



INNOVATION IN MOTION



Loads Limited

Manufacturers of
Exhaust Systems, Radiators &
Sheet Metal Components

3RD QUARTERLY REPORT

Report to THE Shareholders
FOR NINE MONTHS ENDED
MARCH 31, 2023

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Vision

“Seek innovation in quality, productivity & technology to ensure sustainable growth of the group and all the stakeholders.”

Mission

“Satisfy customers with timely supplies of products confirming to quality standards at competitive prices.”

Company Information

Board of Directors

Syed Shahid Ali Shah	– Chairman*
Mr. Munir K. Bana	– Chief Executive
Syed Sheharyar Ali	– Non-Executive Director
Mr. Muhammad Mohtashim Aftab	– Non-Executive Director
Mr. Shamim A. Siddiqui	– Executive Director
Mr. M. Z. Moin Mohajir	– Independent Director
Mrs. Rozina Muzammil	– Independent Director

* Chairman is Non-Executive Director

Audit Committee

Mr. M. Z. Moin Mohajir	– Chairman
Syed Sheharyar Ali	– Member
Mr. Muhammad Mohtashim Aftab	– Member
Mrs. Rozina Muzammil	– Member

Human Resources & Remuneration Committee

Mrs. Rozina Muzammil	– Chairperson
Mr. Munir K. Bana	– Member
Mr. Syed Sheharyar Ali	– Member
Mr. Muhammad Mohtashim Aftab	– Member
Mr. Shamim A. Siddiqui	– Member

Chief Operating Officer

Mr. Syed Mehdi Hasnain

Chief Financial Officer

Mr. Shamim A. Siddiqui

Company Secretary

Mr. Babar Saleem

Head of Internal Audit

Mr. Muhammad Anas

External Auditors

M/S. Yousuf Adil, Chartered Accountants

Legal Advisors

M/S. Altaf K. Allana & Co., Advocates

Corporate Advisor

M/S. Cornelius, Lane & Mufti, Advocates & Solicitors

Symbol

Loads

Credit Rating

A1 – Short term

A – Long Term

Exchange

Pakistan Stock Exchange

Bankers

Al Baraka Bank (Pakistan) Limited
Bank AL Habib Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan Limited
Soneri Bank Limited
Allied Bank Limited
Askari Bank Limited
BankIslami Pakistan Ltd.
The Bank of Punjab
MCB Islamic Bank Limited
Bank Alfalah Limited

Subsidiaries and Associate

- Specialized Autoparts Industries (Private) Limited
- Multiple Autoparts Industries (Private) Limited
- Specialized Motorcycles (Private) Limited
- Hi-Tech Alloy Wheels Limited
- Treet Corporation Limited

Registered Office

Plot No. 23, Sector 19
Korangi Industrial Area, Karachi
Tel: +92-22-35065001-5, +92-302-8674683-9
Fax: +92-22-35057453-54
E-mail: inquiry@loads-group.pk

Shares Registrar

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

Tel: Customer Support Services: 0800-23275

Fax: +92-22-34326053

E-mail: info@cdcpcak.com

Registration with Authorities

Company Registration Number 0006620
National Tax Number 0944311-8
Sales Tax Number 0205870801264

Website

www.loads-group.pk

DIRECTORS' REVIEW

The Directors of your company present the Loads Group's nine months report together with financial statements for the nine months period ended March 31, 2023.

SUMMARY OF COMPARATIVE FINANCIAL RESULTS

	Rupees in million					
	9 months ended 31st March					
	2023		2022		Increase/(decrease) over previous period	
	Loads	Consolidated	Loads	Consolidated	Loads	Consolidated
Revenue - Net	3,730	3,730	5,739	5,739	(2,009)	(2,009)
Gross Profit	419	315	618	746	(199)	(431)
Operating Profit	577	36	621	563	(44)	(527)
Share of Profit/(Loss) in associate	-	0.6	-	19	-	(18.4)
Profit before Taxation	102	(552)	355	226	(253)	(778)
Profit after Taxation	24	(636)	252	86	(228)	(722)
Earnings per share (EPS) – basic & diluted (Rupees)	0.10	(2.05)	1.00	0.55	(0.9)	(2.6)

BUSINESS REVIEW

Company Results

The Company recorded decrease in Operating Profit by Rs 44 million on account of decline in sales revenue by 35%, on account of downturn in auto industry due to import restrictions by the Central Bank because of shortage of foreign exchange. Profit before Tax decreased by 71% over the previous period. Profit after Tax reduced from Rs. 252 million to Rs. 24 million due to sales decline and turnover tax. Therefore, current period has reported earnings of 10 paise per share, as against previous period's Re. 1 per share.

Group Results

The group has recorded sales of Rs. 3,730 million for the 9 months period ended March 31, 2023, registering a decline of Rs. 2,009 million over the previous period. The decrease is mainly due to downturn in auto industry on account of restriction on imports introduced by the State Bank due to paucity of exchange reserves. Therefore, sales of automobiles & heavy vehicles have both substantially reduced by 46% & 32% respectively.

Consolidated Loss before Tax registered loss of Rs. 552 million, as against previous period's Profit before Tax of Rs. 226 million. Loss after Taxation was Rs. 636 million, compared to Profit after Tax of Rs. 86 million in the previous period.

AUTOMOTIVE INDUSTRY

(a) Passenger Cars / Light Commercial Vehicles (LCVs)/Jeeps (SUVs)

Sales of Cars, LCVs & SUVs for the nine months period ended March 31, 2023 decreased from 205,452 units to 110,405 units (-46%) over corresponding period.

(b) Heavy Commercial Vehicles

Heavy vehicle volumes decreased from corresponding period's 4,951 units to 3,382 units, registering 32% decrease.

(c) Tractors

The tractor industry's sales decreased by 49% over previous period, registering sales of 21,233 units in 2023 (2022: 41,603 units), on account of decline in Al-Ghazi Tractor volumes by 53% and Millat Tractors by 47%.

SALES PERFORMANCE

The overall sales of the group for the nine months decreased by 35%, over corresponding period. A product-wise analysis is given below:

Products	Rs. in millions		
	Sales in 9 months ended 31st March		
	2023	2022	% Change
Exhaust Systems	2,241	3,468	-35%
Sheet Metal Components	1,145	1,624	-29%
Radiators	344	646	-46%
Total	3,730	5,738	-35%

Performance of all the product groups declined heavily on account of import restrictions by the State Bank of Pakistan due to shortage of foreign exchange.

PROSPECTS

The economic outlook seems challenging on account of rising inflation, fiscal slippages and drying up of financial inflows and foreign exchange reserves. Moving forward, it is essential to sustain the reform momentum and focus on policies for securing stability and promoting sustainable growth.

While the economic situation undergoes a realignment, the Company remains confident in continuing its journey of sustained long-term growth.

ACKNOWLEDGEMENTS

The Board wishes to thank all the employees and customers for their continued support.

By Order of the Board



Munir K. Bana
Chief Executive

Karachi: April 28, 2023



Rozina Muzammil
Director

(b) بھاری تجارتی گاڑیاں:

بھاری گاڑیوں کا حجم اسی مدت کے 4,951 یونٹس سے کم ہو کر 3,382 یونٹس رہ گیا، جس میں 32 فیصد کمی ریکارڈ کی گئی۔

(c) ٹریکٹر

الغازی ٹریکٹر کے حجم میں 53 فیصد اور ملت ٹریکٹرز کی 47 فیصد کمی کی وجہ سے ٹریکٹر انڈسٹری کی فروخت گزشتہ مدت کے مقابلے میں 49 فیصد کم ہوئی، 2023 میں 21,233 یونٹس (2022: 41,603 یونٹس) کی فروخت ریکارڈ کی گئی۔

سیلز پرفارمنس

نومہ کے لیے گروپ کی مجموعی فروخت میں اسی مدت کے مقابلے میں 35 فیصد کم ہوئی۔ مصنوعات کے لحاظ سے تجزیہ ذیل میں دیا گیا ہے:-

روپے بلین میں		نومہ 31 مارچ		پروڈکٹس
تبدیل %	2022	2023		
-35%	3,468	2,241	ایگزوسٹ سسٹم	
-29%	1,624	1,145	ریڈی ایٹرز	
-46%	646	344	شیت مثل اجزاء	
-35%	5,738	3,730	مجموعی	

اسٹیٹ بینک آف پاکستان کی جانب سے زرمبادلہ کی کمی کی وجہ سے درآمدی پابندیوں کی وجہ سے تمام پروڈکٹ گروپس کی کارکردگی بہت زیادہ گر گئی۔

