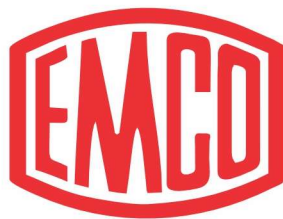
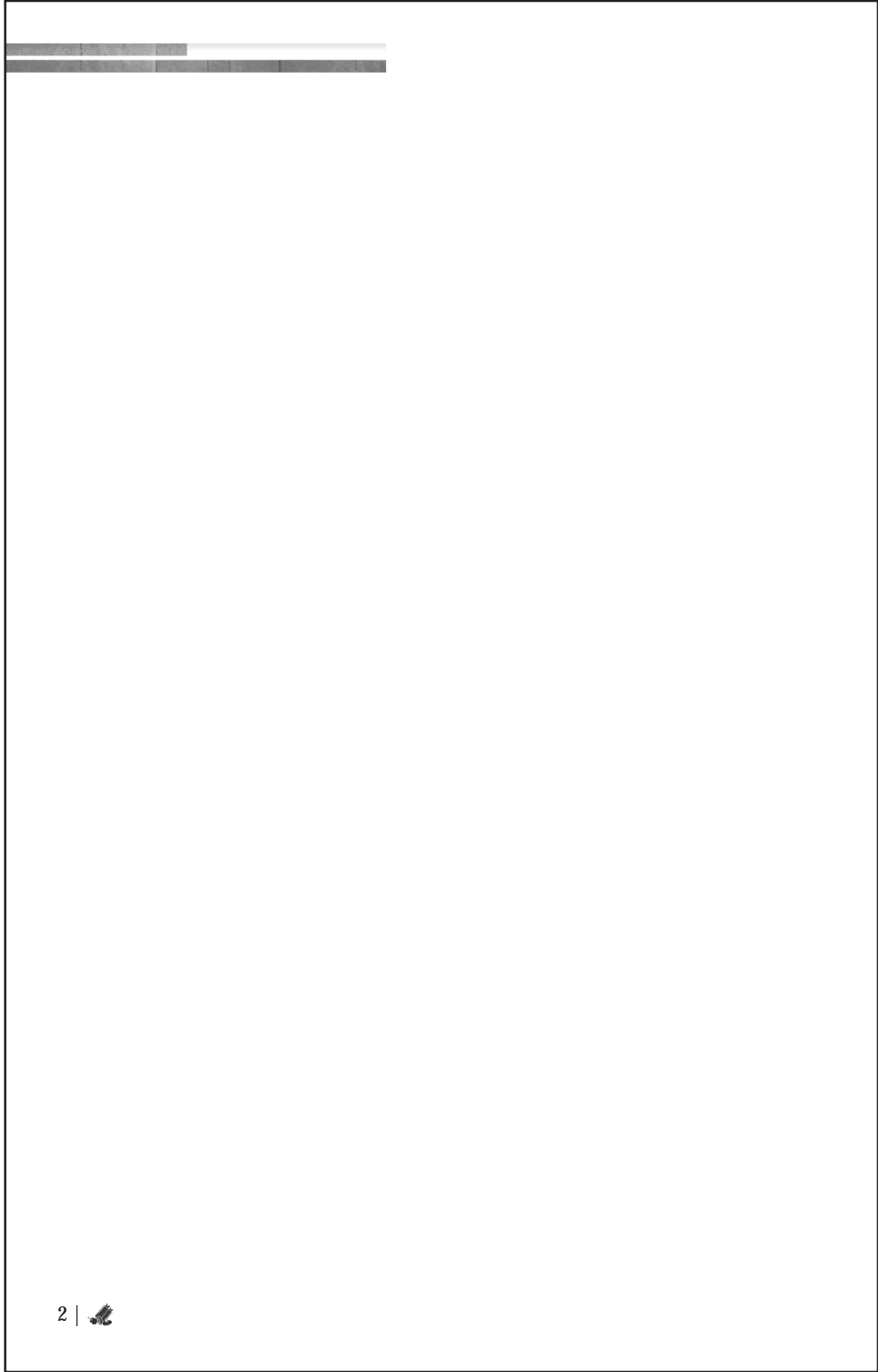


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**INTERIM  
FINANCIAL  
INFORMATION  
(Un-audited)  
FOR THE  
HALF YEAR ENDED  
DECEMBER 31, 2024**



**EMCO INDUSTRIES LIMITED**





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## COMPANY INFORMATION

### Board of Directors

Mr. Javaid Shafiq Siddiqi	Chairman / Non-Executive Director
Mr. Usman Haq	Managing Director / Executive Director
Mr. Salem Rehman	Chief Executive / Executive Director
Mr. Tariq Rehman	Executive Director
Mr. Ahsan Suhail Mannan	Company Secretary / Executive Director
Mr. Pervaiz Shafiq Siddiqi	Non-Executive Director
Mr. Salman Javaid Siddiqi	Non-Executive Director
Mr. Umair Noorani	Non-Executive Director
Mrs. Ayesha Mussadaque Hamid	Independent Director
Ch. Imran Ali	Independent Director
Syed Muhammad Mohsin	Independent Director
Mr. Osman Hameed Chaudhri	Independent Director

### Chief Financial Officer

Mr. Riaz Ahmad

### Company Secretary

Mr. Ahsan Suhail Mannan

### Audit Committee

Mr. Osman Hameed Chaudhri	Chairman
Syed Muhammad Mohsin	Member
Mr. Javaid Shafiq Siddiqi	Member
Mr. Umair Noorani	Member
Mr. Ahsan Suhail Mannan	
*Is the Committee Secretary as required by the Chapter IX, 27 (1) (iv) of Code of Corporate Governance, Regulations 2019.*	

### HR Committee

Mrs. Ayesha Mussadaque Hamid	Chairman
Mr. Pervaiz Shafiq Siddiqi	Member
Mr. Salman Javaid Siddiqi	Member
Mr. Ahsan Suhail Mannan	Member / Committee Secretary

### Risk Management Committee

Syed Muhammad Mohsin	Chairman
Mr. Tariq Rehman	Member
Ch. Imran Ali	Member
Mr. Salem Rehman	Member / Committee Secretary

### Nomination Committee

Ch. Imran Ali	Chairman
Mr. Javaid Shafiq Siddiqi	Member
Mr. Usman Haq	Member
Mr. Ahsan Suhail Mannan	Member / Committee Secretary

### External Auditors

M/s. Crowe Hussain Chaudhry & Co.,  
Chartered Accountants, Lahore.

