

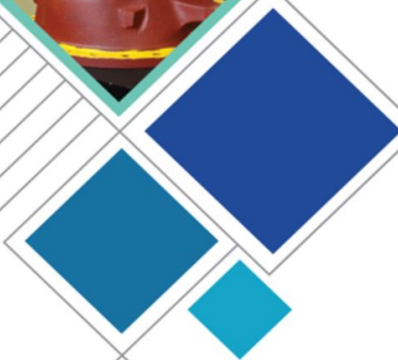


# BOLAN CASTINGS LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS PERIOD ENDED  
MARCH 31-2026



We Pour  
Quality into  
Castings



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## COMPANY INFORMATION

### Board of Directors

Mr. Sikandar M. Khan	Chairman / Non-Executive Director.
Mr. Mujtaba Ahmad	Chief Executive Officer
Mr. Sohail Bashir Rana	Non-Executive Director
Mr. Laeeq Uddin Ansari	Non-Executive Director
Mr. S.M.Irfan Aqueel	Non-Executive Director
Mr. Aamir Amin	Independent Director
Mr. Syed Javed Ashraf	Independent Director
Mrs. Tabassum Rana	Independent Director

### Company Secretary

Mr. Arafat Mushir

### Chief Financial Officer

Syed Sajid Ali

### Auditors

M/s. A. F. Ferguson & Co. Chartered Accountants

### Legal Advisors

M/s. Latif & Latif Advocates  
M/s. Rizwan Manai Associates

### Bankers

MCB Bank Limited  
Bank Alfalah Limited  
Dubai Islamic Bank Pakistan Limited  
Meezan Bank Limited  
Faysal Bank Limited  
Askari Bank Limited  
Bank AL Habib Limited

### Share Registrar

CDC Shares Registrar Services Limited  
CDC House, 99-B, Block-B, S.M.C.H.S.  
Main Shahrah-e-Faisal, Karachi  
Tel: +92-800-23275  
Fax: +92-21-34326053

### Registered Office

Main RCD Highway, Hub Chowki,  
District Lasbela, Balochistan, Pakistan  
Tel : +92-853-364033,363296  
Fax : +92-853-363292  
E-mail: [bclhub@bclpk.com](mailto:bclhub@bclpk.com)

### Web Site

[www.bolancastings.com](http://www.bolancastings.com)

## **DIRECTORS' REVIEW**

Dear Shareholders

The Directors of your Company are presenting the un-audited financial statements for the third quarter ended March 31, 2026.

During the third quarter under review the Company recorded net sales of Rs.462.85 million as compared to Rs. 622.19 million of the same period of last year, while the cumulative sales figures for the nine months under review, were Rs. 1,177.58 million as compared to Rs. 1,477.17 million of the same period of last year.

The gross profit for the nine months under review was Rs. 112.73 million as compared to Rs. 118.91 million of the corresponding profit period of last year. The profit before tax for the third quarter was Rs. 12.05 million as compared to profit before tax Rs. 23.34 million of the same period of last year, while the profit after tax for the third quarter was Rs. 6.60 million as compared to profit after tax of Rs. 15.30 million of the same period of last year. However, for the nine months the company reported a loss before tax of Rs. 2.38 million as compared to loss before tax Rs. 2.98 million of the same period of last year, while the loss after tax for the nine months was Rs. 16.41 million as compared to loss after tax of Rs. 20.11 million of the same period of last year.

The earnings per share for the third quarter was Rs. 0.58 against Rs. 1.33, for the same period of last year while the loss per share for the ninth months was Rs. 1.43 as against the loss per share of Rs. 1.75 of the corresponding period of last year.

Due to present Iran-America war, our demand is showing signs of decline while our cost of production is rising. However, we anticipate after restoration of peace, our sale and production activities will also normalize as well.

We would like to thank and acknowledge the efforts and cooperation of our executives and workforce, vendors and all other stakeholders for being steadfast and standing resolute with us during the period under review.

