



**3<sup>rd</sup>**  
**QUARTER**

QUARTERLY ACCOUNTS (Un-audited)  
March 31, 2013

**SAZGAR ENGINEERING WORKS LIMITED**

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

## SAZGAR ENGINEERING WORKS LIMITED



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# SAZGAR ENGINEERING WORKS LIMITED

## Vision

*Dynamic, quality conscious and ever progressive.*

## Mission

- *To be market leader in providing safe, economical, durable, comfortable and environment friendly means of transportation of international quality at competitive prices*
- *To achieve market leadership in automotive wheel-rims of all types and sizes*
- *Grow through innovation of new products and*
- *Give higher return to the stakeholders.*

## Corporate Strategy

*Achieve optimal performance in production and sale; continuously add value added products at competitive prices by maintaining “quality” as core element; focus on customers’ satisfaction regarding sale, spares and services; explore new markets and enhance customers’ base; ensure right usage of company’s resources; create employment opportunities; protect the interest of stakeholders; and be a part of the country’s development.*

# SAZGAR ENGINEERING WORKS LIMITED

## Company Information

### BOARD OF DIRECTORS

#### Executive Directors

Mrs. Saira Hameed  
Chairperson/Director

Mr. Mian Asad Hameed  
Chief Executive/Director

Mr. Saeed Iqbal Khan  
Director

Mr. Mian Muhammad Ali Hameed  
Director

#### Non-Executive Directors

Mr. Mian Zafar Hameed  
Director

Mrs. Sana Suleyman  
Director

Mrs. Amina Hamza Wazir  
Director

### COMPANY SECRETARY

Mr. Arshad Mahmood - FCA

### REGISTERED OFFICE

88 - Ali Town, Thokar Niaz Baig,  
Raiwind Road, Lahore.

E-mail: [sazgar@brain.net.pk](mailto:sazgar@brain.net.pk)

Website: [www.sazgarautos.com](http://www.sazgarautos.com)  
[www.sazgar.com.pk](http://www.sazgar.com.pk)

### SHARE REGISTRAR

Corp Tec Associates (Pvt.) Limited  
7/3 - G, Mushtaq Ahmad Gurmani  
Road, Gulberg- II, Lahore.  
Ph# 042-35788097 Fax# 042-35755215

### FACTORY

18-KM, Raiwind Road, Lahore.

### BOARD AUDIT COMMITTEE

Mr. Mian Muhammad Ali Hameed  
Chairman

Mr. Mian Zafar Hameed  
Member

Mrs. Sana Suleyman  
Member

Mr. Arshad Mahmood  
Secretary

### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Mian Zafar Hameed  
Chairman

Mr. Saeed Iqbal Khan  
Member

Mrs. Sana Suleyman  
Member

Mr. Arshad Mahmood  
Secretary

### AUDITORS

Kabani and Company  
Chartered Accountants

### BANKERS

Allied Bank Limited  
National Bank of Pakistan  
Bank Alfalah Limited  
Faysal Bank Limited  
Habib Bank Limited  
The Bank of Punjab  
Summit Bank Limited  
NIB Bank  
Meezan Bank Limited

# SAZGAR ENGINEERING WORKS LIMITED

## DIRECTORS' REVIEW

The directors of your Company are pleased to present their review on the affairs of the Company for the 3<sup>rd</sup> quarter ended March 31, 2013:

### Financial Results:

The financial results of the Company for the current quarter are showing a decline position of sales and profitability of the company due to unfavorable business conditions prevailing in the country. The adverse law & order position and heavy load-shedding are the key factors of this decline. Unfortunately, no improvement has been seen in these areas that encourages the movement of business transactions.

During the 3<sup>rd</sup> quarter, the net sales has decreased from Rs. 750.897 M to Rs. 445.328 M, gross profit from Rs. 96.580 M to Rs. 47.754 M and pre-tax profit from Rs. 61.041 M to Rs. 23.263 M compared with corresponding period of last year.

Cumulatively for nine months, the net sales has decreased from Rs. 2,078.847 M to Rs. 1,300.509 M, gross profit from Rs. 259.062 M to Rs. 139.746 M and pre-tax profit from Rs. 151.349 M to Rs. 58.399 M showing a substantial decline in sales and profitability of the Company compared with the corresponding period of last year.

During the 3<sup>rd</sup> quarter and cumulatively nine months, the Company produced 2,383 & 7,233 units of Auto Rickshaws whereas during the corresponding periods of last year, the production was 4,580 and 13,361 units respectively.

