

GHANDHARA
INDUSTRIES LIMITED



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QUARTERLY REPORT 2018



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Company Information

Legal Advisors

S. Abid Sherazi & Co.
Ahmed and Qazi
Hassan & Hassan (Advocates)

Bankers

National Bank of Pakistan
Al-Baraka Bank (Pakistan) Ltd.
JS Bank Ltd.
Faysal Bank Ltd.
The Bank of Punjab
MCB Islamic
Bank Al Falah Ltd.
Meezan Bank Ltd.
Bank Al Habib Ltd.
Samba Bank Limited
Habib Metropolitan Bank Limited
United Bank Limited

Share Registrar

Hameed Majeed Associates (Pvt.) Ltd.
4th Floor, Karachi Chamber,
Hasrat Mohani Road, Karachi.

Registered Office

F-3, Hub Chawki Road, S.I.T.E.
Post Box No. 2706, Karachi - 75730

Website: www.gil.com.pk

Email: info@gil.com.pk

Board of Directors

Lt. Gen. (R) Ali Kuli Khan Khattak	Chairman
Mr. Ahmad Kuli Khan Khattak	Chief Executive
Mrs. Shahnaz Sajjad Ahmad	Director
Maj. (R) Muhammad Zia	Director
Mr. Jamil Ahmed Shah	Director
Mr. Shahid Kamal Khan	Ind. Director
Mr. Sohail Hameed Khan	Ind. Director

Audit Committee

Mr. Sohail Hameed Khan	Chairman
Maj. (R) Muhammad Zia	Member
Mr. Shahid Kamal Khan	Member
Mr. Shahnawaz Damji	Secretary

Human Resource & Remuneration Committee

Mr. Shahid Kamal Khan	Chairman
Mr. Ahmad Kuli Khan Khattak	Member
Maj. (R) Muhammad Zia	Member
Mr. Sohail Hameed Khan	Member
Mr. Hassan Mahmood	Secretary

Chief Financial Officer & Company Secretary

Mr. Iftikhar Ahmed Khan

Auditors

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

Directors' Review

The directors of your company take pleasure in presenting the unaudited accounts for the quarter ended September 30, 2018.

Financial results

Despite shrinking of the overall truck and bus market by 18% the company has increased its market share to 44% as compared with 36% with total sale of 891 units as compared to 886 units in the same quarter of last year. However, the company is also aware of the challenges being posted mainly due to immense pressure on devaluation of currency.

The results for the quarter are as follows:

	Quarter ended 30 September	
	2018	2017
	----- (Rupees in '000)-----	
Sales	4,383,842	4,001,102
Gross profit	622,802	871,400
Profit from operations	406,784	694,791
Profit before taxation	313,813	683,130
Profit after taxation	303,703	457,827
Earnings per share - basic and diluted (Rupees)	14.26	21.49

Operating results

The company continued its momentum of previous year in registering remarkable turnover figures as it posted an increase by 10% to Rs. 4.38 billion. This positive impact is due to slight increase in volume with better sales mix as compared with corresponding period. However, the Gross Profit percentage experienced a decrease from 22% of the corresponding period to around 14%, due to increase in raw material prices and depreciation of Pak Rupee against US Dollar and Japanese Yen. Distribution expenses also increased by 48% and finance cost posted a hike by 7 times compared with previous quarter of last year mainly due to increased short term borrowings, these all factors ultimately translated into the decreased EPS to Rs. 14.26 against Rs. 21.49 for the corresponding period last year.

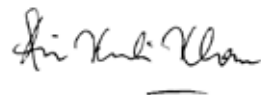
Future outlook

The current macroeconomic improvements through various policies and directives as considered by the new government coupled with measures to improve trade deficit would surely impact automobile industry as a whole. However, the company is confident to maintain its market share and further strengthen it by the introduction of new product line in pick-up category by the name of D-MAX. Despite this the company have to take measures to positively absorb the impact of rising interest rates and depreciating Pak Rupee.

