



**MECHANICS OF
GROWTH**

Manufacturers of
Exhaust Systems, Radiators &
Sheet Metal Components

Quarterly Report 2022
Report to the Shareholders for
1st Quarter Ended September 30, 2022

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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
Syed Sheharyar Ali	– Member
Mr. Muhammad Mohtashim Aftab	– Member
Mr. Shamim A. Siddiqui	– Member

Chief Operating Officer

Syed Mehdi Hasnain

Chief Financial Officer

Mr. Shamim A. Siddiqui

Company Secretary

Mr. Babar Saleem

External Auditors

M/S. KPMG Taseer Hadi & Co., 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
Bank Islami Pakistan Ltd.
The Bank of Punjab
MCB Islamic Bank Limited

Subsidiaries and Associates

- 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: +92-21-35065001-5, +92-302-8674683-9
Fax: +92-21-35057453-54
E-mail: inquiry@loads-group.pk

Shares Registrar

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahra-e-Faisal,
Karachi

Tel: Customer Support Services: 0800-23275

Fax: +92-21-34326053

E-mail: info@cdcpak.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 first quarter report together with the Un-Audited Financial Statements for the First Quarter ended September 30, 2022.

SUMMARY OF COMPARATIVE FINANCIAL RESULTS

	Rupees in millions					
	2022		2021		Increase over previous period	
	Loads	Consolidated	Loads	Consolidated	Loads	Consolidated
Revenue - Net	1,334	1,334	1,673	1,673	(339)	(339)
Gross Profit	161	112	165	210	(4)	(98)
Operating Profit	209	20	163	183	(46)	(163)
Share of Profit/(Loss) in associate	-	(4)	-	11	-	(15)
Profit/(Loss) before Taxation	42	(194)	73	71	(31)	(265)
Profit/(Loss) after Taxation	(11)	(262)	52	37	(63)	(299)
Earnings/(Loss) per share (EPS) – basic & diluted	(0.05)	(1.03)	Rs. 0.25	Rs. 0.24	(0.3)	(1.27)

BUSINESS REVIEW

Company Results

The Company recorded revenue decline of 20% with decrease in Operating Profit of 28% over the previous period. Profit before Taxation also decreased by 42% over the previous period. For the quarter under review, the company posted a Net Loss after Tax of Rs. 11 million compared to Profit after Taxation of Rs. 52 million in the previous period. Therefore, current quarter has reported a loss of 5 paisa per share.

Group Results

The group has recorded sales of Rs. 1,334 million for the period ended September 30, 2022, registering a decline of Rs. 339 million over the previous period. The decrease is mainly due to downturn in auto industry on account of restricted import policy introduced by the State Bank of Pakistan for managing balance of payments of the country. Therefore, sales of automobiles & heavy vehicles have both substantially reduced by 50% & 42% respectively.

Consolidated Loss before Taxation was Rs. 194 million (2021; Profit before Tax Rs. 71 million) and Loss after Taxation is Rs. 262million, compared to PAT of Rs. 37 million in the previous period.

AUTOMOTIVE INDUSTRY REVIEW

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

Overall car sales for the first quarter decreased over previous year's quarter by 50%, mainly due to decline in Toyota, Suzuki and Honda volumes by 52%, 57% and 39% respectively.

(b) Heavy Commercial Vehicles

Heavy vehicle volumes reduced by 42% over previous period's 1,711 units to 993 units.

(c) Tractors

The tractor industry's sales decreased by 30% over previous period, registering sales of 8,379 units in 2022 (2021: 12,025 units).

COMPANY'S SALES PERFORMANCE

The overall sales of the group declined by 20%. The Company's product-wise performance for the quarter is analyzed below:

Products	Rs. in millions		
	Sales in first quarter July to September		
	2022	2021	% Change
Exhaust Systems	792	1,032	-23%
Radiators	136	214	-36%
Sheet Metal Components	406	427	-5%
Total	1,334	1,673	-20%

Comments on performance of various product groups are given below:

(a) Exhaust Systems

Sales of exhaust systems reduced by 23% on account of decline in sales of all three major customers, Pak Suzuki, Honda and Toyota, by 57%, 39% and 52% respectively.

(b) Radiators

Sales of radiators decreased by 36%, reflecting decline in sales of pickups and vans of Pak Suzuki by 78%, and 60% respectively, whereas aftermarket business remained stable without any significant increase.

(c) Sheet Metal Components

The group has registered a decrease of 5%, as compared to corresponding period, mainly due to decline in volumes of OEMs.

PROSPECTS

The economy has been adversely affected by global recession, which has hurt industries in the country. The unprecedented increase in inflation, devaluation of rupee and tightening of monetary policy are hindering growth of the country's auto sector. However, your company, over the years, has shown strong resilience despite unexpected volatility and uncertainty.

We will remain focused on innovations, increased customer focus and a strong performance culture within the organization. Our employees remain crucial for the continued growth of the business.