### Internal Auditors

M/s. Muhammad Ali Hussain & Co.  
Chartered Accountants, Lahore.

### Legal Advisers

Cornelious Lane & Mufti  
Chaudhary Associates Law Inn  
Rizvi & Company  
Asad Ullah Khan

### Bankers

Habib Bank Limited  
National Bank of Pakistan  
The Bank of Punjab  
The Bank of Khyber  
Al Baraka Bank (Pakistan) Limited  
Askari Bank Limited  
Soneri Bank Limited

### BUSINESS ITEMS

#### Porcelain Insulators

- Tension Insulator
- Suspension Insulator
- Pin Insulator
- Line Post Insulator
- Cap and pin Insulator
- Station Post Insulator
- Long Road Insulator
- Insulator for Railway Electrification
- Telephone Insulator
- Low Voltage Insulator
- Dropout Cutout Insulator
- HT & LT Bushings

#### Switchgear

- Disconnect Switch upto 245 kv
- Metal Oxide Surge Arresters upto 245 kv

#### RTV Coating

- Room Temperature Vulcanised
- Silicone Rubber Coating

#### Chemical Porcelain

- Acid Proof Tiles
- Acid Proof Cement

#### Special Porcelain

- High Alumina Porcelain
- Lining Special Refractories & Grinding Media

#### Metal Components

- Cross Arms for Distribution Poles
- Steel Pins for Pin Insulators/ Cross Arms
- D-Shackle Assembly

#### Share Registrar

Corplink (Pvt) Limited  
Wings Arcade, I-K, Commercial,  
Model Town, Lahore.

#### Registered Office

4th Floor, National Tower,  
28-Egerton Road, Lahore.

#### Factory

19-Kilometre,  
Lahore Sheikhpura Road, Lahore.



## DIRECTORS' REPORT

### Dear Shareholders

On behalf of the Board of Directors we are pleased to present the performance review of your Company together with the reviewed financial statements for the half-year ended December 31, 2024.

### Operations and Sales Review

The Company produced 1,459 tons of porcelain insulators during the period under review (July-December 2024) as compared to 1,854 tons of the corresponding period of last year. Similarly, the Company sold 2,217 tons of porcelain insulators during the period under review (July-December 2024) as compared to 2,225 tons of the corresponding period of last year. Production and sales indicators for the domestic market were impacted on account of reprofiling the process of power sector by the Government resulting in reprioritizing and delay in budgetary allocation for maintenance and start of new projects. During this period, the Company continued its efforts to decrease its finished goods inventory levels to ease cash flow constraints.

The Company used this lean period to focus heavily on penetrating new export markets for the core porcelain insulator product. Resultantly, the company exported almost 121% of the last full year export value in the first half year. Simultaneously, the Company successfully started the execution of orders against the metal hardware prequalification from the Distribution Companies (DISCOs). The introductory pricing and new nature of these initiatives resulted in negative pressure on profitability. However, the Company is aggressively working to improve the profitability of these new initiatives and is confident that these initiatives will yield improved profitability within this fiscal year.

Net sales of the Company recorded as Rs.1,839 million for the period under review (July-December 2024) as compared to Rs. 2,416 million of the corresponding period of last year.

The new Government is working on budget planning and setting national level priorities, and the sharp softening of domestic purchasing by NTDC and DISCOs is expected to be reviewed under the budgetary allocation as part of the Federal Budget announcement.

### Financial Performance

For the period under review (July-December 2024), the Company posted gross profit of Rs. 231 million compared to Rs. 686 million in the corresponding period of last year. The net operating profit for the period under review (July-December 2024) is recorded at Rs. 92 million as compared to net operating profit Rs. 551 million in the corresponding period of last year. Gross Margins reduced substantially on account of low sales of insulators and dispatch of new products offered at introductory and penetration phase. Admin and S&D expenses were relatively stable Rs. 139 million compared to Rs. 135 million.

Finance cost for the period under review (July-December 2024) has been recorded at Rs. 188 million as compared to Rs. 195 million in the corresponding period of last year.

After taking into account financial charges, Loss Before Tax is Rs. 107 million as compared to Profit Before Tax of Rs. 300 million for the corresponding period of last year.

After accounting for tax, the Company has made a Net Loss of Rs. 63 million for the period under review as compared to a Net Profit of Rs. 196 million for the corresponding period of last year.

During the period under review, the Company has paid Long Term Loans as per schedules and there is no overdue against any loans.

#### Earnings per Share

The basic loss per share is reported at Rs. 1.79 as compared to basic earnings per share of Rs. 5.59 of the comparable period of last year. There is no dilution effect on the earnings per share for the period under review and corresponding period of last year.

#### Near Term Outlook

While the recent slowdown in economic growth, coupled with a significant debt burden is a cause for concern, ongoing efforts to enforce fiscal discipline and encourage export driven growth are positive steps being taken. Your Company remains fully aligned with these national objectives.