By order of the Board



Ahmad Kuli Khan Khattak
Chief Executive Officer



Lt. Gen (R) Ali Kuli Khan Khattak
Chairman

Karachi
October 24, 2018

ڈائریکٹرز کا جائزہ

آپ کی کمپنی کے ڈائریکٹرز کمپنی کے غیر آڈٹ شدہ اکاؤنٹس برائے سہ ماہی مدت محنتہ 30 ستمبر، 2018 پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالیاتی نتائج

مجموعی طور پر ٹرک اور بس مارکیٹ میں 18% کمی کے باوجود کمپنی نے 891 یونٹس کی فروخت کے ساتھ اپنا مارکیٹ شیئر میں 44 فیصد تک کر لیا ہے جبکہ گزشتہ سال اسی سہ ماہی میں 886 یونٹس کی فروخت کے ساتھ مارکیٹ شیئر 36 فیصد تھا۔ تاہم، کمپنی روپے کی قدر میں کمی کے حوالے سے بہت زیادہ دباؤ کی وجہ سے درپیش چیلنجوں سے بھی بخوبی واقف ہے۔

اس سہ ماہی کے نتائج اس طرح ہیں:

Quarter ended 30 September

2018 2017

----- (Rupees in '000)-----

Sales	4,383,842	4,001,102
Gross profit	622,802	871,400
Profit from operations	406,784	694,791
Profit before taxation	313,813	683,130
Profit after taxation	303,703	457,827
Earnings per share - basic and diluted (Rupees)	14.26	21.49

آپریٹنگ کے نتائج

کمپنی نے اپنی گزشتہ سال کی سبز کے اعداد و شماروں میں قابل ذکر اضافے کے سلسلے کو جاری رکھا اور 4.38 ارب روپے کے ساتھ 10 فیصد اضافہ کیا۔ یہ مثبت اثر پچھلی مدت کے مقابلے میں حجم میں معمولی اضافہ اور بہتر مارکیٹ کس کی وجہ سے ہے۔ تاہم، مجموعی منافع گزشتہ سال کے 22 فیصد کے مقابلے میں کم ہو کر 14 فیصد ہو گیا اس کی وجہ خام مال کی قیمتوں میں اضافہ اور فیلر اور جاپانی پن کے مقابلے میں پاک روپیہ کی قدر میں کمی ہے۔ بنیادی طور پر مختصر مدت کے قرضوں کو بڑھانے کی وجہ سے تقسیمی اخراجات میں 48 فیصد اضافہ ہوا اور گزشتہ سال کی پچھلی سہ ماہی کے مقابلے میں مالیاتی اخراجات میں 7 گنا اضافہ ہوا۔ ان تمام عوامل کے باعث فی حصص آمدنی بالآخر کم ہو کر گزشتہ سال اسی مدت میں 21.49 روپے کے مقابلے میں کم ہو کر 14.26 روپے ہو گئی۔

مستقبل کے نقطہ نظر

تجارتی خسارے میں کمی کے لئے فی حکومت کی پالیسیوں اور اقدامات کی بدولت موجودہ میکرو ایکنامک بہتری یقیناً مکمل آٹو موبائل انڈسٹری پر بھی اثر انداز ہوگی۔ تاہم، کمپنی اپنے مارکیٹ شیئر کو برقرار رکھنے کے حوالے سے پر اعتماد ہے اور اس کو مزید مضبوط بنانے کے لئے ڈی-میگس کے نام سے نئی پروڈکٹ لائن متعارف کرا رہی ہے۔ اس کے باوجود کمپنی کو بڑھتی ہوئی سود کی شرح اور روپے کی قدر میں کمی کے اثرات کو کم کرنے کے لئے مثبت اقدامات اٹھانے ہوں گے۔

