

MILLAT TRACTORS LIMITED

ANNUAL REPORT 1997

CONTENTS

Notice of Meeting
Directors' Report to the Shareholders
Chairman's Review
Pattern of Shareholding
Decade at a Glance
Auditors' Report to the Members
Balance Sheet
Profit and Loss Account
Statement of Changes in Financial Position
Notes to the Accounts
Accounts of Subsidiary

BOARD OF DIRECTORS

Sikandar Mustafa Khan
Chairman & Chief Executive

EMPLOYEES GROUP

Latif Khalid Hashmi
Sohail Bashir Rana
Laeq Uddin Ansari
S.R. Bokhari
Rana Mohammad Siddique
Mian Mohammad Saleem

Mian Mohammad Saleem
Company Secretary

OTHERS

A.K.M. Sayeed
NIT Nominee

S.M. Tanvir
M.C.B. Nominee

MANAGEMENT

Sikandar Mustafa Khan
Chairman & Chief Executive

Latif Khalid Hashmi
Director Marketing

Sohail Bashir Rana
Director Technical

Laeq Uddin Ansari
Director Finance

Mian Mohammad Saleem
Gen. Manager Finance

Bashir A. Chaudhry
Gen. Manager Marketing

S.R. Bokhari
Gen. Manager SA & CP

Shaukat Ali Sheikh
Gen. Manager Production Control

Dr. Syed Amer Ali
Gen. Manager Projects

Mubashar Iqbal
Gen. Manager Admn/Purchase

Pir Asad Iqbal
Dy. Gen. Manager R & D

M. Aslam Khokhar
Dy. Gen. Manager HRD

Javed Munir
Dy. Gen. Manager Finance

ORGANISATION STRUCTURE

Sikandar Mustafa Khan
Chairman & Chief Executive

Mian M. Saleem
Company Secretary

Sohail Bashir Rana
Director Technical

Shaukat Ali Sh.
Gen. Manager P.C.

Dr. Syed Amer Ali
Gen. Manager Projects

Pir Asad Iqbal
Dy. Gen. Manager R&D

Pervaiz Aslam
Sr. Manager Procurement

Ch. Abdul Ghafoor
Sr. Manager Tractor Assy.

Shafaat Ahmed
Sr. Manager Mfg./Maint.

M. Ashfaq Farooqi
Sr. Manager Dev.

Jehangir Qureshi
Sr. Manager Eng./NPA

Rehan A. Qureshi
Manager Maintenance

M. Akbar Sheikh
Manager Mfg.

Athar Zubair
Manager Projects

M. Amir Khan
Manager Research

Imtiaz Ahmad
Manager Mfg.

M. Naeem Tahir
Manager Projects

Laeq Uddin Ansari
Director Finance

Mian M. Saleem
Gen. Manager Finance

Javed Munir
Dy. Gen. Manager Finance

M. Aslam Qureshi
Sr. Manager Corporate Affairs

Tariq Masood
Sr. Manager Data Processing

Farogh Iqbal
Sr. Manager Data Processing

Masood A. Chaudhry
Manager Accounts

M. Pervaiz Butt
Manager Budget & MIS

Rustam Ali
Manager Finance

Javed Akbar Gill
Manager Data Processing

Latif Khalid Hashmi
Director Marketing

Bashir A. Chaudhry
Gen. Manager Marketing

Idrees Zubair
Sr. Manager Sales

Ahsan Imran
Sr. Manager Multi App.

Mansoor Abbasi
Sr. Manager Service

M.A. Kakakhail
Manager Parts

Nasim A. Sindhu
Manager Reg. Off. Multan

M. Akram
Manager Reg. Off. Islamabad

Mubashar Iqbal
Gen. Manager Admn./Pur.

Zaair Farid Shah
Sr. Manager Admn./Pers.

Mian M. Anwar
Manager Purchase

S. Imtiaz Ali
Manager Reg. Off. Karachi

Saif-ur-Rehman
Manager Reg. off. Karachi

Shahid S. Toor
Sr. Manager Q.C.

M. Anwar Chaudhry
Manager Q.C. Assy.

Abdul Razzak
Manager Q.C. BOF

M. Aslam Khokhar
Dy. Gen. Manager HRD

Abdul Qayyum Butt
Manager HRD

S.R. Bokhari
Gen. Manager SA & CP

NOTICE OF MEETING

Notice is hereby given that 34th Annual General Meeting of Millat Tractors Limited will be held at the Company's Registered Office, 9 K.M. Sheikhpura Road, Shahdara, Lahore, on Wednesday, December 24, 1997 at 12 Noon to transact the

following business:

1. ORDINARY BUSINESS

i) To confirm minutes of the 33rd Annual General Meeting.

ii) To receive, consider and adopt the audited accounts of the Company for the year ended June 30, 1997 together with the Directors' and Auditors' Reports thereon.

iii) To approve payment of cash dividend at the rate of Rs. 7.50 per share (75%).

iv) To appoint auditors and fix their remuneration for the year ending June 30, 1998. The present joint auditors Messrs Ilyas Saeed & Co., Chartered Accountants and Messrs Ford, Rhodes, Robson, Morrow, Chartered Accountants, retire and are eligible for re- appointment.

v) To elect nine directors for a period of three years. The retiring directors are:-

Mr. Sikandar Mustafa Khan,
Mr. Latif Khalid Hashmi,
Mr. Sohail Bashir Rana,
Mr. Laeeq Uddin Ansari,
Mian Muhammad Saleem,
Mr. S.R. Bokhari, Rana
Muhammad Siddique &
Mr. A.K.M. Sayeed.

The Board of Directors in their meeting held on Nov. 10, 1997, has decided that the Board would consist of nine elected directors.

2. SPECIAL BUSINESS

To approve investment of Rs. 2.03 lac in Bolan Castings Ltd. by passing the following resolution:

"RESOLVED that an investment of Rs. 2.03 lac by way of acquisition of 25,000 ordinary shares of Rs. 10/- each of Bolan Castings Limited be and is hereby approved."

3. ANY OTHER BUSINESS

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

Notes

1. The share transfer books of the Company will remain closed from Dec. 5, 1997 to Dec. 24, 1997 (both days inclusive) and no transfer will be accepted during this period. The members whose names appear in the register of members as at the close of business on December 4, 1997 will qualify for the payment of cash dividend.

2. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote for him/her. Proxies in order to be

effective must be received by the Company not less than 48 hours before the meeting.

3. Any proposal for the election of Directors, as aforesaid, must reach the Company Secretary at Millat Tractors Limited, 9 K.M. Sheikhpura Road, Shahdara, Lahore, at least fourteen days before the meeting.

4. Shareholders are requested to notify the change of address, if any, immediately.

STATEMENT U/S 160 OF THE COMPANIES ORDINANCE, 1984

In order to broaden equity base of the Company in its subsidiary, Bolan Castings Ltd., the Company has purchased 25,000 shares of Bolan Castings Ltd. through Karachi Stock Exchange @Rs. 8.13 per share.

By order of the Board

Lahore: Mian Muhammad Saleem
Dec. 2, 1997 Company Secretary

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your directors feel pleasure in submitting their 34th report together with the audited accounts of the company for the year ended June 30, 1997.

APPROPRIATIONS

Your directors recommend the payment of cash dividend at the rate of Rs. 7.50 per share (75%) out of the profits available for appropriations. Accordingly, the following appropriations have been made:

ACCOUNTS

**Rupees
in thousands**

Profit before taxation	97,399
Less: Taxation	31,543

Profit after taxation	65,856
 Add: Unappropriated profit brought forward	 219

Profit available for appropriations	66,075
Less: Appropriations	
Transfer to general reserves	6,000
Proposed dividend @75%	60,070

	66,070

Unappropriated profit carried forward	5
	=====

DIRECTORS

Mr. Omer Mahmood Rana, a Director on the Board of Directors of the Company, ceased to hold office of directorship w.e.f. December 11, 1996 pursuant to Section 205 of the Companies Ordinance, 1984 and Article 96(i) of the Articles of Association of the Company after having exhausted his share holding in the Company.

Mr. S.M. Tanvir was coopted nominee director of Muslim Commercial Bank Ltd. w.e.f. November 10, 1997 in place of Mian Muhammad Mansha who had earlier resigned from the Board of Director of the Company in pursuance of Article 76 of the Articles of Association of the Company.

The Board of Directors in their meeting held on Nov. 10, 1997 has decided that the Board would consist of nine elected directors. As such, nine directors are to be elected in the 34th Annual General Meeting for a period of three years in place of the following directors who were elected at the 31st Annual General Meeting held on December 24, 1994;

Messrs Sikandar Mustafa Khan, Latif Khalid Hashmi, Sohail Bashir Rana, Laeeq Uddin Ansari, Mian Muhammad Saleem, S.R. Bokhari, A.K.M. Sayeed, Rana Mohammad Siddique and Omer Mahmood Rana.

AUDITORS

The present joint auditors Messrs Ilyas Saeed & Company, Chartered Accountants, and Messrs Ford, Rhodes, Robson, Morrow, Chartered Accountants, retire and are eligible for re-appointment.

CHAIRMAN'S REVIEW

Your directors endorse the contents of the Chairman Review dealing with the Company affairs which are included in his Review and form part of the Director's Report.

PATTERN OF SHAREHOLDING

The pattern of shareholding is annexed.

For and on behalf of the Board

Sikandar Mustafa Khan
Chairman & Chief Executive

CHAIRMAN'S REVIEW

Dear Shareholders:

I feel pleasure to welcome you to the 34th Annual General Meeting of the Company and present audited accounts and my review of operations for the year ended June 30, 1997.

