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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Raza Kuli Khan Khattak	Chairman
Mr. Ahmad Kuli Khan Khattak	Chief Executive
Lt. Gen. (R) Ali Kuli Khan Khattak	Director
Mr. Mushtaq Ahmed Khan (FCA)	Director
Dr. Parvez Hassan	Director
Mr. Jamil Ahmed Shah	Director
Mr. Sher Muhammad	Director

SECRETARY

Mr. Iftikhar A. Khan

AUDITORS

Hameed Chaudhri & Co.
Chartered Accountants

AUDIT COMMITTEE

Lt. Gen. (R) Ali Kuli Khan Khattak	Chairman
Mr. Mushtaq Ahmed Khan (FCA)	Member
Mr. Jamil Ahmed Shah	Member

LEGAL ADVISORS

Syed Iqbal Ahmad Barrister at Law
S. Abid Shirazi & Co.
Syed Qamaruddin Hassan

BANKERS

Bank Al-Habib Limited
National Bank of Pakistan
Soneri Bank Limited
The Bank of Tokyo - Mitsubishi UFJ, Limited
The Bank of Khyber
NIB Bank Limited
Faysal Bank Limited

REGISTERED OFFICE

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



DIRECTOR'S REPORT

The Directors of your company take pleasure in presenting the un-audited accounts for the quarter and nine months period ended on 31st March 2008.

Operating Results

1) Gross profit

The gross profit of 39.23 million was 49 % lower compared to gross profit of Rs.77.49 million of the same period last year. The lower Gross profit is the consequence of lower sales, unprecedented appreciation of the Japanese Yen against Pak Rupee/ Dollor and increase in Steel prices and other input costs during the period under review as compared to same period last year.

2) Net Profit

The higher cost of sales and increase in distribution and administrative expenses, the net profit of Rs. 10 million was lower than the net profit of Rs. 65 million for the 3rd quarter of 2006-007.

Outlook for the future

The inflationary trend of steel products, oil prices and vendorized parts coupled with ever-rising cost of the Japanese Yen are big challenges for the management. However the number of orders in hand and control on cost will hopefully result in better profitability for the year 2008.

By Order of the Board

AHMAD KULI KHAN KHATTAK
Chief Executive

28th April 2008



**INTERIM CONDENSED BALANCE SHEET
AS AT MARCH 31, 2008**

	Note	March 31, 2008 Unaudited	June 30, 2007 Audited
ASSETS			
NON CURRENT ASSETS			
(Rupees '000')			
Property, Plant & Equipment	5	1,010,364	1,028,668
Investment in immovable properties		91,238	91,432
Investment in subsidiary and other companies		1,400	1,400
Long Term loans and advances		503	635
Long Term Deposits		3,948	3,846
		<u>1,107,453</u>	<u>1,125,981</u>
CURRENT ASSETS			
Stores, spares and tools		14	-
Stock - in - trade		778,347	649,269
Trade debts		224,587	83,457
Loans, advances		129,722	120,050
Deposits & prepayments		87,384	109,077
Other receivables		112,314	70,057
Cash and bank balances		27,300	128,467
		<u>1,359,668</u>	<u>1,160,377</u>
		<u>2,467,121</u>	<u>2,286,358</u>
EQUITY AND LIABILITIES			
Authorized capital (50,000,000 ordinary shares of Rs 10 each)			
CAPITAL AND RESERVES			
Capital and Reserves			
Issued, subscribed and paid-up capital		213,044	213,045
Reserve		43,200	43,200
Accumulated profit		(22,882)	(60,022)
		<u>233,362</u>	<u>196,223</u>
SURPLUS ON REVALUATION OF FIXED ASSETS AND INVESTMENT PROPERTIES			
		1,077,547	1,080,058
NON CURRENT LIABILITIES			
Liabilities against assets subject to finance lease		12,022	15,226
Deffered Liabilities		15,814	18,572
		<u>27,836</u>	<u>33,798</u>
CURRENT LIABILITIES			
Trade and other payable		742,735	760,985
Accrued mark up/Interest		11,933	8,144
Short term loan		50,000	-
Running finances under markup arrangement		174,148	82,205
Current portion of liabilities against assets subject finance lease		5,597	6,433
Provision for taxation		143,963	118,512
		<u>1,128,376</u>	<u>976,279</u>
CONTINGENCIES AND COMMITMENTS			
	6		
		<u>2,467,121</u>	<u>2,286,358</u>

The annexed notes 1 to 8 form an integral part of these financial statements.

