



پیش قدمی

ANNUAL REPORT 2016





Heritage of Excellence

Monumental structures in our country are the symbol of realized ambition. Our country, a prosperous actual dream that became a reality. Our heritage defines a sense of glory and success that has been achieved by this region over a period of time. Hinopak takes inspiration from realized ambitions and looks to continue the legacy of realized potential and success.

Vision

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Frere Hall is one of the many remnant buildings of the British colonial era that still exist in Karachi, Sindh, Pakistan. It was built in honor of Sir Henry Bartle Edward Frere, who was known for promoting economic development and making Sindhi as the only official language. It was used as a Town Hall during the Raj.

Hinopak contributes to the economic growth of the country. We feel proud that our rich history and market leadership enables us as your partner to trust.







Vision

The vision of Hinopak Motors Limited is to provide the society with safe, economical, comfortable and environment friendly means of transportation by manufacturing and supplying commercial vehicles and services.



Mission Statement / Corporate Strategy

To pursue our vision, we commit ourselves:

- **To our individual, institutional and international customers:** to deliver high quality, safe, durable, reliable, comfortable, environment friendly and economical products and services to their total satisfaction.
- **To our employees:** to foster corporate culture of mutual trust, respect for fundamental human rights at work, opportunities for professional growth and personal welfare so that they are proud of being a member of the "Hinopak Family".
- **To the community and our nation:** to contribute to economic and social development by providing means of transportation and by progressive localization of the vehicles.
- **To the shareholders:** to act in compliance with the norms expected of a subsidiary of the Toyota Group of Companies and make a meaningful financial return to the shareholders.







Quaid-e-Azam Residency , also known as Ziarat Residency, is located in Ziarat, Balochistan, Pakistan. It is where Quaid-e-Azam, Muhammad Ali Jinnah spent the last days of his life. It is the most famous landmark of the city, constructed in 1892 during the British Raj. The building is a wooden structure, originally designed as a sanatorium before being converted into the summer residence of the agent of the Governor General. It is declared a national monument and heritage site and is of great architectural importance.

Hinopak is a symbol of heritage and success in Pakistan. We believe our strength lies in our history and quality. We believe that your belief in us is the pillar of our successes.

دنیای پیر







Basic Principles of Hinopak Code of Conduct

1. We develop and provide outstanding products and services that fulfill the demands of customers with sufficient attention given to safety and the environment and we aim to be an enterprise which has a significant presence in the commercial vehicle market.
2. We undertake open and fair corporate activities in conformity with the spirit and letter of laws. We maintain sound and transparent relationships with governmental and administrative entities.
3. We build and maintain good communications with society as well as our stakeholders, and we are committed to accurate and timely disclosure of information.
4. We recognize that an environmental preservation activity is an integral part of our business, and we voluntarily and actively promote and engage in environmental preservation activities as an indispensable condition for Hinopak's corporate existence and activities.
5. We recognize the inherent dignity and fundamental human rights of all members of the Hino family and therefore respect and support the practice of human rights.
6. We actively promote and engage in philanthropic activities as a member of Hino Motors Ltd. and the Toyota Group, and as a good corporate citizen.
7. We respect the right of workers at the workplace and their right of freedom of association and the right to organize and bargain collectively. We believe in transparency, mutual trust and respect for each others' rights and obligations and need for bilateral dialogue and cooperation between employees and management for achieving decent work with safe and healthy work environment, growth and excellence in business performance.
8. We take a resolute stand against antisocial power and organizations, and we act in compliance with ethical standards and sound social values.
9. We respect and abide the law of the land and applicable rules and the diversity of customs and culture and we contribute to development in the communities through our business activities.
10. We support the principles of Global Compact and expect our employees to embrace them in the work culture of our enterprise for sustainable growth and development.
11. We pledge to comply and enforce the basic principles of Hinopak's Code of Conduct and prevent its violation through the mechanism already in place from enforcing discipline, Companywide. Any member of Hinopak family observing any violation or abuse of this code of conduct may bring the same to the notice of the Management Committee or the Audit Committee in writing directly or through the suggestion boxes for necessary consideration and action.

Company Information

BANKERS

Allied Bank Limited
Bank Alfalah Limited
Citibank, N.A.
Habib Metropolitan Bank Ltd.
Habib Bank Ltd.
National Bank of Pakistan
Bank Al-Habib
Standard Chartered Bank (Pakistan) Limited
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
United Bank Ltd.
MCB Bank Limited

AUDITORS

A. F. Ferguson & Co. Chartered Accountants

LEGAL ADVISOR

Sayeed & Sayeed

REGISTERED OFFICE

D-2, S.I.T.E., Manghopir Road
P.O.Box No. 10714
Karachi-75700, Pakistan
Tel: 111-25-25-25
Website: www.hinopak.com
Email: info@hinopak.com

SHARE REGISTRAR

Technology Trade (Pvt.) Limited
Dagja House 241-C, Block-2
P.E.C.H.S., Off Shahr-e-Quaideen
Karachi
Tel: 34391316 - 7 & 19, 34387960 - 61
Fax: 34391318

AREA OFFICES

Lahore

19 KM, Multan Road, Lahore
Tel: 042-37512003-6
Fax: 042-37512005
Email: hino-lahore@hinopak.com

Islamabad

1- D, Unit 14,
Rehmat Plaza, 2nd Floor
Blue Area, Islamabad
Tel: 051-2276234
Fax: 051-2272268
Email: hino-islamabad@hinopak.com

Quetta

Room No. 3
Kasi Plaza No. 1, Zarghoon Road
Quetta
Tel: 081 - 2452598
Fax: 081 - 2451217
Email: hino-quetta@hinopak.com

Peshawar

Hino Peshawar
Ring Road, Near Kohat Road Bridge
Peshawar
Tel: 091 - 2322530
Fax: 091 - 2322550
Email: hino-peshawar@hinopak.com









The Lahore Fort, locally referred to as the Shahi Qila (Urdu/Punjabi:, Royal Fort), is a citadel in the city of Lahore, Punjab, Pakistan. In 1981, the fort was inscribed as a UNESCO World Heritage Site.

Hinopak builds on the legacy of rich heritage culture and expertise. Our drive to succeed stems from the confidence and trust of our shareholders . We believe that our growth is a testament to our history.



HINO

Our Organogram



BOARD OF DIRECTORS

MANAGING DIRECTOR & CEO

ADVISOR

DEPUTY MANAGING DIRECTOR

HR,
ADMINISTRATION & HSE

FINANCE & IT

SALES &
MARKETING

PARTS

SERVICE

SENIOR DIVISIONAL HEAD

SENIOR DIVISIONAL HEAD

DIVISIONAL
HEAD

DIVISIONAL
HEAD

DIVISIONAL
HEAD

DIVISIONAL
HEAD

DIVISIONAL
HEAD

DEPUTY GENERAL
MANAGER

DEPUTY
DIVISIONAL HEAD

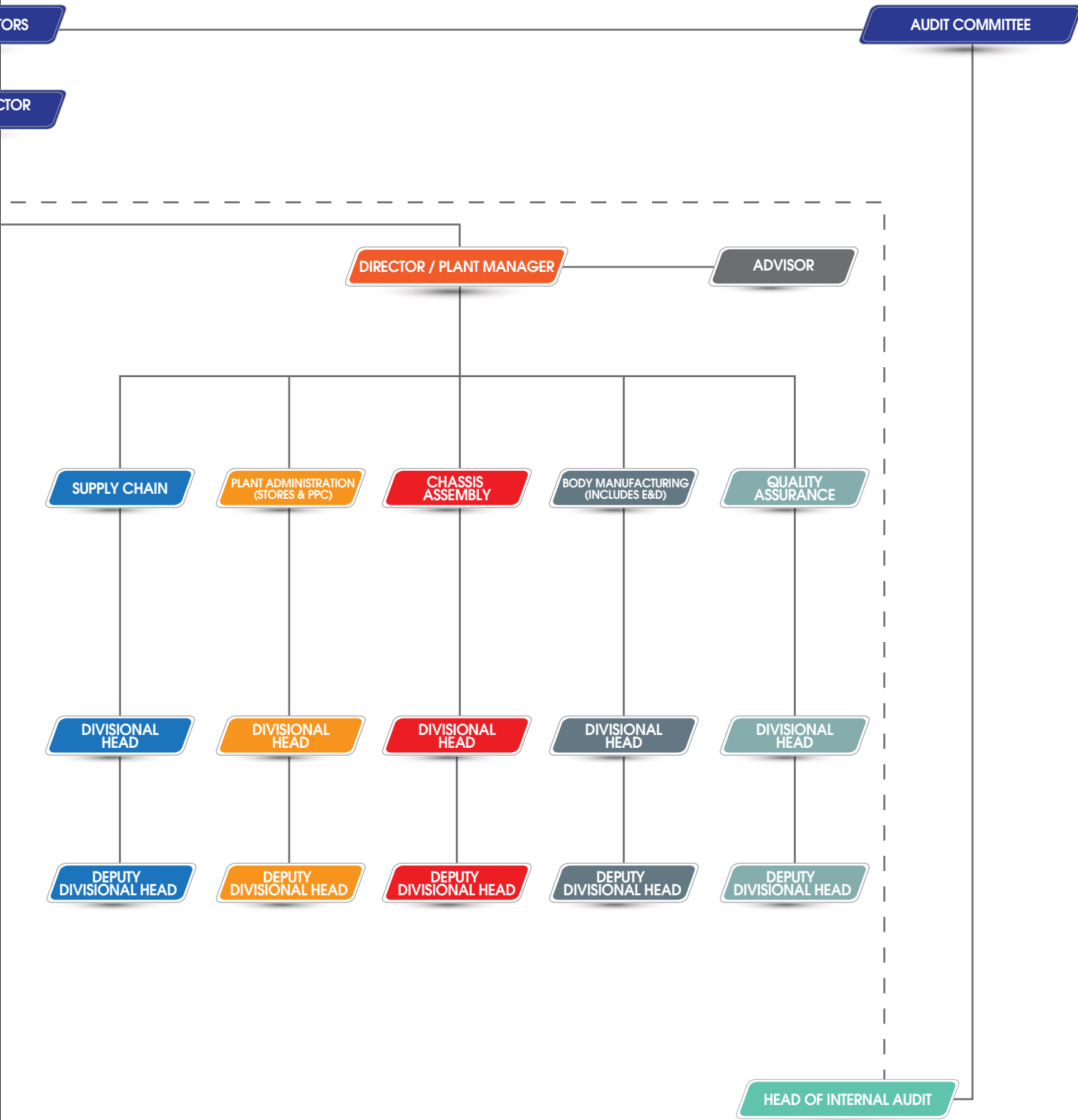
DEPUTY
DIVISIONAL HEAD

DEPUTY
DIVISIONAL HEAD

DEPUTY
DIVISIONAL HEAD

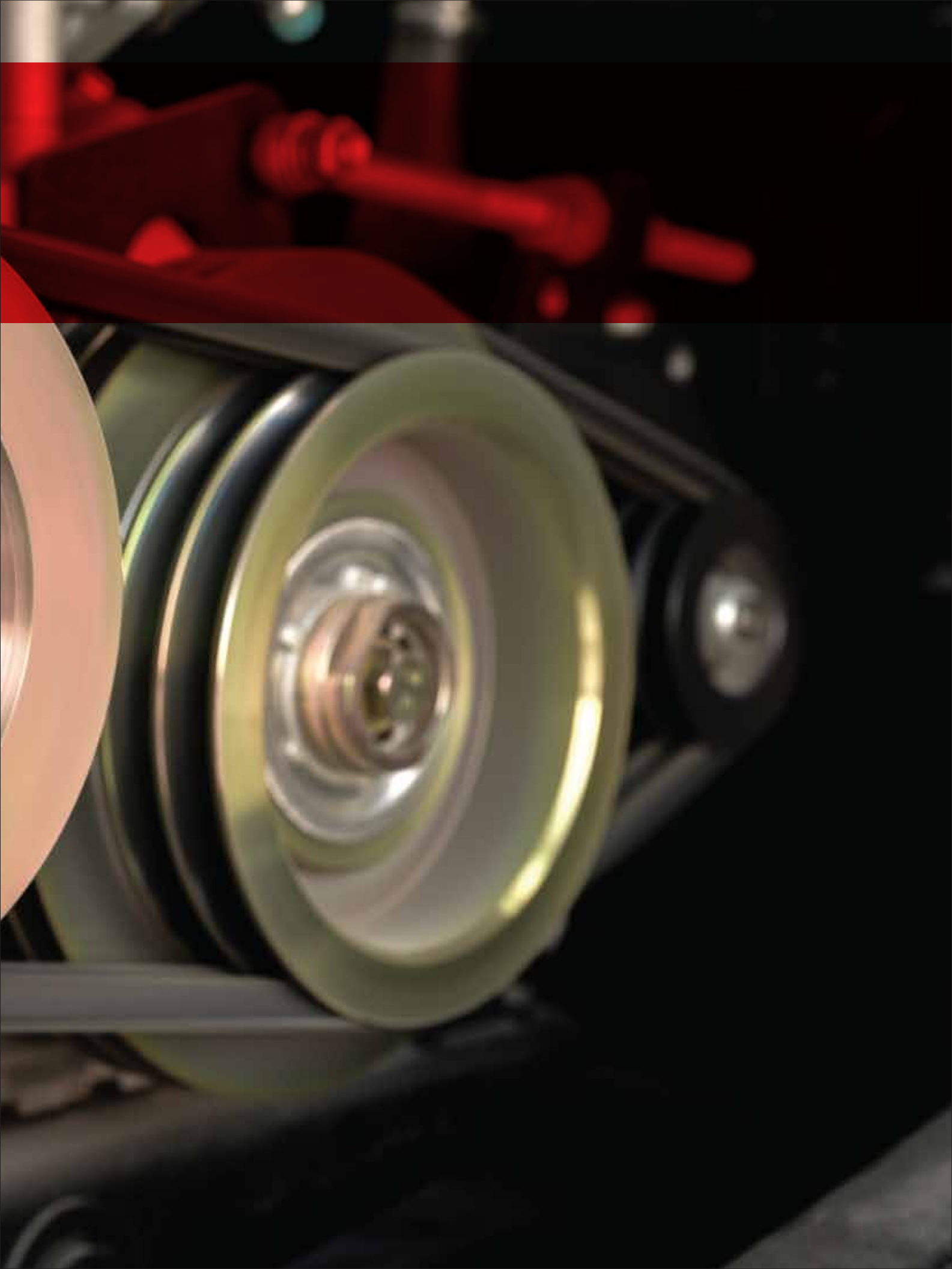
DEPUTY
DIVISIONAL HEAD

DEPARTMENT HEAD
STRATEGIC PLANNING

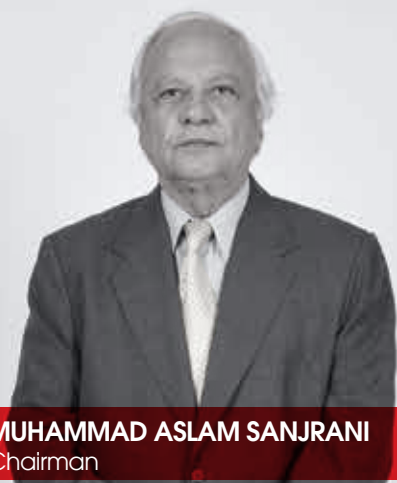


E&D
IT
HSE
HR

Engineering & Development
Information Technology
Health, Safety & Environment
Human Resource



Board of Directors



MUHAMMAD ASLAM SANJRANI
Chairman



TATSUHEI MUTO
Managing Director & CEO



YOSHIHIRO KONDO
Deputy Managing Director



SHIGEHIRO MATSUOKA
Non-Executive Director



TAKESHI YASUDA
Non-Executive Director



GHAFFOOR MIRZA
Independent Non-Executive Director



TAKEHITO SASAKI
Director



AKIHITO YAMANAKA
Non-Executive Director



TOYOKI KUNO
Non-Executive Director



FAHIM AIJAZ SABZWARI
Company Secretary & CFO

MUHAMMAD ASLAM SANJRANI

Chairman

Mr. Muhammad Aslam Sanjrani was appointed in November 2013 as non-executive director of the Company and Chairman of the board of directors.

