



Loads Limited

Manufacturers of

Exhaust Systems, Radiators &
Sheet Metal Components



**PASSION FOR
PERFECTION**



**HALF YEARLY
REPORT**

Report to the Shareholders
FOR HALF YEAR ENDED
DECEMBER 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	– 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

Head of Internal Audit

Mr. Muhammad Anas

External Auditors

M/S. Yousuf Adil, Chartered Accountants

Legal Advisors

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

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
Askari Bank Limited
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. DSU-19, Sector II, Downstream Industrial Estate,
Pakistan Steel Zulfiqarabad, Karachi.

Tel: +92-21 34740100

E-mail: inquiry@loads-group.pk

Shares Registrar

M/s. 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: +92-21-34326053

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 six months report together with reviewed financial statements for the half year ended December 31, 2023.

SUMMARY OF COMPARATIVE FINANCIAL RESULTS

	Rupees in millions			
	2023		2022	
	Loads	Consolidated	Loads	Consolidated
Revenue - Net	1,694	1,694	2,888	2,888
Gross Profit	288	204	335	295
Operating Profit	243	145	424	72
Share of Profit in associate	-	5	-	0.4
Profit/(Loss) before Taxation	(19)	(211)	99	(339)
Profit/(Loss) after Taxation	(39)	(364)	28	(414)
Earnings/(Loss) per share (EPS) – basic & diluted - Rupees	(0.15)	(0.91)	0.11	(1.34)

BUSINESS REVIEW

Company Results

The company experienced a decline in Operating Profit amounting to Rs 181 million, primarily attributable to a 41% reduction in sales revenue. This downturn was a result of various factors, including the prevailing economic instability, rupee devaluation, and an increase in automobile prices, which adversely affected the auto industry. Additionally, the company recorded an impairment of markup recoverable amounting to Rs. 304 million from its associated company, Hi-Tech Alloy Wheels Limited (HAWL). This impairment was necessitated by the delayed commencement of operations at HAWL, a company in which significant investments have been made over the past several years. The delay in commissioning the plant can be attributed to a range of factors, prominently the impact of the Covid-19 pandemic and the downturn in the auto sector.

As a consequence of these challenges, the company reported a Loss before Taxation of Rs. 19 million in the current period, a notable contrast to the Profit before Tax of Rs. 99 million recorded in the previous year. This adverse performance is a direct outcome of lower sales and the impacts of impairment. Consequently, the current reporting period indicates a loss of Rs. 0.15 per share, in stark contrast to the profit of Re. 0.11 per share reported in the corresponding period of the previous year. This downturn underscores the challenging business environment and the company's proactive recognition of the economic realities affecting its financial performance. The Company recorded decrease in Operating Profit by Rs 181 million on account of decline in sales revenue by 41% due to downturn in auto industry on account of unstable economy, rupee devaluation and increase in prices of automobiles. Further, the company has also booked impairment of markup recoverable of Rs.304 million from associated company, Hi-Tech Alloy Wheels Limited (HAWL), due to delay in commencement of its operations. The company has invested heavily in HAWL in past several years, but commissioning of the plant has been delayed due to various factors, mainly Covid-19 and downturn in auto sector.

The Company registered Loss before Taxation of Rs. 19 million, as compared to previous year's Profit before Tax of Rs. 99 million. This downturn was on account of lower sales and impairment impacts. Consequently, current period has reported loss of Rs. 0.15 per share, as against previous period's profit of Re. 0.11 per share.

Group Results

The group has recorded sales of Rs. 1,694 million for the half year ended December 31, 2023, registering a decline of Rs. 1,194 million over previous period. The decrease is mainly due to downturn in auto industry on account of unstable economy, rupee devaluation and increase in prices of automobiles.

Consolidated accounts registered Loss before Tax of Rs. 211 million, as against previous period's loss of Rs. 339 million. Loss after Taxation was Rs. 364 million, compared to loss of Rs. 414 million in the previous period.

AUTOMOTIVE INDUSTRY

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

Overall car sales for the half year decreased over previous period by 54% from 84,116 units to 39,104 units, mainly due to decline in Toyota, Suzuki and Honda volumes by 61%, 55% and 56% respectively.

(b) Heavy Commercial Vehicles

Heavy vehicle volumes declined by almost 50% compared to previous period, from 1,947 units to 982 units, on account of decreases of 50% and 46% in trucks and buses respectively.

(c) Tractors

The tractor industry's sales increased by 103% over previous period, registering sales of 23,411 units in 2023 (2022: 11,513 units), on account of growth in Al-Ghazi Tractor volumes by 59% and Millat Tractors by 140%.

COMPANY'S SALES PERFORMANCE

The overall sales of the Loads group for the half year decreased by 41% over previous period. A product-wise analysis is given below:

Products	Rs. in millions		
	Sales in Half year December		
	2023	2022	% Change
Exhaust Systems	1,001	1,734	-42%
Radiators	38	243	-84%
Sheet Metal Components	655	911	-28%
Total	1,694	2,888	-41%

Comments on performance of various product groups are given below:

(a) Exhaust Systems

Sales of exhaust systems declined by 42% on account of decline in sales of all major customers.

(b) Radiators

Sales of radiators decreased by 84%, reflecting decline in sales of pickups and vans, as well as aftermarket sales.

(c) Sheet Metal Components

Sales of Sheet Metal Components declined by 28% on account of decline in sales of all major customers.

ELECTION OF DIRECTORS

The shareholders in their Extraordinary General Meeting held on December 14, 2023, elected seven directors for a term of three years commencing from December 18, 2023.

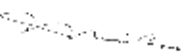
PROSPECTS


The automobile industry has witnessed severe decline due to rising raw material prices & utility costs, devaluation of rupee and high markup rates. Nevertheless, our commitments to quality improvements, productivity and cost control remains unwavering, with a focus on enhancing competitiveness and market shares.

ACKNOWLEDGEMENTS

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

By order of the Board


Munir K. Bana
Chief Executive


Rozina Muzammil
Director

Karachi: February 28, 2024

ب۔ بڑی تجارتی گاڑیاں
بڑی گاڑیوں میں بالترتیب 50 فیصد اور 46 فیصد کی کمی کی وجہ سے بیوی گاڑیوں کا حجم گزشتہ مدت کے مقابلے میں تقریباً 50 فیصد کم ہو کر 1,947 یونٹس سے 982 یونٹ ہو گیا۔

ج۔ ٹریکٹر
الغازی ٹریکٹر کے حجم میں 59 فیصد اور ملت ٹریکٹرز میں 140 فیصد اضافے کی وجہ سے ٹریکٹر انڈسٹری کی فروخت میں پچھلی مدت کے مقابلے میں 103 فیصد اضافہ ہوا، جس نے 2023 میں 23,411 یونٹس (2022: 11,513 یونٹس) کی فروخت درج کی۔

کمپنی کی سیلز کی کارکردگی۔

ششماہی کے لیے لوڈز گروپ کی مجموعی فروخت میں گزشتہ مدت کے مقابلے میں 41 فیصد کی واقع ہوئی۔ مصنوعات کے لحاظ سے تجزیہ ذیل میں دیا گیا ہے:

روپے بلین میں			
ششماہی دسمبر میں فروخت			
تبدیل %	2022	2023	پروڈکٹس
-42%	1,734	1,001	ایگزوسٹ سٹم
-84%	243	38	ریڈی آئرز
-28%	911	655	شیٹ مثل اجزاء
-41%	2,888	1,694	Total

مختلف پروڈکٹس کی کارکردگی کے بارے میں تمہارا۔

الف: ایگزوسٹ سٹم

تمام بڑے صارفین کی فروخت میں کمی کی وجہ سے ایگزوسٹ سٹم کی فروخت میں 42 فیصد کمی واقع ہوئی۔

ب: ریڈی آئرز۔

ریڈی ایئرز کی فروخت میں 84% کمی واقع ہوئی، جو کہ پک اپ اور وین کی فروخت میں کمی کی عکاسی کرتی ہے، ساتھ ہی مارکیٹ کے بعد فروخت بھی۔