The production of wheel rims was 14,029 & 50,652 in 3<sup>rd</sup> quarter and cumulatively nine months whereas the production of wheel rims during the same corresponding periods was 21,437 & 40,693 respectively.

### Future Outlook:

Your Company is facing lot of challenges in form of heavy load-shedding and adverse law & order position which may negatively affect the sales and profitability of the company in coming periods. The Company is looking for some serious and positive steps from the new government for the improvement of business conditions in the country.

Moreover, the Company has also revisited its marketing strategy as per requirement of prevailing market conditions to boost the sales volumes. It is hoped that the financial position of the company will improve in the foreseeable future. INSHA ALLAH.

The directors would like to place on record their appreciation for the untiring efforts, teamwork and dedication shown by the Company's employees during the period under review. They would also like to express their gratitude to the valued shareholders, customers, suppliers and financial institutions for their co-operation, constant support and trust on the Company.

For and on behalf of the Board



Mian Asad Hameed  
(Chief Executive)


Lahore

Dated: 25-04-2013

**SAZGAR ENGINEERING WORKS LIMITED**  
**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)**  
**AS AT MARCH 31, 2013**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>March 31, 2013 Rupees</b>	<b>June 30, 2012 Rupees</b>
<b>EQUITY</b>			
Authorized share capital 50,000,000 (June 30, 2012: 50,000,000) ordinary shares of Rupees 10 each		<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid-up share capital	4	179,723,680	179,723,680
Revenue Reserve - Un-appropriated Profit		<u>352,748,255</u>	<u>336,842,280</u>
		<b>532,471,935</b>	<b>516,565,960</b>
<b>NON CURRENT LIABILITIES</b>			
Liabilities against assets subject to finance lease		6,053,886	6,132,763
Deferred liabilities		73,658,482	66,405,832
<b>CURRENT LIABILITIES</b>			
Trade and other payables		186,327,916	323,163,158
Mark-up & Profit accrued on loans and other payables		292,708	1,437,379
Short term Borrowings		35,852,716	35,830,932
Current Portion of long term liabilities		5,370,585	4,654,851
Provision for taxation		31,211,552	80,304,548
		<u>259,055,476</u>	<u>445,390,868</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	5	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>871,239,779</b></u>	<u><b>1,034,495,423</b></u>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	6	246,511,553	240,705,730
Intangible Assets	7	627,659	501,874
<b>LONG TERM LOANS AND ADVANCES</b>		6,008,720	5,127,433
<b>LONG TERM DEPOSITS</b>		1,657,137	1,137,137
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		5,976,898	7,401,603
Stock in trade		355,610,317	540,547,955
Trade debts		133,109,461	129,278,444
Loans & Advances		8,880,457	6,493,753
Trade Deposits and short term prepayments		30,753,477	17,335,215
Other receivables		36,857,938	76,982,666
Cash and bank balances		45,246,161	8,983,613
		<u>616,434,710</u>	<u>787,023,249</u>
<b>TOTAL ASSETS</b>		<u><b>871,239,779</b></u>	<u><b>1,034,495,423</b></u>

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

  
**MIAN ASAD HAMEED**  
**CHIEF EXECUTIVE**

  
**SAEED IQBAL KHAN**  
**DIRECTOR**

**SAZGAR ENGINEERING WORKS LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2013**

	Note	Jan-March 2013 Rupees	Jan-March 2012 Rupees	Jul-March 2013 Rupees	Jul-March 2012 Rupees
SALES - Net	8	445,328,414	750,896,844	1,300,509,113	2,078,846,601
COST OF SALES	9	397,574,794	654,316,358	1,160,762,823	1,819,784,329
<b>GROSS PROFIT</b>		<u>47,753,620</u>	<u>96,580,486</u>	<u>139,746,290</u>	<u>259,062,271</u>
DISTRIBUTION COST		10,069,975	16,140,022	32,126,443	46,190,265
ADMINISTRATIVE EXPENSES		11,653,694	14,305,253	39,040,190	41,790,229
OTHER OPERATING EXPENSES		2,096,789	5,009,398	5,266,928	14,246,266
		<u>23,820,458</u>	<u>35,454,673</u>	<u>76,433,561</u>	<u>102,226,760</u>
		<u>23,933,162</u>	<u>61,125,813</u>	<u>63,312,729</u>	<u>156,835,511</u>
OTHER OPERATING INCOME		1,057,873	2,615,538	3,092,584	3,876,355
		<u>24,991,035</u>	<u>63,741,352</u>	<u>66,405,313</u>	<u>160,711,866</u>
FINANCE COST		1,728,276	2,699,871	8,006,455	9,363,132
<b>PROFIT BEFORE TAXATION</b>		<u>23,262,759</u>	<u>61,041,481</u>	<u>58,398,858</u>	<u>151,348,734</u>
TAXATION	10	8,113,271	21,551,785	24,520,515	57,460,576
<b>PROFIT AFTER TAXATION</b>		<u><u>15,149,488</u></u>	<u><u>39,489,696</u></u>	<u><u>33,878,343</u></u>	<u><u>93,888,158</u></u>
<b>EARNINGS PER SHARE-BASIC AND DILUTED</b>	11	<u>0.84</u>	<u>2.20</u>	<u>1.89</u>	<u>5.22</u>