توقعات

بڑھتی ہوئی افراط زر، مالیاتی پسماندگی اور مالیاتی قوم کے خشک ہونے اور زرمبادلہ کے ذخائر کی وجہ سے معاشی نقطہ نظر چیلنجنگ نظر آتا رہا ہے آگے بڑھتے ہوئے یہ ضروری ہے کہ اصلاحات کی رفتار کو برقرار رکھا جائے اور استحکام کو محفوظ بنانے اور پائیدار ترقی کو فروغ دینے کیلئے پالیسیوں پر توجہ دی جائے۔ جبکہ اقتصادی صورت حال میں تبدیلی آرہی ہے کمپنی طویل مدتی ترقی کے اپنے سفر کو جاری رکھنے میں پراعتماد ہے۔

تسلیمات

بورڈ اپنے تمام ملازمین اور صارفین کا شکریہ ادا کرنا چاہتا ہے، ان کی مسلسل جہد و جہد کی حمایت بھی کرتا ہے۔
بورڈ کے حکم سے



روزینہ مزمل
ڈائریکٹر



منیر کے۔ بانا
چیف ایگزیکٹو
کراچی: 28 اپریل 2023

لوڈز گروپ ڈائریکٹرز کی شیئر ہولڈرز کو رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 31 مارچ 2023 کو ختم ہونے والی نو ماہ کی مدت کے مالیاتی گوشواروں کے ساتھ لوڈز گروپ کی نو ماہ کی رپورٹ پیش کرتے ہیں۔
تفصیلی مالیاتی نتائج کی سری

روپے ملین میں						
تبدیل %		نومہ 31 مارچ 2022		نومہ 31 مارچ 2023		
مجموعی	لوڈز	مجموعی	لوڈز	مجموعی	لوڈز	
(2,009)	(2,009)	5,739	5,739	3,730	3,730	فروخت
(431)	(199)	746	618	315	419	کل منافع
(527)	(44)	563	621	36	577	آپریٹنگ منافع
(18.4)	-	19	-	0.6	-	منافع / نقصان کا شیئر
(778)	(253)	226	355	(552)	102	ٹیکس سے پہلے کا منافع
(722)	(228)	86	252	(636)	24	ٹیکس کے بعد کا منافع
(2.6)	(0.9)	0.55	1.00	(2.05)	0.10	آمدنی ہر شیئر پر (EPS) بنیاد اور کمزور (روپے)

کاروباری جائزہ

کمپنی کے نتائج

کمپنی کے آپریٹنگ منافع میں 44 ملین روپے کی کمی ریکارڈ کی گئی جس کی وجہ سے یلوز ریونیو میں 35 فیصد کمی ہے۔ سینٹرل بینک کی جانب سے زرمبادلہ کی کمی کی وجہ سے درآمدی پابندیوں کی وجہ سے آٹو انڈسٹری کی مندی کی وجہ سے ٹیکس سے پہلے کے منافع میں پچھلی مدت کے مقابلے میں 71 فیصد کمی ہوئی بعد ازاں ٹیکس منافع روپے سے کم ہو گیا۔ 252 ملین روپے سے فروخت میں کمی اور ٹرن اور ٹیکس کی وجہ سے 24 ملین لہذا، موجودہ مدت نے 10 پیسے فی حصص کی آمدنی کی اطلاع دی ہے جیسا کہ گزشتہ مدت کے 1 روپیہ فی شیئر ہوگی۔

گروپ کے نتائج

گروپ نے روپے کی فروخت ریکارڈ کی ہے۔ 31 مارچ 2023 کو ختم ہونے والی نو ماہ کی مدت کے لیے 3,730 ملین روپے کی کمی درج کی گئی۔ گزشتہ مدت کے مقابلے میں 2,009 ملین کمی بنیادی طور پر زرمبادلہ کے ذخائر کی کمی کی وجہ سے اسٹیٹ بینک کی جانب سے درآمدات پر پابندی کی وجہ سے آٹو انڈسٹری میں مندی ہے لہذا آٹو موٹائل اور بھاری گاڑیوں کی فروخت میں بالترتیب 46% اور 32% کی نمایاں کمی واقع ہوئی۔ ٹیکس سے پہلے کا مجموعی نقصان روپے کا نقصان کاریکارڈ کیا گیا۔ 552 ملین، گزشتہ مدت کے منافع کے ٹیکس سے پہلے روپے کے مقابلے میں 226 ملین رہی ٹیکس لگانے کے بعد نقصان 636 ملین روپے تھا بعد ازاں ٹیکس منافع کے مقابلے میں گزشتہ مدت میں 86 ملین روپے رہا۔

گاڑیوں کی صنعت

(a) مسافر کاریں / ہلکی کمرشل گاڑیاں (LCVs) / چھپیں (SUVs):

31 مارچ 2023 کو ختم ہونے والے نو مہینوں کے لیے کاروں، LCVs اور SUVs کی فروخت اسی مدت کے مقابلے میں 205,452 پینٹس سے کم ہو کر 110,405 پینٹس (+46%) ہو گئی ہے۔

Condensed Interim Unconsolidated Financial Statements

Condensed Interim Unconsolidated Statement of Financial Position

As at 31 March 2023

		31 March 2023	30 June 2022
		(Un-audited)	(Audited)
		(Rupees)	
ASSETS	Note		
Non-current assets			
Property, plant and equipment	6	557,950,031	581,106,660
Intangible assets		1,848,104	2,879,505
Long term investments	7.1	1,241,675,451	1,301,133,954
Long term loans		7,936,101	7,644,157
		1,809,409,687	1,892,764,276
Current assets			
Stores, spares and loose tools		19,605,402	39,966,825
Stock-in-trade	8	955,737,851	1,618,931,498
Trade debts - net	9	436,119,706	909,494,124
Loans and advances	10	242,533,634	215,251,284
Deposits, prepayments and other receivables	11	55,891,727	19,596,020
Due from related parties		3,876,127,630	3,252,222,264
Taxation - net		383,431,540	279,797,568
Short term investments	7.2	705,553	922,505
Cash and bank balances		232,800,491	11,719,932
		6,202,953,534	6,347,902,020
Total assets		8,012,363,221	8,240,666,296
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital		4,000,000,000	4,000,000,000
400,000,000 ordinary shares of Rs. 10 each			
Issued, subscribed and paid-up capital	15	2,512,500,000	2,512,500,000
Share premium		1,070,065,433	1,070,065,433
Fair value reserve		(110,125,582)	(50,689,879)
Unappropriated profit		792,287,445	767,973,738
		4,264,727,296	4,299,849,292
LIABILITIES			
Non-current liabilities			
Long term loans		242,058,102	240,869,432
Lease liabilities		23,420,475	23,828,164
Deferred tax liabilities		34,426,592	3,011,200
Defined benefit obligation - net		31,022,294	35,100,894
		330,927,463	302,809,690
Current liabilities			
Current maturity of lease liabilities		6,287,054	6,500,095
Current portion of long term loans		212,599,991	370,637,176
Current portion of deferred grant		-	242,701
Islamic commercial paper	17	500,000,000	-
Short term borrowings	12	1,854,545,062	2,224,673,253
Due to related party	13	1,026,676	142,716,321
Trade and other payables	14	751,723,821	836,279,196
Unclaimed dividend		3,527,781	3,527,781
Accrued mark-up and profit		86,998,077	53,430,791
		3,416,708,462	3,638,007,314
Total equity and liabilities		8,012,363,221	8,240,666,296
CONTINGENCIES AND COMMITMENTS	16		

The annexed notes from 1 to 24 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive



Director

Condensed Interim Unconsolidated Statement of Profit or Loss Account (Un-audited)

For the nine and three months period ended 31 March 2023

	Note	For the nine months period ended		For the three months period ended	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
		(Rupees)			
Revenue - net	18	3,729,743,722	5,738,812,937	841,198,295	2,113,845,605
Cost of sales	19	(3,311,069,518)	(5,121,281,981)	(757,932,347)	(1,857,143,253)
Gross profit		418,674,204	617,530,956	83,265,948	256,702,352
Administrative, selling and general expenses		(194,397,735)	(198,875,952)	(51,996,987)	(70,711,015)
		224,276,469	418,655,004	31,268,961	185,991,337
Other expenses		(7,585,860)	(26,156,302)	(830,176)	(13,363,708)
Other income	20	360,959,770	228,733,784	122,667,871	90,994,265
		353,373,910	202,577,482	121,837,695	77,630,557
Operating profit		577,650,379	621,232,486	153,106,656	263,621,894
Finance costs		(475,056,492)	(265,742,085)	(149,728,476)	(101,513,549)
Equity investments at FVTPL - net change in fair value		(239,752)	(125,458)	(3,442)	1,333
Profit before taxation		102,354,135	355,364,943	3,374,738	162,109,678
Taxation		(78,040,428)	(102,910,833)	(6,668,062)	(43,522,282)
Profit after taxation		24,313,707	252,454,110	(3,293,324)	118,587,396
Earnings per share - basic and diluted	21	0.10	1.00	(0.01)	0.47

