

2023

ANNUAL
REPORT



GHANDHARA
INDUSTRIES LIMITED



C ontents

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vision
V/m/c
mission
ore Value



Our Vision

“To acquire market leadership and contribute to the society by providing high quality and environment friendly ISUZU Vehicles in Pakistan’s Market.”

Core Value

To conduct our Business with Honesty, Integrity, and a Customer Focus. Be Professional, Reliable, Passionate and Responsive.

Our Mission

- To assist the society in the fight against pollution hazards by introducing environment friendly vehicles.
- To maximize share of ISUZU in Pakistan.
- To be a market & customer-oriented organization.
- To provide effective and efficient after sales services to the customers.
- To enhance performance in all operating areas, ensuring growth of the company and optimum return to the stakeholders.
- To create conducive operational environment for optimum productivity, job satisfaction, career development and well-being of Employees.

C

ompany
Profile



Board of Directors

Mr. Ali Kuli Khan Khattak	Chairman
Mr. Ahmad Kuli Khan Khattak	CEO/Director
Mr. Muhammad Kuli Khan Khattak	Director
Mrs. Shahnaz Sajjad Ahmad	Director
Maj. (R) Muhammad Zia	Director
Mr. Sohail Hameed	Ind. Director
Mr. Shahid Kamal Khan	Ind. Director

Audit Committee

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

Human Resource & Remuneration Committee

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

Chief Financial Officer

Mr. Muhammad Aamir, FCA

Company Secretary

Mr. Talha Ahmed Zaidi, ACA

Auditors

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

Legal Advisors

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

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B',
S.M.C.H.S. Main Sharah-e-Faisal
Karachi-74400

Bankers

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

Registered Office

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

Website: www.gil.com.pk

Email: info@gil.com.pk

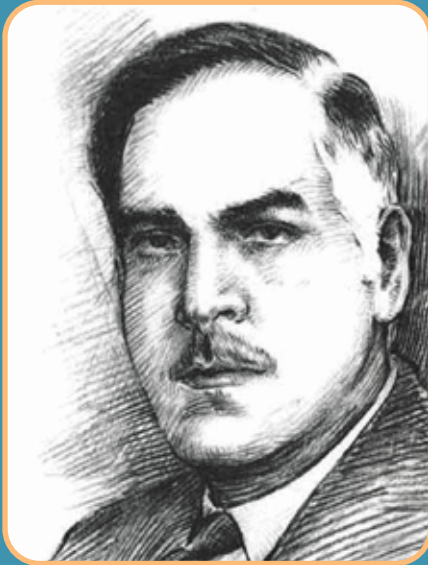


Ghandhara Industries Limited (GIL), is the exclusive distributor of ISUZU products in Pakistan, and is part of the Bibojee Group of Companies. At GIL, we are very proud of our performance in one of the world's most competitive truck markets in terms of loading capacity & fuel efficiency using leading edge engineering and manufacturing technologies, GIL has developed a reputation for reliability, conformability and cost efficient Trucks, Buses and Pickups.

With more than 55 years of history in Pakistan, GIL has been one of the top leading automobile companies. Our products range from pickups to heavy duty trucks and buses.



Our ISUZU truck consistently leads the way with superior specification & reliability. Our customers have come to depend upon the outstanding reliability and superb fuel economy of our trucks, which are often required to operate under very demanding conditions. GIL & ISUZU are concerned for the environment and their superior engineering capability which ensures compliance with the most stringent emissions regulations. Together with our dealership network, we are committed to provide the highest level of customer service availability.



FOUNDER

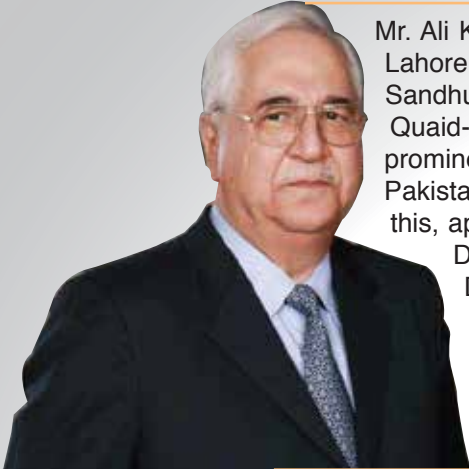
Chairman

Late General
Habibullah Khan Khattak

Lt. General (R) M. Habibullah Khan Khattak was the Founder Chairman of the Bibojee Group of Companies. Today, the Group is an industrial empire with an extensive portfolio of businesses comprising of three cotton spinning mills, a woolen mill, two automobile plants, a general insurance company, Pakistan's largest tyre manufacturing company, a construction company and two Trusts for supporting education and wildlife protection.

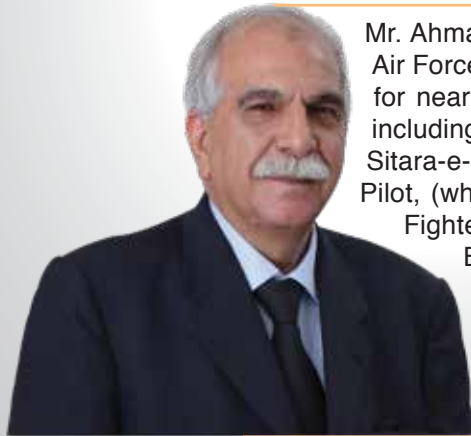
B

oard of Directors Profile



Mr. Ali Kuli Khan Khattak was educated at Aitchison College Lahore and graduated from the Royal Military Academy Sandhurst in 1964 and holds a Masters Degree from the Quaid-e-Azam University, Islamabad. He belongs to a prominent military family of Pakistan. He retired from the Pakistan Army as its Chief of General Staff in 1998, prior to this, apart from holding various offices, he also directed the Directorate General of Military Intelligence (DGMI). During his career he was awarded "Hilal-e Imtiaz". After retirement he joined the Family Business which includes, Tyre Manufacturing, Automobiles, Insurance, Cotton Spinning Mills, Woollen Textiles, Finance, Construction and Trading Services Companies.

Mr. Ali Kuli Khan Khattak
Chairman



Mr. Ahmad Kuli Khan Khattak graduated from the Pakistan Air Force (PAF) Academy Risalpur in 1969 and served PAF for nearly 21 years. He won different medals and honors including the coveted, Sword of Honour and Sitara-e-Basalat. After a distinguished career as a Fighter Pilot, (which included a major role in the induction of F-16 Fighter Planes in the PAF) he joined the Family Business, Bibojee Group of Companies. He has also served as chairman of All Pakistan Textile Manufacturers Association (APTMA) and Pakistan Automobile Association (PAMA) which are leading associations in Pakistan.

Mr. Ahmad Kuli Khan Khattak
CEO/Director



Mr. Muhammad Kuli Khan Khattak is an automotive management professional with a vast experience and proven management, sales, advertising, marketing and new business development skills. He is Deputy Chief Executive Officer in Ghandhara Industries Limited. Mr. Khan was educated at Aitchison College Lahore and completed his Bachelors and Masters from Bahria University. He has also completed a business development course from London School of Economics. Mr. Muhammad Kuli Khan Khattak is a certified Director from The Institute of Chartered Accountants of Pakistan (ICAP).

Mr. Muhammad Kuli Khan Khattak
Executive Director



Mrs. Shahnaz Sajjad Ahmed got Bsc degree from University of Peshawar and joined her father's family Business serving the Bibojee Group Companies since 20 years. She is presently the CEO of Bannu Woollen Mills Limited, a Bibojee group Company.

Mrs. Shahnaz Sajjad Ahmad
Director



Mr. Muhammad Zia is retired Major of Pakistan Army. He has a vast experience of Automobile Industry and currently also serving on the Board of Ghandhara Automobiles Limited.

Maj. (R) Muhammad Zia
Director



Mr. Sohail Hameed is a Fellow Chartered Accountant of Institute of Chartered Accountants of Pakistan, with diversified experience of over 40 years (26 years in the Middle East) in various industries including oil & gas, technology, automobile, textile, FMCG and construction.

Mr. Sohail Hameed
Independent Director

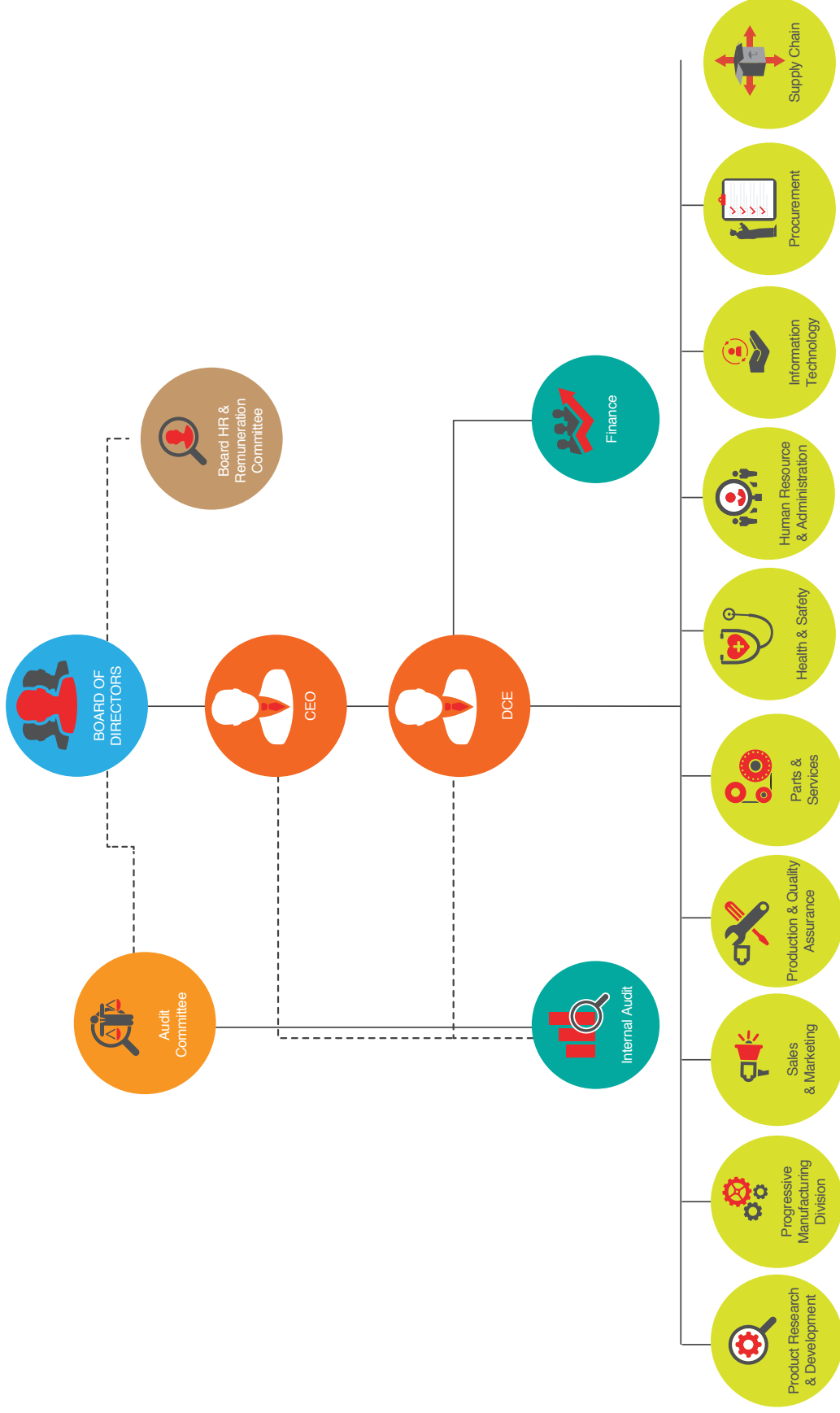


Air Commodore (R) Shahid Kamal Khan was commissioned as a fighter pilot in the PAF in 1966. For his meritorious services, Air Cdre. Shahid was awarded both the Tamgha-e-Basalat and the Sitara-e-Basalat by the Government of Pakistan. He is a graduate of the Royal Air Force Academy, Cranwell, the University of Southern California and the Royal Air Force Staff College.

After retirement, he served as the pioneering Managing Director of Pakistan's Second National Carrier, Shaheen Air International. He is presently the CEO of EXCLAIM VENTURES, a Canadian Private Limited Company working in the Energy Sector. He is also the sole proprietor of MTEC Enterprise of Karachi, Pakistan.

Mr. Shahid Kamal Khan
Independent Director

Organization Structure





New Year



Each New Year is a gift of learning, growth and hope.

GIL welcomes New Year 2023 with great enthusiasm.



Birthday Celebrations



**Celebrations makes
people feel appreciated
and it demonstrates that
we value our human
resource. GIL initiated to
greet its employees on
their special days.**



Training by HR



Training and development programs provide a host of benefits. It enhances employee performance, boost employee productivity and improves employee culture. It also foster innovation in workplace. We believe in continuous development and therefore encourage our employees to be a part of training. In this regard an external trainer Syed Rehan Ahmed was also invited to share his experience with us.



Ghandhara Industries, renowned for its commitment to employee welfare, underscores the significance of this partnership.

Our employees are at the heart of our success, and their financial stability directly affects their performance and satisfaction. By partnering with ABHI to offer earned wage access, we not only alleviate financial burdens but also foster a financially secure and prosperous workforce."

NATIONAL BLOOD DONOR MONTH 2023

A small act of kindness, but it is a big, life-breathing deal. There is no alternative to blood. It is the act that can't be repaid but the generosity and kind spirit never go unnoticed.

GIL in collaboration with Indus Hospital arranged a blood donation drive and became a part in serving humanity.



HSE Department arranged a plantation activity in the month of June 2023 to celebrate World Environment Month and spread awareness on Environmental Compliances.

PLANTATION DRIVE



ISUZU FREE SERVICE CAMPAIGN 2022-23



ISUZU | COMPLETE CARE



**FREE SERVICE
CAMPAIGN
2022**

01 ستمبر سے 22 ستمبر 2022



**GHANDHARA
INDUSTRIES LIMITED**

پشاور • اسلام آباد • ماچھیکے • گجراتوالہ • لاہور • فیصل آباد • ملتان • صادق آباد • کراچی



Ghandhara Industries Ltd. scheduled "Isuzu Free Service Clinic – 2022" at our 3S & 2S Dealerships all over Pakistan from Sept 01 ~ Sept 23, 2022 to strengthen relationship with our valuable customers to ensure maximum customer support & to build customers' confidence in GIL, its Dealership network and Products.

HEALTH & SAFETY

Ghandhara Industry made constant structural adjustments to endure the process with increasing pressure to keep workers safe. Along with better incident management, health and safety management also became one of the most pressing business priorities. The increasing incident reporting culture remains strong and continues to improve with a measured increase in reporting across the Company, HSE reported 04 LWD (Lost Work Day Injuries) & "0" Vehicle Damage and "0" Fire Incident reported during the year.

Through the corporate programmed staff must complete essential health and safety training. Completion rates for both the Introduction to H&S for all staff 93% and Contract Worker.

ENVIRONMENT

Environmental Performance Reviews provide an independent assessment and targeted recommendations aimed at improving policies that impact the environment. Meetings with environmental policy stakeholders: representatives of the environment ministry, independent experts, representatives from Consultants & local governments, Hazardous materials and waste management, including pollution prevention; spill response; proper storage, use, and disposal of hazardous chemicals and materials; planning, permitting, and reporting, Local Environmental Act Implementation of EMS to get EMP NOC from the Local Environment Compliance Body. Regular monitoring of Raw Water and Electricity consumption, planning to Reduce Electricity consumption through planning of Solar system installation.

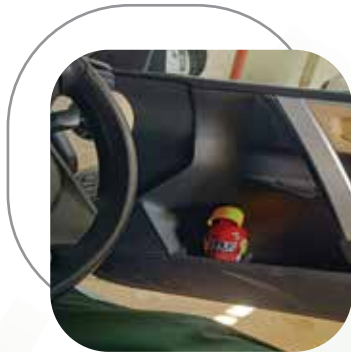
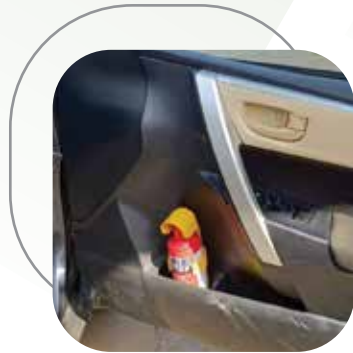
STRENGTHEN FIRE SAFETY

DCP	CO2	Foam Cylinder AFFF	Fire Hydrant	50Kg Trolly DCP	50Kg Trolly CO2	Fire Extinguisher Ball	50Ltr. Trolly Foam	Ortson Machine	Fire Cyinders in Admin Fleet Cars
161	33	13	26	13	04	15	12	03	12
									

FIRE SAFETY

The HSE Fire Safety Officer has been heavily involved with the planning of the fire strategy across GIL with the increased Fire Safety Equipment's, introduction of Fire Suppression at IT Server and Fire Pump at Plant or Hydrant Extension planning. Keeping the fire exits clear remains a challenge, but with a small team we always set up to monitor & improve the situation.

FLEET VEHICLE FIRE SAFETY



WASTE MANAGEMENT SYSTEM



FIRE FIGHTING TRAINING GLIMPSES





FIRE DRILLS



ENVIRONMENTAL COMPLIANCE (SEPA NOC)

- xii. That the proponent shall provide, as per the NPPA (National Fire Protection Authority) codes, the fire and smoke detection and protection devices such as smoke detectors, alarms, extinguishers, sprinklers, fire hoses and hydrant as deemed appropriate to respond to fire hazards associated with industrial operations.
- xiii. That the proponent of M/s. Ghandhara Industries Limited shall be exclusively responsible for information provided through EMP report. In case of any misrepresentation/ concealment of facts then this approval shall stand cancelled without any notice.
- xiv. The proponent of M/s. Ghandhara Industries Limited shall also be liable to treat sewerage effluents and sand with install Sewerage Treatment Plant (STP) within the premises of industrial unit. In addition to this, the proponent shall also submit engineered design of STP and agreement with technology supplier/ firm that shall be approved by SEPA within THREE (03) MONTHS.
- xv. Sindh EPA can examine the conditions in respect of which Environmental Management Plan (EMP) report is approved. In addition, SEPA reserves right to issue instruction for an independent audit at any stage and stipulate additional conditions, if found necessary for the compliance of Sindh Environmental Protection Act-2014 and its Rules & Regulations made there under.
- xvi. That proponent shall plant 200 trees of indigenous species of 6-7 feet size with the consultation of SEPA within Three (03) month. The proponent shall also take measures for protection and maintenance of these trees and maintain their proper record for verification by SEPA.
- xvii. That this approval is applicable for EMP report in favor of M/s. Ghandhara Industries Limited and not applicable for IEE & EIA of the facility. That in case, the proponent intends to involve in any other process or change, extend the nature of their business he would have to approach this Agency for formal approval after addressing all requirements of SEP Act-2014, and all other applicable Rules & Regulations including conventions/ protocol or any other law being enforced.
- xviii. That the proponent shall submit undertaking for compliance of conditions mentioned in this Approval.
- xix. That the Proponent shall comply with all Rules & Regulations of Government.
- xx. That this approval is not valid for any Court Matter/ Land Dispute.
- xxi. In case of violation of this approval then this approval shall be cancelled/ withdrawn without giving any prior notice from this Agency.
- xxii. That the proponent is bound to abide all the Rules, Regulations and Provisions imposed in this approval. No violation of any Rules, Regulations and Provisions of Sindh Environmental Protection Act shall be made.
- xxiii. That this approval is provisional shall be treated cancel without any intimation if any of the above-mentioned conditions are violated or not complied with.
- xxiv. This approval is valid for ONE (01) year and shall be expired on 09-03-2024.

This is issued with the approval of Director General Sindh EPA

Deputy Director (Technical)
For Director General, Sindh EPA

Page 2 of 2



SINDH ENVIRONMENTAL PROTECTION AGENCY GOVERNMENT OF SINDH

HEAD OFFICE:
Plot No. ST-07, Sector 23, Near Chowringhi,
Karachi Industrial Area, Karachi.
Ph: 33601000, 33601001, 33601012
FAX: 33601000, 33601001
E-mail: sepa@gov.pk

March 10th, 2023

To,

The Owner/ Chief Executive Officer/ Director,
M/s. Ghandhara Industries Limited,
Plot No. F-X, Hub Chowki Road, S.I.T.E, Karachi.

SUBJECT: APPROVAL OF ENVIRONMENTAL MANAGEMENT PLAN (EMP)

This is reference to your letter No. NI dated 01 along with Environmental Management Plan (EMP) report. Sindh EPA has reviewed the EMP and pleased to approve it for implementation in your industrial unit with subject to compliance of following conditions:

- i. Mitigation measures provided in the EMP shall strictly be followed by the proponent to minimize or reduce the impacts on physical, biological, environmental and socio-economic resources. All employees shall be trained appropriately to work on EMP effectively. The proponent shall be sole responsible for implementation of Environmental Management Plan (EMP).
- ii. That the proponent shall install Pollution Control Equipments/ Devices/ Mechanism for treatment of Wastewater, Air pollutant and control of Noise level for the purpose of compliance of National Environmental Quality Standards (NEQS)/ Sindh Environmental Quality Standards (SEQS).
- iii. That the proponent shall take all necessary measures for prevention of pollution and do all things necessary to control environmental pollution generated from your activity. However, the proponent bound to maintain in housekeeping condition at facility.
- iv. That the proponent of M/s. Ghandhara Industries Limited shall be liable for compliance of Section 11, 12, 13, 14, 17, 19 & 20 of SEP Act-2014.
- v. That the proponent will be responsible for submission of Environmental Monitoring Reports (EMRs) on quarterly basis. Lab analysis report of Sindh EPA certified laboratory would only be acceptable. In case of Environmental Monitoring reports (EMRs) of any three consecutive periods are not submitted to SEPA then this approval will stand cancelled without any prior notice from SEPA.
- vi. That the proponent is bound to maintain complete qualitative & quantitative record of Solid waste (Non-Hazardous & Hazardous) being generated during production process along with its nature, quantity and way of disposal.
- vii. Solid waste shall not be disposed off at unauthorized place a Solid Waste shall be disposed off through SEPA certified contractors to ensure its scientific disposal.
- viii. That the proponent shall develop and submit Solid Waste Management Plan (SWMP) and same shall be examined by this Agency at any time.
- ix. A complete code of health, safety and environment (HSE) shall be developed, which include efficient parameters at specific work place. For this purpose, HSE management system should be established.
- x. That the proponent shall develop and implement the emergency response and contingency plan for the sake of risk mitigation of local peoples, neighboring and relevant authorities will be informed with SOPs report to emergency response.
- xi. That in case of any emergency, loss, damage, the proponent is bound to compensate the affected and make it good as original.

Always Remember - Clean, Safe & Healthy



Chairman's Review

Dear Shareholders

I am pleased to present the 60th annual report of the Company for the year ended June 30, 2023.

During the year under consideration, overall economic conditions of Pakistan have deteriorated due to uncertain political upheaval, rupee devaluation, record inflation, monetary tightening and curbs on imports. . Consequently, auto Industry's reported figures in Pakistan Automotive Manufacturers Association (PAMA) showed downward trend as compared to last year where overall sales volume decreased by 41% from 6,498 units in FY 2022 to 3,836 units in FY 2023.

Company's Performance

During the FY 2023, the Company continued its legacy and retained its 1st position with 42% market share in truck and bus market as reported by PAMA. the Company sold 1,600 units of trucks and buses and 194 units of D-MAX pick-up as compared to 3,016 units of trucks and buses and 473 units of D-Max pick-up last year.

Despite cited challenges, the Company, with customers' trust and support, has sustained its market share and showed the bottom line of Rs. 179.4 million profit after tax. The Company will continue to provide state-of-the-art products and better-quality services to all its valuable customers for the years to come.

Performance and Effectiveness of the Board

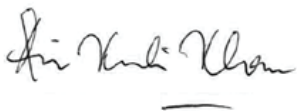
The Board meets at least once every quarter to consider and approve the financial and operational results of the Company. During the financial year under review, the Board's evaluation was carried out to assess the performance and effectiveness of the Board, which was assessed as satisfactory. The Board further strives to bring in further improvements in line with the vision, mission and values of the Company.

Future Outlook

With the blessings of Almighty, the customer base of the Company is expanding. The management is striving hard for growth in sales volumes and revenues to consolidate its market leader position in FY 2024 through its dynamic and innovative team.

Acknowledgement

On behalf of the Board of Directors, I would like to express my gratitude to all the employees and the shareholders for their continued trust and confidence in the Company. The Board and I would also like to acknowledge the co-operation and trust shown by Isuzu Motors Limited, Isuzu Motors Company (Thailand) Limited and Isuzu Motors International Operations (Thailand) Company Limited, Marubeni Corporation, Dealers, Customers and Vendors. I would also like to express our gratitude to our bankers for their contribution and understanding shown to us and we look forward to mutually beneficial business relationships.



Mr. Ali Kuli Khan Khattak
Chairman

چیئر مین کا جائزہ

معزز حصص یافتگان!

30 جون 2023 کو ختم ہونے والے سال کے لیے کمپنی کی 60 ویں سالانہ رپورٹ پیش کرنا میرے لیے باعث مسرت ہے۔

زیر جائزہ سال کے دوران، غیر یقینی سیاسی اتار چڑھاؤ، روپے کی قدر میں کمی، مہنگائی میں ریکارڈ اضافے، سود کی شرح میں اضافے اور درآمدات پر پابندیوں کی وجہ سے پاکستان کے مجموعی معاشی حالات ابتر ہوئے ہیں۔ جس کے نتیجے میں، پاکستان آٹو موٹیو مینوفیکچررز ایسوسی ایشن (PAMA) میں آٹو انڈسٹری کے رپورٹ کردہ اعداد و شمار میں گزشتہ سال کے مقابلے میں تنزلی کا رجحان ظاہر ہوا جہاں مجموعی فروخت کا حجم مالی سال 2022 میں 6,498 گاڑیوں سے 41 فیصد کم ہو کر مالی سال 2023 میں 3,836 گاڑیاں رہ گیا۔

کمپنی کی کارکردگی

مالی سال 2023 کے دوران، کمپنی نے اپنی کارکردگی کو جاری رکھتے ہوئے ٹرک اور بس مارکیٹ میں 42% مارکیٹ شیئر کے ساتھ اپنی پہلی پوزیشن کو برقرار رکھا جیسا کہ PAMA نے رپورٹ کیا، کمپنی نے ٹرکوں اور بسوں کے گزشتہ سال کے ٹرکوں اور بسوں کے 3,016 یونٹس کے مقابلے میں اس سال 1,600 یونٹس اور گزشتہ سال کے ڈی میکس پک اپ کے 473 یونٹس کے مقابلے میں اس سال 194 یونٹ فروخت کیے۔ مسلسل چیلنجوں کے باوجود، خریداروں کے اعتماد اور معاونت کے ساتھ، کمپنی نے اپنے مارکیٹ شیئر کو برقرار رکھا ہے اور 179.4 ملین روپے بعد از ٹیکس خالص منافع حاصل کیا ہے۔ کمپنی آنے والے برسوں میں اپنے تمام قابل قدر صارفین کو جدید ترین مصنوعات اور بہتر معیار کی خدمات فراہم کرنے کی کوشش جاری رکھے گی۔

بورڈ کی کارکردگی اور افادیت

بورڈ، کمپنی کے مالی اور آپریشنل نتائج پر غور و خوض اور منظوری کے لیے ہر سہ ماہی میں کم از کم ایک بار اجلاس کا انعقاد کرتا ہے۔ زیر جائزہ مالی سال کے دوران، بورڈ کی کارکردگی اور تاثیر کا جائزہ لینے کے لیے بورڈ کی تشخیص کی گئی جسے اطمینان بخش پایا گیا۔ بورڈ کمپنی کے وژن، مشن اور اقدار کو مد نظر رکھتے ہوئے مزید بہتری لانے کی کوشاں ہے۔

مستقبل کا منظر نامہ

اللہ تعالیٰ کے فضل و کرم سے کمپنی کا کسٹمر بیس بڑھ رہا ہے۔ کمپنی اپنی متحرک جدت پسند ٹیم کے ذریعے مالی سال 2024 میں اپنی مارکیٹ لیڈر کی پوزیشن کو مستحکم کرنے کے لیے فروخت کے حجم اور آمدنی کو بڑھانے کے ٹھوس منصوبے رکھتی ہے۔

اعتراف

بورڈ آف ڈائریکٹرز کی جانب سے، کمپنی پر مسلسل اعتماد اور اطمینان کے اظہار کے لیے میں تمام ملازمین اور حصص یافتگان کا شکریہ ادا کرنا چاہتا ہوں۔ بورڈ اور میں اسوز و موٹرز لمیٹڈ، اسوز و موٹرز کمپنی (تھائی لینڈ) لمیٹڈ اور اسوز و موٹرز انٹرنیشنل آپریشنز (تھائی لینڈ) کمپنی لمیٹڈ، ماروبینی کارپوریشن، ڈیلرز، کسٹمرز اور وینڈرز کے تعاون اور ہماری مصنوعات پر اعتماد پر اظہار تشکر کرنا چاہوں گا۔ میں اپنے بینکرز کی معاونت اور مفاہمت پر ان کا شکریہ ادا کرنا چاہتا ہوں اور ہم مستقبل میں بھی باہمی فائدہ مند کاروباری تعلقات کی توقعات رکھتے ہیں۔

Air Kiani Khan

علی قلی خان خٹک

چیئر مین

Directors' Report to Shareholders

The Directors of your Company take pleasure in presenting the 60th annual report and audited financial statements of the Company for the year ended June 30, 2023.