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

  
**MIAN ASAD HAMEED**  
 CHIEF EXECUTIVE


  
**SAEED IQBAL KHAN**  
 DIRECTOR

# SAZGAR ENGINEERING WORKS LIMITED

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2013

	Jan-March 2013 Rupees	Jan-March 2012 Rupees	Jul-March 2013 Rupees	Jul-March 2012 Rupees
Profit after taxation	15,149,488	39,489,696	33,878,343	93,888,158
Other Comprehensive income for the period	-	-	-	-
Total Comprehensive income for the period	<u>15,149,488</u>	<u>39,489,696</u>	<u>33,878,343</u>	<u>93,888,158</u>

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


  
MIAN ASAD HAMEED  
CHIEF EXECUTIVE

  
SAEED IQBAL KHAN  
DIRECTOR

**SAZGAR ENGINEERING WORKS LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT(UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2013**

	Nine months to March 2013 Rupees	Nine months to March 2012 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	58,398,858	151,348,734
Adjustment for non cash charges and other items:		
Depreciation	13,647,688	12,705,734
Amortization	140,248	116,819
Provision for gratuity	10,233,048	9,296,790
Financial and other charges	12,393,383	22,619,397
Other Income	(3,090,176)	(3,938,962)
	<u>33,324,191</u>	<u>40,799,778</u>
<b>Effect on cash flow due to working capital changes</b>	91,723,049	192,148,513
<b>(Increase)/decrease in current assets</b>		
Store, spares and loose tools	1,424,705	(4,961,537)
Stock-in-trade	184,937,638	(228,211,950)
Trade debts	(3,831,017)	(37,010,811)
Loans and Advances	(2,386,704)	(2,639,934)
Trade deposits and short term prepayments	(13,418,262)	33,211,725
Other receivables	-	(24,257,530)
<b>Increase/(Decrease) in current liabilities</b>		
Trade and other payables	(127,307,997)	251,935,328
Increase in long-term loans and advances	(881,287)	(1,656,300)
	<u>38,537,076</u>	<u>(13,591,009)</u>
<b>Cash generated from operations</b>	130,260,124	178,557,503
Financial charges paid	(8,722,509)	(11,938,812)
Income tax paid	(29,143,820)	(53,537,119)
Employees retirement benefit - Gratuity Paid	(7,325,361)	(738,920)
Workers' Profit Participation Fund Paid	(10,527,810)	(7,965,343)
<b>Net cash generated from operating activities</b>	74,540,624	104,377,310
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Property, Plant and Equipment Purchased	(14,933,793)	(3,289,325)
Increase in long term security deposits	(520,000)	(305,000)
Proceeds from disposal of Property, Plant and Equipment	3,280,000	3,278,531
Security deposits with leasing companies	(1,020,150)	(369,380)
<b>Net cash used in investing activities</b>	(13,193,943)	(685,174)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds of short term borrowings	94,046,152	224,036,820
Repayment of short term borrowings	(116,594,850)	(254,421,091)
Repayment of finance lease	(4,154,004)	(2,188,546)
Dividend paid	(17,829,457)	(31,980,584)
<b>Net cash used in financing activities</b>	(44,532,160)	(64,553,400)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	16,814,521	39,138,735
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	8,983,613	(34,336,235)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>25,798,134</u>	<u>4,802,500</u>

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

  
**MIAN ASAD HAMEED**  
**CHIEF EXECUTIVE**

  
**SAEED IQBAL KHAN**  
**DIRECTOR**

# SAZGAR ENGINEERING WORKS LIMITED

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY(UN-AUDITED)

