



INDUS MOTOR COMPANY LTD.

Condensed Interim Financial Information
For the Nine Months and Quarter ended March 31, 2022
(Un-audited)



Contents

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Directors' Report

For the quarter and nine months ended March 31, 2022

The Directors of the Indus Motor Company (IMC) Limited are pleased to present the un-audited accounts of the Company for the quarter and nine months ended March, 31, 2022.

Pakistan's Automobile Industry

During the nine months period ended March 31, 2022, Pakistan's automobile industry has remained one of the fastest growing sectors in the country and has experienced an increase in demand mainly due to macro-economic recovery, lower taxes and duties and lower auto financing rates in the first half of the current fiscal year, along with launch of new models and variants by existing and new auto players.

The auto sector has also grappled with serious challenges in terms of rising input costs on account of sharp depreciation of the Pakistani rupee against the US Dollar, duties, higher freight charges and soaring international commodity prices. Moreover, in January 2022, the Government increased Federal Excise Duty (FED) and sales tax rates on vehicles. All these factors have led to significant increase in input cost of materials for the sector and the manufacturers had no option other than to pass on the burden to the customers. As a result, the industry experienced increase in overall selling prices of the vehicles throughout the period.

Despite the challenges, the auto sector strived to meet the robust demand for automobiles during the period and on the nine-month basis, PAMA members sales for locally manufactured PC and LCV increased by 52.5% to 205,381 units as compared to 134,718 units sold during the same period last year. Consequent to demand increase, PAMA members registered an increase in production by 54.4% for locally manufactured PC and LCV vehicles to 199,036 units as compared to 128,951 units produced in the same period last year.

Company Review

The combined sales of Completely Knocked Down (CKD) and Completely Built-up Units (CBU) vehicles of the Company for the nine months period ended March 31, 2022, increased by 33.4% to 57,367 units as against 42,988 units sold in the same period last year. The market share of the Company in the overall market stood at approximately 20.3% for the nine months period ended March 31, 2022. Moreover, sales for the quarter ended March 31, 2022, increased by 12.7% to 18,735 units as against 16,626 units sold in the same quarter last year. In order to try and meet the increase in demand, the Company produced 55,192 vehicles for the nine months period, registering a 29.1% increase, as compared to 42,759 units produced in the same period last year.

The net sales turnover for the nine months ended March 31, 2022 increased by 55.1% to Rs. 203.41 billion, as compared to 131.16 billion in the same period last year, while profit after tax also increased by 81.6% to Rs. 15.29 billion, as against Rs. 8.42 billion achieved in the corresponding period last year. The net profit has increased mainly due to higher CKD and CBU

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For the quarter and nine months ended March 31, 2022

sales volume and an increase in other income due to higher fund size on account of increase in customer advances.

During the quarter ended March 31, 2022, the Company launched two new variants, namely "Toyota Hilux Revo Rocco" and "Toyota Fortuner Legender", that received an overwhelming response from customers. Toyota Corolla and Toyota Yaris continue with a steady demand in Pakistan in their respective categories in Passenger Car segment of Pakistan.

During the quarter ended March 31, 2022, the Company received various accolades, such as the "Corporate Social Responsibility Award 2022" by the National Forum for Environment & Health (NFEH) and "Sustainability Innovation Award 2022" by The Professionals Network (TPN). The Earnings Per Share of the company for the nine-month period ended March 31, 2022 is Rs. 194.56 in comparison to Rs. 107.07 reported in the same period last year. Based on the aforementioned results, the Board of Directors is pleased to declare an interim cash dividend of Rs. 26 per share for the quarter, thus making the total dividend for the nine months ended March 31, 2022, Rs. 90.50 per share. During the period, transactions with the related parties as disclosed in the financial statements, were carried out in the ordinary course of business.

During the third quarter, the Board of Directors appointed Mr. Akihiro Murakami and Mr. Shigeki Furuya as the Directors of the Board to fill the casual vacancy created on resignation of Mr. Noriaki Kurokawa and Tetsuya Ezumi from the Board with effect from February 24, 2022 and April 01, 2022, respectively. The Board duly acknowledges the valuable contribution made by the outgoing Directors and expresses sincere gratitude on behalf of the Company. The Board of Directors warmly welcomes Mr. Akihiro Murakami and Mr. Shigeki Furuya as new members of the Board.

Near Term Business Outlook

The auto industry's continued sales growth and demand is not sustainable given the high taxes and duties introduced through Finance (Supplementary) Act, 2022 in January 2022, stringent auto financing rules and restrictions, higher interest rates and continued hike in vehicle prices caused by an increase in global commodity prices, freight charges and continuous devaluation of Pak Rupee. The global supply chain and economic disruption may also impact the local industry. These challenges are likely to impact the overall auto sector demand, and resultantly, the auto sector sales volume and profitability may get affected for the upcoming periods.

The Company urges the Government to devise and promote consistent policies for long-term economic growth of the auto sector. We request the Government to reduce FED on vehicles and provide incentives to local vendors for manufacturing of high-tech parts, to support the continued demand in the auto industry, in order to promote the industry's higher capacity utilization and volumes. In addition, this will also generate additional tax revenue for the government from the auto sector and will also contribute to more employment opportunities.

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The new Auto Policy 2021-26 encourages investment in new technologies such as Hybrid Electric Vehicles (HEVs), Plug-in Hybrid Vehicles (PHEV) and Battery Electric Vehicles (BEVs) to mitigate climate change and reduce dependency on oil imports. Based on the said incentives given by the Government, the Company is investing around USD 100 million for local production of HEV vehicles. The Company is hopeful for supportive long-term policies from the Government without frequent policy changes, in order to facilitate growth of the sector in the future.

Acknowledgement

We are grateful to our customers for their continued patronage of our products and wish to acknowledge the efforts of entire IMC team and staff, vendors, dealers and all business partners, for their untiring efforts, even in the most challenging times and unprecedented circumstances. Our gratitude extends to all our stakeholders and shareholders who have always supported the Company.

We bow to the Almighty, and pray for His blessings and guidance.

On behalf of the Board of Directors.

April 25, 2022
Karachi.