ECONOMY AND MARKET REVIEW

Pakistan's economy in FY2023 remained uncertain due to various factors; from low foreign reserves to increase in raw material prices, higher costs of operations due to international pressures on fuel prices, continuous rupee devaluation, increase in interest rates and inflation rates thereby increasing cost of doing business which in turn affected whole economy specifically the auto sector which continued its downward trajectory on downward trend as compared to FY2022.

The truck and bus market has shown a decline of 41% with 3,836 units sold in FY2023. Despite all external challenges, our Company retained its top market share with extensive planning and teamwork and will continue to approach new customers and untapped markets to consolidate and further improve its position in FY 2024.

Principal Activities of the Company

Ghandhara Industries Limited (the Company) is incorporated in Pakistan as a Public Limited Company and is listed on the Pakistan Stock Exchange (PSX). The Company's principal activity is the assembly, progressive manufacture and marketing of ISUZU buses, trucks and pick-up trucks.

Principal Risks and Uncertainties

The Company's key risks include risks pertaining to market competition, exchange rate, interest rates, and overall economic and political conditions which can impact the financial position of the Company.

FINANCIAL PERFORMANCE

The financial results are summarized below:

	2023	2022
	(Rupees in thousand)	
Profit from operations	1,193,117	1,592,477
Finance cost	(769,285)	(451,578)
Profit before tax	423,832	1,140,899
Taxation	(244,408)	(412,399)
Profit after tax	179,424	728,500

OPERATING RESULTS

Gross profit

The Company gross profits increased as percentage of sales during the year mainly due to better management.

Earnings per Share

The Basic and Diluted earnings per share after tax is Rs. 4.21[2022: EPS Rs. 17.10].

Sales

As highlighted above due to decreasing sales trend in overall truck and bus market, the Company's sales revenue decreased to Rs. 14.54 billion as compared to Rs. 24.27 billion last year. Besides, your Company has sustained its 1st position in market share to 42%. The Company is confident of outperforming on the basis of an unmatched and affordable product line-up with reliable after-sales service.

Distribution and administrative Expenses

Distribution and Administration increased as compared to sales due to inflationary pressure, however, the Company is aware of the impacts of upcoming economic challenges and is ready to combat them by better planning and negotiations.

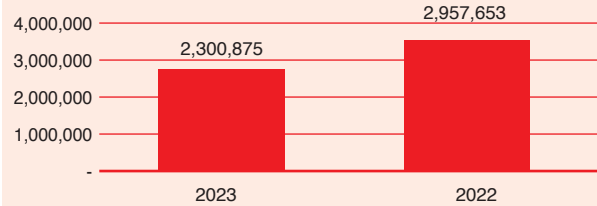
Finance costs

The financial cost of the Company has increased as a percentage of sales due to increased policy rates during the year. Increase in policy rate, however, poses a continuous risk. The management is confident of efficiently managing these costs by further optimizing borrowings.

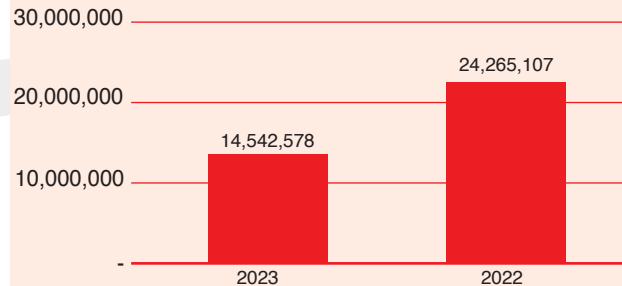
Holding Company

Bibojee services (Private) Limited, incorporated in Pakistan, is our holding company by way of direct ownership of 39.16% shares and certain other indirect shareholding.

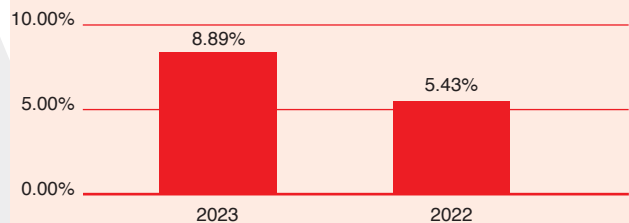
Gross Profit (Rs in 000)



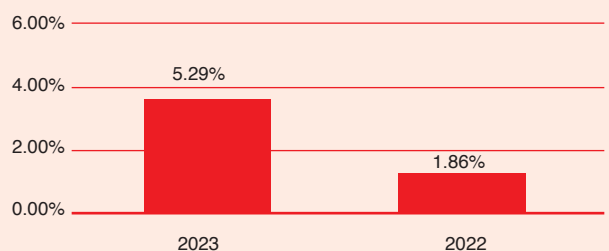
Sales (Rs in 000)



Expense to Sales



Finance Cost to Sales



Chairman Review

The Chairman's Review on market and economy is being endorsed by the Directors of the Company and has been made part of these financial statements.

Dividend

Considering the business need for future working capital requirement and Company's ability to generate cash, the Board of Directors of the Company have decided not to pay any dividend, cash or otherwise.

Board of Directors and its Committees

The Board of Directors of the Company as at June 30, 2023 consists of:

Total Number of Directors:

Male	06
Female	01

Composition

Independent Directors	02
Non-Executive Directors	03
Executive Directors	02

The names of the directors as at June 30, 2023 are as follows:

- Mr. Ali Kuli Khan Khattak
- Mr. Ahmad Kuli Khan Khattak
- Mrs. Shahnaz Sajjad Ahmad
- Maj. (R) Muhammad Zia
- Mr. Muhammad Kuli Khan Khattak
- Mr. Shahid Kamal Khan
- Mr. Sohail Hameed

Human Resource & Remuneration Committee (HR&R) committee

The committee consists of four members; consisting of non-executive directors including an independent director. The terms of reference of this Committee have been determined in accordance with guidelines provided in the Code of Corporate Governance, 2019, "the Code". The Committee meets to review and recommend all elements of the compensation, organization and employee development policies relating to the senior executives' remuneration and to approve all matters relating to the remunerations of the executive directors and members of the management committee. The committee held one meeting during 2022-2023.

Audit Committee

The committee consists of three members including non-executive directors and head of internal audit as secretary to the committee, chairman of the committee is an independent director. The Board Audit Committee assists the Board in fulfilling its oversight responsibilities, primarily in reviewing and reporting financial and non-financial information to shareholders, systems of internal control and risk management and the audit process. It has the duty to call for information from management and to consult directly with the external auditors or advisors as considered appropriate. The Chief Financial Officer regularly attends the Board Audit Committee meetings by invitation to present the accounts. After each meeting, the Chairman of the Committee reports to the Board. The terms of reference of this committee have been determined in accordance with guidelines provided in the Code.

Board and its Committees' meetings

During the year under review six meetings of the Board of Directors (BoD), four meetings of the Board Audit Committee (BAC) and one meeting of the Human Resource and Remuneration (HR&R) Committee were held. All the meetings were held in Pakistan. Attendance at the Board meetings is as follows:

Name of Director	Status	Attendance		
		BOD	BAC	HR&R
Mr. Ali Kuli Khan Khattak	Re-Elected on April 10, 2021	5/6	-	-
Mr. Ahmad Kuli Khan Khattak	Re-Elected on April 10, 2021	6/6	-	1/1
Mr. Muhammad Kuli Khan Khattak	Appointed on June 6, 2022, to fill in Casual Vacancy	6/6	-	-
Maj. (R) Muhammad Zia	Re-Elected on April 10, 2021	5/6	3/4	1/1
Mr. Shahid Kamal Khan	Re-Elected on April 10, 2021	5/6	4/4	1/1
Mrs. Shahnaz Sajjad Ahmad	Re-Elected on April 10, 2021	5/6	-	-
Mr. Sohail Hameed	Re-Elected on April 10, 2021	5/6	2/4	0/1

Leave of absence was granted to the directors who could not attend the meeting.

Performance Evaluation of Board of Directors and Committees of the Board

The evaluation of the Board's role of oversight and its effectiveness is appraised by the Board itself. The main areas of focus are:

- Achieving corporate goals and objectives as defined in the Company's vision and mission statements.
- Strategy formulation and dissemination of directions to the management for sustainable planning and operation; and
- Evaluation of Board's Committees performance in relation to discharging their responsibilities as per defined terms of reference.

Remuneration of Directors

The remuneration of the Board members is approved by the Board itself. However, in accordance with the Code of Corporate Governance, it is ensured that no Director takes part in deciding his/her own remuneration. The following are significant features of remuneration policy:

- The remuneration including incentives and other benefits of the Chief Executive Officer during the year amounts to Rs. 70 Million (2022: Rs. 80 Million).
- The remuneration of Mr. Muhammad Kuli Khan Khattak (Executive director) during the year amounts to Rs. 43 Million (2022: Rs. 5.1 Million).
- The Company does not pay remuneration to non-executive directors, including independent directors, except for the fee for attending the meetings.

For further details on remuneration of Directors and CEO in FY 2022-23, please refer to note 39 of the Financial Statements.

Internal Audit Function

Ghandhara Industries Limited has an independent Internal Audit Function which has designed internal controls to safeguard the financial and operational reporting of the Company. The Board Audit Committee quarterly reviews the appropriateness of resources and authority of this function. The Head of Internal Audit functionally reports to the Audit Committee. The Board Audit Committee approves the audit plan, based on an annual and quarterly assessment of the operating areas.

The Internal Audit function carries out reviews on the financial, operational and compliance controls, and reports its findings functionally to the Board Audit Committee and administratively to the Chief Executive Officer.

The Board understands its responsibility towards the smooth functioning of internal financial controls and continuously strives to achieve the best practices through its regular governance.

Internal Controls

The Company has employed an effective system of internal controls to carry on the business of the Company in an orderly manner, safeguard its assets and secure the accuracy and reliability of its records. The Management supervision and reviews are an essential element of the system of internal controls. The Management has delegated the function of detailed examination and special review to the team of internal auditors.

The Board ensures adequacy of internal control activities either directly or through its committees. The Board also reviews the Company's financial operations and position at regular intervals by means of interim accounts, reports, profitability reviews and other financial and statistical information. Analysis of budgetary control is in place and the Board reviews material variances with explanations and actions taken thereon on a periodic basis.

Auditors

Present auditors, Messrs. ShineWing Hameed Chaudhri & Co, Chartered Accountants have retired. Being eligible, Messrs. ShineWing Hameed Chaudhri have offered themselves for re-appointment. The Board of Directors endorses recommendation of the Audit Committee for their re-appointment as auditors of the Company for the financial year ending June 30, 2024, to the shareholders for approval.

Pattern of shareholding

The pattern of shareholding as on 30th June 2023 and additional information thereabout required under the Code of Corporate Governance are annexed.

Communication with Stakeholders

The Company focuses on the importance of communication with the shareholders. The annual, half yearly and quarterly reports are distributed to them within the time specified in the Companies Act, 2017. The activities of the Company are updated on its web site at www.gil.com.pk, on a timely basis.

Related Party Transactions

The Company, in the normal course of business, carries out transactions with various related parties. Amounts due from and to related parties, amounts due from executives and remuneration of directors and executives are disclosed in the relevant notes to the Financial Statements. Other material transactions with related parties are disclosed in note 40 to the Financial Statements.

Responsibility towards environment and society

Ghandhara Industries Limited is well aware of its responsibility towards the environment and society and makes its utmost possible efforts towards the betterment of society in general and for its employees specifically. Various seminars were undertaken during the year regarding health, safety and education of its employees to develop safe and environment friendly working practices. Further, keeping in view the dynamic changes in the environment and to get better utilization from sources of energy, the Company has already installed solar panels in our admin block which will also help generate clean and affordable energy for the Company.

Corporate Social Responsibility

The Company considers social, environmental, and ethical matters in the context of the overall business environment. The Company is committed to working in the best interest of all the stakeholders, in particular the community in which we live and to form our customer base. Details of Corporate social responsibility has been mentioned on dedicated pages in Annual Report 2023.

Subsequent Events

No material changes or commitments affecting the financial position of the Company have taken place between the end of the financial year and the date of the report.

Code of Corporate Governance

The Board is pleased to state that the management of the Company is compliant with the best practices of corporate governance. A statement of compliance is annexed on pages 69 and 70. The Board acknowledges its responsibility in respect of the corporate and financial reporting framework and thus states that:

- The financial statement prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial and Reporting Standards, as applicable in Pakistan, and Companies Act, 2017 have been followed in preparation of financial statement.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- Statement of pattern of Shareholding has been included as a part of this Annual Report.
- There has been no material departure from the best practices of the Code of Corporate Governance, as detailed in the listing regulations (Rule book of Pakistan Stock Exchange).
- The highlights of operating and financial data for the last six years are annexed.
- Information about taxes and levies is given in notes to the accounts.
- During the year, no trading in shares of the Company was carried out by Directors, CFO, Company Secretary, their spouses and minor children.
- The Company operates a defined benefit gratuity fund for its employees. The value of investments as at June 30, 2023, was Rs. 171.83 million.

Closure of Subsidiary

The management of Marghzar Industries Limited-Subsidiary Company, after approval from its members on 26 June 2023, has submitted an application and related documentation to the Securities and Exchange Commission of Pakistan (SECP), regarding its closure. Consequently, the Company had adjusted its investment in its dormant subsidiary amounting to Rs. 1.4 million, as the said subsidiary had been struck-off from the register of SECP. For further details on the closure of the aforesaid company, please refer to notes 7 of the Financial Statements.

Outlook

Despite the turbulent domestic and international political and economic conditions, the Company based on its market position and potential growth in the sector, is confident about economic revival and gradual recovery in sales volumes and profitability.

Acknowledgement

The board acknowledges the trust and confidence in the Company and its products of the shareholders, valued suppliers, customers, dealers and bankers and thanks them for their co-operation and support during these unusual circumstances. The Board is pleased to express its appreciation for the continued diligence and devotion of the employees. The Board takes the opportunity to thank the Company's principals Isuzu Motors Limited, Isuzu Motors Company (Thailand) Limited and Isuzu Motors International Operations (Thailand) Company Limited and the trading house Marubeni Corporation for their continued support and assistance.

On behalf of the Board of Directors



Mr. Ali Kuli Khan Khattak
Chairman

On behalf of the Board of Directors



Mr. Ahmad Kuli Khan Khattak
Chief Executive

Karachi
Dated: October 03, 2023

• انٹر نل کنٹرول کا نظام اپنی ساخت کے اعتبار سے مستحکم ہے اور اس کا موثر انداز میں اطلاق اور نگرانی کی جاتی ہے۔

• کمپنی کا کاروبار رواں دواں رکھنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔

• شیئر ہولڈنگ کے پیٹرن کا بیان اس سالانہ رپورٹ کے ایک حصے کے طور پر شامل کر لیا گیا ہے۔

• لسٹنگ ریگولیشنز (پاکستان اسٹاک ایکسچینج کی رول بک) میں تفصیلاً درج کاروباری نظم و ضبط کی اعلیٰ ترین روایات سے کوئی پہلو تہی نہیں کی گئی۔

• گزشتہ چھ سال کے آپریٹنگ اور فنانشل ڈیٹا کی جھلکیاں منسلک ہیں۔

• ٹیکسز اور محصولات کے بارے میں معلومات اکاؤنٹس کے نوٹس میں دی گئی ہیں۔

• سال کے دوران کمپنی کے ڈائریکٹرز، سی ایف او، کمپنی سیکریٹری، ان کی شریک حیات اور نابالغ بچوں کی طرف سے کمپنی کے شیئرز کی کوئی خرید و فروخت نہیں کی گئی۔

• کمپنی اپنے ملازمین کے لیے ایک متعین کردہ بینیفٹ گریجویٹ فنڈ چلاتی ہے۔ بمطابق 30 جون 2023، سرمایہ کاری کی مالیت 171.83 ملین روپے تھی۔

ذیلی ادارے کی بندش

مرغزار انڈسٹریز لمیٹڈ - ذیلی کمپنی کی انتظامیہ نے 26 جون 2023 کو اپنے ممبران سے منظوری کے بعد اس کی بندش کے حوالے سے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کو ایک درخواست اور متعلقہ دستاویزات جمع کروائی ہیں۔ نتیجتاً، کمپنی نے اپنی غیر فعال ذیلی کمپنی میں اپنی سرمایہ کاری کو طے کر لیا تھا جس کی رقم 1.4 ملین روپے تھی، جیسا کہ مذکورہ ذیلی ادارے کو SECP کے رجسٹر سے خارج کر دیا گیا تھا۔ مذکورہ کمپنی کی بندش کے بارے میں مزید تفصیلات کے لیے، براہ کرم مالیاتی گوشواروں کے نوٹ 7 کو بطور حوالہ ملاحظہ کریں۔

مستقبل کی توقعات

ہنگامہ خیز ملکی اور بین الاقوامی سیاسی اور اقتصادی حالات کے باوجود، کمپنی اپنی مارکیٹ کی پوزیشن اور اس شعبے میں ممکنہ ترقی کی بنیاد پر، معاشی بحالی اور فروخت کے حجم اور منافع میں بتدریج بحالی کے بارے میں پراعتماد ہے۔

اعتراف

بورڈ کمپنی اور اس کی مصنوعات پر شیئر ہولڈرز، قابل قدر سپلائرز، صارفین، ڈیلرز اور بینکرز کے بھروسے اور اعتماد کا اعتراف کرتا ہے اور ان غیر معمولی حالات میں ان کے تعاون اور سرپرستی پر ان کا شکریہ ادا کرتا ہے۔ بورڈ اپنے ملازمین کی مستقبل مزاجی اور لگن کے لیے اپنا خراج تحسین ریکارڈ پر لاتے ہوئے خوشی محسوس کرتا ہے۔ بورڈ اس موقع پر کمپنی کے پرنسپلز اسوز و موٹرز لمیٹڈ، اسوز و موٹرز کمپنی (تھائی لینڈ) لمیٹڈ، اور اسوز و موٹرز انٹرنیشنل آپریشنز (تھائی لینڈ) کمپنی لمیٹڈ اور ٹریڈنگ ہاؤس مارو بینی کارپوریشن سے ان کی مسلسل مدد اور معاونت پر اظہار تشکر کرتا ہے۔

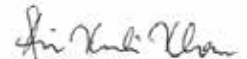
بورڈ آف ڈائریکٹرز کی جانب سے



احمد قاسم خان خٹک

چیف ایگزیکٹو

بورڈ آف ڈائریکٹرز کی جانب سے



علی قاسم خان خٹک

چیرمین

کراچی

تاریخ: 03 اکتوبر 2023

متعلقہ پارٹی سے لین دین

کمپنی عمومی کاروباری طریقہ کار کے مطابق متعلقہ فریقوں سے لین دین کرتی ہے۔ متعلقہ فریقوں کی طرف واجب الادا رقم، ایگزیکٹوز سے قابل وصولی رقم اور ڈائریکٹرز اور ایگزیکٹوز کے معاوضے کا انکشاف مالیاتی اعداد و شمار کے متعلقہ نوٹ میں کیا جاتا ہے۔ متعلقہ فریقوں کے ساتھ دیگر اہم لین دین کا انکشاف مالیاتی اعداد و شمار کے نوٹ 40 میں کیا گیا ہے۔

ماحول اور معاشرے کی بابت ذمہ داری

گندھارا انڈسٹریز لمیٹڈ ماحولیات اور معاشرے کے تین اپنی ذمہ داری سے بخوبی واقف ہے اور معاشرے کی بہتری کے لیے عمومی طور پر اور اپنے ملازمین کے لیے خاص طور پر اپنی پوری کوشش کرتی ہے۔ سال کے دوران کام کرنے کے محفوظ اور ماحول دوست طریقوں کو فروغ دینے کے لیے اپنے ملازمین کی صحت، حفاظت اور تعلیم کے سلسلے میں مختلف سیمینارز منعقد کیے گئے۔

مزید برآں، ماحول میں ہونے والی متحرک تبدیلیوں کو مد نظر رکھتے ہوئے اور توانائی کے ذرائع سے بہتر استفادہ کرنے کے لیے، کمپنی نے ہمارے ایڈمن بلاک میں پہلے ہی سولر پینل نصب کر دیے ہیں جو کہ کمپنی کے لیے صاف اور کفایتی توانائی پیدا کرنے میں بھی مددگار ثابت ہوں گے۔

کاروباری سماجی ذمہ داری

کمپنی مجموعی کاروباری ماحول کے تناظر میں سماجی، ماحولیاتی اور اخلاقی معاملات پر غور کرتی ہے۔ کمپنی تمام اسٹیک ہولڈرز، خاص طور پر اس کمیونٹی کے بہترین مفاد میں کام کرنے کے لیے پرعزم ہے جس میں ہم رہتے ہیں اور اپنا کسٹمر میں تشکیل دیتے ہیں۔ کارپوریٹ سماجی ذمہ داری کی تفصیلات سالانہ رپورٹ 2023 میں مختص صفحات پر درج کی گئی ہیں۔

بعد کے واقعات

مالی سال کے اختتام اور رپورٹ کی تاریخ کے مابین کمپنی کی مالی حیثیت متاثر کرنے والی کوئی مادی تبدیلی یا معاہدہ نہیں ہوئے ہیں۔

کارپوریٹ گورننس کا کوڈ

بورڈ یہ بیان کرتے ہوئے خوشی محسوس کرتا ہے کہ کمپنی کا انتظام کارپوریٹ گورننس کے بہترین طریق کار کے مطابق ہے۔ کمپلائنس کا بیان صفحہ 69 اور 70 پر منسلک ہے۔ کارپوریٹ اور مالیاتی رپورٹنگ کے فریم ورک کے حوالے سے بورڈ اپنی ذمہ داری تسلیم کرتا ہے اور اس کو بیان کرتا ہے کہ:

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی گوشوارے اس کے معاملات کی کیفیت، اس کے آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔

- کمپنی نے اپنے اکاؤنٹس کی کتابیں درست انداز میں رکھی ہوئے ہیں۔

- کمپنی نے مالیاتی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل پیروی کی ہے اور شمار یا تی تخمینے مناسب اور معقول نظریات پر مبنی ہیں۔

- ان مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی اور رپورٹنگ معیارات، جیسا کہ پاکستان میں قابل اطلاق ہیں، اوکیئیز ایکٹ، 2017 کی پیروی ہے۔

انٹرنل آڈٹ فنکشن

گندھارا انڈسٹریز لمیٹڈ کا ایک انٹرنل آڈٹ فنکشن ہے جس نے کمپنی کی مالیاتی آپریشنل رپورٹنگ کے تحفظ کے لیے اندرونی کنٹرول تیار کیے ہیں۔ بورڈ آڈٹ کمیٹی سے ماہی بنیاد پر اس فنکشن کے وسائل اور اختیارات کی معقولیت کا جائزہ لیتی ہے۔ انٹرنل آڈٹ کا سربراہ عملاً آڈٹ کمیٹی کو رپورٹ کرتا ہے۔ بورڈ آڈٹ کمیٹی آپریٹنگ کے علاقوں کی سالانہ اور سہ ماہی تشخیص کی بنیاد پر آڈٹ پلان کی منظوری دیتی ہے۔

انٹرنل آڈٹ فنکشن میں مالیاتی، آپریشنل اور کمپلائنس کنٹرولز کا جائزہ لیا جاتا ہے اور اس کے نتائج کو عملی طور پر بورڈ آڈٹ کمیٹی اور انتظامی طور پر چیف ایگزیکٹو آفیسر کو رپورٹ کیا جاتا ہے۔

بورڈ انٹرنل کنٹرولز کو ہموار طریقے سے چلانے کے لیے اپنی ذمہ داری سمجھتا ہے اور اپنی مستقل گورننس کے ذریعے بہترین طریق کار پر عمل پیرا ہونے کے لیے مسلسل کوشاں ہے۔

انٹرنل کنٹرولز

کمپنی نے کاروبار کو منظم طریقے سے آگے بڑھانے، اس کے اثاثوں کی حفاظت اور اس کے ریکارڈ کی درستگی اور واثاثوں کو محفوظ بنانے کے لیے اندرونی کنٹرول کا ایک مؤثر نظام وضع کیا ہے۔ انتظامی نگرانی اور جائزے اندرونی کنٹرول کے نظام کا ایک لازمی عنصر ہیں۔ انتظامیہ نے تفصیلی جانچ اور خصوصی جائزہ لینے کا کام اندرونی آڈیٹرز کی ٹیم کو سونپ دیا ہے۔

بورڈ براہ راست یا اپنی کمیٹیوں کے ذریعے اندرونی کنٹرول کی سرگرمیوں کی موزوں مقدار کو یقینی بناتا ہے۔ بورڈ عبوری کھاتوں، رپورٹوں، منافع کے جائزوں اور دیگر مالیاتی اور شماریاتی معلومات کے ذریعے کمپنی کے مالیاتی آپریشنز اور پوزیشن کا باقاعدہ وقفوں سے جائزہ بھی لیتا ہے۔ بجٹ کے کنٹرول کا تجزیہ بھی وقت پر ہوتا ہے اور بورڈ وقتاً فوقتاً اس پر کی جانے والی وضاحتوں اور اقدامات کے ساتھ مادی تغیرات کا جائزہ لیتا ہے۔

آڈیٹرز

موجودہ آڈیٹرز میسرز شائن ونگ حمید چوہدری اینڈ کمپنی، چارٹرزڈ اکاؤنٹنٹس رینڈمز ہو گئے ہیں۔ اہل ہونے کے ناطے شائن ونگ حمید چوہدری نے دوبارہ تقرری کے لیے خود کو پیش کیا ہے۔ بورڈ آف ڈائریکٹرز 30 جون 2024 کو ختم ہونے والے مالی سال کے لیے شیئر ہولڈرز سے منظوری کے لیے آڈٹ کمیٹی کی سفارش کی توثیق کرتا ہے۔

شیئر ہولڈنگ کا پیٹرن

30 جون 2023 تک شیئر ہولڈنگ کا پیٹرن اور اس کے بارے میں کوڈ آف کارپوریٹ گورننس کے تحت درکار اضافی معلومات کو منسلک کیا گیا ہے۔

اسٹیک ہولڈرز کے ساتھ رابطہ

کمپنی شیئر ہولڈرز کے ساتھ رابطے کی اہمیت پر توجہ مرکوز رکھتی ہے کمپنیز ایکٹ، 2017 میں متعین وقت کے اندر سالانہ، نصف سالانہ اور سہ ماہی رپورٹس ان میں تقسیم کی جاتی ہیں۔ کمپنی اپنی سرگرمیوں کی اپنی ویب سائٹ www.gil.com.pk پر بروقت بنیاد پر تجدید کرتی ہے۔

حاضری			حیثیت	ڈائریکٹر کا نام
HR&R	BAC	BOD		
-		5/6	10 اپریل 2021 کو دوبارہ انتخاب	جناب علی قلی خان خٹک
1/1	-	6/6	10 اپریل 2021 کو دوبارہ انتخاب	جناب احمد قلی خان خٹک
-	-	6/6	6 جون 2022 کو اتفاقہ آسانی پر کرنے کیلئے دوبارہ انتخاب	جناب محمد قلی خان خٹک
1/1	3/4	6/6	10 اپریل 2021 کو دوبارہ انتخاب	میجر (ر) محمد ضیا
1/1	3/4	5/6	10 اپریل 2021 کو دوبارہ انتخاب	جناب شاہد کمال خان
-	-	5/6	10 اپریل 2021 کو دوبارہ انتخاب	محترمہ شہناز سجاد احمد
0/1	2/4	5/6	10 اپریل 2021 کو دوبارہ انتخاب	جناب سہیل حمید

