



PANTHER

ANNUAL REPORT
2024



GRIP THE FUTURE

PANTHER TYRES



LEVEL HE AUR HAI!!



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01.

ORGANIZATIONAL OVERVIEW

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BUILDING THE FUTURE



CORPORATE EVENTS

10 AUGUST 2023

Annual Financial
Results 2023
Declared



01

26 SEPTEMBER 2023

Annual General Meeting



02

18 OCTOBER 2023

1st Quarter October 2023
Results Declared



03

29 FEBRUARY 2024

Half Yearly Dec-2023
Results Declared



04

25 APRIL 2024

Nine Months
March 2024
Results Declared



05

Babar Azam
BABAR AZAM



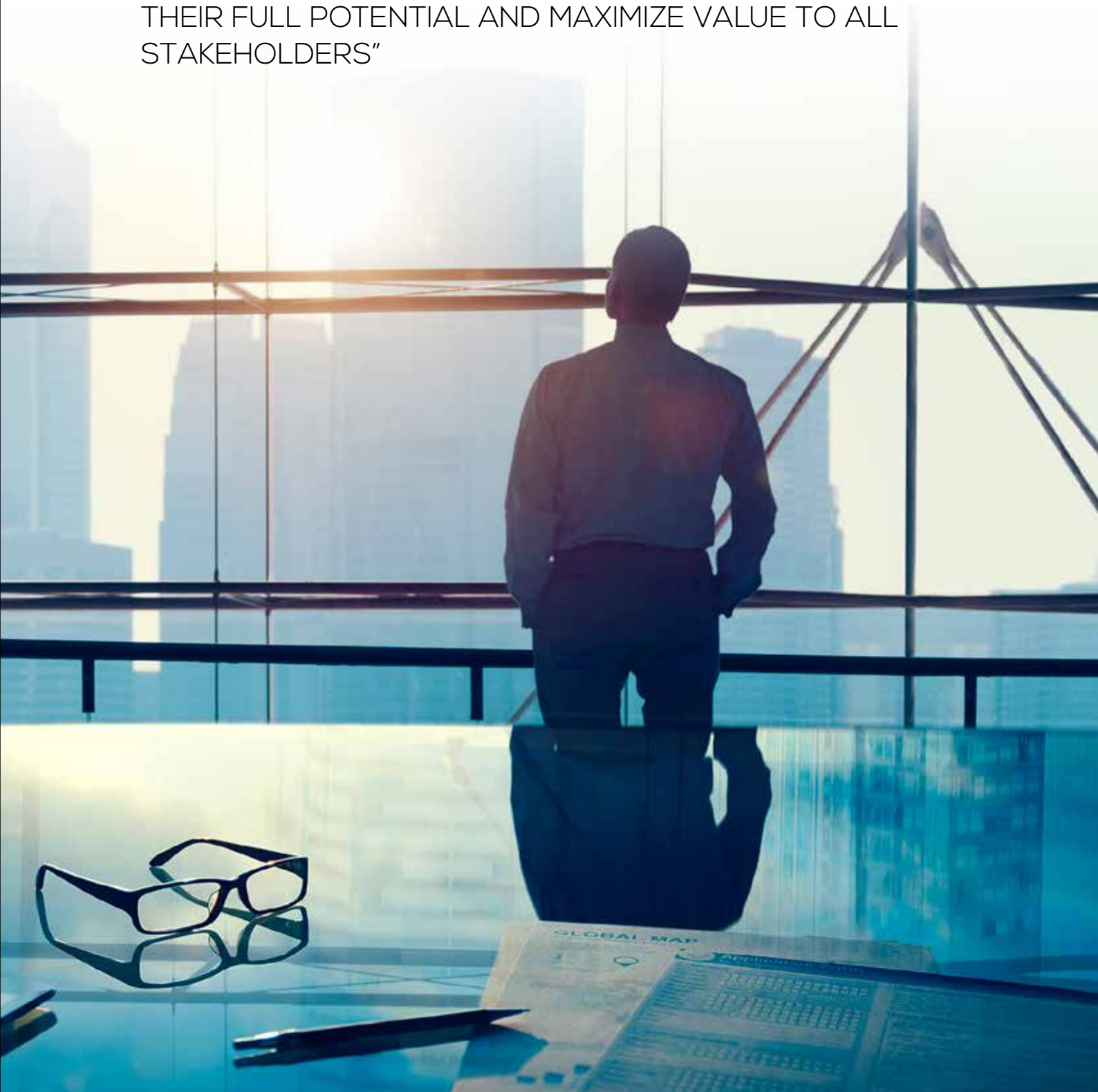
OUR VISION

"TO BE THE LEADING AND INNOVATIVE TYRE COMPANY OF PAKISTAN, HELPING THE NATION TO ACHIEVE SPEED WITH SAFETY BY MOVING THE WHEELS OF ECONOMY TOWARDS SHARED GROWTH AND PROSPERITY OF ALL STAKE HOLDERS"



OUR MISSION

"TO ENABLE PEOPLE AND BUSINESSES TO REALIZE THEIR FULL POTENTIAL AND MAXIMIZE VALUE TO ALL STAKEHOLDERS"



CORPORATE OBJECTIVES

BUSINESS PRINCIPLES

- To always ensure that the Company complies with the definition of its vision, mission, and corporate objectives.
- To always comply with all relevant laws, rules, and regulations as applicable.
- To maintain absolute transparency in all transactions in accordance with established corporate norms and best practices.
- To ensure arm's length dealings with any party (including affiliates or other related parties), directors, or senior management with respect to transactions where there is or is likely to be a conflict of interest.
- To ensure that there is a declaration of a conflict of interest by any shareholder, director, or senior management of the Company as soon as such a conflict becomes apparent.



CORE CORPORATE VALUES

- We will always maintain the highest standards of 'Integrity' in all our corporate affairs.
- We will place 'Loyalty' to our nation and our customers above everything else.
- We will continue to strive for 'Ingenuity' and innovation in our systems and products.
- We will always 'Respect' each and every stakeholder of our company.

CORPORATE OBJECTIVES

- Follow international best standards and benchmarks for sustainable growth.
- Increase efficiency and productivity through good management practices.
- Improve financial strength and profitability through strong controls.
- Be an environmentally friendly entity.
- Create collective wealth and prosperity in society.



Trust



Business Scale



Reliability



Relationship



Morality



Choice

CODE OF CONDUCT, CULTURAL VALUES & ETHICAL PRINCIPLES

BASIC PRINCIPLE

Panther Tyres Limited conducts its business with honesty, integrity, and in accordance with the highest ethical and legal standards. This code is intended to provide guidance to all stakeholders and applies to all board members, senior management, and employees of the Company.

WORK ENVIRONMENT

Positive Environment:

As a corporate citizen, the Company strives to provide a positive and thriving environment for everyone to excel and bond with each other like a family. We do not tolerate discrimination or harassment based on race, color, religion, gender, national origin, ethnicity, sex, age, disability, or any other characteristic.

Safety & Security of Employees:

We are committed to providing a safe and healthy work environment and preventing accidents. Threats, intimidation, and violence have no place at Panther Tyres.

Alcohol & Drugs Abuse:

Management of the Company expects employees to perform their duties free from the influence of alcohol and illegal drugs, or the abuse of prescribed or over-the-counter drugs.

Employee Privacy:

We maintain the confidentiality and privacy of employees' personal information, which relates to an individual's employment, including compensation, medical, and benefit information.

Protection against Harassment of Women:

We have zero tolerance towards harassment of women in the workplace. All female employees are encouraged to speak out when a co-worker's conduct makes them uncomfortable. Any employee found guilty of such an act will face strict disciplinary action.

PROFESSIONAL CONDUCT

Protection and Proper Use of the Company's Property:

All employees are bound to protect trade secrets, proprietary or confidential information such as customer lists, pricing data, financial data, marketing plans, methods, processes, manuals, formulas, compositions,

systems, techniques, inventions, machines, computer programs, and research projects. This information must not be disclosed to unauthorized individuals, either during employment or after leaving the company. Employees are also required to return all documents and property belonging to the Company.

Conflicts of interest:

We expect employees to avoid situations that may involve a conflict, or even the appearance of a conflict, between their personal interests and the Company's interests. Such conflicts may arise from receiving personal benefits from any outside activity related to their responsibilities at Panther Tyres.

Political Contributions:

Contributions by the Company to political candidates or political parties are prohibited by law and may not be made.

Confidentiality of Information:

Employees are expected to safeguard confidential information and must not, without authority, disclose such information about the Company's activities to the press, any outside source, or employees who are not entitled to such information.

DEALING WITH CUSTOMERS

Gifts and Other Business Courtesies:

Our relationships with suppliers, customers, and others are based entirely on professional and fair dealing. No gift, favor, or entertainment is solicited, accepted, or provided if it will obligate or appear to obligate the person who receives it. Exceptions may be given for inexpensive gifts such as flowers or promotional items of nominal value.

Business Courtesies:

With management approval, business courtesies, such as meals, may be given or accepted. The exchange of greeting cards and inexpensive sweets on traditional occasions is considered appropriate.

CULTURE

Our culture demonstrates the manifestation of shared values and beliefs, which we practice every day to move towards a better and more successful organization. Our values provide the foundation of our culture and bind us into a successful team eager to outperform the competition.

CORE VALUES

Our core values are at the heart of our business – they define who we are, how we work, what we believe in, what we stand for, how we act, and how we expect to be treated as part of Panther Tyres.



EXCELLENCE
Consistently doing the right thing

Setting Industry Benchmarks
Continuous Improvement
Always Open to New Initiatives
Adoption of World-Class Technologies.



ENTREPRE-NEURSHIP
Acting with stewardship

Value Addition and Creation
Robust Ownership
Loyalty Branding
Identifying and Capitalizing on Opportunities
Business-Driven Approach.



CUSTOMER FOCUS
Leveraging relationships for outperformance

Commitment
Quality and Consistency
Customer Satisfaction
Fair Practices



INNOVATION
Distinguishes between a leader and a follower

Creative Solutions
Cutting-Edge Innovations
Process Automation
Improving upon Industry Benchmarks



ETHICS AND INTEGRITY
Social responsibility is at the heart of our business

Honesty
Integrity
Transparency
Professional Conduct

COMPANY PROFILE

HISTORY & OVERVIEW

Panther Tyres Limited (formerly Mian Tyre and Rubber Company Limited) was incorporated on October 24, 1983, as a tyre and tube manufacturing company. Initially, it was established as a private limited company under the now repealed Companies Act 1913, and later converted into a public limited company on October 10, 2003. The manufacturing facility of the Company is situated at 29.5 KM Sheikhpura Road, Sheikhpura. The Company started its commercial operations in 1983 and has today evolved into one of the leading players in the automobile parts and accessories industry of Pakistan. The Company

was listed on the Pakistan Stock Exchange on February 22, 2021. Panther Tyres Limited is the first company in Pakistan to start local manufacturing of tyres for two- and three-wheelers in 1984 and 1993, respectively, and currently has a stronghold in these categories. Over time, the company has also expanded into other segments of the auto industry, including tyres for tractors, light commercial vehicles, trucks, and buses. The company has successfully manufactured the largest and heaviest tyre in Pakistan in the OTR category, becoming the first manufacturer in this category. Since its inception, the company's focus on quality has been of paramount importance, which is reflected by the retention of ISO 9001 certification.



The company has built a strong distribution network with more than 500 direct business partners. To leverage this extensive network, in April 2018, the company ventured into the trading business of automobile lubricants and spare parts. The company started exporting “Made in Pakistan” wheelbarrow tyres and tubes to European markets as early as 1996 and continuously won the export trophy from FPCCI for 10 years in the tyre and tube category.

Since then, the company has continued exploring new markets for its products and gradually established a footprint in other parts of the world. Currently, the company is exporting tyres and tubes to various countries, including Turkey, Poland, Egypt, Bangladesh, UAE, Afghanistan,

Kenya, Sudan, Ethiopia, Greece, Brazil, and Saudi Arabia.

International markets are highly competitive in terms of pricing and stringent in terms of quality standards. To stay competitive, the company regularly invests in technology, R&D, and manpower, enabling it to produce high-quality products at competitive rates. This is the primary reason the company’s export products portfolio is gradually expanding. Currently, it is not only exporting motorcycle, rickshaw, and light truck tyres and tubes but has also started exporting tractor, OTR, and truck bus bias tyres and tubes. The company’s motorcycle, rickshaw, and tractor tyres are EU E-8 marked, indicating they are certified for European standards and can be exported to European markets.



COMPANY ORGANOGRAM





MARKET PORTFOLIO



The company caters to two broad local markets: OEM and Replacement. It also serves the export market, with the following major revenue drivers:

OEM SALES

In the OEM segment, the company supplies tyres and tubes to local assemblers of two-wheelers, three-wheelers, LCVs, and tractors. All OEMs for these vehicles are major customers of the company.

REPLACEMENT MARKET SALES

The replacement market is the secondary market for tyre manufacturers. It comprises distributors,

wholesalers, and retailers. The growth of the replacement market is dependent on the growth in registered vehicles, including CBU imports and the sale of used vehicles. Once vehicles are sold by OEMs, they enter the replacement market, thus increasing the size of the replacement market each year.

EXPORT SALES

The company exports motorcycle, tractor, rickshaw, LCV, truck, and bus bias tyres and tubes to the replacement markets of around 14 countries worldwide. The company was awarded EU E-8 certification in 2018 for exporting motorcycle, rickshaw, and tractor tyres to European countries.

40 سال کا اعتماد

PANTHER'S EARTH MOVER TYRE DELIVERS

**OUTSTANDING
PERFORMANCE**

FOR A LONG DURATION



KEY OEM CUSTOMERS



The company has a wide range of products, with over 52 variants within the tyre category alone. Within each category, the company offers a broad spectrum of products to cater to different needs. Through continuous innovation, the company has excelled in producing premium-quality tyres while meeting customer demands with a diverse product mix.

The demand for tyres and tubes in Pakistan is driven by OEM sales and the replacement market. Panther Tyres has maintained a long-standing relationship with key OEMs in Pakistan, supplying tyres and tubes to Suzuki, Honda, and Yamaha for over 26 years.

Although the company's core business is tyre manufacturing, revenues are not solely dependent on a single customer segment. Over time, the company has diversified into tractor, light commercial vehicle, TBB, and earth mover tyres, in addition to two- and three-wheeler tyres. This increased and diversified customer range provides an incremental revenue stream for the company.

KEY INSTITUTIONAL CUSTOMERS



Panther Tyres is a leader in institutional sales, consistently engaging in strategic bidding opportunities to secure valuable contracts. With a proven track record of success, we have expanded our business significantly and are proud to supply our high-quality products to esteemed institutions such as the Pakistan Army, Pakistan Air Force, Frontier Works Organization, Pakistan Rangers, Bahria Town, CDA, Descon, Nishat Group, and the Civil Aviation Authority.

 PAK ARMY			 FWO	
 BAHRIA TOWN		 SSGC	 OIL & GAS DEVELOPMENT COMPANY LIMITED	 Sui Northern Gas Pipelines Limited
 PIA Pakistan International			 Lucky Core Industries	 NISHAT GRUOP
	 National Logistics Cell NLG	 Capital Development Authority		 پاکستان سول ایوی ایشن اتھارٹی CAA

INTERNATIONAL BUSINESS

- 🌐 | Afghanistan
- 🌐 | Egypt
- 🌐 | Turkey
- 🌐 | Brazil
- 🌐 | Iraq
- 🌐 | Jordan
- 🌐 | Romania
- 🌐 | Yemen
- 🌐 | U.A.E
- 🌐 | Syria
- 🌐 | Poland
- 🌐 | Peru
- 🌐 | Saudi Arabia
- 🌐 | Somalia
- 🌐 | Tunisia
- 🌐 | France
- 🌐 | Macedonia



- 🌐 | Asia
- 🌐 | Africa
- 🌐 | Europe
- 🌐 | South America



GEOGRAPHICAL PRESENTATION



Registered Office

Panther House, Jail Road, Lahore



Production Plant

Sheikhupura Road, Sheikhupura



Regional Sales offices

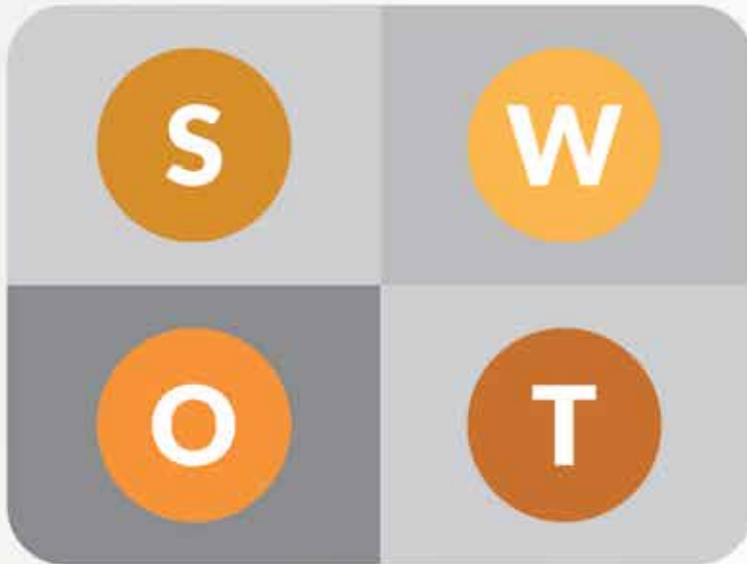
Multan | Faisalabad | Sukkur |
Rawalpindi | Karachi



PANTHER DURABILITY

TO THE SANDS

SWOT ANALYSIS



STRENGTHS

- Strong financial position
- Diversified product portfolio amongst the local players
- State of the art production facilities
- Established brand name and customers' loyalty
- Well established distribution network
- Development of new and eco-friendly formulations
- Competent and committed human resources



WEAKNESS

- Reliance on imported materials
- Highly labor intensive industry
- Relatively homogenous products
- Limiting pricing strategy
- Seasonal Industry
- Limited pricing options due to smuggled product



OPPORTUNITIES

- Horizontal as well as vertical diversification
- Infrastructure development projects
- Protection from the government
- Implementation of energy-efficient technologies
- Growth of the tyre industry
- Consistent growth of replacement market



THREATS

- Rising trend of energy prices
- Continuous increase in raw material costs and disruption of supply
- Instability of local currency
- Influx of smuggled products
- Under invoicing
- Political uncertainty

COMPANY INFORMATION

BOARD OF MANAGEMENT

EXECUTIVE DIRECTORS

Mian Faisal Iftikhar - CEO
Ms. Ayesha Iftikhar

INDEPENDENT DIRECTORS

Asad Sultan Chaudhary
Javed Masud
Iqbal Ahmed Khan

NON - EXECUTIVE DIRECTORS

Mian Iftikhar Ahmed - Chairman
Zahid Mahmud

AUDIT COMMITTEE MEMBERS

Javed Masud - Chairman
Asad Sultan Chaudhary
Iqbal Ahmed Khan
Zahid Mahmud

HR & REMUNERATION COMMITTEE

Asad Sultan Chaudhary - Chairman
Iqbal Ahmed Khan
Mian Faisal Iftikhar

RISK MANAGEMENT COMMITTEE

Javed Masud - Chairman
Mian Faisal Iftikhar
Zahid Mahmud

NOMINEE COMMITTEE

Mian Iftikhar Ahmed - Chairman
Mian Faisal Iftikhar
Mohsin Muzaffar Butt: Secretary of the Committee

CHIEF FINANCIAL OFFICER

Ghulam Abbas FCA FCMA

COMPANY SECRETARY

Mohsin Muzaffar Butt FCA CIA

HEAD OF INTERNAL AUDIT

Mohsin Muzaffar Butt FCA CIA

AUDITORS

KPMG Taseer Hadi & CO. 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

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
Habib Bank Limited-Islamic Banking
JS Bank Limited
Meezan Bank Limited
National Bank of Pakistan
National Bank of Pakistan-Islamic Banking
Pak Oman Investment Company Limited
PAIR Investment Company Limited
Pak China Investment Company Limited
Standard Chartered Bank (Pakistan) Limited
Samba Bank Limited
United Bank Limited

WEBSITE

www.panthertyres.com



HEAD OFFICE



FACTORY

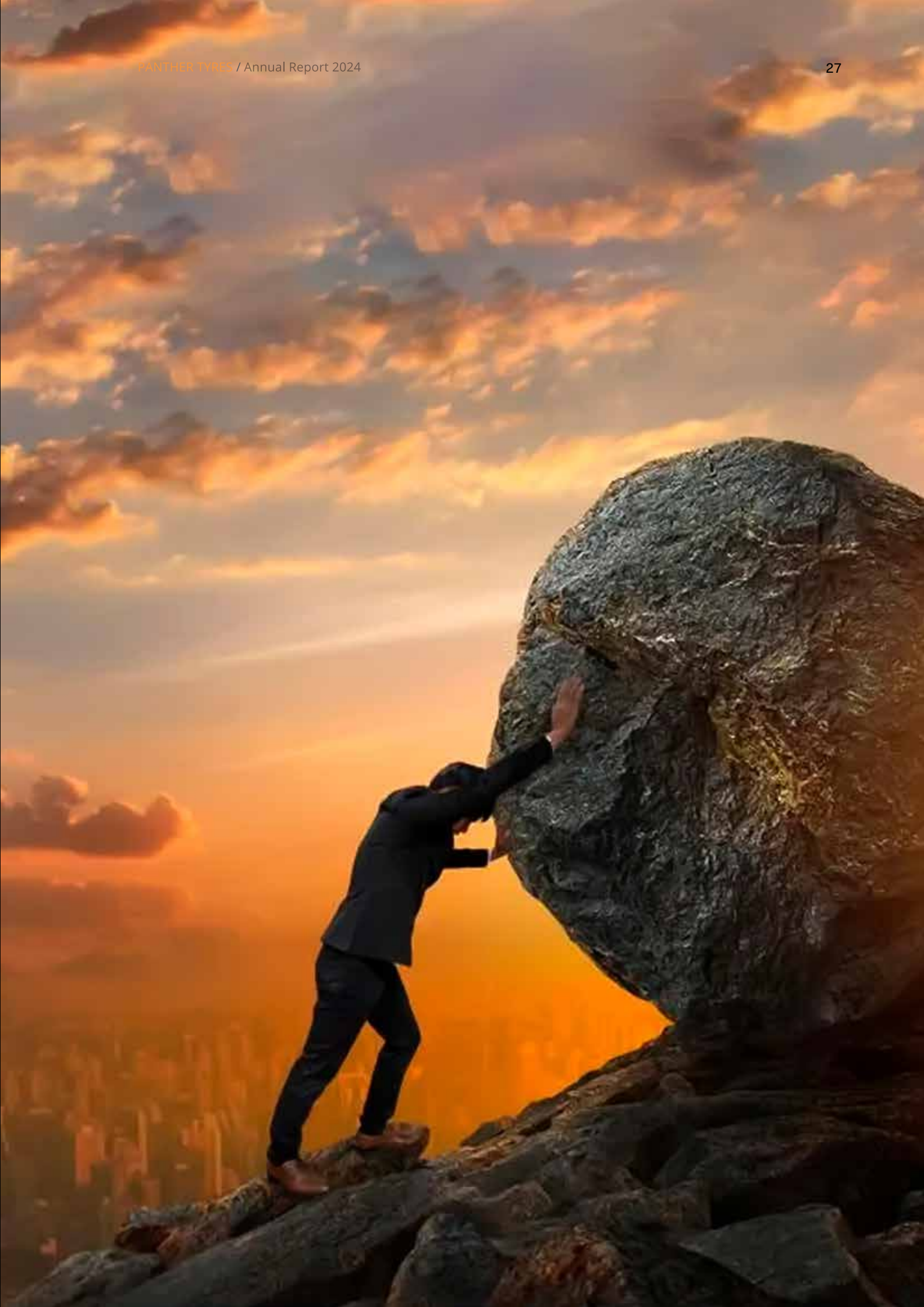
02.

EMBRACE CHALLENGES

WITH DETERMINATION,
PERSIST WITH PASSION, AND
SUCCESS WILL FOLLOW YOU
RELENTLESSLY.

28 Awards &
Recognition

30 Key Milestones /
How We evolved



AWARDS & RECOGNITION

ACHIEVEMENTS

- First Motorcycle Tyre manufacturer of Pakistan
- First Butyl Tube manufacturer of Pakistan
- First Rickshaw Tyre manufacturer of Pakistan
- First Earth Mover Tyre (OTR) manufacturer of Pakistan
- Second Tractor Tyre manufacturer of Pakistan
- Second TBB Tyre manufacturer of Pakistan

AWARDS

- Brand of the Year Award for the years from 2013-2023
- Consumers Choice Award 2019
- Federation of Pakistan Chambers of Commerce & Industry (FPCCI)'s Export Trophy Awards till 2008
- ISO 9001 certified Company



CERTIFICATIONS

- ISO 9001 Certification 2015
- EU E8 - mark Certification 2018
- Adopted fully functional SAP (Systems, Applications & Products) ECC/ERP 6.0 environment in 2013



KEY MILESTONES / HOW WE EVOLVED





2012
First-ever ISO 9001 Certification by the Company

2013
Implementation of SAP ECC 6.0

2017
PACRA Corporate Long Term Entity Rating of A-, and Short-Term rating of A2

2018
Awarded EU E8 - mark certification for export to European countries
Started trading of Auto Parts & Lubricants

2019
Became the second manufacturer of TBB Tyres in Pakistan

2020
Company's Long Term and Short Term credit ratings upgraded to A and A1 respectively

2021
First Company in Pakistan for manufacturing of OTR tyres

2021
Successful completion of the Company's Initial Public Offering

2022
Achieved Annual Turnover of Rs.20 Billion

2023
Energization 132 KVA Grid Station at Panther Factory

2024
Capacity Enhancement by **22%**
Tyres 8.1m to 9.75m
Tubes 31.5m to 40.6m

03.

OUR LEADERSHIP

LEADERSHIP IS NOT ABOUT THE TITLE;
IT'S ABOUT THE IMPACT, INFLUENCE,
AND INSPIRATION TO BRING OUT
THE BEST IN OTHERS AND CREATE A
BRIGHTER FUTURE.

34 Board
Profile

38 Leadership
Team



BOARD PROFILE



MIAN IFTIKHAR AHMED

CHAIRMAN

Mian Iftikhar Ahmed has been the driving force behind Panther Tyres' remarkable success. Through his visionary thinking, relentless hard work, and unwavering commitment, he transformed the company from its humble beginnings into one of the leading tyre manufacturers in Pakistan.

Over the years, he has demonstrated exceptional strategic acumen and entrepreneurial prowess, successfully steering the organization to new heights. As the Chairman of the Board of Directors and former Chief Executive of Panther Tyres, Mian Iftikhar Ahmed is not only the founder of the company but also a pioneer in Pakistan's bias tyre industry. Under his leadership, the company has introduced numerous innovative products, setting new standards in the tyre industry.

Currently, he serves as the chairman of the All Pakistan Tyres & Tubes Manufacturing Association (APTTMA). His contributions to the industry were recognized in 2007 when he

was awarded a Gold Medal by the Lahore Chamber of Commerce & Industry (LCCI) for being the best businessman of the year.

Mian Iftikhar Ahmed's academic journey began with an engineering degree from the University of Idaho, USA, in 1970. He gained invaluable experience working for thirteen years in various multinational companies both in Pakistan and abroad before embarking on his entrepreneurial journey in 1983. His story is a testament to visionary leadership and the pursuit of excellence.



MIAN FAISAL IFTIKHAR

CHIEF EXECUTIVE OFFICER

Mian Faisal Iftikhar serves as the Executive Director and Chief Executive Officer of the company. He joined in 1999 after earning his Master's degree in Business Administration from the USA. With over twenty years of extensive experience in the tyre and tube industry, Mr. Faisal possesses a deep understanding of the critical business drivers within this sector.

Throughout his career, Mr. Faisal has been actively involved in the company's production operations, ensuring alignment with the overarching business strategy. His approach includes incorporating the latest technical knowledge into the leadership team and workforce, as well as continuously integrating new technology and state-of-the-art plant machinery.

Before taking on the role of CEO, he contributed significantly in various capacities, including production, supply chain, and sales operations. His leadership has been instrumental in the company's recent expansion and growth. Under his guidance, the company has achieved substantial advancements, driven by his commitment to innovation and excellence in operational efficiency.



AYESHA IFTIKHAR

DIRECTOR MARKETING & STRATEGY

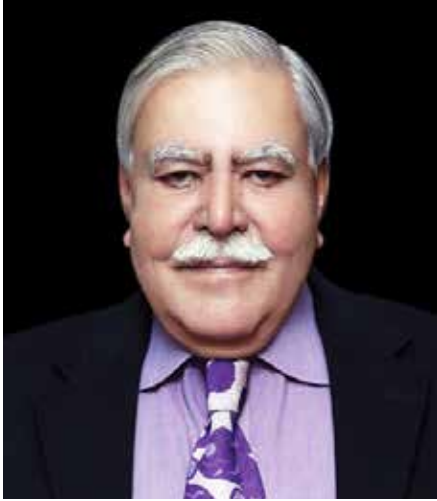
Ms. Ayesha has joined the Company as an executive director and currently heading the marketing department as a Director Marketing & Strategy. Her primary responsibilities encompass the development and execution of marketing strategies aimed at bolstering our brand presence & product offerings and at the same time developing and shaping long term business strategy.

Ms. Ayesha Iftikhar is an accomplished professional with a proven track record in the field of entrepreneurship and marketing. She carries more than 20 years of experience of diverse cultures and business environments. Her vast experience in business administration and marketing has given her a unique perspective and insight into the market dynamics. Ayesha is driven by an enduring passion for marketing and she finds inspiration in the ever-evolving landscape of consumer behavior and limitless opportunities that marketing offers to create meaningful connections with market and customers.

Ms. Ayesha graduated from Kinnaird College for Women University, Lahore and then moved to UK where she continued her professional learning. She has attended many professional development programs around the world about marketing, branding, leadership & management. She is the alumni of Harvard University and Lahore University of Management Sciences (LUMS). She is also a certified director and has attended the Directors Training Program as prescribed by SECP under Listed Companies (Code of Corporate Governance) Regulations, 2019.

Under her leadership, the marketing team undertakes; annual marketing plan, execution and monitoring of sales promotional activities, management and development of distributors/dealers network and their events. Simultaneously, she focuses on the broader business strategy, conducting in-depth analysis of economic indicators, tracking shifts in supply and demand, identifying current and future customer needs, and closely monitoring competitive forces in the marketplace. Her good leadership skills and strategic vision have already shown positive results in building the brand equity of Panther. Her passion, dedication, and commitment to excellence will be instrumental in supporting the growth and profitability of the business.

BOARD PROFILE



JAVED MASUD

INDEPENDENT DIRECTOR

Javed Masud has the distinction of establishing the country's first credit rating company and building the credibility of the credit rating industry in Pakistan as the founding Chief Executive of the Pakistan Credit Rating Agency Limited (PACRA).

Beginning his career as a civil servant, he went on to undertake numerous mid to senior-level policymaking roles in various federal ministries, including the Ministries of Planning, Finance, and Production. He has also been a member of the Securities & Exchange Commission of Pakistan (formerly the Corporate Law Authority) and served as Pakistan's Consul General in South Korea.

On the corporate front, he served as the Senior Executive Vice President (SEEV) and Regional Head of Bankers Equity Limited in Lahore. Additionally, he has been associated as a Board member with several prestigious organizations, including the Lahore Stock Exchange, Pakistan Petroleum Limited, Lahore Transport Company, and IGI Finex Securities Limited. Furthermore, he has worked as a consultant for the International Finance Corporation (IFC), the World Bank, and other international agencies, undertaking various assignments in countries across Asia, Africa, and Eastern Europe.

He began his professional career after earning a degree in Economics from Boston University, USA. In recognition of his pivotal role in establishing PACRA as a globally recognized credit rating agency, the Government of Pakistan honored him with the country's third-highest civilian award, the Sitara-e-Imtiaz, in 2009.



ASAD SULTAN CHAUDHARY

INDEPENDENT DIRECTOR

Asad Sultan Chaudhary has over forty years of work experience in the fertilizer industry of Pakistan, during which he remained associated with the leading corporations of the country, including Engro Fertilizers Ltd. and Fauji Fertilizer Company Limited (FFC).

Retiring as the Group-level General Manager of Marketing, he also had the privilege of representing industry matters at the highest levels in the Government of Pakistan, the provincial governments, and at international fertilizer conferences in numerous countries abroad. During his career, he headed all major departments, including Sales, Marketing, Distribution/Logistics, Imports/Exports, Advertising & Sales Promotion, Marketing Management, Strategy, Business Development, and Planning.

He holds an MBA degree from the Institute of Business Administration (IBA), Karachi, with a major in Marketing. He has also completed numerous advanced management programs from renowned institutions, including Wharton, Aresty Institute of Executive Education, University of Pennsylvania, USA; Ross Business School, University of Michigan, USA; International Fertilizer Development Center, Alabama, USA; Mt. Eliza Executive Education, Melbourne Business School, Australia; and Australian Graduate School of Management Executive Programs, University of New South Wales, Australia.

**ZAHID MEHMUD**

NON-EXECUTIVE DIRECTOR

Zahid Mehmud is a chemical engineer by profession and a qualified tyre and rubber technologist, boasting over 37 years of experience in Pakistan's tyre and tube manufacturing industry.

He has an illustrious career in production and plant management. Under his supervision, Tyre Building Machines and Bag-o-matic presses were fabricated and reconditioned for the first time in Pakistan's history, setting a new trend in the local industry. Before joining Panther Tyres in 2007, he served as General Manager of Production at Atlas Tyres (Pvt.) Ltd.

He has attended various training programs and courses from both local and international platforms, including Bridgestone Engineers' training on Tyre Processing, a course on Tyre and Rubber Technology from formerly Yugoslavia's Sava Continental, an Indian Refresher Course in Tyre Process Control, and Statistical Quality Control training conducted by the Pakistan Institute of Quality Control.

**IQBAL AHMAD KHAN**

INDEPENDENT DIRECTOR

Iqbal Ahmad Khan has been a career diplomat for 35 years, serving in Pakistan's diplomatic missions abroad and at the Ministry of Foreign Affairs in Islamabad. His distinguished career includes roles as Pakistan's Ambassador to Iran, High Commissioner to Bangladesh, and non-resident Ambassador to Bhutan. Additionally, he served as Pakistan's Permanent Representative to the ECO, Consul General in New York, and Director General at the Foreign Office overseeing South Asia and America.

Currently, he is an adjunct professor at the Lahore University of Management Sciences (LUMS), where he teaches international affairs. He also lectures at various institutions, including the National Management College (formerly the Pakistan Administrative Staff College) and the National Institute for Public Administration. He occasionally writes for newspapers and magazines on foreign policy and national security issues.

Joining the Foreign Service in 1971, he developed into a well-rounded professional, undertaking many critical diplomatic assignments for the country.

LEADERSHIP TEAM



GHULAM ABBAS

CHIEF FINANCIAL OFFICER

Ghulam Abbas is a value-focused finance leader with a proven ability to solve complex and challenging financial issues. Through his leadership and deep insight into business operations, he has significantly contributed to organizational growth. He is particularly credited for spearheading and successfully completing the IPO of the company despite pandemic-related challenges.

With over seventeen years of experience in senior management positions at large listed companies, he is a seasoned professional. His career has encompassed various areas including strategy, corporate finance, IPOs, financial modeling, BPRE, costing, budgeting, and taxation. He has been a member of multiple senior teams and committees, devising strategies and future plans for the organizations he has served.

He has hands-on experience with sophisticated ERP systems such as SAP ECC6, Oracle, and Microsoft Dynamics GP.

Mr. Ghulam Abbas has been associated with the company since February 2012. He is a fellow member of the Institute of Chartered Accountants of Pakistan (ICAP) and the Institute of Cost & Management Accountants of Pakistan (ICMAP). He is also a graduate of the Management Development Program at the Lahore University of Management Sciences (LUMS). In 2019, he was honored with the Professional Excellence Award by ICMA Pakistan and was recognized as one of the top 100 corporate leaders in Pakistan in 2020. He holds several honorary leadership positions in local and international organizations.

He is a certified director and has attended the Directors' Training Program as prescribed by the SECP under the Listed Companies (Code of Corporate Governance) Regulations, 2019.



MUHAMMAD RIAZ

GENERAL MANAGER OPERATIONS

Muhammad Riaz is a seasoned professional with over two decades of experience in production, plant management, and technology. He has been associated with Panther Tyres since 2003 and has held various positions in planning, production, operations, and project management departments.

He is duly acknowledged for helping the management achieve the company's dream of developing and offering the most diversified product portfolio in Pakistan. He is known as a frontrunner in the introduction of new technologies within the company and regularly adds new products to the business line. Being quality-conscious, he has instilled this philosophy throughout the plant operations, introducing some of the best manufacturing practices and helping the company achieve ISO certifications for nine consecutive years. Under his able leadership, the company also managed to secure EU e-mark certification, which has certified the company's products for export to European countries.

He is an engineer by profession, specializing in Tyre and Rubber Technology. He is also an alumnus of Lahore University of Management Sciences, where he completed the Management Development Program. Additionally, he has successfully completed various trainings and workshops from numerous local and foreign training establishments.



MOHSIN MUZAFFAR BUTT

COMPANY SECRETARY & HEAD OF INTERNAL AUDIT

Mohsin Muzaffar Butt is recognized as the driving force behind the introduction of an efficient corporate administration environment as Company Secretary. Following the initial public offering, he successfully established a culture of statutory and regulatory compliance throughout the organization. In his role as Corporate Secretary, he holds high-level responsibilities including governance structures and mechanisms, corporate conduct and planning, investor relations, and strategic communication on behalf of the company.

He specializes in corporate practices, internal auditing, and finance within SAP environment. Additionally, he is well-versed in risk management, controls, and fraud detection aspects of the internal audit profession.

He began his career in the internal audit function of a local company in Pakistan and later served as a financial controller and Group Internal Auditor for large local and multinational corporations in diverse economies such as the UAE, Iraq, and Canada.

He is a Fellow Member of the Institute of Chartered Accountants of Pakistan (ICAP) and a Certified Internal Auditor from IIA, USA. He has also attended the Directors' Training Programs at LUMS, ICAP and ICMAP.



CH. ZAFAR SALAM

NATIONAL SALES MANAGER

Zafar Salam is a seasoned professional with a diverse background and over 13 years of dedicated service within the company in business management, with a proven track record in spearheading successful sales and commercial operations. Holding an MBA degree from the Lahore School of Economics, he has carved a notable niche for himself in the corporate world.

His journey began with a role in the Commercial Department at Nishat Chunian Limited, where he gained valuable insights into the intricacies of business operations. Subsequently, he joined Pepsi Cola, where he excelled as a Key Account Manager for four years. During his tenure, he exhibited a mastery of key account management and fostered lasting relationships with clients.

His career trajectory continued to ascend as he embarked on his journey with Panther Tyres Limited, a testament to his unwavering commitment and loyalty. He took on various roles within the organization, progressively climbing the ranks from Assistant Sales Manager to Regional Sales Manager, and eventually assuming the position of Senior Sales Manager and National Sales Manager. His expertise spanned diverse domains, including 2, 3 & 4-W Replacement, Exports, Institutional Sales, and OEMs.



ABID SALAR

HEAD OF HR

Abid Salar is a dynamic and results-driven HR professional with over fourteen years of extensive experience in human resource management across diverse sectors. Currently, as the Head of HR at Panther Tyres Limited, Syed Abid plays a pivotal role in driving HR strategies that align with the company's goals, ensuring a motivated workforce and fostering a culture of continuous improvement.

Previously, Syed Abid led the HR functions at Stylo Group, where he implemented performance-driven models and enhanced employee engagement across multiple business units. Prior to this, during his tenure at Bank Alfalah, he was instrumental in improving organizational development and conducting training programs, significantly boosting productivity and employee satisfaction.

He holds an MBA from Durham University Business School and a BBA (Hons) from the Lahore School of Economics, both achieved through scholarships. His academic background is complemented by practical experience, including a consultancy role at Newcastle Building Society in the UK and teaching assistantships at the Lahore School of Economics.

Syed Abid's career is marked by a commitment to fostering high-performance cultures, developing talent, and ensuring that HR practices contribute to organizational success. His expertise in aligning HR strategies with business objectives, coupled with his dedication to continuous improvement, positions him as a key driver of organizational success.



