



**THE GENERAL TYRE & RUBBER COMPANY**  
**OF PAKISTAN LIMITED**

**FIRST (1<sup>st</sup>) QUARTER ACCOUNTS FOR THE**  
**PERIOD ENDED SEPTEMBER 30, 2021**

## Contents

Company Profile	02
Directors' Review	03
Directors' Review (in Urdu)	05
Condensed Interim Statement of Financial Position (Unaudited)	06
Condensed Interim Statement of Profit or Loss Account and other Comprehensive Income (Unaudited)	08
Condensed Interim Statement of Changes in Equity (Unaudited)	09
Condensed Interim Statement of Cash Flows (Unaudited)	10
Notes to and forming Part of the Condensed Interim Financial Statements (Unaudited)	11

## COMPANY PROFILE

### Board of Directors\*

Lt. Gen. (Retd.) Ali Kuli Khan Khattak  
 Mr. Hussain Kuli Khan Chief Executive  
 Mr. Ahmad Kuli Khan Khattak  
 Mr. Adnan Ahmed  
 Mr. Manzoor Ahmed  
 Mrs. Shahnaz Sajjad Ahmad  
 Syed Ahmed Iqbal Ashraf  
 Mr. Umair Aijaz

### Company Secretary

Mr. Yasir Ali Quraishi

### Chief Financial Officer

Mr. Siraj A. Lawai

### Board Audit Committee\*

Mr. Ahmad Kuli Khan Khattak  
 Mr. Manzoor Ahmed  
 Syed Ahmed Iqbal Ashraf  
 Mr. Umair Aijaz

### Board Human Resource & Remuneration Committee\*

Mr. Ahmad Kuli Khan Khattak  
 Mr. Adnan Ahmed  
 Mr. Hussain Kuli Khan  
 Mr. Manzoor Ahmed  
 Syed Ahmed Iqbal Ashraf

### Auditors

A.F. Ferguson & Co.  
 Chartered Accountants

### Legal Advisor

Ahmed & Qazi Advocates & Legal Consultants

### Share Registrar

CDC Share Registrar Services Limited.  
 CDC House 99-B, Block-B, S.M.C.H.S.,  
 Main Shahra-e-Faisal Karachi-74400  
 Customer Support Services (Toll Free) 0800-CDCPL (23275)  
 Fax: (92-21) 34326053, Email: info@cdcsrsl.com  
 Website: www.cdcsrsl.com

\* Sequence of names in alphabetical order

### Major Bankers

Al-Baraka Bank Pakistan Limited  
 Askari Bank Limited  
 Bank Al-Falah Limited  
 Dubai Islamic Bank Pakistan Limited  
 Faysal Bank Limited  
 Habib Bank Limited  
 Habib Metropolitan Bank Limited  
 Industrial and Commercial Bank of China Limited  
 MCB Bank Limited  
 National Bank of Pakistan  
 Samba Bank Limited  
 The Bank of Punjab  
 United Bank Limited

### Registered Office & Factory

H-23/2, Landhi Industrial Trading Estate,  
 Landhi, Karachi.  
 Phone : 021-35080172-81, 021-38020207-13  
 UAN : 021-111 487 487  
 Fax : 021-35081212, 021-35080171, 021-35084121  
 Website : www.gtr.com.pk

### Branch Offices

#### Lahore

Plot No. 20,  
 Shahrah-e-Fatima  
 Jinnah, Lahore.  
 Phone : 042-36308605-6  
 Fax : 042-36300108

#### Multan

Plot No. 758-759/21,  
 Khanewal Road, Multan  
 Phone : 061-774407  
 Fax : 061-774408

#### Islamabad

Plot No. 148-149,  
 Khuda Baksh Road, Saraan,  
 Kahuta, Industrial Triangle,  
 Kahuta Road, Hummak  
 Islamabad.  
 Phone : 051 - 5971612-13  
 Phone : 051 - 5971650  
 Fax : 051 - 5971615

### Customer Care & Service Centre

#### Lahore

Plot No. 20, Shahrah-e-Fatima  
 Jinnah, Lahore.  
 Phone : 042-36308605-6  
 Fax : 042-36308607



## **DIRECTORS' REVIEW**

The Directors are pleased to present the unaudited condensed interim financial statements of the Company for the first quarter ended September 30, 2021.