Karachi:  
April 22, 2026

For and on behalf of the Board



**MUJTABA AHMAD**  
Chief Executive Officer

**BOLAN CASTINGS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2026**

	Note	(Unaudited) March 31, 2026 Rupees	(Audited) June 30, 2025 Rupees
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	130,849,232	142,687,584
Long-term investment	5	-	40,871,000
Long-term loans		-	89,000
Deferred tax asset - net	6	4,609,772	3,227,499
Long-term deposits		4,801,288	4,747,790
Employee benefits plan asset		21,566,036	20,058,142
		<u>161,826,328</u>	<u>211,681,015</u>
<b>Current assets</b>			
Stores, spare parts and loose tools		108,113,597	124,751,685
Inventories	7	252,798,274	243,038,159
Trade receivables	8	136,157,788	147,356,764
Loans and advances		5,376,253	3,320,373
Trade deposits and short-term prepayments	9	11,169,483	8,406,204
Other receivables	10	7,567,367	16,139,888
Taxation - payments less provision		14,289,657	12,562,927
Cash and bank balances	11	18,356,932	29,520,607
		<u>553,829,351</u>	<u>585,096,607</u>
<b>TOTAL ASSETS</b>		<u><b>715,655,679</b></u>	<u><b>796,777,622</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and reserves</b>			
Share capital		114,725,290	114,725,290
General and other reserves		203,683,153	206,636,773
		<u>318,408,443</u>	<u>321,362,063</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term deposits		2,449,925	2,279,120
Employee benefits plan obligations		22,401,730	22,658,997
Long-term financing	12	-	5,000,000
		<u>24,851,655</u>	<u>29,938,117</u>
<b>Current liabilities</b>			
Trade and other payables	13	282,162,780	297,110,491
Advances from customers		2,850,168	1,011,303
Accrued mark-up		3,894,929	3,888,567
Current portion of long term-deposits		111,728	219,888
Current portion of long-term financing	12	20,000,000	60,000,000
Unclaimed dividend		3,375,976	3,377,193
Short-term financing	14	60,000,000	79,870,000
		<u>372,395,581</u>	<u>445,477,442</u>
<b>TOTAL LIABILITIES</b>		<u><b>397,247,236</b></u>	<u><b>475,415,559</b></u>
<b>Contingencies and commitments</b>	15		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>715,655,679</b></u>	<u><b>796,777,622</b></u>

The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial officer

**BOLAN CASTINGS LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2026 - (UNAUDITED)**

Note	Quarter ended		Nine months period ended		
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	
← (Rupees) →					
Revenue from contracts with customers	16	462,854,870	622,191,894	1,177,586,298	1,477,168,358
Cost of sales	17	<u>(412,423,033)</u>	(557,357,827)	<u>(1,064,846,953)</u>	(1,358,259,500)
<b>Gross profit</b>		<b>50,431,837</b>	64,834,067	<b>112,739,345</b>	118,908,858
Distribution expenses		<b>(19,684,192)</b>	(19,603,438)	<b>(49,555,510)</b>	(42,888,653)
Administrative expenses		<b>(17,623,944)</b>	(19,313,097)	<b>(61,704,455)</b>	(59,274,755)
Other expense	18	-	-	<b>(129,913)</b>	-
Other income		<u>1,715,695</u>	3,425,195	<u>7,140,661</u>	9,468,854
Operating profit		<b>14,839,396</b>	29,342,727	<b>8,490,128</b>	26,214,304
Finance costs		<u>(2,781,057)</u>	(5,999,990)	<u>(10,872,452)</u>	(29,198,725)
(Loss) / profit before income tax expense		<b>12,058,339</b>	23,342,737	<b>(2,382,324)</b>	(2,984,421)
Income tax expense	19	<u>(5,453,821)</u>	(8,036,148)	<u>(14,037,243)</u>	(17,127,583)
(Loss) / Profit for the period		<u><b>6,604,518</b></u>	15,306,589	<u><b>(16,419,567)</b></u>	(20,112,004)
(Loss) / earnings per share - basic and diluted	20	<u><b>0.58</b></u>	1.33	<u><b>(1.43)</b></u>	(1.75)

The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

**BOLAN CASTINGS LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2026 - (UNAUDITED)**

	Quarter ended		Nine months period ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	← (Rupees) →			
(Loss) / profit for the period	6,604,518	15,306,589	(16,419,567)	(20,112,004)
<b>Comprehensive (loss) / income</b>				
<b>Items that will not be reclassified to profit or loss in subsequent period</b>				
Unrealized gain on revaluation of investment at fair value through other comprehensive income (FVTOCI) - note 5	-	1,940,625	13,465,947	1,796,875
<b>Total comprehensive (loss) / income for the period</b>	<b>6,604,518</b>	<b>17,247,214</b>	<b>(2,953,620)</b>	<b>(18,315,129)</b>

