



NAVIGATE THROUGH
CHALLENGES
WITH EASE

Contents

| | |
|----|--|
| 02 | Company Information |
| 03 | Directors' Review |
| 06 | Condensed Interim Statement of Financial Position |
| 07 | Condensed Interim Statement of Profit or Loss Account and Other Comprehensive Income |
| 08 | Condensed Interim Statement of Cash Flows |
| 09 | Condensed Interim Statement of Changes in Equity |
| 10 | Notes to the Condensed Interim Financial Statements |

Company 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. Shahid Kamal Khan | Director |
| Mr. Sohail Hameed | Ind. Director |
| Mr. Khalid Zareef Khan | Ind. Director |
| Mr. Taimur Asfandiyar Minwalla | Ind. Director |

Audit Committee

| | |
|--------------------------------|-----------|
| Mr. Sohail Hameed | Chairman |
| Maj. (R) Muhammad Zia | Member |
| Mr. Shahid Kamal Khan | Member |
| Mr. Taimur Asfandiyar Minwalla | Member |
| Mr. Shahnawaz Damji, FCA | Secretary |

Human Resource & Remuneration Committee

| | |
|--------------------------------|-----------|
| Mr. Khalid Zareef Khan | Chairman |
| Mr. Muhammad Kuli Khan Khattak | Member |
| Maj. (R) Muhammad Zia | Member |
| Mr. Shahid Kamal Khan | 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.
United Bank Limited
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

Directors' Review

The Directors of your Company take pleasure in presenting the unaudited financial statements for the quarter ended September 30, 2024.

Market Share and Company's Performance

Data reported by Pakistan Automotive Manufacturers Association (PAMA) shows that sales of trucks and buses have increased significantly by 72% during quarter ended September 30, 2024 as compared to the corresponding period of last year. Following the trend of positive change in commercial auto market, Company's sales units have also increased by 175% during the current quarter as compared to the corresponding period last year, with a market share of approximately 61% in the overall truck and bus market.

The financial results for the quarter are as follows:

| | Quarter ended 30 September | |
|--|----------------------------|-----------|
| | 2024 | 2023 |
| | Rupees in 000 | |
| Sales | 6,052,712 | 2,519,258 |
| Gross profit | 1,373,926 | 442,365 |
| Profit from operations | 1,024,743 | 254,654 |
| Profit before income taxation, revenue and final taxes | 990,780 | 122,541 |
| Levies | (903) | (33,652) |
| Profit before income taxation | 989,877 | 88,889 |
| Taxation | (351,273) | (27,291) |
| Profit after income taxation | 638,604 | 61,598 |
| Earnings per share - basic and diluted (Rupees) | 14.99 | 1.45 |

Operating results

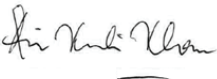
The period under review appeared as a silver lining for the overall business environment including auto sector mainly due to reduced policy rate and decline in general inflation which stood at 6.93% as of September 2024 (Year on Year). Supported by overall favorable business conditions, the Company posted net revenues of Rs.6.05 billion with gross profit of Rs. 1.37 billion during the quarter ended September 30, 2024 as compared to net revenues of Rs. 2.52 billion and gross profit of Rs. 442 million during the corresponding period of last year.

Future outlook

Despite all the challenges prevailing in the market, the Company based on its vast customer base and efficient products, is confident to further improve its sales and maintain market leadership in periods to come, however, general inflation, policy rate and unstable rupee may pose challenges in future periods.

The management of the Company is committed to devise strategies to overcome challenges, aiming towards a sustainable growth with the objective of creating value for its stakeholders.