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



Rozina Muzammil
Director

Karachi: October 26, 2022

کمپنی کی سیلز کی کارکردگی۔

گروپ کی سیلز میں 20 فیصد کمی ہوئی کمپنی کی پروڈکس کے حساب سے کارکردگی اس کو اثر میں اس طرح ریکارڈ کی گئی۔

روپے بلین میں			
پبلک کوآپ میں سیل (جولائی سے ستمبر تک)			
تبدیل %	2021	2022	پروڈکس
-23%	1,032	792	ایگزوسٹ سسٹم
-36%	214	136	ریڈی آئرز
-5%	427	406	شیٹ مثل اجزاء
-20%	1,673	1,334	Total

مختلف پروڈکس کی کارکردگی کے بارے میں تھرا۔

الف: ایگزوسٹ سسٹم

ایگزوسٹ سسٹم کی سیلز میں 23 فیصد کمی ہوئی یہ اضافہ تین اہم کسٹمر Pak Suzuki، Honda اور Toyota میں بالترتیب 57 فیصد، 39 فیصد اور 52 فیصد کی کمی کی وجہ بنی۔

ب: ریڈی آئرز۔

ریڈی آئرز کی سیلز 36 فیصد کمی ہوئی جو بالترتیب Pick Up اور Vans جو کہ Pak Suzuki کے تھے 78 فیصد اور 60 فیصد کی کمی کو ظاہر کرتی ہے جبکہ آفٹر مارکیٹ کاروبار بغیر کسی خاص اضافے کے مستحکم رہا۔

ج: شیٹ مثل کی اجزاء۔

گروپ نے اس سال کے مقابلے میں 5 فیصد کمی کی درج کی ہے، جس کی بنیادت وجہ OEMs کے حجم میں کمی ہے۔

توقعات:-

عالمی کساد بازاری سے معیشت بری طرح متاثر ہوئی ہے جس سے ملک میں انڈسٹریز کو نقصان پہنچا ہے۔ مہنگائی میں بے مثال اضافہ، روپے کی قدر میں کمی اور مانیٹری پالیسی میں سختی ملک کے آؤٹسٹریکی ترقی میں رکاوٹ ہے، تاہم آپ کی کمپنی نے سالوں کے دوران غیر متوقع اتار چڑھاؤ اور غیر یقینی صورتحال کے باوجود مضبوط لچک دکھائی ہے۔


کمپنی اپنی صلاحیتوں کو فروغ دینے اور طلب میں ممکنہ اضافے سے فائدہ اٹھانے کے لیے جارحانہ فروخت کی کوششوں پر زور دینے کی طرف اپنی توجہ جاری رکھے گی، جبکہ اوپر بیان کی گئی غیر یقینی صورتحال سے منسلک کسی بھی اچانک تبدیلی کے لیے چونکا رہے گی۔

تسلیمات:-

بورڈ ہمارے کسٹمرز اور تمام ملازمین کا شکریہ ادا کرتی ہے کہ ان کا مستقل تعاون ان کے ساتھ جاری اور ساری راپورڈ کے آڈر پر۔



روزینہ مومل
ڈائریکٹر



منیر کے۔ بانا
چیف ایگزیکٹو

کراچی: 26 اکتوبر 2022

لوڈز گروپ ڈائریکٹرز کی شیئر ہولڈرز کو رپورٹ
 آپ کی کمپنی کے ڈائریکٹرز لوڈز گروپ کے پہلے کوآرڈر کی عرصہ مختتمہ 30 ستمبر 2022 رپورٹ غیر آڈٹ فائی نانشل اسٹیٹمنٹ کے ساتھ پیش کرتے ہیں۔
 تقابلی مالیاتی نتائج کی سمری

پچھلے سال کے مقابلے میں اضافہ		2021		2022		
مجموعی	لوڈز	مجموعی	لوڈز	مجموعی	لوڈز	
(339)	(339)	1,673	1,673	1,334	1,334	فروخت
(98)	(4)	210	165	112	161	کل منافع
(163)	(46)	183	163	20	209	آپریٹنگ منافع
(15)	-	11	-	(4)	-	منافع / نقصان کا شیئر
(265)	(31)	71	73	(194)	42	ٹیکس سے پہلے کا منافع / نقصان
(299)	(63)	37	52	(262)	(11)	ٹیکس کے بعد کا منافع / نقصان
(1.27)	(0.3)	Rs. 0.24	Rs. 0.25	(1.03)	(0.05)	آمدنی / نقصان ہر شیئر پر (EPS)

کاررو بار کا جائزہ
 کمپنی کے نتائج

کمپنی کی پچھلے سال کے مقابلے میں آمدنی میں 20 فیصد کمی ہوئی اور اس کے ساتھ آپریٹنگ منافع میں 28 فیصد کمی کی ریکارڈ کی گئی۔ ٹیکس سے پہلے کا منافع میں بھی پچھلے سال کے مقابلے میں 42 فیصد کمی ہوئی زیر جائزہ سہ ماہی کیلئے کمپنی نے ٹیکس کے بعد حاصل نقصان پوسٹ کیا۔ 11 ملین روپے ٹیکس کے بعد منافع کے مقابلے میں گزشتہ سال میں 52 ملین روپے رہا۔ لہذا موجودہ سہ ماہی میں 5 پیسے فی شیئر کے حساب سے نقصان ہوا۔

گروپ کے نتائج

گروپ نے کوآرڈر کے آخر میں 30 ستمبر 2022 تک آمدنی 1,334 ملین روپے ہوئی جو کہ پچھلے سال کے مقابلے میں 339 ملین روپے کی کمی ہے۔ یہ کمی بنیادی طور پر، اسٹیٹ بینک آف پاکستان کی جانب سے ملک کی ادائیگیوں کے توازن کے انتظام کیلئے متعارف کرائی گئی محدود درآمد پالیسی کی وجہ سے آٹو انڈسٹری میں مندری ہے، لہذا آٹو موٹل اور بڑی گاڑیوں کی فروخت میں بالترتیب 50 فیصد اور 42 فیصد کمی ہوئی ہے۔ ٹیکس سے پہلے کا مجموعی نقصان 194 ملین روپے تھا (2021 میں ٹیکس سے پہلے کا منافع 71 ملین روپے) اور ٹیکس لگانے کے بعد 262 ملین روپے کا نقصان ہوا۔ جو کہ پچھلے سال کے مقابلے میں 37 ملین روپے کا نقصان ہوا۔

آٹو موٹو انڈسٹری جائزہ۔

الف۔ مسافر کاریں / ہلکی کمرشل گاڑیاں (LCV)