ان ڈائریکٹرز کو رخصت مرحمت کر دی گئی جو اجلاس میں شریک نہیں ہو سکے۔

بورڈ آف ڈائریکٹرز اور بورڈ کی کمیٹیوں کی کارکردگی کا تجزیہ

- بورڈ کے کردار اور اس کی افادیت کا تجزیہ خود بورڈ ہی کی طرف سے کیا جاتا ہے۔ توجہ کے اہم شعبے درج ذیل ہیں:
- کمپنی کے وژن اور مشن اسٹیمٹس میں بیان کردہ کاروباری اہداف اور مقاصد حاصل کرنا۔
 - پائیدار منصوبہ بندی اور آپریشنز کے لیے حکمت عملی ترتیب دینا اور انتظامیہ کو ہدایات پہنچانا، اور
 - اپنی ذمہ داریوں کو نبھانے کے حوالے سے بورڈ کی کمیٹیوں کا تشریح کردہ ٹرینڈز آف ریفلیکس کے مطابق تجزیہ۔

ڈائریکٹرز کا معاوضہ

بورڈ ممبران کے معاوضے کی منظوری بورڈ خود ہی دیتا ہے۔ تاہم کارپوریٹ گورننس کے کوڈ کے مطابق، یہ یقینی بنایا جاتا ہے کہ کوئی بھی ڈائریکٹر اپنے معاوضے کے فیصلے میں حصہ نہیں لے گا۔ معاوضہ پالیسی کی اہم خصوصیات درج ذیل ہیں:

- ☆ سال کے دوران چیف ایگزیکٹو آفیسر کے معاوضے بشمول مراعات اور دیگر فوائد کی مالیت 70 ملین روپے ہے۔ (2022: 80 ملین روپے)
 - ☆ سال کے دوران محمد قلی خان خٹک (ایگزیکٹو ڈائریکٹر) کے معاوضہ کی مالیت 43 ملین روپے ہے۔ (2022: 5.1 ملین روپے)
 - ☆ کمپنی نان ایگزیکٹو ڈائریکٹرز بشمول آزاد ڈائریکٹرز کو مساوائے اجلاسوں میں شرکت کے لیے فیس کے، معاوضے کی ادائیگی نہیں کرتی ہے۔
- مالی سال 2022-2023 میں ڈائریکٹرز اور سی ای او کے معاوضے سے متعلق مزید تفصیلات کے لیے مالیاتی اعداد و شمار میں نوٹ 39 دیکھیں۔

بمطابق 30 جون 2023 ڈائریکٹرز کے نام درج ذیل ہیں:

- جناب علی قلی خان خٹک
- جناب احمد قلی خان خٹک
- محترمہ شہناز سجاد احمد
- میجر (ر) محمد ضیا
- جناب محمد قلی خان خٹک
- جناب شاہد کمال خان
- جناب سہیل حمید

ہیومن ریسورس اینڈ ریمو نیویشن کمیٹی (HR&R)

یہ کمیٹی ایک آزاد ڈائریکٹر سمیت چار نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے۔ اس کی ٹرمز آف ریفرنس کا تعین کوڈ آف کارپوریٹ گورننس، 2019، ”کوڈ“ میں فراہم کردہ رہنما خطوط کے مطابق کیا گیا ہے۔ کمیٹی سینیئر ایگزیکٹوز کے معاوضے، تنظیم اور ملازمت کی ترقی سے متعلق پالیسیوں کے تمام عناصر کا جائزہ لینے اور سفارش کرنے اور ایگزیکٹو ڈائریکٹرز سے متعلق تمام امور کی منظوری کے لیے اجلاس کرتی ہے۔ 2022-2023 کے دوران میں کمیٹی کا ایک اجلاس ہوا۔

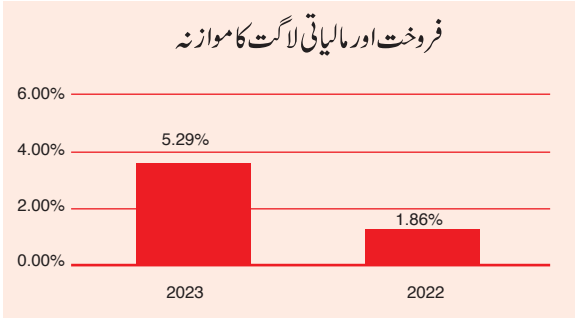
آڈٹ کمیٹی

یہ کمیٹی تین اراکین پر مشتمل ہے جس میں نان ایگزیکٹو ڈائریکٹرز اور انٹرنل آڈٹ کے سربراہ بطور سیکریٹری شامل ہوتے ہیں، کمیٹی کا چیئر مین ایک آزاد ڈائریکٹر ہوتا ہے۔ بورڈ آڈٹ کمیٹی، بورڈ کو اپنی نگرانی کی ذمہ داریوں، بنیادی طور پر مالیاتی اور غیر مالیاتی معلومات کا جائزہ لینے اور شیئر ہولڈرز کو ان کی رپورٹنگ کرنے، انٹرنل کنٹرول اور رسک مینجمنٹ کے نظام اور آڈٹ کے عمل کی نگرانی میں معاونت فراہم کرتی ہے۔ اسے انتظامیہ سے معلومات طلب کرنے اور جیسا مناسب سمجھے، ایکسٹرنل آڈیٹرز یا مشیروں کے ساتھ براہ راست مشاورت کی خود مختاری حاصل ہے۔ چیف فنانشل آفیسر حسابات پیش کرنے کے لیے بذریعہ دعوت باقاعدگی سے بورڈ آڈٹ کمیٹی کے اجلاسوں میں شریک ہوتے ہیں۔ ہر اجلاس کے بعد کمیٹی کے چیئر مین بورڈ کو رپورٹ پیش کرتے ہیں۔ اس کمیٹی کی ٹرمز آف ریفرنس ضابطہ اخلاق (کوڈ) میں فراہم کردہ خطوط کے مطابق طے کی گئی ہیں۔

بورڈ اور اس کی کمیٹیوں کے اجلاس

زیر جائزہ سال کے دوران بورڈ آف ڈائریکٹرز (BoD) کے چھ، بورڈ آڈٹ کمیٹی (BAC) کے چار اور ہیومن ریسورس اینڈ ریمو نیویشن (HR&R) کا ایک اجلاس ہوا۔ بورڈ کے اجلاسوں میں حاضری درج ذیل رہی:

مالیاتی لاگت



سال کے دوران پالیسی کی شرح میں اضافے کی وجہ سے کمپنی کی مالی لاگت فروخت کے فیصد کے طور پر بڑھی ہے۔ تاہم، پالیسی کی شرح میں اضافہ ایک مسلسل خطرہ ہے۔ انتظامیہ قرضوں کو مزید بہتر بنا کر ان اخراجات کا مؤثر طریقے سے انتظام کرنے پر پراعتماد ہے۔

ہولڈنگ کمپنی

پاکستان میں قائم شدہ بیو جی سروسز (پرائیویٹ) لمیٹڈ، 39.16 فیصد شیئرز کی براہ راست ملکیت اور کچھ دیگر بالواسطہ شیئرز ہولڈنگ کے ذریعے ہماری ہولڈنگ کمپنی ہے۔

چیئر مین کا جائزہ

مارکیٹ اور معیشت پر چیئر مین کے جائزے کی کمپنی کے ڈائریکٹرز کی طرف سے توثیق کی جارہی ہے اور اسے ان مالیاتی اعداد و شمار کا حصہ بنایا گیا ہے۔

ڈیویڈنڈ

کمپنی کی مالی حیثیت کو مد نظر رکھتے ہوئے کمپنی کے ڈائریکٹرز نے نقد رقم یا کسی دوسری صورت میں کسی ڈیویڈنڈ کی ادائیگی نہ کرنے کا فیصلہ کیا ہے۔

بورڈ ڈائریکٹرز اور اس کی کمیٹیاں

30 جون 2023 تک کمپنی کا بورڈ آف ڈائریکٹرز درج ذیل پر مشتمل ہے:

ڈائریکٹرز کی مجموعی تعداد

06	مرد
01	خواتین

ساخت

02	آزاد ڈائریکٹرز
03	نان ایگزیکٹو ڈائریکٹرز
02	ایگزیکٹو ڈائریکٹرز

آپریٹنگ نتائج مجموعی منافع

سال کے دوران کمپنی کے مجموعی منافع میں سال کے دوران فروخت کے فیصد کے طور پر اضافہ ہوا، جس کی بنیادی وجہ بہتر انتظام کاری ہے۔

فی شیئر آمدنی

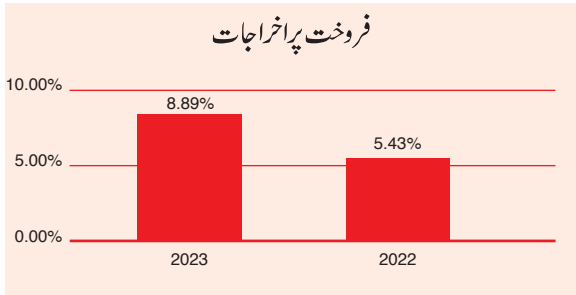
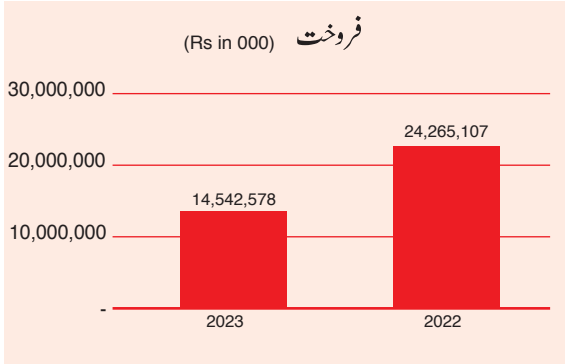
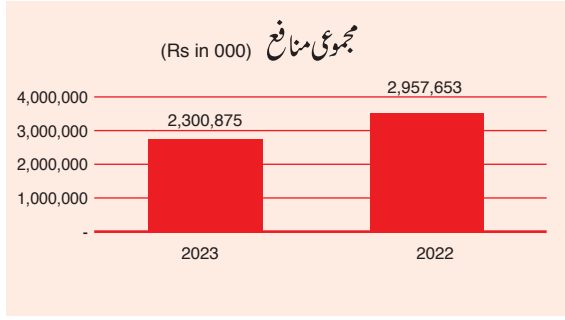
بعد از ٹیکس بنیادی اور تحلیل شدہ آمدنی 4.21 روپے ہے
[2022: فی شیئر آمدنی 17.10]۔

فروخت

جیسا کہ اوپر روشنی ڈالی گئی مجموعی ٹرک اور بس مارکیٹ میں فروخت کے رجحان میں کمی کی وجہ سے، کمپنی کی فروخت آمدنی کم ہو کر 14.54 بلین روپے رہ گئی۔ مقابلہ جو گزشتہ سال 24.27 بلین تھی۔ اس کے علاوہ، آپ کی کمپنی نے مارکیٹ شیئر میں اپنی پہلی پوزیشن کو 42% تک برقرار رکھا ہے۔ کمپنی بعد از فروخت سروس کے اعتبار کے ساتھ ایک بے مثال اور کفایتی پروڈکٹ لائن اپ کی بنیاد پر بہتر کارکردگی کا مظاہرہ کرنے پر پراعتماد ہے۔

تقسیم اور انتظامی اخراجات

منہگائی کی وجہ سے فروخت کے مقابلے میں تقسیم اور انتظامی اخراجات میں اضافہ ہوا ہے، تاہم کمپنی آنے والے معاشی چیلنجز کے اثرات سے آگاہ ہے اور بہتر منصوبہ بندی اور مذاکرات کے ذریعے ان کا مقابلہ کرنے کے لیے تیار ہے۔



ڈائریکٹرز کی شير ہولڈرز کو رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 جون 2023 کو ختم ہونے والے سال کے لیے کمپنی 60 ویں سالانہ رپورٹ اور آڈٹ شدہ مالیاتی اعداد و شمار پیش کرتے ہوئے خوش محسوس کرتے ہیں۔

معیشت اور مارکیٹ کا جائزہ

مالی سال 2023 میں پاکستان کی معیشت مختلف عوامل کی وجہ سے غیر یقینی کا شکار رہی۔ کم ہوتے غیر ملکی ذخائر سے خام مال کی قیمتوں میں اضافہ، ایندھن کی قیمتوں پر بین الاقوامی دباؤ کی وجہ سے آپریشن کی لاگتوں میں زیادتی، روپے کی قدر میں مسلسل کمی، شرح سود میں اضافہ اور افراط زر کی شرح جیسی وجوہات کی بنا پر کاروبار کرنے کی لاگت میں اضافہ ہوا جس کے نتیجے میں پوری اقتصادیات خاص طور پر آٹو سیکٹر متاثر ہوئی۔ جس نے مالی سال 2022 کے مقابلے میں تنزلی کے رجحان کو جاری رکھا۔

مالی سال 2023 میں ٹرک اور بس مارکیٹ میں 3,836 گاڑیوں کے ساتھ 41 فیصد کمی واقع ہوئی ہے۔ تمام بیرونی چیلنجوں کے باوجود، ہماری کمپنی نے وسیع منصوبہ بندی اور ٹیم ورک کے ساتھ اپنے اعلیٰ مارکیٹ شیئر کو برقرار رکھا اور مالی سال 2024 میں اپنی پوزیشن کو مزید بہتر بنانے کیلئے نئے کسٹمرز اور نئی مارکیٹوں کی کھوج میں اپنی صلاحیتوں کو بروئے کار لائے گی۔

کمپنی کی اہم سرگرمیاں

گندھارا انڈسٹریز لمیٹڈ (کمپنی) پاکستان میں بطور پبلک لمیٹڈ قائم اور پاکستان اسٹاک ایکسچینج (PSX) میں مندرج ہے۔ ISUZU بسوں، ٹرکوں اور پک اپ ٹرکوں کی اسمبلی، پروگریسیو مینوفیکچرنگ اور مارکیٹنگ کمپنی کی اہم سرگرمی ہے۔

اہم خطرات اور غیر یقینی صورت حال

کمپنی کے اہم خطرات مارکیٹ میں مسابقت، زروپے کی قدر میں کمی، شرح سود، مجموعی معاشی اور سیاسی صورتحال شامل ہیں جو کمپنی کی مالی حیثیت متاثر کر سکتے ہیں۔

مالیاتی کارکردگی

مالی نتائج کا خلاصہ درج ذیل ہے:

2022	2023	
ہزار روپوں میں		
1,592,477	1,193,117	آپریشنز سے منافع
(451,578)	(769,285)	مالیاتی لاگت
1,140,899	423,832	قبل از ٹیکس منافع
(412,399)	(244,408)	ٹیکس
728,500	179,424	بعد از ٹیکس منافع

Ghandhara Industries Limited

Notice of 60th Annual General Meeting

Notice is hereby given that the 60th Annual General Meeting of the shareholders of GHANDHARA INDUSTRIES LIMITED will be held on Friday, October 27th, 2023 at 09:45 A.M at F-3, Hub Chauki Road, S.I.T.E., Karachi to transact the following business:

Ordinary Business

- 1) To receive, consider and adopt the annual audited financial statements of the Company for the year ended June 30, 2023, together with Chairman's Review, Directors' and Auditors' report thereon.
- 2) To appoint Auditors for the year ending June 30, 2024 and to fix their remuneration. The retiring auditors, Messers ShineWing Hameed Chaudhri & Co. Chartered Accountants, being eligible, have offered themselves for re-appointment for the year ending June 30, 2024.
- 3) Any other business with the permission of the Chair.

Special Business

- 1) To consider to pass the following ordinary resolutions:
 - a) "RESOLVED that the transactions carried out in normal course of business with related parties during the year ended June 30, 2023 be and are hereby ratified and approved."
 - b) "RESOLVED that the Chief Executive of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with associated companies/related parties during the ensuing year ending June 30, 2024 and, in this connection, the Chief Executive be and is hereby also authorized to take any and all necessary actions and sign/execute any and all such documents/indentures as may be required in this regard on behalf of the Company."
- 2) To consider and, if thought fit, ratify and approve the winding up of Marghzar Industries (Pvt.) Limited, subsidiary company, as ratified, approved and recommended by the Board of Directors of Ghandhara Industries Limited, and pass the following ordinary resolutions(s) with or without modification(s):

"RESOLVED that the winding up of Marghzar Industries (Pvt.) Limited, a subsidiary Company of Ghandhara Industries Limited, be and is hereby ratified".

"FURTHER RESOLVED that the Board of Marghzar Industries (Pvt.) Limited and management of Ghandhara Industries Limited be and are hereby authorized to complete the process for winding up of Marghzar and all the related regulatory, legal and other formalities including authorization of persons(s) to execute and implement the winding up."

By Order of the Board



Talha Ahmed Zaidi
Company Secretary

Karachi
October 6, 2023

A statement of material facts under section 134(3) of the Companies Act, 2017 pertaining to the Special Business is annexed to this notice of the meeting.

NOTES:

1. Participation through video conferencing facility

The Company, in order to facilitate shareholders for their convenience and to minimize physical interaction keeping in view quorum requirements, has made arrangements to ensure that shareholders may participate through video conferencing facility.

The shareholders who have already updated their valid e-mail IDs with the Company or its Share Registrar and are interested to attend AGM online may send below information along with valid copy of both sides of CNIC with the subject "Registration for Ghandhara Industries Limited AGM" at shareholders@gil.com.pk. Such information should be sent from their duly registered valid e-mail ID for the registration purposes latest by October 25, 2023.

Name	CNIC Number	Folio / CDC Account no.	Cell no.	Email Address

Members whose requests are received by the aforesaid date; detailed procedure will be shared with them for joining the online meeting.

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address shareholders@gil.com.pk.

Members are therefore, encouraged to attend the AGM through video link or by consolidating their attendance through proxies.

2. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed for the period from October 20, 2023 to October 27, 2023 (both days inclusive) for the purpose of Annual General Meeting. Transfers received in order at our Share Registrar M/s. CDC Share Registrar Services Limited. CDC House no. 99-B, Block B, S.M.C.H.S Main Shahrah-e-Faisal, Karachi at the close of business on October 19, 2023 shall be treated in time for the purpose of Annual General Meeting. No transfer will be accepted for registration during this period.

3. Participation in General Meeting

A member of the Company entitled to attend and vote at this meeting, may appoint another person as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

CDC shareholders entitled to attend and vote at the meeting must bring his/her Participant ID and Account/Sub-Account number along with original CNIC or original passport to authenticate his/her identity. In case of corporate entity, resolution of Board of Directors/Power of Attorney with specimen signature of the nominee along with his/her recent photograph shall be produced (unless it has been provided earlier) at the time of the meeting.

4. For appointing the proxy

In case of individual, the account holder or sub-account holder, and / or the person whose securities are in group account and their registration details are up-loaded as per the CDC Regulations, shall submit the proxy form as per above requirement.

Two persons, whose names, addresses, and CNIC numbers shall be mentioned on the form, shall witness the proxy.

Attested copies of CNIC or passport of the beneficial owners and proxy shall be furnished along with the proxy form.

The proxy shall produce his/her original CNIC or original passport at the time of the meeting

In case of corporate entity, the Board of Directors' resolution/power of attorney, along with the specimen signature of the nominee, shall be submitted along with the proxy form to the Company.

5. Change in Address and CNIC

Members are requested to notify/submit the following Information / documents, in case of book entry securities in CDS to their respective participants and in case of physical shares to the registrar of the Company by quoting their folio numbers and name of the Company at the above-mentioned address, if not earlier notified/submitted:

- Change in their address and other particulars, if any

- Members, who have not yet submitted attested photocopy of their valid CNIC are requested to submit the same along with folio numbers at earliest, directly to the Company's Share Registrar M/s. CDC Share Registrar Services Limited. CDC House no. 99-B, Block B, S.M.C.H.S Main Shahrah-e-Faisal, Karachi

Further, Pursuant to the directives of the SECP, the dividend of shareholders whose CNIC/SNIC or NTN (in case of corporate entities), are not available with the Share Registrar could be withheld. Shareholders are therefore, requested to submit a copy of their valid CNIC (if not already provided) to the Company's Share Registrar.

Further, to comply with requirements of section 119 of the Companies Act, 2017 and regulation 19 of Companies (General Provisions and Forms) Regulations, 2018, all CDC and physical shareholders are requested to provide their email address and cell phone numbers incorporated / updated in their CDC account or physical folio.

6. Request for Video Conferencing Facility

If the Company receives consent from the members holding at least 10% shareholding residing in a city, to participate in the meeting through video-link at least seven (07) days prior to date of the meeting, the Company will arrange facility of video-link in that city subject to availability of such facility in that city.

To avail this facility please provide the following information to our Share Registrar M/s. CDC Share Registrar Services Limited. CDC House no. 99-B, Block B, S.M.C.H.S Main Shahrah-e-Faisal, Karachi.

"I/We, _____ of _____, being a member of Ghandhara Industries Limited, holder of _____ ordinary share(s) as per Registered Folio No. _____ hereby opt for video conference facility at _____."

Signature of member

7. Availability of Audited Financial Statement on Company's Website

The audited financial statements of the Company for the year ended June 30, 2023 have been made available on the Company's website www.gil.com.pk, at least 21 days before the date of Annual General Meeting.

8. Annual Report through weblink / QR Code / Electronic transmission

In terms of the approval of the members of the Company in their Extra Ordinary General Meeting held on June 22, 2023 and pursuant to the SECP's Notification No. SRO 389 (1)/2023 dated March 21, 2023, the Annual Report for the financial year ended on June 30, 2023 of the Company containing inter alia the audited financial statements, auditors report, directors' and Chairman's reports thereon may be viewed and downloaded by following the QR Code and web-link as given hereunder:

https://gil.com.pk/uploads/files/Reports/Annual/June_2023.pdf



Annual Report has also been emailed to those shareholders who have provided their valid email IDs to the Company.

The shareholders who wish to receive hard copy of the aforesaid documents may send to the Company Secretary / Share Registrar a request to submit hard copy and the Company will supply hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand.

9. Payment of Cash Dividend Electronically (Mandatory Requirement)

In accordance with the provisions of section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its shareholder only through electronic mode directly into the bank account designated by the entitled shareholder. Shareholders who have not yet submitted their banking details for dividends already declared by the Company are requested to fill in "Electronic Credit Mandate Form" as reproduced below and also available on Company's website and send it duly signed along with a copy of valid CNIC/NTN to their respective CDC participant / CDC Investor account services (in case of shareholding in Book Entry Form) or to the Company's Share Registrar M/s. CDC Share Registrar Services Limited. (in case of shareholding in

a) Shareholder's Details	
Name of the Shareholder (s)	
Folio # /CDS Account No.(s)	
CNIC NO. (Copy attached)	
Mobile/Landline no.	
b) Shareholder's Bank Details	
Title of Bank Account	
International Bank Account Number (IBAN)	
Bank's Name	
Branch's name and address	

It is stated that the above-mentioned information is correct and in case of any change herein I/we will immediately intimate the Share Registrar accordingly.

10. Unclaimed Shares and Dividend

Pursuant to Section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Company, which remain unclaimed or unpaid for a period of three years from the date it become due payable shall vest with the Federal Government after compliance of procedures prescribed under the Company Act, 2017. Shareholders are hereby informed that a list of all unclaimed dividend has been added on the Company's website: <https://gil.com.pk/page-Unclaimed-dividend-and-shares>. Any member affected by this notice is advised to write to or call at the office of the Company's share registrar M/s. CDC Share Registrar Services Limited. CDC House no. 99-B, Block B, S.M.C.H.S Main Shahrah-e-Faisal, Karachi during normal working hours.

11. Postal Ballot

The members shall ensure that duly filled and signed ballot paper along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post on the Company's registered address, F-3, Hub Chowki Road, S.I.T.E., Karachi or email at chairman@gil.com.pk. one day before the Annual General Meeting on October 26, 2023, during working hours. The signature on the ballot paper shall match with the signature on CNIC.

12. Procedure for E-Voting:

- I. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on October 19, 2023.
- II. The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- III. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- IV. E-Voting lines will start from October 21, 2023, 09:00 a.m. and shall close on October 26, 2023 at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently

13. Deposit of Physical Shares in to CDC Account

As per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the date of the promulgation of the Companies Act 2017.

Pursuant to the SECP letter no. CSD/ED/Misc./2016-639-640 dated March 26, 2021, the Company is following up with all shareholders holding shares in physical form with the request to convert their shares in Book-Entry Form in order to comply with the provisions of the Companies Act, 2017. Shareholders may contact the Company's Share Registrar to understand the process and benefits of conversion of shares held in physical form into Book-Entry Form.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

The following statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of the Company to be held on October 27th, 2023.

Agenda Item # 1(a) of the Special Business – Transactions carried out with associated companies during the year ended June 30, 2023 to be passed as an Ordinary Resolution

The transactions carried out in normal course of business with associated companies (Related parties) were being approved by the Board as recommended by the Audit Committee on quarterly basis pursuant to clause 15 of the Listed Companies Corporate Governance Regulations, 2019.

During the Board meeting it was pointed out by the Directors that as the majority of Company Directors were interested in this/these transaction(s) due to their common directorship and holding of shares in the associated companies, the quorum of directors could not be formed for approval of this/these transaction(s) which has/have to be approved by the shareholders in the General Meeting.

In view of the above, the transactions conducted during the financial year ended June 30, 2023 with associated companies as shown in note no.40 to the Audited Financial Statements for year ended June 30, 2023 are being placed before the shareholders for their consideration and approval/ratification.

The Directors are interested in the resolution to the extent of their common directorships and their shareholding in the associated companies.

Agenda Item No. 1(b) of the Special Business - Authorization to the Chief Executive for the transactions carried out and to be carried out with associated companies during the ensuing year ending June 30, 2024 to be passed as an Ordinary Resolution

The Company shall be conducting transactions with its related parties during the year ending June 30, 2024 on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship in the associated companies.

In order to comply with the provisions of clause 15 of Listed Companies (Code of Corporate Governance) Regulations, 2019, the shareholders may authorize the Chief Executive to approve transactions carried out and to be carried out in normal course of business with associated companies/related parties during the ensuing year ending June 30, 2024.

The Directors are interested in the resolution to the extent of their common directorships and their shareholding in the associated companies.

Agenda Item No. 2 of the Special Business – Winding up of Marghzar Industries (Pvt.) Limited (a subsidiary company of Ghandhara Industries Limited)

Marghzar Industries (Pvt.) Limited "the Company" is a subsidiary company of Ghandhara Industries Limited. The Company is dormant and has no running business apart from interest income drawn from Ghandhara Industries Limited (the Holding Company).

Information to be disclosed under SRO 423(I)/2018 is set out below:

Contents	Description
Name of the subsidiary	Marghzar Industries (Pvt.) Limited, Unlisted Company
Cost and book value of investment in subsidiary (un-audited June 30, 2023)	Rs. 1.4 million
Total market value of subsidiary based on value of the shares of the subsidiary company:	30 June 2023 (Un-Audited) Break-up value of shares: 19.58 30 June 2022 (Audited) Break-up value of shares: 19.28 (Valuation is not required as 99.99% of the whole assets of Marghzar Industries (Pvt.) Limited consists of liquid cash and cash equivalent)

Contents	Description
Net worth of subsidiary as per latest audited financial statements and subsequent interim financial statements, if available;	30 June 2023 (Un-Audited) Rs. 2.747 million 30 June 2022 (Audited) Rs. 2.705 million
Total consideration for disposal of investment in subsidiary, basis of determination of the consideration and its utilization;	The asset base of Marghzar Industries (Pvt.) Limited is Rs. 2.747 million which has been adjusted against the amount of investment amounting Rs. 1.4 million and remaining 1.347 million booked as other income.
Quantitative and qualitative benefits expected to accrue to the members.	Qualitative Factors: Marghzar Industries (Pvt.) Limited is a dormant company and no economic activity being performed. Marghzar Industries (Pvt.) Limited being unlisted company is required to comply with certain regulatory guidelines and instructions Quantitative Factors: After winding up, the Company will save the essential costs required to keep Marghzar Industries (Pvt.) Limited compliant with various regulatory provisions of different regulatory authorities.

The Directors are interested in the resolution to the extent of their common directorships and their shareholding in the subsidiary company (if any).

