of the Chairman

During the year, our beloved Mr. Ali S. Habib, Founding Director and Chairman of the Company passed away on April 17, 2020. Mr. Ali S. Habib was an inspirational leader, a true visionary with brilliant business acumen and a passion for people. He made an unprecedented impact on Pakistan's industry, particularly through the development of the auto-

sector in Pakistan and the establishment of Habib University. His remarkable leadership and tireless efforts led to the success and growth of the Company over the last 30 years. His dedicated philanthropic endeavors set an inspirational example for us all. Those who worked with him witnessed unparalleled diligence, and are honored to have had the opportunity to learn from such a respected, charismatic and brilliant personality.

The Board of Directors alongwith the entire Company, offer heartfelt condolences to the Habib family. We pray that Mr. Ali S. Habib is granted the highest place in Jannat-ul-Firdous, and may he be blessed with eternal peace. Ameen, We remain determined to uphold and advance his rich legacy and strong values.

Composition of the Board

The composition of the Board of Directors of the Company as on June 30, 2020 is as follows.

1. The total number of Directors are 10 as per the following:
 - a. Male 09
 - b. Female 01
2. The number of Directors under respective categories are as follows:
 - a) Independent Directors 03
 - b) Non-Executive Directors 05
 - c) Executive Directors 02

Board of Directors Meetings

A total of six (06) meetings of the Board of Directors were held during the twelve months period from July 01, 2019 to June 30, 2020. Name of the Directors (at any time during the year) alongwith their attendance at the Board Meetings is as follows.

| S. No. | Name of Directors | Meetings Attended |
|--------|---|-------------------|
| 1 | Late Mr. Ali S. Habib (Ex-Founding Director and Ex-Chairman)* | 4 |
| 2 | Mr. Mohamedali R. Habib (Chairman and Founding Director)* | 5 |
| 3 | Mr. Yuji Takarada (Vice Chairman) | 6 |
| 4 | Mr. Ali Asghar Jamali (CEO) | 6 |
| 5 | Mr. Muhammad Hyder Habib* | 1 |
| 6 | Mr. Imran Ali Habib | 5 |
| 7 | Mr. Noriaki Kurokawa / Mr. Susumu Matsuda (Ex-Director) / Tadao Nasu (Ex-Director) [Mr. Tsuyoshi Haginiwa, Alternate Director]* | 5 |
| 8 | Mr. Tetsuya Ezumi [Mr. Yuji Wagata, Alternate Director] | 6 |
| 9 | Mr. Azam Faruque (Independent Director) | 6 |
| 10 | Mr. Riyaz T. Chinoy (Independent Director) / Sadatoshi Kashihara (Ex-Director)* | 6 |
| 11 | Syeda Tatheer Zehra Hamdani (Independent Director) / Parvez Ghias (Ex-Director)* | 6 |

Changes in Directors*

During the year, the following five (05) casual vacancies occurred on the Board.

- Mr. Sadatoshi Kashihara and Mr. Parvez Ghias, resigned as Directors with effect from October 9, 2019 and Mr. Riyaz T. Chinoy, and Syeda Tatheer Zehra Hamdani were appointed on the same day.
- Mr. Susumu Matsuda resigned as Director with effect from February 20, 2020 and Mr. Tadao Nasu was appointed on the same day.
- Mr. Tadao Nasu resigned from the Board with effect from June 26, 2020 and Mr. Noriaki Kurokawa was appointed as Director with effect from June 26, 2020.

- Due to the sad demise of our Founding Director and Chairman, Late Mr. Ali S. Habib, a casual vacancy occurred on the Board on 17th April 2020, which was duly filled by appointment of Mr. Muhammad Hyder Habib on June 26, 2020.
- The Board of Directors in their meeting held on June 26, 2020 appointed Mr. Mohamedali R. Habib as the Chairman of the Board, who is also the Founding Director of the Company.

The Board acknowledged the valuable contributions made by the outgoing Directors and welcomed the new Directors on the Board.

Committees of the Board

The Board has formed the following Committees and details of members are as under:

1. Board Audit Committee

- 1) Mr. Azam Faruque, Chairman
- 2) Mr. Riyaz T. Chinoy
- 3) Mr. Muhammad Hyder Habib
- 4) Mr. Imran Ali Habib
- 5) Mr. Noriaki Kurokawa
- 6) Mr. Tetsuya Ezumi

2. Board Human Resource & Remuneration Committee

- 1) Mr. Azam Faruque, Chairman
- 2) Mr. Mohamedali R. Habib
- 3) Mr. Yuji Takarada
- 4) Mr. Ali Asghar Jamali
- 5) Syeda Tatheer Zehra Hamdani

3. Board Ethics Committee

- 1) Mr. Riyaz T. Chinoy, Chairman
- 2) Syeda Tatheer Zehra Hamdani
- 3) Mr. Ali Asghar Jamali

Salient Features of Remuneration Policy for Non-Executive Directors

The Board acknowledges the valuable contributions being made by the Non-Executive Directors (including Independent Directors), and currently a meeting fee is being offered for attendance and participation at each Board meeting or its Committee, while this does not reflect compensation of their contributions and just represents a token of appreciation. The Non-

Executive Directors may waive their rights to receive such remuneration for attending and participation in the above meetings.

Remuneration of Executive Directors

The Remuneration of CEO and Directors of the Company for the year ended June 30, 2020, is given on Page Number 138. During the year, Mr. Sadatoshi Kashiwara resigned on October 9, 2019, whose remuneration of Rs. 4.346 million is included in the "Directors remuneration" disclosed on page no. 138.

Internal Control

The Company has employed an effective system of internal controls to carry on its business in an orderly manner, safeguard its assets and secure the accuracy and reliability of its records. The Management supervision and reviews are an essential element of the system of internal controls. The Management has delegated the function of detailed examination and special review to the team of internal auditors.

The Board ensures adequacy of internal control activities either directly or through its Committees. The Board also reviews the Company's financial operations and position at regular intervals by means of interim accounts, reports, profitability reviews and other financial and statistical information. Analysis of budgetary control is in place and the Board reviews material variances with explanations and actions taken thereon on periodic basis.

Risk Management

The Company has a formal risk management framework to assess the risks faced in the context of the broader political and macroeconomic environment. The Risk Management System identifies strategic, regulatory, financial, operational, reputational, and sustainability risks related to the Company's business activities. The risks are reviewed by the Management Committee along with departmental objectives, targets and performance. Appropriate strategies are developed and implemented to minimize the impact of the identified risks.

The Company has also formulated a risk management structure based on the global practice followed by Toyota, with the aim of driving the Company growth with managing risk associated with business adequately.

Financial Statements

International Financial Reporting Standards (IFRS), as applicable in Pakistan and provisions of and directives issued under the Companies Act, 2017 have been followed in preparation of the financial statements, where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The auditors of the Company, M/s. A.F. Ferguson & Co., Chartered Accountants, audited the Financial Statements of the Company and have issued an unqualified report to the members.

Related Party Transactions

All transactions with related parties have been executed at arm's length and in normal course of business, which have been disclosed in the Financial Statements under relevant notes.

Material Changes and Commitments

There have been no material changes and commitment affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of the report, other than disclosed in the Financial Statements, or in this report.

Appointment of Auditors

The existing auditors, M/s A.F. Ferguson & Co., Chartered Accountant retire and being eligible, offer themselves for re-appointment. The Directors endorse the recommendation of the Audit Committee for re-appointment of M/s A.F. Ferguson & Co, as the auditors for the year ending 2021.

Pattern of Shareholding

The Pattern of Shareholding of the Company as at June 30, 2020, is given on pages 147 to 148.

Trading of Shares of the Company

During the year ended June 30, 2020, the Directors, the Executives, and their spouses and minor children have not carried out any trading of shares of the Company, other than that disclosed in Pattern of Shareholding.

Key Operating and Financial Data

The Key Operating and Financial Data is mentioned on pages 150 to 151 of the Annual Report.

Statement of Compliance with COCG

The Company has fully complied with requirements of the Listed Companies (Code of Corporate Governance) Regulations 2019. Statement to this effect is annexed with this Report on page numbers 90 to 92.

Chairman's Review

The Directors of the Company endorse the contents of the Chairman's Review, dealing with the overall performance of the Company, future outlook and report on the performance and effectiveness of the Board.

Acknowledgment

We are grateful to our customers for their continued patronage of our products and services and wish to acknowledge the efforts of the entire Indus Motor team, including our staff, vendors, dealers and all business partners for their untiring efforts in these challenging times and look to their continued support.

We bow to the Almighty and pray for His blessings and guidance. Ameen.

Karachi.
August 10, 2020



Ali Asghar Jamali
Chief Executive



Yuji Takarada
Vice Chairman

CEO's Report

Industry Review & Business Environment



Ali Asghar Jamali
Chief Executive

- Industry Review & Business Environment
- Company Review
- Customer Relations
- Customer First – Parts & Service
- Safety, Health & Environment
- Human Resources
- Operations
- Information Technology
- Corporate Social Responsibility - Advancing Concern Beyond Cars

Business Environment, Risk and Uncertainty

Before the COVID-19 pandemic, Pakistan's economy faced economic challenges in terms of fiscal deficit, long-term debt retirement and current account balance. The impact of the Coronavirus stopped economic growth, and has proved detrimental to the economy. As per an IMF forecast following the COVID-19 outbreak, the Pakistan economy is expected to shrink by 1.5% in FY2020. The expected fiscal deficit shall be reduced from 8.8% of GDP to 3.8% of GDP.

This is for the second consecutive year that Pakistan has managed to reduce its import bill. During the first eleven-months of the year, Current Account Deficit (CAD) declined by 74% to US\$ 3.3 billion (1.35% of GDP). CAD is expected to reach US\$ 3.5 billion for FY20 which is in stark contrast to US\$ 13.4 billion in FY19. Exports of goods declined by 7% from US\$ 28 billion in 11m FY19 to US\$ 26 billion in 11m FY20. Oil prices dropped to an unprecedented level, and reduced consumption during the lockdown. This also helped Pakistan's economic managers in reducing the trade deficit and reducing the current account balance. To help ease balance of payments, the International Monetary Fund (IMF) approved a 39-month US\$ 6 billion support program. To deal with a sudden economic crisis as a result of COVID-19, international agencies deferred installments for debt retirement by one year. All of this helped in improving the foreign exchange reserves of the country; which stood at US\$ 16.9 billion at the end of May 2020.

The COVID-19 pandemic will change the social fabric of society; effectively dealing with the pandemic requires enhanced vigilance and behavioural changes by businesses and the public at large. In order to succeed, Standard Operating Procedures (SOPs) must be developed and strictly implemented throughout the nation.

Economic activity gradually restarted towards the end of May 2020 in certain sectors. However, due to the increase in cost of doing business, low economic activity and reduced consumer purchasing power; the market will take time to regain its momentum. A relief package worth PKR 1.24 trillion has been announced by the Federal Government, interest rates have been reduced by 625 basis points and steps taken by the Government to ease the cost of doing business in Pakistan. This should have a positive impact on economic revival.

Pakistan's Auto Policy 2016-2021 attracted investment of over US\$ 1 billion with 16 new entrants offering their products to customers. Wider product choices with shrinking industry volumes will have the welcome effect of increasing competition. It is expected this will reduce vehicle delivery time due to a larger production capacity and product availability with respect to market demand.

Throughout FY2019-20, the industry has been operating

subject to heavy taxation, coupled with consistent devaluation of the Pak Rupee. During the period, Federal Excise Duty (FED) @2.5% - 7.5% for all types of passenger cars was applied and Additional Customs Duty (ACD) @7% at import stage on CKD kits was also levied. The Government has further levied 7.5% FED to locally made double-cabin Hilux pickups for FY20-21. The PKR touched its lowest level against the US Dollar in CY 2020. Whilst the government has consistently increased taxes on locally manufactured vehicles, the taxes on imported used cars have, however, not been revised for the last few years.

On a positive note, 3% value addition sales tax has been removed on imports for in-house manufacturing for the financial year 2020-21 onwards. While this move will not reduce manufacturing costs, it is expected to slightly improve the cash flow condition of the Company from next fiscal year.

The collective impact of higher taxation, shrinking GDP, consistent PKR devaluation and the COVID-19 lockdown, greatly affected the operational capability of the automotive industry. Despite being one of the most organized and documented sectors, the auto industry was amongst the last to be permitted to resume business. Due to delayed resumption, the auto sector could not revive in the last quarter of FY 19-20 as per PAMA data; April and May 2020 were the worst consecutive months, while April 2020 recorded zero sales in the passenger cars segment across the industry.

The government consistently advocated the need to introduce new technology in vehicles and commendably gave the task to formulate a New Technology Vehicle policy to the Ministry of Industries – Engineering Development Board. The EDB has started consultations with all stakeholders to formulate and propose a policy which should emphasize safeguarding of local investment, focus on "Make in Pakistan" and provide incentives to bolster the local manufacturing process. Parts like shell body, interior trims, lighting systems, suspension systems, seats, tires, rims, brakes, instrument panels, etc., are all common in construction and are already being locally produced for conventional vehicles. Therefore, these can be provided for Electric Vehicles too. Incentivizing local vendors to supply parts competitively to new entrants for both internal combustion engines and Electric Vehicles manufacturers will help in reducing the import bill and further employment generation.

The current tariff structure applicable on the existing manufacturers for import of a part made locally is substantially higher than the tariffs proposed for Electric Vehicles and tariffs provided to new entrants under the Greenfield and Brownfield programs. Such disparate and ill-conceived policies will discourage the localization

Company Review

process, increase the import bill and negatively impact the local manufacturing process.

Recommendations

Pakistan, with a population of over 220 million, is uniquely positioned among large economies with a low tax-to-GDP ratio, a lower industrialization and motorization level and a consumption-based economy. The potential of Pakistan's economy can be tapped into only by adopting growth-oriented policies. Due to COVID-19, the global economy, including that of Pakistan, will shrink. A stimulus package for Pakistan to increase consumption and taxation will lead to sustainable economic growth.

For the last few years, the Pakistan government's interventions to increase the tax rate on locally manufactured automotive vehicles has resulted in reducing the overall tax collection and cumulative industrial volumes by 50%. In FY2020, PAMA reflects the market size reduction by 114,930 units i.e. 55% in the passenger car market.

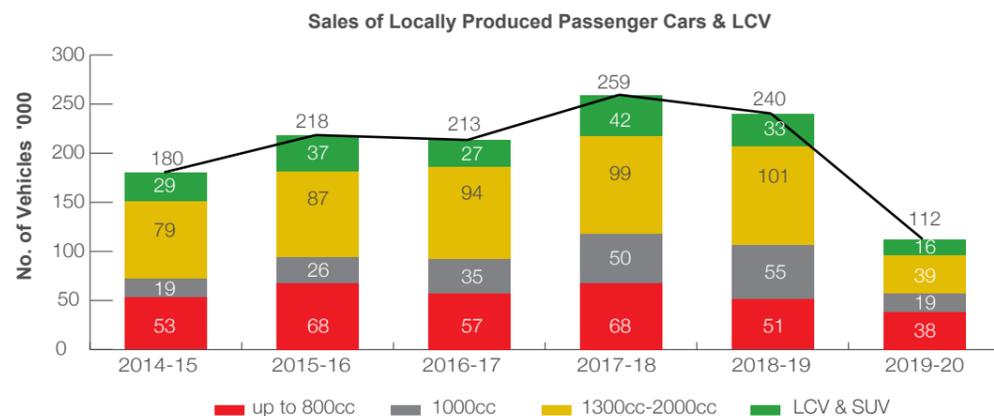
In order to introduce a vehicle, the production preparation and investment decisions are made at least 3 to 4 years before the launch. The changes in taxation that occur during the announced policy period gravely impact economic feasibility. It is advised that abrupt changes in taxation be prohibited and if changes are required, they must be made in consultation with the industry stakeholders at the time of introduction of a new policy. More than 16 new investors and existing players have invested heavily under ADP16-21. Their combined production capacity will surpass the market size, offer wider choices and increased competition and may reduce waiting period for delivery of vehicles.

We urge the government to review the fixed duties mentioned in SRO 577. Global marketing processes such

as wholesale-retail mechanism are yet to be adopted in an economically viable manner in the passenger car and commercial vehicle segment in Pakistan. Under the current wholesale-retail policy, parties are subject to double taxation. Policymakers are requested to revisit this aspect so as to make it workable, as in other industrial sectors. The negative GDP growth rate in FY2019-20 coupled with double taxation is a growth impediment.

Both the government and the auto industry are required to work hand in hand to remove the malpractices at the import stage, such as under-invoicing and mis-declaration of auto parts. Over a period of time, the tax collection burden has been shifted to the industry with tax collected at the point of sale. This is hampering industry focus on industrial revival and is increasing tax collection complexities. It is becoming increasingly difficult to manage accounts, as penalizing the business entity is observed in case of non-compliance. This problem of the industry must be fixed through shifting the revenue collection role to the government bodies instead of business entities.

In the absence of any stimulus package, application of federal excise duty (FED) and additional custom duty (ACD) on locally manufactured vehicles will not only increase manufacturing costs, but coupled with the negative GDP growth, will further stress consumer purchasing power and ultimately reduce annual industry volumes. All these revenue collection measure have proved to be growth detrimental and have shrunk industry volumes. The Government being the largest beneficiary of automotive vehicle manufacturing, may not be able to meet the desired revenue targets. It is suggested that FED and ACD be removed to make vehicle retail prices affordable and to shift revenue collection towards volumes.



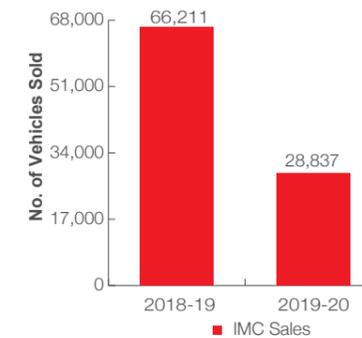
Industry Overview

The total industry sales of locally manufactured PC and LCV vehicles were 111,962 units in the country during 2019-20, as compared to 240,646 units sold last year, indicating a 53% drop in the market. The decline in the automobile industry has recently been attributed to COVID-19, along with other factors, such as an overall economic slowdown, high interest rates and escalating vehicle prices on the back of the depreciating Pakistani Rupee against the US Dollar and high inflation. The recent restriction on the import of used vehicles into the country has been positive for the local industry during the period. Approximately 10,544 used cars were imported during the year, compared to 36,000 units last year.

Company Overview

Indus Motor Company Limited, as a major player in Pakistan's automobile industry, has put up a strong performance during this period of economic recession and COVID-19. However, the impact of the external factors cannot be ignored. Sales this year were 28,837 units though IMC is constantly making efforts to increase sales.

Overall, this year numerous efforts have been made on part of the Toyota team. The Corolla 1.3L runout was managed smoothly; Yaris was launched along with further establishment of the Toyota Connect application. A new Fortuner variant has also been added to the product line.



The Company was required to shut down completely for over two months due to COVID-19 and resumed operation on single shift basis from May 2020.

The Company is working in the true spirit to implement 'Kaizen' i.e. Continuous Improvement - and is looking at these tough times as an opportunity to grow further.

CKD - PASSENGER CAR SEGMENT

Toyota Yaris

On March 19, 2020, Indus Motor Company announced the arrival of a new-age masterpiece, the all new Toyota Yaris, to its product portfolio. A fine combination of robust auto engineering and aesthetic design, Yaris is crafted to redesign customer expectations of a B-Sedan Car. Offering options of two powerful engines, 1.3L and 1.5L, Yaris is the only vehicle that offers push-start, smart entry, auto AC, steering switches and MID with a 4.2-inches TFT screen in this segment. Yaris sets new benchmarks in safety and comfort by being the only vehicle in the B-sedan segment offering advanced safety features such as Vehicle Stability Control (VSC), Hillstart Assist Control (HAC) and Traction control (TRC), along with essential features like airbags and ABS.



Toyota Yaris launched by IMC in the B-sedan segment offering advanced safety features

To commemorate the launch of its latest sedan, IMC organized a special pre-unveiling event on March 5, 2020 for its valued Dealership network. The purpose of the event was to stimulate the Dealer network by highlighting the unique features and distinct attributes of the Toyota Yaris. The Test Drive experience instilled confidence in Toyota Yaris and the event ensured a strong connect with stakeholders.

It was very unfortunate, that the biggest news for the automotive industry had to be announced quietly due to the outbreak of COVID-19. For Indus Motor Company, nothing precedes health and safety of customers and employees. Due to this, the launch event of Toyota Yaris was cancelled and all marketing and promotion activities aligned to celebrate the launch were suspended. Despite a complete lockdown in the country and no significant marketing activities being conducted, Toyota Yaris still had an

amazing impact with its performance. Yaris achieved an order intake of more than 8,000 units reassuring the brand power of Toyota in Pakistan and customer confidence in its promise of Quality, Durability and Reliability (QDR).



A special pre-unveiling for valued Dealership network

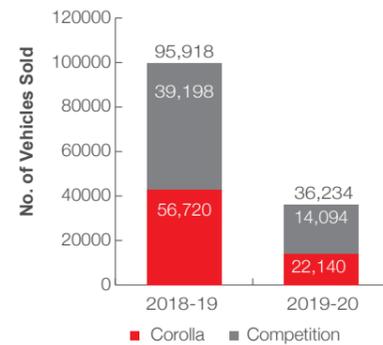
Toyota Corolla

Being the leading sedan in the Pakistan market, Corolla enjoys a legacy unlike any other brand. Corolla's variants, 1.3L (XLi and GLi) have become the highest selling models in the Corolla line-up over the years.

IMC recently bid farewell to Corolla 1.3L variants (XLi and GLi) in order to introduce a new product in the market against competition. Corolla 1.3L run-out was a major milestone achieved by IMC this year by selling a total of 15,097 units. In order to have a smooth runout and maintain customer delight, IMC provided a series of promotional offers to 1.3L customers, including an upgraded 9" audio in GLi variants, free registration for 1.3L customers, introduction of new colours in XLi and GLi, bank financing campaigns and special price offers in line with IMC's 30 years anniversary celebrations. The promotional campaigns were well received and appreciated by customers, thereby helping IMC in achieving its sales targets.



Introduction of new colors in Toyota Corolla 1.3L GLi



Toyota Connect

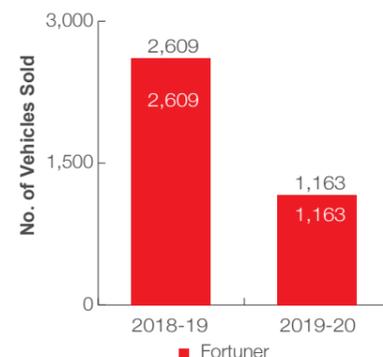
The first of its kind application and launched in 2018, Toyota Connect has been gaining customers' trust and appreciation across the nation. As a free six months subscription provided with 1.8L variants, customers are getting familiar with the telematics features and staying connected with their vehicle through the app. On a wide scale, approximately 55% of Toyota Connect customers have renewed their subscription to keep themselves updated with their vehicle's driving performance and other related features.

Recently, IMC also introduced three new features, including Video Call, Geo Fencing and Maps to aid customers in better connectivity and to provide them a hassle-free experience.

CKD – SUV & COMMERCIAL VEHICLES SEGMENT

Toyota Fortuner – SUV Segment

The Fortuner has become an icon for unprecedented power and elegance in the Pakistani CKD SUV market and remains unparalleled with its body-on-frame design. 2020 ushered in the introduction of a new base trim in the Fortuner line-up, 'Fortuner G.' The Fortuner G retains much of what has already been celebrated in the Fortuner line-up and has led to further consolidation of the Fortuner's stance as Pakistan's only domestically assembled true SUV.



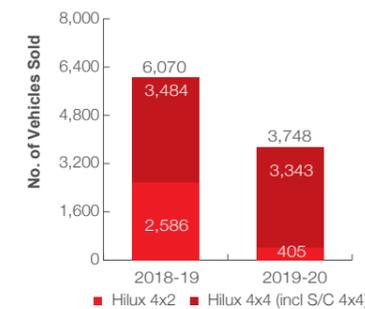
In order to generate excitement in the market, IMC introduced a new premium colour which was highly sought-after by customers. Building on a policy of customer delight, two campaigns were launched in partnership with banks to provide Fortuner customers competitive financing packages bundled with Free 1 Year Periodic Maintenance. To further establish Fortuner as the best in class CKD SUV, experiential drives were conducted in 7 cities of Pakistan to give hands-on experience to potential customers.



Introduction of the new base trim in the Fortuner line-up, the moniker "Fortuner G".

Toyota Hilux – Pickup Segment

The Hilux Revo continued to witness strong surge in the market despite the presence of competition. The Government imposed Federal Excise Duty of 7.5% on CKD Double Cabin (4x4) pickup vehicles in June 2020, which will be effective from FY 20-21.



In line with the global Toyota guidelines, IMC remained active on the motorsport front, sponsoring various events during the year, which attracted many motorsport enthusiasts.

Toyota Gazoo Racing

This embodies Toyota's commitment to overcoming every limit to make "ever-better" cars. To forge new technologies and solutions under the extreme conditions of motorsports, we will never stop

innovating. In the past year, we have had many rallies in order to fulfill this commitment.

Hub Rally 2020

A one of a kind adventurous experience, it was held at Hub, Balochistan in January 2020. The event included one of the most renowned motorsports celebrities participating in the race which was a treat for all car enthusiasts. Amongst more than 350 participants, this time women racers also participated in the Hub Rally and aced the race.



Hub Rally 2020 – Motorsport event conducted by IMC

Cholistan Jeep Rally 2020

This is an off-road race experience. Powered by Indus Motor Company, it took place in the Cholistan Desert from February 14th to 17th, 2020. The Cholistan Rally platform is a good occasion to showcase the history and rich culture of this tourist destination as well as a unique opportunity for motorsports enthusiasts of the country to explore their talent. The rally proved to be a success with over 500 participants powering through with sheer enthusiasm.

Sarfaranga Desert Rally

This was organized in August 2019 by the Government of Gilgit-Baltistan in collaboration with Indus Motor Company Ltd. Over 500 contenders from all over Pakistan came together in the hopes to become the Conqueror of Sarfaranga, the world's highest desert with an altitude of almost 1,000 feet.

Toyota Imported Vehicles - CBU Segment

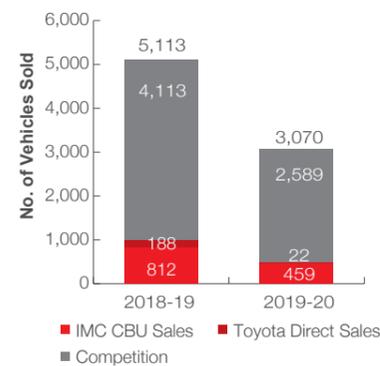
This year, the all new Hiace Deluxe was launched in the CBU portfolio.

Hiace Deluxe was launched in June 2019 in the commercial segment. It is a vehicle with promising quality, guaranteeing practicality and comfort for occupants on the move.

At the one end, numerous sessions were conducted with transporters to create awareness about the product along with bus stand branding. Vehicles were sent for test and trial activities in order to promote institutional fleet sales. In 2019, a transporters event was conducted at Faisalabad to raise awareness of the product and to be able to directly convey the products unique selling points to customers and also make sales. The event proved to be a huge success and numerous units were sold in one day.

On the other hand, for individual customers, RSP was rationalized to make it easier for customers to switch from Hiace to Hiace Deluxe. This is an ongoing campaign that is yielding excellent results.

In the line with Hiace Deluxe, two new variants under the name Luxury Wagon (Hi and Low) were launched to cater to a niche market comprising top-end corporate customers. Its reclining seats and luxurious and extravagant look makes it the perfect fit for hotels and corporate customers. Along with the old variants, this year IMC plans on working with the same zeal over the two new variants.



Toyota SURE (Used Car Bazaar)

Toyota SURE Used Car Bazaar has been a delight for customers since its launch in 2018. Customers are able to find the largest collection of Certified Toyota Used Vehicles at the Toyota SURE Used Car Bazaar. The flagship Toyota SURE Bazaar engaged thousands of customers who were either looking for reliable (certified) used cars or great exchange deals

in order to upgrade their existing vehicles, all at a single location.

This year, during January and February, Indus Motor Company organized their Used Car Bazaar in Karachi (Expo Centre) and Lahore (Packages Mall) with over 300 Toyota-certified used cars, including Corolla, Revo, Fortuner, Rush, Camry and Hiace, all backed by the official limited Toyota warranty of up to 1 year or 15,000 kms. Over 10,000 customers attended the used car bazaar and most of the stock sold out on the same day making the event a huge success.

The Toyota Sure Used Car Bazaar has now become a premier event for purchasing Toyota-certified used cars. Customers looking to purchase reliable vehicles can also visit any Toyota SURE outlet anywhere in Pakistan to get connected to the most reliable cars in the country.



Toyota Sure team celebrating the success of the Used Car Bazar, 2020

Start Your Impossible

The global initiative of 'Start Your Impossible'(SYI) focuses on the concept of mobility along with celebrating Toyota's partnership with the Tokyo Olympics and Paralympics Games.

In line with inspiring employees, partners and customers, IMC rolled out a few initiatives to strengthen the objective of Start Your Impossible and promote the local hero athlete - Saadi Abbas - through various mediums. IMC partnered with the Olympics Association of Pakistan to celebrate Olympics Day, along with promoting a SYI campaign

through on-ground activation. Different athletes of Pakistan were also present there.

IMC also partnered with Saadi Abbas (local athlete and Karate champion) to conduct a training boot-camp with the kids in Lyari in order to teach them Karate at the National Institute of Karate Do Pakistan.



IMC partnering with the Olympic Association of Pakistan exhibiting diversity and inclusion

Safety Campaign

Making safety as its No.1 priority, IMC has always been the pioneer when it comes to providing best-in-class safety features in all its products.

In line with our safety mandate, IMC has been continuously educating customers on safety features. Recently, under the flagship campaign of #BeSafetyLeaders, IMC conducted an on-ground

activation at DMC to create awareness amongst customers on the lines of vehicle safety, safety specs provided in Toyota vehicles and their use. Along with it, a #Realitycheck activity was also conducted to provide customers an insight on how to drive safely and take a safety pledge under the campaign.



THUMS engaging customers through a digital contest

Digital promotions of Toyota's Safety Mascot, THUMS (Total Human Model for Safety) were also conducted along with a digital contest to engage customers through informative videos and content.

Customer Relations



Draw Your Dream. Drive the Future.

The Toyota Dream Car Art Contest, organized annually since 2004 by Toyota Motor Corporation, Japan, is a global contest and one of the biggest drawing competitions in the world for children younger than 16 years competing in 3 age categories i.e. Under 8 Years; 8 to 11 Years & 12 to 15 Years & the Royal category. The contest's objective aims at fostering innovation and creativity in children by encouraging them to think about the future of mobility and envision their 'dream car' and at the same emphasises the importance of children having dreams.

The 14th Toyota Dream Car Art Contest 2020 National Jury Event was held in March 2020 at the company's head office to select the top Regional and National winning artworks received from children across Pakistan. Over the years, the contest has expanded exponentially, reaching out to children from all walks of life across the country. Pakistan stands amongst the Top 3 countries globally to have received the highest number of artworks submissions. This year IMC received over 49,900 drawings through its network of 46 Dealerships across Pakistan.

Created with a view to build an all-inclusive society, the Royal Category is a unique feature of the National Contest intended for children who are differently abled. Over the years this category has not only witnessed active participation and growth but also earned huge appreciation from the public.

The Jury Panel

The five member independent Jury Panel comprised of art educators, painters and visual artists and included Meher Afroz - Painter, Print-maker & Professor Indus Valley School of Art & Architecture; Nurayah Sheikh Nabi - Assistant Professor Faculty of Fine Arts, Indus Valley School of Art & Architecture; Aliya Yousuf - Educator & Ceramic Artist; Affan Baghpati - Art Educator & Visual Artist and Muhammad Zeeshan - Art Educator & Visual Artist.

The Jury chose 36 Regional and National winners and short-listed Top 9 artworks representing Pakistan



Nurayah Sheikh Nabi, an independent jury member reviewing the artworks

which will enter the World Contest in Japan. Three additional drawings were chosen, two by CEO Indus Motor, Mr Ali Asghar Jamali for the CEO Award and one by the Panel of Jurors for the Jury Choice Award.



IMC CEO, Mr Ali Asghar Jamali with shortlisted drawings for the CEO Award

Save the Planet

As a signatory to the United Nations SDGs (Sustainable Development Goals), and mindful of our contributions towards sustainability, the event set-up was created using packing material recovered during CKD unboxing operations at IMC, for example, pallet wood repurposed for building the National Winners Wall and plastic sheets reused to erect Artwork Display Walls. The initiative besides being very cost effective was well appreciated.

Exhibit

Following the Jury event, for the first time, a two day open house Exhibit was organized at IMC for IMC employees to showcase the short-listed masterpieces drawn by Pakistan's young artists. The foot fall generated and feedback by visitors was very encouraging who marveled at the phenomenal talent and imagination of the children on display.

Owing to the COVID-19 pandemic, IMC has had to cancel the National Award Ceremony, held every year to celebrate the achievement of the contest winners. Nevertheless, to recognize and appreciate their effort, IMC presented Award Certificates, Medals and prizes to the winning kids through the Dealerships. Likewise, Toyota Motor Corporation too has deferred the World Contest until 2021.

Over the years Pakistan has had five World Winners, one each in 2010; 2011, 2013 and two in 2019.



Head of Media Management & CSR (IMC), Mr. Asad Abdullah with the independent Jury in front of the Top 12 National Winning Artworks (L to R: Affan Baghpati, Meher Afroz, Aliya Yousuf, Asad Abdullah, Nurayah Sheikh Nabi and Muhammad Zeeshan).

Customer First – Parts & Service

IMC Wins 2nd Consecutive Gold Award by Toyota Motor Asia Pacific, Singapore (TMAP) on Customer Delight Evaluation

IMC has won the 'Outstanding Customer Service Excellence Award' for CY2019. Indus Motor Company – Customer First Department and Customer Relations Department have been participating in this program for the past 11 years, having won this prestigious Gold title for the first time in 2018 and managed to bag this award once again in 2019. The program is hosted every year by Toyota Motor Corporation, Japan and all its affiliates around the world participate in this program and strive towards one common objective - of providing better customer service, to become the most admired automotive brand in the territory.

Through Customer Service Excellence Award, IMC has improved the efficiency of its Aftersales and Customer Relations operations and has created numerous customer engagement touch points for creating customer delight.

The Biggest Ever Aftersales Campaign 2019-20

IMC strives to bring to its customers the best market practices to increase customer satisfaction. Keeping in line with this philosophy, the Customer First Department launched its first ever and biggest aftersales campaign on 14th August 2019, with the aim to promote the aftersales services nationwide. Toyota is one of the industry leaders with thousands of certified technicians who handle vehicles with care and safety as per Toyota Standards, use genuine spare parts that prolong the vehicle's life and also keep it in the best shape, in addition to quality services that satisfy customers and provide a delight factor to them. A wide dealership network is also offered. It provides customers with the convenience of getting their cars maintained in a hassle-free environment.



IMC launched the biggest ever Aftersales Campaign 2019-20

Launch of Extended Warranty (4th & 5th Year)

At Toyota, we are committed to deliver excellent customer service offerings through best and top of the line aftersales products and services for our valued customers. In keeping with the philosophy, IMC has recently launched 2 years warranty extension on top of 3 years built-in manufacturers warranty. The package for the first time has been designed as per the customer's mileage needs. Toyota always works towards making continuous improvements (Kaizen) in its operations and services so that customers can enjoy being part of the Toyota Family. Extension in the warranty period gives our customers peace of mind for added miles with higher resale value and better vehicle performance.



IMC launched 2 years warranty extension on top of 3 years built-in manufacturers warranty

Winter Campaign

The Customer First Department launched the Winter Campaign in November 2019 to provide all its Toyota customers with 'Free Battery and Heater Inspection' at Toyota's authorized Dealerships nationwide for their peace of mind and warmer winter experience. This campaign reached new heights and served thousands of valued Toyota customers.



Announcing Free Battery and Heater Inspection.

Prepaid Periodic Maintenance (PPM)

IMC strives to bring to its customers the best in market practices to ensure customer delight. In line with this philosophy, IMC re-launched Prepaid Periodic Maintenance (PPM) with new and amazing offers in 2020.

PPM provides customers with a smart and affordable method that protects them from fluctuating prices due to inflation. PPM is a one-stop solution; our customers pay once and then enjoy four free maintenances, cashless transactions and other value-added services. IMC plans to continue and launch several other services and promotional campaigns for its customers to maintain our journey of providing customer satisfaction.



Prepaid Periodic Maintenance with new and amazing offers in 2020

Launch of New Oil Grade – TAGLON X

IMC launched the new TAGLON X (SN 5W-30) which is the original factory-filled motor oil. It lowers friction to improve economy, prolongs engine life, enhances engine efficiency and protects against sludge and deposits.



Launch of the new TAGLON X original factory-filled motor oil

TAGLON X has been welcomed by customers and appreciated widely. This new product has made its place among other TMO line-up gaining around 10% share in a very short span of time.

Certified Lube Technician Program

In order to develop the skill set, IMC conducted skill enhancement training for roadside mechanics. This has benefitted the overall outcome of the mechanics with better understanding of Toyota Genuine Motor Oil and vehicle care during the oil change process.



IMC conducting skill enhancement training for roadside mechanics

Tackling the Global COVID-19 Pandemic

COVID-19 is one of the unforeseen situations of 2020 in which the entire world is suffering because of the sudden outbreak of the virus. IMC as the responsible and caring organization has taken measures to cope with the situation and for the safety of our employees and customers in the best possible manner. Further to delight customers, Dealerships are offering home services and mobile workshop facilities.



IMC taking measures to cope with COVID-19 for the safety of employees and customers

Safety, Health & Environment

Safety Campaign

All Toyota vehicles in Pakistan are equipped with dual SRS Airbags, 3-Point ELR seatbelts with Pre-tensioner, GOA Body and ISO-FIX Anchors for Child Seat, as per the European Standards of N-CAP.

The Customer First Department launched a Safety Campaign for enhancing customer awareness related to safety specs in Toyota vehicles. The first phase of the campaign started with a Public Service Awareness Message published in the leading newspapers of the country, followed by an Awareness Video circulated on digital media for customer awareness to prevent them from market malpractices and frauds.



Safety Campaign for enhancing customer awareness related to safety specs in Toyota vehicles.

Enhancing Dealer Technical Skills

In FY 2019-20 new technicians joined the league of Toyota mastered Skilled Technicians after rigorous Toyota Skill Enhancement Training program named as "TEAM-21" and spending 30,000 man hours of

training sessions. Currently all Toyota authorized 3S Dealerships are equipped with TEAM-21 certified technicians. This skilled manpower provides the best in class services to Toyota customers nationwide while continuing to raise the Toyota Quality Service slogan high.



Toyota Skill Enhancement Training program -"TEAM-21"

Hygiene Campaign

In these challenging times as the COVID-19 pandemic hits the world, it has also adversely affected the economic conditions in Pakistan. Toyota being a caring organization for its employees as well for customers, has taken timely actions by launching a hygiene campaign. The campaign has been launched with the tagline "Prioritize your Safety the Toyota Way", for customers' safety and peace of mind. The campaign offers free car sanitization and AC check-up services for all Toyota customers along with all COVID-19 preventive measures followed at our Dealerships across Pakistan.



IMC launching Hygiene Campaign, "Prioritize your Safety the Toyota Way"

Safety, Health & Environment

Ensuring safety and health of employees has been one of Toyota's most essential long-standing business activities and will continue to be so going forward. We believe that producing safe and healthy work environments will lead to productivity improvements necessary for corporate growth. To achieve the objective, our dedicated team works actively to prevent accidents and injuries by controlling risks associated with our business processes.

At Indus Motor Company, our Safety Policy conveys the following important message.

"SAFETY WILL ALWAYS TAKE PRECEDENCE OVER PRODUCTION, SALES AND PROFITS"

In IMC, safety remains a top priority across the business and our top leadership maintains continuous attention to create a safety mindset across the board.

Our processes are aligned with standard requirements of Occupational Safety & Health Management System (OSHMS) which are Toyota's global standards developed based on ISO 45001. Using OSHMS, weaknesses are identified by genchi genbutsu (onsite, hands-on experience) to improve safety management.

People Development

IMC is committed to developing human resources in accordance with Toyota's philosophy that monozukuri (manufacturing) is about developing people. Our training programs are regularly planned and we engage our best resources to develop the people in accordance with Toyota's global contents and skill-set. On-Job-Training (OJT) is the foundation of our training program. Our policy allows only trained people to execute the work complying with required standards and specific skills. Our training center is one of the finest facilities throughout the country where we conduct technical educational programs and classroom sessions utilizing global standard simulators. In IMC, our educational programs are being delivered not only to our employees but we actively support our stakeholders including suppliers, vendors, dealership and contractor staff to level-up their knowledge before authorizing them to perform the job.



IMC conducting safety trainings for its employees.

New Normal Amid COVID-19

IMC has implemented multiple measures to prevent the spread of the novel Coronavirus (COVID-19) and developed the New Normal for people to work in our premises following the SOPs and health notifications. Everyone is urged to strictly follow and adapt the change amid the pandemic. We developed our standard operating procedures (SOPs) for offices, manufacturing shops, common facilities, meeting rooms and transport to redesign our processes according to the precautions and advices communicated by the Health Ministry and international health organizations. Our team is constantly monitoring the latest developments and striving to continuously improve the working environment for our people and products.

Environmental Management

Toyota considers environmental issues to be of paramount importance and constantly works to find solutions by applying new ideas and technologies ahead of future challenges. In October 2015, Toyota announced the Toyota Environmental Challenge 2050 which comprises of six challenges. It covers every aspect of our business, our exploration of new products and technologies, and our role as an enabler for individuals and communities to learn about and improve the natural world around them. We have been striving to reduce the environmental burden attributed to automobiles to as close to zero as possible, while developing measures to contribute positively to the earth and its societies with the aim of achieving a sustainable society. Our global vision emphasizes the importance of 'Respect

Human Resources

for the Planet'. Based on this approach, Toyota formulated its challenge 2050 as its long-term vision for environmental initiatives.

Our Environmental Management System (EMS) is a comprehensive framework and conforms to ISO 14001 standards. Business processes and operations are managed in accordance with our environmental policies and Toyota's Global Standards. IMC is a ISO 14001:2015 certified company.

In IMC, we not only undergo regular ISO audits but also check our environmental conservation activities by conducting internal audits within the company applying our Environmental Assessment System (EAS) which is monitored globally throughout Toyota.

To continue with our environmental objectives, we formulated our Sixth Environmental Action Plan, a five-year action plan from 2017 to 2021. We monitor our key performance indicators (KPIs) to manage our activities in compliance with our set rules and standards. IMC has made remarkable achievements in past years and constantly raising the bar to promote the four pillars stated in the 'Global Environmental Commitment'.

- (1) Establish a low-carbon emission society
- (2) Establish a recycling-based society
- (3) Reduce environmental risks, and establish a society in harmony with nature
- (4) Promote the environmental management

We supply multi-level environmental education for all employees based on the Environmental Management System at the plant level, as well as company-wide ISO 14001 internal auditors' training to nurture Environmental Management System auditors and prepare leaders to guide the company's environmental conservation activities.

The company has been expanding its environmental activities to all its business partners including suppliers and dealerships nationwide to promote environmental conservation and achieve our global environmental objectives.

Our initiatives include the capacity enhancement of waste water treatment plant to recycle water for plantation purpose. We are equipped with an environment friendly co-generation Power Plant which operates on natural gas. The company has installed thinner recycling machine to recycle used thinner, also dispose hazardous waste through SEPA certified contractors. In Ozone Protection, IMC is the first automobile company in Pakistan to commence use of environment-friendly gas R-134a in car air-conditioning system (instead of CFC-12).

Renewable Energy Project

Stepping forward with Toyota's global initiative to reduce the carbon footprint and moving towards a better environment for the planet, IMC has been working on a 4MW Solar PV Plant project which will enhance its current capacity to 4.5MW by 2021. So far, we have already completed multiple rooftops which makes up around 1.4MW while the remaining work is going on in full swing to complete within the set timeline.



4MW Solar PV Plant project

Human Resources

IMC strongly believes that its employees are the driving force behind all its achievements. It gives special focus on fostering a culture of teamwork and continuous improvement. With the continued support of its employees, it has been able to achieve remarkable goals in challenging times.

Employee Engagement

IMC provides its employees with healthy activities to recharge them and to keep their focus on delivering exceptional results.

This year IMC organized a swimming competition that attracted a significant number of participants for the team and individual competitions. A fun-filled, yet competitive event was organized to promote healthy activities among employees. Ranging from freestyle races to water polo, there was something for everyone. Not only was it a fulfilling event for the participants but was an equally enjoyable experience for the organizers and the audience as everyone got an opportunity to take a dip in the pool.

There was increased participation from employees in this year's football competition and more professionalism was displayed. With each passing year, the quality of competition is improving and there is more anticipation from employees.

A cricket tournament was also organized for team building among the senior management where they played with full heart and exhibited a lot of energy. It was a memorable event with a lot of candid moments being experienced.



Cricket tournament organized by IMC for the senior management

Talent Development

IMC aims to raise the skills of its employees so that they are ready for challenges ahead. This is why, the

Company invests freely on its people to inculcate in them the best Toyota practices and other skills. This year numerous training programs were organized in-house with a focus on strengthening the Toyota way of working. IMC also sent its senior employees to multiple international trainings at top business schools. This has been a cornerstone of IMC's success in developing a future-ready organization.

Key roles and talent were identified this year to develop a detailed succession plan to ensure that IMC continues to produce exceptional results irrespective of any disruption. Future talent was identified to develop strong bench strength.

IMC continued to provide training opportunities to the youth through an apprenticeship program in which it provided practical on-job development to selected candidates. Over 400 apprentices were inducted through the year with focus on developing them in the use of Toyota Production System and practices.



Legendary Leadership Training for IMC employees

Employee Care

IMC has the exceptional quality of taking care of its employees in every possible way. Understanding the importance of family, IMC has negotiated attractive insurance packages for employees' parents. An overwhelming response was received from employees who were more than happy to get discounted rates for the health insurance of their parents.

This year IMC has also launched an employee self-service booth for the production floor staff to give them access to basic information. Now employees have access to personal information, such as salary slip, attendance, etc. at the click of a button.

Operations

TPS Key Persons Development

Toyota engages in continuous pursuit of meeting the quality, productivity and safety standards of the Toyota World. As a result, IMC enhanced its focus on incorporating the evolving Kaizen strategies and validation of standardized work procedures on the shop floor.

In order to achieve these objectives, IMC entered into collaboration with TDEM (Toyota Daihatsu Engineering and Manufacturing Co. Ltd.) participating in the TPS Key Persons Development Program.

The objective was to spread an in-depth understanding of the overall TPS linkage and develop the next key TPS persons to give direction and determine the role of the position for the benefit of the staff in order to strengthen standardized work on the shop floor.



TPS Key Persons Development Program

Skill Marathon 2019-20

The 12th IMC In-house Skill Contest 2020 ceremony was held at IMC in February 2020. The contest was based on the theme, "Take on Challenges to Prove Yours Skills", with over 1,800 Team Members and Team Leaders qualifying to run the four-round course. As with any skill contest, the objective of this competition was primarily to test the knowledge, understanding, skill, speed and confidence of Team Members and Team Leaders engaged on the shop floor and at the same time help them in mastering the rules of the competition.

