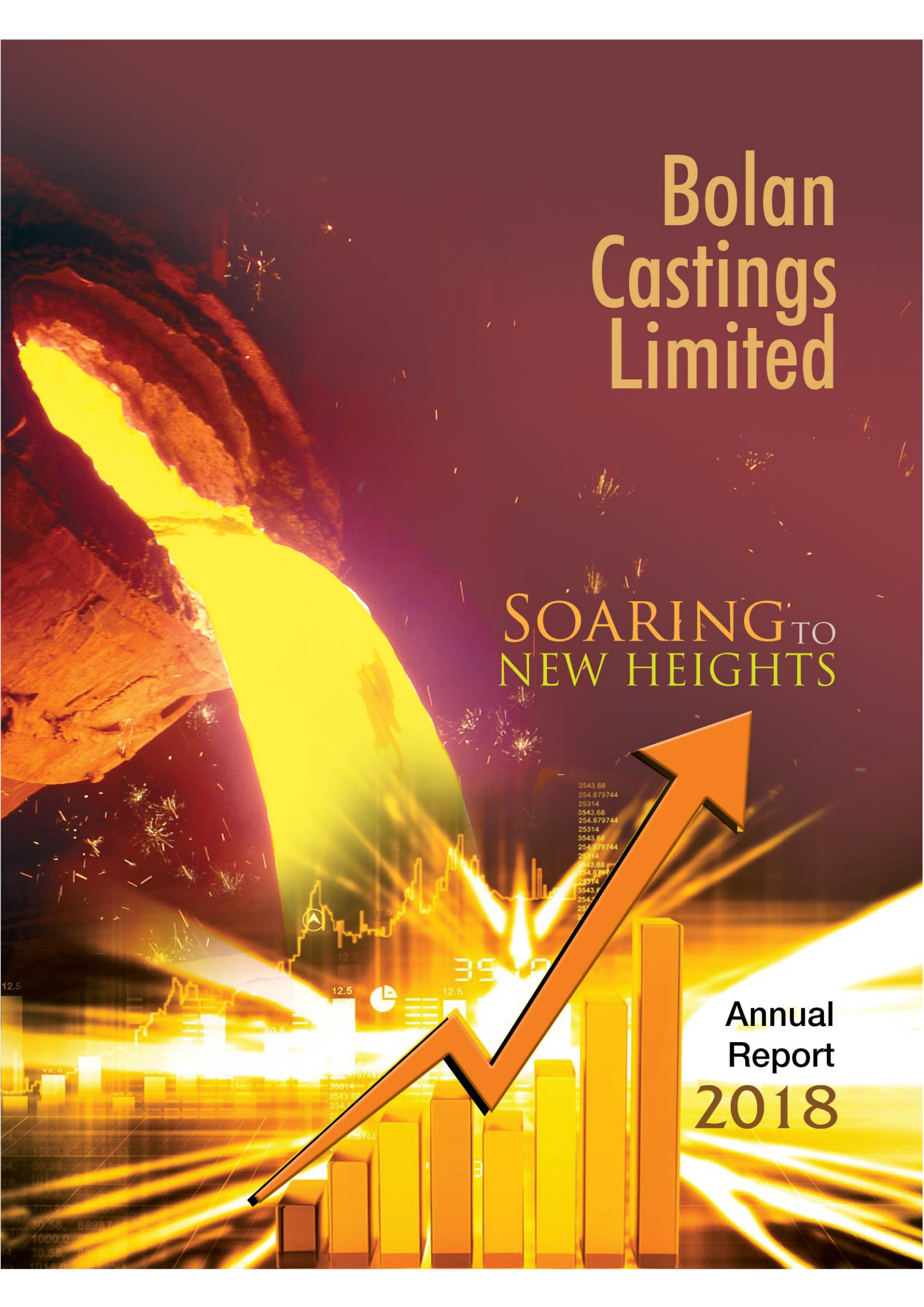


Bolan Castings Limited

SOARING TO
NEW HEIGHTS

Annual
Report
2018



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Form of Proxy

VISION / MISSION CORPORATE STRATEGY / QUALITY POLICY SAFETY, HEALTH & ENVIRONMENT



Vision

To be a player in the global market by providing high quality foundry based engineering products.

Mission

To be market leader in foundry technology by offering competitive high quality value added products to the satisfaction of customers and to grow through diversification in local and export markets, while serving the best interest of shareholders.

Corporate Strategy

Bolan Castings Limited will remain proactive in combating all threats and make use of all opportunities to improve the productivity, profitability and for achieving its immediate goals and ultimate mission.

Quality Policy

We will pursue and continuously improve our quality management systems so as to consistently meet the expectations of our customers and other stakeholders, operate safely and encourage our employees to develop and grow.

Safety

- > The management of Bolan Castings Limited believes that the safety and welfare of its employees is of paramount importance.
- > We believe that all industrial injuries can be prevented.
- > Each individual employee is responsible for working safely, both for his own welfare, and for the safety and welfare of his fellow employees.
- > We believe that production is not so important that time cannot be taken to find a safe way to do our work.

Health

- > Good health of employees is very important to Bolan Castings Limited.
- > All employees of Bolan Castings Limited go through an annual medical check up.
- > Bolan Castings Limited has a clinic at the plant site which provides medical facilities for its employees.
- > All employees are insured under Group Life and Health Insurance Scheme.

Environment

- > Bolan Castings Limited is making all out efforts to ensure that it takes care of the environment.
- > Continued efforts are made so that the Company's plant operational activities are environment friendly.
- > The Company is committed to improve the environment and is currently working to achieve the environmental standards.

CODE OF CONDUCT

Purpose

Bolan Castings Limited (BCL) is committed to the highest standards of business conduct in its relationships with associates, customers, suppliers, shareholders and other stakeholders. It is BCL's policy to conduct business with honesty and integrity and in compliance with all applicable legal and regulatory requirements.

The directors, senior management and all other employees of BCL are expected to conduct their business dealings honestly, openly, fairly, diligently and courteously and in a manner that enhances the image of the Company as well as Group and never compromised the Company's integrity. The purpose of this Code is to describe standards of conduct expected of directors, senior management and other employees in their dealings on behalf of the Company.

Applicability

This Code is applicable to all the directors, senior management and other employees of the Company.

Standards of Conduct

Every director, senior management and other employee of the Company shall ensure that he / she:

- > Shall not engage in business activities, either directly or indirectly, with a customer, vendor, supplier or any other third party, which are inconsistent with, or contrary to, the business activities of the Company.
- > Shall not engage in any activity that might create a conflict between personal interest and the Company's interest. Any situation that involves or may reasonably be expected to involve, a conflict of interest should be disclosed promptly in order to seek guidance from the Board.



- > Shall not use his / her respective position to force, coerce, harass, induce, intimidate or in any manner influence any person for personal gain.
- > Shall maintain the confidentiality of information entrusted to him / her by the Company, its customers, suppliers or business associates of the Company, except when disclosure is authorized or legally mandated and shall ensure that no such confidential information is used for personal advantage or benefit.
- > Shall protect the Company's property and assets and have them utilized reasonably and effectively for the Company's business purpose, and shall not use them to pursue personal opportunities and gain.
- > Shall refrain from insider trading and shall not use material information pertaining to the Company, before it is made public, for financial or other personal benefit and shall not provide such information to others.
- > Shall comply with all applicable laws, rules, regulations, agreements, guidelines, standards and internal policies, including other requirements incidental thereto.

CORE VALUES

1. Ethics & Integrity

We do care how results are achieved and will demonstrate honest and ethical behaviour in all our activities. Choosing the course of highest integrity is our intent and we will establish and maintain the highest professional and personal standards.

2. Continual Improvement

Continual improvement in all processes involved in manufacturing, engineering or business management is 'order of the day' for competitive success.

The philosophy of continual improvement is the 'change for the better'.

It refers to activities that continually improve all functions and involves all employees from the CEO to the shop floor workers.

It is an ongoing effort to constantly evaluate all processes for seeking improvements to increase productivity and profitability.

3. Excellence

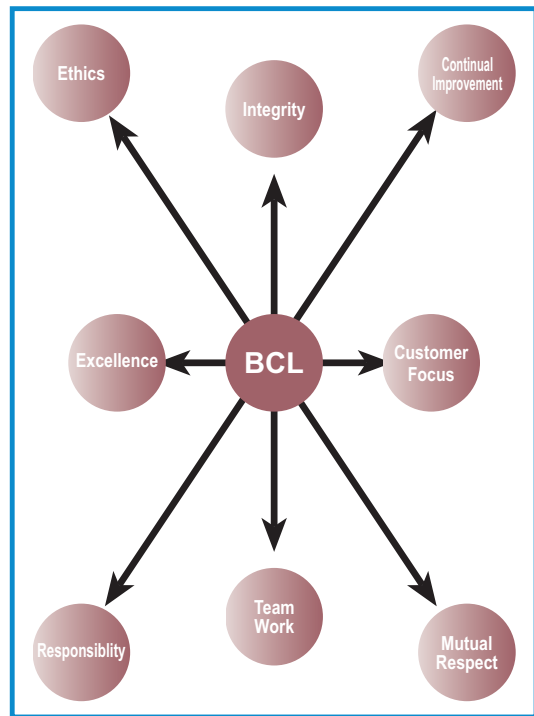
We are committed to excellence in every aspect of our activities. Each one of us must make maximum efforts to provide a quality product that responds to our customers need. Our products must meet and exceed competition. Rather than asking "is it good enough?", we must ask, "how can we do it better?". The quality of everything we do reflects on us and is essential for maintaining long-term relationships with our stakeholders.

4. Customer Focus

We are a customer-driven organization and believe that customer satisfaction is our strength and motivates us to grow.

5. Responsibility

We will manage our affairs in a highly responsible manner by ensuring that we take care of the environment, are a good corporate citizen, ensure complete satisfaction of our customers through quality and timely delivery of our products.



6. Teamwork

We put a lot of emphasis on team work by recognizing that we will achieve more through teamwork. We feel that operational excellence will be achieved by working together as a team and diligently performing tasks in an exceptional manner.

7. Mutual Respect

We have respect for all stakeholders of our business which includes our customers, suppliers, contractors, regulators, shareholders, our families and one other.

We care about the professional and personal well being of each member of Bolan Castings Limited. People are our greatest asset and we will strive to exhibit care, concern and interest in those with whom we work and with whom we do business. Our work environment respects individual talents and provides opportunities for training, leadership development, professional growth and financial reward. A secure, highly motivated, and well-trained workforce will thrive and meet the challenges set by our customers.

COMPANY INFORMATION

Board of Directors	Mr. Sikandar M. Khan Mr. Nisar Ahmed Mirani Mr. Latif Khalid Hashmi Mr. Sohail Bashir Rana Mr. Laeeq Uddin Ansari Syed Muhammad Irfan Aqueel Syed Javaid Ashraf Mr. Muhammad Salman Husain Chawala	Chairman Chief Executive Director Director Director Director Director Director
Company Secretary	Mr. Arafat Mushir	
Chief Financial Officer	Syed Sajid Ali	
Auditors	M/s. A.F. Ferguson & Co.	Chartered Accountants
Legal Advisors	M/s. Latif & Latif Advocate M/s. Rizwan Manai Associates	
Bankers	Habib Bank Limited MCB Bank Limited Bank AlFalah Limited Dubai Islamic Bank Pakistan Ltd. Meezan Bank Limited Faysal Bank Limited Askari Bank Limited Bank Al-Habib Limited	
Share Registrar	M/s. Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block-B, S.M.C.H.S. Main Shahrah-e-Faisal, Karachi Tel: +92-800-23275 Fax: +92-21-34326053	
Registered Office	Main RCD Highway, Hub Chowki, District Lasbela, Balochistan, Pakistan Tel : +92-853-364033,363296 Fax : +92-853-363292 E-mail: bclhub@bclpk.com	
Web Site	www.bolancastings.com	

BOARD OF DIRECTORS



Mr. Sikandar M. Khan

Chairman / Non Executive Director

Appointment
July 03, 1982

Committee Membership
Chairman of Board's Committee for Supervision

External Appointments
Chairman of Millat Tractors Ltd., Millat Equipment Ltd., Millat Industrial Products Ltd.,
TIPEG Intertrade DMCC and Director of Arabian Sea Country Club



Mr. Nisar Ahmed Mirani

Chief Executive Officer

Appointment
April 27, 2016

Committee Membership
No Committee Membership

External Appointments
Currently no external appointment



Mr. Latif Khalid Hashmi

Non Executive Director

Appointment
June 13, 1993

Committee Membership
Member of Audit Committee and Board's Committee for Supervision

External Appointments
Director of Millat Tractors Ltd., Millat Equipment Ltd., Millat Industrial Products Ltd.,
TIPEG Intertrade DMCC

BOARD OF DIRECTORS



Mr. Sohail Bashir Rana

Non Executive Director

Appointment
June 13, 1993

Committee Membership
Member of Board's Committee for Supervision

External Appointments
Director of Millat Tractors Ltd., Millat Equipment Ltd., Millat Industrial Products Ltd., TIPEG Intertrade DMCC, Arrowhead (Pvt.) Ltd., Hyundai Nishat Motor (Pvt.) Ltd.



Mr. Laeeq Uddin Ansari

Executive Director

Appointment
June 13, 1993

Committee Membership
Member of Board's Committee for Supervision and Human Resource and Remuneration Committee

External Appointments
Director of Millat Tractors Ltd., Millat Equipment Ltd., Millat Industrial Products Ltd., TIPEG Intertrade DMCC, Etimaad Engineering (Pvt.) Ltd.



Syed Muhammad Irfan Aqueel

Non Executive Director

Appointment
October 28, 2014

Committee Membership
Member of Audit Committee and Human Resource and Remuneration Committee

External Appointments
Chief Executive Officer of Millat Tractors Ltd. and Director of Millat Equipment Ltd., Karachi Tools, Dies & Moulds Centre (KTDMC)

BOARD OF DIRECTORS



Syed Javaid Ashraf
Independent Director

Appointment
October 28, 2014

Committee Membership
Chairman of Audit Committee and Human Resource and Remuneration Committee

External Appointments
Director of Karachi Tools, Dies & Moulds Centre (KTDMC)



Mr. Muhammad Salman Husain Chawala
Independent Director

Appointment
January 19, 2018

Committee Membership
Member of Audit Committee

External Appointments
Section Manager Corporate Governance of National Investment Trust Limited and Director of UDL Distributors (Pak) Ltd., ZIL Ltd.

BOARD COMMITTEES

Audit Committee

Composition of Committee

Chairman

Syed Javaid Ashraf Independent Director

Members

Mr. Latif Khalid Hashmi Non-Executive Director

Syed Muhammad Irfan Aqueel Non-Executive Director

Mr. Muhammad Salman

Husain Chawala Independent Director

Terms of Reference

- > Determination of appropriate measures to safeguard the company's assets.
 - > Review of annual and interim financial statements of the company, prior to their approval by the Board of Directors, focusing on:
 - (i) Major judgmental areas.
 - (ii) Significant adjustments resulting from the audit.
 - (iii) Going concern assumption.
 - (iv) Any changes in accounting policies and practices.
 - (v) Compliance with applicable accounting standards.
 - (vi) Compliance with these regulations and other statutory and regulatory requirements.
 - (vii) All related party transactions.
 - > Review of preliminary announcements of results prior to external communication and publication.
 - > Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary).
 - > Review of management letter issued by external auditors and management's response there to.
 - > Ensuring coordination between the internal and external auditors of the company.
- > Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the company.
 - > Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response there to.
 - > Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective.
 - > Review of the company's statement on internal control systems prior to endorsement by the board of directors and internal audit reports.
 - > Instituting special projects, value for money studies or other investigations on any matter specified by the board of directors, in consultation with the chief executive officer and to consider remittance of any matter to the external auditors or to any other external body.
 - > Determination of compliance with relevant statutory requirements.
 - > Monitoring compliance with these regulations and identification of significant violations thereof.
 - > Review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures.
 - > Recommend to the board of directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements. The board of directors shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof.
 - > Consideration of any other issue or matter as may be assigned by the board of directors.

BOARD COMMITTEES

Board's Committee for Supervision (BCS)

Chairman

Mr. Sikandar M. Khan Chairman / Non-Executive Director

Members

Mr. Latif Khalid Hashmi Non-Executive Director

Mr. Sohail Bashir Rana Non-Executive Director

Mr. Laeeq Uddin Ansari Executive Director

Terms of Reference

- > To provide a forum for the Company's Senior Executives to contribute to planning the strategic direction of the Company.
- > To review and monitor the periodic operating activities regarding technical, financial and administrative aspects of the Company, against budget, forecasts and previous year on monthly basis.
- > To ensure implementation of strategy, the corporate plan, policies and procedures.
- > To ensure successful achievement of objectives of the Company.
- > To ensure active co-ordination, cooperation and communication between all departments of the Company.
- > To review the organizational structure of the Company and making recommendations for change.

Human Resource and Remuneration (HR&R) Committee

Chairman

Syed Javaid Ashraf Independent / Non-Executive Director

Members

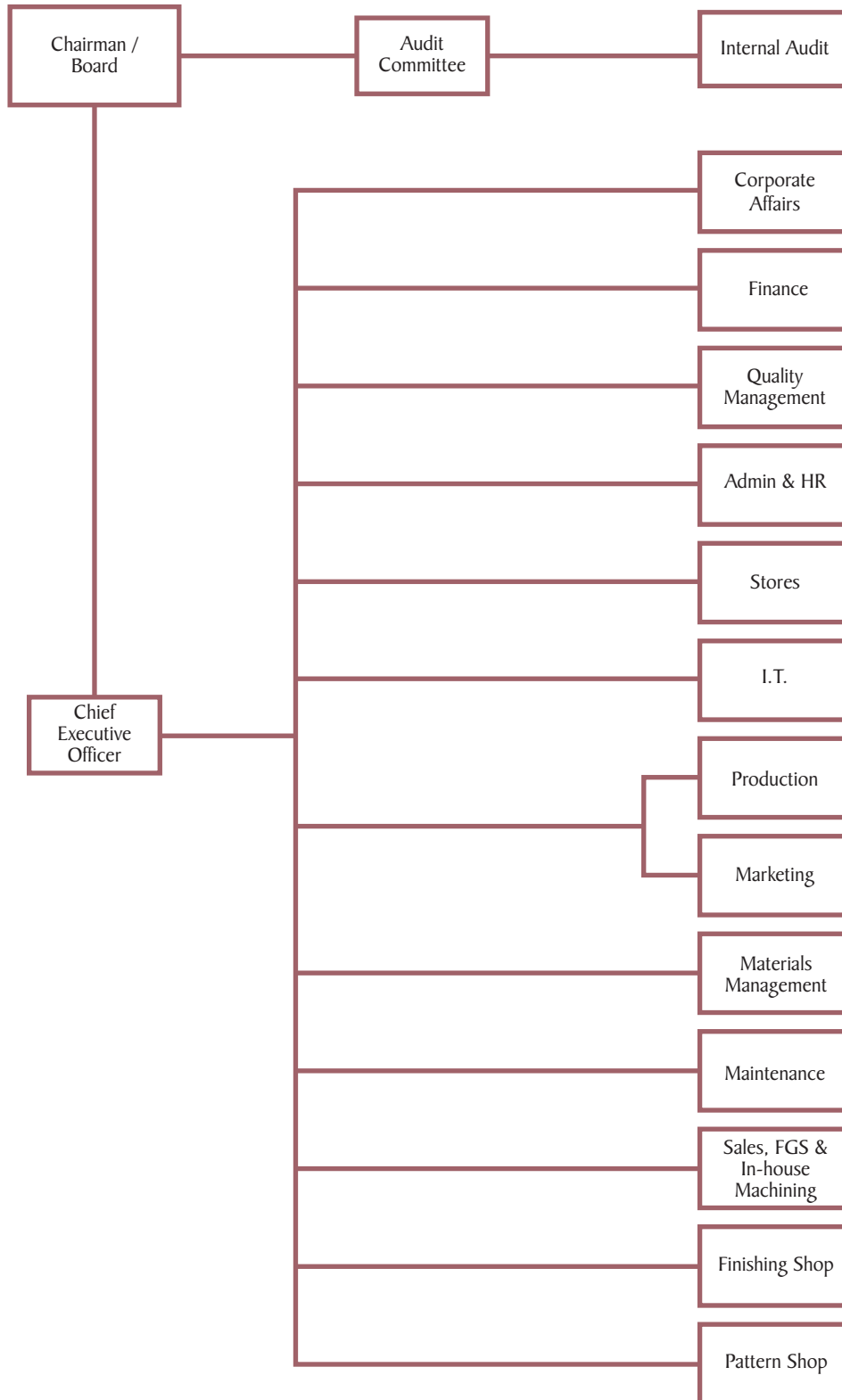
Mr. Laeeq Uddin Ansari Executive Director

Syed Muhammad Irfan Aqueel Non-Executive Director

Terms of Reference

- > Recommend to the board for consideration and approval a policy framework for determining remuneration of directors (both executive and non-executive directors);
- > Recommending human resource management policies to the board;
- > Recommending to the board the selection, evaluation, development, compensation (including retirement benefits) of chief financial officer, company secretary and head of internal audit.

ORGANIZATION STRUCTURE



COMPANY PROFILE

INTRODUCTION

Being a modern and well equipped foundry and holding a major market share of the tractor and automotive castings, Bolan Castings Limited can rightly claim to be the leading foundry of its kind in Pakistan.

The Company was incorporated on 15th July, 1982 as a public limited company by Pakistan Automobile Corporation Limited (PACO) under the administrative control of Ministry of Production, Government of Pakistan. The plant was commissioned in June 1986 with the assistance of Foundry Management & Design Company (FMD), United Kingdom (U.K) and commercial production was started in July, 1986. The plant is located about 40 Kms from Karachi on the main R.C.D. Highway, Hub Chowki, District Lasbella, Balochistan. The Company was privatised and handed over to a group of management under a joint collaboration of Millat Tractors Limited and the employees of Bolan Castings Limited on 13th June, 1993.

FOUNDRY

The foundry is located at Hub, Balochistan on a 100,000 square meters plot with a covered area of approximately 20,000 square meters. The foundry is manufacturing tractor castings such as Cylinder Blocks, Cylinder Heads, Centre Housings, Transmission Cases and truck / bus castings like Brake Drums and Hubs with a large number of other similar castings.



The plant produces more than 16,000 tons per year of tractor / automotive castings in grey and ductile iron. So far, more than 200 different types of castings have been successfully developed and supplied to various customers.

PRODUCTION FACILITIES

BCL has two foundry plants with following production & quality management facilities.

- > Duplex melting facilities consisting of Twin Cold Blast Cupolas and Coreless Induction Furnaces.
- > Induction melting through two 1.5 tons furnaces.



- > One high pressure line of 1150 x 800 x 300 / 300 mm box size.
- > Another high pressure moulding line of 650 x 550 x 250 / 250 mm box size.
- > Fully computerized green sand plant which on demand automatically delivers predetermined sand mixes to the moulding line
- > New Sand Preconditioning Plant.
- > Sand Washing Plants.
- > Resin coated sand Plant, Continuous Mixer, Shell Cores, silicate/CO2 Cores and Cold Box core making machines.
- > Finishing Shop for shot blasting, fettling, grinding and painting.
- > A separate Pattern Making Shop for development, repair and maintenance of patterns tooling and core boxes through CAD/CAM process.
- > An ancillary workshop for the fabrication and maintenance of Plant equipment etc.

RESEARCH & DEVELOPMENT

Experimentation and innovative studies are constantly undertaken for both process and product improvements. Bolan Castings Limited, from the very beginning, is engaged in research, quality improvement of the products, productivity enhancement, new products development and processes improvement.



QUALITY MANAGEMENT / PROCESS CONTROL

We believe that quality and a relentless commitment to continuous improvement are essential to our success. To this end, we define quality as understanding the customer's expectations, agreeing on performance and value and providing products and services that meet expectations. Quality is our responsibility and our motto is "We pour quality into castings".

The foundry has developed a "Quality Control System" that covers inspection of the complete process from raw materials supply to the dispatch of finished good. Laboratories at the plant use equipment and techniques to check all incoming material, metallic charge, Ferro alloys, sands, resins, coatings and refractoriness.



COMPANY PROFILE

BCL is the only foundry in Pakistan using high valued imported Raw Materials & consumables like Pig Iron, Coke, Bentonite, Cold Dust, Core Coating, Core Adhesive etc.

During the manufacturing process, rapid response systems are employed in a series of integrated checks. Finished products undergo an array of checks and inspection with appropriate techniques. Critical parts and those on which safety depends are 100% checked.

Checks during manufacturing are supplemented by sample checking by metallography, spectrometry and actual chemical analysis.

As a result of strict and effective quality control, high standards have been achieved.

PRODUCTIVE MAINTENANCE

An integrated Preventive Maintenance Plan is regularly & effectively monitored to keep the plant operative. Computerized data is maintained for upto-date analysis for improvements.

POLLUTION CONTROL

Maximum attention is given to reduce the air pollution through the following:

- > Wet sludge tank for cupola emissions.
- > Scrubbers for air born emission at new sand pre conditioning and core plant.
- > Reduction of dust emissions through bag filter closed cabin for shot blasting and sand plant.
- > Dust catchers in grinding area.
- > Maximum plantation at the open areas of the factory.

INDUSTRIAL & PERSONAL SAFETY

The following are in place for the safety of our employees and equipments:

- > Effective fire fighting system, which covers all areas of the plant.
- > Safety protective provided to the work force.
- > Adequate sound proofing of high noise machines.



- > Protective cover for cutting machines.
- > Controlled admittance to production site.
- > Flammable material adequately protected from sun and heat.
- > All work areas sufficiently ventilated.

NO COMPROMISE ON QUALITY IS OUR CLAIM

BCL has an effective system for dealing all customer complaints. Regular visits to customers along with daily feed back and continuous follow ups is our strength.

SUPPORT FOR FOUNDRY EDUCATION / ENGINEERING EDUCATION

To improve the level of knowledge in the field of foundry practice, BCL is providing technical support through regular internships, factory visits etc., to the students of Metallurgical Engineering and Materials Engineering of NED University of Engineering & Technology, Karachi, Mehran University of Engineering & Technology, Jamshoro and other Engineering Institutions in a planned manner.

SUGGESTION SCHEME

Continual Improvement is the prime strategy at Bolan Castings Limited for bench mark performance and competitiveness. We encourage every employee and other concerned staff of the Company to participate in the scheme and get incentive.

ISO CERTIFICATION

Bolan Castings Limited was the first foundry in Pakistan to obtain ISO-9002 QMS certificate in April 1999. The Company has now acquired certification on ISO 9001 - 2015 version of ISO Quality Management System.



At Bolan Castings Limited, the ISO- Quality Management System is being effectively implemented in letter and spirit. All SOPs & QSPs are regularly monitored through In-house and independent Auditors.

INTEGRATED REPORTING / DOCUMENTATION THROUGH COMPUTERIZATION

Fully computerized documentation & reporting system has been employed for the effective control, timely action and transparency.

CUSTOMERS & PRODUCT RANGE

CUSTOMERS

Tractors

- . Millat Tractors Limited
- . Al-Ghazi Tractors Limited
- . Hema Industries, Turkey

Automobiles

- . Hino Pak Motors Ltd.
- . Ghandhara Nissan Ltd.
- . Ghandhara Industries Ltd.
- . Master Motors Corporation Ltd.
- . Afzal Motors

Engineering/Others

- . Millat Equipment Limited
- . Alsons Industries
- . Mecas Engg. Ltd.
- . Infinity Engg. Ltd.

PRODUCT RANGE

Tractor Industry

- a. MF Tractors
 1. Cylinder block
 2. Cylinder head
 3. Transmission case
 4. Centre housing
 5. Timing gears
 6. Bearing caps
 7. Planetary carrier
 8. Differential cases
 9. Hydraulic lift cover
 10. Box hydraulic
 11. Oil sump 240
 12. Link rocker
 13. Sleeve
 14. Fork clutch release
 15. Axle housing 240
 16. Axle housing 385
 17. Oil sump 385
 18. Fly wheel 240
 19. Fly wheel 385
 20. Front wheel hub 240
 21. Front wheel hub 385
 22. Front axle support 240
 23. Water body 385
 24. Water body outlet 240
 25. Shift Tower
 26. Axle Cover
 27. Diff. Carrier LH/RH
 28. Bracket Lh/RH
- b. Fiat Tractors
 1. Axle casing
 2. Differential case
 3. Trumpet 640
 4. Front axle support
 5. Bearing covers
 6. Trumpet cover 640
 7. Trumpet 480
 8. Hubs
 9. Master clutch housing
 10. Oil sump 480

Automobile Industry

- a. Isuzu Trucks/Buses
 1. Brake drums & Hubs
 2. Exhaust manifold
 3. Spring pads & Brackets
 4. Generator brackets
 5. Fly wheel
- b. Dong Feng Trucks/Buses
 1. Brake drums & Hubs
 2. Brackets
 3. Shackles
- c. Nissan Trucks/Buses
 1. Brake drums & Hubs
 2. Fan pulley
 3. Shackles
 4. Spring stoppers & Brackets
 5. Pads
- d. Hino Trucks/Buses
 1. Brake drums
 2. Spring stoppers & Brackets
 3. Bracket injection pump
 4. Pulleys
- e. Master Trucks
 1. Brake drums
 2. Brackets
- f. Daewoo Trucks / Buses
 1. Brake drums

Engineering Industry

- a. Pumps
 1. Pump heads
 2. Pump bases
 3. Base plates
 4. Adopter flanges
 5. Pump housings
 6. Suction chambers
 7. Seal covers
- b. Wheel Rims
 1. Blank holder dies
 2. Forming punch dies
 3. Roller dies
- c. Textile
 1. Labyrinth seals



SHAREHOLDERS INFORMATION



Bolan Castings Limited (BCL) is committed to providing a high standard of communication to its Shareholders so that they have all information reasonably required to make informed assessments of the Company's value and prospects.

Periodic Financial Reports

BCL produces four Periodic Financial Reports for shareholders each year:

- > First Quarterly Report upto 30th September
- > Second Quarterly / Half Yearly Report upto 31st December
- > Third Quarterly Report upto 31st March
- > Annual Report upto 30th June.

