



for the 3rd Quarter
and nine months ended
March 31, 2022

Driving
GROWTH,
Enhancing
PERFORMANCE

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman

Mr. Sikandar Mustafa Khan

Chief Executive

Syed Muhammad Irfan Aqueel

Directors

Mr. Sohail Bashir Rana

Mr. Laeeq Uddin Ansari

Mr. Saad Iqbal

Mr. Qaiser Saleem

Mr. Nasar us Samad Qureshi

Mr. Muhammad Javed Rashid

Mrs. Ambreen Waheed

Company Secretary

Mr. Muhammad Faisal Azeem

Chief Financial Officer

Mr. Sohail A. Nisar

Auditors

M/s. A. F. Ferguson & Co.

Chartered Accountants

Legal Advisors

Riaa Barker Gillete

Akhtar Ali & Associates

Ch. Law Associates Inn

Company Share Registrars

M/s. Hameed Majeed Associates (Pvt.) Ltd.,
1st Floor, H.M. House, 7-Bank Square, Lahore.

Tel: 042-37235081-82

Fax: 042-37358817

E-mail: shares@hmaconsultants.com

Bankers

Bank Alfalah Ltd.

Habib Bank Ltd.

MCB Bank Ltd.

Standard Chartered Bank (Pakistan) Ltd.

United Bank Ltd.

Allied Bank Ltd.

Meezan Bank Ltd.

REGISTERED OFFICE AND PLANT

9-Km Sheikhpura Road, Distt. Sheikhpura.

Tel: 042-37911021-25,

UAN: 111-200-786

Fax: 042-37924166, 37925835

Website: www.millat.com.pk

E-mail: info@millat.com.pk

REGIONAL OFFICES

Karachi

3-A, Faiyaz Centre, Sindhi Muslim

Co-operative Housing Society, Karachi.

Tel: 021-34553752

UAN: 111-200-786

Fax: 021-34556321

Islamabad

H. No. 22, St. No. 41, Sector F-6/1, Islamabad.

Tel: 051-2271470

UAN: 111-200-786

Fax: 051-2270693

Multan Cantt.

Garden Town, (Daulatabad), Shershah Road,
Multan Cantt.

Tel: 061-6537371

Fax: 061-6539271

Sukkur

House No B/106 Akuwat Nagar Society,
Near Gol Masjid, Airport Road, Sukkur.

Tel: 071-5815041

Fax: 071-5815042

DIRECTORS' REVIEW

It is my pleasure to present the interim unaudited financial information of the Company for the nine months ended March 31, 2022 along with consolidated interim unaudited financial information of Millat Group of Companies.

Despite the liquidity constraints due to nonpayment of sales tax refunds, your Company has managed to achieve sales of 25,866 units during the nine months ended 31st March 2022 as compared to 25,915 units in the comparative period. Revenue from sales has increased to Rs. 38.361 billion from Rs. 31.375 billion in the comparative period, representing an increase of 22%. The EPS for the Nine months ended March 2022 witnessed an increase to Rs. 58.11 in contrast to EPS of Rs. 53.28 in corresponding period last year.

The Russian- Ukraine war has taken its toll by making energy prices dearer and unprecedented inflation levels worldwide. The increased international logistic costs and increase in energy cost has resulted in sharp increase in raw materials prices. Trade with Afghanistan is still at a standstill, however, your company is trying to achieve a breakthrough.

Pakistani Rupee (PKR) is still struggling against US dollar. The current political situation has further resulted in uncertainty in investment climate in the country. The average inflation is forecasted at 11% during 2022 and the current account deficit is still expected to be around 4 percent of GDP in FY22. While the non-oil current account balance has continued to improve, the overall current account remains dependent on global commodity prices. The SBP foreign reserves are declining and all these factors led to an increase of 250 basis points in policy rate to 12.25 percent. This increase will further fuel the inflation rates in the country. The relative stability in overall tractor prices is due to the high localization level of tractor parts.

The Agriculture sector is expected to continue its growth. The increase in wheat support price will further ease out the farming community to cope with the rising inflation and spend on farm mechanization and accordingly we are optimistic on the tractor led growth. Exports of tractors to traditional markets have declined, however your company is now exploring new markets globally to achieve a stable growth level.

Your company is well versed with the market demand drivers and is aiming to meet its target. On Behalf of The Board, I would like to acknowledge the hard work of employees, vending industry and all other stakeholders for sustainable growth and delivery to all stakeholders.

