

Annual Report | 2016


MOVING AROUND THE WORLD



BALUCHISTAN WHEELS LIMITED
Manufacturers of Automotive Wheels in Pakistan



Vision & Mission



*To produce Automotive Wheels and Allied
Products of International Quality Standard of ISO
9002 and contribute towards national economy
by import substitution, exports, taxation,
employment and consistently compensate the
stake holders through stable returns.*

Contents

● Corporate Information	04
● Board of Directors	06
● Management Team	09
● Six Years at a Glance	11
● Horizontal & Vertical Analysis	13
● Statement of Value Addition & Its Distribution	19
● Directors' Report to the Shareholders	20
● Statement of Compliance with the Code of Corporate Governance	29
● Review Report to the Members on Statement of Compliance with the Code of Corporate Governance	31
● Auditors' Report to the Members	32
● Balance Sheet	33
● Profit and Loss Account	34
● Statement of Comprehensive Income	35
● Cash Flow Statement	36
● Statement of Changes in Equity	37
● Notes to the Financial Statements	38
● Pattern & Breakup of Shareholding	67
● Notice of the Meeting	70
● Code of Conduct / Statement of Ethics and Business Practices	75
● Form of Proxy	



Board of Directors Meeting in Progress





Corporate Information

BOARD OF DIRECTORS

Syed Haroon Rashid	Chairman (Non-Executive Director)
Mr. Razak H.M.Bengali	Chief Executive(Executive Director)
Mr. Muhammad Siddique Misri	Director Marketing/ Business Development (Executive Director)
Mr. Muhammad Irfan Ghani	Chief Operating Officer (Executive Director)
Syed Zubair Ahmed Shah	Non-Executive Director (Nominee - NIT)
Mr. Anis Wahab Zuberi	Independent Director
Mrs. Gulbano Razak	Non-Executive Director
Miss Maheen Irfan Ghani	Non-Executive Director
Mrs. Saba Nadeem	Non-Executive Director

CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Mr. Muhammad Yasin Yunus Ladha

BOARD AUDIT COMMITTEE

Mr. Anis Wahab Zuberi	Independent Director	Chairman
Syed Zubair Ahmed Shah	Non-Executive Director (Nominee - NIT)	Member
Syed Haroon Rashid	Non-Executive Director	Member
Miss Maheen Irfan Ghani	Non-Executive Director	Member
Mrs. Saba Nadeem	Non-Executive Director	Member
Hafiz Shoaib Ahmed Chauhan	Head of Internal Audit	Secretary

MANAGEMENT COMMITTEE

Mr. Razak H.M.Bengali	Chief Executive
Mr. Muhammad Siddique Misri	Director Marketing/ Business Development
Mr. Muhammad Irfan Ghani	Chief Operating Officer
Mr. Sajid Nadri	S.G.M (Technical)
Mr. Muhammad Yasin Yunus Ladha	S.G.M (Finance) / Company Secretary
Mr. Muhammad Asad Saeed	D.G.M (Finance)
Lt. Col. (R) Mehboob Ahmed	D.G.M (Maintenance)
Mr. Kumail Irfan Ghani	D.G.M (Supply & Services)
Mr. Fareed Abdul Razzak	D.G.M (Finance)

BOARD HUMAN RESOURCE AND REMUNERATION COMMITTEE

Syed Zubair Ahmed Shah	Non-Executive Director (Nominee - NIT)	Chairman
Mr. Muhammad Irfan Ghani	Chief Operating Officer (Executive Director)	Member
Mr. Anis Wahab Zuberi	Independent Director	Member
Mrs. Gulbano Razak	Non-Executive Director	Member
Mr. Muhammad Yasin Yunus Ladha	S.G.M (Finance) / Company Secretary	Secretary



BANKERS

Habib Bank Limited
Faysal Bank Limited
Bank Alfalah Limited
National Bank of Pakistan

LEGAL ADVISOR

Mohsin Tayebaly & Company
(Advocates)

EXTERNAL AUDITORS

EY Ford Rhodes
(Chartered Accountants)

TAX CONSULTANTS

EY Ford Rhodes
(Chartered Accountants)

Baker Tilly Mehmood Idrees Qamar
(Chartered Accountants)

CHIEF INTERNAL AUDITOR

Hafiz Shoaib Ahmed Chauhan

SHARE REGISTRAR

THK Associates (Pvt) Limited
2nd Floor, State Life Building#3
Dr. Ziauddin Ahmed Road, Karachi.
E-mail: secretariat@thk.com.pk
UAN# +92(21) 111-000-322, Direct: +92 (21) 35693094-95
Fax# +92 (21) 95655595

HEAD OFFICE

1st Floor, State Life Building # 3
Dr. Ziauddin Ahmed Road, Karachi.
E-mail: bwlfm@cyber.net.pk
Website: <http://www.bwheels.com>
Telephone# 35689259, 35683474, 35687502
Fax# 35684003

FACTORY AND REGISTERED OFFICE

Main RCD Highway, Hub Chowki,
Lasbella, Baluchistan.
Telephone # (0853) 363426,363428
Fax # (0853) 364025



Profile of the Members of the Board of Directors

Syed Haroon Rashid

Chairman (Non-Executive Director)



Syed Haroon Rashid has over twenty years of experience in corporate finance and strategic management having worked in various financial as well as non-financial institutions. He started his career with the Experts Advisory Cell, a successor to the Board of Industrial Management, established to assist the Ministry of Production in the management & control, corporate planning and performance evaluation of public sector industrial enterprises in sectors ranging from fertilizer, automobiles, heavy engineering, chemicals, petroleum, cement to steel.

Subsequently, he served as Advisor with the Investment Corporation of Pakistan which was the first closed-end mutual fund established in Pakistan in the early 1960's. Later, he joined the Zarai Taraqiati Bank Ltd. as part of a senior management team formed for the restructuring of the Bank where he served as Head, Restructuring (Project Loans) as well as Head, Project Implementation Unit of the Asian Development Bank. He played a major role in restructuring of corporate loan departments of the organization and worked to successfully revitalize them. He is also a training consultant with the National Institute of Banking and Finance, Islamabad (State Bank of Pakistan).

Syed Haroon Rashid has also served as NIT's (National Investment Trust) Director on Boards of various public listed companies. He is also a Certified Director of the IFC (World Bank Group) sponsored by Pakistan Institute of Corporate Governance.

Mr. Razak H. M. Bengali

Managing Director / CEO (Executive Director)



Mr. Razak Haji Mohammed Bengali belongs to an industrialist family which has been in business since 1947. After graduating in First Class First Position in commerce from Karachi, he joined Siemens and proceeded to Germany where he received business education in German language and passed the examination of Industrial Businessmen (equivalent to MBA).

After coming back from Germany, he remained associated with his family business for about 30 years. At present, he is the Chief Executive of Baluchistan Wheels Limited (an engineering unit producing automotive steel wheel rims), which position he has been holding since July, 1998.

He has been the Chairman of Filament Yarn Manufacturers Association, and Vice President of the Employers Federation of Pakistan.

Also, he has been the President and Vice President of Pakistan German Business Forum (PGBF) for a long number of years. He made this institution active and vibrant which has the recognition and support of various Government organizations and the business people in Pakistan and in Germany.

He holds the membership of the following social bodies:

1. Member and Past President of Karachi Gymkhana
2. Member of Karachi Boat Club
3. Member of Rotary Club of Karachi Continental
4. Member of Defence Authority Country & Golf Club

Also, he has participated in various international seminars, and has widely traveled around the globe. Besides English and Urdu, he is well-versed in German language.

Mr. Muhammad Siddique Misri

Director Marketing / Business Development (Executive Director)



Mr. Muhammad Siddique Misri is a Graduate from Sindh University. After graduation, he proceeded to Saudi Arabia and started his business of trading, imports and distribution of food items from 1982 and captured a larger market share in this field in Saudi Arabia.

He came back to Pakistan and set up a food processing industry with the name of Zaiqa Food Industries in the year 1995. The unit is engaged in processing of spices and other foods items and in exports of the same to the gulf countries, the Middle East, the UK, the USA and the Canada.

In the year 1998, he took over with the association of his friends the management of Baluchistan Wheels Limited, and since then he is involved in managing and running the company with dedication and hard-work. He is a man of wisdom and possesses business acumen.

He has been the member of Managing Committee of the Federation of Pakistan Chambers of Commerce & Industry. He has also served as the Chairman of Pakistan Association of Automotive Parts & Accessories Manufacturers (PAAPAM) and played an active role for the growth of Vending Industry as well as for the Auto Industry in the Country.

Mr. Muhammad Irfan Ghani

Chief Operating Officer (Executive Director)



Mr. Muhammad Irfan Ghani joined Baluchistan Wheels Ltd in the year 1996 and took the responsibility of planning and production when the plant & machinery was old and they needed major over haul so as to improve the quality, and he is instrumental in the balancing modernization and expansion of various facilities at BWL, wherein the Company was able to replace, its old Butt Welding Machines, added new Light Duty Rim Line, latest version of Electro Deposit Paint Shop and subsequently its Monorail Conveyor. Currently he is working on the modernization of Truck / Bus Line, whereby as the first step new Spinning Machine was added and the study on the Truck / Bus Rim project is also been carried out, through induction of various models of Truck / Bus tubeless wheels.

Mr. Anis Wahab Zuberi

Independent Director



Mr. Anis Wahab Zuberi is an Independent Director and he is a Chartered Accountant and a fellow of the Institute of the Chartered Accountants in England and Wales and Pakistan. He carries a vast experience of teaching, management of large scale industries, investment and financing. He has been associated with National Investment Trust (NIT) and has served on the Board of various companies as a nominee Director of NIT. He has attended various seminars and lectures in the process of continuing professional development and have been associated with Institute of Chartered Accountants of Pakistan (ICAP) Committee for Technical Services and also served as a member of Quality Assurance Board of ICAP.

During the year he has successfully completed the Director's Training Program Conducted by the Institute of Chartered Accountants of Pakistan (ICAP).



Syed Zubair Ahmad Shah

Non-Executive Director (Nominee - NIT)



Syed Zubair Ahmad Shah is MBA from the Institute of Business Administration (IBA) Karachi and MPhil in Economics from Glasgow University UK. He did post graduate diploma in General Management of State Enterprises with distinction from the Research Institute for Development Sciences, Netherlands. In addition he has attended and qualified various short international seminars/courses in the field of Privatization, Development Policies, Corporate Planning and Performance Evaluation etc. He joined NIT on May 21, 2010 as Controller of Branches. He also represents NIT as nominee Director in a number of Companies. He is representing NIT on our Board.

Mrs. Gulbano Razak

Non-Executive Director



Mrs. Gulbano Razak is a Graduate from Karachi University. She has graduated in the year 1968. She belongs to an educated and business family and is involved in social activities. She is a Rotary Anne of Rotary Club of Karachi Continental. She had been running a business as woman entrepreneur of small and medium enterprises, and, therefore, she was designing and marketing fashion products through her own boutique.

Miss Maheen Irfan Ghani

Non-Executive Director



Miss Maheen Irfan Ghani is a journalist as well as a communication expert with a Masters degree in Political Communication from Goldsmiths, University of London. She has also remained as activist for local and international social and political causes such as immigration, reproductive health and education.

Mrs. Saba Nadeem

Non-Executive Director



Mrs. Saba Nadeem belongs to a business family. She has done A'Levels. Also, she has done Diploma in Interior Designing from the Indus Valley School of Arts, and remained involved in activities like Fabric Painting and Glass Painting. She has been a teacher in a grammar school in Clifton, Karachi.

She is a Certified Director and had completed Director Education Certification Programme from the Institute of Cost & Management Accountants of Pakistan (ICMAP).

She has developed a special interest in being involved in business and commerce and, therefore, she has chosen to be on the Board of Directors of Baluchistan Wheels Limited.

Management Team



Mr. Razak H.M. Bengali
Managing Director / Chief Executive Officer
(Executive Director)



Mr. Muhammad Siddique Misri
Director Marketing / Business Development
(Executive Director)



Mr. Muhammad Irfan Ghani
Chief Operating Officer
(Executive Director)



Mr. Muhammad Yasin Yunus Ladha
CFO / Company Secretary / Sr. General Manager (Finance)

Mr. Muhammad Yasin Ladha is an associate of the Institute of Chartered Accountants of Pakistan (ICAP) & a fellow of the Institute of Cost & Management Accountants of Pakistan (ICMAP). Besides this he is also fellow member of Chartered Secretaries, Certified Internal Control Auditor (USA) and CPA (UK). He has over thirty years of experience in the field of Finance & Accounts, Taxation & Corporate Affairs. He has worked in various multinational / public listed companies. He is associated with the Company since 1996. Presently, he is CFO / Company Secretary / Sr.General Manager (Finance).



Mr. Sajid Nadri
Sr. General Manager (Technical)

Mr. Sajid Nadri is associated with the Company since 1997. He is a Mechanical Engineer and has done scores of Technical and Management courses and is associated with the Automobile Industry since last 33 years. He has gained extensive experience in manufacturing engineering and has the specialization and core experience of Sheet Metal Tools, Dies, Jigs and Fixtures, manufacturing and general Engineering. He has obtained Training from Italy, Holland, Japan, and Korea and vastly traveled abroad to China, Singapore, Thailand, India etc and inland and gained rich experience



Mr. Muhammad Asad Saeed
Deputy General Manager (Finance)

Mr. Muhammad Asad Saeed is an associate of the Institute of Chartered Accountants of Pakistan (ICAP). He has over twenty years of experience in the field of Finance & Accounts, Taxation, Internal Audit & Corporate Affairs. He has worked in various public listed companies. At present, he is working as Deputy General Manager (Finance). He is associated with the company since 2007. In addition he has attended various seminars / courses / conferences on Finance / Taxation / Audit / Corporate & Financial Reporting / Budget etc.



Lt Col (R) Mehboob Ahmed

Deputy General Manager (Maintenance)

Lt Col (R) Mehboob Ahmed is Mechanical Engineer (UET), and also hold PGD in Production Engineering (NUST). He has served in the army from 1983-2011 and performed various assignments related to Technical Evaluation of Vehicles & Equipment for repair, maintenance, Inspections & supervision of workshop for production / quality. Versatile experience in serving with reputed organization including National Logistic Cell (NLC), Pakistan Ordnance Factories (POF), Pakistan Ranger and Central/Base workshops. He joined BWL in 2014 and currently working as Deputy General Manager (Maintenance.)



Mr. Kumail Irfan Ghani

Deputy General Manager (Supply & Services)

Kumail Irfan Ghani completed his BSc (Hons) Accounting from University of Hull, England and MSc Banking and International Finance from Cass Business School, London, England. He has previously worked at Standard Chartered and NIB Bank. Mr. Kumail is a progressive minded individual who joined us in 2014. Currently he is working as Head of Supply & Services Department.



Mr. Fareed Abdul Razzak

Deputy General Manager (Finance)

Mr. Fareed Abdul Razzak joined Baluchistan Wheels Limited in the year 2000 and working as Deputy General Manager (Finance). He is MBA in Finance and MCS. Currently he is doing his EMBA. He has over sixteen years of experience in the field of Finance & Accounts & Corporate Affairs.

Chief Internal Auditor



Hafiz Shoaib Ahmed Chauhan

Chief Internal Auditor

Hafiz Shoaib Ahmed Chauhan is Chief Internal Auditor of Baluchistan Wheels Limited since 2014. He obtained his Bachelors of Commerce from University of Karachi in 2006. He is a Certified Internal Controls Auditor and an Associate of Pakistan Institute of Public Finance Accountants. He has over eight years of experience in the field of Audit, Finance, Taxation and Corporate.



Six Years at a Glance

BALANCE SHEET

	----- (Rs. in '000) -----					
	2016	2015	2014	2013	2012	2011
ASSETS						
Non Current Assets						
Property, plant & equipment	305,947	307,284	351,705	354,354	360,700	394,140
Intangible asset	-	-	-	110	220	330
Long term investments	-	1,739	747	755	708	925
Long-term loans & advances	3,719	2,998	1,993	1,818	1,740	1,939
Long-term deposits	4,140	5,740	5,740	4,636	9,082	10,838
	313,806	317,761	360,185	361,673	372,450	408,172
Current Assets						
Stores, spare parts & loose tools	46,522	44,018	44,552	45,703	45,925	51,702
Stock-in-trade	468,685	452,579	498,712	502,672	508,184	440,673
Trade debts	77,347	59,981	65,310	134,255	129,508	133,364
Loans and advances	29,276	15,043	14,848	16,673	8,568	26,722
Trade deposits and short term prepayments	2,869	2,287	3,168	3,218	2,907	1,355
Other receivables	1,962	521	5,813	-	-	5,733
Short term investments	354,064	-	83,678	20,067	-	-
Sales tax refundable - net	-	-	1,792	-	-	-
Taxation - net	-	47,041	47,377	18,773	-	-
Bank balances	44,051	255,013	28,905	34,713	48,331	41,391
	1,024,776	876,483	794,155	776,074	743,423	700,940
TOTAL ASSETS	1,338,582	1,194,244	1,154,340	1,137,747	1,115,873	1,109,112
EQUITY AND LIABILITIES						
Share Capital and Reserves						
Authorised Capital						
25,000,000 Ord. shares of Rs. 10/- each	250,000	250,000	250,000	250,000	250,000	250,000
Share Capital	133,343	133,343	133,343	133,343	133,343	133,343
Reserves	1,052,030	943,870	877,854	829,035	790,466	715,189
	1,185,373	1,077,213	1,011,197	962,378	923,809	848,532
Non Current Liabilities						
Liabilities against assets subject to finance lease	-	2,569	5,113	1,626	5,695	4,501
Long term advances	-	-	10,093	-	-	-
Long term deposits	646	706	1,110	892	784	335
Deferred taxation	19,976	17,592	35,490	41,777	45,076	50,596
	20,622	20,867	51,806	44,295	51,555	55,432
Current Liabilities						
Trade and other payables	120,079	83,633	83,247	114,073	87,711	90,453
Murabaha finance	-	-	-	-	-	6,773
Short term borrowings	-	-	-	-	70	67,473
Current portion of						
- liabilities against assets subject to finance lease	2,576	2,523	3,828	4,039	3,291	1,668
- long term advance	-	-	1,442	-	-	-
- long term deposits	836	205	12	-	-	117
Provision for warranty	3,445	3,631	2,808	2,943	4,091	14,676
Taxation-net	3,364	-	-	-	42,215	23,988
Sales tax payable - net	2,287	6,172	-	10,019	3,131	-
	132,587	96,164	91,337	131,074	140,509	205,148
TOTAL EQUITY AND LIABILITIES	1,338,582	1,194,244	1,154,340	1,137,747	1,115,873	1,109,112



Six Years at a Glance

PROFIT AND LOSS ACCOUNT

	----- (Rs. in '000) -----					
	2016	2015	2014	2013	2012	2011
Turnover - net	1,471,558	1,378,332	1,148,425	1,164,513	1,507,907	1,465,209
Cost of Sales	(1,098,211)	(1,170,149)	(948,811)	(1,024,528)	(1,230,589)	(1,206,963)
Gross Profit	373,347	208,183	199,614	139,985	277,318	258,246
Distribution Costs	(37,980)	(38,511)	(38,696)	(26,302)	(20,582)	(34,568)
Administrative Expenses	(82,285)	(80,752)	(71,153)	(68,429)	(67,529)	(65,447)
Other Expenses	(20,758)	(12,096)	(10,433)	(5,250)	(15,057)	(11,669)
Finance Costs	(827)	(2,949)	(3,109)	(4,984)	(15,335)	(10,100)
	(141,850)	(134,308)	(123,391)	(104,965)	(118,503)	(121,784)
Other Income	21,505	37,339	9,014	1,568	3,990	2,094
Profit before Taxation	253,002	111,214	85,237	36,588	162,805	138,556
Taxation	(99,730)	(15,278)	(16,733)	19,271	(60,187)	(43,559)
Profit after Taxation	153,272	95,936	68,504	55,859	102,618	94,997
Earnings per Share (Rupees) - Basic and Diluted	11.49	7.19	5.14	4.19	7.70	7.12
SIGNIFICANT RATIOS AND STATISTICS						
	2016	2015	2014	2013	2012	2011
Liquidity & Leverage Ratios:						
-Current Ratios	7.73	9.11	8.69	5.76	5.31	3.42
-Quick Ratios	3.85	3.95	2.75	1.69	1.35	1.02
-Liability as a % of Total Assets	11.44	9.80	12.40	15.61	17.17	23.49
-Interest Cover Ratio (Times)	306.93	38.71	28.42	8.34	11.81	14.72
Equity Ratios:						
-Break up Value per Share (Rs)	88.90	80.79	75.83	72.00	69.32	63.64
-Dividend as a % of Capital	50.00	30.00	22.50	15.00	15.00	20.00
-Dividend Yield Ratio/ Cost of Equity (%)	6.17	5.16	5.29	3.06	5.17	6.27
-Dividend per Share (Rs)	5.00	3.00	2.25	1.50	1.50	2.00
Profitability Ratios:						
-Gross Profit (%)	25.37	15.10	17.38	12.02	18.39	17.63
-Operating Profit(%)	17.24	8.28	7.69	4.02	12.81	10.94
-Profit before Tax(%)	17.19	8.07	7.42	3.14	10.80	9.45
-Profit after Tax (%)	10.41	6.96	5.97	4.80	6.81	6.48
-Return on Capital Employed(%)	21.34	10.32	8.43	3.81	17.61	16.33
-Earnings per Share (Rs)	11.49	7.19	5.14	4.19	7.70	7.12
-Price Earing Ratio(Times)	7.05	8.08	8.27	11.70	3.76	4.48
-Dividend Payout Ratio (%)	43.50	41.70	43.80	35.81	19.49	28.07
-Dividend Cover (Times)	2.30	2.40	2.28	2.79	5.13	3.56
-Capital Turnover (Times)	1.24	1.28	1.14	1.21	1.63	1.73
-Return on Assets (%)	11.45	8.03	5.93	4.91	9.20	8.57
Turnover/Efficiency Ratios:						
-Inventory Turnover Ratio(Times)	2.17	2.25	1.74	1.86	2.35	2.54
-Debtor Turnover Ratio(Times)	21.43	22.00	11.51	8.83	11.47	11.54
-Fixed Assets Turnover Ratio(Times)	4.81	4.49	3.26	3.29	4.18	3.72
Plant Capacity:						
-Plant Capacity Utilisation (%)	99	94	83	62	110	98
Share Performance:						
-Year end Market Price per Share	81.00	58.15	42.50	49.00	29.00	31.90
-High Price per Share during the Year	95.40	70.49	80.00	49.00	32.00	41.00
-Low Price per Share during the Year	58.00	33.30	41.00	24.62	22.52	26.70