He joined the Civil Service of Pakistan in 1971 and served 35 years in a variety of posts that included Administration assignments like District Magistrate, Commissioner (of Hyderabad and Larkana divisions), Secretary to the Government of Sindh and Balochistan, Autonomous and regulatory Bodies. He has worked in the Ministries of Commerce, Political affairs, Industries and Production and Foreign Affairs besides being the Secretary to the Government of Pakistan for Overseas Pakistanis. He was also the Chief Secretary of Sindh Province. Presently he is enrolled as an Advocate of the High Court.

During the service, he has represented Pakistan at International Forums including the World International Tourism Conference, World Bank, Asian Development Bank. He has enjoyed a very credible status amongst the international Donor Agencies with whom he successfully negotiated Loan agreement. He has been a sportsman having had the distinction of representing Pakistan cricket at all levels except test cricket. He has very successfully organized World Squash Championship in Karachi. Further, he has played badminton and table tennis at national level.

TATSUHEI MUTO

Managing Director & CEO

Mr. Tatsuhei Muto is the Managing Director and Chief Executive Officer of the Company. He has been associated with the Company since February 2016. He joined Hino Motors (Ltd.) Japan in 1988. He served Hino Group in different countries in multiple roles including General Manager of Middle East & West Asia Division and Director of Hino Motors Manufacturing Indonesia.

YOSHIHIRO KONDO

Deputy Managing Director

Mr. Yoshihiro Kondo has been appointed as the Deputy Managing Director of the Company in April 2014. He joined Toyota Tsusho Corporation in 1984 and used to be in charge of African market, Asian market, Oceania market as well as KD projects for Egypt, Kazakhstan and other countries as a General Manager for KD Business Department.

GHAFOOR MIRZA

Independent Non-Executive Director

Mr. Ghafoor Mirza was appointed as independent non-executive director of the Company and Chairman of the Audit Committee in November 2013. He is at present, also, the Chairman of the Bank of Punjab.

He performed a variety of roles for various Ministries of the Government of Pakistan and became Federal Secretary, Ministry of Finance in 1998. His last assignment with the Government of Pakistan includes advisor (with the status of a minister of state) to Ministry of Finance and Revenue in 2008. He was part of numerous negotiations of ministry of finance with International Monetary Fund (IMF) and World Bank, Asian Development Bank and member countries of Aid-to-Pakistan Consortium including Canada, Japan, France, West Germany, Italy, United Kingdom and Switzerland.

TAKEHITO SASAKI

Director

Mr. Takehito Sasaki was appointed as the Director of the Company in March 2015. He joined Hino Motors Ltd., Japan in 1988. He has a rich experience in production techniques and production investigation activities.

AKIHITO YAMANAKA

Non-Executive Director

Mr. Akihito Yamanaka was appointed in July 2015 as non-executive director of the Company and member of the Audit Committee. He joined Hino Motors Ltd., Japan in 1982.

SHIGEHIRO MATSUOKA

Non-Executive Director

Mr. Shigehiro Matsuoka was appointed in April 2015 as non-executive director of the Company, member of the Audit Committee and Human Resource and Remuneration Committee. He joined Hino Motors Ltd., Japan in 1981.

TAKESHI YASUDA

Non-Executive Director

Mr. Takeshi Yasuda was appointed in July 2015 as non-executive director of the Company and member of the Audit Committee. He joined Hino Motors Ltd., Japan in 1982.

TOYOKI KUNO

Non-Executive Director

Mr. Toyoki Kuno was appointed in November 2012 as non-executive director of the Company and member of the Audit Committee. He joined Toyota Tsusho Corporation in 1986. Presently he is also working as General Manager Hino Automotive department of Toyota Tsusho Corporation. He has served the Toyota group in different countries in numerous roles.

FAHIM AIJAZ SABZWARI

Company Secretary & CFO

Mr. Fahim Aijaz Sabzwari is the Company Secretary and Chief Financial Officer. He joined the Company in October 2005. Previously he has worked with A.F.Ferguson & Co., Deloitte Kingdom of Saudi Arabia and Al Ghurair Group, Dubai. He is the Director of Arabian Sea Country Club. He is also the fellow member of Institute of Chartered Accounts of Pakistan.



Management Team



MUHAMMAD OWAIS M. KHAN
Advisor



FAHIM AIJAZ SABZWARI
Senior Divisional Head
Finance & IT Division, HR, Admin & HSE Division



NAUSHAD RIAZ
Divisional Head
Chassis Assembly Division



NISHAT ZAFAR
Divisional Head
Plant Administration Division (Stores & PPC)



ADIL MOHIUDDIN SHAH
Senior Divisional Head
Sales & Marketing Division, Parts & Service Division



MASAAKI KATO
Divisional Head
Supply Chain Division

MUHAMMAD OWAIS M. KHAN

Advisor

Mr. Muhammad Owais M. Khan is the Operating Officer and advisor on production and manufacturing matters. He has been associated with the Company since 1986 and served the Company in different roles mainly Production areas.

FAHIM AIJAZ SABZWARI

Senior Divisional Head

Finance & IT Division, HR, Admin & HSE Division

Mr. Fahim Aijaz Sabzwari is the Senior Divisional Head of Finance, IT, HR, Admin and HSE Divisions. He joined the Company in 2005. Previously he has worked with A.F.Ferguson & Co., Deloitte Kingdom of Saudi Arabia and Al Ghurair Group, Dubai. He is the Director of Arabian Sea Country Club. He is also the fellow member of Institute of Chartered Accountants of Pakistan.

NAUSHAD RIAZ

Divisional Head

Chassis Assembly Division

Mr. Naushad Riaz is the Senior General Manager and Divisional Head of Chassis Assembly Plant and is also heading Strategic Business activities. Mr Riaz is a Mechanical Engineer followed by MBA (Finance) and carrying over 30 years of Experience in Auto Industry ,he is associated with Hinopak since 1986. He is a Lead Auditor of Environment Management System (ISO-14000). Riaz has vast experience in Production, Projects, Progressive Manufacturing and Supply Chain Management. He represents Hinopak at various forums and is an Executive Committee Member of PAMA (Pakistan Automobile Manufacturers Association). Presently, he is also the Director of Automotive Testing & Training Centre (Pvt) Ltd .

NISHAT ZAFAR

Divisional Head

Plant Administration Division (Stores & PPC)

Mr. Nishat Zafar is the Divisional Head of Plant Administration Division. He has been associated with the Company since 1986 and has served in different roles mainly production areas.

ADIL MOHIUDDIN SHAH

Senior Divisional Head

Sales & Marketing Division, Parts & Service Division

Mr. Adil Mohiuddin Shah is the Divisional Head of Sales and Marketing Division. In this role he led the Hinopak's marketing efforts, overseeing team marketing and sales professionals.

Adil has been associated with the Company for more than 20 years and has worked in various roles in the Sales & Marketing and Customer Support Divisions of Hinopak.

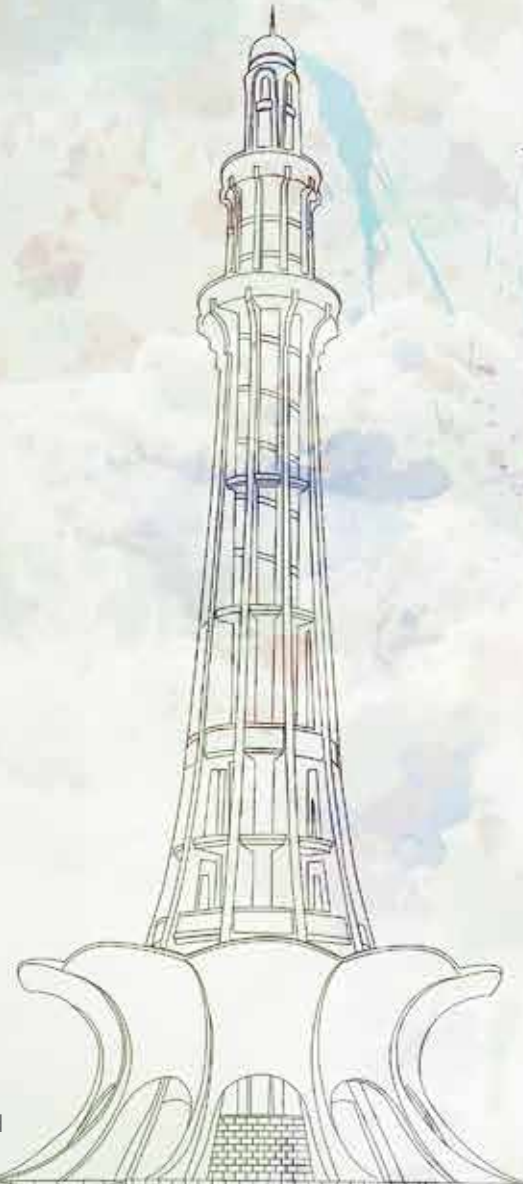
Adil is an MBA from the Institute of Business Administration and has also worked for Teradata Pakistan leading the solution team for Financial & Government sector for Pakistan and Bangladesh.

MASAACKI KATO

Divisional Head

Supply Chain Division

Mr. Masaaki Kato the Divisional Head of Supply Chain Division. He has been associated with the HINO Motors since 2002, has served Engine Research & Development and Global Procurement, and moved to Hinopak Supply Chain Division in 2014.



Minar-e-Pakistan (Mīnār-i Pākistān, literally "Tower of Pakistan") is a public monument located in Iqbal Park which is one of the largest urban parks in Lahore, Punjab, Pakistan. The tower was constructed during the 1960s on the site where, on 23 March 1940, the All-India Muslim League passed the Lahore Resolution, the first official call for a separate homeland for the Muslims living in South Asia. The tower symbolizes a vision and its realization.

For Hinopak, the pursuit of its vision is an actual reality and endeavor. We believe that to represent excellence, success and trust, we have to work and pursue our goals with zest and clarity.

میںلاکھ



Board Committees

AUDIT COMMITTEE

Ghafoor Mirza – Chairman
(Non - Executive Director)

Akihito Yamanaka
(Non - Executive Director)

Takeshi Yasuda
(Non - Executive Director)

Shigehiro Matsuoka
(Non - Executive Director)

Toyoki Kuno
(Non - Executive Director)

Muhammad Shoaib Akhtar
(Secretary)

TERMS OF REFERENCE

- Determination of appropriate measures to safeguard Company's assets;
- Review of quarterly, half-yearly and annual financial statements of the Company, prior to the approval by the Board of Directors;
- Review of management letter issued by external auditors and management's response thereto and monitor the action plan to improve the control environment;
- Review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
- Ascertaining that the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective;
- Instituting special projects, other investigations on any matter specified by the Board of Directors, and to refer any matter to the external auditors or to any other external body; and
- Monitoring compliance with relevant statutes and best practices of Corporate Governance.

HUMAN RESOURCE & REMUNERATION COMMITTEE

Akihito Yamanaka- Chairman
(Non - Executive Director)

Tatsuhei Muto

Toyoki Kuno
(Non - Executive Director)

Yoshihiro Kondo

Takeshi Yasuda
(Non - Executive Director)

Shigehiro Matsuoka
(Non - Executive Director)

Fahim Aijaz Sabzwari (Secretary)

TERMS OF REFERENCE

- Recommending human resource management policies to the board;
- Recommending to the board the selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO;
- Recommending to the board the selection, evaluation, compensation (including retirement benefits) of CFO, Company Secretary and Head of Internal Audit; and
- Considering and approving on recommendations of CEO on such matters for key management positions who report directly to CEO.

Functional Committees

MANAGEMENT COMMITTEE

Tatsuhei Muto – Chairman

Yoshihiro Kondo

Takehito Sasaki

Muhammad Owais M. Khan

Fahim Aijaz Sabzwari

Naushad Riaz

Nishat Zafar

Adil M. Shah

Masaaki Katou

Yoshihito Iinuma

Ahsan Waseem Akhtar (Secretary)

TERMS OF REFERENCE

- Managing the day to day operations of the Company;
- Developing the business and marketing strategy of the Company;
- Reviewing budgetary proposals and the necessary actions to implement the business plan;
- Monitoring profitability and deviations from business plan; and
- Handling the major business issues and other urgent matters on behalf of the Board.

GLOBAL COMPACT & CSR COMMITTEE

Tatsuhei Muto – Chairman
Yoshihiro Kondo
Takehito Sasaki
Muhammad Owais M. Khan
Fahim Aijaz Sabzwari
Naushad Riaz
Adil M. Shah
Ahsan Waseem Akhtar
Muhammad Khaliluddin
(Secretary)

TERMS OF REFERENCE

- a. Review and approve the budget for CSR activities;
- b. Monitor the following CSR related activities directly or through sub committees:
 - Compliance and Good Governance (Internal Control System, Risk Management and SOA compliance activities);
 - Environment Management;
 - Creating safe and decent work place; and
 - Social activities and contribution to local communities (Activities in the field of education, health, safety, sports and creating awareness).
- c. Monitor Global Compact internalization and implementation plan; and
- d. CSR and Global Compact reporting.

INFORMATION TECHNOLOGY STEERING COMMITTEE

Fahim Aijaz Sabzwari – Chairman
Naushad Riaz
Adil M. Shah
Ahsan Waseem Akhtar
Muhammad Zahid Hasan
(Secretary)

TERMS OF REFERENCE

- a. Reviewing the long and short term plans;
- b. Approving and monitoring major projects;
- c. Reviewing and approving the major acquisitions;
- d. Ensuring liaison between IT and the user departments; and
- e. Reviewing the adequacy and allocation of resources.

HUMAN RESOURCE DEVELOPMENT COMMITTEE

Tatsuhei Muto – Chairman
Yoshihiro Kondo
Takehito Sasaki
Fahim Aijaz Sabzwari
Ahsan Waseem Akhtar (Secretary)

TERMS OF REFERENCE

- a. Developing and implementing policies for management of human capital;
- b. Establishing performance management system, developing and reviewing performance goals and objectives; and
- c. Reviewing compensation system and practices.

INDUSTRIAL RELATIONS COMMITTEE

Fahim Ajjaz Sabzwari – Chairman
Ahsan Waseem Akhtar
Arshad Khan
Waseem Ahmed
Muhammad Khaliluddin
(Secretary)

TERMS OF REFERENCE

- Promoting labour management relationship;
- Reviewing grievance handling mechanism; and
- Reviewing employee involvement in continuous improvement activities.

HEALTH, SAFETY & ENVIRONMENT SYSTEMS STEERING COMMITTEE

Takehito Sasaki – Chairman
Fahim Ajjaz Sabzwari
Naushad Riaz
Nishat Zafar
Syed Samad Siraj
Ahsan Waseem Akhtar
Waseem Ahmed
Secretariat Members
Nabila M. Faisal (Secretary)

TERMS OF REFERENCE

- Reviewing compliances with the Company policies related to HSE;
- Overseeing the effective maintenance of ISO 14001 and OHSAS 18001 Standards Company wide;
- Reviewing major Health, Safety and Environmental Projects and ensure their implementations;
- Monitoring the effectiveness of awareness and training programs to educate employees on HSE matters / issues; and
- Providing leadership and guidance and periodic review of the progress and performance of HSE through audits and Management Review for continual improvement.

QUALITY MANAGEMENT SYSTEMS STEERING COMMITTEE (ISO 9001 : 2008)

Takehito Sasaki – Chairman
Tatsuhei Muto
Muhammad Owais M. Khan
Fahim Ajjaz Sabzwari
Naushad Riaz
Masaaki Kato
Syed Samad Siraj
Ahsan Waseem Akhtar
Secretariat Members
Sarwar Karim (Secretary)

TERMS OF REFERENCE

- Establishing, implementing and maintaining Environmental Management System (EMS) and Quality Management System (QMS) against ISO 9001:2008 and ISO 14001:2004 Standards Company wide; and
- Providing leadership and guidance and periodic review of the progress and performance of QMS, EMS through audits and management reviews for the continual improvement.

