



EVERY **JOURNEY**
HAS A **DESTINATION**

Innovating
in Harmony
with



Nature



GERMAN TECHNOLOGY
TESTED IN JAPAN & EUROPE

NINE MONTHS
MARCH, 31
2024

An aerial photograph of a dense, lush green forest. In the center of the image, there is a large, semi-transparent green circle. Inside this circle, there is white text. The text is centered and reads: "GTR Tyres, a symbol of harmony between cutting-edge technology and nature. Committed to the environment, we proudly hold ISO certifications for Quality Management (ISO9001), Environmental Management (ISO 14001), and Health & Safety Management (ISO 45001). These underscore our promise of a greener future for generations to come. With over 55 years of expertise, GTR Tyres are masterfully manufactured using German Technology and tested in Japan & Europe, minimizing our environmental footprint and paving the way for a sustainable future." The background of the entire image is the forest, with a dashed white circle also visible around the central green circle.

GTR Tyres, a symbol of harmony between cutting-edge technology and nature. Committed to the environment, we proudly hold ISO certifications for Quality Management (ISO9001), Environmental Management (ISO 14001), and Health & Safety Management (ISO 45001). These underscore our promise of a greener future for generations to come. With over 55 years of expertise, GTR Tyres are masterfully manufactured using German Technology and tested in Japan & Europe, minimizing our environmental footprint and paving the way for a sustainable future.

GTR
TYRE



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COMPANY PROFILE

Board of Directors*

Lt Gen (R) Ali Kuli Khan Khattak - Chairman
Mr. Hussain Kuli Khan - Chief Executive
Mr. Ahmad Kuli Khan Khattak
Mr. Atif Anwer
Mr. Ikram-ul-Majeed Sehgal
Mr. Manzoor Ahmed
Mr. Muhammad Kuli Khan Khattak
Mr. Naeem Sattar
Mrs. Nazia Qureshi
Syed Ahmed Iqbal Ashraf

Company Secretary

Mr. Khawer Hayat

Chief Financial Officer

Mr. Siraj A. Lawai

Board Audit Committee*

Lt Gen (R) Ali Kuli Khan Khattak
Mr. Ahmad Kuli Khan Khattak
Mr. Manzoor Ahmed
Mr. Naeem Sattar
Syed Ahmed Iqbal Ashraf

Board Human Resource & Remuneration Committee*

Lt Gen (R) Ali Kuli Khan Khattak
Mr. Ahmad Kuli Khan Khattak
Mr. Hussain Kuli Khan
Mr. Ikram-ul-Majeed Sehgal
Mr. Manzoor Ahmed
Mrs. Nazia Qureshi

Auditors

Shinewing Hameed Chaudhri & 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@cdcsrcsl.com
Website: www.cdcsrcsl.com

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
JS Bank 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 : 021-35080171
Website : www.gtr.com.pk

Branch Offices:

Islamabad

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

Lahore office / Customer Care & Service Centre

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

Multan

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

Sukkur Warehouse

Plot No. B30/8, Site Area, Sukkur.
Phone : 0300 0562502

* Sequence of names in alphabetical order

DIRECTORS' REVIEW

The Directors are pleased to present the unaudited condensed interim financial statements of Ghandhara Tyre and Rubber Company Limited (the Company) for the nine months ended March 31, 2024.

BUSINESS REVIEW

Net sales in value terms for the nine months ended March 31, 2024 were Rs. 15.15 billion as compared to Rs. 10.63 billion in the same period last year, showing growth of 42%.

The company is focusing on Replacement market (RM). This strategy is one of the key drivers for the growth. Moreover, diversified product portfolio in Original Equipment Manufacturer (OEM) segment including tyres for tractors, Passenger car, Light truck (radial and bias) and Truck Bus tyres is helping the Company to mitigate demand fluctuations.

Better agriculture crops amid higher support prices and favorable weather resulted in higher sales of tractor tyres to Farm OEMs as well as in RM segment as compared to same period last year. Whereas passenger car OEMs sales were lower than last period, due to economic conditions, restricted opening of letter of credits (LCs) for CKDs in first quarter and increase in car financing rates. This is partly compensated by better sales of passenger car tyre in RM segment.