Scrutinizer

In accordance with the Regulation 11 of the (Postal Ballot) Regulations, 2018, below is the information regarding the scrutinizer for the purpose of upcoming AGM:

1.	Name of Scrutinizer	M/s. Shinewing Hameed Chaudhri & Co., Chartered Accountants (Statutory Auditors)
2.	Qualification and experience	ShineWing Hameed Chaudhri & Co., Chartered Accountants, is one of the oldest and renowned firms of Chartered Accountants in Pakistan, established by late Mr. Abdul Hameed Chaudhri (FCA) in 1957. It is a member firm of ShineWing International.
3.	Purpose of appointment	The firm is a premier provider of professional services in audit and assurance, accounting, tax, risk management and advisory, and corporate services to a significant number of clients including listed and economically significant entities, through its offices located across Pakistan. As the company is required to appoint scrutinizer for the purpose of voting in the general meeting to transact a business which pertains to closure of subsidiary as mentioned in section 183 of the Companies Act, 2017. Therefore, scrutinizer has been appointed to observe that satisfactory procedures of the voting process including adequate precautionary measures are ensured and reported as mentioned under regulation 11A.

مواد	تفصیلات
تازہ ترین آڈٹ شدہ مالیاتی بیانات اور اس کے بعد کے عبوری مالی بیانات کے مطابق ذیلی کمپنی کی مجموعی مالیت، اگر دستیاب ہو؛	30 جون 2023 (غیر آڈٹ شدہ) روپے 2.747 ملین
	30 جون 2022 (آڈٹ شدہ) روپے 2.705 ملین
ذیلی ادارے میں سرمایہ کاری کے تصرف کے لیے مکمل غور، غور و فکر کے تعین کی بنیاد اور اس کا استعمال؛	مرغز ارانڈسٹریز (پرائیویٹ) لمیٹڈ کے اثاثوں کی بنیاد روپے ہے۔ 2.747 ملین روپے کو 1.4 ملین کی سرمایہ کاری کی رقم کے مقابلے میں ایڈجسٹ کیا گیا ہے اور باقی 1.347 ملین دیگر آمدنی کے طور پر بک ہوئے۔
مقداری اور معیاری فائدے اراکین کو ملنے کی توقع ہے۔	معیاری عوامل: مرغز ارانڈسٹریز (پرائیویٹ) لمیٹڈ ایک غیر فعال کمپنی ہے اور کوئی اقتصادی سرگرمی نہیں کی جا رہی ہے۔ مرغز ارانڈسٹریز (پرائیویٹ) لمیٹڈ کے غیر فہرست شدہ کمپنی ہونے کی وجہ سے کچھ ریگولیٹری رہنما خطوط اور ہدایات کی تعمیل کرنا ضروری ہے، مقداری عوامل: ختم ہونے کے بعد، کمپنی مرغز ارانڈسٹریز (پرائیویٹ) لمیٹڈ کو مختلف ریگولیٹری اتھارٹیز کے مختلف ریگولیٹری دفعات کے مطابق رکھنے کے لیے درکار ضروری لاگوں کو محفوظ رکھے گی۔

ڈائریکٹرز کی اس قرارداد میں دلچسپی ماحقہ کمپنیوں میں ان کی مشترکہ ڈائریکٹر شپ اور ان کی حصص داری تک محدود ہے۔
(پوسٹل بیلٹ) ریگولیشنز، 2018 کی شق 11 کے مطابق، آئندہ سالانہ اجلاس عام کے مقصد کیلئے جانچ پڑتال کرنے والے (اسکروٹائزر) سے متعلق معلومات ذیل میں دی گئی ہیں:

اسکروٹائزر

1-	اسکروٹائزر کا نام	شائن ونگ جمید چو ہدري اينڈ کمپنی، چارٹرڈ اکاؤنٹنٹس (قانونی آڈیٹرز)
2-	قابلیت اور تجربہ	شائن ونگ جمید چو ہدري اينڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، پاکستان میں چارٹرڈ اکاؤنٹنٹس کی سب سے پرانی اور مشہور فرموں میں سے ایک ہے، جسے مرحوم جناب عبدالحمید چو ہدري (FCA) نے 1957 میں قائم کیا تھا۔ یہ شائن ونگ انٹرنیشنل کی ایک رکن فرم ہے۔ یہ فرم پاکستان بھر میں واقع اپنے دفاتر کے ذریعے آڈٹ اور یقین دہانی، اکاؤنٹنگ، ٹیکس، رسک مینجمنٹ اور ایڈوائزری، اور کارپوریٹ خدمات بشمول لٹڈ اور معاشی طور پر اہم اداروں سمیت کلائنٹس کی ایک قابل ذکر تعداد کو پیشہ ورانہ خدمات فراہم کرنے والی ایک اہم کمپنی ہے۔
3-	تعیناتی کا مقصد	جیسا کہ کمپنی کو کمپنیز ایکٹ، 2017 کے سیکشن 183 میں مذکور ذیلی کمپنی کی بندش سے متعلق کاروبار کو لین دین کرنے کے لیے اجلاس عام میں ووٹنگ کے مقصد کے لیے اسکروٹائزر کا تقرر کرنا ضروری ہے۔ لہذا، جانچ پڑتال کرنے والے (اسکروٹائزر) کو یہ مشاہدہ کرنے کے لیے مقرر کیا گیا ہے کہ ووٹنگ کے عمل کے تسلی بخش طریقہ کار بشمول مناسب احتیاطی تدابیر کو یقینی بنایا گیا ہے اور ضابطہ A 11 کے تحت بیان کیے گئے مطابق رپورٹ کیا گیا ہے۔

لسٹ کمپنی کارپوریٹ گورننس ریگولیشنز 2019 کی شق 15 کے تحت ملحقہ کمپنیوں (متعلقہ پارٹیوں) کے ساتھ عمومی کاروباری طریقے کے مطابق کیے گئے سودے آڈٹ کمیٹی کی سفارش پر بورڈ کی جانب سے سہ ماہی بنیادوں پر منظور کیے جا رہے تھے۔

بورڈ اجلاس کے دوران ڈائریکٹرز کی جانب سے نشاندہی کی گئی کہ کمپنی کے ڈائریکٹرز کی ایک بڑی تعداد کا مفاد ان کی مشترکہ ڈائریکٹر شپ اور ملحقہ کمپنیوں میں حصص داری کی وجہ سے ان سودوں سے وابستہ ہے، لہذا ان سودوں کی منظوری کیلئے ڈائریکٹرز کی مطلوبہ تعداد دستیاب نہ ہونے کی وجہ سے اجلاس عام میں شیئر ہولڈرز کی جانب سے ان سودوں کی منظوری لینا ہوگی۔ مذکورہ بالا صورت حال کے پیش نظر 30 جون 2023 کو ختم ہونے والے سال کے آڈٹ شدہ گوشواروں میں نوٹ نمبر 40 میں ظاہر کیا گیا ہے، انہیں غور و خوض اور منظوری کیلئے شیئر ہولڈرز کے روبرو پیش کیا جائے گا۔

ڈائریکٹرز کی اس قرارداد میں دلچسپی ملحقہ کمپنیوں میں ان کی مشترکہ ڈائریکٹر شپ اور ان کی حصص داری تک محدود ہے۔

خصوصی امور کا ایجنڈا آئٹم نمبر 1(b) - ملحقہ کمپنیوں کے ساتھ کیے گئے سودوں اور جو سودے 30 جون 2024 کو ختم ہونے والے سال کے دوران کیے جائیں گے، ان کیلئے چیف ایگزیکٹو کو مجاز بنانے کیلئے ایک عمومی قرارداد منظور کی جائے گی۔

30 جون 2024 کو ختم ہونے والے سال کے دوران کمپنی اپنی ملحقہ کمپنیوں کے ساتھ سودے غیر جانب دار کے ساتھ ”ملحقہ پارٹیوں کے سودے“ کے سلسلے میں منظور شدہ کے مطابق عمومی طریقہ کار کے مطابق سرانجام دے گی۔ ڈائریکٹرز کی ایک بڑی تعداد ملحقہ کمپنیوں میں اپنی مشترکہ ڈائریکٹر شپ کی وجہ سے ان سودوں میں مفادات رکھتی ہے۔ لسٹ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی شق 15 کی ذیلی شقوں کی تعمیل میں حصص یافتگان ملحقہ کمپنیوں / متعلقہ پارٹیوں کے ساتھ عمومی طریقہ کار کے مطابق کیے گئے سودوں اور جو سودے 30 جون 2024 کو ختم ہونے والے سال کے دوران کیے جائیں گے، ان کی منظوری کیلئے چیف ایگزیکٹو کو مجاز بنائیں گے۔ ڈائریکٹرز کی اس قرارداد میں دلچسپی ملحقہ کمپنیوں میں ان کی مشترکہ ڈائریکٹر شپ اور ان کی حصص داری تک محدود ہے۔

خصوصی امور کا ایجنڈا آئٹم نمبر 2 خصوصی قرارداد - مرغزار انڈسٹریز (پرائیوٹ) لمیٹڈ (گندھارا انڈسٹریز لمیٹڈ کی ذیلی کمپنی) کی بندش

مرغزار انڈسٹریز (پرائیوٹ) لمیٹڈ ”کمپنی“، گندھارا انڈسٹریز لمیٹڈ کی ذیلی کمپنی ہے۔ کمپنی غیر فعال ہے اور گندھارا انڈسٹریز لمیٹڈ (ہولڈنگ کمپنی) سے حاصل ہونے والے مارک اپ کے علاوہ اس کا کوئی کاروبار یا ذریعہ آمدنی نہیں ہے۔

ایس آر اور 423(1)/2018 کے تحت منکشف کی جانے والی معلومات ذیل میں دی جا رہی ہیں:

مواد	تفصیلات
ذیلی کمپنی کا نام	مرغزار انڈسٹریز (پرائیوٹ) لمیٹڈ، ان لسٹ کمپنی
ذیلی ادارے میں سرمایہ کاری کی لاگت اور کتابی قیمت (30 جون 2023 کو غیر آڈٹ شدہ)	1.4 ملین روپے
ذیلی کمپنی کے حصص کی قیمت کی بنیاد پر ذیلی کمپنی کی کل مارکیٹ ویلیو:	30 جون 2023 (غیر آڈٹ شدہ) حصص کی بریک اپ ویلیو 19.58 30 جون 2022 (آڈٹ شدہ) حصص کی بریک اپ ویلیو 19.28 (ویلیویشن کی ضرورت نہیں ہے کیونکہ مرغزار انڈسٹریز (پرائیوٹ) لمیٹڈ کے مجموعی اثاثوں کا 99.99% لیکویڈیشن اور نقد کے مساوی پر مشتمل ہے۔)

10۔ غیر دعویٰ شدہ حصص اور غیر ادا شدہ کیش ڈیویڈنڈ

کمپنیز آرڈیننس 2017 کی شق 244 کے تحت کمپنی کوئی بھی جاری کردہ حصص یا اعلان کردہ کیش ڈیویڈنڈ جو قابل ادا ہونے کی تاریخ سے تین سال کی مدت کے اندر غیر دعویٰ شدہ ہوں یا انہیں ادا نہیں کیا گیا ہو تو کمپنی ایکٹ 2017 کے تحت مقررہ طریقہ کار کی تعمیل کے بعد وفاقی حکومت کے پاس جمع کروائے جائیں گے۔

حصص یافتگان کو بذریعہ بلڈ مطلع کیا جاتا ہے کہ کمپنی کی ویب سائٹ <https://gil.com.pk/page-Unclaimed-dividend-and-share> پر تمام غیر دعویٰ شدہ ڈیویڈنڈز کی فہرست شامل کردی گئی ہے۔ اس نوٹس سے متاثر ہونے والے کسی بھی ممبر کو مشورہ دیا جاتا ہے کہ وہ معمول کے اوقات کار کے دوران کمپنی کے شیئرز رجسٹر اریسٹرز سی ڈی سی شیئرز رجسٹر اریسٹرز لمیٹڈ، سی ڈی سی ہاؤس نمبر B-99، بلاک B، ایس۔ایم۔سی۔ایچ۔ایس، مین شاہراہ فیصل، کراچی کو لکھیں یا کال کریں۔

11۔ پوسٹل بیلٹ

اراکین اس بات کو یقینی بنائیں گے کہ وہ بیلٹ پیپر کو کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی درست نقل کے ساتھ صحیح طریقے سے بھریں اور دستخط شدہ بیلٹ پیپر مینٹنگ کے چیئر مین تک کمپنی کے رجسٹرڈ ایڈریس، F-3، حب چوک روڈ، S.I.T.E، کراچی یا ای میل پر ڈاک یا chairman@gil.com.pk پر ای میل کے ذریعے 26 اکتوبر 2023 کو سالانہ اجلاس عام سے ایک دن پہلے کام کے اوقات کے دوران، ضرور پہنچ جائیں۔ بیلٹ پیپر پر دستخط CNIC پر دستخط سے مماثل ہوں گے۔

شیئرز ہولڈرز کی سہولت کے لیے بیلٹ پیپر کمپنی کی ویب سائٹ www.gil.com.pk پر ڈاؤن لوڈ کرنے کے لیے دستیاب ہے۔

12۔ ای ووٹنگ کا طریقہ کار

I۔ ای ووٹنگ کی سہولت کی تفصیلات کمپنی کے ان اراکین کے ساتھ ایک ای میل کے ذریعے شیئرز کی جائیں گی جن کے پاس اپنے درست CNIC نمبر، موبائل نمبر، اور ای میل ایڈریس کمپنی کے ممبران کے رجسٹر میں 19 اکتوبر 2023 کو کاروباری اوقات ختم ہونے سے پہلے تک دستیاب ہوں گے۔

II۔ ویب ایڈریس، لاگ ان کی تفصیلات، اور پاس ورڈ، ای میل کے ذریعے اراکین کو مطلع کیا جائے گا۔ سیکورٹی کوڈز سی ڈی سی شیئرز رجسٹر اریسٹرز لمیٹڈ کے ویب پورٹل (ای ووٹنگ سروس فراہم کنندہ ہونے کے ناطے) سے ایس ایم ایس کے ذریعے اراکین کو بتائے جائیں گے۔

III۔ ای ووٹنگ کے ذریعے ووٹ ڈالنے کا ارادہ رکھنے والے اراکین کی شناخت الیکٹرانک دستخط یا لاگ ان کے لیے تصدیق کے ذریعے کی جائے گی۔

III۔ ای ووٹنگ لائنیں 21 اکتوبر 2023 صبح 09 بجے سے شروع ہوں گی اور 26 اکتوبر 2023 کو شام 05 بجے بند ہوں گی۔ ممبران اس مدت کے دوران کسی بھی وقت اپنا ووٹ ڈال سکتے ہیں۔ ایک باکسی رکن کی طرف سے قرارداد پر ووٹ ڈالنے کے بعد، اسے بعد میں تبدیل کرنے کی اجازت نہیں ہوگی۔

13۔ دستاویزی حصص سی ڈی سی اکاؤنٹ میں جمع کروانا

کمپنیز ایکٹ 2017 کی شق 72 کے مطابق ہر موجودہ لسٹڈ کمپنی کیلئے ضروری ہے کہ کمیشن کے بیان کردہ طریقہ کار اس کی بیان کردہ تاریخ سے دستاویزی حصص کو بک انٹری کی شکل میں لائے، جس کی اس ایکٹ کے نفاذ یعنی اعلان کردہ تاریخ کے آغاز سے چار سال سے زائد نہیں ہوگی۔

ایس ای سی پی لیٹر نمبر CSD/ED/Misc./2016-639-640 مورخہ 26 مارچ 2021 کی پیروی میں کمپنی دستاویزی شکل میں حصص رکھنے والے تمام حصص یافتگان سے درخواست کے ساتھ پیروی کر رہی ہے کہ کمپنیز ایکٹ 2017 کی شقوں کی تعمیل میں اپنے دستاویزی حصص یافتگان کو بک انٹری کی شکل میں لائیں۔ حصص یافتگان اپنی تحویل میں موجود دستاویزی حصص کو بک انٹری کی شکل میں لانے کا طریقہ کار اور حصص کی تبدیلی کے فوائد کو سمجھنے کیلئے کمپنی کے شیئرز رجسٹر اریسٹرز سے رابطہ کریں۔

کمپنیز ایکٹ 2017 کی شق (3) 134 کے تحت بیان

27 اکتوبر 2023 کو منعقدہ کمپنی کے سالانہ اجلاس عام میں سرانجام دی گئی خصوصی کارروائی کے اہم حقائق پر مشتمل بیان درج ذیل ہے:

خصوصی امور کا ایجنڈا آئٹم نمبر (a) 1-30 جون 2023 کو ختم ہونے والے سال کے دوران ملحقہ کمپنیوں کے ساتھ کیے گئے سودوں کو عمومی قرارداد کے ذریعے پاس کرنا

21 مارچ 2023 کے مطابق، 30 جون 2023 کو ختم ہونے والے سال کیلئے کمپنی کی سالانہ مالیاتی رپورٹ، جس میں دیگر چیزوں کے ساتھ ساتھ آڈٹ شدہ مالیاتی گوشوارے، آڈیٹرز کی رپورٹ، ڈائریکٹرز اور چیئرمین کی رپورٹس کو QR کوڈ اور ویب لنک پر عمل کرتے ہوئے دیکھا اور ڈاؤن لوڈ کیا جاسکتا ہے جیسا کہ ذیل میں دیا گیا ہے:

ویب لنک



[June_2023.pdf/Annual/Reports/files/uploads/gil.com.pk://https](https://gil.com.pk/files/uploads/Annual/Reports/files/June_2023.pdf)

سالانہ رپورٹ ان شیئر ہولڈرز کو بھی ای میل کر دی گئی ہے جنہوں نے کمپنی کو اپنی درست ای میل آئی ڈی فراہم کی ہیں۔

وہ شیئر ہولڈرز جو مذکورہ دستاویزات کی ہارڈ کاپی حاصل کرنا چاہتے ہیں وہ کمپنی سیکریٹری/شیئر رجسٹرار کو ہارڈ کاپی جمع کرانے کی درخواست بھیج سکتے ہیں اور کمپنی مطالبہ پر شیئر ہولڈرز کو مذکورہ دستاویز کی ہارڈ کاپیاں ان کی طلب کیے جانے کے ایک ہفتے کے اندر بلا معاوضہ فراہم کرے گی۔

9۔ نقد کیش ڈیویڈنڈ کی الیکٹرانک ذرائع سے ادائیگی (لازمی تقاضا)

کمپنیز ایکٹ 2017 کی شق 242 اور کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈ) ریگولیشنز 2017 کی شقوں کے تحت کمپنی کیلئے لازم ہے کہ وہ اپنے حصص یافتہ کو اس کے مقرر کردہ اکاؤنٹ میں صرف الیکٹرانک ذریعے سے براہ راست کیش ڈیویڈنڈ بھیجے۔ ایسے حصص یافتگان سے، جنہوں نے ابھی تک کمپنی کی طرف سے پہلے ہی اعلان کردہ ڈیویڈنڈ کیلئے اپنی بینکاری کی تفصیلات جمع نہیں کروائیں، درخواست ہے کہ ذیل میں درج ”الیکٹرانک کریڈٹ مینڈیٹ فارم“ پُر کریں جو کمپنی کی ویب سائٹ پر بھی دستیاب ہے اور براہ کرم اس پر باضابطہ دستخط کر کے اپنے کارآمد کمپیوٹرائزڈ قومی شناختی کارڈ/این ٹی این کی نقل کے ساتھ اپنے متعلقہ سی ڈی سی شریک کار/سی ڈی سی انویسٹر اکاؤنٹ سروسز (اگر حصص داری بک انٹری کی شکل میں ہو) کو بھجوائیں یا (دستاویزی حصص کی صورت میں) کمپنی کے شیئر رجسٹرار میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ کو ارسال کریں۔

(a) حصص یافتہ (یا بینگان) کی تفصیلات

حصص یافتہ (یا بینگان) کا نام

فولیو نمبر/CDS اکاؤنٹ نمبر (ز)

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر (نقل منسلک ہے)

موبائل/لینڈ لائن نمبر

(b) حصص یافتہ کے بینک کی تفصیلات

بینک اکاؤنٹ کا نام

انٹرنیشنل بینک اکاؤنٹ نمبر (IBAN)

بینک کا نام

برانچ کا نام اور پتہ

مذکورہ بالا معلومات درست ہیں اور ان میں کوئی تبدیلی ہو تو میں/فوری طور پر شیئر رجسٹرار کو مطلع کروں گا/کریں گے۔

پراکسی فارم کے ساتھ بینفٹشل ماکان اور پراکسی کے CNIC یا پاسپورٹ کی تصدیق شدہ کاپیاں پیش کی جائیں گی۔
پراکسی مینٹنگ کے وقت اپنا اصل CNIC یا اصل پاسپورٹ پیش کرے گا۔

کاروباری ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ کے ہمراہ نامزد فرد کے دستخط کے نمونے نمائندگی نامے کے ہمراہ کمپنی کے پاس جمع کروانے ہوں گے۔

5۔ پتہ اور کمپیوٹرائزڈ شناختی کارڈ میں تبدیلی

ممبران سے درخواست کی جاتی ہے کہ درج ذیل معلومات، CDS میں بک انٹری سکیورٹیز کی صورت میں اپنے متعلقہ شرکاء کے پاس اور دستاویزی حصص کی صورت میں اپنے فلیو نمبرز اور اپنی کمپنی کے نام سے حوالے کے ساتھ درج بالا پتہ پر کمپنی کے رجسٹرار کو مطلع کریں / کے پاس جمع کروادیں، اگر پہلے ہی اطلاع نہ دی جا چکی ہو / جمع نہ کروائی ہو۔

• پتہ یا دیگر کوائف میں تبدیلی، اگر کوئی ہو

• ایسے ممبران، جنہوں نے ابھی تک اپنے کارڈ آف کمپیوٹرائزڈ قومی شناختی کارڈ کی نقول فراہم نہیں کی ہیں، ان سے درخواست ہے کہ انہیں اپنے فلیو نمبرز کے ہمراہ جلد از جلد براہ راست کمپنی کے شیئر رجسٹرار میسرزی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی ہاؤس، نمبر B-99، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی کے پاس جمع کروادیں۔

مزید برآں، ایس ای سی پی کی ہدایات کے مطابق، جن حصص یافتگان کا سی این آئی سی / ایس این آئی سی یا این ٹی این (کارپوریٹ ادارہ کی صورت میں) شیئر رجسٹرار کے پاس دستیاب نہیں ہیں، ان کا ڈیویڈنڈ روکا جاسکتا ہے۔ اس لیے حصص یافتگان سے درخواست کی جاتی ہے کہ وہ اپنے درست کمپیوٹرائزڈ شناختی کارڈ کی ایک کاپی (اگر پہلے سے فراہم نہیں کی گئی ہو) کمپنی کے شیئر رجسٹرار کو جمع کروائیں۔

مزید، کمپنیز ایکٹ، 2017 کے سیکشن 119 اور کمپنیز (جنرل پروویژنز اینڈ فارمز) ریگولیشنز، 2018 کی ریگولیشن 19 کے تقاضوں کی تعمیل کرنے کے لیے، تمام CDC اور فزیکل شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے CDC اکاؤنٹ یا فزیکل فلیو میں شامل / اپ ڈیٹڈ اپنا ای میل ایڈریس اور سیل فون نمبر فراہم کریں۔

6۔ ویڈیو کانفرنس کی سہولت کیلئے درخواست

کمپنی کم از کم 10 فیصد حصص رکھنے والے ممبران کی طرف سے، جو کسی شہر میں مقیم ہوں، اجلاس کے انعقاد سے کم از کم سات (7) دن پہلے ویڈیو لنک کے ذریعے اجلاس میں شرکت کی درخواست موصول ہو تو کمپنی اس شہر میں ایسی سہولت کی دستیابی کی شرط پر ویڈیو لنک کی سہولت کا بندوبست کرے گی۔

اس سہولت سے استفادہ کرنے کیلئے درج ذیل معلومات ہمارے شیئر رجسٹرار میسرزی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی ہاؤس نمبر B-99، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی کو فراہم کریں۔

میں / ہم، _____ برائے _____ رجسٹرار فلیو نمبر _____ کے مطابق _____ عام حصص

کے مالک گندھارا انڈسٹریز لمیٹڈ کے ایک ممبر کی حیثیت سے بذریعہ ہذا بمقام _____ ویڈیو کانفرنس کی سہولت سے استفادہ کرنا چاہتا / چاہتی ہوں۔

دستخط ممبر

7۔ آڈٹ شدہ مالیاتی گوشواروں کی کمپنی کی ویب سائٹ پر دستیابی

30 جون 2023 کو ختم ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ گوشوارے سالانہ اجلاس عام کی تاریخ سے کم از کم اکیس (21) دن پہلے کمپنی کی ویب سائٹ www.gil.com.pk پر دستیاب ہوں گے۔

8۔ ویب لنک / QR کوڈ / الیکٹرانک ٹرانسمیشن کے ذریعے سالانہ رپورٹ کی ترسیل

22 جون 2023 کو ہونے والے غیر معمولی اجلاس عام (EOGM) میں کمپنی کے ممبران کی منظوری کے لحاظ سے اور ایس ای سی پی کے نوٹیفکیشن نمبر SRO 389 (1) / 2023 مورخہ

نوٹس:

1- ذاتی موجودگی یا ویڈیو کانفرنسنگ کی سہولت کے ذریعے شرکت:

کمپنی نے حصص یافتگان کو سہولت فراہم کرنے اور کورم کی ضروریات کو مد نظر رکھتے ہوئے جسمانی تعامل کو کم کرنے کے لیے انتظامات کیے ہیں تاکہ حصص یافتگان ویڈیو کانفرنسنگ کی سہولت کے ذریعے شرکت کر سکیں۔

وہ حصص یافتگان جنہوں نے پہلے ہی کمپنی یا اس کے شیئر رجسٹرار کے ساتھ اپنی درست ای میل آئی ڈی کی تجدید کروائی ہے اور وہ اجلاس میں آن لائن شرکت کرنے میں دلچسپی رکھتے ہیں وہ ذیل میں معلومات بھیج سکتے ہیں اور CNIC کے دونوں اطراف کی درست کاپی کے ساتھ ”رجسٹریشن برائے گندھارا انڈسٹریز لمیٹڈ کا سالانہ اجلاس عام“ کے عنوان سے shareholders@gil.com.pk پر بھیج سکتے ہیں۔ رجسٹریشن کے مقاصد کیلئے ایسی معلومات 25 اکتوبر 2023 تک ان کی باضابطہ رجسٹرڈ درست ای میل آئی ڈی سے ارسال کی جائیں۔

نام	سی این آئی سی نمبر	فولیو/سی ڈی سی اکاؤنٹ نمبر	موبائل فون نمبر	ای میل ایڈریس

جن اراکین کی درخواستیں مذکورہ تاریخ تک موصول ہو جائیں گی، ان کے ساتھ آن لائن میٹنگ میں شامل ہونے کا تفصیلی طریقہ کار شیئر کیا جائے گا۔

حصص یافتگان ای میل ایڈریس shareholders@gil.com.pk پر سالانہ اجلاس عام کے ایجنڈا آئٹمز کے لیے اپنے تبصرے اور سوالات بھی فراہم کر سکتے ہیں۔ اراکین کو ویڈیو لنک کے ذریعے یا پراسی کے ذریعے اپنی حاضری کو مستحکم کرنے کیلئے سالانہ اجلاس عام میں شرکت کی ترغیب دی جاتی ہے۔

2- حصص کی منتقلی کے کھاتوں کی بندش

(ii) سالانہ اجلاس عام کیلئے کمپنی کے حصص منتقلی کی کتابیں 20 اکتوبر سے 27 اکتوبر 2023 تک (بشمول دونوں ایام) بند رہیں گی۔ سالانہ اجلاس عام میں حاضری کے مقصد کیلئے، ہمارے شیئر رجسٹرار میسرزی ڈی سی شیئر رجسٹرار سوسل لمیٹڈ، سی ڈی ہاؤس، نمبر B-99، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی، کو 19 اکتوبر 2023 کو کاروباری دن کے اختتام تک موصول ہونے والی منتقلیوں کی درخواست حاضری کیلئے بروقت سمجھی جائے گی۔ اس مدت کے دوران کوئی منتقلی رجسٹریشن کیلئے قبول نہیں کی جائے گی۔