The Company transmits its quarterly accounts to shareholders through Company's website instead of sending the same by post. However, the quarterly accounts can be provided to shareholders, on demand, at their registered addresses free of cost, within one week of such demand.

The Company dispatches the Annual Accounts to its Shareholders by post. Annual Accounts are also placed on Company's website.

Annual General Meeting

BCL holds Annual General Meeting (AGM) normally in October of each year at Company's Registered Office.

The Notice of AGM is sent to all Shareholders at least 21 days before the date of AGM and also published in one issue each of Daily English and Urdu news papers having circulation in Karachi and Lahore.

The Notice of AGM contains an explanatory memorandum providing information to Shareholders for their convenience.

Shareholders are encouraged to attend the meeting. However, if they are unable to attend, they are encouraged to Vote by Proxy on matters to be decided at the meeting.

The 36th Annual General Meeting is scheduled to be held at the Registered Office of the Company, Main RCD Highway, Hub Chowki, District Lasbela, Baluchistan, Pakistan, on Tuesday October 23, 2018 at 1130 hours.

Books Closure

The Share transfer books of BCL will remain closed from October 12, 2018 to October 23, 2018 both days inclusive. Transfers received in order at the office of Share Registrar of the Company at the address given hereunder by close of working hours on October 11, 2018 shall be treated in time.

Shareholders Enquiries

Enquiries concerning holdings of the Company's ordinary shares, dividend payments and notification of shareholders' change of address should be referred to the Company's Shares Registrar:

Central Depository Company of Pakistan Limited,
 CDC House, 99-B, Block-B,
 S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400.
 Tel: Customer Support Services (Toll Free) 0800-CDCPL (23275)
 Fax: (92-21) 34326053
 Email: info@cdcpak.com
 Website: www.cdcpakistan.com

Shareholders Complaint

Designated contacts, email address and online complaint form are provided on company's website for the shareholders to raise any complaint.

Web Presence

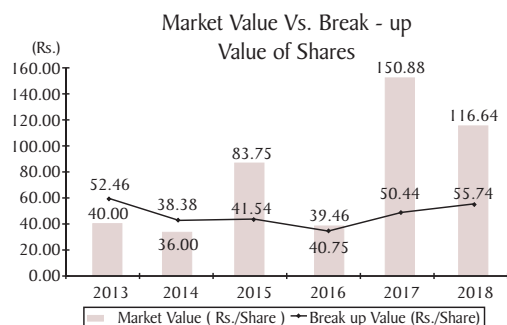
A wide range of information about BCL is available at Company's website, www.bolancastings.com.

The website has general information about the Company and details of its product range. The quarterly and annual reports of the Company are also posted on this site. Further, a dedicated 'Investor Relations' section is also available on the website.

Price Ranges

Quarterly price ranges of BCL shares on the Pakistan Stock Exchange, the principal market in which the stock is traded, were:

Quarter	2018		2017	
	High	Low	High	Low
First (July-17-Sep-17)	169.00	101.35	72.07	39.00
Second (Oct-17-Dec-17)	124.48	91.01	77.17	59.76
Third (Jan-18-Mar-18)	151.00	106.00	147.00	65.00
Fourth (Apr-18-June-18)	185.00	109.50	218.68	133.02



NOTICE OF ANNUAL GENERAL MEETING



Notice is hereby given that 36th Annual General Meeting of Bolan Castings Limited will be held at Registered Office of the Company Main RCD Highway, Hub Chowki, District Lasbela, Balochistan, Pakistan, on Tuesday, October 23, 2018 at 11:30 hours to transact the following business:

A. ORDINARY BUSINESS

1. To confirm the minutes of the 35th Annual General Meeting held on October 28, 2017.
2. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2018 together with the Chairman's review, Directors' report and Auditors' report thereon.
3. To declare a dividend at the rate of Rs. 2.50 per share i.e. 25% for the year ended June 30, 2018, as recommended by the Board of Directors.
4. To appoint auditors for the year ending June 30, 2019 and to fix their remuneration.

B. SPECIAL BUSINESS

5. To ratify and approve the transactions carried out in normal course of business with Group companies for the year ended June 30, 2018 by passing the following resolution as a special resolution:

RESOLVED that the transactions carried out in normal course of business with Group companies as disclosed in note 33 to the financial statements for the year ended June 30, 2018 be and are hereby ratified and approved.

6. To authorize Chief Executive of the Company to approve transactions carried out and to be carried out in normal course of business with Group companies during the year ending June 30, 2019 by passing the following resolution, with or without modification, as a special resolution:

RESOLVED that the Chief Executive of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with Group companies during the year ending June 30, 2019.

FURTHER RESOLVED that the Chief Executive of the Company be and is hereby authorized to take any and all actions and sign any and all such documents as may be required in this regard.

C. OTHER BUSINESS

7. To transact any other business with the permission of the Chair.

By Order of the Board of Directors

Hub
October 01, 2018

Arafat Mushir
Company Secretary

Notes :

1. The Share Transfer Books of the Company shall remain closed from October 12, 2018 to October 23, 2018 (both days inclusive). Transfers received in order at the office of our Share Registrar M/s. Central Depository Company of Pakistan Limited., CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400 by close of working hours on October 11, 2018 shall be treated in time to determine the above mentioned entitlement and to attend and vote at the meeting.
2. A member entitled to attend and vote at the meeting may appoint another member as his / her proxy to attend the meeting and vote on his / her behalf. Vote may be given either personally or by proxy or in case of a company / corporation by a representative duly authorized.
3. Duly executed proxies in order to be effective must be received at the Registered Office of the Company at least 48 hours before the meeting, computed in the manner provided in sub section (6) of Section 137 of the Companies Act, 2017.
4. Members are requested to promptly notify any change in their addresses to our Share Registrar M/s. Central Depository Company of Pakistan Limited.
5. CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

A. For attending the meeting:

- i) In case of individual, the account holder or sub-account

NOTICE OF ANNUAL GENERAL MEETING

holder shall authenticate his identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.

- ii) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall have to be produced (unless it has been provided earlier) at the time of the meeting.

B. For appointing proxies:

- i) In case of individual, the account holder or sub account holder shall submit the proxy form as per the above requirement.
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of CNIC or the passport of the beneficial owner and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his / her original CNIC or original passport at the time of the meeting.
- v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall have to be submitted along with proxy form to the Company.

6. Mandatory submission of CNIC

As per clause 6 of the Companies (Distribution of Dividends) Regulations, 2017 read with Section 242 of the Companies Act, 2017, the company has withheld and in future will also withhold cash dividend payment to shareholders who have not yet provided their valid CNIC number. In case your cash dividend is withheld due to aforesaid reason, you are requested to kindly provide legible copy of your valid CNIC to Company's Share Registrar if you hold shares in physical form or to the respective Participant/Investor Account Services if shares are held in book entry form.

7. Payment of Cash Dividend Electronically

As per provision of Section 242 of Companies Act, 2017 any dividend payable in cash shall only be paid through electronic mode directly in to the bank account designated by the entitled shareholders. In view of foregoing the shareholders are requested to provide the details containing (i) Title of Bank account, (ii) Bank Account Number, (iii) IBAN (iv) Bank Name, (v) Branch Name, Code & Address, (vi) Cell Number, and (vii) Landline Number, if any, to Company's Share Registrar if shares are held in physical form or to the respective Participant/Investor Account Services if shares are held in book entry form. Failure to provide the aforesaid requirements will result in withholding of the payment of dividend to the respective member.

8. Deduction of Tax from Dividend Income

The Government of Pakistan through Finance Act, 2017 has made certain amendments in the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These rates are as follows:

- (a) For filers of income tax returns 15%
- (b) For non-filers of income tax returns 20%

To enable the Company to make tax deduction on the amount of cash dividend @15% instead of 20% all the shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date of payment of cash dividend, otherwise tax on their dividend will be deducted @20% instead of 15%.

As per clarification issued by the Federal Board of Revenue, withholding tax will be determined separately on 'Filer/Non-Filer' status of principal shareholder as well as joint holder(s) based on their shareholding proportions, in case of joint accounts. Therefore 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 the Share registrar as follows:

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

NOTICE OF ANNUAL GENERAL MEETING

The above required information must be provided to Share Registrar, otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).

For any further query/problem/information, the investors may contact the Company Share Registrar: M/s. Central Depository Company of Pakistan Limited., CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400, Phone: 0092-800-23275.

The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Shares Registrar. The shareholders while sending NTN certificates must quote company name and their respective folio numbers.

9. Transmission of Annual Financial Statements through CD/DVD/USB

SECP through its SRO 470(I)/2016 dated May 31, 2016 have allowed companies to circulate the annual balance sheet, profit and loss account, auditors' report and directors' report etc to its members through CD/DVD/USB at their registered addresses and the same has subsequently been approved by the Company's shareholders in the last AGM. In view of the above the Company has sent its Annual Report-2018 containing the Financial Statements to the shareholders in the form of CD. Any shareholder can send request for printed copy of the Annual Report-2018 to the Company.

Further, the annual financial statements of the Company for the year ended June 30, 2018 along with related reports have been placed at the website of the Company www.bolancastings.com.

10. Transmission of Annual Financial Statements through email

The Securities and Exchange Commission of Pakistan vide its SRO 787(1)/2014 dated September 08, 2014 has permitted companies to circulate annual balance sheet, profit & loss account, auditors' report and directors' report along with notice of annual general meeting to its members through e-mail. Members who wish to avail this facility can give their consent on the Standard Request Form available on Company's website.

11. Video Conference Facility

In pursuance of SECP Circular 10 of 2014, if the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 7 days prior to date of meeting, the Company will arrange a video conference facility in that city subject to availability of

such facility in that city.

The Company will intimate members regarding the video conference facility venue at least 5 days before the date of the AGM along with the complete information needed to access the facility.

If you would like to avail video conferencing facility, as per above, please fill the following and submit to registered office of the Company atleast seven (7) days before AGM.

I / We, _____ of _____ being a member of Bolan Castings Limited, holder of _____ Ordinary Share(s) as per Register Folio No / CDC Account No. _____ hereby opt for video conference facility at _____.

Registered Office Address of the Company:
Bolan Castings Limited
Main RCD Highway, Hub Chowki,
District Lasbela, Balochistan

12. Postal Ballot

Pursuant to Companies (Postal Ballot) Regulations 2018, for the agenda item subject to the requirements of Section 143 and 144 of the Companies Act 2017, members will be allowed to exercise their right of vote through postal ballot that is voting by post or through any electric mode, in accordance with the requirements and procedure contained in the aforesaid regulations.

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

This statement set out the material facts concerning the Special Business, given in agenda item No. 5 & 6 of the Notice.

1) Agenda Item No. 5 of the Notice

During the financial year ended June 30, 2018, the Company carried out transactions with Group companies in the normal course of business at arm's length price on commercial terms and conditions based on comparable uncontrolled price method. As per provision of Regulation No. 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2017, the transactions carried out in normal course of business with Group companies (Related Parties) were required to be approved by the Board as per recommendation of the Audit Committee on quarterly basis. As the majority of Company's Directors were interested in these transactions due to their common directorship and holding of shares in the Group companies, the quorum of directors could not be formed for approval of these transactions, therefore, in the last Annual General

NOTICE OF ANNUAL GENERAL MEETING

Meeting, the share holders had authorized the Chief Executive of the Company to approve these transactions in the normal course of business subject to final approval/ratification by the shareholders. Therefore, these transactions have to be approved by the shareholders in the General Meeting.

In view of the above, the transactions conducted during the financial year ended June 30, 2018 with Group companies are being placed before the shareholders for their approval / ratification.

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

2) Agenda Item No. 6 of the Notice

The Company shall be carrying out transactions with Group companies in the normal course of business during the financial year ending June 30, 2019. As the majority of Directors will

be interested in these transactions due to their common directorship and shareholding in the Group companies, the quorum of directors will not be formed for the required approval of these transactions. Therefore, in order to satisfy the aforesaid requirement of approval by the Board on quarterly basis and in the absence of formation of required quorum for the purpose, the transactions with Group companies will be presented in next AGM for the purpose of seeking the ratification/approval.

In order to ensure routine approval of these transactions throughout the year, the shareholders may authorize the Chief Executive to approve transactions carried out and to be carried out in normal course of business with Group companies during the financial year ending June 30, 2019.

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



Pouring of Molten Metal from an Induction Furnace





Spectrometer (Spectrolab M 12)



Core Making Shop

CHAIRMAN'S REVIEW



Dear Shareholders,

It gives me immense pleasure to present review on overall performance of the board and effectiveness of the role played by the board in achieving company's objectives.

I feel gratitude to share that by the Grace of Almighty Allah, your Company has delivered outstanding financial and operational performance during the financial year ended June 30, 2018 and achieved the highest production and profits in our Company's history. I am grateful to entire BCL team and fellow Board's members for their contribution to the results achieved by the Company during the year.

Board and its Effectiveness

Effective management and good stewardship are led by the Board of Directors, which currently consists of seven elected directors and a Chief Executive Officer who by virtue of being CEO deemed to be a director of the Company. Out of seven elected directors one is executive director and six are non-executive directors including two independent directors.

The Board is collectively responsible for the success of the Company. Its role is to provide entrepreneurial leadership to the Company within a framework of prudent and effective controls which enables risk to be assessed and managed. The Board sets the Company's strategic aims, ensures that the necessary financial and human resources are in place for the Company to meet its objectives and reviews management performance. It also sets the Company's values and standards and ensures that its obligations to its shareholders and others are understood and met.

In order to provide effective oversight and leadership the Board has established following three committees with particular responsibilities. The terms of reference of these committees are clearly defined by the Board.

- Audit Committee
- Board's Committee for Supervision (BCS)
- Human Resource and Remuneration (HR&R) Committee

CHAIRMAN'S REVIEW

The Board Committees contain directors with a variety of relevant skills and experience so that no undue reliance is placed on any individual.

Performance Evaluation of the Board

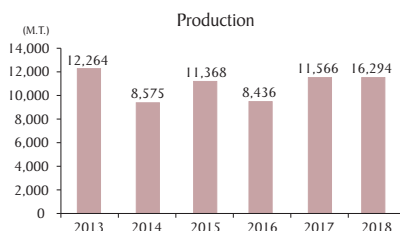
The Board of Directors is committed to assessing its performance both individually and collectively in order to identify its strengths and areas in which it may improve its functioning.

To that end, a performance evaluation is carried out annually by the Board, which is designed to:

- " review the role of the Board of Directors, its members and committees;
- " evaluate how effectively the Directors are discharging their responsibilities;
- " evaluate the Directors' confidence in the integrity of the Company, the quality of the discussions at Board meetings, the credibility of the reports and information they receive, the level of interpersonal cohesion between Board members and the degree of Board knowledge; and
- " enable Board to agree on priorities for change which can be addressed in the short-and-long-term.

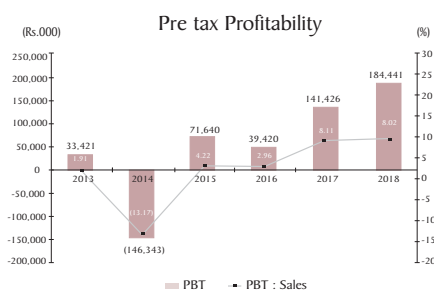
During the fiscal year 2018, the Board carried out a formal and structured process of evaluation of the performance of the Board, its members and committees. The process involved a self-assessment of performance through each Director by completing a confidential questionnaire, duly approved by the Board.

The Board reviewed the result of questionnaire and observed that no major issues arose from the evaluation process. Hence, the Directors concluded that the Board, its members and its committees operate effectively. Further, the Board also discussed the areas requiring improvements in order to perform more effectively.



Overall Economic and Industry Review

As the fiscal year 2018 ended amidst political uncertainties, the challenges ahead for Pakistan's economy have touched unprecedented height. Currently, Pakistan's economy is going through a rough patch. Some economic parameters are declining while others remain somewhat stagnant. The resultant situation is worrisome as slow economic growth and fiscal imbalance is preventing the government to cater the needs of the growing population. Pakistani rupee has been devaluing since December 2017. This was a great shock to the macroeconomic situation as it gave rise to many more problems our economy is currently facing.



The expected new Pakistani government has a major agenda of bringing the economy back on track. Pakistan's economy, meanwhile, is still based on agriculture because of its vast fertile land. While cooperation between China and Pakistan on several agri-products is underway, the new government intends to give this a further push.

Being linked with agricultural sector, the tractor industry is expected to perform better. Our Company, being part of tractors' vending

industry also expects better scope for sales of its castings during the fiscal year 2018-19.

I am extremely thankful for the continued support of the Board of Directors whose strategies, vision and consistent efforts, contributed significantly towards achieving excellent results.

Sikandar Mustafa Khan
Chairman

چیئر مین کا جائزہ

- تعین کرنا کہ ڈائریکٹرز کا کبیتی کی سالمیت پر اعتماد، بورڈ اجلاس کے دوران ہونے والی گفت و شنید کا معیار، موصول ہونے والی معلومات اور رپورٹس کا اعتبار، بورڈ کے ارکان اور بورڈ کی معلومات کی سند کے درمیان باہمی رابطے کی سطح، اور
- طویل اور مختصر مدتی ترجیحات میں تبدیلی پر متفق ہونے کیلئے بورڈ کو فعال بنانا۔

سال 2018 کے دوران بورڈ نے اپنی/ اپنے ممبران اور اپنی کمیٹیوں کی کارکردگی کی تشخیص ایک باقاعدہ اور منظم طریقہ سے انجام دی۔ اس عمل میں کارکردگی جانچنے کیلئے ہر ڈائریکٹر نے ایک خفیہ سوالنامہ، جو کہ بورڈ نے منظور کیا ہے، مکمل کیا ہے۔

بورڈ نے اس سوالنامہ کے نتائج کا جائزہ لیا ہے اور یہ مشاہدہ کیا ہے کہ اس جانچ کے دوران کوئی بڑے مسائل سامنے نہیں آئے۔ لہذا، بورڈ نے یہ نتیجہ اخذ کیا کہ بورڈ اسکے ممبران اور اس کی کمیٹیاں موثر انداز سے فرائض انجام دے رہی ہیں۔ اس کے علاوہ، بورڈ نے ایسے عوامل پر بھی تبادلہ خیال کیا جن میں مزید بہتری لانے کی گنجائش موجود ہے۔

مجموعی معاشی اور صنعتی صورتحال

چونکہ مالی سال 2018 سیاسی بے یقینی کے ساتھ ختم ہوا پاکستان کی معیشت مسائل کا سامنا کر رہی ہے جس کا کوئی موازنہ نہیں ہے۔ پاکستان کی معیشت بڑے دور کا سامنا کر رہی ہے کچھ معاشی اعشاریے کمزوری کی طرف جارہا ہے جبکہ کچھ جھوٹا شکار ہیں۔ جو کہ فکر مند کرنے کے لئے کافی ہیں سست معاشی بڑھوتری اور درآمدات برآمدات کے مسائل سے نبرد آزما ہونے سے روک رہی ہے۔ پاکستانی روپیہ دسمبر 2017 سے مسلسل ناقدری کا شکار ہو رہا ہے۔ اس سے پاکستانی معیشت کو دھچکا لگا ہے جس نے مسائل کو مزید بڑھا دیا ہے جس کا ہماری معیشت آج کل سامنا کر رہی ہے۔

یہ امید کی جاتی ہے کہ نئی حکومت کا خاص مقصد معیشت کو اسکی سابقہ راہ پر لانا ہے۔ کیونکہ پاکستان کی معیشت زراعت پر انحصار کرتی ہے کیونکہ ملک کے پاس زیادہ تر زرعی زرخیز زمین ہے۔ چین اور پاکستان کے درمیان متعدد زرعی مصنوعات کے تعاون کے معاملات جاری ہیں۔

زرعی شعبہ سے تعلق ہونے کے ناطے سے ڈیٹا سازی کی صنعت پر امید ہے کہ یہ بہتر کارکردگی کا مظاہرہ کرے گی۔ ڈیٹا کی صنعت کا حصہ ہونے کے ناطے کبیتی بھی امید کرتی ہے کہ مالی سال 2018-19 کے دوران اسکی مصنوعات کی فروخت کیلئے بہتر کاروباری مواقع میسر ہوں گے۔

میں بورڈ کے ڈائریکٹرز کے مسلسل تعاون کا بے حد مشکور ہوں کہ بہترین نتائج کے حصول میں جن کی حکمت عملی، نقطہ نظر، کاوشیں شامل حال رہیں۔



سندر مصطفیٰ خان

چیئر مین

چیمبر میں کا جائزہ

معزز حصص یافتگان

مجھے بورڈ کی مجموعی کارکردگی، اسکی اہمیت اور کمپنی کے مقاصد کی کامیابی کے حصول جس میں بورڈ نے ایک موثر کردار ادا کیا ہے اسکا ایک جائزہ رپورٹ پیش کرتے ہوئے انتہائی اہم مسرت ہو رہی ہے۔

مجھے اس بات کے اظہار پر بھی مسرت ہے کہ اللہ تعالیٰ کے فضل و کرم سے کمپنی نے غیر معمولی اور عملی کارکردگی کا مظاہرہ کیا اور اس سال رواں جو کہ 30 جون 2018 کو اختتام پذیر ہوا ہے اس میں کمپنی نے اپنی تاریخ میں سب سے زیادہ پیداوار اور منافع حاصل کرنے میں کامیابی حاصل کی ہے۔ اس موقع پر میں بی سی ایل کی ساری ٹیم اور بورڈ ارکان ساتھیوں جن کی کاوشوں کی وجہ سے ہم نے اس سال کے دوران اچھے نتائج حاصل کئے ان کا تہ دل سے مشکور ہوں۔

بورڈ اور اسکی افادیت

بورڈ کے ڈائریکٹرز صاحبان جو کہ ایک موثر انتظامیہ اور ایک اچھی قیادت کا عملی ثبوت ہیں۔ اس وقت منتخب ڈائریکٹرز اور ایک چیف ایگزیکٹو آفیسر جو کہ سی ای او ہونے کے ساتھ کمپنی کے ڈائریکٹرز بھی ہیں پر مشتمل ہیں۔ منتخب ڈائریکٹرز میں سے ایک ایگزیکٹو ڈائریکٹر جبکہ 6 نان ایگزیکٹو ڈائریکٹرز بشمول 2 آزاد ڈائریکٹرز بھی شامل ہیں۔

کمپنی کی مجموعی کامیابی کا سہرا بورڈ کے سر ہے۔ اس کا کردار کمپنی کے فریم ورک میں رہتے ہوئے محتاط اور موثر کنٹرول کیلئے کاروباری قیادت کی فراہمی ہے تاکہ خطرات کی تشخیص اور انتظام کیا جاسکے۔ بورڈ حکمت عملی کے مقاصد طے کرتا ہے اور یہ یقین دہانی کراتا ہے کہ کمپنی کیلئے ضروری مالی اور انسانی وسائل اپنی جگہ موجود ہیں تاکہ اہداف کا حصول ممکن ہو اور انتظامیہ کی کارکردگی کا جائزہ لیا جاسکے۔ یہ کمپنی کے معیار اور قدر کا بھی تعین کرتا ہے اور یقین دہانی کراتا ہے کہ شرکت داروں کی طرف اسکی ذمہ داریاں سمجھی اور حاصل کی جا رہی ہیں۔

موثر نگرانی اور قیادت کی فراہمی کیلئے بورڈ نے مخصوص ذمہ داریوں کے ساتھ درج ذیل تین کمیٹیاں قائم کی ہیں۔ ان کمیٹیوں کی حوالہ جاتی شرائط و ضوابط بورڈ نے واضح طور پر بیان کی ہیں۔

- آڈٹ کمیٹی
- رہنمائی کیلئے بورڈ کی کمیٹی
- انسانی وسائل اور معاوضہ کی کمیٹی

بورڈ کی کمیٹیوں میں متعلقہ مہارت اور تجربہ کے حامل ڈائریکٹرز شامل ہیں تاکہ کسی بھی فرد واحد پر غیر معمولی انحصار نہ کیا جاسکے۔

بورڈ کی کارکردگی کی تشخیص

اپنے کام میں بہتری، اپنی اہمیت اور متعلقہ امور کی تشخیص کیلئے بورڈ اپنی انفرادی اور اجتماعی کارکردگی کا جائزہ لینے کا ذمہ دار ہے۔ اس مقصد کیلئے بولان کا سسٹم لمیٹڈ کے بورڈ آف ڈائریکٹرز (بورڈ) سالانہ بنیاد پر اپنی کارکردگی کی تشخیص کرتے ہیں۔ بورڈ کی کارکردگی کی تشخیص درج ذیل بنیاد پر تشکیل دی گئی ہے:

- بورڈ آف ڈائریکٹرز اسکے ممبران اور اسکی کمیٹیوں کے کردار کا جائزہ
- یہ تعین کرنا کہ کتنے موثر طریقے سے ڈائریکٹرز اپنی ذمہ داریاں ادا کر رہے ہیں

DIRECTORS' REPORT



Dear Shareholders

The directors of your Company are pleased to present their Annual Report together with the Company's audited financial statements for the year ended June 30, 2018.

Company's Affairs

Your Company is incorporated in Pakistan as a public limited company and is listed on the Pakistan Stock Exchange. Its main business activity is to produce castings of tractors and automotive parts.

Financial Results

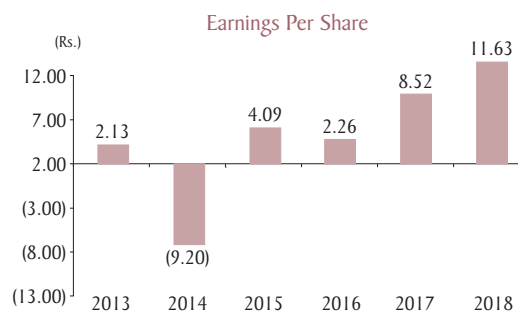
Financial Results for the year are as follows:

	(Rs. 000)
Accumulated loss brought forward	(14,427)
Final dividend for the year ended June 30, 2017	(57,362)
Profit after taxation for the year ended June 30, 2018	133,402
Other comprehensive income	914
Accumulated profit carried forward	62,527

The General Reserves for the year under review were Rs. 424.500 million against Rs. 424.500 million of last year.

Dividends

The directors have recommended cash dividend at the rate of Rs. 2.50 per share i.e. 25%. If approved by the shareholders in the Annual General Meeting, the cash dividend will be paid within stipulated time to the shareholders whose names appear on the register of shareholders of the Company at close of business on October 11, 2018.



DIRECTORS' REPORT

Subsequent Effects

The cash dividend amounting to Rs. 28.681 million for the financial year 2018 shall be reflected in the financial statements for the year ending June 30, 2019. However, this will have no bearing on payment of dividends to shareholders.

Earnings per Share

The earnings per share for the year ended June 30, 2018 were Rs. 11.63 as against Rs. 8.52 per share of preceding year.

Business Review

A prodigious improvement in production and sales volume has been identified in the fiscal year 2018. The 16,294 M.T of casting has been produced against 11,566 M.T in the last year 2017 with 41% production growth, while 15,268 M.T of casting has been sold against 11,694 M.T in the last year 2017 with 31% growth in sales. The increase in cost of sales is observed during the fiscal year 2018 against the last year 2017, due to which the overall impact of increased sales on profitability has not been reflected. Due to the international market fluctuations in dollar prices and a VAT imposed by middle east countries, the prices of material imported has been increased which resulted in the higher cost of sales during the year 2018.

Company's Performance

Your Company has delivered outstanding financial and operational performance during the financial year 2017 - 18 and achieved the highest production and profits in our Company's history.

The sales revenues of the Company for the year under review amounted to Rs. 2,299.931 million against Rs. 1,744.098 million of last year. The gross profit was Rs. 328.202 million against Rs. 246.628 million of last year. The selling, distribution and administrative expenses were Rs. 129.384 million against Rs. 93.721 million of last year. The financial cost was Rs. 12.507 million against Rs. 10.996 million of last year.

In the financial year under review, the Company earned the highest ever profit before tax of Rs. 184.441 million against Rs. 141.426 million of last year. The profit after tax was Rs. 133.402 million against Rs. 97.776 million of last year.

Future Prospects

The tractor and automotive industry has exuded signs of exponential progress in the financial year 2018. This upward trend is expected to continue in upcoming fiscal year provided that external factors do not shift significantly.

Pakistan is an agro based country, in which agriculture has most pivotal role to play. It is envisaged that the new Government's policies will extend good support to the agricultural sector. The spillover effect of the resultant growth in agricultural sector is more than likely to boost tractors' sales, and thus lead to more demand of tractors' castings.

Further, the management of your Company is endeavoring for new sales avenues and improving the quality of the product while being cost effective and utilizing the resources efficiently.

We are confident that our Company will be successful in achieving its future growth targets. However, any adversity in market factors will direct impact on our sales and profitability.

Principle Risks and Uncertainties

Effective risk management is the key to sustainable business. Our risk management framework, coupled with our internal control policies have helped us maintain our focus and mitigating principle risks affecting our Company. However, overall risks arising from the Company's financial instruments are limited as there is no significant exposure to market risk in respect of such instruments. Internal Audit department provides independent report to Board of Directors on the effectiveness of risk management and control processes. The Company is susceptible to the following principal risks which are mitigated via specific policies and plans:

Business Risk

Given the current socio-economic situation, assuming no major changes occur in the relevant governmental policies, the company does not foresee any major risks that can adversely impact the sales and profitability of the company. Furthermore, the current absence of any major competitors as well as the existence of favorable market conditions, reduces operational risks further.

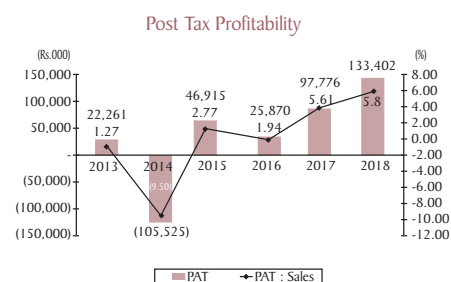
However, the Company, being reliant on imports of raw materials, risks posed by currency fluctuations is likely. Nonetheless, seeing the current stability of the Pak-rupee value due to better political environment, it is expected that the level of such risk is minimal.

