



PANTHER

QUARTERLY REPORT SEPTEMBER

2022

WHEELS OF THE
NATION
MOVING TOWARDS PROSPERITY

CONTENTS

Vision & Mission Statement.....	6
Company Information	7
Directors' Review	8
Directors' Review (Urdu)	10
Condensed Interim Statement of Financial Position	14
Condensed Interim Statement of Comprehensive Income.....	15
Condensed Interim Statement of Changes in Equity	16
Condensed Interim Statement of Cash Flows	17
Notes to the Condensed Interim Financial Statement.....	20



PANTHER



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VISION & MISSION STATEMENT

OUR VISION

To be the Leading and innovative Tyre Company of Pakistan, driving the Nation to achieve speed with safety by moving the wheels of economy towards shared Growth and Prosperity of all stakeholders.

OUR MISSION

To enable People and Businesses to realize their full potential and maximize Value to all stakeholders.

COMPANY INFORMATION



EXECUTIVE DIRECTORS

Mian Faisal Iftikhar - CEO
Zahid Malik



INDEPENDENT MEMBERS

Asad Sultan Chaudhary
Javed Masud
Iqbal Ahmed Khan



NON - EXECUTIVE DIRECTORS

Mian Iftikhar Ahmed - Chairman
Ms. Samina Iftikhar



AUDIT COMMITTEE MEMBERS

Javed Masud - Chairman
Asad Sultan Chaudhary
Iqbal Ahmed Khan



HR COMMITTEE MEMBERS

Asad Sultan Chaudhary - Chairman
Iqbal Ahmed Khan
Mian Faisal Iftikhar



CHIEF OPERATING OFFICER

Khurram Javed



CHIEF FINANCIAL OFFICER

Ghulam Abbas FCA FCMA



COMPANY SECRETARY

Mohsin Muzaffar Butt FCA CIA



HEAD OF INTERNAL AUDIT

Mohsin Muzaffar Butt FCA CIA



AUDITORS

EY Fords Rhodes Chartered Accountants



REGISTERED OFFICE

Panther House 97-B Aziz Avenue,
Gulberg 5, Canal bank Jail Road,
Lahore-5400, Pakistan.
UAN: +42 111-554-444



SHARE REGISTRAR

Corplink (Private) Limited
Wings Arcade, 1-K, Commercial,
Model Town, Lahore.



FACTORY ADDRESS

29.5 KM Lahore Sheikhpura
Road Sheikhpura



BANKERS

- JS Bank Limited
- Habib Bank Limited
- Faysal Bank Limited
- United Bank Limited
- Bank Alfalah Limited
- Samba Bank Limited
- Meezan Bank Limited
- National Bank of Pakistan
- Bank Islami Pakistan Limited
- Habib Metropolitan Bank Limited
- PAIR Investment Company Limited
- Pak Oman Investment Company Limited
- Standard Chartered Bank (Pakistan) Limited
- Industrial and Commercial Bank of China Ltd.
- Dubai Islamic Bank Limited



WEBSITE

www.panther tyres.com

DIRECTORS' REVIEW

The Board of Directors of the Company are pleased to present the directors' review report and condensed interim financial statements of the company for the first quarter ended September 30, 2022.

OVERVIEW OF ECONOMY AND BUSINESS PERFORMANCE

Pakistan entered into the FY 2023 with high inflation and economic & political uncertainty. During the period under review, inflation accelerated sharply due to removal of subsidies related to energy cost and further devaluation of PKR against the USD. Additionally, floods have adversely impacted the economic activity across the board and put further pressure on inflation numbers & balance of payments. These factors have left no fiscal and external account space for Pakistan to aim for high development expenditure in the coming months.

In the first quarter of current financial year, company experienced sluggish demand of tyres and tubes which caused decline of 8.5% in top line as compared to the corresponding figure of same period last year. Apart from inflation which has reduced the purchasing power of consumers, catastrophic floods in our country also played vital role in the slow-down of product off take. Further, shutdown of OEMs aggravated the already unfavorable business situation. Demand from OEMs for tyres and tubes remained under pressure throughout the quarter.