3- اجلاس عام میں شرکت کیلئے

اس اجلاس میں شرکت اور ووٹ دینے کا/کی اہل کوئی کمپنی ممبر کسی دوسرے فرد کو اپنی جگہ اجلاس میں شریک ہونے اور ووٹ دینے کیلئے نمائندہ مقرر کر سکتا / سکتی ہے۔ نمائندگی ناموں کے مؤثر ہونے کیلئے ضروری ہے کہ وہ اجلاس کے انعقاد کے وقت سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں موصول ہو چکے ہوں۔

اجلاس میں شرکت اور ووٹ دینے کے حقدار CDC حصص یافتگان کیلئے ضروری ہے کہ اپنی شناخت کی تصدیق کیلئے اپنے اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ کے ہمراہ اپنی شرکائی آئی ڈی اور اکاؤنٹ/سب اکاؤنٹ نمبر بھی لازمی ساتھ لائیں۔ کاروباری ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ کے ہمراہ نامزد فرد کے حالیہ فوٹو گراف اور دستخط کے نمونے اجلاس کے وقت پیش کرنے ہوں گے (ماسوائے اس کے کہ پہلے ہی فراہم کیے جا چکے ہوں)۔

4- پراسی کی تقرری کیلئے

انفرادی صورت میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر، اور/یا وہ شخص جس کی سکیورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات CDC کے ضوابط کے مطابق اپ لوڈ کی گئی ہیں، درج بالا ضرورت کے مطابق پراسی فارم جمع کرائیں گے۔

دو افراد، جن کے نام، پتے، اور CNIC نمبر فارم پر درج ہوں گے، پراسی کی گواہی دیں گے۔

گندھارا انڈسٹریز لمیٹڈ

60 ویں سالانہ اجلاس عام کی اطلاع

بذریعہ ہذا مطلع کیا جاتا ہے کہ گندھارا انڈسٹریز لمیٹڈ کے شیئرز ہولڈرز کا ساٹھواں (60th) سالانہ اجلاس عام (AGM)، بروز جمعہ 27 اکتوبر 2023، صبح 9:45 بجے، ایف-3، حب چوکی روڈ، سائٹ، کراچی میں درج ذیل امور کی انجام دہی کیلئے منعقد کیا جائے گا۔ اجلاس کے دوران مندرجہ ذیل امور انجام دیے جائیں گے۔

عمومی امور

- 1-30 جون 2023 کو مکمل ہونے والے سال کیلئے کمپنی کے سالانہ آڈٹ شدہ مالی گوشوارے مع چیئرمین، ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور اختیاری۔
- 2-30 جون 2024 کو مکمل ہونے والے سال کیلئے آڈیٹرز کی تقرری اور ان کے معاوضے کا تعین۔ سبکدوش ہونے والے آڈیٹرز میسرز شائن ونگ جمید چوہدری اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے اہل ہونے کی ناطے خود کو دوبارہ تقرری کیلئے پیش کیا ہے۔
- 3- چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔

خصوصی امور

- 1- درج ذیل عمومی قراردادوں کی منظوری پر غور و خوض۔
(الف) ”قرار پایا ہے کہ 30 جون 2023 کو ختم ہونے والے سال کے دوران متعلقہ پارٹیوں کے ساتھ عمومی طریقہ کار کے مطابق کیے گئے سودوں کی متفقہ طور پر توثیق کی جاتی اور منظوری دی جاتی ہے۔
(ب) ”قرار پایا ہے کہ چیف ایگزیکٹو کو بذریعہ ہذا مجاز بنایا جاتا ہے کہ وہ 30 جون 2024 کو ختم ہونے والے سال کے دوران تمام لین اور ملحقہ کمپنیوں/متعلقہ فریقوں کے ساتھ معمول کے طریقہ کار کے تحت کیے جانے والے کاروبار کی منظوری دے۔ اس سلسلے میں چیف ایگزیکٹو کو بذریعہ ہذا یہ بھی اختیار دیا جاتا ہے کہ اس ضمن میں جس طرح کی ضرورت ہو کمپنی کی جانب سے کوئی بھی اور تمام ضروری اقدامات کرے اور اس حوالے سے جہاں درکار ہو تمام دستاویزات/اقرارناموں پر دستخط/عمل درآمد کرے۔“
(2) غور کرنا اور، اگر مناسب سمجھے تو، مرغزار انڈسٹریز (پرائیویٹ) لمیٹڈ، ذیلی کمپنی کو بند کرنے کی توثیق اور منظوری دینا، جیسا کہ گندھارا انڈسٹریز لمیٹڈ کے بورڈ آف ڈائریکٹرز نے توثیق، منظوری اور سفارش کی ہے، اور مندرجہ ذیل عام قراردادوں کو پاس کرنا۔ ترمیم (ترمیم) کے ساتھ یا بغیر:
”قرار پایا ہے کہ گندھارا انڈسٹریز لمیٹڈ کی ایک ذیلی کمپنی مرغزار انڈسٹریز (پرائیویٹ) لمیٹڈ کی بندش کی توثیق کی جائے اور اس کی توثیق کی جاتی ہے۔“
”مزید طے کیا گیا ہے کہ بورڈ آف مرغزار انڈسٹریز (پرائیویٹ) لمیٹڈ اور گندھارا انڈسٹریز لمیٹڈ کی انتظامیہ مرغزار کو بند کرنے کے عمل کو مکمل کرنے اور متعلقہ تمام ریگولیٹری، قانونی اور دیگر سی کارروائیوں بشمول فرد (افراد) کو مجاز قرار دیں جو اسے مرغزار انڈسٹریز (پرائیویٹ) لمیٹڈ کو بند کرنے کے عمل کا اطلاق کریں۔“

بحکم بورڈ

طلحہ احمد زیدی

کمپنی سیکریٹری

کراچی

106 اکتوبر 2023

کمپنیز ایکٹ 2017 کے سیکشن 134(3) کے مطابق اسٹیٹمنٹ آف میٹیریل فیکٹ درج بالا بیان کردہ خصوصی کاروبار سے متعلق ہے، میننگ اس اس نوٹس کے ساتھ منسلک ہے۔

Key Operating & Financial Data

6 Years at a Glance

		2023	2022	2021	2020	2019	2018
Financial Performance-Profitability							
Gross profit margin	%	15.82	12.19	13.83	5.88	11.51	18.55
EBITDA margin to sales	%	9.10	7.56	9.43	1.08	7.42	13.33
Pre tax margin/(loss)	%	2.91	4.70	4.92	(8.59)	1.00	11.71
Net profit margin/(loss)	%	1.23	3.00	4.03	(10.88)	0.43	8.12
Return on equity-before tax	%	5.15	17.86	13.01	(19.95)	2.99	41.58
Return on equity-after tax	%	2.18	11.40	10.65	(25.28)	1.29	28.84
Operating Performance / Liquidity							
Total assets turnover	Times	0.88	1.38	1.01	0.62	0.87	1.39
Fixed assets turnover	Times	2.41	5.57	3.47	2.65	5.02	6.81
Debtors turnover	Times	9.88	21.70	24.60	32.43	151.49	57.77
Debtors turnover	Days	36.96	16.82	14.84	11.25	2.41	6.32
Inventory turnover	Times	1.93	3.10	1.85	1.24	1.43	2.56
Inventory turnover	Days	189.17	117.59	197.38	294.53	255.74	142.51
Creditors turnover	Times	14.38	23.50	24.19	22.88	24.15	32.11
Creditors turnover	Days	25.39	15.53	15.09	15.95	15.11	11.37
Operating cycle	Days	200.74	118.87	197.13	289.83	243.04	137.46
Current ratio		1.29	1.19	1.14	1.04	1.16	1.32
Quick / acid test ratio		0.62	0.53	0.43	0.49	0.23	0.36
Capital Structure Analyses							
Breakup value / share	Rs	192.97	149.95	133.19	119.10	109.10	110.87
Earning / (Loss) per share (pre tax)	Rs	9.95	26.78	17.32	(23.76)	3.26	46.10
Earning / (Loss) per share (after tax)	Rs	4.21	17.10	14.18	(30.11)	1.41	31.98

	2023	2022	2021	2020	2019	2018
Rupees '000						
Summary of Balance Sheet						
Share capital	426,088	426,088	426,088	426,088	426,088	213,044
Reserves	2,443,481	2,234,694	1,509,076	897,105	2,172,735	2,651,071
Shareholder's fund / equity	8,222,135	6,388,890	5,674,951	5,074,659	4,648,384	4,724,129
Deferred liabilities	46,597	45,634	27,326	21,425	19,759	80,181
Property, plant & equipment	6,033,868	4,359,828	4,321,244	4,453,947	2,770,727	2,463,605
Long term assets	30,893	27,386	27,932	27,095	26,987	17,242
Net current assets / Working capital	2,336,729	2,127,627	1,309,414	606,303	1,759,388	2,278,947

Summary of Financial Position

	2023	2022	2021	2020	2019	2018
Rupees '000						
Summary of Profit & Loss						
Net sales	14,542,578	24,265,107	14,999,493	11,788,254	13,909,913	16,772,383
Gross profit	2,300,875	2,957,653	2,075,065	692,764	1,601,592	3,111,004
Operating profit/(loss)	1,193,117	1,592,477	1,204,276	(41,491)	889,989	2,186,464
Profit / (Loss) before tax	423,832	1,140,899	738,056	(1,012,276)	138,970	1,964,070
Profit / (Loss) after tax	179,424	728,500	604,213	(1,282,883)	59,948	1,362,420
EBITDA	1,323,207	1,835,571	1,414,989	127,472	1,031,647	2,235,433
Rupees '000						
Summary of Cash Flows						
Net cash flow from operating activities	916,319	(1,384,139)	3,919,646	(275,102)	(2,138,425)	(2,372,485)
Net cash flow from investing activities	39,800	(78,969)	31,966	(71,734)	(211,639)	(471,631)
Net cash flow from financing activities	(96,570)	(132,623)	104,311	(34,481)	(311,519)	(303,223)
Changes in cash & cash equivalents	859,549	(1,595,731)	4,055,923	(381,317)	(2,661,583)	(3,147,339)
Cash & cash equivalents	(2,857,749)	(3,717,298)	(2,121,567)	(6,177,490)	(5,796,173)	(3,134,590)

Vertical Analysis

Balance Sheet	2023		2022		2021		2020		2019		2018	
	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%
Assets												
Non-Current Assets												
Property, plant & equipment	6,033,868	36.58	4,359,828	24.72	4,321,244	28.99	4,453,947	23.53	2,770,727	17.40	2,463,605	20.47
Intangible assets	1,800	0.01	2,593	0.01	3,082	0.02	136	0.00	260	0.00	384	0.00
Investment properties	-	-	-	-	87,926	0.59	88,169	0.47	88,413	0.56	88,657	0.74
Long term Investment	-	-	1,400	0.01	1,400	0.01	1,400	0.01	1,400	0.01	1,400	0.01
Long term loans	951	0.01	202	0.00	1,317	0.01	1,957	0.01	3,639	0.02	4,305	0.04
Long term deposits	29,942	0.18	25,784	0.15	25,215	0.17	23,738	0.13	21,948	0.14	11,537	0.10
Deferred taxation	-	-	6,901	0.04	96,249	0.65	2,473	0.01	87,158	0.55	845	0.01
	6,066,561	37	4,396,708	25	4,536,433	30	4,571,820	24	2,973,545	19	2,570,733	21
Current Assets												
Stores	23,235	0.14	13,304	0.08	20,887	0.14	22,469	0.12	8,328	0.05	10,281	0.09
Stock-in-trade	5,391,447	32.68	7,297,387	41.38	6,431,131	43.15	7,547,063	39.87	10,359,425	65.06	6,888,220	57.24
Trade debts	1,289,898	7.82	1,655,208	9.39	580,945	3.90	638,588	3.37	88,406	0.56	95,230	0.79
Loans and advances	167,588	1.02	405,156	2.30	247,205	1.66	150,547	0.80	133,759	0.84	168,661	1.40
Trade deposits and prepayments	1,777,550	10.78	1,654,691	9.38	829,339	5.56	4,260,928	22.51	542,834	3.41	721,213	5.99
Other receivables	22,473	0.14	25,974	0.15	4,244	0.03	9,263	0.05	6,981	0.04	741	0.01
Accrued mark up	48,275	0.29	8,028	0.05	241	0.00	-	-	-	-	-	-
Sales tax refundable/adjustable and taxation - payment less provision	1,312,539	7.96	1,495,215	8.48	1,522,652	10.22	1,387,870	7.33	1,308,983	8.22	1,081,869	8.99
Cash and bank balances	395,629	2.40	682,250	3.87	731,461	4.91	340,906	1.80	500,441	3.14	497,261	4.13
	10,428,634	63	13,237,213	75	10,368,105	70	14,357,634	76	12,949,157	81	9,463,476	79
	16,495,195	100.00	17,633,921	100.00	14,904,538	100.00	18,929,454	100.00	15,922,702	100.00	12,034,209	100.00
Equity And Liabilities												
Share Capital And Reserves												
Share capital	426,088	2.58	426,088	2.42	426,088	2.86	426,088	2.25	426,088	2.68	213,044	1.77
Un-appropriated profit	2,443,481	14.81	2,234,694	12.67	1,509,076	10.12	897,105	4.74	2,172,735	13.65	2,651,071	22.03
Surplus on revaluation of fixed assets	5,352,566	32.45	3,728,108	21.14	3,739,787	25.09	3,751,466	19.82	2,049,561	12.87	1,860,014	15.46
	8,222,135	50	6,388,890	36	5,674,951	38	5,074,659	27	4,648,384	29	4,724,129	39
Non-Current Liabilities												
Lease Liabilities	67,981	0.41	68,060	0.39	71,460	0.48	66,237	0.35	51,745	0.32	34,526	0.29
Long term borrowings	-	-	-	-	51,900	0.35	-	-	-	-	-	-
Compensated absences	22,166	0.13	21,751	0.12	18,954	0.13	15,802	0.08	13,045	0.08	10,844	0.09
Deferred Income - Govt grant	-	-	-	-	1,256	0.01	-	-	-	-	-	-
Deferred liabilities	46,597	0.28	45,634	0.26	27,326	0.18	21,425	0.11	19,759	0.12	80,181	0.67
Deferred taxation	44,411	0.27	-	-	-	-	-	-	-	-	-	-
	181,155	1	135,445	1	170,896	1	103,464	1	84,549	1	125,551	1
Current Liabilities												
Trade and other payables	4,502,759	27.30	6,385,804	36.21	5,873,696	39.41	6,872,811	36.31	4,582,157	28.78	3,427,060	28.48
Unpaid dividends	78,959	0.48	78,959	0.45	78,959	0.53	78,959	0.42	78,959	0.50	44,271	0.37
Unclaimed dividends	21,339	0.13	21,380	0.12	21,609	0.14	21,973	0.12	22,151	0.14	24,814	0.21
Current maturity of lease liabilities	31,420	0.19	36,602	0.21	31,455	0.21	29,410	0.16	13,435	0.08	8,224	0.07
Current maturity of long term borrowing	-	-	49,211	0.28	90,977	0.61	-	-	-	-	-	-
Current portion of deferred income - government grant	-	-	1,255	0.01	7,264	0.05	-	-	-	-	-	-
Accrued mark up	204,050	1.24	136,827	0.78	101,703	0.68	229,782	1.21	196,453	1.23	48,309	0.40
Short term borrowings	3,253,378	19.72	4,399,548	24.95	2,853,028	19.14	6,518,396	34.44	6,296,614	39.54	3,631,851	30.18
	8,091,905	49	11,109,586	63	9,058,691	61	13,751,331	73	11,189,769	70	7,184,529	60
	16,495,195	100.00	17,633,921	100.00	14,904,538	100.00	18,929,454	100.00	15,922,702	100.00	12,034,209	100.00
Profit & Loss												
	2023		2022		2021		2020		2019		2018	
	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%
Net sales	14,542,578	100.00	24,265,107	100.00	14,999,493	100.00	11,788,254	100.00	13,909,913	100.00	16,772,383	100.00
Cost of sales	(12,241,703)	(84.18)	(21,307,454)	(87.81)	(12,924,428)	(86.17)	(11,095,490)	(94.12)	(12,308,321)	(88.49)	(13,661,379)	(81.45)
Gross profit	2,300,875	15.82	2,957,653	12.19	2,075,065	13.83	692,764	5.88	1,601,592	11.51	3,111,004	18.55
Distribution expenses	(921,744)	(6.34)	(964,822)	(3.98)	(570,225)	(3.80)	(493,750)	(4.19)	(534,954)	(3.85)	(584,046)	(3.48)
Administrative expenses	(371,745)	(2.56)	(352,446)	(1.45)	(353,932)	(2.36)	(272,309)	(2.31)	(267,664)	(1.92)	(346,542)	(2.07)
Other operating expenses	(129,533)	(0.89)	(317,905)	(1.31)	(134,490)	(0.90)	(22,852)	(0.19)	(26,368)	(0.19)	(148,748)	(0.89)
Other operating income	315,264	2.17	269,997	1.11	187,858	1.25	54,656	0.46	117,383	0.84	154,796	0.92
Profit / (loss) from operations	1,193,117	8.20	1,592,477	6.56	1,204,276	8.03	(41,491)	(0.35)	889,989	6.40	2,186,464	13.04
Finance cost	(769,285)	(5.29)	(451,578)	(1.86)	(466,220)	(3.11)	(970,785)	(8.24)	(751,019)	(5.40)	(222,394)	(1.33)
Profit / (loss) before taxation	423,832	2.91	1,140,899	4.70	738,056	4.92	(1,012,276)	(8.59)	138,970	1.00	1,964,070	11.71
Taxation	(244,408)	(1.68)	(412,399)	(1.70)	(133,843)	(0.89)	(270,607)	(2.30)	(79,022)	(0.57)	(601,650)	(3.59)
Profit / (loss) after taxation	179,424	1.23	728,500	3.00	604,213	4.03	(1,282,883)	(10.88)	59,948	0.43	1,362,420	8.12

Horizontal Analysis

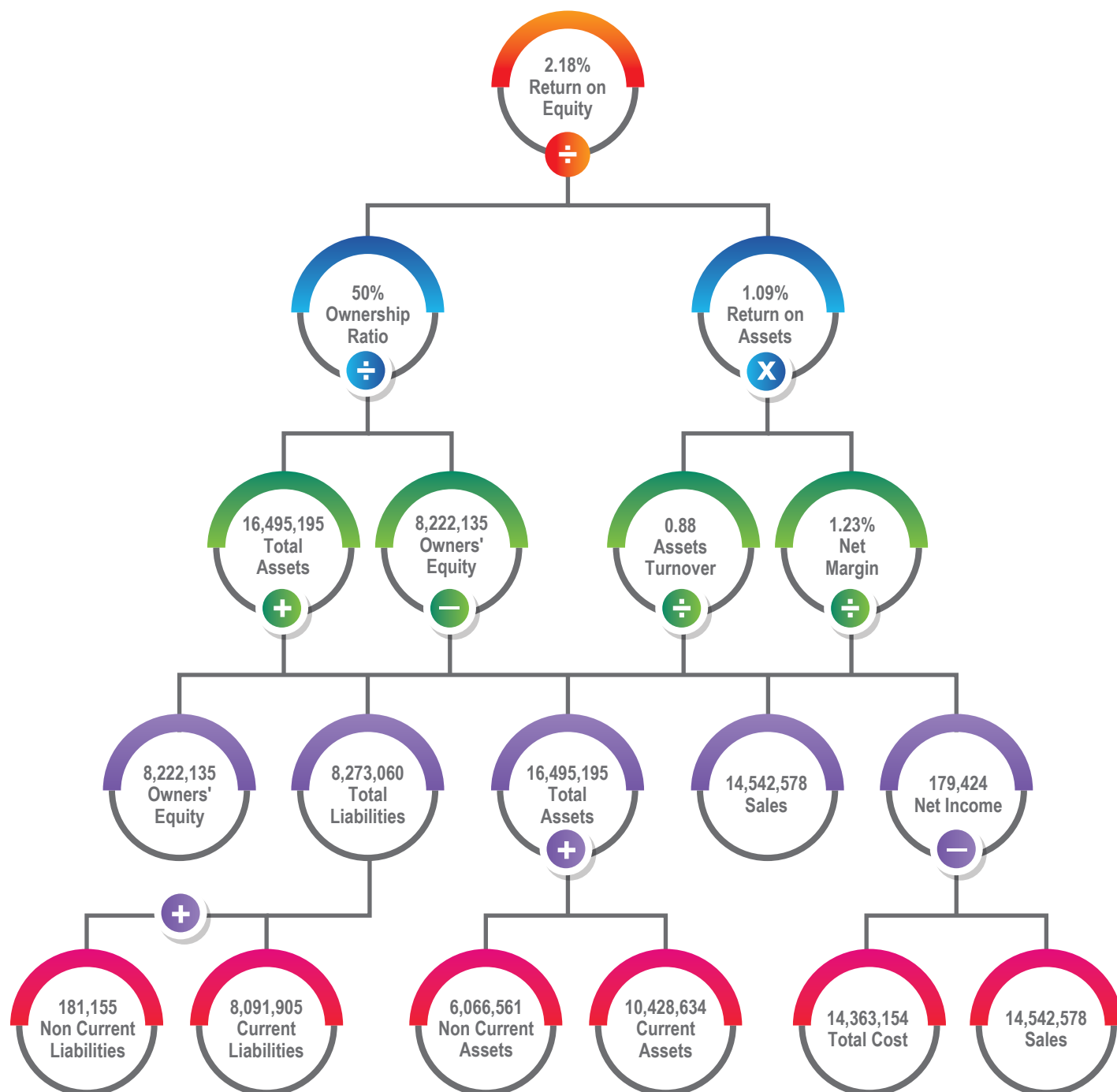
Balance Sheet

	2023	23 Vs 22	2022	22 Vs 21	2021	21 Vs 20	2020	20 Vs 19	2019	19 Vs 18	2018
	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'
Assets											
Non-Current Assets											
Property, plant & equipment	6,033,868	38.40	4,359,828	0.89	4,321,244	(2.98)	4,453,947	60.75	2,770,727	12.47	2,463,605
Intangible assets	1,800	(30.58)	2,593	(15.87)	3,082	2,166.18	136	(47.69)	260	(32.29)	384
Investment properties	-	-	-	(100.00)	87,926	(0.28)	88,169	(0.28)	88,413	(0.28)	88,657
Long term Investment	-	(100.00)	1,400	-	1,400	-	1,400	-	1,400	-	1,400
Long term loans	951	370.79	202	(84.66)	1,317	(32.70)	1,957	(46.22)	3,639	(15.47)	4,305
Long term deposits	29,942	16.13	25,784	2.26	25,215	6.22	23,738	8.16	21,948	90.24	11,537
Deferred taxation	-	(100.00)	6,901	(92.83)	96,249	3,791.99	2,473	(97.16)	87,158	10,214.56	845
	6,066,561	37.98	4,396,708	(3.08)	4,536,433	(0.77)	4,571,820	53.75	2,973,545	15.67	2,570,733
Current Assets											
Stores	23,235	74.65	13,304	(36.30)	20,887	(7.04)	22,469	169.80	8,328	(19.00)	10,281
Stock-in-trade	5,391,447	(26.12)	7,297,387	13.47	6,431,131	(14.79)	7,547,063	(27.15)	10,359,425	50.39	6,888,220
Trade debts	1,289,898	(22.07)	1,655,208	184.92	580,945	(9.03)	638,588	622.34	88,406	(7.17)	95,230
Loans and advances	167,588	(58.64)	405,156	63.89	247,205	64.20	150,547	12.55	133,759	(20.69)	168,661
Trade deposits and prepayments	1,777,550	7.42	1,654,691	99.52	829,339	(80.54)	4,260,928	684.94	542,834	(24.73)	721,213
Other receivables	22,473	(13.48)	25,974	512.02	4,244	(54.18)	9,263	32.69	6,981	842.11	741
Accrued mark up	48,275	-	8,028	-	241	-	-	-	-	-	-
Sales tax refundable/adjustable and taxation - payment less provision	1,312,539	(12.22)	1,495,215	(1.80)	1,522,652	9.71	1,387,870	6.03	1,308,983	20.99	1,081,869
Cash and bank balances	395,629	(42.01)	682,250	(6.73)	731,461	114.56	340,906	(31.88)	500,441	0.64	497,261
	10,428,634	(21.22)	13,237,213	27.67	10,368,105	(27.79)	14,357,634	10.88	12,949,157	36.83	9,463,476
	16,495,195	(6.46)	17,633,921	18.31	14,904,538	(21.26)	18,929,454	18.88	15,922,702	32.31	12,034,209
Equity And Liabilities											
Share Capital And Reserves											
Share capital	426,088	-	426,088	-	426,088	-	426,088	-	426,088	100.00	213,044
Un-appropriated profit	2,443,481	9.34	2,234,694	48.08	1,509,076	68.22	897,105	(58.71)	2,172,735	(18.04)	2,651,071
Surplus on revaluation of fixed assets	5,352,566	43.57	3,728,108	(0.31)	3,739,787	(0.31)	3,751,466	83.04	2,049,561	10.19	1,860,014
	8,222,135	28.69	6,388,890	12.58	5,674,951	11.83	5,074,659	9.17	4,648,384	(1.60)	4,724,129
Non-Current Liabilities											
Lease Liabilities	67,981	(0.12)	68,060	(4.76)	71,460	7.89	66,237	28.01	51,745	49.87	34,526
Long term borrowings	-	-	-	-	51,900	-	-	-	-	-	-
Compensated absences	22,166	1.91	21,751	14.76	18,954	19.95	15,802	21.13	13,045	20.30	10,844
Deferred Income - Govt grant	-	-	-	-	1,256	-	-	-	-	-	-
Deferred liabilities	46,597	2.11	45,634	67.00	27,326	27.54	21,425	8.43	19,759	(75.36)	80,181
Deferred taxation	44,411	100.00	-	-	-	-	-	-	-	-	-
	181,155	33.75	135,445	(20.74)	170,896	65.17	103,464	22.37	84,549	(32.66)	125,551
Current Liabilities											
Trade and other payables	4,502,759	(29.49)	6,385,804	8.72	5,873,696	(14.54)	6,872,811	49.99	4,582,157	33.71	3,427,060
Unpaid dividends	78,959	-	78,959	-	78,959	-	78,959	-	78,959	78.35	44,271
Unclaimed dividends	21,339	(0.19)	21,380	(1.06)	21,609	(1.66)	21,973	(0.80)	22,151	(10.73)	24,814
Current maturity of lease liabilities	31,420	(14.16)	36,602	16.36	31,455	6.95	29,410	118.91	13,435	63.36	8,224
Current maturity of long term borrowing	-	-	49,211	(45.91)	90,977	-	-	-	-	-	-
Current portion of deferred income - government grant	-	-	1,255	(82.72)	7,264	-	-	-	-	-	-
Accrued mark up	204,050	49.13	136,827	34.54	101,703	(55.74)	229,782	16.97	196,453	306.66	48,309
Short term borrowings	3,253,378	(26.05)	4,399,548	54.21	2,853,028	(56.23)	6,518,396	3.52	6,296,614	73.37	3,631,851
	8,091,905	(27.16)	11,109,586	22.64	9,058,691	(34.12)	13,751,331	22.89	11,189,769	55.75	7,184,529
	16,495,195	(6.46)	17,633,921	18.31	14,904,538	(21.26)	18,929,454	18.88	15,922,702	32.31	12,034,209

Profit & Loss

	2023	23 Vs 22	2022	22 Vs 21	2021	21 Vs 20	2020	20 Vs 19	2019	19 Vs 18	2018
	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'	%	Rs. in 000'
Net sales	14,542,578	(40.07)	24,265,107	61.77	14,999,493	27.24	11,788,254	(15.25)	13,909,913	(17.07)	16,772,383
Cost of sales	(12,241,703)	(42.55)	(21,307,454)	64.86	(12,924,428)	16.48	(11,095,490)	(9.85)	(12,308,321)	(9.90)	(13,661,379)
Gross profit	2,300,875	(22.21)	2,957,653	42.53	2,075,065	199.53	692,764	(56.75)	1,601,592	(48.52)	3,111,004
Distribution expenses	(921,744)	(4)	(964,822)	69	(570,225)	15	(493,750)	(8)	(534,954)	(8)	(584,046)
Administrative expenses	(371,745)	5	(352,446)	(0)	(353,932)	30	(272,309)	2	(267,664)	(23)	(346,542)
Other operating expenses	(129,533)	(59)	(317,905)	136	(134,490)	489	(22,852)	(13)	(26,368)	(82)	(148,748)
Other operating income	315,264	17	269,997	44	187,858	244	54,656	(53)	117,383	(24)	154,796
Profit / (loss) from operations	1,193,117	(25)	1,592,477	32	1,204,276	(3,002)	(41,491)	(105)	889,989	(59)	2,186,464
Finance cost	(769,285)	70	(451,578)	(3)	(466,220)	(52)	(970,785)	29	(751,019)	238	(222,394)
Profit / (loss) before taxation	423,832	(63)	1,140,899	55	738,056	(173)	(1,012,276)	(828)	138,970	(93)	1,964,070
Taxation	(244,408)	(40.73)	(412,399)	208.12	(133,843)	(50.54)	(270,607)	242.45	(79,022)	(86.87)	(601,650)
Profit / (loss) after taxation	179,424	(75)	728,500	21	604,213	(147)	(1,282,883)	(2,240)	59,948	(95.60)	1,362,420

Dupont Analysis



* Amount are in Rupees '000

Pattern of Shareholding

As at June 30, 2023

Number of Shareholders	Shareholding		Number of Shares Held	Percentage
	From	To		
3669	1	to	100	113,470
1856	101	to	500	563,347
894	501	to	1000	758,699
1127	1001	to	5000	2,669,711
199	5001	to	10000	1,424,830
64	10001	to	15000	774,776
41	15001	to	20000	696,165
19	20001	to	25000	443,110
5	25001	to	30000	143,600
7	30001	to	35000	226,546
3	35001	to	40000	110,600
4	40001	to	45000	173,316
9	45001	to	50000	435,054
4	50001	to	55000	214,498
2	60001	to	65000	129,000
2	70001	to	75000	143,400
1	80001	to	85000	84,000
1	90001	to	95000	90,500
3	95001	to	100000	297,200
1	100001	to	105000	101,000
3	105001	to	110000	323,495
1	115001	to	120000	119,022
1	200001	to	205000	201,400
1	230001	to	235000	234,554
1	335001	to	340000	336,596
1	470001	to	475000	472,348
1	865001	to	870000	866,100
1	2365001	to	2370000	2,368,296
1	3275001	to	3280000	3,277,852
1	4515001	to	4520000	4,516,484
1	8125001	to	8130000	8,129,565
1	12170001	to	12175000	12,170,310
7925			42,608,844	

Note: The slabs representing nil holding have been omitted.