Horizontal Analysis BALANCE SHEET

	2016	2016 Vs. 2015	2015	2015 Vs. 2014	2014	2014 Vs. 2013	2013	2013 Vs. 2012	2012	2012 Vs. 2011	2011
	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	305,947	(0)	307,284	(13)	351,705	(1)	354,354	(2)	360,700	(8)	394,140
Intangible asset	-	(100)	1,739	133	-	(100)	110	(50)	220	(33)	330
Long term investments	3,719	24	2,998	50	747	(1)	755	7	708	(23)	925
Long-term loans & advances	4,140	(28)	5,740	-	1,993	10	1,818	4	1,740	(10)	1,939
Long-term deposits	313,806	(1)	317,761	(12)	5,740	24	4,636	(49)	9,082	(16)	10,838
					360,185	(0)	361,673	(3)	372,450	(9)	408,172
Current Assets											
Stores, spare parts & loose tools	46,522	6	44,018	(1)	44,552	(3)	45,703	(0)	45,925	(11)	51,702
Stock-in-trade	468,685	4	452,579	(9)	498,712	(1)	502,672	(1)	508,184	15	440,673
Trade debts	77,347	29	59,981	(8)	65,310	(51)	134,255	4	129,508	(3)	133,364
Loans and advances	29,276	95	15,043	1	14,848	(11)	16,673	95	8,568	(68)	26,722
Trade deposits and short term prepayments	2,869	25	2,287	(28)	3,168	(2)	3,218	11	2,907	115	1,355
Other receivables	1,962	277	521	(91)	5,813	100	-	-	-	(100)	5,733
Short term investments	354,064	100	-	(100)	83,678	317	20,067	100	-	-	-
Sales tax refundable - net	-	(100)	47,041	(1)	1,792	100	-	-	-	-	-
Taxation - net	-	(83)	255,013	782	47,377	152	18,773	100	-	-	-
Bank balances	44,051	17	876,483	10	28,905	(17)	34,713	(28)	48,331	17	41,391
	1,024,776		1,194,244	3	794,155	2	776,074	4	743,423	6	700,940
TOTAL ASSETS	1,338,582	12	1,194,244	12	1,154,340	1	1,137,747	2	1,115,873	1	1,109,112



Horizontal Analysis BALANCE SHEET

	2016 Rs. in '000'	2016 Vs. 2015 (%)	2015 Rs. in '000'	2015 Vs. 2014 (%)	2014 Rs. in '000'	2014 Vs. 2013 (%)	2013 Rs. in '000'	2013 Vs. 2012 (%)	2012 Rs. in '000'	2012 Vs. 2011 (%)	2011 Rs. in '000'
EQUITY AND LIABILITIES	250,000		250,000		250,000		250,000		250,000		250,000
Share Capital and Reserves	133,343		133,343		133,343		133,343		133,343		133,343
Authorised Capital											
25,000,000 Ord. shares of Rs. 10/- each											
Share Capital	133,343	-	133,343	-	133,343	-	133,343	-	133,343	-	133,343
Reserves	1,052,030	11	943,870	8	877,854	6	829,035	5	790,466	11	715,189
	1,185,373	10	1,077,213	7	1,011,197	5	962,378	4	923,809	9	848,532
Non Current Liabilities											
Liabilities against assets subject to finance lease	-	(100)	2,569	(50)	5,113	214	1,626	(71)	5,695	27	4,501
Long term advances	-	-	-	(100)	10,093	100	-	-	-	-	-
Long term deposits	646	(8)	706	(36)	1,110	24	892	14	784	134	335
Deferred taxation	19,976	14	17,592	(50)	35,490	(15)	41,777	(7)	45,076	(11)	50,596
	20,622	(1)	20,867	(60)	51,806	17	44,295	(14)	51,555	(7)	55,432
Current Liabilities											
Trade and other payables	120,079	44	83,633	0	83,247	(27)	114,073	30	87,711	(3)	90,453
Murabaha finance	-	-	-	-	-	-	-	-	-	(100)	6,773
Short term borrowings	-	-	-	-	-	-	-	(100)	70	(100)	67,473
Current portion of											
- liabilities against assets subject to finance leases	2,576	2	2,523	(34)	3,828	(5)	4,039	23	3,291	97	1,668
- long term advance	-	-	-	(100)	1,442	-	-	-	-	-	-
- long term deposits	836	308	205	1,608	12	-	-	-	-	(100)	117
Provision for warranty	3,445	(5)	3,631	29	2,808	(5)	2,943	(28)	4,091	(72)	14,676
Taxation-net	3,364	100	-	-	-	-	-	(100)	42,215	76	23,988
Sales tax payable - net	2,287	(63)	6,172	-	-	(100)	10,019	220	3,131	100	-
	132,587	38	96,164	5	91,337	(30)	131,074	(7)	140,509	(32)	205,148
TOTAL EQUITY AND LIABILITIES	1,338,582	12	1,194,244	3	1,154,340	1	1,137,747	2	1,115,873	1	1,109,112

Horizontal Analysis PROFIT & LOSS ACCOUNT

	2016	2016 Vs. 2015	2015	2015 Vs. 2014	2014	2014 Vs. 2013	2013	2013 Vs. 2012	2012	2012 Vs. 2011	2011
	Rs. in '000'	(%)	Rs. in '000'	(%)	Rs. in '000'	(%)	Rs. in '000'	(%)	Rs. in '000'	(%)	Rs. in '000'
Turnover - net	1,471,558	7	1,378,332	20	1,148,425	(1)	1,164,513	(23)	1,507,907	3	1,465,209
Cost of Sales	(1,098,211)	(6)	(1,170,149)	23	(948,811)	(7)	(1,024,528)	(17)	(1,230,589)	2	(1,206,963)
Gross Profit	373,347	79	208,183	4	199,614	43	139,985	(50)	277,318	7	258,246
Distribution Costs	(37,980)	(1)	(38,511)	(0)	(38,696)	47	(26,302)	28	(20,582)	(40)	(34,568)
Administrative Expenses	(82,285)	2	(80,752)	13	(71,153)	4	(68,429)	1	(67,529)	3	(65,447)
Other Expenses	(20,758)	72	(12,096)	16	(10,433)	99	(5,250)	(65)	(15,057)	29	(11,669)
Finance Costs	(827)	(72)	(2,949)	(5)	(3,109)	(38)	(4,984)	(67)	(15,335)	52	(10,100)
	(141,850)	6	(134,308)	9	(123,391)	18	(104,965)	(11)	(118,503)	(3)	(121,784)
Other Income	21,505	(42)	37,339	314	9,014	475	1,568	(61)	3,990	91	2,094
Profit before Taxation	253,002	127	111,214	30	85,237	133	36,588	(78)	162,805	18	138,556
Taxation	(99,730)	553	(15,278)	(9)	(16,733)	(187)	19,271	(132)	(60,187)	38	(43,559)
Profit after Taxation	153,272	60	95,936	40	68,504	23	55,859	(46)	102,618	8	94,997
Earnings per Share-Basic and Diluted (Rupees)	11.49	60	7.19	40	5.14	23	4.19	(46)	7.70	8	7.12



**Vertical Analysis
BALANCE SHEET**

	2016	2015	2014	2013	2012	2011
	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	305,947	307,284	351,705	354,354	360,700	394,140
Intangible asset	-	-	-	110	220	330
Long term investments	-	1,739	747	755	708	925
Long-term loans & advances	3,719	2,998	1,993	1,818	1,740	1,939
Long-term deposits	4,140	5,740	5,740	4,636	9,082	10,838
	313,806	317,761	360,185	361,673	372,450	408,172
	22.9	25.7	30.5	31.1	32.3	35.5
	0.0	0.0	0.0	0.0	0.0	0.0
	0.0	0.1	0.1	0.1	0.1	0.1
	0.3	0.3	0.2	0.2	0.2	0.2
	0.3	0.5	0.5	0.4	0.8	1.0
	23.4	26.6	31.2	31.8	33.4	36.8
Current Assets						
Stores, spare parts & loose tools	46,522	44,018	44,552	45,703	45,925	51,702
Stock-in-trade	468,685	452,579	498,712	502,672	508,184	440,673
Trade debts	77,347	59,981	65,310	134,255	129,508	133,364
Loans and advances	29,276	15,043	14,848	16,673	8,568	26,722
Trade deposits and short term prepayments	2,869	2,287	3,168	3,218	2,907	1,355
Other receivables	1,962	521	5,813	-	-	5,733
Short term investments	354,064	-	83,678	20,067	-	-
Sales tax refundable - net	-	-	1,792	-	-	-
Taxation - net	-	47,041	47,377	18,773	-	-
Bank balances	44,051	255,013	28,905	34,713	48,331	41,391
	1,024,776	876,483	794,155	776,074	743,423	700,940
	76.6	73.4	68.8	68.2	66.6	63.2
TOTAL ASSETS	1,338,582	1,194,244	1,154,340	1,137,747	1,115,873	1,109,112
	100.0	100.0	100.0	100.0	100.0	100.0



Vertical Analysis BALANCE SHEET

	2016	2015	2014	2013	2012	2011
	Rs. in '000'	Rs. in '000'	Rs. in '000'	Rs. in '000'	Rs. in '000'	Rs. in '000'
	(%)	(%)	(%)	(%)	(%)	(%)
EQUITY AND LIABILITIES						
Share Capital and Reserves						
Authorised Capital						
25,000,000 Ord. shares of						
Rs. 10/- each						
Share Capital	133,343	133,343	133,343	133,343	133,343	133,343
Reserves	1,052,030	943,870	877,854	829,035	790,466	715,189
	1,185,373	1,077,213	1,011,197	962,378	923,809	848,532
	10.0	11.2	11.6	11.7	11.9	12.0
	78.6	79.0	76.0	72.9	70.8	64.5
	88.6	90.2	87.6	84.6	82.8	76.5
Non Current Liabilities						
Liabilities against assets						
subject to finance lease	-	2,569	5,113	1,626	5,695	4,501
Long term advances	-	-	10,093	-	-	-
Long term deposits	646	706	1,110	892	784	335
Deferred taxation	19,976	17,592	35,490	41,777	45,076	50,596
	20,622	20,867	51,806	44,295	51,555	55,432
	0.0	0.2	0.4	0.1	0.1	0.5
	0.0	0.0	0.9	0.0	0.0	0.0
	0.0	0.1	0.1	0.1	0.1	0.0
	1.5	1.5	3.1	3.7	4.0	4.6
	1.5	1.7	4.5	3.9	4.6	5.0
Current Liabilities						
Trade and other payables	120,079	83,633	83,247	114,073	87,711	90,453
Murabaha finance	-	-	-	-	-	6,773
Short term borrowings	-	-	-	-	70	67,473
Current portion of						
- liabilities against assets						
subject to finance lease	2,576	2,523	3,828	4,039	3,291	1,668
- long term advance	-	-	1,442	-	-	-
- long term deposits	836	205	12	-	-	117
Provision for warranty	3,445	3,631	2,808	2,943	4,091	14,676
Taxation-net	3,364	-	-	-	42,215	23,988
Sales tax payable - net	2,287	6,172	-	10,019	3,131	-
	132,587	96,164	91,337	131,074	140,509	205,148
	9.9	8.1	7.9	11.5	12.6	18.5
TOTAL EQUITY AND LIABILITIES	1,338,582	1,194,244	1,154,340	1,137,747	1,115,873	1,109,112
	100.0	100.0	100.0	100.0	100.0	100.0



Vertical Analysis PROFIT & LOSS ACCOUNT

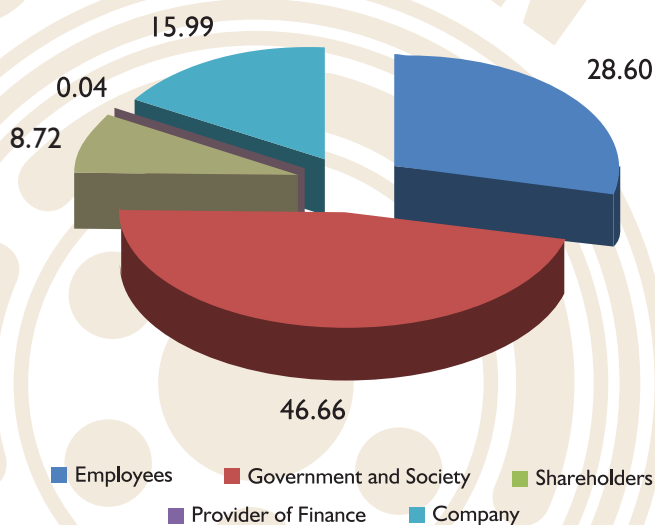
	2016		2015		2014		2013		2012		2011	
	Rs. in '000'	(%)	Rs. in '000'	(%)	Rs. in '000'	(%)	Rs. in '000'	(%)	Rs. in '000'	(%)	Rs. in '000'	(%)
Turnover - net	1,471,558	100	1,378,332	100	1,148,425	100	1,164,513	100	1,507,907	100	1,465,209	100
Cost of Sales	(1,098,211)	(74.63)	(1,170,149)	(84.90)	(948,811)	(82.62)	(1,024,528)	(87.98)	(1,230,589)	(81.61)	(1,206,963)	(82.37)
Gross Profit	373,347	25.37	208,183	15.10	199,614	17.38	139,985	12.02	277,318	18.39	258,246	17.63
Distribution Costs	(37,980)	(2.58)	(38,511)	(2.79)	(38,696)	(3.37)	(26,302)	(2.26)	(20,582)	(1.36)	(34,568)	(2.36)
Administrative Expenses	(82,285)	(5.59)	(80,752)	(5.86)	(71,153)	(6.20)	(68,429)	(5.88)	(67,529)	(4.48)	(65,447)	(4.47)
Other Expenses	(20,758)	(1.41)	(12,096)	(0.88)	(10,433)	(0.91)	(5,250)	(0.45)	(15,057)	(1.00)	(11,669)	(0.80)
Finance Costs	(827)	(0.06)	(2,949)	(0.21)	(3,109)	(0.27)	(4,984)	(0.43)	(15,335)	(1.02)	(10,100)	(0.69)
	(141,850)		(134,308)		(123,391)		(104,965)		(118,503)		(121,784)	
Other Income	21,505	1.46	37,339	2.71	9,014	0.78	1,568	0.13	3,990	0.26	2,094	0.14
Profit before Taxation	253,002	17.19	111,214	8.07	85,237	7.42	36,588	3.14	162,805	10.80	138,556	9.46
Taxation	(99,730)	(6.78)	(15,278)	(1.11)	(16,733)	(1.46)	19,271	1.65	(60,187)	(3.99)	(43,559)	(2.97)
Profit after Taxation	153,272	10.42	95,936	6.96	68,504	5.97	55,859	4.80	102,618	6.81	94,997	6.48



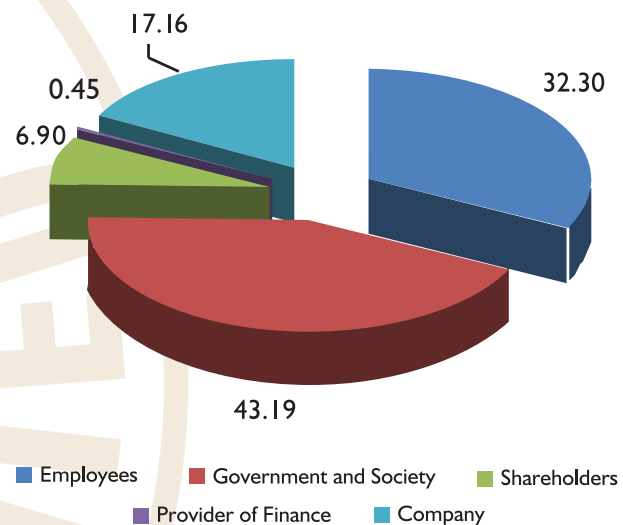
Statement Of Value Addition And Its Distribution

	2016		2015	
	(Rs. in '000)	%	(Rs. in '000)	%
Value addition:				
Total gross revenue and other income	1,744,558		1,648,568	
Brought in materials and services	980,100		1,068,426	
	<u>764,458</u>	100	<u>580,142</u>	100
Distribution to:				
Employees				
Salaries and wages including retirement benefits	218,614	28.60	187,407	32.30
Government and Society				
Income Tax, Sales Tax, FED and WWF	356,666	46.66	250,570	43.19
Shareholders				
Dividend	66,671	8.72	40,003	6.90
Providers of Finance				
Financial charges for borrowed funds	297	0.04	2,615	0.45
Company				
Retained Profits, Depreciation and Amortization	122,210	15.99	99,547	17.16
	<u>764,458</u>	100	<u>580,142</u>	100

June 30, 2016



June 30, 2015





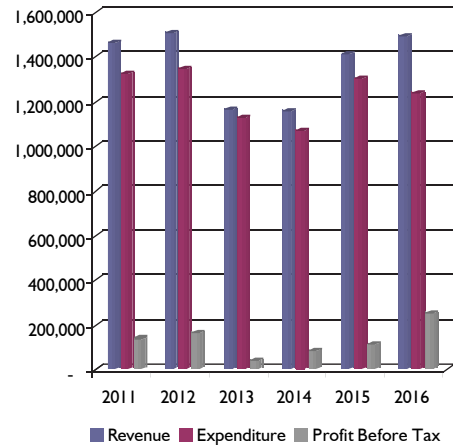
Directors' Report

The Directors are pleased to present their Report together with the Audited Financial Statements and Auditors' Report thereon for the year ended June 30, 2016.

BUSINESS REVIEW

This year your Company had overall consolidated revenue of Rs. 1.47 billion as compared to Rs. 1.37 billion in the previous year which is 7% more than the previous year. The Car wheels sale was Rs. 1046.968 million as compared to Rs. 944.271 million in the previous year which is 11% more than the previous year. The Truck / Bus wheels sale was Rs. 111 million as compared to Rs. 124.573 million in the previous year which is 11% less than the previous year. The Tractor wheels sale was declined to Rs. 266.238 million as compared to Rs. 273.150 million in the previous year which is 3% less than the previous year. Exports sales were remained in the same vicinity of last year.

Revenue / Expenditure / Profit Before Tax (Rs. in '000)



Overall at the National Level the Passenger Cars production was 209,740 units in 2016 as compared to 152,524 units in the year 2015, increased by 38% mainly due to the Punjab Government's Apna Rozgar self employment scheme, whereas 36,609 LCV's, Vans and Jeeps were produced in 2016 as against 29,298 units in the year 2015 an increase of 25%, while 6,736 Trucks / Buses were produced in 2016 as against production of 4,614 Trucks / Buses in the year 2015, showing an improvement of 46% over the corresponding past year. The Tractors production has declined to 34,914 units in the year 2016 as compared to 48,883 tractors in the year 2015 which has decreased by 28.5%.

However, in terms of quantity our sales of Tractor Wheels remain same, whereas in terms of revenue the sale was dropped by 3%.

FINANCIAL RESULTS

By the grace of ALMIGHTY ALLAH, this year your Company earned the highest-ever annual post tax profit surpassing the previous years performance!

The increase in turnover of 7% is mainly due to increase in sales of Car Wheels. The Cost of Sales decreased by 6% to Rs.1,098.2 million during the year under review against Rs.1,170.1 million. The gross profit rose by 79% to Rs. 373.3 million against Rs. 208.1 million of last year. The increase in gross profit during the current year as compared to the last year was mainly attributable to higher sales volume, better material planning and inventory management, larger absorption of production overheads due to higher sales/production volumes resulting in reduced manufacturing cost per wheel, operational efficiencies, cost saving efforts and reversal of certain provisions of slow moving stock-in trade.

The company earned profit after taxation of Rs. 153.2 million as compared to Rs. 95.9 million of the previous year which increased by 60%. The substantial increase in the net profit is not only due to the reasons as

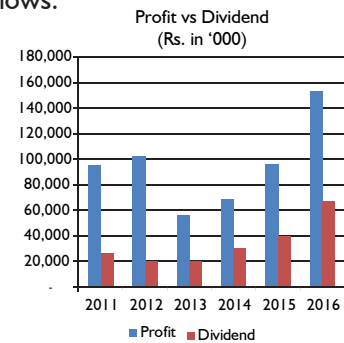




explained above but also due to effective tax planning as well as obtaining the long outstanding Income Tax Refunds and Tax Exemptions from the FBR and better returns from investment of surplus funds in debt and equity market .

The comparative financial results for the year 2016 as against the year 2015 are as follows:

	2016 (Rs. in 000)	2015
Turnover-net	1,471,558	1,378,332
Gross Profit	373,347	208,183
Profit before Taxation	253,002	111,214
Profit after Taxation	153,272	95,936
Earnings per Share (Rs.)	11.49	7.19

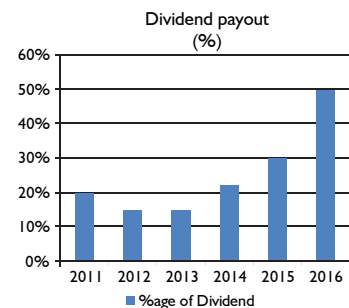


EARNINGS PER SHARE

Based on the net profit for the current year, the earnings per share is Rs. 11.49 (2015: Rs. 7.19).

PROPOSED DIVIDEND

The Board of Directors have proposed final cash dividend of Rs. 5.00 per share for the year ended June 30, 2016 amounting Rs. 66.671 million (2015: Rs. 3.00 per share amounting Rs. 40.003 million) at the meeting held on September 22, 2016, for approval of members at the Annual General Meeting to be held on October 29, 2016. The financial statements, however, do not reflect these appropriations in compliance with the revised Fourth Schedule to the Companies Ordinance, 1984.



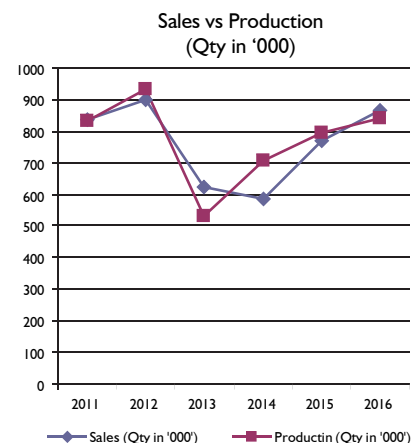
HUMAN RESOURCE & WELFARE SCHEMES

We firmly believe that our officers, staff and workforce are the backbone of our business. The management believes in encouraging the talented and dedicated employees, who are frequently sent for training at home and abroad to update their professional and technical skills. Human resource policies were designed to ensure best practices to attract, recruit, develop and retain highest quality of Human Capital .