For and on behalf of The Board



Sikandar Mustafa Khan

Chairman
April 28, 2022
Lahore

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at March 31, 2022 (unaudited)

	Note	(Un-audited) March 31, 2022 (Rupees in thousand)	(Audited) June 30, 2021
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
100,000,000 (June 30, 2021: 75,000,000)			
ordinary shares of Rs 10 each		1,000,000	750,000
Issued, subscribed and paid up capital		807,233	560,578
Reserves		6,956,401	8,532,192
		7,763,634	9,092,770
Non-current liabilities			
Long term deposits		13,833	13,433
Deferred tax liabilities - net		859,509	962,984
Employees' defined benefit plan		62,134	50,256
Lease liabilities against right-of-use assets		–	1,442
Long term finance- secured		51,829	128,815
Deferred grant		10,369	13,485
		997,674	1,170,415
Current liabilities			
Accumulating compensated absences		115,170	110,670
Trade and other payables		5,682,858	3,661,499
Contract liabilities		4,862,391	9,919,342
Current portion of lease liabilities against right-of-use assets		2,093	4,386
Current portion of long term finance- secured		128,992	162,797
Current portion of deferred grant		6,868	15,602
Taxation - net		–	322,770
Unclaimed dividend		313,108	271,595
Unpaid dividend		29,761	74,403
Short term borrowings	9	2,459,171	–
		13,600,412	14,543,064
CONTINGENCIES AND COMMITMENTS			
	5	22,361,720	24,806,249

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



Chief Financial Officer



Chief Executive Officer

	Note	(Un-audited) March 31, 2022 (Rupees in thousand)	(Audited) June 30, 2021
ASSETS			
Non-current assets			
Property, plant and equipment			
Operating fixed assets	6	743,358	777,638
Capital work in progress	7	38,602	45,166
Right-of-use assets		2,050	4,896
Intangible assets		39,300	39,462
Investment property		255,708	255,708
Long term investments	8	5,972,706	6,199,458
Long term loans		7,213	2,482
		7,058,937	7,324,810
Current Assets			
Stores and spares		175,807	161,329
Stock-in-trade		7,647,686	5,372,584
Trade debts		157,633	141,234
Loans and advances		163,986	56,359
Trade deposits and prepayments		44,770	65,273
Balances with statutory authority		6,213,743	4,592,169
Other receivables		133,724	108,253
Tax refunds due from the Government		115,536	–
Short term investments		–	6,134,636
Cash and bank balances	9	649,898	849,602
		15,302,783	17,481,439
		22,361,720	24,806,249



Chairman

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the nine months ended March 31, 2022 (unaudited)

	Nine months ended March 31		Quarter ended March 31	
	2022	2021	2022	2021
(Rupees in thousand)				
Revenue from contracts with customers	38,361,380	31,374,612	13,769,317	12,578,348
Cost of sales	31,020,684	24,561,506	10,974,664	9,986,470
Gross profit	7,340,696	6,813,106	2,794,653	2,591,878
Distribution and marketing expenses	734,188	662,501	289,449	311,742
Administrative expenses	465,502	412,146	163,627	155,679
Other operating expenses	465,503	442,519	170,520	168,590
	1,665,193	1,517,166	623,596	636,011
Other income	801,119	537,026	213,431	268,672
Operating profit	6,476,622	5,832,966	2,384,488	2,224,539
Finance cost	92,888	8,082	78,913	1,582
Profit before taxation	6,383,734	5,824,884	2,305,575	2,222,957
Taxation	1,692,673	1,523,853	644,227	559,889
Profit after taxation for the period	4,691,061	4,301,031	1,661,348	1,663,068
Other comprehensive income / (loss)				
Items that may not be reclassified to profit or loss in subsequent periods:				
Unrealized gain/ (loss) on revaluation of investments measured at fair value through other comprehensive income	(190,190)	41,453	(12,828)	(14,111)
Total comprehensive income for the period	4,500,871	4,342,484	1,648,520	1,648,957
		Restated		Restated
Earnings per share - basic and diluted (Rupees)	58.11	53.28	20.58	20.60

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



Chief Financial Officer



Chief Executive Officer



Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine months ended March 31, 2022 (unaudited)

	Share capital	Revenue Reserves		Capital reserves	Total
		General reserves	Unappropriated profit	Fair value reserves	
(Rupees in thousand)					
Balance as on 01 July 2020	498,292	2,278,935	997,460	297,389	4,072,076
Final dividend for the year ended					
June 30, 2020 @ Rs. 30 per share	-	-	(1,494,873)	-	(1,494,873)
Interim dividend for the year ended					
30 June 2021 @ Rs. 50/- per share	-	-	(2,491,456)	-	(2,491,456)
Bonus shares issued for the year ended					
June 30, 2021 @ 12.5% per share	62,286	-	(62,286)	-	-
Total comprehensive income					
for the nine months ended 31 March 2021	-	-	4,301,031	41,453	4,342,484
Balance as on 31 March 2021	560,578	2,278,935	1,249,876	338,842	4,428,231
Balance as on 01 July 2021	560,578	2,278,935	2,817,370	3,435,887	9,092,770
Final dividend for the year ended					
June 30, 2021 @ Rs. 50 per share	-	-	(2,802,888)	-	(2,802,888)
Bonus shares issued for the year ended					
June 30, 2021 @ 20% per share	112,116	-	(112,116)	-	-
Interim dividend for the year ended					
30 June 2022 @ Rs. 45/- per share	-	-	(3,027,119)	-	(3,027,119)
Interim Bonus shares issued for the year ended					
June 30, 2022 @ 20% per share	134,539	-	(134,539)	-	-
Total comprehensive income					
for the nine months ended 31 March 2022	-	-	4,691,061	(190,190)	4,500,871
Balance as on 31 March 2022	807,233	2,278,935	1,431,769	3,245,697	7,763,634