MARKETING

The year 1996-97 turned out to be an unfavourable year for the engineering industry in general and for the tractor industry in particular. In the wake of Awami Tractor Scheme under which import of CBU tractors was allowed free of duty and taxes, the local tractor industry was badly affected. As such, loaning for local tractors was slashed down drastically and overall tractor booking recorded a decline of 42% from 14,419 tractors in 1996 to 8,294 tractors in 1997. Total Industry sale was recorded at 10,145 units compared to previous year's sale of 16,286 units. Your Company could thus manage to achieve a sale of 5,460 units against 9,628 units sold during the previous year registering a shortfall of 43%. On the basis of orders booked, your Company, however, attained 60% market share which is slightly improved over previous year.

During the year under review, the Government policies were highly unfavourable to the indigenous tractor industry. While all kinds of concessions in duties and taxes were allowed to the importers of CBU tractors, the local industry was subjected to both custom duty and sales tax. The preferential treatments provided to the importers and non availability of adequate funds for

the local tractor, the production had to be drastically curtailed to give rise to unfavourable economies of scale. The prevailing uncertain conditions and declining profitability thus forced us and the vending industry to abandon their further investment plans which were intended for quality improvements and increased local content. Nevertheless, because of its high level of indigenisation, MTL is favourably placed to accept any competition, provided level playing field is made available.

FINANCE

The decline in tractor sales lowered the margins considerably. Company's gross sales at Rs. 2049 million, gross profit at Rs. 251.5 million and operating profit at Rs. 126.1 million decreased by 38.1%, 31.7% and 31.4%, respectively. Reduced sales also contributed in piling up of inventories and increased financial charges from Rs. 33.5 million of previous year to Rs. 38.1 million in 1997. However, inspite of inflation and increase in the cost of goods and services, the Management through prudent employment of financial resources made a substantial saving of Rs. 59 million in the operating expenses. The ancillary business comprising of Generating Sets, Forklift Trucks and other Multi-Application Products contributed towards profits and partially compensated the short-fall registered in the tractor sales. The Company thus managed to generate net profit of Rs. 97.4 million against Rs. 159.2 million of previous year. The break-up value of a share marginally increased to Rs.58from Rs. 57 in 1996, while earning per share dropped to Rs. 8.22 as against Rs. 12.09 of previous year. After providing for the current taxation of Rs. 31.5 million, the profit available for appropriation amounted to Rs. 65.9 million. Your Board in line with its policy of giving equitable returns to the shareholders, has maintained last year's pay-out despite lower profitability and feels pleasure to recommend a cash dividend of Rs. 7.50 per share (75%). A sum of Rs. 6.0 million has been retained by way of transfer to General Reserves now standing at Rs. 382 million.

TECHNICAL

As earlier mentioned in my review, the year witnessed a very suppressed tractor market with uncertain funding by ADBP. In line with market behaviour, production had to be curtailed and only 5,523 tractors were produced against last year's production of 9,591. The assembly plant thus operated at 37% of its installed capacity of 15,000 units per annum. The ripple of this uncertainty travelled to the vending

associates as well who had to trim their operations. We foresee problems in gearing up for higher levels of production on the part of vendors.

However, we believe that the local vending industry is quite capable of meeting the rising tractor demand in the country. It has already demonstrated its capabilities in the past, and its track record also proves that production of over 31,000 tractors per annum is possible, given the opportunity. We are, therefore, confident that local vending industry in general, and MTL in particular, will rise to the occasion and adequately meet the enhanced tractor volume requirements anticipated in the years to come.

We made concerted efforts during the year to further improve and enhance the quality of our products. With the technical support of Massey Ferguson, a new concept of Cellular Manufacturing was introduced for better productivity and quality. This concept aims at creating small production cells by involvement of workers in production management and audit performance of their operational area. Initial results of this new concept are quite encouraging and it is intended to spread this to all areas of in-house manufacturing.

DIVERSIFICATION

Following successful introduction of 25 KVA Generating Sets, further improvements and new features are being incorporated to meet specific customer requirements. Enhancement of Gen. Set range, with maximum local content, is now well on its way. 42 KVA Gen. Set is now fully developed and is designed to meet medium-size industry requirements. Your Company received an order from Pakistan Telecommunication Company Limited for the supply and installation of 207 Gen. Sets of 15 and 25 KVA capacity during the year, but their delivery will spill over into the next financial year because of slow off-take by PTCL. Your Company envisages further expansion in this business and is now planning to market Massey Ferguson (UK) range of Diesel Gen. Sets from 50 KVA to 880 KVA based on Perkins Engines and Stamford Newage Alternators. Hopefully this activity will generate more revenues and will go a long way in meeting customers' stand-by power generation requirements.

As part of Company's expansion and diversification plans, a new Projects Department has been created to handle various projects undertaken by the Company. Its primary objective is to provide engineering support required for the

manufacturing and launching of new products alongwith carrying out investigation for updating existing products. This new Department is expected to add new dimensions to the MTL's engineering capabilities.

HUMAN RESOURCE DEV.

Our human resource is a blend of talent and experience which through devotion and dedication has attracted brand loyalty from the farming community and provided strength to secure the Company's future. Since its establishment in 1995, the Department has brought a radical and positive change in the thinking, attitude and behaviour of personnel at all levels. HRD Department worked towards organizing in-house training programmes to further improve skill levels of the shopfloor workforce and the Jr. Executives. 492 personnel were imparted training during the year relating to work methods, discipline, behaviour, cost effectiveness and product improvement, which improved the HRD Rating Index considerably. This Department is striving to further refine the potential and capabilities of available human resources for achieving improved productivity.

FUTURE

Pakistan's agriculture is at cross roads. A region which used to be food surplus, now imports wheat and edible oil worth billions of rupees in foreign exchange. Pakistan's agricultural sector will remain stagnant unless we optimise our farm power level through extensive use of agricultural machinery and tractors. The Company envisages that tractor market would improve during 1997-98 based on ADBP's credit plan to provide funding for about 20,000 units under the Government's Agriculture Package to grow more food. MTL will strive to improve its market share and play a positive role aimed at boosting the agriculture sector under the prevailing economic conditions. We shall also concentrate on enhancing our diversification capabilities to remain industry leaders in product, quality and customer service. As part of our diversification plans, an agreement was signed with Ssang Yong Motor Company of South Korea on August 28, 1997. Ssang Yong Motor Company is one of the leading South Korean automobile manufacturers who produce a range of vehicles with the technical assistance of Mercedes Benz of Germany. As a result of this collaboration, MTL will have access to the latest technology for manufacturing Ssang Yong Products in Pakistan. MTL will initially produce the MUSSO 4x4 vehicles & subsequently go for other products in the range. Having

already achieved a local content of 85% in MF tractors and Perkins Engines, MTL now plans to indigenise MUSSO vehicles. It would open new vistas in the automobile industry as this category of vehicle is presently being imported in CBU condition.

GENERAL

The year was marked with the visit of Mr. John Major, the Prime Minister of the United Kingdom alongwith the British High Commissioner in Pakistan and dignitaries from Massey Ferguson and Perkins which was certainly an honour for the Company and the employees. During his visit he was taken, around various Departments of the Company and briefed about the Company's activities and its role in the agricultural development of the country. Mr. Major showed keen interest in the Company's affairs and spoke highly of the quality standards and productivity achieved through collaboration with our Principals.

ACKNOWLEDGMENTS

On behalf of myself and your Board of Directors, I felicitate and pay tributes to employees and all those who directly or indirectly participated in the Company's affairs and extended co-operation. My special thanks to Massey Ferguson and Perkins Engines for their guidance and technical assistance. I also place on record my appreciation for Beijing Forklift Truck Company of China for assisting in our diversification plans.

Sikandar Mustafa Khan

PATTERN OF SHAREHOLDING AS AT JUNE 30, 1997

No. of Shareholders	Size of Holding		Total Shares Held
	From	To	
985	1	100	34996
272	101	200	41312
118	201	300	29729
113	301	400	40583
67	401	500	31185
216	501	1000	156935
321	1001	2000	404646
114	2001	3000	270236
71	3001	4000	242517
40	4001	5000	174466
67	5001	10000	432458
31	10001	20000	409386
9	20001	30000	204512
3	30001	40000	100792
3	40001	50000	137658
3	50001	60000	162879
1	60001	70000	60500
2	80001	90000	174216
2	100001	200000	218697
6	200001	300000	1579653
3	300001	400000	966048
1	400001	500000	432310
1	500001	1000000	690000
1	1000001	2000000	1013674

CATEGORIES OF SHAREHOLDERS

Particulars	No.	Shares held	Percentage of issued capital
Individuals	2412	4391000	54.82
Investment Companies	5	1418710	17.71
Trusts	3	634418	7.92
Foreign Companies	2	690018	8.62
Financial Institutions	8	732444	9.15
Insurance Companies	4	133585	1.67
Modaraba Companies	2	72	-
Joint Stock Companies	13	8073	0.10
Others			
Dy. Administrator			
Abandoned Properties			
Govt. of Pakistan	1	1068	0.01
	-----	-----	-----
	2450	8009388	100.00
	=====	=====	=====