Direct and indirect rewards to the workforce like Worker-of-the-Month Award, Hajj Scheme, Special Health Allocation and many other such benefits are in place. The labour laws are strictly followed and the company is able to maintain cordial relationship with Labour Union (CBA). During the year under review, the management of the Company extended the Hajj Scheme to the officers cadre also.

SAFETY, HEALTH & ENVIRONMENT

We are actively managing health and safety risks associated with our manufacturing process and are working towards improving our procedures to reduce and control the risk of accidents or injuries during work & up till now no serious accident has taken place during the production, resulting in any major injury or loss of life. All employees at plant are provided safety appliance/equipments i.e. uniform, shoes, helmets, ear plugs, and gloves etc. during performance of their duties. Fire fighting system has been installed to cope with any mishap.





The Company allows and shall continue the medical facilities and other facilities as may be adequate from time to time for up keep of health of its employees. A dispensary with qualified Dispenser has been established in the factory for all types of treatment/emergency. Services of qualified MBBS doctors have been hired on retainer ship basis for treatment/emergency of employees. Workers Medical check-up is conducted by Certifying Surgeon in every six months. Apart from this, healthy activities of sports are encouraged, and we have a cricket as well as a football team. Every year picnic arranged for workers.

Protection of environment is of prime concern, every measure is being taken to preserve nature and to maintain clean environment at workplaces.

We comply with all applicable laws, regulations and conditions granted in environmental standards. Design new facilities and conduct operations with preventive approach and industry best practices to avoid adverse impacts to the human health and the environment. Ensure appropriate training and awareness on environmental systems, procedures, best practices and on shared responsibility towards environmental protection among employees, contractors, suppliers and customers. Regularly review environmental performance and set targets to achieve continuous improvement.

The Company has obtained international certification ISO-14001 of environment to meet the International Environment Standards.

ENERGY CONSERVATION

Effective measures and steps are being taken to conserve energy, wherever possible in the area of electricity, gas and heating system to reduce the consumption of electricity, gas and fuels etc.. In this regard a comprehensive plan was made and implemented and all the lightening system in the premises and outside of the factory has been converted from conventional bulbs to LED lightening system thus reducing electric energy bill in this context by 60 to 70%.

Some of the major machines like De-Coiler, 100 & 150 Ton Mechanical presses and 15 Ton Hydraulic Press have been redesigned with the electrical and electronic circuitry by converting these machines from conventional DC system to Variable Frequency Drive (VFD) thus improving the machines performance and reducing the considerable energy bill and related spares consumptions.

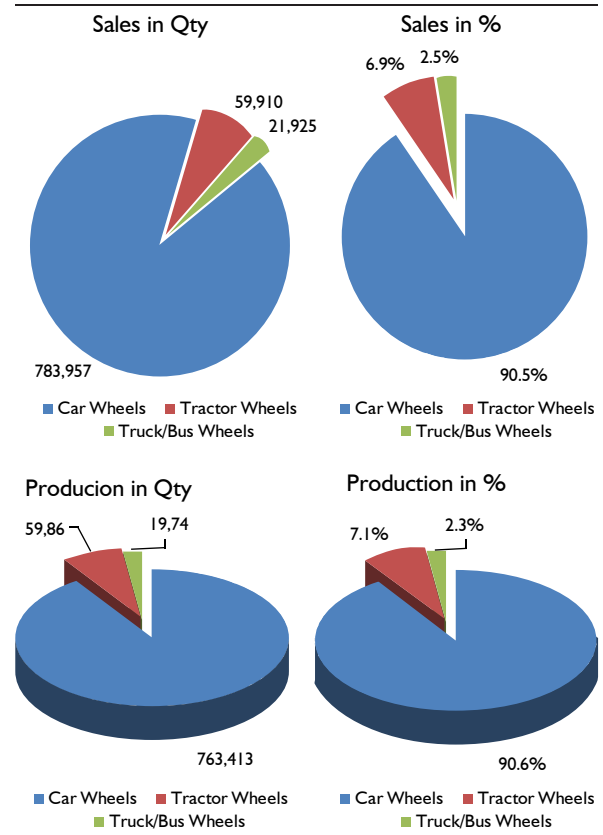
Compressor is one of the major contributor towards electric power consumption. A major steps has also been taken to reduce energy consumption by redesigning the pneumatic air supply from compressors by installing two (02) new 15 KW capacity compressors so that during partial requirement of air these low capacity compressors will be utilized instead of high capacity compressors.

All these measures contribute towards considerable reduction in power consumption.

UPGRADATION OF PLANT & PROCESS

The Company is producing wheels as per International Standards, and to meet the customers product specification and quality requirements it is necessary that plant and machinery and processes are continuously upgraded and maintain in good working and operative condition so that we get a satisfactory performance and machine and equipments give a good and longer period of workable life.

Sales & Production (Units & %)





Foreign technical experts are engaged from time to time and continuous liaison is kept with the plant and machinery equipment suppliers for technical advice and improvements

The Company has recently installed state of the art Paint Shop facility by utilizing a powder coating system and are installing a new latest technology 1000 Ton Hydraulic Press from Dees Taiwan for passenger car disc line manufacturing this will improve the productivity and quality of the Car wheels product.

In order to meet the production requirement and to balance the assembly line a new 4- Torch Automatic CO2 welding machine for passenger car up to 16" size is also being installed.

Furthermore old Run Out Testing machine is being refurbished for getting better and satisfactory results.

By all these measures the product quality, productivity and customers confidence is improved and have a significant reduction in scrap and rework ratios.

RESEARCH & DEVELOPMENT & QUALITY CONTROL

The Research & Development (R&D) Department is constantly engage to support the development of new products and production as per customers satisfaction and international standards. Over the years the R&D facilities have grown and are now capable of Computer Added Designing of products, Tool & Dies, Jigs & Fixtures and FEA/ Computer Analysis of Design for confirmation.

R&D department has a complete Tool & Die manufacturing shop equipped with the Conventional and CNC Machines for in-house manufacturing of complete set of Tools Dies, Fixtures, Jigs, Gauges and running Tooling Spares to meet the production requirement.

Our R&D department has highly experienced and qualified team to carry out the repair & maintenance of the production tooling. The team is constantly endeavoring to improve the process, reduce down time and rejections by analyzing and supporting for addition of latest equipment, machineries and tooling etc.

During the year we have successfully completed the development of New Toyota Hilux Wheel size 6jx15 and Tubeless Truck Bus Wheel size 8.25" x 22.5".

Wheel being a critical and safety part requiring very stringent dimensional control is being manufactured with a standard quality control procedures and quality is being assured right from the material procurements to the final delivery to the customers.

Quality Control department is equipped with the requisite international standard testing equipments, tool, and instruments to control the process and to monitor the quality of wheels.

COMPANY'S CONTRIBUTION TO THE ECONOMY OF THE COUNTRY

Your company being an import substitution unit is contributing to the economy by saving foreign exchange and is very important vending industry for the auto assemblers. During the year under review, your company saved approx. \$ 16 million foreign exchange reserves on account of supply of wheels to the OEM's and contributed to national exchequer by paying income tax, sales tax, federal excise duty and other indirect taxes to the tune of Rs. 313 million. Besides, it is also providing employment opportunities to the local people residing in Hub and other adjoining areas.



CORPORATE AND FINANCIAL REPORTING FRAMEWORK

In compliance with the provisions of the listing regulations of Pakistan Stock Exchange Limited, the Board members are pleased to place the following statements on record:

- a. The financial statements prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- b. Proper books of accounts have been maintained by the Company.
- c. Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- d. International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.
- e. The system of internal control is sound in design and has been effectively implemented and monitored.
- f. There are no significant doubts upon the company's ability to continue as going concern.

Key Operating and Financial Data

The Key operating and financial data for last six years are summarized on page 11.

Government Taxes

Outstanding Taxes and Levies were Rs. 5.651 million as disclosed in the financial statements.

Investment of Employees Retirement Funds

The following were the value of investments held by employees retirement benefits fund at the year end:

	June 16 (Un-Audited)
- Executive Provident Fund	Rs.64.786 million
- Non-Executive Provident Fund	Rs.56.575 million
- Gratuity Fund	Rs.59.058 million

Board of Directors

The Board of Directors is composed of nine members, which includes one independent director as per the requirement of the Code of Corporate Governance.

The Board is responsible for making decisions with respect to important management matters, including the execution of important business activities and other matters as prescribed by law. These decisions are made after deliberating such matters according to the established criteria, assessing risks and giving such matters due consideration. The Board is also responsible for supervising and monitoring the conduct of duties.



Board of Directors Meetings

During the year, five meetings of the Board of Directors were held. Attendance by each Director was as follows:

Sr. No.	Name of Director	No. of Meetings Attended
1	Syed Haroon Rashid	5
2	Mr. Razak H.M. Bengali	5
3	Mr. Muhammad Siddique Misri	5
4	Mr. Muhammad Irfan Ghani	5
5	Mr. Anis Wahab Zuberi	5
6	Syed Zubair Ahmed Shah	5
7	Mrs. Gulbano Razak	4
8	Miss. Maheen Irfan Ghani	2
9	Mrs. Saba Nadeem	5

The leave of absence was granted to the members not attending the Board meetings.

Audit Committee Meetings

During the year four meetings of the Audit Committee were held. Attendance by each Director was as follows:

Sr. No.	Name of Director	No. of Meetings Attended
1	Mr. Anis Wahab Zuberi	4
2	Syed Zubair Ahmed Shah	4
3	Miss. Maheen Irfan Ghani	2

The leave of absence was granted to the member not attending the Audit Committee meetings.

Human Resource & Remuneration Committee

During the year, only one meeting of the Human Resource & Remuneration Committee (HR&R) was held. Attendance by each Director was as follows:

Sr. No.	Name of Director	No. of Meetings Attended
1	Syed Zubair Ahmed Shah	1
2	Mr. Muhammad Irfan Ghani	1
3	Syed Haroon Rashid	1
4	Mrs. Gulbano Razak	1

**Directors Training Program**

During the year one more director i.e. Mr. Anis Wahab Zuberi has acquired certification under Director's Training Program conducted by the Institute of Chartered Accountants of Pakistan (ICAP). So far, four directors have obtained the certification and three directors are exempted from taking the directors training program. The remaining two directors are scheduled to attend the directors training programs in ensuing years.

Statement of Compliance With The Code of Corporate Governance

There has been no material departure from the best practices of the Code of Corporate Governance and the company has fully complied with requirements of the Code of Corporate Governance as contained in the Listing Regulation of the Pakistan Stock Exchange Limited. A statement to this effect is annexed with this report.

Pattern of Shareholding

The pattern of shareholding as on June 30, 2016 and its disclosure, as required by the Code of Corporate Governance is annexed with this report.

Trading in Shares of The Company By Directors and Executives

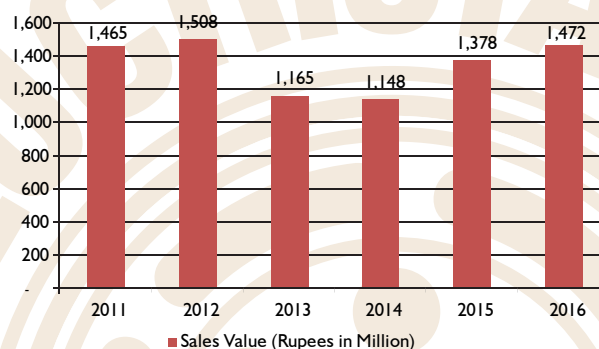
Purchase of shares by Directors, Executives, their Spouses and Minor Children is given below:

No of Shares Purchased

Mr. Razak H. M. Bengali (Gifted by his daughter, Ms.Maleeha)	571,900
Mr. Razak H. M. Bengali	8,000
Mr. Muhammad Siddique Misri (Gifted by his brother, Mr.Fazal Illahi)	37,375
Mr. Muhammad Irfan Ghani (Transfer through succession)	50
Mrs. Gulbano Razak	28,500

Appointment of Auditors

The present auditors M/s. EY Ford Rhodes, Chartered Accountants, retire and being eligible offer themselves for re-appointment for the financial year ending June 30, 2017. Their re-appointment has been recommended by the Audit Committee.

Sales Value (Rupees in Million)**Election of Board of Directors**

On completion of term of Board of Directors, election of Board of Directors were held on June 04, 2016 and the same persons were elected as directors of the Company for the period of three (3) years with effect from June 04, 2016.

Subsequent to the election of Board of Directors, Mr. Razak H. M. Bengali has been re-elected as Chief Executive and Syed Haroon Rashid was elected as Chairman of the Board.

Changes in The Audit Committee And Human Resource And Remuneration Committee

Consequently, the Audit Committee and Human Resource and Remuneration Committee have been reorganized and Board nominated the following directors as member of Audit Committee and Human Resource and Remuneration Committee:

AUDIT COMMITTEE

Mr. Anis Wahab Zuberi (Chairman)
 Syed Zubair Ahmed Shah (Member)
 Syed Haroon Rashid (Member)
 Miss Maheen Irfan Ghani (Member)
 Mrs. Saba Nadeem (Member)

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Syed Zubair Ahmed Shah (Chairman)
 Mr. Muhammad Irfan Ghani (Member)
 Mr. Anis Wahab Zuberi (Member)
 Mrs. Gulbano Razak (Member)

Statement of Ethics and Business Practices

The Board regularly reviews the company's strategic direction. Annual plans and performance targets for business are set and are reviewed by the Board in the light of the company's overall objectives. The Board is committed to maintain highest standards of good corporate governance. As a leading wheel manufacturer, reputation for high ethical standards is critical to business success. Treatment of stakeholders with respect, courtesy and competence, ensuring clear consciousness in all decisions and operations and on this basis code of business principles has been developed and acknowledged by each Director and employee of the company.

NBP AND RELATED MATTERS

NBP suit for recovery against the Company (BWL) and Privatization Commission (PC) for payment amounting to Rs. 91.25 million it has paid to PC, which the Company does not acknowledge as briefly explained at Note No. 24.1 in the financial statements for the year ended June 30, 2016. The case was first heard by Mr. Justice Faisal Arab during 2008 and the matter was concluded and was reserved the announcement of judgment. Unfortunately, no judgment was announced and the matter was sent to the office for fixing the same.

The case was then heard by Honorable Justice of Sindh High Court Mr. Justice Salman Talibuddin and various hearings were made and the order were expected but has been sent for final arguments again because of July 31, 2009 decision of the Honorable Supreme Court of Pakistan where by several Judges were removed and the Honorable Judge who had heard this matter was also removed.



◀ Visit of Federal Minister of Commerce Mr. Khurram Dastagir Khan at Pakistan Auto Parts Show (PAPS)



◀ Visit of Hino Pak Motors Officials



Thereafter, the matter was again fixed before Mr. Justice Faisal Arab. The case was reheard and was argued during 2010. During various hearings the parties concluded their arguments and Mr. Justice Faisal Arab reserved the matter for announcement of judgment. Again no judgment was announced and the matter was sent to the office for fixing the same for rehearing.

The matter was then fixed before Honorable Justice Mrs. Ashraf Jahan and then transferred in the Court of Honorable Justice Mr. Justice Aziz ur Rehman who was transferred to the divisional bench. Then this case was transferred in the Court of Honorable Justice Muhammad Shafi Siddiqui and will be reheard again soon. The efforts were made by both the lawyers of BWL & NBP for concluding the matter, and the latest development is that the case is reheard by the Honorable Judge. The management and its legal counsel are hopeful that the ultimate outcome of the matter will be in Company's favour.

FUTURE OUTLOOK

The recently announced 'Automotive Development Policy' (ADP) 2016-2021 envisages development plan of Automobile Industry to facilitate not only the existing units, but also to the sick units as well as the new entrants to create balance between all stake holders. The ADP aims to attract new investment in the country resulting in growth of the Auto Industry which is an engine for industrial sector and resultantly vending Auto Industry will also grow and eventually our economy will grow.



◀ AGM in Progress

Besides this the fast implementation of China Pakistan Economic Corridor (CPEC) and improvement in law & order situation of the Country will also provide ample opportunities to flourish the industrial growth. Further the stability in the Country's economy set the basis of stronger and sustainable growth. All time low markup and inflationary rates and reduced fuel prices contribute positively towards the country's economy.

With the expected introduction of some new models by Cars, Truck & Bus assemblers and surge in the sale of vehicles through financing by the Financial Institutions, we expect that the sale of Cars & Truck/Bus will be improved phenomenally which will have direct positive impact on our revenue as our sales are directly linked with the Auto Sales. Whereas, due to subdued agriculture prospects the sale of Tractors may remain low resultantly compromised revenue on this segment. However it may also be enhanced if the Government announces any further relief package to the farmers through tractor industry.

Your Management is expected that the company shall maintain its revenue and profitability in future.

ACKNOWLEDGEMENT

We take this opportunity to thank our customers and all the stakeholders reposed their trust and confidence in the company and acknowledge the efforts of the entire BWL team including our staff and workers and look forward to their continued support.

May Allah bless us and help us to achieve success for your company and for the benefit of all stake holders, and the Country in general. Aameen!

For and on Behalf of the Board

Razak H.M. Bengali
Chief Executive

Karachi: September 22, 2016



Statement of Compliance with the Code of Corporate Governance

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in Regulation No 5.19.23 of listing regulations of Pakistan Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the Code of Corporate Governance in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes:

Sr. No.	Category	Names
1	Independent Director	Mr. Anis Wahab Zuberi
2	Executive Directors	Mr. Razak H.M.Bengali
3		Mr. Muhammad Siddique Misri
4		Mr. Muhammad Irfan Ghani
5	Non-Executive Directors	Syed Haroon Rashid
6		Syed Zubair Ahmed Shah
7		Mrs. Gulbano Razak
8		Miss Maheen Irfan Ghani
9		Mrs. Saba Nadeem

The independent director meets the criteria of independence under clause 5.19.1.(b) of the Code of Corporate Governance.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a Broker of a Stock Exchange, has been declared as a defaulter by that Stock Exchange.
4. No casual vacancy occurred during the year ended June 30, 2016.
5. 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.
6. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the board/shareholders.
8. 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 and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The board arranged Directors Training Program for a director during the year.



10. During the year, there was no change in the position of CFO, Company Secretary and Head of Internal Audit.
11. The directors' report for the year ended June 30, 2016 has been prepared in compliance with the requirements of the Code of Corporate Governance and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the board.
13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the Code of Corporate Governance.
15. The board has formed an Audit Committee. It comprises of 5 Members, of whom all are non-executive directors and the chairman of the committee is an independent director.
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the Code of Corporate Governance. The Board has already approved the terms of reference of the committee & advised to the committee for compliance.
17. The board has formed an Human Resource and Remuneration Committee. It comprises of 4 Members, of whom 3 are non-executive directors and the chairman of the committee is a non-executive director.
18. The board has set up an effective internal audit department which comprises of suitably qualified and experienced staff who are conversant with the policies and procedures of the company and are involved in the internal audit function on a full time basis.
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP), that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
23. We confirm that all other material principles enshrined in the CCG have been complied with.

Razak H.M. Bengali
Chief Executive

Karachi, September 22, 2016



Review Report to the Members on the Statement of Compliance with the Code of Corporate Governance

We have reviewed the Statement of Compliance (the Statement) with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of **Baluchistan Wheels Limited** (the Company) for the year ended **30 June 2016**, to comply with the requirements of Rule Book of Pakistan Stock Exchange Limited Chapter 5, Clause 5.19.23(b) of the Code of Corporate Governance, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. 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 Code.

As part of our audit of 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 Code 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 distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. 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. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

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 best practices contained in the Code as applicable to the Company for the year ended 30 June 2016.

EY Ford Rhodes
Chartered Accountants
Audit Engagement Partner's Name: Arif Nazeer
Date: September 22, 2016
Place: Karachi



Auditors' Report to the Members

We have audited the annexed balance sheet of **Baluchistan Wheels Limited** (the Company) as at 30 June 2016 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- b) in our opinion:
 - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied except for the changes as stated in note 4.1 to the accompanying financial statements with which we concur;
 - ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2016, and of the profit, its comprehensive income, cash flows and changes in equity for the year then ended; and
- d) in our opinion Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under Section 7 of that Ordinance.

EY Ford Rhodes

Chartered Accountants

Audit Engagement Partner's Name: Arif Nazeer

Date: September 22, 2016

Place: Karachi



Balance Sheet

AS AT 30 JUNE 2016

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment	5	305,947	307,284
Long-term investments	6	-	1,739
Long-term loans and advances	7	3,719	2,998
Long-term deposits	8	4,140	5,740
		313,806	317,761

CURRENT ASSETS

Stores, spare parts and loose tools	9	46,522	44,018
Stock-in-trade	10	468,685	452,579
Trade debts	11	77,347	59,981
Loans and advances	12	29,276	15,043
Trade deposits and short-term prepayments	13	2,869	2,287
Other receivables	14	1,962	521
Short-term investments	15	354,064	-
Taxation - net		-	47,041
Bank balances	16	44,051	255,013
		1,024,776	876,483

TOTAL ASSETS

1,338,582 **1,194,244**

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Share capital	17	133,343	133,343
Reserves	18	1,052,030	943,870
		1,185,373	1,077,213

NON-CURRENT LIABILITIES

Liabilities against assets subject to finance leases	19	-	2,569
Long-term deposits	20	646	706
Deferred taxation	21	19,976	17,592
		20,622	20,867

CURRENT LIABILITIES

Trade and other payables	22	120,079	83,633
Current portion of liabilities against assets subject to finance leases	19	2,576	2,523
Current portion of long-term deposits	20	836	205
Provision for warranty	23	3,445	3,631
Taxation - net		3,364	-
Sales tax payable - net		2,287	6,172
		132,587	96,164

CONTINGENCIES AND COMMITMENTS

24

TOTAL EQUITY AND LIABILITIES

1,338,582 **1,194,244**

The annexed notes 1 to 42 form an integral part of these financial statements.