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



Chief Financial Officer



Chief Executive Officer



Chairman

CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the nine months ended March 31, 2022 (unaudited)

	Note	Nine months ended March 31,	
		2022	2021
		(Rupees in thousand)	
Cash flows from operating activities			
Profit before taxation		6,383,734	5,824,884
Adjustment for:			
Depreciation on property, plant & equipment		67,441	58,010
Amortization of intangible assets		1,457	1,457
Loss / (gain) on foreign currency retranslation		(10,245)	6,390
Net gain from short term investments		(20,762)	(67,250)
Provision / (reversal) for employee benefits		22,768	32,745
Finance cost		92,888	8,082
Property, plant and equipment written off		(805)	3,033
Profit on bank deposits		(26,363)	(37,203)
Dividend income		(665,955)	(334,011)
		(539,576)	(328,747)
Cash flow from operating activities before working capital changes		5,844,158	5,496,137
Effect on cash flow due to working capital changes			
(Increase) / decrease in current assets:			
Stores and spares		(14,478)	12,535
Stock in trade		(2,275,102)	(1,830,756)
Trade debts		(16,399)	(39,160)
Loans and advances		(107,627)	(67,546)
Trade deposits and prepayments		20,503	(18,209)
Other receivables		(23,837)	(58,974)
		(2,416,940)	(2,002,110)
Increase / (Decrease) in current liabilities:			
Trade and other payables		2,021,359	1,945,892
Contract liabilities		(5,056,951)	2,880,428
Cash generated from operations		391,626	8,320,347
Taxes paid - net		(3,861,749)	(3,336,349)
(Increase) / decrease in long term loans to employees		(4,731)	(1,350)
long term security deposits repaid		400	(10)
Employee benefits paid		(6,390)	(6,533)
Finance cost paid		(92,526)	(6,821)
		(3,964,996)	(3,351,063)
Net cash generated from operating activities		(3,573,370)	4,969,284
Cash flows from investing activities			
Purchase of property, plant and equipment		(52,896)	(188,111)
Long term investments made		52,528	(119,553)
(Purchase) / disposal of short term investments - net		5,805,398	(1,373,090)
Proceeds from sale of property, plant and equipment		27,104	17,217
Dividend received		665,955	334,011
Profit on bank deposits		26,363	37,203
Net cash used in investing activities		6,523,157	(1,292,323)
Cash flows from financing activities			
Dividend paid		(5,833,136)	(3,919,333)
Principal payment against lease liabilities		(2,885)	(1,839)
Long term financing received		(122,641)	214,045
Net cash used in financing activities		(5,958,662)	(3,707,127)
Net decrease in cash and cash equivalents		(3,008,875)	(30,166)
Cash and cash equivalents at the beginning of the period		1,199,602	1,719,462
Cash and cash equivalents at the end of the period	9	(1,809,273)	1,689,296

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



Chief Financial Officer



Chief Executive Officer



Chairman

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended March 31, 2022 (unaudited)

1. The Company and Its Activities

1.1 Millat Tractors Limited (the Company) is a public limited company and was incorporated in Pakistan in 1964 under the Companies Act, 1913 (now the Companies Act, 2017), and is listed on the Pakistan Stock Exchange Limited. The registered office and factory of the Company is situated at 9 km Sheikhpura Road, District Sheikhpura. The Company also has regional offices located in Karachi, Multan, Sukkur and Islamabad. The Company is principally engaged in assembling and manufacturing of agricultural tractors, implements and multi-application products.

2. Statement of Compliance

2.1 This interim financial information of the Company for the nine months ended March 31, 2022 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable for interim financial reporting comprise of :

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of or directives issued under the Companies Act 2017 have been followed.

2.2 This interim financial information is un-audited and is being submitted to shareholders, as required by section 237 of the Companies Act, 2017.

3. Basis of Preparation

3.1 This condensed interim financial information does not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual audited financial statements as at 30 June 2021.

3.2 The accounting policies and methods of computation adopted for the preparation of these unconsolidated condensed interim financial statements are same as those applied in the preparation of the preceding unconsolidated annual audited financial statements of the Company for the year ended June 30, 2021, except for certain new standards, amendments to the approved accounting standards and new interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The amendments and Interpretations which became effective during the current period are considered not to be relevant / or material to the Company's operations and therefore are not detailed in these unconsolidated condensed interim financial statements.

