



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

Innovating
in Harmony
with



Nature



GERMAN TECHNOLOGY
TESTED IN JAPAN & EUROPE

ANNUAL REPORT
2023

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

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

GTR
TYRE



CONTENTS

- 04** Vision / Mission / Purpose
- 09** Company Profile
- 10** Chairman's Review
- 13** Chairman's Review (in Urdu)
- 14** Directors' Report to the Shareholders
- 21** Directors' Report to the Shareholders (in Urdu)
- 24** Notice of Annual General Meeting
- 53** Notice of Annual General Meeting (in Urdu)
- 54** Financial Performance
- 59** Statement of Value Addition
- 62** Certifications



- 63** Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019
- 66** Independent Auditor's Review Report to the Members
- 67** Independent Auditor's Report to the Members
- 74** Statement of Financial Position
- 76** Statement of Profit or Loss and other Comprehensive Income
- 77** Statement of Changes in Equity



- 78** Statement of Cash Flows
- 79** Notes to and Forming Part of the Financial Statements
- 136** Pattern of Shareholding
- 138** Categories of Shareholders
- 139** Proxy Form (English & Urdu)

VISION

To be the leader in tyre technology by building the Company's image through quality improvement, competitive prices, customers' satisfaction and meeting social obligations.

MISSION

To endeavor to be the market leader by enhancing market share, consistently improving efficiency and the quality of our products.

To offer quality products at competitive prices to our customers.

To improve performance in all operating areas, so that profitability increases thereby ensuring growth for the company and increasing return to the stakeholders.

To create a conducive working environment leading to enhanced productivity, job satisfaction and personal development of our employees.

To enhance productivity and continue discharging its obligation to environment by contributing to social welfare and adopting environmental friendly practices and processes to serve the society.

PURPOSE

Our Purpose is to give people the freedom to achieve and reach their ultimate dream by embracing a journey that is smooth, safe and efficient. Thriving on a youthful spirit of advancement, we aim to turn words into actions, goals into realities and journeys into destinations.

GTR
/TYRE



Your Safety, Our Assurance

Safety isn't just a milestone achieved overnight. It's a journey, built over time and founded on trust. With over 55 years of unmatched expertise and experience in the Pakistan market and road infrastructure, GTR Tyres stand tall. Masterfully crafted using advanced German Technology and rigorously tested in Japan & Europe, we compete with the best, setting international benchmarks in quality, reliability, and durability. Ensuring a safer life on wheels with superior grip, choose GTR Tyres for unmatched safety.







THE NUMBER 1 TYRE BRAND


PAKWHEELS.COM

AUTOMOBILE INDUSTRY
SURVEY PEOPLES CHOICE
CAR AWARDS



GERMAN TECHNOLOGY
TESTED IN JAPAN & EUROPE

COMPANY PROFILE



Board of Directors*

Lt Gen (R) Ali Kuli Khan Khattak - Chairman
Mr. Hussain Kuli Khan - Chief Executive
Mr. Adnan Ahmed
Mr. Ahmad Kuli Khan Khattak
Mr. Manzoor Ahmed
Mrs. Nazia Qureshi
Syed Ahmed Iqbal Ashraf
Mr. Umair Aijaz

Company Secretary**

Mr. Yasir Ali Quraishi

Chief Financial Officer

Mr. Siraj A. Lawai

Board Audit Committee*

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

Board Human Resource & Remuneration Committee*

Lt Gen (R) Ali Kuli Khan Khattak
Mr. Adnan Ahmed
Mr. Ahmad Kuli Khan Khattak
Mr. Hussain Kuli Khan
Mr. Manzoor Ahmed
Mrs. Nazia Qureshi
Syed Ahmed Iqbal Ashraf

Auditors

Shinewing Hameed Chaudhri & Co.,
Chartered Accountants

Legal Advisor

Ahmed & Qazi Advocates & Legal Consultants

Share Registrar

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

Major Bankers

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

Registered Office & Factory

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

Branch Offices

Islamabad Office

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

Lahore Office / Sales & Service Centre

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

Multan Office

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

Sukkur Warehouse

Plot No. B30/8, Site Area, Sukkur.
Phone: +92 300 0562502

* Sequence of names in alphabetical order

**Resigned on September 20, 2023

CHAIRMAN'S REVIEW

It is my privilege to present the review on the performance of the Company for the financial year ended June 30, 2023.

BUSINESS REVIEW

Net sales in value terms for the year ended under review were Rs. 15.02 billion as compared to Rs. 18.59 billion in the last year, showing decline of 19%.

Sales for the financial year under review in the Replacement Market (RM) was affected due to heavy rains and floods in August / September, economic slowdown and increase in the availability of smuggled tyres. The Original Equipment Manufacturers (OEMs) were hampered by the restrictions imposed on opening of letter of credits (LCs). Due to non-availability of CKD kits, the Passenger Car OEMs observed non production days, which impacted our OEM sales. On the other hand, the farm OEM sales which although impacted in the first half of the financial year, due to heavy floods, showed improvement in second half, owing to better crops and increase in crop support prices. The Company is also affected by the restrictions imposed on opening of LCs for importing raw materials which in turn impacted our sales.

The export sales of the Company for the financial year were Rs. 219 million as compared to Rs. 165 million in last year. The Company is also exploring opportunities to expand its export sales to other countries as well to partially offset the sales impacted by the OEM segment.

The gross profit for the year was Rs. 2,292 million as compared to Rs. 2,453 million in last year. Gross profit in value terms decreased by Rs. 161 million, due to lower sales than last year and lower absorption of fixed cost due to less production days consequent to import restriction on raw material. Gross profit margin was 15.3% as compared to 13.2% in last year. Higher gross margin was mainly due to better sales mix, price increase and enhanced focus on RM which was partly offset by significant devaluation of Rupee and general inflation.

The finance cost for the year was Rs. 1,292 million as compared to Rs. 748 million in the last year. Increase in financial cost is mainly attributable to increase in discount rate by SBP and higher working capital requirements consequent to devaluation of Pak Rupee, partially offset by better working capital management.

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

The uncertain economic and political conditions has led to significant devaluation of Pak Rupee, which has resulted in an exchange loss of Rs 354 million.

As a result of the factors mentioned above, loss after tax for the year ended June 30, 2023 was Rs. 167.4 million as compared to profit after tax of Rs. 356.1 million reported in last year.

FUTURE PROSPECTS

As reported earlier, your Company has developed new radial tyres in 17 inch and 18 inch rim size tyres for Sports Utility Vehicle (SUV) / Crossover. The Company has started supplying tyres of new variant of 17 inch rim size to OEM for the SUV / Crossover segment. Moreover, another OEM has also approved this 17 inch rim size tyre for its upcoming model.

Besides that, some of the OEMs have also shown their interest in 18 inch rim size tyre. We have already started selling 18 inch rim size tyre in RM. For its mass production, the Company plans to import few machines and molds, which would be procured once restrictions on import of machinery are eased.

Lately, under invoicing and smuggling has increased substantially, which is not only affecting the local industry but also depriving the Government of its due tax revenue. We hope that this practice will be curbed. This will not only result in higher tax revenue for the Government but will also provide level playing field to the local industry and will be helpful in providing employment.

The Company is also working on strategies to reduce cost. Moreover, it is also working on developing new sizes and designs for both OEM and RM segments, some of which have already been commercialized and being sold in OEM and RM segments.

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

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

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



LT GEN (R) ALI KULI KHAN KHATTAK
Chairman
For and on behalf of the Board of Directors

Karachi
August 24, 2023

مستقبل کے امکانات

جیسا کہ پہلے بتایا گیا ہے، آپ کی کمپنی نے اسپورٹس یوٹیلٹی ویہکل (SUV) / کراس اور کے لیے 17 اور 18 انچ رم سائز کے ٹائروں میں نئے ریڈیل ٹائز تیار کیے ہیں۔ کمپنی نے (SUV) / کراس اور سیگمنٹ کے لیے OEM کو 17 انچ رم سائز کے نئے ویرینٹ کے ٹائز فراہم کرنا شروع کر دیے ہیں۔ مزید برآں، ایک اور OEM نے بھی اپنے آنے والے ماڈل کے لیے 17 انچ رم سائز کے ٹائز کی منظوری دے دی ہے۔

اس کے علاوہ، کچھ OEMs نے 18 انچ رم سائز کے ٹائز میں بھی اپنی دلچسپی ظاہر کی ہے۔ ہم نے پہلے ہی RM میں 18 انچ رم سائز کا ٹائز فروخت کرنا شروع کر دیا ہے۔ بڑے پیمانے پر پیداوار کے لیے، کمپنی چند مشینیں اور سانچوں کو درآمد کرنے کا ارادہ رکھتی ہے، جو مشینری کی درآمد پر پابندیوں میں نرمی کے بعد خریدی جائیں گی۔

حال ہی میں ٹائروں کی انڈر انوائسنگ اور سمگلنگ میں خاطر خواہ اضافہ ہوا ہے، جس سے نا صرف مقامی صنعت متاثر ہو رہی ہے بلکہ حکومت کی واجب الادا ٹیکس آمدنی بھی متاثر ہو رہی ہے۔ ہمیں امید ہے کہ اس پریکٹس کو روکا جائے گا۔ اس سے نہ صرف حکومت کو زیادہ ٹیکس کی آمدنی ملے گی بلکہ مقامی انڈسٹری کو بھی مساوی مواقع ملیں گے اور روزگار فراہم کرنے میں مدد ملے گی۔

کمپنی لاگت کو کم کرنے کے لئے مختلف حکمت عملیوں پر کام کر رہی ہے۔ مزید یہ کہ OEMs اور RMs، دونوں سیگمنٹ کے لئے نئے سائز اور ڈیزائن پر بھی کام ہو رہا ہے، جن میں سے کچھ کو پہلے ہی کمرشلایز کیا جا چکا ہے اور OEMs اور RMs طبقات میں فروخت کیا جا رہا ہے۔

مشکل معاشی صورتحال اور مسابقتی دباؤ کے باوجود، ہم سمجھتے ہیں کہ کاروبار میں طویل مدتی ترقی کی صلاحیت برقرار ہے۔

بورڈ اپنے تمام OEMs اور RMs صارفین کا شکریہ ادا کرتا ہے جو کمپنی کی مصنوعات پر اعتماد اور حمایت کرتے ہیں۔

بورڈ اپنے بینکروں اور مالیاتی اداروں کا تعاون فراہم کرنے پر شکریہ ادا کرتا ہے۔ بورڈ مشکل معاشی حالات میں ملازمین اور انتظامیہ کے ذریعہ پیش کردہ سرشار خدمات کی بھی تعریف کرتا ہے۔



لیفٹیننٹ جنرل (ر) علی قلی خان خٹک

چیئرمین

برائے اور منجانب بورڈ آف ڈائریکٹرز

کراچی

24 اگست، 2023

چیمبر مین کا تجزیہ

میں نہایت اعزاز کے ساتھ کمپنی کی کارکردگی کی رپورٹ ختم ہونے والے مالی سال 30 جون، 2023 پیش کر رہا ہوں۔

کاروباری تجزیہ

زیر جائزہ ختم ہونے والے سال کے دوران خالص فروخت 15.02 ارب روپے رہی، جو کہ پچھلے سال 18.59 ارب روپے کے مقابلے میں قدر کے لحاظ سے 19 فیصد کمی کو ظاہر کرتی ہے۔

ریٹیلیسمٹ مارکیٹ (RM) میں زیر جائزہ مالی سال کی فروخت اگست / ستمبر میں شدید بارشوں اور سیلاب، معاشی سست روی اور اسمگل شدہ ٹائروں کی دستیابی میں اضافے کی وجہ سے متاثر ہوئی۔ اور پینل ایکویپمنٹ مینوفیکچررز (OEMs) لیٹر آف کریڈٹس (LCs) کھولنے پر عائد پابندیوں کی وجہ سے متاثر ہوئے۔ CKD کٹس کی عدم دستیابی کی وجہ سے، مسافر کار بنانے والے (OEMs) نے غیر پیداواری دنوں کا مشاہدہ کیا، جس نے ہماری OEM کی فروخت کو متاثر کیا۔ دوسری طرف، OEM میں فارم ٹائروں کی فروخت جو کہ مالی سال کی پہلی ششماہی میں شدید سیلاب کی وجہ سے متاثر ہوئی تھی، دوسری ششماہی میں بہتر فصلوں اور فصلوں کی امدادی قیمتوں میں اضافے کی وجہ سے بہتر ہوئی۔ کمپنی خام مال کی درآمد کے لیے (LC) کھولنے پر عائد پابندیوں سے بھی متاثر ہوئی ہے جس کے نتیجے میں ہماری فروخت متاثر ہوئی۔

اس مالی سال میں کمپنی کی برآمدی فروخت 219 ملین روپے رہی، جو پچھلے سال کے اسی دورانیہ میں 165 ملین روپے تھی۔ کمپنی دوسرے ممالک میں اپنی برآمدی فروخت کو بڑھانے کے ساتھ ساتھ OEM طبقہ سے متاثر ہونے والی فروخت کو جزوی طور پر پورا کرنے کے مواقع بھی تلاش کر رہی ہے۔

اس مالی سال میں کل منافع 2,292 ملین روپے رہا جو پچھلے سال اسی دورانیہ میں 2,453 ملین روپے تھا۔ مالیت کے لحاظ سے مجموعی منافع میں 161 ملین روپے کمی ہوئی، یہ کمی گذشتہ سال کے مقابلے میں کم فروخت اور خام مال کی درآمد پر پابندی کے نتیجے میں کم پیداواری دنوں کی وجہ سے مقررہ لاگت کے کم مختص ہونے کی وجہ سے ہوئی۔ مجموعی منافع کا مارجن 15.3 فیصد رہا جبکہ پچھلے سال اسی عرصے میں یہ 13.2 فیصد تھا۔ زیادہ مجموعی مارجن بنیادی طور پر بہتر سیلز مکس، قیمت میں اضافے اور RM کی فروخت پر توجہ مرکوز کرنے کی وجہ سے تھا، جس کو جزوی طور پر روپے کی قدر میں نمایاں کمی اور عام افراط زر نے کم کیا ہے۔

اس مدت میں مالیاتی اخراجات 1,292 ملین روپے رہے جو کہ پچھلے سال اسی مدت کے مقابلے میں 748 ملین روپے تھے۔ مالیاتی لاگت میں اضافہ بنیادی طور پر SBP کی جانب سے ڈسکاؤنٹ ریٹ میں اضافے اور پاک روپے کی قدر میں کمی کے نتیجے میں زیادہ ورکنگ کیپیٹل کی ضروریات سے منسوب ہے، جسے جزوی طور پر بہتر ورکنگ کیپیٹل مینجمنٹ کے ذریعے کم کیا گیا ہے۔

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

غیر یقینی معاشی اور سیاسی حالات کی وجہ سے امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں نمایاں کمی آئی ہے، جس کے نتیجے میں 354 ملین روپے کے زرمبادلہ کا نقصان ہوا ہے۔

مذکورہ عوامل کے نتیجے میں، نقصان بعد از محصول ختم ہونے والے سال 30 جون، 2023 میں 167.4 ملین روپے رہا جو کہ پچھلے سال منافع بعد از محصول 356.1 ملین روپے تھا۔

DIRECTORS' REPORT

The Directors of Ghandhara Tyre and Rubber Company Limited (the "Company") are pleased to present the Annual Report accompanied by Audited Financial Statements for the year ended June 30, 2023.

	2023	2022
	--- Rupees in '000 ---	
OPERATING RESULTS		
(Loss) / Profit for the year after taxation	(167,364)	356,065
Other comprehensive loss	(31,240)	(27,147)
Unappropriated profit brought forward	1,259,399	1,296,281
APPROPRIATION		
Dividend	-	365,800
Unappropriated profit carried forward	1,060,795	1,259,399
(Loss) / Earnings per share – basic and diluted	Rs. (1.37)	Rs. 2.92

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Directors confirm the compliance with the Corporate and Financial Reporting Framework of the Securities and Exchange Commission of Pakistan and Code of Corporate Governance for the following matters:

- The financial statements prepared by the management of the Company, fairly present its state of affairs, the results of its operations, cash flows and changes in equity.
- The Company has maintained proper books of account.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgments.
- International Financial Reporting Standards, as applicable in Pakistan, have been duly followed in preparation of the financial statements.
- There has been no material departure, other than that which has been disclosed in the Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- Key operating and financial data for the last 6 years have been included in the Annual Report 2023.
- Information regarding outstanding taxes and levies is given in the notes to the financial statements.
- The Company has made all its debt repayments as per agreed timeline.

- The value of investments made by the staff retirement funds as per their respective audited accounts are given below:

	Value of Investment	Year ended
Provident Fund	Rs. 391.765 Million	June 30, 2022
Gratuity Fund	Rs. 132.910 Million	June 30, 2022

- All direct and indirect trading in the Company's shares by directors and executives or their spouses during the financial year ended 30 June 2023, were notified in writing to the Company Secretary along with the price, the number of shares, form of shares, and nature of the transaction. All such transactions were disclosed at the PSX and reported to the Board of Directors.

INTERNAL AUDIT

The Company has an Internal Audit function, which reports directly to the Board Audit Committee (BAC). The BAC regularly reviews the appropriateness of resources and authority of this function. The Head of Internal Audit also directly reports to the BAC. The BAC approves the audit plan, based on an annual and quarterly assessment of the operating areas. The Internal Audit function carries out reviews on the financial, operational and compliance controls, and reports on findings to the BAC.

CORPORATE SOCIAL RESPONSIBILITY

The Company has the culture and history of undertaking social and philanthropic activities and regularly funding a school of The Citizen Foundation located in Landhi, Karachi, Waqf-e-Kuli Khan Trust, a trust engaged in spreading of education in the under privileged class and other charitable institutions.

CONTRIBUTION TO NATIONAL EXCHEQUER

During the year the Company contributed Rs. 3,191 million towards national exchequer by way of Custom duties, Income tax, Sales tax, and other modes.

BOARD MEETINGS

During the year, six (6) meetings of the Board of Directors were held.

Attendance of each Director is as follows:

S. No.	Name of Director	No. of Meeting attended
1.	Lt Gen (R) Ali Kuli Khan Khattak	6
2.	Mr. Ahmad Kuli Khan Khattak	5
3.	Mr. Hussain Kuli Khan (CEO)	6
4.	Mr. Manzoor Ahmed	6
5.	Syed Ahmed Iqbal Ashraf	5
6.	Mr. Adnan Ahmed	6
7.	Mr. Umair Aijaz	6
8.	Mrs. Nazia Qureshi	6

Leave of absence(s) was granted to the Directors who could not attend some of the board meetings.

BOARD COMPOSITION AND REMUNERATION

None of the Board members hold directorships of more than seven (7) listed companies.

The total number of directors are eight (8) including one (1) independent female director.

Gender	Number
Male	7
Female	1

The composition of the Board as at June 30, 2023 is as follows:

Category	Names
Chairman BOD	Lt Gen (R) Ali Kuli Khan Khattak
Non-Executive Directors	Mr. Ahmad Kuli Khan Khattak Mr. Manzoor Ahmed Mr. Adnan Ahmed Mr. Umair Aijaz
Independent Directors	Syed Ahmed Iqbal Ashraf Mrs. Nazia Qureshi
Executive Director	Mr. Hussain Kuli Khan - (CEO)

Board Audit Committee (BAC):	Category
Syed Ahmed Iqbal Ashraf	Chairman
Lt Gen (R) Ali Kuli Khan Khattak	Member
Mr. Ahmad Kuli Khan Khattak	Member
Mr. Manzoor Ahmed	Member
Mr. Umair Aijaz	Member

Board Human Resource and Remuneration Committee (BHR&RC):	Category
Syed Ahmed Iqbal Ashraf	Chairman
Lt Gen (R) Ali Kuli Khan Khattak	Member
Mr. Ahmad Kuli Khan Khattak	Member
Mr. Manzoor Ahmed	Member
Mr. Adnan Ahmed	Member
Mrs. Nazia Qureshi	Member
Mr. Hussain Kuli Khan	Member

The Company has a formal policy and transparent procedures for the remuneration of its directors in accordance with the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019. The remuneration, including the director fee for attending the Board Meeting paid to the Directors and Chief Executive Officer is disclosed (Note 31.3 and 40 to the financial statements).

MANAGEMENT COMMITTEE

The Management Committee comprises of five (5) senior members who meet and discuss significant business plans, issues and progress updates from their respective functions. Significant matters are placed before the Board of Directors and its relevant sub-committees in accordance with the applicable Code of Corporate Governance Regulations, for onward discussion and approval.

CHAIRMAN'S REVIEW

The Directors of the Company endorse the contents of the Chairman's Review, which covers performance, plans and decisions for business along with future outlook.

HEALTH, SAFETY AND ENVIRONMENT

We as a Company recognizes Occupational Health, Safety and Environment as one of its guiding principles and a key component of our corporate social responsibility.

PATTERN OF SHAREHOLDING

A statement showing the pattern of holding of shares as at June 30, 2023 is attached.

AUDITORS

The present auditors, M/s. Shinewing Hameed Chaudhri & Co., Chartered Accountants have retired. The Board of Directors recommended to re-appoint M/s. Shinewing Hameed Chaudhri & Co., Chartered Accountants as an auditors of the Company at an Audit Fee to be mutually agreed and reimbursements of out of pocket expenses at actuals, for the year ending 30 June, 2024.

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 the date of this report.

For and on behalf of the Board of Directors



Hussain Kuli Khan
Chief Executive



Nazia Qureshi
Director

Karachi
August 24, 2023

کمپنی کی ایک باقاعدہ پالیسی ہے اور کمپنیز ایکٹ 2017 اور سٹاک ایکٹس (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے مطابق اس کے ڈائریکٹرز کے مشاہرے کا تعین شفاف طریقے سے کیا جاتا ہے۔ مشاہرے، بشمول ڈائریکٹرز کے بورڈ میٹنگ میں حاضری کی فیس، جو ڈائریکٹرز اور چیف ایگزیکٹو آفیسر کو ادا کی گئی، (نوٹ 31.3 اور 40 برائے مالیاتی گوشوارے میں درج ہے)

انتظامی کمیٹی

انتظامی کمیٹی پانچ (5) سینئر ممبران پر مشتمل ہے جو اہم کاروباری منصوبوں، امور اور اپنے متعلقہ شعبوں میں ترقیاتی کاموں کا جائزہ لینے کے لیے تبادلہ خیال کرتے ہیں۔ قابل اطلاق کوڈ آف کارپوریٹ گورننس کے ضابطہ اخلاق کے مطابق بورڈ آف ڈائریکٹرز اور اس سے متعلقہ ذیلی کمیٹیوں کے سامنے اہم امور پر مزید بحث اور منظوری کے لیے رکھے جاتے ہیں۔

چیئر مین کا تجزیہ

کمپنی کے ڈائریکٹرز چیئر مین کے تجزیے کے مشمولات کی توثیق کرتے ہیں، جو کاروبار سے متعلق کارکردگی، منصوبوں، فیصلوں اور مستقبل کے امکانات کی معلومات پر مشتمل ہے۔

صحت، حفاظت اور ماحولیات

ہم بطور کمپنی اعلیٰ معیار کی صحت، حفاظت اور ماحولیات کو اس کے رہنما اصولوں کے مطابق برقرار رکھنے پر یقین رکھتے ہیں اور اسے سماجی ذمہ داری کا ایک کلیدی جز تسلیم کرتے ہیں۔

شیئر ہولڈنگ کا طریقہ کار

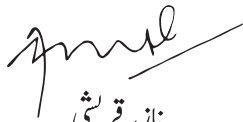
کمپنی کی شیئر ہولڈنگ کا طریقہ کار 30 جون، 2023 اس رپورٹ میں درج ہے۔

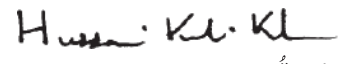
آڈیٹرز

موجودہ آڈیٹرز مینسز۔ شائن ونگ حمید چوہدری اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو گئے ہیں۔ بورڈ آف ڈائریکٹرز نے مینسز۔ شائن ونگ حمید چوہدری اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو بحیثیت کمپنی کے آڈیٹرز کو باہمی طے شدہ معاوضے بمعہ دیگر اخراجات کے عوض، ختم ہونے والے سال 30 جون 2024 کے لیے دوبارہ تقرری کی سفارش کی ہے۔

بعد کے واقعات

کمپنی کے مالیاتی سال کے اختتام اور اس رپورٹ کی تاریخ کے مابین کمپنی کی مالی حیثیت کو متاثر کرنے والی کوئی مادی تبدیلیاں یا وعدے عمل میں نہیں آئے۔


نازیہ قریشی
ڈائریکٹر

بورڈ آف ڈائریکٹرز کی جانب سے

حسین قلی خان
چیف ایگزیکٹو
کراچی

24 اگست، 2023

بورڈ کی تشکیل اور معاوضہ

بورڈ ممبران میں سے کوئی بھی رکن سات (7) سے زیادہ لسٹڈ کمپنیوں کی ڈائریکٹر شپ نہیں رکھتا۔
ڈائریکٹرز کی کل تعداد آٹھ (8) ہے جن میں ایک (1) آزاد خاتون ڈائریکٹر بھی شامل ہے۔

جنس	تعداد
مرد	7
عورت	1

30 جون 2023 کو بورڈ کی تشکیل مندرجہ ذیل ہے۔

کیپٹیری	نام
چیئرمین بورڈ آف ڈائریکٹرز	لیفٹیننٹ جنرل (ر) علی فقی خان خٹک
غیر ایگزیکٹو ڈائریکٹرز	جناب احمد فقی خان خٹک جناب منظور احمد جناب عدنان احمد جناب عمیر اعجاز
آزاد ڈائریکٹرز	جناب سید احمد اقبال اشرف محترمہ نازیہ قریشی
ایگزیکٹو ڈائریکٹر	جناب حسین فقی خان (سی ای او)

بورڈ آڈٹ کمیٹی	کیپٹیری
جناب سید احمد اقبال اشرف	چیئرمین
لیفٹیننٹ جنرل (ر) علی فقی خان خٹک	ممبر
جناب احمد فقی خان خٹک	ممبر
جناب منظور احمد	ممبر
جناب عمیر اعجاز	ممبر

بورڈ ہیومن ریسورس اور معاوضہ کمیٹی	کیپٹیری
جناب سید احمد اقبال اشرف	چیئرمین
لیفٹیننٹ جنرل (ر) علی فقی خان خٹک	ممبر
جناب احمد فقی خان خٹک	ممبر
جناب منظور احمد	ممبر
جناب عدنان احمد	ممبر
محترمہ نازیہ قریشی	ممبر
جناب حسین فقی خان	ممبر

- کمپنی کے ملازمین کے سرمایہ کفالت کی مالیت کے آڈٹ شدہ اکاؤنٹس درج ذیل ہیں۔

ختم ہونے والے سال

سرمایہ کاری کی قیمت

30 جون، 2022

391.765 ملین روپے

پروویڈینٹ فنڈ

30 جون، 2022

132.910 ملین روپے

گرہجوٹی فنڈ

- 30 جون 2023 کو ختم ہونے والے مالی سال کے دوران کمپنی کے ڈائریکٹرز، ایگزیکٹوز اور ان کے فیملی ممبرز کی طرف سے کمپنی کے حصص کی تمام براہ راست اور بالواسطہ لین دین کی قیمت، شیئرز کی تعداد، شیئرز کی شکل، اور اسکی نوعیت کے بارے میں کمپنی سیکرٹری کو تحریری صورت میں مطلع کیا گیا تھا۔ اس طرح کے تمام لین دین کا انکشاف PSX میں کیا گیا اور بورڈ آف ڈائریکٹرز کو رپورٹ کیا گیا۔

انٹرنل آڈٹ

کمپنی کا ایک انٹرنل آڈٹ فنکشن ہے، جو براہ راست بورڈ آڈٹ کمیٹی (BAC) کو رپورٹ کرتا ہے۔ BAC باقاعدگی سے اس کے وسائل اور اختیارات کے فنکشنز کا جائزہ لیتا ہے۔ ہیڈ آف انٹرنل آڈٹ بھی براہ راست BAC کو رپورٹ کرتا ہے۔ BAC آڈٹ پلان کی منظوری دیتا ہے، جو کہ آپریٹنگ ایریاز کی سالانہ اور سہ ماہی کارکردگی پر مبنی ہوتا ہے۔ انٹرنل آڈٹ فنکشن مالی، آپریشنل اور کمپلائنس کنٹرولز پر جائزے اور BAC کو نتائج کی رپورٹس کرتا ہے۔

کمپنی کی سماجی ذمہ داری

کمپنی میں معاشرتی اور انسان دوستی کی سرگرمیوں کو انجام دینے کی ثقافت اور تاریخ ہے۔ کمپنی باقاعدگی سے لائڈھی میں واقع دی سٹیزن فاؤنڈیشن کے ایک اسکول، وقف قلی خان ٹرسٹ (ایک ایسٹریٹس جو مستحق طلبہ کی تعلیم کو فروغ دینے میں مصروف عمل ہے) اور مختلف فلاحی اداروں کو بھی عطیات دیتی رہتی ہے۔

قومی خزانے میں معاونت

اس سال کے دوران کمپنی نے کسٹم ڈیوٹی، ایکسائس، سیلز ٹیکس اور دیگر طریقوں کے ذریعہ 3,191 ملین روپے قومی خزانے میں جمع کرائے ہیں۔

بورڈ میٹنگ

اس سال کے دوران بورڈ آف ڈائریکٹرز کے چھ (6) اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری مندرجہ ذیل ہے۔

نمبر شمار	ڈائریکٹر کا نام	میٹنگز میں حاضری کی تعداد
1.	لیفٹیننٹ جنرل (ر) علی قلی خان خٹک	6
2.	جناب احمد قلی خان خٹک	5
3.	جناب حسین قلی خان (سی ای او)	6
4.	جناب منظور احمد	6
5.	جناب سید احمد اقبال اشرف	5
6.	جناب عدنان احمد	6
7.	جناب عمیر اعجاز	6
8.	محترمہ نازیہ قریشی	6

جو ڈائریکٹرز اجلاس میں حاضر نہ ہو سکے ان کو عدم موجودگی پر رخصت عطا کر دی گئی۔

ڈائریکٹرز رپورٹ

گندھارا ٹائر اینڈ ربر کمپنی لمیٹڈ ("کمپنی") کے ڈائریکٹرز 30 جون، 2023 کو ختم ہونے والے سال کیلئے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ سالانہ رپورٹ پیش کرتے ہوئے انتہائی خوشی محسوس کرتے ہیں۔

مالیاتی نتائج

2022	2023	
----- (روپے '000) -----		
356,065	(167,364)	(نقصان) / منافع بعد از ٹیکس
(27,147)	(31,240)	دیگر جامع نقصان
1,296,281	1,259,399	غیر منقسم شدہ منافع
تصرفات		
365,800	-	ڈیویڈنڈ
1,259,399	1,060,795	غیر منقسم شدہ منافع آگے لایا گیا
2.92 روپے	(1.37) روپے	(نقصان) / آمدنی فی شیئر بنیادی اور کمزور

کارپوریٹ اور مالی رپورٹنگ فریم ورک

مندرجہ ذیل ضابطہ برائے کاروباری نظم و نسق، اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک کے مطابق ڈائریکٹرز مسرت کے ساتھ یقین دلاتے ہیں کہ:

- کمپنی کی انتظامیہ کی جانب سے تیار کیے جانے والی مالیاتی گوشوارے شفافیت کے ساتھ کمپنی کے آپریشن کے نتائج، نقدی نقل و حرکت اور ایکویٹی میں تبدیلیوں کو پیش کرتی ہے۔

- کمپنی حسابات کی کتب کو باقاعدہ برقرار رکھتی ہے۔

- مالیاتی گوشواروں کی تیاری کے لئے مناسب اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو کی جاتی ہیں اور اکاؤنٹنگ تخمینے، معقول اور دانشمندانہ فیصلوں پر مبنی ہوتے ہیں۔

- مالیاتی گوشواروں کی تیاری پاکستان میں قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات کے مطابق کی جاتی ہے۔

- کارپوریٹ گورننس کے بہترین طریقوں سے، بیان کردہ کے علاوہ کوئی انحراف نہیں کیا گیا، جیسا کہ درج کمپنیوں کے ضابطہ اخلاق (کارپوریٹ گورننس) ضابطہ، 2019 میں تفصیل سے بیان کیا گیا ہے۔

- اندرونی کنٹرول کا نظام بہترین انداز میں مرتب کیا گیا ہے اور اسے موثر طریقے سے نافذ اور نگرانی کی جا رہی ہے۔

- جاری و ساری منصوبوں اور امور کی انجام دہی کے لئے کمپنی کی صلاحیتوں پر کوئی شبہات نہیں ہیں۔

- پچھلے 6 سالوں کی اہم کارکردگی اور مالیاتی اعداد و شمار کو سالانہ رپورٹ 2023 میں شامل کیا گیا ہے۔

- غیر ادا شدہ ٹیکسز اور لیویز کے بارے میں معلومات مالیاتی گوشوارے کے نوٹ میں درج ہے۔

- کمپنی نے اپنے تمام قرضوں کی ادائیگی طے شدہ ٹائم لائن کے مطابق کر دی ہے۔



QUALITY



As Pakistan's premier tyre manufacturer, our commitment to quality is unwavering. GTR's legacy is built upon harnessing top-tier materials, ensuring an unmatched driving experience. Our dedication to excellence is reflected in our esteemed ISO Certifications: 9001, 14001, and 45001.