Export sales for the period were Rs. 223 million as compared to Rs. 150 million in same period last year. The Company is continuously exploring opportunities to expand its export sale in new markets.

The gross profit for the period was Rs. 2,425 million as compared to Rs. 1,517 million in same period last year. Gross profit margin was 16.0% as compared to 14.3% in same period last year. Higher gross margin was mainly due to better sales mix, stability of exchange rate and enhanced focus on RM segment. It was partly offset by higher utility prices, use of LPG during natural gas load shedding and increase in minimum wage rate.

The finance cost for the period was Rs. 1,270 million as compared to Rs. 909 million in the same period last year. Increase in financial cost is mainly attributable to increase in discount rate by SBP and higher working capital requirements consequent to devaluation of Pak Rupee. This was partially offset by better working capital management.

The independent rating agency PACRA has maintained Company's long-term rating to A+ and short-term rating to A1 on August 1, 2023 after evaluating business / financial risk profile of the Company. This rating reflects reputable business profile of the Company in the automobile and allied sector.

As a result of the factors mentioned above, profit after tax for the nine months ended March 31, 2024 was Rs. 200.7 million as compared to loss after tax of Rs. 238.3 million reported in same period last year.

FUTURE PROSPECTS

We expect that improved agriculture outlook due to better crops and higher support prices would support farm tyre sales in both RM and OEM segments in coming months.



Your Company has started supplying 17 inch rim size tyre to two Japanese OEMs for their Sports Utility Vehicle (SUV) / Crossover. Some OEMs have also shown interest for 18 inch rim size tyres. We have already started selling 18 inch tyres in RM segment.

Regulatory and administrative measures by the Government to curb smuggling were encouraging, however, this has again resurfaced. The measures to curb smuggling need to continue to improve the economic situation of our country. Under invoicing and smuggling is not only affecting the local industry but also depriving the Government of its due tax revenue. These measures will provide level playing field to the local industry and enable them to provide employment.

Despite the difficult economic times and competitive pressures, we are confident that we would navigate through these challenges with determination and unwavering support of our stakeholders. We believe that the long- term growth potential of the business is intact.

The Board would like to thank all our OEM and RM customers for their patronage and loyalty with the Company's products.

The Board also offers thanks to its financial institutions for providing support, as solicited. The Board also appreciates the dedicated services rendered by the employees and the management in difficult economic time.

A handwritten signature in black ink, appearing to read 'Hussain Kuli Khan'.

Hussain Kuli Khan
Chief Executive

Karachi
April 29, 2024

A handwritten signature in black ink, appearing to read 'Syed Ahmed Iqbal Ashraf'.

Syed Ahmed Iqbal Ashraf
Director

مستقبل کے امکانات

ہم توقع کرتے ہیں کہ آنے والے مہینوں میں بہتر فصلوں اور لمبائی تھپتھپوں میں اضافے کی وجہ سے زرعی شعبے میں بہتری آئے گی جس کے نتیجے میں OEM اور RM دونوں طبقات میں فارم ہائرس کی فروخت میں مدد ملے گی۔

آپ کی کمپنی نے دو جاپانی OEMs کو ان کی اسپورٹس پوٹیلٹی ویہیکل (SUV) کر اس اور کے لیے 17 اچھ رم سائز کے نائز کی فراہمی شروع کر دی ہے۔ کچھ OEMs نے 18 اچھ رم سائز کے نائزوں کے لیے بھی دلچسپی ظاہر کی ہے۔ کمپنی نے پہلے ہی RM طبقہ میں 18 اچھ نائز فروخت کرنا شروع کر دیے ہیں۔