USMAN MUKHTAR GONDAL

HEAD OF MARKETING

Usman is a seasoned marketing and sales professional with a decade of experience across diverse multinational companies. At Panther Tyres Limited, he is currently leading the marketing department, driving brand development, trade activations, and digital marketing efforts. His tenure saw the launch of successful 360-degree seasonal campaigns for both two-wheel and four-wheel segments, while also spearheading marketing strategies for international markets and co-branding initiatives with major companies like Total Parco and Foodpanda.

In his previous role as the Head of Institutional Sales at Panther Tyres, he played a crucial role in developing new business channels, collaborating with key accounts, and expanding corporate sales and online markets. He was responsible for managing a network of over 100 institutional accounts, actively participating in public tenders and Army Contracts, and cultivating collaborations across divisions.

At his previous job, he was the Regional Manager of Retail at Puma Energy, where he skillfully managed a network of 200 retail sites in Northern Punjab, ensuring consistent profit growth. Simultaneously, he led a team of managers and dealers, maintained retail standards, and managed external stakeholders for seamless operations. Moreover, in earlier roles at Philip Morris International and Total Parco, he excelled in driving sales, optimizing distribution channels, and exceeding targets.

His academic background includes an MBA from Lahore University of Management Sciences (LUMS), complemented by a Bachelor of Laws and a Bachelor of Science in Economics and Finance. He is also recognized for his licenses and certifications from the Punjab Bar Council. He is a results-driven professional committed to strategic growth and innovation.

04.

REPORT OF THE DIRECTORS

AS WE LOOK AHEAD, OUR FOCUS REMAINS ON DELIVERING VALUE, DRIVING INNOVATION, AND ACHIEVING SUSTAINABLE GROWTH.

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CHAIRMAN'S REVIEW REPORT



Mian Iftikhar Ahmed
Chairman

DEAR SHAREHOLDERS

Assalam o Alaikum

It is my honour to present before you the operating and financial performance of the Company for the year ended June 30, 2024.

BUSINESS PERFORMANCE

The Company continued its momentum of growth and managed to pocket 38% increase in its top line by closing the year at Rs.29,523 million. This growth is in line with company's performance for the last five years where it has showcased top line growth at a CAGR of more than 25%. All business segments from OEM, exports to replacement market have contributed to this growth.

In the inflationary environment that substantially raised the cost of doing business, the Company managed to maintain its gross margins by leveraging in economies of scales by producing and selling higher volumes. During the year, the gross margin stood at 14.57% alike with that of last year. However, this higher gross margin could not be translated into higher net profit due to soaring finance cost and taxation.

TYRE INDUSTRY OVERVIEW

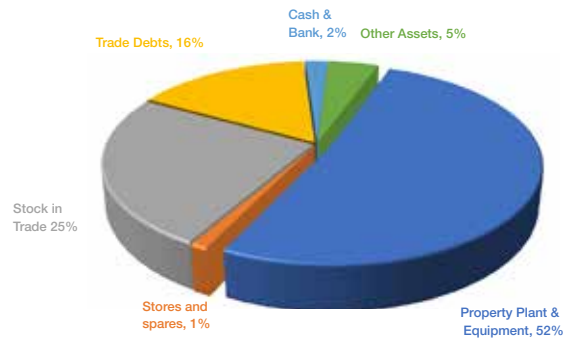
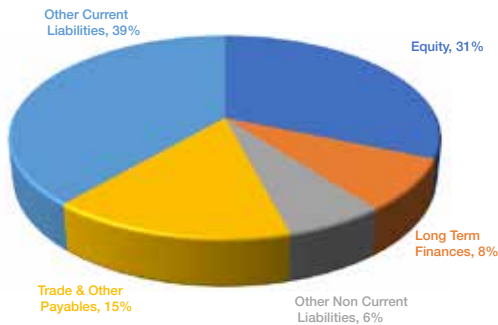
The year under review remained the promising year for the whole tyre industry where all the tyre companies posted best year in term of topline growth. The growth emanated from revival of the OEM industry, availability of new opportunities in export markets and robust off-take by consumer in secondary market after a halt of a year or so. On average, the industry posted a growth of more than 30% as against average market growth rate of around 10-15%. The industry is expected to return to normal growth in the year 2024-25. Smuggling and under-invoicing remained a biggest challenge of the industry. Although, Govt. took some initiative to curb this menace, but these steps are yet to bear fruits.

FINANCIAL POSITION

The total assets of the company as on June 30, 2024 stood at Rs. 23,638 million as compared to corresponding figure of Rs. 18,874 million with a growth of 25%. Fixed

assets account for 52% of the total assets. This investment will enable the Company to meet its future growth and product diversification plan.

During the year under review, current assets of the company have increased by Rs. 2,160 million due to increase in working capital requirements which is in line with the growth in business. Stock in trade increased from Rs. 4,658 million to Rs. 5,839 million in the anticipation of higher sales volumes during the peak season. Trade debts increased from 3,030 million to 3,751 million to support the 38% increase in topline. The current ratio of the Company as on June 30, 2024 remained at 0.88:1 due to the escalation in cost of expansion projects. However, subsequent to the year end, the company has availed syndicated term loan facility of Rs. 1,000 million which was disbursed in the month of Aug-2024, accordingly, the current ratio of the Company will improve in financial year 2024-25.



During the year, the company obtained long-term loans aggregating to Rs. 993 million for the financing of ongoing expansion projects. Short term borrowings of the company have also increased from Rs.5,726 million to Rs.8,074 million which was mainly required to support the enhanced business requirements.

REGULATORY CHANGES

Ministry of commerce through SRO1397(I)/2023 dated October 3, 2024 has excluded tyre along with other items from the allowed list of Afghan Transit Trade. This exclusion has opened many opportunities for the tyres industry as a whole as this will restrict the smuggling of tyres which was previously happening through this corridor.

CREDIT RATING

The Company believes in transparency and credibility of financial information. In line with this philosophy, the board engages the Pakistan Credit Rating Agency Limited (PACRA) to evaluate the financial strength, risk profile and governance system of the company.

During the year under review, PACRA has maintained the credit rating of the Company at A & A1 for long term and short-term tenures respectively with a stable outlook.

EXPANSION OUTLOOK

The Company regularly invest in plant and machinery to bring in new technology and develop infrastructure to modernize its production operations. This approach enables the Company remain ahead of the curve in term of providing high quality products to its customers.

During the year, the Company has capitalized assets of value aggregating to Rs.4,051 million that resulted into 20% & 29% increase in production capacity of tyres and tube respectively. This will help the Company

achieve its future growth plans. Property, plant and equipment relating to back end processes & utilities, having aggregate value Rs.2,270 million was still in commissioning and installation phase. The work on these projects will be completed in financial year 2024-25.

GOVERNANCE SYSTEM

The Company has diverse and competent Board of Directors which hold to the Company's vision and mission with the ultimate goal of serving the interest of stakeholders. The board members have diverse background of engineering, sales & marketing, banking & finance and production operations. These skill sets complement one another for best decision making at board level.

Overall, the Board is working well and ensuring that the organization is being managed effectively in a way that it achieves its objective whilst also safeguarding the interest of its stakeholders by making sure that the management conducts its businesses with honesty, integrity and in accordance with the highest ethical and legal standards. It also played a key role in monitoring management performance and assessing major risk areas. All Board members, including independent directors, fully participated in, and contributed towards the decision making process of the Board.

WORDS OF GRATITUDE

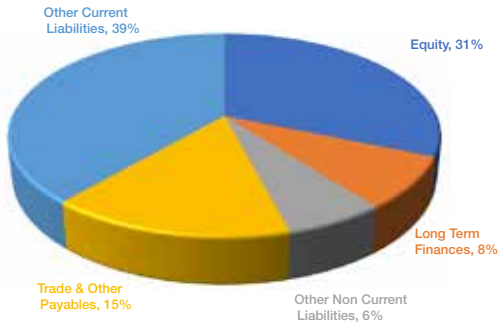
Before concluding I extend my gratitude to the Board of Directors for their invaluable guidance, which has been crucial in driving our achievements, safeguarding the Company's reputation, and meeting the expectations of our stakeholders. At the same time, I earnestly express gratitude to our lenders, partners, suppliers, distributors, management team, workers and the public at large for their support throughout our journey.

چیمبرمین جائزہ رپورٹ

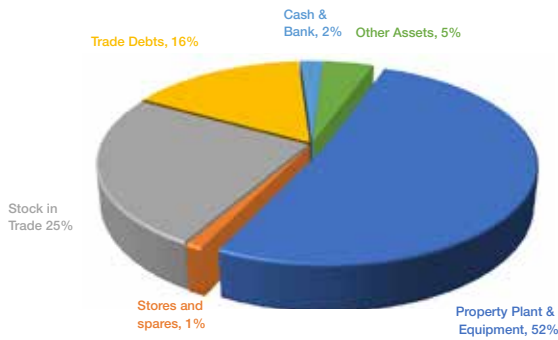
زیر جائزہ سال کے دوران، کمپنی نے قلیل مدتی قرضوں کو زیادہ استعمال کیا جس کے قلیل مدتی اثاثوں میں 2150 ملین کے اضافے کو سپورٹ کیا جو کہ کاروبار کی ترقی کی شرح سے عین مطابق تھا۔

کاروباری تیزی کے ایام میں مصنوعات کی فروخت بڑھنے کے رجحان کے مدنظر تجارتی اسٹاک 4,657 ملین روپے سے بڑھ کر 5,839 ملین روپے ہو گیا۔ ٹاپ لائن میں 38 فیصد اضافے کے لیے تجارتی قرضے بھی 3,029 ملین روپے سے بڑھ کر 3,750 ملین روپے ہو گئے۔

توسیعی منصوبوں کی لاگت میں اضافے کی وجہ سے 30 جون 2024ء تک کمپنی کا موجودہ تناسب 0.88:1 پر رہا۔ تاہم، سال کے آخر تک، کمپنی نے 1000 ملین روپے کے سینڈکیٹ قرضے کی سہولت حاصل کی جو اگست 2024ء کے مہینے میں ملا، اس سے آنے والے دنوں میں کمپنی کے موجودہ تناسب میں بہتری آئے گی۔



رواں برس، کمپنی نے توسیعی منصوبہ جات کو مالی وسائل فراہم کرنے کے لیے مجموعی طور پر 993 ملین روپے کے طویل مدتی قرضے حاصل کیے۔ دوسری طرف، بڑھتی ہوئی کاروباری ضروریات کو پورا کرنے کے لیے کمپنی کے قلیل مدتی قرضہ جات 5,726 ملین روپے سے بڑھ کر 8,504 ملین روپے ہو گئے۔



معزز شیئر ہولڈر!
اسلام علیکم

میرے لیے یہ امر باعث فخر ہے کہ میں 30 جون 2024ء کو ختم ہونے والے مالی سال میں کاروبار کی آپریشنل اور مالیاتی کارکردگی آپ کے سامنے پیش کروں۔

ٹائر انڈسٹری کا جائزہ:

زیر جائزہ برس پوری ٹائر انڈسٹری کے لیے امید افزا رہا۔ تمام ٹائر کمپنیوں نے ٹاپ لائن گروتھ کے لحاظ سے بہترین کارکردگی دکھائی۔ یہ ترقی OEMs صنعت کی بحالی، برآمدی منڈیوں میں نئے مواقع کی دستیابی اور ٹائو مارکیٹ میں صارفین کی طرف سے ایک سال یا اس سے زیادہ وقفے کے بعد خریداری کے مضبوط رجحان کی وجہ سے ہوئی۔ ہماری انڈسٹری نے اوسط مارکیٹ شرح نمو تقریباً 15-10 فیصد تک رہی، کے مقابلے 30 فیصد سے زیادہ گروتھ کی۔ مالیاتی برس 2024-25ء میں صنعت کی معمول کی گروتھ کی طرف واپس آنے کی امید ہے۔ سگنگ اور انڈر انوائسنگ انڈسٹری کا سب سے بڑا چیلنج رہا۔ اگرچہ حکومت نے اس مسئلے کو روکنے کے لیے کچھ کام کیا، لیکن اس کا کوئی خاطر خواہ نتیجہ نہ نکل سکا۔

کاروباری کارکردگی

کمپنی نے اپنی ترقی کی رفتار کو جاری رکھا اور سال کے اختتام پر 29,523 ملین روپے کی مصنوعات فروخت کے ساتھ ٹاپ لائن میں 38 فیصد اضافہ کرنے میں کامیاب رہی۔ یہ شرح نمو کمپنی کے پچھلے پانچ سالوں کی کارکردگی کے مطابق ہے۔ جہاں اس نے 25 فیصد سے زیادہ CAGR پر ٹاپ لائن میں گروتھ ظاہر کی۔ OEMs، برآمدات اور تبادلی مارکیٹ کے تمام کاروباری طبقات نے اس ترقی میں حصہ ڈالا۔

افراط زر کے ماحول میں، جس سے کاروبار کرنے کی لاگت میں خاطر خواہ اضافہ ہوا، کمپنی بڑے پیمانے پر اپنی مصنوعات کی پروڈکشن اور فروخت سے مجموعی منافع کو برقرار رکھنے میں کامیاب رہی۔ رواں برس، مجموعی منافع 14.57 فیصد رہا جو گزشتہ برس بھی اتنا ہی تھا۔ تاہم، بڑھتی ہوئی مالیاتی لاگت اور ٹیکسوں کی وجہ سے اس اعلیٰ مجموعی منافع کو زیادہ خالص منافع میں تبدیل نہیں کیا جاسکا۔

مالی پوزیشن:

30 جون 2024ء تک کمپنی کے کل اثاثے 25 فیصد اضافے کے ساتھ 23,637 ملین روپے تھے جو گزشتہ برس اسی مدت میں 18,874 ملین روپے تھے۔ توسیعی منصوبوں میں حالیہ سرمایہ کاری کی وجہ سے کل اثاثہ جات کا 52 فیصد پراپرٹی، پلانٹ اور مشینری پر مشتمل ہیں۔ یہ سرمایہ کاری کمپنی کو اپنے مستقبل کی ترقی اور مصنوعات کے تنوع کے منصوبے کو پورا کرنے کے قابل بنائے گی۔

ریگولیشنری تبدیلیاں:

مجموعی طور پر بورڈ بہترین طریقے سے کام کر رہا ہے اور اس بات کو یقینی بنا رہا ہے کہ ادارے کا نظام موثر انداز میں چلایا جائے تاکہ وہ اپنے مقاصد کو حاصل کر سکے۔ مزید برآں، انتظامیہ تمام متعلقہ اسٹیک ہولڈرز کے مفادات کا تحفظ کرتے ہوئے، اپنے کاروبار کو ایمانداری، دیانتداری، اعلیٰ ترین اخلاقی اصولوں اور قانونی تقاضوں کے مطابق سرانجام دے۔

بورڈ نے انتظامیہ کی کارکردگی کا جانچ اور رسک کی پیش بندی کے حوالے سے بھی کلیدی کردار ادا کیا ہے۔ بورڈ کے تمام ممبران بشمول انڈیپنڈنٹ ڈائریکٹرز نے ہر معاملے میں بھرپور حصہ لیا اور فیصلہ سازی کے ہر مرحلے میں شریک رہے۔

اظہار تشکر:

اختتام سے قبل میں خلوص دل سے بورڈ آف ڈائریکٹران کی انمول رہنمائی کے لیے ان کا شکریہ ادا کرتا ہوں، جس سے ہمیں کامیابیوں کے زینے طے کرنے میں مدد، کمپنی کی سادھ کو بچانے اور اسٹیک ہولڈرز کی توقعات پر پورا اترنے میں معاونت ملی۔ اس کے ساتھ ساتھ میں اپنے قرض دہندگان، سپلائرز، دستری بیورٹرز، انتظامی ٹیم، کارکنان اور عوام لناس کا اس سفر میں تعاون کا شکریہ ادا کرتا ہوں۔



میاں افتخار احمد
چیئرمین

اکتوبر 7، 2024

لاہور

وزارت تجارت نے مورخہ 13 اکتوبر 2024 کو بذریعہ ایس آر او نمبری SRO1397(1)2023 کے تحت ٹائروں اور کچھ دیگر اشیاء کو افغان ٹرانزٹ ٹریڈ کی اجازت والی لسٹ سے نکال دیا ہے۔ یہ امر ٹائز انڈسٹری کے لیے بہت سے نئے مواقع پیدا کرنے کے ساتھ ساتھ ٹائروں کی سگمنگ کو بھی کم کرے گا، جو پہلے اس راستے سے ہو رہی تھی۔

کریڈٹ ریٹنگ

انتظامیہ مالیاتی معلومات کی شفافیت اور بہتر سادھ پر یقین رکھتی ہے۔ اس فلسفے کے مطابق، کمپنی نے پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) کو کمپنی کی مالی حیثیت اور کارکردگی کا جائزہ لینے کے لیے مقرر کیا ہے۔ PARCA نے مکمل جانچ پرکھ کے بعد ادارے کو بالترتیب A (طویل مدتی) اور A1 (تھیل مدتی) کی کریڈٹ ریٹنگ دی ہے۔

توسیحی منصوبہ جات کا منظر نامہ:

کمپنی نئی ٹیکنالوجی کے حصول اور پروڈکشن آپریشنز کو جدید خطوط پر استوار کرنے کے لیے پلانٹ، مشینری اور انفراسٹرکچر میں باقاعدگی سے سرمایہ کاری کرتی ہے تاکہ وہ اپنے صارفین کو اعلیٰ درجے کی مصنوعات فراہم کرنے میں صف اول میں رہے۔

سال کے دوران، کمپنی نے 4,051 ملین روپے کی مجموعی مالیت کے اثاثوں کی سرمایہ کاری کی جس کے نتیجے میں ٹائز اور ٹیوبز کی پیداواری صلاحیت میں بالترتیب 20 فیصد اور 29 فیصد اضافہ ہوا۔ اس سے کمپنی کو اپنے مستقبل کے ترقیاتی منصوبوں کو پورا کرنے میں مدد ملے گی۔ پراپرٹی، پلانٹ، پراسیسنگ اور یوٹیلٹیٹیز سے متعلق آلات جن کی مجموعی مالیت 2,270 ملین روپے ہے، ابھی تک نصب اور چالو ہونے کے مراحل میں ہے۔ ان منصوبوں کی تکمیل مالی برس 2024-25ء میں مکمل ہو جائے گی۔

گورننس

کمپنی کا بورڈ باصلاحیت اور قابل ڈائریکٹران پر مشتمل ہے، جو اسٹیک ہولڈرز کے مفادات کو پورا کرنے کے حتمی مقصد کے ساتھ کمپنی کے وژن اور مشن کو برقرار رکھتے ہیں۔ بورڈ کے ممبران انجینئرنگ، سیلز اینڈ مارکیٹنگ، بینکنگ و فنانس اور پروڈکشن آپریشنز جیسے متنوع شعبہ جات کا پس منظر رکھتے ہیں۔ جس کی وجہ سے بورڈ کی سطح پر بہترین فیصلہ سازی میں معاونت ملتی ہے۔

OWNERSHIP STRUCTURE

OUR OWNERSHIP STRUCTURE
AS ON JUNE 30, 2024



Directors/Sponsors/
Senior Management



Public &
Executives



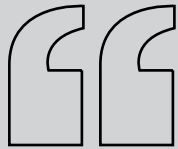
Institutions
& Others



MESSAGE OF CHIEF EXECUTIVE OFFICER



Mian Faisal Iftikhar
Chief Executive Officer



In the evolving landscape of market challenges, our unwavering commitment to quality and strong branding has remained the cornerstone of our strategy. Quality isn't just a goal at Panther; it's the very essence of who we are, while our branding stands as a testament to the superior standards we uphold.

At Panther, quality transcends being a mere metric—it's an ingrained culture that permeates every facet of our organization. From the engineers crafting our designs to the technicians meticulously assembling each product, our entire workforce is unified by a relentless pursuit of excellence. This deep-rooted culture of quality guarantees that every tyre we bring to market exemplifies the pinnacle of our capabilities.

We recognize that a tyre is far more than just a component—it's a crucial connection between vehicle and road, directly influencing safety, performance, and comfort. Our commitment to our customers is to relentlessly innovate, research, and perfect our products, ensuring that every tyre we produce embodies the highest standards of quality.

Looking ahead, we see a future where quality and branding are not merely aspirations but are intrinsic to our identity as a company. We are dedicated to continually investing in the people, processes, and technologies that reinforce Panther's reputation for excellence, making it synonymous with our brand.

MESSAGE OF
DIRECTOR _____
**MARKETING &
STRATEGY**



Ayesha Iftikhar
Director Marketing & Strategy



Our brand transcends being a mere logo—it is a pledge, a symbol of our unwavering dedication to delivering value that surpasses expectations.

At Panther, our brand signifies much more than just a name or an emblem; it encapsulates our core values, our vision for the future, and our unwavering promise to our customers to deliver nothing short of excellence. Through well-crafted marketing strategies and immersive customer experiences, we aim to deepen connections, explore new markets, and expand Panther's reach through innovative campaigns and strategic partnerships.

As we look to the future, our commitment is to cultivate a brand that resonates emotionally, fosters trust, and stands as a hallmark of reliability, durability, and comfort.

DIRECTORS' REPORT

The Directors of the Company take pleasure in presenting the financial statements of the Company for the year ended June 30, 2024 along with auditors' report thereon.

OVERVIEW OF ECONOMY

The financial year under review happened to be another year of economic challenges and uncertainties characterized by political volatility and poor governance. GDP growth remained at a meagre level of 2.4% whereas large scale manufacturing also witnessed a marginal rise reflecting the subdued economic activity across the board. Persistent high levels of inflation and interest rates throughout the year continued to impact the cost of doing business while simultaneously eroding purchasing power of consumers thus suppressing the overall demand.

However, some improvements were witnessed towards the end of the year when economy was judged to have left the worst behind it and gradually to be on its way out of an economic crisis. Although, foreign exchange reserves remained low but have strengthened from previously critical levels. The import and currency restrictions that crippled businesses at large have now eased off. However, with weak government finances and buffers, stabilization is still fragile and there is a risk of new episode of currency volatility and higher inflation.

OVERVIEW OF THE FINANCIAL PERFORMANCE

The Company registered another year of impressive business growth and posted sales for the year at Rs.29,523 million with robust growth of 38% which is in line with its performance over the years. The growth in local sales is attributed to increased product off-take in replacement market as well as higher volume sold to OEMs which were at halt during the last year. Similarly, the exports of the Company increased by 19% to W Rs.3,564 million due to higher demand of Company's products.



The snapshot of financial performance of the company is as follows;

PKR in millions except EPS	2023-24	2022-23
Revenue	29,523	21,363
Gross profit	4,302	3,102
Net Profit	466	433
Earning Per Share	2.77	2.58

During the year, the Company successfully managed to maintain its gross margin at 14.57% as against 14.52% reported last year. The management not only passed on the partial impact of higher costs to the end consumers but also implemented cost control measures to improve operational efficiencies.



Selling and distribution expenses have increased from 931.708 million to 1,409.344 million due to additional spending on marketing & branding. This will further strengthen our brand visibility and customer loyalty.

During the year, due to enhanced business operations, average utilization of working capital limits remained on higher side. This increased utilization coupled with higher policy rates resulted into 40% increase in finance cost. Higher finance cost restricted the pre-tax profit to the level of Rs.895 million only. Resultantly, the Company was able to post net profit of Rs.465.785 million as compared to Rs.432.793 million reported during the last year.

FUTURE OUTLOOK

During the last few months, Pakistan's economic outlook has started showing signs of improvement. One of the key positive indicator is a sharp decline in inflation which after peaking at 23.4% in the previous fiscal year has dropped to a single digit. Consequently, State Bank of Pakistan (SBP) has taken the bold step to reduce the policy rate by 4.5% to 17.5% in successive monetary policy meetings. There is a high probability of further decrease in discount rates in the coming months which will bode well for the industry. After

reaching the staff level agreement with IMF and subsequent approval from the executive board, Pakistan has received the first tranche of IMF's EFF agreement which will open the doors for further inflows from other lenders eventually strengthening the foreign reserves.

However, Pakistan's economic rebound is contingent on broad structural reforms, including revenue mobilization, fiscal consolidation, and improved governance.

In the expected economic and political environment, the management maintains a positive outlook on the Company's prospects moving forward. The company remains committed in delivering enduring value and strengthening relationships with existing customers & suppliers and leveraging its diversified product portfolio to materialize its growth aspirations.

DIVIDENDS AND APPROPRIATIONS

Since the company is undertaking major expansion projects, so in order to conserve the liquidity, the Board of Directors has not recommended any dividend.

PRINCIPLE ACTIVITY OF THE COMPANY

The Principle activity of the company is manufacturing and sales of tyres and tubes.

COMPOSITION OF THE BOARD

The board comprises of seven elected members. The composition of the Board is in compliance with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019. The composition as at the close of the financial year was as follows;

- a) Male 6
- b) Female..... 1

Composition

- Independent Directors 3
- Non-Executive Directors 2
- Executive Directors..... 2

BOARD OF DIRECTORS

During the financial year, five meetings of Board of Directors were held and attendance was as follows:

Directors	Status	10-Aug-23	18-Oct-23	29-Feb-24	25-Apr-24	Directors
Mian Iftikhar Ahmed – Chairman	Non-Executive Director	√	√	√	√	√
Mian Faisal Iftikhar – CEO	Executive Director	√	√	√	√	√
Ayesha Iftikhar	Executive Director	√	√	√	√	√
Asad Sultan Chaudhary	Independent Director	√	√	√	√	√
Javed Masud	Independent Director	√	√	√	√	√
Iqbal Ahmad Khan	Independent Director	√	√	√	√	√
Zahid Mahmud	Non-Executive Director	√	√	√	√	√

AUDIT COMMITTEE

The internal control framework has been effectively implemented through the Audit Committee. The Company's system of internal control is sound in design and has been continuously evaluated for effectiveness and adequacy.

During the year, four meetings of the Audit Committee of the board were held and attendance was as follows:

Directors	Status	10-Aug-23	18-Oct-23	29-Feb-24	25-Apr-24
Javed Masud - Chairman	Independent Director	√	√	√	√
Asad Sultan Chaudhary	Independent Director	√	√	√	√
Iqbal Ahmad Khan	Independent Director	√	√	√	√
Zahid Mahmud	Non-Executive Director	√	√	√	√

HUMAN RESOURCE COMMITTEE

During the year, one meeting of human resource committee was held:

Directors	Status	14-Mar-24
Asad Sultan Chaudhary - Chairman	Independent Director	√
Iqbal Ahmad Khan	Independent Director	√
Mian Faisal Iftikhar	Executive Director	√

CHANGES IN NATURE OF BUSINESS

There has been no change in nature of the business of the Company during the year.

AUDITORS

The present auditors, M/s KPMG Taseer Hadi & Co Chartered Accountants will retire at the conclusion of the upcoming Annual General Meeting and M/s KPMG Taseer Hadi & Co, being eligible, offer themselves for re-appointment as auditors. The Audit Committee of the Company has suggested and the Board has approved & recommended their reappointment to the shareholders as auditors of the Company for the year ending June 30, 2025.

RELATED PARTY TRANSACTIONS

The Company has made disclosures about related party transactions in its financial statements annexed with this annual report. Such disclosure is in line with the requirements of the 4th Schedule to the Companies Act, 2017 and applicable International Financial Reporting Standards.

All transactions or arrangements with all related parties were carried out in the ordinary course of business on an arm's length basis.

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The requirement of the Code of Corporate Governance set out by the Pakistan Stock Exchange in their listing regulations relevant for the year ended 30 June 2024 were duly complied with. A statement to this effect is attached with the report.

STATEMENT OF CORPORATE FINANCIAL REPORTING FRAMEWORK

The Company has complied with all the requirements of the Code of Corporate Governance as required by the listing regulations.

Accordingly, the Directors are pleased to confirm the following:

1. The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 2017. These statements present fairly the Company's state of affairs, the result of its operations, cash flow and changes in equity.
2. The principal business activity of the Company is manufacturing and sales of tyres and tubes for vehicles.
3. Proper books of accounts have been maintained by the Company.
4. Appropriate accounting policies have been consistently applied in the preparation of financial statements which conform to the International Accounting Standards as applicable in Pakistan.
5. The accounting estimates, wherever required are based on reasonable and prudent judgment.
6. International financial reporting standard, as applicable in Pakistan, have been followed in preparation of financial statements.
7. The system of internal control is sound in design and has been effectively implemented.
8. There are no significant doubts upon the Company's ability to continue as a going concern.
9. There has been no material departure from the best practices of corporate governance, as detailed in the Listing Regulations.

The key operating and financial data of the last six years is annexed with this report.

CORPORATE SOCIAL RESPONSIBILITY

Panther takes the pride for being a responsible and positive contributor to the communities in which it operates, as well as society at large. This reflects the Company's recognition that there is a strong positive correlation between financial performance and corporate, social and environmental responsibility. A detailed look into the activities of corporate, social and environmental responsibilities can be found in the relevant section of the Report.

SUBSEQUENT EVENTS

No material changes or commitments affecting the financial

position of the company have occurred between the end of the financial year of the company and date of this report other than as disclosed.

RISK MANAGEMENT POLICY

Company has a well-defined Risk Management Policy, which presents a mechanism for identification and management of risks including evaluating and devising a mechanism to minimize the negative impact of such risks on Company's business. The Policy provides entity-wide risk management guidelines that cover all key risk areas and their containment/minimization measures.

ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Board of Directors has established an efficient system of internal financial controls, for ensuring effective and efficient conduct of operations, safeguarding of Company assets, compliance with applicable laws and regulations and reliable financial reporting. The independent Internal Audit function of Panther Tyres regularly appraises and monitors the implementation of financial controls, whereas the Audit Committee reviews the effectiveness of the internal control framework and financial statements on quarterly basis.

VISION, MISSION AND OVERALL CORPORATE STRATEGY APPROVAL BY THE BOARD

The board of directors have carefully reviewed and approved the vision, mission and overall corporate strategy of your Company and believes that it comprehensively states the ideology with which Panther Tyres was incorporated. We ensure that our vision and mission sets the direction for our overall corporate strategy and our future journey in everything we do at all levels. The entire organization is connected and driven by this purpose and it serves as the main decision making criterion in our day to day business.

QUALIFICATION OF CFO AND HEAD OF INTERNAL AUDIT

The Chief Financial Officer and Head of Internal Audit possess the requisite qualification and experience as prescribed in the Code of Corporate Governance.

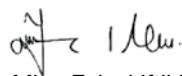
PATTERN OF SHAREHOLDING

Pattern of shareholding of the Company in accordance with the Companies Act, 2017 as at June 30, 2024 is annexed to this report.

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 the Board



Mian Faisal Iftikhar
Chief Executive Officer

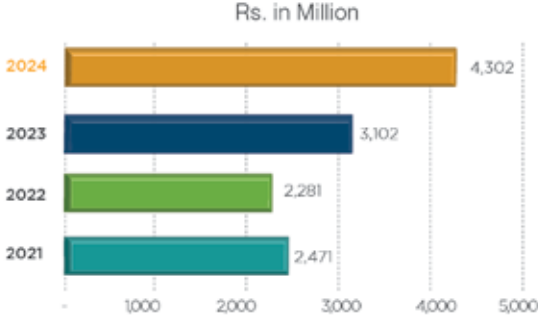


Mian Iftikhar Ahmed
Director

October 07, 2024
Lahore

ڈائریکٹرز جائزہ رپورٹ

لاگت کو آخری صارف تک منتقل کیا بلکہ آپریشنل کارکردگی کو بہتر بنانے کے لیے لاگت پر قابو پانے کے اقدامات کو بھی نافذ کیا۔



مارکیٹنگ اور برانڈنگ پر اضافی اخراجات کی وجہ سے مصنوعات کی فروخت اور تقسیم کے اخراجات 931.708 ملین روپے سے بڑھ کر 1,409.344 ملین روپے ہو گئے۔ اس سے ہماری مصنوعات کی مارکیٹ رسائی اور صارفین کے ساتھ تعلق مزید مضبوط ہوگا۔

سال کے دوران، کاروباری آپریشنز میں وسعت کی وجہ سے ورکنگ کیپیٹل limits کے وسطاً زیادہ استعمال اور بلند شرح سود نے مالیاتی لاگت میں 40 فیصد اضافہ کیا۔ مالیاتی لاگت کے زیادہ ہونے کی وجہ سے کمپنی کا قبل از ٹیکس منافع 895 ملین روپے تک محدود رہا۔ نتیجتاً، کمپنی گزشتہ سال کے 432.793 ملین روپے خالص منافع کے مقابلے میں اس برس 465.785 ملین روپے خالص منافع پوسٹ کرنے میں کامیاب رہی۔

مستقبل کا منظر نامہ:

مالی برس 2025 کے آغاز سے، پاکستان میں معاشی لحاظ سے بہتری نظر آئی۔ مثبت پہلوؤں میں سے ایک افراط زر میں تیزی سے کمی ہے، جو گزشتہ برس 23.4 فیصد کی بلند ترین شرح سے کم ہو کر ہندی تک گر گئی۔ اس کے نتیجے میں اسٹیٹ بینک آف پاکستان نے گزشتہ تین مسلسل مانیٹری پالیسی میٹنگز کے دوران یکے بعد دیگرے پالیسی ریٹ کو 4.5 فیصد سے کم کر کے 17.5 فیصد تک لانے کا جرات مندانہ قدم اٹھایا ہے۔ آنے والے مہینوں میں ڈسکاؤنٹ ریٹ میں مزید کمی کا امکان ہے جو انڈسٹری کے لیے بہت اچھا ہوگا۔ آئی ایم ایف کے ساتھ اسٹاف لیول معاہدے اور بعد میں ایگزیکٹو بورڈ سے منظوری کے بعد، پاکستان کو آئی ایم ایف کے EFF معاہدے کی پہلی قسط موصول ہو گئی ہے جو دیگر قرض دہندگان کی جانب سے مزید رقم کی آمد کے دروازے کھول دے گی، جس سے ملکی زر مبادلہ کے ذخائر کو تقویت ملے گی۔

تاہم، پاکستان کی اقتصادی بحالی کا انحصار وسیع ڈھانچہ جاتی اصلاحات پر ہے، جس میں ریویو کو متحرک کرنا، مالیاتی استحکام اور بہتر گورننس شامل ہیں۔

کمپنی کے بورڈ آف ڈائریکٹرز 30 جون 2024ء کو ختم ہونے والے برس کے لیے کمپنی کے مالیاتی گوشوارے مع آڈیٹرز رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

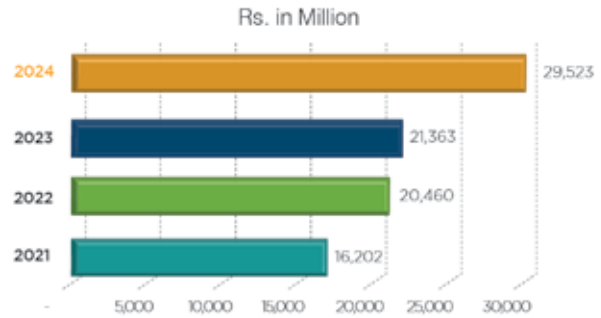
معیشت اور کاروباری ماحول کا جائزہ:

زیر جائزہ مالیاتی برس سیاسی اتار چڑھاؤ اور ناقص گورننس کی وجہ سے معاشی چیلنجز اور غیر یقینی صورتحال کا ایک اور سال ثابت ہوا۔ جی ڈی پی کی شرح نمو 2.4 فیصد کی معمولی سطح پر رہی جبکہ بڑی میڈیونسٹیبل سیکٹرز کے شعبے میں بھی معمولی اضافہ رہا، جو مجموعی طور پر سست رو معاشی سرگرمی کا عکاس ہے۔ سال بھر مسلسل مہنگائی اور بلند شرح سود نے نہ صرف کاروباری لاگت کو متاثر کیا بلکہ صارفین کی قوت خرید کو بھی کچل دیا۔

تاہم، سال کے آخر میں کچھ بہتری کے آثار دیکھنے کو ملے یا کم از کم یہ اندازہ کہ معیشت بدترین حالت سے نکل کر آہستہ آہستہ بحران سے نکلنے کی راہ پر گامزن ہے۔ اگرچہ، زر مبادلہ کے ذخائر کم لیکن پہلے جیسی نازک سطح سے بہتر رہے۔ درآمدات اور کرنسی پر پابندیوں جیسے عوامل کاروبار کو مفلوج کرتے تھے، اب ان میں نرمی آئی ہے۔ تاہم، کمزور حکومتی مالیات اور buffers کے ساتھ معاشی استحکام ابھی بھی نہیں، مزید افراط زر اور کرنسی کے اتار چڑھاؤ کا خطرہ ہنوز موجود ہے۔

مالیاتی کارکردگی کا جائزہ:

کمپنی نے گزشتہ برسوں کی طرح رواں سال بھی متاثر کن کارکردگی کا مظاہرہ کرتے ہوئے، 38 فیصد بہترین شرح نمو کے ساتھ 29,523 ملین روپے کی مصنوعات فروخت کیں۔ مقامی سطح پر مصنوعات کی فروخت میں اضافے کی وجہ متبادل مارکیٹ میں زیادہ خریداری کے ساتھ ساتھ OEMs کو مصنوعات کی فروخت میں بڑا اضافہ بھی ہے جو پچھلے سال سے رکی ہوئی تھی۔ کمپنی کی مصنوعات کی زیادہ مانگ کی وجہ سے رواں برس کمپنی کی برآمدات 19 فیصد بڑھ کر 3,564 ملین روپے ہو گئیں۔



رواں برس، کمپنی کا مالیاتی ماحول اپنے مجموعی منافع کو 14.57 فیصد پر برقرار رکھنے میں کامیاب رہی جبکہ گزشتہ برس یہ شرح 14.52 فیصد تھی۔ انتظامیہ نے نہ صرف زیادہ

گورنرز (ریگولیشنز 2019ء کے تقاضوں کے مطابق ہے۔ مالی سال کے اختتام پر اس کی تشکیل حسب ذیل تھی:

6	ا۔ مرد
1	ب۔ خواتین

ہیئت ترکیبی

3	انٹری پیپنڈنٹ ڈائریکٹرز:
2	نان ایگزیکٹو ڈائریکٹرز:
2	ایگزیکٹو ڈائریکٹرز:

بورڈ آف ڈائریکٹرز

رواں برس میں بورڈ آف ڈائریکٹرز کی چار میٹنگیں ہوئیں اور ان میں حاضری حسب ذیل رہی:

متوقع اقتصادی اور سیاسی ماحول میں، انتظامیہ کمپنی کے آگے بڑھنے کے امکانات کے حوالے سے بہت پر امید ہے۔ کمپنی پائیداری کو یقینی بناتے ہوئے، موجودہ صارفین اور سپلائرز کے ساتھ تعلقات کو مضبوط بنانے اور اپنی ترقی کی خواہشات کو عملی جامہ پہنانے کے لیے اپنے متنوع مصنوعات کے پورٹ فولیو سے فائدہ اٹھانے کے لیے پرعزم ہے۔

حتمی منافع منقسمہ:

چونکہ کمپنی کاروبار میں وسعت کے لیے سرمایہ کاری کر رہی ہے اور لیکویڈٹی کو محفوظ کرنے کی ضرورت ہے اس لیے ڈائریکٹرز نے منافع تقسیم نہ کرنے کا فیصلہ کیا ہے۔

کمپنی کا بنیادی کاروبار:

کمپنی بنیادی طور پر ٹائرز اور ٹیوبوں کی تیاری اور فروخت کا کاروبار کرتی ہے۔

بورڈ کی تشکیل:

بورڈ سات منتخب اراکین پر مشتمل ہے۔ بورڈ کی تشکیل لسٹڈ کمپنیز (کوڈ آف کارپوریٹ

ڈائریکٹر	مرتبہ	10 اگست 2023	18 اکتوبر 2023	29 فروری 2024	25 اپریل 2024	ڈائریکٹر
✓	میاں افتخار احمد۔ چیئر مین	✓	✓	✓	✓	✓
✓	میاں فیصل افتخاری ای او	✓	✓	✓	✓	✓
✓	عائشہ افتخار	✓	✓	✓	✓	✓
✓	اسد سلطان چودھری	✓	✓	✓	✓	✓
✓	جاوید مسعود	✓	✓	✓	✓	✓
✓	اقبال احمد خان	✓	✓	✓	✓	✓
✓	زاہد محمود	✓	✓	✓	✓	✓