Ali Asghar Jamali
Chief Executive & Director



Shinji Yanagi
Vice Chairman & Director

ڈائریکٹرز رپورٹ برائے سہ ماہی اور نو ماہ مختتمہ

31 مارچ، 2022

انڈس موٹر کمپنی لمیٹڈ کے ڈائریکٹرز 31 مارچ، 2022 کو ختم ہونے والی سہ ماہی اور نو ماہ کیلئے کمپنی کے غیر پڑتال شدہ حسابات پیش کرنے میں مسرت محسوس کرتے ہیں۔

پاکستان کی آٹوموبائل انڈسٹری

31 مارچ، 2022 کو ختم ہونے والے نو ماہ کے دوران پاکستان کی آٹوموبائل انڈسٹری ملک میں تیزی کے ساتھ ترقی کرنے والا شعبہ رہا اور طلب میں اضافہ کا مشاہدہ کیا جس کی بڑی وجوہات میں میکرو اکنامک بحالی، ٹیکسوں اور ڈیوٹیز میں کمی، موجودہ مالی سال کے پہلے نصف میں آؤٹ فنانسنگ کی شرح میں کمی کے ساتھ موجودہ اور نئی کمپنیوں کی طرف سے گاڑیوں کے نئے ماڈلز اور وینٹس کی لانچنگ شامل ہے۔

آٹو انڈسٹری کو ان پٹ لاگتوں میں اضافہ کے تناظر میں سنگین چیلنجوں کا سامنا کرنا پڑا جس کی وجہ الر کے مقابلے میں پاکستانی روپے کی قدر میں کمی، ڈیوٹیز، فریٹ کے بلند چارجز، اور عالمی سطح پر کموڈیٹی کی قیمتوں میں اضافہ ہے۔ مزید برآں جنوری 2022 میں حکومت نے گاڑیوں پر فیڈرل ایکسائز ڈیوٹی (ایف ای ڈی) اور سیلز ٹیکس کی شرح میں اضافہ کیا۔ یہ عوامل سیکٹر کیلئے میٹریل کی ان پٹ لاگت میں خاطر خواہ اضافہ کا سبب بنے اور مینوفیکچررز کے پاس صارفین پر اس کا بوجھ ڈالنے کے علاوہ کوئی آپشن نہیں تھا جس کے نتیجے میں انڈسٹری کو پوری مدت کے دوران مجموعی قیمت فروخت میں اضافہ کا تجربہ کیا۔

چیلنجوں کے باوجود مدت کے دوران اور نو ماہ کی بنیاد پر گاڑیوں کی بڑھتی ہوئی طلب کو پورا کرنے کیلئے کوشاں رہی۔ مقامی سطح پر تیار کردہ PC اور LCV گاڑیوں کی پی اے ایم اے اے اراکین کیلئے فروخت 52.5 فیصد اضافہ کے ساتھ 205,381 یونٹس رہی جبکہ گزشتہ سال 134,718 یونٹس فروخت ہوئے۔ طلب میں اضافہ کے باعث، پی اے ایم اے اے اراکین کی مقامی سطح پر تیار کردہ PC اور LCV گاڑیوں کی پیداوار میں 54.4 فیصد اضافہ ہوا۔ گزشتہ سال کی اسی مدت کے 128,951 یونٹس کے مقابلے میں 199,036 گاڑیاں تیار کی گئیں۔

کمپنی کا جائزہ

31 مارچ، 2022 کو ختم ہونے والی نو ماہ کی مدت کیلئے کمپنی کی سی کے ڈی (CKD) اور سی بی یو (CBU) کی مشترکہ فروخت 33.4 فیصد اضافہ کے ساتھ گزشتہ سال کے 42,988 یونٹس فروخت کے مقابلے میں 57,367 رہی۔ 31 مارچ، 2022 کو ختم ہونے والے نو ماہ کیلئے مجموعی مارکیٹ میں کمپنی کا مارکیٹ شیئر تقریباً 20.3 فیصد رہا۔ مزید برآں، 31 مارچ، 2022 کو ختم ہونے والی سہ ماہی کیلئے فروخت 12.7 فیصد اضافہ کے ساتھ گزشتہ سال کی اسی مدت کے 16,626 یونٹس فروخت کے مقابلے میں 18,735 رہی۔ طلب میں اضافہ کو پورا کرنے کی کوشش میں کمپنی نے نو ماہ کی مدت کیلئے 55,192 گاڑیاں تیار کیں جبکہ گزشتہ سال کی اسی مدت میں 42,759 گاڑیاں تیار کی گئی تھیں۔

31 مارچ، 2022 کو ختم ہونے والے نو ماہ کیلئے خالص فروخت سے حاصل ہونے والی آمدن 55.1 فیصد اضافہ کے ساتھ 203.41 بلین روپے رہی جبکہ گزشتہ سال کی اسی مدت میں یہ آمدن 131.16 بلین روپے تھی۔ گزشتہ سال کے 8.42 بلین روپے کے بعد از ٹیکس منافع کے مقابلے میں موجودہ سال میں بعد از ٹیکس منافع 81.6 اضافہ کے ساتھ 15.29 بلین روپے رہا۔ CKD اور CBU کی بلند فروخت، صارفین کی طرف سے جمع کرائے ایڈوانسز میں اضافہ کی وجہ سے بلند فنڈ سائز کے باعث دیگر آمدن میں اضافہ خالص منافع میں بڑھوتری کا سبب بنا۔

31 مارچ، 2022 کو ختم ہونے والی سہ ماہی کے دوران کمپنی نے ”ٹویوٹا ہائیملکس ریپورٹ کو“ اور ٹویوٹا فورچوپوزیٹیوٹیڈر کے نام سے دو نئے ماڈل متعارف کرائے جنہیں صارفین نے بہت زیادہ سراہا۔ ٹویوٹا کرولا اور ٹویوٹا یارس کی مسافر گاڑی سیکمنٹ میں اپنی متعلقہ کیٹگریوں میں پاکستان میں طلب میں اضافہ جاری ہے۔

31 مارچ، 2022 کو ختم ہونے والی سہ ماہی کے دوران کمپنی کو متعدد اعزازات سے نوازا گیا جن میں نیشنل فورم برائے ماحول اور صحت (این ایف ای ایچ) کی طرف سے کارپوریٹ سماجی ذمہ داری ایوارڈ 2022 اور دی پرفیشنل نیٹ ورک (ٹی پی این) کی طرف سے سسٹین ایبلٹی انوویشن ایوارڈ 2022 شامل ہیں۔

31 مارچ، 2022 کو ختم ہونے والے نو ماہ کیلئے کمپنی کی فی حصص آمدنی گزشتہ سال کی اسی مدت کی 107.07 روپے کے مقابلے میں 194.56 روپے رہی۔ مذکورہ بالا نتائج کی بنیاد پر بورڈ آف ڈائریکٹرز سہ ماہی کیلئے 26 روپے فی حصص کے عبوری نقد منافع منقسمہ کا اعلان کرنے میں مسرت محسوس کرتے ہیں جس سے 31 مارچ، 2022 کو ختم ہونے والے نو ماہ کیلئے کل منافع منقسمہ 90.50 روپے فی حصص بنتا