اسٹاکنگ کو روکنے کے لیے حکومت کے ریگولیشنری اور انتظامی اقدامات مقامی صنعت کے لیے بہت حوصلہ افزاء تھے، تاہم یہ ایک بار پھر سے سراٹھا چکی ہے۔ ان اقدامات کو ہمارے ملک کی معاشی صورتحال کو بہتر بنانے کے لیے جاری رکھنے کی ضرورت ہے۔ انڈرانوائسنگ اور اسٹاکنگ نہ صرف مقامی صنعت کو متاثر کر رہی ہے بلکہ حکومت کو اس کے واجب الادا ٹیکس آمدنی سے بھی محروم کر رہی ہے۔ ان اقدامات کے نتیجے میں مقامی انڈسٹری کو مساوی مواقع ملیں گے اور انہیں روزگار فراہم کرنے میں مدد ملے گی۔

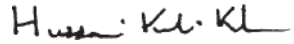
مشکل معاشی صورتحال اور مسابقتی وباؤ کے باوجود ہمیں یقین ہے کہ ہم اپنے اسٹیک ہولڈرز کے عزم اور مستقل حمایت کے ساتھ ان مشکلات سے نکلے گا۔ ہمیں یقین ہے کہ کاروبار میں طویل مدتی ترقی کی صلاحیت برقرار ہے۔

بورڈ اپنے تمام OEM اور RM کے صارفین کا کمپنی کی مصنوعات کی حمایت اور وفاداری کے لیے شکرگزار ہے۔

بورڈ اپنے مالیاتی اداروں کا بھی، درخواست کی گئی مدد فراہم کرنے پر شکریہ ادا کرتا ہے۔ بورڈ مشکل معاشی وقت میں ملازمین اور انتظامیہ کی طرف سے پیش کی جانے والی خدمات کو بھی سراہتا ہے۔



سید اسد اقبال اشرف
ڈائریکٹر



حسین خان
چیف ایگزیکٹو

کراچی

2024، اپریل، 29

گندھارا انٹرنیشنل ربرکیمپنی لمیٹڈ (کمپنی) کے ڈائریکٹرز 31 مارچ، 2024 کو ختم ہونے والے نو ماہ کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے نہایت خوش محسوس کرتے ہیں۔

کاروباری تجزیہ

خالص فروخت زیر جائزہ نو ماہ 31 مارچ، 2024 کے دوران 15.15 ارب روپے رہی، جو کہ پچھلے سال 10.63 ارب روپے کے مقابلے میں قدر کے لحاظ سے 42 فیصد کی نمو کو ظاہر کرتی ہے۔

کمپنی رتیلیمنٹس مارکیٹ (RM) پر توجہ مرکوز کر رہی ہے۔ یہ حکمت عملی ترقی کے کلیدی محرکات میں سے ایک ہے۔ مزید برآں، اورینٹل اکیو پینٹ میمنو پیپررز (OEMs) طبقے میں وسیع پروڈکٹ پورٹ فولیو بشمول ٹریکٹرز، مسافر کار، لائٹ ٹرک (ریڈیل اور ہائیس) اور ٹرک بس کے ٹائر کمپنی کو طلب میں اتار چڑھاؤ کو کم کرنے میں مدد فراہم کر رہے ہیں۔

بہتر فصلوں، سازگار موسموں اور فصلوں کی امدادی قیمتوں میں اضافے کے نتیجے میں گذشتہ سال کی اسی مدت کے مقابلے میں فارم OEM کے ساتھ ساتھ RM طبقہ میں ٹریکٹر ٹائروں میں زیادہ فروخت ہوئی۔ جبکہ مسافر کار OEMs کی فروخت گھٹتی مدت کے مقابلے میں کم رہی، جس کی وجہ اقتصادی حالات، CKD کے لیے لیئر آف کریڈٹ (LCs) کھولنے پر عائد پابندی اور کارفائٹنگ کی شرح میں اضافہ ہے۔ یہ سب کی جزوی طور پر RM طبقہ میں مسافر کار کے ٹائر کی زیادہ فروخت سے بہتر ہوئی ہے۔

اس مدت میں کمپنی کی برآمدی فروخت 223 ملین روپے رہی جو پچھلے سال کے اسی دورانیہ میں 150 ملین روپے تھی۔ کمپنی نئی مارکیٹوں میں اپنی برآمدی فروخت کو بڑھانے کے مواقع تلاش کر رہی ہے۔