آڈٹ کمیٹی

آڈٹ کمیٹی کے ذریعے اندرونی کنٹرول کے فریم ورک کو موثر طریقے سے نافذ کیا گیا ہے۔ کمیٹی کا اندرونی کنٹرول کا نظام بہترین ڈیزائن کا حامل ہے اور اس کا مسلسل جائزہ لیا جاتا رہتا ہے۔

رواں برس بورڈ کی آڈٹ کمیٹی کے چار اجلاس ہوئے اور ان میں حاضری حسب ذیل رہی:

ڈائریکٹر	مرتبہ	10 اگست 2023	18 اکتوبر 2023	29 فروری 2024	25 اپریل 2024	ڈائریکٹر
✓	جاوید مسعود۔ چیئر مین	✓	✓	✓	✓	✓
✓	اسد سلطان چودھری	✓	✓	✓	✓	✓
✓	اقبال احمد خان	✓	✓	✓	✓	✓
✓	زاہد محمود	✓	✓	✓	✓	✓

ہیومن ریسورس کمیٹی

رواں برس ہیومن ریسورس کمیٹی کی ایک میٹنگ ہوئی، حاضری حسب ذیل رہی:

ڈائریکٹر	مرتبہ	14 مارچ 2024
اسد سلطان چودھری - چیئرمین	انڈیپنڈنٹ ڈائریکٹر	حاضر
اقبال احمد خان	انڈیپنڈنٹ ڈائریکٹر	حاضر
میاں فیصل افتخار	ایگزیکٹو ڈائریکٹر	حاضر

بنیادی کاروبار میں تبدیلی:

رواں برس کے دوران کمپنی کے بنیادی کاروبار میں کوئی تبدیلی واقع نہ ہوئی۔

آڈیٹرز

موجودہ آڈیٹرز میسرز کے پی ایم جی تاٹیر ہادی اینڈ کمپنی آئینڈ ساندہ سالانہ جنرل میٹنگ کے اختتام پر ریٹائر ہو جائیں گے۔ میسرز کے پی ایم جی تاٹیر ہادی اینڈ کمپنی اہل ہونے کے ناطے، خود کو بطور آڈیٹرز تقرری کے لیے پیش کریں گے۔ کمپنی کی آڈٹ کمیٹی نے تجویز دی ہے اور بورڈ نے 30 جون 2025ء کو ختم ہونے والے مالی سال کے لیے شیئر ہولڈرز کو کمپنی کے آڈیٹرز کے طور پر ان کی تقرری کی منظوری اور سفارش کی ہے۔

متعلقہ پارٹی لین دین (Related Party Transactions)

کمپنی نے اپنی سالانہ رپورٹ کے ساتھ منسلک مالیاتی گوشواروں میں متعلقہ فریق (Related Party) لین دین کے بارے بتایا ہے۔ اس امر کا اظہار کمپنیز ایکٹ 2017ء کے چوتھے شیڈول اور قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات کے تقاضوں کے مطابق ہے۔

تمام متعلقہ فریقوں سے ہر قسم کا لین دین، کاروباری معمولات کے مطابق آزادانہ طور پر بغیر کسی دباؤ سے کیا گیا۔

کوڈ آف کارپوریٹ گورننس کی تعمیل کا بیان

پاکستان اسٹاک ایکسچینج کی جانب سے 30 جون 2024ء کو ختم ہونے والے سال کے لیے متعلقہ ضوابط میں وضع کردہ ضابطہ کارپوریٹ گورننس کی تعمیل کی گئی ہے اور اس سلسلے میں ایک بیان رپورٹ کے ساتھ منسلک ہے۔

کارپوریٹ فنانشل رپورٹنگ فریم ورک کا بیان

کمپنی نے کوڈ آف کارپوریٹ گورننس کے تمام تقاضوں کی تعمیل کی ہے۔ جیسا کہ دی گئی ریگولیشن میں کہا گیا ہے۔

اس کے مطابق ڈائریکٹران مندرجہ ذیل کی توثیق کرتے ہیں:

- 1- مالیاتی گوشوارے مع نوٹس (notes) کمپنیز ایکٹ 2017ء کے مطابق تیار کیے گئے ہیں۔ یہ گوشوارے شفاف انداز سے کمپنی کی حالت، آپریشنز کے نتائج، کیش فلوا اور ایکویٹی میں تبدیلی پیش کرتے ہیں۔
 - 2- کمپنی کی بنیادی کاروباری سرگرمی گازیوں کے ہائز اور ٹیوبوں کی تیاری اور فروخت ہے۔
 - 3- کمپنی کی طرف سے اکاؤنٹس کی مناسب کتابیں تیار کی گئی ہیں۔
 - 4- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور لاگو کیا گیا جو پاکستان میں قابل اطلاق بین الاقوامی اکاؤنٹنگ معیارات کے مطابق ہیں۔
 - 5- حسب ضرورت اکاؤنٹنگ کے تخمینہ جات، معقول اور دانش مندانہ طریقوں سے کیے گئے ہیں۔
 - 6- مالیاتی گوشوارے، پاکستان میں قابل اطلاق، انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرز کے مطابق تیار کیے گئے ہیں۔
 - 7- انٹرنل کنٹرول کا سسٹم اپنے ڈیزائن میں بہترین ہے اور اسے موثر طریقے سے نافذ کیا گیا ہے۔
 - 8- کمپنی کی کاروباری صلاحیت کے حوالے سے کوئی شک و شبہات نہیں پائے جاتے۔
 - 9- لسٹنگ ریگولیشنز میں دی گئی کارپوریٹ گورننس کے طریقہ کار سے کسی قسم کا انحراف نہیں کیا گیا۔
- اس رپورٹ کے ساتھ گزشتہ برسوں کے اہم آپریٹنگ اور مالیاتی اعداد و شمار منسلک ہیں۔

ادارے کی سماجی ذمہ داری

آپ کا ادارہ معاشرے اور برادری کے لیے اپنی ذمہ داری کا ادراک رکھتا ہے اور خدمت کے لیے مثبت سوچ کا حامل ہے۔ ادارہ یہ سمجھتا ہے کہ مالیاتی آسودگی اور سماجی ذمہ داری کو ساتھ ساتھ لے کر چلنا ہی احسن قدم ہے۔ اس سلسلے میں ادارے نے رواں مالی برس میں جو اقدامات کیے ہیں ان کا احاطہ مناسب جگہ پر کر دیا گیا ہے۔

مابعد واقعات

مالی سال کے ختم ہونے کے بعد اور اس رپورٹ کی تاریخ کے درمیان، کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی بھی اہم مادی تبدیلی وقوع پذیر نہیں ہوئی۔

پیٹرن آف شیئر ہولڈنگ

کمپنیز ایکٹ 2017ء کے مطابق، 30 جون 2024ء تک کمپنی کے شیئر ہولڈنگ کا پیٹرن اس رپورٹ کے ساتھ منسلک ہے۔

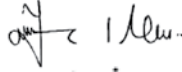
اظہار تشکر:

بورڈ اس موقع پر اپنے ملازمین، صارفین، بینکرز، سپلائرز اور دیگر اسٹیک ہولڈرز کے اعتماد اور بھروسے کے لیے ان کا شکر یہ ادا کرتا ہے، جس سے انھوں نے ہمیشہ کمپنی پر اعتماد کیا ہے۔

بورڈ کے لیے اور اس کی جانب سے



میاں افتخار احمد
ڈائریکٹر



میاں فیصل انوار
چیف ایگزیکٹو آفیسر

اکتوبر 7، 2024

لاہور

رسک مینجمنٹ پالیسی

کمپنی کے پاس ایک بہترین رسک مینجمنٹ پالیسی تیار ہے۔ جو خطرات کی نشاندہی اور ان کا جائزہ لے کر اس طرح کے خطرات کے کمپنی پر پڑنے والے منفی اثرات کو کم کرنے کے لیے طریقہ کار وضع کرتی ہے۔ یہ پالیسی خطرات سے نمٹنے کے لیے ہر ایریا کے لیے رہنما خطوط فراہم کرتی ہے تاکہ خطرات کی روک تھام اور ان کے اثرات کو کم سے کم کیا جاسکے۔

انٹرنل فنانشل کنٹرول کی موزونیت

کمپنی آپریشنز کو موثر بنانے، اثاثہ جات کی حفاظت، قابل اطلاق قوانین اور ریگولیشنز کی تعمیل اور قابل اعتماد مالیاتی رپورٹنگ کے لیے بورڈ آف ڈائریکٹرز نے انٹرنل فنانشل کنٹرول کا ایک موثر نظام قائم کیا ہے۔ ہینڈلنگ ٹائز کا آزاد انٹرنل آڈٹ کا شعبہ مالیاتی کنٹرول کے کے نفاذ کی باقاعدگی سے جانچ اور نگرانی کرتا ہے۔ جبکہ آڈٹ کمیٹی سہ ماہی بنیادوں پر انٹرنل کنٹرول فریم ورک اور مالیاتی گوشواروں کا جائزہ لیتی ہے۔

بورڈ کی طرف سے وٹن، مشن اور مجموعی طور پر کارپوریٹ حکمت عملی کی منظوری

بورڈ آف ڈائریکٹرز نے آپ کی کمپنی کے وٹن، مشن اور مجموعی کارپوریٹ حکمت عملی کا بغور جائزے لینے کے بعد اس کی منظوری دی ہے۔ بورڈ کا یقین ہے کہ یہ جامع طور پر ہینڈلنگ ٹائز کے فلسفے کی ترجمانی کرتے ہیں۔ ہم اس بات کو یقینی بناتے ہیں کہ ہمارا وٹن اور مشن ہماری مجموعی کارپوریٹ حکمت عملی اور ہر سطح پر ہمارے ہر کام میں مستقبل کے سفر کی سمت کا یقین کرتا ہے۔ ادارہ مکمل طور پر اس مقصد اس سے منسلک ہے اور یہ ہمارے روزمرہ کے کاروبار میں فیصلہ سازی کا بنیادی ستون ہے۔

سی ایف او اور ہیڈ آف انٹرنل آڈٹ کی اہلیت:

چیف فنانشل آفیسر اور ہیڈ آف انٹرنل آڈٹ کو ڈ آف کارپوریٹ گورننس کے مطابق مطلوبہ قابلیت اور تجربہ رکھتے ہیں۔

KEY ELEMENTS OF BUSINESS MODEL



BUSINESS PROCESS

PTL's principal business activity is to produce and sell tyre and tube products. Following are the key elements of the business model.

Key elements of our business model	Relevance with Our Business Processes
Input	Raw Material (Natural & Butyl Rubber, Carbon, Tyre Cord, Bead wire, Tube Valves, Processing Oils and Chemicals)
Business Process – Tyre Manufacturing	Tyre manufacturing process is traditionally divided into five departments that performed specialized operations. 1. Compounding & Mixing, 2. Calendaring, Extrusion & Bead building 3. Tyres Building 4. Curing 5. Packaging
Business Process – Tube Manufacturing	Tube manufacturing process is divided into following processes; 1. Master Batch Mixing & Straining 2. Rubber Extrusion 3. Valve Installation 4. Splicing & Curing 5. Packaging
Output	Tyres and Tubes



THE LEGITIMATE NEEDS, INTERESTS OF KEY STAKEHOLDERS AND INDUSTRY TRENDS.

Panther Tyres employs targeted strategies to understand the requirements and preferences of all its stakeholders. Using innovative and best-in-class methods, the company sets industry benchmarks for understanding and addressing stakeholder needs.

In its relentless pursuit of exceeding customer expectations, Panther Tyres consistently delivers top-quality products. The company has made significant investments in an in-house Quality Assurance department dedicated to ensuring that its products adhere to the highest industry standards. To maintain a continuous nationwide distribution of tyres and tubes, Panther Tyres has established

enduring partnerships with third-party logistics providers through long-term contracts.

To keep shareholders informed about the company's performance and future prospects, the company regularly shares its financial reports along with comments from its directors. It also conducts annual investor briefing sessions to address any questions from analysts.

Our continuous growth is attributed to partnering with reputable and reliable suppliers. We have developed multiple sources for the supply of key components and materials, both internationally and locally, ensuring an uninterrupted supply of raw materials required for the production process.

The company tailors its CSR initiatives to make the most significant positive difference in the communities it serves. This involves understanding community needs through frequent visits and discussions with local leaders. The company contributes to the national exchequer by paying its due taxes in a timely manner. Furthermore, the company's commitment to growing its exports continually brings in foreign currency, bolstering the country's economic reserves.

FACTORS AFFECTING THE EXTERNAL ENVIRONMENT

FACTOR	DESCRIPTION	ORGANIZATIONAL RESPONSE
<p>P</p> <p>POLITICAL</p>	<ul style="list-style-type: none"> ● Political instability and turmoil negatively impact the organization. ● Abrupt changes in the government's macroeconomic policies also adversely affect the company's business. 	<ul style="list-style-type: none"> ● The management of Panther Tyres Limited (PTL) closely monitors political developments and regulatory policies that may affect the company. ● Timely adjustments are made to organizational processes and policies in response to actual or anticipated changes in government policies. Issues relating to the tyre industry are addressed through forums such as PAMA and PAPAM.
<p>E</p> <p>ECONOMIC</p>	<ul style="list-style-type: none"> ● In times of high inflation, increasing interest rates and rising costs can drive up operating expenses, including labor, energy, transportation, and finance costs. This can erode the company's profit margins. 	<ul style="list-style-type: none"> ● The company considers several strategies to mitigate impacts, including cost management, energy-saving solutions, negotiating better transportation contracts, and reviewing labor costs. ● Depending on market conditions, the company may pass on increased costs to consumers through price adjustments.
<p>S</p> <p>SOCIAL</p>	<ul style="list-style-type: none"> ● The company focuses on Corporate Social Responsibility, including donations, plantation efforts, and providing free education to deserving students. ● Women empowerment is also a priority. 	<ul style="list-style-type: none"> ● As a socially responsible corporate entity, Panther Tyres is dedicated to developing the communities in which it operates. It has launched scholarship programs for deserving students at Numal University. ● The company remains committed to environmental preservation, education, and the empowerment of women in Pakistan. On the 76th Independence Day, Panther Tyres launched a campaign to promote women's motorcycle riding in Pakistan.

FACTOR	DESCRIPTION	ORGANIZATIONAL RESPONSE
<p style="text-align: center;">T</p> <p style="text-align: center;">TECHNO- LOGY</p>	<ul style="list-style-type: none"> ● Risk of technological obsolescence ● Technological innovation by competitors 	<ul style="list-style-type: none"> ● To maintain its legacy as an unparalleled leader in the tyre industry, Panther Tyres Limited has consistently prioritized the latest technological developments and has remained at the forefront of upgrading its manufacturing facilities. ● Recently, Panther Tyres has made significant investments in technological advancements. The company has installed a modernized calender machine and a pre-fabricated building within its production line, as well as constructed a state-of-the-art mixing building that plays an integral role in the tyre manufacturing process. Additionally, the company has increased its curing capacity by installing a new boiler. Further investments in machinery are planned to enhance technological capabilities and production capacity. ● PTL maintains a dedicated team of professionals to ensure adherence to relevant regulatory requirements. The company utilizes SAP software for streamlined processes, data-driven decisions, and agility in a dynamic market.

FACTOR	DESCRIPTION	ORGANIZATIONAL RESPONSE
<p style="text-align: center;">L</p> <p style="text-align: center;">LEGAL</p>	<ul style="list-style-type: none"> ● Compliance with Applicable Legal and Regulatory Requirements 	<ul style="list-style-type: none"> ● The company has a dedicated team of professionals who ensure that all its processes comply with applicable regulatory requirements.

FACTOR	DESCRIPTION	ORGANIZATIONAL RESPONSE
<p style="text-align: center;">E</p> <p style="text-align: center;">ENVIRONM- ENTAL</p>	<ul style="list-style-type: none"> ● Environmental Footprint, Recycling, Climatic Conditions, Global Warming, Natural Disasters, etc. 	<ul style="list-style-type: none"> ● The company employs multiple measures to safeguard the environment and adheres to relevant environmental standards. We enhance our environmental performance by optimizing resource usage, adopting eco-friendly alternatives, and investing in waste heat recovery systems. Additionally, we are actively working on installing renewable energy projects and are committed to water conservation in our operations.

COMPETITIVE LANDSCAPE AND MARKET POSITIONING



Panther Tyres has experienced significant growth over the years, establishing an extensive distribution network within the country and making our domestically manufactured tyres and tubes accessible nationwide. We have strategically positioned ourselves for efficient tyre and tube delivery and exceptional customer service by building a diverse network of dealers in key markets. Our primary objective revolves around developing business strategies that secure and expand our market share, both locally and internationally.

We are committed to strengthening our position in both local and international markets. Our focus is on directing our resources and efforts toward exploring new markets and regions, aiming to enhance our global accessibility within the tyre industry and meet the needs of customers in both domestic and international markets.

POWER OF SUPPLIERS

Our association with suppliers is defined by transparency, long-term collaboration, and the creation of mutual value. At Panther Tyres, we place great importance on nurturing our social and relationship Capital to Uphold the Utmost Quality Standards. Our consistent expansion owes much to our partnerships with reputable and trustworthy suppliers. We've established multiple channels for sourcing essential components and materials, ensuring uninterrupted access to the raw materials needed for our production throughout the year. Our strong and positive relationships with suppliers, coupled with our esteemed standing in the industry, enable effective management of supplier relationships.

POWER OF CUSTOMERS

As one of our core values, we prioritize our customers by adopting proactive strategies to meet their evolving expectations and showcase our adaptability in the business world. We stay in harmony with our customers' demands, consistently delivering the best quality tyres and tubes that align with their needs. Placing customers at the heart of our decision-making process empowers us to effectively manage customer influence.

COMPETITION AND RIVALRY

We endorse healthy competition, which keeps us vigilant about preserving our market share and consistently enhancing our quality standards for tyres and tubes. Our cutting-edge production facilities, responsible utilization of natural resources, extensive distribution network, and committed team of experts position us as a leading company, enabling us to maintain a competitive edge.

THREAT OF NEW ENTRANTS

As the eminent tyre and tube manufacturer in Pakistan, with state-of-the-art production facilities and an extensive marketing and distribution network covering the entire country, the threat of new entrants in the Pakistani tyre and tube industry is substantially low. The industry's high capital requirements, limited availability of raw materials, and restricted access to delivery channels serve as formidable barriers to entry for potential competitors.

THREAT OF SUBSTITUTE PRODUCTS

The market faces a low risk from substitute products due to the unique nature of our product.



THE LEGISLATIVE AND REGULATORY ENVIRONMENT



The Legislative & Regulatory Environment

Panther Tyres operates within a highly regulated environment, primarily due to its significant presence in a critical sector of the market and its status as a publicly listed company. There are numerous regulatory requirements that must be diligently adhered to, with governmental authorities closely monitoring the organization to ensure legal compliance. Our company routinely engages with various areas of the law, including:

- **Companies Act of 2017:** Governing the overall management of our company.
- **Sales Tax Act of 1990:** Regulating tax rates on tyres, tubes, and lubricants.
- **Federal Excise Act of 2005:** Setting excise duty rates on specific raw materials.
- **Income Tax Ordinance of 2001:** Imposing taxes on income generated from our business operations.
- **Competition Act of 2010:** Ensuring the prevention of anti-competitive behavior.
- **+ Labor and Employment Laws:** Covering workers' rights and company obligations to employees.
- **Environmental Laws:** Compliance with federal and provincial regulations for environmental protection in Pakistan.
- **Pakistan Stock Exchange Regulations:** Governing the operations of listed companies on the stock exchange.
- **Listed Companies (Code of Corporate Governance) Regulations of 2019:** Detailing the procedures, composition, and technical aspects of publicly listed company management.
- **CDC Regulations**

Panther Tyres takes immense pride in actively ensuring full legal compliance and rigorously adopts preventive measures to mitigate the risk of liability stemming from any potential breaches of these laws.

SIGNIFICANT CHANGES AND DEVELOPMENTS FROM PRIOR YEARS

Throughout this period, the company successfully confronted various challenges, including the impending energy crisis, mounting circular debt, rising inflation, pressures on the balance of payments, diminished foreign exchange reserves, fluctuations in exchange rates, and persistent fiscal deficits—all of which continued to challenge the competitiveness of businesses. Additionally, in February 2023, the Federal Government of Pakistan raised the general Sales Tax rate from 17% to 18%.

THE POLITICAL ENVIRONMENT WHERE THE ORGANIZATION OPERATES AND OTHER COUNTRIES THAT MAY AFFECT THE ABILITY OF THE ORGANIZATION TO IMPLEMENT ITS STRATEGY

The political landscape significantly influences an organization's strategy execution. Political uncertainties have adverse effects on consumers, businesses, investors, financial markets, and economic policymakers. Persistent political instability has been a major hindrance to Pakistan's economic progress, leading to short-term macroeconomic policies and frequent policy shifts. The nation's economic challenges, such as dwindling foreign exchange reserves, surging inflation, and rising interest rates, contribute to an economic slowdown. Consequently, both domestic political instability and economic difficulties impact the company's operations. Panther Tyres exports tyres and tubes globally to Asia, Europe, Africa, and South America. The political environment in these regions can significantly impact its business through trade barriers, tariffs, and geopolitical tensions. To mitigate these risks, Panther Tyres diversifies its markets, establishes strong customer relations, and monitors political developments to adapt swiftly to changing conditions, ensuring a resilient global presence.

05.

STAKEHOLDERS RELATIONSHIP & ENGAGEMENT

TRUST IS BUILT ON SOLID STAKEHOLDER
RELATIONSHIPS, FORMING THE BEDROCK OF
SUSTAINED SUCCESS.

70 Stakeholder
Engagement

71 Key Stakeholders of
the Company



STAKEHOLDER ENGAGEMENT



ANALYSTS' BRIEFING

To ensure transparency in our relationships with stakeholders, PTL conducts comprehensive annual interaction sessions. During these sessions, we provide insights into our financial and operational outlook, discuss regulatory changes, and address economic developments. As part of our standard practice, we host an annual analysts' briefing to give investors a clear understanding of our business perspective. During the briefing, our CFO presents the company's performance and future plans.

Analysts' briefings attract participants from investment firms across the country, Pakistan Stock Exchange representatives, banks, and other stakeholders. Following our presentation, we hold detailed question-and-answer sessions to address inquiries satisfactorily, underscoring PTL's commitment to an open and continually evolving approach to engaging with stakeholders.

SHAREHOLDERS ENCOURAGED TO ATTEND GENERAL MEETINGS

The notice of the Annual General Meeting, along with the Company's Annual Report, is electronically sent to all shareholders at least 21 days prior to the meeting date. Simultaneously, the notice and report are published in prominent newspapers with nationwide readership, in both Urdu and English. They are also made available on the websites of the Pakistan Stock Exchange and the Company.

All shareholders are entitled to designate a proxy and, upon prior registration with the company, can participate in the meeting via video conference (VC). They can also

provide feedback, make proposals, offer comments, or express reservations during the meeting.

PTL highly values and respects the insights of its shareholders. We diligently record their concerns, proposals, suggestions, and comments in meeting minutes and keep them informed about the progress and follow-up actions.

ENCOURAGING MINORITY SHAREHOLDERS TO ATTEND THE GENERAL MEETINGS

The Company encourages minority shareholders to participate in analyst briefing sessions, with dates announced through the Stock Exchange.

Meeting requests from minority shareholders are also entertained, and their queries are addressed appropriately to their satisfaction.

INVESTOR RELATIONS SECTION ON PTL WEBSITE

Information is comprehensively disseminated to PTL's investors, shareholders, and other stakeholders through multiple platforms, including the Corporate Website. In compliance with regulatory requirements, the website is maintained in both English and Urdu.

The company's website undergoes regular updates to ensure the provision of extensive information, encompassing areas such as governance, product and service offerings, financial highlights, investor relations, and other pertinent details.

PRESENCE OF CHAIRMAN OF THE BOARD

The general meeting held during the year was attended by the Board Members, including the Chairman of the Board, Chief Executive Officer, and other senior management of the Company, to address queries and provide clarifications sought by the shareholders.

ISSUES RAISED AT LAST AGM

Shareholders raised general inquiries and sought clarifications regarding the agenda items, all of which were effectively addressed to their satisfaction. No noteworthy issues or concerns were brought forth.

IDENTIFICATION OF KEY STAKEHOLDERS

The company has the authority to allocate its resources fairly among essential relationships and activities and

takes a careful approach to identifying key stakeholders. We consider several factors:

- The stakeholder's fundamental impact on the Company.
- The Company's ability to define its expectations from the stakeholder.
- The Company's desire for the relationship to develop.
- The feasibility of the Company's existence without, or the ease of replacing, the stakeholder.
- Whether the stakeholder has already been identified through another relationship.

Our process of working with stakeholders, including how we manage specific relationships, the frequency of our interactions with them throughout the year, and how these relationships might impact our performance and value, is detailed under 'Stakeholder Engagement'.

KEY STAKEHOLDERS OF THE COMPANY

INSTITUTIONAL INVESTORS / SHAREHOLDERS

Management of Stakeholders' Engagement	PTL recognizes and respects the trust that our investors place in the Company by ensuring consistent returns on their investments. We are committed to maintaining a transparent and open relationship with all our stakeholders.
Frequency of Engagement	Regular
Engagement Process	General meetings, Corporate Briefing etc.
Effect and Value	The capital providers enable PTL to realize its vision

CUSTOMERS AND SUPPLIERS

Management of Stakeholders'	PTL has made substantial investments in customer relationship management, both locally and internationally, extending beyond merely providing credit facilities and trade discounts.
Frequency of Engagement	Regular
Engagement Process	Periodic formal and informal meetings / conferences and technical support services
Effect and Value	PTL's success and performance depend on customer loyalty, preference for the brand over competitors, and effective supply chain management.

BANKS AND OTHER LENDERS

Management of Stakeholders' Engagement	The Company maintains ongoing interactions with banks and other financial institutions to discuss matters such as interest rates, lending requirements, short-term financing, deposits, and investments. Furthermore, consultations also cover letters of credit, payments to suppliers, and operational disbursements.
Frequency of Engagement	Regular
Engagement Process	Meetings on negotiation of rates on various financing matters
Effect and Value	Engaging with financial institutions and lenders enhances PTL's performance by providing better access to favorable interest rates and loan terms, reducing fees, improving customer service, and facilitating strategic planning.

MEDIA

Management of Stakeholders' Engagement	The Company communicates with the media to keep the public informed about recent developments and activities. This includes issuing press releases in prominent newspapers and making announcements on the corporate website.
Frequency of Engagement	Occasional
Engagement Process	Using various communication channels as necessary, including press releases and website updates
Effect and Value	By informing the media, PTL effectively raises awareness of the Company's products and services, positively impacting its public profile.



REGULATORS

Management of Stakeholders' Engagement:	The Company regularly interacts with regulators to address issues related to laws and regulations affecting its operations. This includes meetings with officials and the submission of data for review and compliance.
Frequency of Engagement	Regular
Engagement Process	Meetings with officials and compliance data submissions
Effect and Value	Regulatory interactions influence PTL's performance by affecting laws, regulations, and government-controlled factors.

EMPLOYEES

Management of Stakeholders' Engagement	PTL's human resource strategy emphasizes its commitment to a dedicated and skilled workforce. The Company invests in training for local and international employees, promotes employee well-being through health and fitness programs, and offers competitive compensation.
Frequency of Engagement	Regular
Engagement Process	In-house newsletters, notices, televised broadcasts, and employee portals
Effect and Value	Employees are crucial assets, implementing strategic and operational decisions and representing the Company within the industry and the community.



06.

CORPORATE GOVERNANCE FRAMEWORK

CORPORATE GOVERNANCE IS AN EVOLVING COMMITMENT TO INTEGRITY, TRANSPARENCY, AND THE DILIGENT STEWARDSHIP OF ALL STAKEHOLDERS' INTERESTS.

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CORPORATE GOVERNANCE

GOVERNANCE FRAMEWORK

The purpose of this Governance Framework (the 'Framework') is to:

- Set out the principles of good governance that underpin our operations; and
- Outline PTL's corporate governance structure to ensure consistency across the organization.

It is designed to meet regulatory and statutory requirements, achieve effective self and co-regulation, and provide the flexibility to manage inevitable changes in an evolving and developing organization. It is structured around the main principles of the Code of Corporate Governance of Pakistan (the 'Code').

GOVERNANCE CONTINUOUS IMPROVEMENT

To support our commitment to excellence in governance, the Board will maintain a strong focus on continuous improvement. This includes regular and rigorous reviews of our governance arrangements, demanding ongoing high-quality effort and the will to implement necessary changes.

OPENNESS AND TRANSPARENCY

We believe that being open and transparent is crucial—

not only because it helps deliver fair, efficient, and effective customer service, but because sharing information about what we do and why we do it helps colleagues and customers to excel. In the face of social and economic change, we aim to lead by example, influence the debate around transparency in our sector, and ensure that transparency is relevant, meaningful, and cost-effective to deliver.

MONITORING AND REVIEW OF THE FRAMEWORK

The Board is responsible for monitoring and reviewing the effectiveness of this Framework to ensure it remains current and reflects best practices. This review will be conducted annually. The Company Secretary will oversee the day-to-day review, monitoring, and updating (including minor amendments and administrative changes) of the Framework and will make recommendations for significant changes to the Board.

ROLE OF THE BOARD, AUDIT COMMITTEE, AND RISK COMMITTEE

The Board has overall responsibility for the governance of the organization and has delegated some of this responsibility to the Audit Committee and Risk Committee. An outline of the governance roles is as follows:

Board	Strategy	Set and uphold PTL's strategy and values approve the strategic objectives
	Leadership & Resources	Ensure that effective leadership and executive competence are in place to achieve the strategic objectives. Ensure sufficient resources are available to achieve the strategic objectives. Ensure Effective governance and succession planning. Promote the long-term success of the business.
	Risk	Ensure that frameworks are established and monitored for delegation and systems of control, including financial controls, and for identifying and managing risks.
	Performance	Monitor and test execution of strategy and performance in relation to approved plans, budgets and controls. Oversee performance and achievement of the company objectives.
	Accountability	Consider the balance of interests of, and ensure accountability to, key stakeholders.
AUDIT & RISK COMMITTEE	Probity	Ensure that the highest standards of probity and conduct are maintained.
	Compliance	Ensure that PTL meets all its regulatory and statutory compliance requirements.
	Risk	Ensure internal control frameworks are effective.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles and relationship between the Chairman and the Chief Executive Officer are crucial to the Board's successful functioning. The Chairman is responsible for running the Board, while the Chief Executive is the most senior executive

on the Board, overseeing the delivery of the Company's strategy.

These roles are performed by different individuals, and their distinct responsibilities are outlined in their respective role descriptions.

COMPOSITION OF THE BOARD

In accordance with Section 154 of the Companies Act, 2017, and the Code of Corporate Governance 2019, the Company has established the number of Directors at seven (7). The majority of Directors are Non-Executive and Independent Directors, including one female Director. The Board has also formed several Committees, such as the Audit Committee, HR and Remuneration Committee, Nomination Committee, and Risk Management Committee.

SUCCESSION PLANNING

During the recruitment and selection process for the Board, Board Committees, and Executive Directors, the Nomination Committee considers succession planning to ensure the Company has the right leadership for the future.

RECRUITMENT AND RENEWAL

The processes for recruiting and selecting the Chief Operating Officer, Chief Financial Officer, Company Secretary, and Head of Audit are outlined in accordance with the HR and Remuneration Committee's Terms of Reference (TORs). The Remuneration Committee will forward its recommendations to the Board for consideration and approval.

PERFORMANCE MANAGEMENT - GOVERNANCE EFFECTIVENESS REVIEW

The framework for the formal and rigorous annual evaluation of the Board and Board Committees' performance helps to understand their functionality as a team and explore individual contributions. The Governance Effectiveness Review plays a crucial role in identifying and managing performance continuously. As part of the overall evaluation process, to ensure independence, the performance evaluation is usually internally facilitated on an annual basis.

The review process will include:

- The rolling timeframe for effectiveness reviews;
- The appraisal process for individuals;
- The effectiveness review of the Board and committees; and
- Setting governance objectives and implementing improvement plans.

CONDUCT OF BOARD BUSINESS AND EFFECTIVE DECISION MAKING

To assist the Board and committees in operating effectively, the Company Secretary will support the chairs in ensuring that:

- A clear delegation framework is developed and compliance with the delegations is monitored;
- Agendas and plans/schedules of meetings are agreed with the relevant chair to include regulatory, statutory, and business matters (including performance, risk, financial information, and financial controls/risk systems);
- Reports are presented in an approved format, clearly setting out the key points for decision and recommendations;
- Agendas and reports are circulated, when possible, one week in advance of meetings;
- Time is available to discuss reports and issues with the report author/lead prior to meetings;
- Sufficient time is allowed for debate; and
- Decisions are recorded in minutes, and actions against these are monitored.

ANNUAL REPORTS AND QUARTERLY REPORTS

The Board has overall responsibility for ensuring accurate financial statements and balanced information are published, meeting all statutory and regulatory requirements. To ensure these obligations are met, the Board has agreed on the following:

Financial statements (Annual & Quarterly Reports and accounts), Director's report, and Statement of Compliance under CCG are published; and

- The Chief Financial Officer and Company Secretary will ensure reports, accounts, and statements are prepared in accordance with current statutory and regulatory requirements, and best financial and audit practices, and are presented to the Board for approval before being laid before the Annual General Meeting.

REGULATORY AND STATUTORY COMPLIANCE AND RETURNS

- The Company Secretary will ensure all statutory and regulatory reports and returns are submitted accurately and on time to the appropriate reporting authority and/or regulatory body.
- The Company Secretary will also ensure all accounts are published on the Company's website as required by SECP.
- The website will be operational, and all news will be published promptly.

REMUNERATION

Formal and transparent policies have been developed for setting the pay levels of non-executive and executive directors, underpinned by the principle that remuneration should be proportionate and sufficient to attract, retain, and motivate directors of the caliber needed to operate the business successfully.

TOR'S OF THE BOARD COMMITTEES

AUDIT COMMITTEE CHARTER

The Charter of the Board's Audit Committee, constituted under clause 27 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, sets out the composition requirements, meeting rules, and responsibilities (TORs) of the Audit Committee approved on December 10, 2020.

COMPOSITION

1. The constitution of the Board's Audit Committee will be as follows:
 - a. The Committee will be comprised of at least three members, consisting of non-executive directors and independent directors.
 - b. The Chairman of the Committee shall be an independent director who shall not be the Chairman of the Board.
 - c. The Chief Executive Officer and Chief Financial Officer shall not be members of the Audit Committee.
 - d. At least one member of the Committee shall be "financially literate"; "Financially literate" means a person who:
 - i. is a member of any recognized body of professional accountants; or
 - ii. has a postgraduate degree in finance from a university or equivalent institution, either in Pakistan or abroad, recognized by the HCE of Pakistan; or
 - iii. has at least 10 years' experience as an audit committee member; or
 - iv. has a minimum of 20 years of experience as head of the finance or audit department.

The Secretary of the Committee shall either be the Company Secretary or Head of Internal Audit.

The Board discussed and approved the Audit Committee members as follows:

BOARD'S AUDIT COMMITTEE

Mr. Javed Masud - Chairman
 Mr. Iqbal Ahmad Khan - Member
 Mr. Asad Sultan Chaudhry - Member

MEETINGS

2. Meetings of the Audit Committee shall be held as follows:
 - a. The Audit Committee shall meet at least once every quarter of the financial year. These meetings shall be held prior to the approval of the financial results of the company by its board of directors and after the completion of the external audit.
 - b. A meeting of the Audit Committee shall be held if requested by the external auditors, Head of Internal Audit, or the Chairman of the Audit Committee.
 - c. The CEO and CFO can be invited by the Chairman of the Audit Committee whenever required to present their point of view.
 - d. The Head of Audit and external auditors represented by the

engagement partner or, in their absence, any other partner designated by the audit firm shall attend meetings of the Audit Committee at which issues relating to accounts and audit are discussed. e. At least once a year, the Audit Committee shall meet the external auditors without the CFO and the Head of Internal Audit being present. f. At least once a year, the Audit Committee shall meet the Head of Internal Audit and other members of the internal audit function without the CFO and the external auditors being present. g. The Chairman of the Audit Committee and the engagement partner of the external auditor, or in their absence any other partner designated by the audit firm, shall be present at the AGM for necessary feedback to the shareholders. h. The secretary, on the requisition of the Chairman, shall, at any time, summon an audit committee meeting of members. Notice sent to a member through email, whether such member is in Pakistan or outside Pakistan, shall be a valid notice. i. The Head of Internal Audit and external auditors are entitled to receive notice of the audit committee meeting where half-yearly and annual accounts are to be discussed. j. At least one-third (1/3rd) of the total number of members or two (2) members, whichever is higher, present personally or through video-link shall constitute a quorum. k. Questions arising at the audit committee meeting shall be determined by a majority of votes of the members present by show of hands. One member has one vote. No proxy can be appointed. In case of an equality of votes, the Chairman shall have and exercise a second or casting vote. l. Every meeting shall be chaired by the Chairman of the Committee. In their absence, one of the members, by a majority vote, shall act as the meeting Chairman. m. The Secretary shall circulate minutes of meetings of the Audit Committee to all members, directors, Head of Internal Audit, and the CFO prior to the meeting of the board. Where this is not practicable, the Chairman of the Audit Committee shall communicate a synopsis of the proceedings to the board, and the minutes shall be circulated within 15 days of the board meeting.

RESPONSIBILITIES (TOR)

The Committee shall carry out the following responsibilities:

FINANCIAL STATEMENTS

The Committee will:

- a. Review preliminary announcements of results prior to publication;
- b. Determine appropriate measures to safeguard the Company's assets;
- c. Review quarterly, half-yearly, and annual financial statements of the Company prior to their approval by the Board of Directors, focusing on:
 - major judgmental

areas; - significant adjustments resulting from the audit; - the going-concern assumption; - any changes in accounting policies and practices; - compliance with applicable accounting standards; - compliance with listing regulations and other statutory and regulatory requirements; and - significant related party transactions.

INTERNAL CONTROLS

The Audit Committee shall:

- Ascertain that the internal control system, including financial and operational controls, and the accounting system for timely and appropriate recording of income and expenses, receipts and payments, assets and liabilities, and reporting structure are adequate and effective.
- Review the Company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports.

INTERNAL AUDIT

The Audit Committee shall: a. Review the scope and extent of internal audit, audit plan, reporting framework, and procedures, ensuring that the internal audit function has adequate resources and is appropriately placed within the Company; b. Consider major findings of internal investigations of activities characterized by fraud, corruption, and abuse of power, and management's response thereto; c. Determine the appointment, remuneration, and terms and conditions of employment of the Head of Internal Audit on behalf of the Board of Directors. The removal of the Head of Internal Audit shall be made with the approval of the board only upon recommendation of the Chairman of the Audit Committee.

EXTERNAL AUDIT

The Audit Committee shall: a. Be responsible for recommending to the Board of Directors the appointment of external auditors by the Company's shareholders and consider any questions of resignation or removal of external auditors, audit fees, and the provision by external auditors of any service to the Company in addition to the audit of its financial statements; b. Facilitate the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary); c. Review the management letter issued by external auditors and management's response thereto; d. Ensure coordination between the internal and external auditors of the Company; e. Ensure that the Company does not appoint a person as an external auditor or a person involved in the audit of the Company who is a close relative, i.e., spouse, parents, dependents, and non-dependent children, of the CEO,

the CFO, an internal auditor, or a director of the listed company.

COMPLIANCE

The Audit Committee shall monitor significant violations of compliance with: a. Adopted best practices of corporate governance and identification of significant violations thereof; b. Company's internal policies and procedures; c. Institute special projects, value-for-money studies, or other investigations on any matter specified by the Board of Directors in consultation with the Chief Executive or on its own accord, and consider remittance of any matter to the external auditors or any other external body; d. Review the Company's policies relating to compliance with laws, regulations, code of ethics, conflict of interest, and investigation of misconduct and fraud; e. Consider any other issue or matter as may be assigned by the Board of Directors; f. Periodically review the details of all related party transactions, and upon recommendations of the Audit Committee, place them before the Board for review and approval.

HUMAN RESOURCE AND REMUNERATION COMMITTEE CHARTER

The Charter of the Human Resource & Remuneration Committee, constituted under clause 28 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, sets out the composition requirements, meeting rules, and responsibilities (TORs) of the Human Resource & Remuneration Committee approved on December 10, 2020.