The contest which started-off in November 2019, was designed to be spread over multiple rounds, amongst which were the Survival Round, Battle Round, Champion Round, etc., each one focusing

on specific areas such as the fundamentals and skill evaluation on simulators based on the AP-GPC Regulations. The fourth and final round in February 2020 comprised on the job practice at the respective Dojo by the Top 10 Finalists from each Shop/Category.

These Gold medalists will be representing Pakistan at the Asia Pacific Skill Contest 2020-21 in Thailand, next year.



IMC in-house Skill Contest 2020

Toyota Business Practice

Keeping in view the culture of learning and development in mind, IMC Quality Engineering section from QA & QC attempted six themes internally on Toyota Business Practice (TBP) format and selected one out of the six TBPs to be submitted at the 13th Asia Pacific TBP Contest which was conducted among nine affiliates with IMC obtaining 1st prize.

The activity helped IMC improve not only the paint quality but also made sure that the productivity targets are also met.

26th Quality Control Circle (QCC) Convention

The annual QCC convention was held in September 2019. Chief guest Barrister Murtaza Wahab, Advisor to Chief Minister Sindh for Law, Environment, Climate Change, Coastal Development & spokesperson for the Government, appreciated the efforts of the Company for organizing the QCC convention each year and making sure that continuous improvement activities never cease. Several themes were presented in the convention aimed at improving safety and quality, enhancing efficiency and cost reduction. The convention helps in increasing employees' motivation

by empowering each employee to play an active role in process improvement and solving problems encountered on the shop floor.



IMC's 26th Quality Control Circle (QCC) Convention

The winning QA & QC team represented Pakistan and participated in the 30th Toyota Global QC Circle Convention held in Toyota City, Japan.

Localization

Quality and customer satisfaction has been of utmost importance to IMC. However, what is notable about the Toyota brand is that it believes in specifically

adapting to each of the regions it operates in. Owing to the drastic depreciation of the Pakistani Rupee in the international market and the increased taxes levied by the government, motor vehicle prices in Pakistan have also taken a drastic hit. Toyota is the most popular vehicle brand in Pakistan. At IMC we strive to make our products as economical as possible so that our customers do not have to compromise on their first choice of motor vehicle brand. Our major focus is on reducing costs through extensive localization of parts, so that our customers do not have to pay for the plethora of taxes levied on imports. In keeping with this strategy of promoting "Make in Pakistan", we have localized around 1,168 parts in the passenger vehicle category (Corolla and Yaris) and around 407 parts in the commercial category of vehicles (Hilux, Revo and Fortuner). We are in pursuit of localizing even more parts.

In addition to economizing on costs, our patriotic mission is also to improve the technology and capability of our industry. This is something we are very proud of. One of the two major feats this year, that we achieved during the development of our new product Yaris, was a Technical Assistance Agreement between the Japanese company Toyota Boshoku and Thal Boshoku Pakistan, to produce seats and their component parts. We also entered into a new Technical Assistance Agreement between the Japanese supplier Yazaki Corporation and Thal Engineering (which already has a Technical Assistance Agreement with the Japanese company Furukawa Electric Group, for parts for our other vehicles).

Our commitment to support and promote the local industry is further evident in these difficult and trying times. We continue to face the hardships of the COVID-19 pandemic and despite the resulting



Winning QA & QC team representing Pakistan at the 30th Toyota Global QC Circle Convention

Information Technology

lockdown, we have offered special support packages (including but not limited to interest-free loans, etc.) to our local suppliers to maintain their sustainability.

Being a responsible corporate entity, our environmental initiatives go beyond the premises of the Company and run through our entire supply chain. We have launched many green initiatives such as tree

plantation and carbon emission reduction, both at our suppliers' and our own premises. In addition, out of our 52 local part suppliers, 36 have already obtained the internationally-recognized ISO14001 certification while the rest of them have shared a commitment with us to obtain it in the near future, ensuring that our entire supply chain is green.

Frugal Innovation in Challenging Times

The start of FY 19-20 coincided with dwindling consumer demand, which was reminiscent of a pendulum swing from one extreme of unprecedented sales and profitability in FY 18-19 to the other with the lowest sales ever experienced by IMC in over a decade. The devaluation of Pakistani Rupee and added government taxes and duties led to a price increase of automobiles, thus negatively affecting consumer sentiment. The economic challenges were exacerbated by the onset of the Coronavirus pandemic resulting in complete lockdown of sales and production activities from the last week of March till the end of May 2020.

In these times of tough economic challenges and public health emergency caused by the novel Coronavirus, the Information Technology Division of IMC has adopted a smart and frugal innovation strategy. Digital transformation with a purpose has been the mantra that has worked well for IMC over the years. A comprehensive Start-Stop-Continue (SSC) analysis was done at the beginning of the year to rationalize those initiatives that add value in the backdrop of economic and health challenges. The IT initiatives undertaken in the current fiscal year can be broadly categorized in two distinct categories. First, Business Process Automation with the eventual goal of achieving customer delight and cost-efficiency. The second is Digital Transformation Initiatives, the ultimate goal of which is to enhance human resource capacity of IMC staff so that they can operate remotely in a safe and efficient manner as prescribed by social distancing guidelines.

IMC Parts Ordering System

IMC implemented the latest version of SAP S/4 HANA in 2016. It was the first organization to have gone live with real-time data analytics capability provided by the inherent SAP FIORI user interface. The IMC SAP team, in conjunction with Supply Chain and Support Functions, has further improved the effectiveness of SAP through meaningful application of controls and purposeful automation. This year, the Imported Parts Ordering System (IPOS) has been further refined with real-time exporter calendar visibility. This has enabled the Production Planning team to accurately forecast and plan for timely arrival of imported parts and kits, thus ensuring appropriate production schedules and punctual delivery of vehicles to customers. In addition,

Warehouse Management has been configured to effectively utilize Bin Locations on a FIFO basis. This will ensure better yard capacity management and output from IMC.

Predictive Maintenance Through Internet-of-Things (IOT) Technology

In an effort to improve process efficiency, IMC has taken several initiatives that focus on enhancing visibility and integrity of process data. Predictive maintenance is one of the areas where IOT is being prototyped with potential benefits ranging from proactive reminders of machine breakdown to considerable savings by avoiding spare parts obsolescence.

Distributor Mobile App for Streamlining Oil Business

IMC has introduced a Distributor Mobile Application to streamline the operation of Toyota Genuine Oil. The mobile app with a simple and easy to follow interface, makes it easy for distributors to plan and order oil from IMC.

Cloud Migration for Higher Availability

As part of its carefully-engineered hybrid cloud strategy, IMC has migrated several mission-critical business applications to Cloud. One such application is Genesis, which is being extensively used at dealerships to cater to Customer Relations and the Aftersales business. The move to Microsoft Azure Cloud ensures the highest possible availability, integrity and confidentiality for customers.

Information Security and Business Continuity Planning (BCP)/ Disaster Recovery Planning (DRP)

The Information Security function has gained significant prominence in the wake of the ever-increasing cyber threats. In order to ensure Confidentiality, Integrity and Availability (CIA) of the enterprise data, there needs to be a constant focus on improving IT Security policies and procedures. In the current year, IMC reassessed and improved its BCP/DR Plan with the help of a reputed Big4 firm and also performed a successful DR drill. This has provided adequate assurance to the Board and shareholders about the strength of IMCs BCP/DR plan readiness. In order to improve physical security within the plant, an RFID/Fingerprint-based Access Control mechanism has been deployed to ensure authorized access.

Global Recognition

This year at the Global CIO 200 Summit 2019, IMCs Chief Information Officer was awarded the CIO 200 Award in the category “Inspiring Business Transformation”. The CIO 200 Award is a recognition of the digital transformation leaders and their undeniable merit in leading this revolution. The award felicitates technology’s hard taskmasters and their ingenious efforts in taking digitisation a notch above its standards with their experience and expertise.

Of the 3,200 nominations from 15 countries, 200 were selected to participate in the global event with 20 CIOs awarded the Global CIO Award in 10 different categories.

Future Outlook

Customer delight lies at the center of IMC’s IT Strategy. We will continue to build on the momentum that has been achieved on the Digital Transformation front. The novel Coronavirus has posed unprecedented challenges but we believe that with strong leadership and through smart and frugal use of digital technologies, we will come out even stronger than before. Toyota Vision 2025 talks about achieving ‘4Most’ in Business and contributing to society as ‘The Best in Town’ Company. IMC IT will be a key enabler for achieving this vision of being the Company with Most Customers, Most Profitable, Most Competitive and Most Innovative.



IMCs Chief Information Officer receiving the CIO 200 Award in the category “Inspiring Business Transformation”

Corporate Social Responsibility

Advancing Concern Beyond Cars

IMC’s CSR for COVID-19 Pandemic

The Coronavirus (COVID-19) pandemic represents a massive global health crisis, threatening millions of lives and has tremendously disrupted the socio-economic circumstances of the whole world. To prevent the spread of this contagious disease, the provincial governments ordered city lockdowns, whereas changing of social behaviours has become a moral imperative.

Safety and security of customers, employees and other stakeholders is always our top priority. IMC has immediately implemented all precautionary measures based on the guidance received from government authorities in order to help prevent the spread of COVID-19 infections. Sudden declared city lockdowns caused inconvenience to many residents and the worst affected were domestic workers and daily-wagers who lost their source of income. Accordingly, IMC offices and factory were shut for over two months.



Donation of grocery hampers in collaboration with Saylani Welfare Trust

As a responsible corporate citizen, IMC made following contributions:

- Donated Rs. 20 million to the “Prime Minister’s COVID-19 Pandemic Relief Fund 2020”;
- Provided ration hampers to more than 6,500 families during the lockdown;
- Donated Rs.3.3 million to Saylani Welfare Trust towards grocery hampers for distribution amongst 2,600 families in neighboring communities;
- Donated Rs.7.50 million and 50,000 surgical masks to SIUT to help our hospitals and frontline healthcare workers;
- Donated Rs.10 million to the Shaukat Khanum

Memorial Cancer Hospital & Research Centre.

- Donated Rs.10 million to Indus Hospital to help provide quality treatment to the underprivileged community during the unprecedented COVID-19 crisis;
- Donated a ventilator machine to the Aga Khan University Hospital
- IMC authorized Dealers across the country also extended assistance to under privileged communities through financial assistance, distribution of food hampers and Personal Protective Equipment for hospital staff.

Concern Beyond Cars: IMC’s Evolutionary Path of 30 Years

Corporate Social Responsibility (CSR) has been transformed from a simple idea of charity to one of the most orthodox and widely accepted concepts in the corporate world over the last few decades. In this day and age, CSR has become almost universally endorsed and promoted by all constituents of society, from governments and corporations to non-governmental organizations and individual consumers.

Indus Motor Company celebrated its 30th annual milestone this year - a journey of continuous commitment. The charity chapter of IMC has progressively evolved from the humble concept of “Corporate Giving” to strategic CSR. It is no longer associated only with the philanthropic functions of the Company but has acquired an ingrained status in corporate culture. Throughout the evolutionary path of 30 years, the legacy of the Company’s first Chairman, late Mr. Ali Suleman Habib will always be cherished.

Acutely mindful of our social responsibility, we aim for both business competitiveness and social development to achieve corporate social integration in consonance with the IMC Vision, Mission, Core Values and the UNGC Principles. Indus Motor has always demonstrated a respectable corporate conduct throughout the entire spectrum of its activities and operations. By aligning with and measuring up to activities in line with the United Nation’s Sustainable Development Goals (SDGs), we reaffirm our commitment to adopting sustainable practices and providing multi-faceted and positive contributions to the communities in which we operate and in society at

large. Being a responsible organization, Indus Motor takes CSR as an obligation to society which extends beyond economic and legal duties. Apart from the social obligation to social responsibility, we consider CSR as social responsiveness towards promoting positive changes both in terms of proactive and reactive approaches.

In the last 5 years, we have contributed Rs. 926 million on focused, prioritized, sustainable and high social impact initiatives in the areas of Education, Environment, Health, National Emergencies and Community Welfare. While additional information about our efforts on sustainable development and social contributions is being published simultaneously in our Sustainability Report 2020, a few projects are worth highlighting. We wish to dedicate these contributions as part of the 30 years celebration - A Journey of Continuous Commitment!

Rs. 926 million
spent over last **5 Years**

Employees Engagement

Indus Motor has always striven to discharge its duties and to encourage its employees to discharge their responsibilities in line with the ideals of corporate ethics and principles. In keeping with this effort, IMC always encourages engagement of employees in its various CSR activities which are strategically placed, as we believe that CSR gives employees a feeling of unparalleled happiness as employees take pride in helping the less fortunate. In doing so, people develop the habit of working together as a single unit to help others. They also develop a sense of loyalty and attachment towards the organization which amounts to concern for the society. This year 4,839 man-hours were accomplished by our employees, compared with 5,238 man-hours last year.

Sustainable Development Goals (SDG)-8 Leadership

Realizing that CSR and behaving responsibly is not a matter of choice rather a matter of necessity, Indus Motor has been incorporating the Global Goals in its annual sustainability reporting since 2017.

For its SDG Leadership Program, the Pakistan Business Council (PBC) has recognized nine industry leaders in Pakistan that are championing SDGs relevant to businesses. We are proud that Indus Motor has also been recognized as one of the industry leaders that is championing the SDG-8: Decent Work

and Economic Progress. Industry leaders have been asked to share their best practices and to train other companies on how they can contribute and report on particular SDG targets through well-planned webinars, workshops and awareness events.

Toyota's well-known secret weapon is lean production, the revolutionary approach to business processes that it invented in the 1950s and has spent decades perfecting. The lean tools and techniques are the real foundation of Indus Motor's success.



IMC and PBC workshop under its SDG Leadership Program

Environment and Ecology Conservation

As a leading Company in the automobile sector, Indus Motor has taken several strides in its quest to reduce its carbon footprint. From launching fuel-efficient materials and working with vendors and dealers to spread the green message, IMC has come a long way. While we have continued various green initiatives and challenges, we understand that going green will have to be a way of life. We continuously strive to persuade our employees to make the auto sector green and encourage industry at large to emulate these efforts.

We challenge ourselves to find ways of broadening and diversifying the pool of people who care about the environment, feel a sense of responsibility to improve it and have the skills to take effective action. In this context, inter-generational programming could be an effective strategy for broadening the public's awareness and participation in environmental activities.

Million Tree Plantation Drive

Duly inspired by the Toyota Environmental Challenge 2050, Indus Motor is substantially progressing in the Million Tree Plantation Drive, launched in December 2018. Till the current fiscal year end, accumulatively 300,000 tree saplings have already been planted across Pakistan. Sustainability of the species planted

is an essential element for our Million Tree Plantation Drive, hence quarterly reporting of the plants is vigorously being followed.



Planted
300,000
tree saplings across
P A K I S T A N

Sustainable City Drive

The phase-II of the 5S Clean and Green Drive, coupled with creating awareness about plastic pollution in private and public schools has been halted since March '20 due to lockdown situation under the COVID-19 pandemic. So far, 124 schools have been covered and have touched more than 80,000 students. The prime objective of this Drive, carried out through our partner WWF, is to instill a sense of ownership, particularly in the younger generation, so that they can understand the positive impact they can make on their society. The 5S philosophy of Toyota has also been inculcated in the Drive so that everyone aspiring to take ownership of the overall environment can benefit by increasing their efficiency through these concepts.



"5S Clean and Green Drive" in private and public schools

Community Uplift Program

Based on our CSR principles, we strive to make a positive contribution to the downtrodden communities in which we operate. Accordingly, we have invested in the health and education program that aims to bring sustainable improvement to economically marginalized people. As a part of CSR, our well-organized "Community Uplift Program" is helping under-privileged people to lead better lives in a number of villages. With a view to sustaining and to achieving success on this scale, Indus Motor is partnering with the internationally-reputed Saylani Welfare Trust since January 2020 for distribution of cooked food and rations, as well as free medical camps.

Weekly Food Distribution Program

Indus Motor realizes that food security and nutrition are fundamental to the development of any society without which targets in healthcare and education cannot be met. The goal of our Food Distribution service is not only to support those who are suffering from chronic hunger today but also to encourage them towards creating a positive impact on their social inclusion. We distribute food packs every year to the needy people to help them in maintaining their kitchen expenses due to high prices of food items in the month of Ramadan. Partnering with Saylani Welfare Trust, we have managed our distribution activities under the Family Card System that helps us in smooth and fair distribution corresponding to family size.



Weekly Food Distribution by IMC

Weekly Free Medical Camps

Carrying on Weekly Free Health Camps since the inception of IMC is an effective strategy, because the economic prosperity of a community depends on their healthy and productive population. Our proactive approach towards improving the overall health and well-being of our neighbouring downtrodden community has widespread recognition and is a great success story in the CSR domain. In order to meet the increased demand, IMC has signed an agreement with the Saylani Welfare Trust and, from January 2020 the Trust has started full operations. It has begun with

the investigation facility. With extended service hours, now the Medical Camps are being run for three days at three locations every week.



Weekly Free Medical Camps

Bi-Monthly Free Psychiatric Medical Camps

Due to various factors, one person commits suicide every 40 seconds around the globe. 95% of mental health problems are curable. During the Lyari turmoil, a number of residents migrated to villages in the vicinity of the Company. As a result of their socio-economic disorder, around 300 persons were diagnosed as psychiatric and epilepsy patients. IMC, in collaboration with the Basic Needs Pakistan an NGO, holds free Psychiatric Medical Camps twice



Bi-Monthly Free Psychiatric Medical Camps

a month as well as Awareness Campaign. The integrated medical camp offers exclusive mental health services to the less-fortunate communities through a team of trained personnel in Psychiatry, Psychology and Social Mobilizer techniques.

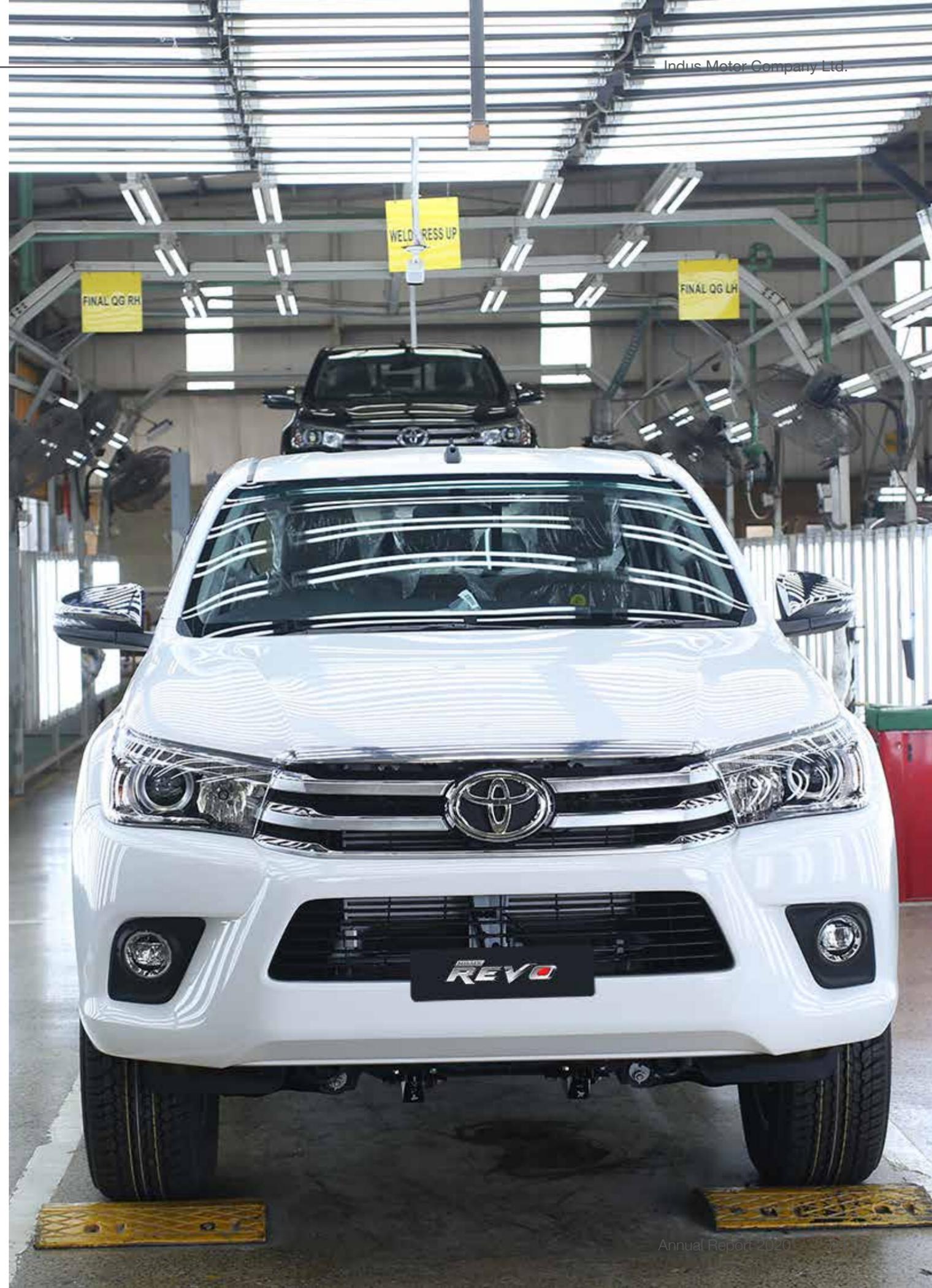
Toyota – Goth Education Program

One of the major challenges in Sindh is the high number of out-of-school children, which is around a total of 40% of the children population. The Toyota Goth Education Program (T-GEP) was initiated in 2008 under IMC’s “Neighbour Community Uplift Program” with the objective of breaking the cycle of poverty through extensive support to children for quality education from elementary level to higher education. So far, two batches have successfully completed their Matriculation. Appreciating the overall excellent results, IMC carries on its full support for the Higher Secondary Education of all the 16 passed-out students. Currently, 246 students are enrolled in T-GEP for their elementary-to-secondary education from 10 school campuses of The Citizen Foundation. With the objective of cultivating distinction, seven shortlisted senior students of T-GEP (5 girls and 2 boys) were sponsored for participation in Pakistan’s unique wilderness-based Youth Leadership Conference “Markhor-2019”, held in October 2019, at Makra Peak Base, Shogran. This Conference has helped participants in achieving (1) Self Exploration, (2) Social Activism, (3) Instilling the Markhor Spirit, (4) Creating Sustainable Change through Social Entrepreneurship and (5) Innovation and Creative Thinking.

Our efforts in CSR and good governance have not gone unnoticed. During the year, different prestigious organizations, such as the Pakistan Stock Exchange, Management Association of Pakistan, Asiamoney of UK, Global Compact Network Pakistan, and National Forum of Environment & Health, recognized IMC’s contributions and conferred various awards on it.



T-GEP students participating in Youth Leadership Conference, “Markhor-2019” at Makra Peak Base, Shogran.



Global Vision for Those We Serve

Defining the ideal form of the company for each stakeholder and the outline for the future it should take in order to realize the Global Vision

We aim to exceed expectations and be rewarded with a smile. We will meet challenging goals by engaging the talent and passion of people, who believe there is always a better way as we set out in the Global Vision. That means, we will sincerely listen to the voices of every stakeholder - customers, employees, business partners, shareholders, and global society/local communities, and respond to those expectations. The expression "Global Vision for Those We Serve" is our way of organizing and explaining the thoughts constituting the Global Vision in relation to stakeholders. It is Toyota's resolve to meet challenging goals step by step to see the smiles and happiness of everyone including customers and beyond.



Customers

Provide safe and reliable vehicles that inspire enthusiasm at affordable prices. Listen sincerely to customer voices and continue to reinvent ourselves through sufficient information disclosure and dialogue.



Shareholders

Ensure sustainable growth by fostering the virtuous circle:

- o Always better cars
- o Enriching lives of communities
- o Stable base of business.



Employees

Create working environments for various employees to work proudly and with loyalty and confidence in fulfilling their potential, which realize their self-growth.



Business Partners

Contribute for economic development of local communities with open stance to new suppliers and dealers and through sustainable growth based on mutually beneficial business relationships with dealers/distributors and suppliers.



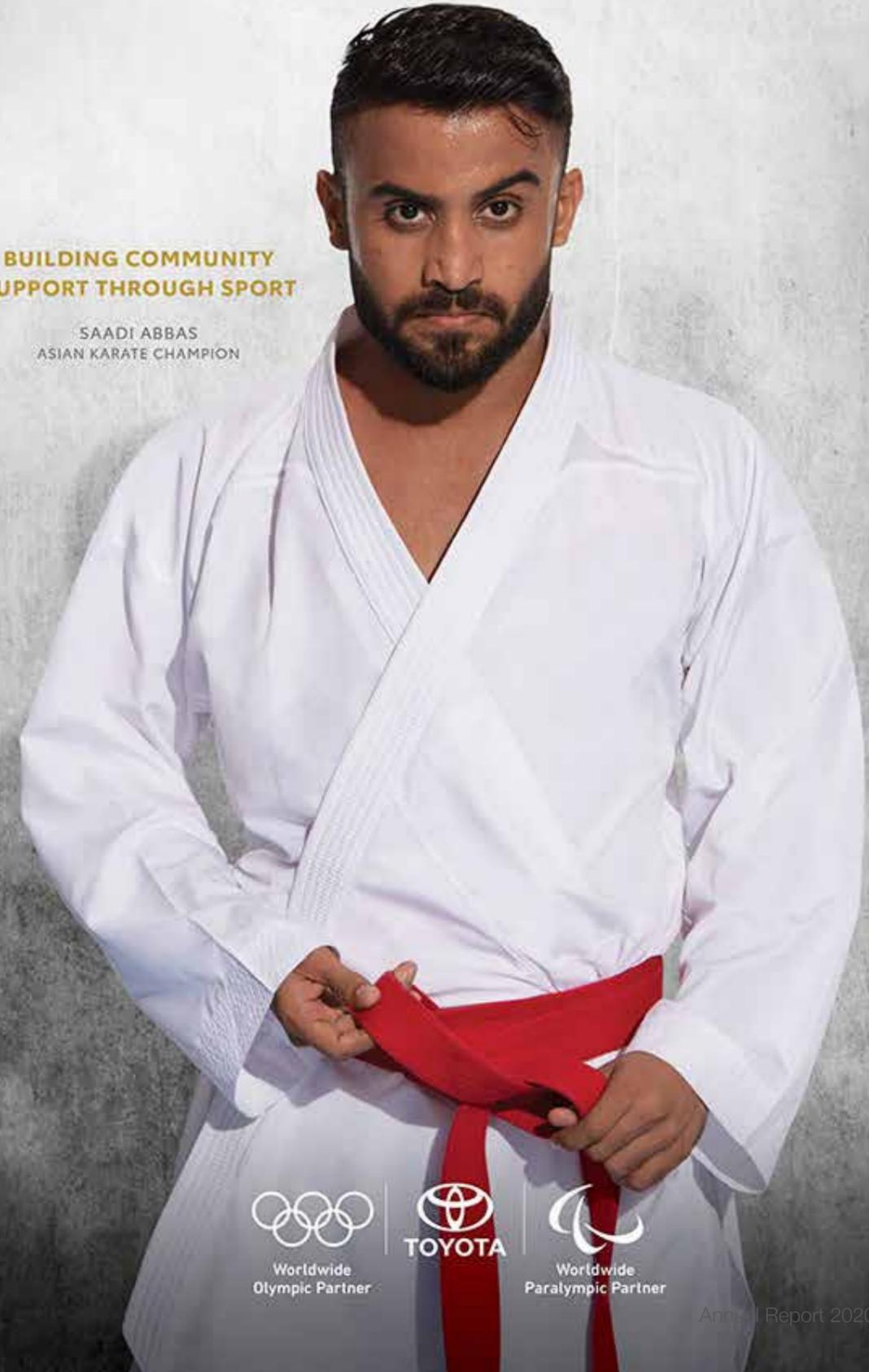
Global Society/Local Communities

Reduce environmental burdens through lifecycle by developing various eco-friendly vehicles and technologies and making them prevail. As a good corporate citizen, respect the culture and customs of every nation and contribute to social development. Be aware of responsibilities of developing and producing vehicles and contribute for realization of new mobility society free from traffic accidents and congestion.

START YOUR IMPOSSIBLE

**BUILDING COMMUNITY
SUPPORT THROUGH SPORT**

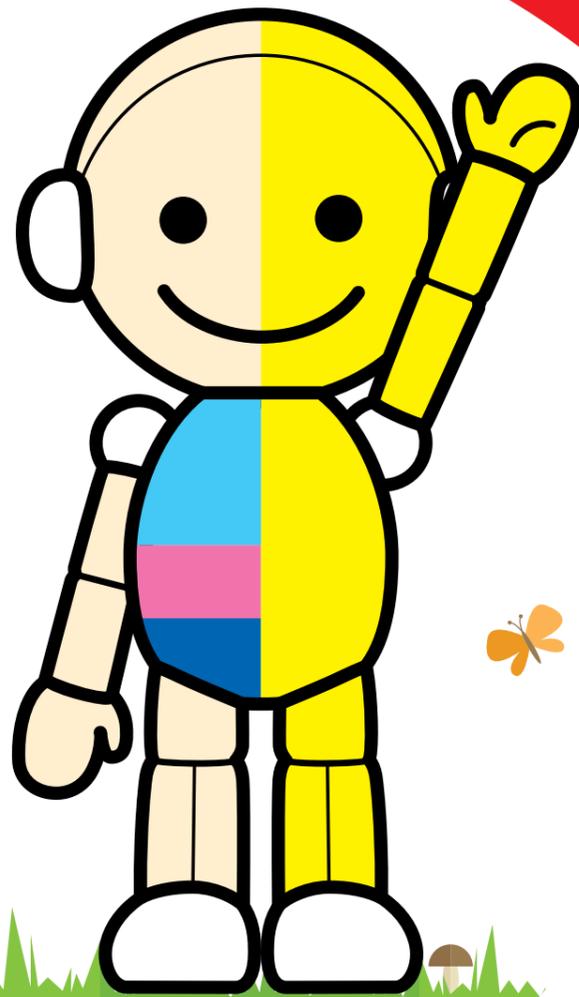
SAADI ABBAS
ASIAN KARATE CHAMPION



Fun Facts & Tips for Safety



Hello!
I am
THUMS



BE
SAFETY
LEADERS
besafetyleaders.com

YOU NEVER DRIVE ALONE

Even if you are alone in the car, you're still responsible for more lives than you think. That's because the safety of other road users are in your hands every time you're behind the wheel.



SAFETY MULTIPLIER

There's a very simple way to enhance the effectiveness of airbags by 15 times- WEAR YOUR SEATBELT.



S IS FOR SAFETY

Keeping your child safe during a car ride is easy as ABC. Just put your child in a child safety seat. This can reduce the risk of fatality by 71% for infants and 54% for toddlers aged 1 to 4 years.



AIRBAG SPEED

The only thing that should be speeding is your airbag. Deployed at speeds of up to 200mph in 0.2 seconds, the airbag provides protection between you and the steering wheel, dashboard or windshield.



AIRBAGS ENDANGER CHILDREN

Children aged 12 and under should always ride in the rear because the explosive force used to deploy an airbag can be fatal to young children. For the same reason, a rear-facing car seat for infants and toddlers should not be placed in front of an airbag.



SAVED BY A SEATBELT

100,000 - that's the average number of people saved by seatbelts every year.



SAFETY FEATURES TO KNOW

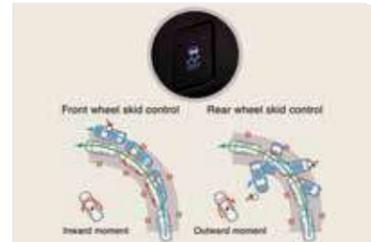
ISOFIX CHILD SEAT ANCHORS

ISOFIX child seat anchors allow you to fit a car seat directly into a vehicle without using a seatbelt. It is used for the safety of children so that child seat is installed properly on a regular basis.



VSC (VEHICLE STABILITY CONTROL)

VSC helps suppress vehicle lateral skidding when cornering or during emergency steering maneuvers for excellent handling and stable performance.



GOA BODY WITH REINFORCEMENT

GOA (Global Outstanding Assessment) is collision safety body consisting of an impact absorbing body structure and high integrity cabin. In the case of a crash, the GOA body helps in minimizing cabin deformation.



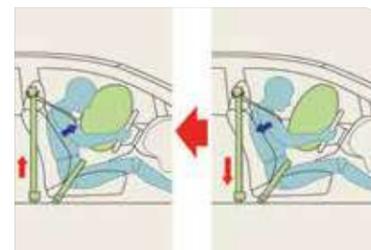
DUAL SRS AIRBAGS

The SRS (Supplemental Restraint System) airbags inflate when the vehicle is subjected to certain types of severe impacts that may cause significant injury to the occupants. They work together with the seat belts to help reduce the risk of death or serious injury. They can help protect the head and chest of the driver and front passenger from impact with interior components. SRS front airbags do not generally inflate if the vehicle is involved in a side or rear collision, if it rolls over, or if it is involved in a low-speed frontal collision.



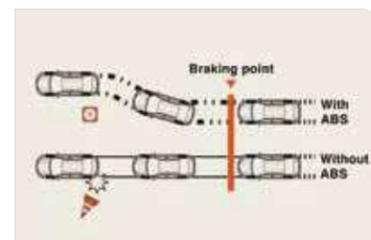
SEATBELT: PRETENSIONER WITH FORCE LIMITER & ELR

The pretensioners help the seatbelts to quickly restrain the occupants by retracting the seatbelts when vehicle is subjected to certain types of severe frontal collision. Force limiters mitigate the impact applied to the chest, thus contributing to achieving excellent occupant restraint performance. minimizing cabin deformation.



ABS AND EBD

Anti-lock Braking System (ABS) helps to prevent the wheels from locking up and skidding during hard braking, allowing you to retain steering control. Electronic Brake Distribution (EBD) ensures brake force is distributed optimally between all wheels for effective braking.



Awards and Recognition

- **PSX** - Top-25 Companies for the years 2016 and 2018
- **Asiamoney** - Most Outstanding Company in Pakistan 2019 (Automobiles & Component Sector)
- **Management Association of Pakistan** - 35th Corporate Excellence Award 2019 in Automobile
- **The Global Compact Network Pakistan of UNGC** - Living the Global Compact Best Practices Sustainability Award 2019
- **National Forum for Environment & Health** - Corporate Social Responsibility Award 2020
- **Toyota Motor Asia Pacific** - Outstanding Customer Service Excellence Award 2019
- **Toyota Motor Asia Pacific** - 1st Prize in the 13th Asia Pacific Toyota Business Practice (TBP) Contest 2020
- **Toyota Motor Asia Pacific** - Toyota Commendable Kaizen Award in the category of Body & Paint



Chief Financial Officer IMC, Mr. Mohammad Ibadullah receiving the 35th Corporate Excellence Award 2019



CEO IMC, Mr. Ali Asghar Jamali receiving the PSX Top-25 Companies Award



Awards conferred on Indus Motor Company during the year

Financial Statements



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

Indus Motor Company Limited
For the year ended June 30, 2020

This statement is being presented to comply with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) for the purpose of establishing a framework of good governance.

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

1. The total number of Directors are ten (10) as per the following:
 - a. Male: Nine (9)
 - b. Female: One (1)
2. At the year ended June 30, 2020, the composition of the Board of Directors (the Board) is as follows:

| Category | Names |
|-------------------------|---|
| Independent Directors | Mr. Azam Faruque Mr. Riyaz T. Chinoy Ms. Syeda Tatheer Z. Hamdani |
| Non-Executive Directors | Mr. Mohamedali R. Habib Mr. Imran Ali Habib Mr. Muhammad Hyder Habib Mr. Noriaki Kurokawa Mr. Tetsuya Ezumi |
| Executive Directors | Mr. Yuji Takarada Mr. Ali Asghar Jamali |

The Independent Directors meet the criteria of independence under the Companies Act, 2017.

3. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable);
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies alongwith their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Companies Act, 2017 and the Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of the meeting of the Board.

8. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.
9. Out of ten Directors, seven Directors are duly certified or exempted, from the Directors' Training Program. During the year the Board has arranged Directors' Training program for the following:
 - a) Mr. Ali Asghar Jamali, CEO and Director; and
 - b) Mr. Yuji Wagata, Alternate Director of the Board.
10. The Board has approved appointment of the Chief Financial Officer (CFO), including his remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. During the year, there has been no change in the position and terms and conditions of employment of the Company Secretary and Head of Internal Audit.
11. The CFO and Chief Executive Officer (CEO) have duly endorsed the financial statements before approval of the Board.
12. The Board has formed Committees comprising of members given below:

| Name of Committees | Names of Members and Chairman |
|-----------------------------------|--|
| Board Audit Committee | Mr. Azam Faruque – Chairman |
| | Mr. Imran Ali Habib – Member |
| | Mr. Muhammad Hyder Habib – Member |
| | Mr. Noriaki Kurokawa – Member |
| | Mr. Tetsuya Ezumi – Member |
| | Mr. Riyaz T. Chinoy – Member |
| Board HR & Remuneration Committee | Mr. Azam Faruque – Chairman |
| | Mr. Mohamedali R. Habib – Member |
| | Mr. Yuji Takarada – Member |
| | Mr. Ali Asghar Jamali – Member |
| | Ms. Syeda Tatheer Zehra Hamdani – Member |

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committees for compliance.
14. The frequency of meetings of the Committees during the year was as per the following:
 - Board Audit Committee Quarterly meetings
 - Board HR & Remuneration Committee Half yearly meetings
15. The Board has set up an effective Internal Audit function who is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.
16. During the year, five vacancies occurred on the Board that were filled up by the Directors within the prescribed number of days.

17. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with the Audit Oversight Board of Pakistan, that they and all their partners are in compliance with the International Federation of Accountants (IFAC) guideline on Code of Ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.
18. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirements and the auditors have confirmed that they have observed IFAC guidelines in this regard.
19. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



Mohamedali R. Habib
Chairman
Indus Motor Company Limited

Karachi
August 10, 2020

INDEPENDENT AUDITOR'S REVIEW REPORT To the members of Indus Motor Company Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Indus Motor Company Limited (the Company) for the year ended June 30, 2020 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2020.



A. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: August 31, 2020

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

■ KARACHI ■ LAHORE ■ ISLAMABAD

INDEPENDENT AUDITOR'S REPORT

To the members of Indus Motor Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Indus Motor Company Limited (the Company), which comprise the statement of financial position as at June 30, 2020, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2020 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Following are the Key audit matters:

| S. No. | Key audit matters | How the matter was addressed in our audit |
|--------|--|--|
| (i) | Estimates involved in the provision for warranty obligations (Refer note 21.4 to the annexed financial statements) | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We obtained an understanding of the warranty process, evaluated the design of, and performed the related test of controls; We evaluated the appropriateness of the Company's methodology for calculating the charge of warranty provisions for the year and tested the basis for the assumptions developed and used in the determination of the warranty provisions; We assessed the reasonableness of the assumptions used in determination of the warranty provision and tested the validity of the data used in the calculations; and We assessed the adequacy of disclosures made by the Company in accordance with the applicable financial reporting framework. |
| | <p>The Company normally provides warranty on its locally manufactured vehicles to customers and maintains a provision in this respect, which amounts to Rs 1,462.468 million as at June 30, 2020. The management carries out a semi-annual exercise to assess the reasonableness of the provision for warranty obligations retained in the financial statements. The management and the Board of Directors of the Company consider it as a significant estimate and the provisioning methodology is regularly reviewed by the Board's Audit Committee. Management's estimates consider historical claims experience, including the nature, frequency, severity and average cost of claims of each vehicle line or each model year of the vehicle line. In ascertaining the adequacy of the provision, the Board takes into account the trend of regular warranty claims and any previous incidents of recall.</p> <p>Due to the significance of the provision balance and related significant estimation involved, we considered it as a key audit matter.</p> | |

S. No. Key audit matters How the matter was addressed in our audit

(ii) Capital expenditure (Refer note 4 to the annexed financial statements)

During the current year, the Company has incurred significant capital expenditure mainly to enhance production capacity, technological upgrades and strengthen the existing product slate of the Company, as part of extension, expansion, balancing and modernization activities and has been capitalized during the year.

We consider the above as a key audit matter being significant transactions and events for the Company during the year.

Our audit procedures included the following:

- Assessed, on a sample basis, costs capitalised during the year by comparing the costs capitalised with the relevant underlying documentation, which included purchase agreements and invoices;
- Assessed whether the costs capitalized met the relevant criteria for capitalization as per the applicable financial reporting framework;
- Evaluated management's estimation of economic useful lives and residual values by considering our knowledge of the business and practices adopted in the local industry;
- Checked the date of transferring capital work-in-progress to operating fixed assets by examining the completion certificates, on a sample basis; and
- Assessed whether the disclosures are made in accordance with the applicable financial reporting framework.

(iii) Impact of COVID-19 (Refer note 45 to the annexed financial statements)

Due to the COVID-19 situation and lockdown in the country since March 2020, business activity has been adversely affected. The Company's factory and offices were closed that resulted in a decline in the Company's sales from March 2020. Many of the functions and operations were carried out remotely. This affected the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team

Our audit procedures amongst others included the following:

- Obtained an overall understanding of the changes in financial reporting process and underlying controls in order to determine the appropriate audit strategy;
- Utilised technology for communication and evidence gathering;
- For information/record provided by management in scanned form, the original record was checked subsequently when the lockdown was relaxed;

S. No. Key audit matters How the matter was addressed in our audit

In relation to the accounting and reporting obligations, management assessed the following significant areas for incorporating COVID-19 impact in the financial statements:

- expected credit losses (ECL) under IFRS 9, 'Financial Instruments';
- the impairment of tangible and intangible assets under IAS 36, 'Impairment of non-financial assets';
- the net realisable value (NRV) of inventory under IAS 2, 'Inventories';
- deferred tax assets in accordance with IAS 12, 'Income taxes';
- provisions and contingent liabilities under IAS 37, including onerous contracts; and
- going concern assumption used for the preparation of the financial statements

The COVID-19 pandemic is a significant development during the year having the most significant impact on audit strategy and its execution and involved assessment of significant management judgments in the preparation of financial statements. Therefore, we considered it to be a key audit matter.

• For confirmation received through email, the authenticity of the confirmations was ensured by performing alternate procedure such as making telephone calls to confirming parties;

• Assessed the reasonableness of forward-looking factors under the COVID-19 situation used by management in preparing ECL model;

• Evaluated whether any impairment indicators exist that could trigger impairment for tangible and intangible assets;

• Obtained the computation of NRV and checked its reasonableness;

• Evaluated management's assessment as to whether any provisions were required to be recorded as a result of COVID-19; and

• Evaluated management's going concern assessment by reviewing the approved budget/ future cash flow forecast and assessed whether going concern assumption is appropriate.

• Assessed the adequacy of the disclosures made by the Company under the applicable financial reporting framework.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Shahbaz Akbar.



Chartered Accountants
A.F. Ferguson & Co.
Date: August 31, 2020
Karachi

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Statement of Financial Position

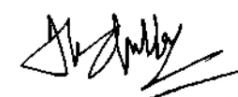
As at June 30, 2020

| | Note | 2020 | 2019 |
|---|------|-----------------------------|-------------------|
| | | ------(Rupees in '000)----- | |
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 4 | 16,501,642 | 13,804,509 |
| Intangible assets | 4 | 72,550 | 93,524 |
| Long-term loans and advances | 5 | 12,639 | 15,906 |
| Long-term deposits | 6 | 10,020 | 11,129 |
| Deferred taxation - net | 7 | 64,491 | - |
| | | <u>16,661,342</u> | <u>13,925,068</u> |
| Current Assets | | | |
| Stores and spares | 8 | 478,455 | 544,005 |
| Stock-in-trade | 9 | 15,932,791 | 13,560,393 |
| Trade debts - unsecured | 10 | 1,141,711 | 2,547,915 |
| Loans and advances | 11 | 2,990,543 | 3,728,026 |
| Short-term prepayments | 12 | 27,272 | 31,946 |
| Accrued return | 13 | 111,128 | 34,846 |
| Other receivables | 14 | 438,655 | 3,109,549 |
| Taxation - net | 16 | 130,725 | 617,068 |
| Short-term investments | 15 | 41,194,878 | 23,402,464 |
| Cash and bank balances | 17 | 1,171,064 | 3,281,782 |
| | | <u>63,617,222</u> | <u>50,857,994</u> |
| TOTAL ASSETS | | <u>80,278,564</u> | <u>64,783,062</u> |
| EQUITY | | | |
| Share Capital | | | |
| Authorised capital 500,000,000 (2019: 500,000,000) ordinary shares of Rs 10 each | | <u>5,000,000</u> | 5,000,000 |
| Issued, subscribed and paid-up capital | 18 | 786,000 | 786,000 |
| Reserves | 19 | <u>40,383,391</u> | <u>39,259,309</u> |
| | | <u>41,169,391</u> | <u>40,045,309</u> |
| LIABILITIES | | | |
| Non-Current Liabilities | | | |
| Long term loan | 20 | 479,326 | 80,540 |
| Deferred Revenue | | 3,799 | 53,690 |
| Deferred taxation - net | 7 | - | 424,690 |
| | | <u>483,125</u> | <u>558,920</u> |
| Current Liabilities | | | |
| Current portion of deferred revenue | | 28,420 | 3,300 |
| Current portion of long term loan | 20 | 113,425 | - |
| Unclaimed dividends | | 357,066 | 295,597 |
| Trade payables, other payables and provisions | 21 | 13,593,480 | 15,950,203 |
| Advances from customers and dealers | 22 | <u>24,533,657</u> | <u>7,929,733</u> |
| | | <u>38,626,048</u> | <u>24,178,833</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>80,278,564</u> | <u>64,783,062</u> |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 25 | | |

The annexed notes 1 to 49 form an integral part of these financial statements.


Mohammad Ibadullah
Chief Financial Officer

Ali Asghar Jamali
Chief Executive

Yuji Takarada
Vice Chairman & Director

Mohammad Ibadullah
Chief Financial Officer

Ali Asghar Jamali
Chief Executive

Yuji Takarada
Vice Chairman & Director

Statement of Profit or Loss

For the year ended June 30, 2020

| | Note | 2020 | 2019 |
|--|------|-----------------------------|--------------------|
| | | ------(Rupees in '000)----- | |
| Revenue from contracts with customers | 26 | 86,167,016 | 157,996,212 |
| Cost of sales | 27 | (78,716,157) | (138,804,538) |
| Gross profit | | <u>7,450,859</u> | <u>19,191,674</u> |
| Distribution expenses | 28 | (1,468,862) | (1,403,611) |
| Administrative expenses | 29 | (1,385,099) | (1,410,033) |
| Other operating expenses | 30 | (196,740) | (234,977) |
| | | <u>(3,050,701)</u> | <u>(3,048,621)</u> |
| | | <u>4,400,158</u> | <u>16,143,053</u> |
| Workers' Profit Participation Fund and Workers' Welfare Fund | 31 | (231,934) | (1,406,379) |
| | | <u>4,168,224</u> | <u>14,736,674</u> |
| Other income | 32 | 3,204,872 | 4,306,662 |
| | | <u>7,373,096</u> | <u>19,043,336</u> |
| Finance cost | 33 | (85,737) | (67,407) |
| Profit before taxation | | <u>7,287,359</u> | <u>18,975,929</u> |
| Taxation | 34 | (2,205,332) | (5,260,954) |
| Profit after taxation | | <u>5,082,027</u> | <u>13,714,975</u> |
| | | | (Rupees) |
| Earnings per share - basic and diluted | 35 | <u>64.66</u> | <u>174.49</u> |

The annexed notes 1 to 49 form an integral part of these financial statements.

