

Agriauto Industries Limited

Condensed Interim Financial Statements
For the Period & Quarter Ended December 31, 2020
(Un-audited)



Company Information

BOARD OF DIRECTORS

Yutaka Arae

Fahim Kapadia

Hamza Habib

Salman Burney

Sohail P. Ahmed

Ayesha T. Haq

Muhammad Ali Jameel

Chairman

Chief Executive

Non Executive Director

Non Executive Director

Non Executive Director

Independent Director

Independent Director

AUDIT COMMITTEE

Muhammad Ali Jameel

Sohail P. Ahmed

Ayesha T. Haq

Chairman

Member

Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Muhammad Ali Jameel

Salman Burney

Sohail P. Ahmed

Yutaka Arae

Fahim Kapadia

Chairman

Member

Member

Member

Member

CHIEF FINANCIAL OFFICER

Hassan Ali Ghazi

COMPANY SECRETARY

Syed Jawwad ul Haq Haqqi

AUDITORS

EY Ford Rhodes

Chartered Accountants

SHARE REGISTRAR

FAMCO Associates (Pvt.) Limited

8-F, Next to Hotel Faran, Nursery,

Block-6, P.E.C.H.S.,

Shahrah-e-Faisal, Karachi.

Tel: 34380101-5, 34384621-3

BANKERS - CONVENTIONAL

Habib Metropolitan Bank Limited

Standard Chartered Bank (Pakistan) Ltd

National Bank of Pakistan

Habib Bank Limited

United Bank Limited

MCB Bank Limited

REGISTERED OFFICE

5th Floor, House of Habib

3 JCHS, Main Shahrah-e-Faisal,

Karachi.

[Website: www.agriauto.com.pk](http://www.agriauto.com.pk)

[Email: info@agriauto.com.pk](mailto:info@agriauto.com.pk)

FACTORY

Agriauto Industries Limited

Mouza Baroot, Hub Chowki,

Distt. Lasbella, Balochistan.

Agriauto Stamping Company (Pvt.) Ltd

DSU-12B, Down Stream Industrial Estate

Pakistan Steel, Bin Qasim, Karachi.

DIRECTORS' REVIEW REPORT

On behalf of the Board of Directors of the Company, we are pleased to present the financial performance of your Company for the quarter and half year ended December 31, 2020.

The Board of Directors

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

1. Mr. Yutuka Arae – Chairman	Non-executive Director
2. Mr. Fahim Kapadia – Chief Executive	Executive Director
3. Mr. Hamza Habib	Non-executive Director
4. Mr. Sohail P. Ahmed	Non-executive Director
5. Mr. Salman Burney	Non-executive Director
6. Ms. Ayesha T. Haq	Independent Director
7. Mr. Muhammad Ali Jameel	Independent Director

Audit Committee

1. Muhammad Ali Jameel	Chairman
2. Sohail P. Ahmed	Member
3. Ayesha T. Haq	Member

Human Resource & Remuneration Committee

1. Muhammad Ali Jameel	
2. Salman Burney	Chairman
3. Sohail P. Ahmed	Member
4. Yutuka Arae	Member
5. Fahim Kapadia	Member

Pakistan Stock Exchange Award

We are pleased to inform that your company has been named among the top 25 Companies on Pakistan Stock Exchange for the year 2019.

Financial Highlights

Consolidated

	For Six Months July to Dec		Rs. in million	
	2020	2019	For Three Months Oct to Dec	
	2020	2019	2020	2019
Turnover	4,578	2,785	2,550	1,335
Profit before tax	512	50	286	28
Taxation*	(74)	(52)	(5)	(27)
Profit / (loss) after tax	438	(2)	281	1
Earnings (Loss) Per Share (Rs.)	15.21	(0.06)	9.75	0.03

*Company has charged minimum tax of Rs. 78 million in year ended June 30, 2020 due to taxable loss u/s 113 of ITO 2001. In current year, Company has profits therefore the amount of minimum tax has been reversed and this has resulted in reduced tax liability.

Net Consolidated turnover for the six months ended December 31, 2020 increased from Rs. 2.78 billion to Rs. 4.58 billion compared to corresponding period last year, reflecting an increase of 64%. Profit before tax is Rs. 438 million compared to loss of Rs. (2) million last year.



DIRECTORS' REVIEW REPORT

Standalone

	For Six Months July to Dec		Rs. in million For Three Months Oct to Dec	
	2020	2019	2020	2019
Turnover	3,153	2,065	1,743	994
Profit before tax*	378	141	271	125
Taxation	2	(29)	33	(19)
Profit after tax	380	112	304	107
Earnings (Loss) Per Share (Rs.)	13.2	3.89	10.55	3.71

*Includes interim dividend of Rs. 114.4 Million from the subsidiary company.

Net Turnover for the six months under review was Rs. 3.15 billion compared to Rs. 2.06 billion reflecting an increase of 53% over corresponding period last year. Profit before tax also increased by 169% (2020: Rs. 378.17 million v 2019: Rs. 140.51 million).

Dividend

The Board has approved an interim cash dividend of Rs. 5 per share i.e. 100% of the year ending June 30, 2021.

Business overview

Auto sector continued to recover post COVID-19 lockdown supported by lower interest rates for vehicle financing and relatively stable foreign exchange parity. In the 2nd Quarter of FY 2020-21, passenger car volumes grew by 39% while 1300 CC and above passenger car segment surged by 138%, compared to the 1st Quarter of FY 2020-21. Motorcycle and Tractors volumes grew by 16% and 69% respectively over same period. However, Auto Makers and Auto Parts Manufacturer are facing shortages of material because of containers and congestions at major transit ports around the world.

Generally, the demand for new vehicles is higher in the beginning of calendar year and we envisage promising remaining half of the fiscal year. However, this momentum could be disrupted due to supply shortages of imported materials as well as underlying uncertainty and unpredictable COVID situation going forward.