NOTICE OF 60th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **60th** Annual General Meeting (**AGM**) of Ghandhara Tyre and Rubber Company Limited (hereinafter referred to as the "**Company**") will be held on Thursday, October 26, 2023 at 11.00 a.m. at Beach Luxury Hotel, M. T. Khan Road, Lalazar, Karachi, physically and through electronic means.

Instructions with regard to participation would appear in the notes below. While convening the AGM, the Company will observe the quorum provisions and will comply with all the regulatory requirements.

The AGM is being held to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Annual Financial Statements of the Company for the year ended 30 June 2023, together with the Reports of the Directors and Auditors thereon.
2. To appoint statutory auditors of the Company for the year ending 30 June 2024 and fix their remuneration. The Board of Directors has recommended M/s. Shinewing Hameed Chaudhri & Co. Chartered Accountants, to be re-appointed as statutory auditors at a fee to be mutually agreed and reimbursement of out of pocket expenses at actuals. M/s. Shinewing Hameed Chaudhri & Co. Chartered Accountants have provided their consent to be re-appointed as statutory auditors for the financial year 2024.

SPECIAL BUSINESS

3. To alter the following Articles of Association:

To consider and if deemed fit, to pass the following resolutions a special resolutions to alter the provisions of articles of association of the Company, with modification, addition(s) or deletion(s), as recommended by the Board of Directors:

Article 2. INTERPRETATION:

(21) "Dividend" means the dividend payable, in cash or kind, to the holder of Shares of the Company out of the profits of the Company as per the provisions of the Act, these Articles and the rules and regulations issued under the Act from time to time.

Article 121. SPECIAL POWERS:

Without prejudice to the general powers conferred by Article 120 and other conferred by these Articles but subject to such limitations as may be imposed by the Applicable Law and, in particular, Section 183, or by the Members in General Meeting, it is hereby expressly declared that the Directors shall have the following powers:

(34) To set aside before recommending any Dividend out of the profits of the Company sums, as they may think proper, for depreciation or to a depreciation fund, reserve fund or sinking fund, obsolescence or any other special funds to meet contingencies or to repay Certificates or for special Dividends or for equalising Dividends, or for issuing bonus Shares or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding sub-Article) as the Directors may, in their absolute discretion, think conducive to the interests of the Company,

and to invest the several sums so set aside or so much thereof as are required to be invested upon such investments as they may think fit, and from time to time to deal with and vary such investments and dispose of and extend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors, in their absolute discretion, think conducive to the interests of the Company, notwithstanding that, matters to which the Directors apply or upon which they expend the same or any part thereof, may be matters to or upon which the Capital moneys of the Company might rightly be applied or expended and to divide the reserve fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds, including the depreciation funds, in the business of the Company or in the purchase or repayment of Certificates and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power, however, to the Directors, at their discretion, to pay or allow to the credit of such funds interest at such rates as the Directors may think proper.

Article 142. CAPITALISATION OF RESERVE:

The Directors may at any time and from time to time pass a resolution that it is expedient to capitalise any sum forming part of the undivided profits standing to the credit of the Company's reserve or reserve fund or in the hands of the Company and available for Dividend, or any sum received by way of premium on the issue of any Shares or Certificates of the Company apply such sum or sums in paying up / issuing the Bonus Shares, Shares or Certificates of the Company and appropriate / distribute such Bonus Shares, Shares or Certificates or Debenture to the shareholders of the Company rateably according to their shareholding in the Company , or otherwise deal with such sums as resolved in the said resolution. Where any difficulty arises in respect of such distribution, the Directors may settle the same as they think expedient and, in particular, may make cash payments for the fractional Bonus Shares, Shares or Certificates to any holders of Shares on the footing of the value so fixed as may seem just and expedient to the Directors.

Article 143. RESERVE FUND:

The Directors may, before recommending any Dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting contingencies, or for equalizing Dividends, or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investment as the Directors may, subject to the provisions of the Act, from time to time, think fit.

Article 155. CAPITALIZATION OF PROFITS:

The Directors may, from time to time, resolve that it is desirable to capitalize any part of the amount/profits for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Financial Statement or otherwise available for distribution, and accordingly that such sum be set free for distribution among the Members who would have been entitled thereto if distributed by way of Dividend and in the same proportions, on condition that the same be not paid in cash but be applied in or towards paying up the Bonus Shares or Debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst such Members in the proportion, aforesaid, and the Company shall give effect to such resolution.

4. Transmission of Annual Report including Notice of General Meetings:

To approve, as and by way of an Ordinary Resolution, transmission of the annual balance sheet, profit & loss account, auditors report, directors report (the "Audited Annual Financial Statements") and the notice of general meetings etc. to the Company's shareholders through email or QR enabled code and weblink as allowed by the Securities and Exchange Commission of Pakistan via S.R.O No. 389(I)/2023 dated March 21, 2023:

"RESOLVED THAT *as notified by the Securities and Exchange Commission of Pakistan via S.R.O No.389(I)/2023 dated March 21, 2023 transmission of Annual Audited Financial Statements to the members through QR enabled code and weblink instead of transmitting the Annual Audited Accounts through CD/DVD/USB, be and is hereby ratified and approved for future."*

ANY OTHER BUSINESS

5. To transact with the permission of the Chair any other business which may be transacted at the AGM.

The information as required under section 134(3) of the Companies Act, 2017 is being provided along with the Notice of the AGM being sent to the shareholders.

Karachi
Dated: 5 October 2023

By Order of the Board



Hussain Kuli Khan
Chief Executive Officer

NOTES:



1. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed for the period from October 19, 2023 to October 26, 2023 (both days inclusive) for the purpose of AGM. Transfers received in order at our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block- B, S.M.C.H.S., Main Shakra-e-Faisal, Karachi at the close of business on October 18, 2023 shall be treated in time for the purpose of AGM. No transfer will be accepted for registration during this period.

2. Participation in the AGM via Physical Presence or through Video Conferencing:

Members whose names are appearing in the Register of Members as of October 19, 2023, are entitled to attend and vote at the AGM. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend, speak and vote for him/ her.

An instrument of proxy applicable for the AGM is being provided with the Notice sent to the Members. Further copies of the instrument of proxy may be obtained from the Registered Office of the Company during normal office hours. Proxy form may also be downloaded from the Company's website: www.gtr.com.pk. An instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a certified true copy of such power or authority duly notarized must, to be valid, be deposited through email at khawer@gentipak.com or courier on Company's Registered Address, H-23/2, Landhi Industrial Trading Estate, Landhi, Karachi, not less than forty-eight (48) hours before the time of AGM, excluding public holidays.

The AGM is being conducted as per guidelines circulated by SECP following arrangements have also been made by the Company to facilitate maximum participation of the shareholders in the AGM through video link facility, either in-person or through appointed proxies:

The shareholders interested to participate through video link are requested to please provide below information at Email: cdcsr@cdcsrsl.com at the earliest but not later than close of business on October 24, 2023.

Full Name of Shareholder / Proxy Holder	Company	CNIC Number	Folio / CDC A/c No.	Email ID	Mobile Phone No.
	Ghandhara Tyre and Rubber Company Limited				

Please note that video link and login credentials will be shared with only those members/ designated proxies whose e-mail and other required information are received in required time as mentioned above.

- Video-link for the AGM will be sent to members at their provided email addresses enabling them to attend the AGM on the given date and time.
- Login facility will be opened thirty (30) minutes before the AGM time to enable the participants to join the AGM after the identification process. Shareholders will be able to login and participate in the AGM proceedings through their devices after completing all the formalities required for the identification and verification of the shareholders.

- c) Shareholders may send their comments and suggestions relating to the agenda items of the AGM at least two working days before the AGM, at the given email address khawer@gentipak.com. Shareholders are requested to mention their full name, CNIC No. and Folio/ CDC Account No. for this purpose.

3. Guidelines for Central Depository Company of Pakistan Limited ('CDC') Investor Account Holders:

CDC Investor Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular No.1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan (SECP).

i) For Attending AGM

- a) In case of individuals, the account holder or sub-account holder whose securities and their registration details are uploaded as per the Regulations, shall produce proof of his/ her identity by showing their Computerized National Identity Card (CNIC) at the time of attending the AGM.
- b) In case of a corporate entity, a Board of Directors' resolution/ power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of AGM.

ii) For Appointing Proxy

- a) In case of individuals, the account holder or sub-account holder whose registration details are uploaded as per CDC regulations shall submit the Proxy Form as per the above requirement.
- b) Attested copies of CNIC of the beneficial owners and the proxy shall be furnished with the Proxy Form. The proxy shall produce his original CNIC at the time of AGM.

4. Conversion of Physical Shares into the Book Entry Form:

The SECP vide its letter no. CSD/ED/Misc/2016- 639-640 dated March 26, 2021 has advised listed companies to adhere to provisions of Section 72 of the Companies Act, 2017 by replacing physical shares issued by them into book entry form.

The shareholders of the Company having physical folios / share certificates are requested to convert their shares from physical form into book-entry form as soon as possible. The shareholders may contact their Broker, CDC Participant or CDC Investor Account Service Provider for assistance in opening a CDS Account and subsequent conversion of the physical shares into book-entry form. It would facilitate the shareholders in many ways including safe custody of shares, avoidance of formalities required for the issuance of duplicate shares, etc. For further information and assistance, the shareholders may contact our Share Registrar.

PROCEDURE FOR ELECTRONIC VOTING FACILITY AND VOTING THROUGH POSTAL BALLOT ON SPECIAL BUSINESS

The shareholders are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 ("the Regulations") amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, the shareholders of the Company Limited will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its AGM to be held on Thursday, October 26, 2023 at 11.00 a.m., in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

For the convenience of the shareholders, ballot paper is annexed to this notice and the same is also available on the Company's website at www.gtr.com.pk for the purpose of being downloaded.

5. Procedure for E-Voting:

- (a) Details of the e-voting facility will be shared through an e-mail with those shareholders of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business of October 18, 2023.
- (b) The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- (c) Identity of the shareholders intending to cast vote through e-Voting shall be authenticated through electronic signature or authentication for login.
- (d) E-Voting lines will start from October 20, 2023, 09:00 a.m. and shall close on October 25, 2023 at 5:00 p.m. Shareholders can cast their votes any time during this period. Once the vote on a resolution is casted, he / she shall not be allowed to change it, subsequently.

6. Procedure for Voting Through Postal Ballot:

The shareholders shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Company Secretary through post on the Company's registered address H-23/2, Landhi Industrial Trading Estate, Landhi, Karachi or email at khawer@gentipak.com. one day before the AGM on October 25, 2023, during working hours. The signature on the ballot paper shall match the signature on the CNIC.

7. Requirement to incorporate email address and cell number.

Members are requested to have their updated email and cell number incorporated in their physical folio with the Share Registrar of the Company and with their Participant or Broker/ CDC Investor Account Services for shares held in electronic form.

8. Unclaimed Dividends and Bonus Shares:

Shareholders, who for any reason, could not claim their dividend and/or bonus shares are advised to contact our Shares Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block- B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi to collect/ enquire about their unclaimed dividends and/ or bonus shares if any.

9. E-Dividend Mandate:

As per Section 242 of the Companies Act, 2017, in the case of a public listed company, any dividend payable in cash shall only be remitted through electronic mode directly into the bank account designated by the entitled shareholders.

Therefore, through this notice, all shareholders are requested to update their International Bank Account No. (IBAN) and details in the Central Depository System through respective participants. In case of physical shares, to provide bank account details to our Share Registrar, M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block- B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Please ensure an early update of your particulars to avoid any inconvenience. The e-Dividend mandate form is enclosed.

10. Miscellaneous:

For shareholders holding their shares jointly as per the clarification issued by the Federal Board of Revenue (FBR), withholding tax will be determined separately on "Filer / Non-Filer" status of the principal shareholder as well as joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of the principal shareholder and Joint-holder(s) in respect of shares held by them to the Share Registrar, in writing as follows:

Company Name	Folio/ CDC Account No.	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC No.	Shareholding Proportion (No of Shares)	Name and CNIC No.	Shareholding Proportion (No of Shares)
Gandhara Tyre and Rubber Company Limited						

NOTE: In the event of non-receipt of the information by October 19, 2023, each shareholder will be assumed to have equal proportion of shares.

For any query/problem/information, the investors may contact the Company and/or the Share Registrar at the following phone numbers or email addresses:

Contact Persons:

CDC Share Registrar Services Limited

CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi
021-111-111-500 | 92-21-321-8200864

cdcsr@cdcsrsl.com

Hussain Kuli Khan

Chief Executive Officer
Ghandhara Tyre and Rubber
Company Limited
021-111-487-487

khawer@gentipak.com

Shareholders who could not collect their dividend /physical shares are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend or shares, if any.

Through this notice, the shareholders are intimated to contact with the Company for any unclaimed dividend/ shares within a period of seven days after publishing this notice to meet the compliance of SECP Direction #: 16 of 2017 dated 07 July 2017. List of Shareholders having unclaimed dividends/ shares are available on the Company's website www.gtr.com.pk.

**STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT,
2017 RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT
THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY
TO BE HELD ON THURSDAY OCTOBER 26, 2023**

SPECIAL BUSINESS

Agenda Item 3 - To alter the following Articles of Association:

Existing Article	Proposed Article
<p>Article 2. INTERPRETATION: (21) "Dividend" includes a bonus.</p>	<p>Article 2. INTERPRETATION: (21) "Dividend" means the dividend payable, in cash or kind, to the holder of Shares of the Company out of the profits of the Company as per the provisions of the Act, these Articles and the rules and regulations issued under the Act from time to time.</p>

Article 121. SPECIAL POWERS:

Without prejudice to the general powers conferred by Article 120 and other conferred by these Articles but subject to such limitations as may be imposed by the Applicable Law and, in particular, Section 183, or by the Members in General Meeting, it is hereby expressly declared that the Directors shall have the following powers:

(34) To set aside before recommending any Dividend out of the profits of the Company sums, as they may think proper, for depreciation or to a depreciation fund, reserve fund or sinking fund, obsolescence or any other special funds to meet contingencies or to repay Certificates or for special Dividends or for equalising Dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding sub-Article) as the Directors may, in their absolute discretion, think conducive to the interests of the Company, and to invest the several sums so set aside or so much thereof as are required to be invested upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and extend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors, in their absolute discretion, think conducive to the interests of the Company, notwithstanding that, matters to which the Directors apply or upon which they expend the same or any part thereof, may be matters to or upon which the Capital moneys of the Company might rightly be applied or expended and to divide the reserve fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds, including the depreciation funds, in the business of the Company or in the purchase or repayment of Certificates and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power, however, to the Directors, at their discretion, to pay or allow to the credit of such funds interest at such rates as the Directors may think proper.

Article 121. SPECIAL POWERS:

Without prejudice to the general powers conferred by Article 120 and other conferred by these Articles but subject to such limitations as may be imposed by the Applicable Law and, in particular, Section 183, or by the Members in General Meeting, it is hereby expressly declared that the Directors shall have the following powers:

(34) To set aside before recommending any Dividend out of the profits of the Company sums, as they may think proper, for depreciation or to a depreciation fund, reserve fund or sinking fund, obsolescence or any other special funds to meet contingencies or to repay Certificates or for special Dividends or for equalising Dividends, or for issuing bonus Shares or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding sub-Article) as the Directors may, in their absolute discretion, think conducive to the interests of the Company, and to invest the several sums so set aside or so much thereof as are required to be invested upon such investments as they may think fit, and from time to time to deal with and vary such investments and dispose of and extend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors, in their absolute discretion, think conducive to the interests of the Company, notwithstanding that, matters to which the Directors apply or upon which they expend the same or any part thereof, may be matters to or upon which the Capital moneys of the Company might rightly be applied or expended and to divide the reserve fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds, including the depreciation funds, in the business of the Company or in the purchase or repayment of Certificates and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power, however, to the Directors, at their discretion, to pay or allow to the credit of such funds interest at such rates as the Directors may think proper.

Article 142. CAPITALISATION OF RESERVE:

The Company in General Meeting may at any time and from time to time pass a resolution that it is expedient to capitalise any sum forming part of the undivided profits standing to the credit of the Company's reserve or reserve fund or in the hands of the Company and available for Dividend, or any sum received by way of premium on the issue of any Shares or Certificates of the Company, and that any such sum or sums be set free for distribution and be appropriated to and amongst the Members, either with or without deduction for income tax, ratably according to their shareholding in such manner as the resolution may direct, provided that no such distribution shall be made unless recommended by the Directors and the Directors shall, in accordance with such resolution, apply such sum or sums in paying up Shares or Certificates of the Company and appropriate such Shares or Certificates or Debenture to distribute the same amongst the holders of such Shares rateably according to their shareholding thereof respectively as aforesaid, or otherwise deal with such sums as directed by such resolution. Where any difficulty arises in respect of such distribution, the Directors may settle the same as they think expedient and, in particular, may issue fractional Certificates, fix the value for distribution of any fully held Shares or Certificates, make cash payment to any holders of Shares on the footing of the value so fixed in order to adjust rights, and vest any Shares or assets in trusts for the persons entitled in the appropriation or distribution as may seem just and expedient to the Directors. When deemed requisite, a contract in Writing shall be filed in accordance with the provisions of the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled in the appropriation or distribution, and such appointment shall be effective, and the contract may provide for the acceptance by such holders of the Shares to be allotted to them respectively in satisfaction of their claims in respect of the sum so capitalised.

Article 142. CAPITALISATION OF RESERVE:

The Directors may at any time and from time to time pass a resolution that it is expedient to capitalise any sum forming part of the undivided profits standing to the credit of the Company's reserve or reserve fund or in the hands of the Company and available for Dividend, or any sum received by way of premium on the issue of any Shares or Certificates of the Company apply such sum or sums in paying up / issuing the Bonus Shares, Shares or Certificates of the Company and appropriate / distribute such Bonus Shares, Shares or Certificates or Debenture to the shareholders of the Company rateably according to their shareholding in the Company, or otherwise deal with such sums as resolved in the said resolution. Where any difficulty arises in respect of such distribution, the Directors may settle the same as they think expedient and, in particular, may make cash payments for the fractional Bonus Shares, Shares or Certificates to any holders of Shares on the footing of the value so fixed as may seem just and expedient to the Directors.

Article 143. RESERVE FUND:

The Directors may, before recommending any Dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting contingencies, or for equalizing Dividends, or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investment as the Directors may, subject to the provisions of the Act, from time to time, think fit.

Article 143. RESERVE FUND:

The Directors may, before recommending any Dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting contingencies, or for equalizing Dividends, or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investment (other than Shares of the Company) as the Directors may, subject to the provisions of the Act, from time to time, think fit.

Article 155. CAPITALIZATION OF PROFITS

The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Financial Statement or otherwise available for distribution, and accordingly that such sum be set free for distribution among the Members who would have been entitled thereto if distributed by way of Dividend and in the same proportions, on condition that the same be not paid in cash but be applied in or towards paying up in full un-issued Shares or Debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst such Members in the proportion, aforesaid, and the Directors shall give effect to such resolution.

Article 155. CAPITALIZATION OF PROFITS

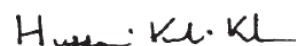
The Directors may, from time to time, resolve that it is desirable to capitalize any part of the amount/profits for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Financial Statement or otherwise available for distribution, and accordingly that such sum be set free for distribution among the Members who would have been entitled thereto if distributed by way of Dividend and in the same proportions, on condition that the same be not paid in cash but be applied in or towards paying up the Bonus Shares or Debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst such Members in the proportion, aforesaid, and the Company shall give effect to such resolution.

None of the Directors of the Company have any personal interest in the aforesaid special resolutions except in their capacity as Shareholders or Directors of the Company.

Further as per requirements of the S.R.O 423(I)/2018, a confirmatory statement by the Board of Directors have been reproduced below:

CONFIRMATORY STATEMENT

The Board of Directors of Ghandhara Tyre and Rubber Company Limited (the "Company") confirms that it has amended the relevant clauses of Memorandum and Articles of Association of the Company in-line with the applicable provisions of law and the regulatory framework. The Board also confirms that the amendments in the Memorandum and Articles of Association will not be detrimental to the interest of the Company or its members as a whole.



Hussain Kuli Khan
Chief Executive Officer

Agenda Item 4 – Transmission of Annual Audited Account through QR Code and Weblink

The Securities and Exchange Commission of Pakistan has allowed listed Companies, through its S.R.O No.389(I)/2023 dated March 21, 2023 to circulate the Annual Audited Financial Statements to their Members through QR-enabled code and weblink instead of transmitting the Annual Audited Financial Statements through CD/DVD/USB. The Company shall circulate Annual Audited Financial Statements through email address in case it has been provided by the member to the Company, and upon demand, supply hard copies of the Annual Audited Financial Statements to the shareholders free of cost upon receipt of a duly completed Request Form, which may be obtained from the Company's Website i.e. www.gtr.com.pk.

None of the Directors of the Company have any personal interest in the aforesaid resolution except in their capacity as Shareholders or Directors of the Company.

Ghandhara Tyre and Rubber Company Limited

POSTAL BALLOT PAPER	
for voting through post for the Special Business at the Annual General Meeting to be held on Thursday, October 26, 2023 at 11.00 a.m. at the Beach Luxury Hotel, Off: M.T. Khan Road, Karachi. Phone: 021 35080172 (10 Lines) Website: www.gtr.com.pk	
Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares held	
CNIC/Passport No. (in case of foreigner) (copy to be attached)	
Additional information and enclosures (in case of representative of body corporate, corporation, or federal Government)	
Name of Authorized Signatory	
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

Resolution for Agenda Item No. 3

To alter the following Articles of Association:

To consider and if deemed fit, to pass the following resolutions as special resolutions to alter the provisions of articles of association of the Company, with modification, addition(s) or deletion(s), as recommended by the Board of Directors:

Article 2. INTERPRETATION:

(21) "Dividend" means the dividend payable, in cash or kind, to the holder of Shares of the Company out of the profits of the Company as per the provisions of the Act, these Articles and the rules and regulations issued under the Act from time to time.

Article 121. SPECIAL POWERS:

Without prejudice to the general powers conferred by Article 120 and other conferred by these Articles but subject to such limitations as may be imposed by the Applicable Law and, in particular, Section 183, or by the Members in General Meeting, it is hereby expressly declared that the Directors shall have the following powers:

(34) To set aside before recommending any Dividend out of the profits of the Company sums, as they may think proper, for depreciation or to a depreciation fund, reserve fund or sinking fund, obsolescence or any other special funds to meet contingencies or to repay Certificates or for special Dividends or for equalizing Dividends, or for issuing bonus Shares or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding sub-Article) as the Directors may, in their absolute discretion, think conducive to the interests of the Company, and to invest the several sums so set aside or so much thereof as are required to be invested upon such investments as they may think fit, and from time to time to deal with and vary such investments and dispose of and extend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors, in their absolute discretion, think conducive to the interests of the Company, notwithstanding that, matters to which the Directors apply or upon which they expend the same or any part thereof, may be matters to or upon which the Capital moneys of the Company might rightly be applied or expended and to divide the reserve fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds, including the depreciation funds, in the business of the Company or in the purchase or repayment of Certificates and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power, however, to the Directors, at their discretion, to pay or allow to the credit of such funds interest at such rates as the Directors may think proper.

Article 142. CAPITALISATION OF RESERVE:

The Directors may at any time and from time to time pass a resolution that it is expedient to capitalize any sum forming part of the undivided profits standing to the credit of the Company's reserve or reserve fund or in the hands of the Company and available for Dividend, or any sum received by way of premium on the issue of any Shares or Certificates of the Company apply such sum or sums in paying up / issuing the Bonus Shares, Shares or Certificates of the Company and appropriate / distribute such Bonus Shares, Shares or Certificates or Debenture to the shareholders of the Company according to their shareholding in the Company, or otherwise deal with such sums as resolved in the said resolution. Where any difficulty arises in respect of such distribution, the Directors may settle the same as they think expedient and, in particular, may make cash payments for the fractional Bonus Shares, Shares or Certificates to any holders of Shares on the footing of the value so fixed as may seem just and expedient to the Directors.

Article 143. RESERVE FUND:

The Directors may, before recommending any Dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting contingencies, or for equalizing Dividends, or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investment as the Directors may, subject to the provisions of the Act, from time to time, think fit.

Article 155. CAPITALIZATION OF PROFITS

The Directors may, from time to time, resolve that it is desirable to capitalize any part of the amount/profits for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Financial Statement or otherwise available for distribution, and accordingly that such sum be set free for distribution among the Members who would have been entitled thereto if distributed by way of Dividend and in the same proportions, on condition that the same be not paid in cash but be applied in or towards paying up the Bonus Shares or Debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst such Members in the proportion, aforesaid, and the Company shall give effect to such resolution.

Resolution for Agenda Item No. 4

Transmission of Annual Report including Notice of General Meetings:

To approve, as and by way of an Ordinary Resolution, transmission of the annual balance sheet, profit & loss account, auditors report, directors report (the "Audited Annual Financial Statements") and the notice of general meetings etc. to the Company's shareholders through email or QR enabled code and weblink as allowed by the Securities and Exchange Commission of Pakistan via S.R.O No. 389(I)/2023 dated March 21, 2023:

"RESOLVED THAT as notified by the Securities and Exchange Commission of Pakistan via S.R.O No.389(I)/2023 dated March 21, 2023 transmission of Annual Audited Financial Statements to the members through QR enabled code and weblink instead of transmitting the Annual Audited Accounts through CD/DVD/USB, be and is hereby ratified and approved for future."

Instructions for Poll		
1. Please indicate your vote by ticking (√) the relevant box.		
2. In case both the boxes are marked as (√), your poll shall be treated as " Rejected ".		
I/we hereby exercise my/our vote in respect of the above resolution through ballot by conveying my/our assent or dissent to the resolution by placing tick (√) mark in the appropriate box below;		
Resolution	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
<u>Resolution for Agenda Item No. 3</u>		
<u>Resolution for Agenda Item No. 4</u>		

1. Duly filled ballot paper should be sent to the Company Secretary, at registered address: H-23/2, Landhi Industrial Trading Estate, Landhi, Karachi or email at khawer@gentipak.com
2. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Ballot paper should reach the Company Secretary within business hours by or before **Wednesday, October 25, 2023**. Any postal ballot received after this date, will not be considered for voting.
4. Signature on Ballot Paper should match with signature on CNIC/ Passport. (In case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, overwritten poll paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution / Power of Attorney/ Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Consul General of Pakistan having jurisdiction over the member.
7. Ballot Paper form has also been placed on the website of the Company at: www.gtr.com.pk. Shareholders may download the Ballot Paper from the website or use an original/ photocopy published in newspapers.

Date _____

Shareholder / Proxy holder Signature/Authorized Signatory

(In case of corporate entity, please affix company stamp)

1. درست طریقے سے بھرے ہوئے بیلٹ پیپر کو H-23/2، لائڈھی انڈسٹریل ٹریڈنگ اسٹیٹ لائڈھی کراچی میں یا khawer@gentipak.com پر ای میل کر کے کمپنی سیکریٹری کو ارسال کریں۔
2. CNIC / پاسپورٹ کی کاپی (غیر ملکی کی صورت میں) پوسٹل بیلٹ فارم کے ساتھ منسلک ہونی چاہیے۔
3. بیلٹ پیپر کاروباری اوقات میں کمپنی سیکریٹری کے پاس **بدھ 25 اکتوبر 2023** تک یا اس سے قبل موصول ہو جانا چاہیے۔ اس تاریخ کے بعد موصول ہونے والا کوئی بھی پوسٹل بیلٹ ووٹنگ کے لیے زیر غور نہیں لایا جائے گا۔
4. بیلٹ پیپر پر دستخط CNIC / پاسپورٹ پر دستخط سے مماثل ہونا چاہئے (غیر ملکی کی صورت میں)۔
5. نامکمل، غیر دستخط شدہ، غلط، خراب، پھٹا، مسخ شدہ، اور رائٹ شدہ پول پیپر مسترد کر دیا جائے گا۔
6. باڈی کارپوریٹ، کارپوریشن یا وفاقی حکومت کے نمائندے کی صورت میں، بیلٹ پیپر فارم کے ساتھ کسی مجاز شخص کے CNIC کی کاپی، بورڈ کی قرارداد/پاور آف اٹارنی / اتھارٹی لیٹر وغیرہ کی تصدیق شدہ کاپی ہونا ضروری ہے کمپنیز ایکٹ 2017 کے سیکشنز 138 یا 139 کے مطابق جیسا کہ قابل اطلاق ہے۔ غیر ملکی باڈی کارپوریٹ وغیرہ کے معاملے میں، تمام دستاویزات کو تو فیصلہ جمل آف پاکستان سے تصدیق شدہ ہونا ضروری ہے جو ممبر پر دائرہ اختیار رکھتا ہو۔
7. بیلٹ پیپر فارم کمپنی کی ویب سائٹ www.gtr.com.pk پر بھی آویزاں کیا گیا ہے۔ شیئر ہولڈرز ویب سائٹ سے بیلٹ پیپر ڈاؤن لوڈ کر سکتے ہیں یا اخبارات میں شائع ہونے والی اصل / فوٹو کاپی استعمال کر سکتے ہیں۔

تاریخ:

شیئر ہولڈر / پراکسی ہولڈر دستخط / مجاز دستخط کنندہ
(کارپوریٹ ادارے کی صورت میں، براہ کرم کمپنی کا مہر لگائیں)

آرٹیکل 155۔ منافع کا سرمایہ کاری

ڈائریکٹرز، وقتاً فوقتاً، یہ طے کر سکتے ہیں کہ کمپنی کے کسی بھی ریزرو اکاؤنٹس یا مالیاتی حساب کے کریڈٹ کیلئے فی الحال رقم / منافع کے کسی بھی حصے کا سرمایہ کاری یا بصورت دیگر تقسیم کیلئے دستیاب ہے اور اس کے مطابق ایسی رقم ممبران میں تقسیم کیلئے بلا معاوضہ رکھی جائے جو اس کے حقدار ہوں گے اگر ڈیویڈنڈ کے ذریعے اور اسی تناسب میں تقسیم کیے جائیں، اس شرط پر کہ اس کی ادائیگی نقد میں نہ کی جائے تاہم اس کا اطلاق ادائیگی میں یا ادائیگی کے لیے کیا جائے۔ الاٹ اور تقسیم کیے جانے والے کمپنی کے بونس شیئرز یا ڈیویڈنڈ پر مشتمل، مذکورہ بالا تناسب میں اس طرح کے ممبران کو اور ان کے مابین مکمل طور پر ادا کیے جانے کے طور پر کریڈٹ کیا جائے گا، اور کمپنی اس طرح کی قرارداد کو نافذ کرے گی۔

ایجنڈا آئٹم نمبر 4 کی قرارداد

کمپنی کے شیئرز ہولڈرز کو سالانہ بیننس شیڈ، منافع اور نقصان کے اکاؤنٹ، آڈیٹرز کی رپورٹ، ڈائریکٹرز کی رپورٹ ("آڈٹ شدہ سالانہ مالیاتی حسابات") اور عام اجلاسوں کے نوٹس وغیرہ کی ایس آر او نمبر 2023(I)/389 مورخہ 21 مارچ 2023 کے تحت می میل یا QR فعال کوڈ اور ویب لنک کے ذریعے ترسیل کی عمومی قرارداد کے بذریعہ ہذا منظوری دینا جیسا کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے اجازت دی ہے:

"قرارداد پایا کہ جیسا کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے ایس آر او نمبر 2023(I)/389 مورخہ 21 مارچ 2023 کے ذریعے مطلع کیا گیا ہے کہ سالانہ آڈٹ شدہ مالیاتی گوشواروں کی ترسیل USB/DVD/CD، کے بجائے QR فعال کوڈ اور ویب لنک کے ذریعے منتقل کئے جائیں گے جس کی توثیق اور مستقبل کے لیے منظوری دی جاتی ہے۔"

رائے شماری کے لیے ہدایات

1.	براہ کرم متعلقہ باکس پر (✓) کا نشان لگا کر اپنے ووٹ کی نشاندہی کریں۔
2.	اگر دونوں خانوں کو (✓) کے بطور نشان زد کیا گیا ہے، تو آپ کے پول کو "مسترد" سمجھا جائے گا۔