Statement of Comprehensive Income

For the year ended June 30, 2020

| | Note | 2020 | 2019 |
|--|------|-----------------------------|-------------------|
| | | ------(Rupees in '000)----- | |
| Profit after taxation | | 5,082,027 | 13,714,975 |
| Other comprehensive income | | | |
| <i>Items that will not be reclassified to profit or loss</i> | | | |
| Remeasurement gain on net defined benefit obligation | 23.4 | 15,993 | 693 |
| Related deferred tax charge thereon | | (4,638) | (201) |
| | | 11,355 | 492 |
| Total comprehensive income for the year | | 5,093,382 | 13,715,467 |

The annexed notes 1 to 49 form an integral part of these financial statements.

Statement of Cash Flows

For the year ended June 30, 2020

| | Note | 2020 | 2019 |
|---|------|-----------------------------|---------------------|
| | | ------(Rupees in '000)----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash generated from / (utilised in) operations | 36 | 24,617,778 | (6,346,782) |
| Net decrease in long-term loans and advances | | 3,267 | 32,619 |
| Net decrease / (increase) in long-term deposits | | 1,109 | (1,686) |
| Compensation paid on advances received from customers | | (13,526) | (403,646) |
| (Decrease) / increase in deferred revenue | | (49,891) | 30,979 |
| Payment to Workers' Profit Participation Fund | | (370,000) | (1,020,000) |
| Payment to Workers' Welfare Fund | | (330,495) | (450,978) |
| Interest paid on long term loan | | (4,038) | - |
| Income tax paid | | (2,212,807) | (7,129,771) |
| Net cash inflow from / (outflow) on operating activities | | 21,641,397 | (15,289,265) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of property, plant and equipment and intangible assets | | (5,566,967) | (8,749,118) |
| Proceeds from disposals of property, plant and equipment | | 122,732 | 68,577 |
| Interest received on bank deposits and Term Deposit Receipts | | 937,582 | 1,583,036 |
| Gain on sale of Pakistan Investment Bonds (PIBs) | | 137,022 | 308,105 |
| Investment in Pakistan Investment Bonds | | (499,962) | - |
| Investment in listed mutual fund units | | (6,750,000) | (8,238,074) |
| Dividend income received from mutual fund units | | 173,648 | 494,074 |
| Proceeds from redemption of listed mutual fund units | | 6,756,809 | 17,242,007 |
| Interest received on Market Treasury Bills | | 9,196 | 399,787 |
| Investment in Market Treasury Bills | | (18,800,438) | - |
| Proceeds from sale of Market Treasury Bills | | 20,416,251 | 1,103,183 |
| Net cash (outflow) on / inflow from investing activities | | (3,064,127) | 4,211,577 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Long term loan received | | 512,211 | 80,540 |
| Dividend paid | | (3,907,831) | (10,361,785) |
| Net cash outflow on financing activities | | (3,395,620) | (10,281,245) |
| Net increase / (decrease) in cash and cash equivalents during the year | | 15,181,650 | (21,358,933) |
| Cash and cash equivalents at beginning of the year | | 26,684,246 | 48,043,179 |
| Cash and cash equivalents at end of the year | 37 | 41,865,896 | 26,684,246 |

The annexed notes 1 to 49 form an integral part of these financial statements.


Mohammad Ibadullah
 Chief Financial Officer


Ali Asghar Jamali
 Chief Executive


Yuji Takarada
 Vice Chairman & Director


Mohammad Ibadullah
 Chief Financial Officer


Ali Asghar Jamali
 Chief Executive


Yuji Takarada
 Vice Chairman & Director

Statement of Changes In Equity

For the year ended June 30, 2020

| | Share Capital | | Reserves | | Sub-Total | Total |
|---|--------------------------------|-----------------------|-------------------------|-----------------------|-------------------|-------------------|
| | Issued, subscribed and paid-up | Capital Share premium | Revenue General reserve | Unappropriated profit | | |
| | (Rupees in '000) | | | | | |
| Balance at July 1, 2018 | 786,000 | 196,500 | 27,451,050 | 8,310,792 | 35,958,342 | 36,744,342 |
| Transfer to general reserve for the year ended June 30, 2018 appropriated subsequent to year end | - | - | 4,500,000 | (4,500,000) | - | - |
| Transactions with owners | | | | | | |
| Final cash dividend @ 450% for the year ended June 30, 2018 (Rs 45 per ordinary share) | - | - | - | (3,537,000) | (3,537,000) | (3,537,000) |
| 1 st Interim dividend @ 325% for the year ended June 30, 2019 (Rs 32.5 per ordinary share) | - | - | - | (2,554,500) | (2,554,500) | (2,554,500) |
| 2 nd Interim dividend @ 250% for the year ended June 30, 2019 (Rs 25 per ordinary share) | - | - | - | (1,965,000) | (1,965,000) | (1,965,000) |
| 3 rd Interim dividend @ 300% for the year ended June 30, 2019 (Rs 30 per ordinary share) | - | - | - | (2,358,000) | (2,358,000) | (2,358,000) |
| Total transactions with owners | - | - | - | (10,414,500) | (10,414,500) | (10,414,500) |
| Profit after taxation for the year | - | - | - | 13,714,975 | 13,714,975 | 13,714,975 |
| Other comprehensive income for the year | - | - | - | 492 | 492 | 492 |
| Total comprehensive income for the year ended June 30, 2019 | - | - | - | 13,715,467 | 13,715,467 | 13,715,467 |
| Balance at June 30, 2019 | 786,000 | 196,500 | 31,951,050 | 7,111,759 | 39,259,309 | 40,045,309 |
| Transfer to general reserve for the year ended June 30, 2019 | - | - | 4,500,000 | (4,500,000) | - | - |
| Transactions with owners | | | | | | |
| Final dividend @ 275% for the year ended June 30, 2019 (Rs 27.5 per ordinary share) | - | - | - | (2,161,500) | (2,161,500) | (2,161,500) |
| 1 st Interim dividend @ 70% for the year ended June 30, 2020 (Rs 7 per ordinary share) | - | - | - | (550,200) | (550,200) | (550,200) |
| 2 nd Interim dividend @ 60% for the year ended June 30, 2020 (Rs 6 per ordinary share) | - | - | - | (471,600) | (471,600) | (471,600) |
| 3 rd Interim dividend @ 100% for the year ended June 30, 2020 (Rs 10 per ordinary share) | - | - | - | (786,000) | (786,000) | (786,000) |
| Total transactions with owners | - | - | - | (3,969,300) | (3,969,300) | (3,969,300) |
| Profit after taxation for the year | - | - | - | 5,082,027 | 5,082,027 | 5,082,027 |
| Other comprehensive income for the year | - | - | - | 11,355 | 11,355 | 11,355 |
| Total comprehensive income for the year ended June 30, 2020 | - | - | - | 5,093,382 | 5,093,382 | 5,093,382 |
| Balance at June 30, 2020 | 786,000 | 196,500 | 36,451,050 | 3,735,841 | 40,383,391 | 41,169,391 |

Proposed final dividend and transfer between reserves made subsequent to the year ended June 30, 2020 are disclosed in note 46 to these financial statements.

The annexed notes 1 to 49 form an integral part of these financial statements.



Mohammad Ibadullah
Chief Financial Officer



Ali Asghar Jamali
Chief Executive



Yuji Takarada
Vice Chairman & Director

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

1 THE COMPANY AND ITS OPERATIONS

Indus Motor Company Limited (the Company) was incorporated in Pakistan as a public limited company in December 1989 and started commercial production in May 1993. The shares of the Company are quoted on the Pakistan Stock Exchange.

The Company was formed in accordance with the terms of a Joint Venture agreement concluded amongst certain House of Habib companies, Toyota Motor Corporation and Toyota Tsusho Corporation for the purposes of assembling, progressive manufacturing and marketing of Toyota vehicles. The Company also acts as the sole distributor of Toyota and Daihatsu vehicles in Pakistan and has a license for assembling, progressive manufacturing and marketing of these vehicles in Pakistan.

The registered office and factory of the Company is situated at Plot No. NWZ/1/P-1, Port Qasim Industrial Estate, Bin Qasim, Karachi.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise stated.

2.2 Statement of compliance

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

- International Financial Reporting Standards (IFRS) 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2.1 Initial application of new standards, amendments and interpretations to the existing standards

2.2.2 New standards, amendments to the existing accounting and reporting standards and interpretations effective during the year

- IFRS 16 "Leases" has replaced the guidance on accounting for leases, including IAS 17 "Leases", IFRIC 4 "Determining whether an Arrangement contains a Lease", SIC-15 "Operating Leases - Incentive" and SIC-27 "Evaluating the substance of transactions involving the legal form of a Lease". IFRS 16 has introduced a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right-of-use of the underlying asset and a lease liability representing its obligations to make lease payments. Lessor accounting remains similar to the current standard i.e. lessor continues to classify leases as finance or operating leases.

The management has assessed that the application of IFRS 16 does not have any significant impact on the Company's financial reporting.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

There are certain other amendments to accounting and reporting standards and interpretations that became applicable during the year but are considered not to be relevant or did not have any significant effect on the Company's financial reporting and operations and, therefore, have not been disclosed in these financial statements.

- The Securities and Exchange Commission of Pakistan (SECP) through its notification dated July 29, 2019 brought certain alterations in fourth schedule to the Act with regard to preparation and presentation of financial statements. These alterations resulted in elimination of certain disclosures in the financial statements of the Company for the year ended June 30, 2020.

2.2.3 New standards, amendments to the accounting and reporting standards and interpretations that are not yet effective and have not been early adopted by the Company

There are certain other new standards and amendments to the approved accounting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2020. However, these standards and amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these financial statements.

2.3 Property, plant and equipment

2.3.1 Property, plant and equipment - Owned

These are stated at historical cost less accumulated depreciation / amortisation and accumulated impairment losses, if any, except capital work-in-progress which is stated at cost less accumulated impairment losses, if any.

Assets having cost exceeding the minimum threshold as determined by the management are capitalised. All other costs are charged to the statement of profit or loss in the year in which such are incurred.

Subsequent costs are included in the asset's carrying amounts or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

All repairs and maintenance are charged to the statement of profit or loss during the financial period in which such are incurred. Major renewals and improvements, if any, are capitalised in accordance with IAS 16 'Property, Plant and Equipment' and depreciated in a manner that best represents the consumption pattern.

Disposal of assets is recognised when significant risk and rewards incidental to ownership have been transferred to buyer. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of profit or loss for the year.

Depreciation is charged to the statement of profit or loss applying the straight line method, whereby the depreciable amount of an asset is written off over its estimated useful life. The cost of leasehold land is amortised equally over the lease period. Depreciation is charged on additions from the month the asset is available for use and on disposals up to the month preceding the month of disposal. The rates of depreciation are stated in note 4.2 to these financial statements.

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

Gains and losses on sale or retirement of property, plant and equipment are included in the statement of profit or loss.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

Capital work-in-progress

All expenditures connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when assets are available for use.

2.3.2 Intangible assets - Computer Softwares

Computer softwares licenses acquired by the Company are stated at cost less accumulated amortisation. Softwares' costs are only capitalised when it is probable that future economic benefits attributable to the softwares will flow to the Company and the same is amortised applying the straight line method at the rates stated in note 4.2 to these financial statements.

2.4 Impairment of non-financial assets

The Company assesses at each reporting date whether there is any indication that all non-financial assets may be impaired. If any such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amounts and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amounts and the differences are recognised in the statement of profit or loss.

2.5 Stores and spares

Stores and spares, except in transit are valued at cost, determined on a moving average basis. Provision is made for any slow moving and obsolete items. Items in transit are valued at cost comprising invoice values plus other charges incurred thereon.

2.6 Stock-in-trade

Stock-in-trade, except in transit, are valued at the lower of cost and net realisable value. Stock in transit are valued at cost as accumulated upto the reporting date, comprising invoice values plus other charges incurred thereon.

Cost of raw materials, own manufactured vehicles and trading stock is determined on a moving average basis. Cost of work-in-process is valued at material cost.

Provision for obsolete and slow moving stock-in-trade is determined based on the management's assessment regarding their future usability.

Net realisable value signifies the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to be incurred for its sale.

2.7 Financial Instruments

2.7.1 Financial assets

a) Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

b) Fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Fair value through profit or loss

A financial asset is measured at fair value through profit or loss if it is not measured at amortised cost or at fair value through other comprehensive income.

All financial assets are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets at amortised cost are initially recognised at fair value plus transaction costs and are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment losses are recognised in the statement of profit or loss. Financial assets carried at FVOCI are initially and subsequently measured at fair value, with gains and losses arising from changes in fair value recognised in other comprehensive income. Financial assets carried at FVPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVPL are included in the statement of profit or loss and in the period in which they arise.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. On derecognition of a financial asset, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit or loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company applies the simplified approach to recognise lifetime expected credit losses for trade and other receivables.

2.7.2 Financial Liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of profit or loss.

2.7.3 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle either on a net basis, or realize the asset and settle the liability simultaneously.

2.8 Loans, advances and deposits

These are stated at cost less estimates made for any doubtful receivables based on a review of all outstanding amounts at the reporting date. Balances considered doubtful and irrecoverable are written off when identified.

2.9 Trade debts and other receivables

Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest method. Impairment of trade debts and other receivables is described in note 2.7.1.

2.10 Derivative financial instruments and hedge accounting

The Company designates derivative financial instruments as either fair value hedge or cash flow hedge.

Fair value hedge

Fair value hedge represents hedges of the fair value of recognised assets or liabilities or a firm commitment. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The carrying value of the hedged item is adjusted accordingly.

Cash flow hedge

Changes in fair value of derivative hedging instruments designated as a cash flow hedge are recognised in the statement of comprehensive income to the extent that the hedge is effective. To the extent the hedge is ineffective, changes in fair value are recognised in the statement of profit or loss.

Amounts accumulated in equity are reclassified to the statement of profit or loss in the periods in which the hedged item will affect the statement of profit or loss.

2.11 Income tax

The tax expense for the year comprises of current and deferred tax. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in OCI or directly in equity. In which case, the tax is also recognised in OCI or directly in equity.

- Current

Provision for current taxation is based on the taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted at the reporting date, taxes paid under the final tax regime and any adjustment to tax payable in respect of previous years.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

- Deferred

Deferred tax is recognised using the balance sheet liability method, providing for all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2.12 Cash and cash equivalents

Cash and cash equivalents are carried at cost. Cash and cash equivalents in the statement of cash flows include cash in hand and in transit, cheques in hand, balances with banks on current, deposit and saving accounts, other short-term highly liquid investments with original maturities of three months or less.

2.13 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

These are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liability.

Exchange gains and losses arising in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

2.14 Provisions

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

2.15 Warranty obligations

The Company recognises the estimated liability, on an accrual basis, to repair or replace products under warranty at the reporting date, and recognises the estimated product warranty costs in the statement of profit or loss when the sale is recognised.

2.16 Staff retirement benefits

Defined contribution plan - Provident Fund

The Company operates a recognised provident fund for its permanent employees. Equal monthly contributions are made to the Fund by the Company and the employees in accordance with the rules of the Fund. The Company has no further payment obligation once the contributions have been paid. The contributions made by the Company are recognised as an employee benefit expense when they are due.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

Defined benefit / contribution plan - Pension Fund

The Company also operates an approved funded pension scheme for its permanent employees.

The employee pension is governed by two sets of Rules, 'New Rules' - Defined contribution plan and 'Old Rules' - Defined benefit plan. The New Rules are applicable to all members of the Fund with effect from July 1, 2008. However, the Old Rules continue to apply to all persons whose employment with the Company ceased before July 1, 2008 and who are entitled to pension from the Fund. In addition, the Old Rules also apply to existing employees who have not opted to be governed by the New Rules.

In accordance with the New Rules an actuarial balance was determined by the actuary as at June 30, 2008 in respect of all members of the Fund who were in the service of the Company as of that date and opted to be governed by the New Rules which was credited to the members' individual accounts. With effect from July 2008, the Company is required to make a fixed monthly contribution to the Fund based on the basic salary of the employees which is credited into the individual account of each member. The Company has no further payment obligation once these monthly contributions have been paid to the Fund. Profit earned on the investments maintained by the Fund is also allocated into the individual account of each member.

The pension liability recognised in the statement of financial position in respect of members governed by the Old Rules is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets attributed to these members. Contributions are made to cover the pension obligations in respect of the members governed by the Old Rules on the basis of actuarial recommendations.

The amount arising as a result of remeasurement is recognised in the statement of financial position immediately, with a charge or credit to other comprehensive income in the period in which they occur.

The Projected Unit Credit Method is used for the valuation of pension liability in respect of members governed by the Old Rules as at June 30, 2020, using significant assumptions as stated in note 23 to these financial statements.

2.17 Employees' compensated absences

The Company accounts for compensated absences on the basis of unavailed earned leave balance of each employee at the end of the year.

2.18 Lease liabilities and right-of-use assets

Effective July 1, 2019, leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the Company.

The lease liabilities are initially measured at the present value of the remaining lease payments at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments and variable lease payments that are based on an index or a rate. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liabilities are subsequently measured at amortised cost using the effective interest rate method. These are remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the respective right-of-use asset, or is recorded in the statement of profit or loss if the carrying amount of that right-of-use asset has been reduced to zero.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

Right-of-use assets are initially measured based on the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use assets are depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The carrying amount of the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liability.

2.19 Dividend distribution and transfer between reserves

Dividend declared and appropriations to reserves made subsequent to the reporting date are considered non-adjusting events and are recognised in the financial statements in the year in which they are approved.

2.20 Revenue from contracts with customers

Revenue is recognised when or as performance obligations are satisfied by transferring control of a promised goods or service to a customer under contract.

Return on bank deposits, term deposit receipts and mark-up on advances to suppliers and contractors are accounted for on an accrual basis.

Agency commission is recognised when shipments are made by the principal.

Unrealised gains / losses arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the statement of profit or loss in the period in which these arise.

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

Income on Market Treasury Bills and Pakistan Investment Bonds (PIBs) is accrued using the effective interest rate method.

2.21 Foreign currency transactions and translation

Foreign currency transactions are recognised or accounted for in Pakistani Rupees using the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees at the rates of exchange prevailing at the statement of financial position's date. Exchange gain / loss on foreign currency translations are taken to statement of profit or loss along with any related hedge effects.

2.22 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

2.23 Segment reporting

The Company uses 'management approach' for segment reporting, under which segment information is required to be presented on the same basis as that used for internal reporting purposes. Operating segments have been determined and presented in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Company has determined operating segments on the basis of business activities i.e. manufacturing and trading activities.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

2.24 Deferred revenue

Amount received on account of sale of extended warranty services against vehicles is recognised initially as deferred revenue and credited to the statement of profit or loss in the relevant period covered by the warranty.

3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain approved significant accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the process of applying the Company's accounting policies, the management has made the following estimates and judgements which are significant to these financial statements:

i) Useful lives of property, plant and equipment (notes 2.3.1 and 4.2)

The Company reviews the useful lives of fixed assets on a regular basis. Any change in estimates in future years might affect the carrying amounts of respective items of operating fixed assets with a corresponding effect on the depreciation charge and impairment.

ii) Provision for slow moving stores and spares (notes 2.5 and 8)

The Company exercises judgment and makes provision for slow moving stores and spares based on their future usability.

iii) Provision for slow moving stock-in-trade (notes 2.6 and 9)

The Company exercises judgment and makes provision for slow moving stock-in-trade based on their future usability and recoverable value.

iv) Provision for doubtful debts (notes 2.9 and 10)

The Company makes provision for doubtful debts using the simplified approach on the basis of changes in credit risk.

v) Investments at fair value through profit or loss / other comprehensive income (notes 2.7 and 15)

The Company determines fair value of certain investments by using quotations from active market and conditions and information about the financial instruments. These estimates are subjective in nature and involve some uncertainties and matters of judgment.

vi) Current and deferred income taxes (notes 2.11, 7, 16 and 34)

In making the estimates for income taxes payable by the Company, management considers current income tax law and the decisions of appellate authorities on certain cases issued in the past. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax provision in the period in which such final outcome is determined. Deferred taxes are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

vii) Warranty obligations (notes 2.15 and 21.4)

The Company exercises professional judgment, based on the history of warranty claims entertained, number of cars eligible for warranty and its internal risk assessment while making assessment in respect of the warranty obligations.

viii) Staff retirement benefits (notes 2.16 and 23)

The present value of these obligations depends on a number of factors that are determined on actuarial basis using a number of assumptions. Changes in the assumptions will impact the carrying amount of these obligations. The present values of these obligations and the underlying assumptions are disclosed in note 23 to these financial statements.

ix) Contingencies and commitments (note 25)

The Company uses assumptions and estimates in disclosure and assessment of provision for contingencies as disclosed in note 25.

| | Note | 2020 | 2019 |
|--|------|-------------------|-------------------|
| ----- (Rupees in '000) ----- | | | |
| 4 | | | |
| PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS | | | |
| Property, plant and equipment | 4.1 | 16,501,642 | 13,804,509 |
| Intangible assets | 4.2 | 72,550 | 93,524 |
| | | 16,574,192 | 13,898,033 |
| 4.1 | | | |
| Property, plant and equipment | | | |
| Tangible operating assets | 4.2 | 15,334,649 | 13,360,788 |
| Capital work-in-progress | 4.6 | 1,166,993 | 443,721 |
| | | 16,501,642 | 13,804,509 |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

4.2 The following is a statement of tangible operating assets and intangible assets:

| | 2020 | | | | | | | | | | | |
|---|-----------------|------------------------------------|-----------------------------------|---------------------|----------------|------------------------|------------------|----------------------------------|---------------------|------------------------------------|-----------------------|-------------------|
| | Tangible assets | | | | | Intangible assets | | | | | | |
| | Leasehold land | Factory building on leasehold land | Other buildings on leasehold land | Plant and machinery | Motor vehicles | Furniture and fixtures | Office equipment | Computer and related accessories | Tools and equipment | Jigs, moulds and related machinery | Total tangible assets | Computer software |
| ----- (Rupees in '000) ----- | | | | | | | | | | | | |
| At July 1, 2019 | | | | | | | | | | | | |
| Cost | 108,662 | 3,408,156 | 518,608 | 16,074,657 | 483,289 | 289,550 | 235,900 | 320,092 | 1,037,256 | 7,016,879 | 29,493,049 | 216,482 |
| Accumulated depreciation / amortisation | (83,462) | (1,132,119) | (267,511) | (9,357,811) | (212,388) | (220,574) | (131,690) | (247,430) | (795,352) | (3,733,924) | (16,132,261) | (122,958) |
| Net book value | 75,200 | 2,276,037 | 251,097 | 6,716,846 | 270,901 | 68,976 | 104,210 | 72,662 | 241,904 | 3,282,955 | 13,360,788 | 93,524 |
| Year ended June 30, 2020 | | | | | | | | | | | | |
| Opening net book value | 75,200 | 2,276,037 | 251,097 | 6,716,846 | 270,901 | 68,976 | 104,210 | 72,662 | 241,904 | 3,282,955 | 13,360,788 | 93,524 |
| Additions | - | - | - | 48,256 | 86,516 | 232 | 7,937 | 8,899 | 12,834 | - | 164,674 | 8,372 |
| Direct | - | - | - | 48,256 | 86,516 | 232 | 7,937 | 8,899 | 12,834 | - | 164,674 | 8,372 |
| Transfers from CWIP | - | 372,225 | 97,101 | 2,328,267 | - | 5,059 | 2,588 | 24,572 | 30,045 | 1,804,581 | 4,664,438 | 6,211 |
| Disposals / write offs | - | - | - | (866) | (49,218) | - | (1,167) | (385) | - | - | (51,626) | - |
| Cost | - | - | - | (232,912) | (99,084) | (242) | (11,023) | (3,907) | (9,381) | (324) | (356,873) | - |
| Accumulated depreciation | - | - | - | 232,056 | 49,866 | 242 | 9,856 | 3,522 | 9,381 | 324 | 305,247 | - |
| Depreciation / amortisation charge for the year | (3,610) | (251,912) | (39,220) | (1,227,322) | (89,631) | (18,285) | (32,978) | (65,494) | (67,513) | (1,037,660) | (2,803,625) | (35,557) |
| Closing net book value | 71,590 | 2,396,350 | 308,978 | 7,865,191 | 218,568 | 55,982 | 80,590 | 70,254 | 217,270 | 4,049,876 | 15,334,649 | 72,550 |
| At June 30, 2020 | | | | | | | | | | | | |
| Cost | 108,662 | 3,780,381 | 615,709 | 18,218,268 | 470,721 | 294,599 | 235,402 | 349,656 | 1,070,754 | 8,821,136 | 33,965,288 | 231,065 |
| Accumulated depreciation / amortisation | (37,072) | (1,384,031) | (306,731) | (10,353,077) | (252,153) | (238,617) | (154,812) | (279,402) | (853,484) | (4,771,260) | (18,630,639) | (158,515) |
| Net book value | 71,590 | 2,396,350 | 308,978 | 7,865,191 | 218,568 | 55,982 | 80,590 | 70,254 | 217,270 | 4,049,876 | 15,334,649 | 72,550 |
| Depreciation / amortisation rate % per annum | 2.38%-3.85% | 10% | 5% | 10%-20% | 20% | 20% | 20% | 33.33% | 20% | 20%-25% | 33.33% | 33.33% |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | Tangible assets | | | | | | | | | | Intangible assets | Total tangible assets |
|---|-----------------|------------------------------------|-----------------------------------|---------------------|----------------|------------------------|------------------|----------------------------------|---------------------|------------------------------------|-------------------|-----------------------|
| | Leasehold land | Factory building on leasehold land | Other buildings on leasehold land | Plant and machinery | Motor vehicles | Furniture and fixtures | Office equipment | Computer and related accessories | Tools and equipment | Jigs, moulds and related machinery | | |
| At July 1, 2018 | 108,662 | 2,151,232 | 492,933 | 12,178,952 | 466,335 | 235,367 | 179,750 | 304,221 | 911,338 | 4,068,529 | 21,097,319 | 179,480 |
| Cost | (29,852) | (1,021,668) | (228,316) | (8,278,303) | (175,887) | (211,812) | (122,380) | (215,076) | (732,721) | (3,147,933) | (14,163,948) | (92,940) |
| Accumulated depreciation / amortisation | 78,810 | 1,129,564 | 264,617 | 3,900,649 | 290,448 | 23,555 | 57,370 | 89,145 | 178,617 | 920,596 | 6,933,371 | 86,540 |
| Net book value | 78,810 | 1,129,564 | 264,617 | 3,900,649 | 290,448 | 23,555 | 57,370 | 89,145 | 178,617 | 920,596 | 6,933,371 | 86,540 |
| Year ended June 30, 2019 | - | 190 | - | 79,901 | 99,554 | 91 | 10,379 | 15,920 | 15,690 | 1,700 | 223,425 | 2,973 |
| Opening net book value | - | 1,258,697 | 25,675 | 3,863,507 | 7,120 | 55,495 | 59,918 | 7,811 | 111,565 | 2,946,650 | 8,336,438 | 34,029 |
| Additions | - | - | - | - | - | - | - | - | - | - | - | - |
| Direct | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers from CWIP | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposals / write offs | - | - | - | - | - | - | - | - | - | - | - | - |
| Cost | (1,963) | (1,963) | (47,703) | (89,720) | (1,403) | (14,147) | (7,860) | (1,337) | (164,133) | - | (164,133) | - |
| Accumulated depreciation | - | - | - | 46,801 | 49,621 | 1,403 | 14,042 | 7,558 | 1,337 | - | 122,725 | - |
| Depreciation / amortisation charge for the year | - | - | (902) | (40,099) | (105) | (302) | - | - | (41,408) | - | - | - |
| Closing net book value | (3,610) | (112,414) | (39,195) | (1,126,309) | (86,122) | (10,165) | (23,352) | (39,912) | (63,968) | (585,991) | (2,091,038) | (30,018) |
| At June 30, 2019 | 75,200 | 2,276,037 | 251,097 | 6,716,846 | 270,901 | 68,976 | 104,210 | 72,662 | 241,904 | 3,282,955 | 13,360,788 | 93,524 |
| Cost | 108,662 | 3,408,156 | 518,608 | 16,074,657 | 483,289 | 289,550 | 235,900 | 320,092 | 1,037,256 | 7,016,879 | 29,493,049 | 216,482 |
| Accumulated depreciation / amortisation | (33,462) | (1,132,119) | (267,511) | (9,357,811) | (212,388) | (220,574) | (131,690) | (247,430) | (795,352) | (3,733,924) | (16,132,261) | (122,958) |
| Net book value | 75,200 | 2,276,037 | 251,097 | 6,716,846 | 270,901 | 68,976 | 104,210 | 72,662 | 241,904 | 3,282,955 | 13,360,788 | 93,524 |
| Depreciation / amortisation rate % per annum | 2.38%-3.85% | 10% | 5% | 10%-20% | 20% | 20% | 20% | 33.33% | 20% | 20%-25% | 33.33% | 33.33% |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

4.3 Leasehold land, on which the factory building, plant and warehouse are situated, is spread across an area of 107.5 acres. It is located at Plot No. NWZ/1/P-1 & W2/1/1-3, Port Qasim Industrial Estate, Bin Qasim, Karachi.

4.4 The depreciation charge for the year has been allocated as follows:

| | Note | 2020 | 2019 |
|----------------------------------|------|------------------|------------------|
| ------(Rupees in '000)----- | | | |
| Cost of sales - own manufactured | 27 | 2,687,413 | 1,986,409 |
| Distribution expenses | 28 | 42,413 | 39,842 |
| Administrative expenses | 29 | 73,799 | 64,787 |
| | | <u>2,803,625</u> | <u>2,091,038</u> |

4.5 Particulars of tangible operating assets having a net book value exceeding Rs 500,000 disposed off during the year are as follows:

| Particulars | Cost | Accumulated depreciation | Net book value | Sale proceeds / receivable from sale of operating fixed assets | Gain / (loss) | Mode of disposal | Particulars of buyer |
|--|---------|--------------------------|----------------|--|---------------|------------------|---|
| ------(Rupees in '000)----- | | | | | | | |
| Motor vehicles | 1,753 | (497) | 1,256 | 1,700 | 444 | Bidding | M/s. Toyota Creek Motors - Karachi |
| | 1,753 | (497) | 1,256 | 1,700 | 444 | --do-- | M/s. Toyota Creek Motors - Karachi |
| | 1,956 | (554) | 1,402 | 1,700 | 298 | --do-- | M/s. Toyota Creek Motors - Karachi |
| | 1,956 | (554) | 1,402 | 1,700 | 298 | --do-- | M/s. Toyota Creek Motors - Karachi |
| | 4,879 | (3,497) | 1,382 | 6,323 | 4,941 | --do-- | M/s. Augmentech Business Solutions Pvt. Ltd - Karachi |
| | 3,449 | (1,610) | 1,839 | 2,591 | 752 | --do-- | Mr. Bilal |
| | 3,799 | (1,456) | 2,343 | 3,387 | 1,044 | --do-- | M/s. United Transport Services |
| | 4,599 | (1,533) | 3,066 | 4,526 | 1,460 | --do-- | Mr. Saleem Ahmed Siddiqui |
| | 5,149 | (1,373) | 3,776 | 3,545 | (231) | --do-- | Mr. Bilal |
| | 2,810 | (141) | 2,669 | 3,117 | 448 | --do-- | M/s. Toyota Defence Motors - Karachi |
| | 2,600 | (130) | 2,470 | 2,887 | 417 | --do-- | M/s. Toyota Defence Motors - Karachi |
| | 2,350 | (118) | 2,232 | 2,627 | 395 | --do-- | M/s. Toyota Defence Motors - Karachi |
| | 2,500 | (125) | 2,375 | 2,807 | 432 | --do-- | M/s. Toyota Defence Motors - Karachi |
| | 2,450 | (123) | 2,327 | 2,737 | 410 | --do-- | M/s. Toyota Defence Motors - Karachi |
| | 2,600 | (130) | 2,470 | 2,887 | 417 | --do-- | M/s. Toyota Defence Motors - Karachi |
| | 1,270 | (254) | 1,016 | 1,066 | 50 | Employee Scheme | Mr. Zaid Imad (Executive) |
| | 2,804 | (654) | 2,150 | 2,498 | 348 | --do-- | Mr. Aqeel Loon (Ex - executive) |
| | 1,789 | (1,044) | 745 | 1,290 | 545 | --do-- | Ms. Anam Fatima Khan (Executive) |
| | 2,279 | (722) | 1,557 | 1,557 | - | --do-- | Mr. Islamuddin Zafar (Ex - executive) |
| | 1,300 | (325) | 975 | 975 | - | --do-- | Ms. Saba Salahuddin (Ex-employee) |
| | 2,129 | (710) | 1,419 | 1,828 | 409 | --do-- | Mr. Malik Adnan (Ex - employee) |
| | 2,249 | (712) | 1,537 | 1,536 | (1) | --do-- | Mr. Shahid Shah (Ex- executive) |
| | 2,129 | (745) | 1,384 | 1,828 | 444 | --do-- | Mr. Shuja Ahmed (Ex-executive) |
| | 1,855 | (155) | 1,700 | 1,700 | - | --do-- | Mr. Abid Hussain (Ex-employee) |
| | 2,129 | (816) | 1,313 | 1,313 | - | --do-- | Mr. Jamshed Khan (Ex- executive) |
| | 1,391 | (742) | 649 | 649 | - | --do-- | Mr. Nadeem Mian (Ex - employee) |
| | 1,391 | (626) | 765 | 765 | - | --do-- | Mr. Saleem Rizvi (Ex - employee) |
| | 1,391 | (626) | 765 | 788 | 23 | --do-- | Mr. Ameerullah Khan (Ex - executive) |
| Plant and machinery | 1,380 | (599) | 781 | 17 | (764) | Bidding | M/s. Wazeer & Sons |
| Others | | | | | | | |
| Items having net book value of less than Rs 500,000 each | 286,784 | (284,179) | 2,605 | 30,190 | 27,585 | Various | Various |
| 2020 | 356,873 | (305,247) | 51,626 | 92,234 | 40,608 | | |
| 2019 | 164,133 | (122,725) | 41,408 | 70,797 | 29,389 | | |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | Note | 2020 | 2019 |
|---|-------|-----------------------------|----------------|
| | | ------(Rupees in '000)----- | |
| 4.6 Capital work-in-progress | | | |
| Leasehold Land | 4.6.1 | 81,000 | 81,000 |
| Civil works | | 243,945 | 2,387 |
| Plant, machinery, tools and equipment | | 824,523 | 351,940 |
| Computer and related accessories | | 17,525 | 8,394 |
| | | <u>1,166,993</u> | <u>443,721</u> |
| 4.6.1 This represents payment made in respect of land measuring 2 acres, located at W2/9, Port Qasim Industrial Estate, Karachi. The legal formalities for the transfer of the title of land in name of the Company are in process and will be finalised in due course. | | | |
| | Note | 2020 | 2019 |
| | | ------(Rupees in '000)----- | |
| 4.7 Movement in capital work-in-progress | | | |
| Opening balance | | 443,721 | 291,468 |
| Additions during the year | | 5,393,921 | 8,522,720 |
| Transferred to operating fixed assets | | (4,670,649) | (8,370,467) |
| Closing balance | | <u>1,166,993</u> | <u>443,721</u> |
| 5 LONG-TERM LOANS AND ADVANCES | | | |
| Considered good | | | |
| Loans due from - secured | | | |
| - Executives | 5.1 | 29,004 | 31,003 |
| - Employees | | 18,779 | 19,949 |
| | | <u>47,783</u> | <u>50,952</u> |
| Less: Recoverable within one year; shown under current assets | | | |
| Loans due from - secured | | | |
| - Executives | 11 | 18,397 | 21,853 |
| - Employees | 11 | 16,747 | 13,193 |
| | | <u>35,144</u> | <u>35,046</u> |
| | | <u>12,639</u> | <u>15,906</u> |
| 5.1 These represent house building and personal loans granted to executives and other employees. These are granted in accordance with the terms of their employment and are secured against their balances with the Provident Fund. The loans are repayable over a period of 12 to 24 months. House building and personal loans to management employees carry interest at the rate of 3.00% to 3.50% (2019: 3.00% to 3.50%) per annum. Non-management employees are entitled to personal loans which carry no interest as per the approved loan policy. | | | |
| | | 2020 | 2019 |
| | | ------(Rupees in '000)----- | |
| 6 LONG-TERM DEPOSITS | | | |
| Deposits | | | |
| Utilities | | 7,450 | 7,450 |
| Others | | 2,570 | 3,679 |
| | | <u>10,020</u> | <u>11,129</u> |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | Note | 2020 | 2019 |
|---|------|-----------------------------|-------------------|
| | | ------(Rupees in '000)----- | |
| 7 DEFERRED TAXATION - net | | | |
| Deferred tax liability arising on taxable temporary differences: | | | |
| Due to accelerated tax depreciation | | (656,006) | (526,033) |
| Deferred tax asset arising on deductible temporary differences: | | | |
| In respect of provisions for slow moving stock-in-trade, stores and spares and other provisions | | 722,643 | 104,531 |
| In respect of revaluation of derivatives and unrealised gain on mutual funds | | (2,146) | (3,188) |
| Deferred tax asset / (liability) - net | | <u>64,491</u> | <u>(424,690)</u> |
| 8 STORES AND SPARES | | | |
| Stores | | 377,815 | 310,569 |
| Spares | | 719,806 | 574,924 |
| | | <u>1,097,621</u> | <u>885,493</u> |
| Less: Provision for slow moving stores and spares | | 619,166 | 341,488 |
| | | <u>478,455</u> | <u>544,005</u> |
| 9 STOCK-IN-TRADE | | | |
| In hand | | | |
| Manufacturing stock | | | |
| Raw material and components | | 12,643,074 | 6,307,657 |
| Less: Provision for slow moving stock-in-trade | 9.1 | 58,579 | 38,181 |
| | | <u>12,584,495</u> | <u>6,269,476</u> |
| Work-in-process | | 970,298 | 683,469 |
| Finished goods (vehicles – own manufactured) | | 455,838 | 117,347 |
| Less: Provision for slow moving stock-in-trade | 9.2 | 17,328 | 1,162 |
| | | <u>13,993,303</u> | <u>7,069,130</u> |
| Trading stock | | | |
| Vehicles | | 461,505 | 924,741 |
| Less: Provision for slow moving stock-in-trade | 9.2 | 73,344 | 110,038 |
| | | <u>388,161</u> | <u>814,703</u> |
| Spare parts | | 786,208 | 486,621 |
| Special service tools and publications | | 7,432 | 8,036 |
| Less: Provision for slow moving stock-in-trade | 9.3 | 120,179 | 84,635 |
| | | <u>673,461</u> | <u>410,022</u> |
| In transit | | | |
| Raw material - manufacturing stock | | 641,895 | 4,903,060 |
| Trading stock | | 235,971 | 363,478 |
| | | <u>15,932,791</u> | <u>13,560,393</u> |
| 9.1 This represents the net amount of raw material and components after recording write offs amounting to Rs 38.644 million (2019: Rs 6.230 million). | | | |
| 9.2 These include vehicles amounting to Rs 461.307 million (2019: Rs 751.826 million) held with the Company's authorised dealers. | | | |
| 9.3 This includes an amount of Rs 1.58 million (2019: Rs Nil million) representing stock-in-trade of motor oil. | | | |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | 2020 | 2019 |
|------------------------------------|------------------------------|------------------|
| | ----- (Rupees in '000) ----- | |
| 10 TRADE DEBTS - UNSECURED | | |
| Considered good | | |
| Government agencies | 863,233 | 1,562,331 |
| Others | 278,478 | 985,584 |
| | <u>1,141,711</u> | <u>2,547,915</u> |
| Considered doubtful | 695 | 978 |
| | <u>1,142,406</u> | <u>2,548,893</u> |
| Less: Provision for doubtful debts | (695) | (978) |
| | <u>1,141,711</u> | <u>2,547,915</u> |

10.1 As at June 30, 2020, Rs 462.141 million (2019: Rs 324.273 million) are overdue but not impaired in respect of trade debts. These balances relate to various customers, primarily government organisations, for whom there is no recent history of default. The ageing analysis of these trade debts is as follows:

| | 2020 | 2019 |
|--------------------|-----------------------------------|----------------|
| | Note ----- (Rupees in '000) ----- | |
| Upto 1 month | 14,808 | 322,624 |
| 1 to 6 months | - | 1,353 |
| More than 6 months | 447,333 | 296 |
| | <u>462,141</u> | <u>324,273</u> |

11 LOANS AND ADVANCES

| Current portion of long-term loans and advances - considered good | | | |
|---|------|------------------|------------------|
| Loans due from - secured | | | |
| Executives | 5 | 18,397 | 21,853 |
| Employees | 5 | 16,747 | 13,193 |
| | | <u>35,144</u> | <u>35,046</u> |
| Working Capital Financing to dealers and suppliers - secured | 11.3 | 795,500 | - |
| | | <u>830,644</u> | <u>35,046</u> |
| Advances – considered good | | | |
| Suppliers and contractors - unsecured | | | |
| Employees - unsecured | | 475,768 | 155,761 |
| Collector of Customs - secured | 11.1 | 5,479 | 19,672 |
| Margins held with banks against imports - secured | 11.2 | 296,344 | 1,400,860 |
| | | <u>1,382,308</u> | <u>2,116,687</u> |
| | | <u>2,159,899</u> | <u>3,692,980</u> |
| | | <u>2,990,543</u> | <u>3,728,026</u> |

11.1 This represents advance amount paid to the Collector of Customs in respect of the imports of stock-in-trade. An amount of Rs 243.449 million (2019: Rs 902.072 million) was subsequently adjusted in respect of imported goods received.

11.2 This represents cash held with various banks as a regulatory requirement against letters of credit for import of items of stock-in-trade. An amount of Rs 693.156 million (2019: Rs 1,645.409 million) was subsequently settled on receipt of invoices and documents relating to the imported goods at the end of the year. This includes an amount of Rs 430.977 million (2019: Rs Nil million) held with Habib Metropolitan Bank Limited - a related party, at the end of the year.

11.3 This represents working capital financing sanctioned to dealers and vendors in order to manage the liquidity due to the COVID-19 outbreak. The financing is secured by way of post dated cheques and promissory note. The financing carries nil markup and the repayment of the facility will be made in a year.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | 2020 | 2019 |
|----------------------------------|------------------------------|---------------|
| | ----- (Rupees in '000) ----- | |
| 12 SHORT-TERM PREPAYMENTS | | |
| Rent | 2,382 | 7,473 |
| Insurance | 9,345 | 10,560 |
| Others | 15,545 | 13,913 |
| | <u>27,272</u> | <u>31,946</u> |

12.1 This includes an amount of Rs 3.123 million (2019: Rs 1.841 million) paid to Habib Insurance Company Limited - a related party.

13 ACCRUED RETURN

| | 2020 | 2019 |
|--|------------------------------|--------|
| | ----- (Rupees in '000) ----- | |
| Accrued return on Term Deposit Receipts (TDRs) and bank deposits | 111,128 | 34,846 |

13.1 This includes an amount of Rs 27.384 million (2019: Rs 12.619 million) receivable from Habib Metropolitan Bank Limited - a related party.

14 OTHER RECEIVABLES

| Considered good | | | |
|---|-------------|----------------|------------------|
| Warranty claims and other receivables due from related parties – Toyota Tsusho Corporation and its affiliates | | | |
| | 14.1 | 47,994 | 32,204 |
| Agency commission - receivable from related party - Toyota Tsusho Asia Pacific PTE. Limited | | | |
| | 14.2 | 3,306 | 361,615 |
| Warranty claims due from local vendors | | | |
| | | 12,596 | 9,260 |
| Earnest money | | | |
| | | 16,295 | 42,700 |
| Insurance claims – receivable | | | |
| | 14.3 & 14.4 | 19,179 | 53,055 |
| Workers' Profit Participation Fund | | | |
| | 14.5 | 294,752 | 7,964 |
| Receivable against sale of operating fixed assets | | | |
| | | 853 | 31,351 |
| Receivable from Pension Fund - Defined Benefit Scheme | | | |
| | 23.2 | 5,035 | - |
| Sales tax refundable - net | | | |
| | | - | 2,548,920 |
| Net unrealised gain on revaluation of foreign exchange contracts - fair value hedge | | | |
| | | 7,400 | 10,994 |
| Others | | | |
| | | <u>31,245</u> | <u>11,486</u> |
| | | <u>438,655</u> | <u>3,109,549</u> |

14.1 The maximum aggregate amount due at the end of any month during the year was Rs 82.312 million (2019: Rs 65.686 million).

14.2 The maximum aggregate amount due at the end of any month during the year was Rs 326.985 million (2019: Rs 361.615 million).

14.3 The maximum aggregate amount due at the end of any month during the year was Rs 100.016 million (2019: Rs 63.064 million).

14.4 This includes an amount of Rs 15.147 million (2019: 49.942 million) receivable from Habib Insurance Company Limited - a related party.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | Note | 2020 | 2019 |
|--|------|------------------------------|--------------|
| | | ----- (Rupees in '000) ----- | |
| 14.5 Workers' Profit Participation Fund | | | |
| Opening balance | | 7,964 | 7,079 |
| Allocation for the year | 31 | (228,143) | (1,019,115) |
| | | (220,179) | (1,012,036) |
| Amount paid during the year | | 370,000 | 1,020,000 |
| Reversal during the year - for prior year | | 144,931 | - |
| Closing balance | | <u>294,752</u> | <u>7,964</u> |

15 SHORT-TERM INVESTMENTS

At amortised cost

| | | | |
|--------------------------------|------|------------|------------|
| - Term Deposit Receipts (TDRs) | 15.1 | 34,000,000 | 19,000,000 |
|--------------------------------|------|------------|------------|

At fair value through profit or loss

Government securities

| | | | |
|------------------------------------|------|-------------------|-------------------|
| - Market Treasury Bills (T-Bills) | 15.2 | 6,694,832 | 4,402,464 |
| - Pakistan Investment Bonds (PIBs) | 15.3 | 500,046 | - |
| | | 7,194,878 | 4,402,464 |
| | | <u>41,194,878</u> | <u>23,402,464</u> |

15.1 As at June 30, 2020, the Company holds TDRs carrying profit rates ranging between 7% to 9.40% per annum (2019: 13.50% to 15% per annum). The term deposit receipts are due to mature maximum by July 16, 2020. Balances in term deposit receipts include an amount of Rs 10,000 million (2019: Rs 8,500 million), held with Habib Metropolitan Bank Limited - a related party.

15.2 These securities have varying maturities ranging from July 30, 2020 to November 5, 2020. The yield on these securities is 7.01% to 12.48% per annum (2019: 12.57% to 12.75% per annum).