The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

**BOLAN CASTINGS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2026 - (UNAUDITED)**

	SHARE CAPITAL	RESERVES					Sub Total	Total
	Issued, subscribed and paid up capital	CAPITAL		REVENUE				
		Share premium	General reserve	Accumulated loss	Investment revaluation reserve			
	(Rupees)							
Balance as at July 1, 2024	114,725,290	12,155,680	424,500,000	(247,707,725)	31,875,000	220,822,955	335,548,245	
Total comprehensive loss for the nine months period ended March 31, 2025								
- Loss for the period	-	-	-	(20,112,004)	-	(20,112,004)	(20,112,004)	
- Other comprehensive income for the period	-	-	-	-	1,796,875	1,796,875	1,796,875	
	-	-	-	(20,112,004)	1,796,875	(18,315,129)	(18,315,129)	
Balance as at March 31, 2025	114,725,290	12,155,680	424,500,000	(267,819,729)	33,671,875	202,507,826	317,233,116	
Balance as at July 1, 2025	114,725,290	12,155,680	424,500,000	(265,389,907)	35,371,000	206,636,773	321,362,063	
Total comprehensive loss for the nine months period ended March 31, 2026								
- Loss for the period	-	-	-	(16,419,567)	-	(16,419,567)	(16,419,567)	
- Other comprehensive income for the period	-	-	-	-	13,465,947	13,465,947	13,465,947	
	-	-	-	(16,419,567)	13,465,947	(2,953,620)	(2,953,620)	
- Transfer of reserve on disposal of investment held at FVTOCI	-	-	-	48,836,947	(48,836,947)	-	-	
Balance as at March 31, 2026	114,725,290	12,155,680	424,500,000	(232,972,527)	-	203,683,153	318,408,443	

The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.

  
**Chief Executive**

  
**Director**

  
**Chief Financial Officer**

**BOLAN CASTINGS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2026 - (UNAUDITED)**

		<b>Nine months period ended</b>	
<b>Note</b>		<b>March 31, 2026</b>	<b>March 31, 2025</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
	<b>Cash generated from operations</b>	<b>25,766,820</b>	<b>79,472,027</b>
	Decrease in long-term loans and advances	<b>89,000</b>	335,371
	Increase in long-term deposits	<b>9,147</b>	210,646
	Income taxes paid	<b>(17,146,246)</b>	(8,067,539)
	Employee benefits paid	<b>(2,944,890)</b>	(1,984,050)
	Finance costs paid - Islamic	<b>(5,264,829)</b>	(11,515,086)
	Finance costs paid - Conventional	<b>(5,487,441)</b>	(18,494,499)
	<b>Net cash generated from operating activities</b>	<b>(4,978,439)</b>	<b>39,956,870</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
	Purchase of property, plant and equipment	<b>(479,700)</b>	(252,100)
	Proceeds from disposal of property, plant and equipment	<b>1,330,036</b>	244,195
	Return received on savings and deposit accounts	<b>3,498,698</b>	3,790,049
	Proceeds from disposal of long-term investment	<b>54,336,947</b>	-
	Dividend received	<b>-</b>	2,587,500
	<b>Net cash generated from investing activities</b>	<b>58,685,981</b>	<b>6,369,644</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
	Dividend paid	<b>(1,217)</b>	(15,361)
	Repayment of long-term financing	<b>(45,000,000)</b>	(45,000,000)
	Short-term financing obtained	<b>60,000,000</b>	107,234,144
	Repayment of short-term financing	<b>(79,870,000)</b>	(104,936,000)
	<b>Net cash used in financing activities</b>	<b>(64,871,217)</b>	<b>(42,717,217)</b>
	<b>Net increase in cash and cash equivalents</b>	<b>(11,163,675)</b>	<b>3,609,297</b>
	Cash and cash equivalents at beginning of the period	<b>29,520,607</b>	43,495,992
	<b>Cash and cash equivalents at end of the period</b>	<b>18,356,932</b>	<b>47,105,289</b>

The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.

  
**Chief Executive**

  
**Director**

  
**Chief Financial Officer**

## **BOLAN CASTINGS LIMITED**

### **NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2026 - (UNAUDITED)**

#### **1. THE COMPANY AND ITS OPERATIONS**

- 1.1 Bolan Castings Limited (the Company) is a public limited company incorporated in Pakistan on July 15, 1982 under the Companies Act, 1913 (now the Companies Act, 2017), and listed on the Pakistan Stock Exchange (PSX). The Company manufactures and sells castings for tractors and automotive parts.