Also, the Company's primary audience comprises of tractor manufacturers and assemblers and as such, changes in this line of business can prove to be a factor of risk. Nevertheless, no imminent variations exist that can lead to the dampening of the company's profitability.

Finally, the Company's management is diligently working to proactively monitor such indicators of risk and therefore, your company is unlikely to be affected significantly by the risks mentioned. Contingency planning is a priority and hence appropriate actions will be taken with the right planning to mitigate the possible adverse effects on financial performance.

Interest / Mark-up Rate Risk

The Company manages to mitigate the interest



DIRECTORS' REPORT

/ mark-up rate risk, arising from mismatches of financial assets and liabilities that mature or reprice in a given period, through risk management strategies where significant changes in gap position can be adjusted.

Credit Risk

The credit risk on company's liquid fund is limited because the counter parties are banks with high credit ratings. However, the company managed the credit risk on trade debts by monitoring credit exposures, limiting transactions with specific customers and containing assessment of credit-worthiness of customers.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Company manages this risk through effective cash management and by keeping committed credit lines available.

Corporate Social Responsibility

Your Company recognizes the importance of conducting its business in a socially responsible manner. This is demonstrated in the way we deal with our employees, customers and the wider community where we operate.

BCL considers that corporate social responsibility is an integral element of good business management. Various activities conducted in this area are enumerated below:

Energy Conservation

BCL is well aware of the Country's need for energy as well as its responsibility towards energy conservation. For this purpose, the Company continues its effort to minimize energy consumption in daily operations of the Company. Our employees are encouraged to avoid unnecessary consumption of electricity, gas and water. Furthermore, the management has also issued directives to minimize fuel consumption in Company-owned vehicles and

also to use energy-saving lighting device at all locations of the Company.

Environmental Protection Measures

We attach great importance to the maintenance of a healthy living environment and consistently integrate the ideas and measures of environment protection. We encourage initiatives which benefit the environment. Our operations are conducted with the emphasis on compliance of regulatory requirements relating to the environment. Continued efforts are made so that the Company's plant operational activities are environment friendly. In this regard, following are ensured in particular:

- Wet sludge tank for cupola emissions,
- Scrubbers for air born emission at core plant,
- Reduction of dust emissions through filter bag,
- Closed cabin for shot blasting and sand plant, and
- Maximum plantation in factory through the use of waste water.

Occupational Safety and Health

BCL believes that the safety and welfare of its employees is of paramount importance. We believe that all industrial injuries can be prevented. Each individual employee is responsible for working safely, both for his own welfare, and for the safety and welfare of his fellow employees.

We believe that production is not so important that time cannot be taken to find a safe way to do our work. We have a proper Safety Policy, duly regulated and certified by ISO 9001 - 2015 Quality Management System. BCL ensures availability at Plant of effective fire fighting system, Ventilation and Protection against direct heat from Sun in storage area of flammable material. Regular and real time fire fighting demonstration are taken as per Safety Policy. All necessary first aid facilities are available with qualified staff round the clock.

Consumer Protection Measures

BCL ensures customers' satisfaction by providing quality product at competitive prices. The Company believes that quality and relentless commitment to continuous improvement are essential to our success. To this end, we define quality as understanding the customers' expectations, agreeing on performance and value and providing products and services that meet expectations. Our motto is 'We pour quality into castings'. BCL has developed a Quality Control System that covers inspection of the complete process from raw materials supply to the dispatch of finished goods to its customers.

BCL was the first foundry in Pakistan to obtain ISO 9002 certificate in April 1999. The Company has also acquired ISO 9001 - 2015 version of ISO Quality Management System which is a proof of our commitment of providing quality services to our customers as well as to increase their satisfaction level.

Industrial Relations

BCL believes in maintaining cordial industrial relationship with its employees and their Collective Bargaining Agent (CBA).

The Company is always taking measures towards the employees' welfare. The Company provides subsidized food at its canteen. Further, the Company also provides medical facilities to its employees. The Company has a balanced programme of employee in-service and post employment benefits and policies. The Company has provident fund as well as gratuity and pension fund schemes for a majority of its employees.

The Company has a Hajj Scheme for its employees under which three employees are sent to perform Hajj at Company's expense every year.

Employment of Special Persons

BCL continues to be supportive of the employment and advancement of disabled person in accordance with their abilities and

DIRECTORS' REPORT

aptitudes, provided that they can be employed in a safe working environment.

If employees become disabled every effort is made to ensure the continuity of their employment and where the disability of the employees is such that they can not continue to work then in such cases, the Company provides employment to their child.

Business Ethics and Anti-Corruption Measures

BCL is committed to high standard business conduct. We believe that it is vital to the reputation and financial success of the Company that we conduct our business with honesty, integrity and in compliance with all applicable legal and regulatory requirements. It is a fundamental policy of the Company that all employees observe and comply with the laws and regulations applicable to the Company's business and that they act with high standards of business integrity. Our Code of Conduct is the key document addressing these high values, which has been disseminated throughout the Company.

In addition to above, all employees are required to give a monthly certification on compliance of internal controls which is formally reported by the CEO to the Board on quarterly basis.

Contribution to National Exchequer

BCL has contributed Rs. 473.687 million to the national exchequer during the period by way of taxes and duties. This includes Rs. 67.195 million as income tax, Rs. 406,492 million as sales tax and Rs. 37.181 million as custom & regulatory duties.

Furthermore, the Company also contributed a hefty amount to the national exchequer as withholding tax agent.

Corporate Governance

Compliance with the Code of Corporate Governance

BCL is deeply aware of the significance of corporate governance in achieving effective

checks and balance and protecting the interest of all shareholders and is dedicated to pursuing sustained optimization of corporate governance. The Company regards the building of sound corporate governance as an important means to maintain shareholder relationship and enhance corporate value. The Company is convinced that sound corporate governance is of great importance to the sustainable long term growth of the Company and that the efforts to improve and optimize our corporate governance and the progress that have been made to this end will help in enhancing our core competitiveness and increasing corporate value.

In accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2017, the Board has established sound corporate governance policies and procedures, which are monitored and reviewed on a continuous basis. Our Corporate governance framework is directed towards achieving our business objectives in a manner which is responsible and in accordance with high standards of honesty, transparency and accountability.

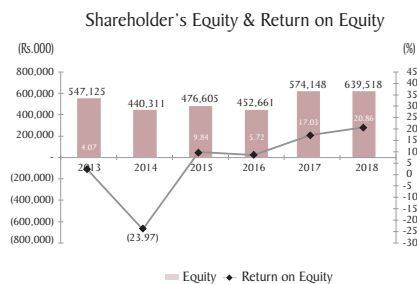
For achievement of these principles, our vision / mission statements, overall corporate strategy and significant policy guidelines, have been in place for many years. Further, the Board has developed a code of conduct, setting the standards by which the directors, senior management and all other employees of the Company are expected to conduct themselves.

Statements of compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 duly reviewed and certified by the external auditors are annexed to this report.

Board of Directors

Board Structure and Changes

The Board of Directors is responsible to govern the organization by establishing broad policies and setting out strategic objectives with commitment and ambition to achieve goals of performance with broader perspective, which



currently consists of seven elected directors and a Chief Executive Officer.

During the last Annual General Meeting dated October 28, 2017, the seven Directors were elected unopposed as Directors of the Company for the next term of three years ending October 2020. After election of Board of Directors, the Directors in their meeting re-elected Mr. Sikandar M. Khan as Chairman of the Board of Directors for the next term of three years.

The Board of Directors of our Company comprises the following:

Total number of Directors

- (a) Male 8
(b) Female -

Composition Names

Independent Directors	Syed Javaid Ashraf Mr. Muhammad Salman Husain Chawala
Other Non-executive Directors	Mr. Sikandar M. Khan (Chairman) Mr. Latif Khalid Hashmi Mr. Sohail Bashir Rana S. M. Irfan Aqueel
Executive Directors	Mr. Laeeq Uddin Ansari Mr. Nisar A. Mirani (CEO)

On the last AGM date Directors Mian Muhammad Saleem and Mr. Saifuddin retired from the Board on expiry of term of office of director.

DIRECTORS' REPORT

Subsequently, in January 2018 Mr. Muhammad Imran Rafiq resigned from the Board of Directors of the Company and in his place Mr. Muhammad Salman Husain Chawala was co-opted as Director.

The Board of Directors wishes to place on record its appreciations on the most commendable services rendered by the outgoing directors during his tenure as Director. The Board of Directors also welcomed Mr. Muhammad Salman Husain Chawala as Director and expected a positive contribution towards the success of the company from them.

Chairman and Chief Executive Officer

The position of Chairman and the Chief Executive Officer are held by Mr. Sikandar M. Khan and Mr. Nisar A. Mirani respectively. The separation of functions ensures greater independence between the Board and the management. There is a clear division of responsibilities between the roles of the Chairman and CEO.

The Chairman is responsible to provide overall leadership and vision in developing the strategic direction of the Company.

The Chairman's primary role includes ensuring that the board functions properly, it meets its obligations and responsibilities and that its organization and mechanisms are in place and are working effectively.

The CEO is responsible for managing the Company and to ensure delivery of the strategic and financial objectives which have been agreed by the Board. He is also responsible for stewardship of the Company's assets and jointly with the Chairman, represents the Company externally.

Board Process

The Board is collectively responsible for the success of the Company. Its role is to provide entrepreneurial leadership to the Company within a framework of prudent and effective controls which enables risk to be assessed and

managed. The Board sets the Company's strategic aims, ensures that the necessary financial and human resources are in place for the Company to meet its objectives and reviews management performance. It also sets the Company's values and standards and ensures that its obligations to its shareholders and others are understood and met.

Specific responsibilities reserved to the Board include:

- Approving annual budget and projections;
- Approving annual and quarterly accounts;
- Reviewing the Company's systems of financial control and risk management;
- Approving major acquisitions and capital expenditure;
- Issuing shares of the Company;
- Ensuring that appropriate management development and succession plans are in place;
- Reviewing matters relating to corporate social responsibility including the environmental, health and safety performance of the Company;
- Reviewing the activities of the Board's Committees; and
- Approving appointments to the Board, to the Board Committees and to the positions of CEO, CFO, Company Secretary and the Head of Internal Audit.

Board Meetings

The Board is accountable to shareholders for ensuring that the Company is appropriately managed and achieves the strategic objectives it sets. The Board discharges those responsibilities through annual program of meetings.

The Board met five times during the financial year 2017-18. The meetings were presided over by the Chairman of the Board and, in his

absence, by a director elected by the Board for this purpose. These meetings were also attended by the Chief Financial Officer and the Company Secretary.

Notice of meetings along with the agenda items and comprehensive working papers dealing with aspects of the business are distributed to Directors by the Company Secretary in advance of each Board Meeting so that the meeting can benefit from an informed board.

All the directors are fully aware of their responsibilities. At least once in a year, the Company conducts an orientation course for its directors to acquaint them with their duties and responsibilities regarding managing the affairs of the Company on behalf of shareholders. At present, five directors of the Company meet the exemption criteria of the Directors' Training Program as contained in the Listed Companies (Code of Corporate Governance) Regulations, 2017 and two directors have acquired certification under the said program.

The Board of Directors takes into account the interests of the Company as well as the interests of BCL's shareholders and other stakeholders when making decision.

The Company Secretary is responsible for advising the Board on all governance matters and for ensuring that Board procedures are followed and applicable rules and regulations complied with. Additionally the Company Secretary is also responsible for compiling the minutes of Board Meeting and circulating amongst the directors within stipulated time.

The Chief Financial Officer is responsible for advising the Board on all financial and accounting matters and also responsible, along with the Chief Executive Officer, for presenting the annual and quarterly financial statements. He takes care of assets and financing thereof.

Additionally, the CFO is also responsible for finalizing Annual Corporate Budgets and periodic review of Budget vs Actual analysis for smooth running of the Company affairs.

DIRECTORS' REPORT

Board Committees

In order to achieve desired objectives, the Board has established three committees with particular responsibilities. The terms of reference of these committees are clearly defined by the Board. The proceedings of Board Committees are reported to the Board of Directors in their meetings.

Audit Committee

To guarantee the objectiveness, fairness and independence of the Audit Committee, the Audit committee comprises four non-executive directors including two independent directors and is chaired by an Independent Director Syed Javaid Ashraf. The other members of the Committee are Mr. Latif Khalid Hashmi, Syed Muhammad Irfan Aqueel, and Mr. Muhammad Salman Husain Chawala.

The primary role of the Audit Committee, which reports its findings to the Board, is to ensure the integrity of the financial reporting and audit process and the maintenance of a sound internal control and risk management system. In pursuing these objectives, the Committee ensures that an appropriate relationship is maintained between the internal and the external auditors of the Company. The Committee also considers the effectiveness of the external audit process and makes recommendations to the Board on appointment, resignation or dismissal of the auditors and their level of audit fee.

The Committee performs its responsibilities in supervising internal audit function and also plays an important role in optimizing the Company's internal control systems. The Audit Committee reviews the implementation on the internal control systems regularly and supervises the rectification of identified internal control problems.

The Committee also ensures the compliance with the best practices of corporate governance and other relevant regulatory requirements.

The Committee formally meets at least once in a quarter prior to approval of interim results of the Company and after completion of external audit.

The Committee annually holds separate meetings with External Auditors to facilitate the discussion on any issue arising from the audit and with the Internal Auditors to discuss the matters related to Internal Controls.

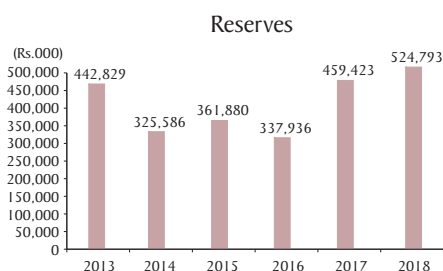
During the financial year 2018, the Committee met four times to coincide with the financial and reporting cycles of the Company.

The proceedings of meetings are properly recorded by Secretary Audit Committee and minutes of meetings are circulated to all members, directors and where required to CFO.

Human Resource and Remuneration (HR&R) Committee

The Human Resource and Remuneration (HR & R) Committee comprises three directors. The Committee is chaired by an Independent director Syed Javaid Ashraf, while the other members of the Committee are Mr. Laeeq Uddin Ansari and Syed Muhammad Irfan Aqueel.

The HR & R Committee is responsible to assist the Board in formulating a policy framework for determining remuneration of directors, human resource management policies and selection, evaluation and compensation of chief financial officer, company secretary and head of internal audit. During the year a meeting of the Committee was held.



The proceedings of meetings are properly recorded by Secretary of the Committee and minutes of meetings are circulated to all members and directors.

Board's Committee for Supervision (BCS)

The Board's Committee for Supervision (BCS) is chaired by Mr. Sikandar M. Khan. The other Members of the committee are Mr. Latif Khalid Hashmi, Mr. Sohail Bashir Rana and Mr. Laeeq Uddin Ansari.

The BCS is responsible for monitoring the activities and strategy regarding technical, financial and administrative aspects of the Company. The Committee also reviews the operating performance on a monthly or bi-monthly basis. The CEO and all departmental heads also attend the meetings. The minutes of meetings are properly recorded and circulated to all concerned. During the year, the Committee met eight times.

Remuneration Policy of Non-Executive Directors

During the year, the Board of Directors adopted the remuneration policy for non-executive directors including independent directors as recommended by the HR & R Committee. The remuneration policy adopted has been designed to attract and retain qualified people who will lead the Company in achieving its strategic objectives.

The remuneration payable to the non-executive directors including independent directors of the Company consists of following constituent:

- Fee for attending meetings of the Board or Committee(s).
- Remuneration for performing extra service.
- Reimbursement of actual expenses incurred.

Aggregate Directors' Remuneration

Details of the directors' remuneration are as follows:

DIRECTORS' REPORT

	Chief Executive	Executive Director	Independent & Non-Executive Director
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----- (Rupees in thousand) -----

Managerial remuneration and allowances	6,987	11,154	-
Bonus	1,502	1,767	-
Retirement benefits	-	74	-
House Rent	569	2,457	-
Utilities	810	1,325	-
Medical expenses	366	129	-
Fees	-	-	450
Others	453	1,340	-
	10,687	18,246	450
Number of person	1	2	3

Accountability and Audit

Financial Reporting

The Board satisfies that it has met its obligation to present a balanced and understandable assessment of the Company's position and prospects through Chairman's review, Directors' report and Accounts which includes the operational and business review. Directors' statement on corporate and financial reporting is included in this Directors' report.

Internal Controls

The Directors are responsible for the Company's system of internal controls which aims to: safeguard the Company's assets; ensure that proper accounting records are maintained; ensure compliance with statutory and regulatory requirements; and ensure the effectiveness and efficiency of operations.

The Company maintains a sound system of internal controls, which is designed to identify, evaluate and manage risks that may impede the achievement of the Company's business objectives rather than to eliminate these risks and can, therefore, provide only reasonable assurance against material misstatement or loss. The Audit Committee has been formally delegated the responsibility for reviewing the

effectiveness of the system of internal controls. The Company and its operations are subject to a detailed annual budget process. Actual performance during the year is monitored periodically against budget, forecasts and previous year. These forecasts and results are presented to the Board's Committee regularly.

Internal Audit

Internal Audit's mission is to provide objective assurance and to increase the effectiveness of the BCL's operations. It helps to achieve BCL's objectives by using a systematic and methodical approach to assess the processes and systems used for risk management, control and corporate governance. It also helps improve them by making proposals to increase their effectiveness.

The scope of the work done by the Internal Audit make it possible to determine whether the processes, systems and controls, as they have been developed and implemented, are sufficient and are applied in such a way as to ensure that:

- Risks are defined, evaluated and managed adequately;
- Financial and operational information is authorized, reliable and available in a timely fashion;
- Directives, policies, laws, regulations and statutory requirements are respected; and
- Human, informational, material and financial resources are acquired economically, used efficiently and protected adequately.

Internal Audit reports directly to the Audit Committee of the Board of Directors. The organizational structure is designed to ensure Internal Audit has the independence required to play its role effectively.

External Audit

The present auditors M/s. A. F. Ferguson &

Co., Chartered Accountants will stand retired on the conclusion of the ensuing AGM for the year ended June 30, 2018 and their five years period as Auditors of the Company will also be completed on the same date. Being eligible, they have offered themselves for re-appointment.

The Directors endorse recommendations of the Audit Committee for the re-appointment of M/s. A.F. Ferguson & Co., Chartered Accountants as the auditors for the financial year 2018-2019 subject to change in engagement partner.

M/s. A.F. Ferguson & Co., Chartered Accountants have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan. Further, they have confirmed that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan.

The external auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

Relations with shareholders

Constructive use of the Annual General Meeting

The Board considers the Annual General Meeting an opportunity to communicate with shareholders, and encourages their participation. At least 21 days before the date of AGM, the Notice of meeting including the agenda and necessary information are dispatched to shareholders and published in leading Urdu and English newspapers also.

DIRECTORS' REPORT

Other

The Company maintains a website (www.bolancastings.com), which offers any interested person information on the Company. Apart from this, its principal communication with shareholders and others is Annual Report and Quarterly Financial Statements, which are placed on the website soon after publication.

The Company dispatches the Annual Reports to its shareholders. However, the quarterly financial statements can also be dispatched to shareholders, on demand.

Chairman's Review

The Directors of the Company endorse contents of the Chairman's Review, which is included in the Annual Report dealing with the Company activities and forms an integral part of the Directors' Report.

Corporate and Financial Reporting Framework

The Board is fully aware of its responsibility in respect of corporate and financial reporting framework. The Directors of your Company are of the view that:

- The financial statements, prepared by the management of the Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements except for those as stated in the notes to the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.

- The system of internal controls is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of Corporate Governance as detailed in the Listed Companies (Code of Corporate Governance) Regulations, 2017.

Operating and Financial Summary

A summary of key operating and financial data along with key ratios of the Company for the last decade is annexed.

Taxation

Please refer to Note 29 to the Financial Statements for details regarding taxation of the Company.

Investment of Retirement Benefits Funds

The values of investments of Provident Funds, Gratuity Fund and Pension Fund based on their un-audited accounts as on June 30, 2018 (audit in progress) were as follows:

Provident Funds	Rs. 87.00 million
Gratuity Fund	Rs. 63.88 million
Pension Fund	Rs. 114.26 million

Trading in the Company Shares

The Directors, executives and their spouses and minor children did not carry out any trade in the shares of the Company during the period under review except as stated below:

Name & Designation	No. of Shares	Nature of Transaction
Syed Muhammad Irfan Aqueel Director	2,500	Purchase

Pattern of Shareholdings

The pattern of shareholdings along with their categorized detail is annexed to the report.

Approval and Authorization

The Board of Directors of the Company in its meeting held on August 27, 2018 approved the Directors' Report and authorized Mr. Laeeq Uddin Ansari, Director and Mr. Nisar A. Mirani, Chief Executive Officer of the Company to sign the report on its behalf.

On Behalf of the Board

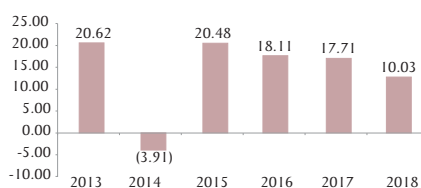


Nisar A. Mirani
Chief Executive



Laeeq Uddin Ansari
Director

Price Earning Ratio



ڈائریکٹرز رپورٹ

محصولات

کمپنی کے محصولات کی تفصیلات کیلئے مالیاتی بیانات کے نوٹ ۲۹ کا حوالہ دیا جاتا ہے۔

ریٹائرمنٹ کے فوائد کے فنڈ کی سرمایہ کاری

پراویڈنٹ فنڈ، گریجویٹ فنڈ اور پینشن فنڈ کے سرمایہ کاری کی رقم جو کہ ۳۰ جون ۲۰۱۸ء کے ان۔آڈیٹڈ اکاؤنٹس پر مشتمل ہے (آڈٹ جاری ہے) درج ذیل ہے۔

پروویڈنٹ فنڈ	87.00	ملین روپے
گریجویٹ فنڈ	63.88	ملین روپے
پینشن فنڈ	114.26	ملین روپے

کمپنی کے حصص کی ٹریڈنگ

تجزیاتی دورانیہ میں ڈائریکٹرز، ایگزیکٹوز اور شریک حیات اور نابالغ اولاد نے کمپنی کے حصص کی ٹریڈنگ نہیں کی ماسوائے درج ذیل کے:

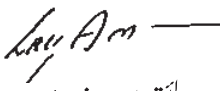
نام اور عہدہ	حصص کی تعداد	لیبن دین کی نوعیت
سید محمد عرفان عقیل (ڈائریکٹر)	2,500	خریداری

شیئر ہولڈنگ کی تفصیلات


شیئر ہولڈنگ کی نوعیت بمعہ درجہ بندی کی تفصیلات اس رپورٹ کے ساتھ منسلک ہیں

منظوری اور اجازت نامہ

کمپنی کے بورڈ آف ڈائریکٹرز نے ۱۷ اگست ۲۰۱۸ء کو منعقد ہونے والے اجلاس میں ڈائریکٹرز رپورٹ کی منظوری دے دی ہے اور اپنی جانب سے کمپنی کے سی ای او جناب ثار اے میرانی اور کمپنی کے ڈائریکٹر جناب لئیق الدین انصاری کو رپورٹ پر دستخط کرنے کی اجازت دی ہے۔


لئیق الدین انصاری
ڈائریکٹر

منجانب بورڈ


ثار اے میرانی
چیف ایگزیکٹو

ڈائریکٹرز رپورٹ

حصص داروں کے ساتھ تعلقات

سالانہ عام اجلاس کی مقصدیت

بورڈ حصص داروں کے ساتھ بات چیت کیلئے سالانہ جنرل اجلاس کو اچھا سمجھتا ہے اور انکی شرکت کی حوصلہ افزائی کرتا ہے۔ اے جی ایم سے کم از کم ۲۱ یوم قبل اجلاس کی اطلاع ہمراہ ایجنڈا اور ضروری معلومات حصص داروں کو ارسال کی گئی اور انگریزی اور اردو اخبارات میں شائع کرائی گئی۔

متفرق

کمپنی نے اپنی ویب سائٹ www.bolancastings.com برقرار رکھی ہے جس سے دلچسپی رکھنے والوں کو بھی شخص معلومات حاصل کر سکتا ہے۔ اس کے علاوہ، حصص داروں اور دیگر کی ضروری خبر رسائی کیلئے، سالانہ اور سہ ماہی کے مالیاتی بیانات اشاعت کے فوراً بعد ہی ویب سائٹ پر مہیا کر دیئے جاتے ہیں۔

کمپنی یہ سالانہ رپورٹ اپنے حصص داروں کو ارسال کرتی ہے۔ تاہم مطالبہ پر سہ ماہی کے مالیاتی بیانات بھی بھیجے جاسکتے ہیں۔

چیئرمین کا جائزہ

کمپنی کے ڈائریکٹرز چیئرمین کے تجزیہ کے مندرجات کی توثیق کرتے ہیں جو کہ سالانہ رپورٹ میں شامل ہوتے ہیں یہ کمپنی کی کارکردگی سے متعلق ہیں اور ڈائریکٹرز رپورٹ کا ایک اہم حصہ بنتے ہیں۔

کارپوریٹ اور مالیاتی بیان کا فریم ورک

بورڈ کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک کے حوالے سے، اپنی ذمہ داریوں سے پوری طرح آگاہ ہے۔ آپکی کمپنی کے ڈائریکٹرز کا نظریہ ہے کہ:

الف کمپنی کی انتظامیہ نے جو مالیاتی بیانات تیار کیئے ہیں، معاملات کے نتائج، کش فلو اور اثاثہ جات میں تبدیلی کو بہتر طور سے ظاہر کرتے ہیں
ب کمپنی کے اکاؤنٹس کی کتابیں مناسب طور پر رکھی گئی ہیں۔

پ مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل لاگو کیا گیا ہے ماسوائے وہ نوٹس جو مالیاتی بیانات اور اکاؤنٹنگ کے تخمینے جو مناسب اور پر جوش فیصلوں پر مبنی ہیں۔

ت بین الاقوامی مالیاتی رپورٹنگ کے معیار کے حوالے سے پاکستان پر ہوتا ہے انکو مالیاتی بیانات کی تیاری میں لاگو کیا گیا ہے۔

ٹ اندرونی کنٹرول کا نظام اپنی ساخت میں مستحکم ہے اور جس پر موثر طریقے سے عمل درآمد اور نگرانی ہو رہی ہے۔

ث کمپنی کے موجودہ چلتے ہوئے کاروبار میں کسی طرح کے کوئی خاص شکوک و شبہات نہیں۔

ج کارپوریٹ گورننس کا بہترین استعمال جو لیکٹیویٹرز کے کارپوریٹ گورننس ضابطہ 2017 میں درج ہیں، کوئی مواد خارج نہیں ہے۔

آپریٹنگ اور مالی خلاصہ

کلیدی آپریٹنگ اور مالیاتی حقائق ہمراہ کمپنی کی پچھلی دہائی کی نسبت کے ساتھ منسلک ہیں۔

ڈائریکٹرز رپورٹ

کمپنی اچھے اندرونی نظام کو برقرار رکھتی ہے، جس کو خطرات کی شناخت، اندازہ اور انعقاد کیلئے تجویز کیا گیا ہے اور جو کمپنی کو کاروباری اہداف کے حصول سے محروم کر سکتے ہیں اور اس سے خطرات کو ختم کرنے کے بجائے غلطی یا نقصان کے خلاف صرف مناسب یقین دہانی ہی کرتے ہیں۔ آڈٹ کمیٹی کو رسمی طور پر داخلی نظام کے موثر انداز میں جائزہ لینے کی ذمہ داری دی گئی ہے۔

کمپنی اور اس کی کاروائیاں تفصیلی سالانہ بجٹ کے عمل سے مشروط ہیں۔ سال کے دوران اصل کارکردگی کی میعاد کی طور پر گذشتہ سال کے مقابلے سے نگرانی کی جاتی ہے یہ پیش گوئیاں اور نتائج بورڈ کی کمیٹی کو باقاعدگی سے پیش کی جاتی ہیں۔

اندرونی محاسب (انٹرنل آڈٹ)

انٹرنل آڈٹ کا مشن اہداف کی فراہمی کو یقین بنانا اور بی سی ایل کے امور کی موثریت میں اضافہ کرنا ہے۔ یہ خطرات کے انتظام، کارپوریٹ گورننس اور کنٹرول کے ذیلی بی ایس ایل کے اہداف کو منظم اور باضابطہ طریقے سے عمل اور نظام کا جائزہ لیتے ہوئے، حاصل کرنے میں مدد فراہم کرتا ہے۔ یہ موثریت میں اضافہ کی تجاویز مرتب کرنے میں بھی مدد فراہم کرتا ہے۔

انٹرنل آڈٹ کے دائرہ کار میں اس بات کو ممکن بنانا کہ امور، نظام اور کنٹرول جیسا کہ انہیں بنایا اور نافذ کیا گیا ہے، کافی ہیں اور اس طرح لاگو کیے گئے ہیں کہ یقینی ہو کہ:

- خطرات مناسب طریقے سے بیان، تشخیص اور منظم کیے گئے ہیں
- مالیاتی اور آپریشنل معلومات مصدقہ، قابل اعتماد اور بروقت میسر ہیں
- ہدایات، پالیسیوں، قوانین، قواعد و ضوابط کی ضروریات کا احترام کیا جاتا ہے اور
- انسانی، معلوماتی اور مالیاتی زرائع کفایتی طریقے سے حاصل کیے جاتے ہیں اور موثر اور مناسب طریقے سے انکا استعمال اور تحفظ کیا جاتا ہے۔

انٹرنل آڈٹ بورڈ آڈٹ کمیٹی کو براہ راست جوابدہ ہے۔ تنظیمی ڈھانچہ اس طرح ڈیزائن کیا گیا ہے کہ یہ یقین دہانی ہو کہ انٹرنل آڈٹ موثر انداز میں آزادانہ طور سے اپنا کردار ادا کر سکے۔