15.3 This security carry markup at the rate 8.92% per annum and will mature by April 18, 2029.

16 TAXATION - net

The income tax assessments of the Company have been finalised by the Income Tax Department or deemed to be assessed under section 120 of the Income Tax Ordinance, 2001 up to the year ended June 30, 2019 (i.e TY 2019).

| | Note | 2020 | 2019 |
|----------------------------------|------|------------------------------|------------------|
| | | ----- (Rupees in '000) ----- | |
| 17 CASH AND BANK BALANCES | | | |
| Cash in hand | | 5,461 | 5,513 |
| Balances held with banks in: | | | |
| - current accounts | | 73,109 | 338,425 |
| - savings accounts | 17.1 | 1,092,494 | 2,937,844 |
| | | 1,165,603 | 3,276,269 |
| | | <u>1,171,064</u> | <u>3,281,782</u> |

17.1 These include an amount of Rs 799.351 million (2019: Rs 1,200.126 million), held with Habib Metropolitan Bank Limited - a related party.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

18 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

| | 2020 | 2019 | 2020 | 2019 |
|--|--------------------|------------|--|---------|
| | (Number of shares) | | ----- (Rupees in '000) ----- | |
| | 78,600,000 | 78,600,000 | 786,000 | 786,000 |
| | | | Ordinary shares of Rs 10 each fully paid in cash | |

18.1 Ordinary shares of the Company held by related parties as at the year end are as follows:

| | | 2020 | 2019 |
|--|--------|------------------------------|------------|
| | | ----- Number of shares ----- | |
| Toyota Motor Corporation | | | |
| Percentage of holding 25% (2019: 25.00%) | 18.1.1 | 19,650,000 | 19,650,000 |
| Toyota Tsusho Corporation | | | |
| Percentage of holding 12.5% (2019: 12.50%) | 18.1.2 | 9,825,000 | 9,825,000 |
| Habib Insurance Company Limited | | | |
| Percentage of holding 0.031% (2019: 0.05%) | | 24,015 | 43,015 |
| Thal Limited | | | |
| Percentage of holding 6.22% (2019: 6.22%) | | 4,890,000 | 4,890,000 |

18.1.1 Toyota Motor Corporation (TMC) is incorporated in Japan. The registered address of TMC is 1 Toyota-Cho, Toyota City, Aichi Prefecture 471-8571, Japan.

18.1.2 Toyota Tsusho Corporation (TTC) is incorporated in Japan. The registered address of TTC is 9-8, Meieki 4-Chome, Nakamura-ku, Nagoya 450-8575, Japan.

19 RESERVES

| | Note | 2020 | 2019 |
|--|------|------------------------------|-------------------|
| | | ----- (Rupees in '000) ----- | |
| Capital reserve | | | |
| Share premium | 19.1 | 196,500 | 196,500 |
| Revenue reserves | | | |
| General reserve | | | |
| Balance brought forward | | 31,951,050 | 27,451,050 |
| Transferred from unappropriated profit | | 4,500,000 | 4,500,000 |
| | | 36,451,050 | 31,951,050 |
| Unappropriated profit | | | |
| | | 3,735,841 | 7,111,759 |
| | | <u>40,383,391</u> | <u>39,259,309</u> |

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

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | Note | 2020 ------(Rupees in '000)----- | 2019 |
|---|------|-------------------------------------|---------------|
| 20 LONG TERM LOAN | | | |
| Loan under financing scheme | | | |
| - Refinance scheme for renewable energy | 20.1 | 231,754 | 80,540 |
| - Refinance scheme for payment of wages and salaries to employees | 20.2 | 360,997 | - |
| | | <u>592,751</u> | <u>80,540</u> |
| Less: Current Portion | | | |
| - Refinance scheme for renewable energy | | (23,175) | - |
| - Refinance scheme for payment of wages and salaries to employees | | (90,250) | - |
| | | <u>(113,425)</u> | <u>-</u> |
| | | <u>479,326</u> | <u>80,540</u> |

20.1 This represents loan obtained under the SBP financing scheme for investment in Plant and Machinery for renewable energy projects. At the year end, the Company has drawn Rs 231.754 million and a sum of Rs 187.246 million is further available under the scheme. The financing already made carries mark-up at the rate of 3.25% - 4.25% per annum and is secured by way of hypothecation charge over plant and machinery against which the facility is available. The loan is repayable on a quarterly basis in 40 equal installments commencing from September 12, 2020.

20.2 This represents loan obtained under the SBP refinance scheme for payment of wages and salaries to the workers and employees of Company. At the year end, the Company has availed financing up to Rs 360.997 million. The financing already made carries mark-up at the rate of 1% per annum and is secured against TDRs / T Bills held as lien from time to time. The loan is repayable on a quarterly basis in 8 equal installments commencing from January, 2021. The aforementioned facility has been availed from Habib Metropolitan Bank Limited - a related party.

20.3 Following is the movement in long term financing:

| | 2020 (Rupees in '000) |
|-------------------------------------|--------------------------|
| Opening balance as at July 1, 2019 | 80,540 |
| Disbursements | 512,211 |
| Repayments | - |
| Closing balance as at June 30, 2020 | <u>592,751</u> |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | Note | 2020 ------(Rupees in '000)----- | 2019 |
|--|------|-------------------------------------|-------------------|
| 21 TRADE PAYABLES, OTHER PAYABLES AND PROVISIONS | | | |
| Trade creditors | | | |
| - Associated undertakings / related parties | | 66,049 | 190,530 |
| - Others | | 2,063,087 | 2,447,067 |
| Bills payable to related parties | 21.1 | 269,889 | 3,034,996 |
| Accrued liabilities | 21.2 | 4,833,614 | 4,974,351 |
| Royalty payable to associated undertakings / related parties | | 158,910 | 889,713 |
| Deposits from dealers | 21.3 | 309,550 | 239,550 |
| Deposits from vendors | | 41,081 | - |
| Custom duty payable | | 1,709,473 | - |
| Retention money | | 86,849 | 71,550 |
| Workers' Welfare Fund | | 257,628 | 439,401 |
| Technical fee | | 8,469 | 4,081 |
| Warranty obligations | 21.4 | 1,462,468 | 1,443,982 |
| Payable to dealers | | 829,486 | 1,242,599 |
| Payable to customers | | 109,674 | 148,674 |
| Compensation on advances received from customers | | 24,119 | 13,658 |
| Mark-up payable on Long term loan | | 2,528 | 72 |
| Sales tax - net | | 15,986 | - |
| Withholding income tax payable | | 308,946 | 215,427 |
| Payable to Pension Fund - net | 21.5 | - | 9,689 |
| Other government levies payable | | 1,035,674 | 584,863 |
| | | <u>13,593,480</u> | <u>15,950,203</u> |
| 21.1 This represents amounts payable to the following related party: | | | |
| Toyota Tsusho Asia Pacific PTE. Limited | | 244,386 | 3,002,907 |
| Toyota Motor Asia Pacific PTE. Limited | | 25,503 | 31,639 |
| Daihatsu Motor Company Limited | | - | 450 |
| | | <u>269,889</u> | <u>3,034,996</u> |
| 21.2 These include an amount of Rs 141.049 million (2019: Rs 106.551 million) payable to the related parties. | | | |
| 21.3 These represent interest free deposits received from dealers in accordance with the terms of the dealership agreements. These deposits have been utilised for the purpose of the Company's business, based on agreement with dealers. | | | |
| 21.4 Warranty obligations | Note | 2020 ------(Rupees in '000)----- | 2019 |
| Opening balance | | 1,443,982 | 1,237,520 |
| Add: Charge for the year | 28 | 157,714 | 297,136 |
| | | <u>1,601,696</u> | <u>1,534,656</u> |
| Utilisation during the year | | (139,228) | (90,674) |
| Closing balance | | <u>1,462,468</u> | <u>1,443,982</u> |
| 21.5 Payable to Pension Fund - net | | | |
| Payable to Pension Fund - Defined Benefit Plan | 23.2 | - | 9,689 |
| | | <u>-</u> | <u>9,689</u> |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

22 ADVANCES FROM CUSTOMERS AND DEALERS

These represent advances received by the Company from customers and dealers in respect of sale of vehicles and parts.

23 DEFINED BENEFIT PLAN - Approved Pension Fund

As mentioned in note 2.16, the Company operates an approved pension fund for its permanent employees who are governed under the Old Rules. The latest actuarial valuation of the Company's pension fund, based on Projected Unit Credit Actuarial Cost Method, was carried out as at June 30, 2020. The pension fund exposes the Company to the following risks:

Mortality risks

The risk that the actual mortality rates are different. The effect depends on the beneficiaries' service / age distribution and the benefit.

Investment risks

The risk of the investments underperforming and not being sufficient to meet the liabilities.

Final salary risks

The risk that the final salaries at the time of cessation of service are greater than what was assumed. Since the benefit is calculated on the basis of final salary of an employee, the amount of the benefit increases with any increase in the final salary.

Withdrawal risks

The risk of higher or lower withdrawals than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefits payable.

The Company has recognised the following amounts in these financial statements for its obligations towards the respective members.

23.1 Principal actuarial assumptions

| | 2020 | 2019 |
|--|-----------------|-------|
| | (% per annum) | |
| Discount factor used | 10.00 | 14.50 |
| Expected rate of salary increase | 9.00 | 13.50 |
| Expected rate of return on plan assets | 10.00 | 13.90 |
| Expected rate of increase in long term pension | 3.00 | 7.50 |

23.2 The amounts recognised in the statement of financial position are determined as follows:

| | Note | 2020 | 2019 |
|---|-------------|-----------------------|--------------|
| | | -----Rupees '000----- | |
| Present value of defined benefit obligation | 23.4 | 45,913 | 42,726 |
| Fair value of plan assets | 23.3 & 23.4 | (50,948) | (33,037) |
| | | <u>(5,035)</u> | <u>9,689</u> |

23.3 Plan assets consist of the following:

| | 2020 | | 2019 | |
|-------------------------------|-------------------------|---------------|--------------|---------------|
| | Quoted | Non-Quoted | Quoted | Non-Quoted |
| | ----- Rupees '000 ----- | | | |
| Balances with banks | - | 1,996 | - | 3,192 |
| Equity instruments | 9,928 | - | 7,221 | - |
| Debt instruments - Government | - | 38,785 | - | 20,030 |
| Others | - | 239 | - | 2,594 |
| | <u>9,928</u> | <u>41,020</u> | <u>7,221</u> | <u>25,816</u> |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

23.4 The movement in the net defined benefit obligation over the year is as follows:

| | 2020 | | |
|---|---|---------------------------|-----------------|
| | Present value of defined benefit obligation | Fair value of plan assets | Total |
| | ----- (Rupees in '000) ----- | | |
| At July 1 | 42,726 | (33,037) | 9,689 |
| Current service cost | 2,847 | - | 2,847 |
| Interest expense / (income) | 6,374 | (5,061) | 1,313 |
| | <u>51,947</u> | <u>(38,098)</u> | <u>13,849</u> |
| Remeasurements: | | | |
| Gain on plan assets, excluding amounts included in interest expense | - | (10,511) | (10,511) |
| Gain from change in financial assumptions | (5,482) | - | (5,482) |
| | <u>(5,482)</u> | <u>(10,511)</u> | <u>(15,993)</u> |
| | <u>46,465</u> | <u>(48,609)</u> | <u>(2,144)</u> |
| Contribution | - | (2,891) | (2,891) |
| Benefit payments | (552) | 552 | - |
| At June 30 | <u>45,913</u> | <u>(50,948)</u> | <u>(5,035)</u> |

| | 2019 | | |
|---|---|---------------------------|---------------|
| | Present value of defined benefit obligation | Fair value of plan assets | Total |
| | ----- (Rupees in '000) ----- | | |
| At July 1 | 42,856 | (33,738) | 9,118 |
| Current service cost | 2,935 | - | 2,935 |
| Interest expense / (income) | 4,966 | (3,993) | 973 |
| | <u>50,757</u> | <u>(37,731)</u> | <u>13,026</u> |
| Remeasurements: | | | |
| Loss on plan assets, excluding amounts included in interest expense | - | 6,786 | 6,786 |
| Gain from change in financial assumptions | (7,479) | - | (7,479) |
| | <u>(7,479)</u> | <u>6,786</u> | <u>(693)</u> |
| | <u>43,278</u> | <u>(30,945)</u> | <u>12,333</u> |
| Contribution | - | (2,644) | (2,644) |
| Benefit payments | (552) | 552 | - |
| At June 30 | <u>42,726</u> | <u>(33,037)</u> | <u>9,689</u> |

23.5 Charge for defined benefit plan recognised in the statement of profit or loss

| | 2020 | 2019 |
|---------------------------------|------------------------------|--------------|
| | ----- (Rupees in '000) ----- | |
| Current service cost | 2,847 | 2,935 |
| Net interest expense / (income) | 1,313 | 973 |
| | <u>4,160</u> | <u>3,908</u> |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

- 23.6 The sensitivities of the net defined benefit obligation to changes in the weighted principal assumptions are as under:

| | Amount of net defined benefit obligation | | |
|----------------------------|--|------------------------|------------------------|
| | Change in assumption | Increase in assumption | Decrease in assumption |
| | ------(Rupees in '000)----- | | |
| Discount rate | 1% | 42,976 | 49,169 |
| Long term salary increases | 1% | 48,887 | 43,169 |
| Pension increase rate | 1% | 50,488 | 41,969 |

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the net defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

- 23.7 The weighted average duration of the net defined benefit obligation is 15.24 years.
- 23.8 Expected maturity analysis of undiscounted net defined benefit obligation for the pension fund is as follows:

| At June 30, 2020 | Less than a year | Between 1-2 years | Between 2-4 years | Over 4 years | Total |
|------------------|-------------------------|-------------------|-------------------|--------------|--------|
| | ----- Rupees '000 ----- | | | | |
| Pension | 292 | 615 | 1,522 | 17,587 | 20,016 |

- 23.9 The expected return on plan assets is determined by considering the expected long-term returns available on the assets underlying the current investment policy. Expected yield on fixed interest investments are based on gross redemption yield as at the statement of financial position date. Expected returns on equity are based on long-term real rates experienced in the stock market.
- 23.10 The expected charge for the defined benefit plan for the year ending June 30, 2021 is Rs 2.376 million.
- 23.11 The charge for the year in respect of pension amounts to Rs 58.406 million (2019: Rs 36.789 million), which includes Rs 54.246 million (2019: Rs 32.881 million) in respect of members covered under New Rules and Rs 4.160 million (2019: Rs 3.908 million) in respect of members covered under Old Rules.

24 SHORT-TERM RUNNING FINANCES

As at June 30, 2020, the Company has unutilised short-term running finance facilities under mark-up arrangements aggregating Rs 5,300 million (2019: Rs 3,500 million) available from various commercial banks carrying mark-up rates based on 1 month KIBOR as benchmark rate plus 25 - 75 basis points (2019: 1 month KIBOR plus 25 basis points). The above facilities include an amount of Rs 300 million (2019: Rs 300 million) available from Habib Metropolitan Bank Limited - a related party.

The Company also has facilities for opening letters of credit and bank guarantees under mark-up arrangements as at June 30, 2020 amounting to Rs 51,525 million (2019: Rs 48,650 million) from various commercial banks, including Rs 10,300 million (2019: Rs 9,500 million) available from Habib Metropolitan Bank Limited - a related party. The unutilised balance as at June 30, 2020 is Rs 24,799 million (2019: Rs 22,329 million).

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

The above mentioned short-term running finance facilities and bank guarantees are secured by pari passu hypothecation charge on movable assets and receivables of the Company.

25 CONTINGENCIES AND COMMITMENTS

Contingencies

- 25.1 The Company, during the years 2005-2006 and 2006-2007, received demand notices from the Collector of Customs, claiming short recovery of Rs 480.311 million in aggregate on account of customs duty amounting to Rs 305.426 million and sales tax amounting to Rs 174.885 million on royalty payment to the Joint Venture Partner, Toyota Motor Corporation. The demand had been raised based on the view that royalty value should be included as part of imported CKD kits which is opposed to the view of the Company based on factual position that the royalty pertains to locally deleted parts.

During year ended June 30, 2008, the Customs, Excise and Sales Tax Appellate Tribunal (the Appellate Tribunal) decided the case in the Company's favour and accordingly, the demand to the extent of Rs 370.373 million (customs duty of Rs 235.775 million and sales tax of Rs 134.598 million) had been reversed. During the year ended June 30, 2010, an appeal was filed by the Custom Authorities before the Sindh High Court against the decision the Appellate Tribunal, which is pending. Appeals are pending before the Collector of Customs Appeal for Rs 69.651 million and before the Appellate Tribunal for Rs 40.287 million.

During year ended June 30, 2018, the Company received a show cause notice from the Collector of Customs Port Qasim, claiming short recovery of Rs 2,232.149 million (custom duty of Rs 1,135.778 million, sales tax of Rs 795.319 million and income tax of Rs 301.052 million) on royalty payment to the Joint Venture Partner, Toyota Motor Corporation for the period July 2013 to June 2017.

During the current year, the Company received a show cause notice from the Collector of Customs East, claiming short recovery of Rs 569.910 million (custom duty of Rs 289.986 million, sales tax of Rs 203.060 million and income tax of Rs 76.864 million) on royalty payment to the Joint Venture Partner, Toyota Motor Corporation for the period July 2013 to June 2017.

The demand had been raised based on the view that royalty value should be included as part of imported CKD kits which is opposed to the view of the Company based on factual position that the royalty pertains to locally deleted parts. The Company has filed a petition against the same before the Sindh High Court, which is pending.

In respect of pending appeals at various appellate forums, a similar favourable decision as made by the Appellate Tribunal in the past is expected as the facts are common and involve identical question of law. Therefore, no provision has been made by the Company in these financial statements against the above mentioned claims as the management is confident that the matters will be decided in favour of the Company.

- 25.2 During the year ended June 30, 2017, the Company received an Assessment Order from the Punjab Revenue Authority, claiming that the Company was required to pay sales tax on franchise services provided in the province of Punjab, as per the Second Schedule of the Punjab Sales Tax on Services Act, 2012. The order further stated that the Company was required to pay Punjab Sales Tax amounting to Rs 461.716 million along with penalty amounting to Rs 111.918 million relating to the period from April 2013 to December 2016.

During the year ended June 30, 2018, the Company received show cause notices from the Punjab Revenue Authority for recovery of Punjab Sales Tax amounting to Rs 77.698 million for the period from January 2017 to June 2017. Based on legal advice and merits of the case, the Company has obtained stay orders against the demands and expects a favourable outcome. Hence, no provision has been made in these financial statements.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

During the year, the Company received show cause notice from the Punjab Revenue Authority for recovery of Punjab Sales Tax amounting to Rs 35.774 million for the period from October 2012 to March 2013. Based on legal advice and merits of the case, the Company has obtained stay order against the demand and expects a favourable outcome. Hence, no provision has been made in these financial statements.

25.3 During the year, the Company received various notices from Government of Pakistan Model Customs Collectorate of Appraisalment (East) Custom House, claiming that the Company availed self-assessment facility for clearing 40 units of Toyota Hiace Ambulances imported vide numerous shipments under HS code 8702.1090, whereas the ambulances should have been classified under HS code 87.03 and advised the Company to pay the short-levied amount of Custom Duty and Federal Excise Duty collectively amounting to Rs 221.203 million. The management of the Company, based on the advice of its legal counsel, challenged the notices however an adverse order was passed by Collector of Customs Adjudication. The Company filed appeals before the Customs Appellate Tribunal, Karachi Bench, against Orders-in-Original, which are pending for hearing and as per our legal counsel advise we expect a favorable outcome in the case.

25.4 During the year, the Company received show cause notice under section 122(5A) of the Income Tax Ordinance, 2001 from the Additional Commissioner IR - Federal Board of Revenue, challenging the admissibility of claim of deductible allowance on account of Workers' Profit Participation Fund (Rs. 1,027.961 million) and Workers Welfare Fund (Rs. 330.495 million) for the tax year 2019. The tax credit on the said deductible allowances disallowed in the aforesaid showcause notice aggregates to Rs. 393.952 million. The Company has filed a petition against the same before the Sindh High Court, which is pending for hearing. The management of the Company is confident that the matter will eventually be decided in favour of the Company. Hence, no provision has been made in these financial statements.

25.5 As at June 30, 2020, the claims not acknowledged as debts by the Company, other than those separately disclosed above, amount to Rs 2,049.572 million (2019: Rs 1,437.109 million).

| Note | 2020 | 2019 |
|---------------------------------------|------------------------------|------------------|
| | ----- (Rupees in '000) ----- | |
| Cases filed by government authorities | 923,838 | 519,879 |
| Others | 1,125,734 | 917,230 |
| 25.5.1 | <u>2,049,572</u> | <u>1,437,109</u> |

25.5.1 The above cases represent legal proceedings initiated against the Company by various parties therefore pending adjudication in various courts and legal forums of Pakistan since many years. A few cases have been added during the current year. The management of the Company is of the view that the Company has a strong position in these cases and these cases will be decided in the favour. Hence, no provision has been recorded in respect of these cases in these financial statements.

| 25.6 Commitments | 2020 | 2019 |
|------------------------------------|------------------------------|-------------------|
| | ----- (Rupees in '000) ----- | |
| 25.6.1 Outstanding bank guarantees | <u>22,119,010</u> | <u>18,141,215</u> |

Outstanding bank guarantees include an amount of Rs 6,657.832 million (2019: Rs 6,080.385 million) in respect of bank guarantees from Habib Metropolitan Bank Limited - a related party.

25.6.2 Commitments in respect of capital expenditure as at June 30, 2020 amounted to Rs 1,513.673 million (2019: Rs 5,517.255 million).

25.6.3 Commitments in respect of letters of credit, other than for capital expenditure, amounted to Rs 3,711.941 million (2019: Rs 4,559.860 million). The above letters of credit include an amount of Rs 1,489.520 million (2019: Rs Nil million) availed from Habib Metropolitan Bank Limited - a related party.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

25.6.4 Commitments in respect of land rent and maintenance charges against leasehold land from Port Qasim Authority as at June 30, 2020 amounted to Rs 192.703 million (2019: Rs 199.228 million).

| Year | 2020 | 2019 |
|--------------|------------------------------|----------------|
| | ----- (Rupees in '000) ----- | |
| 2020-2021 | - | 6,525 |
| 2021-2022 | 6,852 | 6,852 |
| 2022-2023 | 7,194 | 7,194 |
| 2023-2024 | 7,553 | 7,553 |
| 2024-2025 | 7,930 | 7,930 |
| 2025 onwards | <u>163,174</u> | <u>163,174</u> |
| | <u>192,703</u> | <u>199,228</u> |

26 OPERATING RESULTS

| Note | Manufacturing | | Trading | | Total | | |
|--|---------------|--------------------|--------------------|------------------|-------------------|--------------------|--------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | |
| ----- (Rupees in '000) ----- | | | | | | | |
| Revenue from contract with customers | 26.1 | 98,667,315 | 179,590,445 | 9,526,679 | 11,793,172 | 108,193,994 | 191,383,617 |
| Sales tax | | (14,329,466) | (26,084,198) | (1,481,570) | (1,319,938) | (15,811,036) | (27,404,136) |
| Federal excise duty | | (3,356,939) | (903,873) | - | - | (3,356,939) | (903,873) |
| | 26.2 | <u>80,980,910</u> | <u>152,602,374</u> | <u>8,045,109</u> | <u>10,473,234</u> | <u>89,026,019</u> | <u>163,075,608</u> |
| Commission | | (1,979,109) | (3,896,367) | (392,980) | (457,343) | (2,372,089) | (4,353,710) |
| Discounts | | (90,387) | (9,278) | (372,540) | (508,097) | (462,927) | (517,375) |
| Compensation on advances from customers | | (23,987) | (208,311) | - | - | (23,987) | (208,311) |
| Net sales | | <u>78,887,427</u> | <u>148,488,418</u> | <u>7,279,589</u> | <u>9,507,794</u> | <u>86,167,016</u> | <u>157,996,212</u> |
| Cost of sales | 27 | (73,740,649) | (131,850,814) | (4,975,508) | (6,953,724) | (78,716,157) | (138,804,538) |
| Gross profit | | <u>5,146,778</u> | <u>16,637,604</u> | <u>2,304,081</u> | <u>2,554,070</u> | <u>7,450,859</u> | <u>19,191,674</u> |
| Distribution expenses | 28 | 1,277,882 | 1,248,668 | 190,980 | 154,943 | 1,468,862 | 1,403,611 |
| Administrative expenses | 29 | 1,268,083 | 1,325,181 | 117,016 | 84,852 | 1,385,099 | 1,410,033 |
| | | <u>(2,545,965)</u> | <u>(2,573,849)</u> | <u>(307,996)</u> | <u>(239,795)</u> | <u>(2,853,961)</u> | <u>(2,813,644)</u> |
| | | <u>2,600,813</u> | <u>14,063,755</u> | <u>1,996,085</u> | <u>2,314,275</u> | <u>4,596,898</u> | <u>16,378,030</u> |
| Other operating expenses | 30 | (180,119) | (220,837) | (16,621) | (14,140) | (196,740) | (234,977) |
| Workers' Profit Participation Fund and Workers' Welfare Fund | 31 | (231,934) | (1,406,379) | - | - | (231,934) | (1,406,379) |
| | | <u>2,188,760</u> | <u>12,436,539</u> | <u>1,979,464</u> | <u>2,300,135</u> | <u>4,168,224</u> | <u>14,736,674</u> |
| Other income | 32 | | | | | 3,204,872 | 4,306,662 |
| | | | | | | <u>7,373,096</u> | <u>19,043,336</u> |
| Finance cost | 33 | | | | | (85,737) | (67,407) |
| Profit before taxation | | <u>7,287,359</u> | <u>18,975,929</u> | | | | |

26.1 This includes an amount of Rs 7.849 million (2019: Rs. 7.974 million) in respect of export sales of after auto parts and vehicles.

26.2 The gross sales, net of sales tax, for 'Trading' segment include an amount of Rs 1,508.796 million (2019: Rs 1,813.044 million) in respect of sales of motor oil.

26.3 Other operating expenses, administrative expenses and distribution expenses (excluding warranty claims, pre-delivery inspection and service charges, development expenditure, transportation and running royalty), are allocated between manufacturing and trading activities on the basis of net sales. Warranty claims, pre-delivery inspection and service charges, development expenditure, Workers' Profit Participation Fund and Workers' Welfare Fund are allocated to manufacturing activity. Under Selling expenses, Running royalty and transportation charges are allocated to trading activity.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | Note | 2020 ------(Rupees in '000)----- | 2019 |
|---|-------------|-------------------------------------|--------------|
| 27 COST OF SALES | | | |
| Raw materials and vendor parts consumed | | | |
| Opening stock | | 11,210,717 | 8,515,842 |
| Purchases | | 68,123,479 | 123,648,690 |
| Closing stock | 9 | (13,284,969) | (11,210,717) |
| | | 66,049,227 | 120,953,815 |
| Stores and spares consumed | | 953,154 | 1,886,361 |
| Salaries, wages and other benefits | 27.1 & 27.2 | 1,585,105 | 1,796,938 |
| Rent, rates and taxes | | 10,929 | 16,218 |
| Repairs and maintenance | | 328,279 | 443,235 |
| Depreciation | 4.4 | 2,687,413 | 1,986,409 |
| Legal and professional | | 421 | 2,540 |
| Travelling | | 19,592 | 30,048 |
| Transportation | | 5,853 | 9,893 |
| Insurance | | 45,472 | 42,558 |
| Vehicle running | | 18,555 | 21,381 |
| Communication | | 3,928 | 4,082 |
| Printing, stationery and office supplies | | 3,112 | 3,550 |
| Subscription | | 3,016 | 2,274 |
| Fuel and power | | 407,865 | 565,843 |
| Running royalty | 27.3 | 1,485,663 | 3,343,967 |
| Supervisor fee | | 95,328 | 155,344 |
| Technical fee | | 8,350 | 8,964 |
| Staff catering, transport and uniforms | | 304,909 | 563,828 |
| Provision / (reversal) for slow moving stock-in-trade | | 36,564 | (21,081) |
| Provision for slow moving stores and spares | | 277,678 | 70,634 |
| Others | | 35,556 | 44,881 |
| | | 8,316,742 | 10,977,867 |
| | | 74,365,969 | 131,931,682 |
| Add: Opening work-in-process | | 683,469 | 518,329 |
| Less: Closing work-in-process | 9 | 970,298 | 683,469 |
| | | 74,079,140 | 131,766,542 |
| Opening stock of finished goods - own manufactured | | 117,347 | 201,619 |
| Closing stock of finished goods - own manufactured | 9 | (455,838) | (117,347) |
| Cost of sales - own manufactured | | 73,740,649 | 131,850,814 |
| Opening stock of finished goods - trading | | 1,782,876 | 2,064,778 |
| Finished goods purchased | | 4,684,898 | 6,566,557 |
| Closing stock of finished goods - trading | 9 | (1,491,116) | (1,782,876) |
| (Reversal) / provision for slow moving stock-in-trade | | (1,150) | 105,265 |
| Cost of sales - trading | | 4,975,508 | 6,953,724 |
| | | 78,716,157 | 138,804,538 |

27.1 These include an amount of Rs 42.852 million (2019: Rs 39.786 million) in respect of charge against provident fund and Rs 36.370 million (2019: Rs 24.923 million) in respect of charge against pension fund.

27.2 The investments by the provident fund in collective investment schemes, listed equity and debts securities have been made in accordance with the conditions specified in section 218 of the Companies Act, 2017 and rules specified thereunder.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

27.3 This includes royalty paid to the following parties:

| Company Name | Address | Relationship with the Company | 2020 ----- (Rupees in '000) ----- | 2019 |
|---|---|-------------------------------|--------------------------------------|-----------|
| Toyota Motor Corporation | 1 Toyota-Cho, Toyota City, Aichi Prefecture 471-8571, Japan | Associate | 1,976,943 | 2,860,130 |
| Toyota Daihatsu Engineering & Manufacturing Company Limited | 99 Moo 5, T. Ban-Ragad, A. Bank-bo, Samutprakran, 105060, Kingdom of Thailand | Group company | 12,023 | 10,726 |

28 DISTRIBUTION EXPENSES

| | Note | 2020 ----- (Rupees in '000) ----- | 2019 |
|---|-------------|--------------------------------------|-----------|
| Salaries, wages and other benefits | 28.1 & 27.2 | 295,736 | 267,436 |
| Rent, rates and taxes | | 4,736 | 4,305 |
| Repairs and maintenance | | 3,795 | 4,953 |
| Depreciation | 4.4 | 42,413 | 39,842 |
| Advertising and sales promotion | | 655,101 | 478,948 |
| Travelling | | 19,578 | 31,852 |
| Vehicle running | | 19,511 | 17,675 |
| Communication | | 2,113 | 2,432 |
| Printing, stationery and office supplies | | 4,813 | 7,542 |
| Staff training | | 27,701 | 14,639 |
| Staff transport and canteen | | 22,943 | 28,119 |
| Subscription | | 251 | 193 |
| Warranty claims | 21.4 | 157,714 | 297,136 |
| Pre-delivery inspection and service charges | | 15,377 | 67,208 |
| Development expenditure | | 46,497 | 23,169 |
| Utilities | | 224 | 61 |
| Transportation | | 74,175 | 69,564 |
| Running royalty | 28.2 | 19,148 | 30,239 |
| Provision for doubtful debts | | 259 | 978 |
| Late delivery charges | | 56,550 | 12,905 |
| Others | | 227 | 4,415 |
| | | 1,468,862 | 1,403,611 |

28.1 These include an amount of Rs 8.579 million (2019: Rs 7.853 million) in respect of charge against provident fund and Rs 9.079 million (2019: Rs 1.538 million) in respect of charge against pension fund.

28.2 This includes royalty paid to the following parties:

| Company Name | Address | Relationship with the Company | 2020 ----- (Rupees in '000) ----- | 2019 |
|--------------------------|---|-------------------------------|--------------------------------------|--------|
| Toyota Motor Corporation | 1 Toyota-Cho, Toyota City, Aichi Prefecture 471-8571, Japan | Associate | 22,083 | 26,496 |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| 29 ADMINISTRATIVE EXPENSES | Note | 2020 | 2019 |
|--|-------------|-----------------------------|------------------|
| | | ------(Rupees in '000)----- | |
| Salaries, wages and other benefits | 29.1 & 27.2 | 531,842 | 525,561 |
| Rent, rates and taxes | | 3,856 | 3,615 |
| Insurance | | 49,851 | 41,213 |
| Repairs and maintenance | | 106,215 | 78,986 |
| Depreciation | 4.4 | 73,799 | 64,787 |
| Amortisation | 4.2 | 35,557 | 30,018 |
| Travelling | | 50,153 | 61,265 |
| Legal and professional | | 249,943 | 196,160 |
| Director's fee | | 2,875 | 1,500 |
| Vehicle running | | 20,177 | 20,673 |
| Communication | | 19,354 | 21,883 |
| Printing, stationery and office supplies | | 3,782 | 4,595 |
| Staff training | | 133,503 | 207,883 |
| Staff transport and canteen | | 35,527 | 43,425 |
| Security | | 35,237 | 43,739 |
| Subscription | | 6,919 | 34,920 |
| Utilities | | 2,230 | 421 |
| Share registrar and related expenses | | 10,321 | 9,426 |
| Others | | 13,958 | 19,963 |
| | | <u>1,385,099</u> | <u>1,410,033</u> |

29.1 These include an amount of Rs 12.957 million (2019: Rs 13.444 million) in respect of charge against provident fund and Rs 14.555 million (2019: Rs 10.328 million) in respect of charge against pension fund.

| 30 OTHER OPERATING EXPENSES | Note | 2020 | 2019 |
|---|--------|-----------------------------|----------------|
| | | ------(Rupees in '000)----- | |
| Auditors' remuneration | 30.1 | 6,757 | 4,985 |
| Donations | 30.2 | 189,983 | 229,992 |
| | | <u>196,740</u> | <u>234,977</u> |
| 30.1 Auditors' remuneration | | | |
| Audit fee | | 1,725 | 1,725 |
| Interim review and other certifications | | 1,125 | 1,586 |
| Others | 30.1.1 | 3,312 | 1,134 |
| Out-of-pocket expenses | | 595 | 540 |
| | | <u>6,757</u> | <u>4,985</u> |

30.1.1 This represents services relating to business process improvement.

30.2 Donations

30.2.1 Donations in which a Director or his spouse is interested are as follows:

| Name of Director(s) | Interest in Donee | Name of Donee | 2020 | 2019 |
|---|-------------------|-----------------------------|-----------------------------|--------|
| | | | ------(Rupees in '000)----- | |
| 1. Mr Mohamedali R. Habib and Mr Muhammad Hyder Habib | Trustee | Habib Education Trust | 1,500 | 1,500 |
| 2. Mr Mohamedali R. Habib and Mr Muhammad Hyder Habib | Director | Habib University Foundation | 65,000 | 95,000 |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

30.2.2 The names of donees, other than those disclosed above, to whom the donation amount during the current year exceeds Rs 1 million are The Citizen Foundation, Indus Hospital, Aga Khan University Hospital, Ghulaman-e-Abbas Education & Medical Trust, Sindh Institute of Urology & Transplantation (SIUT), Shaikat Khanum Memorial Cancer Hospital and Research Centre, WWF Pakistan, Saylani Welfare Trust, Mohamedali Habib Welfare Trust and Prime Minister's COVID-19 Pandemic Relief Fund.

| 31 WORKERS' PROFIT PARTICIPATION FUND AND WORKERS' WELFARE FUND | Note | 2020 | 2019 |
|---|------|-----------------------------|------------------|
| | | ------(Rupees in '000)----- | |
| Workers' Welfare Fund | | 148,722 | 387,264 |
| Workers' Profit Participation Fund - current year | 14.5 | 228,143 | 1,019,115 |
| Workers' Profit Participation Fund - for prior years | | (144,931) | - |
| | | <u>231,934</u> | <u>1,406,379</u> |

32 OTHER INCOME

Income from financial assets

| | | |
|---|-----------|-----------|
| Return on bank deposits | 1,013,864 | 1,497,866 |
| Gain on sale of investments in Market Treasury Bills | 1,554,110 | 986,418 |
| Dividend income from Mutual fund units | 173,648 | - |
| Gain on trade of Pakistan Investment Bonds (PIBs) | 137,022 | 308,105 |
| Unrealised gain on Market Treasury Bills | 61,704 | - |
| Interest income on Market Treasury Bills | 9,196 | 399,787 |
| Net gain on redemption of investments in listed mutual fund units | 6,809 | 426,076 |
| Unrealised gain on Pakistan Investment Bonds (PIBs) | 84 | - |

Income from other than financial assets

| | | |
|---|------------------|------------------|
| Agency commission, net of commission expense of Rs 8.433 million (2019: Rs 5.036 million) | 40,575 | 138,858 |
| Exchange (loss) / gain on agency commission and exports | (16,731) | 82,055 |
| Gain on disposal of operating fixed assets | 40,608 | 29,389 |
| Freight and other charges income - net of expenses | 78,791 | 184,116 |
| Certification income | 40,163 | 45,692 |
| Extended warranty income | 25,446 | - |
| Liabilities no longer payable written back | 38,557 | 208,294 |
| Realised exchange loss - net | (420) | (3,853) |
| Others | 1,446 | 3,859 |
| | <u>3,204,872</u> | <u>4,306,662</u> |

33 FINANCE COST

| | | |
|-------------------------------------|---------------|---------------|
| Interest on long term loan facility | 6,494 | 72 |
| Bank charges | 79,243 | 67,335 |
| | <u>85,737</u> | <u>67,407</u> |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | Note | 2020 | 2019 |
|---|------|-----------------------------|-------------------|
| | | ------(Rupees in '000)----- | |
| 34 TAXATION | | | |
| Current - for the year | | 2,642,572 | 4,856,528 |
| - for prior years | | 56,578 | (34,652) |
| | | <u>2,699,150</u> | <u>4,821,876</u> |
| Deferred - for the year | | (493,818) | 439,078 |
| | 34.1 | <u>2,205,332</u> | <u>5,260,954</u> |
| 34.1 Relationship between income tax expense and accounting profit | | | |
| Profit before taxation | | <u>7,287,359</u> | <u>18,975,929</u> |
| Tax at the applicable tax rate of 29% (2019: 29%) | | 2,113,334 | 5,503,019 |
| Tax effect of permanent differences | | 50,166 | 452,965 |
| Tax effect of income assessed under final tax regime | | 9,837 | (152,587) |
| Tax effect of income taxable at lower rates and tax credit on plant and machinery | | (24,583) | (507,791) |
| Prior years' charge / (reversal) | | 56,578 | (34,652) |
| | | <u>2,205,332</u> | <u>5,260,954</u> |

35 EARNINGS PER SHARE**35.1 Basic**

Basic earnings per share has been computed by dividing the profit for the year after taxation by the weighted average number of shares outstanding during the year.

| | 2020 | 2019 |
|--|-----------------------------|-------------------|
| | ------(Rupees in '000)----- | |
| Profit after taxation | <u>5,082,027</u> | <u>13,714,975</u> |
| (Number of shares) | | |
| Weighted average number of ordinary shares outstanding during the year | <u>78,600,000</u> | <u>78,600,000</u> |
| (Rupees) | | |
| Basic earnings per share | <u>64.66</u> | <u>174.49</u> |

35.2 Diluted

There are no potential dilutive ordinary shares outstanding as at June 30, 2020 and 2019.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | Note | 2020 | 2019 |
|---|------|-----------------------------|---------------------|
| | | ------(Rupees in '000)----- | |
| 36 CASH GENERATED / (UTILISED IN) FROM OPERATIONS | | | |
| Profit before taxation | | 7,287,359 | 18,975,929 |
| Adjustment for non-cash charges and other items: | | | |
| Depreciation | 4.2 | 2,803,625 | 2,091,038 |
| Amortisation | 4.2 | 35,557 | 30,018 |
| (Reversal) / provision for doubtful debts | 10 | (283) | 978 |
| Provision for slow moving stores and spares | 8 | 277,678 | 70,634 |
| Provision for slow moving stock-in-trade | 9 | 35,414 | 84,184 |
| Gain on disposal of operating fixed assets | 4.5 | (40,608) | (29,389) |
| Gain on sale of Pakistan Investment Bonds (PIBs) | 32 | (137,022) | (308,105) |
| Gain on redemption of investments in listed mutual fund units | 32 | (6,809) | (426,076) |
| Gain on sale of investments in Market Treasury Bills | 32 | (1,554,110) | (986,418) |
| Net unrealised loss on revaluation of foreign exchange contracts - fair value hedge | 14 | 3,594 | 3,019 |
| Return on bank deposits | 32 | (1,013,864) | (1,497,866) |
| Unrealised gain on Pakistan Investment Bonds (PIBs) | 32 | (84) | - |
| Unrealised gain on Market Treasury Bills | 32 | (61,704) | - |
| Interest income on Market Treasury Bills | 32 | (9,196) | (399,787) |
| Dividend income from mutual fund units | 32 | (173,648) | - |
| Charge in respect of Workers' Profit Participation Fund | 31 | 83,212 | 1,019,115 |
| Charge in respect of Workers' Welfare Fund | 31 | 148,722 | 387,264 |
| Compensation on advances received from customers | 26 | 23,987 | 208,311 |
| Interest on Long term loan | 33 | 6,494 | 72 |
| Working capital changes | 36.1 | <u>16,909,464</u> | <u>(25,569,703)</u> |
| | | <u>24,617,778</u> | <u>(6,346,782)</u> |
| 36.1 Working capital changes | | | |
| (Increase) / decrease in current assets | | | |
| Stores and spares | | (212,128) | (313,385) |
| Stock-in-trade | | (2,407,812) | (2,493,841) |
| Trade debts | | 1,406,487 | (1,095,223) |
| Loans and advances | | 737,483 | (13,372) |
| Short-term prepayments | | 4,674 | (17,307) |
| Other receivables | | 2,923,590 | (2,553,179) |
| | | <u>2,452,294</u> | <u>(6,486,307)</u> |
| (Decrease) / increase in current liabilities | | | |
| Current portion of deferred revenue | | 25,120 | (633) |
| Trade payables, other payables and provisions | | (2,171,874) | 478,632 |
| Advances from customers and dealers | | 16,603,924 | (19,561,395) |
| | | <u>14,457,170</u> | <u>(19,083,396)</u> |
| | | <u>16,909,464</u> | <u>(25,569,703)</u> |

36.1 Working capital changes**(Increase) / decrease in current assets**

| | | |
|------------------------|------------------|--------------------|
| Stores and spares | (212,128) | (313,385) |
| Stock-in-trade | (2,407,812) | (2,493,841) |
| Trade debts | 1,406,487 | (1,095,223) |
| Loans and advances | 737,483 | (13,372) |
| Short-term prepayments | 4,674 | (17,307) |
| Other receivables | 2,923,590 | (2,553,179) |
| | <u>2,452,294</u> | <u>(6,486,307)</u> |

(Decrease) / increase in current liabilities

| | | |
|---|-------------------|---------------------|
| Current portion of deferred revenue | 25,120 | (633) |
| Trade payables, other payables and provisions | (2,171,874) | 478,632 |
| Advances from customers and dealers | 16,603,924 | (19,561,395) |
| | <u>14,457,170</u> | <u>(19,083,396)</u> |
| | <u>16,909,464</u> | <u>(25,569,703)</u> |

37 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise of the following:

| | Note | 2020 | 2019 |
|---|------|-----------------------------|-------------------|
| | | ------(Rupees in '000)----- | |
| Cash and bank balances | 17 | 1,171,064 | 3,281,782 |
| Term Deposit Receipts (TDRs) | 15 | 34,000,000 | 19,000,000 |
| Government securities - Market Treasury Bills | 15 | 6,694,832 | 4,402,464 |
| | | <u>41,865,896</u> | <u>26,684,246</u> |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

38 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

| | 2020 | | | 2019 | | |
|--------------------------|------------------------------|---------------|----------------|-----------------|---------------|----------------|
| | Chief Executive | Directors** | Executives | Chief Executive | Directors | Executives |
| | ----- (Rupees in '000) ----- | | | | | |
| Managerial remuneration* | 58,810 | 14,775 | 339,305 | 54,842 | 19,574 | 352,918 |
| Retirement benefits | 3,827 | - | 27,065 | 3,485 | - | 25,580 |
| Medical expenses | 1,613 | - | - | 303 | - | - |
| | 64,250 | 14,775 | 366,370 | 58,630 | 19,574 | 378,498 |
| Number of persons | 1 | 1 | 55 | 1 | 2 | 57 |

* This includes bonus, house rent, utilities and other allowances.

** During the year there were two directors, and one of them retired on October 09, 2019.

38.1 The Chief Executive, directors and some executives have been provided free use of Company maintained cars, residential telephones and club facilities.

38.2 During the year, an amount of Rs 2.875 million (2019: Rs 1.5 million) has been paid to non-executive/independent directors, as fee for attending board and other meetings.

39 TRANSACTIONS AND BALANCES WITH ASSOCIATED UNDERTAKINGS / RELATED PARTIES

The associated undertakings / related parties comprise of associated companies, staff retirement funds and key management personnel. The Company considers its Chief Executive Officer, Chief Financial Officer, Company secretary and directors as key management personnel. Transactions carried out with associated undertakings / related parties during the year, not disclosed elsewhere in the financial statements are as follows:

| | 2020 | 2019 |
|--|------------------------------|------------|
| | ----- (Rupees in '000) ----- | |
| With associated undertakings / related parties: | | |
| Sales | 259,630 | 423,117 |
| Purchases | 47,428,194 | 86,425,128 |
| Insurance premium | 75,011 | 98,047 |
| Agency commission | 49,007 | 143,894 |
| Running royalty | 1,544,117 | 3,156,136 |
| Rent expense | 1,077 | 1,304 |
| Return on bank deposits and TDRs | 480,887 | 641,196 |
| Proceeds from disposal of operating fixed assets / insurance claim | 904 | 550 |
| Supervisor fee | 95,328 | 155,344 |
| Bank charges | 56,019 | 46,551 |
| Annual subscription | 2,000 | - |
| LC charges | 5,742 | 5,593 |
| With key management personnel: | | |
| Salaries and benefits | 101,996 | 97,094 |
| Post employment benefits | 6,380 | 5,181 |
| Sale of operating fixed assets | 3,161 | - |

39.1 Contribution to and accruals in respect of staff retirement benefits are made in accordance with actuarial valuations / terms of contribution plan as disclosed in the respective notes to these financial statements.