Razak H.M. Bengali
Chief Executive

Muhammad Siddique Misri
Director



Profit and Loss Account

FOR THE YEAR ENDED 30 JUNE 2016

	Note	30 June 2016	30 June 2015
		----- (Rs. in '000) -----	
Turnover - net	25	1,471,558	1,378,332
Cost of sales	26	(1,098,211)	(1,170,149)
Gross profit		373,347	208,183
Distribution costs	27	(37,980)	(38,511)
Administrative expenses	28	(82,285)	(80,752)
Other expenses	29	(20,758)	(12,096)
Finance costs	30	(827)	(2,949)
		(141,850)	(134,308)
Other income	31	21,505	37,339
Profit before taxation		253,002	111,214
Taxation	32	(99,730)	(15,278)
Profit after taxation		153,272	95,936
		----- (Rupees) -----	
Earnings per share - Basic and diluted	33	11.49	7.19

The annexed notes 1 to 42 form an integral part of these financial statements.

Razak H.M. Bengali
Chief Executive

Muhammad Siddique Misri
Director



Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2016

	30 June 2016	30 June 2015
	----- (Rs. in '000) -----	
Net profit for the year	153,272	95,936
Other comprehensive income		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>		
Unrealised loss on remeasurement of available-for-sale investments	(678)	992
Transferred to profit and loss on redemption	(917)	-
Net other comprehensive income transferred to profit and loss	(1,595)	992
<i>Other comprehensive loss not to be reclassified to profit or loss in subsequent periods</i>		
Remeasurement (loss) on gratuity fund - net	(3,514)	(911)
	(5,109)	81
Total comprehensive income for the year	148,163	96,017

The annexed notes 1 to 42 form an integral part of these financial statements.

Razak H.M. Bengali
Chief Executive

Muhammad Siddique Misri
Director



Cash Flow Statement

FOR THE YEAR ENDED 30 JUNE 2016

	Note	30 June 2016	30 June 2015
(Rs. in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	34	247,394	189,224
Employees' benefits paid		(2,178)	(318)
Income tax paid - net		(46,938)	(34,699)
Long-term investment		1,739	-
Long-term loans and advances - net		(721)	(12,540)
Long-term deposits - net		2,171	(211)
Net cash generated from operating activities		201,467	141,456
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(32,749)	(26,038)
Proceeds from disposal of property, plant and equipment		2,765	60,538
Profit received on deposit accounts		10,175	2,225
Short-term investments (made) / redeemed during the year		(349,698)	84,500
Dividend received		102	-
Net cash (used in) / generated from investing activities		(369,405)	121,225
CASH FLOWS FROM FINANCING ACTIVITIES			
Liabilities against asset subject to finance leases - net		(2,516)	(3,849)
Finance costs paid		(828)	(2,967)
Dividend paid		(39,680)	(29,757)
Net cash used in financing activities		(43,024)	(36,573)
Net (decrease) / increase in cash and cash equivalents		(210,962)	226,108
Cash and cash equivalents at the beginning of the year		255,013	28,905
Cash and cash equivalents at the end of the year		44,051	255,013

The annexed notes 1 to 42 form an integral part of these financial statements.

Razak H.M. Bengali
Chief Executive

Muhammad Siddique Misri
Director



Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2016

	RESERVES						Total
	Issued, subscribed and paid-up capital	General reserve	Unrealised gain/(loss) on remeasurement of available- for-sale investments	Remeasure- ment gain / (loss) on gratuity fund	Unappr- opriated profit	Total reserves	
	(Rs. in '000)						
Balance as at 30 June 2014	133,343	160,000	603	2,533	714,718	877,854	1,011,197
Final dividend for the year ended 30 June 2014 @ Rs. 2.25 per share	-	-	-	-	(30,001)	(30,001)	(30,001)
Net profit for the year	-	-	-	-	95,936	95,936	95,936
Other comprehensive income / (loss)	-	-	992	(911)	-	81	81
Total comprehensive income	-	-	992	(911)	95,936	96,017	96,017
Balance as at 30 June 2015	133,343	160,000	1,595	1,622	780,653	943,870	1,077,213
Final dividend for the year ended 30 June 2015 @ Rs. 3 per share	-	-	-	-	(40,003)	(40,003)	(40,003)
Net profit for the year	-	-	-	-	153,272	153,272	153,272
Other comprehensive income transferred to profit and loss	-	-	(1,595)	(3,514)	-	(5,109)	(5,109)
Total comprehensive income	-	-	(1,595)	(3,514)	153,272	148,163	148,163
Balance as at 30 June 2016	133,343	160,000	-	(1,892)	893,922	1,052,030	1,185,373

The annexed notes 1 to 42 form an integral part of these financial statements.

Razak H.M. Bengali
Chief Executive

Muhammad Siddique Misri
Director



Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE, 2016

1. THE COMPANY AND ITS OPERATIONS

Baluchistan Wheels Limited (the Company) was incorporated in Pakistan on 16 June 1980. The Company is engaged in manufacturing and marketing of automotive wheel rims for trucks, buses, tractors, cars and mini commercial vehicles. The Company is listed on the Pakistan Stock Exchange Limited. The registered office and factory of the Company is situated at Main RCD Highway, Hub Chowki, Lasbella, Baluchistan, Pakistan.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), Islamic Financing Auditing Standards issued by the Institute of Chartered Accountants of Pakistan (ICAP) and other standards as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

3. BASIS OF MEASUREMENT

3.1 These financial statements have been prepared under the historical cost convention except for certain investments which are carried at fair value.

3.2 These financial statements are prepared in Pakistani Rupees, which is the Company's functional and presentation currency.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Standards, amendments and interpretations adopted during the year

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

New and Revised Standards

The Company has adopted the following new and revised standards to IFRSs which became effective for the current year:

IFRS 10 -	Consolidated Financial Statements
IFRS 11 -	Joint Arrangements
IFRS 12 -	Disclosure of Interests in Other Entities
IFRS 13 -	Fair Value Measurement
IAS 27 (Revised 2011) -	Separate Financial Statements
IAS 28 (Revised) -	Investment in associates and joint venture

The adoption of the above standards did not have any material effect on these financial statements.



4.2 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following revised standards and amendments with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards	Effective date (annual periods beginning on or after)
IFRS 2 Share-based Payments - Classification and Measurement of Share-based Payments Transactions (Amendments)	January 01, 2018
IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investment in Associates - Investment Entities: Applying the Consolidation Exception (Amendment)	January 01, 2016
IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised
IFRS 11 Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)	January 01, 2016
IAS 1 Presentation of financial statements: Disclosure initiative- clarification on materiality, disaggregation and subtotals, Note, Other Comprehensive Income (OCI) (Amendments)	January 01, 2016
IAS 7 Financial Instruments: Disclosures - Disclosure Initiative - (Amendment)	January 01, 2017
IAS 12 Income Taxes - Recognition of Deferred Tax Assets for Unrealised losses (Amendments)	January 01, 2017
IAS 16 Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortisation (Amendment)	January 01, 2016
IAS 16 Property, Plant and Equipment IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)	January 01, 2016
IAS 27 Separate Financial Statements: Equity Method in Separate Financial Statements (Amendment)	January 01, 2016

The Company expect that the adoption of above standards and amendments will not have any material impact on the Company's financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in September 2014. Such improvements are generally effective for accounting periods beginning on or after January 01, 2016. The Company expects that such improvements to the standards will not have any material impact on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 9 Financial Instruments: Classification and Measurement	January 01, 2018
IFRS 14 Regulatory Deferral Accounts	January 01, 2016
IFRS 15 Revenue from Contracts with Customers	January 01, 2018
IFRS 16 Leases	January 01, 2019

The Company expects that above new standards will not have any material impact on the Company's financial statements in the period of initial application.



4.3 Property, plant and equipment

(i) Owned

Operating assets

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for the freehold land which is stated at cost.

Depreciation is charged to profit and loss account applying the reducing balance method, except for computers which are depreciated on straight line method, at the rates stated in note 5. In respect of additions and disposals of assets, depreciation is charged from the day from which an asset is available for use and continues depreciating it until it is derecognised, i.e. upto the day preceding disposal. An item of property, plant and equipment derecognised upon disposal or when no future economic benefits are expected from its use or disposal then gain or loss on disposal of property, plant and equipment is included in profit and loss account.

Maintenance and normal repairs are charged to profit and loss account as and when incurred. Major renewals and improvements which increases the assets' remaining useful economic life or performance beyond the current estimated levels are capitalised and the asset so replaced, if any, are retired.

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each financial year end.

Capital work-in-progress

These are stated at cost less impairment, if any, and represent expenditures connected with specific assets incurred during the construction / erection period. These are transferred to specific assets as and when assets are available for use.

Impairment

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Company makes an estimate of the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount of property, plant and equipment is the higher of net selling price and value in use.

(ii) Leased

The Company accounts for operating assets acquired under finance leases by recording the assets and the related liability at the amounts which are determined on the basis of the discounted value of minimum lease payments. Financial charges are allocated to the accounting period in a manner so as to provide a constant periodic rate of charge on the outstanding liability. Depreciation is charged to income applying the same basis as for owned assets.

Income on sale and lease back arrangement is deferred and amortised over the lease term.

4.4 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. These are amortised using the straight line method reflecting the pattern in which the economic benefits of the asset are consumed by the Company.



4.5 Investments

The management determines the appropriate classification of the investments in accordance with the requirements of International Accounting Standard (IAS) 39 "Financial Instruments: Recognition and Measurement" at the time of purchase and re-evaluates this classification on a regular basis. These are categorised as follows:

At fair value through profit or loss

Investments that are acquired principally for the purpose of generating profit from short-term fluctuations in prices are classified as 'investments at fair value through profit or loss' category. These are carried on the balance sheet at fair value. Net gains and losses arising on changes in fair values of these financial assets are taken to the profit and loss account.

Held-to-maturity

Investments with fixed maturity, where management has both the intent and ability to hold to maturity, are classified as held-to-maturity. Such investments are initially recognised at cost and subsequently remeasured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity. Any gain or loss arising on derecognition / impairment in value of such investments is taken to profit and loss account.

Available-for-sale

Investments intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in equity prices, are classified as 'available for sale'. These investments are carried on the balance sheet at fair value. Net gains and losses arising on changes in fair values of these financial assets are taken to comprehensive income.

4.6 Stores, spare parts and loose tools

These are valued at lower of weighted average cost and estimated Net Realisable Value (NRV) except items in transit which are stated at invoice value plus other charges paid thereon to the balance sheet date.

4.7 Stock-in-trade

Raw material and components are valued at lower of weighted average cost and Net Realisable Value (NRV).

Work in process is valued at lower of average manufacturing cost and NRV.

Finished goods are valued at lower of average manufacturing cost and NRV.

Stock in transit is valued at cost comprising invoice value plus other charges incurred thereon.

Scrap stocks are valued at NRV.

Net realisable value signifies the estimated selling price in the ordinary course of business less the estimated cost of completion and the costs necessary to be incurred to make the sale.

4.8 Trade debts

Trade debts are recognised and carried at original invoice amount which is the fair value of the consideration given, less provision for doubtful debts. When the recovery of the amount is considered uncertain by the management, a provision is made for the same. Bad debts are written-off as identified.

4.9 Loans and advances

These are stated at cost, which is the fair value of consideration given, less provision for any doubtful receivables.

4.10 Trade and other payables

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



4.11 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 obligations and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

4.12 Warranty obligations

The management estimates at each balance sheet date a liability that could arise as a result of the Company's obligation to repair and replace products under warranty. The Company accounts for its warranty obligations on accrual basis.

4.13 Financial instruments

All financial assets and liabilities are recognised at the time when the Company becomes party to the contractual provisions of the instrument and are derecognised in case of assets, when the contractual rights under the instrument are realised, expired or surrendered and in case of liability, when the obligation is discharged, cancelled or expired.

Any gain / loss on the recognition and derecognition of the financial assets and liabilities is taken to profit and loss account for the period in which it arises.

4.14 Offsetting of financial assets or liabilities

A financial asset and a financial liability are off-set and the net amount is reported in the balance sheet if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Corresponding income and expenditure, if any, are also netted of and reported on a net basis in the profit and loss account.

4.15 Foreign currency translations

Transactions in foreign currencies are translated into Pakistani Rupees at the rates of exchange approximating those appearing on the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Rupees at the rates of exchange approximating those prevailing at the balance sheet date. Any resulting gain or loss arising from changes in exchange rates is taken to profit and loss account.

4.16 Staff benefits

Defined benefit plan

The Company operates an approved and funded defined gratuity scheme for all permanent employees who have completed the minimum qualifying period of service for entitlement of gratuity. The contributions to the scheme are made in accordance with the independent actuarial valuation. The latest actuarial valuation was carried out as of 30 June 2016 using Projected Unit Credit method. Remeasurement losses and gains are recognised directly to other comprehensive income and are not reclassified to profit or loss in subsequent periods.

Defined contribution plan

The Company operates an approved defined contributory provident fund scheme for all permanent employees who have completed the minimum qualifying period of service. Equal contributions are made by the Company and the employees to the fund.

Compensated absences

Accrual for compensated absences is made to the extent of the value of accrued absences of the employees at the balance sheet date using their current salary levels as per Company's policy.



4.17 Ijarah rentals

Leases under Shariah compliant Ijarah contracts, where a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as Ijarah. Rentals under these arrangements are charged to profit and loss account on straight line basis over the lease term.

4.18 Taxation

Current

Provision for current taxation is based on the taxable income at the current rate of taxation after taking in to account for tax credits and rebates available, if any in accordance with the provision of Income Tax Ordinance, 2001.

Deferred

Deferred tax is provided using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets / liabilities are recognised for all deductible / temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible / taxable temporary differences, carry-forward of unused tax assets and unused tax losses 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 tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

4.19 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates, and sales tax or duty. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or an agent. The Company has concluded that it is acting as a principal in all its revenue arrangements. The following are the specific recognition criteria that must be met before revenue is recognised:

Sales are recognised upon passage of title to the customers, which generally coincides with physical delivery.

Scrap sales are recognised on physical delivery to customers.

Dividend income is recognised when right to receive the dividend is established.

Profit on deposit accounts is recognised on an accrual basis.

4.20 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost and are defined as bank balances. For the purpose of cash flow statement, cash and cash equivalents comprise current and saving accounts.

4.21 Dividend and appropriations to reserves

These are recognised in the financial statements in the period in which these are approved.



4.22 Significant accounting judgments and estimates

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

Determining the residual values, useful lives and impairment of property, plant and equipment and intangible assets

The Company reviews the appropriateness of the rate of depreciation, useful life and residual value used in the calculation of depreciation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effect on the depreciation charge and impairment.

Staff / employees benefits

The cost of defined benefit plans is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rate, expected rate of return on assets and future salary increases. Due to long term nature of these plans, such estimates are subject to significant uncertainty and may affect the future financial statements.

Provision for warranty

A provision is recognised for expected warranty claims on products sold at the rate of 0.5 percent of last six months' turnover based on past experience. Assumptions used to calculate the provision for warranties are based on current sales levels and current information available about past trend and future expectation of such claims. Any change in the estimates in future might affect the profit and loss account of that year.

Provision for slow moving inventories

The Company maintained provision for slow moving stock-in-trade and stores, spares and loose tools in respect of written down of inventories to their expected Net Realisable Value (NRV). The Company reviews the NRV of stock-in-trade and stores, spares and loose tools at each year end to assess any diminution in the carrying value keeping in view the aging analysis. Any change in the estimate in future might affect the profit and loss account of that year.

5. PROPERTY, PLANT AND EQUIPMENT

Operating assets
Capital work-in-progress

Note	30 June 2016	30 June 2015
----- (Rs. in '000) -----		
5.1	302,423	307,284
5.5	3,524	-
	<u>305,947</u>	<u>307,284</u>



5.1 Operating assets

	C O S T				Rate	ACCUMULATED DEPRECIATION			BOOK VALUE	
	As at 01 July 2015	Additions	(Disposals) / ** (Write-off)	As at 30 June 2016		As at 01 July 2015	Charge for the year	On (Disposals) / ** (Write-off)	As at 30 June 2016	As at 30 June 2016
	----- (Rs. in 000) -----				%	----- (Rs. in 000) -----				
Owned										
Land - freehold	2,559	-	-	2,559	-	-	-	-	-	2,559
Building on freehold land	99,674	5,309	-	104,983	5 & 10	48,419	2,673	-	51,092	53,891
Plant and machinery	825,417	17,998	(2,116) ** (12,005)	829,294	10 & 20	603,557	25,932	(1,491) ** (12,005)	615,993	213,301
Electrical installations	29,266	-	-	29,266	10	21,444	784	-	22,228	7,038
Furniture and fittings	5,981	-	-	5,981	10	3,468	252	-	3,720	2,261
Office equipment	12,983	930	(616)	13,297	33	10,690	863	(568)	10,985	2,312
Computers	4,700	297	(86)	4,911	33	4,033	341	(47)	4,327	584
Vehicles	24,346	8,215	(3,973)	28,588	20	11,915	3,585	(2,684)	12,816	15,772
Library books	42	-	-	42	10	39	-	-	39	3
	1,004,968	32,749	(6,791) ** (12,005)	1,018,921		703,565	34,430	(4,790) ** (12,005)	721,200	297,721
Leased										
Vehicles	8,000	-	-	8,000	20	2,119	1,179	-	3,298	4,702
2016	1,012,968	32,749	(6,791) ** (12,005)	1,026,921		705,684	35,609	(4,790) ** (12,005)	724,498	302,423

	C O S T				Rate	ACCUMULATED DEPRECIATION			BOOK VALUE	
	As at 01 July 2014	Additions	(Disposals) / * Transfer / ** (Write-off)	As at 30 June 2015		As at 01 July 2014	Charge for the year	On (Disposals) / * Transfer / ** (Write-off)	As at 30 June 2015	As at 30 June 2015
	----- (Rs. in 000) -----				%	----- (Rs. in 000) -----				
Owned										
Land - freehold	2,559	-	-	2,559	-	-	-	-	-	2,559
Building on freehold land	95,660	4,014	-	99,674	5 & 10	45,823	2,596	-	48,419	51,255
Plant and machinery	862,235	14,658	(39,756) ** (11,720)	825,417	10 & 20	598,845	33,772	(17,340) ** (11,720)	603,557	221,860
Electrical installations	29,266	-	-	29,266	10	20,575	869	-	21,444	7,822
Furniture and fittings	4,652	1,381	(52)	5,981	10	3,258	251	(41)	3,468	2,513
Office equipment	11,923	1,784	(724)	12,983	33	10,486	843	(639)	10,690	2,293
Computers	4,160	595	(55)	4,700	33	3,760	321	(48)	4,033	667
Vehicles	24,480	3,606	(8,701) * 4,961	24,346	20	10,859	2,994	(4,375) * 2,437	11,915	12,431
Library books	42	-	-	42	10	39	-	-	39	3
	1,034,977	26,038	(49,288) * 4,961 ** (11,720)	1,004,968		693,645	41,646	(22,443) * 2,437 ** (11,720)	703,565	301,403
Leased										
Vehicles	12,961	-	* (4,961)	8,000	20	2,588	1,968	* (2,437)	2,119	5,881
2015	1,047,938	26,038	(49,288) * 4,961 ** (11,720)	1,012,968		696,233	43,614	(22,443) * 2,437 ** (11,720)	705,684	307,284



	Note	30 June 2016	30 June 2015
----- (Rs. in '000) -----			
5.2 Reconciliation of book value is as follows:			
Book value at the beginning of the year		307,284	351,705
Additions during the year at cost		32,749	26,038
Depreciation for the year		(35,609)	(43,614)
Disposals during the year at NBV		(2,001)	(26,845)
Book value as at the end of year		<u>302,423</u>	<u>307,284</u>
5.3 Allocation of depreciation is as follows:			
Cost of sales - Manufacturing overheads	26	31,316	38,812
Distribution costs	27	52	23
Administrative expenses	28	4,241	4,779
		<u>35,609</u>	<u>43,614</u>

5.4 The following operating assets were disposed off during the year:

Particulars	Cost	Accumulated Depreciation	Book value	Sale proceeds	Gain/ (loss)	Mode of disposal	Particulars of Purchaser
----- (Rs. in '000) -----							
Vehicles							
Toyota Xli	1,325	898	427	427	-	Company Policy	Muhammad Yaseen Ladha - Employee
Toyota Xli	1,269	921	348	348	-	Company Policy	Sajid Nadri - Employee
Suzuki Bolan	625	420	205	205	-	Company Policy	Muhammad Amir Siddiqui - Employee
Suzuki Alto	754	445	309	450	141	Negotiation	Riaz Hassan Shiekh - Ex - Employee
Plant and machinery							
Fork Lifter 4-Ton	1,058	745	313	625	312	Tender	Mr. Imran
Fork Lifter 4-Ton	1,058	746	312	625	313	Tender	Mr. Imran
Aggregate amount of assets disposed off having book value less than Rs. 50,000 each	702	615	87	85	(2)		Various
2016	<u>6,791</u>	<u>4,790</u>	<u>2,001</u>	<u>2,765</u>	<u>764</u>		
2015	<u>49,288</u>	<u>22,443</u>	<u>26,845</u>	<u>60,538</u>	<u>33,693</u>		

5.5 Capital work-in-progress

Plant and machinery

6. LONG-TERM INVESTMENTS

Available-for-sale - quoted securities

Bolan Castings Limited
Nil (2015: 20,763) fully paid ordinary shares
of Rs. 10/- each

	30 June 2016	30 June 2015
----- (Rs. in '000) -----		
Plant and machinery	3,524	-
Available-for-sale - quoted securities	-	1,739



		30 June 2016	30 June 2015
	Note	----- (Rs. in '000) -----	
7. LONG-TERM LOANS AND ADVANCES - secured, considered good			
Loans			
Employees		2,025	1,721
Executives	7.1 & 7.2	745	702
		<u>2,770</u>	<u>2,423</u>
Current maturity	12	(828)	(735)
		<u>1,942</u>	<u>1,688</u>
Advances			
Employees		13,163	2,800
Executives	7.2	2,183	833
		<u>15,346</u>	<u>3,633</u>
Current maturity	12	(13,569)	(2,323)
		<u>1,777</u>	<u>1,310</u>
		<u>3,719</u>	<u>2,998</u>

7.1 Represent interest-free loans given to executives against their salaries. These are recoverable in equal monthly installments over a period of four years. These loans are secured against the retirement benefits of employees.

7.2 The maximum aggregate amount due from executives at the end of any month during the year was Rs. 2.928 (2015: Rs. 1.535) million.