اس مدت کے دوران مجموعی منافع 2,425 ملین روپے رہا جو پچھلے سال اسی مدت کے مقابلے میں 1,517 ملین روپے تھا۔ مجموعی منافع کا مارجن 16.0 فیصد رہا جبکہ پچھلے سال اسی عرصے میں 14.3 فیصد تھا۔ زیادہ مجموعی مارجن بنیادی طور پر بہتر بیگز، زرمبادلہ کی شرح میں استحکام اور RM طبقہ پر بہتر توجہ کی وجہ سے ہے۔ جس کو جزوی طور پر پالیٹیکنی کی زائد قیمتوں، قدرتی گیس کی لوڈ شیڈنگ کے دوران ایل پی جی کا استعمال اور کم از کم اجرت میں اضافے نے کم کیا ہے۔

اس مدت میں مالیاتی اخراجات 1,270 ملین روپے رہے جو کہ پچھلے سال اسی مدت کے مقابلے میں 909 ملین روپے تھے۔ مالیاتی لاگت میں اضافہ بنیادی طور پر اسٹیٹ بینک آف پاکستان (SBP) کی جانب سے ڈسکاؤنٹ ریٹ میں اضافے اور پاک روپے کی قدر میں کمی کے نتیجے میں زیادہ ورکنگ کیپیٹل کی ضروریات سے منسوب ہے، جسے جزوی طور پر بہتر ورکنگ کیپیٹل مینجمنٹ کے ذریعے کم کیا گیا ہے۔

آزاد ریٹنگ ایجنسی PACRA نے کمپنی کے کاروباری مالیاتی رسک پروفائل کا جائزہ لینے کے بعد یکم اگست 2023 کو کمپنی کی طویل مدتی قدرتی بندہ بندی A+ اور مختصر مدت کی درجہ بندی A1 برقرار رکھی ہے۔ یہ درجہ بندی آٹوموبائل اور اس سے منسلک شعبے میں کمپنی کے معروف کاروباری پروفائل کی عکاسی کرتی ہے۔

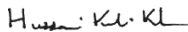
مذکورہ بالا عوامل کے نتیجے میں، 31 مارچ، 2024 کو ختم ہونے والے نو ماہ میں منافع بعد از محصول 200.7 روپے رہا جو کہ پچھلے سال کی اسی مدت میں نقصان بعد از محصول 238.3 ملین روپے تھا۔

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024**

	Note	March 31, 2024 (Un-audited) --- Rupees in '000 ---	June 30, 2023 (Audited)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 125,000,000 (June 30, 2023: 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
Revenue Reserve			
Unappropriated profit		1,269,363	1,060,795
Capital Reserves			
Reserve for capital expenditure		1,000,000	1,000,000
Surplus on revaluation of leasehold lands		2,473,748	2,473,748
		3,473,748	3,473,748
TOTAL EQUITY		5,962,445	5,753,877
LIABILITIES			
NON CURRENT LIABILITIES			
Long term finances		428,124	555,592
Staff benefits		572,659	486,964
Deferred liabilities		135,593	157,402
Long term deposits from dealers		13,280	11,630
Deferred tax - net		11,711	48,756
		1,161,367	1,260,344
CURRENT LIABILITIES			
Current maturity of long term finances		198,406	273,579
Current maturity of deferred liabilities		39,827	38,549
Short term finances		2,109,260	1,824,575
Running finances under mark-up arrangements		4,732,066	4,426,247
Trade and other payables	5	4,104,699	3,978,092
Unclaimed dividend		19,332	19,332
Accrued mark-up		412,650	375,397
Provisions		323,909	324,514
		11,940,149	11,260,285
TOTAL LIABILITIES		13,101,516	12,520,629
TOTAL EQUITY AND LIABILITIES		19,063,961	18,274,506
Contingencies and commitments	6		



