



# INDUS MOTOR COMPANY LTD.

**Condensed Interim Financial Information**  
For the Quarter ended September 30, 2024  
(Un-audited)



# Contents

02	Directors' Report
07	Condensed Interim Statement of Financial Position
08	Condensed Interim Statement of Profit or Loss
09	Condensed Interim Statement of Comprehensive Income
10	Condensed Interim Statement of Cash Flows
11	Condensed Interim Statement of Changes in Equity
12	Notes to and Forming Part of the Condensed Interim Financial Statements
21	Company Information

## Directors' Report

For the quarter ended September 30, 2024

The Directors of Indus Motor Company Limited ("The Company") are pleased to present the unaudited financial statements for the quarter ended September 30, 2024.

### **Pakistan's Automobile Industry**

Pakistan's economy is currently facing significant challenges, including external debt repayments, rising circular debt, slow growth, and a fiscal deficit. The recent approval of the IMF's Extended Fund Facility of USD 7 billion offers hope, as it could attract additional multilateral and bilateral funding to bolster foreign exchange reserves. However, the success of this program depends on implementing critical structural reforms, such as addressing rising energy costs, privatizing state-owned enterprises, reducing reliance on imports, enhancing the tax-to-GDP ratio, and improving foreign exchange reserves. While the government has made strides in managing the current account deficit, currency depreciation, and inflation—contributing to some economic recovery and stability—external account pressures remain significant. Despite modest improvements in fiscal year 2024, uncertainties persist regarding the stability of the financial sector, with only moderate growth in agriculture and a slow recovery in large-scale manufacturing.

The overall economy has shown some recovery in the auto sector. Vehicle demand has improved but still remains well below the volumes in the Financial Year 2021-22. This is primarily due to high vehicle prices, resulting from increased duties and taxes, currency depreciation, and rising costs, which have made cars unaffordable for most consumers. Limited access to auto financing and restrictions on financing facilities up to Rs. 3 million further constrain the sector's growth.

During the quarter, sales of locally manufactured Passenger Cars (PC) and Light Commercial Vehicles (LCV) by members of the Pakistan Automotive Manufacturers Association (PAMA) increased by 31%, reaching 27,585 units compared to 20,983 units in the same period last year. Production of locally manufactured PCs and LCVs also rose by 31%, totaling 28,701 units compared to 21,907 units in the corresponding period last year. Imports of used cars increased by 17%, reaching 8,771 units compared to 7,513 units in the same quarter last year.

### **Company Review**

The Company's sales of Completely Knocked Down (CKD) and Completely Built-up (CBU) vehicles for the quarter ended September 30, 2024, increased by 37% to 6,292 units, compared to 4,583 units in the same period last year. The company's market share in the overall market, based on PAMA data, stood at approximately 23%. The company produced 6,801 vehicles during the quarter, reflecting a 47% increase compared to 4,614 units in the same quarter last year. This growth was driven by a slight recovery in demand and the successful launch of the Toyota Yaris with minor model change. This model has further enhanced our product portfolio to meet evolving customer preferences.

The company's net sales turnover for the quarter increased to Rs. 41,603 million, up from Rs. 32,671 million in the same quarter last year. Profit after tax rose to Rs. 5,091 million, compared to Rs. 3,216 million during the same period last year. This improvement in profitability was primarily driven by reduced import material costs, favorable exchange rate movements, ongoing cost reduction initiatives, and increased localization. Additionally, a higher return on investments contributed positively to our results.

# Directors' Report

For the quarter ended September 30, 2024

The company's Earnings Per Share (EPS) for the quarter stood at Rs. 64.77 compared to Rs. 40.91 in the same period last year. The Board of Directors is pleased to declare a first interim cash dividend of Rs. 39 per share for the quarter, compared to Rs. 24.5 per share in the same quarter last year. Transactions with related parties, as disclosed in the financial statements, were conducted in the ordinary course of business.

## Near-Term Business Outlook

The financial year 2024-25 will be pivotal in shaping Pakistan's economic landscape. The government's capacity to navigate political instability will be crucial for achieving both stability and growth. In the auto sector, subdued volumes are anticipated in the upcoming quarter due to year-end trends and the influx of used car imports, which could negatively affect local CKD manufacturing operations. The industry advocates for a level playing field, especially given the reduced taxes on used cars, and emphasizes the importance of fair competition. Additionally, the current taxation system, based on engine cubic capacity (CC), raises concerns about inequities among vehicles with similar retail prices but varied taxes. Addressing these issues and implementing fair taxation policies will be critical for fostering industry growth and promoting the localization of auto parts in Pakistan.

We urge the government to lift restrictions on auto financing, lower financing rates, provide incentives for overseas Pakistanis to purchase locally manufactured vehicles instead of imported used cars, and rationalize vehicle duties and taxes to enhance affordability. These measures will not only improve government revenue through increased sales volumes but also generate employment and facilitate greater localization of parts and components.

