

*THE ULTIMATE
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COMFORT:
CHERY*

Quarterly Report
March 31,
2024



GHANDHARA
AUTOMOBILES LIMITED
(Formerly Ghandhara Nissan Limited)

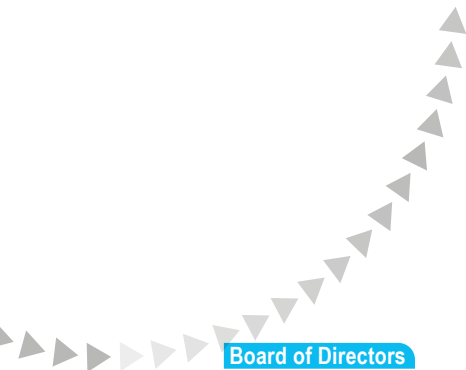
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Corporate Information





Board of Directors

Lt. Gen. (Retd.) Ali Kuli Khan Khattak	Chairman
Mr. Ahmad Kuli Khan Khattak	Chief Executive Officer
Mrs. Shahnaz Sajjad Ahmad	
Mr. Sikandar Kuli Khan Khattak	
Mr. Mohammad Zia	
Syed Haroon Rashid	
Mr. Muhammad Saleem Baig	
Mr. Polad Merwan Polad	
Mr. Salman Rasheed (FCA)	
Mr. Asim Arshid	

Chief Financial Officer

Mr. Faisal Hameed

Company Secretary

Mr. Iftikhar Ahmed Khan

Audit Committee

Mr. Polad Merwan Polad	Chairman
Lt. Gen. (Retd.) Ali Kuli Khan Khattak	Member
Mr. Salman Rasheed (FCA)	Member
Mr. Muhammad Zia	Member
Mr. Muhammad Saleem Baig	Member

Human Resource & Remuneration Committee

Mr. Asim Arshid	Chairman
Mr. Ahmad Kuli Khan Khattak	Member
Mrs. Shahnaz Sajjad Ahmad	Member
Mr. Mohammad Zia	Member
Mr. Polad Merwan Polad	Member

Auditors

M/s. Shinewing Hameed Chaudhri & Co.
Chartered Accountants
5th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi

Bankers of the Company

National Bank of Pakistan
Faysal Bank Limited
Habib Bank Limited
Allied Bank Limited
United Bank Limited
Soneri Bank Limited
MCB Bank Limited
Standard Chartered Bank (Pakistan) Limited
Industrial & Commercial Bank of China
The Bank of Punjab
The Bank of Khyber
Meezan Bank Limited - (Shariah)
Bank Al Habib Limited
Bank Alfalah Islamic - (Shariah)
Al Baraka Bank (Pakistan) Limited - (Shariah)
JS Bank Limited
Samba Bank Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited - (Shariah)
Bank Makramah Limited
MCB Islamic Bank Limited - (Shariah)

NTN: 0802990-3

Sales Tax Registration No: 12-03-8702-001-46

Share Registrars

CDC Share Registrar Services Ltd.
CDC House, 99-B, Block-B
S.M.C.H.S., Main Shahra-e-Faisal
Karachi.

Legal & Tax Advisors

M/s. L E X F I R M A
Advocates, Barristers & Legal Consultants
418, Continental Trade Centre, Clifton, Karachi.

M/s. Shekha & Mufti
Chartered Accountants
C-253, PECHS., Block 6, Off Shahrah-e-Faisal, Karachi.

Registered Office

F-3, Hub Chowki Road, S.I.T.E., Karachi

Factory

Truck / Car Plants
Port Bin Qasim, Karachi
Regional Offices
First Floor, Laban's Arcade | 400/2, Gammon House
Main Canal Road, Lahore | Peshawar Road Rawalpindi Cantt.



DIRECTORS' REVIEW

The Directors are pleased to present the report along with the unaudited condensed interim financial statements of Ghandhara Automobiles Limited for the nine months period ended March 31, 2024.

Economy at a Glance

The economic and financial position continues to improve with each passing month of the current fiscal year, attributed to prudent policy management and the resumption of inflows from multilateral and bilateral partners. Pakistan has reached a Staff-Level Agreement in its final review successfully concluding the IMF's Stand-By Arrangement (SBA) program and securing a disbursement of \$1.1 billion. The ongoing efforts in policy and reform are easing out pressures on the gross financing needs, which has been intensified by increased external and domestic financing demands and an uncertain external environment. These positive developments have led to a sustained economic recovery and an uplift in the country's overall economic confidence.

Auto-Sector

During the nine months of FY2024, the performance of auto-industry remains subdued due to low production on account of shortage of CKD stocks, massive increases in inputs prices, continued FX shortages and tightening auto finance. The industry is further burdened by the impact of rising inflation resultantly decreased in consumers' demand.

According to the latest data from the PAMA, sales volumes of auto industry for Heavy Commercial Vehicles (HCVs) were 1,548 units during the nine months ended March 31, 2024 as compared to 2,825 units during the corresponding period of last year showing a decline of 45%. For Light Commercial Vehicles (LCVs), sales were 10,126 units during the nine months ended March 31, 2024 as compared to 20,010 units during the corresponding period of last year showing a decline of 49%. Whereas for Passenger Car segment, sales were 24,217 units during the nine-month ended March 31, 2024 as compared to 39,912 units during the corresponding period of last year showing a decline of 39%.

Financial Results of the Company

The financial results of the Company for the period ended March 31, 2024 are summarized below:

	<u>Nine Months Ended</u>	
	<u>March 2024</u>	<u>March 2023</u>
	(Rupees in thousands)	
Revenue	3,706,807	9,165,025
Gross Profit	171,342	584,893
Operating Profit	87,724	495,274
Net Loss / Profit after tax	(163,333)	113,718
Loss / Earnings Per Share (Rupees)	(2.87)	1.99

Reasons for the Loss and Future Prospects of Profit

The incurred loss for the period is primarily attributed to lower sales and production volumes, resulting in financial losses, a consequence of the high production & finance costs and the non-absorption of fixed overheads.