Siraj A. Lawai
Chief Financial Officer



Hussain Kuli Khan
Chief Executive



Syed Ahmed Iqbal Ashraf
Director



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024**

		March 31, 2024	June 30, 2023
	Note	(Un-audited)	(Audited)
		--- Rupees in '000 ---	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	7,407,937	7,682,381
Intangible assets		1,954	2,335
Investment in an associated company		31,853	24,902
Long term loans and advances		5,716	4,987
Long term deposits		20,060	19,468
		<u>7,467,520</u>	<u>7,734,073</u>
CURRENT ASSETS			
Stores and spares		771,777	759,907
Stocks	8	5,372,450	4,811,895
Trade debts		3,460,282	2,941,341
Loans and advances		177,478	144,480
Deposits and prepayments		63,430	50,614
Other receivables		196,107	208,912
Taxation - net		1,314,682	1,483,609
Cash and bank balances		240,235	139,675
		<u>11,596,441</u>	<u>10,540,433</u>
TOTAL ASSETS		<u>19,063,961</u>	<u>18,274,506</u>

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

Siraj A. Lawai
Chief Financial Officer

Hussain Kuli Khan
Chief Executive

Syed Ahmed Iqbal Ashraf
Director

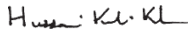
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT
AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

	Note	Quarter ended March 31,		Nine months ended March 31,	
		2024	2023	2024	2023
----- Rupees in '000 -----					
Sales - net		5,259,719	3,462,614	15,149,658	10,632,070
Cost of sales	9	(4,475,548)	(3,050,451)	(12,724,153)	(9,115,346)
Gross profit		784,171	412,163	2,425,505	1,516,724
Administrative expenses		(100,401)	(74,144)	(311,085)	(233,856)
Distribution cost		(206,398)	(162,728)	(593,288)	(456,013)
Other income		31,113	19,766	123,360	69,930
Other expenses		(6,909)	(298,519)	(36,029)	(331,492)
Profit/(loss) from operations		501,576	(103,462)	1,608,463	565,293
Finance cost		(437,700)	(320,927)	(1,270,138)	(908,764)
		63,876	(424,389)	338,325	(343,471)
Share of (loss) / profit of an associated company		(778)	121	(872)	(1,750)
Profit/(loss) before taxation		63,098	(424,268)	337,453	(345,221)
Taxation	10	(13,737)	145,851	(136,708)	106,874
Profit/(loss) for the period		49,361	(278,417)	200,745	(238,347)
share of other comprehensive income of associates company		-	-	7,823	-
Total comprehensive income/(loss) for the period		49,361	(278,417)	208,568	(238,347)
Earnings/(loss) per share		Rupee	Rupees	Rupees	Rupees
basic and diluted	11	0.40	(2.28)	1.65	(1.95)

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



Siraj A. Lawai
Chief Financial Officer



Hussain Kuli Khan
Chief Executive



Syed Ahmed Iqbal Ashraf
Director

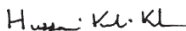
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Capital Reserve		Revenue Reserve	Total	
	Issued, subscribed and paid-up share capital	Reserve for capital expenditure	Surplus on revaluation of leasehold lands		Unappropriated profit
----- Rupees in '000 -----					
Balance as at July 1, 2022 (Audited)	1,219,334	1,000,000	-	1,625,199	3,844,533
Transaction with owners, recognized directly in equity					
Final cash dividend for the year ended June 30, 2022 at the rate of Rs.3 per share	-	-	-	(365,800)	(365,800)
Total comprehensive loss for the nine months period ended March 31, 2023	-	-	-	(238,347)	(238,347)
Balance as at March 31, 2023 (Un - audited)	1,219,334	1,000,000	-	1,021,052	3,240,386
Total comprehensive income for three months period ended June 30, 2023					
Profit for the period	-	-	-	70,983	70,983
Other comprehensive income / (loss)	-	-	2,473,748	(31,240)	2,442,508
	-	-	2,473,748	39,743	2,513,491
Balance as at July 1, 2023 (Audited)	1,219,334	1,000,000	2,473,748	1,060,795	5,753,877
Total comprehensive income for the nine months period ended March 31, 2024					
Profit for the period	-	-	-	200,745	200,745
Other comprehensive income	-	-	-	7,823	7,823
	-	-	-	208,568	208,568
Balance as at March 31, 2024 (Un-audited)	1,219,334	1,000,000	2,473,748	1,269,363	5,962,445

