



BALUCHISTAN WHEELS LIMITED

Manufacturers of Automotive Wheels in Pakistan



ANNUAL REPORT

2022

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BALUCHISTAN WHEELS LIMITED

Manufacturers of Automotive Wheels in Pakistan



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.

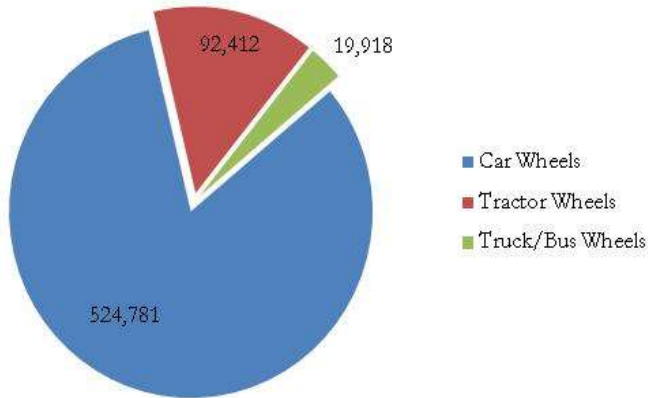
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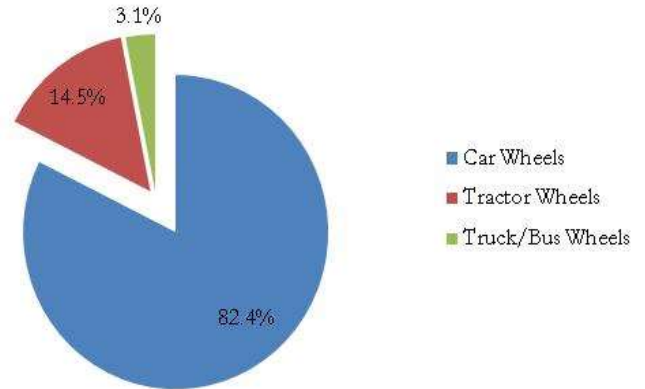
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GRAPHICAL REPRESENTATION

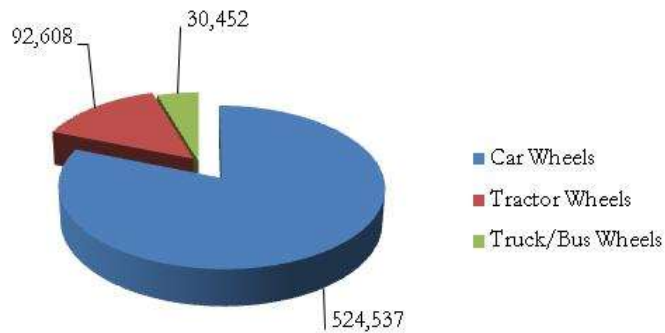
Sales in Qty
2022



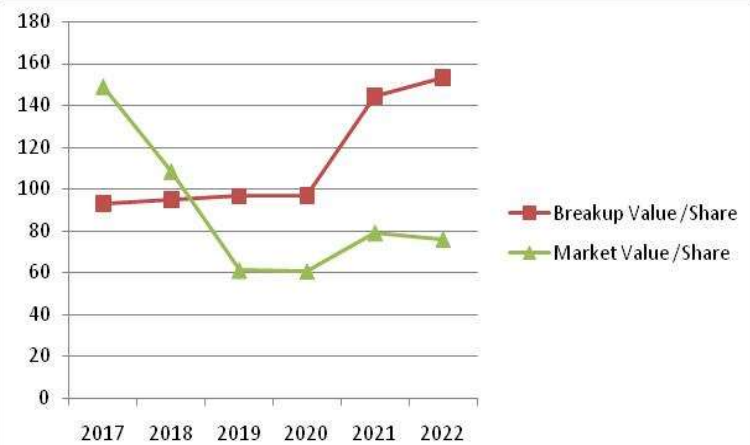
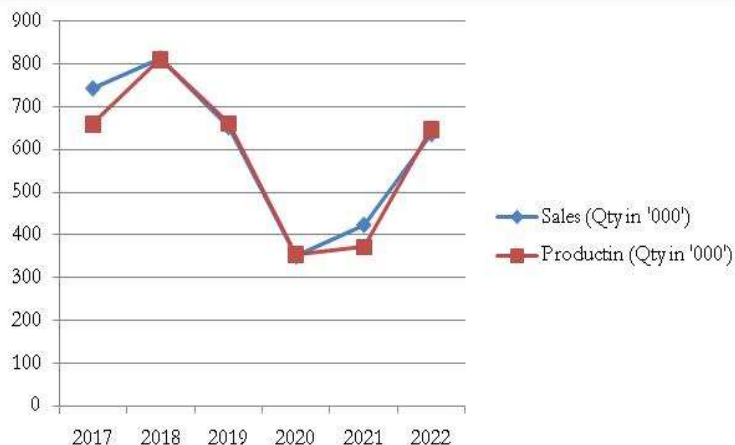
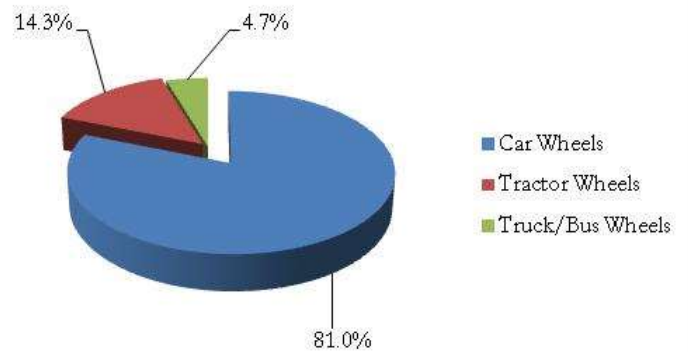
Sales in %
2022



Production in Qty
2022



Production in %
2022



BALUCHISTAN WHEELS LIMITED

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COMPANY INFORMATION

CHAIRMAN (Non-Executive Director)

Mr. Anis Wahab Zuberi

CHIEF EXECUTIVE

Mr. Razak H.M. Bengali

INDEPENDENT DIRECTORS

Syed Zubair Ahmed Shah

Mr. Irfan Ahmed Qureshi

Mr. Muhammad Javed

Mr. Aamir Amin

EXECUTIVE DIRECTORS

Mr. Muhammad Siddique Misri

Mr. Muhammad Irfan Ghani

Director Marketing/ Business Development

Chief Operating Officer

NON-EXECUTIVE DIRECTORS

Mrs. Saba Nadeem

CHIEF FINANCIAL OFFICER

Mr. Muhammad Yasin Yunus Ladha

COMPANY SECRETARY

Mr. Muhammad Asad Saeed

AUDIT COMMITTEE

Syed Zubair Ahmed Shah

Mr. Anis Wahab Zuberi

Mr. Aamir Amin

Mr. Irfan Ahmed Qureshi

Independent Director

Non-Executive Director

Independent Director

Independent Director

Chairman

Member

Member

Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Muhammad Javed

Syed Zubair Ahmed Shah

Mr. Anis Wahab Zuberi

Mr. Muhammad Irfan Ghani

Independent Director

Independent Director

Non-Executive Director

Chief Operating Officer (Executive Director)

Chairman

Member

Member

Member

MANAGEMENT COMMITTEE

Mr. Razak H.M. Bengali

Mr. Muhammad Siddique Misri

Mr. Muhammad Irfan Ghani

Mr. Muhammad Yasin Yunus Ladha

Lt. Col. (R) Mehboob Ahmed

Mr. Fareed Abdul Razzak

Syed Pervaiz Akhter

Mr. Muhammad Asad Saeed

Mr. Kumail Irfan Ghani

Chief Executive

Director Marketing/ Business Development

Chief Operating Officer

S.G.M (Finance) / Chief Financial Officer

G.M (Technical)

G.M (Finance)/Deputy CFO

G.M (HR/IR)

D.G.M (Finance) / Company Secretary

D.G.M (Supply & Services)

CHIEF INTERNAL AUDITOR

Hafiz Shoaib Ahmed Chauhan

D.G.M (CIA)

EXTERNAL AUDITORS

BDO Ebrahim & Co.

(Chartered Accountants)

LEGAL ADVISOR

Mohsin Tayebaly & Company

(Advocates)

TAX CONSULTANTS

Baker Tilly Mehmood Idrees Qamar

(Chartered Accountants)

BDO Ebrahim & Co.

(Chartered Accountants)

BANKERS

Habib Bank Limited

Bank Al-Habib Limited

Faysal Bank Limited

National Bank of Pakistan

SHARE REGISTRAR

THK Associates (Pvt) Limited

Plot # 32-C 2, Jami Commercial Street 2, D.H.A.

Phase VII Karachi - 75400.

UAN#+92(21) 111-000-322

Direct:+92 (21) 34168270

Fax#+92 (21) 34168271

HEAD OFFICE

1st Floor, State Life Building # 3

Dr. Ziauddin Ahmed Road, Karachi.

E-mail: bwlfin@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, 28

Fax # (0853) 364025

PROFILE OF THE MEMBERS OF THE BOARD OF DIRECTORS



Mr. Anis Wahab Zuberi
Chairman (Non Executive Director)

Mr. Anis Wahab Zuberi is a Non Executive 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.

He is a Certified Director and had completed Director's Training Programme from the Institute of Chartered Accountants of Pakistan.



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 as Chief Operating Officer (C.O.O) in the year 1996 and took the responsibility of planning and production. He has been instrumental in the balancing modernization and expansion of various Plant facilities at BWL. He has over 30 years of experience in the field of manufacturing, marketing & administration. He has been associated with various business groups. He is certified Director and had successfully completed Director's Training Programme from the Institute of the Chartered Accountants of Pakistan (ICAP).



Syed Zubair Ahmed Shah
Independent Director

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 has been representing NIT as Director on the Board of various Companies since 1999. Presently he represents NIT as Director on the Board of Bannu Woollen Mills Ltd. He is an independent Director on the Board of Baluchistan Wheels Ltd.



Mr. Muhammad Javed
Independent Director

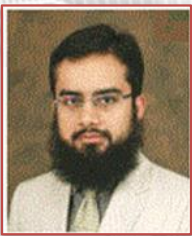
Mr. Muhammad Javed is a Mechanical Engineer and life time member of Pakistan Engineering Council. He had foreign training in Japan and visits to China, Taiwan, Malaysia, Netherlands, Turkey and India for technical agreement, selection /testing and development of plant machinery and equipment.

He has over 40 years' experience of managing engineering and automobile wheel industry. He retired from the Baluchistan Wheels Limited in 2015 after serving 31years at various positions, Head of Technical Division and Director on Board and executed projects of Plant Expansion & Modernization.



Mr. Irfan Ahmed Qureshi
Independent Director

Mr. Irfan Ahmed Qureshi has over 30 years of versatile experience in the fields of Investment-Banking, Feasibility Studies of projects and its implementation by raising equity & debt, Leasing, Finance and Corporate affairs and Manufacturing. He had been associated with Baluchistan Wheels Ltd (BWL) for over 15 years in various capacities as company secretary, Head of Finance & Director on the Board. He retired from the Baluchistan Wheels Limited in 2015 and is very well versed with the Auto Vending and Assembly Industry. He is a Commerce Graduate and an MBA besides he is also a member of Institute of Chartered Secretaries and Managers.



Mr. Aamir Amin
Independent Director

Mr. Aamir Amin is at present Head of Finance of National Investment Trust Limited. Mr. Amin is a Chartered Accountant by profession from Institute of Chartered Accountants of Pakistan (ICAP) with training from Ernst & Young – Pakistan. He is also a Certified Information Systems Auditor (CISA). He has work experience of over 19 years, substantially in financial services industry and also represents NIT as Nominee Director on various Boards.



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 Program 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
Chief Financial Officer / Sr. General Manager (Finance)

Mr. Muhammad Yasin Ladha is an associate of the Institute of Chartered Accountants of Pakistan (ICAP) & a fellow member 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 is also a member of the Economic Advisory & Government Relationship Committee of the ICAP. 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 / Senior General Manager (Finance).



Lt Col (R) Mehboob Ahmed
General Manager (Technical)

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 General Manager (Technical).



Mr. Fareed Abdul Razzak
General Manager (Finance) / Deputy CFO

Mr. Fareed Abdul Razzak has done his EMBA from Karachi School of Business Leadership (KSBL), he is also MBA (Finance) and MCS. He is associated with the company since year 2000 and currently working as General Manager Finance / Deputy CFO.

He has vast experience in the field of Accounts & Finance, Treasury, Banking Matters & Corporate Affairs.

MANAGEMENT TEAM



Syed Pervez Akhtar
General Manager (H.R / I.R)

Syed Pervez Akhtar has done his MBA in Human Resource Management and is also a Law Graduate.

He carries working experience of 25 years in the areas of Human Resource Management and Industrial Relations in reputed organizations such as Kohinoor Chemical Co. (Tibet Group), S.G. Fiber Limited and Pak Hy-Oils Limited.



Mr. Muhammad Asad Saeed
Company Secretary / 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 Company Secretary / 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.



Mr. Kumail Irfan Ghani
Deputy General Manager (Supply & Services)

Mr. 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.

Chief Internal Auditor



Hafiz Shoaib Ahmed Chauhan
Chief Internal Auditor

Hafiz Shoaib Ahmed Chauhan is an associate of Institute of Chartered Accountants of Pakistan (ICAP). Besides, he is also an Associate of Pakistan Institute of Public Finance Accountants and also a Certified Internal Controls Auditor.

Currently he is working as Chief Internal Auditor / Deputy General Manager. He is associated with the Company since 2014. He has over ten years of experience in the field of Audit, Finance, Taxation and Corporate Affairs.

SIX YEARS AT A GLANCE STATEMENT OF FINANCIAL POSITION

Rupees in '000'

	2022	2021	2020	2019	2018	2017
ASSETS						
Non Current Assets						
Property, plant & equipment	963,138	950,050	414,291	449,581	494,967	367,269
Long-term loans & advances	6,138	6,176	3,826	3,415	3,855	4,275
Long-term deposits	7,649	7,709	4,418	4,607	5,777	5,063
	976,925	963,935	422,535	457,603	504,599	376,607
Current Assets						
Stores, spare parts & loose tools	39,729	37,804	39,345	50,840	54,455	55,930
Stock-in-trade	539,764	343,671	413,575	525,105	532,188	518,874
Trade debts	258,317	264,625	108,542	144,187	165,572	95,781
Loans and advances	41,073	32,004	16,331	15,914	24,805	32,592
Trade deposits and short term prepayments	1,433	556	1,709	2,347	2,049	1,694
Other receivables	792	29,986	7,010	431	928	2,894
Short term investments	523,766	550,573	333,906	102,827	5,516	261,671
Sales tax refundable - net	-	595	1,826	-	-	8,554
Taxation - net	-	32,690	103,518	129,302	141,608	77,553
Bank balances	66,034	19,320	60,362	44,994	31,116	27,530
	1,470,908	1,311,824	1,086,124	1,015,947	958,237	1,083,073
TOTAL ASSETS	2,447,833	2,275,759	1,508,659	1,473,550	1,462,836	1,459,680
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
Revaluation of Land	579,075	538,518	-	-	-	-
Reserves	1,329,352	1,249,035	1,161,311	1,154,676	1,135,647	1,107,742
	2,041,770	1,920,896	1,294,654	1,288,019	1,268,990	1,241,085
Non Current Liabilities						
Liabilities against assets subject to finance lease	13,949	23,477	6,330	989	5,306	4,958
Long term loan	-	10,418	30,849	-	-	-
Long term deposits	896	1,405	982	2,010	1,710	874
Long term Government grant	-	91	1,923	-	-	-
GIDC Payable	-	1,311	-	-	-	-
Deferred taxation	34,972	33,694	33,292	38,250	34,958	29,179
	49,817	70,396	73,376	41,249	41,974	35,011
Current Liabilities						
Trade and other payables	183,306	240,350	116,995	122,709	133,499	171,734
Unclaimed dividend	7,087	6,065	5,913	6,846	5,281	4,835
Current portion of						
- liabilities against assets subject to finance lease	12,365	13,973	5,302	3,747	5,257	2,948
- long term loan	8,790	19,768	8,711	-	-	-
- long term advance	-	-	-	2,580	-	-
- long term deposits	1,053	563	1,457	-	-	-
- long term government grant	91	1,278	1,438	-	-	-
- GIDC Payable	175	581	-	-	-	-
Provision for warranty	2,716	1,889	813	1,354	5,033	4,067
Taxation-net	130,781	-	-	-	-	-
Sales tax payable - net	9,882	-	-	7,046	2,802	-
	356,246	284,467	140,629	144,282	151,872	183,584
TOTAL EQUITY AND LIABILITIES	2,447,833	2,275,759	1,508,659	1,473,550	1,462,836	1,459,680

SIX YEARS AT A GLANCE STATEMENT OF PROFIT OR LOSS

Rupees in '000'

	2022	2021	2020	2019	2018	2017
Turnover - net	2,778,192	1,574,822	912,820	1,587,558	1,882,640	1,533,650
Cost of Sales	(2,166,540)	(1,331,759)	(795,406)	(1,341,776)	(1,612,676)	(1,234,745)
Gross Profit	611,652	243,063	117,414	245,782	269,964	298,905
Distribution Costs	(66,798)	(51,477)	(35,424)	(44,945)	(60,116)	(49,401)
Administration Expenses	(116,612)	(91,246)	(82,148)	(92,595)	(92,075)	(86,344)
Other Expenses	(51,406)	(10,496)	(1,784)	(12,541)	(8,284)	(14,977)
Finance Costs	(3,976)	(4,216)	(2,353)	(6,791)	(1,927)	(1,378)
	(238,792)	(157,435)	(121,709)	(156,872)	(162,402)	(152,100)
Other Income	52,514	55,940	27,990	5,045	180	25,404
Profit before Taxation	425,374	141,568	23,695	93,955	107,742	172,209
Taxation	(217,136)	(40,882)	(4,775)	(22,443)	(19,953)	(45,867)
Profit after Taxation	208,238	100,686	18,920	71,512	87,789	126,342
Earnings per Share (Rupees) - Basic and Diluted	15.62	7.55	1.42	5.36	6.58	9.48

SIGNIFICANT RATIOS AND STATISTICS

	2022	2021	2020	2019	2018	2017
Liquidity & Leverage Ratios:						
-Current Ratios	4.13	4.59	7.72	7.04	6.31	5.90
-Quick Ratios	2.50	3.26	4.50	3.05	2.45	2.77
-Liability as a % of Total Assets	16.59	15.59	14.19	12.59	13.25	14.98
Interest Cover Ratio (Times)	107.99	34.58	11.07	14.84	56.91	125.97
Equity Ratios:						
Break up Value per Share (Rs)	153.12	144.06	97.09	96.59	95.18	93.07
-Dividend as a % of Capital	100.00	45.00	15.00	20.00	30.00	40.00
-Dividend Yield Ratio/ Cost of Equity (%)	13.16	5.70	2.47	3.27	2.77	2.69
-Dividend per Share (Rs)	10.00	4.50	1.50	2.00	3.00	4.00
Profitability Ratios:						
Gross Profit (%)	22.02	15.43	12.86	15.48	14.34	19.49
-Operating Profit (%)	17.30	9.92	3.05	6.34	5.83	11.32
-Profit before Tax (%)	15.31	8.99	2.60	5.92	5.72	11.23
Profit after Tax (%)	7.50	6.39	2.07	4.50	4.66	8.24
-Return on Capital Employed (%)	20.83	7.37	1.83	7.29	8.49	13.88
-Earnings per Share (Rs)	15.62	7.55	1.42	5.36	6.58	9.48
-Price Earning Ratio (Times)	4.87	10.46	42.80	11.41	16.45	15.67
-Dividend Payout Ratio (%)	64.03	59.59	105.71	37.31	45.56	42.19
-Dividend Cover (Times)	1.56	1.68	0.95	2.68	2.19	2.40
-Capital Turnover (Times)	1.36	0.82	0.71	1.23	1.48	1.24
-Return on Assets (%)	8.51	4.42	1.25	4.85	6.00	8.66
Turnover/Efficiency Ratios:						
-Inventory Turnover Ratio (Times)	4.51	3.19	1.55	2.31	2.78	2.27
-Debtor Turnover Ratio (Times)	10.63	8.44	7.22	10.25	14.41	17.72
Fixed Assets Turnover Ratio (Times)	2.88	1.66	2.28	3.53	3.80	4.18
Plant Capacity:						
-Plant Capacity Utilisation (%)	76	44	42	79	96	78
Share Performance:						
-Year end Market Price per Share	76.00	78.99	60.73	61.15	108.21	148.50
High Price per Share during the Year	90.75	92.44	71.89	111.90	160.94	194.00
-Low Price per Share during the Year	62.00	55.20	40.27	61.15	96.00	80.00