Following are the key financial results of the company;

PKR in millions except EPS	Sep 2022	Sep 2021
Revenue	4,491	4,911
Gross profit	368	447
Operating Profit	81	209
Finance Cost	328	98
(Loss) / Profit	(267)	110
(Loss) / Earning Per Share	(1.59)	0.66

The company earned gross profit of Rs. 367.77 million during the quarter as compared to Rs. 446.51 million earned during the same period last year. Decrease in gross margin from 9.19% to 8.19% is mainly due to PKR depreciation, higher energy cost and negative growth in sale against the budgeted number of the quarter.

Selling and distribution expenses increased from 172.86 million to 210.71 million due to investment in sales and brand promotional activities.

Financial charges for the period have increased significantly from Rs.97.91 million to Rs.328.49 million mainly because of the increase in discount rate from 7.25% to 15%. Moreover, average utilization of working capital limits during period remained on higher side due to higher level of inventories resulting from un-expected drop in sales.

Resultantly, all the above elements put the earning of the company in negative zone during this quarter. The company suffered net loss of Rs. 267.25 million as compared to Rs.110.28 million profit earned during the same period last year.

EXPANSION PROJECT

The details of expansion project have already been shared with the stakeholders vide "Half Yearly Progress Report" through PUCARS on October 11, 2022.

FUTURE OUTLOOK

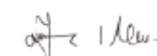
Going forward, due to the prevailing tough economic situations in local as well as in global markets coupled with political situation of Pakistan, the current financial year is ensured to face many challenges to be dealt with. The management of company is well cognizant with these challenges and is confident to overcome it through well planned strategies. The long-term growth potential of tyre industry is intact and new opportunities for import substitution have emerged with the recent depreciation of the rupees. The company will soon be back to growth trajectory. On the flip side, the expected global recession have led to softening of global commodity prices and downward trend in the prices of oil, natural rubber, butyl, carbon black and many other commodities is being witnessed recently. This will have a positive effect on the business of the Company.

Government of Pakistan has started the flood relief and rehabilitation activities in flood affected areas. We are hopeful that with the commencement of infrastructure work and cultivation of land the demand for tractor tyres will increase in the remaining quarters of the year.

ACKNOWLEDGMENT

The Board takes this opportunity to express its gratitude towards the employees, customers, banks, suppliers and other stakeholders for the confidence and faith they have always reposed in the company.

For and on behalf of Board of Directors



Mian Faisal Iftikhar
Chief Executive Officer



Mian Iftikhar Ahmed
Chairman

Lahore: October 27, 2022

ڈائریکٹرز جائزہ رپورٹ

کمپنی کے بورڈ آف ڈائریکٹران 30 ستمبر 2022ء کو ختم ہونے والی پہلی سہ ماہی کے لیے اپنی جائزہ رپورٹ اور عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوش محسوس کرتے ہیں۔

معیشت اور کاروباری کارکردگی کا جائزہ:

پاکستان مالی سال 2023 میں مہنگائی اور معاشی و سیاسی بے یقینی کے ماحول میں داخل ہوا۔ زیر جائزہ مدت کے دوران توانائی کی مد میں دی جانے والی سبسڈی کے خاتمے اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی سے مہنگائی میں تیزی سے اضافہ ہوا۔ مزید برآں، سیلاب نے معاشی سرگرمیوں کو ہر سطح پر بری طرح سے متاثر کیا جس سے مہنگائی اور بڑھی اور ادائیگیوں کا توازن بھی بگڑا۔ ان عوامل نے، آنے والے مہینوں میں ترقیاتی اخراجات کے لیے کسی مالیاتی اور بیرونی اکاؤنٹ کا موقع نہیں چھوڑا۔