8. LONG-TERM DEPOSITS

		30 June 2016	30 June 2015
	Note	----- (Rs. in '000) -----	
Trade deposits		4,140	4,940
Lease deposits		-	800
	8.1	<u>4,140</u>	<u>5,740</u>

8.1 These represent deposits paid to various parties. These are unsecured, considered good and non-interest bearing.

9. STORES, SPARE PARTS AND LOOSE TOOLS

		30 June 2016	30 June 2015
	Note	----- (Rs. in '000) -----	
Stores		3,735	3,553
Spare parts		88,641	86,066
Loose tools		1,962	2,086
		<u>94,338</u>	<u>91,705</u>
Provision for slow moving:			
Stores		(169)	(59)
Spare parts		(47,184)	(47,277)
Loose tools		(463)	(351)
	9.1	<u>(47,816)</u>	<u>(47,687)</u>
		<u>46,522</u>	<u>44,018</u>



	Note	30 June 2016	30 June 2015
		----- (Rs. in '000) -----	
9.1 Movement in provision is as follows:			
Opening balance		47,687	45,286
Provision during the year	26	129	2,401
Closing balance		<u>47,816</u>	<u>47,687</u>
10. STOCK-IN-TRADE			
Raw material and components		136,884	128,439
Work-in-process		144,751	110,706
Finished goods		152,582	186,965
Scrap stock		42,547	44,963
		<u>476,764</u>	<u>471,073</u>
Stock-in-transit		20,672	36,953
		<u>497,436</u>	<u>508,026</u>
Provision for slow moving stock	10.1	(28,751)	(55,447)
		<u>468,685</u>	<u>452,579</u>
10.1 Movement in provision is as follows:			
Opening balance		55,447	28,328
(Reversal) / provision - net during the year	26	(26,696)	27,119
Closing balance		<u>28,751</u>	<u>55,447</u>
11. TRADE DEBTS			
Unsecured			
Considered good		77,347	59,981
Considered doubtful		934	800
Provision for doubtful debts	11.1	(934)	(800)
		<u>-</u>	<u>-</u>
		<u>77,347</u>	<u>59,981</u>
11.1 Movement in provision is as follows:			
Opening balance		800	303
Provision during the year	28	566	497
		<u>1,366</u>	<u>800</u>
Written-off during the year		(255)	-
Reversal during the year	31	(177)	-
Closing balance		<u>934</u>	<u>800</u>
12. LOANS AND ADVANCES			
Loans - secured, considered good			
Current portion of long-term loans	7	828	735
Advances - considered good			
Current portion of long-term advances - secured	7	13,569	2,323
For expenses - unsecured		1,083	726
To suppliers - unsecured		13,796	11,259
		<u>28,448</u>	<u>14,308</u>
		<u>29,276</u>	<u>15,043</u>



	Note	30 June 2016	30 June 2015
(Rs. in '000)			
13. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS			
Trade deposits	13.1	1,207	1,469
Prepayments		862	818
Leased deposits	13.1	800	-
		<u>2,869</u>	<u>2,287</u>

13.1 These represent deposits paid to various parties. These are unsecured, considered good and non-interest bearing.

	Note	30 June 2016	30 June 2015
(Rs. in '000)			
14. OTHER RECEIVABLES			
Worker's Profit Participation Fund	22.3	-	521
Accrued profit on treasury bills		1,962	-
		<u>1,962</u>	<u>521</u>
15. SHORT-TERM INVESTMENTS			
Fair value through profit or loss			
Listed shares	15.1	51,279	-
Mutual fund	15.2	53,187	-
		<u>104,466</u>	<u>-</u>
Held to maturity			
Treasury bills	15.3	249,598	-
		<u>354,064</u>	<u>-</u>

15.1 Listed shares

Fully paid-up ordinary shares of listed companies are as follows:

30 June 2016 (Number of shares)	30 June 2015	Face value of Rs.	Company's Name		
35,000	-	10	Honda Atlas Cars (Pakistan) Ltd.	12,568	-
150,000	-	10	Pak Int. Bulk Terminal Ltd.	4,810	-
55,000	-	10	Engro Foods Ltd.	8,983	-
500,000	-	3.5	K- Electric Ltd.	4,030	-
12,000	-	10	Engro Corporation Ltd.	3,996	-
50,000	-	10	Fauji Cement Company Ltd.	1,790	-
40,000	-	10	Mughal Iron & Steel Industries Ltd.	2,688	-
50,000	-	10	Fauji Fertilizer Bin Qasim Ltd.	2,651	-
25,000	-	10	Fauji Fertilizer Company Ltd.	2,868	-
40,000	-	10	Engro Fertilizers Ltd.	2,579	-
40,000	-	10	Nishat Mills Limited	4,316	-
				<u>51,279</u>	<u>-</u>



15.2 Faysal Saving Growth Fund 523,085.85 units (2015: Nil).

15.3 These carry interest rate ranging between from 5.91% to 6.21% (2015: Nil) per annum, having maturity from July to September 2016.

15.4 Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss':

	Note	30 June 2016 ----- (Rs. in '000) -----	30 June 2015 -----
Market value of securities		104,466	-
Carrying value of securities		(104,116)	-
		<u>350</u>	<u>-</u>
16. BANK BALANCES			
Current accounts		25,533	45,250
Saving account	16.1	18,518	209,763
		<u>44,051</u>	<u>255,013</u>

16.1 This carries profit rate ranging between 5.20% to 7.25% (2015: 7%) per annum.

17. SHARE CAPITAL

30 June 2016 (Number of shares)	30 June 2015		30 June 2016 ----- (Rs. in '000) -----	30 June 2015 -----
<u>25,000,000</u>	<u>25,000,000</u>	Authorised capital		
		Ordinary shares of Rs. 10/- each	<u>250,000</u>	<u>250,000</u>
		Issued, subscribed and paid-up capital		
		Fully paid ordinary shares of Rs. 10/- each		
<u>9,276,000</u>	<u>9,276,000</u>	Issued for cash	<u>92,760</u>	<u>92,760</u>
<u>4,058,250</u>	<u>4,058,250</u>	Issued as fully paid bonus shares	<u>40,583</u>	<u>40,583</u>
<u>13,334,250</u>	<u>13,334,250</u>		<u>133,343</u>	<u>133,343</u>

18. RESERVES

Revenue			
General		160,000	160,000
Unappropriated profit		893,922	780,653
		<u>1,053,922</u>	<u>940,653</u>
Unrealised gain on revaluation of available-for-sale investment		-	1,595
Remeasurement (loss) / gain on defined benefit plan		(1,892)	1,622
		<u>1,052,030</u>	<u>943,870</u>



19. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASES

Represent finance leases entered into with commercial banks for vehicles. Total lease rentals due under lease agreements aggregate to Rs. 2.632 million (2015: Rs. 5.497 million) and are payable in monthly installments latest by 2017. Taxes, repairs, replacement and insurance costs are to be borne by the Company. In case of termination of agreement, the Company has to pay the entire rent for the unexpired period. Financing rate of six months' KIBOR plus 200 bps per annum has been used as discounting factor. Purchase options can be exercised by the Company at the end of lease term, by paying 10 percent of the leased amount. The movement in the finance leases liability is as follows:

	2016		2015	
	Minimum lease payments	Present value	Minimum lease payments	Present value
	----- (Rs. in '000) -----			
Within one year	2,632	2,576	2,858	2,523
After one year but not more than five year	-	-	2,639	2,569
Total minimum lease payments	2,632	2,576	5,497	5,092
Amount representing finance charges	(56)	-	(405)	-
Present value of minimum lease payments	2,576	2,576	5,092	5,092
Current portion	(2,576)	(2,576)	(2,523)	(2,523)
	-	-	2,569	2,569

Note	30 June 2016	30 June 2015
	----- (Rs. in '000) -----	

20. LONG-TERM DEPOSITS

Deposit from employees
Current maturity

20.1	1,482	911
	(836)	(205)
	646	706

20.1 Represent interest-free deposits received from employees on account of Executive cars scheme. The amount will be adjustable within the period of five years against book value of the vehicles.

21. DEFERRED TAXATION

Credit / (debit) balances arising on account of:

Accelerated tax depreciation
Liabilities against assets subject to finance lease
Provisions

	30 June 2016	30 June 2015
	----- (Rs. in '000) -----	
	50,891	53,413
	659	252
	(31,574)	(36,073)
	19,976	17,592



	30 June 2016	30 June 2015
Note	----- (Rs. in '000) -----	
22. TRADE AND OTHER PAYABLES		
Trade creditors	26,534	19,870
Accrued liabilities	58,013	42,859
Advance from customers	1,653	1,416
Retention money	455	455
Security deposits	448	448
Compensated absences	5,611	5,160
Gratuity fund	6,728	1,901
Provident fund	2	253
Workers' welfare fund	12,154	6,713
Workers' profit participation fund	3,602	-
Unclaimed dividend	4,190	3,867
Others	689	691
	<u>120,079</u>	<u>83,633</u>
22.1 Gratuity fund	<u>6,728</u>	<u>1,901</u>
Amount recognised in the balance sheet		
Present value of defined benefit obligations	65,786	57,735
Fair value of plan assets	(59,058)	(55,834)
Net liability recognised in the balance sheet	<u>6,728</u>	<u>1,901</u>
Charge for the year		
Current service cost	2,535	1,189
Net interest cost	679	(199)
	<u>3,214</u>	<u>990</u>
Movement in net liability / (receivable)		
Opening balance	1,901	(5,402)
Net charge for the year	3,214	990
Re-measurement chargeable in other comprehensive income (Paid to) / Received from fund during the year	3,514	911
	<u>(1,901)</u>	<u>5,402</u>
Closing balance	<u>6,728</u>	<u>1,901</u>
Movement in present value of defined benefit obligations		
Opening balance	57,735	52,660
Current service cost	2,535	1,189
Interest cost	6,123	7,639
Benefits paid during the year	(671)	(7,325)
Actuarial loss	64	3,572
Closing balance	<u>65,786</u>	<u>57,735</u>
Movement in the fair value of plan assets		
Opening balance	55,834	58,062
Expected return	5,444	7,838
Contributions	1,901	(5,402)
Benefits paid during the year	(671)	(7,325)
Actuarial (loss) / gain	(3,450)	2,661
Closing balance	<u>59,058</u>	<u>55,834</u>

**Principal actuarial assumptions used are as follows:**

	2016	2015
	----- (%) -----	
Expected rate of increase in salary level	10.0	12.0
Rate of return on plan assets	7.25	9.75
Valuation discount rate	7.25	9.75

Composition of plan assets are as follows:

	2016	2015
	----- (Rs. in '000) -----	
Term Finance Certificates	6,493	14,097
Treasury Bills	13,962	-
Mutual Funds	20,064	38,472
Amount in banks	18,539	816
	59,058	53,385

Expected contribution to the fund for the year ending 30 June 2017 is Rs. 3.658 million.

	30 June 2016 (Un-audited)	30 June 2015 (Audited)
	----- (Rs. in '000) -----	

22.2 Provident fund

Size of the fund	146,500	135,643
Cost of investments made	76,409	106,955
Fair value of investments	91,362	118,638
Percentage of investments made	62.36%	87.46%

22.2.1 Break-up of investments of provident fund

	30 June 2016 (Un-audited)		30 June 2015 (Audited)	
	Investments (Rs. in '000)	Investment as size of the Fund %	Investments (Rs. in '000)	Investment as size of the Fund %
Pakistan Investment Bonds	30,900	21.09	30,900	22.78
Treasury Bills	21,230	14.49	30,211	22.27
Mutual Funds	27,351	18.67	37,165	27.40
TFCs	8,381	5.72	20,362	15.01
National Savings	3,500	2.39	-	
	91,362		118,638	



22.2.2 Investments out of provident fund have been made in accordance with the provisions of the section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

Contributions are made both the Company and the members @ 10% of the basic salary for executive and 10% of the basic salary plus COLA for non-executive.

	Note	30 June 2016	30 June 2015
----- (Rs. in '000) -----			
22.3 Workers' profit participation fund			
Opening balance		(521)	(411)
Allocation for the year		13,602	5,979
		<u>13,081</u>	<u>5,568</u>
Payment made during the year		(9,479)	(6,089)
		<u>3,602</u>	<u>(521)</u>
23. PROVISION FOR WARRANTY			
Opening balance		3,631	2,808
(Reversal) / provision made during the year	27	(67)	922
Adjustment during the year against claims		(119)	(99)
Closing balance		<u>3,445</u>	<u>3,631</u>

24. CONTINGENCIES AND COMMITMENTS

24.1 Contingencies

24.1.1 During the year ended 30 June 2004, the National Bank of Pakistan has made the payment to the Privatisation Commission amounting to Rs. 91.25 million and filed a suit in the Honorable High Court of Sindh for the recovery of the same against the Company. The management, based on the advice of its legal counsel is hopeful that the ultimate outcome will be in favor of the Company. Accordingly, no provision is considered necessary in these financial statements in respect of the above matter.

24.1.2 For contingencies relating to taxation please refer note 32.1.

24.2 Commitments

	30 June 2016	30 June 2015
----- (Rs. in '000) -----		
Outstanding letter of guarantees	<u>3,622</u>	<u>2,721</u>
Outstanding letters of credit	<u>94,526</u>	<u>88,503</u>
Capital commitments	<u>56,881</u>	<u>874</u>

Commitment for rentals payable under Ijarah contract in respect of vehicle is as follows:



	Note	30 June 2016	30 June 2015
		----- (Rs. in '000) -----	
Within one year		1,395	2,796
One year to five years		-	1,398
		<u>1,395</u>	<u>4,194</u>
25. TURNOVER - net			
Local sales	25.1	1,730,877	1,602,878
Sales return		(2,773)	(2,176)
Sales tax		(251,495)	(232,897)
Sales discount		(15,292)	-
		<u>(269,560)</u>	<u>(235,073)</u>
Export sales		10,241	10,527
		<u>1,471,558</u>	<u>1,378,332</u>

25.1 Local sales include scrap sales of Rs. 37.098 (2015: Rs. 25.248) million.

	Note	30 June 2016	30 June 2015
		----- (Rs. in '000) -----	
26. COST OF SALES			
Raw material and packaging consumed			
Opening stock			
Raw material		128,439	136,436
Scrap		44,963	44,500
		<u>173,402</u>	<u>180,936</u>
Purchases		778,045	756,392
Closing stock			
Raw material		(136,884)	(128,439)
Scrap		(42,548)	(44,963)
		<u>(179,432)</u>	<u>(173,402)</u>
		<u>772,015</u>	<u>763,926</u>
Manufacturing overheads			
Salaries, wages and benefits	26.1	151,296	135,615
Stores, spare parts and loose tools consumed		64,769	68,143
Fuel and power		54,701	57,510
Depreciation	5.3	31,316	38,812
Outsourced job contractor		19,559	16,958
Staff transportation		11,968	13,837
Repairs and maintenance		6,100	6,081
Travelling and conveyance		514	1,137
Vehicle running expenses		2,163	2,728
Insurance		3,053	3,423
Communication		752	848
Entertainment		1,467	1,290
Printing and stationery		208	187
Subscription		242	222
Rent, rates and taxes		-	46
Provision for slow moving stores, spares and loose tools	9.1	129	2,401
(Reversal) / provision of slow moving stock-in-trade - net	10.1	(26,696)	27,119
Ijarah rentals		2,789	2,866
Computer expenses		125	108
Others		1,403	970
		<u>325,858</u>	<u>380,301</u>
Manufacturing cost		<u>1,097,873</u>	<u>1,144,227</u>



	Note	30 June 2016	30 June 2015
----- (Rs. in '000) -----			
Work-in-process			
Opening		110,706	139,847
Closing		(144,751)	(110,706)
		<u>(34,045)</u>	<u>29,141</u>
Cost of goods manufactured		1,063,828	1,173,368
Finished goods			
Opening		186,965	183,746
Closing		(152,582)	(186,965)
		<u>34,383</u>	<u>(3,219)</u>
Cost of sales		1,098,211	1,170,149
26.1 Included herein are the following employees' benefits:			
Defined benefit plan - gratuity		2,410	743
Defined contribution plan - provident fund		2,624	2,420
Medical		3,922	4,988
Accrual for compensated absences		1,541	682
Bonus		31,592	17,107
		<u>42,089</u>	<u>25,940</u>

27. DISTRIBUTION COSTS

Salaries and benefits	27.1	12,293	10,941
Carriage and forwarding		19,801	19,860
(Reversal) / provision of warranty claims	23	(67)	922
Selling expense - exports		450	361
Depreciation	5.3	52	23
Outside services		2,081	2,025
Insurance		235	271
Advertisement		110	392
Vehicle running expenses		976	1,163
Utilities		512	709
Travelling and conveyance		198	115
Staff transportation		75	124
Communication		137	251
Entertainment		1,017	1,207
Computer expenses		29	56
Others		81	91
		<u>37,980</u>	<u>38,511</u>



	Note	30 June 2016	30 June 2015
		----- (Rs. in '000) -----	
27.1 Included herein are the following employees' benefits:			
Defined benefit plan - gratuity		161	49
Defined contribution plan - provident fund		503	447
Medical		237	306
Accrual / (reversal) for compensated absences		53	(8)
Bonus		2,106	1,140
		<u>3,060</u>	<u>1,934</u>
28. ADMINISTRATIVE EXPENSES			
Salaries and benefits	28.1	41,423	34,872
Depreciation	5.3	4,241	4,779
Outsourced service expenses		6,983	8,394
Utilities		4,207	5,623
Vehicle running expenses		5,659	6,912
Communication		774	1,080
Rent, rates and taxes		2,273	2,273
Entertainment		4,255	3,781
General stores supplies		2,181	1,702
Corporate expenses		3,318	2,340
Travelling and conveyance		404	291
Auditors' remuneration	28.2	959	888
Legal and professional charges		1,173	1,230
Repairs and maintenance		396	2,153
Insurance		920	1,186
Staff transportation		689	1,060
Subscription		177	174
Printing and stationery		272	349
Advertisement		167	86
Provision for doubtful debts - net	11.1	566	497
Computer expenses		900	875
Others		348	207
		<u>82,285</u>	<u>80,752</u>
28.1 Included herein are the following employees' benefits:			
Defined benefit plan - gratuity		643	198
Defined contribution plan - provident fund		1,300	1,234
Medical		904	1,198
Accrual / (reversal) for compensated absences		198	(5)
Bonus		8,426	4,560
		<u>11,471</u>	<u>7,185</u>



	Note	30 June 2016	30 June 2015
----- (Rs. in '000) -----			
28.2 Auditors' remuneration			
Audit fee		600	575
Fees for limited scope review and employees' funds		195	155
Out of pocket expenses		164	158
		<u>959</u>	<u>888</u>
29. OTHER EXPENSES			
Workers' Profits Participation Fund	22.3	13,602	5,979
Workers' Welfare Fund		5,441	2,392
Exchange loss - net		1,715	3,725
		<u>20,758</u>	<u>12,096</u>
30. FINANCE COSTS			
Mark-up / interest on:			
Finance lease		292	695
Short term borrowings		5	1,225
Long term advance		-	695
		<u>297</u>	<u>2,615</u>
Bank charges and excise duty		530	334
		<u>827</u>	<u>2,949</u>
31. OTHER INCOME			
Income from financial assets			
Profit on deposit accounts		8,095	2,225
Profit on treasury bills		4,042	-
Realised gain on redemption of investments		7,575	822
Unrealised gain on revaluation of investments		350	-
Dividend income		102	-
		<u>20,164</u>	<u>3,047</u>
Income from non-financial assets			
Gain on sale of property, plant and equipment		764	33,693
Reversal of doubtful debts	11.1	177	-
Disposal of waste		400	509
Liability no longer payable		-	90
		<u>1,341</u>	<u>34,292</u>
		<u>21,505</u>	<u>37,339</u>



	Note	30 June 2016	30 June 2015
----- (Rs. in '000) -----			
32. TAXATION			
Current		73,306	49,475
Prior	32.1	24,040	(16,300)
Deferred		2,384	(17,897)
	32.2	<u>99,730</u>	<u>15,278</u>

32.1 During the year, the Income Tax department issued show cause notice under section 161/205 of Income Tax ordinance 2001, regarding the monitoring of withholding tax for the Tax year 2014 which is still not yet finalised. The management, in consultation with tax advisors, has replied to such show cause notice. The management of the Company on prudent basis made a provision amounting to Rs. 18.8 million in prior year taxation against the probable demand of Rs. 37.6 million for such show cause notice.

	30 June 2016	30 June 2015
----- (Rs. in '000) -----		
32.2 Relationship between accounting profit and Taxation		
Accounting profit for the year before taxation	<u>253,002</u>	<u>111,214</u>
Tax at applicable rate of 32% (2015: 33%)	80,961	36,701
Tax effects:		
- expenses that are not allowable in determining taxable income	(2,604)	(1,480)
- prior year	24,040	(16,300)
- income subject to reduced rates	2,312	193
- change in tax rates	(1,289)	(1,075)
- credit for investment in plant and machinery	(3,690)	(2,761)
	<u>99,730</u>	<u>15,278</u>
Effective tax rate %	<u>39.42</u>	<u>13.74</u>

33. BASIC AND DILUTED EARNINGS PER SHARE

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	30 June 2016	30 June 2015
Profit for the year after taxation (Rs. in '000)	<u>153,272</u>	<u>95,936</u>
Weighted average number of ordinary shares of Rs. 10/- each (in '000)	<u>13,334</u>	<u>13,334</u>
Basic earnings per share (Rupees)	<u>11.49</u>	<u>7.19</u>



34. CASH GENERATED FROM OPERATIONS	Note	30 June 2016	30 June 2015
		----- (Rs. in '000) -----	
Profit before taxation		253,002	111,214
Adjustments for:			
Depreciation		35,609	43,614
Gain on sale of property, plant and equipment		(764)	(33,693)
Finance costs		827	2,949
Provision for slow moving stores, spare parts and loose tools		129	2,401
(Reversal) / provision for slow moving stock-in-trade - net		(26,696)	27,119
Provision for doubtful debts - net		389	497
Provision / (reversal) for compensated absences		728	(340)
(Reversal) / provision for warranty claims		(52)	922
Provision for employees' benefits		3,214	990
Profit on deposit accounts		(12,137)	(2,225)
Gain on redemption and revaluation of mutual fund units / listed shares		(7,925)	(822)
Dividend income		(102)	-
		(6,780)	41,412
		246,222	152,626
Working capital changes	34.1	1,172	36,598
		247,394	189,224
34.1 Working capital changes			
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		(2,633)	(1,867)
Stock-in-trade		10,590	19,104
Trade debts		(17,500)	4,832
Loans and advances		(14,233)	(195)
Trade deposits, short-term prepayments and other receivable		(2,023)	6,173
		(25,799)	27,957
Increase / (decrease) in current liabilities			
Trade and other payables		30,856	677
Sales tax payable		(3,885)	7964
		26,971	8,641
		1,172	36,598



35. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

35.1 Aggregate amounts charged in the financial statements are as follows:

	CHIEF EXECUTIVE		DIRECTORS		EXECUTIVES		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015
	----- (Rs. in '000) -----							
Remuneration	4,554	4,014	8,726	7,646	6,387	5,278	19,667	16,938
Housing	2,049	1,806	3,926	3,440	2,874	2,375	8,849	7,621
Retirement benefits	1,597	736	3,214	1,402	1,872	856	6,683	2,994
Bonus	1,338	1,004	2,548	1,912	1,296	1,375	5,182	4,291
Medical expenses	237	365	501	514	105	430	843	1,309
Utilities	412	309	988	724	677	718	2,077	1,751
Leave fare assistance	1,000	22	1,839	962	84	66	2,923	1,050
	<u>11,187</u>	<u>8,256</u>	<u>21,742</u>	<u>16,600</u>	<u>13,295</u>	<u>11,098</u>	<u>46,224</u>	<u>35,954</u>
Number	<u>1</u>	<u>1</u>	<u>2</u>	<u>2</u>	<u>9</u>	<u>8</u>	<u>12</u>	<u>11</u>

35.2 In addition, the Chief Executive, directors and certain executives are also provided with free use of the Company's maintained cars, household items and other benefits in accordance with their terms of employment.