Chief Executive

Director



**INTERIM CONDENSED PROFIT & LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2008**

	Note	Quarter ended		Nine Month	
		March 31,		March 31,	
		2008	2007	2008	2007
(Rupees '000')					
Sales (Net)		437,679	460,212	1,066,935	1,417,209
Cost of sales	7	398,444	382,725	946,856	1,177,310
Gross profit		39,235	77,487	120,079	239,899
Distribution cost		5,828	3,209	15,869	10,387
Administration expenses		13,618	7,419	31,647	39,909
Operating profit		19,789	66,859	72,563	189,603
Other charges		937	-	4,547	11,778
Finance cost		8,206	5,549	18,352	19,550
		10,646	61,310	49,664	158,275
Other operating income/ Expense		(130)	3,866	7,658	7,940
Profit before taxation		10,516	65,176	57,322	166,215
Provision for taxation					
Current		6,383	29,029	25,451	70,100
Deferred		(471)	(351)	(2,758)	(1,053)
		5,912	28,678	22,693	69,047
Profit after taxation		4,604	36,498	34,629	97,168
Earnings per share - Basic and diluted (Rupees)		0.22	1.71	1.63	4.56

The annexed notes 1 to 8 form an integral part of these financial statements.

Chief Executive

Director



**INTERIM CONDENSED CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2008**

	July To March	
	2008	2007
CASH FLOW FROM OPERATING ACTIVITIES	(Rupees '000')	
Profit before tax	57,322	166,215
Adjustment for non cash charges and other items		
Depreciation	25,307	22,213
(Profit)/loss on sale of Fixed Assets/ immovable property	(239)	(2,603)
Interest income	(312)	(1,101)
Interest expense	14,049	15,984
Finance cost on finance leased Assets	1,827	-
	97,954	200,708
Change in operating assets and liabilities (Increase) / Decrease in current assets		
Stores and spares	(14)	-
Stock-in-trade	(129,078)	66,429
Trade debts	(141,130)	(122,903)
Loans and Advances	1,283	993
Deposits and Prepayments	21,693	21,704
Other receivables	(42,257)	(27,751)
	(289,503)	(61,528)
Increase / (Decrease) in current liabilities		
Trade and other payable	(18,249)	(79,713)
Working Capital Changes	(307,752)	(141,241)
CASH GENERATED FORM OPERATIONS	(209,798)	59,467
Interest paid	(10,260)	(24,283)
Taxes paid (including tax deducted at source)	(10,893)	(32,893)
Net cash inflow from operating activities	(230,951)	2,291
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(5,877)	(713)
Sale proceeds of immoveable property	239	-
Long Term loans and advance	132	(582)
Long Term deposits	(102)	-
Interest received	312	-
Net cash inflow from investing activities	(5,296)	(1,295)
FINANCING ACTIVITIES		
Lease rental paid	(6,801)	(639)
Right Shares subscription	-	47,116
Dividend paid	(62)	(39,351)
Net cash flows (used in) generated from financing activities	(6,863)	7,126
Net increase / (decrease) in cash and cash equivalents	(243,110)	8,122
Cash and cash equivalents at beginning of the year	46,262	(56,498)
Cash and cash equivalents at March 31	(196,848)	(48,376)

The annexed notes 1 to 8 form an integral part of these financial statements.

Chief Executive

Director



**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTH ENDED MARCH 31, 2008**

Share Capital	Capital Reserves			Revenue Reserve	Accumulated Loss	TOTAL
	Tax Holiday Reserve	Fixed Assets Replacement Reserve	Contingency Reserve			