By order of the Board



Ali Kuli Khan Khattak
Chairman



Ahmad Kuli Khan Khattak
Chief Executive Officer

ڈائریکٹرز کا جائزہ:

آپ کے ادارے کے ڈائریکٹرز 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

مارکیٹ شیئر اور کھنی کی کارکردگی

پاکستان آٹومیٹیو میٹو نیچرز ایسوسی ایشن (PAMA) کے فراہم کردہ اعداد و شمار کے مطابق، 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے دوران ٹرکوں اور بسوں کی فروخت میں پچھلے سال کی اسی مدت کے مقابلے میں 72 فیصد کا نمایاں اضافہ ہوا۔ کمرشل آٹو مارکیٹ میں مثبت رجحانات کے نتیجے میں کھنی کی فروخت میں بھی اسی مدت کے مقابلے میں 175 فیصد کا قابل ذکر اضافہ ہوا، جس کے ساتھ کھنی کا مارکیٹ شیئر 61 فیصد تک پہنچ گیا۔

سہ ماہی کے مالیاتی نتائج درج ذیل ہیں:

Quarter ended 30 September

2024 2023

..... Rupees in 000.....

| | | |
|--|-----------|-----------|
| Sales | 6,052,712 | 2,519,258 |
| Gross profit | 1,373,926 | 442,365 |
| Profit from operations | 1,024,743 | 254,654 |
| Profit before income taxation, revenue and final taxes | 990,780 | 122,541 |
| Levies | (903) | (33,652) |
| Profit before income taxation | 989,877 | 88,889 |
| Taxation | (351,273) | (27,291) |
| Profit after income taxation | 638,604 | 61,598 |
| Earnings per share - basic and diluted (Rupees) | 14.99 | 1.45 |

آپریٹنگ نتائج

زیر جائزہ سہ ماہی مجموعی کاروباری ماحول، بشمول آٹو میکیٹ، کے لیے ایک امید افزا مدت ثابت ہوئی، جس کی بنیادی وجہ پالیسی کی شرحوں اور عمومی افراط زر میں کمی تھی، جو ستمبر 2024 میں (سال بہ سال) 6.93 فیصد رہی۔ تمام تر سازگار کاروباری ماحول کی وجہ سے کھنی نے 6.05 بلین روپے کی خالص آمدنی حاصل کی، جب کہ گزشتہ سال کی اسی مدت میں یہ آمدنی 2.52 بلین روپے تھی۔ اس سہ ماہی میں مجموعی منافع 1.37 بلین روپے رہا، جو پچھلے سال کی اسی مدت میں 442 ملین روپے تھا۔

مستقبل کا نقطہ نظر

اگرچہ مارکیٹ میں مختلف چیلنجز موجود ہیں، کھنی اپنے وسیع کسٹمر بیس اور موثر مصنوعات کے ذریعے مستقبل میں بھی اپنی فروخت کو بہتر کرنے اور مارکیٹ میں اپنی لیڈرشپ برقرار رکھنے کے لیے پرعزم ہے۔ تاہم عمومی افراط زر، پالیسی کی شرح میں تبدیلیاں، اور روپے کی غیر مستحکم قدر جیسے عوامل مستقبل میں چیلنجز پیدا کر سکتے ہیں۔

ادارے کی انتظامیہ ان چیلنجز سے نمٹنے اور اپنے اسٹیک ہولڈرز کے لیے مزید فائدہ پیدا کرنے کے لیے مؤثر حکمت عملیوں کی تشکیل پر عمل پیرا ہے۔