COST CONTROL AND MONITORING COMMITTEE

Yoshihiro Kondo – Chairman
Takehito Sasaki
Muhammad Owais M. Khan
Fahim Aijaz Sabzwari
Naushad Riaz
Nishat Zafar
Adil M Shah
Masaaki Kato
Syed Samad Siraj
Abdul Basit (Secretary)

TERMS OF REFERENCE

- a. Monitoring cost being incurred in all functional areas;
- b. Recommending, proposing methods, ways to control and minimize cost to the top management for approval; and
- c. Monitoring implementation of cost control processes / methods.

WHISTLE BLOWING COMMITTEE

Tatsuhei Muto – Chairman
Yoshihiro Kondo
Muhammad Owais M. Khan
Fahim Aijaz Sabzwari
Abdul Basit (Secretary)

TERMS OF REFERENCE

- a. Establishing, implementing and maintaining the Whistle Blowing Mechanism;
- b. Monitoring and ensuring the transparency of the Whistle Blowing Process;
- c. Reviewing and analyzing periodically the feedback and complains obtained through the mechanism;
- d. Designating and supervising the officer investigating with regards to any matter reported through the Whistle Blowing Mechanism; and
- e. Initiating steps to ensure compliance with the Hinopak Code of Conduct, transparency in financial reporting and safeguard of Company's assets.

PRODUCTION PLANNING & CONTROL STEERING COMMITTEE

Takehito Sasaki - Chairman
Tatsuhei Muto
Yoshihiro Kondo
Muhammad Owais M. Khan
Fahim Aijaz Sabzwari
Naushad Riaz
Nishat Zafar
Adil M Shah
Masaaki Kato
Syed Samad Siraj
Salman Abdul Wahab (Secretary)

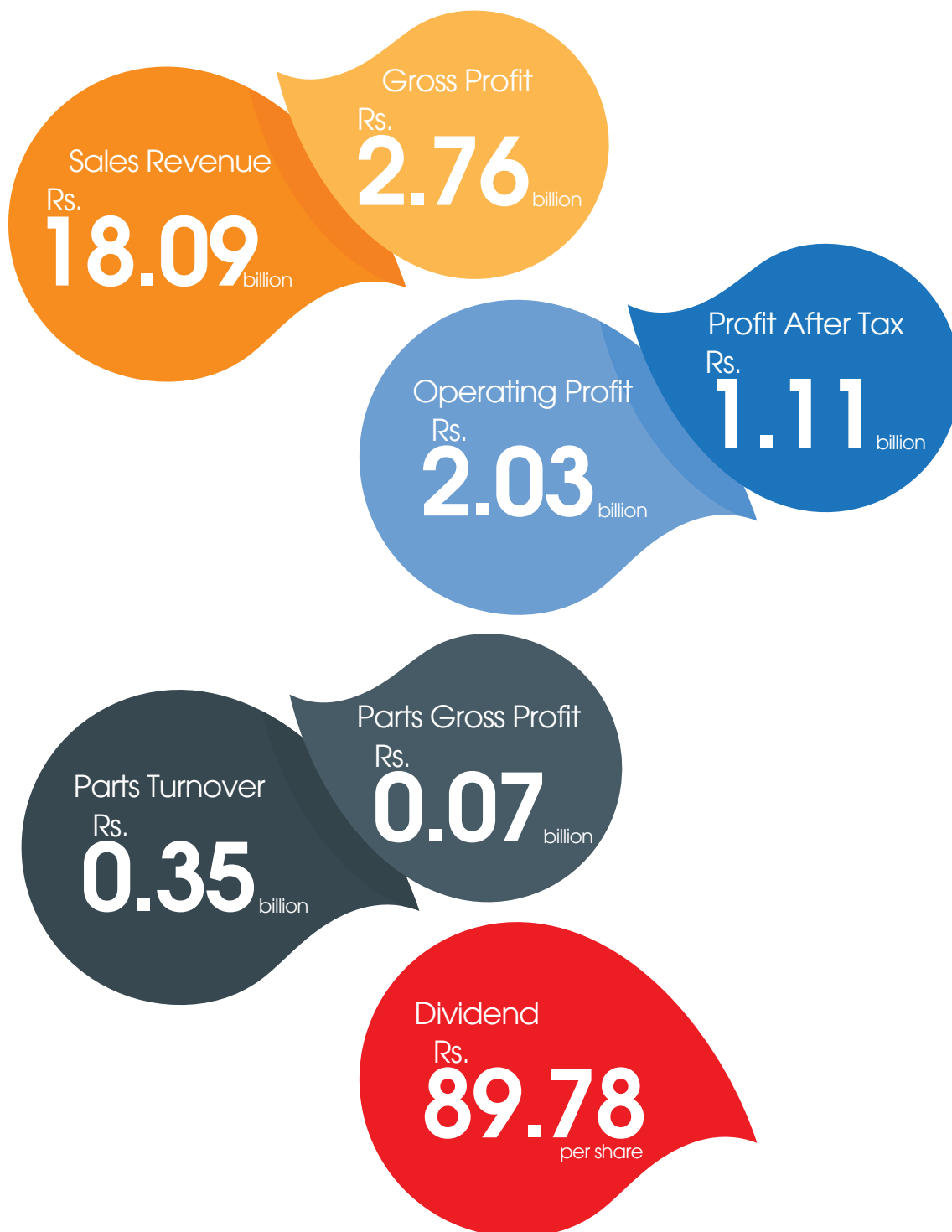
TERMS OF REFERENCE

- a. Reviewing the status of production periodically;
- b. Scheduling the future production and projects;
- c. Analyzing the plant occupancy status; and
- d. Reviewing the efficiency level of product for steady improvement.



YEARS OF EXCELLENCE

30th Year - Year of Records





Managing Director & CEO Message

TATSUHEI MUTO

Assalam O Alaikum!

Yet another thriving year closed.

The year 2015-16 added another feather of success in the history of Hinopak where the company has broken its highest ever record of profitability.

It has been 30 Years and Hinopak has continued to scale new heights of achievements. On this occasion, I take the pleasure to congratulate all the members of Hinopak family, including our valued customers and business partners without whose incessant efforts, we would not have been able to achieve a new milestone.

In order to meet market demand, we introduced Euro II compliant vehicles and Rear Engine bus last year, which proved to be a success and played a vital role in achieving this milestone.

I offer my gratitude to all the members of Hinopak family for their continued **"Total Support"** and I wish that we witness more of such success in the years to come.



Deputy Managing Director Message

YOSHIHIRO KONDO

Congratulations!

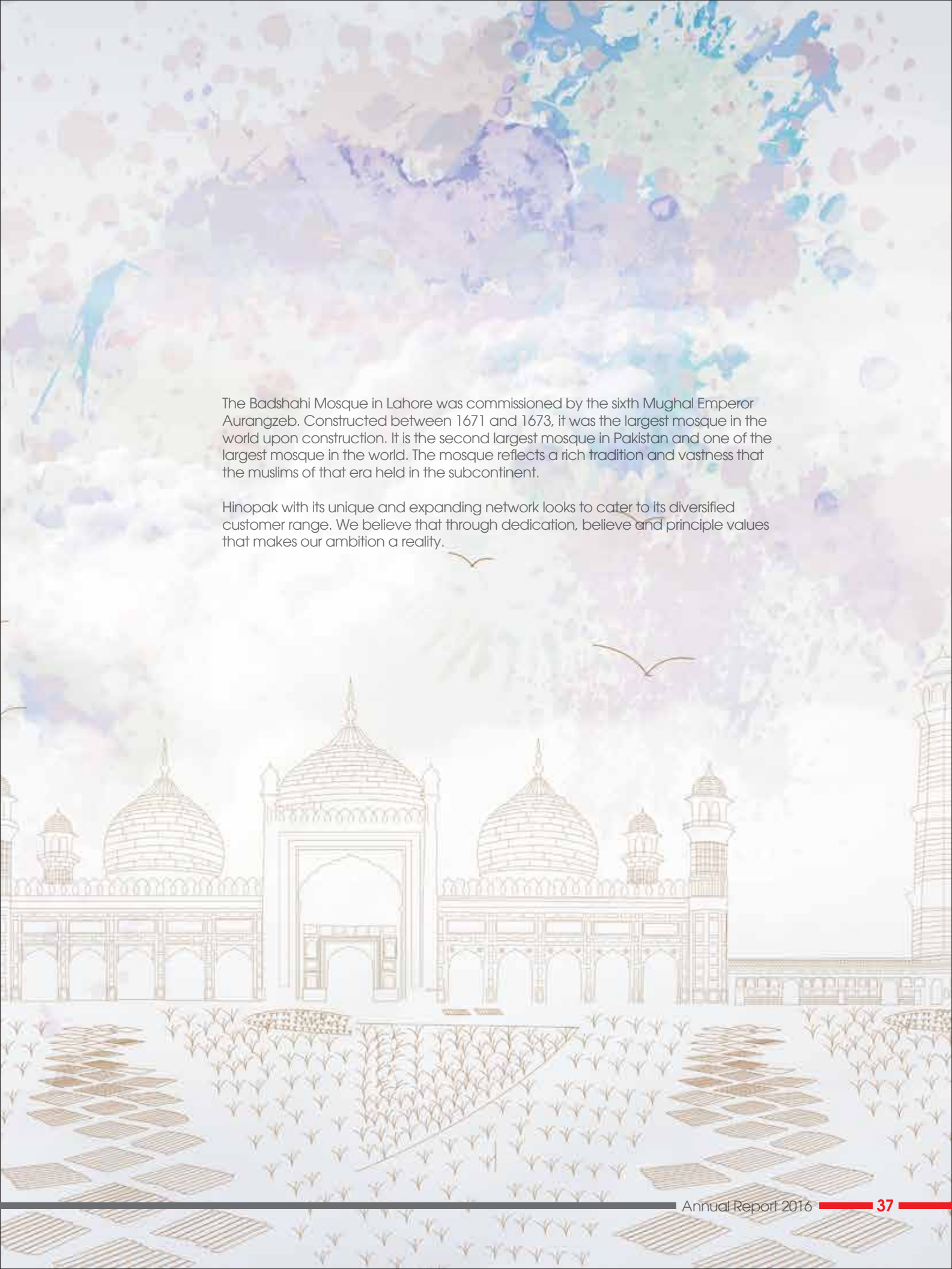
I offer my sincere appreciation to all the stakeholders for their persistent and untiring efforts, support and cooperation in setting a new milestone.

Hinopak achieved a new benchmark in terms of highest ever sales revenue and profitability despite aggressive competition and fluctuating exchange rates. Our company is firmly committed towards manufacturing / assembling of market oriented, environmental friendly, quality products and will continue its best efforts to increase the performance bar.

I am confident that through the relentless efforts of my team, the support of customers and vendors, we shall continue to add more chapters to the successful history of the company.

باشا حیدر





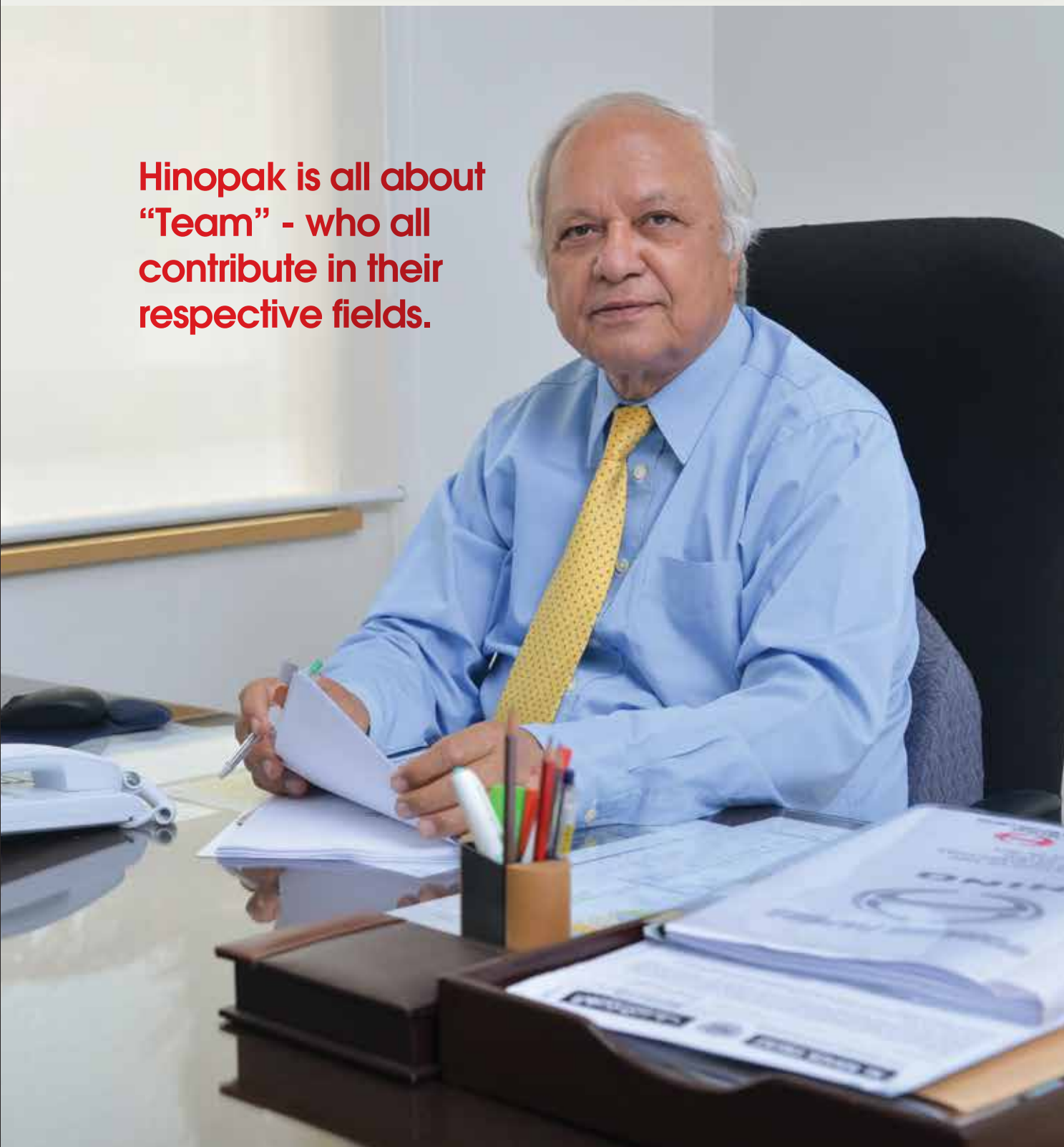
The Badshahi Mosque in Lahore was commissioned by the sixth Mughal Emperor Aurangzeb. Constructed between 1671 and 1673, it was the largest mosque in the world upon construction. It is the second largest mosque in Pakistan and one of the largest mosque in the world. The mosque reflects a rich tradition and vastness that the muslims of that era held in the subcontinent.

Hinopak with its unique and expanding network looks to cater to its diversified customer range. We believe that through dedication, believe and principle values that makes our ambition a reality.

Chairman's Review Greetings!

I welcome you all to the
31st Annual General
Meeting of the Company. I
am pleased to present you
the Company's
performance for the year
ended March 31, 2016.

**Hinopak is all about
“Team” - who all
contribute in their
respective fields.**



It is a privilege to announce yet another remarkable year in the history of Hinopak Motors Limited, that for the 3rd consecutive year, the Company has achieved its highest ever profit. Another milestone that was achieved in past year is the successful completion of 30 years journey of the Company's operation in Pakistan.



I congratulate all the stakeholders on this historic and proud moment as the Company has achieved highest ever after tax profit of Rs. 1,113 million. The Company improved upon its own record for the 3rd consecutive year. Alongside, proclaiming record profits, the Company continued to enjoy market leadership by enhancing its market share in commercial vehicle industry. In the heat of moment, we all are jubilant.

HINOPAK BUSINESS

Market Share and Sales

As the economy start showing progressive trend, auto industry flourished also, with increased in market size. Despite stiff competition from market players the Company remained market leader and enhanced its overall market share to 46% in the commercial vehicle industry.

