

Indus Motor Company Ltd.

2024
annual report



Inside Cover



AT TOYOTA
WE BUILD
PEOPLE
BEFORE
WE BUILD
CARS

Courtesy - Agriauto Industries Ltd., Hub



OUR

PEOPLE.

OUR

**STR
ENG
TH.**



MO NO ZU KU RI

the spirit of

The essence of monozukuri lies in the dedication to meticulous craftsmanship and the relentless pursuit of perfection

INNOVATION
is not just about
CREATING
something new,
it's about
MAKING
SOMETHING
BETTER.

The Toyota Way

TOYOTA GLOBAL VISION

Toyota will lead the future mobility society, enriching lives around the world with the safest and most responsible ways of moving people. Through our commitment to quality, ceaseless innovation, and respect for the planet, we strive 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.



The tree has been used to symbolise the **Toyota Global Vision** from roots to fruits. The tree is a symbol of natural strength, useful and sustainable, something that continues to grow and flourish year after year.

FRUITS

Always better cars

- Develop vehicles which exceed customer expectations

Enriching lives of communities

- Contribute to communities
- Contribute to the future of mobility

TREE of *Life*

A large, light green circular arrow graphic with three arrows pointing clockwise, centered over the tree's canopy.

Sustainable Growth

TRUNK

- Stable base of business

ROOTS

TOYOTA VALUES

- The Toyoda Precepts
- Guiding Principles at Toyota
- The Toyota Way





Sakichi Toyoda

Founder, Toyota Industries Corporation

Always strive to build a homelike atmosphere at work that is warm and friendly.

Always be studious and creative, striving to stay ahead of the times.

Always be faithful to your duties, thereby contributing to the Company and to the overall good.

Always have respect for spiritual matters, and remember to be grateful at all times.

Always be practical and avoid frivolousness.

TOYOTA Precepts

Since the Company was founded in 1937, Toyota Motor Corporation and its subsidiaries have continuously striven to contribute to the sustainable development of society and the earth through the provision of high-quality and innovative products and services.

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.

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.

GUIDING PRINCIPLES TOYOTA

3 Dedicate our business to provide 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.

SUSTAINABILITY Fundamental Policy

We, Toyota Motor Corporation and our subsidiaries, have inherited the spirit of Toyota Principles since our foundation, and have aimed to create a prosperous society through our business activities, based on The Guiding Principles at Toyota. In 2020, based on these Principles, we compiled the Toyota Philosophy and set the mission of "Producing Happiness for All." We aim to be the "best company in town" that is both loved and trusted by the people. We will contribute to the sustainable development of our society/planet by promoting sustainability, as we have, under the Toyota Philosophy, based on the Sustainability Fundamental Policy and individual policies.

CUSTOMERS

Based on our philosophy of Customer First, 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 of the company, 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, financial condition and non-financial information. (Guiding Principles: 1 and 6)

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)

We **aim** to be the **best company in town** that is both **loved & trusted** by the **people**



Akio Toyoda
Chairman, Toyota Motor Corporation

“We make cars. Let’s make ever-better cars, and make our customers happy. We must not forget that, even though we have become a global automotive manufacturer, one of our unwavering principles is putting the customer first. Let’s not be caught up in immediate profits, but let’s review how we do our business and look forward again. If we take one step forward in our own way, I believe it will open up for us a future.”

an

Ode

to

**PEOPLE &
AUTOS**



*Our M
And a
Lead*

Welcome

Indus Motor Company
is the proud custodian of

**MAKE IN
PAKISTAN**

pioneering the local
engineering base development
in the country & investing for the

localisation

of parts in creating value
for the country.



روزگار مسکن بنایا

2,500,000

افراد کے لئے

**direct & indirect jobs by the auto industry*

Indus Motor Company has contributed massively towards the establishment of the local automobile industry in the country by creating its complete **value chain**.

450K
PEOPLE EMPLOYED

35
TECHNICAL
ASSISTANCE
AGREEMENTS

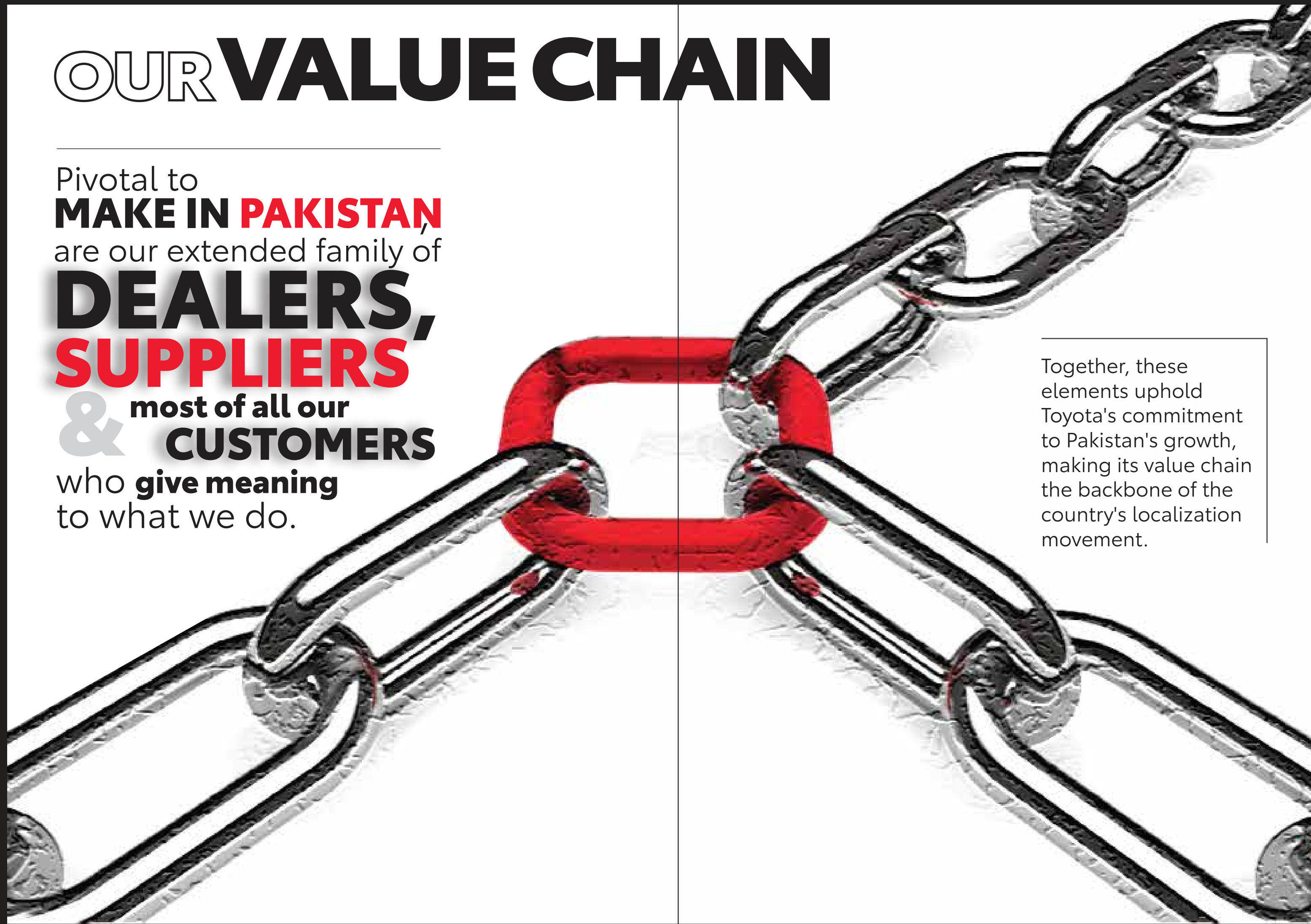
53 SUPPLIERS
supplying parts worth
270M
PKR
daily for 300 units

69B contribution to
NATIONAL
EXCHEQUER
PKR

OUR VALUE CHAIN

Pivotal to
MAKE IN PAKISTAN,
are our extended family of
DEALERS,
SUPPLIERS
& **most of all our**
CUSTOMERS
who **give meaning**
to what we do.

Together, these elements uphold Toyota's commitment to Pakistan's growth, making its value chain the backbone of the country's localization movement.



WHENEVER YOU
RANDOMLY *touch*
a COROLLA, there is
a 90% CHANCE
THAT YOU
WILL TOUCH A

LOCAL PART



exquisite
craftsmanship

the spirit of monozukuri

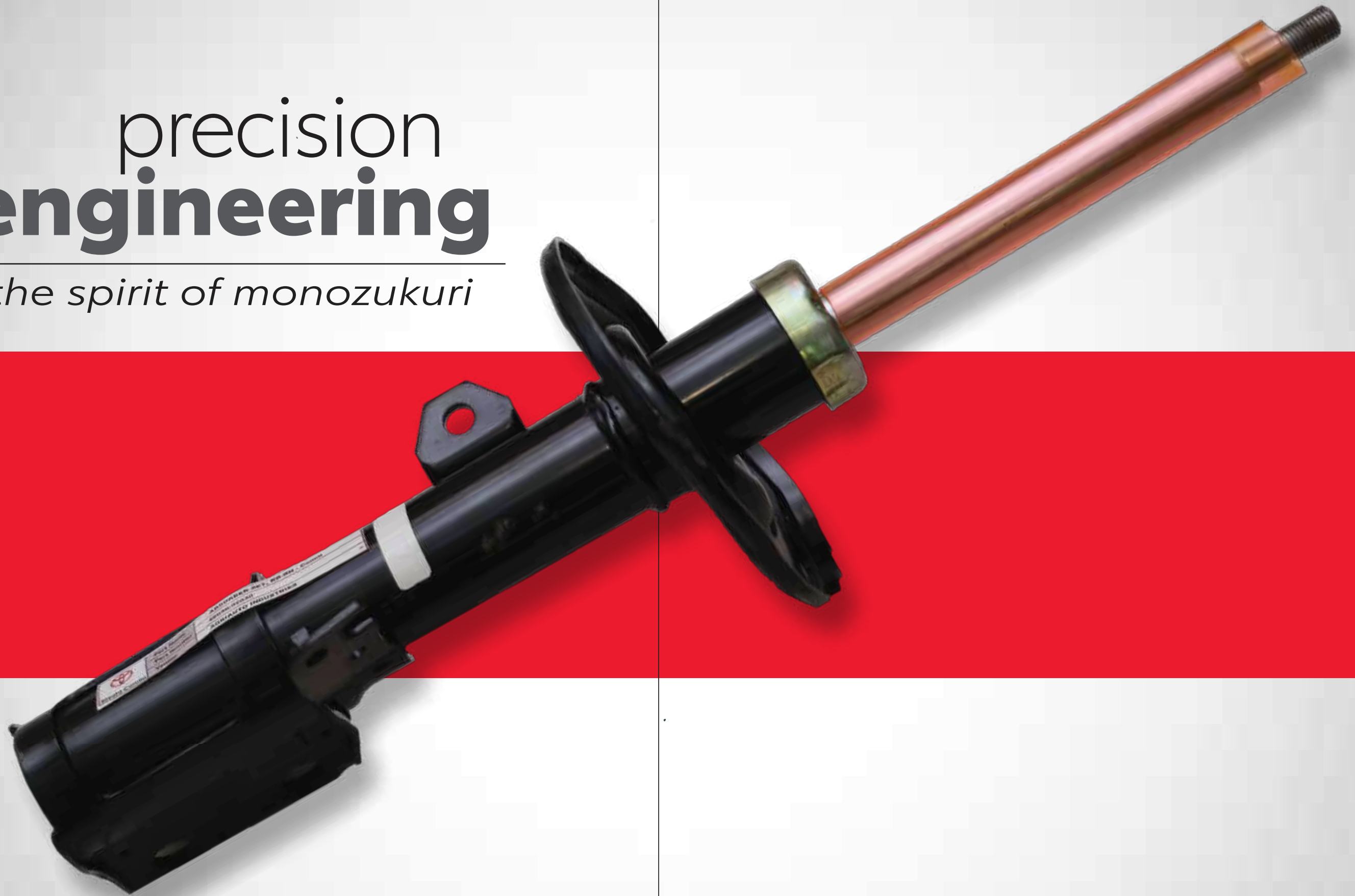


Headlamp
AuVitronics Limited., Karachi

**MAKE IN
PAKISTAN**

precision engineering

the spirit of monozukuri



Absorber Assembly
Agriauto Industries Limited, Hub

**MAKE IN
PAKISTAN**

cutting-edge
workmanship

the spirit of monozukuri



Axle Assembly
Agriauto Industries Limited, Hub

**MAKE IN
PAKISTAN**

1989

The **first**-ever
locally manufactured
Toyota Corolla
makes its debut
in Pakistan



1993

House of Habib, Toyota Motor Corporation and Toyota Tsusho Corporation bring the

 **TOYOTA**
brand to Pakistan

53

Suppliers

pan Pakistan

our value chain

57

3S Dealerships

pan Pakistan

2024



COROLLA
CROSS.

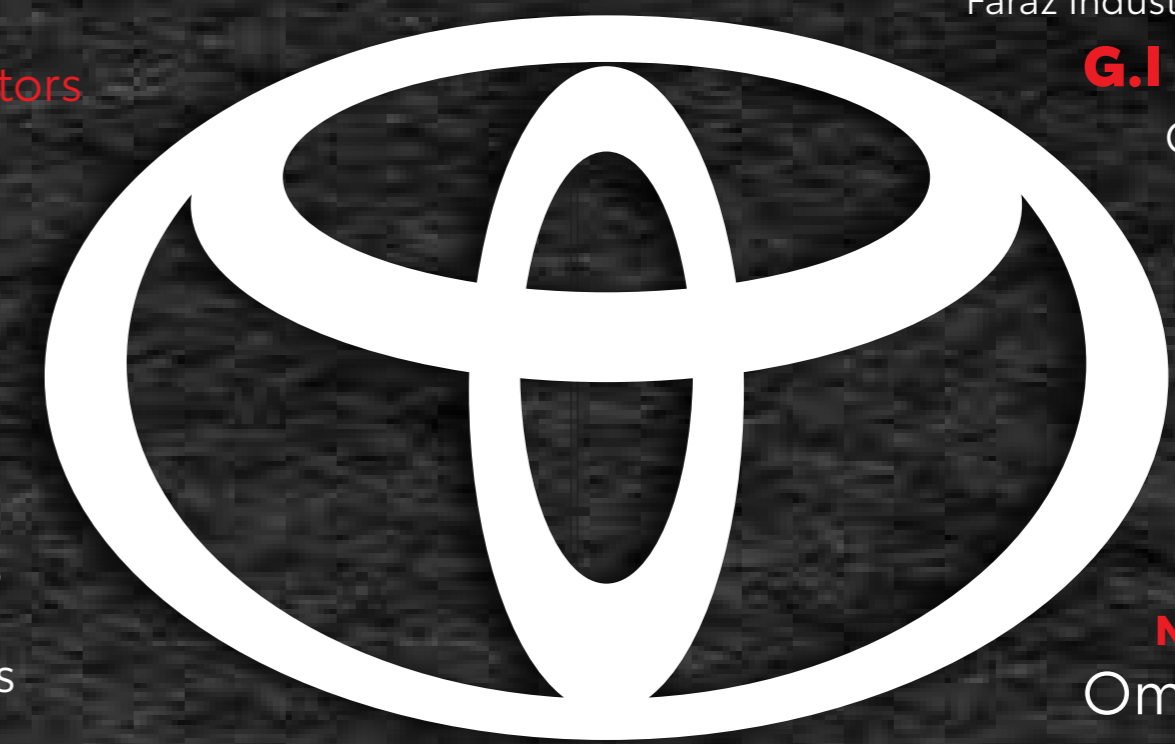
THE **first**
MAKE IN PAKISTAN
Hybrid Electric Vehicle
with the highest ever
localised content

DEALERS
DEALERS
DEALERS
DEALERS
DEALERS
DEALERS

SUPPLIERS
SUPPLIERS
SUPPLIERS
SUPPLIERS
SUPPLIERS
SUPPLIERS

Tribute
to Our
TOYOTA FAMILY

- Toyota Abbott Motors
- Toyota Airport Motors
- Toyota Bahawalpur Motors
- Toyota Canal Motors
- Toyota Capital Motors
- Toyota Cantt Motors
- Toyota Central Motors
- Toyota Chakwal Motors
- Toyota Chenab Motors
- Toyota Chiltan Motors
- Toyota City Motors
- Toyota Clifton Motors
- Toyota Creek Motors
- Toyota Defence Motors
- Toyota DG Khan Motors
- Toyota D.I. Khan Motors
- Toyota Eastern Motors
- Toyota Faisalabad Motors
- Toyota Fort Motors
- Toyota Frontier Motors
- Toyota Faislabad Motors
- Toyota Garden Motors
- Toyota Gateway Motors
- Toyota G.T. Motors
- Toyota Gujrat Motors
- Toyota HN Motors
- Toyota Highway Motors
- Toyota Hub Motors
- Toyota Hyderabad Motors
- Toyota Islamabad Motors
- Toyota Jhelum Motors
- Toyota Jinnah Motors
- Toyota Khyber Motors
- Toyota Lyallpur Motors
- Toyota Mardan Motors
- Toyota Multan Motors
- Toyota Port Qasim Motors
- Toyota Point Motors
- Toyota Quetta Motors
- Toyota Rahwali Cantt Motors
- Toyota Ravi Motors
- Toyota Rawal Motors
- Toyota Royal Motors
- Toyota Sahara Motors
- Toyota Shaheen Motors
- Toyota Sargodha Motors
- Toyota Sahiwal Motors
- Toyota Shara e Faisal Motors
- Toyota Sialkot City Motors
- Toyota Society Motors
- Toyota Sukkur Motors
- Toyota Southern Motors
- Toyota Township Motors
- Toyota University Motors
- Toyota Western Motors
- Toyota Walton Motors
- Toyota Zarghoon Motors



- AB Engineering (Pvt) Ltd.
- Agriauto Industries Ltd.
- Agriauto Stamping Company (Pvt) Ltd.
- Ahmad Glass Industries (Pvt) Ltd.
- Alba Engineering Company
- Al-Badar Engineering Company
- Al-Fattah Aluminium Industries (Pvt.) Ltd.
- Allco Transfer Printers (Pvt) Ltd.
- Alsons Auto Parts (Pvt) Ltd
- A-one Techniques (Pvt) Ltd.
- Atlas Battery Limited.
- Auivitronics Limited.
- Automate Industries (Pvt) Ltd.
- Dawood Engineering (Pvt.) Ltd.
- Baluchistan Wheels Ltd.
- Exide Pakistan Ltd.
- Faraz Industries (Pvt) Ltd.
- Feroz Industries
- G.I Enterprises (Pvt) Ltd.
- Ghandhara Tyre And Rubber Company
- Hawks Engineering Services (Pvt) Ltd.
- Hinopak Motors Ltd.
- Infinity Engineering (Pvt) Ltd.
- Jodhala Complex (Pvt) Ltd.
- Landhi Engineering Works (Pvt) Ltd.
- Mecas Engineering (Pvt) Ltd.
- Loads Ltd.
- Mehran Commercial Enterprises
- Metaline Industries (Pvt) Ltd.
- National Automotive Components (Pvt)
- Omar Jibran Eng. Industries Ltd
- Pacific International (Pvt) Ltd.
- Panther Sports & Rubber Industries (Pvt) Ltd.
- Pearl Packages Pvt Ltd.
- PCI Automotive (Pvt) Ltd.
- Precision Mates
- Plastech Autosafe (Pvt) Ltd.
- Procon Engineering (Pvt) Ltd.
- Ravi Autos Sundar Pvt Ltd.
- Razi Sons (Pvt) Ltd.
- Rubatech Manufacturing Co. Pvt Ltd.
- Sapphire Finishing Mills Ltd.
- S.T. Engineering Services (Pvt) Ltd.
- Shaheen Automotive (Pvt) Ltd.
- Stanley Industries
- Synthetic Products Enterprises
- Tecno Auto Glass Ltd.
- Tecno Pack Telecom (Pvt) Ltd.
- Thal Boshoku Pakistan (Pvt) Ltd.
- Thal Limited
- Thermosole Industries (Pvt) Ltd.
- United Mechanical Industries (Pvt) Ltd.
- Yaqeen Art Press (Pvt) Ltd.



to be the most

RESPECTED

& **successful** enterprise

delighting

customers with a wide range of

products & solutions

in the **AUTOMOBILE** industry

with the

best PEOPLE

and the **best**

TECHNOLOGY.

IMC's

mission is reflected
in the **company's slogan**

ACTION, COMMITMENT

& TEAMWORK

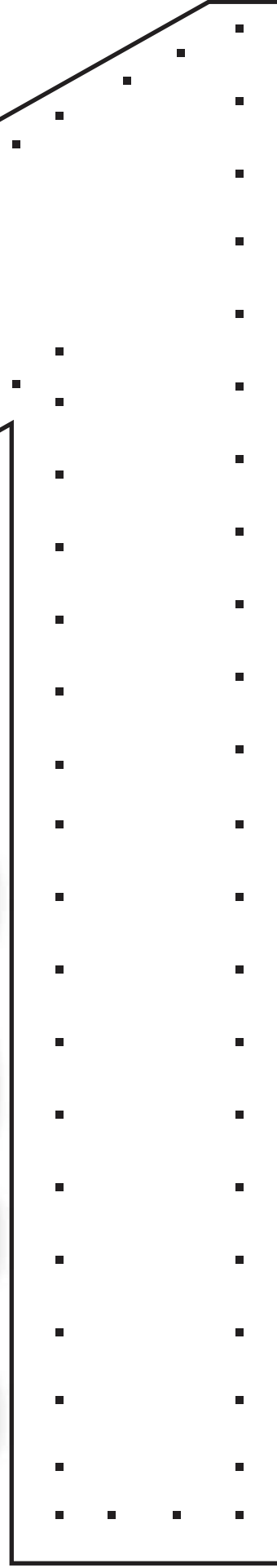
to become # **1** in **PAKISTAN**

action.

commitment.

teamwork.

ACT #



- Respect & corporate image
- Customer satisfaction
- Production & sales
- Quality & safety
- Best employer
- Profitability

CORE values

BEING SEEN AS
**THE BEST
EMPLOYER**

WORLD CLASS
**PRODUCTION
QUALITY**

ACHIEVING THE
ULTIMATE GOAL OF
**COMPLETE
CUSTOMER
SATISFACTION**

INCULCATING
**ETHICAL
AND HONEST
PRACTICES**

FOSTERING THE
**SPIRIT OF
TEAMWORK**

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.

Optimising Cost by Kaizen

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

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.

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.

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 stable and long term growth for the benefit of our shareholders.

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COMPANY profile



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 Yaris in the passenger car segment, Hilux in the light commercial vehicle segment, Fortuner and Corolla Cross in the sports utility vehicle segment.

IMC's manufacturing facility and offices are located at a 109.5-acre site in Port Qasim, Karachi. The product is delivered to end customers nationwide through a strong network of 57 independent authorized 3S dealerships spread across the country. Over 34 years, since inception, IMC has sold more than 1.1 million CKD/CBU vehicles. It has also demonstrated impressive growth in terms of volumetric increase. From a modest beginning of 20 vehicles per day production in 1993, the daily production capacity of the Company has now increased to 288 (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.

The Company has made large scale investments in enhancing its own capacity and in meeting customer requirements for new products. The Toyota Corolla continues to reign as the best-selling sedan in 'C segment' sedan category. With the availability of multiple variants for these models, they have achieved success in their respective segments in the Pakistani automobile market. Furthermore, in FY 2023-24, the Company launched the Toyota Corolla Cross, the first **Make in Pakistan**, hybrid electric vehicle with the highest ever localized content.

The Company has a workforce of 2,759 persons at year-end. It invests heavily in training the team members and management employees, as well as 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 53 suppliers supplying parts. The Company is also a major tax payer and a significant contributor to the Government's exchequer.

IMC has played a **major role**
in the **development** of the
local auto industry

**MAKE IN
PAKISTAN**

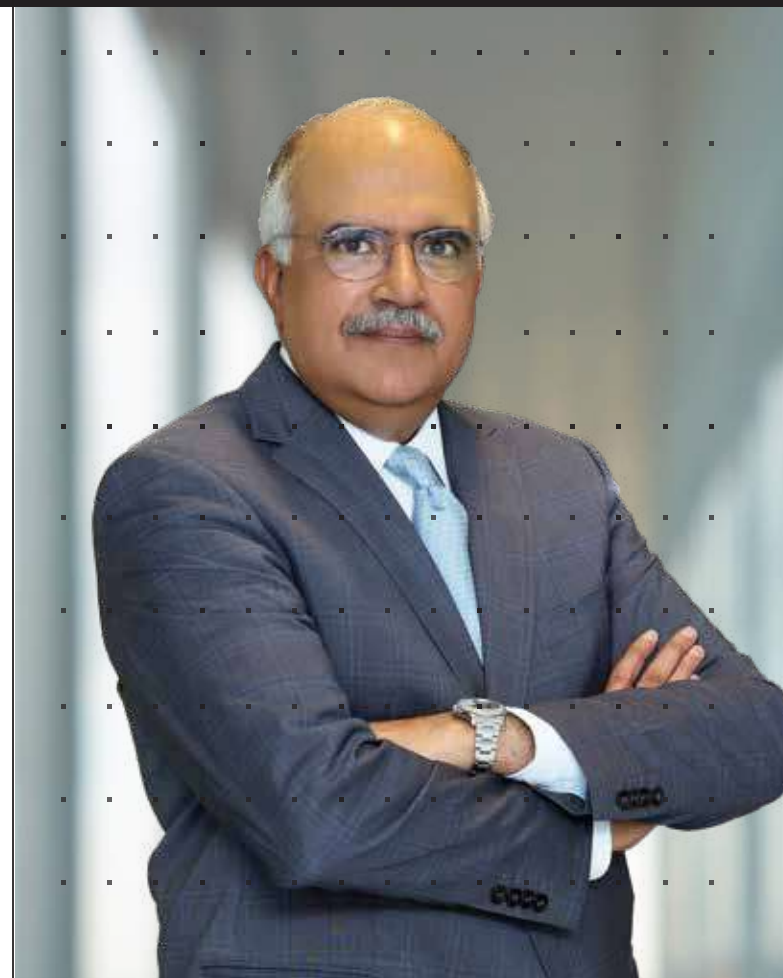
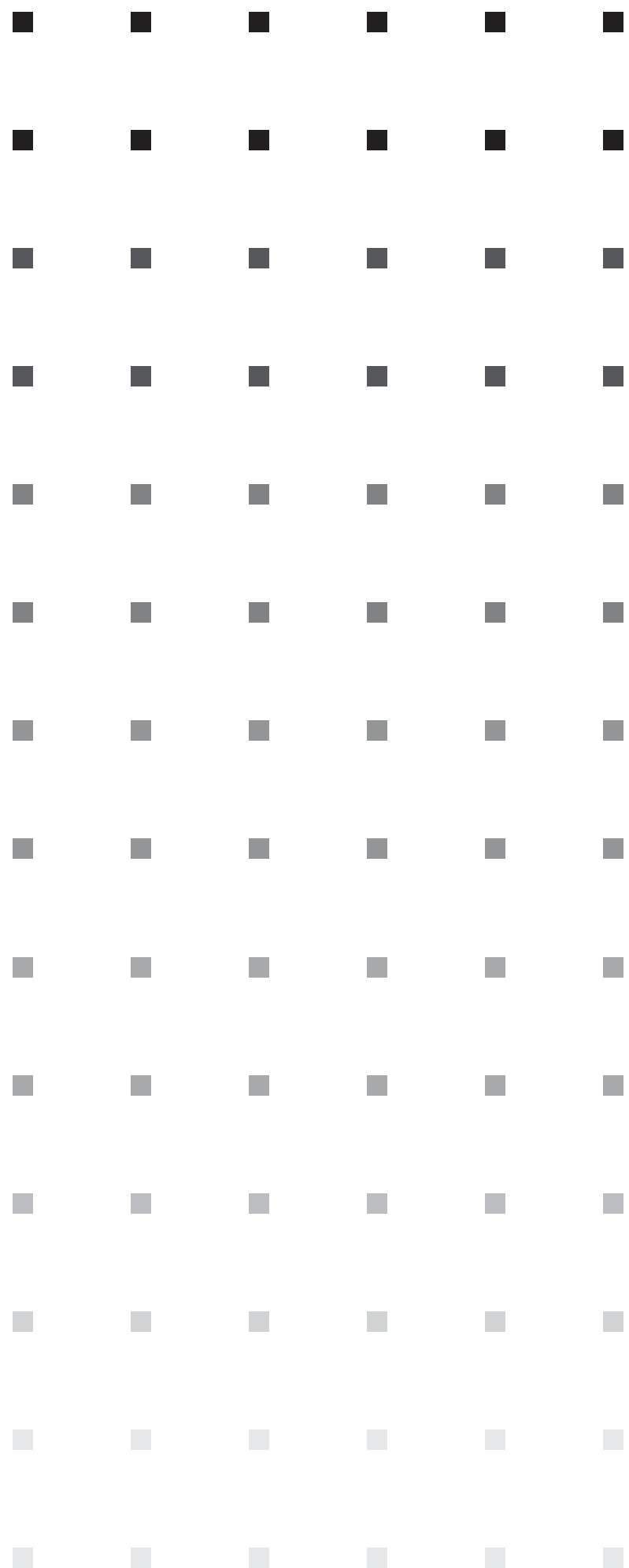
in all her

Glory

COROLLA
CROSS HEV



THE BOARD



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.

Mohamedali R. Habib
Chairman

Shinji Yanagi was appointed as Director on the Board and Vice Chairman of Indus Motor Company Limited in April 2021. He has been serving at Toyota Motor Corporation for over 30 years and has worked in different capacities. He has also served as President for Toyota Motor Engineering Egypt.

Mr. Yanagi has been serving as the Member of the Board of the Pakistan Japan Business Forum (PJBF) since April 2021. PJBF was established in 2001 for the promotion of business between the two countries.

He has completed his Bachelor's degree in Economics from Keio University, Japan.

Shinji Yanagi
Vice Chairman



Ali Asghar Jamali was appointed as Chief Executive 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.

Mr. Jamali has served as the Chairman of Pakistan Automotive Manufacturers Association and currently serving as Member of the Managing Committee of Overseas Investors Chamber of Commerce and Industry.

He is a Fellow Member of the Institute of Chartered Accountants of Pakistan and has attended the Advanced Management Program at Harvard University and the Accelerated Management Program at the Wharton School of Business, USA. He is also a member of the Young Presidents Organization.

Ali Asghar Jamali
Chief Executive

Imran Ali Habib joined the Board of Directors of Indus Motor Company Limited in February 2019. He is presently the Executive Vice President & Chief Strategic Officer of Habib American Bank in New York, USA where he is responsible for looking after the Bank's Management & Business Development. He began his career with Habib Bank AG Zurich in the United Arab Emirates in 2008 where he last served as Senior Vice President, before moving to the United States in 2016.

Imran also serves as a Member on the Boards of Thal Ltd., Shabbir Tiles & Ceramics Ltd. and Habib American Bank, USA.

Imran is a graduate of the Bryant University (Bachelor of Science in Business Administration) and has attended the Program for Leadership Development and is an Alumni of Harvard Business School. He is also a Member of the Young Presidents Organization Pakistan Chapter. Imran also likes to devote his time and attention to social welfare, education and benevolent activities and is a Member on the Board of Directors of Habib University Foundation US.

Imran Ali Habib
Director

Muhammad H. Habib is a Director on the Board of Indus Motor Company Limited since June 2020. He is the President (and member of the General Management) of Habib Bank AG Zurich and Chairman of the Board of Directors for Habib Canadian Bank in Canada and the Habib Bank Zurich Plc in UK.

Mr. Habib is also a member of the Board of Directors of HBZ Bank in South Africa, Habib Metropolitan Bank Ltd. in Pakistan, Habib Insurance Company Ltd. in Pakistan and Gefan Finanz AG, Zug in Switzerland.

He is a member of the Board of Governors of Habib University as well as the Board of Trustees for Habib University Foundation and Habib Public School, in Pakistan. He also serves on the Global Advisory Board for Babson College, USA.

Mr. Habib studied at Collège du Léman, Geneva, and received his Degree in Finance from Babson College, USA.

Muhammad H. Habib
Director

Asif Qadir is a business person who has been at the helm of six different companies. Mr. Qadir holds a degree in Chemical Engineering from Columbia University, New York, USA. He has over 30 years of experience with Exxon and Engro and held positions as Worldwide Business Advisor. He joined Exxon Chemical Pakistan Ltd. in 1978 as a Process Engineer and holds various assignments in manufacturing and marketing of fertilizers.

In his past career, he occupied the position of President and CEO of Engro Polymer & Chemicals Ltd. He has also served on the Board of Engro Corporation Ltd., Engro Fertilizers Ltd., Engro Powergen Ltd., Sindh Engro Coal Mining Company Ltd., Karachi Stock Exchange, Pakistan Poverty Alleviation Fund, Inbox Business Technologies (Pvt) Ltd., SECP, and Thal Limited (as an Independent Director).

He is currently serving as Independent Directors of Cherat Cement Co. Limited, Tripack Films Ltd., and Unicol Limited. He is also on the Board of Descon Oxychem Ltd., Century Paper & Board Mills Limited and Liaquat National Hospital and Medical College.

Asif Qadir
Independent Director



Akihiro Murakami was appointed as a Director of Indus Motor Company Limited in February 2022. Currently, he is serving as the Vice President of Corporate Planning Division at Toyota Motor Asia (Singapore) Pte.Ltd. He has 29 years of experience in various senior positions at Toyota Motor Corporation and other companies.

He holds a Masters of Business Administration from the Kellogg School of Management, Northwestern University, USA.

Akihiro Murakami
Director

Shigeki Furuya was appointed as an Executive Director of Indus Motor Company Limited in April 2022. He has been associated with Toyota Tsusho Corporation from 1987, during which time he has held various senior positions. He has been with the Company since 1996 to 2003 and then from 2007 to 2008 and has served as Advisor in Product Development Department. Currently he has been serving as Senior Director Product Development of the Company.

He is a graduate from Yamanashi University, Japan.

Shigeki Furuya
Director

Riyaz Towfiq Chinoy has a Industrial Engineering degree, from Case Western Reserve University, USA and is a certified Director. He has over 35 years of experience particularly in the Steel sector in large scale industrial manufacturing from production, operations, supply chain, quality management systems and projects having headed International Industries Limited and been a founder Director of International Steels Ltd.

He is currently serving as an independent director on the Board of Indus Motor Company Limited, Jubilee General Insurance Company, Bulleh Shah Packaging Limited, Heavy Mechanical Complex, Starch Pack (Pvt) Limited, Packages Convertors Ltd and Pakistan Machine Tool Factory. He is also the Managing Director of Yaqin Steel Limited, a startup company. He Chairs the Board Audit Committee and the H.R Committees on most of these boards.

He serves several not for profit organizations including TCF where he is part of the Core Group, Indus Valley School of Art & Architecture where he is on the Board of Governors and on the Executive Committee. He is also a Trustee of The Patrons of Expo 2020, and The Water Foundation and has served as the Chairman of PICG from 2017 – 2021 and a Board Member of Pakistan Business Council.

Riyaz T. Chinoy
Independent Director

Syeda Tatheer Zehra Hamdani was appointed as Director on the Board of Indus Motor Company Limited in October 2019. Ms. Hamdani is currently the President's Chief of Staff and Senior Director for Global Engagement at Habib University.

Ms. Hamdani started her career in the development sector in 2003, particularly focused on conceptualizing, designing and implementing international funding projects, and government supported 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. Hamdani has worked in all aspects of establishing the structures of the University including Academic Recruitment and Affairs, Communication and External Relations, Student Services and Resource Mobilization. As President's Chief of Staff and Senior Director of Global Engagement of Habib University, she works with the President and the senior management in implementing the institution's strategic plan, raising resources, and managing international partnerships. She holds a Master's in Business Administration from the Institute of Business Management, Pakistan.

Syeda Tatheer Zehra Hamdani
Independent Director

COMPANY Information

Bankers

- Allied Bank Limited ▪ Bank Al-Habib Limited ▪ 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


A.F. Ferguson & Co.
Chartered Accountants
State Life Building # 1-C, I.I. Chundrigar Road, Karachi.

Legal Advisors

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

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400.

 0800-23275

UAN 111-111-500


 info@cdcsrsl.com

Credit Rating


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

Factory & Registered Office

Plot # N.W.Z/1/P-1, Port Qasim Authority, Bin Qasim , Karachi.

 +92 21 34720041-48

UAN +92 21 111-TOYOTA (869-682)

 +92 21 34720056

 www.toyota-indus.com

Chief Financial Officer

Mr. Mohammad Ibadullah

Company Secretary

Mr. Muhammad Arif Anzer

Board Audit Committee Members

- Mr. Asif Qadir, Chairman ▪ Mr. Muhammad H. Habib ▪ Mr. Imran Ali Habib
- Mr. Riyaz T. Chinoy ▪ Mr. Akihiro Murakami ▪ Mr. Shiraz Sanawar, Secretary

Board Ethics Committee Members

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

Board Human Resources and Remuneration Committee Members

- Syeda Tatheer Zehra Hamdani, Chairperson ▪ Mr. Mohamedali R. Habib ▪ Mr. Shinji Yanagi
- Mr. Ali Asghar Jamali ▪ Mr. Riyaz T. Chinoy ▪ 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 the Toyota Global Standards.

Basic Concept of Compliance

IMC follows the Guiding Principles at 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 the Toyota Global Standards.

Board Audit Committee

The Committee consists of five Non-Executive Directors including two Independent Directors. The Committee is chaired by an Independent Director. The Committee assists the Board to effectively carry out its supervisory oversight responsibilities on financial reporting and compliance, internal controls and risks and internal and external audit functions of the Company. The Committee ensures compliance with its terms of reference approved by the Board. The Committee meet 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 Resources and Remuneration Committee

The Remuneration Committee is a sub-committee of the Board. It recommends Human Resources 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 including two Independent Directors, one Executive Director and the CEO. The Committee is chaired by an Independent Director.

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 Independent Directors. The Committee is chaired by an Independent Director.

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

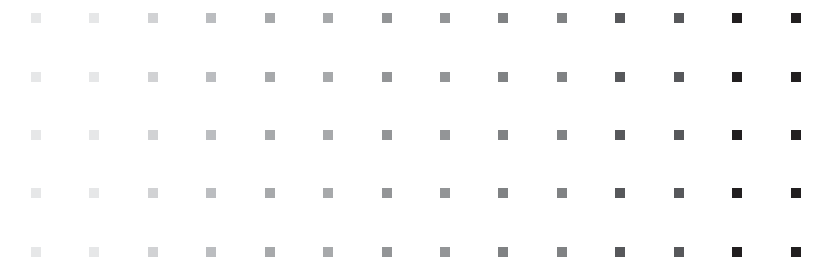
The Marketing Technical Coordination Committee is responsible for synchronization between the Marketing and Technical departments. The Committee also controls new products or minor model specification changes and schedules. The Committee is chaired by the CEO every month and representatives from Marketing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



Organisation Structure



**YOU
DON'T
BUILD A BUSINESS
YOU BUILD
PEOPLE
AND THEN PEOPLE
BUILD THE BUSINESS**

SHAREHOLDER Information

Factory / Registered Office

Plot # N.W.Z./1/P-1, Port Qasim Authority
Bin Qasim, Karachi.

+92 21 34720041-48

+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.

0800-23275 UAN 111-111-500

info@cdcsrsl.com

Annual General Meeting

The Annual General Meeting will be held at 9:00 a.m. on Thursday, October 03, 2024 at the Institute of Chartered Accounts Pakistan, Chartered Accountants Avenue, Clifton, Karachi and through Video Link facility.

Shareholders as on September 26, 2024 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, 2024 there were 4,109 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 26, 2024. Income Tax will be deducted in accordance with the prevailing regulations.