Agriauto Stamping Company (Pvt.) Limited (ASC)

ASC has recently initiated its expansion plan which will result in process efficiencies and facilitate installation of additional presses in future. Board has approved a capital expenditure of Rs. 195 million. The Company is also pursuing on new product developments, secured last year which will bring sustainability and improve profitability going forward.

Company paid 10% interim dividend i.e. Rs 1.0 per share in last quarter to the parent company which has been incorporated in the financial statements.

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

On behalf of the Board of Directors.


Fahim Kapadia
Chief Executive


Muhammad Salman Burney
Non-Executive Director

Dated: February 11, 2021

ڈائریکٹرز رپورٹ

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے ، ہم 31 دسمبر 2020 کو ختم ہونے والی سہ ماہی اور نصف سالہ کارکردگی پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

بورڈ آف ڈائریکٹرز

کمپنی کے بورڈ آف ڈائریکٹرز کی فہرست رپورٹ کی تاریخ کے تحت درج ذیل ہیں۔

1. جناب یوٹاکا آرائے، چیئرمین
 2. جناب فہیم کپاڈیا، چیف ایگزیکٹو
 3. جناب حمزہ حبیب
 4. جناب سہیل پی۔ احمد
 5. جناب سلمان برنی
 6. مس عائشہ ٹیمی حق
 7. جناب محمد علی جمیل
- نان ایگزیکٹو ڈائریکٹر
ایگزیکٹو ڈائریکٹر
نان ایگزیکٹو ڈائریکٹر
نان ایگزیکٹو ڈائریکٹر
نان ایگزیکٹو ڈائریکٹر
آزاد ڈائریکٹر
آزاد ڈائریکٹر

بورڈ آڈٹ کمیٹی

1. جناب محمد علی جمیل
 2. جناب سہیل پی۔ احمد
 3. مس عائشہ ٹیمی حق
- چیئر مین
رکن
رکن

بورڈ ہیومن ریسورس اور ریمونریشن کمیٹی

1. جناب محمد علی جمیل
 2. جناب سلمان برنی
 3. جناب سہیل پی۔ احمد
 4. جناب یوٹاکا آرائے
 5. جناب فہیم کپاڈیا
- چیئر مین
رکن
رکن
رکن
رکن

پاکستان اسٹاک ایکسچینج ایوارڈ

ہمیں یہ بتاتے ہوئے خوشی محسوس ہو رہی ہے کہ پاکستان اسٹاک ایکسچینج نے آپکی کمپنی کا نام سال 2019 کی 25 بہترین سرفہرست کمپنیوں میں شامل کیا ہے۔

مالیاتی جھلکیاں

مجموعی اکاؤنٹس

Rs. in million

سہ ماہی (اکتوبر سے دسمبر تک)		چھ ماہی (جولائی سے دسمبر تک)		
2019	2020	2019	2020	
1,335	2,550	2,785	4,578	سیلز
28	286	50	512	منافع قبل از ٹیکس
(27)	(5)	(52)	(74)	*ٹیکس
1	281	(2)	438	منافع/(خسارہ) بعد از ٹیکس
0.03	9.75	(0.06)	15.21	(خسارہ) فی شیئر (روپے)/آمدنی

* انکم ٹیکس آرڈیننس 2001 شق 113 کے تحت 30 جون 2020 کو ختم ہونے والے مالی سال میں ٹیکس خسارے کی وجہ سے کمپنی نے کم از کم 78 ملین روپے ٹیکس ادا کیا چونکہ اس سال کمپنی کو منافع ہوا ہے اس لئے اس سال کے واجب الادا ٹیکس میں سے منہا کر دیا گیا ہے۔

31 دسمبر 2020 کو ختم ہونے والے چھ ماہ کا مجموعی کاروبار (نیٹ) پچھلے سال کے 2.78 بلین روپے سے بڑھ کر 4.58 بلین روپے ہوا، جو کہ 64 فیصد اضافے کی عکاسی کرتا ہے۔ منافع قبل از ٹیکس پچھلے سال کے 2 ملین کے خسارے کے مقابلے میں 438 ملین روپے رہا۔

ڈائریکٹرز رپورٹ

علیحدہ اکاؤنٹس

Rs. in million

سہ ماہی (اکتوبر سے دسمبر تک)		چھ ماہی (جولائی سے دسمبر تک)	
2019	2020	2019	2020
994	1,743	2,065	3,153
125	271	141	378
(18)	33	(29)	2
107	304	112	380
3.71	10.55	3.89	13.2

*ذیلی کمپنی کا 114.4 ملین روپے کا عبوری ڈیویڈنڈ بھی شامل ہے۔

زیر نظر چھ ماہی کاروبار (نیٹ) گزشتہ سال کے 2.06 بلین روپے کے مقابلے میں 3.15 بلین روپے ہوا جو کہ 53 فیصد اضافی ہے۔ منافع قبل از ٹیکس میں بھی 168 فیصد کا اضافہ ہوا (378.17:2020 ملین بمقابلہ 141:2019 ملین)۔

منافع

بورڈ نے فی شیئر 5 حصص کے عبوری نقد ڈیویڈنڈ کی منظوری دے دی ہے جو کہ 30 جون 2021 کو ختم ہونے والے سال کا 100 فیصد ہے۔