Going forward, the business sentiments are likely to witness a considerable positivity in the near future. However, we expect some improvement in economic activities and expected implementation of Government's business friendly policies, ease of opening letters of credit (LC), reduction in discount rates and exchange rate stability. Owing to these improvements, we hope to recover the losses in next quarter of FY2024.

Related Party Transactions

All transactions with related parties have been executed at arm's length and have been disclosed in the financial statements.

Future Outlook

The outlook of the Company is encouraging in short to medium term as recent period of economic sustainability coupled with expected political stability to be achieved will translate into growth momentum soon. The Management is continuously making efforts for growth in sales volumes and profitability. Further the management is also well poised to serve its customers.

The directors express gratitude to the principals, customers, vendors, bankers, and other business associates for their unwavering patronage and support. Their continued collaboration is deeply appreciated by the company's leadership.

For and on behalf of the Board of Directors



Chief Executive Officer



Director

Karachi

Dated: April 25, 2024





Standalone Financial Statements

GHANDHARA AUTOMOBILES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

		Un-audited	Audited
		March 31, 2024	June 30, 2023
	Note	----- Rupees in '000 -----	
ASSETS			
Non current assets			
Property, plant and equipment	5	5,410,432	5,392,028
Intangible assets		1,739	2,314
Long term investments		222,906	222,906
Long term loans		3,515	1,473
Long term deposits		34,209	26,252
Due from the Subsidiary Company		47,993	272,242
		5,720,794	5,917,215
Current assets			
Stores, spares and loose tools		246,994	225,733
Stock-in-trade		1,646,664	1,654,704
Trade debts		391,933	247,589
Loans and advances		35,305	46,348
Deposits and prepayments		20,701	14,789
Other receivables		14,623	77,415
Accrued interest / mark-up		10,839	46,658
Taxation - net		683,312	559,333
Bank balances		1,004,735	1,302,234
		4,055,106	4,174,803
Total assets		9,775,900	10,092,018


Chief Executive


Director


Chief Financial Officer

GHANDHARA AUTOMOBILES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

	Un-audited	Audited
	March 31, 2024	June 30, 2023
Note	----- Rupees in '000 -----	
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorised capital		
- 80,000,000 (June 30, 2023: 80,000,000) ordinary shares of Rs.10 each	800,000	800,000
Issued, subscribed and paid-up capital		
- 57,002,500 (June 30, 2023: 57,002,500) ordinary shares of Rs.10 each	570,025	570,025
Capital reserves		
- share premium	1,102,721	1,102,721
- reserve for capital expenditures	1,000,000	-
- surplus on revaluation of fixed assets - net	2,087,749	2,110,527
	4,190,470	3,213,248
Revenue reserve - unappropriated profits	1,245,732	2,386,287
Total equity	6,006,227	6,169,560
Liabilities		
Non current liabilities		
Lease liabilities	116,726	67,969
Long term borrowings	557,351	764,451
Deferred income - government grant	121,368	151,706
Long term deposits	62,092	57,226
Deferred taxation - net	247,073	303,373
	1,104,610	1,344,725
Current liabilities		
Trade and other payables	1,243,771	1,317,904
Accrued mark-up	47,611	68,684
Short term borrowings	944,237	692,287
Current portion of lease liabilities	34,393	29,512
Current maturity of long term borrowings	341,584	413,618
Current portion of deferred income - government grant	42,888	45,149
Unclaimed dividend	10,579	10,579
	2,665,063	2,577,733
Total liabilities	3,769,673	3,922,458
Contingencies and commitments		
Total equity and liabilities	9,775,900	10,092,018

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


Chief Executive


Director


Chief Financial Officer

GHANDHARA AUTOMOBILES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Note	Quarter ended		Nine months period ended	
		March 31,	March 31,	March 31,	March 31,
		2024	2023	2024	2023
		---- Rupees in '000 ----		---- Rupees in '000 ----	
Revenue - net		1,544,271	3,961,753	3,706,807	9,165,025
Cost of sales	9	(1,418,518)	(3,532,331)	(3,535,465)	(8,580,132)
Gross profit		125,753	429,422	171,342	584,893
Distribution cost		(35,550)	(45,972)	(101,046)	(125,562)
Administrative expenses		(62,081)	(75,814)	(192,500)	(198,640)
Other income		54,735	101,008	212,272	311,156
Other expenses		-	(23,955)	(2,344)	(76,573)
Profit from operations		82,857	384,689	87,724	495,274
Finance cost		(70,755)	(106,708)	(261,734)	(216,832)
Profit / (loss) before taxation		12,102	277,981	(174,010)	278,442
Taxation		(324)	(99,381)	10,677	(164,724)
Profit / (loss) after taxation		11,778	178,600	(163,333)	113,718
Other comprehensive income		-	-	-	-
Total comprehensive income / (loss) for the period		11,778	178,600	(163,333)	113,718
		----- Rupees -----		----- Rupees -----	
Earnings / (loss) per share					
- basic and diluted		0.21	3.13	(2.87)	1.99