رواں مالی برس کی پہلی سہ ماہی میں کمپنی کو ٹائروں اور ٹیوبوں کی مانگ میں کمی کا سامنا ہوا۔ جس کی وجہ سے گزشتہ برس اسی مدت کے مقابلے میں کمپنی کی ٹاپ لائن میں 8.5 فیصد کمی آئی۔ مہنگائی جس نے صارفین کی قوت خرید کو کم کر دیا، اس کے علاوہ تباہ کن سیلاب نے بھی مصنوعات کی فروخت کی سست روی میں اہم کردار ادا کیا۔ مزید برآں، ادائی ای (OEMs) کی بندش نے پہلے سے موجود ناسازگار کاروباری صورتحال کو مزید خراب کر دیا۔ رواں سہ ماہی میں ادائی ای کی جانب سے ٹائروں اور ٹیوبوں کی مانگ دباؤ کا شکار رہی۔

کمپنی کے اہم مالیاتی نتائج کا خلاصہ ذیل میں ہے:

پاکستانی روپے (ملین) مساوے EPS	ستمبر 2022ء	ستمبر 2021ء
آمدن	4,491	4,911
مجموعی منافع	368	447
آپریٹنگ منافع	81	209
مالیاتی لاگت	328	98
نفع نقصان	(267)	110
(نقصان) / منافع فی شیئر	(1.59)	0.66

کمپنی نے رواں سہ ماہی کے دوران 367.77 ملین روپے کا مجموعی منافع کمایا جو گزشتہ برس اسی مدت کے دوران 446.91 ملین روپے تھا۔ مجموعی منافع میں 9.19 فیصد سے 8.19 فیصد کی ریکارڈ کی گئی جس کی وجہ پاکستانی روپے کی قدر میں کمی، توانائی کی لاگت میں اضافہ اور سہ ماہی میں مصنوعات کی تخمینے سے کم فروخت شامل ہیں۔

مصنوعات کی فروخت اور برانڈ کی پروموشن کی سرگرمیوں میں سرمایہ کاری کی وجہ سے فروخت اور ڈسٹری بیوشن کے اخراجات 172.66 ملین روپے سے بڑھ کر 210.71 ملین روپے ہو گئے۔

دس کاؤنٹ ریٹ کے 7.25 فیصد سے 15 فیصد تک بڑھنے کی وجہ سے زیرہ جائزہ مدت میں مالیاتی چارجز میں تیزی سے اضافہ ہوا جو

97.91 ملین روپے سے بڑھ کر 328.49 ملین روپے ہو گئے۔ مزید برآں، اس مدت کے دوران ورکنگ کیپٹل limits کے استعمال میں بھی اضافے کا رجحان رہا جس کی بنیادی وجہ انویسٹریز میں اضافہ اور مصنوعات کی فروخت میں غیر متوقع کمی تھی۔ نتیجتاً، رواں سہ ماہی میں مندرجہ بالا عوامل نے کمپنی کی آمدن کو منفی زون میں ڈالے رکھا۔ کمپنی نے گزشتہ برس اسی مدت میں 110.28 ملین روپے منافع کمایا تھا جبکہ اس سہ ماہی میں کمپنی کو 267.25 ملین روپے کے خالص نقصان کا سامنا کرنا پڑا۔

توسیعی منصوبہ

توسیعی منصوبے کی تفصیلات 11 اکتوبر 2022 کو پہلے ہی ”ششماہی پیش رفت رپورٹ“ میں PUCARS کے ذریعے تمام اسٹیک ہولڈرز کے ساتھ شیئر کی جا چکی ہے۔

مستقبل کا منظر نامہ:

آگے بڑھتے ہوئے، مقامی اور بین الاقوامی منڈیوں میں موجود سخت معاشی صورتحال اور پاکستان کے سیاسی منظر نامے کی وجہ سے رواں مالی برس میں بہت سے چیلنجز سے نمٹنا یقینی ہے۔ کمپنی کی انتظامیہ ان چیلنجز سے بخوبی آگاہ ہے اور بہترین حکمت عملی کے ذریعے ان پر قابو پانے کے لیے پرعزم ہے۔ ٹائروں کی صنعت میں طویل مدتی بڑھوتری کی صلاحیت موجود ہے اور روپے کی قدر میں کمی کی وجہ سے درآمدی متبادل کے نئے مواقع بھی پیدا ہوئے ہیں۔ ان شاء اللہ، کمپنی جلد واپس شاہراہ ترقی پر گامزن ہوگی۔