کاروباری جائزہ

بعد از COVID-19 لاک ڈاون گاڑیوں کی مالی اعانت کے لئے شرح سود میں کمی اور نسبتاً مستحکم ذرمبادلہ کی وجہ سے آٹو سیکٹر کی کارکردگی اچھی جا رہی ہے۔ مالی سال 2020-21 کی دوسری سہ ماہی میں پہلی سہ ماہی کے مقابلے میں مسافر بردار گاڑیوں کے حجم میں 39 فیصد اضافہ ہوا جبکہ 1300 سی سی اور اس سے اوپر کی گاڑیوں کے حجم میں 138 فیصد اضافہ ریکارڈ کیا گیا۔ موٹر سائیکل اور ٹریکٹر کے شعبوں کے حجم میں بھی بالترتیب 16 فیصد اور 69 فیصد کا اضافہ ہوا۔ تاہم، آٹوسازوں اور آٹو پارٹس تیار کرنے والی کمپنیوں کو دنیا بھر کی بڑی ٹرانزٹ بندرگاہوں پر کنٹینرز اور بندرگاہوں پہ رش کی وجہ سے پارٹس کی قلت کا سامنا کرنا پڑ رہا ہے۔

عمومی طور پر، کیلنڈر سال کے آغاز میں نئی گاڑیوں کی طلب زیادہ ہوتی ہے اور ہم مالی سال کے نصف حصے کو خوش آئند دیکھتے ہیں۔ تاہم، درآمدی مواد کی فراہمی کی قلت کے ساتھ ساتھ غیر یقینی صورتحال اور متوقع COVID صورتحال کی وجہ سے یہ رفتار متاثر ہو سکتی ہے۔

ایگری آٹو اسٹیمپنگ کمپنی (پرائیویٹ) لمیٹڈ

ایگری آٹو اسٹیمپنگ کمپنی نے حال ہی میں اپنے پلانٹ کی توسیع کا منصوبہ شروع کیا ہے جس کے نتیجے میں پیداواری عمل میں بہتری ہوگی اور مستقبل میں اضافی پریس کی تنصیب میں آسانی ہوگی۔ بورڈ نے 195 ملین روپے کے سرمایہ کاری کی منظوری دے دی ہے۔ کمپنی گزشتہ سال حاصل کردہ نئی مصنوعات کی ڈیویلپمنٹ پر بھی عمل پیرا ہے جو کاروبار میں استحکام لائے گی اور منافع کو آگے بڑھائے گی۔

کمپنی نے گزشتہ سہ ماہی میں بنیادی کمپنی کو 10 فیصد عبوری منافع یعنی 1.0 روپے فی شیئر ڈیویڈنڈ ادا کیا تھا جو مالیاتی گوشوارے میں شامل کیا گیا ہے۔

آخر میں، ہم اپنے تمام صارفین، ڈیلرز، بنکرز اور غیر ملکی تکنیکی شراکت داروں کی قدردانی کے شکر گزار ہیں جنہوں نے کمپنی کے ساتھ تعاون کیا اور کمپنی پہ اعتماد کیا۔ ہم اپنی ٹیم کے ارکان کے بھی مشکور ہیں جنہوں نے تند ہی کے ساتھ کمپنی کی ترقی کے لئے کام کیا۔

منجانب بورڈ آف ڈائریکٹرز۔



سلمان بانی
نان ایگزیکٹو ڈائریکٹر



فہیم کھٹیبہ
چیف ایگزیکٹو

بتاریخ: February 11, 2021



AGRIAUTO INDUSTRIES LIMITED

UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

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Tel: +9221 3565 0007-11
Fax: +9221 3568 1965
ey.khi@pk.ey.com
ey.com/pk

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Agriauto Industries Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Agriauto Industries Limited** (the Company) as at **31 December 2020** and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

The figures of the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income and the notes forming part thereof for the quarters ended 31 December 2020 and 2019 have not been reviewed, as we are required to review only the cumulative figures for the half year ended 31 December 2020.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is **Tariq Feroz Khan**.



Chartered Accountants

Place: Karachi

Date: 22 February 2021

AGRIAUTO INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020

Note	December 31, 2020 (un-audited) ----- (Rupees in '000) -----	June 30, 2020 (audited)
ASSETS		
NON-CURRENT ASSETS		
6	917,966	923,248
	11,311	15,351
	51,338	59,586
	1,144,006	1,144,006
	6,801	6,634
7	66,980	17,659
	2,198,402	2,166,484
CURRENT ASSETS		
	94,565	106,752
	1,051,735	1,385,313
8	546,427	321,641
9	390,456	110,428
	1,283	179
10	172,347	73,329
	7,381	135,617
	482,050	312,017
	96,030	70,615
	2,842,274	2,515,891
	5,040,676	4,682,375
TOTAL ASSETS		
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital 40,000,000 (June 30, 2020: 40,000,000) ordinary shares of Rs. 5/- each	200,000	200,000
Issued, subscribed and paid-up capital 28,800,000 (June 30, 2020: 28,800,000) ordinary shares of Rs. 5/- each	144,000	144,000
Reserves	4,118,804	3,767,400
	4,262,804	3,911,400
NON-CURRENT LIABILITIES		
Lease liabilities	8,467	8,712
CURRENT LIABILITIES		
11	730,006	723,696
	6,935	6,325
	9,601	11,971
	22,863	20,271
	769,405	762,263
12		
	5,040,676	4,682,375
TOTAL EQUITY AND LIABILITIES		

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.


DIRECTOR

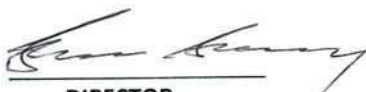

CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER

AGRIAUTO INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE HALF YEAR ENDED DECEMBER 31, 2020
(un-audited)

Note	Half-year ended		Quarter ended	
	December 31, 2020 -----'(Rupees in '000)-----	December 31, 2019	December 31, 2020 -----'(Rupees in '000)-----	December 31, 2019
Turnover – net	3,152,542	2,065,324	1,742,619	994,270
Cost of sales	(2,708,969)	(1,884,838)	(1,485,902)	(903,666)
Gross profit	443,573	180,486	256,717	90,604
Distribution costs	(58,806)	(38,040)	(31,627)	(19,826)
Administrative expenses	(106,611)	(116,376)	(56,146)	(57,211)
	(165,417)	(154,416)	(87,773)	(77,037)
Operating profit	278,156	26,070	168,944	13,567
Other expenses	(30,049)	(9,011)	(21,340)	(7,448)
Other income	131,113	124,554	123,963	119,545
Finance cost	(1,048)	(1,100)	(291)	(224)
	100,016	114,443	102,332	111,873
Profit before taxation	378,172	140,513	271,276	125,440
Taxation				
- Current	(47,288)	(30,980)	(24,880)	(17,592)
- Deferred	49,320	2,397	57,388	(1,045)
	2,032	(28,583)	32,508	(18,637)
Profit after taxation	380,204	111,930	303,784	106,803
----- (Rupees) -----				
Earnings per share - basic and diluted	13.20	3.89	10.55	3.71