## **BUSINESS REVIEW**

Net sales in value terms for the first quarter ended under review was Rs. 4.23 billion as compared to Rs. 3.19 billion in the same period last year, showing growth of 33%.

Better sales growth is mainly due to enhanced focus on replacement market (RM) coupled with gradual picking up of economic activity and lower availability of smuggled tyres. The RM segment has shown good growth in almost all categories, in particular Farm segment as a result of pre-season buying in the month of September. The Company has increased its efforts on RM segment, while catering the requirements of Original Equipment Manufacturer (OEM) segment. Moreover, OEM sales, in particular passenger car and light truck tyre sales, also improved from same period last year.

The export sales of the Company for the period were Rs. 17.9 million as compared to Rs. 29.3 million in same period last year. Lower sales from last period is mainly due to law and order situation in Afghanistan in period under review. It is expected that with improvement in law & order situation, the export sales would gain momentum.

The gross profit for the period was Rs. 550 million as compared to Rs. 474 million in same period last year. Gross profit margin was 13.0% as compared to 14.9% in same period last year. Lower gross margin was mainly due to higher C & F raw material prices, devaluation of rupee, increase in utility prices and other manufacturing cost partly offset by higher sales in replacement market, better product mix and price increase.

The finance cost for the period was Rs. 145 million as compared to Rs. 123 million in the same period last year. Despite increase in raw material prices, the Company has contained the increase in financial cost through better working capital management.

As a result of the factors mentioned above, profit after tax for the first quarter ended September 30, 2021 was Rs. 130.9 million as compared to loss after tax of Rs. 126.0 million reported in the same period last year.

## **FUTURE PROSPECTS**

Reduction in COVID cases and opening up of businesses is good omen for overall economy as well as for your Company.





During the period, SBP has increased the discount rate by 25bps to 7.25%, which will marginally increase the financing cost of the Company. Moreover, since last couple of months Rupee is losing its value against US Dollar. Sustainability of economic activity, coupled with the stability of exchange and financing rates are key factors for future profitability of your Company.

Lately under invoicing has increased substantially, which is not only impacting local industry but also depriving Government of its due tax revenue. In August 2021, the Import Trade prices (ITP) of tyres were updated, last time such exercise was carried out in 2018. This was necessary to reflect the impact of increase in raw material pricing. We hope that Government will continue its efforts to curb smuggling and ensure proper classification of tyres in appropriate categories of ITP. This will not only result in higher tax revenue for the Government but will also provide level playing field to the local industry and will be helpful in providing employment.

In the last several months, raw material prices have increased significantly. This is mainly due to sudden increase in global demand post first wave of COVID and also because of containers shortage resulting in significant increase in sea freight. It is expected that the situation will gradually improve in next few months, however, if this continued then this may impact the local industry. The Company has gradually started to pass on its impact to its customers both in OEM and replacement market segments.

The Company is also working on strategies to reduce cost. Moreover, it is also working on developing new sizes and designs for both OEM and Replacement market segments.

Despite the difficult economic situation and competitive pressures, we believe that the long term growth potential of the business is intact.

For and on behalf of the Board of Directors.

A handwritten signature in blue ink, appearing to read 'Hussain V.K. V.K.'.

**Chief Executive**

**Karachi**

**Dated: October 27, 2021**

A handwritten signature in black ink, appearing to be a stylized name.