بیرونی محاسب (ایکسٹرنل آڈٹ)

ہونیوالے جی ایم کے بعد موجودہ آڈیٹرز میسرز اے ایف فرگن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس ریٹائر ہو جائیں گے کمپنی آڈیٹرز کی حیثیت سے ان کے پانچ سال بھی مکمل ہو جائیں گے اور اہل ہونے کی وجہ سے انہوں نے دوبارہ اپنی خدمات پیش کی ہیں ڈائریکٹرز نے میسرز اے ایف فرگن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی برائے سال 2018-19 کیلئے دوبارہ تقرری کی آڈٹ کمیٹی کی سفارشات کی توثیق کی ہے۔ اس شرط کے ساتھ کہ منسلک پارٹنر کو تبدیل کیا جائیگا۔

میسرز اے ایف فرگن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے یقین دہانی کرائی ہے کہ انہیں پاکستان انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس نے اپنے کوالٹی جائزہ پروگرام کے تحت اطمینان بخش درجہ بندی مہیا کی ہے۔ اس کے علاوہ، انہوں نے یقین دہانی کرائی ہے کہ انکی فرم کوئی بھی شراکت دار، اسکا شریک حیات اور نابالغ اولاد کمپنی کے حصص کے حامل نہیں ہے اور یہ کہ انکی فرم اور شراکت دار انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس کے وضع کردہ اخلاقی اصول جسے پاکستان انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس نے اپنایا ہے، کی تعمیل کرتے ہیں۔

بیرونی آڈیٹرز یا ان سے منسلک افراد کو دوسری خدمات فراہم کرنے کیلئے مقرر نہیں کیا گیا ہے علاوہ اسٹنگ کے قواعد کے مطابق اور آڈیٹرز نے یہ یقین دہانی کرائی ہے کہ اس سلسلے میں وہ آئی ایف اے سی کی ہدایات کو پیش نظر رکھتے ہیں۔

ڈائریکٹرز رپورٹ

معاوضے کی ادائیگی نان ایگزیکٹو ڈائریکٹرز بشمول آزاد ڈائریکٹرز کو مندرجہ ذیل بنیادوں پر کی جائیگی۔

الف۔ بورڈ یا کمیٹی کے اجلاس کے لئے حاضری فیس۔

ب۔ وظیفہ الگ خدمات کی ادائیگی کے لئے۔

پ۔ وظیفہ حقیقی اخراجات ہونے پر۔

مجموعی ڈائریکٹرز کا معاوضہ

ڈائریکٹرز کے معاوضہ کی تفصیلات درج ذیل ہیں:

آزاد/نان ایگزیکٹو ڈائریکٹرز	ایگزیکٹو ڈائریکٹر	چیف ایگزیکٹو	
---	11,154	6,987	انتظامی معاوضہ
---	1,767	1,502	بونس
---	74	-----	رٹائرمنٹ کے فوائد
---	2,457	569	مکان کرایہ
---	1,325	810	افادیت
---	129	366	طبی اخراجات
450	-----	-----	معاوضہ
---	1,340	453	دیگر
450	18,246	10,687	
3	2	1	افراد کی تعداد

آڈٹ اور احتساب

مالیاتی رپورٹنگ

بورڈ کو یہ اطمینان ہے کہ ڈائریکٹرز رپورٹ اور اکاؤنٹس جس میں کاروبار کا تجزیہ اور کارکردگی شامل ہے، چیئرمین کی نظر ثانی کی مدد سے کمپنی کے مقام اور امکانات کا متوازن اور قابل فہم تجزیہ پیش کرنے کی ذمہ داری پوری کی ہے۔ اس ڈائریکٹرز رپورٹ میں کارپوریٹ اور مالیاتی رپورٹنگ پر ڈائریکٹرز کے بیانات شامل ہیں۔

اندرونی کنٹرول

ڈائریکٹرز ذمہ دار ہیں کہ کمپنی کا داخلی نظام جس کا مقصد کمپنی کے اثاثہ جات کا تحفظ، مناسب طریقے سے لین دین کے اندراج کو یقینی بنانا اور یہ یقین دہانی کرانا کہ قانونی اور ریگولیٹری ضروریات پوری کی جارہی ہیں اور معاملات کی موثر کارکردگی کو یقینی بنایا جا رہا ہے۔

ڈائریکٹرز رپورٹ

کمپنی آڈٹ کے اندرونی معاملات کی نگرانی کی ذمہ دار ہے اور کمپنی کے اندرونی کنٹرول کے نظام کو بہتر بنانے میں بھی اہم کردار ادا کرتی ہے۔ آڈٹ کمیٹی اندرونی کنٹرول کے نظام پر عمل درآمد کا جائزہ لیتی ہے اور باقاعدگی سے اندرونی کنٹرول کی مشکلات کی نشاندہی اور اسکی اصلاح کی نگرانی کرتی ہے۔

کمپنی کارپوریٹ گورننس پر بہترین طریقے پر عمل درآمد کو یقینی بناتی ہے جبکہ دیگر متعلقہ ریگولیٹری ضروریات کو بھی پورا کرنے کی بھی ذمہ دار ہے۔ کمپنی کمپنی کے عبوری نتائج کی منظوری سے پہلے کم از کم ایک دفعہ ماہی اجلاس منعقد کرتی ہے۔ اس کے علاوہ سالانہ آڈٹ کے اختتام کے بعد سالانہ نتائج کے جائزے کے لئے بھی اجلاس منعقد کرتی ہے۔

اس کے علاوہ کمیٹی بیرونی اور اندرونی آڈیٹرز سے علیحدہ میٹنگ کرتی ہے تاکہ آڈٹ کے نتیجے میں پیش آنے والی دشواریوں میں سہولت کیلئے گفت و شنید کرے اور اندرونی کنٹرول سے متعلق مختلف معاملات پر گفتگو کرے۔

کمپنی کے مالیاتی رپورٹنگ کے دورانیہ کی موافقت کیلئے مالی سال ۲۰۱۸ء میں چار مرتبہ اجلاس منعقد کیا۔

اجلاس کی کارروائی بیکٹری آڈٹ کمیٹی کی جانب سے مناسب طریقے سے درج کی جاتی ہے اور اجلاس کے منٹس تمام ممبرز، ڈائریکٹرز اور حسب ضرورت سی ایف او کو ارسال کیے جاتے ہیں۔

انسانی وسائل اور وظیفہ (ایچ آر اینڈ آر) کمیٹی

انسانی وسائل اور وظیفہ (ایچ آر اینڈ آر) کمیٹی ۳ ڈائریکٹرز صاحبان پر مشتمل ہے اس کمیٹی کے چیئرمین (سربراہ) ایک آزاد ڈائریکٹر سید جاوید اشرف صاحب ہیں جبکہ دوسرے ارکان میں جناب لئیق الدین انصاری صاحب اور سید محمد عرفان عقیل صاحب ہیں۔

ایچ آر اینڈ آر کمیٹی ڈائریکٹرز کے وظائف کی پالیسی مرتب کرنے، انسانی وسائل کی انتظامی حکمت عملی اور سی ایف او، کمیٹی سیکریٹری اور ہیڈ آف انٹرنل آڈٹ کے انتخاب کرنے اور معاوضے کا تعین کرنے میں بورڈ کی مدد کرتی ہے۔ سال رواں کے دوران کمیٹی کا ایک اجلاس منعقد ہوا تھا۔

کمیٹی کے سیکریٹری صاحب اجلاس کی کارروائی باقاعدہ طور پر قلم بند کرتے ہیں اور اجلاس کی کارروائی (Minutes) تمام ارکان اور ڈائریکٹرز صاحبان کو ارسال کئے جاتے ہیں۔

بورڈ کی کمیٹی برائے نگرانی (بی سی ایس)

بورڈ کی کمیٹی برائے نگرانی (بی سی ایس) کی صدارت جناب سکندر ایم خان کرتے ہیں۔ کمیٹی کے دیگر ممبران میں جناب لطیف خالد ہاشمی، جناب سہیل بشیر رانا اور جناب لئیق الدین انصاری شامل ہیں۔

بی سی ایس کمیٹی کی تکنیکی، مالی اور انتظامی پہلوؤں کی سرگرمیوں، حکمت عملی اور نگرانی کی ذمہ دار ہے۔ کمیٹی ماہانہ یا دو ماہ میں آپریٹنگ کارکردگی کا جائزہ بھی لیتی ہے۔ سی ای او اور تمام حکموں کے سربراہ بھی اس اجلاس میں شرکت کرتے ہیں۔ اجلاس کی کارروائی کا باقاعدہ اندراج کیا جاتا ہے اور متعلقہ افراد کو بھیجا جاتا ہے۔ سال کے دوران کمیٹی کے آٹھ اجلاس منعقد ہوئے۔

معاوضہ کی پالیسی برائے نان ایگزیکٹو ڈائریکٹرز

سال رواں کے دوران بورڈ آف ڈائریکٹرز نے نان ایگزیکٹو ڈائریکٹرز بشمول آزاد ڈائریکٹرز کے وظیفے / معاوضہ کی ایک پالیسی اپنائی جس کی سفارش ایچ آر اینڈ آر کمیٹی نے کی۔

اختیار شدہ وظیفہ کی پالیسی اہل اور تجربہ کار لوگوں کے لیے پرکشش اور ان کو روکنے کے لئے بنائی گئی ہیں جو کہ کمپنی کے مقاصد کو حکمت عملی کے ساتھ پایہ تکمیل تک پہنچا سکے۔

ڈائریکٹرز رپورٹ

بورڈ کے اجلاس

بورڈ شراکت داروں کو اس یقین کے ذریعے جو ابده ہے کہ کمپنی مناسب طریقے سے منظم ہے اور مقرر کیے ہوئے حکمت عملی کے اہداف کو حاصل کر رہی ہے۔ بورڈ ان ذمہ داروں کو سالانہ اجلاسوں کے ذریعے بجالاتی ہے۔ بورڈ نے مالی سال 2017-18 میں پانچ مرتبہ اجلاس منعقد کیا۔ ان اجلاسوں کی صدارت چیئر مین نے کی اور انکی غیر موجودگی میں ایک ڈائریکٹر جسے بورڈ نے اس مقصد کیلئے منتخب کیا، نے کی۔ ان اجلاسوں میں چیف فائٹشل آفیسر اور کمپنی سیکرٹری بھی شامل تھے۔

بورڈ کے ہر اجلاس سے پہلے کمپنی سیکرٹری نے اطلاع ہمراہ ایجنڈہ آئیٹم اور کاروباری امور سے متعلق جامع دستاویزات پہلے سے ڈائریکٹرز کو ارسال کیں تاکہ اجلاس سے پہلے بورڈ ان امور سے پوری طرح آگاہ ہو۔

تمام ڈائریکٹرز اپنی ذمہ داریوں سے پوری طرح واقف ہیں۔ سال میں کم از کم ایک مرتبہ، کمپنی اپنے ڈائریکٹرز کی آگاہی کا ایک کورس کا انعقاد کرتی ہے تاکہ شراکت داروں کی جانب سے کمپنی کے معاملات اور انتظام کیلئے اپنی ذمہ داریوں اور فرائض سے آگاہ ہو سکیں۔ فی الوقت پانچ ڈائریکٹرز ہیں جو ڈائریکٹرز ٹریننگ پروگرام سے استثناء کے معیار جو لگ بھگ کمپنی کے کارپوریٹ گورننس کے ضابطہ 2017 میں موجود ہے پر پورا اترتے ہیں جبکہ دو ڈائریکٹرز نے اس پروگرام سے سرٹیفیکیشن حاصل کیا ہے۔

بورڈ آف ڈائریکٹرز فیصلے کرتے وقت کمپنی کے مفاد اور بی سی ایل کے شراکت داروں اور دوسرے اسٹیک ہولڈرز کے مفادات کو مد نظر رکھتی ہے۔ کمپنی سیکرٹری تمام انتظامی معاملات میں بورڈ کو مشورہ دینے کا ذمہ دار ہے تاکہ بورڈ کے طریقہ کار کی پیروی کی جائے اور تمام قابل اطلاق قوانین اور قواعد پر عمل کو یقینی بنایا جاسکے۔ اس کے علاوہ کمپنی سیکرٹری بورڈ کے اجلاس کی یادداشت مرتب کرنے اور مقررہ وقت میں ڈائریکٹرز کو ارسال کرنے کا بھی ذمہ دار ہے۔

چیف فائٹشل آفیسر بورڈ کو تمام مالیاتی اور لین دین کے معاملات میں مشورہ دینے کا ذمہ دار ہے، چیف ایگزیکٹو آفیسر کے ہمراہ سالانہ اور سہ ماہی کے مالیاتی بیانات پیش کرنے کا بھی ذمہ دار ہے۔ وہ اثاثوں کی نگرانی اور سرمایہ کاری کرتا ہے۔

اس کے علاوہ سی ایف او سالانہ کارپوریٹ بجٹ کو حتمی شکل دینے اور کمپنی کے معاملات کو ہموار طریقے سے چلانے کیلئے بجٹ بمقابلہ میعاد کی تجزیہ کی جانچ بھی کرتا ہے۔

بورڈ کی کمیٹیاں

وضع کردہ اہداف کو حاصل کرنے کیلئے مخصوص ذمہ داریوں کے ساتھ تین کمیٹیاں تشکیل دی ہیں۔ بورڈ کی جانب سے ان کمیٹیوں کی حد شرائط پہلے ہی وضع کی جا چکی ہیں۔ بورڈ کے اجلاسوں میں ان کمیٹیوں کے اقدامات پیش کیئے جاتے ہیں۔

آڈٹ کمیٹی

آڈٹ کمیٹی کی واقعیت، عدل اور آزادی کی ضمانت کیلئے، یہ آڈٹ کمیٹی چارٹن ان ایگزیکٹو ڈائریکٹرز بشمول دو آزاد ڈائریکٹرز پر مشتمل ہے جس کے سربراہ جناب سید جاوید اشرف ہیں۔ کمیٹی کے دیگر ارکان میں لطیف خالد ہاشمی، سید محمد عرفان حقیل اور جناب محمد سلمان حسین چاؤدلہ شامل ہیں۔

آڈٹ کمیٹی کا بنیادی کردار، بورڈ کو نتائج پیش کرنا کہ مالیاتی رپورٹنگ اور آڈٹ کے عمل کی سالمیت اور پائیدار داخلی کنٹرول اور حفاظتی انتظامی نظام کو یقینی بنانا ہے۔ ان مقاصد کے حصول میں، کمیٹی یہ یقینی بناتی ہے کہ کمپنی کے اپنے اور بیرونی آڈٹرز کے درمیان مناسب تعلق برقرار ہے۔ کمپنی بیرونی آڈٹ کے عمل کی موثریت پر بھی غور کرتی ہے اور آڈٹ کی اجرت اور آڈٹرز کے تعین، استعفی، برخواستگی کے معاملات میں بورڈ کو سفارش کرتی ہے۔

ڈائریکٹرز رپورٹ

سابقہ سالانہ عام اجلاس میں ڈائریکٹر صاحبان میاں محمد سلیم اور سیف الدین اپنی مدت مکمل کرنے کے بعد بورڈ سے اپنے عہدوں سے سبکدوش ہو گئے تھے۔ جنوری 2018ء میں جناب محمد عمران رفیق اپنے عہدے سے مستعفی ہو گئے تھے اور ان کی جگہ محمد سلمان حسین چاولہ صاحب کو کمپنی کا ڈائریکٹر مقرر کیا گیا تھا۔ بورڈ آف ڈائریکٹرز نے سبکدوش ہونے والے ڈائریکٹرز کی قابل تعریف خدمات جو انہوں نے اپنے عہدوں کی مدت کے دوران انجام دیں کو سراہا اور نیک خواہشات کا اظہار کیا۔ بورڈ آف ڈائریکٹرز نے محمد سلمان حسین چاولہ کی خوش آمدید کہا اور کہا کہ وہ کمپنی کے مقاصد کی کامیابی کیلئے ان کے مشیت کردار ادا کرنے کیلئے پرامید ہیں۔

چیئر مین اور چیف ایگزیکٹو آفیسر

چیئر مین اور چیف ایگزیکٹو آفیسر کے عہدے بالترتیب جناب سکندر ایم خان اور جناب نثار اے میرانی کے پاس ہے۔ علیحدہ افعال بورڈ اور انتظامیہ کے درمیان زیادہ آزادی کو یقینی بناتا ہے۔ چیئر مین اور سی ای او کے درمیان ذمہ داریوں کا واضح فرق موجود ہے۔

چیئر مین کمپنی کی سمت کے تعین کے لئے مجموعی قیادت اور نقطہ نظر فراہم کرنے کا ذمہ دار ہے۔

چیئر مین کا بنیادی کردار ہے کہ بورڈ مناسب طریقے سے کام کرتا ہے، یہ اپنے تمام تقاضوں اور ذمہ داریوں کو پورا کرے اور اسکی تنظیم اور میکنزم اپنی جگہ موثر انداز میں کام کرتی ہے۔

سی ای او کمپنی کے انتظام کا ذمہ دار ہے اور اس بات کو یقینی بناتا ہے کہ حکمت عملی اور مالی اہداف کی ترسیل کو یورڈ کی حمایت حاصل ہے۔ وہ کمپنی کے اثاثہ جات کی حفاظت کا بھی ذمہ دار ہے اور مشترکہ طور پر چیئر مین کے ساتھ کمپنی کی بیرونی نمائندگی کرتا ہے۔

بورڈ کے اُموں

کمپنی کی کامیابی کیلئے بورڈ مجموعی طور پر ذمہ دار ہے۔ اس کا کردار کمپنی کیلئے کاروباری قیادت کی فراہمی، موثر کنٹرول اور سجداری کے فریم ورک میں رہتے ہوئے خطرات کے تعین اور انتظام کو یقینی بنانا ہے۔ بورڈ کمپنی کی حکمت عملی کے مقاصد کا تعین کرتا ہے، اس بات کو یقینی بناتا ہے کہ کمپنی اپنے مقاصد کو پورا کرنے اور انتظامی کارکردگی کا جائزہ لینے کیلئے لازمی مالی اور انسانی وسائل رکھتی ہے۔ یہ کمپنی کی اقدار اور معیارات کا تعین بھی کرتا ہے اور اس بات کو یقینی بناتا ہے کہ شراکت داروں اور دیگر کے تقاضے سمجھے اور حاصل کیئے جا رہے ہیں۔

بورڈ کی مخصوص ذمہ داریاں بشمول:

- سالانہ بجٹ اور تخمینوں کی منظوری
- سالانہ اور سہ ماہی اکاؤنٹس کی منظوری
- مالی کنٹرول اور خطرے کے انتظام کیلئے کمپنی کے نظام کا جائزہ
- اہم حصول اور سرمایہ کاری اخراجات کی منظوری
- کمپنی کے حصص کا اجراء
- اس بات کو یقینی بنانا کہ انتظامی ترقی اور معاملات میں تسلسل کے منصوبے موجود ہوں
- کمپنی کی سماجی ذمہ داریاں بشمول کمپنی کے ماحول، صحت اور حفاظتی کارکردگی کے امور کا جائزہ لینا
- بورڈ کی کمیٹیوں کی سرگرمیوں کا جائزہ لینا، اور
- بورڈ، بورڈ کی کمیٹیوں، سی ای او، سی ایف او، کمپنی سیکرٹری اور انٹرنل آڈٹ کے سربراہ کی تقرریوں کی منظوری دینا۔

ڈائریکٹرز رپورٹ

لنڈیکینز کے کارپوریٹ گورننس کے ضابطہ 2017 کے مطابق، بورڈ نے بہترین کارپوریٹ گورننس پالیسیز اور طریقہ کار وضع کیے ہیں جس کی مسلسل نگرانی اور جائزہ لیا جاتا ہے۔ ہمارا کارپوریٹ گورننس ڈھانچہ اس طرف ہدایت کرتا ہے کہ ہمارے کاروباری اہداف، اعلیٰ درجہ کی ایمانداری، شفافیت اور احتسابی عمل کے مطابق حاصل کیے جائیں۔

ان اصولوں کے حصول کیلئے، ہمارے نقطہ نظر / مشن کے بیانات، مکمل کارپوریٹ گورننس کی ہدایات کئی سالوں سے جاری ہیں۔ اس کے علاوہ بورڈ نے ایک ضابطہ اخلاق تیار کیا ہے اور معیار ترتیب دیا ہے جس کے تحت ڈائریکٹرز، اعلیٰ انتظامیہ اور کمپنی کے تمام ملازمین عمل پیرا ہوتے ہیں۔

لنڈیکینز کے کارپوریٹ گورننس 2017 کے ضابطہ کی تعمیل کا بیان جس کا بیرونی آڈیٹرز نے جائزہ لیا اور تصدیق کی ہے، اس رپورٹ کے ساتھ منسلک ہے۔

بورڈ آف ڈائریکٹرز

بورڈ کی ساخت اور تبدیلیاں

بورڈ آف ڈائریکٹرز جو کہ اس وقت کے منتخب ڈائریکٹرز اور ایک چیف ایگزیکٹو آفیسر پر مشتمل ہے، ادارے کیلئے بورڈ کی پالیسیز اخذ کرنے، حکمت عملی کے اہداف کا تعین کرنے اور وسیع نقطہ نظر کے ساتھ کارکردگی کے حصول کا ذمہ دار ہے۔

سالانہ عام اجلاس بتاريخ 28-10-2017 کے دوران ۷ ڈائریکٹرز آئندہ تین سال کے لئے بلا مقابلہ منتخب ہوئے تھے جن کی مدت اکتوبر 2020 اختتام پذیر ہوگی۔ بورڈ آف ڈائریکٹرز کے انتخاب کے بعد ڈائریکٹرز صاحبان نے جناب سکندر ایم خان صاحب کو بورڈ آف ڈائریکٹرز کا چیئر مین آئندہ تین سالہ مدت کے لئے دوبارہ منتخب کیا ہے۔

بورڈ آف ڈائریکٹرز مندرجہ ذیل ارکان پر مشتمل ہیں۔

ڈائریکٹرز کی مجموعی تعداد	
الف۔ مرد	8
ب۔ خواتین	-

نام	ساخت
سید جاوید اشرف جناب محمد سلمان حسین چاؤلہ	انڈیپنڈنٹ ڈائریکٹرز
جناب سکندر مصطفیٰ خان جناب لطیف خالد ہاشمی جناب سہیل بشیر رانا سید محمد عرفان عقیل	دیگرنان ایگزیکٹو ڈائریکٹرز
جناب لئیق الدین انصاری جناب ثار احمد میرانی (سی ای او)	ایگزیکٹو ڈائریکٹرز

ڈائریکٹرز رپورٹ

صنعتی تعلقات

بی سی ایل اپنے ملازمین اور اسکے اجتماعی بارگیننگ ایجنٹ (سی بی اے) کے ساتھ خوشگوار صنعتی تعلقات پر یقین رکھتا ہے۔ کمپنی ہمیشہ سے ملازمین کی فلاح و بہبود کیلئے اقدامات کر رہی ہے۔ کمپنی اپنی کمپنیز میں رعایتی نرخ پر کھانا فراہم کرتی ہے۔ اس کے علاوہ کمپنی اپنے ملازمین کو طبی سہولیات بھی فراہم کرتی ہے۔ کمپنی کے پاس حاضر ملازمین اور سابقہ ملازمین کے فوائد کیلئے متوازن پروگرام اور پالیسیاں ہیں۔ کمپنی کے پاس بیشتر ملازمین کیلئے پروڈنٹ فنڈ، گریجویٹ اور پینشن کی اسکیمیں ہیں۔ کمپنی کی ملازمین کیلئے ایک جج سکیم ہے جس کے تحت ہر سال ۳ ملازمین کو کمپنی کے اخراجات پر جج کی ادائیگی کیلئے بھیجا جاتا ہے۔

خصوصی افراد کو روزگار کی فراہمی

معذور افراد کی صلاحیتوں اور رجحان کے مطابق بی سی ایل ملازمتوں اور ترقی کی فراہمی کی حمایت جاری رکھتے ہوئے ہے، کہ وہ محفوظ ماحول میں کام کر سکتے ہوں۔ اگر کوئی ملازم معذور ہو جاتا ہے تو تمام تر کوشش کی جاتی ہے کہ وہ ملازمت جاری رکھے اگر معذوری اس نوعیت کی ہے کہ وہ کام جاری نہیں رکھ سکتا تو اس صورت میں کمپنی اسکی اولاد کو ملازمت فراہم کرتی ہے۔

کاروباری اخلاقیات اور انسداد بدعنوانی

بی سی ایل اعلیٰ معیار کے کاروباری طرز عمل کا عزم رکھتی ہے۔ ہم یقین رکھتے ہیں کہ یہ کمپنی کی سادھ اور مالی کامیابی کیلئے ضروری ہے کہ ہم اپنے کاروبار کو ایمانداری، صداقت اور تمام قابل عمل قانونی اور ریگولیٹری ضروریات کے مطابق چلاتے رہیں۔ یہ کمپنی کی بنیادی پالیسی ہے کہ تمام ملازمین کمپنی کے کاروبار پر لاگو قوانین اور قواعد و ضوابط کا مشاہدہ اور عمل کریں اور کاروباری سالیٹ کے اعلیٰ معیار کو برقرار رکھیں۔ ہمارا ضابطہ اخلاق ایک اہم دستاویز ہے جو اس اعلیٰ اقدار کو مخاطب کرتا ہے اور جسے پوری کمپنی کو فراہم کیا گیا ہے۔ مندرجہ بالا کے علاوہ، تمام ملازمین کو اندرونی کنٹرول کی تعمیل پر ماہانہ سرٹیفیکیشن دینے کی ضرورت ہے جو ہر سہ ماہی پر بی سی ایل کی طرف سے باضابطہ طور پر بورڈ کو پیش کی جاتی ہے۔

قومی خزانہ میں ادائیگی

بی سی ایل نے محاصل اور ڈیویڈنڈ کی مد میں اس دوران 473.687 ملین روپے قومی خزانہ میں جمع کرائے ہیں۔ اس میں 67.195 ملین روپے اکنم ٹیکس، 406.492 ملین روپے سیلز ٹیکس جبکہ 37.181 ملین روپے کسٹم اور ریگولیٹری ڈیویڈنڈ شامل ہیں۔ اس کے علاوہ کمپنی نے وہ ہولڈنگ ٹیکس ایجنٹ کے طور پر بھی بھاری رقم قومی خزانہ میں جمع کرائی ہے۔

کاپور بیٹ گورننس

کاپور بیٹ گورننس کے ضابطہ کی تعمیل

تمام شراکت داروں کے مفادات کے تحفظ اور چیک اور توازن کے حصول کیلئے بی سی ایل کاپور بیٹ گورننس کی اہمیت سے پوری طرح آگاہ ہے اور کاپور بیٹ گورننس کے ضابطہ پر مسلسل عمل پیرا ہے۔ کمپنی مضبوط کاپور بیٹ گورننس کی تعمیر جو کہ شراکت داروں سے تعلق کو قائم رکھنے اور کاپور بیٹ کی اقدار میں اضافہ کا ایک اہم ذریعہ ہے، اہمیت دیتی ہے۔ کمپنی اس بات کی قائل ہے کہ پائیدار و طویل مدتی ترقی کیلئے کاپور بیٹ گورننس بہت اہمیت رکھتا ہے، ہماری کوشش ہے کہ اس میں بہتری اور اصلاح کریں تاکہ اس کی مدد سے ہم بنیادی مسابقت اور کاپور بیٹ اقدار کو بڑھا سکیں۔

توانائی کی بچت

بی سی ایل کو ملک میں توانائی کی ضرورت اور اس کی بچت کی ذمہ داری کا پورا احساس ہے۔ اس مقصد کیلئے روزمرہ کے کاموں میں توانائی کی کھپت کو کم کرنے کی کوششیں جاری ہیں۔ ہمارے ملازمین کو بجلی کی بچت کیلئے حوصلہ افزائی کی جاتی ہے۔ اس کے علاوہ کمپنی نے اپنی گاڑیوں کے کیلئے ایندھن کے استعمال کو کم کرنے کیلئے اور بجلی کی بچت والے روشنی کے آلات کے استعمال کرنے کی ہدایات جاری کی ہیں۔

ماحولیاتی تحفظ کے اقدامات

ہم صحت مندر بننے والے ماحول کی بحالی کو بہت اہمیت دیتے ہیں اور صحت مند ماحول کیلئے مناسب خیالات اور اقدامات کی پذیرائی کرتے ہیں۔ ہم ایسے اقدامات کی حوصلہ افزائی کرتے ہیں جس سے ماحول بہتر ہو۔ ہم اپنے امور میں ماحول سے متعلق نگرانی کی ضروریات اور اس پر عمل کرنے پر بھی زور دیتے ہیں کمپنی کے پلانٹ کی سرگرمیاں ماحول دوست رہیں، اس کیلئے مسلسل کوششیں کی جاتی ہیں۔ اس سلسلے میں درج ذیل کو یقینی بنایا جاتا ہے:

- کیو پولاسے چکناٹھ کے اخراج کیلئے گیلے ٹینک
- مرکزی پلانٹ کے اخراج کے لئے صفائی کا انتظام
- فلٹر بیگ کی ذریعے دھول کے اخراجات میں کمی
- شاٹ بلاسٹنگ اور ریت کے پلانٹ کیلئے بند کیمن، اور
- استعمال شدہ پانی کے ذریعے فیٹری میں شجر کاری

پیشہ ورانہ حفاظت اور صحت

بی سی ایل کا خیال ہے کہ ملازمین کی پیشہ ورانہ حفاظت اور ان کی صحت سب سے بڑھ کر اہمیت رکھتی ہے۔ ہم یقین رکھتے ہیں کہ تمام صنعتی حادثات کو روکا جاسکتا ہے۔ اپنی اور ساتھی ملازمین کی صحت اور فلاح کیلئے ہر ملازم محفوظ طریقے سے کام کرنے کا ذمہ دار ہے۔