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



Chief Executive



Director



Chief Financial Officer

GHANDHARA AUTOMOBILES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Issued, subscribed and paid- up capital	---Capital reserves ---			Revenue reserve - Unappro- priated profit	Total
		Share premium	Reserve for capital expenditures	Surplus on revaluation of fixed assets		
----- Rupees in '000 -----						
Balance as at July 1, 2022 (audited)	570,025	1,102,721	-	2,142,524	2,281,351	6,096,621
Total comprehensive income for the nine months period ended March 31, 2023						
Profit for the period	-	-	-	-	113,718	113,718
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	113,718	113,718
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	(23,998)	23,998	-
Balance as at March 31, 2023 - (un-audited)	570,025	1,102,721	-	2,118,526	2,419,067	6,210,339
Balance as at July 1, 2023 (audited)	570,025	1,102,721	-	2,110,527	2,386,287	6,169,560
Transfer to reserves for capital expenditures (note 6)	-	-	1,000,000	-	(1,000,000)	-
Total comprehensive loss for the nine months period ended March 31, 2024						
Loss for the period	-	-	-	-	(163,333)	(163,333)
Other Comprehensive income	-	-	-	-	-	-
	-	-	-	-	(163,333)	(163,333)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	-	(22,778)	22,778	-
Balance as at March 31, 2024 - (un-audited)	570,025	1,102,721	1,000,000	2,087,749	1,245,732	6,006,227

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


Chief Executive


Director


Chief Financial Officer

GHANDHARA AUTOMOBILES LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	---- Rupees in '000 ----	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(174,010)	278,442
Adjustments for non-cash charges and other items:		
Depreciation and amortisation	231,358	262,454
Provision for gratuity	10,235	10,586
Interest income	(177,541)	(250,325)
Gain on disposal of operating fixed assets	(234)	(1,081)
Dividend income	-	(6,372)
Gain from sale of investment in mutual funds	-	(13,186)
Finance cost	256,061	213,944
Exchange loss - net	2,344	55,936
Operating profit before working capital changes	148,213	550,398
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(21,261)	(27,597)
Stock-in-trade	8,040	642,240
Trade debts	(144,344)	(204,041)
Loans and advances	11,043	(4,321)
Deposit and prepayments	(5,912)	(11,984)
Other receivables	62,792	103,418
	(89,642)	497,715
Decrease in trade and other payables	(85,903)	(3,333,462)
Cash used in operations	(27,332)	(2,285,349)
Gratuity paid	(811)	(29,127)
Long term loans - net	(2,042)	2,147
Long term deposits - net	(7,957)	(3,046)
Finance cost paid	(277,134)	(184,340)
Income taxes paid	(169,602)	(361,277)
Net cash used in operating activities - carried forward	(484,878)	(2,860,992)

GHANDHARA AUTOMOBILES LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	---- Rupees in '000 ----	
Net cash used in operating activities - brought forward	(484,878)	(2,860,992)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for fixed capital expenditure	(172,962)	(149,677)
Proceeds from disposal of property, plant and equipment	3,928	5,669
Interest income received	213,360	239,103
Dividend received	-	6,372
Due from Subsidiary Company - net	224,249	291,284
Short term investment - net	-	689,049
Net cash generated from investing activities	268,575	1,081,800
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease liabilities - net	(26,280)	(26,104)
Long term borrowings - obtained	-	210,627
Long term borrowings - repaid	(311,732)	(237,287)
Long term deposits - net	4,866	11,650
Short term borrowings - net	251,950	617,111
Dividend paid	-	(22)
Net cash (used in) / generated from financing activities	(81,196)	575,975
Net decrease in cash and cash equivalents	(297,499)	(1,203,217)
Cash and cash equivalents at beginning of the period	1,302,234	2,119,985
Cash and cash equivalents at end of the period	1,004,735	916,768

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



Chief Executive



Director



Chief Financial Officer

GHANDHARA AUTOMOBILES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

1. THE COMPANY AND ITS OPERATIONS

Ghandhara Automobiles Limited (the Company) was incorporated on August 8, 1981 in Pakistan as a private limited company and subsequently converted into a public limited company on May 24, 1992. The Company is a subsidiary of Bibojee Services (Private) Limited. The registered office of the Company is situated at F-3, Hub Chowki Road, S.I.T.E., Karachi. Its manufacturing facilities are located at Port Qasim, Karachi and regional offices in Lahore and Rawalpindi. The Company's shares are listed on Pakistan Stock Exchange Limited. The Company has changed its name from Ghandhara Nissan Limited to Ghandhara Automobiles Limited, approved by the Securities and Exchange Commission of Pakistan through a certificate of Incorporation on Change of Name dated April 18, 2023.

The principal business of the Company is assembly / progressive manufacturing of vehicles including Chery SUVs and JAC Trucks, import and sale of parts / Dongfeng and Renault vehicles in completely built-up condition and assembly of other vehicles under contract agreement.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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 Act differ with the requirements of IAS 34 or IFAS, the provisions of and directives issued under the Act have been followed. These condensed interim financial statements of the Company for the nine months period ended March 31, 2024 is un-audited.

- 2.2** These condensed interim financial statements do not include all the statements and disclosures as required in the annual financial statements and should be read in conjunction with audited annual financial statements of the Company for the year ended June 30, 2023.

3. ACCOUNTING POLICIES

- 3.1** The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements of the Company for the year ended June 30, 2023.

There are certain International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2023. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these condensed interim financial statements.

- 3.2** Actuarial valuations are carried out on annual basis. The last actuarial valuation was carried out on June 30, 2023. The impact of re-measurement of post-employment benefit plans has not been incorporated in these condensed interim financial statements.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement 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 the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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

5. PROPERTY, PLANT AND EQUIPMENT

		Un-audited March 31, 2024	Audited June 30, 2023
	Note	----- Rupees in '000 -----	
Operating fixed assets	5.1	4,892,131	4,980,484
Right of use assets - vehicles		176,017	120,743
Capital work-in-progress		342,284	290,801
		5,410,432	5,392,028
5.1 Operating fixed assets			
Book value at beginning of the period / year		4,980,484	5,195,295
Additions during the period / year	5.2	121,479	115,150
Transfer from right of use assets		1,545	7,258
Disposals costing Rs. 3,848 thousand (June 30, 2023: Rs. 44,129 thousand) - at book value		(1,266)	(11,123)
Depreciation charge for the period / year		(210,111)	(326,096)
Book value at end of the period / year		4,892,131	4,980,484
5.2 Additions to operating fixed assets, including transfer from capital work-in-progress, during the period / year were as follows:			
Buildings on freehold land		-	34,273
Plant and machinery		101,966	72,567
Furniture and fixtures		-	3,407
Owned vehicles		11,791	657
Other equipment		608	632
Office equipment		187	393
Computers and servers		6,927	3,221
		121,479	115,150

6. RESERVE FOR CAPITAL EXPENDITURES

The Board of Directors of the Company in their meeting held on July 21, 2023, discussed that keeping in view capital expenditure strategy of the Company, the Board, out of revenue reserves, decided to transfer and classify a sum of PKR 1,000,000 thousand to separate capital reserve for capital expenditure (un-available by way of dividend) to more accurately reflect the nature of these reserves. This reserve represents funds set aside for the purchase of fixed assets in future.