میں/ہم مندرجہ ذیل قراردادوں کے سلسلے میں پوسٹل بیلٹ کے ذریعے اپنا/ہمارا ووٹ استعمال کر رہے ہیں اور ذیل میں دیے گئے مطلوبہ خانے میں ٹک (✓) کا نشان لگا کر مندرجہ ذیل قرارداد پر میری/ہماری رضامندی یا اختلاف بتائیں گے۔

قرارداد	میں/ہم قرارداد منظور کرتے ہیں۔ (منظور)	میں/ہم قرارداد سے اختلاف کرتے ہیں۔ (خلاف)
ایجنڈا آئٹم نمبر 3 کی قرارداد		
ایجنڈا آئٹم نمبر 4 کی قرارداد		

(34) کمپنی کی رقوم کے منافع میں سے کسی بھی ڈیویڈنڈ کی سفارش کرنے سے پہلے، جیسا کہ وہ مناسب سمجھیں، فرسودگی کے لیے یا فرسودگی کے فنڈ، ریزرو فنڈ یا سٹنگ فنڈ، متروک یا ہنگامی حالات سے نمٹنے کے لیے کسی دوسرے خصوصی فنڈ کو الگ کرنا یا سٹیکہولڈنگ کی ادائیگی کے لیے یا ڈیویڈنڈ کے لیے یا ڈیویڈنڈ کو برابر کرنے کے لیے، یا بونس شیئرز جاری کرنے کے لیے یا کمپنی کی کسی بھی جائیداد کی مرمت، بہتری، توسیع اور برقرار رکھنے کیلئے اور اس طرح کے دیگر مقاصد کیلئے (بشمول وہ مقاصد جن کا ذکر پچھلے ذیلی آرٹیکل میں کیا گیا ہے) جیسا کہ ڈائریکٹرز، اپنی مکمل صوابدید میں، کمپنی کے مفادات کے لیے سازگار سمجھتے ہیں، اور اتنی رقم کی سرمایہ کاری کرنے کے لیے جو اس طرح الگ رکھی گئی ہو یا اس میں سے اتنی زیادہ سرمایہ کاری کی جائے جو کہ وہ مناسب سمجھیں، اور وقتاً فوقتاً اس طرح کی سرمایہ کاری سے نمٹنا اور اس میں فرق کرنا اور کمپنی کے فائدے کے لیے اس کے تمام یا کسی بھی حصے کو تصرف اور توسیع دینا اور ایسے مقاصد کیلئے جیسے ڈائریکٹرز، اپنی مکمل صوابدید میں، کمپنی کے مفادات کیلئے سازگار سمجھتے ہیں، اس کے باوجود، وہ معاملات جن پر ڈائریکٹرز لاگو ہوتے ہیں یا جن پر وہ وہی خرچ کرتے ہیں یا اس کا کوئی حصہ، وہ معاملات ہو سکتے ہیں یا جن پر کمپنی کے سرمائے کا صحیح طور پر اطلاق ہو سکتا ہے یا خرچ کیا گیا اور ریزرو فنڈ کو ایسے خصوصی فنڈز میں تقسیم کرنا جو ڈائریکٹرز مناسب سمجھیں، اور کمپنی کے کاروبار میں فرسودگی کے فنڈز سمیت مذکورہ بالا تمام یا کسی بھی فنڈز پر مشتمل اثاثوں کو ملازمت دینا یا سٹیکہولڈنگ کی خریداری یا ادائیگی میں اور یہ کہ اسے دیگر اثاثوں سے الگ رکھنے کے پابند کیے بغیر اور اس پر سود ادا کرنے کے پابند کیے بغیر، طاقت کے ساتھ، تاہم، ڈائریکٹرز کو، ان کی صوابدید پر، اس طرح کے فنڈز کے سود کے کریڈٹ کو ایسی شرحوں پر ادا کرنے یا اجازت دینے کے لیے جو ڈائریکٹرز مناسب سمجھیں۔

آرٹیکل 142. ریزرو کا سرمایہ کاری:

ڈائریکٹرز کسی بھی وقت اور وقتاً فوقتاً ایک قرار داد پاس کر سکتے ہیں کہ کمپنی کے ریزرو یا ریزرو فنڈ یا کمپنی کے ہاتھ میں موجود غیر منقسم منافع کا حصہ بننے والی کسی بھی رقم کو سرمایہ کاری کرنا مناسب ہے اور ڈیویڈنڈ کیلئے دستیاب ہو، یا کمپنی کے کسی بھی حصص یا سٹیکہولڈنگ کے اجراء کیلئے پریمیم کے ذریعے موصول ہونے والی کوئی بھی رقم کمپنی کے بونس حصص، حصص یا سٹیکہولڈنگ کی ادائیگی/ جاری کرنے میں ایسی رقم یا رقوم کا اطلاق کرتی ہے اور اس طرح کے بونس حصص، حصص یا سٹیکہولڈنگ یا ڈیویڈنڈ کو کمپنی کے شیئرز ہولڈرز کو کمپنی میں ان کے شیئرز ہولڈنگ کے مطابق مناسب/تقسیم کرنا، یا بصورت دیگر ایسی رقوم کا سودا کریں جو مذکورہ قرار داد میں طے کیا گیا ہے۔ جہاں اس طرح کی تقسیم کے سلسلے میں کوئی دشواری پیش آتی ہے، ڈائریکٹرز وہی حل کر سکتے ہیں جیسا کہ وہ مناسب سمجھتے ہیں اور خاص طور پر، قیمت کی بنیاد پر اس طرح مقرر کیا گیا ہے جیسا کہ ڈائریکٹرز کے لیے موزوں اور مناسب سمجھیں، حصص کے کسی بھی ہولڈرز کو جزوی بونس حصص، حصص یا سٹیکہولڈنگ کیلئے نقد ادائیگی کر سکتے ہیں۔

آرٹیکل 143. ریزرو فنڈ:

ڈائریکٹرز، کسی بھی ڈیویڈنڈ کی سفارش کرنے سے قبل کمپنی کے منافع میں سے ایسی رقوم کو الگ کر سکتے ہیں جو وہ مناسب سمجھیں بطور ریزرو یا ذخائر جو، ڈائریکٹرز کی صوابدید پر، ہنگامی حالات کو پورا کرنے کیلئے یا ڈیویڈنڈ کو برابر کرنے کیلئے لاگو ہوں، یا کسی دوسرے مقصد کیلئے جس کیلئے کمپنی کے منافع کا صحیح طور پر اطلاق کیا جاسکتا ہو، اور اس طرح کی درخواست زیر التواء ہو سکتی ہے، ایسی صوابدید پر، یا تو کمپنی کے کاروبار میں ملازمت کی جاسکتی ہے یا ایسی سرمایہ کاری میں سرمایہ کاری کی جاسکتی ہے جیسا کہ ڈائریکٹرز، وقتاً فوقتاً ایکٹ کی دفعات کے مطابق مناسب سمجھیں۔

گندھارا ٹائر اینڈ ربر کمپنی لمیٹڈ

پوسٹل بیلٹ پیپر

برائے جمعرات، 26 اکتوبر 2023 کو صبح 11.00 بجے نیچ لگژری ہوٹل میں منعقد ہونے والے 60 ویں سالانہ اجلاس عام (AGM) میں خصوصی کاروبار کے لیے،

بمقابلہ M.T خان روڈ، کراچی کیلئے پوسٹ کے ذریعے ووٹنگ

فون: 021 35080172 (10 لائنز) ویب سائٹ: www.gtr.com.pk

	فولیو/سی ڈی ایس اکاؤنٹ نمبر
	شیر ہولڈر/پراکسی ہولڈر کا نام
	رجسٹرڈ ایڈریس
	حاصل حصص کی تعداد
	CNIC / پاسپورٹ نمبر (غیر ملکی کی صورت میں) (کا پی منسلک کی جائے گی)
	اضافی معلومات اور انکلوژرز (باڈی کارپوریٹ، کارپوریشن، یا وفاقی حکومت کے نمائندے کی صورت میں)
	مجاز دستخط کنندہ کا نام
	مجاز دستخط کنندہ کا CNIC / پاسپورٹ نمبر (غیر ملکی کی صورت میں) (پی منسلک کی جائے گی)

ایجنڈا آئٹم نمبر 3 کی قرارداد

مندرجہ ذیل آرٹیکل آف ایسوسی ایشن میں تبدیلی:

بورڈ آف ڈائریکٹرز کی جانب سے تجویز کردہ کمپنی کے آرٹیکل آف ایسوسی ایشن کی دفعات کو تبدیل کیلئے غور و خوض اور اگر مناسب سمجھا جائے تو درج ذیل قراردادوں کو بطور خاص منظور کرنا۔

آرٹیکل 2. تشریح:

(21) "ڈیویڈنڈ" کا مطلب ہے ایکٹ، ان آرٹیکلز اور ایکٹ کے تحت وقتاً فوقتاً جاری کردہ قواعد و ضوابط کے مطابق کمپنی کے منافع میں سے کمپنی کے حصص رکھنے والے کو نقد یا دوسری صورت میں قابل ادائیگی منافع منقسمہ ہے۔ کمپنی کے آرٹیکلز آف ایسوسی ایشن میں ترامیم سے متعلق مزید تفصیلات پہلے ہی 01 جون 2023 کے ای او جی ایم کے نوٹس میں شائع ہو چکی ہیں۔

آرٹیکل 121. خصوصی اختیارات:

آرٹیکل 120 کے ذریعے عطا کردہ عمومی اختیارات اور ان آرٹیکلز کے ذریعے عطا کردہ دیگر اختیارات کے ساتھ بلا تعصب تاہم ایسی حدود کے ساتھ جو قابل اطلاق قانون اور بالخصوص سیکشن 183، یا اجلاس عام میں ممبران کی جانب سے عائد کی جاسکتی ہیں، اس کا واضح طور پر اعلان کیا جاتا ہے۔ کہ ڈائریکٹرز کو درج ذیل اختیارات حاصل ہوں گے:

تصدیقی بیان

گندھارا ٹائر اینڈ برکمنی لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ انہوں نے کمپنی کی میمورنڈم اور آرٹیکلز آف ایسوسی ایشن کی متعلقہ شقوں میں قانون کی لاگوشقوں اور ریگولیشنز فریم ورک کے مطابق ترامیم کی ہیں۔ بورڈ اس بات کی بھی تصدیق کرتا ہے کہ میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں ترامیم کمپنی یا مجموعی طور پر اس کے اراکین کے مفاد میں نقصان دہ نہیں ہوں گی۔

H. K. Khan

حسین قلی خان
چیف ایگزیکٹو آفیسر

ایجنڈا آئٹم 4- کیو آر کوڈ اور ویب لنک کے ذریعے سالانہ آڈٹ شدہ اکاؤنٹ کی ترسیل

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے اپنے S.R.O نمبر 389(I)/2023 مورخہ 21 مارچ 2023 کے ذریعے لسٹڈ کمپنیوں کو سالانہ آڈٹ شدہ مالیاتی حسابات کو USB/DVD/CD کے ذریعے منتقل کرنے کے بجائے QR-فعال کوڈ اور ویب لنک کے ذریعے اپنے ممبران کو سالانہ آڈٹ شدہ مالیاتی گوشواروں کی ترسیل کی اجازت دی ہے۔ کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کو ای میل ایڈریس کے ذریعے گردش کرے گی اگر یہ ممبر کی جانب سے کمپنی کو فراہم کر دی گئی ہے، اور مطالبہ کرنے پر، حصص یافتگان کو سالانہ آڈٹ شدہ مالی بیانات کی ہارڈ کاپیاں مکمل طور پر مکمل درخواست فارم کی وصولی پر بلا معاوضہ فراہم کرے گی، جو کمپنی کی ویب سائٹ یعنی www.gtr.com.pk سے حاصل کیا جاسکتا ہے۔

کمپنی کے کسی بھی ڈائریکٹر کی مذکورہ قرارداد میں ماسوائے اس کے کہ وہ کمپنی کے شیئر ہولڈرز یا ڈائریکٹرز کی حیثیت سے کوئی ذاتی دلچسپی نہیں ہے۔

	<p>ادائیگی کریں، اور کسی بھی حصص یا اثاثے کو ان لوگوں کیلئے ٹرسٹ میں رکھیں جو اختصاص یا تقسیم کے حقدار ہوں جیسا کہ ڈائریکٹرز کیلئے مناسب اور مناسب سمجھیں، جب ضروری سمجھا جائے تو، تحریری طور پر ایک معاہدہ ایکٹ کی دفعات کے مطابق دائر کیا جائے گا اور ڈائریکٹرز کسی بھی شخص کو اس طرح کے معاہدے پر دستخط کرنے کیلئے ان افراد کی جانب سے مقرر کر سکتے ہیں جو اختصاص یا تقسیم کے حقدار ہیں، اور اس طرح کی تقرری مؤثر ہوگی، اور معاہدہ اس طرح کے حصص کے حاملین کی منظوری کیلئے جو انہیں بالترتیب الاٹ کیے جانے کیلئے ان کے دعووں کے اطمینان کیلئے اس طرح کی سرمایہ کاری کی گئی رقم کے سلسلے میں فراہم کر سکتے ہیں۔</p>
<p>آرٹیکل 143 ریزرو فنڈ:</p> <p>ڈائریکٹرز، کسی بھی ڈیویڈنڈ کی سفارش کرنے سے قبل کمپنی کے منافع میں سے ایسی رقم کو الگ کر سکتے ہیں جو وہ مناسب سمجھیں بطور ریزرو یا ذخائر جو، ڈائریکٹرز کی صوابدید پر، ہنگامی حالات کو پورا کرنے کیلئے یا ڈیویڈنڈ کو برابر کرنے کیلئے لاگو ہوں، یا کسی دوسرے مقصد کیلئے جس کیلئے کمپنی کے منافع کا صحیح طور پر اطلاق کیا جاسکتا ہو، اور اس طرح کی درخواست زیر التواء ہو سکتی ہے، ایسی صوابدید پر، یا تو کمپنی کے کاروبار میں ملازمت کی جاسکتی ہے یا ایسی سرمایہ کاری میں سرمایہ کاری کی جاسکتی ہے جیسا کہ ڈائریکٹرز، وقتاً فوقتاً ایکٹ کی دفعات کے مطابق مناسب سمجھیں۔</p>	<p>آرٹیکل 143 ریزرو فنڈ:</p> <p>ڈائریکٹرز، کسی بھی ڈیویڈنڈ کی سفارش کرنے سے قبل کمپنی کے منافع میں سے ایسی رقمیں الگ کر سکتے ہیں جو کہ وہ ریزرو کے طور پر مناسب سمجھیں یا ذخائر جو ڈائریکٹرز کی صوابدید پر، ہنگامی حالات کو پورا کرنے، یا ڈیویڈنڈ کو برابر کرنے کے کیلئے لاگو ہوں، یا کسی دوسرے مقصد کیلئے جس کیلئے کمپنی کے منافع کا صحیح طور پر اطلاق ہو، اور اس طرح کی درخواست زیر التواء ہو، اسی طرح کی صوابدید پر، یا تو کمپنی کے کاروبار میں ملازمت یا ایسی سرمایہ کاری (ماسوائے کمپنی کے حصص) میں سرمایہ کاری کی جائے جیسا کہ ڈائریکٹرز، وقتاً فوقتاً ایکٹ کی دفعات کے مطابق مناسب سمجھیں۔</p>
<p>آرٹیکل 155 - منافع کا سرمایہ کاری</p> <p>ڈائریکٹرز، وقتاً فوقتاً، یہ طے کر سکتے ہیں کہ کمپنی کے کسی بھی ریزرو اکاؤنٹس یا مالیاتی حساب کے کریڈٹ کیلئے فی الحال رقم / منافع کے کسی بھی حصے کا سرمایہ کاری یا بصورت دیگر تقسیم کیلئے دستیاب ہے اور اس کے مطابق ایسی رقم ممبران میں تقسیم کیلئے بلا معاوضہ رکھی جائے جو اس کے حقدار ہوں گے اگر ڈیویڈنڈ کے ذریعے اور اسی تناسب میں تقسیم کیے جائیں، اس شرط پر کہ اس کی ادائیگی نقد میں نہ کی جائے تاہم اس کا اطلاق ادائیگی میں یا ادائیگی کے لیے کیا جائے۔ الاٹ اور تقسیم کیے جانے والے کمپنی کے بونس شیئرز یا ڈیویڈنڈز، مذکورہ بالا تناسب میں اس طرح کے ممبران کو اور ان کے مابین مکمل طور پر ادا کیے جانے کے طور پر کریڈٹ کیا جائے گا، اور کمپنی اس طرح کی قرارداد کو نافذ کرے گی۔</p>	<p>آرٹیکل 155 - منافع کا سرمایہ کاری</p> <p>کمپنی اجلاس عام میں ڈائریکٹرز کی سفارش پر یہ فیصلہ کر سکتی ہے کہ کمپنی کے کسی بھی ریزرو اکاؤنٹس کے کریڈٹ کیلئے وقتی طور پر رقم کے کسی بھی حصے کو سرمایہ کاری کرنا ضروری ہے یا مالیاتی حساب کے کریڈٹ پر یا تقسیم کیلئے بصورت دیگر دستیاب، اور اس کے مطابق ایسی رقم ان ممبران میں تقسیم کیلئے بلا معاوضہ رکھی جائے جو اس کے حقدار ہوں، اگر ڈیویڈنڈ کے ذریعے اور اسی تناسب میں تقسیم کیے جائیں، اس شرط پر کہ اسے نقد ادا نہ کیا جائے تاہم الاٹ اور تقسیم کیے جانے والے کمپنی کے مکمل غیر جاری شدہ حصص یا ڈیویڈنڈز کی ادائیگی کیلئے درخواست دی جائے گی، مذکورہ بالا تناسب میں اس طرح کے اراکین کو اور ان کے مابین مکمل ادائیگی کے طور پر کریڈٹ کیا جائے گا، اور ڈائریکٹرز ایسی قرارداد کو نافذ کریں گے۔</p>

کمپنی کے کسی بھی ڈائریکٹر کی مذکورہ خصوصی قراردادوں میں ماسوائے اس کے کہ وہ کمپنی کے شیئرز ہولڈرز یا ڈائریکٹرز کی حیثیت کوئی ذاتی دلچسپی نہیں ہے۔ مزید برآں S.R.O نمبر 423(I)/2018 کے تقاضوں کے مطابق، بورڈ آف ڈائریکٹرز کا ایک تصدیقی بیان مندرجہ ذیل میں دوبارہ پیش کیا گیا ہے:

سمجھیں، اور وقتاً فوقتاً اس طرح کی سرمایہ کاری سے نمٹنا اور اس میں فرق کرنا اور کمپنی کے فائدے کیلئے اس کے تمام یا کسی بھی حصے کو اس انداز میں اور اس طرح کے مقاصد کیلئے تصرف کرنا اور اس میں توسیع کرنا جیسے ڈائریکٹرز اپنی مکمل صوابدید کے مطابق، کمپنی کے مفادات کیلئے موزوں سمجھیں کمپنی باوجود اسکے کہ وہ معاملات جن پر ڈائریکٹرز لاگو ہوتے ہیں یا جن پر وہ وہی خرچ کرتے ہیں یا اس کا کوئی حصہ، وہ معاملات ہو سکتے ہیں یا جن پر کمپنی کے سرمائے کا صحیح طور پر اطلاق ہو سکتا ہے یا خرچ کیا گیا اور ریزرو فنڈ کو ایسے خصوصی فنڈز میں تقسیم کرنا جو ڈائریکٹرز مناسب سمجھیں، اور کمپنی کے کاروبار میں فرسودگی کے فنڈز سمیت مذکورہ بالا تمام یا کسی بھی فنڈز پر مشتمل اثاثوں کو ملازمت دینا یا سٹیٹیکسٹس کی خریداری یا ادائیگی میں اور یہ کہ اسے دیگر اثاثوں سے الگ رکھنے کے پابند کیے بغیر اور اس پر سود ادا کرنے کے پابند کیے بغیر، طاقت کے ساتھ، ڈائریکٹرز کو، ان کی صوابدید پر، اس طرح کے فنڈز کے سود کے کریڈٹ کو ایسی شرحوں پر ادا کرنے یا اجازت دینے کے لیے جو ڈائریکٹرز مناسب سمجھیں۔

مناسب سمجھیں، اور وقتاً فوقتاً ایسی سرمایہ کاری کی تکمیل اور اس میں فرق کرنا اور کمپنی کے فائدے کیلئے اس کے تمام یا کسی بھی حصے کو اس انداز میں اور اس طرح کے مقاصد کیلئے تصرف کرنا اور اس میں توسیع کرنا جیسے ڈائریکٹرز اپنی مکمل صوابدید کے مطابق، کمپنی کے مفادات کیلئے موزوں سمجھیں کمپنی باوجود اسکے کہ وہ معاملات جن پر ڈائریکٹرز لاگو ہوتے ہیں یا جن پر وہ وہی خرچ کرتے ہیں یا اس کا کوئی حصہ خرچ کرتے ہیں، وہ معاملات ہو سکتے ہیں جن پر کمپنی کے کپٹل رقم کو بجا طور پر لاگو یا خرچ کیا جا سکتا ہے اور ریزرو فنڈز کو تقسیم کرنا تاکہ ایسے خصوصی فنڈز میں جو ڈائریکٹرز مناسب سمجھیں، اور کمپنی کے کاروبار میں یا سٹیٹیکسٹس کی خریداری یا ادائیگی میں اور وہ بغیر کسی پابند کیے مذکورہ بالا فنڈز بشمول فرسودگی کے فنڈز میں سے تمام یا کسی ایک پر مشتمل اثاثوں کو استعمال کرنا، اسی کو دوسرے اثاثوں سے الگ رکھنے کیلئے اور اس پر سود ادا کرنے کے پابند کیے بغیر، طاقت کے ساتھ، تاہم، ڈائریکٹرز کو، ان کی صوابدید پر، ایسے فنڈز کے سود کی ادائیگی یا اجازت دینے کے لیے اس طرح کی شرحوں پر ڈائریکٹرز مناسب سمجھتے ہیں۔

آرٹیکل 142. ریزرو کا سرمایہ کاری:

ڈائریکٹرز کسی بھی وقت اور وقتاً فوقتاً ایک قرارداد منظور کر سکتے ہیں کہ کمپنی کے ریزرو یا ریزرو فنڈ یا کمپنی کے ہاتھ میں موجود غیر منقسم منافع کا حصہ بننے والی کسی بھی رقم کو سرمایہ کاری کرنا مناسب ہے اور ڈیویڈنڈ کیلئے دستیاب ہو، یا کمپنی کے کسی بھی حصص یا سٹیٹیکسٹس کے اجراء کیلئے پر پیجم کے ذریعے موصول ہونے والی کوئی بھی رقم کمپنی کے بونس حصص، حصص یا سٹیٹیکسٹس کی ادائیگی/جاری کرنے میں ایسی رقم یا رقم کا اطلاق کرتی ہے اور اس طرح کے بونس حصص، حصص یا سٹیٹیکسٹس یا ڈیویڈنڈ کو کمپنی کے شیئرز ہولڈنگ کے مطابق مناسب/تقسیم کرنا، یا بصورت دیگر ایسی رقم کا سودا کریں جو مذکورہ قرارداد میں طے کیا گیا ہے۔ جہاں اس طرح کی تقسیم کے سلسلے میں کوئی دشواری پیش آتی ہے، ڈائریکٹرز وہی حل کر سکتے ہیں جیسا کہ وہ مناسب سمجھتے ہیں اور خاص طور پر، قیمت کی بنیاد پر اس طرح مقرر کیا گیا ہے جیسا کہ ڈائریکٹرز کے لیے موزوں اور مناسب سمجھیں، حصص کے کسی بھی ہولڈرز کو جزوی بونس حصص، حصص یا سٹیٹیکسٹس کیلئے نقد ادائیگی کر سکتے ہیں۔

آرٹیکل 142. ریزرو کا سرمایہ کاری:

کمپنی اجلاس عام میں کسی بھی وقت اور وقتاً فوقتاً ایک قرارداد منظور کر سکتی ہے کہ کمپنی کے ریزرو کے کریڈٹ پر موجود غیر منقسم منافع کا حصہ بننے والی کسی بھی رقم کو سرمایہ کاری کرنا مناسب ہے یا ریزرو فنڈ یا کمپنی کے ہاتھ میں اور ڈیویڈنڈ کیلئے دستیاب ہے، یا کمپنی کے کسی بھی حصص یا سٹیٹیکسٹس کے اجراء کیلئے پر پیجم کے ذریعے موصول ہونے والی کوئی رقم، اور یہ کہ ایسی کوئی بھی رقم یا رقم تقسیم کیلئے بلا معاوضہ رکھی جائیں اور ممبران کیلئے اور ان کے درمیان انکم ٹیکس کی کٹوتی کے ساتھ یا اس کے بغیر تقسیم کی جائیں، ان کے شیئرز ہولڈنگ کے مطابق اس طریقے سے جس طرح قرارداد کی ہدایت کی جائے، بشرطیکہ ایسی کوئی تقسیم نہ ہو، بنایا جائے جب تک کہ ڈائریکٹرز کی طرف سے سفارش نہ کی جائے اور ڈائریکٹرز، اس قرارداد کے مطابق، حصص کی ادائیگی میں ایسی رقم یا رقم کا اطلاق کریں گے یا کمپنی کے سٹیٹیکسٹس اور مناسب ایسے حصص یا سٹیٹیکسٹس یا ڈیویڈنڈ کو ایسے حصص کے حاملین میں ان کے حصص کے مطابق بالترتیب ان کے شیئرز ہولڈنگ کے مطابق تقسیم کرنے کیلئے مناسب ہو جیسا کہ مذکورہ بالا، یا بصورت دیگر ایسی رقم کے ساتھ معاملہ کریں جیسا کہ اس طرح کی قرارداد کے ذریعے ہدایت کی گئی ہے۔ جہاں اس طرح کی تقسیم کے سلسلے میں کوئی دشواری پیش آتی ہے، ڈائریکٹرز وہی حل کر سکتے ہیں جیسا کہ وہ مناسب سمجھتے ہیں اور خاص طور پر، جزوی سٹیٹیکسٹس جاری کر سکتے ہیں، کسی بھی مکمل طور پر موجودہ حصص یا سٹیٹیکسٹس کی تقسیم کے لیے قدر تعیین کر سکتے ہیں، حصص کے کسی بھی ہولڈرز کو حقوق کو ایڈجسٹ کرنے کیلئے اس قدر طے شدہ قدر کی بنیاد پر نقد

ایسے شیئر ہولڈرز جو اپنے ڈیویڈنڈ/فزیبل شیئرز وصول نہیں کر سکے ہیں ان سے گزارش ہے کہ وہ اپنے لادعوئی ڈیویڈنڈ یا شیئرز، اگر کوئی ہوں، کی وصولی/معلومات کے لیے ہمارے شیئر رجسٹرار سے رابطہ کریں۔

بذریعہ نوٹس ہذا شیئر ہولڈرز کو مطلع کیا جاتا ہے کہ وہ اپنے کسی بھی لادعوئی ڈیویڈنڈ/شیئرز کے لیے کمپنی سے اس اشتہار کی اشاعت کے ساتھ دن کے اندر رابطہ کریں تاکہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی ہدایت نمبر: 16 مجریہ 2017 مورخہ 02 جولائی، 2017 کی تعمیل ہو سکے۔ لادعوئی ڈیویڈنڈ/شیئرز رکھنے والے شیئر ہولڈرز کی فہرست کمپنی کی ویب سائٹ www.gtr.com.pk پر دستیاب ہے۔

شیئر ہولڈرز کی سالانہ اجلاس عام منعقدہ بروز جمعرات 26 اکتوبر 2023 میں انجام دہی کیلئے خصوصی کاروبار سے متعلق کمپنیز ایکٹ، 2017 کے سیکشن (3) 134 کے تحت ٹھوس شواہد کا بیانیہ

خصوصی کاروبار

ایجنڈا آئٹم 3- درج ذیل آرٹیکل آف ایسوسی ایشن میں ترامیم:

مجوزہ آرٹیکل	موجودہ آرٹیکل
<p>آرٹیکل 2، تشریح:</p> <p>(21) "ڈیویڈنڈ" کا مطلب ہے ایکٹ کی دفعات کے مطابق کمپنی کے منافع میں سے کمپنی کے حصص یافتگان کو، آرٹیکلز اور ایکٹ کے تحت وقتاً فوقتاً جاری کردہ قواعد و ضوابط کے تحت نقد یا کسی بھی قسم میں، قابل ادائیگی ڈیویڈنڈ۔</p>	<p>آرٹیکل 2، تشریح:</p> <p>(21) "ڈیویڈنڈ" میں ایک بونس شامل ہے۔</p>
<p>آرٹیکل 121، خصوصی اختیارات:</p> <p>آرٹیکل 120 کے ذریعے عطا کردہ عمومی اختیارات اور ان آرٹیکلز کے ذریعے عطا کردہ دیگر اختیارات کے ساتھ بلا تعصب کی تاہم ایسی حدود کے ساتھ جو قابل اطلاق قانون اور بالخصوص سیکشن 183، یا اجلاس عام میں ممبران کی جانب سے عائد کی جاسکتی ہیں، اس کا واضح طور پر اعلان کیا جاتا ہے۔ کہ ڈائریکٹرز کو درج ذیل اختیارات حاصل ہوں گے:</p> <p>(34) کمپنی کی رقوم کے منافع میں سے کسی بھی ڈیویڈنڈ کی سفارش کرنے سے پہلے، جیسا کہ وہ مناسب سمجھیں، فرسودگی کے لیے یا فرسودگی کے فنڈ، ریزرو فنڈ یا سٹانگ فنڈ، متروک یا ہنگامی حالات سے نمٹنے کے لیے کسی دوسرے خصوصی فنڈ کو الگ کرنا یا سرٹیفکیٹس کی ادائیگی کے لیے یا خصوصی ڈیویڈنڈ کے لیے یا ڈیویڈنڈ کو برابر کرنے کے لیے، یا بونس شیئرز جاری کرنے کے لیے یا کمپنی کی کسی بھی جائیداد کی مرمت، بہتری، توسیع اور برقرار رکھنے کیلئے اور اس طرح کے دیگر مقاصد کیلئے (بشمول وہ مقاصد جن کا ذکر پچھلے ذیلی آرٹیکل میں کیا گیا ہے) جیسا کہ ڈائریکٹرز، اپنی مکمل صوابدید میں، کمپنی کے مفادات کے لیے سازگار سمجھتے ہیں، اور بہت سی رقوم کی سرمایہ کاری کرنے کیلئے اس قدر الگ رکھی جاتی ہے یا اس میں سے اتنی زیادہ سرمایہ کاری کرنے کی ضرورت ہوتی ہے جو اس طرح کی سرمایہ کاری (ماسوائے کمپنی کے حصص) پر سرمایہ کاری کی جاتی ہے جیسا کہ وہ</p>	<p>آرٹیکل 121، خصوصی اختیارات:</p> <p>آرٹیکل 120 کے ذریعے عطا کردہ عمومی اختیارات اور ان آرٹیکلز کے ذریعے عطا کردہ دیگر اختیارات کے ساتھ بلا تعصب کی تاہم ایسی حدود کے ساتھ جو قابل اطلاق قانون اور خاص طور پر سیکشن 183، یا اجلاس عام میں ممبران کی جانب سے عائد کی جاسکتی ہیں، اس کا واضح طور پر اعلان کیا جاتا ہے، کہ ڈائریکٹرز کو درج ذیل اختیارات حاصل ہوں گے:</p> <p>(34) کمپنی کی رقوم کے منافع میں سے کسی بھی ڈیویڈنڈ کی سفارش کرنے سے پہلے، جیسا کہ وہ مناسب سمجھیں، فرسودگی کے لیے یا فرسودگی کے فنڈ، ریزرو فنڈ یا سٹانگ فنڈ، متروک یا کسی دوسرے خصوصی فنڈ کو ہنگامی حالات سے نمٹنے کیلئے الگ کرنا یا سرٹیفکیٹس کی ادائیگی یا خصوصی ڈیویڈنڈ کیلئے یا ڈیویڈنڈ کو برابر کرنے کیلئے یا کمپنی کی کسی بھی پراپرٹی کی مرمت، بہتری، توسیع اور برقرار رکھنے کے لیے اور اس طرح کے دیگر مقاصد کیلئے (بشمول گزشتہ ذیلی آرٹیکل میں مذکور مقاصد) جیسا کہ ڈائریکٹرز، اپنی مکمل صوابدید میں، کمپنی کے مفادات کے لیے سازگار سمجھتے ہیں، اور بہت سی رقوم کی سرمایہ کاری کرنے کیلئے اس قدر الگ رکھی جاتی ہے یا اس میں سے اتنی زیادہ سرمایہ کاری کرنے کی ضرورت ہوتی ہے جو اس طرح کی سرمایہ کاری (ماسوائے کمپنی کے حصص) پر سرمایہ کاری کی جاتی ہے جیسا کہ وہ</p>

8- غیر دعوی شدہ منافع منقسمہ اور بونس حصص:

