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Condensed Interim Financial Information
for the Quarter and Nine Months Ended March 31, 2018 - unaudited










GANDHARA
INDUSTRIES LIMITED



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COMPANY INFORMATION

Legal Advisors

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

Bankers

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

Share Registrar

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

Registered Office

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

Website: www.gil.com.pk

Email: info@gil.com.pk

Board of Directors

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

Audit Committee

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

Human Resource & Remuneration Committee

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

Chief Financial Officer & Company Secretary

Mr. Iftikhar Ahmed Khan

Auditors

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

M/s. Junaid Shoaib Asad
Chartered Accountant
1/6, Block - 6, P.E.C.H.S,
Mohtarma Laeeq Begum Road,
off Shahrah - e - Faisal,
Near Nursery Fly Over, Karachi.

DIRECTORS' REVIEW

On behalf of the Board of Directors of Ghandhara Industries Limited, we are pleased to present the unaudited accounts of the Company for the quarter and nine months ended March 31, 2018.

Financial results

A notable growth has been observed during the last nine months ended March 31, 2018 of the company which resulted in the sale of 2,763 units as compared to 1,917 units in the same period of last year, which is an outstanding growth in the history of your company. Demand for trucks remained strong due to positive consumer sentiments and availability of reasonably priced financing. The 85.5% increase in sales value is indeed an incredible growth for the company, posting an increase of more than Rs. 5 billion in the sales revenue.

The significant results for the period are as follows:

	Nine months ended March 31	
	2018	2017
Sales (Rs '000)	11,565,648	6,235,963
Gross profit (Rs '000)	2,412,866	1,303,712
Profit from operations (Rs '000)	1,869,063	1,020,224
Profit before tax (Rs '000)	1,750,083	902,247
Profit after tax (Rs '000)	1,262,398	627,713
Earnings per share (Rs)	59.26	29.46

Another outstanding performance by the Company having profit before tax of Rs. 1,750 million in the history of Ghandhara Industries Limited showing that the trend of making history continues.

Credit Rating

The Directors are also pleased to inform you that the Company has been assigned by PACRA long term credit rating of A+ (A plus) and short term credit rating of A1 (A one).

As per PACRA standards, these ratings denote low expectation of credit risk and a strong capacity for timely repayment of financial commitments.

Future outlook

The positive macroeconomic indicators and better security situation in the country shows promising prospects for the future but political instability and upward fluctuation in the exchange rate may pose a threat for the business. However the management is confident of healthy performance for the remaining part of the financial year with well-established plans.

Acknowledgement

The board acknowledges the trust and confidence on the Company and its products by the shareholders, valued suppliers, customers, dealers and bankers and thank them for their co-operation and support. The Board is pleased to record its appreciation for the continued diligence and devotion of the employees. The Board takes the opportunity to thank the Company's principal 'Isuzu Motors Limited' and trading house 'Marubeni Corporation' for their continued support and assistance.

By order of the Board

Karachi:
April 24, 2018



Ahmad Kuli Khan Khattak
Chief Executive

ڈائریکٹرز کا حائرہ:

ہم گندھارا انڈسٹریز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کے 31 مارچ 2018ء کو ختم ہونے والی سہ ماہی اور نو ماہ کے غیر آڈٹ شدہ عبوری مالیاتی معلومات پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

مالیاتی نتائج:

کمپنی کے 31 مارچ 2018ء کو ختم ہونے والے نو مہینوں میں ایک قابل ذکر اضافہ دیکھا گیا ہے جس میں 2,763 یونٹس کی فروخت ہوئی جو کہ گزشتہ سال اسی مدت میں 1,917 یونٹس تھی جسے گندھارا انڈسٹریز لمیٹڈ کی تاریخ کی بہترین کارکردگی کے طور پر سراہا جا رہا ہے۔ صارفین کے مثبت رویوں اور معقول قیمتوں پر مبنی فائننس کی دستیابی کے باعث ٹرکوں کی مانگ میں اضافے کا رجحان برقرار رہا۔ کل فروخت میں 85.5% اور آمدنی میں 5 ارب کا اضافہ ہوا جو کہ کمپنی کے لیے بے مثال اضافہ ہے۔