HORIZONTAL ANALYSIS STATEMENT OF FINANCIAL POSITION

	2022 Rs. in '000'	2022 Vs. 2021 (%)	2021 Rs. in '000'	2021 Vs. 2020 (%)	2020 Rs. in '000'	2020 Vs. 2019 (%)	2019 Rs. in '000'	2019 Vs. 2018 (%)	2018 Rs. in '000'	2018 Vs. 2017 (%)	2017 Rs. in '000'	2017 Vs. 2016 (%)
ASSETS												
Non Current Assets												
Property, plant & equipment	963,138	1	950,050	129	414,291	(8)	449,581	(9)	494,967	35	367,269	20
Long-term loans & advances	6,138	(1)	6,176	61	3,826	12	3,415	(11)	3,855	(10)	4,275	15
Long-term deposits	7,649	(1)	7,709	74	4,418	(4)	4,607	(20)	5,777	14	5,063	22
	<u>976,925</u>	1	<u>963,935</u>	128	<u>422,535</u>	(8)	<u>457,603</u>	(9)	<u>504,599</u>	34	<u>376,607</u>	20
Current Assets												
Stores, spare parts & loose tools	39,729	5	37,804	(4)	39,345	(23)	50,840	(7)	54,455	(3)	55,930	20
Stock-in-trade	539,764	57	343,671	(17)	413,575	(21)	525,105	(1)	532,188	3	518,874	11
Trade debts	258,317	(2)	264,625	144	108,542	(25)	144,187	(13)	165,572	73	95,781	24
Loans and advances	41,073	28	32,004	96	16,331	3	15,914	(36)	24,805	(24)	32,592	11
Trade deposits and short term prepayments	1,433	158	556	(67)	1,709	(27)	2,347	15	2,049	21	1,694	(41)
Other receivables	792	(97)	29,986	328	7,010	1,526	431	(54)	928	(68)	2,894	48
Short term investments	523,766	(5)	550,573	65	333,906	225	102,827	1,764	5,516	(98)	261,671	(20)
Taxation - net	-	(100)	32,690	(68)	103,518	(28)	129,302	(9)	141,608	83	77,553	100
Sales tax refundable - net	-	(100)	595	100	1,826	100	-	-	-	(100)	8,554	100
Bank balances	66,034	242	19,320	(68)	60,362	34	44,094	45	31,116	13	27,530	(38)
	<u>1,470,908</u>	12	<u>1,311,824</u>	21	<u>1,086,124</u>	7	<u>1,015,947</u>	6	<u>958,237</u>	(12)	<u>1,083,073</u>	6
TOTAL ASSETS	<u>2,447,833</u>	8	<u>2,275,759</u>	51	<u>1,508,659</u>	2	<u>1,473,550</u>	1	<u>1,462,836</u>	0	<u>1,459,680</u>	9
EQUITY AND LIABILITIES												
Share Capital and Reserves												
Authorized Capital												
25,000,000 Ord. shares of Rs. 10/- each	<u>250,000</u>		<u>250,000</u>		<u>250,000</u>		<u>250,000</u>		<u>250,000</u>		<u>250,000</u>	
Share Capital	133,343	-	133,343	-	133,343	-	133,343	-	133,343	-	133,343	-
Revaluation Surplus on land	579,075	8	538,518	100	-	-	-	-	-	-	-	-
Revenue Reserves	<u>1,329,352</u>	6	<u>1,249,035</u>	8	<u>1,161,311</u>	1	<u>1,154,676</u>	2	<u>1,135,647</u>	3	<u>1,107,742</u>	5
	<u>2,041,770</u>	6	<u>1,920,896</u>	48	<u>1,294,654</u>	1	<u>1,288,019</u>	1	<u>1,268,990</u>	2	<u>1,241,085</u>	5
Non Current Liabilities												
Liabilities against assets subject to finance lease	13,949	(41)	23,477	271	6,330	540	989	(81)	5,306	7	4,958	100
Long term loan	-	(100)	10,418	(66)	30,849	(6)	-	-	-	-	-	-
Long term deposits	896	(36)	1,405	43	982	(51)	2,010	18	1,710	96	874	35
Long term Govt Grant	-	(100)	91	(95)	1,923	(6)	-	-	-	-	-	-
GIDC Payable	-	(100)	1,311	100	-	-	-	-	-	-	-	-
Deferred taxation	<u>34,972</u>	4	<u>33,694</u>	1	<u>33,293</u>	(13)	<u>38,250</u>	9	<u>34,958</u>	20	<u>29,179</u>	46
	<u>49,817</u>	(29)	<u>70,396</u>	(4)	<u>73,377</u>	78	<u>41,249</u>	(2)	<u>41,974</u>	20	<u>35,011</u>	70
Current Liabilities												
Trade and other payables	183,306	(24)	240,350	105	116,995	(7)	125,289	(6)	133,499	(22)	171,734	48
Unclaimed dividend	7,087	17	6,065	3	5,913	(14)	6,846	30	5,281	9	4,835	15
Current portion of												
- liabilities against assets subject to finance leases	12,365	(12)	13,973	164	5,302	41	3,747	(29)	5,257	78	2,948	14
- long term loan	8,790	(56)	19,768	127	8,711	(6)	-	-	-	-	-	(100)
- long term deposits	1,053	87	563	(61)	1,457	(6)	-	-	-	-	-	(100)
- long term Government Grant	91	(93)	1,278	(11)	1,438	(6)	-	-	-	-	-	(100)
- GIDC Payable	175	(70)	581	100	-	-	-	-	-	-	-	(100)
Provision for warranty	2,716	44	1,889	132	813	(40)	1,354	(73)	5,033	24	4,067	18
Taxation net	130,781	(6)	-	-	-	-	-	-	-	-	-	(100)
Sales tax payable - net	9,882	(60)	-	-	-	-	7,046	100	2,802	100	-	(100)
	<u>356,246</u>	25	<u>284,467</u>	102	<u>140,629</u>	(3)	<u>144,282</u>	(5)	<u>151,872</u>	(17)	<u>183,584</u>	38
TOTAL EQUITY AND LIABILITIES	<u>2,447,833</u>	8	<u>2,275,759</u>	51	<u>1,508,659</u>	2	<u>1,473,550</u>	1	<u>1,462,836</u>	0	<u>1,459,680</u>	9

HORIZONTAL ANALYSIS STATEMENT OF PROFIT OR LOSS

	2022	2022 Vs. 2021	2021	2021 Vs. 2020	2020	2020 Vs. 2019	2019	2019 Vs. 2018	2018	2018 Vs. 2017	2017	2017 Vs. 2016
	Rs. in '000'	(%)	Rs. in '000'	(%)	Rs. in '000'	(%)	Rs. in '000'	(%)	Rs. in '000'	(%)	Rs. in '000'	(%)
Turnover - net	2,778,192	76	1,574,822	73	912,820	(45)	1,587,558	(16)	1,882,640	23	1,533,650	4
Cost of Sales	(2,166,540)	63	(1,331,759)	67	(795,406)	(41)	(1,341,776)	(17)	(1,612,676)	31	(1,234,745)	12
Gross Profit	611,652	152	243,063	107	117,414	(52)	245,782	(9)	269,964	(10)	298,905	(20)
Administration Expenses	(116,612)	28	(91,246)	11	(82,148)	(11)	(92,676)	1	(92,075)	7	(86,344)	5
Selling and distribution expenses	(66,798)	30	(51,477)	45	(35,424)	(21)	(44,945)	(25)	(60,116)	22	(49,401)	30
Other expenses	(51,406)	390	(10,496)	488	(1,784)	(86)	(12,541)	51	(8,284)	(45)	(14,977)	(28)
Other Income	52,514	(6)	55,940	100	27,990	446	5,126	2,748	180	(99)	25,404	18
	(182,302)	87	(97,279)	6	(91,366)	(37)	(145,036)	(10)	(160,295)	28	(125,318)	7
Operating Profit	429,350		145,784		26,048		100,746		109,669		173,587	
Finance Costs	(3,976)	(6)	(4,216)	79	(2,353)	(65)	(6,791)	252	(1,927)	40	(1,378)	67
Profit before Taxation	425,374	200	141,568	497	23,695	(75)	93,955	(13)	107,742	(37)	172,209	(32)
Taxation	(217,136)	431	(40,882)	756	(4,775)	(79)	(22,443)	12	(19,953)	(56)	(45,867)	(54)
Profit after Taxation	208,238	107	100,686	432	18,920	(74)	71,512	(19)	87,789	(31)	126,342	(18)
Earnings per Share-Basic and Diluted (Rupees)	<u>15.62</u>	107	<u>7.55</u>	432	<u>1.42</u>	(74)	<u>5.36</u>	(19)	<u>6.58</u>	(31)	<u>9.48</u>	(18)

VERTICAL ANALYSIS STATEMENT OF FINANCIAL POSITION

	2022		2021		2020		2019		2018		2017	
	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	963,138	39.3	950,050	41.7	414,291	27.5	449,581	30.5	494,967	33.8	367,269	25.2
Long-term loans & advances	6,138	0.3	6,176	0.3	3,826	0.3	3,415	0.2	3,855	0.3	4,275	0.3
Long-term deposits	7,649	0.3	7,709	0.3	4,418	0.3	4,607	0.3	5,777	0.4	5,063	0.3
	<u>976,925</u>	<u>39.9</u>	<u>963,935</u>	<u>42.4</u>	<u>422,535</u>	<u>28.7</u>	<u>457,603</u>	<u>31.1</u>	<u>504,599</u>	<u>34.5</u>	<u>376,607</u>	<u>25.8</u>
Current Assets												
Stores, spare parts & loose tools	39,729	1.6	37,804	1.7	39,345	2.6	50,840	3.5	54,455	3.7	55,930	3.8
Stock-in-trade	539,764	22.1	343,671	15.1	413,575	27.4	525,105	35.6	532,188	36.4	518,874	35.5
Trade debts	258,317	10.6	264,625	11.6	108,542	7.2	144,187	9.8	165,372	11.3	98,781	6.6
Loans and advances	41,073	1.7	32,004	1.4	16,330	1.1	15,914	1.1	24,805	1.7	32,592	2.2
Trade deposits and short term prepayments	1,433	0.1	556	0.0	1,709	0.1	2,347	0.2	2,049	0.1	1,694	0.1
Other receivables	792	0.0	29,986	1.3	7,010	0.5	431	0.0	928	0.1	2,894	0.2
Short term investments	523,766	21.4	550,573	24.2	333,906	22.1	102,827	7.0	5,516	0.4	261,671	17.9
Taxation - net	-	0.0	32,690	1.4	103,518	6.9	129,302	8.8	141,608	9.7	77,553	5.3
Sales tax refundable - net	-	0.0	595	0.0	1,827	0.1	-	0.0	-	0.0	8,554	0.6
Bank balances	66,034	2.7	19,320	0.8	60,362	4.0	44,994	3.1	31,116	2.1	27,530	1.9
	<u>1,470,908</u>	<u>60.1</u>	<u>1,311,824</u>	<u>57.6</u>	<u>1,086,124</u>	<u>72.0</u>	<u>1,015,947</u>	<u>68.9</u>	<u>958,237</u>	<u>65.5</u>	<u>1,083,073</u>	<u>74.2</u>
TOTAL ASSETS	<u><u>2,447,833</u></u>	<u><u>100.0</u></u>	<u><u>2,275,759</u></u>	<u><u>100.0</u></u>	<u><u>1,508,659</u></u>	<u><u>100.0</u></u>	<u><u>1,473,550</u></u>	<u><u>100.0</u></u>	<u><u>1,462,836</u></u>	<u><u>100.0</u></u>	<u><u>1,459,680</u></u>	<u><u>100.0</u></u>
EQUITY AND LIABILITIES												
Share Capital and Reserves												
Authorised Capital												
25,000,000 Ord. shares of Rs. 10/- each	<u>250,000</u>		<u>250,000</u>		<u>250,000</u>		<u>250,000</u>		<u>250,000</u>		<u>250,000</u>	
Share Capital	133,343	5.4	133,343	5.9	133,343	8.8	133,343	9.0	133,343	9.1	133,343	9.1
Revaluation Surplus on land	579,075	23.7	538,518	23.7	-	0.0	-	0.0	-	0.0	-	0.0
Revenue Reserves	<u>1,329,352</u>	<u>54.3</u>	<u>1,249,035</u>	<u>54.9</u>	<u>1,161,311</u>	<u>77.0</u>	<u>1,154,676</u>	<u>78.4</u>	<u>1,135,647</u>	<u>77.6</u>	<u>1,107,742</u>	<u>75.9</u>
	<u>2,041,770</u>	<u>83.4</u>	<u>1,920,896</u>	<u>84.4</u>	<u>1,294,654</u>	<u>85.8</u>	<u>1,288,019</u>	<u>87.4</u>	<u>1,268,990</u>	<u>86.7</u>	<u>1,241,085</u>	<u>85.0</u>
Non Current Liabilities												
Liabilities against assets subject to finance lease	13,949	0.6	23,477	1.0	6,330	0.4	989	0.1	5,306	0.4	4,958	0.3
Long term loan	-	0.0	10,418	0.5	-	0.0	-	0.0	-	0.0	-	0.0
Long term deposits	896	0.0	1,405	0.1	982	0.1	2,010	0.1	1,710	0.1	874	0.1
Long term Govt Grant	-	0.0	91	0.0	1,923	0.1	-	0.0	-	0.0	-	0.0
GIDC Payable	-	0.0	1,311	0.1	-	0.0	-	0.0	-	0.0	-	0.0
Deferred taxation	<u>34,972</u>	<u>1.4</u>	<u>33,694</u>	<u>1.5</u>	<u>33,293</u>	<u>2.2</u>	<u>38,250</u>	<u>2.6</u>	<u>34,958</u>	<u>2.4</u>	<u>29,179</u>	<u>2.0</u>
	<u>49,817</u>	<u>2.0</u>	<u>70,396</u>	<u>3.1</u>	<u>73,377</u>	<u>4.9</u>	<u>41,249</u>	<u>2.8</u>	<u>41,974</u>	<u>2.9</u>	<u>35,011</u>	<u>2.4</u>
Current Liabilities												
Trade and other payables	183,306	7.5	240,350	10.6	116,995	7.8	125,289	8.5	133,499	9.1	171,734	11.8
Unclaimed dividend	7,087	0.3	6,065	0.3	5,913	0.4	6,846	0.5	5,281	0.4	4,835	0.3
Current portion of												
- liabilities against assets subject to finance lease	12,365	0.5	13,973	0.6	5,302	0.4	3,747	0.3	5,257	0.4	2,948	0.2
- long term loan	8,790	0.4	19,768	0.9	8,711	0.6	-	0.0	-	0.0	-	0.0
- long term deposits	1,053	0.0	563	0.0	1,457	0.1	-	0.0	-	0.0	-	0.0
- long term Govt Grant	91	0.0	1,278	0.1	1,438	0.1	-	0.0	-	0.0	-	0.0
- GIDC Payable	175	0.0	581	0.0	-	0.0	-	0.0	-	0.0	-	0.0
Provision for warranty	2,716	0.1	1,889	0.1	813	0.1	1,354	0.1	5,033	0.3	4,067	0.3
Taxation net	130,781	5.3	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0
Sales tax payable - net	<u>9,882</u>	<u>0.4</u>	<u>-</u>	<u>0.0</u>	<u>-</u>	<u>0.0</u>	<u>7,046</u>	<u>0.5</u>	<u>2,802</u>	<u>0.2</u>	<u>-</u>	<u>0.0</u>
	<u>356,246</u>	<u>14.6</u>	<u>284,467</u>	<u>12.5</u>	<u>140,629</u>	<u>9.3</u>	<u>144,282</u>	<u>9.8</u>	<u>151,872</u>	<u>10.4</u>	<u>183,584</u>	<u>12.6</u>
TOTAL EQUITY AND LIABILITIES	<u><u>2,447,833</u></u>	<u><u>100.0</u></u>	<u><u>2,275,759</u></u>	<u><u>100.0</u></u>	<u><u>1,508,659</u></u>	<u><u>100.0</u></u>	<u><u>1,473,550</u></u>	<u><u>100.0</u></u>	<u><u>1,462,836</u></u>	<u><u>100.0</u></u>	<u><u>1,459,680</u></u>	<u><u>100.0</u></u>

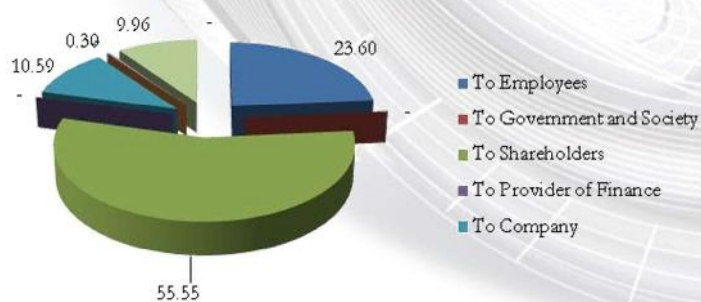
VERTICAL ANALYSIS STATEMENT OF PROFIT OR LOSS

	2022		2021		2020		2019		2018		2017	
	Rs. in '000'	%	Rs. in '000'	%	Rs. in '000'	%	Rs. in '000'	%	Rs. in '000'	%	Rs. in '000'	%
Turnover - net	2,778,192	100	1,574,822	100	912,820	100	1,587,558	100	1,882,640	100	1,533,650	100
Cost of Sales	(2,166,540)	(77.98)	(1,331,759)	(84.57)	(795,406)	(87.14)	(1,341,776)	(84.52)	(1,612,676)	(85.66)	(1,234,745)	(80.51)
Gross Profit	611,652	22.02	243,063	15.43	117,414	12.86	245,782	15.48	269,964	14.34	298,905	19.49
Administration expenses	(116,612)	(4.20)	(91,246)	(5.79)	(82,148)	(9.00)	(92,676)	(5.84)	(92,075)	(4.89)	(86,344)	(5.63)
Selling and distribution expenses	(66,798)	(2.40)	(51,477)	(3.27)	(35,424)	(3.88)	(44,945)	(2.83)	(60,116)	(3.19)	(49,401)	(3.22)
Other expenses	(51,406)	(1.85)	(10,496)	(0.67)	(1,784)	(0.20)	(12,541)	(0.79)	(8,284)	(0.44)	(14,977)	(0.98)
Other Income	52,514	1.89	55,940	3.55	27,990	3.07	5,126	0.32	180	0.01	25,404	1.66
	(182,302)		(97,279)		(91,366)		(145,036)		(160,295)		(125,318)	
Operating Profit	429,350	15.45	145,784	5.25	26,048	0.94	100,746	3.63	109,669	3.95	173,587	6.25
Finance Cost	(3,976)	(0.14)	(4,216)	(0.27)	(2,353)	(0.26)	(6,791)	(0.43)	(1,927)	(0.10)	(1,378)	(0.09)
Profit before Taxation	425,374	15.31	141,568	8.99	23,695	2.60	93,955	5.92	107,742	5.72	172,209	11.23
Taxation	(217,136)	(7.82)	(40,882)	(2.60)	(4,775)	(0.52)	(22,443)	(1.41)	(19,953)	(1.06)	(45,867)	(2.99)
Profit after Taxation	208,238	7.50	100,686	6.39	18,920	2.07	71,512	4.50	87,789	4.66	126,342	8.24

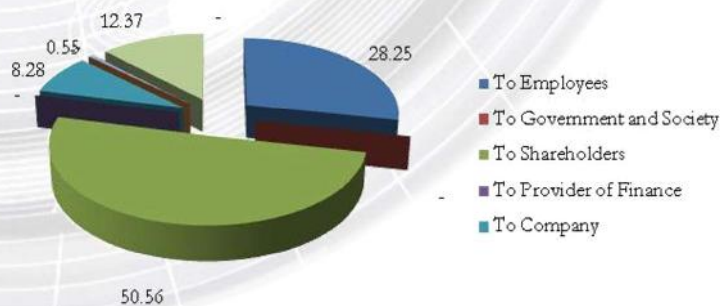
STATEMENT OF VALUE ADDITION AND ITS DISTRIBUTION

Statement of Value Addition and its Distribution	2022		2021	
	(Rupees in '000')	%	(Rupees in '000')	%
Wealth Generated				
Total gross revenue and other income	3,302,294		1,953,316	
Brought in materials and services	2,042,584		1,228,719	
	<u>1,259,710</u>	100.00	<u>724,597</u>	100.00
Wealth distribution to stakeholders				
To Employees				
Salaries and wages including retirement benefits	297,323	23.60	204,694	28.25
To Government and Society				
Income Tax, Sales Tax, FED and WWF	699,737	55.55	366,325	50.56
To Shareholders				
Dividend	133,343	10.59	60,004	8.28
To providers of Finance				
Financial charges for borrowed funds	3,795	0.30	3,960	0.55
To Company				
Retained Profits, Dep and Amortizatin	125,513	9.96	89,614	12.37
	<u>1,259,710</u>	100.00	<u>724,597</u>	100.00

Wealth distribution to stakeholders
2022



Wealth distribution to stakeholders
2021



REVIEW REPORT BY THE CHAIRMAN ON THE OVERALL PERFORMANCE OF BOARD AND EFFECTIVENESS OF THE ROLE PLAYED BY THE BOARD IN ACHIEVING THE COMPANY'S OBJECTIVES:

The Board of Directors (the Board) of Baluchistan Wheels Limited (BWL) has performed their duties diligently in upholding the best interest of shareholders' of the Company and has managed the affairs of the Company in an effective and efficient manner. The Board has exercised its powers and has performed its duties as stated in the Companies Act, 2017 (previously Companies Ordinance 1984), the Listed Companies Corporate Governance Regulations 2019 (the Code) and the Rule Book of the Pakistan Stock Exchange (the Rule Book) where the Company is listed.

The Board during the year ended 30 June 2022 played an effective role in managing the affairs of the Company and achieving its objectives in the following manner;

- The Board has ensured that there is adequate representation of non-executive, independent and female directors on the Board and its committees as required under the Code and that members of the Board and its respective committees have adequate skill, experience and knowledge to manage the affairs of the Company;
- The Board has formed an Audit Committee and Human Resource and Remuneration Committee and has approved their respective terms of references and has assigned adequate resources so that the committees perform their responsibilities diligently;
- The Board has developed and put in place the rigorous mechanism for an annual evaluation of its own performance and that of its committees and individual directors. The findings of the annual evaluation are assessed and re-evaluated by the Board periodically;
- The Board has ensured that the directors are provided with orientation courses to enable them to perform their duties in an effective manner and that the five directors of the Company have certification under Directors Training Program and two directors of the Company have the exemption from the requirements of the Directors' Training Program;
- The Board has ensured that the meetings of the Board and that of its Committees were held with the requisite quorum, all the decision making were taken through Board resolution and that the minutes of all the meetings (including committees) are appropriately recorded and maintained;
- The Board has developed a code of conduct setting forth the professional standards and corporate values adhered through the Company and has developed significant policies for smooth functioning;

- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process;
- All the related party transactions executed by the Company were approved by the Board on the recommendation of the Audit Committee;
- The Board has ensured that the adequate system of internal control is in place and its regular assessment through self-assessment mechanism and /or internal audit activities;
- The Board has prepared and approved the director's report and has ensured that the directors' report is published with the quarterly and annual financial statements of the Company and the content of the directors' report are in accordance with the requirement of applicable laws and regulations;
- The Board has ensured the hiring, evaluation and compensation of the Chief Executive and other key executives including Chief Financial Officer, Company Secretary, and Head of Internal Audit;
- The Board has ensured that adequate information is shared among its members in a timely manner and the Board members are kept abreast of developments between meetings; and
- The Board has exercised its powers in light of the power assigned to the Board in accordance with the relevant laws and regulation applicable on the Company and the Board has always prioritized the Compliance with all the applicable laws and regulation in terms of their conduct as directors and exercising their powers and decision making.

The evaluation of the Board's performance is assessed based on those key areas where the Board requires clarity in order to provide high level oversight, including the strategic process; key business drivers and performing milestones, the global economic environment and competitive context in which the Company operates; the risk faced by the Company's business; Board dynamics; capability and information flows.

Based on the aforementioned, it can reasonably be stated that the Board of BWL has played a key role in ensuring that the Company objectives are not only achieved, but also exceeded expectations through a joint effort with the management team and guidance and oversight by the Board and its members.



ANIS WAHAB ZUBERI

Chairman

August 31, 2022

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, 2022.