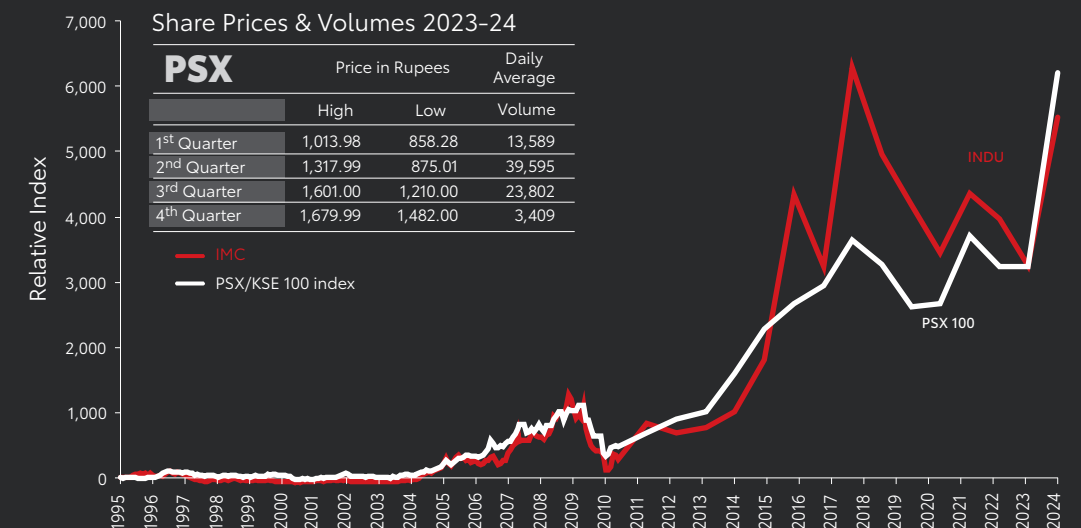
Listing on Stock Exchange

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

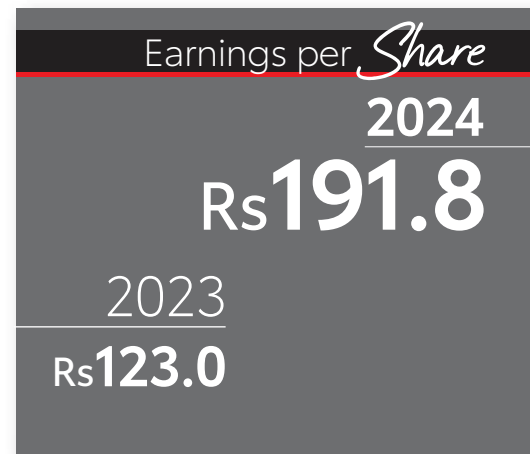
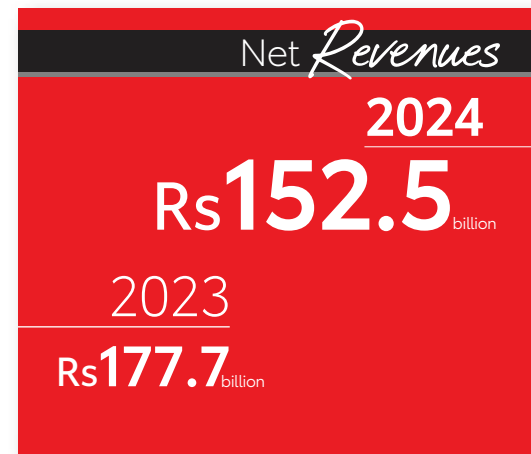
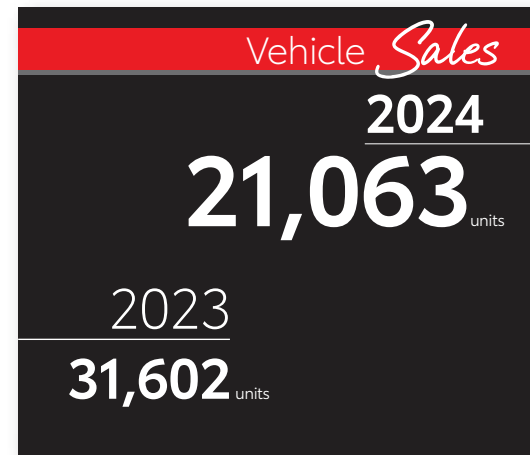
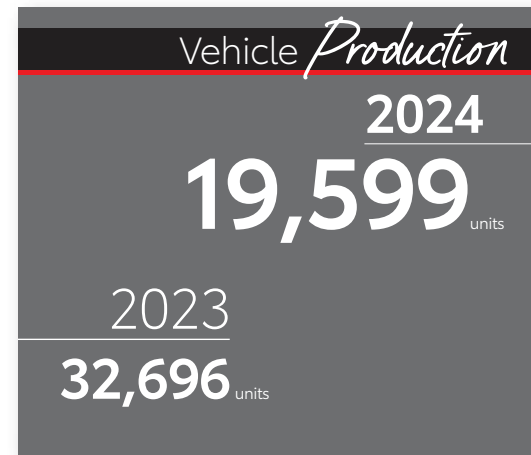
Stock Code

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

INDUS vs PSX 100
1994 - 2024
as at 30th June



OPERATING Highlights



	Year ended June 30		
	2024	2023	
■ Profit after Tax	Rs in billion	15.1	9.7
■ Vehicle Sales	Units	21,063	31,602
■ Vehicle Production	Units	19,599	32,696
■ Net Revenues	Rs in billion	152.5	177.7
■ Earnings Per Share	Rs	191.8	123.0
■ Annual Cash Dividend per Share	Rs	114.4	71.8
■ Shareholders' Equity	Rs in billion	67.2	60.1
■ Contribution to National Exchequer	Rs in billion	68.5	84.8
■ Manpower	No. of employees	2,579	3,129

FINANCIAL Summary

		% Change 2024 vs 2023	Year ended June 30					
			2024	2023	2022	2021	2020	2019
For the Year								
■ Units sold		-33%	21,063	31,602	75,611	57,731	28,837	66,211
■ Net revenues	Rs in billion	-14%	152.5	177.7	275.5	179.2	86.2	158.0
■ Profit before tax	Rs in billion	39%	23.3	16.8	25.5	18.2	7.3	19.0
■ Profit after tax	Rs in billion	56%	15.1	9.7	15.8	12.8	5.1	13.7
■ Return on equity	Percentage	39%	22.4	16.1	29.3	26.6	12.3	34.2

Per Share Data

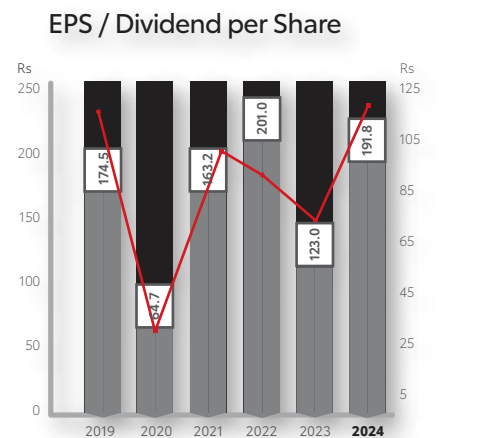
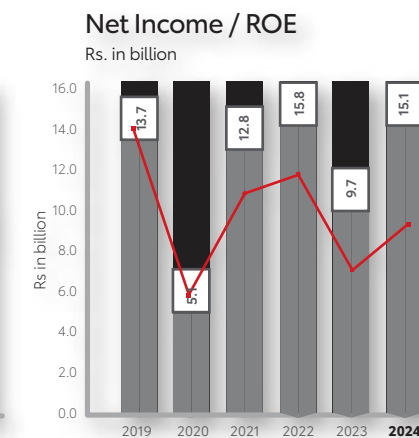
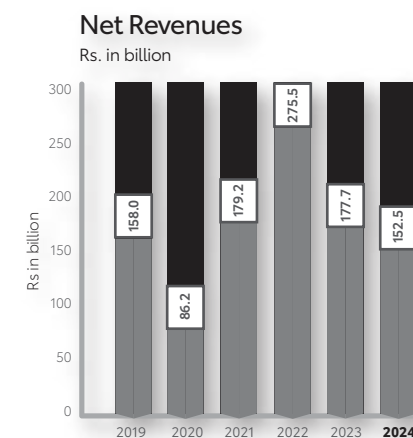
■ Earnings (EPS)	Rs	56%	191.8	123.0	201.0	163.2	64.7	174.5
■ Cash dividends	Rs	60%	114.7	71.8	93.8	103.5	30.0	115.0
■ Shareholder's equity	Rs	12%	855.3	764.2	687.2	613.3	523.8	509.5

At Year-End

■ Total assets	Rs in billion	19%	145.8	122.8	213.9	133.9	80.3	64.8
■ Share holders' equity	Rs in billion	12%	67.2	60.1	54.0	48.2	41.2	40.1

Share Performance June 30

■ Price per share	Rs	68%	1580.0	943.2	1,144.4	1,254.1	994.9	1,203.9
■ Market capitalization	Rs in billion	68%	124.2	74.1	90.0	98.6	78.2	94.6



VERTICAL Analysis

2024 2023 2022 2021 2020 2019
-----Rs in million-----
-----Percentage-----

STATEMENT OF FINANCIAL POSITION

	2024	2023	2022	2021	2020	2019	2024	2023	2022	2021	2020	2019
Property, plant and equipment	23,481	24,375	15,040	15,770	16,502	13,805	16.10	19.86	7.03	11.78	20.56	21.31
Intangibles	67	122	145	40	73	93	0.05	0.10	0.07	0.03	0.09	0.14
Long-term loans and advances	85	77	16	17	12	16	0.06	0.06	0.01	0.01	0.01	0.02
Long-term investments	-	-	7,794	3,127	-	-	-	-	3.64	2.34	-	-
Long-term deposits	10	10	10	10	10	11	0.01	0.01	0.00	0.01	0.01	0.02
Deferred taxation	2,757	-	828	231	64	-	1.89	-	0.39	0.17	0.08	-
Stores and spares	756	643	513	420	478	544	0.52	0.52	0.24	0.31	0.60	0.84
Stock-in-trade	22,826	28,733	26,454	22,289	15,933	13,560	15.65	23.41	12.36	16.65	19.85	20.93
Trade debts	5,993	886	3,091	517	1,142	2,548	4.11	0.72	1.44	0.39	1.42	3.93
Loans and advances	2,977	14,968	9,219	6,263	2,991	3,728	2.04	12.19	4.31	4.68	3.73	5.75
Short-term prepayments	91	65	50	37	27	32	0.06	0.05	0.02	0.03	0.03	0.05
Accrued return	-	285	341	110	111	35	-	0.23	0.16	0.08	0.14	0.05
Other receivables	2,997	2,189	2,738	983	439	3,110	2.06	1.78	1.28	0.73	0.55	4.80
Short-term Investments	76,541	44,148	140,932	82,052	41,195	23,402	52.49	35.96	65.87	61.28	51.31	36.12
Taxation - payment less provision	-	-	-	-	131	617	-	-	-	-	0.16	0.95
Cash and bank balances	7,240	6,263	6,794	2,040	1,171	3,282	4.96	5.10	3.18	1.52	1.46	5.07
Total Assets	145,820	122,764	213,965	133,906	80,279	64,783	100.00	100.00	100.00	100.00	100.00	100.00

Issued, subscribed and paid up capital	786	786	786	786	786	786	0.54	0.64	0.37	0.59	0.98	1.21
Reserves	66,440	59,284	53,225	47,415	40,383	39,259	45.56	48.29	24.88	35.41	50.30	60.60
Shareholders' Equity	67,226	60,070	54,011	48,201	41,169	40,045	46.10	48.93	25.24	36.00	51.28	61.81
Long Term liability	200	240	280	745	479	81	0.14	0.20	0.13	0.56	0.60	0.13
Deferred taxation	-	311	-	-	-	425	-	0.25	-	-	-	0.66
Deferred Revenue	13	3	1	4	32	57	0.01	0.00	0.00	0.00	0.04	0.09
Trade, dividend and other payables	48,116	46,929	42,260	31,069	14,065	16,245	33.00	38.23	19.75	23.20	17.52	25.08
Advances from customers and dealers	22,041	9,736	111,990	51,267	24,534	7,930	15.12	7.93	52.34	38.29	30.56	12.24
Taxation - provision less payment	8,224	5,475	5,423	2,620	-	-	5.64	4.46	2.53	1.96	-	-
Total Equity and Liabilities	145,820	122,764	213,965	133,906	80,279	64,783	100.00	100.00	100.00	100.00	100.00	100.00

PROFIT AND LOSS ACCOUNT

Net Sales	152,481	177,711	275,506	179,162	86,167	157,996	100.00	100.00	100.00	100.00	100.00	100.00
Cost of sales	133,099	169,779	257,101	162,508	78,716	138,805	87.29	95.54	93.32	90.70	91.35	87.85
Gross profit	19,382	7,931	18,404	16,654	7,451	19,191	12.71	4.46	6.68	9.30	8.65	12.15
Distribution costs	5,542	1,691	2,124	1,619	1,469	1,404	3.63	0.95	0.77	0.90	1.70	0.89
Administrative expenses	2,643	2,281	2,219	1,465	1,385	1,410	1.73	1.28	0.81	0.82	1.61	0.89
Other operating expenses	178	520	186	76	197	235	0.12	0.29	0.07	0.04	0.23	0.15
WPPF and WWF	1,178	680	1,244	740	232	1,406	0.77	0.38	0.45	0.41	0.27	0.89
Operating income	13,656	14,179	12,936	5,579	3,205	4,307	8.96	7.98	4.70	3.11	3.72	2.73
Operating profit before finance costs	23,497	16,938	25,567	18,333	7,373	19,043	15.41	9.53	9.28	10.23	8.56	12.05
Finance costs	170	141	114	134	86	67	0.11	0.08	0.04	0.07	0.10	0.04
Profit before taxation	23,327	16,797	25,453	18,199	7,287	18,976	15.30	9.45	9.24	10.16	8.46	12.01
Taxation	8,255	7,133	9,651	5,371	2,205	5,261	5.41	4.01	3.50	3.00	2.56	3.33
Profit after taxation	15,072	9,664	15,802	12,828	5,082	13,715	9.88	5.44	5.74	7.16	5.90	8.68

HORIZONTAL Analysis

2024 2023 2022 2021 2020 2019
-----Rs in million-----
-----Percentage-----

STATEMENT OF FINANCIAL POSITION

	2024	2023	2022	2021	2020	2019	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019
Property, plant and equipment	23,481	24,375	15,040	15,770	16,502	13,805	(3.67)	62.07	(4.63)	(4.44)	19.54
Intangibles	67	122	145	40	73	93	(45.08)	(15.86)	262.50	(45.21)	(21.51)
Long-term loans and advances	85	77	16	17	12	16	11.11	378.13	(5.88)	41.67	(25.00)
Long-term investments	-	-	7,794	3,127	-	-	-	(100.00)	149.25	-	-
Long-term deposits	10	10	10	10	10	11	-	-	-	-	(9.09)
Deferred taxation	2,757	-	828	231	64	-	100.00	(100.00)	258.44	260.94	100.00
Stores and spares	756	643	513	420	478	544	17.57	25.34	22.14	(12.13)	(12.13)
Stock-in-trade	22,826	28,733	26,454	22,289	15,933	13,560	(20.56)	8.61	18.69	39.89	17.50
Trade debts	5,993	886	3,091	517	1,142	2,548	576.41	(71.34)	497.87	(54.73)	(55.18)
Loans and advances	2,977	14,968	9,219	6,263	2,991	3,728	(80.11)	62.36	47.20	109.39	(19.77)
Short-term prepayments	91	65	50	37	27	32	40.00	30.00	35.14	37.04	(15.63)
Accrued return	-	285	341	110	111	35	(100.00)	(16.42)	210.00	(0.90)	217.14
Other receivables	2,997	2,189	2,738	983	439	3,110	36.91	(20.05)	178.54	123.92	(85.88)
Short-term Investments	76,541	44,148	140,932	82,052	41,195	23,402	73.37	(68.67)	71.76	99.18	76.03
Taxation - payment less provision	-	-	-	-	131	617	-	-	-	(100.00)	(78.77)
Cash and bank balances	7,240	6,263	6,794	2,040	1,171	3,282	15.59	(7.82)	233.04	74.21	(64.32)
Total Assets	145,820	122,764	213,965	133,906	80,279	64,783	18.78	(42.62)	59.79	66.80	23.92

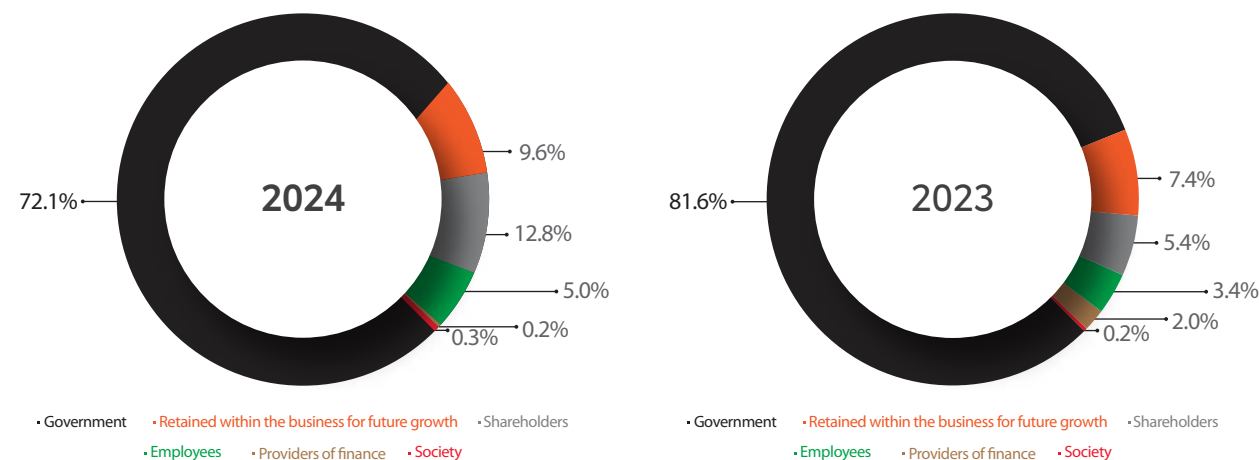
Issued, subscribed and paid up capital	786	786	786	786	786	786	-	-	-	-	-
Reserves	66,440	59,284	53,225	47,415	40,383	39,259	12.07	11.38	12.25	17.41	2.86
Shareholders' Equity	67,226	60,070	54,011	48,201	41,169	40,045	11.91	11.22	12.05	17.08	2.81
Long Term liability	200	240	280	745	479	81	(16.63)	(14.29)	(62.45)	55.62	491.36
Deferred taxation	-	311	-	-	-	425	(100.00)	100.00	-	-	(100.00)
Deferred Revenue	13	3	1	4	32	57	307.40	200.47	(72.05)	(88.13)	(43.86)
Trade, dividend and other payables	48,116	46,929	42,260	31,069	14,065	16,245	2.53	11.05	36.02	120.90	(13.42)
Advances from customers and dealers	22,041	9,736	111,990	51,267	24,534	7,930	126.39	(91.31)	118.44	108.96	209.38
Taxation - provision less payment	8,224	5,475	5,423	2,620	-	-	50.21	0.96	106.98	100.00	-
Total Equity and Liabilities	145,820	122,764	213,965	133,906	80,279	64,783	18.78	(42.62)	59.79	66.80	23.92

PROFIT AND LOSS ACCOUNT

Net Sales	152,481	177,711	275,506	179,162	86,167	157,996	(14.20)	(35.50)	53.77	107.92	(45.46)
Cost of sales	133,099	169,779	257,101	162,508	78,716	138,805	(21.60)	(33.96)	58.21	106.45	(43.29)
Gross profit	19,382	7,931	18,404	16,654	7,451	19,191	144.38	(56.91)	10.51	123.51	(61.17)
Distribution costs	5,542	1,691	2,124	1,619	1,469	1,404	227.78	(20.40)	31.20	10.21	4.63
Administrative expenses	2,643	2,281	2,219	1,465	1,385	1,410	15.86	2.82	51.44	5.78	(1.77)
Other operating expenses	178	520	186	76	197	235	(65.80)	179.28	145.22	(61.42)	(16.17)
WPPF and WWF	1,178	680	1,244	740	232	1,406	73.20	(45.33)	68.12	218.97	(83.50)
Operating income	13,656	14,179	12,936	5,579	3,205	4,307	(3.69)	9.61	131.86	74.07	(25.59)
Operating profit before finance costs	23,497	16,938	25,567	18,333	7,373	19,043	38.72	(33.75)	39.46	148.65	(61.28)
Finance costs	170	141	114	134	86	67	20.80	23.12	(14.70)	55.81	28.36
Profit before taxation	23,327	16,797	25,453	18,199	7,287	18,976	38.87	(34.01)	39.86	149.75	(61.60)
Taxation	8,255	7,133	9,651	5,371	2,205	5,261	15.73	(26.09)	79.68	143.58	(58.09)
Profit after taxation	15,072	9,664	<								

STATEMENT of Value Addition

	2024		2023	
	Rs in '000	%	Rs in '000	%
WEALTH GENERATED				
■ Gross revenue	199,099,157	93.6%	238,020,834	94.4%
■ Other income	13,656,238	6.4%	14,179,381	3.6%
	212,755,395	100.0%	252,200,215	100.0%
WEALTH DISTRIBUTED				
Employees				
■ Salaries, wages and other benefits	4,651,482	5.0%	3,558,440	3.4%
Society				
■ Donations towards education, health and environment	167,972	0.2%	256,066	0.2%
Providers of Finance				
■ Finance cost and compensation to customers	290,283	0.3%	2,131,672	2.0%
Government				
■ Income tax, sales tax, excise duty, customs duty, WPPF and WWF	67,454,739	72.1%	85,409,369	81.6%
Shareholders				
■ Dividend	9,015,420	9.6%	5,643,480	5.4%
Retained within the Business for Future Growth				
■ Retained earnings, depreciation and amortization	11,971,180	12.8%	7,784,079	7.4%
	93,551,076	100.0%	104,783,106	100.0%



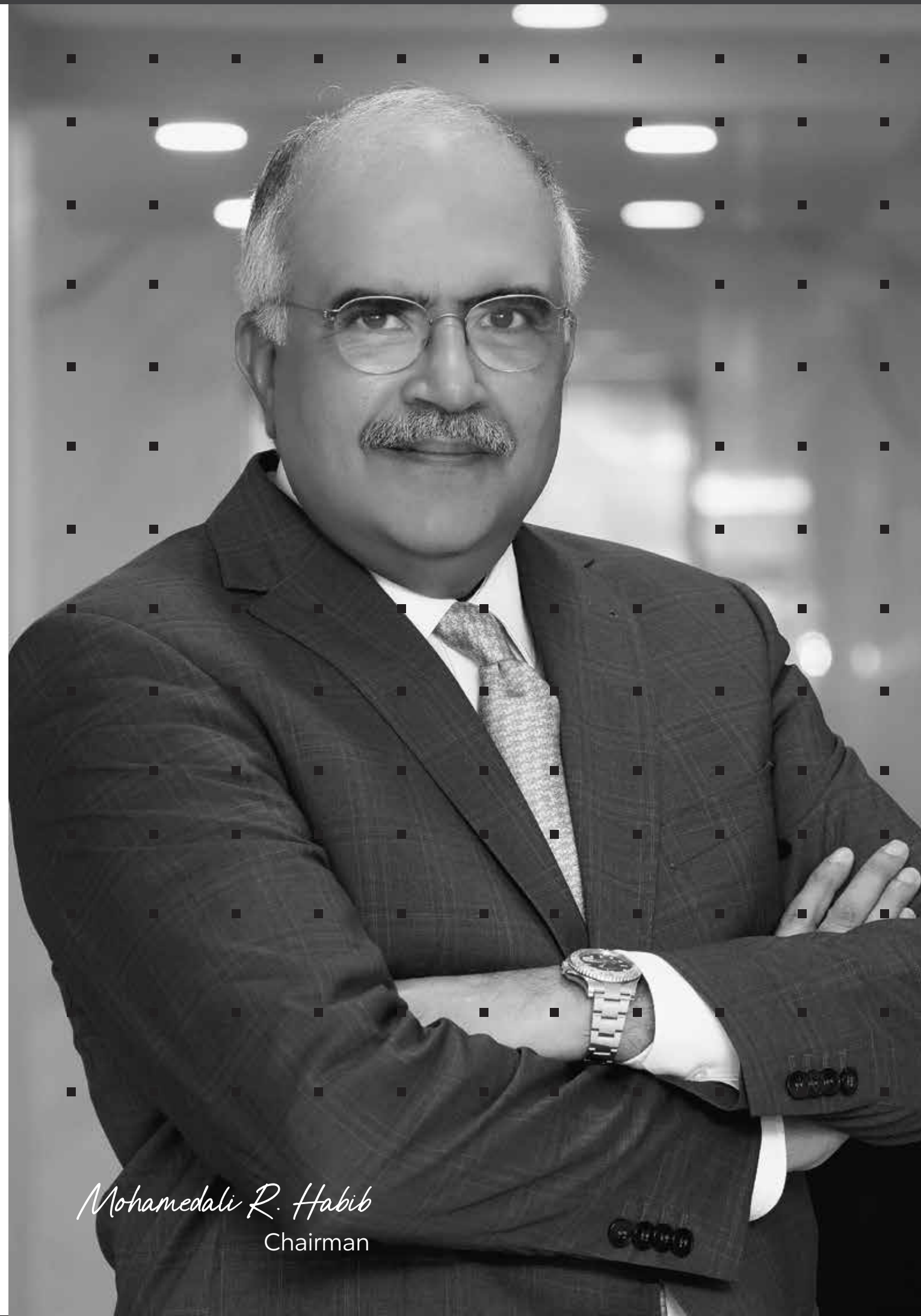
Moving towards
a society where
people,
cars & nature
can coexist in harmony

Photo courtesy - Waning Gibbous moon in Ranikot, Sindh photographed by Zayan Shahid, Assistant Manager Production, IMC

LAND CRUISER
PRADO



CHAIRMAN'S Review



Mohamedali R. Habib
Chairman

Dear Shareholders,

The fiscal year was marked by economic contraction in the first half, with various sectors experiencing an overall decline. The automotive industry, including our operations, encountered significant challenges during this downturn. Nevertheless, we maintained our commitment to adjust our strategies to successfully navigate these evolving market conditions.

During the year, significant challenges arose from the disparity in duties between locally manufactured and imported vehicles. While import duties on new Completely Built Units (CBU) vehicles created a more favorable market environment for locally manufactured vehicles, the simultaneous increase in taxes on locally manufactured vehicles up to 50% of the total cost, hindered the industry's ability to serve diverse customer segments and limited our growth potential. However, used imported car segment saw substantial growth throughout the year, especially after June 2023. This growth was fueled by the expiration of Regulatory Duty SRO in March 2023, and later on with depreciation of Japanese Yen (JPY) against US Dollar (USD), which led to lower costs and prices for these vehicles.

We appreciate the government for rationalizing the duty structure on import of used vehicles through Finance Act 2024. Although this will support the industry, however, we urge the government to create more supportive environment that fosters growth within the automotive sector. Key measures include enabling the industry to operate at full manufacturing capacity and implementing tax reductions to improve affordability of products. Additionally, promoting the adoption of Hybrid Electric Vehicles (HEVs), would reduce fuel consumption, and also significantly contribute to sustainable development, aligning with global initiatives for a greener future for the country.

Despite the challenges posed by rising costs of doing business, the Company achieved positive outcomes through strategic cost reduction measures and Kaizen initiatives, seeking new ways to mitigate the impact of external forces. In December 2023, the Company launched the highly anticipated Toyota Corolla Cross, the nation's first Hybrid Electric Vehicle (HEV) with the highest level of localized content. This launch supports the government's initiative to promote cleaner, more efficient vehicles, thereby reducing pollution and fuel imports. The innovative features of this model have contributed to its initial market success and received exceptionally positive feedback from customers.

The first half of the year was also marked by currency volatility, influenced by domestic economic conditions and global market dynamics. These challenges exerted pressure on the industry, making it difficult to maintain volumes. In response, the central bank implemented policies aimed at stabilizing the currency, including adjustments to interest rates. By the latter part of the fiscal year, efforts were made to stabilize the Pakistani Rupee (PKR) through measures to boost foreign exchange reserves and manage inflation. Although, the currency showed signs of partial stabilization, significant challenges continue to persist.

In 2023, the company participated in Toyota Motor Corporation's (TMC) Global Skill Up Training (GST) initiative, sending 126 employees to Japan for extensive On-the-Job Training. These employees will return to the company after a year, bringing enhanced skills to improve operations. The competitive selection process includes training in TMC's work culture and Japanese language. This initiative serves to boost Pakistan's professional reputation and economy as well as providing trainees the opportunity to earn in foreign currency. Next fiscal year, around 200 new trainees will join Toyota plants in Japan, continuing this tradition of skill development.

We earnestly appeal to the government to encourage an enabling business environment for the large industries, including the automotive sector with reduction in high taxation on corporate sector and on vehicles as well. With business-friendly policies, we are confident that the industry can collectively achieve sustainable growth, job creation and technological advancement, contributing to the overall economic development of our nation.

We appreciate the government's efforts to maintain supportive policies in the Finance Act, 2024, particularly regarding incentives for electric and hybrid technologies. These policies align with our company's commitment to sustainability and innovation, and we are pleased to see the government prioritizing such initiatives. We remain hopeful for continued government support and formulation of consistent long-term policies that foster growth in these emerging technologies.

Following the fiscal year's conclusion, our company commenced exports to Oceania. This strategic move aims to expand our market presence beyond the territorial boundaries of Pakistan.

As we look ahead, we are confident in our ability to navigate these challenges with determination and the unwavering support of our dedicated team and stakeholders.

Our commitment to delivering high-quality vehicles to our valued customers remains steadfast and we continue to strive toward contributing to the overall progress of the automotive industry.

During the year, the Board of Directors were re-elected with effect from October 31, 2023. We would like to congratulate the members on continuing to be part of the Board of Director of the company. We would like to express sincere gratitude to the outgoing director and Ex-chairman of the Audit Committee, Mr. Azam Faruque, who has not only provided valuable contributions to the board but has also shared significant guidance and insights with the management during his tenure.

The Board of Directors has provided valuable guidance and oversight throughout the year, ensuring robust governance while offering encouragement and strategic input to management. A self-assessment of the Board's performance has been conducted to ensure best practices are observed and improvements are made where necessary. We are fortunate to also have on the Board, expatriates who bring Toyota's global expertise, alongside highly experienced Pakistani members who regularly provide

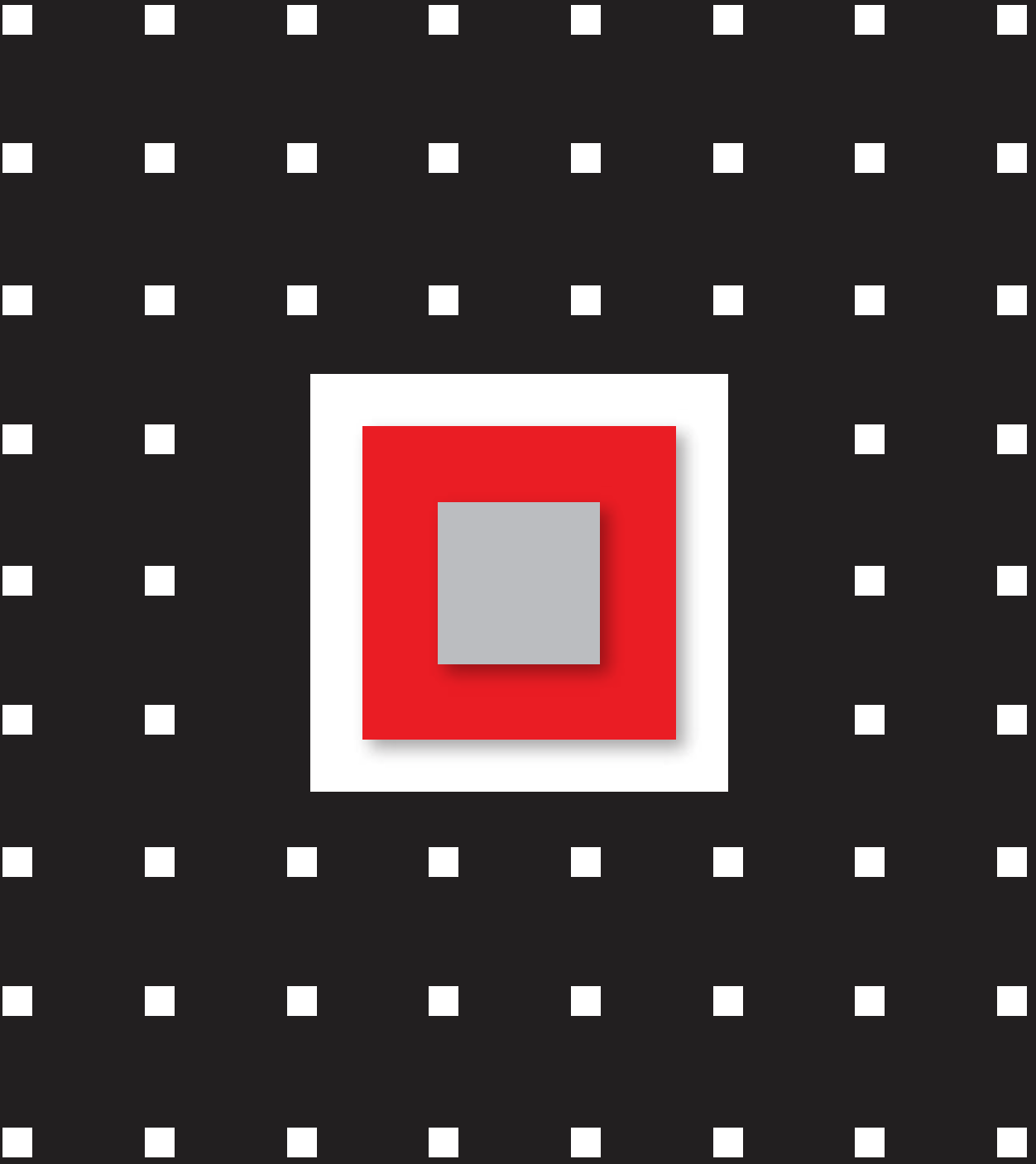
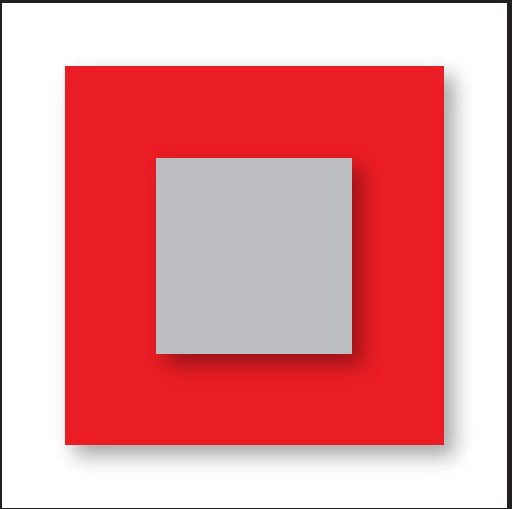
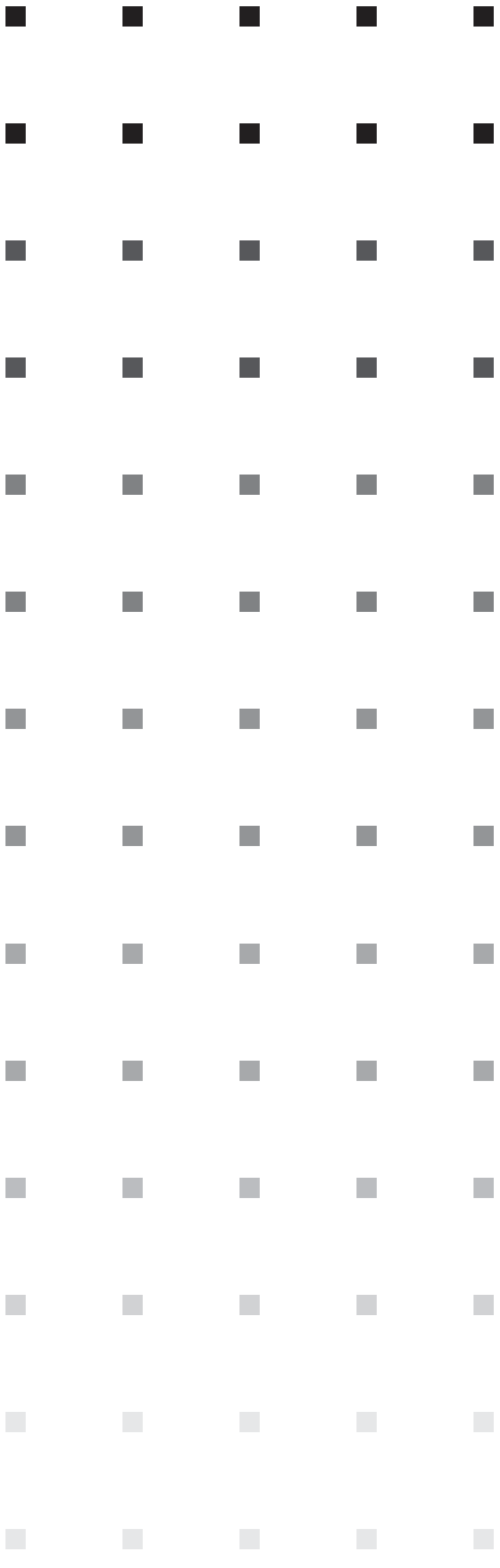
meaningful guidance and insights. We are thankful to all our Board Members for their respective contributions.

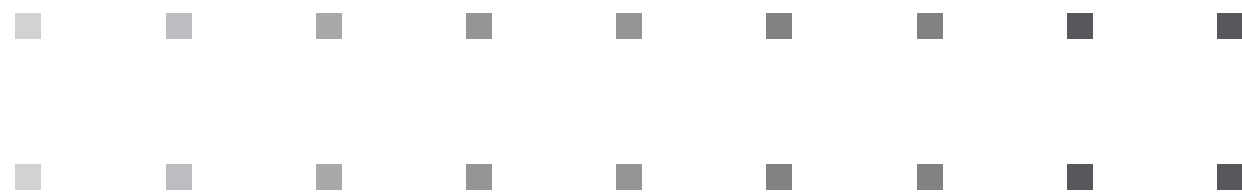
Despite the challenging business environment, we would like to express our sincere gratitude and appreciation to all shareholders for their trust in the Board of the company. We would also like to extend our appreciation to every employee, dealership, shareholder, vendor and all stakeholders for their continued trust and committed support in this company. As always, we are dedicated to maintaining our leadership, ensuring implementation of best policies, and placing our trust in Allah Almighty for His blessings in all 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, 2024:

Financial Results, Appropriations and Subsequent Effects

The financial results and appropriations for the year ended June 30, 2024 are as follows:

	2024	2023
	Rupees in '000	
Profit After Taxation	15,072,426	9,664,429
■ Other Comprehensive (Loss) / Income (OCI) – net of tax	(875)	13,937
■ OCI & Un-appropriated Profit brought forward	856,962	822,076
	<u>15,928,513</u>	<u>10,500,442</u>
Appropriations		
■ 1 st Interim Dividend @ 245% i.e. Rs.24.50 per share (2023: 82% i.e. Rs. 8.20 per share)	1,925,700	644,520
■ 2 nd Interim Dividend @ 132% i.e. Rs.13.20 per share (2023: 102% i.e. Rs.10.2 per share)	1,037,520	801,720
■ 3 rd Interim Dividend @ 340% i.e. Rs.34.00 per share (2023: 244% i.e. Rs.24.4 per share)	2,672,400	1,917,840
	<u>5,635,620</u>	<u>3,364,080</u>
■ Unappropriated Profit Carried Forward at year end	<u>10,292,893</u>	<u>7,136,362</u>
Subsequent Effects		
■ Proposed Final Dividend @ 430% i.e. Rs. 43 per share (2023: 290% i.e. Rs.29 per share)	3,379,800	2,279,400
■ Proposed Transfer to General Reserves	6,500,000	4,000,000
	<u>9,879,800</u>	<u>6,279,400</u>
■ Basic and Diluted Earnings per share (Rupees)	191.76	122.96

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, 2024, the sales of CKD and CBU vehicles decreased by 33%, to 21,063 units as against 31,602 units sold last year. The Company produced 19,599 units for the year, as compared to 32,696 units produced in the same period last year.

The Company's net sales turnover for the year ended June 30, 2024, decreased by 14% to Rs. 152.48 billion, as compared to Rs. 177.71 billion in the last year, while profit-after-tax increased by 56%, to Rs.15.07 billion, as against Rs. 9.66 billion in the previous year. The Company's net profit increased mainly due to reduction in import material costs on account of positive exchange rate movement, cost reduction measures and additional localization of parts. During the year, the Company launched the Toyota Corolla Cross, the country's first locally manufactured Hybrid Electric Vehicle (HEV) with the highest-ever localized content, which has also contributed to the positive results. Further, returns on deposits and investments continues to remain a sizeable part of the Company's profits, owing to higher interest rates.

Contribution to National Exchequer

During the year, the Company contributed a sum of Rs. 68.5 billion to the national exchequer, which is around 0.8% of total tax revenue collection by the Government of Pakistan. Since, the Company's incorporation in 1989, our contribution stand in excess of Rs. 780 billion.

Principal Risks and Uncertainties

The Company's overall financial performance has improved in current year, despite of reduction in volume, mainly due to change in Sales mix of vehicles and launch of new Hybrid Electric Vehicles (HEV). The Company also have positive results on account of cost reduction measures, coupled with favorable exchange movements of JPY against PKR, thereby reducing cost of input materials. Currency fluctuations, inflation, and international commodity prices, continue to be vital factors that impact the cost structure of the Company. In addition to the above, higher taxes and duties have also led to increased vehicle prices, which have negative impact on industry volumes.

The Company regularly evaluates sustainability-related risks, focusing on Environmental, Social and Governance (ESG) factors. Recent assessments have emphasized climate-related risks, including the impact of regulatory changes. To address these risks, the Company employs several strategies:

- Risk Mitigation: The Company invests in renewable energy projects, such as its recent solar power initiative, which reduces its reliance on non-renewable energy sources and decreases its carbon footprint.
- Monitoring and Adjustment: The Company continuously monitors risk factors and adjusts its strategies to mitigate identified risks effectively.
- Climate Action: The Company has set targets to

reduce greenhouse gas emissions and enhance energy efficiency, with its solar project being a key component of these efforts. The Company also introduced the locally manufactured Hybrid Electric Vehicle (HEV), having low emission and more fuel-efficient vehicle.

The Company remains committed to managing sustainability risks through various measures and advancing DE&I (Diversity, Equity and Inclusion) to enhance long-term value and stakeholder trust.

Corporate Social Responsibility

As a socially responsible organization, the Company over the past six years, has contributed over Rs 1 billion in aggregate towards various Corporate Social Responsibility (CSR) activities, including but not limited to donations to hospitals, educational institutes, welfare organization, etc. as well as community upliftment and road safety.

During the year, the Company has undertaken the following major CSR activities and donations:

- Donation of an aggregate amount of around Rs. 56 million has been made to various hospitals and related foundations towards healthcare.
- Donation of an aggregate amount of around Rs. 30 million released to various educational institutes.
- Over 870,000+ tree saplings, in aggregate, planted across the country, under the Company's "Million Tree Plantation Program", since December 2018.
- The "Toyota 5S Ecological Conservation Program" for students and young adults participating online.
- Food rations distributed during Ramadan and other occasions, amongst under privileged families in neighboring villages supported by the Company.
- Free, weekly cooked food distribution in neighboring villages, supported by the Company.
- Free, weekly medical and fortnightly psychiatric camps in neighboring villages, supported by the Company.

Impact on Environment

The Company has the largest roof-top mounted solar Photovoltaic Plant in Pakistan. In line with the Toyota Environmental Challenge 2050, the company is striving to adopt green technologies for reducing GHG (Greenhouse Gases) emissions and improve the energy mix by continuous enhancements in the operational processes.

Onsite photovoltaic technology has been installed to reduce energy consumption from conventional sources and increase green energy ratio. The aggregate installed capacity of onsite solar power is around 6.6MW which is contributing over 23% in our energy mix. The Company is committed to increase its solar power capacity. It is estimated that our solar plant is helping to reducing the factory's carbon footprint by more than 1,200 tons, annually, based on current volumes and also contributes in reducing energy costs. The Company continues to use environment-friendly gas R-134a in car air-conditioning system, instead of CFC-12.

The Company has been expanding its environmental activities to all its business partners, including suppliers and dealerships nationwide in order to promote environmental protection and achieve our global environmental objectives.

Composition of the Board

The composition of the Board of Directors of the Company as on June 30, 2024 is as follows.

1. The total number of Directors are 10, as follows:

a. Male	09
b. Female	01

2. The number of Directors under respective categories are as follows:

a. Independent Directors including a female Director	03
b. Non-Executive Directors	04
c. Executive Directors	03

Board of Directors Meetings

A total of six (06) meetings of the Board of Directors were held during the twelve-month period from July 1, 2023 to June 30, 2024. Names 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*
i.	Mr. Mohamedali R. Habib	Chairman	6
ii.	Mr. Shinji Yanagi	Vice Chairman	6
iii.	Mr. Ali Asghar Jamali	CEO	6
iv.	Mr. Riyaz T. Chinoy	Independent Director	6
v.	Mr. Asif Qadir / Mr. Azam Faruque	Independent Director Ex-Independent Director	6
vi.	Mr. Imran Ali Habib	Director	6
vii.	Mr. Muhammad H. Habib	Director	6
viii.	Mr. Akihiro Murakami / Mr. Victor Cheyi Lin (Alternate)	Director	6
ix.	Mr. Shigeki Furuya	Director	6
x.	Syeda Tatheer Zehra Hamdani	Independent Director	6

Changes in Directors

During the year, Mr. Asif Qadir was elected as an Independent Director on the Board with effect from October 31, 2023 in place of Mr. Azam Faruque. The outgoing Director had been an Independent Director on the Board for 3 consecutive terms and retired in accordance with the requirements of Code of Corporate Governance.

The Board of Directors extends its sincere appreciation to Mr. Azam Faruque for his invaluable contributions, unwavering dedication and diversified experience.

His support has been instrumental in guiding the Company toward its objectives, defining its strategic direction and upholding the highest standards of excellence. The Board also extends a warm welcome to the new Director joining the Board.

Committees of the Board

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

1. Board Audit Committee

- Mr. Asif Qadir, Chairman
- Mr. Riyaz T. Chinoy
- Mr. Muhammad H. Habib
- Mr. Imran Ali Habib
- Mr. Akihiro Murakami

2. Board Human Resources & Remuneration Committee

- Syeda Tatheer Zehra Hamdani, Chairperson
- Mr. Mohamedali R. Habib
- Mr. Riyaz T Chinoy
- Mr. Shinji Yanagi
- Mr. Ali Asghar Jamali

3. Board Ethics Committee

- Mr. Riyaz T. Chinoy, Chairman
- Syeda Tatheer Zehra Hamdani
- 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 Chief Executive and Directors of the Company for the year ended June 30, 2024, is given in note 39 to the financial statements.

Internal Control

The Company has employed an effective system of internal controls to carry on the business of the Company 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 controls is in place and the Board reviews material variances with explanations and actions taken thereon on periodic basis.

Risk Management

IMC 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 IMC 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 risks 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 are 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 June 30, 2025.

Pattern of Shareholding

The Pattern of Shareholding of the Company as at June 30, 2024, is given on pages ■ to ■

Gender pay Gap Statement

The Mean gender pay gap and Median gender pay gap for the year ended June 30, 2024 is 5.5% and 11.4%, respectively.

Trading of Shares of the Company

During the year ended June 30, 2024, 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 the Pattern of Shareholding.

Key Operating and Financial Data

The Key Operating and Financial Data is mentioned on pages ■ to ■ 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 ■ and ■

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.

Acknowledgement

We are grateful to our customers for their continued patronage of our products and wish to acknowledge the efforts of the entire Indus Motor Company's team, including our staff, suppliers, 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.