COMPOSITION

1. The composition of the Board's Human Resource & Remuneration Committee will be as follows: a. The Committee will be comprised of at least three members, consisting of non-executive directors/independent directors. b. The Chairman of the Committee shall be an independent director, who shall not be the Chairman of the Board. c. The Chief Executive Officer may be included as a member of the HR & R Committee.

The Secretary of the Human Resource & Remuneration Committee shall be the Company Secretary.

The Board discussed and approved the HR & R Committee members as follows:

BOARD'S HR & R COMMITTEE

Mr. Asad Sultan Chaudhry (Chairman)
Mr. Iqbal Ahmad Khan (Member)
Mr. Mian Faisal Iftikhar (Member)

MEETINGS

2. Meetings of the Human Resource & Remuneration Committee shall be held as follows:
 - a. The HR & R Committee shall meet at least once in a financial year.
 - b. A meeting of the Human Resources and Remuneration Committee can also be held if requested by a member of the Board or committee.
 - c. The Chief Executive Officer (if not a member of the HR & R Committee), the Head of Human Resources, or any advisor or person may attend the meeting by invitation.
 - d. A member of the committee shall not participate in the proceedings of the committee when an agenda item relating to his performance or review or renewal of the terms and conditions of his service comes up for consideration.
 - e. The Secretary, upon requisition by a member, shall at any time summon an HR & R Committee meeting. Notice sent to a member through email, whether in Pakistan or outside Pakistan, shall be considered valid notice.
 - f. At least one-third (1/3) of the total number of members or two (2) members, whichever is higher, shall constitute a quorum for the meeting, either present personally or through video-link.
 - g. Questions arising at the HR & R Committee meeting shall be determined by a majority vote of the members present by a show of hands. One member has one vote. No proxy can be appointed. In case of an equality of votes, the Chairman shall have and exercise a second or casting vote.
 - h. Every meeting shall be chaired by the Chairman of the Committee. In his absence, one of the members, by a majority vote, shall act as the meeting Chairman.
 - i. The Secretary shall circulate minutes of the meetings of the HR & R Committee to all members and directors prior to the next meeting of the HR & R Committee.

RESPONSIBILITIES (TOR)

3. The Committee shall carry out the following responsibilities:
 - i. Recommend to the Board for consideration and approval a policy framework for determining the remuneration of directors (both executive and independent directors) and members of senior management.
 - ii. Undertake, annually, a formal process of evaluation of the performance of the Board as a whole and its committees, either directly or by engaging an external independent consultant. If such a consultant is appointed, a statement to that effect shall be made in the directors' report, disclosing the name and qualifications of such a consultant and the major terms of their appointment.
 - iii. Recommend human resource management policies to the Board.
 - iv. Recommend to the Board the selection, evaluation, development, and compensation (including retirement benefits) of the Chief Operating Officer, Chief Financial Officer, Company Secretary, and Head of Internal Audit.
 - v. Consider and approve recommendations of the Chief Executive Officer on matters for key

management positions who report directly to the Chief Executive Officer or Chief Operating Officer. vi. Where human resource and remuneration consultants are appointed, they shall disclose to the committee their credentials and whether they have any other connection with the company.

RISK MANAGEMENT COMMITTEE CHARTER

CHARTER

The charter of the Board's Risk Management Committee, constituted under Clause 30 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, sets out the composition requirements, meeting rules, and responsibilities (TORs) of the Risk Management Committee approved on April 27, 2022.

COMPOSITION

The composition of the Board's Risk Management Committee will include any class of directors and the number of members as deemed appropriate in the current circumstances. The secretary of the committee shall be the Company Secretary.

The Board discussed and approved the Risk Management Committee members as follows:

BOARD'S RISK MANAGEMENT COMMITTEE

Mr. Javed Masud Chairman
 Mian Faisal Iftikhar Member
 Mr. Zahid Malik Member

MEETINGS

Meetings of the risk management committee shall be held as follows:

1. The secretary, upon requisition by the Chairman, shall at any time summon Risk Management Committee meetings. Notice sent to a member through email, whether the member is in Pakistan or outside Pakistan, shall be considered valid notice.
2. The secretary shall circulate minutes of meetings of the Risk Management Committee to all members within 15 days of the meeting.

RESPONSIBILITIES (TORS)

The committee shall carry out the following responsibilities:

1. Review the effectiveness of the risk management framework and process, and present a report to the Board.

2. Ensure appropriate disclosure of the company's risk management framework, its process, and the internal control system in the directors' report.
3. Monitor and review the following types of risk along with risk treatment, i.e., material controls:

A. FINANCIAL RISK:

This will include the following:

- Liquidity / Cash flow Risk
- Credit Risk
- Currency / Exchange Risk
- Interest Rate Risk

B. OPERATIONAL RISK:

Operational risks are risks that may adversely impact the value of the organization caused by internal factors and operational and administrative procedures. Examples of such risks include:

- Any significant accidents, fatalities, dangerous occurrences, and instances of pollution and environmental problems involving the company.
- Significant public or product liability claims made or likely to be made against the company, including any adverse judgment or order made on the conduct of the company or another company that may bear negatively on the company.
- Workforce turnover, supply chain disruption, IT system shutdowns or control failures, etc.
- Monitoring the quality of production.

C. STRATEGIC RISK:

These risks are mostly external and arise from the formation of the company's strategic objectives and business strategy decisions. Strategic risk includes market risk.

D. COMPLIANCE RISK:

The compliance risk includes compliance with specified laws and regulations.

NOMINATION COMMITTEE CHARTER

The charter of the Board's Nomination Committee, constituted under Clause 29 of the Listed Companies (Code of Corporate Governance) Regulations, 2019,

sets out the composition requirements, meeting rules, and responsibilities (TORs) of the Nomination Committee approved on April 27, 2022.

COMPOSITION

1. The composition of the Board's Nomination Committee will include any class of directors and the number of members as deemed appropriate in the current circumstances.
2. There should be no duplication or conflict with matters stipulated under the TORs of the Human Resource and Remuneration Committee (HRRC). The Secretary of the Committee shall be the Company Secretary.

The Board discussed and approved the Nomination Committee members as follows:

BOARD'S NOMINATION COMMITTEE

Mian Iftikhar Ahmed..... Chairman
Mian Faisal Iftikhar Member

MEETINGS

3. Meetings of the Nomination Committee shall be held as follows: a. The secretary, upon requisition by the Chairman, shall at any time summon the Nomination Committee meeting of members. b. Every meeting shall be chaired/attended by the Chairman of the Committee. c. The secretary shall circulate minutes of meetings of the Nomination Committee to all members within 15 days of the meeting.

RESPONSIBILITIES (TORs)

4. The Committee shall carry out the following responsibilities: a. Consider and make recommendations to the Board in respect of the structure, size, and composition of the Board's committees and the chairmanship of the Board's committees. b. Review the structure, size, and composition (including the skills, knowledge, and experience) of the Board and make recommendations on any proposed changes to the Board. c. Make recommendations to the Board on succession planning for members of the Board and its committees. d. Make recommendations to the Board on appointments to fill casual vacancies on the Board or committees.

RISK MANAGEMENT

RISK GOVERNANCE

The Company's Board of Directors is responsible for establishing and overseeing an effective risk management framework. It is also responsible for developing and monitoring risk management policy to determine the Company's level of risk tolerance.

The roles and responsibilities at various levels of our risk management program are outlined in the Company's risk governance structure.

KEY SOURCES OF UNCERTAINTY

In preparing the Company's financial statements, management has made judgments, estimates, and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in the application of accounting policies are duly disclosed in the financial statements of the Company. These key sources of uncertainty in estimation carry a significant risk that may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

ASSESSMENT OF PRINCIPAL RISKS

The Board of Directors is responsible for conducting a critical analysis of all risks that could threaten the business model, future performance, solvency, or liquidity of the Company. The responsibility for monitoring and control of these risks has been delegated to the management of the Company.

The Board's Audit Committee has been tasked with overseeing the risk management policy and procedures. All departments of the Company are responsible for identifying and evaluating all types of risks related to their areas, devising adequate mitigating strategies, and reporting any changes or additions to the Audit Committee on a periodic basis.

STRATEGIC, COMMERCIAL, OPERATIONAL AND FINANCIAL RISK

The Company has proactively integrated risk management into its culture and has placed effective systems for the timely identification, assessment, and mitigation of various risks it is exposed to in the normal course of business.

The strategic, commercial, operational, and financial risks can arise from uncertainty in financial markets, system breakdowns, project delays, fluctuations in product markets including government pricing pressures, competitive position, legal liabilities, credit risk, accidents, natural causes and disasters, or other events of uncertain or unpredictable nature.

- **Strategic Risk:** These risks are mostly external in nature and emanate from the formation of the Company's strategic objectives and business strategy decisions, potentially impacting their execution. The Board of Directors actively oversees the management of these risks and creates mitigating strategies wherever required.
- **Commercial Risk:** These risks are associated with the commercial substance of an organization. Examples include a reduction in an entity's market share, product price regulation, or other regulatory amendments that pose a threat to the organization's profitability and commercial viability.
- **Operational Risk:** Operational risks may adversely impact the value of the organization and are caused by internal factors, operational and administrative procedures, such as workforce turnover, supply-chain disruption, IT system shutdowns, or control failures.
- **Financial Risk:** The following financial risks are duly explained in the financial statements of the Company:
 - Credit Risk
 - Liquidity Risk
 - Market Risk

INTERNAL CONTROL POLICY

OBJECTIVE

We are committed to providing uncompromised, best-quality products to our customers through the highest international standards of operations, good governance, and effective and efficient management.

The Board of Directors recognizes that establishing a sound system of risk oversight, management, and internal control is a fundamental requirement of good corporate governance. This policy describes the manner in which the Company identifies, assesses, monitors, and mitigates risks. It focuses on the responsibility of certain governance structures to control the operations of the Company.

There are five interrelated components of internal control that should be present and functioning, forming an integrated system of controls:

1. The control environment, which includes the integrity, ethical values, and competence of the Company's employees;
2. Risk assessment;
3. Control activities;
4. Information and communications; and
5. Monitoring.

PROCESSES

Management is charged with the responsibility of establishing procedures with the objective of controlling operations in a manner that provides the Board of Directors with reasonable assurance that:

- Data and information published either internally or externally are accurate, reliable, and timely;
- The actions of managers and employees are in compliance with the Company's policies, procedures, standards, and all relevant laws and regulations;
- The Company's resources (including its people, assets, systems, and data/information bases) are adequately protected;
- Resources are acquired economically and employed profitably; quality business processes and continuous improvement are emphasized; and
- The Company's plans, programs, goals, and objectives are achieved.

CONTROL

Overall Control Environment and Control Procedures

The Company maintains an established control framework comprising clear structures, authority limits, accountabilities, and well-understood policies and procedures.

INTERNAL AUDITING FUNCTION

The internal auditing function is charged with the responsibility to evaluate that the ongoing processes for controlling operations throughout the Company are adequately designed and functioning effectively. Internal auditing is also responsible for reporting to senior management and the Board Audit Committee on the adequacy and effectiveness of internal controls, together with recommendations to improve the systems.

The internal auditing function should contribute to the governance process by evaluating and improving the processes through which:

- Values and goals are established and recommended;
- The accomplishment of goals is monitored;
- Accountability is ensured; and
- Values are preserved.

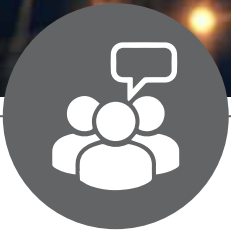
The Company's internal audit function, which reports to the Board Audit Committee, performs independent reviews of the control environment and control procedures through detailed audits and on-site re-performance of tests of controls to ensure compliance with pre-defined policies and procedures.

AUDIT COMMITTEE

The internal auditing function is charged with the responsibility to:

- Review the interim and annual financial statements of the Company prior to approval by the Board of Directors;
- Discuss with the external auditors major observations arising from interim and final audits; review the management letter issued by the external auditors and management's response thereto;
- Review the scope and extent of internal audit ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
- Recommend to the Board of Directors the appointment of external auditors by the Company's shareholders and any questions of resignation or removal of external auditors, audit fees, and provision by the external auditor of any service to the Company in addition to the audit of its financial statements;
- Ascertain the adequacy and effectiveness of the internal control system, including financial and operational controls, accounting systems, and reporting structures;
- Determine compliance with relevant statutory requirements and monitor compliance with the best practices of corporate governance.

COMMUNICATION AND DISCLOSURE POLICY



We believe that communication with investors should be timely, factual, and accurate. The Company shall provide sufficient, accurate, and consistent information to its investors in a timely manner, regardless of whether such information is positive or negative regarding the Company. Material information shall be disclosed to recipients equally in terms of content as well as timing.

The Company shall ensure that communication and information provision adhere to applicable laws concerning the relevant recipient(s).

DISCLOSURE COMMITTEE RESPONSIBILITY

The CEO, CFO, and/or Company Secretary are the primary contacts who may communicate information on behalf of the Company to investors. In addition to the primary contacts, where required, nominated individuals may be designated to communicate on behalf of the Company and its affiliates in response to specific inquiries.

The Company shall not provide information to market or research analysts for the

purpose of anticipating forecasted earnings of the Company.

RUMORS

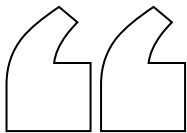
The Company shall not comment on market rumors unless such rumors are attributed to the Company and/or the Pakistan Stock Exchange requires clarification if such rumors cause unusual trading activity in the Company's shares.

Generally, the Company shall adopt a "no comment" policy with respect to rumors that are not price-sensitive information to the Company and shall take reasonable precautions to avoid the spread of rumors. However, in the case of rumors containing price-sensitive information, the Company will confirm or deny with clarification in writing to the Pakistan Stock Exchange.

MATERIAL INFORMATION

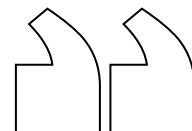
Information required to be disclosed under this policy, including the policy itself, should be made available on the Company's website. However, any price-sensitive information shall be disseminated to the Pakistan Stock Exchange immediately.

QUALITY POLICY



We are committed to sustaining and enhancing the satisfaction levels of our customers and all interested parties, and to consistently exceeding their expectations by:

1. Delivering consistent and reliable quality products and services on time.
2. Taking appropriate actions to address any risks and opportunities associated with internal and external issues, and meeting the needs and expectations of interested parties.
3. Developing employee motivation and skills through training, teamwork, and resource management.
4. Ensuring compliance with all applicable requirements.
5. Effectively implementing and continually improving the "Quality Management System" through periodic reviews and achieving the stated quality policy.



WHISTLE BLOWING POLICY



We are committed to the highest possible standards of openness, probity, and accountability. In line with this commitment, the Company expects employees and others with serious concerns about any aspect of the Company's work to come forward and voice those concerns.

This policy applies to all individuals working for PTL at all levels and grades, including members of Senior Management, Senior Managers, Employees (including permanent, temporary, and part-time employees), Contractors, External Consultants, Suppliers, Vendors, and Customers, as well as all personnel affiliated with third parties.

We encourage whistleblowers to share genuine concerns if there are reasonable grounds for believing that:

- A criminal offense, including fraud, has been committed, is being committed, or is likely to be committed.
- A person has failed, is failing, or is likely to fail to

comply with their legal obligations, whether derived from statute, regulations, or contract.

- A false or inaccurate allegation has been made, is being made, or is likely to be made against a person connected with PTL (whether a co-employee, adviser, supplier, or customer).
- Forgery of company documents and financial instruments, such as cheques and securities.
- Theft or misappropriation of PTL's assets.
- Conflict of interest and abuse of office.
- Disclosure or leakage of business secrets and other confidential information pertaining to the company or its customers obtained during the course of employment.
- Misuse of the Company's property, authority, systems, or unauthorized sharing of passwords.

HEALTH, SAFETY & ENVIRONMENT POLICY



We are committed to ensuring that the health and safety of every individual are achieved to the highest possible standards. Health and safety are important issues in all areas of our operation, and it is the duty of the company to provide the necessary management and resources to continually improve performance.

We are striving to develop and continually improve our HSE (Health, Safety, and Environment) Management System by:

- Displaying safety signs in every department to create awareness and education, minimizing accidents, and ensuring the safety of employees.
- Minimizing pollution (air, water, and noise) at all levels by adopting preventive measures.

- Implementing evacuation plans for the safe exit of employees in case of an emergency within the organization.
- Developing preventive plans to avoid accidents, risks to health, and damage to the environment.
- Ensuring compliance with applicable health, safety, and environmental laws and regulations by using best industrial practices.
- Installing fire alarms in each area to minimize the risk of fire and ensure a safe working environment.
- Providing training to employees in good HSE practices.

07.

MARKETING INITIATIVES

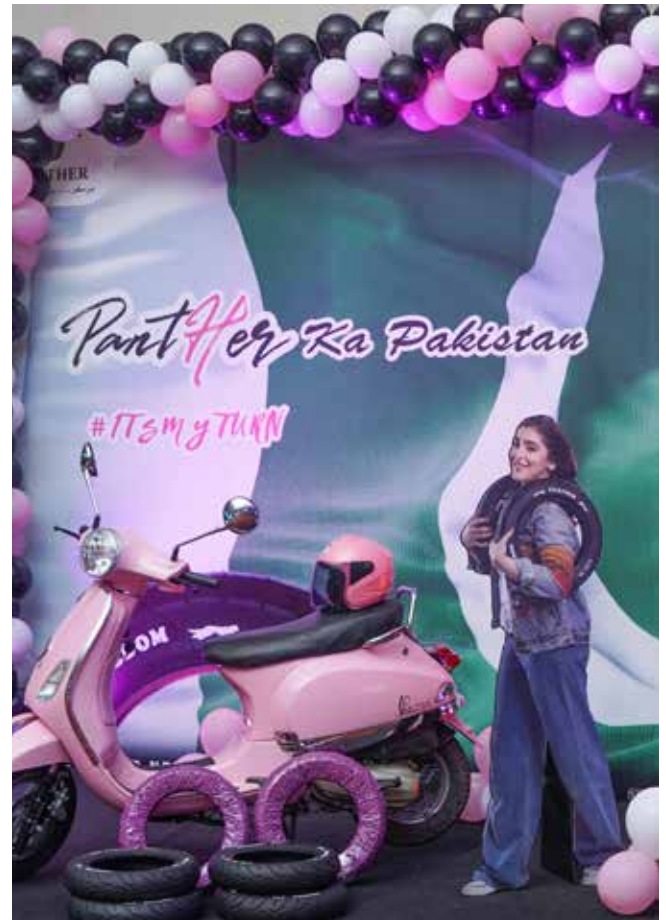
MARKETING IS THE ART OF CREATING
GENUINE CUSTOMER VALUE. IT IS THE ART
OF HELPING YOUR CUSTOMERS BECOME
BETTER OFF.



PANTHER TYRES FISCAL YEAR: 1ST JULY 2023 TO 30TH JUNE 2024

PANTHER CAMPAIGN - 14TH AUGUST 2023

On August 14th, Independence Day, Panther Tyres orchestrated a captivating event at Faletti's Hotel in Lahore, honoring the indomitable spirit of extraordinary women. The event boasted distinguished guests such as Bahisht Shaan Shahid, Bisma Maroof, and Durrefishan Saleem, who graced the occasion as brand ambassadors. The highlight of the event was the unveiling of Pakistan's inaugural range of female tyres – the Freedom, Princess, and Sherni models – accompanied by the debut of Panther's anthem, "Yehi Hai Mera Pakistan." Led by Director of Marketing, Ms. Ayesha Iftikhar, the initiative carried the empowering slogan "It's My Turn." This endeavor not only showcased innovative products but also aimed to inspire a positive transformation in the lives of





Pakistani women. It emphasized that it's their time to lead and embark on unstoppable journeys, advocating the belief that now is the moment for women to step into leadership roles with confidence and determination. The initiative sought to dismantle barriers and create a supportive environment conducive to growth, independence, and self-empowerment among women across Pakistan. Ultimately, the goal was to inspire a new generation of female leaders, instilling them with the courage to pursue their dreams and leave a lasting impact on society.

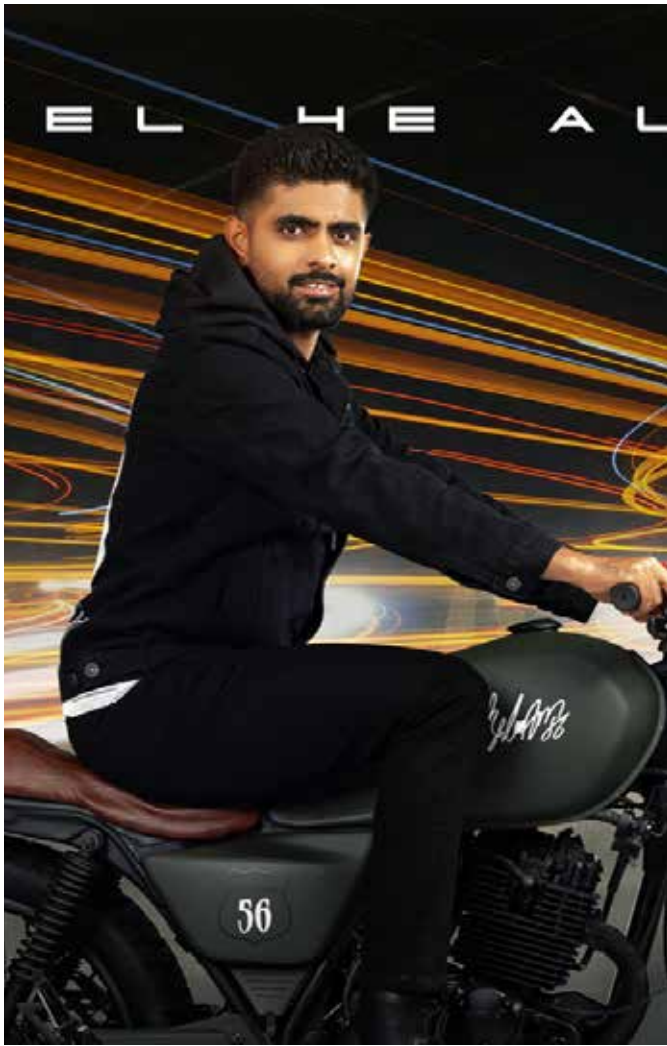


WORLD CUP '23 BABAR AZAM CAMPAIGN – OCTOBER 2023

In a significant partnership, Panther Tyres appointed Babar Azam, the renowned captain of the Pakistan cricket team, as their brand ambassador. This collaboration was marked by the launch of the "Level Hi Aur Hai" TV commercial campaign, strategically unveiled before the ODI World Cup 2023. Combining Babar Azam's cricketing prowess with Panther Tyres' dedication to innovation, the partnership aimed for greatness. The campaign echoed their shared ethos

of resilience and determination, emphasizing excellence and surpassing expectations. Through captivating visuals and inspiring messaging, it showcased Panther Tyres' commitment to elevating their brand, mirroring Babar Azam's dedication on the cricket field. As the ODI World Cup 2023 neared, the collaboration served as a rallying cry for fans, uniting them in the pursuit of excellence. Together, Panther Tyres and Babar Azam embarked on a journey fueled by passion and determination, demonstrating that "Level Hi Aur Hai" was not just a slogan but a testament to their collective pursuit of greatness.





CHAIRMAN'S PODCAST WITH AMAR KHAN - 12TH FEBRUARY 2024

In February 2024, Panther Tyres orchestrated an enthralling podcast entitled 'Podcast with Amar Khan', with the talented actress Amar Khan as the host. The podcast was crafted to pay tribute to the extraordinary odyssey of Panther Tyres' chairman, Mian Iftikhar Ahmed. Its core objective was to delve into Mian Iftikhar's voyage to triumph, tracing his evolution from manufacturing a single tyre to reaching the monumental milestone of a million. Throughout the podcast, the conversation aimed to unearth the foundational principles that underpinned Mian Iftikhar's saga of success and unlock the secrets to his business victories. The dialogue between the host, Amar Khan, and Mian Iftikhar delved deeply into various facets of his entrepreneurial journey. From modest beginnings to ascending as a prominent figure in the industry, Mian Iftikhar's narrative emerged as a wellspring of inspiration and motivation for budding entrepreneurs and business leaders. Furthermore, he shed light on Panther Tyre's recent PantHer campaign, underscoring the significance of women on wheels and the empowerment of women. This insightful addition underscored the company's commitment to societal progress and inclusivity.





PANTHER U TUBE – 21ST AUGUST 2023

In August 2023, Panther Tyres partnered with Jazz for their U-Tube Campaign, featuring Nabeel Zubeiri as the campaign ambassador. This collaboration aimed to offer customers a unique opportunity to win free Jazz minutes. With every purchase of a Panther U-Tube, crafted from high-quality imported synthetic polymer, customers had the chance to receive FREE JAZZ MINUTES. Each pack included a coupon that could be redeemed for this exclusive offer. This initiative not only showcased the superior quality of Panther U-Tubes but also provided added value to customers by offering them free minutes on Pakistan's leading telecommunications network, Jazz.



HUM WOMEN EMPOWERMENT AWARDS – 25TH FEBRUARY 2024

Panther Tyres Director Ayesha Iftikhar served as a jury member at the Hum Women Leaders Awards on February 24th, 2024, representing Panther Tyres Limited & PantHer. She had the honor of presenting the esteemed Kashmir HUM Women Leaders Award to Dr. Professor Izzeldin Abuelaish, in recognition of his dedication to peace education and women empowerment. The ceremony aired on March 8th, 2024, coinciding with International Women's Day, showcasing inspiring stories and achievements like Dr. Abuelaish's, which have inspired countless others globally. Ayesha Iftikhar's recognition at these awards underscores Panther Tyres' commitment to diversity, inclusion, and gender equality in today's society.





PANTHER TYRES FACTORY DOCUMENTARY - DISCOVER PAKISTAN – 4TH MARCH 2024

On March 4th, 2024, Panther Tyres embarked on an exciting collaboration with Discover Pakistan for a documentary shoot. The joint effort saw Panther Tyre's marketing team join forces with Discover Pakistan's videography team as they journeyed to the Panther Tyres Sheikhupura factory. The objective of the documentary was to provide viewers with an in-depth look into the operations of the factory, offering insights into the tyre manufacturing process and showcasing the utilization of cutting-edge technology. The documentary aimed to demystify the complexities of tyre production, presenting the information in a simple and accessible manner. By highlighting the intricacies of the manufacturing process, Panther Tyres aimed to showcase its commitment to quality and innovation. The collaboration with Discover Pakistan provided a platform to share this story with a wider audience, further enhancing Panther Tyres' brand visibility and reputation.

LAUNCH OF SIKANDER/OTR BABAR AZAM TESTIMONIAL – 12TH MARCH 2024

On March 12th, 2024, Panther Tyres proudly marketed its latest offering, the Sikander tyre, also recognized as the Off-the-road (OTR) tyre. This unveiling represents a significant advancement in Panther Tyres' product range, offering durable solutions for off-road vehicles and industrial applications. The endorsement by cricket sensation Babar Azam further enhanced the launch's prestige. With Babar Azam's support, Panther Tyres aimed to spotlight the exceptional performance, durability, and versatility of the Sikander tyre, particularly in rugged terrains and challenging environments. This collaboration underscores Panther Tyres' commitment to innovation and delivering top-quality products tailored to meet the diverse needs of its customers.



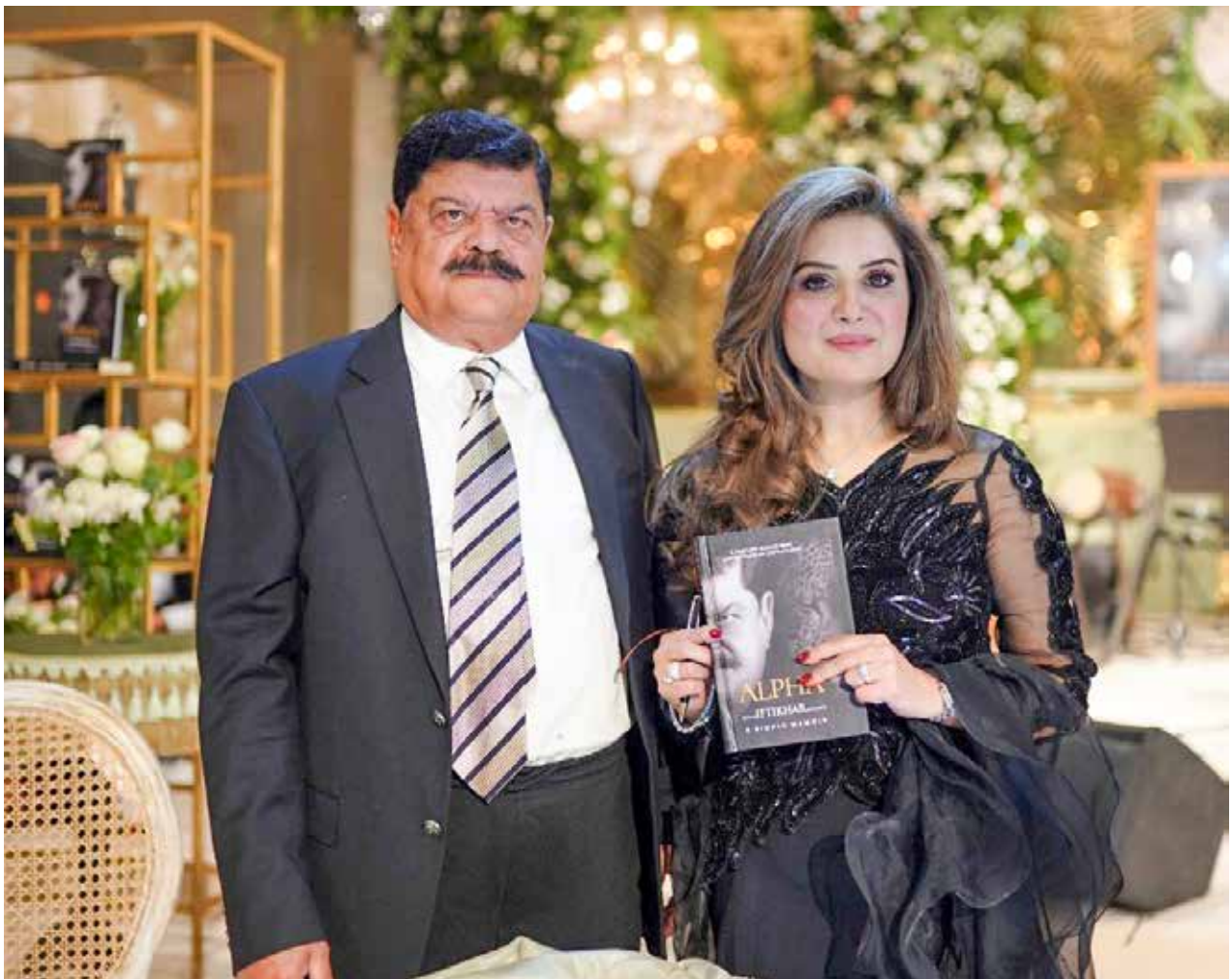
LAUNCH OF POWER/TRACTOR BABAR AZAM TESTIMONIAL – 16TH MARCH 2024

On March 16th, 2024, Panther Tyres proudly introduced its latest product, the Power tyre, also recognized as the Tractor tyre. This launch represents a significant milestone in Panther Tyres' commitment to delivering advanced solutions to its target audience. Adding to the prestige of the unveiling was the endorsement by cricket sensation, Babar Azam. With Babar Azam's support, Panther Tyres aimed to highlight the exceptional performance, durability, and reliability of the Power tyre, particularly in the rigorous conditions of agricultural environments. This collaboration underscores Panther Tyres' dedication to offering high-quality products tailored to meet the diverse needs of its customers.



PANTHER TYRE'S CHAIRMAN'S BOOK LAUNCH – 13TH APRIL 2024

Amidst the jubilant celebration of his birthday, Panther Tyres' chairman, Mian Iftikhar Ahmed, made a remarkable announcement: the release of his much-anticipated biopic book titled 'Alpha'. With heartfelt gratitude, he acknowledged his daughter, Ayesha Iftikhar, Director of Marketing & Strategy, for her unwavering dedication in bringing his dream book to fruition. 'Alpha' delves deep into Mian Iftikhar's extraordinary journey, chronicling his path from crafting a single tyre to the monumental achievement of producing a million tyres. The event was graced by the presence of esteemed celebrities and family members, with Shaan Shahid hosting the event and a mesmerizing performance by Rahat Fateh Ali Khan. As Mian Iftikhar Ahmed personally signed copies of 'Alpha', the event resonated with pride and admiration for his unparalleled vision and tireless determination.



08.

**CORPORATE
SOCIAL
RESPONSIBILITY**

**BUSINESSES NEED TO GO BEYOND THE
INTEREST OF THEIR COMPANIES TO THE
COMMUNITIES THEY SERVE.**



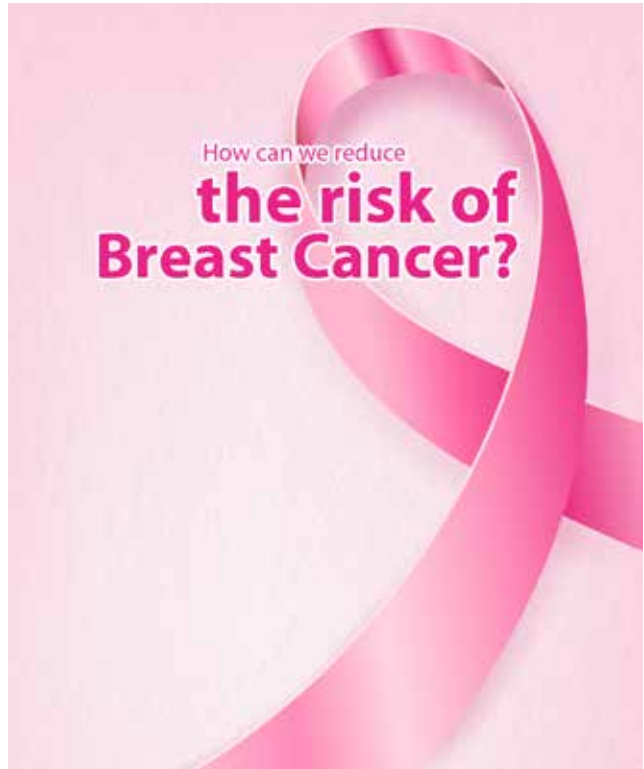
PANTHER

پرسفر --- ہر منزل کا ساتھ

CORPORATE SOCIAL RESPONSIBILITY

POLO IN PINK RIBBON WEEK – 23RD OCTOBER 2023

October saw Panther Tyres aligning with Pink Ribbon Polo, a powerful collaboration dedicated to championing the vital cause of breast cancer awareness. Together, we stand as more than mere onlookers; we are active agents of transformation. With every tyre rotation symbolizing our firm commitment, we proclaim, 'It's our turn to make a difference.' This combined effort is an invitation to steer collective awareness, ignite impactful actions and pave the way towards a future liberated from the shadows of breast cancer. Panther Tyres, where every journey matters, especially those steering towards a healthier and brighter tomorrow.



THE FUNDRAISERS BARGAIN BASEMENT SALE AUCTION – 5TH NOVEMBER 2023

In a remarkable philanthropic stride, Panther Tyres made a significant impact by participating in the renowned "The Fundraiser Bargain Basement Sale" in Lahore last year. Eager to contribute to the community, Panther Tyres went beyond the ordinary by auctioning exclusive merchandise autographed by cricket sensation Babar Azam and a personally customized bike crafted by Panther Tyres. This event, serving as a bridge between fashion and community service, has emerged as one of the largest and most successful initiatives of its kind. To date, the fundraiser has amassed an impressive sum of Rs 76,000,000, channeling these funds towards numerous commendable charities across Pakistan. With widespread celebrity endorsements and support, the event brought together over 200 brands under one roof.



THE CLIMATE CHANGE CONFERENCE AND GREEN SUSTAINABILITY – 5TH DECEMBER 2023

Demonstrating a steadfast commitment to environmental responsibility, Panther Tyres took center stage at Kinnaird College's Climate Change Conference, which took place on December 5th. Through their proactive involvement in this influential gathering, Panther Tyres underscored its position as a socially responsible corporate entity, igniting discussions and catalyzing actions aimed at promoting a greener and healthier planet. Their conviction that the path to sustainability starts with each step exemplified their dedication to eco-conscious practices, nurturing a collective endeavor towards a more environmentally aware future.





INTERNATIONAL EDUCATION DAY – 24TH JANUARY 2024

On the International Day of Education, Panther Tyres' Director of Marketing, Miss Ayesha Iftikhar, along with her team, embarked on a meaningful journey to various government girls' schools. Engaging in lively and interactive sessions, they passionately conveyed the message on the significance of education and women's empowerment. Panther Tyres took the initiative to recognize and encourage high achievers in sports, debate and academics by distributing gifts. The goodness extended to primary sessions with thoughtful goodies. With a mission to create a world of equal opportunities, Panther Tyres aims to adopt a school, providing sponsorship and planning year-round activities for the students, underscoring their commitment to making education accessible to all.



WORK LIFE HARMONY

The Panther Accounts Department embraces a unique advantage that sets the stage for an ideal work-life balance. Located in the scenic northern region, from Islamabad to Passu, including Skardu and the picturesque Ferry Meadows, our team enjoys a wonderful mix of professional expertise and the beauty of nature. This remarkable location not only creates a peaceful atmosphere for relaxation but also allows for the exploration of the stunning landscapes in northern Pakistan. At Panther, we recognize the significance of balancing career goals with personal well-being, and this commitment is evident in our efforts to ensure that our employees experience a healthy work-life balance.





INVESTMENT IN YOUTH

The Company fully recognizes its responsibility toward the youth of Pakistan and is committed to playing an active role in their development. In line with this mission, we have supported the activities of Toastmasters Club, a renowned global organization dedicated to fostering communication and leadership skills. Through this collaboration, we aim to empower young individuals by providing them with a platform to enhance their public speaking abilities, boost their confidence, and cultivate leadership qualities.

Toastmasters Club offers a supportive environment where participants can hone their communication skills, develop critical thinking, and learn how to lead with impact. By engaging with this platform, we are not only investing in the future of Pakistan's youth but also contributing to the nation's progress as a whole. Through initiatives like these, we seek to inspire and uplift the next generation of leaders, equipping them with the tools they need to succeed in an ever-changing world.



09.

FINANCIAL INFORMATION PANTHER TYRES

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NOTICE OF ANNUAL GENERAL MEETING



Notice is hereby given that the 41st Annual General Meeting (AGM) of Panther Tyres Limited (the "Company") will be held on Monday, October 28, 2024, at 12:00 p.m. at the Faletti's Hotel, 24-Egerton Road, Lahore, to transact the following business:

ORDINARY BUSINESSES:

1. To confirm the minutes of the last Annual General Meeting (AGM) held on September 26, 2023.
2. To receive and adopt the company's audited financial statements for the year ended June 30, 2024, with the Auditors' Report, Directors' Report, Chairman's Review reports, etc.
3. To appoint the auditor and to fix their remuneration. The members are hereby notified that the Board of Directors have recommended the name of KPMG Taseer Hadi & Co., Chartered Accountants, for re-appointment as auditor of the company for the year ending June 30, 2025.
4. To transact such other business as may be placed before the meeting with the permission of the Chairman.

By Order of the Board

Lahore:
October 07, 2024

Mohsin Muzaffar Butt
Company Secretary

NOTES:

1. CLOSURE OF SHARE TRANSFER BOOKS

The Share Transfer Books of the Company will remain closed from October 22, 2024, to October 28, 2024 (both days inclusive). Transfers / CDS transaction IDs received at the Company's Share Registrar, M/s Corplink (Pvt.) Limited, Wing Arcade, 1-K Commercial, Model Town, Lahore, PABX No (92-42)35916714 and Email shares@corplink.com.pk at the close of business on October 21, 2024, will be treated in time to attend and vote at the AGM.

2. PROXY

Members of the company entitled to attend and vote at the company meeting may appoint another member as their proxy to exercise his rights to attend, speak and vote. The proxy form is available on the company's website. The proxy form must be signed by the appointer or attorney duly authorised in writing, or if the appointer is a company, it must be signed by an officer or attorney duly authorised.

A company may authorise an individual to act as its representative at the meeting by resolution of its Board. The authorised individual shall be entitled to exercise the same powers for the company he represents. The proxies must be lodged with the company by forty-eight hours before holding the AGM.

When attending the meeting, a member or proxy shall authenticate their identity by showing the original CNIC/passport.