**Director**

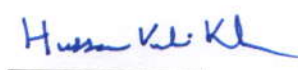


**THE GENERAL TYRE AND RUBBER COMPANY OF PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2021**

	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
Note	----- Rupees in '000 -----	
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorised capital		
125,000,000 (June 30, 2021: 125,000,000) ordinary shares of Rs 10 each	1,250,000	1,250,000
Issued, subscribed and paid-up share capital	1,219,334	1,219,334
Reserve for capital expenditure	1,000,000	1,000,000
Unappropriated profit	1,427,207	1,296,281
<b>TOTAL EQUITY</b>	<b>3,646,541</b>	<b>3,515,615</b>
<b>LIABILITIES</b>		
<b>NON CURRENT LIABILITIES</b>		
Long term finances	833,811	989,453
Lease liability	2,039	3,262
Staff benefits	402,272	382,630
Deferred liabilities		
- Deferred tax liability	57,369	62,268
- Others	183,105	186,641
	240,474	248,909
Long term deposits from dealers	10,460	9,960
	1,489,056	1,634,214
<b>CURRENT LIABILITIES</b>		
Current maturity of long term finances	748,502	844,077
Current maturity deferred liabilities	97,705	100,954
Short term finances	3,063,027	1,958,553
Current maturity of lease liability	4,150	5,300
Running finances under mark-up arrangements	2,950,111	3,289,343
Trade and other payables	3,753,551	2,467,179
Unclaimed dividend	19,540	19,554
Accrued mark-up	115,220	129,176
Provisions	59,038	59,038
	10,810,844	8,873,174
<b>TOTAL LIABILITIES</b>	<b>12,299,900</b>	<b>10,507,388</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15,946,441</b>	<b>14,023,003</b>
Contingencies and commitments		

  
**Chief Financial Officer**

  
**Chief Financial Officer**

  
**Chief Executive**

  
**Chief Executive**

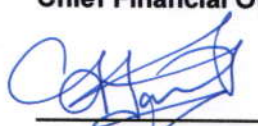
  
**Director**


**THE GENERAL TYRE AND RUBBER COMPANY OF PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2021**

		September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
	Note	----- Rupees in '000 -----	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	7	5,182,268	5,197,325
Right-of-use assets		3,184	4,838
Intangible assets		2,202	2,698
Investment in an associated company	8	20,292	19,408
Long term loans and advances		8,397	9,039
Long term deposits		22,024	22,028
		<u>5,238,367</u>	<u>5,255,336</u>
<b>CURRENT ASSETS</b>			
Stores and spares		625,455	636,040
Stocks	9	6,099,580	4,841,207
Trade debts		2,092,492	1,717,939
Loans and advances		178,053	74,668
Deposits and prepayments		139,557	88,887
Other receivables		221,876	185,637
Taxation - net		1,152,957	1,148,891
Cash and bank balances		198,104	74,398
		<u>10,708,074</u>	<u>8,767,667</u>
<b>TOTAL ASSETS</b>		<u><b>15,946,441</b></u>	<u><b>14,023,003</b></u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
**Chief Financial Officer**

  
**Chief Financial Officer**

  
**Chief Executive**

  
**Chief Executive**

  
**Director**

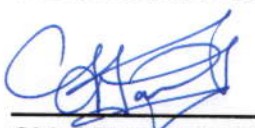


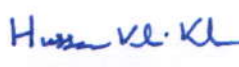
**THE GENERAL TYRE AND RUBBER COMPANY OF PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT**  
**AND OTHER COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021**


		Quarter ended September 30,	
		2021	2020
	Note	----- Rupees in '000 -----	
Sales - net		4,233,057	3,187,620
Cost of sales	10	(3,683,522)	(2,713,219)
<b>Gross profit</b>		<b>549,535</b>	<b>474,401</b>
Administrative expenses		(71,504)	(64,592)
Distribution cost		(141,675)	(114,486)
Other income		19,966	13,788
Other expenses		(12,425)	(12,319)
<b>Profit from operations</b>		<b>343,897</b>	<b>296,792</b>
Finance cost		(144,936)	(122,473)
		<b>198,961</b>	<b>174,319</b>
Share of profit of an associated company	8	884	4,212
<b>Profit before taxation</b>		<b>199,845</b>	<b>178,531</b>
Taxation	11	(68,919)	(52,558)
<b>Profit for the period</b>		<b>130,926</b>	<b>125,973</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>130,926</b>	<b>125,973</b>
		----- Rs.-----	
Earnings per share basic and diluted		<b>1.07</b>	<b>1.03</b>


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**Chief Financial Officer**

  
**Chief Financial Officer**

  
**Chief Executive**

  
**Chief Executive**

  
**Director**



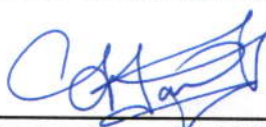
THE GENERAL TYRE AND RUBBER COMPANY OF PAKISTAN LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021