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



Siraj A. Lawai
Chief Financial Officer



Hussain Kuli Khan
Chief Executive



Syed Ahmed Iqbal Ashraf
Director

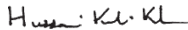
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

	Note	Nine months ended March 31,	
		2024	2023
--- Rupees in '000 ---			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	12	1,147,202	1,433,817
Staff retirement gratuity paid		(60,096)	(45,180)
Compensated absences paid		(5,113)	(6,504)
Long term deposits from dealers - net		1,650	60
Finance cost paid - net		(1,232,885)	(826,117)
Taxes paid - net		(4,826)	(172,700)
Long term loans and advances - net		(729)	4,318
Long term deposits - net		(592)	(42)
Profit on bank deposits received		1,378	955
Net cash (used) in / generated from operating activities		(154,011)	388,607
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(135,234)	(128,203)
Purchase of intangibles assets		(652)	(2,160)
Proceeds from sale of operating fixed assets		23,125	5,827
Net cash used in investing activities		(112,761)	(124,536)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances - repaid		(223,172)	(434,023)
Lease rental paid - net		-	(2,613)
Short term finances - net		284,685	(1,242,033)
Dividend paid		-	(365,933)
Net cash generated from / (used) in financing activities		61,513	(2,044,602)
Net decrease in cash and cash equivalents		(205,259)	(1,780,531)
Cash and cash equivalents at beginning of the period		(4,286,572)	(2,766,744)
Cash and cash equivalents at end of the period	13	(4,491,831)	(4,547,275)

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



Siraj A. Lawai
Chief Financial Officer



Hussain Kuli Khan
Chief Executive



Syed Ahmed Iqbal Ashraf
Director

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD MARCH 31, 2024**

1. LEGAL STATUS AND OPERATIONS

- 1.1 Ghandhara Tyre And Rubber Company Limited (the Company) (formerly The General Tyre and Rubber Company of Pakistan Limited) 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.

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.

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, 2023.

3. ACCOUNTING POLICIES

- 3.1 TThe 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, 2023.

There were certain amendments to approved accounting standards which were mandatory for the Company's annual accounting period which began on July 01, 2023. 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 AND JUDGEMENTS

The preparation of these condensed interim financial statements are in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD MARCH 31, 2024**

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. During the preparation of these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements of the Company for the year ended June 30, 2023.

	March 31,	June 30,
	2024	2023
	(Un-audited)	(Audited)
	--- Rupees in '000 ---	
5. TRADE AND OTHER PAYABLES		
Trade creditors	668,575	541,245
Bills payable	1,300,211	1,999,819
Accrued expenses	1,402,519	878,760
Royalty fee payable	252,024	187,569
Advances from customers	77,507	59,610
Staff provident fund payable	7,955	5,264
Staff retirement gratuity	83,448	108,045
Short term deposits	3,429	1,106
Workers' profit participation fund	18,123	-
Workers' welfare fund	6,887	-
Payable to Waqf-e-Kuli Khan	5,018	-
Interest payable on custom duties	29,933	29,933
Sales tax	195,457	115,154
Others	53,613	51,587
	<u>4,104,699</u>	<u>3,978,092</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, 2023.