In the Bus segment, the Company remained dominant with market share of 67%. Overall share of the Company in the Truck segment significantly improved to 42%. The Company also posted highest ever sales revenue of Rs. 18,087 million as against Rs. 12,636 million in the previous year.

Gross Profit

The gross margin increased to Rs. 2,762 million as against Rs. 1,973 million in the previous year.



Distribution and Administrative Expenses

Distribution and administrative expenses stood at Rs. 792 million as compared to Rs. 662 million last year.



Finance Cost

Appreciation of Japanese Yen resulted in exchange loss of Rs. 294 million compared to exchange gain of Rs. 125 million last year.

Profit after Tax

Company improved its own track record by earning highest ever after tax profit of Rs. 1,113 million as compared to last year after tax profit of Rs. 1,073 million. Earnings per share also increased to Rs. 89.78 as compared to Rs. 86.54 in last year.



Capital Expenditure

The Company invested Rs. 370 million in its capital goods to increase productivity, improve technology and to achieve higher safety and quality standards.

Cash Flow and Working Capital Management

Through improved sales volumes, efficient inventory management and timely recovery of trade debts, the Company generated Rs. 2,676 million from operating activities and incurred Capital Expenditure of Rs. 370 million. The Company also paid taxes amounting Rs. 681 million. The increase in cash and cash equivalent was Rs. 999 million.

Dividend

As a result of another year of excellent performance of the Company, the Board of Directors proposed to pay 100% of profit after tax, to the shareholders as dividend, which is Rs. 89.78 per share as compared to Rs. 64.91 per share in the last year.



MANUFACTURING FACILITIES

Chassis Assembly Division

Chassis Assembly Division (CAD) is fundamental to success and growth of the Company. The Company focuses on employing contemporary technologies and improving production techniques for producing best quality chassis for our valued customers. The number of chassis produced was 3137 compared to 2919 in the preceding year.



In addition, 5,304 IMV (Hilux) frames were produced for Indus Motors Company.

Body Manufacturing Division

During the year, BMD produced 470 bodies of different and specialized varieties. This number last year, stood at 1,517, which was much higher due to institutional orders. The productivity of plant has been constantly improving due to reduction of waste and deployment of advanced manufacturing practices.



BUSINESS PROCESS IMPROVEMENT AND PRODUCT DEVELOPMENT

The implementation of product development best practices can best be viewed as a journey rather than destination and we believe to continuously keep on moving forward.

Hinopak always tends to employ superior technology in production process which enables to deliver high quality and reliable products to the satisfaction of the customers. Keeping the challenges under consideration, the Company added Rs. 102 million in plant and machinery in order to facilitate the production processes.

AFTER SALES SUPPORT

At Hinopak we understand that the ultimate measure of our success is the satisfaction of our customers, providing a positive customer experience every time is the best way we know to ensure our continued growth and leadership. Hinopak with the largest after sales support network in commercial vehicle industry continues to satisfy the customers. With dealership network across Pakistan, we strive hard to meet the customer expectations. Our efforts and customer satisfaction & confidence resulted in highest Parts Sales performance this year, as it surpassed the record set in previous year.

CORPORATE SOCIAL RESPONSIBILITY

Earthquake Relief

Businesses cannot be successful when the society around them gets weakened. Apart from building healthy business, contributing towards building a better society is essential ingredient of the Company's long-term vision.

This year few parts of northern region of Pakistan again, experienced catastrophic earthquake causing severe damage to the people and their belongings. The Company in collaboration with Pakistan Army provided essential support to the affected regions on immediate basis, through delivering warm clothing and quilts, as winter approached, and wished them quick return to peaceful days.

Donation to Charitable Organisations

Availability of quality health care facilities has always been dreamy for the needy and poor. This year, the Company broadened its support for health care sector, particularly focusing on children with disabilities. The Company helped to make their wings spread by making noteworthy contribution to “Dar-ul-Sukun” (a home for abandoned children with disabilities) throughout the year for their medical expenses coverage.

Other Welfare Activities

Other prominent welfare activities carried out during the year includes among others, sponsoring national cricket tournament for the blind, learn & fun summer camps for kids, road safety awareness campaign in government schools, merit based scholarships for workers’ children, technical assistance to university students for their study and research projects, and technical scholarships for engineering students.

HUMAN RESOURCE DEVELOPMENT

At Hinopak, we believe that nothing we do is more important than developing people, enhancing & promoting their knowledge, skills, experiences, and innovativeness.



Continuing the legacy of developing our personnel, numerous training programs that concentrated on management & leadership development, professional skills, technical training, and soft skills were conducted throughout the year and a total of 23,461 training hours were achieved, reflecting Company’s zeal towards its people.

The Company also celebrated its 30th anniversary by arranging “Family Festival” at “Dream World Resorts” for its employees and their families in February, 2016.

OCCUPATIONAL HEALTH & SAFETY

At Hinopak Motors, we understand our responsibility to ensure safe and healthy working environment for our employees and interested parties.

Keeping our pledge on “Zero Sai” (Zero Accident), Safety Dojo Center was established during the year. The purpose is to change the mindset of employees by providing them the “First Hand Feel” of Work Place Hazards. In order to enhance safety culture, top management conducts Safety Gamba (Inspection) from time to time on the shop floor to visually check safety issues of the workplace.

CONTRIBUTION TO NATIONAL EXCHEQUER

The Company continues to pursue the policy of localization of auto parts in order to reduce costs and save foreign exchange. The localization through vendors saved the country over Rs. 2 billion in foreign exchange. The Company also paid approx Rs. 1.7 billion in taxes, duties and cesses to the Government.

CORPORATE GOVERNANCE

In line with Code of Corporate Governance, Directors' Certification program was arranged through Securities and Exchange Commission of Pakistan (SECP) accredited institution.

CHANGES TO THE BOARD

During the year, Mr. Keiichiro Utsumi, Managing Director & CEO of the Company, returned back to Japan for a new assignment after serving our Company for four years. Mr. Utsumi's tenure though very challenging yet full of accomplishments during which period the Company earned record profits for three consecutive years. I take this opportunity to thank him for his unremitting efforts and valuable contribution to the Company and welcome Mr. Tatsuhei Muto, who has vast experience of Hino Motors Japan and other Hino subsidiary, as new Managing Director & CEO and wish him all the success and effulgent future. Besides that, few of our Board members retired. For those who retired, we would like to put on record our gratitude for their noteworthy contributions made during their tenure as Board members, and for the new members, we take this opportunity to welcome them. We are very hopeful that the new members would, with indigenous edge, bring growth and more improvement in the Company.

FUTURE OUTLOOK

Having a sight over macroeconomic indicators, Pakistan's economy seems to grow progressively. The construction of China Pakistan Economic Corridor will also provide ample opportunities for the business to flourish.

The challenges that would be catered by the Company includes among others, power outages, import of used trucks & buses, and adverse exchange parities which eventually results in higher cost of production.

Despite numerous challenges ahead, management is confident that the Company will continue to uphold its market leadership through innovation & modernization and continue to indulge its customers through exceptional after sales services. Finally, fundamental endeavor for the management is not only to sustain current performance but to attain above the bar in the years to come.

VOTE OF THANKS

It gives me great pleasure to extend a vote of thanks to our valued customers for their unparalleled confidence in Company's products and after sales support, our shareholders for their consummate trust, our parent companies Hino Motors Ltd and Toyota Tsusho Corporation for their enduring support and guidance, our vendors and suppliers for maintaining sustained and quality supplies, the regulators including Federal and Provincial Governments for their patronage and to our dealers, bankers and other business partners for their trust in the Company.

Last but not least, I would like to convey my utmost thanks to the Board of Directors, the Management and above all, the commendable workers for their persistent exertions to make this year most historical one for the Hinopak in 30 years journey.

Hinopak is all about "Team"-who all contribute in their respective fields.



MUHAMMAD ASLAM SANJRANI

Chairman

Dated: May 26, 2016

Hinopak Values

H



Honesty at all cost and in all spheres of business

I



Integrity we do what we say at personal & corporate level

N



Non bureaucratic pragmatic in systems & processes

O



Openness to customers, markets & criticism

P



Purpose oriented always keeping the end in mind

A

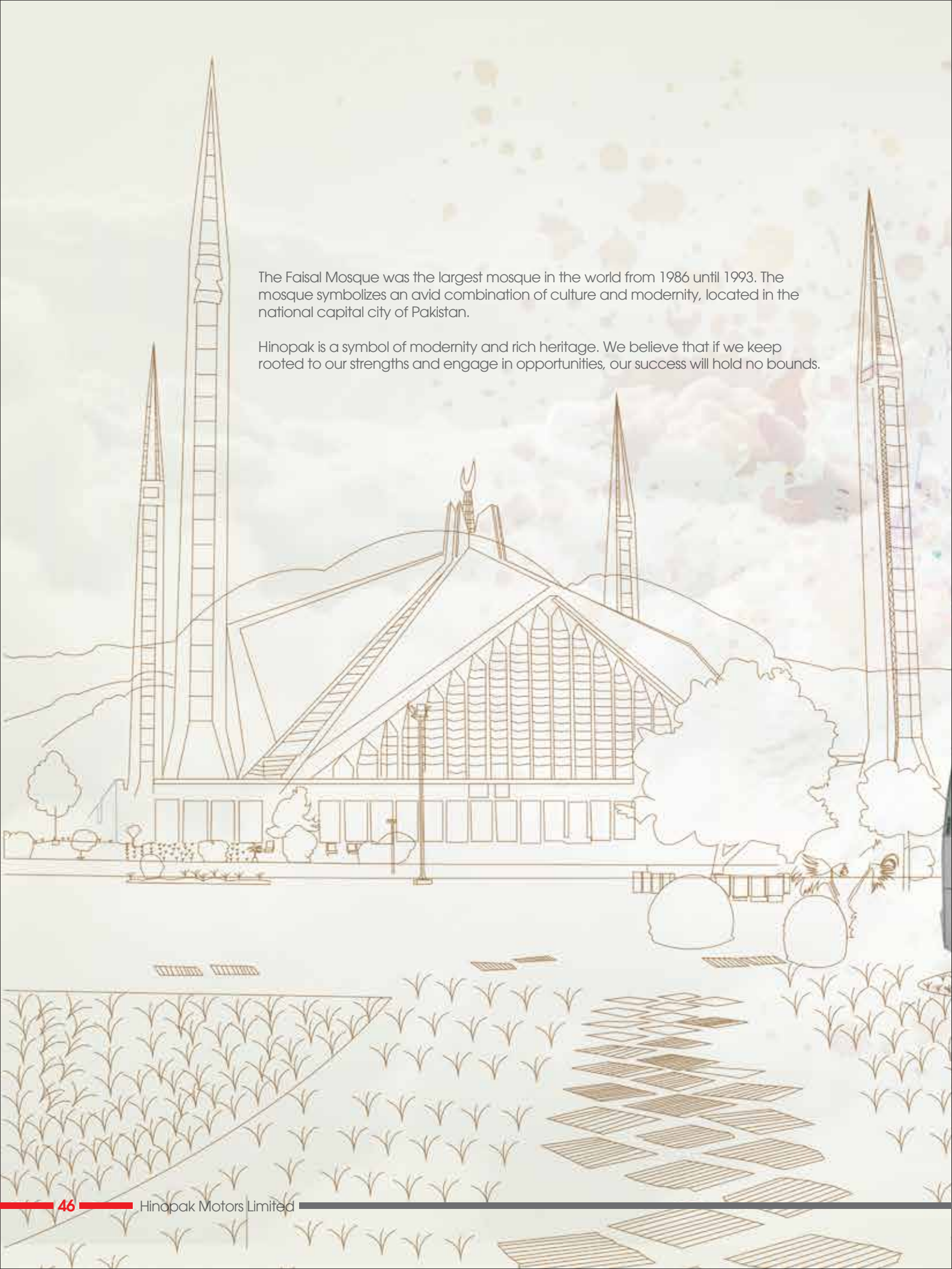


Altruism fostering relationship with society & environment

K



Kaizen continuous improvement



The Faisal Mosque was the largest mosque in the world from 1986 until 1993. The mosque symbolizes an avid combination of culture and modernity, located in the national capital city of Pakistan.

Hinopak is a symbol of modernity and rich heritage. We believe that if we keep rooted to our strengths and engage in opportunities, our success will hold no bounds.

فستاجل





Directors' Report

The Directors take pleasure in presenting this report, together with the Audited Financial Statements of the Company for the year ended March 31, 2016.

The Board of Directors of the Company as at March 31, 2016 consists of:

Mr. Muhammad Aslam Sanjrani
Mr. Tatsuhei Muto
Mr. Yoshihiro Kondo
Mr. Ghafoor Mirza
Mr. Takehito Sasaki
Mr. Shigehiro Matsuoka
Mr. Toyoki Kuno
Mr. Akihito Yamanaka
Mr. Takeshi Yasuda

*During the year, Mr. Akihito Yamanaka, Mr. Takeshi Yasuda and Mr. Tatsuhei Muto have been appointed as Directors in place of Mr. Hiroshi Kokaji, Mr. Toshiaki Yasuda and Mr. Keiichiro Utsumi respectively.

Appropriation of Profit

Following are the details of appropriations:

	Year ended March 31, 2016	Year ended March 31, 2015
Rupees in '000		
Profit before taxation	1,727,042	1,552,589
Taxation	(613,667)	(479,365)
Profit after taxation	1,113,375	1,073,224
Transferred from surplus on revaluation of fixed assets on account of Incremental depreciation and disposal of fixed assets	31,098	33,426
Other comprehensive loss for the year	(20,509)	(2,600)
Unappropriated profit brought forward	2,354,689	1,718,636
Profit available for appropriation	3,478,653	2,822,686
Final cash dividend paid during the year	(804,920)	(467,997)
Unappropriated profit carried forward	2,673,733	2,354,689

The Board of Directors in its meeting held on May 26, 2016 proposed a cash dividend of Rs. 89.78 per share (2015: Rs. 64.91 per share) amounting to Rs. 1113.32 million (2015: 804.92 million) subject to the approval of the members at the forthcoming annual general meeting of the Company.

BASIC AND DILUTED EARNINGS PER SHARE

The basic and diluted earnings per share for the year is Rs. 89.78 (2015 - Rs. 86.54).

AUDITORS

The present auditors, Messrs A. F. Ferguson & Co., Chartered Accountants, retire and being eligible, offer themselves for re-appointment. The directors endorse recommendation of the Audit Committee for the re-appointment of Messrs A. F. Ferguson & Co. as the auditors for the financial year ending March 31, 2017.

PATTERN OF SHAREHOLDING

The pattern of shareholding as at March 31, 2016 and additional information thereabout required under Code of Corporate Governance are disclosed on page 111 and page 112 respectively.

HOLDING COMPANY

Since October 19, 1998, Hino Motors Ltd. Japan, is the Holding Company of Hinopak Motors Limited, by virtue of its 59.3% shareholding in the Company.

SUBSEQUENT EVENTS

No material changes or commitments affecting the financial position of the Company have taken place between the end of the financial year and the date of the Report.