ج: شیٹ مثل کی اجزاء۔

تمام بڑے صارفین کی فروخت میں کمی کی وجہ سے شیٹ مثل کی اجزاء کی فروخت میں 28 فیصد کمی واقع ہوئی۔

ڈائریکٹرز کا انتخاب

شیر ہولڈرز نے 14 دسمبر 2023 کو منعقدہ اپنی غیر معمولی جزل مینٹگ میں 18 دسمبر 2023 سے شروع ہونے والی تین سال کی مدت کے لیے سات ڈائریکٹرز کا انتخاب کیا۔

توقعات:-

نام مال کی بڑھتی ہوئی قیمتوں اور یوٹیلیٹی لاگت، روپے کی قدر میں کمی اور مارک اپ کی بلند شرحوں کی وجہ سے آٹوموبائل انڈسٹری کو شدید زوال کا سامنا کرنا پڑا ہے۔ اس کے باوجود، معیار میں بہتری، پیداواری صلاحیت اور لاگت پر قابو پانے کے لیے ہمارے وعدے غیر متزلزل ہیں، جس میں مسابقت اور مارکیٹ کے حصص کو بڑھانے پر توجہ مرکوز کی گئی ہے۔

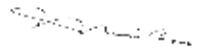
تسلیمات:-

بورڈ اس مدت کے دوران مسلسل تعاون کے لیے اپنے تمام صارفین اور ملازمین کا شکریہ ادا کرنا چاہتا ہے۔

بورڈ کے حکم سے



روشنی موزل
ڈائریکٹر



منیر کے۔ بانا
چیف ایگزیکٹو

کراچی: 28 فروری 2024

لوڈز گروپ ڈائریکٹرز کی شہرہ ہولڈرز کو رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 31 دسمبر 2023 کو ختم ہونے والے ششماہی کے مالیاتی بیانات کے ساتھ لوڈز گروپ کی چھ ماہ کی رپورٹ پیش کرتے ہیں۔
تفصیلی مالیاتی نتائج کی سمری

2022		2023		
مجموعی	لوڈز	مجموعی	لوڈز	
2,888	2,888	1,694	1,694	فروخت
295	335	204	288	کل منافع
72	424	145	243	آپریٹنگ منافع
0.4	-	5	-	منافع / نقصان کا شیئر
(339)	99	(211)	(19)	ٹیکس سے پہلے کا منافع / نقصان
(414)	28	(364)	(39)	ٹیکس کے بعد کا منافع / نقصان
(1.34)	0.11	(0.91)	(0.15)	آمدنی / نقصان ہر شیئر پر (EPS)

کاروبار کا جائزہ کمپنی کے نتائج

کمپنی کو آپریٹنگ منافع میں 181 ملین روپے کی کمی کا سامنا کرنا پڑا، جو بنیادی طور پر سیلز ریونیو میں 41 فیصد کی کمی سے منسوب ہے۔ یہ مندی مختلف عوامل کا نتیجہ تھی، بشمول موجودہ معاشی عدم استحکام، روپے کی قدر میں کمی، اور آٹوموبائل کی قیمتوں میں اضافہ، جس نے آٹو انڈسٹری کو بری طرح متاثر کیا۔ مزید برآں، کمپنی نے مارک اپ کی وصولی کے قابل رقم روپے کی خرابی ریکارڈ کی۔ 304 ملین اس سے منسلک کمپنی، ہائی ٹیک الائنڈ ڈیولپمنٹ (HAWL) سے۔ یہ خرابی HAWL، ایک کمپنی جس میں گزشتہ کئی سالوں میں اہم سرمایہ کاری کی گئی ہے، میں تاخیر سے کام شروع کرنے کی وجہ سے ضروری تھا۔ پلانٹ کو شروع کرنے میں تاخیر کو کئی عوامل سے منسوب کیا جا سکتا ہے، نمایاں طور پر کوویڈ 19 وبائی امراض کے اثرات اور آٹو سیکٹر میں مندی۔

ان چیلنجوں کے نتیجے میں، کمپنی نے ٹیکس سے پہلے روپے کے نقصان کی اطلاع دی۔ موجودہ مدت میں 19 ملین، روپے کے ٹیکس سے پہلے منافع کا ایک قابل ذکر نقصان۔ پچھلے سال میں 99 ملین ریکارڈ کیا گیا تھا۔ یہ منفی کارکردگی کم فروخت اور خرابی کے اثرات کا براہ راست نتیجہ ہے۔ نتیجتاً، موجودہ رپورٹنگ کی مدت روپے کے نقصان کی نشاندہی کرتی ہے۔ 0.15 فی شیئر، ری کے منافع کے بالکل برعکس۔ پچھلے سال کی اسی مدت میں 0.11 فی شیئر رپورٹ کی گئی۔ یہ مندی چیلنجنگ کاروباری ماحول اور اس کی مالیاتی کارکردگی کو متاثر کرنے والے معاشی حقائق کے باوجود ہے۔ کمپنی کی فعال شناخت کی نشاندہی کرتی ہے۔ غیر مستحکم معیشت، روپے کی قدر میں کمی اور گاڑیوں کی قیمتوں میں اضافے کی وجہ سے آٹو انڈسٹری میں مندی کی وجہ سے سیلز ریونیو میں 41 فیصد کمی کے باعث کمپنی کے آپریٹنگ منافع میں 181 ملین روپے کی کمی ریکارڈ کی گئی۔ مزید برآں، کمپنی نے متعلقہ کمپنی، ہائی ٹیک الائنڈ ڈیولپمنٹ (HAWL) سے 304 ملین روپے کے مارک اپ کی وصولی کی خرابی بھی یک کرائی ہے، جس کی وجہ سے اس کے آپریٹنگ کے آغاز میں تاخیر ہے۔ کمپنی نے گزشتہ کئی سالوں میں HAWL میں بہت زیادہ سرمایہ کاری کی ہے، لیکن پلانٹ کے شروع ہونے میں مختلف عوامل کی وجہ سے تاخیر ہوئی ہے، خاص طور پر CoVID-19 اور آٹو سیکٹر میں مندی۔

کمپنی نے ٹیکس سے پہلے روپے کا نقصان رجسٹر کیا۔ 19 ملین، پچھلے سال کے ٹیکس سے پہلے کے منافع کے مقابلے میں 99 ملین یہ مندی کم فروخت اور خرابی کے اثرات کی وجہ سے تھی۔ نتیجتاً، موجودہ مدت میں روپے کا نقصان ہوا ہے۔ 0.15 فی حصص، گزشتہ مدت کے منافع کے مقابلے میں۔ 0.11 فی شیئر۔

گروپ کے نتائج

گروپ نے روپے کی فروخت ریکارڈ کی ہے۔ 31 دسمبر 2023 کو ختم ہونے والے ششماہی کے لیے 1,694 ملین روپے کی کمی درج کی گئی۔ گزشتہ مدت کے مقابلے میں 1,194 ملین۔ یہ کمی بنیادی طور پر غیر مستحکم معیشت، روپے کی قدر میں کمی اور گاڑیوں کی قیمتوں میں اضافے کی وجہ سے آٹو انڈسٹری میں مندی ہے۔

کنسلوڈٹڈ ایڈمنسٹریٹو ٹیکس سے پہلے روپے کا نقصان رجسٹر کیا۔ 211 ملین، گزشتہ مدت کے نقصان کے مقابلے میں روپے 339 ملین ٹیکس لگانے کے بعد نقصان روپے تھا۔ 364 ملین روپے کے نقصان کے مقابلے گزشتہ مدت میں 414 ملین۔

آٹوموٹو انڈسٹری کا جائزہ

الف۔ مسافر کاریں / ہلکی کمرشل گاڑیاں (LCV)

ششماہی کے دوران مجموعی طور پر کاروں کی فروخت گزشتہ مدت کے مقابلے میں 84,116 یونٹس سے 54 فیصد کم ہو کر 39,104 یونٹس رہ گئی، جس کی بنیادی وجہ ٹویو، ہا، سوزوکی اور ہونڈا کے حجم میں بالاتریتیب 61 فیصد، 55 فیصد اور 56 فیصد کی ہے۔

Condensed Interim Unconsolidated Financial Statements

INDEPENDENT AUDITORS' REVIEW REPORT

TO THE MEMBERS OF LOADS LIMITED

Report on review of Unconsolidated Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **LOADS LIMITED** as at December 31, 2023 and the related condensed interim statement of profit or loss and condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the financial statements forming part thereof (here-in-after referred to as the 'interim financial statements') for the half year then ended December 31, 2023. Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for the quarter ended December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2023.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements as of and for the half year ended December 31, 2023 is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditors' review report is Arif Nazeer.