DECADE AT A GLANCE

10 Years

	(Rupees in thousands)									
	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988
INCOME										
Net sales and income	2065800	3330324	3003924	2481006	2347175	1494771	1529830	2017422	2153151	1608629
Profit before tax	97399	159213	126207	113912	94185	19293	55363	93131	112036	66461
Profit after tax and extraordinary items	65856	96813	81007	67898	53235	11203	33400	56143	62722	41257
Transfer from reserve	-	-	-	-	-	15500	-	-	-	-
Less: cash dividend	60070	60070	48056	44052	36042	13349	-	20858	20858	14748
Retained in business	5786	36743	32951	23846	17193	13354	33400	35285	41864	26509
FINANCIAL POSITION										
Current assets	992285	855916	1130866	679918	788055	943146	826610	791129	584176	540600
Less: Current liabilities	807772	671291	972699	549444	665945	792574	632484	567243	346714	428208
Net working capital	184513	184625	158167	130474	122110	150572	194126	223886	237462	112392
Fixed assets - Net	214133	224124	230010	249282	259351	259698	232217	178983	141740	135605
Investments	69319	69116	65616	63616	63616	4000	4000	4000	4000	4000
Other assets	5088	6576	17630	37061	45013	37904	7169	7895	2250	2405
Less: Long term debts	473053	484441	471423	480433	490090	452174	437512	414764	385452	254402
Other liabilities	2954	17128	38653	77814	109492	96219	84161	94677	107987	17400
Shareholders' equity	8000	11000	13200	16000	17825	10375	5625	5761	9943	11344
	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	462099	456313	419570	386619	362773	345580	347726	314326	267522	225658
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
REPRESENTED BY:										
Share capital	80094	80094	80094	80094	80094	66745	55621	55621	46351	42137
Capital reserve	-	-	-	-	-	13349	11124	6884	4635	4214
Revenue reserve	382000	376000	339000	306000	282000	265000	280500	251500	216000	178700
Unappropriated profit	5	219	476	525	679	486	481	321	536	607
	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
NET CAPITAL EMPLOYED	462099	456313	419570	386619	362773	345580	347726	314326	267522	225658
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
STATISTICS										
Break-up value of a share of Rs. 10/- each	57.7	57.0	52.4	48.3	45.3	51.8	62.5	56.5	57.7	53.5
Dividend (Rupees per share)	7.50	7.5	6.0	5.5	4.50	2.00	-	3.75	4.50	3.50
Dividend (Percentage)	75	75	60	55	45	20	-	37.5	45	35
Bonus issue/Right issue of shares	-	-	-	-	-	1:5B	1:5B	-	1:10B	1:10B
									1:10R	
Total number of tractors sold	5460	9628	10318	9201	9443	6702	7270	11608	13816	10913
RATIOS										
Current assets to current liabilities	1.2:1	1.3:1	1.2:1	1.2:1	1.2:1	1.2:1	1.3:1	1.4:1	1.7:1	1.3:1
Profit before tax to sale and income (Percentage)	4.71	4.78	4.25	4.59	4.01	1.29	3.62	4.62	5.20	4.13
Return on capital employed (Percentage)	20.59	32.86	26.77	23.71	19.22	4.27	12.65	22.45	29.07	26.12
Return on equity (Percentage)	14.25	21.22	19.31	17.56	14.67	3.24	9.61	17.86	23.44	18.28
Debt to equity	1:99	4:96	8:92	17:83	23:77	22:78	19:81	23:77	29:71	7:93

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed Balance Sheet of Millat Tractors Limited as at June 30, 1997 and the related Profit and Loss Account and Statement of Changes in the Financial Position, together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and, after due verification thereof, we report that:-

a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;

b) in our opinion:

i) the Balance Sheet and Profit and Loss Account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;

ii) the expenditure incurred during the year was for the purpose of the Company's business; and

iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

c) in our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, Profit and Loss Account and the Statement of Changes in Financial Position, together with the Notes forming part thereof, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 1997 and of the profit and the changes in financial position for the year then ended; and

d) in our opinion Zakat deductible at source under the Zakat and Ushr Ordinance, 1980, was deducted by the Company and deposited in the Central Zakat Fund established under Section 7 of the Ordinance.

BALANCE SHEET AS AT JUNE 30, 1997

Note	1997	1996
	(Rupees in thousands)	

SHARE CAPITAL AND RESERVES

Authorized capital			
10,000,000 ordinary shares of Rs. 10 each		100,000	100,000
		-----	-----
Issued, subscribed and paid up capital	2	80,094	80,094
Reserves	3	382,000	376,000
Unappropriated profit		5	219
		-----	-----
		462,099	456,313

REDEEMABLE CAPITAL, LONG - TERM AND DEFERRED LIABILITIES

		-----	-----
Redeemable Capital	4	2,954	5,670
Long - term loans	5	0	11,458
Liabilities against assets subject to finance lease	6		
Deferred taxation	7	8,000	11,000
		-----	-----
		10,954	28,128

CURRENT LIABILITIES

Current portion of:		-----	-----
Redeemable capital	4	2,716	5,311
Long - term loans	5	11,458	11,458
Liabilities against assets subject to finance lease	6	-	3,639
Short - term running finances - secured	8	215,422	-
Creditors, accrued and other liabilities	9	507,660	580,367
Provision for regulatory duty		10,446	10,446
Proposed dividend		60,070	60,070
		-----	-----
		807,772	671,291
CONTINGENCIES AND COMMITMENTS	10	-	-
		-----	-----
		1,280,825	1,155,732
		=====	=====

FIXED CAPITAL EXPENDITURE

Operating fixed assets	11	213,006	223,940
Capital work - in - progress	12	1,127	184
		-----	-----
		214,133	224,124
LONG - TERM INVESTMENTS	13	69,319	69,116
LONG - TERM LOANS	14	5,088	6,576

CURRENT ASSETS

Stores and spares	15	18,882	15,434
Stock - in - trade	16	808,381	621,890
Trade debts	17	10,032	48,770
Loans, advances, deposits, prepayments and other receivables	18	75,760	57,159
Cash and bank balances	19	79,230	112,663
		-----	-----
		992,285	855,916
		-----	-----
		1,280,825	1,155,732
		=====	=====

The annexed notes form an integral part of these accounts

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED JUNE 30, 1997

	Note	1997	1996
		(Rupees in thousands)	
SALES		2,049,386	3,309,524
COST OF SALES		1,797,913	2,941,201
		-----	-----
TRADING PROFIT		251,473	368,323
Selling, administration and general expenses	22	125,324	184,384
		-----	-----
OPERATING PROFIT		126,149	183,939
Other income	23	16,414	20,800

		-----	-----
		142,563	204,739
		-----	-----
Financial charges	24	38,148	33,542
Other charges	25	7,016	11,984
		-----	-----
		45,164	45,526
		-----	-----
PROFIT BEFORE TAXATION		97,399	159,213
Provision for taxation	26	31,543	62,400
		-----	-----
PROFIT AFTER TAXATION		65,856	96,813
		-----	-----
UNAPPROPRIATED PROFIT BROUGHT FORWARD		219	476
		-----	-----
PROFIT AVAILABLE FOR APPROPRIATION		66,075	97,289
		-----	-----
APPROPRIATIONS			
Transfer to general reserves		6,000	37,000
Proposed dividend @ Rs. 7.50 per share (1996: Rs. 7.50)per share		60,070	60,070
		-----	-----
		66,070	97,070
		-----	-----
UNAPPROPRIATED PROFIT CARRIED FORWARD		5	219
		=====	=====

The annexed notes form an integral part of these accounts

**STATEMENT OF CHANGES IN FINANCIAL POSITION
(CASH FLOW STATEMENT) FOR THE YEAR ENDED JUNE 30, 1997**

	1997	1996
	(Rupees in thousands)	
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxation	97,399	159,213
Adjustment for non cash charges:		
Depreciation	26,662	27,828
Provision for doubtful debts	6,777	8,970
Provision for regulatory duty	-	10,446
Gain on disposal of fixed assets	(124)	(83)
Adjustment - fixed assets		335
Interest income	(5,757)	(13,981)
Dividend income	(2,100)	-
Financial charges	38,148	33,542
	-----	-----
Operating profit before working capital changes	161,005	226,270
(Increase)/decrease in current assets	(161,009)	101,629
Increase/(decrease) in current liabilities	(82,443)	(280,601)
	-----	-----
Cash generated from operations	(82,447)	47,298
Interest paid	(28,959)	(30,277)
Income taxes paid	(50,414)	(92,801)
	-----	-----
Net cash inflow/(outflow) from operating activities	(161,820)	(75,780)
	=====	=====
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(17,266)	(22,982)
Proceeds from sale of fixed assets	1,662	788
Capital work-in-progress	(942)	-
Long term investments	(203)	(3,500)
Long term loans	1,789	8,261
Long term deposits	-	1,072
Dividend received	2,100	-
Interest received	5,757	13,981
	-----	-----
Net cash inflow/(outflow) from investing activities	(7,103)	(2,380)
	=====	=====
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of redeemable capital	(5,311)	(5,050)
Payment of liabilities against assets subject to finance	(3,639)	(9,992)
Long term loans and liabilities	(11,458)	(25,293)
Dividend paid	(59,524)	(47,840)
Short-term running finance	215,422	-
	-----	-----

Net cash inflow/(outflow) from financing activities	135,490	(88,175)
	=====	=====
Net increase/(decrease) in cash and cash equivalents	(33,433)	(166,335)
Cash and cash equivalents at the beginning of the year	112,663	278,998
	-----	-----
	79,230	112,663
	=====	=====
NOTE		
(Increase)/decrease in current assets:		
Stores and spares	(3,448)	(4,064)
Stocks	(193,213)	144,109
Trade debts	38,683	(42,198)
Loans, advances, deposits and receivables	(3,031)	3,782
	-----	-----
	(161,009)	101,629
	=====	=====

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 1997**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Accounting convention

The accounts have been prepared under the historical cost convention.

1.2 Taxation

The charge for current taxation for the year is based on taxable income at the current rates of taxation after taking into account tax credits and tax rebates realizable, if any. The company accounts for deferred taxation, using the liability method, on all major timing differences.