Categories of Shareholders

As at June 30, 2023

SR #	Categories of Shareholders	No. of Shareholders	Shares Held	Percentage
1.	Directors, Chief Executive Officer and their spouse(s) and minor children			
	MR. AHMAD KULI KHAN KHATTAK	1	24,000	0.06
	LT.GEN(R) ALI KULI KHAN KHATTAK	1	18	0.00
	MR. SHAHID KAMAL	1	16	0.00
	MAJOR (RETD.) MUHAMMAD ZIA	1	200	0.00
	MR. SOHAIL HAMEED KHAN	1	2	0.00
	MR. MUHAMMAD KULI KHAN	1	7	0.00
	MRS. SHAHNAZ SAJJAD AHMAD	2	49,174	0.12
2.	Associated Companies, undertakings and related parties			
	GHANDHARA AUTOMOBILES LIMITED.	2	8,132,336	19.09
	BIBOJEE SERVICES (PVT) LIMITED	2	16,686,794	39.16
	BIBOJEE INVESTMENTS (PVT) LIMITED	1	42,816	0.10
	THE GENERAL TYRE & RUBBER CO.	1	201,400	0.47
	THE UNIVERSAL INSURANCE COMPANY LIMITED	1	2,368,296	5.56
3.	NIT & ICP			
	INVESTMENT CORPORATION OF PAK.	1	7,428	0.02
	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1	234,554	0.55
4.	Banks Development Financial Institutions, Non Banking Financial Financial Institutions.	14	8,076	0.02
5.	Insurance Companies	6	52,500	0.12
6.	Modarabas and Mutual Funds	8	32,644	0.08
7.	General Public			
	a. Local	7,691	10,355,941	24.30
	b. Foreign	120	107,407	0.25
8.	Foreign Companies	-	-	-
	Others	69	4,305,235	10.10
	Totals	7,925	42,608,844	100.00
	Shareholders holding 10% or more		Shares Held	Percentage
	Ghandhara Automobiles Limited		8,132,336	19.09
	Bibojee Services (Pvt) Limited		16,686,794	39.16

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

For the Year Ended June 30, 2023

This statement is being presented to comply with the Listed Companies (Code of Corporate Governance) Regulations, 2019. The Company has applied the principles contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019 in the following manner:

1. The total number of directors are seven as per the following:

Male: 6	Female: 1
---------	-----------

2. The composition of Board is as follows:

Independent Directors	Mr. Shahid Kamal Khan Mr. Sohail Hameed
Other Non-executive Director	Mr. Ali Kuli Khan Khattak Mrs. Shahnaz Sajjad Ahmad Maj. (R) Muhammad Zia
Executive Director	Mr. Ahmad Kuli Khan Khattak Mr. Muhammad Kuli Khan Khattak

Fraction (0.33) related to the requirement for number of independent directors is less than 0.5 and therefore, has not rounded up as one.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Board of Directors have either obtained certificate of Directors' Training Program or are exempted from the requirements of Directors' Training Program as per Listed Companies Code of Corporate Governance Regulations 2019.
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. CFO and CEO duly endorsed the financial statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

Audit Committee	Mr. Sohail Hameed – Chairman Maj. (R) Muhammad Zia - Member Mr. Shahid Kamal Khan - Member Mr. Shahnawaz Damji - Secretary
HR and Remuneration Committee	Mr. Shahid Kamal Khan – Chairman Mr. Ahmad Kuli Khan Khattak - Member Maj. (R) Muhammad Zia - Member Mr. Sohail Hameed - Member Mr. Shahrukh Asghar - Secretary

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:

Audit Committee	Four quarterly meetings during FY ended 2023
HR and Remuneration Committee	One meeting during FY ended 2023

15. The Board has set up an effective internal audit function which comprises of professionals who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



Mr. Ali Kuli Khan Khattak
Chairman

October 3, 2023

Review Report on the Statement of Compliance Contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Ghandhara Industries Limited (the Company) for the year ended June 30, 2023, in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2023.

Shinewing Hameed Chaudhri & co.

SHINEWING HAMEED CHAUDHRI & CO.

CHARTERED ACCOUNTANTS
KARACHI.

UDIN: CR2023101053vIXCpheB
Dated: October 3, 2023

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Ghandhara Industries Limited (the Company), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters:

S.No. Key Audit Matter

How the matters was addressed in our audit

1. Revenue recognition

As disclosed in notes 5.3 and 19 to the financial statements, the Company during the year revalued its leasehold land and buildings on leasehold land that resulted in net surplus / gain of Rs.1,714,639 thousand. Also the Company, incurred capital expenditure with additions made to its operating fixed assets as disclosed in note 5.1 to the financial statements.

We identified this as a key audit matter as these represents significant transactions and involves certain estimates and judgements.

We performed following audit procedures in respect of this area:

Obtained an understanding of the management controls over capitalization and on a sample basis, test relevant controls over authorization and recording in the system;

On a sample basis, tested the costs incurred with underlying supporting documentations i.e. purchase orders, delivery challans, supplier invoices, payment and other relevant documents;

Evaluate the nature of costs on a sample basis to ensure capitalization criteria of relevant accounting and reporting standards;

Reviewed / assessed revaluation report of independent valuer for revaluation of leasehold land and buildings on leasehold land. Also, recalculated the computation for revaluation surplus; and

We also considered the adequacy of the related disclosures and assessed these are in accordance with the applicable financial reporting standards and the Companies Act, 2017 (XIX of 2017).

2. Stock-in-trade

Refer note 4.7 and 11 to the financial statements, the Company has stock-in-trade aggregating Rs.5,391,447 thousand (2022: Rs.7,297,387 thousand) comprising raw materials, finished goods including trading goods and work in process. We identified this area as a key audit matter because stock-in-trade constitutes 32.68% of the total assets of the Company as at June 30, 2023 and determining an appropriate valuation as a result of net realizable value (NRV) involves management judgement and estimation.

We performed following audit procedures in respect of this area:

- Observed / attended physical inventory count procedures and compared physical count results with valuations sheets on a sample basis;
- Compared on a sample basis specific purchases and directly attributable cost with underlying supporting documents;
- Compared the NRV, on a sample basis, to the cost of finished goods to assess whether any adjustments are required to value stocks in accordance with applicable accounting and reporting standards; and
- We also considered the adequacy of the related disclosures and assessed these are in accordance with the applicable financial reporting standards and the Companies Act, 2017 (XIX of 2017).

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- . Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- . Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- . Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit, we further report that in our opinion:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is Raheel Ahmed.

Shinewing Hameed Chaudhri & co.

SHINEWING HAMEED CHAUDHRI & CO.

CHARTERED ACCOUNTANTS
KARACHI;
UDIN : AR2023101051lyAJtibZ
Dated: October 3, 2023

Financial Statements

For the year ended June 30, 2023

Statement of Financial Position

AS AT JUNE 30, 2023

	Note	2023	2022
		(Rupees in thousand)	
ASSETS			
Non-current assets			
Property, plant and equipment	5	6,033,868	4,359,828
Intangible assets	6	1,800	2,593
Long term investment	7	-	1,400
Long term loans	8	951	202
Long term deposits	9	29,942	25,784
Deferred taxation - net	10	-	6,901
		6,066,561	4,396,708
Current assets			
Stores		23,235	13,304
Stock-in-trade	11	5,391,447	7,297,387
Trade debts	12	1,289,898	1,655,208
Loans and advances	13	167,588	405,156
Trade deposits and prepayments	14	1,777,550	1,654,691
Other receivables	15	22,473	25,974
Accrued mark-up		48,275	8,028
Sales tax refundable / adjustable	16	123,209	234,760
Taxation - net		1,189,330	1,260,455
Cash and bank balances	17	395,629	682,250
		10,428,634	13,237,213
Total assets		16,495,195	17,633,921

The annexed notes from 1 to 48 form an integral part of these financial statements.



Ahmad Kuli Khan Khattak
Chief Executive



Muhammad Zia
Director



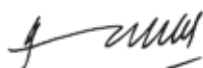
Muhammad Aamir
Chief Financial Officer

Statement of Financial Position

AS AT JUNE 30, 2023

	Note	2023	2022
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	18	426,088	426,088
Revenue reserves			
Unappropriated profit		2,443,481	2,234,694
Capital reserve			
Surplus on revaluation of fixed assets	19	5,352,566	3,728,108
Total equity		8,222,135	6,388,890
Non current liabilities			
Lease liabilities	20	67,981	68,060
Compensated absences	21	22,166	21,751
Deferred liabilities	22	46,597	45,634
Deferred taxation	10	44,411	-
		181,155	135,445
Current liabilities			
Trade and other payables	23	4,502,759	6,385,804
Unpaid dividends	24	78,959	78,959
Unclaimed dividends		21,339	21,380
Accrued mark-up / interest	25	204,050	136,827
Short term borrowings	26	3,253,378	4,399,548
Current maturity of lease liabilities	20	31,420	36,602
Current portion of long term borrowings		-	49,211
Current portion of - deferred income government grant		-	1,255
		8,091,905	11,109,586
Total liabilities		8,273,060	11,245,031
Contingencies and commitments	27		
Total equity and liabilities		16,495,195	17,633,921

The annexed notes from 1 to 48 form an integral part of these financial statements.



Ahmad Kuli Khan Khattak
Chief Executive



Muhammad Zia
Director



Muhammad Aamir
Chief Financial Officer

Statement of Profit or Loss And other Comprehensive Income

FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023	2022
		(Rupees in thousand)	
Sales - net	28	14,542,578	24,265,107
Cost of sales	29	(12,241,703)	(21,307,454)
Gross profit		2,300,875	2,957,653
Distribution cost	30	(921,744)	(964,822)
Administrative expenses	31	(371,745)	(352,446)
Other expenses	32	(129,533)	(317,905)
Other income	33	315,264	269,997
Profit from operations		1,193,117	1,592,477
Finance cost	34	(769,285)	(451,578)
Profit before taxation		423,832	1,140,899
Taxation	35	(244,408)	(412,399)
Profit after taxation		179,424	728,500
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Re-measurement of staff retirement benefit obligation		26,760	(20,509)
Impact of deferred tax		(7,760)	5,948
		19,000	(14,561)
Surplus on revaluation of fixed assets		1,714,639	-
Impact of deferred tax		(79,818)	-
		1,634,821	-
Other comprehensive income / (loss) for the year - net of tax		1,653,821	(14,561)
Total comprehensive income for the year		1,833,245	713,939
		(Rupees)	
Basic and diluted earnings per share	36	4.21	17.10

The annexed notes from 1 to 48 form an integral part of these financial statements.



Ahmad Kuli Khan Khattak
Chief Executive



Muhammad Zia
Director



Muhammad Aamir
Chief Financial Officer

Statement of Changes in Equity

FOR THE YEAR ENDED JUNE 30, 2023

	Share capital	Revenue Reserve - Unappropriated profit	Capital Reserve - Surplus on revaluation of fixed assets	Total
	(Rupees in thousand)			
Balance as at July 1, 2021	426,088	1,509,076	3,739,787	5,674,951
Transaction with owners, recognised directly in equity				
Total comprehensive income for the year ended June 30, 2022				
Profit for the year	-	728,500	-	728,500
Other comprehensive loss	-	(14,561)	-	(14,561)
	-	713,939	-	713,939
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred taxation	-	11,679	(11,679)	-
Balance as at June 30, 2022	426,088	2,234,694	3,728,108	6,388,890
Transaction with owners, recognised directly in equity				
Total comprehensive income for the year ended June 30, 2023				
Profit for the year	-	179,424	-	179,424
Other comprehensive income	-	19,000	1,634,821	1,653,821
	-	198,424	1,634,821	1,833,245
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred taxation	-	10,363	(10,363)	-
Balance as at June 30, 2023	426,088	2,443,481	5,352,566	8,222,135

The annexed notes from 1 to 48 form an integral part of these financial statements.



Ahmad Kuli Khan Khattak
Chief Executive



Muhammad Zia
Director



Muhammad Aamir
Chief Financial Officer

Statement of Cash Flows

FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023	2022
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	37	1,818,263	(629,608)
Gratuity paid		-	(26,033)
Compensated absences paid		(609)	(1,002)
Finance cost paid		(686,879)	(404,305)
Income tax paid - net		(209,549)	(323,737)
Long term loans - net		(749)	1,115
Long term deposits - net		(4,158)	(569)
Net cash generated from / (used in) operating activities		916,319	(1,384,139)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(88,744)	(181,072)
Purchase of intangible asset		-	(300)
Sale proceeds from disposal of operating fixed assets		34,304	21,058
Decrease in long term investment		1,400	-
Interest received		92,840	81,345
Net cash generated from / (used in) investing activities		39,800	(78,969)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term borrowings - repaid		(50,466)	(100,931)
Lease rentals paid		(46,063)	(31,463)
Dividend paid		(41)	(229)
Net cash used in financing activities		(96,570)	(132,623)
Net increase / (decrease) in cash and cash equivalents		859,549	(1,595,731)
Cash and cash equivalents at beginning of the year		(3,717,298)	(2,121,567)
Cash and cash equivalents at end of the year	38	(2,857,749)	(3,717,298)

The annexed notes from 1 to 48 form an integral part of these financial statements.



Ahmad Kuli Khan Khattak
Chief Executive



Muhammad Zia
Director



Muhammad Aamir
Chief Financial Officer

Notes to the Financial Statements

FOR THE YEAR ENDED JUNE 30, 2023

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 is the assembly, progressive manufacturing and sale of Isuzu trucks, buses and pick ups. The registered office of the Company is situated at F-3, Hub Chowki Road, S.I.T.E, Karachi. The manufacturing facilities of the Company are located at S.I.T.E., Karachi with regional offices at Lahore, Multan, Rawalpindi and Peshawar.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where provision of and directives issued under the Companies Act, 2017 differ from the IFRS, the provision of and directives issued under the Companies Act, 2017 have been followed.

2.2 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is the functional currency of the Company and figures are rounded off to the nearest thousand of Rupees unless otherwise specified.

2.3 New and amended standards and interpretations

2.3.1 Standards and amendments to approved accounting standards effective in current year

New and amended standards mandatory for the first time for the financial year beginning July 1, 2022:

- (a) Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' is applicable for accounting periods beginning on or after January 1, 2022. Under IAS 37, a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations – i.e. the lower of the costs of fulfilling the contract and the costs of terminating it – outweigh the economic benefits. The amendments clarify that the 'costs of fulfilling a contract' comprise both the incremental costs – e.g. direct labour and materials; and an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.
- (b) Amendment to IAS 16 'Property, Plant and Equipment' is applicable on accounting periods beginning on or after January 1, 2022. The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss. The amendments apply retrospectively, but only to items of PPE made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments.

There were certain other amendments to accounting and reporting standards which became mandatory for the Company during the current year but are considered not to be relevant or have any significant effect on the Company's financial reporting therefore have not been disclosed in these financial statements.

2.3.2 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company

The following new standards and amendments to approved accounting standards are not effective for the financial year beginning on July 1, 2022 and have not been early adopted by the Company:

- (a) Amendments to IAS 1, 'Presentation of Financial Statements' is applicable on accounting periods beginning on or after January 1, 2023. The amendments includes requiring companies to disclose their material accounting policies rather than their significant accounting policies, clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed and also clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.
- (b) Amendments to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' will be applicable on accounting periods beginning on or after January 1, 2023. The International Accounting Standards Board (the Board) has issued amendments to end diversity in treatment of accounting estimates and clarified how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. Developing an accounting estimate includes both selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 Financial Instruments; and – choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The effects of changes in such inputs or measurement techniques are changes in accounting estimates.
- (c) Amendments to IAS 12, 'Income taxes' will be applicable on accounting periods beginning on or after January 1, 2023. The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.
- (d) Amendments to IAS 1 'Presentation of Financial Statements' is applicable on accounting periods beginning on or after January 1, 2023. Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of this amendments, the requirement for a right to be unconditional has been removed and instead, the amendments requires that a right to defer settlement must have substance and exist at the end of the reporting period.
- (e) Amendments to IFRS 16 'Leases' are applicable on accounting periods beginning on or after January 1, 2024. Amendments impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered.

- (f) Amendments to IAS 1 'Presentation of Financial Statements' is applicable on accounting periods beginning on or after January 1, 2024. Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of this amendments, the requirement for a right to be unconditional has been removed and instead, the amendments requires that a right to defer settlement must have substance and exist at the end of the reporting period. This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement. At October 31, 2022, after reconsidering certain aspects of the amendments, the IASB reconfirmed that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures. There are number of other standards, amendments and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Company and therefore, have not been presented here.

3. BASIS OF MEASUREMENT

- 3.1** These financial statements have been prepared under the historical cost convention, except for certain classes of property, plant and equipment which have been included at revalued amounts and staff retirement benefit which has been recognised at present value as determined by the Actuary.
- 3.2** The preparation of financial statements in conformity with approved accounting standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgement was exercised in application of accounting policies are as follows:

- (i) Estimate of residual values and useful lives of depreciable and intangible assets (note 4.1 and 4.3)
- (ii) Lease term and discount rate for calculation of lease liabilities (note 4.2)
- (iii) Provision for taxation (note 4.10)
- (iv) Provision for staff benefits (note 4.12)
- (v) Provisions (note 4.20)

4. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Property, plant and equipment

Leasehold land is stated at revalued amount and buildings on leasehold land are stated at revalued amount less accumulated depreciation and impairment loss (if any). Other classes of operating fixed assets are stated at cost less accumulated depreciation and impairment loss (if any). Capital work-in-progress is stated at cost less impairment loss (if any). All expenditure connected to the specific assets incurred during the installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when the assets are available for use.

Plant and machinery were revalued in the year 1995 by independent valuers, and were presented at their revalued amount. The Company subsequently adopted the cost model for plant and machinery, and the revalued amounts were treated as deemed costs. The surplus on revaluation of these assets, however, were recognised in accordance with section 235 of the repealed Companies Ordinance, 1984 applicable at that time.

Subsequent costs are included in the asset's carrying amounts or recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenances are charged to the profit or loss as and when incurred.

Depreciation on all operating fixed assets is charged using the straight line method in accordance with the rates specified in note 5.1 to these financial statements and after taking into account their residual values. The depreciation method, residual values and useful lives of items of property, plant and equipment are reviewed periodically and altered if circumstances or expectations have changed significantly. Any change is accounted for as a change in accounting estimate by changing depreciation charge for the current and future periods.

Depreciation on additions is charged from the month in which the assets become available for use, while on disposals depreciation is charged upto the month of disposal.

Gains or losses on disposal or retirement of fixed assets are determined as the difference between the sale proceeds and the carrying amounts of the assets and are included in the profit or loss.

Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from their fair value. Any surplus on revaluation of fixed assets is recognised in other comprehensive income and presented as a separate component of equity as "Surplus on revaluation of fixed assets", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of fixed assets is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on fixed assets relating to a previous revaluation of that asset. Each year, the incremental depreciation charged on the revalued assets (net of deferred taxation) is reclassified from surplus on revaluation of fixed assets to unappropriated profit. The revaluation reserve is not available for distribution to the Company's shareholders.

The Company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is taken to profit or loss except for impairment loss on revalued assets, which is adjusted against related revaluation surplus to the extent that the impairment loss does not exceed the surplus on revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders.

The Company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is taken to profit and loss account except for impairment loss on revalued assets, which is adjusted against related revaluation surplus to the extent that the impairment loss does not exceed the surplus on revaluation of that asset.

4.2 Right of use assets and related liabilities

The Company generally leases regional offices and related properties. At the inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

Leases are recognised as right of use assets and corresponding liabilities at the date at which the leased assets are available for use by the Company.

The lease liabilities are initially measured at the present value of the remaining lease payments at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. At initial recognition, liabilities were discounted using the Company's incremental borrowing rate. Lease payment includes fixed payments with annual increments. The lease liabilities are subsequently measured at amortised cost using the effective interest rate.

Right of use assets are initially measured based on the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right of use assets are depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The carrying amount of the right of use asset is reduced by impairment losses, if any. At transition, the Company recognised right of use assets equal to the present value of lease payments.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less.

4.3 Intangible assets - computer software

Computer software licenses acquired by the Company are stated at cost less accumulated amortization. Cost represents the cost incurred to acquire the software licenses and bringing them to use. The cost of computer software is amortized over the estimated useful life i.e. 5 years using straight-line method.

Costs associated with maintaining computer software are charged to profit or loss as and when incurred.

4.4 Long term investment

Investment in Subsidiary Company is carried at cost less impairment, if any.

4.5 Long term deposits

These are stated at cost which represents the fair value of the consideration given.

4.6 Stores

These are valued at cost determined on a first-in-first-out basis. Items in transit are stated at invoice value plus other charges thereon accumulated upto the reporting date.

Provision for obsolete and slow moving stores is determined based on management's estimate regarding their future usability.

4.7 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realizable value except for goods in transit which are stated at invoice values plus other charges thereon accumulated upto the reporting date. Cost in relation to raw materials, components and trading stock (except for parts and accessories included in trading stock which are valued on average basis) is arrived at principally on first-in-first-out basis. Cost of work in process and finished stocks including components include direct wages and applicable manufacturing overheads.

Net realizable value represents the estimated selling price in the ordinary course of business less cost necessarily to be incurred in order to make the sale.

4.8 Trade debts and other receivables

Trade debts and other receivables are classified as financial assets at amortised cost according to IFRS 9.

Trade and other debts are carried at original invoice amount being the fair value. Provision is made against debts considered doubtful of recovery whereas debts considered irrecoverable are written off. The Company uses simplified approach for measuring the expected credit losses for all trade and other receivables including contract assets based on lifetime expected credit losses. The Company has estimated the credit losses using a provision matrix where trade receivables are grouped based on different customer attributes along with historical, current and forward looking assumptions. Debts considered irrecoverable are written off.

4.9 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortised cost. For the purposes of cash flow statement, cash and cash equivalents comprise of cash in hand, cash with banks and short term borrowings under mark-up arrangements.

4.10 Taxation

The tax expense for the year comprises of current and deferred tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in the previous years arising from assessments framed during the year for such years.

Deferred

The Company accounts for deferred taxation using the balance sheet liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax liability is recognised for taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the profit or loss, except in the case of items credited or charged to other comprehensive income / equity in which case it is included in other comprehensive income / equity.

4.11 Finance lease / Assets subject to finance lease

Leases that transfer substantially all the risk and rewards incidental to ownership of an asset are classified as finance leases. Assets on finance lease are capitalised at the commencement of the lease term at the lower of the fair value of leased assets and the present value of minimum lease payments, each determined at the inception of the lease. Each lease payment is allocated between the liability and finance cost so as to achieve a constant rate on the finance balance outstanding. The finance cost is charged to statement of profit or loss and is included under finance cost.

4.12 Retirement benefit obligations

4.12.1 Defined benefit plan

The Company operates a funded gratuity scheme. The scheme defines the amounts of benefits that an employee will receive on or after retirement subject to a minimum qualifying period of service under the scheme. The amount of retirement benefit is usually dependent on one or more factors such as age, years of service and salary.

The liability recognised in the statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less fair value of plan assets. Contributions under the schemes are made on the basis of actuarial valuation. The valuation of scheme is carried out annually by an independent expert, using the "Projected Unit Credit Method" with the latest valuation being carried out as on June 30, 2023.

The amount arising as a result of re-measurements are recognised in the statement of financial position immediately, with a charge or credit to other comprehensive income in the periods in which they occur. Past service cost, if any, are recognised immediately in statement of profit or loss.

4.12.2 Compensated absences

Employees' entitlements to annual leaves are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees upto the reporting date.

4.13 Trade and other payables

Trade and other payables are measured at cost which is the fair value of consideration to be paid in future for goods and services received, whether or not billed to the Company.

Warranty

The Company recognises the estimated liability to repair or replace products still under warranty at the reporting date. Provision for warranty is calculated by taking average of preceding three years sales.

4.14 Revenue recognition

The Company recognises revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those good and services. The Company recognises revenue in accordance with that core principle by applying the following steps:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when the entity satisfies a performance obligation

Revenue from sale of goods is recognized when the Company satisfies a performance obligation (at a point of time) by transferring promised goods to customer being when the goods are invoiced and delivered to customers. Revenue is measured at the fair value of consideration received or receivable, and represents amount receivable for goods supplied and sales tax.

Interest income is accrued on a time basis, by reference to the principal outstanding and the interest rate applicable.

4.15 Borrowings and their cost

Borrowings are recorded at the proceeds received. Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that asset.

4.16 Government grants

Government grants are recognized where there is a reasonable assurance that the grant will be received and the Company will comply with all conditions of the grant. Government grants relating to costs are deferred and recognized in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

4.17 Foreign currency translation

Transactions in foreign currencies are translated into reporting currency at the rates of exchange prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into reporting currency equivalents using year-end foreign exchange rates. Non-monetary assets and liabilities are translated using the exchange rate that existed when the values were determined. Exchange differences on foreign currency translations are taken to the statement of profit or loss.

4.18 Financial assets and liabilities

Financial assets and financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument and derecognised when the Company loses control of

contractual rights that comprise the financial assets and in the case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of financial assets and financial liabilities is included in the profit or loss for the year. All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortised cost or cost as the case may be. The particular measurement methods adopted are disclosed in individual policy statement associated with each item.

4.19 Off-setting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

4.20 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

4.21 Dividend and appropriation to reserves

Dividend and other appropriations to reserves are recognised in the period in which they are approved.

4.22 Impairment loss

The carrying amounts of the Company's assets are reviewed at each reporting date to identify circumstances indicating occurrence of impairment loss or reversal of provisions for impairment losses. If any indications exist, the recoverable amounts of such assets are estimated and impairment losses or reversals of impairment losses are recognised in the profit or loss. Reversal of impairment loss is restricted to the original cost of the asset.

4.23 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss after taxation attributable to ordinary shareholders of the Company by weighted average numbers of ordinary shares outstanding during the year.