ہم یہ یقین رکھتے ہیں کہ پیداوار اتنی اہم نہیں کہ محفوظ طریقے سے کرنے کیلئے وقت نہ لیا جاسکے۔ ہمارے پاس ISO 9001 - 2015 کو ایٹمیٹیٹ سسٹم کے تحت باقاعدہ حفاظتی پالیسی نافذ ہے۔ بی سی ایل موٹر آگ بجھانے کے نظام کی دستیابی اور دھوپ سے آگ پکڑنے والی اسٹوریج کی جگہوں پر مناسب ہوا کا گزر اور تحفظ کو یقینی بناتا ہے۔ حفاظتی پالیسی کے مطابق حقیقی آگ سے بچاؤ کا مظاہرہ کیا جاتا ہے۔ تمام لازمی طبی امداد کے ساتھ قابل عملہ ہمہ وقت موجود ہوتا ہے۔

صارفین کے تحفظ کے اقدامات

بی سی ایل معیاری منصوعات مسابقتی قیمت پر صارفین کو فراہم کرنے کو یقینی بناتا ہے۔ کمپنی یہ یقین رکھتی ہے کہ معیار کی مسلسل بہتری کا عزم ہماری کامیابی کیلئے ضروری ہے۔ اس مقصد کیلئے، ہم صارفین کی توقعات کے مطابق معیار کی وضاحت کرتے ہیں، کارکردگی اور قدر پر اتفاق کرتے ہوئے مصنوعات اور خدمات فراہم کرتے ہیں۔ ہمارا اصول عمل ہے "ہم معیار کو کاسٹنگ میں ڈھالتے ہیں" بی سی ایل نے کوالٹی کنٹرول کا نظام وضع کیا ہے جس کے تحت فراہم شدہ خام مال کی جانچ سے لے کر صارفین کو تیار شدہ مصنوعات فراہم کی جاتی ہیں۔

بی سی ایل پاکستان کی پہلی فائونڈری تھی جس نے اپریل 1999 میں ISO 9002 سرٹیفکیٹ حاصل کیا۔ کمپنی نے ISO کو ایٹمیٹیٹ سسٹم کا ISO 9001 - 2015 ورژن بھی حاصل کیا ہے۔ یہ ہمارے صارفین کو معیاری خدمات کی فراہمی کے ساتھ انکے اطمینان کی سطح میں اضافے کیلئے ہمارے عزم کا ثبوت ہے۔

ڈائریکٹرز رپورٹ

ہیں۔ انٹرنل آڈٹ کا شعبہ بورڈ آف ڈائریکٹرز کو ایک آزادانہ رپورٹ مہیا کرتا ہے۔ جو کہ خطرے کے نظام کی افادیت اور اسکے چلانے کے طریقہ کار سے متعلق ہوتی ہے۔

کاروباری خطرہ

موجودہ معاشرتی مالیاتی صورتحال کے تناظر میں کوئی بڑی تبدیلیاں جو کہ حکومت پالیسیوں سے متعلق ہیں نظر نہیں آتیں۔ کمپنی کوئی بڑے خطرات نہیں دیکھتی جو کہ کمپنی کی فروخت اور منافع پر خراب اثر ڈال سکتی ہو۔ مزید برآں یہ کہ کمپنی کے مقابلہ کاروں کی عدم موجودگی اور موافق مارکیٹ کے حالات کی وجہ سے یہ خطرات عملی طور پر بھی مزید کم ہوتے ہیں تاہم کمپنی جو کہ خام مال کی درآمد پر انحصار کرتی ہے مگر کرنسی کے اتار چڑھاؤ کی وجہ سے اسکے خطرات کا سامنا کرنا پڑتا ہے۔ لہذا موجودہ پاکستانی روپے کی قدر کی استحکامیات کو دیکھتے ہوئے جو کہ بہتر سیاسی ماحول کی وجہ سے ہے یہ امید کی جاتی ہے کہ اس طرح کے خطرہ کا امکان کم سے کم ہے۔

کمپنی کے بنیادی خریدار ڈیٹریٹرز بنانے والے ہیں انکے کاروباری دائرے میں تبدیلیاں خطرے کا عنصر ثابت ہو سکتی ہیں۔ اسکے باوجود ایسے کوئی ناگزیر حالات نہیں جو کہ کمپنی کے منافع کو محدود یا کم کر سکے۔

حتمی طور پر کمپنی کی انتظامیہ جاں فشانی سے کام کر رہی ہے اور مستعدی سے خطرے کی نشاندہی اور نگرانی کر رہی ہے اسلئے آپ کی کمپنی کا نمایاں طور پر خطرات سے متاثر ہونے کا امکان نہیں جیسا کہ ذکر کیا گیا ہے۔ ہنگامی منصوبہ بندی ہماری ترجیح ہے۔ درست منصوبہ بندی کے ساتھ ایسے مناسب اقدامات لیے جائیں گے جو کہ ہماری کارکردگی پر ممکنہ خراب اثرات کو کم کریں۔

شرح سود / مارک اپ ریٹ کا خطرہ

کمپنی شرح سود / مارک اپ ریٹ کے خطرے کو کم کرنے کے انتظامات کرتی ہے، مخصوص مدت میں پیدا ہونے والے بے جوڑ مالیاتی اثاثہ جات اور واجبات، انہیں خطرہ کے انتظام کی حکمت عملی اور مخصوص تبدیلیوں کے ذریعے ترتیب دیا جاتا ہے۔

کریڈٹ رسک

کمپنی کے مائع فنڈز پر قرض کا خطرہ محدود ہے کیونکہ مخالف پارٹی بینکس ہیں جن کی کریڈٹ ریٹنگ بہت اچھی ہے۔ تاہم، کمپنی نے تجارتی قرض پر کریڈٹ کے خطرہ کا انتظام، قرض کی نگرانی، مخصوص صارفین کے ساتھ محدود لین دین اور صارفین کے کریڈٹ کی جانکاری کی مناسبت سے انتظامات کیئے ہیں۔

سیالیاتی خطرات (لکویڈٹی رسک)

متوقع سیالیاتی خطرات کے انتظام کا مطلب واضح نقد اور کریڈٹ کی سہولت کے ذریعہ فنڈ کی دستیابی ہے۔ کمپنی اس خطرے کو موثر کیش مینجمنٹ اور تفویض شدہ کریڈٹ لائن کی فراہمی سے منظم کرتی ہے۔

کارپوریٹ سماجی ذمہ داری

آپ کی کمپنی نے کاروباری معاملات کیلئے سماجی طور پر ذمہ دارانہ طریقے کا احساس کیا ہے۔ اس کا اظہار ہمارے ملازمین کے ساتھ مراسم، صارفین اور برادری سے وسیع تعلقات سے ہوتا ہے۔

بی سی ایل یہ سمجھتی ہے کہ کارپوریٹ کی سماجی ذمہ داری ایک اچھے کاروباری انتظام کا لازمی عنصر ہے۔ اس شعبہ میں درج ذیل سرگرمیاں انجام دی جا رہی ہیں:

ڈائریکٹرز رپورٹ

16,294 میٹرک ٹن کاسٹنگ بنائی گئی جو %41 فیصد اضافی ہے۔ جبکہ اس سال 15,268 میٹرک ٹن کاسٹنگ فروخت کی گئی جو 2017 کی 11,694 میٹرک ٹن فروخت کے مقابلے میں 31 فیصد اضافی ہے۔ گزشتہ سال 2017 کے مقابلے میں 2018 کے مالی سال کے دوران لاگت فروخت میں اضافہ مشاہدے میں آیا ہے۔ جسکی وجہ سے مجموعی طور پر فروخت کی لاگت میں اضافے سے منافع پر فرق نہیں ظاہر ہوا ہے۔ بین الاقوامی مارکیٹ میں ڈالر کی قیمت میں اتار چڑھاؤ اور مشرق وسطیٰ کے ممالک کی جانب سے VAT نافذ ہونے سے آمدنی مال کی قیمتوں میں اضافہ ہوا ہے جسکے نتیجے میں فروخت کی لاگت سال 2018 میں کافی بڑھ گئی۔

کمپنی کی کارکردگی

آپ کی کمپنی نے غیر معمولی مالی اور عملی کارکردگی 2017-18 کے مالی سال کے دوران مظاہرہ کیا ہے اور اس سال کی پیداوار اور منافع جات کمپنی کی تاریخ میں سب سے زیادہ ہیں۔

اس سال کے جائزہ کے تحت کمپنی کی فروخت کی آمدنی گزشتہ سال 1,744.098 ملین روپے کے مقابلے میں اس سال 2,299.931 ملین روپے رہی۔ کل منافع گزشتہ سال 246.628 ملین روپے کے مقابلے میں اس سال 328.202 ملین روپے رہا۔

فروخت، تقسیم اور انتظامی اخراجات گزشتہ سال 93.721 ملین روپے کے مقابلے میں اس سال 129.384 ملین روپے رہا۔ مالیاتی لاگت گزشتہ سال 10.946 ملین روپے کے مقابلے میں اس سال 12.507 ملین روپے رہی۔

زیر جائزہ مالی سال میں، کمپنی نے سب سے زیادہ منافع قبل از ٹیکس 184.441 ملین روپے حاصل کیا جو کہ گزشتہ سال 141.426 ملین روپے تھا۔ بعد از ٹیکس منافع 133.402 ملین روپے رہا جو کہ گزشتہ سال 97.776 ملین روپے تھا۔

مستقبل میں کامیابی کے امکانات

ٹریڈر اور آٹوموٹو صنعت کی ترقی کی مشیت علامات مالی سال 2018 میں ظاہر ہو چکی ہیں۔ اس مشیت رجحان کے آنے والے مالی سال میں جاری رہنے کی امید کی جاتی ہے اگر بیرونی عوامل بڑے پیمانے پر تبدیل نہ ہو پاکستان ایک زرعی ملک ہے جس میں زراعت ایک اہم کردار ادا کرتی ہے۔ یہ خیال کہ نئی حکومت کی حکمت عملی (Policies) زرعی شعبہ کو مکمل اور اچھا تعاون فراہم کریں گی زرعی شعبہ میں بہادینے کے اثر کے نتیجے میں اضافہ / ترقی ہوئی ہے ٹریڈر کی فروخت میں افزائش ہوئی ہے جسکی وجہ سے ٹریڈر کی مانگ / طلب میں اضافہ ہوا ہے۔ مزید یہ کہ کمپنی انتظامیہ مصنوعات کی فروخت کے نئے ذرائع کیلئے کوشش کر رہی ہیں اور مصنوعات کے معیار کو بہتر بنا رہی ہے جو کہ لاگت کیلئے موثر ہو اور وسائل اچھے طریقے سے استعمال کرنے کی کاوش کر رہی ہے۔ ہم پر اعتماد ہیں کہ ہماری کمپنی اپنے اہداف کے اضافے میں کامیابی حاصل کر لے گی۔ تاہم کوئی بھی خرابی مارکیٹ کے حالات کی وجہ سے براہ راست ہماری فروخت اور منافع پر اثر انداز ہوگی۔

بنیادی خطرات اور غیر یقینی صورت حال

خطرے کے موثر انتظام، پائیدار کاروبار کیلئے کلیدی اہمیت رکھتا ہے۔ ہمارے خطرات کے انتظام کے فریم ورک بمعہ ہماری داخلی کنٹرول پالیسی کے باعث کمپنی پر اثر انداز ہونے والے خطرات کو کم کرنے والے عوامل کی جانب توجہ مرکوز کرنے میں مدد ملی۔ تاہم، تمام خطرات جو کہ کمپنی کے مالیاتی لحاظ سے ہیں، محدود ہیں کیونکہ مارکیٹ کے لحاظ سے ایسے کوئی خاص حالات کا سامنا نہیں

ڈائریکٹرز رپورٹ برائے سال ۲۰۱۸

معزز حصص یافتگان

آپ کی کمپنی کے ڈائریکٹرز، ۳۰ جون ۲۰۱۸ کو اختتام پذیر ہونے والے سال کی آڈیٹڈ مالیاتی بیانات بمعہ سالانہ رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔

کمپنی کے معاملات

آپ کی کمپنی پاکستان اسٹاک ایکسچینج میں پاکستان کی ایک لمیٹڈ کمپنی کی حیثیت سے شامل ہے۔ اسکی بنیادی کاروباری سرگرمی ٹریڈنگ اور آٹوموٹیو حصوں کی کاسٹنگ اور تیاری ہے۔

مالیاتی نتائج

رواں سال کے مالیاتی نتائج درج ذیل ہیں:

(روپے ۰۰۰)

14,427

57,362

133,402

914

62,527

جمع شدہ نقصان جو آگے لائے گئے

۳۰ جون ۲۰۱۷ کو اختتام پذیر ہونے والے سال کا حتمی ڈیویڈنڈ

۳۰ جون ۲۰۱۸ کو اختتام پذیر ہونے والے سال کا ٹیکس کے بعد منافع

دیگر جامع آمدنی

جمع شدہ منافع جو آگے گئے

اس سال عمومی ریزرو پچھلے سال 424.500 ملین روپے کے مقابلے میں 424.500 ملین روپے تھے۔

ڈیویڈنڈ

آپ کی کمپنی کے ڈائریکٹرز نے 2.5 روپے فی شیئر یعنی 25 فیصد نقد منافع کی سفارش کی ہے۔ اگر سالانہ عام اجلاس میں شیئر ہولڈرز کی جانب سے منظوری دی گئی تو کمپنی کے تمام شیئر ہولڈرز جن کے نام کمپنی کے شیئر ہولڈرز کی حیثیت سے 11 اکتوبر ۲۰۱۸ تک رجسٹرڈ ہیں، ان کو مقررہ معیار کے اندر منافع کی ادائیگی کر دی جائے گی۔

بعد کے اثرات

اختتامی سال 30 جون ۲۰۱۸ کے نقد ڈیویڈنڈ 28.681 ملین روپے اگلے مالیاتی اختتامی سال 30 جون ۲۰۱۹ میں عیاں ہونگے۔ تاہم، اس کے اثرات شیئر ہولڈرز کے منافع کی ادائیگی پر اثر انداز نہیں ہونگے۔

فی شیئر آمدنی

اختتامی سال ۳۰ جون ۲۰۱۸ میں فی شیئر آمدنی 11.63 روپے جبکہ پچھلے سال یہ آمدنی 8.52 روپے تھی۔

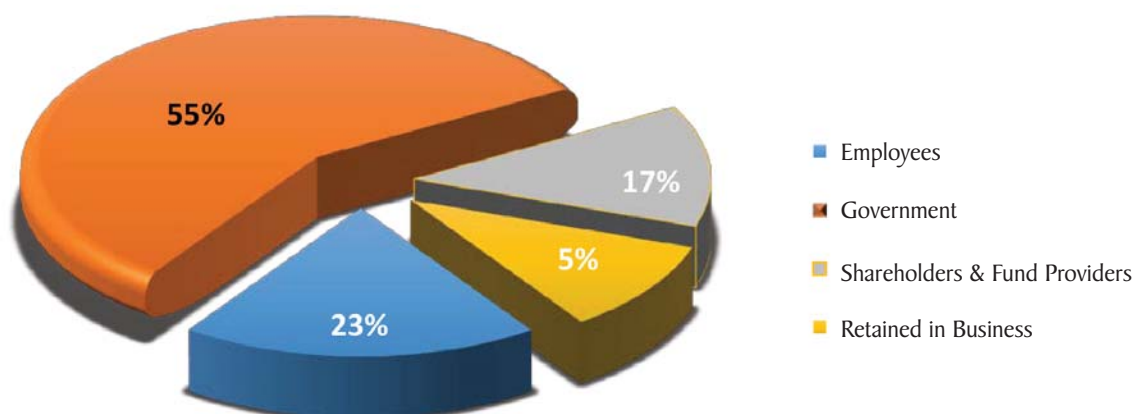
کاروباری جائزہ

2018 کے مالی سال میں حیرت انگیز اضافہ کمپنی کی پیداوار اور فروخت کی مد میں دیکھا گیا۔ مالیاتی سال ۲۰۱۸ء میں پچھلے سال کی 11,566 میٹرک ٹن کاسٹنگز کے مقابلے میں

STATEMENT OF VALUE ADDED AND ITS DISTRIBUTION

PARTICULARS	2018		2017	
	Rs. 000	%	Rs. 000	%
VALUE ADDITION				
Revenue Generated	2,706,424		2,054,881	
Bought-In Material and Services	(1,871,436)		(1,389,216)	
Other Income	11,938		10,239	
	<u>846,926</u>		<u>675,905</u>	
DISTRIBUTION TO:				
Employees				
Salaries, Wages and benefits	187,308	22.12	180,484	26.70
Workers Participation Fund	10,154	1.20	7,607	1.13
	<u>197,463</u>	<u>23.32</u>	<u>188,091</u>	<u>27.83</u>
Government				
Income Tax	51,039	6.03	43,650	6.46
Sales Tax	406,492	48.00	310,783	45.98
Workers Welfare Fund	3,653	0.43	3,116	0.46
	<u>461,185</u>	<u>54.45</u>	<u>357,550</u>	<u>52.90</u>
Shareholders & Fund Providers				
Cash Dividend	28,681	3.39	57,363	8.49
Financial Charges	12,507	1.48	10,996	1.63
	<u>41,189</u>	<u>4.86</u>	<u>68,358</u>	<u>10.11</u>
Retained in Business / (Utilized in Operations)	147,090	17.37	61,905	9.16
	<u>846,926</u>	<u>100</u>	<u>675,905</u>	<u>100</u>

2018



VERTICAL ANALYSIS

	2018		2017	
	(Rs. 000)	%	(Rs. 000)	%
Operating Results				
Net Revenue	2,299,931	100.0	1,744,098	100.0
Cost of sales	1,971,729	85.7	1,497,470	85.9
Administrative & Distribution Expenses	129,384	5.6	93,721	5.4
Other Expenses	13,808	0.6	10,724	0.6
Investment Income	1,621	0.1	1,740	0.1
Other income	10,317	0.4	8,499	0.5
Finance cost	12,507	0.5	10,996	0.6
Income Tax Expense	51,039	2.2	43,650	2.5
Profit/ (Loss) for the year	133,402	5.8	97,776	5.6
Statement of Financial Position				
Property, plant and equipment	232,681	22.0	184,942	20.7
Long-term investments	31,110	2.9	42,694	4.8
Other Non-current assets	20,361	1.9	26,020	2.9
Current Assets	772,745	73.1	641,461	71.7
Total Assets	1,056,898	100.0	895,116	100.0
Total Share holder's Equity	639,518	60.5	574,148	64.1
Long term debts (excluding current maturity)	-	-	-	-
Long-Term Deposits	6,194	0.6	5,643	0.6
Employee Benefits Obligations	77,807	7.4	81,212	9.1
Deferred Tax Asset	405	0.0	-	-
Short-Term Debts	228,378	21.6	125,501	14.0
Trade and other Payables	100,305	9.5	105,957	11.9
Other Current Liabilities	4,291	0.4	2,655	0.2
Total Liabilities	417,380	39.5	320,968	35.9
Total equity and liabilities	1,056,898	100.0	895,116	100.0
Cash Flow				
Cash generated from operations	114,048	(123.6)	206,191	142.4
Cash flow from/(used in) operating activities	31,436	(34.1)	175,083	120.9
Cash flow from/(used in) investing activities	(67,766)	73.5	(18,834)	(13.0)
Cash flow from/(used in) financing activities	(55,906)	60.6	(11,403)	(7.9)
Net increase/(decrease) in cash and cash equivalents	(92,236)	100.0	144,847	100.0

VERTICAL ANALYSIS

2016 (Rs. 000)	%	2015 (Rs. 000)	%	2014 (Rs. 000)	%	2013 (Rs. 000)	%
1,333,476	100.0	1,695,718	100.0	1,111,227	100.0	1,745,974	100.0
1,192,600	89.4	1,506,268	88.8	1,133,183	102.0	1,585,275	90.8
75,619	5.7	79,569	4.7	75,402	6.8	84,404	4.8
3,060	0.2	5,086	0.3	-	-	3,231	0.2
1,204	0.1	811	0.0	743	0.1	856	0.0
9,156	0.7	12,354	0.7	12,625	1.1	9,711	0.6
33,138	2.5	46,319	2.7	62,353	5.6	49,354	2.8
13,550	1.0	24,726	1.5	40,819	3.7	11,160	0.6
25,870	1.9	46,915	2.8	(105,525)	(9.5)	22,261	1.3
184,429	19.9	187,058	15.5	193,926	18.8	219,561	16.6
23,288	2.5	16,718	1.4	12,219	1.2	14,088	1.1
59,030	6.4	51,098	4.2	61,897	6.0	18,343	1.4
658,260	71.2	948,799	78.8	761,620	74.0	1,072,818	81.0
925,007	100.0	1,203,672	100.0	1,029,662	100.0	1,324,810	100.0
452,661	48.9	476,605	39.6	440,311	42.8	547,125	41.3
-	-	-	-	-	-	-	-
4,999	0.5	5,126	0.4	3,852	0.4	4,895	0.4
79,954	8.6	34,724	2.9	21,846	2.1	18,834	1.4
-	-	-	-	-	-	19,557	1.5
274,202	29.6	592,917	49.3	444,518	43.2	496,237	37.5
107,523	11.6	83,091	6.9	106,267	10.3	209,770	15.8
5,668	0.6	11,208	0.9	12,867	1.2	28,392	2.1
472,346	51.1	727,067	60.4	589,350	57.2	777,685	58.7
925,007	100.0	1,203,672	100.0	1,029,662	100.0	1,324,810	100.0
414,988	128.6	(55,650)	37.3	138,713	282.6	(90,108)	43.7
364,002	112.8	(135,539)	90.9	46,340	94.4	(179,105)	86.9
(18,453)	(5.7)	(13,565)	9.1	2,742	5.6	(6,026)	2.9
(22,771)	(7.1)	-	-	-	-	(20,869)	10.1
322,778	100.0	(149,104)	100.0	49,081	100.0	(206,001)	100.0

HORIZONTAL ANALYSIS

	2018 (Rs. 000)	Inc./ (dec.) vs last year figure %	2017 (Rs. 000)	Inc./ (dec.) vs last year figure %
Operating results				
Net Revenue'	2,299,931	31.9	1,744,098	30.8
Cost of sales	1,971,729	31.7	1,497,470	25.6
Gross profit / (Loss)	328,202	33.1	246,628	75.1
Administrative & Distribution Expenses	129,384	38.1	93,721	23.9
Other Expenses	13,808	28.8	10,724	250.5
Investment Income	1,621	(6.8)	1,740	44.5
Other income	10,317	21.4	8,499	(7.2)
Operating Profit	196,948	29.2	152,422	110.1
Finance cost	12,507	13.7	10,996	(66.8)
Profit / (Loss) Before Income Tax	184,441	30.4	141,426	258.8
Income Tax Expense	51,039	16.9	43,650	222.1
Profit/ (Loss) for the year	133,402	36.4	97,776	278.0
Statement of Financial Position				
Property, plant and equipment	232,681	25.8	184,942	0.3
Long-term investments	31,110	(27.1)	42,694	83.3
Other non-current assets	20,361	(21.8)	26,021	(55.9)
Current assets	772,745	20.5	641,461	(2.6)
Total assets	1,056,898	18.1	895,117	(3.2)
Share capital	114,725	-	114,725	-
Reserves	524,793	14.2	459,423	35.9
Total Share holder's equity	639,518	11.4	574,148	26.8
Long-Term Deposits	6,194	9.8	5,643	12.9
Employee Benefits Obligations	77,807	(4.2)	81,212	1.6
Deferred Tax Asset	405.0	-	-	-
Short-Term Financing	228,378	82.0	125,501	(54.2)
Trade and other Payables	100,305	(5.3)	105,957	(1.5)
Other current liabilities	4,291	61.6	2,655	(53.2)
Total liabilities	417,380	30.0	320,968	(32.0)
Total equity and liabilities	1,056,898	18.1	895,117	(3.2)
Cash Flow				
Cash generated from operations	114,048	44.7	206,191	50.3
Cash flow from/(used in) operating activities	31,436	82.0	175,083	51.9
Cash flow from/(used in) investing activities	(67,766)	259.8	(18,834)	2.1
Cash flow from/(used in) financing activities	(55,906)	100.0	(11,403)	100.0
Net increase/(decrease) in cash and cash equivalents	(92,236)	163.7	144,847	55.1

HORIZONTAL ANALYSIS

2016 (Rs. 000)	Inc./ (dec.) vs last year figure %	2015 (Rs. 000)	Inc./ (dec.) vs last year figure %	2014 (Rs. 000)	Inc./ (dec.) vs last year figure %	2013 (Rs. 000)	Inc./ (dec.) vs last year figure %
1,333,476	(21.4)	1,695,718	52.6	1,111,227	(36.4)	1,745,974	1.2
1,192,600	(20.8)	1,506,268	32.9	1,133,183	(28.5)	1,585,275	3.3
140,876	(25.6)	189,450	(962.9)	(21,956)	(113.7)	160,699	(15.6)
75,619	(5.0)	79,569	5.5	75,402	(10.7)	84,404	9.1
3,060	(39.8)	5,086	(100.0)	-	(100.0)	3,231	(35.9)
1,204	48.6	811	9.1	743	(13.2)	856	(20.4)
9,156	(25.9)	12,354	(2.1)	12,625	42.6	8,855	(10.0)
72,557	(38.5)	117,959	(240.4)	(83,990)	(201.5)	82,775	(30.6)
33,138	(28.5)	46,319	(25.7)	62,353	26.3	49,354	(1.9)
39,420	(45.0)	71,640	(149.0)	(146,343)	(537.9)	33,421	(51.6)
13,550	(45.2)	24,726	(39.4)	40,819	265.8	11,160	(50.2)
25,870	(44.9)	46,915	(144.5)	(105,525)	(574.0)	22,261	(52.2)
184,429	(1.4)	187,058	(3.5)	193,926	(11.7)	219,561	(8.8)
23,288	39.3	16,718	36.8	12,219	(13.3)	14,088	69.0
59,030	15.5	51,098	(17.4)	61,897	237.4	18,343	(4.8)
658,260	(30.6)	948,799	24.6	761,620	(29.0)	1,072,818	30.8
925,007	(23.2)	1,203,672	16.9	1,029,662	(22.3)	1,324,810	21.7
114,725	-	114,725	-	114,725	10.0	104,296	-
337,936	(6.6)	361,880	11.1	325,586	(26.5)	442,829	1.5
452,661	(5.0)	476,605	8.2	440,311	(19.5)	547,125	1.2
4,999	(2.5)	5,126	33.1	3,852	(21.3)	4,895	(5.5)
79,954	130.3	34,724	59.0	21,846	16.0	18,834	54.9
-	-	-	-	-	(100.0)	19,557	(23.2)
274,202	(53.8)	592,917	33.4	444,518	(10.4)	496,237	72.5
107,523	29.4	83,091	(21.8)	106,267	(49.3)	209,770	0.9
5,668	(49.4)	11,208	(12.9)	12,867	(54.7)	28,392	204.0
472,346	(35.0)	727,067	23.4	589,350	(24.2)	777,685	42.0
925,007	(23.2)	1,203,672	16.9	1,029,662	(22.3)	1,324,810	21.7
414,988	845.7	(55,650)	(140.1)	138,714	(253.5)	(90,373)	(1,368.1)
364,002	368.6	(135,539)	(392.5)	46,336	(125.9)	(179,106)	66.8
(18,453)	36.0	(13,565)	(594.1)	2,746	145.5	(6,026)	(81.4)
(22,771)	100.0	-	-	-	100	(20,869)	(34.1)
322,778	316.5	(149,104)	(403.8)	49,081	123.8	(206,001)	(32.6)

DECADE AT A GLANCE

(Rupees in thousand)

Year ended 30th June	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
INCOME										
Net Revenue'	2,299,931	1,744,098	1,333,476	1,695,718	1,111,227	1,745,974	1,724,539	1,946,677	1,707,846	1,604,626
Gross Profit / (Loss)	328,202	246,628	140,876	189,450	(21,956)	160,699	190,789	235,196	239,562	164,253
Operating profit / (Loss)	196,948	152,422	72,557	117,959	(83,989)	82,775	124,372	167,176	179,341	115,454
Profit / (Loss) before Income Tax	184,441	141,426	39,420	71,640	(146,343)	33,421	69,003	123,799	125,749	53,150
Profit / (Loss) for the year	133,402	97,776	25,870	46,914	(105,525)	22,261	46,608	78,205	82,157	34,026

FINANCIAL POSITION

Current Assets	772,745	641,461	658,260	948,799	761,620	1,072,818	819,929	739,686	793,499	639,502
Less: Current Liabilities	332,973	234,113	387,392	687,216	563,652	734,399	504,912	402,024	505,603	444,777
Net Working Capital	439,771	407,347	270,868	261,583	197,968	338,419	315,017	337,662	287,896	194,725
Property, Plant and Equipment	232,681	184,942	184,429	187,057	193,925	219,561	240,645	235,330	236,205	242,245
Others-Non Current Assets	51,471	68,714	82,318	67,816	74,116	32,431	27,599	14,277	13,301	12,926
	723,924	661,003	537,615	516,456	466,009	590,411	583,261	587,268	537,401	449,896
Less: Long Term Debts	-	-	-	-	-	-	-	-	14,082	50,332
Other Liabilities	84,406	86,855	84,953	39,851	25,698	43,286	42,817	65,124	56,510	51,450
Shareholders' Equity	639,518	574,148	452,661	476,605	440,311	547,125	540,444	522,145	466,809	384,364

REPRESENTED BY:

Share Capital	114,725	114,725	114,725	114,725	114,725	104,296	104,296	104,296	94,814	79,012
General Reserves	424,500	424,500	424,500	424,500	424,500	411,500	385,500	323,500	274,500	256,500
Unrealized Gain on Long Term Investment	25,610	37,194	17,788	11,218	6,719	8,588	2,838	3,671	2,838	2,550
Premium on issuance of Right Share	12,156	12,156	12,156	12,156	12,156	12,156	12,156	12,156	12,156	12,156
Unappropriated profit / (accumulated loss)	62,527	(14,427)	(116,507)	(85,994)	(117,789)	10,585	35,654	78,522	82,502	34,147
Net Capital Employed	639,518	574,148	452,661	476,605	440,311	547,125	540,444	522,145	466,809	384,364