شیر ہولڈرز، جو کسی بھی وجہ سے اپنے ڈیویڈنڈ اور/یا بونس شیرز کا دعوی نہیں کر سکے، انہیں مشورہ دیا جاتا ہے کہ وہ ہمارے شیرز رجسٹر میسرز سی ڈی سی شیر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99-بی، بلاک-بی، S.M.C.H.S، مین شاہراہ فیصل، کراچی سے اپنے غیر شدہ منافع اور/یا بونس حصص کے بارے میں معلومات حاصل کرنے کیلئے (اگر کوئی ہوتو) سے رابطہ کریں۔

9- ای ڈیویڈنڈ مینڈیٹ

کمپنیز ایکٹ 2017 کے سیکشن 242 کے مطابق، پبلک لسٹڈ کمپنی کی صورت میں، کسی بھی ڈیویڈنڈ کی صرف الیکٹرانک موڈ کے ذریعے براہ راست اہل شیر ہولڈرز کے نامزد کردہ بینک اکاؤنٹ میں ادائیگی کی جائے گی۔ لہذا، مذکورہ نوٹس کے ذریعے، تمام شیر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے بین الاقوامی بینک اکاؤنٹ نمبر (IBAN) اور تفصیلات متعلقہ شرکاء کے ذریعے سنٹرل ڈپازٹری سسٹم میں اپ ڈیٹ کرائیں۔ فزیکل شیرز کی صورت میں، ہمارے شیر رجسٹرار، میسرز سی ڈی سی شیر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99-B، بلاک-S.M.C.H.S-B، مین شاہراہ فیصل، کراچی کو بینک اکاؤنٹ کی تفصیلات فراہم کریں۔ کسی بھی پریشانی سے بچنے کیلئے براہ کرم جلد از جلد اپنی تفصیلات کی اپ ڈیٹ کو یقینی بنائیں۔

10- متفرق:

فیڈرل بورڈ آف ریونیو کی وضاحت کے مطابق ایسے شیر ہولڈرز جو جوائنٹ شیر ہولڈنگ کے مالک ہیں، ان کے شیرز پر وہ ہولڈنگ کا تعین پرنسپل شیر ہولڈر اور جوائنٹ شیر ہولڈرز کے ملکیتی شیرز کے تناسب سے ”فائلر/نان فائلر“ کی حیثیت سے علیحدہ علیحدہ کیا جائے گا۔ اس سلسلے میں جوائنٹ شیر ہولڈرز کے ساتھ شیرز رکھنے والے تمام شیر ہولڈرز سے گزارش ہے کہ وہ اپنی ملکیت میں موجود شیرز کی تعداد کے تناسب سے پرنسپل شیر ہولڈر اور جوائنٹ شیر ہولڈر (ز) کی تفصیلات ہمارے شیر رجسٹرار کو درج ذیل کے مطابق تحریری طور پر فراہم کریں:

کمپنی کا نام	فولیو/سی ڈی سی اکاؤنٹ نمبر	کل شیرز	پرنسپل شیر ہولڈر	جوائنٹ شیر ہولڈر
گندھارا ٹائرا اینڈ ربر کمپنی لمیٹڈ			نام اور سی این آئی سی نمبر	نام اور سی این آئی سی نمبر
			شیر ہولڈنگ کا تناسب (شیرز کی تعداد)	شیر ہولڈنگ کا تناسب (شیرز کی تعداد)

نوٹ: مطلوبہ معلومات 19 اکتوبر 2023 تک موصول نہ ہونے کی صورت میں یہ سمجھا جائے گا کہ پرنسپل شیر ہولڈر اور جوائنٹ شیر ہولڈر (ز) شیرز کی یکساں ملکیت کے حامل ہیں۔ کسی قسم کے مزید سوالات/شکایات/معلومات کے لئے شیر ہولڈرز کمپنی اور یا شیر رجسٹرار سے درج ذیل فون نمبرز اور ای میل ایڈریسز پر رابطہ کر سکتے ہیں:

حسین قلی خان
چیف ایگزیکٹو آفیسر
گندھارا ٹائرا اینڈ ربر کمپنی لمیٹڈ

فون نمبر: 021-487-487-111

ای میل: khawer@gentipak.com

سی ڈی سی شیر رجسٹرار سروسز (پرائیویٹ) لمیٹڈ،
سی ڈی سی ہاؤس، 99-B، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی
فون نمبر: 021-111-111-500، 021-0800-23275
ای میل: info@cdcsrsl.com

خصوصی امور پرائیکٹرانک ووٹنگ کی سہولت اور پوسٹل بیلٹ کے ذریعے ووٹنگ کیلئے طریقہ کار

شیر ہولڈرز کو مطلع کیا جاتا ہے کہ کمپنیز (پوسٹل بیلٹ) ریگولیشنز، 2018 ("ریگولیشنز") میں ترمیم شدہ نوٹیفکیشن بتاریخ 05 دسمبر 2022، جو کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") کے ذریعے جاری کیا گیا ہے) کے مطابق، SECP نے تمام اداروں کو ہدایت کی ہے کہ لسٹڈ کمپنیاں الیکٹرانک ووٹنگ کی سہولت کے ذریعے ووٹ دینے کا حق فراہم کریں اور ممبران کو بذریعہ ڈاک ووٹنگ تمام کاروباروں پر خصوصی امور کے طور پر درجہ بندی کریں۔ اس کے مطابق، مذکورہ ضوابط میں موجود شرائط سے مشروط اور تقاضوں کے مطابق جمعرات، 26 اکتوبر 2023 کو صبح 11:00 بجے منعقد ہونے والے مذکورہ AGM میں کمپنی کے شیر ہولڈرز کو الیکٹرانک ووٹنگ کی سہولت کے ذریعے ووٹ کا حق استعمال کرنے یا خصوصی کاروبار کے لیے ڈاک کے ذریعے ووٹ دینے کی اجازت ہوگی۔

شیر ہولڈرز کی سہولت کے لیے، بیلٹ پیپر کو نوٹس ہذا کے ساتھ منسلک کیا گیا ہے اور ڈاؤن لوڈ کرنے کے لیے کمپنی کی ویب سائٹ www.gtr.com.pk پر بھی دستیاب ہے۔

5- ای ووٹنگ کا طریقہ کار:

- ای ووٹنگ کی سہولت کی تفصیلات کمپنی کے ان شیر ہولڈرز کے ساتھ ایک ای میل کے ذریعے شیر کی جائیں گی جن کے پاس اپنے درست CNIC نمبر، موبائل نمبر، اور ای میل ایڈریس کمپنی کے ممبران کے رجسٹر میں 18 اکتوبر 2023 کو کاروبار کا اختتام سے قبل دستیاب ہوں گے۔
- ویب ایڈریس، لاگ ان کی تفصیلات، بذریعہ ای میل اراکین کو فراہم کی جائیں گی۔ سیکورٹی کوڈز سی سی شیر رجسٹر ارسوز لمیٹڈ (بطور ای ووٹنگ سروس فراہم کنندہ) کے ویب پورٹل سے SMS کے ذریعے اراکین کو بتائے جائیں گے۔
- ای ووٹنگ کے ذریعے ووٹ ڈالنے کا ارادہ رکھنے والے شیر ہولڈرز کی شناخت الیکٹرانک دستخط یا لاگ ان کے لیے تصدیق کے ذریعے کی جائے گی۔
- ای ووٹنگ لائنیں 20 اکتوبر 2023 صبح 09:00 بجے سے شروع ہوں گی اور 25 اکتوبر 2023 کو شام 5:00 بجے بند ہوں گی، شیر ہولڈرز اس مدت کے دوران کسی بھی وقت اپنا ووٹ ڈال سکتے ہیں۔ ایک بار کسی قرارداد پر ووٹ ڈالنے کے بعد، اسے تبدیل کرنے کی اجازت نہیں ہوگی۔

6- پوسٹل بیلٹ کے ذریعے ووٹ ڈالنے کا طریقہ کار:

شیر ہولڈرز اس بات کو یقینی بنائیں گے کہ کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی کاپی کے ساتھ مکمل طریقے سے بھرے اور دستخط شدہ بیلٹ پیپر کمپنی کے رجسٹرڈ ایڈریس H-23/2، لائنڈھی انڈسٹریل ٹریڈنگ اسٹیٹ، لائنڈھی، کراچی پر ڈاک کے ذریعے یا ایام کار کے دوران 25 اکتوبر 2023 کو AGM سے ایک دن قبل khawer@gentipak.com پر ای میل کے ذریعے کمپنی سیکریٹری کو ارسال کریں۔ بیلٹ پیپر پر دستخط CNIC کے دستخط سے مماثل ہوں گے۔

7- ای میل ایڈریس اور موبائل نمبر شامل کرنے کی شرط:

ممبران سے استدعا ہے کہ وہ اپنے اپڈیٹ شدہ ای میل اور موبائل نمبر اپنے فزیکل فلیو میں کمپنی کے شیر رجسٹر اور اپنے شراکت دار یا بروکر/سی ڈی سی انویسٹر اکاؤنٹ سروسز کے ساتھ الیکٹرانک شکل میں موجود حصص کیلئے درج کرائیں۔

(c) شیئر ہولڈرز AGM سے کم از کم دو (2) کام کے دن قبل AGM کے ایجنڈا آئٹمز سے متعلق اپنے تبصرے اور تجاویز دیے گئے ای میل ایڈریس khawer@gentipak.com پر ارسال کر سکتے ہیں۔ شیئر ہولڈرز سے درخواست ہے کہ اس مقصد کے لیے اپنا پورا نام، CNIC نمبر اور فوٹیو/CDC اکاؤنٹ نمبر درج کریں۔

3- سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (سی ڈی سی) کے سرمایہ کار اکاؤنٹ ہولڈرز کیلئے ہدایات:
سی ڈی سی انویسٹر اکاؤنٹ ہولڈرز کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") کی جانب سے جاری کردہ سرکلر 1 مجریہ 2000ء بتاریخ 26 جنوری 2000 میں درج ذیل ہدایات پر مزید عمل کرنا ہوگا۔

الف۔ AGM میں شرکت کرنے کے لیے:

- (a) انفرادی صورت میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور/یا جن کی سیکورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن کی تفصیلات قواعد و ضوابط کے مطابق اپ لوڈ ہوں، کو AGM میں شرکت کے وقت شناخت کے لئے اپنا اصل CNIC یا اصل پاسپورٹ پیش کرنا ہوگا۔
- (b) کارپوریٹ ادارے کی صورت میں، AGM کے وقت بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع شخصی دستخط کے (تا وقتیکہ پہلے فراہم کی گئی ہو) پیش کرنا ہوگی۔

ب۔ نمائندگان (Proxies) کی تقرری کے لئے:

- (a) انفرادی صورت میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر جن کی رجسٹریشن کی تفصیلات CDC کے قواعد و ضوابط کے مطابق اپ لوڈ ہوں، مندرجہ بالا شرائط کے مطابق پراکسی فارم جمع کرائیں گے۔
- (b) اصل مالکان اور پراکسی کے CNIC کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ پیش کی جائیں گی۔ پراکسی AGM کے وقت اپنا اصل CNIC پیش کرے گا۔

4- فزیکل شیئرز کی بک انٹری فارم میں تبدیلی:

ایس ای سی پی نے اپنے لیٹر نمبر CSD/ED/Misc/2016-639-640 مورخہ 26 مارچ 2021 کے ذریعے لٹڈ کمپنیوں کو مشورہ دیا ہے کہ کمپنیز ایکٹ 2017 کے سیکشن 72 کی دفعات پر عمل کرنے کیلئے ان کے جاری کردہ فزیکل شیئرز کو بک انٹری فارم میں تبدیل کریں۔ فزیکل فوٹیو/شیئر سرٹیفکیٹس رکھنے والی کمپنی کے شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے شیئرز کو فزیکل فارم سے جلد از جلد بک انٹری فارم میں تبدیل کریں۔ سی ڈی ایس اکاؤنٹ کھولنے اور بعد ازاں فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنے میں حصص یافتگان اپنے بروکر، سی ڈی سی شرکت کنندہ یا سی ڈی سی انوسٹر اکاؤنٹ سروس پرووائیڈر سے رابطہ کر سکتے ہیں۔ یہ شیئر ہولڈرز کو کئی طریقوں سے سہولت فراہم کرے گا جس میں حصص کی محفوظ تحویل، ڈپلیکیٹ حصص کے اجراء کیلئے درکار رسمی کارروائیوں سے گریز وغیرہ شامل ہیں۔ مزید معلومات اور معاونت کیلئے شیئر ہولڈرز ہمارے شیئر رجسٹرار سے رابطہ کر سکتے ہیں۔

نوٹس:

1- شیئر ٹرانسفر کتب کی بندش:

کمپنی کے شیئر ٹرانسفر کے کھاتے 19 اکتوبر 2023 سے 26 اکتوبر 2023 (دونوں ایام شامل ہیں) تک AGM کے مقصد کیلئے بند رہیں گے۔ ہمارے شیئر رجسٹر اری میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99-بی، بلاک-بی، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی میں 18 اکتوبر 2023ء کو کاروبار کے اختتام پر موصول ہونے والے ٹرانسفر کو سالانہ اجلاس عام میں شرکت کے مقصد کیلئے بروقت تصور کئے جائیں گے۔ اس مدت کے دوران رجسٹریشن کے لیے کوئی منتقلی قبول نہیں کی جائے گی۔

2- AGM میں جسمانی موجودگی یا ویڈیو کانفرنسنگ کے ذریعے شرکت:

وہ ممبران جن کے نام 19 اکتوبر 2023 کو ممبران کے رجسٹر میں موجود ہیں، وہ AGM میں شرکت اور ووٹ دینے کے اہل ہیں۔ AGM میں شرکت کرنے، بولنے اور ووٹ دینے کا حقدار رکن دوسرے ممبر کو اپنی جانب سے شرکت کرنے، بولنے اور ووٹ دینے کے لیے اپنا پراکسی مقرر کرنے کا اہل ہے۔ AGM کے لیے قابل اطلاق پراکسی کا ایک دستاویز اراکین کو بھیجے گئے نوٹس کے ساتھ فراہم کیا جا رہا ہے۔ پراکسی کے دستاویز کی مزید کاپیاں عمومی دفتری اوقات میں کمپنی کے رجسٹر ڈ آفس سے حاصل کی جاسکتی ہیں۔ پراکسی فارم کمپنی کی ویب سائٹ www.gtr.com.pk سے بھی ڈاؤن لوڈ کیا جاسکتا ہے۔

پراکسی اور پاور آف اٹارنی یا دیگر اتھارٹی کا تقرر کرنے والا دستاویز جس کے تحت اس پر دستخط کیے گئے ہیں یا پاور یا اس طرح کی اتھارٹی کی ایک نوٹری شدہ مصدقہ کاپی khawer@gentipak.com پر ای میل کے ذریعے یا کمپنی کے رجسٹر ڈ آفس بمقام H-23/2، لاندھی انڈسٹریل ٹریڈنگ اسٹیٹ، لاندھی، کراچی پر ڈاک کے ذریعے ماسوائے عام تعطیلات اجلاس کے وقت سے کم از کم 48 گھنٹے قبل جمع کرادیں۔

کمپنی کی جانب سے سالانہ اجلاس عام کا انعقاد SECP کی جانب سے جاری کردہ ہدایات کے مطابق کیا جا رہا ہے، تاکہ ویڈیو لنک کی سہولت کے ذریعے، یا تو ذاتی طور پر یا مقرر کردہ پراکسی کے ذریعے AGM میں شیئر ہولڈرز کی زیادہ سے زیادہ شرکت کی سہولت فراہم کی جاسکے۔

ویڈیو لنک کے ذریعے حصہ لینے میں دلچسپی رکھنے والے شیئر ہولڈرز سے درخواست کی جاتی ہے کہ براہ کرم cdecsr@cdcsrsl.com پر جلد از جلد لیکن 24 اکتوبر 2023 کو کاروبار بند ہونے سے قبل حسب ذیل میں معلومات فراہم کریں:

شیئر ہولڈر/پراکسی ہولڈر کا پورا نام	کمپنی	CNIC نمبر	فولیو/سی ڈی سی اکاؤنٹ نمبر	ای میل کا ایڈریس	موبائل فون نمبر
	گندھارا انٹرا اینڈر بر کمپنی لمیٹڈ				

براہ کرم نوٹ کریں کہ ویڈیو لنک اور لاگ ان کی اسناد صرف ان ممبروں/نامزد پراکسیوں کے ساتھ شیئر کی جائیں گی جن کی ای میل اور دیگر مطلوبہ معلومات مقررہ وقت میں موصول ہوئی ہیں جیسا کہ اوپر درج ہے۔

(a) اجلاس کے لیے ویڈیو لنک ممبران کو ان کے فراہم کردہ ای میل پتوں پر بھیجا جائے گا تاکہ وہ دی گئی تاریخ اور وقت پر اجلاس میں شرکت کر سکیں۔

(b) لاگ ان کی سہولت AGM کے وقت سے تیس (30) منٹ قبل کھولی جائے گی تاکہ شرکاء کو شناخت کے عمل کے بعد اجلاس میں شامل ہونے کے قابل بنایا جاسکے۔ شیئر ہولڈرز کی شناخت اور تصدیق کے لیے درکار تمام رسمی کارروائیوں کو مکمل کرنے کے بعد اپنے آلات کے ذریعے AGM کی کارروائی میں لاگ ان اور شرکت کر سکیں گے۔

4- سالانہ رپورٹ بشمول اجلاس عام کے نوٹس کی ترسیل:

سالانہ بیلنس شیٹ کی ترسیل، منافع اور نقصان کے اکاؤنٹ، آڈیٹرز کی رپورٹ، ڈائریکٹرز کی رپورٹ ("آڈٹ شدہ سالانہ مالیاتی بیانات") اور کمپنی کے شیئر ہولڈرز کو ای میل یا QR فعال کوڈ اور ویب لنک کے ذریعے جنرل مینٹنگز وغیرہ کا نوٹس جیسا کہ SRO نمبر (I) 389 سال 2023 مورخہ 21 مارچ 2023 کے ذریعے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے اجازت دی ہے، کیلئے ایک عمومی قرارداد کے ذریعے منظوری: "قرار پایا کہ جیسا کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے S.R.O نمبر (I) 389 سال 2023 مورخہ 21 مارچ 2023 کے ذریعے مطلع کیا ہے، سالانہ آڈٹ شدہ مالیاتی گوشواروں کو USB/ DVD/ CD کے بجائے QR فعال کوڈ اور ویب لنک کے ذریعے ممبران کو سالانہ آڈٹ شدہ حسابات کی ترسیل کی توثیق اور مستقبل کے لیے منظوری دی جاتی ہے۔"

دیگر کارروائی:

5- چیئر کی اجازت سے کسی دیگر کاروبار کی AGM میں انجام دہی کی جاسکتی ہے۔

کمپنیز ایکٹ 2017 کے سیکشن (3) 134 کے تحت مطلوبہ معلومات شیئر ہولڈرز کو AGM کے نوٹس کے ساتھ فراہم کی جارہی ہیں۔

بحکم بورڈ

H. K. K. K.

حسین قلی خان
چیف ایگزیکٹو آفیسر

کراچی

5 اکتوبر 2023ء

اس میں سے اتنی زیادہ رقم کی سرمایہ کاری کر سکتے ہیں جو کہ وہ مناسب سمجھیں، اور وقت سے اس طرح کی سرمایہ کاری سے نمٹنے اور اس میں فرق کرنے اور کمپنی کے فائدے کیلئے اس کے تمام یا کسی بھی حصے کو اس انداز میں اور اس طرح کے مقاصد کے لیے تصرف کرنے اور اس میں توسیع کرنے کیلئے ڈائریکٹرز، اپنی مکمل صوابدید میں، کمپنی کے مفادات کے لیے موزوں سوچتے ہیں، اس کے باوجود، وہ معاملات جن پر ڈائریکٹرز لاگو ہوتے ہیں یا جن پر وہ اسی یا اس کا کوئی حصہ خرچ کرتے ہیں، وہ معاملات ہو سکتے ہیں یا جن پر کمپنی کے کیپیٹل رقم کو بجا طور پر لاگو یا خرچ کیا جاسکتا ہے اور ریزرو فنڈ کو ایسے خصوصی فنڈز میں تقسیم کرنا جیسا کہ ڈائریکٹر مناسب سمجھیں، اور کمپنی کے کاروبار میں یا سٹریٹجی کی خریداری یا ادائیگی میں، اور یہ کہ ان کو الگ رکھنے کے پابند کیے بغیر، تمام یا مندرجہ بالا فنڈز میں سے کسی ایک پر مشتمل اثاثوں کو ملازمت دینے کے لیے، بشمول فرسودگی فنڈز، دیگر اثاثوں سے اور اس پر سود ادا کرنے کے پابند کیے بغیر، طاقت کے ساتھ، تاہم ڈائریکٹرز کو اپنی صوابدید پر ایسے فنڈز کے سود کو ایسی شرحوں پر ادا کرنے یا دینے کی اجازت دیں جو ڈائریکٹرز موزوں سمجھیں۔

آرٹیکل 142. ریزرو کی سرمایہ کاری:

ڈائریکٹرز کسی بھی وقت اور وقتاً فوقتاً ایک قرارداد پاس کر سکتے ہیں کہ کمپنی کے ریزرو یا ریزرو فنڈ یا کمپنی کے ہاتھ میں اور ڈیویڈنڈ کے لیے دستیاب غیر منقسم منافع کا حصہ بننے والی کسی بھی رقم کا سرمایہ لگانا مناسب ہے یا کمپنی کے کسی بھی حصص یا سٹریٹجی کے اجراء پر زرعوتوان کے ذریعہ موصول ہونے والی کوئی بھی رقم کمپنی کے بونس حصص، حصص یا سٹریٹجی کی ادائیگی / جاری کرنے میں ایسی رقم یا رقم کا اطلاق کرتی ہے اور اس طرح کے بونس حصص، حصص یا سٹریٹجی یا ڈیویڈنڈ کو کمپنی کے شیئر ہولڈرز کو کمپنی میں ان کے شیئر ہولڈنگ کے مطابق مناسب / تقسیم کریں، یا بصورت دیگر مذکورہ قرارداد میں طے شدہ رقم کے ساتھ معاملہ کریں۔ جہاں اس طرح کی تقسیم کے سلسلے میں کوئی دشواری پیش آتی ہے، ڈائریکٹرز وہی طے کر سکتے ہیں جیسا کہ وہ مناسب سمجھتے ہیں اور خاص طور پر، مقررہ قیمت کے مطابق حصص کے کسی بھی ہولڈرز کو جزوی بونس حصص، حصص یا سٹریٹجی کے لیے نقد ادا کیے کر سکتے ہیں۔ جیسا کہ ڈائریکٹرز کے لیے موزوں اور مناسب معلوم ہو۔

آرٹیکل 143. ریزرو فنڈ:

ڈائریکٹرز، کسی بھی ڈیویڈنڈ کی سفارش کرنے سے پہلے، کمپنی کے منافع میں سے ایسی رقم کو الگ کر سکتے ہیں جو وہ مناسب سمجھیں بطور ریزرو یا ریزرو جو، ڈائریکٹرز کی صوابدید پر، ہنگامی حالات کو پورا کرنے کے لیے، یا ڈیویڈنڈ کو برابر کرنے کے لیے لاگو ہوں، یا کسی دوسرے مقصد کے لیے جس کے لیے کمپنی کے منافع کا صحیح طور پر اطلاق کیا جاسکتا ہے، اور اس طرح کی درخواست زیر التواء ہو سکتی ہے، اسی طرح کی صوابدید پر، یا تو کمپنی کے کاروبار میں ملازمت کی جاسکتی ہے یا ایسی سرمایہ کاری میں سرمایہ کاری کی جاسکتی ہے جیسا کہ ڈائریکٹرز، ایکٹ کی دفعات، وقتاً فوقتاً، مناسب سمجھی جاتی ہیں۔

آرٹیکل 155. منافع کی سرمایہ کاری:

ڈائریکٹرز، وقتاً فوقتاً، یہ طے کر سکتے ہیں کہ کمپنی کے کسی بھی ریزرو یا کاؤنٹس یا فنانشل سٹیٹمنٹ کے کریڈٹ کیلئے وقتی طور پر موجود رقم / منافع کے کسی بھی حصے کا سرمایہ لگانا یا بصورت دیگر دستیاب ہے۔ تقسیم، اور اس کے مطابق ایسی رقم ممبران میں تقسیم کیلئے مفت رکھی جائے جو اس کے حقدار ہوں گے اگر ڈیویڈنڈ کے ذریعے اور اسی تناسب میں تقسیم کیے جائیں، اس شرط پر کہ اس کی ادائیگی نقد میں نہ کی جائے بلکہ ادائیگی میں یا اس کے لیے لاگو کی جائے۔ الاٹ اور تقسیم کیے جانے والے کمپنی کے بونس شیئرز یا ڈیویڈنڈ، مذکورہ بالا تناسب میں ایسے ممبران کو مکمل طور پر ادا کیے جانے کے طور پر کریڈٹ کیا جائے گا، اور کمپنی اس طرح کی قرارداد کو نافذ کرے گی۔

60 ویں سالانہ اجلاس عام کانوٹس

بذریعہ ہذا اطلاع دی جاتی ہے کہ گندھارا ٹائر اینڈ ربر کمپنی لمیٹڈ (بعد ازاں ”کمپنی“ کہا جاتا ہے) کا 60 واں سالانہ اجلاس عام ("AGM") بروز جمعرات مورخہ 26 اکتوبر، 2023 کو دوپہر 11:00 بجے بمقام بیچ لگژری ہوٹل، ایم ٹی خان روڈ، لالہ زار، کراچی میں، جسمانی طور پر اور الیکٹرانک ذرائع سے منعقد ہوگا جس میں درج ذیل کارروائی پر عمل درآمد ہوگا:

شرکت کے حوالے سے ہدایات نوٹس ہذا میں ظاہر ہیں۔ AGM کے انعقاد کے وقت، کمپنی کورم کی دفعات کا مشاہدہ اور تمام ریگولیٹری تقاضوں کی تعمیل کرے گی۔ AGM مندرجہ ذیل کاروبار کی کارروائی کیلئے منعقد کی جا رہی ہے:

عمومی کارروائی:

- 1- 30 جون 2023 کو ختم ہونے والے سال کے آڈٹ شدہ گوشوارے مع جائزہ رپورٹ، ڈائریکٹرز اور آڈیٹرز کی رپورٹ کی وصولی، ان پر غور و خوض اور منظوری۔
- 2- 30 جون 2024 کو ختم ہونے والے سال کے لیے کمپنی کے قانونی آڈیٹرز کی تقرری اور ان کے معاوضے کا تعین۔ بورڈ آف ڈائریکٹرز نے میسرز شائن ونگ جمید چوہدری اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کو باہمی رضامندی سے اجرت پر دوبارہ قانونی آڈیٹرز کے طور پر تقرر کیا جائے اور اصل کاروباری کارروائی کے اخراجات کی ادائیگی کی جائے۔ میسرز شائن ونگ جمید چوہدری اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے مالی سال 2024 کے لیے قانونی آڈیٹرز کے طور پر دوبارہ تقرری کے لئے اپنی خدمات پیش کرنے کیلئے رضامندی فراہم کی ہے۔

خصوصی کارروائی:

3- آرٹیکلز آف ایسوسی ایشن کے درج ذیل مضامین میں ترمیم:

کمپنی کے آرٹیکلز آف ایسوسی ایشن کی دفعات میں ترمیم، اضافے یا حذف، جیسا کہ بورڈ آف ڈائریکٹرز نے تجویز کیا ہے، کو خصوصی قراردادوں پر غور و خوض اور اگر موزوں سمجھا جائے تو منظوری:

آرٹیکل 2. تشریح:

(21) "ڈیویڈنڈ" کا مطلب منافع منقسمہ ہے، ان آرٹیکلز اور ایکٹ کے تحت وقتاً فوقتاً جاری کردہ قواعد و ضوابط کے مطابق کمپنی کے منافع میں سے کمپنی کے حصص کے حامل افراد کو نقد یا دوسری صورت میں قابل ادائیگی منافع منقسمہ ہے۔

آرٹیکل 121. خصوصی اختیارات:

آرٹیکل 120 کے ذریعے عطا کردہ عمومی اختیارات اور ان آرٹیکلز کے ذریعے عطا کیے گئے دیگر اختیارات کے ساتھ تعصب کیے بغیر لیکن ایسی حدود کے ساتھ جو قابل اطلاق قانون اور خاص طور پر سیکشن 183، یا جنرل میٹنگ میں ممبران کی طرف سے عائد کی جاسکتی ہیں، اس کا واضح طور پر اعلان کیا جاتا ہے۔ کہ ڈائریکٹرز کو درج ذیل اختیارات حاصل ہوں گے:

(34) کمپنی کی رقوم کے منافع میں سے کسی بھی ڈیویڈنڈ کی سفارش کرنے سے پہلے، جیسا کہ وہ مناسب سمجھیں، فرسودگی کے لیے یا فرسودگی کے فنڈ، ریزرو فنڈ یا سٹانگ فنڈ، متروک یا کسی دوسرے خصوصی فنڈ کو ہنگامی حالات سے نمٹنے کیلئے الگ کرنا یا سٹیک ہولڈرز کی ادائیگی یا خصوصی ڈیویڈنڈ کیلئے یا ڈیویڈنڈ کو برابر کرنے کیلئے، یا بونس شیئرز جاری کرنے کیلئے یا کمپنی کی کسی بھی جائیداد کی مرمت، بہتری، توسیع اور برقرار رکھنے کیلئے اور اس طرح کے دیگر مقاصد کیلئے (بشمول پچھلے ذیلی آرٹیکل میں مذکور مقاصد) جیسا کہ ڈائریکٹرز، اپنی مطلق صوابدید میں، کمپنی کے مفادات کیلئے سازگار سوچ سکتے ہیں، اور اتنی رقم کی سرمایہ کاری کر سکتے ہیں یا

FINANCIAL PERFORMANCE

Statement of Profit or Loss

	--- Rupees in '000 ---					
	2023	2022	2021	2020	2019	2018
Net Sales	15,018,659	18,588,299	13,923,520	8,793,341	10,486,282	11,785,457
Cost of Sales	12,726,992	16,135,560	11,819,632	7,744,581	8,896,798	9,699,779
Gross Profit	2,291,667	2,452,739	2,103,888	1,048,760	1,589,484	2,085,678
Profit from Operations	1,099,204	1,365,138	1,295,353	404,993	836,370	1,190,067
Other Income	100,328	130,349	181,597	68,106	69,939	74,141
Finance Cost	1,291,806	747,818	504,048	848,806	585,032	256,782
(Loss) / profit before Taxation	(193,618)	623,830	797,473	(446,664)	253,637	940,045
Taxation Reversal / (Charge)	26,254	(267,765)	(224,817)	114,573	(130,761)	(224,494)
(Loss) / Profit after Taxation	(167,364)	356,065	572,656	(332,091)	122,876	715,551
EBITDA	1,615,395	1,853,853	1,773,921	895,722	1,242,183	1,557,216

Statement of Financial Position

	--- Rupees in '000 ---					
	2023	2022	2021	2020	2019	2018
Cash and Bank Balances	139,675	137,393	74,398	182,749	155,931	91,120
Stocks	4,811,895	5,299,420	4,841,207	3,318,231	3,721,748	3,324,857
Trade Debts	2,941,341	2,518,372	1,717,939	1,157,946	1,237,309	1,027,027
Current Assets	10,540,433	10,497,467	8,767,667	6,746,654	7,278,420	6,350,173
Operating Fixed Assets Cost	10,098,861	9,570,272	8,845,950	8,623,130	7,811,482	6,735,011
Investments in an Associated Company	24,902	25,918	19,408	13,240	16,091	15,363
Non Current Assets	7,734,073	5,556,490	5,255,336	5,124,611	5,196,632	4,335,922
Total Assets	18,274,506	16,053,957	14,023,003	11,871,265	12,475,052	10,686,095
Trade and other Payables	3,978,092	3,599,739	2,467,179	1,794,516	1,783,757	1,928,381
Current Liabilities	11,260,285	10,445,019	8,873,174	7,398,333	7,468,539	5,214,722
Long term Finances	555,592	796,083	989,453	1,096,280	1,020,748	1,247,285
Non Current Liabilities	1,260,344	1,764,405	1,634,214	1,518,641	1,665,731	1,900,177
Total Liabilities	12,520,629	12,209,424	10,507,388	8,916,974	9,134,270	7,114,899
Paid Up Capital	1,219,334	1,219,334	1,219,334	1,219,334	1,016,112	1,016,112
Reserve for Capital Expenditure	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Unappropriated Profit	1,060,795	1,625,199	1,296,281	734,957	1,324,670	1,555,084
Surplus on revaluation of leasehold land	2,473,748	-	-	-	-	-
Total Equity	5,753,877	3,844,533	3,515,615	2,954,291	3,340,782	3,571,196

