

Tough Times Never Last, But Tough Companies Do...

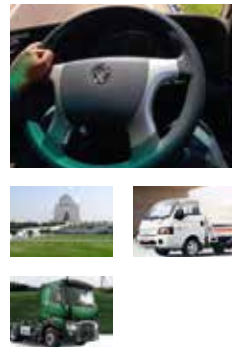




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Company Profile

Board of Directors

Mr. Raza Kuli Khan Khattak
Lt. Gen. (Retd.) Ali Kuli Khan Khattak
Mr. Ahmad Kuli Khan Khattak
Mrs. Shahnaz Sajjad Ahmad
Mr. Mohammad Zia
Syed Haroon Rashid
Mr. Muhammad Saleem Baig
Mr. Polad Merwan Polad
Mr. Salman Rasheed (FCA)
Mr. Muhammad Jawaid Iqbal (CFA)

Chairman
President
Chief Executive Officer

Chief Financial Officer

Mr. Muhammad Umair

Company Secretary

Mr. Muhammad Sheharyar Aslam

Audit Committee

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

Chairman
Member
Member
Member
Member

Human Resource & Remuneration Committee

Mr. Muhammad Jawaid Iqbal (CFA)
Mr. Ahmad Kuli Khan Khattak
Mrs. Shahnaz Sajjad Ahmad
Mr. Mohammad Zia
Mr. Polad Merwan Polad

Chairman
Member
Member
Member
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
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited



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 Shahr-e-Faisal
Karachi.

Legal & Tax Advisors

LEX FIRMA

Advocates, Barristers & Legal Consultants
418, Continental Trade Centre, Clifton, Karachi.

M/s. Shekha & Mufti

Chartered Accountants
C-253, PECHS., Block 6
Off Shahr-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' Report

Your Directors are pleased to present the report alongwith the unaudited condensed interim financial statements of Ghandhara Nissan Limited for the Nine months ended March, 31, 2021.

Macro-economic Environment

Macro-economic indicators have shown visible signs of improvement during Q3 of FY21. The quarter started on a promising note for Industrial sector activities particularly Large Scale Manufacturing which posted an encouraging recovery, especially in petroleum and automobile industries which indicated normalization in transport activity, whereas expansion in cement and steel production pointed towards growth in the labor-intensive construction sector. However, this momentum might suffer due to the third wave of the pandemic, which has already caused disruptions to world trade with restrictions on economic activities, supply chain issues and port congestion globally.

Auto-Sector

The light commercial vehicle segment has witnessed noticeable growth during the nine months of FY21, mainly due to Agricultural package introduced by the Government. Whereas the heavy commercial vehicle segment has been adversely affected due to low economic activities, political unrest and delay in Axle load implementation.

Sales volumes of auto industry for light and heavy commercial vehicles (except buses) reported by PAMA have shown a growth of approx. 26% during the third quarter of FY2020-21 as compared to the correspondence period of last year.

Financial Results of the Company

The financial results of the Company for the period ended March 31, 2021 are summarized below:

	Nine Months Ended	
	March 2021	March 2020
Revenue	2,271,635	1,440,584
Gross Profit	224,764	73,217
Operating Profit/ (Loss)	85,290	(34,728)
Net Profit/ (Loss) after tax	45,601	(100,565)
Earnings/ (Loss) Per Share (Rupees)	0.80	(1.76)

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

Going forward, the country may not face complete lockdown especially in the light of ongoing process of vaccination, however, the next few months seem to be challenging due to prevailing uncertainty coupled with static market during the month of Holy Ramzan. With the expected normalization of economic activities in the second half of the calendar year, the company aims to capitalize on the market opportunities.

The directors are grateful to the Principals, customers, vendors, bankers and other business associates for their continued patronage and support.

For and on behalf of the Board of Directors



Ahmad Kuli Khan Khattak
Chief Executive Officer

Karachi
Dated: April 28, 2021



Muhammad Jawaid Iqbal
Director

متعلقہ فریق کی ٹراز کے ساتھ لین دین

متعلقہ فریقوں کے ساتھ تمام لین دین کو آزادانہ طور (Arm's length) پر سرانجام دے دیا گیا ہے اور اس کا انکشاف مختصر عبوری مالی گوشواروں میں کر دیا گیا ہے۔

آئندہ کے امکانات

آگے جا کر، ملک کو خاص طور پر پیکسینیشن کے جاری عمل کی روشنی میں مکمل لاک ڈاؤن کا سامنا شاندار نہ کرنا پڑے، تاہم، رمضان المبارک کے مہینے میں جاہد منڈی کے ساتھ موجودہ غیر یقینی صورت حال کی وجہ سے اگلے چند مہینے مشکل دکھائی دے رہے ہیں۔ تقویم سال کے دوسرے نصف حصے میں متوقع طور پر معاشی سرگرمیوں کے معمول پر آنے کے ساتھ، کمپنی کا مقصد مارکیٹ کے مواقعوں سے فائدہ اٹھانا ہے۔

ڈائریکٹرز اپنے پرنسپلز، صارفین، وینڈرز، پیکرز اور دیگر کاروباری ساتھیوں کی مسلسل سرپرستی اور حمایت کے لیے، ان کے شکر گزار ہیں۔