4. Accounting Estimates and Judgments

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, incomes and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation are the same as those that applied to the financial statements for the year ended 30 June 2021.

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended March 31, 2022 (unaudited)

5 Contingencies and Commitments

There has been no significant change in the contingencies since the date of preceding published annual financial statements.

Commitments in respect of outstanding letters of credit are Rs. 1,191,113 thousand (June 30, 2021: Rs 1,031,050 thousand).

	Note	(Un-audited) March 31, 2022 (Rupees in thousand)	(Audited) June 30, 2021
6 Operating Fixed Assets			
Opening book value		777,638	667,980
Add: Additions during the period/ year	6.1	59,742	216,657
		837,380	884,637
Less:			
Deletions during the period / year		(26,299)	(26,240)
Adjustments made during the period / year		(282)	(356)
Depreciation charge for the period / year		(67,441)	(80,403)
		(94,022)	(106,999)
Closing book value		743,358	777,638
6.1 Additions during the period			
- Buildings on free hold land		-	851
- Plant and machinery		1,812	83,537
- Tools and equipment		1,811	5,324
- Furniture, fixture and office equipment		5,088	3,077
- Vehicles		47,303	120,460
- Computers		3,728	3,408
		59,742	216,657
7 Capital Work in Progress			
Plant and machinery		31,962	21,146
Office equipment		-	154
Advance for tools and equipments		1,613	1,613
Solar power project		-	-
Advance for Vehicles		5,027	22,253
		38,602	45,166

		(Un-audited) March 31, 2022 (Rupees in thousand)	(Audited) June 30, 2021
8	Long Term Investments		
	Related parties:		
	In subsidiary undertakings - At cost		
	- Millat Industrial Products Limited - unquoted	57,375	57,375
	- Tipeg Intertrade DMCC - unquoted	75,150	64,905
	- Bolan Castings Limited - quoted	76,610	76,610
	- Millat Equipment Limited - unquoted	117,000	117,000
		326,135	315,890
	Other investment - At fair value through other comprehensive income		
	- Hyundai Nishat Motors (Pvt.) Limited- unquoted		
	Cost	1,504,903	1,504,903
	Surplus on fair valuation of investment	4,061,733	4,276,935
	Advance against share subscription	-	-
		5,566,636	5,781,838
		5,892,771	6,097,728
	Investment other than related parties		
	At fair value through other comprehensive income		
	Quoted		
	Cost	12,145	12,145
	Surplus on revaluation of investment	67,390	89,185
		79,535	101,330
	Unquoted		
	Cost	400	400
		5,972,706	6,199,458
		(Un-audited) March 31, 2022 (Rupees in thousand)	(Un-audited) March 31, 2021
9	Cash and Cash Equivalents		
	Cash and bank balances	649,898	1,689,296
	Short term borrowings	(2,459,171)	-
		(1,809,273)	1,689,296

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended March 31, 2022 (unaudited)

		Nine months ended March 31,	
		2022	2021
		(Rupees in thousand)	
10	Transactions with Related Parties		
	Purchase of components	6,556,783	5,841,632
	Sale of goods and services	356,883	1,377,056
	Dividend income	556,800	314,302
	Cost of Investments made	-	119,553
	Contribution to staff retirement benefit plans	22,454	21,266
	Disposal of assets to key management personnel	-	39

The Outstanding balances of such parties are as under:

	(Un-audited) March 31, 2022	(Audited) June 30, 2021
	(Rupees in thousand)	
Payable to related parties	466,887	596,738
Receivable from related parties	3,844	23,602

11 Events After Balance Sheet Date

The Board of Directors has declared Rs. NIL cash dividend (June 30, 2021: Rs. 50 per share) and 20% bonus shares (June 30, 2021: 20%) in their meeting held on April 28, 2022.

12 Date of Authorisation

This condensed interim financial information was authorised for issue on April 28, 2022 by the Board of Directors of the company.

13 Corresponding Figures

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.



Chief Financial Officer



Chief Executive Officer



Chairman

Consolidated Condensed Interim Financial Statements
MILLAT TRACTORS LIMITED
For the quarter and Nine months ended
March 31, 2022 (unaudited)

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at March 31, 2022 (unaudited)