کاروں کی سبزی پہلے کوآرڈر میں پچھلے سال کے مقابلے میں 50 فیصد کمی ہوئی، جس کی بنیادی وجہ Toyota, Suzuki اور Honda گاڑیوں میں بل ترتیب 52 فیصد، 57 فیصد اور 39 فیصد کی کمی ہے۔

ب۔ بڑی تجارتی گاڑیاں

بڑی کمرشل گاڑیاں پچھلے سال کے مقابلے میں 1,711 یونٹس سے 42 فیصد کم ہو کر 993 یونٹ رہ گیا۔

ج۔ ٹریکٹر

ٹریکٹر انڈسٹری کی سبزی میں پچھلے سال کے مقابلے میں 30 فیصد کم ہوا۔ یہ سبزی 2022 میں 8,379 یونٹس کی فروخت (2021 : 12,025 یونٹس) رجسٹر ہوا۔

Condensed Interim Unconsolidated Financial Statements

Condensed Interim Unconsolidated Statement of Financial Position

As at 30 September 2022

		30 September 2022 (Un-audited)	30 June 2022 (Audited)
		(Rupees)	
ASSETS	Note		
Non-current assets			
Property, plant and equipment	6	564,393,045	581,106,660
Intangible assets		2,567,980	2,879,505
Long term investments	7.1	1,269,733,268	1,301,133,954
Long term loans		7,037,061	7,644,157
		1,843,731,354	1,892,764,276
Current assets			
Stores, spares and loose tools		60,564,133	39,966,825
Stock-in-trade	8	1,782,927,103	1,618,931,498
Trade debts - net		629,413,469	909,494,124
Loans and advances		300,966,302	215,251,284
Deposits, prepayments and other receivables	9	121,590,040	19,596,020
Due from related parties		3,379,747,896	3,252,222,264
Taxation - net		293,190,791	279,797,568
Short term investments	7.2	915,123	922,505
Cash and bank balances		13,696,799	11,719,932
		6,583,011,656	6,347,902,020
Total assets		8,426,743,010	8,240,666,296
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital 400,000,000 ordinary shares of Rs. 10 each		4,000,000,000	4,000,000,000
Issued, subscribed and paid-up capital	13	2,512,500,000	2,512,500,000
Share premium		1,070,065,433	1,070,065,433
Fair value reserve of equity securities - FVOCI		(82,097,947)	(50,689,879)
Unappropriated profit		756,601,702	767,973,738
		4,257,069,188	4,299,849,292
LIABILITIES			
Non-current liabilities			
Long term loans		294,461,432	240,869,432
Lease liabilities		22,321,614	23,828,164
Deferred tax liabilities		4,835,954	3,011,200
Defined benefit obligation - net		34,468,294	35,100,894
		356,087,294	302,809,690
Current liabilities			
Current maturity of lease liabilities		6,500,095	6,500,095
Current portion of long term loans		305,017,233	370,637,176
Current portion of deferred grant		242,701	242,701
Short term borrowings	10	2,178,791,424	2,224,673,253
Due to related parties	11	1,037,471	142,716,321
Trade and other payables	12	1,211,720,246	836,279,196
Unclaimed dividend		3,527,781	3,527,781
Accrued mark-up and profit		106,749,577	53,430,791
		3,813,586,528	3,638,007,314
Total equity and liabilities		8,426,743,010	8,240,666,296
CONTINGENCIES AND COMMITMENTS	14		

The annexed notes from 1 to 19 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 three months period ended 30 September 2022

		30 September 2022	30 September 2021
	Note	(Rupees)	
Revenue - net		1,334,128,817	1,672,920,711
Cost of sales	15	(1,173,450,140)	(1,507,443,979)
Gross profit		160,678,677	165,476,732
Administrative, selling and general expenses		(68,414,168)	(59,802,718)
		92,264,509	105,674,014
Other expenses		(3,161,768)	(3,287,148)
Other income		120,265,593	60,407,679
		117,103,825	57,120,531
Operating profit		209,368,334	162,794,545
Finance costs		(167,361,982)	(90,246,666)
Profit before taxation		42,006,352	72,547,879
Taxation		(53,378,388)	(21,038,885)
Profit / (loss) after taxation		(11,372,036)	51,508,994
Earnings per share - basic and diluted	16	(0.05)	0.25

The annexed notes from 1 to 19 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 three months period ended 30 September 2022

	30 September 2022	30 September 2021
	(Rupees)	
Profit / (loss) for the period	(11,372,036)	51,508,994
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	(7,382)	(18)
Investments in associate at FVOCI	(31,400,686)	(36,238,335)
Total comprehensive income for the period	(42,780,104)	15,270,641

The annexed notes from 1 to 19 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 three months period ended 30 September 2022

	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 1 July 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 three months period ended 30 September 2021					
Profit for the period	-	-	-	51,508,994	51,508,994
Other comprehensive income	-	-	(36,238,353)	-	(36,238,353)
	-	-	(36,238,353)	51,508,994	15,270,641
Balance as at 30 September 2021	<u>2,512,500,000</u>	<u>1,070,065,433</u>	<u>46,492,647</u>	<u>514,711,176</u>	<u>4,143,769,256</u>
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 three months period ended 30 September 2022					
(Loss) for the period	-	-	-	(11,372,036)	(11,372,036)
Other comprehensive income	-	-	(31,408,068)	-	(31,408,068)
	-	-	(31,408,068)	(11,372,036)	(42,780,104)
Balance as at 30 September 2022	<u>2,512,500,000</u>	<u>1,070,065,433</u>	<u>(82,097,947)</u>	<u>756,601,702</u>	<u>4,257,069,188</u>

The annexed notes from 1 to 19 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 three months period ended 30 September 2022