بورڈ کے حکم سے

Anis Khan

علی قلی خان خٹک

چیئر مین

کراچی، 23 اکتوبر، 2024

محمد علی خان خٹک

احمد قلی خان خٹک

چیف ایگزیکٹو آفیسر

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2024 - Un-audited

Condensed Interim Statement of Financial Position

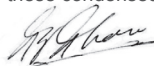
AS AT SEPTEMBER 30, 2024

| | Note | (Un-audited) September 30, 2024 | (Audited) June 30, 2024 |
|---|------|---------------------------------------|-------------------------------|
| (Rupees in '000) | | | |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 5 | 6,183,125 | 6,053,295 |
| Intangible assets | | 810 | 1,008 |
| Long term loans | | 1,534 | 1,822 |
| Long term deposits | | 30,840 | 30,840 |
| Deferred taxation | | 59,375 | (24,539) |
| | | <u>6,275,684</u> | <u>6,062,426</u> |
| CURRENT ASSETS | | | |
| Stores | | 49,251 | 48,755 |
| Stock-in-trade | 6 | 6,502,745 | 5,807,572 |
| Trade debts | | 896,604 | 647,175 |
| Loans and advances | | 440,454 | 130,793 |
| Trade deposits and prepayments | | 2,403,067 | 1,636,623 |
| Other receivables | | 1,415 | - |
| Accrued mark-up | | 33,343 | 2,756 |
| Sales tax refundable / adjustable | | 203,825 | 202,253 |
| Taxation - payments less provision | | 619,233 | 1,171,710 |
| Cash and bank balances | | 396,887 | 2,322,447 |
| | | <u>11,546,824</u> | <u>11,970,084</u> |
| | | <u>17,822,508</u> | <u>18,032,510</u> |
| TOTAL ASSETS | | | |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized capital | | | |
| 100,000,000 (June 30, 2024: 100,000,000) ordinary shares of Rs.10 each | | 1,000,000 | 1,000,000 |
| Issued, subscribed and paid-up capital | | | |
| 42,608,844 (June 30, 2024: 42,608,844) ordinary shares of Rs.10 each | | 426,088 | 426,088 |
| Capital Reserves | | | |
| Surplus on revaluation of fixed assets | | 5,331,998 | 5,336,112 |
| Capital Reserves | | 1,500,000 | 1,500,000 |
| Revenue Reserves | | | |
| Unappropriated profit | | 2,364,770 | 1,722,052 |
| Total Equity | | <u>9,622,856</u> | <u>8,984,252</u> |
| NON-CURRENT LIABILITIES | | | |
| Lease liabilities | | 71,978 | 78,828 |
| Compensated absences | | 36,573 | 27,728 |
| Deferred liabilities | | 37,982 | 27,643 |
| | | 146,533 | 134,199 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | | 6,687,576 | 7,388,889 |
| Unpaid dividends | 7 | 78,959 | 78,959 |
| Unclaimed dividends | | 21,332 | 21,332 |
| Current maturity of lease liabilities | | 27,359 | 27,248 |
| Accrued mark-up/ interest | | 27,799 | 51,473 |
| Short term borrowings | 8 | 1,210,094 | 1,346,158 |
| | | 8,053,119 | 8,914,059 |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 9 | - | - |
| TOTAL EQUITY AND LIABILITIES | | <u>17,822,508</u> | <u>18,032,510</u> |

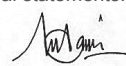
The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



Ahmad Kuli Khan Khattak
Chief Executive



Khalid Zareef Khan
Director



Muhammad Aamir
Chief Financial Officer

Condensed Interim Statement of Profit or Loss and Other Comprehensive Income

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 - UNAUDITED

| | Note | For the quarter ended September 30 | |
|---|------|---------------------------------------|-------------|
| | | 2024 | 2023 |
| (Rupees in '000) | | | |
| Sales - net | | 6,052,712 | 2,519,258 |
| Cost of sales | 10 | (4,678,786) | (2,076,893) |
| Gross profit | | 1,373,926 | 442,365 |
| Distribution expenses | | (269,510) | (157,259) |
| Administrative expenses | | (117,492) | (96,244) |
| Other expenses | | (75,633) | (8,203) |
| Other income | | 113,452 | 73,995 |
| Profit from operations | | 1,024,743 | 254,654 |
| Finance cost | | (33,963) | (132,113) |
| Profit before income taxation, revenue and final taxes | | 990,780 | 122,541 |
| Final taxes | | (903) | - |
| Minimum tax differential | | - | (33,652) |
| Profit before income taxation | | 989,877 | 88,889 |
| Taxation | | (351,273) | (27,291) |
| Profit after taxation | | 638,604 | 61,598 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Re-measurement of staff retirement benefit obligation | | - | - |
| Impact of deferred tax | | - | - |
| Other comprehensive income for the period - net of tax | | - | - |
| Total comprehensive income | | 638,604 | 61,598 |
| Earnings per share - basic and diluted (Rupees) | | 14.99 | 1.45 |