7. SHORT TERM BORROWINGS - Secured

	Un-audited March 31, 2024	Audited June 30, 2023
	----- Rupees in '000 -----	
Running finances / musharakah	628,094	562,287
Finance against imported merchandise / trust receipts	186,143	-
Short term loan	130,000	130,000
	944,237	692,287

8. CONTINGENCIES AND COMMITMENTS

- 8.1 There is no change in status of the contingencies as disclosed in note 28.1 of the audited annual financial statements of the Company for the year ended June 30, 2023.
- 8.2 Commitment in respect of irrevocable letters of credit as at March 31, 2024 aggregate to Rs.437,640 thousand (June 30, 2023: Rs.263,470 thousand).
- 8.3 Commitments outstanding for capital expenditure other than through letters of credit as March 31, 2024 aggregated to Rs. 311,000 thousand (June 30, 2023: Rs. 336,300 thousand).
- 8.4 Guarantees aggregating Rs.22,279 thousand (June 30, 2023: Rs.18,778 thousand) are issued by banks of the Company to various government and other institutions. Further, the Company has issued corporate guarantees aggregating Rs.695,230 thousand (June 30, 2023: Rs.325,500 thousand) to the commercial banks against banking facilities utilised by the Subsidiary Company.

9. COST OF SALES	Note	--- Un-audited ---		--- Un-audited ---	
		Three months period ended March 31,		Nine months period ended March 31,	
		2024	2023	2024	2023
		----- Rupees in '000 -----		----- Rupees in '000 -----	
Finished goods at beginning of the period		1,067,870	1,129,250	772,572	970,703
Cost of goods manufactured	9.1	1,151,041	3,051,726	3,403,582	8,118,881
Purchases - trading goods		12,182	26,354	171,886	165,547
		1,163,223	3,078,080	3,575,468	8,284,428
		2,231,093	4,207,330	4,348,040	9,255,131
Finished goods at end of the period		(812,575)	(674,999)	(812,575)	(674,999)
		1,418,518	3,532,331	3,535,465	8,580,132
9.1 Cost of goods manufactured					
Raw materials and parts consumed		778,676	2,626,389	2,445,912	6,954,638
Factory overheads		372,365	425,337	957,670	1,164,243
		1,151,041	3,051,726	3,403,582	8,118,881

10. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of the Holding Company, the Subsidiary Company, Associated Companies, directors of the Company, companies in which directors are interested, staff retirement benefit plans, key management personnel (head of department) and close members of the families of the directors & key management personnel. The Company in the normal course of business carries out transactions with various related parties and are settled in ordinary course of business. Significant transactions with and balance of related parties are as follows:

Related party name along with relation	Nature of transaction	Un-audited	Un-audited
		March 31, 2024	March 31, 2023
		--- Rupees in '000 ---	
(i) Holding Company			
Bibojee Services (Private) Limited - 57.76% shares held in the Company	Corporate office rent	6,662	5,990
	Contract assembly charges	-	2,633
	Sale of vehicles	17,886	-
(ii) Subsidiary Company			
Ghandhara DF (Private) Limited 99.99% shares held by the Company	Contract assembly charges	90,669	73,568
	Purchase of parts	-	273
	Sale of parts	-	43
	Receipts against long term advances - net	224,249	291,284
	Rental income	8,085	7,275
	Interest income	27,571	115,913
	Guarantee commission	6,312	6,165
(iii) Associated Companies			
Ghandhara Industries Limited 19.09% shares held by the Company (10.1)	Contract assembly charges	349,330	586,113
	Sale of vehicles	25,269	45,405
	Purchase of parts	554	79
	Head office rent	3,585	2,856
	Sale of parts	71	-
Ghandhara Tyre and Rubber Company Limited (10.1)	Purchase of tyres, tubes and flaps	41,075	26,957
Gammon Pakistan Limited (10.1)	Office rent	3,330	2,995
Janana De Malucho Textile Mills Limited (10.1)	Sale of vehicles	-	37,074
	Reimbursement of expenses	2,872	1,911
Bannu Woollen Mills Limited (10.1)	Sale of vehicles	-	16,821
Business Vision (Private) Limited (10.1)	Installments for office floor	64,000	50,000
Rehman Cotton Mills Limited (10.1)	Sale of vehicles	-	13,538
The Universal Insurance Company Limited (10.1)	Sale of vehicle	-	5,604
	Reimbursement of expenses	791	1,213
(iv) Others			
Staff provident fund	Contribution made	10,947	9,975
Staff gratuity fund	Contribution made	811	29,128
Key management personnel	Remuneration and other short term benefits	72,171	71,558
	Sale of fleet vehicles	1,549	555

10.1 Associated company by virtue of common directorship.

10.2 Period / year end balances are as follows:

	Un-audited	Audited
	March 31,	June 30,
	2024	2023
	-----Rupees in '000-----	
Debit balances / receivables from related parties		
Property, plant and equipment	189,000	125,000
Long term investments	222,906	222,906
Trade debts	93,623	90,281
Loan and advances	10	6
Other receivables	1,864	1,649
Accrued interest / mark-up	2,325	25,066
Payable to related parties		
Trade and other payables	56,950	25,019

11. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements of the Company for the year ended June 30, 2023.

12. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Company for the year ended June 30, 2023 and the corresponding figures in the condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial statements of the Company for the nine months ended March 31, 2023. Corresponding figures have been rearranged and reclassified for better presentation wherever considered necessary, the effect of which is not material.

13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 25, 2024 by the Board of Directors of the Company.



Chief Executive



Director



Chief Financial Officer



Consolidated Financial Statements



Directors' Review on Consolidated Financial Statements

The directors are presenting their report together with consolidated financial statements of Ghandhara Automobiles Limited and its subsidiary Ghandhara DF (Private) Limited (the Group) for the nine months period ended 31st March, 2024.

The economic outlook of the country is expected to be shaped largely by the restoration of political stability and ongoing implementation of macroeconomic reforms to continue the International Monetary Fund program - aimed at stabilizing the economy.

Financial Results of the Group

The financial results of the Group for the period ended March 31, 2024 are summarized below:

	<u>Nine Months Ended</u>	
	<u>March 2024</u>	<u>March 2023</u>
	(Rupees in thousands)	
Revenue	6,120,111	11,183,339
Gross Profit	673,163	1,012,007
Operating Profit	505,755	723,424
Net Profit after tax	74,715	204,656
Earnings Per Share (Rupees)	1.31	3.59

Future Outlook

Despite all the economic challenges, the Group through its stringent financial control is trying to manage the prevailing situation with limited resources and maintaining continuity and sustainability of the operations. The management will stay on course to mitigate external challenges by leveraging on its financial strength and operational efficiencies.

The directors express gratitude to the principals, customers, vendors, bankers, and other business associates for their unwavering patronage and support.

For and on behalf of the Board of Directors



Chief Executive Officer



Director

Karachi

Dated: April 25, 2024

GHANDHARA AUTOMOBILES LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

		Un-audited March 31, 2024	Audited June 30, 2023
	Note	---- Rupees in '000 ----	
ASSETS			
Non current assets			
Property, plant and equipment	6	5,436,816	5,408,073
Intangible assets		3,404	3,750
Long term investments	7	1,551,743	1,271,261
Long term loans		8,989	6,578
Long term deposits		38,117	29,070
		<u>7,039,069</u>	<u>6,718,732</u>
Current assets			
Stores, spares and loose tools		246,994	225,733
Stock-in-trade		2,879,029	2,346,343
Trade debts		1,190,070	1,161,598
Loans and advances		48,841	58,054
Deposits and prepayments		33,694	19,906
Accrued interest / mark-up		8,514	21,592
Other receivables	8	13,460	106,781
Taxation - net		753,848	638,675
Cash and bank balances		1,109,773	1,325,392
		<u>6,284,223</u>	<u>5,904,074</u>
Total assets		<u><u>13,323,292</u></u>	<u><u>12,622,806</u></u>



Chief Executive



Director



Chief Financial Officer

GHANDHARA AUTOMOBILES LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

	Un-audited March 31, 2024	Audited June 30, 2023
	---- Rupees in '000 ----	
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	570,025	570,025
Capital reserves		
- share premium	1,102,721	1,102,721
- reserve for capital expenditures	1,000,000	-
- surplus on revaluation of fixed assets - net	3,067,739	2,779,358
- items directly credited to equity by an Associate	80,686	79,823
	5,251,146	3,961,902
Revenue reserve - unappropriated profits	2,490,235	3,389,143
Equity attributable to shareholders of the Holding Company	8,311,406	7,921,070
Non-controlling interest	88	61
Total equity	8,311,494	7,921,131
Liabilities		
Non current liabilities		
Lease liabilities	127,524	70,349
Long term borrowings	557,351	764,451
Deferred income - government grants	121,368	151,706
Long term deposits	69,092	64,226
Deferred taxation - net	239,418	295,988
	1,114,753	1,346,720
Current liabilities		
Trade and other payables	2,235,626	1,799,536
Accrued mark-up	61,691	86,202
Short term borrowings	1,164,478	968,351
Current portion of lease liabilities	40,199	31,520
Current maturity of long term borrowings	341,584	413,618
Current portion of deferred income - government grants	42,888	45,149
Unclaimed dividends	10,579	10,579
	3,897,045	3,354,955
Total liabilities	5,011,798	4,701,675
Contingencies and commitments		
Total equity and liabilities	13,323,292	12,622,806

Note

9

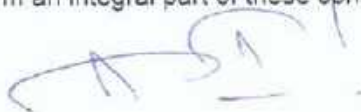
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11

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial



Chief Executive



Director



Chief Financial Officer

GHANDHARA AUTOMOBILES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Quarter ended		Nine months ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	---- Rupees in '000 ----		---- Rupees in '000 ----	
Revenue - net	2,761,969	4,826,564	6,120,111	11,183,339
Cost of sales	(2,347,434)	(4,165,414)	(5,446,948)	(10,171,332)
Gross profit	414,535	661,150	673,163	1,012,007
Distribution cost	(44,893)	(52,330)	(125,530)	(144,989)
Administrative expenses	(76,720)	(90,776)	(234,070)	(242,425)
Other income	55,624	56,438	198,503	188,199
Other expenses	(278)	(31,083)	(6,311)	(89,368)
Profit from operations	348,268	543,399	505,755	723,424
Finance cost	(101,240)	(117,581)	(339,622)	(253,194)
	247,028	425,818	166,133	470,230
Share of (loss) / profit of an Associate	(31,389)	4,898	(35,167)	(67,837)
Profit before taxation	215,639	430,716	130,966	402,393
Taxation	(53,755)	(117,088)	(56,251)	(197,737)
Profit after taxation	161,884	313,628	74,715	204,656
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Share of other comprehensive income of an Associate of:				
- surplus on revaluation of fixed assets - net	-	-	312,022	-
- re-measurement of staff retirement benefit obligation - net	-	-	3,626	(2,779)
Other comprehensive income / (loss)	-	-	315,648	(2,779)
Total comprehensive income for the period	161,884	313,628	390,363	201,877
Attributable to:				
- Shareholders of the Holding Company	161,866	313,615	390,336	201,861
- Non-controlling interest	18	13	27	16
	161,884	313,628	390,363	201,877
	----- Rupees -----		----- Rupees -----	
Earnings per share - basic and diluted	2.84	5.50	1.31	3.59