The annexed notes from 1 to 24 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive



Director

Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)

For the nine and three months period ended 31 March 2023

	For the nine months period ended		For the three months period ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	(Rupees)			
Profit for the period	24,313,707	252,454,110	(3,293,324)	118,587,396
Other comprehensive income				
<i>Items that will never be reclassified subsequently to profit or loss</i>				
Change in fair value of equity investment at FVOCI	22,800	(2,588)	10,032	(2,292)
Investments in associate at FVOCI	(59,458,503)	(65,328,815)	3,241,432	(37,542,551)
	(59,435,703)	(65,331,403)	3,251,464	(37,544,843)
Total comprehensive (loss) / income for the period	(35,121,996)	187,122,707	(41,860)	81,042,553

The annexed notes from 1 to 24 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive



Director

Condensed Interim Unconsolidated Statement of Changes in Equity (Un-audited)

For the nine months period ended 31 March 2023

	Share capital	Capital Reserve	Revenue reserves		Total equity
	Issued, subscribed and paid-up capital	Share premium	Fair value reserve	Unappropriated profit	
	(Rupees)				
Balance as at 30 June 2021 (audited)	2,512,500,000	1,070,065,433	82,731,000	463,202,182	4,128,498,615
Total comprehensive income for the nine months ended 31 March 2022					
Profit for the period	-	-	-	252,454,110	252,454,110
Other comprehensive income	-	-	(65,331,403)	-	(65,331,403)
	-	-	(65,331,403)	252,454,110	187,122,707
Balance as at 31 March 2022	2,512,500,000	1,070,065,433	17,399,597	715,656,292	4,315,621,322
Balance as at 1 July 2022 (audited)	2,512,500,000	1,070,065,433	(50,689,879)	767,973,738	4,299,849,292
Total comprehensive income for the nine months period ended 31 March 2023					
Profit for the period	-	-	-	24,313,707	24,313,707
Other comprehensive income	-	-	(59,435,703)	-	(59,435,703)
	-	-	(59,435,703)	24,313,707	(35,121,996)
Balance as at 31 March 2023	2,512,500,000	1,070,065,433	(110,125,582)	792,287,445	4,264,727,296

The annexed notes from 1 to 24 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive



Director

Condensed Interim Unconsolidated Statement of Cash Flows (Un-audited)

For the nine months period ended 31 March 2023

	31 March 2023	31 March 2022
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	102,354,135	355,364,943
Adjustments for		
Depreciation	46,077,867	53,184,014
Amortisation	1,031,401	112,700
Finance cost	471,322,638	211,236,696
Gain on disposal of property, plant and equipment	(2,911,595)	(1,504,289)
Current Service	29,030,000	2,171,493
Finance lease charges	3,733,854	1,378,705
Mark-up income	(356,494,617)	(210,687,526)
Dividend income	(21,578)	(4,892,424)
Unrealized loss on re-measurement of investment classified as at FVTPL	239,752	125,458
	294,361,857	406,489,770
Working capital changes		
Decrease / (increase) in current assets		
Stores and spares and loose tools	20,361,423	10,741,833
Stock-in-trade	663,193,647	(240,698,401)
Trade debts - net	473,374,418	(591,766,848)
Due from related parties	(400,736,382)	5,087,653
Loans and advances	(27,574,294)	(24,335,617)
Deposits, prepayments and other receivables	(21,893,034)	30,059,255
	706,725,778	(810,912,125)
Decrease in current liabilities		
Trade and other payables	(84,555,375)	619,513,254
Due to related parties	(141,689,645)	77,440,227
Cash generated from / (used in) operations	774,842,615	292,531,126
Mark-up paid	(408,950,008)	(171,554,156)
Contribution paid to defined benefit plan	(33,108,600)	(5,400,000)
Income tax paid	(150,259,008)	(237,450,763)
Net cash used in operating activities	182,524,999	(121,873,793)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(27,226,781)	(36,855,631)
Mark-up received	-	21,170,617
Dividend received	21,578	4,892,424
Proceeds from sale of investment - net	-	205,632,646
Proceeds from disposal of property, plant and equipment	3,455,000	2,961,000
Net cash (used in) / generated from investing activities	(23,750,203)	197,801,056
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(9,077,784)	(4,853,958)
Loan (repaid to) / received from banking companies	(155,807,214)	(109,260,079)
Issuance of Islamic Commercial Paper	463,993,319	-
Loan received / (provided to) related party - net	133,325,633	(371,893,706)
Net cash generated from / (used in) financing activities	432,433,954	(486,007,743)
Net increase / (decrease) in cash and cash equivalents during the period	591,208,750	(410,080,480)
Cash and cash equivalents at beginning of the period	(2,212,953,321)	(1,834,243,083)
Cash and cash equivalents at end of the period	(1,621,744,571)	(2,244,323,563)
Cash and cash equivalents at end of the period comprises		
Cash and bank balances	232,800,491	50,750,927
Short term borrowings	(1,854,545,062)	(2,295,074,490)
	(1,621,744,571)	(2,244,323,563)

The annexed notes from 1 to 24 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive



Director

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

1. STATUS AND NATURE OF BUSINESS

Loads Limited (the Company) is a public listed company, which was incorporated in Pakistan on 1 January 1979, as a private limited company under Companies Act, 1913 (Repealed with the enactment of the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017) on May 30, 2017.

On 19 December 1993, the status of the Company was converted from private limited company to public unlisted company. On 1 November 2016, the shares of the Company were listed on Pakistan Stock Exchange Limited (PSX).

The principal activity of the Company is to manufacture and sale of radiators, exhaust systems and other components for automotive industry.

The Company's registered office and plant is situated at Plot No. 23, Sector 19, Korangi Industrial Area, Karachi.

There are four subsidiaries and one associate (Treet Corporation Limited) of the Company. Subsidiaries are carried at cost less impairment and associated are carried at FVTOCI. The details are as follows:

Name of the Companies	Incorporation date	Effective holding %		Principle line of business
		31 March 2023	30 June 2022	
Subsidiaries				
Specialized Autoparts Industries (Private) Limited (SAIL)	2 June 2004	91%	91%	Manufacture and sell components for the automotive industry.
Multiple Autoparts Industries (Private) Limited (MAIL)	14 May 2004	92%	92%	Manufacture and sell components for the automotive industry.
Specialized Motorcycles (Private) Limited (SMPL)	28 September 2004	100%	100%	Acquire, deal in, purchase, import, sales, supply and export motorcycles and auto parts. The operations have been ceased from 1 July 2015.
Hi-Tech Alloy Wheels Limited (HAWL)	13 January 2017	80%	80%	It will manufacture alloy wheels of various specifications and sell them to local car assemblers. Commercial production has not yet started.
Associate				
Treet Corporation Limited	22 January 1977	2.86%	2.86%	Manufacture and sale of razors, razor blades and other trading activities

Plants of SAIL and MAIL are situated at DSU-19 and DSU-38 respectively in Downstream Industrial Estate Pakistan Steel Mills Bin Qasim Town, Karachi. HAWL has acquired land for establishing industrial unit which is located at National Industrial Park, Bin Qasim, the Special Economic Zone declared by Government of Sindh.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim unconsolidated financial statements of the Company for the three months period ended March 31, 2023 has 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 Standards (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 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 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

- 2.2** These condensed interim unconsolidated financial statements are unaudited and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange Limited. These unconsolidated condensed interim financial statements comprise of the unconsolidated statement of financial position as at March 31, 2023 and unconsolidated statement of profit or loss, unconsolidated statement of comprehensive income, unconsolidated statement of changes in equity and unconsolidated statement of cash flows for the nine months period ended March 31, 2023.
- 2.3** The comparative unconsolidated statement of financial position presented in these condensed interim unconsolidated financial statements have been extracted from the audited annual unconsolidated financial statements of the Company for the year ended June 30, 2022, whereas the comparative statement of unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows for the nine months ended March 31, 2022 have been extracted from the unaudited condensed interim unconsolidated financial statements for the period then ended March 31, 2022.
- 2.4** These condensed interim unconsolidated financial statements of the Company does not include all the information required for full annual financial statements and should be read in conjunction with the audited annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2022. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

2.5 Basis of measurement

These condensed interim unconsolidated financial statements have been prepared under the historical cost convention except as disclosed elsewhere.

2.6 Functional and presentation currency

These condensed interim unconsolidated financial statements are presented in Pakistan Rupee which is also the Company's functional currency and all financial statements presented in Pakistani Rupee have been rounded off to the nearest rupee, unless otherwise stated.

3 NEW ACCOUNTING STANDARDS / AMENDMENTS AND IFRS INTERPRETATIONS

3.1 New / Revised Standards, Interpretations and Amendments

There are new and amended standards and interpretations that are mandatory for accounting periods beginning July 01, 2022, but are considered not to be relevant or do not have any significant effect on the Company's financial position and are therefore not stated in these unconsolidated condensed interim financial statements.