BUSINESS REVIEW

Over all at the national level, the production of Passenger Cars increased by 49% with the total production of 226,433 units in the financial year (FY) 2022 as compared to 151,182 units in FY 2021. Likewise, 44,421 units of LCVs, Vans and Jeeps were produced in the FY 2022, as against the production of 31,072 units in the FY 2021, showing an increase of 43% over the last year. In the same manner, 6,320 trucks/buses were produced in the FY 2022 as against 4,378 trucks/buses in the FY 2021, showing an increase of 44%. The production of tractors also increased to 58,880 units in the FY 2022, compared to 50,751 units in the previous year, showing an increase of 16%.

The entire Auto Sector showed an improved performance during the FY 2022, due to increasing demand for Autos and rapid economic recovery. The car assemblers enjoyed a big recovery of 55% in the Financial Year 2021-2022, due to an impressive increase in the purchasing power of the auto-consumers.

During the financial year 2021-2022 the company had overall consolidated revenue of Rs.2,778.192 million as compared to Rs.1,574.822 million which is 76% higher than the previous year. The car wheels sale was Rs. 1,403.692 million as compared to Rs. 667.698 million in the previous year increased significantly by 110%. The Truck / Bus wheels sale was Rs. 229.197 million as compared to Rs. 171.341 million in the previous year increased by 34%. Similarly, the Tractor wheels sale was also increased to Rs. 993.229 million as compared to Rs. 644.443 million in the previous year increased by 54%.

FINANCIAL RESULTS

The increase in turnover of 76% is due to the increase in sales of all segments i.e. Car, Truck / Bus and Tractor wheel which increased by 110%, 34% & 54% respectively. The Cost of Sales was Rs. 2,166,540 million during the year under review as against Rs. 1,331.759 million, last year. The gross profit increased by 153% to Rs. 611.652 million against Rs. 243.063 million last year. Similarly, the company earned profit after taxation of Rs. 208.238 million as compared to Rs. 100.686 million in the previous year, increased by 107%.

The main reason for increase in Gross Profit and Profit after Taxation is due to the higher demand of wheels in all segments which is due to the robust sales in the Auto Sector during the year under review as the assemblers are cashing in on the strong demand backlog and improvement in supply chain.

The comparative financial results for the year 2022 as against the year 2021 are as follows:

	2022	2021
	(Rs. in '000)	
Turnover-net	2,778,192	1,574,822
Gross Profit	611,652	243,063
Profit before Taxation	425,374	141,568
Profit after Taxation	208,238	100,686
Earnings per Share (Rs.)	15.62	7.55

EARNINGS PER SHARE

Based on the net profit for the current year, the earnings per share is **Rs. 15.62**(2021: Rs. 7.55)

DIVIDEND

The Board of Directors have approved final cash dividend of Rs. 4.75 per share (47.50%) for the year ended June 30, 2022 amounting Rs. 63.338 million (2021: Rs.4.50 per share 45% amounting Rs.60.004 million). This is an addition to the interim cash dividend of Rs. 5.25 per share (52.50%) already declared and paid to the shareholders thus making a total of Rs. 10.00 per share cash dividend (100%) for the financial year 2021-2022.

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, 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 CBA Labour Union. The management is also regularly paying bonus to all the employees. WPPF as well as Eid advance are also being paid to the workers. The Company also gives workers social security and EOBI pension benefit / facilities.

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, goggles etc. during performance of their duties. Fire fighting system has been installed to cope with any mishap and full time safety officer is employed for this job. In house Fire Fighting and safety training and exercises are carried out regularly.

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 football team. Every year picnic arranged for Officers and workers.

Protection of environment is of prime concern, every measure is being taken to preserve nature and to maintain clean environment at workplaces. Green environment is maintained by planting trees and grass all around the factory. BWL fully discourages the use of substance of concern and ensure that all the products& material procured and products manufactured are free from hazardous material.

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 carry out audit and set targets to achieve continuous improvement.

The company has obtained International Certification ISO-14001 of environment to meet the International Environment Standards and has been recertified by the International Agency.

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 is made and implemented and production and operations are planned in such a manner that only essential plant are operated in electricity peak hours.

UPGRADATION OF PLANT & PROCESS

The company is producing wheels as per International Standards, and to meet the customer's product specification and quality requirements it is necessary that plant and machinery and process 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.

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.

This year following machines are refurbished/overhauled in house.

1500 Ton Hydraulic Press.

Complete overhauling/refurbishment of 1500 Ton hydraulic press has been done successfully in house. In this respect we dismantled all major & minor assemblies of the press i.e. main pump, Dampers, top ejector, cushion, lubrication system, return cylinders, loading module, lowering module, pilot pump & completely drained oil, cleaned oil tank, refill new hydraulic oil. After complete overhauling & serviced all the assemblies fitted back & we operationalized the press. Here it is mentioned that previously this press was limited to only one product but after refurbishing the press we are able to use this press for other products specially TBD 14mm thickness discs. In this press we only outsource dampers for hard chroming & machining work of its piston & housing.

HD Circling Machine.

Overhauling/refurbishment of the subject machine have been successfully done in house. In this particular case we dismantled the machine completely taken out the rollers of machine, done machining of rollers, replaced worn out bearings & serviced all the adjustment jacks. After machining of rollers and replacement of bearings reassembled the machine and rollers were fitted back and adjusted them accordingly. After overhauling machine efficiency is enhanced considerably. Here it is mention that this machine is overhauled by our engineers first time in house because in 2018 the Chinese Engineers were came to factory for its overhauling and refurbishment work and at that time we were work together with them. In this regard maintenance department has done a great job because this machine is very complicated and typical type machine and need special attention during maintenance.

1000 Ton Henry Berry Hydraulic Press

Complete overhauling /refurbishment of the subject press has been done successfully in house this year. Previously this press was limited to work under 500 Ton pressure and because of this bottle neck we are unable to make discs of 12mm or more thickness material feasibly. Considering this we start working on this press In this respect we add one more pump of 90 KW capacity, removed oil leakages, serviced and checked all the modules, solenoid valves, Prefill valve, replaced filters and adjusted desired pressures. After removing all these bottle necks we are now able to produced TBD Discs up to 14mm thickness materials.

RESEARCH & DEVELOPMENT & QUALITY CONTROL

The Research and Development (R&D) Department is constantly engage to support the development of new products and production as per customer's satisfaction and international standards. Over the year the R&D facilities have grown and our Design Office is now capable of computer added designing of products, tool & dies, jigs and fixtures and FEA / Computer analysis of design for confirmation and 3D model development.

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 and also support in repair and manufacturing of Machineries spares etc.

process, reduce down time and rejections by analyzing and supporting for addition of latest equipment, machineries and tooling etc.

Wheel being a critical and safety part requiring very stringent dimensional control are 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 equipment's, tool and instruments to control the process and to monitor the quality of wheels. The instruments / gauges, quality checking equipment's are regularly up graded and calibrated to ensure its precision and accuracy so that products are produce as per customer quality requirement and this is also supplemented by the experienced and trained manpower.

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. \$14.62million foreign exchange reserves on account of supply of wheels to the OEM's and contributed to national exchequer by paying income tax, sales tax and other indirect taxes to the tune of Rs.527 million (approx.). Besides, it is also providing employment opportunities to the local people residing in Hub and other adjoining areas.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Board of Directors and the Company remain committed to the principles of good corporate management practice with emphasis on transparency and disclosures. The Board and management are cognizant to their responsibilities and monitor the Company's operations and performance to enhance the accuracy, comprehensiveness and transparency of financial and non-financial information.

In Compliance with the provisions of the Listing Regulations of the Pakistan Stock Exchange the Board Members / Directors 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 controls 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 is given in this report.

Government Taxes

Outstanding Taxes were Rs. 140.663 million as disclosed in the Financial Statements.

Investment of Employees Retirement Funds

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

	June 22(un-audited)
- Executive Provident Fund	Rs.139.258 million
- Non-Executive Provident Fund	Rs. 47.999 million
- Gratuity Fund	Rs.88.698 million

Election of Directors

The new Board of Directors was constituted as a result of election of directors held on May 24, 2022 and accordingly its committees were reconstituted. The new Board comprises Nine (9) directors which include four (4) independent directors, two (2) non-executive directors and three (3) executive directors. The independent directors had been chosen from the data bank maintained by the Pakistan Institute of Corporate Governance (PICG) in terms of Section 166 (1) of the Companies Act, 2017. Furthermore, the independent directors met the justification and selection criteria, as per the requirement of Section 166 (3) of the Companies Act, 2017, and they have been elected in the same manner as other directors in terms of section 159 of the Companies Act, 2017.

Composition of the Board

In line with the requirements of the CCG, the Company encourages representation of independent and non-executive directors, as well as gender diversity on its Board.

The current composition of the Board is as follows:

Total number of Directors:	
Total Number of Directors : 9 including	
(a) Male	: 8
(a) Female	: 1

Composition of the Board:	
(a) Independent Directors:	4
(a) Non-executive Directors:	2
(a) Executive Directors:	3

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	4
2	Mr. Razak H.M. Bengali	5
3	Mr. Muhammad Siddique Misri	5
4	Mr. Muhammad Irfan Ghani	4
5	Mr. Anis Wahab Zuberi	5
6	Mr. Aamir Amin	5
7	Mr. Muhammad Javed	5
8	Mr. Irfan Ahmed Qureshi	5
9	Mrs. Saba Nadeem	5
10	Syed Zubair Ahmed Shah (w.e.f 25.05.2022)	1

The leave of absence was granted to the member 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	Mr. Irfan Ahmed Qureshi	4
3	Mr. Aamir Amin	4
4	Mrs. Saba Nadeem	4

Human Resource & Remuneration Committee

During the year a 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	Mr. Muhammad Javed	1
2	Mr. Muhammad Irfan Ghani	1
3	Mr. Anis Wahab Zuberi	1
4	Syed Haroon Rashid	1

Directors' Remuneration

Directors Fee is paid in line with Board approval and the Company is in the process of finalizing a formal policy in this regard in accordance with the Companies Act, 2017 and the CCG.

Board Evaluation

During the year, the Board has undertaken a formal process of evaluation of its performance. The overall performance of the Board measured on the defined parameters for the year was satisfactory.

Directors' Training

The Board ensured the compliance of the requirement of Code of Corporate Governance in respect of Directors' training program of the Board members. The Company stands complied with the requirement of the Board Directors Training Program (DTP) certified as prescribed under the sub clause 1 of regulation no. 19 of the Listed Companies (Code of Corporate Governance) Regulations 2019. Currently five directors of the Company have certification under Directors Training Program and two directors of the Company have the exemption from the requirements of the Directors' Training Program. The remaining directors shall obtain certification under the DTP in due course of time.

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

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 Listed Companies (Code of Corporate Governance) Regulations, 2019. A statement to this effect is annexed with this report.

Pattern of Shareholding

The total number of Company's shareholders as at June 30, 2022 was 1,302 as against 1,321 on June 30, 2021. The pattern of shareholding as at June 30, 2022 and its disclosure is included in this annual report.

The highest and lowest market prices of the Company's shares during 2021-2022 were as follows:

Highest	October 27, 2021	PKR 90.75
Lowest	March 31, 2022	PKR 62.00

Trading in Shares of the Company by Directors and Executives

During the year ended June 30, 2022, the directors, executives and their spouses and minor children have not traded in the shares of the Company.

Appointment of Auditors

The present Auditors **M/s. BDO Ebrahim & Co., Chartered Accountants**, retire and being eligible offered themselves for re-appointment. The Audit Committee has recommended for their re-appointment for the year ending June 30, 2023. The Directors endorse recommendation of Audit Committee.

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 conscientiousness 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. 30.1 in the financial statements for the year ended June 30, 2022.

On January 06, 2022, the Honorable Banking Court No. III Karachi, dismissed the Suit # 53 of 2017 in Company's favour, but the NBP has filed 1st Appeal # 34 of 2022 in the Honorable High Court of Sindh against this order and the appeal is pending till date.

The management, based on the advice of its legal advisor is hopeful that the case will be decided in favour of the Company (BWL). Accordingly, no provision has been made in these financial statements in respect of the above matter.

FUTURE OUTLOOK

The demand for Autos remained upbeat and the auto sector posted a robust performance during the previous financial year (July, 2021 - June, 2022).

However the auto industry fears massive drop in sales volume in the year 2022 - 23, in view of the recent price hikes announced by the auto-makers amid continuous devaluation of PKR against US Dollar, curbs on auto financing to compress demand, high interest rates, high sea freights, soaring fuel prices (petrol and diesel), SBP restrictions on OEM for opening of L/Cs for import of parts and accessories and the new taxes imposed from July 01, 2022. All these factors are putting pressures on gross margin in the auto sector during the current financial year 2022-23.

The management being conscious of the challenges that lie ahead, is continuously evolving strategies and adopting measures to meet future challenges and to maintain business growth.

ACKNOWLEDGEMENT

We take this opportunity to thank our customers and all the stakeholders who 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



Muhammad Siddique Misri
Director

Karachi: August 31, 2022

اللہ تعالیٰ ہمیں برکت دے اور خصوصاً ہمیں اور ہمارے تمام اسٹیک ہولڈرز کو اور عموماً پورے ملک کو ترقی اور کامیابی عطا فرمائے (آمین)۔

بورڈ آف ڈائریکٹرز کی جانب سے



جناب محمد صدیق مصری
ڈائریکٹر



جناب رزاق علی ایم بنگالی
چیف ایگزیکٹو
کراچی: اگست 31، 2022

آڈیٹرز کا تقرر:-

کمپنی کے سبکدوش ہونے والے آڈیٹرز میسرز بی ڈی او ابراہیم اینڈ کمپنی (BDO Ebrahim & Co. Chartered Accountants) چارٹرڈ اکاؤنٹنٹس نے اہلیت کی بنیاد پر خود کو 30 جون 2023 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۔

اخلاقیات اور کاروباری طریقوں کا بیان:-

بورڈ باقاعدگی 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 پہیہ بنانے والی کمپنی کے طور پر اعلیٰ اخلاقی معیار کاروبار کی 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 نوٹ نمبر 30.1 میں دی گئی ہے

06 جنوری 2022 کو، معزز بینکنگ کورٹ III کراچی نے مقدمہ نمبر 2017/53 کا فیصلہ کمپنی کے حق میں کر دیا جس کے خلاف NBP نے 1st اپریل نمبر 34/2022، معزز سندھ ہائی کورٹ میں کردی ہے جو کہ ابھی تک زیر سماعت ہے

آپ کی کمپنی کی انتظامیہ اور وکلاء پر امید ہیں کہ اس مقدمے کا نتیجہ ہمارے حق میں آئے گا۔

مستقبل کے خدو خال:-

آٹوز کی مانگ پر جوش رہی اور آٹو سیکٹر نے مالی سال (جولائی، 2021 - جون، 2022) کے دوران ایک مضبوط کارکردگی دکھائی۔ تاہم آٹو انڈسٹری کو سال 2022-23 میں فروخت کے حجم میں بڑے پیمانے پر کمی کا خدشہ ہے، امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں مسلسل کمی کی وجہ سے آٹو ساز اداروں کی جانب سے اعلان کردہ قیمتوں میں حالیہ اضافے، طلب کو کم کرنے کے لیے آٹو فنانسنگ پر پابندی، اونچی شرح سود کے پیش نظر، سمندری مال بردار جہاز کے کرایوں میں اضافہ، ایندھن کی بڑھتی ہوئی قیمتیں (پٹرول اور ڈیزل)، پرزہ جات اور لوازمات کی درآمد کے لیے L/Cs کھولنے کے لیے OEM پر SBP کی پابندیاں اور 01 جولائی 2022 سے نئے ٹیکس کا نفاذ العمل ہونا ہے یہ تمام عوامل موجودہ مالی سال 2022-23 میں آٹو سیکٹر کے مجموعی مارجن پر دباؤ ڈال رہے ہیں۔ انتظامیہ آگے آنے والے چیلنجوں سے باشعور ہے، مسلسل حکمت عملی تیار کر رہی ہے اور مستقبل کے چیلنجوں سے نمٹنے اور کاروبار کی ترقی کو برقرار رکھنے کے لیے اقدامات کر رہی ہے۔

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 وہیلرز لمیٹڈ کی ٹیم کی کوششوں اور مسلسل حمایت کرنے کا شکریہ ادا کرتے ہیں۔

انسانی وسائل اور معاوضے کی کمیٹی کا جلسہ:-

نمبر شمار	ڈائریکٹر کا نام	شرکت کردہ جلسے کی تعداد
1.	جناب محمد جاوید	01
2.	جناب محمد عرفان غنی	01
3.	جناب انیس وہاب زبیری	01
4.	سید ہارون رشید	01

ڈائریکٹرز کا معاوضہ:-

بورڈ کی منظوری کے مطابق ڈائریکٹرز کو معاوضہ ادا کیا جاتا ہے اور کمپنی، کمپنیز ایکٹ، 2017 اور سی سی جی کے مطابق اس سلسلے میں ایک روایتی پالیسی کو حتمی شکل دینے کے عمل میں ہے۔

بورڈ کی تشخیص:-

رواں سال کے دوران، بورڈ نے اپنی کارکردگی کا جائزہ لینے کے لیے ایک رسمی عمل کیا۔ بورڈ کی مجموعی کارکردگی سال کیلئے متعین کردہ پیرامیٹرز پر تسلی بخش تھی۔

ڈائریکٹروں کی تربیت:-

کمپنی ڈائریکٹرز ٹریننگ پروگرام سرٹیفیکیشن کی ریگولیشن نمبر 19 کی ذیلی شق 1 کے قوانین کے مطابق عمل کر رہی ہے۔ اب تک پانچ ڈائریکٹرز یہ سرٹیفیکٹ حاصل کر چکے ہیں اور اس کے علاوہ دو ڈائریکٹرز اس پروگرام سے مستثنیٰ ہیں۔ باقی ماندہ ڈائریکٹرز آنے والے سالوں میں ڈائریکٹرز ٹریننگ پروگرام میں شرکت کریں گے۔

لسٹڈ کمپنیز کے ضابطہ اخلاق کی تعمیل-2019 (کوڈ آف کارپوریٹ گورننس):-

کوڈ آف کارپوریٹ گورننس کے ضابطہ اخلاق سے کوئی مادی انحراف نہیں کیا گیا ہے اور کمپنی نے لسٹنگ ریگولیشنز-2019 (کوڈ آف کارپوریٹ گورننس) کے مطابق پوری طرح سے عمل درآمد کیا ہے اس سلسلے میں ایک اسٹیٹمنٹ اس رپورٹ کے ساتھ منسلک ہے۔

شیر ہولڈنگ کا پٹرن:-

30 جون 2022 کو کمپنی کے حصص داروں کی کل تعداد 1,302 تھی جبکہ 30 جون 2021 کو 1,321 تھی۔ 30 جون 2022 کو ختم شدہ مالی سال کے لیے حصص داروں کا پٹرن اور اس کی تفصیل جو کہ کوڈ آف کارپوریٹ گورننس کے مطابق درکار ہے اس رپورٹ کے ساتھ منسلک ہے۔

2021-2022 کے دوران کمپنی کے حصص کی زیادہ سے زیادہ اور کم سے کم کاروباری قیمتیں مندرجہ ذیل ہیں:

127 اکتوبر 2021	زیادہ سے زیادہ	PKR 90.75
31 مارچ 2022	کم سے کم	PKR 62.00

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

30 جون 2022 کو ختم ہونے والے مالی سال کے دوران، ڈائریکٹرز، ایگزیکٹوز اور نابالغ بچوں نے کمپنی کے حصص میں کوئی لین دین نہیں کیا ہے۔

ڈائریکٹرز کی کل تعداد 9 ہے جن میں 8 مرد اور 1 خاتون ڈائریکٹرز شامل ہیں۔
بورڈ کی ساخت:

- 04 - (الف) آزاد ڈائریکٹر
- 02 - (ب) نان ایگزیکٹو ڈائریکٹر
- 03 - (ج) ایگزیکٹو ڈائریکٹر

بورڈ اہم انتظامی معاملات کی فیصلہ سازی کے لیے ذمہ دار ہے۔ اس میں اہم کاروباری امور پر عمل درآمد اور قانون کی جانب سے مقرر کردہ معاملات بھی شامل ہیں۔ یہ فیصلہ سازی طے کردہ معیار، خطرات کا اندازہ اور ان معاملات کو مد نظر 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۔

نمبر شمار	ڈائریکٹر کا نام	شرکت کردہ اجلاس کی تعداد
.1	سید ہارون رشید	04
.2	جناب رزاق ایچ ایم بنگالی	05
.3	جناب محمد صدیق مصری	05
.4	جناب محمد عرفان غنی	04
.5	جناب انیس وہاب زبیری	05
.6	جناب عامر امین	05
.7	جناب محمد جاوید	05
.8	جناب عرفان احمد قریشی	05
.9	محترمہ صبا عنیدیم	05
.10	سید زبیر احمد شاہ	01

(w.e.f May 25, 2022)

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۔

نمبر شمار	ڈائریکٹر کا نام	شرکت کردہ اجلاس کی تعداد
.1	جناب انیس وہاب زبیری	04
.2	جناب عرفان احمد قریشی	04
.3	جناب عامر امین	04
.4	محترمہ صبا عنیدیم	04

- ۳۔ مناسب حسابداری کے اصول تسلسل سے مالیاتی حسابات بنانے میں استعمال ہوتے ہیں اور گوشوارے ہمیشہ انتہائی منطقی اور محتاط اندازوں پر مشتمل ہوتے ہیں۔
- ۴۔ پاکستان میں لاگو "انٹرنیشنل فنانشل رپورٹنگ سٹینڈرڈز" کو مالیاتی گوشواروں کی تیاری کے لیے بروئے کار لایا جاتا ہے۔
- ۵۔ اندرونی کنٹرول کا نظام مضبوط بنیادوں پر استوار ہے اور موثر طریقے سے رو بہ عمل ہے جس کی مسلسل نگرانی بھی کی جاتی ہے۔
- ۶۔ کمپنی کے قائم نہ رہنے کے حوالے سے کسی بھی قسم کا کوئی خدشہ نہیں پایا جاتا۔

کلیدی آپریٹنگ اور مالیاتی اعداد و شمار۔

گزشتہ چھ سال کی کلیدی آپریٹنگ اور مالیاتی اعداد و شمار فنانشل اسٹیٹمنٹس سالانہ رپورٹ میں موجود ہیں۔

گورنمنٹ محصولات۔

گورنمنٹ کے بقایا جات محصولات کی مد میں 140.663 ملین 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۔

۲۰۲۲ جون (غیر آڈٹ شدہ)