Chartered Accountants

Place: Karachi

Date: February 28, 2024

UDIN: RR202310099NvhS76yep

Condensed Interim Unconsolidated Statement of Financial Position (Un-audited)


As at December 31, 2023

		31 December 2023 (Un-audited)	30 June 2023 (Audited)
	Note	(Rupees)	
ASSETS			
Non-current assets			
Property, plant and equipment	7	722,342,355	752,501,724
Intangible assets		816,704	1,504,305
Long term investments	8.1	487,013,731	376,587,215
Long term loans		9,653,513	5,943,868
Deferred tax assets		682,186,439	593,795,682
		1,902,012,742	1,730,332,794
Current assets			
Stores, spares and loose tools		40,902,145	47,488,133
Stock-in-trade	9	906,365,114	1,054,302,685
Trade debts - net	10	371,156,157	424,653,384
Loans and advances	11	140,123,266	88,419,311
Deposits, prepayments and other receivables	12	110,765,825	131,980,166
Due from related parties		3,046,495,182	2,580,326,357
Taxation - net		379,096,087	360,391,679
Short term investments	8.2	10,980,214	792,172
Cash and bank balances	13	13,408,156	14,594,247
		5,019,292,146	4,702,948,134
Assets held for sale	14	54,181,224	54,181,224
		5,073,473,370	4,757,129,358
Total assets		6,975,486,112	6,487,462,152
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	18	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		(82,393,288)	(124,505,375)
Accumulated loss		(526,467,697)	(487,694,513)
		2,973,704,448	2,970,365,545
LIABILITIES			
Non-current liabilities			
Long term loans		92,199,557	228,096,764
Lease liabilities		22,946,014	24,331,998
Defined benefit obligation - net		26,852,445	29,052,445
		141,998,016	281,481,207
Current liabilities			
Current maturity of lease liabilities		8,739,942	7,001,267
Current portion of long term loans		194,812,009	173,389,039
Short term borrowings	15	1,140,833,877	1,878,992,218
Due to related party	16	664,000,000	254,800,890
Trade and other payables	17	1,767,562,960	811,034,606
Unclaimed dividend		3,514,901	3,527,781
Accrued mark-up and profit		80,319,959	106,869,599
		3,859,783,648	3,235,615,400
Total equity and liabilities		6,975,486,112	6,487,462,152
CONTINGENCIES AND COMMITMENTS			
	19		

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive



Director


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

For the half year ended December 31, 2023

	Note	For the half year ended		Quarter ended	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
(Rupees)					
Revenue - net	21	1,694,216,968	2,888,545,427	844,823,164	1,554,416,610
Cost of sales	22	(1,406,708,881)	(2,553,137,171)	(714,573,668)	(1,379,687,031)
Gross profit		287,508,087	335,408,256	130,249,496	174,729,579
Administrative, selling and general expenses		(87,964,097)	(142,400,748)	(40,566,506)	(73,986,580)
ECL against mark-up receivable - HAWL		(304,128,141)	-	(159,644,130)	-
		(104,584,151)	193,007,508	(69,961,140)	100,742,999
Other expenses		(19,279,046)	(6,755,684)	(19,279,046)	(3,593,916)
Other income	23	366,707,140	238,291,899	185,876,732	118,026,306
		347,428,094	231,536,215	166,597,686	114,432,390
Operating profit		242,843,943	424,543,723	96,636,546	215,175,389
Finance costs		(262,919,047)	(325,328,016)	(72,859,044)	(157,966,034)
Equity investments at FVTPL - net change in fair value		640,627	(236,310)	640,627	(226,040)
(Loss) / profit before taxation		(19,434,477)	98,979,397	24,418,129	56,983,315
Taxation		(19,338,707)	(71,372,366)	(54,679,870)	(17,993,978)
(Loss) / profit after taxation		(38,773,184)	27,607,031	(30,261,741)	38,989,337
(Loss) / Earnings per share - Basic and diluted	24	(0.15)	0.11	(0.12)	0.16

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.


Chief Financial Officer


Chief Executive


Director

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

For the half year ended December 31, 2023

	For the half year ended		Quarter ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	(Rupees)			
(Loss) / profit for the period	(38,773,184)	27,607,031	(30,261,741)	38,989,337
Other comprehensive income				
Items that will never be reclassified subsequently to profit or loss				
Change in fair value of equity investment at FVOCI	(2,584)	12,768	4,256	9,880
Investments in associate at FVOCI - net of tax	42,114,671	(62,699,935)	38,341,064	(31,299,249)
	42,112,087	(62,687,167)	38,345,320	(31,289,369)
Total comprehensive income / (loss) for the period	3,338,903	(35,080,136)	8,083,579	7,699,968

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive



Director

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

For the half year ended December 31, 2023

	Share Capital	Capital Reserve		Revenue Reserves	Total Equity
	Issued, subscribed and paid-up capital	Share premium	Fair value reserve of equity securities - FVOCI	Accumulated profits / (loss)	
(Rupees)					
Balance as at 30 June 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 half year ended 31 December 2022					
Profit for the period	-	-	-	27,607,031	27,607,031
Other comprehensive loss	-	-	(62,687,167)	-	(62,687,167)
	-	-	(62,687,167)	27,607,031	(35,080,136)
Balance as at 31 December 2022	<u>2,512,500,000</u>	<u>1,070,065,433</u>	<u>(113,377,046)</u>	<u>795,580,769</u>	<u>4,264,769,156</u>
Balance as at 1 July 2023 (audited)	2,512,500,000	1,070,065,433	(124,505,375)	(487,694,513)	2,970,365,545
Total comprehensive income for the half year ended 31 December 2023					
Loss for the period	-	-	-	(38,773,184)	(38,773,184)
Other comprehensive income - net of tax	-	-	42,112,087	-	42,112,087
	-	-	42,112,087	(38,773,184)	3,338,903
Balance as at 31 December 2023	<u>2,512,500,000</u>	<u>1,070,065,433</u>	<u>(82,393,288)</u>	<u>(526,467,697)</u>	<u>2,973,704,448</u>

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive



Director


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

For the half year ended December 31, 2023

	31 December 2023	31 December 2022
	(Rupees)	
Note		
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(19,434,477)	98,979,397
Adjustments for		
Depreciation	36,337,042	29,194,334
Amortisation	687,601	687,601
Finance cost	259,388,713	323,077,153
Gain on disposal of property, plant and equipment	(10,831,936)	(2,911,595)
Current Service	-	14,010,900
Finance lease charges	3,530,334	2,250,863
Mark-up income on loan to subsidiaries	(355,720,805)	(234,516,933)
ECL against mark-up receivable - HAWL	304,128,141	-
Dividend income	(46,585)	(13,198)
Unrealized gain / (loss) on re-measurement of investment classified as at FVTPL	(410,440)	236,310
	217,627,588	230,994,832
Working capital changes		
Decrease / (increase) in current assets		
Stores and spares and loose tools	6,585,988	794,975
Stock-in-trade	147,937,571	257,180,770
Trade debts - net	53,497,227	261,291,855
Due from related parties	(7,564,145)	(225,120,088)
Loans and advances	(55,413,600)	(98,222,513)
Deposits, prepayments and other receivables	21,214,341	(58,560,338)
	166,257,382	137,364,661
Increase / (decrease) in current liabilities		
Trade and other payables	956,528,354	(138,098,109)
Due to related parties	-	(141,689,645)
Cash generated from operations	1,340,413,324	88,571,739
Mark-up paid	(285,938,354)	(300,565,953)
Contribution paid to defined benefit plan	(2,200,000)	(14,889,500)
Income tax paid	(127,071,121)	(134,009,416)
Net cash generated from / (used in) operating activities	925,203,849	(360,893,130)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(4,055,882)	(16,147,587)
Dividend received	46,585	13,198
Purchase of investment	(77,454,781)	-
Proceeds from disposal of property, plant and equipment	13,076,144	3,455,000
Net cash used in investing activities	(68,387,934)	(12,679,389)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(7,543,643)	(6,488,035)
Loan repaid to banking companies	(114,474,237)	(86,298,367)
Issuance of Islamic Commercial Papers - net	-	463,993,319
Loan received from director - related party	409,199,110	-
Short term borrowing (paid) / received - net	(388,022,749)	1,105,452,369
Loan (provided to) / received from related party - net	(405,723,750)	97,980,000
Net cash (used in) / generated from financing activities	(506,565,269)	1,574,639,286
Net increase in cash and cash equivalents during the period	350,250,646	1,201,066,767
Cash and cash equivalents at beginning of the period	20 (1,104,101,051)	(2,212,953,321)
Cash and cash equivalents at end of the period	(753,850,405)	(1,011,886,554)