Summary of Cash Flows

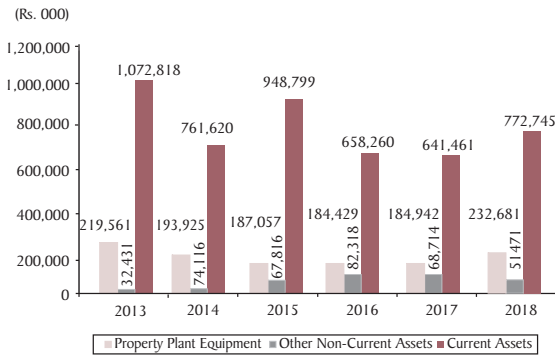
Cash flows from operating activities	31,436	175,083	364,002	(135,539)	46,336	(179,106)	(107,379)	186,039	84,150	23,627
Cash used in investing activities	(67,766)	(18,834)	(18,453)	(13,565)	2,746	(6,026)	(32,439)	(24,950)	(20,710)	(17,776)
cash used in financing activities	(55,906)	(11,403)	(22,771)	-	-	(20,869)	(15,557)	(73,927)	-	(11,955)
Net change in cash and cash equivalents	(92,236)	144,847	322,778	(149,104)	49,081	(206,001)	(155,375)	87,161	63,440	(6,104)

DECADE AT A GLANCE

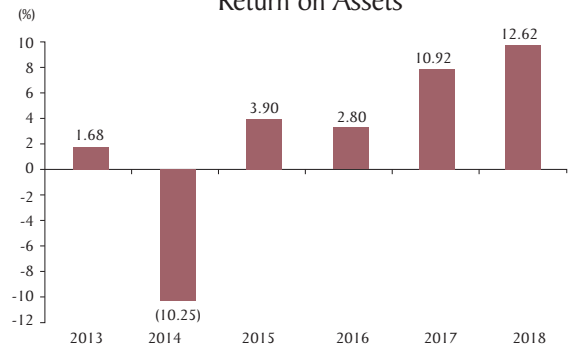
Year ended 30th June	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
PRODUCTION / Revenue										
Production Capacity Installed (MT)	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200
Production Capacity Attained (MT)	16,294	11,566	8,436	11,368	8,575	12,264	12,800	16,278	16,069	14,335
Capacity Ratio (%)	123	88	64	86	65	93	97	123	122	109
Net Revenue (MT)	14,723	11,199	8,557	10,966	7,342	11,921	12,094	14,895	15,343	13,272
MARKET VALUE RATIOS										
Break up value of a Share of Rs.10/-each	55.74	50.05	39.46	41.54	38.38	52.46	51.82	50.06	49.23	48.65
Dividend (Rupees per share)	2.50	5.00	1.00	2.00	-	-	2.00	1.50	2.50	-
Dividend (%)	25	50	10	20	-	-	20	15	25	-
Bonus Shares (%)	-	-	-	-	-	10	-	-	10	20
PROFITABILITY RATIOS										
Gross Profit / (Loss) Ratios (%)	14.27	14.14	10.56	11.17	(1.98)	9.20	11.06	12.08	14.03	10.24
Profit / (Loss) before Income Tax to Sales (%)	8.02	8.11	2.96	4.22	(13.17)	1.91	4.00	6.36	7.36	3.31
Profit / (Loss) for the year to Sales (%)	5.80	5.61	1.94	2.77	(9.50)	1.27	2.70	4.02	4.81	2.12
Basic Earnings per share - EPS (Rs.)	11.63	8.52	2.25	4.09	(9.20)	2.13	4.47	7.50	7.88	3.46
Earning Yield - year end price (%)	9.97	5.65	5.53	4.88	(25.55)	5.34	11.92	15.30	22.14	15.73
Price Earning Ratio - year end price	10.03	17.71	18.11	20.48	(3.91)	20.62	8.39	6.53	4.52	6.36
EBITDA (%) (Earning before interest, tax, depreciation & amortization)	9.59	9.97	3.84	5.66	(5.37)	6.31	8.60	10.00	12.09	8.93
Dividend Payout (%)	21.50	58.69	44.44	48.90	-	-	44.74	20.00	28.85	-
Dividend Yield Ratio (%)	2.14	3.31	2.45	2.39	-	-	5.33	3.06	7.03	-
Return on Equity (%)	20.86	17.03	5.72	9.84	(23.97)	4.07	8.62	14.98	17.60	8.85
Return on Assets %	12.62	10.92	2.80	3.90	(10.25)	1.68	4.28	7.91	7.88	3.80
Operating Cycle	60.00	41.00	78.74	103.14	120.91	66.99	74.84	70.00	89.00	78.00
Dividend Cover	4.65	1.70	2.25	2.05	-	-	2.24	5.00	3.47	-
LIQUIDITY RATIOS										
Current Ratio	2.32:1	2.7:1	1.7:1	1.38:1	1.35:1	1.46:1	1.62:1	1.84:1	1.57:1	1.44:1
Quick Ratio	0.79:1	1.00:1	0.77:1	0.55:1	0.50:1	0.91:1	0.71:1	1.12:1	1.19:1	1.10:1
ACTIVITY RATIOS										
Raw material Inventory Turnover - (days)	30	35	55	47	45	39	45	48	48	38
WIP Inventory Turnover - (days)	13	13	24	17	18	12	10	7	7	7
Finished Goods Inventory Turnover - (days)	41	22	39	43	50	24	19	9	5	4
Debtors Turnover Ratio (days)	10	21	44	33	96	73	48	58	74	54
Assets Turnover Ratio %	0.46	0.51	0.69	0.71	0.93	0.76	0.63	1.97	1.64	1.79
Creditors Turnover Ratio (days)	34	49	84	36	88	81	47	63	44	24
Assets Turnover - (times)	2.18	1.95	1.44	1.41	1.08	1.32	1.58	1.97	1.64	1.79
Fixed Assets Turnover - (times)	9.88	9.43	7.23	9.07	5.73	7.95	7.17	7.80	6.84	6.29
LEVERAGE RATIOS										
Equity Turnover - (times)	3.60	3.04	2.95	3.56	2.52	3.19	3.19	3.73	3.66	4.17
Debt-Equity Ratio	-	-	-	-	-	-	-	-	3.97	4.96
SHARE PRICE- (RS.)										
Highest	169.00	218.68	91.25	91.35	50.02	44.00	50.90	52.25	63.06	64.60
Lowest	83.66	39.00	39.35	32.89	29.45	33.25	26.60	35.25	22.00	22.00
Average	126.33	128.84	65.30	62.12	39.74	38.63	38.75	43.75	42.53	43.30
At the year end	116.64	150.88	40.75	83.75	36.00	40.00	37.50	49.00	35.58	22.00

GRAPHICAL ILLUSTRATION

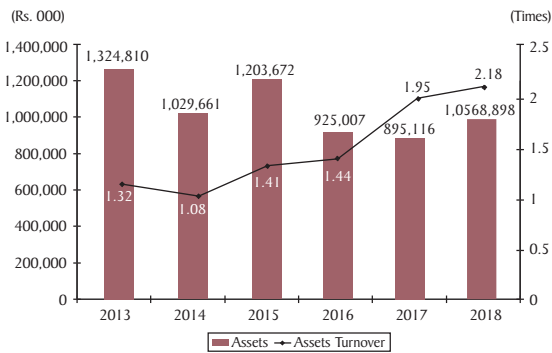
Total Assets



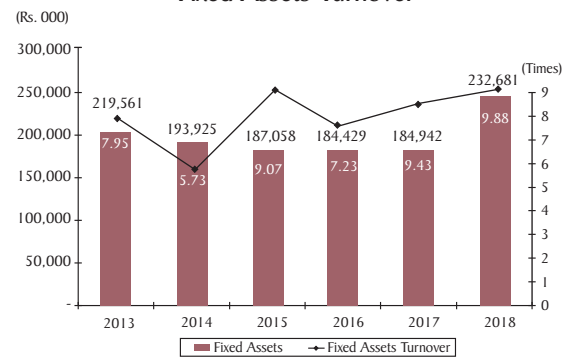
Return on Assets



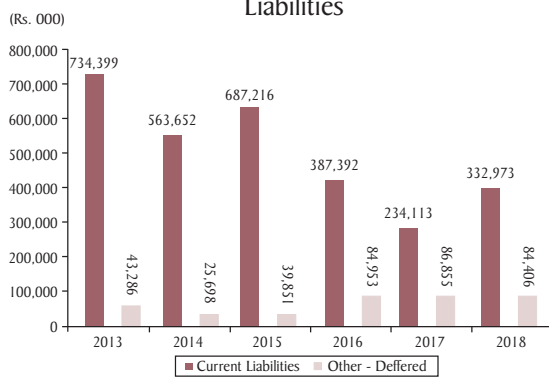
Assets Turnover



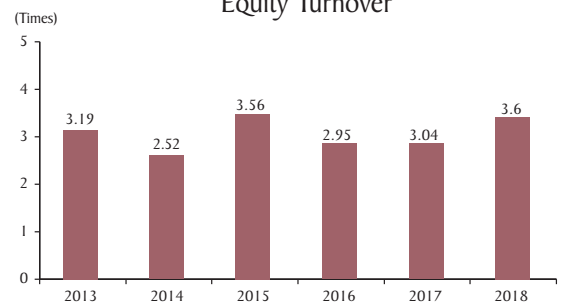
Fixed Assets Turnover



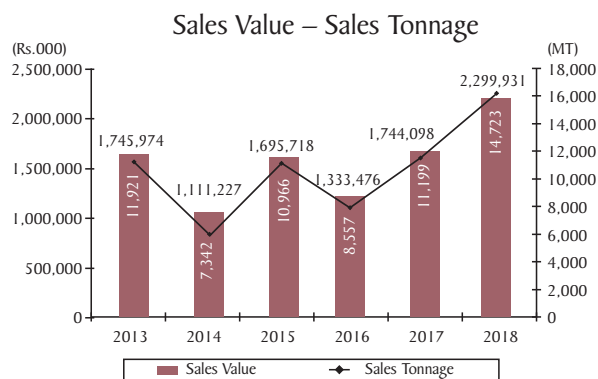
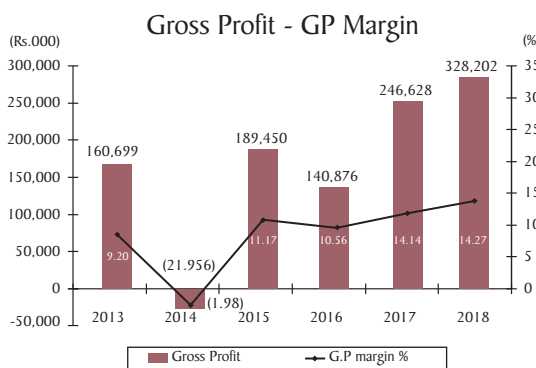
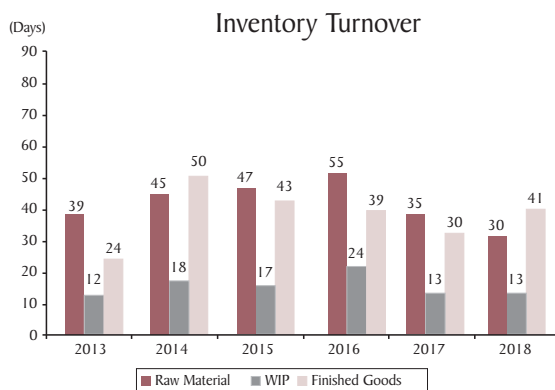
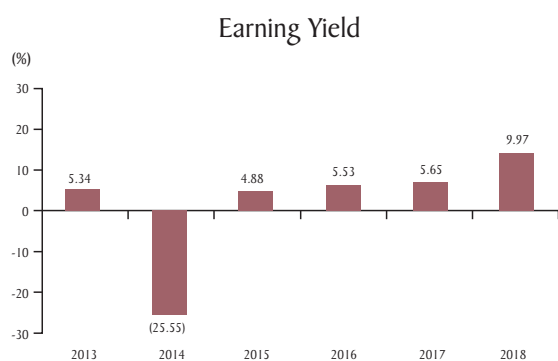
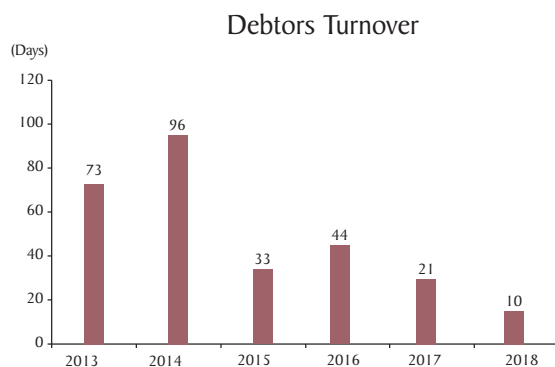
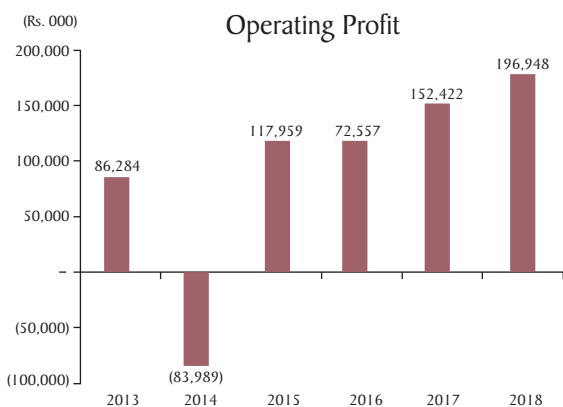
Liabilities



Equity Turnover



GRAPHICAL ILLUSTRATION



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017 FOR THE YEAR ENDED JUNE 30, 2018

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

1. The total number of directors are 8 (eight) as per the following:

- a. Male Directors : 8
- b. Female Director : -

2. The composition of board is as follows:

Category	Names
Independent Directors	Syed Javaid Ashraf Mr. Muhammad Salman Husain Chawala
Other Non-executive Directors	Mr. Sikandar M. Khan Mr. Latif Khalid Hashmi Mr. Sohail Bashir Rana S. M. Irfan Aqueel
Executive Directors	Mr. Laeeq Uddin Ansari Mr. Nisar A. Mirani (CEO)

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The Board of directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. During the year the board did not arrange any training program for its directors. However, all the directors except the Chief Executive Officer have either attended the required training in previous years or meet the exemption criteria as contained in these Regulations.
10. The Board has approved the appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms of conditions of employment and complied with relevant requirements of the Regulations.
11. CFO and CEO duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017

a) Audit Committee :

Syed Javaid Ashraf	Chairman
Mr. Latif Khalid Hashmi	Member
S. M. Irfan Aqueel	Member
Mr. Muhammad Salman Husain Chawala	Member

b) HR and Remuneration Committee:

Syed Javaid Ashraf	Chairman
Mr. Laeeq Uddin Ansari	Member
S. M. Irfan Aqueel	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:
- | | |
|-----------------------------|---|
| Audit Committee | Four quarterly meetings during the financial year ended June 30, 2018 |
| HR & Remuneration Committee | One meeting during the financial year ended June 30, 2018 |
15. The Board has set up an effective internal audit function.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
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 other requirements of the Regulations have been complied with.

Lahore
August 27, 2018


SIKANDAR M. KHAN
Chairman



INDEPENDENT AUDITOR'S REVIEW REPORT To the members of Bolan Castings Limited Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of Bolan Castings Limited for the year ended June 30, 2018 in accordance with the requirements of regulation 40 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2018.

Chartered Accountants
Karachi
Date: September 11, 2018

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BOLAN CASTINGS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Bolan Castings Limited (the Company), which comprise the statement of financial position as at June 30, 2018, and the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2018 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the 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 judgement, 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 is the Key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
(i)	<p>Companies Act, 2017</p> <p>(Refer note 3.1.1 to the financial statements)</p> <p>The Fourth schedule to the Companies Act, 2017 became applicable to the Company for the first time for the preparation of annual financial statements.</p> <p>As part of this transition to the requirements, the management performed a gap analysis to identify differences between the previous and the current fourth schedules and as a result certain amendments relating to presentation and disclosures were made in the accompanying financial statements.</p> <p>In view of the various new disclosures prepared and presented in the financial statements, we considered this as a key audit matter.</p>	<p>We reviewed and understood the requirements of the Fourth schedule to the Companies Act, 2017. Our audit procedures included the following:</p> <ul style="list-style-type: none">considered the management's process to identify the additional disclosures required in the Company's financial statements;obtained relevant underlying supports for the additional disclosures and assessed their appropriateness for the sufficient audit evidence; andverified on test basis the supporting evidence for the additional disclosures and ensured appropriateness of the disclosures made.

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Information Other than the Financial Statements and Auditors' Report Thereon

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

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 judgement 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.

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- 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 profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (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 Farrukh Rehman.

Chartered Accountants
Karachi

Date: September 11, 2018

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	5	232,681,443	184,941,604
Long-term investment	6	31,110,375	42,693,750
Long-term loans	7	846,000	853,745
Deferred tax assets	8	-	4,001,393
Long-term deposits	9	3,806,541	3,893,041
Employee benefits prepayment	10	15,708,298	17,272,218
		<u>284,152,657</u>	<u>253,655,751</u>
Current assets			
Inventories	11	510,819,006	406,314,218
Trade receivables	12	69,328,325	59,631,893
Loans and advances	13	3,820,576	4,996,583
Trade deposits and short term prepayments	14	293,874	322,332
Other receivables		271,306	188,457
Refunds due from the Government - sales tax		14,692,936	23,453,028
Taxation - payments less provision		152,837,850	136,999,840
Cash and bank balances	15	20,681,061	9,554,186
		<u>772,744,934</u>	<u>641,460,537</u>
Total assets		<u>1,056,897,591</u>	<u>895,116,288</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	16	114,725,290	114,725,290
Reserves	17	524,792,735	459,422,753
		<u>639,518,025</u>	<u>574,148,043</u>
LIABILITIES			
Non-current liabilities			
Long-term deposits	18	6,193,726	5,643,444
Deferred tax liabilities	8	405,018	-
Employee benefits obligations	10	77,807,334	81,211,513
		<u>84,406,078</u>	<u>86,854,957</u>
Current liabilities			
Trade and other payables	19	100,304,712	105,957,296
Current portion of long-term deposits	18	1,191,631	1,012,555
Unclaimed dividend		3,098,928	1,642,437
Short-term financing	20	228,378,217	125,501,000
		<u>332,973,488</u>	<u>234,113,288</u>
Total liabilities		<u>417,379,566</u>	<u>320,968,245</u>
Contingencies and commitments	21		
Total equity and liabilities		<u>1,056,897,591</u>	<u>895,116,288</u>

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


Chief Executive


Director


Chief Financial Officer

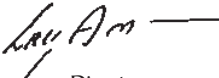
STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
Revenue	22	2,299,931,172	1,744,098,049
Cost of sales	23	(1,971,729,326)	(1,497,470,471)
Gross profit		328,201,846	246,627,578
Distribution cost	24	(58,595,163)	(47,146,208)
Administrative expenses	25	(70,788,850)	(46,574,959)
Other expenses	26	(13,807,648)	(10,723,718)
Other income	27	11,937,998	10,239,163
Operating profit		196,948,183	152,421,856
Finance cost	28	(12,507,335)	(10,995,628)
Profit before income tax		184,440,848	141,426,228
Income tax expense	29	(51,038,932)	(43,650,243)
Profit for the year		133,401,916	97,775,985
Earnings per share - Basic and diluted	30	11.63	8.52

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


Chief Executive


Director


Chief Financial Officer

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2018

	2018 Rupees	2017 Rupees
Profit for the year	133,401,916	97,775,985
Other comprehensive (loss) / income:		
Items that will not be reclassified to profit or loss		
Remeasurements of employee benefits - note 10	5,638,784	22,538,460
Impact of deferred tax	(4,724,698)	(6,761,538)
	914,086	15,776,922
Items that may be reclassified to profit or loss		
Unrealised (loss) / gain on revaluation of available-for-sale investment - note 6	(11,583,375)	19,406,250
Total comprehensive income for the year	122,732,627	132,959,157

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



Chief Executive



Director



Chief Financial Officer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	31	114,047,796	206,191,114
(Increase) / decrease in long-term loans		7,745	(73,000)
Increase in long-term deposits - net		815,858	758,062
Income taxes paid - net		(67,195,229)	(12,225,681)
Employee benefits paid		(6,867,389)	(5,229,720)
Mark-up paid		(9,372,352)	(14,337,424)
Net cash generated from operating activities		31,436,429	175,083,351
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of property, plant and equipment		(76,915,144)	(23,377,811)
Proceeds from disposal of property, plant and equipment		8,013,679	3,259,439
Return received on savings and deposit accounts		470,848	302,384
Investment in term deposit receipts		(485,350)	(455,470)
Dividend received		1,150,000	1,437,500
Net cash used in investing activities		(67,765,967)	(18,833,958)
CASH USED IN FINANCING ACTIVITIES			
Dividend paid		(55,906,154)	(11,402,825)
Net (decrease) / increase in cash and cash equivalents		(92,235,692)	144,846,568
Cash and cash equivalents at the beginning of the year		(118,863,484)	(263,710,052)
Cash and cash equivalents at the end of the year	32	(211,099,176)	(118,863,484)

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


Chief Executive


Director


Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2018

	Reserves					Sub Total	Total
	Capital		Revenue		Gain on revaluation of available for sale investment		
	Share Capital	Share premium	General	Unappropriated Profit / (Accumulated loss)			
----- (Rupees) -----							
Balance as at July 1, 2016	114,725,290	12,155,680	424,500,000	(116,507,055)	17,787,500	337,936,125	452,661,415
Final cash dividend @ 10% for the year ended June 30, 2016	-	-	-	(11,472,529)	-	(11,472,529)	(11,472,529)
Total comprehensive income for the year ended June 30, 2017							
- Profit for the year ended June 30, 2017	-	-	-	97,775,985	-	97,775,985	97,775,985
- Other comprehensive income for the year ended June 30, 2017	-	-	-	15,776,922	19,406,250	35,183,172	35,183,172
	-	-	-	113,552,907	19,406,250	132,959,157	132,959,157
Balance as at June 30, 2017	114,725,290	12,155,680	424,500,000	(14,426,677)	37,193,750	459,422,753	574,148,043
Final cash dividend @ 50% for the year ended June 30, 2017	-	-	-	(57,362,645)	-	(57,362,645)	(57,362,645)
Total comprehensive income for the year ended June 30, 2018							
- Profit for the year ended June 30, 2018	-	-	-	133,401,916	-	133,401,916	133,401,916
- Other comprehensive loss for the year ended June 30, 2018	-	-	-	914,086	(11,583,375)	(10,669,289)	(10,669,289)
	-	-	-	134,316,002	(11,583,375)	122,732,627	122,732,627
Balance as at June 30, 2018	114,725,290	12,155,680	424,500,000	62,526,680	25,610,375	524,792,735	639,518,025

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


Chief Executive


Director


Chief Financial Officer

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2018

1. THE COMPANY AND ITS OPERATIONS

Bolan Castings Limited (the Company) is a public limited company incorporated in Pakistan on July 15, 1982 and listed on the Pakistan Stock Exchange (PSX). The Company manufactures and sells castings for tractors and automotive parts.

The geographical location and address of the Company's business unit, including plant is RCD Highway, Hub Chowki, District Lasbela, Balochistan, Pakistan.

The Company is a subsidiary of Millat Tractors Limited (the parent company) a listed public company in Pakistan, in accordance with the provisions of IFRS 10 - Consolidated Financial Statements.

2. SUMMARY OF SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING PERIOD

The Company's financial position and performance was particularly affected by the following events and transactions during the reporting period:

- Revenue increased by Rs. 555.83 million (32%) as compared to prior year due to increase in volume. (Refer to note 22 and 35)
- The Company experienced an unrealised loss of Rs. 11.58 million on long-term investment held in Baluchistan Wheels Limited, a public listed company. (Refer to note 6)

3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Basis of preparation

3.1.1 Statement of compliance

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

- International Financial Reporting Standard (IFRS Standards) 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.

3.1.2 Changes in accounting standards, interpretations and pronouncements

- a) Standards, interpretations and amendments to published approved accounting standards that became effective during the year and relevant

IAS 7, 'Statement of Cash Flows' amendments introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment is part of the IASB's Disclosure Initiative, which continues to explore how financial statement disclosure can be improved. In the first year of adoption, comparative information need not be provided.

The Companies Act, 2017 (the Act) has also brought certain changes with regard to preparation and presentation of financial statements of the Company. These changes also include change in nomenclature of primary statements, etc.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Further, the disclosure requirements contained in the fourth schedule to the Act have been revised, resulting in the:

- elimination of duplicative disclosures with the IFRS disclosure requirements; and
- incorporation of significant additional disclosures.

Keeping in view of the above, the presentation of these financial statements has been realigned with the provisions contained in the Act. The application of the Act, however, does not have any impact on the recognition and measurement of the amounts included in these financial statements of the Company.

b) **Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant**

There are other new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after July 1, 2017 are considered not to be relevant for Company's financial statements and hence have not been detailed here.

c) **Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant**

The following are the new standards, amendments to existing approved accounting standards and new interpretations that will be effective for the periods beginning on or after July 1, 2018 that may have an impact on the financial statements of the Company.

IFRS 9 'Financial instruments' - This standard is effective for periods beginning from or after July 01, 2018. This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.

IFRS 15 'Revenue from contracts with customers' - This standard is effective for periods beginning from or after July 01, 2018. IFRS 15 replaces the previous revenue standards: IAS 18 Revenue, IAS 11 Construction Contracts, and the related interpretations on revenue recognition.

IFRS 15 introduces a single five-step model for revenue recognition and establishes a comprehensive framework for recognition of revenue from contracts with customers based on a core principle that an entity should recognise revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

IFRS 16 'Leases' - This standard is effective for periods beginning from or after January 01, 2019. IFRS 16 replaces the previous lease standard: IAS 17 Leases. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases.

The management do not expect any significant impact arising due to changes laid down by these standards on its financial statements.

3.2 Overall valuation policy

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy notes.

3.3 Property, plant and equipment and depreciation

Property, plant and equipment is stated at cost less depreciation except capital work-in-progress which is stated at cost. Depreciation is calculated using the reducing balance method at the rates given in note 5 to the financial statements. Depreciation on additions is charged from the month in which the asset is put to use and on disposals up to the month immediately preceding the disposal. Assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

The carrying value of operating assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired.

Gains and losses on disposal of property, plant and equipment are recognised in the statement of profit or loss.

3.4 Intangible assets and amortisation

An intangible asset is recognised if it is probable that future economic benefits attributable to the asset will flow to the Company and that the cost of such asset can be measured reliably. These are stated at cost less accumulated amortisation and impairment, if any.

Costs that are directly associated with identifiable software and have probable economic benefits exceeding the cost beyond one year, are recognised as intangible assets. Direct costs include the purchase cost of the intangible asset, implementation cost and related overhead cost.

Intangible assets are amortised using the straight-line method over a period of three years or license period, whichever is shorter.

The carrying value of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount.

3.5 Investments

The Company determines the appropriate classification of its investment at the time of purchase.

Investment in securities which are intended to be held for an undefined period of time are classified as available for sale. These are initially measured at fair value including the transaction costs. Subsequent measurement of investments whose fair value can be reliably measured is stated at fair value with gains or losses taken to statement of profit or loss and other comprehensive income.

3.6 Income tax

3.6.1 Current

The charge for current taxation is based on the taxable income for the year, determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any.

3.6.2 Deferred

Deferred tax is accounted for using the balance sheet liability method on all temporary differences arising between tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is generally recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised.

Deferred tax is charged or credited in the statement of profit or loss and statement of profit or loss and other comprehensive income. Deferred tax is determined using tax rates and prevailing law for taxation on income that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

3.7 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of raw material and work in process is determined using the weighted average basis and cost of finished goods is determined using the First In First Out (FIFO) method. Cost for inventory-in-transit represents invoice value and other charges paid thereon. Cost of work in process and finished goods include cost of raw materials and appropriate portion of production overheads.

Stores, spare parts and loose tools, except items in transit, are stated at moving average cost. Cost comprises invoice value and other direct costs. Provision is made for slow moving and obsolete items wherever necessary.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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

Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

3.8 Trade and other receivables

Trade and other receivables are carried at invoice value less a provision for impairment. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Trade and other receivables considered irrecoverable are written-off.

3.9 Employee benefits

3.9.1 Defined contribution plans

A defined contribution plan is a plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due.

The Company operates an approved contributory provident fund for all eligible employees. Equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 10% per annum of the basic salary.

3.9.2 Defined benefit plans

Defined benefit plans define an amount of pension or gratuity that an employee will receive on or after retirement, usually dependent on one or more factors, such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognised in the statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates of high quality corporate bonds or the market rates on Government bonds. These are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension obligation.

The Company operates the following schemes:

- i) Funded pension scheme for all of the Company's eligible employees including all non-executive employees and executive employees appointed under the old salary grade scale upto 2006. Contributions are made to the fund by both the employer and employees on the basis of the actuarial valuation. The latest actuarial valuation was carried out as at June 30, 2018, using the 'Projected Unit Credit Method'.
- ii) Funded gratuity scheme for all of the Company's eligible executive employees appointed under the old salary grade scale upto 2006. Provisions are made annually to cover obligations under the scheme, as per actuarial valuation. The most recent valuation of the scheme was carried out as at June 30, 2018, using the 'Projected Unit Credit Method'.
- iii) Unfunded gratuity scheme for all of the Company's eligible non-executive employees. Provisions are made annually to cover obligations under the scheme, as per actuarial valuation. The most recent valuation of the scheme was carried out as at June 30, 2018, using the 'Projected Unit Credit Method'.

The amount arising as a result of remeasurements are recognised in the Statement of Financial Position immediately, with a charge or credit to Other Comprehensive Income in the periods in which they occur.

Past service costs are recognised immediately in statement of profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3.9.3 Compensated absences

The Company accounts for compensated absences of its employees on unavailed balance of leave in the period in which the leave is earned.