3.2 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

	Effective from accounting period beginning on or after
- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	January 01, 2022
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	January 01, 2022
- IAS 41 Agriculture - Taxation in fair value measurements	January 01, 2022
- IFRS 3 - Reference to the Conceptual Framework (Amendments)	January 01, 2023
- IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition	January 01, 2023
- Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
- Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12	January 01, 2023
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2023
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

**IASB Effective date
(annual periods
beginning on or after)**

Standards

IFRS 1 - First-time Adoption of International Financial Reporting Standards

IFRS 17 – Insurance Contracts

January 01, 2023

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2022.

4 SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

4.1 The preparation of these condensed interim unconsolidated financial statements in conformity with approved accounting and reporting standards, as applicable in Pakistan, requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual result may differ from these estimates. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

4.2 Judgements and estimates made by the management in the preparation of these condensed interim unconsolidated financial statements are the same as those that were applied to financial statements as at and for the year ended 30 June 2022.

5 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with that disclosed in the audited financial statement as at and for the year ended June 30, 2022.

6. PROPERTY, PLANT AND EQUIPMENT

Note

	31 March 2023 (Un-audited)	30 June 2022 (Audited)
	(Rupees)	
Operating property, plant and equipment	522,615,906	549,624,886
Capital work-in-progress	35,334,125	31,481,774
	557,950,031	581,106,660

Operating property, plant and equipment
Capital work-in-progress

6.1

6.1 The following acquisitions and disposals have been made during the nine months period ended March 31, 2023.

For the nine months period ended

	31 March 2023		31 March 2022	
	Acquisitions at cost	Disposals at book value	Acquisitions at cost	Disposals at book value
	(Un-audited)			
	(Rupees)			
Building on leasehold land	-	-	2,899,490	-
Plant and machinery	13,183,128	-	20,370,066	-
Tools and equipment	1,260,780	-	149,532	-
Furniture, fittings and office equipment	315,453	-	2,626,074	-
Vehicles	6,734,000	3,518,500	37,712,000	19,908,350
	21,493,361	3,518,500	63,757,162	19,908,350

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

		31 March 2023 (Un-audited)	30 June 2022 (Audited)
7. INVESTMENTS	Note	(Rupees)	
7.1 Long term investments			
At cost			
Investments in subsidiary companies - unlisted			
Hi-Tech Alloy Wheels Limited		859,960,000	859,960,000
Specialized Autoparts Industries (Private) Limited		175,000,000	175,000,000
Multiple Autoparts Industries (Private) Limited		75,000,000	75,000,000
Specialized Motorcycles (Private) Limited (SMPL)		75,000,000	75,000,000
		1,184,960,000	1,184,960,000
Less: Provision for impairment against SMPL		(25,000,000)	(25,000,000)
Net investment in subsidiary companies		1,159,960,000	1,159,960,000
Investment in associate at FVOCI - listed	7.1.1	81,715,451	141,173,954
		1,241,675,451	1,301,133,954

7.1.1 This represents 4,837,958 shares (30 June 2022: 4,837,958 shares) of Treet Corporation Limited having market value of Rs. 81.7 million (30 June 2022: Rs. 141.173 million). The Company's holding in Treet Corporation Limited is considered associate by virtue of common directorship.

		31 March 2023 (Un-audited)	30 June 2022 (Audited)
7.2 Short term investments	Note	(Rupees)	
Equity securities - at FVTPL	7.2.1	667,401	907,153
Equity securities - at FVOCI	7.2.2	38,152	15,352
		705,553	922,505

7.2.1 Equity securities - at FVTPL

31 March 2023 (Un-audited)	30 June 2022 (Audited)	Name of investee companies	31 March 2023			30 June 2022
			Carrying value	Market value	Net change in fair value	Market value
			(Rupees)			
		Ordinary shares - Quoted				
1	1	Agriautos Industries Limited*	134	61	(74)	134
1	1	Al-Ghazi Tractors Limited *	390	271	(119)	390
1	1	Atlas Battery Limited	172	162	(10)	172
1	1	Atlas Honda Limited	378	268	(110)	378
1	1	Ghandhara Tyres & Rubber Company Limited	34	27	(7)	34
1	1	Honda Atlas Cars (Pakistan) Limited	195	118	(77)	195
1	1	Thal Limited *	270	167	(103)	270
230	230	Baluchistan Wheels Limited	17,480	16,054	(1,426)	17,480
315	315	Ghandhara Nissan Limited	18,705	10,770	(7,935)	18,705
300	300	Hinopak Motors Limited	92,160	60,150	(32,010)	92,160
200	200	Indus Motor Company Limited	228,882	177,390	(51,492)	228,882
710	592	Millat Tractors Limited	516,573	383,230	(133,343)	516,573
63	63	Oil & Gas Development Company Limited	4,956	5,252	296	4,956
127	127	Pak Suzuki Motor Company Limited	26,824	13,482	(13,342)	26,824
			907,153	667,401	(239,752)	907,153

* All shares have a nominal value of Rs. 10 each, except for the shares of Al-Ghazi Tractors Limited, Agriautos Industries Limited and Thal Limited which have a face value of Rs. 5 each.

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

7.2.2 Equity securities - at FVOCI

The Company holds investment in ordinary shares of Rs. 10 each, in the following listed investee company:

31 March 2023 (Un-audited)	30 June 2022 (Audited)	Name of investee company	31 March 2023 (Un-audited)		30 June 2022 (Audited)
(Number of shares)	(Number of shares)		Cost	Market value	Net change in fair value
152	152	Ordinary shares - Quoted ZIL Limited	5,330	38,152	22,800
					Market value
			(Rupees)		
					15,352

7.2.2.1 Equity investments at FVOCI - net change in fair value

Note

	31 March 2023 (Un-audited)	30 June 2022 (Audited)
Market value of investments	38,152	15,352
Less: Cost of investments	(5,330)	(5,330)
	32,822	10,022
Less: Equity investments at FVOCI - net change in fair value at beginning of the period / year	(10,022)	(8,368)
Net change in fair value for the period / year	22,800	1,654

8. STOCK-IN-TRADE

	8.1 & 8.2	31 March 2023 (Un-audited)	30 June 2022 (Audited)
Raw material and components		848,914,433	1,544,914,809
Work-in-process		104,727,815	106,545,556
Finished goods		34,624,470	-
		988,266,718	1,651,460,365
Provision for slow-moving and obsolescence		(32,528,867)	(32,528,867)
		955,737,851	1,618,931,498

8.1 This includes raw material in-transit and in possession of Company's subsidiaries amounting to Rs. 286 million (June 30 2022: Rs. 522 million) and Rs. 198 million (June 30, 2022: Rs. 438 million) respectively.

8.2 Raw material held with toll manufacturers as at March 31, 2023 amounted to Rs. 94.1 million (June 30, 2022: Rs. 107 million).

9. TRADE DEBTS - NET

Note

	31 March 2023 (Un-audited)	30 June 2022 (Audited)
Unsecured		
Considered good	436,119,706	909,494,124
Less: Provision for doubtful debts	-	-
	436,119,706	909,494,124

10. LOANS AND ADVANCES

		31 March 2023 (Un-audited)	30 June 2022 (Audited)
Advance to suppliers		209,678,756	148,233,907
Loans to employees - considered good and unsecured	10.1	22,542,510	35,573,874
Loans to workers - considered good and unsecured	10.2	16,569,824	30,139,317
Advance salary		1,678,645	1,304,186
		250,469,735	215,251,284

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

10.1 This represents loans provided to executive staff having maturity of one to two years. These loans carry mark-up at the rate of 20% (June 30, 2022: 13%) per annum.

10.2 This represents loans provided to workers for personal expenses having maturity of twelve months. These loans carry mark-up at the rate of 20% (June 30, 2022: 13%) per annum.

11. DEPOSITS, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES	Note	31 March 2023 (Un-audited)	30 June 2022 (Audited)
		(Rupees)	
Margin deposits		22,116,774	4,169,620
Receivable from Provident Fund		12,954,339	4,318,920
Trade and other deposits		3,297,600	1,840,000
Prepayments		2,246,496	3,220,534
Other receivables		15,276,518	6,046,946
		55,891,727	19,596,020

12. SHORT TERM BORROWINGS

Secured

Running finances under mark-up arrangements	12.1	1,189,403,481	1,173,638,735
Soneri Bank Limited		400,000,000	385,000,000
Islamic financing	12.2	265,141,581	443,775,602
Standard Chartered Bank		-	222,258,916
		1,854,545,062	2,224,673,253

12.1 These facilities have been obtained from various banks for working capital requirements and are secured by charge over current and future assets of the Company, pledge of stock (shares) lien over import documents and title of ownership of goods imported under letters of credit. The banks have imposed a condition that no objection certificate (NOC) should be obtained or bank dues should be cleared before declaring any dividend.