ہے۔ مدت کے دوران معمول کے کاروباری طریقہ کار میں متعلقہ فریقین کے ساتھ کیے گئے لین دین کو مالی گوشواروں میں بیان کیا گیا ہے۔ تیسری سہ ماہی کے دوران بورڈ آف ڈائریکٹرز نے اکی ہیر و مرا کامی اور ٹیگی کی فرویا کو بطور بورڈ ڈائریکٹر تعینات کیا۔ ان کی تعیناتی نو ریا کی کور و کا وا اور ٹیگو یا ایزومی کے 24 فروری، 2022 اور یکم اپریل، 2022 سے استعفیٰ کی وجہ سے خالی ہونے والی آسانی پر کی گئی۔ بورڈ سکدوش ہونے والے ڈائریکٹرز کی قابل قدر خدمات کا اعتراف کرتے ہوئے کمپنی کی طرف سے ان سے اظہار تشکر کرتا ہے۔ بورڈ کے ڈائریکٹرز کی ہیر و مرا کامی اور ٹیگی کی فرویا کا بورڈ کے نئے اراکین کے طور پر خیر مقدم کرتا ہے۔

مستقبل قریب کا کاروباری جائزہ

جنوری 2022 میں فنانس (ضمنی) ایکٹ، 2022 کے تحت متعارف ٹیکسوں اور ڈیوٹیز کی زیادہ شرح، آٹو فنانسنگ کے سخت قواعد اور پابندیاں، بلند شرح سود، عالمی سطح پر اجناس کی قیمتوں اور فریٹ چارجز میں اضافہ اور پاکستانی روپے کی مسلسل گراؤٹ کے باعث آٹو انڈسٹری کی فروخت اور طلب میں اضافہ پائیدار نہیں ہے۔ عالمی سپلائی چین اور معاشی قفل عالمی انڈسٹری کو متاثر کر سکتا ہے۔ ان چیلنجوں سے آٹو سیکٹر کی مجموعی طلب پر اثر پڑ سکتا ہے جس کے نتیجے میں آئندہ مدتوں کیلئے آٹو سیکٹر کے فروخت کے حجم اور منافع متاثر ہو سکتا ہے۔

کمپنی حکومت پر زور دیتی ہے کہ آٹو سیکٹر کی طویل المدت معاشی ترقی کیلئے مستقل پالیسی تشکیل اور فروغ دی جائے۔ ہم حکومت سے درخواست کرتے ہیں کہ گاڑیوں پر ایف ای ڈی میں کمی کی جائے، ہائی ٹیک پرزہ جات کی تیاری کیلئے مقامی افراد کو مراعات دی جائیں اور آٹو انڈسٹری میں مسلسل طلب کو پورا کرنے میں معاونت فراہم کی جائے تاکہ انڈسٹری کی پیداوار کی مکمل صلاحیت سے بھرپور استفادہ کیا جائے۔ مزید برآں اس سے آٹو سیکٹر سے حکومت کیلئے ٹیکس کی اضافی وصولی ہوگی اور ملازمت کے مزید مواقع پیدا ہوں گے۔ کمپنی امید کرتی ہے کہ حکومت کی طرف سے پالیسی میں متواتر تبدیلیوں کے بغیر طویل المدت معاونتی پالیسیاں تشکیل دی جائیں گی تاکہ مستقبل میں سیکٹر کی ترقی کو یقینی بنایا جاسکے۔

نئی آٹو پالیسی 2021-26 موسمیاتی تبدیلی کے اثرات اور درآمدی تیل پر انحصار کو کم کرنے کیلئے ہائبرڈ الیکٹرک ویکل (ایچ ای وی)، پلگ ان ہائبرڈ ویکلز (پی ایچ ای وی) اور بیٹری الیکٹرک ویکلز (بی ای وی) جیسی نئی ٹیکنالوجیز میں سرمایہ کاری کرنے کی حوصلہ افزائی کرتی ہے۔ حکومت کی طرف سے فراہم کردہ مذکورہ بالا مراعات کی بنیاد پر کمپنی ایچ ای وی گاڑیوں کو مقامی سطح پر تیار کرنے کیلئے 100 ملین ڈالر کی سرمایہ کاری کر رہی ہے۔ کمپنی امید کرتی ہے کہ وہ بغیر کسی متواتر تبدیلی کے طویل المدت معاونتی پالیسیاں تشکیل اور فروغ دے گی تاکہ مستقبل میں آٹو سیکٹر کو ترقی میں مدد ملے سکے۔

اظہار تشکر

ہمیشہ کی طرح ہم اپنے صارفین کے شکرگزار ہیں کہ انہوں نے ہماری مصنوعات پر مسلسل اعتماد کیا اور ان کے تعاون سے کمپنی تمام تر مشکلات سے کامیابی سے نبرد آزما ہوئی۔ کمپنی کو اپنے ملازمین، وینڈرز اور ڈیلرز کے مشکل وقتوں اور غیر معمولی حالات میں عزم، جذبہ، وفاداری اور لگن پر فخر ہے۔ ہم اپنے تمام سٹیک ہولڈرز اور شیئر ہولڈرز کے بھی مشکور ہیں جنہوں نے کمپنی کی ہمیشہ معاونت کی۔

ہم ربِّ عظیم کے شکرگزار ہیں اور اس کی برکتوں سمیت رہنمائی کیلئے دعا گو ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے

25 اپریل، 2022

کراچی



علی اصغر جمالی

چیف ایگزیکٹو و ڈائریکٹر



شن جی یاناگی

وائس چیئرمین و ڈائریکٹر

Condensed Interim Statement of Financial Position


As at March 31, 2022

| | Note | March 31 2022 (Unaudited) | June 30 2021 (Audited) |
|---|------|---------------------------------|------------------------------|
| ------(Rupees in '000)----- | | | |
| ASSETS | | | |
| Non-current Assets | | | |
| Property, plant and equipment | 5 | 14,867,654 | 15,769,862 |
| Intangible assets | | 23,251 | 39,784 |
| Long-term loans and advances | | 17,531 | 16,857 |
| Long-term deposits | | 10,020 | 10,020 |
| Long-term investments | 6 | 9,897,639 | 3,127,175 |
| Deferred taxation - net | | 541,763 | 230,553 |
| | | 25,357,858 | 19,194,251 |
| Current Assets | | | |
| Stores and spares | | 433,791 | 420,105 |
| Stock-in-trade | | 27,943,486 | 22,288,961 |
| Trade debts - unsecured | | 1,858,483 | 517,138 |
| Loans and advances | | 5,349,289 | 6,263,003 |
| Short-term prepayments | | 72,089 | 36,999 |
| Accrued return | | 195,660 | 109,996 |
| Other receivables | | 2,785,741 | 983,119 |
| Short-term investments | 7 | 123,115,521 | 82,052,447 |
| Cash and bank balances | | 7,720,097 | 2,039,797 |
| | | 169,474,157 | 114,711,565 |
| TOTAL ASSETS | | 194,832,015 | 133,905,816 |
| EQUITY | | | |
| Share Capital | | | |
| Authorised capital | | | |
| 500,000,000 (June 30, 2021: 500,000,000) Ordinary Shares of Rs. 10 each | | 5,000,000 | 5,000,000 |
| Issued, subscribed and paid-up capital | | | |
| 78,600,000 (June 30, 2021: 78,600,000) Ordinary Shares of Rs. 10 each | | 786,000 | 786,000 |
| Reserves | | 54,769,364 | 47,415,465 |
| | | 55,555,364 | 48,201,465 |
| LIABILITIES | | | |
| Non-Current Liabilities | | | |
| Long term loan | 8 | 381,873 | 589,837 |
| Deferred government grant | | - | 6,023 |
| Gas Infrastructure Development Cess payable | | - | 149,573 |
| | | 381,873 | 745,433 |
| Current Liabilities | | | |
| Current portion of long term loan | | 304,080 | 373,303 |
| Deferred revenue | | 861 | 3,799 |
| Current portion of deferred government grant | | 11,903 | 34,680 |
| Current portion of Gas Infrastructure Development Cess payable | | 69,880 | 41,522 |
| Unclaimed Dividend | | 1,581,263 | 330,370 |
| Trade payables, other payables and provisions | | 34,164,105 | 30,288,196 |
| Advances from customers and dealers | | 99,207,227 | 51,266,776 |
| Taxation - net | | 3,555,459 | 2,620,272 |
| | | 138,894,778 | 84,958,918 |
| TOTAL EQUITY AND LIABILITIES | | 194,832,015 | 133,905,816 |

CONTINGENCIES AND COMMITMENTS

9

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Mohammad Ibadullah
Chief Financial Officer


Ali Asghar Jamali
Chief Executive & Director



Shinji Yanagi
Vice Chairman & Director

Condensed Interim Profit and Loss Account

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

| | Note | Nine months ended | | Quarter ended | |
|---|------|----------------------|---------------|---------------------|--------------|
| | | March 31 | | March 31 | |
| | | 2022 | 2021 | 2022 | 2021 |
| ----- (Rupees in '000) ----- | | | | | |
| Revenue from contracts with customers | 10 | 203,407,342 | 131,159,717 | 68,222,743 | 51,513,935 |
| Cost of sales | 11 | (185,839,697) | (120,402,059) | (62,991,494) | (46,767,521) |
| Gross profit | | 17,567,645 | 10,757,658 | 5,231,249 | 4,746,414 |
| Distribution expenses | | (1,246,245) | (966,101) | (372,224) | (394,375) |
| Administrative expenses | | (1,518,714) | (1,062,672) | (589,503) | (417,557) |
| Other operating expenses | | (79,205) | (14,984) | (8,116) | (4,444) |
| | | (2,844,164) | (2,043,757) | (969,843) | (816,376) |
| | | 14,723,481 | 8,713,901 | 4,261,406 | 3,930,038 |
| Workers' Profit Participation Fund and Workers' Welfare Fund | | (1,187,987) | (700,590) | (362,208) | (309,122) |
| Profit from operations | | 13,535,494 | 8,013,311 | 3,899,198 | 3,620,916 |
| Other income | 13 | 7,732,248 | 3,892,941 | 3,183,116 | 1,436,435 |
| | | 21,267,742 | 11,906,252 | 7,082,314 | 5,057,351 |
| Finance cost | | (75,834) | (79,533) | (17,121) | (21,248) |
| Profit before taxation | | 21,191,908 | 11,826,719 | 7,065,193 | 5,036,103 |
| Taxation | | (5,899,409) | (3,411,259) | (1,947,386) | (1,421,749) |
| Profit after taxation | | 15,292,499 | 8,415,460 | 5,117,807 | 3,614,354 |
| Earnings per share - basic and diluted (Rupees) | | 194.56 | 107.07 | 65.11 | 45.98 |

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.



Mohammad Ibadullah
Chief Financial Officer



Ali Asghar Jamali
Chief Executive & Director



Shinji Yanagi
Vice Chairman & Director

Condensed Interim Statement of Comprehensive Income

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

| | Nine months ended | | Quarter ended | |
|--|-------------------|-----------|------------------|-----------|
| | March 31 | | March 31 | |
| | 2022 | 2021 | 2022 | 2021 |
| ----- (Rupees in '000) ----- | | | | |
| Profit after taxation for the period | 15,292,499 | 8,415,460 | 5,117,807 | 3,614,354 |
| Items that may be reclassified subsequently to profit or loss | - | - | - | - |
| Items that will not be subsequently reclassified to profit or loss | - | - | - | - |
| Total comprehensive income for the period | 15,292,499 | 8,415,460 | 5,117,807 | 3,614,354 |

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.



Mohammad Ibadullah
Chief Financial Officer



Ali Asghar Jamali
Chief Executive & Director



Shinji Yanagi
Vice Chairman & Director

Condensed Interim Statement of Cash Flows

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

| Note | Nine months ended | |
|------|-----------------------------|------|
| | 2022 | 2021 |
| | March 31 | |
| | ------(Rupees in '000)----- | |

CASH FLOWS FROM OPERATING ACTIVITIES

| | | | |
|---|----|-------------------|-------------------|
| Cash generated from operations | 14 | 61,390,582 | 33,548,875 |
| Net increase / (decrease) in long-term loans and advances | | 1,338 | (4,880) |
| Workers' Welfare Fund paid | | (300,395) | (110,003) |
| Compensation paid on advances received from customers | | (936,233) | (300,790) |
| Interest paid on long term loan | | (9,783) | (11,284) |
| Income tax paid | | (5,275,431) | (2,137,989) |
| Net cash inflow from operating activities | | 54,870,078 | 30,983,929 |