	30 September 2022	30 September 2021
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	42,006,352	72,547,879
Adjustments for		
Depreciation	18,190,959	16,250,080
Amortisation	311,525	-
Finance cost	137,972,764	64,189,021
Exchange loss	28,471,889	24,866,273
Provision for gratuity	132,600	85,370
Finance lease charges	917,329	244,968
Mark-up income	(120,265,593)	(58,743,876)
Equity investments at FVTPL - net change in fair value	10,270	142,038
	107,748,095	119,581,753
Working capital changes		
Decrease / (increase) in current assets		
Stores and spares and loose tools	(20,597,308)	(5,628,750)
Stock-in-trade	(163,995,605)	(220,962,467)
Trade debts - net	280,080,655	(285,239,531)
Due from related parties	5,405,606	(1,835,681)
Loans and advances	(85,107,922)	(18,421,794)
Deposits, prepayments and other receivables	(101,994,020)	14,210,773
	(86,208,594)	(517,877,450)
Decrease / (increase) in current liabilities		
Trade and other payables	375,441,050	361,733,699
Due to related parties	(141,678,850)	(19,030,470)
	233,762,200	342,703,229
Cash (used in) / generated from operations	255,301,701	(55,592,468)
Mark-up paid	(113,125,867)	(43,532,575)
Contribution paid to defined benefit plan	(632,600)	(400,000)
Income tax paid	(69,782,811)	(93,778,042)
Net cash (used in) / generated from operating activities	71,760,423	(193,303,085)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	-	(4,509,648)
Net cash (used in) / generated from investing activities	-	(4,509,648)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(2,423,879)	(590,341)
Loan (repaid to) / received from banking companies	(21,477,848)	(8,587,870)
Proceeds from disposal of investments	-	152,585,001
Loan provided to related party - net	-	(33,756,434)
Net cash (used in) / generated from financing activities	(23,901,727)	109,650,356
Net (decrease) / increase in cash and cash equivalents during the period	47,858,696	(88,162,377)
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	(2,165,094,625)	(1,922,405,460)
Cash and cash equivalents at end of the period comprises		
Cash and bank balances	13,696,799	17,082,185
Short term borrowings	(2,178,791,424)	(1,939,487,645)
	(2,165,094,625)	(1,922,405,460)

The annexed notes from 1 to 19 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 three months period ended 30 September 2022

1. STATUS AND NATURE OF BUSINESS

1.1 Legal status and operations

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. The details are as follows:

Name of the Companies	Incorporation date	Effective holding %		Principle line of business
		30 September 2022	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.

1.2 As at 30 September 2022, the financial position of the subsidiaries are as follows:

Note	Assets	Liabilities	Equity	Breakup value
	(Rupees)			(Rupees / share)
30 September 2022				
SAIL	1,345,624,375	666,095,953	679,528,422	20.91
HAWL	5,257,857,622	5,244,046,185	13,811,437	0.10
MAIL	437,709,504	165,070,670	269,703,332	20.76
SMPL	104,794,128	16,429,839	88,364,289	11.78
30 June 2021				
SAIL	1,316,479,614	647,422,197	669,057,417	20.59
HAWL	5,241,241,313	4,661,619,495	579,621,818	4.41
MAIL	424,677,511	165,070,670	259,606,841	20.77
SMPL	94,830,484	12,184,096	82,646,388	11.02

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

For the three months period ended 30 September 2022

1.2.1 The financial information of SAIL, HAWL, MAIL and SMPL is based on the un-audited management accounts for the period ended 30 September 2022.

1.3 As at 30 September 2022, the assets, liabilities and equity of Treet Corporation Limited amounted to Rs. 26,206 million, Rs. 16,578 million and Rs. 9,627 million respectively (un-audited).

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim unconsolidated financial statements of the Company for the three months period ended 30 September 2021 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.

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 30 September 2021 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 three months period ended 30 September 2021.

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 30 June 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 three months period ended 30 September 2021 have been extracted from the unaudited condensed interim unconsolidated financial statements for the period then ended 30 September 2021.

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 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 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. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited unconsolidated financial statements for the year ended 30 June 2022.

4. NEW OR AMENDMENTS / INTERPRETATIONS TO EXISTING STANDARDS, INTERPRETATION AND FORTHCOMING REQUIREMENTS

There are new and amended standards and interpretations that are mandatory for accounting periods beginning 01 July 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.

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

For the three months period ended 30 September 2022

5. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

- 5.1** 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.
- 5.2** 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.
- 5.3** 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 30 June 2022.

	Note	30 September 2022 (Un-audited)	30 June 2022 (Audited)
(Rupees)			
6. PROPERTY, PLANT AND EQUIPMENT			
Operating property, plant and equipment		531,433,926	549,624,886
Capital work-in-progress		32,959,119	31,481,774
		564,393,045	581,106,660

7. INVESTMENTS

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
	7.1	1,184,960,000	1,184,960,000
Less: Provision for impairment against SMPL	7.1.2	(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	7.1.3	109,773,268	141,173,954
		1,269,733,268	1,301,133,954

7.1.1 Company's shareholding in subsidiaries and their financial position as at 30 September 2022 is disclosed in note 1.1 and 1.2 to this condensed interim unconsolidated financial information.

7.1.2 The Company has maintained provision for impairment amounting to Rs. 25 million in respect of SMPL as the operations of SMPL have ceased from 1 July 2015. The key financial information of SMPL is disclosed in note 1.2.

7.1.3 This represents 4,837,958 shares (30 June 2022: 4,837,958 shares) of Treet Corporation Limited having market value of Rs. 109.773 million (30 June 2022: Rs. 141.173 million). The Company's holding in Treet Corporation Limited is considered associate by virtue of common directorship. The financial position of the associate as at 30 September 2022 (un-audited) is disclosed in note 1.3 to this unconsolidated condensed interim financial information.