Energy sector reforms are a key priority for the current government. These reforms focus on addressing inefficiencies, encouraging private sector involvement, and promoting the indigenization of products within the energy sector. The Management of your Company believes this national strategy presents an ideal opportunity for EMCO to expand its footprint in this critical sector.

Meanwhile, to address sluggish domestic demand, the Company continues to channel efforts into expanding its presence in export markets, building on recent successes in North America and Latin America. We remain confident that, with continued focus, we will see further growth in our export base this year, Insh'Allah.

#### Acknowledgments

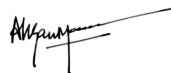
The Directors wish to acknowledge the devotion of the employees of all cadres and are appreciative of their dedication and commitment. They also extend heartfelt appreciation to the Company's suppliers, customers and bankers for their continued confidence and support.

On behalf of board



**Salem Rehman**  
Chief Executive Officer

February 27, 2025  
Lahore



**Ahsan Suhail Mannan**  
Director / Company Secretary



## ڈائریکٹرز کا جائزہ

### حصص داران -

بورڈ آف ڈائریکٹرز کی جانب سے ہمیں 31 دسمبر 2024 کو ختم ہونے والے نصف سال کے لئے غیر آڈٹ شدہ مالی بیانات کے ساتھ آپ کی کمپنی کی کارکردگی کا جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے۔

### آپ بھنڑا اور بیلز کا جائزہ

کمپنی نے زیر غور مدت (جولائی تا دسمبر 2024ء) کے دوران 1,459 ٹن پورسلین انسولیٹر تیار کیے جبکہ گزشتہ سال کی اسی مدت میں یہ تعداد 1,854 ٹن تھی۔ اسی طرح کمپنی نے زیر غور مدت (جولائی تا دسمبر 2024ء) کے دوران 2,217 پورسلین انسولیٹر فروخت کیے جبکہ گزشتہ سال کی اسی مدت میں یہ تعداد 2,225 ٹن تھی۔ حکومت کی جانب سے بجلی کے شعبے کے عمل کو دوبارہ فعال کرنے کی وجہ سے مقامی مارکیٹ کے لئے پیداوار اور فروخت کے اشاریے متاثر ہوئے جس کے نتیجے میں بحالی اور نئے منصوبوں کے آغاز کے لئے بجٹ مختص کرنے میں تاخیر ہوئی۔ اس مدت کے دوران، کمپنی نے نقد بہاؤ کی رکاوٹوں کو کم کرنے کے لئے اپنی تیار شدہ سامان کی انوینٹری کی سطح کو کم کرنے کی اپنی کوششیں جاری رکھیں ہیں۔

کمپنی نے بنیادی پورسلین انسولیٹر کی مصنوعات کے لئے نئی برآمدی مارکیٹوں میں داخل ہونے پر بہت زیادہ توجہ مرکوز کرنے کے لئے اس دورانیہ کا استعمال کیا۔ کمپنی نے گزشتہ چار سال کی برآمدی قیمت کا تقریباً 121٪ اس نصف سال میں برآمد کیا، اس کے ساتھ ہی، کمپنی نے ڈسٹری بیوٹن کمپنیوں (DISCOS) سے دھاتی بارڈویز پر پی کوالیفیکیشن آرڈرز پر کامیابی سے عملدرآمد شروع کر دیا۔ تجارتی قیمتوں اور ان اقدامات کی نئی نوعیت کے نتیجے میں منافع پر مبنی دباؤ پڑا۔ تاہم، کمپنی ان نئے اقدامات کے منافع کو بہتر بنانے کے لئے جارحانہ طور پر کام کر رہی ہے اور اسے یقین ہے کہ ان اقدامات سے رواں مالی سال کے اندر بہتر منافع حاصل ہوگا۔

جولائی تا دسمبر 2024ء کے دوران کمپنی کی خالص فروخت 1,839 ملین روپے ریکارڈ کی گئی جو گزشتہ سال کے اسی عرصے میں 2,416 ملین روپے تھی۔

نئی حکومت بجٹ کی منصوبہ بندی اور قومی سطح کی ترجیحات طے کرنے پر کام کر رہی ہے اور توقع ہے کہ وفاقی بجٹ کے اعلان کے حصے کے طور پر بجٹ مختص کے تحت DISCOS اور NTDC کی جانب سے مقامی خریداری میں کمی کا جائزہ لیا جائے گا۔

### مالی کارکردگی

زیر غور مدت (جولائی تا دسمبر 2024ء) کے دوران کمپنی نے 231 ملین روپے کا مجموعی منافع حاصل کیا جو گزشتہ سال کے اسی عرصے میں 686 ملین روپے تھا۔ جولائی تا دسمبر 2024ء کی مدت کے دوران خالص آپریٹنگ منافع 92 ملین روپے ریکارڈ کیا گیا ہے جبکہ گزشتہ سال کے اسی عرصے میں خالص آپریٹنگ منافع 551 ملین روپے تھا۔ انسولیٹرز کی کم فروخت اور ابتدائی مراحل میں پیش کی جانے والی نئی مصنوعات کی ترسیل کی وجہ سے مجموعی مارجن میں نمایاں کمی واقع ہوئی۔ ایڈمنسٹریٹو اخراجات 135 ملین روپے کے مقابلے میں 139 ملین روپے پر مستحکم ہے۔

زیر غور مدت (جولائی تا دسمبر 2024ء) کے دوران مالی لاگت 188 ملین روپے ریکارڈ کی گئی ہے جو گزشتہ سال کے اسی عرصے میں 195 ملین روپے تھی۔

مالیاتی چارجز کو مد نظر رکھتے ہوئے گزشتہ سال کے اسی عرصے میں 300 ملین روپے کا منافع تھا جبکہ اسی عرصے میں 130 ملین روپے کا خسارہ ہوا ہے۔