35.3 Aggregate amount charged in the financial statements for fee to six non-executive directors was Rs. 1,300,000/- (2015: Rs. 920,000/- for six non-executive directors).

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks particularly including credit risk, liquidity risk and market risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

36.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Concentration of credit risk arise when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company seeks to minimise the credit risk exposure through having exposure only to customers and parties considered credit worthy and obtaining securities where applicable. The Company is exposed to credit risk in respect of the following:



	Carrying Values	
	30 June 2016	30 June 2015
	----- (Rs. in '000) -----	
Loans	2,770	2,423
Deposits	6,147	7,209
Trade debts	77,347	59,981
Other receivables	1,962	521
Short term investment	354,064	-
Bank balances	44,051	255,013
	486,341	325,147

Quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or the historical information about counter party default rates as shown below:

	30 June 2016	30 June 2015
	----- (Rs. in '000) -----	
36.1.1 The ageing analysis of unimpaired trade debts at 30 June is as follows:		
Neither past due nor impaired	67,831	49,154
Past due but not impaired:		
Within 90 days	8,455	10,437
Within 90 to 180 days	208	50
Over 180 days	853	340
	77,347	59,981
36.1.2 Bank balances		
Ratings		
A1 +	44,051	255,013

36.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company applies prudent risk management policies by maintaining sufficient bank balances and by keeping committed credit lines. The table below summarizes the maturity profile of the Company's financial liabilities at the following reporting dates:



	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	----- (Rs. in '000) -----				
30 June 2016					
Long-term deposits	-	-	836	646	1,482
Liabilities against asset subject to finance leases	-	430	2,146	-	2,576
Trade and other payables	104,323	-	-	-	104,323
	104,323	430	2,982	646	108,381
30 June 2015					
Long-term deposits	-	-	205	706	911
Liabilities against asset subject to finance leases	-	631	1,892	2,569	5,092
Trade and other payables	76,920	-	-	-	76,920
	76,920	631	2,097	3,275	82,923

36.3 Market risk

(i) Equity price risk

Equity risk is the risk of loss arising from movements in prices of equity investments. As of the balance sheet date, the Company is not materially exposed to such risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the value of financial assets or a financial liability will fluctuate due to a change in a foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currency. The Company is not materially exposed to foreign currency risk.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's liabilities against assets subject to finance lease, bank balances on saving account and short-term borrowings with floating interest rates.

Sensitivity analysis

The following figures demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant, of the Company's profit before tax:



	Increase/ decrease in interest rate (%)	Effect on profit (Rs. in '000)
30 June 2016	+2	319
	-2	(319)
30 June 2015	+2	4,093
	-2	(4,093)

36.4 Fair value of financial instruments

The carrying values of all financial assets and liabilities reflected in the financial statements approximate to their fair value.

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS. Adoption of IFRS 13, has not affected the financial statements. IFRS 13 defines fair value as 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 (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	June 30, 2016			Total
	Level 1	Level 2	Level 3	
	(Rs. in '000)			
Investments designated 'at fair value through profit or loss'				
Listed Shares	51,279	-	-	51,279
Mutual Funds	53,187	-	-	53,187
	104,466	-	-	104,466



36.5 Capital risk management

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholder value and reduce the cost of capital.

The Company manages its capital structure and makes adjustment to it, in 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, return capital to shareholders or issue new shares.

The Company finances its investment portfolio through equity, borrowings and management of its working capital with a view to maintaining an appropriate mix between various sources of finance to minimise risk. However as of balance sheet date the Company is mainly financed through equity.

37. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise directors, key management personnel and retirement benefit plans. Transactions with related parties other than those disclosed elsewhere in the financial statements are as follows:

<u>Relationship</u>	<u>Nature of transactions</u>	30 June 2016	30 June 2015
		----- (Rs. in '000) -----	
Key management personnel	Sale of vehicles / equipment	1,439	3,425

38. PLANT CAPACITY AND ACTUAL PRODUCTION

Plant capacity - single shift (estimated)

Actual production

Note	30 June 2016	30 June 2015
----- (Units in '000) -----		
38.1	850	850
	843	796

38.1 During the year actual production was approximate to the estimated capacity.

39. NUMBER OF EMPLOYEES

Number of persons employed as at year end were 297 (2015: 314) and the average number of persons employed during the year were 301 (2015: 308).



40. DIVIDEND AND APPROPRIATIONS

40.1 The Board of Directors in its meeting held on September 22, 2016 proposed final cash dividend of Rs.5/- per share for the year ended June 30, 2016 amounting to Rs.66.671 million for approval of the members at the Annual General Meeting to be held on October 29, 2016.

40.2 The Finance Act, 2015 introduced a tax on every public company at the rate of 10% of such undistributed reserves which exceed the amount of its paid up capital. However, this tax shall not apply in case of a public company which distributes cash dividend equal to at least either 40% of its after tax profits or 50% of its paid up capital, within the prescribed time after the end of the relevant tax year.

Based on the above fact, the Board of Directors of the Company has proposed final cash dividend amounting to Rs. 66.671 million in its meeting held on September 22, 2016 for the financial and tax year 2016 which exceeds the prescribed minimum dividend requirement as referred above. Accordingly, the Company would not be liable to pay tax on its undistributed reserves as of June 30, 2016.

41. DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on September 22, 2016 by the Board of Directors of the Company.

42. GENERAL

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

Razak H.M. Bengali
Chief Executive

Muhammad Siddique Misri
Director



Pattern of Shareholding

AS AT JUNE 30, 2016

NO. OF SHAREHOLDERS	SHARE HOLDING RANGE		NO. OF SHARES
	FROM	TO	
644	1	100	26,003
448	101	500	122,388
94	501	1000	69,951
84	1,001	5000	157,614
15	5001	10000	117,163
2	10001	15000	21,062
2	15001	20000	35,250
1	40001	45000	42,500
1	45001	50000	47,000
2	50001	55000	107,500
1	65001	70000	68,000
1	85001	90000	87,000
2	135001	140000	273,015
1	145001	150000	145,562
1	225001	230000	227,000
1	285001	290000	287,500
1	340001	345000	341,693
1	380001	385000	381,165
1	390001	395000	392,183
1	435001	440000	437,201
1	620001	625000	624,249
1	645001	650000	646,478
1	680001	685000	684,357
1	1245001	1250000	1,249,050
1	1280001	1285000	1,282,825
2	1405001	1410000	2,814,131
1	2645001	2650000	2,646,410
1,312			13,334,250

CATEGORIES OF SHAREHOLDERS	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES HELD	PERCENTAGE (%)
Sponsors, Directors, their Spouses & Minor Children	10	7,161,958	53.72
Bank, DFI & NBFI	4	2,091,985	15.69
Insurance Companies	1	341,693	2.56
Modarabas & Mutual Fund	7	442,018	3.31
Foreign Companies	7	5,905	0.04
Others	16	1,732,671	12.99
General Public			
--- Local	1,113	1,498,739	11.24
--- Foreign	154	59,281	0.45
	1,312	13,334,250	100.00



Pattern of Shareholding - Breakup

AS AT JUNE 30, 2016

CATEGORIES OF SHAREHOLDERS	NO. OF SHAREHOLDERS	SHARES HELD	PERCENTAGE (%)
DIRECTORS, THEIR SPOUSES AND MINOR-CHILDREN	10	7,161,958	53.71
1 MR. RAZAK BENGALI		1,407,971	
2 MRS. GUL BANO		392,183	
3 MR. MUHAMMAD SIDDIQUE MISRI		2,646,410	
4 MRS. MEHTAB BIBI		437,201	
5 MRS. SABA NADEEM		500	
6 MR. MUHAMMAD IRFAN GHANI		1,249,050	
7 MRS. KAUSAR IRFAN		646,478	
8 MISS. MAHEEN IRFAN GHANI		381,165	
9 MR. ANIS WAHAB ZUBERI		500	
10 MR. SYED HAROON RASHID		500	
BANKS, DFI & NBF	4	2,091,985	15.69
1 CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST		1,406,160	
2 PRUDENTIAL INVESTMENT BANK LIMITED		575	
3 NATIONAL BANK OF PAKISTAN		893	
4 NATIONAL BANK OF PAKISTAN		684,357	
INSURANCE COMPAINES	1	341,693	2.56
1 STATE LIFE INSURANCE CORP. OF PAKISTAN		341,693	
MODARABAS & MUTUAL FUND	7	442,018	3.31
1 GENERAL MODARABA SERVICES (PVT) LTD		18	
2 CDC - TRUSTEE NAFA STOCK FUND		87,000	
3 CDC - TRUSTEE NAFA ISLAMIC ASSET ALLOCATION FUND		227,000	
4 CDC- TRUSTEE NAFA ASSET ALLOCATION FUND		7,500	
5 CDC - TRUSTEE NAFA ISLAMIC STOCK FUND		10,000	
6 CDC - TRUSTEE NAFA PENSION FUND EQUITY SUB-FUND ACCOUNT		68,000	
7 CDC - TRUSTEE NAFA ISLAMIC PENSION FUND EQUITY ACCOUNT		42,500	
FOREIGN COMPANIES	7	5,905	0.04
1 ROYAL BANK OF SCOTLAND		1,638	
2 BANK OF SCOTLAND		718	
3 BANKERS TRUST COMPANY		86	
4 MORGAN STANLEY BANK LUXEMBOURG		1,322	
5 MORGAN STANLEY TRUST COMPANY		718	
6 CROSBY SECURITIES PTE LTD.		833	
7 SOMERS NOMINEES (FAR EAST) LTD.		590	



CATEGORIES OF SHAREHOLDERS	NO. OF SHAREHOLDERS	SHARES HELD	PERCENTAGE %
OTHERS	16	1,732,671	12.99
1 M/S. NATIONAL MOTORS LIMITED		230	
2 NATIONAL DEV. FINANCE CORP.INVESTERS		438	
3 BOLAN CASTINGS LIMITED		287,500	
4 MILLAT TRACTORS LIMITED		1,282,825	
5 PRUDENTIAL SECURITIES LIMITED		718	
6 AZIZ FIDAHUSEIN & COMPANY (PVT) LTD.		40	
7 LOADS LIMITED		230	
8 TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND		145,562	
9 TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST		5,108	
10 S.H. BUKHARI SECURITIES (PVT) LIMITED		86	
11 MAPLE LEAF CAPITAL LIMITED		1	
12 MUHAMMAD AHMED NADEEM SECURITIES (SMC-PVT) LIMITED		287	
13 MSMANIAR FINANCIALS (PVT) LTD.		345	
14 TRUSTEE THALL LIMITED- EMPLOYEES PROVIDENT FUND		5,500	
15 TRUSTEES MAPLE LEAF CEMENT FACTORY LTD EMPLOYEES PROV FUND		3,000	
16 FIKREE'S (SMC-PVT) LTD.		801	
GENERAL PUBLIC	1,267	1,558,020	11.68
1 GENERAL PUBLIC - LOCAL		1,498,739	
2 GENERAL PUBLIC - FOREIGN		59,281	
	1,312	13,334,250	100
SHAREHOLDERS HOLDING FIVE PERCENT OR MORE VOTING INTEREST IN THE COMPANY	6	8,676,773	65.07
1 MUHAMMAD SIDDIQUE MISRI		2,646,410	
2 RAZAK BENGALI		1,407,971	
3 MUHAMMAD IRFAN GHANI		1,249,050	
4 CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST		1,406,160	
5 MILLAT TRACTORS LIMITED		1,282,825	
6 NATIONAL BANK OF PAKISTAN		684,357	



Notice of the Meeting

NOTICE IS HEREBY GIVEN that the 36th Annual General Meeting of the Company will be held at the Company's Registered Office, Main RCD Highway, Hub Chowki, District Lasbella, Baluchistan, on Saturday, October 29, 2016 at 11:00 am. to transact the following business :-

ORDINARY BUSINESS

1. To confirm the minutes of the Extra Ordinary General Meeting held on June 04, 2016.
2. To receive, consider and approve the audited financial statements of the Company for the year ended June 30, 2016 together with the Directors' and Auditors' Reports thereon.
3. To approve a final cash dividend at the rate of 50% (Rs.5.00 per share), as recommended by the Board of Directors for the year ended June 30, 2016.
4. To appoint auditors for the year ending on June 30, 2017 and fix their remuneration. The present auditors M/s. EY Ford Rhodes, Chartered Accountants, retire and being eligible have offered themselves for re-appointment.

SPECIAL BUSINESS

5. To consider and if thought fit, pass the special resolution to amend the Articles of Association of the Company to increase the remuneration paid to the Independent / Non-Executive Directors for attending Board and its Committee meetings.
6. To approve the alteration in the Articles of Association to facilitate e-voting. In this regard, to consider and if thought fit, to pass the following resolution, for alteration of the Articles of Association of the Company as special resolution:

“RESOLVED THAT in view of the Companies (E-Voting) Regulations, 2016, issued by Securities and Exchange Commission of Pakistan (SECP) vide SRO 43(1)/2016 dated 22 January 2016, the members of the Company be and are hereby recommended to approve the amendment to Articles of Association of the Company mentioned herein below and that for this purpose the following resolution be passed as and by way of Special Resolution:

RESOLVED as and by way of Special Resolution that the Articles of Association of the Company be amended as follows:

- a) By inserting the following new Article after 8.09 as Article 8.09A as follows:
8.09A “Subject to any rules or regulations that may be made from time to time by the Commission in this regard, members may exercise voting rights at general meeting through electronic means if the Company receives the requisite demand for poll in accordance with the applicable laws. The Company shall facilitate the voting by electronic means in the manner and in accordance with the requirements prescribed by the Commission.”
- b) By inserting the following new Article after 8.18 as Article 8.18A as follows:
8.18A “Notwithstanding anything contained in these Articles, in case of voting by electronic means, both members and non-members can be appointed as proxy.”
- c) In Article 8.20 after the last line following lines shall be inserted:
“ Notwithstanding anything contained in these Articles , an instrument appointing a proxy for the purpose of E-Voting shall be in the following form, and shall be deposited in writing with the Company at its registered office, at least ten (10) days prior to the date of the general meeting”.



- d) Article 8.21 shall be replaced with the following wordings:
 “An instrument appointing a proxy may be in the following form, or in any other form which the Directors shall approve:-

Option 1

Appointing other person as Proxy

BALUCHISTAN WHEELS LIMITED

I/We,..... ofbeing member(s) of BALUCHISTAN WHEELS LIMITED, holding Ordinary Share(s) as per registered folio No..... hereby appoint..... Folio No. of failing him /her folio No. of who is /are also the member(s) of BALUCHISTAN WHEELS LIMITED as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the (annual or extraordinary, as the case may be) General Meeting of the Company to be held on the day of and at any adjournment thereof.

Signed this day of"

Option 2

E-Voting as per the Companies (E-Voting) Regulations, 2016

BALUCHISTAN WHEELS LIMITED

I/We of being a member(s) of BALUCHISTAN WHEELS LIMITED, holder of Ordinary Share(s) as per registered folio No..... hereby opt for e-voting through intermediary and hereby consent the appointment of execution officer as proxy and will exercise e-voting as per the Companies (e-voting) Regulations, 2016 and hereby demand for poll for resolutions.

My secured email address is please send login details, password and electronic signature through email

Further, resolved that the Company Secretary, be and is hereby authorized to do all acts, deeds and things and take all steps necessary to complete the legal formalities and the required documents as may be necessary or ancillary for the purpose of implementing the aforesaid resolution.

Statement of material facts as required under section 160(1)(b) of the Companies Ordinance, 1984 pertaining to the special businesses to be considered at the meeting is annexed to this notice of meeting being sent to the members.

7. To consider any other business with the permission of the Chairman.

BY ORDER OF THE BOARD

Muhammad Yasin Yunus Ladha

Company Secretary

Karachi: September 22, 2016



NOTES:

I. Closure of Share Transfer Books

Share transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from October 22, 2016 to October 29, 2016 (both days inclusive). Transfer received in order at the Shares Department of M/s THK Associates (Pvt) Limited, 2nd Floor, State Life Building No. 3, Dr. Ziauddin Ahmed Road, P.O.Box No.8533, Karachi-75530, Pakistan, at the close of business on October 21, 2016 will be treated in time for the purpose of payment of final cash dividend, if approved by the shareholders.

2. Participation in the Annual General Meeting

A member entitled to attend and vote at the meeting is entitled to appoint any other member as his / her proxy to attend and vote. Proxies in order to be effective must be received at the Head Office of the Company, duly stamped and signed not less than 48 hours before the time of the meeting.

CDC Account Holders will further have to follow the under mentioned guidelines as laid down by the Securities & Exchange Commission of Pakistan:

A. For Attending the Meeting:

- i. In case of individuals, the account holders or sub-account holders and / or the persons whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate identity by showing their original Computerised National Identity Card (CNIC), or original passport at the time of attending the meeting.
- ii. In case of corporate entities, the Board of Director's resolution / power of attorney with specimen signature of the nominees shall be produced (unless it has been provided earlier) at the time of attending the meeting.

B. For Appointing Proxies:

- i. In case of individuals, the account holders or sub-account holders and / or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per the above requirements.
- ii. The proxy form shall be witnessed by two persons whose names, address and CNIC numbers shall be mentioned on the form.
- iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his / her original CNIC or passport at the time of the meeting.
- v. In case of corporate entities, the Board of Director's resolution / power of attorney with specimen signature of the person nominated to present and vote on behalf of the corporate entity, shall be submitted (unless it has been provided earlier) alongwith the proxy form to the Company.

3. Withholding Tax on Dividend

The Government of Pakistan through Finance Act 2016, effective July 01, 2016 has made certain amendments in section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribe for deduction of withholding tax on amount of dividend paid to shareholders. These tax rates are as under:



- | | |
|---|--------|
| 1. For filers of income tax returns | 12.50% |
| 2. For non filers of income tax returns | 20.00% |

To enable the company to make tax deduction on the amount of cash dividend @ 12.5% instead of 20.00%, all the shareholders whose names are not included in the Active Taxpayers List (ATL) available on the website of FBR, despite the fact that they are filers, are advised to immediately make sure that their names are added in ATL before the start of book closure.

4. Withholding Tax on Dividend in Case of Joint Account Holder

Further according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on "Filer/Non-Filer" status of principal shareholder as well as joint-holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Company Name	Folio / CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC No.	Shareholding proportion (No. of Shares)	Name and CNIC No.	Shareholding proportion (No. of Shares)

The required information must reach the Company's Share Registrar by October 21, 2016, otherwise each shareholder will be assumed to have equal proportion of shares and the tax will be deducted accordingly.

5. Submission of Copies of CNIC (Mandatory)

In order to comply with the directives of SECP, dividend warrant shall mandatorily bear the CNIC numbers of shareholders. Therefore, shareholders who have not yet submitted attested copy of their valid CNICs are once again requested to immediately submit the same with their folio numbers to the Company's Share Registrar, M/s THK Associates (Pvt) Limited.

6. Payment of Cash Dividend Electronically (Optional)

The SECP has initiated e-dividend mechanism through its letter No: 8(4) SM/CDC/2008 dated April 05, 2013. In order to avail benefits of e-dividend shareholders are hereby advised to provide details of their bank mandate specifying: (i) title of account, (ii) account number, (iii) bank name, (iv) branch name, code and address.

7. Consent For Electronic Transmission of Audited Financial Statements & Notices (Optional)

The SECP through its Notification S.R.O 787(I)/2014 dated 8th September 2014 has permitted companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail. Accordingly, members are hereby requested to convey their consent and e-mail address for receiving Audited Financial Statements and Notice through e-mail. In order to avail this facility a Standard Request Form is available at the Company's website www.bwheels.com.

8. Availability of Audited Financial Statements on Company's Website

The audited financial statements of the Company for the year ended June 30, 2016 have been made available on the Company's website www.bwheels.com in addition to annual and quarterly financial statements for the prior year.



9. Change in Address

Members are requested to promptly notify any change of address to the Company's Share Registrar.

Statement under section 160(1)(b) of the Companies Ordinance, 1984

Item No.5 of the Notice: Amendments in the Articles of Association of the Company regarding Remuneration paid to Independent / Non-Executive Directors

It is proposed that the following special resolution be passed to amend article 9.11 of the Article of Association "Unless otherwise determined by the Company in General Meeting, Director other than the Chief Executive or full time working Director may be paid by way of remuneration / fees as may be fixed by Directors, for each meeting of the Board and its Committee meeting attended by him / her. Remuneration and terms and conditions of appointment of the Chairman, Managing Director or other Chief Executive by whatever name called and remuneration of Directors for performing extra services whether whole time or part time shall be determined by the Directors and shall be subject to permission, if any, required by law. Each Director shall be entitled to be reimbursed his reasonable expenses incurred in consequence of his attendance at meetings of Directors or Committees of Directors.