ایگزیکٹو پروویڈنٹ فنڈ۔	139.258	ملین روپے
نان ایگزیکٹو پروویڈنٹ فنڈ۔	47.999	ملین روپے
گریجویٹ فنڈ۔	88.698	ملین روپے

ڈائریکٹرز کا انتخاب:-

24 مئی ۲۰۲۲ کو ہونے والے ڈائریکٹرز کے انتخابات کے نتیجے میں نئے بورڈ آف ڈائریکٹرز اور کمیٹیوں کی تشکیل نو کی گئی۔ نیا بورڈ (9) ڈائریکٹرز پر مشتمل ہے جس میں چار (4) آزاد ڈائریکٹرز، دو (2) نان ایگزیکٹو ڈائریکٹرز اور تین (3) ایگزیکٹو ڈائریکٹرز شامل ہیں۔ آزاد ڈائریکٹرز کا انتخاب کمپنیز ایکٹ 2017 کے سیکشن (1) 166 کو مد نظر رکھتے ہوئے پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس (پی آئی سی جی) کے زیر انتظام ڈیٹا بینک سے کیا گیا۔ مزید برآں، آزاد ڈائریکٹرز کمپنیز ایکٹ 2017 کے سیکشن (1) 166 کے جواز اور انتخابات کے معیار پر پورے اترتے ہیں اور وہ بھی دوسرے ڈائریکٹرز کی طرح سیکشن 159 کے تحت ہی منتخب ہوئے ہیں۔

بورڈ کی تشکیل:-

کمپنی اپنے بورڈ میں کوڈ آف کارپوریٹ گورننس کی ضروریات کے مطابق آزاد، نان ایگزیکٹو ڈائریکٹرز اور مردوں کے ساتھ ساتھ عورتوں کی بورڈ میں شمولیت کی بھی حوصلہ افزائی کرتی ہے۔

بورڈ کی موجودہ ساخت مندرجہ ذیل ہے:

ڈائریکٹرز کی کل تعداد:

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 فلچر ز اور FEA تجزیہ کی صلاحیتوں پر مشتمل ہے۔

ریسرچ اینڈ ڈویلپمنٹ محکمہ کے پاس 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، فلچر، 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 کرنے کے ساتھ ساتھ مسلسل پروسس کو بہتر بنانے اور ڈاؤن ٹائم کو کم کرنے میں کوشاں ہے۔

پہلے 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 پہلے 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 پہلے کے معیار کو جانچنے کے کام آتا ہے اور ان آلات کی درستگی کے لیے وقتاً فوقتاً کیلیبریشن کی جاتی ہے، تاکہ مصنوعات کی پیداوار گاہ کی ضروریات کے مطابق ہوں اور یہ تجربہ کار اور تربیت یافتہ افرادی قوت سے بھی منسلک 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 وینڈنگ انڈسٹری ہے۔ زیر بحث مالی سال کے دوران آپ کی کمپنی نے OEM's کو سپورٹ کی فراہمی سے تقریباً 14.62 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 مدد میں تقریباً 527 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:-

کمپنی اور بورڈ آف ڈائریکٹرز بہترین کارپوریٹ گورننس کے اصولوں پر عمل کرنے پر یقین رکھتے ہیں اور اس کے لیے شفافیت اور افشائے حقائق پر زور دیتا ہے۔ بورڈ اور انتظامیہ اپنی ذمہ داریوں سے پوری طرح آگاہ ہیں اور اس امر کے لیے کوشاں ہیں کہ کمپنی کی سرگرمیوں اور کارکردگی کو اس طرح سے فروغ دیں کہ مالی وغیرہ مالی معاملات سے متعلق تمام

معلومات کو مکمل درستگی، جامعیت اور شفافیت کے ساتھ مرتب اور پیش کیا جائے۔

کمپنی پوری طرح "ضابطہ برائے کاروباری نظم و نسق" پر عمل پیرا ہے، اور قواعد و ضوابط کے مطابق درج ذیل مخصوص نکات پیش ہیں۔

۱۔ انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے تمام معاملات کو واضح طور پر پیش کرتے ہیں جیسے سرگرمیوں کے نتائج، رقم کی آمد و رفت اور کاروباری سرمائے میں ہونے والی تبدیلیاں۔

۲۔ کمپنی کے حسابداری کے باقاعدہ کھاتے مرتب کیے جاتے ہیں۔

ماحول کی حفاظت کا خاص خیال رکھا جاتا ہے اور ہر ممکن تدابیر کی جاتیں ہیں تاکہ کام کی جگہ کا ماحول صاف ستھرا رہے۔ ماحول کو سبز اور ہرا بھرا رکھنے کیلئے پوری فیکٹری کے گرد پودے اور درخت لگائے گئے ہیں۔ ہم تشویشناک مادہ کے استعمال کی مکمل حوصلہ شکنی کرتے ہیں اور اس بات کو یقینی بناتے ہیں کہ تیار کردہ اور خریدی ہوئی تمام مصنوعات خطرناک مواد سے پاک ہو۔

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۔

توانائی کی بچت:-

توانائی 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 تاکہ ان گھنٹوں میں جن میں بجلی مہنگی پڑتی ہے صرف وہ مشینیں چالائی جن کی آشد ضرورت ہو۔

پلانٹ اور مشینری کا اپ گریڈیشن:-

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 ہو اور اچھی حالت میں رہیں تاکہ ہم اطمینان بخش طریقے سے کام کر سکیں اور مشین اور آلات بھی زیادہ عرصے تک کام کر سکیں۔ اس سال مندرجہ ذیل مشینوں کو اپ گریڈ / اور ہال کیا گیا ہے۔

1500 ٹن ہائیڈرو لک پریس:-

اپنے طور پر خود ہی ٹن ہائیڈرو لک پریس کی مکمل اور ہالنگ / ری فریشمنٹ کا میابی کے ساتھ کی گئی اس سلسلے میں ہم نے پریس کی تمام بڑی اور چھوٹی اسمبلیوں کو کھول دیا یعنی مین پمپ، ڈیپریز، ٹاپ ایجنکٹر، کشن، چکنا کرنے کا نظام، ریٹرن سلنڈر، لوڈنگ ماڈیول، لوڈنگ ماڈیول، پائلٹ پمپ اور مکمل طور پر خشک تیل، صاف شدہ آئل ٹینک، نئے ہائیڈرو لک کو دوبارہ بھرنا تیل مکمل اور ہالنگ اور سروسنگ کے بعد تمام اسمبلیوں کو دوبارہ فٹ کر دیا گیا اور ہم نے پریس کو چلایا۔ یہاں یہ ذکر کرنا ہے کہ پہلے یہ پریس صرف ایک پروڈکٹ تک محدود تھا لیکن پریس کو ری فریش کرنے کے بعد ہم اس پریس کو دیگر مصنوعات کے لیے استعمال کرنے کے قابل ہو گئے ہیں خاص طور پر 14mm TBD - موٹائی والی ڈسکس۔ اس پریس میں ہم صرف اس کے پلٹن اور ہاؤسنگ کے ہارڈ کرومنگ اور مشینی کام کے لیے ڈیپریز کو آؤٹ سورس کرتے ہیں۔

ہیوی ڈیوٹی سرکلنگ والی مشین:-

اپنے طور پر خود ہی ہیوی ڈیوٹی سرکلنگ والی مشین کی اور ہالنگ / ری فریشمنٹ کا میابی کے ساتھ کی گئی۔ اس خاص معاملے میں ہم نے مشین کو مکمل طور پر کھول دیا، مشین کے رولرز نکال لیے، رولرز کی مشیننگ کی، بوسیدہ بیرنگز کو تبدیل کیا اور تمام ایڈجسٹمنٹ جیکوں کی سروس کی گئی۔ رولرز کی مشیننگ کے بعد اور بیرنگز کی تبدیلی کے بعد مشین کو دوبارہ جوڑ دیا گیا اور رولرز کو واپس لگایا گیا اور اس کے مطابق ان کو ایڈجسٹ کیا گیا۔ اور ہالنگ کے بعد مشین کی کارکردگی میں کافی اضافہ ہو جاتا ہے۔ یہاں یہ بات قابل ذکر ہے کہ اس مشین کو ہمارے انجینئر نے پہلی بار خود اور ہال کیا ہے کیونکہ 2018 میں چینی انجینئرز فیکٹری میں آئے تھے اور ہالنگ اور ری فریشمنٹ کے کام کے لیے اور اس وقت ہم ان کے ساتھ مل کر کام کر رہے تھے۔ اس سلسلے میں میٹیننس ڈیپارٹمنٹ نے بہت اچھا کام کیا ہے کیونکہ یہ مشین بہت پیچیدہ اور خاص قسم کی مشین ہے اور اس کی دیکھ بھال کے دوران خصوصی توجہ کی ضرورت ہوتی ہے۔

1000 ٹن ہنری بیری ہائیڈرو لک پریس:-

اس سال خود ہی 1000 ٹن ہنری بیری ہائیڈرو لک پریس کی مکمل اور ہالنگ / ری فریشمنٹ کا میابی کے ساتھ کی گئی۔ اس سے قبل یہ پریس صرف 500 ٹن پریشر میں کام کرنے تک محدود تھا اور اس حد (limitation) کی وجہ سے ہم 12 ملی میٹر یا اس سے زیادہ موٹائی والے خام مال کی ڈسکس کو بہتر طور پر نہیں بنا سکتے تھے۔ اس پر غور کرتے ہوئے ہم اس پریس پر کام کرنا شروع کیا اس سلسلے میں ہم نے 90 کلو واٹ صلاحیت کا ایک اور پمپ شامل کیا، تیل کے رساؤ کو ختم کیا، تمام ماڈیولز، سولیناؤڈ والوز، پری فل والو تبدیل کیے گئے فلٹرز اور مطلوبہ پریشر کو ایڈجسٹ کیا اور چیک کیا۔ ان تمام حد (limitation) کو ہٹانے کے بعد ہم اب 14 ملی میٹر موٹائی تک ٹی بی ڈی ڈسک تیار کرنے کے قابل ہو گئے ہیں۔

تقابلی جائزہ:-

درج ذیل چارٹ میں مالیاتی نتائج 2021 اور 2022 کا تقابلی جائزہ پیش کیا جا رہا ہے:

مالیاتی سال 2021 (روپے ہزاروں میں)	مالیاتی سال 2022	
1,574,822	2,778,192	مال کی فروخت
243,063	611,652	غیر خاص منافع
141,568	425,374	قبل از ٹیکس منافع
100,686	208,238	بعد از ٹیکس منافع
7.55	15.62	فی شیئر آمدنی (روپے میں)

فی شیئر آمدنی:-

فی شیئر آمدنی اس سال 15.62 روپے رہی جو گزشتہ سال کے لیے (7.55:2021) روپے تھی۔

ڈیوڈنڈ:-

بورڈ آف ڈائریکٹرز نے 30 جون 2022 کو ختم ہونے والے مالی سال کے لئے حتمی نقد ڈیوڈنڈ 4.75 روپے فی شیئر (47.5%) کی منظوری دی ہے جس کی مالیت 63.338 ملین روپے بنتی ہے۔ یہ ڈیوڈنڈ پہلے سے اعلان کردہ اور حصص داران کو اداشدہ عبوری نقد ڈیوڈنڈ 5.25 روپے فی حصص (52.5%) کے علاوہ ہے۔ یوں اس سال فی حصص کل نقد ڈیوڈنڈ 10 روپے (100%) رہا۔ جبکہ گزشتہ سال فی حصص نقد ڈیوڈنڈ کی مد میں 4.5 روپے (45%) کی ادائیگی کی گئی تھی۔ جس کی مالیت 60.004 ملین روپے بنتی تھی۔

انسانی وسائل اور معاوضے کی کمیٹی:-

ہم پختہ یقین رکھتے 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 بلواسطہ انعام مہینہ کے بہترین ورکر کے لیے، خاص صحت پالیسی اور دوسرے فوائد موجود ہیں۔ مزدوری قانون پر پوری طرح عملدرآمد کیا جاتا ہے اور CBA / لیبر یونین سے اچھے تعلقات رکھے جاتے ہیں۔ انتظامیہ باقاعدگی سے تمام ملازمین کو بونس بھی دے رہی ہے۔ WPPF اور عید ایڈوانس بھی ورکر کو ادایا گیا جا رہا ہے اس کے علاوہ کمپنی کارکنوں کو سوشل سیکورٹی اور EOBI پنشن کی سہولت فراہم کرتی 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۔ 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۔ اس کام کیلئے ایک فل ٹائم آفیسر رکھا گیا ہے جو کے مختلف اوقات میں آگ بجھانے اور حفاظتی اقدامات کی تربیت اور مشق کو انجام دیتا ہے۔

کمپنی کی کوشش ہے کہ طبی امور اور حفاظتی چیزوں میں ملازمین کا خیال رکھا جائے اسکے لئے ایک ڈسپنری بمعہ تجربہ کار ڈسپنسر 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 بھی حاصل کی گئی ہیں۔ ملازمین کا ہر چھ مہینے کے بعد طبی معائنہ کیا جاتا ہے جو کہ ایک ماہر سرجن کرتا ہے۔ اس کے علاوہ کھیلوں کی صحت مند سرگرمیوں کی بھی حوصلہ افزائی کی جاتی ہے، کمپنی کی اپنی کرکٹ اور فٹ بال کی بھی ٹیمیں موجود ہیں۔ سالانہ پکنک کا انتظام بھی کیا جاتا ہے۔

ڈائریکٹرز رپورٹ

30 جون 2022

آپ کے ڈائریکٹرز 30 جون 2022 کو ختم ہونے والے سال کے لئے سالانہ آڈٹ کردہ مالیاتی اسٹیٹمنٹ بمعہ آڈیٹرز رپورٹ بخوشی پیش کرتے ہیں۔

کاروباری جائزہ :-

مجموعی طور پر ملکی سطح پر مالی سال 2022 میں گاڑیوں کے 226,443 یونٹس تیار کئے گئے جو مالی سال 2021 کے 151,182 یونٹس کے مقابلے میں 49% فیصد زیادہ رہے۔ اسی طرح مالی سال 2022 میں لائٹ ویٹ کمرشل وہیکل، وین اور جیپ کے 44,421 یونٹس تیار کئے گئے جو گزشتہ سال کے 31,072 یونٹس کے مقابلے میں 43% فیصد زیادہ رہے۔ ٹرک/بس کے 6,320 یونٹس تیار کئے گئے جبکہ گزشتہ سال 4,378 یونٹس تیار کئے گئے تھے۔ جو پچھلے سال کے مقابلے میں 44% فیصد زیادہ رہے۔ ٹریکٹرز کے 58,880 یونٹس تیار کئے گئے جب کہ گزشتہ سال 50,751 یونٹس تیار کئے گئے تھے جو پچھلے سال کی نسبت 16% فیصد زیادہ رہے۔

تمام آٹو سیکٹرز نے مالی سال 2022 کے دوران بہترین کارکردگی دکھائی جس کی وجہ معاشی سرگرمیوں میں بحالی اور آٹو ز کی مانگ میں اضافہ ہے۔ کار اسمبلر نے مالی سال 2022 میں 55% فیصد کی فروخت کا لطف اٹھایا جسکی وجہ آٹو ز کے صارفین کی قوت خرید میں اضافہ ہے۔

اس سال آپ کی کمپنی نے 2,778.192 ملین روپے کی فروخت کی جو گزشتہ سال کی 1,574.822 ملین روپے کی فروخت کے مقابلے میں 76% فیصد زیادہ رہی۔ گاڑیوں کے پہیوں کی فروخت 1,403.692 ملین روپے رہی جو گزشتہ سال کی 667.698 ملین روپے کی فروخت کے مقابلے میں 110% فیصد زیادہ رہی۔ ٹرک/بس کے پہیوں کی فروخت 229.197 ملین روپے رہی جو گزشتہ سال کی 171.341 ملین روپے کی فروخت کے مقابلے میں 34% فیصد زیادہ رہی جبکہ ٹریکٹرز کے پہیوں کی فروخت 993.229 ملین روپے رہی جو گزشتہ سال کی 644.443 ملین روپے کی فروخت کے مقابلے میں 54% فیصد زیادہ رہی۔

مالیاتی نتائج:-

کاروبار میں پچھلے سال کے مقابلے میں 76% اضافے کی وجہ کار، ٹرک/بس اور ٹریکٹرز کے پہیوں کی فروخت میں بالترتیب 110%، 34%، اور 54% فیصد زیادہ ہے۔ فروخت کی لاگت 2,166.540 ملین روپے رہی جو گزشتہ سال 1,331.759 ملین روپے کی تھی۔ غیر خالص منافع 153% فیصد اضافے کے ساتھ 611.652 ملین روپے رہا جو گزشتہ سال 243.067 ملین روپے تھا۔ اسی طرح کمپنی کا بعد از ٹیکس منافع 208.238 ملین روپے رہا جو گزشتہ سال کے بعد از ٹیکس منافع 100.686 ملین روپے کے مقابلے میں 107% فیصد زیادہ ہے۔

غیر خالص منافع اور بعد از ٹیکس منافع میں اضافے کی بنیادی وجہ تمام پہیوں کی فروخت میں اضافہ ہے۔ جس کی وجہ سے جائزہ مدت کے دوران آٹو ز کی طلب میں تیزی ہے۔ کیونکہ آٹو اسمبلر مضبوط ڈیمانڈ کی وجہ سے جمع شدہ مال (اسٹاک) فروخت کر رہے ہیں۔

INVESTOR INFO

ANNUAL GENERAL MEETING

The 42nd Annual General Meeting of the Company will be held on **October 01, 2022**.

Eligible shareholders are encouraged to participate and vote at General Meetings.

REGISTERED OFFICE

Main RCD Highway, Hub Chowki,
Lasbella, Baluchistan.
Telephone # (0853) 363426,363428
Fax # (0853) 364025
E-mail: bwlfm@cyber.net.pk
Website: <http://www.bwheels.com>

SHARE REGISTRAR

THK Associates (Pvt) Limited
Plot # 32-C 2, Jami Commercial Street 2,
D.H.A. Phase VII, Karachi, 75500
E-mail: secretariat@thk.com.pk
UAN# +92(21) 111-000-322, Direct: +92 35310185
Fax# +92 (21) 35310188

STOCK EXCHANGE LISTING

Baluchistan Wheels Limited is listed on Pakistan Stock Exchange Limited

STOCK CODE/SYMBOL

The stock code/symbol for trading in shares of Baluchistan Wheels Limited is **BWHL**

INVESTOR RELATIONS CONTACT

Mr. Muhammad Asad Saeed
Company Secretary
Telephone : (+9221) 35650966
Fax: (+9221) 35684003

DIVIDEND

The Board of Directors has proposed a final cash dividend of Rs. 4.75/- per share (2021: Rs. 4.5/- per share) amounting to Rs. 63,338 million (2021: Rs. 60,004 million) for the year ended June 30, 2022. This is an addition to interim cash dividend of Rs. 5.25/- per share i.e 52.50%, making a total dividend of Rs. 10/- per share (100%).

BOOK CLOSURE DATES

Share transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from September 23, 2022 to October 01, 2022 (both days inclusive).

DIVIDEND REMITTANCES

The Board of Directors of the Company in their meeting held on August 31, 2022 has recommended the cash dividend of Rs. 4.75/- per share. If the dividend is approved at the Annual General Meeting will be paid within the statutory time limit of 15 working days.

REPORTING

Period	Financial Results
1st Quarter - September 2021	October 28, 2021
2nd Quarter/Half Yearly - December 2021	February 18, 2022
3rd Quarter - March 2022	April 28, 2022
4th Quarter/Annual - June 2022	August 31, 2022

STATUTORY COMPLIANCE

During the year, the company has complied with all returns/forms and furnished all the relevant particulars as required under the repealed Companies Act, 2017 and allied rules, the Securities and Exchange Commission of Pakistan (SECP) Regulations and the Listing Regulations of Pakistan Stock Exchange Limited.

INVESTOR GRIEVANCES

To date none of the investors or shareholders has filed any significant complaint against any services provided by the Company to its shareholders. A standard grievance form is also made available on the company's website : www.bwheels.com

WEB PRESENCE

The Company maintains a functional website as per the directions and notifications issued by the SECP. Updated information regarding the company can be accessed at its website, www.bwheels.com. The website contains the latest financial results of the Company with the Company's profile.

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: **BALUCHISTAN WHEELS LIMITED**

Year Ended: **JUNE 30, 2022**

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are **9** as per the following:

- a. Male: 8
- b. Female: 1

2. The composition of Board is as follows:

Category	Names
Independent Directors	Syed Zubair Ahmed Shah Mr. Muhammad Javed Mr. Irfan Ahmed Qureshi Mr. Aamir Amin
Non-Executive Director	Mr. Anis Wahab Zuberi
Executive Directors	Mr. Razak H.M. Bengali Mr. Muhammad Siddique Misri Mr. Muhammad Irfan Ghani
Female/Non-Executive Director	Mrs. Saba Nadeem

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of significant policies along with their dates of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ Shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board;

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. Out of the nine, seven Directors have either obtained certificate of Directors' Training Program or are exempted from the requirement of Directors' Training Program as per the Listed Companies (Code of Corporate Governance) Regulations, 2019. However, during the year, No Directors' Training Program was arranged;

10. There was no new appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit during the year;

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed the following Committees that are required under the Code. The Committees comprise of members as given below:

a) Audit Committee

Syed Zubair Ahmed Shah	Chairman (Independent Director)
Mr. Anis Wahab Zuberi	Member
Mr. Irfan Ahmed Qureshi	Member
Mr. Aamir Amin	Member

b) HR and Remuneration Committee

Mr. Muhammad Javed	Chairman (Independent Director)
Mr. Muhammad Irfan Ghani	Member
Mr. Anis Wahab Zuberi	Member
Syed Zubair Ahmed Shah	Member

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

14. The frequency of meetings of the committee were as per following:

Meetings	Frequency
Audit Committee	Four quarterly meetings were held during the financial year ended June 30, 2022.
HR and Remuneration Committee	One meeting was held during the financial year ended June 30, 2022

15. The board has set up an effective internal audit function. The Head of Internal Audit is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;

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

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



ANIS WAHAB ZUBERI

Chairman

August 31, 2022



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BALUCHISTAN WHEELS LIMITED ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Baluchistan Wheels Limited for the year ended June 30, 2022 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2022.

KARACHI

DATED: AUGUST 30, 2022

UDIN: CR202210067HxY6kAVNs

CHARTERED ACCOUNTANTS
Engagement Partner: Zulfikar Ali Causer



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Pakistan

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BALUCHISTAN WHEELS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **BALUCHISTAN WHEELS LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss, statement of comprehensive income, the statement of cash flows, the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2022 and of the profit and other comprehensive income, its cash flows and the changes in equity for the year then ended.