اس مدت کے اہم نتائج درج ذیل ہیں:

	Nine months ended March 31	
	2018	2017
Sales (Rs '000)	11,565,648	6,235,963
Gross profit (Rs '000)	2,412,866	1,303,712
Profit from operations (Rs '000)	1,869,063	1,020,224
Profit before tax (Rs '000)	1,750,083	902,247
Profit after tax (Rs '000)	1,262,398	627,713
Earnings per share (Rs)	59.26	29.46

کمپنی کی طرف سے ایک اور شاندار کارکردگی جس میں منافع قبل از ٹیکس 1,750 ملین روپے رہا جو کہ گندھارا انڈسٹریز لمیٹڈ کی ترقی کا تسلسل ہے۔

کریڈٹ ریٹنگ:

ڈائریکٹرز اس بات کی بھی اطلاع دیتے ہوئے مسرت محسوس کرتے ہیں کہ PACRA نے آپ کی کمپنی کے لیے طویل مدتی کریڈٹ ریٹنگ A+ (اے پلس) اور مختصر مدتی کریڈٹ ریٹنگ A1 (اے ون) مختص کی ہے۔

PACRA کے معیار کے مطابق یہ ریٹنگ کریڈٹ رسک میں انتہائی کم خطرہ کے امکانات اور مالیاتی وعدوں کی بروقت ادائیگی کی صلاحیت کو ظاہر کرتی ہے۔

مستقبل پر نظر:

مثبت مالیاتی اشارے اور ملک میں سیکورٹی کی بہتر صورتحال مستقبل سے متعلق روشن امکانات کو ظاہر کرتی ہے لیکن غیر ملکی کرنسی کے تبادلے کی شرح میں عدم استحکام کا روبرو بار کے لیے خطرہ بھی ظاہر کرتا ہے۔ تاہم انتظامیہ اپنے جامع منصوبوں کی بنیاد پر مستقبل میں بہتر کارکردگی کے لیے پُر امید ہے۔

توثیقی بیان:

بورڈ اس موقع پر حصص یافتگان، قابل قدر سپلائرز، خریدار، ڈیلرز اور بینکرز کے تعاون اور مدد کا شکریہ ادا کرتا ہے کہ انہوں نے کمپنی اور مصنوعات پر اعتماد اور بھروسہ کیا۔ ملازمین کی ہمیشہ سے جفا نشانی اور خلوص کے لیے بھی بورڈ شکریہ ادا کرتا ہے۔ بورڈ کمپنی کے پرنسپل اسوزو موٹرز لمیٹڈ (ISUZU MOTORS LTD.) اور ٹیڈنگ ہاؤس Marubeni Corporation کے مسلسل تعاون اور مدد کا بھی شکریہ ادا کرتا ہے۔

بحکم بورڈ

احمد قلی خان خٹک
چیف ایگزیکٹو آفیسر

کراچی:

اپریل 24، 2018

Condensed Interim Financial Information
for the Quarter and Nine Months Ended March 31, 2018 - unaudited