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

The Company is a subsidiary of Millat Tractors Limited (the Parent Company) which holds Rs. 5.31 million shares of the Company as at March 31, 2026 representing 46.26% shareholding in the Company

#### **2. BASIS OF PREPARATION**

##### **2.1 Statement of compliance**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2025. However, selected explanatory notes are included to explain events and transactions that are significant to understanding of changes in Company's financial position and performance since the last annual financial statement.

##### **2.2 Basis of measurement**

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

##### **2.3 Functional and presentation currency**

The condensed interim financial statements are presented in Pakistani Rupees, which is also the Company's functional currency.

#### **3. ACCOUNTING POLICIES, ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of annual audited financial statements of the Company as at and for the year ended June 30, 2025. The preparation of condensed interim financial statements in conformity with accounting and reporting standard, as applicable in Pakistan, requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgement about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from the judgements, estimates and assumptions.

However, management believes that the change in outcome of judgements, estimates and assumptions would not have a material impact on the amounts disclosed in these condensed interim financial statements.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to the financial statements as at and for the year ended June 30, 2025.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2025.

		(Unaudited)	(Audited)
		March 31,	June 30,
		2026	2025
		-----Rupees-----	
4. PROPERTY, PLANT AND EQUIPMENT	Operating fixed assets - note 4.1	<u>130,849,232</u>	<u>142,687,584</u>

4.1 Additions to and disposals from operating fixed assets during the period are as follows:

	Additions (at cost)		Disposals (at net book value)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	-----Rupees-----			
Computers	-	252,100	-	-
Motor vehicles	-	-	<u>631,391</u>	<u>244,195</u>
			(Unaudited)	(Audited)
			March 31,	June 30,
			2026	2025
			-----Rupees-----	

5. LONG-TERM INVESTMENT

**Fair Value through Other Comprehensive Income (FVTOCI)**

Balance at beginning of the period / year	40,871,000	37,375,000
Unrealized gain on revaluation		
- transferred to equity	13,465,947	3,496,000
Sales proceed	<u>(54,336,947)</u>	<u>-</u>
<b>Balance at end of the period / year - note 5.1</b>	<u>-</u>	<u>40,871,000</u>

5.1 This represents equity investment in Baluchistan Wheels Limited which was sold during the period.

6. DEFERRED TAX ASSET - NET

Minimum tax and alternate corporate tax on which deferred asset is not recognized amounts to Rs. 152.74 million (June 30, 2025: Rs.138.02 million).

		(Unaudited)	(Audited)
		March 31,	June 30,
		2026	2025
		-----Rupees-----	
7. INVENTORIES	Raw Materials	83,469,119	91,567,428
	Work in process	121,324,863	65,491,604
	Finished goods	<u>48,004,292</u>	<u>85,979,127</u>
		<u>252,798,274</u>	<u>243,038,159</u>

7.1 Inventories include Rs. 16.24 million (June 30, 2025: Rs. 11.90 million) held with third parties.

7.2 Finished goods inventories which have been written-down to net realisable value by Rs. 0.19 million (June 30, 2025: Rs. 6.18 million).

		(Unaudited)	(Audited)
		March 31,	June 30,
		2026	2025
		-----Rupees-----	
8. TRADE RECEIVABLES	Considered good		
	- due from related parties	128,441,864	147,105,520
	- others	<u>7,715,924</u>	<u>251,244</u>
		<u>136,157,788</u>	<u>147,356,764</u>

9. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

These include an amount of Rs. 3.86 million (June 30, 2025: Rs. 3.86 million) in the form of Term Deposit Receipt, which is under with a bank for issuance of bank guarantee in favour of Sui Southern Gas Company Limited which carries mark-up of 9.25% (June 30, 2025: 10.55%).

10. OTHER RECEIVABLES

These include sales tax refundable amounting to Rs. 6.80 million (June 30, 2025: Rs. 15.09 million).