دوسری جانب، متوقع عالمی کساد بازاری کی وجہ سے، مصنوعات کی عالمی قیمتوں میں بہتری ہوئی ہے۔ حال میں تیل، قدرتی ریز، بیونائل، کاربن بلیک اور دیگر کئی اشیاء کی قیمتوں میں کمی کے رجحان کا مشاہدہ کیا جا رہا ہے۔ اس سے کمپنی کے کاروبار پر مثبت اثر پڑے گا۔

حکومت پاکستان نے سیلاب سے متاثرہ علاقوں میں ریلیف اور بحالی کی سرگرمیاں شروع کر دی ہیں۔ ہمیں امید ہے کہ بنیادی ڈھانچے کی بحالی کے کام کے آغاز اور زمین کی کاشت کاری سے، رواں برس کی بقیہ سہ ماہیوں میں ٹریکٹر کے ٹائروں کی مانگ میں اضافہ ہوگا۔

اظہار تشکر

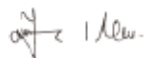
بورڈ اس موقع پر اپنے ملازمین، کسٹمرز، بینکوں، سپلائرز اور دیگر اسٹیک ہولڈرز کا ان کی طرف سے کمپنی پر کیے جانے والے مسلسل اعتماد کا تہہ دل سے شکریہ ادا کرتا ہے۔

بورڈ کی جانب سے



میاں فیصل افتخار

چیئر مین



میاں فیصل افتخار

چیف ایگزیکٹو آفیسر

لاہور 27 اکتوبر 2022ء



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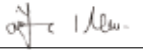


CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2022

	Note	Un-audited September 30, 2022	Audited June 30, 2022
Rupees			
NON CURRENT ASSETS			
Property, plant and equipment	5	9,528,863,307	8,977,076,235
Right-of-use assets		75,859,223	79,984,230
Intangible assets		3,786,471	4,165,119
Long term deposits and receivables		68,433,139	55,226,561
		9,676,942,140	9,116,452,145
CURRENT ASSETS			
Stores and spares		216,279,659	189,610,372
Stock in trade		5,007,230,896	4,340,368,037
Trade debts		3,923,745,333	4,298,059,971
Advances, deposits, prepayments and other receivables		879,943,355	736,800,810
Cash and cash equivalent		119,959,228	714,370,353
		10,147,158,471	10,279,209,543
TOTAL ASSETS		19,824,100,611	19,395,661,688
EQUITY AND LIABILITIES			
Authorized Share Capital			
300,000,000 (30 June 2022: 300,000,000) ordinary shares of Rs.10/- each		3,000,000,000	3,000,000,000
Issued, subscribed and paid up capital			
168,000,000 (30 June 2022: 168,000,000) Ordinary shares of Rs. 10/- each		1,680,000,000	1,680,000,000
Share Premium		1,294,433,658	1,294,433,658
Unappropriated profits		2,660,471,696	2,911,101,732
Surplus on revaluation of property, plant and equipment		961,750,415	970,251,032
		6,596,655,769	6,855,786,422
NON CURRENT LIABILITIES			
Long term liabilities	6	1,587,004,296	1,603,538,653
Loan from director		711,060,025	692,433,562
Deferred grant		129,797,873	135,785,007
Deferred taxation		568,542,959	656,154,055
		2,996,405,153	3,087,911,277
CURRENT LIABILITIES			
Current portion of long term liabilities		240,974,458	294,555,177
Short term financing - secured	7	7,617,755,221	7,215,101,096
Unclaimed dividend		396,795	396,795
Trade and other payables		1,959,909,987	1,642,431,647
Accrued mark-up		412,003,228	299,479,274
		10,231,039,689	9,451,963,989
TOTAL EQUITY AND LIABILITIES		19,824,100,611	19,395,661,688
CONTINGENCIES AND COMMITMENTS			
	8		