	Issued, subscribed and paid-up share capital	Capital Reserve  Reserve for capital expenditure	Revenue Reserve  Unappropriated profit	Total
	----- Rupees in '000 -----			
Balance as at July 1, 2020 (Audited)	1,219,334	1,000,000	734,957	2,954,291
Total comprehensive income for the period ended September 30, 2020	-	-	125,973	125,973
Balance as at September 30, 2020 (Un - audited)	<u>1,219,334</u>	<u>1,000,000</u>	<u>860,930</u>	<u>3,080,264</u>
Balance as at July 1, 2021 (Audited)	1,219,334	1,000,000	1,296,281	3,515,615
Total comprehensive income for the period ended September 30, 2021	-	-	130,926	130,926
Balance as at September 30, 2021 (Un-audited)	<u>1,219,334</u>	<u>1,000,000</u>	<u>1,427,207</u>	<u>3,646,541</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Financial Officer



Chief Executive



Chief Executive



Director


**THE GENERAL TYRE AND RUBBER COMPANY OF PAKISTAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021**

		Quarter ended September 30,	
		2021	2020
		---- Rupees in '000 ----	
	Note		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash (used in) / generated from operations	12	(30,781)	676,976
Staff retirement gratuity paid		(8,775)	(12,213)
Compensated absences paid		(1,224)	(1,664)
Long term deposits from dealers - net		500	(140)
Finance cost paid		(158,722)	(170,183)
Taxes paid		(77,884)	(3,944)
Long term loans and advances - net		642	2,140
Long term deposits - net		4	(450)
Profit on bank deposits received		136	154
<b>Net cash (used in) / generated from operating activities</b>		<b>(276,104)</b>	<b>490,676</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(101,319)	(45,722)
Proceeds from sale of operating fixed assets		200	3,021
<b>Net cash used in investing activities</b>		<b>(101,119)</b>	<b>(42,701)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long term finances - repaid		(261,756)	(49,999)
Long term finances - obtained		-	439,040
Lease rental paid - net		(2,543)	(7,606)
Short term finances - net		1,104,474	(936,514)
Dividend paid		(14)	(132)
<b>Net cash generated from / (used in) financing activities</b>		<b>840,161</b>	<b>(555,211)</b>
Net increase / (decrease) in cash and cash equivalents		<b>462,938</b>	<b>(107,236)</b>
Cash and cash equivalents at beginning of the period		<b>(3,214,945)</b>	<b>(3,767,498)</b>
<b>Cash and cash equivalents at end of the period</b>	13	<b>(2,752,007)</b>	<b>(3,874,734)</b>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
**Chief Financial Officer**

  
**Chief Financial Officer**

  
**Chief Executive**

  
**Chief Executive**

  
**Director**

**IER COMPANY OF PAKISTAN LIMITED**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM**  
**FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021**

**1. LEGAL STATUS AND OPERATIONS**

- 1.1 The General Tyre and Rubber Company of Pakistan Limited (the Company) was incorporated in Pakistan on March 7, 1963 as a private limited company and was subsequently converted into a public limited company. Its shares are listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at H - 23/2, Landhi Industrial Trading Estate, Landhi, Karachi with regional offices at Lahore, Multan and Islamabad. The Company is engaged in the manufacturing and trading of tyres and tubes for automobiles and motorcycles.
- 1.2 During the year, in respect of a litigation involving the Company, the High Court of Sindh has issued an order whereby the Company and its Board are restrained to pass any resolution involving vote of a special majority that includes declaration of final and interim dividends as provided in Articles of the Company.

**2. BASIS OF PREPARATION**

**2.1 Statement of Compliance**

These condensed interim financial statements is unaudited and have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards 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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 These condensed interim financial statements does not include all the information and disclosures required in an annual financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2021.

**3. SIGNIFICANT ACCOUNTING POLICIES**

- 3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended June 30, 2021.

**3.2 New standards, amendments to approved accounting standards and new interpretations**

**3.2.1 Amendments to published approved accounting standards which were effective during the period ended September 30, 2021.**

There were certain amendments to approved accounting standards which were mandatory for the Company's annual accounting period which began on July 01, 2021. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in this condensed interim financial statements.

**4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**

The preparation of these condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

However, the management believes that the change in outcome of judgements, estimates and assumptions would not have a material impact on the amounts disclosed in this condensed interim financial statements.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's financial statements for the year ended June 30, 2021.