		(Unaudited)	(Audited)
		March 31,	June 30,
		2026	2025
		-----Rupees-----	
11. CASH AND BANK BALANCES	Cash at bank		
	Conventional		
	- in savings accounts - note 11.1	12,845,244	22,817,916
	- in current accounts	<u>328,868</u>	<u>2,426,929</u>
		13,174,112	25,244,845
	Islamic		
	- in savings accounts - note 11.1	4,198,420	4,032,884
	- in current accounts	<u>771,245</u>	<u>120,330</u>
		4,969,665	4,153,214
	Cash in hand	213,155	122,548
		<u>18,356,932</u>	<u>29,520,607</u>

11.1 During the period , the mark-up / profit rates on savings accounts and term deposit account range from 6.00% to 9.25% (June 30, 2025: 6.00% to 19.00%) per annum.

	(Unaudited) March 31, 2026	(Audited) June 30, 2025
	-----Rupees-----	
<b>12. LONG-TERM FINANCING</b>		
Opening balance	65,000,000	125,000,000
Repayments during the period / year	<u>(45,000,000)</u>	<u>(60,000,000)</u>
	20,000,000	65,000,000
Less: Current portion of long-term financing	<u>(20,000,000)</u>	<u>(60,000,000)</u>
Closing balance	<u><u>-</u></u>	<u><u>5,000,000</u></u>

- 12.1 This represents long-term financing arrangements obtained by the company through the restructuring of its short-term running finance facility with Bank Alfalah Limited. Facility is payable in equal monthly installments over a period of 36 months which include a grace period of 3 months. This facility carries a mark-up at one month KIBOR plus 1.6% per annum and is secured by way of hypothecation charge over plant and machinery and current asset of the Company amounting to Rs. 266.67 million.

	(Unaudited) March 31, 2026	(Audited) June 30, 2025
	-----Rupees-----	
<b>13. TRADE AND OTHER PAYABLES</b>		
Creditors	205,645,973	225,924,067
Accrued liabilities	51,223,781	46,216,073
Payable to Provident Fund	1,342,586	1,784,338
Compensated absences	15,687,198	15,336,100
Workers' Profits Participation Fund	4,579	4,579
Workers' Welfare Fund	4,252,431	4,252,431
Security deposits	1,400,037	1,400,037
Withholding tax	1,098,250	513,148
Others	1,507,945	1,679,718
	<u><u>282,162,780</u></u>	<u><u>297,110,491</u></u>

**14. SHORT-TERM FINANCING**

**Secured short-term finance facilities**

**- Islamic Finance**

Under Istisna / Musawammah arrangement - note 14.2

	-	4,870,000
Under Istisna cum Wakala arrangement - note 14.2	<u>60,000,000</u>	<u>75,000,000</u>
	<u><u>60,000,000</u></u>	<u><u>79,870,000</u></u>

- 14.1 This represents finance facility under Istisna / Musawammah arrangement from Meezan Bank Limited amounting to Rs. 100 million (June 30, 2025: Rs. 100 million) which carries a profit rate of 6 months KIBOR plus 1% (June 30, 2025: 6 months KIBOR plus 1%) per annum.

The facility is secured by way of hypothecation charge over present and future stocks and book debts with 25% margin respectively. Amount utilised as at March 31, 2026 is Rs. Nil (June 30, 2025: Rs. 4.87 million).

- 14.2 This represents finance facility under Istisna cum Wakala arrangement from Dubai Islamic Bank Pakistan Limited amounting to Rs. 75 million (June 30, 2025: Rs. 75 million) which carries a profit rate of 6 months KIBOR plus 2.25% (June 30, 2025: 6 months KIBOR plus 2.25%) per annum. The facility is secured by way of hypothecation charge over fixed assets and current assets of the Company amounting to Rs. 200 million. Amount utilised as at March 31, 2026 is Rs. 60 million (June 30, 2025: Rs. 75 million).

**15. CONTINGENCIES AND COMMITMENTS**

**15.1 Contingencies**

There have been no significant changes during the period in the contingencies reported in the annual audited financial statements for the year ended June 30, 2025, except as disclosed below:

During the year ended June 30, 2025, the Company received a sales tax demand of Rs. 8.4 million through order numbered BSTS/HUB/103/2024-25 dated June 16, 2025 from the Office of the Commissioner, Balochistan Revenue Authority (BRA) for the tax year 2019. The order was issued to the Company on account of alleged non-withholding of sales tax on various heads of expenses, as asserted by the representatives of the BRA.

Subsequent to the year end, the Company challenged the said order before the Appellate Tribunal of the BRA. The appellate proceedings were finalized, and a revised order was issued on November 25, 2025, whereby the sales tax demand was reduced to Rs. 0.84 million. The Company has paid the revised demand amount. Accordingly, the case now stands closed.