3. VIDEO CONFERENCE FACILITY

Under the Companies Act 2017 provisions, the shareholders residing in a city and collectively holding at least 10% of the total paid-up share capital may demand the Company to provide the video-link facility for participating in the meeting. The demand for video-link facility shall be received by the Company at least seven days before the meeting date.

I/we _____ of _____ being members of Panther Tyres Limited holder _____ Ordinary Shares(s) as per Registered Folio No / CDC Account No. _____ hereby opt for a video conference facility at [name of city] regarding the Company's Annual General Meeting.

The Company will inform respective members regarding the venue of the video-link facility five days before the meeting, along with complete information necessary to enable them to access the facility.

4. PLACEMENT OF FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended June 30, 2024, together with the Chairman's Review Report, Directors' Report, and Auditor's Report, have been sent to the stakeholders of the company electronically. The statements mentioned above/reports are available on the company's website.

5. CIRCULATION OF ANNUAL REPORT THROUGH QR CODE AND WEB LINK

According to SRO389(I)/2023 dated March 21, 2023, of the Securities & Exchange Commission of Pakistan, the Company has obtained shareholders' approval in the last Annual General Meeting held on September 26, 2023, to circulate the Annual Report of the Company to members through QR code and Web link. The Annual Report is available through the following QR code and Web link.

Web Link:

<https://panthertyres.com/financial-reports/>



6. THE SHAREHOLDERS MAY CONTACT THE COMPANY AT EITHER OF THE FOLLOWING

Company: Email: corporate@panthertyres.com
 WhatsApp/Mobile: 0301-7539619
 Registrar: Email: shares@corplink.com.pk
 WhatsApp/Mobile: 0300-9417476

ADDENDUM TO THE AGM NOTICE OF PANTHER TYRES LIMITED

With reference to our AGM notice published on PUCARS on October 07, 2024. According to the clarification issued by the Securities and Exchange Commission of Pakistan (SECP) vide its letter no. SMD/SE/2(20)/2021/117 dated December 15, 2021, video link facility is being offered to shareholders to attend/participate in the annual general meeting. To attend the Annual General Meeting through video link, members and proxies are requested to register their particulars such as Name, CNIC Number, Folio/CDC Account Number, Cell Number, and Email Address by sending an e-mail to corporate@panthertyres.com at the earliest but not later than 48 hours before the meeting time. The video link and login credentials will be shared with the shareholders whose e-mails, containing all the requested particulars, are received in time as mentioned above.

اطلاع برائے سالانہ اجلاس عام

دفتر میسرز کارپ لنک پرائیویٹ لمیٹڈ 1-K کمرشل، ماڈل ٹاؤن لاہور 35916714 (92-42) PABX No. اور ای میل shares@corplink.com.pk پر 21 اکتوبر 2024 کے کاروباری دن کے اختتام تک وصول ہو جائے گی، اور منقول الیکٹرانک سالانہ اجلاس عام (ایس جی ایم) میں شرکت اور ووٹ کے استحقاق کیلئے بروقت تصدیق کی جائے گی۔

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ ہتھکڑی ٹائرز لمیٹڈ (کمپنی) کا آگسٹ 41 (واں) سالانہ اجلاس عام بروز پیر مورخہ 28 اکتوبر 2024 بمقام فلیمیز ہوٹل، 24 ایجنٹ روڈ، لاہور میں بوقت 12:00 بجے دوپہر مندرجہ ذیل امور کی انجام دہی کیلئے منعقد ہو رہا ہے۔

عمومی امور

2- حاضری بذریعہ نائب (Proxy)

ایسا ممبر جو سالانہ اجلاس عام میں شرکت اور رائے دہی کا اہل ہوگا وہ کسی دوسرے شخص کو تحریری طور پر اپنا نمائندہ مقرر کر کے اجلاس عام میں شرکت، خطاب اور رائے دہی کا اختیار دے سکتا ہے۔ پراکسی فارم نوٹس ہذا کے ساتھ لف ہے۔ پراکسی فارم پر تفری کرنے والے شخص یا اس کے تحریری طور پر مجاز مختار کے دستخط ہوں گے۔ اگر تفری کرنے والا ایک کارپوریٹ ادارہ ہے تو پراکسی فارم پر مجاز افسر یا مجاز مختار کے دستخط اور کمپنی کی مہر ہوگی۔

کمپنی کا ممبر ہونے کے ناطے کارپوریٹ ادارہ بورڈ کی قرارداد کے ذریعے مقرر کردہ کسی فرد کو اجلاس میں شرکت کے اپنا نمائندہ مقرر کر سکتا ہے۔ اس طرح سے مقرر ہونے والا فرد اس ادارے کی طرف سے تمام اختیارات کا حامل ہوگا۔ پراکسی فارم اجلاس شروع ہونے سے اڑتالیس گھنٹے قبل کمپنی کو مل جانا چاہیے۔

اجلاس میں شرکت کے موقع پر ممبر یا نائب اپنے اصل شناختی کارڈ یا پاسپورٹ دکھا کر اپنی شناخت کروائے گا۔

3- سالانہ اجلاس میں ویڈیو کانفرنس کے ذریعے شرکت کی سہولت

کمپنی 2017 کی دفعات کے مطابق، ایسے شیئرز ہولڈرز جو ایک ہی شہر میں رہتے ہیں اور ان کے پاس مجموعی طور پر پینڈ اپ کمپیوٹر کے کم از کم دس فیصد حصص ہوں، وہ کمپنی سے مطالبہ کر سکتے ہیں کہ کمپنی انہیں اجلاس میں شرکت کیلئے ویڈیو لنک کی سہولت فراہم کرے۔ ویڈیو لنک فراہم کرنے کا مطالبہ اجلاس منعقد ہونے کی تاریخ سے کم از کم سات دن قبل کمپنی کو موصول ہو جانا چاہیے۔

- 1- 26 ستمبر 2023 کو منعقدہ گزشتہ سالانہ اجلاس عام (AGM) کی کارروائی کی توثیق کرنا۔
- 2- کمپنی کے آڈٹ شدہ مالیاتی حسابات برائے سال ختمہ 30 جون 2024 بمع ڈائریکٹر رپورٹ، آڈیٹر رپورٹ اور چیئرمین کی جائزہ رپورٹ کی وصولی، غور و غوض اور ان کی منظوری۔
- 3- کمپنی کے آڈیٹر کا تقرر اور ان کے معاوضے کا تعین کرنا۔ اس حوالے سے ارکان کو اطلاع دی جاتی ہے کہ بورڈ آف ڈائریکٹرز نے میسرز کے پی ایم جی، تاثیر حادی، چارٹرڈ اکاؤنٹنٹس کی سال ختمہ 30 جون 2025 کیلئے دوبارہ تفری کی سفارش کی ہے۔
- 4- صاحب صدر کی اجازت سے کوئی دیگر امور جو اجلاس میں رکھے جاسکتے ہیں سرانجام دینا۔

بحکم بورڈ

محسن مظفر بٹ
کمپنی سیکریٹری

لاہور:

107 اکتوبر 2024

ضروری گذارشات

1- حصص منتقلی کتاب کی بندش

کمپنی کے حصص منتقلی کی کتابیں 22 اکتوبر 2024 تا 28 اکتوبر 2024 تک بند رہیں گی (بشمول دونوں دن)۔ اس سلسلہ میں جو منتقلی ہمارے شیئرز رجسٹر کے

Web Link:<https://panther tyres.com/financial-reports/>**6- شیئر ہولڈرز مندرجہ ذیل میں سے کسی ایک پر کمپنی سے رابطہ کر سکتے ہیں:**کمپنی ای میل corporate@panther tyres.com

واٹس ایپ نمبر 0301-7539619

رجسٹرار ای میل shares@corplink.com.pk

واٹس ایپ نمبر 0300-9417476

متنٹھرنائز کے سالانہ عمومی اجلاس کے نوٹس میں اضافہ۔

ہمارے سالانہ عمومی اجلاس (AGM) کے نوٹس، جو کہ 07 اکتوبر 2024 کو PUCARS پر شائع کیا گیا تھا، کے حوالے سے، پاکستان سیکورٹیز اینڈ ایکسچینج کمیشن (SECP) کی جانب سے جاری کردہ وضاحت، خط نمبر SE/SMD/2021/117 مورخہ 15 دسمبر 2021 کے مطابق، حصص یافتگان کو سالانہ عمومی اجلاس میں شرکت/حصہ لینے کے لیے ویڈیولنک کی سہولت فراہم کی جارہی ہے۔ سالانہ عمومی اجلاس میں ویڈیولنک کے ذریعے شرکت کرنے کے لیے اراکین اور پراسیز سے درخواست کی جاتی ہے کہ وہ اپنے کوائف جیسے کہ نام، شناختی کارڈ نمبر (CNIC)، فوٹیو/کراڈ، اکاؤنٹ نمبر، موبائل نمبر، اور ای میل جلد از جلد، لیکن اجلاس کے وقت سے کم از کم 48 گھنٹے پہلے، corporate@panther tyres.com پر ای میل کے ذریعے بھیجیں۔ ویڈیو لنک اور لاگ ان کی تفصیلات ان حصص یافتگان کے ساتھ شیئر کی جائیں گی جن کی ای میلز، جن میں تمام مطلوبہ کوائف شامل ہوں، مقررہ وقت کے اندر موصول ہو جائیں گی۔

میں اہم ساکن متنٹھرنائز لیمیٹڈ کمپنی کے ممبران ہونے کی حیثیت سے عام شیئرز رکھتے ہیں۔ ان شیئرز کا فوٹیو نمبر اور سی ڈی سی اکاؤنٹ نمبر ہے۔ مجھے انہیں سالانہ اجلاس عام میں شرکت بذریعہ ویڈیو کانفرنس کیلئے اس (شہر کا نام) سہولت مہیا کی جائے۔

کمپنی متعلقہ ممبران کو ویڈیولنک سہولت کے مقام کے حوالے سے اجلاس شروع ہونے سے پانچ دن قبل اطلاع کرے گی اور اس سہولت سے مستفید ہونے کے حوالے سے مکمل معلومات بھی فراہم کرے گی۔

4- مالیاتی گوشواروں کی دستیابی

کمپنی کے 30 جون 2024 کو ختم ہونے والے سال کے آڈٹ شدہ مالیاتی گوشوارے مع چیئر مین کی جائزہ رپورٹ، ڈائریکٹرز اور آڈیٹرز رپورٹ، کمپنی کے اسٹیک ہولڈرز کو بذریعہ پوسٹ یا الیکٹرونک بھجوائی جا چکی ہیں، کمپنی کی ویب سائٹ www.pabthertyres.com پر دستیاب ہے۔ مذکورہ بالا گوشوارے رپورٹس کمپنی کی ویب سائٹ پر دستیاب کر دیئے گئے ہیں۔

5- کیو آر کوڈ اور ویب لنک کے ذریعے سالانہ رپورٹ کی گردش

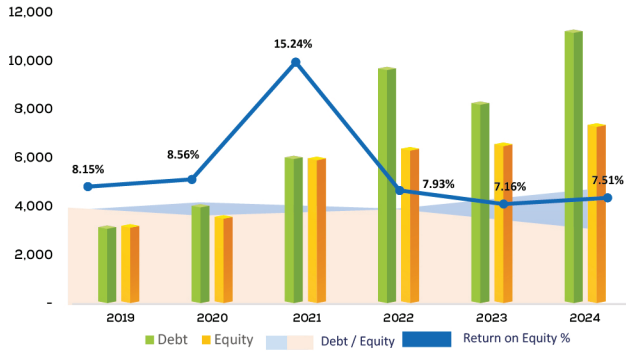
سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے 2023/(I)SRO389 مورخہ 21 مارچ 2023 کے مطابق، کمپنی نے 26 ستمبر 2023 کو منعقدہ

آخری سالانہ جنرل میٹنگ میں شیئر ہولڈرز کی منظوری حاصل کی ہے، کہ کمپنی اپنی سالانہ رپورٹ کو بذریعہ QR کوڈ اور ویب لنک کے ذریعے گردش میں لائے گی۔ سالانہ رپورٹ درج ذیل کیو آر کوڈ اور ویب لنک کے ذریعے دستیاب ہے۔

GRAPHICAL ANALYSIS

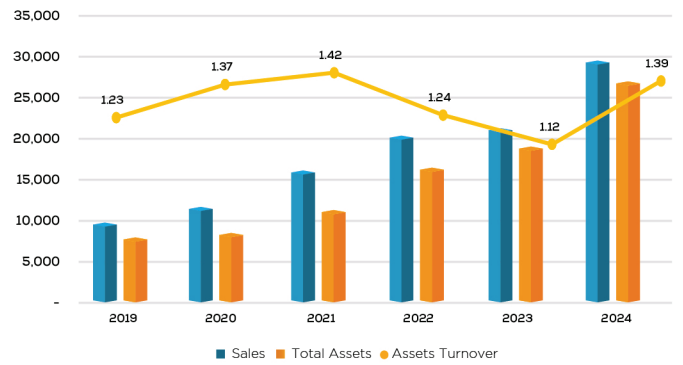
EQUITY & DEBT

Rs. in million



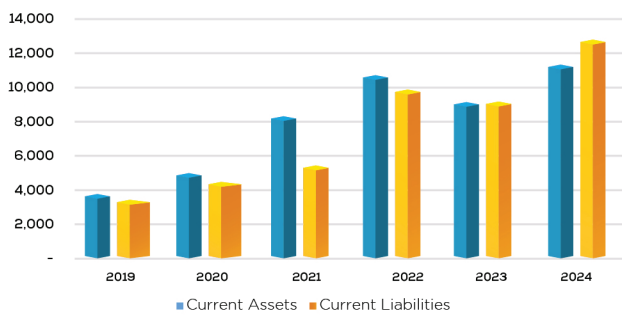
TOTAL ASSETS TURNOVER

Rs. in million



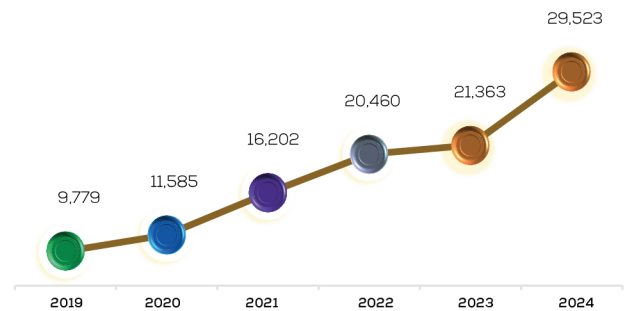
CURRENT ASSETS & CURRENT LIABILITIES

Rs. in million



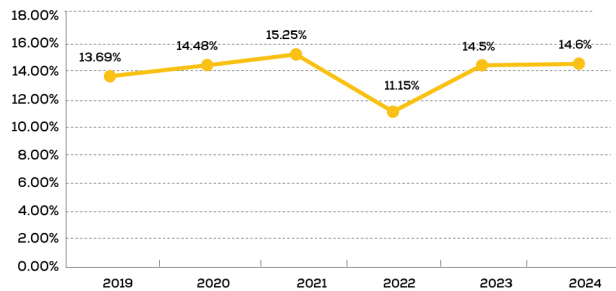
GROWTH IN SALES

Rs. in million



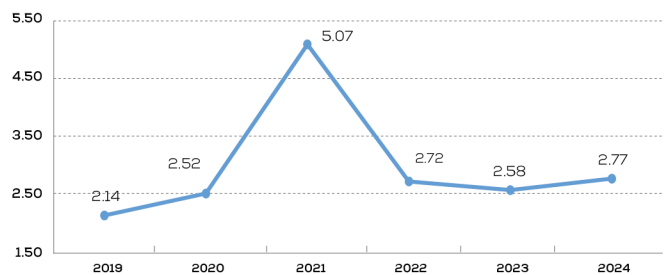
GROSS PROFIT RATIO

Rs. in million



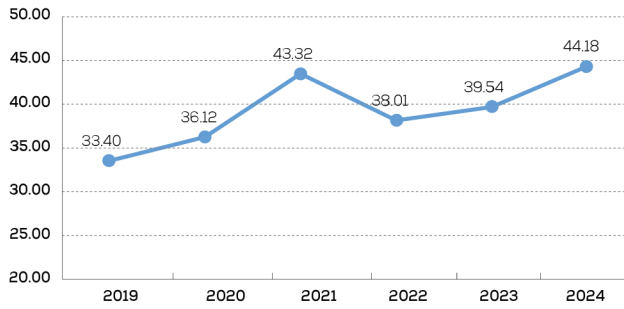
EARNING PER SHARE

Rs. in million



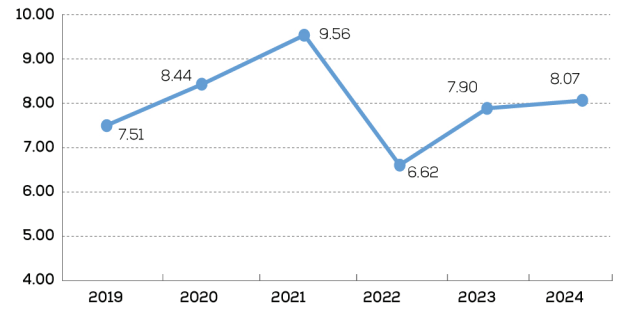
BREAKUP VALUE

Rs. in million



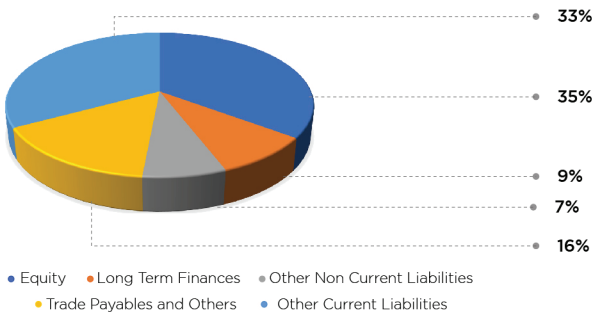
OPERATING PROFIT RATIO

Rs. in million



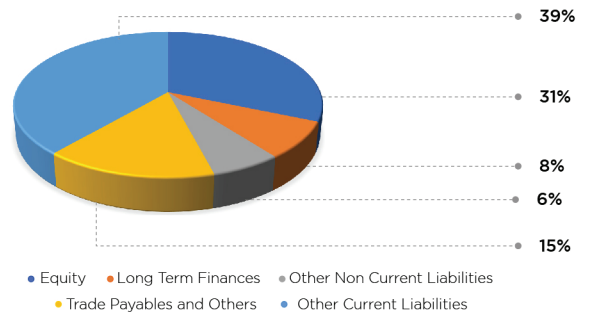
EQUITY & LIABILITIES-2023

Percentage



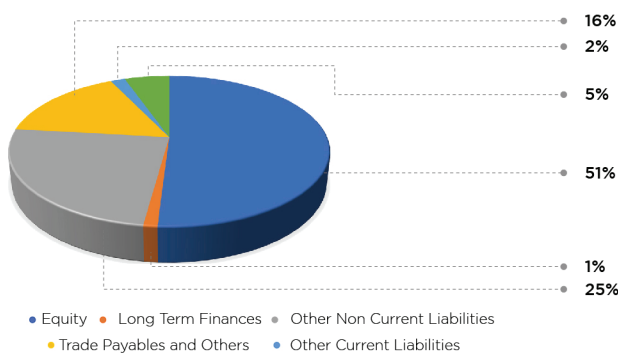
EQUITY & LIABILITIES-2024

Percentage



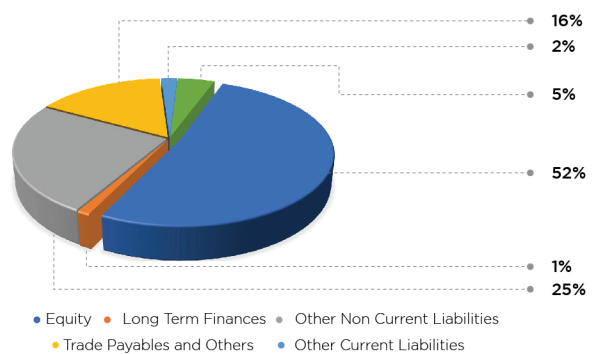
Assets-2023

Percentage



Assets-2024

Percentage



VERTICAL ANALYSIS

DESCRIPTION	2024	24 Vs 23	2023	23 Vs 22	2022	22 Vs 21	2021	21 Vs 20	2020	20 Vs 19	2019	19 Vs 18
	Rs Mln	%	Rs Mln	%	Rs Mln	%	Rs Mln	%	Rs Mln	%	Rs Mln	%
Balance Sheet												
Non Current Assets	12,339,795	52.2	9,736,649	51.6	8,514,413	44.3	5,362,038	39.3	4,129,553	45.3	3,995,770	51.5
Current Assets	11,297,726	47.8	9,137,696	48.4	10,717,160	55.7	8,285,287	60.7	4,982,973	54.7	3,755,758	48.5
Total Assets	23,637,521	100	18,874,345	100	19,231,573	100	13,647,325	100.0	9,112,525	100	7,751,528	100
Equity	7,422,537	31.4	6,643,074	35.2	6,386,479	33.2	6,064,381	44.4	3,612,425	39.6	3,339,515	43.1
Non Current Liabilities	3,434,353	14.5	3,076,217	16.3	2,969,628	15.4	2,147,191	15.7	1,008,605	11.1	980,003	12.6
Current Liabilities	12,780,631	54.1	9,155,054	48.5	9,875,465	51.4	5,435,753	39.8	4,491,496	49.3	3,432,010	44.3
Total Liabilities	23,637,521	100	18,874,345	100	19,231,573	100	13,647,325	100.0	9,112,525	100	7,751,528	100
Current Assets												
Stores and spares	268,067	1.1	226,406	1.2	189,610	1.0	158,033	1.2	87,626	1.0	80,344	1.0
Stock in trade	5,839,060	24.7	4,657,857	24.7	4,753,415	24.7	3,234,588	23.7	1,905,085	20.9	1,330,206	17.2
Trade debts	3,750,534	15.9	3,029,559	16.1	4,322,963	22.5	3,303,967	24.2	2,440,209	26.8	1,894,183	24.4
Advances, deposits, prepayments and other receivables	309,139	1.3	369,661	2.0	259,779	1.4	782,640	5.7	399,205	4.4	275,188	3.6
Advance income tax - net	599,129	2.5	500,294	2.7	477,022	2.5	-	-	-	-	-	-
Short term investments	59,955	0.3	25,455	0.1	300,075	1.6	437,075	3.2	-	-	-	-
Cash and bank balances	471,842	2.0	328,463	1.7	414,295	2.2	368,984	2.7	150,848	1.7	175,837	2.3
	11,297,726	47.80	9,137,696	48.41	10,717,160	55.73	8,285,287	60.7	4,982,973	54.68	3,755,758	48.45
Current Liabilities												
Trade and other payables	3,641,137	15.4	2,940,358	15.6	2,003,178	10.4	892,883	6.5	748,656	8.2	539,736	7.0
Provisions	74,192	0.3	67,699	0.4	50,850	0.3	-	-	-	-	-	-
Current portion of long term loan and lease liabilities	991,006	4.2	420,699	2.2	408,007	2.1	360,923	2.6	281,154	3.1	325,914	4.2
Short term financing - secured	8,073,781	34.2	5,725,987	30.3	7,413,034	38.5	4,181,948	30.6	3,461,686	38.0	2,566,360	33.1
Unclaimed dividend	515	0.0	310	0.0	397	0.0	-	-	-	-	-	-
	12,780,631	54.1	9,155,054	48.5	9,875,465	51.4	5,435,753	39.8	4,491,496	49.3	3,432,010	44.3

HORIZONTAL ANALYSIS

DESCRIPTION	2024	24 Vs 23	2023	23 Vs 22	2022	22 Vs 21	2021	21 Vs 20	2020	20 Vs 19	2019	19 Vs 18
	Rs Mln	%	Rs Mln	%	Rs Mln	%	Rs Mln	%	Rs Mln	%	Rs Mln	%
Non Current Assets	12,339,795	26.7	9,736,649	14.4	8,514,413	58.8	5,362,038	29.8	4,129,553	3.3	3,995,770	1.0
Current Assets	11,297,726	23.6	9,137,696	(14.7)	10,717,160	29.4	8,285,287	66.3	4,982,973	32.7	3,755,758	(9.3)
Total Assets	23,637,521	25.2	18,874,345	(1.9)	19,231,573	40.9	13,647,325	50	9,112,525	18	7,751,528	(4)
Equity	7,422,537	11.7	6,643,074	4.0	6,386,479	5.3	6,064,381	67.9	3,612,425	8.2	3,339,515	4.1
Non Current Liabilities	3,434,353	11.6	3,076,217	3.6	2,969,628	38.3	2,147,191	112.9	1,008,605	2.9	980,003	(10.9)
Current Liabilities	12,780,631	39.6	9,155,054	(7.3)	9,875,465	81.7	5,435,753	21.0	4,491,496	30.9	3,432,010	(9.3)
Total Liabilities	23,637,521	25.2	18,874,345	(1.9)	19,231,573	40.9	13,647,325	50	9,112,525	18	7,751,528	(4)
Current Assets												
Stores and spares	268,067	18.4	226,406	19.4	189,610	20.0	158,033	80.3	87,626	9.1	80,344	50.9
Stock in trade	5,839,060	25.4	4,657,857	(2.0)	4,753,415	47.0	3,234,588	69.8	1,905,085	43.2	1,330,206	(27.9)
Trade debts	3,750,534	23.8	3,029,559	(29.9)	4,322,963	30.8	3,303,967	35.4	2,440,209	28.8	1,894,183	33.3
Advances, deposits, prepayments and other receivables	309,139	(16.4)	369,661	42.3	259,779	(66.8)	782,640	96.0	399,205	45.1	275,188	(63.9)
Advance income tax - net	599,129	19.8	500,294	4.9	477,022	-	-	-	-	-	-	-
Short term investments	59,955	135.5	25,455	(91.5)	300,075	(31.3)	437,075	-	-	-	-	-
Cash and bank balances	471,842	43.7	328,463	(20.7)	414,295	12.3	368,984	144.6	150,848	(14.2)	175,837	204.7
Total Current Assets	11,297,726	23.6	9,137,696	(14.7)	10,717,160	29.4	8,285,287	66	4,982,973	33	3,755,758	(9)
Current Liabilities												
Trade and other payables	3,641,137	23.8	2,940,358	46.8	2,003,178	124.3	892,883	19.3	748,656	38.7	539,736	27.5
Provisions	74,192	9.6	67,699	33.1	50,850	-	-	-	-	-	-	-
Current portion of long term loan and lease liabilities	991,006	135.6	420,699	3.1	408,007	13.0	360,923	28.4	281,154	(13.7)	325,914	1.1
Short term financing - secured	8,073,781	41.0	5,725,987	(22.8)	7,413,034	77.3	4,181,948	20.8	3,461,686	34.9	2,566,360	(15.6)
Unclaimed dividend	515	65.9	310	(21.8)	397	-	-	-	-	-	-	-
Total Current Liabilities	12,780,631	39.6	9,155,054	(7.3)	9,875,465	81.7	5,435,753	21.0	4,491,496	30.9	3,432,010	(9.3)

VERTICAL ANALYSIS PROFIT & LOSS ACCOUNT

DESCRIPTION	2024	24 Vs 23	2023	23 Vs 22	2022	22 Vs 21	2021	21 Vs 20	2020	20 Vs 19	2019	19 Vs 18
	Rs Mln	%	Rs Mln	%	Rs Mln	%	Rs Mln	%	Rs Mln	%	Rs Mln	%
Sales	29,523,187	100.0	21,363,404	100.0	20,460,233	100.0	16,202,067	100.0	11,584,801	100.0	9,779,419	100.0
Cost of sales	(25,221,361)	(85.4)	(18,261,462)	(85.5)	(18,179,517)	(88.9)	(13,731,305)	(84.8)	(9,907,749)	(85.5)	(8,440,934)	(86.3)
Gross Profit	4,301,825	14.6	3,101,942	14.5	2,280,716	11.1	2,470,761	15.2	1,677,052	14.5	1,338,485	13.7
Selling and distribution expenses	(1,409,344)	(4.8)	(931,709)	(4.4)	(687,456)	(3.4)	(581,072)	(3.6)	(414,579)	(3.6)	(306,273)	(3.1)
Administrative and general expenses (Including Impairment of Financial Asset)	(442,357)	(1.5)	(378,059)	(1.8)	(363,177)	(1.8)	(296,325)	(1.8)	(261,142)	(2.3)	(259,100)	(2.6)
Other operating expenses	(170,239)	(0.6)	(189,517)	(0.9)	(65,617)	(0.3)	(86,512)	(0.5)	(29,496)	(0.3)	(40,265)	(0.4)
Other operating income	104,063	0.4	91,727	0.4	189,696	0.9	41,604	0.3	6,397	0.1	1,988	0.0
Profit from operations	2,383,948	8.1	1,694,384	7.9	1,354,163	6.6	1,548,456	9.6	978,232	8.4	734,836	7.5
Finance cost	(1,488,275)	(5.0)	(1,048,512)	(4.9)	(649,849)	(3.2)	(328,192)	(2.0)	(598,395)	(5.2)	(404,290)	(4.1)
Profit before taxation	895,674	3.0	645,872	3.0	704,314	3.4	1,220,264	7.5	379,837	3.3	330,546	3.4
Taxation	(429,888)	(1.5)	(213,079)	(1.0)	(246,857)	(1.2)	(369,002)	(2.3)	(128,010)	(1.1)	(116,233)	(1.2)
Profit after taxation	465,785	1.6	432,794	2.0	457,457	2.2	851,262	5.3	251,827	2.2	214,314	2.2

HORIZONTAL ANALYSIS PROFIT & LOSS ACCOUNT

DESCRIPTION	2024	24 Vs 23	2023	23 Vs 22	2022	22 Vs 21	2021	21 Vs 20	2020	20 Vs 19	2019	19 Vs 18
	Rs Mln	%	Rs Mln	%	Rs Mln	%	Rs Mln	%	Rs Mln	%	Rs Mln	%
Sales	29,523,187	38.2	21,363,404	4.4	20,460,233	26.3	16,202,067	39.9	11,584,801	18.5	9,779,419	14.1
Cost of sales	(25,221,361)	38.1	(18,261,462)	0.5	(18,179,517)	32.4	(13,731,305)	38.6	(9,907,749)	17.4	(8,440,934)	13.4
Gross Profit	4,301,825	38.7	3,101,942	36.0	2,280,716	(7.7)	2,470,761	47.3	1,677,052	25.3	1,338,485	18.2
Selling and distribution expenses	(1,409,344)	51.3	(931,709)	35.5	(687,456)	18.3	(581,072)	40.2	(414,579)	35.4	(306,273)	18.3
Administrative and general expenses (Including Impairment of Financial Asset)	(442,357)	17.0	(378,059)	4.1	(363,177)	22.6	(296,325)	13.5	(261,142)	0.8	(259,100)	31.5
Other operating expenses	(170,239)	(10.2)	(189,517)	188.8	(65,617)	(24.2)	(86,512)	193.3	(29,496)	(26.7)	(40,265)	30.0
Other operating income	104,063	13.4	91,727	(51.6)	189,696	356.0	41,604	550.3	6,397	221.7	1,988	(97.3)
Profit from operations	2,383,948	40.7	1,694,384	25.1	1,354,163	(12.5)	1,548,456	58.3	978,232	33.1	734,836	2.0
Finance cost	(1,488,275)	41.9	(1,048,512)	61.3	(649,849)	98.0	(328,192)	(45.2)	(598,395)	48.0	(404,290)	40.2
Profit before taxation	895,674	38.7	645,872	(8.3)	704,314	(42.3)	1,220,264	221.3	379,837	14.9	330,546	(23.5)
Taxation	(429,888)	101.8	(213,079)	(13.7)	(246,857)	(33.1)	(369,002)	188.3	(128,010)	10.1	(116,233)	65.2
Profit after taxation	465,785	7.6	432,794	(5.4)	457,457	(46.3)	851,262	238.0	251,827	17.5	214,314	(40.8)

DUPONT ANALYSIS

		2024	2023	2022	2021	2020	2019
Net Profit Margin	%	158	203	224	525	217	219
Asset Turnover	times	1.39	1.12	1.24	1.42	1.37	1.23
Financial Leverage Ratio	times	1.53	1.26	1.54	1.01	1.15	0.97
Dupont	%	3.35%	2.87%	4.27%	7.54%	3.44%	2.63%
Return on Equity	%	6.28	6.51	7.16	14.04	6.97	6.42



FINANCIAL HIGHLIGHTS

	2024	2023	2022	2021	2020	2019
Operating Performance						
Sales	29,523,187	21,363,404	20,460,233	16,202,067	11,584,801	9,779,419
Gross Profit	4,301,825	3,101,942	2,280,716	2,470,761	1,677,052	1,338,485
Operating Profit	2,383,948	1,694,384	1,354,163	1,548,456	978,232	734,836
Profit before tax	895,674	645,872	704,314	1,220,264	379,837	330,546
Profit after tax	465,785	432,794	457,457	851,262	251,827	214,314
Earning Per Share	2.77	2.58	2.72	5.07	2.52	2.14
Balance Sheet						
Net assets	7,422,537	6,643,074	6,386,479	6,064,381	3,612,425	3,339,515
Operating fixed assets	12,339,795	9,736,649	8,514,413	5,362,038	4,129,553	3,995,770
Current Assets	11,297,726	9,137,696	10,717,160	8,285,287	4,982,973	3,755,758
Net working Capital	(1,482,905)	(17,358)	841,694	2,849,534	491,477	323,748
Long term liabilities	3,434,353	3,076,217	2,969,628	2,147,191	1,008,605	980,003

KEY RATIOS

		2024	2023	2022	2021	2020	2019
Key Ratios							
Profitability Ratio							
Gross profit ratio	%	14.57	14.52	11.15	15.25	14.48	13.69
Operating profit ratio	%	8.07	7.93	6.62	9.56	8.44	7.51
Profit before tax ratio	%	3.03	3.02	3.44	7.53	3.28	3.38
Profit after tax ratio	%	1.58	2.03	2.24	5.25	2.17	2.19
Return on capital employed	%	21.44	17.80	15.09	19.20	22.16	17.92
Return on Equity - Revaluation Surplus	%	6.28	6.51	7.16	14.04	6.97	6.42
Return on Equity - WOT Revaluation Surplus	%	7.51	7.16	7.93	15.24	8.56	8.15
Return on Assets	%	2.19	2.27	2.78	7.48	2.99	2.70
Investment Ratios							
EPS	Rs	2.77	2.58	2.72	5.07	2.52	2.14
Breakup Value							
Without Revaluation Reserve	Rs.	36.90	35.99	34.34	39.90	29.42	26.30
With Revaluation Reserve	Rs.	44.18	39.54	38.01	43.32	36.12	33.40
Liquidity Ratio							
Current Ratio	times	0.88	1.00	1.09	1.52	1.11	1.09
Quick /Acid Test Ratio	times	0.41	0.46	0.58	0.90	0.67	0.68
Activity/Turn over Ratios							
Inventory turnover ratio	Times	4.81	3.88	4.55	5.34	6.12	5.32
No. of days in Inventory	Days	76	94	80	68	60	69
Debtors Turnover Ratio	Times	8.71	5.81	5.37	5.64	5.35	5.90
No. of days in Receivable	Days	42	63	68	65	68	62
Creditors Turnover Ratio	Times	7.66	7.39	12.55	16.73	15.38	17.53
No. of days in Payables	Days	48	49	29	22	24	21
Total assets turnover ratio	Times	1.39	1.12	1.24	1.42	1.37	1.23
Fixed Asset turnover ratio	Times	2.39	2.19	2.40	3.02	2.81	2.45
Cash Conversion Cycle	Days	70	107	119	111	104	110
Capital Structure Ratios							
D/E Ratio							
Debt equity ratio	%	60.40	56.44	61.39	50.50	53.47	49.51
Leverage Ratio	%	1.53	1.26	1.54	1.01	1.15	0.97
Interest Cover ratio	Times	1.60	1.62	2.08	4.72	1.63	1.82

10.

FINANCIAL STATEMENTS For the year ended 30 June 2024

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KPMG Taseer Hadi & Co.
Chartered Accountants
2nd Floor,
Servis House
2-Main Gulberg Jail Road,
Lahore Pakistan

Telephone + 92 (42)3579 0901-6
Fax + 92 (42) 3579 0907
Internet www.kpmg.com.pk

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF PANTHER TYRES LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") prepared by the Board of Directors of Panther Tyres Limited ("the Company") for the year ended 30 June 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2024.

Lahore
Date: 10 October 2024
UDIN: CR202410183XsmONP6Yh

KPMG Taseer Hadi & Co.
Chartered Accountants

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES

(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

The period ended: 30 June 2024

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are Seven (7) as per the following:
 - a. Male: Six (6)
 - b. Female: One (1)
2. The composition of the Board is as follows:

Category	Names
Independent Director(s)	i. Mr. Javed Masud ii. Mr. Iqbal Ahmad Khan iii. Mr. Asad Sultan Chaudhary
Executive Directors	i. Mr. Mian Faisal Iftikhar ii. Ms. Ayesha Iftikhar
Non-Executive Directors	i. Mr. Mian Iftikhar Ahmed ii. Mr. Zahid Mahmud
Female Director	i. Ms. Ayesha Iftikhar

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that a complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board;
8. The Board of directors have a formal policy and transparent procedures for the remuneration of directors in accordance with the Act and these Regulations.
9. The Board has arranged Director's Training program for the following:

Names	Designation
Mr. Mian Iftikhar Ahmed	Chairman/Non-Executive Director
Mr. Mian Faisal Iftikhar	CEO
Ms. Ayesha Iftikhar	Executive Director
Mr. Javed Masud	Independent Director
Mr. Asad Sultan Chaudhary	Independent Director
Mr. Iqbal Ahmad Khan	Independent Director
Mr. Zahid Mahmud	Non-Executive Director
Mr. Ghulam Abbas	CFO
Mr. Mohsin Muzaffar Butt	Company Secretary

10. No new appointments have been made during the year for the CFO, Company Secretary and Head of Internal Audit. However, all such appointments including their remuneration and terms and conditions of employment were duly approved by the board and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:

a) Audit Committee

Names	Designation
i. Mr. Javed Masud	Chairman/Independent Director
ii. Mr. Asad Sultan Chaudhary	Member/ Independent Director
iii. Mr. Iqbal Ahmad Khan	Member/ Independent Director
iv. Mr. Zahid Mahmud	Member/ Non-Executive Director
v. Mr. Mohsin Muzaffar Butt	Secretary of Audit Committee

b) HR and Remuneration Committee

Names	Designation
i. Mr. Asad Sultan Chaudhary	Chairman/Independent Director
ii. Mr. Iqbal Ahmad Khan	Member/ Independent Director
iii. Mr. Mian Faisal Iftikhar	Member/ Executive Director
iv. Mr. Mohsin Muzaffar Butt	Secretary of HR & R Committee

c) Risk Management Committee

Names	Designation
i. Mr. Javed Masud	Chairman/Independent Director
ii. Mr. Mian Faisal Iftikhar	Member/ Executive Director
iii. Mr. Zahid Mahmud	Member/ Non-Executive Director
iv. Mr. Mohsin Muzaffar Butt	Secretary of Risk Management Committee

d) Nominee Committee

Names	Designation
i. Mr. Mian Iftikhar Ahmed	Chairman/Non-Executive Director
ii. Mr. Mian Faisal Iftikhar	Member/ Executive Director
iii. Mr. Mohsin Muzaffar Butt	Secretary of Nominee Committee

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:

Meetings	Frequency
Audit Committee	Four meetings were held during the financial year ended June 30, 2024.
HR & Remuneration Committee	One meeting was held during the financial year ended June 30, 2024.

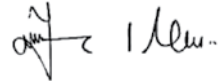
15. The Board has set up an effective internal audit function, which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with the Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouses, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations 3, 6, 7, 8, 27, 32, 33, and 36 of the regulations have been complied with.