## Acknowledgment

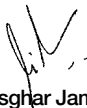
We sincerely thank our customers for their continued trust and loyalty. We also extend our appreciation to our employees, vendors, dealers, and business partners for their dedication and commitment, particularly during these challenging times. Our heartfelt gratitude goes out to all our stakeholders and shareholders for their ongoing support.

We humbly seek the Almighty's blessings and guidance.

On behalf of the Board of Directors.

October 26, 2024

Karachi



**Ali Asghar Jamali**  
Chief Executive & Director



**Shinji Yanagi**  
Vice Chairman & Director

ڈائریکٹرز رپورٹ

## برائے سہ ماہی کی مدت ختم 30 ستمبر 2024

انڈس موٹر کمپنی (آئی ایم سی) کے ڈائریکٹرز 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کی مدت کے لئے کمپنی کے غیر پڑتال شدہ مالی گوشوارے پیش کرنے میں خوشی محسوس کرتے ہیں۔

### پاکستان آٹوموٹیو انڈسٹری

پاکستان کی معیشت کو بیرونی قرضوں کی ادائیگی، بڑھتا ہوا گردش قرضہ، سست معاشی ترقی اور مالی خسارے سمیت نمایاں چیلنجز کا سامنا ہے۔ 7 بلین امریکی ڈالر کے آئی ایم ایف توسیع فنڈسہولت کی حالیہ منظوری، جس سے غیر ملکی زرمبادلہ کے ذخائر کو تقویت دینے کیلئے کثیر الجہتی اور دو طرفہ اضافی فنڈنگ مل سکتی ہے۔ تاہم اس پروگرام کی کامیابی کا انحصار اہم ڈھانچہ جاتی اصلاحات کے نفاذ پر ہے جن میں توانائی کی بڑھتی ہوئی لاگت سے نمٹنا، سرکاری ملکیتی اداروں کی نجی کاری، درآمدات پر دارو مدار کم کرنا، ٹیکس ٹی جی ڈی پی کے تناسب میں اضافہ اور غیر ملکی زرمبادلہ کے ذخائر کو بہتر بنانا شامل ہے۔ دوسری طرف حکومت نے حسابات جاریہ کے خسارے، کرنسی کی بے قدری اور افراط زر پر قابو پانے کیلئے اقدامات اٹھائے ہیں جس سے کچھ حد تک معاشی بحالی اور استحکام دیکھنے کو ملتا تاہم بیرونی حسابات کا دباؤ تاحال نمایاں ہے۔ مالی سال 2024 میں معمولی بہتریوں کے باوجود مالی شعبہ کے استحکام سے متعلق غیر یقینی صورتحال برقرار ہے تاہم زرعی شعبہ میں معمولی نمو اور بڑی صنعتوں میں سست بحالی کا مشاہدہ کیا گیا ہے۔

مجموعی معیشت میں بہتری سے آٹو سیکٹر میں بحالی دیکھنے کو ملی ہے۔ گاڑیوں کی طلب میں بہتری آئی لیکن سال 2021-2022 کے حجم کے مقابلے میں تاحال کم ہے جس کی بنیادی وجہ ڈیوٹیز اور ٹیکسوں میں اضافہ سے گاڑیوں کی بہت زیادہ قیمتیں، کرنسی کی قدر میں کمی اور بڑھتی ہوئی لاگت ہے جس سے گاڑیاں زیادہ تر کمزیر پومر کی استطاعت سے باہر ہیں۔ آٹو فنانسنگ تک محدود رسائی اور 3 بلین روپے تک کی مالی سہولت میں پابندیوں سے سیکٹر کی نمو مزید رکھی رہی۔

سہ ماہی کے دوران پاکستان آٹوموٹیو مینوفیکچررز ایسوسی ایشن (پی اے ایم اے) کے اراکین کی طرف سے مقامی سطح پر تیار کردہ مسافر گاڑیوں (پی سی) اور ہلکی تجارتی گاڑیوں (ایل سی وی) کی فروخت 31 فیصد اضافہ کے ساتھ گزشتہ سال کی اسی مدت کی 20,983 یونٹس کے مقابلے میں 27,585 یونٹس رہی۔ اراکین کی مقامی سطح پر تیار کردہ پی سی اور ایل سی وی گاڑیوں کی تعداد 31 فیصد اضافہ کے ساتھ گزشتہ سال کے

21,907 یونٹس کے مقابلے میں 28,701 یونٹس رہی۔ گزشتہ سال کی اسی مدت میں 7,513 گاڑیوں کے مقابلے سے ماہی میں 8,771 گاڑیاں درآمد کی گئیں جو 17 فیصد اضافہ کو ظاہر کرتی ہے۔