Condensed Interim Statement of Financial Position

As at March 31, 2018

		(Un-audited) March 31, 2018	(Audited) June 30, 2017
	Note	(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	2,281,820	2,021,453
Intangible assets		415	462
Investment property		88,710	88,901
Long term Investment		1,400	1,400
Long term loans		2,872	2,736
Long term deposits and prepayments		12,738	12,688
Deferred taxation		54,054	21,134
		2,442,009	2,148,774
CURRENT ASSETS			
Stores		9,486	2,560
Stock-in-trade	6	5,641,138	3,779,300
Trade debts	7	565,434	485,472
Loans and advances		222,417	143,340
Trade deposits and prepayments		544,257	707,242
Other receivables		72,294	2,683
Sales tax refundable / adjustable		575,663	481,756
Taxation - payments less provision		169,901	38,542
Cash and bank balances		451,260	805,135
		8,251,850	6,446,030
		10,693,859	8,594,804
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
50,000,000 (June 30, 2017: 50,000,000)			
ordinary shares of Rs.10 each		500,000	500,000
Share capital			
Issued, subscribed and paid-up capital			
21,304,422 (June 30, 2017: 21,304,422)			
ordinary shares of Rs.10 each		213,044	213,044
Capital Reserves			
Revaluation Surplus on property, plant and equipment		1,859,205	1,865,114
Revenue Reserves			
Unappropriated profit		2,560,751	1,612,010
		4,633,000	3,690,168
NON-CURRENT LIABILITIES			
Liabilities against assets subject to finance lease		36,933	19,563
Deferred liabilities		53,942	45,615
		90,875	65,178
CURRENT LIABILITIES			
Trade and other payables		1,903,124	3,966,176
Unclaimed dividends		69,506	38,696
Current maturity of liabilities against assets subject to finance lease		8,700	17,916
Accrued mark-up/ interest		52,106	24,284
Short term borrowings	8	3,936,548	792,386
		5,969,984	4,839,458
CONTINGENCIES AND COMMITMENTS			
	9	-	-
TOTAL EQUITY AND LIABILITIES		10,693,859	8,594,804

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



Ahmad Kuli Khan Khattak
Chief Executive



Sohail Hameed
Director



Iftikhar Ahmed Khan
Chief Financial Officer

Condensed Interim Statement of Profit or Loss and Other Comprehensive Income

For the Quarter and Nine Months Ended March 31, 2018 - Unaudited

	Note	Quarter ended		Nine months ended	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
		(Rupees in '000)			
Sales		3,952,186	2,633,974	11,565,648	6,235,963
Cost of sales	10	(3,279,551)	(2,174,206)	(9,152,782)	(4,932,251)
Gross profit		672,635	459,768	2,412,866	1,303,712
Distribution expenses		(146,568)	(70,804)	(373,386)	(190,508)
Administrative expenses		(65,838)	(29,076)	(163,773)	(87,239)
Other expenses		(35,547)	(6,472)	(132,411)	(50,626)
Other income		121,984	553	125,767	44,885
Profit from operations		546,666	353,969	1,869,063	1,020,224
Finance cost		(69,514)	(56,910)	(118,980)	(117,977)
Profit before taxation		477,152	297,059	1,750,083	902,247
Taxation		(122,954)	(96,382)	(487,685)	(274,534)
Profit after taxation		354,198	200,677	1,262,398	627,713
Other comprehensive income		-	-	-	-
Total comprehensive income		354,198	200,677	1,262,398	627,713
(Rupees)					

(Rupees)					
Earnings per share - basic and diluted		16.63	9.42	59.26	29.46

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


Ahmad Kuli Khan Khattak
 Chief Executive


Sohail Hameed
 Director


Iftikhar Ahmed Khan
 Chief Financial Officer

Condensed Interim Cash Flow Statement

For the Quarter and Nine Months Ended March 31, 2018 - Unaudited

		Unaudited	
		March 31, 2018	March 31, 2017
		(Rupees in '000)	
Note			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	11	(2,178,207)	(2,551,874)
Gratuity paid		(1,718)	(5,017)
Finance cost paid		(91,158)	(94,149)
Income tax paid		(651,964)	(222,113)
Long term loans		(136)	(3,759)
Long term deposits		(50)	(1,832)
Net cash used in operating activities		(2,923,233)	(2,878,744)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure incurred		(314,215)	(28,801)
Sale proceeds on disposal of property, plant and equipment		17,669	1,109
Interest received		2,344	2,713
Net cash used in investing activities		(294,202)	(24,979)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(288,756)	(179,213)
Liabilities against asset subject to finance lease - net		8,154	(5,657)
Net cash used in financing activities		(280,602)	(184,870)
Net decrease in cash and cash equivalents			
		(3,498,037)	(3,088,593)
Cash and cash equivalents - at beginning of the period			
		12,749	391,706
Cash and cash equivalents - at end of the period			
	12	(3,485,288)	(2,696,887)

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



Ahmad Kuli Khan Khattak
Chief Executive



Sohail Hameed
Director



Iftikhar Ahmed Khan
Chief Financial Officer

Condensed Interim Statement of Changes in Equity

For the Quarter and Nine Months Ended March 31, 2018 - Unaudited

Share Capital	Capital Reserve	Revenue reserve	Total Equity
Issued, subscribed and paid-up capital	Revaluation Surplus on property, plant and equipment	Unappropriated profit	Total