1.3 Fixed capital expenditure and depreciation

1.3.1 Operating fixed assets except land and capital work - in - progress are stated at cost less accumulated depreciation. Land and capital work - in - progress are stated at cost.

Depreciation on operating fixed assets is charged to profit on reducing balance method over its estimated useful life so as to write off the historical cost of an asset at the rates given in note 11.1.

The full annual rate of depreciation is applied on the cost of additions, while no depreciation is charged on assets deleted during the year.

Minor renewals or replacements, maintenance, repairs and profit or loss on disposal of fixed assets are charged to income. Major renewals and improvements are capitalized.

1.3.2 Assets subject to finance lease are stated at the lower of present value of minimum lease payments under the lease agreements and the fair value of the asset less depreciation at the rates and basis applicable to company owned assets. The related obligations of the lease are accounted for as liabilities.

1.4 Stores and spares

These are valued at cost using the moving average method.

1.5 Stock - in - trade

Stock of raw materials, except for raw materials - in - transit, work - in - process and finished goods are valued principally at lower of average cost and net realizable value. Cost of work - in - process and finished goods comprise cost of direct materials, labour and appropriate manufacturing overheads.

Raw materials - in -transit are stated at cost comprising invoice values plus other charges paid thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make a sale.

1.6 Foreign currencies

Assets and liabilities in foreign currencies except for foreign currency balance covered by forward exchange risk cover are translated into rupees at the exchange rates prevailing at the year end. Foreign currency balance covered by forward exchange risk cover are converted at forward rates. Exchange differences are charged to income.

1.7 Pension scheme

The company operates a pension scheme for its permanent employees. In April 1997, a Pension Trust Fund was formed with intent to operate a funded pension scheme. Actuarial valuation to determine the obligation under the scheme is carried out using the Accrued Benefit Valuation (ABV) method. Under this method the contribution rate of each employee is computed as a percentage of basic salary, which on the actuarial assumption, would be sufficient to provide for the pension benefit, had the scheme existed when he joined the company.

1.8 Gratuity

The scheme, administered by a Board of Trustees, covers all employees. Based on a graduated scale under the scheme, the liability is calculated with reference to the last drawn salary and length of service of employees. All sums due at the year end are contributed to the Employees Gratuity Fund Trust.

1.9 Revenue recognition

Sale of goods is recognized on delivery of goods to customers.

1.10 Investments

These are stated at cost. Provision for diminution in value of investments is deducted from cost wherever applicable.

	1997	1996
	(Rupees in thousands)	
2. ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
2,542,857 (1996: 2,542,857) ordinary shares of Rs. 10 each fully paid in cash	25,429	25,429
5,466,531 (1996:5,466,531) ordinary shares of Rs. 10 each issued as fully paid bonus shares	54,665	54,665
	-----	-----
	80,094	80,094
	=====	=====

	1997	1996
	(Rupees in thousands)	
3. RESERVES		
Movement in and composition of reserves is as follows:		
Revenue		
General reserve		
At the beginning of the year	376,000	339,000
Transfer from profit and loss account	6,000	37,000
	-----	-----
	382,000	376,000
	=====	=====

4. REDEEMABLE CAPITAL-NON PARTICIPATORY

This is composed of:

Long - term running finance 1	-	2,813
finance 2	5,670	8,168
	-----	-----
	5,670	10,981
Less: Current portion shown under current liabilities	2,716	5,311
	-----	-----
	2,954	5,670
	=====	=====

Security

The long-term running finances are secured by an equitable mortgage upon the immovable property of the company convertible at the lenders option into an English mortgage and a hypothecation of current and future movable assets of the company ranking pari passu with each other and with the charges in favour of the foreign currency loans referred to in Note 5 and subject to the hypothecation on short-term running finance referred to in Note 8.

Long-term running finance 1

This was obtained from National Development Finance Corporation (NDFC) under mark- up arrangements. Under these arrangements plant and machinery owned by the company amounting to Rs. 17.4 million was sold to NDFC and was deemed to have been immediately repurchased by the company at the price paid by NDFC plus a mark - up computed at the rate of approximately Re. 0.62 per Rs. 1,000 per diem. In the event of the company paying the long - term running finance or the mark - up or any part thereof on or before the due dates, the Corporation may allow the company a proportionate rebate at the rate of Re. 0.54 per Rs. 1,000 per diem. This liability was discharged during the year.

Long-term running finance 2

This has been obtained from National Development Finance Corporation (NDFC) under mark - up

arrangements. Under these arrangements, plant and machinery owned by the company amounting to Rs. 16.3 million was sold to NDFC and was deemed to have been immediately repurchased by the company at the price paid by NDFC plus a mark - up computed at the rate of approximately Re. 0.61 per Rs. 1,000 per diem. In the event of the company paying the long - term running finance or the mark - up or any part thereof on or before the due dates, the Corporation may allow the company a proportionate rebate at the rate of Re. 0.38 per Rs. 1,000 per diem.

The outstanding balance is repayable in 4 equal half yearly installments, inclusive of the mark - up thereon, commencing after disbursement of the full amount of the running finance.

Significant investments are subject to the Corporation's prior approval.

1997 1996
(Rupees in thousands)

5. LONG - TERM LOANS

Long - term loans

Foreign currency loan - secured

SWF 973,124 (1996: SWF 1,946,248)	11,458	22,916
------------------------------------	--------	--------

Less: Current portion shown under current liabilities	11,458	11,458
---	--------	--------

SWF 973,124 (1996: SWF 973, 124)	-----	-----
----------------------------------	-------	-------

	-	11,458
--	---	--------

	=====	=====
--	-------	-------

Foreign currency loan

The foreign currency loan has been obtained from International Finance Corporation and the outstanding balance is repayable in Swiss Francs in 2 equal half yearly instalments. The interest on the loan is payable quarterly at a rate of 6 - 5 / 8% per annum.

Security

The loan is secured by an equitable mortgage upon the immovable property of the company convertible at the lenders option into an English mortgage and a hypothecation of current and future movable assets of the company ranking pari passu with the charges in favour of the long - term running finances referred to in Note 8.

The company shall maintain a current ratio of 1.15 and debt equity of 2:1 before payment of cash dividend.

6. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

The value of minimum lease rental payments was discounted at an implicit interest rate ranging from 18.85% to 23% per annum to arrive at their present value. The amount of future payment and the periods during which they will fall due were:

1997 1996
(Rupees in thousands)

Year ending June 30, 1997	-	3,893
---------------------------	---	-------

Less: Unamortised financial charges	-	254
-------------------------------------	---	-----

	-----	-----
--	-------	-------

	-	3,639
--	---	-------

Less: Current portion shown under current liabilities	-	3,639
---	---	-------

	-----	-----
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	-	-
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	=====	=====
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7. DEFERRED TAXATION

The liability for deferred taxation comprises the timing differences

Balance at the beginning of the year	11,000	13,200
--------------------------------------	--------	--------

Provision/(reversal) for the year	(3,000)	(2,200)
-----------------------------------	---------	---------

	-----	-----
--	-------	-------

	11,000	8,000
--	--------	-------

	=====	=====
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8. SHORT- TERM RUNNING FINANCES AND OTHER CREDIT FACILITIES - SECURED

Short - term running finances	215,422	-
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	=====	=====
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8.1 Short - term running finances available from commercial banks under mark up arrangements amount to Rs. 475 million (1996: Rs. 475 million). The rate of mark up ranges between paisa 45 to paisa 60 per thousand per diem. The facility is secured by way of pari passu charge against hypothecation of stock & stores.

8.2 Of the aggregate facility of Rs. (thousands) 995,000 (1996: Rs. (thousands) 1,273,000) for opening

letters of credit and Rs. (thousands) 71,470 (1996: Rs. (thousands) 26,210) for guarantees, the amount utilised at June 30, 1997 was Rs. (thousands) 202,460 (1996: Rs. (thousands) 490,940) and Rs. (thousands) 67,450 (1996: Rs. (thousands) 15,210) respectively. The facility is secured by way of pari passu charge against hypothecation of stock & stores.

8.3 An additional facility for guarantees, Rs. (thousands) Nil (1996: Rs. (thousands) 41,708) was utilised as explained in Note 10 as at June 30, 1997. This facility is secured by a second charge on immovable properties, machinery and electrical equipments.

1997 1996
(Rupees in thousands)

9. CREDITORS, ACCRUED AND OTHER LIABILITIES

9.1 These are composed of:

Creditors	147,601	182,485
Bills payable	259,976	235,265
Accrued liabilities	24,964	28,850
Advances from customers	15,147	9,855
Deposits - Note 9.2	9,747	11,358
Mark up accrued on lease finance		46
Mark up accrued on secured loans and running finances	12,454	3,219
Royalties	12,541	10,479
Performance bonus payable		41,650
Workers' profit participation fund - Note 9.3	6,189	9,421
Workers' welfare fund	8,424	10,726
Unclaimed dividend	3,123	2,576
Pension fund payable	423	28,533
Others	7,071	5,904
	-----	-----
	507,660	580,367
	=====	=====

9.2 Deposits from dealers/contractors, by virtue of agreement, are interest free, repayable on demand and used in company's business.

9.3 Workers' profit participation fund:

Balance at the beginning of the year	9,421	7,484
Allocation for the year	5,221	8,560
	-----	-----
Amount available	14,642	16,044
Interest provided on funds utilised in company's business	107	162
	-----	-----
	14,749	16,206
Amount paid to workers & government	8,560	6,785
	-----	-----
Balance at the end of the year	6,189	9,421
	=====	=====

10. CONTINGENCIES AND COMMITMENTS

10.1 Guarantee aggregating Rs. (thousands) Nil (1996: Rs. (thousands) Nil) was provided by commercial banks in favour of Privatisation Commission for the acquisition of 41% shares of Bolan Castings Ltd. This facility was secured against second charge on assets of the company and pledge of total number of 2,265,407 shares of BCL as set out in Note 8.3. The balance outstanding on the acquisition of shares was fully paid during the year ended June 30, 1996.

