







INVESTORS & SHAREHOLDERS

Chief Executive
Chief Operating Officer
Directors
Chief Financial Officer
Company Secretary



TABLE OF CONTENTS



- ☐ COMPANY'S OVERVIEW
- ☐ AUTO SECTOR OVERVIEW
- ☐ OPERATIONAL PERFORMANCE OVERVIEW
- ☐ FINANCIAL PERFORMANCE OVERVIEW
- ☐ QUESTIONS & ANSWERS



COMPANY'S OVERVIEW



Located in the industrial zone of Hub about 35 kilometers from Karachi, Baluchistan Wheels Limited was setup in 1980 for the manufacturing of steel wheels for automobiles with technical collaboration of GKN Sankey Limited UK.

The plant has a covered area of 16,000 square meters and builds on a land of 97,000 square meters. It has the capability to manufacture diverse range of wheels for passenger cars, commercial vehicles, agricultural tractors and 4x4 vehicles. The quality management system of the Company is certified for ISO 9001/2015 and environmental management system is Certified for ISO 14001/2015 by NQA Pakistan.



THE PLANT



The Plant is well equipped with highly sophisticated facilities comprising of the material preparation line, heavy and light duty rim lines, a press line having presses of up to 1500-ton capacity, an assembly and welding line with CO2 and submerged arc welding machines.

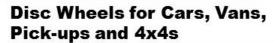
BWL has inducted Spinning Machine for manufacturing original CKD designed Truck/Bus Disc Wheels of all sizes. BWL also has the capability and the capacity to produce Tubeless Truck/Bus Wheel. The manufacturing is complemented by the most modern Cathodic Electro Deposition painting process using latest paints. Specialized facilities of shot blasting, tool and die making, repairing, quality assurance material and wheel testing also exist.

BWL has the capacity of manufacturing up to 3 million wheels annually.

CUSTOMERS















Lucky Motors Co. Ltd





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Disc Wheels for Agricultural Tractors



Millat Tractors Ltd.











Ghandhara Industries Ltd.









Ghandhara AutoMobiles Ltd.



BWL also Export Tractor Wheels to Various International Customers according to their specifications.











AUTO SECTOR OVERVIEW



Auto Sector of Pakistan

Transport plays a very important role in the development of a society as the demand for transportation increases along with development. It is one of the major industrial sectors of an economy. Pakistan's Auto Sector contributes (2.8%) to its GDP and around 30 billion rupees to the national exchequer in terms of duties and taxes. The market of Pakistan's auto sector is alluring to investors at home and abroad and has the potential of making profits. There are various Foreign Companies who are doing their businesses in the automobile industry in Pakistan.

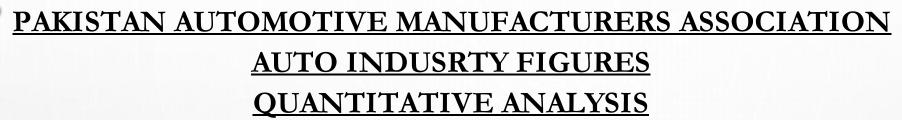
During the year under review July 2023 to June 2024, the auto sales declined. Soaring auto prices, high auto financing costs due to record-high interest rates, low consumer purchasing power and restrictions on the import of Completely Knocked down (CKD) units all contributed to downward trend. However, the agricultural sector experienced a positive trend during the same period, driven by better agricultural yields. This uptick was largely attributed to a low base effect from the previous year's flood-affected crops, resulting in a notable increase in tractor sales.

Outlook

It is expected the auto sector to experience growth in Financial Year 2024-25, driven by favorable factors such as reduced interest rates, easing inflation, economic stabilization, and a low base. However, despite this optimism, the industry may still face challenges in Financial Year 2024-25, including new taxation measures, low disposable income, and expected slowdown in the agricultural sector.

Auto Sector Performance

Financial Year 2023-2024



2023 - 2024

2022 - 2023

VARIANCE VARIANCE (in Qty) (in %)

Sales (in Units)

Passenger Cars+LCVs+Jeep Truck/Bus Tractor 103,826 2,664 45,494 126,878 3,836 30,942 (23,052) (1,172) 14,552

(18) (31) 47

Total

151,984

161,656

(9,672)

(6)





The overall consolidated revenue in Financial Year (FY) 2023-24 was significantly 30% higher than the Financial year (FY) 2022-23. Top line in value terms was recorded at Rs. 2.174 billion in FY 24 as compared to Rs. 1.675 billion in FY 23.

The car wheels segment saw a modest 5% growth in sales. However, the Truck/Bus wheels segment experienced a more substantial 38% increase in sales. Like wise, the Tractor wheels segment saw the most remarkable growth, with sales surging by 61%.

QUANTITATIVE / ANALYTICAL REVIEW (JULY 2023 TO JUNE 2024

						63
	%	July 2023-June 2024	%	July 2022-June 2023	VARIANCE	VARIANCE
					(in Qty)	(in %)
PRODUCTION (in Quantity)						<u> </u>
Car Wheels	68	168,589	83	271,522	(102,933)	(38)
Truck/Bus Wheels	7	17,534	3	9,942	7,592	76
Tractor Wheels	25	61,784	14	47,076	14,708	31
Total	100	247,907	100	328,540	(80,633)	(25)
	%	July 2023-June 2024	%	July 2022-June 2023	VARIANCE	VARIANCE
					(in Qty)	(in %)
SALES (in Quantity)						
Car Wheels	71	199,966	81	237,312	(37,346)	(16)
Truck/Bus Wheels	7	19,481	4	11,407	8,074	71
Tractor Wheels	22	61,899	15	43,450	18,449	42
Local Sales	100	281,346	100	292,169	(10,823)	(4)
Export Sales				168	(168)	(100)
Total		281,346		292,337	(10,991)	(4)
	%	July 2023-June 2024	%	July2022-June 2023	VARIANCE	VARIANCE
					(in Rs)	(in %)
<u>SALES (Rs.in '000')</u>						
Car Wheels	38	796,450	48	759,116	37,334	5
Truck/Bus Wheels	10	212,062	10	153,198	58,864	38
Tractor Wheels	52	1,072,854	42	664,916	407,938	61
Local Sales	100	2,081,366	100	1,577,230	504,136	32
Export Sales		-	0	2,929	(2,929)	(100)
Scrap Sales		93,115	0	95,698	(2,583)	(3)
Total		2,174,481		1,675,857	498,624	30