6.1.2 Guarantees issued by commercial banks on behalf of the Company

287,099	328,361
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6.1.3 Post dated cheques issued to the Collector of Customs against duty on imported plant & machinery, raw materials and stores & spares

41,928	41,928
---------------	--------

6.2 Commitments

6.2.1 Commitments in respect of:

- letters of credit for capital expenditure
- letters of credit for purchase of raw material and stores & spares
- purchase orders issued to local suppliers for capital expenditure
- sales contracts entered into by the Company
- tentative schedules for supply of tyres

	March 31, 2024	June 30, 2023
	(Un-audited)	(Audited)
Note	--- Rupees in '000 ---	

	-	12,719
	2,377,634	2,366,535
	142,249	136,978
	-	379,045
	2,742,831	2,019,414

7. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets
Capital work-in-progress

7.1	7,181,297	7,434,108
	226,640	248,273
	7,407,937	7,682,381

7.1 Operating fixed assets

Book value at beginning of the period / year
Additions during the period / year
Revaluation of leasehold lands
Disposals costing Rs. 48.248 million
(June 30, 2023: Rs. 46.489 million) - book value
Depreciation for the period / year
Book value at end of the period / year

7.2	7,434,108	4,908,830
	156,867	574,410
	-	2,473,748
	(14,052)	(8,952)
	(395,626)	(513,928)
	7,181,297	7,434,108

7.2 Details of transfers to operating fixed assets during the period / year are as follows:

Buildings on leasehold land
Electrical installations
Plant and machinery
Boilers and accessories
Moulds
Vehicles
Factory and office equipment
Furniture & fixtures
Computer equipments

	10,685	10,886
	1,409	2,475
	20,452	482,349
	10,369	8,077
	84,496	-
	15,290	58,075
	9,585	9,394
	1,878	-
	2,703	3,154
	156,867	574,410

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD MARCH 31, 2024**

		March 31, 2024	June 30, 2023
		(Un-audited)	(Audited)
	Note	--- Rupees in '000 ---	
8. STOCKS			
Raw materials			
- in hand		1,815,564	1,607,009
- in transit		576,835	727,300
		2,392,399	2,334,309
Work-in-process		438,607	368,897
Finished good	8.1	2,541,444	2,108,689
		5,372,450	4,811,895

- 8.1** Finished goods include item costing Rs. 199.881 million (Jun 30, 2023: 163.132 million which are stated at the net realisable values aggregating Rs. 143.132 million (Jun 30, 2023:103.308 million). The aggregate amount (reversed) / charged to profit or loss account in respect of stocks written down to the net realisable value is Rs. (3.075) million (Jun 30, 2023:13.708 million)

		Quarter ended March 31,		Nine months period ended March 31,	
		2024	2023	2024	2023
		-----Un-audited-----			
	Note	----- Rupees in '000 -----			
9. COST OF SALES					
Opening stock of finished goods		2,591,021	3,337,346	2,108,689	1,907,017
Cost of goods manufactured	9.1	4,425,971	2,425,766	13,156,908	9,880,186
Finished goods purchased		-	1,640	-	42,444
		4,425,971	2,427,406	13,156,908	9,922,630
		7,016,992	5,764,752	15,265,597	11,829,647
Closing stock of finished goods		(2,541,444)	(2,714,301)	(2,541,444)	(2,714,301)
		4,475,548	3,050,451	12,724,153	9,115,346

	Quarter ended March 31,		Nine months period ended March 31,	
	2024	2023	2024	2023
-----Un-audited-----				
----- Rupees in '000 -----				
9.1 Cost of goods manufactured				
Opening work in process	440,851	321,291	368,897	333,240
Raw material consumed and factory overhead	4,423,727	2,267,183	13,226,618	9,709,654
	4,864,578	2,588,474	13,595,515	10,042,894
Closing work in process	(438,607)	(162,708)	(438,607)	(162,708)
	4,425,971	2,425,766	13,156,908	9,880,186
10. TAXATION				
Current	67,639	36,710	173,756	134,406
Deferred	(53,902)	(182,561)	(37,048)	(241,280)
	13,737	(145,851)	136,708	(106,874)
11. EARNINGS / (LOSS) PER SHARE BASIC AND DILUTED				
Profit / (loss) after taxation	49,361	(278,417)	200,745	(238,347)
	----- (Number of Shares) -----			
Weighted average number of ordinary shares	121,933,350	121,933,350	121,933,350	121,933,350
	Rupee	Rupees	Rupees	Rupees
Earnings/(loss) per share Basic and diluted	0.40	(2.28)	1.65	(1.95)