Rupees in thousand

Balance as at 1 July 2006	65,553	5,500	10,000	25,300	2,400	(126,103)	(17,350)
Issue of shares	147,491	-	-	-	-	-	147,491
Profit for the nine months	-	-	-	-	-	97,168	97,168
Final Dividend paid (Rs.3 per share)	-	-	-	-	-	(63,913)	(63,913)
Transferred from surplus on revaluation of Fixed Assets on account of incremental depreciation for the period.	-	-	-	-	-	1,956	1,956
Balance as at 31 March 2007	213,044	5,500	10,000	25,300	2,400	(90,892)	165,352
Profit for the quarter	-	-	-	-	-	29,314	29,314
Transferred from surplus on revaluation of Fixed Assets on account of incremental depreciation for the year	-	-	-	-	-	1,556	1,556
Balance as at 30 June 2007	213,044	5,500	10,000	25,300	2,400	(60,022)	196,222
Profit for the nine months	-	-	-	-	-	34,629	34,629
Transferred from surplus on revaluation of Fixed Assets on account of incremental depreciation for the year	-	-	-	-	-	2,511	2,511
Balance as at 31 March 2008	213,044	5,500	10,000	25,300	2,400	(22,882)	233,362

The annexed notes 1 to 8 form an integral part of these financial statements.

Chief Executive

Director



**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2008**

1 THE COMPANY AND ITS OPERATIONS

Gandhara Industries Limited was incorporated on 23 February 1963. The Company's shares are listed on Karachi and Lahore Stock Exchanges. The principal activity of the Company is assembly and progressive manufacture of Isuzu trucks and buses.

2 BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard No. 34, "Interim Financial Reporting" and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and the Listing Regulations of Karachi and Lahore Stock Exchanges.

3 ACCOUNTING POLICIES

The accounting policies adopted by the Company in the preparation of these nine months financial statements are the same as those for the preceding annual financial statements for the year ended June 30, 2007.

4 PRESENTATION

Figures in these interim condensed financial statements have been rounded off to the nearest thousand rupees.

	March 31, 2008	June 30, 2007
5 PROPERTY, PLANT AND EQUIPMENT	(Rupees '000')	
BOOK VALUE AT THE BEGINNING OF THE PERIOD / YEAR	1,028,668	1,033,099
Addition during the period / year	6,810	41,005
Less:		
Disposal during the period / year-at book value	-	13,613
Depreciation charged during the period / year	25,114	31,823
	<u>1,010,364</u>	<u>1,028,668</u>
5.1 ADDITION DURING THE PERIOD / YEAR		
Plant & machinery	460	-
Furniture Fixture	23	
Office machine & equipment	142	783
Computers	832	477
Vehicles	5,353	39,745
	<u>6,810</u>	<u>41,005</u>
5.2 DISPOSALS DURING THE PERIOD/YEAR-AT BOOK VALUE		
Motor Vehicle	<u>-</u>	<u>13,613</u>
6 CONTINGENCIES AND COMMITMENTS		
CONTINGENCIES		
There were no changes in contingent liabilities since the last balance sheet date		
COMMITMENTS		
Confirmed letters of credit -CKD/Parts	112,704	105,157



	For the quarter ended March 31,		Nine Month Ended March 31,	
	2008	2007	2008	2007
	(Rupees '000')			
7 COST OF SALES				
Stock at beginning	119,005	202,808	164,578	143,073
Cost of goods manufactured	459,324	307,635	956,189	1,133,162
Trading Stock	2,803	598	8,777	1,258
	<u>581,132</u>	<u>511,041</u>	<u>1,129,544</u>	<u>1,277,493</u>
Stock at end	<u>182,688</u>	<u>128,316</u>	<u>182,688</u>	<u>100,183</u>
	<u>398,444</u>	<u>382,725</u>	<u>946,856</u>	<u>1,177,310</u>
7.1 COST OF GOODS MANUFACTURED				
Work in process at beginning	48,305	-	-	26,656
Raw material & components consumed	424,056	256,444	912,371	1,032,335
Overheads	43,098	51,191	99,953	74,171
	<u>515,459</u>	<u>307,635</u>	<u>1,012,324</u>	<u>1,133,162</u>
Work in process at end	<u>56,135</u>	<u>-</u>	<u>56,135</u>	<u>-</u>
	<u>459,324</u>	<u>307,635</u>	<u>956,189</u>	<u>1,133,162</u>