CASH FLOWS FROM INVESTING ACTIVITIES

| | | | |
|---|--|----------------|--------------------|
| Purchase of property, plant and equipment and intangible assets | | (1,648,100) | (1,883,219) |
| Proceeds from disposal of property, plant and equipment | | 91,528 | 126,633 |
| Interest received on bank deposits and Term Deposit Receipts | | 1,054,190 | 700,006 |
| Investment in Pakistan Investment Bonds (PIBs) | | (6,770,464) | (2,627,129) |
| Interest received on Pakistan Investment Bonds (PIBs) | | 512,529 | 72,896 |
| Gain on trade of Pakistan Investment Bonds (PIBs) | | 527,841 | 119,215 |
| Interest received on Market Treasury Bills | | 2,038,491 | - |
| Gain on trade of investment in Market Treasury Bills | | 2,539,157 | 2,012,689 |
| Investment in listed mutual fund units | | (21,035,406) | (20,239,839) |
| Proceeds from redemption of listed mutual fund units | | 22,361,649 | 12,245,567 |
| Dividend Income from listed mutual fund units | | 464,570 | 386,579 |
| Net cash inflow from / (outflow on) investing activities | | 135,985 | (9,086,601) |

CASH FLOWS FROM FINANCING ACTIVITY

| | | | |
|--|----|--------------------|--------------------|
| Dividend paid | | (6,687,708) | (3,436,875) |
| Long-term loan repaid | | (296,204) | (26,710) |
| Long-term loan received | | - | 539,797 |
| Net cash outflow on financing activities | | (6,983,912) | (2,923,788) |
| Net increase in cash and cash equivalents during the period | | 48,022,152 | 18,973,540 |
| Cash and cash equivalents at the beginning of the period | | 71,477,141 | 41,865,904 |
| Cash and cash equivalents at the end of the period | 15 | 119,499,293 | 60,839,444 |

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Mohammad Ibadullah
 Chief Financial Officer


Ali Asghar Jamali
 Chief Executive & Director



Shinji Yanagi
 Vice Chairman & Director

Condensed Interim Statement of Changes in Equity

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

| | Share Capital | Reserves | | | | |
|--|--------------------------------|-------------------------------------|-------------------|-----------------------|-------------------|-------------------|
| | Issued, subscribed and paid-up | Capital | Revenue | | Sub-Total | Total |
| | | Premium on issue of ordinary shares | General reserve | Unappropriated profit | | |
| | ----- (Rupees in '000) ----- | | | | | |
| Balance as at July 1, 2020 | 786,000 | 196,500 | 36,451,050 | 3,735,841 | 40,383,391 | 41,169,391 |
| Total comprehensive income for the quarter ended December 31, 2020 | - | - | - | 8,415,460 | 8,415,460 | 8,415,460 |
| Transfer to general reserve for the year ended June 30, 2020 appropriated subsequent to year end | - | - | 3,000,000 | (3,000,000) | - | - |
| Transactions with owners | | | | | | |
| Final dividend @ 70% for the year ended June 30, 2020 declared subsequent to year end | - | - | - | (550,200) | (550,200) | (550,200) |
| Interim dividend @ 120% during the period ended September 30, 2020 | - | - | - | (943,200) | (943,200) | (943,200) |
| Interim dividend @ 250% during the half year ended December 31, 2020 | - | - | - | (1,965,000) | (1,965,000) | (1,965,000) |
| Balance as at March 31, 2021 | <u>786,000</u> | <u>196,500</u> | <u>39,451,050</u> | <u>5,692,901</u> | <u>45,340,451</u> | <u>46,126,451</u> |
| Balance as at July 1, 2021 | 786,000 | 196,500 | 39,451,050 | 7,767,915 | 47,415,465 | 48,201,465 |
| Total comprehensive income for the half year ended December 31, 2021 | - | - | - | 15,292,499 | 15,292,499 | 15,292,499 |
| Transfer to general reserve for the year ended June 30, 2021 appropriated subsequent to year end | - | - | 4,500,000 | (4,500,000) | - | - |
| Transactions with owners | | | | | | |
| Final dividend @ 365% for the year ended June 30, 2021 declared subsequent to year end | - | - | - | (2,868,900) | (2,868,900) | (2,868,900) |
| Interim dividend @ 345% during the period ended September 30, 2021 | - | - | - | (2,711,700) | (2,711,700) | (2,711,700) |
| Interim dividend @ 300% during the half year ended December 31, 2021 | - | - | - | (2,358,000) | (2,358,000) | (2,358,000) |
| Balance as at March 31, 2022 | <u>786,000</u> | <u>196,500</u> | <u>43,951,050</u> | <u>10,621,814</u> | <u>54,769,364</u> | <u>55,555,364</u> |

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Mohammad Ibadullah
 Chief Financial Officer


Ali Asghar Jamali
 Chief Executive & Director


Shinji Yanagi
 Vice Chairman & Director

Notes to and Forming Part of the Condensed Interim Financial Statements

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

1 THE COMPANY AND ITS OPERATIONS

Indus Motor Company Limited (the Company) was incorporated in Pakistan as a public limited company in December 1989 and started commercial production in May 1993. The shares of the Company are quoted on the Pakistan Stock Exchange.

The Company was formed in accordance with the terms of a Joint Venture agreement concluded amongst certain House of Habib companies, Toyota Motor Corporation and Toyota Tsusho Corporation for the purposes of assembling, progressive manufacturing and marketing of Toyota vehicles. The Company also acts as the sole distributor of Toyota and Daihatsu vehicles in Pakistan and has a license for assembling, progressive manufacturing and marketing of Toyota vehicles in Pakistan.

The registered office and factory of the Company is situated at Plot No. NWZ/1/P-1, Port Qasim Industrial Estate, Bin Qasim, Karachi.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting
- Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

These condensed interim financial information do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published financial statements of the Company for the year ended June 30, 2021.

2.2 These condensed interim financial statements comprise of condensed interim statement of financial position as at March 31, 2022, condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes thereto for the nine months and quarter ended March 31, 2022 have neither been reviewed nor audited.

The comparative statement of financial position presented in these condensed interim financial statements as at June 30, 2021 has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2021. The comparative condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with the notes thereto

Notes to and Forming Part of the Condensed Interim Financial Statements

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

for the nine months ended March 31, 2021 have been extracted from the condensed interim financial statements of the Company for the quarter then ended, which were neither subjected to review nor audited.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation of balances adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Company for the year ended June 30, 2021 except for those disclosed in note 3.2.

3.2 Changes in accounting standards, interpretations and amendments to published accounting and reporting standards

3.2.1 Standards, interpretations and amendments to published approved accounting standards that are effective

There are certain other new standards, interpretations and amendments to accounting and reporting standards which are mandatory for the Company's accounting periods beginning on or after July 1, 2021 but are considered not to be relevant or have any significant effect on the Company's financial reporting and therefore, have not been disclosed in these condensed interim financial statements.