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements. *em*


DIRECTOR

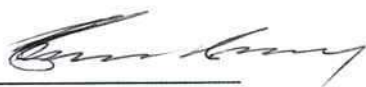

CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER

AGRIAUTO INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2020
(un-audited)

	Half-year ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
	2020	2019	2020	2019
	-----'(Rupees in '000)-----		-----'(Rupees in '000)-----	
Profit after taxation for the period	380,204	111,930	303,784	106,803
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>380,204</u>	<u>111,930</u>	<u>303,784</u>	<u>106,803</u>

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements. *Elm*



 DIRECTOR



 CHIEF EXECUTIVE



 CHIEF FINANCIAL OFFICER

AGRIAUTO INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

Issued, subscribed and paid-up capital	Reserves			Total reserves	Total equity
	Capital reserve	Revenue reserves			
	Share premium	General	Unappropriated profit		

----- (Rupees in '000) -----

Balance as at July 01, 2019 (audited)	144,000	12,598	3,465,000	521,200	3,998,798	4,142,798
Final dividend for the year ended June 30, 2019 @ Rs.7.0/- per share	-	-	-	(201,600)	(201,600)	(201,600)
Transfer to general reserve	-	-	300,000	(300,000)	-	-
Profit after taxation for the period	-	-	-	111,930	111,930	111,930
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	111,930	111,930	111,930
Balance as at December 31, 2019 (un-audited)	<u>144,000</u>	<u>12,598</u>	<u>3,765,000</u>	<u>131,530</u>	<u>3,909,128</u>	<u>4,053,128</u>
Balance as at July 01, 2020 (audited)	144,000	12,598	3,765,000	(10,198)	3,767,400	3,911,400
Final dividend for the year ended June 30, 2020 @ Rs.1.0 /- per share	-	-	-	(28,800)	(28,800)	(28,800)
Profit after taxation for the period	-	-	-	380,204	380,204	380,204
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive profit for the period	-	-	-	380,204	380,204	380,204
Balance as at December 31, 2020 (un-audited)	<u>144,000</u>	<u>12,598</u>	<u>3,765,000</u>	<u>341,206</u>	<u>4,118,804</u>	<u>4,262,804</u>

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.


DIRECTOR

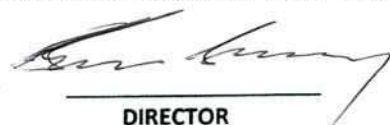

CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER

AGRIAUTO INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED DECEMBER 31, 2020
(un-audited)

	Half year ended	
	December 31, 2020	December 31, 2019
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	378,172	140,513
Adjustments for:		
Depreciation and amortisation	62,148	51,305
Finance cost	1,048	1,100
Reversal for expected credit losses	(336)	(294)
Liabilities no longer payable - written back	(1,085)	(395)
Trade debts written off	-	-
Profit on short-term investments – term deposit receipts	(3,238)	(1,546)
Profit on term deposit accounts	(4,658)	(4,471)
Dividend income	(114,401)	(114,401)
Capital work-in-progress charged off	75	7,796
(Gain) / loss on disposal of operating fixed assets	(4,357)	39
	<u>313,368</u>	<u>79,646</u>
(Increase) / decrease in current assets	(30,490)	205,176
Increase in current liabilities	7,395	62,201
Cash generated from operations	<u>290,273</u>	<u>347,023</u>
Finance cost paid	(426)	(352)
Long-term deposits	(167)	-
Income tax paid	(217,322)	(14,060)
Net cash generated from operating activities	<u>72,358</u>	<u>332,611</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(48,101)	(196,881)
Proceeds from disposal of property, plant and equipment	7,805	4,406
Proceeds from disposal of short-term investments	51,038	52,576
Dividend received	114,401	114,401
Profit received on short-term investments - term deposit receipts	3,183	2,713
Profit on term deposit accounts	3,553	4,450
Net cash generated from / (used in) investing activities	<u>131,879</u>	<u>(18,335)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(28,578)	(200,746)
Lease rental paid	(244)	(1,239)
Net cash used in financing activities	<u>(28,822)</u>	<u>(201,985)</u>
Net increase in cash and cash equivalents	<u>175,415</u>	<u>112,291</u>
Cash and cash equivalents at the beginning of the period	92,615	157,949
Cash and cash equivalents at the end of the period	<u>268,030</u>	<u>270,240</u>
CASH AND CASH EQUIVALENTS		
Cash and bank balances	96,030	118,240
Short-term investments	172,000	152,000
	<u>268,030</u>	<u>270,240</u>

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.


DIRECTOR


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER

AGRIAUTO INDUSTRIES LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2020
(un-audited)

1 THE COMPANY AND ITS OPERATIONS

- 1.1 Agriauto Industries Limited (the Company) was incorporated in Pakistan on June 25, 1981 as a public limited company and is listed on Pakistan Stock Exchange Limited. The Company is engaged in the manufacture and sale of components for automotive vehicles, motor cycles and agricultural tractors. The registered office of the Company is situated at 5th Floor, House of Habib, Main Shahrah-e-Faisal, Karachi.
- 1.2 These unconsolidated condensed interim financial statements are the separate unconsolidated condensed interim financial statements of the Company in which investments in subsidiary is accounted for at cost less accumulated impairment losses, if any and is not consolidated or accounted for using equity method.