### FOR THE NINE MONTHS ENDED MARCH 31, 2013

	Share Capital Rupees	Un-appropriated Profit Rupees	Total Rupees
Balance as at June 30, 2011	149,769,730	273,661,391	423,431,121
Final Dividend for the year ended June 30, 2011 @ Re. 1.00per share	—	(14,976,973)	(14,976,973)
Issuance of bonus shares	29,953,950	(29,953,950)	—
Interim Dividend for the year ended June 30, 2012 @ Re. 1.00 per share	—	(17,972,368)	(17,972,368)
Total Comprehensive Income for the Nine months ended March 31, 2012	—	93,888,158	93,888,158
<b>Balance as at March 31, 2012</b>	<u>179,723,680</u>	<u>304,646,258</u>	<u>484,369,938</u>
Total Comprehensive Income for the Quarter ended June 30, 2012	—	32,196,022	32,196,022
<b>Balance as at June 30, 2012</b>	<u>179,723,680</u>	<u>336,842,280</u>	<u>516,565,960</u>
Final Dividend for the year ended June 30, 2012 @ Re. 1.00 per share	—	(17,972,368)	(17,972,368)
Total Comprehensive Income for the Nine months ended March 31, 2013	—	33,878,343	33,878,343
<b>Balance as at March 31, 2013</b>	<u><u>179,723,680</u></u>	<u><u>352,748,255</u></u>	<u><u>532,471,935</u></u>

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

  
**MIAN ASAD HAMEED**  
 CHIEF EXECUTIVE

  
**SAEED IQBAL KHAN**  
 DIRECTOR

# SAZGAR ENGINEERING WORKS LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2013

### 1- LEGAL STATUS AND OPERATIONS

The Company was incorporated in Pakistan on September 21, 1991 as a Private Limited Company under the Companies Ordinance, 1984 and converted into a Public Limited Company on November 21, 1994. The Company is listed on all the Stock Exchanges of Pakistan. The Company is engaged in the manufacture and sale of automobiles, automotive parts and household electric appliances. The registered office of the company is situated at 88-Ali Town, Thokar Niaz Baig, Raiwind Road, Lahore.

### 2- STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual preceding published financial statements of the company for the year ended June 30, 2012.

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the Company's operations or did not have any impact on the accounting policies of the Company.

### 3- BASIS OF PREPARATION

These condensed interim financial statements are un-audited and have been prepared in accordance with the requirements of International Accounting Standard, IAS-34 "Interim Financial Reporting" and are being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984.

### 4- ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

March 31, 2013 Number	June 30, 2012 Number		March 31, 2013 Rupees	June 30, 2012 Rupees
7,163,000	7,163,000	Ordinary shares of Rupees 10 each fully paid up in cash.	71,630,000	71,630,000
10,809,368	10,809,368	Ordinary shares of Rupees 10 each allotted as bonus shares	108,093,680	108,093,680
<u>17,972,368</u>	<u>17,972,368</u>		<u>179,723,680</u>	<u>179,723,680</u>

### 5- CONTINGENCIES AND COMMITMENTS

#### A. Contingencies

There is no change in the contingent liabilities of the company since the last annual balance sheet date except the following:

- A-1 The appeal filed against the order of Consumer Court Faisalabad for the recovery of damages of Rs.145,000/- on account of warranty parts was remanded back to the learned trial court by the Lahore High court. During the current period, the Consumer Court Faisalabad refunded the deposited amount of Rs.70,000/- against the Surety Bond submitted by the company and set another date for hearing the case. In the opinion of the management, favorable outcome of the hearing is expected, therefore no provision is made in these financial statements.

# SAZGAR ENGINEERING WORKS LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2013

A-2 During the current period Additional Commissioner InLand Revenue initiated proceedings under section 122(5A) for the Tax Year 2007 and created a tax demand of Rs.16,581,690/-. The company has filed an appeal against the order with CIR(Appels). In the opinion of tax consultant, favorable outcome of the appeal is expected, hence no provision is made in these financial statements for this amount.

### B. Commitments

The facilities for opening Letters of Credits and Guarantees as at March 31, 2013 in aggregate were Rs.370.00 million and Rs.8.04 million respectively with sub-limits of FATR of Rs.80.00 million(Out of which a sum of Rs.40.00million can also be utilized as Murabaha facility) and Murabaha arrangement of Rs.40.00 million (June 30, 2012: Rs.330.00 million and Rs.8.04 million respectively with sub-limits of FATR Rs. 80.00 million). The amounts utilized as at March 31, 2013 were Rs.135.044 million and Rs. Nil respectively.(June 30, 2012 were Rs.85.48 million and Rs. Nil respectively).