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



Ahmad Kuli Khan Khattak
Chief Executive



Khalid Zareef Khan
Director



Muhammad Aamir
Chief Financial Officer

Condensed Interim Statement of Cash Flows

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 - UNAUDITED

| | Note | September 30, 2024 | September 30, 2023 |
|---|------|-----------------------|-----------------------|
| (Rupees in '000) | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash generated from / (used in) operations | 11 | (1,738,190) | 833,841 |
| Gratuity paid | | - | (44,912) |
| Finance cost paid | | (53,091) | (218,041) |
| Income tax refunded / (paid) - net | | 116,387 | (58,820) |
| Long term loans - net | | 288 | (957) |
| Net cash generated from / (used in) operating activities | | (1,674,606) | 511,111 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Fixed capital expenditure | | (159,826) | (851) |
| Sale proceeds from disposal of operating fixed assets | | - | 7,581 |
| Interest received | | 56,221 | 83,811 |
| Net cash generated from / (used in) investing activities | | (103,605) | 90,541 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Lease liabilities - net | | (11,285) | (11,715) |
| Net cash used in financing activities | | (11,285) | (11,715) |
| Net increase / (decrease) in cash and cash equivalents | | (1,789,496) | 589,937 |
| Cash and cash equivalents - at beginning of the period | | 976,289 | (2,857,749) |
| Cash and cash equivalents - at end of the period | 12 | (813,207) | (2,267,812) |

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



Ahmad Kuli Khan Khattak
Chief Executive



Khalid Zareef Khan
Director



Muhammad Aamir
Chief Financial Officer

Condensed Interim Statement of Changes in Equity

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 - UNAUDITED

| | Share capital | Revenue reserve - unappropriated profit | Capital reserve | | Total |
|---|----------------|---|---------------------------------|--|------------------|
| | | | Reserve for capital expenditure | Surplus on revaluation of fixed assets | |
| (Rupees in thousand) | | | | | |
| Balance as at July 1, 2023 (Audited) | 426,088 | 2,443,481 | - | 5,352,566 | 8,222,135 |
| Transaction with owners recognised directly in equity | | | | | |
| Reclassification of reserves | | (1,500,000) | 1,500,000 | | |
| Total comprehensive income for the period ended September 30, 2023 | | | | | |
| Profit for the period | - | 61,598 | - | - | 61,598 |
| Other comprehensive Income | - | - | - | - | - |
| | - | 61,598 | - | - | 61,598 |
| Surplus on revaluation of fixed assets realised during the period (net of deferred taxation) on account of incremental depreciation | - | 2,796 | - | (2,796) | - |
| Balance as at September 30, 2023 (Un-audited) | <u>426,088</u> | <u>2,507,875</u> | <u>1,500,000</u> | <u>5,349,770</u> | <u>8,283,733</u> |
| Balance as at July 1, 2024 (Audited) | 426,088 | 1,722,052 | 1,500,000 | 5,336,112 | 8,984,252 |
| Transaction with owners recognised directly in equity | | | | | |
| Total comprehensive income for the period ended September 30, 2024 | | | | | |
| Profit for the period | - | 638,604 | - | - | 638,604 |
| Other comprehensive Income | - | - | - | - | - |
| | - | 638,604 | - | - | 638,604 |
| Surplus on revaluation of fixed assets realised during the period (net of deferred taxation) on account of incremental depreciation | - | 4,114 | - | (4,114) | - |
| Balance as at September 30, 2024 (Un-audited) | <u>426,088</u> | <u>2,364,770</u> | <u>1,500,000</u> | <u>5,331,998</u> | <u>9,622,856</u> |

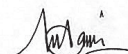
The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



Ahmad Kuli Khan Khattak
Chief Executive



Khalid Zareef Khan
Director



Muhammad Aamir
Chief Financial Officer

Notes to The Condensed Interim Financial Statements

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 - 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 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.

Biboojee Services (Private) Limited, the ultimate Holding Company, held 16,616,794 (June 30, 2024: 16,686,794) ordinary shares of Rs.10 each of the Company.

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 applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 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 the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2024.

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, 2024. 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 these condensed interim financial statements.

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

Actuarial valuations are carried out on annual basis. The last actuarial valuation was carried out on June 30, 2024. The impact of re-measurement of post employment benefit plans has not been incorporated in the condensed interim financial statements.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements 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 these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2024.