	Note	30 September 2022 (Un-audited)	30 June 2022 (Audited)
(Rupees)			
7.2 Short term investments			
Equity securities - at FVTPL	7.2.1	896,883	907,153
Equity securities - at FVOCI	7.2.2	18,240	15,352
		915,123	922,505

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

For the three months period ended 30 September 2022

7.2.1 Equity securities - at FVTPL

30 September 2022 (Un-audited)	30 June 2022 (Audited)	Name of Investee companies Ordinary shares - Quoted	30 September 2022			30 June 2022
			Carrying value	Market value	Net change in fair value	Market value
(Number of shares)			(Rupees)			
1	1	Agriaautos Industries Limited*	134	124	(10)	274
1	1	Al-Ghazi Tractors Limited *	390	336	(54)	365
1	1	Atlas Battery Limited	172	146	(26)	316
1	1	Atlas Honda Limited	378	343	(35)	480
1	1	The General Tyre & Rubber Company of Pakistan Limited	34	34	-	88
1	1	Honda Atlas Cars (Pakistan) Limited	195	185	(10)	346
1	1	Thal Limited *	270	274	4	423
230	230	Baluchistan Wheels Limited	17,480	14,030	(3,450)	18,168
315	315	Ghandhara Nissan Limited	18,705	17,640	(1,065)	34,407
300	300	Hinopak Motors Limited	92,160	158,700	66,540	183,645
200	200	Indus Motor Company Limited	228,882	188,600	(40,282)	250,828
592	344	Millat Tractors Limited	516,573	487,808	(28,765)	371,386
63	63	Oil & Gas Development Company Limited	4,956	4,914	(42)	5,987
127	127	Pak Suzuki Motor Company Limited	26,824	23,749	(3,075)	45,141
			907,153	896,883	(10,270)	911,854

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

7.2.2 Equity securities - at FVOCI

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

30 September 2022 (Un-audited)	30 June 2022 (Audited)	Name of Investee company Ordinary shares - Quoted	30 September 2022			30 June 2022
			Cost	Market value	Net change in fair value	Market value
(Number of shares)			(Rupees)			
152	152	ZIL Limited	15,352	18,240	2,888	15,352

Note

30 September 2022 (Un-audited)	30 June 2022 (Audited)
(Rupees)	

7.2.2.1 Equity investments at FVOCI - net change in fair value

Market value of investments	18,240	15,352
Less: Cost of investments	(15,352)	(5,330)
	2,888	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	(7,134)	1,654

8. STOCK-IN-TRADE

Raw material and components	8.1 & 8.2	1,672,809,596	1,544,914,809
Work-in-process		142,646,374	106,545,556
Finished goods		-	-
		1,815,455,970	1,651,460,365
Provision for slow-moving and obsolescence		(32,528,867)	(32,528,867)
		1,782,927,103	1,618,931,498

8.1 This includes raw material in-transit and in possession of Company's subsidiaries amounting to Rs. 697 million (30 June 2022: Rs. 522 million) and Rs. 271 million (30 June 2022: Rs. 438 million) respectively.

8.2 Raw material held with toll manufacturers as at 30 September 2022 amounted to Rs. 87 million (30 June 2022: Rs. 107 million).

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

For the three months period ended 30 September 2022

		30 September 2022 (Un-audited)	30 June 2022 (Audited)
		(Rupees)	
9. LOANS AND ADVANCES	Note		
Advance to suppliers		95,936,201	71,109,461
Loans to employees - considered good and unsecured		21,826,308	15,980,119
Loans to workers - considered good and unsecured		8,394,391	21,980,190
Advance salary		3,655,942	1,544,614
		129,812,842	110,614,384
9.1	This represents loans provided to executive staff having maturity of one to two years. These loans carry mark-up at the rate 9% (30 June 2022: 9%) per annum.		
9.2	This represents loans provided to workers for personal expenses having maturity of twelve months. These loans carry mark-up at the rate of 9% (30 June 2022: 9%) per annum.		
9.3 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
	This includes Margin deposit amounting to Rs. 107 million (30 June 2022: Rs. 4 million) given to banks for opening LCs on cash margin basis.		
10. SHORT TERM BORROWINGS	Note	30 September 2022 (Un-audited)	30 June 2022 (Audited)
		(Rupees)	
Secured			
Running finances under mark-up arrangements	10.1	1,286,580,822	1,173,638,735
Soneri Bank Limited - Local bill discounting		450,000,000	385,000,000
SCB - Local bill discounting		-	222,258,916
Islamic financing	10.2	442,210,602	443,775,602
		2,178,791,424	2,224,673,253
10.1	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. These facilities are expiring on various dates latest by 31 March 2023. 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% (30 June 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. 1,270 million (30 June 2022: Rs. 1,270 million) out of which Rs. 55 million (30 June 2022: 96 million) remained unavailed as at the reporting date.		
10.2 Islamic financing			
	This includes Islamic finance facility available from Al Baraka Bank, Meezan Bank and Bank Islami Pakistan having limits of Rs. 500 million, for manufacturing of mufflers and exhaust system, spare parts, tools and equipment from local market and for working capital requirement. As at 30 September 2022, amount of Rs. 20 million (30 June 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.		
11. DUE TO RELATED PARTY			
Payable to MAIL against Toll Manufacturing		1,037,471	142,716,321

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

For the three months period ended 30 September 2022

	30 September 2022 (Un-audited)	30 June 2022 (Audited)
(Rupees)		
12. TRADE AND OTHER PAYABLES		
Trade creditors	757,398,602	482,231,107
Accrued liabilities	103,371,438	55,026,568
Other liabilities		
Advance from customers	60,384,510	58,234,184
Mobilization advances	123,522,619	105,586,724
Workers' Profit Participation Fund	28,642,932	28,642,932
Provision for bonus	56,915,758	56,915,758
Provision for leave encashment	2,864	2,864
Workers' Welfare Fund	10,329,621	10,329,621
Sales tax Payable	51,330,865	16,141,054
Withholding tax payable	3,581,034	3,719,909
Current portion of Gas Infrastructure Development Cess	-	868,472
Security deposit from contractors	129,000	129,000
Other payables	16,111,003	18,451,003
	1,211,720,246	836,279,196

13. SHARE CAPITAL

13.1 Authorised share capital

Authorised share capital comprises of 400,000,000 (30 June 2022: 400,000,000) Ordinary shares of Rs. 10 each.