10.2 Guarantees to bank for repayment of loan by employees Rs. (thousands) 2,002 (1996: Rs. (thousands) 2,264).

10.3 Claims not acknowledged by the company as debts Rs. (thousands) 7,713 (1996: Rs. (thousands) 16,872).

10.4 Commitments in respect of capital expenditure Rs. (thousands) Nil (1996: Rs. (thousands) Nil).

11. OPERATING FIXED ASSETS - TANGIBLE

11.1 The following is a statement of the operating fixed assets:

Cost to June 30, 1996	Additions/ (deletions) (Adjustments)	Cost to June 30, 1997	Accumulated depreciation	Book value as at June 30, 1997	Annual rate of depreciation	Depreciation charge for the year
-----------------------------	--	-----------------------------	-----------------------------	--------------------------------------	-----------------------------------	--

(Rupees in thousands)

%

Land - Freehold	13,675	-	13,675	-	13,675	-	-
- Leasehold	8	-	8	-	8	-	-
Building on freehold land	141,073	3,155	144,228	69,945	74,283	10-5	7,821
Office building on leasehold land (Note: 11.2)	2,900	-	2,900	725	2,175	5	145
Plant and machinery	191,153	2,591	193,744	114,729	79,015	10	8,780
Tools and equipments	37,251	259	37,510	25,986	11,524	15	2,034
Furniture, fixture and equipments	15,861	1,603	17,363	10,728	6,635	10-20	812
		(101)					
Vehicles	28,481	17,922	44,012	20,992	23,020	20	5,755
		(2,391)					
Computers	8,752	5,069	13,821	11,150	2,671	33	1,315
	439,154	30,599	467,261	254,255	213,006		26,662
		(2,492)					

Assets subject to finance lease

Vehicles	9,079	(9,079)	0	-	-	20	-
Computers	3,751	(3,751)	0	-	-	33	-
Furniture and fixture	503	(503)	0	-	-	10	-
	13,333	(13,333)	0	0	0		0
1997	452,487	30,599	467,261	254,255	213,006		26,662
		(15,825)					
1996	431,275	45,548	452,487	228,547	223,940		27,828
		(24,336)					

The asset acquired under the finance lease is transferred to the own assets on the completion of the lease payments.

11.2 Purchased office building at Karachi for Rs. (thousands) 2,900 on lease for 55 years. Keeping in view its expected useful life, it is amortised over 20 years @5% per annum.

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

	1997	1996
	(Rupees in thousands)	
Cost of goods sold - Note 21	19,878	21,592
Selling & distribution expenses - Note 22.1	1,929	1,375
Administrative & general expenses - Note 22.2	4,855	4,861
	26,662	27,828
	26,662	27,828

11.3 Disposal of operating fixed assets

Detail of certain fixed assets sold during the year are as follows:

Particulars of assets	Basis of sales	Sold to	Cost	Accumulated depreciation	Book value	Sale proceeds
(Rupees in thousands)						
Motor cars	Company's Car Scheme	Employees				
		Mr. K.A. Waheed	344	69	275	275
		Mr. Rehan Qureshi	138	93	45	45
		Mr. Tayyab Ahmad	268	53	215	215
		Mian M. Toufique	279	56	223	223
	Accident	Claim received from Adamjee Insurance Co.	848	170	678	820
Pick up Tractors	Tender Negotiation	Mr. Javed Mansoor, Sargodha	245	234	11	10
		- do -	76	69	7	7
		- do -	73	43	30	30
		- do -	120	110	10	10
AC and Fridge	Company Scheme	Mr. K.A. Waheed (Employee)	44	4	40	22
Steel Almirah	Negotiation	Mr. Imtiaz Ahmed (Employee)	1	1	0	1
Training equipment	Tender Negotiation	Mr. Javed Mansoor, Sargodha	56	52	4	4
			2,492	954	1,538	1,662

=====
 1997 1996
 (Rupees in thousands)

12. CAPITAL WORK - IN - PROGRESS

This consists of:

Civil works and building	1,127	184
	-----	-----
	1,127	184
	=====	=====

1997 1996
 (Rupees in thousands)

13. LONG - TERM INVESTMENT - AT COST

In subsidiary companies:

Bolan Castings Limited (quoted company) 2,290,407 (1996:2,265,407) fully paid ordinary shares of Rs. 10/- each - Note 13.1	55,819	55,616
--	--------	--------

Millat Equipment (Pvt) Ltd. 7 (1996: 7) fully paid ordinary shares of Rs. 10/- each - Note 13.2	-	-
---	---	---

In associated companies:

Arabian Sea Country Club Limited (unquoted company) 1,500,000 (1996:500,000) fully paid ordinary shares of Rs. 10/- each - Note 13.3	5,000	5,000
--	-------	-------

Other investments:

Baluchistan Wheels Limited (quoted company) 1,050,000 (1996: 1,050,000) fully paid ordinary shares of Rs. 10/- each - Note 13.4	8,500	8,500
	-----	-----
	69,319	69,116
	=====	=====

13.1 The company acquired 2,290,407 fully paid ordinary shares of Rs. 10 each out of which 2,265,407 shares were acquired through Privatization Commission in open bidding @Rs. 24.55 per share alongwith management control. The above investment represents 41.45% of the issued ordinary share capital of subsidiary company. Mr. L. K. Hashmi is Chief Executive of the company (1996: Mr. L.K. Hashmi). The stock exchange quoted price of ordinary shares of BCL as at June 30, 1997 was Rs. 6.95 per share. No provision has been made for diminution in value as it is considered temporary in the context of the company's intention to hold these investment on a long term basis, and the management's opinion is that the acquisition price is a fair reflection of the current market price of this lot of shares with management control.

13.2 The company has formed a subsidiary company through nominee shareholders in the name of Millat Equipment (Pvt) Ltd. which has not commenced any business to date. The break-up value of each ordinary share of Rs. 10 is Rs. 10 (1996: Rs. 10) as per last available audited accounts of the subsidiary company for the year ended June 30, 1996. Chief Executive of the company is Mr. Sohail Bashir Rana. (1996: Mr. Shoail Bashir Rana).

13.3 The above investment represents 12.82% (1996: 12.82%) of the issued ordinary share capital of the associated company. The break-up value of each ordinary share of Rs. 10 is Rs. 10 (1996: Rs. 10) as per last available audited accounts of the associated company as at June 30, 1996. Chief Executive of the company is Mr. Zaeem Lutfi (1996: Mr. Zaeem Lutfi).

13.4 The above investment represents 9.06% (1996: 9.06%) of the issued ordinary share capital of the company. The break-up value of each ordinary share of Rs. 10 is Rs. 17.55 (1996: Rs. 17.24) as per last available audited accounts of the company as at June 30, 1996. The Stock Exchange quoted price of ordinary shares of BWL as on June 30, 1997 was Rs. 27.25.

1997 1996
 (Rupees in thousands)

14. LONG - TERM LOANS - CONSIDERED GOOD

Executives	1,603	1,670
Other employees	7,102	8,824
	-----	-----
	8,705	10,494

Less: Current portion included in current assets - Note 19	-----	-----
Executives	616	495
Other employees	3,001	3,423
	-----	-----

3,617	3,918
-----	-----
5,088	6,576
=====	=====

These include:-

- Interest free loans to executives and employees for purchase of residential plots, furniture, fixture etc. aggregating Rs. (thousands) 4,523 (1996: Rs. (thousands) 5,897) which are unsecured.

- Interest free loans to employees aggregating Rs. (thousands) 4,182 (1996: Rs. (thousands) 4,597) which are secured by joint registration of motor cycles in the name of the employees and the company.

The maximum aggregate amount at any time during the year due from the Chief Executive was Rs. (thousands) Nil (1996: Rs. (thousands) 2,160), directors Rs. (thousands) Nil (1996: Rs. (thousands) Nil) and executives Rs. (thousands) 2,123 (1996: Rs. (thousands) 1,718). There were no loans to employees outstanding for more than three years.

15. STORES AND SPARES

Most of the items of stores and spares are of inter - changeable nature and can be used as machine spares or consumed as stores. Accordingly, it is not practicable to distinguish stores from spares until their actual usage.

16. STOCK - IN - TRADE

	1997	1996
	(Rupees in thousands)	
Raw materials		
Including in transit Rs. (thousands) 262, 334		
(1996: Rs. (thousands) 206,486)	639,082	511,214
Work - in - process	26,040	22,382
Finished goods - Manufactured	52,710	23,207
- Trading	105,095	72,370
Others	680	1,221
Less: Provision for slow moving / obsolete stock	(15,226)	(8,504)
	-----	-----
	808,381	621,890
	=====	=====

Included in stocks are goods held with third parties amounting to Rs. (thousands) 24,024 (1996: Rs. (thousands) 20,780).

	1997	1996
	(Rupees in thousands)	
17. TRADE DEBTS		
Considered good	10,032	48,770
Considered doubtful	8,322	8,267
Less: Provision for doubtful debts	8,322	8,267
	-----	-----
	-	-
	-----	-----
	10,032	48,770
	=====	=====

All debts are unsecured except for Rs. (thousands) 1,796 (1996: Rs. (thousands) Rs. 2,750) which are secured by deposits. All debts are considered good.

18. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Current portion of long term loans to employees - Note 14	3,617	3,918
Advances considered good: to employees - Note 18.1	4,989	683
	-----	-----
to suppliers	23,681	23,327
Less: Provision for doubtful debts	1,549	949
	-----	-----
	22,132	22,378
Trade deposits and prepayments	2,412	2,943
Amounts recoverable from statutory authorities for octroi:		
Considered good	1,100	1,020
Income tax recoverable	16,135	264
Letter of credit - opening charges and import licence fee	39	1,374
Return accrued on time deposits	175	175
Other receivables - considered good	25,161	24,404
	-----	-----

75,760 57,159
 =====

18.1 Included in advances to employees are amounts due from the Chief Executive Rs. (thousands) Nil (1996: Rs. (thousands) Nil), directors Rs. (thousands) Nil (1996: Rs. (thousands) Nil) and executives Rs. (thousands) 1,852 (1996: Rs. (thousands) 191).

The maximum aggregate amount at any time during the year due from the Chief Executive was Rs. (thousands) Nil (1996: Rs. (thousands) Nil), directors Rs. (thousands) Nil (1996: Rs. (thousands) Nil) and executives Rs. (thousands) 2,850 (1996: Rs. (thousands) 858).

1997 1996
 (Rupees in thousands)

19. CASH AND BANK BALANCES

The balances were held

At banks		
On deposit accounts:		
Foreign currency - Note 19.1	8,498	7,372
Local currency	3,500	
On current accounts	43,579	100,001
On dividend accounts	143	757
	-----	-----
	55,720	108,130
In hand - cash	9	167
- Demand drafts	23,501	4,366
	-----	-----
	79,230	112,663
	=====	=====

19.1 Foreign currency bank balances US\$ (thousands) 211 (1996: US\$ (thousands) 211) represent remittances received from customers against import of tractors under the gift baggage scheme of the State Bank of Pakistan. Delivery had been made to customers and now this amount can be utilised only for the import of tractors by the company.

20. SALES

Manufactured goods less commission		
Rs. (thousands) 12,649		
(1996: Rs. (thousands) 50,397)	1,969,090	3,150,414
Trading goods less commission		
Rs. (thousands) 4,539		
(1996: Rs. (thousands) 6,489)	80,296	159,110
	-----	-----
	2,049,386	3,309,524
	=====	=====

1997 1996
 (Rupees in thousands)

21. COST OF GOODS SOLD

Manufactured goods:

Components consumed less recoveries from sale of scrap Rs. (thousands) 4,065 (1996: Rs. (thousands) 9,029)	1,610,538	2,582,334
Salaries, wages and amenities	62,164	114,646
Pension contribution	3,840	33,348
Fuel and power	7,434	8,154
Rent, rates and taxes	-	18
Travelling and motor running	4,533	3,959
Insurance	4,510	3,228
Repair and maintenance	4,298	4,455
Stores and supplies	7,736	8,988
Royalty charges	32,328	30,029
Depreciation	19,878	21,592
Other expenses	14,550	3,009
	-----	-----
	1,771,809	2,813,760
Add: Opening work - in - process	22,382	30,033
Less: Closing work - in - process	(26,252)	(22,382)
	-----	-----
Cost of goods manufactured	1,767,939	2,821,411
Add: Opening stock - Manufactured goods	23,207	25,738
Less: Closing stock - Manufactured goods	(52,710)	(23,207)

Transfer to - W.I.P (combine project)	(2,482)	(670)
	-----	-----
	1,735,954	2,823,272
Trading goods:		
	-----	-----
Opening stock	72,370	65,143
Purchases	94,684	125,156
Less: Closing stock	(105,095)	(72,370)
	-----	-----
	61,959	117,929
	-----	-----
	1,797,913	2,941,201
	=====	=====

1997 1996
(Rupees in thousands)

22. SELLING, ADMINISTRATIVE AND GENERAL EXPENSES

22.1 Selling and distribution expenses

Salaries and amenities	17,540	30,231
Pension contribution	1,333	11,711
Travelling and motor running	4,554	4,676
Rent, rates and taxes	398	345
Insurance	2,203	1,535
Repair and maintenance	296	254
Electricity and gas	711	803
Postage, telephone and telegrams	1,737	1,524
Printing and stationery	785	1,180
Free service	1,831	3,772
Advertisement and sale promotion	4,436	5,148
Depreciation	1,929	1,375
Other expenses	3,443	3,366
	-----	-----
	41,196	65,920

22.2 Administrative and general expenses

Salaries and amenities	39,176	53,294
Pension contribution	2,423	19,616
Travelling and motor running	6,634	6,552
Insurance	1,975	1,480
Rent, rates and taxes	39	24
Repair and maintenance	4,321	4,915
Electricity and gas	964	1,121
Postage, telephone and telegrams	1,781	1,638
Printing and stationery	1,252	1,734
Advertisement	340	233
Entertainment	920	740
Legal and professional charges - Note 22.3	2,116	1,530
Donations - Note 22.4	208	110
Depreciation	4,855	4,861
Other expenses	1,265	1,200
Provision for		
- Doubtful trade debtors	633	466
- Obsolete / slow moving stocks	15,226	8,504
- Regulatory duty	-	10,446
	-----	-----
	84,128	118,464
	-----	-----
	125,324	184,384
	=====	=====

1997 1996
(Rupees in thousands)

22.3 Legal and professional charges include the following in respect of auditors services for:

Statutory audit		
Ilyas Saeed & Co.	45	42
Ford, Rhodes, Robson, Morrow	45	41
	-----	-----
	90	83

Special assignment for royalty, trade mark and sundry accounting services (Ilyas Saeed & Co.)	27	27
---	----	----

Out of pocket expenses

	-----	-----
Ilyas Saeed & Co.	3	2
Ford, Rhodes, Robson, Morrow	2	3
	-----	-----
	5	5
	-----	-----
	122	115
	=====	=====

22.4 None of the directors or their spouses had any interest in any of the donees.

23. OTHER INCOME

Rental income	1,247	1,401
Net profit on disposal of fixed assets	124	83
Mark up - on bank deposits	438	6,366
- on advances to suppliers	5,319	7,615
Foreign currency transaction gain / (loss)	971	709
Scrap sale - others	452	3,301
Sundry income	5,763	1,325
Dividend income	2,100	-
	-----	-----
	16,414	20,800
	=====	=====

24. FINANCIAL CHARGES

Mark up on long - term running finance - secured	648	2,736
Mark up on short - term running finance - secured	34,326	24,939
Interest including other charges on long - term foreign currency loans - secured	1,979	3,087
Interest on workers' profit participation fund	107	162
Bank charges and commission	858	1,269
Financial charges on finance lease	230	1,349
	-----	-----
	38,148	33,542
	=====	=====

1997 1996
(Rupees in thousands)

25. OTHER CHARGES

Provision for:		
Workers' profit participation fund	5,221	8,560
Workers' welfare fund	1,795	3,424
	-----	-----
	7,016	11,984
	=====	=====

26. PROVISION FOR TAXATION

For the year - current	34,543	64,600
- deferred	(3,000)	(2,200)
	-----	-----
	31,543	62,400
	=====	=====

27. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

27.1 The aggregate amounts charged in the accounts for the year for remuneration, certain benefits, to the Chief Executive, Directors representing employees and executives of the company are as follows:

	Chief Executive		Directors		Executives	
	1997	1996	1997	1996	1997	1996
Number of persons	1	1	6	6	66	48
Remuneration	868	763	3,130	2,869	21,547	16,633
House rent	292	254	882	769	4,138	2,855
Contribution to provident and gratuity funds	448	376	1,164	980	5,069	3,339
Pension contribution	110	66	333	200	1,590	773
Medical expenses	67	43	562	172	1,365	956
Utilities	111	101	366	270	1,007	736
Other reimbursable expenses	366	327	1,216	1,128	2,052	1,742
	-----	-----	-----	-----	-----	-----
	2,262	1,930	7,653	6,388	36,768	27,034
	=====	=====	=====	=====	=====	=====

The company also provides the Chief Executive, certain Directors and executives with free transport and residential telephones.

27.2 Remuneration to other directors:

Aggregate amounts charged in the accounts for the year for fee to directors was Rs. (thousands) Nil (1996:2 directors Rs. (thousands) 2).

28. TRANSACTIONS WITH ASSOCIATED COMPANIES

The company purchased goods and services from associated companies aggregating Rs. (thousands) 148,176 (1996: Rs. (thousands) 166,870).

1997	1996
Units	Units

29. CAPACITY AND PRODUCTION

Plant capacity (single shift)	15,000	15,000
Actual production	5,523	9,591

The shortfall in production was due to the drop in sales.

30. RATES OF EXCHANGE

Assets in foreign currency have been translated into Rupees at Pound Sterling 1.4959 (1996: Pound Sterling 1.8467) and US\$ 2.4822 (1996: US\$ 2.8320) equal to Rs. 100. Liabilities in foreign currency have been translated into Rupees at Pound Sterling 1.4738 (1996: Pound Sterling 1.8193), US\$ 2.4568 (1996: US\$ ~8320) and SWF 8.4931 ~1996: SWF 8.4931) equal to Rs. 100.

31. COMPARATIVE FIGURES

31.1 Corresponding figures of the previous year have been rearranged, where necessary, for the purposes of comparison.

31.2 Figures have been rounded off to the nearest thousand of rupees.

Chairman & Chief Executive Director

STATEMENT UNDER SECTION 237 OF THE COMPANIES ORDINANCE, 1984

Statement under
Sub - section 1 (e)

Bolan Castings	Millat Equipment
Ltd.	(Pvt) Ltd.