Mian Iftikhar Ahmed
Chairman

October 07, 2024



Mian Faisal Iftikhar
CEO



KPMG Taseer Hadi & Co.
Chartered Accountants
2nd Floor,
Servis House
2-Main Gulberg Jail Road,
Lahore Pakistan

Telephone + 92 (42)3579 0901-6
Fax + 92 (42) 3579 0907
Internet www.kpmg.com.pk

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PANTHER TYRES LIMITED

Report on the Audit of the Financial Statements

OPINION

We have audited the annexed financial statements of Panther Tyres Limited ("the Company"), which comprise the statement of financial position as at 30 June 2024, and the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER – COMPARATIVE INFORMATION

We draw attention to note 6 to the financial statements which indicates that the comparative information presented as at and for year ended 30 June 2023 has been restated. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

Sr. No.	Key audit matters	How the matter was addressed in our audit
1	<p>Revenue from contracts with customers-net</p> <p>Refer to notes 5.17 and 29 to the financial statements.</p> <p>The Company recognized revenue of Rs. 29,523.19 million from the sale of goods to domestic as well as export customers during the year ended 30 June 2024.</p> <p>Revenue is a key performance indicator and therefore in internal and external stakeholders' focus. Consequently, there might be pressure to achieve forecasted results. This could lead to an increased audit risk relating to revenues recorded near reporting date.</p> <p>We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Company and gives rise to a risk that revenue may be recognized without transferring the control near reporting date.</p>	<p>Our audit procedures to assess recognition of revenue, amongst others, included the following:</p> <ul style="list-style-type: none"> • obtaining an understanding of the process relating to recording of revenue and testing the design and implementation of the relevant internal controls identified in such process; • assessing the appropriateness of the Company's accounting policies for Company's revenue recognition and compliance of those policies with applicable accounting and reporting standards in Pakistan; • verifying a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents to assess whether the related revenue was recorded in accordance with the Company's accounting policy; • verifying, on a sample basis, specific revenue transactions recorded just before and after the financial year end date to determine whether the revenue was recognized in the appropriate financial reporting period; • Assessed the appropriateness of journal entries posted to the revenue account during the year by drawing a sub-population meeting certain specific risk based criteria and comparing the details of such journal entries with the underlying documentation and accounting records. • assessing the adequacy of presentation and disclosures related to the revenue as required under the accounting and reporting standards as applicable in Pakistan.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

Management is responsible for the other information. Other information comprises the information included in the annual report for the year ended 30 June 2024 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017(XIX of 2017);
- b) the statement of financial position, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance, subsequent to the year end.


OTHER MATTER RELATING TO COMPARATIVE INFORMATION

The financial statements of the Company as at and for the years ended 30 June 2023 and 30 June 2022 (from which the statement of financial position as at 01 July 2022 has been derived), excluding the adjustments described in note 6 to the financial statements, were audited by another auditor who expressed an unmodified opinion on those financial statements on 04 September 2023 and 03 October 2022 respectively.

As part of our audit of the financial statements as at and for the year ended 30 June 2024, we audited the adjustments described in note 6 that were applied to restate the comparative information presented as at and for the year ended 30 June 2023 and the statement of financial position as at 01 July 2022. We were not engaged to audit, review, or apply any procedures to the financial statements for the years ended 30 June 2023 or 30 June 2022 (not presented herein) or to the statement of financial position as at 01 July 2022, other than with respect to the adjustments described in note 6 to the financial statements. Accordingly, we do not express an opinion or any other form of assurance on those respective financial statements taken as a whole. However, in our opinion, the adjustments described in note 6 are appropriate and have been properly applied.

The engagement partner on the audit resulting in this independent auditor's report is M. Rehan Chughtai.

Lahore
Date: 10 October 2024
UDIN: AR202410183qBKJaFvps

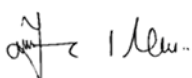

KPMG Taseer Hadi & Co.
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 (Restated) Rupees	2022 (Restated) Rupees
NON CURRENT ASSETS				
Property, plant and equipment	7	12,219,031,083	9,618,216,023	8,375,037,322
Right-of-use assets	8	53,564,895	63,138,464	79,984,230
Intangible assets	9	1,135,941	2,650,530	4,165,119
Long term advances and prepayments	10	32,402,143	21,333,874	23,635,126
Long term deposits	11	33,660,991	31,310,389	31,591,435
		12,339,795,053	9,736,649,280	8,514,413,232
CURRENT ASSETS				
Stores and spares	12	268,067,339	226,406,185	189,610,372
Stock in trade	13	5,839,060,139	4,657,857,152	4,753,415,266
Trade debts	14	3,750,533,860	3,029,559,301	4,322,962,750
Advances, deposits, prepayments and other receivables	15	309,138,662	369,660,653	259,778,543
Advance income tax - net		599,129,260	500,293,988	477,022,267
Short term investments	16	59,955,000	25,455,000	300,075,000
Cash and bank balances	17	471,841,940	328,463,334	414,295,353
		11,297,726,200	9,137,695,613	10,717,159,551
TOTAL ASSETS		23,637,521,253	18,874,344,893	19,231,572,783
EQUITY AND LIABILITIES				
Authorized Share Capital				
300,000,000 (30 June 2023: 300,000,000) ordinary shares of Rs.10/- each		3,000,000,000	3,000,000,000	3,000,000,000
Issued, subscribed and paid up capital				
168,000,000 (30 June 2023: 168,000,000) ordinary shares of Rs. 10/- each	18	1,680,000,000	1,680,000,000	1,680,000,000
Share premium		1,294,433,658	1,294,433,658	1,294,433,658
Unappropriated profit		3,161,095,930	3,017,619,242	2,740,637,832
Shareholder's contribution - net of tax		63,637,522	54,293,714	54,293,714
Surplus on revaluation of property, plant and equipment - net of tax	19	1,223,369,722	596,727,263	617,113,914
		7,422,536,832	6,643,073,877	6,386,479,118
NON CURRENT LIABILITIES				
Long term loan and lease liabilities	20	1,933,303,212	1,687,680,696	1,488,913,404
Loan from director	21	770,000,000	770,000,000	692,433,562
Deferred grant	22	125,617,182	190,386,637	264,858,794
Deferred taxation	23	605,433,011	428,150,080	523,422,448
		3,434,353,405	3,076,217,413	2,969,628,208
CURRENT LIABILITIES				
Trade and other payables	25	3,641,137,178	2,940,358,090	2,003,177,854
Provisions	26	74,191,663	67,698,605	50,850,000
Current portion of long term loan and lease liabilities	27	991,005,682	420,699,190	408,007,119
Short term financing - secured	24	8,073,781,410	5,725,987,255	7,413,033,689
Unclaimed dividend		515,083	310,463	396,795
		12,780,631,016	9,155,053,603	9,875,465,457
TOTAL EQUITY AND LIABILITIES		23,637,521,253	18,874,344,893	19,231,572,783
CONTINGENCIES AND COMMITMENTS				
	28			

The annexed notes from 1 to 50 form an integral part of these financial statements.



Chief Executive Officer



Director



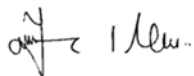
Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 (Restated) Rupees
Revenue from contracts with customers - net	29	29,523,186,612	21,363,403,883
Cost of sales	30	(25,221,361,180)	(18,261,461,745)
Gross profit		4,301,825,432	3,101,942,138
Selling and distribution expenses	31	(1,409,344,198)	(931,708,578)
Administrative expenses	32	(392,004,919)	(355,913,980)
Other operating expenses	33	(170,238,608)	(189,517,316)
Impairment of financial asset	14.1	(50,352,361)	(22,145,199)
Other income	34	104,062,819	91,727,205
Profit from operations		2,383,948,165	1,694,384,270
Finance cost	35	(1,488,274,635)	(1,048,511,949)
Profit before income tax and minimum / final taxes		895,673,530	645,872,321
Minimum differential and final tax	36	(354,668,155)	(167,571,116)
Profit before income tax		541,005,375	478,301,205
Taxation	37	(75,220,243)	(45,507,688)
Profit after taxation		465,785,132	432,793,517
Other comprehensive income / (loss)			
Items not to be reclassified to profit or loss in subsequent periods:			
- Revaluation surplus on property, plant and equipment		725,716,726	-
- Deferred tax on revaluation surplus arising during the year		(104,942,077)	-
- Deferred tax on revaluation surplus due to change in tax rate		19,559,366	(8,198,758)
Total other comprehensive income / (loss)		640,334,015	(8,198,758)
Total comprehensive income		1,106,119,147	424,594,759
Earnings per share			
- Basic and diluted (Rs.)	38	2.77	2.58

The annexed notes from 1 to 50 form an integral part of these financial statements.



Chief Executive Officer



Director



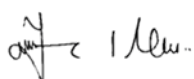
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

	CAPITAL RESERVE			REVENUE RESERVE		Total
	Issued, subscribed and paid up capital	Share Premium	Revaluation surplus on property, plant and equipment	Shareholders contribution	Unappropriated profit	
-----Rupees-----						
Balance as at 30 June 2022 - as previously reported	1,680,000,000	1,294,433,658	617,113,914	-	2,794,931,546	6,386,479,118
Impact of correction of error (refer to note 6)	-	-	-	54,293,714	(54,293,714)	-
Balance as on 01 July 2022 - restated	1,680,000,000	1,294,433,658	617,113,914	54,293,714	2,740,637,832	6,386,479,118
Profit for the year	-	-	-	-	432,793,517	432,793,517
Other comprehensive loss	-	-	(8,198,758)	-	-	(8,198,758)
Total comprehensive income for the year	-	-	(8,198,758)	-	432,793,517	424,594,759
Transfer of incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	(12,187,894)	-	12,187,894	-
Transactions with owners of the Company, contributions						
Final dividend for the year ended 30 June 2022 at the rate of Re.1 per share	-	-	-	-	(168,000,000)	(168,000,000)
Balance as at 30 June 2023 (Restated, refer to note 6)	1,680,000,000	1,294,433,658	596,727,263	54,293,714	3,017,619,242	6,643,073,877
Profit for the year	-	-	-	-	465,785,132	465,785,132
Other comprehensive income	-	-	640,334,015	-	-	640,334,015
Total comprehensive income for the year	-	-	640,334,015	-	465,785,132	1,106,119,147
Transfer of incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	(13,691,556)	-	13,691,556	-
Transactions with owners of the Company, contributions						
Effect to carry the director loan to fair value - net of tax	-	-	-	9,343,808	-	9,343,808
Final dividend for the year ended 30 June 2023 at the rate of Rs.2 per share	-	-	-	-	(336,000,000)	(336,000,000)
Balance as at 30 June 2024	1,680,000,000	1,294,433,658	1,223,369,722	63,637,522	3,161,095,930	7,422,536,832

The annexed notes from 1 to 50 form an integral part of these financial statements.



Chief Executive Officer



Director



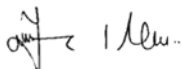
Chief Financial Officer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		541,005,375	478,301,205
Adjustment for non cash charges and other items:			
Mark up on short term finances under mark-up arrangements	35	1,342,870,626	919,851,715
Mark-up on long term loans from financial institutions	35	71,331,379	73,701,703
Mark-up on lease liabilities - rented premises	35	17,092,255	19,488,511
Markup on WPPF loan	25.2	5,030,011	3,549,411
Depreciation on property, plant and equipment	7.4	468,027,963	352,067,226
Allowance for expected credit loss	14.1	50,352,361	22,145,199
Depreciation on right-of-use assets	8.1	15,548,201	16,500,008
WPPF provision	33	48,154,491	27,958,258
WWF provision	33	19,261,796	7,920,760
Provision for contribution to provident fund trust		33,121,798	25,428,811
Amortization	9	1,514,589	1,514,589
Write down to net realisable value- stock in trade		8,750,000	-
Provision for slow moving stock - stores and spares	34	(5,358,071)	-
Gain on termination of lease arrangement	34	-	(155,616)
Gain on disposal of fixed assets	34	(49,562,471)	(6,256,964)
Profit on short term investment	34	(7,169,693)	(3,531,681)
Unwinding of employee loan	34	(4,527,440)	-
Provision against warranty claims	33	58,465,856	69,163,406
		<u>2,072,903,651</u>	<u>1,529,345,337</u>
Operating profit before working capital change			
		<u>2,613,909,026</u>	<u>2,007,646,542</u>
Adjustment for working capital items			
Stores and spares		(36,303,083)	(36,795,813)
Stock in trade		(1,189,952,987)	95,558,114
Trade debtors		(771,326,920)	1,271,258,250
Advances, deposits, prepayments and other receivables		60,521,991	(109,882,110)
Long term receivables		(6,540,829)	2,301,252
Trade payables and other payables		653,378,601	958,318,535
		<u>(1,290,223,227)</u>	<u>2,180,758,228</u>
Cash generated from operations			
		<u>1,323,685,799</u>	<u>4,188,404,770</u>
Contribution paid to provident fund trust		(31,832,570)	(24,110,031)
Workers profit participation fund paid		(32,988,269)	(40,161,439)
Workers welfare fund paid		-	(21,724,069)
Interest received from TDR		7,169,693	3,531,681
Mark-up paid against borrowings		(1,226,404,124)	(981,534,185)
Warranty claims during the year		(51,972,798)	(52,314,801)
Income tax paid - net		(86,159,785)	(172,250,533)
Net cash (used in) / generated from operating activities			
	A	<u>(98,502,054)</u>	<u>2,899,841,393</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(2,184,104,773)	(1,503,195,400)
Long term deposits		(2,350,602)	281,046
Short term investments - net		(34,500,000)	(25,455,000)
Sale proceeds from disposal of property, plant and equipment		68,023,501	30,272,873
Net cash used in investing activities			
	B	<u>(2,152,931,874)</u>	<u>(1,498,096,481)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Long-term loans obtained from financial institutions		993,650,000	300,000,000
Long-term loans repaid to financial institutions		(421,842,883)	(180,517,239)
Short term running finance - net		2,567,507,106	(853,150,225)
Lease rentals paid		(3,494,000)	(26,234,715)
Dividend paid		(335,795,380)	(168,086,332)
Net cash generated from / (used in) financing activities			
	C	<u>2,800,024,843</u>	<u>(927,988,511)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS			
	(A+B+C)	<u>548,590,915</u>	<u>473,756,401</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD			
		<u>(1,075,213,569)</u>	<u>(1,548,969,970)</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD			
	45	<u>(526,622,654)</u>	<u>(1,075,213,569)</u>

The annexed notes from 1 to 50 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 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 was listed on Pakistan Stock Exchange on 22 February 2021. During 2021, the Company offered 30 million ordinary shares of Rs. 10 each to general public at the strike price of Rs. 65.8 per share including premium of Rs. 55.8 per share which resulted in IPO proceeds of Rs. 1.874 billion. 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
Factory	29.5 Km, Sheikhpura Road, Sheikhpura
Regional Office	4th Floor, Shafi Courts, Mereweather Road, Karachi

2 STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 **Standards, Interpretations and Amendments to Published Approved Accounting Standards that were made effective during the year and those that are not yet effective**

There were certain amendments and interpretations to approved accounting standards that were effective during the year. However, they did not have material effect on these financial statements.

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after July 01, 2024:

- IAS 1 - Classification of liabilities as current or non-current (Amendments to IAS 1 in January 2020) apply retrospectively for the annual periods beginning on or after January 01, 2024 (as deferred vide amendments to IAS 1 in October 2022) with earlier application permitted. 'These amendments in the standards have been added to further clarify when a liability is classified as current. Convertible debt may need to be reclassified as 'current'.

The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity's expectation and discretion at the reporting date to refinance or to reschedule payments on a long-term basis are no longer relevant for the classification of a liability as current or non-current. An entity shall apply those amendments retrospectively in accordance with IAS 8.

Non-current Liabilities with Covenants (amendment to IAS 1 in October 2022) aims to improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with conditions. The amendment is also intended to address concerns about classifying such a liability as current or non-current. Only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e.

future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. The amendments apply retrospectively for annual reporting periods beginning on or after January 01, 2024 with earlier application permitted. These amendments also specify the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments to IAS 1 (as referred above).

- IFRS 16 - Lease Liability in a Sale and Leaseback (amendment to IFRS 16 in September 2022) adds subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements to be accounted for as a sale. The amendment confirms that on initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains. A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement. The amendments are effective for annual reporting periods beginning on or after January 01, 2024 with earlier application permitted. Under IAS 8, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16 and will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments. If an entity (a seller-lessee) applies the amendments arising from Lease Liability in a Sale and Leaseback for an earlier period, the entity shall disclose that fact.
- IFRS 10 & IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) amend accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.
- IFRS 7 & IAS 7 - Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7) introduce two new disclosure objectives for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk.

Under the amendments, companies also need to disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement. The amendments also add supplier finance arrangements as an example to the existing disclosure requirements in IFRS 7 on factors a company might consider when providing specific quantitative liquidity risk disclosures about its financial liabilities.

The amendments are effective for periods beginning on or after January 01, 2024, with early application permitted. However, some relief from providing certain information in the year of initial application is available.

- IAS 21 - Lack of Exchangeability (amendments to IAS 21) clarify: when a currency is exchangeable into another currency; and how a company estimates a spot rate when a currency lacks exchangeability. Further, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include: the nature and financial impacts of the currency not being exchangeable; the spot exchange rate used; the estimation process; and risks to the company because the currency is not exchangeable. The amendments apply for annual reporting periods beginning on or after January 01, 2025. Earlier application is permitted.
- IFRS 9 - Amendments to the Classification and Measurement of Financial Instrument. Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures: Financial Assets with ESG-Linked features: Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI.

This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss. Although the new amendments are more permissive, they apply to all contingent features, not just ESG-linked features. While the amendments may allow certain financial assets with contingent features to meet the SPPI criterion, companies may need to perform additional work to prove this. Judgement will be required in determining whether the new test is met. The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g., where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are not related directly to a change in basic lending risks or costs; and are not measured at fair value through profit or loss. The amendments apply for reporting periods beginning on or after January 01, 2026. Companies can choose to early-adopt these amendments (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities. Recognition / Derecognition requirements of Financial Assets / liabilities by Electronic Payments: The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognized and derecognized and provide an exception for certain financial liabilities settled using an electronic payment system. Companies generally derecognize their trade payables on the settlement date (i.e., when the payment is completed). However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the company to derecognize its trade payable before the settlement date, when it uses an electronic payment system that meets all of the following criteria: no practical ability to withdraw, stop or cancel the payment instruction; no practical ability to access the cash to be used for settlement as a result of the payment instruction; and the settlement risk associated with the electronic payment system is insignificant. The amendments apply for reporting periods beginning on or after January 01, 2026. Earlier application is permitted.

The above amendments and interpretations are not expected to have any significant impact on financial statements of the Company.

3 BASIS OF PREPARATION

3.1 Basis of measurement

These financial statements have been prepared under the "historical cost convention except for the certain classes of property, plant and equipment which are stated at revalued amounts as referred to in note 5.10

3.2 Functional and Presentation currency

These financial statements have been prepared in Pak Rupees ('Rs.') which is the Company's functional currency. All financial information has been rounded to the nearest rupee, except when otherwise indicated.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which from the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuous basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods affected.

The areas where assumptions and estimates are relevant to the Company's financial statements or where judgement was exercised in application of accounting policies are as follows:

4.1 Estimates and assumptions

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

	Notes
- Provision for current and deferred tax	5.8
- Impairment of financial assets	5.7.4.1

5 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been consistently applied to all periods presented in these financial statements, except a change in accounting policy as disclosed in note 5.2.

- 5.1 The Company adopted Disclosure of Accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 01 July 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments required the disclosure of 'material', rather than significant, accounting policies. The amendment also provides guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

5.2 Classification of Minimum and final taxes

The Institute of Chartered Accountants of Pakistan (ICAP) vide circular 07/2024 dated 15 May 2024 issued the application guidance on accounting for minimum taxes and final taxes. Pursuant to this guidance, the Company has changed the accounting policy retrospectively and has now disclosed the amount of 'Minimum differential and Final Tax' aggregating to Rs. 167,571,116 separately in the Statement of Comprehensive Income for the year ended 30 June 2023 which was previously included in Taxation. This restatement has resulted in decrease in the amount of 'Taxation' for the year ended 30 June 2023 by Rs. 167,571,116 with corresponding increase in the amount of 'Minimum differential and Final Tax' by the same amount.

There is no effect of aforementioned guidance on statement of financial position as at 30 June 2023 and 01 July 2022.

5.3 Employee retirement benefits

The Company operates an approved funded contributory provident fund for all permanent employees. Equal monthly contributions are made by the Company and employees to the fund in accordance with the fund rules (i.e. 7% of basic salary of employees). The Company's contribution to provident fund is charged to profit or loss.

Retirement benefits are payable to staff on completion of prescribed qualifying period of service under the scheme on retirement.

5.4 Trade and other payables

Liabilities for trade creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for the goods and/or services received, whether or not billed to the Company.

5.5 Borrowing cost

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets to the extent the carrying amount of the assets does not exceed its recoverable value, until such time as the assets are substantially ready for their intended use or sale.

5.6 Provisions and contingencies

5.6.1 Provisions:

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

5.6.2 Contingencies:

A contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

5.7 Financial instruments

5.7.1 Recognition and initial measurement

All financial assets or financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A receivable without a significant financing component is initially measured at the transaction price.

5.7.2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost using the effective interest rate method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial assets measured at amortized cost comprise of cash and bank balances, deposits, loan and advances, trade debts and other receivables.

Debt Instrument - FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. However, the Company has no such instrument at the reporting date.

Equity Instrument - FVOCI

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss. However, the Company has no such instrument at the reporting date.

Fair value through profit or loss (FVTPL)

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets – Business model assessment:

For the purposes of the assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are initially measured at fair value and subsequently at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss or capitalized as stated in note 5.5. Any gain or loss on derecognition is also recognized in profit or loss. The interest free or below market rate loan received from a director in capacity of shareholder is initially recognized at fair value using market rate of interest and the difference between the loan proceeds and fair value is recognized as shareholder's contribution in the statement of changes in equity. Subsequent to initial recognition, the loan is carried at amortized cost using effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Financial liabilities comprises of trade and other payables, long term and short term financing, unclaimed dividend and lease liability.

5.7.3 Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company might enter into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

5.7.4 Impairment

5.7.4.1 Financial assets

The Company recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery.

The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

5.7.4.2 Non-financial assets

The carrying amount of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognized if the carrying amount of the assets or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in statement of profit or loss. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to that extent that the asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized.

5.7.5 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

5.8 Taxation

Income tax expense comprises of current tax and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income, in which case it is recognized in equity.

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the views taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Current

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

As per guidance issued by The Institute of Chartered Accountants of Pakistan (ICAP) vide circular 07/2024 dated 15 May 2024, amount of minimum tax exceeding tax calculated on taxable income presented separately in the statement of comprehensive income as 'minimum tax differential'. Further, final taxes paid and super tax thereon are also presented separately in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Deferred

Deferred tax is recognized using balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using the tax rates enacted or substantively enacted at the reporting date. A deferred tax liability is recognized for all taxable temporary differences.

A deferred tax asset is recognized for deductible temporary differences to the extent that future taxable profits will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Further, the Company recognizes deferred tax asset/ liability on deficit/ surplus on revaluation of property, plant and equipment which is adjusted against the related deficit/ surplus.

The Company accounts for the tax consequences of transactions and other events in the same way that it accounts for the transactions and other events themselves. Thus, for transactions and other events recognized in profit or loss, any related tax effects are also recognized in statement of profit or loss. For transactions and other events recognized outside profit or loss (either in other comprehensive income or directly in equity), any related tax effects are also recognized outside profit and loss (either in other comprehensive income or directly in equity, respectively).

5.9 Property, plant and equipment

Owned

Freehold land and buildings are measured at revalued amount less impairment if any.

Plant and machinery', 'Moulds', 'Furniture and fixtures', 'Motor Vehicles, and Office equipment are measured at cost amount less accumulated depreciation and impairment if any.

Cost comprises purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and other costs directly attributable to the acquisition or construction including expenditures on material, labour and overheads directly relating to construction, erection and installation of operating fixed assets.

Depreciation is charged on a systematic basis over the useful life of the assets, on reducing balance method, which reflects the patterns in which the economic benefits are consumed by the Company, at the rates specified in note 7.1. Depreciation on additions is charged when available for use and is discontinued when the asset is disposed off.

An item of property, plant and equipment is de-recognized when permanently retired from use. The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense in the profit or loss.

Major renewals and improvements to an item of property, plant and equipment are recognized in the carrying amount of the item if it is probable that the embodied future economic benefits will flow to the Company and the cost of renewal or improvement can be measured reliably. The cost of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

The asset's residual values and useful lives are reviewed at each reporting date and adjusted if appropriate. The Company's estimate of residual values of property, plant and equipment as at 30 June 2024 has not required any adjustment as its impact is considered insignificant.

Capital work-in-progress

Capital work in progress is stated at cost less identified impairment loss, if any. Cost includes expenditures on material, labour, appropriate directly attributable overheads and includes borrowing cost in respect of qualifying assets if any, as stated in note 5.5. These costs are transferred to operating fixed assets as and when assets are available for their intended use.

5.10 Revaluation of property, plant and equipment

Revaluation of items of property, plant and equipment measured at revalued amount is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. Any revaluation increase arising on the revaluation is recognized in other comprehensive income and presented as a separate component of equity as 'Revaluation surplus on property, plant and equipment', except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset.

The revaluation reserve is not available for distribution to the Company's shareholders. The revaluation surplus on item of property, plant and equipment measured at revalued amount, which includes land and buildings, is transferred to unappropriated profit to the extent of incremental depreciation charged (net of deferred tax). Upon disposal, any revaluation surplus is transferred to unappropriated profit (net of deferred tax).

5.11 Lease

At the inception of a contract, the Company assesses whether a contract is or contains lease. A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

The Company recognizes a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct cost incurred less any lease incentive received. The right of use asset is subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability, if any. The right of use assets is depreciated using the straight line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or cost of the right of use asset reflects that the Company will exercise a purchase option.

Right of use asset is depreciated over the useful life of the underlying asset.

The lease liability is initially measured at present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company has used its incremental borrowing rate as the discount rate for leases where rate is not readily available. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in rate or a change in the terms of the lease arrangement, if there is change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in statement of profit or loss if the carrying amount of the right of use asset has been reduced to zero. Refer note 20.2 to these financial statements for disclosure of lease liability.

Short term leases and leases of low value assets

The Company has elected not to recognize right of use assets and liabilities for some leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight line basis over the lease term.

5.12 Intangible assets

Expenditure incurred on intangible asset is capitalized and stated at cost less accumulated amortization and any accumulated impairment losses. Finite life intangible assets are amortized using the straight-line method over the estimated useful life of five years. Amortization of intangible assets is commenced from the date an asset is capitalized.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

5.13 Government grant

Deferred government grants on government subsidized loans is initially recognized as a difference between cash received and present value of such loan receipts discounted using prevailing market rates of interest for a similar instrument. Subsequent to initial recognition, it is recorded in profit or loss or included in qualifying asset as adjusted to borrowing cost on a systematic basis to match with the effective interest rate based borrowing cost. Grant related to compensation of expense item is recognized as adjustment to related expense when such expenditure is incurred and when there is a reasonable assurance that grant amount will be received.

5.14 Inventory

Stores and spares

These are stated at lower of cost and net realizable value. Cost is determined using the weighted average method. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

Stock in trade

All stocks are stated at lower of cost or estimated net realizable value. Cost is determined by weighted average method except for those in transit where it represents invoice value and other charges incurred.

Net realizable value signifies the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale necessarily to be incurred in order to make a sale.

Cost of work in process and finished goods includes direct cost of materials, direct cost of labor and production overheads.

Provision for obsolescence of stock in trade and stores and spares is made on the basis of management's estimate of net realizable value.

5.15 Trade Debts

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery.

5.16 Cash and cash equivalents

Cash and cash equivalents for the purpose of statement of cash flows comprise cash in hand, cash at banks and short term finances that are repayable on demand and form integral part of the Company's cash management.

5.17 Revenue recognition

The Company is involved in the manufacturing and sale of tyres and tubes. In local market, sale is made to original equipment manufacturers (OEM) and replacement market (RM) through distributors.

Revenue is recognized when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Invoices are generated at that point in time and are payable within 30 - 180 days.

Local sales

Revenue from local sale of goods is recognized at the point in time when control of the goods is transferred to the customer, generally when the goods are dispatched from the premises of the Company.

Export sales

Revenue from export sales is recognized at the point in time when control of the goods is transferred to the customer which depends on the related terms; generally on date of bill of lading.

Return on deposits

Return on deposits is accrued on a time proportion basis by reference to the principal outstanding and rates applicable thereon.

5.18 Warranty claim

The Company provides warranties for general defects that existed at the time of sale. These assurance-type warranties are accounted for as warranty provisions. Provisions are recognized when the product is sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities. The estimate of warranty-related costs is revised annually.

5.19 Foreign currencies

Transactions in foreign currencies are translated to the respective functional currencies of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

All exchange differences are included in profit or loss.

5.20 Dividend distribution

Dividend is recognized as a liability in the statement of financial position in the year in which it is declared and approved. Appropriations of profit are reflected in the statement of changes in equity in the period in which such appropriations are approved.

5.21 Earnings per share ('EPS')

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit and loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

5.22 Contract liabilities

A contract liability is the obligation of the Company to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier).

Contract liabilities are recognized as revenue when the Company performs under the contract. It also includes refund liabilities arising out of customers' right to claim amounts from the Company on account of contractual delays in delivery of performance obligations and incentive on target achievements.

5.23 Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components. The Company has determined that the Chief Executive Officer of the Company, is the chief operating decision maker in accordance with the requirements of IFRS 8 'Operating Segments'. The Company is involved in the business of manufacture and sale of tyres and tubes, which is its only operating segment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

6 Restatements in financial statements

During the year ended 30 June 2024, the Company has restated the previous years' financial statements which are summarized as follows:

6.1 Shareholder's contribution

During the year ended 30 June 2022, the Company recorded the present value effect of below market interest rate loan from a director in 'Other income' which was not in compliance with 'TR-32 - Accounting Directors' Loan' issued by Institute of Chartered Accountants of Pakistan (ICAP). In accordance with the TR-32, the difference between fair value and proceeds was required to be recognized as an addition to equity. As a result of above, Rs. 54,293,714 (net of tax) has now been transferred from 'Unappropriated profit' to 'Shareholders' contribution'. This restatement has resulted in increase in the balance of 'Shareholders' contribution' at 01 July 2022 by Rs. 54,293,714 (net of tax) with corresponding decrease in the balance of 'Unappropriated profit' by the same amount.

6.2 Contract liability

As at 30 June 2023 and 30 June 2022, the Company had unadjusted balance of advances from customer of Rs. 76,280,743 and Rs. 24,902,779 respectively for which the Company's obligation to transfer goods to the customer was not fulfilled. However, the amount was erroneously classified under 'Trade debts' as at 30 June 2023 and 30 June 2022. As a result of above, 'Contract liabilities' and 'Trade debts' were understated. These have now been re-classified from 'Trade debts' to 'Contract liabilities' by restating comparative figures as at 30 June 2023 and 01 July 2022 (refer to notes 14 and 25). This restatement has resulted in increase in the balance of 'Contract liabilities' as at 30 June 2023 and 01 July 2022 by Rs. 76,280,743 and Rs. 24,902,779 respectively with corresponding increase in the balance of 'Trade debts' by the same amount.

6.3 Stock in trade

As at 30 June 2023 and 30 June 2022, the Company had stock of raw material of Rs. 852,012,298 and Rs. 413,047,229 respectively which was in-transit and the control of the stock had passed on to the Company based on the agreed shipping terms, however, the same was not recorded as Stock in transit at the year end. As a result, the balances of 'Stock in trade' and 'Trade Creditors' at 30 June 2023 and 30 June 2022 were understated. Stock of raw material in transit of Rs. 852,012,298 and Rs. 413,047,229 respectively with corresponding payable amount has now been recorded by restating the comparative figures (refer to notes 13 and 25). This restatement has resulted in increase in the balance of 'Stock in trade' at 30 June 2023 by Rs. 852,012,298 and 01 July 2022 by Rs. 413,047,229 with corresponding increase in the balance of 'Trade creditors' by the same amount.

6.4 Deferred grant

During the year ended 30 June 2022, the Company obtained loans from various financial institution under the State Bank of Pakistan's Temporary Economic Refinance Facility (TERF). In accordance with guidance issued by Institute of Chartered Accountants of Pakistan (ICAP), the benefit of below-market mark-up should be accounted for as deferred grant in accordance with IAS 20. However, deferred grant amounting Rs. 138,938,802 against loans under TERF scheme was not recognized during the year ended 30 June 2022. This has now been recognized with corresponding effect in the balance of long term loans by restating the comparative figures (refer to notes 20 and 22). This restatement has resulted in increase in the balance of 'Deferred grant' and 'Current portion of deferred grant' at 01 July 2022 by Rs. 129,073,787 and Rs. 9,865,015 respectively with corresponding decrease in the balance of 'Long term loans' by Rs. 138,938,802. The Company had recorded part of deferred grant amounting to Rs. 32,540,441 during the year ended 30 June 2023 on the loans obtained during the year ended 30 June 2022. Since these loans were received during the year ended 30 June 2022, the related effect of deferred grant should also have been recorded in the year ended 30 June 2022. This error has now been corrected by restating the balances as at 30 June 2023 with cumulative effect of Rs. 106,398,361. This restatement has resulted in increase in the balance of 'Deferred grant' and 'Current portion of deferred grant' at 30 June 2023 by Rs. 101,916,172 and Rs. 4,482,189 respectively with corresponding decrease in the balance of 'Long term loans' by Rs. 106,398,361.

6.5 Cash and cash equivalent

At 30 June 2023 and 30 June 2022, the Company had outstanding running finance and running musharaka facilities which form an integral part of the Company's cash management and therefore, should have been included as a component of cash and cash equivalents. These now have been made part of cash and cash equivalents. This has resulted in decrease

in the balance of cash and cash equivalents in the statement of cash flows for the year ended 30 June 2023 and as at 01 July 2022 by Rs. 1,403,676,903 and Rs. 2,263,340,322 respectively. There is no effect of this change on the statement of financial position as at 30 June 2023 and 1 July 2022. However, cash flows from financing activities for the year ended 30 June 2022 and 30 June 2023 have decreased by Rs. 1,496,184,229 and Rs. 859,663,420 respectively.

6.6 Short term investments

At 30 June 2023, Term Deposit Receipts (TDRs) amounting Rs. 25,455,000 were previously classified as cash and cash equivalent. These TDRs had maturity of one year and accordingly did not meet the criteria of cash and cash equivalent under the 'IAS 7 - Statement of Cash flows'. As a result of above error, cash and cash equivalents were overstated as at 30 June 2023. These TDRs have now been re-classified to 'Short term investments' by restating comparative figures as at 30 June 2023 (refer to notes 16 and 17). This restatement has resulted in increase in the balance of short term investment as at 30 June 2023 by Rs. 25,455,000 with corresponding decrease in the balance of cash and cash equivalents by the same amount.

6.7 Warranty claims

During the year ended 30 June 2023, the Company had included provision against warranty claims amounting to Rs. 69,163,406 in revenue rather than other operating expense. This has now been corrected by restating the comparative figures. This restatement has resulted in increase in the amount of 'Revenue from contract with customers-net' and 'Other operating expenses' for the year ended 30 June 2023 by Rs 69,163,406 (refer to notes 29 and 33).

6.8 Scrap Sales

Scrap sales during the year ended 30 June 2023 of Rs. 13,578,649 was incorrectly included in 'Revenue from contract with customers-net' rather than 'Other operating income'. This has now been corrected by restating the comparative figures. This restatement has resulted in increase in the amount of 'Other operating income' by Rs. 13,578,649 with corresponding decrease in 'Revenue from contract with customers-net' by the same amount (refer to notes 29 and 34).

6.9 Export rebate

Export rebate on custom duties during the year ended 30 June 2023 of Rs. 71,634,939 was grouped with 'Revenue from contract with customers-net' rather than adjustment against purchase price of the imported inventory. This has now been corrected by restating the comparative figures. This restatement has resulted in decrease in the amount of 'Revenue from contract with customers-net' and 'Cost of sales' by Rs. 71,634,939 respectively (refer to notes 29 and 30).

6.10 Allowance for expected credit losses

Allowance for expected credit losses for doubtful debts amounting Rs. 22,145,199 for the year ended 30 June 2023 was presented under 'Administrative expenses' rather than presenting as a separate line item in the 'Statement of comprehensive income' in line with the requirements of IAS 1. This has now been presented as a separate line item in the 'Statement of comprehensive income'. This restatement has resulted in decrease in the amount of administrative expenses by the same amount.

6.11 Exchange gain

Exchange gain of Rs. 61,596,014 for the year ended 30 June 2023 was incorrectly included in 'Revenue from contract with customers-net' rather than presenting separately in 'Other operating income'. This has now been corrected by restating the comparative figures. This restatement has resulted in increase in the amount of 'Other operating income' by Rs. 61,596,014 with corresponding decrease in 'Revenue from contract with customers-net' by the same amount (refer to notes 29 and 34).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

6.12 The following table summarizes the impacts on the Company's financial statements.

Statement of Financial Position	Impact of reclassification / restatement		
	As previously reported	Adjustments	As restated
As at 01 July, 2022			
Non-current assets	8,514,413,232	-	8,514,413,232
Current assets			
Trade debts	4,298,059,971	24,902,779	4,322,962,750
Stock in trade	4,340,368,037	413,047,229	4,753,415,266
Advances, deposits, prepayments and other receivables	736,800,810	(477,022,267)	259,778,543
Advance income tax - net	-	477,022,267	477,022,267
Other assets	903,980,725	-	903,980,725
	10,279,209,543	437,950,008	10,717,159,551
Total Assets	18,793,622,775	437,950,008	19,231,572,783
Non-current liabilities			
Loan from director	692,433,562	-	692,433,562
Long term loan and lease liabilities	1,603,538,653	(114,625,249)	1,488,913,404
Deferred grant	135,785,007	129,073,787	264,858,794
Deferred taxation	523,422,448	-	523,422,448
	2,955,179,670	14,448,538	2,969,628,208
Current liabilities			
Trade and other payables	1,642,431,645	360,746,209	2,003,177,854
Provisions	-	50,850,000	50,850,000
Short term borrowings	7,215,101,096	197,932,593	7,413,033,689
Current portion of long term loan and lease liabilities	294,555,177	113,451,942	408,007,119
Accrued markup	299,479,274	(299,479,274)	-
Other liabilities	396,795	-	396,795
	9,451,963,987	423,501,470	9,875,465,457
Total Liabilities	12,407,143,657	437,950,008	12,845,093,665
Share capital	1,680,000,000	-	1,680,000,000
Share premium	1,294,433,658	-	1,294,433,658
Unappropriated profit	2,794,931,546	(54,293,714)	2,740,637,832
Shareholder's contribution - net of tax	-	54,293,714	54,293,714
Surplus on revaluation of property, plant and equipment - net of tax	617,113,914	-	617,113,914
Total equity	6,386,479,118	-	6,386,479,118
Total equity and liabilities	18,793,622,775	437,950,008	19,231,572,783
Statement of Cash Flows			
For the year ended 30 June 2022			
Net cash used in operating activities	(438,038,439)	-	(438,038,439)
Net cash used in investing activities	(3,291,238,001)	-	(3,291,238,001)
Net cash generated from financing activities	3,637,587,328	(1,496,184,229)	2,141,403,099
Net (decrease)/increase in cash and cash equivalents	(91,689,112)	(1,496,184,229)	(1,587,873,341)
Cash and cash equivalent at beginning of the year	806,059,465	(767,156,094)	38,903,371
Cash and cash equivalent at end of the year	714,370,353	(2,263,340,323)	(1,548,969,970)

6.13 Restatements as at and for the year ended 30 June 2023

The following table summarizes the impacts on the Company's financial statements.