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

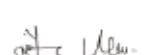

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Note	Three Months Period Ended	
		September 30, 2022	September 30, 2021
Rupees			
Revenue from contracts with customers - net			
	9	4,491,246,643	4,910,869,767
Cost of sales			
	10	(4,123,472,704)	(4,464,359,787)
Gross profit			
		367,773,939	446,509,980
Selling and distribution expenses			
		(210,706,459)	(172,862,610)
Administrative expenses			
		(92,164,446)	(71,255,356)
Other operating expenses			
		(6,245,935)	(8,469,058)
Other operating income			
		22,559,665	15,174,421
Profit from operations			
		81,216,764	209,097,377
Finance cost			
		(328,490,182)	(97,907,666)
(Loss)/Profit before taxation			
		(247,273,418)	111,189,711
Taxation			
		(19,979,382)	(901,489)
(Loss)/Profit after taxation			
		(267,252,800)	110,288,222
Other comprehensive income			
Items to be reclassified to profit or loss in subsequent periods:			
		-	-
Items not to be reclassified to profit or loss in subsequent periods:			
Deferred tax on revaluation surplus due to change in effective tax rate			
		8,122,200	2,540,669
Total other comprehensive income			
		8,122,200	2,540,669
Total comprehensive (Loss)/ income			
		(259,130,600)	112,828,891
(Loss)/Earnings per share - Basic and diluted (Rs.)			
	11	(1.59)	0.66

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

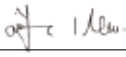

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Capital Reserve			Revenue Reserve	
	Issued, subscribed and paid-up capital	Share premium	Revaluation surplus on property, plant and equipment	Unappropriated profit	Total
	-----Rupees-----				
Balance as on 01 July 2021 (audited)	1,400,000,000	1,574,433,658	854,801,883	2,747,555,295	6,576,790,836
Issuance of bonus shares	280,000,000	(280,000,000)	-	-	-
Net profit for the period	-	-	-	110,288,222	110,288,222
Other comprehensive income - net of tax	-	-	-	2,540,669	2,540,669
Total comprehensive income for the period	-	-	-	112,828,891	112,828,891
Surplus on revaluation of property, plant and equipment realized through incremental depreciation charged on related assets - net of tax	-	-	(14,758,220)	14,758,220	-
Balance as at 30 Sep 2021 (un-audited)	1,680,000,000	1,294,433,658	840,043,663	2,875,142,406	6,689,619,727
Balance as on 01 July 2022 (audited)	1,680,000,000	1,294,433,656	970,251,032	2,911,101,732	6,855,786,422
Net loss for the period	-	-	-	(267,252,800)	(267,252,800)
Other comprehensive income - net of tax	-	-	-	8,122,200	8,122,200
Total comprehensive loss for the period	-	-	-	(259,130,600)	(259,130,600)
Surplus on revaluation of property, plant and equipment realized through incremental depreciation charged on related assets - net of tax	-	-	(8,500,564)	8,500,564	-
Balance as at 30 Sep 2022 (un-audited)	1,680,000,000	1,294,433,656	961,750,468	2,660,471,696	6,596,655,822