4.24 Segment reporting

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	2023	2022
		(Rupees in thousand)	
Operating fixed assets	5.1	5,787,162	4,077,413
Capital work-in-progress	5.8	175,275	202,224
Right of use assets	5.9	71,431	80,191
		<u>6,033,868</u>	<u>4,359,828</u>

5.1 Operating fixed assets

	Leasehold land	OWNED							Total
		Buildings on leasehold land	Plant and machinery	Permanent tools	Furniture and fixture	Motor vehicles / trucks	Office machines & equipment	Computers	Jigs and special tools
At July 1, 2021									
Revaluation / cost	3,407,400	582,492	213,304	34,543	13,314	198,182	31,109	28,970	354,231
Accumulated depreciation	-	89,136	78,365	11,075	5,345	161,387	18,349	17,018	318,258
Net book value	3,407,400	493,356	134,939	23,468	7,969	36,795	12,760	11,952	35,973
Year ended June 30, 2022									
Opening net book value	3,407,400	493,356	134,939	23,468	7,969	36,795	12,760	11,952	35,973
Additions	-	-	2,022	3,328	318	32,471	3,686	3,814	-
Disposals	-	-	-	-	-	-	-	-	-
- cost	-	-	-	-	-	39,329	-	201	-
- accumulated depreciation	-	-	-	-	-	(30,266)	-	(94)	-
	-	-	-	-	-	9,063	-	107	-
Transfer to right of use asset									
- cost	-	-	-	-	-	2,955	-	-	-
- accumulated depreciation	-	-	-	-	-	(246)	-	-	-
	-	-	-	-	-	2,709	-	-	-
Depreciation charge	-	26,636	20,714	6,156	5,060	19,467	4,893	7,724	30,309
Closing net book value	3,407,400	466,720	116,247	20,640	3,227	38,027	11,553	7,935	5,664
At June 30, 2022									
Revaluation / cost	3,407,400	582,492	215,326	37,871	13,632	188,369	34,795	32,583	354,231
Accumulated depreciation	-	115,772	99,079	17,231	10,405	150,342	23,242	24,648	348,567
Net book value	3,407,400	466,720	116,247	20,640	3,227	38,027	11,553	7,935	5,664
Year ended June 30, 2023									
Opening net book value	3,407,400	466,720	116,247	20,640	3,227	38,027	11,553	7,935	5,664
Additions	-	-	46,203	836	40	66,558	533	958	1,270
Revaluation adjustments									
- revaluation	1,498,915	215,724	-	-	-	-	-	-	-
- accumulated depreciation	-	-	-	-	-	-	-	-	-
	1,498,915	215,724	-	-	-	-	-	-	-
Disposals									
- cost	-	-	-	-	-	49,850	-	-	-
- accumulated depreciation	-	-	-	-	-	(24,185)	-	-	-
	-	-	-	-	-	25,665	-	-	-
Depreciation charge	-	26,636	22,538	11,413	2,258	16,117	6,476	4,489	5,696
Closing net book value	4,906,315	655,808	139,912	10,063	1,009	62,803	5,610	4,404	1,238
At June 30, 2023									
Revaluation / cost	4,906,315	798,216	261,529	38,707	13,672	205,077	35,328	33,541	355,501
Accumulated depreciation	-	142,408	121,617	28,644	12,663	142,274	29,718	29,137	354,263
Net book value	4,906,315	655,808	139,912	10,063	1,009	62,803	5,610	4,404	1,238
Annual rates of depreciation	-	5%	10%	20%	20%	20%	20%	33%	33%

5.2 Depreciation charge has been allocated as follows:

	Note	2023	2022
(Rupees in thousand)			
Cost of goods manufactured	29.1	71,040	87,639
Distribution cost	30	6,674	7,101
Administrative expenses	31	17,909	26,219
		<u>95,623</u>	<u>120,959</u>

5.3 Leasehold land and buildings on leasehold land of the Company had previously been revalued in June 2010, June 2013, June 2016, June 2019 and June 2020. These revaluation exercise resulted in net surplus of Rs. 437.28 million, Rs. 259.45 million, 218.20 million, Rs. 200.91 and 1,751.09 million respectively. Leasehold land and buildings on leasehold land of the company were last revalued in June 2023 by Oceanic Surveyors (Private) Limited (Approved Valuer of Pakistan Banks' Association) on the basis of present market value and depreciated market value (level 2 of fair value hierarchy). The different levels of fair value have been defined in IFRS 13 and are mentioned in the given note (Note:42.4).

The latest revaluation exercise resulted in a net surplus of Rs.1,714.64 million. At the time of latest revaluation, forced sale value of this leasehold land and buildings on leasehold land was Rs. 4,170.37 million and Rs. 557.44 million respectively. Out of the revaluation surplus resulting from all the revaluations carried-out to date, an amount of Rs.5,401.666 million (2022: Rs.3,703.478 million) remains un-depreciated as at June 30, 2023.

5.4 Leasehold land of the Company is located at S.I.T.E. Karachi with an area of 18.93 acres.

5.5 Had the operating fixed assets been recognised under the cost model, the carrying amount of building on leasehold land would have been Rs.160.459 million (2022: Rs.170.646 million).

5.6 Operating fixed assets include certain plant and machinery, permanent tools and jigs & special tools with cost aggregating Rs.409.213 million (2022: Rs.406.443 million) and net book value of Rs. 20.909 million (2022: Rs. 34.906 million) which are held by Ghandhara Automobiles Limited - a related party as these fixed assets are used for assembling of the Company's products.

5.7 The details of operating fixed assets disposed off during the year are as follows:

Particulars of assets	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain	Transferred to lease	Net gain on disposal	Mode of disposal	Particulars of buyers
(Rupees in 000')									
Item having book value more than Rs. 500,000 each									
Vehicles									
	3,953	395	3,558	3,953	395	(395)	-	Sale and lease back	First Habib Modaraba
	3,817	636	3,181	3,805	624	(624)	-	Sale and lease back	First Habib Modaraba
	2,957	345	2,612	3,272	660	(660)	-	Sale and lease back	First Habib Modaraba
	3,177	371	2,806	3,152	346	(346)	-	Sale and lease back	First Habib Modaraba
	8,538	427	8,111	8,538	427	(427)	-	Sale and lease back	First Habib Modaraba
	3,171	1,744	1,427	4,500	3,073	(3,073)	-	Sale and lease back	Orix Modaraba
	6,726	2,803	3,923	5,000	1,077	(1,077)	-	Sale and lease back	Orix Modaraba
	<u>32,339</u>	<u>6,721</u>	<u>25,618</u>	<u>32,220</u>	<u>6,602</u>	<u>(6,602)</u>	<u>-</u>		
Item having book value less than Rs. 500,000 each									
	17,511	17,464	47	8,686	8,639	-	8,639	Various	Various
June 30, 2023	49,850	24,185	25,665	40,906	15,241	(6,602)	8,639		
June 30, 2022	39,530	30,361	9,169	34,727	25,558	(13,670)	11,888		

5.8	Capital work in progress	Note	2023	2022
			(Rupees in thousand)	
	Advances made for:			
	- Buildings on leasehold land	5.8.1	125,000	127,807
	- Plant and machinery		50,275	50,275
	- Vehicles		-	9,345
	- Computer software		-	14,797
			<u>175,275</u>	<u>202,224</u>

5.8.1 Include Rs.125 million advance paid to Business Vision (Private) Limited - a related party against reservation of floor in project name SKY GARDEN located at office building at plot no.108, C.F, 1-5, Old Clifton Quarters, Karachi.

5.9	Right of use assets	Note	2023	2022
			(Rupees in thousand)	
	Net book value at beginning of the year		80,191	92,550
	Transfer from operating fixed assets costing Rs. 32.339 million (2022: Rs. 2.955 million)		25,619	2,709
	Addition / transfer from owned - net		-	18,352
	Disposal		(705)	-
	Depreciation charged during the year	5.10	<u>(33,674)</u>	<u>(33,420)</u>
	Net book value at end of the year		<u>71,431</u>	<u>80,191</u>

5.10 Depreciation expense relating to right of use asset - properties of Rs. 4.032 million (2022: Rs. 3.123 million) has been charged in 'Cost of sales', Rs.17.873 million (2022: Rs. 18.186 million) in 'Distribution cost' and Rs.11.769 million (2022: Rs. 12.111 million) in 'Administrative expenses'.

6.	INTANGIBLE ASSETS	Note	2023	2022
			(Rupees in thousand)	
	These represent computer software licenses.			
	Cost			
	At beginning of the year		6,091	5,791
	Addition during the year		-	300
	At June 30,		<u>6,091</u>	<u>6,091</u>
	Accumulated amortization			
	At beginning of the year		3,498	2,709
	Add: charge for the year	6.1	<u>793</u>	<u>789</u>
	At June 30,		<u>4,291</u>	<u>3,498</u>
	Net book value		<u>1,800</u>	<u>2,593</u>
	Annual rate of amortization		<u>20%</u>	<u>20%</u>

6.1 Amortization charge for the year has been grouped under administrative expenses (note 31).

7.	LONG TERM INVESTMENT - at cost	Note	2023	2022
			(Rupees in thousand)	
	Subsidiary Company - Unquoted Marghzar Industries (Private) Limited 140,000 (2022: 140,000) fully paid ordinary shares of Rs.10 each.			
	Equity held: 70% (2022: 70%)	7.1	<u>-</u>	<u>1,400</u>

- 7.1 The management of the Subsidiary Company on June 26, 2023, after approval from its members, has submitted an application and related documentation regarding the closure of the Company. In view of the above, the Company has adjusted the amount of investment from 'due to subsidiary company' (note - 23) and recorded the difference of Rs.1,347 thousand as other income (note - 33).

8. LONG TERM LOANS - Secured, considered good

Note

		2023	2022
		(Rupees in thousand)	
Loans due from:			
Employees	8.1	2,637	515
Less: amounts recoverable within one year and grouped under current assets		1,686	313
		951	202

- 8.1 Interest free loans have been provided to employees under their terms of employment. These are repayable in monthly instalments over a period of one to five years. These are secured against their respective vested retirement benefit.

9. LONG TERM DEPOSITS - Considered good

	2023	2022
	(Rupees in thousand)	
Deposits held with / for:		
- Leasing companies	19,453	15,295
- Utilities and rental agreements	7,387	7,387
- Others	3,102	3,102
	29,942	25,784

10. DEFERRED TAXATION - Net

This is composed of following:

- accelerated tax depreciation allowance	27,453	22,335
- surplus on revaluation of fixed assets	(155,009)	(81,277)
- liabilities against assets subject to finance lease	8,111	7,097
- gain on sale and lease back of fixed assets	97	209
- provision for gratuity	17,117	13,024
- provision for workers profit participation fund	9,930	19,977
- provision for doubtful balances	40,048	16,446
- provision for warranty	7,842	7,403
- others	-	1,687
	(44,411)	6,901

11. STOCK-IN-TRADE

Raw materials and components

- In hand	2,968,768	3,942,268
- In transit	-	762,284
	2,968,768	4,704,552
Work-in-process	402,775	92,472
Finished goods including components	1,305,887	1,729,423
Trading stocks	714,017	770,940
	5,391,447	7,297,387

- 11.1** Stock-in-trade includes stock of Rs.2,281.87 million (2022: Rs.3,781.61 million) held with third parties out of which stock of Rs.2,190.97 million (2022: Rs.3,384.38 million) is held with Ghandhara Automobiles Limited (an Associated Company) for assembly.

12. TRADE DEBTS - Unsecured

Note

2023

2022

(Rupees in thousand)

Considered good

Ghandhara Automobiles Limited - a related party

Government and semi - government agencies

Others

Consider doubtful - others

Less: provision for expected credit losses

12.3

1,765	1,575
951,725	727,052
336,408	926,581
1,289,898	1,655,208
86,783	33,887
1,376,681	1,689,095
86,783	33,887
1,289,898	1,655,208

12.1 The ageing of trade debts at reporting date is as follows:

2023

2022

2023

2022

Associated Company

Others

(Rupees in thousand)

Upto 30 days

31 - 180 days

Over 180 days

-	-	488,631	1,374,007
289	120	284,174	48,895
1,476	1,455	602,111	264,618
1,765	1,575	1,374,916	1,687,520

- 12.2** The maximum aggregate amount of trade receivable from related parties at the end of any month during the year was Rs.1.765 million (2022: 1.575 million).

12.3 Provision for expected credit loss

Note

2023

2022

(Rupees in thousand)

Balance at beginning of the year

Provision made during the year

Balances written off during the year

Balance at end of the year

33,887	70,654
52,896	157,315
-	(194,082)
86,783	33,887

13. LOANS AND ADVANCES - Unsecured

Considered good

Current portion of long term loans to employees

Advances due from:

- employees

- suppliers, contractors and others

Considered doubtful

Advance to suppliers

Less: provision for doubtful advances

8

13.1

1,686	313
3,205	5,332
162,697	399,511
165,902	404,843
7,497	6,302
7,497	6,302
-	-
167,588	405,156

- 13.1** Advances are given to employees to meet business expenses and are settled when expenses are incurred.

14. TRADE DEPOSITS AND PREPAYMENTS

	Note	2023	2022
(Rupees in thousand)			
Tender deposits		61,216	111,579
Less: provision for expected credit losses		11,394	13,959
		49,822	97,620
Margins against bank guarantees	14.1	685,150	1,240,871
Less: provision for doubtful margin deposit		330	330
		684,820	1,240,541
Margin against letters of credit	14.1	1,039,629	314,430
Prepayments		3,279	2,100
		1,777,550	1,654,691

- 14.1** Includes term deposit receipt of Rs. 451.09 million (2022: Rs. 1,038.10 million) and Rs. 882.17 million (2022: Nil) placed in various banks against the bank guarantees and letters of credit respectively. Term deposit receipt (TDR) has maturity of 30 to 90 days (2022: 30 to 180 days) from date of acquisition. These TDR carries mark-up at the rate ranging from 16.5% to 20.48% per annum (2022: 13.75% per annum).

15. OTHER RECEIVABLES - Unsecured

	2023	2022
(Rupees in thousand)		
Commission / claim receivable from Isuzu Motors Limited, Japan - a related party	18,100	25,974
Rent receivable from Ghandhara - Dongfeng (Private) Limited - a related party	4,373	-
	22,473	25,974

- 16.** During the year, the Company has made a provision against doubtful sales tax refundable aggregating Rs. 91.317 million after obtaining approval from the Board of Directors.

17. CASH AND BANK BALANCES

	Note	2023	2022
(Rupees in thousand)			
Cash in hand		3,404	1,233
Cash with banks on / as:			
- current accounts	17.1	225,274	241,633
- saving accounts		169,142	441,575
- foreign currency accounts	17.2	42	42
		394,458	683,250
Less: provision for a doubtful bank account	17.3	2,233	2,233
		395,629	682,250

- 17.1** Saving accounts carry mark-up ranging from 6.75% to 10% (2022: 3.40% to 7.6%) per annum.
- 17.2** Foreign currency accounts include Japanese Yen (JPY) 31,559 equivalent to Rs.0.029 million and US Dollars 126 equivalent to Rs.0.013 million (2022: JPY 31,559 equivalent to Rs.0.029 million and US Dollars 126 equivalent to Rs.0.013 million).
- 17.3** This represents provision made against balances held with Indus Bank Limited under liquidation.

18. SHARE CAPITAL

18.1 Authorized capital

2023	2022		2023	2022
(No. of shares)			(Rupees in thousand)	
100,000	100,000	Ordinary shares of Rs.10 each	1,000,000	1,000,000

18.2 Issued, subscribed and paid-up capital

2023	2022		2023	2022
(No. of shares)			(Rupees in thousand)	
17,650,862	17,650,862	Ordinary shares of Rs.10 each fully paid in cash	176,509	176,509
358,206	358,206	Ordinary shares of Rs.10 each issued for consideration other than cash	3,582	3,582
24,599,776	24,599,776	Ordinary shares of Rs.10 each issued as fully paid bonus shares	245,997	245,997
42,608,844	42,608,844		426,088	426,088

- 18.3** At June 30, 2023 and June 30, 2022 Bibojee Services (Private) Limited, the ultimate Holding Company, held 16,686,794 (2022: 16,686,794) ordinary shares of Rs.10 each.

18.4 Ordinary shares held by related parties other than the ultimate Holding Company as at June 30,

	2023	2022
	(Rupees in thousand)	
Gandhara Automobiles Limited	8,132,336	8,132,336
Universal Insurance Company Limited	2,368,296	2,368,296
Gandhara Tyre and Rubber Company Limited	201,400	201,400
Bibojee Investments (Private) Limited	42,816	42,816
	10,744,848	10,744,848

- 18.5** The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All shares rank equally with regard to Company's residual assets.

19. SURPLUS ON REVALUATION OF FIXED ASSETS

Note

		2023	2022
		(Rupees in thousand)	
Balance at the beginning of the year		3,809,385	3,825,834
Add: surplus arisen on revaluation carried-out during the year	5.3	1,714,639	-
Less: transferred to unappropriated profit on account of incremental depreciation for the year		16,449	16,449
		5,507,575	3,809,385
Less: related deferred tax of:			
- opening balance		81,277	86,047
- revaluation exercise for the year		79,818	-
- incremental depreciation for the year		(6,086)	(4,770)
- closing balance		155,009	81,277
Balance at end of the year		5,352,566	3,728,108

20. LEASE LIABILITIES

Balance at beginning of the year		104,662	102,915
Additions / net transfers during the year		32,020	34,749
Interest accrued		15,066	12,149
Repaid / adjusted during the year	20.1	(52,347)	(45,151)
		99,401	104,662
Current portion grouped under current liabilities		(31,420)	(36,602)
Balance at end of the year		67,981	68,060

20.1 The Company has acquired motor vehicles under finance lease arrangements from leasing companies and a modaraba. The arrangements are secured by title of leased assets in the name of the lessor. Rentals are payable in monthly instalments. Repair and insurance cost are borne by the Company. The rates of financial charges applied, during the year, ranged from 13.02% to 25.67% per annum (2022: 9.02% to 18.36% per annum). At the end of the lease term, the ownership of the assets shall be transferred to the Company against the security deposits paid. These includes of Rs. Nil (2022: Rs. 11.30 million) lease rentals for show room having estimated lease term of 4 years. These are discounted using incremental borrowing rate (16.32%) of the Company.

The amount of future minimum lease payments together with the present value of the minimum lease payments and the periods during which they fall due are as follows:

	2023			2022		
	Minimum lease payments	Finance cost allocated to future period	Present value of minimum lease payments	Minimum lease payments	Finance cost allocated to future period	Present value of minimum lease payments
	(Rupees in thousand)					
Not later than one year	47,198	15,778	31,420	47,153	10,551	36,602
Later than one year but not later than five years	84,565	16,584	67,981	78,673	10,613	68,060
Total minimum lease payments	131,763	32,362	99,401	125,826	21,164	104,662

21. COMPENSATED ABSENCES

Note

2023**2022**

(Rupees in thousand)

Balance at beginning of the year		21,751	18,954
Provision for the year		1,024	3,799
		<u>22,775</u>	<u>22,753</u>
Encashed during the year		(609)	(1,002)
Balance at end of the year	21.1	<u>22,166</u>	<u>21,751</u>

21.1 Includes liability in respect of key management personnel aggregating to Rs. 7.436 million (2022: Rs. 7.546 million).

22. DEFERRED LIABILITIES

Note

2023**2022**

(Rupees in thousand)

Gain on sale and lease back of fixed assets	22.1	335	722
Staff retirement benefit - gratuity	22.2.4	46,262	44,912
		<u>46,597</u>	<u>45,634</u>

22.1 Gain on sale and lease back of fixed assets

Balance at beginning of the year	722	1,293
Less: amortization for the year	387	571
Balance at end of the year	<u>335</u>	<u>722</u>

22.1.1 The Company entered into sale and leaseback transaction during the preceding years which resulted in finance leases. The excess of sale proceeds over the net book value of motor vehicle under sale and leaseback arrangement has been recognised as deferred income and amortized over the period of the lease term.

22.2 Staff retirement benefit - gratuity

22.2.1 As stated in note 4.12.1, the Company operates an approved funded gratuity scheme for its staff.

22.2.2 Plan assets held in trust are governed by local regulations which mainly includes Trust Act, 1882, the Companies Act, 2017, Income Tax Rules, 2002 and Rules under the Trust deed of the Plan. Responsibility for governance of the Plan, including investment decisions and contributions schedules lies with the Board of Trustees. The Company appoints the trustees.

22.2.3 The latest actuarial valuations of the Scheme as at June 30, 2023 was carried out by an independent expert, using the 'Projected Unit Credit Method'. Details of the Scheme as per the actuarial valuation are as follows:

22.2.4 Statement of financial position - reconciliation**2023****2022**

(Rupees in thousand)

Present value of defined benefit obligation	226,210	204,526
Fair value of plan assets	(179,948)	(159,614)
	<u>46,262</u>	<u>44,912</u>

22.2.5 Movement in the present value of defined benefit obligation

	2023	2022
	(Rupees in thousand)	
Balance at beginning of the year	204,526	156,346
Current service cost	22,159	23,101
Interest cost	26,901	15,150
Re-measurements	(24,389)	19,627
Benefits paid	(2,987)	(9,698)
Balance at end of the year	226,210	204,526

22.2.6 Movement in the fair value of plan assets

Balance at beginning of the year	159,614	130,313
Contributions	-	26,033
Benefits paid	(2,987)	(9,698)
Interest income	20,950	13,848
Re-measurements	2,371	(882)
Balance at end of the year	179,948	159,614

22.2.7 Expense recognised in statement of profit or loss

Current service cost	22,159	23,101
Interest cost - net	5,951	1,302
	28,110	24,403

22.2.8 Re-measurement recognised in other comprehensive income

Re-measurement gain on plan assets	(2,371)	882
Experience adjustments	(24,389)	19,627
	(26,760)	20,509

22.2.9 Plan assets comprise of:

Term deposit receipts including accrued mark-up	171,830	155,439
Cash and cash equivalent	8,118	4,175
	179,948	159,614

22.2.10 Actuarial assumptions used

	--- % per annum ---	
Discount rate	16.25	13.25
Expected rate of increase in future salaries	15.25	12.25
Mortality rates (for death in service)	SLIC	SLIC
	2001-2005	2001-2005

22.2.11 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in principal assumptions is:

	Change in assumption	Value of defined benefit obligation	
		Increase in assumption	Decrease in assumption
		(Rupees in thousand)	
Discount rate	1.00%	208,901	244,953
Increase in future salaries	1.00%	244,947	208,899

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the project unit credit method at the end of reporting period) has been applied as when calculating the gratuity liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

22.2.12 Based on actuary's advice, the expected charge for the year ending June 30, 2024 amounts to Rs. 36.691 million.

22.2.13 The weighted average duration of the scheme is 8 years.

22.2.14 Historical information	2023	2022	2021	2020	2019
	(Rupees in thousand)				
Present value of defined benefit obligation	226,210	204,526	156,346	127,076	98,571
Experience adjustment	(24,389)	19,627	3,952	(273)	506

22.2.15 Expected maturity analysis of undiscounted retirement benefit plan:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
	(Rupees in thousand)				
At June 30, 2023	12,029	32,106	47,648	357,990	449,773

23. TRADE AND OTHER PAYABLES

	Note	2023	2022
		(Rupees in thousand)	
Creditors		505,655	1,197,421
Accrued liabilities		20,260	164,658
Contract liabilities - advances from customers	23.1	3,213,130	4,276,422
Royalty payable		127,432	73,079
Withholding tax		15,352	13,574
Provision for additional custom duty and others		398,723	398,723
Provision for warranty		27,042	25,526
Due to related parties	23.2	134,232	142,197
Due to the Subsidiary Company	7.1	-	2,705
Workers' Profit Participation Fund	23.3	22,762	42,800
Workers' Welfare Fund	23.4	11,481	26,085
Others		26,690	22,614
		<u>4,502,759</u>	<u>6,385,804</u>

23.1 These represent advances from customers against sale of vehicle and carry no mark-up. Revenue aggregating Rs. 3,761.28 million (2022: Rs. 4,044.61 million) has been recognised for preceding year contract liabilities - advance from customers.

23.2 Due to related parties

	Note	2023	2022
		(Rupees in thousand)	
Ghandhara Automobiles Limited		90,245	98,678
Ghandhara Tyre & Rubber Company Limited		20,546	34,648
Rahman Cotton Mills Limited		4,500	2,700
Gammon Pakistan Limited		-	333
Waqf-e-Kuli Khan		-	5,818
Ghandhara DF (Private) Limited		18,941	20
		<u>134,232</u>	<u>142,197</u>

23.3 Workers' profit participation fund

Balance at beginning of the year		42,800	39,779
Add: allocation for the year	32	22,762	61,420
Add: interest on funds utilised in the Company's business		<u>5,107</u>	<u>1,285</u>
		70,669	102,484
Less: payments made during the year		<u>47,907</u>	<u>59,684</u>
Balance at end of the year		<u>22,762</u>	<u>42,800</u>

23.4 Workers' welfare fund

Balance at beginning of the year		26,085	17,738
Charge for the year	32	8,650	26,085
Less: paid during the year		<u>23,254</u>	<u>17,738</u>
Balance at end of the year		<u>11,481</u>	<u>26,085</u>

- 24.** Cash dividend and issuance of bonus shares to M/s. Essar Asset Management (Private) Limited has been withheld in view of the restraining order dated November 16, 2018 passed by the Hon'ble High Court of Sindh in Suit No. 2149 of 2018.

25. ACCRUED MARK-UP / INTEREST

Note

2023

2022

(Rupees in thousand)

Mark-up / interest accrued on:

- short term borrowings - secured

- long term loans - unsecured

199,536 132,124

4,514 4,703

204,050 136,827

26. SHORT TERM BORROWINGS - Secured

Finance against imported merchandise

26.1

364,808 449,257

Istisna

26.2

1,009,670 1,238,924

Murabaha

26.2

379,843 1,776,502

Running finance / Musharakah

26.3

1,499,057 934,865

3,253,378 4,399,548

- 26.1** The Company has arranged facilities aggregating Rs. 6,970 million (2022: Rs.8,625 million) for opening of letters of credit from banks. These facilities are secured against cash margin and consignment of import documents in bank's favour. Finance against import merchandise (FIM) aggregating Rs.900 million (2022: Rs.3,450 million) and finance against trust receipt (FATR) aggregating Rs. 1,050 million (2022: Rs. 550 million) are also available as sub-limit of abovementioned facilities. FIM is secured against pledge of goods and FATR is secured against first / joint pari passu hypothecation charge over current assets. Mark-up on FIM is payable on quarterly basis at rate ranging from 1 month KIBOR plus 1.50% per annum to 3 month KIBOR plus 1.10% per annum (2022: at rate ranging from Matching KIBOR plus 1% to 1.50% per annum) and mark-up on FATR is payable on a quarterly basis at rate ranging from 1 month KIBOR plus 0.75% per annum to 3 month KIBOR plus 1.5% (2022: at rate ranging from 1 month KIBOR plus 0.75%). These facilities are maturing on various dates latest by March 31, 2024.
- 26.2** The Istisna facility of Rs. 950 million (2022: Rs.2,350 million) with a tenor of 180 days (2022: 180 days) and murabaha facility of Rs.2,500 million (2022: Rs. 3,150 million) are available from banks. Profit on both facilities ranges from Matching KIBOR plus 0.95% to 1.50% (2022: Matching KIBOR plus 0.95% to 2.25%) and is payable along with the repayment of principal. These facilities are secured against first pari passu hypothecation charge on current assets of Rs. 4,267 million (2022: Rs. 4,667 million). The facilities shall be available latest by November 30, 2023.
- 26.3** The Company has facilities for short-term running finance amounting Rs.1,100 million (2022: Rs.1,940 million) from banks. Mark-up is based on rates ranging from 1 month KIBOR plus 0.75% to 3 months KIBOR plus 1.10% per annum (2022: 1 month KIBOR plus 0.75% to 1 month KIBOR plus 1.25% per annum) payable on quarterly basis. The facilities is primarily secured against first pari passu charge by way of hypothecation over stocks and book debts aggregating Rs.2,200 million (2022: Rs.2,200 million). These facility is collateralized against equitable mortgage over land and buildings for an amount of Rs.300 million (2022: Rs.300 million). The facilities shall be available latest by January 31, 2024.
- 26.4** The facility for bank guarantees of Rs.5,841 million (2022: Rs.12,484 million including sublimit of Rs.586 million of running finance) is also available from banks. These facilities are secured against cash margin and equitable mortgage over immovable assets of the Company to an extent of Rs.2,558 million (2022: Rs.5,544 million). The facilities shall be available latest by May 31, 2024.