برائے اور از طرف بورڈ آف ڈائریکٹرز



محمد جاوید اقبال
ڈائریکٹر



احمد علی خان خٹک
چیف ایگزیکٹو آفیسر

کراچی

مورخہ: 28 اپریل 2021



ڈائریکٹرز رپورٹ

آپ کے ڈائریکٹرز 31 مارچ 2021 کو ختم ہونے والے نو (9) ماہ کے لیے گندھارا انسان لمیٹڈ کے غیر بڑا سال شدہ مختصر عبوری مالی گوشواروں کے ساتھ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

وسیع ومعاشی ماحول

وسیع معیشت کے اعداد و شمار نے مالی سال 2021 کی تیسری سہ ماہی کے دوران بہتری کی واضح علامت ظاہر کی ہے۔ اس سہ ماہی کا آغاز صنعتی شعبے کی سرگرمیوں میں خاص طور پر بڑے پیمانے پر مینوفیکچرنگ کے لیے ایک امید افزا نوٹ پر ہوا جس نے حوصلہ افزا بحالی میں مدد دی۔ پٹرولیم اور آٹوموبائل صنعتوں میں اٹھانے ٹرانسپورٹ کی سرگرمیوں میں معمول کے ہونے کا عندیہ دیا ہے، جب کہ سینٹ اور اسٹیل کی پیداوار میں توسیع نے محنت کش تعمیراتی شعبے کے اندر ترقی کی طرف اشارہ کیا ہے۔ تاہم، (COVID-19) وبائی مرض کی تیسری لہر کی وجہ سے رفتار میں کمی واقع ہو سکتی ہے جس نے پہلے ہی عالمی سطح پر معاشی سرگرمیوں، سپلائی چین کے امور اور بندرگاہوں پہ لوگوں کی بھیڑ پر پابندی کے باعث عالمی تجارت میں رکاوٹ پیدا کر دی ہے۔

آٹو سیکٹر

لائٹ کمرشل وہیکل کے شعبے میں مالی سال 2021 کے نو (9) ماہ کے دوران نمایاں اضافہ دیکھنے میں آیا ہے، اس کی بنیادی وجہ حکومت کی جانب سے متعارف کردہ زرعی ہیکلج ہے۔ جب کہ ہیوی کمرشل وہیکل کا شعبہ معاشی سرگرمیوں میں کمی، سیاسی بد امنی اور ایکسل بوجھ کے نفاذ میں تاخیر کی وجہ سے بری طرح متاثر ہوا ہے۔

پاما (PAMA) کی جانب سے رپورٹ کی گئی لائٹ اور ہیوی کمرشل وہیکلز (بسوں کے علاوہ) کے لیے آٹو انڈسٹری کی فروخت کے حجم میں گزشتہ سال کی اسی مدت کے مقابلے میں مالی سال 2020-21 کی تیسری سہ ماہی کے دوران تقریباً 26 فیصد اضافہ دیکھا گیا ہے۔

کمپنی کے مالی نتائج

31 مارچ 2021 کو ختم ہونے والی مدت کے لیے کمپنی کے مالی نتائج کا خلاصہ ذیل میں پیش کیا گیا ہے:

نو (9) ماہ کا اختتام

مارچ 2021 مارچ 2020
(روپہ ہزاروں میں)


1,440,584	2,271,635	آمدنی
73,217	224,764	مجموعی منافع
(34,728)	85,290	آپریٹنگ منافع / (نقصان)
(100,565)	45,601	خالص منافع / (نقصان) بعد از ٹیکس
(1.76)	0.80	آمدنی / (نقصان) فی شیئر (روپے میں)




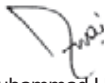
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2021

		Un-audited March 31, 2021	Audited June 30, 2020
	Note	---- Rupees in '000 ----	
ASSETS			
Non current assets			
Property, plant and equipment	5	4,087,512	4,105,816
Intangible assets		1,656	1,903
Long term investments		222,906	222,906
Long term loans		5,039	8,444
Long term deposits		26,884	22,541
Due from the Subsidiary Company		403,426	559,724
		4,747,423	4,921,334
Current assets			
Stores, spares and loose tools		133,928	136,504
Stock-in-trade		788,312	902,496
Trade debts		466,231	322,111
Loans and advances		15,547	10,070
Deposits and prepayments		72,454	5,406
Investments	6	443,895	-
Other receivables		24,336	141,323
Accrued interest / mark-up		11,178	14,482
Taxation - net		52,864	137,035
Cash and bank balances	7	374,364	311,091
		2,383,109	1,980,518
Total assets		7,130,532	6,901,852


Ahmad Kuli Khan Khattak
Chief Executive Officer


Muhammad Jawaid Iqbal
Director


Muhammad Umair
Chief Financial Officer





CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2021

	Note	Un-audited March 31, 2021	Audited June 30, 2020
---- Rupees in '000 ----			
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
- 80,000,000 (June 30, 2020: 80,000,000) ordinary shares of Rs.10 each		800,000	800,000
Issued, subscribed and paid-up capital			
- 57,002,500 (June 30, 2020: 57,002,500) ordinary shares of Rs.10 each		570,025	570,025
Capital reserve			
- share premium		1,102,721	1,102,721
- surplus on revaluation of fixed assets		2,196,212	2,223,294
		3,298,933	3,326,015
Revenue reserve - unappropriated profit		2,055,283	1,982,600
Total equity		5,924,241	5,878,640
Liabilities			
Non current liabilities			
Lease liabilities		71,076	72,259
Long term borrowings	8	82,856	49,345
Deferred income - government grant		1,674	2,072
Long term deposits		29,227	22,611
Deferred taxation		312,846	322,399
		497,679	468,686
Current liabilities			
Trade and other payables		548,197	433,591
Accrued mark-up		2,862	12,170
Short term borrowings		17,074	50,721
Current portion of lease liabilities		23,481	25,221
Current maturity of long term borrowings	8	95,601	18,409
Current portion of deferred income - government grant		10,794	3,811
Unclaimed dividend		10,603	10,603
		708,612	554,526
Total liabilities		1,206,291	1,023,212
Contingencies and commitments	9		
Total equity and liabilities		7,130,532	6,901,852

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statement.