39.2 The status of outstanding balances with associated undertakings / related parties as at June 30, 2020 are included in the respective notes to the financial statements.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

39.3 The names of related parties (other than those that have been specifically disclosed elsewhere in these financial statements) with whom the Company has entered into transactions or had agreements / arrangements in place during the year are as follows:

| Basis of relationship | | | |
|-----------------------|---|--------------------------------|--|
| Common directorship | Name | Percentage of shareholding (%) | Particulars of Common director(s) |
| | Shabbir Tiles & Ceramics Limited | Nil | Mr Ali S. Habib |
| | Habib Metro Pakistan (Private) Limited | Nil | Mr Ali S. Habib |
| | Cherat Cement Company Limited | Nil | Mr Azam Faruque |
| | Thal Limited | 6.22% | Mr Imran A. Habib and Mr Mohamedali R. Habib |
| | Habib Insurance Company Limited | 0.031% | Mr Muhammad Hyder Habib |
| | Greaves Pakistan (Private) Limited | Nil | Mr Azam Faruque |
| | Habib Education Trust | Nil | Mr Muhammad Hyder Habib and Mr Mohamedali R. Habib being trustees |
| | Habib University Foundation | Nil | Mr Muhammad Hyder Habib, Mr Mohamedali R. Habib and Mr Azam Faruque being trustees |
| | Habib Metropolitan Bank Limited | Nil | Mr Muhammad Hyder Habib and Mr Mohamedali R. Habib |
| | The Citizens Foundation | Nil | Mr Riyaz T. Chinoy |
| | Pakistan Business Council | Nil | Mr Muhammad Hyder Habib and Mr Riyaz T. Chinoy |
| | Pakistan Institute of Corporate Governance | Nil | Mr Riyaz T. Chinoy |
| | International Industries Ltd | Nil | Mr Riyaz T. Chinoy and Mr Azam Faruque |
| Group Companies | Name | Percentage of shareholding (%) | Relationship with the Company |
| | Toyota Tsusho Corporation | 12.50% | Associated Company |
| | Toyota Motor Corporation | 25.00% | Associated Company |
| | Toyota Motor Asia Pacific PTE. Limited | Nil | Subsidiary of Toyota Tsusho Corporation |
| | PT. Toyota Tsusho Indonesia | Nil | Subsidiary of Toyota Tsusho Corporation |
| | Toyota Tsusho (Thailand) Company Limited | Nil | Subsidiary of Toyota Tsusho Corporation |
| | Toyotsu Machinery Corporation | Nil | Subsidiary of Toyota Tsusho Corporation |
| | Toyota Daihatsu Engineering & Manufacturing Company Limited | Nil | Subsidiary of Toyota Motor Corporation |
| | Toyota Tsusho Asia Pacific PTE. Limited | Nil | Subsidiary of Toyota Tsusho Corporation |
| | Daihatsu Motor Company Limited | Nil | Subsidiary of Toyota Motor Corporation |
| | Hinopak Motors Limited | Nil | Subsidiary of Toyota Tsusho Corporation |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | 2020 | 2019 |
|---|-----------------------------|--------|
| | ----- Number of units ----- | |
| 40 PLANT CAPACITY AND PRODUCTION | | |
| Capacity based on double shift basis | 66,000 | 66,000 |
| Production | 28,519 | 65,346 |

The capacity has been calculated based on average normal working hours in a year, whereas actual production may vary in response to market demand.

| | 2020 | 2019 |
|---|-------------------------------|-------|
| | ----- (Number of staff) ----- | |
| 41 NUMBER OF EMPLOYEES | | |
| Total number of employees as at June 30 | 2,855 | 3,349 |
| Average number of employees during the year | 3,073 | 3,314 |

42 FINANCIAL INSTRUMENTS BY CATEGORY

| | ----- As at June 30, 2020 ----- | | |
|-------------------------|---------------------------------|-----------------------------------|-------------------|
| | Amortised cost | Fair value through profit or loss | Total |
| | ----- (Rupees in '000) ----- | | |
| Financial assets | | | |
| Loans and advances | 843,283 | - | 843,283 |
| Long term deposits | 10,020 | - | 10,020 |
| Trade debts - unsecured | 1,141,711 | - | 1,141,711 |
| Accrued return | 111,128 | - | 111,128 |
| Other receivables | 143,903 | - | 143,903 |
| Investments | 34,000,000 | 7,194,878 | 41,194,878 |
| Cash and bank balances | 1,171,064 | - | 1,171,064 |
| | <u>37,421,109</u> | <u>7,194,878</u> | <u>44,615,987</u> |

| | ----- As at June 30, 2020 ----- | |
|---|---|-------------------|
| | Financial liabilities at amortised cost | Total |
| | ----- (Rupees in '000) ----- | |
| Financial liabilities | | |
| Long term loan | 592,751 | 592,751 |
| Unclaimed dividends | 357,066 | 357,066 |
| Trade payables, other payables and provisions | 10,512,778 | 10,512,778 |
| | <u>11,462,595</u> | <u>11,462,595</u> |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

| | ----- As at June 30, 2019 ----- | | |
|-------------------------|---------------------------------|-----------------------------------|-------------------|
| | Amortised cost | Fair value through profit or loss | Total |
| | ----- (Rupees in '000) ----- | | |
| Financial assets | | | |
| Loans and advances | 50,952 | - | 50,952 |
| Long term deposits | 11,129 | - | 11,129 |
| Trade debts - unsecured | 2,547,915 | - | 2,547,915 |
| Accrued return | 34,846 | - | 34,846 |
| Other receivables | 552,665 | - | 552,665 |
| Investments | 19,000,000 | 4,402,464 | 23,402,464 |
| Cash and bank balances | 3,281,782 | - | 3,281,782 |
| | <u>25,479,289</u> | <u>4,402,464</u> | <u>29,881,753</u> |

| | ----- As at June 30, 2019 ----- | |
|---|---|-------------------|
| | Financial liabilities at amortised cost | Total |
| | ----- (Rupees in '000) ----- | |
| Financial liabilities | | |
| Long term loan | 80,540 | 80,540 |
| Unclaimed dividends | 295,597 | 295,597 |
| Trade payables, other payables and provisions | 13,266,530 | 13,266,530 |
| | <u>13,642,667</u> | <u>13,642,667</u> |

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to certain financial risks. Such financial risks emanate from various factors that include, but are not limited to market risk, credit risk and liquidity risk.

The Company currently finances its operations through equity and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk. The Company's risk management policies and objectives are as follows:

43.1 Credit risk exposure and concentration of credit risk

Credit risk represents the risk of a loss if the counter party fails to discharge its obligation and causes the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk arises from derivative financial instruments, investments (except for the investments in Government securities) and balances with banks and financial institutions, as well as credit exposures to customers, employees including trade debts, other receivables and committed transactions with the group companies. Out of the total financial assets of Rs 44,615.987 million (2019: Rs 29,881.753 million), the financial assets which are subject to credit risk amounted to Rs 37,415.648 million (2019: Rs 25,473.776 million), including trade receivables from government agencies.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

Out of the total trade debts amounting to Rs 1,142.406 million (2019: Rs 2,548.893 million), an amount of Rs 278.478 million (2019: Rs 985.584 million) relates to direct customers.

Out of the total bank balance and TDRs of Rs 35,165.603 million (2019: Rs 22,276.269 million) placed with banks, amounts aggregating to Rs 17,323.285 million (2019: Rs 21,730.928 million) have been placed with banks having credit rating of AAA, whereas the remaining amounts are placed with banks having long term minimum credit rating of AA+.

Due to the Company's long standing business relationships with its counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company.

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

43.2 Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its funding requirements. To guard against this risk, the Company has diversified funding sources and assets are managed with liquidity in mind, maintaining a healthy balance of cash and cash equivalents. The maturity profile of trade debts is monitored to ensure adequate liquidity is maintained. The management forecasts the liquidity of the Company on the basis of expected cash outflows considering the level of liquid assets necessary to meet such outflows.

The maturity profile of the Company's liability based on contractual maturities is disclosed in note 43.3.2 to these financial statements.

43.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: currency risk, interest rate risk and other price risk.

43.3.1 Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company manages its exposure against foreign currency risk by entering into foreign exchange contracts where considered necessary.

Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company primarily has foreign currency exposures in US Dollars (USD), Japanese Yen (JPY) and Thai Bhat (THB) and Singapore Dollars (SGD). The net foreign currency exposure at June 30, 2020 is USD 2.056 million (2019: USD 13.556 million), JPY 19.776 million (2019: JPY 993.303 million), THB 4.277 million (2019: THB 5.092 million) and SGD 0.038 million (2019: SGD 0.167 million)

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

43.3.2 Interest rate risk

Interest / mark-up rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark-up rate risk arises from mismatches of financial assets and financial liabilities that mature or reprice in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The Company is exposed to interest / mark-up rate risk in respect of the following:

| | 2020 | | | | | | | Total June 30, 2020 |
|---|---|----------------------------|----------------------------|-------------------|--------------------------------|----------------------------|-------------------|---------------------------|
| | Effective interest/ mark- up rate | Interest / mark-up bearing | | | Non-interest / mark-up bearing | | | |
| | | Maturity upto one year | Maturity after one year | Sub-total | Maturity upto one year | Maturity after one year | Sub-total | |
| | % | (Rupees in '000) | | | | | | |
| On statement of financial position financial instruments | | | | | | | | |
| Financial assets | | | | | | | | |
| Loans and advances | 3.00-3.50 | 27,803 | 12,639 | 40,442 | 802,841 | - | 802,841 | 843,283 |
| Long term deposits | - | - | - | - | - | 10,020 | 10,020 | 10,020 |
| Trade debts | - | - | - | - | 1,141,711 | - | 1,141,711 | 1,141,711 |
| Accrued return | - | - | - | - | 111,128 | - | 111,128 | 111,128 |
| Other receivables | - | - | - | - | 143,903 | - | 143,903 | 143,903 |
| Investments | 7.00-12.48 | 41,194,878 | - | 41,194,878 | - | - | - | 41,194,878 |
| Cash and bank balances | 5.50-7.00 | 1,092,494 | - | 1,092,494 | 78,570 | - | 78,570 | 1,171,064 |
| | | <u>42,315,175</u> | <u>12,639</u> | <u>42,327,814</u> | <u>2,278,153</u> | <u>10,020</u> | <u>2,288,173</u> | <u>44,615,987</u> |
| Financial liabilities | | | | | | | | |
| Long term loan | 1.00 - 4.25 | 115,953 | 479,326 | 595,279 | - | - | - | 595,279 |
| Unclaimed dividend | - | - | - | - | 357,066 | - | 357,066 | 357,066 |
| Trade, other payables and provisions | - | - | - | - | 10,512,778 | - | 10,512,778 | 10,512,778 |
| | | <u>115,953</u> | <u>479,326</u> | <u>595,279</u> | <u>10,869,844</u> | <u>-</u> | <u>10,869,844</u> | <u>11,465,123</u> |
| 2019 | | | | | | | | |
| | Effective interest/ mark- up rate | Interest / mark-up bearing | | | Non-interest / mark-up bearing | | | Total June 30, 2019 |
| | | Maturity upto one year | Maturity after one year | Sub-total | Maturity upto one year | Maturity after one year | Sub-total | |
| | % | (Rupees in '000) | | | | | | |
| On statement of financial position financial instruments | | | | | | | | |
| Financial assets | | | | | | | | |
| Loans and advances | 3.00-3.50 | 27,328 | 15,906 | 43,234 | 7,718 | - | 7,718 | 50,952 |
| Long term deposits | - | - | - | - | - | 11,129 | 11,129 | 11,129 |
| Trade debts | - | - | - | - | 2,547,915 | - | 2,547,915 | 2,547,915 |
| Accrued return | - | - | - | - | 34,846 | - | 34,846 | 34,846 |
| Other receivables | - | - | - | - | 552,665 | - | 552,665 | 552,665 |
| Investments | 12.30-15 | 23,402,464 | - | 23,402,464 | - | - | - | 23,402,464 |
| Cash and bank balances | 10.25-11.25 | 2,937,844 | - | 2,937,844 | 343,938 | - | 343,938 | 3,281,782 |
| | | <u>26,367,636</u> | <u>15,906</u> | <u>26,383,542</u> | <u>3,487,082</u> | <u>11,129</u> | <u>3,498,211</u> | <u>29,881,753</u> |
| Financial liabilities | | | | | | | | |
| Long term loan | 3.25 | - | 80,612 | 80,612 | - | - | - | 80,612 |
| Unclaimed dividend | - | - | - | - | 295,597 | - | 295,597 | 295,597 |
| Trade, other payables and provisions | - | - | - | - | 13,266,530 | - | 13,266,530 | 13,266,530 |
| | | <u>-</u> | <u>80,612</u> | <u>80,612</u> | <u>13,562,127</u> | <u>-</u> | <u>13,562,127</u> | <u>13,642,739</u> |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

a) Sensitivity analysis of variable rate instruments

As at June 30, 2020, the Company holds market treasury bills and Pakistan investment bonds which are classified as financial assets at fair value through profit or loss' exposing the Company to fair value interest rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Markets Association of Pakistan for market treasury bills and with all other variables held constant, the net profit before tax for the year of the Company would have been lower / higher by Rs 71.949 million.

b) Sensitivity analysis of fixed rate instruments

Fixed rate instruments comprise of TDRs, PIBs, balances with banks and loans to employees. The income from these financial assets are substantially independent of changes in market interest rates except for changes, if any, as a result of fluctuation in respective fair values. The Company's income from these financial assets does not have any fair value impact.

43.3.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

43.3.4 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences may arise between the carrying value and the fair value estimates.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is as follows:

Level I: Quoted market price (unadjusted) in an active market for an identical instrument.

Level II: Valuation techniques based on observable inputs, either directly (i.e. market prices) or indirectly (i.e. derived from prices).

Level III: Valuation techniques using significant un-observable inputs.

The level in the fair value hierarchy within which the fair value measurement of a financial instrument is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement of that financial instrument.

| | ----- As at June 30, 2020 ----- | | | ----- As at June 30, 2019 ----- | | |
|--|---------------------------------|---------|---------|---------------------------------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| | ----- Rupees in '000 ----- | | | | | |

Financial assets 'at fair value through profit or loss'

| | | | | | | |
|--|---|-----------|-------|---|-----------|--------|
| Government securities - Pakistan Investment Bonds (PIBs) | - | 500,046 | - | - | - | - |
| Government securities - Market Treasury Bills | - | 6,694,832 | - | - | 4,402,464 | - |
| Derivative financial instruments | - | - | 7,400 | - | - | 10,994 |

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

44 CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company is currently financing its operations primarily through equity and working capital. The Company has no material gearing risk in the current year nor any in the prior year.

45 IMPACT OF COVID-19 (CORONA VIRUS)

The pandemic of COVID-19 that has rapidly spread all across the world has not only endangered human lives but has also adversely impacted the global economy. On March 20, 2020, the Government of the Sindh announced a temporary lock down as a measure to reduce the spread of the COVID-19. Complying with the lockdown, the Company temporarily suspended its operations from March 23, 2020. In the Company's case, the lockdown was subsequently relaxed from end of May, 2020.

After implementing all the necessary Standard Operating Procedures (SOPs) to ensure safety of employees, the Company henceforth resumed its operations and has taken all necessary steps to ensure smooth and adequate continuation of its business in order to maintain business performance despite slowed down economic activity. The lockdown has caused disruptions in supply chain including supply to the customers resulting in a decline in sales. It is also expected that the outbreak may result in lower demand in future. Due to this, management has assessed the accounting implications of these developments on these financial statements, including but not limited to the following areas:

- expected credit losses under IFRS 9, 'Financial Instruments';

- the impairment of tangible and intangible assets under IAS 36, 'Impairment of non financial assets';

- the net realisable value of inventory under IAS 2, 'Inventories';

- deferred tax assets in accordance with IAS 12, 'Income taxes';

- provisions and contingent liabilities under IAS 37, including onerous contracts; and

- going concern assumption used for the preparation of these financial statements.

According to management's assessment, there is no significant accounting impact of the effects of COVID-19 in these financial statements.

46 NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors in its meeting held on August 10, 2020 has proposed a cash dividend in respect of the year ended June 30, 2020 of Rs 7 (2019: cash dividend of Rs 27.5) per share. This is in addition to the interim cash dividend of Rs 23 (2019: Rs 87.5) per share resulting in a total dividend for the year of Rs 30 (2019: Rs 115) per share. The Directors have also announced appropriation of Rs 3,000 million (2019: Rs 4,500 million) to general reserve. These appropriations will be approved in the forthcoming Annual General Meeting. The financial statements for the year ended June 30, 2020 do not include the effect of these appropriations which will be accounted for in the financial statements for the year ending June 30, 2021.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2020

47 GENERAL

Figures in these financial statements have been rounded off to the nearest thousand Rupees.

48 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and comparison.

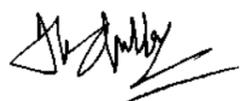
49 DATE OF AUTHORISATION

These financial statements were authorised for issue on August 10, 2020 by the Board of Directors of the Company.

Pattern of Shareholding

As at June 30, 2020

| Number of Shareholders | Shareholdings' Slab | Total Shares Held |
|------------------------|--------------------------|-------------------|
| 1060 | 1 to 100 | 50,684 |
| 2288 | 101 to 500 | 1,005,677 |
| 313 | 501 to 1,000 | 272,652 |
| 358 | 1,001 to 5,000 | 865,228 |
| 70 | 5,001 to 10,000 | 517,191 |
| 21 | 10,001 to 15,000 | 254,231 |
| 13 | 15,001 to 20,000 | 230,124 |
| 12 | 20,001 to 25,000 | 272,195 |
| 10 | 25,001 to 30,000 | 277,340 |
| 8 | 30,001 to 35,000 | 265,413 |
| 13 | 35,001 to 40,000 | 489,690 |
| 4 | 40,001 to 45,000 | 164,857 |
| 4 | 45,001 to 50,000 | 197,040 |
| 1 | 50,001 to 55,000 | 51,720 |
| 3 | 55,001 to 60,000 | 166,025 |
| 2 | 60,001 to 65,000 | 127,920 |
| 1 | 65,001 to 70,000 | 69,410 |
| 1 | 70,001 to 75,000 | 71,060 |
| 1 | 75,001 to 80,000 | 79,532 |
| 2 | 85,001 to 90,000 | 174,740 |
| 2 | 95,001 to 100,000 | 195,991 |
| 2 | 105,001 to 110,000 | 214,675 |
| 1 | 110,001 to 115,000 | 111,180 |
| 1 | 115,001 to 120,000 | 118,300 |
| 2 | 125,001 to 130,000 | 260,000 |
| 1 | 130,001 to 135,000 | 135,000 |
| 1 | 135,001 to 140,000 | 138,000 |
| 1 | 145,001 to 150,000 | 150,000 |
| 2 | 150,001 to 155,000 | 304,270 |
| 1 | 155,001 to 160,000 | 158,680 |
| 1 | 160,001 to 165,000 | 162,040 |
| 1 | 175,001 to 180,000 | 179,800 |
| 1 | 180,001 to 185,000 | 181,500 |
| 1 | 235,001 to 240,000 | 237,786 |
| 1 | 240,001 to 245,000 | 243,750 |
| 4 | 255,001 to 260,000 | 1,032,667 |
| 1 | 270,001 to 275,000 | 272,384 |
| 1 | 295,001 to 300,000 | 296,969 |
| 1 | 305,001 to 310,000 | 308,950 |
| 2 | 430,001 to 435,000 | 867,387 |
| 1 | 495,001 to 500,000 | 496,460 |
| 1 | 550,001 to 555,000 | 552,685 |
| 1 | 595,001 to 600,000 | 600,000 |
| 1 | 640,001 to 645,000 | 641,547 |
| 1 | 655,001 to 660,000 | 657,360 |
| 2 | 700,001 to 705,000 | 1,404,490 |
| 1 | 1,325,001 to 1,330,000 | 1,327,670 |
| 1 | 4,800,001 to 5,000,000 | 4,890,000 |
| 1 | 9,000,001 to 10,000,000 | 9,825,000 |
| 1 | 19,000,001 to 20,000,000 | 19,650,000 |
| 1 | 27,000,001 to 28,000,000 | 27,382,730 |
| 4225 | | 78,600,000 |


Mohammad Ibadullah
 Chief Financial Officer


Ali Asghar Jamali
 Chief Executive


Yuji Takarada
 Vice Chairman & Director

Pattern of Shareholding

As at June 30, 2020

| Categories of Shareholders | Number of Shares Held | Category Wise No. of Folios / CDC Accounts | Category Wise Shares held | Percentage |
|---|---|--|---------------------------|----------------|
| 1.Directors and their spouse(s) and minor children MOHAMEDALI R. HABIB MUHAMMAD H. HABIB IMRAN A. HABIB ALI ASGHAR ABBAS AZAM FARUQUE RIYAZ T. CHINYOY SYEDA TATHEER ZEHRA HAMDANI FARAH FATIMA HABIB W/O MUHAMMAD H. HABIB | 130,000 38,400 1,000 38,000 500 500 500 19,400 | 8 | 228,300 | 0.29% |
| 2.Associated Companies, undertakings and related parties THAL LIMITED HABIB INSURANCE COMPANY LIMITED | 4,890,000 24,015 | 2 | 4,914,015 | 6.25% |
| 3.Executives | 1,470 | 7 | 1,470 | 0.00% |
| 4.Public Sector Companies and Corporations | 995,353 | 5 | 995,353 | 1.27% |
| 5.Banks, development finance institutions, non-banking finance companies, insurance companies, takaful, modarabas and pension funds | 513,512 | 20 | 513,512 | 0.65% |
| 6.Mutual Funds CDC - TRUSTEE ATLAS STOCK MARKET FUND CDC - TRUSTEE MEEZAN BALANCED FUND CDC - TRUSTEE ALFALAH GHP VALUE FUND CDC - TRUSTEE UNIT TRUST OF PAKISTAN CDC - TRUSTEE AKD INDEX TRACKER FUND CDC - TRUSTEE AL MEEZAN MUTUAL FUND CDC - TRUSTEE MEEZAN ISLAMIC FUND CDC - TRUSTEE NBP STOCK FUND CDC - TRUSTEE NBP BALANCED FUND CDC - TRUSTEE MEEZAN TAHAFFUZ PENSION FUND - EQUITY SUB FUND CDC - TRUSTEE APF-EQUITY SUB FUND MC FSL - TRUSTEE JS GROWTH FUND CDC - TRUSTEE ALFALAH GHP STOCK FUND CDC - TRUSTEE ALFALAH GHP ALPHA FUND CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND CDC - TRUSTEE LAKSON EQUITY FUND CDC - TRUSTEE NBP SARMAZA IZAFI FUND MCBFSL - TRUSTEE ABL ISLAMIC STOCK FUND CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST CDC - TRUSTEE NBP ISLAMIC STOCK FUND CDC - TRUSTEE NIT ISLAMIC EQUITY FUND CDC - TRUSTEE NBP ISLAMIC ACTIVE ALLOCATION EQUITY FUND CDC - TRUSTEE MEEZAN ASSET ALLOCATION FUND INTERMARKET SECURITIES LIMITED - MF CDC - TRUSTEE LAKSON ISLAMIC TACTICAL FUND CDC TRUSTEE - MEEZAN DEDICATED EQUITY FUND CDC - TRUSTEE NBP ISLAMIC REGULAR INCOME FUND | 71,060 13,700 90 4,220 3,329 35,640 39,740 55,470 1,220 36,420 5,740 7,180 400 1,030 51,720 63,900 969 15,000 7,500 237,786 8,700 99,390 2,500 7,960 4,000 3,380 5,740 1,100 | 28 | 784,884 | 1.00% |
| 7.Foreign Investors / Companies Holding 5% or more voting interest OVERSEAS PAKISTAN INVESTORS AG TOYOTA MOTOR CORPORATION TOYOTA TSUSHO CORPORATION | 27,382,730 19,650,000 9,825,000 | 68 | 65,125,849 | 82.86% |
| 8.General Public a. Local b. Foreign | 3,934,815 270,010 | 3,578 433 | 4,204,825 | 5.35% |
| 9.OTHERS | 1,831,792 | 76 | 1,831,792 | 2.33% |
| Totals | | 4,225 | 78,600,000 | 100.00% |

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Ten Years Performance Indicators

| Financial Summary | | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|--|------------|------------|-------------|-------------|-------------|-------------|------------|------------|------------|------------|------------|
| Income Statement | | | | | | | | | | | |
| Net revenue | Rs in '000 | 86,167,016 | 157,996,212 | 139,715,429 | 111,942,544 | 108,758,668 | 96,516,322 | 57,063,622 | 63,829,075 | 76,962,642 | 61,702,677 |
| Gross profit | Rs in '000 | 7,450,859 | 19,191,674 | 23,884,658 | 19,492,589 | 17,731,299 | 14,244,230 | 5,793,582 | 5,857,037 | 6,561,854 | 4,089,135 |
| Profit before taxation | Rs in '000 | 7,287,359 | 18,975,929 | 22,999,166 | 19,140,767 | 17,397,446 | 14,132,569 | 5,016,497 | 4,969,775 | 6,312,267 | 4,011,455 |
| Profit after taxation | Rs in '000 | 5,082,027 | 13,714,975 | 15,771,860 | 13,001,265 | 11,454,940 | 9,110,251 | 3,873,452 | 3,357,545 | 4,302,715 | 2,743,384 |
| Dividends | Rs in '000 | 2,358,000 | 9,039,000 | 11,004,000 | 9,039,000 | 7,860,000 | 6,288,000 | 2,318,700 | 1,965,000 | 2,515,200 | 1,179,000 |
| Statement of Financial Position | | | | | | | | | | | |
| Share capital | Rs in '000 | 786,000 | 786,000 | 786,000 | 786,000 | 786,000 | 786,000 | 786,000 | 786,000 | 786,000 | 786,000 |
| Reserves | Rs in '000 | 40,383,391 | 39,259,309 | 35,958,342 | 30,410,962 | 26,843,609 | 23,249,520 | 19,129,652 | 16,907,291 | 16,227,858 | 13,333,648 |
| Non-current assets | Rs in '000 | 16,574,192 | 13,898,033 | 7,311,379 | 6,345,444 | 4,938,277 | 5,193,477 | 6,033,264 | 2,742,140 | 3,472,906 | 4,225,710 |
| Net current assets | Rs in '000 | 24,991,174 | 26,679,161 | 29,383,117 | 24,762,671 | 17,473,164 | 13,861,221 | 14,062,278 | 14,775,801 | 13,693,056 | 10,326,779 |
| Long term liabilities | Rs in '000 | 483,125 | 558,920 | 22,711 | 3,933 | - | - | - | - | - | - |
| Investor Information | | | | | | | | | | | |
| Gross profit ratio | % age | 8.65 | 12.15 | 17.10 | 17.66 | 16.30 | 14.76 | 10.15 | 9.18 | 8.53 | 6.63 |
| Net profit ratio | % age | 5.90 | 8.68 | 11.29 | 11.61 | 10.53 | 9.44 | 6.79 | 5.26 | 5.59 | 4.45 |
| Earnings per share | Rs | 64.66 | 174.49 | 200.66 | 165.41 | 145.74 | 115.91 | 49.28 | 42.72 | 54.74 | 34.90 |
| Inventory turnover | Times | 5 | 11 | 11 | 11 | 13 | 15 | 8 | 8 | 11 | 11 |
| Debt collection period | Days | 8 | 5 | 3 | 3 | 3 | 4 | 10 | 8 | 7 | 9 |
| Average fixed assets turnover | Times | 5.66 | 14.90 | 22.89 | 19.90 | 21.47 | 17.19 | 13.01 | 18.32 | 19.99 | 16.34 |
| Breakup value per share | Rs | 523.78 | 509.48 | 467.49 | 396.91 | 351.52 | 305.80 | 253.38 | 225.11 | 216.46 | 179.64 |
| Market price per share | | | | | | | | | | | |
| - as on June 30 | Rs | 994.99 | 1,203.92 | 1,421.46 | 1,793.60 | 939.54 | 1,249.00 | 537.92 | 311.00 | 245.08 | 220.00 |
| - High value during the period | Rs | 1,280.00 | 1,589.90 | 1,980.00 | 2,110.00 | 1,313.00 | 1,320.00 | 549.00 | 364.60 | 305.00 | 309.73 |
| - Low value during the period | Rs | 700.00 | 1,030.62 | 1,300.00 | 935.00 | 884.75 | 520.00 | 300.00 | 237.00 | 187.00 | 205.51 |
| Price earning ratio | Times | 15.39 | 6.90 | 7.08 | 10.84 | 6.45 | 10.78 | 10.92 | 7.28 | 4.48 | 6.30 |
| Dividend per share | Rs | 30.00 | 115.00 | 140.00 | 115.00 | 100.00 | 80.00 | 29.50 | 25.00 | 32.00 | 15.00 |
| Dividend yield | % age | 3.02 | 9.55 | 9.85 | 6.41 | 10.64 | 6.41 | 5.48 | 8.04 | 13.06 | 6.82 |
| Dividend payout | % age | 46.40 | 65.91 | 69.77 | 69.52 | 68.62 | 69.02 | 59.86 | 58.52 | 58.46 | 42.98 |
| Dividend cover | Times | 2.16 | 1.52 | 1.43 | 1.44 | 1.46 | 1.45 | 1.67 | 1.71 | 1.71 | 2.33 |
| Return on equity | % age | 12.34 | 34.25 | 42.92 | 41.67 | 41.46 | 37.90 | 19.45 | 18.98 | 25.29 | 19.43 |
| Debt to equity | Ratio | 0 : 1 | 0 : 1 | 0 : 1 | 0 : 1 | 0 : 1 | 0 : 1 | 0 : 1 | 0 : 1 | 0 : 1 | 0 : 1 |
| Current ratio | Ratio | 1.65:1 | 2.1:1 | 1.63:1 | 1.76:1 | 1.58 : 1 | 1.53 : 1 | 3.35 : 1 | 2.99 : 1 | 2.32 : 1 | 1.84 : 1 |
| Other Information | | | | | | | | | | | |
| Units sold | Nos. | 28,837 | 66,211 | 64,000 | 60,586 | 64,584 | 57,387 | 34,470 | 38,517 | 55,060 | 50,943 |
| Units Produced | Nos. | 28,519 | 65,346 | 62,886 | 59,945 | 64,096 | 56,888 | 33,012 | 37,405 | 54,917 | 50,759 |
| Manpower | Nos. | 2,855 | 3,349 | 3,266 | 2,849 | 2,765 | 2,322 | 2,091 | 2,225 | 2,292 | 2,187 |
| Contribution to National Exchequer | Rs in '000 | 35,927,543 | 52,307,841 | 48,843,141 | 38,959,490 | 37,325,754 | 32,076,453 | 19,261,559 | 21,267,303 | 24,725,706 | 22,043,581 |

Notice of Annual General Meeting

Notice is hereby given that the 31st Annual General Meeting of INDUS MOTOR COMPANY LIMITED will be held on Wednesday, September 30, 2020 at 9:00 a.m. to transact the following business. Due to the current situation caused by COVID-19 pandemic, shareholders shall be entitled to attend the meeting through video conference facility managed by the Company as per the instructions given in the notes section.

ORDINARY BUSINESS

- To receive, consider and adopt the annual audited Financial Statements of the Company for the year ended June 30, 2020, together with the Chairman's Review and Directors and Auditors Report thereon.
- To approve cash dividend (2019-2020) on the ordinary shares of the Company. The Directors have recommended a Final Cash Dividend at 70% i.e. Rs 7 per share. This is in addition to the combined Interim Dividend of 230% i.e. Rs. 23 per share already paid. The total dividend for 2019-2020 will thus amount to 300% i.e. Rs. 30 per share.
- To appoint auditors and fix their remuneration for the year ending June 30, 2021. The present auditors M/s. A.F. Ferguson & Co., Chartered Accountants, retire and being eligible have offered themselves for re-appointment.
- To present any other business with the permission of the Chairman.

By order of the Board



Muhammad Arif Anzer
Company Secretary

Karachi,
August 10, 2020

NOTES:

1. Participation in the AGM Proceeding via the Video Conference Facility

Due to current COVID-19 situation, the AGM proceedings shall be held via video conference facility only. Shareholders interested to participate in the meeting are requested to share below information at imc.corporate@toyota-indus.com for their appointment and proxy's verification by or before 5:00 p.m. on September 26, 2020.

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

Video conference link details and login credentials will be shared with those Shareholders whose registered emails containing all the particulars are received on or before September 26, 2020 by 5:00 p.m. Shareholders can also provide their comments and questions for the agenda items of the AGM on imc.corporate@toyota-indus.com by September 26, 2020 by 5:00 p.m.

2. Closure of Share Transfer Books

The Share Transfer Books of the Company will be closed from September 24, 2020 to September 30, 2020 (both days inclusive) for the purpose of the Annual General Meeting and payment of the final dividend. Transfer requests received by CDC Share Registrar Services Limited, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400. Tel: 0800-23275, UAN: 111-111-500, Email: info@cdcsrsl.com at the close of business on September 23, 2020 will be treated in time for the purpose of determining above entitlement to the transferees for payment of final dividend and to attend the Annual General Meeting.

3. Proxy

A member entitled to attend and vote at this General Meeting is entitled to appoint a Proxy to attend, speak and vote in his place at the Meeting. Instrument appointing a proxy must be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting alongwith a recent photograph of the shareholders appointed as Proxy.

In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee alongwith his/her recent photograph shall be provided atleast 48 hours before the time of the meeting. The Form of Proxy in English and Urdu is attached in the Annual Report and should be witnessed by two persons whose names, addresses and CNIC numbers should be mentioned on the Forms. The Form of Proxy is also available on the Company's website (www.toyota-indus.com).

4. Change of Address

The Shareholders are requested to promptly notify change in their address, if any, to the Company's Share Registrar.

5. Submission of Copies of Valid CNIC not Provided Earlier

Individual Shareholders are once again reminded to submit a copy of their valid CNIC, if not provided earlier to the Company's Share Registrar. In case of non-availability of a valid copy of the Shareholders' CNIC in the records of the Company, the Company shall withhold the Dividend under the provisions of Section 243 of the Companies Act 2017.

6. Withholding Tax on Dividend

Currently, the deduction of withholding tax on the amount of dividend paid by the companies under section 150 of the Income Tax Ordinance, 2001, are as under:

| | |
|---|-----|
| (a) For Persons appearing in Active Tax Payer List (ATL): | 15% |
| (b) For Persons not appearing in Active Tax Payer List (ATL): | 30% |

Shareholders who have filed their return are advised to make sure that their names are entered into latest Active Tax Payers List (ATL) provided on the website of FBR at the time of dividend payment, otherwise they shall be treated as persons not appearing in ATL and tax on their cash dividend will be deducted at the rate of 30% instead of 15%.

7. Withholding tax on Dividend in Case of Joint Account Holders

In order to enable the Company to follow the directives of the regulators to determine shareholding ratio of the Joint Account Holder(s) (where shareholding has not been determined by the Principal shareholder) for deduction of withholding tax on dividend of the Company, shareholders are requested to please furnish the shareholding ratio details of themselves as Principal shareholder and their Joint Holders, to the Company's Share Registrar, enabling the Company to compute withholding tax of each shareholder accordingly. The required information must reach the Company's Share Registrar by September 23, 2020, otherwise each shareholder will be assumed to have equal proportion of shares and the tax will be deducted accordingly.

8. Payment of Cash Dividend Electronically (E-mandate)

In accordance with the provisions of section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations, 2017, it is mandatory that dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder. Notice in this regard has already been published earlier in newspapers as per Regulations. All shareholders are once again requested to provide details of their bank mandate specifying: (i) title of account, (ii) account number, (iii) IBAN number (iv) bank name and (v) branch name, code & address; to Company's Share Registrar CDC Share Registrar Services Limited. Shareholders who hold shares with Participants / Central Depository Company of Pakistan (CDC) are advised to provide the mandate to the concerned Broker / CDC.

The "Electronic Dividend Mandate Form" in English and Urdu is attached in the Annual Report and the same is also available on the Company's website (www.toyota-indus.com).

9. Distribution of Annual Report through Email (Optional)

Pursuant to the provisions of section 223(6) of the Companies Act, 2017, the companies are permitted to circulate their annual financial statements, along with Auditor's Report, Directors' Report etc. ("Annual Report") and the notice of annual general meeting ("Notice"), to its shareholders by email. Shareholders of the Company who wish to receive the Company's Annual Report and Notices of Annual General Meeting by email are requested to provide the completed Electronic Communication Consent Form (available on the Company's website), to the Company's Share Registrar, CDC Share Registrar Services Limited.

The audited financial statements of the Company for the year ended June 30th, 2020 have been made available on the Company's website (www.toyota-indus.com) in addition to annual and quarterly financial statements for prior years.

10. Transmission / Dispatch of Annual Report through CD/DVD

The Company has circulated Annual Financial Statements / Annual Report 2020 to its members through CD/DVD at their registered addresses. Printed copy of the same can be provided to the members upon request. The audited financial statements of the company for the year ended June 30, 2020 have been made available on the Company's Website at www.toyota-indus.com

لیڈرز کا انتخاب کیا ہے جو ایس ڈی جیز اہداف کو فروغ دے رہے ہیں جو بزنس سے متعلق ہیں۔ ہمیں اس بات پر فخر ہے کہ انڈس موٹر کا بھی انتخاب کیا گیا ہے۔ جو ایس ڈی جی 8 کو فروغ دے رہے ہیں۔ عمدہ کام اور اقتصادی ترقی کیلئے انڈسٹری لیڈرز کو کہا گیا ہے کہ وہ اپنے تجربات میں دوسروں کو شریک کریں اور دوسری کمپنیوں کو بھی اس بات کی تربیت دیں کہ کس طرح بہترین منصوبہ، وسیبنا رہ، ورکشاپ اور آگاہی کے ذریعے مخصوص ایس ڈی جی اہداف میں اضافہ کر سکتے ہیں اور ان کے بارے میں اطلاع دے سکتے ہیں۔

ٹویونا کا معروف خفیہ ہتھیار کم اور معیاری پیداوار اور بزنس کا طریقہ کار جو اس نے 1950 کے عشرے میں ایجاد کیا تھا اور اسے کال بنانے کیلئے اس نے کئی عشرے لگا دیے۔ کم اور معیاری اوزار اور تکنیک انڈس موٹر کی کامیابی کی اصل بنیاد ہے۔

آٹوموبائل شعبے میں ایک بڑی کمپنی ہونے کی حیثیت سے انڈس موٹر نے کاربن کے اثرات کو کم کرنے کی جستجو میں متعدد کاوشیں کی ہیں۔ ایندھن کے اعتبار سے اچھا مواد، صاف ستھرے ا ماحول کیلئے پیغام دینے کیلئے فروخت کنندگان کے ساتھ مل کر کام کرنے کیلئے بہت مدد کی ہے۔ جبکہ ہم صاف ستھرے ماحول کیلئے متعدد اقدامات جاری رکھے ہوئے ہیں۔ ہم سمجھتے ہیں کہ ماحول کو صاف ستھرہ بنانے کیلئے ہمیں اپنی زندگی کا ایک جزو بنانا پڑے گا۔ ہم اپنے ملازمین کو اس بات کی ترغیب دینے کیلئے مسلسل جدوجہد کر رہے ہیں کہ وہ آئوشعبے کو صاف ستھرا ماحول دیں اور ان انڈسٹری کو ان کوششوں کی پیروی کرنے کی ترغیب دیں۔

ہم نے خودیہ ذمہ داری لی ہے کہ ہم لوگوں کے گروہ میں وسعت دینے اور انہیں متنوع بنانے کیلئے طریقے تلاش کریں، جو ماحول کا خیال رکھتے ہیں اور اس میں بہتری لائے کیلئے ذمہ داری کا احساس کرتے ہیں اور جو موثر قدم اٹھانے کیلئے ہمارت رکھتے ہیں۔ اس ضمن میں پیداوار کے ماہین پروگرام بنانا، عوام الناس کی آگاہی بڑھانے اور ان کی ماحولیاتی سرگرمیوں میں شرکت کرنا ایک موثر حکمت عملی ثابت ہو سکتی ہے۔

ہم نے خودیہ ذمہ داری لی ہے کہ ہم لوگوں کے گروہ میں وسعت دینے اور انہیں متنوع بنانے کیلئے طریقے تلاش کریں، جو ماحول کا خیال رکھتے ہیں اور اس میں بہتری لائے کیلئے ذمہ داری کا احساس کرتے ہیں اور جو موثر قدم اٹھانے کیلئے ہمارت رکھتے ہیں۔ اس ضمن میں پیداوار کے ماہین پروگرام بنانا، عوام الناس کی آگاہی بڑھانے اور ان کی ماحولیاتی سرگرمیوں میں شرکت کرنا ایک موثر حکمت عملی ثابت ہو سکتی ہے۔

ملین ٹری مہم

ٹویونا کے ماحولیاتی وژن 2050 سے بخوبی متاثر ہو کر انڈس موٹر ملین ٹری مہم میں ثابت قدمی سے آگے بڑھ رہی ہے۔ جس کا دسمبر 2018 میں افتتاح کیا گیا تھا۔ رواں مالی سال کے اختتام تک، مجموعی طور پر 3 لاکھ پودے پاکستان بھر میں لگائے گئے ہیں۔ لگائے گئے پودوں کی اقسام کی پائیداریت ہمارے ملین ٹری مہم کیلئے ایک لازمی جز ہے۔ ای لئے پودوں کی ہر سہ ماہی میں سخت دیکھ بھال کی جاتی ہے۔

شہروں کو پائیدار بنانے کی مہم

ٹویونا کی 5S اصول پر مبنی گرین اینڈنگ میں ہم کا دوسرا مرحلہ جس میں ساتھ نئی اور سرکاری سکولوں میں پلاسٹک کے بچرے کے متعلق آگاہی پیدا کرنا شامل ہے کو روہنا کی عالمی دبا کی وجہ سے لاک ڈاؤن کی صورت حال میں مارچ 2020 سے روک دیا گیا ہے۔ اب تک 124 سکولوں کو اس مہم میں شامل کیا گیا ہے اور اس میں 80,000 سے زائد طلباء شامل تھے۔ اس مہم کا بنیادی مقصد خصوصاً نوجوان نسل میں ملکیت کا جذبہ پیدا کرنا ہے تاکہ وہ اس مثبت اثر سے واقف ہو سکیں جو وہ معاشرے پر مرتب کر سکتے ہیں۔ ٹویونا کے 5S اصولوں کو بھی اس مہم میں ظاہر کیا گیا ہے تاکہ کوئی بھی شخص جو مجموعی ماحول کی ملکیت کا متقی ہو وہ ان اصولوں کے ذریعے اپنی استعداد بڑھا کر مستفید ہو سکتا ہے۔

معاشرے کی ترقی کا پروگرام

ہم جن معاشروں میں کام کرتے ہیں وہاں کے پسے ہوئے طبقات کی بہتری کیلئے اپنے سی ایس آر اصولوں کی بنیاد پر کوششیں کرتے ہیں۔ چنانچہ ہم نے صنعت اور تعلیم کے پروگرام میں سرمایہ کاری کی ہے جس کا مقصد معاشی طور پر غریب لوگوں کی حالت میں پائیدار بہتری لانا ہے۔ سی ایس آر کے جزو کے طور پر ہمارا بہترین منظم کمیونٹی اپ لفٹ پروگرام (آبادی کی ترقی کا پروگرام) کی وجہ سے غریب اور محروم لوگوں کو کئی دیہات میں بہتر زندگی گزارنے میں مدد ملی ہے۔ اس پیمانے پر کامیابی کو حاصل کرنے اور اسے برقرار رکھنے کیلئے انڈس موٹر نے بین الاقوامی سطح پر مشہور سیلانی ویلفیئر ٹرسٹ کے ساتھ جنوری 2020 میں شراکت داری کی جس کا مقصد تیار کھانے اور راشن تقسیم کرنا اور مفت طبی چیک اپم کرنا ہے۔

خوراک کی ہفتہ وار تقسیم کا پروگرام

انڈس موٹر کو اس بات کا احساس ہے کہ خوراک کا تحفظ اور غذائیت کسی بھی معاشرہ کی ترقی کیلئے اہم ہیں جس کے بغیر حفظانِ صحت اور تعلیم کے اہداف پورے نہیں کیے جاسکتے۔ ہمارا خوراک کی تقسیم کا پروگرام نہ صرف ان لوگوں کی مدد کرتا جو آج سخت جھوک کا شکار ہیں بلکہ ان کو اس بات کی ترغیب دیتا ہے کہ وہ اپنی معاشرتی شمولیت میں مثبت سوچ پیدا کریں۔ ہم ہر سال ضرورت مند لوگوں میں خوراک کے ڈبے تقسیم کرتے ہیں تاکہ وہ رمضان المبارک میں ایشیاء خوردو نوش کی میزگاہی کی وجہ سے اپنے باورچی خانہ کے اخراجات برقرار رکھ سکیں۔ سیلانی ویلفیئر ٹرسٹ کے ساتھ شراکت داری سے ہم نے اپنی خوراک کی تقسیم کی سرگرمیوں کو فیملی کارڈ سسٹم کے تحت انتظام کیا ہے۔ اس سے ہمیں خاندان کی تعداد کے مطابق شفاف اور ہموار تقسیم میں مدد ملی ہے۔

ہفتہ وار فری میڈیکل چیک

آئی ایم سی اپنے قیام کے وقت سے ہفتہ وار فری ہیلتھ چیک لگانے پر عمل پیرا ہے اور یہ اس کی ایک موثر حکمت عملی ہے کیونکہ علاقہ کی معاشی خوشحالی کا انحصار ان کے صحت مند لوگوں پر ہے۔ ہمارے ہمسایہ میں مقیم غریب اور محروم لوگوں کی مجموعی صحت اور فلاح و بہبود کے بارے میں ہمارے انتہائی فعال طریقہ کی وسیع پیمانے پر تعریف کی گئی ہے اور یہ سی ایس آر کے شعبہ میں بڑی کامیابی کی کہانی ہے۔ برصغری ہونئی طلب کو پورا کرنے کیلئے آئی ایم سی نے سیلانی ویلفیئر ٹرسٹ کے ساتھ ایک معاہدہ پر دستخط کئے ہیں اور جنوری 2020 سے ٹرسٹ نے مکمل طور پر اپنا کام شروع کر دیا ہے۔ خدمات کی فراہمی کے اوقات میں توسیع کے ساتھ اب میڈیکل چیک ہر ہفتہ 3 دن کیلئے 3 مقامات پر لگائے جا رہے ہیں۔

نفسیاتی امراض کے لئے مفت چیک کا مہینے میں دو بار انعقاد

مختلف عوامل کی وجہ سے دنیا بھر میں ہر 40 سینڈ کے بعد ایک آدمی خودکشی کرتا ہے۔ ذہنی صحت کے 95 فی صد مسائل قابل علاج ہیں۔ لیاری میں فسادات کے دوران علاقہ میں مقیم بہت سے افراد کو ہی گوٹھ، صالح محمد گوٹھ، جام کنڈا گوٹھ و اراس کے نواح میں منتقل ہو گئے تھے۔ سماجی و معاشی مدحالی کے نتیجہ تقریباً 300 افراد کی تشخیص کے دوران اس بات کا پتا چلا کہ وہ ذہنی مریض ہیں اور انہیں مرگی کے دورے پڑتے ہیں۔ آئی ایم سی این، جی او ہینک نیڈز پاکستان (بی این پی) کے تعاون سے مہینہ میں دو بار فری میڈیکل چیک قائم کرتی ہے اور کوئی گوٹھ اور جام کنڈ گوٹھ میں آگاہی کی مہم کا آغاز کیا۔ اسی مریوط میڈیکل چیک میں نادار لوگوں کو صحت کی خصوصی خدمات فراہم کی جاتی ہیں اور تربیت یافتہ ڈاکٹرز ذہنی اور نفسیاتی مریضوں کا علاج کرتے ہیں۔

ٹویونا۔ گوٹھ تعلیمی پروگرام

سندھ میں تعلیم سے محروم بچوں کی بے تحاشہ تعداد بڑے مسائل میں سے ایک مسئلہ ہے۔ ٹویونا گوٹھ تعلیمی پروگرام (ٹی۔ جی ای پی) کا آغاز 2018 میں آئی ایم سی کے ہمسایہ میں مقیم طبقات کی ترقی کے پروگرام کے تحت کیا گیا تھا۔ اس کا مقصد بچوں کو ابتدائی تعلیم سے لے کر اعلیٰ تعلیم تک معیاری تعلیم کیلئے ان کو بھرپور مدد کرنا اور غربت کے چکر کو توڑنا تھا۔ اب تک طلباء کے دو گروپوں نے اپنی میٹرک کی تعلیم مکمل کر لی ہے۔ مجموعی طور پر اچھے نتائج کو سراہتے ہوئے آئی ایم سی نے پاس ہونے والے 16 طلباء کیلئے ہائر سیکنڈری ایجوکیشن کیلئے مکمل معاونت فراہم کی۔ اس وقت ٹی۔ جی ای پی میں 246 طلبا کا ابتدائی تعلیم سے سیکنڈری ایجوکیشن کیلئے اندراج ہوا ہے۔ ان کا تعلق سٹیژن فاؤنڈیشن کے 10 سکولوں سے ہے۔ طلباء میں امتیاز پیدا کرنے کی خاطر ٹی۔ جی ای پی کے شارٹ لسٹ کئے گئے 7 طلباء (5 عاہات اور دو طلبا) کو پاکستان کی منفرد پتھ لیڈرشپ کانفرنس جس کا عنوان ’’مارخور 2019‘‘ تھا میں شرکت کیلئے پانسر ڈ کیا گیا۔ یہ کانفرنس 2 سے 6 اکتوبر 2019 میں مکہ ہیک میں، شوکراں میں منعقد ہوئی تھی۔ یہ کانفرنس ایک اچھا ذریعہ تھا جس سے شرکاء کو تلاش کرنے کی عادت، سماجی طور پر فعال ہونا، مارخور کا جذبہ پیدا کرنا، سماجی اجارہ داری کے ذریعہ پائیدار تبدیلی پیدا کرنا اور جدت پسندی پر تربیت ملی۔