		March 31,	March 31,
		2008	2007
8 RELATED PARTY TRANSACTIONS		(Rupees '000')	
a) Subsidiary company			
Marghazar Industries (Pvt) Limited	Financial charges	153	145
b) Associated companies			
General Tyre & Rubber Company of Pakistan Limited (Common Directorship)	Purchase of Tyres	35,981	26,619
		-	-
Gandhara Nissan Limited (Common Directorship)	Assembly charges	55,550	33,975
	Sale of Commercial bodies	2,328	
Universal Insurance Limited (Common Directorship)	Insurance Premium	6,289	3,861
Bibojee Services (Pvt) Limited (Common Directorship)	Purchase of vehicle	-	545
c) Technology suppliers			
Isuzu Motors Limited, Japan	Running Royalty charges	4,650	3,768
	Initial Royalty	4,053	-
Technical assistance/ training fee		-	656
	Purchases of Parts	21,324	589,431
d) Marubeni Corporation Japan	CKD Purchases	525,993	-

Transactions with related parties are made at arm's length basis. The price charged to related party is generally determined under the "Comparable Uncontrolled Price Method".

Chief Executive

Director



**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2008**

	Note	March 31, 2008 Unaudited	June 30, 2007 Audited
ASSETS			
NON CURRENT ASSETS			
(Rupees '000')			
Property, Plant & Equipment	5	1,010,364	1,028,668
Investment in immovable properties		91,238	91,432
Long Term loans and advances		503	635
Long Term Deposits		3,948	3,846
		<u>1,106,053</u>	<u>1,124,581</u>
CURRENT ASSETS			
Stores, spares and tools		14	-
Stock - in - trade		778,347	649,269
Trade debts		224,587	83,457
Loans, advances		129,722	120,312
Deposits & prepayments		87,384	109,077
Other receivables		112,314	70,057
Cash and bank balances		27,320	128,487
		<u>1,359,688</u>	<u>1,160,659</u>
		<u><u>2,465,741</u></u>	<u><u>2,285,240</u></u>
EQUITY AND LIABILITIES			
Authorized capital (50,000,000 ordinary shares of Rs 10 each)			
CAPITAL AND RESERVES			
Capital and Reserves		213,044	213,045
Issued, subscribed and paid-up capital		43,200	43,200
Reserve		(22,455)	(59,620)
Accumulated profit		233,789	196,625
Minority Interest		182	172
Surplus on revaluation of fixed assets and Investment properties		1,077,547	1,080,058
NON CURRENT LIABILITIES			
Liabilities against assets subject to finance lease		12,022	15,226
Deffered Liabilities		15,814	18,572
		<u>27,836</u>	<u>33,798</u>
CURRENT LIABILITIES			
Trade and other payable		740,733	759,019
Accrued mark up/Interest		11,933	8,144
Short term loan		50,000	-
Running finances under markup arrangement		174,148	82,205
Current portion of liabilities against assets subject finance lease		5,597	6,433
Provision for taxation		143,976	118,786
		<u>1,126,387</u>	<u>974,587</u>
CONTINGENCIES AND COMMITMENTS			
	6		
		<u><u>2,465,741</u></u>	<u><u>2,285,240</u></u>

The annexed notes 1 to 8 form an integral part of these financial statements.

Chief Executive

Director



**INTERIM CONDENSED CONSOLIDATED PROFIT & LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2008**

	Note	Quarter ended		Nine Month	
		March 31,		March 31,	
		2008	2007	2008	2007
(Rupees '000')					
Sales (Net)		437,679	460,212	1,066,935	1,417,209
Cost of sales	7	398,444	382,725	946,856	1,177,310
Gross profit		39,235	77,487	120,079	239,899
Distribution cost		5,828	3,209	15,869	10,387
Administration expenses		13,649	7,450	31,746	40,008
Operating profit		19,758	66,828	72,464	189,504
Other charges		937	-	4,547	11,778
Finance cost		8,156	5,500	18,199	19,401
		10,665	61,328	49,718	158,325
Other operating income/ Expense		(130)	3,866	7,658	7,940
Profit before taxation		10,535	65,194	57,376	166,265
Provision for taxation					
Current		6,390	29,035	25,470	70,117
Deferred		(471)	(351)	(2,758)	(1,053)
		5,919	28,684	22,712	69,064
Profit after taxation		4,616	36,510	34,664	97,201
Attributed to:					
Equity holders of the parent		4,613	36,507	34,654	97,192
Minority Interest		3	3	10	9
		4,616	36,510	34,664	97,201
Earnings per share - Basic and diluted (Rupees)		0.22	1.71	1.63	4.56

The annexed notes 1 to 8 form an integral part of these financial statements.