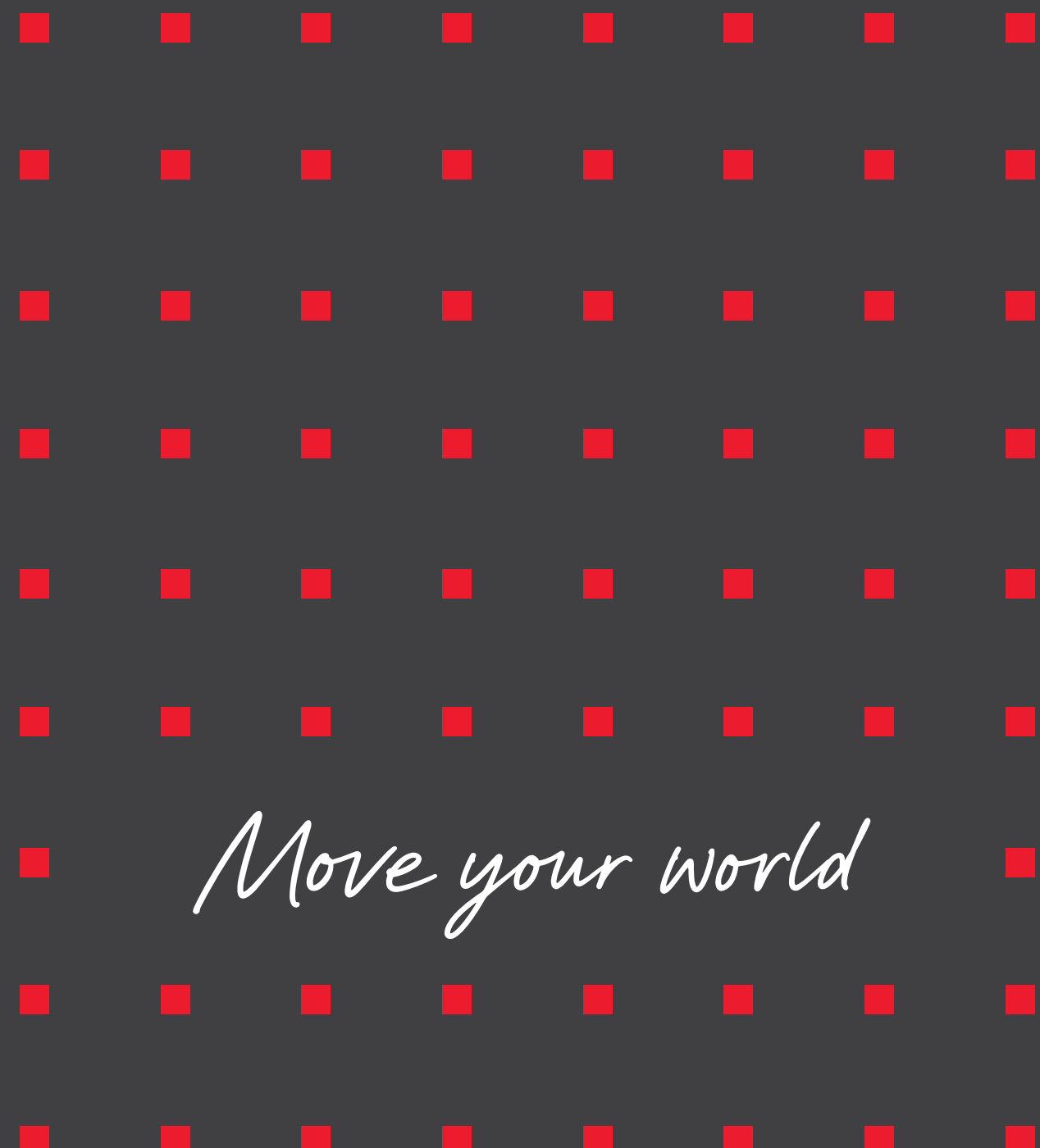
Karachi.
August 30, 2024



Ali Asghar Jamali
Chief Executive



Shinji Yanagi
Vice Chairman



Move your world

genbutsu chi

go and see for yourself

The Toyota Way

CHIEF EXECUTIVE'S Report





Ali Asghar Jamali
Chief Executive

industry
review
&
BUSINESS
ENVIRONMENT

Company
REVIEW

CUSTOMER
FIRST

SHE

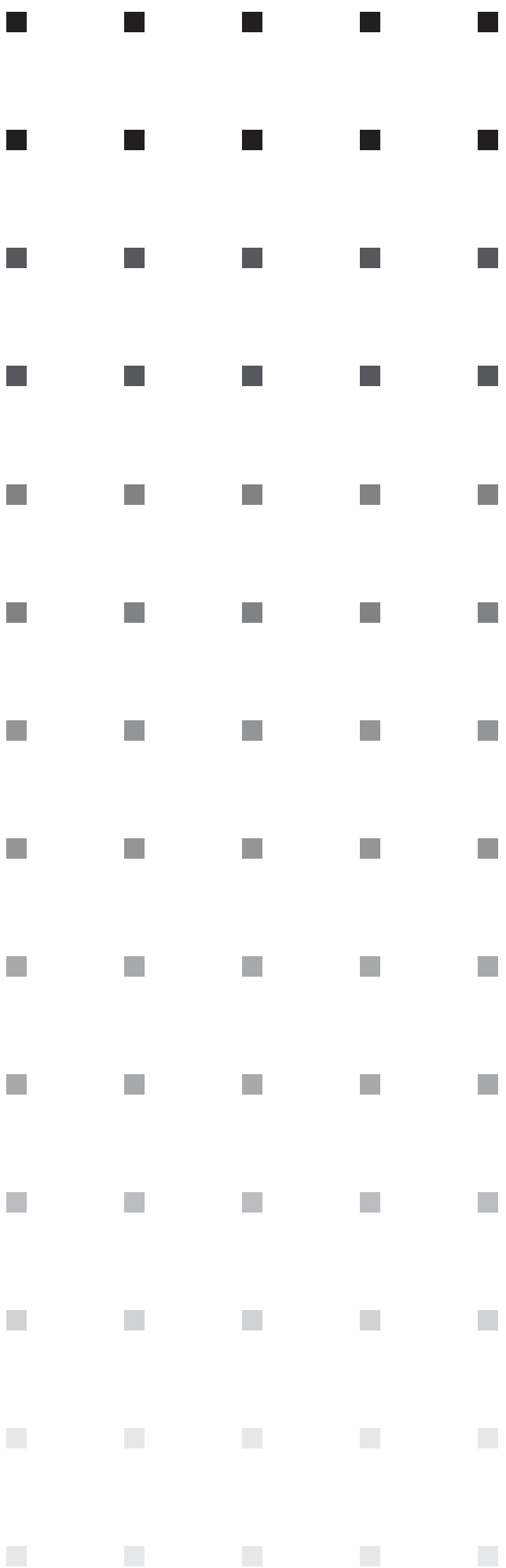
HR

Operations

IT

CSR

INDUSTRIAL Review & Business Environment



Macroeconomic Overview

Throughout the current fiscal year, the economic and financial landscape has exhibited consistent improvement, attributed to prudent policy management and renewed inflows from multilateral and bilateral partners. Projected growth for FY25 has been revised upwards to approximately 2%, underscoring improved economic prospects.

On the external front, the current account deficit for FY23-24 narrowed to USD 0.681 billion from USD 3.275 billion in the corresponding period last year, marking 79% improvement. This achievement was driven by 0.72% reduction in the import bill, complemented by a robust 10.65% year-on-year increase in exports. Strategic measures such as currency adjustments, higher interest rates and other policy interventions, effectively moderated import demand, contributing to this surplus. Worker remittances played a crucial role, increasing by 44.4% year-on-year to reach USD 30.3 billion, bolstering the State Bank of Pakistan's foreign reserves above USD 9.4 billion, while the Pakistani Rupee strengthened to close at PKR 278.65 against the US Dollar.

Financially, the Federal Board of Revenue (FBR) demonstrated a significant 30% increase in revenue collection for the fiscal year 2023-2024, exceeding the target of PKR 9.252 trillion with actual collections reaching PKR 9.306 trillion. Headline inflation experienced a substantial decline, decreasing from 29.4% in July 2023 to 12.6% in June 2024. This reduction is attributed to contractionary monetary policies, fiscal consolidation measures and favorable base effects. Despite these improvements, the State Bank of Pakistan's Monetary Policy Committee has adopted a cautious approach, reducing policy rate gradually to 19.5% by August 2024. Further reductions in the policy rate are anticipated which will support the economy and the auto industry as well.

Overall, positive market sentiment propelled confidence in the capital markets, culminating in the PSX 100 index exceeding 78,000 points for the first time in its history.

Agriculture

The agriculture sector has demonstrated robust growth, exceeding production targets and achieving record financial returns. During the Rabi season, wheat was sown from 9.0 to 9.6 million hectares, surpassing initial projections. Cotton production showed substantial improvement, increasing from 5.0 to 10.2 million bales. Additionally, rice production reached 9.9 million metric tons, accompanied by a noteworthy 100% rise in exports over the year.

Enhancements in support prices, subsidies on fertilizers, timely interventions by the central bank, including agricultural credit facilities, insurance schemes and credit guarantees, collectively bolstered the sector's performance. Consequently, there was a positive impact on consumer durable demand in rural areas.

Large Scale Manufacturing (LSM)

Large-Scale Manufacturing (LSM) sector experienced a marginal growth of 0.92% during the first seven months of FY24, an improvement from the 2.7% contraction observed in the same period last year. Sub-sector performance varied, with 10 out of 22 sectors, including Food, Chemicals, Pharmaceuticals and Petroleum Products, registering growth in output. This upturn is attributed to proactive government measures and effective interventions by the Special Investment Facilitation Council (SIFC). In pursuit of long-term sustainable growth, a forthcoming IMF program centered on structural reforms aims to stabilize Pakistan's economy. Key components of this initiative include expanding the tax base, privatizing state-owned enterprises and initiating reforms in the power sector.

Automobile Industry

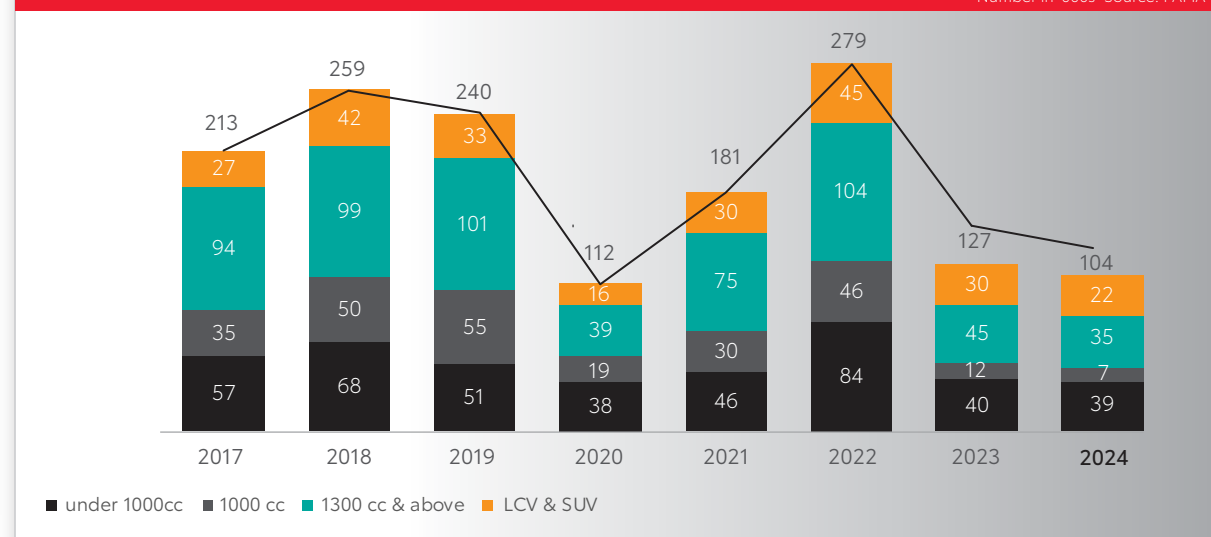
The automobile industry in Pakistan has faced a challenging operating environment throughout the fiscal year 2023-24, marked by economic and political uncertainties compounded by ongoing import restrictions. Disruptions in the supply chain necessitated multiple plant closures, workforce reduction across industry. Concurrently, consumer spending shifted towards essential goods, leading to reduced demand for automobiles. Rapidly evolving consumer preferences, technological advancements, and stringent regulatory requirements added to cost pressures, making the development of affordable small cars and vehicle exports formidable challenges.

Nevertheless, despite these formidable circumstances, the auto industry exhibited resilience. The latter half of the year brought relief as import restrictions eased with improving foreign exchange reserves, supported by the IMF's Stand-by Agreement (SBA), which facilitated industrial operations, including the automobile sector.

Post-General Elections, the industry saw a notable increase in sales volumes across the automotive supply chain, paralleled by a rise in production levels, indicating sustained positive momentum in the months ahead.

Sales of *Locally Manufactured* Passenger Cars & Light Commercial Vehicles

Number in '000s Source: PAMA



Although the four-wheeler segment showed significant recovery, operational capacity remains underutilized. The recession has adversely impacted the entire auto distribution ecosystem and supplier base. Consequently, industrywide sales declined sharply, with total sales of cars and light commercial vehicles falling to 103,827 units from 126,878 units the previous year. Similarly, our Company's sales declined to 21,063 units from 31,602 units year-on-year.

Looking ahead, the industry anticipates a positive trajectory by embracing technological advancements, focusing on software, safety and quality enhancements. The industry has demonstrated maturity navigating through recent cyclical challenges. As political stability strengthens, the economy is expected to gain resilience. Improvements in inflation metrics may lead to potential reductions in interest rates, though maintaining the Rupee exchange rate within a targeted range remains a challenge. A soft landing for the economy would benefit the automobile industry, facilitating its much-needed revival.

Financial Performance

I am happy to report that despite the continuously changing and challenging business conditions during the year, your Company achieved commendable financial results for the year ended June 30, 2024. Although net sales revenue dropped to PKR 152,481 million as compared to PKR 177,711 million in the corresponding last year, the management team took timely measures and was able to post PKR 23,327 million as profit-before-tax and levy in comparison to the profit-before-tax and

levy of PKR 16,938 million last year. After statutory tax adjustments, net profit for the year ended June 30, 2024 came in at PKR 15,072 million as compared to the net profit of 9,664 million of last year. The Company's net profits increased mainly due to the reduction in import material costs on account of positive exchange rate movement, cost reduction measures and additional localization of parts. Other income in the current year stood at 58.5% of profit before tax and levy but a slight reduction of 3.7% is seen as against last year due to reduction in fund size. Accordingly, Earnings Per Share improved to PKR 191.76 against PKR 122.96 for the preceding year. The Company remains committed to delivering its long-term objectives of sustainable growth and value creation.

Future Outlook

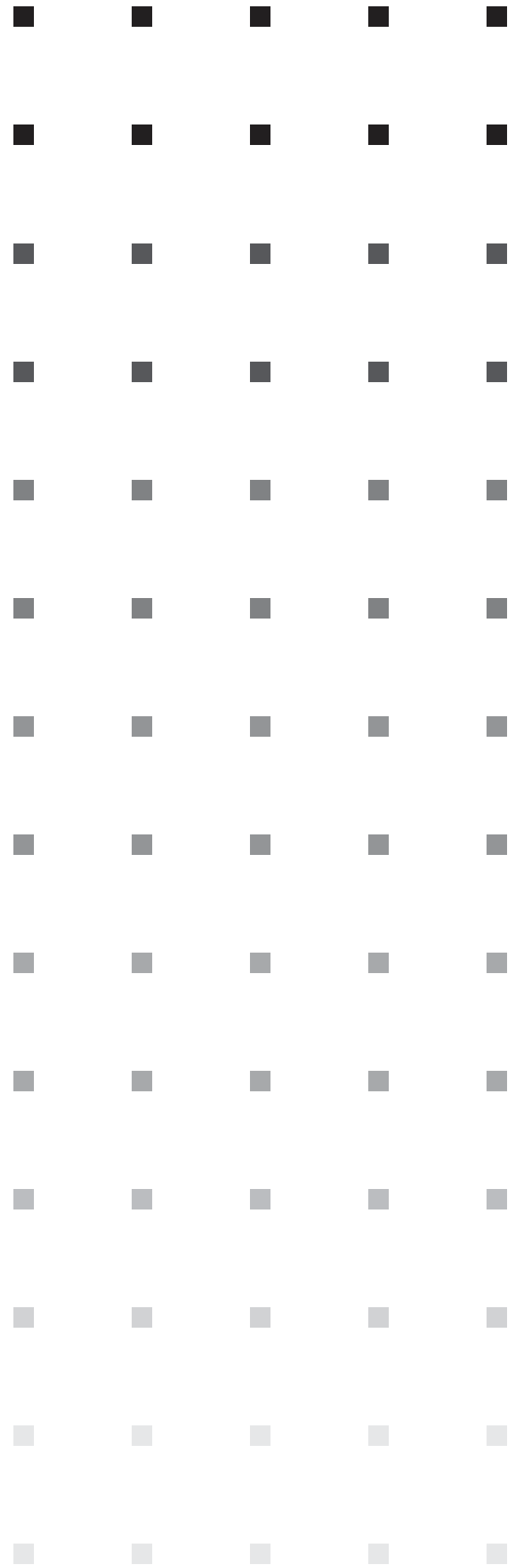
The positive momentum in macroeconomics indicates promising growth prospects and enhanced business sentiment. A pivotal initiative for informed investment decisions is the establishment of the Special Investment Facilitation Council (SIFC), a collaborative platform designed to attract foreign investments and stimulate economic growth. Looking ahead, it is imperative to sustain ongoing reform efforts and focus on strategies that ensure stability and promote sustainable growth. Furthermore, the new IMF program and inflow of external funding are critical for the economy, especially with external repayments nearing USD 25 billion for the year. These measures necessitate consensus among national stakeholders to formulate long-term policies for sustainable development.



TOYOTA **Corolla**

COMPANY

Review



an **Overview**
of **Pakistan's**
automotive
industry



“a
high
influx of
used
vehicles
impacted the
CKD
market”

The Pakistan automobile industry experienced a significant downturn in the year 2023-24. The sale of locally-manufactured passenger cars and commercial vehicles plummeted by 18%, with only 103,827 units sold in FY 23-24 compared to 126,879 units in FY 22-23. However, the import of used vehicles witnessed a steep incline, increasing from 6,595 units to 38,561 units.

Several factors contributed to this downward spiral. The unfavorable macroeconomic environment, marked by economic uncertainty and inflationary pressures, made potential buyers cautious about new purchases. The unstable political conditions further eroded consumer confidence, adding to the industry's challenges.

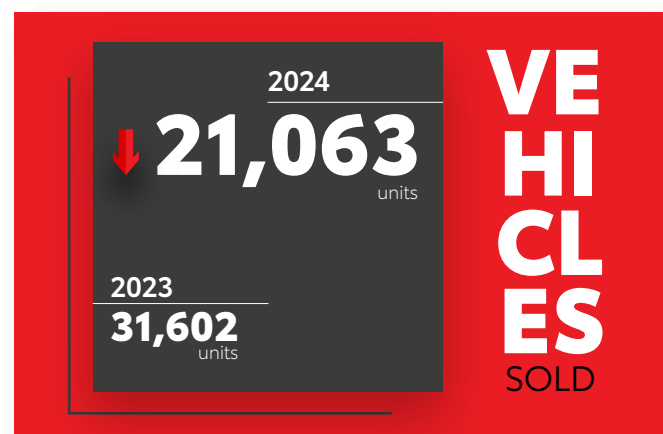
Import restrictions imposed by the government in FY 22-23 were removed, resulting in a high influx of used vehicles due to favourable duty structure, which impacted the CKD market overall.

Company Overview

Indus Motor Company faced a challenging fiscal year in 2023-2024. The Company's sales performance declined by 33%. Compared to the previous year's impressive sales figure of 31,602 units, the Company managed to sell only 21,063 units.

The decline in sales was particularly pronounced in the passenger car (PC) segment, which experienced a significant drop of 39%. Additionally, the commercial vehicle (CV) segment witnessed a decline of 25%.

Despite the significant obstacles posed by this decline in performance, the Company remained

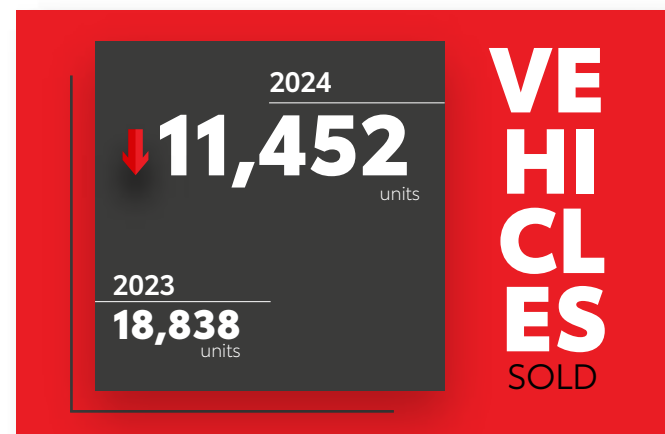


resilient. It viewed this challenging period as an opportunity for introspection and growth. With unwavering determination, the Company committed to adapting to the ever-changing market dynamics and prioritizing customer satisfaction.

Looking ahead, the Company aims to regain its position as a leading player in Pakistan's automobile

industry. It remains dedicated to innovation, quality, and delivering value to their customers. By adopting customer-centric strategies and proactively responding to market demands, the Company aspires to overcome these hurdles and emerge stronger than ever.

CKD-Passenger Car Segment



Toyota Corolla

First introduced in 1966, the Corolla has become one of the most recognizable and best-selling cars in the world, boasting over 50 years of success in the automotive market. The Corolla Altis sedan is the most beloved car in Pakistan, renowned for its reliability, safety, quality, and durability.

Altis X

The current model of the Corolla Altis X sedan features a sleek and modern exterior design, complemented by a spacious interior that comfortably seats up to five passengers. It comes equipped with a range of advanced safety features, including electric power steering and cruise control, making it an ideal choice for families and daily commuters alike.

IMC has been proudly producing the Toyota Corolla sedan locally for over 30 years. This model offers a practical and reliable driving experience, enhanced by a modern design and a suite of advanced features. It's no wonder the Corolla remains the top-selling sedan in Pakistan and a favorite among Pakistanis who value quality, efficiency, and dependability in a car.

Toyota Yaris

In Pakistan's automotive landscape, the Yaris has become a household name, gaining immense popularity among young professionals and families seeking a dependable small sedan. Its strong reputation, built over four years, demonstrates

resilience amidst tough competition and the continuous influx of new offerings in the B-segment CKD market.

To reinvigorate the brand and create a distinctive identity, IMC introduced sleek and stylish new Toyota Yaris variants, available with 1300cc and 1500cc engine options. The launch marked a turning point, resonating with the discerning tastes of the target audience and blending seamlessly with the exclusive profile of the new variants.

The introduction of the new Toyota Yaris called for a compelling marketing strategy, leading to the creation of the campaign "Make Way for the All New Toyota Yaris." This engaging initiative featured an eye-catching film highlighting all the new specifications of the car. The content struck a chord with the trendy consumer base and effectively

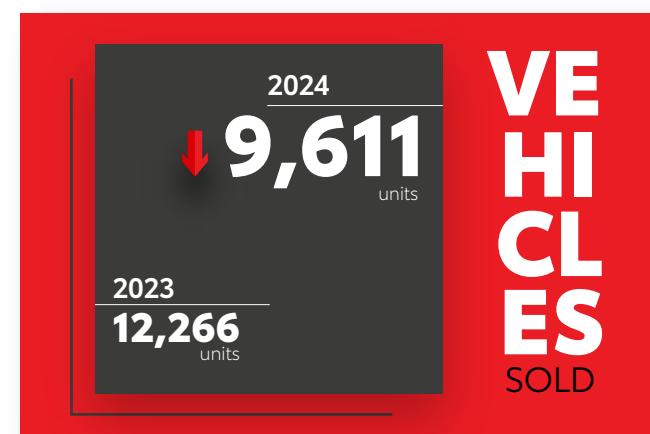
communicated the distinctiveness of the all-new Toyota Yaris.

Looking ahead, our marketing efforts are focused on fortifying the new Toyota Yaris brand and illuminating the future trajectory of Toyota Pakistan in the competitive B-sedan segment. Despite the challenges posed by the prevailing economic landscape, we remain optimistic that Yaris will continue capturing the market and win hearts as the preferred choice for Pakistani car buyers.

At IMC, we are proud of the strides Yaris has made in the automotive realm, becoming synonymous with quality and reliability. We are committed to driving innovation, elevating customer experiences, and redefining mobility solutions that contribute to Pakistan's progress.



CKD - Commercial Vehicles



Activations

The Marketing team engaged in a series of marketing initiatives aimed at enhancing the GR-S brand visibility and customer engagement. The mall activations aimed to connect directly with potential GR customers.

Moreover, rural activations were conducted for Hilux models to target the rural market and bolster brand awareness of GR models and GR variants in Bahawalpur and Khanewal.



TOYOTA **Yaris**

These activations were strategically timed to coincide with the cotton and wheat harvesting seasons, leveraging the heightened economic activity in these regions. With a combined footfall exceeding 500, Toyota successfully engaged with local communities during a period of increased financial activity, effectively showcasing its GR lineup to a key demographic.

Experiential Drive

The GR Experiential Drive took place at the Expo Centre, Karachi in September 2023, designed to significantly enhance brand awareness while showcasing the standout features, specifications, and capabilities of the Fortuner GR-S and Revo GR-S variants. This event aimed not only to educate but also to drive potential leads and conversions. Throughout the event, a total of 135 test drives were conducted, resulting in 80 inquiries from interested participants. A specially customized track was laid out, featuring diverse terrains that effectively demonstrated the vehicles' robust 4x4 capabilities, including highlights such as HAC (Hill-Start Assist Control) and DAC (Downhill Assist Control).



Motorsports

In addition, major rallies in Pakistan were sponsored, including the Sarfaranga Rally 2023, Hub Rally 2024 and Cholistan Rally 2024. These events aimed to promote the Revo and Fortuner GR-S variants. The rallies not only attracted substantial audience footfall -

such as the 2,500+ attendees at the Hub Rally, 5,000+ at the Cholistan Rally, and 10,000+ at the Sarfaranga Rally - but also generated considerable media hype and brand awareness. By strategically aligning with these high-profile events, Toyota effectively showcased its commitment to performance and adventure, reinforcing its position in the market.



Auto Finance

This year, special focus has been given to auto financing as part of a long-term strategy. One of the key objectives has been to improve Toyota's share in auto financing. Special emphasis was placed on exclusive campaigns with banks by creating attractive financing options along with Toyota's Value Added Products in collaboration with major banking partners. High-profile campaigns were conducted with MCB, Meezan Bank, Bank Alfalah, Bank Alfalah Islamic, Bank Islami, UBL, Faysal Bank, Habib Bank Limited, Bank Al Habib, First Habib Modaraba, Orix Leasing, Habib Metropolitan Bank, and Dubai Islamic Bank. Roadshows were also conducted with these banks to promote the brand. Multiple product training sessions were held to develop product knowledge among the banking frontline staff.

Toyota Smart Finance Expansion



The pilot portal launched in FY21-22 was expanded to 43 dealers during the fiscal year and continues its gradual expansion nationwide. This is a one-stop solution for all financing needs. IMC partnered with

Bank Alfalah and Bank Alfalah Islamic to introduce Residual Value Financing to the portal, which is crucial with growing interest rates and depreciating currency value. IMC also conducted nationwide training of dealer sales staff for Toyota Smart Finance to ensure customer satisfaction.



Exclusive Model Launch Campaign

Focusing on the auto-finance market share, IMC launched two model campaigns (Corolla Cross Launch and New Yaris Launch) with its partner banks. These campaigns played a vital role in increasing Toyota's market share and capturing the interest of customers. The campaigns were advertised on social media platforms and received a positive response from the masses.



unleashing

POWER



The **Sarfaranga Rally**
Cold Desert, Skardu Valley



COROLLA CROSS HEV

The Corolla Cross, launched in December 2023, is Pakistan's first-ever locally manufactured Hybrid Electric Vehicle with the highest local content. It benefits not only the consumers, but the economy and environment by improving fuel mileage by 50%, reducing the import bill by 50% and carbon emissions by 35%.

Corolla Cross comes with the Toyota Hybrid Electric technology, based on the Series Parallel Hybrid System equipped with powertrain components that work in harmony, and eliminate many of the components found in a conventional powertrain. Fewer moving parts means less wear and tear, fewer parts to replace and lower maintenance costs. This vehicle is designed to build power in a smooth, linear fashion that is effortless, easy to modulate, and also provides exceptional fuel economy, lower ownership cost and a quiet cabin experience.

The Corolla Cross presents itself as a status symbol that combines the key elements of an SUV: strength and functionality. Designed on the TNGA platform and car-making philosophy, it breaks the mould of conventional thinking and takes a fresh look at 'Making Ever-better Cars'. It is aimed at enhancing fundamental vehicle performance. Moreover, it has been designed to enrich the time spent with your family, while enabling a class above presence and status. Corolla Cross is expected to attract a broad customer base, including families and young professionals, with its blend of modern design, advanced safety features, and fuel-efficient performance.

MARKET IN PAKISTAN



4,861
units

**VE
HI
CL
ES
SOLD**

The local assembly of this vehicle has also generated employment opportunities and enhanced the skill set of the workforce, aligning with Pakistan's industrial growth objectives. Overall, the launch of the locally manufactured Corolla Cross is a strategic step towards offering high-quality vehicles at competitive prices while supporting the local economy.

112 TOYOTA

Driven for
MORE

57 Dealerships

in 25 CITIES



Islamabad
 Toyota Capital Motors
 Toyota Islamabad Motors
 Toyota G.T. Motors

Peshawar
 Toyota Frontier Motors
 Toyota Khyber Motors

Dera Ismail Khan
 Toyota D.I. Khan Motors

Abbottabad
 Toyota Abbott Motors

Rawalpindi
 Toyota Rawal Motors

Mardan
 Toyota Mardan Motors

Jhelum
 Toyota Jhelum Motors

Chakwal
 Toyota Chakwal Motors

Mirpur, Azad Kashmir
 Toyota Azad Motors

12 Dealerships
 9 cities

26 Dealerships
 11 cities

Lahore
 Toyota Airport Motors
 Toyota Cantt Motors
 Toyota Garden Motors
 Toyota Gateway Motors
 Toyota HN Motors
 Toyota Jinnah Motors
 Toyota Ravi Motors
 Toyota Shaheen Motors
 Toyota Sahara Motors
 Toyota Township Motors
 Toyota Walton Motors

Gujranwala
 Toyota Canal Motors
 Toyota Fort Motors
 Toyota Rahwali Cantt Motors

Sialkot
 Toyota Sialkot City Motors

Sahiwal
 Toyota Sahiwal Motors

Multan
 Toyota City Motors
 Toyota Multan Motors

Dera Ghazi Khan
 Toyota DG Khan Motors

Bahawalpur
 Toyota Bahawalpur Motors

Rahim Yar Khan
 Toyota Royal Motors

Faisalabad
 Toyota Chenab Motors
 Toyota Faisalabad Motors
 Toyota Lyallpur Motors

Sargodha
 Toyota Sargodha Motors

Gujrat
 Toyota Gujrat Motors

15 Dealerships
 3 cities

Karachi
 Toyota Central Motors
 Toyota Clifton Motors
 Toyota Creek Motors
 Toyota Defence Motors
 Toyota Eastern Motors
 Toyota Highway Motors
 Toyota Port Qasim Motors
 Toyota Shara e Faisal Motors
 Toyota Society Motors
 Toyota Southern Motors
 Toyota University Motors
 Toyota Western Motors

Hyderabad
 Toyota Hyderabad Motors
 Toyota Point Motors

Sukkur
 Toyota Sukkur Motors

4 Dealerships
 2 cities

Quetta
 Toyota Chiltan Motors
 Toyota Quetta Motors
 Toyota Zarghoon Motors

Hub
 Toyota Hub Motors



Land Cruiser Prado

IMC unveiled the all-new Toyota Land Cruiser Prado 2024 in Pakistan. The design of the vehicle aims to be a true form of a full-fledged off-roader.

Dealership Network Expansion



56th dealership at Hub, Balochistan July 2023

With these developments, we aim to reaffirm our commitment to providing top-notch services and a seamless customer experience. We look forward to strengthening our presence and making meaningful contributions to the automotive landscape in Pakistan.



57th dealership at Chakwal, Punjab December 2023

In 2024, the automotive industry in Pakistan continued to face notable challenges on various fronts, yet our unwavering dedication to delivering exceptional services to our esteemed customers remained resolute. Demonstrating our commitment, we proudly inaugurated two new Toyota dealerships across the country. The new dealerships, Toyota Hub Motors in Hub, Balochistan, and Toyota Chakwal Motors in the Chakwal district of Punjab, have expanded our dealership network to an impressive 57 locations nationwide, extending our reach to 25 cities and bringing our services closer to our customers.



CUSTOMER FiRST



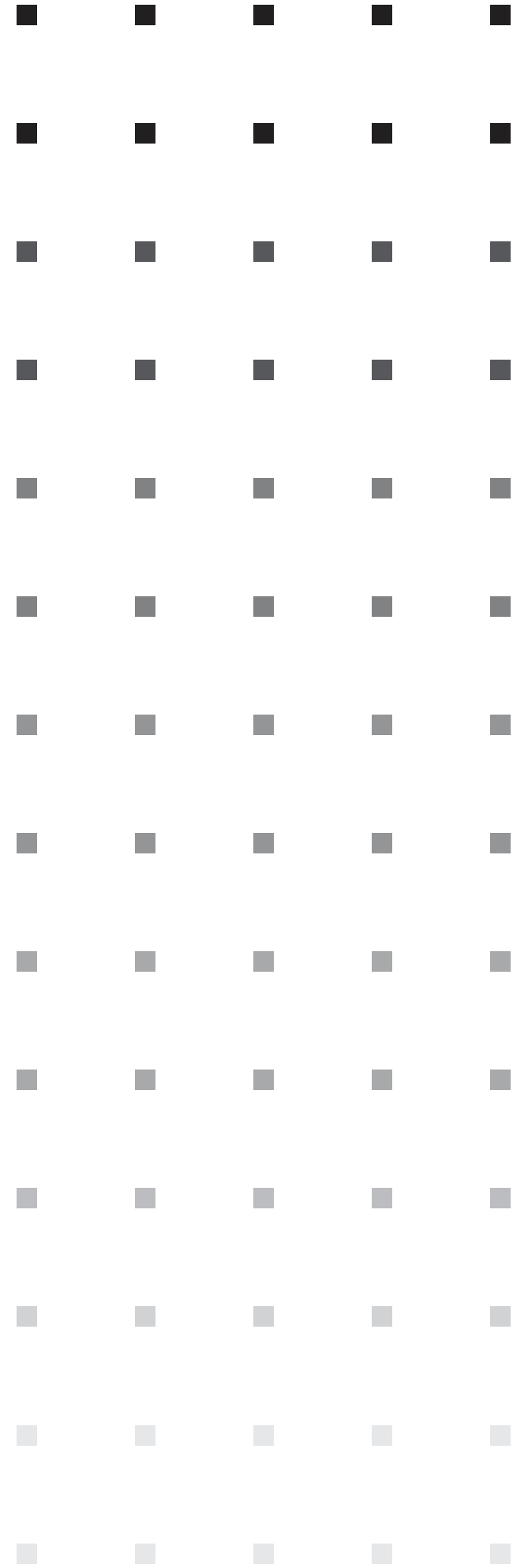
makes the customers' hearts go

Waku-Doki



GR TOYOTA
GAZOO
Racing

CUSTOMER **First**



Products

■ Toyota Protection Plan

The Toyota Protection Plan (TPP) offers customers highly competitive insurance packages, reduced depreciation rates, genuine body parts replacement, and other exclusive benefits. Committed to Kaizen (continuous improvement), Toyota ensures that customers can enjoy being part of the Toyota family. TPP has experienced significant sales growth and holds great potential for further expansion, providing Toyota customers with the peace of mind they deserve.

To enhance customer satisfaction, this year IMC has included UBL Insurers Limited under the TPP Umbrella, in addition to Habib Insurance Company Limited, Salaam Takaful Limited, TPL Insurance, and United Insurance Company (Window Takaful Operator).



■ Prepaid Periodic Maintenance

The Prepaid Periodic Maintenance (PPM) provides customers with a smart, affordable, and consistent way to reduce their regular spending on Toyota vehicle maintenance. It offers quality services by

skilled Toyota Certified Technicians, ensuring the car's authentic appearance and optimal functionality, thus enhancing its resale value. PPM is available for all locally manufactured Toyota cars, including models such as Yaris, Corolla, Corolla Cross, Revo, and Fortuner.



▪ **Extended Warranty**

As a testament to IMC's reputation for building durable vehicles, the company offers a 2-year extended warranty in addition to the 3-year manufacturer's warranty, totaling 5 years of coverage. The Extended Warranty is available in three packages, tailored to meet customers' mileage needs and ensure maximum coverage.

For Corolla Cross customers, the Extended Warranty is available for the 4th, 5th, and 6th years. Toyota is the first OEM in Pakistan to launch an extended warranty for the Corolla Cross Hybrid battery, offering options to extend the battery warranty from the 7th to the 10th year.

Extended warranty period offers **customers** *Peace* of mind for additional **miles**

IMC remains committed to improving its products and services to maximize customer satisfaction. The extended warranty period offers customers peace of mind for additional miles, enhanced vehicle performance, and increased resale value.

▪ **Toyota Online Store**

As part of the Toyota philosophy of customer delight, Toyota Motor Asia (TMA) selected Pakistan to launch its first-ever online store for Toyota Genuine Parts, Toyota Motor Oil, and Accessories. In collaboration with Leopards, the largest courier service provider in Pakistan, Indus Motor Company launched its online store in March 2023, initially offering a complete range of Toyota Motor Oil with limited geographical coverage. This year, the online store is expanding its availability across Pakistan, offering a full range of Toyota aftersales products.

Customer Delight

IMC continuously strives to innovate and ensure customer satisfaction. Special campaigns and season-based drives are designed to address a wide range of issues that customers may encounter during different seasons and weather conditions, catering to their unique needs and ensuring they feel taken care of.

▪ **Winter Campaign**

IMC launched the Winter Campaign for Toyota vehicles to ensure customers are well-prepared for the season. The campaign included free battery and heater check-ups, proactively addressing concerns to ensure the comfort and safety of valued customers throughout the winter.



▪ **Pakistan Day Campaign**

To celebrate Pakistan Day on March 23rd, IMC launched the Pakistan Day Campaign, offering a free 23-point inspection and a 23% discount on AC filters nationwide. The patriotic-themed campaign was well-received, significantly increasing customer footfall at dealerships.

▪ **Summer Campaign**

The Summer Campaign aimed to help customers beat the heat and keep their vehicles running smoothly in hot weather conditions. Key offerings included a special 20% discount on air filters and a free comprehensive 20-point inspection to ensure comfort and reliability during the summer months.





ORDER TOYOTA GENUINE PARTS AT HOME

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store.toyota-indus.com

NOW OFFERING

- OIL FILTER
- AIR FILTER
- A/C FILTER
- BRAKE PADS
- ENGINE FLUSH ADDITIVE
- INJECTOR CLEANER
- BRAKE FLUID
- SPARK PLUGS
- COOLANT
- ENGINE OIL



Move your world

Toyota Sure

Toyota Sure, the used car division of Indus Motor Company, has expanded significantly since its establishment in 2014. Now operating in 55 dealerships nationwide, Toyota Sure has become a trusted name in the Pakistani used car market, achieving record certification units in FY23-24 at 8,319. The brand offers OEM warranty of up to 1 year/15,000 km on certified used vehicles, providing

customers with peace of mind when purchasing a Toyota Certified Used Car.

In the past year, IMC conducted 10 Used Car Galas across the country for customer engagement and offered trade-ins with new Toyota vehicles. IMC also collaborated with leading banks such as Faysal Bank, Bank Alfalah Islamic, and Meezan Bank for attractive financing deals on T-Sure Certified vehicles.



Technical Skill Enhancement

General Service National Skill Contest

Each year, IMC organizes a National Skill Contest under the General Service and Body & Paint skills categories. The contest includes written and practical examinations, assessing areas such as safety, standard operations, and work quality. This year, 559 technicians from 35 dealerships nationwide participated, with 21 experts ultimately competing in the National Skill Contest.



The nation's best Service Advisor, Mr. Rashid Manzoor receives his trophy from the CEO and Directors.



Diagnostic Master Technician Dangal

IMC conducted a skill competition among Diagnostic Master Technicians (DMTs) from the 35 dealership network. The DMT Dangal provided a platform for engagement and peer-learning. A total of 49 DMTs participated, showcasing their expertise in diagnosing challenging vehicle cases and presenting their solutions, enhancing their diagnostic skills and finding effective solutions to customer problems.



Awards

Customer Delight Excellence Award

The Customer Delight Excellence Award (CDEA) program, conducted by Toyota Motor Asia, evaluates Toyota affiliates based on customer experience, satisfaction, retention, and trust. IMC's commitment to excellence was recognized with the Silver Award in the CDEA Distributor (Group-1) Category, underscoring its dedication to exceptional customer service.

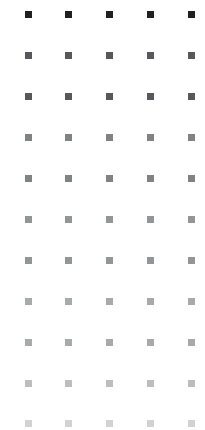


Value Chain Award

In recognition of outstanding performance, Toyota Motor Asia awarded the Value Chain 2023 Award to Indus Motor Company for its excellence in auto finance, insurance (Toyota Protection Plan), and Toyota Sure (used car).

Warranty Kaizen Award

Indus Motor Company received the Warranty Kaizen Award CY 2023 from Toyota Daihatsu Engineering & Manufacturing Co. Ltd. for the theme "To Automate Warranty Claim Related to Field Actions (Campaigns) in Genesis (Reduction of Muda)."





...it's all
about OUR people

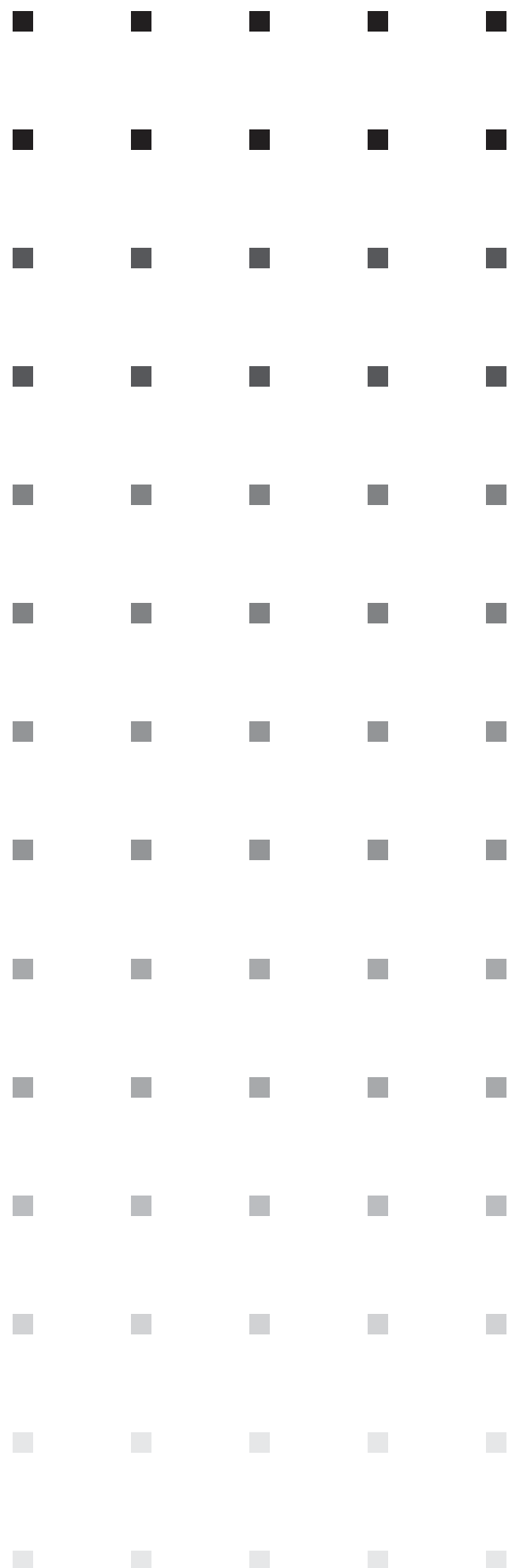
every customer experience an,



ichi-go ichi-e

one lifetime, one encounter

SAFETY, HEALTH & Environment



Trainings & Awareness Raising

• Fire Response Training

In-house firefighting and emergency response training sessions have been conducted for over 350 nominated firefighters to enhance their skills and refresh their knowledge under the supervision of a certified trainer.



• Disaster Risk Management Training

SH&E organized training session on Disaster Risk Management to enhance the skills of our in-house risk assessors with support from Toyota Motor Asia (TMA). This training delivers the knowledge and standard practices to be followed to mitigate safety risks across the workplace. Internal and external audits are carried out to confirm compliance. We assure zero tolerance in safety protocols at our workplace.



• Chemical Management Training

It equips members with the knowledge and skills to handle chemicals safely, minimize exposure risks, and ensure compliance with regulations. This not only enhances workplace safety but also strengthens environmental protection. At IMC, effective chemical management training is crucial for maintaining a safe and sustainable working environment.

Safety Month



This year, Safety Month was organized in January with multiple activities, promotions, appreciation events, and workshops to engage our people more in promoting a safety culture at the workplace. It started with leadership commitment and communication to highlight the importance of safety in everything for the IMC family.



We ensured 100% member engagement in the activities throughout the month, including hazard hunting, promotion of safety culture, audits, training sessions, quizzes, and kaizen competitions, culminating in rewards for the participants who excelled.

Ergonomics

At IMC, we strongly believe in providing a comfortable and healthy workplace to everyone by assessing their work for any physical strain and removing high burden from the jobs. This year, in addition to the manufacturing processes, we enhanced this activity to include our offices as well.

A large graphic featuring the number "50" in a bold, red, 3D font. A yellow hard hat is placed on top of the zero. To the right of the "50", the words "MILLION", "SAFE", and "MAN-HOURS" are stacked vertically in a bold, black, sans-serif font. The word "MILLION" is contained within a red rectangular box. The entire graphic is set against a white background with a vertical line down the center and red dotted patterns in the corners.

50 **MILLION**
SAFE
MAN-HOURS

ACHIEVED WITHOUT ANY LOST WORK DAY
TOYOTA'S LEGACY OF SAFETY CONTINUES

Move your world

5S & 5 Fixed Activity

The five pillars of 5S; Sort (Seiri), Set in Order (Seiton), Shine (Seiso), Standardize (Seiketsu) and Sustain (Shitsuke), provide a methodology for organizing, cleaning, developing, and sustaining a productive working environment. It helps building a foundation to cultivate self-discipline in members at our workplace. To further strengthen it, IMC is implementing 5 Fixed activity across the plant. This year, we have expanded the scope to cover complete premises and promote this activity across the land. Regular competitions of 5 Fixed build a challenging atmosphere that pushes improvement in all potential directions.