3.2.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant

There are certain new standards, interpretations and amendments to accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2022 but are considered not to be relevant or have any significant effect on the Company's financial reporting and therefore, have not been disclosed in these condensed interim financial statements.

4 SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements is in conformity with the approved accounting standards as applicable in Pakistan for interim reporting which requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and 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. Revision to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied to the financial statements as at and for the year ended June 30, 2021.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2021.

Notes to and Forming Part of the Condensed Interim Financial Statements

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

| | March 31 2022 (Unaudited) | June 30, 2021 (Audited) |
|---|---------------------------------|-------------------------------|
| | ----- (Rupees in '000) ----- | |
| 5. PROPERTY, PLANT AND EQUIPMENT | | |
| Operating assets | 12,675,299 | 14,653,657 |
| Capital work-in-progress | 2,192,355 | 1,116,205 |
| | 14,867,654 | 15,769,862 |

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

| | Additions (at cost) | | Disposals (at cost) | |
|------------------------------------|-------------------------------|-----------|-------------------------------|---------|
| | Nine months ended March 31 | | Nine months ended March 31 | |
| | 2022 | 2021 | 2022 | 2021 |
| | ----- (Rupees in '000) ----- | | | |
| Tangible - Owned | | | | |
| Leasehold land | - | 97,005 | - | - |
| Buildings on leasehold land: | | | | |
| - Factory | 741 | 73,675 | 222 | - |
| - Others | 23,200 | 2,048 | - | - |
| Plant and machinery | 162,570 | 530,835 | 48,612 | 274,934 |
| Motor vehicles | 264,388 | 297,908 | 85,948 | 155,482 |
| Furniture and fixtures | 62,655 | 6,072 | 764 | 52,082 |
| Office equipment | 18,701 | 24,960 | 815 | 24,828 |
| Computers and related accessories | 24,720 | 13,501 | 16,495 | 17,633 |
| Tools and equipment | 8,254 | 67,550 | 1,108 | 145,767 |
| Jigs, moulds and related equipment | 391 | 277,523 | - | 101,202 |
| | 565,620 | 1,391,077 | 153,964 | 771,928 |
| Intangible assets | | | | |
| Computer software | 6,332 | 1,828 | - | - |

- 5.1.1 Additions to owned assets include transfers from capital work-in-progress amounting to Rs 262.753 million (March 31, 2021: Rs 1,057.597 million).

| | March 31 2022 (Un-audited) | June 30, 2021 (Audited) |
|--|----------------------------------|-------------------------------|
| | ----- (Rupees in '000) ----- | |

6. LONG TERM INVESTMENT

At amortised cost

| | | |
|------------------------------------|------------------|-----------|
| Government securities | | |
| - Pakistan Investment Bonds (PIBs) | 9,897,639 | 3,127,175 |
| | 9,897,639 | 3,127,175 |

Notes to and Forming Part of the Condensed Interim Financial Statements

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

| | | March 31 2022 (Un-audited) | June 30, 2021 (Audited) |
|--------------|---|----------------------------------|-------------------------------|
| | | ------(Rupees in '000)----- | |
| 7 | SHORT TERM INVESTMENTS | | |
| | At amortized cost | | |
| | - Term Deposit Receipts (TDRs) | 41,750,000 | 32,000,000 |
| | At fair value through profit or loss | | |
| | - Government securities - Market Treasury Bills | 70,029,196 | 37,437,344 |
| | - Listed Mutual Fund Units | 11,336,325 | 12,615,103 |
| | | 123,115,521 | 82,052,447 |
| 8 | LONG TERM LOAN | | |
| | Loan Under financing scheme | | |
| | - Refinance scheme for renewable energy | 8.1 329,856 | 359,843 |
| | - Refinance scheme for payment of wages and salaries to employees | 8.2 356,097 | 603,297 |
| | | 685,953 | 963,140 |
| | Less: Current Portion | | |
| | - Refinance scheme for renewable energy | (39,983) | (39,983) |
| | - Refinance scheme for payment of wages and salaries to employees | (264,097) | (333,320) |
| | | (304,080) | (373,303) |
| | | 381,873 | 589,837 |
| 9 | CONTINGENCIES AND COMMITMENTS | | |
| 9.1 | Contingencies | | |
| 9.1.1 | The status of contingencies as disclosed in annual financial statements of the Company for the year ended June 30, 2021 has remained unchanged. | | |
| 9.1.2 | As at March 31, 2022 the claims not acknowledged as debts by the company aggregate to Rs 2,093.761 million (June 30, 2021: Rs 2,058.862 million). | | |
| 9.2.3 | Outstanding bank guarantees as at March 31, 2022 amounted to Rs 16,566.042 million (June 30, 2021: Rs 19,166.608 million). This includes an amount of Rs 5,538.418 million (June 30, 2021: Rs 4,939.347 million) in respect of bank guarantees from a related party. | | |
| 9.2 | Commitments | | |
| 9.2.1 | Commitments in respect of capital expenditure as at March 31, 2022 aggregate to Rs 7,348.773 million (June 30, 2021: Rs 1,225.474 million). | | |
| 9.2.2 | Commitments in respect of letters of credit, other than for capital expenditure, as at March 31, 2022 amounted to Rs 8,462.183 million (June 30, 2021: Rs 7,493.812 million). The above letters of credit include an amount of Rs 2,466.676 million (June 30, 2020: Rs 1,402.745 million) availed from a related party. | | |

Notes to and Forming Part of the Condensed Interim Financial Statements

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

| Nine months ended | | Quarter ended | |
|------------------------------|------------------|------------------|------------------|
| March 31 2022 | March 31 2021 | March 31 2022 | March 31 2021 |
| ----- (Rupees in '000) ----- | | | |

10 REVENUE FROM CONTRACTS WITH CUSTOMERS

Manufacturing

| | | | | |
|---|--------------------|--------------------|-------------------|-------------------|
| Gross sales | 243,965,574 | 158,448,253 | 83,843,549 | 63,188,587 |
| Sales tax | (35,437,353) | (23,012,472) | (12,182,335) | (9,170,245) |
| FED | (9,148,040) | (6,438,528) | (4,127,159) | (2,921,257) |
| | <u>199,380,180</u> | <u>128,997,253</u> | <u>67,534,055</u> | <u>51,097,085</u> |
| Commission | (4,640,902) | (2,651,073) | (1,888,823) | (1,085,125) |
| Discounts | (9,296) | (80,758) | (3,230) | (77,336) |
| Compensation on advances from customers | (1,242,702) | (562,959) | (590,237) | (222,326) |
| Manufacturing net sales | <u>193,487,280</u> | <u>125,702,463</u> | <u>65,051,766</u> | <u>49,712,298</u> |