نگین کی مدت میں کمپنی کو 63 ملین روپے کا خالص خسارہ ہوا ہے جبکہ گزشتہ سال کے اسی عرصے میں اسے 196 ملین روپے کا خالص منافع ہوا تھا۔

زیر غور مدت کے دوران، کمپنی نے شیڈول کے مطابق طویل مدتی قرضوں کی ادائیگی کی ہے اور زیر جائزہ مدت کے دوران کوئی قرضہ زائد لیا نہیں ہے۔

### فی حصص آمدنی

فی حصص بنیادی نقصان گزشتہ سال کے اسی عرصے میں 5.59 روپے فی حصص کے بنیادی آمدنی کے مقابلے میں 1.79 روپے بتایا گیا ہے۔ زیر جائزہ مدت اور پچھلے سال کی اسی مدت کے لئے فی حصص آمدنی پر کوئی کمی کا اثر نہیں ہے۔

### ترجہی مدت کے نقطہ نظر

اگرچہ معاشی نمو میں حالیہ سست روی کے ساتھ ساتھ قرضوں کا بوجھ تشویش کا باعث ہے لیکن مالی نظم و ضبط کو نافذ کرنے اور برآمدات پر مبنی ترقی کی حوصلہ افزائی کے لئے جاری کوششیں مثبت اقدامات ہیں۔ آپ کی کمپنی ان قومی مقاصد کے ساتھ مکمل طور پر منسلک ہے۔

توانائی کے شعبے میں اصلاحات موجودہ حکومت کی اولین ترجیح ہیں۔ ان اصلاحات کی توجہ ناپاؤں کو دور کرنے، نجی شعبے کی شمولیت کی حوصلہ افزائی کرنے اور توانائی کے شعبے میں مصنوعات کو فروغ دینے پر مرکوز ہے۔ آپ کی کمپنی کی انتظامیہ کا ماننا ہے کہ یقینی حکمت عملی ایسکو کے لئے اس اہم شعبے میں اپنے قدم ہمانے کا ایک مثالی موقع پیش کرتی ہے۔

دریں اثنا، سست گھریلو طلب کو پورا کرنے کے لئے، کمپنی شمالی امریکہ اور لاطینی امریکہ میں حالیہ کامیابیوں کی بنیاد پر برآمدی ماریٹوں میں اپنی موجودگی کو بڑھانے کے لئے کوششیں جاری رکھے ہوئے ہے۔ ہمیں یقین ہے کہ مسلسل توجہ کے ساتھ انشا اللہ اس سال ہم اپنی برآمدی بنیاد میں مزید اضافہ دیکھیں گے۔

### اعترافات

ڈائریکٹرز تمام کیڈرز کے ملازمین کی لگن کا اعتراف کرنا چاہتے ہیں اور ان کی لگن اور عزم کی تعریف کرتے ہیں۔ اور کمپنی کے سپلائرز، صارفین اور بینکرز کو ان کے مسلسل اعتماد اور حمایت پر تہہ دل سے خراج تحسین پیش کرتے ہیں۔

بورڈ کی جانب سے



احسن حبیب منان  
ڈائریکٹر/کمپنی سیکرٹری



سالم رحمان  
چیف ایگزیکٹو آفیسر

27 فروری 2025 لاہور





## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF EMCO INDUSTRIES LIMITED ON REVIEW OF INTERIM FINANCIAL STATEMENTS

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **EMCO INDUSTRIES LIMITED** ("the Company") as at December 31, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

### Scope of Review

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

### Conclusion

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

### Other Matter

The figures of the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the quarters ended December 31, 2024 and 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2024.

The engagement partner on the audit resulting in this independent auditor's review report is Amin Ali.

LAHORE  
Dated: February 27, 2025  
UDIN: RR202410051JSCsObTHE

CROWE HUSSAIN CHAUDHURY & CO.  
Chartered Accountants

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	December 31, 2024 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized share capital 120,000,000 (June 30, 2024: 120,000,000) ordinary shares of Rs. 10 each		1,200,000,000	1,200,000,000
Issued, subscribed and paid up capital 35,000,000 (June 30, 2024: 35,000,000) ordinary shares of Rs. 10 each		350,000,000	350,000,000
Reserves		973,219,592	1,022,310,340
Sponsors' loan		115,708,828	115,708,828
Surplus on revaluation of property, plant and equipment		1,495,697,025	1,458,112,397
		2,934,625,445	2,946,131,565
<b>Non Current Liabilities</b>			
Long term financing	5	546,347,576	550,558,968
Lease liabilities		1,325,138	2,850,000
Post employment benefits		180,041,654	163,701,914
Deferred tax liability		172,994,155	277,958,286
Long term security deposit		4,567,584	4,567,584
		905,276,107	999,636,752
<b>Current Liabilities</b>			
Short term borrowings	6	1,272,803,108	1,054,965,902
Trade and other payables		638,086,365	514,373,092
Accrued finance cost		87,597,338	90,446,234
Unclaimed dividends		768,578	768,578
Current portion of non-current liabilities		164,126,958	162,669,833
		2,163,382,347	1,823,223,639
<b>Contingencies and Commitments</b>			
	7	-	-
		6,003,283,899	5,768,991,956

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements (Un-audited).