5 Fixed Training at Dojo

The 5 Fixed training dojo at IMC Training Centre aimed to deliver knowledge and enhance skills of our members, supporting the expansion of the activity across the land. Together with the training and model areas, we have developed Trainers for 5 Fixed who are supporting in development as well as areas assessment to take the activity to the next level.



5 Fixed Certification at Dojo

Management Systems Compliance

OSHMS

IMC adheres to the Occupational Safety & Health Management System (OSHMS) developed by Toyota Daihatsu Engineering and Manufacturing (TDEM) for all Toyota OEMs to effectively manage safety systems. As part of our regular practice, we underwent comprehensive audits this year by auditors from TDEM,

covering all safety domains to ensure compliance with our Key Performance Indicators (KPIs), system requirements, and controls in line with the established OSHMS criteria. These audits are conducted with utmost rigor, and the evaluation reports are communicated up to the top management level.



Occupational Safety Management Audit by SH&E

Global Environmental Management System

IMC maintains strict compliance with ISO 14001 and ISO 50001 for environmental and energy management by following standard systems. Additionally, IMC follows the Global Environmental Management System (G-EMS), which is designed by Toyota for environmental protection and a sustainable future, aligned with global targets set by SBTi. Our compliance with these systems is regularly ensured by our in-house team and auditors. Recently, IMC members attended a Train the Trainer session organized by Toyota Motor Asia in Thailand to develop trainers for G-EMS, in order to strengthen compliance and conduct in-house sessions.



Train the Trainer at Toyota Motor Asia, Thailand.

Environment Month



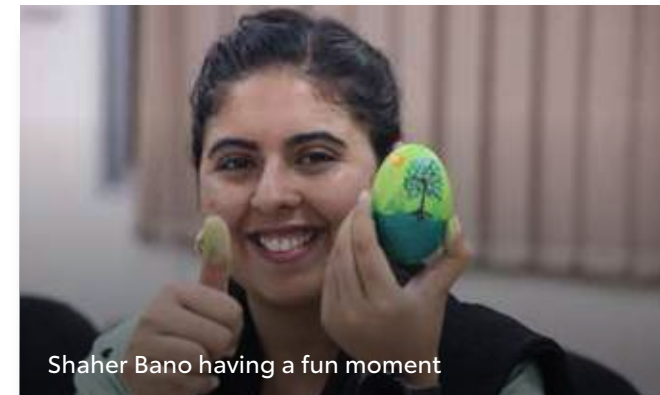
June was Environment Month at IMC which fosters our green activities across the organization. This year, in addition to expanding our green belts and planting trees, we also concentrated on waste reduction and upcycling. To involve as many members as possible in awareness raising, a number of trainings were organized throughout this month. An in-house composting area was inaugurated that utilizes the useful food waste and tea waste in producing completely organic fertilizer for enriching and enhancing our green soil across the company.



Director Manufacturing & Union President planting a tree

WWF Green Office Training

IMC joined hands with WWF to promote environmental management throughout the offices by implementing the Green Office Program. An extensive training was organized for our members to build understanding and framework to promote eco-friendly practices in the entire company.



Shaher Bano having a fun moment

Accolades

Zero Defect SQA TDEM

IMC's commitment to delivering exceptional quality has resulted in achieving a "ZERO DEFECT" in the TDEM SQA Audit 2023. IMC has never achieved such results in its history. This accolade acknowledges IMC's outstanding focus on prioritizing the quality of its vehicles. IMC's steadfast dedication to quality not only underscores its commitment to excellence but also serves as a driving force behind its continued success within the Pakistani market. This remarkable accomplishment was solely achievable due to the diligent efforts of our team members. IMC extends its sincere gratitude to all the teams and management for their invaluable contributions to achieving this significant milestone.

Excellence Quality Award

IMC always believes in delivering the best services and quality to customers. In CY2023, IMC added another feather in its cap by achieving the 'Excellence Quality Award' under the Asia Production Quality category, demonstrating its competitiveness with other award-winning Toyota Manufacturing countries. Such a great achievement is the outcome of joint efforts by all stakeholders, which led us to be among the top-performing affiliates in the region. The judgment criteria is based on taking quick actions to eliminate market complaints and reducing defect outflow to customers, ultimately improving customer satisfaction. This award has been achieved due to the dedication and commitment to quality by all team members in IMC, as well as suppliers and dealers. We are keen to further improve our outgoing quality and create an everlasting impression in terms of the best quality products within and outside Pakistan.

Quality Person Award

To sustain motivation and foster a culture of excellence, the "Quality Person Award" is presented to individuals who have demonstrated exceptional detection skills and effectively prevented the outflow of defects. In recognition of his dedication to quality and his brilliant detection abilities, Mr. Tahir Khan from the Assembly Repair department has been selected as the "Quality Person CY 23" by TDEM. His commitment to quality is evident through his vigilant adherence to the "Stop Call and Wait" rule.

Tahir

Tahir Khan

Sr Team Member
Assembly Repair



Meet the thirty something young Pathan from Mardan and father to a 13-year old, flashing his perfect pearly whites as he sits down with us for a chat. The shy yet confident Tahir Khan from Assembly Repair, and second time winner of TDEMs, 1st in Asia Pacific Region, Quality Person Award, proudly flaunts his plaque and the Casio Edifice strapped around his wrist, as he narrates his story.

Tahir joined IMC as an ATM in 2006 in Assembly Repair moving up to a Senior Team Member, gaining mastery in his area over the years. "Back home, whilst studying, believe it was class V, I also worked afternoons at an auto garage after school where I saw customers, practically every day, complaining about their cars; that left me wondering what it was that caused so many to show their annoyance. Somehow, this experience remained etched on my memory." Little did Tahir know then, that his childhood experience had laid the foundation for what was to come later in life.

Talking about what it was that got him 2024s First in Asia Pacific, Quality Person Award, he happily recalls, "It was a pleasant March morning and I was

behind the wheel of this black Toyota Yaris, on a routine test. As I left the shower test area and was about to enter the rattle strip, I noticed through the windshield a speed breaker ahead. In reality, there was none since I have tested many cars on that strip and know it like the back of my hand. I reported the matter to my supervisor and it was later found that the windshield had a defect, a 1.5 foot "windshield blur", as we call it, which had it not been caught and reported could have had serious repercussions."

When asked what could have possibly happened had the defect outflow gone unnoticed, he confidently responded, "The customer driving the car would have to resort to sudden braking owing to the defected windshield, resulting in a serious accident. In addition to this, it would have brought a bad name to the product and IMC too".

Now that's truly impressive to see that our Team Members, are very conscious and living upto Toyota's **Customer First, Quality First, Safety First** philosophy, all in one. Great going Tahir. Congrats and keep it up!

Quality Person *Award* 2023

Courtesy - **INSPIRE**, an Indus Motor Company publication

People don't
go to Toyota to
work, they go there to
THINK.

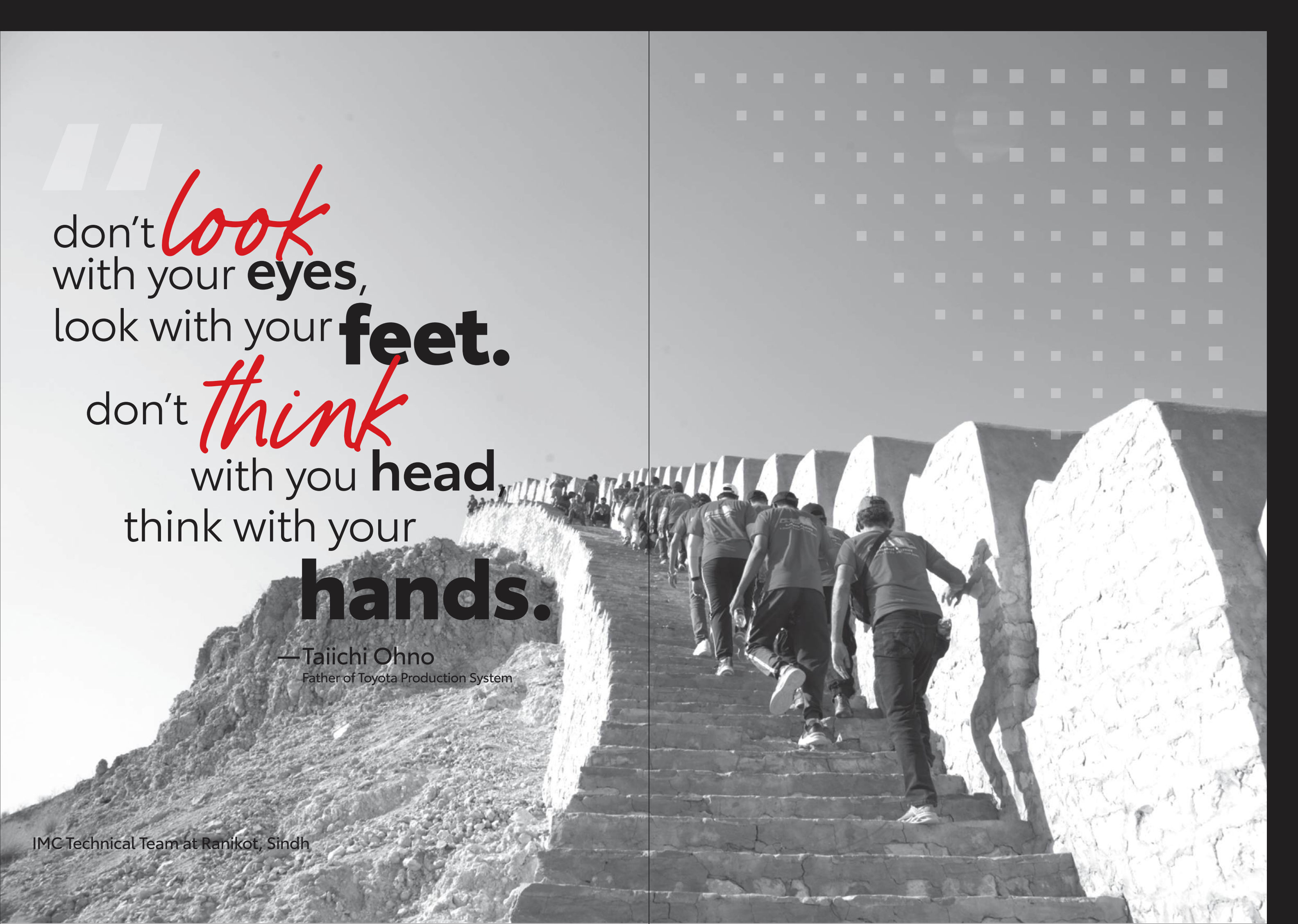
-Taiichi Ohno

HUMAN
Resources

don't *Look*
with your **eyes**,
look with your **feet.**

don't *think*
with you **head**
think with your
hands.

— Taiichi Ohno
Father of Toyota Production System



Human Resources
at **Indus Motor**
play a pivotal role in
driving the company's
success by fostering
a dynamic & supportive
work **environment.**

The HR department is committed to attracting, developing, and retaining top talent while ensuring the well-being and professional growth of all employees.



■ **Be the Change you Want to See**

In July, Indus Motor organized a unique and engaging fitness session in partnership with Health Lab, focusing on obesity. Participants shared their weight loss stories and took part in a 45-day weight loss challenge. Employees who shed the most pounds were awarded special cash prizes.



■ **Gender Sensitization**

IMC held a crucial gender sensitization session for its managers, underscoring the Company's commitment to fostering an inclusive and equitable workplace. This session aimed to enhance awareness and understanding of gender-related issues, promoting a culture of respect and equality among all employees. Expert facilitators highlighted the key concepts of gender equality, emphasizing the need to challenge stereotypes and biases that hinder professional growth and wellbeing. Participants were encouraged to reflect on their own perceptions and attitudes, fostering a deeper understanding of their colleagues' diverse experiences.

Employee Wellbeing Initiatives

■ **Rev up Sports Fiesta**

IMC employees showcased their competitive spirit and camaraderie in our internal sports tournament! From thrilling table tennis matches to intense foosball and FIFA face-offs, we celebrated teamwork and sportsmanship across the company. Congratulations to our winners, who not only conquered the games but also exemplified the Toyota spirit. Together, we play, we win, and we drive towards excellence. The matches started at the end of November and continued until January.



meet the
little people of
**toddler
town**

Rubab Taimur's (Customer Relations) little bunny angel, Inaaya, having a fun moment at IMC's Daycare facility

■ **Expansion of Daycare Facility**

IMC is thrilled to announce the relaunch of its expanded in-house daycare facility. Originally established in 2021 in collaboration with Toddler Town, the Daycare has now increased its capacity to accommodate the growing demand and usage by our employees. IMC is committed to supporting its employees and their families through its enhanced Daycare facility, reflecting its dedication to fostering a supportive and family-friendly workplace.

Breast Cancer Awareness



Pinktober is the time when we unite our strength and determination to fight against breast cancer. IMC is committed to supporting breast

cancer awareness by driving change and inspiring everyone to take control of their health. This Pinktober, we had the honor of hosting Dr. Rufina Soomro from Liaquat National Hospital for a Breast Cancer Awareness Session at IMC. She emphasized the significance of self-examination and early detection. As a preventive measure, we urge all females to support one another in speaking up about their concerns before it becomes too late.



Shayaan of HR flashes a smile as he imprints his endorsement on the wall.

Stress Management

In a fast-paced work environment, it's easy to get caught up in the whirlwind of tasks and responsibilities, often leading to stress and burnout. We understand the importance of maintaining a healthy work-life balance and prioritizing everyone's well-being. To support our people in managing stress effectively and enhancing productivity while remaining mindful, the company collaborated with DoctHers to organize a workshop on stress management. Participants engaged in various exercises to help them unwind and unplug from routine tasks. They were also provided with practical tools to manage their stress and boost energy levels.



Thyroid Awareness

January is globally recognized as Thyroid Awareness Month. In continuation of our efforts towards employee well-being, we partnered with DoctHers to provide on-site consultations for thyroid-related concerns. A team of doctors set up a half-day medical camp for all thyroid-related queries. We also invited wellness coach Mr. Adnan Faruqi, to discuss lifestyle changes and diet modifications. The session concluded with a "Paint a Tote" activity for thyroid awareness.



Long Service Award

The Long Service Award is a tribute to employees who have dedicated 15 to 25 years to IMC. These individuals exemplify loyalty and dedication. They receive gold coins and a plaque, symbolizing their enduring value and contribution. This tradition fosters appreciation and celebrates the lasting relationship between the employee and the company.



Saleem Ahmed Jaffery, Specialist PD, receiving his 25-year award from the CEO.



International Women's Day Exhibition

IMC hosted a prestigious women entrepreneurs' exhibition, showcasing locally manufactured goods crafted by women from diverse backgrounds, exemplifying its steadfast commitment to promoting #MakeInPakistan. The Company forged strategic partnerships with NGOs dedicated to empowering survivors of domestic abuse and differently abled individuals through comprehensive vocational training programs. The collective efforts of these extraordinary businesswomen culminated in significant sales revenue, underscoring the profound impact of this endeavour.

Financial Wellbeing

In August 2023, an in-house session was conducted to emphasize the importance of financial literacy and money management. Mr. Salman Ahsan, Manager Finance, led the session, discussing various channels and means of saving and risk management.

Team Bonding & Engagement Session

Team Bonding and Engagement sessions were held for several departments, including Finance, Product Development, and Manufacturing, aimed at strengthening the values of teamwork and collaboration. These sessions served as a revitalizing experience, emphasizing the importance of working as a team.



3T - Team Talk Thursday

3T, an ongoing platform established in November 2023, was created to help employees understand each other better, address concerns, provide a space for open dialogue, and develop meaningful connections among colleagues. With the launch of this initiative, IMC took a significant step forward. Every Thursday, senior management engages in sessions with members of their respective departments.





CONGRATULATIONS TO THE
champions

a display of
Strength & skill

the **Golden Hawks** emerge victorious

on the **football pitch!**



■ IMC Football

From the buzz of the opening whistle to the jubilation of the final goal, the IMC Football Championship 2024 has truly been a testament to the power of teamwork and passion within Indus Motor Company. #IMCFC24 brought together our incredible teams, showcasing not just their skills on the field, but the strength of our bond as one Toyota family.

■ Training

Indus Motor places strong emphasis on training and development, recognizing it as vital for both individual and organizational growth. The Company is dedicated to fostering a culture of continuous learning and skill enhancement, ensuring that employees are well-equipped to meet the ever-changing demands of the automotive industry. Between July 2023 and May 2024, the company logged an impressive 67,298 training man-hours, more than doubling the total from the previous fiscal year. Among the featured programs were visits to Cholistan and Ranikot for corporate and technical teams. The Cholistan outbound activity provided essential bonding opportunities between the Sales and CFD teams, while the team-building sessions were unprecedented in IMC's history. Notably, over 260 employees from the Technical division participated in the Ranikot trip within a span of nine days, marking a significant milestone for the Company.



The girls of IMC Marketing and Sales having a moment during team bonding in Cholistan Desert

Global SKILL Training



Global Skill Training (GST) is a new initiative started by Toyota Motor Corporation, Japan, allowing employees to work in Japan to enhance their skill set. The purpose of GST Type B is to experience and understand the high level of TMC's "genbaryoku" and criteria while optimizing global DHC. GST trainees are expected to complete assigned work on the production line at TMC Plant and learn "Genba" in TMC manufacturing, focusing on five main missions: Safety, Quality, Cost, Production, and Human Resource Management. So far, 77 trainees have been sent to Japan, with 8 Team Members having successfully completed the traineeship and 69 still on assignment. In the next fiscal year, approximately 100 trainees will join different Toyota plants in Japan.



if you want
**creative
workers,**
give them
**enough
time to play**



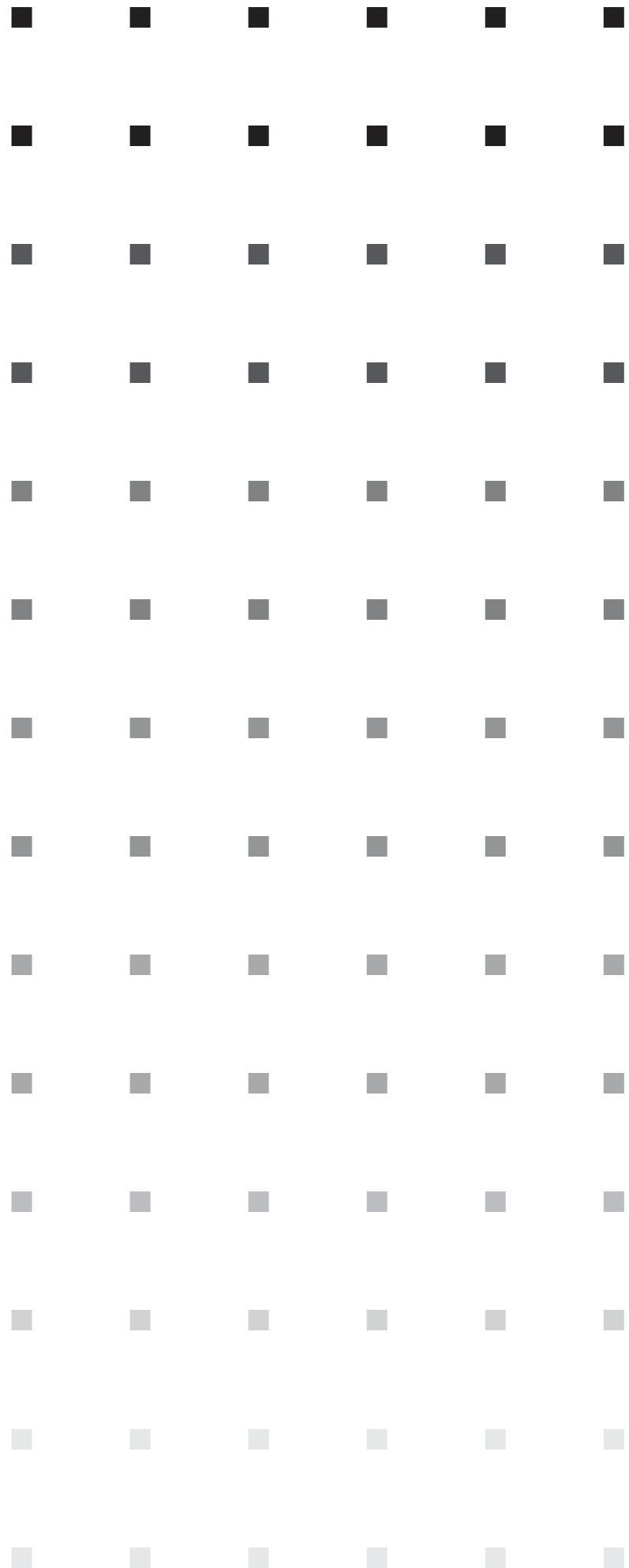
Technical Division's Warisha, tests her balancing skills at the Ranikot team bonding moot

改善

kaizen

the search for continuous improvement

OPERATIONS



integrating **modern technologies** with **traditional** *Craftsmanship*

MONOZUKURI

INNOVATION CENTER

This year Indus Motor's commitment to Innovation and societal impact has been exemplified through the inauguration of Monozukuri Innovation Center. This state-of-the-art facility embodies our dedication to advancing manufacturing excellence and driving social progress. Through initiatives focused on Karakuri, Automation, Digitalization, and Artificial Intelligence, we are empowering our workforce with cutting-edge technologies and knowledge. By fostering a culture of continuous improvement and creativity, our trained Team Members are not only enhancing Toyota's operational efficiency but also contributing to the broader advancement of Pakistan's automotive industry. The Monozukuri Innovation Center stands as a beacon of our vision to integrate modern technologies with traditional craftsmanship, benefiting both our company and society at large through sustainable human resource development and innovative manufacturing practices.

Karakuri

Implementation

an ancient secret to modern-day productivity

empowers our teams to innovate with simple, energy-efficient designs that enhance ergonomics and productivity on our production lines. Karakuri's reliance on gravity, springs, and basic mechanical principles ensures minimal energy consumption, aligning with our commitment to carbon neutrality in manufacturing. For instance, we have implemented low-cost mechanical devices that streamline processes such as delivering components when and where they are needed, minimizing strain on operators and preventing them from musculoskeletal disorders that eventually result in improved quality and productivity.

The Company's approach to "karakuri" goes beyond mere tradition; it embodies a philosophy of continuous improvement deeply rooted in our manufacturing ethics. Inspired by the engineering marvel of mechanical puppets/dolls, we have embraced a Karakuri kaizen philosophy. This philosophy

Automation

shaping the future through collaboration with universities

Indus Motor Company is committed to advancing manufacturing innovation in Pakistan through collaborative efforts with Habib University. Together, we aim to empower the next generation of engineers by engaging faculty and final-year students in practical industrial solutions under the "Make in Pakistan" initiative. One notable project includes the development of an Autonomous Tow Truck for efficiently transporting bumpers from shop to assembly, addressing one of our longest routes with enhanced safety, quality, and productivity. This initiative will not only optimize operational efficiency and reduce costs but will also cultivate a skilled workforce, reinforcing IMC's position as a leader in automotive manufacturing excellence.

We are at the forefront of digitalization and artificial intelligence, collaborating closely with our IT team to pioneer transformative projects. In digitalization, we have implemented real-time feedback system, significantly reducing the response lead time in case of abnormalities. Unlike traditional shift-end defect reporting, our system enables immediate feedback and automated analysis, allowing for swift corrective actions to enhance product quality. Additionally, the introduction of a QR code scanning system for Fixed-route compliance has improved area management by ensuring comprehensive 5S checks, addressing previous issues of oversight. Moreover, the integration of Head-view mounted and Eye Tracking cameras has standardized inspection processes, facilitating precise audits and ensuring thorough inspection of previously inaccessible areas by tracking the actual retina movement of inspector to ensure whether he is actually looking at the checkpoint or not. Now, we are advancing towards AI-based vehicle inspection at the vehicle performance inspection line, promising unparalleled accuracy and consistency in quality assurance processes. Furthermore, our forthcoming digital iBoard will empower Group Leaders with prioritization tools, optimizing workflow management and further elevating our standards of operational excellence. These initiatives highlight Indus Motor Company's dedication to pioneering technologies that will ease the burden on our members which will eventually aid in uplifting quality assurance.

Digitalisation & AI

revolutionizing manufacturing with cutting-edge technologies



efficient storage redefined

IMC Team Leader, Bilal Shah testing the Z-shaped karakuri rack

Training & Development

unleashing creative potential

For the training and development of Karakuri expertise, we have established a Karakuri Dojo featuring 19 simulators that illustrate ways to enhance ergonomics, quality and productivity. This initiative is complemented by an in-house curriculum designed by our engineering team, aimed at cultivating craftsmanship skills among Team Members and engineers. The objective of this training is to foster creative thinking and competitiveness within our teams. Participants learn to identify and implement Karakuri solutions to support manufacturing reform activities. Our goal is to train 100% of our workforce in 3 years, offering a blend of theoretical knowledge and hands-on experience. Upon completion, trainees are required to execute a project at the line side, integrating their newly acquired skills into practical applications. Furthermore, these kaizens are valued and recognized by our top management, including the CEO and Technical Directors, which boosts team motivation. This recognition serves to enhance kaizen activities across the organization, promoting continuous improvement in our operations. Additionally, we will extend training to group companies and suppliers, sharing our expertise to promote industry-wide growth and collaboration.

reducing
CO₂
emissions

300 tonnes
by
more
than

Net Metering

Indus Motor Company became the first automobile OEM to successfully implement net-metering at maximum allowable capacity.

With an existing system of 6.6MW—well above the 1MW limit for net metering—we pushed through a rigorous journey of studying the governing regulations, finding unique possibilities while remaining within given frameworks, sought required approvals through engaging various organizations at senior management level and finally modified our system to accommodate net-metering. This strenuous process took 2 years, however, it proved to be highly impactful on our system, empowering us to seamlessly switch to KE during emergencies, and facilitate operational resilience.



Such challenges made the journey to this milestone highly demanding, navigating through all obstacles with determination. This achievement has a remarkable impact on our system. We are able to save over PKR 40 million annually with a payback period of less than a month, while simultaneously reducing CO2 emissions by more than 300 tonnes per year. Moreover, our efforts contribute to mitigating solar curtailment by half a million units annually. Indus Motor Company continues to lead the charge towards sustainable energy solutions, setting new standards of excellence in the automotive industry.

Synthetic Natural Gas

In light of Pakistan's energy challenges and gas shortage, IMC is embracing Synthetic Natural Gas (SNG) as a strategic long-term solution. SNG is a blend of vaporized Liquefied Petroleum Gas (LPG) with air, resulting in a gas that closely resembles natural gas. With higher heating value, energy density, and air-to-fuel ratio, SNG is an efficient replacement in external combustion applications and allows it to use the same infrastructure as natural gas, facilitating an easy transition. By adopting SNG, IMC underscores its commitment to sustainability and reliability, as it is environmentally friendly, producing no harmful waste and generating lower greenhouse gas emissions compared to other fuels. It also has minimal impact on soil, water, and underground resources.

Solar Power



The completion of our 2.1MW Solar Extension marks a significant milestone, increasing our solar energy capacity. This achievement has substantially reduced our carbon footprint and improved energy efficiency across our operations.

This initiative underscores our dedication to environmental stewardship and corporate social responsibility, setting a high standard for sustainable practices. By integrating more renewable energy, we reinforce our reputation as a responsible and innovative organization, positively impacting both our company and the broader community.

Centralized Changing Facility

The Centralized Changing Facility is a state-of-the-art RCC (Reinforced Cement Concrete) ground+1 building designed to cater to the hygiene, safety, and security needs of our Team Members. This facility is equipped with 255 showers and 2,400 lockers, adhering to OSHA standards to ensure optimal conditions for personal hygiene and secure storage of personal belongings.

Drivers' Sitting Area



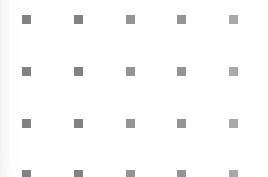
IMC values the wellbeing of not only its own employees but also all individuals in its extended community. The construction of the Drivers' Sitting Area stands as a testament to our dedication to fostering a more sustainable and efficient operation, reinforcing our reputation as a responsible and caring organization. By undertaking a comprehensive redesign and upgrade of their seating areas, we significantly enhanced the comfort and wellbeing of our drivers. This initiative not only bolstered our drivers' productivity and job satisfaction but also reflected our deep commitment to corporate social responsibility.

AP Skill Contest 2024

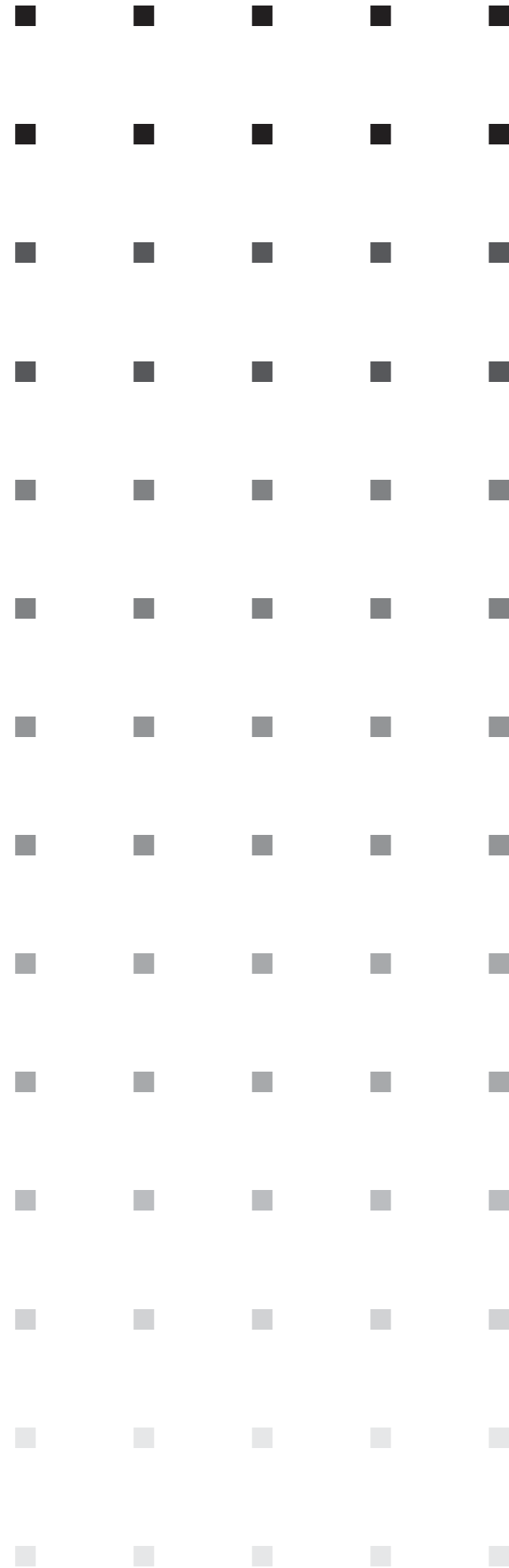
On June 26-27, 2024, Toyota Motor Asia at APGPC hosted the AP Skill Contest 2024 in Thailand. The contest featured Team Leaders and Team Members from Asia-Pacific manufacturing companies competing in the categories of Press, Weld, Paint, Assembly, Logistics, and Maintenance. The participating AP affiliates included TMT & STM (Thailand), TMMIN (Indonesia), TKM (India), IMC (Pakistan), TMV (Vietnam), TMP (Philippines), ASSB (Malaysia), and Kuozui (Taiwan). IMC's Weld Shop Team Leader, Mr. Muhammad Shajawal, won the Bronze Medal at the AP Skill Contest.

IMC In-house Skill Contest 2024

IMC conducted the in-house skill contest in June 2024, with 1,799 Team Leaders and Team Members participating. In the final round of the competition, 18 participants qualified for the Gold Medal, 18 for the Silver Medal, and 1 for the Bronze Medal across the categories of Press, Weld, Paint, Assembly, QC, Logistics, and Maintenance shops.



INFORMATION Technology



Report on Digitalization and the Purposes of Dashboards

Traditionally managing and analyzing data relied heavily on manual data compilation and processing. This involved extensive use of silos of data, spreadsheets, calculations and formulas which when presented lacked visualization & storyboard.

The business impact of this was delayed flow of information which has to be compiled first, possibilities of human errors and manual consolidation of a lot of reporting elements rendering n-1 old data, reliability questions and slower decision making capabilities.

Introduction of Visual Dashboards

A dashboard is a visual interface that consolidates different metrics, data points, and Key Performance Indicators (KPIs) critical to a business or specific process. It provides a concise view of essential information, allowing users to glean insights at a glance and make informed decisions in today's modern data driven business.

- Informed Decision
- Efficiency
- Goal Tracking
- Data Accessibility
- Predictive Analysis



Leveraging on the above benefits, IMC IT Team took on the task to improve existing dashboards and create new ones to support the movers and shakers of the organization in making informed decisions efficiently especially those that have an impact on critical KPIs.

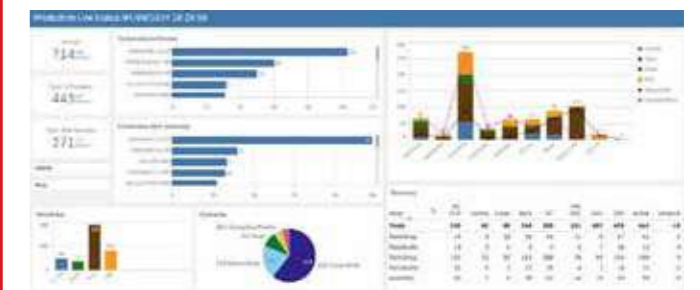
Uptil now IMC IT Team has transformed / developed more than 45 Dashboards, for instance,

- **Sales Day End Report**
 - Real-time order intake and invoicing data
 - Daily, monthly, and average metrics
 - Model and variant-specific information
 - IMC and Dealer inventory levels
 - Balance order status



- **Production Line Dashboard**

- Real-time tracking of vehicles in production
- Breakdown by model and variant
- Color-specific data
- Standard production values
- Aging units analysis



- **Passenger Car QG Real Time Feedback**

- Daily DPU trend analysis
- Identification and count of top defects
- Comparison of target DPU versus actual DPU
- Real-time updates on defect data



Conclusion

The transition from manual data management to digital dashboards marks a significant advancement in data driven decisions. Dashboards offer agility, transparency, authenticity and accuracy, making them an essential tool for modern businesses. However, the journey for Visual Dashboards doesn't end here, rather it paves the way forward for a Business Intelligence Roadmap where BI leverages the AI capability for providing smart insights, predictive & prescriptive analytics.

TOYOTA



Worldwide
Olympic Partner



Worldwide
Paralympic Partner

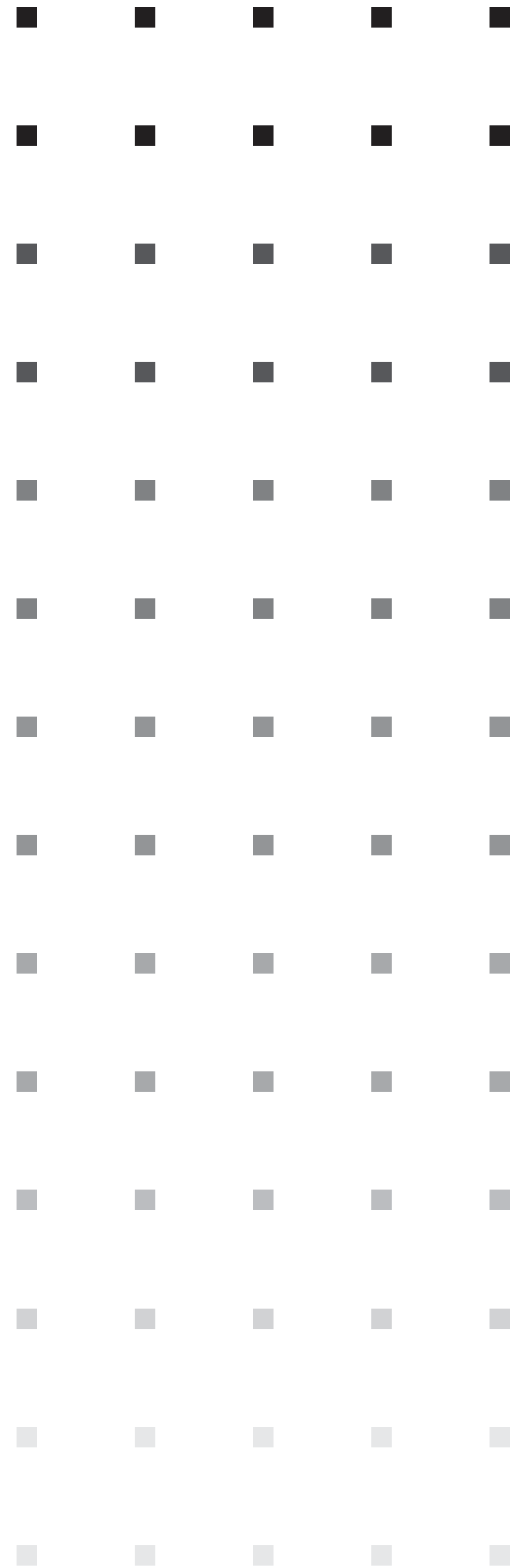
SHAPED BY PAKISTAN

ARSHAD NADEEM | ATHLETICS

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START YOUR IMPOSSIBLE

CORPORATE Social Responsibility



TOYOTA ENVIRONMENTAL CHALLENGE 2050

Challenge 1



New Vehicle
Zero CO2
Emissions
Challenge

Challenge 2



Life Cycle
Zero CO2
Emissions
Challenge

Challenge 3



Plant
Zero CO2
Emissions
Challenge

In 2015, Toyota announced the Toyota Environmental Challenge 2050 with the aim of realizing a sustainable society. The aim of the Toyota Environmental Challenge 2050 was to continue to tackle challenges from a long-term perspective of the world, 20 and 30 years ahead. In order to achieve the Toyota Environmental Challenge 2050, in 2018 Toyota set the 2030 Milestone and set the 2025 Targets in 2020. Toyota will take concrete action under these short-to medium-term measures, contributing to the realization of a sustainable society.

Challenge 4



Challenge of
Minimising and
Optimising
Water Usage

Challenge 5



Challenge of
Establishing a
Recycling -
based Society
and Systems

Challenge 6



Challenge of
Establishing a
Future Society
in Harmony
with Nature

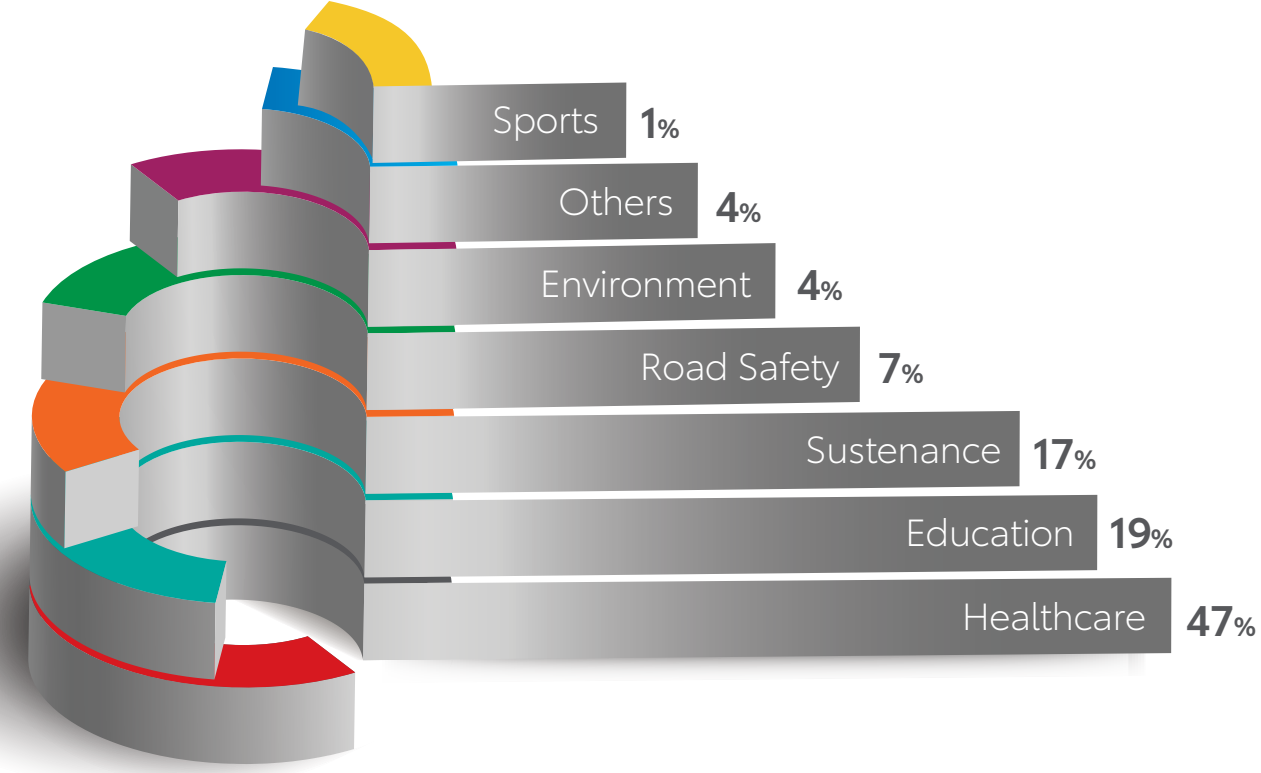
LEAVE
no
one
BEHIND

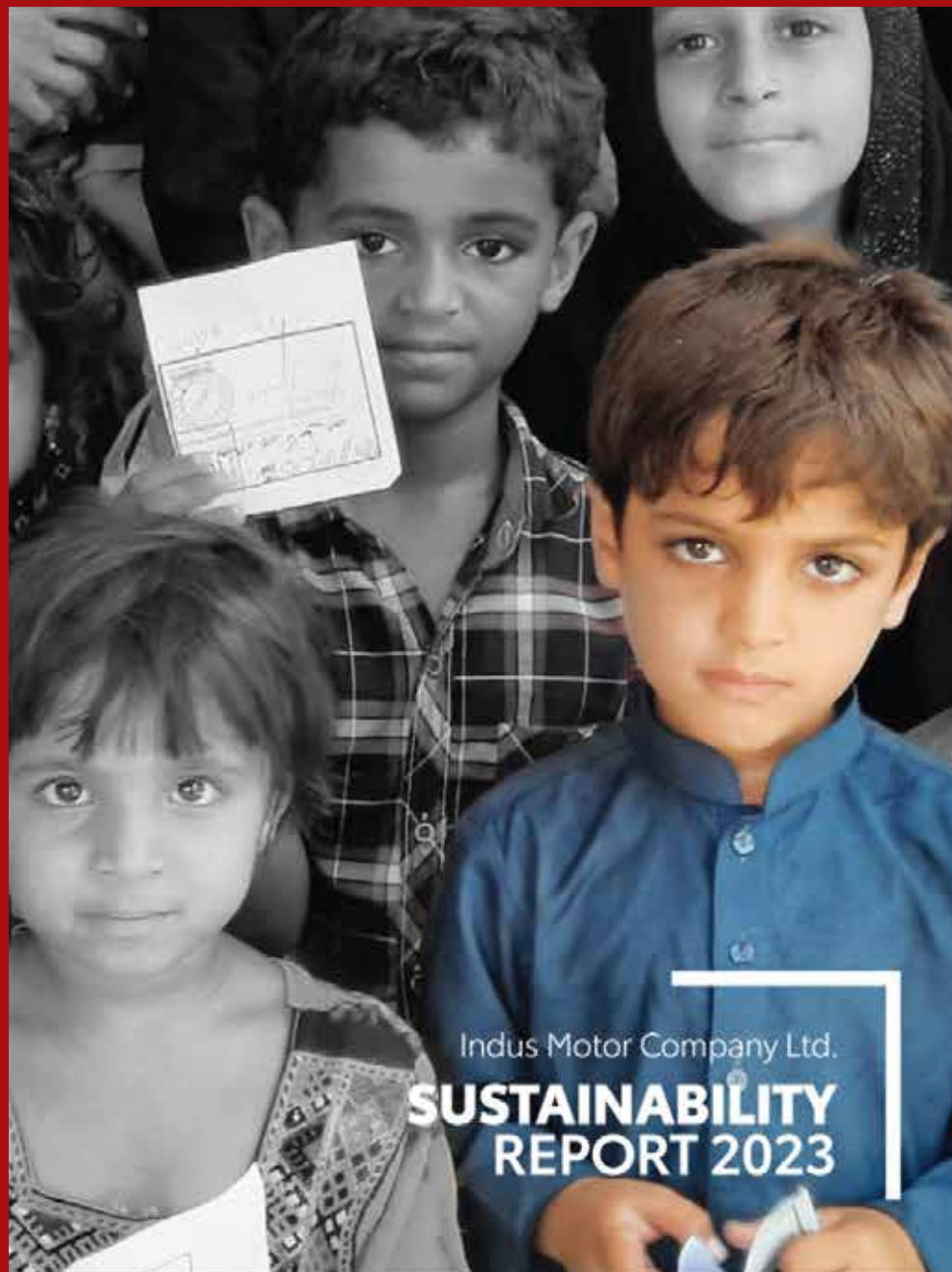


During the year, Indus Motor Company continued to be committed to contributing to the society it is part of. We at Toyota, put sustainability at the core of our functions, conducting our business in an ethical manner and with sensitivity towards social, cultural, economic and environmental issues. Driven by our core values of social welfare, sustainability and inclusivity, IMC upheld its responsibility towards the community and environment focusing on key issues like education, healthcare, road safety and ecological conservation.