These facilities carry mark-up at the rates ranging from 1 month KIBOR plus 1% to 3 month KIBOR plus 3% (June 30, 2022: 1 month KIBOR plus 1.25% to 3 month KIBOR plus 1.50%) per annum.

The aggregate available short term borrowing facilities amounted to Rs. 1,189 million (June 30, 2022: Rs. 1,173 million) out of which Rs. 56 million (June 30, 2022: 96 million) remained unavailed as at the reporting date.

12.2 Islamic financing

This includes Islamic finance facility available from Al Baraka Bank, Meezan Bank and MCB Islamic Bank Limited having limits of Rs. 400 million, for manufacturing of mufflers and exhaust system, spare parts, tools and equipment from local market and for working capital requirement. As at 31 March 2023, amount of Rs. 135 million (June 30, 2022: Rs. 62 million) remained unutilised. This facility is secured by charge over current and future assets of the Company. These facilities carry mark-up at 1 month KIBOR plus 2% per annum to 3 months KIBOR plus 3.5% (30 June, 2022: 1 month KIBOR plus 2% to 3 months KIBOR plus 2.75%) and is repayable maximum within 120 to 180 days of the disbursement date.

13. DUE TO RELATED PARTY	31 March 2023 (Un-audited)	30 June 2022 (Audited)
	(Rupees)	
Payable to SAIL and MAIL against Toll Manufacturing	1,026,676	142,716,321

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

		31 March 2023 (Un-audited)	30 June 2022 (Audited)
		(Rupees)	
14. TRADE AND OTHER PAYABLES	Note		
Trade creditors		333,055,676	482,231,107
Accrued liabilities		36,274,956	55,026,568
Contract liabilities			
Advance from customers		96,806,411	58,234,184
Mobilization advances		196,970,642	105,586,724
		663,107,685	701,078,583
Other liabilities			
Workers' Profit Participation Fund	14.1	9,435,656	28,642,932
Provision for bonus		-	56,915,758
Provision for leave encashment		2,864	2,864
Workers' Welfare Fund	14.2	2,198,800	10,329,621
Sales tax Payable		49,722,738	16,141,054
Withholding tax payable		5,541,124	3,719,909
Current portion of Gas Infrastructure Development Cess		868,472	868,472
Security deposit from contractors		129,000	129,000
Other payables		20,717,482	18,451,003
		88,616,136	135,200,613
		751,723,821	836,279,196
14.1 Workers' profit participation fund			
Opening balance		28,642,932	11,630,341
Charge for the period / year		5,387,060	24,594,336
Interest charged during the period / year		-	1,229,327
		34,029,992	37,454,004
Less: Payments during the period / year		(24,594,336)	(8,811,072)
Closing balance		9,435,656	28,642,932
14.2 Workers' welfare fund			
Opening balance		10,329,621	3,555,670
Charge for the period / year		2,198,800	10,329,621
Less: Payments during the period / year		(10,329,621)	(3,555,670)
Closing balance		2,198,800	10,329,621
15. SHARE CAPITAL			
15.1 Authorised share capital			
Authorised share capital comprises of 400,000,000 (June 30, 2022: 400,000,000) Ordinary shares of Rs. 10 each.			
15.2 Issued, subscribed and paid up capital			
31 March 2023 (Un-audited)	30 June 2022 (Audited)		31 March 2023 (Un-audited)
----- (Number of shares) -----		Ordinary shares	----- (Rupees) -----
153,770,000	153,770,000	Ordinary shares of Rs.10 each fully paid in cash	1,537,700,000
		Ordinary shares of Rs.10 each issued as fully paid bonus shares	974,800,000
97,480,000	97,480,000		974,800,000
251,250,000	251,250,000		2,512,500,000

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

16. CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

There have been no significant changes in the status of contingencies as reported in the unconsolidated annual financial statements for the year ended June 30, 2022 except for the following:

Description of legal proceedings

Name of the court, agency or authority	Description of the factual basis of the proceeding and relief sought	Principal parties	Date instituted
Federal Board of Revenue (FBR)	Income Tax Return e-filed for Tax Year 2022 is presently deemed to have been assessed u/s.120 of Income Tax Ordinance, 2001. Subsequent to the year a Notice has been received under Rule 44(4) for monitoring of withholding-tax on 26.08.2022.	Company & FBR	26 August 2022
Federal Board of Revenue (FBR)	For the Tax Year 2015, notice dated 26 April 2021 was received by the Company under section 177 of the Income Tax Ordinance, 2001 which was responded the Company through its tax advisor during the month of May 2021 and June 2021. The concerned Assessing Officer finalized the audit proceeding in haste, without providing the opportunity for substantial additions and disallowances made in the amended order under section 122(4) dated 30 June 2021 and created factually incorrect and disputed demand of Rs. 750,761,241. Company had challenged the above amended order in appeal filed before Commissioner Inland Revenue (Appeals) against Order dated 30.06.2021 u/s.122(4) for the above mentioned tax year, the appeal has adjudicated by Commissioner (Appeals) vide Appeal Order dated 29.10.2021 where substantial direct relief has been allowed to the company, whilst one major issue has been remanded-back with directions and as such, disputed demand has been vacated.	Company & FBR	26 April 2021
Federal Board of Revenue (FBR)	For Tax Year 2019-20, Notice dated 18.10.2021 was received u/s.25 for audit under S.25 of the Sales Tax Act, 1990 for the period from 01-07-2019 to 30-06-2021. In response, all the requisitioned details/documents/ evidences, etc., submitted and accordingly, audit proceedings was culminated in Order dated 11.02.2022 creating an aggregate demand of Rs.1,577,663/- + Penalty of Rs.78,883/- + default surcharge Rs.505,198/- aggregating to Rs.2,161,744/- for sales-tax period 2019-20, which has been deposited by the company. No appeal has been filed against the sales-tax assessment order.	Company & FBR	10 October 2021
Federal Board of Revenue (FBR)	Proceedings were initiated under S.11(2) of the Sales Tax Act, 1990 vide Notice dated 31.05.2022 for alleged non-realization of 17% sales-tax on deletion of Fixed Assets at WDV value in Tax Year 2017 (Income Year ended 30-06-2017), whereas such sales tax has been charged on sales proceeds resulting in substantial tax gain, which has also been offered for tax in tax year 2017, which has been responded but no further action has been taken.	Company & FBR	31 May 2022

16.2 Commitments

Commitments in respect of letters of credit amounted to Rs. 92 million (June 30, 2022: Rs. 628 million).

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

17. ISLAMIC COMMERCIAL PAPER

This represents a credit financing facility amounting to Rs 500 million (June 30, 2022: Nil) obtained by the Company in relation to an agreement between the investors and the Bank Islami (investing agent). The amount is repayable to the investors within 6 months at a mark-up of KIBOR + 2%.

The details of the investors are as follows:

S.No.	Investors	Contribution	Contribution (%)
1	PAIR Investment Company Limited	125,000,000	25%
2	Pak Libya Holding Company Limited	125,000,000	25%
3	Pak Oman Investment Company Limited	100,000,000	20%
4	CDC Trustee Faysal Income and Growth Fund	50,000,000	10%
5	PIACL Provident Fund Trust	50,000,000	10%
6	Bank Islami Pakistan Limited	50,000,000	10%
		<u>500,000,000</u>	

18. REVENUE - NET	Note	31 March 2023 (Un-audited)	31 March 2022 (Un-audited)
		(Rupees)	
Local sales	18.1	4,384,651,893	6,412,749,362
Less: Sales returns		(7,609,883)	(12,000,856)
		4,377,042,010	6,400,748,506
Less: Sales tax		(647,298,288)	(661,935,569)
		3,729,743,722	5,738,812,937

18.1 This includes scrap sales amounting to Rs. 88.1 million (March 31, 2022: Rs.190.6 million).

19. COST OF SALES

Note	Nine months period ended		Quarter ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	(Un-audited)		(Un-audited)	
	(Rupees)			
Raw materials and components consumed	2,534,991,049	3,902,234,798	425,264,202	1,290,512,255
Ancillary materials consumed	70,107,419	94,152,660	39,413,477	30,761,628
Manufacturing expenses				
Salaries, wages and other employee benefits	204,425,337	254,292,979	65,320,606	80,708,933
Toll manufacturing	252,238,751	561,942,289	43,068,949	180,707,295
Depreciation	42,315,728	48,069,911	16,883,533	16,603,664
Gas, power and water	23,592,897	23,292,688	5,495,926	6,023,924
Others	32,973,906	43,793,018	12,061,223	17,791,755
Transferred to capital work-in-progress	-	(7,512,814)	-	(2,384,674)
Manufacturing cost	555,546,619	923,878,071	142,830,237	299,450,897
Opening stock of work-in-process	106,545,556	71,111,109	62,780,210	106,513,130
Impact of recording revenue overtime	104,727,815	122,184,280	104,727,815	122,184,280
Closing stock of work-in-process	(104,727,815)	(122,184,280)	(104,727,815)	(122,184,280)
	106,545,556	71,111,109	62,780,210	106,513,130
Opening stock of finished goods	-	-	43,765,346	-
Impact of recording revenue overtime	78,503,345	129,905,343	78,503,345	129,905,343
Closing stock of finished goods	(34,624,470)	-	(34,624,470)	-
	43,878,875	129,905,343	84,065,512	129,905,343
	3,311,069,518	5,121,281,981	757,932,347	1,857,143,253

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

19.1 This includes toll manufacturing expense from SAIL and MAIL amounting to Rs. 205 million (March 31, 2022: Rs. 482.397 million).