Basis for Opinion

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

Key Audit Matters

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



Following are the key audit matters:

S. No	Key audit matters	How the matter was addressed in our audit
1.	<p>Contingencies</p> <p>As disclosed in note 30 to the annexed financial statements, the Company has contingent liabilities in respect of legal and tax matters, which are pending adjudication at different levels with the court and other legal forums.</p> <p>Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules, regulations and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provision that may be required against such contingencies.</p> <p>Due to significance of amounts involved, inherent uncertainties with respect to the outcome of matters and use of significant management judgments and estimates to assess the same including related financial impacts, we considered contingent liabilities a key audit matter.</p>	<p>We performed number of procedures to verify the nature of contingencies and their implications on the financial statements. These included, among others:</p> <ul style="list-style-type: none"> We followed up the progress of each case and the Company's estimate of the cost to be incurred; We reviewed the key elements of the methodology employed by management in challenging reasonableness of the cost estimates including any impact on future case costs from changes arising in the regulatory environment; We obtained confirmations from legal advisors for current status on pending cases and any new case filed during the year; and Checked orders by relevant authority on previous lawsuits / cases appearing in the financial statements.
2.	<p>Valuation of Stock-in-trade</p> <p>At 30 June 2022, the Company held stock-in-trade amounting to Rs. 539.764 million, constituting 22% of the total assets, as disclosed in note 11 to the financial statements.</p> <p>As described in note 5.5 to the financial statements, stock-in-trade is measured at lower of cost and net realizable value. The cost of work-in-process and finished goods is determined at an average manufacturing cost including a proportion of production overheads.</p>	<p>Our key audit procedures in respect of valuation of stock-in-trade included:</p> <ul style="list-style-type: none"> Obtained an understanding of the Company's process with respect to valuation of stock-in-trade and tested controls relevant to such process; Tested the calculations of per unit cost of finished goods and assess the appropriateness of management's basis for the allocation of cost and production overheads and compared it with prior period to assess reasonableness;



S. No	Key audit matters	How the matter was addressed in our audit
	<p>There is an element of judgement involved in determining an appropriate costing basis and assessing the amount of provision for slow-moving and obsolete stock-in-trade.</p> <p>Given the level of judgements and estimates involved, we have identified valuation of stock-in-trade as a key audit matter.</p>	<ul style="list-style-type: none"> Evaluated the appropriateness of the basis for identification of slow moving and obsolete stock-in-trade and the accuracy of provision for slow moving and obsolete stock-in-trade assessed by the management, on test basis. We tested the accuracy of ageing analysis of stock-in-trade, on a sample basis; and Tested the net realizable value and valuation methods in accordance with applicable financial reporting standards.
3.	<p>Revaluation of Land</p> <p>During the year, the Company has carried out its revaluation of freehold land by an independent valuer by considering its nature, size and location, as well as the trend in the real estate and property sector. Based on such revaluation, the fair market value and forced sale value of the said land is amounting to Rs. 581.634 million and 465.307 million respectively, leading to recognition of revaluation surplus amounting to Rs. 40.557 million.</p> <p>Due to significant judgments and estimations involve in the determination of revalued amount, we considered this area as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We enquired about the qualification of the managements' independent valuer and reviewed the revaluation report to understand the basis and methodology used for such valuation. We also assessed the adequacy of the related disclosures in the financial statements in accordance with applicable financial reporting standards relating and regulatory requirements.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

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



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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);



- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) 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.

The engagement partner on the audit resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: 31 AUG 2022

UDIN: AR2022100679zjkcsg0n

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

**BALUCHISTAN WHEELS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022**

	Note	2022 (Rupees in thousands)	2021
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	6	963,138	945,950
Capital work in progress	7	-	4,100
		963,138	950,050
Long-term loans and advances	8	6,138	6,176
Long-term deposits	9	7,649	7,709
		976,925	963,935
CURRENT ASSETS			
Stores, spares and loose tools	10	39,729	37,804
Stock-in-trade	11	539,764	343,671
Trade debts	12	258,317	264,625
Loans and advances	13	41,073	32,004
Deposits and short term prepayments	14	1,433	556
Other receivables	15	792	29,986
Short-term investments	16	523,766	550,573
Sales tax refundable - net		-	595
Taxation - net	17	-	32,690
Bank balances	18	66,034	19,320
		1,470,908	1,311,824
TOTAL ASSETS		2,447,833	2,275,759
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
25,000,000 (2021: 25,000,000) ordinary shares of Rs. 10 each		250,000	250,000
Issued, subscribed and paid-up capital	19	133,343	133,343
Revenue reserves	20	1,329,352	1,249,035
Revaluation surplus on land	21	579,075	538,518
		2,041,770	1,920,896
NON-CURRENT LIABILITIES			
Long-term loan	22	-	10,418
Lease liabilities	23	13,949	23,477
Long-term deposits	24	896	1,405
Deferred taxation	25	34,972	33,694
Government grant	26	-	91
GIDC payable	27	-	1,311
		49,817	70,396
CURRENT LIABILITIES			
Trade and other payables	28	183,306	240,350
Un-claimed dividend		7,087	6,065
Current portion of long-term lease liabilities	23	12,365	13,973
Current portion of long-term loan	22	8,790	19,768
Current portion of long-term deposits		1,053	563
Current portion of government grant	26	91	1,278
Current portion of GIDC payable		175	581
Sales tax payable - net		9,882	-
Taxation - net	17	130,781	-
Provision for warranty	29	2,716	1,889
		356,246	284,467
TOTAL EQUITY AND LIABILITIES		2,447,833	2,275,759
CONTINGENCIES AND COMMITMENTS	30		

The annexed notes from 1 to 55 form an integral part of these financial statements.


CHIEF EXECUTIVE



DIRECTOR


CHIEF FINANCIAL OFFICER

**BALUCHISTAN WHEELS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2022**

	Note	2022 (Rupees in thousands)	2021
Turnover - net	31	2,778,192	1,574,822
Cost of sales	32	<u>(2,166,540)</u>	<u>(1,331,759)</u>
Gross profit		611,652	243,063
Administrative expenses	33	(116,612)	(91,246)
Selling and distribution expenses	34	(66,798)	(51,477)
Other expenses	35	(51,406)	(10,496)
Other income	36	<u>52,514</u>	<u>55,940</u>
Operating profit		429,350	145,784
Finance cost	37	<u>(3,976)</u>	<u>(4,216)</u>
Profit before taxation		425,374	141,568
Taxation	38	<u>(217,136)</u>	<u>(40,882)</u>
Profit for the year		<u><u>208,238</u></u>	<u><u>100,686</u></u>
Earnings per share - basic and diluted (Rupees per share)	39	<u><u>15.62</u></u>	<u><u>7.55</u></u>

The annexed notes from 1 to 55 form an integral part of these financial statements.



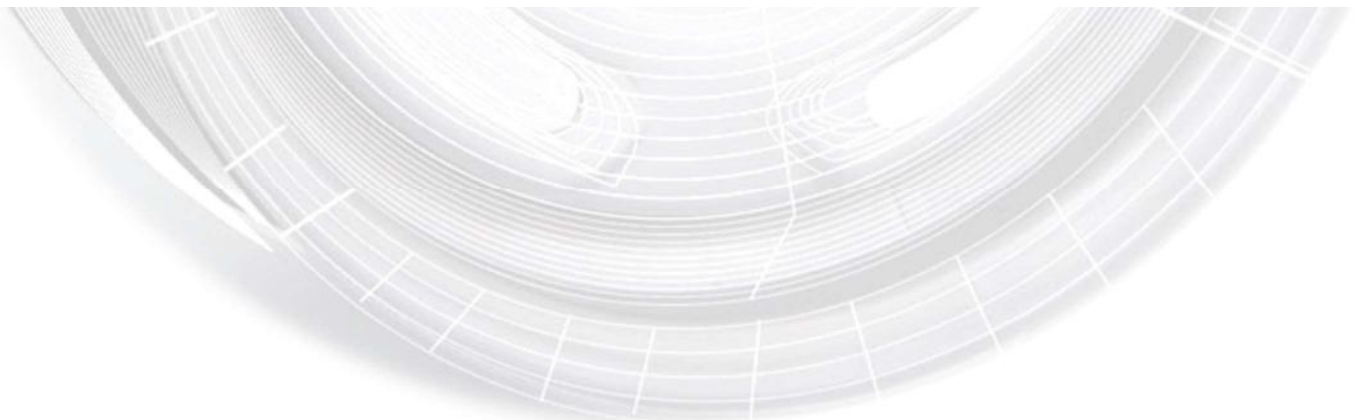
CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER



**BALUCHISTAN WHEELS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022**

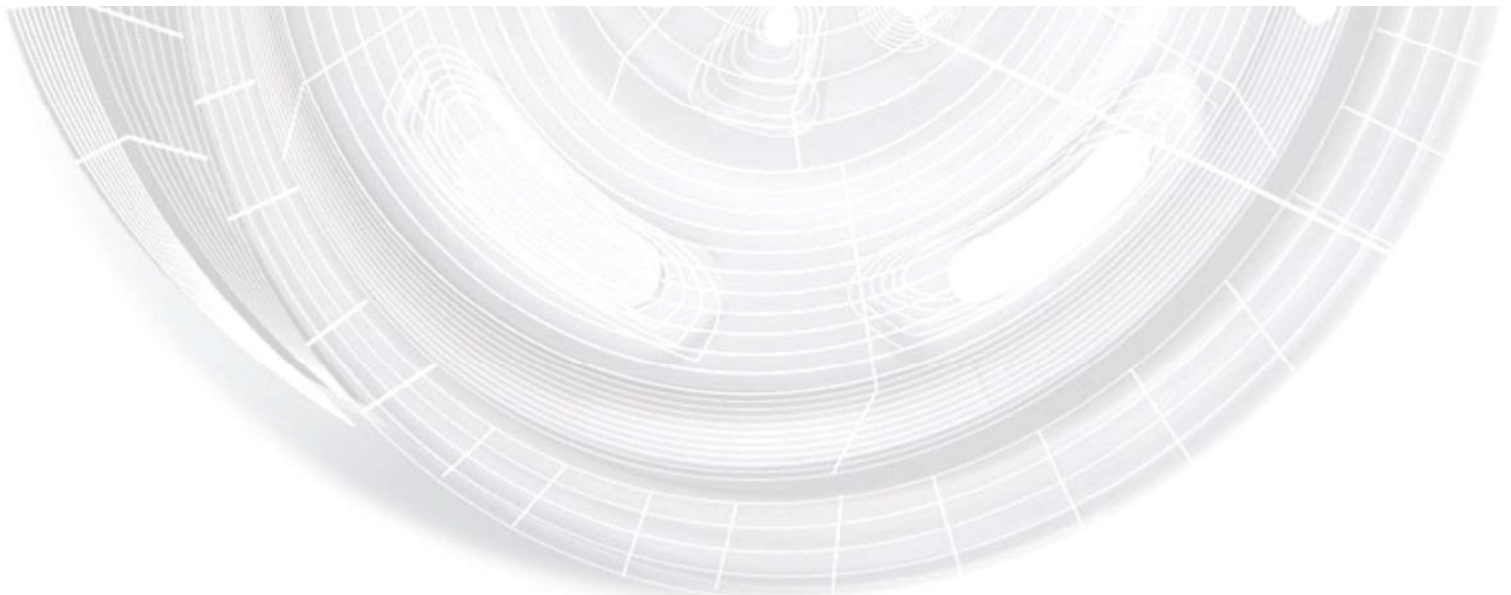
	Note	2022 (Rupees in thousands)	2021
Profit for the year		208,238	100,686
Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
Gain on remeasurement of defined benefit plan liability	40.9	2,942	9,913
Deferred tax	25.1	(853)	(2,875)
		2,089	7,038
Revaluation surplus on property, plant and equipment	21	40,557	538,518
Total comprehensive income for the year		<u>250,884</u>	<u>646,242</u>

The annexed notes from 1 to 55 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER



**BALUCHISTAN WHEELS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022**

	Note	2022 (Rupees in thousands)	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	42	199,802	148,874
Finance cost paid		(4,009)	(2,638)
Income tax - net		(41,236)	27,472
Employees' benefit paid		19,294	(20,199)
Leave encashment paid		(2,559)	-
Long-term loans and advances - net		38	(2,350)
Long-term deposits		41	(3,762)
Net cash flows generated from operating activities		171,371	147,397
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(25,335)	(9,804)
Proceeds from disposal of operating fixed assets		1,999	39,340
Profit received on saving accounts and treasury bills		44,320	35,259
Short-term investments made during the year		(2,138,939)	(1,724,462)
Short-term investments redeemed during the year		2,156,840	1,507,794
Dividend received		1,578	356
Net cash flows generated from / (used in) investing activities		40,462	(151,517)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term financing		(21,396)	(9,374)
Lease rentals paid		(14,736)	(7,700)
Dividend paid on ordinary shares		(128,987)	(19,848)
Net cash used in financing activities		(165,119)	(36,922)
Net increase / (decrease) in cash and cash equivalents		46,714	(41,042)
Cash and cash equivalents at the beginning of the year		19,320	60,362
Cash and cash equivalents at the end of the year		66,034	19,320

The annexed notes from 1 to 55 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**BALUCHISTAN WHEELS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2022**

Issued, subscribed and paid-up capital	Capital reserves		Revenue reserves			Total reserves	Total equity
	Revaluation surplus on land	General reserve	Remeasurement (loss) / gain on defined benefit plan	Unappropriated profit			

----- (Rupees in thousands) -----

Balance at July 01, 2020	133,343	-	160,000	(10,493)	1,011,804	1,161,311	1,294,654
Total comprehensive income for the year							
Profit for the year	-	-	-	-	100,686	100,686	100,686
Gain on remeasurement of defined benefit liability - net of tax	-	-	-	7,038	-	7,038	7,038
Revaluation surplus on fixed assets	-	538,518	-	-	-	538,518	538,518
	-	538,518	-	7,038	100,686	646,242	646,242
Transaction with owners							
Final dividend paid on ordinary shares @ Rs. 2 per share	-	-	-	-	(20,000)	(20,000)	(20,000)
Balance at June 30, 2021	133,343	538,518	160,000	(3,455)	1,092,490	1,787,553	1,920,896
Balance at July 01, 2021	133,343	538,518	160,000	(3,455)	1,092,490	1,787,553	1,920,896
Total comprehensive income for the year							
Profit for the year	-	-	-	-	208,238	208,238	208,238
Gain on remeasurement of defined benefit liability - net of tax	-	-	-	2,089	-	2,089	2,089
Revaluation surplus on fixed assets	-	40,557	-	-	-	40,557	40,557
	-	40,557	-	2,089	208,238	250,884	250,884
Transaction with owners							
Final dividend paid on ordinary shares @ Re 4.5 per shares	-	-	-	-	(60,004)	(60,004)	(60,004)
Interim dividend for the period ended Sep 30, 2021 paid on ordinary shares @ Re 1.5 per shares	-	-	-	-	(20,001)	(20,001)	(20,001)
Interim dividend for the period ended Dec 31, 2021 paid on ordinary shares @ Re 1.75 per shares	-	-	-	-	(23,335)	(23,335)	(23,335)
Interim dividend for the period ended Mar 31, 2022 paid on ordinary shares @ Re 2 per shares	-	-	-	-	(26,669)	(26,669)	(26,669)
	-	-	-	-	(130,009)	(130,009)	(130,009)
Balance at June 30, 2022	133,343	579,075	160,000	(1,366)	1,170,718	1,908,428	2,041,771

The annexed notes from 1 to 55 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

BALUCHISTAN WHEELS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1 STATUS AND NATURE OF BUSINESS

- 1.1 Baluchistan Wheels Limited was incorporated in Pakistan on June 16, 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.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is located at the 1st Floor, State Life Building No. 3, Dr. Ziauddin Ahmed Road, Karachi, Pakistan. The manufacturing facility (plant) of the Company is situated at Main RCD Highway, Hub Chowki, Lasbella, Baluchistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

3.2 Basis of measurement

These financial statements have been prepared under the historical cost basis, except for certain items as disclosed in the relevant accounting policies in note 5 to the financial statements.

These financial statements have been prepared following accrual basis of accounting except for cash flows information.

3.3 Use of estimates and judgements:

The preparation of financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by management that are significant to the financial statements are as follows:

- depreciation method, useful lives, residual values and fair value of property, plant and equipment (notes 5.1 and 6)
- provision of slow-moving and obsolete stores, spares and loose tools and stock-in-trade (notes 5.4, 5.5, 10 and 11)
- allowance for expected credit losses (notes 5.14 and 12)
- taxation (notes 5.7 and 25)
- employee benefit obligations (notes 5.16 and 40)
- provision for warranty (notes 5.11 and 29)
- lease liabilities (notes 5.3 and 23)
- contingencies (notes 5.12 and 30)

3.4 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pakistani Rupees ('Rupees' or 'Rs.'), which is the Company's functional and presentation currency.

4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2022

The following standards, amendments and interpretations are effective for the year ended June 30, 2022. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have material impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 01, 2021
Amendments to IFRS 16 'Leases' - Extended practical relief regarding Covid - 19 related rent concessions	April 01, 2021

4.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have material impact on the Company's financial statements other than certain additional disclosures.

Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - Cost of fulfilling a contract	January 01, 2022

Certain annual improvements have also been made to a number of IFRSs.

The following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):

IFRS 1 First Time Adoption of International Financial Reporting Standards; and
IFRS 17 Insurance Contracts.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

5.1 Property, plant and equipment

a) Operating fixed assets

These are stated at historical cost less accumulated depreciation and impairment losses, if any, except for freehold land which is stated at revalued amount. Historical cost includes expenditure that is directly attributable to the acquisition of the item including borrowing costs and exchange differences recognized, for the acquisition of property, plant and equipment up to the commencement of commercial production. The cost of self constructed assets includes the cost of materials, direct labor and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Subsequent costs (except freehold land) are included in an asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost of the day to day servicing of property, plant and equipment are recognized in statement of profit or loss during the financial year in which they are incurred.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation on operating fixed assets other than land is provided on a reducing balance method, except for computers which are depreciated on straight line method. Depreciation is charged on addition from the day the asset is available for use and is continued to be depreciated until it is derecognized. Rates of depreciation, which are disclosed in note 6, are determined to allocate the cost of an asset less estimated residual value, if not insignificant, over its useful life.

Freehold land is initially recognised at cost and is subsequently measured at revalued amount, which is the fair value at the date of revaluation less accumulated impairment, if any.

The assets' residual values, depreciation method and useful lives of each part of property, plant and equipment are reviewed at the end of each year, and adjusted if impact on depreciation is significant.

Disposal of assets is recognized when significant risks and rewards incidental to the ownership have been transferred to buyers. Gains and losses on disposals are determined by comparing the proceeds with the carrying amounts and are recognized in the statement of profit or loss.

b) Capital work-in-progress

Capital work-in-progress (including stores held for capital expenditures) are stated at cost and consists of expenditure incurred, advances made and other costs directly attributable to operating fixed assets in the course of their construction and installation. Cost also includes applicable borrowing costs. Transfers are made to relevant operating fixed assets category as and when assets are available for use intended by the management.

5.2 Impairment of non-financial assets

The carrying amount of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indications exist, the assets' recoverable amounts are estimated in order to determine the extent of impairment loss, if any.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that is largely independent from other assets and group. Impairment losses are recognized as expense in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Impaired assets are reviewed for possible reversal of the impairment at each reporting date. Reversal of the impairment losses are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment losses had been recognized. A reversal of impairment loss is recognized in the statement of profit or loss.

5.3 Leases

a) Right of use assets

The right of use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease prepayments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

The right of use asset is subsequently depreciated using straight line method from the date of recognition to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of operating fixed assets. In addition, the right of use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

Right of use asset pertaining to head office is depreciated over the lease term of 3 years using straight line method and vehicles over the useful life at the rate of 20% using reducing balance method.

b) Lease liability

The lease liability is measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate. Subsequently lease liabilities are measured at amortized cost using the effective interest rate method.

It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

5.4 Stores and spares

Stores and spares are valued at lower of weighted average cost and net realisable value (NRV). Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

The Company reviews the carrying amount of stores and spares on a periodic basis and provision is made for slow-moving and obsolete items annually, if required.

5.5 Stock-in-trade

Stock-in-trade are valued at the lower of cost and net realizable value. Cost of raw material is determined by using the moving average method.

Cost comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Stock-in-transit is valued at purchase price, freight value and other charges incurred thereon upto the reporting date.

Work-in-process and finished goods consist of the direct materials costs, fuel and power cost and an appropriate proportion of manufacturing overheads including labour cost, depreciation and maintenance etc.

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

5.6 Trade debts and other receivables

Trade debts and other receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest rate method. The Company is required to recognize allowance for doubtful debts on all financial assets carried at amortized cost in accordance with Expected Credit Loss (ECL) requiring to recognize the loss irrespective whether the loss event has occurred. Bad debts are written off when considered irrecoverable.

5.7 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit or loss account, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case it is also recognized in other comprehensive income or directly in equity respectively.

a) Current

Current tax is the expected tax payable on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using tax rates enacted or substantively enacted at the reporting date after taking into account tax credits and tax rebates. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the reporting period for such years.

b) Deferred

Deferred tax is accounted for using the balance sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available in future years to utilize deductible temporary differences, unused tax losses and tax credits.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax is calculated based on tax rates that have been enacted or substantively enacted up to the reporting date and are expected to apply to the periods when the differences reverse.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

c) The Company takes into account decisions taken by the taxation authorities. For instance where the Company's view differs from the income tax department at the assessment stage, the disputed amounts are shown as contingent liabilities.

5.8 Government Grant

The Government Grant is measured upon initial recognition as the difference between fair value of the loan and loan proceeds. The fair value of the loan is the present value of the loan proceed received, discounted using the prevailing market rates of interest for a similar instrument. Subsequently, the grant is recognized in the statement of profit or loss, in line with the recognition of interest expenses the grant is compensating.

5.9 Borrowings

Borrowings are recognised initially at fair value net of transaction cost incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds received (net of transaction cost) and the redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

Finance cost are accounted for on an accrual basis and are shown as interest and markup is accrued to the extent of the amount remaining unpaid.

Short term borrowings are classified as current liabilities unless the Company has unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Borrowing costs on long term finances and short term borrowings which are obtained for the acquisition of qualifying assets are capitalized as part of cost of that asset. All other borrowing costs are charged to the statement of profit or loss in the period in which these are incurred. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest cost as allowed under IAS 23 "Borrowing cost".