Through its CSR initiatives the Company aims to make a positive impact on the society. Toyota remains committed to the Toyota Environmental Challenge 2050; tackling the challenges with a 30-year perspective of the future. In order to achieve the Toyota Environmental Challenge 2050, in 2018 Toyota set the 2030 Milestone and set the 2025 Targets in 2020. Toyota will take concrete action under these short-to medium-term measures, contributing to the realization of a sustainable society.

Rs 156M
SPEND





Sustainability **Report** 2023

On December 2023, IMC released its 8th Sustainability Report for the fiscal year ending June 30th 2023. The report is a crisp and concise representation of Toyota's efforts to bring about a positive change in the society. The Report has been prepared in accordance with GRI Sustainability Reporting Standards as well as in compliance with the UNGC's Ten Principles on Human Rights, Labor, Environment and Anticorruption, demonstrating herewith Indus Motor Company's contributions and commitments thereof.

Neighbouring Communities Uplifting Program

At Indus Motor Company, our Neighbouring Communities Uplifting Program continues to be a reflection of our dedication to steering a positive and sustainable impact on society. Empowering communities is what we continue to drive towards, fostering education and addressing social challenges, inspiring the development and growth of the nation. Our holistic approach to this program encompasses a wide range of CSR activities and projects which are one of their own kind in their uniqueness. Taking care of immediate needs, (Food & Health) to early childhood education (T-GEP), Neighbouring Communities Uplifting Program is focused at becoming sustainable. Currently, Indus Motor Company supports six goths (villages) within the vicinity of the Company.

Toyota-Goth Education Program

Indus Motor Company's flagship social initiative, the Toyota-Goth Education Program (T-GEP) continues to improve the lives of the people benefiting from it. Run in collaboration with The Citizens Foundation for the 16th running year now, it was initiated under IMC's Neighbouring Communities Uplifting Program, for providing quality education from the grass-root level, to the economically disadvantaged out-of-school children living in the economically challenged goths (villages) neighbouring IMC. In order to encourage enrollment, full financial support for elementary and secondary school education has been provided.

The success of the program can be gauged by the multifold increase in the T-GEP enrolment from the current strength of 300 students to 500 students for the academic years 2023-24, studying at five TCF campuses.

In addition to the T-GEP initiative, the Company also operates three TCF facilities at Karachi, Hyderabad and Muzaffargarh where around 1,100 students are studying through a Rs 92 million endowment fund and an annual grant. The campuses at Hyderabad and Muzaffargarh have been built by IMC.

Stewarding our
less privileged
towards a
brighter future



IMC Head of Corporate Communications & CSR, Asad Abdullah, at TCF Indus Motor Campus at Muzaffargarh

▪ Youth Leadership Conference

Innovation is key to everything we do at IMC. The Markhor is Pakistan's first wilderness-based Youth Leadership Conference run by the award-winning not-for-profit organization, Youth Impact, which is the brain-child of Abdul Samad Khan. The Markhor Conference is a five-day, all outdoors program held at an off-the-beaten track location. This year we continued with our efforts in highlighting the richness of Pakistan by holding the YLC at Siri Paye, Shogran.



Group diversity is Markhor's unique stamp. Over 60 young kids, from different regions, religions and socio-economic backgrounds, in their element, was a visual treat. The elaborate themes were #HarjawanhaiPakistan.

IMC has been a keen supporter of Markhor since 2014, however, this was the fourth consecutive year that IMC has sponsored students studying under its flagship Toyota Goth Education Program (T-GEP)-run in tandem with The Citizens Foundation - which functions under the Neighbouring Community Uplifting Program. This year a group of 10 students, eight of them girls were part of the program. They all represented the economically disadvantaged communities, residents of Abdullah Goth, one of the villages neighbouring IMC and supported by it – and branded as the official Women Leaders Partner. One of the boys from T-GEP, Shoaib ur Rehman received the Markhor Icon award.



Markhor participants Nayab (extreme left) and Bismah (extreme right) of Toyota-Goth Education Program with Adeel Azhar of Youth Impact, at Siri Paye, Shogran.

▪ Weekly Cooked Food Distribution

122,845
persons impacted

To the financially challenged, securing three-square meals a day is a daily challenge. As of our commitment to community well-being, that extends beyond education and skill development, we continue to strive to address the basic needs of underprivileged communities.



On a daily basis, cooked meals are distributed, free of cost, through Saylani Welfare Trust and Safaid Posh Dasterkhwan in villages supported by IMC.

▪ Weekly Free Medical Camps

28,500+
persons treated

Free Medical Camps are organized three times a week on a regular basis to provide basic health care treatment to the neighbouring underprivileged community. In 2020, in collaboration with the Saylani Welfare Trust, Medical Camps with additional facilities for Blood Sugar Tests, Blood Pressure Tests, and referring serious patients to hospitals on its panel, are being conducted. During the year, patients were treated for various seasonal illnesses such as Respiratory Tract Infection, Gastroenteritis and other general health problems arising from lack of immunity. Medicines were distributed free of cost.





empathy
begins with
understanding
life from
another
person's
perspective

Ramadan Ration Drive at
Mamoo Mallah Goth,
neighbouring IMC, Karachi

Free Psychiatric Health Camps

Mental health is the most neglected and under-served area of public health. The dearth of basic understanding of psychiatric disorders coupled with the social stigma attached to it, sadly prevents people from seeking the care they need. In a country of 240 million, Pakistan has only five specialized mental institutions or one psychiatrist for 500,000 people. IMC carries psychiatric camps, fortnightly, in villages supported by it.



5,100
persons
receiving treatment

Ration Distribution During Ramazan

Recognizing the importance of social and economic determinants of health, IMC provided ration distribution to village communities in need, supported by the Company, in collaboration with Saylani Welfare Trust.



1,200
families
impacted

a Ray of HOPE

Pakistan has one of the world's highest child mortality rates. According to UNICEF, over 1,000 children below the age of 5 years die every day, 80% owing to preventable causes.

Seeking out communities which have been untouched by healthcare services, over-looked by the public sector and unable to access private care, ChildLife Foundation is providing the full spectrum of medical care from emergency rooms, to primary clinics, down to preventive practices, providing every child with quality and affordable healthcare facilities, absolutely free of cost.



IMC Head of Corporate Communications & CSR, Mr. Asad Abdullah, handsover donation towards life-saving equipment to CEO ChildLife Foundation, Mr. Ahson Rabbani

In 2022, the ChildLife Foundation transformed the emergency care facility at PIMS Hospital, Islamabad, from a 12-bed ER to a 30-bed world-class and fully equipped emergency care facility. Since then, the Children's Emergency Room has treated 250,000+ children from Rawalpindi, Islamabad and adjoining towns and cities and across Khyber Pakhtunkhwa, Azad Kashmir, Gilgit Baltistan, and Punjab, who now have access to timely quality care. Over 12,000 of the most critically ill children - categorized as Priority 1 patients - have been saved through Indus Motor Company supported life-saving equipment in the state-of-the-art Resuscitation Room and subsequent support in the form of life saving medicines. By providing timely, quality treatment, ChildLife-managed ERs have significantly reduced child mortality rates and ensured that no child - in particular, the underprivileged - is denied urgent medical care, irrespective of their race, gender or religion. 80% of the children treated at the PIMS Resus Room were under the age of 5 years which included around 3,000 neonates.

Two-thirds of the population live in rural areas and cannot easily travel to the bigger cities to get timely emergency care. Today, technology has helped bridge this gap, making quality emergency care accessible to children through remote consultations. ChildLife Foundation's Telemedicine Satellite Centers (TSCs) empowers children to receive the necessary help close to their homes. The physician-to-physician emergency care consultation model guarantees that the right treatment is given to the child, mitigating the problems caused by lack of trained healthcare staff in rural areas. It also ensures knowledge-sharing and capacity building of on-ground medical staff for wider and long-term benefits.

Mobility for All

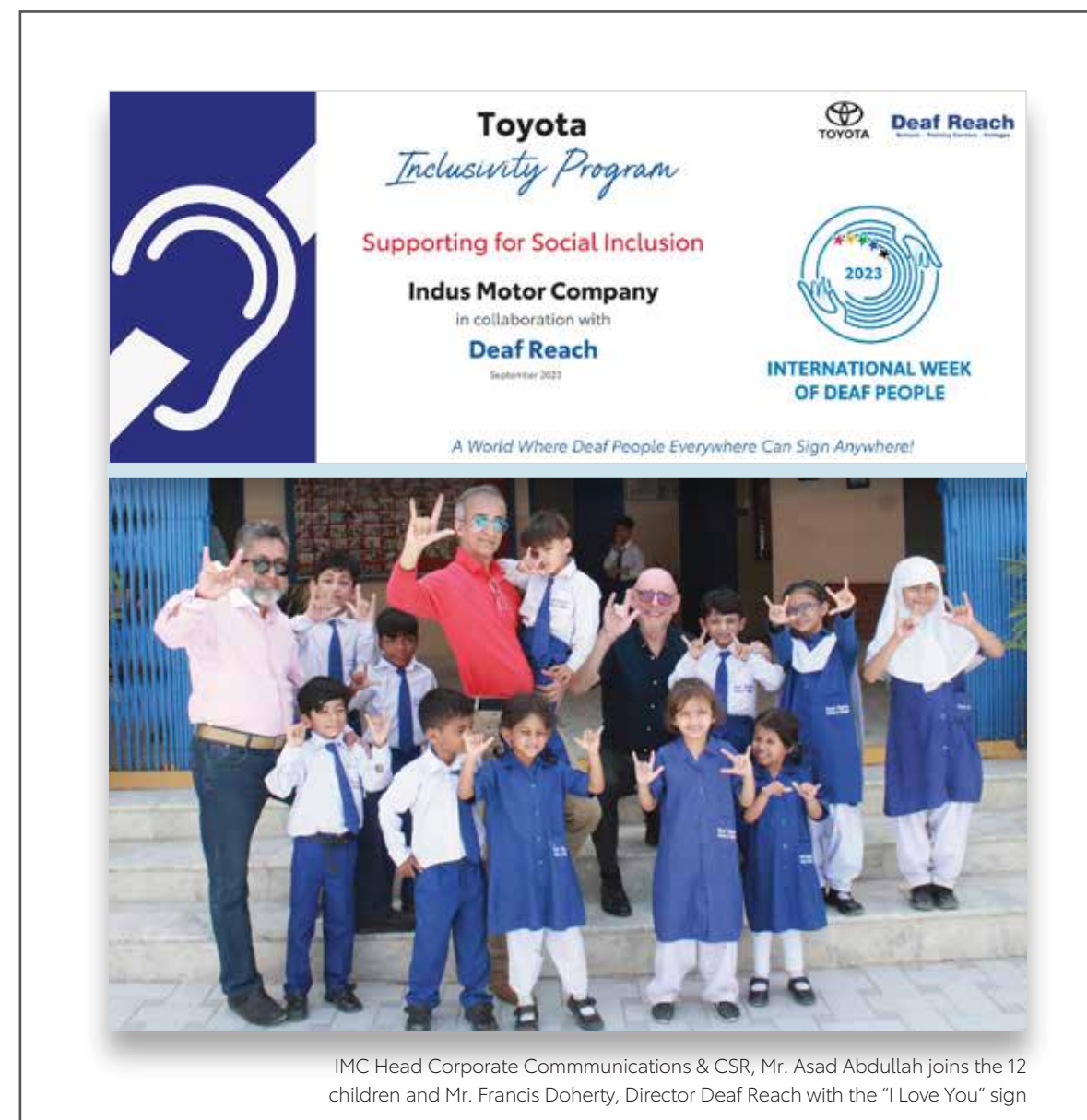


With incredible confidence, 12-year-old Erum Bibi from Rahim Yar Khan, takes her first steps with her first-ever pair of prosthesis at the HASWA Artificial Limb Centre, Karachi.

Diversity is about

Embracing **uniqueness**

At least 20 million people in Pakistan have disabilities, of which 7 million are forced to stay home, many of whom do not have the financial ability to afford prosthetic assistance. Children with physical disabilities, particular, those from impoverished background, deserve a fair chance and given an opportunity to lead decent lives with access to education and make a positive contribution to society-at-large. In March 2023, IMC collaborated with the Healthcare and Social Welfare Association (HASWA), and over the span of a year, 26 children and 32 adults hailing from Gilgit-Baltistan, KPK, Punjab and Sindh provinces, benefitted from prosthesis limbs.



IMC Head Corporate Communications & CSR, Mr. Asad Abdullah joins the 12 children and Mr. Francis Doherty, Director Deaf Reach with the "I Love You" sign

one another's **uniqueness**

There are around 1.25 million deaf children in Pakistan and less than 5% attend school. To make education a reality for the economically disadvantaged children with sensory impairment, in September 2024, Indus Motor Company collaborated with the Deaf Reach, Karachi campus - a charitable organization, committed to educate the deaf children of Pakistan and create a social impact - to educate 12 girls and boys with a 50:50 gender ratio and aged between 5 and 8 years. These children will receive education from kindergarten, right up to secondary school. The Deaf Reach focuses on the empowerment of disadvantaged deaf children and youth through a holistic approach to deaf education, skills training, job placement, and sign language development, creating lasting change in their lives and that of their families.

**"FASETEN
YOUR
SEAT BELT"**



Move your world

"ROAD SAFETY IS EVERY PERSON'S RESPONSIBILITY"

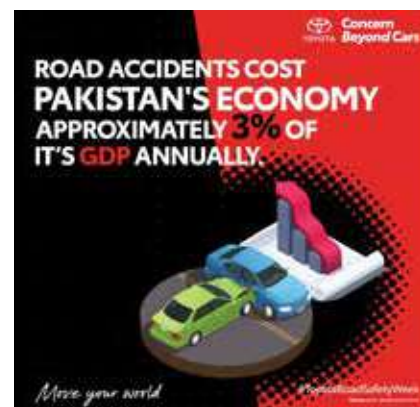
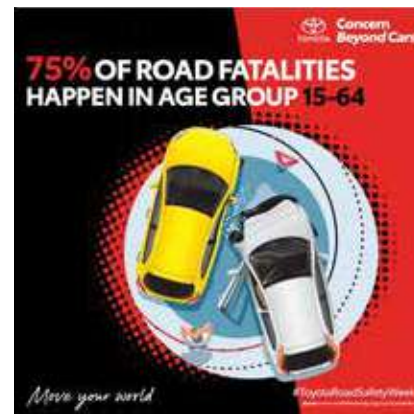
**"REMEMBER
YOUR
HELMET"**



**"I AM
A SAFETY
LEADER!
ARE YOU?"**



Road Safety



Road safety is a shared responsibility of all Pakistanis. The problem is indeed taking a serious turn. An estimated over 27,500 people die annually in the country and another 50,000 end up with some disability. With the rapid expansion of motorization, traffic safety in Pakistan has indeed become a serious concern that has witnessed a sharp rise in road traffic-related fatalities and injuries.



As Safety Leaders, Toyota values safety, be it the Company's products or safety on roads. Toyota's ultimate goal is to reduce fatalities from traffic accidents to zero. To realize this, in addition to developing safe vehicles, it is essential to educate people i.e drivers and pedestrians, and to ensure safe traffic infrastructure such as roads and traffic equipment.

Toyota Road Safety Program

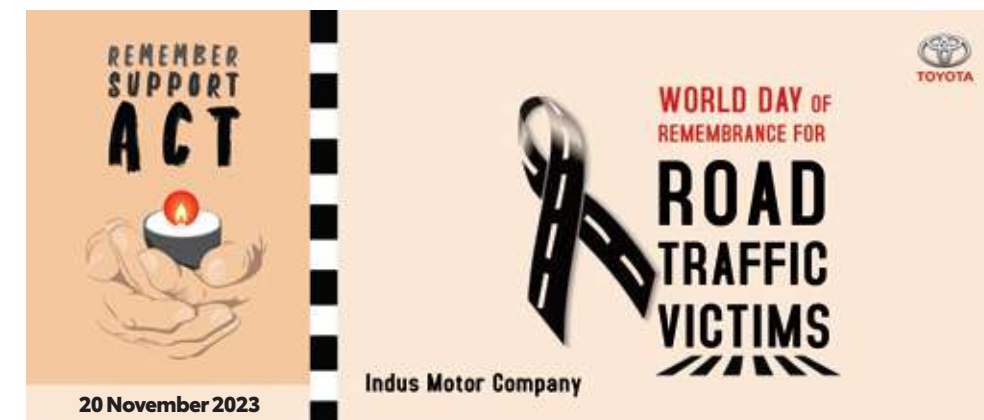
In a dynamic collaboration between NED University and IMC, groundbreaking research under the Toyota Road Improvement Project (TRIP), is underway to dissect the most congested and accident-prone thoroughfares in Karachi. This comprehensive study serves as a beacon, illuminating areas of concern that warrant urgent attention from local authorities. The focal points of investigation, including the National Highway, Rashid Minhas Road, and Sher Shah Suri Road, and several others have undergone meticulous evaluation, with the ultimate aim of forging a safer urban landscape.



NED team for Toyota Road I... Program with Syed Shujat Hussain DG, KDA, and team.

The Road Safety Leader Campaign emerges as a pioneering initiative, spanning the entirety of Pakistan. This digital undertaking beckons individuals to take the pledge of adhering unwaveringly to safety protocols and traffic mandates.

World Day of Remembrance for Road Traffic Victims



declared the years 2021 to 2030 as the new Decade of Action for Road Safety, setting the ambitious target of reducing road traffic deaths and injuries by at least 50%. To reign in the deaths and injuries caused by road accidents occurring on a daily basis, IMC has embarked on an ambitious Toyota Road Safety Program, under the tagline, **Road Safety is Every Persons Responsibility.**

The World Day of Remembrance is observed globally on the third Sunday of November each year. It is a high-profile global event to remember the many millions who have been killed and seriously injured on the world's roads and to acknowledge the suffering of all affected victims, families and communities – millions added each year to countless millions already suffering.

Responsibility.

The company's Chief Executive's message on this World Day emphasized that road safety is not any one person's job rather a collective effort and aimed at being mindful of traffic rules and as responsible citizens, to do our part to make the roads of Pakistan safer whilst also paying tribute to the dedicated emergency response crews, police and medical professionals, who deal daily with the traumatic aftermath of road crashes.

In Pakistan, Road Safety has taken a very serious turn, one that has witnessed a sharp rise in traffic related fatalities and serious injuries. The United Nations has

Global

Road Safety Week 2024



Employee volunteering

Today more and more customers like to do business with socially conscious organisations. Likewise, employees, potential hires, and especially younger workers increasingly want to work at companies that pursue diversity, equity and inclusion (DEI). Volunteer experiences must be seen as meaningful in order to create a natural draw for employees. With this mind, IMC formulated a structured volunteering platform. The main objectives of the program are:

- Expand awareness of IMCs social contribution initiatives to a wider audience within IMC
- Sensitize employees to giving back to communities and provide a platform to engage
- Foster meaningful employee engagement
- Promote transparency and communication
- Help uplift brand image as a responsible corporate entity committed to giving

2,500
volunteer
hours



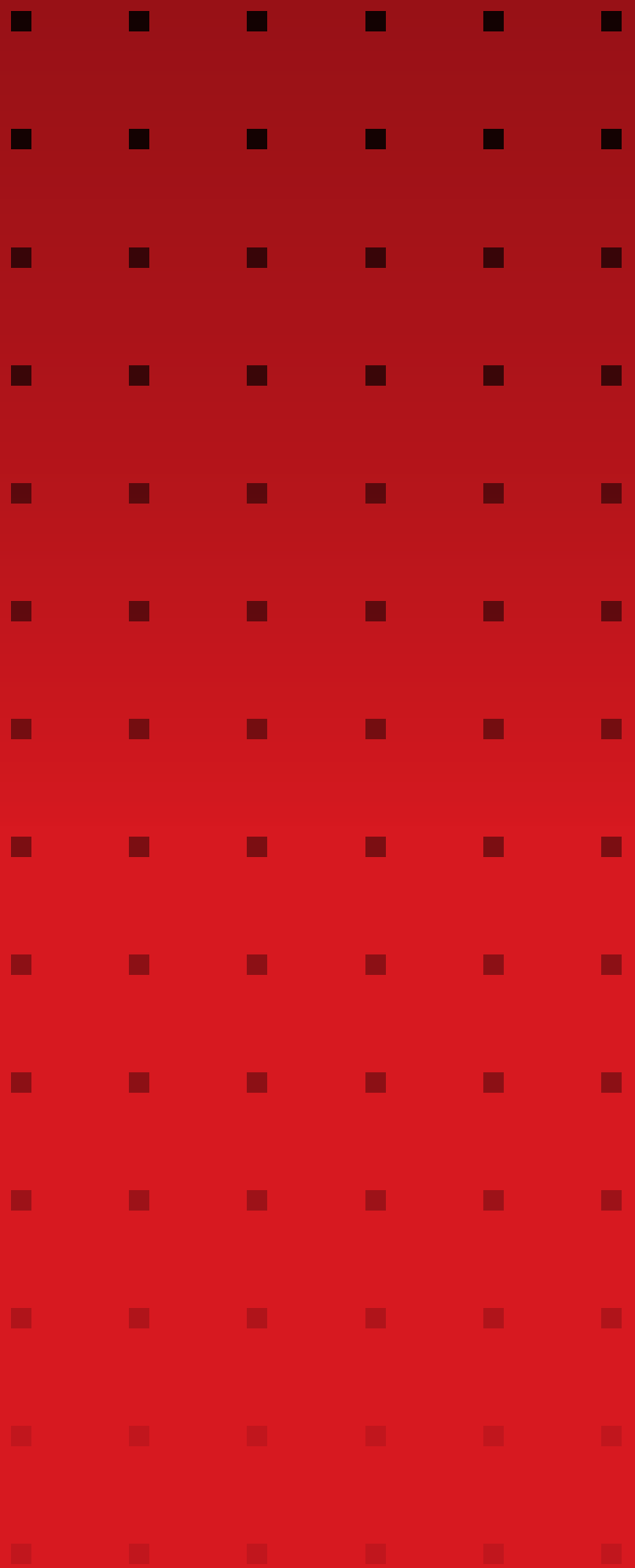
The Company's social contribution initiatives are focused on Toyota's three global priority fields i.e. education, environment conservation and traffic safety. In addition, healthcare, livelihood opportunities for the less privileged, sports, etc. are also some of the Company's social contribution areas. During the year, both management and non-management employees actively participated in the social initiatives IMC undertakes. To this end, IMC has partnered with several NGOs (not-for-profit organisations). Employees have the opportunity to volunteer time for any social initiatives undertaken by the Company.

870K+
trees planted



**Million Tree
Plantation Drive**

ACCOLLADES



Highest Taxpayers *Award*



Chief Executive Indus Motor Company, Mr Ali Asghar Jamali, receiving the award from the Prime Minister of Pakistan, Mr Shahbaz Sharif

Federal Board of Revenue

Top 25 Companies
Award 2022



Chief Executive Indus Motor Company, Mr Ali Asghar Jamali, receiving the award from caretaker Prime Minister Mr Anwar Ul Haque Kakar

Pakistan Stock Exchange

Business Leader
Award 2024



Chief Executive Indus Motor Company, Mr Ali Asghar Jamali, receiving the award from the ICAP management

Institute of Chartered Accountants of Pakistan

Development Leadership *Award*

Ministry of Planning, Development
& Special Initiatives

Annual Environment
Excellence *Award* 2023

National Forum of
Environment & Health

20-Year Association
with NFEH *Award* 2023

National Forum of
Environment & Health

Best Environmental Practices
Solid Waste Treatment & Disposal
Water Treatment

The Professionals Network

Corporate Excellence Award 2024
Automobile Assembler Category

Management Association of Pakistan

Best Corporate & Sustainability
Award 2023

Institute of Chartered Accountants of Pakistan
Institute of Cost & Management Accountants

Clean Energy Transition
Community Impact

The Professionals Network

CSR Initiatives

National Forum of Environment & Health

Quality Person *Award*

Toyota Daihatsu Engineering
& Manufacturing

Customer Delight Excellence Award
Silver *Award*

Toyota Motor Asia

Value Chain *Award* 2023

Toyota Motor Asia

Warranty Kaizen *Award* 2023

Toyota Daihatsu Engineering
& Manufacturing

FINANCIAL

Statements

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES

(Code of Corporate Governance) Regulations, 2019

For the year ended June 30, 2024

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:

- Male 9 (nine)
- Female 1 (one)

2. At the year ended June 30, 2024, the composition of the Board of Directors (the Board) is as follows:

Category	Names
▪ Independent Directors*	Mr. Asif Qadir Mr. Riyaz T. Chinoy Syeda Tatheer Zehra Hamdani
▪ Non-Executive Directors	Mr. Mohamedali R. Habib Mr. Imran Ali Habib Mr. Muhammad H. Habib Mr. Akihiro Murakami
▪ Executive Directors	Mr. Shinji Yanagi Mr. Ali Asghar Jamali Mr. Shigeki Furuya

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

*Note: In terms of regulation 6(1) of the Regulations, one third of the Company's Board of ten members works out to 3.33. As a general principle, since the fraction is below 0.5 (half), the fraction contained in such one third is not rounded up as one. Furthermore, the composition of the Board is adequate, with a good mix of skilled, experienced and professional Independent and Non-Executive Directors, that have diligently looked after the interests of the Company and are capable of robustly protecting the interests of its minority shareholders;

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. 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 the Regulations;
9. All Directors have duly obtained training under the Directors' Training Program or are exempted. During the year the Company has also arranged a training program for a Head of Department namely, Mr. Muhammad Ibrar Khan, Senior General Manager (Product Development) under the Directors' Training Program.
10. During the year, there has been no change in the position and terms and conditions of employment of the Head of Internal Audit, Company Secretary and Chief Financial Officer (CFO);
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 Committee	Names of Members and Chairman
▪ Board Audit Committee	Mr. Asif Qadir Chairman Mr. Imran Ali Habib Member Mr. Muhammad H. Habib Member Mr. Akihiro Murakami Member Mr. Riyaz T. Chinoy Member
▪ Board HR & Remuneration Committee	Syeda Tatheer Zehra Hamdani Chairperson Mr. Mohamedali R. Habib Member Mr. Shinji Yanagi Member Mr. Ali Asghar Jamali Member Mr. Riyaz T. Chinoy Member
▪ Board Ethics Committee	Mr. Riyaz T. Chinoy Chairman Mr. Ali Asghar Jamali Member 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
▪ Board Ethics Committee	Annual meeting
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. 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 International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by 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;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirements and the auditors have confirmed that they have observed IFAC guidelines in this regard; and
18. We confirm that all mandatory requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

Karachi
August 30, 2024


Mohamedali R. Habib
Chairman
Indus Motor Company Limited

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 for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

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



A. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: September 10, 2024
UDIN: CR202410611ieG5U2oAu

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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, 2024, 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 material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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.

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Following are the Key audit matters:

S. No.	Key audit matters	How the matter was addressed in our audit
(i)	<p>Revenue from contracts with customers</p> <p>(refer notes 2.18 and 27 to the annexed financial statements)</p> <p>The Company is engaged in the manufacturing and sale of motor vehicles and related spare parts. Revenue is recognised when performance obligation is satisfied by transferring control of a promised good to a customer. The Company recognised revenue aggregating to Rs. 152.481 billion, net of taxes, discounts and commissions, for the year ended June 30, 2024.</p> <p>We considered revenue as a key audit matter, being one of Company's key performance indicators. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.</p>	<p>We performed, amongst others, the following audit procedures:</p> <ul style="list-style-type: none"> Assessed the design, implementation and operating effectiveness of the key internal controls involved in revenue recognition; Understood and evaluated the accounting policy with respect to revenue recognition; Performed testing of revenue transactions on a sample basis with underlying documentation including dispatch documents and sales invoices; Tested on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue was recognised in the correct period; Performed recalculation of discounts and commission as per the Company's policy on sample basis; Performed audit procedures to analyze variation in the price and quantity sold during the year; and Assessed the adequacy of disclosures made by the Company in accordance with the applicable financial reporting framework.
(ii)	<p>Estimates involved in the provision for warranty obligations</p> <p>(refer notes 2.14 and 21 to the annexed financial statements)</p>	<p>We performed, amongst others, the following audit procedures:</p> <ul style="list-style-type: none"> Obtained an understanding of the warranty process, evaluated the Company's accounting policy and assessed the design and operating effectiveness of relevant internal controls;

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S. No.	Key audit matters	How the matter was addressed in our audit
	<p>The Company normally provides warranty on its locally manufactured vehicles to customers and maintains a provision in this respect, which amounts to Rs 5,379.972 million as at June 30, 2024. The management carries out a semi-annual exercise to assess the reasonableness of the provision for warranty obligations carried in the financial statements. Moreover, the Company also considers the impacts of any potential recalls arising from inspections carried out by the Company and Toyota Motor Corporation (TMC) as envisaged under the technical assistance agreement with TMC.</p> <p>The management and the Board of Directors of the Company consider warranty obligation 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, the results of inspections and any previous incidents of recall.</p> <p>Due to the significance of the provision for warranty obligation and related significant estimation involved, we considered it as a key audit matter.</p>	<ul style="list-style-type: none"> Evaluated the appropriateness of the Company's methodology for calculating the charge of provision for warranty obligation for the year and tested the basis for the assumptions developed and used in the determination of the same; Assessed the reasonableness of the assumptions used in determination of the provision for warranty obligation and tested the validity of the data used in the calculations; and Assessed the adequacy of disclosures made by the Company in accordance with 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.

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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.
- 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.

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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 Junaid Mesia.



A. F. Ferguson & Co
Chartered Accountants
Karachi
Date: September 10, 2024
UDIN: AR202410611GPMEjRipe


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STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	23,480,794	24,375,442
Intangible assets	4	66,578	122,240
Long-term loans and advances	5	85,462	76,460
Long-term deposits	6	10,020	10,020
Deferred taxation - net	7	2,756,998	-
		<u>26,399,852</u>	<u>24,584,162</u>
Current Assets			
Stores and spares	8	755,609	643,248
Stock-in-trade	9	22,825,648	28,733,390
Trade debts - unsecured	10	5,993,138	886,064
Loans and advances	11	2,976,680	14,968,126
Short-term prepayments	12	90,964	64,510
Accrued return	13	-	285,108
Other receivables	14	2,996,515	2,188,943
Short-term investments	15	76,540,835	44,148,189
Cash and bank balances	16	7,240,410	6,262,571
		<u>119,419,799</u>	<u>98,180,149</u>
TOTAL ASSETS		<u>145,819,651</u>	<u>122,764,311</u>
EQUITY			
Share Capital			
Authorised capital 500,000,000 (2023: 500,000,000) ordinary shares of Rs 10 each		5,000,000	5,000,000
Issued, subscribed and paid-up capital	17	786,000	786,000
Reserves	18	66,440,443	59,283,912
		<u>67,226,443</u>	<u>60,069,912</u>
LIABILITIES			
Non-Current Liabilities			
Long-term loan	19	199,912	239,895
Deferred revenue		12,902	2,500
Deferred taxation - net	7	-	311,303
		<u>212,814</u>	<u>553,698</u>
Current Liabilities			
Current portion of long-term loan	19	39,983	39,983
Current portion of deferred revenue		11,278	691
Unclaimed dividend		295,064	153,341
Unpaid dividend		115,429	3,512,068
Trade and other payables	20	42,273,963	41,033,604
Warranty obligations	21	5,379,972	2,189,635
Advances from customers and dealers	22	22,040,645	9,736,394
Taxation - net	23	8,224,060	5,474,985
		<u>78,380,394</u>	<u>62,140,701</u>
		<u>78,593,208</u>	<u>62,694,399</u>
TOTAL EQUITY AND LIABILITIES		<u>145,819,651</u>	<u>122,764,311</u>
CONTINGENCIES AND COMMITMENTS			
	26		

The annexed notes 1 to 48 form an integral part of these financial statements.


Mohammad Ibadullah
Chief Financial Officer


Ali Aghar Jamali
Chief Executive

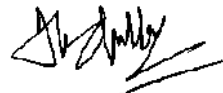

Shinji Yanagi
Vice Chairman & Director

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	Restated 2023
		----- (Rupees in '000) -----	
Revenue from contracts with customers	27	152,481,025	177,710,637
Cost of sales	28	(133,098,723)	(169,779,467)
Gross profit		<u>19,382,302</u>	<u>7,931,170</u>
Distribution expenses	29	(5,541,811)	(1,690,768)
Administrative expenses	30	(2,643,029)	(2,281,220)
Other operating expenses	31	(177,903)	(520,494)
		<u>(8,362,743)</u>	<u>(4,492,482)</u>
		11,019,559	3,438,688
Workers' Profit Participation Fund and Workers' Welfare Fund	32	(1,178,053)	(680,146)
Net profit from operations		<u>9,841,506</u>	<u>2,758,542</u>
Other income	33	13,656,239	14,179,381
		<u>23,497,745</u>	<u>16,937,923</u>
Finance costs	34	(170,291)	(140,725)
Profit before taxation and levy		<u>23,327,454</u>	<u>16,797,198</u>
Levy	35 & 2.2.2	(614,584)	(336,092)
Profit before taxation		<u>22,712,870</u>	<u>16,461,106</u>
Taxation	35	(7,640,444)	(6,796,677)
Profit after taxation		<u>15,072,426</u>	<u>9,664,429</u>
		----- (Rupees) -----	
Earnings per share - basic and diluted	36	<u>191.76</u>	<u>122.96</u>

The annexed notes 1 to 48 form an integral part of these financial statements.


Mohammad Ibadullah
Chief Financial Officer


Ali Aghar Jamali
Chief Executive


Shinji Yanagi
Vice Chairman & Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- (Rupees in '000) -----	2023
Profit after taxation		15,072,426	9,664,429
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement (loss) / gain on net defined benefit plan	24.4	(1,434)	22,848
Related deferred tax thereon		559	(8,911)
Total other comprehensive (loss) / income - net of tax		(875)	13,937
Total comprehensive income for the year		<u>15,071,551</u>	<u>9,678,366</u>

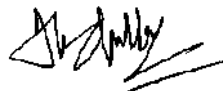
The annexed notes 1 to 48 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024


	Note	2024 ----- (Rupees in '000) -----	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (utilised in) operations	37	49,527,630	(94,232,120)
Net increase in long-term loans and advances		(9,002)	(60,477)
Compensation paid on advances received from customers		(1,976,166)	(1,976,111)
Increase in deferred revenue		10,402	1,541
Payment to Workers' Profit Participation Fund	14.4	(1,546,247)	(850,000)
Payment to Workers' Welfare Fund		(334,983)	(509,052)
Interest paid on long-term loan		(9,085)	(17,003)
Income tax paid		(8,573,695)	(5,950,828)
Net cash inflow / (outflow) from operating activities		<u>37,088,854</u>	<u>(103,594,050)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets		(5,040,461)	(13,147,301)
Proceeds from disposal of property, plant and equipment and intangible assets		185,589	102,445
Interest received on bank deposits and Term Deposit Receipts		1,574,263	2,505,642
Gain on sale of Pakistan Investment Bonds	33	2,629,825	1,497,013
Interest received on Pakistan Investment Bonds		848,202	1,613,744
Proceeds from sale / maturity of Pakistan Investment Bonds - net		7,794,310	4,210,889
(Investment in) / proceeds from sale of listed mutual fund units - net		(30,151,454)	1,616,439
Dividend income received from listed mutual fund units		4,052,016	2,226,869
Interest received on Market Treasury Bills	33	88,760	-
(Investment in) / proceeds from sale of Market Treasury Bills - net		(18,558,966)	37,084,191
Net cash (outflow) / inflow from investing activities		<u>(36,577,916)</u>	<u>37,709,931</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term loan repaid		(39,983)	(325,978)
Dividend paid		(11,169,936)	(1,380,666)
Net cash outflow from financing activities		<u>(11,209,919)</u>	<u>(1,706,644)</u>
Net decrease in cash and cash equivalents during the year		<u>(10,698,981)</u>	<u>(67,590,763)</u>
Cash and cash equivalents at beginning of the year		24,806,124	92,396,887
Cash and cash equivalents at end of the year	38	<u>14,107,143</u>	<u>24,806,124</u>

The annexed notes 1 to 48 form an integral part of these financial statements.


Mohammad Ibadullah
Chief Financial Officer


Ali Asghar Jamali
Chief Executive


Shinji Yanagi
Vice Chairman & Director


Mohammad Ibadullah
Chief Financial Officer


Ali Asghar Jamali
Chief Executive


Shinji Yanagi
Vice Chairman & Director

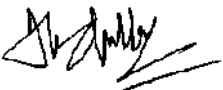
STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

	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, 2022	786,000	196,500	43,951,050	9,077,526	53,225,076	54,011,076
Transfer to general reserve for the year ended June 30, 2022 appropriated subsequent to year end	-	-	8,000,000	(8,000,000)	-	-
Transactions with owners						
Final cash dividend @ 32.5% for the year ended June 30, 2022 (Rs 3.25 per ordinary share)	-	-	-	(255,450)	(255,450)	(255,450)
1st Interim dividend @ 82% for the year ended June 30, 2023 (Rs 8.2 per ordinary share)	-	-	-	(644,520)	(644,520)	(644,520)
2nd Interim dividend @ 102% for the year ended June 30, 2023 (Rs 10.2 per ordinary share)	-	-	-	(801,720)	(801,720)	(801,720)
3rd Interim dividend @ 244% for the year ended June 30, 2023 (Rs 24.4 per ordinary share)	-	-	-	(1,917,840)	(1,917,840)	(1,917,840)
Total transactions with owners	-	-	-	(3,619,530)	(3,619,530)	(3,619,530)
Profit after taxation for the year	-	-	-	9,664,429	9,664,429	9,664,429
Other comprehensive income for the year	-	-	-	13,937	13,937	13,937
Total comprehensive income for the year ended June 30, 2023	-	-	-	9,678,366	9,678,366	9,678,366
Balance at June 30, 2023	786,000	196,500	51,951,050	7,136,362	59,283,912	60,069,912
Transfer to general reserve for the year ended June 30, 2023 appropriated subsequent to year end	-	-	4,000,000	(4,000,000)	-	-
Transactions with owners						
Final cash dividend @ 290% for the year ended June 30, 2023 (Rs 29 per ordinary share)	-	-	-	(2,279,400)	(2,279,400)	(2,279,400)
1st Interim dividend @ 245% for the year ended June 30, 2024 (Rs 24.5 per ordinary share)	-	-	-	(1,925,700)	(1,925,700)	(1,925,700)
2nd Interim dividend @ 132% for the year ended June 30, 2024 (Rs 13.2 per ordinary share)	-	-	-	(1,037,520)	(1,037,520)	(1,037,520)
3rd Interim dividend @ 340% for the year ended June 30, 2024 (Rs 34 per ordinary share)	-	-	-	(2,672,400)	(2,672,400)	(2,672,400)
Total transactions with owners	-	-	-	(7,915,020)	(7,915,020)	(7,915,020)
Profit after taxation for the year	-	-	-	15,072,426	15,072,426	15,072,426
Other comprehensive loss for the year	-	-	-	(875)	(875)	(875)
Total comprehensive income for the year ended June 30, 2024	-	-	-	15,071,551	15,071,551	15,071,551
Balance at June 30, 2024	786,000	196,500	55,951,050	10,292,893	66,440,443	67,226,443

Proposed final dividend and transfer between reserves made subsequent to the year ended June 30, 2024 are disclosed in note 46 to these financial statements.

The annexed notes 1 to 48 form an integral part of these financial statements.


Mohammad Ibadullah
Chief Financial Officer


Ali Aghar Jamali
Chief Executive


Shinji Yanagi
Vice Chairman & Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

1 THE COMPANY AND ITS OPERATIONS

Indus Motor Company Limited (the Company) was incorporated in Pakistan as a public company limited by shares in December 1989 under the repealed Companies Ordinance, 1984 (now, the Companies Act, 2017) 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 Toyota 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 MATERIAL ACCOUNTING POLICY INFORMATION

The principal 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

These financial statements have been prepared under the historical cost convention except as otherwise disclosed in respective accounting policy notes.

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of and directives issued under the Act have been followed.

2.2.1 Change in accounting standards, interpretations and amendments to published accounting and reporting standards

2.2.2 Amendments to published accounting and reporting standards which became effective during the year:

There were certain amendments that became applicable for the Company during the year but are not considered to be relevant or did not have any significant effect on the Company's operations and have, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 Presentation of Financial Statements have become applicable to the Company which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Company has changed its accounting policy to recognise minimum and final taxes as 'Levy' under IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' which were previously being recognised as 'Income tax'.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The Company has accounted for the effects of these changes in accounting policy retrospectively under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures have been restated in these financial statements. The effects of restatements are as follows:

	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	----- (Rupees in '000) -----		
For the year ended June 30, 2024			
Tax on Export sales and dividends on investments in mutual funds classifieds as levy	-	614,584	614,584
Profit before tax	23,327,454	(614,584)	22,712,870
Taxation	(8,255,028)	614,584	(7,640,444)
Profit after tax	15,072,426	-	15,072,426
For the year ended June 30, 2023			
Tax on Export sales and dividends on investments in mutual funds classifieds as levy	-	336,092	336,092
Profit before tax	16,797,198	(336,092)	16,461,106
Taxation	(7,132,769)	336,092	(6,796,677)
Profit after tax	9,664,429	-	9,664,429

The related changes to the statement of cashflows with respect to the amount of profit before taxation have been made as well. There is no impact on profit after tax and earnings per share, basic and diluted.

2.2.3 New standards and amendments to published accounting and reporting standards that are not yet effective and not early adopted by the Company

There are certain new standards and amendments that will be applicable to the Company for its annual periods beginning on or after July 1, 2024. The new standards include IFRS 18 Presentation and Disclosure in Financial Statements and IFRS 19 Subsidiaries without Public Accountability: Disclosures both with applicability date of January 1, 2027 as per IASB. These standards will become part of the Company's financial reporting framework upon adoption by the SECP. The overall amendments include those made to IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability which are applicable effective January 1, 2026. The Company's management at present is in the process of assessing the full impacts of these new standards and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.

2.3 Property, plant and equipment

2.3.1 Property, plant and equipment - Owned

These are stated at historical cost less accumulated depreciation 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 costs 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

All repairs and maintenance are charged to the statement of profit or loss during the financial period in which such costs 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 depreciated 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 disposal or retirement of property, plant and equipment are recognised in the statement of profit or loss.

2.3.1.1 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 relevant operating assets category as and when assets are available for use.

2.3.2 Intangible assets - Computer Software

Computer software licenses acquired by the Company are stated at cost less accumulated amortisation. Software's costs are only capitalised when it is probable that future economic benefits attributable to the softwares will flow to the Company and the amortisation is charged to the statement of profit or loss applying the straight line method at the rates stated in note 4.2 to these financial statements. None of the intangible assets of the Company are internally generated.

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 lower of cost and net realisable value which are determined on a moving average basis. Ageing and value of items of stores and spares are reviewed at each reporting date to record provision for any slow moving, damaged and obsolete items. Provision made for any slow moving, damaged and obsolete items is charged to statement of profit or loss. Items in transit are valued at cost comprising invoice values plus other charges incurred thereon.

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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) Amortised cost

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

- i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) 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.

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:

- i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- ii) 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 recognised at fair value plus transaction costs and are 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 recognised 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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.

2.7.1.1 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and fair value through other comprehensive income. 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 receivables while general 3-stage approach for long term loans, deposits, other receivables, bank balances, etc. i.e. to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. The Company considers a financial asset in default when contractual payments are 55 days past due for parts sold and T-Sure services provided to dealers and 145 to 190 days past due for parts and vehicles sold to government organisations and it is subsequently written off when there is no reasonable expectation of recovering the contractual cash flows. The definition is based on the Company's internal credit risk management policy.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before June 30, 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP, CPI and the unemployment rate of the countries in which it sells its goods to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

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 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 is 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. The assessment of impairment of these financial assets is described in note 2.7.1.1.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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 2.7.1.1.

2.10 Taxation - Levy and Income tax

2.10.1 Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements.

2.10.2 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.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

- 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 and any adjustment to tax payable in respect of previous years.

Current tax assets and tax liabilities are offset where the Company has the legally enforceable right to offset and intends either to settle on net basis or to realise the asset and settle the liability simultaneously.