COMPLIANCE WITH THE BEST PRACTICES OF CORPORATE GOVERNANCE AS PER CLAUSE XVI OF CODE OF CORPORATE GOVERNANCE

The Board is pleased to state that the management of the Company is compliant with the best practices of corporate governance. The Board acknowledges its responsibility in respect of the corporate and financial reporting framework and thus states that:

- The financial statements prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- The highlights of operating and financial data for the last six years are given on page 52.
- During the year, Company arranged training program namely Corporate Governance Leadership Skills (CGLS) for a non-executive director Mr. Muhammad Aslam Sanjrani, from Pakistan Institute of Corporate Governance (PICG) which is recognized under Securities and Exchange Commission of Pakistan (SECP).
- The value of investments of Company's Provident, Gratuity and Pension Funds as on March 31, 2016 were as follows:

Rupees in '000

Hinopak Motors Limited Employees' Provident Fund
Hinopak Motors Limited Employees' Gratuity Fund
Hinopak Motors Limited Employees' Pension Fund

202,163
159,455
231,364

- During the year four meetings of the Board were held in which the attendance by each Director is as follows:

Name of Directors	Number of meetings attended
Mr. Muhammad Aslam Sanjrani	4
Mr. Keiichiro Utsumi	4
Mr. Tatsuhei Muto	0
Mr. Yoshihiro Kondo	4
Mr. Takehito Sasaki	3
Mr. Shegehiro Matsuoka	2
Mr. Akihito Yamanaka	0
Mr. Toyoki Kuno	4
Mr. Ghafoor Mirza	2
Mr. Takeshi Yasuda	0
Mr. Hiroshi Kokaji	1
Mr. Toshiaki Yasuda	1

- During the year four meetings of Audit Committee were held in which the attendance by each Director is as follows:

Name of Directors	Number of meetings attended
Mr. Ghafoor Mirza	4
Mr. Hiroshi Kokaji	0
Mr. Toshiaki Yasuda	0
Mr. Toyoki Kuno	4
Mr. Shigehiro Matsuoka	0
Mr. Akihito Yamanaka	0
Mr. Takeshi Yasuda	0

During the year ended March 31, 2016, the directors including CFO, Company Secretary and their spouses and minor children have not traded in the shares of the Company.

Chairman's Review

The accompanied Chairman's Review covers the performance, significant deviations from last year in operating results, significant plans and decisions and future outlook. The Board endorses the contents of the review.

By order of the Board



TATSUHEI MUTO

Managing Director &
CEO

Dated: May 26, 2016



MUHAMMAD ASLAM SANJRANI

Chairman

Financial Highlights

2010-11

2011-12
(Re-stated)

2012-13
(Re-stated)

2013-14

2014-15

2015-16

Profit & Loss Account (Rs. in Million)

Sales	9,281.82	8,767.00	7,528.14	9,208.42	12,636.29	18,086.85
Gross Profit	737.29	908.08	809.68	1,331.50	1,973.38	2,762.08
Operating Profit	342.36	491.98	373.08	854.55	1,434.42	2,031.75
Profit / (Loss) before Tax	40.49	173.44	48.08	935.00	1,552.59	1,727.04
Taxation	70.63	147.73	18.89	311.06	479.37	613.67
Profit / (Loss) after Tax	(30.14)	25.71	29.19	623.94	1,073.22	1,113.38
Other comprehensive loss	-	26.80	19.65	11.57	2.60	20.51
Transfer from surplus on revaluation of fixed assets	5.65	22.76	23.26	26.86	33.43	31.10
Dividend	-	-	19.22	20.31	468.00	804.92
Unappropriated Profit carried forward	1,064.48	1,086.14	1,099.72	1,718.64	2,354.69	2,673.73

Balance Sheet (Rs. in Million)

Net Assets

Fixed Assets	1,790.29	1,780.55	1,714.95	1,969.74	2,006.19	2,207.72
Other Long Term Assets	9.79	18.81	24.16	23.33	34.01	20.59
Current Assets	2,752.86	4,894.55	3,321.87	5,543.36	6,181.54	7,436.02
Less : Current Liabilities	1,903.96	4,001.51	2,382.38	3,995.94	4,054.27	5,134.31
Total Net Assets	2,648.98	2,692.39	2,678.60	3,540.49	4,167.47	4,530.02

Financed By:

Issued, Subscribed & Paid up Capital	124.01	124.01	124.01	124.01	124.01	124.01
Reserves / Accumulated Profit	1,355.48	1,378.69	1,393.60	2,011.09	2,645.92	2,964.73
Surplus on Revaluation of Fixed Assets	1049.01	1,026.25	1,002.99	1,249.58	1,216.15	1,199.56
Long Term / Deferred tax Liabilities	120.48	163.44	158.01	155.81	181.39	241.72
Total Funds Invested	2,648.98	2,692.39	2,678.60	3,540.49	4,167.47	4,530.02

Cash Flow (Rs. in Million)

Cash flows from / (used in) operating activities	307.04	(778.57)	712.15	1,992.60	1,876.13	2,144.21
Cash flows used in investing activities	(108.98)	(102.34)	(51.81)	(80.28)	(163.17)	(343.55)
Cash flows used in financing activities	(0.01)	(0.01)	(19.13)	(20.23)	(466.45)	(801.95)

Turnover (Rs. in Million)

Hino Chassis (including exports)	8,244.52	6,776.10	6,170.86	7,683.42	9,555.82	16,179.82
Bus & Other Bodies (including exports)	586.44	842.06	668.21	648.03	1,077.54	902.73
Spare Parts	211.27	174.96	183.53	165.24	248.79	353.90
Others	239.59	973.88	505.54	711.73	1,754.14	650.40
Total	9,281.82	8,767.00	7,528.14	9,208.42	12,636.29	18,086.85

Production (Units)

Hino Chassis	1981	1693	1259	1417	1714	2999
Bus & Other Bodies	499	1067	305	627	1517	470
Hilux Frame	2738	4420	4260	4068	4496	5304

2010-11

2011-12
(Re-stated)2012-13
(Re-stated)

2013-14

2014-15

2015-16

Sales (Units)

Hino Chassis (including exports)	2047	1662	1262	1452	1771	2962
Bus & Other Bodies (including exports)	559	1024	368	607	1547	461
Hilux Frame	2752	4507	4126	4160	4455	5360

No. of Employees

	290	289	302	310	323	318
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Investor Information**Financial Ratios**

Gross profit ratio	7.94%	10.36%	10.76%	14.46%	15.62%	15.27%
Net profit margin / (loss)	(0.32%)	0.29%	0.39%	6.78%	8.49%	6.16%
Return on assets (after tax)	(0.66%)	0.38%	0.58%	8.28%	13.05%	11.52%
Return on equity (after tax)	(2.04%)	1.71%	1.92%	29.22%	38.75%	36.05%
Debt equity ratio*	0.05	0.06	0.06	0.05	0.05	0.06
Current Ratio	1.45	1.22	1.39	1.39	1.52	1.45
Quick Ratio	0.55	0.62	0.48	0.71	1.07	0.91
Interest cover ratio	1.35	2.01	1.43	199.77	-	-
Dividend payout ratio**	-	74.76%	69.58%	75.01%	75.00%	100%
Dividend yield ratio**	-	2.12%	1.87%	8.82%	7.63%	9.16%
Dividend cover ratio**	-	134%	144%	133%	133%	100%

Other Ratios

Price earning ratio	(45.34)	35.33	37.27	8.51	9.83	10.92
Earning before interest, taxes, depreciation and amortization (EBITDA)	441.32	605.20	496.87	973.90	1,567.43	2,183.74
EBITDA Margin to sales	4.75%	6.90%	6.60%	10.58%	12.40%	12.07%
Total assets turnover ratio	2.04	1.31	1.49	1.22	1.54	1.87
Fixed assets turnover ratio	5.18	4.92	4.39	4.67	6.30	8.19
Return on capital employed	(1.14%)	0.95%	1.09%	17.62%	25.75%	24.58%
Inventory turnover ratio	3.69	3.84	2.94	3.27	4.77	6.69
Number of days inventory	99	95	124	112	77	55
Debtors turnover ratio	13.37	7.60	7.17	18.27	12.52	20.20
Number of days debtors	27	48	51	20	29	18
Creditors turnover ratio	3.43	3.64	3.04	2.76	2.65	3.34
Number of days creditors	106	100	120	132	138	109
Operating cycle (days)	20	43	55	-	(32)	(36)

Per Share Amounts (in Rupees)

Cash dividend**	-	1.55	1.64	37.74	64.91	89.78
Breakup value with surplus on revaluation of fixed assets	203.90	203.94	203.26	272.94	321.44	345.81
Breakup value without surplus on revaluation of fixed assets	119.31	121.18	122.38	172.18	223.37	249.08
Earning / (Loss) per share	(2.43)	2.07	2.35	50.32	86.54	89.78
Share Price (High)	177.54	115.43	95.25	465.80	999.35	1,265.31
Share Price (Low)	102.00	63.43	64.11	82.00	397.36	836.59
Share Price (Closing)	110.20	73.25	87.74	428.00	850.73	980.00
One US\$ = Rupee as at period end	85.25	90.70	98.30	97.90	101.70	104.80
One JPY = Rupee as at period end	1.0306	1.1063	1.0446	0.9518	0.8459	0.9331

* Debt Equity Ratio takes into consideration the surplus on revaluation of land and building.

** Based on final dividend proposed by the Board of Directors subsequent to the year ends.

Vertical Analysis

2015-16

2014-15

2013-14

(Rs. in million)

%

(Rs. in million)

%

(Rs. in million)

%

Operating Results

Sales	18,086.85	100.00	12,636.29	100.00	9,208.42	100.00
Cost of sales	15,324.77	84.73	10,662.91	84.38	7,876.92	85.54
Gross profit	2,762.08	15.27	1,973.38	15.62	1,331.50	14.46
Distribution cost	397.96	2.20	303.23	2.40	306.12	3.32
Administration expenses	393.84	2.18	359.07	2.84	254.99	2.77
Other income	192.66	1.07	261.04	2.07	164.27	1.78
Other expenses	131.19	0.73	137.70	1.10	80.11	0.87
Profit from operations	2,031.75	11.23	1,434.42	11.35	854.55	9.28
Finance (Income) / cost	304.70	1.68	(118.17)	(0.94)	(80.45)	(0.87)
Profit before taxation	1,727.04	9.55	1,552.59	12.29	935.00	10.15
Taxation	613.67	3.39	479.37	3.79	311.06	3.37
Profit after taxation	1,113.38	6.16	1,073.22	8.50	623.94	6.78

Balance Sheet

Property, plant and equipment	2,187.35	22.63	1,995.54	24.27	1,964.84	26.07
Other non current assets	20.37	0.21	10.65	0.13	4.91	0.07
Long-term investments	0.07	0.00	0.42	0.01	2.27	0.03
Long-term deposits	6.54	0.07	6.82	0.08	6.76	0.09
Long-term loans and advances	13.98	0.15	14.23	0.17	14.30	0.19
Staff retirement benefit - prepayment	-	-	12.54	0.15	-	-
Current assets (excluding investments)	7,436.02	76.94	6,181.54	75.19	5,543.36	73.55
Total assets	9,664.33	100.00	8,221.74	100.00	7,536.42	100.00
Shareholders' equity	3,088.74	31.96	2,769.93	33.69	2,135.09	28.33
Deferred taxation	95.81	0.99	76.10	0.93	59.58	0.79
Other non-current liabilities	145.91	1.51	105.29	1.28	96.23	1.28
Surplus on revaluation of fixed assets	1,199.56	12.41	1,216.15	14.79	1,249.58	16.58
Other current liabilities (trade, interest and tax)	5,134.31	53.13	4,054.27	49.31	3,995.94	53.02
Total equity and liabilities	9,664.33	100.00	8,221.74	100.00	7,536.42	100.00

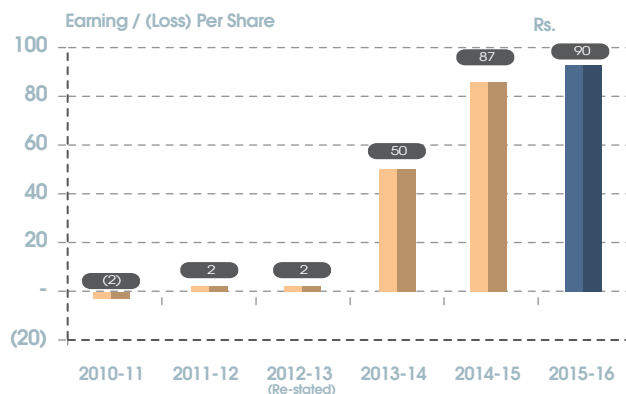
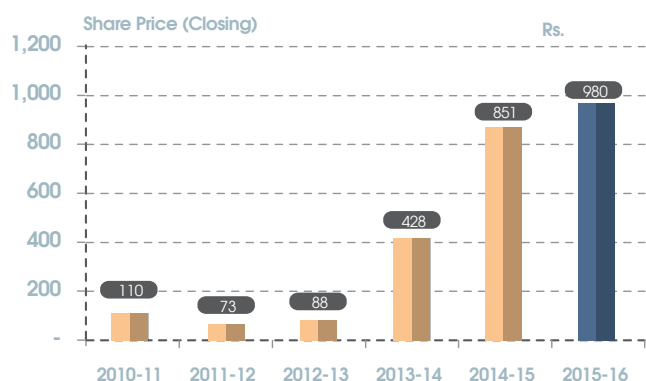
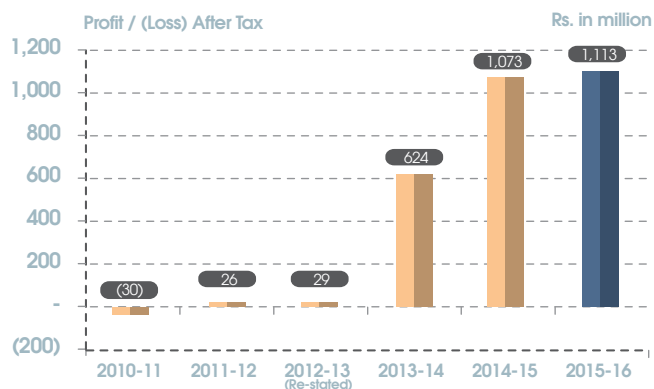
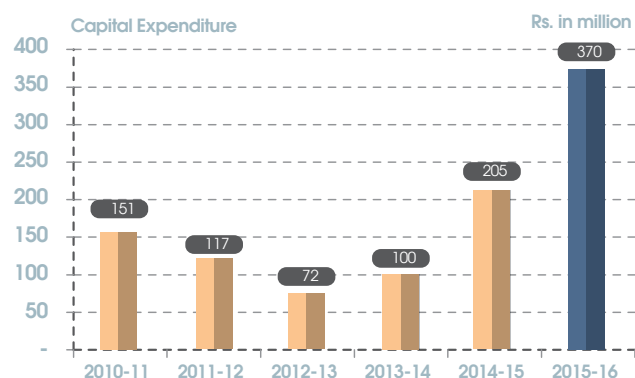
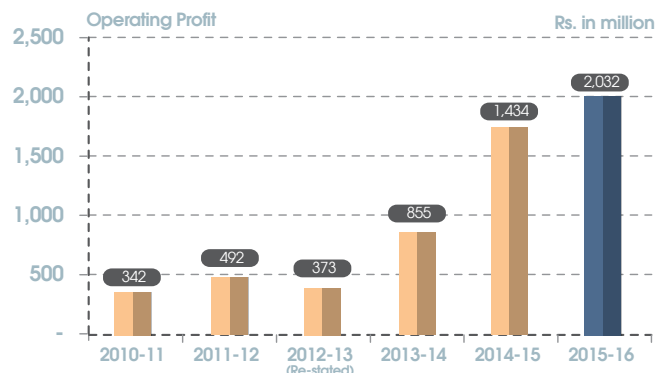
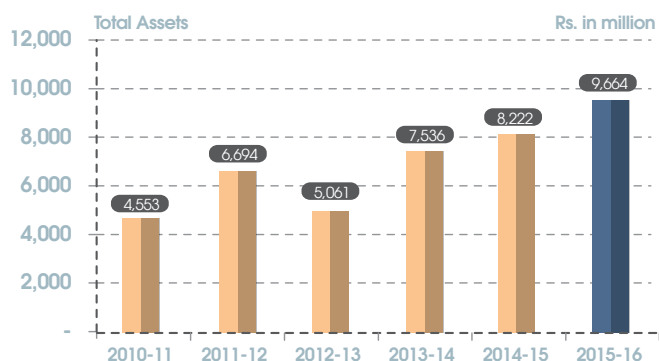
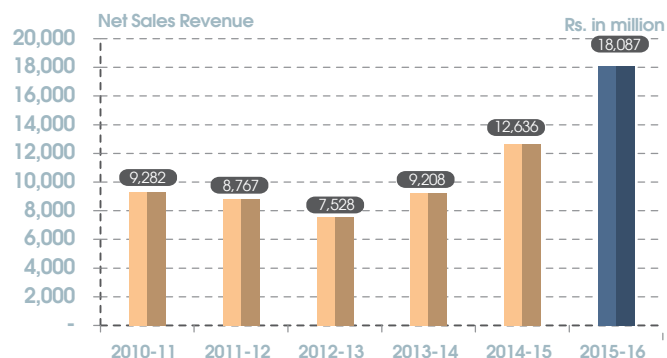
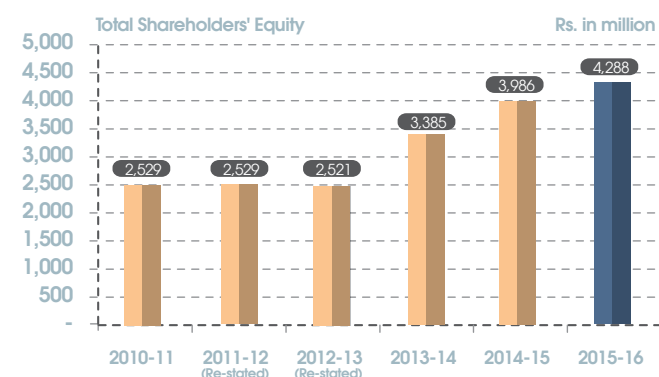
Cash Flows