	Note	(Un-audited) March 31, 2022 (Rupees in thousand)	(Audited) June 30, 2021
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
100,000,000 (2021: 75,000,000) ordinary shares of Rs. 10/- each		1,000,000	750,000
Issued, subscribed and paid up capital		807,233	560,578
Reserves		7,736,688	9,471,014
		8,543,921	10,031,592
Non-controlling interests		968,488	1,049,532
Non-current liabilities			
Long term deposits		28,996	30,025
Deferred taxation		834,738	938,586
Employees' defined benefit plan		93,961	85,072
Lease liabilities against right-of-use assets		-	1,442
Long term finance- secured		97,133	227,511
Deferred grant		10,369	21,085
		1,065,197	1,303,721
Current liabilities			
Accumulating compensated absences		152,831	146,256
Trade and other payables		6,588,586	4,064,135
Contract liabilities		4,887,621	9,920,662
Current portion of lease liabilities against right-of-use assets		2,093	4,386
Current portion of long term finance- secured		226,204	280,925
Current portion of deferred grant		12,044	26,424
Current portion of long term deposits		17,327	1,572
Short term borrowings		3,791,898	530,655
Taxation - net		-	372,038
Unclaimed dividend		323,940	284,291
Unpaid dividend		51,963	78,297
		16,054,507	15,709,641
CONTINGENCIES AND COMMITMENTS			
	5	26,632,113	28,094,486

The annexed notes 1 to 14 form an integral part of the consolidated condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer

	Note	(Un-audited) March 31, 2022 (Rupees in thousand)	(Audited) June 30, 2021
ASSETS			
Non-current assets			
Property, plant and equipment			
Operating fixed assets	6	1,757,562	1,793,993
Capital work in progress	7	38,602	49,828
Intangible asset		56,006	63,838
Right-of-use assets		2,050	4,896
Goodwill		18,572	18,572
Investment property		255,708	255,708
Long term investments	8	5,664,395	5,906,278
Long term loans		8,222	3,347
Long term deposits		23,817	49,644
Employees' defined benefit plan		14,513	13,384
		7,839,447	8,159,488
Current Assets			
Stores and spares		595,073	585,931
Stock in trade		9,199,976	6,489,318
Trade debts		774,450	307,921
Loans and advances		196,513	198,623
Trade deposits and short term prepayments		427,414	77,120
Other receivables		133,907	89,378
Balances with statutory authorities		6,226,313	4,612,098
Tax refunds due from the Government		205,754	73,299
Short term investments		150,000	6,368,491
Cash and bank balances		883,266	1,132,819
		18,792,666	19,934,998
Non-current assets classified as held for sale		-	-
		26,632,113	28,094,486



Chairman

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the nine months ended March 31, 2022 (unaudited)

	Nine months ended March 31		Quarter ended March 31	
	2022	2021	2022	2021
(Rupees in thousand)				
Revenue from contracts with customers	39,633,657	32,903,694	14,602,945	13,436,952
Cost of sales	30,848,888	24,525,821	11,303,235	10,157,457
Gross profit	8,784,769	8,377,873	3,299,710	3,279,495
Distribution and marketing expenses	825,415	748,768	318,470	344,881
Administrative expenses	747,004	737,612	247,592	301,520
Other operating expenses	542,005	518,491	198,172	203,210
	2,114,424	2,004,871	764,234	849,611
Other income	415,046	289,290	92,171	101,514
Operating profit	7,085,391	6,662,292	2,627,647	2,531,398
Finance cost	177,824	64,990	114,803	20,287
Profit before taxation	6,907,567	6,597,302	2,512,844	2,511,111
Taxation	1,996,232	1,817,550	748,492	674,205
Profit after tax for the period	4,911,335	4,779,752	1,764,352	1,836,906
Other comprehensive income / (loss):				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of foreign operations	19,512	(15,632)	3,766	(10,736)
Unrealized gain / (loss) on revaluation of investments measured at fair value through other comprehensive income	(195,075)	46,131	(15,704)	(22,994)
	(175,563)	30,499	(11,938)	(33,730)
Total comprehensive income for the period	4,735,772	4,810,251	1,752,414	1,803,176
Attributable to:				
- Equity holders of the holding Company				
Profit after tax	4,517,899	4,377,471	1,621,426	1,645,832
Other comprehensive income / (loss) for the period	(172,938)	27,985	(6,456)	(33,255)
	4,344,961	4,405,456	1,614,970	1,612,577
- Non-controlling interests				
Profit / (loss) after tax	393,436	402,281	142,926	191,074
Other comprehensive income / (loss) for the period	(2,625)	2,514	(5,482)	(475)
	390,811	404,795	137,444	190,599
	4,735,772	4,810,251	1,752,414	1,803,176
		Restated		Restated
Earnings per share - basic and diluted (Rupees)	60.84	59.21	21.86	22.76

The annexed notes 1 to 14 form an integral part of the consolidated condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Chairman

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine months ended March 31, 2022 (unaudited)