Chief Executive

Director



**INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2008**

	July To March	
	2008	2007
	(Rupees '000')	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	57,376	166,265
Adjustment for non cash charges and other items		
Depreciation	25,307	22,213
(Profit)/loss on sale of Fixed Assets/ immovable property	(239)	(2,603)
Interest income	(312)	(1,101)
Interest expense	13,896	15,835
Finance cost on finance leased Assets	1,827	-
	<u>97,855</u>	<u>200,609</u>
Change in operating assets and liabilities (Increase) / Decrease in current assets		
Stores and spares	(14)	-
Stock-in-trade	(129,078)	66,429
Trade debts	(141,130)	(122,903)
Loans and Advances	1,283	993
Deposits and Prepayments	21,693	21,704
Other receivables	(42,257)	(27,751)
	<u>(289,503)</u>	<u>(61,528)</u>
Increase / (Decrease) in current liabilities		
Trade and other payable	<u>(18,284)</u>	<u>(79,745)</u>
Working Capital Changes	<u>(307,787)</u>	<u>(141,273)</u>
CASH GENERATED FORM OPERATIONS		
	(209,932)	59,336
Interest paid	(10,107)	(24,134)
Taxes paid (including tax deducted at source)	(10,892)	(32,910)
	<u>(230,931)</u>	<u>2,292</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(5,877)	(713)
Sale proceeds of immoveable property	239	-
Long Term loans and advance	132	(582)
Long Term deposits	(102)	-
Interest received	312	-
Net cash inflow from investing activities	<u>(5,296)</u>	<u>(1,295)</u>
FINANCING ACTIVITIES		
Lease rental paid	(6,801)	(639)
Right Shares subscription	-	47,116
Divedend paid	(62)	(39,351)
Net cash flows (used in) generated from financing activities	<u>(6,863)</u>	<u>7,126</u>
Net increase / (decrease) in cash and cash equivalents	<u>(243,090)</u>	<u>8,123</u>
Cash and cash equivalents at beginning of the year	<u>46,262</u>	<u>(56,478)</u>
Cash and cash equivalents at March 31	<u><u>(196,828)</u></u>	<u><u>(48,355)</u></u>

The annexed notes 1 to 8 form an integral part of these financial statements.

Chief Executive

Director



**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTH ENDED MARCH 31, 2008**

	Share Capital	Capital Reserves			Revenue Reserve	Accumulated Loss	TOTAL	Minority Interest	Total Equity
		Tax Holiday Reserve	Fixed Assets Replacement Reserve	Contingency Reserve					
<i>Rupees in thousand</i>									
Balance as at 1 July 2006	65,553	5,500	10,000	25,300	2,400	(125,724)	(16,971)	162	(16,809)
Issue of shares	147,491	-	-	-	-	-	147,491	-	147,491
Profit for the nine months	-	-	-	-	-	97,192	97,192	9	97,201
Final Dividend paid (Rs.3 per share)	-	-	-	-	-	(63,913)	(63,913)	-	(63,913)
Transferred from surplus on revaluation of Fixed Assets on account of incremental depreciation for the period.	-	-	-	-	-	1,956	1,956	-	1,956
Balance as at 31 March 2007	213,044	5,500	10,000	25,300	2,400	(90,489)	165,755	171	165,926
Profit for the quarter	-	-	-	-	-	29,313	29,313	1	29,314
Transferred from surplus on revaluation of Fixed Assets on account of incremental depreciation for the year	-	-	-	-	-	1,556	1,556	-	1,556
Balance as at 30 June 2007	213,044	5,500	10,000	25,300	2,400	(59,620)	196,624	172	196,796
Profit for the nine months	-	-	-	-	-	34,654	34,654	10	34,664
Transferred from surplus on revaluation of Fixed Assets on account of incremental depreciation for the year	-	-	-	-	-	2,511	2,511	-	2,511
Balance as at 31 March 2008	213,044	5,500	10,000	25,300	2,400	(22,455)	233,789	182	233,971

The annexed notes 1 to 8 form an integral part of these financial statements.