2 STATEMENT OF COMPLIANCE

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

3 BASIS OF PREPARATION

- 3.1 These unconsolidated condensed interim financial statements are un-audited but subject to limited scope review by the statutory auditors as required under section 237 of the Companies Act, 2017. These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the unconsolidated annual financial statements, and should be read in conjunction with the unconsolidated financial statements of the Company for the year ended June 30, 2020.
- 3.2 The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the quarters ended December 31, 2020 and December 31, 2019 and notes forming part thereof have not been reviewed by the statutory auditors, as they are required to review only the cumulative figures for the half year ended December 31, 2020.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual unconsolidated financial statements for the year ended June 30, 2020 except for the adoption of new standards, amendments and improvements to International Financial Reporting Standards (IFRSs) as disclosed in note 5.

5 NEW STANDARDS, AMMENDMENTS AND IMPROVEMENTS TO IFRSs

The Company has adopted the following amendments to International Financial Reporting Standards (IFRSs) and framework for financial reporting which became effective for the current period:

Standard or amendment:

- IFRS 3 - Definition of a Business (Amendments);
 IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (Amendments); and
 IAS 1 / IAS 8 - Definition of Material (Amendments).

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after 01 January 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

6 PROPERTY, PLANT AND EQUIPMENT

	Note	December 31, 2020 ----- (Rupees in '000) ----- (un-audited)	June 30, 2020 (audited)
Operating fixed assets	6.1 & 6.2	913,891	752,965
Capital work-in-progress	6.3	4,075	170,283
		<u>917,966</u>	<u>923,248</u>

Efor

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

	Additions at cost / Transfers		Disposal at NBV	
	Half year ended		Half year ended	
	December 31,		December 31,	
	2020	2019	2020	2019
	(un-audited)		(un-audited)	
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Owned				
Building	88,524	7,820	-	-
Plant and machinery	118,735	24,444	-	4,443
Dies & tools	-	17,150	-	-
Vehicles	5,127	2,202	3,370	-
Furniture and fixtures	-	369	-	-
Computers	1,848	597	78	2
	<u>214,234</u>	<u>52,582</u>	<u>3,448</u>	<u>4,445</u>

- 6.2 Depreciation charge for the period amounted to Rs. 49.86 million (December 31, 2019: Rs. 48.48 million).

December 31, 2020	June 30, 2020
----- (Rupees in '000) -----	
(un-audited)	(audited)

6.3 Capital work-in-progress

Balance at the beginning of the period / year	170,283	52,768
Capital expenditure incurred / advances made during the period / year	40,307	170,284
Transfer to operating fixed assets during the period / year	(206,440)	(44,972)
Charged off during the period / year	(75)	(7,797)
Balance at the end of the period / year	<u>4,075</u>	<u>170,283</u>

7 DEFERRED TAXATION - NET

Deductible temporary differences arising due to:		
- provisions and lease liabilities	104,802	95,120
- unused tax losses and minimum tax carried forward	53,313	14,948
Taxable temporary differences arising due to:		
- accelerated tax depreciation	(91,135)	(92,409)
	<u>66,980</u>	<u>17,659</u>

- 8 Includes an amount of Rs. 5.80 million (June 30, 2020: Rs. 3.32 million) and Rs. 3.21 million (June 30, 2020: 1.91 million) receivable from Agriauto Stamping Company (Private) Limited, a wholly owned subsidiary and Thal Boshoku Pakistan (Private) Limited, an associated company, against sales made by the Company respectively.

- 9 Includes an amount of Rs. 242.29 million (June 30, 2020: Rs. 21.42 million) and Rs. 126.98 million (June 30, 2020: Rs. 73.64 million) receivable against LC margins and claim against Additional Custom Duty from a customer respectively.

	Note	December 31, 2020	June 30, 2020
		(un-audited)	(audited)
		----- (Rupees in '000) -----	
10 SHORT-TERM INVESTMENTS			
At amortised cost			
Term deposit receipts	10.1	172,000	22,000
Accrued profit thereon		347	291
		<u>172,347</u>	<u>22,291</u>
At fair value through profit or loss			
Mutual funds - open ended Nil (June 30, 2020: 4,847,847 units) at NAV of NIL (June 30, 2020: Rs. 10.53) each.		-	51,038
		<u>172,347</u>	<u>73,329</u>

E. M. Khan

- 10.1 Represents one to three months term deposit receipts with a commercial bank under conventional banking relationship carrying profit rate ranging from of 5.50% to 6.50% (June 30, 2020: 6.70%) per annum and having latest maturity date of 30 January 2021.
- 11 Includes an amount of Rs. 0.01 million (June 30, 2020: Rs. 0.07 million) payable to Shabbir Tiles and Ceramics Limited, an associated company, against purchases made by the Company.

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

As at the reporting date, total outstanding claims on the Company by certain vendors amounted to Rs. 3.63 million (June 30, 2020: Rs. 4.53 million). The management of the Company is confident that no loss is likely to occur from these claims and accordingly no provision in this respect has been made in these unconsolidated condensed interim financial statements.

12.2 Commitments

There is no material change in the status of commitments as reported in the annual financial statements for the year ended June 30, 2020 other than described below:

- 12.2.1 Commitments in respect of outstanding letters of credit for raw material amounting to Rs.620.788 million (June 30, 2020: Rs. 178.891 million).
- 12.2.2 Commitments in respect of capital expenditure amounting to Rs. 32.238 million (June 30, 2020: Rs. 1.686 million).
- 13 Includes Rs. 114.4 million (December 31, 2019: Rs. 114.4 million) on account of dividend income from the wholly owned subsidiary Agriauto Stamping Company (Private) Limited.
- 14 Due to taxable loss in the last financial year, the Company booked its tax charge on minimum tax at the rate of 1.5% under section 113 of the Income Tax Ordinance, 2001 amounting to Rs. 78 million. As the same is adjustable, therefore, current tax charge for the period has been adjusted to the extent of minimum tax. Further, deferred tax has been booked on the remaining unadjusted portion.