Ahmad Kuli Khan Khattak
Chief Executive Officer


Muhammad Jawaid Iqbal
Director


Muhammad Umair
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	Note	Quarter ended		Nine months ended	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
		--- Rupees in '000 ---		--- Rupees in '000 ---	
Revenue - net		935,604	578,850	2,271,635	1,440,584
Cost of sale	10	(825,045)	(548,168)	(2,046,871)	(1,367,367)
Gross profit		110,559	30,682	224,764	73,217
Distribution cost		(22,790)	(16,653)	(70,971)	(48,053)
Administrative expenses		(55,426)	(56,588)	(153,336)	(176,470)
Other income		33,864	35,889	93,515	116,578
Other expenses		(6,690)	-	(8,682)	-
Profit / (loss) from operations		59,517	(6,670)	85,290	(34,728)
Finance cost		(4,698)	(13,005)	(14,011)	(47,500)
Profit / (loss) before taxation		54,819	(19,675)	71,279	(82,228)
Taxation		(16,156)	(11,791)	(25,678)	(18,337)
Profit / (loss) after taxation		38,663	(31,466)	45,601	(100,565)
Other comprehensive income		-	-	-	-
Total comprehensive income / (loss) for the period		38,663	(31,466)	45,601	(100,565)


----- Rupees -----


----- Rupees -----


Earnings / (loss) per share

- basic and diluted	0.68	(0.55)	0.80	(1.76)
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The annexed notes from 1 to 14 from an integral part of these condensed interim financial statements.


Ahmad Kuli Khan Khattak
Chief Executive Officer


Muhammad Jawaid Iqbal
Director



Muhammad Umair
Chief Financial Officer


CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)


FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	-----Capital reserve-----				Total
	Issued, Subscribed and paid-up capital	Share premium	Surplus on revaluation of fixed assets	Revenue reserve unappropriated profit	
-----Rupees in '000-----					
Balance as at July 1, 2019 (audited)	570,025	1,102,721	2,261,358	2,149,861	6,083,965
Total comprehensive loss for the nine months period ended March 31, 2020					
Loss for the period	-	-	-	(100,565)	(100,565)
Other comprehensive income	-	-	-	-	-
	-	-	-	(100,565)	(100,565)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred taxation	-	-	(28,546)	28,546	-
Balance as at March 31, 2020 (un-audited)	570,025	1,102,721	2,232,812	2,077,842	5,983,400
Balance as at July 1, 2020 (audited)	570,025	1,102,721	2,223,294	1,982,600	5,878,640
Total comprehensive income for the nine months period ended March 31, 2021					
Profit for the period	-	-	-	45,601	45,601
Other Comprehensive income	-	-	-	-	-
	-	-	-	45,601	45,601
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred taxation	-	-	(27,082)	27,082	-
Balance as at March 31, 2021 (un-audited)	570,025	1,102,721	2,196,212	2,055,283	5,924,241

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


Ahmad Kuli Khan Khattak
Chief Executive Officer


Muhammad Jawaid Iqbal
Director


Muhammad Umair
Chief Financial Officer





CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	March 31, 2021	March 31, 2020
	--- Rupees in '000 ---	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	71,279	(82,228)
Adjustments for non-cash charges and other items:		
Depreciation and amortisation	103,273	106,062
Provision for gratuity	8,936	10,060
Provision for expected credit losses	797	-
Interest income	(50,602)	(95,692)
Gain on disposal of operating fixed assets	(2,417)	(361)
Dividend income	(6,004)	-
Realised gain on investments at fair value through profit or loss	-	(5,453)
Liabilities written back	(9,995)	-
Fixed asset written-off	4,747	-
Finance cost	12,991	47,500
Exchange loss / (gain) - net	300	(876)
Operating profit / (loss) before working capital changes	133,305	(20,988)
Decrease / (increase) in current assets:		
Stores, spares and loose tools	2,576	(7,175)
Stock-in-trade	114,184	241,164
Trade debts	(144,917)	(82,515)
Loans and advances	(5,477)	(488)
Deposit and prepayments	(67,048)	(945)
Other receivables	116,987	2,240
	16,305	152,281
Increase in trade and other payables	125,878	82,815
Cash generated from operations	275,488	214,108
Gratuity paid	(10,513)	(18,317)
Long term loans - net	3,405	820
Long term deposits - net	(4,343)	(6,620)
Finance cost paid	(22,299)	(58,718)
Taxes refunded / (paid)	48,940	(70,412)
Net cash generated from operating activities	290,678	60,861
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(76,392)	(238,289)
Intangible asset	(112)	-
Proceeds from disposal of property, plant and equipment	8,011	3,842
Interest income received	53,906	102,795
Dividend received	6,004	-
Due from Subsidiary Company - net	156,298	(141,320)
Short term investment - net	(443,895)	394,778
Net cash (used in) / generated from investing activities	(296,180)	121,806
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease Liabilities - Net	(21,482)	(22,772)
Long term borrowings - obtained	110,703	-
Deferred income - government grant	6,585	-
Short term borrowings - net	(33,647)	(173,670)
Long term deposits - net	6,616	2,500
Dividend paid	-	(8)
Net cash generated from / (used in) financing activities	68,775	(193,950)
Net increase / (decrease) in cash and cash equivalents	63,273	(11,283)
Cash and cash equivalents at beginning of the period	311,091	150,109
Cash and cash equivalents at end of the period	374,364	138,826