Cash flows from operating activities	2,144.21	214.70	1,876.13	150.51	1,992.60	105.31
Cash flows used in investing activities	(343.55)	(34.40)	(163.17)	(13.09)	(80.28)	(4.24)
Cash flows used in financing activities	(801.95)	(80.30)	(466.45)	(37.42)	(20.23)	(1.07)
Net increase in cash and cash equivalents	998.71	100.00	1,246.51	100.00	1,892.09	100.00

Horizontal Analysis

	2015-16		2014-15		2013-14
	(Rs. in million)	Variance vs Last Year Increase / (Decrease) %	(Rs. in million)	Variance vs Last Year Increase / (Decrease) %	(Rs. in million)
Operating Results					
Sales	18,086.85	43.13	12,636.29	37.23	9,208.42
Cost of sales	15,324.77	43.72	10,662.91	35.37	7,876.92
Gross profit	2,762.08	39.97	1,973.38	48.21	1,331.50
Distribution cost	397.96	31.24	303.23	(0.94)	306.12
Administration expenses	393.84	9.68	359.07	40.82	254.99
Other operating income	192.66	(26.20)	261.04	58.91	164.27
Other operating expenses	131.19	(4.73)	137.70	71.89	80.11
Profit from operations	2,031.75	41.64	1,434.42	67.86	854.55
Finance (Income) / cost	304.70	357.85	(118.17)	(46.90)	(80.45)
Profit before taxation	1,727.04	11.24	1,552.59	66.05	935.00
Taxation	613.67	28.02	479.37	54.11	311.06
Profit after taxation	1,113.38	3.74	1,073.22	72.01	623.94
Balance Sheet					
Property, plant and equipment	2,187.35	9.61	1,995.54	1.56	1,964.84
Other non current assets	20.37	91.27	10.65	117.10	4.91
Long-term investments	0.07	(83.33)	0.42	(81.33)	2.27
Long-term deposits	6.54	(4.11)	6.82	0.93	6.76
Long-term loans and advances	13.98	(1.76)	14.23	(0.62)	14.30
Staff retirement benefit - prepayment	-	(100)	12.54	0.00	0.00
Current assets (excluding investments)	7,436.02	20.29	6,181.54	11.51	5,543.36
Total assets	9,664.33	17.55	8,221.74	9.09	7,536.42
Shareholders' equity	3,088.74	11.51	2,769.93	29.73	2,135.09
Deferred taxation	95.81	25.90	76.10	27.72	59.58
Other non-current liabilities	145.91	38.58	105.29	9.41	96.23
Surplus on revaluation of fixed assets	1,199.56	(1.36)	1,216.15	(2.67)	1,249.58
Other current liabilities (trade, interest and tax)	5,134.31	26.64	4,054.27	1.46	3,995.94
Total equity and liabilities	9,664.33	17.55	8,221.74	9.09	7,536.42
Cash Flows					
Cash flows from operating activities	2,144.21	14.29	1,876.13	(5.85)	1,992.60
Cash flows used in investing activities	(343.55)	(110.54)	(163.17)	(103.25)	(80.28)
Cash flows used in financing activities	(801.95)	(71.93)	(466.45)	(2,206.18)	(20.23)
Net increase in cash and cash equivalents	998.71	(19.88)	1,246.51	(34.12)	1,892.09

Financial Highlights Contd...



Statement of Value Addition and its Distribution

2015-16

2014-15

Rs. in million

%

Rs. in million

%

Value Addition

Revenue

Other Income

Total

18,087

98.9

193

1.1

18,280

100.0

12,636

97.1

379

2.9

13,015

100.0

Value Distribution

Cost of sales

Distribution expenses

Administration, CSR & other operating expenses

Employees remuneration

Finance Cost

Income Tax

Dividend to shareholders *

Profit retained for investment and future growth

14,519

79.4

223

1.2

365

2.0

1,141

6.2

305

1.7

614

3.4

1,113

6.1

-

0.0

18,280

100.0

9,919

76.2

128

1.0

341

2.6

1,075

8.2

-

0.0

479

3.7

805

6.2

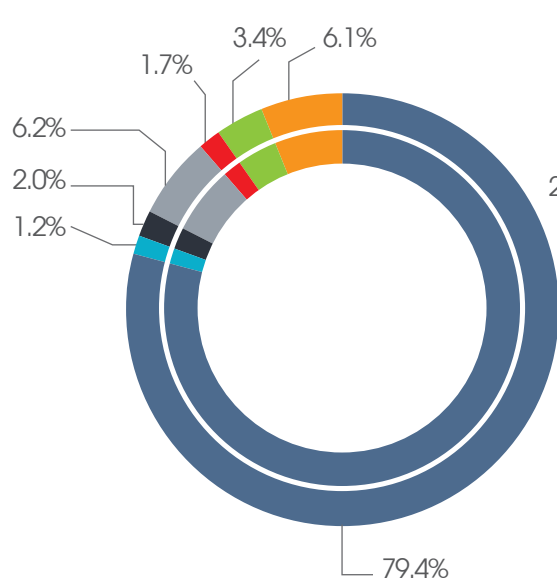
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2.1

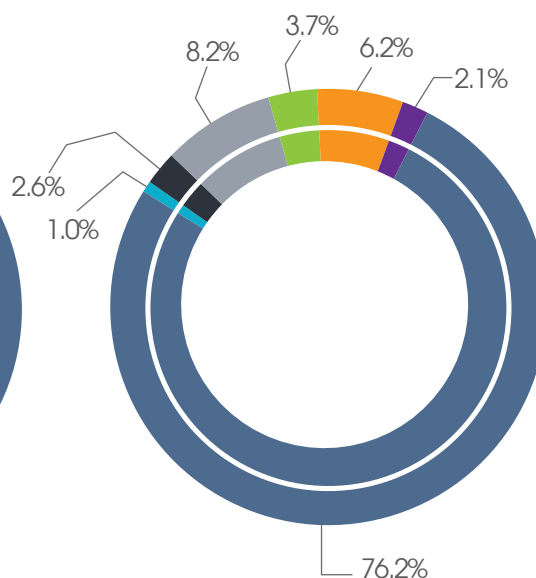
13,015

100.0

* Based on final dividend proposed by the Board of Directors subsequent to year ends.



FY 2015-16

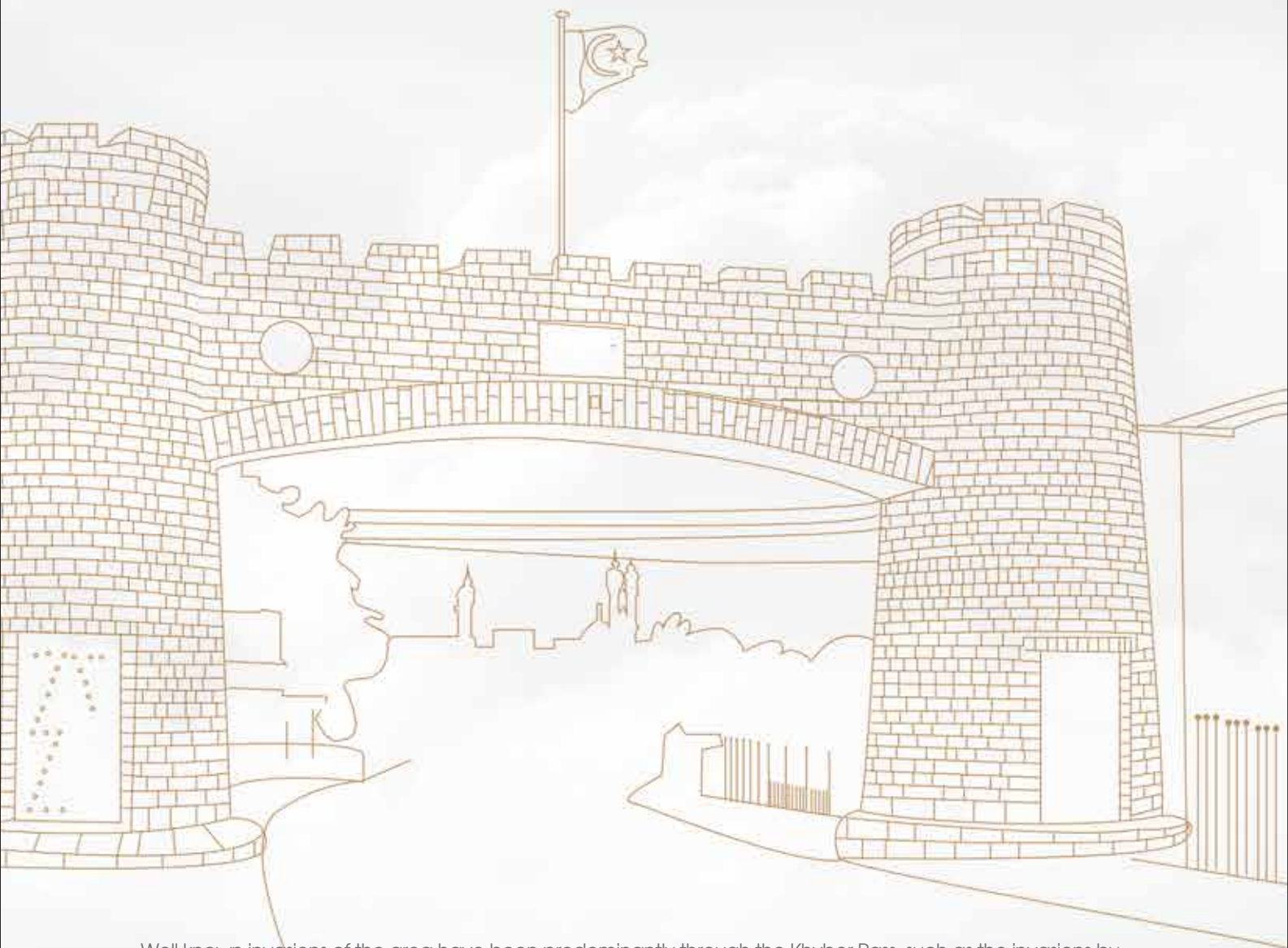


FY 2014-15

Cost of sales	
Distribution expenses	
Administration, CSR & other operating expenses	
Employees remuneration	
Finance Cost	
Income Tax	
Dividend to shareholders	
Profit retained for investment and future growth	

شمال





Well known invasions of the area have been predominantly through the Khyber Pass, such as the invasions by Darius I and Alexander the Great and also include Genghis Khan and later Mongols such as Duwa, Qutlugh Khwaja and Kebek. Among the Muslim invasions of South Asia, the famous invaders coming through the Khyber Pass are Mahmud Ghaznavi, and the Afghan Muhammad Gori and the Turkic-Mongols. The Pass became widely known to thousands of Westerners and Japanese who traveled it in the days of the Hippy trail, taking a bus or car from Kabul to the Afghan border.

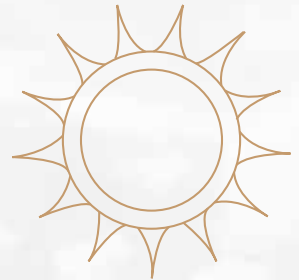
With a rich history of companionship in travel for your business, Hinopak's success is the trust you have over a period of time.



Corporate Social



Responsibility



Seeking harmony
among People Society,
Global Environment
and Sustainable
Development of
Society through
responsible behaviour.



CSR Charter



The CSR Charter articulates our goals when it comes to serving each of our diverse stakeholders group.



Customers

We meet our customers' expectations by providing safe, economical, comfortable and environment friendly products, services and our TOTAL SUPPORT.



Employees

We respect individual employee and strive to create a stable working environment that fosters motivation and personal growth.



Shareholders

We work hard to protect and provide value to shareholders' investment by revenue enhancing, cost saving and risk reducing.



Business Partners

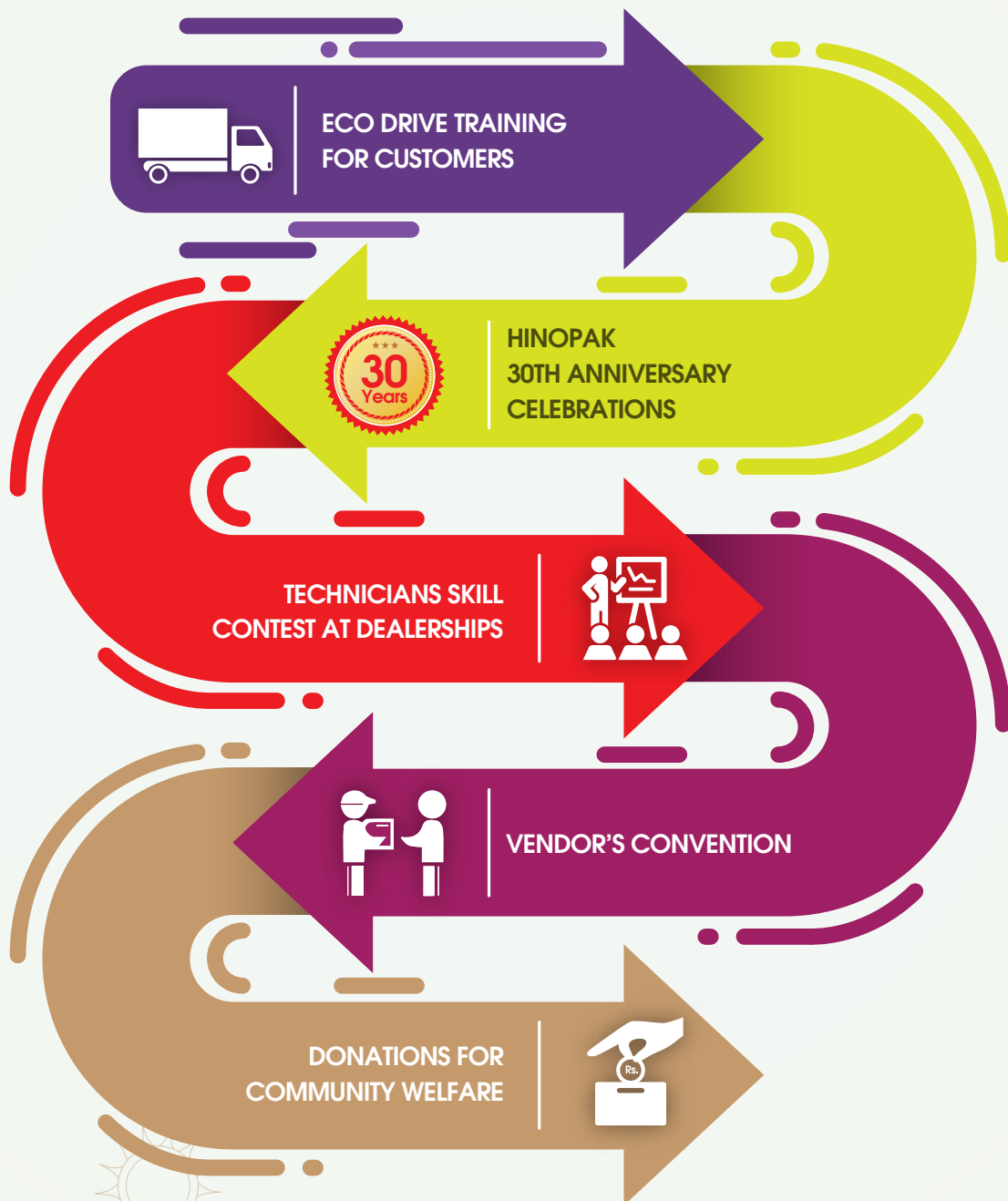
We share a passion for contribution to society through our products and services, and pursue innovation together with our business partners.