Statement of Cash Flow

	--- Rupees in '000 ---					
	2023	2022	2021	2020	2019	2018
Cash Flow from Operating Activities	728,395	603,392	(244,115)	476,638	(409,565)	89,969
Cash Flow from Investing Activities	(223,427)	(761,302)	(595,756)	(289,780)	(1,263,612)	(916,934)
Cash Flow from Financing Activities	(2,024,796)	606,111	1,392,424	(584,102)	(45,631)	158,827

Financial Performance-Profitability

	2023	2022	2021	2020	2019	2018
Gross Profit Margin	15.26%	13.20%	15.11%	11.93%	15.16%	17.70%
EBIT Margin	7.32%	7.34%	9.30%	4.61%	7.98%	10.10%
EBITDA Margin	10.76%	9.97%	12.74%	10.19%	11.85%	13.21%
Pre tax Margin	-1.29%	3.36%	5.73%	-5.08%	2.42%	7.98%
Net (Loss) / Profit Margin	-1.11%	1.92%	4.11%	-3.78%	1.17%	6.07%
Return on equity-before taxation	-3.37%	16.23%	22.68%	-15.12%	7.59%	26.32%
Return on equity-after taxation	-2.90%	9.26%	16.29%	-11.24%	3.68%	20.04%

FINANCIAL PERFORMANCE



Operating Performance/Liquidity

		2023	2022	2021	2020	2019	2018
Total Assets Turnover	Times	0.82	1.16	0.99	0.74	0.84	1.10
Non Current Assets Turnover	Times	1.94	3.35	2.65	1.72	2.02	2.72
Debtors Turnover	Times	5.50	8.78	9.68	7.34	9.26	12.36
Debtors Turnover	Days	71	49	45	48	43	32
Stock Turnover	Times	3.12	3.51	2.88	2.65	2.82	3.54
Stock Turnover	Days	117	104	127	138	130	103
Creditors Turnover	Times	3.36	5.32	5.55	4.33	4.79	5.92
Creditors Turnover	Days	109	69	66	84	76	62
Cash Operating Cycle	Days	80	85	106	101	96	73
Current ratio		0.94	1.01	0.99	0.91	0.97	1.22
Quick / acid test ratio		0.51	0.50	0.44	0.46	0.48	0.58

Capital Structure Analysis

		2023	2022	2021	2020	2019	2018
Breakup value / share ★	PKR	47.19	31.53	28.83	24.23	27.40	29.29
(Loss) / Earnings per share (pre tax) ★	PKR	(1.59)	5.12	6.54	(3.66)	2.08	7.71
(Loss) / Earnings per share (after tax) ★	PKR	(1.37)	2.92	4.70	(2.72)	1.01	5.87

Debt Analysis

		2023	2022	2021	2020	2019	2018
Total Debt to Assets	%	69%	76%	75%	75%	73%	67%
Total Debt to Equity	%	218%	318%	299%	302%	273%	199%

Distribution

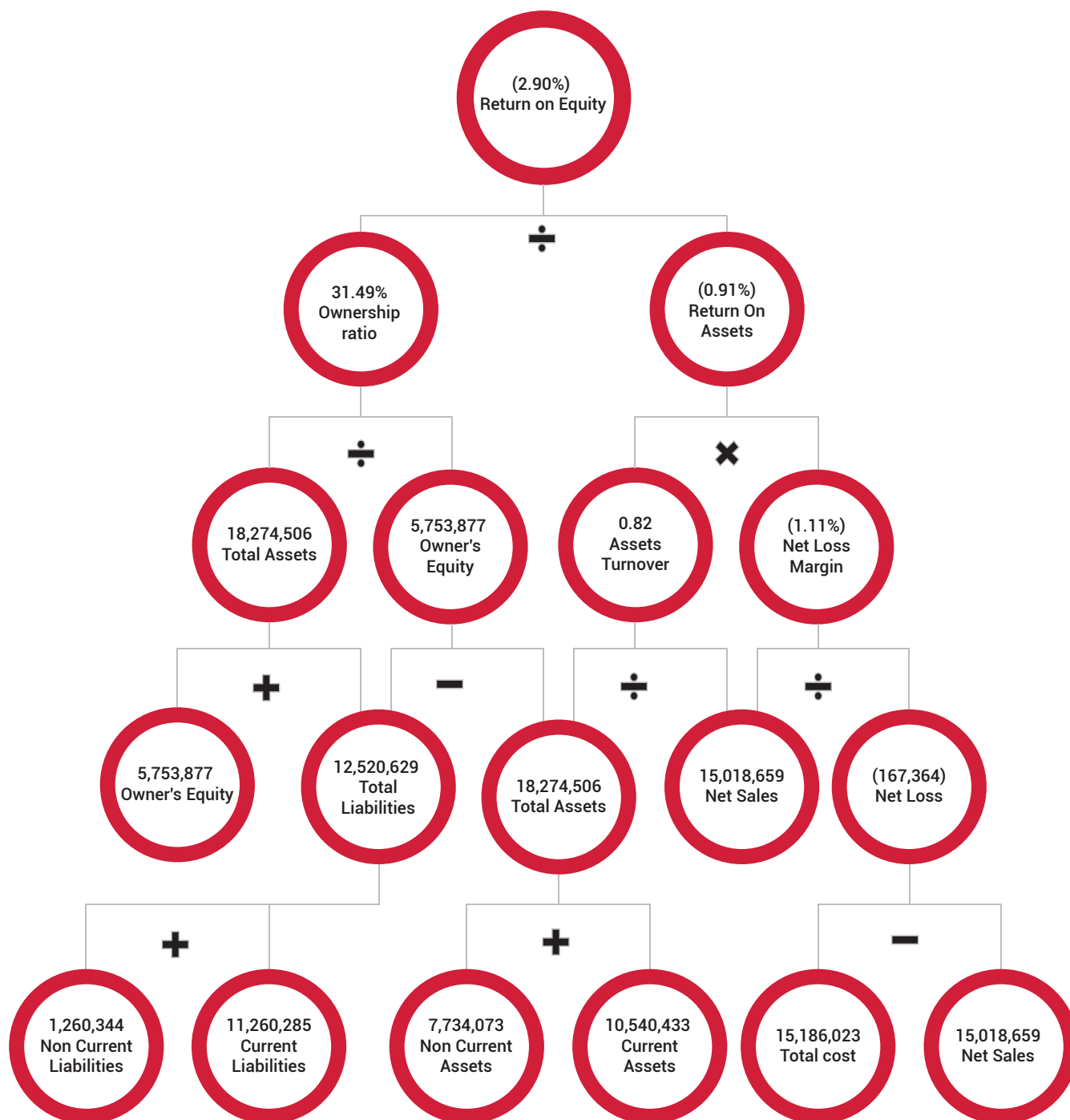
		2023	2022	2021	2020	2019	2018
Cash Dividend	%	0%	30%	0%	5%	0%	60%
Bonus	%	0%	0%	0%	0%	20%	70%

★ Comparatives have been restated on account of issuance of bonus shares.

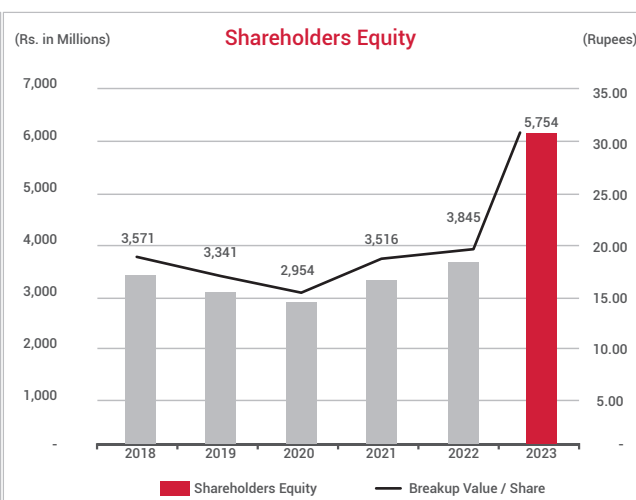
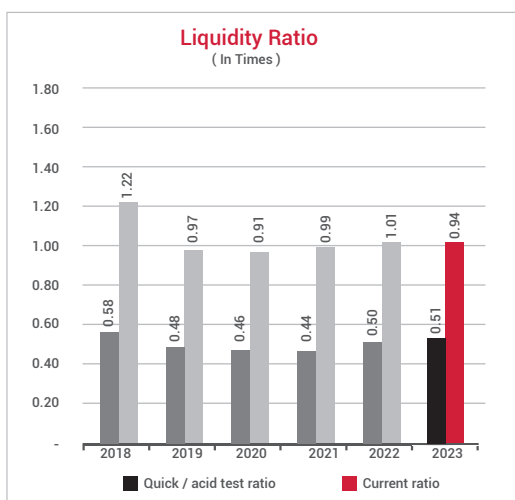
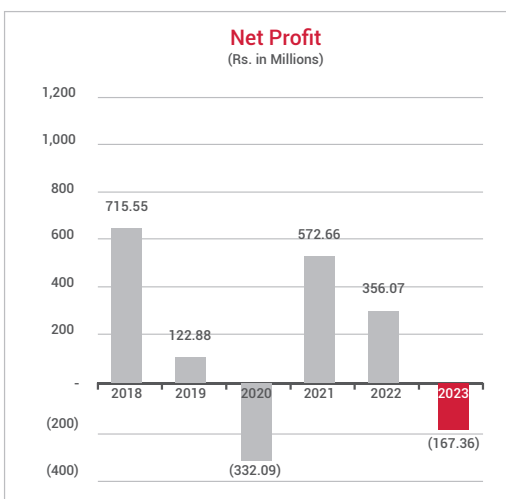
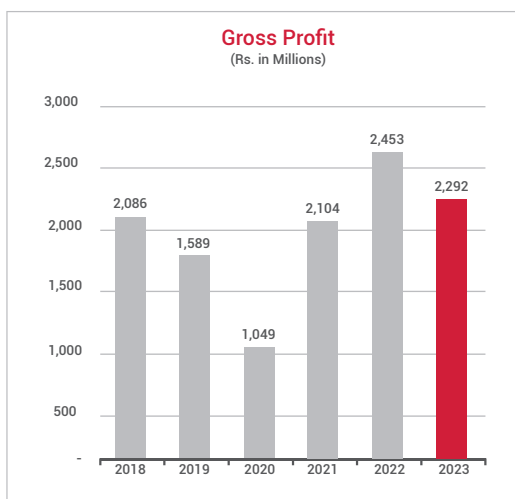
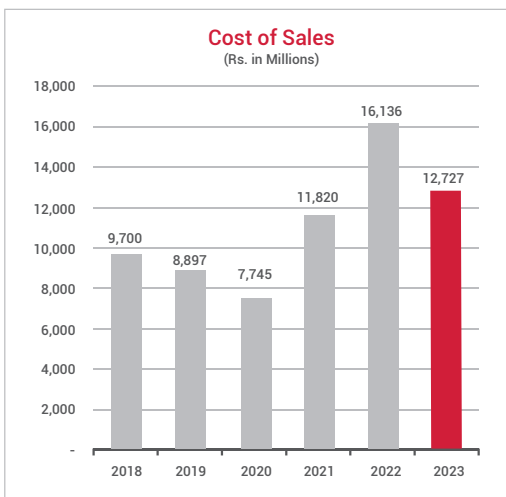
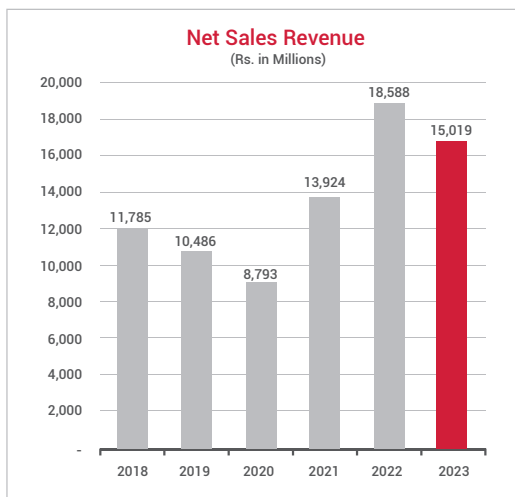
DUPONT ANALYSIS

As at June 30, 2023

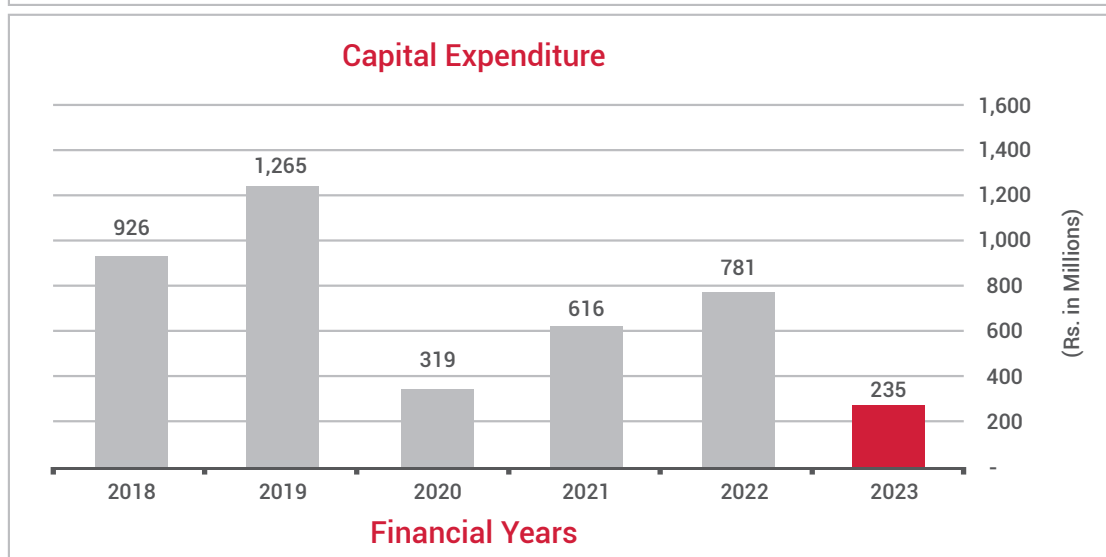
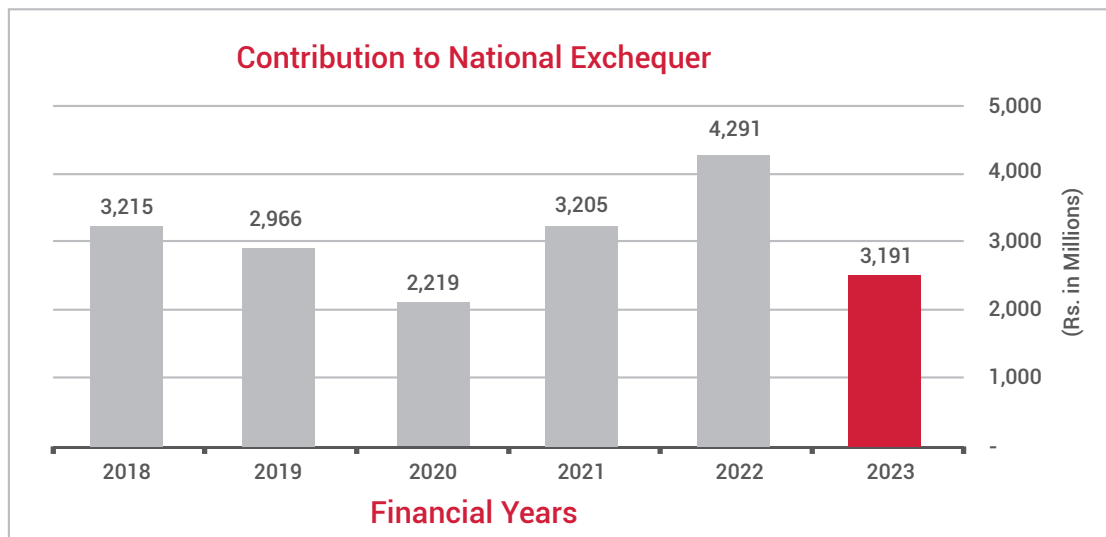
(Amount in '000)



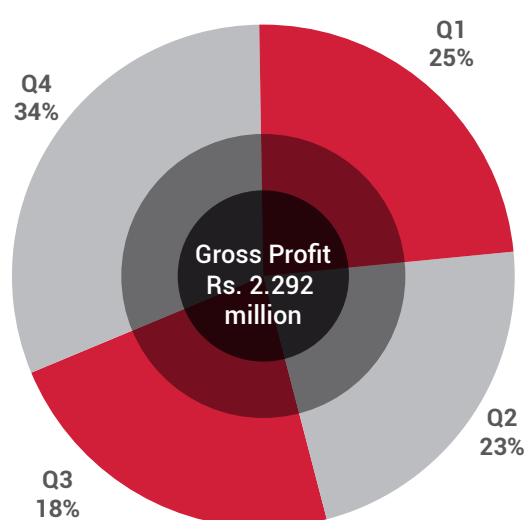
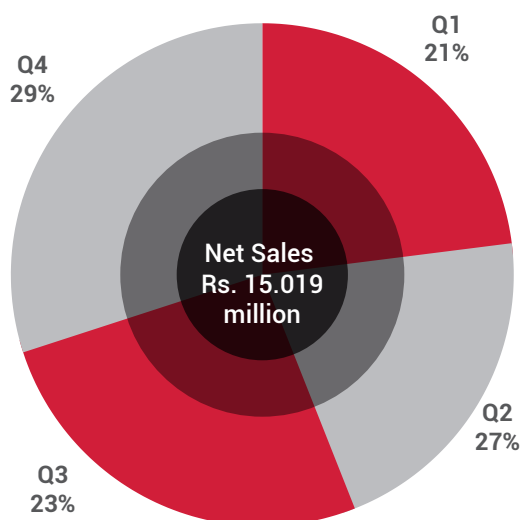
GRAPHICAL PRESENTATION



GRAPHICAL PRESENTATION



QUARTERLY PERFORMANCE ANALYSIS

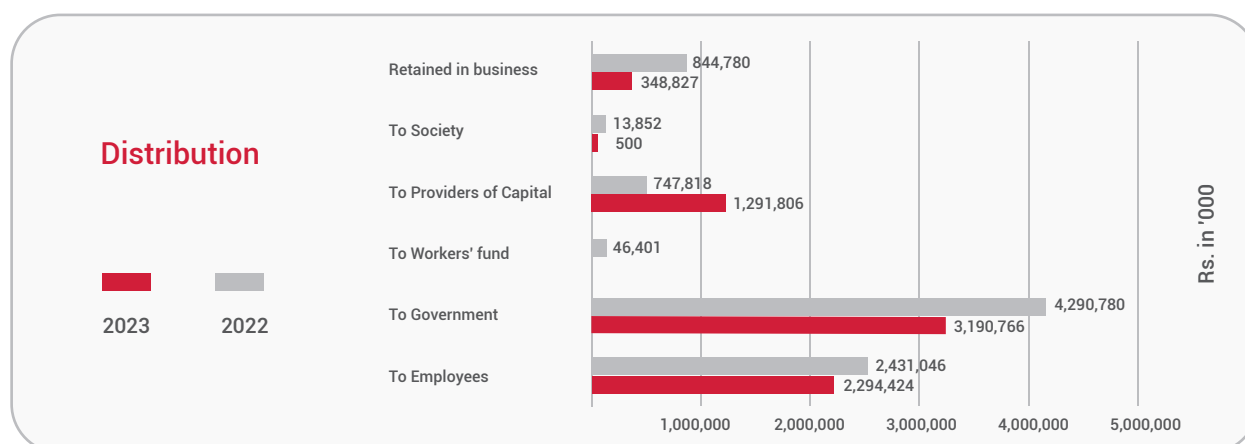


STATEMENT OF VALUE ADDITION

For the year ended June 30, 2023



	2023		2022	
	Rupees in '000	%age	Rupees in '000	%age
Value addition				
Net sales including sales tax	17,753,591		21,872,884	
Other income including share of (loss) / profit of an associated company	99,312		136,859	
Cost of materials and services	(10,726,580)		(13,635,066)	
	7,126,323	100	8,374,677	100
Value distribution				
To Employees				
Salaries, wages, benefits and staff welfare	2,294,424	32.20	2,431,046	29.03
To Government				
Income tax	243,832	3.42	330,491	3.95
Sales tax, excise and other duties	2,946,934	41.35	3,960,289	47.28
To Workers' fund				
Workers' profit participation fund	-	-	33,510	0.40
Workers' welfare fund	-	-	12,891	0.15
To Providers of Capital				
Mark up/ interest on borrowed money	1,291,806	18.13	747,818	8.93
To Society				
Donations	500	0.01	13,852	0.17
Retained in business				
Depreciation and Amortisation	516,191	7.24	488,715	5.84
Retained (Loss) / profit	(167,364)	(2.35)	356,065	4.25
	7,126,323	100	8,374,677	100





RELIABILITY



Tyres are more than just a vehicle component; they're partners in every journey. Over the decades, GTR has set the gold standard for reliability. As the nation's foremost tyre manufacturer, we take pride in being the preferred choice for Pakistanis. Every GTR tyre embodies our promise of consistent performance, unparalleled quality, and steadfast reliability.

Certifications



The use of the UKAS Accreditation Mark indicates accreditation in respect of those activities covered by the accreditation certificate number 015 held by NQA. NQA is a trading name of NQA Certification Limited, Registered No. 52021758. Registered Office: Warwick House, Houghton Hall Park, Houghton Regis, Bedfordshire, LU22 0XJ, UK. The certificate is the property of NQA and must be retained in respect.



The use of the UKAS Accreditation Mark indicates accreditation in respect of those activities covered by the accreditation certificate number 015 held by NQA. NQA is a trading name of NQA Certification Limited, Registered No. 52021758. Registered Office: Warwick House, Houghton Hall Park, Houghton Regis, Bedfordshire, LU22 0XJ, UK. The certificate is the property of NQA and must be retained in respect.



The use of the UKAS Accreditation Mark indicates accreditation in respect of those activities covered by the accreditation certificate number 015 held by NQA. NQA is a trading name of NQA Certification Limited, Registered No. 52021758. Registered Office: Warwick House, Houghton Hall Park, Houghton Regis, Bedfordshire, LU22 0XJ, UK. The certificate is the property of NQA and must be retained in respect.

Standard	Description	Certified By	Certified Since	Certificate no.
ISO 9001 - 2015	Quality Management System	NQA Pakistan	2006	67893
ISO 14001 - 2015	Environmental Management System	NQA Pakistan	2016	E 5843
ISO 45001 - 2018	Occupational Health & Safety Management System	NQA Pakistan	2016	H 3062

**Statement of Compliance with Listed Companies
(Code of Corporate Governance) Regulations, 2019
For the year ended June 30, 2023**



The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The total number of directors are eight (8) as per the following:

Gender	Number
Male	7
Female	1

2. The composition of the Board as at June 30, 2023 is as follows:

Category	Names
Independent Directors	Syed Ahmad Iqbal Ashraf Mrs. Nazia Qureshi
Non-Executive Directors	Lt Gen (R) Ali Kuli Khan Khattak Mr. Manzoor Ahmed Mr. Adnan Ahmed Mr. Ahmad Kuli Khan Khattak Mr. Umair Aijaz
Executive Director	Mr. Hussain Kuli Khan - (CEO)

Regulation 6 requires the Company to have at least one-third members of the Board as independent directors. As at June 30, 2023, the Board has two independent directors and the fraction one-third number was not rounded up to one as the two independent directors have requisite competencies, skills, knowledge and experience to fulfill their obligations as per the requirements of the applicable laws and regulations.

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 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 the Board/ shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman of the Board Meetings. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. At present, out of eight (8) directors on the Board, six (6) directors have acquired the Directors' Training Program ("DTP") Certifications from SECP recognized institutes. Whereas, two (2) directors are exempted from DTP Certifications due to fulfilling the requirement of having a minimum of 14 years of education and 15 years of experience on the Board of a listed company.
10. There was no fresh appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit during the year ended June 30, 2023. The Board has approved the remuneration of Chief Financial Officer, Company Secretary and Head of Internal Audit and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer have duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:

a. Board Audit Committee (**BAC**):

Name of the Member	Category
Syed Ahmad Iqbal Ashraf	Chairman
Lt Gen (R) Ali Kuli Khan Khattak	Member
Mr. Ahmad Kuli Khan Khattak	Member
Mr. Manzoor Ahmed	Member
Mr. Umair Aijaz	Member

b. Board Human Resource and Remuneration Committee (**BHR&RC**):

Name of the Member	Category
Syed Ahmad Iqbal Ashraf	Chairman
Lt Gen (R) Ali Kuli Khan Khattak	Member
Mr. Ahmad Kuli Khan Khattak	Member
Mr. Manzoor Ahmed	Member
Mr. Adnan Ahmed	Member
Ms. Nazia Qureshi	Member
Mr. Hussain Kuli Khan	Member

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 of the sub committees (quarterly/half yearly/yearly) were as following:
- a. Board Audit Committee: Six (6) meetings were held during the year ended June 30, 2023.
- b. Board Human Resource and Remuneration Committee: Six (6) meetings were held during the year ended June 30, 2023.
15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are 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 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 (spouse, 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 requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



LT GEN (R) ALI KULI KHAN KHATTAK
Chairman

Karachi
24 August 2023

**INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF
GHANDHARA TYRE AND RUBBER COMPANY 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 Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Ghandhara Tyre and Rubber Company Limited** (the Company) for the year ended June 30, 2023, 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 requires 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 June 30, 2023.

Shinwing Hameed Chaudhri & Co.
SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS
KARACHI; 28 AUG 2023

UDIN: CR202310105i2xwgaHV

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GHANDHARA TYRE AND RUBBER COMPANY LIMITED**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **Ghandhara Tyre and Rubber Company Limited** (the Company), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss and other 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 a summary of significant accounting policies 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, statement of profit or loss and other 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 June 30, 2023 and of the loss 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.

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.

SHC

Following are the Key Audit Matters:

S.No. Key Audit Matters

How the matter was addressed in our audit

1. Contingencies

Refer notes 15.1.3 to 15.1.15 to the financial statements which describes various tax related litigations pending before taxation authorities and Courts of law, the ultimate outcome of which cannot presently be determined. Management has engaged independent legal consultants on these matters. We identified this area as a key audit matter due to the magnitude of amount involved, inherent uncertainties with respect to the outcome of matters and significance of these contingencies in relation to Company's financial statements.

We performed following audit procedures in respect of this area:

Obtained and discussed documents relating to these litigations with the relevant department to understand the management's view point and obtained management's assessment regarding their implications on the Company;

Examined legal expense to assess any litigations or claims which may result in material misstatement of the financial statements;

Circularised and assessed confirmations from the Company's external legal and tax advisors for their views on the pending matters;

Involved internal tax expert to assess managements' conclusion on contingent tax matters, and

We also considered the adequacy of the related disclosures and assessed these are in accordance with the applicable financial reporting standards and the Companies Act, 2017.

2. Revaluation / capitalization operating fixed assets

As disclosed in notes 2.8.1 and 4.4 to the financial statements, the Company during the year revalued its leasehold lands that resulted in net surplus / gain of Rs. 2,473,748 thousand. Also the Company, incurred capital expenditure with additions made to its operating fixed assets as disclosed in note 16.1 to the financial statements.

We performed following audit procedures in respect of this area:

Obtained an understanding of the management controls over capitalization and on a sample basis, test relevant controls over authorization and recording in the system;

On a sample basis, tested the costs incurred with underlying supporting documentations i.e. purchase orders, delivery challans, supplier invoices, payment and other relevant documents;


Evaluate the nature of costs on a sample basis to ensure capitalization criteria of relevant accounting and reporting standards;

Reviewed / assessed revaluation report of independent valuer for revaluation of leasehold land. Also, recalculated the computation for revaluation surplus; and

Considered the adequacy of the disclosures made in the financial statements in relation to the above.

We identified this as a key audit matter as these represents significant transactions and involves certain estimates and judgements.

SAC

 Catalyst for success

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises of the directors' Report (but does not include the financial statements and our auditors' 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 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 are 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.



 Catalyst for success

- 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 profit or loss and other 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.

The engagement partner on the audit resulting in this independent auditor's report is Raheel Ahmed.

Shinewing Hameed Chaudhri & Co.
SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS
KARACHI; 28 AUG 2023
UDIN: AR202310105wPI4Tk5L6



FINANCIAL STATEMENTS 2023



DURABILITY



Our expertise lies in crafting tyres that excel across diverse terrains. Engineered for superior grip and lasting durability, GTR tyres promise an optimal balance of handling, extended tread life, and reduced rolling resistance. We're not just ensuring safety on wheels; we're making every journey a step closer to your dreams.

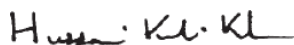
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

		2023	2022
	Note	--- Rupees in '000 ---	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
125,000,000 (2022: 125,000,000) ordinary shares of Rs 10 each		1,250,000	1,250,000
Issued, subscribed and paid-up share capital	4.1	1,219,334	1,219,334
Revenue reserve			
Un-appropriated profit		1,060,795	1,625,199
Capital reserve			
Reserve for capital expenditure	4.3	1,000,000	1,000,000
Surplus on revaluation of leasehold lands	4.4	2,473,748	-
		3,473,748	1,000,000
TOTAL EQUITY		5,753,877	3,844,533
LIABILITIES			
NON CURRENT LIABILITIES			
Long term finances	5	555,592	796,083
Staff benefits	6	486,964	440,729
Deferred liabilities	7	157,402	254,304
Long term deposits from dealers	8	11,630	10,370
Deferred tax - net	9	48,756	262,919
		1,260,344	1,764,405
CURRENT LIABILITIES			
Current maturity of long term finances	5	273,579	489,148
Current maturity of deferred liabilities	7	38,549	177,327
Current maturity of lease liabilities		-	2,613
Short term finances	10	1,824,575	2,991,027
Running finances under mark-up arrangements	11	4,426,247	2,904,137
Trade and other payables	12	3,978,092	3,599,739
Unclaimed dividend		19,332	19,462
Accrued mark-up	13	375,397	178,709
Provisions	14	324,514	82,857
		11,260,285	10,445,019
TOTAL LIABILITIES		12,520,629	12,209,424
TOTAL EQUITY AND LIABILITIES		18,274,506	16,053,957
Contingencies and commitments	15		

The annexed notes 1 to 48 form an integral part of these financial statements.



Siraj A. Lawai
Chief Financial Officer



Hussain Kuli Khan
Chief Executive



Nazia Qureshi
Director

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023



	Note	2023	2022
--- Rupees in '000 ---			
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	16	7,682,381	5,498,198
Right-of-use assets	17	-	1,317
Intangible assets	18	2,335	1,123
Investment in an associated company	19	24,902	25,918
Long term loans and advances	20	4,987	10,508
Long term deposits	21	19,468	19,426
		7,734,073	5,556,490
CURRENT ASSETS			
Stores and spares	22	759,907	693,421
Stocks	23	4,811,895	5,299,420
Trade debts	24	2,941,341	2,518,372
Loans and advances	25	144,480	148,645
Deposits and prepayments	26	50,614	57,388
Other receivables	27	208,912	217,189
Taxation - net		1,483,609	1,425,639
Cash and bank balances	28	139,675	137,393
		10,540,433	10,497,467
TOTAL ASSETS		18,274,506	16,053,957

The annexed notes 1 to 48 form an integral part of these financial statements.

Siraj A. Lawai
Chief Financial Officer

Hussain Kuli Khan
Chief Executive

Nazia Qureshi
Director

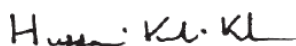
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

		2023	2022
	Note	--- Rupees in '000 ---	
Sales - net	29	15,018,659	18,588,299
Cost of sales	30	(12,726,992)	(16,135,560)
Gross profit		2,291,667	2,452,739
Administrative expenses	31	(312,089)	(332,219)
Distribution cost	32	(626,172)	(687,602)
Other income	33	100,328	130,349
Other expenses	34	(354,530)	(198,129)
Profit from operations		1,099,204	1,365,138
Finance cost	35	(1,291,806)	(747,818)
		(192,602)	617,320
Share of (loss) / profit of an associated company	19	(1,016)	6,510
(Loss) / profit before taxation		(193,618)	623,830
Taxation reversal / (charge)	36	26,254	(267,765)
(Loss) / profit for the year		(167,364)	356,065
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Staff retirement gratuity re-measurement - net	6.1.8	(33,287)	(40,518)
Impact of deferred tax		2,047	13,371
Staff retirement gratuity re-measurement - net of deferred tax		(31,240)	(27,147)
Surplus on revaluation of leasehold lands	4.4	2,473,748	-
Other comprehensive income / (loss) for the year		2,442,508	(27,147)
Total comprehensive income for the year		2,275,144	328,918
		----- Rupees -----	
(Loss) / earnings per share - basic and diluted	37	(1.37)	2.92

The annexed notes 1 to 48 form an integral part of these financial statements.