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


Ahmad Kuli Khan Khattak
Chief Executive Officer


Muhammad Jawaid Iqbal
Director


Muhammad Umair
Chief Financial Officer



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

1. THE COMPANY AND ITS OPERATIONS

Ghandhara Nissan 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 principal business of the Company is assembly / progressive manufacturing of vehicles including JAC Trucks, import and sale of Nissan, 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.

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

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 the Company's annual financial statements for the year ended June 30, 2020.

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, 2020.

There are certain International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2020. 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 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

3.3 Actuarial valuations are carried out on annual basis. The last actuarial valuation was carried out on June 30, 2020. 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.



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

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, 2020.

5. PROPERTY, PLANT AND EQUIPMENT	Note	Un-audited	Audited
		March 31, 2021	June 30, 2020
		----- Rupees	in '000 -----
Operating fixed assets	5.1	3,406,908	3,490,332
Right of use assets		96,034	94,690
Capital work-in-progress		584,570	520,794
		4,087,512	4,105,816
5.1 Operating fixed assets			
Book value at beginning of the period / year		3,490,332	3,558,159
Additions during the period / year	5.2	12,615	46,882
Transfer from right of use asset		1,152	13,643
Disposals costing Rs. 16,509 thousand (June 30, 2020: Rs.14,717 thousand) - at book value		(4,712)	(3,294)
Write-off costing Rs. 5,246 thousand (June 30, 2020: Rs. Nil) - at book value		(4,747)	-
Depreciation charge for the period / year		(87,732)	(125,058)
Book value at end of the period / year		3,406,908	3,490,332
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		3,094	20,320
Plant and machinery		5,401	14,850
Assembly Jigs		-	590
Furniture and fixtures		43	161
Owned vehicles		-	7,373
Other equipment		2,558	2,145
Office equipment		306	345
Computers		1,213	1,098
		12,615	46,882



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

- 9.2** Commitment in respect of irrevocable letters of credit as at March 31, 2021 aggregate to Rs.349,977 thousand (June 30, 2020: Rs.208,690 thousand).
- 9.3** Guarantees aggregating Rs.21,344 thousand (June 30, 2020: Rs.26,766 thousand) are issued by banks of the Company to various government and other institutions. Further, the Company has issued corporate guarantees aggregating Rs.460,480 thousand (June 30, 2020: Rs.475,624 thousand) to the commercial banks against banking facilities utilised by the Subsidiary Company.

10. COST OF SALES	Note	--- Un-audited --- Three months period ended March 31,		--- Un-audited --- Nine months period ended March 31,	
		2021	2020	2021	2020
		---- Rupees in '000 ----		---- Rupees in '000 ----	
Finished goods at beginning of the period		642,202	882,013	749,729	833,003
Cost of goods manufactured	10.1	466,313	315,485	1,485,938	1,081,994
Purchases - trading goods		180,331	63,006	275,005	164,706
		646,644	378,491	1,760,943	1,246,700
		1,288,846	1,260,504	2,510,672	2,079,703
Finished goods at end of the period		(463,801)	(712,336)	(463,801)	(712,336)
		825,045	548,168	2,046,871	1,367,367
10.1 Cost of goods manufactured					
Raw materials and parts consumed		270,780	149,783	941,360	590,197
Factory overheads		195,533	165,702	544,578	491,797
		466,313	315,485	1,485,938	1,081,994

11. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of the ultimate 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.

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

Significant transactions with and balance of related parties are as follows:

Related party name along with relationship	Nature of transaction	Un-audited March 31, 2021	Un-audited March 31, 2020
--- Rupees in '000 ---			
(i) Holding Company			
Bibojee Services (Private) Limited - 57.76% shares held in the Company	Corporate office rent	4,950	4,500
(ii) Subsidiary Company			
Ghandhara DF (Private) Limited 99.99% shares held by the Company	Contract assembly charges	40,435	45,981
	Purchase of parts	23	2
	Sale of parts	1,251	1,161
	Long term advances given - net	-	141,320
	Receipts against long term advances - net	156,298	-
	Interest income	38,667	74,190
	Guarantee commission	2,939	3,205
(iii) Associated Companies			
Ghandhara Industries Limited 19.09% shares held by the Company (11.1)	Contract assembly charges	415,072	401,193
	Purchase of parts	26	183
	Head office rent	2,635	2,396
	Reimbursement of expenses	631	444
The General Tyre and Rubber Company of Pakistan (11.1)	Purchase of tyres, tubes and flaps	19,727	6,650
Gammon Pakistan Limited (11.1)	Office rent	2,475	2,250
Janana De Malucho Textile Mills Limited (11.1)	Reimbursement of expenses	1,638	1,591
(iv) Others			
Staff provident fund	Contribution made	9,208	8,660
Staff gratuity fund	Contribution made	10,513	18,317
Key management personnel	Remuneration and other short term benefits	76,759	68,126
	Sale of fleet vehicles	3,520	-