Communities

We strive to fulfill our role as a responsible corporate citizen and support community contributions at all levels of organization.

CSR Highlights 2015-16



Customers

Service Camps

Customer satisfaction has been at the core and is one of Hinopak's prime objectives. To achieve this objective, Hinopak regularly conducts Service Camps for the customers.



During the year Customer Service Division conducted 18 service camps countrywide. In these service camps 94 persons were trained and 375 vehicles were attended for free service. At the end of every session, customer feedback was recorded for future development.

Knocking the door project

Since 2012, this activity has become the permanent project of the company. The project has played its role in providing great satisfaction to our customers. This year, a total of 3,746 joint visits with the dealers were conducted, where the customer support team and dealers' team jointly met the customers at their doorsteps.



Eco drive training for customers

Hinopak always actively promotes customer training through various programs. In order to accomplish this objective and to demonstrate 'Total Support' to our customers, this year Hinopak conducted Eco driving training activity as part of its customer satisfaction program. During the year, 253 mechanics participated in this program and 15 training seminars were conducted.



The purpose of this activity was to extend our support to customers for reducing fuel costs and traffic accidents and make contribution to their business.



Customer get-togethers

Believing in maintaining long term relationship with customers has been a priority at Hino. In line with the company's objective "to win and maintain customers", numerous get-togethers including iftaar dinners were held throughout the country which were attended by a large number of customers. The objective of the gatherings is to attend to customer feedback in order to deliver products and services that meet customers' expectations.



Employees

Hinopak 30th Anniversary Celebrations

Hinopak celebrated its 30th anniversary at Dreamworld resort where a family festival was arranged for employees and their families.



The event was held on February 27, 2016 where employees and their families enjoyed fun games, water rides, sporting activities, magic show, comedy show folk dances, food and other entertainments. As an added entertainment, lucky draw was held where employees received various gifts including Umrah ticket, LED TVs, refrigerators, generators, washing machines, microwave ovens, digital cameras, smart phones and more.



Promoting Health Programs:

It is our corporate responsibility to improve health of our employees, while reducing risk associated with their work. Health Promotion Activities Plan is made on annual basis, including both medical tests of employees working in hazardous areas as well as health awareness sessions to educate employees. Following sessions were organized to educate employees about health issues.

- Adverse Effect on Using Paan, Gutka & Chalia and Healthy Life Style
- Heat Prevention Safety Guidelines
- How to deal with Work Stress and Heart Diseases
- Health Problems associated with Kidney and important of balanced diet



These awareness sessions are held to educate employees regarding those lifestyle factors which bring positive change in their lives. Moreover, education regarding prevention and management of these diseases may reduce loss of life, improve quality of life, and help in better utilization of financial resources.



Labour - Management Relations

For promoting labour management relationship and to promote computer literacy among workers and their children, laptops were distributed to 9 workers through lucky draw.



Youth and Mini Summer Camp for Employees' Children

We cannot always build the future for our youth, but we can build our youth for the future. Following this philosophy, Hinopak organized two different types of camps for the employees' children i.e. a Youth Camp and a Mini Summer Camp. The purpose of these camps was to develop leadership skills and self confidence in young generation to help them face the upcoming competitions. Children were exposed to various survival situations, played experimental games, and participated in various exciting activities.



Merit-based Scholarships to Workers' Children

Hinopak provided merit based scholarships to the total number of 131 workers' children. This initiative was aimed at recognizing academic merit of the workers' children and for their future academic encouragement.

Training and Development Activities

This year 23,461 training man-hours were achieved by providing various trainings to the employees of the Company. Majority of the trainings were conducted by the in house trainers. The training activities focused on leadership development and creating strong bonds amongst teams. Moreover, professional education / development, institutional, technical, foreign and in-house trainings were also conducted.



Establishment of Safety Dojo Training Center:

At Hinopak Motors, we understand our responsibility in implementing HSE related activities in the company. It is our utmost duty to ensure safety of our employees, contractors and visitors.

Keeping our pledge for "Zero Sai", we have recently established Safety Dojo Center in Chassis Assembly Plant. Dojo is a Japanese name for a training center. This training center is equipped with 10 Safety Simulators which were

fabricated in-house. Employees can learn about hazards and importance of obeying safe working rules via simulators on 'Usage of Hard Helmet, Safety Shoes, Importance of Earthing, Slip/Trip hazards, Use of Hand Rails, Protection against Rotating Machines, Fall from Height hazards, to name some. These will play a vital role in enhancing Safety culture in the organization.



Sports and Recreation

During the year intra company hardball cricket tournament was organized which was enthusiastically participated by 8 teams belonging to various divisions. The tournament was won by Al Khalid, Supply Chain Division.



Moreover, a sports event was also organized for female employees where various games such as tug of war, arm wrestling, bowling competition etc, were played. All the female employees participated with great zeal.



Shareholders

Hinopak believes that it has a key responsibility to protect and provide value to shareholders' investment by continuously improving the quality of its products and services through differentiation.



Shareholders

With the aim of enhancing our corporate value, Hinopak works tirelessly to appropriately assess and quickly respond to domestic and overseas business environments, to ensure continuous and stable growth based on our global perspective and always establish transparency which is underpinned by open and fair disclosure. We work hard to anticipate changes in the business environment in order to improve the Hinopak's corporate value.

Compliance at Hinopak is not just about observing the laws and regulations. It also means respecting social norms and corporate ethics, complying with the expectation of all the stakeholder's and engaging in fair corporate activities.

Board of Directors

The Board of Directors comprises of executive and non-executive directors. The Board convened four times in 2015-16. The Board reviewed and approved company's future strategy and operating results of the company.

Audit Committee

An Independent audit committee has been established by the Board for monitoring of compliance activities in the company. All members of the Audit Committee are non-executive directors. An Internal Audit department supports the committee. The committee held four meetings in 2015-16. Two meetings were also attended by the external auditors of the company.

Internal Control System and Financial Reporting

The company maintains a system of internal control

and procedures designed to ensure reliable and transparent financial reporting and disclosures. Hinopak is a group company of Toyota Motors Corporation (TMC) and was selected for TMC's project to strengthen internal controls and compliance with the requirement of US Sarbanes-Oxley Act. The company is working on the project under the guidelines from TMC.

Code of Conduct

Using the Hinopak Code of Conduct as a guideline for day-to-day work ensures that we comply with applicable laws and regulations. Further, it encourages all our employees to act fairly and openly and to strive to meet stakeholders' expectations.

Whistle Blowing Mechanism

We recognize whistle blowing as one of the important way to ensure good governance. For the interaction of the shareholder with the management the company has provided online facility to the shareholders where they can lodge their complain and provide valuable suggestions to the company. Hinopak has a viable whistle blowing protection mechanism that is designed to balance the interest of the company and the subject of the complaint of misconduct, without jeopardizing the protection owed to those employees who "blow the whistle".

Shareholders' Visit to Hinopak

Recently Hinopak arranged shareholders' visit to its premises. During the visit, shareholders took a walkthrough of manufacturing and assembly divisions of the company, where, they got the opportunity to witness the assembly and manufacturing of different vehicles, including our latest Rear Engine bus model.



Business Partners

Skill Contest

Vendor development has always been our one of the prime focus. With this mission, during the year, Hinopak organized two days Skill Contest for its dealers held on October 9 and 10, 2015.



The contest had two phases, a written test and a practical test and all the 12 technicians participated in this contest. Moreover, before a contest, rehearsal training was also conducted by Hinopak. The objective of this session was to, constantly strive for enhancement of skills of its dealers mechanics.



New Model Training for Dealers

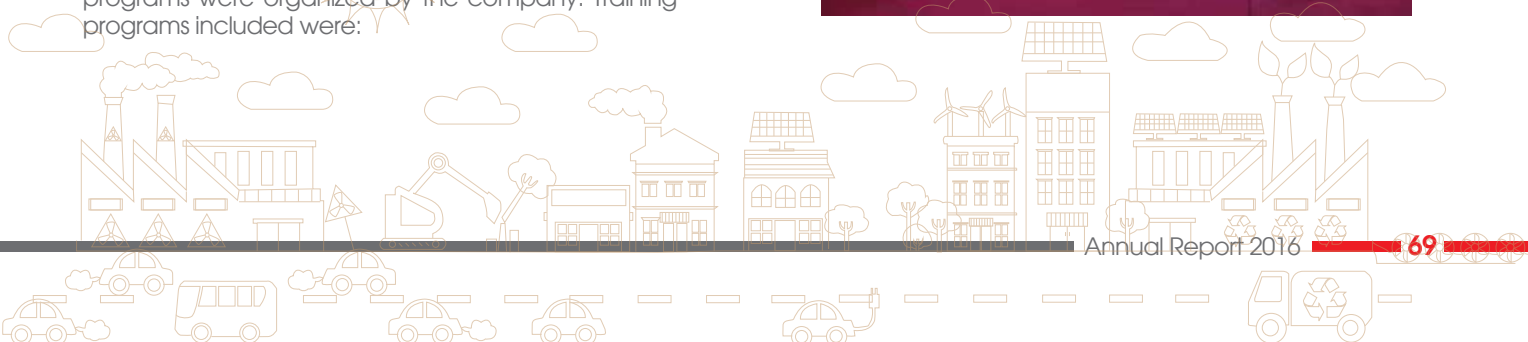
In order to strengthen the local manufacturing industry and the level of vendors to a height where they can compete not only locally but also globally in terms of technology, quality, and cost, various training programs were organized by the company. Training programs included were:

- Elementary training where 6 trainings were conducted and 64 mechanics participated;
- Intermediate training where 2 trainings were conducted and 25 mechanics participated;
- New model training was conducted and 13 mechanics participated.



Vendors' Convention 2015-16

The vendors' convention 2015-16 was held on November 11, 2015, which was actively participated by 90 vendors from all over Pakistan along with Hinopak's Top Management. The theme of the convention was "Quality Cost Delivery (QCD) Competitiveness", where we acknowledged the efforts of our business partners in form of Award Distribution.



Communities

Enhancing Environmental Conservation Activities

Every year, we celebrate the month of June as Environment month. We believe it is our corporate responsibility to reduce adverse environmental impact from our operations and processes. In order to educate our employees and business partners, different programs were held on company wide basis.

These include tree plantation activity by top management, environmental awareness sessions for SITE Model School Children, and cleaning activity at 'Dar-ul-Sakoon'. Moreover, banners and posters depicting importance of environmental preservations were displayed during the whole month.

Awards & Achievements

The Company was selected for the "EFP Award for Excellence in Industrial Relations Practices" in a competition organized jointly by the Employers' Federation of Pakistan (EFP) and International Labor Organization (ILO).



HINO AAGAH!" Road Safety Awareness Program

Recognizing its commitment towards safety culture, Hinopak organized a road safety awareness program at various government schools during the year, covering over 1200 students. The purpose of this program was to spread knowledge and awareness amongst school children related to road safety issues. The session also included presentations, safety talks and quizzes. In the end of program road safety oath was taken and prizes were distributed amongst winners.



Students' Industrial Visits

This year 1066 students and teachers belonging to various academic institutions of Pakistan visited Hinopak's assembly and manufacturing facilities. This initiative aimed at giving the students an opportunity to observe and learn about the internal working environment of Hinopak and aides in helping them learn outside the classroom environment.

Winter and Summer Internship Program 2015-16

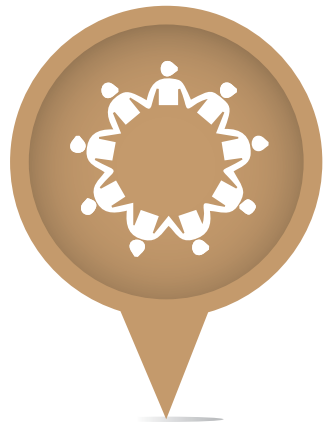
Every year Hinopak offers summer and winter internship programs to students of various universities. This year company enrolled 182 students on various technical and non-technical projects throughout the company.

The internship program contributes for human development in the society through information sharing and provides the students an experience of a practical working environment to enhance their marketability after graduation.

Scholarships Given to N.E.D. University Students



Continuing with the company's commitment in contributing to the society for enhancement of technical education, this year a total of 10 engineering students of N.E.D. University of Engineering & Technology were granted scholarships after merit assessment. The students belonged to Mechanical, Industrial & Manufacturing and Automotive technologies disciplines.



Donations to Dar-ul-Sukun Hospital

Continuing the practice of serving the community and contribution in the field of education, health and development, this year Hinopak's management visited "Dar-ul-Sukun" (home for mentally & physically disabled people). Hinopak's management supported them by bearing their medical expenses throughout the year.



Moreover, the management also celebrated the Independence Day and World Autism Awareness Day at Dar-ul-Sukun and spread awareness about such special people, especially children and highlighted the need to help and improve the quality of life of those children and adults. Afterwards, gifts and goodie bags along with food were also distributed amongst the children.



Activities at SITE Model School

During the year two activities were conducted at SITE Model School i.e. Graffiti Paint Work and 3 months learning workshop.



Hinopak reclaimed the walls of SITE Model school by painting them with cheerful academic designs aimed at bringing a positive outlook for students and masses in general. These walls were painted beautifully by students & teachers, employees and local artists. Moreover, a 3-months program titled "Learning Ka Wheel" was also organized. This program

integrated real-life projects for earning money, serving community, health and learning improvement. The purpose of this program was the development of students including better understanding of self and others, better financial and entrepreneurial skills, quality learning and health conscious mindset.



Earthquake Relief Activities

In the wake of the devastating earthquake that was triggered in October 2015 in the northern areas of Pakistan, the management of Hinopak in collaboration with Pakistan Army conducted an earthquake relief activity. The management of Hinopak handed over winter jackets and quilts to the Pakistan Army for distribution amongst the earthquake victims.



Sponsorship for cricket tournaments

Supporting and acknowledging the talent of disabled people has been a practice of Hinopak. During the year, Hinopak sponsored "National Cricket Tournament for the Blinds 2016" which was organized by Pakistan Association of the Blind Sindh (PAB). Moreover, Company also sponsored the Karachi Cricket Club Association (KCCA) inter-firm cricket tournament in which a total of 32 teams participated.



Reducing environmental Burden through Environmental Management Systems:

We believe growth is only sustainable if it is achieved with respect to the environment and we have continued to improve and consolidate our contribution in this area. Our standards and guidelines for better environmental performance motivate us to consistently improve our efforts to create a cleaner and healthier world. We are fully complying with all applicable legal and other requirements and have not received any neighbouring complain last year. We are reporting our main key Environmental Parameters, CO₂ Reduction, Water Conservation and Material Discard to our principal Hino Motors Limited, Japan.