(Rupees in thousands)

(a) Extent of the interest of the holding company in the equity of its subsidiaries at the end of the last financial year of the subsidiaries	41.45%	100%
(b) The net aggregate amount so as it concerns members of the holding company and is not dealt with in the company's-accounts of the subsidiary's profits after deducting its losses or vice versa		
(i) For the financial years of the subsidiaries	472	Nil
(ii) For the previous financial years of the subsidiaries since it became the holding company's subsidiaries	9,248	Nil
(c) The net aggregate amount of profits of subsidiaries after deducting its losses and vice versa		
(i) For the financial years of the subsidiaries	1,138	Nil
(ii) For the previous financial years of the subsidiaries since it became the holding company's subsidiary	22,311	Nil

TRACTOR DEALERS

PUNJAB

Northern Motors, Rawalpindi
Ahmer Brothers, Attock
Friends Corporation, Mandi Bahauddin
Hassan Corp., (Pvt) Ltd., Gujranwala
Zeshan Tractors, Gujrat
Kashmir Tractors, Jhelum
Globe Automobiles (Pvt) Limited, Lahore
Zamindar Tractors & Equip., Kasur
Shahrah Autos (Pvt) Ltd., Sheikhupura
Mohammad Yousaf & Co., Faisalabad
Sheraz Tractors, Toba Tek Sing
Armed K. Agencies, Jhang
Sahiwal Tractor House (Pvt) Ltd., Sahiwal
Rana Traders, Arifwala
Khawaja Autos, Okara
Mumtaz Trading Corporation, Sargodha
Super United Tractors, Mianwali
Shaheen Tractor House, Bhakkar
Multan Autos (Pvt) Ltd., Multan
Chenab Tractor House, Muzaffargarh
Universal Autos, D.G. Khan
Shahbaz Auto Agency, Jampur
Haleem Sons, Khanewal
Thai Tractor Dev., Corp., Leiah
AI-Hassan Traders, Bahawalpur
Panjnad Tractors (Pvt) Ltd. R.Y. Khan
Vehari Tractors, Vehari
Sutlej Traders, Chishtian
Sargroh Services (Pvt) Ltd. Bahawalnagar
Shabbir Trading Co., Depalpur
Iqbal Enterprises, Chakwal
Al-Mumtaz Agencies, Sialkot
Kissan Brothers, Kasur
Usman Enterprises, Lahore
Shadab Tractors, Lahore
Khushab Tractor House, Jauharabad
Zarkhez Tractor and Equipment Co.,
Hasilpur
Mian Tractors, Lodhran
Al-Jabbar Tractors, Sialkot

BALUCHISTAN

National Agricultural
Engineering & Services, Jhat Pat
Daavi Autos, Quetta
Zamindar Tractors, Pishin
Bolan Tractor House, Loralai

N.W.F.P.

Indus Autos, D.I. Khan
Kurram Tractors (Pvt) Ltd., Bannu
Kohat Automobiles, Kohat
Samir Tractor Agency, Parachinar
Mardan Tractors, Mardan
Ghulam Muhammad Auto Store, Swat
Hunza Motors, Gilgit
Tractor House, Charsadda
Tractor House, Peshawar
Afghan Tractors House, Malakand

SIND

Popular Tractor Co., Sukkur
Larkana Tractor House, Larkana
Sind Trading Company, Jacobabad
Good Luck Tractor Co., Khairpur
AI-Madina Motors, Shikarpur
Shabbir Tractors, Nawabshah
Pakistan Zari Industries, Hyderabad
Mehran Trading Co., Sanghar

SPARE PARTS DEALERS

PUNJAB

New Lodhi Sons, Lahore
Mian Autos, Lahore
Hudiara Agencies, Lahore
Malik Tractors, Lahore
Muslim Tractor Corp., Lahore
Ghazi Autos, Lahore
Pak Tractor House (Pvt) Ltd., Lahore
Sadar Auto Traders, Lahore
Farhah Tractors, Lahore
Azhar Agencies, Lahore
Shah Autos, Pattoki
Universal Tractors, Okara
Fareed Auto Store, Depalpur
Madina Tractors, Muridkey
Riaz Autos, Sheikhpura
New Kissan Autos, Hafizabad
Kissan Tractor House, Sialkot
Madina Autos Services, Sambarial
Mukhtar Autos, Sahiwal
Madina Autos, Arifwala
Crescent Autos, Pakpattan
Madina Autos, Burewala
Nawaz Auto Store, Multan
Ishtiaq Auto Store, Multan
M. Latif & Brothers, Mian Channu
Hafiz Autos, Jehanian
Afzal Auto Store, Khanewal
Nazar Tractor Workshop, Alipur
Farooq Brothers, Kot Addu
Sarsabz Auto Store, Rajanpur
Nasir Khan Autos, Leiah
Pak Autos, Pirmahal
Idrees & Company, Faisalabad
Ali Imran Autos, Chiniot
New Abrar Tractor Centre, Sargodha
Pak Auto Store, Haroonabad
Mushtaq Parts Centre, Gujrat
Mukhtar Autos, Daska
Malik Tractor Autos, Rawalpindi
Piracha Auto Agency, Bhalwal
Kissan Tractor House, Wazirabad

N.W.F.P.

Millat Tractor House, Mardan
Quresh Mechanical Engineering Works,
Kurram Agency

Lahore Autos, Charsadda

SIND

Genuine Tractors, Hyderabad

WORKSHOPS

ATTOCK

Al-Muthidda Engg. Workshop, Attock
Ramzan Tractor Workshop, Mathial Chowk
Sargodha Diesel Workshop, Pindi Gheb
Sargodha Repairing Workshop, Talagang

ARIFWALA

Rana Traders Tractor Workshop, Qaboola
Rana Traders Tractor Workshop, Trikhani Adda

BANNU

Khalid Tractor Workshop, Bannu
Gul Tractor Workshop, Lakki
Umer Nyaz Tractor Workshop, Domel
Jillani Tractor Workshop, Miran Shah

BHAKKAR

Shaheen Tractor Workshop, Hyderabad Thall
Yousaf Tractor Workshop, Dulewala

BAHAWALNAGAR

Mughal Tractor Workshop, Haroonabad
Chaudhry Tractor Workshop, Minchanabad
Sadiq Tractor Workshop, Faqir Wali

J HA NG

Mughal Tractor Workshop, Donga Bonga

BAHAWALPUR

Najamal Tractor Workshop, Yazman Mandi
Al-Noor Tractor Workshop, Noorpur Naranga
Manzoor Tractor Workshop, Uch Sharif
Itefaq Tractor Workshop, Bunglow Tailwala
Shaheen Tractor Workshop, Ahmadpur East

CHARSADA

Rahim Tractor Workshop, Sardary
Madina Tractor Workshop, Charsada

CHAKWAL

Naseer Auto Workshop, Dhulian
Ibrar Auto Workshop, Mulhal Mughlan

CHISTIAN

Mushtaq Tractor Workshop, Fort Abbas
Moughal Tractor Workshop, Chishtian

DERA ISMAIL KHAN

Zulfiqar Tractor Workshop, Pahar Pur

DERA GHAZI KHAN

Abbas Tractor Workshop, Choti Zareen
Arbab Tractor Workshop, Taunsa Sharif
Nawaz Tractor Workshop, Kot Chutta

FAISALABAD

Khan Tractor Workshop, Faisalabad
Dilbar Hameed Tractor Workshop, Samundri
Akram Tractor Workshop, Tandilanwala
Rashid Tractor Workshop, Jaranwala
Sabar Tractor Workshop, Jaranwala
Moughal Tractor Workshop, Samundri

GUJRAT

Tariq Tractor Workshop, Kharian

GUJRANWALA

Wazirabad Tractor Workshop, Wazirabad
Hussain Tractor Workshop, Pindi Bhattian
Yasin Tractor Workshop, Newsheera Virkan
Mughal Tractor Workshop, Kamoke
Dar Tractor Workshop, Whando
Madina Auto, Alipur Chatta
Minhas Tractor Workshop, Hafizabad

HASILPUR

Friends Tractor Workshop, Khairpur Tamiwali
Khalid Javed Tractor Workshop Jamal Pur
Ghulam Farid Tractor Workshop, Vehari Road
Idrees Tractor Workshop, Mandi Chuna Wali

HYDERABAD

Javed Tractor Workshop, Tando Jam
Sind Tractor Workshop, Hala

JHELUM

Latif Auto Store Workshop, Bhimber
Iqbal Tractor Workshop, Mirpur
Kashmir Tractor Workshop, Muzaffar Abad
Bismillah Tractor Workshop, Jatlian
Kashmir Tractor Workshop, Kotli
Gujranwala Tractor Workshop, Chakswari
Sargodha Tractor Workshop, Bhimber
Kashmir Tractor Workshop, Dina

JHANG

Yaseen Tractor Workshop, Gojra More
Younas Tractor Workshop, Shorkot
Ahmed K. Agencies, Chiniot
Al-Nawaz Tractor Workshop, Garh More

JAUHARABAD

Ashraf Tractor Workshop, Rang Pur Bhagoor
Hafeez Tractor Workshop, Quaidabad
Azad Tractor Workshop, Noor Pur Thal

JAM PUR

Gul Muhammad Tractor Workshop, Rajan
Pur Allah Baksh Tractors Workshop, Jam Pur

JACOBABAD

Ustad Adoo Tractor Workshop, Kand Kot
Abdul Jabbar Tractor Workshop, Kashmore
Abdul Latif Tractor Workshop, Thull

KASUR

Yousaf Tractor Workshop, Bhai Phero
Khokhar Tractor Workshop, Pattoki
Zamindar Tractor Workshop, Ting More
Zamindar Tractor Workshop, Chunian
Kissan Tractor Workshop, Noor Pur
Kissan Tractor Workshop, Khudian
Qalandri Tractor Workshop, Talwandi
Kissan Tractor Workshop, Kangan Pur
Kissan Tractor Workshop, Kot Radha Kishan
Malik Tractor Workshop, Chunian
Badar Din Tractor Workshop, Teeh. Sheikhum