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

	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
	--- Rupees in '000 ---	
<b>5. TRADE AND OTHER PAYABLES</b>		
Trade creditors	301,743	147,331
Bills payable	1,702,598	752,474
Accrued expenses	1,334,157	1,118,478
Royalty fee payable	96,774	89,481
Advances from customers	34,233	48,842
Staff provident fund payable	4,497	4,613
Staff retirement benefits	64,736	73,511
Short term deposits	2,125	1,852
Workers' profit participation fund	11,077	43,577
Workers' welfare fund	24,082	18,186
Payable to Waqf-e-Kuli Khan	17,601	14,327
Interest payable on custom duties	29,933	29,933
Sales tax	95,601	93,632
Others	34,394	30,942
	<u>3,753,551</u>	<u>2,467,179</u>

## 6. CONTINGENCIES AND COMMITMENTS

### 6.1 Contingencies

6.1.1 There is no significant change in the status of the contingencies as disclosed in note 15.1 to the audited financial statements of the Company for the year ended June 30, 2021.

	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
	--- Rupees in '000 ---	
6.1.2 Guarantees issued by commercial banks on behalf of the Company	<u>166,767</u>	<u>174,267</u>
6.1.3 Post dated cheques issued to the Collector of Customs against duty on imported plant & machinery, raw materials and stores & spares	<u>34,628</u>	<u>34,628</u>

### 6.2 Commitments

6.2.1 Commitments in respect of:

- letters of credit for capital expenditure	<u>450,473</u>	<u>442,655</u>
- letters of credit for purchase of raw material and stores & spares	<u>2,099,925</u>	<u>1,382,746</u>
- purchase orders issued to local suppliers for capital expenditure	<u>32,467</u>	<u>88,625</u>
- tentative schedules for supply of tyres	<u>2,725,490</u>	<u>2,554,844</u>



		September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
		--- Rupees in '000 ---	
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>	<b>Note</b>		
Operating fixed assets	7.1	4,516,919	4,595,512
Capital work-in-progress		665,349	601,813
		<u>5,182,268</u>	<u>5,197,325</u>
<b>7.1 Operating fixed assets</b>			
Book value at beginning of the period / year		4,595,512	4,810,177
Additions during the period / year		37,784	257,956
Disposals costing Rs. 1.998 million (June 30, 2021: Rs. 35.143 million) - book value		-	(7,732)
Depreciation for the period / year		(116,377)	(464,889)
Book value at end of the period / year		<u>4,516,919</u>	<u>4,595,512</u>

**8. INVESTMENTS IN AN ASSOCIATED COMPANY - Quoted  
Ghandhara Industries Limited**

- Equity accounted investment

Balance at beginning of the year	19,408	13,240
Share of profit for the period	884	6,168
Balance at end of the period / year	<u>20,292</u>	<u>19,408</u>

- 8.1 Investment in Ghandhara Industries Limited (GIL) represents 201,400 (June 30, 2021: 201,400) fully paid ordinary shares of Rs 10 each representing 0.473% (June 30, 2021: 0.473%) of its issued, subscribed and paid-up share capital as at September 30, 2021. GIL was incorporated on February 23, 1963 and its shares are quoted on Pakistan Stock Exchange. The principal activity of GIL is the assembly, progressive manufacturing and sale of Isuzu trucks and buses.
- 8.2 The Company considers GIL as its associate and follows equity accounting as it has significant influence over GIL based on common directorship.
- 8.3 The market value of the investment as at September 30, 2021 was Rs. 39.267 million (June 30, 2021 : Rs: 56.195 million)

	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
	--- Rupees in '000 ---	
<b>9. STOCKS</b>		
Raw materials		
- in hand	1,982,573	1,855,840
- in transit	1,655,931	870,253
	<u>3,638,504</u>	<u>2,726,093</u>
Work-in-process	354,671	193,782
Finished goods		
- in hand	2,106,405	1,885,506
- in transit	-	35,826
	<u>2,106,405</u>	<u>1,921,332</u>
	<u>6,099,580</u>	<u>4,841,207</u>