Siraj A. Lawai
Chief Financial Officer



Hussain Kuli Khan
Chief Executive



Nazia Qureshi
Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2023**



	Capital Reserve			Revenue Reserve	Total
	Issued, subscribed and paid-up share capital	Reserve for capital expenditure	Surplus on revaluation of leasehold lands	Unappropriated profit	
----- Rupees in '000 -----					
Balance as at July 1, 2021	1,219,334	1,000,000	-	1,296,281	3,515,615
Total comprehensive income for the year ended June 30, 2022					
Profit for the year	-	-	-	356,065	356,065
Other comprehensive loss	-	-	-	(27,147)	(27,147)
	-	-	-	328,918	328,918
Balance as at June 30, 2022	1,219,334	1,000,000	-	1,625,199	3,844,533
Transaction with owners, recognised directly in equity					
Final cash dividend for the year ended June 30, 2022 at the rate of Rs. 3 per share	-	-	-	(365,800)	(365,800)
Total comprehensive income for the year ended June 30, 2023					
Loss for the year	-	-	-	(167,364)	(167,364)
Other comprehensive income / (loss)	-	-	2,473,748	(31,240)	2,442,508
	-	-	2,473,748	(198,604)	2,275,144
Balance as at June 30, 2023	1,219,334	1,000,000	2,473,748	1,060,795	5,753,877

The annexed notes 1 to 48 form an integral part of these financial statements.

Siraj A. Lawai
Chief Financial Officer

Hussain Kuli Khan
Chief Executive

Nazia Qureshi
Director

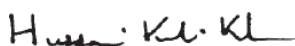
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

		2023	2022
	Note	--- Rupees in '000 ---	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	38	2,141,101	1,677,347
Staff retirement gratuity paid	6.1.5	(74,827)	(50,792)
Compensated absences paid	6.2	(6,917)	(4,989)
Long term deposits from dealers - net		1,260	410
Finance cost paid		(1,095,118)	(689,982)
Taxes paid		(243,832)	(330,491)
Long term loans and advances - net		5,521	(1,469)
Long term deposits		(42)	2,602
Profit on bank deposits received		1,249	756
Net cash generated from operating activities		728,395	603,392
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(233,315)	(781,227)
Purchase of intangible assets		(2,158)	-
Proceeds from sale of operating fixed assets		12,046	19,925
Net cash used in investing activities		(223,427)	(761,302)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finance - repaid	5.6	(489,801)	(855,875)
Long term finance - obtained	5.6	-	436,136
Lease rental paid - net		(2,613)	(6,532)
Short term finances - net		(1,166,452)	1,032,474
Dividend paid		(365,930)	(92)
Net cash (used in) / generated from financing activities		(2,024,796)	606,111
Net (decrease) / increase in cash and cash equivalents		(1,519,828)	448,201
Cash and cash equivalents - at beginning of the year		(2,766,744)	(3,214,945)
Cash and cash equivalents - at end of the year	39	(4,286,572)	(2,766,744)

The annexed notes 1 to 48 form an integral part of these financial statements.



Siraj A. Lawai
Chief Financial Officer



Hussain Kuli Khan
Chief Executive



Nazia Qureshi
Director

1. LEGAL STATUS AND OPERATIONS

1.1 Ghandhara Tyre and Rubber Company Limited (the Company) (formerly The General Tyre and Rubber Company of Pakistan Limited) was incorporated in Pakistan on March 7, 1963 as a private limited company, under the Companies Act 1913, repealed and replaced by the Companies Ordinance, 1984 which in turn got replaced by the Companies Act 2017, and was subsequently converted into a public limited company. The Company's shares are quoted on the Pakistan Stock Exchange. The registered office of the Company is situated at H-23/2, Landhi Industrial Trading Estate, Landhi, Karachi with regional offices at Lahore, Multan and Islamabad. The Company is engaged in the manufacturing and trading of tyres and tubes for automobiles and motorcycles.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise stated.

2.2 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the functional currency of the Company.

2.3 Statement of compliance

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 (IFRSs) issued by the International Accounting Standards Board as notified under the Companies Act, 2017 (the Act) ;
- Provisions of and directives issued under the Companies Act, 2017.

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

2.4 New and amended standards and interpretation

2.4.1 Standards, amendments to approved accounting standards effective in current year

New and amended standards and interpretations mandatory for the first time for the financial year beginning July 1, 2022:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

- (a) Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' is applicable for accounting periods beginning on or after January 1, 2022. Under IAS 37, a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations – i.e. the lower of the costs of fulfilling the contract and the costs of terminating it – outweigh the economic benefits. The amendments clarify that the 'costs of fulfilling a contract' comprise both the incremental costs – e.g. direct labour and materials; and an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.
- (b) Amendment to IAS 16 'Property, plant and Equipment' is applicable on accounting periods beginning on or after January 1, 2022. The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss. The amendments apply retrospectively, but only to items of PPE made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments.

There were certain other amendments to accounting and reporting standards which became mandatory for the Company during the current year but are considered not to be relevant or have any significant effect on the Company's financial reporting therefore have not been disclosed in these financial statements.

2.4.2 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company

The following new standards and amendments to approved accounting standards are not effective for the financial year beginning on July 1, 2022 and have not been early adopted by the Company:

- (a) Amendments to IAS 1, 'Presentation of Financial Statements' is applicable on accounting periods beginning on or after January 1, 2023. The amendments includes requiring companies to disclose their material accounting policies rather than their significant accounting policies, clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed and also clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.
- (b) Amendments to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' will be applicable on accounting periods beginning on or after January 1, 2023. The International Accounting Standards Board (the Board) has issued amendments to end diversity in treatment of accounting estimates and clarified how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. Developing an accounting estimate includes both selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 Financial Instruments; and – choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The effects of changes in such inputs or measurement techniques are changes in accounting estimates.

- (c) Amendments to IAS 12, 'Income taxes' will be applicable on accounting periods beginning on or after January 1, 2023. The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.
- (d) Amendments to IAS 1 'Presentation of Financial Statements' is applicable on accounting periods beginning on or after January 1, 2023. Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of this amendments, the requirement for a right to be unconditional has been removed and instead, the amendments requires that a right to defer settlement must have substance and exist at the end of the reporting period.
- (e) Amendments to IFRS 16 "Leases" are applicable on accounting periods beginning on or after January 1, 2024. Amendments impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. 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 recognises no gain or loss relating to the right of use it retains. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered.
- (f) Amendments to IAS 1 'Presentation of Financial Statements' is applicable on accounting periods beginning on or after January 1, 2024. Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of this amendments, the requirement for a right to be unconditional has been removed and instead, the amendments requires that a right to defer settlement must have substance and exist at the end of the reporting period. This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement. At October 31, 2022, after reconsidering certain aspects of the amendments, the IASB reconfirmed that 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 management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures. There are number of other standards, amendments and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Company and therefore, have not been presented here.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

2.5 Staff retirement benefits

2.5.1 Defined benefit plans

The Company operates an approved funded gratuity scheme for its senior executive staff / managerial cadre and an unfunded gratuity scheme for employees not covered by the funded gratuity scheme. The schemes define the amounts of benefit that an employee will receive on retirement subject to minimum qualifying period of service under the schemes. The amount of retirement benefits are usually dependent on one or more factors such as age, years of service and salary. The gratuity plan is fully funded by the Company.

The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions used in determining defined benefit liability. Employees are not required to contribute to the plan.

The liability recognised in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (if any). The defined benefit obligation is calculated annually on the basis of actuarial valuation.

The actuarial valuations of both schemes are carried out by an independent expert, using the 'Projected Unit Credit Method'.

The amounts arising as a result of re-measurements are recognised in the other comprehensive income in the periods in which they occur. Past service costs, if any, are recognised immediately in the profit or loss.

2.5.2 Defined contribution plan

The Company also operates a recognised provident fund for its employees. Equal monthly contributions at the rate of 10% of basic salary are made to the provident fund both by the Company and employees.

2.5.3 Employee compensated absences

The liability in respect of compensated absences of employees is accounted for in period in which these are earned in terms of basic salary upto the reporting date. The provision is recognised on the basis of an actuarial valuation.

2.6 Taxation

Current

Provision for current taxation is the amount computed on taxable income at the current rates of taxation or alternative corporate tax computed on accounting income or minimum tax on turnover, whichever is higher, and taxes paid / payable on final tax basis, after taking into account tax credits available, if any. The charge for the current tax also includes adjustments where necessary, relating to prior years which arise from the assessments made / finalised during the year.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of the taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit shall be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date.

2.7 Trade and other payables

Liabilities for trade and other payables are carried at their amortised cost, which is approximately fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

2.8 Property, plant and equipment

2.8.1 Operating fixed assets and depreciation thereon

Operating fixed assets other than leasehold land are stated at cost less accumulated depreciation and any identified impairment loss. Leasehold land is stated at revalued amount as stated in note 4.4 of these financial statements. Cost of certain assets consists of historical cost and the related borrowing cost on loans utilised for the acquisition of those assets.

Depreciation is charged to income applying the straight line method whereby the cost of an asset less residual value is charged-off over its estimated useful life depending upon the class of assets. Depreciation is charged at rates stated in note 16.1.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

Depreciation on additions is charged from the month following the month in which an asset is available for use and on deletions upto the date of deletion.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date. Items of property, plant and equipment individually costing Rs 10,000 or less are charged to the profit or loss as and when purchased.

Maintenance and normal repairs are charged to the profit or loss as and when incurred. Major renewals and improvements which increase the assets' remaining useful economic life or the performance beyond the current estimated levels are capitalised and the assets so replaced, if any, are retired.

Gains or losses on disposal or retirement of fixed assets are determined as the difference between the sale proceeds and the carrying amount of assets and are included in the profit or loss.

The Company assesses at each reporting date whether there is any indication that the operating fixed assets may be impaired. If such an indication exists, the carrying amounts of the related assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amounts, assets are written down to their recoverable amounts and the resulting impairment loss is charged to the profit or loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Revaluation will be carry out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from their fair value. Any surplus on revaluation of fixed assets is recognised in other comprehensive income and presented as a separate component of equity as "Surplus on revaluation of leasehold lands", except to the extent that it reverses a revaluation decrease for the same asset previously recognised 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 of fixed assets is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on fixed assets relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders.

2.8.2 Capital work-in-progress

Capital work-in-progress is stated at cost less identified impairment loss, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when assets are available for use.

2.9 Right-of-use assets

The right-of-use assets are initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated using the straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company applies the practical expedient to not recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets.

2.10 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised using the straight line method over their estimated useful lives. Amortisation is charged at the rate stated in note 18.

Amortisation on additions is charged from the month following in which an asset is available for use and on deletions upto the month immediately preceding the deletion.

Useful lives of intangible assets are reviewed at each reporting date and adjusted if the impact of amortisation is significant.

2.11 Investment in associates

Associates are entities over which the Company has significant influence but not control. Investment in an associate is accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the Company's share of profit or loss of the investee after the date of acquisition. The Company's share of post acquisition profit or loss is recognised in the profit or loss, and its share of post acquisition movements in other comprehensive income is recognised in the other comprehensive income with the corresponding adjustment to the carrying amount of the investment.

When the Company's share of losses in an associate equals or exceeds its interest in the associate, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

The Company determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

2.12 Stores and spares

Stores and spares are valued at lower of cost and estimated net realisable value. The cost of stores and spares is based on weighted average cost less provision for obsolescence, if any. Items in transit are valued at cost as accumulated upto the reporting date.

Provision for obsolete items, if any, is based on their condition as at the reporting date depending upon the management's judgement.

2.13 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost in relation to raw materials and trading goods in hand is calculated on weighted average basis.

The cost of work-in-process and finished goods comprises of direct materials, labour and appropriate portion of production overheads.

Raw materials held in custom bonded warehouses and stock-in-transit are valued at cost accumulated upto the reporting date.

Claimed tyres are valued at their estimated net realisable value.

Net realisable value is determined on the basis of the estimated selling price of the product in ordinary course of business less estimated cost of completion and estimated cost necessary to be incurred for its sale.

2.14 Trade debts and other receivables

Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest method.

2.15 Financial assets and financial liabilities

(a) Financial assets

(i) Amortised Cost

Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in profit or loss.

(ii) Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income or assets that are designated at fair value through profit or loss using fair value option, are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in the profit or loss in the period in which it arises.

Equity instrument financial assets are measured at fair value at and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in the profit or loss. Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to the profit or loss following the derecognition of the investment.

Financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value or amortised cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

Financial assets are derecognised when the Company loses control of the contractual rights that comprise the financial asset. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

(b) Financial liabilities

Financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are recognised as expense in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit or loss.

2.16 Offsetting

A financial asset and financial liability is off-set and the net amount is reported in the statement of financial position when there is a legally enforceable right to set-off the transaction and also there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.17 Impairment

(a) Financial assets

The Company assesses on a forward looking basis, the expected credit losses associated with its financial assets. The Company applies the simplified approach to recognise lifetime expected credit losses for trade debts. For other financial assets, the Company follows general approach to determine impairment under IFRS 9. The Company considers a financial asset in default when contractual payments are 90 days past due.

Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

The Company recognises in the profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

(b) Non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised as an expense in the profit or loss. The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.18 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and bank balances and running finance under mark-up arrangements.

2.19 Revenue recognition

(a) Sale of goods

Revenue is recognised when or as performance obligations are satisfied by transferring control of a promised goods or service to a customer, and control either transfers over time or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies.

(b) Dividend income is recognised when the right to receive such payment is established.

(c) Interest income is accrued on the time proportion basis with reference to the principal outstanding and applicable rate of return.

2.20 Borrowing costs

Borrowing and other related costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

2.21 Government grant

Government grants are recognised where there is a reasonable expectation that the grant will be received and the attached conditions will be complied with. It is recognised as income on a systematic basis over the periods in which the related cost, for which it is intended to compensate is recorded.

2.22 Foreign currency transactions and translation

Foreign currency transactions are recorded using the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistan Rupee using the exchange rate ruling at the reporting date. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and on translation of monetary assets and liabilities denominated in foreign currencies at reporting date are recognised in the profit or loss.

2.23 Warranty tyre replacement allowance

Warranty expense is recognised in the year of sale on the basis of estimates of warranty claims to be received against those sales.

2.24 Provisions, contingent assets and contingent liabilities

Provisions are recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

Contingent assets are disclosed when there is a possible asset 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. Contingent assets are not recognised until their realisation becomes virtually certain.

Contingent liabilities are 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.

2.25 Lease liabilities

Lease liability is initially measured at the present value of the lease payments discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments and variable lease payment that are based on an index or a rate, amounts expected to be payable by the Company under residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option, payments of penalties for terminating the lease if the lease term reflects the Company exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in the determination of the lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of right of use of asset has been reduced to zero.

2.26 Segment reporting

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker. The Chief Executive has been identified as the Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment.

2.27 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in these financial statements in the period in which these are approved.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with the approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise judgements in the process of applying the Company's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

The assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Judgements made by management in application of the approved accounting and reporting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy notes. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgements were exercised in application of accounting policies are as follows:

- (i) Estimate of payables and receivables in respect of staff retirement benefit schemes [notes 2.5 and 6.1]
- (ii) Estimates of current and deferred tax [note 2.6]
- (iii) Estimated useful life of property, plant and equipment and intangible assets [notes 2.8 and 2.10]
- (iv) Provision for slow moving inventories [notes 2.12 and 2.13]
- (v) Estimation of expected credit losses for trade receivables [note 2.17]
- (vi) Provision for tyre replacement allowance [note 2.23]
- (vii) Provisions, contingent assets and contingent liabilities [Note 2.24]

4. SHARE CAPITAL AND RESERVES

4.1 Issued, subscribed and paid-up share capital

2023		2022		2023		2022	
--- Number of shares ---				--- Rupees in '000 ---			
7,133,320	7,133,320	Ordinary shares of Rs 10 each fully paid in cash		71,333		71,333	
186,680	186,680	Ordinary shares of Rs 10 each issued for consideration other than cash		1,867		1,867	
114,613,350	114,613,350	Ordinary shares of Rs 10 each issued as fully paid bonus shares		1,146,134		1,146,134	
<u>121,933,350</u>	<u>121,933,350</u>			<u>1,219,334</u>		<u>1,219,334</u>	

4.1.1 Ordinary shares held by the associated companies as at June 30,

		2023	2022
--- Number of shares ---			
Bibojee Services (Private) Limited		33,881,772	33,881,772
Pakistan Kuwait Investment Company (Private) Limited		36,579,835	36,579,835
		<u>70,461,607</u>	<u>70,461,607</u>

4.2 The Company has one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Company. All shares rank equally with regard to the Company's residual assets.

4.3 Capital reserve

The reserve has been established out of the unappropriated profit for capital expenditure.

4.4 Surplus on revaluation of leasehold lands

The Company during the year have changed the accounting policy related to valuation of leasehold lands from cost to revaluation model and consequently revalued its leasehold lands located at H-23/2, Landhi Industrial and Trading Estate, Karachi and B-30, Sindh Industrial Trading Estate (SITE), Sukkur. The revaluations were conducted by M/s. Joseph Lobo (Private) Limited (independent valuers and consultants) as at June 26, 2023. These revaluations resulted in a net surplus of Rs.2,473.75 million. Forced sale value of these lands at the time of revaluations were Rs. 1,884.9 million. Leasehold lands were revalued on the basis of current market values. The most significant input into this valuation approach is price per acre for land.

5. LONG TERM FINANCES - Secured

Note

2023

2022

--- Rupees in '000 ---

From banking companies

- Conventional

Loan under refinance scheme for payment

of wages and salaries

5.1 - 239,974

Term finance facility - I

5.2 - 72,912

Term finance facility - II

5.3 217,140 361,901

Temporary economic refinance facility

5.4 395,384 396,443

- Shariah compliant

Islamic temporary economic refinance facility

5.5 412,598 443,693

1,025,122 1,514,923

Less grouped under:

Current liabilities

(273,579) (489,148)

Deferred income - Government grant

7 **(195,951)** (229,692)

555,592 796,083

5.1 This represents long-term financing facility obtained from Askari Bank Limited amounting to Rs. Nil (2022: Rs. 639 million) under the Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns by the State Bank of Pakistan. The loan was repayable in eight equal quarterly instalments, which started from April 2021. The loan carried mark-up at the rate of 3% per annum starting from the date of disbursement and was payable in arrears on quarterly basis. This facility was secured by way of first pari passu charge over all the present and future fixed assets (excluding land and building) and current assets of the Company to the extent of Rs. 852 million.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

- 5.2** Term finance facility of Rs. Nil (2022: Rs. 700 million) obtained to finance capital expenditure. The principal amount drawn was repayable in fourteen equal quarterly instalments which commenced after a grace period of eighteen months from the date of disbursement (i.e. August 17, 2017). This finance facility carried mark-up at the rate of three months KIBOR plus 0.50% per annum and was secured by way of joint pari passu charge over stocks, trade debts and fixed assets (excluding land and building) of the Company to the extent of Rs 933.333 million.
- 5.3** In order to finance the Company's on-going budgeted capital expenditure requirement, the Company obtained a term finance facility of Rs. 850 million from MCB Bank Limited. The loan is repayable in fourteen equal quarterly instalments after a grace period of one and a half year from the date of disbursement (i.e. May 3, 2019). This finance facility carries mark-up at the rate of three months KIBOR plus 0.50% per annum and is secured by way of first registered joint pari passu hypothecation charge of Rs. 1,133.33 million over all the present and future fixed assets (excluding land and building) and current assets of the Company.
- 5.4** The Company obtained a long term financing facility from Bank Alfalah Limited under State Bank of Pakistan's (SBP) Refinance Scheme for Temporary Economic Refinance Facility ('TERF'), recognised initially at fair value. The total facility available amounts to Rs. 400 million. The loan is repayable in ten years including one years grace period for principal repayments (principal repayments on semi-annual basis whereas markup servicing on quarterly basis). The said facility is secured by way of first pari passu charge over all the present and future fixed assets (excluding land and building) and current assets of the Company to the extent of Rs. 533.33 million.
- 5.5** This represents long term financing facility obtained from Faysal Bank Limited under State Bank of Pakistan's (SBP) Refinance Scheme for Islamic Temporary Economic Refinance Facility ('ITERF'), recognised initially at fair value. The total facility available amounts to Rs. 444 million. The balance is repayable in 20 equal quarterly instalments after a grace period of two years from the date of each disbursement. The said facility is secured by way of first pari passu charge over all the present and future fixed assets (excluding land and building) and current assets of the Company to the extent of Rs. 592 million.

- 5.6** Following are the changes in the long term finances:

		2023	2022
	Note	--- Rupees in '000 ---	
Balance at beginning of the year		1,514,923	1,934,662
Disbursement		-	436,136
Repayments		(489,801)	(855,875)
Balance at the end of the year		<u>1,025,122</u>	<u>1,514,923</u>
6. STAFF BENEFITS			
Staff retirement gratuity	6.1	411,145	378,209
Employees compensated absences	6.2	75,819	62,520
		<u>486,964</u>	<u>440,729</u>

6.1 Staff retirement gratuity

6.1.1 As stated in note 2.5.1, the Company operates an approved funded gratuity scheme for its senior executive staff and an unfunded gratuity scheme for employees not covered by the funded gratuity scheme.

6.1.2 Plan assets held in trust are governed by local regulations which mainly include the Sindh Trust Act, 2020, the Companies Act, 2017, Income Tax Rules, 2002 and Rules under the Trust Deed of the Plan. The Board of Trustees are responsible for the governance of the plan assets, including investment decisions and contributions schedules. The Company appoints the trustees and all trustees are employees of the Company.

6.1.3 The latest actuarial valuations of the schemes as at June 30, 2023 was carried out by an external actuary, using the 'Projected Unit Credit Method'. Details of the schemes as per the actuarial valuations are as follows:

	Funded		Unfunded		Total	
	2023	2022	2023	2022	2023	2022
----- Rupees in '000 -----						
6.1.4 Balance sheet reconciliation						
Present value of defined benefit obligation - note 6.1.5	227,545	183,025	452,450	417,219	679,995	600,244
Fair value of plan assets - note 6.1.6	(160,805)	(136,491)	-	-	(160,805)	(136,491)
Liability at end of the year	66,740	46,534	452,450	417,219	519,190	463,753
Payable within next twelve months (note 12)	(43,473)	(45,503)	(64,572)	(40,041)	(108,045)	(85,544)
	23,267	1,031	387,878	377,178	411,145	378,209
6.1.5 Movement in the present value of defined benefit obligation						
Balance at the beginning of the year	183,025	162,871	417,219	380,328	600,244	543,199
Current service cost	15,575	10,960	28,863	26,599	44,438	37,559
Interest cost	19,907	14,952	49,539	36,435	69,446	51,387
Benefits paid	(43,474)	(26,688)	(28,295)	(32,027)	(71,769)	(58,715)
Re-measurement on obligation	31,432	(2,409)	6,204	29,223	37,636	26,814
Transferred to managerial cadre	21,080	23,339	(21,080)	(23,339)	-	-
Balance at the end of the year	227,545	183,025	452,450	417,219	679,995	600,244

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

	Funded		Unfunded		Total	
	2023	2022	2023	2022	2023	2022
----- Rupees in '000 -----						
6.1.6 Movement in the fair value of plan assets						
Balance at beginning of the year	136,491	144,104	-	-	136,491	144,104
Interest income	16,907	14,014	-	-	16,907	14,014
Contributions	46,532	18,765	-	-	46,532	18,765
Benefits paid	(43,474)	(26,688)	-	-	(43,474)	(26,688)
Re-measurement	4,349	(13,704)	-	-	4,349	(13,704)
Balance at the end of the year	<u>160,805</u>	<u>136,491</u>	<u>-</u>	<u>-</u>	<u>160,805</u>	<u>136,491</u>
6.1.7 Charge for the year						
Current service cost	15,575	10,960	28,863	26,599	44,438	37,559
Net interest cost	3,000	938	49,539	36,435	52,539	37,373
	<u>18,575</u>	<u>11,898</u>	<u>78,402</u>	<u>63,034</u>	<u>96,977</u>	<u>74,932</u>
6.1.8 Re-measurement recognised in other comprehensive income						
Re-measurement loss / (gain) on obligation	31,432	(2,409)	6,204	29,223	37,636	26,814
Re-measurement (gain) / loss on fair value of plan assets	(4,349)	13,704	-	-	(4,349)	13,704
	<u>27,083</u>	<u>11,295</u>	<u>6,204</u>	<u>29,223</u>	<u>33,287</u>	<u>40,518</u>
6.1.9 Net recognised liability						
Net liability at beginning of the year	46,534	18,767	417,219	380,328	463,753	399,095
Charge for the year	18,575	11,898	78,402	63,034	96,977	74,932
Benefits paid during the year	-	-	(28,295)	(32,027)	(28,295)	(32,027)
Contributions made during the year	(46,532)	(18,765)	-	-	(46,532)	(18,765)
Transferred to managerial cadre	21,080	23,339	(21,080)	(23,339)	-	-
Re-measurement recognised in other comprehensive income	27,083	11,295	6,204	29,223	33,287	40,518
Net liability at the end of the year	66,740	46,534	452,450	417,219	519,190	463,753
Payable within next twelve months	(43,473)	(45,503)	(64,572)	(40,041)	(108,045)	(85,544)
	<u>23,267</u>	<u>1,031</u>	<u>387,878</u>	<u>377,178</u>	<u>411,145</u>	<u>378,209</u>
6.1.10 Plan assets comprise of:						
Equity instruments - Quoted	36,908	36,977	-	-	36,908	36,977
T-bills / term deposit receipts	110,300	96,080	-	-	110,300	96,080
Cash at bank	13,597	3,434	-	-	13,597	3,434
	<u>160,805</u>	<u>136,491</u>	<u>-</u>	<u>-</u>	<u>160,805</u>	<u>136,491</u>

Funded		Unfunded	
2023	2022	2023	2022

----- % per annum -----

6.1.11 Actuarial assumptions used

Discount rate	16.25	12.25	16.25	12.25
Expected rate of increase in future salaries	16.25	12.25	16.25	12.25
Demographic assumptions				
- Mortality rates	SLIC (2001-05)	SLIC (2001-05)	SLIC (2001-05)	SLIC (2001-05)
Rates of employee turnover	Moderate	Moderate	Moderate	Moderate

6.1.12 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in principal assumptions is as follows:

	Change in assumptions	Impact on defined benefit obligation	
		Increase in assumptions	Decrease in assumptions
----- Rupees in '000 -----			
Discount rate	1.00%	(37,969)	42,515
Future salaries	1.00%	45,231	(41,047)
Withdrawal rates	10.00%	38	(38)

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the project unit credit method at the end of reporting period) has been applied as when calculating the gratuity liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

6.1.13 Based on actuary's advice, the expected charge for the year ending June 30, 2024 amounts to Rs 28.324 million and Rs 99.986 million for funded and unfunded gratuity schemes respectively.

6.1.14 The weighted average duration of funded gratuity and un-funded gratuity is 5.19 and 6.28 years respectively.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

6.1.15 Description of the risks to the Company:

The defined benefit schemes expose the Company to the following risks:

Mortality risks - The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service / age distribution and the benefit.

Final salary risks - The risk that the final salary at the time of cessation of service is different than what was assumed. Since the benefit is calculated on the final salary, the benefit amount changes similarly.

Withdrawal risks - The risk of higher or lower withdrawal experience than assumed. The final effect could go any way depending on the beneficiaries service/age distribution and the benefit.

Asset volatility - The plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets underperform this yield, this will create a deficit. The Fund believes that due to the long-term nature of the plan liabilities and the strength of the Company's support, the current investment strategy manages this risk adequately.

6.2 Employees compensated absences	Note	2023	2022
		--- Rupees in '000 ---	
Balance at beginning of the year		69,874	62,809
Charge for the year		21,550	12,054
		91,424	74,863
Encashed during the year		(6,917)	(4,989)
Balance at the end of the year		84,507	69,874
Payable within next twelve months		(8,688)	(7,354)
		75,819	62,520
7. DEFERRED LIABILITIES			
Gas Infrastructure Development Cess (GIDC)	7.1	208,778	201,939
Deferred income - Government grant	7.2	195,951	229,692
		404,729	431,631
Less: transferred to provision for GIDC	14	208,778	-
Less: current maturities of deferred liabilities		38,549	177,327
		247,327	177,327
		157,402	254,304

7.1 The Supreme Court of Pakistan (SCP) through its judgment dated August 13, 2020 ("GIDC Judgement") declared the Gas Infrastructure Development Cess Act, 2015 ("GIDC Act 2015") as valid and intra vires the Constitution of Pakistan 1973. It further allowed recovery of GIDC that has become due up to July 31, 2020, by the gas company from their consumers in 48 equal monthly installments.

The Company has filed a suit before High Court of Sindh on September 18, 2020 on the grounds that factual determination of the GIDC passed-on is to be carried out, which is pending adjudication. Meanwhile the High Court of Sindh granted the Company an interim stay dated September 19, 2020 restraining the gas companies from taking coercive action against the Company for non-payment of GIDC installments.

The Company has followed the relevant accounting standards and guidelines issued by the Institute of Chartered Accountants of Pakistan in this regard. Accordingly, the Company have transferred the amount to provision for GIDC (note 14).

- 7.2** This represents deferred government grant recognised in respect of the benefit of below-market interest rate on long term finances as referred to in note 5. The benefit has been measured as the difference between the fair value of the loan and the proceeds received. The Company has used the prevailing market rate of mark-up for similar instruments to calculate fair values of respective loans.

8. LONG TERM DEPOSITS FROM DEALERS

These deposits are interest free and are not refundable during the subsistence of dealership and are utilised for the purpose of business as per the written agreements.

9. DEFERRED TAXATION

	2023	2022
	--- Rupees in '000 ---	
Taxable temporary difference		
- accelerated tax depreciation allowance	749,539	727,662
- others	-	6,145
	749,539	733,807
Deductible temporary difference		
- provision for expected credit loss	(17,522)	(15,280)
- provision for doubtful custom duty rebates recoverable	(29,820)	(29,820)
- provision for staff benefits	(177,196)	(160,741)
- interest payable on custom duties	(9,878)	(9,878)
- provision for tyre replacement allowance	(38,193)	(27,342)
- minimum taxes	(225,807)	(41,898)
- un-absorbed tax depreciation	(195,183)	(168,892)
- lease liabilities net of right-of-use assets	-	(428)
- others	(7,184)	(16,609)
	(700,783)	(470,888)
	48,756	262,919

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

9.1 The Company has recognised deferred tax asset on minimum turnover tax amounting to Rs.225.807 million (2022: Rs: 41.898 million) as the Company, based on its financial projections, expects to recoup it in the ensuing years. The Company carries out periodic assessments to determine if the Company would be able to set off the minimum tax against the future tax liabilities of the Company.

		2023	2022
10. SHORT TERM FINANCES - Secured	Note	--- Rupees in '000 ---	
Conventional		225,000	1,391,969
Shariah Compliant		1,599,575	1,599,058
	10.1	<u>1,824,575</u>	<u>2,991,027</u>

10.1 Short term finance facilities available from commercial and islamic banks aggregate Rs. 1,825 million (2022: Rs 3,465 million) and are secured against pari passu charge over fixed assets (excluding land and building), stocks and trade debts of the Company. The rates of mark-up of these facilities range from KIBOR plus 0.40% to KIBOR plus 0.85% per annum. These facilities are expiring on various dates upto January 31, 2024.

		2023	2022
11. RUNNING FINANCES UNDER MARK-UP ARRANGEMENTS - Secured	Note	--- Rupees in '000 ---	
Conventional		4,244,761	2,733,005
Shariah Compliant		181,486	171,132
	11.1	<u>4,426,247</u>	<u>2,904,137</u>

11.1 The Company has arranged running finance facilities from commercial and islamic banks on mark-up basis to the extent of Rs 5,575 million (2022: Rs 4,389 million). The rates of mark-up on these arrangements range from KIBOR plus 0.50% to KIBOR plus 1.0% per annum. These finance facilities are secured against pari passu charge over fixed assets (excluding land and building), stocks and trade debts of the Company and are expiring on various dates by January 31, 2024.

11.2 The facilities for opening letters of credit and guarantees as at June 30, 2023 aggregated Rs. 5,200 million (2022: Rs 5,500 million) of which the amount remaining unutilised at the year-end was Rs. 2,492.4 million (2022: Rs 3,867.4 million).