3.10 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, balances with banks on current, savings and deposit accounts, short-term investments with original maturities of three months or less and short-term financing.

3.11 Impairment

3.11.1 Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The Company considers evidence of impairment for receivable and other financial assets at specific asset levels. Losses are recognised as an expense in the statement of profit or loss. When a subsequent event causes the amount of impairment loss to decrease, this reduction is reversed through the statement of profit or loss.

3.11.2 Non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised as an expense in the statement of profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessment of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.12 Trade and other payables

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services.

3.13 Provisions

Provisions are recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each financial position date and adjusted to reflect current best estimate.

3.14 Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, and is recognised on the following basis:

- Sales are recorded upon transfer of title to the customers, which generally coincides with physical delivery.
- Dividend income is recognised when the Company's right to receive the dividend is established.
- Return / Interest on bank deposits are recognised on accrual basis.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3.15 Dividends and appropriation to general reserve

Dividends and appropriation to general reserves are recognised in the financial statements in the period in which these are approved.

3.16 Foreign currency transactions and translation

Foreign currency transactions are converted into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the financial position date. Exchange differences, if any, are charged in the statement of profit or loss.

3.17 Financial assets and liabilities

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortised cost or cost, as the case may be.

Financial assets and liabilities are off set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.18 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the functional currency of the Company.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

i. Income tax

The Company recognises provision for income tax based on best current estimates. However, where the final tax outcome is different from the amounts that were initially recorded, such differences impact the income tax provision in the period in which such determination is made.

ii. Defined benefit plans

Significant estimates relating to post employment benefits are disclosed in note 10.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management believes that the change in outcome of estimates would not have a material impact on the amounts disclosed in the financial statements.

No critical judgement has been used in applying accounting policies.

5. PROPERTY, PLANT AND EQUIPMENT

	2018 Rupees	2017 Rupees
Operating assets - note 5.1	222,482,850	178,841,104
Capital work-in-progress - note 5.3	10,198,593	6,100,500
	232,681,443	184,941,604

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

5.1 Operating assets

	Freehold land	Building on freehold land	Plant and machinery	Furniture and fittings	Office equipments	Computers	Vehicles	Total
----- Rupees -----								
Year ended June 30, 2018								
Opening net book value	2,678,754	20,488,255	123,992,193	450,950	5,072,248	739,094	25,419,610	178,841,104
Additions / transfers (at cost)	-	2,109,435	48,143,795	128,425	1,780,140	886,756	19,768,500	72,817,051
Disposals (at NBV)	-	-	(2,565,488)	-	-	-	(2,955,594)	(5,521,082)
Depreciation charge	-	(2,109,616)	(14,210,481)	(48,247)	(554,931)	(350,067)	(6,380,881)	(23,654,223)
Closing net book value	<u>2,678,754</u>	<u>20,488,074</u>	<u>155,360,019</u>	<u>531,128</u>	<u>6,297,457</u>	<u>1,275,783</u>	<u>35,851,635</u>	<u>222,482,850</u>
At June 30, 2018								
Cost	2,678,754	86,624,571	560,159,167	1,535,079	12,227,516	5,159,214	54,151,872	722,536,173
Accumulated depreciation	-	(66,136,497)	(404,799,148)	(1,003,951)	(5,930,059)	(3,883,431)	(18,300,237)	(500,053,323)
Net book value	<u>2,678,754</u>	<u>20,488,074</u>	<u>155,360,019</u>	<u>531,128</u>	<u>6,297,457</u>	<u>1,275,783</u>	<u>35,851,635</u>	<u>222,482,850</u>
Year ended June 30, 2017								
Opening net book value	2,678,754	20,472,031	130,293,721	497,359	3,540,570	491,424	22,339,224	180,313,083
Additions / transfers (at cost)	-	2,098,398	7,055,752	-	1,934,731	449,930	9,854,500	21,393,311
Disposals (at NBV)	-	-	-	-	-	-	(1,373,276)	(1,373,276)
Depreciation charge	-	(2,082,174)	(13,357,280)	(46,409)	(403,053)	(202,260)	(5,400,838)	(21,492,014)
Closing net book value	<u>2,678,754</u>	<u>20,488,255</u>	<u>123,992,193</u>	<u>450,950</u>	<u>5,072,248</u>	<u>739,094</u>	<u>25,419,610</u>	<u>178,841,104</u>
At June 30, 2017								
Cost	2,678,754	84,515,136	526,161,675	1,406,654	10,447,376	4,272,459	42,496,572	671,978,626
Accumulated depreciation	-	(64,026,881)	(402,169,482)	(955,704)	(5,375,128)	(3,533,365)	(17,076,962)	(493,137,522)
Net book value	<u>2,678,754</u>	<u>20,488,255</u>	<u>123,992,193</u>	<u>450,950</u>	<u>5,072,248</u>	<u>739,094</u>	<u>25,419,610</u>	<u>178,841,104</u>
Depreciation rate per annum %	-	10	10	10	10	30	20	

	2018 Rupees	2017 Rupees
5.2 Depreciation for the year has been allocated as follows:		
Cost of sales	21,765,471	19,865,066
Distribution cost	472,188	406,737
Administrative expenses	<u>1,416,564</u>	<u>1,220,211</u>
	<u>23,654,223</u>	<u>21,492,014</u>

5.3 Capital work-in-progress

Opening balance	6,100,500	4,116,000
Additions during the year	12,308,038	4,563,500
Transfers during the year	<u>(8,209,945)</u>	<u>(2,579,000)</u>
Closing balance - note 5.3.1	<u>10,198,593</u>	<u>6,100,500</u>

5.3.1 As at June 30, capital work-in-progress represents:

- Building on free-hold land	455,877	-
- Plant and machinery	9,742,716	-
- Advances to suppliers against motor vehicles	-	6,100,500
	<u>10,198,593</u>	<u>6,100,500</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

5.4 The details of operating assets sold are as follows:

Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Mode of disposal	Particulars of Purchaser
	----- Rupees -----					
Plant and machinery	6,400,149	4,970,591	1,429,558	2,255,000	Tender Company Policy	Arfeen Engineering Services Mr. Saifullah Soomro - Employee
Motor vehicle	1,039,000	470,460	568,540	568,540		
"	<u>1,672,000</u>	<u>723,196</u>	<u>948,804</u>	<u>948,804</u>	"	Mr. Saifuddin - Employee
	<u>9,111,149</u>	<u>6,164,247</u>	<u>2,946,902</u>	<u>3,772,344</u>		
Aggregate of assets having book value of less than Rs. 500,000 each						
Plant and machinery	7,746,154	6,610,224	1,135,930	2,063,420		
Motor vehicles	5,402,200	3,963,950	1,438,250	2,177,915		
2018	<u>22,259,503</u>	<u>16,738,421</u>	<u>5,521,082</u>	<u>8,013,679</u>		
2017	<u>6,714,775</u>	<u>5,341,499</u>	<u>1,373,276</u>	<u>3,259,439</u>		

	2018 Rupees	2017 Rupees
6. LONG-TERM INVESTMENT		
Available for sale		
Balance at the beginning of the year	42,693,750	23,287,500
Unrealised (loss) / gain on revaluation - transferred to equity	(11,583,375)	19,406,250
Balance at the end of the year	<u>31,110,375</u>	<u>42,693,750</u>
6.1 Represents investment in 287,500 (2017: 287,500) quoted ordinary shares of Rs. 10/- each of Baluchistan Wheels Limited. Equity held 2.16% (2017: 2.16%).		
6.2 There are no investments in associated companies or undertakings.		
7. LONG-TERM LOANS		
Considered good and secured		
- Employees - note 7.1 and 7.2	1,539,745	1,501,745
- Current portion of loans to employees	(693,745)	(648,000)
	<u>846,000</u>	<u>853,745</u>
7.1 Reconciliation of carrying amount of loans to employees:		
- opening balances	1,501,745	1,398,745
- disbursements	1,000,000	1,000,000
- repayments	(962,000)	(897,000)
	<u>1,539,745</u>	<u>1,501,745</u>
7.2 This represents interest free loans given to employees for the purchase of motorcycles. These are secured against retirement benefits and are recoverable in monthly installments over a period of fifty months.		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2018 Rupees	2017 Rupees
8. DEFERRED TAX (LIABILITIES) / ASSETS		
Credit balance arising in respect of:		
- accelerated tax depreciation allowance	(24,848,251)	(27,395,096)
Debit balance arising in respect of:		
- provision for slow moving and obsolete inventories	-	412,394
- provision for other receivables considered doubtful	-	1,048,750
- provision for compensated absences	2,293,740	2,725,976
- provision for employee benefits	22,149,493	27,209,369
	24,443,233	31,396,489
	<u>(405,018)</u>	<u>4,001,393</u>

8.1 Analysis of change in deferred tax

	Accelerated tax depreciation	Provision for slow moving and obsolete inventories	Provision for other receivables considered doubtful	Unused tax losses and minimum tax	Provision for compensated absences	Employee benefits		Total
						Unapproved (non-executive) gratuity fund	Effect of actuarial gain or loss	
----- Rupees -----								
Balance as at July 01, 2016	(28,137,592)	412,394	1,048,749	44,977,268	2,804,452	6,599,458	26,651,550	54,356,279
(Charge) / credit to profit or loss for the year	742,497	-	-	(44,977,268)	(78,476)	719,899	-	(43,593,348)
(Charge) / credit to other comprehensive income for the year	-	-	-	-	-	-	(6,761,538)	(6,761,538)
Balance as at June 30, 2017	<u>(27,395,095)</u>	<u>412,394</u>	<u>1,048,749</u>	<u>-</u>	<u>2,725,976</u>	<u>7,319,357</u>	<u>19,890,012</u>	<u>4,001,393</u>
(Charge) / credit to profit or loss for the year	2,546,844	(412,394)	(1,048,749)	-	(432,236)	(335,178)	-	318,287
(Charge) / credit to other comprehensive income for the year	-	-	-	-	-	-	(4,724,698)	(4,724,698)
Balance as at June 30, 2018	<u>(24,848,251)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,293,740</u>	<u>6,984,179</u>	<u>15,165,314</u>	<u>(405,018)</u>

8.2 Under the Finance Act, 2018, a change in corporate tax rate from 30% to 29% was enacted for tax year 2019. The said tax rate will gradually decrease by 1% over a period of 4 years. Therefore, deferred tax assets and liabilities have been recognised accordingly using the expected applicable rate.

9. LONG-TERM DEPOSITS

These security deposits do not carry any mark-up.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

10. EMPLOYEE BENEFITS

10.1 As stated in note 3.9, the Company operates three defined benefit plans (The Plans) namely approved funded defined benefit executives' gratuity scheme for all eligible executive employees, approved funded defined benefit pension scheme for all eligible employees and unfunded defined benefit non-executives' gratuity scheme for all eligible non-executive employees. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at June 30, 2018.

10.2 Plan assets held in trusts are governed by local regulations which mainly includes Trust Act, 1882, Companies Act, 2017, Income Tax Rules, 2002 and Rules under the Trust deeds of the Plans. Responsibility for governance of the Plans, including investment decisions and contribution schedules, lies with the Board of Trustees. The Company appoints the trustees and all trustees are employees of the Company.

10.3 The latest actuarial valuation of the plans as at June 30, 2018 was carried out using the Projected Unit Credit Method. Details of the plans as per the actuarial valuation are as follows:

	2018			2017		
	Funded	Un-Funded		Funded	Un-Funded	
	Pension	Executives' Gratuity	Non-Executives' Gratuity	Pension	Executives' Gratuity	Non-Executives' Gratuity
	----- Rupees -----			----- Rupees -----		

10.4 Statement of financial position reconciliation

Present value of defined benefit obligation at June 30 - note 10.5	(165,839,978)	(48,174,899)	(26,228,631)	(167,462,285)	(56,002,038)	(28,117,696)
Fair value of plan assets at June 30 - note 10.6	114,261,275	63,883,197	-	114,368,468	73,274,256	-
(Deficit) / surplus	<u>(51,578,703)</u>	<u>15,708,298</u>	<u>(26,228,631)</u>	<u>(53,093,817)</u>	<u>17,272,218</u>	<u>(28,117,696)</u>

10.5 Movement in the Present value of defined benefit obligation

Balances as at July 1	167,462,285	56,002,038	28,117,696	159,537,041	53,571,304	23,155,700
Benefits paid by the plan	(7,733,233)	(15,190,538)	(3,700,921)	(5,755,736)	(2,868,132)	(1,596,382)
Current service costs	2,734,144	1,724,532	1,418,560	2,962,355	2,017,552	1,217,619
Interest cost	13,087,654	3,862,597	2,101,379	11,357,790	3,770,938	1,620,919
Remeasurement	(10,756,516)	1,776,270	(1,708,083)	(1,797,764)	(489,624)	3,719,840
Employee Contributions	1,045,644	-	-	1,158,599	-	-
Balance as at June 30	<u>165,839,978</u>	<u>48,174,899</u>	<u>26,228,631</u>	<u>167,462,285</u>	<u>56,002,038</u>	<u>28,117,696</u>

10.6 Movement in the Fair value of plan assets

Balance as at July 1	114,368,468	73,274,256	-	112,475,832	43,834,331	-
Contributions paid into the plan	2,323,654	842,814	-	2,605,625	1,027,713	-
Benefits paid by the plan	(7,733,233)	(15,190,538)	-	(5,755,736)	(2,868,132)	-
Interest income	8,974,920	5,288,032	-	8,082,306	3,111,274	-
Remeasurement	(4,718,178)	(331,367)	-	(4,198,158)	28,169,070	-
Employee Contributions	1,045,644	-	-	1,158,599	-	-
Balance as at June 30	<u>114,261,275</u>	<u>63,883,197</u>	<u>-</u>	<u>114,368,468</u>	<u>73,274,256</u>	<u>-</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2018			2017		
	Funded		Un-Funded	Funded		Un-Funded
	Pension	Executives' Gratuity	Non-Executives' Gratuity	Pension	Executives' Gratuity	Non-Executives' Gratuity
	----- Rupees -----			----- Rupees -----		
10.7	Expense recognised in Profit or Loss					
Current service costs	2,734,144	1,724,532	1,418,560	2,962,355	2,017,552	1,217,619
Net Interest cost / (income)	4,112,734	(1,425,435)	2,101,379	3,275,484	659,664	1,620,919
Expense recognised in Profit or Loss	<u>6,846,878</u>	<u>299,097</u>	<u>3,519,939</u>	<u>6,237,839</u>	<u>2,677,216</u>	<u>2,838,538</u>
10.8	Remeasurement recognised in Other Comprehensive Income					
Experience losses / (gains) Remeasurement of fair value of plan assets	(10,756,516)	1,776,270	(1,708,083)	(1,797,764)	(489,624)	3,719,840
	4,718,178	331,367	-	4,198,158	(28,169,070)	-
Remeasurements	<u>(6,038,338)</u>	<u>2,107,637</u>	<u>(1,708,083)</u>	<u>2,400,394</u>	<u>(28,658,694)</u>	<u>3,719,840</u>
10.9	Net recognised liability / (asset)					
Net recognised liability / (asset) as at July 1	53,093,817	(17,272,218)	28,117,696	47,061,209	9,736,973	23,155,700
Expense recognised in Profit or Loss	6,846,878	299,097	3,519,939	6,237,839	2,677,216	2,838,538
Contribution made during the year to the Fund	(2,323,654)	(842,814)	(3,700,921)	(2,605,625)	(1,027,713)	(1,596,382)
Remeasurements recognised in Other Comprehensive Income	(6,038,338)	2,107,637	(1,708,083)	2,400,394	(28,658,694)	3,719,840
Recognised liability / (asset) as at June 30	<u>51,578,703</u>	<u>(15,708,298)</u>	<u>26,228,631</u>	<u>53,093,817</u>	<u>(17,272,218)</u>	<u>28,117,696</u>
10.10	Plan assets comprises of following:					
Debt instruments	89,775,589	62,192,272	-	85,280,719	23,811,169	-
Equity and mutual funds	23,529,823	-	-	19,018,177	44,266,381	-
Cash at Bank	955,863	1,690,925	-	10,069,572	5,196,706	-
Total as at June 30	<u>114,261,275</u>	<u>63,883,197</u>	<u>-</u>	<u>114,368,468</u>	<u>73,274,256</u>	<u>-</u>
10.11	Actuarial assumptions					
Discount rate at June 30	9.00%	9.00%	9.00%	8.00%	8.00%	8.00%
Future salary increases	9.00%	9.00%	9.00%	8.00%	8.00%	8.00%
Future pension increases	0.00%	-	-	0.00%	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

10.12 Mortality was assumed to be SLIC (2001-2005) table.

10.13 In case of the funded plans, the Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the Retirement benefit plan. Within this framework, the Company's ALM objective is to match assets to the retirement benefit obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due. The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement benefit plan obligations. The Company has not changed the processes used to manage its risks from previous periods. The Company does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. A large portion of assets in 2018 and 2017 consists of Government bonds and investment in shares and units of mutual funds. The Company believes that government bond offer the best returns over the long term with an acceptable level of risk.

10.14 The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date.

The Company's contribution to the pension fund and executives' gratuity fund for the year ending June 30, 2019 is expected to be Rs. 4.96 million and Rs. Nil, respectively.

The actuary conducts separate valuations for calculating contribution rates and the Company contributes to the pension and gratuity funds according to the actuary's advice. Expense of the defined benefit plan is calculated by the actuary.

10.15 Sensitivity analysis for actuarial assumptions

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

	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption Rupees	Decrease in assumption Rupees
Discount rate at June 30	1.00%	(17,985,616)	21,020,913
Future salary increases	1.00%	8,304,597	(7,656,174)

There is no significant change in the obligation if life expectancy increases by 1 year.

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

10.16 Historical information for the five years is as follows:

	2018	2017	2016	2015	2014
	----- Rupees -----				
Pension fund					
Fair value of plan assets	114,261,275	114,368,468	112,475,832	105,680,481	90,083,175
Present value of the defined benefit obligation	(165,839,978)	(167,462,285)	(159,537,041)	(118,150,976)	(75,020,822)
(Deficit) / Surplus	<u>(51,578,703)</u>	<u>(53,093,817)</u>	<u>(47,061,209)</u>	<u>(12,470,495)</u>	<u>15,062,353</u>
Experience adjustments on plan obligations - loss / (gain)	<u>(10,756,516)</u>	<u>(1,797,764)</u>	<u>31,405,711</u>	<u>35,055,399</u>	<u>(6,018,632)</u>
Experience adjustments on plan assets - (loss) / gain	<u>(4,718,178)</u>	<u>(4,198,158)</u>	<u>(1,797,404)</u>	<u>4,237,612</u>	<u>(1,763,513)</u>
Executives' gratuity fund					
Fair value of plan assets	63,883,197	73,274,256	43,834,331	61,432,365	46,102,869
Present value of the defined benefit obligation	(48,174,899)	(56,002,038)	(53,571,304)	(55,105,412)	(48,771,484)
(Deficit) / Surplus	<u>15,708,298</u>	<u>17,272,218</u>	<u>(9,736,973)</u>	<u>6,326,953</u>	<u>(2,668,615)</u>
Experience adjustments on plan obligations - loss / (gain)	<u>1,776,270</u>	<u>(489,624)</u>	<u>1,498,850</u>	<u>2,618,434</u>	<u>4,617,020</u>
Experience adjustments on plan assets - (loss) / gain	<u>(331,367)</u>	<u>28,169,070</u>	<u>(13,955,828)</u>	<u>13,882,902</u>	<u>(1,007,062)</u>
Non-Executives' gratuity fund					
Present value of the defined benefit obligation	<u>(26,228,631)</u>	<u>(28,117,696)</u>	<u>(23,155,700)</u>	<u>(22,253,809)</u>	<u>(19,177,112)</u>
Experience adjustments on plan obligations - (gain) / loss	<u>(1,708,083)</u>	<u>3,719,840</u>	<u>(889,487)</u>	<u>2,046,994</u>	<u>(1,485,155)</u>

10.17 The expected return on plan assets is based on the market expectations and depends upon the asset portfolio of the fund, at the beginning of the period, for returns over the entire life of related obligation.

10.18 The weighted average duration of the plans are as follows:

	No. of years
Pension fund	8.12
Executives' gratuity fund	8.12
Non-executives' gratuity	8.12

10.19 Figures in this note are based on the latest actuarial valuation carried out as at June 30, 2018.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2018 Rupees	2017 Rupees
11. INVENTORIES		
Stores, spare parts and loose tools - note 11.1	119,591,526	117,284,983
Raw materials (including in transit Rs. 25.65 million; 2017: Rs. 15.27 million)	149,402,873	170,811,339
Work in process	108,002,038	32,502,643
Finished goods (including in transit of Rs. 17.27 million; 2017: Rs. 17.22 million) - note 11.3	133,822,569	87,089,900
	<u>510,819,006</u>	<u>407,688,865</u>
Provision for:		
- obsolete stores, spare parts and loose tools	-	(1,032,947)
- slow moving inventory	-	(341,700)
	<u>510,819,006</u>	<u>406,314,218</u>
11.1 Stores, spare parts and loose tools		
Stores (including in transit Rs. 0.08 million; 2017: Rs. 1.25 million)	23,255,162	23,461,681
Spare parts (including in transit Rs. 2.1 million; 2017: Rs. 4.2 million)	83,295,562	64,996,733
Loose tools (including in transit Nil; 2017: Rs. 0.77 million)	<u>5,395,072</u>	<u>4,280,410</u>
Hard coke, diesel and kerosene oil (including in transit Nil; 2017: Rs. 13.45 million)	7,645,730	24,546,159
	<u>119,591,526</u>	<u>117,284,983</u>
11.2 Inventories includes Rs. 78.89 million (2017: Rs. 27.62 million) held with third parties, out of which, inventories of Rs. Nil (2017: Rs. 11.87) is held with Millat Tractors Limited (a related party).		
11.3 Inventories - finished goods includes inventories which has been written-down to net realisable value by Rs. 3.17 million (2017: Rs. 5.53 million).		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2018 Rupees	2017 Rupees
12. TRADE RECEIVABLES		
Considered good		
- Related parties - notes 12.1 & 12.2	53,489,007	43,269,522
- Others - note 12.3	<u>15,839,318</u>	<u>16,362,371</u>
	<u>69,328,325</u>	<u>59,631,893</u>
12.1 Represents amounts due from following related parties:		
- Millat Tractors Limited	48,012,220	42,336,685
- Millat Equipments Limited	<u>5,476,787</u>	<u>932,837</u>
	<u>53,489,007</u>	<u>43,269,522</u>
As at June 30, 2018, the age analysis of these trade receivables is as follows:		
Not yet due	47,848,780	749,361
Past due		
- Up to 3 months	4,170,556	42,520,161
- 3 to 6 months	<u>1,469,671</u>	<u>-</u>
	5,640,227	42,520,161
	<u>53,489,007</u>	<u>43,269,522</u>
12.2 The maximum aggregate amount due from the related party at the end of any month during the year was Rs. 124.85 million (2017: Rs. 124.52 million).		
12.3 As at June 30, 2018, the age analysis of these trade receivables is as follows:		
Not yet due	14,701,000	7,496,660
Past due		
- Up to 3 months	943,796	8,831,439
- 3 to 6 months	<u>194,522</u>	<u>34,272</u>
	1,138,318	8,865,711
	<u>15,839,318</u>	<u>16,362,371</u>
13. LOANS AND ADVANCES		
Considered good		
Current portion of loans to employees - note 7	693,745	648,000
Advances to:		
- employees - note 13.1	1,289,474	1,115,014
- suppliers	<u>1,837,357</u>	<u>3,233,569</u>
	3,126,831	4,348,583
	<u>3,820,576</u>	<u>4,996,583</u>
13.1 The advances to employees are given to meet business expenses and are settled as and when the expenses are incurred. Further, the Company also provides advance for personal medical expenses to its employees.		
13.2 These advances do not carry any markup arrangement.		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2018 Rupees	2017 Rupees
14. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS		
Security deposits	263,500	263,500
Prepayments	<u>30,374</u>	<u>58,832</u>
	<u>293,874</u>	<u>322,332</u>

14.1 These trade deposits and prepayments are mainly against subscription fee and security deposits. They do not carry any mark-up.

15. CASH AND BANK BALANCES

With banks on:

- current accounts - note 15.1	5,009,289	1,680,468
- savings accounts - note 15.2	12,059,884	4,728,604
- term deposit receipts - notes 15.2 and 15.3	<u>3,402,020</u>	<u>2,916,670</u>
	20,471,193	9,325,742
Cash in hand	<u>209,868</u>	<u>228,444</u>
	<u>20,681,061</u>	<u>9,554,186</u>

15.1 This includes current account having balance of Rs. 0.58 million (2017: Rs. 0.30 million) maintained with Islamic Bank.

15.2 These accounts are maintained under markup arrangement and carry mark up at the rate of 3.75% to 4.5% (2017: 3.75% to 4.65%) per annum.

15.3 These are under lien with respect to bank guarantee issued by a commercial bank in favour of Sui Southern Gas Company Limited.

16. SHARE CAPITAL

Authorised share capital

2018 -----Number of shares-----	2017 -----Number of shares-----		2018 Rupees	2017 Rupees
<u>15,000,000</u>	<u>15,000,000</u>	Ordinary shares of Rs. 10 each	<u>150,000,000</u>	<u>150,000,000</u>

Issued, subscribed and paid up capital

Ordinary shares of Rs. 10 each

2018 -----Number of shares-----	2017 -----Number of shares-----		2018 Rupees	2017 Rupees
6,740,875	6,740,875	Shares allotted for consideration paid in cash	67,408,750	67,408,750
4,731,654	4,731,654	Shares allotted as bonus shares	47,316,540	47,316,540
<u>11,472,529</u>	<u>11,472,529</u>		<u>114,725,290</u>	<u>114,725,290</u>

16.1 As at June 30, 2018, 5.31 million (2017: 5.31 million) ordinary shares of Rs. 10 each were held by Millat Tractors Limited (a related party), representing 46.26% of total issued, subscribed and paid up capital (2017: 46.26%).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2018 Rupees	2017 Rupees
17. RESERVES		
Capital reserves		
Share premium	12,155,680	12,155,680
Revenue reserves		
General	424,500,000	424,500,000
Unappropriated profit / (accumulated loss)	62,526,680	(14,426,677)
	487,026,680	410,073,323
Gain on revaluation of available-for-sale investment - note 17.1	25,610,375	37,193,750
	<u>524,792,735</u>	<u>459,422,753</u>
17.1. This represents unrealised gain on investment in shares of Baluchistan Wheels Limited.		
18. LONG-TERM DEPOSITS		
Deposits from employees	7,385,357	6,655,999
Less: Current portion	(1,191,631)	(1,012,555)
	<u>6,193,726</u>	<u>5,643,444</u>
18.1 This represents interest free deposits received from employees. The amount is adjustable within a period of six years against book value of motor vehicles and five years against book value of motor cycles provided to them as per Company policy.		
	2018 Rupees	2017 Rupees
19. TRADE AND OTHER PAYABLES		
Creditors - note 19.1	62,366,959	71,272,380
Advances from customers - note 19.2	790,240	1,269,631
Compensated absences - note 19.3	9,174,960	9,086,587
Workers' Profit Participation Fund - note 19.4	9,899,694	7,352,885
Workers' Welfare Fund	3,653,342	3,116,221
Security deposits - note 19.5	2,580,952	4,065,068
Accrued liabilities - note 19.6	7,427,502	6,786,657
Accrued mark-up	3,725,391	938,620
Income tax deducted at source	5,392	1,399,592
Others	680,280	669,655
	<u>100,304,712</u>	<u>105,957,296</u>
19.1 This includes Rs. 0.87 million (2017: Rs. Nil) due to Millat Tractors Limited (a related party).		
19.2 This includes Rs. 0.12 million (2017: Rs. 0.12 million) due to Millat Equipment Limited (a related party).		
19.3 Compensated absences		
Opening balance	9,086,587	9,348,173
Charge for the year	1,538,757	302,298
Payments made during the year	(1,450,384)	(563,884)
Closing balance	<u>9,174,960</u>	<u>9,086,587</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2018 Rupees	2017 Rupees
19.4 Workers' Profit Participation Fund		
Balance at the beginning of the year	7,352,885	1,867,391
Allocation for the year	9,899,694	7,607,497
Allocation for prior year	254,612	-
	<u>17,507,191</u>	<u>9,474,888</u>
Interest charged during the year	404,580	34,653
Amount paid to the Trustees of the fund	(8,012,077)	(2,156,656)
Balance at the end of the year	<u><u>9,899,694</u></u>	<u><u>7,352,885</u></u>

19.5 This represents deposits obtained from customers which are kept in a separate bank account in compliance with the section 217 of the Companies Act, 2017.

19.6 This includes Rs. 4.34 million (2017: Rs. 3.32 million) due to Millat Tractors Limited (a related party) in respect of remuneration of Chief Executive paid by MTL and cross charged to the Company.

20. SHORT-TERM FINANCING	2018 Rupees	2017 Rupees
Secured		
Short-term running finance facilities		
Under mark-up arrangement - note 20.1	149,184,311	49,403,800
Under musharika facility - note 20.2	79,193,906	76,097,200
	<u><u>228,378,217</u></u>	<u><u>125,501,000</u></u>

20.1 This represents running finance facilities obtained from commercial banks aggregating to Rs. 300 million (2017: Rs. 300 million). The mark-up rate on these facilities is 1 month KIBOR plus 0.5% (2017: 1 month KIBOR plus 0.5% to 0.6%) per annum. The arrangements are secured by way of hypothecation over plant and machinery and current assets of the Company.

20.2 This represents Musharika Finance Facility obtained from Meezan Bank Limited amounting to Rs. 100 million (2017: Rs. 100 million). The profit rate on this facility is 3 month KIBOR plus 0.4% (2017: 3 month KIBOR plus 0.4%). It is secured by way of hypothecation charge over inventory and trade receivables of the Company.