(Rupees in '000)

Balance as at July 1, 2016 (Audited) 213,044 1,872,992 1,022,517 3,108,553

Transaction with owners recognised directly in equity

Final dividend for the year ended June 30, 2016 at the rate of Rs 10 per share - - (213,044) (213,044)

Total comprehensive income for the period ended March 31, 2017

Profit for the period	-	-	627,713	627,713
Other comprehensive Income/(Loss)	-	-	-	-
	-		627,713	627,713

Surplus on revaluation of fixed assets realised during the period (net of deferred taxation) on account of incremental depreciation - (5,909) 5,909 -

Balance as at March 31, 2017 (Un-audited) 213,044 1,867,083 1,443,095 3,523,222

Balance as at July 01, 2017 (Audited) 213,044 1,865,114 1,612,010 3,690,168

Transaction with owners recognised directly in equity

Final dividend for the year ended June 30, 2017 at the rate of Rs. 15 per share - - (319,566) (319,566)

Total comprehensive income for the period ended March 31, 2018

Profit for the period	-	-	1,262,398	1,262,398
Other comprehensive Income/(Loss)	-	-	-	-
	-		1,262,398	1,262,398

Surplus on revaluation of fixed assets realised during the period (net of deferred taxation) on account of incremental depreciation - (5,909) 5,909 -

Balance as at March 31, 2018 (Un-audited) 213,044 1,859,205 2,560,751 4,633,000

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



Ahmad Kuli Khan Khattak
Chief Executive



Sohail Hameed
Director



Iftikhar Ahmed Khan
Chief Financial Officer

Notes to The Condensed Interim Financial Information

For the Quarter and Nine Months Ended March 31, 2018 - Unaudited

1. CORPORATE INFORMATION

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

Bibojee Services (Private) Limited, the ultimate Holding Company, held 8,343,397 (June 30, 2017: 8,343,397) ordinary shares of Rs.10 each of the Company as at March 31, 2018.

2. BASIS OF PREPARATION

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

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

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

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2017.

There are certain new International Financial Reporting Standards (standards), amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2017. These considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in this condensed interim financial information.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

In preparing this condensed interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2017.

Notes to The Condensed Interim Financial Information

For the Quarter and Nine Months Ended March 31, 2018 - Unaudited

5. PROPERTY, PLANT AND EQUIPMENT

(Un-audited) (Audited)
March 31, June 30,
2018 2017
(Rupees in '000)

Operating fixed assets - at net book value
Capital work-in-progress - at cost

2,022,346	1,943,225
<u>259,474</u>	<u>78,228</u>
<u>2,281,820</u>	<u>2,021,453</u>

5.1 Additions of operating fixed assets during the period / year are as follows:

Owned

- Building on leasehold land	9,266	-
- Plant and machinery	47,771	8,754
- Permanent tools	-	188
- Furniture and fixture	710	3,440
- Motor vehicles	40,067	19,304
- Trucks / lift trucks	-	3,443
- Office machines & equipment	739	2,107
- Jigs and special tools	15,774	-
- Computers	1,542	2,271

Leased

- Cars	17,100	1,859
	<u>132,969</u>	<u>41,366</u>

5.2 Disposal of operating fixed assets during the period / year are as follows:

Owned - Motor vehicles Net book value	<u>19,293</u>	<u>14</u>
---------------------------------------	---------------	-----------

6. STOCK-IN-TRADE

Raw materials and components	3,287,335	2,058,827
Work-in-process	102,476	136,688
Finished goods including components	2,147,363	1,409,943
Trading stocks	<u>103,964</u>	<u>173,842</u>
	<u>5,641,138</u>	<u>3,779,300</u>

7. TRADE DEBTS

- Unsecured and considered good	3,081	66,654
Government and semi-government agencies	<u>562,353</u>	<u>418,818</u>
Others	<u>565,434</u>	<u>485,472</u>

8. SHORT TERM BORROWINGS - Secured

Running finances	412,464	-
Finance against imported merchandise	2,229,364	168,511
Istisna	85,992	-
Murabaha	<u>1,208,728</u>	<u>623,875</u>
	<u>3,936,548</u>	<u>792,386</u>

Notes to The Condensed Interim Financial Information

For the Quarter and Nine Months Ended March 31, 2018 - Unaudited

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There has been no significant change in status of contingencies as disclosed in note 25.1 of the audited annual financial statements of the Company for the year ended June 30, 2017.