	Issued Subscribed and Paid up Capital	Revenue reserves		Capital reserves		Non-controlling interests	Total
		General reserves	Unappropriated profit	Exchange translation reserve	Fair value reserve		
(Rupees in thousand)							
Balance as on 30 June 2020	498,292	2,475,309	1,409,344	60,785	341,043	851,210	5,635,983
Final dividend for the year ended							
30 June 2020 @ Rs. 30 per share	-	-	(1,494,873)	-	-	-	(1,494,873)
Bonus shares issued for the year ended							
June 30, 2021 @ 12.5% per share	62,286	-	(62,286)	-	-	-	-
Dividend payment to NCI	-	-	-	-	-	(315,558)	(315,558)
Interim dividend for the year ended							
30 June 2021 @ Rs. 50/- per share	-	-	(2,491,456)	-	-	-	(2,491,456)
Total comprehensive income							
for the nine months ended 31 March 2021	-	-	4,377,471	(15,632)	46,131	402,281	4,810,251
Balance as on 31 March 2021 (Un-audited)	560,578	2,475,309	1,738,200	45,153	387,174	937,933	6,144,347
Balance as on 30 June 2021 (Audited)	560,578	2,475,309	3,458,902	54,833	3,481,970	1,049,532	11,081,124
Bonus shares issued for the year ended							
June 30, 2021 @ 20% per share	112,116	-	(112,116)	-	-	-	-
Final dividend for the year ended							
June 30, 2021 @ Rs. 50 per share	-	-	(2,802,888)	-	-	-	(2,802,888)
Dividend payment to NCI	-	-	-	-	-	(474,480)	(474,480)
Interim dividend for the year ended							
30 June 2022 @ Rs. 45/- per share	-	-	(3,027,119)	-	-	-	(3,027,119)
Interim Bonus shares issued for the year ended							
June 30, 2022 @ 20% per share	134,539	-	(134,539)	-	-	-	-
Total comprehensive income / (loss)							
for the nine months ended 31 March 2022	-	-	4,517,899	19,512	(195,075)	393,436	4,735,772
Balance as on 31 March 2022	807,233	2,475,309	1,900,139	74,345	3,286,895	968,488	9,512,409

The annexed notes 1 to 14 form an integral part of the consolidated condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Chairman

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the nine months ended March 31, 2022 (unaudited)

	Note	Nine months ended March 31,	
		2022	2021
		(Rupees in thousand)	
Cash flows from operating activities			
Profit before taxation		6,907,567	6,597,302
Adjustment for:			
Depreciation on property, plant & equipment		162,596	128,743
Amortization of intangible assets		9,127	2,895
(Gain) / loss on disposal of short term investments		(20,762)	(67,250)
Provision / (Reversal) for employee benefits		14,335	17,715
Finance cost		177,824	64,990
Property, plant and equipment written off		(805)	3,033
Profit on bank deposits		(26,686)	(37,311)
Dividend income		(668,183)	(19,709)
		(352,554)	93,106
Cash flow from operating activities before working capital changes		6,555,013	6,690,408
Effect on cash flow due to working capital changes			
(Increase) / decrease in current assets:			
Stores and spares		(9,142)	(38,696)
Stock in trade		(2,710,658)	(2,088,652)
Trade debts		(466,529)	(301,004)
Loans and advances		2,110	(75,226)
Trade deposits and prepayments		(350,294)	(19,126)
Other receivables		(41,683)	(62,787)
		(3,576,196)	(2,585,491)
(Decrease) / Increase in current liabilities:			
Trade and other payables		2,595,598	2,159,281
Contract liabilities		(5,033,041)	2,870,074
Cash generated from operations		541,374	9,134,272
Taxes paid		(4,171,980)	(3,328,282)
Increase in long term loans to employees		(4,875)	(5,112)
Employee benefits paid		-	-
Decrease / increase in long term security deposits		40,553	1,981
Mark-up paid		(248,971)	(82,257)
		(4,385,273)	(3,413,670)
Net cash generated from operating activities		(3,843,899)	5,720,602
Cash flows from investing activities			
Purchase of property, plant and equipment		(114,134)	(222,791)
Purchase of intangible assets		(1,295)	(6,617)
Short term investments (made) / redeemed - net		5,655,398	(1,379,235)
Long term investment made- net		-	(62,110)
Dividend received		668,183	19,709
Profit on bank deposits		26,686	37,311
Net cash used in investing activities		6,234,838	(1,613,733)
Cash flows from financing activities			
Dividend paid to equity holders		(5,816,692)	(3,919,489)
Dividend paid to non-controlling interests		(474,480)	(315,558)
Principal payment against lease liabilities		(3,735)	(1,839)
Long term financing received		(210,195)	362,507
Net cash used in financing activities		(6,505,102)	(3,874,379)
Net increase / (decrease) in cash and cash equivalents		(4,114,163)	232,490
Cash and cash equivalents at the beginning of the period		1,186,019	1,055,945
Foreign exchange difference		19,512	(15,632)
Cash and cash equivalents at the end of the period	9	(2,908,632)	1,272,803

The annexed notes 1 to 14 form an integral part of the consolidated condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Chairman

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended March 31, 2022 (unaudited)

1. The Group and Its Activities

1.1 Millat Tractors Limited - the Holding Company is a public limited Company incorporated in Pakistan in 1964 under the Companies Act 2017 (repealed Companies Ordinance, 1984), and is listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Sheikhpura Road, District Sheikhpura. The Company is principally engaged in assembling and manufacturing of agricultural tractors, implements and multi-application products.