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

Chief Executive

Director

Chief Financial Officer

GHANDHARA AUTOMOBILES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	----- Capital reserves -----				Revenue reserve Unappropriated profits	Total	Non - controlling interest	
	Share capital	Share premium	Surplus on revaluation of fixed assets	Reserve for capital expenditures				Items directly credited to equity by an Associate
	----- Rupees in '000 -----							
Balance as at July 1, 2022 (audited)	570,025	1,102,721	2,813,584	-	77,594	3,175,876	7,739,800	46
Total comprehensive income for the nine months period ended March 31, 2023								
Profit for the period	-	-	-	-	-	204,640	204,640	16
Other comprehensive loss	-	-	-	-	-	(2,779)	(2,779)	-
	-	-	-	-	-	201,861	201,861	16
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	(23,998)	-	-	23,998	-	-
Effect of item directly credited in equity by an Associate	-	-	(1,672)	-	1,672	-	-	-
Balance as at March 31, 2023 (un-audited)	570,025	1,102,721	2,787,914	-	79,266	3,401,735	7,941,661	62
Balance as at July 1, 2023 (audited)	570,025	1,102,721	2,779,358	-	79,823	3,389,143	7,921,070	61
Transfer to reserves for capital expenditures (Note 9)	-	-	-	1,000,000	-	(1,000,000)	-	-
Total comprehensive income for the nine months period ended March 31, 2024								
Profit for the period	-	-	-	-	-	74,688	74,688	27
Other comprehensive income	-	-	312,022	-	-	3,626	315,648	-
	-	-	312,022	-	-	78,314	390,336	27
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	(22,778)	-	-	22,778	-	-
Effect of item directly credited in equity by an Associate	-	-	(863)	-	863	-	-	-
Balance as at March 31, 2024 (un-audited)	570,025	1,102,721	3,067,739	1,000,000	80,686	2,490,235	8,311,406	88

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


Chief Executive


Director


Chief Financial Officer

GHANDHARA AUTOMOBILES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	---- Rupees in '000 ----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	130,966	402,393
Adjustments for non-cash charges and other items:		
Depreciation and amortisation	235,387	265,038
Provision for gratuity	11,670	13,364
Interest income	(230,502)	(139,352)
Gain on disposal of property, plant and equipment	(326)	(1,081)
Dividend income	-	(6,372)
Gain from sale of investment in mutual funds	-	(13,186)
Share of loss of an Associate	35,167	67,837
Finance cost	339,622	253,194
Exchange loss - net	6,311	68,731
Operating profit before working capital changes	528,295	910,566
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(21,261)	(27,597)
Stock-in-trade	(532,686)	880,501
Trade debts	(28,472)	(524,789)
Loans and advances	9,213	(15,545)
Deposit and prepayments	(13,788)	(11,272)
Other receivables	93,321	94,080
	(493,673)	395,378
Increase / (decrease) in trade and other payables	418,106	(3,160,758)
Cash generated from / (used in) operations	452,728	(1,854,814)
Gratuity paid	-	(31,525)
Long term loans - net	(2,411)	852
Long term deposits - net	(9,047)	(3,304)
Finance cost paid	(364,133)	(223,769)
Income taxes paid	(227,994)	(390,377)
Net cash used in operating activities - carried forward	(150,857)	(2,502,937)

GHANDHARA AUTOMOBILES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	<u>March 31,</u> <u>2024</u>	<u>March 31,</u> <u>2023</u>
	---- Rupees in '000 ----	
Net cash used in operating activities - brought forward	(150,857)	(2,502,937)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for fixed capital expenditure	(173,460)	(149,677)
Proceeds from disposal of property, plant and equipment	5,002	5,669
Interest income received	243,580	136,519
Dividend received	-	6,372
Investments - net	-	689,049
Net cash generated from investing activities	75,122	687,932
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease finances - net	(29,145)	(28,387)
Long term borrowings - obtained	-	210,627
Long term borrowings - repaid	(311,732)	(237,287)
Long term deposits - net	4,866	11,650
Short term borrowings - net	196,127	574,490
Dividend paid	-	(22)
Net (used in) / cash generated from financing activities	(139,884)	531,071
Net decrease in cash and cash equivalents	(215,619)	(1,283,934)
Cash and cash equivalents at beginning of the period	1,325,392	2,239,593
Cash and cash equivalents at end of the period	1,109,773	955,659

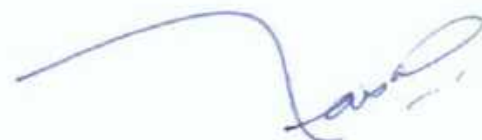
The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

GHANDHARA AUTOMOBILES LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL
STATEMENTS (un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

1. THE GROUP AND ITS OPERATIONS

1.1 The Group consists of Ghandhara Automobiles Limited (the Holding Company) and Ghandhara DF (Private) Limited (the Subsidiary Company).