27. CONTINGENCIES AND COMMITMENTS

27.1 Contingencies

- (i) Suit against the Company by the supplier for the recovery of Rs.25.87 million as compensation for breach of agreement. The suit is being defended by the Company on a number of legal grounds. The suit is at present in evidence stage and the Company has plausible defence.
- (ii) The Deputy Commissioner Inland Revenue (DCIR), Large Taxpayers Unit, Karachi, passed an order dated December 29, 2020 and created a demand of Rs.7.229 million, including default surcharge and penalty on account of inadmissible input tax claim adjusted against reduced rate as per section 8(1)(j) of the Sales Tax Act, 1990. The Company filed an appeal dated January 12, 2021 under section 45-B of the Sales Tax Act, 1990 with the Commissioner Inland Revenue Appeals -I, Karachi and submitted legal grounds on the input tax claimed. The Commissioner Appeals annulled the order of DCIR and related demand. Being aggrieved by the decision, department has approached Appellant Tribunal Inland Revenue, Karachi, which is pending for hearing. No provision has been made in these financial statements as the management believes that it will have a favourable decision.
- (iii) During the year, Deputy Commissioner Inland Revenue (DCIR), Unit - IV, Range B, Audit - II, Large Taxpayers office Karachi, through its order dated November 4, 2022 made certain additions / adjustments to the Company's taxable income for the tax year 2020 amounting to Rs. 9.906 million. Further reduced the credit of tax deducted/collected from Rs. 521.18 million to Rs. 445.02 million. The Company has filed an appeal to CIR(A) on November 11, 2022, against the order made by the DCIR, which is pending to date.

27.2 Commitments

2023	2022
(Rupees in thousand)	
Bank guarantees	7,523,249
Letters of credit	1,960,841

- 27.3 Commitments outstanding for capital expenditure other than through letters of credit as at June 30, 2023 aggregated to Rs. 325 million (2022: Rs. 325 million).

28. SALES - Net

Manufactured goods

Gross sales

- local
- export

2023	2022
(Rupees in thousand)	
16,707,440	28,054,966
28,753	15,843
16,736,193	28,070,809
2,420,118	4,231,512
14,316,075	23,839,297
Trading goods	
Gross sales - local	509,343
Less: sales tax	83,533
226,503	425,810
14,542,578	24,265,107

29. COST OF SALES

Note	2023	2022
	(Rupees in thousand)	
	1,729,423	1,942,860
29.1	11,633,384	20,776,089
	13,362,807	22,718,949
11	(1,305,887)	(1,729,423)
	12,056,920	20,989,526
	770,940	805,565
	127,860	283,303
	898,800	1,088,868
11	(714,017)	(770,940)
	184,783	317,928
	12,241,703	21,307,454

29.1 Cost of goods manufactured

Raw materials and components consumed	29.2	10,768,345	19,286,084
Stores consumed		67,897	109,728
Salaries, wages and other benefits	29.3	260,643	337,200
Fuel and power		31,154	29,189
Rent, rates and taxes		14,829	11,762
Insurance		12,212	14,475
Research and development		85	503
Repair and maintenance		6,894	19,025
Travelling and entertainment		4,770	2,006
Vehicle running and maintenance		2,751	745
Printing, stationery and office supplies		146	324
Communication		487	526
Royalty expense	29.4	67,710	90,736
Warranty obligation		5,130	4,768
Outside assembly charges		553,460	722,675
Depreciation on operating fixed asset	5.2	71,040	87,639
Depreciation on right of use assets	5.10	4,032	3,123
Freight and handling		72,102	30,381
		11,943,687	20,750,889
Work-in-process adjustment		(310,303)	25,200
		11,633,384	20,776,089

29.2 Raw materials and components consumed

Stocks at beginning of year	4,704,552	3,565,034
Add : purchases including duties, taxes and other charges	9,032,561	20,425,602
	13,737,113	23,990,636
Stocks at end of year	(2,968,768)	(4,704,552)
	10,768,345	19,286,084

- 29.3** Salaries, wages and other benefits include Rs.10.75 million (2022: Rs.7.4 million) in respect of staff retirement benefits.
- 29.4** Royalty charged in these financial statement pertains to Isuzu Motors Limited, Japan having registered office at 6-26-1 Minami-Oi, Shinagawa-ku, Tokyo 140-8722 Japan and Isuzu Motor Co. (Thailand) Limited having registered office at 38 Kor., Moo 9, Poochaosamingprai Rd., Samrong-Tai, Phrapradaeng, Samutprakan 10130, Thailand.

30. DISTRIBUTION COST

	Note	2023	2022
		(Rupees in thousand)	
Salaries and other benefits	30.1	138,013	156,378
Commission		574,982	572,371
Rent, rates and taxes		29,705	21,528
Insurance		2,022	1,586
Repair and maintenance		4,891	4,751
Utilities		285	79
Travelling and entertainment		8,014	4,047
Vehicle running and maintenance		3,865	2,894
Printing, stationery and office supplies		4,347	1,756
Communication		4,979	3,274
After sale services		3,183	33,610
Advertisement		5,734	20,497
Legal and professional charges		990	138
Late delivery charges		34,300	64,327
Depreciation on operating fixed asset	5.2	6,674	7,101
Depreciation on right of use assets	5.10	17,873	18,186
Freight forwarding and handling		75,024	51,871
Other expenses		6,863	428
		<u>921,744</u>	<u>964,822</u>

- 30.1** Salaries and benefits include Rs.5.05 million (2022: Rs.9.02 million) in respect of staff retirement benefits.

31. ADMINISTRATIVE EXPENSES

	Note	2023	2022
		(Rupees in thousand)	
Salaries and other benefits	31.1	221,923	233,070
Staff training and ancillary cost		342	48
Rent, rates and taxes		5,091	1,263
Insurance		20,645	18,055
Repair and maintenance		17,311	5,620
Utilities		11,944	2,136
Travelling and entertainment		10,980	4,530
Vehicle running and maintenance		3,291	6,460
Printing, stationery and office supplies		15,673	11,536
Communication		2,806	3,147
Legal and professional charges		11,427	6,917
Fee and subscriptions		6,501	3,706
Depreciation on operating fixed asset	5.2	17,909	26,219
Depreciation on right of use assets	5.10	11,769	12,111
Amortization of intangible assets	6.1	793	789
Amortization / depreciation of investment property		-	122
Security expenses		13,340	13,861
Other expenses		-	2,856
		<u>371,745</u>	<u>352,446</u>

31.1 Salaries and benefits include Rs.13.33 million (2022: Rs.12.513 million) in respect of staff retirement benefits.

32. OTHER EXPENSES

	Note	2023	2022
		(Rupees in thousand)	
Auditors' remuneration			
- audit fee		1,000	1,000
- certifications and funds audit fee		662	662
- out of pocket expenses		50	50
		1,712	1,712
Workers' profits participation fund	23.3	22,762	61,420
Workers' welfare fund	23.4	8,650	26,085
Donation and charities	32.1	-	540
Exchange loss - net		-	528
Provision for doubtful debts, deposits and advance	12.3 ,13 & 14	51,526	146,559
Retention money written back		-	(20)
Investment property written off		-	82,804
Accrued / creditors balances written-back		(61,231)	(1,723)
Provision for doubtful sales tax refundable	16	91,317	-
Capital work in progress written off		14,797	-
		129,533	317,905

32.1 (2022: Rs.0.300 million made to Dar-ul-Sakoon Pakistan, Rs.0.240 million to Khidmat-e-Khalq welfare organisation). None of the directors or their spouses had any interest in the donees.

33. OTHER INCOME

	Note	2023	2022
		(Rupees in thousand)	
Income from financial assets			
Profit on saving accounts and term deposit receipt		133,087	89,132
Subsidiary company	7.1	1,347	-
Income from other than financial assets			
Gain on sale of operating fixed assets	5.7	8,639	11,888
Commission		-	10,037
Scrap sales - net of sales tax		163,018	150,445
Amortization of gain on sale and lease back of fixed assets	22.1	387	571
Rental income		8,786	7,924
		315,264	269,997

34. FINANCE COST

Mark-up / interest on:			
- long term borrowings		193	1,140
- lease finances		15,183	12,149
- finance against imported merchandise		154,162	162,729
- istisna / running finances / murabaha		566,390	201,853
- loan from Subsidiary Company		402	394
- workers' profit participation fund	23.3	5,107	1,285
Bank charges and others		27,848	72,028
		769,285	451,578

35. TAXATION

	Note	2023	2022
		(Rupees in thousand)	
Current tax			
- for the year	35.1	229,133	333,649
- for prior year		51,541	(16,546)
		280,674	317,103
Deferred tax - origination and reversal of temporary differences		(36,266)	95,296
		244,408	412,399

- 35.1** No numeric tax rate reconciliation for the year is given in the financial statements, as provision made during the current year primarily represents minimum tax due under section 113 of the Income Tax Ordinance, 2001 (the Ordinance) and tax deducted under section 148 and 233 of the Ordinance.

36. BASIC AND DILUTED EARNINGS PER SHARE

	2023	2022
	(Rupees in thousand)	
Profit after taxation	179,424	728,500
	(Number of shares)	
Weighted average ordinary shares outstanding during the year	42,608,844	42,608,844
	(Rupees)	
Earnings per share - basic and diluted	4.21	17.10

- 36.1** A diluted earnings per share has not been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

37. CASH GENERATED FROM / (USED IN) OPERATIONS

	Note	2023	2022
		(Rupees in thousand)	
Profit before taxation		423,832	1,140,899
Adjustment for non cash charges and other items:			
Depreciation / amortization on:			
- operating fixed assets		95,623	120,959
- right of use assets		33,674	33,420
- intangible assets		793	789
- investment property		-	87,926
Provision for compensated absences		1,024	3,799
Gain on sale of operating fixed assets		(8,639)	(11,888)
Amortization of gain on sale and lease back of fixed asset		(387)	(571)
Exchange loss - net		-	528
Finance cost		769,285	451,578
Profit on saving accounts and term deposit receipt		(133,087)	(89,132)
Provision for doubtful debts, deposits and advance		51,526	146,559
Provision for gratuity		28,110	24,403
Balances written-off		(61,231)	(1,723)
	37.1	1,261,754	1,909,269
Working capital changes - net		556,509	(2,538,877)
		1,818,263	(629,608)

37.1 Working capital changes

Note

(Increase) / decrease in current assets:

	2023	2022
	(Rupees in thousand)	
- Stores	(9,931)	7,583
- Stock-in-trade	1,905,940	(866,256)
- Trade debts	313,784	(1,220,822)
- Loans and advances	237,568	(157,951)
- Trade deposits and prepayments	(122,859)	(825,352)
- Other receivables	3,501	(22,258)
- Sales tax refundable / adjustable	111,551	34,071
	2,439,554	(3,050,985)
(Decrease) / increase in trade and other payables	(1,883,045)	512,108
	556,509	(2,538,877)

38. CASH AND CASH EQUIVALENTS

Cash and bank balances	17	395,629	682,250
Short term borrowings	26	(3,253,378)	(4,399,548)
		(2,857,749)	(3,717,298)

39. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief executive		Director		Executives	
	2023	2022	2023	2022	2023	2022
	Note 39.3					
	(Rupees in thousand)					
Managerial remuneration and allowances	60,000	60,000	37,625	2,240	198,188	173,492
Bonus	5,000	15,000	2,688	2,688	13,690	48,694
Retirement benefit	5,000	5,000	2,688	224	14,605	16,831
Others including bonus	-	-	-	-	18,751	1,077
	70,000	80,000	43,000	5,152	245,233	240,094
Number of persons	1	1	1	1	66	67

39.1 Certain employees are provided with free use of car maintained by the Company in accordance with their terms of employment.

39.2 Aggregate amount charged in the financial statements for meeting fee to Directors was Rs. 4.9 million (2022: Rs. 4.9 million).

39.3 Represents remuneration of a Director from the date of appointment.

40. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of the Ultimate Holding Company, the Subsidiary Company, Associated Companies / undertaking, technological suppliers, directors and executives. The Company in the normal course of business carries out transactions with various related parties at agreed terms and conditions. Amounts due from and to related parties, amounts due from executives and remuneration of directors and executives are disclosed in the relevant notes. Other material transactions with related parties are given below:

Name of related party and nature of relationship	Nature of transactions	2023	2022
		(Rupees in thousand)	
(i) Subsidiary Company			
Marghzar Industries (Private) Limited	Financial charges	402	394
	Reimbursement - of expenses	360	285
	Subsidiary Income	1,347	-
(ii) Associated Companies / Undertaking			
Ghandhara Tyre and Rubber Company Limited (Common Directorship)	Purchase of tyres	291,370	321,098
Ghandhara Automobiles Limited (Common Directorship)	Assembly charges	640,212	847,987
	Purchase of vehicles	45,405	-
	Purchase of parts	25	-
	Sales of parts	-	204
	Rental income	4,393	3,962
	Fabrication charges	-	750
	Reimbursement - of expenses	-	108
Rehman Cotton Mills Limited (Common Directorship)	Sales of fork lifter	-	5,800
	Reimbursement - of expenses	1,800	1,800
Gammon Pakistan Limited (Common Directorship)	Rent paid	4,060	3,028
Ghandhara DF (Private) Limited (Common Directorship)	Rental income	4,393	3,962
	Purchase of parts	18,941	-
Universal Insurance Company Limited (Common Directorship)	Reimbursement - of expenses	1,590	-
Janana De Malucho Textile Mills Limited (Common Directorship)	Reimbursement - of expenses	2,720	2,605
	Sale of vehicle	11,087	-
Business Vision (Private) Limited (Common Directorship)	Advance - made for property	-	125,000
(iii) Other related parties			
Gratuity fund	Contribution paid	-	26,033
Key management personnel	Remuneration, bonus and other benefits	181,371	204,075

41. PRODUCTION CAPACITY

The production capacity of the plant cannot be determined as this depends upon the mix of assembly of trucks, buses and fabrication of commercial bodies.

The Company has outsourced the assembly of trucks, buses and pick ups to Ghandhara Automobiles Limited (an Associated Company) therefore figures for the actual production for the current year have not been given.

42. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

42.1 Financial assets and liabilities by category and their respective maturities

	Interest / mark-up bearing			Non interest / mark-up bearing			Total
	Maturity up to one year	Maturity after one year	Sub-total	Maturity up to one year	Maturity after one year	Sub-total	
(Rupees in thousand)							
Financial assets as per balance sheet							
Amortised cost							
Loans and advances	-	-	-	1,686	951	2,637	2,637
Deposits	48,275	-	48,275	1,774,271	29,942	1,804,213	1,852,488
Trade debts	-	-	-	1,289,898	-	1,289,898	1,289,898
Other receivables	-	-	-	22,473	-	22,473	22,473
Cash and bank balances	169,142	-	169,142	226,487	-	226,487	395,629
June 30, 2023	217,417	-	217,417	3,314,815	30,893	3,345,708	3,563,125
June 30, 2022	1,487,703	-	1,487,703	2,536,661	27,386	2,564,047	4,051,750
Financial liabilities as per balance sheet							
At amortised cost							
Trade and other payables	-	-	-	1,262,796	-	1,262,796	1,262,796
Accrued mark-up / interest	-	-	-	204,050	-	204,050	204,050
Short term borrowings	3,253,378	-	3,253,378	-	-	-	3,253,378
Liabilities against assets subject to finance lease	31,420	67,981	99,401	-	-	-	99,401
June 30, 2023	3,284,798	67,981	3,352,779	1,466,846	-	1,466,846	4,819,625
June 30, 2022	4,485,361	68,060	4,553,421	2,206,550	-	2,206,550	6,759,971
On Balance Sheet Gap							
June 30, 2023	(3,067,381)	(67,981)	(3,135,362)	1,847,969	30,893	1,878,862	(1,256,500)
June 30, 2022	(2,997,658)	(68,060)	(3,065,718)	330,111	27,386	357,497	(2,708,221)
Off Balance Sheet							
Letters of credit							1,828,958
Letters of guarantee							4,780,157
June 30, 2023							6,609,115
June 30, 2022							9,484,090

The effective interest / mark-up rates for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

42.2 Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including foreign exchange risk and interest / mark-up rate risk). The Company's overall risk management program focuses on having cost effective funding as well as manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

(a) Credit risk

Credit risk represents the accounting loss that would be recognised if counterparties fails to perform as contracted. Credit risk mainly arises from loans & advances, deposits, trade debts, other receivables and bank balances. The financial assets exposed to credit risk aggregated to Rs. 3,559.721 million (2022: Rs. 4,049.117 million).

The Company believes that it is not materially exposed to credit risk as; (i) trade debts mainly represent receivables from government, semi-government agencies and dealers, (ii) deposits mainly include margin against letters of credit and bank guarantees held with banks having good credit ratings and (iii) balances placed with banks having good credit ratings assigned by credit rating agencies.

The Company attempts to control credit risk by monitoring credit exposure, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and bank balances and availability of funding through an adequate amount of committed credit facilities. The Company aims to maintain flexibility in funding by keeping committed credit lines open.

The maturity profile of the Company's liabilities based on maturities is disclosed in note 42.1 of these financial statements.

(c) Market risk

Foreign exchange risk

Foreign exchange risk arises mainly when receivables and payables exist due to transactions based on currencies other than Pak Rupee. At June 30, 2023, payables exposed to foreign exchange risk are Rs.127.43 million (2022: Rs.72.68 million). The liability and receivable are denominated in Japanese Yen / US Dollars.

At June 30, 2023, if Pak Rupee had weakened / strengthened by 9% (2022:9%) against Japanese Yen and US Dollars with all other variables held constant, profit before tax for the year would have been lower / higher by Rs.11.47 million (2022: Rs.6.54 million), mainly as a result of foreign exchange loss / gain on translation of Japanese Yen and dollars denominated financial liabilities.

The sensitivity of foreign exchange rate looks at the outstanding foreign exchange balances of the Company as at the reporting date. The volatility percentage for movement in foreign exchange rates has been used due to the fact that historically (5 years) rate has moved on average basis by the mentioned percentage per annum.

Interest / mark-up rate risk

Interest / mark-up rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. At June 30, 2023, the Company's interest bearing financial liabilities of Rs. 3,352.78 million (2022: Rs. 4,553.42 million) represent the short term borrowings at floating rate to manage the working capital requirements of the Company and obligation under assets subject to finance lease. These liabilities are re-priced at a maximum period of six months. The effective mark-up rates for financial assets and liabilities are mentioned in respective notes to the financial statements.

Had the interest rates varied by 200 basis points with all other variables held constant, (loss) / profit before tax for the year would have been approximately higher / lower by Rs. 67.06 million (2022: Rs. 91.07 million).

The sensitivity of 200 basis points movement in the interest rates has been used as historically (five years) floating interest rates have moved by an average of 200 basis per annum.

42.3 Price risk

The Company is not exposed to any price risk as it does not hold any investments exposed to price risk.

42.4 Fair values of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

The estimated fair value of all financial assets and liabilities is considered not significantly different from book values as the items are either short - term in nature or periodically repriced.

International Financial Reporting Standard 13, 'Financial Instruments : Disclosure' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1].
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) [Level 2].
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

Currently there are no financial assets or financial liabilities which are measured at their fair value in the statement of financial position.

43. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders and / or issue new shares. There was no change to the Company's approach to capital management during the year. The Company monitors capital on the basis of gearing ratio calculated as follows:

	2023	2022
	(Rupees in thousand)	
Total borrowings	3,352,779	4,553,421
Cash and bank balances	(395,629)	(682,250)
Net debt	2,957,150	3,871,171
Total Equity	8,222,135	6,388,890
Total Capital	11,179,285	10,260,061
Gearing ratio	26%	38%

44. OPERATING SEGMENTS

These financial statements have been prepared on the basis of a single reportable segment.

- (a) All non-current assets of the Company at June 30, 2023 are located in Pakistan.
- (b) Export sales are made to Republic of Mauritius. Result of the Company's revenue from external customers in Pakistan is Rs. 14,513.825 million (2022: Rs. 24,249.264 million) and total revenue from external customers from other countries is Rs. 28.753 million (2022: Rs. 15.843 million).
- (c) Sale to one party aggregating Rs. 1,801.112 million account for 12.40% of net sales.

45. NUMBER OF EMPLOYEES

The number of employees (including contractual employee) at June 30, 2023 were 664 (2022: 657) and average number of employees during the year were 578 (2022: 654).

46. SHAHRIAH SCREENING DISCLOSURE

	2023		2022	
	Convent -ional	Shariah Compliant	Convent -ional	Shariah Compliant
	(Rupees in thousand)			
Bank balances	72,269	318,785	1,651,774	69,576
Accrued mark-up	96,692	107,358	34,756	94,043
Long term loans	-	-	49,211	-
Short term borrowings	1,863,865	1,389,513	1,229,536	3,170,012
Revenue	-	14,542,578	-	24,265,107
Other income				
a) Profit on saving accounts and term deposit receipts	129,878	3,209	85,181	3,951
b) Others	-	182,177	-	180,865
Mark-up / interest expense	348,914	392,523	178,309	201,241

47. CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified, wherever considered necessary for the purposes of comparison and better presentation the effect of which is not material.

48. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on October 03, 2023 by the Board of Directors of the Company.



Ahmad Kuli Khan Khattak
Chief Executive



Muhammad Zia
Director



Muhammad Aamir
Chief Financial Officer

Electronic Dividend Mandate Form

In accordance with the provisions of section 242 of the Companies Act, 2017, dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders.

Shareholders are requested to send the attached Form duly filled and signed, along with attested copy of their CNIC to the Company's Share Registrar, **M/s. CDC Share Registrar Services Limited. CDC House no. 99-B, Block B, S.M.C.H.S Main Shahrah-e-Faisal, Karachi.** CDC shareholders are requested to submit their Dividend Mandate Form and attested copy of CNIC directly to their broker (participant)/CDC.

I hereby communicate to receive my future dividends directly in my Bank account as detailed below:

Name of shareholder :-----
Folio Number/CDC Account No. : -----of Ghandhara Industires Limited
Contact number of shareholder : -----
Title of Account : -----
IBAN (*) : -----
Name of Bank : -----
Bank branch : -----
Mailing Address of Branch : -----
CNIC No. (attach attested copy) : -----
NTN (in case of corporate entity) : -----

It is stated that the above particulars given by me are correct and to the best of my knowledge; I shall keep the Company informed in case of any changes in the said particulars in future.

Shareholder's Signature

Date

NOTES:

- * Please provide complete IBAN (International Bank Account Number), after checking with your concerned Bank branch to enable electronic credit directly into your bank account.

Proxy Form

I/We _____
being a Shareholder of Ghandhara Industries Limited and holding _____ Ordinary Shares as per
Register Folio No _____ or CDC Participant's I.D. No. _____ A/c No. _____ hereby appoint
Mr / Mrs _____ of _____ or failing him/her
Mr / Mrs _____ of _____ as my/our Proxy in
my/our absence to attend and vote for me/us and on my/our behalf at the **60th** Annual General Meeting of the
Company to be held on Friday , **27th** October, 2023 at **9:45** A.M. and any adjournment thereof.

Affix Revenue Stamp(s) of Rupees five
Executant's Signature on Revenue Stamp(s)
(Signature should agree with the Specimen Signature registered with the Company).

Executant's Computerized National identity Card Number (CNIC or Passport Number)

_____ First Witness Signature	_____ Second Witness Signature
_____ Name in Block letters and Address	_____ Name in Block letters and Address
_____ Computerized National Identity Card Number or Passport Number of Witness	_____ Computerized National Identity Card Number or Passport Number of Witness

Proxy's Signature

Proxy's Signature

Proxy's CNIC Number or Passport Number

Proxy's CNIC Number or Passport Number

NOTES:

1. A shareholder entitled to attend and vote at the Annual General Meeting of the Company may appoint any person as his/her proxy to attend and vote instead of him/her. The proxy shall have the right to attend, speak and vote in place of the shareholder appointing him/her at the meeting.
2. The instrument appointing a proxy should be signed by the Shareholder or by his/her Attorney, duly authorized in writing and person appointed proxy. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted along with proxy form to the company.
3. The Proxy Form duly completed, must be deposited at the Company's Registered Office at F-3, Hub Chauki Road S.I.T.E, Karachi not less than 48 hours before the time of holding the meeting.
4. Shareholders whose holdings are in the Central Depository System (CDS) and their proxies both, should attach with this form, attested copies of their Computerized National Identity Card or (attested copies of first four pages of their passport). To facilitate identification at the AGM, the proxy should bring his/her original Computerized National Identity Card or passport. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

پراکسی فارم

میں / ہم _____
ساکن _____
بہشت ممبر (ز) گندھارا انڈسٹریز لمیٹڈ اور حق ملکیت رکھتے ہوئے _____
عمومی شیئرز جس کا اندراج رجسٹر فوئیو نمبر _____ اور سینٹرل ڈپازٹری کمپنی _____ اکاؤنٹ نمبر _____ کو اپنی جانب سے
نامزد کرتا ہوں _____
ساکن _____
اور ان کے ناجائز پرستی / مسماہ _____
ساکن _____ بطور پراکسی مقرر کرنا / کرتے ہیں تاکہ وہ میری / ہماری طرف سے کمپنی کے 60 ویں سالانہ عام اجلاس، مقام رجسٹرڈ آفس بتاریخ 27 اکتوبر 2023 بوقت 9:45 A.M بجے منعقد ہو رہا ہے، اس میں یا اس کے کسی ملتی شدہ اجلاس میں شرکت کرے اور ووٹ ڈالے۔

5 روپے کے ریونیو ٹکٹ لگائیں
ریونیو ٹکٹ پر تکمیل کنندہ کے دستخط
(یہ دستخط کمپنی میں رجسٹر شدہ دستخط جیسے ہونے چاہئیں)

تکمیل کنندہ کا کمپیوٹر انڈز قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر

پہلے گواہ کے دستخط	دوسرے گواہ کے دستخط
نام اور پتہ	نام اور پتہ
گواہ کا کمپیوٹر انڈز قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر	گواہ کا کمپیوٹر انڈز قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر

نمائندہ کے دستخط

نمائندہ کے دستخط

نمائندہ کا کمپیوٹر انڈز قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر

نمائندہ کا کمپیوٹر انڈز قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر

نوٹس:








- کمپنی کی سالانہ جنرل میٹنگ میں شرکت کرنے اور ووٹ دینے کا اہل کسی بھی فرد کو اپنا نائب نامزد کر سکتا ہے تاکہ وہ اس کی غیر موجودگی میں شرکت کرے اور ووٹ ڈالے۔ نائب کو اختیار حاصل ہے کہ وہ شیئرز ہولڈر کے بدلے میٹنگ میں شرکت کرے، بولے اور ووٹ دے۔
- نائب کی نامزدگی کی درخواست پر شیئرز ہولڈر یا اس مرد / عورت کے انارٹی کے دستخط ہونے چاہئیں جس پر اس فرد نمائندہ نامزد کرنے والے کا لکھا ہوا اجازت نامہ ہو۔ کسی اجتماعی ادارے کی صورت میں کمپنی کو بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی بمعہ دستخط نمائندگی کے فارم کے ساتھ جمع کروائے جائیں گے۔
- اس نمائندگی فارم کو پوری طرح مکمل اور دستخط شدہ ہونا چاہیے اور میٹنگ منعقد ہونے کے بعد 48 گھنٹوں سے کم نہ ہونے والی مدت میں کمپنی کے رجسٹرڈ آفس F-3، حب چوک روڈ، سائٹ میں جمع کیا جانا چاہیے۔
- ایسے شیئرز ہولڈرز جن کی ہولڈنگز سینٹرل ڈپازٹری سسٹم میں ہو اور ان کے دونوں نمائندگان اس فارم کے ساتھ تصدیق شدہ کمپیوٹر انڈز قومی شناختی کارڈ (پاسپورٹ کے پہلے چار صفحات کی تصدیق شدہ نقول) منسلک ہونی چاہئیں۔ سالانہ جنرل میٹنگ میں ان کی شناخت کے لیے نمائندہ فرد کو اپنے ساتھ اصل کمپیوٹر انڈز قومی شناختی کارڈ یا پاسپورٹ لانا ضروری ہے۔ کسی اجتماعی ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی بمعہ دستخط نمائندہ پیش کی جانی چاہیے۔










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Address: F-3, Hub Chowki Road, S.I.T.E., Karachi-75730

UAN : 111-445-111, 9221 38709000, Toll Free: 0800-11190

Email: shareholders@gil.com.pk, investor.relation@gil.com.pk URL: www.gil.com.pk