20.3 The Company has also obtained Istisna Cum Wakala arrangement from Dubai Islamic Bank Pakistan Limited amounting to Rs. 75 million (2017: Rs. 75 million). The profit rate on this facility is 6 months KIBOR plus 0.5% (2017: 6 months KIBOR plus 0.6%). It is secured by way of hypothecation charge over fixed assets and current assets of the Company. Amount utilised as at June 30, 2018 is Rs. Nil (2017: Rs. Nil).

20.4 The facilities for opening letters of credit and guarantees as at June 30, 2018 amounted to Rs. 1,000 million and Rs. 3.4 million respectively (2017: Rs. 600 million and Rs. 2.92 million respectively) out of which the amount remaining unutilised at the year end was Rs. 810.35 million and Rs. Nil respectively (2017: Rs. 495.64 million and Rs. Nil respectively).

21. CONTINGENCIES AND COMMITMENTS

21.1 CONTINGENCIES

21.1.1 In 2014, the Company received a reassessment order, from the Income Tax Department, in respect of return filed for the tax year 2008. The Department had revised the return filed by the Company and reduced the income tax refund claimed by the Company by Rs. 6.02 million. The said order was challenged before the Commissioner (Appeals) who declared the order in original as time barred and annulled it. Subsequently, the Income Tax Department filed appeal against the order before the Appellate Tribunal Inland Revenue which has not been heard yet. The management of the Company, based on the views of its tax consultant, is confident that the final decision will be given in favour of the Company and therefore, no provision has been made in these financial statements for this amount.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

21.1.2 In a suit filed against the Company before the Senior Civil Judge at Hub Balochistan, Altaf Hussain Agha (the Plaintiff) claims that in the year 2004 the Company allegedly encroached upon the land measuring 5 acres - 2 roads - 34 poles belonging to him that he purchased in year 2003. The Plaintiff has also sought mesne profits from the Company for such alleged encroachment. The Company claims ownership to the disputed piece of land and disputes any encroachment whatsoever. The written statement of the Company was filed, the issues were framed and the Plaintiff had produced his witnesses. However suit was decreed against the Company by the Senior Civil Judge. The original order was challenged by the Company before Balochistan High Court, which suspended the said order. The case is still pending before Balochistan High Court. The Plaintiff has sought profits aggregating to Rs. 42 million (2017: Rs. 39 million). The management of the Company based on the views of its legal advisor is confident that decision will be given in favour of the Company and therefore, no provision has been made in these financial statements.

21.2 COMMITMENTS

21.2.1 The aggregate commitments in respect of capital expenditure as at June 30, 2018 amount to Rs. 53.09 million (June 30, 2017: Rs. 15.36 million).

	2018 Rupees	2017 Rupees
22. REVENUE		
Gross revenue	2,797,624,013	2,138,088,512
Less:		
- Sales returns	(91,200,463)	(83,557,281)
- Sales tax	(406,492,378)	(310,783,340)
	<u>(497,692,841)</u>	<u>(394,340,621)</u>
	2,299,931,172	1,743,747,891
Export sales	-	350,158
	<u>2,299,931,172</u>	<u>1,744,098,049</u>

22.1 Sales to Millat Tractors Limited (a related party) of Rs. 2,126.58 million (2017: Rs. 1,620.05 million) account for 92.5% (2017: 91.9%) of the net sales.

23. COST OF SALES

Raw materials consumed		
Opening inventory	170,811,339	113,017,650
Purchases	1,118,356,968	787,357,543
Closing inventory - note 11	<u>(149,402,873)</u>	<u>(170,811,339)</u>
	1,139,765,434	729,563,854
Manufacturing expenses		
Salaries, wages and benefits - notes 23.1 and 23.2	133,423,940	144,926,275
Stores, spare parts and loose tools consumed	193,389,711	139,630,447
Fuel and power	147,442,404	119,048,424
Hard coke, diesel and kerosene oil consumed	169,741,186	98,213,929
Machining expenses	28,063,785	8,099,418
Outsourced job contractors	195,867,311	142,207,323
Travelling and conveyance	37,889,714	27,842,596
Depreciation - note 5	21,765,471	19,865,066
Repairs and maintenance	10,983,907	5,082,120
Insurance	5,472,382	5,370,040
Vehicle expenses	2,690,570	2,951,816
Training	5,316,637	3,983,678
Entertainment	661,083	317,425
Reversal of provision for slow-moving and obsolete inventory	<u>(1,374,647)</u>	-
Others	2,862,502	1,938,119
	954,195,956	719,476,676
Opening work in process	32,502,643	70,791,146
Closing work in process - note 11	<u>(108,002,038)</u>	<u>(32,502,643)</u>
Cost of goods manufactured	2,018,461,995	1,487,329,033
Opening inventory of finished goods	87,089,900	97,231,338
Closing inventory of finished goods - note 11	<u>(133,822,569)</u>	<u>(87,089,900)</u>
	<u>1,971,729,326</u>	<u>1,497,470,471</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

23.1 This includes Rs. 9.15 million (2017: Rs. 10.15 million) and Rs. 3.06 million (2017: Rs. 3.13 million) in respect of defined benefit and defined contribution plans respectively.

23.2 This includes Rs. 17.68 million (2017: Rs. 15.64 million) in respect of staff welfare expenses.

	2018 Rupees	2017 Rupees
24. DISTRIBUTION COST		
Salaries, wages and benefits - notes 24.1 and 24.2	4,684,862	5,818,793
Freight charges	52,565,408	38,502,986
Depreciation - note 5	472,188	406,737
Sales promotion	210,000	1,728,426
Insurance	429,786	363,568
Travelling and conveyance	24,250	102,016
Others	208,669	223,682
	<u>58,595,163</u>	<u>47,146,208</u>

24.1 This includes Rs. 0.22 million (2017: Rs. 0.46 million) and Rs. 0.12 million (2017: Rs. 0.18 million) in respect of defined benefit and defined contribution plans respectively.

24.2 This includes Rs. 0.19 million (2017: Rs. 0.26 million) in respect of staff welfare expenses.

	2018 Rupees	2017 Rupees
25. ADMINISTRATIVE EXPENSES		
Salaries, wages and benefits - notes 25.1 and 25.2	49,199,499	29,738,872
Legal and professional charges	3,497,669	4,213,657
Outsourced job contractors	3,907,516	2,142,108
Travelling and conveyance	1,633,402	362,984
Utilities	2,301,044	2,306,886
Repairs and maintenance	276,153	388,858
Depreciation - note 5	1,416,564	1,220,211
Vehicle expenses	2,346,793	1,072,049
Insurance	751,062	654,993
Subscription	637,931	661,064
Auditors' remuneration - note 25.3	1,001,628	963,085
Entertainment	931,973	303,919
Training	403,970	371,724
Others	2,483,646	2,174,549
	<u>70,788,850</u>	<u>46,574,959</u>

25.1 This includes Rs. 1.29 million (2017: Rs. 1.15 million) and Rs. 0.74 million (2017: Rs. 0.81 million) in respect of defined benefit and defined contribution plans respectively.

25.2 This includes Rs. 1.45 million (2017: Rs. 1.57 million) in respect of staff welfare expenses.

	2018 Rupees	2017 Rupees
25.3 Auditors' remuneration		
Audit fee	637,000	606,500
Fee for review of half yearly financial information and other certifications	232,000	220,500
Out of pocket expenses	132,628	136,085
	<u>1,001,628</u>	<u>963,085</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2018 Rupees	2017 Rupees
26. OTHER EXPENSES		
Workers' Profits Participation Fund - note 19.4	10,154,306	7,607,497
Workers' Welfare Fund	3,653,342	3,116,221
	<u>13,807,648</u>	<u>10,723,718</u>
27. OTHER INCOME		
Income from financial assets		
Return on savings and deposit accounts	470,848	302,384
Dividend income	1,150,000	1,437,500
	<u>1,620,848</u>	<u>1,739,884</u>
Income from non-financial assets		
Scrap sales	7,397,654	3,563,222
Insurance claim	-	298,847
Liabilities no longer required written back	-	2,532,386
Gain on disposal of property, plant and equipment	2,492,597	1,886,163
Exchange gain	-	1,274
Agricultural income	-	118,800
Miscellaneous income	426,899	98,587
	<u>10,317,150</u>	<u>8,499,279</u>
	<u>11,937,998</u>	<u>10,239,163</u>
28. FINANCE COST		
Mark-up on short-term financing - note 28.1	11,754,543	10,507,158
Interest on workers' profits participation fund	404,580	34,653
Bank charges	348,212	453,817
	<u>12,507,335</u>	<u>10,995,628</u>
28.1 This includes Rs. 4.14 million (2017: Rs. 4.1 million) mark-up paid on Islamic mode of financing.		
29. INCOME TAX EXPENSE	2018 Rupees	2017 Rupees
Current		
- for the year	46,092,337	56,895
- for prior years - note 29.1	5,264,882	-
	<u>51,357,219</u>	<u>56,895</u>
Deferred	(318,287)	43,593,348
	<u>51,038,932</u>	<u>43,650,243</u>
29.1 This includes Rs. 4.34 million in respect of tax year 2014, which was selected for tax audit by the Federal Board of Revenue in 2015. During the year, tax audit was finalised and certain expenses were disallowed resulting in reduction in taxable losses of the Company from Rs. 136.41 million to Rs. 122.49 million.		
29.2 In view of the management, sufficient tax provision has been made in the Company's financial statements. Comparisons of tax provision as per the financial statements viz-a-viz tax assessment for last three years is as follows:		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2017	2016	2015
	----- Rupees -----		
Tax assessed as per most recent tax assessment	885,173*	13,442,570*	17,120,727
Provision in accounts for income tax	885,173	13,442,570	17,120,727
* This represents returned amounts that are deemed assessed.			
		2018	2017
		Rupees	Rupees
29.3 Reconciliation between tax expense and accounting profit.			
Accounting profit before income tax		<u>184,440,848</u>	<u>141,426,228</u>
Tax at the applicable tax rate of 30% (2017: 31%)		55,332,254	43,842,131
Effect of final tax regime		(172,500)	(265,938)
Effect of change in tax rate		(4,571,324)	89,372
Exempt income		-	(36,828)
Effect of prior years tax		5,264,882	-
Effect of tax credit		(4,814,380)	-
Others		-	21,506
Income tax expense for the year		<u>51,038,932</u>	<u>43,650,243</u>
30. EARNINGS PER SHARE - BASIC AND DILUTED			
Profit for the year attributable to ordinary shareholders		<u>133,401,916</u>	<u>97,775,985</u>
Weighted average number of shares in issue during the year		<u>11,472,529</u>	<u>11,472,529</u>
Earnings per share (Rupees) - Basic and diluted		<u>11.63</u>	<u>8.52</u>
30.1 There is no dilutive effect on the basic profit per share of the Company.			
31. CASH GENERATED FROM OPERATIONS			
Profit before income tax		184,440,848	141,426,228
Adjustments for non-cash charges and other items			
Depreciation		23,654,223	21,492,014
Non-cash employee benefits expense		10,665,914	11,753,593
Gain on disposal of property, plant and equipment		(2,492,597)	(1,886,163)
Return on savings and deposit accounts		(470,848)	(302,384)
Dividend income		(1,150,000)	(1,437,500)
Mark up on short-term financing		12,159,123	10,507,158
		42,365,815	40,126,718
		<u>226,806,663</u>	<u>181,552,946</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2018 Rupees	2017 Rupees
EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES		
Decrease / (Increase) in current assets		
Inventories	(104,504,788)	(40,990,926)
Trade receivables	(9,696,432)	82,246,832
Loans and advances	1,176,007	(384,493)
Trade deposits and short term prepayments	28,458	18,308
Other receivables	(82,849)	2,439,626
Refunds due from the Government - sales tax	8,760,092	(17,759,182)
	(104,319,512)	25,570,165
Increase / (decrease) in current liabilities		
Trade and other payables	(8,439,355)	(931,997)
	<u>114,047,796</u>	<u>206,191,114</u>
32. CASH AND CASH EQUIVALENTS		
Cash and bank balances	17,279,041	6,637,516
Short-term financing	(228,378,217)	(125,501,000)
	<u>(211,099,176)</u>	<u>(118,863,484)</u>

33. RELATED PARTY DISCLOSURES

The following transactions were carried out with related parties during the year:

Relationship with the Company	Nature of transactions	2018 Rupees	2017 Rupees
Parent company:			
- Millat Tractors Limited (MTL)	Sale of goods	2,126,581,223	1,620,047,682
	Purchase of goods	4,993,451	2,280,071
	Purchase of fixed assets	4,119,755	3,323,076
	Dividend paid	26,535,960	5,306,979
	Expenses incurred by MTL on behalf of Company	10,902,592	6,946,455
Associated company:			
- Millat Equipments Limited	Sale of goods	25,584,234	8,883,407
- Tipeg Intertrade DMCC	Sale of goods	-	350,158
Employee benefit funds:			
- Pension fund	Contributions	2,323,654	2,605,625
- Provident fund	Contributions	3,917,935	4,124,961
- Executives' Gratuity fund	Contributions	842,816	1,027,713
- Executives' Gratuity fund	Benefits paid on behalf of the fund	15,190,538	2,868,132
Key management personnel:			
	Salaries and other short term employee benefits paid	32,664,362	15,769,898
	Post retirement benefits	247,129	1,742,108
	Proceeds from sale of assets	1,517,344	160,162

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

33.1 The related party status of outstanding balances as at June 30, 2018 and 2017 is included in inventories, trade receivables, loans and advances and trade and other payables respectively. These are settled in ordinary course of business.

33.2. Following are the related parties with whom the Company had entered into transactions or have arrangement / agreement in place.

S.No.	Company Name	Basis of association	Aggregate % of Shareholding
1	Millat Tractor Limited	Parent Company	46.26%
2	Millat Equipment Limited	Group Company / Common directorship	N/A
3	Arabian Sea Club	Common directorship	N/A

34. REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration to Chief Executive, Executive Directors and Executives are as follows:

	Chief Executives		Executives Directors		Executives *	
	2018	2017	2018	2017	2018	2017
	----- Rupees -----					
Managerial remuneration and allowances	6,986,970	3,711,398	11,154,338	1,148,916	1,874,522	3,070,142
Bonus	1,502,070	700,058	1,766,764	602,735	721,585	725,362
Retirement benefits	-	-	74,215	314,759	172,914	232,247
House rent	569,030	541,933	2,457,037	491,610	778,092	1,264,189
Utilities	810,168	849,595	1,324,753	603,793	316,452	527,686
Medical expenses	366,067	408,364	129,147	86,063	96,000	192,000
Others	452,999	543,165	1,339,938	266,043	18,430	36,846
	<u>10,687,304</u>	<u>6,754,513</u>	<u>18,246,192</u>	<u>3,513,919</u>	<u>3,977,995</u>	<u>6,048,472</u>
Number of persons	<u>1</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>2</u>

* Comparative figures have been restated to reflect changes in the definition of executive as per the Companies Act, 2017.

34.1 In addition to above; fee to 3 non-executive directors for attending Board of Directors meetings during the year amounted to Rs. 450,000 (2017: Rs. 180,000).

34.2 The Chief Executive is also provided with the Company maintained car having money value of Rs. 2.66 million in accordance with the terms of employment.

35. PLANT CAPACITY AND PRODUCTION

	2018	2017
	----- (Metric tons) -----	
Installed capacity (single shift without overtime)	<u>13,200</u>	<u>13,200</u>
Actual production	<u>16,294</u>	<u>11,566</u>
Capacity utilisation	<u>123.44%</u>	<u>87.62%</u>

Production during the year was as per the market demand.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

36. PROVIDENT FUND RELATED DISCLOSURE

All investments in collective investment schemes, listed equity and listed debt securities 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.

	2018	2017
37. NUMBER OF EMPLOYEES		
Number of employees at June 30:		
- Permanent	173	171
- Contractual	2	4
	175	175
* This includes 154 (2017: 152) number of factory employees		
Average number of employees during the year:		
- Permanent	170	169
- Contractual	3	5
	173	174

** This includes 151 (2017: 149) number of factory employees

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

38.1 Financial risk factors

The Company's activities expose it to variety of financial risks: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost effective funding as well as managing financial risk to minimise earnings volatility and providing maximum return to shareholders.

38.2 Financial assets and liabilities by category and their respective maturities

	Interest / Mark up bearing			Non-interest / Non-mark up bearing			Total
	Maturity up to one year	Maturity after one year	Sub-total	Maturity up to one year	Maturity after one year	Sub-total	
	----- Rupees -----						
FINANCIAL ASSETS							
Available for sale							
Long-term investments	-	-	-	-	31,110,375	31,110,375	31,110,375
Loans and receivables							
Loans and advances	-	-	-	1,983,219	846,000	2,829,219	2,829,219
Trade deposits	-	-	-	263,500	3,806,541	4,070,041	4,070,041
Trade receivables	-	-	-	69,328,325	-	69,328,325	69,328,325
Other receivables	-	-	-	271,306	-	271,306	271,306
Cash and bank balances	15,461,904	-	15,461,904	5,219,157	-	5,219,157	20,681,061
June 30, 2018	<u>15,461,904</u>	<u>-</u>	<u>15,461,904</u>	<u>77,065,507</u>	<u>35,762,916</u>	<u>112,828,423</u>	<u>128,290,327</u>
June 30, 2017	<u>7,645,274</u>	<u>-</u>	<u>7,645,274</u>	<u>63,755,776</u>	<u>47,440,536</u>	<u>111,196,312</u>	<u>118,841,586</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	Interest / Mark up bearing			Non-interest / Non-mark up bearing			Total
	Maturity up to one year	Maturity after one year	Sub-total	Maturity up to one year	Maturity after one year	Sub-total	
	----- Rupees -----						
FINANCIAL LIABILITIES							
Deposits	-	-	-	1,191,631	6,193,726	7,385,357	7,385,357
Trade and other payables	-	-	-	73,055,693	-	73,055,693	73,055,693
Short-term financing	<u>228,378,217</u>	-	<u>228,378,217</u>	-	-	-	<u>228,378,217</u>
June 30, 2018	<u>228,378,217</u>	-	<u>228,378,217</u>	<u>74,247,324</u>	<u>6,193,726</u>	<u>80,441,050</u>	<u>308,819,267</u>
June 30, 2017	<u>125,501,000</u>	-	<u>125,501,000</u>	<u>84,744,935</u>	<u>5,643,444</u>	<u>90,388,379</u>	<u>215,889,379</u>
ON STATEMENT OF FINANCIAL POSITION GAP							
June 30, 2018	<u>(212,916,313)</u>	-	<u>(212,916,313)</u>	<u>2,818,183</u>	<u>29,569,190</u>	<u>32,387,373</u>	<u>(180,528,940)</u>
June 30, 2017	<u>(117,855,726)</u>	-	<u>(117,855,726)</u>	<u>(20,989,159)</u>	<u>41,797,092</u>	<u>20,807,933</u>	<u>(97,047,793)</u>
ON STATEMENT OF FINANCIAL POSITION GAP							
Letters of credit / guarantee:							
June 30, 2018							<u>193,053,094</u>
June 30, 2017							<u>107,272,573</u>

(i) Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties failed completely to perform as contracted. The maximum exposure to credit risk is equal to the carrying amount of financial assets. Out of total financial assets of Rs. 128.29 million (2017: Rs. 118.84 million), the financial assets which are subject to credit risk amounted to Rs. 96.97 million (2017: Rs. 75.92 million).

For trade receivables, internal risk assessment process determines the credit quality of the customers, taking into account their financial positions, past experiences and other factors. Individual risk limits are set based on internal or external credit worthiness ratings in accordance with limits set by the management. As of June 30, 2018 trade receivables of Rs. 6.78 million (2017: Rs. 51.39 million) were past due but not impaired. Trade receivables majorly pertain to related parties for whom there is no significant risk of default.

Deposits have been placed mainly with utility companies, hence exposed to no significant credit risk.

Loans and advances to employees are not exposed to any material credit risk, since these are secured against their retirement benefits.

Other receivables constitute mainly refunds from the Government, therefore, are not exposed to any significant credit risk.

The bank balances represent low credit risk as they are placed with banks having good credit ratings assigned by credit rating agencies.

The management does not expect any losses from non-performance by these counter parties.

(ii) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulties in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of financing through banking arrangements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(iii) Market risk

a) Price Risk

Price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

b) Currency risk

Currency risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises mainly where receivables and payables exist in foreign currency. The Company has no foreign currency exposure in respect of foreign creditors.

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk arises from short-term financing which includes running finance facilities (note 20) and cash at bank in saving account and term deposit receipt (note 15). Short-term financing availed at variable rates expose the Company to cash flow interest rate risk.

At June 30, 2018, the Company had variable interest bearing financial assets of Rs. 15.46 million (2017: Rs. 7.65 million) and liabilities of Rs. 228.38 million (2017: Rs. 125.50 million), and had the interest rate varied by 100 basis points with all the other variables held constant, profit before tax for the year would have been lower / higher by approximately Rs. 2.13 million (2017: Rs. 1.18 million), mainly as a result of higher / lower interest expense on floating rate borrowings.

(iv) Fair value 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 in the principal (or most advantageous) market at the measurement date under current market condition (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

As at June 30, 2018, all financial assets and financial liabilities are carried at amortised cost except for investment in quoted shares of Baluchistan Wheels Limited which are carried at their fair value.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred.

The Company's policy for determining when transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfers has occurred.

- changes in market and trading activity (e.g. significant increases / decreases in activity)
- changes in inputs used in valuation technique (e.g. inputs becoming / ceasing to be observable in the market).

There are no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

The valuation technique used is as follows:

Level 1: Quoted prices (unadjusted) in active markets

The fair value of the financial instruments traded in the active market is based on the quoted market price at the balance sheet date. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The following table analysis within the fair value hierarchy of the Company's financial assets (by class) measured at fair value at June 30, 2018:

Financial Assets	2018			Total
	Level 1	Level 2	Level 3	
	----- Rupees -----			
Recurring fair value measurement of available-for-sale investments	31,110,375	-	-	31,110,375
	2017			
Financial Assets	Level 1	Level 2	Level 3	Total
	----- Rupees -----			
Recurring fair value measurement of available-for-sale investments	42,693,750	-	-	42,693,750

39. CAPITAL RISK MANAGEMENT

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

The debt to capital ratios as at June 30, 2018 and 2017 were as follows:

	2018 Rupees	2017 Rupees
Short term financing - note 20	228,378,217	125,501,000
Cash and bank balances - note 15	(20,681,061)	(9,554,186)
Net debt	207,697,156	115,946,814
Total equity	639,518,025	574,148,043
Total capital	847,215,181	690,094,857
Debt to capital ratio	24.52%	16.80%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance. The increase in debt to equity ratio is mainly due to increase in the short-term running finance facilities.

40. CORRESPONDING FIGURES

The fourth schedule to the Companies Act, 2017 has introduced certain presentation and classification requirements for the elements of financial statements. The preparation and presentation of these financial statements for the year ended June 30, 2018 is in accordance with requirements in Companies Act, 2017. Accordingly, the corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of Companies Act, 2017. Following reclassifications have been made during the year:

Description	Reclassified from	Reclassified to	2017 Rupees
Unclaimed dividend	Trade and other payables	Unclaimed dividend	1,642,437
Accrued mark-up	Accrued mark-up	Trade and other payables	938,620
Stores, spare parts and loose tools	Stores, spare parts and loose tools	Inventories	116,252,036

41. SUBSEQUENT EVENTS


The Board of Directors in its meeting held on August 27, 2018 proposed a cash dividend of Rs. 2.5 per share (2017: Rs. 5 per share) amounting to Rs. 28.681 million (2017: Rs. 57.36 million).

The Finance Act, 2018 has introduced tax on every public company at the rate of 5% of its profit before tax for the year. However, this tax shall not apply in case of a public company which distributes at least 20% of its after tax profits within six months of the end of the tax year through cash. Liability in this respect if any, is recognised when the prescribed time period for distribution of dividend expires.

42. DATE OF AUTHORISATION

These financial statements were authorised for issue on August 27, 2018 by the Board of Directors of the Company.


Chief Executive


Director


Chief Financial Officer

PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2018

No. of Shareholders	*Size of Holding		Total Shares Held	Amount Rupees
	From	To		
234	1	100	13,145	131,450
603	101	500	165,734	1,657,340
197	501	1000	170,495	1,704,950
292	1001	5000	711,049	7,110,490
53	5001	10000	406,224	4,062,240
15	10001	15000	204,392	2,043,920
6	15001	20000	112,736	1,127,360
8	20001	25000	180,563	1,805,630
5	25001	30000	144,400	1,444,000
1	30001	35000	32,270	322,700
1	35001	40000	35,100	351,000
2	40001	45000	86,794	867,940
1	45001	50000	46,278	462,780
1	55001	60000	58,500	585,000
1	60001	65000	63,000	630,000
1	65001	70000	68,300	683,000
1	80001	85000	82,900	829,000
1	140001	145000	144,359	1,443,590
1	160001	165000	164,800	1,648,000
1	165001	170000	166,369	1,663,690
1	235001	240000	240,000	2,400,000
1	255001	260000	258,266	2,582,660
1	295001	300000	300,000	3,000,000
1	485001	490000	488,276	4,882,760
1	720001	725000	721,600	7,216,000
1	1095001	1100000	1,100,000	11,000,000
1	5305001	5310000	5,306,979	53,069,790
1432			11,472,529	114,725,290

* There is no shareholding in the slabs not mentioned

CATEGORIES OF SHAREHOLDERS

AS AT JUNE 30, 2018

S.No.	Particulars	Shareholders	Shares Held	Percentage %
1	Directors, Chief Executive Officer and their spouse and minor children			
	Sikandar Mustafa Khan	1	166,369	1.45
	Latif Khalid Hashmi	1	32,270	0.28
	Sohail Bashir Rana	1	144,359	1.26
	Laeq Uddin Ansari	1	3,120	0.03
	Syed Muhammad Irfan Aqueel	1	2,500	0.02
	Syed Jawaid Ashraf	1	17,936	0.16
1	Associated companies, undertakings and related parties			
	Millat Tractors Limited	1	5,306,979	46.26
	Bcl Emp.Pension Fund Trust	1	46,278	0.40
2	NIT & ICP	2	488,716	4.26
3	Banks, development finance institutions, non-banking finance companies,	2	1,100,273	9.59
4	Insurance Companies	4	38,900	0.34
5	Modarabas & Mutual Funds	-	-	-
6	General Public			
	a. Local	1383	3,524,657	30.72
	b. Foreign	-	-	-
7	Foreign Companies	2	98,300	0.86
8	Others			
	a. Joint Stock Companies	27	193,341	1.69
	b. Miscellaneous	4	308,531	2.69
	Totals	1432	11,472,529	100.00

Share holders holding 10% or more

Millat Tractors Limited	5,306,979	46.26
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Proxy Form

Please quote your Folio No. as is in
the Register of Members
Folio No.

I/We _____ (NAME)
of _____ (FULL ADDRESS)
in the district of _____
being a member / members of BOLAN CASTINGS LIMITED and a holder of _____
_____ Shares No. _____ hereby appoint
Mr. / Mrs. / Miss _____ (NAME)
of _____ (FULL ADDRESS)
in the district of _____

_____ as my / our proxy to attend and vote for me / us and on my / our behalf at the 36th Annual General Meeting of the Company to be held at Registered Office, Main RCD Highway, Hub Chowki, Distt. Lasbela, Balochistan on Tuesday October 23, 2018 at 1130 Hrs. and / or at any adjournment thereof.

Signed this _____ day of _____ 2018

Signature
on
Five Rupees
Revenue
Stamp

(Signature should agree with specimen
signature registered with the Company)

Important:

1. A member entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint a proxy to attend and vote instead of him / her.
2. The instrument appointing a proxy should be signed by the member (s) or by his / her attorney duly authorised in writing, or if the member is a corporation / company either under the common seal, or under the hand of any officer or attorney so authorised.
3. This Proxy Form, duly completed, must be deposited at the Registered Office of the Company, Main RCD Highway, Hub Chowki, District Lasbela, Balochistan not less than 48 hours before the time of holding of the meeting.

پراکسی فارم

برائے مہربانی اپنا فولیو نمبر میران
کے رجسٹر کے مطابق لکھئے۔
فولیو نمبر _____

میں مسٹی / مسٹاہ _____ ساکن
ضلع _____ بحیثیت ممبر بولان کاسٹنگز لمیٹڈ اور حامل _____ شیئرز، مسٹی / مسٹاہ _____ ساکن
_____ کو بطور مختار (پراکسی) مقرر کرتا / کرتی ہوں تاکہ وہ میری جگہ اور میری طرف سے کمپنی کے ۳۶ ویں سالانہ اجلاس عام
جو بتاریخ ۲۳ اکتوبر ۲۰۱۸ء بروز منگل بوقت صبح 11:30 بجے کمپنی کے رجسٹرڈ آفس، مین آر سی ڈی ہائی وے، حب چوکی، ڈسٹرکٹ لسبیلہ، بلوچستان میں
منعقد ہو رہا ہے میں اور / یا اس کے کسی ملٹوی شدہ اجلاس میں ووٹ ڈالے۔

پانچ روپے کے محصول ٹکٹ پر
دستخط کرے

(دستخط کمپنی کے پاس موجود دستخط کے نمونے کے مطابق ہوں)

ضروری ہدایات

- ۱) ایک ممبر جو سالانہ عام اجلاس میں شرکت کرنے اور حق رائے دہی کا اہل ہے اپنے بجائے شرکت کرنے اور حق رائے دہی کے لیے ایک پراکسی مقرر کر سکتا ہے۔
- ۲) پراکسی منتخب کرتے ہوئے رکن یا اس کے اٹارنی کا پراکسی فارم پر دستخط کرنا ضروری ہے۔ کارپوریٹ ادارے کی صورت میں پراکسی فارم پر کمپنی کی سیل (Seal) لگی ہو یا مقرر کردہ آفسریا اٹارنی کے دستخط ہوں۔
- ۳) پراکسی فارم ہذا مکمل اور دستخط کے ہمراہ اجلاس کے انعقاد سے کم از کم ۴۸ گھنٹے قبل کمپنی کار رجسٹرڈ آفس، مین آر سی ڈی ہائی وے، حب چوکی، ڈسٹرکٹ لسبیلہ، بلوچستان میں جمع کرا دیا جائے۔

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