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.


Chief Financial Officer


Chief Executive


Director

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

For the half year ended December 31, 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.

During the period, the Company's registered office and plant is shifted to Plot No. DSU 19 sector - II Pak Steel Industrial Estate, Bin Qasim 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 December 2023	30 June 2023	
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	2.85%	2.85%	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 six months period ended December 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.

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 December 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 six months period ended December 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, 2023, 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 six months period ended December 31, 2023 have been extracted from the unaudited condensed interim unconsolidated financial statements for the period then ended December 31, 2022.

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

For the half year ended December 31, 2023

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, 2023. 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 published accounting and reporting standards that are effective in current period

There are new and amended standards and interpretations that are mandatory for accounting periods beginning July 01, 2023, 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.

During the period, the Company adopted Disclosure of Accounting Policies (Amendments to IAS 1) from January 01, 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves

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
- Amendment to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current assets	January 01, 2024
- Amendment to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transaction	January 01, 2024
- Amendment to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	January 01, 2024
- Amendments to IAS 12 'Income taxes' - International Tax Reform — Pillar Two Model Rules	January 01, 2024
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
- Amendments to IFRS 16 'Leases' -Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
- Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 2024
- Amendments to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	January 01, 2023
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Deferred indefinitely

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.

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 material 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, 2023.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 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 June 30, 2023.

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

For the half year ended December 31, 2023

5 ACCOUNTING ESTIMATES, JUDGEMENTS

- 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 June 30, 2023.

6 FINANCIAL RISK MANAGEMENT

- 6.1 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, 2023.

	Note	31 December 2023 (Un-audited)	30 June 2023 (Audited)
		(Rupees)	
7. PROPERTY, PLANT AND EQUIPMENT			
Operating property, plant and equipment	7.1	657,391,193	649,005,230
Capital work-in-progress		64,951,162	103,496,494
		722,342,355	752,501,724

- 7.1 The following acquisitions and disposals have been made during half year ended December 31, 2023.

	For the half year ended			
	31 December 2023		31 December 2022	
	Acquisitions at cost	Disposals at book value	Acquisitions at cost	Disposals at book value
----- (Un-audited) -----				
----- (Rupees) -----				
Building on leasehold land	9,748,959	-	-	-
Plant and machinery	39,711,213	-	13,183,128	-
Tools and equipment	2,890,000	-	1,260,780	-
Furniture, fittings and office equipment	-	-	315,453	-
Vehicles	4,366,000	2,244,209	-	3,518,500
	56,716,172	2,244,209	14,759,361	3,518,500

8. INVESTMENTS

8.1 Long term investments

	Note	31 December 2023 (Un-audited)	30 June 2023 (Audited)
		(Rupees)	
At cost			
Investments in subsidiary companies - unlisted			
Hi-Tech Alloy Wheels Limited (HAWL)		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 in SMPL		(25,000,000)	(25,000,000)
Less: Provision for impairment in HAWL		(859,960,000)	(859,960,000)
Net investment in subsidiary companies		300,000,000	300,000,000
Investment in associate at FVOCI - listed	8.1.1	187,013,731	76,587,215
		487,013,731	376,587,215

- 8.1.1 During the period, the Company subscribed to letter of right issue for 5,205,744 shares amounting to Rs.67,674,594. The shares were issued subsequent to period end by Treet Corporation Limited. During the year ended June 30, 2023 Company had 4,837,958 shares. Market value of shares as of the reporting period was Rs. 187.013 million (30 June 2023: Rs. 76.587 million). The Company's holding in Treet Corporation Limited is considered associate by virtue of common directorship.

	Note	31 December 2023 (Un-audited)	30 June 2023 (Audited)
		(Rupees)	
8.2 Short term investments			
Fair value through profit or loss (FVTPL)			
Equity securities	8.2.1	1,157,011	746,571
Mutual fund	8.2.2	9,780,187	-
		10,937,198	746,571
Fair value through other comprehensive income (FVOCI)			
Equity securities	8.2.3	43,016	45,600
		10,980,214	792,171

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

For the half year ended December 31, 2023

8.2.1 Equity securities - at FVTPL

31 December 2023 (Un-audited)	30 June 2023 (Audited)	Name of investee companies	31 December 2023			30 June 2023
			Carrying value	Market value	Net change in fair value	Market value
(Number of shares)		Ordinary shares - Quoted	(Rupees)			
1	1	Agriautos Industries Limited*	62	100	38	62
1	1	Al-Ghazi Tractors Limited *	254	366	112	254
1	1	Atlas Battery Limited	204	238	34	204
1	1	Atlas Honda Limited	257	351	94	257
1	1	The General Tyres & Rubber Company Limited	20	34	14	20
1	1	Honda Atlas Cars (Pakistan) Limited	92	214	122	92
1	1	Thal Limited *	162	295	133	162
230	230	Baluchistan Wheels Limited	15,180	44,850	29,670	15,180
315	315	Ghandhara Nissan Limited	11,460	20,790	9,330	11,460
300	300	Hinopak Motors Limited	56,175	91,500	35,325	56,175
200	200	Indus Motor Company Limited	188,648	240,000	51,352	188,648
1,171	1,171	Millat Tractors Limited	457,053	680,351	223,298	457,053
63	63	Oil & Gas Development Company Limited	4,914	7,056	2,142	4,914
127	127	Pak Suzuki Motor Company Limited	12,090	70,866	58,776	12,090
			<u>746,571</u>	<u>1,157,011</u>	<u>410,440</u>	<u>746,571</u>

* 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.

8.2.2 Mutual fund - at FVTPL

31 December 2023 (Un-audited)	30 June 2023 (Audited)	Name of investee company	31 December 2023			30 June 2023
			Cost	Market value	Net change in fair value	Market value
(Number of Units)			(Rupees)			
19,391	-	Atlas Islamic Money Market Fund	9,550,000	9,780,187	230,187	-

8.2.3 Equity securities - at FVOCI

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

31 December 2023 (Un-audited)	30 June 2023 (Audited)	Name of investee company	31 December 2023			30 June 2023
			Cost	Market value	Net change in fair value	Market value
(Number of shares)		Ordinary shares - Quoted	(Rupees)			
152	152	ZIL Limited	5,330	43,016	37,686	45,600

8.2.3.1 Equity investments at FVOCI - net change in fair value

	31 December 2023 (Un-audited)	30 June 2023 (Audited)
Market value of investments	43,016	45,600
Less: Cost of investments	(5,330)	(5,330)
	37,686	40,270
Less: Equity investments at FVOCI - net change in fair value at beginning of the period / year	(40,270)	(10,022)
Net change in fair value for the period / year	(2,584)	30,248

9. STOCK-IN-TRADE

		31 December 2023 (Un-audited)	30 June 2023 (Audited)
Raw material and components	9.1 & 9.2	849,296,163	972,975,395
Work-in-process		62,751,080	105,801,677
Finished goods		37,239,700	18,447,442
		949,286,943	1,097,224,514
Provision for slow-moving and obsolescence		(42,921,829)	(42,921,829)
		<u>906,365,114</u>	<u>1,054,302,685</u>

9.1 This includes raw material in-transit and in possession of Company's subsidiaries amounting to Rs. 202 million (June 30, 2023: Rs. 288 million) and Rs. 370 million (June 30, 2023: Rs. 337 million) respectively.