Chief Executive

Director



**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2008**

1 THE COMPANY AND ITS OPERATIONS

Gandhara Industries Limited was incorporated on 23 February 1963. The holding Company's shares are listed on Karachi and Lahore Stock Exchanges. The principal activity of the Company is assembly and progressive manufacture of Isuzu trucks and buses.

Gandhara Industries Limited holds 70% equity in Marghzar Industries (Private) limited

2 BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard No. 34, "Interim Financial Reporting" and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and the Listing Regulations of Karachi and Lahore Stock Exchanges.

3 ACCOUNTING POLICIES

The accounting policies adopted by the Company in the preparation of these nine months financial statements are the same as those for the preceding annual financial statements for the year ended June 30, 2007.

4 PRESENTATION

Figures in these interim condensed financial statements have been rounded off to the nearest thousand rupees.

	March 31, 2008	June 30, 2007
5 PROPERTY, PLANT AND EQUIPMENT	(Rupees '000')	
BOOK VALUE AT THE BEGINNING OF THE PERIOD / YEAR	1,028,668	1,033,099
Addition during the period / year	6,810	41,005
Less:		
Disposal during the period / year-at book value	-	13,613
Depreciation charged during the period / year	25,114	31,823
	<u>1,010,364</u>	<u>1,028,668</u>
5.1 ADDITION DURING THE PERIOD / YEAR		
Plant & machinery	460	-
Furniture Fixture	23	
Office machine & equipment	142	783
Computers	832	477
Vehicles	<u>5,353</u>	<u>39,745</u>
	<u>6,810</u>	<u>41,005</u>
5.2 DISPOSALS DURING THE PERIOD/YEAR-AT BOOK VALUE		
Motor Vehicle	<u>-</u>	<u>13,613</u>
6 CONTINGENCIES AND COMMITMENTS		
CONTINGENCIES		
There were no changes in contingent liabilities since the last balance sheet date		
COMMITMENTS		
Confirmed letters of credit -CKD/Parts	112,704	105,157



	For the quarter ended March 31,		Nine Month Ended March 31,	
	2008	2007	2008	2007
(Rupees '000')				
7 COST OF SALES				
Stock at beginning	119,005	202,808	164,578	143,073
Cost of goods manufactured	459,324	307,635	956,189	1,133,162
Trading Stock	2,803	598	8,777	1,258
	<u>581,132</u>	<u>511,041</u>	<u>1,129,544</u>	<u>1,277,493</u>
Stock at end	<u>182,688</u>	<u>128,316</u>	<u>182,688</u>	<u>100,183</u>
	<u>398,444</u>	<u>382,725</u>	<u>946,856</u>	<u>1,177,310</u>
7.1 COST OF GOODS MANUFACTURED				
Work in process at beginning	48,305	-	-	26,656
Raw material & components consumed	424,056	256,444	912,371	1,032,335
Overheads	43,098	51,191	99,953	74,171
	<u>515,459</u>	<u>307,635</u>	<u>1,012,324</u>	<u>1,133,162</u>
Work in process at end	<u>56,135</u>	<u>-</u>	<u>56,135</u>	<u>-</u>
	<u>459,324</u>	<u>307,635</u>	<u>956,189</u>	<u>1,133,162</u>
8 RELATED PARTY TRANSACTIONS			March 31, 2008	March 31, 2007
(Rupees '000')				
a) Associated companies				
General Tyre & Rubber Company of Pakistan Limited (Common Directorship)	Purchase of Tyres		35,981	26,619
			-	-
Gandhara Nissan Limited (Common Directorship)	Assembly charges Sale of Commercial bodies		55,550 2,328	33,975
Universal Insurance Limited (Common Directorship)	Insurance Premium		6,289	3,861
Bibojee Services (Pvt) Limited (Common Directorship)	Purchase of vehicle		-	545
b) Technology suppliers				
Isuzu Motors Limited, Japan	Running Royalty charges Initial Royalty Technical assistance/ training fee Purchases of Parts		4,650 4,053 - 21,324	3,768 - 656 589,431
d) Marubeni Corporation Japan	CKD Purchases		525,993	-

Transactions with related parties are made at arm's length basis. The price charged to related party is generally determined under the "Comparable Uncontrolled Price Method".

Chief Executive

Director