	Note	31 March 2023 (Un-audited)	31 March 2022 (Un-audited)
(Rupees)			
20. OTHER INCOME			
Income from financial assets			
Dividend Income		21,578	54,467
Total interest receivable from subsidiaries		356,494,617	210,687,526
		356,516,195	210,741,993
Income from assets other than financial assets			
Profit / loss on sale of asset		2,911,595	1,504,289
Other Income		1,531,980	8,925,552
		4,443,575	10,429,841
		360,959,770	221,171,834

21. EARNINGS PER SHARE - basic and diluted

Profit after taxation	Rupees	24,313,707	252,454,110
Weighted average number of ordinary shares outstanding during the period	Numbers	251,250,000	251,250,000
Earnings per share - basic and diluted	Rupees	0.10	1.00

22. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of subsidiaries, associated company and other companies with significant influence, employees retirement benefit funds and key management personnel. Transactions with related parties are at terms determined in accordance with the agreed rates. Transactions and balances with related parties, other than those disclosed elsewhere in these financial statements, are disclosed below:

Balances as at:

Description	Relationship and effective shareholding	Balances as at the period / year-end	31 March 2023 (Un-audited)	30 June 2022 (Audited)
(Rupees)				
Specialized Autoparts Industries (Private) Limited	Subsidiary company - 91% holding (30 June 2022: 91%)	Loan due from at the period / year end	352,664,263	410,664,263
		Mark-up receivable on loan at the period / year end	142,105,760	87,928,068
		Trade receivable at the period / year end	326,409,004	(109,800,483)
Multiple Autoparts Industries (Private) Limited	Subsidiary company - 92% holding (30 June 2022: 92%)	Loan due from at the period / year end	48,372,788	109,872,788
		Mark-up receivable on loan at the period / year end	34,555,117	23,846,762
		Trade payable at the period / year end	(1,026,676)	(32,915,838)
Hi-Tech Alloy Wheels Limited	Subsidiary company - 80% holding (30 June 2022: 80%)	Loan due from at the period / year end	2,024,733,909	2,039,529,541
		Mark-up Receivable on loan at the period / year end	821,109,561	530,883,572
Specialized Motorcycle (Private) Limited	Subsidiary company - 100% holding (30 June 2022: 100%)	Due from at the period / year end	3,706,788	3,706,788
		Loan due from at the period / year end	9,874,000	8,904,000
		Accrued mark-up on loan at the period / year end	2,764,849	1,382,268
Provident fund		Receivable from PF	12,954,339	4,318,920
Employee benefits - gratuity	Defined contribution plan	Balance at the year period / year	(31,022,294)	(35,100,894)

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

Transactions for the period :

Description	Relationship and effective percentage shareholding	Transactions during the period	Nine months period ended	
			31 March 2023	31 March 2022
			(Un-audited)	
			(Rupees)	
Specialized Autoparts Industries (Private) Limited	Subsidiary company - 91% holding (31 March 2022: 91%)	Toll manufacturing	<u>141,618,752</u>	355,276,868
		Loan provided / (repaid)	<u>(58,000,000)</u>	(30,338,847)
		Mark-up income on loan	<u>54,177,692</u>	39,654,239
Multiple Autoparts Industries (Private) Limited	Subsidiary company - 92% holding (31 March 2022: 92%)	Toll manufacturing	<u>63,451,539</u>	127,120,256
		Loan provided / (repaid)	<u>(61,500,000)</u>	(29,568,088)
		Mark-up income on loan	<u>10,708,355</u>	1,117,057
Hi-Tech Alloy Wheels Limited	Subsidiary company - 80% holding (31 March 2022: 80%)	Loan provided / (repaid)	<u>(14,795,633)</u>	429,470,641
		Mark-up income on loan	<u>290,225,989</u>	159,237,185
Specialized Motorcycle (Private) Limited	Subsidiary company - 100% holding (31 March 2022: 100%)	Loan provided / (repaid)	<u>970,000</u>	2,330,000
		Mark-up on loan	<u>1,382,581</u>	623,045
Provident fund	Defined benefit scheme	Paid during the period	<u>8,635,419</u>	7,265,612
Employee benefits - gratuity	Defined contribution plan	Expense for the period	<u>29,030,000</u>	2,171,493
		Contribution paid during the period	<u>33,108,600</u>	5,400,000
First Treet Manufacturing Modaraba IGI General Insurance Limited	Common directorship	Purchase of batteries	<u>180,475</u>	120,012
		Purchase of services	<u>5,366,125</u>	4,645,013
Remuneration of chief executive, directors and executives (Key management personnel)				
Salaries and benefits			<u>82,030,049</u>	78,960,201

23. 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 orderly transaction between market participants at the measurement date.

The Company classifies fair value measurements of its investments using a hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

23.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

31 March 2023	Carrying amount				Fair value				
	Fair value through profit or loss	FVOCI - equity instrument	Amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
(Rupees)									
Financial assets - measured at fair value									
Equity securities	667,401	38,152	-	-	705,553	705,553	-	-	705,553
Financial assets - not measured at fair value									
Trade debts	-	-	436,119,706	-	436,119,706	-	-	-	-
Loans	-	-	39,112,334	-	39,112,334	-	-	-	-
Deposits and other receivables	-	-	55,891,727	-	55,891,727	-	-	-	-
Due from related parties	-	-	3,876,127,630	-	3,876,127,630	-	-	-	-
Cash and bank balances	-	-	232,800,491	-	232,800,491	-	-	-	-
	667,401	38,152	4,640,051,888	-	4,640,757,441	-	-	-	-
Financial liabilities - not measured at fair value									
Short term financing	-	-	1,854,545,062	-	1,854,545,062	-	-	-	-
Trade and other payables	-	-	390,048,114	-	390,048,114	-	-	-	-
Liabilities against assets subject to finance lease	-	-	29,707,529	-	29,707,529	-	-	-	-
Accrued mark-up on short term financing	-	-	86,998,077	-	86,998,077	-	-	-	-
Long term loan	-	-	242,058,102	-	242,058,102	-	-	-	-
Current portion of long term loan	-	-	212,599,991	-	212,599,991	-	-	-	-
Due to related party	-	-	1,026,676	-	1,026,676	-	-	-	-
Unclaimed dividend	-	-	3,527,781	-	3,527,781	-	-	-	-
	-	-	2,820,511,332	-	2,820,511,332	-	-	-	-
June 30, 2022									
June 30, 2022	Carrying amount				Fair value				
	Fair value through profit or loss	FVOCI - equity instruments	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees)									
Financial assets - measured at fair value									
Equity securities	907,153	15,352	-	-	922,505	922,505	-	-	922,505
Financial assets - not measured at fair value									
Trade debts	-	-	909,494,124	-	909,494,124	-	-	-	-
Loans	-	-	73,357,348	-	73,357,348	-	-	-	-
Deposits and other receivables	-	-	12,056,566	-	12,056,566	-	-	-	-
Due from related parties	-	-	3,252,222,264	-	3,252,222,264	-	-	-	-
Cash and bank balances	-	-	11,719,932	-	11,719,932	-	-	-	-
	907,153	15,352	4,258,850,234	-	4,259,772,739	-	-	-	-
Financial liabilities - not measured at fair value									
Short term financing	-	-	2,224,673,253	-	2,224,673,253	-	-	-	-
Trade and other payables	-	-	482,231,107	-	482,231,107	-	-	-	-
Liabilities against assets subject to finance lease	-	-	30,328,259	-	30,328,259	-	-	-	-
Accrued mark-up on short term financing	-	-	53,430,791	-	53,430,791	-	-	-	-
Long term loan	-	-	240,869,432	-	240,869,432	-	-	-	-
Current portion of long term loan	-	-	370,637,176	-	370,637,176	-	-	-	-
Due to related party	-	-	142,716,321	-	142,716,321	-	-	-	-
Unclaimed dividend	-	-	3,527,781	-	3,527,781	-	-	-	-
	-	-	3,548,414,120	-	3,548,414,120	-	-	-	-

The Company has not disclosed fair values for these financial assets and financial liabilities because their carrying amounts are reasonable approximation of fair value.