9.2 Raw material held with toll manufacturers as at December 31, 2023 amounted to Rs. 47 million (June 30, 2023: Rs. 19.4 million).

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

For the half year ended December 31, 2023

		31 December 2023 (Un-audited)	30 June 2023 (Audited)
		(Rupees)	
10. TRADE DEBTS - NET			
Unsecured			
Considered good		371,156,157	424,653,384
11. LOANS AND ADVANCES			
Advance to suppliers		112,185,832	61,166,804
Loans to employees - considered good and unsecured		13,619,954	5,987,431
Loans to workers - considered good and unsecured		12,967,115	7,963,239
Advance salaries		1,350,365	13,301,837
		140,123,266	88,419,311
11.1	This represents loans provided to executive staff having maturity of one to two years. These loans carry mark-up at the rate 13% (June 30, 2023: 13%) per annum.		
11.2	This represents loans provided to workers for personal expenses having maturity of twelve months. These loans carry mark-up at the rate of 13% (June 30, 2023: 13%) per annum.		
		31 December 2023 (Un-audited)	30 June 2023 (Audited)
		(Rupees)	
12. DEPOSITS, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES			
Margin deposits		83,814,674	110,586,046
Receivable from Provident Fund		19,151,243	16,233,600
Trade and other deposits		1,840,000	1,840,000
Prepayments		4,625,607	1,455,499
Other receivables		1,334,301	1,865,021
		110,765,825	131,980,166
13. CASH AND BANK			
Cash in hand		1,209,172	187,250
Cash at banks			
- in current accounts		1,895,356	5,738,072
- in saving accounts		10,303,628	8,668,925
		13,408,156	14,594,247
14. ASSETS HELD FOR SALE			
Leasehold Land		1,089,774	1,089,774
Building on leasehold land		53,091,450	53,091,450
		54,181,224	54,181,224
14.1	On April 28, 2023, the Board of Directors in their meeting decided to sell the above mentioned properties for meeting working capital requirements due to the higher interest rate on borrowings. The decision has been approved by the shareholders in the extraordinary general meeting held on May 30, 2023 under section 183 (3) of Companies Act, 2017. Accordingly, sale of above mentioned properties were classified as asset held for sale. The sale of assets are expected to be completed within a year from date of classification.		
14.2	The Company has entered into agreement to sell the assets held for sale amounting to Rs. 1.01 billion with the buyer. Further, an advance of Rs. 320 million was received during the period against the above mentioned assets.		
		31 December 2023 (Un-audited)	30 June 2023 (Audited)
		(Rupees)	
15. SHORT TERM BORROWINGS	Note		
Secured			
Running finances under mark-up arrangements	15.1	767,258,561	1,118,695,298
Soneri Bank Limited - Local bill discounting		209,400,000	400,000,000
Islamic financing	15.2	100,700,000	272,161,581
SCB - Local bill discounting		63,475,316	88,135,339
		1,140,833,877	1,878,992,218

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

For the half year ended December 31, 2023

15.1 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 before declaring any dividend.

These facilities carry mark-up at the rates ranging from 1 month KIBOR plus 1.5% to 3 month KIBOR plus 3% (June 30, 2023: 1 month KIBOR plus 1.25% to 3 month KIBOR plus 3%) per annum.

The aggregate available short term borrowing facilities amounted to Rs. 841.56 million (30 June 2023: Rs. 1,109 million) out of which Rs. 74.3 million (June 30, 2023: 56.2 million) remained unavailed as at the reporting date.

15.2 Islamic financing

This represents Islamic finance facilities available from Al Baraka Bank (Pakistan) Limited and MCB Islamic Bank having aggregate limits of Rs. 108 million (2023: Rs 300 million), for manufacturing of mufflers and exhaust system, spare parts, tools and equipment from local market and for working capital requirement. This facility is secured by charge over current and future assets of the Company. These facilities carry mark-up ranging from 1 month KIBOR plus 1.5% to 3 months KIBOR plus 3.5% per annum (2023: 1 month KIBOR plus 1.5% to 3 months KIBOR plus 3.5% per annum) and is repayable maximum within 120 days to 180 days of the disbursement date.

		31 December 2023 (Un-audited)	30 June 2023 (Audited)
		(Rupees)	
16.	DUE TO RELATED PARTIES - UNSECURED		
	Loan from Director	664,000,000	250,000,000
	Markup on Loan from Director	-	4,800,890
		<u>664,000,000</u>	<u>254,800,890</u>
17.	TRADE AND OTHER PAYABLES		
	Trade creditors	335,642,801	339,091,646
	Accrued liabilities	164,934,381	46,732,778
	Other liabilities		
	Advance from customers	646,117,350	152,919,693
	Advance against sale of land	320,000,000	-
	Mobilization advances	224,654,802	196,970,642
	Workers' Profit Participation Fund	2,819,269	2,819,269
	Provision for leave encashment	2,864	2,864
	Workers' Welfare Fund	5,796,944	5,796,944
	Sales tax Payable	47,297,423	38,562,938
	Withholding tax payable	3,095,380	5,397,096
	Current portion of Gas Infrastructure Development Cess	868,472	868,472
	Security deposit from contractors	129,000	129,000
	Other payables	16,204,274	21,743,264
		<u>1,767,562,960</u>	<u>811,034,606</u>
17.1	Workers' profit participation fund		
	Opening balance	2,819,269	28,642,932
	Less: Payments during the period / year	-	(25,823,663)
	Closing balance	<u>2,819,269</u>	<u>2,819,269</u>
17.2	Workers' welfare fund		
	Opening balance	5,796,944	10,329,621
	Charge for the period / year	-	5,796,944
	Less: Payments during the period / year	-	(10,329,621)
	Closing balance	<u>5,796,944</u>	<u>5,796,944</u>
18.	SHARE CAPITAL		
18.1	Authorised share capital		
	Authorised share capital comprises of 400,000,000 (June 30, 2023: 400,000,000) Ordinary shares of Rs. 10 each.		
18.2	Issued, subscribed and paid up capital		
31 December 2023 (Un-audited)	30 June 2023 (Audited)	31 December 2023 (Un-audited)	30 June 2023 (Audited)
(Number of shares)		(Rupees)	
	Ordinary shares		
153,770,000	153,770,000	1,537,700,000	1,537,700,000
97,480,000	97,480,000	974,800,000	974,800,000
<u>251,250,000</u>	<u>251,250,000</u>	<u>2,512,500,000</u>	<u>2,512,500,000</u>

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

For the half year ended December 31, 2023

19. CONTINGENCIES AND COMMITMENTS

19.1 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, 2023 as disclosed in note 34.2.

19.2 Commitments

Commitments in respect of letters of credit amounted to Rs. 211 million (June 30, 2023: Rs. 89.35 million).