FINANCIAL PERFORMANCE OVERVIEW



This year the Company has achieved highest ever profit after tax of its history. The company's financial performance showed significant improvement, with a 44% increase in gross profit, reaching Rs. 468.533 million compared to Rs. 325.932 million in the previous year. Moreover, the company's profitability soared, with profit after taxation rising by 76% to Rs. 240.665 million, up from Rs. 136.406 million in the previous year. This substantial growth in profit after taxation demonstrates the company's enhanced operational efficiency and effective financial management, and cost optimization measures leading to improved bottom-line performance.

The company's impressive growth in gross profit and net profit can be attributed to the significant increase in production and sales of tractor wheels, driven by a surge in tractor sales due to favorable agricultural yields, particularly in wheat and cotton crops, following a low base effect from last year's flood-affected crops. Additionally, Truck/Bus wheels sales saw a recovery due to improved sales volume from assemblers. However, car wheels sales experienced a decline due to higher car prices and expensive auto financing resulting from the high monetary policy rate of 22% round the year and 20.50% at year end. The substantial rise in other income, primarily from investments of surplus funds in Government treasury bills and exchange gains resulting from favorable currency fluctuations also contributed to the increased net profit, rounding out a strong financial performance for the company.

KEY OPERATING AND FINANCIAL DATA



	Rupees in '000'					
FINANCIAL POSITION	2024	2023	2022	2021	2020	2019
Total Assets	2,519,021	2,357,633	2,447,833	2,275,759	1,508,659	1,473,550
Shareholders Equity	2,116,850	2,055,971	2,041,770	1,920,896	1,294,654	1,288,019
OPERATING RESULTS						
Turnover - net	2,174,481	1,675,857	2,778,192	1,574,822	912,820	1,587,558
Profit before Taxation	350,092	201,752	425,374	141,568	23,695	93,955
Taxation	(109,427)	(65,346)	(217,136)	(40,882)	(4,775)	(22,443)
Profit after Taxation	240,665	136,406	208,238	100,686	18,920	71,512
Earnings per Share (Rupees)	18.05	10.23	15.62	7,55	1.42	5.36



SIGNIFICANT RATIOS

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Liquidity & Leverage Ratios:

- -Current Ratios
- -Quick Ratios
- -Liability as a % of Total Assets
- -Interest Cover Ratio (Times)

Equity Ratios:

- -Break up Value per Share (Rs)
- -Dividend as a % of Capital
- -Dividend Yield Ratio/ Cost of Equity (%)
- -Dividend per Share (Rs)

Profitability Ratios:

- -Gross Profit (%)
- -Operating Profit (%)
- -Profit before Tax(%)
- -Profit after Tax (%)
- -Return on Capital Employed(%)
- -Earnings per Share (Rs)
- -Price Earing Ratio(Times)
- -Dividend Payout Ratio (%)
- -Dividend Cover (Times)
- -Capital Turnover (Times)
- -Return on Assets (%)

Turnover/Efficiency Ratios:

- -Inventory Turnover Ratio(Times)
- -Debtor Turnover Ratio(Times)
- -Fixed Assets Turnover Ratio(Times)

Plant Capacity:

-Plant Capacity Utilisation (%)

Share Performance:

- -Year end Market Price per Share
- -High Price per Share during the Year
- -Low Price per Share during the Year

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2024	2023	2022	2021	2020	2019
4.37	5.46	4.13	4.59	7.72	7.04
2.76	2.78	2.50	3.26	4.50	3.05
15.98	12.80	16.59	15.59	14.19	12.59
64.03	37.28	107.99	34.58	11.07	14.84
158.75	154.19	153.12	144.06	97.09	96.59
130.00	80.00	100.00	45.00	15.00	20.00
10.00	12.12	13.16	5.70	2.47	3.27
13.00	8.00	10.00	4.50	1.50	2.00
21.55	19.45	22.02	15.43	12.86	15.48
16.36	12.37	17.30	9.92	3.05	6.34
16.10	12.04	15.31	8.99	2.60	5.92
11.07	8.14	7.50	6.39	2.07	4.50
16.54	9.81	20.83	7.37	1.83	7.29
18.05	10.23	15.62	7.55	1.42	5.36
7.20	6.45	4.87	10.46	42.80	11.41
72.03	78.20	64.03	59.59	105.71	37.31
1.39	1.28	1.56	1.68	0.95	2.68
1.03	0.82	1.36	0.82	0.71	1.23
9.55	5.78	8.51	4.42	1.25	4.85
2.68	2.13	4.51	3.19	1.55	2.31
13.47	9.09	10.63	8.44	7.22	10.25
2.39	1.77	2.88	1.66	2.28	3.53
29	39	76	44	42	79
130.00	66.00	76.00	78.99	60.73	61.15
195.49	86.49	76.00 90.75	92.44	71.89	111.90 61.15
61.05	57.00	62.00	55.20	40.27	61.15





QUESTIONS & ANSWERS