15 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise the subsidiary company, companies with common directorship, retirement funds, directors and key management personnel. All the transactions with related parties are entered into at agreed terms in normal course of business as approved by the Board of Directors of the Company. Balance due from / to the related parties have been disclosed in respective notes to these unconsolidated condensed interim financial statements wherever applicable. Details of transactions with related parties during the period, other than disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

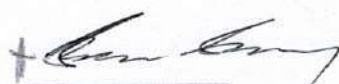
Name of related party and relationship with the Company	Nature of transactions	Percentage of share holding in the Company %	December 31, 2020 (un-audited) ----- (Rupees in '000) -----	December 31, 2019 (un-audited) -----
Subsidiary (wholly owned)				
Agriauto Stamping Company (Private) Limited	Sale of goods	Nil	37,462	6,864
	Tax refund paid under group taxation		128,879	-
Associated Companies (Common directorship)				
Thal Boshoku Pakistan (Private) Limited	Sale of goods	Nil	21,552	217
Thal Limited	Dividend Paid	7.35	2,116	14,809
Shabbir Tiles & Ceramics Limited	Purchases	Nil	3,066	-
Retirement benefit funds				
Employees' Provident fund	Contribution		4,860	5,906
Key management personnel	Remuneration and other benefits	Nil	16,720	19,596
	Fee for attending board meetings		900	600
	Sale of vehicle having net book value of Rs. 0.705 million as per the Company's policy		806	-

16 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on Feb '11, 2021 by the Board of Directors of the Company.

17 GENERAL

- 17.1 Certain corresponding figures have been reclassified for better presentation. However, there are no material reclassifications to report.
- 17.2 Figures have been rounded off to the nearest rupees in thousands unless stated otherwise.
- 17.3 Subsequent to the period end, the Board of Directors in their meeting held on February 11, 2021 declared and approved an interim cash dividend for the year ending June 30, 2021 of Rs. 5/- per share (2020: Nil) amounting to Rs. 144 million (2020: Nil).


DIRECTOR


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER

AGRIAUTO INDUSTRIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020

	Note	December 31, 2020 (Un-audited)	June 30, 2020 (Audited)
----- (Rupees in '000) -----			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	2,159,663	2,159,468
Right-of-use assets		11,311	15,351
Intangible asset		51,338	59,586
Long-term deposits		13,605	13,438
		2,235,917	2,247,843
CURRENT ASSETS			
Stores, spares and loose tools		113,434	120,816
Stock-in-trade		1,639,465	1,937,205
Trade debts	7	704,301	492,234
Advances, deposits, prepayments and other receivables	8	575,360	141,916
Accrued profit		1,734	1,215
Short-term investments	9	498,047	494,329
Sales tax receivable		46,353	168,275
Taxation – net		449,333	458,746
Cash and bank balances		257,467	131,195
		4,285,494	3,945,931
TOTAL ASSETS		6,521,411	6,193,774
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
40,000,000 (June 30, 2020: 40,000,000) ordinary shares of Rs. 5/- each		200,000	200,000
Issued, subscribed and paid-up capital 28,800,000 (June 30, 2020: 28,800,000) ordinary shares of Rs. 5/- each		144,000	144,000
Reserves		5,379,335	4,970,140
		5,523,335	5,114,140
NON-CURRENT LIABILITIES			
Lease liabilities		8,467	8,712
Deferred taxation	10	13,063	62,123
		21,530	70,835
CURRENT LIABILITIES			
Trade and other payables		937,147	970,232
Current portion of lease liabilities		6,935	6,325
Unpaid dividend		9,601	11,971
Unclaimed dividend		22,863	20,271
		976,546	1,008,799
CONTINGENCIES AND COMMITMENTS	11		
TOTAL EQUITY AND LIABILITIES		6,521,411	6,193,774

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.


Director


Chief Executive

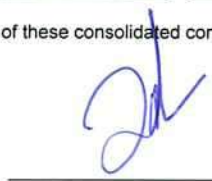

Chief Financial Officer

AGRIAUTO INDUSTRIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE HALF YEAR ENDED DECEMBER 31, 2020
(UN-AUDITED)

Note	Half-year ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
Turnover – net	4,578,377	2,784,822	2,549,871	1,335,595
Cost of sales	(3,867,501)	(2,575,742)	(2,151,513)	(1,227,333)
Gross profit	710,876	209,080	398,358	108,262
Distribution costs	(62,000)	(40,536)	(33,470)	(21,008)
Administrative expenses	(117,557)	(126,469)	(62,601)	(61,584)
	(179,557)	(167,005)	(96,071)	(82,592)
Operating profit	531,319	42,075	302,287	25,670
Other expenses	(51,850)	(10,271)	(33,818)	(8,186)
Other income	34,365	19,505	17,948	11,130
Finance costs	(1,435)	(1,259)	(582)	(1,053)
	(18,920)	7,975	(16,452)	1,891
Profit before taxation	512,399	50,050	285,835	27,561
Taxation	12 (74,404)	(51,871)	(4,968)	(26,829)
Profit / (Loss) after taxation	437,995	(1,821)	280,867	732
----- (Rupees) -----				
Earnings / (Loss) per share - basic and diluted	15.21	(0.06)	9.75	0.03

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.