Trading

| | | | | |
|--------------------------|-------------------|------------------|------------------|------------------|
| Gross sales | 12,377,507 | 7,058,809 | 4,042,143 | 2,351,269 |
| Sales tax | (1,739,258) | (1,093,538) | (604,703) | (366,015) |
| | <u>10,638,249</u> | <u>5,965,271</u> | <u>3,437,440</u> | <u>1,985,254</u> |
| Commission | (214,348) | (147,418) | (92,107) | (39,710) |
| Discounts | (503,839) | (360,599) | (174,355) | (143,907) |
| Trading net sales | <u>9,920,061</u> | <u>5,457,254</u> | <u>3,170,978</u> | <u>1,801,637</u> |

Net sales

| Nine months ended | | Quarter ended | |
|------------------------------|------------------|------------------|------------------|
| March 31 2022 | March 31 2021 | March 31 2022 | March 31 2021 |
| ----- (Rupees in '000) ----- | | | |

11 COST OF SALES

| | | | | |
|---------------|--------------------|--------------------|-------------------|-------------------|
| Manufacturing | 178,347,609 | 116,610,214 | 60,642,795 | 45,570,741 |
| Trading | 7,492,088 | 3,791,845 | 2,348,699 | 1,196,780 |
| | <u>185,839,697</u> | <u>120,402,059</u> | <u>62,991,494</u> | <u>46,767,521</u> |

Notes to and Forming Part of the Condensed Interim Financial Statements

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

12. SEGMENT REPORTING

| | ------(Un-audited)----- | | | ------(Un-audited)----- | | |
|------------------------|----------------------------------|-----------|-------------|----------------------------------|-----------|-------------|
| | Nine months ended March 31, 2022 | | | Nine months ended March 31, 2021 | | |
| | Manufacturing | Trading | Total | Manufacturing | Trading | Total |
| | ----- (Rupees in '000) ----- | | | | | |
| Net sales | 193,487,280 | 9,920,061 | 203,407,342 | 125,702,463 | 5,457,254 | 131,159,717 |
| Gross Profit | 15,139,671 | 2,427,973 | 17,567,645 | 9,092,249 | 1,665,409 | 10,757,658 |
| Profit from operations | 11,324,558 | 2,210,935 | 13,535,494 | 6,491,330 | 1,521,981 | 8,013,311 |
| | ------(Un-audited)----- | | | ------(Un-audited)----- | | |
| | Quarter ended March 31, 2022 | | | Quarter ended March 31, 2021 | | |
| | Manufacturing | Trading | Total | Manufacturing | Trading | Total |
| | ----- (Rupees in '000) ----- | | | | | |
| Net sales | 65,051,764 | 3,170,978 | 68,222,743 | 49,712,298 | 1,801,637 | 51,513,935 |
| Gross Profit | 4,408,969 | 822,279 | 5,231,249 | 4,141,557 | 604,857 | 4,746,414 |
| Profit from operations | 3,157,636 | 741,561 | 3,899,198 | 3,067,373 | 553,543 | 3,620,916 |
| | | | | Nine months ended | | |
| | | | | March 31 | | |
| | | | | 2022 | 2021 | |
| | ----- (Rupees in '000) ----- | | | | | |

13. OTHER INCOME

Income from Financial Assets

| | | |
|--|-----------|-----------|
| Return on bank deposits | 1,139,938 | 714,598 |
| Net gain on investment in listed mutual funds units | 47,466 | 36,866 |
| Dividend income from listed mutual fund units | 464,570 | 386,579 |
| Interest income on Pakistan Investment Bonds | 512,445 | 72,811 |
| Gain on trade of investment in Pakistan Investment Bonds | 527,841 | 119,216 |
| Interest income on Market Treasury Bills | 2,038,491 | - |
| Gain on trade of investment in Market Treasury Bills | 2,416,210 | 1,943,657 |
| Unrealized gain on investment in Market Treasury Bills | 122,947 | 69,031 |

Income from Non Financial Assets

| | | |
|--|-----------|-----------|
| Agency Commission income - net of expenses | 26,210 | 80,158 |
| Unclaimed liabilities written back | 231,831 | 81,117 |
| Others | 204,299 | 388,908 |
| | 7,732,248 | 3,892,941 |

Notes to and Forming Part of the Condensed Interim Financial Statements

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

| Note | Nine months ended March 31 | |
|--|-------------------------------|-------------|
| | 2022 | 2021 |
| ------(Rupees in '000)----- | | |
| 14 CASH GENERATED FROM / (USED IN) OPERATIONS | | |
| Profit before taxation | 21,191,908 | 11,826,719 |
| Adjustment for non-cash charges and other items: | | |
| Depreciation | 2,493,872 | 2,283,306 |
| Amortization | 23,661 | 29,346 |
| Provision for doubtful debts | 21,184 | (695) |
| Gain on disposal of operating fixed assets | (42,219) | (56,824) |
| Net unrealised gain on foreign exchange contracts - fair value hedge | 29,079 | (19,791) |
| Return on bank deposits | (1,139,938) | (714,597) |
| Interest income on Pakistan Investment Bonds | (512,445) | (72,811) |
| Gain on trade of investment in Pakistan Investment Bonds | (527,841) | (119,216) |
| Interest income on Market Treasury Bills | (2,038,491) | - |
| Gain on trade of investment in Market Treasury Bills | (2,416,210) | (1,943,657) |
| Gain realised against investments in listed mutual fund units | (47,466) | (36,866) |
| Unrealized gain on investment in Market Treasury Bills | (122,947) | (69,032) |
| Dividend income from listed mutual fund units | (464,570) | (386,579) |
| Charge in respect of Workers' Profit Participation Fund | 755,499 | 459,228 |
| Charge in respect of Workers' Welfare Fund | 432,488 | 241,362 |
| Interest expense on long term loan | 14,080 | 14,357 |
| Compensation on advances received from customers | 1,242,701 | 562,957 |
| Working capital changes | 42,498,237 | 21,551,668 |
| 14.1 | 61,390,582 | 33,548,875 |
| 14.1 Working capital changes | | |
| (Increase) / decrease in current assets | | |
| Stores and spares | (13,686) | 45,855 |
| Stock-in-trade | (5,654,525) | (4,089,394) |
| Trade debts | (1,362,529) | 239,689 |
| Loans and advances | 911,701 | (1,963,565) |
| Short-term prepayments | (35,090) | (37,417) |
| Other receivables | (2,591,518) | (76,816) |
| | (8,745,647) | (5,881,648) |
| (Decrease) / increase in current liabilities | | |
| Trade payables, other payables and provisions | 3,278,013 | 12,519,670 |
| Current portion of deferred revenue | (2,938) | (24,537) |
| Advances from customers and dealers | 47,940,451 | 14,938,183 |
| Gas Infrastructure Development Cess Payable | 28,358 | - |
| | 51,243,884 | 27,433,316 |
| | 42,498,237 | 21,551,668 |
| 15 CASH AND CASH EQUIVALENTS | | |
| Term Deposit Receipts | 41,750,000 | 23,000,000 |
| Government Securities - Market Treasury Bills | 70,029,196 | 35,615,481 |
| Cash and bank balances | 7,720,097 | 2,223,963 |
| | 119,499,293 | 60,839,444 |