	Note	March 31, 2013 Rupees	June 30, 2012 Rupees
<b>6- PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets-Tangible	6.1	239,426,466	222,703,925
Capital work in progress		7,010,087	6,822,805
Advance against purchase of Asset		-	9,500,000
Receivable under insurance claim		75,000	1,679,000
		<u>246,511,553</u>	<u>240,705,730</u>
<b>6.1- OPERATING FIXED ASSETS-TANGIBLE</b>			
Opening book value		222,703,925	233,840,926
Add: Additions during the period:			
- Building and Civil Works on Freehold Land		4,094,726	278,908
- Plant and machinery		7,873,604	5,805,135
- Electric fittings		30,500	461,279
- Furniture and fixture		33,600	416,128
- Office equipments		323,961	480,884
- Electric installations		689,641	-
- Vehicles		18,702,000	1,768,900
		31,748,032	9,211,234
Less: Depreciation charged during the period		13,647,688	16,967,597
Deletions during the period (WDV)		1,377,802	3,380,638
		15,025,490	20,348,236
Closing book value		<u>239,426,466</u>	<u>222,703,925</u>

# SAZGAR ENGINEERING WORKS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

## FOR THE NINE MONTHS ENDED MARCH 31, 2013

		March 31, 2013		June 30, 2012
<b>7- INTANGIBLE ASSETS</b>		<b>Rupees</b>		<b>Rupees</b>
Opening book value		501,874		551,481
Add: Additions during the period		266,033		107,000
		<u>767,907</u>		<u>658,481</u>
Less: Amortization charged during the period		140,248		156,607
Closing book value		<u>627,659</u>		<u>501,874</u>
	<b>Jan-March 2013</b>	<b>Jan-March 2012</b>	<b>Jul-March 2013</b>	<b>Jul-March 2012</b>
<b>8- SALES - NET</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
Gross sales	525,553,989	905,190,630	1,533,835,874	2,474,621,170
Less: Sales tax	72,512,439	123,785,029	211,476,973	339,610,511
Sales returns	488,002	1,440,822	2,018,177	4,506,310
	73,000,441	125,225,851	213,495,150	344,116,821
	<u>452,553,548</u>	<u>779,964,779</u>	<u>1,320,340,725</u>	<u>2,130,504,349</u>
Less: Commission	7,225,134	29,067,935	19,831,612	51,657,748
<b>Net Sales</b>	<u>445,328,414</u>	<u>750,896,844</u>	<u>1,300,509,113</u>	<u>2,078,846,601</u>
<b>9- COST OF SALES</b>				
Raw materials and components consumed	318,804,595	606,633,545	1,001,282,790	1,678,443,970
Salaries, wages and other benefits	28,663,752	26,009,107	95,110,467	89,976,511
Stores, spares and loose tools consumed	4,988,247	6,187,355	18,442,379	15,648,551
Power and fuel charges	12,239,274	16,601,138	37,348,368	46,438,249
Repair and maintenance	3,565,896	1,996,499	12,657,461	24,058,766
Other expenses	851,964	998,310	2,801,761	2,851,493
Depreciation and Amortization	3,368,878	3,384,906	9,864,948	10,092,223
	<u>372,482,606</u>	<u>661,810,860</u>	<u>1,177,508,174</u>	<u>1,867,509,763</u>
Opening work-in-process	11,711,499	19,041,780	13,579,115	9,310,619
Closing work-in-process	(9,773,019)	(16,732,340)	(9,773,019)	(16,732,340)
Cost of goods manufactured	374,421,087	664,120,299	1,181,314,270	1,860,088,042
Opening finished goods	166,291,952	164,414,875	116,965,216	127,073,235
Cost of finished goods purchased during the period	(59,233)	13,196,411	5,562,348	20,038,280
Closing finished goods	(143,079,011)	(187,415,227)	(143,079,011)	(187,415,227)
	<u>397,574,794</u>	<u>654,316,358</u>	<u>1,160,762,823</u>	<u>1,819,784,329</u>