- 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 assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at 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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

2.11 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 savings accounts, other short-term highly liquid investments with original maturities of three months or less.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

2.12 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 currencies are added to the carrying amount of the respective liabilities.

2.13 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.

2.14 Warranty obligations

The Company recognises the estimated liability, on an accrual basis, to repair or replace products at the reporting date, and recognises the estimated product warranty costs in the statement of profit or loss when the sale is recognised. A best estimate is recognised based on the amount required to be paid / settled to cover the potential warranty claims on the basis of historical experience and ongoing assessment / evaluation of the performance of the Company's products. The Company continuously carries out various assessments / stress testing of the performance of its products.

2.15 Staff retirement benefits

- Short-term obligation

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

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.

- 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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, 2024, using significant assumptions as stated in note 24 to these financial statements.

2.16 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.

Provisions are made to cover the obligations under the scheme on the basis of actuarial valuation and are charged to statement of profit or loss. The most recent valuation was carried out as at June 30, 2024, using the Project Unit Credit Method.

2.17 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.

2.18 Revenue from contracts with customers and other income

Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer, and control either transfers over time or at a point of time. An asset is transferred when (or as) the customer obtains control of that asset and thus has the ability to direct the use and obtain the benefits from the good or service.

In case of vehicles and spare parts, revenue is recognised when goods are dispatched and invoiced to the customers. Revenue is measured at the transaction price agreed under the contract, adjusted for variable consideration such as discount, if any. In most cases, the consideration is received before the goods are dispatched / invoiced. Deferred payment terms as disclosed in note 10.3 are also agreed in case of sales to certain categories of customers. Transaction price is adjusted for time value of money (where repayment terms exceed twelve months) in case of significant financing component. The Company applies practical expedient where deferred payments terms are within twelve months and does not adjust the transaction price.

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

Return on bank deposits, term deposit receipts 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.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

2.19 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.

2.20 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.

2.21 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 (CODM).

2.22 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.

2.23 Government grants

Grants are not recognized until there is a reasonable assurance that the Company will comply with the conditions attaching to them and that the grant will be received.

The benefit of a long-term finance at a below-market rate of interest is treated as a deferred grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Grants related to long-term loan finances are recognized in the statement of profit or loss on a systematic basis over the periods in which the Company recognizes as finance cost related to long-term finances at market rate of interest.

2.24 Contract asset and contract liability

A contract asset is recognised for the Company's right to consideration in exchange for goods or services that it has transferred to a customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Company presents the amount as a contract asset, excluding any amounts presented as a receivable.

A contract liability is recognised for the Company's obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional (i.e. a receivable), before the Company transfers a good or service to the customer, the entity shall present the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

2.25 Provisions

Provisions are recognised when the Company has a present, legal or constructive obligation as a result of past events and 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

2.26 Contingent liabilities

Contingent liability is disclosed when:

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

3 SIGNIFICANT ACCOUNTING JUDGEMENTS ESTIMATES AND ASSUMPTIONS

The preparation of these financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain significant accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements 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. Revision to accounting estimates are recognised in the period in which estimate is revised and in any future periods affected. 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 and method of depreciation of property, plant and equipment and intangibles (notes 2.3.1, 2.3.2 and 4)

The Company reviews the useful lives and method of depreciation 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 judgement 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 judgement and makes provision for slow moving stock-in-trade based on their future usability and recoverable value.

iv) Allowance for expected credit loss (note 2.7.1.1)

The Company reviews the recoverability of its trade debts and other receivables to assess the amount required for allowance for expected credit loss.

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 judgement.

vi) Current and deferred income taxes (notes 2.10, 7, 23 and 35)

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, 2024

vii) Warranty obligations (notes 2.14 and 21)

The Company exercises professional judgement, 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 2.15 and 24)

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 24 to these financial statements.

ix) Contingencies and commitments (note 26)

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

	Note	2024	2023
		----- (Rupees in '000) -----	
4 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS			
Property, plant and equipment	4.1	23,480,794	24,375,442
Intangible assets	4.2	66,578	122,240
		<u>23,547,372</u>	<u>24,497,682</u>
4.1 Property, plant and equipment			
Tangible operating assets	4.2	22,034,891	18,766,047
Capital work-in-progress	4.6	1,445,903	5,609,395
		<u>23,480,794</u>	<u>24,375,442</u>

4.2

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

	Tangible assets							Intangible assets		
	Factory building on leasehold land	Other buildings on leasehold land	Plant and machinery	Motor vehicles and machinery	Furniture and fixtures	Office equipment	Computers and related accessories	Tools and equipment	Jigs, moulds and related machinery	Total tangible assets
At July 1, 2023										
Cost	215,679	741,594	25,247,640	1,164,129	474,676	288,358	1,101,838	12,111,908		46,468,919
Accumulated depreciation / amortisation	(61,387)	(456,732)	(14,540,878)	(471,205)	(284,871)	(220,696)	(278,896)	(8,143,579)		(27,702,872)
Net book value	154,292	284,862	10,706,762	692,924	189,805	67,662	822,942	3,968,329		18,766,047
Year ended June 30, 2024										
Opening net book value	154,292	284,862	10,706,762	692,924	189,805	67,662	822,942	3,968,329		18,766,047
Additions	-	-	78,120	432,671	237	2,594	38,905	3,597	-	556,124
Direct	-	-	78,120	432,671	237	2,594	38,905	3,597	-	556,124
Transfers from CWIP (note - 4.7)	-	-	-	-	61,025	30,009	3,825	398,178	4,794,144	20,838
Disposals / write offs (note - 4.5)	-	-	(108,689)	(143,151)	-	(2,735)	(16,940)	(386,261)		(703,416)
Cost	-	-	106,435	70,091	-	2,717	15,800	386,137		626,820
Accumulated depreciation	-	-	(2,254)	(73,060)	-	(18)	(1,140)	(124)		(76,596)
Depreciation / amortisation charge for the year (note - 4.4)	(9,190)	(393,285)	(2,578,692)	(226,174)	(67,890)	(33,092)	(42,063)	(113,308)	(2,303,848)	(5,837,675)
Closing net book value	145,102	284,862	10,598,070	692,924	189,805	67,662	822,942	3,968,329		18,766,047
At June 30, 2024										
Cost	215,679	741,594	25,247,640	1,164,129	474,676	288,358	1,101,838	12,111,908		46,468,919
Accumulated depreciation / amortisation	(70,577)	(456,732)	(14,540,878)	(471,205)	(284,871)	(220,696)	(278,896)	(8,143,579)		(27,702,872)
Net book value	145,102	284,862	10,706,762	692,924	189,805	67,662	822,942	3,968,329		18,766,047
Depreciation / amortisation rate (% per annum)	2.38%-9.23%	10%	5%	10%-20%	20%	20%	33.33%	20%	20%-25%	33.33%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Tangible assets							Intangible assets		
	Factory building on leasehold land	Other buildings on leasehold land	Plant and machinery	Motor vehicles and machinery	Furniture and fixtures	Office equipment	Computers and related accessories	Tools and equipment	Jigs, moulds and related machinery	Total tangible assets
At July 1, 2023										
Cost	215,679	741,594	25,247,640	1,164,129	474,676	288,358	1,101,838	12,111,908		46,468,919
Accumulated depreciation / amortisation	(61,387)	(456,732)	(14,540,878)	(471,205)	(284,871)	(220,696)	(278,896)	(8,143,579)		(27,702,872)
Net book value	154,292	284,862	10,706,762	692,924	189,805	67,662	822,942	3,968,329		18,766,047
Year ended June 30, 2023										
Opening net book value	154,292	284,862	10,706,762	692,924	189,805	67,662	822,942	3,968,329		18,766,047
Additions	-	-	81,056	300,452	391	8,614	23,538	3,309	-	417,360
Direct	-	-	81,056	300,452	391	8,614	23,538	3,309	-	417,360
Transfers from CWIP (note - 4.7)	-	-	5,914,154	-	51,263	20,538	2,697	70,994	2,487,637	9,528,458
Disposals / write offs (note - 4.5)	-	-	(45,687)	(101,216)	(264)	(1,877)	(67,577)	(5,310)		(221,931)
Cost	-	-	45,687	30,202	264	1,784	66,613	5,310		149,860
Accumulated depreciation	-	-	(71,014)	-	(93)	-	(964)	-		(72,071)
Depreciation / amortisation charge for the year (note - 4.4)	(9,190)	(393,285)	(1,636,789)	(198,635)	(52,812)	(32,418)	(41,951)	(75,045)	(1,259,267)	(3,693,835)
Closing net book value	154,292	284,862	10,706,762	692,924	189,805	67,662	822,942	3,968,329		18,766,047
At June 30, 2023										
Cost	215,679	741,594	25,247,640	1,164,129	474,676	288,358	1,101,838	12,111,908		46,468,919
Accumulated depreciation / amortisation	(61,387)	(456,732)	(14,540,878)	(471,205)	(284,871)	(220,696)	(278,896)	(8,143,579)		(27,702,872)
Net book value	154,292	284,862	10,706,762	692,924	189,805	67,662	822,942	3,968,329		18,766,047
Depreciation / amortisation rate (% per annum)	2.38%-9.23%	10%	5%	10%-20%	20%	20%	33.33%	20%	20%-25%	33.33%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

4.3 Leasehold land, on which the factory building, plant and warehouse are situated, is spread across an area of 109.5 acres. It is located at Plot No. NWZ/1/P-1, W2/1/1-3 & W2/9, Port Qasim Industrial Estate, Bin Qasim, Karachi.

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

	Note	2024	2023
		----- (Rupees in '000) -----	
Cost of sales	28	5,608,278	3,480,151
Distribution expenses	29	124,753	104,203
Administrative expenses	30	104,644	109,481
		<u>5,837,675</u>	<u>3,693,835</u>

The amortisation for the year has been charged to administrative expenses (note 30).

4.5 Particulars of tangible operating assets having aggregate net book value exceeding Rs 5,000,000 and individually a net book value of Rs 500,000 or more 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	Relationship
----- (Rupees in '000) -----								
Motor vehicles								
	2,775	(1,573)	1,202	1,954	752	Employee Scheme	Mr. Noman Kazim	Executive
	2,775	(1,295)	1,480	2,146	666	---- do ----	Mr. Syed Fahad Bukhari	Executive
	3,005	(1,402)	1,603	2,376	773	---- do ----	Mr. Owais Badar	Executive
	3,005	(1,452)	1,553	2,354	801	---- do ----	Mr. Syed Muhammad Asad Abbas	Executive
	3,005	(1,402)	1,603	2,376	773	---- do ----	Mr. Nofil Khalid	Executive
	2,905	(1,162)	1,743	2,386	643	---- do ----	Mr. Muhammad Shoaib	Executive
	3,182	(1,220)	1,962	2,283	321	---- do ----	Mr. Raza Hassan Zaidi	Executive
	3,182	(1,326)	1,856	1,909	53	---- do ----	Mr. Abbas Ali	Ex-Executive
	4,271	(1,139)	3,132	4,271	1,139	---- do ----	Mr. Jibril Ilyas	Ex-Executive
	4,003	(667)	3,336	4,003	667	---- do ----	Mr. Hissan Bin Afzal	Ex-Executive
	5,012	(251)	4,761	5,012	251	---- do ----	Ms. Ayesha Shekhani	Ex-Executive
	2,695	(1,213)	1,482	2,089	607	---- do ----	Mr. Danish Abbas	Executive
	4,271	(1,139)	3,132	4,207	1,075	---- do ----	Mr. Shubhankar batheja	Ex-Executive
	5,535	(369)	5,166	5,372	206	---- do ----	Mr. Umer Farooq	Ex-Executive
	3,375	(1,969)	1,406	2,391	985	---- do ----	Mr. Azam Khan	Executive
	3,985	(1,860)	2,125	3,055	930	---- do ----	Mr. Ibrar Khan	Executive
	2,775	(1,295)	1,480	2,416	936	---- do ----	Mr. Yaseen Arif	Ex-Executive
	3,005	(1,753)	1,252	2,219	967	---- do ----	Mr. Zaid Imad	Executive
	3,005	(1,452)	1,553	2,354	801	---- do ----	Mr. Syed Salman Ahsan	Executive
	3,005	(1,302)	1,703	2,376	673	---- do ----	Mr. Muhammad Yusuf	Executive
	2,905	(1,356)	1,549	2,559	1,010	---- do ----	Mr. Muzammil Hussain	Ex-Executive
	2,595	(1,168)	1,427	2,314	887	---- do ----	Mr. Ghayas Khan	Ex-Executive
	3,666	(855)	2,811	3,639	828	---- do ----	Mr. Bharat Kumar	Ex-Executive
	3,781	(1,260)	2,521	3,591	1,070	---- do ----	Mr. Waqas Ali	Ex-Executive
	5,761	(1,152)	4,609	4,991	382	---- do ----	Mr. Yasir Sarwar	Ex-Executive
	9,269	(3,862)	5,407	14,319	8,912	Auction	Habib Metropolitan Bank	Third Party
	4,271	(1,281)	2,990	4,271	1,281	---- do ----	---- do ----	Third Party
	5,969	(796)	5,173	4,959	(214)	---- do ----	---- do ----	Third Party
	4,271	(1,139)	3,132	3,240	108	---- do ----	---- do ----	Third Party
Others								
Items having net book value of less than Rs 500,000	592,157	(588,710)	3,447	83,746	80,299	Various	Various	Various
2024	<u>703,416</u>	<u>(626,820)</u>	<u>76,596</u>	<u>185,178</u>	<u>108,582</u>			
2023	<u>309,529</u>	<u>(237,458)</u>	<u>72,071</u>	<u>94,323</u>	<u>22,252</u>			

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
4.6 Capital work-in-progress			
Civil works		1,079,674	1,653,234
Plant, machinery, jigs, moulds and related machinery		234,453	3,843,104
Computer and related accessories		131,776	113,057
		<u>1,445,903</u>	<u>5,609,395</u>
4.7 Movement in capital work-in-progress			
Opening balance		5,609,395	2,454,355
Additions during the year		4,484,337	12,683,498
Transferred to tangible operating assets and intangible assets	4.2	<u>(8,647,829)</u>	<u>(9,528,458)</u>
Closing balance		<u>1,445,903</u>	<u>5,609,395</u>

5 LONG-TERM LOANS AND ADVANCES

Considered good

Loans to employees - secured			
- Executives	5.1	77,817	82,484
- Employees	5.1	45,389	43,746
		<u>123,206</u>	<u>126,230</u>

Less: Recoverable within one year; shown under current assets

Loans due from - secured			
- Executives	11	16,453	29,690
- Employees	11	21,291	20,080
		<u>37,744</u>	<u>49,770</u>
		<u>85,462</u>	<u>76,460</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. These loans are repayable over a period of 12 to 60 months. House building loans to employees carry interest at the rate of 3.50% (2023: 3.50%) per annum. Management and non-management employees are entitled to personal loans which carry no interest as per the approved loan policy.

6 LONG-TERM DEPOSITS

	2024	2023
	----- (Rupees in '000) -----	
Deposits		
- Utilities	7,450	7,450
- Others	2,570	2,570
	<u>10,020</u>	<u>10,020</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
7 DEFERRED TAXATION - net			
Deferred tax liability arising on taxable temporary differences:			
- Due to accelerated tax depreciation		(607,950)	(806,536)
- In respect of unrealised gain on listed mutual fund units and Market T-Bills		(251,162)	(3,075)
Deferred tax asset arising on deductible temporary differences:			
- In respect of provisions for slow moving stock-in-trade, stores and spares and warranty obligation		2,640,476	412,389
- Others		975,634	85,919
Deferred tax asset / (liability) - net		<u>2,756,998</u>	<u>(311,303)</u>
7.1			
The deferred tax amounts shown in the table above are available for deduction as and when they are realised, subject to having sufficient taxable profits. The Company has carried out an assessment of recoverability by estimating future taxable profits of the Company and the expected rate applicable to those profits and determined that the amounts are currently recoverable. However, the estimation of future taxable profits is sensitive to certain key assumptions such as sales volume, contribution margins, fixed overheads, inflation and exchange rates etc which have been considered in that determination.			
8 STORES AND SPARES			
Stores		531,374	570,317
Spares		1,242,918	867,812
		<u>1,774,292</u>	<u>1,438,129</u>
Less: Provision for slow moving stores and spares	8.1	<u>1,018,683</u>	<u>794,881</u>
		<u>755,609</u>	<u>643,248</u>
8.1 Provision for slow moving stores and spares			
Opening balance		794,881	712,570
Charge for the year	28	223,802	82,311
Closing balance		<u>1,018,683</u>	<u>794,881</u>
9 STOCK-IN-TRADE			
In hand			
Manufacturing stock			
Raw material and components		9,534,801	9,681,019
Less: Provision for slow moving stock-in-trade	9.4	<u>590,881</u>	<u>201,095</u>
	9.1	<u>8,943,920</u>	<u>9,479,924</u>
Work-in-process		1,503,973	1,140,165
Finished goods (vehicles – own manufactured)	9.2	2,554,755	9,528,826
Less: Provision for slow moving stock-in-trade	9.4	<u>57,812</u>	<u>9,291</u>
		<u>2,496,943</u>	<u>9,519,535</u>
Trading stock			
Vehicles		11,836	704,292
Less: Provision for slow moving stock-in-trade	9.4	<u>-</u>	<u>70,886</u>
		<u>11,836</u>	<u>633,406</u>
Spare parts	9.3	1,549,989	1,057,292
Special service tools and publications		16,146	4,167
Less: Provision for slow moving stock-in-trade	9.4	<u>389,967</u>	<u>173,984</u>
		<u>1,176,168</u>	<u>887,475</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
In transit			
Raw material - manufacturing stock		7,971,625	6,790,571
Trading stock		721,183	282,314
		<u>8,692,808</u>	<u>7,072,885</u>
		<u>22,825,648</u>	<u>28,733,390</u>
9.1			
This represents the net amount of raw material and components after recording write offs amounting to Rs 8.457 million (2023: Rs 21.440 million).			
9.2			
These include vehicles amounting to Rs 414.288 million (2023: Rs 2,010.458 million) held with the Company's authorised dealers.			
9.3			
This includes an amount of Rs 1.723 million (2023: Rs 15.436 million) representing stock-in-trade of motor oil.			
	Note	2024	2023
		----- (Rupees in '000) -----	
9.4 Provision for slow moving stock-in-trade			
Opening balance		455,256	244,239
Charge for the year - net	28	583,404	211,017
Closing balance		<u>1,038,660</u>	<u>455,256</u>
10 TRADE DEBTS - Unsecured			
Considered good			
- Government organisations		13,390	463,453
- Dealers - Installment sales	10.3	5,616,479	-
- Others		363,269	422,611
		<u>5,993,138</u>	<u>886,064</u>
Considered doubtful			
		23,288	22,478
		6,016,426	908,542
Less: Allowance for expected credit losses	10.2	<u>(23,288)</u>	<u>(22,478)</u>
		<u>5,993,138</u>	<u>886,064</u>
10.1			
These balances relate to various customers, primarily authorised dealers of the Company and government organisations, for whom there is no recent history of default. The ageing analysis of these trade debts is as follows:			
	Note	2024	2023
		----- (Rupees in '000) -----	
Not yet due		5,616,479	886,064
Upto 1 month		278,328	18
1 to 6 months		84,942	-
More than 6 months		36,677	22,460
		<u>6,016,426</u>	<u>908,542</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
10.2 Movement of allowance for expected credit loss			
Opening balance		22,478	579
Charge for the year	31	810	47,020
Less: Write-off during the year		-	25,121
Closing balance		<u>23,288</u>	<u>22,478</u>

10.3 This represents amount receivable from authorised dealers under installment credit sales of motor vehicles which are repayable over a period of 6 to 12 months with monthly equal deductions. No markup is charged on these installment sales.

	Note	2024	2023
		----- (Rupees in '000) -----	
11 LOANS AND ADVANCES			
Current portion of long-term loans and advances considered good			
Loans due from - secured			
- Executives	5	16,453	29,690
- Employees	5	21,291	20,080
		<u>37,744</u>	<u>49,770</u>
Advances - considered good			
- Suppliers and contractors - unsecured		516,153	223,198
- Suppliers - secured	11.1	-	1,684,734
- Employees - unsecured		15,886	11,181
- Collector of Customs - secured	11.2	89,678	700,595
- Margins held with banks against imports - secured	11.3	2,317,219	12,298,648
		<u>2,938,936</u>	<u>14,918,356</u>
		<u>2,976,680</u>	<u>14,968,126</u>

11.1 This represents advances paid to the Collector of Customs in respect of the imports of stock-in-trade. The entire amount of Rs 89,678 million (2023: Rs 700,595 million) was subsequently adjusted in respect of imported goods received.

11.2 This represents cash held with various banks against letters of credit for import of items of stock-in-trade. An amount of Rs 1,974.407 million (2023: Rs 7,766.354 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 1,719.968 million (2023: Rs 11,899.070 million) held with Habib Metropolitan Bank Limited - a related party, at the end of the year.

	Note	2024	2023
		----- (Rupees in '000) -----	
12 SHORT-TERM PREPAYMENTS			
Rent		2,314	2,341
Insurance	12.1	24,124	26,362
Others		64,526	35,807
		<u>90,964</u>	<u>64,510</u>

12.1 This includes an amount of Rs 8.124 million (2023: Rs 6.082 million) paid to Habib Insurance Company Limited - a related party.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		----- (Rupees in '000) -----	
13 ACCRUED RETURN			
Accrued return on Pakistan Investment Bonds, Term Deposit Receipts and bank deposits	13.1	-	285,108

13.1 This includes an amount of Rs Nil (2023: Rs 0.440 million) receivable from Habib Metropolitan Bank Limited - a related party.

	Note	2024	2023
		----- (Rupees in '000) -----	
14 OTHER RECEIVABLES			
Considered good			
Warranty claims and other receivables due from a related party - Toyota Tsusho Corporation	14.1	266,596	195,713
Agency commission - receivable from a related party - Toyota Tsusho Asia Pacific PTE. Limited	14.2	2,395	30,610
Warranty claims due from local vendors		-	25,456
Earnest money		19,000	20,200
Insurance claims receivable	14.3	11,329	55,639
Workers' Profit Participation Fund	14.4	2,626,470	1,778,973
Receivable against sale of operating fixed assets		18,053	18,464
Receivable from Pension Fund - Defined Benefit Scheme	24.2	-	4,609
Dividend receivable from mutual funds		43,004	-
Others		9,668	59,279
		<u>2,996,515</u>	<u>2,188,943</u>

14.1 The maximum aggregate amount due at the end of any month during the year was Rs 300.106 million (2023: Rs 198.944 million). These balances are neither past due nor impaired.

14.2 The maximum aggregate amount due at the end of any month during the year was Rs 36.842 million (2023: Rs 130.481 million). These balances are neither past due nor impaired.

14.3 This includes an amount of Rs 11.198 million (2023: Rs 55.595 million) receivable from Habib Insurance Company Limited - a related party. The maximum aggregate amount due at the end of any month during the year was Rs 87.421 million (2023: Rs 145.062 million).

	Note	2024	2023
		----- (Rupees in '000) -----	
14.4 Workers' Profit Participation Fund			
Opening balance		1,778,973	1,266,319
Allocation for the year	32	(698,750)	(337,346)
		<u>1,080,223</u>	<u>928,973</u>
Amount paid during the year		1,546,247	850,000
Closing balance		<u>2,626,470</u>	<u>1,778,973</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ------(Rupees in '000)-----	2023
15 SHORT-TERM INVESTMENTS			
At amortised cost			
Government securities - Pakistan Investment Bonds (PIBs)		-	7,794,310
At fair value through profit or loss			
Government securities - Market Treasury Bills (T-Bills)	15.1	28,699,289	18,801,975
Listed Mutual Fund Units	15.2	47,841,546	17,551,904
		76,540,835	36,353,879
		<u>76,540,835</u>	<u>44,148,189</u>
15.1	These securities have varying maturities ranging from July 11, 2024 to June 12, 2025. The yield on these securities ranges between 18.85% to 21.66% (2023: 21.95% to 21.99%) per annum.		
15.2	Investment in Listed Mutual Fund Units - Fair value through profit or loss		
Name of the investee		Number of units as at June 30, 2024	Fair value as at June 30, 2024 (Rupees in '000)
ABL Cash Fund		195,564,981	2,002,370
ABL Islamic Cash Fund		323,309,372	3,233,097
AL Habib Cash Fund		19,749,275	2,010,208
AL Habib Money Market Fund		10,769,982	1,076,998
Al Meezan Rozana Amdani Fund		104,634,498	5,231,726
Alfalah Islamic Rozana Amdani Fund		42,268,331	4,226,833
Alflah GHP Money Market Fund		30,869	3,051
Alhamra Islamic Money Market Fund		27,133,116	2,700,016
Atlas Islamic Money Fund		995,723	501,140
Atlas Money Market Fund		2,944,677	1,503,521
Faysal Financial Sector Opportunity Fund		15,161,086	1,575,388
Faysal Islamic Cash Fund		10,965,274	1,096,527
HBL Cash Fund		9,710,812	1,000,000
HBL Islamic Money Market Fund		36,997,682	3,743,218
Lakson Money Market Fund		29,153,957	2,996,665
MCB Pakistan Cash Management Fund		52,045,345	2,626,614
NBP Financial Sector Fund		282,528,599	3,010,568
NBP Islamic Daily Dividend Fund		215,544,980	2,155,450
NBP Money Market Fund		39,259	392
NIT Money Market Fund		206,152,616	2,004,381
UBL AL Ameen Islamic Cash Fund		21,381,436	2,140,094
UBL Liquidity Plus Fund		29,630,508	3,003,289
2024		<u>1,636,712,378</u>	<u>47,841,546</u>
2023		<u>673,584,598</u>	<u>17,551,904</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ------(Rupees in '000)-----	2023
16 CASH AND BANK BALANCES			
Cash in hand		18,964	9,739
Balances held with banks in local currency:			
- current accounts	16.2	1,740	1,012
- savings accounts	16.1	7,219,706	6,251,820
		<u>7,221,446</u>	<u>6,252,832</u>
		<u>7,240,410</u>	<u>6,262,571</u>
16.1	This includes an amount of Rs 2,810.857 million (2023: Rs 2,564.664 million), held with Habib Metropolitan Bank Limited - a related party.		
16.2	These carry profit at rates ranging from 11.01% to 20.5% (2023: 10% to 20.5%) per annum.		
17 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
		2024 (Number of shares)	2023 (Number of shares)
		<u>78,600,000</u>	<u>78,600,000</u>
		Ordinary shares of Rs 10 each fully paid in cash	786,000 786,000
17.1	Ordinary shares of the Company held by related parties as at the year end are as follows:		
		Percentage of shareholding (%)	2024 -----(Number of shares)----
			2023
17.2	All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.		
18 RESERVES			
Capital reserve			
- Share premium	18.1	196,500	196,500
Revenue reserves			
General reserve			
- Balance brought forward		51,951,050	43,951,050
- Transferred from unappropriated profit		4,000,000	8,000,000
		<u>55,951,050</u>	<u>51,951,050</u>
Unappropriated profit		10,292,893	7,136,362
		<u>66,440,443</u>	<u>59,283,912</u>
18.1	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, 2024

	Note	2024	2023
------(Rupees in '000)-----			
19 LONG-TERM LOAN			
Loan under financing scheme:			
- Refinance scheme for renewable energy	19.1	239,895	279,878
Less: Current Portion			
- Refinance scheme for renewable energy		(39,983)	(39,983)
		<u>199,912</u>	<u>239,895</u>

19.1 This represents loan obtained under the SBP financing scheme for investment in Plant and Machinery for renewable energy projects. During the year, the Company repaid an amount of Rs 39.983 million. 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 (note 4) against which the facility is available. The loan is repayable on a quarterly basis in 40 equal installments and the first repayment was made on September 12, 2020.

	Note	2024	2023
------(Rupees in '000)-----			
19.2 Following is the movement in long term financing:			
Opening balance		279,878	605,856
Repayments		(39,983)	(325,978)
Closing balance		<u>239,895</u>	<u>279,878</u>

20 TRADE AND OTHER PAYABLES

Trade creditors			
- Associated undertakings / related parties		1,614,778	2,947,607
- Others		9,687,814	8,213,161
Bills payable to related parties	20.1	5,509,994	5,716,819
Accrued liabilities	20.2 & 20.3	13,458,901	10,378,589
Royalty payable to associated undertakings / related parties		768,004	3,782,369
Deposits from dealers	20.4	336,050	404,550
Deposits from vendors		37,911	53,211
Custom duty payable	20.5	887,747	953,756
Retention money		125,263	103,254
Workers' Welfare Fund		716,150	571,830
Technical fee		-	20,490
Payable to dealers		2,654,788	2,526,739
Payable to customers		183,414	235,744
Compensation on advances received from customers	20.6	68,200	1,921,654
Payable to Pension Fund - Defined Benefit Scheme	24.2	8,560	-
Interest payable on long-term loan		2,632	961
Sales tax - net		1,636,374	1,429,181
Withholding income tax payable		744,306	318,023
FED payable on vehicle sales		1,419,647	562,300
Other government levies payable		2,413,430	893,366
		<u>42,273,963</u>	<u>41,033,604</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
------(Rupees in '000)-----			
20.1	This represents amounts payable to the following related parties:		
	Toyota Tsusho Asia Pacific PTE. Limited	5,499,905	5,704,204
	Toyota Motor Asia Pacific PTE. Limited	22	662
	Toyota Tsusho Corporation	-	10,315
	Toyota Tsusho (Thailand) Co. Ltd	10,067	1,638
		<u>5,509,994</u>	<u>5,716,819</u>

20.2 These include an amount of Rs 303.720 million (2023: Rs 281.019 million) payable to the related parties.

20.3 These include accruals in respect of Sindh Infrastructure Development Cess, Gas Infrastructure Development Cess, maintenance charges and other expenses.

20.4 These represent interest free deposits received from authorised 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.

20.5 This represents accrual of additional custom duty on imports of prior periods.

20.6 This represents compensation payable to customers on advances received from them in respect of manufactured vehicles on delayed delivery over two months, subject to certain conditions.

	Note	2024	2023
------(Rupees in '000)-----			
21 WARRANTY OBLIGATIONS			
Warranty obligations	21.1 & 21.2	<u>5,379,972</u>	<u>2,189,635</u>
21.1 Movement of warranty obligations			
Opening balance		2,189,635	1,984,306
Charge for the year	29	3,330,516	336,857
		<u>5,520,151</u>	<u>2,321,163</u>
Utilisation during the year		(140,179)	(131,528)
Closing balance		<u>5,379,972</u>	<u>2,189,635</u>

21.2 This represents the Company's best estimate of the amount required to be paid / settled to cover the potential warranty claims based on historical experience and impacts of potential recalls arising as a result of inspections carried out by the Company and Toyota Motor Corporation (TMC) as envisaged under the technical assistance agreement.

While determining the amount of provision, the Company also takes into account the situations where there is uncertainty about whether the present obligation exists or not however, taking into account all available evidence it is more likely than not that a present obligation exists at the reporting date.

The Company is committed to maintaining high standards of product quality and customer satisfaction and takes this into account while assessing potential warranty claims and impacts of any recalls. Moreover, as part of ongoing customer quality commitments and safety standards, the Company continuously carries out various assessments / durability testing of the performance of its products and recognises provisions accordingly.

22 ADVANCES FROM CUSTOMERS AND DEALERS - unsecured

These represent advances received by the Company from customers and dealers in respect of sale of vehicles & parts recorded inclusive of sales tax, other duties and withholding tax. Out of the opening advances amounting to Rs 9,736 million as at June 30, 2023, an amount of Rs 9,514 million has been recognised as revenue during the current year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

23 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, 2023 (i.e. TY 2023).

24 DEFINED BENEFIT PLAN - Approved Pension Fund

As mentioned in note 2.15, 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 Method, was carried out as at June 30, 2024. 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.

24.1 Principal actuarial assumptions	Note	2024	2023
		-----(% per annum)-----	
Discount factor used		14.75	16.25
Expected rate of salary increase		13.75	15.25
Expected rate of return on plan assets		14.75	16.25
Expected rate of increase in long-term pension		5.25	6.75

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

	Note	2024	2023
Present value of defined benefit obligation	24.4	11,265	10,364
Fair value of plan assets	24.3 & 24.4	(2,705)	(14,973)
	20	<u>8,560</u>	<u>(4,609)</u>

24.3 Plan assets consist of the following:

	2024		2023	
	Quoted	Non-Quoted	Quoted	Non-Quoted
	-----Rupees '000-----			
Balances with banks	-	157	-	1,860
Equity instruments	697	-	3,093	-
Debt instruments - Government	-	1,859	-	10,260
Others	-	(8)	-	(240)
	<u>697</u>	<u>2,008</u>	<u>3,093</u>	<u>11,880</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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

	2024		
	Present value of defined benefit obligation	Fair value of plan assets	Total
	------(Rupees in '000)-----		
At July 1	10,364	(14,973)	(4,609)
Current service cost	215	-	215
Interest expense / (income)	1,680	(2,374)	(694)
	<u>12,259</u>	<u>(17,347)</u>	<u>(5,088)</u>
Remeasurements:			
- Loss on plan assets, excluding amounts included in interest expense	-	1,876	1,876
- Gain from change in financial assumptions	(442)	-	(442)
	<u>(442)</u>	<u>1,876</u>	<u>1,434</u>
	<u>11,817</u>	<u>(15,471)</u>	<u>(3,654)</u>
Net refund	-	12,214	12,214
Benefit payments	(552)	552	-
At June 30	<u>11,265</u>	<u>(2,705)</u>	<u>8,560</u>

	2023		
	Present value of defined benefit obligation	Fair value of plan assets	Total
	------(Rupees in '000)-----		
At July 1	27,628	(13,130)	14,498
Current service cost	1,305	-	1,305
Interest expense / (income)	3,867	(1,983)	1,884
	<u>32,800</u>	<u>(15,113)</u>	<u>17,687</u>
Remeasurements:			
- Gain on plan assets, excluding amounts included in interest expense	-	(964)	(964)
- Gain from change in financial assumptions	(21,884)	-	(21,884)
	<u>(21,884)</u>	<u>(964)</u>	<u>(22,848)</u>
	<u>10,916</u>	<u>(16,077)</u>	<u>(5,161)</u>
Contribution	-	552	552
Benefit payments	(552)	552	-
At June 30	<u>10,364</u>	<u>(14,973)</u>	<u>(4,609)</u>

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

	2024	2023
	------(Rupees in '000)-----	
Current service cost	215	1,305
Net interest (income) / expense	(694)	1,884
	<u>(479)</u>	<u>3,189</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

24.6 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%	10,277	12,387
Long term salary increases	1%	10,525	10,991
Pension increase rate	1%	12,129	10,477

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.

24.7 The weighted average duration of the net defined benefit obligation is 8.78 years (2023: 9 years).

24.8 Expected maturity analysis of undiscounted net defined benefit obligation for the pension fund as at June 30, 2024 is as follows:

At June 30, 2024	Less than a year	Between 1-2 years	Between 2-4 years	Over 4 years	Total
	----- Rupees '000 -----				
Pension	584	613	1911	11573	14681

24.9 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.

24.10 The expected charge for the defined benefit plan for the year ending June 30, 2025 is Rs 1.480 million.

24.11 The investments out of the contributory pension funds have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

24.12 The above notes have been taken from the actuarial report as at June 30, 2024.

25 SHORT-TERM RUNNING FINANCES

As at June 30, 2024, the Company has unutilised short-term running finance facilities under mark-up arrangements aggregating to Rs 5,300 million (2023: Rs 5,300 million) available from various commercial banks carrying mark-up rates based on 1 month KIBOR as benchmark rate plus 25 - 75 basis points (2023: 1 month KIBOR plus 25 - 75 basis points). The above facilities include an amount of Rs 300 million (2023: 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, 2024 amounting to Rs 93,475 million (2023: Rs 89,475 million) from various commercial banks, including Rs 25,000 million (2023: Rs 25,000 million) available from Habib Metropolitan Bank Limited - a related party. The unutilised balance as at June 30, 2024 is Rs 41,172 million (2023: Rs 47,021 million).

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

26 CONTINGENCIES AND COMMITMENTS

Contingencies

26.1 The Company received a consolidated demand notice dated February 2, 2006 from the Collector of Customs (Appraisalment), for recovery of Rs 370.373 million in aggregate on account of customs duty amounting to Rs 235.775 million and sales tax amounting to Rs 134.598 million for non-inclusion of royalty payment to Toyota Motor Corporation on the import value of CKD kits imported from 1997 to 2005. 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. An Order was passed against the Company on September 2, 2006 against which appeal was preferred before the Customs, Excise and Sales Tax Appellate Tribunal (the Appellate Tribunal), bearing Customs Appeal No. K-512/06, which was decided, vide Order dated April 9, 2008 in the Company's favour and accordingly, the demand to the extent of Rs 370.373 million was reversed. A Special Customs Reference Application No. 243 of 2008 was instituted by the Custom Authorities on July 7, 2008 before the High Court of Sindh against the decision of the Appellate Tribunal.

During the year ended 2007, the Company received show cause notice dated January 10, 2007 by the Collector of Customs (Appraisalment), on similar lines to the above notice, for the period from April 2005 to July 2006, and for short recovery of Rs 54.348 million (Rs 34.429 million as custom duty and Rs 19.919 million as sales tax). An Order-in-Original dated May 2, 2007 was passed against the Company with the addition of penalty of Rs 150,000. The Company preferred an appeal on July 7, 2007 before the Collector of Customs, Sales Tax and Federal Excise (Appeals-I) bearing Customs Appeal No. 535 of 2007 which is pending as at the year end.

A demand cum show cause notice dated February 17, 2007 was issued to the Company alleging that the Company owes custom duty and sales tax amounting to Rs 55.598 million on imports of CKD kits as part of its automobile business. An Order-in-original dated May 30, 2007 was passed against the Company against which an appeal bearing Customs Appeal No. K-299/2007 dated June 29, 2007 is pending before the Customs Appellate Tribunal.

During the year ended 2018, the Company received two show cause notices dated February 9, 2018 from the Collector of Customs (Adjudication-I), for the period from July 2013 to June 2017, in respect of MCC PMBQ and MCC Appraisalment (West), alleging short recovery of duties and taxes of Rs 1,947.194 million and Rs 2,232.149 million respectively. The Company challenged these show cause notices in the High Court of Sindh vide Const. Petitions No. 1372/2018 and 1410/2018 dated February 20, 2018. The Court was pleased to restrain the Customs department from passing any final order against the Company vide Orders dated February 20, 2018 and February 21, 2018 respectively.

During year ended 2020, the Company received a show cause notice dated March 2, 2020 from the Collector of Customs (Adjudication - II) MCC Appraisalment (East), in respect of the same aforementioned period 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 Toyota Motor Corporation. The Company challenged the show cause notice in the High Court of Sindh vide Const. Petition No. 1665/2020 and the Court was again pleased to restrain the Customs Department from passing any final order against the Company vide Order dated March 9, 2020.

During the year ended 2021, the Company received a show cause notice dated May 19, 2021, from the Collector of Customs East claiming short recovery of Rs 1,313.696 million (custom duty of Rs 456.307 million, additional custom duty Rs 30.420 million, sales tax of Rs 599.892 million and income tax of Rs 227.077 million) on royalty payment to the Toyota Motor Corporation for the period from July 2017 to June 2020. The Company challenged the show cause notice before the High Court of Sindh vide Const. Petition No. D-3593/2021. The Court was pleased to restrain the Customs Department from passing any final order against the Company vide Order dated June 8, 2021.

During the year ended 2022, the Company received two show cause notices from Collector of Customs MCC Appraisalment (West) and MCC PMBQ dated July 26, 2021 claiming short recovery of Rs 374.986 million (customs duty of Rs 126.630 million, additional custom duty of Rs 16.884 million, sales tax of Rs 167.912 million and income tax of Rs 63.560 million) and Rs 1,506.412 million (customs duty of Rs 508.706 million, additional customs duty of Rs 67.827 million, sales tax of Rs 674.544 million and income tax of Rs 255.335 million) on royalty payment to Toyota Motor Corporation for the period from July 2017 to June 2020 and July 2017 to June 2021 respectively. The Company filed two Constitutional Petitions, bearing No. 4807/2021 and 4808/2021 respectively, wherein the High Court of Sindh, vide Interim Order dated August 9, 2021 was pleased to suspend the two show cause notices.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The aforementioned notices 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 the year, the Honourable High Court of Sindh decided the cases in favour of the Company in aforementioned petitions and the department has filed an appeal before the Supreme Court of Pakistan. Subsequent to the year end on August 22, 2024, the Supreme Court of Pakistan has upheld the decision of Sindh High Court and accordingly the appeal has been dismissed in favour of the company.

In respect of pending appeals at various appellate forums, a similar favourable decision is expected based on recent Supreme Court of Pakistan Judgement 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.

26.2 During the year ended 2017, the Company received an Assessment Order dated May 24, 2017 from the Punjab Revenue Authority (PRA), claiming that the Company was required to pay sales tax on franchise services provided in the province of Punjab for the period from April 2013 to December 2016, as per the Second Schedule of the Punjab Sales Tax on Services Act, 2012. During the year ended 2021, Commissioner Appeals, PRA set aside the said Assessment Order vide its Order dated November 9, 2020 as sufficient opportunity of hearing was not provided by the assessing officer. Further, the Company received show cause notice dated June 16, 2021 for the aforementioned period requiring to pay Punjab Sales Tax amounting to Rs 387.689 million. During the year ended 2022, the Company obtained stay order from Lahore High Court against the aforementioned show cause notice and expects a favourable outcome. Hence, no provision has been made in these financial statements.

26.3 During year ended 2020, the Company received show cause notice dated February 13, 2020 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 of Rs 1,027.961 million and Workers Welfare Fund of Rs 330.495 million for the tax year 2019. The tax credit on the said deductible allowances disallowed in the aforesaid show cause notice aggregates to Rs 393.952 million. The Company has filed a petition against the same before the High Court of Sindh, 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.

During the year ended 2021, the Company received show cause notice dated February 19, 2021 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 Welfare Fund of Rs 109.992 million for the tax year 2020. The Company has filed a petition against the same before the High Court of Sindh, 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.

During the year ended 2022, the Company received show cause notice dated May 21, 2022 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 of Rs 368.778 million and Workers Welfare Fund of Rs 300.394 million for the tax year 2021. The Company has filed a petition against the same before the High Court of Sindh, 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.

26.4 During the year ended 2022, the Company received a show cause notice dated February 23, 2022 under section 161/205 of the Income Tax Ordinance, 2001 from Deputy Commissioner IR - Federal Board of Revenue, challenging the non-collection of advance tax under section 231B of the Ordinance involving amount of tax of Rs 634.100 million for the period July 2021 to December 2021 against 2,966 units of Hilux vehicles sold other than for private use. The Company challenged the show cause notice in the High Court of Sindh and obtained stay order against the said show cause notice, while the petition is pending for hearing. The Company has, on a prudent basis, recognised a provision in respect of the aforementioned notice.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

26.5 As at June 30, 2024, the claims not acknowledged as debts by the Company, other than those separately disclosed above, amounts to Rs 3,421.498 million (2023: Rs 3,081.169 million).

	Note	2024	2023
----- (Rupees in '000) -----			
Cases filed by government authorities		889,422	733,483
Others		<u>2,532,076</u>	<u>2,347,686</u>
	26.5.1	<u>3,421,498</u>	<u>3,081,169</u>

26.5.1 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 and / or disposed off 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 of the Company. Hence, no provision has been recorded in respect of these cases in these financial statements.

	Note	2024	2023
----- (Rupees in '000) -----			
Outstanding bank guarantees		<u>26,024,273</u>	<u>21,982,926</u>

Outstanding bank guarantees include an amount of Rs 9,824.835 million (2023: Rs 8,261.406 million) in respect of bank guarantees from Habib Metropolitan Bank Limited - a related party.

26.7 Commitments

26.7.1 Commitments in respect of capital expenditure as at June 30, 2024 amounted to Rs 649.099 million (2023: Rs 2,384.215 million).

26.7.2 Commitments in respect of letters of credit, other than for capital expenditure, amounted to Rs 26,278.435 million (2023: Rs 20,900.590 million). The above letters of credit include an amount of Rs 5,304.819 million (2023: 10,471.836 million) availed from Habib Metropolitan Bank Limited - a related party.

26.7.3 Commitments in respect of land rent and maintenance charges against leasehold land from Port Qasim Authority as at June 30, 2024 amounted to Rs 178.524 million (2023: Rs 187.020 million).