20. CASH AND CASH EQUIVALENTS	Note	31 December 2023 (Un-audited)	31 December 2022 (Audited)
		(Rupees)	
Cash and bank balances		13,408,156	106,808,744
Short term borrowings	15.1	(767,258,561)	(1,118,695,298)
		(753,850,405)	(1,011,886,554)
21. REVENUE - NET			
Local sales		1,998,458,893	3,394,388,698
Export Sales		5,358,614	-
Less: Sales returns		(1,233,608)	(5,316,925)
		2,002,583,899	3,389,071,773
Less: Sales tax		(308,366,931)	(500,526,346)
		1,694,216,968	2,888,545,427

21.1 This includes scrap sales amounting to 12.35 million (December 31, 2022: Rs. 64.75 million).

22. COST OF SALES	Note	Half year ended		Quarter ended	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		(Rupees)			
		(Un-audited)			
Raw materials and components consumed		953,109,559	1,962,198,764	420,790,277	964,158,643
Ancillary materials consumed		36,558,431	30,693,942	6,597,669	9,519,888
Manufacturing expenses					
Salaries, wages and other employee benefits		111,749,554	139,104,731	69,486,734	66,530,522
Toll manufacturing	22.1	74,970,437	209,169,802	36,565,336	129,295,640
Depreciation		32,645,627	25,432,195	16,303,548	9,117,454
Gas, power and water		11,850,831	18,096,971	6,557,442	6,806,126
Others		78,465,870	20,912,683	62,206,843	10,597,431
Manufacturing cost		309,682,319	412,716,382	191,119,903	222,347,173
Opening stock of work-in-process	9	105,801,677	106,545,556	79,339,727	142,646,374
Impact of recording revenue overtime		62,751,081	62,780,211	62,751,081	62,780,211
Closing stock of work-in-process	9	(62,751,080)	(62,780,210)	(62,751,080)	(62,780,210)
		105,801,678	106,545,557	79,339,728	142,646,375
Opening stock of finished goods	9	18,447,442	-	33,616,639	-
Impact of recording revenue overtime		20,349,152	81,169,163	20,349,152	81,169,163
Closing stock of finished goods	9	(37,239,700)	(40,186,637)	(37,239,700)	(40,186,637)
		1,556,894	40,982,526	16,726,091	40,982,526
		1,406,708,881	2,553,137,171	714,573,668	1,379,654,605

22.1 This includes toll manufacturing expense from MAIL amounting to Rs. 49.5 million (December 31, 2022: Rs. 172.99 million).

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

For the half year ended December 31, 2023

23. OTHER INCOME	Note	31 December 2023	31 December 2022
		(Un-audited)	(Audited)
		(Rupees)	
Income from financial assets			
Dividend Income		46,585	13,198
Grant Income		-	242,701
Total interest receivable from subsidiaries		355,720,805	234,516,933
		355,767,390	234,772,832
Income from assets other than financial assets			
Gain on sale of property plant & equipment		10,831,936	2,911,595
Other Income		107,814	607,472
		10,939,750	3,519,067
		366,707,140	238,291,899
24. EARNINGS PER SHARE - basic and diluted			
Profit after taxation	Rupees	(38,773,184)	27,607,031
Weighted average number of ordinary shares outstanding during the period	Numbers	251,250,000	251,250,000
(Loss) / Earnings per share - Basic and diluted	Rupees	(0.15)	0.11

25. 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 duly approved by the Board of Directors. Transactions and balances with related parties, other than those disclosed elsewhere in these financial statements, are disclosed below:

Balances as at:			31 December 2023	30 June 2023
Description	Relationship and effective shareholding	Balances as at the period / year-end	(Un-audited)	(Audited)
			(Rupees)	
Specialized Autoparts Industries (Private) Limited	Subsidiary company - 54% holding (30 June 2023: 54%)	Loan due from at the period / year end Mark-up receivable on loan at the period / year end Amount (due to) / due from at the period / year end	349,214,263 205,017,962 308,843,197	350,664,263 159,681,828 299,964,849
		Other receivable	23,286,388	30,872,025
Multiple Autoparts Industries (Private) Limited	Subsidiary company - 60% holding (30 June 2023: 60%)	Loan due from at the period / year end Mark-up receivable on loan at the period / year end Amount (due to) / due from at the period / year end	29,972,788 41,869,041 38,646,917	46,372,788 36,905,189 31,087,216
Hi-Tech Alloy Wheels Limited	Subsidiary company - 65.38% holding (30 June 2023: 65.38%)	Loan due from at the period / year end net of provision of Rs. 422,589,329 Mark-up receivable on loan at the period / year end net of ECL Rs. 1,226,550,395 (30 June 2023: 922,422,254)	2,025,718,329	1,602,144,579
		Other receivable	5,793,912	5,793,912
Specialized Motorcycle (Private) Limited	Subsidiary company - 100% holding (30 June 2023: 100%)	Amount due at the period / year end Loan due from at the period / year end Accrued mark-up on loan at the period / year end	3,706,788 9,874,000 4,551,597	3,706,788 9,874,000 3,258,919
Syed Shahid Ali shah	Director	Amount due at the period / year end Accrued mark-up on loan at the period / year end	664,000,000	250,000,000
			-	4,800,890
Transactions for the period :			Half year ended	
Description	Relationship and effective percentage shareholding	Transactions during the period	31 December 2023	31 December 2022
			(Rupees)	
Specialized Autoparts Industries (Private) Limited	Subsidiary company - 54% holding (30 June 2023: 54%)	Toll manufacturing Loan repaid Mark-up income on loan	- (1,450,000) 45,336,134	431,141,308 (45,000,000) 36,143,954
Multiple Autoparts Industries (Private) Limited	Subsidiary company - 60% holding (30 June 2023: 60%)	Toll manufacturing Loan repaid Mark-up income on loan	49,504,933 (16,400,000) 4,963,852	136,922,540 (50,500,000) 7,794,052
Hi-Tech Alloy Wheels Limited	Subsidiary company - 65.38% holding (30 June 2023: 65.38%)	Loan repaid Loan provided Mark-up income on loan	(190,000) 423,763,750 304,128,141	(4,400,000) - 189,689,167
Specialized Motorcycle (Private) Limited	Subsidiary company - 100% holding (30 June 2023: 100%)	Loan provided Mark-up on loan	- 1,292,678	1,920,000 889,760
Provident fund	Defined benefit scheme	Paid during the period	8,500,000	9,099,535
Employee benefits - gratuity	Defined contribution plan	Expense for the period Contribution paid during the period	2,200,000 2,200,000	878,600 14,889,500
First Treet	Common directorship	Purchase of batteries	95,511	143,959
IGI General Insurance Limited	Common directorship	Purchase of services	6,620,440	5,275,672
Syed Shahid Ali Shah	Director	Loan received	414,000,000	-
Remuneration of chief executive, directors and executives (Key management personnel)				
Salaries and benefits			46,392,101	60,177,568

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

For the half year ended December 31, 2023

26. 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).

26.1 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.

		Carrying amount				Fair value				
		Fair value through profit or loss	FVOCI - equity instrument	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
31 December 2023										
(Rupees)										
Financial assets - measured at fair value										
Equity securities	10,937,198	43,016	-	-	10,980,214	10,980,214	-	-	-	10,980,214
Equity securities - associate	-	187,013,731	-	-	187,013,731	187,013,731	-	-	-	187,013,731
Financial assets - not measured at fair value										
Subsidiaries - unlisted shares	-	-	300,000,000	-	300,000,000	-	-	-	-	-
Trade debts	-	-	371,156,157	-	371,156,157	-	-	-	-	-
Loans	-	-	26,587,069	-	26,587,069	-	-	-	-	-
Deposits and other receivables	-	-	110,765,825	-	110,765,825	-	-	-	-	-
Due from related parties	-	-	3,046,495,182	-	3,046,495,182	-	-	-	-	-
Cash and bank balances	-	-	13,408,156	-	13,408,156	-	-	-	-	-
	10,937,198	187,056,747	3,868,412,389	-	4,066,406,334	-	-	-	-	-
Financial liabilities - not measured at fair value										
Short term financing	-	-	1,140,833,877	-	1,140,833,877	-	-	-	-	-
Trade and other payables	-	-	516,781,456	-	516,781,456	-	-	-	-	-
Liabilities against assets subject to finance lease	-	-	31,685,956	-	31,685,956	-	-	-	-	-
Accrued mark-up on short term financing	-	-	80,319,959	-	80,319,959	-	-	-	-	-
Long term loan	-	-	92,199,557	-	92,199,557	-	-	-	-	-
Current portion of long term loan	26.2	-	194,812,009	-	194,812,009	-	-	-	-	-
Due to related party	-	-	664,000,000	-	664,000,000	-	-	-	-	-
Unclaimed dividend	-	-	3,514,901	-	3,514,901	-	-	-	-	-
	-	-	2,724,147,715	-	2,724,147,715	-	-	-	-	-
30 June 2023										
(Rupees)										
Financial assets - measured at fair value										
Equity securities	746,572	45,600	-	-	792,172	792,172	-	-	-	792,172
Equity securities - associate	-	76,587,215	-	-	76,587,215	76,587,215	-	-	-	76,587,215
Financial assets - not measured at fair value										
Subsidiaries - unlisted shares	-	-	300,000,000	-	300,000,000	-	-	-	-	-
Trade debts	-	-	424,653,384	-	424,653,384	-	-	-	-	-
Loans	-	-	19,894,538	-	19,894,538	-	-	-	-	-
Deposits and other receivables	-	-	114,291,067	-	114,291,067	-	-	-	-	-
Due from related parties	-	-	2,580,326,357	-	2,580,326,357	-	-	-	-	-
Cash and bank balances	-	-	14,594,247	-	14,594,247	-	-	-	-	-
	746,572	76,632,815	3,453,759,593	-	3,531,138,980	-	-	-	-	-
Financial liabilities - not measured at fair value										
Short term financing	-	-	-	1,878,992,218	1,878,992,218	-	-	-	-	-
Trade and other payables	-	-	-	339,091,646	339,091,646	-	-	-	-	-
Liabilities against assets subject to finance lease	-	-	-	31,333,265	31,333,265	-	-	-	-	-
Accrued mark-up on short term financing	-	-	-	106,869,599	106,869,599	-	-	-	-	-
Long term loan	-	-	-	228,096,764	228,096,764	-	-	-	-	-
Current portion of long term loan	-	-	-	173,389,039	173,389,039	-	-	-	-	-
Due to related party	-	-	-	254,800,890	254,800,890	-	-	-	-	-
Unclaimed dividend	-	-	-	3,527,781	3,527,781	-	-	-	-	-
	-	-	-	3,016,101,202	3,016,101,202	-	-	-	-	-