13.2 Issued, subscribed and paid up capital

30 September 2022 (Un-audited) (Number of shares)	30 June 2022 (Audited)	Ordinary shares	30 September 2022 (Un-audited) (Rupees)	30 June 2022 (Audited)
153,770,000	153,770,000	Ordinary shares of Rs.10 each fully paid in cash	1,537,700,000	1,537,700,000
97,480,000	97,480,000	Ordinary shares of Rs.10 each issued as fully paid bonus shares	974,800,000	974,800,000
251,250,000	251,250,000		2,512,500,000	2,512,500,000

14. CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

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

14.2 Commitments

Commitments in respect of letters of credit amounted to Rs. 854 million (30 June 2022: Rs. 628 million).

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

For the three months period ended 30 September 2022

		30 September 2022	30 September 2021
	Note	(Rupees)	
15. COST OF SALES			
Raw materials and components consumed		741,169,806	1,037,737,402
Ancillary materials consumed		21,174,054	23,869,841
Manufacturing expenses			
Salaries, wages and other employee benefits		72,574,209	87,543,526
Toll manufacturing	15.1	79,874,162	182,393,264
Depreciation		16,314,741	15,020,678
Gas, power and water		11,290,845	7,734,961
Others		10,315,252	11,472,608
Transferred to capital work-in-progress		-	(2,535,005)
Manufacturing cost		190,369,209	301,630,032
Opening stock of work-in-process	8	106,545,862	71,111,109
Impact of recording revenue overtime		142,646,374	107,406,787
Closing stock of work-in-process	8	(142,646,374)	(89,258,948)
		106,545,862	89,258,948
Opening stock of finished goods	8	-	-
Impact of recording revenue overtime		114,191,209	54,947,756
Closing stock of finished goods	8	-	-
		114,191,209	54,947,756
		1,173,450,140	1,507,443,979

15.1 This includes toll manufacturing expense from SAIL and MAIL amounting to Rs. 69.106 million (30 September 2021: Rs. 158.842 million).

		30 September 2022	30 September 2021
16. EARNINGS PER SHARE - basic and diluted			
Profit after taxation	Rupees	(11,372,036)	51,508,994
Weighted average number of ordinary shares outstanding during the period	Numbers	251,250,000	209,596,103
Earnings per share - basic and diluted	Rupees	(0.05)	0.25

16.1 The weighted average number of share of prior period have been re-stated to reflect the impact of issuance of right share in March 2021.

17. 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:

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

For the three months period ended 30 September 2022

Balances as at:

Description	Relationship and effective shareholding	Balances as at the period / year-end	30 September 2022	30 June 2022
			(Un-audited)	(Audited)
			(Rupees)	
Specialized Autoparts Industries (Private) Limited	Subsidiary company - 91% holding (30 June 2022: 91%)	Loan due from at the period / year end	<u>382,664,263</u>	410,664,263
		Mark-up receivable on loan at the period / year end	<u>106,780,323</u>	<u>87,928,068</u>
		Trade payable at the period / year end	<u>-</u>	<u>(109,800,483)</u>
Multiple Autoparts Industries (Private) Limited	Subsidiary company - 92% holding (30 June 2022: 92%)	Loan due from at the period / year end	<u>77,372,788</u>	109,872,788
		Mark-up receivable on loan at the period / year end	<u>28,382,309</u>	<u>23,846,762</u>
		Trade payable at the period / year end	<u>(1,037,471)</u>	<u>(32,915,838)</u>
Hi-Tech Alloy Wheels Limited	Subsidiary company - 80% holding (30 June 2022: 80%)	Loan due from at the period / year end	<u>2,039,529,541</u>	2,039,529,541
		Mark-up Receivable on loan at the period / year end	<u>627,328,594</u>	<u>530,883,572</u>
Specialized Motorcycle (Private) Limited	Subsidiary company - 100% holding (30 June 2022: 100%)	Due from at the period / year end	<u>3,706,788</u>	3,706,788
		Loan due from at the period / year end	<u>9,849,000</u>	<u>8,904,000</u>
		Accrued mark-up on loan at the period / year end	<u>1,815,037</u>	<u>1,382,268</u>
Provident fund		Receivable from PF	<u>5,485,706</u>	4,318,920
Employee benefits - gratuity	Defined contribution plan	Balance at the year period / year	<u>34,468,294</u>	<u>(35,100,894)</u>

Transactions for the period :

Description	Relationship and effective percentage shareholding	Transactions during the period	Three months period ended	
			30 September 2022	30 September 2021
			(Un-audited)	
			(Rupees)	
Specialized Autoparts Industries (Private) Limited	Subsidiary company - 91% holding (30 September 2021: 91%)	Toll manufacturing	<u>49,347,686</u>	121,248,231
		Mark-up income on loan	<u>18,852,255</u>	<u>10,934,815</u>
Multiple Autoparts Industries (Private) Limited	Subsidiary company - 92% holding (30 September 2021: 92%)	Toll manufacturing	<u>19,759,142</u>	37,594,657
		Mark-up income on loan	<u>4,535,547</u>	<u>4,066,602</u>
Hi-Tech Alloy Wheels Limited	Subsidiary company - 80% holding (30 September 2021: 80%)	Mark-up income on loan	<u>96,445,022</u>	43,576,328
Specialized Motorcycle (Private) Limited	Subsidiary company - 100% holding (30 September 2021: 100%)	Mark-up on loan	<u>432,769</u>	166,131
Provident fund	Defined benefit scheme	Paid during the period	<u>5,900,000</u>	1,855,612
Employee benefits - gratuity	Defined contribution plan	Expense for the period	<u>132,600</u>	85,370
		Contribution paid during the period	<u>500,000</u>	<u>400,000</u>

18. 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 date (i.e. unobservable inputs).