Statement of Financial Position	Impact of reclassification / restatement		
	As previously reported	Adjustments	As restated
Statement of Financial Position As at 30 June 2023			
Non-current assets	9,736,649,280	-	9,736,649,280
Current assets			
Trade debts	2,953,278,558	76,280,743	3,029,559,301
Stock in trade	3,805,844,854	852,012,298	4,657,857,152
Advances, deposits, prepayments and other receivables	869,954,641	(500,293,988)	369,660,653
Advance income tax - net	-	500,293,988	500,293,988
Short term investments	-	25,455,000	25,455,000
Cash and bank balances	353,918,334	(25,455,000)	328,463,334
Other assets	226,406,185	-	226,406,185
	8,209,402,572	928,293,041	9,137,695,613
Total Assets	17,946,051,852	928,293,041	18,874,344,893
Non-current liabilities			
Loan from director	770,000,000	-	770,000,000
Long term loan and lease liabilities	1,776,981,652	(89,300,956)	1,687,680,696
Deferred grant	88,470,465	101,916,172	190,386,637
Deferred taxation	428,150,080	-	428,150,080
	3,063,602,197	12,615,216	3,076,217,413
Current liabilities			
Trade and other payables	2,108,011,878	832,346,212	2,940,358,090
Provisions	-	67,698,605	67,698,605
Short term borrowings	5,502,287,452	223,699,803	5,725,987,255
Current portion of long term loan and lease liabilities	278,767,478	141,931,712	420,699,190
Accrued markup	349,998,507	(349,998,507)	-
Other liabilities	310,463	-	310,463
	8,239,375,778	915,677,825	9,155,053,603
Total Liabilities	11,302,977,975	928,293,041	12,231,271,016
Share capital	1,680,000,000	-	1,680,000,000
Share premium	1,294,433,658	-	1,294,433,658
Unappropriated profit	3,017,619,242	-	3,017,619,242
Shareholder's contribution - net of tax	54,293,714	-	54,293,714
Surplus on revaluation of property, plant and equipment - net of tax	596,727,263	-	596,727,263
Total equity	6,643,073,877	-	6,643,073,877
Total equity and liabilities	17,946,051,852	928,293,041	18,874,344,893

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Statement of Financial Position	Impact of reclassification / restatement		
	As previously reported	Adjustments	As restated
Profit or Loss			
For the year ended 30 June 2023			
Revenue from contracts with customers - net	21,441,050,079	(77,646,196)	21,363,403,883
Cost of sales	(18,333,096,684)	71,634,939	(18,261,461,745)
Gross profit	3,107,953,395	(6,011,257)	3,101,942,138
Selling and distribution expenses	(931,708,578)	-	(931,708,578)
Administrative expenses	(378,059,179)	22,145,199	(355,913,980)
Other operating expenses	(120,353,910)	(69,163,406)	(189,517,316)
Other operating income	16,552,542	75,174,663	91,727,205
Impairment of financial asset	-	(22,145,199)	(22,145,199)
Finance cost	(1,048,511,949)	-	(1,048,511,949)
Minimum and final tax	-	(167,571,116)	(167,571,116)
Taxation	(213,078,804)	167,571,116	(45,507,688)
Profit for the year	432,793,517	-	432,793,517
Statement of Cash Flows			
For the year ended 30 June 2023			
Net cash generated from operating activities	2,899,841,393	-	2,899,841,393
Net cash used in investing activities	(1,472,641,481)	(25,455,000)	(1,498,096,481)
Net cash used in financing activities	(1,787,651,931)	859,663,420	(927,988,511)
Net decrease in cash and cash equivalents	(360,452,019)	834,208,420	473,756,401
Cash and cash equivalent at beginning of the year	(1,548,969,970)	-	(1,548,969,970)
Cash and cash equivalent at end of the year	(1,909,421,989)	834,208,420	(1,075,213,569)

7	PROPERTY, PLANT AND EQUIPMENT	Note	2024 Rupees	2023 Rupees
	Operating fixed assets	7.1	9,948,981,691	5,658,583,159
	Capital work-in-progress	7.7	2,270,049,392	3,959,632,864
			12,219,031,083	9,618,216,023

7.1 Operating Fixed Assets

2024	Rate	COST / REVALUED AMOUNT				ACCUMULATED DEPRECIATION				Net Book Value	
		As at 01 July 2023	Additions	Deletions	Revaluation surplus	As at 30 June 2024	As at 01 July 2023	Charge for the year	Deletions	As at 30 June 2024	As at 30 June 2024
OWNED	%	(Rupees)									
Freehold land	-	867,794,374	17,424,500	-	375,909,802	1,261,128,676	-	-	-	-	1,261,128,676
Building on freehold land	5	1,260,032,096	780,981,154	-	349,806,924	2,390,820,174	339,129,025	68,403,779	-	407,532,804	1,983,287,370
Plant and machinery	5 - 7	4,904,862,781	2,925,451,056	-	-	7,830,313,837	1,410,390,083	323,106,073	-	1,733,496,156	6,096,817,681
Moulds	20	560,109,447	132,704,713	-	-	692,814,160	362,756,039	39,689,928	-	402,445,967	290,368,193
Furniture and fixtures	10	21,013,568	1,223,800	-	-	22,237,368	9,079,232	1,242,385	-	10,321,617	11,915,751
Motor vehicles	20	309,349,329	186,346,501	(51,003,998)	-	444,691,832	182,005,554	31,348,298	(32,542,968)	180,810,884	263,880,948
Office equipment	10	76,318,285	7,039,074	-	-	83,357,359	37,536,787	4,237,500	-	41,774,287	41,583,072
		7,999,479,880	4,051,170,798	(51,003,998)	725,716,726	12,725,363,406	2,340,896,720	468,027,963	(32,542,968)	2,776,381,715	9,948,981,691

2023	Rate	COST / REVALUED AMOUNT				ACCUMULATED DEPRECIATION				Net Book Value	
		As at 01 July 2022	Additions / Transfers	Deletions	Revaluation/ impairment Adjustment	As at 30 June 2023	As at 01 July 2022	Charge for the period	Deletions	As at 30 June 2023	As at 30 June 2023
OWNED	%	(Rupees)									
Freehold land	-	571,680,000	296,114,374	-	-	867,794,374	-	-	-	-	867,794,374
Building on freehold land	5	1,246,368,121	13,663,975	-	-	1,260,032,096	291,319,670	47,809,355	-	339,129,025	920,903,071
Plant and machinery	5 - 7	3,676,848,461	1,228,895,546	(681,226)	-	4,904,862,781	1,201,137,205	209,682,082	(409,174)	1,410,390,083	3,494,472,698
Moulds	20	403,527,068	159,235,947	(2,653,568)	-	560,109,447	306,708,726	56,047,313	-	362,756,039	197,353,408
Furniture and fixtures	10	19,068,437	1,945,131	-	-	21,013,568	7,919,847	1,159,385	-	9,079,232	11,934,336
Motor vehicles	20	337,685,720	7,419,000	(35,755,391)	-	309,349,329	163,669,545	33,247,773	(14,911,763)	182,005,554	127,343,775
Office equipment	10	72,471,993	3,936,292	(90,000)	-	76,318,285	33,438,776	4,141,348	(43,337)	37,536,787	38,781,498
		6,327,649,800	1,711,210,265	(39,380,185)	-	7,999,479,880	2,004,193,769	352,067,226	(15,364,274)	2,340,896,721	5,658,583,159

7.2 The reason for restatement has been explained in note 47 to these financial statements.

7.3 Particulars of operating fixed assets disposed during the year.

Description	Cost	Accumulated depreciation	Net book value (NBV)	Sales proceed	Gain	Relationship of Particulars with the Company	Mode of disposal (by tender or by negotiation)
HONDA BRV I-VTEC S 1497 CC STANDARD ADU-899	3,469,300	1,285,954	2,183,346	4,500,000	2,316,654	Employee	By Tender
SUZUKI CULTUS VXL MI 998 CC ADD-21-963	2,009,800	829,288	1,180,512	2,700,000	1,519,488	Employee	By Tender
TOYOTA COROLLA ALTIS 1.6 M20 1598 CC AGE-21-837	3,395,050	1,155,826	2,239,224	4,900,000	2,660,776	Third party	By Tender
HONDA CITY MANUAL 1339CC STANDARD ACF-21-821	2,513,100	1,137,038	1,376,062	3,400,000	2,023,938	Employee	By Tender
HONDA CITY MANUAL 1339CC LEE-19-9613	1,967,710	1,253,527	714,183	3,251,500	2,537,317	Employee	By Tender
TOYOTA COROLLA ALTIS 178B 1798CC LED-19-311	3,441,303	2,236,131	1,205,172	4,960,000	3,754,828	Third party	By Tender
SUZUKI SWIFT DLX 1328CC LED-19-9603	1,593,530	1,025,672	567,858	2,355,000	1,787,142	Employee	By Tender
SUZUKI SWIFT MC AT NAV 1328 CC BUK-495	2,219,308	887,723	1,331,585	2,796,500	1,464,915	Third party	By Tender
TOYOTA LAND CRUISER 4600CC AFZ-16-014	24,045,995	17,786,256	6,259,739	34,200,000	27,940,261	Third party	By Tender
Assets having net book value less than Rs. 500,000	6,348,902	4,945,552	1,403,350	4,960,501	3,557,151		
	51,003,998	32,542,968	18,461,030	68,023,501	49,562,471		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

7.3 Particulars of immovable property (i.e. land and building) in the name of the Company are as follows:

Location	Usage of Immovable Property	2024 Total Area (Square ft.)	2023 Total Area (Square ft.)
29.5 KM Sheikhpura Road, Sheikhpura	Factory Land Area	1,373,369	1,136,925

	Note	2024 Rupees	2023 Rupees
7.4 Depreciation for the year has been allocated as follows:			
Cost of sales	30	437,486,328	320,820,844
Selling and distribution expenses	31	12,276,304	14,741,649
Administrative and general expenses	32	18,265,331	16,504,733
		<u>468,027,963</u>	<u>352,067,226</u>

7.5 Revaluation of freehold land and building was last carried out as at 30 June 2024 by Joseph Lobo (Private) Limited (Valuer on the approved list of Pakistan Banking Association). Had there been no revaluation, the carrying amount of freehold land and building on freehold land would have been as follows:

	2024 Rupees	2023 Rupees
Freehold land	542,763,367	525,338,867
Building on freehold land	1,261,852,495	529,715,755
	<u>1,804,615,862</u>	<u>1,055,054,622</u>

7.6 Forced Sale Values of the assets under 'Revaluation', based on valuation report as at 30 June 2024 by Joseph Lobo (Private) Limited, an independent valuer, are as follow:

	2024 Rupees
Freehold land	1,071,959,375
Building on freehold land	1,685,794,265
	<u>2,757,753,639</u>

7.7 Capital work-in-progress

	Opening	Additions	Transfers	Closing				
	(R	u	p	e	e	s)
30 June 2024								
Advance against land	25,507,990	-	(10,883,000)	14,624,990				
Building	714,832,886	147,002,323	(780,981,218)	80,853,990				
Plant and machinery	3,075,138,215	1,829,448,484	(2,876,179,246)	2,028,407,454				
Moulds	144,153,773	134,713,897	(132,704,712)	146,162,958				
General	-	-	-	-				
	<u>3,959,632,864</u>	<u>2,111,164,704</u>	<u>(3,800,748,176)</u>	<u>2,270,049,392</u>				
30 June 2023								
Advance against land	56,195,990	265,426,374	(296,114,374)	25,507,990				
Building	971,397,882	42,510,733	(299,075,729)	714,832,886				
Plant and machinery	2,793,345,543	1,175,898,299	(894,105,627)	3,075,138,215				
Moulds	219,341,013	79,322,720	(154,509,960)	144,153,773				
General	11,300,863	17,982,372	(29,283,235)	-				
	<u>4,051,581,291</u>	<u>1,581,140,498</u>	<u>(1,673,088,925)</u>	<u>3,959,632,864</u>				

7.8 Borrowing cost capitalized

Additions to capital-work-in-progress includes borrowing cost amounting to Rs. 526.42 million (2023: Rs. 189.44 million) determined using an average capitalization rate of 17.71% to 23.84% (2023: 4.5% to 24.08%).

	Note	2024 Rupees	2023 Rupees
8 RIGHT-OF-USE ASSETS			
Cost			
Balance as at 01 July		156,281,789	157,359,741
Reversals		-	-
Lease matured / terminated		(18,543,487)	(1,077,952)
Adjustments		5,974,632	-
Balance as at 30 June		143,712,934	156,281,789
Accumulated depreciation			
Balance as at 01 July		93,143,325	77,375,511
Depreciation charge during the year	8.1	15,548,201	16,500,008
Lease matured / terminated		(18,543,487)	(732,194)
Reversal		-	-
Balance as at 30 June		90,148,039	93,143,325
Net book value as at 30 Jun		53,564,895	63,138,464
Useful life (number of years)		10 years	2-10 years
8.1 Depreciation for the year has been allocated as follows:			
Selling and distribution expenses	31	243,945	1,195,752
Administrative and general expenses	32	15,304,256	15,304,256
		15,548,201	16,500,008
9 INTANGIBLE ASSETS			
Cost			
Balance as at 01 July		17,389,649	17,389,649
Addition		-	-
Balance as at 30 June	9.1	17,389,649	17,389,649
Accumulated amortization			
Balance as at 01 July		14,739,119	13,224,530
Amortization for the year		1,514,589	1,514,589
Balance as at 30 June		16,253,708	14,739,119
Net book value as at 30 June		1,135,941	2,650,530
Rate of amortization		20%	20%

9.1 Intangible assets represent accounting software SAP ECC 6.0. Amortization for the year has been charged to administrative expenses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

10 LONG TERM RECEIVABLES	Note	2024 Rupees	2023 Rupees
Long term advances	10.1	23,258,458	25,276,109
Prepayments		14,781,543	-
Less: Current portion		(5,637,858)	(3,942,235)
	10.2	<u>32,402,143</u>	<u>21,333,874</u>

10.1 This includes present value of loan to Mr. Muhammad Riaz, a key management personnel, amounting to Rs. 18,480,573 (2023: Rs. 18,983,638). The maximum aggregate amount outstanding at any time during the year calculated by reference to month-end balances amounts to Rs. 18,871,853 (2023: Rs. 20,074,862).

10.2 This represents interest free loans, secured against provident fund, provided to employees of the Company. The tenure of these loans are 1 to 5 years (2023: 1 to 5 years). The loan is initially measured at its fair value, in accordance with IFRS-9. As majority of these loans are secured against provident fund balances, although the counter parties may default, however, loss given such default is not expected to be significant to the financial statements. Accordingly no allowances against expected credit losses have been recognized.

11 LONG TERM DEPOSITS

This includes security deposit relating to utilities, rented properties and to Pakistan State Oil Company Limited.

12 STORES AND SPARES	2024 Rupees	2023 Rupees
Store and spares	268,067,339	231,764,256
Less: Provision for slow moving items	-	(5,358,071)
	<u>268,067,339</u>	<u>226,406,185</u>

13 STOCK-IN-TRADE	Note	2024 Rupees	2023 Rupees (Restated)	2022 Rupees (Restated)
In hand				
Raw material		946,684,730	972,583,070	1,110,625,356
Packing material		133,320,753	115,627,469	82,574,500
Work in process		709,993,228	475,685,724	393,694,234
Finished goods - Manufactured	13.1	2,007,176,644	1,778,862,583	1,584,416,329
Finished goods - Trading		112,269,692	231,846,606	161,537,548
		<u>3,909,445,047</u>	<u>3,574,605,452</u>	<u>3,332,847,967</u>
In transit				
Raw material		1,607,791,008	1,083,251,700	1,420,567,299
Finished goods - Manufactured		321,824,084	-	-
		<u>5,839,060,139</u>	<u>4,657,857,152</u>	<u>4,753,415,266</u>

13.1 Stock of finished goods has been written down to net realizable value by Rs. 17.09 million (2023: Rs. 8.34 million).

13.2 The reason for restatement has been explained in note 6 to these financial statements.

	Note	2024 Rupees	2023 Rupees (Restated)	2022 Rupees (Restated)
14 TRADE DEBTS				
Considered good				
Exports - secured		351,129,033	375,630,782	176,778,251
Local - unsecured		3,399,404,827	2,653,928,519	4,146,184,499
		<u>3,750,533,860</u>	<u>3,029,559,301</u>	<u>4,322,962,750</u>
Considered doubtful				
Less: Allowance for expected credit losses	14.1	225,649,828 (225,649,828)	175,297,467 (175,297,467)	157,362,372 (157,362,372)
		<u>-</u>	<u>-</u>	<u>-</u>
		<u>3,750,533,860</u>	<u>3,029,559,301</u>	<u>4,322,962,750</u>
14.1	Movement in allowance for expected credit losses is as follows:			
Opening balance as at 01 July		175,297,467	157,362,372	111,394,255
Charge for the year		50,352,361	22,145,199	45,968,117
Amount written-off during the year		-	(4,210,104)	-
Closing balance as at 30 June		<u>225,649,828</u>	<u>175,297,467</u>	<u>157,362,372</u>

14.2 The reason for restatement has been explained in note 6 to these financial statements.

15 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Employees				
-short term advances and current portion of long term loan to employees	10	6,200,231	3,942,235	4,900,506
-against expenses		4,912,013	2,606,598	1,867,670
Advances to suppliers		49,029,587	249,312,820	131,518,518
Margin on LC		16,381,508	24,656,324	-
Earnest money receivable		29,749,026	25,147,999	6,616,117
Prepayments		17,768,942	7,555,039	872,312
Sales tax refundable - net		74,471,005	11,092,167	84,050,913
Other receivables	15.1	110,626,350	45,347,471	29,952,507
		<u>309,138,662</u>	<u>369,660,653</u>	<u>259,778,543</u>

15.1 This includes Rs. 93.64 million (2023: Rs. 44.99 million) receivable from the Government in respect of export rebates. The Company expects to receive the outstanding balance within 12 months of the reporting date. The Government has never defaulted on any of its local currency receivables by the Company. Therefore, the Company has not recorded any ECLs at the end of the reporting period.

15.2 The reason for restatement has been explained in note 47 to these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees (Restated)	2022 Rupees (Restated)
16 SHORT TERM INVESTMENT				
Term deposit receipts	16.1	59,955,000	25,455,000	300,075,000
16.1	This represents term deposit receipts with a commercial bank under conventional banking relationships, carrying profit at the rates of 19% to 20.2% (2023: 12.25% to 19.50%) per annum having maturity up to 20 May 2025. These are carried at amortized cost.			
16.2	The reason for restatement has been explained in note 6 to these financial statement.			
17 CASH AND BANK BALANCES				
Cash at bank - current accounts		471,130,947	326,737,101	411,182,439
Cash in hand		710,993	1,726,233	3,112,914
		471,841,940	328,463,334	414,295,353
17.1	The reason for restatement has been explained in note 6 to these financial statements.			
18. ISSUED, SUBSCRIBED AND PAID UP CAPITAL				
		2024 (Number of shares)	2023	2024 Rupees
Ordinary shares of Rs. 10 issued against cash		44,309,250	44,309,250	443,092,500
Ordinary shares of Rs. 10 issued as bonus shares		123,690,750	123,690,750	1,236,907,500
		168,000,000	168,000,000	1,680,000,000
19 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	Note	2024 Rupees	2023 Rupees	
Revaluation surplus on:				
- Land		782,491,454	406,581,652	
- Building		838,910,078	489,103,154	
Less: Related deferred tax liability		(252,449,582)	(167,066,871)	
		586,460,496	322,036,283	
		1,368,951,950	728,617,935	
Less: Transfer to retained earnings net of tax in respect of:				
Incremental depreciation		(117,475,203)	(97,915,837)	
Less: Related deferred tax		36,019,120	30,151,310	
		(81,456,083)	(67,764,527)	
Surplus realized on disposal of related assets		(64,126,145)	(64,126,145)	
		1,223,369,722	596,727,263	
Break-up of closing balance of revaluation surplus on property, plant and equipment is as follows:				
Land		718,365,309	342,455,507	
Building		721,434,875	391,187,317	
Revaluation surplus		(216,430,462)	(136,915,561)	
Less: Related deferred tax liability	23	505,004,413	254,271,756	
		1,223,369,722	596,727,263	

19.1 The Company's freehold land and buildings on freehold land are revalued by Joseph Lobo (Private) Limited, an independent valuer not connected with the Company and approved by Pakistan Banks' Association (PBA) in "any amount" category, at 30 June 2024. Freehold land and buildings on freehold land have been carried at revalued amounts determined by professional valuers (level 2 measurement) based on their assessment of the market values as disclosed in note 7. The valuations are conducted by the valuation expert appointed by the Company. The valuation expert used a market based approach to arrive at the fair value of the Company's properties. For revaluation of freehold land, fair market value was assessed through market surveys and keeping in view the location of freehold land. Valuer had also considered all relevant factors as well. In case of buildings on freehold land existing look, condition, type of construction quality and material used and standard of work and finishing were noted for each building and fair price of building was assessed. Fair depreciation factor for each item is applied according to their physical condition, usage and maintenance.

20 LONG-TERM LOAN AND LEASE LIABILITIES

20.1 Loan from financial institutions - secured

		2024 Rupees	2023 Rupees (Restated)	2022 Rupees (Restated)
Samba Bank Limited	20.1.1	-	21,207,057	157,307,362
PAIR Investment Company Limited	20.1.2	559,105,625	343,015,437	378,073,157
Pak Oman Investment Company Limited	20.1.3	437,364,286	339,560,439	93,406,596
Meezan Bank Limited	20.1.4	407,183,587	468,126,381	452,136,215
National Bank Limited	20.1.5	397,838,619	496,188,593	476,665,631
Habib Metropolitan Bank Limited	20.1.6	139,152,650	169,560,064	187,974,681
United Bank Limited	20.1.7	664,412,000	195,591,679	168,203,247
		2,605,056,767	2,033,249,650	1,913,766,889
Add: Accrued mark-up		49,678,993	47,380,470	61,128,447
		2,654,735,760	2,080,630,120	1,974,895,336
Less: Deferred grant	22	(190,194,582)	(267,309,799)	(341,464,093)
Less: Accrued mark-up		(49,678,993)	(47,380,470)	(61,128,447)
Less: Current portion shown under current liabilities		(559,790,516)	(176,942,018)	(199,527,017)
		1,855,071,669	1,588,997,833	1,372,775,779
20.2 Lease liabilities - rented premises		152,137,826	139,218,169	146,465,747
Less: Current maturity shown under current liabilities		(73,906,283)	(40,535,306)	(30,328,122)
	20.2	78,231,543	98,682,863	116,137,625
		1,933,303,212	1,687,680,696	1,488,913,404

20.1.1 This represented loan obtained under SBP Long Term Financing Facility (LTFF) and carried markup rates ranges from 5% to 6% (SBP rate+spread) per annum. The loan tenure was payable in 14 equal quarterly installments. The facility was secured against first joint pari passu charge on the fixed assets of the Company. The loan has been repaid during the year.

20.1.2 This includes balance amount of loan amounting to Rs. 200 million obtained under Temporary Economic Refinance Facility (TERF) Scheme for retirement of import documents of plant and machinery. The loan is repayable in 20 equal quarterly installments and carries markup at the rate 3% per annum. The tenure of the loan is 7 years including a grace period of 24 months. This loan is carried at amortized cost using effective rate ranging from 9.45% to 12.46% per annum. The difference between cash received and present value of cash outflow upon initial recognition has been recognized as deferred grant in accordance with IAS 20. This facility is secured against a first joint pari passu charge on the Company's fixed assets and personal guarantee of the directors.

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This also includes balance amount of term loan of Rs. 200 million obtained under SBP LTFF Scheme. The loan is repayable in 14 equal quarterly installments and carries markup at the rate of 4.5% per annum. The tenure of the loan is 4 years including a grace period 6 months. The facility is secured against first joint pari passu charge on the fixed and current assets of the Company and personal guarantees of the directors.

This also includes balance amount of Term Finance loan amounting to Rs. 292 million obtained during the year. The loan is repayable in 14 equal quarterly installments and carries markup at the effective rate ranging from 22.60% to 23.84% per annum. The tenure of the loan is 4 years including a grace period 6 months. The facility is secured against first joint pari passu charge on the fixed and current assets of the Company.

20.1.3 This includes balance amount of Term Finance loan amounting to Rs. 300 million. The loan is repayable in 14 equal quarterly installments and carries markup at the effective rate ranging from 22.58% to 24.15% per annum. The tenure of the loan is 4 years including a grace period 6 months. The facility is secured against first joint pari passu charge on the fixed and current assets of the Company.

This also includes balance amount of Term Finance loan amounting to Rs. 201.6 million. The loan is repayable in 18 equal quarterly installments and carries markup at the effective rate ranging from 22.25% to 23.10% per annum. The tenure of the loan is 5 years including a grace period 6 months. The facility is secured against first joint pari passu charge on the fixed and current assets of the Company.

20.1.4 This represents balance amount of loan amounting to Rs. 464 million obtained under Temporary Economic Refinance Facility (TERF) Scheme for retirement of import documents of plant and machinery. The loan is repayable in 32 equal quarterly installments and carries markup at the rate 3.25% per annum. The tenure of the loan is 10 years including a grace period of 24 months. This loan is carried at amortized cost using effective rate ranging from 9.69% to 10.89% per annum. The difference between cash received and present value of cash outflow upon initial recognition has been recognized as deferred grant in accordance with IAS 20. This facility is secured against a first joint pari passu charge on the Company's fixed assets.

20.1.5 This represents balance amount of loan amounting to Rs. 464 million obtained under Temporary Economic Refinance Facility (TERF) Scheme for retirement of import documents of plant and machinery. The loan is repayable in 20 equal quarterly installments and carries markup at the rate 2.75% per annum. The tenure of the loan is 7 years including a grace period of 24 months. This loan is carried at amortized cost using effective rate ranging from 8.89% to 16.38% per annum. The difference between cash received and present value of cash outflow upon initial recognition has been recognized as deferred grant in accordance with IAS 20. This facility is secured against a first joint pari passu charge on the Company's fixed assets and personal guarantee of the directors.

20.1.6 This represents balance amount of loan amounting to Rs. 170.8 million obtained under Temporary Economic Refinance Facility (TERF) Scheme for retirement of import documents of plant and machinery. The loan is repayable in 20 equal quarterly installments and carries markup at the rate 3% per annum. The tenure of the loan is 7 years including a grace period of 24 months. This loan is carried at amortized cost using effective rate ranging from 9.4% to 9.58% per annum. The difference between cash received and present value of cash outflow upon initial recognition has been recognized as deferred grant in accordance with IAS 20. This facility is secured against a first joint pari passu charge on the Company's fixed assets.

20.1.7 This includes balance amount of loan amounting to Rs. 200 million obtained under Temporary Economic Refinance Facility (TERF) Scheme for retirement of import documents of plant and machinery. The loan is repayable in 20 equal quarterly installments and carries markup at the rate 3.25% per annum. The tenure of the loan is 7 years including a grace period of 24 months. This loan is carried at amortized cost using effective rate ranging from 9.69% to 12.69% per annum. The difference between cash received and present value of cash outflow upon initial recognition has been recognized as deferred grant in accordance with IAS 20. This facility is secured against a first joint pari passu charge on the Company's fixed assets.

Further during the year, the Company obtained Term Finance facility amounting to Rs. 500 million. The loan is repayable in 14 equal quarterly installments and carries markup at the effective rate ranging from 22.60% to 22.84% per annum. The tenure of the loan is 4 years including a grace period 6 months. The facility is secured against first joint pari passu charge on the fixed and current assets of the Company.

20.2 Lease liabilities - rented premises

This represents liability recognized against right-of-use assets (i.e. rented premises). The effective interest rate used as the discounting factor is (i.e. incremental borrowing rate) 15.91% (2023: 15.91%). The amount of future payments and the year during which they will become due are:

	2024 Rupees	2023 Rupees (Restated)	2022 Rupees (Restated)
Year ending 30 June			
2023	-	-	54,641,675
2024	-	57,632,711	29,552,859
2025	88,675,367	31,888,098	31,888,098
2026 onwards	98,566,111	116,104,564	116,104,564
	187,241,478	205,625,373	232,187,196
Less: Future finance charges	(35,103,652)	(66,407,204)	(85,721,449)
	152,137,826	139,218,169	146,465,747
Less: Current maturity shown under current liabilities	(73,906,283)	(40,535,306)	(30,328,122)
	78,231,543	98,682,863	116,137,625

20.2.1 Minimum lease payments (MLP) and their present value (PV) are as follow:

	2024		2023	
	MLP	PV of MLP	MLP	PV of MLP
	(R u p e e s)		(R u p e e s)	
Due not later than 1 year	88,675,367	73,906,283	57,632,711	40,535,306
Due later than 1 year but not later than 5 years	98,566,111	78,231,543	147,992,662	98,682,863
	187,241,478	152,137,826	205,625,373	139,218,169

20.2.2 Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Note	2024 Rupees	2023 Rupees (Restated)	2022 Rupees (Restated)
Opening balance		139,218,169	146,465,747	157,532,930
Termination		-	(501,374)	-
Adjustment		(678,598)	-	(11,393,831)
Mark-up on lease liabilities - rented premises	35	17,092,255	19,488,511	21,992,400
		155,631,826	165,452,884	168,131,499
Lease rentals paid		(3,494,000)	(26,234,715)	(21,665,752)
Closing balance		152,137,826	139,218,169	146,465,747

20.2.3 The premises is obtained on rent from Mian Iftikhar Ahmed - Chairman of the Company.

20.2.4 Lease term of the lease is 10 years (2023: 10 years).

20.3 The reason for restatement has been explained in note 47 to these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
21 LOAN FROM DIRECTORS			
Opening balance		770,000,000	692,433,562
Obtained during the year		-	246,000,000
Repaid during the year		-	(246,000,000)
		-	-
Present value adjustment		770,000,000	692,433,562
Unwinding of loan		(13,348,297)	-
		13,348,297	77,566,438
Closing balance	21.1	770,000,000	770,000,000

21.1 This represents unsecured loan obtained by the Company from a Director which as per the agreed terms effective from 1 July 2023, carried markup rate of 3 months KIBOR minus spread of 1% per annum. Further the Director agreed not to demand repayment of the loan on or before 30 June 2024. Being a below market interest rate, the loan is carried at fair value and the difference amounting to Rs. 13,348,297 has been recognized with net of tax effect as addition to the equity under Shareholder's contribution. On 1 July 2024, the Director and the Company agreed not to demand repayment of the loan before 1 July 2026 with change in markup rate from 3 months KIBOR minus spread of 1% to 3 months KIBOR plus spread of 1% per annum.

22 DEFERRED GRANT

This represents deferred grant recognized on loans received from banks under SBP (TERF) scheme and employee refinance scheme for payment of wages and salaries to the workers and employees of business (as explained in Note 20)

Movement during the year is as follows:

		2024 Rupees	2023 Rupees (Restated)	2022 Rupees (Restated)
Opening balance as at 01 July		267,309,799	341,464,093	24,333,896
Amount recognized as deferred grant during the year		-	-	382,429,526
Amount recognized as income during the year	34	-	(2,969,282)	(65,299,329)
Amount set-off against borrowing cost capitalized during the year		(77,115,217)	(71,185,012)	-
Closing balance as at 30 June		190,194,582	267,309,799	341,464,093
Less: Current portion		(64,577,400)	(76,923,162)	(76,605,299)
Closing balance		125,617,182	190,386,637	264,858,794

22.1 The reason for restatement has been explained in note 6 to these financial statements.

23 DEFERRED TAX

The liability for deferred taxation comprises temporary differences relating to:

	2024				Closing balance
	Opening balance	Charge / (reversal) to profit or loss	Charge to OCI	Charge to SOCIE	
----- Rupees -----					
Taxable Temporary Differences					
Accelerated tax depreciation	591,147,500	367,450,813	-	-	958,598,313
Surplus on revaluation on property, plant and equipment	136,915,561	(5,867,810)	85,382,711	-	216,430,462
Right of use assets	18,883,136	(2,813,667)	-	-	16,069,469
Loan from director	-	-	-	4,004,489	4,004,489
	746,946,197	358,769,336	85,382,711	4,004,489	1,195,102,733
Deductible Temporary Differences					
Provision against slow moving stock	(4,098,311)	(1,030,255)	-	-	(5,128,566)
Provision for claims	(20,246,960)	(2,010,539)	-	-	(22,257,499)
Allowance for expected credit losses	(52,427,090)	(15,267,858)	-	-	(67,694,948)
Lease liabilities	(33,188,336)	(12,453,012)	-	-	(45,641,348)
Minimum tax	(208,835,420)	(240,111,941)	-	-	(448,947,361)
	(318,796,117)	(270,873,605)	-	-	(589,669,722)
	428,150,080	87,895,731	85,382,711	4,004,489	605,433,011
----- Rupees -----					
----- Rupees -----					
	2023				Closing balance
	Opening balance	Charge / (reversal) to profit or loss	Charge to OCI	Charge to SOCIE	
----- Rupees -----					
Taxable Temporary Differences					
Accelerated tax depreciation	523,857,187	67,290,313	-	-	591,147,500
Surplus on revaluation on property, plant and equipment	135,279,514	(6,562,711)	8,198,758	-	136,915,561
Right of use assets	23,998,148	(5,115,012)	-	-	18,883,136
Loan from director	23,272,724	(23,272,724)	-	-	-
	706,407,573	32,339,866	8,198,758	-	746,946,197
Deductible Temporary Differences					
Provision against slow moving stock	(5,568,869)	1,470,558	-	-	(4,098,311)
Provision for claims	(15,256,831)	(4,990,129)	-	-	(20,246,960)
Allowance for expected credit losses	(47,214,377)	(5,212,713)	-	-	(52,427,090)
Lease liabilities	(36,037,908)	2,849,572	-	-	(33,188,336)
Minimum tax	(78,907,140)	(129,928,280)	-	-	(208,835,420)
	(182,985,125)	(135,810,992)	-	-	(318,796,117)
	523,422,448	(103,471,126)	8,198,758	-	428,150,080

23.1 Based on the analysis of the Company's projections of taxable profits, the Company's management is confident that it will be able to adjust the minimum tax for the tax years 2023 and 2024 against excess tax payable, under the Normal Tax Regime (NTR), before their expiry.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Name	Tax Year	2024 Rupees	2023 Rupees
Minimum tax	2025*	-	78,907,140
Minimum tax	2026	129,928,280	129,928,280
Minimum tax	2027	319,019,081	-
		<u>448,947,361</u>	<u>208,835,420</u>

* In view of uncertain taxable profits, the Company has not recognized deferred tax asset of Rs. 78,907,140 on minimum tax credit which is due to be expired in accounting year ending 30 June 2025.

24 SHORT-TERM FINANCES - SECURED

Short-term finances having limit of aggregate amount of Rs. 11.40 billion (2023: Rs. 8.37 billion) are available from commercial banks under mark up arrangements. The mark up is charged at the rates ranging from 14.00% per annum to 24.78% per annum (2023: 3.00% per annum to 23.97% per annum). The unutilized limit of short-term finances at the reporting date amounts to Rs. 3.83 billion (2023: Rs. 2.87 billion). The aggregate running finances are secured by joint pari passu charge on the current and fixed assets of the Company. Balance of short term finances includes accrued markup of Rs. 409.20 million (2023: Rs. 223.70 million and 2022: Rs. 197.93 million) The balance of accrued markup was presented separately under current liabilities in prior years. The reason for restatement has been explained in note 47 to these financial statements.

	Note	2024 Rupees	2023 Rupees (Restated)	2022 Rupees (Restated)
25 TRADE AND OTHER PAYABLES				
Trade creditors		1,654,205,010	1,621,798,786	1,186,987,711
Accrued liabilities		1,484,151,745	1,137,620,032	660,549,325
Contract liabilities	25.1	103,766,389	76,280,743	24,902,779
Payable to provident fund		9,154,348	7,865,120	6,546,340
Workers' profit participation fund	25.2	48,154,491	27,958,258	36,612,028
Provision for claims				
Workers' welfare fund	25.3	43,602,325	24,340,529	38,143,838
Income tax withheld		271,980,654	21,705,956	30,163,813
Other liabilities		26,122,216	22,788,666	19,272,020
		<u>3,641,137,178</u>	<u>2,940,358,090</u>	<u>2,003,177,854</u>

25.1 The amount of Rs. 63.823 million included in contract liabilities as at 30 June 2023 has been recognized as revenue in the year 30 June 2024. (2023: Rs 16.912 million). This includes advance received from M.T.R.C. Imports and Exports (FZE), a related party, amounting Rs. 1.75 million.

	Note	2024 Rupees	2023 Rupees
25.2 Workers' profit participation fund			
Opening balance		27,958,258	36,612,028
Provision for the year	33	48,154,491	27,958,258
Interest charge	35	5,030,011	3,549,411
		<u>81,142,760</u>	<u>68,119,697</u>
Payment made during the year		(32,988,269)	(40,161,439)
Closing balance		<u>48,154,491</u>	<u>27,958,258</u>
25.3 Workers' welfare fund			
Opening balance		24,340,529	38,143,838
Provision for the year	33	19,261,796	7,920,760
		<u>43,602,325</u>	<u>46,064,598</u>
Payment made during the year		-	(21,724,069)
Closing balance		<u>43,602,325</u>	<u>24,340,529</u>

25.4 The reason for restatement has been explained in note 6 to these financial statements.

	Note	2024 Rupees	2023 Rupees (Restated)	2022 Rupees (Restated)
26 PROVISIONS				
Provision for warranty claims		74,191,663	67,698,605	50,850,000
Opening balance		67,698,605	50,850,000	42,772,659
Claims paid during the year		(51,972,796)	(69,163,406)	(34,198,923)
Expense for the year	33	58,465,854	86,012,011	42,276,264
Closing balance		74,191,663	67,698,605	50,850,000

26.1 The provision for warranty claims relates to goods sold during the year. The provision has been estimated based on historical warranty data associated with similar products. The Company expects to settle the majority of the liability over the next year.

26.2 The reason for restatement has been explained in note 6 and 47 respectively to these financial statements.

	Note	2024 Rupees	2023 Rupees (Restated)	2022 Rupees (Restated)
27 CURRENT PORTION OF LIABILITIES				
Current portion of loan from financial institutions		559,790,516	176,942,018	199,527,017
Current portion of deferred grant		64,577,400	76,923,162	76,605,299
Current portion of lease liabilities		73,906,283	40,535,306	30,328,122
Loan from director - accrued markup		243,052,490	78,918,234	40,418,234
Long term finances - accrued markup		49,678,993	47,380,470	61,128,447
		991,005,682	420,699,190	408,007,119

27.1 The reason for restatement has been explained in note 47 to these financial statements.

28 CONTINGENCIES AND COMMITMENTS

Contingencies

28.1 The Company received a notice under section 122(5A) of the Ordinance dated 08 February 2018 for the tax year 2013 on account of minimum tax credits amounting to Rs. 50.7 million claimed under section 113(2)(c) of the Ordinance. The Company filed a writ petition against the said notice before the Honorable Lahore High Court (LHC). The Honorable Court had decided the case in favor of the company. The tax department has filed a reference against the said order before the Honorable Supreme Court of Pakistan which is pending for adjudication. The management anticipates that the Lahore High Court's decision will be upheld by the Supreme Court and that the tax credit will be granted by the Supreme Court.

28.2 The original assessment was amended by the Additional Commissioner Inland Revenue (Addl. CIR) by invoking section 122(5A) of the Ordinance; wherein the income of the Company for the tax year 2016 was re-assessed by making certain additions. The tax impact of the above order was Rs. 8.05 million. Being aggrieved, the Company filed an appeal before CIR(A), who subsequently decided the case in favor of the Company. The tax department has filed an appeal before ATIR. The matter is still pending for adjudication. The management anticipates that the Appellate Tribunal Inland Revenue (ATIR) will uphold the decision of the Commissioner Inland Revenue (Appeals).