26.2 Long term loan of Rs. 57 million is reclassified to current liabilities due to breach of covenant.

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

27. GENERAL

27.1 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 December 31, 2023 are located in Pakistan.

27.2 These condensed interim unconsolidated financial statements were authorised for issue by the Board of Directors on 28 February 2024.

Chief Financial Officer

Chief Executive

Director

Condensed Interim Consolidated Financial Statements

Condensed Interim Consolidated Statement of Financial Position (Un-audited)


As at December 31, 2023

	Note	31 December 2023 (Un-audited)	30 June 2023 (Audited)
		(Rupees)	
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,199,130,407	4,234,083,958
Intangible assets		816,704	1,504,305
Long term investments		187,013,731	87,171,573
Long term loans		9,653,513	5,943,868
Deferred tax assets		27,537,236	22,111,999
		4,424,151,591	4,350,815,703
Current assets			
Stores, spares and loose tools		59,691,092	66,676,325
Stock-in-trade		906,365,114	1,054,302,685
Trade debts - net		371,156,157	424,653,384
Loans and advances		144,783,816	109,688,024
Due from related party		1,150,380	1,150,380
Deposits, prepayments and other receivables		331,403,172	352,970,437
Taxation - net		385,086,231	398,065,618
Short term investments		10,980,214	792,171
Cash and bank balances		38,367,538	31,323,411
		2,248,983,714	2,439,622,435
Assets held for sale	5	54,181,224	54,181,224
		2,303,164,938	2,493,803,659
Total assets		6,727,316,529	6,844,619,362
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
400,000,000 (30 June 2023: 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		(1,790,380)	(1,787,796)
Accumulated loss		(1,270,167,922)	(1,040,322,294)
Equity attributable to owners of Parent Company		2,310,607,131	2,540,455,343
Non-Controlling Interest		(508,852,436)	(374,519,381)
		1,801,754,695	2,165,935,962
LIABILITIES			
Non-current liabilities			
Lease liabilities		22,946,014	24,331,998
Defined benefit obligation - net		26,852,445	29,052,445
Long term loans		611,738,856	872,629,618
		661,537,315	926,014,061
Current liabilities			
Current maturity of lease liabilities		8,739,942	7,001,267
Current portion of long term loans		446,812,009	517,318,320
Short term borrowings		1,140,833,877	1,883,751,991
Trade and other payables		1,848,971,466	908,194,157
Due to related party		22,048,871	22,048,871
Loan from director		666,000,000	256,800,890
Unclaimed dividend		3,514,901	3,527,781
Accrued mark-up and profit		127,103,453	154,026,062
		4,264,024,519	3,752,669,339
Total equity and liabilities		6,727,316,529	6,844,619,362
CONTINGENCIES AND COMMITMENTS			
	6		

The annexed notes from 1 to 10 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 half year ended December 31, 2023

Note	For the half year ended		Quarter ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	(Rupees)			
Revenue - net	1,694,216,968	2,888,545,427	844,823,164	1,554,416,610
Cost of revenue	7 (1,490,323,031)	(2,593,738,389)	(752,857,376)	(1,372,078,919)
Gross profit	203,893,937	294,807,038	91,965,788	182,337,691
Administrative, selling and general expenses	(111,152,147)	(169,884,958)	(52,699,478)	(88,642,531)
	92,741,790	124,922,080	39,266,310	93,695,160
Other expenses	(19,279,047)	(67,333,192)	(19,279,047)	(49,510,083)
Other income	71,762,648	14,459,051	56,934,556	8,054,125
	52,483,601	(52,874,141)	37,655,509	(41,455,958)
Operating profit	145,225,391	72,047,939	76,921,819	52,239,202
Financial charges	(361,353,151)	(411,072,513)	(119,554,390)	(201,311,262)
Share of profit	5,451,138	421,943	3,446,270	4,652,168
(Loss) before taxation	(210,676,622)	(338,602,631)	(39,186,301)	(144,419,892)
Taxation	(153,502,061)	(75,258,770)	(134,227,262)	(7,359,367)
(Loss) after taxation	(364,178,683)	(413,861,401)	(173,413,563)	(151,779,259)
(Loss) attributable to:				
Owners of the Parent Company	(229,845,628)	(336,762,724)		
Non-controlling interest	(134,333,055)	(77,098,677)		
	(364,178,683)	(413,861,401)		
(Loss) per share				
- basic and diluted	(0.91)	(1.34)		

The annexed notes from 1 to 10 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 half year ended December 31, 2023

	For the half year ended		Quarter ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	(Rupees)			
(Loss) for the period	(364,178,683)	(413,861,401)	(173,413,563)	(151,779,259)
Other comprehensive income:				
Items that will not be reclassified subsequently to profit and loss				
Equity investments at FVOCI - net change in fair value	(2,584)	12,768	4,256	20,150
Total comprehensive (loss) for the period	<u>(364,181,267)</u>	<u>(413,848,633)</u>	<u>(173,409,307)</u>	<u>(151,759,109)</u>

The annexed notes from 1 to 10 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 half year ended December 31, 2023

	Share capital	Capital Reserve		Revenue reserves	Total
	Issued, subscribed and paid up	Share premium	Fair value reserve of equity securities - FVOCI (Rupees)	Unappropriated profit	
Balance as at 30 June 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 December 2022					
Loss for the period	-	-	-	(336,762,724)	(336,762,724)
Other comprehensive income	-	-	12,768	-	12,768
	-	-	12,768	(336,762,724)	(336,749,956)
Balance as at 31 December 2022	<u>2,512,500,000</u>	<u>1,070,065,433</u>	<u>(1,805,276)</u>	<u>(66,806,629)</u>	<u>3,513,953,528</u>
Balance as at 01 July 2023 (audited)	2,512,500,000	1,070,065,433	(1,787,796)	(1,040,322,294)	2,540,455,343
Total comprehensive income for the period ended 31 December 2023					
Loss for the period	-	-	-	(229,845,628)	(229,845,628)
Other comprehensive Loss	-	-	(2,584)	-	(2,584)
	-	-	(2,584)	(229,845,628)	(229,848,212)
Balance as at 31 December 2023	<u>2,512,500,000</u>	<u>1,070,065,433</u>	<u>(1,790,380)</u>	<u>(1,270,167,922)</u>	<u>2,310,607,131</u>