بورڈ کے حکم سے

Air Kuli Khan

لیفٹیننٹ جنرل (آر) علی قلی خان خٹک
چیئرمین

Ahmed Quli Khan

احمد قلی خان خٹک
چیف ایگزیکٹو افسر

کراچی

24 اکتوبر، 2018

Condensed Interim Financial Information
For the First Quarter Ended September 30, 2018 - Unaudited

Condensed Interim Statement of Financial Position

AS AT SEPTEMBER 30, 2018 - UNAUDITED

		Unaudited September 30, 2018	Audited June 30, 2018
	Note	----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	2,519,826	2,463,605
Intangible assets		352	384
Investment property		88,595	88,657
Long term Investment		1,400	1,400
Long term loans		6,193	4,305
Long term deposits and prepayments		14,652	11,537
Deferred taxation		34,711	845
		2,665,729	2,570,733
CURRENT ASSETS			
Stores		13,789	10,281
Stock-in-trade	6	7,847,851	6,888,220
Trade debts	7	371,495	95,230
Loans and advances		203,436	168,661
Trade deposits and prepayments		750,946	721,213
Other receivables		792	741
Sales tax refundable / adjustable		871,258	606,559
Taxation - payments less provision		708,611	475,310
Cash and bank balances		92,546	497,261
		10,860,724	9,463,476
TOTAL ASSETS		13,526,453	12,034,209



Ahmad Kuli Khan Khattak

Chief Executive



Sohail Hameed Khan

Director



Iftikhar Ahmed Khan

Chief Financial Officer

Condensed Interim Statement of Financial Position

AS AT SEPTEMBER 30, 2018 - UNAUDITED

	Note	Unaudited September 30, 2018	Audited June 30, 2018
		----- (Rupees in '000) -----	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital 50,000,000 (June 30, 2018: 50,000,000) ordinary shares of Rs.10 each		500,000	500,000
Share capital Issued, subscribed and paid-up capital 21,304,422 (June 30, 2018: 21,304,422) ordinary shares of Rs.10 each		213,044	213,044
Capital Reserves Revaluation Surplus on property, plant and equipment		1,857,904	1,860,014
Revenue Reserves Unappropriated profit		2,956,884	2,651,071
		5,027,832	4,724,129
NON-CURRENT LIABILITIES			
Liabilities against assets subject to finance lease		30,845	34,526
Compensated absences		10,844	10,844
Deferred liabilities		83,461	80,181
		125,150	125,551
CURRENT LIABILITIES			
Trade and other payables		2,930,963	3,427,060
Unpaid dividends		24,814	24,814
Unclaimed dividends		43,792	44,271
Current maturity of liabilities against assets subject to finance lease		8,212	8,224
Accrued mark-up/ interest		91,745	48,309
Short term borrowings	8	5,273,945	3,631,851
		8,373,471	7,184,529
CONTINGENCIES AND COMMITMENTS	9	-	-
TOTAL EQUITY AND LIABILITIES		13,526,453	12,034,209

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



Ahmad Kuli Khan Khattak
Chief Executive



Sohail Hameed Khan
Director



Iftikhar Ahmed Khan
Chief Financial Officer

Condensed Interim Statement of Profit or Loss and Other Comprehensive Income

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 - UNAUDITED

	Note	September 30,	
		2018	2017
		----- (Rupees in '000) -----	
Sales		4,383,842	4,001,102
Cost of sales	10	(3,761,040)	(3,129,702)
Gross profit		622,802	871,400
Distribution expenses		(136,430)	(92,228)
Administrative expenses		(63,211)	(35,740)
Other expenses		(19,509)	(51,067)
Other income		3,132	2,426
Profit from operations		406,784	694,791
Finance cost		(92,971)	(11,661)
Profit before taxation		313,813	683,130
Taxation		(10,110)	(225,303)
Profit after taxation		303,703	457,827
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of staff retirement benefit obligation		-	-
Impact of deferred tax		-	-
Other comprehensive loss for the year - net of tax		-	-
Total comprehensive income		303,703	457,827
Earnings per share - basic and diluted (Rupees)		14.26	21.49