18.1 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 three months period ended 30 September 2022

	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)									
30 September 2022									
Financial assets - measured at fair value									
Equity securities	896,883	18,240	-	-	915,123	915,123	-	-	915,123
Equity securities - associate	-	109,773,268	-	-	109,773,268	109,773,268	-	-	109,773,268
Financial assets - not measured at fair value									
Subsidiaries - unlisted shares	-	-	1,159,960,000	-	1,159,960,000				
Trade debts	-	-	629,413,469	-	629,413,469				
Loans	-	-	32,340,592	-	32,340,592				
Deposits and other receivables	-	-	121,590,040	-	121,590,040				
Due from related parties	-	-	3,379,747,896	-	3,379,747,896				
Cash and bank balances	-	-	13,696,799	-	13,696,799				
	896,883	109,791,508	5,336,748,796	-	5,447,437,187				
Financial liabilities - not measured at fair value									
Short term financing	-	-	2,178,791,424	-	2,178,791,424				
Trade and other payables	-	-	876,881,043	-	876,881,043				
Liabilities against assets subject to finance lease	-	-	28,821,709	-	28,821,709				
Accrued mark-up on short term financing	-	-	106,749,577	-	106,749,577				
Long term loan	-	-	294,461,432	-	294,461,432				
Current portion of long term loan	-	-	305,017,233	-	305,017,233				
Due to related party	-	-	1,037,471	-	1,037,471				
Unclaimed dividend	-	-	3,527,781	-	3,527,781				
	-	-	3,795,287,670	-	3,795,287,670				
30 June 2022									
(Rupees)									
Financial assets - measured at fair value									
Equity securities	907,153	15,352	-	-	922,505	922,505	-	-	922,505
Equity securities - associate	-	141,173,954	-	-	141,173,954	141,173,954	-	-	141,173,954
Financial assets - not measured at fair value									
Subsidiaries - unlisted shares	-	-	1,159,960,000	-	1,159,960,000				
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	141,189,306	5,418,810,234	-	5,560,906,693				
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.

19. GENERAL

19.1 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 30 September 2022 are located in Pakistan.

19.2 These condensed interim unconsolidated financial statements were authorised for issue by the Board of Directors on 26 October 2022.


Chief Financial Officer


Chief Executive


Director

Condensed Interim Consolidated Financial Statements

Condensed Interim Consolidated Statement of Financial Position

As at 30 September 2022

		30 September 2022	30 June 2022
		(Un-audited)	(Audited)
		(Rupees)	
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,268,281,056	5,270,345,813
Intangible assets		2,567,980	2,879,505
Long term investments		120,492,749	149,238,235
Long term loans		7,037,061	7,644,157
		5,398,378,846	5,430,107,710
Current assets			
Stores, spares and loose tools		72,796,678	55,063,066
Stock-in-trade		1,782,927,103	1,618,931,498
Trade debts - net		629,413,469	909,494,124
Loans and advances		345,964,123	253,365,717
Due from related party		1,150,380	1,150,380
Deposits, prepayments and other receivables		583,629,325	495,687,252
Taxation - net		329,507,655	317,350,627
Short term investments		915,121	922,502
Cash and bank balances		51,768,788	30,371,640
		3,798,072,642	3,682,336,806
Total assets		9,196,451,488	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		(1,825,426)	(1,818,044)
Unappropriated profit		53,713,879	269,956,095
Equity attributable to owners of Parent Company		3,634,453,886	3,850,703,484
Non-Controlling Interest		64,465,148	110,305,074
		3,698,919,034	3,961,008,558
LIABILITIES			
Non-current liabilities			
Lease liabilities		22,321,614	23,828,164
Defined benefit obligation - net		34,468,294	35,100,894
Long term loans		1,111,374,672	1,229,817,007
Deferred tax liabilities		35,301,167	24,389,285
Gas Infrastructure Development Cess		-	47,239
		1,203,465,747	1,313,182,589
Current liabilities			
Current maturity of lease liabilities		6,500,095	6,500,095
Current portion of long term loans		528,212,269	433,625,552
Current portion of deferred grant		392,632	424,227
Short term borrowings		2,178,791,424	2,226,407,411
Trade and other payables		1,410,975,693	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		139,617,942	77,221,146
		4,294,066,707	3,838,253,369
Total equity and liabilities		9,196,451,488	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 Profit or Loss (Un-audited)

For the three months period ended 30 September 2022

		30 September 2022	30 September 2021
		(Rupees)	
Revenue - net		1,334,128,817	1,672,920,711
Cost of revenue	5	(1,221,659,470)	(1,462,473,152)
Gross profit		112,469,347	210,447,559
Administrative, selling and general expenses		(81,242,427)	(68,708,000)
		31,226,920	141,739,559
Other expenses		(17,823,109)	(6,427,680)
Other income		6,404,926	47,883,133
		(11,418,183)	41,455,453
Operating profit		19,808,737	183,195,012
Financial charges		(209,761,251)	(123,860,919)
Share of profit / (loss) in associates - net		(4,230,225)	11,448,040
Profit / (loss) before taxation		(194,182,739)	70,782,133
Taxation		(67,899,403)	(33,688,702)
Profit / (loss) after taxation		(262,082,142)	37,093,431
Profit / (loss) attributable to:			
Owners of the Parent Company		(216,242,216)	50,071,114
Non-controlling interest		(45,839,926)	(12,977,683)
		(262,082,142)	37,093,431
Earning / (loss) per share - basic and diluted		(1.03)	0.24