Lahore  
February 27, 2025

10 | 


  
(Salem Rehman)  
Chief Executive Officer



## AS AT DECEMBER 31, 2024

	Note	December 31, 2024 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	8	2,921,143,605	2,897,920,987
Investment properties		91,138,800	91,138,800
Intangible assets		3,606,878	3,746,254
Long term prepayments and other receivables		54,117,927	58,156,456
Long term loans		1,308,335	1,135,282
Long term deposits		4,091,616	4,091,616
		3,075,407,161	3,056,189,395
<b>Current Assets</b>			
Stores, spares and loose tools		133,850,722	106,992,488
Stock in trade		1,364,074,353	1,175,579,958
Trade receivables		1,190,470,063	1,242,405,524
Advances, deposits, prepayments and other receivables		85,426,259	92,631,271
Income tax refundable from the Government		130,002,209	85,113,389
Cash and bank balances		24,053,132	10,079,931
		2,927,876,738	2,712,802,561
		6,003,283,899	5,768,991,956






  
(Ahsan Suhail Mannan)  
Director

  
(Riaz Ahmad)  
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT  
OR LOSS (Un-audited)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

	Note	Half Year Ended December 31,		Quarter Ended December 31,	
		2024 Rupees	2023 Rupees	2024 Rupees	2023 Rupees
Revenue	9	1,838,651,886	2,416,197,853	1,083,048,645	1,156,042,621
Cost of revenue	10	(1,607,511,745)	(1,730,346,684)	(921,499,627)	(871,237,213)
<b>Gross Profit</b>		<b>231,140,141</b>	<b>685,851,169</b>	<b>161,549,018</b>	<b>284,805,408</b>
Administrative expenses		(82,081,448)	(78,077,221)	(39,121,960)	(35,779,180)
Selling and distribution expenses		(56,626,626)	(56,625,980)	(28,704,237)	(25,077,519)
		(138,708,074)	(134,703,201)	(67,826,197)	(60,856,699)
<b>Operating Profit</b>		<b>92,432,067</b>	<b>551,147,968</b>	<b>93,722,821</b>	<b>223,948,709</b>
Other operating expenses		(21,152,314)	(62,037,336)	(20,530,006)	(24,943,091)
Other income		9,103,709	5,129,628	3,380,787	1,871,524
Finance cost		(187,806,766)	(194,609,646)	(84,671,953)	(99,990,085)
<b>(Loss) / Profit before Levy and Taxation</b>		<b>(107,423,304)</b>	<b>299,630,614</b>	<b>(8,098,351)</b>	<b>100,887,057</b>
Levy / final taxation		(22,983,149)	(1,035,856)	(13,538,108)	(288,180)
<b>(Loss) / Profit before Taxation</b>		<b>(130,406,453)</b>	<b>298,594,758</b>	<b>(21,636,459)</b>	<b>100,598,877</b>
Taxation		67,698,629	(102,824,949)	27,476,772	(34,012,681)
<b>Net (Loss) / Profit for the Period</b>		<b>(62,707,824)</b>	<b>195,769,809</b>	<b>5,840,313</b>	<b>66,586,196</b>
<b>(Loss) / Earnings per Share - Basic and Diluted</b>		<b>(1.79)</b>	<b>5.59</b>	<b>0.17</b>	<b>1.90</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements (Un-audited).

 Lahore February 27, 2025 12   	 (Salem Rehman) Chief Executive Officer	 (Ahsan Suhail Mannan) Director	 (Riaz Ahmad) Chief Financial Officer
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**CONDENSED INTERIM STATEMENT OF  
COMPREHENSIVE INCOME (Un-audited)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

	Half Year Ended December 31,		Quarter Ended December 31,	
	2024 Rupees	2023 Rupees	2024 Rupees	2023 Rupees
Net (Loss) / Profit for the Period	(62,707,824)	195,769,809	5,840,313	66,586,196
Other comprehensive income				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified to profit or loss	-	-	-	-
Total comprehensive (Loss) / income for the period	(62,707,824)	195,769,809	5,840,313	66,586,196

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements (Un-audited).

Lahore  
February 27, 2025

(Salem Rehman)  
Chief Executive Officer




(Ahsan Suhail Mannan)  
Director

(Riaz Ahmad)  
Chief Financial Officer

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Issued, Subscribed and Paid up Capital Rupees	Capital Share Premium Rupees	Reserves Revenue General Reserve Rupees	Unappropriated Profit Rupees	Total Reserve Rupees	Sponsors' Loan Rupees	Surplus on revaluation of property, plant and equipment Rupees	Total Rupees
Balance as at June 30, 2023	350,000,000	39,898,526	90,000,000	674,385,954	804,284,480	115,708,828	1,515,280,108	2,785,273,416
Net profit for the period	-	-	-	195,769,809	195,769,809	-	-	195,769,809
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	195,769,809	195,769,809	-	-	195,769,809
Incremental depreciation for the period on surplus on revaluation of property, plant and equipment-net	-	-	-	12,499,185	12,499,185	-	(12,499,185)	-
Payment of final dividend for the year ended June 30, 2023	-	-	-	(17,500,000)	(17,500,000)	-	-	(17,500,000)
Effect of change in effective tax rate	-	-	-	-	-	-	(56,007,470)	(56,007,470)
Balance as at December 31, 2023	350,000,000	39,898,526	90,000,000	865,154,948	995,053,474	115,708,828	1,446,773,453	2,907,535,755
Balance as at June 30, 2024	350,000,000	39,898,526	90,000,000	892,411,814	1,022,310,340	115,708,828	1,458,112,397	2,946,131,565
Net profit for the period	-	-	-	(62,707,824)	(62,707,824)	-	-	(62,707,824)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(62,707,824)	(62,707,824)	-	-	(62,707,824)
Incremental depreciation for the period on surplus on revaluation of property, plant and equipment - net	-	-	-	13,617,076	13,617,076	-	(13,617,076)	-
Effect of change in effective tax rate	-	-	-	-	-	-	51,201,704	51,201,704
Balance as at December 31, 2024	350,000,000	39,898,526	90,000,000	843,321,066	973,219,592	115,708,828	1,495,697,025	2,934,625,445

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements (Un-audited).