		Quarter ended September 30,	
		2021	2020
		(Unaudited)	
		— Rupees in '000 —	
<b>10. COST OF SALES</b>	Note		
Opening stock of finished goods		1,921,332	1,666,028
Cost of goods manufactured		3,832,312	2,604,496
Finished goods purchased		36,283	72,003
		3,868,595	2,676,499
		5,789,927	4,342,527
Closing stock of finished goods		2,106,405	1,629,308
		3,683,522	2,713,219
<b>11. TAXATION</b>			
Current		73,818	60,404
Deferred		(4,899)	(7,846)
		68,919	52,558
<b>12. CASH GENERATED FROM OPERATIONS</b>			
Profit before taxation		199,845	178,531
<b>Adjustments for non-cash charges and other items</b>			
Depreciation on property, plant and equipment		116,377	112,962
Amortisation		497	501
Depreciation on right-of-use assets		1,653	4,329
Provision for staff retirement gratuity		17,092	17,102
Charge of employees compensated absences		2,552	2,076
Reversal of provision for doubtful trade debts		(4,498)	(8,133)
Profit on bank deposits		(136)	(154)
Gain on sale of operating fixed assets		(200)	(380)
Finance cost		144,936	122,473
Share of profit of an associated company		(884)	(4,212)
Working capital changes	12.1	(508,015)	251,881
		(30,781)	676,976
<b>12.1 Working capital changes</b>			
<b>(Increase) / decrease in current assets:</b>			
- Stores and spares		10,585	2,312
- Stocks		(1,258,373)	431,627
- Trade debts		(370,055)	(274,235)
- Loans and advances		(103,385)	(48,297)
- Deposits and prepayments		(50,670)	(27,829)
- Other receivables		(36,239)	(647)
		(1,808,137)	82,931
<b>Increase in current liabilities:</b>			
- Trade and other payables		1,300,122	168,950
		(508,015)	251,881

		Quarter ended September 30,	
		2021	2020
		(Unaudited)	
		— Rupees in '000 —	
13. CASH AND CASH EQUIVALENTS			
Running finances under mark-up arrangements		(2,950,111)	(3,999,774)
Cash and bank balances		198,104	125,040
		<u>(2,752,007)</u>	<u>(3,874,734)</u>

**14. OPERATING SEGMENT**

These condensed interim financial statements have been prepared on the basis of a single reportable segment. All non-current assets of the Company as at September 30, 2021 are located in Pakistan. Revenues from external customers attributed to foreign countries in aggregate are not material. The Company has earned revenues from one (September 30, 2020: two) customers aggregating Rs.695.516 million (September 30, 2020: Rs.719.685 million) during the period which constituted 13.54% (September 30, 2020: 18.48%) of gross sales.

**15. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

**15.1 Significant transactions with related parties are as follows:**

	Quarter endedSeptember 30,	
	2021	2020
	(Unaudited)	
	— Rupees in '000 —	
<b>Associated companies/undertakings:</b>		
Sales of goods	76,520	32,684
Goods supplied and services rendered	709	287
Rent	450	450
Interest earned	136	154
Mark-up on running and long term finance	14,510	15,287
Donation	3,274	3,440
<b>Key management personnel:</b>		
Provision towards gratuity staff fund	2,103	2,344
Contribution towards employees provident fund	5,210	5,717
Salaries and other employee benefits	76,796	61,065
Meeting fees	2,300	2,700

		September 30,	June 30,
		2021	2021
		(Unaudited)	(Audited)
		— Rupees in '000 —	
15.2 Period / year end balances are as follows:			
<b>Payables to associated companies / related parties</b>			
Staff retirement gratuity		17,468	18,765
Long term and running finances		875,210	1,086,950
Trade and other payable		22,140	20,090
Accrued mark-up		11,297	16,082
<b>Receivables from associated companies / related parties</b>			
Long term loans and advances		1,072	743
Loans and advances		884	555
Bank balances		10,114	9,067

**16. GENERAL**

**16.1 Date of authorisation for issue**

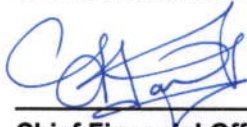
These condensed interim financial statements were authorised for issue on October 27, 2021 by the Board of Directors of the Company.

16.2 Corresponding figures have been rearranged and reclassified for better presentation wherever considered necessary.

16.3 Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.



**Chief Financial Officer**



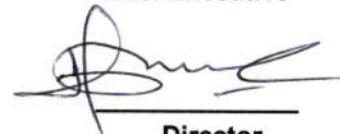
**Chief Financial Officer**



**Chief Executive**



**Chief Executive**



**Director**