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 three months period ended 30 September 2022

	30 September 2022	30 September 2021
	(Rupees)	
Profit / (loss) for the period	(262,082,142)	37,093,431
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	(7,382)	(18)
Total comprehensive income / (loss) for the period	(262,089,524)	37,093,413

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 three months period ended 30 September 2022

	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 01 July 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 30 September 2021					
Loss for the period	-	-	-	50,071,114	50,071,114
Other comprehensive loss	-	-	(18)	50,071,114	(18)
	-	-	(18)	50,071,114	50,071,096
Balance as at 30 September 2021	2,512,500,000	1,070,065,433	(1,819,924)	338,554,652	3,919,300,161
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 30 September 2022					
Profit for the period	-	-	-	(216,242,216)	(216,242,216)
Other comprehensive loss	-	-	(7,382)	-	(7,382)
	-	-	(7,382)	(216,242,216)	(216,249,598)
Balance as at 30 September 2022	2,512,500,000	1,070,065,433	(1,825,426)	53,713,879	3,634,453,886

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 three months period ended 30 September 2022

	30 September 2022	30 September 2021
	(Rupees)	
Profit / (loss) before taxation	(194,182,739)	70,782,133
Adjustment for		
Depreciation	22,182,937	16,250,080
Amortisation	311,525	-
Finance cost	208,843,922	123,860,919
Finance lease charges	917,329	244,968
Gain on disposal of investment	-	(45,661,463)
Provision for gratuity	132,600	85,370
Share of profit in associate - net	4,230,225	(11,448,040)
Equity investments at FVTPL - net change in fair value	14,661,341	142,038
	57,097,140	154,256,005
Working capital changes		
Decrease / (increase) in current assets		
Stores, spares and loose tools	(17,733,612)	(6,314,576)
Stock-in-trade	(163,995,605)	(220,962,467)
Trade debts - net	280,080,655	(285,239,531)
Loans and advances	(92,598,406)	(19,910,328)
Deposits, prepayments and other receivables	(87,942,073)	13,641,026
	(82,189,041)	(518,785,876)
(Decrease) / increase in current liabilities		
Trade and other payables	346,477,407	355,353,971
Cash (used in) /generated from operations	321,385,506	(9,175,900)
Mark-up paid	(146,447,126)	(109,780,732)
Gratuity Paid	(632,600)	(400,000)
Tax paid	(78,231,675)	(106,776,928)
Net cash (used in) / generated from operating activities	96,074,105	(226,133,560)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	-	(5,175,274)
Proceeds from sale of investments	-	152,585,001
Net cash generated from / (used in) investing activities	-	147,409,727
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(2,423,879)	(590,341)
(Payments against) / proceeds from loans and borrowings	(24,637,091)	(20,415,541)
Loan obtained from related party	-	4,000,000
Net cash (used in) financing activities	(27,060,970)	(17,005,882)
Net (decrease) / increase in cash and cash equivalents	69,013,135	(95,729,715)
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	(2,127,022,636)	(1,915,535,074)

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 three months period ended 30 September 2022

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
		30 September 2022	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 (IASB) as notified under the Companies Act, 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 three months period ended 30 September 2022

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.

3. PROPERTY, PLANT AND EQUIPMENT

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

	30 September 2022 (Un-audited)	30 June 2022 (Audited)
		(Rupees)
	784,539,145	786,520,790
	4,483,741,911	4,483,825,023
	<u>5,268,281,056</u>	<u>5,270,345,813</u>

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. 854 million (30 June 2022: Rs. 628 million).

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

For the three months period ended 30 September 2022

	30 September 2022	30 September 2021
(Rupees)		
5. COST OF REVENUE		
Raw materials and components consumed	741,169,806	1,035,202,397
Ancillary materials consumed	42,237,474	46,688,746
Manufacturing Expenses		
Salaries, wages and other employee benefits	137,426,151	157,730,298
Toll manufacturing	11,902,442	25,262,504
Depreciation	19,431,727	15,020,678
Gas, power and water	24,228,703	17,581,442
Others	24,526,096	20,780,383
Manufacturing cost	1,000,922,399	1,318,266,448
Opening stock of work-in-process	106,545,862	71,111,109
Impact of recording revenue overtime	142,646,374	107,406,787
Closing stock of work-in-process	(142,646,374)	(89,258,948)
	106,545,862	89,258,948
Opening stock of finished goods	-	-
Impact of recording revenue overtime	114,191,209	54,947,756
Closing stock of finished goods	-	-
	114,191,209	54,947,756
	1,221,659,470	1,462,473,152
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:

Investment in Treet Corporation Limited

Ordinary shares: 4,837,958 shares (30 June 2022: 4,837,958 shares)

Other receivable - Treet Corporation Limited

Provident fund - balance at the end of the period / year

Employee benefits - gratuity - balance at the end of the period / year

First Treet Manufacturing Modaraba

Purchase of batteries

IGI General Insurance Limited

Purchase of services

30 September 2022 (Un-audited)	30 June 2022 (Audited)
(Rupees)	
109,773,268	138,518,754
1,150,380	1,150,380
5,485,706	4,318,920
(34,468,294)	(35,100,894)
101,847	91,929
5,275,672	4,190,896

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 26 October 2022.

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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