### کمپنی کا جائزہ

30 ستمبر، 2024 کو ختم ہونے والی سہ ماہی کیلئے کمپنی کی سی کے ڈی (CKD) اور سی بی یو (CBU) کی مجموعی فروخت 37 فیصد اضافہ کے ساتھ 6,292 یونٹس رہی جبکہ گزشتہ سال کی اسی مدت کے دوران 4,583 یونٹس فروخت ہوئے۔ پی اے ایم اے کے اعداد و شمار کے مطابق کمپنی کا مجموعی مارکیٹ میں مارکیٹ شیئر تقریباً 23 فیصد رہا۔ کمپنی نے سہ ماہی کے دوران 6,801 گاڑیاں تیار کیں جس میں گزشتہ سال کی اسی مدت کے 4,614 یونٹس کے مقابلے میں 47 فیصد اضافہ ہوا۔ اضافہ کی وجہ طلب میں معمولی سے بحالی اور ٹو یونٹس (ماڈل میں معمولی تبدیلی) کی کامیابی لانچ ہے جو صارفین کی بدلتی ہوئی ترجیحات کو پورا کرنے کیلئے ہمارے پروڈکٹ پورٹ فولیو میں نمایاں اضافہ ہے۔

کمپنی کی مدت کیلئے خالص فروخت سے ہونے والی آمدن گزشتہ سال کی اسی مدت کے دوران 32,671 ملین روپے کے مقابلے میں 41,603 ملین روپے رہی۔ بعد از ٹیکس منافع گزشتہ سال کی اسی مدت کے 3,216 ملین روپے کے مقابلے میں بڑھ کر 5,091 روپے ہو گیا۔ خالص منافع میں اضافہ کی بنیادی وجوہات میں درآمدی میٹریلز کی لاگتوں میں کمی شرح مبادلہ کی موزوں حرکیات، لاگت کم کرنے کیلئے جاری اقدامات اور مقامی صنعت کا فروغ ہے۔

سہ ماہی کیلئے کمپنی کی فی حصص آمدن گزشتہ سال کی اسی مدت کے 40.91 روپے کے مقابلے میں 64.77 روپے رہی۔ بورڈ آف ڈائریکٹرز 30 ستمبر، 2024 کو ختم ہونے والی سہ ماہی کی مدت کے لئے 39 روپے فی حصص کے پہلے عبوری نقد منقسمہ منافع کا اعلان کرنے میں مسرت محسوس کرتے ہیں جبکہ گزشتہ سال کی اسی مدت کیلئے یہ آمدنی 24.5 روپے فی حصص تھی۔ اسی مدت کے دوران متعلقہ پارٹیوں کے ساتھ کی جانے والی ٹرانزیکشنز جنہیں مالی گوشواروں میں ظاہر کیا گیا ہے، کو عمومی کاروبار کے دوران سرانجام دیا گیا۔

### مستقبل قریب کا کاروباری جائزہ

مالی سال 2024-2025 پاکستان کے معاشی منظر نامے کی تشکیل میں اہم ثابت ہوگا۔ حکومتی کی سیاسی عدم استحکام سے نکلنے کی صلاحیت استحکام اور ترقی کے حصول کیلئے اہمیت کی حامل ہوگی۔ آٹو سیکٹر میں سال کے اختتام پر رجحانات اور درآمدی گاڑیوں کے بہاؤ کی وجہ سے آئندہ سہ ماہی میں حجم دباؤ میں رہنے کی توقع ہے جس سے مقامی سی کے ڈی مینوفیکچرنگ آپریشنز پر منفی اثرات مرتب ہو سکتے ہیں۔ انڈسٹری استعمال شدہ گاڑیوں پر کم ٹیکسوں کے تناظر میں مساویانہ مواقعوں کی فراہمی کیلئے وکالت کرنے کے ساتھ ساتھ شفاف مسابقت کی اہمیت پر زور دے

رہی ہے۔ اس کے علاوہ انجن کیو بک لکچر سیٹی کی بنیاد پر ٹیکس کے موجودہ نظام سے مختلف ٹیکسوں کے ساتھ ایک جیسی ریٹیل قیمتوں کی حامل گاڑیوں کے درمیان عدم مساوات کے بارے میں خدشات جنم لیتے ہیں۔ اس مسئلے سے نمٹنے اور ٹیکس کی منصفانہ پالیسیوں کا نفاذ انڈسٹری کی ترقی اور پاکستان میں گاڑیوں کے پرزہ جات کی مقامی سطح پر تیاری کے فروغ کیلئے اہم ہوگا۔

ہم حکومت سے مطالبہ کرتے ہیں کہ آٹو فنانسنگ پر پابندیاں اٹھائی جائیں، فنانسنگ کی شرح کم کی جائے، اور سبز پاکستانیوں کو استعمال شدہ درآمدی گاڑیوں کی بجائے مقامی سطح پر تیار کردہ گاڑیاں خریدنے کیلئے مراعات دی جائیں اور گاڑیوں پر ٹیکسوں کو معقول نظام بنایا جائے تاکہ زیادہ سے زیادہ لوگ گاڑیاں خرید سکیں۔ ان اقدامات سے نہ صرف سیلز حجم میں اضافہ سے حکومتی محاصل بہتر ہوں گے بلکہ ملازمتیں پیدا ہونے کے ساتھ ساتھ انڈسٹری میں بڑے پیمانے پر مقامی صنعت کو فروغ ملے گا۔