Millat Industrial Products Limited (MIPL), an unlisted public company registered under the Companies Act 2017 (repealed Companies Ordinance, 1984), is a subsidiary of Millat Tractors Limited which holds 64.09% equity. MIPL is engaged in the business of manufacturing of industrial, domestical and vehicular batteries, cells and components.

Tipeg Intertrade DMCC, Dubai, a limited liability company registered with Dubai Multi Commodities Centre Authority, is a subsidiary of Millat Tractors Limited which holds 75% equity. The principal place of business of the company is located at Jumeirah Lake Towers, Dubai-UAE. The company is formed for trading of machinery and heavy equipment.

Millat Equipment Limited (MEL), an unlisted public company registered under the Companies Act 2017 (repealed Companies Ordinance, 1984), is a subsidiary of Millat Tractors Limited which holds 45% equity. MEL is engaged in the business of manufacturing of automotive, agricultural and industrial vehicles parts and components thereof.

Bolan Castings Limited (BCL), a public limited company incorporated in Pakistan under the Companies Act 2017 (repealed Companies Ordinance, 1984), and is listed on Pakistan Stock Exchange, is a subsidiary of Millat Tractors Limited which holds 46.26% equity. BCL is engaged in the business of manufacturing of castings for tractors and automotive parts thereof.

2 Statement of Compliance

2.1 This interim financial information of the Group for the nine months ended March 31, 2021 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable for interim financial reporting comprise of :

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of or directives issued under the Companies Act 2017 have been followed.

2.2 This interim financial information is un-audited and is being submitted to shareholders, as required by section 228 of the Companies Act, 2017.

3 Basis of Preparation

3.1 This condensed interim financial statements do not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 30 June 2021.

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended March 31, 2022 (unaudited)

3.2 The accounting policies and methods of computation adopted for the preparation of this condensed consolidated interim financial information are same as those applied in the preparation of the preceding annual published financial statements of the Group for the year ended 30 June 2021 except for certain new standards, amendments to the approved accounting standards and new interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The amendments and Interpretations which became effective during the current period are considered not to be relevant / or material to the Group's operations and therefore are not detailed in these consolidated condensed interim financial statements.

4 Accounting Estimates and Judgments

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, incomes and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation are the same as those that applied to the financial statements for the year ended 30 June 2021.

5 Contingencies and Commitments

There has been no significant change in the contingencies since the date of preceding published annual financial statements.

Commitments in respect of outstanding letters of credit are Rs. 1,191,113 thousand (June 30, 2021: Rs 2,374,237 thousand).

	Note	(Un-audited) March 31, 2022 (Rupees in thousand)	(Audited) June 30, 2021
6 OPERATING FIXED ASSETS			
Opening book value		1,793,993	1,645,923
Add: Additions during the period / year	6.1	156,021	374,957
		1,950,014	2,020,880
Less: Disposals / write offs during the period / year (at book value)		(29,856)	(38,599)
Depreciation charged during the period/ year		(162,596)	(188,288)
		(192,452)	(226,887)
Closing book value		1,757,562	1,793,993
6.1 Additions during the period / year			
- Buildings on freehold land		1,310	4,423
- Plant and machinery		51,440	110,561
- Tools and equipments		8,746	84,970
- Furniture, fixture and office equipment		5,966	5,764
- Vehicles		84,605	164,988
- Computers		3,954	4,251
		156,021	374,957

	(Un-audited) March 31, 2022 (Rupees in thousand)	(Audited) June 30, 2021
7 Capital Work In Progress		
Solar energy project	-	-
Plant and machinery	31,962	22,678
Advance for tools and equipment	1,613	1,613
Advance for vehicles	5,027	25,383
Advance for factory building improvements	-	154
	38,602	49,828
8 Long Term Investments		
Investment at fair value through other comprehensive income- unquoted		
Cost	1,505,302	1,505,303
Surplus on revaluation of investment	4,061,733	4,276,935
Advance against share subscription	-	-
	5,567,035	5,782,238
Investment at fair value through other comprehensive income- quoted		
Cost	34,855	24,364
Surplus on revaluation of investment	62,505	99,676
	97,360	124,040
	5,664,395	5,906,278
	(Un-audited) March 31, 2022	(Un-audited) March 31, 2021
	(Rupees in thousand)	
9 Cash and Cash Equivalents		
Cash and bank balances	883,266	2,113,703
Short term borrowings	(3,791,898)	(840,900)
	(2,908,632)	1,272,803

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended March 31, 2022 (unaudited)