1.2 GHANDHARA AUTOMOBILES LIMITED

Ghandhara Automobiles Limited (the Holding Company) was incorporated on August 8, 1981 in Pakistan as a private limited company and subsequently converted into a public limited company on May 24, 1992. The registered office of the Holding Company is situated at F-3, Hub Chowki Road, S.I.T.E., Karachi. Its manufacturing facilities are located at Port Qasim, Karachi and regional offices in Lahore and Rawalpindi. The Holding Company has changed its name from Ghandhara Nissan Limited to Ghandhara Automobiles Limited, approved by the Securities and Exchange Commission of Pakistan through a certificate of Incorporation on Change of Name dated April 18, 2023. The Holding Company's shares are listed on Pakistan Stock Exchange Limited. Bibojee Services (Private) Limited is the ultimate holding company of the Group.

The principal business of the Holding Company is assembly / progressive manufacturing of vehicles including Chery SUVs & JAC Trucks, import and sale of parts and Dongfeng & Renault vehicles in Completely Built-up condition and assembly of other vehicles under contract agreement.

1.3 GHANDHARA DF (PRIVATE) LIMITED

Ghandhara DF (Private) Limited (the Subsidiary Company) was incorporated on June 25, 2013 in Pakistan as a private limited company. The registered office of the Subsidiary Company is situated at F-3, Hub Chowki Road, S.I.T.E., Karachi. It has outsourced assembly of the vehicles to the Holding Company.

The Subsidiary Company has cooperation agreement with China DongFeng Motor Industry Imp. & Exp. Co. Limited as well as 'Motor Vehicles & Related Products Distribution' agreements with DongFeng Automobile Company Limited.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated condensed interim financial statements have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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 Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed. These consolidated condensed interim financial statements of the Group for the nine months period ended March 31, 2024 is un-audited.

- 2.2 These consolidated condensed interim financial statements do not include all the statements and disclosures as required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended June 30, 2023.

3. ACCOUNTING POLICIES

- 3.1 The accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of audited annual consolidated financial statements of the Group for the year ended June 30, 2023.

There are certain International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2023 are considered not to be relevant or to have any significant effect on the Group's financial reporting and operations.

- 3.2 The Group follows the practice of conducting actuarial valuations annually at the year end. Hence, the impact of remeasurement of post-employment benefit plans has not been incorporated in the consolidated condensed interim financial statements.

4. PRINCIPLES OF CONSOLIDATION

These consolidated condensed interim financial statements include the condensed interim financial statements of Holding Company and its Subsidiary Company. The Holding Company's direct interest in the Subsidiary Company is 99.99% as at March 31, 2024 (June 30, 2023: 99.99%).

Consolidated condensed financial statements combines like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its Subsidiary, offset (eliminate) the carrying amount of the Holding Company's investment in Subsidiary and the Holding Company's portion of equity of Subsidiary and eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group.

Non-controlling interest is equity in the Subsidiary Company not attributable, directly or indirectly, to the Holding Company.

5. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

6. PROPERTY, PLANT AND EQUIPMENT		Un-audited March 31, 2024	Audited June 30, 2023
	Note	----- Rupees in '000 -----	
Operating fixed assets	6.1	4,898,466	4,990,081
Right of use assets - vehicles		196,066	127,191
Capital work-in-progress		342,284	290,801
		5,436,816	5,408,073
6.1 Operating fixed assets			
Book value at beginning of the period / year		4,990,081	5,206,928
Additions during the period / year	6.2	121,479	115,150
Transfer from right of use asset		1,545	7,258
Disposals costing Rs. 3,848 (June 30, 2023: Rs.44,129 thousand) - at book value		(1,266)	(11,123)
Depreciation charge for the period / year		(213,373)	(328,132)
Book value at end of the period / year		4,898,466	4,990,081
6.2 Additions to operating fixed assets, including transfer from capital work-in-progress, during the period / year were as follows:			
Buildings on freehold land		-	34,273
Plant and machinery		101,966	72,567
Furniture and fixtures		-	3,407
Owned vehicles		11,791	657
Other equipment		608	632
Office equipment		187	393
Computers and servers		6,927	3,221
		121,479	115,150
7. LONG TERM INVESTMENTS			
Associate - equity accounted investment	7.1	1,551,743	1,271,261
Others - available for sale	7.2	-	-
		1,551,743	1,271,261
7.1 Ghandhara Industries Limited			
Balance at beginning of the period / year		1,271,261	1,312,254
Share of loss for the period / year		(35,167)	(38,214)
Share of other comprehensive income / (loss) for the period / year		315,649	(2,779)
Balance at end of the period / year		1,551,743	1,271,261

7.1.1 Investment in Ghandhara Industries Limited (GIL) represents 8,132,336 (June 30, 2023: 8,132,336) fully paid ordinary shares of Rs.10 each representing 19.09% (June 30, 2023: 19.09%) of its issued, subscribed and paid-up capital as at March 31, 2023. GIL was incorporated on February 23, 1963 and its shares are quoted on Pakistan Stock Exchange Limited. The principal activity of GIL is the assembly, progressive manufacturing and sale of Isuzu trucks and buses.

7.1.2 The value of investment in GIL is based on financial statements of the investee company as at December 31, 2023. The latest financial statements of GIL as at March 31, 2024 are not presently available.

7.1.3 The market value of investment as at March 31, 2024 was Rs.1,293,448 thousand (June 30, 2023: Rs.654,978 thousand).

7.2 Others - available for sale

**Automotive Testing & Training Centre
(Private) Limited**

187,500 (June 30, 2023: 187,500) ordinary shares of
Rs.10 each - cost

Provision for impairment

Un-audited March 31, 2024	Audited June 30, 2023
----- Rupees in '000 -----	
1,875	1,875
(1,875)	(1,875)
-	-

8. Includes margin against letters of credit Rs. Nil (June 30, 2023: Rs. 94,611 thousand).

9. RESERVE FOR CAPITAL EXPENDITURES

The Board of Directors of the Holding Company in their meeting held on July 21, 2023, discussed that keeping in view capital expenditure strategy of the Company, the Board, out of revenue reserves, decided to transfer and classify a sum of PKR 1,000,000 thousand to separate capital reserve for capital expenditure (un-available by way of dividend) to more accurately reflect the nature of these reserves. This reserve represents funds set aside for the purchase of fixed assets in future.