# SAZGAR ENGINEERING WORKS LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2013

	Note	Jul-March 2013 Rupees	Jul-March 2012 Rupees
10- TAXATION			
<b>Current</b>			
For the period		20,175,552	54,921,215
For the prior period		-	4,060,718
<b>Deferred</b>			
For the period		4,344,963	(1,521,357)
		<u>24,520,515</u>	<u>57,460,576</u>

11- EARNINGS PER SHARE-BASIC AND DILUTED		Jan-March 2013	Jan-March 2012	Jul-March 2013	Jul-March 2012
<b>Basic earnings per share</b>					
Net profit for the period attributable to ordinary share holders	Rupees	15,149,488	39,489,696	33,878,343	93,888,158
Number of ordinary shares outstanding at the end of the period.	Numbers	17,972,368	17,972,368	17,972,368	17,972,368
Earnings per share	Rupees	0.84	2.20	1.89	5.22

### Diluted earnings per share

There is no dilution effect on the basic earnings per share of the company as the company has no such commitments.

## 12- TRANSACTIONS WITH RELATED PARTIES

The related parties of the company comprise directors and key management personnel only.

The aggregate amount charged in these accounts for the period for remuneration, including certain benefits to the Chief Executive, Directors and Executives of the Company is as follows:

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(Rupees)

	Chief Executive		Executive Directors		Non Executive Directors		Executives		Total	
	July-Mar 2013	July-Mar 2012	July-Mar 2013	July-Mar 2012	July-Mar 2013	July-Mar 2012	July-Mar 2013	July-Mar 2012	July-Mar 2013	July-Mar 2012
Managerial Remuneration	4,704,545	4,704,545	5,113,636	5,113,636	-	-	11,611,473	10,445,324	21,429,655	20,263,505
Medical allowance	470,455	470,455	511,364	511,364	-	-	1,161,147	1,044,532	2,142,965	2,026,351
Bonus & Leave encashment	-	-	-	-	-	-	972,405	1,195,812	972,405	1,195,812
	5,175,000	5,175,000	5,625,000	5,625,000	-	-	13,745,025	12,685,668	24,545,025	23,485,668
Number of persons	1	1	3	3	3	3	8	8	15	15

The Company also provides free use of Company maintained cars to some of the directors and executives for business use.

	Jan-March 2013 Rupees	Jan-March 2012 Rupees	Jul-March 2013 Rupees	Jul-March 2012 Rupees
<b>13- SEGMENT RESULTS</b>				
<b>Segment Revenue</b>				
Home appliances	3,350,443	2,958,640	12,503,199	17,225,297
Auto parts	85,590,036	112,216,327	275,151,775	199,163,534
Auto rickshaw	356,387,935	635,721,877	1,012,854,139	1,862,457,770
<b>Total</b>	<b>445,328,414</b>	<b>750,896,844</b>	<b>1,300,509,113</b>	<b>2,078,846,601</b>
<b>Segment operating results</b>				
Home appliances	(349,562)	(444,289)	(547,376)	549,814
Auto parts	4,086,804	5,037,446	14,282,501	3,427,019
Auto rickshaw	21,907,710	61,078,506	53,991,533	166,015,644
<b>Total</b>	<b>25,644,952</b>	<b>65,671,662</b>	<b>67,699,658</b>	<b>169,992,477</b>

**14- PRODUCTION CAPACITY**

During the current period, the production capacity of the Auto-Rickshaw manufacturing plant has been revised on account of addition of new product i.e, "Motorcycles" of all sorts and kinds. The revised annual production capacity of this segment would be as below:

Name of Product	Existing Production Capacity (Units Per Annum)	Revised Production Capacity (Units Per Annum)
Auto-Rickshaw	20,000	12,000
Motorcycle	Nil	30,000

The production capacity of Auto Rickshaw and Motorcycles may interchangeably be used in accordance with the demand of the products.

There is not any change in the production capacity of wheel Rim manufacturing Plant.

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15- CORRESPONDING FIGURES


Corresponding Figures have been re-classified for the purpose of better presentation.

FROM	To	Jan-March 2013	Jan-March 2012	Jul-March 2013	Jul-March 2012
Other Operating Income	Communication Expenses	<u>29,600</u>	<u>33,550</u>	<u>94,500</u>	<u>99,300</u>

16- GENERAL

16.1-The Board of Directors of the Company has authorized these condensed interim financial statements for issue on April 25, 2013.

16.2-The figures have been rounded off to the nearest Rupee.

  
MIAN ASAD HAMEED  
CHIEF EXECUTIVE

  
SAEED IQBAL KHAN  
DIRECTOR