5.10 Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities.

Liabilities for trade and other amounts payable 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 and subsequently measured at amortised cost. Exchange gains and losses arising on transaction in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

5.11 Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and amount of that obligation can be measured reliably. Provisions are not recognised for future operating losses. Provisions are reviewed at each reporting date and adjusted to reflect current best estimates.

5.12 Contingencies

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

5.13 Financial instruments**5.13.1 Financial assets**

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

The Company classifies its financial assets in the following categories: at fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Amortized cost

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at fair value through profit or loss:

- (i) it is held with in a business model whose objective is to hold assets to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income (FVOCI) equity investment, or fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

These assets are initially measured at fair value. Transaction cost incurred is recognised in the statement of profit or loss. Net gains and losses, including any interest or dividend income, are recognised in statement of profit or loss.

Impairment

The Company recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Company measures loss allowance at an amount equal to lifetime ECLs.

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the financial assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

5.13.2 Financial liabilities

5.13.3 Recognition and measurement

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value and amortized cost, as the case may be. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

5.13.4 Derecognition

The financial assets are de-recognized when the Company loses control of the contractual rights that comprise the financial assets. The financial liabilities are de-recognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired.

5.14 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Company has a legally enforceable right to set-off the recognized amounts and the Company intends to settle either on a net basis or realize the asset and settle the liability simultaneously.

5.15 Foreign currency translation

Transactions in foreign currencies are converted into functional currency (i.e. 'Rupees') at the rates of exchange prevailing on the dates of transactions. Monetary assets and liabilities in foreign currencies are translated into functional currency at the rates of exchange prevailing at the reporting date. Exchange gains and losses are recognized in the statement of profit or loss.

5.16 Employees benefits

The Company's employees benefits comprise of provident fund, gratuity scheme, compensated absences and medical benefits for eligible employees.

5.16.1 Staff retirement benefits**a) Defined benefit plan (Gratuity Fund)**

The Company operates an approved 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 June 30th, 2022 using Projected Unit Credit method.

Remeasurement losses and gains are recognised directly to other comprehensive income and are not reclassified to the statement of profit or loss on subsequent periods. All the past service costs are recognised at the earlier of when the amendments or curtailments occurs and when the Company has recognised related restructuring or termination benefits.

b) Defined contribution plan (Provident Fund)

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 at the rate of 10% of the basic salary for executives and 10% of the basic salary plus cost of living allowance for non-executives.

5.16.2 Compensated absences

Accrual for compensated absences is made to the extent of the value of accrued absences of the eligible employees cadre at the reporting date using their current salary levels as per Company's policy. No actuarial valuation of compensated absences is carried out as the management considers that the financial impact is not material.

5.16.3 Medical benefits

The Company maintains a health insurance policy for its entitled employees and their respective spouses. The Company contributes premium to the policy annually. Such premium is recognised as an expense in the statement of profit or loss in the period to which it relates.

5.17 Revenue recognition

Revenue is recognized when specific criteria have been met for each of the Company's activities as described below:

Revenue from contracts with customers

Sale of goods

Sale of goods is recognized when the Company has transferred control of the products to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

Revenue comprises the fair value for the sale of goods net of sales taxes and discounts. Revenue from the sale of goods is recognized when control of the goods passes to customers and the customers can direct the use of and substantially obtain all the benefits from the goods.

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due.

If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

Others

- Scrap sales are recognized on delivery to customers at realized amounts.
- Return on deposit is accrued on time proportion basis by reference to the principle outstanding and the applicable rate of return.
- Profit on savings accounts is recognised on effective interest rate method.
- Dividend income is recognised when the right to receive such payment is established.
- All other revenues are accounted when performance obligations are met.

5.18 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise bank balances.

5.19 Earnings per share

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

5.20 Dividend and appropriation to reserves

Dividend is recognised as a liability in the period in which it is declared and approved by the Company's shareholders at the Annual General Meeting. Appropriations of profit are reflected in the statement of changes in equity in the period in which such appropriations are approved.

5.21 Related party transactions

Transactions with related parties are based at agreed rates at normal commercial rates on the same terms and conditions as applicable to third party transactions.

5.22 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components. The Company has only one reportable segment i.e manufacturing and marketing of automotive wheel rims for trucks, buses, tractors, cars and mini commercial vehicles.

6 OPERATING FIXED ASSETS

The following is the statement of operating fixed assets:

Description	Freehold land (note 6.1)	Buildings on freehold land	Plant and machinery	Electrical installations	Furniture and fixtures	Vehicles	Office equipments	Computers	Library books	Right of use assets		Total
										Vehicles	Head office	
(Rupees in thousands)												
Year ended June 30, 2022												
Net carrying value basis												
Opening net book value (NBV)	541,077	42,346	299,041	7,838	1,297	13,566	2,604	186	2	34,840	3,153	945,950
Additions (at cost) (refer note 6.2)	-	-	20,819	-	67	2,753	1,419	277	-	3,600	-	28,935
Disposals (NBV)	-	-	(552)	-	(87)	(989)	(59)	-	-	-	-	(1,687)
Revaluation (refer note 6.5 & 20)	40,557	-	-	-	-	-	-	-	-	-	-	40,557
Depreciation charge	-	(2,117)	(33,043)	(784)	(131)	(2,608)	(1,060)	(88)	-	(7,633)	(3,153)	(50,617)
Closing net book value	581,634	40,229	286,265	7,054	1,146	12,722	2,904	375	2	30,807	-	963,138
Gross carrying value basis												
Cost	581,634	105,813	1,067,502	31,486	4,770	27,046	13,630	3,469	42	41,900	9,459	1,886,751
Accumulated depreciation / impairment	-	(65,584)	(781,237)	(24,432)	(3,624)	(14,324)	(10,726)	(3,094)	(40)	(11,093)	(9,459)	(923,613)
Net book value	581,634	40,229	286,265	7,054	1,146	12,722	2,904	375	2	30,807	-	963,138
Year ended June 30, 2021												
Net carrying value basis												
Opening net book value (NBV)	2,559	44,575	330,436	4,617	1,441	13,814	3,041	220	2	7,280	6,306	414,291
Additions (at cost) (refer note 6.2)	-	-	3,631	4,225	-	40,896	1,069	74	-	33,939	-	83,834
Disposals (NBV)	-	-	-	(446)	-	(38,294)	(177)	-	-	(2,845)	-	(41,762)
Revaluation (refer note 6.5 & 20)	538,518	-	-	-	-	-	-	-	-	-	-	538,518
Depreciation charge	-	(2,229)	(35,026)	(558)	(144)	(2,850)	(1,329)	(108)	-	(3,534)	(3,153)	(48,931)
Closing net book value	541,077	42,346	299,041	7,838	1,297	13,566	2,604	186	2	34,840	3,153	945,950
Gross carrying value basis												
Cost	541,077	105,813	1,052,959	31,486	5,470	27,495	17,199	5,852	42	38,300	9,459	1,835,152
Accumulated depreciation / impairment	-	(63,467)	(753,918)	(23,648)	(4,173)	(13,929)	(14,595)	(5,666)	(40)	(3,460)	(6,306)	(889,202)
Net book value	541,077	42,346	299,041	7,838	1,297	13,566	2,604	186	2	34,840	3,153	945,950
Depreciation rate (% per annum)	-	5 to 10	10 to 20	10	10	20	33	33	10	20	33	

6.1 This freehold land of 23.593 acre (2021: 23.593 acre) is located at Main RCD Highway, Hub Chowki, Lasbella, Baluchistan.

6.2 The addition of Rs. 2.753 million in owned vehicles includes transfer from leased assets to owned assets at a cost amounting to Rs. Nil (2021: Rs. 6.147 million).

6.3 The depreciation charge for the year has been allocated as follows:

	Note	2022 (Rupees in thousands)	2021 (Rupees in thousands)
Cost of sales	32	40,710	40,424
Administrative expenses	33	9,845	8,216
Selling and distribution expenses	34	62	291
		50,617	48,931

6.4 The cost of fully depreciated assets as at June 30, 2022 is Rs. 79.317 million (2021: Rs. 82.632 million).

6.5 Details of the latest revaluation exercises carried out by the external valuers based on which revaluation surplus has been recorded in these financial statements are as follows:

	Name of external valuer	Revaluation date	Written down value before revaluation	Revalued amount as at	Carrying values as at June 30, 2022
			----- (Rupees in '000) -----		
Leasehold land	Fairwater Property Valuers & Surveyors (Private) Limited	June 30, 2022	2,559	541,077	581,634

These valuations fall under level 2 hierarchies which have been explained in note 6.5.3.

6.5.1 The fair market value and the forced sales value of the revalued land is Rs. 581.634 million and Rs. 465.307 million respectively at the reporting date.

6.5.2 Had there been no revaluation, the values of specific class of leasehold land as at June 30, 2022 under the cost model would have been as follows:

	Cost		Written down value	
	2022	2021	2022	2021
----- (Rupees in '000) -----				
Leasehold land	2,559	2,559	2,559	2,559
	<u>2,559</u>	<u>2,559</u>	<u>2,559</u>	<u>2,559</u>

6.5.3 Non financial asset fair valuation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The valuation techniques and inputs used to develop fair value measurements are as follows:

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

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

6.6 Valuation techniques and significant unobservable inputs

Valuation techniques used in measuring the fair value of leasehold land and the significant unobservable inputs used in the valuation are as follows:

Leasehold land

The fair value of leasehold land was determined by obtaining market values of the properties and considering its size, nature and location, as well as the trend in the real estate and property sector. All relevant factors affecting the saleability of the asset, availability of the buyers and the assessment of its real value under prevailing economic conditions were accounted for. The fair value of the land was assessed based on information available in current real estate market and has been categorized as level 2.

The estimated fair value of land would increase / decrease in line with the selling prices for property of same nature in the immediate neighbourhood and adjoining areas.

			2022 (Rupees in thousands)	2021
7	CAPITAL WORK-IN-PROGRESS	Note		
	This comprises of:			
	Plant and machinery	7.1	-	4,100
7.1	Movement of carrying amount of plant and machinery			
	Opening balance		4,100	-
	Additions (at cost)		15,666	4,100
	Transferred to operating fixed assets		(19,766)	-
	Closing balance		-	4,100
8	LONG-TERM LOANS AND ADVANCES			
	Loans - secured			
	Employees	8.1	2,982	2,706
	Executives	8.1 & 8.2	3,068	2,305
			6,050	5,011
	Current maturity	13	(1,760)	(1,381)
			4,290	3,630
	Advances - secured			
	Employees		21,978	7,799
	Executives	8.2	6,804	5,772
			28,782	13,571
	Current maturity	13	(26,934)	(11,025)
			1,848	2,546
			6,138	6,176

- 8.1 This represents loans given to executives and employees as per employment terms. These are recoverable in equal monthly installments over a period of four years. These loans are secured against the retirement benefits of employees and does not carry any interest or mark-up.
- 8.2 The maximum aggregate amount due from executives and employees at the end of any month during the year was Rs. 7.215 million (2021: Rs. 8.077 million).

	Note	2022 (Rupees in thousands)	2021
9	LONG-TERM DEPOSITS		
	(Unsecured - considered good)		
	Trade deposits	4,019	4,019
	Lease deposits	3,630	3,690
		<u>7,649</u>	<u>7,709</u>
9.1	These are in the normal course of business and does not carry any interest or markup.		
10	STORES, SPARES AND LOOSE TOOLS		
	Stores	7,959	4,398
	Spares parts	92,444	91,797
	Loose tools	1,936	1,902
		<u>102,339</u>	<u>98,097</u>
	Provision for slow-moving and obsolete stores and spares	(62,610)	(60,293)
		<u>39,729</u>	<u>37,804</u>
10.1	Provision for slow-moving stores and spares		
	Opening balance	60,293	58,281
	Provision recognized during the year	32	2,012
	Closing balance	<u>62,610</u>	<u>60,293</u>
11	STOCK-IN-TRADE		
	Raw materials components	272,866	187,610
	Work-in-process	177,745	115,778
	Finished goods	84,855	42,093
	Scrap stock	8,316	156
		<u>543,782</u>	<u>345,637</u>
	Provision for slow-moving and obsolete stock-in-trade	11.1	(4,018)
			(1,966)
		<u>539,764</u>	<u>343,671</u>
11.1	Provision for slow-moving and obsolete stock-in-trade		
	Opening balance	1,966	14,140
	Provision / (reversal) of provision made during the year	2,052	(12,174)
	Closing balance	<u>4,018</u>	<u>1,966</u>

			2022	2021
			(Rupees in thousands)	
12	TRADE DEBTS	Note		
	(Unsecured - considered good)			
	Due from associated undertakings	12.1	1,984	2,683
	Others		256,333	261,942
			258,317	264,625
	Considered doubtful		-	-
	Allowance for expected credit losses		-	-
			-	-
			258,317	264,625
12.1	This comprises of amount receivable from Gandhara Nissan Limited, a related party. However, the said relationship has been ceased from the month of May, 2022 due to no more existence of common directorship.			
12.1.1	The aging of related party balance at the reporting date is as follows:			
	Not past due		780	-
	Past due 1-30 days		1,204	2,683
			1,984	2,683
12.2	The maximum amount due from related party at the end of any month during the year was Rs. 3.136 million (2021: Rs. 1.976 million).			
12.3	Movement in allowance for expected credit losses is as follows:			
	Opening balance		-	517
	Charged during the year		-	-
	Reversed during the year		-	(517)
	Closing balance		-	-
12.4	These are in the normal course of business and interest free.			
13	LOANS AND ADVANCES			
	Loans - secured			
	Current maturity of long-term loans		1,760	1,381
	Advances			
	Current maturity of long-term advances - secured		26,934	11,025
	for expenses - unsecured	13.1	490	411
	to suppliers - unsecured	13.2	11,889	19,187
			39,313	30,623
			41,073	32,004
13.1	This includes advances provided to employees to meet business expenses and are settled as and when the expenses are incurred. These advances do not carry any interest or mark-up.			

13.2 This represents advances to suppliers in the normal course of business and does not carry any interest or mark-up.

	Note	2022 (Rupees in thousands)	2021
14 DEPOSITS AND SHORT TERM PREPAYMENTS			
Deposits-unsecured (considered good)			
Trade deposits		600	115
Lease deposits		420	-
		<u>1,020</u>	<u>115</u>
Prepayments	14.1	<u>413</u>	<u>442</u>
		<u>1,433</u>	<u>556</u>

14.1 This represents short term deposits in the normal course of business and does not carry any interest or mark-up.

15 OTHER RECEIVABLES

Accrued profit on treasury bills		334	6,948
Gratuity fund		458	23,038
	15.1 & 40.3	<u>792</u>	<u>29,986</u>

15.1 These are in the normal course of business and interest free.

	Note	2022 (Rupees in thousands)	2021
16 SHORT-TERM INVESTMENTS			
At fair value through profit or loss:			
Listed equity securities	16.1 & 16.4	3,770	6,102
Mutual funds	16.2	-	20,279
		3,770	26,381
At amortised cost			
Treasury bills	16.3	519,996	524,193
		523,766	550,573

16.1 Listed equity securities

Short-term investment in equity securities of listed companies are as follows:

Number of shares		Company name		
2022	2021			
10,000	10,000	Honda Atlas Cars (Pakistan) Limited	1,947	3,458
25,000	25,000	Fauji Cement Company Limited	354	575
5,000	5,000	Nishat Mills Limited	370	466
6,250	6,250	Attock Refinery Limited	1,099	1,603
46,250	46,250		3,770	6,102

16.2 Mutual funds

Number of units		Name of Fund		
2022	2021			
-	2,091,651	NIT Money Market Fund	-	20,279
Opening balance			20,279	-
Additions during the year			1,391	20,008
Redemptions during the year			(21,670)	-
Closing balance as at June 30			-	20,008
Market Value as at June 30			-	20,279
Unrealized gain			-	271

16.3 These carry profits at rate ranging from 9.73% to 15.32% per annum (2021: 6.85% to 14.06%) per annum.

	Note	2022 (Rupees in thousands)	2021
16.4 Net unrealised (loss) / gain on remeasurement of investments recognised as financial assets at fair value through profit or loss:			
Market value		3,770	6,102
Carrying value		<u>(6,102)</u>	<u>(3,307)</u>
		<u>(2,332)</u>	<u>2,795</u>
17 TAXATION - NET			
Advance income tax		85,930	76,046
Provision for taxation	38	<u>(216,711)</u>	<u>(43,356)</u>
		<u>(130,781)</u>	<u>32,690</u>
18 BANK BALANCES			
Current accounts		15,937	17,767
Saving accounts	18.1	<u>50,097</u>	<u>1,553</u>
		<u>66,034</u>	<u>19,320</u>
18.1 These carry profits at the rates ranging from 7.75% to 13.00% (2021: 6.25% to 7.25%) per annum.			
19 ORDINARY SHARE CAPITAL			
		Number of ordinary shares of Rs. 10/- each	
		2022	2021
		9,276,000	9,276,000
		4,058,250	4,058,250
		<u>13,334,250</u>	<u>13,334,250</u>
		Fully paid in cash	92,760
		Issued as fully paid bonus shares	40,583
		<u>133,343</u>	<u>133,343</u>
19.1 The shareholders are entitled to receive all distributions including dividends and other entitlements in the form of cash, bonus and right shares, as the case maybe, as and when declared by the Company. All shares carry one vote per share without restriction.			
20 RESERVES			
Revenue reserves			
General reserve		160,000	160,000
Remeasurement loss on defined benefit plan		(1,366)	(3,455)
Un-appropriated profit		1,170,718	1,092,490
		<u>1,329,352</u>	<u>1,249,035</u>
Capital reserves			
Revaluation surplus on land	21.1	<u>579,075</u>	<u>538,518</u>
		<u>1,908,427</u>	<u>1,787,553</u>
20.1 Movement of reserves have been reflected in the statement of changes in equity.			

21 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

This represents revaluation surplus relating to leasehold land (notes 6.6 and 6.7).

	Note	2022 (Rupees in thousands)	2021
Balance as the beginning of the year		538,518	-
Transferred to unappropriated profit in respect of incremental depreciation charged / disposals during the year, net of deferred tax		-	-
Related deferred tax liability			
Revaluation surplus arising during the year		40,557	538,518
		<u>40,557</u>	<u>538,518</u>
		579,075	538,518
Less: Related deferred tax liability on:			
- Revaluation at the beginning of the year		-	-
- Revaluation surplus arising during the year		-	-
- Effect of change of tax rate		-	-
- Incremental depreciation charged / disposals during the year		-	-
		-	-
		<u>579,075</u>	<u>538,518</u>

21.1 The revaluation surplus on land in capital reserve, and is not available for distribution to the shareholder, in accordance with section 241 of Companies Act, 2017.

22 LONG-TERM LOAN

Non-current maturity	22.1	-	10,418
Current maturity		8,790	19,768
		<u>8,790</u>	<u>30,186</u>

22.1 This represents a long term loan obtained from a conventional bank under the refinance scheme for payment of wages and salaries by State Bank of Pakistan.

It carries flat mark-up at the rate of 3% per annum. The SBP allowed spread under this scheme up to 3% per annum. However, the effective interest rate is calculated at 8.51% and the loan has been recognised at present value.

The loan is repayable in 8 equal quarterly installments commenced from January 2021 discounted at the effective rate of interest. The differential mark-up has been recognised as Government grant as disclosed in note 26 which will be amortised as interest income over the period of facility. The loan is secured against first pari-passu hypothecation charge over current assets.

	2022	2021
	(Rupees in thousands)	
23 LEASE LIABILITIES		
Lease liabilities	26,314	37,450
Current portion	(12,365)	(13,973)
23.1	13,949	23,477

23.1 Movement of lease liabilities is as follows:

	2022			2021		
	Vehicles	Head office premises	Total	Vehicles	Head office premises	Total
	(Rupees in thousands)			(Rupees in thousands)		
Opening balance	34,315	3,135	37,450	4,919	6,713	11,632
Impact of initial application of IFRS-16	-	-	-	-	-	-
Additions	3,600	-	3,600	32,700	-	32,700
Accretion of interest	2,748	3,098	5,846	4,161	263	4,424
	6,348	3,098	9,446	36,861	263	37,124
Payments	(17,710)	(2,872)	(20,582)	(7,465)	(3,841)	(11,306)
Closing balance	22,953	3,361	26,314	34,315	3,135	37,450
Current maturity	(9,004)	(3,361)	(12,365)	(10,838)	(3,135)	(13,973)
	13,949	-	13,949	23,477	-	23,477

Maturity analysis-contractual cash flow

	2022		2021	
	Minimum lease payment	Present Value	Minimum lease payment	Present Value
	(Rs. in '000)			
Within one year	14,474	12,365	16,473	13,973
After one year but not more than five year	14,588	13,949	25,137	23,477
	29,062	26,314	41,610	37,450
Amount representing finance charges	(2,748)	-	(4,160)	-
Present value of minimum lease payments	26,314	26,314	37,450	37,450
Current portion	(12,365)	(12,365)	(13,973)	(13,973)
	13,949	13,949	23,477	23,477

23.2 The Company has entered into various finance lease agreements with a financial institution in respect of vehicles. The rate of interest used as the discounting factor ranges between 12.2% to 13.5% per annum (2021: 8.6% to 8.9% per annum).

23.3 Rentals are payable in equal monthly installments whereas repairs and insurance costs are borne by the Company. These are secured against demand promissory notes and title documents of the vehicles.

23.4 The Company is bound by certain covenants which includes but are not limited to payment of certain taxes and to exercise reasonable care.

			2022	2021
24	LONG TERM DEPOSITS	Note	(Rupees in thousands)	
	Deposits from employees		1,949	1,968
	Current maturity		(1,053)	(563)
			896	1,405
24.1	Represent interest-free deposits received from employees on account of executive cars and generator scheme and are adjustable within the period of five and three years respectively against respective assets.			
25	DEFERRED TAXATION			
	Deferred taxation	25.1	34,972	33,694
25.1	The net balance for deferred taxation is in respect of following temporary differences:			
	Deferred tax liabilities			
	Accelerated tax depreciation allowance		54,718	51,762
	Defined benefit plan		853	2,875
	Right-of-use assets		8,934	11,018
			64,505	65,655
	Deferred tax assets			
	Provisions		21,902	21,100
	Lease liabilities		7,631	10,861
			(29,533)	(31,961)
			34,972	33,694
26	GOVERNMENT GRANT			
	Opening balance		1,369	3,361
	Recognised during the year		-	-
	Released during the year	36	(1,278)	(1,992)
			(1,278)	(1,992)
	Closing balance		91	1,369
	Current maturity		(91)	(1,278)
			-	91

26.1 As aforementioned in note 22.1, the purpose of the government grant was to facilitate the Company in making timely payments of salaries and wages to their employees in light of the COVID-19 pandemic. The grant is conditional upon the fact that the Company would not terminate any employee, due/owing to cash flows limitations, for a period of six months from the date of receipt of the first tranche.