11.1 Associated company by virtue of common directorship.



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

11.2 Period / year end balances are as follows:

	Un-audited March 31, 2021	Audited June 30, 2020
Debit balances / receivables from related parties		
-----Rupees in '000-----		
Long term investments	222,906	222,906
Long term loans	867	-
Trade debts	95,969	99,151
Loan and advances	1,757	523
Deposits and prepayments	1,090	-
Other receivables	1,293	3,096
Accrued interest / mark-up	9,261	14,095
Payable to related parties		
Trade and other payables	26,833	27,278

12. 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, 2020.

13. 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, 2020 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, 2020. Corresponding figures have been rearranged and reclassified for better presentation wherever considered necessary, the effect of which is not material.

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)


FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 28, 2021 by the Board of Directors of the Company.



Ahmad Kuli Khan Khattak
Chief Executive Officer



Muhammad Jawaid Iqbal
Director



Muhammad Umair
Chief Financial Officer





CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS



Directors' Report on Consolidated Financial Statements

The Directors are presenting their report together with consolidated financial statements of Ghandhara Nissan Limited and its subsidiary Ghandhara DF (Pvt.) Limited for the nine months ended March 31, 2021.

Macro-economic numbers have shown noticeable improvement during the third quarter of FY2020-21. The manufacturing sector and particularly the auto sector has gained momentum indicating normalization of economic activities. However, the local economy might face turbulence in the fourth quarter of the financial year in the light of acceleration in the COVID-19 cases.

The financial results of the Group for the period ended March 31, 2021 are summarized below:

	————— Nine Months Ended —————	
	March 2021	March 2020
	(Rupees in thousands)	
Revenue	3,184,563	2,187,612
Gross Profit	393,547	192,536
Operating Profit / (loss)	156,661	(44,633)
Net Loss after tax	(62,184)	(269,602)
Loss Per Share (Rupees)	(1.09)	(4.73)

Going forward, with the recovery in the local economy, the management believes that the Group is positioned well enough to cater the market needs and opportunities via its wide range of commercial vehicles.

For and on behalf of the Board of Directors



Ahmad Kuli Khan Khattak
Chief Executive Officer



Muhammad Jawaid Iqbal
Director

Karachi

Dated: April 28, 2021



مجموعی مختصر عبوری مالی گوشواروں کے بارے میں ڈائریکٹرز کی رپورٹ

31 مارچ 2021 کو ختم ہونے والے نو (9) ماہ کے لیے گندھارا انسان لمیٹڈ اور اس کے ذیلی ادارے گندھارا ڈی ایف (پرائیویٹ) لمیٹڈ کے مجموعی مختصر مالی گوشواروں کے ساتھ ڈائریکٹرز اپنی رپورٹ پیش کر رہے ہیں۔

مالی سال 2020-21 کی تیسری سہ ماہی کے دوران وسیع معیشت کے اعداد میں نمایاں بہتری آئی ہے۔ مینوفیکچرنگ سیکٹر اور خصوصاً آٹوموبائل سیکٹر کا زور پکڑنا معاشی سرگرمیوں کا معمول پر آنے کی طرف واضح اشارہ ہے۔ تاہم COVID-19 کے کیسز کی بڑھتی ہوئی رفتار کی روشنی میں مالی سال کی چوتھی سہ ماہی میں مقامی معیشت کو دشواری کا سامنا کرنا پڑ سکتا ہے۔

31 مارچ 2021 کو ختم ہونے والی مدت کے لیے گروپ کے مالی نتائج کا خلاصہ ذیل میں دیا گیا ہے:

نو (9) ماہ کا اختتام

مارچ 2021 مارچ 2020
(روپے ہزاروں میں)

2,187,612	3,184,563	آمدنی
192,536	393,547	مجموعی منافع
(44,633)	156,661	آپریٹنگ منافع / نقصان
(269,602)	(62,184)	خالص نقصان بعد از ٹیکس
(4.73)	(1.09)	نقصان فی شیئر (روپے میں)

مقامی معیشت میں بحالی کے ساتھ آگے بڑھتے ہوئے، انتظامیہ کو یقین ہے کہ گروپ اپنی کمرشل وہیبلز کی وسیع رینج کے ذریعے مارکیٹ کی ضروریات کو پورا کرنے کے مواقع سے فائدہ اٹھانے کے لیے بہتر پوزیشن میں ہے۔