 (Salem Rehman) Chief Executive Officer	 (Ahsan Suhail Mannan) Director	 (Riaz Ahmad) Chief Financial Officer
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## CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

		Half Year Ended December 31,	
	Note	2024 Rupees	2023 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
(Loss) / Profit before levy and taxation		(107,423,304)	299,630,614
Adjustment for:			
- Depreciation	8	90,596,233	90,353,056
- Provision for gratuity		23,630,658	13,877,358
- Depreciation on right of use assets		1,618,212	1,618,212
- Amortization		139,376	139,375
- Workers' (profit) participation fund		-	15,979,502
- Interest on workers' (profit) participation fund		2,767,106	2,199,407
- Workers' welfare fund		-	6,179,192
- Interest on lease liabilities		622,522	894,328
- Exchange loss - net		552,838	2,173,216
- Unwinding of liabilities		551,709	1,141,677
- Finance cost		186,632,535	192,573,641
		307,111,189	327,128,964
<b>Operating profit before working capital changes</b>		199,687,885	626,759,578
(Increase) / decrease in current assets:			
- Stores, spares and loose tools		(26,858,234)	(4,260,417)
- Stock in trade		(188,494,395)	360,611,135
- Trade receivables		51,382,623	(627,484,438)
- Advances, deposits, prepayments and other receivables		5,823,979	65,379,473
Increase / (decrease) in current liabilities:			
- Trade and other payables		118,671,172	(11,948,638)
		(39,474,855)	(217,702,885)
<b>Cash generated from operations</b>		160,213,030	409,056,693
Changes in long term prepayments and other receivables		5,261,689	(32,339,264)
Changes in long term security deposit		-	8,613,861
		5,261,689	(23,725,403)
Finance cost paid		(189,481,431)	(171,430,823)
Gratuity paid		(7,290,918)	(2,973,127)
Workers' profit participation fund paid		-	(28,580,604)
Workers' welfare fund paid		-	(4,155,413)
Income tax paid / withheld		(51,660,772)	(56,720,364)
		(248,433,121)	(263,860,331)
<b>Net Cash (Used in)/generated from Operating Activities</b>		(82,958,402)	121,470,959

**CONDENSED INTERIM STATEMENT OF  
CASH FLOWS (Un-audited)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

		Half Year Ended December 31,	
	Note	2024 Rupees	2023 Rupees
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Additions in property, plant and equipment	8	(33,848,849)	(59,907,743)
Additions in capital work in progress		(81,588,214)	(131,729,117)
Long term loans - net		(15,180)	226,720
<b>Net Cash Used in Investing Activities</b>		<b>(115,452,243)</b>	<b>(191,410,140)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long term financing	5	(85,827,009)	(39,928,417)
Repayment of lease liabilities		(2,147,384)	(2,505,279)
Proceeds from long term financing	5	82,521,033	78,221,163
Dividend paid		-	(17,500,000)
Short term borrowings - net	6	217,837,206	49,861,727
<b>Net Cash Generated from Financing Activities</b>		<b>212,383,846</b>	<b>68,149,194</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>		<b>13,973,201</b>	<b>(1,789,987)</b>
Cash and cash equivalents at the beginning of the period		10,079,931	18,397,251
<b>Cash and Cash Equivalents at the End of the Period</b>		<b>24,053,132</b>	<b>16,607,264</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements (Un-audited).

Lahore  
February 27, 2025

(Salem Rehman)  
Chief Executive Officer

(Ahsan Suhail Mannan)  
Director

(Riaz Ahmad)  
Chief Financial Officer





## NOTES TO AND FORMING PART OF CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

### 1 The Company and its Operations

EMCO Industries Limited ("the Company") was incorporated as a Joint Stock Company in Pakistan under the repealed Companies Act, 1913, (now the Companies Act, 2017) on August 17, 1954 by the name of Electric Equipment Manufacturing Company (Private) Limited. Later, it was converted into a public company on August 20, 1983 and its name was changed to EMCO Industries Limited on September 12, 1983. The Company was listed on the PSX on December 29, 1983.

The Company is domiciled in Pakistan and is principally engaged in manufacturing and sale of high / low tension electrical porcelain insulators and switchgears.

The geographical location and address of the Company's offices / other premises are as under:

Business unit	Geographical location
Head / Registered office	4th Floor, National Tower, 28 Egerton Road, Lahore.
Manufacturing unit	19-KM, Lahore Sheikhpura Road, Lahore.

### 2 Basis of Preparation

2.1 These condensed interim financial statements (un-audited) have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements (un-audited) should be read in conjunction with annual audited financial statements for the year ended June 30, 2024. Comparative statement of financial position is extracted from annual audited financial statements for the year ended June 30, 2024 whereas comparative statement of profit or loss account, comparative statement of comprehensive income, comparative statement of changes in equity and comparative statement of cash flows are extracted from condensed interim financial statements (un-audited) for the half year ended December 31, 2023.

2.3 These condensed interim financial statements are unaudited and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017. However, a limited scope review has been performed by the external auditors as required by the Code of Corporate Governance.

2.4 The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements (un-audited), the significant judgments made by the management in applying accounting policies and key sources of estimation were the same as those that were applied to the financial statements for the year ended June 30, 2024.

2.5 These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentational currency. All the figures have been rounded off to the nearest rupees, unless otherwise stated.

### 3 Summary of Material Accounting Policy Information

The Company's accounting and methods of computation adopted in the preparation of these condensed interim financial statements (un-audited) are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2024.