24. GENERAL

24.1 Segment reporting

These condensed interim unconsolidated financial statements have been prepared on the basis of a single reportable segment. Geographically, all the sales were carried out in Pakistan. All non-current assets of the Company as at April 28, 2023 are located in Pakistan.

24.2 These condensed interim unconsolidated financial statements were authorised for issue by the Board of Directors on 28 April 2023.


Chief Financial Officer


Chief Executive


Director

Condensed Interim Consolidated Financial Statements

Condensed Interim Consolidated Statement Of Financial Position

As at 31 March 2023

		31 March 2023 (Un-audited)	30 June 2022 (Audited)
		(Rupees)	
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,264,570,074	5,270,345,813
Intangible assets		1,848,104	2,879,505
Long term investments		92,434,932	149,238,235
Long term loans		7,936,101	7,644,157
		5,366,789,211	5,430,107,710
Current assets			
Stores, spares and loose tools		29,446,204	55,063,066
Stock-in-trade		955,737,850	1,618,931,498
Trade debts - net		436,119,706	909,494,124
Loans and advances		267,606,188	253,365,717
Due from related party		1,150,380	1,150,380
Deposits, prepayments and other receivables		520,082,913	495,687,252
Taxation - net		451,941,301	317,350,627
Short term investments		705,551	922,502
Cash and bank balances		260,240,827	30,371,640
		2,923,030,920	3,682,336,806
Total assets		8,289,820,131	9,112,444,516
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
400,000,000 (30 June 2022: 400,000,000) ordinary shares of Rs.10/- each		4,000,000,000	4,000,000,000
Issued, subscribed and paid up capital		2,512,500,000	2,512,500,000
Share premium		1,070,065,433	1,070,065,433
Fair value reserve		(1,795,244)	(1,818,044)
Unappropriated profit		(244,987,303)	269,956,095
Equity attributable to owners of Parent Company		3,335,782,886	3,850,703,484
Non-Controlling Interest		(10,437,667)	110,305,074
		3,325,345,219	3,961,008,558
LIABILITIES			
Non-current liabilities			
Lease liabilities		23,420,475	23,828,164
Defined benefit obligation - net		31,022,294	35,100,894
Long term loans		1,017,488,648	1,229,817,007
Deferred tax liabilities		56,142,456	24,389,285
Gas Infrastructure Development Cess		-	47,239
		1,128,073,873	1,313,182,589
Current liabilities			
Current maturity of lease liabilities		6,287,054	6,500,095
Current portion of long term loans		425,599,993	433,625,552
Current portion of deferred grant		-	424,227
Islamic commercial paper - ICP		500,000,000	-
Short term borrowings		1,854,545,062	2,226,407,411
Trade and other payables		914,074,984	1,064,498,286
Due to related party		22,048,871	22,048,871
Loan from director		4,000,000	4,000,000
Unclaimed dividend		3,527,781	3,527,781
Accrued mark-up and profit		106,317,294	77,221,146
		3,836,401,039	3,838,253,369
Total equity and liabilities		8,289,820,131	9,112,444,516
CONTINGENCIES AND COMMITMENTS	4		

The annexed notes from 1 to 8 form an integral part of the condensed interim consolidated financial statements.



Chief Financial Officer



Chief Executive



Director

Condensed Interim Consolidated Statement of Profit or Loss (Un-audited)

For the nine and three months period ended 31 March 2023

	Note	For the nine months period ended		For the three months period ended	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
(Rupees)					
Revenue - net		3,729,743,723	5,738,812,937	841,198,296	2,113,845,605
Cost of revenue	5	(3,415,106,087)	(4,993,308,851)	(821,367,698)	(1,818,893,574)
Gross profit		314,637,636	745,504,086	19,830,598	294,952,031
Administrative, selling and general expenses		(237,786,240)	(230,117,739)	(67,901,282)	(82,023,883)
		76,851,396	515,386,347	(48,070,684)	212,928,148
Other expenses		(67,284,115)	(35,474,964)	49,077	(16,366,053)
Other income		27,161,756	83,063,511	12,702,705	7,423,341
		(40,122,359)	47,588,547	12,751,782	(8,942,712)
Operating profit		36,729,037	562,974,894	(35,318,902)	203,985,436
Financial charges		(589,751,538)	(355,817,329)	(178,679,025)	(101,473,163)
Share of profit / (loss) in associates-net		632,914	18,968,440	210,971	(3,153,188)
Profit / (loss) before taxation		(552,389,587)	226,126,005	(213,786,956)	99,359,085
Taxation		(83,296,552)	(140,255,505)	(8,037,782)	(55,616,639)
Profit / (loss) after taxation		(635,686,139)	85,870,500	(221,824,738)	43,742,446
Profit / (loss) attributable to:					
Owners of the Parent Company		(514,943,398)	138,065,402		
Non-controlling interest		(120,742,741)	(52,194,902)		
		(635,686,139)	85,870,500		
Earning / (loss) per share					
- basic and diluted		(2.05)	0.55		

The annexed notes from 1 to 8 form an integral part of the condensed interim consolidated financial statements.



Chief Financial Officer



Chief Executive



Director

Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)

For the nine and three months period ended 31 March 2023

	For the nine months period ended ~		For the three months period ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	(Rupees)			
Profit / (loss) for the period	(635,686,139)	85,870,500	(221,824,738)	43,742,446
Other comprehensive income:				
<i>Items that will not be reclassified subsequently to profit and loss</i>				
Equity investments at FVOCI - net change in fair value	22,800	(2,588)	10,032	(2,292)
Total comprehensive income / (loss) for the period	(635,663,339)	85,867,912	(221,814,706)	43,740,154

The annexed notes from 1 to 8 form an integral part of the condensed interim consolidated financial statements.



Chief Financial Officer



Chief Executive



Director

Condensed Interim Consolidated Statement of Changes in Equity (Un-audited)


For the nine months period ended 31 March 2023

	Share capital	Capital Reserve	Revenue reserves		Total equity
	Issued, subscribed and paid up capital	Share premium	Fair value reserve	Unappropriated profit	
	(Rupees)				
Balance as at 30 June 2021 (Audited)	2,512,500,000	1,070,065,433	(1,819,906)	288,483,538	3,869,229,065
Total comprehensive income for the period ended 31 March 2022					
Profit for the period	-	-	-	138,065,402	138,065,402
Other comprehensive loss	-	-	(2,588)		(2,588)
	-	-	(2,588)	138,065,402	138,062,814
Balance as at 31 March 2022	<u>2,512,500,000</u>	<u>1,070,065,433</u>	<u>(1,822,494)</u>	<u>426,548,940</u>	<u>4,007,291,879</u>
Balance as at 01 July 2022 (audited)	2,512,500,000	1,070,065,433	(1,818,044)	269,956,095	3,850,703,484
Total comprehensive income for the period ended 31 March 2023					
Loss for the period	-	-	-	(514,943,398)	(514,943,398)
Other comprehensive Income	-	-	22,800	-	22,800
	-	-	22,800	(514,943,398)	(514,920,598)
Balance as at 31 March 2023	<u><u>2,512,500,000</u></u>	<u><u>1,070,065,433</u></u>	<u><u>(1,795,244)</u></u>	<u><u>(244,987,303)</u></u>	<u><u>3,335,782,886</u></u>

The annexed notes from 1 to 8 form an integral part of the condensed interim consolidated financial statements.