Item No.6 of the Notice: Amendments in the Articles of Association of the Company regarding E-Voting

In order to give effect to the Companies (E-Voting) Regulations, issued by the Securities and Exchange Commission of Pakistan (SECP), shareholders approval is being sought to amend the Articles of Association.

No director has any direct or indirect interest in the aforementioned special businesses.

Transport will be provided to members only from the Karachi Stock Exchange Building to attend the meeting. Departure from Stock Exchange Building will be at 10:00 am.

(Members are requested to bring their Original CNIC / Original Passport at the time of attending the meeting).



Code of Conduct

"Statement of Ethics and Business Practices"

The Board of Directors and the Management of the Baluchistan Wheels Limited shall endeavor to conduct the Business of the Company in the most competitive manner and follow all the Norms and Laws applicable in the country and be Judicious in the day to day affairs of the Company and adopt the following significant policies in its true spirit.

Explanation:

Significant policies for this purpose may include:

- Risk Management.
- Human Resource Management including preparation of a Succession Plan.
- Procurement of Goods and Services.
- Marketing.
- Determination of terms of Credit and Discount to Customers.
- Write-off of bad/ doubtful Debts, Advances and Receivables.
- Acquisition / Disposal of Fixed Assets.
- Investments.
- Borrowing of Moneys and the amount in excess of which Borrowings shall be Sanctioned/ Ratified by a general meeting of Shareholders.
- Donations, Charities, Contributions and other payments of a similar nature including Corporate Social Responsibilities.
- Determination and Delegation of Financial Powers.
- Transactions or Contracts with Associated Companies and Related Parties.
- Health, Safety, and Environment.
- Strictly avoiding questionable and improper payments or misuse of Company's Funds / Assets.
- The Whistle Blower Policy.



To:

Name of Member: _____

Address: _____

Dear Shareholder(s)

Subject: **DIVIDEND MANDATE FORM**

This is to inform you that under Section 250 of the Companies Ordinance, 1984 a shareholder may, if so desire, direct the Company to pay dividend through his/her/its bank account.

In pursuance of the directive given by the Securities and Exchange Commission of Pakistan vide Circular number **18 of 2012** dated **June 05, 2012** hereby give an opportunity to authorize the Company to directly credit shareholders bank account cash dividend, if any, declared by the Company in future. We request registered shareholders of BALUCHISTAN WHEELS LIMITED, to hereby authorize the Company in the future.

(PLEASE NOTE THAT THIS DIVIDEND MANDATE IS OPTIONAL AND NOT COMPULSORY, IN CASE YOU DO NOT WISH YOUR DIVIDEND TO BE CREDITED INTO YOUR BANK ACCOUNT THEN THE SAME SHALL BE PAID TO YOU THROUGH THE DIVIDEND WARRANTS.)

Do you wish the cash dividend declared by the company, if any, is directly credited in your bank account, instead of issue of dividend warrants. Please "✓" any of the following boxes:

 YES

 NO

If yes then please provide the following information:

Transferee Detail	
Title of Bank Account	
Bank Account Number	
Bank's Name	
Branch Name and Address	
Cell Number of Transferee	
Landline Number of Transferee, if any	

It is stated that the above mentioned information is correct, that I will intimate the changes in the above mentioned information to the company and the concerned share registrar as soon as these occur.

In case of shareholders having CDC Investors/Sub-Accounts, the duly filled Forms should be submitted to CDC Customers service or the respective Participants.

Signature of the member/shareholder

Date: _____



REQUEST / CONSENT FORM FOR ELECTRONIC TRANSMISSION OF AUDITED FINANCIAL STATEMENTS AND NOTICE OF GENERAL MEETINGS THROUGH E-MAIL

Dear Shareholder(s)

The securities & Exchange Commission of Pakistan (SECP) through its Notification (SRO 787(I) 2014) dated 8 September 2014 has permitted companies to circulate their annual balance sheet and profit and loss account, auditor's report and directors' report etc. (Annual Report) to shareholders along with notice of Annual General Meeting (AGM) through e-mail.

Shareholders of the Company who wish to receive company's (Annual Report) along with notice of (AGM) via - email, are requested to provide this letter duly filled and signed to us or our Share Registrar M/s. THK Associates (Pvt.) Limited, 2nd Floor, State Life Building # 3, Dr.Ziauddin Ahmed Road, Karachi.

Electronic Communication Consent Form

Pursuant to the directions given by the Securities & Exchange Commission of Pakistan (SECP) through its Notification (SRO 787(I) 2014) dated 8 September 2014, I/We, Mr./Ms/M/s. _____

S/o, D/o, W/o, _____ hereby give consent to receive the Audited Financial Statements along with notice of Annual General Meeting (Annual Report) of Baluchistan Wheels Limited through email on my/our email address provided as herein. I hereby confirm my details as follows:

Shareholder's Details	
Name of the Shareholder(s)	
Folio No. / CDC Participants ID A/C No.	
CNIC No. *	
Passport No. (in case of foreign shareholder) **	
Phone Number	
Valid E-mail address	

It is stated that the above-mentioned information is true and correct and that I/We will intimate the changes in the abovementioned information to the Company and its Share Registrar as soon as these occur. I/we hereby further authorize Company to update my/our particulars mentioned above in the member register of the Company alongwith email address mentioned.

Signature of the member/shareholder

Date: _____

Notes:

- * Please attach attested photocopy of the valid CNIC
 - ** Please attach attested photocopy of the valid Passport.
- This Request Form is optional and not compulsory.



Proxy Form

I/We _____

of _____ (Full address)

being a member (s) of Baluchistan Wheels Limited and holding _____ Ordinary Shares

as per Share Register Folio No. _____

or CDC Participant I.D. No. _____ and Sub A/c. No. _____

hereby appoint Mr./Mrs./Miss _____ Folio No. _____

of _____ (Full address)

failing Mr./Mrs./Miss _____ Folio No. _____

of _____ (Full address)

another member of the Company to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on **October 29, 2016** and at any adjournment thereof.

As witness my/our hand this _____ day of _____ 2016

Signature of Member(s)

Please affix
Rs. 5/- Revenue
Stamp

Witness: _____

Name: _____

CNIC No: _____

Address: _____

Witness: _____

Name: _____

CNIC No: _____

Address: _____

1. A member entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint another member as his/her proxy to attend and vote instead of his/her. No person shall act as proxy (except for a Corporation) unless he/she is entitled to be present and vote in his/her own right.
2. The instrument appointing a proxy should be signed by the member(s) or by his/her attorney duly authorized, in writing, or if the member is a Corporation/Company either under the common seal, or under the hand of an officer or attorney so authorised.
3. This Proxy Form duly completed must be deposited at the Head Office of the Company, 1st Floor, State Life Building # 3, Dr. Ziauddin Ahmed Road, Karachi not less than 48 hours before the time of holding the meeting.

FOR CDC ACCOUNT HOLDERS/CORPORATE ENTITIES

CDC Shareholders and their proxies must each attach an attested photo copy of their Computerized National Identity Card or Passport with this proxy form.

The Proxy Form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.

In case of Corporate Entity, the Board of Directors Resolution/Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.



پراکسی فارم

میں / ہم جو کہ سے متعلق ہیں بلوچستان وہیلز لمیٹڈ کے رکن (اراکین) ہیں، اور عمومی حصص رکھتے ہیں، بذریعہ (ممبر کا نام) جو کہ (شہر کا نام) سے متعلق ہیں اور ان کا فولیو نمبر / سی ڈی سی اکاؤنٹ نمبر ہے یا ان کے ناکام رہنے کی صورت میں (ممبر کا نام) (شہر کا نام) اور ان کا فولیو نمبر / سی ڈی سی اکاؤنٹ نمبر ہے جو کہ بلوچستان وہیلز لمیٹڈ کے رکن / اراکین ہے / ہیں، 29 اکتوبر 2016ء کو منعقد ہونے والے بلوچستان وہیلز لمیٹڈ کے سالانہ اجلاس عام میں ووٹنگ کے لئے میری / ہماری غیر موجودگی میں میرے / ہمارے پراکسی (مختار) ہیں۔ بطور گواہی میرے / ہمارے دستخط / مہر مورخہ برائے ماہ و سال ثبت ہیں۔

درج ذیل گواہوں کی موجودگی میں میرے دستخط.....

گواہ نمبر 2 دستخط.....
نام:.....
CNIC / پاسپورٹ نمبر:.....
پتہ:.....

گواہ نمبر 1 دستخط.....
نام:.....
CNIC / پاسپورٹ نمبر:.....
پتہ:.....

5 روپے کارسیدی ٹکٹ چسپاں کر کے
دستخط کریں

ممبر (ز) کا کے دستخط
(دستخط کمپنی کے پاس رجسٹر کردہ دستخط جیسا ہونا چاہیے)

رکن کا فولیو / سی ڈی سی اکاؤنٹ نمبر

نوٹ:

- (I) کوئی بھی شخص / خاتون اس وقت پراکسی کے طور پر کام کرے گا جب وہ خود کمپنی کا ایک رکن ہوگا، ماسوائے کارپوریشن کے جو کسی ایسے شخص کا تقرر کر سکتا ہے جو کمپنی کا رکن نہ ہو۔
 - (II) یہ پراکسی فارم کمپنی کے شیئرز رجسٹرار آفس میں مکمل طور پر پُر اور دستخط کئے ہوئے موصول ہونا چاہیے۔
 - (III) اگر ایک رکن ایک سے زائد پراکسی مقرر کرتا ہے اور پراکسی کے انسٹرومنٹ کمپنی کے پاس جمع کراتا ہے، تو اس پراکسی کے تمام انسٹرومنٹس غلط تصور کئے جائیں گے۔
- سی ڈی سی اکاؤنٹ ہولڈرز / کارپوریٹ اداروں کے لئے:
- (I) حصص یافتگان اور پراکسی کے CNIC یا پاسپورٹ کی مصدقہ نقول فارم کے ساتھ منسلک ہوں۔
 - (II) پراکسی فارم پر دو افراد جن کے نام اور CNIC نمبر بمعہ پتے کے فارم پر موجود ہوں بطور گواہ ضروری ہیں۔
 - (III) کارپوریٹ ادارے کی صورت میں کمپنی کو پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹرز کا ریزولوشن / اپاء آف اٹارنی بمعہ دستلوں کے نمونے جمع کرانا ہوں گے (اگر پہلے فراہم نہ کئے گئے ہوں)۔

مستقبل کے خدو خال:-

حال ہی میں اعلان کردہ آٹوموٹیو ڈیولپمنٹ پالیسی برائے سال 2016-2021 آٹوموبائل انڈسٹری کی بہتری پر توجہ دیتی ہے۔ یہ پالیسی نا صرف موجودہ آٹوموٹیو نیٹس بلکہ بیمار نیٹس کے ساتھ نئے آنے والے نیٹس کو بھی سہولت فراہم کرتے ہوئے تمام اسٹیک ہولڈرز میں ایک توازن پیدا کرتی ہے اس پالیسی کے مقاصد ملک میں نئی سرمایہ کاری لانا اور آٹوموٹیو انڈسٹری کی شرح نمو میں اضافہ کرنا ہے جس کے نتیجے میں نہ صرف وینڈنگ انڈسٹری فروغ پائے گی بلکہ ملک کی معیشت کا پہیہ بھی چل پڑے گا۔

اس کے علاوہ سی پیک (CPEC) پر تیزی سے عملدرآمد اور ملک میں امن و امان کی بہتر صورتحال کی وجہ سے صنعتی نشوونما کے کافی مواقع متوقع ہیں۔ مزید یہ کہ ملکی معیشت میں استحکام کی وجہ سے مضبوط اور پائیدار ترقی متوقع ہے۔ کم ترین شرح سود اور افراط زر اور ایندھن کی قیمتوں میں کمی بھی ملکی معیشت پر مثبت اثرات مرتب کر رہی ہے۔ کار اور ٹرک/بس بنانے والوں کی جانب سے متوقع نئے ماڈلز کا اجرا اور مالیاتی اداروں کی جانب سے کم ترین شرح سود کی وجہ سے توقع کرتے ہیں کہ ملک میں کار اور ٹرک/بس کی فروخت میں زبردست اضافہ ہوگا جس کا اثر براہ راست ہماری فروخت میں ہوگا کیونکہ ہماری فروخت آٹوسلز سے براہ راست منسلک ہے۔ جبکہ زرعی شعبہ میں کم امکانات ہونے کی وجہ سے ٹریکٹرز کی فروخت میں کمی ہو سکتی ہے جس کی وجہ سے ٹریکٹرز کے پیہوں کی فروخت میں کمی ہو سکتی ہے۔ بہر حال، یہ فروخت بڑھ سکتی ہے اگر گورنمنٹ ٹریکٹرز انڈسٹری کے ذریعے کسانوں کے لئے مزید کسی ریلیف پیکیج کا اعلان کرے۔

آپ کی منجھٹ توقع کرتی ہے کہ کمپنی اپنی فروخت اور منافع کو برقرار رکھے گی۔

اظہار تشکر:-

ہم اس موقع پر اپنے تمام صارفین اور اسٹیک ہولڈرز کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد اور بھروسے کا اظہار کیا۔ ہم اپنے عملے اور کارکنان سمیت تمام بلوچستان و ہیلڈ لمیٹیڈ کی ٹیم کی کوششوں اور مسلسل حمایت کرنے کا شکریہ ادا کرتے ہیں۔ اللہ تعالیٰ ہمیں برکت دے، خصوصاً ہمیں اور ہمارے تمام اسٹیک ہولڈرز کو اور عموماً پورے ملک کو ترقی اور کامیابی عطا فرمائے (آمین)۔

بحکم بورڈ آف ڈائریکٹرز

جناب رزاق ایچ ایم بنگالی

چیف ایگزیکٹو

کراچی، ۲۲ ستمبر ۲۰۱۶ء



کا ممبر مقرر کیا ہے۔

آڈٹ کمیٹی	انسانی وسائل اور معاوضے کی کمیٹی
جناب انیس وہاب زبیری (چیرمین)	سید زبیر احمد شاہ (چیرمین)
سید زبیر احمد شاہ (رکن)	جناب محمد عرفان غنی (رکن)
سید ہارون رشید (رکن)	جناب انیس وہاب زبیری (رکن)
محترمہ مایین عرفان غنی (رکن)	محترمہ گل بانو رزاق (رکن)
محترمہ صبا ندیم (رکن)	

اخلاقیات اور کاروباری طریقوں کا بیان:-

بورڈ کا قاعدگی کے ساتھ کمپنی کی اسٹریٹجک سمت کا جائزہ لیتا ہے، سالانہ منصوبہ بندی کرتا ہے اور کاروباری اہداف مقرر کرتا ہے اور کمپنی کے مجموعی مقاصد کی روشنی میں ان اہداف کا جائزہ لیتا ہے۔ بورڈ کارپوریٹ گورننس کے اعلیٰ ترین معیار کو برقرار رکھنے کے لیے مصروف عمل ہے۔ ایک معروف پہلہ بنانے والی کمپنی کے طور پر اعلیٰ اخلاقی معیار کاروباری کامیابی کے لیے اہم ہے۔ تمام اسٹیک ہولڈرز کے ساتھ احترام، خوش اخلاقی اور قابلیت کے ساتھ سلوک کیا جاتا ہے اور تمام فیصلے اور کارروائیاں کاروباری اصولوں کے مطابق کیے جاتے ہیں۔ تمام ڈائریکٹرز اور کمپنی کے ملازمین اس کو تسلیم کرتے ہیں۔

نیشنل بینک آف پاکستان اور متعلقہ معاملات:-

نیشنل بینک آف پاکستان نے کمپنی اور پرائیویٹائزیشن کمیشن کے خلاف 91.25 ملین روپے کا مقدمہ دائر کیا تھا جو کہ کمپنی تسلیم نہیں کرتی اور جس کی مختصر وضاحت کمپنی کے 30 جون 2016ء کو ختم ہونے والے مالیاتی اسٹیٹمنٹ کے نوٹ نمبر 24.1 میں دی گئی ہے یہ کیس پہلے 2008ء میں جناب جسٹس فیصل عرب کی عدالت میں سنا گیا اور عدالتی کارروائی مکمل کرنے کے بعد اس کا فیصلہ محفوظ کر لیا گیا۔ بد قسمتی سے کسی فیصلے کا اعلان نہیں کیا گیا اور یہ معاملہ پھر سے داخل دفتر کر دیا گیا۔ پھر یہ کیس سندھ ہائی کورٹ کے محترم جناب جسٹس سلمان طالب الدین کی عدالت میں چلا لیکن 31 جولائی 2009ء کے فیصلے کے تحت کئی ججز نکال دیئے گئے جن میں جناب جسٹس سلمان طالب الدین بھی شامل تھے۔

2010ء میں یہ معاملہ جناب جسٹس فیصل عرب کی عدالت میں دوبارہ سنا گیا اور کئی سماعتوں کے بعد اس کا فیصلہ محفوظ کر لیا گیا۔ لیکن کسی فیصلے کا اعلان کیے بغیر یہ کیس دوبارہ داخل دفتر کر دیا گیا۔ اس کے بعد مقدمہ محترمہ جسٹس اشرف جہاں صاحبہ کی عدالت میں داخل کیا گیا وہاں سے جناب جسٹس عزیز الرحمن صاحب کی عدالت میں یہ مقدمہ منتقل کیا گیا۔ اب یہ کیس محترم جناب جسٹس محمد شفیع صدیقی صاحب کی عدالت میں ہے اور بہت جلد اس کی سماعت متوقع ہے۔

بلوچستان وھیولریمینڈ اور نیشنل بینک آف پاکستان کے وکلاء کی جانب سے اس کیس کو نتیجہ خیز بنانے کی کوششیں کی جا رہی ہیں اور نتیجتاً یہ کیس پھر سے فاضل عدالت میں سنا گیا۔ آپ کی کمپنی کی انتظامیہ اور وکلاء پر امید ہیں کہ اس مقدمے کا نتیجہ ہمارے حق میں آئے گا۔

ڈائریکٹرز ٹریننگ پروگرام:-

رواں سال کے دوران ہمارے ایک اور ڈائریکٹر جناب انیس وہاب زبیری نے ICAP کی طرف سے منعقد کیے گئے ڈائریکٹرز ٹریننگ پروگرام کا سرٹیفکیٹ حاصل کیا۔ ایک چار ڈائریکٹرز یہ سرٹیفکیٹ حاصل کر چکے ہیں اور اس کے علاوہ تین ڈائریکٹرز اس پروگرام سے مستثنیٰ ہیں۔ بقایا دو ڈائریکٹرز آنے والے سالوں میں ڈائریکٹرز ٹریننگ پروگرام میں شرکت کریں گے۔

کوڈ آف کارپوریٹ گورننس کے ضابطہ اخلاق کی تعمیل:-

کوڈ آف کارپوریٹ گورننس کے ضابطہ اخلاق سے کوئی مادی انحراف نہیں کیا گیا ہے اور پاکستان اسٹاک ایکسچینج کی لسٹنگ ریگولیشنز کے مطابق کمپنی نے کوڈ آف کارپوریٹ گورننس پر پوری طرح سے عمل درآمد کیا ہے اس سلسلے میں ایک اسٹیٹمنٹ اس رپورٹ کے ساتھ منسلک ہے۔

شیر ہولڈنگ کا پیٹرن:-

30 جون 2016ء کو ختم شدہ سال کے لیے شیر ہولڈنگ کا پیٹرن اور اس کی تفصیل جو کہ کوڈ آف کارپوریٹ گورننس کے مطابق درکار ہے اس رپورٹ کے ساتھ منسلک ہے۔

ڈائریکٹرز اور ایگزیکٹوز کی جانب سے کمپنی کے حصص کی خرید و فروخت:-

ڈائریکٹرز، ایگزیکٹوز ان کی اہلیہ / ان کے شوہر اور نابالغ بچوں کی جانب سے مندرجہ ذیل حصص خریدے گئے۔	شیرز
جناب رزاق ایچ ایم بنگالی (بیٹی آنسہ ملیجہ کی جانب سے تحفہ)	571,900
جناب رزاق ایچ ایم بنگالی	8,000
جناب محمد صدیق مصری (بھائی جناب فضل الہی کی جانب سے تحفہ)	37,325
جناب محمد عرفان نعمی (وراثت میں ملے)	50
محترمہ گل بانور رزاق	28,500

آڈیٹرز کا تقرر:-

کمپنی کے سیکڈوش ہونے والے آڈیٹرز میسرز ای وائی فورڈ رھوڈس (EY Ford Rhodes) چارٹرڈ اکاؤنٹنٹس نے اہلیت کی بنیاد پر خود کو 30 جون 2017ء کو ختم ہونے والے مالی سال کے لئے دوبارہ تقرری کے لئے پیش کیا ہے اور آڈٹ کمیٹی نے بھی اس کی سفارش کی ہے۔

ڈائریکٹرز کا انتخاب:-

ڈائریکٹرز کی مدت کی تکمیل پر، 4 جون 2016ء کو انہی ممبران کا تین سال کی مدت کے لئے بطور ڈائریکٹرز انتخاب کیا گیا۔

ڈائریکٹرز کے انتخاب کے بعد جناب رزاق ایچ ایم بنگالی اور سید ہارون رشید دوبارہ چیف ایگزیکٹو اور چیئر مین منتخب ہوئے۔

آڈٹ اور انسانی وسائل اور معاوضے کی کمیٹیوں میں تبدیلیاں:-

نتیجتاً آڈٹ اور انسانی وسائل اور معاوضے کی کمیٹیوں کی تنظیم نو کی گئی اور بورڈ آف ڈائریکٹرز نے مندرجہ ذیل ڈائریکٹران کو آڈٹ کمیٹی اور انسانی وسائل اور معاوضے کی کمیٹی



شہرت کردہ اجلاس کی تعداد	ڈائریکٹر کا نام	نمبر شمار
05	سید ہارون رشید	.1
05	جناب رزاق ایچ ایم بنگالی	.2
05	جناب محمد صدیق مصری	.3
05	جناب محمد عرفان غنی	.4
05	جناب انیس وہاب زبیری	.5
05	سید زبیر احمد شاہ	.6
04	محترمہ گل بانور رزاق	.7
02	محترمہ ماہین عرفان غنی	.8
05	محترمہ صبا یندیم	.9