Director


Chief Executive


Chief Financial Officer

AGRIAUTO INDUSTRIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED DECEMBER 31, 2020
(UN-AUDITED)

	Half year ended	
	December 31, 2020	December 31, 2019
	(Rs. in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	512,399	50,050
Adjustments for:		
Depreciation and amortisation	141,213	129,062
Finance costs	1,048	1,259
Reversal for expected credit losses	(485)	(294)
Liabilities no longer payable - written back	(1,085)	(395)
Profit on short-term investments – term deposit receipts	(15,831)	(7,198)
Profit on term deposit accounts	(6,903)	(6,414)
Capital work-in-progress charged off	75	9,221
(Gain) / loss on disposal of operating fixed assets	(4,349)	37
	<u>626,082</u>	<u>175,328</u>
(Increase) / decrease in current assets	(214,679)	316,681
(Decrease) / increase in current liabilities	<u>(35,316)</u>	<u>95,464</u>
Cash generated from operations	376,087	587,473
Finance costs paid	(426)	(511)
Long-term security deposit	(167)	-
Income tax paid	<u>(114,051)</u>	<u>(35,135)</u>
Net cash generated from operating activities	261,443	551,827
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(132,666)	(230,640)
Proceeds from disposal of property, plant and equipment	7,820	4,635
Technical fee Paid	51,038	-
Proceeds from disposal of short-term investments	-	52,576
Profit received on term deposit receipt / bank balance	14,931	8,244
Profit on term deposit accounts	5,528	6,367
Net cash used in investing activities	(53,349)	(158,818)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(28,578)	(200,746)
Lease rental paid	(244)	(1,239)
	<u>(28,822)</u>	<u>(201,985)</u>
Net decrease in cash and cash equivalents	179,272	191,024
Cash and cash equivalents at the beginning of the period	574,195	308,379
Cash and cash equivalents at the end of the period	753,467	499,403
CASH AND CASH EQUIVALENTS		
Cash and bank balances	257,467	179,403
Short-term investments	<u>496,000</u>	<u>320,000</u>
	<u>753,467</u>	<u>499,403</u>

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.


Director


Chief Executive


Chief Financial Officer

AGRIAUTO INDUSTRIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2020
(UN-AUDITED)

	Half-year ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
Profit / (Loss) for the period	437,995	(1,821)	280,867	732
Other comprehensive income for the period	-	-	-	-
 Total comprehensive income / (loss) for the period	<u>437,995</u>	<u>(1,821)</u>	<u>280,867</u>	<u>732</u>

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.


Director


Chief Executive


Chief Financial Officer

AGRIAUTO INDUSTRIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2020
(UN-AUDITED)

	Issued, subscribed and paid-up capital	Reserves				Total equity	
		Capital reserve	Revenue reserves		Total		
			Share premium	General			Unappropriated profit
----- (Rupees in'000) -----							
Balance as at July 01, 2019	144,000	12,598	3,065,000	2,202,580	5,280,178	5,424,178	
Final dividend for the year ended June 30, 2019 @ Rs. 7.0/- per share	-	-	-	(201,600)	(201,600)	(201,600)	
Transfer to general reserve	-	-	750,000	(750,000)	-	-	
Profit after taxation for the period	-	-	-	(1,821)	(1,821)	(1,821)	
Other comprehensive income	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	(1,821)	(1,821)	(1,821)	
Balance as at December 31, 2019	144,000	12,598	3,815,000	1,249,159	5,076,757	5,220,757	
Balance as at July 01, 2020	144,000	12,598	2,315,000	2,642,542	4,970,140	5,114,140	
Final dividend for the year ended June 30, 2020 @ Rs.1.0 /- per share	-	-	-	(28,800)	(28,800)	(28,800)	
Transfer to general reserve	-	-	-	-	-	-	
Profit after taxation for the period	-	-	-	437,995	437,995	437,995	
Other comprehensive income	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	437,995	437,995	437,995	
Balance as at December 31, 2020	144,000	12,598	2,315,000	3,051,737	5,379,335	5,523,335	

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.


Director


Chief Executive


Chief Financial Officer

AGRIAUTO INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2020
(UN-AUDITED)

1 THE COMPANY AND ITS OPERATIONS

- 1.1 Agriauto Industries Limited (the Company) was incorporated in Pakistan on June 25, 1981 as a public limited company and is listed on Pakistan Stock Exchange. The Holding Company is engaged in the manufacture and sale of components for automotive vehicles, motor cycles and agricultural tractors. The registered office of the Holding Company is situated at 5th Floor, House of Habib, Main Shahrah-e-Faisal, Karachi
- 1.2 The Group comprises of the Holding Company and Agriauto Stamping Company (Private) Limited (the Subsidiary Company). The Subsidiary Company was incorporated in Pakistan on January 20, 2012 as a private limited company. The Subsidiary Company is engaged in stamping of sheet metal parts, dies, fixtures primarily for the automotive industry and has commenced its commercial operations on 02 July, 2014. The registered office of the Subsidiary Company is situated at 5th Floor, House of Habib, Main Shahrah-e-Faisal, Karachi.

2 STATEMENT OF COMPLIANCE

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

3 BASIS OF PREPARATION

These consolidated condensed interim financial statements are un-audited but subject to limited scope review by the statutory auditors as required under section 237 of the Companies Act 2017. These consolidated condensed interim financial statements do not include all the information and disclosures required in the consolidated annual financial statements, and should be read in conjunction with the consolidated financial statements of the Company for the year ended June 30, 2020

The figures of the consolidated condensed interim statement of profit or loss and consolidated condensed interim statement of comprehensive income for the quarters ended December 31, 2020 and December 31, 2019 and notes forming part thereof have not been reviewed by the statutory auditors, as they are required to review only the cumulative figures for the half year ended December 31, 2020 and December 31, 2019.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended June 30, 2020 except for the adoption of new standards, amendments and interpretation of International Financial Reporting Standards (IFRSs) as disclosed in note 5.

5 NEW STANDARDS, AMMENDMENTS AND INTERPRETATIONS OF IFRSs

The Company has adopted the following accounting standards and amendments of IFRSs and the improvements to accounting standards which became effective during the current period:

Standard or ammendement:

IFRS 3 - Definition of a Business (Amendments);

IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (Amendments); and

IAS 1 / IAS 8 - Definition of Material (Amendments).