Notes to and Forming Part of the Condensed Interim Financial Statements

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

16 TRANSACTIONS AND BALANCES WITH ASSOCIATED UNDERTAKINGS / RELATED PARTIES

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

| | Nine months ended | | Quarter ended | |
|--|-----------------------------|------------|-----------------------------|------------|
| | March 31 | | March 31 | |
| | 2022 | 2021 | 2022 | 2021 |
| | ------(Rupees in '000)----- | | ------(Rupees in '000)----- | |
| With associated undertakings / related parties: | | | | |
| Sales | 879,504 | 215,087 | 99,136 | 96,307 |
| Purchases | 111,139,681 | 70,485,958 | 40,905,570 | 30,834,233 |
| Insurance premium | 106,635 | 84,613 | 37,188 | 30,810 |
| Agency commission | 29,360 | 79,534 | 22,195 | 26,776 |
| Running royalty | 2,988,093 | 2,013,216 | 1,010,714 | 779,134 |
| Return on bank deposits | 352,665 | 241,186 | 179,299 | 103,538 |
| Proceeds from disposal of fixed assets / insurance claim | 115 | 1,680 | 31 | 1,455 |
| Donations | 30,000 | 2,548 | - | - |
| Supervisor Fee | 5,922 | 547 | - | - |
| Annual Subscription | 1,650 | 1,300 | 500 | 800 |
| Bank and LC charges | 49,023 | 52,784 | 15,050 | 14,280 |
| Interest on long term loan facility | 3,457 | 4,920 | 905 | 1,810 |
| With other related parties: | | | | |
| Contribution to retirement benefit funds | 109,155 | 43,183 | 36,438 | 30,890 |
| With key management personnel: | | | | |
| - Salaries and benefits | 99,352 | 92,889 | 36,632 | 37,372 |
| - Post employment benefits | 6,533 | 5,297 | 2,493 | 1,953 |
| - Sale of fixed assets | 35 | 5,289 | - | 5,289 |

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

| Nature of balances | March 31 | June 30 |
|--|-----------------------------|-------------------|
| | 2022 (Unaudited) | 2021 (Audited) |
| | ------(Rupees in '000)----- | |
| Short-term prepayments | 22,761 | 2,987 |
| Accrued Return on deposits and savings accounts | 17,065 | 14,779 |
| Bank balances and Term Deposit Receipts | 18,795,510 | 11,821,129 |
| Margin held with bank against imports under LC's | 2,205,814 | 2,104,031 |
| Warranty claims, agency commission and other receivables | 189,319 | 136,113 |
| Trade and other payables | 6,948,595 | 3,633,143 |

16.2 During the period, Rs 2.125 million (March 31, 2020: Rs 1.875 million) was paid as directors' fee to independent directors.

Notes to and Forming Part of the Condensed Interim Financial Statements

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

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

| | ----- As at March 31, 2022 ----- | | | ----- As at June 30, 2021 ----- | | |
|---|----------------------------------|-------------------|---------|---------------------------------|------------|---------|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| ----- Rupees in '000----- | | | | | | |
| Financial assets 'at fair value through profit or loss' | | | | | | |
| - Government Securities | | | | | | |
| - Market Treasury Bills | - | 70,029,196 | - | - | 37,437,344 | - |
| - Listed mutual fund units | - | 11,336,325 | - | - | 12,615,103 | - |
| - Derivative financial instruments | - | 21,221 | - | - | 29,079 | - |

18 NON-ADJUSTING EVENT AFTER STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors in its meeting held on April 25, 2022 have proposed an interim cash dividend of Rs 26 per share (March 31, 2021: Rs 30 per share) in respect of the year ending June 30, 2022. The condensed interim financial information for the quarter ended March 31, 2022, does not include the effect of this dividend which will be accounted for in the annual financial statements for the year ended June 30, 2022.

19 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified wherever necessary, for the purpose of better presentation and comparison.

Notes to and Forming Part of the Condensed Interim Financial Statements

For the Nine Months and Quarter ended March 31, 2022 (Unaudited)

20 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 25, 2022 by the Board of Directors of the Company.

21 GENERAL

Figures in this condensed interim financial information has been rounded off to the nearest thousand rupees.



Mohammad Ibadullah
Chief Financial Officer



Ali Asghar Jamali
Chief Executive & Director



Shinji Yanagi
Vice Chairman & Director

Company Information

Board of Directors

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

Chief Financial Officer

Mr. Mohammad Ibadullah

Company Secretary

Mr. Muhammad Arif Anzer

Audit Committee Members

| | |
|-----------------------|------------------------------------|
| Mr. Azam Faruque | Committee Chairman |
| Mr. Muhammad H. Habib | Member |
| Mr. Imran A. Habib | Member |
| Mr. Akihiro Murakami | Member |
| Mr. Riyaz T. Chinoy | Member |
| Mr. Shiraz Sanawar | Secretary & Head of Internal Audit |

Human Resource and Remuneration

Committee Members

| | |
|-----------------------------|--------------------|
| Mr. Azam Faruque | Committee Chairman |
| Mr. Mohamedali R. Habib | Member |
| Mr. Shinji Yanagi | Member |
| Syeda Tatheer Zehra Hamdani | Member |
| Mr. Ali Asghar Jamali | Member |
| Mr. Khurram Mahmood | Secretary |

Auditors

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

Legal Advisors

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

Bankers

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

Registrar

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

Factory / Registered Office

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

Phone: (PABX) (92-21) 34720041-48
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Fax: (92-21) 34720040

Website: www.toyota-indus.com

Credit Rating

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

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