		(Un-audited) March 31, 2022 (Rupees in thousand)	(Un-audited) March 31, 2021
10	Transactions with Related Parties		
	Retirement benefit plans	Contribution to staff retirement	29,404
	benefit plans		32,838
	Associated undertaking	Cost of Investments made	–
	Key management personnel	Disposal of vehicles	–
			39

11 Operating Segment Information

Business Segments

For management purposes, the Group is organized into business units based on their nature of business and has three reportable operating segments as follows:

Tractors
Tractor components
Castings

No other operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its operating segments separately for the purpose of performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

	Tractors		Tractor components		Castings		Other segments		Inter segment eliminations		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Rupees in thousands												
Revenue from contract with customers	38,361,380	31,374,612	4,395,508	3,616,133	1,822,832	2,580,121	3,308,805	(7,714,775)	(7,218,688)	39,633,657	32,903,894	
Cost of sales	31,020,684	24,561,506	3,402,193	2,624,227	1,583,585	2,278,180	2,975,191	(7,714,775)	(7,218,688)	30,848,888	24,525,821	
Gross profit	7,340,696	6,813,106	993,315	991,906	148,817	301,941	333,614	-	-	8,784,769	8,377,873	
Distribution cost	734,188	662,501	3,051	2,415	43,077	45,099	40,116	-	-	825,415	748,768	
Administrative expenses	465,502	412,146	130,203	104,004	65,745	97,005	155,717	-	-	747,004	737,612	
Other operating expenses	465,503	442,519	66,189	63,572	3,044	8,364	4,066	-	-	542,005	518,491	
	1,665,193	1,517,166	199,443	169,991	117,845	149,373	199,889	-	-	2,114,424	2,004,871	
Other income	801,119	537,026	142,859	33,537	23,157	8,758	9,873	(556,800)	(314,303)	415,046	289,290	
Operating profit	6,476,622	5,832,966	936,731	855,452	67,512	144,559	161,326	143,618	(556,800)	7,085,391	6,662,292	
Finance costs	92,888	8,082	47,439	19,399	34,486	35,443	3,011	2,066	-	177,824	64,990	
Profit before taxation	6,383,734	5,824,884	889,292	836,053	33,026	109,116	158,315	141,552	(556,800)	6,907,567	6,597,302	
Taxation	1,692,673	1,523,853	257,910	243,928	30,506	31,753	15,143	18,016	-	1,996,232	1,817,550	
Profit for the period	4,691,061	4,301,031	631,382	592,125	2,520	77,363	143,172	123,536	(556,800)	4,911,335	4,779,752	

11.1 Inter segment sales and purchases have been eliminated.

11.2 Allocation of assets and liabilities

	Tractors		Tractor components		Castings		Other segments		Inter segment eliminations		Total	
	March 31, 2022	June 30, 2021	March 31, 2022	June 30, 2021	March 31, 2022	June 30, 2021	March 31, 2022	June 30, 2021	March 31, 2022	June 30, 2021	March 31, 2022	June 30, 2021
Rupees in thousands												
Segment operating assets												
Non- Current assets	7,058,937	7,324,810	722,983	754,365	326,523	343,273	152,157	147,948	(433,111)	(410,908)	7,820,875	8,159,488
Goodwill	-	-	-	-	-	-	-	-	18,572	18,572	18,572	18,572
Current Assets	15,302,783	17,481,439	2,265,938	1,424,027	725,027	688,320	989,649	989,214	(470,731)	(628,002)	18,792,666	19,934,998
Total Assets	22,361,720	24,806,249	2,988,921	2,178,392	1,051,550	1,011,593	1,121,806	1,137,162	(885,270)	(1,020,338)	26,632,113	28,113,058
Segment operating liabilities												
Non-current liabilities	997,674	1,170,415	114,259	158,209	42,527	63,988	6,282	6,634	(95,525)	(95,525)	1,065,197	1,303,721
Current liabilities	13,600,412	14,543,064	1,729,996	778,898	803,864	740,080	396,675	274,853	(470,731)	(627,254)	16,054,507	15,709,641
Total operating liabilities	14,598,086	15,713,479	1,844,255	937,107	846,391	804,068	402,937	281,487	(566,256)	(722,779)	17,119,704	17,013,362

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended March 31, 2022 (unaudited)

12 Events After Balance Sheet Date

The Board of Directors has declared Rs. NIL cash dividend (June 30, 2021: Rs. 50 per share) and 20% bonus shares (June 30, 2021: 20%) in their meeting held on April 28, 2022.

13 Date of Authorisation

This condensed interim financial information was authorised for issue on April 28, 2022 by the Board of Directors of the Group.

14 Corresponding Figures

Corresponding figures have been re-arranged / restated, wherever necessary, for the purpose of comparison. However, no significant re-arrangements / restatements have been made.



Chief Financial Officer



Chief Executive Officer



Chairman



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