5. PROPERTY, PLANT AND EQUIPMENT

| | Note | (Un-audited) September 30, 2024 | (Audited) June 30, 2024 |
|--|------|---------------------------------------|-------------------------------|
| (Rupees in '000) | | | |
| Operating fixed assets - at net book value | 5.1 | 5,742,194 | 5,705,506 |
| Right of use assets | 5.2 | 71,590 | 79,152 |
| Capital work-in-progress - at cost | | 369,341 | 268,637 |
| | | <u>6,183,125</u> | <u>6,053,295</u> |

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

Owned

| | | |
|-------------------------------|---------------|---------------|
| - Plant and machinery | 52,725 | 1,978 |
| - Permanent tools | 182 | 3,296 |
| - Furniture and fixture | - | 1,964 |
| - Motor vehicles / trucks | - | 1,427 |
| - Office machines & equipment | 35 | - |
| - Computers | 6,179 | 1,669 |
| | <u>59,121</u> | <u>10,334</u> |

5.2 Right of use assets

| | | |
|--|---------------|---------------|
| Opening | 79,152 | 71,431 |
| (Disposal) / Additions during the period | - | 39,346 |
| Depreciation charge for the period | (7,562) | (31,625) |
| Net book value at end of the period | <u>71,590</u> | <u>79,152</u> |

6. STOCK-IN-TRADE

| | | |
|---|------------------|------------------|
| Raw materials and components | 4,100,844 | 3,344,969 |
| Less: provision for slow-moving raw material | (56,018) | (34,907) |
| | 4,044,826 | 3,310,062 |
| Work-in-process | 4,321 | 102,671 |
| Finished goods including components | 2,075,196 | 1,929,687 |
| Trading stocks | 515,529 | 523,706 |
| Less: provision for slow-moving trading stock | (137,127) | (58,554) |
| | <u>378,402</u> | <u>465,152</u> |
| | <u>6,502,745</u> | <u>5,807,572</u> |

7. Cash dividend and issuance of bonus shares to M/s. Essar Asset Management (Pvt.) 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.

| | (Un-audited) September 30, 2024 | (Audited) June 30, 2024 |
|---|---------------------------------------|-------------------------------|
| (Rupees in '000) | | |
| 8. SHORT TERM BORROWINGS - Secured | | |
| Running finances | 887,397 | 693,661 |
| Short term loan | - | 250,000 |
| Istisna | 105,200 | 185,000 |
| Murabaha | 217,497 | 217,497 |
| | <u>1,210,094</u> | <u>1,346,158</u> |

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There has been no significant change in status of contingencies other than describe below and as disclosed in note 27.1 of the audited annual financial statements of the Company for the year ended June 30, 2024.

9.2 Commitments

| | (Un-audited) September 30, 2024 | (Audited) June 30, 2024 |
|-------------------|---------------------------------------|-------------------------------|
| | (Rupees in '000) | |
| Bank guarantees | 3,682,319 | 3,466,561 |
| Letters of credit | 6,306,022 | 4,253,228 |

10. COST OF SALES

| | Note | (Un-audited) For the quarter ended September 30, 2024 | 2023 |
|-----------------------------------|------|--|-------------|
| | | (Rupees in '000) | |
| Stocks at beginning of the period | | 2,394,839 | 2,019,904 |
| Cost of goods manufactured | 10.1 | 4,718,024 | 1,926,641 |
| Trading goods - purchases | | 19,521 | 3,443 |
| | | 4,737,545 | 1,930,084 |
| | | 7,132,384 | 3,949,988 |
| Stocks at end of the period | | (2,453,598) | (1,873,095) |
| | | 4,678,786 | 2,076,893 |

10.1 Cost of goods manufactured

| | | |
|--|-----------|-----------|
| Work in process at beginning of the period | 102,671 | 402,775 |
| Raw materials and components consumed | 4,404,840 | 1,497,548 |
| Direct labour and factory overheads | 214,834 | 188,614 |
| | 4,619,674 | 1,686,162 |
| | 4,722,345 | 2,088,937 |
| Work in process at end of the period | (4,321) | (162,296) |
| | 4,718,024 | 1,926,641 |