28.3 The Company had claimed tax credits under section 113(2)(c) pertaining to tax years 2005 to 2008 in the tax year 2010. The same was disallowed by the Department on the sole ground that section 113 of the Ordinance was omitted vide Finance Act, 2008. The financial impact of this amounts to Rs. 27.03 million. The matter has been decided by Appellate Tribunal Inland Revenue in favor of the Company. The department has filed a reference before the Honorable Lahore High Court which is still pending for adjudication. The management anticipates that the Lahore High Court (LHC) will uphold the decision of the Appellate Tribunal Inland Revenue (ATIR), thereby allowing the tax refund to remain in effect.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 28.4** The Company had received a sales tax order under section 11 for various months of tax year 2016 of Rs. 62.19 million. Being aggrieved, the Company filed an appeal before CIR(A), who decided the case against the Company. Subsequently, the company filed an appeal before the ATIR which was decided in favor of the Company. The department has filed a reference before the Honorable Lahore High Court which is pending for adjudication. Management anticipates that the Lahore High Court (LHC) will uphold the decision of the Appellate Tribunal Inland Revenue (ATIR).
- 28.5** The Company had received an order dated 31 May 2015 under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2013, wherein the income of the Company was re-assessed and certain expenses were added back to the income for the year. The tax impact of the above order was Rs. 23.549 million. The Appellate Tribunal Inland Revenue (ATIR) has decided the case in favor of the company. The department has filed a reference before the Honorable Lahore High Court which is pending for adjudication. The management and the tax advisor anticipates that the Lahore High Court (LHC) will uphold the decision of the Appellate Tribunal Inland Revenue (ATIR), thereby allowing the tax refund to remain.
- 28.6** During the year ended 2020, the Company received a show cause notice from Punjab Revenue Authority (PRA) under section 57(2) of the Punjab Sales Tax on Services (Withholding) Rules, 2015 for the tax years 2017 and 2018 in which the department raised tax demand of Rs. 161,236,191. The Company filed a writ petition against the said show cause notice before the Honorable Lahore High Court (LHC). The Lahore High Court heard the case vide interconnected writ petition No.16217/2020 dated 06 June 2023 and declared the notice issued by PRA invalid. The Punjab Revenue Authority has also filed an Intra-Court Appeal in LHC which is pending for adjudication. Management and the tax advisor anticipates that the original bench of the Lahore High Court (LHC) will have its decision upheld in the intra-court appeal.
- 28.7** The Company had received an order dated 27 June 2024 under section 122(1) of the Income Tax Ordinance, 2001 for the tax year 2021, wherein the income of the Company was re-assessed and certain expenses were added back to the income for the year. The tax impact of the above order was Rs. 35.869 million. Being aggrieved, the company has filed an appeal before the ATIR, which is currently pending for adjudication. Management and the tax advisor anticipates that the Appellate Tribunal Inland Revenue (ATIR) will reverse the expenses disallowed by the department and rule in their favor.
- 28.8** The original assessment was amended by the Additional Commissioner Inland Revenue (Addl. CIR) through order under section 122(5A) dated 31.08.2020 for tax year 2014; wherein the income of the Company was re-assessed by making certain additions. The tax impact of the above order was Rs. 3.045 million. Being aggrieved, the Company filed an appeal before CIR(A), who subsequently decided the case in favor of the Company. The tax department has filed an appeal before ATIR. The matter is still pending for adjudication. Management and the tax advisor anticipates that the decision of CIR (A) will remain valid and will be endorsed by ATIR.

Commitments

- 28.9** Commitments from various banks against letter of credit and letter of guarantees are Rs. 2,127.63 million (2023: 1,586.37 million) and Rs. 295.78 million (2023: Rs. 208.44 million) respectively.

	Note	2024 Rupees	2023 Rupees (Restated)
29. REVENUE FROM CONTRACT WITH CUSTOMERS-NET			
Local sales		32,954,161,413	23,243,754,611
Less: discounts		(1,652,068,034)	(1,174,334,293)
Less: sales tax		(5,343,814,130)	(3,691,763,265)
		25,958,279,249	18,377,657,053
Export sales		3,564,907,363	2,985,746,830
		<u>29,523,186,612</u>	<u>21,363,403,883</u>

- 29.1** All revenue is recognized at point in time.

- 29.2** The reason for restatement has been explained in note 6 to these financial statements.

30 COST OF SALES	Note	2024 Rupees	2023 Rupees (Restated)
Raw material consumed	30.1	19,156,172,696	13,556,381,284
Packing material consumed		495,975,882	351,724,111
Salaries, wages and other benefits	30.2	1,796,931,382	1,187,037,822
Transportation expense		100,472,131	77,481,467
Fuel and power		2,878,132,902	2,031,201,990
Telephone and postage		1,181,491	1,078,780
Insurance		21,355,302	19,210,994
Store and spares consumption		386,947,979	215,438,595
Repair and maintenance		35,133,474	32,138,220
Vehicle running and maintenance		35,612,499	28,928,181
Rent, rates and taxes		9,732,572	3,890,485
Printing and stationery		6,157,008	5,245,308
Fees and subscription		472,400	470,700
Depreciation - owned assets	7.4	437,486,328	320,820,844
Miscellaneous expenses		13,120,421	6,864,967
		<u>25,374,884,467</u>	<u>17,837,913,748</u>
Add: Work-in-process - opening		475,685,724	393,694,234
Less: Work-in-process - closing		(709,993,228)	(475,685,724)
		<u>(234,307,504)</u>	<u>(81,991,490)</u>
Cost of goods manufactured		<u>25,140,576,963</u>	<u>17,755,922,258</u>
Add: Finished goods - opening	13	2,010,709,189	1,745,953,877
Add: Finished goods purchased		511,345,448	770,294,799
Less: Finished goods - closing	13	(2,441,270,420)	(2,010,709,189)
		<u>80,784,217</u>	<u>505,539,487</u>
Cost of goods sold		<u>25,221,361,180</u>	<u>18,261,461,745</u>
30.1 Raw material consumed			
Opening inventory	13	2,055,834,770	2,531,192,655
Add: Purchases		19,741,366,654	13,152,658,338
Less: Rebate on custom duties		(86,552,990)	(71,634,939)
		<u>21,710,648,434</u>	<u>15,612,216,054</u>
Less: Closing inventory	13	(2,554,475,738)	(2,055,834,770)
		<u>19,156,172,696</u>	<u>13,556,381,284</u>

30.2 Salaries, wages and other benefits include Rs. 19.33 million (2023 Rs. 14.35 million) in respect of provident fund contribution by the employer.

30.3 The reason for restatement has been explained in note 6 to these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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31 SELLING AND DISTRIBUTION EXPENSES	Note	2024 Rupees	2023 Rupees
Salaries, allowances and other benefits	31.1	301,837,004	229,539,378
Telephone, telex and postage		1,441,673	1,243,290
Entertainment		17,872,989	2,626,628
Travel and transport		606,832,846	406,054,154
Advertisement		408,456,499	235,098,461
Sales promotion		2,179,040	1,588,250
Rent expense		2,786,030	1,692,471
Fuel and electricity		1,618,931	1,186,412
Repairs and maintenance		32,365,545	25,193,272
Depreciation - owned assets	7.4	12,276,304	14,741,649
Depreciation - right-of-use assets	8.1	243,945	1,195,752
Miscellaneous expenses		21,433,392	11,548,861
		<u>1,409,344,198</u>	<u>931,708,578</u>

31.1 Salaries, allowances and other benefits include Rs. 8.68 million (2023: Rs. 6.32 million) in respect of provident fund contribution by the employer.

32 ADMINISTRATIVE AND GENERAL EXPENSES		2024 Rupees	2023 Rupees
Salaries, allowances and other benefits	32.1	213,737,898	191,037,351
Directors' remuneration		2,900,000	3,200,000
Printing and stationery		2,683,176	2,322,715
Telephone, telex and postage charges		6,850,204	5,036,417
Depreciation - owned assets	7.4	18,265,331	16,504,733
Depreciation - right-of-use assets	8.1	15,304,256	15,304,256
Amortization of intangible assets	9	1,514,589	1,514,589
Insurance		15,897,672	13,769,375
Vehicle running and maintenance		23,028,160	21,937,746
Traveling and conveyance		13,634,423	7,130,230
Entertainment		7,327,147	5,973,860
Rent, rates, taxes and fees		317,356	543,015
Auditor's remuneration	32.2	4,650,000	3,200,000
Donations	32.3	1,100,000	2,000,000
Legal and professional charges		5,812,400	9,033,025
Fee and subscription		6,101,380	5,434,949
Utilities charges		10,670,599	18,132,209
Support services		13,983,368	14,718,527
Repairs and maintenance		26,413,175	17,228,637
Miscellaneous expenses		1,813,785	1,892,346
		<u>392,004,919</u>	<u>355,913,980</u>

32.1 Salaries, allowances and other benefits include Rs. 5.11 million (2023 : Rs. 4.76 million) in respect of provident fund contribution by the employer.

32.2 Auditor's remuneration

Statutory audit	3,200,000	2,013,000
Half year review	550,000	462,000
Certifications	750,000	525,000
Out of pocket expenses	150,000	200,000
	<u>4,650,000</u>	<u>3,200,000</u>

	Note	2024 Rupees	2023 Rupees (Restated)
32.3 Donations			
Donations made to a single party exceeding higher of 10% of total donations or 1 million are as follows:			
Namal Education		500,000	1,000,000
Lahore Hospital			
The Noor Project		500,000	-
Special Olympics		-	1,000,000
		<u>1,000,000</u>	<u>2,000,000</u>
None of the Directors or their spouses or other close family members had any interest in the donees.			
32.4 The reason for restatement has been explained in note 6 to these financial statements.			
33 OTHER OPERATING EXPENSES			
Workers' profit participation fund	25.2	48,154,491	27,958,258
Workers' welfare fund	25.3	19,261,796	7,920,760
Provision against warranty claim		58,465,856	69,163,406
Unwinding of director's loan		-	77,566,438
Exchange loss - net		25,192,044	-
Waste material and others		19,164,421	6,908,454
		<u>170,238,608</u>	<u>189,517,316</u>
33.1 The reason for restatement has been explained in note 6 to these financial statements.			
34 OTHER INCOME			
Gain on disposal of property, plant and equipment		49,562,471	6,256,964
Gain on termination of lease arrangement		-	155,616
Scrap sales		12,168,058	13,578,649
Amortization of deferred grant on SBP refinance scheme for payroll financing	22	-	2,969,282
Exchange gain - net		-	61,596,014
Reversal of provision related to stores and spares		5,358,071	-
Grant income on TERF for import of plant and machinery		-	-
Profit on short term investments		7,169,693	3,531,681
Unwinding of employee loan		4,527,440	-
Miscellaneous income		25,277,086	3,639,000
		<u>104,062,819</u>	<u>91,727,205</u>
34.1 The reason for restatement has been explained in note 6 to these financial statements.			
35 FINANCE COST			
Mark up on			
- long term loan		71,331,379	73,701,703
-due to deferred grant			
- short term finances under mark up arrangements		1,342,870,626	919,851,715
- lease liabilities - rented premises		17,092,255	19,488,511
- mark-up on provident fund loan			
- Late payment surcharge-WPPF	25.2	5,030,011	3,549,411
Bank charges		51,950,364	31,920,609
		<u>1,488,274,635</u>	<u>1,048,511,949</u>

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36 MINIMUM DIFFERENTIAL AND FINAL TAX	Note	2024 Rupees	2023 Rupees (Restated)
Final tax	36.1	35,649,074	37,642,835
Minimum tax differential	36.2	319,019,081	129,928,280
		354,668,155	167,571,116

36.1 This represents final tax under section 154 of Income Tax Ordinance, 2001 (ITO, 2001) on export sales.

36.2 This represents minimum tax differential under section 113 of Income Tax Ordinance, 2001 (ITO, 2001).

36.3 The reason for restatement has been explained in note 5.1 to these financial statements.

37 TAXATION	Note	2024 Rupees	2023 Rupees (Restated)
Current			
- For the year		5,865,213	148,833,782
- Prior period		(18,540,701)	145,032
		(12,675,488)	148,978,814
Deferred			
- Origination / (reversal) of temporary difference	23	87,895,731	(103,471,126)
- Change in tax rate			
		75,220,243	45,507,688

37.1 The reason for restatement has been explained in note 5.1 to these financial statements.

37.2 Relationship between tax expense and accounting profit

	2024 Rupees	2023 Rupees (Restated)
Profit before income tax and minimum / final taxes	895,673,530	645,872,321
Tax calculated at the rate of 29 %	259,745,324	187,302,973
Tax effect of:		
- Permanent differences and others	87,115,714	1,854,540
- Super tax	-	27,312,503
- Deferred tax asset on minimum tax	(240,111,941)	(129,928,280)
- Final tax	(12,988,153)	(41,179,080)
- Prior year	(18,540,701)	145,032
	75,220,243	45,507,688

38 EARNINGS PER SHARE - BASIC AND DILUTED		2024 Rupees	2023 Rupees
Profit after taxation	Rupees	465,785,132	432,793,517
Weighted average number of ordinary shares at the end of the year	Numbers	168,000,000	168,000,000
Earnings per share - (basic / diluted)	Rupees	2.77	2.58

39 REMUNERATION OF DIRECTORS AND CHIEF EXECUTIVE

The aggregate amount charged in the financial statements for the year against remuneration and all the benefits to Directors, Chief Executive and executives of the Company is as follows:

	Directors		Chief Executive		Executives	
	2024	2023	2024	2023	2024	2023
	(R u p e e s)					
Managerial remuneration	13,076,667	14,280,000	36,666,667	32,500,000	376,934,555	319,184,000
Provident fund	-	-	-	-	16,654,684	13,922,510
Other benefits	-	-	-	-	133,795,151	51,926,993
	<u>13,076,667</u>	<u>14,280,000</u>	<u>36,666,667</u>	<u>32,500,000</u>	<u>527,384,390</u>	<u>385,033,503</u>
Number of persons	<u>1</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>92</u>	<u>81</u>

39.1 The Chief Executive, Directors and certain executives have also been provided with Company-maintained cars. Executive Director has been provided remuneration while 5 (2023: 6) other Directors have been provided with meeting fees aggregating to Rs. 2.9 million (2023: Rs. 3.2 million).

40 RELATED PARTY TRANSACTIONS

The related parties comprise of Directors of the Company, key management personnel, other related companies and post employment benefit plan. Amount due from and due to related parties are shown under respective notes. Other significant transactions with related parties except those disclosed elsewhere are as follows:

Name of related party	Relationship with the Company	%age of shareholding	Nature of transactions	2024 Rupees	2023 Rupees
Mian Iftikhar Ahmed	Chairman	47.86%	Payment of rent of head office	3,494,000	26,234,715
			Loan received	-	217,000,000
			Repayment of loan	-	(217,000,000)
			Interest charged on loan	164,134,256	38,500,000
			Payment of dividend	160,798,944	80,399,472
Mian Faisal Iftikhar	Chief Executive Officer	15.83%	Loan received	-	15,000,000
			Repayment of loan	-	(15,000,000)
			Payment of dividend	53,184,000	26,592,000
Samina Iftikhar	Spouse of Director	10.34%	Loan received	-	14,000,000
			Repayment of loan	-	(14,000,000)
			Payment of dividend	34,746,000	17,373,000
Staff provident fund	Other related parties	N/A	Contribution to staff provident fund	33,121,798	25,428,811
Key Management Personnel	Key Management Personnel	N/A	Remuneration and other benefits	133,954,378	110,079,507
Directors	Directors		Payment of dividend	4,001,056	2,000,528

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of their management team, including Chief Executive Officer and Directors to be its key management personnel and these are disclosed below:

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Name	Relationship	% shareholding in the company	Number of shares
Mian Iftikhar Ahmed	Chairman	47.86%	80,399,472
Mian Faisal Iftikhar	Chief Executive Director	15.83%	26,592,000
Ms. Ayesha Iftikhar	Executive director	1.19%	2,000,000
Zahid Mahmud	Non-executive director	0.00%	132
Javed Masud	Independent director	0.00%	132
Asad Sultan Chaudhary	Independent director	0.00%	132
Iqbal Ahmed Khan	Independent director	0.00%	132
Ghulam Abbas	Key Management Personnel	N/A	N/A
Mohsin Muzaffar Butt	Key Management Personnel	N/A	N/A
Muhammad Riaz	Key Management Personnel	N/A	N/A
Ch. Zafar Salam	Key Management Personnel	N/A	N/A
Kamran Zaffar	Key Management Personnel	N/A	N/A

41 CAPACITY AND ACTUAL PRODUCTION

	2024		2023	
	Production capacity	Actual production	Production capacity	Actual production
Tyres / Tyre Sets	9,750,000	6,359,345	8,107,500	4,406,245
Tubes - packed	40,639,500	21,285,058	31,552,500	21,470,912
	<u>50,389,500</u>	<u>27,644,403</u>	<u>39,660,000</u>	<u>25,877,157</u>

Production capacity working is based on 300 days.

- 41.1 The Company has recently enhanced its production capacity in view of the future demand of its products. During the year, although the Company produced more than that of last year, yet its capacity utilization remained low as compared to last year due to addition in capacity towards the end of the year.

42 NUMBER OF EMPLOYEES

	2024	2023
Factory		
Number of employees as at reporting date	3,015	2,790
Average number of employees during the year	2,902	2,869
Total Number of Employees		
Number of employees as at reporting date	3,226	2,994
Average number of employees during the year	3,110	3,081

43 FINANCIAL RISK MANAGEMENT OBJECTIVES

43.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors.

43.1.1 Market risk

43.1.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Company is exposed to foreign currency exchange risk in respect of commitments against Letter of Credits in foreign currency and foreign currency exposure in US Dollars on trade receivables in respect of exports. The management does not view hedging as being financially feasible.

At 30 June 2024, if the Company's functional currency had weakened / strengthened by 10% against the US Dollar with all the other variables held constant, the profit before minimum and final taxation for the year and equity would have been higher / lower by Rs. 66.45 million (2023: Rs. 47.87 million) and Rs. 46.52 million (2023: Rs. 33.56 million), mainly as a result of foreign exchange gains / losses on translation of financial assets and liabilities denominated in US Dollars.

43.1.1.2 Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity price risk as it does not have any exposure in equity securities.

43.1.1.3 Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	2024 Rupees	2023 Rupees
Floating rate instruments		
Financial liabilities		
Long term loan from financial institutions	1,229,364,286	339,560,440
Long term loan from director	770,000,000	770,000,000
Short-term finances	7,664,582,249	5,278,587,649
	9,663,946,535	6,388,148,089
Fixed rate instruments		
Financial liabilities		
Long term loan from financial institutions	1,375,692,481	1,693,689,210
Lease liabilities - rented premises	152,137,826	139,218,169
	1,527,830,307	1,832,907,379

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates on long term and short term loans under mark-up arrangement, at the year end date, had been 100 basis points higher / lower with all other variables held constant, profit before minimum and final taxation and equity would have been Rs. 96.64 million (2023: Rs. 63.77 million) and Rs. 67.65 million (2023: Rs. 44.78 million) respectively higher / lower, mainly as a result of higher / lower interest expense on floating rate borrowings.

The Company, however, capitalizes a part of its borrowing costs in respect of qualifying assets. Accordingly, such additional cost would be charged to profit or loss over the life of those qualifying assets.

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FOR THE YEAR ENDED JUNE 30, 2024

43.1.2 Credit risk

Credit risk represents the risk of financial loss being caused if counter party fails to discharge an obligation. Credit risk of the Company arises from deposits with banks and financial institutions, as well as credit exposures to OEM (Original Equipment Manufacturers) and Replacement Market customers, including outstanding receivables and committed transactions. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board of directors. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted. Since export debtors are secured against letters of credit and significant amount of long term deposits are maintained with government agencies there is no credit risk involved in these cases.

The carrying values of financial assets having credit risk are as under:

	2024 Rupees	2023 Rupees
Trade debts (local sales)	3,399,404,827	2,653,928,519
Loans given to employees	23,258,458	25,276,109
Other receivables	156,756,884	95,151,794
Short term investment	59,955,000	25,455,000
Balances with bank	471,130,947	326,737,101
	<u>4,110,506,116</u>	<u>3,126,548,523</u>

The credit quality of financial assets can be assessed by reference to external credit ratings or the historical information about counter party defaults as shown below:

Geographically:

Trade debts

Pakistan	3,399,404,827	2,653,928,519
Europe	124,677,514	112,919,677
Asia	26,564,903	90,907,394
Africa	151,967,117	133,629,170
South America	47,919,499	38,174,541
	<u>3,750,533,860</u>	<u>3,029,559,301</u>

Sales

The Company has made export sales in following regions, which have been made through advances and cash against documents:

Europe	541,109,411	1,571,723,851
Asia	1,553,880,542	795,799,789
Africa	1,123,783,289	423,896,724
South America	346,134,121	194,326,466
	<u>3,564,907,363</u>	<u>2,985,746,830</u>

Category wise sales comprises of:

Products:

-Tyres and tubes	28,801,208,545	20,547,467,903
-Others- trading	721,978,067	815,935,980
	<u>29,523,186,612</u>	<u>21,363,403,883</u>

Trade Debts	Current	1 to 180 days	181 to 365 days	Above 365 days	Total		
As at 30 June 2024		R	u	p	e	e	s
Expected credit loss rate	0.01%	1.95%	33.84%	95.38%			
Estimated total gross carrying amount at default	3,638,661,491	85,335,126	27,514,685	224,672,386	3,976,183,688		
Expected credit loss	387,266	1,660,448	9,311,111	214,291,003	225,649,828		
As at 30 June 2023							
Expected credit loss rate	0.02%	9.30%	30.17%	36.08%			
Estimated total gross carrying amount at default	2,587,302,578	158,728,689	94,215,691	364,609,810	3,204,856,768		
Expected credit loss	563,308	14,756,348	28,422,520	131,555,291	175,297,467		

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. Provision matrix is based on the Company's historical credit loss experience, adjusted for forward-looking factors which includes GDP, consumer price index, unemployment and interest rate. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security other than export debtors which are secured against letters of credit. The letters of credit and other forms of credit insurance are considered integral part of export related trade receivables and considered in the calculation of impairment.

Bank balances

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit quality of Company's bank balances can be assessed with reference to external credit ratings as follows:

	Short term	Long term	Rating Agency	2024	2023		
Short term investment and balances with bank:		R	u	p	e	e	s
Al Baraka Bank	A1	A+	VIS	202,796	4,462,796		
Bank Al Habib	A1+	AAA	PACRA	556,397	-		
Allied Bank Limited	A1+	AAA	PACRA	3,100,000	-		
Bank Alfalah Limited	A1+	AAA	PACRA	43,974,525	123,889,033		
Bank Of Khyber	A1	A+	VIS	23,832	23,554		
Habib Bank Limited	A1+	AAA	VIS	121,688,433	62,096,442		
Habib Metropolitan Bank	A1+	AA+	PACRA	18,554,364	5,715,526		
ICBC Bank	A-2	A1	Moody's	4,751	331		
MCB Bank	A1+	AAA	PACRA	43,005,755	28,304,063		
National Bank Limited	A1+	AAA	VIS	41,130,892	22,250,475		
Standard Chartered Limited	A1+	AAA	PACRA	58,746	11,848,330		
Bank Makarmah (formerly known as Summit Bank)	A3	BBB-	PACRA	-	48,938		
United Bank Limited	A1+	AAA	VIS	25,571,733	4,991,549		
Samba Bank	A1	AA	PACRA	59,880,000	25,380,000		
Faysal Bank	A1+	AA	PACRA	140,319,377	35,840,503		
JS Bank	A1+	AA	PACRA	-	623,940		
Meezan Bank Ltd	A1+	AAA	JCR-VIS	31,435,104	628,100		
Soneri Bank	A1+	AA-	PACRA	184,849	184,884		
Bank Islami	AA-	A1	PACRA	587,091	25,129,276		
Dubai Islamic Bank	A1+	AA	JCR-VIS	807,302	774,361		
				531,085,947	352,192,101		

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All of the Company's deposit are with banks having better than investment grade external ratings. Accordingly, the Company has assessed allowance for expected credit loss with reference to default events that are possible within the next 12 months. Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Company. Accordingly, the credit risk is minimal.

The Company also maintains margin on LC with investment grade financial institutions. Similarly, due to short-term nature of earnest money, the Company expects minimum credit loss.

43.1.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of funding through an adequate amount of committed credit facilities. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements.

All of the following financial liabilities are exposed to profit / mark-up rate risk except trade and other payables.

The following are the contractual maturities of financial liabilities as at 30 June 2024:

	Carrying value				
	R u p e e s				
Long term loans from financial institutions	2,464,541,178	-	844,851,986	2,418,642,071	3,263,494,057
Loan from directors	1,013,052,490	-	406,754,490	852,523,748	1,259,278,238
Lease liabilities - rented premises	152,137,826	-	88,675,367	98,566,111	187,241,478
Short term finances - secured	8,073,781,410	998,464,594	7,075,316,816	-	8,073,781,410
Trade and other payables	3,173,633,319	-	3,173,633,319	-	3,173,633,319
Unclaimed dividend	515,083	515,083	-	-	515,083
	14,877,661,306	998,979,677	11,589,231,978	3,369,731,930	15,957,943,585

The following are the contractual maturities of financial liabilities as at 30 June 2023:

	Carrying value				
	R u p e e s				
Long term loans from financial institutions	1,813,320,321	-	542,747,611	1,789,318,313	2,332,065,924
Loan from directors	848,918,234	-	247,548,234	770,000,000	1,017,548,234
Lease liabilities - rented premises	139,218,169	-	57,632,711	147,992,662	205,625,373
Short term finances - secured	5,725,987,255	1,403,676,903	4,322,310,352	-	5,725,987,255
Trade and other payables	2,790,072,604	-	2,790,072,604	-	2,790,072,604
Unclaimed dividend	310,463	310,463	-	-	310,463
	11,317,827,046	1,403,987,366	7,960,311,512	2,707,310,975	12,071,609,853

43.2 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' 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 that the entity can access at the measurement date (level 1).

- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The financial assets and liabilities (except non-current portion of long term loans) approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of non-current portion of long term loans is not significantly different from its carrying value as these financial instruments bear interest at floating rates which gets re-priced at regular intervals.

43.3 Financial instruments by categories

Financial assets

Long term receivables
Trade debts
Other receivable
Short term investments
Cash and cash equivalents

	2024		
	Cash and cash equivalents	Amortized cost	Total
Long term receivables	-	23,258,458	23,258,458
Trade debts	-	3,750,533,860	3,750,533,860
Other receivable	-	156,756,884	156,756,884
Short term investments	-	59,955,000	59,955,000
Cash and cash equivalents	471,841,940	-	471,841,940
	471,841,940	3,990,504,202	4,462,346,142

Financial liabilities

Loan from financial institutions
Loan from directors
Trade and other payable*
Short term finances
Unclaimed dividend

2024 Financial liabilities at amortized cost

Loan from financial institutions	2,464,541,178
Loan from directors	1,013,052,490
Trade and other payable*	3,164,478,971
Short term finances	8,073,781,410
Unclaimed dividend	515,083
	14,716,369,132

Financial assets

Long term receivables
Trade debts
Other receivable
Short term investments
Cash and cash equivalents

	2023		
	Cash and cash equivalents	Amortized cost	Total
Long term receivables	-	25,276,109	25,276,109
Trade debts	-	3,029,559,301	3,029,559,301
Other receivable	-	95,151,794	95,151,794
Short term investments	-	25,455,000	25,455,000
Cash and cash equivalents	328,463,334	-	328,463,334
	328,463,334	3,175,442,204	3,503,905,538

Financial liabilities

Loan from financial institutions
Loan from director
Trade and other payable*
Short term finances
Unclaimed dividend

2023 Financial liabilities at amortized cost

Loan from financial institutions	1,813,320,321
Loan from director	848,918,234
Trade and other payable*	2,782,207,484
Short term finances	5,725,987,255
Unclaimed dividend	310,463
	11,170,743,757

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*Trade and other payable that are not financial liabilities (contract liabilities, workers' profit participation fund, workers' welfare fund and income tax withheld) are not included. Further, IFRS 7 scope excludes employers' rights and obligations arising from employee benefit plans, to which IAS 19 Employee Benefits applies, therefore, provident fund payable is also not included.

44 CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders the Company monitors the capital structure on the basis of gearing ratio based on long term borrowing. Total capital is calculated as 'equity' as shown in the statement of financial position plus long term finances. The gearing ratio as at year ended 30 June 2024 and 30 June 2023 are as follows:

	2024 Rupees	2023 Rupees
Long term finances	3,375,056,767	2,803,249,650
Total equity - excluding surplus on revaluation	6,199,167,110	6,046,346,614
Total capital	9,574,223,877	8,849,596,264
Gearing ratio	35%	32%

	Note	2024 Rupees	2023 Rupees (Restated)	2022 Rupees (Restated)
45 CASH AND CASH EQUIVALENT				
Cash and bank balances		471,841,940	328,463,334	414,295,353
Short term investment having maturity of less than three months		-	-	300,075,000
Short term finances repayable on demand		(998,464,594)	(1,403,676,903)	(2,263,340,323)
		(526,622,654)	(1,075,213,569)	(1,548,969,970)

45.1 The reason for restatement has been explained in note 6 to these financial statement.

46 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2024				
	Long term finances	Short term financing (excluding markup)	Lease liabilities	Dividend	Total
	----- Rupees -----				
Balance as at 01 July 2023	2,033,249,650	5,502,287,452	139,218,169	310,463	7,675,065,734
Changes from financing activities					
Repayments during the year	(421,842,883)	-	(3,494,000)	(335,795,380)	(761,132,263)
Proceeds during the year	993,650,000	2,567,507,106	-	-	3,561,157,106
Total changes from financing cash flows	571,807,117	2,567,507,106	(3,494,000)	(335,795,380)	2,800,024,843
Other changes					
Effect of unwinding and others	-	-	17,092,255	-	17,092,255
Remeasurement of lease	-	-	(678,598)	-	(678,598)
Change in running finance	-	(405,212,309)	-	-	(405,212,309)
Dividend declaration	-	-	-	336,000,000	336,000,000
Total liability related other changes	-	(405,212,309)	16,413,657	336,000,000	(52,798,652)
Closing as at 30 June 2024	2,605,056,767	7,664,582,249	152,137,826	515,083	10,422,291,925

	2023				
	Long term finances	Short term financing (excluding markup)	Lease liabilities	Dividend	Total
	----- Rupees -----				
Balance as at 01 July 2022	1,913,766,889	7,215,101,096	146,465,747	396,795	9,275,730,527
Changes from financing activities					
Repayments during the year	(180,517,239)	-	(26,234,715)	(168,086,332)	(374,838,286)
Proceeds during the year	300,000,000	(853,150,225)	-	-	(553,150,225)
Total changes from financing cash flows	119,482,761	(853,150,225)	(26,234,715)	(168,086,332)	(927,988,511)
Other changes					
Effect of unwinding and others	-	-	19,488,511	-	19,488,511
Remeasurement of lease	-	-	(501,374)	-	(501,374)
Change in running finance	-	(859,663,420)	-	-	(859,663,420)
Dividend declaration	-	-	-	168,000,000	168,000,000
Total liability related other changes	-	(859,663,420)	18,987,137	168,000,000	(672,676,283)
Closing as at 30 June 2023	2,033,249,650	5,502,287,451	139,218,169	310,463	7,675,065,733

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

47 CORRESPONDING FIGURES

During the year, the Company has made certain reclassifications which have been explained below and the same has been done for appropriate presentation:

Description	Reclassified from	Reclassified to	30 June 2023	01 July 2022
Accrued markup on long term loans and short term borrowings	Accrued markup	Short term borrowings	223,699,803	197,932,593
		Current portion of long term loan and lease liabilities	126,298,704	101,546,681
Grid station	Property, plant and equipment - Building	Property, plant and equipment - Plant and machinery	284,222,538	-
Provisions for warranty claims	Trade and other payables	Provisions	67,698,605	50,850,000
Advance income tax	"Advances, deposits, prepayments and other receivables"	Advance income tax - net	500,293,988	477,022,267
Lease rentals due but not paid	Trade and other payables	Current portion of long term loan and lease liabilities	11,150,819	2,040,246
		Long term loans and lease liabilities	17,097,405	24,313,553

48 STAFF PROVIDENT FUND

	2024 Rupees	2023 Rupees
Size of fund	248,926,478	196,003,200
Percentage of investments made	81.13%	78.40%
Fair value of investments	201,942,758	153,673,269
Cost of investments made	199,508,669	153,077,339

48.1 Breakup of investments in terms of amount and percentage of the size of provident fund are as follows:

	2024		
	Cost	Fair Value	%age of
	----- (Rupees) -----		
Meezan Bank Limited	189,296,418	189,296,418	76.05%
Albaraka Bank (Pakistan) Limited	912,251	912,251	0.37%
CDC Trustee Alfalah Islamic Rozana Amdani Fund	9,300,000	11,734,089	4.71%
	199,508,669	201,942,758	81.13%
	----- (Rupees) -----		
	2023		
	Cost	Fair Value	%age of
	----- (Rupees) -----		
Meezan Bank Limited	142,893,922	142,893,922	72.90%
Albaraka Bank (Pakistan) Limited	883,417	883,417	0.45%
CDC Trustee Alfalah Islamic Rozana Amdani Fund	9,300,000	9,895,930	5.05%
	153,077,339	153,673,269	78.40%

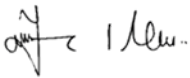
48.2 Investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

49 SUBSEQUENT EVENT

The Board of Directors in their meeting held on 07 October, 2024 have proposed a final cash dividend for the year ended June 30, 2024 of Rs. nil per share (2023: Rs. 2 per share), for approval of the members at the Annual General Meeting to be held on 28 October, 2024.

50 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors on 07 October, 2024.



Chief Executive Officer



Director



Chief Financial Officer

PATTERN OF SHAREHOLDING

SHAREHOLDINGS			
No. of Shareholders	From	To	Total Shares Held
369	1	100	13,174
435	101	500	157,139
1106	501	1,000	761,518
1316	1,001	5,000	2,959,929
239	5,001	10,000	1,792,457
78	10,001	15,000	999,576
38	15,001	20,000	696,989
19	20,001	25,000	449,362
16	25,001	30,000	464,744
11	30,001	35,000	354,178
6	35,001	40,000	225,159
6	40,001	45,000	261,546
14	45,001	50,000	686,034
4	50,001	55,000	213,013
9	55,001	60,000	526,449
6	60,001	65,000	379,871
5	65,001	70,000	337,000
3	70,001	75,000	213,978
1	75,001	80,000	76,494
1	80,001	85,000	82,700
2	85,001	90,000	173,000
1	90,001	95,000	90,900
4	95,001	100,000	398,846
2	100,001	105,000	208,000
1	115,001	120,000	119,000
3	120,001	125,000	366,499
3	130,001	135,000	399,500
3	145,001	150,000	444,500
1	160,001	165,000	161,800
1	175,001	180,000	179,238
1	180,001	185,000	181,294
2	190,001	195,000	384,000
1	220,001	225,000	222,149
1	225,001	230,000	228,500
1	230,001	235,000	234,500
2	245,001	250,000	500,000
1	275,001	280,000	278,000
1	320,001	325,000	325,000
1	380,001	385,000	380,500
1	405,001	410,000	408,426
1	420,001	425,000	425,000
2	440,001	445,000	884,000
2	475,001	480,000	956,119
1	595,001	600,000	600,000

SHAREHOLDINGS			
No. of Shareholders	From	To	Total Shares Held
1	655,001	660,000	660,000
1	675,001	680,000	678,000
1	950,001	955,000	950,375
1	1,125,001	1,130,000	1,126,500
1	1,180,001	1,185,000	1,182,014
1	1,395,001	1,400,000	1,400,000
1	1,455,001	1,460,000	1,459,058
1	1,880,001	1,885,000	1,881,500
1	2,325,001	2,330,000	2,326,500
1	4,510,001	4,515,000	4,513,500
1	7,445,001	7,450,000	7,450,000
1	17,370,001	17,375,000	17,373,000
1	26,395,001	26,400,000	26,400,000
1	80,395,001	80,400,000	80,399,472
3,735			168,000,000

Categories of Shareholders	No. of Shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	11	126,367,400	75.2187%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	1	7,450,000	4.4345%
2.3.3 NIT and ICP	1	179,238	0.1067%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	1	441,000	0.2625%
2.3.5 Insurance Companies	3	2,305,346	1.3722%
2.3.6 Modarabas and Mutual Funds	18	8,744,149	5.2049%
2.3.7 Shareholders holding 10% or more	3	124,364,472	74.0265%
2.3.8 General Public			
a. Local	3,647	19,750,952	11.7565%
b. Foreign	6	59,620	0.0355%
2.3.9 Others (to be specified)			
- Joint Stock Companies	24	1,089,806	0.6487%
- Leasing Company	1	1,100	0.0007%
- Pension Funds	8	1,011,396	0.6020%
- Others	14	599,993	0.3571%

CATEGORIES OF SHAREHOLDING REQUIRED UNDER CODE OF CORPORATE GOVERNANCE (CCG) AS ON JUNE 30, 2024

Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties (Name Wise Detail):			
1	MR. MUHAMMAD FAISAL IFTIKHAR	7,450,000	4.4345
Mutual Funds (Name Wise Detail)			
1	CDC - TRUSTEE ABL STOCK FUND	380,500	0.2265
2	CDC - TRUSTEE AL-AMEEN SHARIAH STOCK FUND	1,182,014	0.7036
3	CDC - TRUSTEE APF-EQUITY SUB FUND	147,500	0.0878
4	CDC - TRUSTEE APIF-EQUITY SUB FUND	135,000	0.0804
5	CDC - TRUSTEE ATLAS ISLAMIC DEDICATED STOCK	65,000	0.0387
6	CDC - TRUSTEE ATLAS ISLAMIC STOCK FUND	1,126,500	0.6705
7	CDC - TRUSTEE ATLAS STOCK MARKET FUND	2,326,500	1.3848
8	CDC - TRUSTEE HBL MULTI - ASSET FUND	3,000	0.0018
9	CDC - TRUSTEE HBL PF EQUITY SUB FUND	4,500	0.0027
10	CDC - TRUSTEE MCB PAKISTAN ASSET ALLOCATION FUND	40,000	0.0238
11	CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	678,000	0.4036
12	CDC - TRUSTEE NBP BALANCED FUND	17,700	0.0105
13	CDC - TRUSTEE NBP ISLAMIC STOCK FUND	120,499	0.0717
14	CDC - TRUSTEE NBP SARMAYA IZAFAT FUND	200	0.0001
15	CDC - TRUSTEE NBP STOCK FUND	1,459,058	0.8685
16	CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND	57,803	0.0344
17	CDC - TRUSTEE UBL STOCK ADVANTAGE FUND	950,375	0.5657
18	CDC-TRUSTEE AL-AMEEN ISLAMIC RET. SAV. FUND- EQUITY SUB FUND	50,000	0.0298
Directors and their Spouse and Minor Children (Name Wise Detail):			
1	MIAN IFTIKHAR AHMED	80,399,472	47.8568
2	MIAN FAISAL IFTIKHAR	26,592,000	15.8286
3	MRS. AYESHA IFTIKHAR	2,000,000	1.1905
4	MR. JAVED MASUD	132	0.0001
5	MR. IQBAL AHMED KHAN	132	0.0001
6	MR. ASAD SULTAN CHAUDHARY	132	0.0001
7	MR. ZAHID MAHMUD	132	0.0001
8	MRS. SAMINA IFTIKHAR W/O MIAN IFTIKHAR AHMED	17,373,000	10.3411
9	MRS. ASMA ASAD W/O ASAD SULTAN CHAUDHARY	2,400	0.0014
Executives:		100	0.0001
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		8,787,517	5.2307%
Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)			
1	MIAN IFTIKHAR AHMED	80,399,472	47.8568
2	MIAN FAISAL IFTIKHAR	26,592,000	15.8286
3	MRS. SAMINA IFTIKHAR	17,373,000	10.3411
All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:			
S.NO.	NAME	SALE	PURCHASE
1	MR. JAVED MASUD	15,000	15,000
2	MRS. FARZANA JAVED W/O MR. JAVED MASUD	2,400	

AFFIX
CORRECT
POSTAGE

The Company Secretary

PANTHER TYRES LIMITED

97-B, Aziz Avenue, Jail Road, Lahore

FORM OF PROXY

PANTHER TYRES LIMITED

41TH ANNUAL GENERAL MEETING

The Company Secretary
Panther Tyres Limited
97-B, Aziz Avenue, Jail Road
Lahore

I/We _____

Of (Residence / Registered Office) _____

Being a member of Panther Tyres Limited hereby appoint (Name & CNIC) _____

Of (Residence) _____

As a proxy to attend, speak and vote on my / our behalf at the Annual General Meeting of the Company to be held on the Monday 28th day of October 2024 at 12:00 pm and at any adjournment thereof.

Appointer detail:

CNIC / CUIN: _____

CDC Participant ID No. _____

CDC Account / Sub-Account No. _____

Rs. 50/-
Revenue
Stamp

Signature and Stamp*
Date:

Notes:

1. The proxy form should be signed by the appointer or attorney duly authorized in writing, or if the appointer is a company, it must be signed by an officer or attorney duly authorized.
2. A company may authorize an individual to act as its representative at the meeting by resolution of its board.
3. The proxies must be lodged with the company not later than forty-eight hours before the time for holding the AGM.
4. All members, through the proxy, shall authenticate their identity by showing the original CNIC/passport at the time of attending the meeting.

*in case the appointer is a company.

AFFIX
CORRECT
POSTAGE

The Company Secretary

PANTHER TYRES LIMITED

97-B, Aziz Avenue, Jail Road, Lahore



PANTHER



Panther House, 97-B, Aziz Avenue,
Jail Road, Lahore Pakistan

U.A.N: +92-42-111-55-4444

Website: www.panther tyres.com