### اظہار تشکر

ہم اپنے صارفین کے شکر گزار ہیں کہ انہوں نے ہماری مصنوعات پر مسلسل اعتماد کیا۔ ہم کمپنی کے ملازمین، وینڈرز، ڈیلرز اور تمام شراکت داروں کے مشکل وقت اور غیر معمولی حالات میں عزم اور لگن پر دادِ تحسین پیش کرنا چاہیں گے۔ ہم اپنے اسٹیک ہولڈرز اور شیئر ہولڈرز کے بھی مشکور ہیں جنہوں نے کمپنی کی ہمیشہ معاونت کی۔

ہم ربِ عظیم کے شکر گزار ہیں اور اس کی برکتوں سمیت رہنمائی کیلئے دعا گو ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے

26 اکتوبر، 2024

کراچی



شن جی یاناگی

وائس چیئرمین وڈائریکٹر



علی اصغر جمالی

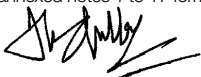
چیف ایگزیکٹو وڈائریکٹر

# Condensed Interim Statement of Financial Position

As at September 30, 2024

	Note	September 30 2024 (Unaudited)	June 30 2024 (Audited)
------(Rupees in '000)-----			
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	4	22,716,303	23,480,794
Intangible assets		79,540	66,578
Long-term loans and advances		45,449	85,462
Long-term deposits		10,020	10,020
Deferred taxation - net		2,122,095	2,756,998
		<u>24,973,407</u>	<u>26,399,852</u>
<b>Current Assets</b>			
Stores and spares		693,639	755,609
Stock-in-trade		25,840,254	22,825,648
Trade debts - unsecured		6,814,210	5,993,138
Loans and advances		2,053,752	2,976,680
Short-term prepayments		99,860	90,964
Other receivables		2,848,194	2,996,515
Short-term investments	5	80,563,731	76,540,835
Cash and bank balances		3,674,838	7,240,410
		<u>122,588,478</u>	<u>119,419,799</u>
<b>TOTAL ASSETS</b>		<u>147,561,885</u>	<u>145,819,651</u>
<b>EQUITY</b>			
<b>Share Capital</b>			
<b>Authorised capital</b>			
500,000,000 (June 30, 2024: 500,000,000) ordinary shares of Rs 10 each		5,000,000	5,000,000
<b>Issued, subscribed and paid-up capital</b>			
78,600,000 (June 30, 2024: 78,600,000) ordinary shares of Rs 10 each		786,000	786,000
Reserves		71,531,247	66,440,443
		<u>72,317,247</u>	<u>67,226,443</u>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Long term loan	6	189,917	199,912
Deferred Revenue		13,974	12,902
		<u>203,891</u>	<u>212,814</u>
<b>Current Liabilities</b>			
Current portion of long term loan		39,983	39,983
Current portion of deferred revenue		13,451	11,278
Unclaimed dividend		294,160	295,064
Unpaid dividend		111,761	115,429
Trade payables, other payables and provisions		39,887,744	42,273,963
Warranty Obligations		5,434,628	5,379,972
Advances from customers and dealers		20,180,123	22,040,645
Taxation - net		9,078,897	8,224,060
		<u>75,040,747</u>	<u>78,380,394</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>147,561,885</u>	<u>145,819,651</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	7		

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

  
**Mohammad Ibadullah**  
 Chief Financial Officer

  
**Ali Asghar Jamali**  
 Chief Executive & Director

  
**Shinji Yanagi**  
 Vice Chairman & Director



## Condensed Interim Statement of Profit or Loss

For the quarter ended September 30, 2024 (unaudited)

	Note	Quarter ended	
		September 30 2024	Restated September 30 2023
------(Rupees in '000)-----			
<b>Revenue from contracts with customers</b>	8	<b>41,602,599</b>	32,670,646
Cost of sales	9	<b>(36,022,878)</b>	(29,370,522)
<b>Gross profit</b>		<b>5,579,721</b>	3,300,124
Distribution expenses		<b>(662,519)</b>	(383,130)
Administrative expenses		<b>(584,792)</b>	(535,703)
Other operating expenses		<b>(53,626)</b>	(8,243)
		<b>(1,300,937)</b>	(927,076)
		<b>4,278,784</b>	2,373,048
Workers' Profit Participation Fund and Workers' Welfare Fund		<b>(397,657)</b>	(237,123)
<b>Profit from operations</b>		<b>3,881,127</b>	2,135,925
Other income	11	<b>4,456,143</b>	2,821,134
		<b>8,337,270</b>	4,957,059
Finance cost		<b>(61,773)</b>	(31,121)
<b>Profit before taxation &amp; levy</b>		<b>8,275,497</b>	4,925,938
Levy		<b>(24,961)</b>	(60,191)
<b>Profit before taxation</b>		<b>8,250,536</b>	4,865,748
Taxation		<b>(3,159,732)</b>	(1,650,043)
<b>Profit after taxation</b>		<b>5,090,804</b>	3,215,704
------(Rupees)-----			
<b>Earnings per share - basic and diluted</b>		<b>64.77</b>	40.91