10. SHORT TERM BORROWINGS - Secured

Running finances / musharakah

Finance against imported merchandise

Term finance - short term loans

Un-audited March 31, 2024	Audited June 30, 2023
----- Rupees in '000 -----	
738,335	788,351
186,143	-
240,000	180,000
1,164,478	968,351

11. CONTINGENCIES AND COMMITMENTS

- 11.1 There is no material change in status of the contingencies as disclosed in note 26.1 of the audited annual consolidated financial statements of the Group for the year ended June 30, 2023.
- 11.2 Commitment in respect of irrevocable letters of credit as at March 31, 2024 aggregate to Rs.1,047,229 thousand (June 30, 2023: Rs.336,300 thousand).
- 11.3 Commitments outstanding for capital expenditure other than through letters of credit as at March 31, 2024 aggregated to Rs. 311,000 thousand (June 30, 2023: Rs. 386,300 thousand).
- 11.4 Guarantees aggregating Rs.25,592 thousand (June 30, 2023: Rs.24,578 thousand) are issued by banks of the Group to various government and other institutions. Further, the Holding Company has issued corporate guarantees aggregating Rs.695,230 thousand (June 30, 2023: Rs.325,500 thousand) to the commercial banks against running finances and letters of credit facilities utilised by the Subsidiary Company.

12. COST OF SALES

	Note	---- Un-audited ----		---- Un-audited ----	
		Three months period ended		Nine months period ended	
		March 31,		March 31,	
		2024	2023	2024	2023
		----- Rupees in '000 -----		----- Rupees in '000 -----	
Finished goods at beginning of the period		1,565,983	1,896,329	1,069,765	1,724,871
Cost of goods manufactured	12.1	1,855,428	3,653,885	5,243,661	9,666,698
Purchases - trading goods		5,862	43,057	213,361	207,620
		1,861,290	3,696,942	5,457,022	9,874,318
		3,427,273	5,593,271	6,526,787	11,599,189
Finished goods at end of the period		(1,079,839)	(1,427,857)	(1,079,839)	(1,427,857)
		<u>2,347,434</u>	<u>4,165,414</u>	<u>5,446,948</u>	<u>10,171,332</u>
12.1 Cost of goods manufactured					
Raw materials and parts consumed		1,464,189	3,189,435	4,229,849	8,376,054
Factory overheads		391,239	464,450	1,013,812	1,290,644
		<u>1,855,428</u>	<u>3,653,885</u>	<u>5,243,661</u>	<u>9,666,698</u>

13. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of the ultimate Holding Company, Associated Companies, directors of the Holding and subsidiary Company, companies in which directors are interested, staff retirement benefit plans, key management personnel and close members of the families of the directors & key management personnel. The Group in the normal course of business carries out transactions with various related parties and are settled in ordinary course of business. Significant transactions with and balance of related parties are as follows:

Related party along with relation	Nature of transaction	Un-audited	Un-audited
		March 31, 2024	March 31, 2023
(i) Ultimate Holding Company		--- Rupees in '000 ---	
Bibojee Services (Private) Limited - 57.76% shares held in the Holding Company	Corporate office rent	13,323	11,979
	Contract assembly revenue	-	2,633
	Sale of vehicles	17,886	-
(ii) Associated Companies			
Ghandhara Industries Limited 19.09% shares held by the Holding Company (13.1)	Contract assembly charges	349,330	586,113
	Purchase of parts	554	79
	Sale of vehicles	25,269	45,405
	Head office rent	7,171	5,712
	Sale of parts	71	-
Ghandhara Tyre and Rubber Company Limited (13.1)	Purchase of tyres, tubes and flaps	41,075	34,259
Rehman Cotton Mills Limited (13.1)	Sale of vehicles	-	13,538
	Rent expense	1,800	-
Gammon Pakistan Limited (13.1)	Office rent	3,330	2,995
Janana De Malucho Textile Mills Limited (13.1)	Sale of vehicles	-	37,074
	Reimbursement of expenses	2,872	1,911
Bannu Woollen Mills Limited (13.1)	Sale of vehicles	-	16,821
Business Vision (Private) Limited (13.1)	Installments for office floor	64,000	50,000
Universal Insurance Company Limited (13.1)	Sale of vehicle	-	5,604
	Reimbursement of expenses	791	1,213
(iii) Others			
Staff provident fund	Contribution made	12,639	11,461
Staff gratuity fund	Contribution made	1,321	31,526
Key management personnel	Remuneration and other short term benefits	72,171	71,558
	Sale of fleet vehicles	1,549	555

13.1 Associated company by virtue of common directorship.

13.2 Period / year end balances are as follows:

	Un-audited March 31, 2024	Audited June 30, 2023
-----Rupees in '000-----		
Debit balances / receivables from related parties		
Property, plant and equipment	189,000	125,000
Trade debts	77,128	104,810
Loan and advances	10	6
Payable to related parties		
Trade and other payables	65,047	35,046

14. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements of the Group for the year ended June 30, 2023.

15. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the Consolidated condensed interim statement of financial position has been compared with the balances of audited annual consolidated financial statements of the Group for the year ended June 30, 2023, whereas, the Consolidated condensed interim statement of profit or loss and other comprehensive income, Consolidated condensed interim statement of changes in equity and Consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of Consolidated condensed interim financial statements of the Group for the period ended March 31, 2023. Corresponding figures have been rearranged and reclassified for better presentation wherever considered necessary, the effect of which is not material.

16. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on April 25, 2024 by the Board of Directors of the Holding Company.








**Chief Executive****Director****Chief Financial Officer**



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