Chief Financial Officer



Chief Executive



Director

Condensed Interim Consolidated Statement of Cash Flows (Un-audited)

For the nine months period ended 31 March 2023

	31 March 2023	31 March 2022
	(Rupees)	
Profit / (loss) before taxation	(552,389,587)	226,126,005
Adjustment for		
Depreciation	60,008,253	63,014,134
Amortisation	1,031,401	112,700
Finance cost	586,017,684	355,817,329
Finance lease charges	3,733,854	1,378,705
Markup income	(3,389,279)	(1,519,446)
Gain on disposal of investment	-	(63,204,199)
Dividend Income	(13,198)	(4,892,424)
Gain on disposal of item of property, plant and equipment	(2,911,595)	(1,504,289)
Current service cost - gratuity	61,062,900	2,171,493
Share of profit/(loss) in associate - net	(632,914)	(18,968,440)
Equity investments at FVTPL - net change in fair value	59,694,813	125,458
	212,212,332	558,657,026
Working capital changes		
Decrease / (increase) in current assets		
Stores, spares and loose tools	25,616,862	15,017,310
Stock-in-trade	663,193,648	(240,698,401)
Trade debts - net	473,374,418	(591,766,848)
Loans and advances	(14,532,415)	(19,299,834)
Deposits, prepayments and other receivables	(9,992,988)	26,167,211
	1,137,659,525	(810,580,562)
(Decrease) / increase in current liabilities		
Trade and other payables	(150,423,302)	672,669,705
Cash generated from operations	1,199,448,555	420,746,169
Mark-up paid	(556,921,536)	(319,393,436)
Gratuity Paid	(65,141,500)	(5,400,000)
Tax paid	(186,471,832)	(266,433,779)
Net cash (used in) from operating activities	390,913,687	(170,481,046)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(34,574,633)	(37,278,303)
Mark-up received	3,389,279	1,519,446
Dividend received	13,198	4,892,424
Proceeds from disposal of item of property, plant and equipment	3,473,738	2,961,000
Proceeds from sale of investments	-	205,632,646
Net cash generated from / (used in) investing activities	(27,698,418)	177,727,213
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(9,077,784)	(4,853,958)
(Payments against) / proceeds from loans and borrowings	(216,399,268)	(424,398,114)
Issuance of ICP - net	463,993,319	-
Loan obtained from related party	-	4,000,000
Net cash (used in) / generated from financing activities	238,516,267	(425,252,072)
Net (decrease) / increase in cash and cash equivalents	601,731,536	(418,005,905)
Cash and cash equivalents at beginning of the period	(2,196,035,771)	(1,819,805,359)
Cash and cash equivalents at end of the period	(1,594,304,235)	(2,237,811,264)

The annexed notes from 1 to 8 form an integral part of the condensed interim consolidated financial statements.


Chief Financial Officer


Chief Executive


Director

Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

1. STATUS AND NATURE OF BUSINESS

1.1 Legal status and operations

Loads Limited ("the Parent Company") was incorporated in Pakistan on January 01, 1979 as a private limited company under the Companies Act, 1913 (repealed with the enactment of the Companies Ordinance, 1984 (repealed with the enactment of Companies Act, 2017 on May 30, 2017).

On December 19, 1993, the Parent Company was converted from private limited company to public unlisted company and subsequently on November 01, 2016, the shares of the Parent Company were listed on Pakistan Stock Exchange Limited (PSX). The registered address of the of the Parent Company is situated at Plot No. 23, Sector 19, Korangi Industrial Area, Karachi.

The principal activity of the Parent Company is to manufacture and sale of radiators, exhaust systems and other components for automotive industry.

The Parent Company's registered office and plant is situated at Plot No. 23, Sector 19, Korangi Industrial Area, Karachi.

There are four subsidiaries and one associate. The details are as follows:

Name of the Companies	Incorporation date	Effective holding %		Principle line of business
		31 March 2023	30 June 2022	
Subsidiaries				
Specialized Autoparts Industries (Private) Limited (SAIL)	2 June 2004	91%	91%	Manufacture and sell components for the automotive industry.
Multiple Autoparts Industries (Private) Limited (MAIL)	14 May 2004	92%	92%	Manufacture and sell components for the automotive industry.
Specialized Motorcycles (Private) Limited (SMPL)	28 September 2004	100%	100%	Acquire, deal in, purchase, import, sales, supply and export motorcycles and auto parts. The operations have been ceased from 1 July 2015.
Hi-Tech Alloy Wheels Limited (HAWL)	13 January 2017	80%	80%	It will manufacture alloy wheels of various specifications and sell them to local car assemblers. Commercial production has not yet started.
Associate				
Treet Corporation Limited	22 January 1977	2.86%	2.86%	Manufacture and sale of razors, razor blades and other trading activities

Plants of SAIL and MAIL are situated at DSU-19 and DSU-38 respectively in Downstream Industrial Estate Pakistan Steel Mills Bin Qasim Town, Karachi. HAWL has acquired land for establishing industrial unit which is located at National Industrial Park, Bin Qasim, the Special Economic Zone declared by Government of Sindh.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The condensed interim consolidated financial information has 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 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

This condensed interim consolidated financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual audited consolidated financial statements of the Parent Company as at and for the year ended 30 June 2022. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last financial statements.

2.2 Basis of measurement

This condensed interim consolidated financial information has been prepared on the historical cost convention, except for certain investments which are stated at fair value and provision for staff gratuity which is stated at present value.

2.3 Functional and presentation currency

The condensed interim consolidated financial information is presented in Pak Rupee which is also the functional currency of the Parent Company and rounded off to the nearest rupee unless otherwise stated.

2.4 Key estimates and judgments

The preparation of the condensed interim consolidated financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

In preparing the condensed interim consolidated financial information, the significant judgments made by the management in applying the Parent Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2022. The Parent Company's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 30 June 2022.

	31 March 2023 (Un-audited)	30 June 2022 (Audited)
Note	(Rupees)	
3. PROPERTY, PLANT AND EQUIPMENT		
Operating property, plant and equipment	768,997,262	786,520,790
Capital work-in-progress	4,495,572,812	4,483,825,023
	5,264,570,074	5,270,345,813

3.1 The following acquisitions and disposals have been made during nine months period ended 31 March 2023.

	For the nine months period ended			
	31 March 2023		31 March 2022	
	Acquisitions at cost	Disposals at book value	Acquisitions at cost	Disposals at book value
		(Un-audited)		
		(Rupees)		
Building on leasehold land	81,970	-	2,899,490	-
Plant and machinery	14,299,684	-	25,067,166	-
Tools and equipment	1,260,780	-	461,472	-
Furniture, fittings and office equipment	450,410	-	6,534,547	-
Vehicles	6,734,000	3,518,500	37,712,000	19,908,350
	22,826,844	3,518,500	72,674,675	19,908,350

4. CONTINGENCIES AND COMMITMENTS

4.1 Contingencies

There is no change in the status of contingencies as disclosed under note 17 of the annual consolidated financial statements of the Company for the year ended 30 June 2022.

4.2 Commitments

Commitments in respect of letters of credit amounted to Rs. 92 million (30 June 2022: Rs. 628 million).

Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)

For the nine months period ended 31 March 2023

5. COST OF REVENUE	For the nine months period ended		For the three months period ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	(Un-audited) (Rupees)			
Raw materials and components consumed	2,535,023,476	3,894,721,984	425,296,629	1,288,127,581
Ancillary materials consumed	120,681,855	155,375,128	54,297,729	48,293,728
Manufacturing Expenses				
Salaries, wages and other employee benefits	382,987,501	459,096,479	128,285,900	146,335,181
Toll manufacturing	50,223,790	84,461,473	11,534,344	27,915,838
Depreciation	51,729,403	57,691,904	20,021,425	19,877,310
Gas, power and water	51,422,406	55,140,248	11,274,944	16,552,242
Others	72,645,651	85,805,183	20,264,722	35,373,221
Manufacturing cost	3,264,714,082	4,792,292,399	670,975,693	1,582,475,101
Opening stock of work-in-process	106,513,130	71,111,109	62,780,210	106,513,130
Impact of recording revenue overtime	104,727,815	122,184,280	104,727,815	122,184,280
Closing stock of work-in-process	(104,727,815)	(122,184,280)	(104,727,815)	(122,184,280)
	106,513,130	71,111,109	62,780,210	106,513,130
Opening stock of finished goods	-	-	43,732,920	-
Impact of recording revenue overtime	78,503,345	129,905,343	78,503,345	129,905,343
Closing stock of finished goods	(34,624,470)	-	(34,624,470)	-
	43,878,875	129,905,343	84,065,512	129,905,343
	3,415,106,087	4,993,308,851	821,367,698	1,818,893,574

6. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of subsidiaries, associated company and other companies with common directorship and significant influence, employees retirement benefit funds and key management personnel. Transactions with related parties are at terms determined in accordance with the agreed rates.

Transactions and balances with related parties are disclosed below:

	31 March 2023 (Un-audited)	30 June 2022 (Audited)
	(Rupees)	
Investment in Treet Corporation Limited		
Ordinary shares: 4,837,958 shares (30 June 2022: 4,837,958 shares)	81,715,451	138,518,754
Other receivable - Treet Corporation Limited	1,150,380	1,150,380
Provident fund - balance at the end of the period / year	12,954,339	4,318,920
Employee benefits - gratuity - balance at the end of the period / year	(31,022,294)	(35,100,894)
First Treet Manufacturing Modaraba		
Purchase of batteries	180,475	163,884
IGI General Insurance Limited		
Purchase of services	5,366,125	5,598,646

The Company enters into transactions with related parties on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods.

7. DATE OF AUTHORIZATION

This un-audited condensed interim consolidated financial statements were authorized for issue by the Board of Directors on 28 April 2023.

8. GENERAL

8.1 All figures, except for the 30th June 2022, appearing in this condensed interim consolidated financial statements are un-audited.

8.2 The amounts have been rounded off to nearest rupee.


Chief Financial Officer


Chief Executive









Director










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