بورڈ اجلاس میں شرکت نہ کرنے والے ڈائریکٹرز کو باقاعدہ چھٹی کی اجازت دی گئی۔

آڈٹ کمیٹی کے اجلاس:-

کمپنی کے مالی سال کے دوران آڈٹ کمیٹی کے چار اجلاس منعقد کیے گئے۔ ان اجلاس میں کمیٹی اراکین کی حاضری درج ذیل رہی۔

شہرت کردہ اجلاس کی تعداد	ڈائریکٹر کا نام	نمبر شمار
04	جناب انیس وہاب زبیری	.1
04	سید زبیر احمد شاہ	.2
02	محترمہ ماہین عرفان غنی	.3

آڈٹ کمیٹی کے اجلاس میں شرکت نہ کرنے والے ڈائریکٹران کو باقاعدہ چھٹی کی اجازت دی گئی۔

انسانی وسائل اور معاوضے کی کمیٹی کے جلسہ:-

کمپنی کے مالی سال کے دوران انسانی وسائل اور معاوضے کی کمیٹی کا ایک جلسہ منعقد کیا گیا۔ جلسے میں ڈائریکٹرز کی حاضری درج ذیل رہی۔

شہرت کردہ جلسے کی تعداد	ڈائریکٹر کا نام	نمبر شمار
01	سید زبیر احمد شاہ	.1
01	جناب محمد عرفان غنی	.2
01	سید ہارون رشید	.3
01	محترمہ گل بانور رزاق	.4

1. کمپنی مینجمنٹ کی تیار شدہ فنانشل اسٹیٹمنٹ کے اسٹیٹ آف افیئرز، آپریشنز کے نتائج، مالی بہاؤ اور ایکٹیویٹی میں تبدیلیوں کو منصفانہ پیش کرتی ہے۔
2. اکاؤنٹس کی کتب کو مناسب طریقہ سے برقرار رکھا گیا ہے۔
3. فنانشل اسٹیٹمنٹ کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ اندازے معقول اور دانشمندانہ فیصلے کی بنیاد پر مبنی ہیں۔
4. فنانشل اسٹیٹمنٹس کی تیاری میں پاکستان میں لاگو انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرز کا استعمال کیا گیا ہے۔
5. اندرونی کنٹرول کا نظام نہایت بہترین ہے اور اس پر موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
6. کمپنی کی سرگرمیاں جاری رہنے کے حوالے سے کسی طرح کے شکوک و شبہات نہیں پائے جاتے۔

کلیدی آپریٹنگ اور مالیاتی اعداد و شمار۔

گزشتہ چھ سال کی کلیدی آپریٹنگ اور مالیاتی اعداد و شمار فنانشل اسٹیٹمنٹس کے صفحہ نمبر 11 پر موجود ہے۔

گورنمنٹ محصولات

گورنمنٹ کے بقایا جات محصولات کی مد میں 5.651 بلین روپے ہے۔ جس کی تفصیل فنانشل اسٹیٹمنٹس میں موجود ہے۔

ریٹائرمنٹ بینیفٹ فنڈز کی سرمایہ کاری:-

سال کے اختتام پر ملازمین کے ریٹائرمنٹ بینیفٹ فنڈز میں لگائی گئی سرمایہ کاری کی قدر مندرجہ ذیل ہے۔

۲۰۱۶ جون

غیر آڈٹ شدہ

ایگزیکٹیو پروویڈنٹ فنڈ - 64.786 بلین روپے

نان ایگزیکٹیو پروویڈنٹ فنڈ - 56.575 بلین روپے

گریجویٹ فنڈ - 59.058 بلین روپے

بورڈ آف ڈائریکٹرز:-

بورڈ آف ڈائریکٹرز نو (09) ممبران پر مشتمل ہے جس میں کوڈ آف کارپوریٹ گورننس کی ضروریات کے مطابق ایک آڈٹڈ ڈائریکٹر بھی شامل ہے۔

بورڈ اہم انتظامی معاملات کی فیصلہ سازی کے لیے ذمہ دار ہے۔ اس میں اہم کاروباری امور پر عمل دار آمد اور قانون کی جانب سے مقرر کردہ معاملات بھی شامل ہیں۔ یہ فیصلہ سازی طے کردہ معیار، خطرات کا اندازہ اور ان معاملات کو مدنظر رکھتے ہوئے کی جاتی ہے۔ بورڈ ضابطہ اخلاق کی دیکھ بھال اور نگرانی کے لیے بھی ذمہ دار ہے۔

بورڈ آف ڈائریکٹرز کے اجلاس:-

کمپنی کے مالی سال کے دوران بورڈ آف ڈائریکٹرز کے پانچ اجلاس منعقد کیے گئے۔ ان اجلاس میں ڈائریکٹرز کی حاضری درج ذیل رہی۔



اس کے ساتھ ساتھ ایک نئی CO2 ویلڈنگ مشین بھی نصب کی گئی ہے تاکہ اسمبلی لائن میں کام کی رفتار سست نہ ہو۔ مزید یہ کہ ایک پرانی run out مشین کو دوبارہ سے refurbished کیا گیا ہے جو کہ اچھا نتیجہ دے رہی ہے۔

ان تمام اقدامات سے خریدار کا اطمینان بڑھا ہے اور ساتھ ہی scrap اور rework کی شرح بھی کم ہوئی ہے۔

ریسرچ اینڈ ڈویلپمنٹ اور کوالٹی کنٹرول:-

ریسرچ اینڈ ڈویلپمنٹ محکمہ مسلسل عالمی معیار کے مطابق گاہوں کے لئے موجودہ اور نئی مصنوعات کی اطمینان بخش تیاری میں کوشاں ہے۔ گزشتہ کئی سالوں میں ریسرچ اینڈ ڈویلپمنٹ میں سہولیات بڑھتی جا رہی ہیں اور اب یہ CAD مصنوعات، ٹول اور ڈائری، جگڑ اور فلکسچر اور FEA تجزیہ کی صلاحیتوں پر مشتمل ہے۔

ریسرچ اینڈ ڈویلپمنٹ محکمہ کے پاس ایک مکمل ٹول اور ڈائری بنانے کی صلاحیت ہے جو کہ روایتی اور CNC مشینوں پر مشتمل ہے جس کے ذریعے ہم مصنوعات کی تیاری کیلئے ٹول ڈائری، فلکسچر، گچر اور ٹولنگ کے پرزے اپنے طور پر بنا سکتے ہیں۔

ہمارے ریسرچ اینڈ ڈویلپمنٹ محکمہ میں بہترین تعلیم یافتہ اور تجربہ کار ٹیم ہے جو کہ مختلف مصنوعات کی ٹولنگ کی مرمت اور بحالی کا کام کرتی ہے۔ یہ ٹیم نئی مشینوں، پرزہ جات اور ٹولنگ وغیرہ کے اضافے میں فیصلہ کرنے کے ساتھ ساتھ مسلسل پروسس کو بہتر بنانے اور ڈاؤن ٹائم کو کم کرنے میں کوشاں ہے۔ رواں سال کے دوران، ہم نے نئی ٹویونا ہائی لکس 6Jx15 کا سپاہیہ اور ٹرک بس کا ٹیوب لیس 8.25x22.5 سائز کا سپاہیہ کامیابی کے ساتھ بنایا ہے۔

سپاہیہ ایک اہم حفاظتی حصہ ہونے کی وجہ سے بہت کڑی نگرانی میں معیار کو برقرار رکھتے ہوئے بنایا جاتا ہے اور خام مال کی خریداری سے لیکر گاہ کو سپاہیہ کی فراہمی تک معیار کی یقین دہانی کرائی جاتی ہے۔

کوالٹی کنٹرول محکمہ عالمی معیار کے ٹولز اور جانچ کے آلات پر مشتمل ہے جو کہ سپاہیہ کے معیار کو جانچنے کے کام آتا ہے۔

ملکی معیشت میں کمپنی کا حصہ:-

آپ کی کمپنی ایک درآمدی متبادل یونٹ ہونے کی وجہ سے غیر ملکی زرمبادلہ کی بچت میں حصہ لے رہی ہے اور یہ آٹو انڈسٹری کی ایک بڑی اہم ویلڈنگ انڈسٹری ہے۔ زیر بحث مالی سال کے دوران آپ کی کمپنی نے OEM's کو سپاہیہ کی فراہمی سے تقریباً 16 ملین امریکی ڈالر کی بچت کی ہے۔ اس کے ساتھ سرکاری خزانے میں بطور انکم ٹیکس، سیلز ٹیکس، فیڈرل ایکسائز ڈیوٹی اور دیگر بالواسطہ ٹیکسوں کی مد میں تقریباً 313 ملین روپے سرکاری خزانے میں جمع کرائے ہیں۔ اس کے علاوہ، ہماری کمپنی جب اور اس سے ملحقہ دیگر علاقوں کے مقامی لوگوں کو ملازمت کے مواقع بھی فراہم کر رہی ہے۔

کارپوریٹ اور فنانشل رپورٹنگ فریم ورک:-

پاکستان اسٹاک ایکسچینج کی لسٹنگ ریگولیشنز کی دفعات کی تعمیل میں بورڈ آف ڈائریکٹرز نہایت مسرت کے ساتھ مندرجہ ذیل بیانات کی تصدیق کرتے ہیں۔

نی الحال اب تک پیداوار کے دوران ایسا کوئی خطرناک حادثہ نہیں ہوا جس میں کسی کو کوئی بڑی چوٹ لگی ہو یا کسی کی جان گئی ہو۔ تمام ملازمین جو پلانٹ پر کام کر رہے ہیں انہیں حفاظتی چیزیں مثلاً دستا، چشمے، Ear Plug اور اعلیٰ معیار کے حفاظتی جوتے دیئے جاتے ہیں تاکہ وہ اپنی ڈیوٹی اطمینان سے انجام دے سکیں۔ اس کے علاوہ آگ بجھانے کے آلات بھی موجود ہیں تاکہ کسی ناخوشگوار صورتحال سے نمٹا جاسکے۔

کمپنی کی کوشش ہے کہ طبی امور اور حفاظتی چیزوں میں ملازمین کا خیال رکھا جائے اسکے لئے ایک ڈسپنری بمعہ ڈاکٹر کے فیکٹری میں موجود ہے تاکہ کسی ممکنہ حادثاتی صورتحال کا سامنا کیا جاسکے۔ اس کے علاوہ تجربہ کار ڈاکٹروں کی خدمات Retainership کی بنیاد پر حاصل کی گئی ہیں۔ ملازمین کا ہر چھ مہینے کے بعد طبی معائنہ کیا جاتا ہے جو کہ ایک سرجن کرتا ہے۔ تفریحی بنیاد پر کرکٹ اور فٹبال کے میچ کا انعقاد بھی کیا جاتا ہے اور سالانہ پنک کا انتظام بھی کیا جاتا ہے۔

ماحول کی حفاظت کا خاص خیال رکھا جاتا ہے اور ہر ممکن تدابیر کی جاتی ہیں تاکہ کام کی جگہ کا ماحول صاف ستھرا رہے۔

ہم تمام قانونی معاملات کا باقاعدگی سے خیال رکھتے ہیں اور ہماری پوری کوشش ہوتی ہے کہ ماحول دوست انتظامات اور انڈسٹری کے اچھے طریقے کو اپنایا جائے تاکہ انسانی صحت پر اسکے اچھے اثرات مرتب ہوں۔ اس کے ساتھ ساتھ تربیت کا بھی انتظام موجود ہے تاکہ ملازمین میں ماحول دوست شعور پیدا ہو۔ ان تمام چیزوں کا مستقل بنیادوں پر جائزہ لیا جاتا ہے کمپنی نے ISO-14001 سرٹیفیکٹ حاصل کیا ہے تاکہ کمپنی کے معیار کو عالمی ماحولیاتی معیار کے مطابق کیا جاسکے۔

بجلی کی بچت:-

بجلی کی بچت کے لئے مناسب اقدامات کئے گئے، جہاں تک ممکن ہو بجلی، گیس اور فیول کی کھپت کو کم کیا گیا اور اس کے لیے ایک جامع منصوبہ بندی کی گئی مثال کے طور پر پلانٹ کے اندر اور باہر روشنی کی فراہمی کیلئے LED بلب استعمال کئے گئے اور پرانے روایتی بلب کو تبدیل کیا گیا اور اس طرح 60 سے 70 فیصد بجلی کی بچت کی گئی۔

کچھ اہم مشین جیسے De-Coiler، سوٹن اور ایک سو پچاس ٹن کے مکینیکل پریس اور 15 ٹن ہائڈروک پریس ری ڈیزائن کیے گئے اور ان کے سرکٹ کو DC سسٹم سے VFD سسٹم میں تبدیل کیا گیا ہے جس سے مشین کی صلاحیت میں اضافہ اور بجلی کی بچت کے ساتھ ساتھ متعلقہ پرزہ جات میں بھی بچت ہوئی ہے۔

بجلی کی بچت کی ایک اہم وجہ کمپریسر ہے اس کے لئے ہم نے سسٹم کوری ڈیزائن کیا اور دو نئے 15KW کے کمپریسرز نصب کئے ہیں تاکہ جہاں جزوی ہوا کی ضرورت ہو وہاں بڑے کمپریسر کی جگہ چھوٹے کمپریسروں کو استعمال کیا جاسکے ان اقدامات کی وجہ سے ہم نے بجلی کی کافی بچت کی۔

پلانٹ اور مشینری کا اپ گریڈیشن:-

جیسا کہ آپ جانتے ہیں ہماری کمپنی عالمی معیار کے پیسے بنا رہی ہے اور گاہکوں کی ضروریات کو پورا کر رہی ہے چنانچہ اسکے لئے یہ نہایت ضروری ہے کہ پلانٹ اور مشینری مسلسل اپ گریڈ ہوں اور اچھی حالت میں رہیں تاکہ ہم اطمینان بخش طریقے سے کام کر سکیں اور آلات بھی زیادہ عرصے تک کام کر سکیں۔

بیرون ملک سے ماہرین کو وقتاً فوقتاً بلا یا جاتا رہتا ہے اور مشینوں کو اپ گریڈ کرنے کے لئے ان سے ہم مناسب ٹیکنیکل مشورے لیتے رہتے ہیں۔

کمپنی نے حال ہی میں ایک عدد paint shop لگائی ہے جس میں پاؤڈر کوننگ کی جاتی ہیں اس کے علاوہ 1000 ٹن ہائڈروک پریس تائیوان سے درآمد کیا گیا ہے جو پلانٹ کی کارکردگی اور معیار کو بڑھا دے گا۔



تقابلی جائزہ:-

سال کا اختتام	سال کا اختتام	
2015	2016	
(روپے ہزاروں میں)		
1,378,332	1,471,558	مال کی فروخت
208,183	373,347	غیر خالص منافع
111,214	253,002	قبل از ٹیکس منافع
95,936	153,272	بعد از ٹیکس منافع
7.19	11.49	فی شیئر آمدنی (روپے میں)

فی شیئر آمدنی:-

فی شیئر آمدنی جو کہ گزشتہ سال 7.19 روپے تھی وہ اس سال کے لیے 11.49 روپے رہی۔

تجویز کردہ ڈیویڈنڈ:-

بورڈ آف ڈائریکٹرز نے 30 جون 2016 کو ختم ہونے والے مالی سال کے لئے کیش ڈیویڈنڈ پانچ روپے فی شیئر کی منظوری دی ہے جس کی مالیت 6.67 کروڑ روپے بنتی ہے جبکہ گزشتہ سال فی شیئر کیش ڈیویڈنڈ 3 روپے کی ادائیگی کی گئی تھی جس کی مالیت 4 کروڑ روپے تھی۔ یہ ڈیویڈنڈ ممبران کی اجازت سے مشروط ہوگا جو کہ 29 اکتوبر کو منعقد کی جانے والی سالانہ جنرل میٹنگ میں پیش کیا جائیگا۔

تاہم مالیاتی اسٹیٹمنٹ میں ڈیویڈنڈ کی ممکنہ ادائیگی متناہی ہے جو کہ کمپنیز آرڈیننس 1984 کے نظر ثانی شدہ 4th شیڈول کے قانون کے تحت ہے۔

انسانی وسائل اور معاوضے کی کمیٹی:-

ہم یقینی طور پر یہ سمجھتے ہیں کہ ہمارے آفیسرز اسٹاف اور ورکرز ہمارے کاروبار کی ریڑھ کی ہڈی ہیں۔ ہم سمجھتے ہیں کہ باصلاحیت مزدور اور آفیسرز کی حوصلہ افزائی نہایت ضروری ہے اسلئے ہم انہیں لوکل / انٹرنیشنل تربیت کے لئے بھیجتے رہتے ہیں تاکہ یہ اپنی پیشہ وارانہ مہارت میں اضافہ کر سکیں۔

انسانی وسائل کی پالیسی اس طرح ترتیب دی گئی ہے کہ اس بات کو یقینی بنایا جائے کہ ہم اچھے اور باصلاحیت لوگوں کو نوکریاں دیں اور ان کو مناسب مشاہرہ دیں تاکہ وہ اطمینان سے کام انجام دے سکیں۔

بلا واسطہ اور بلا واسطہ انعام مہینہ کے بہترین ورکر کے لیے، جج اسکیم، خاص صحت پالیسی اور دوسرے فوائد موجود ہیں۔ مزدوری قانون پر پوری طرح عملدرآمد کیا جاتا ہے اور CBA / union سے اچھے تعلقات رکھے جاتے ہیں۔ رواں سال کے دوران کمپنی کی انتظامیہ نے جج اسکیم کو مزدوروں سے بڑھا کر آفیسرز کے لیے بھی کر دیا ہے۔

حفاظت، صحت اور ماحول:-

ہم صحت اور حفاظت کے شعبہ میں خطرات کا اچھی طرح سے انتظام کرتے ہیں اور اپنے طریقہ کار کو بہتر کر رہے ہیں تاکہ خطرات اور حادثات کو ممکنہ حد تک کم کیا جاسکے۔

ڈائریکٹر رپورٹ 30 جون 2016

ڈائریکٹر 30 جون 2016 کو ختم ہونے والے سال کے لئے سالانہ آڈٹ کردہ مالیاتی اسٹیٹمنٹ بمعہ آڈیٹرز رپورٹ بخوشی پیش کرتے ہیں۔

کاروباری جائزہ :-

اس سال آپکی کمپنی نے 1.47 بلین روپے کی فروخت کی جو گزشتہ سال کی 1.37 بلین روپے کی فروخت کے مقابلے میں 7% فیصد زیادہ رہی۔ گاڑیوں کے پھیوں کی فروخت 1046.968 بلین روپے رہی جو گزشتہ سال کی 944.271 بلین روپے کی فروخت کے مقابلے میں 11% فیصد زیادہ رہی۔ ٹرک / بس کے پھیوں کی فروخت 111 بلین روپے رہی جو گزشتہ سال کی 124.573 بلین روپے کی فروخت کے مقابلے میں 11% فیصد کم رہی جبکہ ٹریکٹر کے پھیوں کی فروخت 266.238 بلین روپے رہی جو گزشتہ سال کی 273.150 بلین روپے کی فروخت کے مقابلے میں 3% فیصد کمی ظاہر کرتی ہے۔ پھیوں کی برآمد (Export) کم و بیش گزشتہ سال کے برابر رہی۔

مجموعی طور پر ملکی سطح پر اس سال گاڑیوں کے 209,740 یونٹس تیار کئے گئے جو گزشتہ سال کے 152,524 یونٹس کے مقابلے میں 38% فیصد زیادہ رہے۔ اسکی بنیادی وجہ پنجاب حکومت کی اپنا روزگار اسکیم تھی۔ جبکہ اس سال لائٹ ویٹ کمرشل وہیکل، وین اور جیپ کے 36,609 یونٹس تیار کئے گئے جو گزشتہ سال کے 29,298 یونٹس کے مقابلے میں 25% فیصد زیادہ ہے۔ اس سال ٹرک / بس کے 6,736 یونٹس تیار کئے گئے جبکہ گزشتہ سال 4,614 یونٹس تیار کئے گئے تھے۔ اس طرح 46% فیصد زیادہ شرح رہی۔ ٹریکٹر کے 34,914 یونٹس تیار کئے گئے جب کہ گزشتہ سال 48,883 ٹریکٹرز تیار کئے گئے تھے جو 28.5% فیصد کمی ظاہر کرتے ہیں تاہم مقدار کے لحاظ سے ہمارے ٹریکٹر کے پھیوں کی فروخت کم و بیش وہی رہی جو کہ گزشتہ سال تھی البتہ مالیت کے لحاظ سے 3% فیصد کمی ہوئی۔

مالیاتی نتائج:-

اللہ تعالیٰ کی مہربانی سے اس سال آپکی کمپنی نے اپنی تاریخ کاریکار ڈیڈ لائن تک منافع کمایا جو کہ پچھلے تمام سالوں کے منافعوں سے زیادہ ہے۔ کاروبار میں 7% فیصد اضافہ ہوا جسکی بنیادی وجہ کار کے پھیوں کی فروخت میں اضافہ ہے۔ فروخت کی لاگت 6% فیصد کمی کے ساتھ 1,098.2 بلین روپے رہی جو گزشتہ سال 1,170.1 بلین روپے کی تھی۔ غیر خالص منافع 79% فیصد اضافہ کے ساتھ 373.3 بلین روپے رہا جو پچھلے سال 208.1 بلین روپے تھا غیر خالص منافع کے اضافے کی وجوہات میں پھیوں کی فروخت میں اضافہ مال کی بہتر منصوبہ بندی اور انویسٹری مینجمنٹ، پیداواری اخراجات میں کمی جو کہ زیادہ پیداوار سے ممکن ہوئی جسکے نتیجے میں فی عدد لاگت کم ہوئی، آپریشنل کارکردگی، اخراجات میں کمی کی کوششیں اور کچھ اسٹاک ان ٹریڈ کے پراویژن کے ریورسل شامل ہیں۔

کمپنی کا بعد از ٹیکس منافع 153.2 بلین روپے رہا جو گزشتہ سال کے بعد از ٹیکس منافع 95.9 بلین روپے کے مقابلے میں 60% فیصد زیادہ ہے بعد از ٹیکس منافع میں اتنا زیادہ اضافہ نہ صرف مندرجہ بالا وجوہات سے ممکن ہوا بلکہ ٹیکس کی بہتر منصوبہ بندی کے ساتھ ساتھ FBR سے پرانے جمع شدہ ٹیکس ریفرنڈز اور ٹیکس سے مستثنیٰ سرٹیفیکیشن حاصل کرنے اور کمپنی کے زائد فنڈز کی سرمایہ کاری پر اچھے ریٹرن شامل ہے۔

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