		2023	2022
		--- Rupees in '000 ---	
12.	TRADE AND OTHER PAYABLES		
		Note	
	Trade creditors	541,245	301,230
	Bills payable	1,999,819	1,387,683
	Accrued expenses	12.1 878,760	1,360,530
	Royalty fee payable	187,569	126,022
	Advances from customers	12.2 59,610	72,593
	Staff provident fund payable	5,264	4,863
	Staff retirement gratuity	6.1.4 108,045	85,544
	Short term deposits	1,106	2,772
	Workers' profits participation fund payable	12.3 -	6,637
	Workers' welfare fund payable	-	12,891
	Payable to Waqf-e-Kuli Khan	-	8,902
	Interest payable on custom duties	12.4 & 12.5 29,933	29,933
	Sales tax payable	115,154	172,211
	Others	12.6 51,587	27,928
		3,978,092	3,599,739

12.1 Includes Rs. Nil (2022: Rs. 50.624 million) pertaining to key management personnel.

12.2 Represent advances from customers received against sale of tyres and tubes in the ordinary course of business. The advances outstanding as at June 30, 2022 amounting to Rs. 72.593 million have been fully recognized as revenue during the current year.

		2023	2022
		--- Rupees in '000 ---	
12.3	Workers' profits participation fund		
		Note	
	Balance at the beginning of the year	6,637	43,577
	Interest on funds utilised in the		
	Company's business	35 258	68
	Allocation for the year	34 -	33,510
		258	33,578
	Payments made during the year	(6,895)	(70,518)
	Balance as at the end of the year	-	6,637

12.4 The Company had deferred the recognition of import levies relating to the plant and machinery imported under a finance lease arrangement with Islamic Development Bank (IDB), Jeddah as these were not payable by the Company until the ownership of the subject plant and machinery was transferred in the Company's name. The Federal Board of Revenue (FBR) had imposed a condition that interest at the prevailing bank rate shall be payable on the import levies deferred till the date such levies are paid.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

During the year ended June 30, 2001 the Appraisement Collectorate, Custom House, Karachi (ACCH) issued a final notice to the Company to deposit all outstanding dues amounting to Rs. 208.323 million being interest on custom duties including surcharge and delayed surcharge calculated upto March 31, 2001. In reply the Company had filed an application with the High Court of Sindh to vacate the said charge of interest.

The High Court of Sindh, during year ended June 30, 2005, dismissed the petition filed by the Company. ACCH issued another final notice to the Company to deposit all outstanding dues amounting to Rs. 294.907 million being interest on custom duties including surcharge and delayed surcharge calculated upto May 15, 2005. The Company filed an appeal with the Supreme Court of Pakistan against the decision of the High Court of Sindh.

During the year ended June 30, 2006, the Company filed an application for alternate dispute resolution with the Alternate Dispute Resolution Committee on the direction of the Supreme Court of Pakistan.

The ADRC, during year ended June 30, 2007, recommended that the Company shall be liable to interest on late payment of principal amounting to Rs. 111.547 million and surcharge on late payment of principal amounting to Rs. 2.983 million, however, the Company shall not be liable to surcharge on late payment of interest. The FBR accepted the recommendations of the ADRC, except for the waiver of surcharge on the late payment of interest, and instructed the Company to pay Rs. 114.530 million on account of interest on custom duties including surcharge thereon. The Company's pending refund claims upto that time amounting to Rs. 20.195 million had also been processed and adjusted by the ACCH. During that year, the Company also made a partial payment amounting to Rs. 40 million in respect of the FBR's demand based on ADRC recommendations. During the year ended June 30, 2009, the Company made a further partial payment amounting to Rs. 20 million in respect of the FBR's demand.

The FBR, during the year ended June 30, 2011, adjusted an amount of Rs. 4.402 million against outstanding interest and customs duties which resulted in the reduction of liability towards the FBR to Rs. 29.933 million.

- 12.5** During the year ended June 30, 2001 an amount of Rs. 5 million was paid by the Company under protest on account of interest on import levies. Further, refunds of custom duty rebates amounting to Rs. 4.93 million and Rs 4.070 million were adjusted by the customs authorities during the year ended June 30, 2000 and 2001 respectively against their demand of interest on import levies referred to in note 12.4. The management is of the view that the above adjustments aggregating Rs. 13.99 million will be made against the amount of interest payable on custom duties, as more fully explained in note 12.4. However, pending a formal adjustment order, the amount of Rs. 13.99 million is shown receivable as 'current account balances with statutory authorities (note 26).
- 12.6** Others include vehicle deposits under the Company's vehicle policy aggregating Rs. 17.609 million (2022: Rs. 15.637 million) and withheld income tax payable of Rs. 20.524 million (2022: Rs.Nil).

		2023	2022
13.	ACCRUED MARK-UP	Note	--- Rupees in '000 ---
	Mark-up accrued on:		
	Long term finances	14,334	18,793
	Short term finances	86,337	75,918
	Running finances	274,726	83,998
		375,397	178,709
14.	PROVISION		
	Provision for tyre replacement allowance	14.1	115,736
	Gas Infrastructure Development Cess (GIDC)	7.1	82,857
			-
			82,857
14.1	Provision for tyre replacement allowance		
	Balance at beginning of the year		82,857
	Charge for the year	14.1.1 & 30.1	59,038
			90,114
			200,966
	Claims paid / adjusted during the year		149,152
			(85,230)
	Balance at the end of the year		115,736

14.1.1 This represents provision on account of tyre replacement claims expected to be received by the Company in the coming years.

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

15.1.1 The Central Excise and Taxation Department had issued a demand notice for payment of sales tax of Rs 16.775 million. This represents sales tax levied on agricultural tyres supplied to approved assembly plants which were otherwise exempt under SRO 553(I)/94 dated June 9, 1994 as amended vide SRO 555(I)/94 dated June 9, 1994 during the period from July 1994 to September 1995. The Company filed an appeal with the Collector, Central Excise and Land Customs (Appeals) on November 25, 1997 which was rejected. The Company filed an appeal against that order before the Customs, Central Excise and Sales Tax Appellate Tribunal which had stayed the recovery of sales tax from the Company, subject to the condition that the Company furnishes an indemnity bond to the satisfaction of the Collector of Sales Tax. Accordingly, the Company furnished the indemnity bond dated March 18, 1998 of Rs 16.775 million.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

The Company also filed an application No. B&CA/2.020/01/97 dated November 25, 1997 with the Collector of Sales Tax (East), Karachi for grant of exemption from sales tax in terms of section 65 of the Sales Tax Act, 1990. However, the FBR on finalisation of the report by the Collector of Sales Tax and Central Excise (East), rejected the Company's application through letter No. C No. 1/52-STT/97 dated July 19, 2000. The Company filed a constitutional petition No.1939/2000 against the decision of the FBR in the High Court of Sindh under article 199 of the Constitution of Pakistan, 1973 which was dismissed.

The Collector of Sales Tax and Central Excise (East), Karachi had adjusted refund claims filed by the Company aggregating Rs 12.823 million against the aforementioned demand notice upto the year ended June 30, 2002. The Company, during the year ended June 30, 2004, deposited the remaining balance of Rs 3.952 million as 'payment under protest'.

However, during the year ended June 30, 2006, the Customs, Excise and Sales Tax Appellate Tribunal allowed the Company's appeal and set aside the order of the Collector of Customs, Sales Tax and Central Excise (Appeals). The Collector of Customs, Sales Tax and Central Excise (Appeals), during year ended June 30, 2007, filed a request for rectification of error before the Custom, Excise and Sales Tax Appellate Tribunal.

During the year ended June 30, 2016, all verification proceedings were completed; however, Commissioner Inland Revenue rejected the Company's application for refund being time barred as application was filed after one year from the date of Appellate Tribunal Inland Revenue (ATIR) order. The Company has applied to the FBR for condonation of time limit under section 74 and is hopeful that refund of Rs 16.775 million would be realised which is included in sales tax under protest (note 27).

15.1.2 Certain claims have been filed against the Company in respect of employees' matters. The aggregate exposure of the Company under these claims amounts approximately to Rs. 28.634 million (2022: Rs 12.63 million). These cases are pending in various labour courts, appellate tribunals and High Court of Sindh. The Company, based on the advice of its legal counsel, is of the view that it has a fair chance of success in the appeals and accordingly no provision has been recognised in these financial statements.

15.1.3 Tax authorities passed orders dated October 18, 2016 under sections 161 / 205 of the Income Tax Ordinance, 2001 in respect of monitoring of withholding of taxes for tax years 2010 and 2014 and issued demand of Rs 11.889 million and Rs 20.060 million respectively on the premise that requisite tax was not withheld by the Company at the time of making payments against various expenses. These demands include Rs 1.551 million and Rs 3.401 million default surcharge under section 205 of the Income Tax Ordinance, 2001.

The Company filed appeals with the CIR(A) against the impugned orders. CIR(A) confirmed the orders passed by the tax authority. The Company filed appeals before the ATIR against the orders of CIR(A) which were decided on May 31, 2017, against the Company. The Company has filed references to the High Court against the order of ATIR.

Further, the Company has deposited Rs 59.375 million against abovementioned demands and has recognised this in other receivables (note 27) as 'Income tax paid under protest'. The Company, based on the advice of its legal advisor, is of the view that it has a fair chance of success in the appeals and accordingly no provision has been recognised in these financial statements.

- 15.1.4** Tax authorities passed an order under sections 161 / 205 of the Income Tax Ordinance, 2001 in respect of monitoring of withholding of taxes for the tax year 2013 and 2015 and issued demands of Rs 16.165 and Rs 29.675 million respectively (including default surcharge and penalty) on the premise that requisite tax was not withheld by the Company at the time of making payments against incentive to dealers and advertising and publicity.

The Company filed appeals before the CIR(A) against the impugned order. The CIR(A) has confirmed the order passed by the department. The Company, on August 20, 2018, has filed appeal before ATIR against the order of CIR(A), however, the hearing on appeal is pending. Further, the Company has deposited Rs 20.663 million against abovementioned demand and has recognised this in other receivables (note 27) as 'Income tax paid under protest'. The Company, based on the advice of its tax consultant, is of the view that it has a fair chance of success in the appeals and accordingly no provision has been recognised in these financial statements.

- 15.1.5** The Company in response to the requirements of S.R.O. 655(I)/2007 paid the special excise duty amounting to Rs 12.203 million during the period from July 2007 to October 2010. However, the Company had inadvertently failed to adjust this duty against the input tax. The Company has filed various applications to the FBR for adjustment of the abovementioned payment.

The FBR through its letter C.No. 2(2)ST&FE/Cond/2014 dated December 16, 2015 rejected the applications. The Company has filed an appeal before the High Court of Sindh for condonation of time which is pending for hearing. The management of the Company, based on the advice of its legal counsel, is confident that its submissions shall be accepted and has a fair chance of success in the appeal and accordingly no provision has been recognised in these financial statements.

- 15.1.6** The CIR selected the Company for audit under section 177 of the Income Tax Ordinance, 2001 for the tax year 2017. The department has made further amendment of assessment to the tax year 2017 and made certain additions / adjustments to the taxable income.

On the basis of the additions / adjustments, a demand of Rs 1.271 million was raised and adjusted with Company's refund. The Company has filed a rectification application to the concerned officer as the Company believes that the department has overstated the taxable income by Rs 90 million. On May 22, 2018 the concerned officer passed rectification order in favour of the Company.

Further, the Company has filed appeal before CIR(A) against the above order but the order was confirmed by the CIR(A). The Company, on May 22, 2019, then filed an appeal before ATIR against the order of the CIR(A), however, the appeal is pending for hearing. The Company, based on the advice of its tax consultant, is of the view that it has a fair chance of success in the appeals and accordingly no provision has been recognised in these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

15.1.7 DCIR through its order dated July 2, 2019 made certain additions / adjustments to the Company's taxable income for the tax year 2018 and reduce refund to Rs. 351.368 million from Rs. 513.531 million.

The Company has filed an appeal to CIR(A) on July 30, 2019, against the order made by the DCIR, which is pending to date. The Company, based on the advice of its tax consultants, is of the view that it has a fair chance of success in the appeal and accordingly no provision has been recognised in these financial statements.

15.1.8 CIR(A) through its order dated December 12, 2018 confirmed certain additions to the Company's taxable income for the tax year 2006, previously made by DCIR through its order under section 221 and section 122(1) of the Income Tax Ordinance, 2001, whereby, the DCIR had raised a demand of Rs 32.612 million which was adjusted from the refunds of the Company.

The Company has filed an appeal on February 14, 2019, before ATIR against the order of the CIR(A) which is pending for hearing. The Company, based on the advice of its tax consultant, is of the view that it has a fair chance of success in the appeal and accordingly no provision has been recognised in these financial statements.

15.1.9 The tax authorities issued notices under section 176 of the Income Tax Ordinance, 2001 in respect of short deduction of tax on the basis of sales tax returns filed for the tax years 2016 and 2017 amounting to Rs 7.961 million and Rs 69.629 million respectively. The Company has furnished the reconciliation and other required details to the concerned officer. DCIR through its order dated October 31, 2019 and September 23, 2019, passed order for recovery of Rs 2.126 million and 2.917 million including default surcharge and penalty. The Company on, November 20, 2019 filed appeal before the CIR(A) against the said orders, however, hearing in appeal is pending. The Company, based on the advice of its tax consultant, is of the view that it has a fair chance of success in the appeal and accordingly no provision has been recognised in these financial statements.

15.1.10 The Company has received an order from DCIR dated March 7, 2018 whereby DCIR disallowed adjustment of input tax on goods and services amounting to Rs 63.248 million along with default surcharge calculated upon the time of payment and penalty. The Company had paid Rs 17.928 million (sales tax under protest - note 27) to obtain stay against the aforementioned demand order. The case has been heard by the CIR(A) and the demand was upheld via order dated July 31, 2019. The Company filed an appeal on August 22, 2019 before ATIR against the order dated July 31, 2019 which is pending adjudication. The Company, based on the advice of its tax consultant, is of the view that it has a fair chance of success in the appeal and accordingly no provision has been recognised in these financial statements.

15.1.11 On July 2, 2019, the Company received an order from the DCIR wherein the DCIR made a total demand of Rs 234.034 million along with penalty and default surcharge for the tax periods from July 2016 to June 2018 in respect of inadmissible input tax, short payment of further tax and sales tax withholding claimed by the Company.

The Company filed an appeal to CIR(A) where CIR(A) upheld the demand of DCIR via order dated August 22, 2019. The Company filed an appeal before ATIR on September 13, 2019, against the order dated August 22, 2019 which is pending adjudication before the ATIR. The Company, based on the advice of its tax consultant, is of the view that it has a fair chance of success in the appeal and accordingly no provision has been recognised in these financial statements.

- 15.1.12** ACIR through its order dated June 30, 2021, made certain additions and adjustment to the Company's taxable income for the tax year 2015 and raised a demand of Rs 251.402 million. The Company has filed an appeal before the CIR (A) against the above mentioned order.

CIR(A), through its order dated June 15, 2022, has partially granted relief in Company's favour and upheld ACIR decision on disallowance of tax credits and WWF paid under the provincial act.

The Company has filed appeal before ATIR against the disallowance made by CIR(A) which is pending adjudication. The Company, based on the advice of its tax consultant, is of the view that it has a fair chance of success in the appeal and accordingly no provision has been recognised in these financial statements.

- 15.1.13** On June 30, 2022, the Company received an order from the DCIR wherein the DCIR raised a demand of Rs. 340.094 million, penalty of Rs.17.004 million and default surcharge to be computed at the time of payment. The demand is based on the comparison of the declarations in sales tax returns and income tax returns filed by the Company during tax period July 2016 to June 2017.

The Company filed an appeal before CIR(A) on July 28, 2022 against the above mentioned order, who vide its order dated February 28, 2023 has decided the case in favour of the Company.

- 15.1.14** The Company's case was selected for sales tax audit for tax year 2018. During the year, the DCIR passed an order dated September 19, 2022 whereby the DCIR made a demand of Rs. 276.047 million and also impose a penalty of Rs.13.802 million.

The Company has filed an appeal against the said order before CIR(A) which through its order dated May 26, 2023 confirmed the demand of Rs. 9.260 million, deleted the demand of Rs. 60.030 million and remanded back the demand of Rs. 206.759 million for re-examination. The department has filed an appeal against the deletion and remand back before ATIR, which is pending adjudication. The Company, based on the advice of its tax consultant, is of the view that it has a fair chance of success in the appeal and accordingly no provision has been recognised in these financial statements.

- 15.1.15** The ADCIR through its order dated April 29, 2023, made certain adjustment to the Company's taxable income for the tax year 2020 and reduced tax refund to Rs. 84.459 million from Rs. 387.266 million. The Company on May 25, 2023, has filed an appeal before the CIR (A) against the said order. The Company, based on the advice of its tax consultant, is of the view that it has a fair chance of success in the appeal and accordingly no provision has been recognised in these financial statements.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

		2023	2022
		--- Rupees in '000 ---	
	Note		
15.1.16	Guarantees issued by commercial banks on behalf of the Company	328,361	459,526
15.1.17	Post dated cheques issued to the Collector of customs against duty on imported plant & machinery, raw materials and stores & spares	41,928	41,928
15.2	Commitments		
	In respect of:		
	Letters of credit for capital expenditure	12,719	57,165
	Letters of credit for purchase of raw materials and stores & spares	2,366,535	810,406
	Purchase orders issued to local suppliers for capital expenditure	136,978	147,734
	Sales contracts entered into by the Company	379,045	23,590
	Tentative schedules for supply of tyres	2,019,414	2,619,644
16.	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	16.1 7,434,108	4,908,830
	Capital work-in-progress	16.7 248,273	589,368
		7,682,381	5,498,198

16.1 Operating fixed assets

	Leasehold land	Buildings on leasehold land	Electrical installations	Plant & machinery	Boilers and accessories	Laboratory equipment	Moulds	Vehicles	Furniture and fixtures	Factory and office equipment	Computer equipment	Total
----- Rupees in '000 -----												
At July 1, 2021												
Cost	39,452	1,121,044	206,884	5,636,145	443,000	96,872	609,385	324,395	42,419	248,332	78,022	8,845,950
Accumulated depreciation	-	396,756	139,651	2,629,594	196,904	72,256	311,468	215,029	30,293	184,804	72,629	4,249,384
Accumulated impairment	-	-	-	691	-	-	363	-	-	-	-	1,054
Net book value	39,452	724,288	67,233	3,005,860	246,096	24,616	297,554	109,366	12,126	63,528	5,393	4,595,512
Year ended June 30, 2022												
Transfers from CWIP	-	5,005	-	537,496	17,828	43,427	112,697	82,596	-	557	1,823	801,429
Disposals												
- cost	-	-	-	36,970	-	-	1,358	37,280	-	744	755	77,107
- accumulated depreciation	-	-	-	(36,919)	-	-	(1,358)	(32,840)	-	(744)	(755)	(72,616)
	-	-	-	51	-	-	-	4,440	-	-	-	4,491
Depreciation charge (note 16.4)	-	50,154	11,715	252,443	39,873	11,739	46,042	48,410	3,323	17,348	2,573	483,620
Closing net book value	39,452	679,139	55,518	3,290,862	224,051	56,304	364,209	139,112	8,803	46,737	4,643	4,908,830
At June 30, 2022												
Cost	39,452	1,126,049	206,884	6,136,671	460,828	140,299	720,724	369,711	42,419	248,145	79,090	9,570,272
Accumulated depreciation	-	446,910	151,366	2,845,118	236,777	83,995	356,152	230,599	33,616	201,408	74,447	4,660,388
Accumulated impairment	-	-	-	691	-	-	363	-	-	-	-	1,054
Net book value	39,452	679,139	55,518	3,290,862	224,051	56,304	364,209	139,112	8,803	46,737	4,643	4,908,830
Year ended June 30, 2023												
Transfers from CWIP	-	10,886	2,475	482,349	8,077	-	-	58,075	-	9,394	3,154	574,410
Revaluation (note 4.4)	2,473,748	-	-	-	-	-	-	-	-	-	-	2,473,748
Disposals												
- cost				2,531			3,827	37,176		2,287	668	46,489
- accumulated depreciation				(2,531)			(3,827)	(28,224)		(2,287)	(668)	(37,537)
	-	-	-	-	-	-	-	8,952	-	-	-	8,952
Depreciation charge (note 16.4)	-	49,892	11,497	267,715	40,406	15,399	55,742	52,721	2,722	15,348	2,486	513,928
Closing net book value	2,513,200	640,133	46,496	3,505,496	191,722	40,905	308,467	135,514	6,081	40,783	5,311	7,434,108
At June 30, 2023												
Revaluation / cost	2,513,200	1,136,935	209,359	6,616,489	468,905	140,299	716,897	390,610	42,419	255,252	81,576	12,571,941
Accumulated depreciation	-	496,802	162,863	3,110,302	277,183	99,394	408,067	255,096	36,338	214,469	76,265	5,136,779
Accumulated impairment	-	-	-	691	-	-	363	-	-	-	-	1,054
Net book value	2,513,200	640,133	46,496	3,505,496	191,722	40,905	308,467	135,514	6,081	40,783	5,311	7,434,108
Depreciation rate (% per annum)		5	10	5	10	15	10	20	10	15	25	

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

16.2 Cost of items of operating fixed assets that are fully depreciated amounted to Rs. 1,705.273 million (2022: Rs. 1,575.113 million).

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

Location	Usage of immovable property	Total area (In square meter)	Covered area (In square meter)
a) H - 23/2, Landhi Industrial Trading Estate, Landhi, Karachi	Manufacturing facility	101,000	77,000
b) Plot # B / 30 - B SITE Area Sukkur	Warehouse facility	12,632	6,648

16.4 Depreciation charge has been allocated as follows:

	Note	2023	2022
		--- Rupees in '000 ---	
Cost of goods manufactured	30.1	468,246	439,385
Administrative expenses	31	17,027	16,645
Distribution cost	32	28,655	27,589
		513,928	483,619

16.5 Had the operating fixed assets been recognised under the cost model, the carrying amount of leasehold lands would have been Rs. 39.452 million.

16.6 The details of operating fixed assets disposed off during the year are as follows:

Particulars of assets	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Mode of disposal	Sold to
----- Rupees in '000 -----							
Suzuki Cultus	1,975	1,086	889	395	(494)	Company policy	Mr. Abdul Haq (Ex - Employee)
Suzuki Swift	1,905	1,143	762	1,016	254	Company policy	Mr. Ashfaq Ahmad (Ex - Employee)
Toyota Yaris	2,817	563	2,254	2,254	-	Company policy	Maj. Retd. Amir Hayat (Ex - Employee)
Kia Sportage	3,922	1,242	2,680	2,549	(131)	Company policy	Mr. Amin Khan (Ex - Employee)
Suzuki Cultus	1,717	1,144	573	343	(230)	Company policy	Mr. Waris Khan (Ex - Employee)
Toyota Yaris	1,975	658	1,317	1,448	131	Company policy	Mr. Junaid Ahmed (Ex - Employee)
	14,311	5,836	8,475	8,005	(470)		
Various assets having net amount upto Rs 500,000	32,178	31,699	479	4,043	3,564		
June 30, 2023	46,489	37,535	8,954	12,048	3,094		
June 30, 2022	77,107	72,616	4,491	19,925	15,434		

16.7 Capital work-in-progress

	As at July 1, 2022	Additions	Transfers	As at June 30, 2023
----- Rupees in '000 -----				
Buildings	9,257	3,453	10,886	1,824
Electrical installations	7,093	-	2,475	4,618
Plant and machinery	502,847	49,221	482,349	69,719
Boilers and accessories	12,465	24,097	8,077	28,485
Moulds	27,388	88,338	-	115,726
Vehicles	11,161	55,968	58,075	9,054
Factory and office equipment	15,760	11,153	9,394	17,519
Computer equipment	4,735	339	3,154	1,920
Furniture and fixtures	937	746	-	1,683
	591,643	233,315	574,410	250,548
Provision for a doubtful advance	(2,275)	-	-	(2,275)
	589,368	233,315	574,410	248,273

16.7.1 Capital work in progress includes Rs 21.863 million (2022: Rs 35.685 million) representing advance payments made to suppliers for procurement of operating fixed assets.

16.7.2 During the year, the Company has capitalised borrowing costs amounting to Rs: 21.433 million (2022: Rs 7.756 million) on its qualifying assets at the current year's weighted average rate of its general borrowings of 18.16% per annum (2022: 10.44% per annum).

	Note	2023	2022
--- Rupees in '000 ---			
17. RIGHT-OF-USE ASSETS			
Cost - as at June 30,			
Accumulated depreciation			
At beginning of the year	17.1	28,764	28,764
Depreciation charge for the year	17.2	(27,447)	(23,926)
At the end of the year		(1,317)	(3,521)
Net book value		(28,764)	(27,447)
		-	1,317

17.1 The Right of use asset pertains to leased warehouses which are used for storing Company's inventory.

17.2 The depreciation charge for the year has been allocated to distribution cost (note 32).

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

		2023	2022
		--- Rupees in '000 ---	
18.	INTANGIBLE ASSETS		
	Cost		
	At the beginning of the year	83,712	83,712
	Additions during the year	2,158	-
	At the end of the year	85,870	83,712
	Accumulated amortisation		
	At the beginning of the year	82,589	81,014
	Amortisation charge for the year	946	1,575
	At the end of the year	83,535	82,589
	Net book value	2,335	1,123
	Amortisation rate (% per annum)	33.33	33.33

18.1 Intangible assets represents software licenses and implementation cost.

18.2 The amortisation charge for the year has been allocated to administrative expenses (note 31).

		2023	2022
		--- Rupees in '000 ---	
19.	INVESTMENT IN AN ASSOCIATED COMPANY - quoted		
	Gandhara Industries Limited		
	- Equity accounted investment		
	Balance at beginning of the year	25,918	19,408
	Share of (loss) / profit for the year	(1,016)	6,510
	Balance at end of the year	24,902	25,918

19.1 Investment in Gandhara Industries Limited (GIL) represents 201,400 (2022: 201,400) fully paid ordinary shares of Rs 10 each representing 0.473% (2022: 0.473%) of its issued, subscribed and paid-up share capital as at June 30, 2023. GIL was incorporated on February 23, 1963. GIL's shares are quoted on Pakistan Stock Exchange Limited. The principal activity is the assembly, progressive manufacturing and sale of Isuzu trucks, buses and pick ups. The registered office of the Company is at F-3, Hub Chowki Road, S.I.T.E, Karachi. The manufacturing facilities of GIL are located at S.I.T.E., Karachi with regional offices at Lahore, Multan, Rawalpindi and Peshawar.

19.2 The Company considers GIL as its associate and follows equity accounting as it has significant influence over GIL based on common directorship.

19.3 The summary of financial information / reconciliation of GIL as at March 31, 2023 is as follows:

	Un-audited As at March 31 2023	Un-audited As at March 31 2022
--- Rupees in '000 ---		
Summarised statement of financial position		
Non current assets	4,391,714	4,317,751
Current assets	12,316,752	12,043,187
	16,708,466	16,360,938
Non current liabilities	142,685	120,465
Current liabilities	9,916,074	9,375,985
	10,058,759	9,496,450
Net assets	6,649,707	6,864,488
Reconciliation to carrying amount		
Net assets at beginning of the year	6,864,488	5,488,266
(Loss) / profit for the year	(214,781)	1,376,222
Net assets at the end of the year	6,649,707	6,864,488
Company's share (Percentage)	0.473%	0.473%
Company's share	31,453	32,469
Pre-acquisition profits	(6,551)	(6,551)
Carrying amount of investment	24,902	25,918
Nine months period ended		
	March 31, 2023	March 31, 2022
--- Rupees in '000 ---		
Summarised profit or loss		
Revenue	12,750,910	17,755,871
Profit before tax	476,433	1,539,915
Profit after tax	260,817	1,189,537

19.4 The above figures are based on unaudited condensed interim financial information of GIL for the nine months period ended March 31, 2023. The latest financial statements of GIL as at June 30, 2023 are not presently available. Accordingly, results of operations of first three quarters of financial year 2023 and last quarter of financial year 2022 have been considered for accounting purpose.

19.5 The market value of investment as at June 30, 2023 was Rs. 16.221 million (2022: Rs. 31.815 million).

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

		2023	2022
		--- Rupees in '000 ---	
20.	LONG TERM LOANS AND ADVANCES		
	Considered good - secured		
	Loans and advances due from:		
	Related Parties - Key management personnel	278	444
	Other employees	9,943	16,616
		10,221	17,060
	Less: recoverable within one year		
	Related Parties - Key management personnel	167	167
	Other employees	5,067	6,385
		5,234	6,552
		4,987	10,508

- 20.1** These represent interest free loans and advances provided to key management personnel and employees as per the terms of employment. Loans are provided for purchase of motor vehicles and advances for furnishing of house. Loans are repayable and advances are amortisable over a period of two to five years by way of monthly instalments. These are secured against respective motor vehicles and employees' vested retirement benefits.
- 20.2** The maximum aggregate amount outstanding at the end of any month during the year ended June 30, 2023 from key management personnel against loans and advances aggregated Rs. 0.431 million (2022: Rs 0.472 million).
- 20.3** The carrying values of these loans and advances are neither past due nor impaired. The credit quality of these financial assets can be assessed with reference to no default in recent history.
- 20.4** Long term loans have been carried at cost as the effect of carrying these balances at amortised cost would not be material in the overall context of these financial statements.

		2023	2022
		--- Rupees in '000 ---	
21	LONG TERM DEPOSITS		
	Considered good - unsecured and interest free		
	Security deposits for:		
	Utilities	6,996	6,996
	Others	12,908	12,866
		19,904	19,862
	Provision for doubtful deposit	(436)	(436)
		19,468	19,426
22.	STORES AND SPARES		
	In hand	791,168	703,608
	In transit	-	10,671
		791,168	714,279
	Provision for slow moving stores	(31,261)	(20,858)
		759,907	693,421

		2023	2022
		--- Rupees in '000 ---	
23. STOCKS			
Raw materials			
In hand		1,607,009	2,289,790
In transit		727,300	769,373
		2,334,309	3,059,163
Work-in-process		368,897	333,240
Finished goods			
In hand		2,108,689	1,898,283
In transit		-	8,734
		2,108,689	1,907,017
		4,811,895	5,299,420

23.1 Finished goods include items costing Rs. 163.132 million (2022 : Rs. 141.204 million) which are stated at their net realisable values aggregating Rs. 103.308 million (2022: Rs 95.088 million). The aggregate amount charged to profit or loss in respect of stocks written down to their net realisable value is Rs. 13.708 million (2022: Rs 1.15 million).

		2023	2022
		--- Rupees in '000 ---	
24. TRADE DEBTS - unsecured			
 Considered good	Note		
Associated Companies			
Gandhara Industries Limited		20,347	51,851
Gandhara Automobiles Limited		-	5,699
Gandhara DF (Private) Limited		-	3,409
Gammon Pakistan Limited		460	-
		20,807	60,959
Others		2,920,534	2,457,413
 Considered doubtful - others		53,096	46,302
		2,994,437	2,564,674
Provision for expected credit loss	24.1	(53,096)	(46,302)
		2,941,341	2,518,372
24.1 Provision for expected credit loss			
Balance at beginning of the year		46,302	32,000
Provision made during the year	31	6,794	21,658
Amount reversed during the year	24.4	-	(7,356)
Balance at the end of the year		53,096	46,302

24.2 The maximum aggregate amount due from related parties at the end of any month during the year was Rs.102.555 million (2022: Rs. 61.395 million).

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

24.3 The ageing analysis of aggregate trade debts at reporting date is as follows:

	Associated Companies		Others	
	2023	2022	2023	2022
----- Rupees in '000 -----				
0 to 30 days	13,814	58,109	2,788,449	2,358,867
31 to 60 days	4,297	2,685	52,197	70,558
61 to 90 days	2,696	165	10,616	12,203
91 to 180 days	-	-	66,826	6,751
181 to 360 days	-	-	5,879	16,928
Over one year	-	-	49,663	38,408
	20,807	60,959	2,973,630	2,503,715
Provision for expected credit loss	-	-	(53,096)	(46,302)
	20,807	60,959	2,920,534	2,457,413

24.4 This reversal has been made because of subsequent receipt of the respective amount.

	Note	2023	2022
		--- Rupees in '000 ---	
25. LOANS AND ADVANCES - considered good			
Secured			
Current portion of long term loans and advances	20	5,234	6,552
Unsecured			
Loans and advances due from:			
- employees	25.1	19,714	30,359
- suppliers, contractors and others		120,856	113,058
Less: provision for doubtful advance		(1,324)	(1,324)
		139,246	142,093
		144,480	148,645

25.1 These represent interest free festival loans, general loans, special loans, salary advance and Eid advance provided to employees in accordance with the Company's policy and have maturities upto twelve months.

	Note	2023	2022
		--- Rupees in '000 ---	
26. DEPOSITS AND PREPAYMENTS			
Considered good and unsecured			
Trade deposits - interest free		17,646	16,742
Call deposit receipts	26.1	3,000	15,686
Prepayments	26.2	15,975	10,967
Current account balances with statutory authorities	12.5	13,993	13,993
		50,614	57,388

26.1 These represent interest free call deposit receipts issued from a commercial bank in favour of respective commandants of various spares depots of the Pakistan Army against supply of tyres.