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD MARCH 31, 2024**

		Nine months period ended March 31,	
		2024	2023
		(Un-audited)	
		--- Rupees in '000 ---	
12. CASH GENERATED FROM OPERATIONS			
Profit / (Loss) before taxation		337,453	(345,221)
Adjustments for non-cash charges and other items			
Depreciation		395,626	386,441
Amortisation		1,033	620
Depreciation on right-of-use assets		-	1,317
Provision for staff retirement gratuity		107,279	76,495
Charge of employees compensated absences		13,916	9,928
Provision for expected credit loss		7,562	5,024
Profit on bank deposits		(1,378)	(955)
Gain on sale of operating fixed assets		(9,073)	(1,272)
Finance cost		1,270,138	908,764
Share of loss of an associated company		872	1,750
Working capital changes	12.1	(976,226)	390,926
		<u>1,147,202</u>	<u>1,433,817</u>
12.1 Working capital changes			
(Increase) / decrease in current assets:			
Stores and spares		(11,870)	(65,495)
Stocks		(560,555)	566,299
Trade debts		(526,503)	239,939
Loans and advances		(32,998)	42,602
Deposits and prepayments		(12,816)	(23,597)
Other receivables		12,805	(79,788)
		<u>(1,131,937)</u>	<u>679,960</u>
(Decrease) / increase in current liabilities:			
- Trade and other payables		155,711	(289,034)
		<u>(976,226)</u>	<u>390,926</u>
13. CASH AND CASH EQUIVALENTS			
For the purpose of statement of cash flows, cash and cash equivalents comprise of following:			
Running finances under mark-up arrangements		(4,732,066)	(4,727,417)
Cash and bank balances		240,235	180,142
		<u>(4,491,831)</u>	<u>(4,547,275)</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 March 31, 2024 are located in Pakistan. Revenues from external customers attributed to foreign countries in aggregate are not material. The Company has earned revenues from two (March 31, 2023: one) customers aggregating Rs.3,521.41 million (March 31, 2023: Rs.1,335.06 million) during the period which constituted 23.24% (March 31, 2023: 12.56%) of net sales.

15. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of associated companies, companies in which directors are interested, staff retirement benefit funds, key management personnel and close members of the families of key management personnel. The Company in the normal course of business carries out transaction with various related parties.

	Nine months period ended March 31,	
	2024	2023
	(Un-audited)	
	--- Rupees in '000 ---	
15.1 Transactions with related parties are as follows:		
Associated companies/undertakings:		
Sales of goods	289,217	316,942
Rent	900	1,350
Donation	5,018	-
Other related parties:		
Provision towards gratuity staff fund	23,643	14,440
Contribution towards employees provident fund	20,360	19,282
Salaries and other employee benefits to key management	68,916	58,255
Meeting fees	9,300	7,000
	March 31,	June 30,
	2024	2023
	(Un-audited)	(Audited)
	--- Rupees in '000 ---	
15.2 Period / year end balances are as follows:		
Payables to associated companies / related parties		
Staff retirement gratuity	54,882	66,740
Trade and other payable	8,593	-
Receivables from associated companies / related parties		
Long term loans and advances	153	278
Trade debts	87,315	20,807
Deposits and prepayments	-	900

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD MARCH 31, 2024**

16. GENERAL

16.1 Date of authorisation for issue

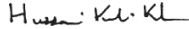
These condensed interim financial statements were authorised for issue on April 29, 2024 by the Board of Directors of the Company.

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

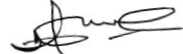
16.3 Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transaction for the purpose of comparison in accordance with the accounting and reporting standards as applicable.



Siraj A. Lawai
Chief Financial Officer



Hussain Kuli Khan
Chief Executive



Syed Ahmed Iqbal Ashraf
Director



GTR

TYRE

EVERY **JOURNEY**
HAS A **DESTINATION**



EVERY **JOURNEY**
HAS A **DESTINATION**



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HEAD OFFICE/FACTORY

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