Year	2024	2023
----- (Rupees in '000) -----		
2024-2025	-	8,496
2025-2026	8,921	8,921
2026-2027	9,366	9,366
2027-2028	9,835	9,835
2028-2029	10,326	10,326
2029 onwards	<u>140,076</u>	<u>140,076</u>
	<u>178,524</u>	<u>187,020</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

27 OPERATING RESULTS

Note	Manufacturing		Trading		Total	
	2024	2023	2024	2023	2024	2023
	----- (Rupees in '000) -----					
Gross sales	186,269,460	223,587,595	12,829,697	14,433,239	199,099,157	238,020,834
Sales tax	(29,700,735)	(35,435,289)	(2,061,017)	(2,258,563)	(31,761,752)	(37,693,852)
Capital value tax	(1,831,701)	(2,209,798)	-	-	(1,831,701)	(2,209,798)
Federal excise duty	(9,345,582)	(13,058,005)	-	-	(9,345,582)	(13,058,005)
	145,391,442	172,884,503	10,768,680	12,174,676	156,160,122	185,059,179
Commission	(2,626,115)	(4,233,121)	(145,519)	(159,978)	(2,771,634)	(4,393,099)
Discounts	(26,384)	(41,813)	(758,367)	(888,309)	(784,751)	(930,122)
Compensation on advances from customers	(122,712)	(2,025,321)	-	-	(122,712)	(2,025,321)
Revenue from contracts with customers	142,616,231	166,584,248	9,864,794	11,126,389	152,481,025	177,710,637
Cost of sales	(126,749,452)	(161,814,155)	(6,349,271)	(7,965,312)	(133,098,723)	(169,779,467)
Gross profit	15,866,779	4,770,093	3,515,523	3,161,077	19,382,302	7,931,170
Distribution expenses	5,417,050	1,582,362	124,761	108,406	5,541,811	1,690,768
Administrative expenses	2,472,038	2,138,394	170,991	142,826	2,643,029	2,281,220
	(7,889,088)	(3,720,756)	(295,752)	(251,232)	(8,184,840)	(3,971,988)
	7,977,691	1,049,337	3,219,771	2,909,845	11,197,462	3,959,182
Other operating expenses	(166,394)	(487,906)	(11,509)	(32,588)	(177,903)	(520,494)
Workers' Profit Participation						
Fund and Workers' Welfare Fund	(1,178,053)	(680,146)	-	-	(1,178,053)	(680,146)
Net profit / (loss) from operations	6,633,244	(118,715)	3,208,262	2,877,257	9,841,506	2,758,542
Other income					13,656,239	14,179,381
					23,497,745	16,937,923
Finance costs					(170,291)	(140,725)
Profit before taxation and levy					23,327,454	16,797,198
Levy					(614,584)	(336,092)
Profit before taxation					22,712,870	16,461,106
Taxation					(7,640,444)	(6,796,677)
Profit after taxation					15,072,426	9,664,429

27.1 Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with internal reporting provided to the CODM. Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

27.2 The management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic and business decisions.

Manufacturing

This segment relates to the sale of locally manufactured cars and parts.

Trading

This segment relates to the trading of Completely Built Unit (CBU), motor oil and parts.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

27.3 Segment wise assets and liabilities are not being reviewed by the CODM.

27.4 This includes an amount of Rs 567.675 million (2023: Rs 62.376 million) in respect of export / zero rated sales of auto parts and locally manufactured vehicles.

27.5 The gross sales, net of sales tax and discount, for 'Trading' segment include an amount of Rs 2,895.722 million (2023: Rs 3,032.097 million) in respect of sales of motor oil.

27.6 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 Distribution expenses, running royalty and transportation charges are allocated to trading activity.

Note	2024	2023
	----- (Rupees in '000) -----	
28 COST OF SALES		
Raw materials and vendor parts consumed		
Opening stock	16,471,590	21,721,501
Purchases	106,556,584	152,992,091
Closing stock	(17,506,426)	(16,471,590)
	105,521,748	158,242,002
Stores and spares consumed	1,353,722	1,568,246
Salaries, wages and other benefits	3,135,827	2,384,470
Rent, rates and taxes	6,891	6,708
Repairs and maintenance	290,559	282,183
Depreciation	5,608,278	3,480,151
Legal and professional	2,395	1,650
Travelling	135,632	30,502
Transportation	5,710	7,023
Insurance	123,116	77,704
Vehicle running	66,917	57,887
Communication	8,519	6,310
Printing, stationery and office supplies	5,501	4,447
Subscription	4,098	3,631
Fuel and power	611,444	602,609
Running royalty	1,903,543	2,722,334
Supervisor fee	-	13,699
Technical fee	28,125	12,366
Staff catering, transport and uniforms	662,369	600,832
Provision for slow moving stock-in-trade	438,307	140,063
Provision for slow moving stores and spares	223,802	82,311
Others	2,686	7,762
	14,617,441	12,092,888
Balance carried forward	120,139,189	170,334,890

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		------(Rupees in '000)-----	
Balance brought forward		120,139,189	170,334,890
Add: Opening work-in-process		1,140,165	2,074,897
Less: Closing work-in-process	9	1,503,973	1,140,165
		<u>119,775,381</u>	<u>171,269,622</u>
Opening stock of finished goods - own manufactured		9,528,826	73,359
Closing stock of finished goods - own manufactured	9	(2,554,755)	(9,528,826)
Cost of sales - own manufactured		<u>126,749,452</u>	<u>161,814,155</u>
Opening stock of finished goods - trading		2,048,065	2,828,917
Finished goods purchased		6,455,263	7,113,506
Closing stock of finished goods - trading	9	(2,299,154)	(2,048,065)
Provision for slow moving stock-in-trade	9.4	145,097	70,954
Cost of sales - trading		<u>6,349,271</u>	<u>7,965,312</u>
		<u>133,098,723</u>	<u>169,779,467</u>

28.1 These include an amount of Rs 91.737 million (2023: Rs 52.667 million) in respect of charge against provident fund and Rs 60.283 million (2023: Rs 38.938 million) in respect of charge against pension fund.

28.2 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.

28.3 During the year, the Company paid royalty to the following parties:

Company Name	Address	Relationship with the Company	2024	2023
			------(Rupees in '000)-----	
Toyota Motor Corporation	1 Toyota-Cho, Toyota City, Aichi Prefecture 471-8571, Japan	Associate	4,233,221	6,973
Toyota Daihatsu Engineering & Manufacturing Company Limited	99 Moo 5, T. Ban-Ragad, A. Bank-bo, Samutprakran, 105060, Kingdom of Thailand	Group Company of Associate	15,855	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		------(Rupees in '000)-----	
29 DISTRIBUTION EXPENSES			
Salaries, wages and other benefits	29.1	509,840	366,388
Rent, rates and taxes		6,015	5,690
Repairs and maintenance		3,528	4,357
Depreciation	4.4	124,753	104,203
Advertising and sales promotion		735,730	563,099
Travelling		36,378	24,992
Vehicle running		55,679	48,005
Communication		2,343	3,425
Printing, stationery and office supplies		11,440	5,140
Staff training		31,323	32,441
Staff transport and canteen		43,594	35,798
Subscription		558	563
Warranty claims	21.1 & 21.2	3,330,516	336,857
Pre-delivery inspection and service charges		7,626	28,581
Development expenditure		612,809	91,254
Transportation		1,748	2,123
Running royalty	29.2	21,603	31,098
Others		6,328	6,754
		<u>5,541,811</u>	<u>1,690,768</u>

29.1 These include an amount of Rs 11.822 million (2023: Rs 10.113 million) in respect of charge against provident fund and Rs 6.007 million (2023: Rs 5.363 million) in respect of charge against pension fund.

29.2 During the year the Company paid royalty to the following parties:

Company Name	Address	Relationship with the Company	2024	2023
			------(Rupees in '000)-----	
Toyota Motor Corporation	1 Toyota-Cho, Toyota City, Aichi Prefecture 471-8571, Japan	Associate	37,563	13,542

	Note	2024	2023
		------(Rupees in '000)-----	
30 ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits	30.1	1,005,815	807,582
Rent, rates and taxes		71,173	162,762
Insurance		109,108	77,547
Repairs and maintenance		155,684	139,253
Depreciation	4.4	104,644	109,481
Amortisation	4.2	76,500	69,295
Travelling		110,367	92,285
Legal and professional		338,457	296,460
Directors' fee		3,875	3,250
Vehicle running		60,282	45,425
Communication		37,081	34,681
Printing, stationery and office supplies		7,305	4,788
Staff training		272,885	245,158
Staff transport and canteen		68,548	90,621
Security		56,384	40,455
Subscription		48,260	37,723
Utilities		1,091	791
Others		115,570	23,663
		<u>2,643,029</u>	<u>2,281,220</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

30.1 These include an amount of Rs 18.378 million (2023: Rs 16.148 million) in respect of charge against provident fund and Rs 11.090 million (2023: Rs 10.650 million) in respect of charge against pension fund.

	Note	2024	2023
31 OTHER OPERATING EXPENSES		----- (Rupees in '000) -----	
Auditors' remuneration	31.1	9,121	7,152
Donations	31.2	167,972	256,066
Realised exchange loss - net		-	210,256
Allowance for expected credit losses	10.2	810	47,020
		<u>177,903</u>	<u>520,494</u>
31.1 Auditors' remuneration			
Audit fee		3,355	2,581
Interim review and other certifications		4,780	3,994
Out-of-pocket expenses		986	577
		<u>9,121</u>	<u>7,152</u>

31.2 Donations

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

Name of Director(s)	Interest in Donee	Name of Donee	2024	2023
----- (Rupees in '000) -----				
1. Mr Mohamedali R. Habib and Mr Muhammad Hyder Habib	Trustees	Habib Education Trust	1,000	1,000
2. Mr Mohamedali R. Habib and Mr Muhammad Hyder Habib	Directors	Habib University Foundation	20,000	20,000

31.2.2 The names of donees to whom donation amount exceeds 10% of total donations, i.e. Safaid Posh Dastarkhwan, Indus Hospital and Health Network, Saylani Welfare Trust, Habib University Foundation Pakistan.

	Note	2024	2023
32 WORKERS' PROFIT PARTICIPATION FUND AND WORKERS' WELFARE FUND		----- (Rupees in '000) -----	
Workers' Welfare Fund		479,303	342,800
Workers' Profit Participation Fund	14.4	698,750	337,346
		<u>1,178,053</u>	<u>680,146</u>

33 OTHER INCOME

Income from financial assets

- Return on bank deposits		1,573,816	2,449,482
- Gain on sale of investments in Market Treasury Bills		2,353,725	5,249,614
- Dividend income from listed mutual fund units		4,095,020	2,226,869
- Gain on sale of Pakistan Investment Bonds		2,629,825	1,497,013
- Interest income on Pakistan Investment Bonds		563,541	1,613,744
- Unrealised gain on Market Treasury Bills		661,443	22,933
- Interest income on Market Treasury Bills		88,760	-
- Gain on sale of listed mutual fund units		111,557	111,496
- Unrealised gain on listed mutual fund units		26,631	8,787

Income from other than financial assets

- Agency commission, net of commission expense of Rs 2.9 million (2023: Rs 0.5 million)		32,436	22,593
- Exchange (loss) / gain on agency commission and exports		(3,549)	19,407
- Gain on disposal of operating fixed assets		108,582	23,792
- Freight and other charges income - net of expenses		381,244	258,938
- Certification income		70,580	101,051
- Unclaimed liabilities written back		877,684	306,801
- Realised exchange gain - net		6,565	-
- Reversal of provision for late delivery charges		22,728	249,808
- Others		55,651	17,053
		<u>13,656,239</u>	<u>14,179,381</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
34 FINANCE COSTS		----- (Rupees in '000) -----	
Interest on long-term loan		10,756	13,039
Interest on foreign currency import finance facility		-	4,795
Unwinding of long-term loans to employees		2,719	29,579
Bank charges		156,816	93,312
		<u>170,291</u>	<u>140,725</u>

35 LEVY AND TAXATION

Levy	35.1	614,584	336,092
Taxation	35.2	7,640,444	6,796,677
New levy and tax charged		<u>8,255,028</u>	<u>7,132,769</u>

35.1 This represents final taxes paid under section 150 and section 154 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 / IAS 37.

	2024	2023
35.2 TAXATION	----- (Rupees in '000) -----	
Current - for the year	9,510,234	5,778,766
- for prior years	1,197,952	(112,350)
	<u>10,708,186</u>	<u>5,666,416</u>
Deferred tax (reversal) / charge	(3,067,742)	1,130,261
	<u>7,640,444</u>	<u>6,796,677</u>

35.3 Relationship between income tax expense and accounting profit

Profit before taxation	22,712,870	16,461,106
Tax at the applicable tax rate of 29% (2023: 29%)	6,586,732	4,773,721
Tax effect of super tax	2,769,476	1,649,083
Tax effect of permanent differences	(1,919,109)	292,434
Tax effect of FTR and others	(1,017,311)	(218,530)
Tax effect of income taxable at lower rates	22,704	(316,566)
Tax effect of change in tax rate for future periods	-	47,595
Prior years' charge	1,197,952	(112,350)
Deferred tax adjustment for prior years	-	681,290
	<u>7,640,444</u>	<u>6,796,677</u>

35.4 Due to imposition of super tax at the rate of 10% the applicable rate has increased to 39% for the tax year 2023 and onwards. Accordingly, the Company has recorded deferred tax at 39% in accordance with applicable accounting and reporting standards.

36 EARNINGS PER SHARE

36.1 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.

	2024	2023
Profit after taxation	----- (Rupees in '000) -----	
	<u>15,072,426</u>	<u>9,664,429</u>
Weighted average number of ordinary shares outstanding during the year	(Number of Shares)	
	<u>78,600,000</u>	<u>78,600,000</u>
Basic earnings per share	(Rupees)	
	<u>191.76</u>	<u>122.96</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

36.2 Diluted

There are no potential dilutive ordinary shares outstanding as at June 30, 2024 and 2023.

	Note	2024	2023
----- (Rupees in '000) -----			
37 CASH GENERATED FROM / (UTILISED IN) OPERATIONS			
Profit before taxation		22,712,870	16,461,108
Adjustment for non-cash charges and other items:			
Levy	35	614,584	336,092
Depreciation	4.2	5,837,675	3,693,835
Amortisation	4.2	76,500	69,295
Allowance for expected credit loss	10.2	810	47,020
Provision for slow moving stores and spares	8.1	223,802	82,311
Provision for slow moving stock-in-trade	9.4	583,404	211,017
Gain on disposal of operating fixed assets	33	(108,582)	(23,792)
Gain on sale of Pakistan Investment Bonds	33	(2,629,825)	(1,497,013)
Gain on sale of investments in listed mutual fund units	33	(111,557)	(111,496)
Gain on sale of investments in Market Treasury Bills	33	(2,353,725)	(5,249,614)
Interest income on Market Treasury Bills	33	(88,760)	-
Interest income on Pakistan Investment Bonds	33	(563,541)	(1,613,744)
Return on bank deposits	33	(1,573,816)	(2,449,482)
Unrealised gain on investment in Listed Mutual Fund Units	33	(26,631)	(8,787)
Unrealised gain on Market Treasury Bills	33	(661,443)	(22,933)
Dividend income from investment in Listed Mutual Fund Units	33	(4,095,020)	(2,226,869)
Charge in respect of Workers' Profit Participation Fund	32	698,750	337,346
Charge in respect of Workers' Welfare Fund	32	479,303	342,800
Compensation on advances received from customers	27	122,712	2,025,321
Interest expense on long-term loan	34	10,756	13,039
Movement in GIDC		-	(27,127)
Working capital changes	37.1	30,379,364	(104,620,445)
		<u>49,527,630</u>	<u>(94,232,120)</u>

37.1 Working capital changes

Decrease / (increase) in current assets

Stores and spares	(336,163)	(212,119)
Stock-in-trade	5,324,338	(2,489,972)
Trade debts	(5,107,884)	2,157,629
Loans and advances	11,991,446	(5,749,489)
Short-term prepayments	(26,454)	(14,899)
Other receivables	82,519	1,063,063
	<u>11,927,802</u>	<u>(5,245,787)</u>

(Increase) / decrease in current liabilities

Current portion of deferred revenue	10,587	588
Trade and other payables	2,946,387	2,672,868
Warranty obligations	3,190,337	205,329
Advances from customers and dealers	12,304,251	(102,253,443)
	<u>18,451,562</u>	<u>(99,374,658)</u>
	<u>30,379,364</u>	<u>(104,620,445)</u>

38 CASH AND CASH EQUIVALENTS

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

	Note	2024	2023
----- (Rupees in '000) -----			
Cash and bank balances	16	7,240,410	6,262,571
Government securities - Market Treasury Bills	15	6,866,733	18,543,553
		<u>14,107,143</u>	<u>24,806,124</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

39 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2024			2023		
	Chief Executive	Executive Directors**	Executives	Chief Executive	Executive Directors**	Executives
----- (Rupees in '000) -----						
Managerial remuneration *	110,795	27,938	778,799	101,520	29,809	552,359
Retirement benefits	7,387	-	51,784	6,840	-	37,846
Medical expenses	513	-	-	509	-	-
	<u>118,695</u>	<u>27,938</u>	<u>830,583</u>	<u>108,869</u>	<u>29,809</u>	<u>590,205</u>
Number of persons	<u>1</u>	<u>2</u>	<u>134</u>	<u>1</u>	<u>2</u>	<u>94</u>

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

** The Board of Directors appointed Executive Directors, with effect from April 01, 2022.

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

39.2 During the year, an amount of Rs 3.875 million (2023: Rs 3.250 million) has been paid to non-executive directors as fee for attending board and other meetings.

40 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:

	2024	2023
----- (Rupees in '000) -----		
With associated undertakings / related parties:		
Sales	478,040	508,960
Purchases	69,464,814	112,753,203
Insurance premium	187,203	124,724
Agency commission	25,498	22,313
Running royalty	1,742,439	2,753,432
Return on bank deposits and Term Deposit Receipts	1,356,122	1,641,840
Proceeds from disposal of operating fixed assets / insurance claim	5,237	3,323
Supervisor fee	-	13,699
Bank charges	75,752	57,560
Annual subscription	2,500	3,600
Interest on long-term loan facility	-	694
LC charges	45,433	42,166
With key management personnel:		
Salaries and benefits	181,324	194,232
Post employment benefits	11,376	10,183
Sale of operating fixed assets	-	19

40.1 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.

40.2 The status of outstanding balances with associated undertakings / related parties as at June 30, 2024 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, 2024

40.3 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 Imran A. Habib
	Cherat Cement Company Limited	Nil	Mr Asif Qadir
	Thal Limited	6.22%	Mr Imran A. Habib and Mr Mohamedali R. Habib
	Habib Insurance Company Limited	0.031%	Mr Mohamed Hyder Habib
	Greaves Pakistan (Pvt.) Ltd	Nil	Mr Asif Qadir
	Habib Education Trust	Nil	Mr Mohamed Hyder Habib and Mr Mohamedali R. Habib being trustees
	Habib University Foundation	Nil	Mr Mohamed Hyder Habib, Mr Mohamedali R. Habib and Mr Asif Qadir being trustees
	Habib Metropolitan Bank Limited	Nil	Mr Mohamed Hyder Habib and Mr Mohamedali R. Habib
	Overseas Investor Chamber of Commerce & Industry	Nil	Mr Ali Asghar Jamali (Member Managing committee)
	Pakistan Business Council	Nil	Mr Muhammad H. Habib
	Pakistan Automotive Manufacturers Association	Nil	Mr Ali Asghar Jamali
	Unicol Limited	Nil	Mr Asif Qadir
	Pakistan Japan Business Forum	Nil	Shinji Yanagi

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Group Companies	Name	Percentage of shareholding (%)	Relationship with the Company	Country of Incorporation
	Toyota Motor Corporation	25.00%	Associated Company	Japan
	Toyota Tsusho Corporation	12.50%	----- do -----	Japan
	Toyota Motor Asia Pacific PTE. Limited	Nil	Subsidiary of Toyota Tsusho Corporation	Singapore
	P.T. Toyota Tsusho Indonesia	Nil	----- do -----	Indonesia
	Toyota Tsusho (Thailand) Company Limited	Nil	----- do -----	Thailand
	Toyota Tsusho (Malaysia) SDN BHD	Nil	----- do -----	Malaysia
	Toyotsu Machinery Corporation	Nil	----- do -----	Japan
	Toyota Daihatsu Engineering & Manufacturing Company Limited	Nil	----- do -----	Thailand
	Toyota Tsusho Asia Pacific PTE. Limited	Nil	----- do -----	Singapore
	Hinopak Motors Limited	Nil	----- do -----	Pakistan

Key Management Personnel	Name	Percentage of shareholding (%)	Relationship with the Company
	Mr. Ali Asghar Jamali	0.048%	Chief Executive Officer
	Mr. Mohammad Ibadullah	Nil	Chief Financial Officer
	Mr. Muhammad Arif Anzer	Nil	Company Secretary
	Mr. Mohamedali R. Habib	0.165%	Director
	Mr. Shinji Yanagi	Nil	Director
	Mr. Muhammad H. Habib	0.049%	Director
	Mr. Akihiro Murakami	Nil	Director
	Mr. Shigeki Furuya	Nil	Director
	Mr. Imran A. Habib	0.0016%	Director
	Mr. Asif Qadir	0.0006%	Director
	Mr. Riyaz T. Chinoy	0.0006%	Director
	Syeda Tatheer Zehra Hamdani	0.0006%	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Post Employment Plan	Name	Percentage of shareholding (%)	Relationship with the Company
	Company's Employees Provident Fund	Nil	Post Employment Contributory Plan
	Company's Employees Pension Fund	Nil	Post Employment Benefit Plan

		2024	2023
		----(Number of Units)----	
41	PLANT CAPACITY AND PRODUCTION		
	Capacity based on double shift basis	66,000	66,000
	Production	19,599	32,696

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

		2024	2023
		----(Number of Staff)----	
42	NUMBER OF EMPLOYEES		
	Total number of employees as at June 30	2,579	3,129
	Average number of employees during the year	2,817	3,134

		----- As at June 30, 2024 -----		
		Amortised cost	Fair value through profit or loss	Total
		----- (Rupees in '000) -----		
Financial assets				
	- Loans and advances	123,206	-	123,206
	- Long-term deposits	10,020	-	10,020
	- Trade debts - unsecured	5,993,138	-	5,993,138
	- Other receivables	370,045	-	370,045
	- Investments	-	76,540,835	76,540,835
	- Cash and bank balances	7,240,410	-	7,240,410
		<u>13,736,819</u>	<u>76,540,835</u>	<u>90,277,654</u>
		----- As at June 30, 2024 -----		
		Financial liabilities at amortised cost	Total	
		----- (Rupees in '000) -----		
Financial liabilities				
	- Long-term loan	239,895		239,895
	- Unclaimed dividend	295,064		295,064
	- Unpaid dividend	115,429		115,429
	- Trade and other payables	34,456,309		34,456,309
		<u>35,106,697</u>		<u>35,106,697</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		----- As at June 30, 2023 -----		
		Amortised cost	Fair value through profit or loss	Total
		----- (Rupees in '000) -----		
Financial assets				
	- Loans and advances	126,230	-	126,230
	- Long-term deposits	10,020	-	10,020
	- Trade debts - unsecured	886,064	-	886,064
	- Accrued return	285,108	-	285,108
	- Other receivables	409,970	-	409,970
	- Investments	7,794,310	36,353,879	44,148,189
	- Cash and bank balances	6,262,571	-	6,262,571
		<u>15,774,273</u>	<u>36,353,879</u>	<u>52,128,152</u>

		----- As at June 30, 2023 -----	
		Financial liabilities at amortised cost	Total
		----- (Rupees in '000) -----	
Financial liabilities			
	- Long-term loan	279,878	279,878
	- Unclaimed dividend	153,341	153,341
	- Unpaid dividend	3,512,068	3,512,068
	- Trade and other payables	36,305,148	36,305,148
		<u>40,250,435</u>	<u>40,250,435</u>

44 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 mainly 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:

44.1 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 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 90,277.654 million (2023: Rs 52,128.152 million), the financial assets which are subject to credit risk amounted to Rs 61,559.402 million (2023: Rs 25,522.128 million), including trade receivables from government agencies.

Out of the total trade debts amounting to Rs 5,993.138 million (2023: Rs 886.064 million), an amount of Rs 37.307 million (2023: Rs 495.272 million) relates to direct customers.

Out of the total bank balance and TDRs of Rs 7,221.446 million (2023: Rs 6,252.832 million) placed with banks, amounts aggregating to Rs 3,983.077 million (2023: Rs 1,372.075 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+.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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.

44.2 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 44.3.2 to these financial statements.

44.3 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.

44.3.1 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), Thai Bhat (THB) and Singapore Dollars (SGD). The net foreign currency exposure at June 30, 2024 is USD 23.044 million (2023: USD 32.921 million), JPY 775.966 million (2023: JPY 1,258.287 million), THB 24.351 million (2023: THB 22.284 million) and SGD 0.348 million (2023: SGD 0.228 million).

44.3.2 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:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

2024								
Effective interest/ mark-up rate	Interest / mark-up bearing			Non-interest / mark-up bearing			Total	
	Maturity upto one year	Maturity after one year	Sub-total	Maturity upto one year	Maturity after one year	Sub-total	June 30, 2024	
%	(Rupees in '000)							
On statement of financial position financial instrument								
Financial assets								
Loans and advances	0.00-3.50	(7,390)	85,462	78,072	45,134	-	45,134	123,206
Long-term deposits	-	-	-	-	-	10,020	10,020	10,020
Trade debts	-	-	-	-	5,993,138	-	5,993,138	5,993,138
Accrued return	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	370,045	-	370,045	370,045
Investments	18.85-21.66	28,699,289	-	28,699,289	47,841,546	-	47,841,546	76,540,835
Cash and bank balances	11.01-20.5	7,219,706	-	7,219,706	20,704	-	20,704	7,240,410
		35,911,605	85,462	35,997,067	54,270,567	10,020	54,280,587	90,277,654
Financial liabilities								
Long-term loan	3.25 - 4.25	39,983	199,912	239,895	-	-	-	239,895
Unclaimed dividend	-	-	-	-	295,064	-	295,064	295,064
Unpaid dividend	-	-	-	-	115,429	-	115,429	115,429
Trade and other payables	-	-	-	-	34,456,309	-	34,456,309	34,456,309
		39,983	199,912	239,895	34,866,802	-	34,866,802	35,106,697

2023								
Effective interest/ mark-up rate	Interest / mark-up bearing			Non-interest / mark-up bearing			Total	
	Maturity upto one year	Maturity after one year	Sub-total	Maturity upto one year	Maturity after one year	Sub-total	June 30, 2023	
%	(Rupees in '000)							
On statement of financial position financial instrument								
Financial assets								
Loans and advances	0.00-3.50	16,547	76,460	93,007	33,223	-	33,223	126,230
Long-term deposits	-	-	-	-	-	10,020	10,020	10,020
Trade debts	-	-	-	-	886,064	-	886,064	886,064
Accrued return	-	-	-	-	285,108	-	285,108	285,108
Other receivables	-	-	-	-	409,970	-	409,970	409,970
Investments	21.95-21.99	26,596,285	-	26,596,285	17,551,904	-	17,551,904	44,148,189
Cash and bank balances	10-20.5	6,251,820	-	6,251,820	10,751	-	10,751	6,262,571
		32,864,652	76,460	32,941,112	19,177,020	10,020	19,187,040	52,128,152
Financial liabilities								
Long-term loan	3.25 - 4.25	39,983	239,895	279,878	-	-	-	279,878
Unclaimed dividend	-	-	-	-	153,341	-	153,341	153,341
Unpaid dividend	-	-	-	-	3,512,068	-	3,512,068	3,512,068
Trade and other payables	-	-	-	-	36,305,148	-	36,305,148	36,305,148
		39,983	239,895	279,878	39,970,557	-	39,970,557	40,250,435

a) Sensitivity analysis of variable rate instruments

As at June 30, 2024, the Company holds market treasury bills 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 286.993 million.

b) Sensitivity analysis of fixed rate instruments

Fixed rate instruments comprise of 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

44.3.3 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.

44.3.4 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.

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (level 3).

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, 2024 -----			----- As at June 30, 2023 -----		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	----- Rupees in '000 -----					
Financial assets 'at fair value through profit or loss						
Listed Mutual Fund Units	-	47,841,546	-	-	17,551,904	-
Government securities - Market Treasury Bills	-	28,699,289	-	-	18,801,975	-

44.3.5 Valuation techniques used in determination of fair values within level 1 and level 2.

Debt Securities

The fair value of Federal Government securities is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP).

Units of mutual fund

The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day

Derivatives

The fair valuation techniques include forward pricing and swap models using the present value calculations.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

44.3.6 During the year ended June 30, 2024, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

45 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.

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

The Board of Directors in its meeting held on August 30, 2024 has proposed a cash dividend in respect of the year ended June 30, 2024 of Rs 43 (2023: cash dividend of Rs 29) per share. This is in addition to the interim cash dividend of Rs 71.7 (2023: Rs 42.8) per share resulting in a total dividend for the year of Rs 114.7 (2023: Rs 71.8) per share. The Directors have also announced appropriation of Rs 6,500 million (2023: Rs 4,000 million) to general reserve. These appropriations will be approved in the forthcoming Annual General Meeting. The financial statements for the year ended June 30, 2024 do not include the effect of these appropriations which will be accounted for in the financial statements for the year ending June 30, 2025.

47 GENERAL

47.1 Figures in these financial statements have been rounded off to the nearest thousand rupees unless otherwise stated.

47.2 Corresponding figures and balances have been rearranged and / or reclassified, where considered necessary, for the purpose of better comparison and presentation, the effects of which are not material.

48 DATE OF AUTHORISATION

These financial statements were authorised for issue on August 30, 2024 by the Board of Directors of the Company. The directors have the power to amend and re-issue the financial statements


Mohammad Ibadullah
Chief Financial Officer


Ali Asghar Jamali
Chief Executive


Shinji Yanagi
Vice Chairman & Director

PATTERN OF Shareholding

as at June 30, 2024

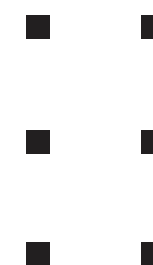
Number of Shareholders	Shareholdings' Slab		Total Shares Held
1391	1	to 100	49,404
2035	101	to 500	898,341
246	501	to 1000	214,929
295	1001	to 5000	684,479
53	5001	to 10000	392,717
22	10001	to 15000	271,508
9	15001	to 20000	157,513
6	20001	to 25000	137,985
7	25001	to 30000	198,561
3	30001	to 35000	102,203
11	35001	to 40000	415,470
1	40001	to 45000	40,600
1	45001	to 50000	48,500
2	50001	to 55000	102,777
1	55001	to 60000	55,415
1	60001	to 65000	63,070
1	75001	to 80000	79,532
1	100001	to 105000	101,000
1	105001	to 110000	105,415
2	115001	to 120000	235,830
1	125001	to 130000	130,000
1	160001	to 165000	162,000
4	255001	to 260000	1,032,667
2	265001	to 270000	538,166
1	270001	to 275000	272,384
1	415001	to 420000	418,896
1	595001	to 600000	600,000
1	610001	to 615000	613,707
1	1205001	to 1210000	1,205,793
1	1325001	to 1330000	1,327,670
1	1750001	to 1755000	1,753,823
1	4440001	to 4445000	4,441,915
1	4445001	to 5000000	4,890,000
1	5000001	to 9825000	9,825,000
1	19645001	to 19650000	19,650,000
1	19650001	to 28000000	27,382,730
4,109			78,600,000

PATTERN OF Shareholding

as at June 30, 2024

Categories of Shareholders	Number of Shares Held	Category Wise No. of Folios / CDC Accounts	Category Wise Shares Held	Percentage
Directors and their spouse(s) and minor children		8	240,197	0.31%
<ul style="list-style-type: none"> ■ MOHAMEDALI R. HABIB ■ MUHAMMAD H. HABIB ■ IMRAN ALI HABIB ■ ALI ASGHAR JAMALI ■ ASIF QADIR ■ RIYAZ T. CHINYOY ■ SYEDA TATHEER ZEHRA HAMDANI ■ FARHA FATIMA HABIB W/O MUHAMMAD H. HABIB 	130,000 38,400 12,346 38,000 500 500 500 19,951			
Associated companies, undertakings and related parties		2	4,914,015	6.25%
<ul style="list-style-type: none"> ■ THAL LIMITED ■ HABIB INSURANCE COMPANY LIMITED 	4,890,000 24,015			
Executives	12,235	7	12,235	0.02%
Public Sector Companies and Corporations (ICP/NIT)		2	119,730	0.15%
<ul style="list-style-type: none"> ■ INVESTMENT CORPORATION OF PAKISTAN ■ CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST 	2,200 117,530			
Banks, Development Financial Institutions, Non Banking				
Financial Institutions	1,790,611	4	1,790,611	2.28%
Insurance Companies	4,443,615	2	4,443,615	5.65%
Modarabas and Mutual Funds		6	70,457	0.09%
<ul style="list-style-type: none"> ■ CDC - TRUSTEE AKD INDEX TRACKER FUND ■ CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND ■ CDC - TRUSTEE NITPF EQUITY SUB-FUND ■ CDC - TRUSTEE AWT STOCK FUND ■ CDC-TRUSTEE NITPF EQUITY SUB-FUND ■ CDC - TRUSTEE GOLDEN ARROW STOCK FUND 	4,524 51,720 313 1,000 1,500 11,400			
Foreign Investors / Companies (holding 5% or more voting interest)		24	60,943,430	77.54%
TOYOTA TSUSHO CORPORATION	9,825,000			
TOYOTA MOTOR CORPORATION	19,650,000			
OVERSEAS PAKISTAN INVESTORS AG	27,382,730			
General Public				
Local	3,985,552	3,546	4,250,179	5.41%
Foreign	264,627	451		
Others	1,815,531	57	1,815,531	2.31%
TOTAL		4,109	78,600,000	100.00%

10 YEARS PERFORMANCE INDICATORS



Financial Summary		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Income Statement											
Net revenue	Rs in '000	152,481,025	177,710,637	275,505,778	179,161,727	86,167,016	157,996,212	139,715,429	111,942,544	108,758,668	96,516,322
Gross profit	Rs in '000	19,382,302	7,931,170	18,404,481	16,653,710	7,450,859	19,191,674	23,884,658	19,492,589	17,731,299	14,244,230
Profit before taxation and levy	Rs in '000	23,327,454	16,797,198	25,452,576	18,199,193	7,287,359	18,975,929	22,999,166	19,140,767	17,397,446	14,132,569
Profit after taxation	Rs in '000	15,072,426	9,664,429	15,801,848	12,828,592	5,082,027	13,714,975	15,771,860	13,001,265	11,454,940	9,110,251
Dividends	Rs in '000	9,015,420	5,643,480	7,368,750	8,135,100	2,358,000	9,039,000	11,004,000	9,039,000	7,860,000	6,288,000
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	66,440,443	59,283,912	53,225,076	47,415,465	40,383,391	39,259,309	35,958,342	30,410,962	26,843,609	23,249,520
Non-current assets	Rs in '000	23,547,372	24,497,682	15,185,582	15,809,646	16,574,192	13,898,033	7,311,379	6,345,444	4,938,277	5,193,477
Net current assets	Rs in '000	41,039,405	36,039,448	30,458,149	29,752,647	24,991,174	26,679,161	29,383,117	24,762,671	17,473,164	13,861,221
Long term liabilities	Rs in '000	212,814	553,698	280,837	745,433	483,125	558,920	22,711	3,933	-	-
Investor Information											
Gross profit ratio	% age	12.71	4.46	6.68	9.30	8.65	12.15	17.10	17.66	16.30	14.76
Net profit ratio	% age	9.88	5.44	5.74	7.16	5.90	8.68	11.29	11.61	10.53	9.44
Earning per share	Rs	191.76	122.96	201.04	163.21	64.66	174.49	200.66	165.41	145.74	115.91
Inventory turnover	Times	5	6	11	9	5	11	11	11	13	15
Debt collection period	Days	8	4	2	2	8	5	3	3	3	4
Average fixed assets turnover	Times	6.35	8.96	17.78	11.06	5.66	14.90	22.89	19.90	21.47	17.19
Breakup value per share	Rs	855.30	764.25	687.16	613.25	523.78	509.48	467.49	396.91	351.52	305.80
Market price per share											
- as on June 30	Rs	1,580.00	943.24	1,144.41	1,254.14	994.99	1,203.92	1,421.46	1,793.60	939.54	1,249.00
- High value during the period	Rs	1,679.99	1,155.61	1,473.90	1,429.98	1,280.00	1,589.90	1,980.00	2,110.00	1,313.00	1,320.00
- Low value during the period	Rs	858.28	802.45	1,094.97	967.34	700.00	1,030.62	1,300.00	935.00	884.75	520.00
Price earning ratio	Times	8.24	7.67	5.69	7.68	15.39	6.90	7.08	10.84	6.45	10.78
Dividend per share	Rs	114.70	71.80	93.75	103.50	30.00	115.00	140.00	115.00	100.00	80.00
Dividend yield	% age	7.26	7.61	8.19	8.25	3.02	9.55	9.85	6.41	10.64	6.41
Dividend payout	% age	59.81	58.39	46.63	63.41	46.40	65.91	69.77	69.52	68.62	69.02
Dividend cover	Times	1.67	1.71	2.14	1.58	2.16	1.52	1.43	1.44	1.46	1.45
Return on equity	% age	22.42	16.09	29.26	26.61	12.34	34.25	42.92	41.67	41.46	37.90
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	1.52:1	1.58:1	1.19:1	1.35:1	1.65:1	2.1:1	1.63:1	1.76:1	1.58 : 1	1.53 : 1
Other Information											
Units sold	Nos.	21,063	31,602	75,611	57,731	28,837	66,211	64,000	60,586	64,584	57,387
Units Produced	Nos.	19,599	32,696	72,438	59,187	28,519	65,346	62,886	59,945	64,096	56,888
Manpower	Nos.	2,579	3,129	3,139	2,943	2,855	3,349	3,266	2,849	2,765	2,322
Contribution to National Exchequer	Rs in '000	68,493,873	84,811,218	101,381,098	71,802,435	35,927,543	52,307,841	48,843,141	38,959,490	37,325,754	32,076,453

NOTICE OF Annual General Meeting

Notice is hereby given that the 35th Annual General Meeting (AGM) of INDUS MOTOR COMPANY LIMITED (the Company) will be held on Thursday, October 3, 2024 at 9 a.m., at the Institute of Chartered Accountants of Pakistan (ICAP), Chartered Accountants Avenue, Block 8, Clifton, Karachi to transact the following business. The shareholders may also attend the AGM via video link facility.

A) ORDINARY BUSINESS

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2024, together with the Chairman's Review and Directors and Auditors Report thereon. As required under Section 223(7) of the Companies Act 2017, the Financial Statements of the Company have been uploaded on the Website of the Company which can be downloaded from the Weblink and QR Code in the Notes.
2. To approve cash dividend (2023-2024) on the ordinary shares of the Company. The directors have recommended a Final Cash dividend at 430% i.e. Rs. 43 per share. This is in addition to the combined Interim Dividend of 717% i.e. Rs. 71.70 per share, already paid. The total dividend for 2023-2024 will thus amount to 1,147% i.e. Rs. 114.70 per share.
3. To appoint auditors and fix their remuneration for the year ending June 30, 2025. The present auditors M/s. A.F. Ferguson & Co., Chartered Accountants, retire and being eligible have offered themselves for re-appointment.
4. To transact any other ordinary business of the Company with the permission of the Chairman.

By order of the Board



Muhammad Arif Anzer
Company Secretary

Karachi.
August 30, 2024

NOTES:

1. Circulation of Annual Report through QR Code and Through Weblink

In accordance with the Section 223 of the Companies Act, 2017 and pursuant to SRO 389(I)/2023 dated 21 March 2023 of the Securities & Exchange Commission, the Company has obtained Shareholders' approval in the 34th Annual General Meeting of the Company held on 27th September 2023 to circulate the Annual Report of the Company to Members through QR enabled Code and Weblink. The Annual Report is available through following QR Code and Weblink.

<https://www.toyota-indus.com/financial-results>



2. Participation in the AGM Proceeding Via the Video Conference Facility

Shareholders interested in attending the meeting through video conferencing are requested to email the following information with the subject "Registration for Annual General Meeting," alongwith valid copy of their CNIC to imc.corporate@toyota-indus.com. Video link and login credentials will be shared with ONLY those Members, whose email, containing particulars (i.e. Name, Folio No, CNIC No. / NTN) is received from official Email ID, at least 48 hours before the AGM.

Shareholders may also provide their comments and questions for the agenda items of the AGM in their email for registration.

3. Closure of Share Transfer Books

The Share Transfer Books of the Company will be closed from September 27, 2024 to October 03, 2024 (both days inclusive) for the purpose of the AGM and payment of the Final Cash 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 26, 2024 will be treated in time for the purpose of determining above entitlement to the transferees for payment of final cash dividend and to attend the AGM.

4. For Attending the Meeting

In case of individuals, the Account Holders or sub-account holders and/or the persons whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate their identity by showing original CNIC or original passport at the time of attending the meeting.

In the case of a corporate entity, the Board of Directors' Resolution/Power of Attorney with the specimen signature of the nominee shall be produced (if it has not been provided earlier) at the time of attending the meeting.

5. Proxy

A member entitled to attend and vote at this Annual General Meeting is entitled to appoint a Proxy to attend, speak and vote in his place at the Meeting. A 'Proxy Form' appointing a proxy must be deposited at the Registered Office of the Company, at least 48 hours before the time of the meeting, alongwith copy of CNIC of Proxy. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee alongwith his/her copy of CNIC 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).

6. Updating of Particulars

The Shareholders are requested to promptly notify change in their address, if any, to the Company's Share Registrar. In case of Corporate entity, the shareholders are requested to promptly notify change in their particulars of their authorized representative, if applicable.

7. 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.

8. 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%.

9. 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 26, 2024, otherwise each shareholder will be assumed to have equal proportion of shares and the tax will be deducted accordingly.

10. 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.

In compliance with the above provisions, the Company hereby again requests the shareholders 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. In absence of the complete bank details, including IBAN mentioned above, the company shall withhold the Dividend under the provision of Section 243 of the Companies Act, 2017. 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).

11. Conversion of Physical Shares into Book-Entry Form (i.e. CDC Account)

Section 72 of the Companies Act, 2017, requires all listed companies to replace the shares held in physical form with the shares to be issued in Book-Entry Form within four (04) years from the date of the promulgation of the Companies Act 2017. Pursuant to the SECP letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021, the Company is following up with all shareholders holding shares in physical form with the request to convert their shares in Book-Entry Form in order to comply with the provisions of the Companies Act, 2017. Shareholders are again requested to contact the Company's Share Registrar to understand and complete the process of conversion of shares held in physical form, into the Book-Entry Form.

12. Distribution of Annual Report and Notice of Meetings Through Email (Optional)

Pursuant to the provisions of section 223(6) of the Companies Act, 2017, the companies are permitted to circulate their Annual Audited Financial Statements, along with Auditor's Report, Directors' Report etc. ("Annual Report") and the Notice of AGM ("Notice"), to its shareholders by email. The Annual Report of the Company for the year ended June 30, 2024 is also available on the Company's website (www.toyota-indus.com).