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



Ahmad Kuli Khan Khattak
Chief Executive



Sohail Hameed Khan
Director



Iftikhar Ahmed Khan
Chief Financial Officer

Condensed Interim Statement of Cash Flows

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 - UNAUDITED

		September 30,	
		2018	2017
	Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	11	(1,637,269)	(488,911)
Gratuity paid		-	(434)
Finance cost paid		(51,590)	(27,787)
Income tax paid		(277,277)	(292,285)
Long term loans		(1,888)	(3,108)
Long term deposits		(3,115)	-
Net cash used in operating activities		(1,971,139)	(812,525)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure incurred		(72,182)	(39,894)
Sale proceeds on disposal of property, plant and equipment		569	-
Interest received		852	1,520
Net cash used in investing activities		(70,761)	(38,374)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(479)	(1)
Liabilities against asset subject to finance lease - net		(4,430)	(2,899)
Net cash used in financing activities		(4,909)	(2,900)
Net decrease in cash and cash equivalents		(2,046,809)	(853,799)
Cash and cash equivalents - at beginning of the period		(3,134,590)	12,749
Cash and cash equivalents - at end of the period	12	(5,181,399)	(841,050)

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



Ahmad Kuli Khan Khattak
Chief Executive



Sohail Hameed Khan
Director



Iftikhar Ahmed Khan
Chief Financial Officer

Condensed Interim Statement of Changes in Equity

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 - UNAUDITED

	Share Capital	Capital Reserve	Revenue Reserve	Total Equity
	Issued subscribed and paid-up capital	Revaluation Surplus on property, plant and equipment	Unappro- priated profit	Total
	----- (Rupees in '000) -----			
Balance as at July 1, 2017 (Audited)	213,044	1,865,114	1,612,010	3,690,168
Transaction with owners recognised directly in equity				
Final dividend for the year ended June 30, 2017 at the rate of Rs 15 per share	-	-	(319,566)	(319,566)
Total comprehensive income for the Quarter ended September 30, 2017				
Profit for the period	-	-	457,827	457,827
Other comprehensive Income/(Loss) - net	-	-	-	-
	-	-	457,827	457,827
Surplus on revaluation of fixed assets realised during the period (net of deferred taxation) on account of incremental depreciation	-	(1,970)	1,970	-
Balance as at September 30, 2017 (Un-audited)	213,044	1,863,144	1,752,241	3,828,429
Balance as at July 1, 2018 (Audited)	213,044	1,860,014	2,651,071	4,724,129
Total comprehensive income for the Quarter ended September 30, 2018				
Profit for the period	-	-	303,703	303,703
Other comprehensive Income/(Loss) - net	-	-	-	-
	-	-	303,703	303,703
Surplus on revaluation of fixed assets realised during the period (net of deferred taxation) on account of incremental depreciation	-	(2,110)	2,110	-
Balance as at September 30, 2018 (Un-audited)	213,044	1,857,904	2,956,884	5,027,832

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



Ahmad Kuli Khan Khattak
Chief Executive



Sohail Hameed Khan
Director



Iftikhar Ahmed Khan
Chief Financial Officer

Notes to the Condensed Interim Financial Information

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 - UNAUDITED

1. CORPORATE INFORMATION

Ghandhara Industries Limited (the Company) was incorporated on February 23, 1963. The Company's shares are quoted on Pakistan Stock Exchange Limited. The principal activity of the Company is assembly and progressive manufacturing of Isuzu trucks, buses and pick ups.

Bibojee Services (Private) Limited, the ultimate Holding Company, held 8,343,397 (June 30, 2018: 8,343,397) ordinary shares of Rs.10 each of the Company as at September 30, 2018.

2. BASIS OF PREPARATION

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

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

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

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2018.

There are certain new International Financial Reporting Standards (standards), amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2018. These 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 this condensed interim financial information.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial information, 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 for the year ended June 30, 2018.