**15.2 Commitments**

The facilities for opening letters of credit and guarantees from banks as at March 31, 2026 amounted to Rs. 100 million (June 30, 2025: Rs. 200 million) and Rs. 7.26 million (June 30, 2025: Rs. 7.26 million) respectively of which unutilised at nine months period ended was Rs. 91.19 million and 0.02 million (June 30, 2025: Rs. 200 million and Rs. 0.06 million) respectively.

		------(Unaudited)-----	
		March 31, 2026	March 31, 2025
		-----Rupees-----	
<b>16.</b>	<b>REVENUE FROM CONTRACTS WITH CUSTOMERS</b>		
	<b>Gross Revenue</b>	1,433,536,795	1,854,713,453
	Less:		
	- Sales returns	<u>(37,232,464)</u>	<u>(93,731,417)</u>
	- Sales tax	<u>(218,718,033)</u>	<u>(283,813,678)</u>
		<u>(255,950,497)</u>	<u>(377,545,095)</u>
		<u><u>1,177,586,298</u></u>	<u><u>1,477,168,358</u></u>
<b>17.</b>	<b>COST OF SALES</b>		
	Cost of goods manufactured	1,026,872,118	1,323,349,941
	Opening stock of finished goods	85,979,127	131,096,150
	Closing stock of finished goods	<u>(48,004,292)</u>	<u>(96,186,591)</u>
	Cost of goods sold	<u><u>1,064,846,953</u></u>	<u><u>1,358,259,500</u></u>
		------(Unaudited)-----	
		March 31, 2026	March 31, 2025
		-----Rupees-----	
<b>18.</b>	<b>OTHER EXPENSES</b>		
	Workers' Welfare Fund	<u>129,913</u>	-
<b>19.</b>	<b>INCOME TAX EXPENSE</b>		
	Current tax		
	- for the period - note 19.1	14,719,829	18,852,729
	- prior period	<u>699,687</u>	<u>566,033</u>
		<u>15,419,516</u>	<u>19,418,762</u>
	Deferred tax	<u>(1,382,273)</u>	<u>(2,291,179)</u>
		<u><u>14,037,243</u></u>	<u><u>17,127,583</u></u>
19.1	The Company has computed current tax for the period under sections 113 of the Income Tax Ordinance, 2001 i.e. Minimum Tax.		
		------(Unaudited)-----	
		March 31, 2026	March 31, 2025
		-----Rupees-----	
<b>20.</b>	<b>LOSS PER SHARE</b>		
	<b>- BASIC AND DILUTED</b>		
	Loss after taxation attributable to ordinary shareholders	<u>(16,419,567)</u>	<u>(20,112,004)</u>
	Weighted average number of shares in issue during the period	<u>11,472,529</u>	<u>11,472,529</u>
	Loss per share - basic and diluted	<u>(1.43)</u>	<u>(1.75)</u>