(Un-audited)
March 31,
2018
(Rupees in '000)

(Audited)
June 30,
2017

9.2 Commitments

Bank guarantees	1,894,829	3,480,719
Letters of credit	3,379,794	2,075,843

10. COST OF SALES

Note	(Un-audited)			
	Quarter ended		Nine months ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	(Rupees in '000)			
Stocks at beginning of the period	2,224,514	1,634,905	1,583,785	471,003
Cost of goods manufactured	3,302,551	2,311,009	9,798,685	6,122,427
Trading goods - purchases	3,813	60,222	21,639	170,751
	3,306,364	2,371,231	9,820,324	6,293,178
	5,530,878	4,006,136	11,404,109	6,764,181
Stocks at end of the period	(2,251,327)	(1,831,930)	(2,251,327)	(1,831,930)
	3,279,551	2,174,206	9,152,782	4,932,251
10.1 Cost of goods manufactured				
Work in process at beginning of the period	-	260,045	136,688	27,440
Raw materials and components consumed	3,110,831	2,196,882	8,924,961	5,956,357
Direct labour and factory overheads	294,196	76,887	839,512	361,435
	3,405,027	2,273,769	9,764,473	6,317,792
	3,405,027	2,533,814	9,901,161	6,345,232
Work in process at end of the period	(102,476)	(222,805)	(102,476)	(222,805)
	3,302,551	2,311,009	9,798,685	6,122,427

Notes to The Condensed Interim Financial Information

For the Quarter and Nine Months Ended March 31, 2018 - Unaudited

11. CASH USED IN OPERATIONS

11. CASH USED IN OPERATIONS		(Un-audited)	
		March 31, 2018	March 31, 2017
	Note	(Rupees in '000)	
Profit before taxation		1,750,083	902,247
Adjustment for non cash charges and other items:			
Depreciation / amortization on:			
- property, plant and equipment		34,555	25,804
- intangible assets		47	-
- investment property		191	125
Exchange (gain) / loss		(7,645)	-
Provision for gratuity		10,297	11,009
Gain / (Loss) on disposal of operating fixed assets		1,624	(1,109)
Amortization of gain on sale and lease back of fixed assets		(252)	(90)
Interest income		(2,344)	(2,713)
Finance cost		118,980	117,977
		<u>1,905,536</u>	<u>1,053,250</u>
Working capital changes - net	11.1	<u>(4,083,743)</u>	<u>(3,605,124)</u>
		<u>(2,178,207)</u>	<u>(2,551,874)</u>
11.1 Working capital changes			
(Increase) / decrease in current assets:			
Stores and spare parts		(6,926)	(2,286)
Stock-in-trade		(1,861,838)	(2,666,860)
Trade debts		(79,962)	(496,268)
Loans and advances		(79,077)	(43,305)
Trade deposits and prepayments		162,985	95,514
Other receivables		(61,966)	(47,805)
Sales tax refundable / adjustable		(93,907)	(306,005)
		<u>(2,020,691)</u>	<u>(3,467,015)</u>
(Decrease) / increase in trade and other payables		<u>(2,063,052)</u>	<u>(138,109)</u>
		<u>(4,083,743)</u>	<u>(3,605,124)</u>
12. CASH AND CASH EQUIVALENTS			
Cash and bank balances		451,260	278,526
Short term borrowings		<u>(3,936,548)</u>	<u>(2,975,413)</u>
		<u>(3,485,288)</u>	<u>(2,696,887)</u>

13. FINANCIAL RISK MANAGEMENT

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

The condensed interim financial information does not include all financial risk management information and disclosures required in the audited annual financial statements and should be read in conjunction with the audited annual financial statement for the year ended June 30, 2017.