Notes to the Condensed Interim Financial Information

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 - UNAUDITED

5. PROPERTY, PLANT AND EQUIPMENT

	(Un-audited) September 30, 2018 ---(Rupees in '000)---	(Audited) June 30, 2018
Operating fixed assets - at net book value	2,056,197	2,045,429
Capital work-in-progress - at cost	463,629	418,176
	2,519,826	2,463,605
5.1 Additions of operating fixed assets during the period / year are as follows:		
Owned		
- Building on leasehold land	-	17,366
- Plant and machinery	4,081	54,928
- Permanent tools	10,346	4,710
- Furniture and fixture	-	2,005
- Motor vehicles	9,316	44,375
- Trucks / lift trucks	-	-
- Office machines & equipment	261	3,094
- Jigs and special tools	2,284	17,796
- Computers	442	9,092
Leased		
- Cars	-	17,100
	26,730	170,466
5.2 Disposal of operating fixed assets during the period / year are as follows:		
Owned - Motor vehicles Net book value	-	19,293
6. STOCK-IN-TRADE		
Raw materials and components	5,459,318	4,815,750
Work-in-process	154,803	109,209
Finished goods including components	1,859,907	1,594,755
Trading stocks	373,823	368,506
	7,847,851	6,888,220

Notes to the Condensed Interim Financial Information

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 - UNAUDITED

7. TRADE DEBTS - Unsecured	(Un-audited) September 30, 2018 ----(Rupees in '000)----	(Audited) June 30, 2018
Considered good		
Government and semi-government agencies	17,602	8,974
Others	353,893	86,256
Considered doubtful		
Others	2,267	2,267
Less: provision for doubtful debts	(2,267)	(2,267)
	-	-
	371,495	95,230
8. SHORT TERM BORROWINGS - Secured		
Running finances	524,699	480,589
Finance against imported merchandise	3,543,172	2,548,949
Istisna	726,540	77,654
Murabaha	479,534	524,659
	5,273,945	3,631,851

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There has been no significant change in status of contingencies as disclosed in note 28.1 of the audited annual financial statements of the Company for the year ended June 30, 2018.

9.2 Commitments	(Un-audited) September 30, 2018 ----(Rupees in '000)----	(Audited) June 30, 2018
Bank guarantees	3,542,827	3,498,474
Letters of credit	5,047,091	2,555,539

Notes to the Condensed Interim Financial Information
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 - UNAUDITED

10. COST OF SALES

(Un-audited)
 Quarter ended
 September 30,
 2018 2017
 ----(Rupees in '000)----

Stocks at beginning of the period		1,963,261	1,583,785
Cost of goods manufactured	10.1	3,887,270	3,559,819
Trading goods - purchases		144,239	60,981
		4,031,509	3,620,800
		5,994,770	5,204,585
Stocks at end of the period		(2,233,730)	(2,074,883)
		3,761,040	3,129,702

10.1 Cost of goods manufactured

Work in process at beginning of the period		109,209	136,688
Raw materials and components consumed		3,608,413	3,430,468
Direct labour and factory overheads		324,451	89,379
		3,932,864	3,519,847
		4,042,073	3,656,535
Work in process at end of the period		(154,803)	(96,716)
		3,887,270	3,559,819