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



**Mohammad Ibadullah**  
Chief Financial Officer



**Ali Asghar Jamali**  
Chief Executive & Director



**Shinji Yanagi**  
Vice Chairman & Director

## Condensed Interim Statement of Comprehensive Income

For the quarter ended September 30, 2024 (unaudited)

	Quarter ended	
	September 30 2024	September 30 2023
	------(Rupees in '000)-----	
<b>Profit after taxation for the period</b>	<b>5,090,804</b>	3,215,704
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be subsequently reclassified to profit or loss	-	-
<b>Total comprehensive income for the period</b>	<b>5,090,804</b>	3,215,704

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



**Mohammad Ibadullah**  
Chief Financial Officer



**Ali Asghar Jamali**  
Chief Executive & Director



**Shinji Yanagi**  
Vice Chairman & Director

# Condensed Interim Statement of Cash Flows

For the quarter ended September 30, 2024 (unaudited)

Note	Quarter ended September 30	
	2024	2023
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash utilized in operations	12 (1,516,172)	(3,302,443)
Net decrease in long-term loans and advances	15,018	6,518
Payment to Workers' profit participation fund	-	(240,000)
Compensation paid on advances received from customers	(31,536)	(685,989)
Increase in deferred revenue	1,072	2,333
Interest paid on long-term loan	(2,511)	(887)
Income tax paid	(1,694,957)	(1,151,342)
<b>Net cash outflow from operating activities</b>	<b>(3,229,086)</b>	<b>(5,371,810)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets	(588,721)	(1,863,904)
Proceeds from disposal of property, plant and equipment	44,828	76,742
Interest received on bank deposits and Term Deposit Receipts	147,090	344,939
Gain on trade of Pakistan Investment Bonds	88,483	1,048,758
Net investment in Government Securities	(10,185,153)	(2,357,146)
Net proceeds from redemption of listed mutual fund units	3,920,047	496,560
Dividend Income from listed mutual fund units	103,469	403,374
<b>Net cash outflow from investing activities</b>	<b>(6,469,957)</b>	<b>(1,850,677)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(4,572)	(1,530,937)
Long-term loan installments paid	(9,996)	(9,996)
<b>Net cash outflow on financing activities</b>	<b>(14,568)</b>	<b>(1,540,933)</b>
<b>Net decrease in cash and cash equivalents during the period</b>	<b>(9,713,611)</b>	<b>(8,763,420)</b>
Cash and cash equivalents at the beginning of the period	14,107,143	24,806,124
<b>Cash and cash equivalents at the end of the period</b>	<b>4,393,532</b>	<b>16,042,704</b>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



**Mohammad Ibadullah**  
Chief Financial Officer



**Ali Asghar Jamali**  
Chief Executive & Director



**Shinji Yanagi**  
Vice Chairman & Director

# Condensed Interim Statement of Changes in Equity

For the quarter ended September 30, 2024 (unaudited)

	Share Capital	Reserves			Sub-Total	Total
	Issued, subscribed and paid-up	Capital	Revenue			
		Premium on issue of ordinary shares	General reserve	Unappropriated profit		
<b>Balance as at July 1, 2023</b>	786,000	196,500	51,951,050	7,136,362	59,283,913	60,069,913
Total comprehensive income for the quarter ended September 30, 2023	-	-	-	3,215,704	3,215,704	3,215,704
Transfer to general reserve for the year ended June 30, 2023 appropriated subsequent to year end	-	-	4,000,000	(4,000,000)	-	-
<b>Transactions with owners</b>						
Final dividend @ 290% for the year ended June 30, 2023 declared subsequent to year end	-	-	-	(2,279,400)	(2,279,400)	(2,279,400)
<b>Balance as at September 30, 2023</b>	<u>786,000</u>	<u>196,500</u>	<u>55,951,050</u>	<u>4,072,667</u>	<u>60,220,217</u>	<u>61,006,217</u>
<b>Balance as at July 1, 2024</b>	786,000	196,500	55,951,050	10,292,893	66,440,443	67,226,443
Total comprehensive income for the quarter ended September 30, 2024	-	-	-	5,090,804	5,090,804	5,090,804
<b>Balance as at September 30, 2024</b>	<u>786,000</u>	<u>196,500</u>	<u>55,951,050</u>	<u>15,383,697</u>	<u>71,531,247</u>	<u>72,317,247</u>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



**Mohammad Ibadullah**  
Chief Financial Officer



**Ali Asghar Jamali**  
Chief Executive & Director



**Shinji Yanagi**  
Vice Chairman & Director

# Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2024 (unaudited)

## 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 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

### 2.1 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 Change in accounting standards, interpretations and amendments to published accounting and reporting standards

#### (a) Amendments to published accounting and reporting standards which became effective during the period

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2025. However, these amendments will not have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

# Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2024 (unaudited)

**2.3** The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2024.

### **3. SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT**

The preparation of these condensed interim financial statements requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates, assumptions and judgments. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events.