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

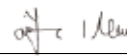

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CASH FLOW

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

Note	Three Months Period Ended	
	September 30, 2022	September 30, 2021
	Un-audited	Un-audited
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (Loss)/Profit before taxation	(247,273,418)	111,189,711
Adjustment for non cash charges and other items:		
Depreciation - owned assets	89,568,019	77,583,695
Depreciation - right-of-use assets	4,125,007	7,707,938
Amortization	378,647	869,482
Grant income	(17,427,271)	(4,656,078)
Gain on sale of fixed assets	(884,968)	(2,535,198)
Provision for contribution to provident fund trust	6,269,468	5,649,053
WPPF provision	-	5,750,135
WWF provision	-	2,718,923
Provision for slow moving stock in trade	(4,813,845)	449,858
Income from TDR	(2,728,426)	(7,644,145)
Impact of IFRS-9 on staff advance	(12,380,528)	-
Impact of IFRS-9 on director's loan	18,626,463	-
Mark-up on lease liabilities - rented premises	4,681,956	5,498,100
Mark-up on loans from financial institutions	40,775,759	16,635,115
Mark-up on short term finances under mark-up arrangements	276,443,416	72,152,680
	402,633,697	180,179,558
	155,360,279	291,369,269
Operating profit before working capital change		
Adjustment for working capital items		
Increase in stores and spares	(26,669,287)	(12,993,325)
Increase in stock in trade	(662,049,014)	(299,698,887)
Decrease/(Increase) in trade debtors	374,314,638	(154,705,794)
(Increase)/Decrease in advances, deposits, prepayments and other receivables	(109,218,058)	18,785,444
Increase in trade payables	310,817,063	140,450,416
	(112,804,658)	(308,162,146)
	42,555,621	(16,792,877)
Cash generated/(used in) from operations		
Contribution paid to provident fund trust	(3,487,818)	(5,700,116)
Interest received from TDR	6,824,918	-
Mark-up paid	(196,935,967)	(54,351,032)
Income tax paid - net	(128,988,351)	(136,374,688)
Net cash used in operating activities	(280,031,597)	(213,218,713)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(649,989,177)	(905,626,712)
Long term deposits	(13,206,578)	(23,586,603)
Sale proceeds from disposal of property, plant and equipment	9,519,001	3,240,000
Net cash used in investing activities	(653,676,754)	(925,973,315)
CASH FLOW FROM FINANCING ACTIVITIES		
Long-term loan obtained from financial institutions	-	552,933,800
Long-term loan repaid to financial institutions	(56,340,945)	(75,476,509)
Short term running finance - net	402,654,125	645,079,429
Lease rentals paid - IFRS 16	(7,015,954)	(11,909,781)
Net cash generated from financing activities	339,297,226	1,110,626,939
NET DECREASE IN CASH AND CASH EQUIVALENTS	(594,411,125)	(28,565,089)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	714,370,353	806,059,464
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	119,959,228	777,494,375

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER



PANTHER



COMMITTED To
QUALITY



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

1. THE COMPANY AND ITS OPERATIONS

The Company was incorporated as a private limited company under the Companies Act, 1913 and was converted into a public limited company with effect from 10 October 2003. The Company changed its name from Mian Tyre and Rubber Company Limited to Panther Tyres Limited on 25 October 2011. The Company got listed on Pakistan Stock Exchange on 22 February 2021. The Company is principally engaged in the manufacture and sale of tyres and tubes for vehicles.

Following are the business units of the Company along with their respective locations:

BUSINESS UNIT	LOCATION
Registered Office	Panther House, 97-B Aziz Avenue, Jail Road, Lahore
Production Plant	29.5 Km, Sheikhpura Road, Sheikhpura
Regional Office	4th Floor, Shafi Courts, Mereweather Road, Karachi

2. STATEMENT OF COMPLIANCE

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.

2.2 The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2022.

2.3 The condensed interim financial statements have been prepared under the historical cost convention except for few items of property, plant and equipment which are carried under revaluation model. These financial statements are prepared in Pak Rupees, which is the functional currency of the Company. Figures have been rounded off to the nearest Pak Rupees.

2.4 Provisions in respect of taxation, Workers' Profit Participation Fund (WPPF) and Workers' Welfare Fund (WWF) are provisional and subject to final adjustments in the annual audited financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year, except for the following new amended standards effective for annual period beginning on 01 July 2021, as listed below. The Company has not early-adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New Standards, Interpretations and Amendments

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16
Reform – Phase 2 – Amendments

Interest Rate Benchmark

The adoption of above amendment applied for the first time in the period did not have any material impact on the condensed interim financial statements of the Company.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements 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 annual audited financial statements of the Company for the year ended 30 June 2022.