Notes to the Condensed Interim Financial Information

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 - UNAUDITED

11.	CASH USED IN OPERATIONS	(Un-audited) September 30,	2018	2017
Note		----(Rupees in '000)----		
	Profit before taxation	313,813	683,130	
	Adjustment for non cash charges and other items:			
	Depreciation / amortization on:			
	- property, plant and equipment	15,962	9,847	
	- intangible assets	31	53	
	- investment property	61	63	
	Exchange (gain) / loss	-	-	
	Provision for gratuity	3,432	3,432	
	Gain on disposal of operating fixed assets	(569)	(20)	
	Amortization of gain on sale and lease back of fixed assets	(152)	(152)	
	Interest income	(852)	(1,520)	
	Finance cost	92,971	11,661	
		424,697	706,494	
	Working capital changes - net	(2,061,966)	(1,195,405)	
		(1,637,269)	(488,911)	
11.1	Working capital changes			
	(Increase) / decrease in current assets:			
	Stores and spare parts	(3,508)	230	
	Stock-in-trade	(959,631)	(181,308)	
	Trade debts	(276,265)	(11,997)	
	Loans and advances	(34,775)	(7,778)	
	Trade deposits and prepayments	(29,733)	85,035	
	Other receivables	(51)	(572)	
	Sales tax refundable / adjustable	(264,699)	93,812	
		(1,568,662)	(22,578)	
	Decrease in trade and other payables	(493,304)	(1,172,827)	
		(2,061,966)	(1,195,405)	
12.	CASH AND CASH EQUIVALENTS			
	Cash and bank balances	92,546	148,019	
	Short term borrowings	(5,273,945)	(989,069)	
		(5,181,399)	(841,050)	

Notes to the Condensed Interim Financial Information

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 - UNAUDITED

13. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including foreign currency risk, interest rate risk and other price risk).

The condensed interim financial information does not include all financial risk management information and disclosures required in the audited annual financial statements and should be read in conjunction with the audited annual financial statement for the year ended June 30, 2018.

There has been no change in Company's sensitivity to these risks since June 30, 2018 except for general exposure to fluctuations in foreign currency and interest rates. There have been no change in the risk management policies during the period.

14. OPERATING SEGMENTS

This condensed interim financial information has been prepared on the basis of a single reportable segment.

All non-current assets of the Company at September 30, 2018 are located in Pakistan. Revenues from external customers attributed to foreign countries in aggregate are not material.

15. TRANSACTIONS WITH RELATED PARTIES

15.1 Significant transactions with related parties are as follows:

	Name of related party and nature of relationship	Nature of transactions	(Un-audited)	
			September 30, 2018	2017
			--- Rupees in '000 ---	
(a) Holding Company				
	Bibojee Services (Pvt.) Ltd.	Dividend paid	-	-
(b) Subsidiary Company				
	Marghzar Industries (Pvt.) Ltd.	Financial charges	88	93
		Reimbursement of expenses	60	60
(c) Associated Companies				
	The General Tyre and Rubber Co. of Pakistan Ltd. (Common Directorship)	Purchase of tyres	68,746	82,318
		Services rendered	70	-
		Sales of truck and parts	-	-
		Dividend paid	-	-
	Ghandhara Nissan Ltd. (Common Directorship)	Assembly charges	205,979	219,375
		Rent income	704	660
		Purchase of parts and vehicle	24	6
		Sales of parts	-	3

Notes to the Condensed Interim Financial Information

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 - UNAUDITED

Name of related party and nature of relationship	Nature of transactions	(Un-audited)	
		September 30, 2018	2017
		--- Rupees in '000 ---	
Rehman Cotton Mills Ltd. (Common Directorship)	Rent expense	450	450
Gammon Pakistan Ltd. (Common Directorship)	Rent expense	750	750
	Reimbursement of expenses	25	18
Janana De Malucho Textile Mills Limited (Common Directorship)	Reimbursement of expenses	389	-
Hasan & Hasan Advocates (Common Directorship)	Retainership and legal advice fee	30	30
(d) Technology supplier Isuzu Motors Ltd. - Japan	Commission earned	-	-
	Royalty accrued	8,773	9,001
	Reimbursement of expenses	-	-
	Warranty claimed	51	-
(e) Other Key management personnel	Remuneration and other benefits	50,008	18,759

16. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Company for the year ended June 30, 2018, whereas, the condensed interim profit and loss account, condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable period of condensed interim financial information of the Company for three months ended September 30, 2017.

17. DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue on October 24, 2018 by the Board of Directors of the Company.



Ahmad Kuli Khan Khattak

Chief Executive



Sohail Hameed Khan

Director



Iftikhar Ahmed Khan

Chief Financial Officer



Ghandhara Industries Limited

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