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are consistent with those applied in the annual audited financial statements of the Company as at and for the year ended June 30, 2024.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company as at and for the year ended June 30, 2024.

<b>September 30</b>	<b>June 30</b>
<b>2024</b>	<b>2024</b>
<b>(Unaudited)</b>	<b>(Audited)</b>
------(Rupees in '000)-----	

### **4. PROPERTY, PLANT AND EQUIPMENT**

Tangible operating assets	<b>21,802,001</b>	22,034,891
Capital work-in-progress	<b>914,302</b>	1,445,903
	<b>22,716,303</b>	23,480,794

# Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2024 (unaudited)

## 4.1 Details of additions and disposals during the period are as follows:

	Additions (at cost)		Disposals (at cost)	
	Quarter ended September 30		Quarter ended September 30	
	2024	2023	2024	2023
----- (Rupees in '000) -----				
<b>Tangible assets</b>				
Buildings on leasehold land:				
Factory	128,305	122,881	-	-
Others	1,283	35,572	-	-
Plant and machinery	651,421	1,126,055	24,322	35,288
Motor vehicles	161,278	97,425	43,213	53,361
Furniture and fixtures	29,867	28,542	-	-
Office equipment	5,353	5,935	-	97
Computers and related accessories	19,091	8,341	3,273	1,913
Tools and equipment	3,223	147,768	-	42,576
Jigs, moulds and related equipments	97,994	3,301,731	-	386,261
	<u>1,097,815</u>	<u>4,874,250</u>	<u>70,807</u>	<u>519,495</u>
<b>Intangible assets</b>				
Computer software	<u>22,496</u>	<u>19,874</u>	<u>-</u>	<u>-</u>

4.1.1 Additions to owned assets include transfers from capital work-in-progress amounting to Rs 938.803 million (September 30, 2023: Rs 4,730.506 million).

	September 30 2024 (Unaudited)	June 30 2024 (Audited)
	----- (Rupees in '000) -----	
<b>5 SHORT TERM INVESTMENTS</b>		
<b>At fair value through profit or loss</b>		
- Government securities	34,622,612	28,699,289
- Listed Mutual Fund Units	45,941,119	47,841,546
	<u>80,563,731</u>	<u>76,540,835</u>
<b>6 LONG TERM LOAN</b>		
<b>Loan Under financing scheme</b>		
- Refinance scheme for renewable energy	229,900	239,895
	<u>229,900</u>	<u>239,895</u>
<b>Less: Current Portion</b>		
- Refinance scheme for renewable energy	(39,983)	(39,983)
	<u>189,917</u>	<u>199,912</u>

# Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2024 (unaudited)

## 7 CONTINGENCIES AND COMMITMENTS

### 7.1 Contingencies

**7.1.1** The status of contingencies as disclosed in annual financial statements of the Company for the year ended June 30, 2024 has remained unchanged.

**7.1.2** As at September 30, 2024, the claims not acknowledged as debt by the company amounts to Rs 3,421.298 million (June 30, 2024: Rs 3,421.298 million).

**7.1.3** Outstanding bank guarantees as at September 30, 2024 amounted to Rs 26,209.132 million (June 30, 2024: Rs 26,024.273 million). This includes an amount of Rs 10,339.259 million (June 30, 2024: Rs 9,824.835 million) in respect of bank guarantees from a related party.

### 7.2 Commitments

**7.2.1** Commitments in respect of capital expenditure as at September 30, 2024 aggregate to Rs 759.757 million (June 30, 2024: Rs 649.099 million).

**7.2.2** Commitments in respect of letters of credit, other than for capital expenditure, as at September 30, 2024 amounted to Rs 20,666.973 million (June 30, 2024: Rs 26,278.435 million). The above letters of credit include an amount of Rs 3,175.735 million (June 30, 2024: Rs 5,304.819 million) availed from a related party.

Quarter ended	
September 30 2024	September 30 2023
------(Rupees in '000)-----	

## 8 REVENUE FROM CONTRACTS WITH CUSTOMERS

### Manufacturing

Manufacturing net sales

**37,857,503**      30,200,737

Trading net sales

**3,745,096**      2,469,909

**Total Net Sales**

**41,602,599**      32,670,646

## 9 COST OF SALES

Manufacturing

**33,711,131**      27,868,641

Trading

**2,311,747**      1,501,881

**Total Cost of Sales**

**36,022,878**      29,370,522



# Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2024 (unaudited)

## 10 SEGMENT REPORTING

	Quarter ended September 30, 2024			Quarter ended September 30, 2023		
	Manufacturing	Trading	Total	Manufacturing	Trading	Total
	----- (Rupees in '000) -----					
Net sales	<b>37,857,503</b>	<b>3,745,096</b>	<b>41,602,599</b>	30,200,737	2,469,909	32,670,646
Gross profit	<b>4,146,372</b>	<b>1,433,349</b>	<b>5,579,721</b>	2,332,096	968,028	3,300,124
Profit from Operations	<b>2,736,738</b>	<b>1,144,389</b>	<b>3,881,127</b>	1,236,343	899,582	2,135,925