There has been no change in Company's sensitivity to these risks since June 30, 2017 except for general exposure to fluctuations in foreign currency and interest rates. There have been no change in the risk management policies during the period.

Notes to The Condensed Interim Financial Information

For the Quarter and Nine Months Ended March 31, 2018 - Unaudited

14. OPERATING SEGMENTS

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

All non-current assets of the Company at March 31, 2018 are located in Pakistan. Revenues from external customers attributed to foreign countries in aggregate are not material.

15. TRANSACTIONS WITH RELATED PARTIES

15.1 Significant transactions with related parties are as follows:

Name of related party and nature of relationship	Nature of transactions	(Un-audited) March 31,	
		2018	2017
(Rupees in '000)			
(a) Holding Company			
Bibojee Services (Pvt.) Ltd.	Dividend paid	125,150	83,433
(b) Subsidiary Company			
Marghzar Industries (Pvt.) Ltd.	Financial charges	271	271
	Reimbursement of expenses	429	267
(c) Associated Companies			
The General Tyre and Rubber Co. of Pakistan Ltd. (Common Directorship)	Purchase of tyres	299,606	198,801
	Rental income	-	675
	Sales of truck and parts	2,007	4
	Dividend paid	1,502	1,001
Ghandhara Nissan Ltd. (Common Directorship)	Assembly charges	579,337	250,290
	Rent income	1,980	1,320
	Purchase of parts and vehicle	6	1,054
	Sales of parts	16	7
	Reimbursement of expenses	1,002	-
	Dividend paid	77,493	51,662
	Services rendered	-	676
The Universal Insurance Company Limited (Common Directorship)	Dividend paid	17,763	11,842
Bibojee Investments (Pvt.) Ltd. (Common Directorship)	Dividend paid	321	214
Rehman Cotton Mills Ltd. (Common Directorship)	Rent expense	1,350	1,350
Gammon Pakistan Ltd. (Common Directorship)	Rent expense	2,250	2,250
	Reimbursement of expenses	67	51
Janana De Malucho Textile Mills Limited (Common Directorship)	Reimbursement of expenses	1,256	758
Hasan & Hasan Advocates (Common Directorship)	Retainership and legal advice fee	90	395
(c) Technology supplier			
Isuzu Motors Ltd. - Japan	Commission earned	113,472	40,117
	Royalty accrued	24,777	13,657
	Reimbursement of expenses	5,399	1,252
	Warranty claimed	1,610	1,684
(d) Other			
Key management personnel	Remuneration and other benefits	54,781	25,744

Notes to The Condensed Interim Financial Information

For the Quarter and Nine Months Ended March 31, 2018 - Unaudited

	(Un-audited) March 31, 2018	(Audited) June 30, 2017
15.2 Period / year end balances are as follows:		
Receivables from related parties	(Rupees in '000)	
Long term investment	1,400	1,400
Long term loans	-	1,209
Trade debts	-	31
Loans and advances	-	687
Trade deposits and prepayment	750	-
Other receivables	72,294	2,683
Payable to related parties		
Trade and other payables	98,950	83,315

16. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim balance sheet has been compared with the balances of audited annual financial statements of the Company for the year ended June 30, 2017, whereas, the condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity have been compared with the balances of comparable period of condensed interim financial information of the Company for the quarter and nine months ended March 31, 2017.

The fourth schedule to the Companies Act, 2017 has introduced certain presentation and classification requirements for the elements of financial statements. Accordingly, the corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of Companies Act, 2017. Following major reclassifications have been made during the period:

Description	Reclassified From	Reclassified to	Rs. in '000
Revaluation Surplus on property, plant and equipment	Separate component of equity	Capital Reserves	1,859,205
Unclaimed dividends	Trade and other payables	Unclaimed dividend (presented on face of statement of financial position)	69,506

17. DATE OF AUTHORIZATION

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



Ahmad Kuli Khan Khattak
Chief Executive



Sohail Hameed
Director



Iftikhar Ahmed Khan
Chief Financial Officer



Ghandhara Industries Limited

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