برائے اور از طرف بورڈ آف ڈائریکٹرز



محمد جاوید اقبال
ڈائریکٹر



احمد علی خان خٹک
چیف ایگزیکٹو آفیسر


کراچی


مورخہ: 28 اپریل 2021

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2021

	Note	Un-audited March 31, 2021	Audited June 30, 2020
		---- Rupees in '000 ----	
ASSETS			
Non current assets			
Property, plant and equipment	6	4,104,281	4,124,881
Intangible assets		1,727	1,991
Long term investments	7	971,576	800,676
Long term loans		13,710	14,637
Long term deposits		32,419	36,231
		5,123,713	4,978,416
Current assets			
Stores, spares and loose tools		133,928	136,504
Stock-in-trade		1,375,141	1,649,965
Trade debts		958,648	674,771
Loans and advances		19,885	12,055
Deposits and prepayments		102,748	11,305
Investments	8	443,895	-
Other receivables		62,920	193,809
Taxation - net		249,174	484,070
Cash and bank balances	9	369,399	353,516
		3,742,738	3,515,995
Total assets		8,866,451	8,494,411


Ahmad Kuli Khan Khattak
Chief Executive Officer


Muhammad Jawaid Iqbal
Director



Muhammad Umair
Chief Financial Officer


CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION


AS AT MARCH 31, 2021

	Note	Un-audited March 31, 2021	Audited June 30, 2020
----- Rupees in '000 -----			
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
- 80,000,000 (June 30, 2020: 80,000,000) ordinary shares of Rs.10 each		800,000	800,000
Issued, subscribed and paid-up capital			
- 57,002,500 (June 30, 2020: 57,002,500) ordinary shares of Rs.10 each		570,025	570,025
Capital reserve			
- share premium		1,102,721	1,102,721
- surplus on revaluation of fixed assets		2,870,058	2,572,286
- Items directly credited to equity by an Associate		74,808	73,312
		4,047,587	3,748,319
Revenue reserve - unappropriated profit		2,667,363	2,702,610
Equity attributable to shareholders of the Holding Company		7,284,975	7,020,954
Non-controlling interest		52	47
Total equity		7,285,027	7,021,001
Liabilities			
Non current liabilities			
Lease liabilities		79,653	91,278
Long term borrowings	10	82,856	49,345
Deferred income - government grant		1,674	2,072
Long term deposits		33,727	27,111
Deferred taxation		304,632	314,112
		502,542	483,918
Current liabilities			
Trade and other payables		772,776	542,533
Accrued mark-up		7,386	22,538
Short term borrowings		156,435	355,929
Current portion of lease liabilities		25,287	35,669
Current maturity of long term borrowings	10	95,601	18,409
Current portion of deferred income - government grant		10,794	3,811
Unclaimed dividend		10,603	10,603
		1,078,882	989,492
Total liabilities		1,581,424	1,473,410
Contingencies and commitments	11		
Total equity and liabilities		8,866,451	8,494,411

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


Ahmad Kuli Khan Khattak
Chief Executive Officer


Muhammad Jawaid Iqbal
Director



Muhammad Umair
Chief Financial Officer


CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)


FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	----- Capital reserve -----						Non - controlling interest
	Issued, subscribed and paid-up capital	"Share premium"	Surplus on revaluation of fixed assets	Items directly credited to equity by an Associate	Revenue reserve Unappro- priated profit	Total	
----- Rupees in '000 -----							
Balance as at July 1, 2019 (audited)	570,025	1,102,721	2,574,149	71,811	3,134,966	7,453,672	58
Total comprehensive loss for the nine months period ended March 31, 2020							
Loss for the period	-	-	-	-	(269,593)	(269,593)	(9)
Other comprehensive income / (loss)	-	-	37,702	-	(168)	37,534	-
	-	-	37,702	-	(269,761)	(232,059)	(9)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	(28,546)	-	28,546	-	-
Effect of item directly credited in equity by an Associate	-	-	(1,120)	1,120	-	-	-
Balance as at March 31, 2020 (un-audited)	570,025	1,102,721	2,582,185	72,931	2,893,751	7,221,613	49
Balance as at July 1, 2020 (audited)	570,025	1,102,721	2,572,286	73,312	2,702,610	7,020,954	47
Total comprehensive income for the nine months period ended March 31, 2021							
Loss for the period	-	-	-	-	(62,187)	(62,189)	5
Other comprehensive income / (loss)	-	-	326,350	-	(140)	326,210	-
	-	-	326,350	-	(62,329)	264,021	5
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	(27,082)	-	27,082	-	-
Effect of item directly credited in equity by an Associate	-	-	(1,496)	1,496	-	-	-
Balance as at March 31, 2021 (un-audited)	570,025	1,102,721	2,870,058	74,808	2,667,363	7,284,975	52

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


Ahmad Kuli Khan Khattak
Chief Executive Officer


Muhammad Jawaid Iqbal
Director


Muhammad Umair
Chief Financial Officer





CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)


FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	March 31, 2021 ----- Rupees in '000 -----	March 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(21,969)	(239,213)
Adjustments for non-cash charges and other items:		
Depreciation and amortisation	105,586	108,103
Provision for gratuity	8,936	10,060
Provision for expected credit losses	797	-
Interest income	(9,334)	(24,902)
Gain on disposal of vehicle	(2,417)	(539)
Dividend income	(6,004)	(121)
Share of loss of an Associate	155,310	83,974
Gain on redemption of investments at fair value through profit or loss	-	(5,920)
Liabilities written back	(9,995)	-
Fixed asset written-off	4,747	-
Finance cost	22,301	110,606
Exchange (gain) / loss - net	(6,782)	6,782
Operating profit before working capital changes	241,176	48,830
Decrease / (increase) in current assets:		
Stores, spares and loose tools	2,576	(7,175)
Stock-in-trade	274,824	679,771
Trade debts	(284,674)	66,895
Loans and advances	(7,830)	(4,806)
Deposit and prepayments	(91,443)	4,197
Other receivables	130,889	107,867
	24,342	846,749
Increase / (decrease) in trade and other payables	248,597	(43,721)
Cash generated from operations	514,115	851,858
Gratuity paid	(10,513)	(18,317)
Long term loans - net	927	(866)
Long term deposits - net	3,812	(6,998)
Finance cost paid	(37,453)	(129,271)
Taxes refunded / (paid)	185,201	(87,670)
Net cash generated from operating activities	656,089	608,736
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(76,391)	(241,691)
Intangible assets	(112)	-
Proceeds from disposal of property, plant and equipment	8,010	4,430
Dividend received	6,004	121
Interest income received	9,334	24,902
Investments - net	(443,895)	398,798
Net cash (used in) / generated from investing activities	(497,050)	186,560
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease liabilities - net	(40,566)	(39,499)
Long term borrowings - obtained	110,703	-
Deferred income - government grant	6,585	-
Long term deposits - net	6,616	2,500
Short term borrowings - net	(199,494)	(768,910)
Dividend paid	-	(8)
Net cash used in financing activities	(116,156)	(805,917)
Net increase / (decrease) in cash and cash equivalents	42,883	(10,621)
Cash and cash equivalents at beginning of the period	353,516	202,173
Cash and cash equivalents at end of the period	396,399	191,552

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


Ahmad Kuli Khan Khattak
Chief Executive Officer


Muhammad Jawaid Iqbal
Director


Muhammad Umair
Chief Financial Officer



NOTES TO CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

1. THE GROUP AND ITS OPERATIONS

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

1.2 Ghandhara Nissan Limited

Ghandhara Nissan 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'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 JAC Trucks, import and sale of Nissan, Dongfeng and 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 DongFeng Commercial Vehicles Limited dated December 11, 2013 as well as 'Motor Vehicles & Related Products Distribution' agreements with Wuhan DongFeng Foreign Trade Company Limited (a subsidiary company of DongFeng Automobile Company Limited) dated January 24, 2014.

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:

NOTES TO CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

- 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 Act; and
- Provisions of and directives issued under the Act.

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, 2021 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, 2020.

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, 2020.

There are certain International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2020. 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 consolidated condensed interim financial statements.

3.2 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

3.3 Actuarial valuations are carried out on annual basis. The last actuarial valuation was carried out on June 30, 2020. The impact of re-measurement of post-employment benefit plans has not been incorporated in these consolidated condensed interim financial statements.



NOTES TO CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

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, 2021 (June 30, 2020: 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, 2020.

NOTES TO CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

6. PROPERTY, PLANT AND EQUIPMENT

Un-audited
March 31,
2021

Audited
June 30,
2020

Note

---- Rupees in '000 ----

Operating fixed assets	6.1	3,417,090	3,501,648
Right of use assets		102,621	102,439
Capital work-in-progress		584,570	520,794
		4,104,281	4,124,881

6.1 Operating fixed assets

Book value at beginning of the period / year		3,501,648	3,563,320
Additions during the period / year	6.2	12,614	55,082
Transfer from right of use asset		1,152	13,643
Disposals costing Rs. 16,509 thousand (June 30, 2020: Rs.16,263 thousand) - at book value		(4,711)	(3,706)
Write-off costing Rs. 5,246 thousand (June 30, 2020: Rs.Nil) - at book value		(4,747)	-
Depreciation charge for the period / year		(88,866)	(126,691)
Book value at end of the period / year		3,417,090	3,501,648

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		3,094	20,320
Plant and machinery		5,401	14,850
Assembly Jigs		-	590
Furniture and fixtures		43	8,361
Owned vehicles		-	7,373
Other equipment		2,557	2,145
Office equipment		306	345
Computers		1,213	1,098
		12,614	55,082

NOTES TO CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

		Un-audited March 31, 2021	Audited June 30, 2020
	Note	----- Rupees in '000 -----	
7. LONG TERM INVESTMENTS			
Associate - equity accounted investment	7.1	971,576	800,676
Others - available for sale	7.2	-	-
		971,576	800,676
7.1 Ghandhara Industries Limited			
Balance at beginning of the period / year		800,676	915,674
Share of loss for the period / year		(155,310)	(152,532)
Share of other comprehensive income for the period / year		326,210	37,534
Balance at end of the period / year		971,576	800,676

7.1.1 Investment in Ghandhara Industries Limited (GIL) represents 8,132,336 (June 30, 2020: 8,132,336) fully paid ordinary shares of Rs.10 each representing 19.09% (June 30, 2020: 19.09%) of its issued, subscribed and paid-up capital as at December 31, 2020. 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 Decemebr 31, 2020. The latest financial statements of GIL as at March 31, 2021 are not presently available.

7.1.3 The market value of investment as at March 31, 2021 was Rs.2,051,554 thousand (June 30, 2020: Rs.984,013 thousand).