The annexed notes from 1 to 10 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 half year ended December 31, 2023

	31 December 2023	31 December 2022
	(Rupees)	
(Loss) before taxation	(210,676,622)	(338,602,631)
Adjustment for		
Depreciation	43,583,818	37,227,212
Amortisation	687,601	687,601
Finance cost	357,822,817	408,821,650
Finance lease charges	3,530,334	2,250,863
Markup income	(676,469)	(1,572,657)
Dividend Income	(46,585)	(13,198)
Gain on disposal of item of property, plant and equipment	(12,465,191)	(2,911,595)
Current service cost - gratuity	-	24,755,900
Share of profit/(loss) in associate - net	(5,451,138)	(421,943)
Equity investments at FVTPL - net change in fair value	(42,752,714)	60,281,045
	133,555,851	190,502,247
Working capital changes		
Decrease / (increase) in current assets		
Stores, spares and loose tools	6,985,233	1,672,070
Stock-in-trade	147,937,571	257,180,770
Trade debts - net	53,497,227	261,291,855
Loans and advances	(38,805,437)	(75,489,567)
Deposits, prepayments and other receivables	21,567,265	(67,925,867)
	191,181,859	376,729,261
(Decrease) / increase in current liabilities		
Trade and other payables	940,777,309	(200,921,028)
Cash generated from operations	1,265,515,019	366,310,480
Mark-up paid	(384,745,426)	(376,700,346)
Gratuity Paid	(2,200,000)	(25,634,500)
Tax paid	(129,050,542)	(160,423,071)
Net cash generated from / (used in) operating activities	749,519,051	(196,447,437)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(6,508,476)	(17,909,921)
Mark-up received	676,469	1,572,657
Dividend received	46,585	13,198
Proceeds from disposal of item of property, plant and equipment	14,726,144	3,473,738
Purchase of investments	(77,454,781)	-
Net cash used in investing activities	(68,514,059)	(12,850,328)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(7,543,643)	(6,488,035)
(Payments against) / proceeds from loans and borrowings	(331,397,073)	(150,396,159)
Issuance of ICP - net	-	463,993,319
Short term borrowing obtained/(paid)	(388,022,749)	1,051,034,518
Loan from director	409,199,110	-
Net cash (used in) / generated from financing activities	(317,764,355)	1,358,143,643
Net increase in cash and cash equivalents	363,240,637	1,148,845,878
Cash and cash equivalents at beginning of the period	(1,092,131,660)	(2,196,035,771)
Cash and cash equivalents at end of the period	(728,891,023)	(1,047,189,893)

The annexed notes from 1 to 10 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 half year ended December 31, 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 Parent Company is situated at Plot No. DSU-19, Sector II, Downstream Industrial Estate, Pakistan Steel Zulfiqarabad, 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. DSU-19, Sector II, Downstream Industrial Estate, Pakistan Steel Zulfiqarabad, 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 December 2023	30 June 2023	
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.

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 2023. 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.

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

For the half year ended December 31, 2023

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 2023. 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 2023.

	31 December 2023 (Un-audited)	30 June 2023 (Audited)
(Rupees)		
3. PROPERTY, PLANT AND EQUIPMENT		
Operating property, plant and equipment	957,304,881	929,479,214
Capital work-in-progress	3,296,006,750	3,358,785,968
Assets held for sale	(54,181,224)	(54,181,224)
	4,199,130,407	4,234,083,958

3.1 The following acquisitions and disposals have been made during three months period ended 30 September 2023.

	For the half year ended			
	31 December 2023		31 December 2022	
	Acquisitions at cost	Disposals at book value	Acquisitions at cost	Disposals at book value
(Rupees)				
Building on leasehold land	9,748,959	-	81,970	-
Plant and machinery	39,711,213	-	14,299,684	-
Tools and equipment	2,890,000	-	1,260,780	-
Furniture, fittings and office equipment	-	-	450,410	-
Vehicles	4,366,000	2,260,954	-	3,518,500
	56,716,172	2,260,954	16,092,844	3,518,500

	31 December 2023 (Un-audited)	30 June 2023 (Audited)
(Rupees)		
4. CASH AND CASH EQUIVALENTS		
Cash and bank balances	38,367,538	125,923,256
Short term borrowings	(767,258,561)	(1,173,113,149)
	(728,891,023)	(1,047,189,893)
5. ASSET HELD FOR SALE		
Leasehold Land	1,089,774	1,089,774
Building on leasehold land	53,091,450	53,091,450
	54,181,224	54,181,224

5.1 On April 28, 2023, the Board of Directors in their meeting decided to sell the above mentioned properties for meeting working capital requirements due to the higher interest rate on borrowings. The decision has been approved by the shareholders in the extraordinary general meeting held on May 30, 2023 under section 183 (3) of Companies Act, 2017. Accordingly, sale of above mentioned properties were classified as asset held for sale. The sale of assets are expected to be completed within a year from date of classification.

5.2 The Company has entered into agreement to sell the assets held for sale amounting to Rs. 1.01 billion with the buyer. Further, an advance of Rs. 320 million was received during the period against the above mentioned assets.

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no change in the status of contingencies as disclosed under note 34.2 of the annual consolidated financial statements of the Company for the year ended 30 June 2023.

6.2 Commitments

Commitments in respect of letters of credit amounted to Rs. 252 million (30 June 2023: Rs. 628 million).

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

For the half year ended December 31, 2023

7. COST OF REVENUE	For the half year ended		For the three months period ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	----- (Rupees) -----			
Raw materials and components consumed	953,109,559	1,962,198,764	420,790,277	964,158,643
Ancillary materials consumed	53,546,603	66,384,126	19,861,842	24,146,652
Manufacturing Expenses				
Salaries, wages and other employee benefits	182,350,747	254,701,601	99,932,793	117,275,450
Toll manufacturing	27,433,223	38,689,446	12,512,013	26,787,004
Depreciation	38,944,259	31,707,978	19,667,152	12,276,251
Gas, power and water	32,632,703	40,147,462	16,336,318	15,918,759
Others	94,947,365	52,380,929	67,691,162	27,854,833
Manufacturing cost	1,382,964,459	2,446,210,306	656,791,557	1,188,417,592
Opening stock of work-in-process	105,801,677	106,545,556	100,103,744	142,646,374
Impact of recording revenue overtime	62,751,081	62,780,211	62,751,081	62,812,637
Closing stock of work-in-process	(62,751,080)	(62,780,210)	(62,751,080)	(62,780,210)
	105,801,678	106,545,557	100,103,745	142,678,801
Opening stock of finished goods	18,447,442	-	33,616,639	-
Impact of recording revenue overtime	20,349,152	81,169,163	20,349,152	81,169,163
Closing stock of finished goods	(37,239,700)	(40,186,637)	(37,239,700)	(40,186,637)
	1,556,894	40,982,526	16,726,091	40,982,526
	1,490,323,031	2,593,738,389	773,621,393	1,372,078,919

8. 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:

	30 September 2023 (Un-audited)	30 June 2023 (Audited)
	(Rupees)	
Investment in Treet Corporation Limited		
Ordinary shares: 10,043,702 shares (30 June 2023: 4,837,958 shares)	187,013,731	76,587,215
Other receivable - Treet Corporation Limited	1,150,380	1,150,380
Provident fund - balance at the end of the period / year	19,151,243	16,296,720
Employee benefits - gratuity - balance at the end of the period / year	(26,852,445)	(29,052,445)
Treet Battery Limited		
Purchase of batteries	190,455	370,970
IGI General Insurance Limited		
Purchase of services	6,620,440	6,173,577

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.

9. DATE OF AUTHORIZATION

This un-audited condensed interim consolidated financial statements were authorized for issue by the Board of Directors on 28 February 2024.

10. GENERAL

10.1 All figures, except for the 30th June 2023, appearing in this condensed interim consolidated financial statements are un-audited.

10.2 The amounts have been rounded off to nearest rupee.

Chief Financial Officer

Chief Executive








Director










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