	December 31, 2024 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
<b>4 Surplus on Revaluation of Property, Plant and Equipment</b>		
Land - Freehold	903,427,276	903,427,276
Buildings on freehold land	269,544,151	304,547,380
Plant and machinery	285,140,970	307,305,452
	1,458,112,397	1,515,280,108
Effect of change in effective tax rates	51,201,704	(31,045,668)
Incremental depreciation charged on revalued property, plant and equipment in current period / year - net of deferred tax (transferred to retained earnings)	(13,617,076)	(26,122,043)
	1,495,697,025	1,458,112,397
<b>5 Long Term Financing</b>		
<b>Banking companies - secured</b>		
The Bank of Punjab	137,030,144	156,605,879
Habib Bank Limited	224,979,865	249,977,628
National Bank of Pakistan	77,731,248	-
Askari Bank Limited	154,929,826	172,144,252
Saudi Pak Industrial and Agricultural Investment Company Limited	42,782,613	49,913,047
First Habib Modaraba - Diminishing Musharakah	62,184,321	65,124,486
	699,638,017	693,765,292
<b>Associated companies / related parties - unsecured</b>		
EMCO Industries Limited Provident Fund Discounting / unwinding of discount	7,951,117 (1,409,364)	17,129,818 (1,961,073)
	6,541,753	15,168,745
	706,179,770 (159,832,194)	708,934,037 (158,375,069)
Less: current portion - banking companies	546,347,576	550,558,968



	December 31, 2024 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
<b>6. Short Term Borrowings</b>		
<b>Interest bearing</b>		
Banking companies - secured:		
- Running finance, local bills discounting and export and import finances	1,144,758,281	994,610,943
Related parties - unsecured:		
- Associated company - ICC (Private) Limited	6,700,000	20,699,999
- Directors and close relatives thereof	87,651,748	-
	94,351,748	20,699,999
	1,239,110,029	1,015,310,942
<b>Interest free</b>		
Related parties - unsecured:		
- Directors and close relatives thereof	31,077,387	37,039,268
- Associated company - The Imperial Electric Company (Private) Limited	2,615,692	2,615,692
	33,693,079	39,654,960
	1,272,803,108	1,054,965,902

## 7. Contingencies and Commitments

### 7.1 Contingencies

On February 28, 2020, the DCIR passed an order under Section 122(1)/(5) of the Income Tax Ordinance, 2001, amending the assessment under Section 120 and creating a tax liability of Rs. 18,206,669 against the Company. The Company appealed, and on November 10, 2021, the Commissioner Inland Revenue (Appeals-I), Lahore, annulled the order, directing the DCIR to issue a fresh assessment after hearing the Company. Following re assessment proceedings initiated on June 10, 2024, the DCIR passed an order under Section 122(4) on 30 June 2024, reducing the company's losses to Rs. 72,363,882. The Company filed an appeal against this order on July 26, 2024, which is currently pending before the Commissioner Inland Revenue (Appeals-I), Lahore.

The Company was selected for audit via Notice No. 6429 dated February 27, 2013, with information requested on February 28, 2013. A pre-audit meeting was held on March 7, 2013, and an audit team notice was issued on March 26, 2013. The Company sought adjournments and submitted required details by May 27, 2013. A Show Cause Notice (No. 12019) under Section 72B of the STA, 1990, was issued on June 25, 2013, and the Company replied after multiple adjournments. On August 23, 2013, the DCIR passed Order No. 03/2013 under Section 11(2), creating a sales tax demand of Rs. 14,818,720, with penalties and surcharges. The Company appealed (Appeal No. 618) on September 24, 2013, but the CIR-A upheld the order on December 16, 2013. A second appeal was filed before the ATIR on February 3, 2014, which remains pending.

Bank guarantees amounting to Rs. 767.131 million (June 30, 2024: Rs. 738.587 million) have been issued in favour of the following:

	December 31, 2024 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
Sui Northern Gas Pipeline Limited	50,406,000	50,406,000
NTDC / DISCOS	716,725,073	688,181,150
	767,131,073	738,587,150

## 7.2 Commitments

- Letters of credit other than for capital expenditure amount to Rs. 196.574 million (June 30, 2024: Rs. 222.988 million).

- Commitments for future minimum payments in respect of Diminishing Musharka arrangements are as follows:

	December 31, 2024 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
Not later than one year	25,386,456	27,372,048
Later than one year but not later than five years	53,155,611	67,514,879
	78,542,067	94,886,927

	Note	December 31, 2024 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
<b>8. Property, Plant and Equipment</b>			
Operating fixed assets	8.1	2,832,649,251	2,889,396,635
Right of use assets		4,854,638	6,472,850
Capital work in progress		83,639,716	2,051,502
		2,921,143,605	2,897,920,987
<b>8.1 Operating fixed assets</b>			
Opening written down value		2,889,396,635	2,616,669,070
Additions during the period / year		33,848,849	458,740,354
		2,923,245,484	3,075,409,424
Depreciation charge for the period / year		(90,596,233)	(186,012,789)
		2,832,649,251	2,889,396,635



	Half Year Ended December 31,		Quarter Ended December 31,	
9. REVENUE	2024 Rupees	2023 Rupees	2024 Rupees	2023 Rupees
Gross revenue:				
- Local	1,929,758,170	2,729,727,521	1,162,507,375	1,330,633,933
- Export	202,583,913	103,585,573	102,338,985	28,817,963
Services	1,271,600	-	-	-
	2,133,613,683	2,833,313,094	1,264,846,360	1,359,451,896
Less: Sales tax	(294,961,797)	(417,115,241)	(181,797,715)	(203,409,275)
Net sales	1,838,651,886	2,416,197,853	1,083,048,645	1,156,042,621