سی ایس آر کے حوالے سے ہماری کوششیں اور گنہ گونس کو نظر انداز نہیں کیا گیا۔ سال کے دوران مختلف باوقار اداروں نے مثلاً کراچی سٹاک ایکس چینج، منجمنٹ ایبوسی ایٹین آف پاکستان، ایشیاء می آف یو کے،

گلوبل کمپکٹ میٹ ورک پاکستان اور نیشنل فورم آف انوائزمنٹ اینڈ ہیلتھ نے آئی ایم سی کی کارکردگی اور خدمات کو سراہا اور اسے مختلف ایوارڈ سے نوازا۔

مستقبل کا جائزہ

صارفین کی خوشی آئی ایم سی کی آئی ٹی حکمت عملی کا مرکزی نکتہ ہے۔ ہم نے ڈیجیٹل نظام میں تبدیلی کے محاذ پر جو رفتار حاصل کی ہے ہم اس میں مزید اضافہ کریں گے۔ کورونا وائرس نے غیر مثالی خطرات پیدا کر دیے ہیں لیکن ہمیں یقین ہے کہ قیادت اور ڈیجیٹل ٹیکنالوجی کے سمارٹ اور محفوظ استعمال سے ہم پہلے کی نسبت زیادہ

TOYOTA

طاقت ور بن کر سامنے آئیں گے۔ ٹویونا وژن 2025 جو کاروبار میں چار بڑوں کی حیثیت حاصل کرنے اور اپنی کمپنی کو معاشرہ میں شہر کی بہترین کمپنی کا درجہ دینے کی کوشش کرتے رہیں گے۔ آئی ایم سی کا آئی ٹی شعبہ اس وژن کے حصول کیلئے ایک ہم معاون ثابت ہوگا جس کا مدعا ایک ایسی کمپنی ہوگا جس کے پاس بہت زیادہ صارفین ہیں جو بہت زیادہ منافع بخش ہے، بہت زیادہ مسابقت کی حال ہے اور بہت زیادہ جدت پسند ہے۔

ایک مشین ٹیکنالوجی کارکن ایک موٹر گاڑی کی تعمیر میں کام کر رہا ہے۔

ایک مشین ٹیکنالوجی کارکن ایک موٹر گاڑی کی تعمیر میں کام کر رہا ہے۔

سے زیادہ نوٹ کرنے والی بات یہ کہ وہ ہراس رنجین جن میں وہ اپنا کاروبار کر رہا ہے اسکی ضرورت اور میعار کے مطابق مصنوعات کی فراہمی میں یقین رکھتی ہے۔ یین الاوامی منڈی میں پاکستان روپے کی قدر میں کمی اور حکومت کی جانب سے عائد کردہ ٹیکسوں کے پیش نظر پاکستان میں موٹر گاڑیوں کی قیمتوں میں بے تحاشا اضافہ ہوا ہے۔ لوہا یا پاکستان کا انتہائی مقبول برانڈ ہے۔ انڈس موٹر کمپنی کی کوشش ہے کہ وہ اپنی مصنوعات کو سستی اور باآسانی رسائی کے قابل بنائیں تاکہ ان کے صارفین اپنی پہلی پسند کی موٹر کار برانڈ کی خریداری کے حوالے سے کسی قسم کا کھجوتہ نہ کریں۔ ہماری زیادہ تر توجہ مقامی سطح پر پرزوں کی تیاری کے ذریعے لاگت کو کم کرنا ہے تاکہ ہم سے صارفین کو درآمدات پر عائد جماری ٹیکسوں کے حوالے سے زائد رقم ادا نہ کرنی پڑے۔ میڈن پاکستان کی حکمت عملی کو مد نظر رکھتے ہوئے ہم نے کرولا، اور یارس گاڑیوں کی کیلگری کے 1168 پرزے مقامی طور پر تیار کرنے شروع کر دیئے ہیں۔ جبکہ کرشل گاڑیوں کی کیلگری میں ہائی کلس ریو، اور ڈیوٹا یونفار چوڑ گاڑیوں کے 407 پرزے تیار کر رہے ہیں۔ اور ہم مزید پرزوں کی مقامی سطح پر تیاری کے لئے کوشش جاری رکھے ہوئے ہیں۔

گاڑیوں کی قیمتوں کو کم کرنے کے ساتھ ساتھ صنعت کی ٹیکنالوجی اور استعداد کار کو بہتر بنانا بھی ہمارا قومی مشن ہے۔ جس پر ہمیں فخر ہے۔ ہماری نئی پراڈکٹ یارس گاڑیوں کی تیاری کے دوران رواں سال حاصل ہونے والی دو اہم کامیابیوں میں ایک جاپانی کمپنی ٹویوٹا بوشوکو اور نصل بوشوکو پاکستان کے درمیان گاڑیوں کی سیٹس اور ان کے آلات کی تیاری کے لئے فنی معاونت کا معاہدہ ہے۔ اس کے علاوہ ہم نے جاپان کی پلازنگ کمپنی Yazaki کارپوریشن اور نصل انجینئرنگ کراچی کے درمیان فنی معاونت کا معاہدہ کیا ہے جبکہ جاپانی کمپنی فورڈووا ایکٹریک گروپ کے ساتھ گاڑیوں کے پرزوں کی تیاری کے لئے پہلے ہی اس قسم کا معاہدہ موجود ہے۔

ان مشکل حالات میں مقامی صنعت کی حمایت اور اس کے فروغ کیلئے ہمارا عزم ایک اور ثبوت ہے۔ ہمیں کورونا وائرس کی وبا کی وجہ سے مشکلات کا تاحال سامنا ہے اور لاک ڈاؤن کے باوجود ہم نے خصوصی سپورٹ پیکیجز کی پیش کش کی ہے (ہمارے مقامی پلازنگز کی پائیداریت کو برقرار رکھنے کیلئے انہیں سو سے پاک قرضوں کی فراہمی اور دیگر شامل ہیں)

ایک ذمہ دار کارپوریٹ ادارہ ہونے کی حیثیت سے ماحولیات سے متعلق ہمارے اقدامات کا دائرہ کار کمپنی عمارات سے باہر تک کارفرما ہے۔ اور ہماری تمام تر سپلائی چین تک پھیلا ہوا ہے۔ ہم نے ماحولیات کے تحفظ کیلئے متعدد اقدامات کے مثلاً شجرکاری اور ہماری اپنی عمارات اور ہمارے پلازنگز دونوں سے کاربن کے اخراج میں کمی شامل ہیں۔ اس کے علاوہ ہمارے 52 مقامی پلازنگز میں سے 36 نے عالمی طور پر تسلیم شدہ ISO 140001 کا تصدیق نامہ پتیلے حاصل کر لیے ہے۔ جبکہ باقی ماندہ نے ہم سے یہ عہد کیا ہے کہ وہ آئندہ سال تک یہ تصدیق نامہ حاصل کر لیں گے اور اس طرح ہماری تمام تر سپلائی چین ماحولیات کے اعتبار سے محفوظ ہیں۔

انفارمیشن ٹیکنالوجی

مشکل حالات میں کفایت شعارجدت پسندی

مالی سال 2019-2020 کا آغاز صرف کی طلب میں کمی کے ساتھ وقوع پذیر ہوا۔ جس سے پنڈلم کی حرکت کی یاد تازہ ہوتی ہے یعنی مالی سال 2018-2019 ایک طرف غیر معمولی فروخت اور منافع سے ایک انتہا ہے، دوسری طرف کم ترین فروخت تھی جس کا آئی ایم سی نے ایک عشرہ میں تجربہ کیا تھا۔ پاکستانی روپے کی قدر میں کمی، اور بڑھتے ہوئے کل وقتی ٹیکسوں اور ڈیوٹیوں کی وجہ سے موٹر کاروں کی قیمتوں میں اضافہ ہوا۔ جس سے صارفین کی طرف سے خریداری پر بھی منفی اثر پڑا۔ اقتصادی صورت حال کو کورونا وائرس کی وبا کے آغاز کی وجہ سے بدحالی کا شکار ہوگئی۔ جس کے نتیجہ میں مارچ 2020 کے آخری ہفتے سے لے کر مئی کے آخر تک فروخت اور پیداواری سرگرمیوں کا مکمل طور پر لاک ڈاؤن ہو گیا۔

ان سخت معاشی خطرات اور کورونا وائرس کی وجہ سے عوام کی صحت کو لاحق ہنگامی صورتحال میں آئی ایم سی کے انفارمیشن ٹیکنالوجی شعبہ نے ایک سمارٹ اور کفایت شعارجدت پسندی کی حکمت عملی اختیار کی۔ ایک ہا مقصد ڈیجیٹل نظام میں منتقلی بہتر ثابت ہوئی جس سے آئی ایم سی نے برسوں میں بہتر طور پر کام کیا۔ سال کے آغاز میں ان اقدامات کو زیادہ موثر بنانے کیلئے سٹارٹ، سٹاپ، کنٹینیو(شروع کرو، وقفہ دو اور جاری

رکھو) کا ایک جامع تجربہ کیا گیا تاکہ معیشت اور صحت کو درپیش خطرات کی عمومی حالت میں کچھ فائدہ حاصل کیا جاسکے۔ رواں مالی سال میں آئی ٹی شعبہ میں اٹھانے گئے اقدامات کو زیادہ تر دو واضح اقسام میں تقسیم کیا جاسکتا ہے۔ اول بزنس پراسسس ،آٹومیشن (کاروبار کو خود کار طریقے سے نمٹانا) جس کا اہم ترین مقصد گاہک کی خوشی اور اچھی صحت کا حصول ہے۔ دوسرا ڈیجیٹلائز کرنے کے اقدامات سے متعلق ہے جس کا حتمی مقصد آئی ایم سی سٹاف کے انسانی وسائل میں اضافہ کرنا ہے تاکہ وہ فاصلہ پر رہ کر ایک محفوظ اور اچھے انداز میں کام کر سکیں جیسا کہ سماجی فاصلہ رکھنے کے بارے میں ہدایت نامہ میں تلقین کی گئی ہے۔

آئی ایم سی کے پرزہ جات کی بلنگ کا نظام

آئی ایم سی نے SAP S/4 HANA کے جدید نظام پر 2016 میں عمل درآمد کر دیا تھا۔ یہ پہلی تنظیم تھی جس نے اصل ڈیٹا کے ساتھ براہ راست رابطہ قائم کر لیا تھا۔ جسے تخلیقی ایس اے پی ٹی اور یوزرائٹرفیس نے فراہم کرنا تھا۔ آئی ایم سی کی ایس اے پی ٹیم نے سپلائی چین اور سپورٹ فنکشنز کے ساتھ مل کر ایس اے پی سسٹم کو کنٹرول اور ہا مقصد آٹومیشن کی معنی خیز اپیلی کیشن میں مزید بہتری پیدا کی۔ اس سال درآمد شدہ پرزوں کے آرڈر دینے کا نظام (آئی پی او ایس) کو اصل درآمد کنندہ کے حساب کے مطابق بہتر بنایا گیا ہے۔ اس سے پروڈکشن پلاننگ ٹیم اس قابل ہوگئی ہے کہ وہ اس کے بارے میں صحیح طور پر اندازہ لگا سکتی ہے۔ اور درآمد شدہ پرزہ جات اور کٹس کی بروقت آمد کے بارے میں منصوبہ بنا سکتی ہے۔ اس سے مصنوعات پیدا کرنے کے مووزوں پروگرام اور صارفین کو گاڑیوں کی بروقت تحواگی کو یقینی بنایا جاسکتا ہے۔ اس کے علاوہ بیز ہاؤس کے انتظام کو بہن لوکیٹر کو بنیاد پر موثر انداز میں استعمال کرنے کیلئے ترتیب دیا گیا ہے۔ اس سے آئی ایم سی کے تمام تر کام اور لوگوں اور بہتر یاد رنجائش کے انتظام میں مدد ملے گی۔

انٹریٹ آف ٹھنکو(آئی اوٹی) ٹیکنالوجی کے ذریعے خرابی کی پیشگی اطلاع

پراسس کے عمل میں بہتری لانے کی کوشش میں آئی ایم سی نے متعدد تدابیر اختیار کی ہیں جس کا مقصد ڈیٹا پروسس کو سربوط اور اس کام کا ہوتا کو نظر آنے کی خوبی کو بڑھانا ہے۔ پیشگی پینٹینس کا کام ایک ایسا شعبہ ہے جہاں انٹریٹ سے متعلق چیزیں (آئی اوٹی) کو بنیادی شکل دی گئی ہے جس میں امکانی فوائد موجود ہوں گے جن میں مشین میں خرابی کے بارے میں فعال یاد دہانیوں سے لے کر فالتو پرزہ جات کو خراب ہونے پچانے کیلئے کافی پچت تک شامل ہیں۔

آئل بزنس کو بہتر بنانے کیلئے ڈسٹری بیوٹرموبائل ایپ

آئی ایم سی نے ٹویوٹا جینیون آئل کے آپریشن کو سزیم لائن کرنے کیلئے ڈسٹری بیوٹرموبائل ایپ متعارف کرائی ہے۔ سادہ آسان انٹرفیس کے ساتھ موبائل ایپ ڈسٹری بیوٹرز کیلئے آئی ایم سی سے منصوبہ اور آئل کی خریدار کو آسان بناتی ہے۔

اصل دستیابی کیلئے کلاؤڈ پرنٹنگ

آئی ایم سی نے انتہائی احتیاط سے تیار کردہ اپنی کلاؤڈ حکمت عملی کے تحت کئی اہم بزنس اپیلی کیشنز کو کلاؤڈ کی طرف منتقل کیا ہے۔ ان میں سے ایک اپیلی کیشن جنسس ہے جسے بعد از فروخت کاروبار کی ضرورت پوری کرنے کیلئے ڈیلرشپ میں بڑے پیمانے پر استعمال کیا جا رہا ہے۔ مائیکروسافٹ یوزر کلاؤڈ سے ملائے سے صارفین کیلئے حتی الامکان دستیابی، شفافیت اور رازداری کو یقینی بنایا جاسکے گا۔

اطلاعات کا تحفظ اور بزنس کنٹینیوٹی پلاننگ (پی سی پی) /ڈیپرائمریکوری پلاننگ (ڈی آر پی)

اطلاعات کے تحفظ کا کام سائبر کے بڑھتے ہوئے خطرات پیش نظر انتہائی اہمیت اختیار کر گیا ہے۔ کاروباری ڈیٹا کی رازداری، شفافیت اور دستیابی (سی آئی اے) کو یقینی بنانے کیلئے اس بات کی ضرورت تھی کہ آئی ٹی تحفظ کی پالیسیوں اور طریقہ کار کو بہتر بنانے پر توجہ مرکوز کی جائے۔ سال رواں میں آئی ایم سی نے بی سی پی / ڈی آر پلان کا دوبارہ جائزہ لیا اور اس میں بہتری پیدا کی۔ اس کام کیلئے معروف BIG 4 FIRM کی خدمات حاصل کی گئیں۔ اور اس کے ساتھ ڈی آر ڈل کا کامیابی سے استعمال کیا گیا۔ اس سے بورد اور حصہ داران کو آئی ایم سی پی سی / ڈی آر پلان کی دستیابی کی صلاحیت کے بارے میں کافی ضمانت فراہم کی گئی۔ پلانٹ کے اندر عماراتی تحفظ کو بہتر بنانے کیلئے ایک نیا نظام یعنی RFID / فکٹر پرنٹ پڑھنی رسائی کے نظام کو نصب کیا گیا ہے تاکہ رسائی کو زیادہ مستند بنایا جاسکے۔

کارکردگی کا عالمی سطح پر اعتراف

اس بات کا اعلان کرنے میں ہمیں خوشی محسوس ہو رہی ہے اور یہ ہمارے لئے باعث افتخار ہے کہ انڈس موٹر کمپنی کے سی آئی اوکو بزنس میں متاثر کن تبدیلی کی کیلگری میں گلوبل سی آئی او اور 200 سربراہ کانفرنس 2019 میں ایوارڈ سے نوازا گیا ہے۔

سی آئی او 200 ایوارڈ ڈیجیٹل نظام میں تبدیلی لانے والے ماہرین کی خدمات اور ان کی طرف سے اس انقلاب کی رہنمائی کرنے کیلئے بے انتہا ذہانت کا اعتراف ہے۔ ایوارڈ ٹیکنالوجی میں اعلیٰ دماغ کے حامل ماہرین اور عالمی سطح پر ڈیجیٹل نظام کو بلند ترین سطح پر نافذ کرنے کیلئے محنت شاقہ اور مخلصانہ مساعی اور فنی مہارت پر مبارکباد پیش کی گئی ہے۔

اس پرکشش ایوارڈ کے لئے 15 ممالک کی طرف سے 3,200 نامزدگیاں موصول ہوئی تھیں۔ ان میں 200 نامزدگیوں کا عالمی تفریب میں شرکت کرنے کیلئے انتخاب کیا گیا تھا۔ آخر کار، 20 سی آئی اور 10 مختلف اقسام میں گلوبل سی آئی او ایوارڈ عطا کئے گئے۔

کارپوریٹ سماجی ذمہ داری

کارپوریٹ سماجی ذمہ داری کی ایک مثال

صارفین، ملازمین اور دیگر سٹیک ہولڈرز کی حفاظت اور سلامتی ہمیشہ ہماری اولین ترجیحات میں شامل ہیں۔ آئی ایم سی نے ان تمام ہدایات پر مبنی احتیاطی تدابیر پر عمل درآمد کیا ہے جو حکومتی حکام کی طرف سے کورونا وائرس کے پھیلاؤ کی روک تھام کیلئے موصول ہوئی تھیں۔ اچانک لاک ڈاؤن کے اعلان نے بے شمار کیٹینوں کو تکلیف میں مبتلا کر دیا اور گھریلو کارکن اور دیہاڑی دار مزدور سب سے زیادہ متاثر ہوئے جو اپنی آمدنی سے محروم ہو گئے، چنانچہ آئی ایم سی کے دفاتر اور ٹیکلری کو دو ماہ سے زائد عرصے تک مسلسل بند کر دیا گیا۔

بطور ایک ذمہ دار کارپوریٹ ادارہ آئی ایم سی نے مندرجہ ذیل کردار ادا کیا۔

- وزیراعظم کے کو روریلیف فنڈ 2020 میں 20 ملین روپے کی امدادی۔
- لاک ڈاؤن کے دوران 6,500 سے زائد کنبوں میں راشن کے تحویلے تقسیم کئے گئے۔
- ہسپتالوں کو مالی امداد، بجلی سازوسامان اور پی پی ایز فراہم کیے گئے۔
- اردگرد کے طبقات میں 2,600 خاندانوں میں راشن کی تقسیم کیلئے سیلانی ویلفیئر ٹرسٹ کو 3.3 ملین روپے عطیہ کئے گئے۔
- فرنٹ لائنز پر کام کرنے والے میڈیکل سٹاف اور ہسپتالوں کی مدد کیلئے SIUT کو 7.50 ملین روپے اور 50,000 سرنجیل ماسک عطیہ کیے
- شوکت خانم میموریل ہسپتال کو 10 ملین روپے عطیہ کیے۔
- کورونا وائرس کی وبا کے دوران پسے ہوئے اور متیقن طبقات کو معیاری علاج و معالجہ کی سہولت فراہم کرنے میں مدد فراہم کرنے کیلئے انڈس ہسپتال کو 10 ملین روپے عطیہ کئے۔
- آغاخان یونیورسٹی ہسپتال کو دفینی لیٹر مشین عطیہ کی گئی۔

(9) ملک بھر میں آئی ایم سی کے مجاز ڈیلرز نے بھی مالی امداد، راشن کی تقسیم اور ہسپتال کے سٹاف کیلئے پرسنل پروڈیکٹو ایکویپمنٹ کی فراہمی کے ذریعے متیقن طبقات کو امداد فراہم کی ہے۔

TOYOTA

ایک ٹویوٹا موٹر گاڑی کی تعمیر میں کام کر رہا ہے۔

ایک ٹویوٹا موٹر گاڑی کی تعمیر میں کام کر رہا ہے۔

ایک ٹویوٹا موٹر گاڑی کی تعمیر میں کام کر رہا ہے۔

ایک ٹویوٹا موٹر گاڑی کی تعمیر میں کام کر رہا ہے۔

ایک ٹویوٹا موٹر گاڑی کی تعمیر میں کام کر رہا ہے۔

ایک ٹویوٹا موٹر گاڑی کی تعمیر میں کام کر رہا ہے۔

ایک ٹویوٹا موٹر گاڑی کی تعمیر میں کام کر رہا ہے۔

ایک ٹویوٹا موٹر گاڑی کی تعمیر میں کام کر رہا ہے۔

ادارے اور صارفین شامل ہیں۔

ہم اپنی سماجی ذمہ داری کا سہارا بناتے ہوئے معاشرے کے بہتر بنانے میں کام کر رہے ہیں۔

اس سال انڈس موٹر کمپنی نے اپنا 30واں یوم تاسیس منایا۔ یہ مسلسل عہدو پیمان کا سفر ہے۔ آئی ایم سی کا سماجی خدمت سے متعلق باب نے ثابت قدمی سے ارتقا کی طرف سفر کر کے کارپوریٹ کی سطح پر خیرات دینے کے عا جزانہ تصور سے بدل کر ایک حکمت عملی پر مبنی سیکم سی ایس آر کی صورت اختیار کر لی۔ اب اس کا تعلق محض کمپنی کے تجزیہ ان کام سے نہیں بلکہ اس نے کارپوریٹ شعبہ میں ایک مستحکم درجہ حاصل کر لیا ہے۔ 30 سال کے تمام تر ارتقائی سفر میں ہماری کمپنی کے اولین چیئرمین مرحوم جناب علی ایس حبیب کے ورثہ کو ہمیشہ یاد رکھا جائے گا۔

ہم اپنی سماجی ذمہ داری کا شدت سے احساس کرتے ہوئے کاروبار میں مسابقت اور کارپوریٹ سماجی اتحاد حاصل کرنے کیلئے سماجی شعبہ کی ترقی کا عہد کرتے ہیں جو آئی ایم سی کے وژن، مشن، بنیادی اقدار اور یو این جی سی اصولوں کے عین مطابق ہوں گے۔ انڈس موٹر نے اپنی تمام سرگرمیوں اور کام میں ہمیشہ ایک قابل استخراج کارپوریٹ طرز عمل کا مظاہرہ کیا ہے۔ ان سرگرمیوں کے ساتھ منسلک کر کے اور اقوام متحدہ کے پائیدار ترقی کے اہداف (ایس ڈی جی ایس) کے اصولوں کے عین مطابق بنا کر ہم اپنے عہد کا اعادہ کرتے ہیں کہ ہم پائیدار بیت کے اصول پر عمل کریں گے اور معاشرے کے مختلف النوع اور مثبت سہولتیں فراہم کریں گے۔ ایک ذمہ دار ادارہ ہونے کی حیثیت سے انڈس موٹری ایس آر اصولوں کو معاشرے کیلئے اپنی ذمہ داری تصور کرتی ہے۔ جس کا دائرہ کار معاشی اور قانونی فرائض سے ماورا ہے۔ سماجی ذمہ داری کے علاوہ ہم سی ایس آر اصولوں کو فعال اور معاونتی طریقہ کار کے اعتبار سے مثبت تبدیلیوں کو فروغ دینے کی طرف سماجی جواب دہی تصور کرتے ہیں۔

گزشتہ 5 برسوں میں ہم نے 926 ملین روپے کی خطیر رقم تعلیم، ماحولیات، قومی صحت کی ہنگامی صورتحال اور معاشرے کی فلاح و بہبود کے شعبوں میں خرچ کرتے ہوئے ان شعبوں کو زیادہ ترجیح دی ہے۔ جبکہ پائیدار ترقی اور سماجی ترقی میں ہماری خدمات اور ہماری کوششوں کے بارے میں اضافی معلومات ہماری پائیدار بیت سے متعلق رپورٹ 2020 میں ایک ساتھ شائع کی جارہی ہیں۔ ہمارے چند منصوبوں کو اجاگر کرنے کی ضرورت ہے۔ ہم اپنی خدمات کو اپنی 30 سالہ تقریبات کے حصہ کے طور پر وقف کرنا چاہتے ہیں یعنی مسلسل عہد کا ایک سفر۔

ملازمین کی شمولیت

انڈس موٹر کمپنی نے ہمیشہ اپنے فرائض کی ادائیگی کیلئے جدوجہد کی ہے اور اپنے ملازمین کو کارپوریٹ اخلاقیات اور اصولوں کے معیار کے مطابق اپنے فرائض کی ادائیگی کی ترغیب دی ہے۔ اس کوشش کے پیش نظر آئی ایم سی ہمیشہ اپنے ملازمین کو آئی ایم سی کے مختلف سرگرمیوں میں شرکت کرنے کی ترغیب دیتا ہے جو اہمیت کی حامل ہیں۔ کیونکہ ہمارا یہ ایمان ہے کہ سی ایس آر سے ملازمین کو بے مثال خوشی کا احساس ہوتا ہے کیونکہ ملازمین مستحق لوگوں کی مدد کرنے میں فخر محسوس کرتے ہیں۔ ایسا کر کے لوگ دوسروں کی مدد کرنے کیلئے بطور ایک متحد طاقت مل جل کر کام کرتے ہیں۔ اس سے وہ ادارے کی طرف وفاداری اور ادائیگی کا جذبہ بھی پیدا کرتے ہیں جس سے معاشرے کیلئے دلچسپی پیدا ہوتی ہے۔ اس سال ہمارے ملازمین نے 4,839 کھٹے کام کیا جبکہ گزشتہ سال اس کی شرح 5,238 کھٹے تھی۔

SDG-8ایڈرپ

اس بات کا احساس کرتے ہوئے سی ایس آر اصول پر عمل اور ذمہ داری سے طرز عمل کا اظہار ایسا معاملہ نہیں جس میں کسی ایک کو اختیار کیا جائے بلکہ یہ ضرورت کا معاملہ ہے، انڈس موٹر نے اپنی پائیدار بیت سے متعلق سالانہ رپورٹ 2017 میں عالمی مقاصد شامل کیا گیا ہے۔

اپنے ایس ڈی جی لیڈر شپ پروگرام کیلئے پاکستان بزنس کونسل (پی بی سی) نے پاکستان میں انڈسٹری کے 9

"سیٹھی کو پیدا اور فروخت اور معاش پر ہمیشہ فوجیت حاصل رہے گی"

آئی ایم سی میں تمام کاروباری معاملات میں سیٹھی کو اہلیت حاصل ہے اور ہماری اعلیٰ قیادت کی توجہ ہمیشہ سیٹھی کو برقرار رکھنے پر دیتی ہے۔

ہمارے طریقہ کار آکویٹنل سیٹھی اینڈ ہیلائن مینجمنٹ سسٹم (او ایس ایچ ایم ایس) کے مطابق ہیں جو ٹویٹا کے عالمی معیارات ہیں جنہیں آئی ایس او 45001 کی بنیاد پر تیار کیا گیا ہے۔ او ایس ایچ ایم ایس کو بروئے کار لاتے ہوئے سیٹھی مینجمنٹ کو بہتر بنانے کیلئے Genchi Genbutsu کی طرف سے کمزوریوں کی نشاندہی کی جاتی ہے۔

انسانی وسائل کی ترقی

آئی ایم سی انسانی وسائل کی ترقی کیلئے پرعزم ہے جو ٹویٹا کے فلسفہ موٹوز وکوری (منیو فلپرنگ) لوگوں کی ترقی کے بارے میں ہے کی بنیاد پر ہے۔

ہمارے تربیتی پروگراموں کی باقاعدگی سے منصوبہ بندی کی جاتی ہے اور ہم ٹویٹا کے عالمی مواد اور مہارتوں کے مطابق انسانی وسائل کی ترقی کیلئے ہمارے بہترین وسائل استعمال کرتے ہیں۔ ملازمت کے دوران تربیت (اوبے ٹی) ہمارے تربیتی پروگرام کی بنیاد ہے۔ ہماری پالیسی صرف تربیت یافتہ افراد کو ہی مطلوبہ معیارات اور خصوصی مہارتوں کے مطابق کام کو سرانجام دینے کی اجازت دیتی ہے۔ ہمارے تربیتی مرکز ملک بھر میں بہترین مراکز ہیں جہاں ہم عالمی معیار کے محرکات کو استعمال کرتے ہوئے فنی تعلیمی پروگرام کا انعقاد کرتے ہیں۔ آئی ایم سی میں تعلیم یعنی ہمارے پروگرام سے نہ صرف ہمارے ملازمین استفادہ کرتے ہیں بلکہ ہم فعال طور پر ہمارے سٹیگ ہولڈرز بشمول پلارٹرز، وینڈرز، ڈیلرشپ اور کنٹریکٹرز سٹاف کو بھرپور تعلیم فراہم کرنے کیلئے مدد دیتے ہیں۔

گورناتازس کے خلاف ملازمین کی صحت کی دیکھ بھال

آئی ایم سی نے گورناتازس (COVID-19) کے پھیلاؤ کو روکنے کیلئے متعدد اقدامات اٹھائے ہیں۔ کمپنی نے ایس او بییز اور صحت کے حوالے سے ہدایات پر عمل درآمد کرتے ہوئے دفاتر اور فیکٹریوں میں کام کرنے والے افراد کیلئے نئے معمولں کے مطابق ماحول فراہم کیا۔ ہر شخص پر دیا کی وجہ سے پیدا ہونے والی تبدیلی کو اختیار کرنے اور اس پر سختی سے کاربند رہنے پر زور دیا گیا۔ ہم نے وزارت صحت اور عالمی ادارہ صحت کی طرف سے جاری کردہ ہدایات کے مطابق اپنے طریقہ کاروں میں تبدیلی لانے کیلئے دفاتر، مینوفیکچرنگ شاہیں، معمول کی مراکز، مینٹگ روم اور ٹرانسپورٹ کیلئے سنٹیڈرز آپریٹنگ پریجبر (ایس او بییز) تیار کئے۔ ہماری ٹیم تازہ ترین پیش رفتوں پر گہری نظر رکھے ہوئے اور لوگوں اور مصنوعات کیلئے کام کے ماحول میں مسلسل بہتری کیلئے کوشاں ہے۔

ماحولیاتی انتظام و انصرام

انوائزمنٹل مینجمنٹ ٹویٹا ماحولیاتی مسائل کو بہت زیادہ اہمیت کا حامل سمجھتا ہے اور مستقبل کے چیلنجز کو مد نظر رکھتے ہوئے نئے خیالات اور ٹیکنالوجیز کے استعمال سے ان مسائل کے حل کیلئے مسلسل کوشاں ہے۔ اکتوبر 2015 میں ٹویٹا نے ٹویٹا انوائزمنٹل چیلنج 2050 کا اعلان کیا جو چھ چیلنجز پر مشتمل ہے۔ یہ ہمارے کاروبار، نئی مصنوعات اور ٹیکنالوجیز کیلئے ہماری تلاش کے ہر پہلو اور افراد اور طبقات کو ان کے اردگرد قدرتی ماحول کو بچھنے اور اسے بہتر بنانے کی صلاحیت پیدا کرنے کے ہمارے کردار کا احاطہ کرتا ہے۔ ہم پائیدار معاشرے کے حصول کیلئے زمین اور اس کے معاشروں میں مثبت کردار کیلئے اقدامات اٹھانے کے ساتھ ساتھ گاڑیوں کے دھویں سے ماحول پر پڑنے والے دباؤ کو کم سے کم کرنے کیلئے کوششیں کرتے آئے ہیں۔ ہمارا عالمی ڈون ”زمین کے احترام“ کی اہمیت پر زور دیتا ہے۔ اس سوچ کی بنیاد پر ٹویٹا نے ماحولیاتی تحفظ کیلئے اقدامات کیلئے طویل المدتی ڈون کے طور پر اپنا چیلنج 2050 کا اعلان کیا ہے۔

ہمارا انوائزمنٹل مینجمنٹ سسٹم (ای ایم ایس) ایک جامع فراہم ورک جو آئی ایس او 14001 کے معیارات کے مطابق ہے۔ کاروباری معاملات اور آپریشنز ہماری ماحولیاتی پالیسیوں اور ٹویٹا گلوبل سٹینڈرز کے مطابق چلائے جاتے ہیں۔ آئی ایم سی نے آئی ایس او 2015: 14001 کا تصدیق نامہ حاصل کر لیا ہے۔

آئی ایم سی نے صرف آئی ایس او کے باقاعدہ آڈٹ کو یقینی بنایا جاتا ہے بلکہ انوائزمنٹل اسمنٹ سسٹم (ای اے ایس) جس کی پورے ٹویٹا میں عالمی سطح پر نگرانی کی جاتی ہے، کو نافذ کرتے ہوئے کمپنی کے اندر انٹزل آڈٹ کے ذریعے ماحولیاتی تحفظ کے حوالے سے سرگرمیوں کو بھی چیک کیا جاتا ہے۔

ہمارے ماحولیاتی مقاصد کے حصول کیلئے ہم نے 5 سالہ ایکشن پلان سکیمھ انوائزمنٹل ایکشن پلان طے کیا ہے۔ جو 2017 سے 2021 تک جاری رہے گا۔ طے کردہ قواعد و ضوابط اور معیارات کے مطابق اپنی سرگرمیوں کے انتظام و انصرام کیلئے ہماری کارکردگی کے اہم اشاروں (KPIs) کی نگرانی کی جاتی ہے۔ ٹویٹا کمپنی نے اس ضمن میں گزشتہ برسوں نمایاں کامیابیاں حاصل کی ہیں او رگلوبل انوائزمنٹل کمٹنٹ میں بیان کردہ چارستونوں کے فروغ کیلئے مسلسل کوشاں ہیں جو مندرجہ ذیل ہیں۔

(1) کم سے کم کاربن ڈائی آکسائیڈ اور دیگر گیسوں کے اخراج کے حامل معاشرے کا قیام

(2) ریسیکلنگ کی بنیاد پر معاشرے کا قیام

(3) ماحولیاتی خطرات کو کم کرنا اور قدرت سے ہم آہنگ معاشرے کا قیام

(4) ماحولیاتی انتظام و انصرام کو فروغ دینا

ہم پلانٹ کی سطح پر تمام ملازمین کو انوائزمنٹل مینجمنٹ سسٹم یعنی ماحولیاتی تحفظ کے بارے میں کثیرالسطحی تعلیم فراہم کرتے ہیں اور اس کے علاوہ انوائزمنٹل مینجمنٹ سسٹم کے آڈیٹرز کی استعداد کار میں اضافہ کیلئے ملک گیر آئی ایس او 14001 انٹزل آڈیٹرز ٹینگ کے انعقاد کے ساتھ ساتھ کمپنی کی ماحولیاتی تحفظ کیلئے سرگرمیوں کی رہنمائی کیلئے لیڈرز تیار کرتے ہیں۔

کمپنی نے ماحولیاتی تحفظ کے فروغ اور ہمارے ماحولیاتی مقاصد کے حصول کیلئے ملک بھر میں پلارٹرز اور ڈیلرز سیٹ اپنے کاروباری شرائکت داروں تک اپنی ماحولیاتی سرگرمیوں کو بڑھا دیا ہے۔

ان اقدامات میں ویسٹ واٹر ٹریٹمنٹ پلانٹ کی صلاحیت میں اضافہ شامل ہے۔ ہم ماحول دوست پاور پلانٹ سے لیس ہیں جو قدرتی گیس پر چلتا ہے۔ کمپنی نے پینٹ میں موجود مادہ (تھینر) کو ری سائیکل کرنے کیلئے مشین نصب کی ہے اور اس کے علاوہ ایس ای پی اے کے تصدیق شدہ کنٹریکٹرز کے ذریعے خطرناک کچرے کو بھی ٹھکانے لگایا جاتا ہے۔ آئی ایم سی پاکستان میں پہلی آٹوموبائل کمپنی ہے جس نے اودزن کے تحفظ کیلئے کار کے ایئر کنڈیشننگ سسٹم میں CFC-12 کی بجائے دوست ماحول گیس R-134a کے استعمال کا آغاز کیا ہے۔

قابل تجدید توانائی کا منصوبہ

فضاء میں کاربن ڈائی آکسائیڈ اور دیگر گیسوں کے اخراج میں کمی کے ٹویٹا کے عالمی اقدام کو آگے بڑھاتے ہوئے اور زمین کیلئے ایک بہتر ماحول بنانے کیلئے آئی ایم سی 4 میگا واٹ سولر پی وی پلانٹ منصوبہ پر کام کر رہی ہے جس سے 2021 تک سولر سٹم کی بجلی پیدا کرنے کی صلاحیت 4.5 میگا واٹ بڑھا دی گئی ہے۔ ہم نے اب تک متعدد عمارتوں کی چھتوں پر سولر فوٹو وولٹک پنیلز نصب کرنے کا کام مکمل کر چکے ہیں جس سے 1.4 میگا واٹ بجلی پیدا ہوتی ہے جبکہ باقی چھتوں پر سولر فوٹو وولٹ پنیلز نصب کرنے کا کام جاری ہے جو طے شدہ وقت میں مکمل ہو جائے گا۔

انسانی وسائل (ہیومن ریسورس)

آئی ایم سی کا اس بات پر کمال یقین ہے کہ اس کی تمام کامیابیوں میں اس کے ملازمین کی محنت شاذہ شامل ہے۔ چنانچہ آئی ایم سی ہمیشہ ٹیم ورک کے جذبہ اور مسلسل بہتر ماحول پیدا کرنے پر توجہ مرکوز کرتی رہی ہے۔ اپنے ملازمین کی مسلسل حمایت سے آئی ایم سی نے مشکل اوقات میں نمایاں مقاصد حاصل کیے ہیں۔

ملازمین کی شمولیت

آئی ایم سی اپنے ملازمین کو صحت مندانہ سرگرمیاں فراہم کرتی ہے۔ تاکہ ان میں جوش و خروش پیدا ہو اور وہ غیر معمولی نتائج پیدا کرنے پر اپنی توجہ دے سکیں۔

اس سال آئی ایم سی نے ایک تیسری کا مقابلہ کا اہتمام کیا جس میں کافی تعداد میں ملازمین نے ٹیم اور اکیلے مقابلوں میں حصہ لیا۔ ملازمین میں صحت مندانہ سرگرمیوں کو فروغ دینے کیلئے تفریح سے بھرپور مقابلہ کا کھیل کا اہتمام کیا گیا۔ اس میں فزٹی سنائل ریس سے لے کر واٹر پول تک ایسے کئی کھیل تھے جس میں سب شرکت کر سکتے تھے۔ یہ نہ صرف شرکاء کیلئے دلچسپ تھا بلکہ منتظمین اور حاضرین بھی برابر لطف اندوز ہوئے کیونکہ اس سے ہر شخص کو پول میں غوطہ لگانے کا موقع ملا۔

اس سال فٹ بال کے مقابلوں میں ملازمین کی طرف سے پہلے سے زیادہ شرکت تھی۔ اور اس میں زیادہ پیشہ ورانہ مہارت کا مظاہرہ کیا گیا۔ ہر سال گزرنے کے ساتھ ساتھ بلڈ سازی کے معیار میں بہتری آ رہی ہے، اور ملازمین کی طرف سے زیادہ صلاحیتوں کو اجاگر ہونے کے امکانات ہیں۔

ٹیم بنانے کیلئے سینئر قیادت کے درمیان کرکٹ کا ایک ٹورنامنٹ بھی منعقد کیا گیا۔ ٹورنامنٹ میں کھلاڑیوں نے بھرپور جوش و جذبہ سے اپنے کھیل کا مظاہرہ کیا۔ یہ ایک یادگار ایونٹ تھا جہاں بہت شاندار لمحات کا تجربہ کیا گیا

ٹیلنٹ کی ترقی

آئی ایم سی کا ارادہ ہے کہ اپنے ملازمین کی فنی مہارتوں میں اضافہ کیا جاسکے تاکہ وہ مستقبل کے مسائل اور تقاضوں کیلئے خود کو تیار رکھیں۔ یہی وجہ ہے کہ کمپنی اپنے لوگوں میں ٹویٹا کے بہترین عمل اور دوسری مہارتیں دل نشین کرانے کیلئے دل کھول کر سرمایہ کاری کرتی ہے۔ اس سال کمپنی کے اندر متعدد تربیتی پروگراموں کا اہتمام کیا گیا جس کا مقصد کام کرنے کا ٹویٹا کے طریقہ ”ٹویٹا دے“ کو زیادہ مستحکم کرنا تھا۔ آئی ایم سی نے اپنے اعلیٰ ملازمین کو سرکردہ اقتصادی اداروں میں کثیرالامین الاقوامی تربیتی پروگراموں میں بھیجا۔

یہ آئی ایم سی کی کامیابی کا ایک نمایاں اقدام تھا جس کا مقصد کمپنی کو ایک ایسی تنظیم میں منتقل کرنا تھا جو مستقبل کے تقاضوں کو پورا کر سکے۔ اس سال ایک مفصل لگاتار منصوبہ بنانے کیلئے اہم کردار اور ذہنی افراد کی نشاندہی کی گئی۔ جس پر آئی ایم سی عمل پیرا ہے جس کا مقصد بغیر کسی رکاوٹ غیر معمولی نتائج حاصل کرنا ہے۔

آئی ایم سی نے نوجوانوں کو تربیتی پروگرام فراہم کرنے کا کام ایک اپرینٹس شپ پروگرام کے تحت جاری کر رکھا ہے جس میں اس نے منتخب امیدواروں کو کام کے دوران عملی تربیت فراہم کی۔ سال بھر میں 400 سے زائد زیر تربیت افراد کو بھرتی کیا گیا جس کا مقصد ان میں ٹویٹا مصنوعات کے نظام کے استعمال اور عمل سے متعلق تربیت دی گئی۔

ملازمین کی دیکھ بھال

آئی ایم سی کو اپنے ملازمین کی ہر ممکن طریقہ سے دیکھ بھال کرنے کی حیرت انگیز خصوصیت حاصل ہے۔ فیملی کی اہمیت کا ادراک کرتے ہوئے آئی ایم سی نے ملازمین کے لیے والدین بیری بینکنج کیلئے گفتگو کی ہے۔ ملازمین کی طرف سے ایک بھرپور جواب موصول ہوا جو اپنے والدین کے صحت کے بیمہ کے رعایتی نرخ حاصل کر کے بہت زیادہ خوش تھے۔

اس سال آئی ایم سی نے ملازمین کو بنیادی اطلاعات تک رسائی دینے کیلئے ایک خود خدمتی دفتر قائم کیا۔ اب ملازمین کو ایک ہنر دانہ برکذاتی اطلاعات مثلاً تنخواہ کی سلب، حاضری وغیرہ تک رسائی حاصل ہے۔

آپریشنز

ٹی پی ایس کے کلیدی افراد کی استعداد کار میں اضافہ

ٹویٹا، ٹویٹا ورلڈ کے معیار، نتائج اور سیٹھی معیارات کو پورا کرنے کیلئے تسلسل کے ساتھ برسرِ پیکار ہے۔ جس کے نتیجہ میں آئی ایم سی نے کائنزن حکمت عملیوں کو شامل کرنے اور کام کی جگہ پر معیاری طریقہ کار کی توثیق پر اپنی توجہ میں اضافہ کیا ہے۔

ان مقاصد کے حصول کیلئے آئی ایم سی نے ٹی ڈی ای ایم (ٹویٹا ڈائی ہنسوا انجینئرنگ اینڈ منیوفیکچرنگ کمپنی لمیٹڈ) کے ساتھ اشتراک کیا ہے۔ جس کے تحت کمپنی نے ٹی پی ایس کی پرسنز ڈویلپمنٹ پروگرام (TPS Key Persons Development Program) میں شرکت کی۔

TOYOTA

پلانٹ سپورٹ گروپ سے تعلق رکھنے والے دو اہم شرکاء نے آئی ایم سی کی طرف سے شرکت کی۔

اس کا مقصد ٹی پی ایس کے تمام تر روابط میں بھرپور اور مکمل تقسیم کو عام کرنا اور ٹی پی ایس کے مستقبل کے کلیدی افراد کو تیار کرنا ہے تاکہ کاروبار کی جگہ کے اندر معیاری کام کو مستحکم کرنے کے لیے عملہ کے مفاد میں ان کے منصب کے مطابق ہدایات اور کردار کا تعین کیا جاسکے۔

سکل میرا تھن 2019-20

12 ویں آئی ایم سی سکل کانٹسٹ کی تقریب ”اپنی مہارتوں کو ثابت کرنے کیلئے چیلنج قبول کرو“ کے عنوان سے 25 فروری، 2020 کو منعقد ہوئی جس میں 1800 ٹیم ممبرز اور ٹیم لیڈرز آئی ایم سی انٹزل ریگولیشن کے معیار کے مطابق رجسٹریشن اور سکروٹی کے عمل کے ذریعے سکل کانٹسٹ کے پہلے مرحلے میں پہنچنے میں کامیاب ہوئے۔

مہارت پر مبنی (سکل) مقابلہ مہارت، رفتار، اختتام، خود اعتمادی، مفاہمت اور مقابلے کے قواعد و ضوابط پر عبور حاصل کرنے کے بارے میں ہے۔

سکل میرا تھن 2019-2020 کے پہلے مرحلے کا آغاز Startup رجسٹریشن کے ساتھ نومبر 2019 کو ہوا جس کے بعد سروائیول راؤنڈ کا انعقاد کیا گیا جس کا مقصد بنیادی اصولوں پر مبنی مہارت میں بہتری پر توجہ مرکوز کرنا تھی۔ دوسرا مرحلہ ”مچل راؤنڈ“ کا مرحلہ تھا جس کا انعقاد دسمبر 2019 کو کیا گیا جس میں عملی سکیلپیڈرز کے ذریعے مہارت کے جائزہ پر توجہ مرکوز کی گئی۔ تیسرا مرحلہ ”چیمپیئن راؤنڈ“ تھا۔ اس راؤنڈ کا انعقاد جنوری 2020 میں کیا گیا جس میں اے پی۔ جی پی سی ریگولیشن کی بنیاد پر تمام لازمی سکیلپیڈرز پر عملی سرگرمی کے ذریعے ٹیسٹ/مہارت کا جائزہ لیا گیا

فروری میں ہونے والے چوتھا مرحلہ ہر ایک شاپ/کننگری سے کوالیفائیڈ ٹاپ 10 فائنلسٹ کی آن دی جاب پریکٹس پر مشتمل تھا۔

یہ گولڈ میڈلسٹ آئندہ سال ہونے والے ایٹھواں چیک سکل کانٹسٹ میں پاکستان کی نمائندگی کریں گے۔

ٹویٹا کے کاروباری طریقے

ذہن میں رکھیںے اور ترقی کے کچھ گولڈ نظر رکھتے ہوئے انڈس موٹر کے کوالٹی انجینئرنگ نے سال 2019 میں ٹویٹا کے کاروباری طریقہ کار پر چھ موضوعات امرکزی خیالات متعارف کرائے اور ان میں سے چھ ٹویٹا بزنس پریکٹیسسز میں سے ایک طریقہ کار کو منتخب کر کے 13 ویں ایٹھواں بجرا کانٹل ٹویٹا بزنس پریکٹیسسز مقابلے کے لئے جمع کرایا جس میں دیگر کاریں تیار کرنے والی نو کمپنیوں نے حصہ لیا جس میں انڈس موٹر کمپنی نے اول انعام حاصل کیا۔ اس مقابلے سے انڈس موٹر کمپنی کو نہ صرف اپنے پیئٹ کی کوالٹی بہتر بنانے بلکہ اس سے اپنے پیداواری ہدف کو پورا کرنے میں بھی مدد ملی ہے۔