KHANEWAL

Akram Tractor Workshop, Mian Channu
Mukhtar Tractor Workshop, Abdul Hakeem
Aslam Tractor Workshop, Kabirwala
Sadiq Tractor Workshop, Jehanian

KOHAT

Ejaz Tractor Workshop, Kohat
Sher Ali Tractor Workshop, Karya

LAHORE

Pakistan Tractor Workshop, Begumkot
Zafar Tractor Workshop, Lahore
Universal Tractor Workshop, Mohlanwal
Highway Tractor Workshop, Manga Mandi
Kissan Auto Services Tractor Workshop,
Lahore Cantt.
Madina Tractor Workshop, Raiwind

LEIAH

Mian Autos Tractor Workshop, Karor Lal Esan
Altaf Tractor Workshop, Layyah

LODHRAN

Multan Tractor Workshop, Kahrer Pacca
Qadiri Tractor Workshop, Dunyapur
Imran Tractor Workshop, Dunyapur
Chudhry Tractor Workshop, Haqran

LARKANA

Saleem Akhtar Tractor Workshop, Dokri
Sikandar Ali Tractor Workshop,
Qambar All Khan
Imtiaz Ahmad Tractor Workshop, Warah
Shah Latif Tractor Workshop, Shahdad Kot

MARDAN

Minhaj Tractor Workshop, Swabi
Umer Tractor Workshop, Takhtbhai

MALAKAND

Afghan Tractor Workshop, Malakand
Afghan Tractor Workshop, Dir
Afghan Tractor Workshop, Bajoor
Afghan Tractor Workshop, Timergaraha
Afghan Tractor Workshop, Batkhela

MANDI BAHAUDDIN

Friends Corp. Tractor Workshop, Phalia
Friends Corp. Tractor Workshop, Gojra

MIANWALI

Super United Tractor Workshop, Kamar
Mishani
Younas Tractor Workshop, Piplan
Millat Tractor Workshop, Wan Bachran

MULTAN

Shoab Tractor Workshop, Qadirpur
Bismillah Tractor Workshop, Makhdoom
Rashid
Amin Tractor Workshop, Bohdla Sant
Mehtar Tractor Workshop, Multan
Riaz Tractor Workshop, Jalalpur Pirwala
Multan Tractor Workshop, Shuja Abad

MUZAFFARGARH

Mukhtar Tractor Workshop, Chowk Karm
Dad Qureshi
Nazar Tractor Workshop, Alipur
Khadim Tractor Workshop, Rohalianwali
AI Bilal Tractor Workshop, Kot Addu
Bismillah Tractor Workshop, Chowk Sarwar
Multan Tractor Workshop, B. M. Hazar
Derwaish Tractor Workshop Shehr Sultan
Bismillah Tractor Workshop, Jatoi

NAWABSHAH

Aslam Tractor Workshop, Nawab Shah
Ghulam Qair Tractor Workshop, Qazi Ahmad
Babar Tractor Workshop, Nowshero Feroz
Khan Tractor Workshop, Kandaro
Sohail Autos Tractor Workshop, Nawabshah

OKARA

Madina Tractor Workshop, Basirpur
Khaliquia Tractor Workshop, Depalpur
Khan Tractor Workshop, Haveli Lakha
AI-Madina Tractor Workshop, Haveli Lakha
Modem Tractor Workshop, Rajawal
Naseer Tractor Workshop, Rajawal

PESHAWAR

Awami Tractor Workshop, Pandoo Peshawar
New Peshawar Tractor Workshop, Khazana
Millat Tractor Workshop, Pandoo Peshawar
Peshawar Tractor Workshop, Peshawar
New Awami Tractor Workshop, Peshawar

PARACHINAR

Samir Tractor Workshop, Sedda
Samir Tractor Workshop, Parachinar

PISHIN

Agah Tractor Workshop, Chaman
Zamindar Tractor Workshop, Muslim Bagh
Zain-ud-Din Tractor Workshop, Gulstan.
Zamindar Tractor Workshop, Mazai Adda

QUETTA

Ali Muhammad Tractor Workshop, Loralai
Abdul Ghafoor Tractor Workshop,
Qila Saifullah
Nisar Ahmad Tractor Workshop, Zhob
Lali Garrage Tractor Workshop, Kuchlak
Daavi Autos Tractor Workshop, Khano Zai
Naseeb Ullah Tractor Workshop, Zandra
Shah Tractor Workshop, Drain Garh

RAWALPINDI

Sargodha Tractor Workshop, Kahuta
Hakeem Tractor Workshop, Gujar Khan
Ittefaq Tractor Workshop, Taxila
Asghar Tractor Workshop, Mall Road, Rawat

RAHIM YAR KHAN

Anwar Mustafa Tractor Workshop, Banglow
Minthar
Panjnad Tractor Workshop, Sadigabad
Akhtar Tractor Workshop, Shahbazpur
Jared Tractor Workshop, Sanjar Pur
Ghafoor Tractor Workshop, Kot Sabzal
Ashraf Tractor Workshop, Khan Pur
Rais Tractor Workshop, Zahir Pir
Shaheen Tractor Workshop, Feroza
Awami Tractor Workshop, Tranda

Muhammad Pinnah
Nazar Tractor Workshop, Liaquat Pur

SIALKOT

Tariq Tractor Workshop, Shakargarh
Adnan Tractor Workshop, Narowal
Millat Tractor Workshop, Daska
Khan Tractor Workshop, Chiwanda
Amjad Tractor Workshop, Chowk Mundke
Goraya
Afzal Tractor Workshop, Daska
Riaz Tractor Workshop, Adamke Cheema
Zamindara Tractor Workshop, Budiana
Baba Tractor Workshop, Pasrur
Awami Tractor Workshop, Narowal
Al-Madina Tractor Workshop, Mundayki
Goraya, Daska
Manzoor Tractor Workshop, Shakargarh

SHEIKHUPURA

Javaid Tractor Workshop, Muridkey
Rafique Tractor Workshop, Narang Mandi
Malik Tractor Workshop, Mandi Faizabad
Hamdan Tractor Workshop, Farooqabad
Nazir Tractor Workshop, Khangah Dogran
Butt Tractor Workshop, Adda Manawala
New Rehman Tractor Workshop, Shahkot
Sharif Tractor Workshop, Nankana Sahib
Bismillah Tractor Workshop, More Khunda
Usman Tractor Workshop, Kot Abdul Malik
Haji Tractor Workshop, Ahmad Pur
Usman Tractor Workshop, Narang Mindi
Usman Tractor Workshop, Sharakpur

SARGODHA

Iqbal Tractor Workshop, Silanwali
Afzal Tractor Workshop, Kot Momen
Tariq Tractor Workshop, Bhera
Zafar Tractor Workshop, Shahpur
Iqbal Tractor Workshop, Bhalwal
Akram Tractor Workshop, Bhagtanwala
Saeed Tractor Workshop, Sahiwal Town
Javed Tractor Workshop, Pull II

SAHIWAL

Sahiwal Tractor Workshop, Pakpattan
Sahiwal Tractor Workshop, Arifwala
Sahiwal Tractor Workshop, Chichawatni
Sahiwal Tractor Workshop, Iqbalnagar
Sahiwal Tractor Workshop, Sikandar Chowk
Sahiwal Tractor Workshop, Ahmad Yar
Sahiwal Tractor House Workshop, Adda
Kabeer
Sahiwal Tractor House Workshop, Adda
Kassowal
Sahiwal Tractor Workshop, Qaboola

SUKKUR

Mian Tractor Workshop, Kamber
Moughal Tractor Works, Panu Agil
Madina Tractor Workshop, Ghotki
Sabir Tractor Workshop, Khanpur
Hameed Tractor Workshop, Mirpur Mathelo
Millat Tractor Workshop, Ubaro

SHIKARPUR

Qasim Tractor Workshop, Garhi Yaseen

SANGHAR

Rehman Tractor Workshop, Khapro

SWAT

Shah Hussain Tractor Workshop, Bunair
Gulzar Tractor Workshop, Besham

TOBA TAKE SINGH

Sharaz Tractor Workshop, Gojra
Sharaz Tractor Workshop, Kamalia
Sharaz Tractor Workshop, Pirmahal

Sharaz Tractor Workshop, Sandliawali

VEHARI

Zamindara Tractor Workshop, Gaggo Mandi
Manzoor Tractor Workshop, Burewala
Akram Tractor Workshop, Tibba Sultan Put
Shahid Tractor Workshop, Maitla Chowk
Al-Saleem Tractor Workshop, Garh More
Asghar Tractor Workshop, Mailsi
Asghar Tractor Workshop, Dakota
Mughal Tractor Workshop, Luddan.
Mian Tractor Workshop, Burewala

COMPANY INFORMATION

BANKERS

National Development Finance Corp.
Muslim Commercial Bank Ltd.
Allied Bank of Pakistan Ltd.
United bank Ltd.
Habib Bank Ltd.
Bank of America
Standard Chartered Bank
Emirates Bank International Ltd.
Societe Generale French and
International Bank
Hong Kong and Shanghai
Banking Corp. Ltd.

LEGAL ADVISORS

Walker Martineau Saleem
Advocates and Legal Consultants
Altaf and Altaf Advocates

REGISTERED OFFICE AND PLANT

Sheikhupura Road, Distt. Sheikhupura

REGIONAL OFFICES

Karachi
3-A, Faiyaz Centre, Sindhi Muslim
Co-operative Housing Society

Multan Cantt.
Garden Town, Shershah Road

Islamabad
H. No. 22, St. No. 41, Sector F-6/1