		2022	2021
	Note	(Rupees in thousands)	
27	GIDC PAYABLE		
	GIDC payable	175	1,892
	Less: Current portion shown under current liability	(175)	(581)
		-	1,311

During 2020, based on appeal filed by the Government, the Supreme Court of Pakistan in its judgement dismissed all the petition filed against the aforesaid matter and decided in favor of Federal Government. Accordingly, as per the direction given in the said judgement, the Company is required to pay the amount of levy charged upto July 2020 in twenty four equal monthly installment commenced from August, 2020. The component of late payment surcharge is no more payable as per the aforesaid judgment.

28	TRADE AND OTHER PAYABLES		
	Creditors	23,485	145,221
	Accrued liabilities	113,028	57,519
	Contract liabilities	28.1 6,735	7,777
	Gratuity fund	-	-
	Provident fund	-	-
	Retention money	455	455
	Compensated absences	6,086	7,245
	Workers' Profit Participation Fund	28.2 4,845	1,607
	Workers' Welfare Fund	28,030	19,350
	Security deposits	388	388
	Mark-up on running finance	2	35
	Others	252	752
		183,306	240,350

28.1 Represents advance received from various customers. Revenue recognised during the year from amounts included in contract liabilities at the beginning of the year amounted to Rs. 1.335 million (2021: Rs. 1.260 million).

28.2 Workers' Profit Participation Fund

Opening balance		1,607	(226)
Interest on funds utilized in Company's business	37	28	-
Allocation for the year	35	22,845	7,611
		24,480	7,385
Amount paid during the year		(19,635)	(5,778)
Closing balance		4,845	1,607

	Note	2022 (Rupees in thousands)	2021
29 PROVISION FOR WARRANTY			
Opening balance		1,889	813
Charge of provision		827	1,213
Adjustment against claims		-	(137)
Closing balance		<u>2,716</u>	<u>1,889</u>

30 CONTINGENCIES AND COMMITMENTS

30.1 Contingencies

30.1.1 On April 08, 2004, National Bank of Pakistan (NBP) has made a 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 from the Company which was subsequently transferred due to administrative reasons to the Banking Court No. III at Karachi. On January 06, 2022, the Honorable Banking Court dismissed the Suit # 53 of 2017 in Company's favour, but the NBP has filed 1st Appeal # 34 of 2022 in the Honourable High Court of Sindh against this order and the appeal is pending till date. The management, based on the advice of its legal advisor, is of the opinion that the case will be decided in favour of the Company. Accordingly, no provision has been made in these financial statements.

30.1.2 On August 06, 2001, the Company filed suit before the Honorable High Court of Sindh at Karachi, against NBP for satisfaction of Charge on Asset which was created in anticipation of a prospective loan / finance to be provided by NBP to the Company. As the proposed loan / finance had not been obtained from NBP by the Company, the charge should have been redeemed by NBP. Currently, the matter is at the state of evidence of the parties. The management, based on the advice of legal advisor, is of the view that no financial implications will arise to the Company as a result of this suit and accordingly, no provision has been made in this respect in these financial statements.

30.1.3 On January 25, 2018, the Additional Commissioner Inland Revenue (ACIR) amended the assessment and issued order under section 122 (5A) of Income Tax Ordinance, (ITO) 2001, for the tax year 2015, and created arbitrary tax demand of Rs. 35.356 million. Being aggrieved with the order of the concerned ACIR, the Company filed an appeal before the Commissioner Inland Revenue Appeals - I [CIR (A)] on which the concerned CIR (A) through its order under section 129 of Income Tax Ordinance, 2001, deleted certain additions and remanded back the case to the concerned ACIR on account of certain additions. The ACIR filed an appeal before Appellate Tribunal Inland Revenue (ATIR) on the issued which were deleted by the CIR (A) which is pending adjudication.

As the outcome of the set aside proceedings can not be ascertained at this stage, Therefore, the management of the Company, based on the advice of tax advisor, has made a provision amounting to Rs. 35.356 million on prudent basis.

30.1.4 On September 27, 2018, Deputy Commissioner Inland Revenue (DCIR) amended the assessment and issued order under section 122 (5A) of the Income Tax Ordinance, 2001 for the tax year 2017, reducing tax refunds for the said tax year by Rs. 28.39 million. Being aggrieved, the Company filed and appeal before Commissioner Inland Revenue (Appeal) (CIRA), who maintained the demand of DCIR through appellate order dated January 15, 2019. The Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication.

The management, based on the advice of its tax advisor, is of the view that outcome of the appeal cannot be ascertained at this stage and consequently any future potential liability. However, the management, on prudent basis, has made a provision of Rs. 14.19 million this year in respect of the above contingency.

30.1.5 On March 15, 2021, DCIR amended the assessment and issued order under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2018, demanded Rs. 417.996 million against which the Company filed an appeal before CIRA who has passed an appellate order under section 129(1) whereby set aside / delete the whole demand except for addition in difference in stock between the Income tax return and sales tax return amounting to Rs. 72.088 million. The tax impact of which will be Rs. 14.86 million against which the Company has decided to file an appeal before ATIR.

The management, based on the advice of its tax advisor, is of the view that outcome of the appeal cannot be ascertained at this stage and consequently any future potential liability. However, the management, on prudent basis, has made a provision of Rs. 20.905 million in respect of the above contingency.

30.2 Commitments	2022 (Rupees in thousands)	2021
Outstanding letters of guarantee	4,512	4,512
Outstanding letters of credit - raw material	248,886	428,777
Outstanding letters of credit - machinery	-	12,667

31 TURNOVER - NET

Local sales	31.1	3,257,390	1,902,044
Sales return		(5,278)	(4,668)
Sales tax		(473,920)	(322,554)
		(479,198)	(327,222)
		2,778,192	1,574,822

31.1 Local sales include scrap sales of Rs. 152.037 million (2021: Rs.91.341 million).

			2022	2021
32	COST OF SALES	Note	(Rupees in thousands)	
	Materials consumed	32.1	1,786,152	873,871
	Salaries, wages and other benefits	32.2	190,027	133,574
	Stores, spare parts and loose tools consumed		89,620	63,000
	Depreciation on property, plant and equipment	6.3	37,767	38,436
	Depreciation on right-of-use assets	6.3	2,943	1,988
	Fuel and power		69,130	47,644
	Outsourced job contractor		57,264	35,649
	Staff transportation		19,391	16,440
	Repairs, maintenance and stores consumption		4,656	6,413
	Insurance		3,185	2,763
	Provision for slow moving stores and spares	10.1	2,317	2,012
	Vehicle running expenses		3,620	2,753
	Provision / (reversal) of provision for stock-in-	11.1	2,052	(12,174)
	Entertainment		2,240	1,791
	Telephone and postage		519	588
	Travelling and conveyance		98	191
	Computer expenses		57	77
	Subscription		67	61
	Others		164	119
	Manufacturing cost		2,271,269	1,215,196
	Work-in-process			
	Opening stock		115,778	135,686
	Closing stock		(177,745)	(115,778)
			(61,967)	19,908
	Cost of goods manufactured		2,209,302	1,235,104
	Finished goods			
	Opening stock-in-trade		42,093	138,748
	Closing stock-in-trade		(84,855)	(42,093)
			(42,762)	96,655
			2,166,540	1,331,759

32.1 Raw material and components consumed

Opening stock-in-trade				
Raw material and components			103,134	151,671
Scrap			156	1,610
			103,290	153,281
Purchases made during the year			1,810,394	823,880
			1,913,684	977,161
Closing stock-in-trade				
Raw material and components			(119,216)	(103,134)
Scrap			(8,316)	(156)
			(127,532)	(103,290)
			1,786,152	873,871

32.2 Salaries, wages and other benefits includes Rs. 63.543 million (2021: Rs. 26.776 million) in respect of the following staff employment benefits.

	Note	2022 (Rupees in thousands)	2021
Bonus		51,860	13,486
Medical		4,428	3,567
Gratuity fund		2,464	3,172
Provident fund		3,328	3,270
Accrual for compensated absences		1,461	3,281
		63,541	26,776

33 ADMINISTRATIVE EXPENSES

Salaries and other benefits	33.1	65,231	49,026
Outsourced service expenses		8,090	7,895
Vehicle running expenses		10,796	6,737
Corporate expenses		4,346	3,877
Depreciation on property, plant and equipment	6.3	5,155	3,526
Depreciation on right-of-use assets	6.3	4,690	4,690
Entertainment		3,633	3,351
Utilities		4,075	3,181
Legal and professional charges		2,225	1,593
Auditor's remuneration	33.2	1,035	1,263
Insurance		1,023	967
Telephone and postage		675	668
Staff transportation		766	627
Repairs and maintenance		823	760
General stores supplies		1,734	1,959
Printing, stationery and periodicals		213	275
Travelling and conveyance		334	-
Allowance / (reversal) for expected credit losses	12.3	-	(517)
Others		1,769	1,368
		116,612	91,246

33.1 Salaries, wages and other benefits includes Rs. 21.280 million (2021: Rs. 7.649 million) in respect of the following staff employment benefits.

Bonus	13,829	3,596
Medical	2,611	889
Gratuity fund	658	308
Provident fund	2,097	1,981
Accrual for compensated absences	2,087	875
	21,282	7,649

			2022 (Rupees in thousands)	2021
33.2	Auditor's remuneration	Note		
	Statutory audit fee		765	765
	Half yearly review		160	160
	Code of Corporate Governance		70	70
	Other certifications		-	110
	Out of pocket expenses		40	158
			1,035	1,263
34	SELLING AND DISTRIBUTION EXPENSES			
	Selling expenses			
	Salaries and other benefits	34.1	19,220	14,486
	Outsourced service expenses		2,629	2,506
	Entertainment		1,578	1,574
	Vehicle running expenses		1,350	885
	Utilities		899	784
	Insurance		337	293
	Export related expenses		-	132
	Depreciation on property, plant and equipment	6.3	62	291
	Provision for warranty		827	1,213
	Others		371	253
			27,273	22,417
	Distribution expenses			
	Outward freight		39,525	29,060
			66,798	51,477
34.1	Salaries, wages and other benefits includes Rs. 6.672 million (2021: Rs. 2.248 million) in respect of the following staff employment benefits.			
	Bonus		3,457	899
	Medical		2,283	213
	Gratuity fund		164	183
	Provident fund		739	734
	Accrual for compensated absences		29	219
			6,672	2,248
35	OTHER EXPENSES			
	Workers' Profit Participation Fund	28.2	22,845	7,607
	Workers' Welfare Fund		8,681	2,889
	Unrealised loss on change in fair value of listed equity securities		2,332	-
	Exchange loss-net		17,548	-
			51,406	10,496

			2022	2021
	Note		(Rupees in thousands)	
36		OTHER INCOME		
		Income from financial assets		
		Profit on savings accounts	5,269	3,216
		Profit on treasury bills	32,437	32,207
	36.1	Dividend income	65	30
		Realised gain on redemption of investments	104	-
		Unrealised gain on change in fair value of listed equity securities	-	2,795
			37,875	38,248
		Income from non-financial assets		
		Gain on sale of operating fixed assets - net	312	3,735
		Net exchange gain	-	773
		Sale of wastage material - net	10,514	10,865
	26	Amortization of Government grant	1,278	1,992
		Others	2,535	327
			14,639	17,692
			52,514	55,940
36.1		This amount represents dividend income from Honda Atlas Car Pakistan Limited and Nishat Mills Limited.		
37		FINANCE COST		
		Markup on running finance	11	45
		Markup on long-term loan	687	2,487
	28.2	Workers' Profit Participation Fund	28	-
			726	2,532
		Bank charges and commission	181	258
		Finance charges on leases	3,069	1,426
			3,976	4,216
38		TAXATION		
		For the year		
		Current	38.2 (138,306)	(43,356)
		Prior	(78,405)	-
		Deferred	(425)	2,474
			(217,136)	(40,882)
38.1		The Company computes tax provisions based on the generally accepted interpretations of the tax laws to ensure that sufficient provision for the purpose of taxation is available. Accordingly, the Company has assessed the sufficiency of the tax provisions.		

38.2 Numerical reconciliation between the applicable tax rate and average effective tax rate is as follows:

	2022 %age	2021 %age
Applicable tax rate	29.00	29.00
Effect of Super Tax	4.00	-
Others	-	0.01
	4.00	0.01
Average effective tax rate	<u>33.00</u>	<u>29.01</u>

39 EARNINGS PER SHARE - BASIC AND DILUTED

The earnings per share as required under IAS 33: "Earnings per share" is given below:

	2022	2021
Profit for the year (Rupees in '000')	<u>208,238</u>	<u>100,686</u>
Weighted average number of ordinary shares (in thousands)	<u>13,334</u>	<u>13,334</u>
Earnings per share attributable to ordinary shareholders (Rupee per share)	<u>15.62</u>	<u>7.55</u>

There is no dilutive effect on the basic earnings per share of the Company.

40 DEFINED BENEFIT PLAN

40.1 General description

This scheme provides terminal benefits for all its permanent employees who attain the minimum qualifying period at varying percentages of last drawn basic salary. The percentage depends on the number of service years with the Company. Annual charge is based on actuarial valuation carried out as at June 30, 2022 using the Projected Unit Credit Method.

The Company faces the following risks on account of gratuity:

Final salary risk - The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Mortality risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

Withdrawal risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

Asset volatility - Most assets are invested in risk free investments i.e. Government Bonds / Treasury bills. However, investments in equity instruments is subject to adverse fluctuations as a result of change in the market price.

Discount rate fluctuation - The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans' bond holdings.

Investment risks - The risk of the investment underperforming and not being sufficient to meet the liabilities.

Risk of insufficiency of assets - This is managed by making regular contribution to the Fund as advised by the Actuary.

40.2 Principal actuarial assumptions

Following are a few important actuarial assumptions used in the valuation:

	2022 %age	2021 %age
Discount rate	13.25	10.00
Expected rate of increase in salary	12.25	10.00

40.3 Reconciliation of balance due to defined benefit plan

Present value of defined benefit obligation	90,140	87,138
Fair value of plan assets	(90,598)	(110,176)
Closing net asset	(458)	(23,038)

40.4 Movement of the liability recognized in the statement of financial position

	Note	2022 (Rupees in thousands)	2021
Opening net (asset) / liability		(23,037)	3,412
Charge for the year	40.8	3,286	3,665
Remeasurement chargeable to other comprehensive income	40.9	(2,942)	(9,913)
Contribution made during the year		22,236	(20,201)
Closing net asset	15	(457)	(23,037)

40.5 Fair value of plan assets at year end

Treasury Bills	56,968	45,451
Mutual Funds	23,267	25,494
Equity Investments	10,227	12,441
Cash at banks	136	26,790
	90,598	110,176
Benefits payable	-	-
	90,598	110,176

40.6 Movement in present value of defined benefit obligations

Opening present value of defined benefit obligations	87,138	83,060
Current service cost for the year	4,478	4,233
Interest cost for the year	8,674	6,958
Benefits paid during the year	(802)	(2,405)
Remeasurement gain on obligation	(9,348)	(4,708)
Closing present value of defined benefit obligations	90,140	87,138

40.7 Movement in fair value of plan assets

Opening fair value of plan assets	110,176	79,649
Remeasurement on plan assets	(6,406)	5,205
Contributions during the year	(22,236)	20,201
Benefits paid during the year	(802)	(2,405)
Expected return on plan assets	9,866	7,526
Closing fair value of plan assets	90,598	110,176

40.8 Charge for the year

Current service cost	4,478	4,233
Interest cost	(1,192)	(568)
Charge for the year	3,286	3,665

2022 **2021**
Note **(Rupees in thousands)**

40.9 Remeasurement chargeable to other comprehensive income

Actuarial gains from changes in financial assumptions	-	-
Experience adjustments	(9,348)	(4,708)
	(9,348)	(4,708)
Return on plan assets, excluding interest income	6,406	(5,205)
	(2,942)	(9,913)

40.10 Sensitivity analysis

The impact of 1% change in following variables on defined benefit obligation is as follows:

	Increase in assumption (Rupees in thousands)	Decrease in assumption
Discount rate	70,451	67,222
Salary increase	76,173	73,338
40.11	The expected contribution to the fund for the year ending June 30, 2023 is estimated to be Rs. 41.555 million.	

41 DEFINED CONTRIBUTION PLAN

The Company has contributory provident fund scheme for benefit of all its permanent employees. The Fund is maintained by the Trustees and all decisions regarding investments and distribution of income etc. are made by the Trustees independent of the Company.

- 41.1 Investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.
- 41.2 Contributions are made by both the Company and the members @ 10% of the basic salary for executive and 10% of the basic salary plus cost of living allowance for non-executive.

	Note	2022 (Rupees in thousands)	2021 (Rupees in thousands)
42 CASH GENERATED FROM OPERATIONS			
Profit before taxation		425,374	141,568
Adjustment for non-cash charges and other items:			
Depreciation on property, plant and equipment	6.3	39,831	42,244
Depreciation on right-of-use assets	6.3	10,786	6,687

	Note	2022 (Rupees in thousands)	2021 (Rupees in thousands)
Amortization of Government grant	36	(1,278)	(1,992)
Gain on sale of operating fixed assets	36	(312)	(3,735)
Finance cost	37	3,976	4,216
Provision for slow-moving and obsolete stores and spares	10.1	2,317	2,012
Reversal of provision for slow-moving and obsolete stock in trade	11.1	2,052	(12,174)
Allowance for expected credit losses	12.3	-	(517)
Accrual for compensated absences		1,400	4,375
Reversal for provision / (provision) of warranty claims and adjustment claims	29	827	1,076
Provision for employee defined benefit obligations	40.8	3,286	3,665
Profit on savings accounts and treasury bills	36	(37,810)	(35,423)
Unrealized (loss) / gain on change in fair value of listed equity securities		2,332	(2,795)
Dividend income		(1,578)	(357)
		451,203	148,850
Working capital changes	42.1	(251,401)	24
		199,802	148,874

42.1 Changes in working capital

(Increase) / decrease in current assets:

Stores, spares and loose tools	(4,242)	(471)
Stock-in-trade	(198,145)	82,078
Trade debts	6,308	(155,567)
Loans and advances	(9,069)	(15,672)
Trade deposits and short term prepayments	(877)	1,153
Other receivables	-	(23,038)
Sales tax refundable	595	1,231
	(205,431)	(110,286)

Increase in current liabilities:

Trade and other payables	(55,852)	110,310
Sales tax payable	9,882	-
	(251,401)	24

43 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

- a) The aggregate amount charged in the financial statements for remuneration, including all benefits to Chief Executive, Directors and Executives of the Company is as follows:

	2022				2021			
	Chief Executive	Director	Executives	Total	Chief Executive	Director	Executives	Total
	(Rupees in thousands)							
Managerial remuneration	6,579	12,776	6,264	25,619	6,579	12,776	5,556	24,911
House rent	2,961	5,748	2,819	11,528	2,961	5,748	2,500	11,209
Staff retirement benefits	1,206	2,342	2,050	5,598	1,206	2,342	2,139	5,687
Bonus	4,934	9,582	1,389	15,905	548	1,064	402	2,014
Medical	1,612	2,989	195	4,796	398	665	115	1,178
Utilities	650	1,313	798	2,761	393	1,280	740	2,413
Leave fare assistance	1,890	760	68	2,718	265	54	48	367
Total	19,832	35,510	13,583	68,925	12,350	23,929	11,500	47,779
Number of persons	1	2	3	6	1	2	3	6

- b) 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.
- c) Aggregate amount charged in the financial statements against fee for attending meetings to six non-executive directors was Rs. 2.250 million (2021: Rs. 2.010 million).

44 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties of the Company comprise directors, key management personnel retirement benefit plans and company with common directorship. Transactions with related parties in the financial statements are as follows:

Nature of transaction	Nature of Relation	Basis of Relation	Note	2022	2021
				(Rupees in thousands)	
Sale of goods					
Gandhara Nissan Limited *	Associated company	Common Director		37,638	23,716
Dividend on ordinary shares					
Directors and others	Personnel	Key management personnel		32,272	10,966
Long term loan given					
Executives	Personnel	Key management personnel		2,465	2,305
Advances					
Executives	Personnel	Key management personnel		4,750	5,772
Sale of vehicles / equipments					
Executives	Personnel	Key management personnel		561	3,893

44.1 Year end balances

	2022	2021
	(Rupees in thousands)	
Receivable from a related party	1,984	2,683
Long term loan	3,068	2,305
Advances	6,804	5,772
	<u>11,856</u>	<u>10,760</u>

44.2 All transactions with related parties have been carried out on commercial terms and conditions except certain executives are entitled to obtain cars at Company's car executive scheme.

44.3 * The Gandhara Nissan Limited (GHNL) was a related party of the Company due to common directorship. The election of directors was held on May 25th, 2022, based on election, the said relationship has ceased to exist during the reporting period.



2022 2021
(Units in thousands)

45 CAPACITY AND PRODUCTION

Plant capacity - single shift	<u>850</u>	<u>850</u>
Actual production	<u>648</u>	<u>372</u>

45.1 During the year actual production was below the estimated capacity due to lower demand of wheel rims.

46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**46.1 Risk management policies**

The Company finances its operations through equity and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. Taken as a whole, the Company is exposed to market risk (including interest rate risk, currency risk and equity price risk), credit risk and liquidity risk.

The Company's principal financial liabilities comprise loans, deposits, trade and other payables and lease liabilities. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as short-term investments, loans, trade debts, other receivables and cash and bank balances, which are directly related to its operations.

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. No changes were made in the objectives, policies or processes and assumptions during the year ended 30 June 2022 which are summarized below:

46.2 Credit risk

Credit risk represents the financial loss that would be recognized at the reporting date if counter parties fail to perform as contracted. The Company manages credit risk through having exposure only to customers and parties considered credit worthy and obtaining securities where applicable. At the reporting date, the Company is exposed to credit risk on the following assets:

	2022	2021
	(Rupees in thousands)	
Loans and deposits	13,699	12,720
Trade debts	258,317	264,625
Short-term investments in mutual funds	-	20,279
Bank balances	66,034	19,320
	338,050	316,944

Credit 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:

46.2.1 Customers with no defaults in the past one year

Trade debts	258,317	264,625
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To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties.

The exposure to banks is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis. The ratings of banks ranges from A1+ to AAA.