26 واں کوالٹی کنٹرول سرکل کونٹن

سالانہ کوالٹی کنٹرول سرکل کونٹن ستمبر 2019 میں منعقد ہوا تقریب کے مہمان خصوصی وزیر اعلیٰ سندھ کے قانون، ماحولیات، موسمی تبدیلی، ساحلی ترقی کے بارے میں مشیر اور حکومت کے ترجمان پیر سزمر نقوی وہا ب نے کمپنی کی جانب سے ہر سال کوالٹی کنٹرول سرکل کونٹن کا اہتمام کرنے کی کوششوں کو سراہا اور معیار میں بہتری کی مسلسل سرگرمیوں کو جاری رکھنے کو یقینی بنایا۔ کونٹن میں معیار اور تحفظ، کارکردگی کو بہتر بنانے اور پیداواری لاگت کے حوالے سے بہت سے موضوعات/خیالات پیش کیے گئے۔ یہ کونٹن ملازمین کو شورومز میں درپیش مسائل کو حل کرنے اور معیار کو بہتر بنانے کے عمل میں زیادہ کردار ادا کرنے کے لئے انہیں با اختیار بنا کر ملازمین کو زیادہ سے زیادہ متحرک بنانے میں مددگار ہوگا۔

کیو اے اور کیو سی کی فوج ٹیم نے ٹویٹا سٹی جاپان میں منعقدہ 30 ویں ٹویٹا گولبل سرکل کونٹن میں شرکت کی اور پاکستان کی نمائندگی کی۔

مقامی سطح پر پردہ جات کی تیاری

میعار اور صارفین کا اعتماد ہمارے لئے ہمیشہ انتہائی اہمیت کا حامل رہا ہے۔ تاہم ٹویٹا برانڈ کے لئے سب

پیرالپکس گیمز(Paralympics Games)کےساتھشراکت کےجشنکےساتھساتھآسان اوراہلسولتسفرپرفوجمرکزکیگئیہے۔

پرجوش ملازمین،شراکت داروں اورصارفینکومد نظر رکھتے ہوئے،آئی ایم سی نےناممکن ٹوممکن بنانےکے مقصدکومضبوط کرنے اورمختلف ذرائع کوبرونے کارلاتے ہوئے مقامی ہیروایٹھلیٹ سعدی عباس کی صلاحیتوں کو اجاگر کرنے اوران کی تشہیرکے لئے چنداقدامات کا آغاز کیا۔آئی ایم سی نے اولمپک ڈے منانے کے لئے اولمپک ایسوسی ایشن آف پاکستان کےساتھشراکت کی اوراس کےساتھساتھآن گراؤنڈ ایکٹیویشن کے ذریعے ایس وائی آئی تشہیری مہم چلائی۔اس موقع پرجاپاکستان کےمختلف اتھلیٹس موجودتھے۔

آئی ایم سی نے لیاری میں بچوں کے لئے ٹریننگ بوٹکمپ کے انعقاد کے لئے سعدی عباس (مقامی ایٹھلیٹ اورکرائے چیمپئن) کے ساتھبھی شراکت کی اس کا مقصد لیاری کے بچوں کو National Institute of Karate Do Pakistan میں کرائے کی تربیت دینا تھا۔

سیفٹی مہم

آئی ایم سی نے سیفٹی کو اپنی اولین ترجیح بناتے ہوئے اپنی تمام پراڈکٹس میں ’’بیٹ ان کلاس فیچرز‘‘ کی فراہمی میں اپنی برتری کو ہمیشہ برقراررکھا

اپنے سیفٹی مینڈیٹ کومد نظر رکھتے ہوئے آئی ایم سی ہمیشہ اپنے صارفین کوسیفٹی فیچرز اوران کے استعمال کے بارے میں معلومات فراہم کرتا رہاہے۔ حال ہی میں #BeSafetyLeadersکے بیٹرتنے شروع کی جانے والی مہم میں آئی ایم سی نے ڈی ایم سی میں آن گراؤنڈ ایکٹیویشن کا انعقاد جس کا مقصد صارفین میں ویٹکل سیفٹی، ٹویونا کی گاڑیوں میں فراہم کی گئی سیفٹی سگنلیٹور اوران کے استعمال کے بارے میں آگاہی فراہم کرنا تھی۔اس کے ساتھ ساتھ #Realitycheck سرگرمی کا بھی انعقاد کیا گیا جس کا مقصد گاہکوں کوحفظ انداز میں ڈرائیونگ اورمہم کے تحت تحفظ کا حلف اٹھانے کے بارے میں شعور دیا گیا۔

صارفین کومعلوماتی ودیوز اور دیگر مواد کے ذریعے راغب کی غرض سے ٹی ایچ یو ایم ایس (ٹوٹل ہیومن ماڈل فاسٹنی) کے ساتھ ساتھ ڈیجیٹل contest کا بھی انعقاد کیا گیا۔

صارفین سے رابطہ کاری (کسٹمر ریلیشنز)

اپنے خواہوں کورنگ دےکے مستقبل کوروشن کریں

ٹویونا ڈریم کار آرٹ مقابلہ جو 2004 سے ٹویونا موٹر کارپوریشن جاپان کی طرف سے ہرسال منعقد کیا جاتا ہے ایک عالمی سطح کا مقابلہ ہے اور 16 سال سے کم عمر کے بچوں کیلئے دنیا کے بڑے ڈرائنگ مقابلوں میں سے ایک ہے۔ مقابلے کا انعقاد تین کینگری یوں یعنی 8 سال سے کم، 8، 11تو 12 اور 15تا سال اوررائل کینگری میں کیا جاتا ہے۔ مقابلے کا مقصد بچوں کوسنبھل کیلئے متحرک کرنا اور اپنے ڈریم کارکے تصورکا اجاگر کرنے کیلئے ان کی حوصلہ اوران میں جدت پسندی اور تخلیقی استعدادکار میں اضافہ کرنا ہے۔ یہ مقابلہ ایسے بچوں کی اہمیت کا اجاگر اوران کی حوصلہ افزائی کرتا ہے جوزندگی میں کچھ نہ کچھ کرنے کا خواب رکھتے ہیں۔

ٹویونا ڈریم کار آرٹ کے 14 ویں مقابلے 2020 کے نیشنل جیوری ایونٹ کا انعقاد کینی کے ہیڈ آفس میں کیا گیا جس میں پاکستان بھر سے بچوں کی طرف سے وصول ہونے والے ٹاپ علاقائی اورتومی فاتحین کا انتخاب کیا گیا۔مقابلے کا دائرہ کارگزشتہ چند سالوں میں وسیع ہو گیا ہے اور پاکستان بھر سے ہر شعبے ہائے زندگی سے تعلق رکھنے والے سچے حصہ لینے ہیں۔ پاکستان سب زیادہ آرٹ ورک موصول کرنے والے ممالک میں تیسرے نمبر پر ہے۔ رواں سال آئی ایم سی کو پاکستان بھر سے 46 ڈیلر شپس کے نیٹ ورک کے ذریعے 49,900 آرٹ ورک وصول ہوئے۔

معاشرے کے تمام طبقات کی شمولیت کے نظریہ کومد نظر رکھتے ہوئے خصوصی بچوں کے لئے منرفیچر رائل کینگری تیار کی گئی۔اس کینگری میں گزشتہ کئی سالوں سے نہ صرف فعال شرکت ہوئی بلکہ شراکہ کی تعداد میں بھی اضافہ ہوا اورعوام کی طرف سے اس کینگری کوبہت سراہا گیا۔

جیوری ہیٹل

پانچ روکی آزاد جیوری ہیٹل ماہرین تعلیم،چیمپنز اور لہصری فنکاروں بشمول مہر آفروز، چیئٹرز، پرنٹ میکر اور انڈس ویلی سکول آف آرٹس اینڈ آرکیٹچر، نوریدیش نجی، اسسٹنٹ پروفیسرفیکٹی آف فائن آرٹس، انڈس ویلی سکول آف آرٹ اینڈ آرکیٹچر ، عالیہ یوسف ماہر تعلیم اورسرامک آرٹس، آقان بھاگ جتی، آرٹ ایجوکیٹرا انڈ ڈول آرٹس اورمحمد بیٹان، آرٹ ایجوکیٹرا اینڈ ڈول آرٹس پرمشتمل تھا۔

جیوری نے 36 علاقائی اورتومی سطح پرقامیاب امیدواروں کا انتخاب کیا اور پاکستان کی نمائندگی کرنے والے 9 آرٹ ورکس کوشارٹ لسٹ کیا جو جاپان میں ہونے والے عالمی مقابلے میں حصہ لیں گے۔تین اضافی ڈرائنگ کا بھی انتخاب کیا گیا جن میں سے دو ڈرائنگ سی ای او انڈس موٹر،علی اصغر جمالی کی طرف سے سی ای او ایوارڈ جبکہ ایک ڈرائنگ جیوری کی طرف سے چوآس ایوارڈ کے لئے منتخب کی گئی۔

زمین کا تحفظ

اقوام متحدہ گلوبل کمپکٹ ایس ڈی جیز کے توثیق کنندہ ہونے کے ناطے اور زمین کے تحفظ کے خیال سے تقریب setupآئی ایم سی میں سی کے ڈی(CKD)کی انونکسنگ کے دوران حاصل کئے گئے بیکک میٹرل سے تیار کیا گیا تھا۔مثال کے طور پرجیٹ ووڈکونٹینل ونروال کیلئے دوبارہ استعمال کیا گیا اور پلاسٹک شیش کوآرٹ ورک ڈسپے وانٹریڈزی کرنے کیلئے ری سائیکل کیا گیا۔یہ اقدام نہ صرف سستا ثابت ہوا بلکہ اس اقدام کوسراہا بھی گیا۔

نمائش

جیوری ایونٹ کے بعد آئی ایم سی ملازمین کیلئے آئی ایم سی نے دو روزہ نمائش کا انعقاد کیا گیا جس میں پاکستان کے نوجوان آرٹسٹوں کی طرف سے بنائے شاہکار ڈیزائن نمائش کیلئے رکھے گئے۔نمائش میں شرکت کرنے والوں کی طرف سے دی جانے والی آراء نہایت حوصلہ افزاء تھیں ۔ بچوں کے غیر معمولی ٹیلنٹ اور تخیل نے شراکہ کوورط حیرت میں ڈال دیا

بدقسمتی سے کورونا وائرس کی وبا کے باعث آئی ایم سی کونیشنل ایوارڈ کی تقریب منسوخ کرنی پڑی جو ہرسال مقابلے کے فاتحین کی کامیابی کا جشن منانے کیلئے منعقد کی جاتی ہے۔چنانچہ ان فاتحین کی کوششوں کے اعتراف اور ستائش کیلئے آئی ایم سی نے ڈیلر شپس کے ذریعے فاتحین بچوں میں ایوارڈ تحفیلٹ، میڈلز اور انعامات تقسیم کئے۔ ٹویونا موٹر کارپوریشن جاپان نے بھی عالمی مقابلے کا انعقاد آئندہ سال تک موخر کردیا ہے۔

پاکستان 2013 , 2011, 2010میں ایک ایک بار جبکہ 2019میں دوبار فاتح رہ چکا ہے۔

پہلے صارف۔ پرزہ جات اور سروس

انڈس موٹر کمپنی صارفین نے پسندیدگی کے جائزے کی بناء پر TMAP (ٹویونا موٹرائیٹیاہ پیٹنٹفیک) سے مسلسل دوسرے بار گولڈ ایوارڈ جیتتا ہے ۔

انڈس موٹر کمپنی نے سال 2019 کے لئے صارفین کی خدمات کے حوالے سے بہترین کارکردگی ایوارڈ حاصل کیا ہے۔انڈس موٹر کمپنی کا یہ شعبہ اس پروگرام میں گزشتہ 11 سال سے شرکت کر رہا ہے۔کمپنی نے سال 2018 میں پہلی مرتبہ یہ ایٹھائی تہیٹی ایوارڈ اپنے نام کیا تھا۔اور کمپنی سال 2019 میں بھی ایک بار بچھر یہ ایوارڈ حاصل کرنے میں کامیاب رہی ۔ اس پروگرام کا انعقاد ہر سال ٹویونا موٹر کمپنی کارپوریشن جاپان کی جانب سے کیا جاتا ہے، اور دنیا بھر میں اس سے منسلک ممالک اس پروگرام میں شرکت کرتے ہیں اور صارفین کوبہتر خدمات کی فراہمی کے مشرکہ مقصد کے لئے اپنی کوششیں کرتے ہیں۔تاکہ اسے نخطے میں گاڑیوں کا پسندیدہ برانڈ بنایا جاسکے۔

انڈس موٹر کمپنی نے CSEA (کسٹمر سروس ایکسیلنس ایوارڈ) کے ذریعے گاڑیوں کی بعد از فروخت اور صارفین سے رابطہ کاری کے فروغ کے آپریشنز کوفروغ دیا ہے اور صارفین کی پسندیدگی کوبڑھانے کے لئے صارفین کے ساتھ رابطہ کاری کے نمایاں مواقع پیدا کئے ہیں۔

سال 2019-20 کی بعد از فروخت سب سے بڑی مہم

انڈس موٹر کمپنی کی ہمیشہ یکوشش رہی ہے کہ اپنے صارفین کومارکیٹ کے لحاظ سے بہترین سہولتیں فراہم کی جائیں تاکہ صارفین کے اعتماد کوبڑھایا جاسکے۔اس فلسفے کومد نظر رکھتے ہوئے کمپنی کےکسٹرفرسٹ ڈیپارٹمنٹ نے 14 اگست 2019 کو اپنی نوعیت کی پہلی اداورسب سے بڑی بعد از فروخت مہم شروع کی تھی۔جس کا مقصد ملک بھر میں بعد از فروخت خدمات کوفروغ دینا تھا۔ٹویونا ماہر ہنرمندوں کے ساتھ اس صنعت کے اہم سرکردہ کمپنیوں میں ایک ہے جس کے ہنرمند ٹویونا کے معیارات کے مطابق گاڑیوں کی دیکھ بھال اور مرمت سرانجام دیتے ہیں۔اور گاڑی میں بیٹھتین پرزے استعمال کرتے ہیں جن سے گاڑیوں کی دیکھ زندگی بڑھ جاتی ہے اور اس کی اصل حالت برقرار رہتی ہے۔ان میعاری خدمات کی بدولت جس سے نہ صرف صارف مطمئن ہوتا ہے بلکہ اس کی پسندیدگی میں بھی اضافہ ہوتا ہے۔ایک وسیع البیاد ڈیلرشپ نیٹ ورک کی پیش کش کی جاتی ہے جو صارفین کoga گاڑیوں کی دیکھ بھال کے لئے نخلت سے پاک ماحول فراہم کرتی ہے۔

واردنی میں توسیع کا اجرا (چوتھے اور پانچویں سال)

ٹویونا میں ہمراپے معزز صارفین کواپنی مصنوعات کے بعد از فروخت اپنی بہترین اور میعاری خدمات کی فراہمی کے لئے پرعزم ہیں۔اس فلسفے کومد نظر رکھتے ہوئے انڈس موٹر کمپنی نے حال ہی میں تین سالہ مینو کچرنگ واردنی پردوسالہ توسیعی واردنی کا اجراء کیا ہے۔یہ پینکچ صارفین کی فی کلومیٹر ضروریات کے مطابق تیار کیا گیا ہے۔ٹویونا ہمیشہ اپنے آپریشنز اور خدمات میں مسلسل بہتری کی جانب کام کرتی رہتی ہے تاکہ صارفین ٹویونا ٹیلی کا حصہ ہونے کے ناطے لطف اندوز ہو سکیں۔واردنی کی مدت میں توسیع صارفین کودوبارہ فروخت اہمیت اور گاڑیوں کے بہتر کارکردگی کے لحاظ سے ذہنی طور پراطمینان فراہم کرتا ہے۔

موسم سرما مہم

کسٹرفرسٹ ڈیپارٹمنٹ نے نومبر 2019میں موسم سرما کی مہم کا آغاز کیا ہے تاکہ ٹویونا صارفین کے ذہنی اطمینان اور سردیوں میں گرم ماحول سے لطف اندوز ہونے کے لئے ملک بھر میں ٹویونا کے مجاز ڈیلرز شپ پرفٹ سیٹری اور ہیئر کے معائنہ فراہم کیا جاسکے۔یہ مہم بی بلند یوں تک پہنچ گئی ہے اور اس مہم کے دوران ہزاروں صارفین کوحدمات فراہم کی گئی ہیں۔

پہلے سے ادا شدہ رقم پر پھر یاؤک میٹھینس (PPM)

انڈس موٹر صارفین کی پسندیدگی کوقبضی بنانے کے لئے مارکیٹ کے لحاظ سے بہترین سہولتوں کی فراہم کے لئے کوششیں کر رہی ہے۔اس فلسفہ کے تحت انڈس موٹر نے 2020 میں نئی اور منفرد پیشکش کے ساتھ پھر یاؤک میٹھینس کا آغاز کیا ہے۔ پی پی ایم صارفین کوایک سارٹ اور ارزاں طریقہ کار فراہم کرتا ہے تاکہ انہیں مہنگائی کے باعث تبدیل ہوتی ہوئی قیمتوں سے بچایا جاسکے۔ پی پی ایم ایک دن سٹاپ مل ہے جس کے تحت ہمارے صارفین ایک مرتبہ ادائیگی کے بعد چار مرتبہ مفت میٹھینس کی سہولت سے مستفید ہو سکتے ہیں۔ انڈس موٹر کمپنی نے اپنے صارفین کے لئے تشریحی مہموں اور دیگر خدمات جاری رکھنے کی منصوبہ بندی کر رہی ہے۔تاکہ اپنے صارفین کے اطمینان کوبرقرار رکھنے کے سفر کوجاری رکھا جاسکے۔

سے آئل گرڈ TAGLON X کا اجزاء

انڈس موٹر کمپنی نے نیویگ لائ انکس (SN 5W-30) کا اجراء کیا ہے جو فیکٹری سے بھرا جانے والا موٹر آئل ہے۔اس سے رگڑکی قوت کم ہوتی ہے،اکانومی کوبہتر بناتا ہے، انجن کی زندگی بڑھاتا ہے، انجن کی کارکردگی کوبہتر بناتا ہے اور میل بچیل سے انجن کوحفظ رکھتا ہے۔ نیویگ لائ انکس کا صارفین کی جانب سے والہانہ خیر مقدم کیا گیا ہے اور اسے بڑے پیمانے پر سراہا گیا ہے۔اس نئے پراڈکٹ نے دیگر مصنوعات کے مقابلے میں نمایاں مقام بنالیا ہے اور مختصر وقت میں ٹی ایم او مصنوعات کی لائن میں دس فیصد زیادہ حصہ حاصل کر لیا ہے۔

سرٹیفائیڈ لیوٹ ٹیکنیشن پروگرام

انڈس موٹر کمپنی نے سڑکوں پر کام کرنے والے ٹیکنکس کے لئے ہنرمندی کے فروغ کے حوالے سے تربیتی

TOYOTA

ٹویونا موٹر آئل

ٹویونا موٹر آئل

ٹویونا موٹر آئل

پروگرام کا اہتمام کیا ہے جس سے ان ٹیکنکس کوتیل تبدیل کرنے کے عمل کے دوران ٹویونا موٹر آئل اور گاڑی کی دیکھ بھال کے حوالے سے بہتر سمجھ بوجھ حاصل ہوگی۔

کورونا وائرس کی وبا سے نمٹنے کیلئے اقدامات

کورونا وائرس کی وبا 2020 میں نظر نہ آنے والی ایک ایسی صورتحال ہے جس سے پوری دنیا متاثر ہے کیونکہ یہ وبا چاک پھوٹ پڑی۔ہم نے ایک ذمہ دار اور خیال رکھنے والے ادارے کوطور پراس صورتحال سے نمٹنے، ملازمین اور صارفین کے تحفظ کیلئے ہر ممکن اقدامات اٹھائے ہیں۔ صارفین کی سہولت کیلئے ڈیلرشپ صارفین کوجھر سروسز کی فراہمی اور موہائل ورکشاپ سہولیات کی پیش کش کر رہے ہیں۔

حفاظتی مہم

پاکستان میں ٹویونا کی تمام گاڑیاں ڈبل dual ایس آر ایس ایئر بیگز (SRS Airbag)، 3 پوائنٹ ای ایل آر سیٹ بیٹلس، اور یورپی یونین کے این۔کیپ معیارات کے مطابق بچوں کی سیٹ کیلئے جی او اے باڈی اور آئی ایس او۔فکس اینکرز سے لیس ہیں۔

سی ایف ڈی نے صارفین کویونا گاڑیوں میں حفاظتی خصوصیات سے متعلق آگاہی فراہم کرنے کیلئے حفاظتی مہم کا آغاز کیا۔مہم کے پہلے مرحلے کا آغاز ملک کے بڑے اخبارات میں عوامی خدمت پر مبنی آگاہی پیغام کوشائع کر کے کیا گیا جس کے بعد صارفین کومارکیٹ کے غلط طریقوں اور دھوکہ دہی سے بچانے کیلئے ڈیجیٹل میڈیا پروڈیو پیغامات نشر کئے گئے۔

ڈیلر کی فنی مہارتوں میں اضافہ

مالی سال 2019-2020 میں نئی ٹیکنیشنز نے ٹویونا سکھوان ہانسٹ ٹریننگ پروگرام (Toyota Skill Enhancement Training Program)کے TEAM-21 کا نام دیا گیا ہے، میں 30,000 کھٹنے کے تربیتی سیشنز میں پیشہ ورانہ ٹیکنیشنز کی تربیت حاصل کرنے کے بعد ٹویونا میں شمولیت اختیار کی۔اس وقت ملک بھر میں ٹویونا کے مجاز 3S ڈیلر شپس اعلیٰ سطح کے سرٹیفائڈ ٹیکنیشنز TEAM-21 سے لیس ہیں۔ پیشہ ورانہ افرادی قوت ملک بھر میں ٹویونا کے صارفین کوبہترین سروسز کی فراہمی کے ساتھ ساتھ ٹویونا کوالٹی سروس کے نعرے کوبلند کرنے میں سرگرم عمل ہیں۔

3.10 حفظانِ صحت کی مہم

کورونا وائرس کی عالمی وبائے نہ صرف دنیا بلکہ پاکستان کی اقتصادی صورتحال پربھی منفی اثرات مرتب کئے ہیں۔ٹویونا نے بروقت اقدامات اٹھاتے ہوئے اپنے ملازمین کے ساتھ صارفین کیلئے حفظانِ صحت پر مبنی مہم کا آغاز کیا ہے۔

مہم کا آغاز صارفین کیلئے’’ اپنی حفاظت کواولین ترجیح دیں‘‘ کے ٹیگ لائن کے ساتھ شروع کیا گیا جبکہ صارفین کا تحفظ اوران کا ذہنی سکون ٹویونا کیلئے اولین ترجیح ہے۔اس مہم میں ہم نے ٹویونا کے تمام صارفین کومفت کار سینی نائزر اور اسے سی چیک اپ کی سروسز کی پیش کش کی ہے اور اس کے علاوہ ہمارے ڈیلر شپس پر کورونا وائرس سے بچاؤ کیلئے تمام احتیاطی تدابیر پرعمل درآمد کیا جا رہا ہے تاکہ ہمارے صارفین نہ صرف مطمئن ہوں بلکہ پورے پاکستان میں ہمارے ڈیلر شپس پرخود کوحفظ تصور کریں۔

سیفٹی، صحت اور صحت مند ماحول

آئی ایم سی اپنے تمام ملازمین کوحفظ اور صحت مند ماحول فراہم کرنے کیلئے پرعزم ہے اور اس کیلئے حفاظت، صحت اور صحت مند ماحول کے حوالے سے تمام قواعد و ضوابط پرحتی سے کار بند ہے۔آئی ایم سی اپنے ملازمین، کنٹریکٹرز، سپلائرز اور ایسے تمام افراد کاکمئل خیال رکھتی ہے جو کمپنی کے کاروباری آپریشنز سے متاثر ہو سکتے ہیں۔ملازمین آئی ایم سی میں حادثات اور چوٹوں سے بچنے کیلئے مستعدی سے نہ صرف کام کرتے ہیں بلکہ سیفٹی خطرات کی نشاندہی اوران کے خاتمے کیلئے مسلسل کوشش کرتے ہیں

انڈس موٹر کمپنی میں ہماری سیفٹی پالیسی کی طرف سے یہ پیغام دیا جاتا ہے۔

ہامی اس بات پر زور دیتے ہیں کہ حکومت ایس آر او 577 میں بیان کردہ فکسڈ ڈیویڈنڈ کا ازسرنو جائزہ لے۔

مای سال 2020-2019 میں جی ڈی پی کی منفی شرح نمو کے ساتھ ٹیکسو میں اضافہ ترقی کی راہ میں رکاوٹ ہے۔ مسافر گاڑی اور تجارتی گاڑی کے سیکٹ میں ہول سیل-ریٹیل میکیزم جیسے مارکیٹنگ کے عالمی طریقہ کاروں کو اقتصادی لحاظ سے اختیار کیا جانا بھی باقی ہے۔ پالیسی سازوں سے درخواست ہے کہ اس پہلو کا ازسرنو جائزہ لیں تاکہ اسے دیگر صنعتی شعبوں میں بھی قابل عمل بنایا جاسکے۔

حکومت اور آٹو انڈسٹری کو درآمد کے مرحلے پر انڈر ٹوانائنگ اور آٹو پارٹس کے حوالے سے غلط طرز عمل

جیسی خرابیوں کو دور کرنے کیلئے مل کام کرنے کی ضرورت ہے۔ وقت کے ساتھ ساتھ ٹیکس وصولی کا بوجھ

انڈسٹری پر منتقل کر دیا گیا۔ یہ موخر الذکر کی طرف سے صنعت کی بحالی کیلئے کی جانے والی کوششوں کا وٹ

کا باعث ہے اور ٹیکس وصولی کی پیچیدگیوں میں اضافہ کا سبب بن رہا ہے۔ عدم تہیل کی صورت میں اداروں

کا جرمانہ کی وجہ سے کھاتوں کا انتظام کرنا مستقل طور پر مشکل ہوتا جا رہا ہے۔ صنعت کا یہ مسئلہ محصولات کو اکٹھا

کرنے کی ذمہ داری کا ردوباری اداروں سے حکومتی اداروں کو منتقل کر کے حل کیا جانا چاہیے۔

کسی بھی امدادی پیکیج کے بغیر مقامی سطح پر تیار کردہ گاڑیوں پر فیڈرل ایکسائز ڈیوٹی اور ایڈیشنل ٹیکس ڈیموٹی

کے نفاذ سے نہ صرف لاگت میں اضافہ ہوگا بلکہ جی ڈی پی کی منفی نمو سے صارف کی قوت خرید بھی داؤ کا

ٹھکانہ ہو جائے گی جس سے بالآخر صنعت کے سالانہ حجم میں کمی واقع ہوگی۔ محصولات اکٹھا کرنے کے تمام

اقدامات ترقی کیلئے نقصان دہ ثابت ہوئے اور اس سے صنعت کا حجم بھی سکڑ گیا۔ حکومت جو آٹو ویہکل

منیفیسٹو بنگ کی سب سے بڑی پیٹیشنری ہے، ریونیو کے مطلوبہ اہداف حاصل نہیں کر پائے گی۔ یہ نتیجہ زدی

جاتی ہے کہ گاڑیوں کی ریٹیل قیمت کو سستا کرنے اور محصولات کی وصولی کو حجم میں تبدیل کرنے کیلئے فیڈرل

ایکسائز ڈیوٹی اور ایڈیشنل ٹیکس ڈیموٹی کو ختم کیا جائے۔

سینیٹ

پاکستان آٹو انڈسٹری میں ایک بڑی کمپنی ہونے کے ناطے انڈس موٹر کمپنی نے کورونا وائرس کی وبا اور معاشی کساد بازاری مدت کے دوران قابل تعریف کارکردگی کا مظاہرہ کیا ہے۔ تاہم خارجی عوامل کے اثرات کو نظر انداز نہیں کیا جاسکتا۔ رواں سال 28,837 گاڑیاں فروخت ہوئی حالانکہ آئی ایم سی فروخت میں اضافہ کیلئے مسلسل کوششیں کر رہی ہے۔

مجموعی طور پر ٹویونا ٹیم کی طرف سے رواں سال متعدد اقدامات اور کوششیں کی گئی ہیں۔ کرولا 1.3 کی کمی کو بہتر انداز میں سنبھالا گیا، اس کی جگہ یارس (Yaris) متعارف کرائی گئی اس کے علاوہ ٹویونا ٹیکنکٹ آپٹیکیشن بھی قائم کی گئیں۔ مصنوعات میں ایک نئی فارچیونر وریزنٹ کا اضافہ کیا گیا۔ کورونا وائرس (COVID-19) کی وبا کی وجہ سے کمپنی کو دو ماہ کیلئے اپنی کاروباری سرگرمیاں مکمل طور پر بند کرنا پڑیں اور مئی 2020 سے سٹگن شدت کی بنیاد پر دوبارہ سرگرمیوں کا آغاز کیا۔ کمپنی کا نزن یعنی مسلسل بہتری پر اس کی روح کے مطابق عمل پیرا ہونے کیلئے کام کر رہی ہے اور ان مشکل حالات کو مزید ترقی کے موقع کے طور پر دیکھ رہی ہے۔

ٹویونا یارس



صنعت کا جائزہ اور کاروبار کا ماحول

کاروبار کا ماحول، خطرات اور غیر یقینی صورتحال

موجودہ مالی سال 2019-20 کے اثرات دنیا بھر میں جاری معاشی کساد بازاری سے زیادہ ہیں۔ کورونا وائرس کی وبا سے قبل پاکستان کی معیشت کو مالی خسارے، طویل المدتی قرضوں کی ادائیگی میں تاخیر اور کرنٹ اکاؤنٹ بیلنس کی وجہ سے پاکستان کی معیشت کو معاشی چیلنجوں کا سامنا ہے۔ کورونا وائرس کے پھیلاؤ نے نہ صرف معاشی ترقی کو روک دیا بلکہ معیشت کو بھاری نقصان بھی پہنچایا۔ آئی ایم ایف کی پیش گوئی کے مطابق پاکستان کی معیشت مالی سال 2019-20 کے دوران 1.5 فیصد سکر جائے گی۔ مالی خسارہ جی ڈی پی کے 8.8 فیصد سے کم ہو کر جی ڈی پی کے 3.8 فیصد ہونے کی توقع ہے۔

پاکستان مسلسل دوسرے سال بھی اپنا درآمدی بل کم کرنے میں کامیاب ہوا ہے۔ مالی سال کے پہلے گیارہ ماہ کے دوران حسابات جاریہ کا خسارہ 74 فیصد کمی کے ساتھ 3.3 بلین ڈالر تک آ گیا (جی ڈی پی کا 1.35 فیصد)۔ حسابات جاریہ کا خسارہ مالی سال 2020 کیلئے 3.5 بلین ڈالر تک پہنچنے کی توقع ہے۔ جو مالی سال 2019 میں 13.4 بلین ڈالر کے بالکل برعکس ہے۔ اشیاء کی برآمدات میں کمی ہوئی جو مالی سال 2019 کے پہلے گیارہ ماہ میں 28 بلین ڈالر تھی اور 7 فیصد کمی کے ساتھ مالی سال 2020 کے پہلے گیارہ ماہ میں 26 بلین ڈالر رہی۔ تیل کی قیمتوں میں غیر معمولی کمی ہوئی اور لاک ڈاؤن کے دوران تیل کی کھیت میں کمی کے نتیجے میں پاکستان معیشت کو تجارتی خسارہ اور کرنٹ اکاؤنٹ بیلنس کو کم کرنے مدد ملی۔ ادائیگیوں کے توازن میں سہولت کیلئے عالمی مالیاتی فنڈ (آئی ایم ایف) نے 39 ماہ کیلئے 6 بلین ڈالر کے سپورٹ پروگرام کی منظوری دی۔ کورونا وائرس کی وجہ سے اچانک پیدا ہونے والے معاشی بحران سے نمٹنے کیلئے عالمی اداروں نے قرضوں کی ادائیگی ایک سال تک موخر کی۔ اس سے ملک میں غیر ملکی زرمبادلہ کے ذخائر کو بہتر بنانے میں مدد ملی جو مئی 2020 کے اختتام تک 16.9 بلین ڈالر تھے۔

کورونا وائرس کی وبا معاشرے کی سماجی حیثیت کو تبدیل کر دے گی اور ٹیکسٹریوں کی طرف سے ایک جگہ سے دوسری جگہ کے سفر اور انسانوں کے درمیان رابطوں کے حوالے سے انتہائی احتیاط اور رویوں میں تبدیلی لانے کی ضرورت ہوگی۔

معاشی سرگرمیاں مئی 2020 تک آہستہ آہستہ بحال ہوئی۔ تاہم کاروبار کرنے کے اخراجات میں اضافہ کی وجہ سے مارکیٹ کو اپنی پرانی رفتار بحال کرنے میں وقت لگے گا۔ وفاقی حکومت کی طرف سے 1.24 ٹریلین روپے مالیت کے امدادی پیکیج کا اعلان کیا گیا، شرح سود میں 625 بیس پوائنٹس کمی کی گئی اور کاروبار کرنے کی لاگت کو کم کیا گیا۔ یہ تمام عوامل معیشت کی بحالی میں مثبت اثرات مرتب کریں گے۔

پاکستان کی آٹو پالیسی 2016-2021 ایک بلین ڈالر سے زائد کی سرمایہ کاری کا موجب بنی اور ملک میں 16 نئی کمپنیاں قائم ہوئیں جو صارفین کو اپنی مصنوعات کی پیش کش کر رہی ہیں۔ مصنوعات کے وسیع تر انتخاب اور صنعت کے حجم میں سکڑاؤ سے مسابقت میں اضافہ ہوگا۔ اس کے نتیجے میں مارکیٹ کی طلب کے مطابق بڑے پیمانے پر پیداواری صلاحیت کی وجہ سے گاڑی کا ڈیلیوری ٹائم کم ہوگا۔

مالی سال 2019-2020 کے دوران صنعت بھاری ٹیکسوں، روپے کی قدر میں کمی، تمام قسم کی مسافر گاڑیوں پر 2.5 فیصد سے 7.5 فیصد فیڈرل ایکسائز ڈیوٹی اور مالی سال 2019-2020 میں سی کے ڈی کیٹس پر 7 فیصد اے سی ڈی کے نفاذ کی موجودگی میں اپنا پیسہ چلا رہی ہیں۔ حکومت نے مالی سال 2020-2021 کیلئے مقامی سطح پر تیار کردہ ڈبل کیبن ہائی کس پک اپس پر 7.5 فیصد فیڈرل ایکسائز ڈیوٹی میں توسیع کردی۔ ڈالر کے مقابلے میں روپے کی قدر میں بہت زیادہ کمی دیکھنے میں آئی۔

مالی سال 2020-21 کیلئے مقامی سطح پر تیار کیلئے درآمدات پر 3 فیصد کا اضافہ ٹیکس ختم کر دیا گیا۔ اس سے کاروباری لاگت میں کمی نہیں آئے گی لیکن آئندہ سال سے کمپنی کے آمدنی و اخراجات میں معمولی سی بہتری آئے گی۔

ٹیکسوں کی بلند شرح کا اثر، جی ڈی پی کا سکڑاؤ، روپے کی قدر میں مسلسل کمی اور کورونا وائرس کی وجہ سے لاک ڈاؤن نے آٹو موٹیو صنعت کی پیداواری صلاحیت کو بہت زیادہ متاثر کیا ہے۔ سب سے زیادہ منظم دستاویزی شعبہ ہونے کے باوجود آٹو انڈسٹری ان کاروبار میں شامل ہے جنہیں آخر میں کھولنے پر غور کیا گیا۔ کھپت میں تاخیر کی وجہ سے آٹو ٹیکسٹریوں کی سال 2019-20 میں بحال نہ ہو سکی، بی اے ایم اے کے ڈیٹا کے مطابق اپریل اور مئی 2020 بدترین مہینے تھے جبکہ اپریل 2020 میں مسافر گاڑیوں کی فروخت صفر رہی۔۔ حیرت کی بات ہے کہ حکومت مقامی سطح پر تیار کردہ گاڑیوں پر تسلسل کے ساتھ ٹیکسوں میں اضافہ کر رہی ہے جبکہ استعمال شدہ گاڑیوں کی غیر قانونی درآمد پر ٹیکسوں میں چند سالوں میں کوئی تبدیلی نہیں کی گئی۔

حکومت نے تسلسل کے ساتھ نئی ٹیکس لوجی کی حامل گاڑیاں متعارف کرانے کی ضرورت پر زور دیا ہے اور اس حوالے سے پالیسی ترتیب دینے کا ناسک وزارت صنعت کے شعبہ انجینئرنگ ڈیپارٹمنٹ بورڈ کو سونپا گیا ہے۔ بورڈ نے 'میک ان پاکستان' پر توجہ مرکوز کرتے ہوئے مقامی سرمایہ کاری کے تحفظ اور مقامی سطح پر گاڑیوں کی تیاری کیلئے مراعات فراہم کرنے کیلئے نئی پالیسی کی تشکیل کیلئے تمام سٹیک ہولڈرز کے ساتھ مشاورت کا عمل شروع کیا ہے۔ شیل پاؤی، اندرونی ٹرمز، لائٹنگ سسٹم، سپینس سسٹم، ٹائرز، ریئر، بریکس، انسٹرولمنٹ پنلز وغیرہ جیسے پزہ جات تیاری میں ایک جیسے ہیں اور روایتی گاڑیوں کیلئے مقامی سطح پر تیار کیے جا رہے ہیں، یہ پزہ جات برقی گاڑی کیلئے بھی مہیا کیے جاسکتے ہیں۔

مقامی سطح پر ان پزہ جات کی تیاری کیلئے ٹیئر ف کا موجودہ ڈھانچہ برقی گاڑیوں کیلئے مجوزہ ٹیئر ف کے مقابلے میں قدرے زیادہ ہے۔ اس طرح کی جلد بازی میں بنائی گئیں پالیسیاں مقامی سطح پر پزہ جات کی تیاریوں کی حوصلہ شکنی کا باعث بنیں گی بلکہ درآمدی بل میں اضافہ کے ساتھ مقامی مینوفیکچرنگ پراسس پر بھی منفی اثر ڈالیں گی۔

سفارشات

22 کروڑ آبادی والے ملک پاکستان کا بڑی معیشتوں میں ایک منفرد مقام ہے جہاں مجموعی ملکی پیداوار کے مقابلے میں ٹیکس کی شرح کم ہے۔ صنعت کاری اور جدت کم اور معیشت کا دارومدار کھپت پر ہے۔ پاکستان کی معیشت کو بھی کوئی نتائج اور نمو پر مبنی پالیسیوں کو اپنا کر ترقی کی راہ پر گامزن کیا جاسکتا ہے۔ کورونا وبا کی وجہ سے پاکستان سمیت عالمی معیشت سکڑاؤ کا شکار ہوگی۔ کھپت اور ٹیکسیشن میں اضافہ کیلئے پاکستان کیلئے ایک محرک پیکیج اپنایا اور معاشی ترقی کا موجب بنے گا۔

گزشتہ چند سالوں کیلئے پاکستان کی حکومت کی طرف سے مقامی سطح پر تیار کردہ گاڑیوں پر ٹیکس کی شرح میں اضافہ مجموعی طور پر ٹیکس وصولی میں کمی کا باعث بنا اور صنعتی حجم میں 50 فیصد کمی واقع ہوئی۔ بی اے ایم اے مارکیٹ کے حجم میں 114,930 پوائنٹس کمی کو ظاہر کرتا ہے یعنی مسافر کاری مارکیٹ میں 55 فیصد کمی واقع ہوئی۔

ایک گاڑی کو مارکیٹ میں متعارف کرانے کیلئے گاڑی کی تیاری اور سرمایہ کاری کیلئے فیصلے گاڑی کو لانچ کرنے سے 3 سے 4 سال قبل لگے جاتے ہیں۔ ٹیکسیشن میں تبدیلیاں، جو اعلان کردہ پالیسی کی مدت کے دوران ہوتی ہیں معاشی امکانات پر اثر انداز ہوتی ہیں۔ یہ تجویز دی جاتی ہے کہ ٹیکسیشن میں جلد بازی میں تبدیلیوں سے گریز کرنا چاہیے اور نئی پالیسی کو متعارف کرانے کے وقت انڈسٹری کے تمام سٹیک ہولڈرز کے ساتھ مشاورت سے تبدیلیاں کی جانی چاہیے۔ 16 نئے سرمایہ کاروں اور موجودہ سرمایہ کاروں نے آٹو ترقیاتی پالیسی (اے ڈی پی) برائے 2016-2021 کے تحت بھاری سرمایہ کی ہے۔ وسیع تر انتخاب کی پیشکش کے ساتھ ڈیلیوری وقت میں کمی سے ان کی مشترکہ پیداواری صلاحیت مارکیٹ حجم میں سہولت لے جائے گی۔

علاوہ درج رپورٹ کی تاریخ سے متعلق ہیں۔

آڈیٹرز کی تقرری

موجودہ آڈیٹرز میسر اے ایف فرگن اینڈ کو، چارٹرڈ اکاؤنٹنٹس نے مدت معاہدہ ختم ہونے کے بعد دوبارہ تقرری کی پیش کش کی ہے۔ ڈائریکٹرز 2021 تک اے ایف فرگن اینڈ کو کی آڈیٹرز کے طور پر دوبارہ تقرری کیلئے آڈٹ کمیٹی کی سفارش کی توثیق کرتے ہیں۔

شیئر ہولڈنگ کا طریقہ کار

30 جون 2020 تک کمپنی کے شیئر ہولڈنگ کا طریقہ کار صفحہ نمبر 147 سے 148 تک دیا گیا ہے۔

کمپنی کے حصص کا لین دین

30 جون، 2020 کو ختم ہونے والے سال کے دوران ایگزیکٹوز، ان کی شریک حیات اور ان کے چھوٹے بچوں نے شیئر ہولڈنگ کے طریقہ کار میں متذکر کے علاوہ کمپنی کے حصص کا کوئی لین دین نہیں کیا۔

اہم آپریٹنگ اور مالیاتی اعداد و شمار

اہم آپریٹنگ اور مالیاتی اعداد و شمار کا سالانہ رپورٹ کے صفحہ نمبر 150 سے 151 پر ذکر کیا گیا ہے۔

سی او سی پر عمل درآمدی رپورٹ

کمپنی نے لہذا کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 پر مکمل طور پر عمل درآمد کیا ہے جس کے بارے میں بیان کو صفحہ نمبر 90 سے 92 تک رپورٹ کے ساتھ منسلک کر دیا گیا۔

چیئر مین کی طرف سے جائزہ رپورٹ

کمپنی کے ڈائریکٹرز کمیٹی کی مجموعی کارکردگی، مستقبل کا کاروباری جائزہ، کارکردگی پر رپورٹ اور بورڈ کی موثریت کے حوالے سے چیئر مین کے جائزہ کے تمام مندرجات کی توثیق کرتے ہیں۔

اظہار تشکر

ہمیشہ کی طرح ہم اپنے صارفین کے شکرگزار ہیں کہ انہوں نے ہماری مصنوعات پر مسلسل اعتماد کیا۔ ہم آئی ایم سی کی پوری ٹیم بشمول اسٹاف، وینڈرز، ڈیلرز اور تمام بزنس پارٹنر کی مشکل وقتوں میں انتھک محنت کو سراہنا چاہتے ہیں اور امید کرتے ہیں کہ ان کا مسلسل ساتھ حاصل رہے گا۔ ہم رتبہ عظیم کے شکرگزار ہیں اور اس کی برکتوں سمیت رہنمائی کیلئے دعا گو ہیں۔

علی اصغر جمالی

چیئر ایگزیکٹو

بورڈ آف ڈائریکٹرز کی طرف سے

یو بی تاکاراوا

نائب چیئر مین اینڈ ڈائریکٹر

کراچی

10 اگست 2020

میراث اور مضبوط اقدار کو برقرار رکھنے اور انہیں آگے بڑھانے کیلئے پرعزم ہیں۔

بورڈ کی تشکیل

30 جون، 2020 کو کمپنی کے بورڈ آف ڈائریکٹرز کی تشکیل یوں کی گئی۔

| | | |
|-----|--|----|
| 1- | ڈائریکٹرز کی تعداد 10 ہے جو مندرجہ ذیل ہیں | |
| اے: | مرد | 09 |
| بی: | خواتین | 01 |
| 2- | مندرجہ ذیل متعلقہ کیٹگری کے تحت ڈائریکٹرز کی تعداد | |
| اے: | آزاد ڈائریکٹر | 03 |
| بی: | نان ایگزیکٹو ڈائریکٹرز | 05 |
| سی: | ایگزیکٹو ڈائریکٹرز | 02 |

بورڈ آف ڈائریکٹرز کے اجلاس

بورڈ آف ڈائریکٹرز کے چھ اجلاس بارہ ماہ کے دوران یکم جولائی 2019 سے 30 جون 2020 کی مدت میں منعقد ہوئے ہیں۔ ڈائریکٹرز کے نام (رواں سال کے دوران کسی بھی وقت) ہمراہ بورڈ میٹنگز میں ان کی شرکت مندرجہ ذیل ہے۔

| نمبر شمار | ڈائریکٹرز کے نام | اجلاس میں شرکت |
|-----------|--|----------------|
| 1 | مرحوم علی ایس حبیب (سابقہ بانی ڈائریکٹر اور سابقہ چیئرمین) | 4 |
| 2 | محمد علی آر حبیب (بانی ڈائریکٹر اور چیئرمین) | 5 |
| 3 | یوحی تا کارادا (وائس چیئرمین) | 6 |
| 4 | علی اصغر جمالی (سی ای او) | 6 |
| 5 | محمد حیدر حبیب | 1 |
| 6 | عمران علی حبیب | 5 |
| 7 | نوریا کی کرودا اور اوسومو ماسودا (سابقہ ڈائریکٹر) / تاداؤ ناسو (سابقہ ڈائریکٹر) / ٹسو پوشی ہاگیو (متبادل ڈائریکٹر) | 5 |
| 8 | ٹیشو یایزومی / یوحی وگا نا، متبادل ڈائریکٹر) | 6 |
| 9 | اعظم فاروق (آزاد ڈائریکٹر) | 6 |
| 10 | ریاض ٹی چنائے (آزاد ڈائریکٹر) / سادا توشی کاشی ہارا (سابقہ ڈائریکٹر) | 6 |
| 11 | سیدہ ظہیر ہرہ ہمدانی (آزاد ڈائریکٹر) / پرویز غیاث (سابقہ ڈائریکٹر) | 6 |

ڈائریکٹرز کی تبدیلی

سال کے دوران بورڈ میں معمول کی 5 آسامیاں خالی ہوئیں

☆ سادا توشی کاشی ہارا اور پرویز غیاث نے 9 اکتوبر 2019 کو ڈائریکٹرز کے طور پر استعفیٰ دیا اور ریاض ٹی چنائے اور سیدہ ظہیر ہرہ ہمدانی کو 9 اکتوبر 2019 کو ڈائریکٹرز مقرر کیا گیا۔