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after 01 January 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

		December 31, 2020 ----- (Rupees in '000) ----- (Un-audited)	June 30, 2020 ----- (Audited)
6 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1 & 6.2	2,055,771	1,966,910
Capital work-in-progress	6.3	103,892	192,558
		<u>2,159,663</u>	<u>2,159,468</u>

6.1 The following additions and disposals were made in the operating fixed assets during the period:

	Additions at cost / Transfers		Disposal at NBV	
	Half year ended		Half year ended	
	December 31,		December 31,	
	2020	2019	2020	2019
	(Un-audited)		(Un-audited)	
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Owned				
Building	88,524	50,458	-	-
Plant and machinery	124,182	427,294	-	4,443
Dies & tools	-	106,288	-	-
Vehicles	5,127	2,202	3,370	227
Furniture and fixtures	540	369	-	-
Computers	124	720	101	2
Office equipment	912	-	-	-
	<u>219,409</u>	<u>587,331</u>	<u>3,471</u>	<u>4,672</u>

6.2 Depreciation charge for the period amounted to Rs. 128.92 million (December 31, 2019: Rs. 126.24 million).

	December 31, 2020	June 30, 2020
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
	(Un-audited)	(Audited)
6.3 Capital work-in-progress		
Balance at the beginning of period / year	192,558	572,176
Capital expenditure incurred / advances made during the period / year	117,849	200,541
Transfer to operating fixed assets during the period / year	(206,440)	(572,362)
Charged off during the period / year	(75)	(7,797)
Balance at the ending of period / year	<u>103,892</u>	<u>192,558</u>

7 Includes an amount of Rs. 7.24 million (June 30, 2020: Rs. 3.99 million) receivable from Thal Boshoku Pakistan (Private) Limited, an associated company, against sales made by the Company.

8 Includes an amount of Rs. 378.67 million (June 30, 2020: Rs. 28.67 million) and Rs. 168.39 million (June 30, 2020: Rs. 95.09 million) receivable against LC margins and claim against Additional custom duty from a customer respectively.

	Note	December 31, 2020	June 30, 2020
		(Un-audited)	(Audited)
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
9 SHORT TERM INVESTMENTS			
At amortised cost			
Term deposit receipts	9.1	496,000	443,000
Accrued profit thereon		<u>2,047</u>	<u>291</u>
		498,047	443,291
At fair value through profit or loss			
Mutual funds - open ended Nil (June 30, 2020: 4,847,847 units) at NAV of NIL each (June 30, 2020: Rs. 10.53 each)		-	51,038
		<u>498,047</u>	<u>494,329</u>

9.1 Represents one to three months term deposit receipts with a commercial bank under conventional banking relationship carrying profit rate ranging from of 5.50% to 6.85% (June 30, 2020: 5.75% to 7%) per annum having latest maturity date till March 14, 2021.

	December 31, 2020	June 30, 2020
	(Un-audited)	(Audited)
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
10 DEFERRED TAXATION - NET		
Taxable temporary differences arising due to:		
- accelerated tax depreciation	188,775	195,551
Deductible temporary differences arising due to:		
- provisions and lease liabilities	(122,399)	(111,613)
- unused tax losses and minimum tax carried forward	(53,313)	(21,815)
	<u>13,063</u>	<u>62,123</u>

AGRIAUTO INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2020
(UN-AUDITED)

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

As at the reporting date, total outstanding claims on the Group by certain vendors amounted to Rs. 5.94 million (June 30, 2020: Rs. 7.34 million). The management of the Group is confident that no loss is likely to occur from these claims and accordingly no provision in this respect has been made in these consolidated condensed interim financial statements.

11.2 COMMITMENTS

There is no material change in the status of commitments as reported in the annual financial statements for the year ended June 30, 2020 other than described below:

11.2.1 Commitments in respect of outstanding letters of credit for raw material amounting to Rs. 1040.683 million (June 30, 2020: Rs. 303.629 million).

11.2.2 Commitments in respect of capital expenditure amounting to Rs. 131.375 million (June 30, 2020: Rs. 37.319 million).

12 Due to taxable loss in the last financial year, the Group booked its tax charge on minimum tax at rate of 1.5% under section 113 of the Income Tax Ordinance, 2001 amounting to Rs. 78 million. As the said tax is adjustable, therefore, current tax charge for the period has been adjusted to the extent of minimum tax. Further, deferred tax has been booked on the remaining unadjusted portion.

13 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Group comprise the Holding Company, companies with common directorship, retirement funds, directors and key management personnel. Balance due from / to the related parties have been disclosed in respective notes to these consolidated condensed interim financial statements wherever applicable. Detail of transactions with related parties during the period, other than disclosed elsewhere in these condensed interim financial statements, are as follows:

Name of related party and relationship with the Group	Nature of transactions	December 31, 2020 (Un-audited)	December 31, 2019 (Un-audited)
		----- (Rupees in '000) -----	
Retirement benefit funds			
Provident fund	Contribution	732	10,159
Key management personnel			
	Remuneration and other benefits	879	19,596
	Fee for attending board meetings	-	600
Associated Companies (Common directorship)			
Thal Boshoku Pakistan (Pvt.) Ltd.	Sale of goods / Services rendered	22,779	7,484

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

The Board of Directors of the Holding Company in its meeting held on February 11, 2021 approved interim cash dividend of Rs. 5 per share (December 31, 2019: Re. Nil per share) for the year ending June 30, 2021 amounting to Rs. 144 million (December 31, 2019: Rs. Nil million).

15 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on 11 February, 2021 by the Board of Directors of the Holding Company.

16 GENERAL

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

16.2 Certain corresponding figures have been reclassified for better presentation. However, there are no material reclassifications to report.


 Director


 Chief Executive


 Chief Financial Officer