11. CASH GENERATED / USED IN OPERATIONS

| | Note | (Un-audited) For the quarter ended September 30, 2024 | 2023 |
|--|------|--|----------|
| | | (Rupees in '000) | |
| Profit / (Loss) before taxation | | 990,780 | 122,541 |
| Adjustment for non cash charges and other items: | | | |
| Depreciation / amortization on: | | | |
| - property, plant and equipment | | 22,434 | 26,138 |
| - right to use asset | | 7,561 | 6,497 |
| - intangible assets | | 198 | 99 |
| Provision for compensated absences | | 8,845 | - |
| Provision for gratuity | | 10,340 | - |
| Gain on disposal of operating fixed assets | | - | (7,581) |
| Amortization of gain on sale and lease back of fixed assets | | - | 66 |
| Interest income | | (86,808) | (38,715) |
| Finance cost | | 33,963 | 132,113 |
| | | 987,313 | 241,158 |
| Working capital changes - net | 11.1 | (2,725,503) | 592,683 |
| | | (1,738,190) | 833,841 |

11.1 Working capital changes

(Un-audited)
For the quarter ended
September 30,

2024 2023

(Rupees in '000)

(Increase) / decrease in current assets:

| | | |
|---|--------------------|-----------------|
| Stores | (496) | (3,957) |
| Stock-in-trade | (695,173) | (29,468) |
| Trade debts | (249,429) | (150,239) |
| Loans and advances | (309,661) | (805,797) |
| Trade deposits and prepayments | (766,444) | 917,983 |
| Other receivables | (1,415) | (1,170) |
| Sales tax refundable / adjustable | (1,572) | 38,632 |
| | <u>(2,024,190)</u> | <u>(34,016)</u> |
| (Decrease) / increase in trade and other payables | <u>(701,313)</u> | <u>626,699</u> |
| | <u>(2,725,503)</u> | <u>592,683</u> |

12. CASH AND CASH EQUIVALENTS

| | | |
|------------------------|------------------|--------------------|
| Cash and bank balances | 396,887 | 209,575 |
| Short term borrowings | (1,210,094) | (2,477,387) |
| | <u>(813,207)</u> | <u>(2,267,812)</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 statements do 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, 2024.

There has been no change in Company's sensitivity to these risks since June 30, 2024 except for general exposure to fluctuations in foreign currency and interest rates. There have been no change in the risk management policies during the period.

14. TRANSACTIONS WITH RELATED PARTIES

14.1 Significant transactions with related parties are as follows:

| Name of related party and nature of relationship | Nature of transactions | (Un-audited) For the quarter ended September 30, | |
|---|---------------------------------|--|--------|
| | | 2024 | 2023 |
| (Rupees in '000) | | | |
| (i) Associated Companies | | | |
| Ghandhara Tyre and Rubber Co. of Pakistan Ltd. (Common Directorship) | Purchase of tyres | 92,405 | 68,427 |
| Ghandhara Automobiles Ltd. (Common Directorship) | Assembly charges | 259,421 | 58,030 |
| | Rent income | 1,286 | 1,169 |
| | Purchase of vehicles | 6,999 | - |
| | Sharing of expenses | 1,133 | - |
| | Sale of parts | 171 | 69 |
| Ghandhara DF (Private) Limited (Common Directorship) | Rent income | 1,286 | 1,169 |
| The Universal Insurance Company Limited (Common Directorship) | Sharing of expenses | - | 398 |
| Rehman Cotton Mills Ltd. (Common Directorship) | Rent expense | 600 | 450 |
| Gammon Pakistan Ltd. (Common Directorship) | Rent expense | 1,208 | 1,165 |
| Janana De Malucho Textile Mills Limited (Common Directorship) | Reimbursement of expenses | 986 | 674 |
| Business Vision (Private) Limited (Common Directorship) | Advance - made for property | 95,000 | - |
| (ii) Other | | | |
| Gratuity fund | Contribution paid | - | 44,912 |
| Key management personnel | Remuneration and other benefits | 52,999 | 46,557 |

15. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Company for the year ended June 30, 2024, whereas, the condensed interim statement of profit or loss account and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of condensed interim financial statements of the Company for the period ended September 30, 2023. Corresponding figures have been rearranged and reclassified for better presentation wherever considered necessary, the effect of which is not material.

16. DATE OF AUTHORIZATION

These condensed interim financial statements were authorized for issue on October 23, 2024 by the Board of Directors of the Company.



Ahmad Kuli Khan Khattak
Chief Executive



Khalid Zareef Khan
Director










Muhammad Aamir
Chief Financial Officer








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