☆ سوسومو ماسودا نے ڈائریکٹر کی حیثیت سے 20 فروری، 2020 کو استعفیٰ دیا جبکہ تاداؤ ناسو کو اسی تاریخ میں ڈائریکٹر تعینات کیا گیا۔

☆ تاداؤ ناسو 26 جون، 2020 کو بورڈ سے مستعفی ہو گئے اور نوریا کی کرودا کو 26 جون، 2020 سے ڈائریکٹر تعینات کیا گیا۔

☆ ہمارے سابقہ بانی ڈائریکٹر اور سابقہ چیئرمین مرحوم علی ایس حبیب کی وفات کی وجہ سے 17 اپریل 2020 کو آسامی خالی ہوئی۔ اس خالی آسامی کیلئے محمد حیدر حبیب کو 26 جون، 2020 کو ڈائریکٹر تعینات کر دیا گیا۔

☆ بورڈ آف ڈائریکٹرز نے 26 جون، 2020 کو اپنے اجلاس میں محمد علی آر حبیب کو بورڈ چیئرمین مقرر کیا جو کمپنی کے بانی ڈائریکٹر بھی ہیں۔

بورڈ نے سبکدوش ہونے والے ڈائریکٹرز کی گرانقدر خدمات اور کردار کا اعتراف اور نئے ڈائریکٹرز کو بورڈ میں خوش آمدید کیا۔

بورڈ کمیٹیاں

بورڈ کی طرف سے تشکیل کردہ کمیٹیوں اور اراکین کی تفصیلات مندرجہ ذیل ہیں

1- بورڈ آڈٹ کمیٹی

- 1- اعظم فاروق، چیئرمین کمیٹی
- 2- ریاض ٹی چنائے
- 3- محمد ایچ حبیب
- 4- عمران اے حبیب
- 5- نوریا کی کرودا
- 6- ٹیشو یایزومی

2- انسانی وسائل اور معاوضہ کمیٹی

- 1- اعظم فاروق، چیئرمین کمیٹی
- 2- محمد علی آر حبیب
- 3- یوحی تا کارادا
- 4- علی اصغر جمالی
- 5- سیدہ ظہیر ہرہ ہمدانی

3- بورڈ کمیٹی برائے اخلاقیات

- 1- ریاض ٹی چنائے
- 2- سیدہ ظہیر ہرہ ہمدانی
- 3- علی اصغر جمالی

نان ایگزیکٹو ڈائریکٹرز کیلئے معاوضہ پالیسی کی نمایاں خصوصیات

بورڈ نان ایگزیکٹو ڈائریکٹرز (بشمول آزاد ڈائریکٹرز) کی گرانقدر خدمات اور کردار کا اعتراف کرتی ہے اور بورڈ یا اس کی کمیٹی کے ہر اجلاس میں شرکت کیلئے میٹنگ معاوضہ کی پیش کش کی جارہی ہے تاہم بیان کے کردار اور خدمات کے معاوضہ کا عکاس نہیں ہے بلکہ ان کی حوصلہ افزائی کیلئے ایک علامت کو ظاہر کرتا ہے۔ نان ایگزیکٹو ڈائریکٹرز مذکورہ اجلاسوں میں شرکت کیلئے اس طرح کے معاوضہ کو وصول کرنے کے اپنے حق سے دستبردار ہو سکتے ہیں۔

ایگزیکٹو ڈائریکٹرز کا معاوضہ

کمپنی کے سی ای او اور ڈائریکٹرز 30 جون 2020 کو ختم ہونے والے سال کیلئے معاوضہ صفحہ نمبر 138 پر دیا گیا ہے۔ سال کے دوران سادا توشی کاشی ہار نے 9 اکتوبر کو استعفیٰ دیا جن کا معاوضہ مبلغ 4.346 ملین روپے ہے جو کہ ’ایگزیکٹو ڈائریکٹر کے معاوضے‘ میں شامل ہے جو کہ صفحہ نمبر 138 پر دیا گیا ہے۔

انٹرنل کنٹرول

کمپنی نے منظم طریقے سے کمپنی کے کاروبار کو چلانے، اپنے اثاثوں کے تحفظ اور اپنے ریکارڈ کو

قابل اعتماد اور درستگی کے ساتھ محفوظ بنانے کیلئے انٹرنل کنٹرول کا ایک موثر نظام نافذ کیا ہوا ہے۔

بورڈ نے براہ راست یا اپنی کمیٹیوں کے ذریعے انٹرنل کنٹرول کی موزوں سرگرمیوں کو یقینی بنایا ہے۔ بورڈ عبوری کھاتوں، رپورٹس، منافع کا جائزہ اور دیگر مالی اور مالیاتی معلومات کے حوالے سے وقفہ وقفہ

سے باقاعدگی کے ساتھ کمپنی کے مالیاتی آپریشنز اور حیثیت کا جائزہ لیتا ہے۔ بجٹ کنٹرول کے حوالے سے جائزہ اپنی جگہ موجود ہے اور بورڈ وقتاً فوقتاً مادی تبدیلیوں کے ساتھ ساتھ وضاحتوں اور اٹھائے گئے اقدامات کا جائزہ لیتا ہے۔

رسک مینجمنٹ

آئی ایم سی میں وسیع تر سیاسی اور نیکرو اکنامک ماحول کے تناظر میں درپیش خطرات کا جائزہ لینے کیلئے رسی رسک مینجمنٹ فریم ورک موجود ہے۔ رسک مینجمنٹ سسٹم آئی ایم سی کی کاروباری سرگرمیوں سے متعلق سٹرٹیجک، ریگولیٹری، مالیاتی، آپریشنل، شہرت اور پائیدار بیت پر مبنی خطرات کی نشاندہی کرتا ہے۔ مینجمنٹ کمیٹی کی طرف سے ان خطرات کے ساتھ ساتھ منظم جاتی مقاصد، اہداف اور کارکردگی کا جائزہ لیا جاتا ہے۔ نشاندہی کردہ خطرات کو کم کرنے کیلئے موزوں حکمت عملیاں تشکیل اور ان پر عمل درآمد کی جاتی ہے۔

کمپنی نے ٹوپیا کی طرف سے نافذ کردہ عالمی طریق کار کی بنیاد پر رسک مینجمنٹ سٹرکچر بھی تشکیل دیا ہے جس کا مقصد کاروبار سے متعلق خطرات سے نمٹنے کے ساتھ ساتھ کمپنی کی قوت میں خوب اضافہ کرنا ہے۔

مالیاتی گوشوارے

مالیاتی گوشواروں کی تیاری میں انٹرنیشنل فنانشل رپورٹنگ سٹینڈرڈ (آئی ایف آر ایس) جو پاکستان میں قابل اطلاق ہے اور کینیڈا ایکٹ 2017 کی دفعات اور احکامات پر عمل درآمد کیا گیا۔ کینیڈا ایکٹ 2017 کی دفعات اور احکامات آئی ایف آر ایس سے مختلف ہیں پھر بھی ان پر عمل درآمد کیا گیا ہے۔

کمپنی کے آڈیٹرز، میسر اے ایف فرگوسن اینڈ کو، چارٹرڈ اکاؤنٹنٹس نے کمپنی کے مالیاتی گوشواروں کا آڈٹ کیا اور اراکین کو غیر منظور شدہ رپورٹ جاری کی۔

متعلقہ پارٹی سے کاروباری لین دین

متعلقہ فریقین کے ساتھ تمام قسم کا لین دین بغیر کسی اثر و رسوخ اور کاروبار کے معمول کے طریقہ کار میں کیا گیا ہے جس کا متعلقہ نوٹس کے تحت مالیاتی گوشوارے میں ذکر کیا گیا ہے۔

مادی تبدیلیاں اور وعدے

کمپنی کے مالی سال کے اختتام کے دوران کمپنی کی مالی حیثیت کو متاثر کرنے والے کسی قسم کی مادی تبدیلیاں اور وعدے نہیں کئے گئے جو بیلنس شیٹس اور اس رپورٹ یا مالیاتی گوشواروں کے



انڈس موٹر کمپنی کے ڈائریکٹرز 30 جون 2020 کو ختم ہونے والے سال کے لئے کمپنی کے کاروبار کے ساتھ ساتھ ڈائریکٹرز کی رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔
مالیاتی نتائج، تصرف اور بعد کے اثرات:

30 جون، 2020 کو اختتام پذیر ہونے والے سال کے مالیاتی نتائج اور خصوصیات درج ذیل ہیں

| | 2020 | 2019 |
|--|-----------|------------|
| | 5,082,027 | 13,714,975 |
| | 11,355 | 492 |
| | 450,259 | 273,792 |
| | 5,543,641 | 13,989,259 |

بعد از ٹیکس منافع

دیگر سالانہ منافع آمدنی

آگے بڑھتا ہوا غیر خرچ شدہ منافع

تصرف/خرچ کیا ہوا

پہلا عبوری ڈیویڈنڈ @ 70% یعنی 7 روپے فی حصص (2019: 32.50% یعنی 32.50 روپے فی حصص)

دوسرا عبوری ڈیویڈنڈ @ 60% یعنی 6 روپے فی حصص (2019: 25.00% یعنی 25 روپے فی حصص)

تیسرا عبوری ڈیویڈنڈ @ 100% یعنی 10 روپے فی حصص (2019: 300% یعنی 30 روپے فی حصص)

آگے بڑھتا ہوا غیر تصرف شدہ منافع

(بعد کے اثرات)

مجوزہ حتمی ڈیویڈنڈ @ 70% یعنی 7 روپے فی حصص (2019: 27.50% یعنی 27.50 روپے فی حصص)

عمومی ذخائر میں منتقلی

فی حصص بنیادی اور دست آمدنی (روپے)

کمپنی کی بنیادی کاروباری سرگرمیاں

انڈس موٹر کمپنی لمیٹڈ دسمبر 1989 میں پبلک لمیٹڈ کمپنی کے طور پر پاکستان میں قیام عمل میں لائی گئی جبکہ ستمبر 1993 میں تجارتی پیداوار کا آغاز کیا گیا۔ کمپنی کے حصص پاکستان سٹاک ایکس چینج میں درج ہیں۔ کمپنی کی بنیادی کاروباری سرگرمی، پاکستان میں ٹویٹا گاڑیوں کی اسمبلی، تیاری اور مارکیٹنگ ہے۔

کمپنی کی کارکردگی

30 جون کو ختم ہونے والی مدت کے دوران سی کے ڈی اور سی بی یوگا ڈیویڈنڈ کی فروخت 56 فیصد کی کے ساتھ گزشتہ سال کی اسی مدت کی 66,211 یونٹس فروخت کے مقابلے میں 28,837 یونٹس رہی۔ طلب میں کمی کے نتیجے میں کمپنی نے سال کیلئے 28,519 گاڑیاں تیار کیں جبکہ گزشتہ سال کی اسی مدت میں 65,346 گاڑیاں تیار کی گئی تھیں۔

30 جون، 2020 کو اختتام پذیر مالی سال کیلئے کمپنی کا خالص منافع 86 بلین روپے رہا جو گزشتہ سال کی اسی مدت کے 158 بلین روپے کے مقابلے میں 46 فیصد کم رہا جبکہ بعد از ٹیکس منافع 63 فیصد کمی کے ساتھ گزشتہ سال کے 13.71 بلین روپے کے مقابلے میں 5.08 بلین روپے رہا۔ آمدن اور منافع میں کمی کی بڑی وجوہات میں سی کے ڈی اور سی بی یوگا کم حجم، مشکل معاشی صورتحال، ٹیکسوں اور ڈیویڈنڈ کا نفاذ اور کورونا وائرس کی وبا کے نتیجے میں نافذ کردہ لاک ڈاؤن شامل ہیں۔

کمپنی نے مارچ 2020 میں کرولا (1.3L) گاڑیوں کی فروخت بند کر دی جس نے 25 سال تک مارکیٹ میں اپنی قائدانہ حیثیت برقرار رکھی۔ فلیگ شپ کرولا براڈ (1.6L) اور (1.8L) سیکٹ کی دنیا بھر میں فروخت جاری رہے گی۔

کمپنی نے 19 مارچ، 2020 کو نئے دور کے شاہکار نئے ٹویٹا یارس (Toyota Yaris) کی 1.3L اور 1.5L ورنس کے ساتھ ہنگ کا آغاز کیا۔ کورونا وائرس (COVID-19) کی وبا کی وجہ سے ٹویٹا یارس کو متعارف کرانے کی تقریب ملتوی کر دی گئی اور اس سے متعلقہ مارکیٹنگ اور تشریحی سرگرمیاں منسوخ کر دی گئیں۔ کورونا وائرس (COVID-19) کی وبا کے نتیجے میں مکمل لاک ڈاؤن کی وجہ سے مارکیٹنگ اور تشریحی سرگرمیاں نہ ہونے کے باوجود صارفین کی طرف سے ٹویٹا یارس کو بہت زیادہ سراہا گیا۔

قومی خزانے میں حصہ دہندہ:

دوران سال کمپنی نے قومی خزانے میں 36 بلین روپے جمع کرائے جو حکومت پاکستان کے دوران سال کل جمع کردہ ریونیو کا تقریباً 1 فیصد بنتا ہے۔ 1989ء میں قیام کے بعد سے کمپنی قومی خزانے میں 454 بلین روپے سے زیادہ جمع کرا چکی ہے۔

بنیادی خطرات اور غیر یقینی صورتحال

گزشتہ سالوں میں کمپنی کی مالیاتی کارکردگی غیر معمولی رہی تاہم گاڑیوں کی طلب میں کمی کے نتیجے میں رواں سال منافع میں کمی واقع ہوئی۔ پاکستانی روپے کی امریکی ڈالر اور جاپانی ین کے مقابلے میں قدر میں مسلسل کمی، افراط زر اور عالمی سطح پر ایشیاء کی قیمتوں میں مسلسل اضافہ وہ عوامل ہیں جن کے کمپنی کے موجودہ اور مستقبل کے مالیاتی نتائج پر اثرات مرتب ہوں گے۔ حکومت کی طرف سے ٹیکسوں اور ڈیویڈنڈ میں اضافہ کے نتیجے میں مصنوعات کی قیمتیں بڑھنے سے انڈسٹری کے حجم کو بڑی حد تک متاثر کیا ہے۔

COVID-19 کی حالیہ وبا نے دنیا بھر میں عالمی سطح پر لاک ڈاؤن نافذ کرنے اور اقتصادی سرگرمیوں کو محدود کرنے پر مجبور کر دیا۔ پاکستان میں کورونا وائرس اس وقت نازل ہوا جب پاکستان معاشی استحکام کی طرف سے گامزن تھا۔ وبا سے ملک کی معاشی نمو کو جھٹکا لگا۔ اس سے کاروباری عارضی بندش کے دوران صارفین کی طلب اور قوت خرید بھی متاثر ہوئی۔ کورونا وائرس کے اثرات آئندہ سالوں تک برقرار رہ سکتے ہیں۔

کارپوریٹ سماجی ذمہ داری (سی ایس آر)

گزشتہ پانچ برسوں میں کمپنی نے سی ایس آر اقدامات کے تحت مجموعی طور پر ایک بلین روپے خرچ کئے جن میں ہسپتالوں، تعلیمی اداروں، فلاحی تنظیموں اور صحت، قدرتی آفات سے متعلق سماجی فلاحی سرگرمیوں کے عطیات شامل ہیں۔

آپ کی کمپنی نے ایک ذمہ دار کمپنی کی حیثیت سے سال کے دوران معاشرے کی فلاح کیلئے مندرجہ ذیل بڑے پیمانے پر سی ایس آر اقدامات اٹھائے اور عطیات دیے

☆ وزیراعظم کورونا ریلیف فنڈ 2020 میں 20 بلین روپے کا عطیہ

☆ کورونا وائرس اور دیگر طبی معاملات کیلئے مختلف ہسپتالوں کو 35 بلین روپے کی مجموعی امداد

☆ مختلف تعلیمی اداروں کیلئے مجموعی طور پر 75 بلین روپے کی امداد

☆ ملین ٹری پلانٹیشن ڈرائیو، جس میں سے 3 لاکھ پودے پورے پاکستان میں لگائے جانے والے ہیں

☆ کراچی میں سکولوں اور دیگر مقامات پر 5S اور گرین مہم

☆ آئی ایم سی فیکٹری کے قریب گوٹھ ادیہا توں میں ہفتہ وار راشن کی تقسیم

☆ پےسے ہوئے طبقات کیلئے ہفتہ وار مفت طبی کیمپس کا انعقاد

☆ آئی ایم سی کے ہمسایہ میں مقیم طبقات کیلئے اہل سنتی سے ہائیر سینڈری تعلیم کیلئے ٹویٹا گوٹھ تعلیمی پروگرام

ماحول پر اثرات

کمپنی کا ماحولیاتی انتظام و انصرام کیلئے انوائرنمنٹ مینجمنٹ سسٹم ایک جامع فریم ورک اور آئی ایس او 14001 کے تحت تصدیق شدہ ہے۔ تمام کاروباری طریقہ کار اور آپریشنز ماحولیاتی پالیسیوں اور ٹویٹا کے عالمی معیارات کے مطابق سرانجام دیے جاتے ہیں۔

کمپنی نے ملک بھر میں سپلائرز اور ڈیلرشپ سمیت اپنے تمام پارٹنر تک اپنی ماحولیاتی سرگرمیوں کو بڑھا دیا ہے تاکہ ماحولیاتی تحفظ کے فروغ اور ہمارے عالمی ماحولیاتی مقاصد کو حاصل کیا جاسکے۔

ہمارے اقدامات میں پلانٹیشن مقاصد کیلئے پانی کو ری سائیکل کرنے کیلئے واٹر ٹریٹمنٹ پلانٹ کی صلاحیت میں اضافہ بھی شامل ہے۔ ہم ماحول دوست پاور پلانٹ سے لیس ہیں جو قدرتی گیس پر چلتا ہے۔

کمپنی 4 میگا واٹ سولر پی وی پلانٹ کے منصوبے پر کام کر رہی ہے جو 2021 تک اس کے موجودہ سولر سسٹم کی بجلی پیدا کرنے کی صلاحیت میں 4.5 میگا واٹ بڑھا دے گی۔

چیئر مین کا انتقال ہر ملال

رواں سال ہمارے پیارے علی سلیمان حبیب، بانی ڈائریکٹر اور کمپنی چیئر مین 17 اپریل، 2020 کو اس درفانی سے کوچ کر گئے۔ علی ایس حبیب ایک متاثر کن رہنما، حقیقی معنوں میں دور اندیش، کاروباری ذہانت اور لیاقت رکھنے والے اور دوسرے لوگوں کیلئے ایک مثال تھے۔ انہوں نے حبیب یونیورسٹی کے قیام اور پاکستان میں آٹو کیلکٹر کی ترقی کے ذریعے پاکستان کی صنعت پر بے مثال نقوش چھوڑے۔ ان کی شاندار قیادت اور انتھک کوششوں نے گزشتہ 30 سالوں میں نہ صرف کمپنی کو کامیاب بنایا بلکہ بام عروج بخشا۔ ان کے فلاحی عامرہ کے قابل تعریف کام دوسروں کیلئے شعل راہ ہیں۔ ان کے ساتھ کام کرنے والے لوگ ان کی استقامت کی گواہی دیتے ہیں کیونکہ انہیں قابل احترام، جاذب نظر کرشماتی اور ذہین شخصیت سے سیکھنے کا موقع ملا۔

کمپنی اور بورڈ آف ڈائریکٹرز حبیب خاندان سے دلی تعزیت کرتے ہیں۔ ہم اللہ تعالیٰ سے دعا گو ہیں کہ وہ علی ایس حبیب کو جنت الفردوس میں اعلیٰ مقام عطا کرے۔ (آمین) ہم ان کی

چیسر مین کی طرف سے جائزہ رپورٹ

عزیز سٹیک ہولڈرز

سال میں رونما ہونے والے واقعات ہمارے دلوں کو جھل کر دیے ہیں۔ ہمارے پیارے بانی ڈائریکٹر اور چیئر مین علی سلیمان حبیب کی وفات ہمارے لئے کسی گہرے صدمے سے کم نہیں ہے۔ انہوں نے 80 کی دہائی کے آخر میں ٹویٹا موٹر کار پوریشن / ٹویٹا ٹشوکار پوریشن، جاپان اور ہاؤس آف حبیب، پاکستان کے ساتھ اشتراک سے انڈس موٹر کمپنی لمیٹڈ (آئی ایم سی) کے قیام میں ہم کردار ادا کیا۔ آئی ایم سی کی طرف سے پاکستان کی بڑی گاڑی سازی کمپنی بننے کیلئے راہ ہموار کرتے ہوئے 1993 میں تجارتی بنیادوں پر پیداوار کا آغاز کیا جو علی سلیمان حبیب کی زندگی کی شاندار کامیابیوں میں سے ایک کامیابی ہے۔ وہ قومی معیشت کی مزید ترقی اور کاروباری برادری کی بہتری پر توجہ مرکوز کرتے ہوئے طاقت ور پلیٹ فارم کی ترقی میں فعال طور پر سرگرم عمل رہے۔ وہ حکومت کے ”میک ان پاکستان“ اقدام کیلئے پرعزم تھے اور پاکستانی مصنوعات اور سروسز کی صلاحیت اور معیار پر حقیقی معنوں میں یقین رکھتے تھے۔

مروجہ علی سلیمان حبیب کی جانفشانی اور مستعد قیادت ہمیشہ کیلئے یاد رہے گی۔ یہ ہمارے لئے اعزاز کی بات ہے کہ متاثر کن رہنمائی اور دوراندیشی نہ صرف ہمیشہ ہمارے ساتھ رہے گی بلکہ کامیابی کیلئے ہماری نئی جدوجہد میں ہمیں رہنمائی فراہم کرے گی۔

دنیا اس وقت کو روٹا وائرس کی وبا کے اثرات سے نشٹے میں مصروف عمل ہے۔ وہاں قابل غور غیر یقینی صورتحال پیدا کی ہے اور توقع ہے کہ اس کے عالمی معیشت پر طویل اثرات مرتب ہوں گے۔ اس کے نتیجے میں عالمی سطح پر معاشی ترقی سست روی کا شکار ہوگی اور مستقبل قریب میں معیشتوں کے حجم میں اوسط درجے کے اضافہ کا امکان بھی نہیں۔ صورتحال موجودہ سنگین چیلنجز کا حاطہ کرتی ہے۔

ملک میں متعارف کرائے گئے میکرو اکنامک اقدامات کی بدولت سال 2020-2021 میں معاشی نمو کے مزید سبب ہونے کی پیشن گوئی ہے۔ ٹیکسوں کی بلند شرح، جی ڈی پی کا سٹراؤ، روپے کی قدر میں کمی اور کورونا وائرس کی وجہ سے نافذ لاک ڈاؤن نے آٹو انڈسٹری کی پیداوار پر مجموعی اثرات مرتب کئے ہیں۔ آٹوموٹیو سیکٹر بالواسطہ اور بلاواسطہ لاکھوں لوگوں کو روزگار فراہم اور پاکستان میں ایک بڑی صنعتی اور معاشی قوت کے طور پر خدمات سرانجام دیتا ہے۔ بد قسمتی سے آٹو انڈسٹری کو جو پہلے ہی معاشی مشکلات کا شکار ہے، اب کورونا وائرس کی وبا کے باعث مزید اضافی دباؤ کا سامنا کرنا پڑ رہا ہے۔

ہم ان مشکل حالات میں صورتحال کی نگرانی کرنے اور وبا کے نتیجے میں پیدا ہونے والے خطرات سے نشٹے کیلئے پرعزم ہیں۔ ہم نے ہمارے سب سے زیادہ اہم اثاثے، ہمارے لوگوں کے تحفظ اور ان کی دیکھ بھال پر توجہ دی۔ ”پہلے تحفظ“ کے ہمارے فلسفے کو کورونا وائرس کی وبا کے باعث پیدا شدہ صورتحال سے نشٹے میں ہماری کوششوں میں اہم حیثیت حاصل ہے۔ بد قسمتی سے کمپنی کو دو ماہ کیلئے اپنے آپریٹرز کو مکمل طور پر بند کرنا پڑا جبکہ کراچی میں سمارٹ لاک ڈاؤن اب بھی جاری ہے۔ آئی ایم سی نے حکومت کی طرف سے ہدایات پر عمل طور پر عمل درآمد کیا جن میں ورک فرام ہوم کی پالیسی پر عمل درآمد، سماجی فاصلے، روزانہ کی بنیاد پر سینیٹائزیشن، مقام ملازمین کا روزانہ بخار چیک کرنا، پوری ٹیکسٹری اور گاڑیوں کو روزانہ جراثیم کش کرنا اور ماسک اور ذاتی صاف ستھرائی کے حوالے سے اقدامات شامل ہیں۔

موجودہ بحرانی صورتحال میں ہم حکومت سے آٹو سیکٹری کی معاونت کرنے کیلئے اقدامات اٹھانے کی اپنی درخواست کا اعادہ کرتے ہیں تاکہ کاروبار سے لوگوں کا روزگار چننا رہے۔ انڈسٹری کی مدد کیلئے درخواست کی جاتی ہے کہ گاڑیوں پر فیڈرل ایکسائز ڈیوٹی کو ختم کیا جائے، درآمد شدہ پرزہ جات پر کسٹم ڈیوٹی کم کی جائے اور میٹریل کی درآمد پر اضافی کسٹم ڈیوٹی ختم کی جائے۔ بد قسمتی سے محصولات کے حصول کیلئے یہ اقدامات صنعت کی ترقی کیلئے تباہ کن ثابت ہوئے ہیں اور نہ صرف حجم میں سٹراؤ کا باعث بنے بلکہ اس سے حکومت کی محصولات کے

مطلوبہ اہداف پورا کرنے کی اہلیت پر بھی اثرات مرتب ہوئے۔

حکومت کی طرف سے باہر ڈسٹریکٹ میں مقامی آٹوموٹیو انڈسٹری کے فروغ کیلئے تسلسل سے کی جانے والی کوششیں قابل ذکر ہیں۔ حکومت کی طرف سے موسمیاتی تغیر کے اثرات کو اور تیل کی درآمد کم کرنے کیلئے باہر ڈی برقی گاڑیوں (ایچ ای وی)، پلگ ان باہر ڈی (پلی ایچ ای وی) اور بیٹری سے چلنے والی برقی گاڑیوں (بی ای وی) کی مقامی سطح پر تیاری کے ارادے کا خیر مقدم کرتے ہیں۔ اس سے باہر ڈیٹا ٹیکنالوجی کی ترقی کیلئے سرمایہ کرنے کرنے کیلئے مقامی آٹو میکرز کی حوصلہ افزائی ہوگی۔ باہر ڈی برقی گاڑیوں کی ترقی کے فروغ کیلئے حکومت کو توجہ یزدی جاتی ہے کہ وہ ایسی گاڑیوں کی پیداوار کیلئے موزوں ماحول پیدا کرے۔

آئی ایم سی نے پاکستان میں برقی گاڑیوں کی پالیسی کو متعارف کرانے میں قائدانہ کردار ادا کیا ہے کیونکہ ہم اس بات کی توقع کرتے ہیں مستقبل برقی گاڑیوں کا ہے۔ ہم حکومت کے ”میک ان پاکستان“ اقدام کی حمایت کرتے ہیں اور حکومت سے اپیل کرتے ہیں کہ وہ برقی گاڑیوں (ای وی) اور باہر ڈی برقی گاڑیوں (ایچ ای وی) کی پالیسی کے تحت ڈیوٹی میں رعایت پر نظر ثانی کرے اور یہ رعایت صرف ای وی اور ایچ ای وی کے خاص پرزہ تک ہی محدود ہونی چاہیے۔ زیر غور پالیسی میں عام پرزہ جات کیلئے ڈیوٹی میں رعایت کی بھی توجہ یزدی جاری ہے حالانکہ یہ پرزہ جات مقامی سطح پر تیار کے جارہے ہیں۔ مجوزہ پالیسی سے نہ صرف مقامی ویڈرز اور سپلائرز کو نقصان پہنچتا ہے جو پہلے ہی کاروباری اور اقتصادی چیلنجز کا سامنا کر رہے ہیں بلکہ اس سے غیر ملکی زر مبادلہ کے ذخائر بھی دباؤ کا شکار ہوں گے۔

آئی ایم سی نے اپنے تمام آپریٹرز میں ”ٹویٹا طریقہ کار“ پر جانفشانی سے عمل درآمد اور کنزرن (مسلسل بہتری) کے فلسفے کی تعمیل کرتے ہوئے ہمیشہ اعلیٰ معیاری گاڑیاں تیار کی ہیں۔ آئی ایم سی کو ہمیشہ اس کے سٹیک ہولڈرز اور صارفین کا تعاون حاصل رہا ہے اور اس نے گاڑیوں کے تمام برانڈز میں اعلیٰ سطح کی فوئیت کے حصول کا سلسلہ جاری رکھا ہوا ہے۔ رواں سال ہم نے اپنی فلگ شپ کار، ٹویٹا کرولا 1.3L کو رخصت کیا۔ کرولا 1.3L پاکستان میں سب سے زیادہ فروخت ہونے والی گاڑی ہے جس نے دنیا کے آٹو انڈسٹری کے نقشے پر پاکستان کے قدم پر قرار رکھے۔ کرولا اپنی آرائش، سٹائل اور کارکردگی سے جانی جاتی ہے۔ فرنٹ انجن فرنٹ ویل ڈرائیو سٹیڈیٹان کے طور پر یہ پاکستان کی سب سے زیادہ مقبول ترین گاڑی ہے۔ آراء مدہ ہونے اور بہتر کارکردگی کی بنیاد پر کئی سالوں تک کوئی ٹویٹا کرولا کوئی مقابلہ نہ کر سکا۔ آئی ایم سی کی طرف سے پاکستان میں پیش کردہ کرولا گاڑی کے مختلف ماڈلز نے صارفین کی بڑی تعداد کیلئے گاڑی کو قابل حصول بنا دیا۔

آئی ایم سی کی پوری ٹیم نے نئی مسافر گاڑی، ٹویٹا یارس کو پاکستان میں متعارف کرانے کیلئے محنت اور بھرپور جذبہ کے ساتھ کام کیا۔ کورونا وائرس کی وبا کی وجہ سے ٹویٹا یارس کو متعارف کرانے کا شاندار منصوبہ متاثر ہوا تاہم آن لائن کامیاب انعقاد کیا گیا جسے الیکٹرانک میڈیا نے نمایاں کورینج دی۔ یارس ایک مکمل نئے اندرونی جمالیاتی ڈیزائن پیش کرتی ہے جو اسے دوسری گاڑیوں سے منفرد بناتی ہے۔ اپنا سفر جاری رکھتے ہوئے ہمارا مقصد نئی دلچسپ مصنوعات کی تلاش کیلئے ٹویٹا کے ساتھ مل کر کام کرنا ہے جو ہماری مصنوعات کی موجودہ رینج کو قوت بخشنے اور صارفین کو ایک وسیع تر انتخاب فراہم کریں تاکہ سٹیک ہولڈرز کیلئے قدر پیدا کرنے اور پائیدار نمو کو یقینی بنایا جاسکے۔

آئی ایم سی ٹویٹا ریوڈ نے گزشتہ کئی سالوں میں سخت مسابقتی ماحول میں اپنے قدم کو مضبوطی سے جمائے رکھا لیکن حکومت کی طرف سے کفایت شعاری پالیسی کی وجہ سے حکومت اور سرکاری اداروں کو فروخت میں کمی واقع ہوئی ہے۔ شرح فی صد کے لحاظ سے ہماری تمام گاڑیوں کی فروخت مجموعی طور پر حوصلہ افزا رہی اور ہم مارکیٹ میں قابل ذکر حصہ برقرار رکھنے میں کامیاب رہے۔ ٹویٹا فور چیونر کو پاکستان میں سب سے زیادہ مقبول پریئم ایس یووی کے طور پر تسلیم کیا گیا ہے۔ یہ گاڑی ہر طرح کے راستے کے لیے بہترین ہے، وسیع

عریض اشریز اور ٹویٹا معیارات کے مطابق اس کا کوئی ثانی نہیں۔

واضح طور پر غیر یقینی صورتحال کے باوجود کمپنی اپنا سفر جاری رکھے ہوئے ہے۔ ڈیلرز اور ویڈرز کے ساتھ کاروبار جاری رکھنے کیلئے ہم نے اپنے آپریٹرز اخراجات میں کمی کی اور مالی اخراجات کو بھی اسی کے مطابق ایڈجسٹ کیا۔ Covid-19 کی وبا کے پھیلاؤ کو روکنے اور اس سے متعلقہ چیلنجز سے نشٹے کیلئے آپریٹرز مزاحمت پیدا کرنے کیلئے ایچ ایس ای (صحت، سہنٹی، ماحول) فرنٹ پر معنی خیز اقدامات اٹھائے گئے ہیں۔

سال 2019-2020 کے دوران 30 جون، 2020 میں کمپنی کے قابل قدر ڈائریکٹرز سادا توشی کا شی ہارا، پرویز غیاث، سوسوما ماسودا اور نانا داؤ ناسو بورڈ آف ڈائریکٹرز کے رکن کی حیثیت سے مستعفی ہو گئے۔ ریاض ٹی چٹانے اور سیدہ قطبہ سیر زیڈ ہمدانی کو رواں سال آزاد ڈائریکٹرز مقرر کیا گیا۔ نوری کی کو روکا اور محمد ایچ حبیب کو ڈائریکٹرز تعینات کیا گیا۔ بورڈ سکدش ہونے والے ڈائریکٹرز کی گرانقدر خدمات کا اعتراف کرتے ہوئے کمپنی کی طرف سے اظہار تشکر اور آئی ایم سی کے بورڈ میں سنے ڈائریکٹرز کو خوش آمدید کہتا ہے۔

مجھے یہ بتانے میں خوشی محسوس ہو رہی ہے کہ آپ کی کمپنی کے بورڈ آف ڈائریکٹرز نے پورے سال قابل قدر رہنمائی فراہم کی جس سے شینجٹ کو موثر انداز میں حوصلہ افزاء نتائج کے حصول اور مضبوط گورننس کو یقینی بنایا جاسکا۔ بہترین طریق کاروں پر عمل کو یقینی بنانے کیلئے بورڈ کی کارکردگی اور موثریت کاررواں سال کے دوران خود اتھابلی بنیادوں پر جائزہ لیا گیا۔

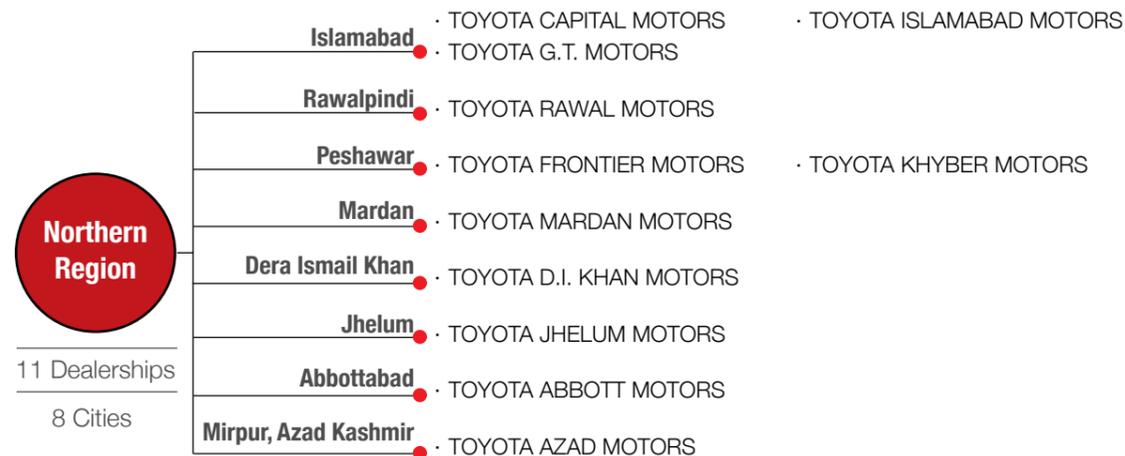
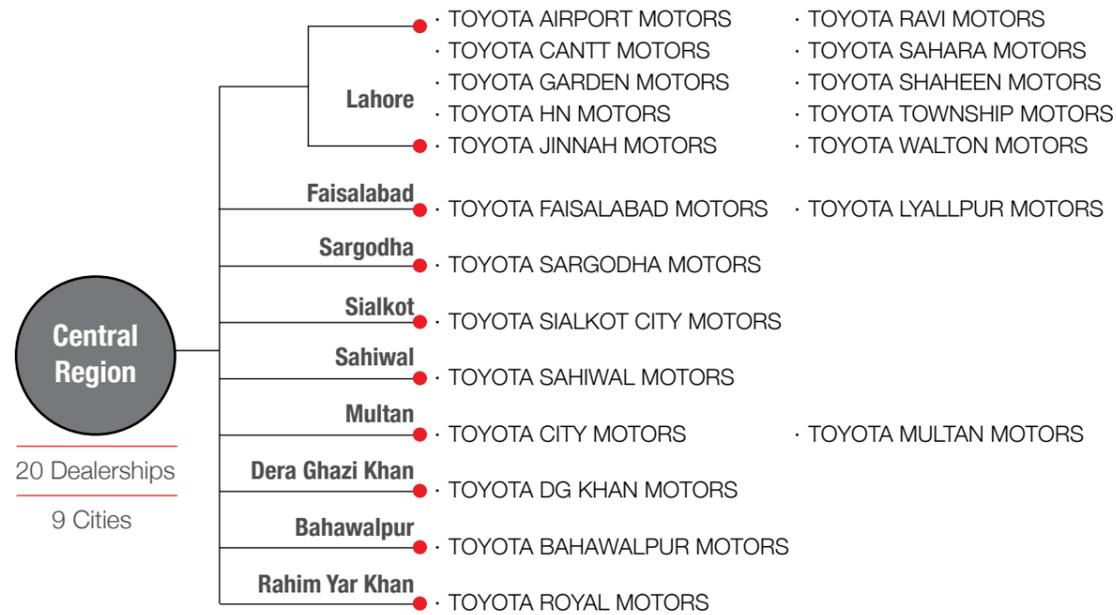
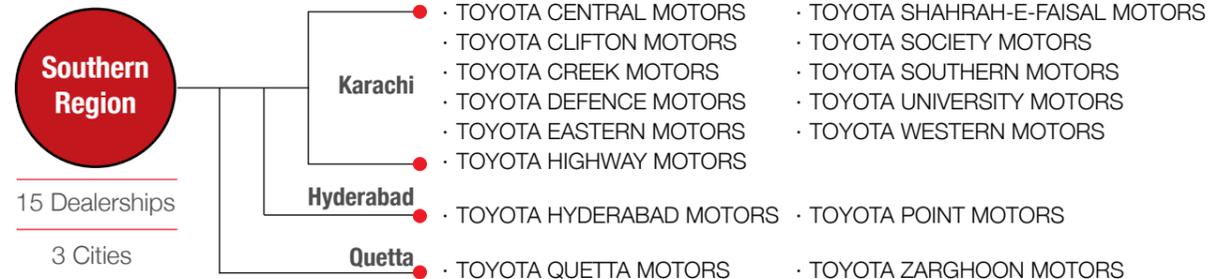
رواں سال بورڈ کے چھ اجلاس منعقد ہوئے جس میں کمپنی کے آپریٹرز، درپیش چیلنجز اور بورڈ کے وٹن کے مطابق اہداف کے حصول کے حوالے سے پیش رفت پر بورڈ کو پریزنٹیشن دی گئی۔ ہمیں یہ اعزاز حاصل ہے کہ ہمارے پاس تارکین وطن کی ایسی تجربہ کار ٹیم موجود ہے جو ہماری کمپنی کے ساتھ ساتھ انتہائی تجربہ کار اور قابل احترام پاکستانیوں کو ٹویٹا کے عالمی تجربات سے روشناس کراتے ہیں جس سے ہمیں با مقصد رہنمائی اور نتائج حاصل ہوتے ہیں۔ ہم خاص طور پر بورڈ آڈٹ کمیٹی کے اراکین کے مشکور ہیں جنہوں نے انتہائی مفصل اور مستعدی سے جائزے پیش کئے تاکہ اس بات کو یقینی بنایا جاسکے کہ ہم خطرات کی پیش گوئی اور ان سے نشٹے اور کارپوریٹ سیکٹر کے بہترین طریقوں کی تعمیل جاری رکھیں۔

آخر میں بورڈ آف ڈائریکٹرز کی طرف سے تمام سٹیک ہولڈرز کا کمپنی پر مسلسل اعتماد اور بھروسہ کیلئے شکر یہ ادا کرنا چاہوں گا۔ میں اور بورڈ مل کر آئی ایم سی ٹیم کے ہر رکن کی کمپنی کیلئے غیر متزلزل حمایت اور عزم پر ان سے اظہار تشکر کرتے ہیں۔ ہم انڈسٹری میں اپنی فوئیت اور قائدانہ کردار برقرار رکھنے کیلئے پرعزم ہیں اور اللہ تعالیٰ سے دعا گو ہیں کہ وہ مستقبل میں ہماری کوششوں کو کامیابی عطا کرے۔ (آمین)

محمد علی آرمیٹ
(چیئر مین)

Indus Motor Company Dealership Network

46 Authorised Dealerships in 20 Cities Across the Country



Form of Proxy

Thirty First Annual General Meeting

I/We _____
of _____

being member(s) of INDUS MOTOR COMPANY LIMITED, holding _____ ordinary shares, hereby appoint _____ S/o _____ Folio No. _____ of Karachi or failing him / her Mr. _____ S/o _____ CDC Part. ID & A/c # _____ of Karachi who is/are also member(s) of INDUS MOTOR COMPANY LTD as my / our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Thirty First Annual General Meeting of the Company to be held on September 30, 2020 and / or any adjournment thereof.

As witness my / our hand/ seal this _____ day of _____

Signed by the said _____
in the presence of _____

Member's Folio / CDC Account No.

Affix revenue Stamp of Rs. 5

(Sign should agree with specimen registered with the Company)

Recent Photograph of Proxy, who will attend AGM through Video Conference

Signed in the presence of:

Witness 1

Signature _____
Name _____
CNIC / Passport No. _____
Address _____

Witness 2

Signature _____
Name _____
CNIC / Passport No. _____
Address _____

NOTES

- This proxy form duly completed and signed, must be received at the office of the Company's Share Registrar, not less than 48 hours before the time of holding the meeting.
- No person shall act as proxy unless he/she himself/herself is a member of the Company, except that a corporation may appoint a person who is not a member.
- If a member appoints more than one proxy and more than one instrument of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

For CDC Account Holders/Corporate Entities:

In addition to the above the following requirements have to be met:

- The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature and recent photograph of the Nominee shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

Electronic Dividend Mandate Form Indus Motor Company Limited

In accordance with the provisions of section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations, 2017, it is mandatory that dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder.

Shareholders are requested to send the attached Form duly filled and signed, along with attested copy of their CNIC to the Company's Share Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, SMCHS, Main Shahrah-e-Faisal, Karachi. Shareholders who hold shares with Participants / CDC are advised to provide the Dividend Mandate and attested copy of CNIC, directly to their concerned Broker (Participants) / CDC.

I hereby communicate to receive my future dividends directly in my Bank account as detailed below:

Name of shareholder : _____
Folio Number / CDC A/c No. : _____of Indus Motor Company Limited.
Address of Shareholder : _____
Contact number of shareholder : _____
Title of Account (*) : _____
IBAN (**): _____
Name of Bank : _____
Bank branch & Code : _____
Mailing Address of Branch : _____
CNIC No. (attach attested copy) : _____
NTN (in case of corporate entity) : _____

It is stated that the above particulars given by me are correct and to the best of my knowledge; I shall keep the Company informed in case of any changes in the said particulars in future.

Shareholder's Signature

Date

NOTES:

- * Joint account holders shall specify complete Title of Account including Shareholders name.
- ** Please provide complete IBAN (International Bank Account Number), after checking with your concerned Bank branch to enable electronic credit directly into your bank account.

AFFIX
CORRECT
POSTAGE

رجسٹرار، انڈس موٹر کمپنی لمیٹڈ
میسرز سینٹرل ڈپازٹری کمیٹی آف پاکستان لمیٹڈ
سی ڈی سی ہاؤس، 99-B بلاک 'بی'، سندھی مسلم اوپریٹو ہاؤسنگ سوسائٹی
مین شاہراہ فیصل، کراچی - 74400

الیکٹرانک ڈیویڈنڈ مینڈیٹ فارم انڈس موٹر کمپنی لمیٹڈ

کمپنیز ایکٹ 2017 کے سیکشن 242 اوکینیز (ڈیویڈنڈ کی تقسیم) ریگولیشنز 2017 کی شق کے مطابق یہ لازمی ہے کہ نقد میں ادا ہونے والے منافع کو صرف الیکٹرانک طریقہ کار سے براہ راست متعلقہ شیئر ہولڈر کے متعین کردہ بینک اکاؤنٹ میں منتقل کیا جائے گا۔

حصص یافتگان سے درخواست ہے کہ وہ منسلک فارم کو پُر کر کے شناختی کارڈ کی مصدقہ نقل کے ہمراہ کمپنی کے شیئر رجسٹرار میسرز ڈی سی شیئر رجسٹرار سرورسز لمیٹڈ، سی ڈی سی ہاؤس، 99-B، بلاک بی، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی کو ارسال کریں۔ پارٹی پیٹ / سی ڈی سی میں حصص رکھنے والے شیئر ہولڈرز کو مشورہ دیا جاتا ہے کہ وہ ڈیویڈنڈ مینڈیٹ اور شناختی کارڈ کی مصدقہ نقل اپنے متعلقہ بروکر (پارٹی پیٹ) / سی ڈی سی کو براہ راست فراہم کریں۔

نقد منافع جمع کرانے کیلئے میرے بینک کی تفصیلات درج ذیل ہیں۔

حصص یافتہ کا نام _____
 فولیو نمبر / سی ڈی سی اکاؤنٹ نمبر۔ _____ انڈس موٹر کمپنی لمیٹڈ
 حصص یافتہ کا پتہ _____
 حصص یافتہ کا موبائل نمبر _____
 ٹائٹل آف اکاؤنٹ _____
 اکاؤنٹ نمبر _____
 IBAN نمبر _____
 بینک کا نام _____
 بینک برانچ اور کوڈ _____
 برانچ کا پتہ _____
 شناختی کارڈ نمبر (مصدقہ نقل لف کریں) _____
 این ٹی این نمبر (کارپوریٹ ادارہ ہونے کی صورت میں) _____

تصدیق کی جاتی ہے کہ مندرجہ بالا فراہم کردہ کوائف میرے علم و یقین کی حد تک درست ہیں۔ مستقبل میں مذکورہ کوائف میں تبدیلی کی صورت میں کمپنی کو آگاہ کیا جائے گا۔

تاریخ

حصص یافتہ کے دستخط

نوٹس:

- ☆ مشترکہ اکاؤنٹ ہونے کی صورت میں حصص یافتگان کے نام کے ساتھ ٹائٹل آف اکاؤنٹ کی وضاحت کی جائے گی۔
- ☆ براہ مہربانی اپنے متعلقہ بینک برانچ سے تسلی کرنے کے بعد مکمل IBAN نمبر فراہم کریں تاکہ آپ اکاؤنٹ میں براہ راست الیکٹرانک ادائیگی کی جاسکے۔

Stay safe. Stay healthy.

INDUS MOTOR COMPANY LTD.

Plot No. N.W.Z/1/P-1, Port Qasim Authority,
Bin Qasim, Karachi Pakistan.
www.toyota-indus.com