	Half Year Ended December 31,		Quarter Ended December 31,	
10. COST OF REVENUE	2024 Rupees	2023 Rupees	2024 Rupees	2023 Rupees
Raw and packing materials consumed	1,062,724,950	644,589,605	773,674,935	447,523,827
Salaries, wages and benefits	317,210,333	256,048,348	168,695,404	140,761,216
Power and gas	237,337,909	222,140,429	133,968,925	125,274,132
Stores and spares consumed	51,983,486	53,126,399	30,594,235	34,679,760
Testing and inspection	29,333,722	24,896,389	15,966,170	13,513,902
Travelling and conveyance	56,911,957	78,931,927	20,229,330	41,975,583
Rent, rates and taxes	654,146	781,940	327,282	550,387
Repairs and maintenance	5,727,538	5,396,959	2,357,255	3,256,103
Entertainment	1,559,895	1,412,076	967,760	1,412,076
Insurance	3,483,180	4,413,816	1,788,744	2,007,9364
Communication and stationery	1,584,390	1,282,138	814,184	734,666
Vehicle maintenance	208,125	185,955	148,768	120,195
RTV coating related project expenses	4,887,948	1,601,496	3,833,819	1,220,831
Miscellaneous	2,285,586	1,571,195	188,202	648,965
Depreciation	85,703,721	83,817,607	43,279,944	42,869,204
	1,861,596,886	1,380,196,279	1,196,834,957	856,548,783
Work in process				
- Opening work in process	98,258,475	124,210,138	106,812,929	86,307,628
- Closing work in process	(16,121,533)	(66,123,602)	(16,121,533)	(66,123,602)
	82,136,942	58,086,536	90,691,396	20,184,026
Cost of goods manufactured	1,943,733,828	1,438,282,815	1,287,526,353	876,732,809
Finished goods				
- Opening finished goods	556,305,506	612,361,650	526,500,863	314,802,185
- Closing finished goods	(892,527,589)	(320,297,781)	(892,527,589)	(320,297,781)
	(336,222,083)	292,063,869	(366,026,726)	(5,495,596)
	1,607,511,745	1,730,346,684	921,499,627	871,237,213

## 11. Transactions with Related Parties

Related parties comprise associated companies, related group companies, companies where directors also hold directorship, retirement benefits fund, directors and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Transactions during the Year			(Un-audited) December 31, 2024 Rupees	(Un-audited) December 31, 2023 Rupees
Related party	Relationship	Nature of transaction		
EMCO Industries Limited Provident Fund	Associated undertaking	Principal amount repaid	9,178,701	8,000,000
The Imperial Electric Company (Private) Limited	Associated company	Short Term Borrowing Received	15,000,000	135,000,000
		Short Term Borrowing Repaid	15,000,000	135,000,000
		Payment for Rent Expense	2,147,382	2,505,279
		Interest Expense on Lease Liability	622,522	894,328
		Markup on Short Term Borrowing	155,487	156,729.0
		Other Expense	4,705,315	4,316,016
		Payment Made for other expense	7,094,743	160,250
ICC (Private) Limited	Associated company	Short Term Borrowing Received	5,000,000	-
		Short Term Borrowing Repaid	19,000,000	3,000,000
		Markup on Short Term Borrowing	1,454,135	7,620,727
		Markup paid on Short Term Borrowing	2,769,517	-
		Payment made on behalf of the Company	1,082,510	379,953
		Payment received from the Company	696,784	560,158
Directors and close family members	Associated persons	Short term borrowings obtained (Note 11.1)	209,459,327	239,298,000
		Short term borrowings repaid (Note 11.1)	127,769,459	192,300,000
		Markup on short term borrowing	5,795,121	2,612,996
		Markup on short term borrowing paid	6,967,878	678,796
Executive / Key Management personnel	Associated persons	Long Term Loan Recoverd	60,000	60,000
		Amount received against car lease	-	8,613,861



**11.1** One of the directors has arranged personal finance line of Rs. 110 million from a bank for the purpose of extending short term borrowings to the Company. During the half year ended December 31, 2024, the Company obtained short term borrowings from the director through his aforesaid personal finance line. The borrowed amounts were repaid and then borrowed again multiple times during the half year, by rotating the said finance line. The maximum amount outstanding towards the said director during the half year ended December 31, 2024 was Rs. 110 million.

Outstanding Balance as at		December 31, 2024 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
Associated Engineers (Private) Limited	Sponsor loan - interest free	27,335,446	27,335,446
	Mark-up on long term financing	6,391,541	6,391,541
EMCO Industries Limited	Long term financing	7,951,117	17,129,818
Provident Fund			
The Imperial Electric Company (Private) Limited	Short term Borrowing - interest Free	2,615,692	2,615,692
	Markup on long term financing	2,343,326	2,343,326
	Payable against Rent	5,619,902	7,144,762
	Payable Against Expense	1,789,895	4,179,323
ICC (Private) Limited	Short term borrowing - interest bearing	6,700,000	20,699,999
	Markup on borrowing	460,139	1,775,521
	Other Receivables	-	319,726
	Other payable	66,000	-
Directors and close family members	Sponsors' loan	115,708,828	115,708,828
	Short term borrowing	118,729,135	37,039,268
	Markup on short term borrowing	2,837,550	4,010,307
Executive / Key Management personnel	Long Term Loan Receivable	160,000	220,000
	Other Payable	12,675,431	12,675,431

## 12. Segment Reporting

There is only one reportable segment of the Company.

## 13. Financial Risk Management

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

## 14. Date of Authorization

These condensed interim financial statements (un-audited) are approved by the Board of Directors of the Company for issuance on February 27, 2025.

## 15. General

Corresponding figures are rearranged / reclassified for better presentation and comparison. Following re-arrangement / reclassification has been made in these financial statements (un-audited):

Nature	From	To	Half-yearly ended on December 31, 2023 Rupees	Quarter ended on December 31, 2023 Rupees
Levy / Final Taxation	Taxation	Levy (Face of the statement of profit or loss)	1,035,856	288,180

Lahore  
February 27, 2025

(Salem Rehman)  
Chief Executive Officer

(Ahsan Suhail Mannan)  
Director

(Riaz Ahmad)  
Chief Financial Officer

**BOOK POST**

UNDER POSTAL CERTIFICATE



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