5. PROPERTY, PLANT AND EQUIPMENT

Note	Un-audited September 30, 2022	Audited June 30, 2022
	Rupees	
Operating fixed assets	5,017,938,034	4,925,494,944
Capital work in progress	4,510,925,273	4,051,581,291
	<u>9,528,863,307</u>	<u>8,977,076,235</u>
6. LONG TERM LIABILITIES		
Loan from financial institutions - Secured	6.1 1,839,998,673	1,913,766,889
Less: Deferred grant	(185,098,020)	(202,525,291)
Less: Current portion shown under current liabilities	(176,625,183)	(199,527,017)
	<u>1,478,275,470</u>	<u>1,511,714,581</u>
Lease liabilities - rented premises	117,777,954	120,111,948
Less: Current maturity shown under current liabilities	(9,049,128)	(28,287,876)
	<u>108,728,826</u>	<u>91,824,072</u>
	<u>1,587,004,296</u>	<u>1,603,538,653</u>

6.1 The Company has obtained term finance under refinance scheme for payment of wages and salaries to the workers and employees of business concerns to the tune of Rs. 390 million (2022: Rs. 390 million). This facility carries markup at SBP rate + 2% per annum payable quarterly whereas the principal is repayable in eight equal quarterly installments starting from February 2021. This also includes loans from financial institutions bearing mark up at the rates ranging from 2.5% per annum to 17.29% per annum (30 June 2022: 2.25% per annum to 15.64% per annum). These are repayable in quarterly instalments up to March 2030. The aggregate long term finances are secured by joint pari passu charge on the fixed assets of the Company.

7. SHORT TERM BORROWINGS - SECURED

Short term finances aggregating to Rs. 8.273 billion (30 June 2022: Rs. 8.123 billion) are available from commercial banks and DFIs under mark up arrangements. The mark up is charged at the rates ranging from 3.00% per annum to 17.12% per annum (30 June 2022: 3.00% per annum to 16.74% per annum). The aggregate running finances are secured by joint pari passu charge on the current and fixed assets of the Company.

8 CONTINGENCIES AND COMMITMENTS

CONTINGENCIES

There is no material change in the contingencies since the last audited financial statements for the year ended 30 June 2022.

CONTINGENCIES

Commitments from various banks against letter of credit and letter of guarantees are Rs. 1,616.79 million (30 June 2022: 1,884.52 million) and Rs.199.71 million (30 June 2022: Rs. 178.34 million) respectively.

	Un-audited Three Months Period Ended	
	September 30, 2022	September 30, 2021
	Rupees	
9 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET		
Local sales	3,871,543,883	4,529,422,858
Export sales	619,702,760	381,446,909
	<u>4,491,246,643</u>	<u>4,910,869,767</u>
10 COST OF SALES		
Cost of goods manufactured	4,819,600,959	4,705,553,019
Add: Finished goods - opening	1,759,156,475	974,174,228
	<u>6,578,757,434</u>	<u>5,679,727,247</u>
Add: Finished goods purchased	203,752,280	61,799,393
Less: Finished goods - closing	2,659,037,010	1,277,166,853
	<u>4,123,472,704</u>	<u>4,464,359,787</u>
11 (LOSS)/ EARNINGS PER SHARE - BASIC AND DILUTED		
(Loss)/Profit after taxation - Rupees	(267,252,800)	110,288,222
Weighted average number of shares	168,000,000	168,000,000
(Loss)/Earnings per share-Rupees	(1.59)	0.66

12. TRANSACTIONS WITH RELATED PARTIES

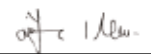
The related parties comprise of shareholders, directors of the Company, employees benefit funds and key management employees. The Company carries out transactions with its related parties in the normal course of business. Significant related party transactions are as follows:

Transactions with related parties:

Name of Related Party	Nature of Transaction	Un-audited Three months period ended	
		September 30, 2022	September 30, 2021
		Rupees	Rupees
Mian Iftikhar Ahmed - Director	Rent of head office	6,588,450	5,445,000
Contribution to staff provident fund	Contribution to staff provident fund	6,269,468	5,649,053
Mian Iftikhar Ahmed - Director	Loan from director obtained	27,000,000	-
Mian Iftikhar Ahmed - Director	Mark up on loan from director	19,408,219	10,079,671

13. GENERAL

These condensed interim financial statements were authorized for issue by the Board of Directors of the Company on October 27, 2022.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER



PANTHER

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