NOTES TO CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

7.2 Others - available for sale

	Un-audited March 31, 2021 ---- Rupees in '000 ----	Audited June 30, 2020
Automotive Testing & Training Centre (Private) Limited		
187,500 (June 30, 2020: 187,500) ordinary shares of Rs.10 each - cost	1,875	1,875
Provision for impairment	(1,875)	(1,875)
	-	-

8. INVESTMENTS - at fair value through profit or loss

March 31, 2021	June 30, 2020			
---- No. of units ----				
1,685,826	-	HBL Cash Fund	170,538	-
25,963,953	-	NBP Financial Sector Income Fund	273,357	-
			443,895	-

9. CASH AND BANK BALANCES

Cash in hand	830	1,230
Cash at banks in:		
- current accounts	35,934	42,264
- saving accounts	138,030	285,417
- deposit accounts	-	10,517
- term deposits receipts - @ 6.30% to 7.25%	225,517	18,000
	399,481	356,198
Provision for doubtful bank balances	(3,912)	(3,912)
	396,399	353,516

10. LONG TERM BORROWINGS

Loan under refinance scheme for payment of wages and salaries		
Opening balance	67,754	-
Loan acquired during the period / year	144,563	73,637
Adjustment pertaining to fair value of loan at below market interest rate	(6,585)	(5,883)
Payment during the period	(27,275)	-
	178,457	67,754
Current maturity	(95,601)	(18,409)
	82,856	49,345



NOTES TO CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

11. CONTINGENCIES AND COMMITMENTS

- 11.1** There is no material change in status of the contingencies as disclosed in note 27.1 of the audited annual consolidated financial statements of the Group for the year ended June 30, 2020.
- 11.2** Commitment in respect of irrevocable letters of credit as at March 31, 2021 aggregate to Rs. 614,841 thousand (June 30, 2020: Rs.215,728 thousand).
- 11.3** Guarantees aggregating Rs.21,344 thousand (June 30, 2020: Rs.28,107 thousand) are issued by banks of the Group to various government and other institutions. Further, the Holding Company has issued corporate guarantees aggregating Rs.460,480 thousand (June 30, 2020: Rs.475,624 thousand) to the commercial banks against running finances and letters of credit facilities utilised by the Subsidiary Company.

12. COST OF SALES	---- Un-audited ---- Three months period ended March 31,		---- Un-audited ---- Nine months period ended March 31,	
	2021	2020	2021	2020
Note	---- Rupees in '000 ----		---- Rupees in '000 ----	
Finished goods at beginning of the period	860,956	1,362,281	1,120,180	1,066,260
Cost of goods manufactured 12.1	954,142	313,739	2,136,472	1,822,759
Purchases - trading goods	191,691	67,633	335,276	180,920
	1,145,833	381,372	2,471,748	2,003,679
	2,006,789	1,743,653	3,591,928	3,069,939
Finished goods at end of the period	(800,912)	(1,074,863)	(800,912)	(1,074,863)
	1,205,877	668,790	2,791,016	1,995,076
12.1 Cost of goods manufactured				
Raw materials and parts consumed	726,808	146,246	1,543,076	1,285,852
Factory overheads	227,334	167,493	593,396	536,907
	954,142	313,739	2,136,472	1,822,759

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.

NOTES TO CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

Significant transactions with and balance of related parties are as follows:

Related party name along with relationship	Nature of transaction	Un-audited	
		Nine months period ended March 31, 2021	2020
----- Rupees in '000 -----			
(i) Ultimate Holding Company			
Bibojee Services (Private) Limited - 57.76% shares held in the Holding Company	Corporate office rent	9,900	9,000
(ii) Associated Companies			
Ghandhara Industries Limited 19.09% shares held by the Holding Company (13.1)	Contract assembly revenue	415,072	401,193
	Purchase of parts	26	183
	Sale of parts	4	6
	Head office rent	5,271	4,792
	Reimbursement of expenses	631	444
The General Tyre and Rubber Company of Pakistan (13.1)	Purchase of tyres, tubes and flaps	19,727	15,695
Gammon Pakistan Limited (13.1)	Office rent	2,475	2,250
Janana De Malucho Textile Mills Limited (13.1)	Reimbursement of expenses	1,638	1,590
(iii) Others			
Staff gratuity fund	Contribution made	10,513	18,317
Staff provident fund	Contribution made	10,229	9,457
Key management personnel	Remuneration and other short term benefits	77,744	70,226
	Sale of fleet vehicles	3,520	-

13.1 Associated company by virtue of common directorship.



NOTES TO CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

13.2 Period / year end balances are as follows:

	Un-audited March 31, 2021	Audited June 30, 2020
	----Rupees in '000----	
Debit balances / receivables from related parties		
Long term loans	867	-
Trade debts	90,912	93,745
Loan and advances	1,757	523
Deposits and prepayments	3,022	-
Payable to related parties		
Trade and other payables	26,833	27,278

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, 2020.


15. CORRESPONDING FIGURES

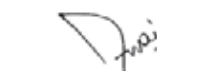
In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the consolidated condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Group for the year ended June 30, 2020 and the corresponding figures in the consolidated condensed interim statement of profit or loss and other comprehensive income, consolidated condensed interim statement of cash flows and consolidated condensed interim statement of changes in equity comprise of balances of comparable period as per the consolidated condensed interim financial statements of the Group for the nine months period ended March 31, 2020. 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 28, 2021 by the Board of Directors of the Holding Company.


Ahmad Kuli Khan Khattak
Chief Executive Officer


Muhammad Jawaid Iqbal
Director


Muhammad Umair
Chief Financial Officer