		------(Unaudited)-----	
		March 31, 2026	March 31, 2025
		-----Rupees-----	
<b>21.</b>	<b>CASH GENERATED FROM OPERATIONS</b>		
	Loss before income tax expense	(2,382,324)	(2,984,421)
	<b>Adjustments for non-cash charges and other items</b>		
	Depreciation	11,686,661	13,229,274
	Employee benefits expense	1,179,729	1,462,275
	Gain on disposal of property, plant and equipment	(698,645)	-
	Return on savings and deposit accounts	(3,498,698)	(3,790,049)
	Dividend Income	-	(2,587,500)
	Mark-up on long-term financing	3,870,202	13,741,553
	Mark-up on short-term financing	6,888,430	14,006,805
	Provision for compensated absences	750,000	869,173
		<u>20,177,679</u>	<u>36,931,531</u>
		17,795,355	33,947,110
	<b>WORKING CAPITAL CHANGES</b>		
	<b>Decrease / (increase) in current assets</b>		
	Stores, spares parts and loose tools	16,638,088	18,835,755
	Inventories	(9,760,115)	152,057,354
	Trade receivables	11,198,976	18,035,446
	Loans and advances	(2,055,880)	5,594,059
	Trade deposits and short-term prepayments	(2,763,279)	(9,191,515)
	Other receivables	8,572,521	(31,260,947)
		<u>21,830,311</u>	<u>154,070,152</u>
	<b>(Decrease) / increase in current liabilities</b>		
	Trade and other payables	(15,697,711)	(111,496,049)
	Advances from customers	1,838,865	2,950,814
		<u>(13,858,846)</u>	<u>(108,545,235)</u>
		<u>25,766,820</u>	<u>79,472,027</u>
<b>22</b>	<b>RELATED PARTY DISCLOSURES</b>		
	The following transactions were carried out with related parties during the period:		
		------(Unaudited)-----	
	<b>Relationship with the Company</b>	<b>March 31, 2026</b>	<b>March 31, 2025</b>
		-----Rupees-----	
	<b>Holding company:</b>		
	- Millat Tractors Limited (MTL)		
	Sale of goods	1,160,818,426	1,436,600,308
	Purchase of goods	55,711	208,370
	Sales adjusted against material receipt	225,525,704	97,135,282
	Material received	144,176,232	208,067,335
	Expenses incurred by MTL on behalf of Company	500,691	442,208
	<b>Employee benefit funds:</b>		
	- Provident fund	3,943,366	4,088,628
	- Executives' Gratuity Fund	-	118,362
	- Executives' Gratuity Fund	435,226	-
	<b>Key management personnel:</b>		
	- Directors / Executives		
	Salaries and other employee benefits paid	47,567,132	41,872,834
		<b>(Unaudited)</b>	<b>(Audited)</b>
		<b>March 31, 2026</b>	<b>June 30, 2025</b>
<b>23</b>	<b>SHARIAH COMPLIANCE STATUS DISCLOSURE</b>		
		-----Rupees-----	
	<b>Condensed interim statement of financial position - Liability Side</b>		
	i) Short-term financing as per Islamic mode	14	60,000,000
	ii) Mark-up accrued on conventional loan	3,130,486	2,381,682
	iii) Mark-up accrued on Islamic loan	764,443	1,506,885
	<b>Condensed interim statement of financial position - Asset Side</b>		
	i) Shariah-compliant bank balances	11	4,969,665

----- (Unaudited) -----  
**March 31,**                      **March 31,**  
**2026**                                      **2025**  
----- Rupees -----

**Condensed interim statement of profit or loss**

i) Revenue earned from Shariah compliant business segment	<b>1,117,586,298</b>	1,477,168,358
ii) Profit on bank deposit - Islamic	<b>208,440</b>	-
iii) Income on bank deposit - conventional	<b>3,290,258</b>	3,790,049
iv) Profit paid on Islamic mode of financing	<b>6,888,430</b>	14,006,807

**Break-up of other income excluding profits in bank deposits**

**Shariah compliant income:**

i) Scrap sales	<b>2,863,742</b>	2,558,519
ii) Gain on disposal of property, plant and equipment	<b>698,645</b>	-
iii) Dividend income	-	-
iv) Miscellaneous income	<b>79,576</b>	532,786

**Shariah non-compliant income:**

i) Income on term deposit receipts - conventional	<b>391,225</b>	-
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**23.1 Relationship with Shariah-compliant financial institutions**

**Islamic banks**

The Company has facilities with Dubai Islamic Bank Pakistan Limited for Istisna cum Wakala, letter of guarantees and letter of credit amounting to Rs. 75 million, Rs. 3.4 million and Rs. 50 million respectively.

The Company has facilities with Meezan Bank Limited for Istisnah/Musawammah and letter of credit amounting to Rs. 100 million and Rs. 50 million respectively.

**Takaful operators**

The company has no relationship with takaful operators.

**24. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on April 22, 2026 by the Board of Directors of the Company.



**Chief Executive**



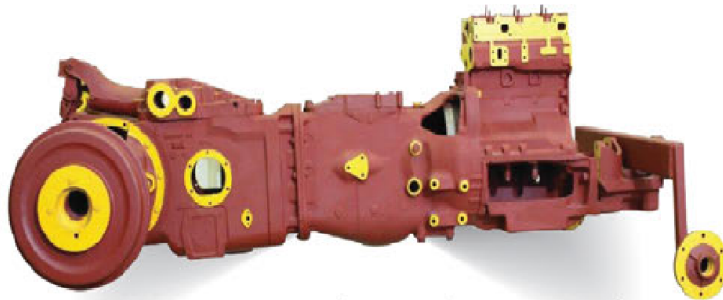
**Director**



**Chief Financial Officer**



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