	2022	2021
	(Rupees in thousands)	
Bank Balances		
A1+	58,630	9,505
A1	-	-
AAA	7,404	9,815
	66,034	19,320

Concentration of credit risk

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly affected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

Sales to three major customers of the Company are around 43%, 24% and 14% of the Company's total sales during the year ended 30 June 2022 (2021: 33%, 28% and 13%).

Impaired assets

During the year no assets have been impaired.

46.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting 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 summarises the maturity profile of the Company's financial liabilities at the following reporting dates based on contractual undiscounted payments.

	INTEREST / MARK-UP / PROFIT BEARING			NON-INTEREST BEARING	TOTAL
	Less than one year	One to five years	Total		
(Rupees in thousands)					
June 30, 2022					
Long-term financing	8,790	-	8,790	-	8,790
Lease liabilities	12,365	13,949	26,314	-	26,314
Long-term deposits	-	-	-	1,949	1,949
Trade and other payables	-	-	-	155,275	155,275
Unclaimed dividend	-	-	-	7,087	7,087
	<u>21,155</u>	<u>13,949</u>	<u>35,104</u>	<u>164,311</u>	<u>199,415</u>
June 30, 2021					
Long-term financing	19,768	10,418	30,186	-	30,186
Lease liabilities	13,973	23,477	37,450	-	37,450
Long-term deposits	-	-	-	1,968	1,968
Trade and other payables	-	-	-	220,999	220,999
Unclaimed dividend	-	-	-	6,065	6,065
	<u>33,741</u>	<u>33,895</u>	<u>67,636</u>	<u>229,032</u>	<u>296,668</u>

46.4 Market risk

Market risk is the risk that fair value of future cashflows will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as equity price risk.

a) Foreign currency risk

Foreign currency risk is the risk that the value of financial assets and financial liability will fluctuate due to a change in 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 as of the reporting date.

Outstanding letters of credit - raw material	248,886	428,777
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The following significant exchange rates have been applied.

	Average rate		Reporting date rate	
	2022	2021	2022	2021
USD to PKR	178.03	160.13	204.70	157.65

At reporting date, if the PKR had strengthened by 10% against the US Dollar with all other variables held constant, post-tax profit for the year would have been higher by the amount shown below, mainly as a result of net foreign exchange gain on net foreign currency exposure at reporting date.

(Rupees in thousands)

Effect on profit	<u>20,824</u>	<u>(20,824)</u>
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b) 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 lease liabilities. The Company mitigates its risk by maintaining excess funds in saving accounts 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 before tax (Rupees in thousands)
As at June 30, 2022	+2	476
	-2	(476)
As at June 30, 2021	+2	(718)
	-2	718

c) Equity price risk

The Company's listed equity investment is susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through placing limits on investments in equity instruments that are reviewed and approved by the Board of Directors, on a regular basis.

At the reporting date, the exposure to equity investments at fair value listed on the PSX is Rs. 3.770 million (2021: Rs. 6.102 million). Given that the changes in fair values of the equity investments held are strongly positively correlated with changes of the PSX market index, the Company has determined that an increase / (decrease) of 10% in the fair market value could have an impact of approximately Rs. 0.38 million (2021: Rs. 0.61 million) increase / (decrease) on the Company's profit before tax.

2022 2021
(Rupees in thousands)

46.5 Financial instruments by category

Financial assets at amortized cost

Loans and deposits	8,669	7,823
Loans and advances	34,832	19,621
Trade debts	258,317	264,625
Other receivables	792	29,986
Cash and bank balances	66,034	19,320
	<u>368,644</u>	<u>341,376</u>

Financial liabilities at amortised cost

Long term financing	8,790	30,186
Lease liabilities	26,314	37,450
Trade and other payables	150,430	219,393
Long term deposits	1,949	1,968
Un-claimed dividend	7,087	6,065
	<u>194,570</u>	<u>295,061</u>

47 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

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

	Level 1	Level 2	Level 3	Total
	(Rupees in thousands)			
Investments 'at fair value through profit or loss'				
June 30, 2022				
Listed equity securities	3,770	-	-	3,770
Mutual funds	-	-	-	-
	3,770	-	-	3,770
June 30, 2021				
Listed equity securities	6,102	-	-	6,102
Mutual funds	20,279	-	-	20,279
	26,381	-	-	26,381

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

There were no transfer during the year between level 1, 2 or 3 of fair value hierarchy of financial assets or financial liabilities.

48 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASHFLOWS ARISING FROM FINANCING ACTIVITIES

Description	Liabilities	Total
	Long term Financing	
(Rupees in thousands)		
Balance as at July 1, 2021	30,186	30,186
Addition	-	-
Repayment	(21,396)	(21,396)
	(21,396)	(21,396)
Balance as at June 30, 2022	8,790	8,790

49 CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital, which the Company defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also monitor the level of dividend to ordinary shareholders. There were no changes to the Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements.

The Company's objectives when managing capital are:

- (i) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) to provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

The management at all times seeks to earn returns higher than its weighted average cost of capital, by increasing efficiencies in operations, so as to increase profitability.

The shareholders are entitled to receive all distributions including dividends and other entitlements in the form of cash, bonus and right shares, as the case maybe, as and when declared by the Company. All shares carry one vote per share without restriction.

	2022	2021
	(Rupees in thousands)	
The proportion of debt to equity at the year end was:		
Total Borrowings	8,790	30,186
Less: Balances with banks	15,937	17,767
Net debt	(7,147)	12,419
Total equity	2,041,770	1,920,896
Total capital	2,034,624	1,933,315
Gearing ratio	(0.00)	0.01

50 OPERATING SEGMENTS

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

All sales of the Company comprise of automotive wheel rims for trucks, buses, tractors, cars and mini commercial vehicles.

Total sales of the Company relating to customers in Pakistan were 100% during the year ended 30 June 2022 (2021: 100%).

All non-current assets of the Company at the end of the current and preceding year were located in Pakistan.

Sales to three major customers of the Company are around 43%, 24% and 14% of the Company's total sales during the year ended 30 June 2022 (2021: 33%, 28% and 13%).

51 DIVIDEND AND APPROPRIATIONS

The Board of Directors in its meeting held on August 31, 2022 proposed final cash dividend of Rs. 4.75/- per share for the year ended 30 June 2022 amounting to Rs. 63.338 million for approval of the members at the Annual General Meeting to be held on October 01, 2022.

2022
(Rupees in thousands) 2021

52 DISCLOSURE BY COMPANIES LISTED IN ISLAMIC INDEX

Loans / advances obtained as per Islamic mode:

Loans	-	-
Advances	-	-
<hr/>		
Shariah complaint bank deposits / bank balances	-	-
Profit earned from shariah complaint bank deposits / bank balances	-	-
Revenue earned from a shariah complaint business	-	-
Gain / (loss) or dividend earned from shariah complaint investments Dividend income	65	30
Gain on sale of investments	-	-
(Loss) / gain on remeasurement of investments at fair value through profit or loss	(2,332)	2,795
Exchange gain earned	-	-
Mark up paid on Islamic mode of financing	-	-
Profits earned or interest paid on any conventional loan or advance		
Interest paid on loans	-	-

Relationship with shariah compliant banks

The Company has earned dividend income from the investment made in the shares of shariah complaint companies.

53 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on **August 31, 2022** by the Board of Directors of the Company.

54 NUMBER OF EMPLOYEES

The number of employees including contractual employees as at the year end was 217 (2021: 216) and average number of employees during the year was 219 (2021: 220).

55 GENERAL

55.1 Amounts have been rounded off to the nearest thousands of rupees, unless stated otherwise.

55.2 Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation. However, no significant reclassification has been made during the year.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2022

NO. OF SHAREHOLDERS	SHAREHOLDING RANGE			NO. OF SHARES	PERCENTAGE (%)
	FROM	-	TO		
633	1	-	100	25,176	0.19
442	101	-	500	124,001	0.93
92	501	-	1000	69,617	0.52
92	1,001	-	5000	193,281	1.45
15	5001	-	10000	113,095	0.85
5	10001	-	15000	61,060	0.46
1	15001	-	20000	18,000	0.14
1	20001	-	25000	22,500	0.17
1	30001	-	35000	33,715	0.25
1	50001	-	55000	55,000	0.41
1	80001	-	85000	82,800	0.62
2	85001	-	90000	175,500	1.32
1	125001	-	130000	129,400	0.97
1	145001	-	150000	145,562	1.09
1	230001	-	235000	234,500	1.76
1	285001	-	290000	287,500	2.16
1	325001	-	330000	328,000	2.46
1	340001	-	345000	341,693	2.56
1	435001	-	440000	437,201	3.28
1	480001	-	485000	482,083	3.62
1	640001	-	645000	645,000	4.84
1	695001	-	700000	700,000	5.25
1	795001	-	800000	800,000	6.00
1	995001	-	1000000	1,000,000	7.50
1	1280001	-	1285000	1,282,825	9.62
1	1325001	-	1330000	1,328,360	9.96
1	1570001	-	1575000	1,571,971	11.79
1	2645001	-	2650000	2,646,410	19.85
1,302				13,334,250	100

Categories of Shareholders	Number of Shareholders	Number of Shares Held	Percentage(%)
SPONSORS, DIRECTORS, THEIR SPOUSES & MINOR CHILDREN	11	6,147,507	46.10
BANK, DFI & NBF	3	329,468	2.47
INSURANCE COMPANIES	1	341,693	2.56
MODARABAS & MUTUAL FUND	7	1,655,878	12.42
FOREIGN COMPANIES	7	5,905	0.04
OTHERS	22	1,918,534	14.39
GENERAL PUBLIC			
--- LOCAL	1,093	2,896,320	21.72
--- FOREIGN	158	38,945	0.29

1,302	13,334,250	100.00
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BALUCHISTAN WHEELS LIMITED 99

PATTERN OF SHAREHOLDING - BREAKUP

AS AT JUNE 30, 2022

CATEGORIES OF SHAREHOLDERS	NO. OF SHAREHOLDERS	SHARES HELD	PERCENTAGE (%)
<u>DIRECTORS, AND THEIR SPOUSES AND MINOR-CHILDREN</u>	11	6,147,507	46.10%
1 MR. RAZAK BENGALI		1,571,971	
2 MRS. GUL BANO RAZAK		482,083	
3 MR. MUHAMMAD SIDDIQUE MISRI		2,646,410	
4 MRS. MEHTAB BIBI		437,201	
5 MRS. SABA NADEEM		3,000	
6 MR. MUHAMMAD IRFAN GHANI		4,842	
7 MRS. KAUSAR IRFAN		1,000,000	
8 MR. ANIS WAHAB ZUBERI		500	
9 MR. SYED ZUBAIR AHMED SHAH		500	
10 MR. MUHAMMAD JAVED		500	
11 IRFAN AHMED QURESHI		500	
<u>BANK, DFI & NBFI</u>	3	329,468	2.47%
1 PRUDENTIAL INVESTMENT BANK LIMITED		575	
2 NATIONAL BANK OF PAKISTAN		893	
3 NATIONAL BANK OF PAKISTAN		328,000	
<u>INSURANCE COMPAINES</u>	1	341,693	2.56%
1 STATE LIFE INSURANCE CORP. OF PAKISTAN		341,693	
<u>MODARABAS & MUTUAL FUND</u>	7	1,655,878	12.42%
1 CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST		1,328,360	
2 CDC - TRUSTEE NBP STOCK FUND		87,000	
3 CDC - TRUSTEE NBP ISLAMIC SARMAYA IZAFI FUND		234,500	
4 CDC - TRUSTEE NBP EQUITY MARKET OPPORTUNITY FUND		4,000	
5 CDC - TRUSTEE NBP ISLAMIC STOCK FUND		1,500	
6 CDC - TRUSTEE NBP SARMAYA IZAFI FUND		500	
7 GENERAL MODARABA SERVICES (PVT) LTD		18	
<u>FOREIGN COMPANIES</u>	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	
<u>OTHERS</u>	22	1,918,534	14.39%
1 M/S. NATIONAL MOTORS LIMITED		230	
2 NATIONAL DEV. FINANCE CORP. INVESTERS		438	
3 BOLAN CASTINGS LIMITED		287,500	
4 PRUDENTIAL SECURITIES LIMITED		718	
5 AZIZ FIDAIHUSEIN & COMPANY (PVT) LTD.		40	
6 SIZA (PRIVATE) LTD		15,000	
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 KHOJA (PIRIAH) SIBA ISNA ASHARI JAMAT		230	
12 MAPLE LEAF CAPITAL LIMITED		1	
13 MILLAT TRACTORS LIMITED		1,282,825	
14 TRUSTEES OF PAKISTAN MOBILE COMMUNICATION LTD - PROVIDENT FUND		5,000	
15 SHERMAN SECURITIES		2,000	
16 HAMID ADAMJEE TRUST		1,000	
17 MUHAMMAD AHMED NADEEM SECURITIES (SMC-PVT) LIMITED		287	
18 MSMANIAR FINANCIALS (PVT) LTD.		345	
19 FIKREE'S (SMC-PVT) LTD.		134	
20 MRA SECURITIES LIMITED - MF		500	
21 CDC - TRUSTEE NAFA PENSION FUND EQUITY SUB-FUND ACCOUNT		88,500	
22 CDC - TRUSTEE NAFA ISLAMIC PENSION FUND EQUITY ACCOUNT		82,800	
<u>GENERAL PUBLIC</u>	1,251	2,935,265	22.01%
1 GENERAL PUBLIC - LOCAL		2,896,320	
2 GENERAL PUBLIC - FOREIGN		38,945	
	1,302	13,334,250	100%
<u>SHAREHOLDERS HOLDING FIVE PERCENT OR MORE VOTING INTEREST IN THE COMPANY</u>	8	10,029,566	75.22%
1 MUHAMMAD SIDDIQUE MISRI		2,646,410	
2 RAZAK BENGALI		1,571,971	
3 CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST		1,328,360	
4 MILLAT TRACTORS LIMITED		1,282,825	
5 MRS. KAUSAR IRFAN		1,000,000	
6 MR. KUMAIL IRFAN GHANI		800,000	
7 MR. WAJID IRFAN GHANI		700,000	
8 MS. MAHEEN IRFAN GHANI		700,000	

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 42nd Annual General Meeting (AGM) of the shareholders of Baluchistan Wheels Limited will be held on **Saturday, October 01, 2022 at 12:00 Noon** at the Registered Office of the Company, Main RCD Highway, Hub Chowki, District Lasbella, Baluchistan, to transact the following business :-

ORDINARY BUSINESS

- 1.To confirm the minutes of the Extra Ordinary General Meeting held on May 24, 2022.
- 2.To receive, consider and adopt the Audited Annual Financial Statements of the Company for the year ended June 30, 2022 together with the Directors' and Auditors' Reports thereon and Chairman's Review Report.
- 3.To consider and approve payment of final cash dividend of **Rs. 4.75** per share (**47.5%**) for the year ended June 30, 2022 as recommended by the Board of Directors. This is in addition to interim dividends already paid at **Rs. 5.25** per share (**52.5%**).making a total dividend of **Rs. 10** per share (**100%**).
- 4.To appoint Statutory Auditors of the company for the year ending June 30, 2023 and fix their remuneration.

OTHER BUSINESS

- 1.To transact any other business with permission of the Chairman.

BY ORDER OF THE BOARD

Muhammad Asad Saeed
Company Secretary

Karachi: September 09, 2022

NOTES:

1. Closure of Share Transfer Books:

Share transfer books of the Company will remain closed from **September 23, 2022 to October 01, 2022** (both days inclusive). Transfers received in order at the Shares Department of M/s THK Associates (Pvt) Limited, Plot No: 32-C, Jami Commercial Street 2, DHA, Phase-VII, Karachi, Pakistan, by the close of business on **September 22, 2022**, will be considered in time to determine the above mentioned entitlement.

2. For Attending the Meeting:

- i. In case of individuals, the account holders or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original CNIC, or original passport at the time of attending the meeting.
- ii. Members registered on Central Depository Company (CDC) are also requested to bring their particulars, ID number and account number in Central Depository System (CDS).

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.

3. **Proxy:**

A member entitled to attend, speak and vote at the meeting is entitled to appoint any other member as his/her proxy to attend, speak 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 holding the meeting

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.

4. **Submission of CNIC/NTN for payment of Final Cash Dividend 2021 – 22:**

- a. As per **SRO. 831(1)/2012 dated 5th July 2012**, and other relevant rules, the electronic Dividend should also bear the CNIC Number of the registered shareholder or the authorized person, except in case of minor(s) and corporate shareholder(s).
- b. In refer to comply with the SECP's directions and in term of Section 243(2) (a) of the Companies Act 2017, the Company shall be constrained to withhold the payment of Dividend to the shareholders, in case of non-availability of identification number (CNIC or National Tax Number] of the shareholder or authorized person.
- c. Accordingly, the shareholders, who have not yet submitted copy of their valid CNIC or NTN, are once again requested to immediately submit the same to the Share Registrar, M/s THK Associates (Pvt) Limited.

5. **Payment of Cash Dividend Electronically (Mandatory):**

- a. In accordance with the provisions of Section 242 of the Companies Act,2017 and Companies (Distribution of Dividends) Regulations, 2017, every listed company is required to ensure that the cash dividends to its shareholders shall be paid through electronic mode only directly into their bank accounts designated by the entitled shareholders instead of issuing physical dividend warrants. Therefore, shareholders are requested to provide the details of their Bank mandate specifying: (i) Title of account, (ii) Account number (iii) IBAN number (iv) Bank name and (v) Branch name, code and address to the Company Share Registrar. Those share- holders who hold shares with participants / Central Depository Company of Pakistan (CDC) are advised to provide the same to their concerned participant / CDC.

- a. Please note that as per **Section 243 (3) of the Companies Act, 2017**, listed Companies are entitled to withhold payment of dividend, if necessary information is not provided by the shareholders.
- b. For the convenience of shareholders, e-Dividend Mandate Form is available on Company's website [http:// www.bwheels.com](http://www.bwheels.com)

6. Un-claimed/Un-paid Dividends:

The shareholders who, by any reasons, could not claim their dividends are advised to contact our Share Registrar, M/s THK Associates (Pvt Ltd to collect /inquire about their unclaimed/unpaid dividends.

7. Deposit of Physical Shares into Central Depository:

As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission within a period not exceeding four years from the commencement of the Act i.e. May 30, 2017. Further, SECP vide its letter dated March 26,2021 has advised to comply with Section 72 of the Act and encourage shareholders to convert their shares in book-entry form.

In the light of the above, shareholders holding physical share certificates are requested to deposit their shares in Central Depository by opening CDC sub-accounts with any of the brokers or Investor Accounts maintained directly with CDC to convert their physical shares into scrip less form. This will facilitate the shareholders to streamline their information in member's register, enabling the company to effectively communicate with the shareholders and timely disburse any entitlements. Further, shares held shall remain secure and maintaining shares in scrip less form allows for swift sale/purchase.

8. Deduction of Income Tax from Dividend under section 150 of the Income Tax Ordinance, 2001 (Mandatory):

- a. Pursuant to the provision of the Finance Act,2022 effective July 01,2022 the rate of deduction of income tax from dividend payment under section 150 of the Income Tax Ordinance ,2001 have been received as follows:
 - (i) For Active Tax Payer: 15%
 - (ii) For Non- Active Tax Payer: 30%
- b. Further according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on "Active/Non-Active" status of principal shareholder as well as Joint-holder(s) based on their shareholding proportions, in case of joint accounts.
- c. 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)

- d. The required information must reach our Share Registrar within **10 days** of issue of this notice; otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).
- e. The corporate shareholders, having CDC accounts, are requested to have their National Tax Number (NTN) updated with their respective participants.

9. Availability of Audited Financial Statements on Company’s Website:

- a. In accordance with the provisions of **Section 223 and 237 of the Companies Act 2017**, the audited financial statements of the Company for the year, which ended on 30th June 2022, are available on the Company's website [http:// www.bwheels.com](http://www.bwheels.com) , at least 21 days before the date of AGM.
- b. If any shareholder, desires to get the hard copy of Annual Audited Financial Statements, the same shall be provided free of cost within seven working days of receipt of such request.
- c. For convenience of shareholders, a **“Standard Request Form”** for provision of Annual Audited Financial Accounts is available on the Company's website [http:// www.bwheels.com](http://www.bwheels.com)

10. Change of Address(If Any):

Members are requested to promptly notify any change in their addresses immediately to the Company’s Share Registrar.

Transport will be provided to members from the Pakistan Stock Exchange Building to attend the meeting. Departure from the Pakistan Stock Exchange Building will be at 10:30 am.

*Proxy Form is enclosed

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/ doubt full 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

Proxy Form

I/We, _____
of _____ (Full address)
being a member (s) of Baluchistan Wheels Limited and holding of _____ Shares under Folio
No. _____ and /or CDC Participant's ID No _____ and Sub A/c
No. _____ hereby appoint Mr./Mrs./Miss _____ of
_____ (Full address). Folio
No. _____ and / or CDC Participant's ID No _____ and Sub A/c No.
_____ or failing him/her Mr. / Mrs. / Miss _____ of
_____ (Full address). Folio
No. _____ and / or CDC Participant's ID No. _____ and Sub
A/c No. _____ as my / our Proxy in my / our absence to attend and vote
for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on October 01,
2022 at 12 Noon via Video Conference and at any adjournment thereof.

As witness my/our hand this _____ day of _____ 2022

SIGNATURE

**Please affix
Rs. 5/- Revenue
Stamp**

Signature of Member (s)

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 authorized.
3. This Proxy Form duly completed must be deposited at the Head Officer 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 Shareholder and their proxies must each attach an attested photocopy 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.

BALUCHISTAN WHEELS LIMITED

Disc Wheels for Cars, Vans, Pick-ups and 4x4s



Pak Suzuki Motor Co. Ltd.



Indus Motor Co. Ltd.



Lucky Motors Co. Ltd.



Disc Wheels for Agricultural Tractors



Al-Ghazi Tractors Ltd.



Millat Tractors Ltd.



Orient Automotive Industries (Pvt.) Ltd.



Disc Wheels for Commercial Vehicles



Hinopak Motors Ltd.



Fuso Master Motors (Pvt.) Ltd.



Ghandhara DF (Pvt.) Ltd.



Ghandhara Industries Ltd.



Master Motors Corporation Ltd.



Afzal Motors (Pvt.) Ltd.



BALUCHISTAN WHEELS LIMITED



Factory & Registered Office Main RCD
Highway, Hub Chowki, Lasbella
Baluchistan Telephone # : (0853)-
363426, 363428 Fax # : (0853)-364025
www.bwheels.com