## 11 OTHER INCOME

	Quarter ended	
	September 30 2024	September 30 2023
	----- (Rupees in '000) -----	
<b>Income from Financial Assets</b>		
Return on bank deposits	<b>104,086</b>	162,802
Net gain on investment in listed mutual funds units	<b>2,019,620</b>	55,485
Dividend income from listed mutual fund units	<b>103,469</b>	403,374
Gain on trade of investment in Government Securities	<b>1,974,690</b>	1,488,123
Interest income on Government Securities	-	386,183
<b>Income from Non Financial Assets</b>		
Agency Commission income - net of expenses	<b>24,534</b>	3,186
Freight and other charges income - net of expenses	<b>76,712</b>	86,142
Unclaimed liabilities written back	<b>96,799</b>	140,428
Others	<b>56,233</b>	95,411
	<b>4,456,143</b>	2,821,134

# Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2024 (unaudited)

Note	Quarter ended	
	September 30 2024	September 30 2023
	------(Rupees in '000)-----	
<b>12 CASH (USED IN) OPERATIONS</b>		
Profit before taxation	<b>8,275,497</b>	4,925,938
<b>Adjustment for non-cash charges and other items:</b>		
Depreciation	<b>1,306,852</b>	1,373,676
Amortization	<b>9,518</b>	18,884
Provision for doubtful debts	<b>(1,191)</b>	105,203
Gain on disposal of operating fixed assets	<b>(20,947)</b>	(52,166)
Net gain on investment in listed mutual funds units	<b>(2,019,620)</b>	(55,485)
Dividend income from listed mutual fund units	<b>(103,469)</b>	(403,374)
Return on bank deposits	<b>(104,086)</b>	(162,802)
Gain on trade of investment in Government Securities	<b>(1,974,690)</b>	(1,488,123)
Interest income on Government Securities	-	(386,183)
Charge in respect of Workers' Profit Participation Fund	<b>228,769</b>	133,355
Charge in respect of Workers' Welfare Fund	<b>168,888</b>	103,768
Interest expense on long term loan	<b>2,448</b>	2,855
Compensation on advances received from customers	<b>12,530</b>	-
Working capital changes	<b>(7,296,671)</b>	(7,417,989)
12.1	<b>(1,516,172)</b>	(3,302,443)
<b>12.1 Working capital changes</b>		
<b>(Increase) / Decrease in current assets</b>		
Stores and spares	<b>61,970</b>	(145,663)
Stock-in-trade	<b>(2,976,986)</b>	(5,552,691)
Trade debts	<b>(819,881)</b>	(6,429,602)
Loans and advances	<b>910,301</b>	10,206,717
Short-term prepayments	<b>(8,897)</b>	(17,164)
Other receivables	<b>(123,448)</b>	(43,314)
	<b>(2,956,941)</b>	(1,981,717)
<b>Increase / (Decrease) in current liabilities</b>		
Trade payables, other payables and provisions	<b>(2,481,380)</b>	(2,721,888)
Current Portion of Deferred Revenue	<b>2,173</b>	384
Advances from customers and dealers	<b>(1,860,523)</b>	(2,714,768)
	<b>(4,339,730)</b>	(5,436,272)
	<b>(7,296,671)</b>	(7,417,989)
<b>13 CASH AND CASH EQUIVALENTS</b>		
Term Deposit Receipts	-	4,000,000
Government Securities	<b>718,694</b>	6,400,656
Cash and bank balances	<b>3,674,838</b>	5,642,048
	<b>4,393,532</b>	16,042,704

# Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2024 (unaudited)

## 14 TRANSACTIONS AND BALANCES WITH ASSOCIATED UNDERTAKINGS / RELATED PARTIES

14.1 The associated undertakings / related parties comprise of associated companies, staff retirement funds and key management personnel. Transactions carried out with associated undertakings / related parties during the year are as follows:

	<b>Quarter ended</b>	
	<b>September 30</b>	
	<b>2024</b>	<b>2023</b>
	------(Rupees in '000)-----	
<b>With associated undertakings / related parties:</b>		
Sales	<b>669,181</b>	616,211
Purchases	<b>24,158,799</b>	25,969,125
Insurance premium	<b>95,639</b>	44,062
Agency commission	<b>24,601</b>	3,273
Running royalty	<b>449,034</b>	487,768
Return on bank deposits	<b>62,403</b>	122,091
Proceeds from disposal of fixed assets / insurance claim	-	125
Supervisor Fees	<b>2,241</b>	-
Bank and LC charges	<b>62,009</b>	19,019
Annual Subscription	<b>625</b>	625
<b>With other related parties:</b>		
Contribution to retirement benefit funds	<b>50,835</b>	38,367
<b>With key management personnel:</b>		
- Salaries and benefits	<b>47,220</b>	41,782
- Post employment benefits	<b>3,127</b>	2,707

The related party balances outstanding as at period / year end are as follows:

	<b>September 30</b>	<b>June 30</b>
	<b>2024</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
	------(Rupees in '000)-----	
<b>Nature of balances</b>		
Short-term prepayments	<b>40,844</b>	24,124
Bank balances and Term Deposit Receipts	<b>3,231,640</b>	2,810,857
Margin held by bank against LC's	<b>1,263,131</b>	1,719,968
Warranty claims, agency commission and other receivables	<b>388,727</b>	280,189
Trade and other payables	<b>3,516,478</b>	8,196,496

14.2 During the period, Rs 0.750 million (September 30, 2023: Rs 0.875 million) was paid as directors' fee to independent directors.

# Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2024 (unaudited)

## 15 FAIR VALUE OF FINANCIAL INSTRUMENTS

International Financial Reporting Standard 7, 'Financial Instruments: Disclosure' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- 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 (i.e., as prices) or indirectly (i.e., derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Investment of the Company carried at fair value are categorised as follows:

	----- As at September 30, 2024 -----			----- As at June 30, 2024 -----		
	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	-	45,941,119	-	-	47,841,546	-
- Government Securities	-		-	-		-
- Market Treasury Bill	-	34,622,612	-	-	28,699,289	-
- Derivative financial instruments	-	-	-	-	-	-

## 16 NON-ADJUSTING EVENT AFTER 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 have been approved in the Annual General Meeting held on 3rd October 2024. The condensed interim financial statements for the quarter ended September 30, 2024 do not include the effect of these appropriations, which will be accounted for in the condensed interim financial statements for the half year ending December 31, 2024.

The Board of Directors in its meeting held on October 26, 2024 have proposed an interim cash dividend of Rs 39 per share (September 30, 2023: Rs 24.5 per share) in respect of the year ending June 30, 2025. The condensed interim financial information for the quarter ended September 30, 2024, does not include the effect of this dividend, which will be accounted for in the condensed interim financial information for the half year ending December 31, 2024.

# Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2024 (unaudited)

## 17 GENERAL

- 17.1** Corresponding figures have been rearranged and reclassified wherever necessary, for the purpose of better presentation and comparison.
- 17.2** This condensed interim financial information was authorised for issue on October 26, 2024 by the Board of Directors of the Company.
- 17.3** Figures in this condensed interim financial information has been rounded off to the nearest thousand rupees.



**Mohammad Ibadullah**  
Chief Financial Officer



**Ali Asghar Jamali**  
Chief Executive & Director



**Shinji Yanagi**  
Vice Chairman & Director

## Company Information

### Board of Directors

Mr. Mohamedali R. Habib	Chairman
Mr. Shinji Yanagi	Vice Chairman
Mr. Ali Asghar Jamali	Chief Executive
Mr. Muhammad H. Habib	Director
Mr. Akihiro Murakami	Director
Mr. Shigeki Furuya	Director
Mr. Imran A. Habib	Director
Mr. Asif Qadir	Independent Director
Mr. Riyaz T. Chinoy	Independent Director
Syeda Tatheer Zehra Hamdani	Independent Director

### Chief Financial Officer

Mr. Mohammad Ibadullah

### Company Secretary

Mr. Muhammad Arif Anzer

### Audit and Risk Committee Members

Mr. Asif Qadir	Committee Chairman
Mr. Muhammad H. Habib	Member
Mr. Imran A. Habib	Member
Mr. Akihiro Murakami	Member
Mr. Riyaz T. Chinoy	Member
Mr. Shiraz Sanawar	Secretary & Head of Internal Audit

### Human Resource and Remuneration

#### Committee Members

Syeda Tatheer Zehra Hamdani	Committee Chairperson
Mr. Mohamedali R. Habib	Member
Mr. Shinji Yanagi	Member
Mr. Riyaz T. Chinoy	Member
Mr. Ali Asghar Jamali	Member
Mr. Khurram Mahmood	Secretary

### Auditors

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

### Legal Advisors

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

### Bankers

Allied Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
Meezan Bank Ltd  
National Bank of Pakistan  
Standard Chartered Bank (Pakistan) Limited  
United Bank Limited

### Registrar

CDC Share Registrar Services Limited  
CDC House, 99-B, Block 'B'  
S.M.C.H.S. Main Shahra-e-Faisal  
Karachi - 74400. Pakistan.  
UAN: 111-111-500  
Tel: 0800 - 23275  
Fax (92-21) 34326053  
Email: info@cdcsrsl.com

### Factory / Registered Office

Plot No. N.W.Z/1/P-1, Port Qasim Authority,  
Bin Qasim, Karachi.

Phone: (PABX) (92-21) 34720041-48  
(UAN) (92-21) 111-TOYOTA (869-682)  
Fax: (92-21) 34720040  
Website: www.toyota-indus.com

### Credit Rating

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

This Page is intentionally left blank

**This Page is intentionally left blank**



**This Page is intentionally left blank**

# BOOK POST

PRINTED MATTER  
UNDER POSTAL CERTIFICATE



If undelivered please return to:

**INDUS MOTOR COMPANY LTD.**  
Plot No. N.W.Z/1/P-1, Port Qasim Authority,  
Bin Qasim, Karachi, Pakistan