26.2 Includes prepayments of Rs. 0.9 million to Bibojee Services (Private) Limited - related party respectively.

		2023	2022
		--- Rupees in '000 ---	
27.	OTHER RECEIVABLES - unsecured		
	Note		
	Export benefit receivable (duty drawback)	658	658
	Provision for doubtful export benefit receivable	(658)	(658)
		-	-
	Sales tax paid under protest		
	15.1.1 & 15.1.10	34,703	34,703
	Custom duty rebates recoverable	89,705	89,705
	Provision for custom duty rebates recoverable	(89,705)	(89,705)
		-	-
	Margin and deposits against bank guarantees	18,768	35,900
	Income tax paid under protest		
	15.1.3, 15.1.4 & 27.1	121,361	121,361
	Others	35,617	26,762
	Provision for doubtful receivables	(1,537)	(1,537)
		34,080	25,225
		208,912	217,189

27.1 Deputy Commissioner Inland Revenue (DCIR) through its order dated June 14, 2017 made certain additions and adjustment to the Company's taxable income for the tax year 2016 and issued a demand of Rs. 41.123 million which the Company had deposited and recognised as 'Income tax paid under protest'. After due process of appeals, ATIR on April 25, 2022 has decided the case in favour of the Company and an appeal effect of ATIR order is pending.

		2023	2022
		--- Rupees in '000 ---	
28.	CASH AND BANK BALANCES		
	Note		
	With banks in:		
	- current accounts	129,688	124,731
	- deposit account	8,639	10,262
		138,327	134,993
	Cash and cheques in-hand	1,348	2,400
		139,675	137,393

28.1 Deposit account carries mark-up at the weighted average rate of 15.31% (2022: 7.5%) per annum.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

		2023	2022
		--- Rupees in '000 ---	
29.	SALES - net		
	Manufactured goods		
	Local	17,912,581	21,866,219
	Export	219,015	164,567
		18,131,596	22,030,786
	Trading goods	90,385	323,147
		18,221,981	22,353,933
	Less:		
	- sales tax	2,734,932	3,284,585
	- discounts	315,224	230,468
	- commission and allowances	153,166	250,581
		3,203,322	3,765,634
		15,018,659	18,588,299
30.	COST OF SALES		
	Opening stock of finished goods	1,907,017	1,921,332
	Cost of goods manufactured	12,885,973	15,995,060
	Finished goods purchased	42,691	126,185
		12,928,664	16,121,245
	Closing stock of finished goods	(2,108,689)	(1,907,017)
		12,726,992	16,135,560
30.1	Cost of goods manufactured		
	Opening work-in-process	333,240	193,782
	Raw materials consumed	8,229,223	11,038,500
	Stores and spares consumed	318,378	415,971
	Salaries, wages and benefits	1,897,152	1,997,569
	Royalty fee	225,856	223,609
	Travelling, conveyance and entertainment	5,762	4,662
	Vehicles running expenses	34,792	35,793
	Legal and professional charges	6,096	5,387
	Power and fuel	1,229,108	1,478,514
	Rent, rates and taxes	46,122	40,911
	Insurance	53,610	38,542
	Repairs and maintenance	99,144	122,304
	Tyre replacement allowance	118,109	90,114
	Depreciation	468,246	439,385
	Printing and stationery	4,205	3,724
	Postage and telephone	3,259	3,283
	Transportation	150,328	163,499
	Fees and subscriptions	1,233	1,487
	Security and maintenance	21,809	18,628
	Other manufacturing expenses	9,198	12,636
		13,254,870	16,328,300
	Closing work-in-process	(368,897)	(333,240)
		12,885,973	15,995,060

30.2 The royalty fee pertains to Continental Tire The Americas, LLC with registered address 1830 MacMillan Park Drive Fort Mill, South Carolina 29707, United States of America.

		2023	2022
		--- Rupees in '000 ---	
30.3	Raw materials consumed	Note	
	Opening stock	3,059,163	2,726,093
	Purchases during the year	7,504,369	11,371,570
		10,563,532	14,097,663
	Closing stock	23 (2,334,309)	(3,059,163)
		8,229,223	11,038,500

30.4 Salaries, wages and benefits include Rs. 76.665 million (2022: Rs. 54.486 million) and Rs. 17.118 million (2022: Rs. 14.771 million) in respect of staff retirement benefits gratuity and provident fund respectively.

30.5 Expense in respect of short term leases amounted to Rs.46.122 million(2022: Rs.40.911 million).

		2023	2022
		--- Rupees in '000 ---	
31.	ADMINISTRATIVE EXPENSES	Note	
	Salaries and benefits	31.1 211,606	208,687
	Travelling and conveyance	4,323	2,248
	Vehicles running expenses	10,436	7,493
	Legal and professional charges	7,366	19,306
	Auditors' remuneration	31.2 2,600	7,010
	Rent, rates and taxes	68	102
	Insurance	2,811	2,931
	Repairs and maintenance	771	1,331
	Depreciation	16.4 17,027	16,645
	Amortisation	18.2 946	1,575
	Printing and stationery	1,860	1,424
	Postage and telephone	965	1,007
	Provision for expected credit loss	24.1 6,794	21,658
	Computer expenses	25,300	23,841
	Directors' fee	31.3 11,500	8,800
	Fees and subscriptions	3,558	4,047
	Other expenses	4,158	4,114
		312,089	332,219

31.1 Salaries and benefits include Rs 10.424 million (2022: Rs 8.639 million) and Rs 6.008 million (2022: Rs 4.235 million) in respect of staff retirement benefits gratuity and provident fund respectively.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

		2023	2022
		--- Rupees in '000 ---	
31.2	Auditors' remuneration		
	Fee for audit, half yearly review and Code of Corporate Governance review	2,000	2,000
	Statutory certifications (2022: Taxation services)	350	4,760
		2,350	6,760
	Out-of-pocket expenses	250	250
		2,600	7,010

31.3 Directors' fee

Aggregate amount charged in these financial statements amounts to Rs 11.50 million (2022: Rs 8.80 million) for meetings fee to 8 (2022: 9) directors.

		2023	2022
		--- Rupees in '000 ---	
32.	DISTRIBUTION COST		
	Salaries and benefits	185,666	224,792
	Travelling, conveyance and entertainment	46,029	34,983
	Vehicle running expenses	11,941	11,269
	Legal and professional charges	247	173
	Advertisement and sales promotion	112,790	138,424
	Rent, rates and taxes	35,910	28,471
	Insurance	1,450	1,568
	Repairs and maintenance	1,837	1,232
	Depreciation	28,655	27,589
	Depreciation on right-of-use assets	1,317	3,521
	Printing and stationery	3,381	1,040
	Postage and telephone	3,323	3,258
	Freight and insurance	172,431	192,180
	Gas and electricity	5,600	4,692
	Fees and subscriptions	427	191
	Security and maintenance	10,729	9,501
	Other expenses	4,439	4,718
		626,172	687,602

32.1 Salaries and benefits include Rs. 9.881 million (2022: Rs 11.807 million) and Rs. 2.265 million (2022: Rs 2.336 million) in respect of staff retirement benefits gratuity and provident fund respectively.

32.2 Expense in respect of short term leases amounted to Rs. 35.91 million (2022: Rs 28.422 million).

		2023	2022
		--- Rupees in '000 ---	
33.	OTHER INCOME	Note	
	Profit on bank deposits - conventional bank		1,249
	Sale of scrap (net of sales tax)		95,497
	Gain on sale of operating fixed assets		3,094
	Reversal of provision for expected credit loss	24.1	-
	Others		488
			<u>100,328</u>
34.	OTHER EXPENSES		<u>130,349</u>
	Workers' profit participation fund	12.3	-
	Workers' welfare fund	12	-
	Exchange loss - net		354,030
	Donations	34.1	500
			<u>354,530</u>
34.1	Donations during the year are as follows:		<u>198,129</u>
	Donee		
	Waqf-e-Kuli Khan	34.1.1	-
	The Citizens Foundation		-
	Pakistan Eye Bank Society Hospital		500
			<u>500</u>
34.1.1	Lt Gen (R) Ali Kuli Khan Khattak and Mr. Ahmad Kuli Khan Khattak, Directors of the Company, are trustees of Waqf-e-Kuli Khan.		<u>13,852</u>

		2023	2022
		--- Rupees in '000 ---	
35.	FINANCE COST	Note	
	Mark-up on:		
	- long term finances		81,851
	- short term finances		441,197
	- running finances		740,343
	Interest on workers' profit participation fund	12.3	258
	Interest on lease liabilities		-
	Interest cost on GIDC liability		6,839
	Bank charges and guarantee commission		21,318
			<u>1,291,806</u>
36.	TAXATION		<u>747,818</u>
	Current tax	36.1	185,862
	Deferred tax		
	Origination and reversal of temporary differences		(212,116)
	Impact of change in tax rate		-
			<u>(212,116)</u>
			<u>(26,254)</u>
			<u>53,743</u>
			<u>158,409</u>
			<u>55,613</u>
			<u>214,022</u>
			<u>267,765</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

- 36.1** Includes an amount of Rs. 4.463 million (2022: Rs. 208.956 million) relating to prior year which has been netted off against the tax charge for the year and this do not impact the total tax reversal of Rs.26.254 million (2022: charge of Rs. 267.765 million) as a similar adjustment has been made to the deferred tax.
- 36.2** The tax on the Company's profit before tax differs from the theoretical amount that would arise using the Company's applicable tax rate as follows:

	2023	2022
	--- Rupees in '000 ---	
(Loss) / profit before taxation	(193,618)	623,830
Tax at the applicable rate of 29% (2022: 29%)	(56,149)	180,911
Tax effect of:		
- impact of change in tax rate and others	32,085	62,882
- income assessed under Final Tax Regime	(2,190)	(2,322)
	29,895	60,560
- super tax	-	26,294
	(26,254)	267,765

- 36.3** In accordance with the Finance Act, 2023, super tax at the rate of 4% to 10% (2022: 4%) has been levied in addition to the corporate tax rate of 29%. Accordingly, the Company has recorded deferred tax at 33% (2022:33%), except for brought forward depreciation losses, in accordance with applicable accounting and reporting standards.

	2023	2022
37. (LOSS) / EARNINGS PER SHARE	--- Rupees in '000 ---	
37.1 Basic (Loss) / earnings per share		
(Loss) / profit after taxation	(167,364)	356,065
	--- Number of shares ---	
Weighted average number of ordinary shares	121,933,350	121,933,350
	--- Rupees ---	
(Loss) / earnings per share	(1.37)	2.92
37.2 Diluted earnings per share		

There are no dilutive potential ordinary shares outstanding as at June 30, 2023 and 2022.

		2023	2022
	Note	--- Rupees in '000 ---	
38. CASH GENERATED FROM OPERATIONS			
(Loss) / profit before taxation		(193,618)	623,830
Adjustments for non-cash charges and other items			
Depreciation	16.1	513,928	483,619
Amortisation	18	946	1,575
Depreciation on right-of-use assets	17	1,317	3,521
Provision for staff retirement gratuity	6.1.7	96,978	74,932
Employees compensated absences	6.2	21,550	12,054
Net realisable value charged on stocks	23.1	13,708	1,150
Provision for expected credit loss - net	24.1	6,794	14,302
Profit on bank deposits	33	(1,249)	(756)
Gain on sale of operating fixed assets	33	(3,094)	(15,434)
Finance cost	35	1,291,806	747,818
Share of net loss / (profit) of an associate	19	1,016	(6,510)
Working capital changes	38.1	391,019	(262,754)
		2,141,101	1,677,347
38.1 Working capital changes (increase) / decrease in current assets:			
- Stores and spares		(66,486)	(57,381)
- Stocks		473,817	(459,363)
- Trade debts		(429,763)	(814,735)
- Loans and advances		4,165	(73,977)
- Deposits and prepayments		6,774	31,499
- Other receivables		8,277	(31,552)
		(3,216)	(1,405,509)
Increase in current liabilities:			
- Trade and other payables and provision		394,235	1,142,755
		391,019	(262,754)
39. CASH AND CASH EQUIVALENTS			

For the purpose of statement of cash flows, cash and cash equivalents comprise of following:

		2023	2022
	Note	--- Rupees in '000 ---	
Running finances under mark-up arrangements	11	(4,426,247)	(2,904,137)
Cash and bank balances	28	139,675	137,393
		(4,286,572)	(2,766,744)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

40. REMUNERATION OF THE CHIEF EXECUTIVE AND EXECUTIVES

The aggregate amount charged in these financial statements for the year for remuneration, including certain benefits to the Chief Executive and other executives of the Company is as follows:

	Chief Executive		Executives	
	2023	2022	2023	2022
	----- Rupees in '000 -----			
Managerial remuneration and allowances	59,440	50,357	163,339	166,140
Meeting fee	1,200	900	-	-
Bonus	-	3,834	-	20,717
Company's contribution to provident fund and gratuity scheme	6,930	5,192	12,731	10,425
Medical	370	456	12,407	12,293
Leave passage	3,920	2,164	7,282	4,614
Others	6,392	3,392	25,759	28,832
	<u>78,252</u>	<u>66,295</u>	<u>221,518</u>	<u>243,021</u>
Number of persons	<u>1</u>	<u>1</u>	<u>30</u>	<u>32</u>

40.1 The Chief Executive and some of the executives are provided with free use of the Company maintained cars in accordance with the terms of the employment.

40.2 The Company considers its chief executive and directors as key management personnel.

40.3 No remuneration is being paid / payable to the directors of the Company other than meeting fee as disclosed in note 31.3 to these financial statements.

41. PLANT CAPACITY AND ACTUAL PRODUCTION

Capacity: Tyre sets

Production: Tyre sets

	2023	2022
	--- Number of units ---	
Capacity:	<u>4,342,399</u>	<u>4,279,815</u>
Production:	<u>1,673,111</u>	<u>2,785,943</u>

41.1 Actual production for the year decreased owing to import restrictions.

42. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of associated companies, companies in which directors are interested, staff retirement benefit funds, key management personnel and close members of the families of the key management personnel. The Company in the normal course of business carries out transactions with various related parties at agreed terms approved by the Board of Directors of the Company. Significant transactions with related parties are as follows:

	2023	2022
	--- Rupees in '000 ---	
With associated companies / undertaking		
- Sales	330,872	358,998
- Purchases	754	-
- Sharing of expenses	126	-
- Services received	-	709
- Rent expense	1,800	1,800
- Donation	-	8,902
With other related parties		
- Salaries and benefits		Note 40
- Meeting fees		Note 31.3
Contributions to;		
- Staff provident fund	25,391	21,342
- Staff retirement benefits - Gratuity		Note 6.1

Amounts due from and to related parties are shown under, trade and other payables (note 12), investment in an associated company (note 19), long term loans and advances (note 20), trade debts (note 24) and deposits & prepayments (note 26).

42.1 Names of the related parties with whom the Company had transactions during the year:

	Nature of relationship	Basis of relationship	Aggregate % of shareholding in the Company
Gandhara Industries Limited (also see note 19.2)	Associated company	Common directors	N/A
Gandhara Automobiles Limited	Associated company	Common directors	N/A
Gandhara DF (Private) Limited	Associated company	Common directors	N/A
Bibojee Services (Private) Limited	Associated company	Common directors	27.79
Gammon Pakistan Limited	Associated company	Common directors	N/A
Pakistan Kuwait Investment Company (Private) Limited	Associated company	Common directors	30
Waqf-e-Kuli Khan	Associated undertaking	Common directors	N/A
Staff provident fund	Employee benefit scheme	Employee benefit scheme	N/A
Staff gratuity schemes	Employee benefit scheme	Employee benefit scheme	N/A
Lt Gen (R) Ali Kuli Khan Khattak	Key management personnel	Director	0.40
Mr. Ahmad Kuli Khan Khattak	Key management personnel	Director	1.75
Mr. Hussain Kuli Khan	Key management personnel	Chief Executive	0.00017
Mr. Adnan Ahmed	Key management personnel	Director	0.00022
Mr. Manzoor Ahmed	Key management personnel	Director	N/A
Mrs. Nazia Qureshi	Key management personnel	Director	N/A
Syed Ahmed Iqbal Ashraf	Key management personnel	Director	0.000008
Mr. Umair Aijaz	Key management personnel	Director	N/A

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

43. PROVIDENT FUND RELATED DISCLOSURES

Based on un-audited draft financial statements of the Fund, the investments out of the provident fund for the year ended June 30, 2023, have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

44. FINANCIAL INSTRUMENTS

44.1 Financial risk factors

The Company has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk (including foreign exchange risk, interest rate risk and price risk).

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. The Company's overall risk management program focuses on providing maximum return to shareholders.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(a) Credit risk

Credit risk represents the risk of accounting loss being caused if counterparty fails to perform as contracted or discharge an obligation. Credit risk mainly arises from loans & advances, deposits, trade debts, other receivables and balances with banks. Out of the total financial assets aggregating Rs 3,203.915 million (2022: Rs 2,816.163 million) as detailed in note 44.3 below, those that are subject to credit risk aggregate Rs 3,202.567 million (2022: Rs 2,813.763 million), details of which are as follows:

	2023	2022
	--- Rupees in '000 ---	
Long term loans and advances	4,987	10,508
Long term deposits	19,468	19,426
Trade debts	2,941,341	2,518,372
Loans and advances	24,948	36,911
Deposits	20,646	32,428
Other receivables	52,848	61,125
Bank balances	138,327	134,993
	3,202,565	2,813,763

Financial assets credit risk primarily exists in cash and cash equivalents and credit exposure to Original Equipment Manufacturers, Replacement Market Dealers and Government Institutions, including outstanding receivables and committed transactions. The Company does not have significant exposure to any individual counterparty. To reduce exposure to credit risk with respect to trade debts the Company has developed a formal approval process whereby credit limits are applied to its customers.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its 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. The compliance with credit limits by customers is regularly monitored by line management. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions. The management also continuously monitors the credit exposure towards the customers. Where considered necessary, advance payments are obtained from certain parties.

The maximum exposure to credit risk for trade debts by type of counter party as at reporting date is as follows:

	2023	2022
	--- Rupees in '000 ---	
Original equipment manufacturers	706,907	1,031,769
Government institutions	659,624	66,007
Replacement market	1,627,906	1,466,898
	2,994,437	2,564,674
Provision for expected credit losses	(53,096)	(46,302)
	2,941,341	2,518,372

All the trade debts at the reporting date represent domestic parties.

The Company monitors the credit quality of its bank balances with reference to historical performance of such assets and available external credit ratings. The bank balances aggregating Rs. 138.327 million placed with banks have a short term credit rating of at least A. Accordingly, the management does not expect any counter party to fail in meeting their obligation.

(b) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

	Carrying amount	Contractual cash flows	Maturity upto one year	Maturity between one & two years	Maturity above three years
----- Rupees in '000 -----					
June 30, 2023					
Long term finances	1,025,122	1,156,014	327,569	286,058	542,387
Long term deposits from dealers	11,630	11,630	-	-	11,630
Short term finances	1,824,575	1,875,807	1,875,807	-	-
Running finances	4,426,247	4,426,247	4,426,247	-	-
Trade and other payables	3,660,086	3,660,086	3,660,086	-	-
Unclaimed dividend	19,332	19,332	19,332	-	-
Accrued mark-up	375,397	375,397	375,397	-	-
	11,342,389	11,524,513	10,684,438	286,058	554,017

	Carrying amount	Contractual cash flows	Maturity upto one year	Maturity between one & two years	Maturity above three years
----- Rupees in '000 -----					
June 30, 2022					
Long term finances	1,514,923	1,695,800	546,761	320,098	828,941
Long term deposits from dealers	10,370	10,370	-	-	10,370
Short term finances	2,991,027	3,048,139	3,048,139	-	-
Running finances	2,904,137	2,904,137	2,904,137	-	-
Trade and other payables	3,215,067	3,215,067	3,215,067	-	-
Unclaimed dividend	19,462	19,462	19,462	-	-
Lease Liabilities	2,613	2,613	2,613	-	-
Accrued mark-up	178,709	178,709	178,709	-	-
	10,836,308	11,074,297	9,914,888	320,098	839,311

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rates effective as at June 30, 2023.

(c) **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign exchange risk

Foreign exchange risk represents the risk that the fair values or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates.

The Company is exposed to foreign exchange risk on import of raw materials, plant and machinery, stores and spares and export of goods denominated in US Dollar and Euro. The Company's exposure to foreign exchange risk at the reporting date is as follows:

	June 30, 2023			June 30, 2022		
	Rupees	US Dollar	Euro	Rupees	US Dollar	Euro
	----- in '000 -----			----- in '000 -----		
Trade and other payables	1,999,819	6,933	30.00	1,387,683	6,663	70.02

The following significant exchange rates have been applied:

	Reporting date rate	
	2023	2022
US Dollar to Rupee	287.10	206.00
Euro to Rupee	314.27	215.75

At June 30, 2023, if Rupee had strengthened / weakened by 10% against US Dollar and Euro with all other variables held constant, profit before taxation for the year would have been higher / lower by the amount shown below mainly as a result of foreign exchange gain / loss on translation of denominated financial currency balances:

	2023	2022
	--- Rupees in '000 ---	
US Dollar to Rupee	199,120	137,258
Euro to Rupee	862	1,511
	<u>199,982</u>	<u>138,769</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

(d) **Interest rate risk**

Interest rate risk represents the risk that the fair values or future cash flows of financial instruments will fluctuate because of change in market interest rates.

Majority of the interest rate risk of the Company arises from short & long term borrowings from banks and mark-up bearing deposits held with a bank. Borrowings at variable interest rates expose the Company to cash flow interest rate risk and deposits with banks at fixed interest rates give rise to fair value interest rate risk. At June 30, 2023, the interest rate profile of the Company's significant financial instruments is as follows:

	2023	2022
	--- Rupees in '000 ---	
Fixed rate instrument		
Financial asset	8,639	10,262
Variable rate instruments		
Financial liabilities	7,079,993	7,180,395

At June 30, 2023, if the interest rate on the Company's borrowings had been higher / lower by 100 basis point with all other variables held constant, profit before tax for the year would have been lower / higher by Rs 70.999 million (2022: Rs 71.804 million) mainly as a result of higher / lower interest expense.

Price risk

Price risk represents the risk that the fair values or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from foreign exchange risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors effecting all similar financial instruments traded in the market. The Company is not exposed to other price risk as it does not hold any price sensitive instruments.

44.2 Fair value measurement 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 going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

The estimated fair value of all financial assets and liabilities is considered not significantly different from book values as the items are either short - term in nature or periodically re-priced.

International Financial Reporting Standard 13, 'Financial Instruments : Disclosure' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Currently there are no financial assets or financial liabilities which are measured at their fair value in the statement of financial position.

44.3 Financial instruments by category

2023 2022

--- Rupees in '000 ---

Financial assets as per the statement of financial position

At amortised cost

Long term loans and advances	4,987	10,508
Long term deposits	19,468	19,426
Trade debts	2,941,341	2,518,372
Loans and advances	24,948	36,911
Deposits	20,646	32,428
Other receivables	52,848	61,125
Cash and bank balances	139,675	137,393
	3,203,913	2,816,163

Financial liabilities as per the statement of financial position

At amortised cost

Long term finances*	829,171	1,285,231
Long term deposits from dealers	11,630	10,370
Short term finances	1,824,575	2,991,027
Running finances under mark-up arrangements	4,426,247	2,904,137
Trade and other payables	3,567,324	3,215,067
Unclaimed dividend	19,332	19,462
Lease liabilities	-	2,613
Accrued mark-up	375,397	178,709
	11,053,676	10,606,616

* Includes the impact of government grant amounting to Rs. 195.951 million (2022: Rs. 229.692 million).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

45. CAPITAL RISK MANAGEMENT

The Company's prime objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders, benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its business.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders and / or issue new shares.

There was no change to the Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements except for the maintenance of debt to equity ratio under the financing agreements.

46. ENTITY- WIDE INFORMATION

These financial statements have been prepared on the basis of single reportable segment.

46.1 Information about products and customers

The Company markets and sells tyre and tubes for automobiles and motorcycles. The principal classes of customers of the Company's product are Original Equipment Manufacturers, Replacement Market, Government Institutions and Exports. These principal classes of customers accounted for the following percentages of sales:

	2023	2022
	%	%
Original equipment manufacturers	38.43	42.81
Replacement market	52.95	47.78
Government institutions	7.39	8.71
Exports	1.23	0.70
	<u>100.00</u>	<u>100.00</u>

46.2 Information about geographical areas

All non-current assets of the Company as at June 30, 2023 are located in Pakistan.

46.3 Information about major customers

Sales to one major original equipment manufacturer aggregating to Rs. 1,579.512 million (2022: four major original equipment manufacturers aggregating to: Rs. 2,613.877 million) account for 10.52% (2022: 14.06%) of net sales.

47. NUMBER OF EMPLOYEES

The total and average number of employees during the year and as at June 30, 2023 and 2022 respectively are as follows:

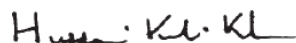
	2023	2022
	No of employees	
Average number of employees during the year	1,088	1,119
Number of employees as at June 30	1,078	1,114

48. GENERAL

- 48.1** These financial statements were authorised for issue on August 24, 2023 by the Board of Directors of the Company. The directors have the power to amend and reissue the financial statements.
- 48.2** Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.
- 48.3** Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan.



Siraj A. Lawai
Chief Financial Officer



Hussain Kuli Khan
Chief Executive



Nazia Qureshi
Director



INNOVATION



With over 55 years of expertise, GTR's innovation is deeply rooted in our legacy. Harnessing advanced German Technology and rigorous testing in Japan & Europe, we continuously redefine tyre performance and safety. Our commitment ensures every journey is empowered by superior grip, making each drive not only safer but also an experience closer to one's dreams.

PATTERN OF SHAREHOLDING
AS OF JUNE 30, 2023

# Of Shareholders	Shareholdings'Slab			Total Shares Held
658	1	to	100	19,707
1022	101	to	500	350,194
624	501	to	1000	533,557
1447	1001	to	5000	3,544,260
312	5001	to	10000	2,339,743
160	10001	to	15000	1,916,795
54	15001	to	20000	915,874
50	20001	to	25000	1,098,334
32	25001	to	30000	883,662
29	30001	to	35000	939,967
14	35001	to	40000	525,480
9	40001	to	45000	377,496
8	45001	to	50000	388,076
11	50001	to	55000	583,751
3	55001	to	60000	169,848
6	60001	to	65000	372,543
4	65001	to	70000	267,780
8	70001	to	75000	586,517
2	75001	to	80000	154,408
4	80001	to	85000	333,030
2	85001	to	90000	175,170
7	95001	to	100000	696,000
6	100001	to	105000	615,006
1	105001	to	110000	109,000
1	110001	to	115000	115,000
1	125001	to	130000	130,000
1	135001	to	140000	135,068
3	170001	to	175000	516,343
1	175001	to	180000	175,500
1	185001	to	190000	186,252
1	195001	to	200000	200,000
1	200001	to	205000	205,000
1	205001	to	210000	206,500
1	215001	to	220000	216,580
2	240001	to	245000	486,530
3	245001	to	250000	747,741
1	265001	to	270000	268,624
1	300001	to	305000	303,477
1	330001	to	335000	334,000
1	335001	to	340000	338,436

# Of Shareholders	Shareholdings'Slab			Total Shares Held
1	350001	to	355000	355,000
1	380001	to	385000	382,356
3	405001	to	410000	1,224,000
1	430001	to	435000	434,520
1	445001	to	450000	450,000
1	450001	to	455000	455,000
1	470001	to	475000	472,018
1	485001	to	490000	486,525
1	490001	to	495000	490,452
1	495001	to	500000	500,000
1	690001	to	695000	691,500
1	695001	to	700000	696,408
1	700001	to	705000	702,373
1	740001	to	745000	742,356
1	830001	to	835000	831,300
1	855001	to	860000	856,605
1	870001	to	875000	875,000
1	880001	to	885000	884,500
1	1515001	to	1520000	1,515,720
1	1565001	to	1570000	1,569,644
1	1675001	to	1680000	1,677,900
1	1925001	to	1930000	1,926,895
1	2555001	to	2560000	2,555,304
1	2595001	to	2600000	2,596,500
1	4500001	to	4505000	4,501,464
1	5635001	to	5640000	5,638,618
1	29380001	to	29385000	29,380,308
1	36575001	to	36580000	36,579,835
4524				121,933,350

CATEGORIES OF SHAREHOLDING AS OF JUNE 30, 2023

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors, Chief Executive Officer. and their spouse(s) and minor children			
Mr. Ahmad Kuli Khan Khattak	4	2,127,857	1.75
Lt Gen (R) Ali Kuli Khan Khattak	1	486,525	0.40
Mr. Hussain Kuli Khan	1	204	0.00
Syed Ahmed Iqbal Ashraf	1	10	0.00
Mr. Adnan Ahmed	1	274	0.00
Associated Companies, undertakings and related parties			
Bibojee Services (Pvt.) Ltd.	2	33,881,772	27.79
Pakistan Kuwait Investment Company (Pvt.) Ltd.	1	36,579,835	30.00
NIT & ICP	2	5,638,648	4.62
Banks Development Financial Institutions, Non Banking Financial Institutions.	7	2,871,824	2.35
Insurance Companies	4	2,037,595	1.67
Modarabas and Mutual Funds	4	1,854,137	1.52
General Public			
a. Local	4,383	26,834,727	22.01
b. Foreign	42	4,257,729	3.49
Foreign Companies	4	20,481	0.02
Others	67	5,341,732	4.38
Totals	4,524	121,933,350	100.00

Share holders holding 10% or more	Shares Held	Percentage
Bibojee Services (Pvt.) Ltd.	33,881,772	27.79
Pakistan Kuwait Investment Company (Pvt.) Ltd.	36,579,835	30.00



PROXY FORM

Chief Executive Officer
M/s. Ghandhara Tyre and Rubber Company Ltd.
H-23/2, Landhi Industrial Trading Estate
Landhi, Karachi.

Please quote:-----
No. of Shares held-----
Folio No.-----
CDC Part. ID-----
A/C or Sub-A/C No. -----

I/We-----
of ----- Member(s) of M/s. Ghandhara Tyre and Rubber Company Limited (the "Company") do hereby appoint ----- of ----- or failing him ----- of ----- as proxy in my / our behalf at the 60th Annual General Meeting of the Company to be held at the Beach Luxury Hotel, Lalazar, Karachi on Thursday, October 26, 2023, at 11:00 a.m. and at any adjournment thereof.

Signature of Shareholder -----

Signature on
Revenue Stamp

Name of Shareholder -----

Witnesses:

Signature-----Signature -----

Name ----- Name -----

NIC/ Passport No. ----- NIC/Passport No. -----

The Chief Executive Officer
Gandhara Tyre and Rubber Company Limited
H-23/2, Landhi Industrial Trading Estate
Landhi, Karachi.

**AFFIX
POSTAGE**

پراکسی فارم

برائے مہربانی درج کریں:

ملکیتی شیئرز کی تعداد: -----

فولیو نمبر: -----

سی ڈی سی پارٹیسپینٹ آئی ڈی: -----

اکاؤنٹ / سب اکاؤنٹ نمبر -----

چیف ایگزیکٹو آفیسر

گندھارا ٹائر اینڈ ربر کمپنی لمیٹڈ

H-23/2، لانڈھی انڈسٹریل ٹریڈنگ اسٹیٹ،

لانڈھی، کراچی۔

میں/ہم ----- کا/کے ----- بحیثیت ممبر (ممبران)

گندھارا ٹائر اینڈ ربر کمپنی لمیٹڈ، بذریعہ ہذا ----- کا/کی ----- کو اور

ان کی عدم موجودگی میں ----- کا/کی ----- کو اپنی/ہماری جانب سے کمپنی کے

26 اکتوبر، 2023 بروز جمعرات بوقت دوپہر 11:00 بجے بیچ لگشری ہوٹل، لا لار، کراچی میں منعقد ہونے والے 60th سالانہ اجلاس عام اور اس کے کسی ملتوی شدہ

اجلاس کے لئے نمائندہ (پراکسی) مقرر کرتا ہوں۔

شیئرز ہولڈر کے دستخط -----

ریونیو اسٹیٹ پیپر دستخط

شیئرز ہولڈر کے دستخط -----

شیئرز ہولڈر کا نام -----

گواہان:

دستخط ----- دستخط -----

نام ----- نام -----

کمپیوٹرائزڈ قومی شناختی کارڈ / پاسپورٹ نمبر ----- کمپیوٹرائزڈ قومی شناختی کارڈ / پاسپورٹ نمبر -----

The Chief Executive Officer
Gandhara Tyre and Rubber Company Limited
H-23/2, Landhi Industrial Trading Estate
Landhi, Karachi.

**AFFIX
POSTAGE**



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



GHANDHARA TYRE AND RUBBER COMPANY LIMITED

HEAD OFFICE/FACTORY

H-23/2, Landhi Industrial Trading Estate, Landhi, Karachi, Pakistan. Phone: +92 21 3508 0172 (10 Lines),
UAN: +92 21 111 487 487 Fax: +92 21 3508 0171, Email: headoffice@gentipak.com, Web: www.gtr.com.pk