۹۔ مشترکہ کھاتے داروں کی صورت میں ڈیویڈنڈ پر وہ ہولڈنگ ٹیکس

حصص یافتگان سے گزارش کی جاتی ہے کہ وہ پرنسپل حصص یافتہ کے طور پر اپنی اور اپنے مشترکہ کھاتے داروں کی حصص یافتگی کے تناسب کی تفصیلات فراہم کریں تاکہ کمپنی ڈیویڈنڈ سے ٹیکس کی کوئی کیلئے مشترکہ کھاتے داروں کی حصص یافتگی کے تناسب کے تعین کیلئے (اس صورت میں جب حصص یافتگی کے تناسب کا تعین پرنسپل حصص یافتہ نے نہ کیا ہو) ریگولیشنز کی ہدایات کی تعمیل کر سکے اور اس کے مطابق ہر حصص یافتہ کے وہ ہولڈنگ ٹیکس کا حساب لگایا جاسکے۔ تفصیلات کمپنی کے شیئر رجسٹرار کو 26 ستمبر 2024 تک موصول ہونا چاہیے بصورت دیگر یہ مان لیا جائے گا کہ ہر حصص یافتہ کے پاس مساوی شرح میں حصص موجود ہیں اور اسی حساب سے ٹیکس منہا کیا جائے گا۔

۱۰۔ الیکٹرانک طور پر نقد منافع کی ادائیگی (ای مینڈیٹ)

کمپنیز ایکٹ 2017 کے سیکشن 242 اور کمپنیز (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۔

مذکورہ بالا شیئوں کی تعمیل کیلئے تمام حصص یافتگان سے ایک بار پھر درخواست ہے کہ وہ اپنے متعلقہ بینک اکاؤنٹ کی تفصیلات جس میں (۱) ٹائٹل آف اکاؤنٹ، (۲) اکاؤنٹ نمبر (۳) IBAN نمبر (۴) بینک کا نام (۵) برانچ کا نام اور (۶) موبائل نمبر، کو ڈاؤن لوڈ اور پینے کمپنی شیئر رجسٹرار، سی ڈی سی شیئر رجسٹرار اور سرولیمینڈ کے پاس جمع کرائیں۔ سینٹرل ڈیپازٹری کمپنی آف پاکستان (سی ڈی سی) میں حصص رکھنے والے شیئر ہولڈرز کو مشورہ دیا جاتا ہے کہ وہ متعلقہ بروکر/سی ڈی سی کی ہدایت فراہم کریں۔ بینک کی مکمل تفصیلات بشمول IBAN کی عدم فراہمی کی صورت میں کمپنیز ایکٹ 2017 کے سیکشن 243 کے تحت کمپنی ڈیویڈنڈ روک لگی۔ الیکٹرانک ڈیویڈنڈ مینڈیٹ فارم انگلش اور اردو زبان میں سالانہ رپورٹ کے ہمراہ لفٹ ہیں اور یہ فارم کمپنی کی ویب سائٹ (www.toyota-indus.com) پر بھی دستیاب ہیں۔

۱۱۔ فیزیبل شیئر کی بک انٹری (CDC اکاؤنٹ) فارم میں منتقلی

کمپنیز ایکٹ 2017 کے سیکشن 72 کے تحت تمام لہڈ کمپنیوں کیلئے ضروری ہے کہ وہ کمپنیز ایکٹ 2017 کے نفاذ کی تاریخ سے چار سال کے اندر فیزیبل شیئرز کو بک انٹری فارم میں منتقل کریں۔ ایس ای سی پی کی طرف سے جاری کردہ مراسلہ نمبر CSD/ED/Misc./2016-639-640 بتاریخ 26 مارچ، 2021 کی تعمیل میں تمام شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے فیزیبل شیئرز کو بک انٹری فارم میں منتقل کریں تاکہ کمپنیز ایکٹ 2017 کی شیئوں کی تعمیل ہو۔ شیئر ہولڈرز فیزیبل شیئر کی بک انٹری فارم میں منتقلی کے عمل کو سمجھنے اور اس کے فوائد کے بارے میں جاننے کیلئے کمپنی کے شیئر رجسٹرار سے رابطہ کر سکتے ہیں۔

۱۲۔ ای میل کے ذریعے سالانہ رپورٹ اور اجلاسوں کے نوٹس کی تقسیم (اختیاری)

کمپنیز ایکٹ 2017 کے سیکشن (6) 223 کے تحت کمپنیوں کو اجازت دی ہے کہ آڈیٹڈ رپورٹ، ڈائریکٹرز جازہ رپورٹ وغیرہ (سالانہ رپورٹ) اور ای جی ایم کے سالانہ نوٹس کے ساتھ مالیاتی گوشوارے شیئر ہولڈرز کے ای میل پر بھیجے جائے۔ 30 جون، 2024 کو ختم ہونے والے سال کیلئے کمپنی کی سالانہ رپورٹ کمپنی کی ویب سائٹ (www.toyota-indus.com) پر بھی دستیاب ہے

نوٹس برائے سالانہ اجلاس عام

حاصل ہذا کو مطلع کیا جاتا ہے کہ انڈس موٹر کمپنی لمیٹڈ کا 35 واں سالانہ اجلاس عام 13 اکتوبر، 2024 بروز جمعرات صبح 9 بجے انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (آئی سی اے پی)، چارٹرڈ اکاؤنٹنٹس ایونیو، بلاک 8، گلشن، کراچی میں مندرجہ ذیل کاروباری امور کی انجام دہی کیلئے منعقد ہوگا۔ شیئر ہولڈرز ویڈیو کانفرنس کی سہولت کے ذریعے بھی اجلاس میں شرکت کر سکتے ہیں۔

عمومی کاروبار

1۔ 30 جون 2024 کو اختتام پذیر مالی سال کیلئے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشوارے جمعہ چہرے میں جائزہ رپورٹ، ڈائریکٹرز اور ڈیپوٹریٹرز رپورٹ کی وصولی، غور و منظوری کیلئے ایکٹ 2017 کے سیکشن (7) 223 کے تحت کمپنی کے مالیاتی گوشوارے کمپنی کی ویب سائٹ پر اپ لوڈ کر دیے گئے ہیں جنہیں نوٹس میں ویب لنک اور QR کوڈ سے ڈاؤن لوڈ کیا جاسکتا ہے۔

۲۔ کمپنی کے عام حصص پر نقد منافع (2023-2024) کی منظوری۔ ڈائریکٹرز نے حتمی نقد منافع 430 فیصد یعنی فی حصص 43 روپے کی سفارش کی ہے۔ یہ 717 فیصد مشترکہ عبوری منافع یعنی 71.70 روپے فی حصص جو پہلے ہی ادا کیا جا چکا ہے، کے علاوہ ہے۔ اس طرح 2023-2024 کیلئے مجموعی طور پر 1147.70 فیصد یعنی 114.70 روپے فی حصص منافع ہوگا۔

۳۔ 30 جون 2025 کو ختم ہونے والے مالی سال کیلئے آڈیٹرز کی تقرری اور ان کے معاوضے کا تعین۔ موجودہ آڈیٹرز M/s A.F. Ferguson & Co پرز، چارٹرڈ اکاؤنٹنٹس نے مدت معاہدہ ختم ہونے کے بعد اور اہلیت کی بنا پر خود کو دوبارہ تقرری کیلئے پیش کیا ہے۔

۴۔ چیئرمین کی اجازت سے کمپنی کے دیگر عمومی کاروباری معاملات۔

بکرم پورڈ

محمد عارف انظر

کمپنی سیکریٹری

نوٹس:

۱۔ QR کوڈ اور ویب لنک کے ذریعے سالانہ رپورٹ کی دستیابی

کمپنیز ایکٹ 2017 کے سیکشن 223 کے مطابق اور ایس ای سی پی کے ایس آر او 2023/1(389) تاریخ 21 مارچ 2023 کی تعمیل میں کمپنی نے 27 ستمبر، 2023 کو منعقدہ 34 ویں سالانہ اجلاس عام میں حصص یافتگان سے کیو آر کوڈ اور ویب لنک کے ذریعے اراکین کو سالانہ رپورٹ 2024 ارسال کرنے کی منظوری حاصل کی ہے۔ رپورٹ مندرجہ ذیل کیو آر کوڈ اور ویب لنک کے ذریعے دستیاب ہے

ویب لنک

<https://www.toyota-indus.com/financial-results>



۲۔ ویڈیو کانفرنس کی سہولت کے ذریعے سالانہ اجلاس عام میں شرکت

شیئر ہولڈرز جو ویڈیو کانفرنس کے ذریعے سالانہ اجلاس عام میں شرکت کے خواہشمند ہیں وہ براہ کرم تازہ شناختی کارڈ مع مندرجہ ذیل معلومات imc.corporate@toyota-indus.com پر "Registration for Annual General Meeting" کے عنوان سے ای میل کے ذریعے جمع کرائیں۔ ویڈیو کانفرنس کا لنک اور لاگ ان کرنے کی تفصیلات صرف اراکین کو ارسال کی جائیں گی جن کی معلومات (یعنی نام، فون نمبر، ای این سی نمبر، ای این) اے جی ایم کے انعقاد سے 48 گھنٹے قبل آفیشل ای میل آئی ڈی سے موصول ہوں گی۔

شیئر ہولڈرز رجسٹریشن کیلئے بھیجی جانے والی ای میل میں اے جی ایم کے ایجنڈے آن لائن کیلئے اپنی آراء اور سوالات بھی فراہم کر سکتے ہیں۔

۳۔ شیئر ٹرانسفر کتابوں کا بند ہونا

سالانہ اجلاس عام اور حتمی ڈیویڈنڈ کی ادائیگی کے مقصد سے کمپنی کے "انتقال حصص" کے کھاتے (Share Transer Book) 27 ستمبر 2024 تا 3 اکتوبر 2024 (بشمول دونوں دن) بند رہیں گے۔ جن ارکان کی "انتقال حصص" کی درخواستیں CDC شیئر رجسٹرار سروسز لمیٹڈ، ڈی سی ہاؤس B-99 بلاک "B"، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی، 74400، فون:

0800-23275، پوائے این 500-111-111، ای میل: info@cdcsrsl.com پر 26 ستمبر 2024 کو کاروبار بند ہونے تک موصول ہو جائیں گی، ان کو حتمی ڈیویڈنڈ کے حصول اور سالانہ اجلاس عام میں شرکت کا استحقاق حاصل ہوگا۔

۴۔ اجلاس میں شرکت کیلئے

انفرادی صورت میں کھاتہ دار یا ذیلی کھاتہ دار یا وہ شخص جس کی گروپ کھاتہ میں سیکورٹیز جمع ہوں اور اس کی رجسٹریشن کی تفصیلات شرائط کے مطابق اپ لوڈ کی گئی ہوں، اجلاس میں شرکت کے وقت شناخت کے مقصد کیلئے اپنا اصل شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔

کاروباری ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ، نمونہ دستخط نامزد رکن (اگر اس سے قبل فراہم نہیں کی گئیں) اجلاس کے وقت پیش کرنے ہوں گے

۵۔ پراکسی

سالانہ اجلاس عام میں شرکت اور رائے دہی کا استحقاق رکھنے والا کوئی بھی رکن اپنے عوض میٹنگ میں شرکت کرنے، بولنے اور رائے دہی کیلئے کسی نمائندے کو مقرر کر سکتا ہے۔ عیوضی کے موثر ہونے کیلئے اطلاع نامہ جمعہ پراکسی کے شناختی کارڈ کی نقل کمپنی کے رجسٹرار آفس میں اجلاس شروع ہونے سے پہلے کم از کم 48 گھنٹے پہلے موصول ہونا چاہیے۔ کسی کاروباری ادارے کی نمائندگی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ جمعہ نامہ مزید کے دستخط کے نمونے و شناختی کارڈ کی نقل، اجلاس شروع ہونے سے 48 گھنٹے قبل فراہم کرنا لازمی ہوگا۔ پراکس فارم اردو اور انگلش دونوں زبانوں میں سالانہ رپورٹ کے ساتھ منسلک ہیں۔ فارم پر دو افراد کی گواہی لازمی ہے جن کے نام، پتہ اور شناختی کارڈ نمبر فارم پر لازمی درج ہونا چاہیے۔ پراکسی فارم کمپنی کی ویب سائٹ (www.toyota-indus.com) پر بھی دستیاب ہے۔

۶۔ کوآئف کی تبدیلی

حصص یافتگان سے درخواست ہے کہ اپنے رجسٹرڈ ڈاک کے پتے میں کسی تبدیلی کے متعلق کمپنی کے شیئر رجسٹرار کو بروقت مطلع کریں۔ کاروباری ادارے کی صورت میں شیئر ہولڈرز سے درخواست ہے کہ اپنے مجاز نمائندے کے کوآئف میں کسی تبدیلی سے متعلق مطلع کریں، اگر قابل اطلاق ہو

۷۔ شناختی کارڈ کی کارآمدت کو نقل کی فراہمی (پہلے فراہم نہ کی گئی ہو تو)

انفرادی حصص یافتگان کو ایک بار پھر شناختی کارڈ کی نقل، اگر پہلے جمع نہ کرائی ہو تو، کمپنی کے شیئر رجسٹرار میں جمع کرانے کی یاد دہانی کرائی جاتی ہے۔ کمپنی اپنے ریکارڈ میں کسی حصص یافتہ کے شناختی کارڈ کی کارآمدت نقل کی عدم دستیابی کی صورت میں کمپنیز ایکٹ 2017 کے سیکشن 243 کے تحت ڈیویڈنڈ روک لے گی۔

۸۔ ڈیویڈنڈ پر وہ ہولڈنگ ٹیکس

اکم ٹیکس آرڈیننس 2001 کے سیکشن 150 میں کمپنیز کی جانب سے ڈیویڈنڈ کی ادائیگی پر وہ ہولڈنگ ٹیکس کی کوٹنی کیلئے درج ذیل شرحوں کا تعین کیا گیا ہے۔

(الف)	وہ افراد جو ایکٹیو ٹیکس دہندگان کی فعال فہرست (ATL) میں شامل ہیں	15%
(ب)	وہ افراد جو ایکٹیو ٹیکس دہندگان کی فعال فہرست (ATL) میں شامل نہیں ہیں	30%

وہ شیئر ہولڈرز جنہوں نے گوشوارے (Return) جمع کرا دیے ہیں۔ ان سے گزارش ہے کہ وہ اس بات کو یقینی بنائیں کہ ان کا نام حالیہ فعال ٹیکس دہندگان کی فہرست (ATL) میں ایف بی آر کی ویب سائٹ پر موجود فہرست میں منافع کی ادائیگی کے وقت شامل ہے، بصورت دیگر وہ ان افراد کے طور پر سمجھے جائیں گے جن کے نام فعال ٹیکس دہندگان کی فہرست (ATL) میں شامل نہیں ہے اور ان کے نقد منافع میں سے 15 فیصد کی جگہ 30 فیصد کی شرح سے ٹیکس کاٹ لیا جائے گا۔

صنعتی تنخواہ کے فرق کا بیان

30 جون 2024 کو ختم ہونے والے سال کے لیے اوسط صنعتی تنخواہ کا فرق اور درمیانی صنعتی تنخواہ کا فرق بالترتیب 5.5 فیصد اور 11.4 فیصد ہے۔

کمپنی کے حصص کا لین دین

30 جون 2024 کو ختم ہونے والے سال کے دوران ایگزیکٹوز، ان کی شریک حیات اور ان کے چھوٹے بچوں نے شیئرز 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 ... سے ... پر ذکر کیا گیا ہے۔

سی او سی جی پر عمل درآمدی رپورٹ

کمپنی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 پر عمل درآمد کیا ہے جس کے بارے میں بیان کو صفحہ نمبر ... سے ... تک رپورٹ کے ساتھ منسلک کر دیا گیا۔

چیئرمین کی طرف سے جائزہ رپورٹ

کمپنی کے ڈائریکٹرز کمپنی کی مجموعی کارکردگی، مستقبل کا کاروباری جائزہ، کارکردگی پر رپورٹ اور بورڈ کی موثریت کے حوالے سے چیئرمین 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 رب عظیم کے شکرگزار ہیں اور اس کی برکتوں سمیت رہنمائی کیلئے دعا گو ہیں۔

کراچی

30 اگست 2024



علی اصغر جمالی
چیف ایگزیکٹو



شن جی یاناگی
نائب چیئرمین اینڈ ڈائریکٹر

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 میکرو اکنامک ماحول کے تناظر میں درپیش خطرات کا جائزہ لینے کیلئے باقاعدہ رسک مینجمنٹ فریم ورک موجود ہے۔ رسک مینجمنٹ سسٹم آئی ایم سی کی کاروباری سرگرمیوں سے متعلق سٹریٹجک، ریگولیٹری، مالیاتی، آپریشنل، شہرت اور پائیدار ریت پر مبنی خطرات کی نشاندہی کرتا ہے۔ مینجمنٹ کمیٹی کی طرف سے ان خطرات کے ساتھ ساتھ محکمہ 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 ٹویٹا کی طرف سے نافذ کردہ عالمی طریقہ کار کی بنیاد پر رسک مینجمنٹ اسٹریٹجی 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 سیٹنڈرڈ (آئی ایف آر ایس) جو پاکستان میں قابل اطلاق ہے اور کنینیز ایکٹ 2017 کی دفعات اور احکامات پر عمل درآمد کیا گیا ہے۔

کمپنی کے آڈیٹرز، میسرے 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 علاوہ درج رپورٹ کی تاریخ سے متعلق ہیں۔

آڈیٹرز کی تقرری

موجودہ آڈیٹرز میسرے ایف فرگوسن اینڈ کو، چارٹرڈ اکاؤنٹنٹس نے مدت معاہدہ ختم ہونے کے بعد دوبارہ تقرری کی پیش کش کی ہے۔ ڈائریکٹرز 30 جون 2025 کو ختم ہونے والے سال تک اے ایف فرگوسن اینڈ کو کی آڈیٹرز کے طور پر دوبارہ تقرری کیلئے آڈٹ کمیٹی کی سفارش کی توثیق کرتے ہیں۔

شیئرز ہولڈنگ کا طریقہ کار

30 جون 2024 تک کمپنی کے شیئرز ہولڈنگ کا طریقہ کار صفحہ نمبر ... سے ... تک دیا گیا ہے۔

بی: خواتین 01

2- مندرجہ ذیل متعلقہ کیٹگری کے تحت ڈائریکٹرز کی تعداد

اے: آزاد ڈائریکٹر بشمول خاتون ڈائریکٹر 03

بی: نان ایگزیکٹو ڈائریکٹرز 04

سی: ایگزیکٹو ڈائریکٹرز 03

بورڈ آف ڈائریکٹرز کے اجلاس

بورڈ آف ڈائریکٹرز کے چھ اجلاس بارہ ماہ کے دوران یکم جولائی 2023 سے 30 جون 2024 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	محمد علی آر حبیب (چیئر مین)	6
2	شن جی یانانگی (وائس چیئر مین)	6
3	علی اصغر جمالی (سی ای او)	6
4	ریاض ٹی چنائے (آزاد ڈائریکٹر)	6
5	آصف قادر (آزاد ڈائریکٹر) / اعظم فاروق (سابق آزاد ڈائریکٹر)	6
6	عمران علی حبیب (ڈائریکٹر)	6
7	محمد حیدر حبیب (ڈائریکٹر)	6
8	اکی ہائر و موراکامی / دلنر جی وائی لن، متبادل ڈائریکٹر	6
9	شی گیکی فورویا	6
10	سیدہ تطہیر زہرہ ہمدانی (آزاد ڈائریکٹر)	6

ڈائریکٹرز میں تبدیلی

سال کے دوران آصف قادر کو 31 اکتوبر 2023 سے اعظم فاروق کی جگہ پر بورڈ میں آزاد ڈائریکٹر مقرر کیا گیا۔ سبکدوش ڈائریکٹر تین مسلسل ٹرمز سے بورڈ میں خدمات انجام دے رہے تھے اور کارپوریٹ گورننس کے ضابطہ کے مطابق ریٹائرڈ ہو گئے ہیں۔

بورڈ آف ڈائریکٹرز اعظم فاروق کی گراں قدر خدمات، غیر متزلزل عزم اور متنوع تجربے پر خلوص دل سے داد تحسین دیتے ہیں۔ انہوں نے کمپنی کو مقاصد کی جانب رہنمائی کرنے، حکمت عملی کی سمت متعین کرنے اور اعلیٰ معیار کو برقرار رکھنے میں اہم کردار ادا کیا ہے۔ بورڈ شامل ہونے والے نئے ڈائریکٹر کا بھی گرجوشی سے خیر مقدم کرتا ہے۔

بورڈ کمیٹیاں

بورڈ کی طرف سے تشکیل کردہ کمیٹیوں اور اراکین کی تفصیلات مندرجہ ذیل ہیں

بورڈ آڈٹ کمیٹی

1- آصف قادر۔ چیئر مین

2- ریاض ٹی چنائے

3- محمد ایچ حبیب

4- عمران اے حبیب

5- اکی ہائر و موراکامی

2 - انسانی وسائل اور معاوضہ کمیٹی

1- سیدہ تطہیر زہرہ ہمدانی۔ چیئر پرسن

2- محمد علی آر حبیب

3- ریاض ٹی چنائے

4- شن جی یانانگی

5- علی اصغر جمالی

3 - بورڈ کمیٹی برائے اخلاقیات

1- ریاض ٹی چنائے۔ چیئر مین

2- سیدہ تطہیر زہرہ 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 کرتا ہے اور بورڈ یا اس کی کمیٹی کے ہر اجلاس میں شرکت کیلئے مینٹنگ معاوضہ کی پیش کش کی جا رہی ہے تاہم یہ ان 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 2024 کو ختم ہونے والے سال کیلئے معاوضہ مالی گوشواروں کے صفحہ نمبر۔۔۔۔ 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۔ انتظامیہ کی نگرانی اور جائزہ انٹرنل کنٹرول کے نظام کا ایک اہم جزو ہے۔ انتظامیہ نے تفصیلی جانچ اور خصوصی جائزہ کا کام اندرونی آڈیٹرز کی ٹیم کو سونپ دیا 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 شرایاتی معلومات

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 مئی 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 ٹویوٹا گاڑیوں کی اسمبلی، تیاری اور مارکیٹنگ ہے۔

کمپنی کی کارکردگی

30 جون 2024 کو ختم ہونے والے سال کے دوران سی کے ڈی اور سی بی یو گاڑیوں کی فروخت 33 فیصد کمی کے ساتھ گزشتہ سال کی اسی مدت کی 31,602 یونٹس فروخت کے مقابلے میں 21,063 یونٹس رہی۔ کمپنی نے سال کیلئے 19,599 گاڑیاں تیار کیں جبکہ گزشتہ سال کی اسی مدت میں 32,696 گاڑیاں تیار کی گئی تھیں۔

30 جون 2024 کو اختتام پذیر مالی سال کیلئے کمپنی کی فروخت سے حاصل ہونے والی خالص آمدن 152.48 بلین روپے رہی جو گزشتہ سال کی اسی مدت کے 177.71 بلین روپے کے مقابلے میں 14 فیصد کم رہی جبکہ بعد از ٹیکس منافع 36 فیصد اضافہ کے ساتھ گزشتہ سال کے 9.66 بلین روپے کے مقابلے میں 15.07 بلین روپے رہا۔ خالص منافع میں اضافہ کی بڑی وجوہات میں زرمبادلہ کی مثبت شرح کے باعث درآمدی میٹریل کی لاگتوں میں کمی، لاگت میں کمی لانے کیلئے اقدامات اور مقامی سطح پر پرزہ جات کی زیادہ تیاری شامل ہیں۔ سال کے دوران کمپنی نے ملک کی پہلی باہر ڈالیکٹرک وہیکل (ایچ ای وی) ٹویوٹا کرولا کراس لائچ کی جس میں مقامی پرزہ جات کافی زیادہ تعداد میں استعمال کیے گئے۔ اس کے علاوہ سود کی بلند شرح کی وجہ سے کمپنی کے منافع کا ایک بڑا حصہ ڈیپازٹس اور سرمایہ کاری پر حاصل ہونے والے منافع سے وابستہ ہے۔

قومی خزانے میں حصہ رسد:

دوران سال کمپنی نے قومی خزانے میں 68.5 بلین روپے جمع کرائے جو حکومت پاکستان کے دوران سال کل جمع کردہ ریونیو کا تقریباً 0.8 فیصد بنتا ہے۔ 1989ء میں قیام کے بعد سے کمپنی قومی خزانے میں 780 بلین روپے سے زیادہ جمع کرا چکی ہے۔

بنیادی خطرات اور غیر یقینی صورتحال اور پائیداری سے متعلق خطرات

رواں سال کمپنی کی مجموعی مالی کارکردگی حجم میں کمی کے باوجود بہتر ہوئی جس کی بنیادی وجوہات میں گاڑیوں کی کمس فروخت اور نئی ہائبرڈ الیکٹرک وہیکل (ایچ ای وی) کی لائچ شامل ہے۔ کمپنی نے لاگت میں کمی کے اقدامات کی بدولت مثبت نتائج حاصل کئے جبکہ پاکستانی روپے کے مقابلے میں جاپانی ین کے موزوں زرمبادلہ نہ بھی اس میں کردار ادا کیا جس سے پیداواری میٹریل کی لاگت میں کمی ہوئی۔ کرنسی کی قدر میں اتار چڑھاؤ، افراط زر اور عالمی اجناس کی قیمتوں میں اضافہ کے کمپنی کے لاگت کے ڈھانچے پر اثرات جاری ہیں۔ اس کے علاوہ بہت زیادہ ٹیکس اور ڈیوٹی بھی گاڑیوں کی قیمتوں میں اضافہ کا باعث بنے جس سے انڈسٹری کے حجم پر منفی اثرات مرتب ہوئے۔

کمپنی ماحولیاتی، سماجی اور گورننس سے متعلق عوامل پر توجہ مرکوز کرتے ہوئے باقاعدگی کے ساتھ پائیداری سے متعلق خطرات کا جائزہ لیتی ہے۔ حال ہی میں کیے گئے تجزیے نے موسمیاتی خطرات بشمول ریگولیشن کی تبدیلیوں کے اثرات سے نمٹنے پر زور دیا ہے۔ ان خطرات سے نمٹنے کیلئے کمپنی نے مندرجہ ذیل متعدد حکمت عملیاں نافذ کی ہیں:

☆ خطرات میں کمی: کمپنی قابل تجدید توانائی کے منصوبوں میں سرمایہ کاری کرتی ہے اور کمپنی کے سٹشس توانائی کے حوالے سے حالیہ اقدامات غیر قابل تجدید توانائی کے ذرائع پر کمپنی کا انحصار اور کاربن کے اخراج میں کمی میں معاون ہیں۔

☆ نگرانی اور موافقت: کمپنی خطرات کی مسلسل نگرانی کرتی ہے اور نشاندہی کردہ خطرات کو موثر انداز میں کم کرنے کیلئے اپنی پالیسیوں کو اس کے مطابق ترتیب دیتی ہے۔

☆ موسمیاتی تبدیلی سے نمٹنے کے اقدامات: کمپنی نے گرین ہاؤس گیس کے اخراج میں کمی اور توانائی کی کارکردگی کو بہتر بنانے کے اہداف طے کئے ہوئے ہیں۔ کمپنی کا سولر منصوبہ ان کوششوں میں سے ایک اہم کوشش ہے۔ کمپنی نے مقامی سطح پر تیار کردہ ہائبرڈ الیکٹرک وہیکل (ایچ ای وی) بھی متعارف کروائی ہے جس سے کاربن کے اخراج میں کمی اور ایندھن کی زیادہ بچت ہوگی۔

کمپنی اسٹیک ہولڈرز کیلئے طویل المدت قدر اور اعتماد میں اضافہ کیلئے مختلف اقدامات اور ڈی ای اینڈ آئی (متنوع، مساوات اور شمولیت) کے ذریعے پائیداری سے متعلق خطرات سے نمٹنے کیلئے پرعزم ہے۔

کارپوریٹ سماجی ذمہ داری (سی ایس آر)

گزشتہ چھ برسوں میں کمپنی نے کارپوریٹ سماجی ذمہ داری (سی ایس آر) کے مختلف 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 ساتھ ساتھ کمیونٹی کی فلاح بہبود اور روڈ سیفٹی کے عطیات شامل ہیں

سال کے دوران کمپنی نے معاشرے کی فلاح کیلئے بڑے پیمانے پر مندرجہ ذیل سی ایس آر اقدامات اٹھائے اور عطیات دیے

☆ مختلف ہسپتالوں اور صحت سے وابستہ فاؤنڈیشنز کو مجموعی طور پر 56 بلین روپے کے مجموعی عطیات دیے گئے۔

☆ متعدد تعلیمی اداروں کو 30 بلین روپے کی مجموعی رقم عطیہ کی۔

☆ دسمبر 2018 سے اب تک کمپنی کے 2 بلین ٹری پلانٹیشن پروگرام کے تحت ملک بھر میں 870,000 سے زائد پودے لگائے گئے۔

☆ طلباء اور نوجوانوں کیلئے ٹویوٹا 15S ایکولوجیکل کنزرویشن پروگرام کا اجرا کیا گیا جہاں وہ آن لائن شرکت کرتے ہیں

☆ کمپنی کے ہمسایہ میں واقع گوٹھ ادیبہاتوں میں مستحق خاندانوں میں رمضان کے دوران فوڈ راشن کی تقسیم کی ہے۔

☆ کمپنی کے ہمسایہ میں واقع گوٹھ ادیبہاتوں میں ہفتہ وار مفت طبی اور پندرہ روزہ نفسیاتی کیسوں کا انعقاد کیا ہے۔

☆ کمپنی کے ہمسایہ میں گوٹھ ادیبہاتوں میں ہفتہ وار مفت طبی اور پندرہ روزہ نفسیاتی کیسوں کا انعقاد کیا ہے۔

ماحولیاتی اثرات

کمپنی کے پاس میں سب سے بڑا روف ٹاپ سولر فوٹو وولٹ پلانٹ موجود ہے۔ ٹویوٹا انوائزمنٹل چینج 2050 کے مطابق کمپنی گرین ہاؤس گیسوں (جی ایچ جی) کے اخراج کو کم کرنے کے لیے گرین ٹیکنالوجی کو اپنانے اور آپریشنل عمل میں مسلسل اضافہ کے لیے توانائی کے مرکب کو بہتر بنانے کی کوشش کر رہی ہے۔ روایتی ذرائع سے توانائی کی کھپت کو کم کرنے اور قابل تجدید ذرائع کا حصہ بڑھانے کے لیے آن سائٹ فوٹو وولٹ ٹیکنالوجی نصب کی گئی ہے۔ سولر پاور کی آن سائٹ کی صلاحیت 16.6 ایم ڈبلیو ہے جو ہمارے انرجی کمس کا 23 فیصد ہے۔ ایک اندازے کے مطابق سولر پلانٹ کمپنی کے کاربن کے اخراج میں سالانہ 1200 ٹن کمی ہوگی اور توانائی کی لاگت بھی کم ہوگی۔ اس کے علاوہ کمپنی کاربائیئر کنڈیشننگ سسٹم میں سی ایف سی 12 کی بجائے آر۔ 134a ماحول دوست گیس کا استعمال جاری رکھے ہوئے ہے۔

کمپنی نے ملک بھر میں سپلائرز اور ڈیلرشپ سمیت اپنے تمام بزنس پارٹنر تک اپنی ماحولیاتی سرگرمیوں کو بڑھا دیا ہے تاکہ ماحولیاتی تحفظ کے فروغ اور ہمارے عالمی ماحولیاتی مقاصد کو حاصل کیا جاسکے۔

بورڈ کی تشکیل

30 جون 2024 کو کمپنی کے بورڈ آف ڈائریکٹرز کی تشکیل یوں کی گئی۔

1- ڈائریکٹرز کی تعداد 10 ہے جو مندرجہ ذیل ہیں

اے: مرد 09

ڈائریکٹرز رپورٹ

انڈس موٹر لمیٹیڈ کے ڈائریکٹرز 30 جون 2024 کو ختم ہونے والے سال کے لئے لمبھی کے آڈٹ شدہ مالی گوشواروں کے ساتھ ڈائریکٹرز کی رپورٹ پیش کرنے میں خوش محسوس کرتے ہیں۔

مالیاتی نتائج، تصرف اور بعد کے اثرات:

30 جون 2024 کو اختتام پذیر ہونے والے سال کے مالیاتی نتائج اور تفصیلات درج ذیل ہیں

2023	2024	
(Rupees in '000)		
9,664,429	15,072,426	بعد از ٹیکس منافع
13,937	(875)	دیگر سالانہ جامع (خسارہ) / آمدنی - ٹیکس کا نیٹ
822,076	856,962	آگے بڑھتا ہوا غیر خرچ شدہ منافع
10,500,442	15,928,513	
تصرف/خرچ کیا ہوا		
644,520	1,925,700	پہلا عبوری ڈیویڈنڈ @ 24.50% یعنی 24.50 روپے فی حصص (2023: 8.20% یعنی 8.20 روپے فی حصص)
801,720	1,037,520	دوسرا عبوری ڈیویڈنڈ @ 132% یعنی 13.20 روپے فی حصص (2023: 102% یعنی 10.2 روپے فی حصص)
1,917,840	2,672,400	تیسرا عبوری ڈیویڈنڈ @ 340% یعنی 34.00 روپے فی حصص (2023: 244% یعنی 24.4 روپے فی حصص)
3,364,080	5,635,620	
7,136,362	10,292,893	آگے بڑھتا ہوا غیر تصرف شدہ منافع
(بعد کے اثرات)		
2,279,400	3,379,800	مجوزہ حتی ڈیویڈنڈ @ 430% یعنی 43 روپے فی حصص (2023: 290 فیصد یعنی 29 روپے فی حصص)
4,000,000	6,500,000	عمومی ذخائر میں منتقلی
6,279,400	9,879,800	
122.96	191.76	فی حصص بنیادی اور سست آمدنی (روپے)

کے عزم سے ہم آہنگ ہیں اور ہمیں یہ دیکھ کر خوشی ہے کہ حکومت ان اقدامات کو ترجیح دے رہی ہے۔ ہم حکومت کی مسلسل حمایت اور طویل مدتی پالیسیوں کی تشکیل کے لیے بڑا امید ہیں جو ان ابھرتی ہوئی ٹیکنالوجی میں ترقی کو فروغ دیں۔

مالی سال کے اختتام پر ہماری کمپنی نے اوشیا نا ریجن میں برآمدات کا آغاز کیا۔ اس اسٹریٹجک اقدام کا مقصد پاکستان کی علاقائی سرحدوں سے پار مارکیٹ میں کمپنی کی موجودگی کو بڑھانا ہے۔

جیسا کہ ہم نے اپنا سفر جاری رکھا ہوا ہے، ہمیں ہماری ٹیم اور سٹیک ہولڈرز کے عزم اور غیر متزلزل معاونت کے ساتھ ان چیلجز سے نبرد آزما ہونے کی اپنی صلاحیت اور قابلیت پر یقین ہے۔ ہم قابل قدر صارفین کو اعلیٰ معیار کی گاڑیوں کی فراہمی کے اپنے عزم پر کاربند ہیں، ہم آٹو میٹو انڈسٹری کی مجموعی ترقی کیلئے کردار ادا کرتے رہیں گے۔

سال کے دوران بورڈ آف ڈائریکٹرز کا 131 کونفر، 2023 سے دوبارہ انتخاب عمل میں لایا گیا۔ ہم کمپنی کے بورڈ آف ڈائریکٹرز میں خدمات جاری رکھنے پر اراکین کو مبارکباد دینا چاہیں گے۔ ہم سبکدوش ہونے والے ڈائریکٹرز اور آڈٹ کمیٹی کے سابق چیئرمین اعظم فاروق کے بھی انتہائی مشکور ہیں جنہوں نے نہ صرف بورڈ میں قابل قدر خدمات انجام دیں بلکہ ڈائریکٹرز کی حیثیت سے کمپنی کے ساتھ اپنی مدت کے دوران انتظامیہ کو رہنمائی فراہم کی۔

بورڈ آف ڈائریکٹرز نے پورے سال قابل قدر رہنمائی فراہم کی جس سے منجمنٹ کو موثر انداز میں حوصلہ افزاء، نتائج کے حصول اور مضبوط گورننس کو یقینی بنایا جا سکا۔ بہترین طریقوں پر عمل کو یقینی بنانے کیلئے بورڈ کی کارکردگی اور موثریت کا رواں سال کے دوران خود احتسابی بنیادوں پر جائزہ لیا گیا۔ ہمیں یہ اعزاز حاصل ہے کہ ہمارے پاس غیر ملکی ماہرین کی ایسی تجربہ کار ٹیم موجود ہے جو ہماری کمپنی کے ساتھ ساتھ انتہائی تجربہ کار اور قابل احترام پاکستانیوں کو یونٹوں کے عالمی تجربات سے روشناس کراتے ہیں جس سے ہمیں با مقصد رہنمائی اور نتائج حاصل ہوتے ہیں۔ ہم بورڈ اراکین کی طرف سے ان کردار اور خدمات پر ان سے اظہار تشکر کرتے ہیں۔

مشکل کاروباری ماحول کے باوجود ہم اپنے تمام سٹیک ہولڈرز کی طرف سے کمپنی کے بورڈ پر اعتماد کو سراہتے ہوئے تشکر کا اظہار کرتے ہیں۔ ہم کمپنی کے ہر ملازم، ڈیلر شپ، ڈیلرز، وینڈر اور تمام اسٹیک ہولڈرز کے مشکور ہیں جنہوں نے کمپنی پر مسلسل اعتماد اور پر عزم معاونت فراہم کی۔ ہم انڈسٹری میں اپنی فوجیت اور قائدانہ کردار پر فخر رکھنے کیلئے ہمیشہ کی طرح پر عزم ہیں اور اللہ تعالیٰ سے دعا گو ہیں کہ وہ مستقبل میں ہماری کوششوں کو کامیابی عطا کرے۔

محمد علی آرحیب
چیئرمین

چیرمین کی طرف سے جائزہ رپورٹ

عزیر شیئر ہولڈرز

مالی سال کی پہلی ششماہی میں معیشت کے سکتاؤ کے باعث مختلف شعبے مجموعی طور پر نمو میں کمی کے تجربے سے گزرے۔ آٹوموٹیو انڈسٹری بشمول آپریٹنگ اس کساد بازاری کے دوران نمایاں چیلنجز کا سامنا کرنا پڑا۔ ان رکاوٹوں کے باوجود ہم مارکیٹ کی مشکل صورتحال سے کامیابی کے ساتھ نکلنے کیلئے اپنی حکمت عملیوں پر کاربند رہنے کیلئے پرعزم رہے۔

سال کے دوران مقامی سطح پر تیار کردہ اور اپورٹڈ گاڑیوں کے درمیان فرق نے ایک اور چیلنج کھڑا کر دیا۔ دوسری طرف نئی سی بی یو گاڑیوں پر درآمدی ڈیوٹیز نے مقامی سطح پر تیار کردہ گاڑیوں کیلئے مارکیٹ کو زیادہ سا زنگار بنا دیا۔ تاہم دوسری طرف مقامی سطح پر تیار کردہ گاڑیوں پر ٹیکس کے بوجھ پر نمایاں اضافہ ہو گیا جو مقامی گاڑی کی کل لاگت کے 50 فیصد تک پہنچ گیا۔ اس فرق نے مختلف صارفین کی ضروریات کو پورا کرنے کی ہماری کوششوں میں رکاوٹ ڈالی اور ہماری ترقی کی صلاحیت کو محدود کر دیا۔ تاہم پورے سال مخصوص جون 2023 کے بعد درآمدی گاڑیوں کے سیکسٹ میں خاطر خواہ اضافہ دیکھنے کو ملا۔ مارچ 2023 میں ریگولٹری ڈیوٹی ایس آر او کی معیاد کے خاتمے اور امریکی ڈالر کے مقابلے میں جاپانی ین (سے پی وائی) کی قدر میں کمی جس کے باعث ان گاڑیوں کی لاگتوں اور قیمتوں میں کمی ہوئی، نے اس اضافہ کو اور زیادہ بڑھا دیا۔

ہم حکومت کی طرف سے فننس ایکٹ 2024 کے ذریعے استعمال شدہ درآمدی گاڑیوں پر ڈیوٹی اسٹرکچر کو معقول بنانے کے اقدام کو سراہتے ہیں۔ ہم حکومت سے مطالبہ کرتے ہیں کہ ایک ایسا سازگار اور موزوں ماحول پیدا کیا جائے جس سے آٹوموٹیو سیکٹر کو ترقی کیلئے معاونت ملے۔ صارفین کی قوت خرید کو بہتر بنانے کیلئے شعبہ کو منیو فیکچرنگ کی زیادہ سے زیادہ صلاحیت پر کام کرنے کے قابل بنانے کیلئے ہم اقدامات شامل کئے جانے چاہئیں اور منافع میں اضافہ کیلئے ٹیکسوں کی شرح میں کمی کی جانی چاہئے۔ ہائر ڈیوٹی گاڑیوں (ایچ ای وی) کے فروغ سے نہ صرف فیول کی کھپت میں کمی ہوگی بلکہ اس سے پائیدار ترقی میں نمایاں پیش رفت ممکن ہوگی جو ایک سرسبز اور پائیدار ماحول دوست مستقبل کیلئے عالمی کوششوں سے ہم آہنگ ہے۔

بڑھتی ہوئی کاروباری لاگتوں کے باعث درپیش چیلنجز کے باوجود کمپنی نے لاگت میں کمی کی حکمت عملی اور کاٹن اقدامات کے ذریعے مثبت نتائج حاصل کئے، کمپنی بیرونی عوامل کے اثرات کے خاتمے کیلئے نئے طریقوں کی تلاش میں گامزن ہے۔ دسمبر 2023، میں کمپنی نے انتہائی متوقع ٹویوٹا کروا لاکراس، قوم کی پہلی ہائر ڈیوٹی الیکٹرک ہیکل (ایچ ای وی) لانچ کی جس میں مقامی پرزہ جات کافی زیادہ تعداد میں استعمال کیے گئے۔ ایچ ای وی کے لانچ سے حکومت کے ماحول دوست اور بہتر کارکردگی کی حامل گاڑیوں کے فروغ کے اقدام کو حمایت ملی جس سے نہ صرف آلودگی بلکہ درآمدی بلوں میں بھی کمی میں مدد ملے گی۔ اس ماڈل کی جدید خصوصیات نے مارکیٹ میں ابتداء میں ہی اپنی جگہ بنائی اور صارفین کی طرف سے بہت زیادہ مثبت فیڈ بیک حاصل کی۔

سال کی پہلی ششماہی میں ملکی معاشی حالات اور عالمی مارکیٹ کی حرکیات کے زیر اثر کرنسی کے اتار چڑھاؤ کا سامنا کرنا پڑا۔ ان مشکلات نے انڈسٹری پر دباؤ ڈالا جس سے انڈسٹری کو حجم برقرار رکھنے میں دقت پیش آئی۔ مرکزی بینک نے صورتحال کے ردعمل میں کرنسی کو مستحکم بنانے کیلئے پالیسیاں نافذ کیں جس میں شرح سود میں تبدیلی شامل ہے۔ مالی سال کے اختتام تک غیر ملکی زرمبادلہ کے ذخائر میں اضافہ اور افراط زر پر قابو پانے کیلئے اقدامات کے ذریعے پاکستانی روپے کو مستحکم کرنے کیلئے کوششیں کی گئیں۔ حالانکہ کرنسی کی قدر میں جزوی استحکام آیا لیکن اس کے باوجود نمایاں چیلنجز برقرار رہے۔

2023 میں کمپنی نے ٹویوٹا موٹر کارپوریشن (ٹی ایم سی) گلوبل اسکل اپ ٹریڈنگ (جی ایس ٹی) پروگرام میں حصہ لیتے ہوئے 126 ملازمین کو دوران ملازمت تربیت کیلئے جاپان بھیجا جو ایک سال تربیت کے بعد واپس آ کر پہلے سے زیادہ بہتر مہارتوں کے ساتھ کمپنی کے آپریٹنگ کو بہتر بنائیں گے۔ انتخاب کے طریقہ کار میں ٹی ایم سی ورک کلچر اور جاپانی زبان میں تربیت شامل ہے۔ چونکہ یہ افراد غیر ملکی کرنسی میں کم رہے ہیں اس لئے اس پروگرام سے پاکستان کی پیشہ ورانہ سہا اور معیشت کو فروغ ملے گا۔ اگلے مالی سال مہارت کی ترقی کی اس روایت کو جاری رکھتے ہوئے، تقریباً 200 نئے ٹرینی جاپان میں ٹویوٹا پلانٹ میں شامل ہونگے

ہم حکومت سے مخلصانہ اپیل کرتے ہیں کہ کارپوریٹ سیکٹر کے ساتھ ساتھ گاڑیوں پر ٹیکسوں میں کمی کے ساتھ بڑی صنعتوں بشمول آٹوموٹیو سیکٹر کیلئے کاروبار کا سازگار ماحول تشکیل دے۔ ہمیں یقین ہے کہ کاروبار دوست پالیسیوں کے نفاذ سے کاروبار پائیدار ترقی کی طرف گامزن ہوں گے، آٹوموٹیو سیکٹر میں روزگار کے نئے مواقع پیدا ہوں گے اور ٹیکنالوجی میں پیش رفت ہوگی جس سے ہماری قوم کی معاشی ترقی میں معاونت ملے گی۔

ہم فننس ایکٹ 2024 میں بالخصوص الیکٹرک اور ہائر ڈیوٹی انالوجیز کے خلاف مراعات سے متعلق معاون پالیسیوں کو برقرار رکھنے کی حکومتی کوششوں کو سراہتے ہیں۔ یہ پالیسیاں پائیداری اور جدت کیلئے کمپنی

FORM OF PROXY

35th 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 Fifth Annual General Meeting of the Company to be held on October 03, 2024 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 Rs 5/- Revenue Stamp
(Signature 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.

Affix
Correct
Postage

رجسٹرار، انڈس موٹر کمپنی لمیٹڈ
میسرز CDC شیئر رجسٹرار سروسز لمیٹڈ
سی ڈی سی ہاؤس، 99-B بلاک "بی"، سندھی مسلم آؤپریٹو ہاؤسنگ سوسائٹی
مین شاہراہ فیصل، کراچی - 74400

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.

My Bank account details for credit of dividend are as below

Name of shareholder _____
Folio number / CDC A/c No. _____ of **Indus Motor Company Limited**
Address of shareholder _____
Mobile number of shareholder _____
Title of account (*) _____
Account number: _____
IBAN number (**) _____
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

Day / Month / Year

NOTES

- * Joint account holders shall specify complete Title of Account including Shareholders name.
- ** Please provide complete IBAN Number, after checking with your concerned Bank branch to enable electronic credit directly into your bank account.

الیکٹرانک ڈیویڈنڈ مینڈیٹ فارم

انڈس موٹر کمپنی لمیٹڈ

کمپنیز ایکٹ 2017 کے سیکشن 242 اوپنیز (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 سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، B-99، بلاک بی، لہس ایم سی ایچ لہس، مین شاہراہ فیصل، کراچی کو ارسال کریں۔ پارٹیسپینٹ / 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 (پارٹیسپینٹ) 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 ایج 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۔

INDUS MOTOR COMPANY LTD.

Plot No. N.W.Z/1/P-1, Port Qasim Authority,
Bin Qasim, Karachi Pakistan.
www.toyota-indus.com