Chassis Assembly Plant (Reporting year April to March 2015-16) Water Release

Items	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
				MAX	MIN	AVG
Water discharged (m3/month)	-	-	1/m	2510	1980	2223.6
Water discharged (m3/day)	-	-	1/m	118	77	93.7
pH	6~9	6.8~7.4	1/m	7.25	6.58	7.06
BOD (mg/l)	80	70	1/m	40	18.9	29.7
COD (mg/l)	400	300	1/m	85	35.6	63.3
SS (mg/l)	200	100	1/m	30	15	22.6
Oil (mg/l)	10	5	1/m	3.9	2.19	3.2
TDS(mg/l)	3500	3000	1/m	1210	820	942.5

Air Release (NO_x (mg/Nm³))

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
ED Oven	Natural Gas	600mg/Nm ³	100	4/Year	3.85	1	1.92
Top Coat Oven	Natural Gas	600mg/Nm ³	100	4/Year	5.27	1	2.4
Boiler	Natural Gas	600mg/Nm ³	100	4/Year	35	1.98	20.2

Air Emission (SO_x (mg/Nm³))

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
ED Oven	Natural Gas	1700mg/Nm ³	100	4/Year	0	0	0.0
Top Coat Oven	Natural Gas	1700mg/Nm ³	100	4/Year	0	0	0.0
Boiler	Natural Gas	1700mg/Nm ³	100	4/Year	0	0	0.0

Body Manufacturing Plant (Reporting year April to March 2015-16)

Water Release

Items	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
				MAX	MIN	AVG
Water discharged [m3/month]	-	-	1/m	1470	941	1217.3
Water discharged [m3/day]	-	-	1/m	63	43	53.6
pH	6~9	6.8~7.4	1/m	7.35	6.97	7.15
BOD [mg/l]	80	70	1/m	43	18	28.0
COD [mg/l]	400	300	1/m	70	40	56.7
SS [mg/l]	200	100	1/m	58	15	25.5
Oil [mg/l]	10	5	1/m	5.26	1.5	2.9
TDS[mg/l]	3500	3000	1/m	1506	480	763.7

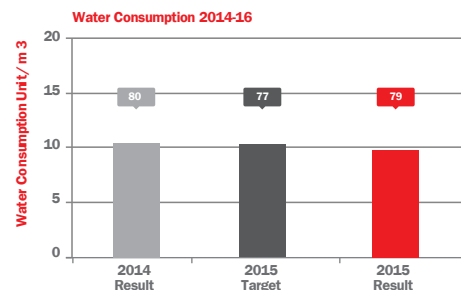
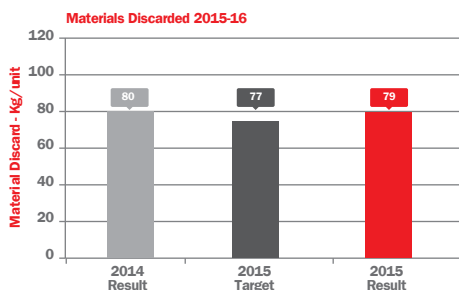
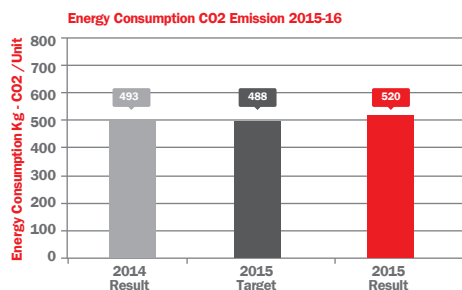
Air Release (NOx (mg/Nm3))

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
Parts primer baking oven	Natural Gas	600mg/Nm3	100	4/Year	5.19	1	2.5
Paint baking oven	Natural Gas	600mg/Nm3	100	4/Year	2.83	1	2.2
Parts primer baking oven 2	Natural Gas	600mg/Nm3	100	4/Year	3.1	1	1.4

Air Emission (SOx (mg/Nm3))

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
Parts primer baking oven	Natural Gas	1700mg/Nm3	100	4/Year	0	0	0.0
Paint baking oven	Natural Gas	1700mg/Nm3	100	4/Year	0	0	0.0
Parts primer baking oven 2	Natural Gas	1700mg/Nm3	100	4/Year	0	0	0.0

Environment Key Parameter Indicators' Results 2015~2016



راہِ افروز

Building Ahead

The Pak China Economic Corridor is considered to be an extension of China's ambitious proposed 21st century Silk Road initiative, and is considered central to China-Pakistan relations. These economic opportunities and development will largely benefit Pakistan. Should all the planned projects be implemented, the value of those projects would be equal to all foreign direct investment in Pakistan since 1970, and would be equivalent to 17% of Pakistan's 2015 gross domestic product.





Statement of Compliance with the Code of Corporate Governance for the year ended March 31, 2016

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in the Listing Regulations of the Pakistan Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the CCG in the following manner:

1. The Company encourages representation of non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

Independent Director	Mr. Ghafoor Mirza
Executive Directors	Mr. Tatsuei Muto Mr. Yoshihiro Kondo Mr. Takehito Sasaki
Non-Executive Directors	Mr. Muhammad Aslam Sanjrani Mr. Akehito Yamanaka Mr. Shigehiro Matsuoka Mr. Toyoki Kuno Mr. Takeshi Yasuda

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. Three casual vacancies occurred on the Board of Directors on 30-Jun-2015 & 30-Jan-2016 which were filled on 01-Jul-2015 & 01-Feb-2016 respectively.
5. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
6. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. During the year Company arranged training program namely Corporate Governance Leadership Skills (CGLS) for a non-executive director Mr. Muhammad Aslam Sanjrani, from Pakistan Institute of Corporate Governance (PICG) which is recognized under Securities and Exchange Commission of Pakistan (SECP).
10. The Board has approved remuneration and terms and conditions of employment of CFO, Company Secretary, and Head of Internal Audit.
11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.

12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the CCG.
15. The Board has formed an audit committee. It comprises of five members, all of them are non-executive directors and the chairman of the committee is an independent director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The board has formed an HR and Remuneration Committee. It comprises of six members, of whom four are non-executive directors including the chairman of the committee.
18. The board has set up an effective internal audit function within the Company.
19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of Company's securities, was determined and intimated to directors, employees and stock exchanges.
22. Material / price sensitive information has been disseminated among all market participants at once through stock exchanges.
23. The related party transactions have been placed before the Audit Committee and approved by the Board of Directors.
24. We confirm that all other material principles enshrined in the CCG have been complied with.

By order of the Board



TATSUHEI MUTO
Managing Director & CEO

Dated: May 26, 2016



MUHAMMAD ASLAM SANJRANI
Chairman



REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Hinopak Motors Limited for the year ended March 31, 2016 to comply with the Code contained in Regulation No. 5.19 of the Listing Regulations of Pakistan Stock Exchange where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended March 31, 2016.

Afferguson 3/60.

Chartered Accountants
Karachi

Dated: May 26, 2016



Financial Statements





AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of Hinopak Motors Limited as at March 31, 2016 and the related profit and loss account, cash flow statement and statement of changes in equity 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.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of accounts 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, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, 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 March 31, 2016 and of the profit, total comprehensive income, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.


Chartered Accountants
Karachi

Dated: May 26, 2016

Engagement Partner: Syed Fahim ul Hasan

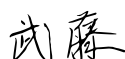
A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
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Balance Sheet

As at March 31, 2016

	Note	2016	2015
Rupees '000			
ASSETS			
Non-current assets			
Property, plant and equipment	4	2,187,347	1,995,543
Intangible assets	5	20,374	10,649
Long-term investments	6	72	423
Long-term loans and advances	7	13,979	14,215
Long-term deposits		6,541	6,821
Staff retirement benefit - prepayment	19	-	12,544
		2,228,313	2,040,195
Current assets			
Stores, spares and loose tools	8	19,555	26,940
Stock-in-trade	9	2,769,839	1,814,191
Trade debts	10	503,964	1,287,210
Loans and advances	11	40,510	17,465
Trade deposits and prepayments	12	88,822	48,128
Refunds due from the government	13	66,866	115,349
Other receivables	14	3,726	36,356
Taxation - payments less provision		271,008	160,167
Accrued mark-up		7,016	9,738
Cash and bank balances	15	3,664,707	2,665,997
		7,436,013	6,181,541
Total assets		9,664,326	8,221,736
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	16	124,006	124,006
Reserves		2,964,733	2,645,919
		3,088,739	2,769,925
SURPLUS ON REVALUATION OF FIXED ASSETS	17	1,199,558	1,216,150
LIABILITIES			
Non-current liabilities			
Deferred taxation	18	95,808	76,102
Staff retirement benefit - obligations	19	145,913	105,289
		241,721	181,391
Current liabilities			
Trade and other payables	20	5,134,308	4,054,270
Total liabilities		5,376,029	4,235,661
Contingency and commitments	21		
Total equity and liabilities		9,664,326	8,221,736

The annexed notes 1 to 39 form an integral part of these financial statements.



Managing Director &
Chief Executive Officer



Chairman

Profit and Loss Account

For the year ended March 31, 2016

	Note	2016	2015
		Rupees '000	
Sales	22	18,086,850	12,636,288
Cost of sales	23	(15,324,774)	(10,662,904)
Gross profit		2,762,076	1,973,384
Distribution cost	23	(397,964)	(303,227)
Administrative expenses	23	(393,836)	(359,074)
Other income	24	192,661	261,044
Other expenses	25	(131,192)	(137,709)
Profit from operations		2,031,745	1,434,418
Finance (cost) / income	26	(304,703)	118,171
Profit before taxation		1,727,042	1,552,589
Taxation	27	(613,667)	(479,365)
Profit after taxation		1,113,375	1,073,224
Other comprehensive loss:			
Items that will not be reclassified to profit or loss			
Loss on remeasurements of post employment benefit obligations	19	(29,305)	(4,000)
Impact of deferred tax		8,796	1,400
		(20,509)	(2,600)
Items that may be subsequently reclassified to profit or loss			
Change in value of available-for-sale financial assets	6	(351)	(1,843)
Impact of deferred tax		121	622
		(230)	(1,221)
Other comprehensive loss for the year		(20,739)	(3,821)
Total comprehensive income for the year		1,092,636	1,069,403
Earnings per share - basic	28	Rs. 89.78	Rs. 86.54

The annexed notes 1 to 39 form an integral part of these financial statements.



Managing Director &
Chief Executive Officer



Chairman

Cash Flow Statement

For the year ended March 31, 2016

	Note	2016	2015
Rupees '000			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	29	2,676,393	2,201,543
Mark-up paid on short-term borrowings		(90)	(37)
Return on savings accounts and deposits		166,973	106,524
Income taxes paid - net		(681,379)	(362,742)
Retirement benefits obligations paid		(18,203)	(69,184)
Decrease / (Increase) in long-term deposits		280	(63)
Decrease in long-term loans and advances		236	88
Net cash generated from operating activities		2,144,210	1,876,129
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure incurred		(369,705)	(204,740)
Proceeds from sale of property, plant and equipment		26,151	41,566
Net cash used in investing activities		(343,554)	(163,174)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(801,946)	(466,447)
Net increase in cash and cash equivalents		998,710	1,246,508
Cash and cash equivalents at beginning of the year		2,665,997	1,419,489
Cash and cash equivalents at end of the year	15	3,664,707	2,665,997

The annexed notes 1 to 39 form an integral part of these financial statements.


 Managing Director &
 Chief Executive Officer


 Chairman

Statement of Changes in Equity

For the year ended March 31, 2016

	Share Capital	Reserves - Revenue General	Unappropriated profit	Fair value reserve	Total
Rupees '000					
Balance at April 1, 2014	124,006	291,000	1,718,636	1,451	2,135,093
Final dividend for the year ended March 31, 2014 @ Rs. 37.74 per share	-	-	(467,997)	-	(467,997)
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	33,426	-	33,426
Total comprehensive income for the year ended March 31, 2015					
- Profit for the year ended March 31, 2015	-	-	1,073,224	-	1,073,224
- Other comprehensive loss for the year ended March 31, 2015	-	-	(2,600)	(1,221)	(3,821)
	-	-	1,070,624	(1,221)	1,069,403
Balance at March 31, 2015	124,006	291,000	2,354,689	230	2,769,925
Final dividend for the year ended March 31, 2015 @ Rs. 64.91 per share	-	-	(804,920)	-	(804,920)
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	-	-	31,098	-	31,098
Total comprehensive income for the year ended March 31, 2016					
- Profit for the year ended March 31, 2016	-	-	1,113,375	-	1,113,375
- Other comprehensive loss for the year ended March 31, 2016	-	-	(20,509)	(230)	(20,739)
	-	-	1,092,866	(230)	1,092,636
Balance at March 31, 2016	124,006	291,000	2,673,733	-	3,088,739

The annexed notes 1 to 39 form an integral part of these financial statements.


**Managing Director &
 Chief Executive Officer**


Chairman

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

1. THE COMPANY AND ITS OPERATIONS

Hinopak Motors Limited is incorporated in Pakistan as a public limited Company and is listed on the Pakistan Stock Exchange.

The Company's principal activity is the assembly, progressive manufacturing and sale of Hino buses and trucks. The registered office of the Company is at D-2, S.I.T.E., Manghopir Road, Karachi.

The Company is a subsidiary of Hino Motors Limited Japan and the ultimate parent of the Company is Toyota Motors Corporation Japan.

The financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below:

2.1 Basis of preparation

2.1.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 have been followed.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

2.1.2 Changes in accounting standards and interpretations

a) Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

Following amendments to existing standards and interpretations have been published and are mandatory for accounting periods beginning on April 1, 2015 and are considered to be relevant to the Company's operations:

IFRS 12, 'Disclosures of interests in other entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, structured entities and other off balance sheet vehicles. The standard presently does not impact financial statements of the Company.

IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. Accordingly, the Company has included additional disclosure in this regard in Note 4 to the financial statements. Notwithstanding the above, the change had no impact on measurement of Company's assets and liabilities.

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

The new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2015 are considered not to be relevant to Company's financial statements and hence have not been detailed here.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

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

New standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2016 are considered not to be relevant to Company's financial statements and hence have not been detailed here.

2.2 **Overall valuation policy**

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

2.3 **Property, plant and equipment**

These are stated at cost less accumulated depreciation / amortisation and impairment losses, if any, except land and buildings which are stated at revalued amount less accumulated depreciation and impairment loss, if any, and capital work-in-progress which is stated at cost.

Depreciation is charged to profit and loss account applying the straight line method, whereby the depreciable amount of an asset, if any, is written off over its estimated useful life. The revalued amount of leasehold land and building is amortised / depreciated equally over the remaining life from the date of revaluation. Depreciation is charged on additions from the month the asset is available for use and on disposals upto the month preceding the month of disposal.

Surplus arising on revaluation of land and buildings is disclosed as surplus on revaluation. The accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount.

Gain or loss on disposal or retirement of property, plant and equipment is included in profit and loss account.

2.4 **Intangible assets - computer softwares**

Computer software licenses acquired by the Company are stated at cost less accumulated amortisation. Cost represents the cost incurred to acquire the software licenses and bring them to use. The cost of computer software is amortised over the estimated useful life i.e. 2 to 3 years.

Costs associated with maintaining computer softwares are charged to profit and loss account.

2.5 **Impairment**

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

2.6 **Investments**

The investments of the Company are classified into the following categories:

i) **Held to maturity**

These are investments with fixed or determinable payments and fixed maturity with the Company having positive intent and ability to hold to maturity. These are initially recognised at fair value plus transaction cost, and subsequently at amortised cost using the effective interest method.

ii) **At fair value through profit and loss account**

These are investments designated at fair value through profit and loss account at inception. Investments in this category are classified as current assets if they are expected to be realised within twelve months of the balance sheet date.

Investments at fair value through profit and loss account are initially recognised at fair value, and transaction costs are expensed in the profit and loss account. These are subsequently carried at fair value. Gains or losses arising from changes in the fair value are taken to profit and loss account in the period in which they arise.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

iii) Available for sale

These represent non derivative investments that are either designated in this category or not classified in any other category. They are included as non-current assets unless the investment matures or management intends to dispose off the investments within twelve months of the balance sheet date.

Available for sale investments are initially recognised at fair value plus transaction costs, and are subsequently carried at fair value. Changes in the fair value are recognised in other comprehensive income.

The Company assesses at each balance sheet date whether there is objective evidence that an investment is impaired. Impairment loss on all investments is recognised in the profit and loss account. Whereas, reversal of impairment loss is recognised in other comprehensive income.

2.7 Taxation

i. Current

Charge for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, and taxes paid under the final tax regime.

ii. Deferred

The Company accounts for deferred taxation using the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is recognised for taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is charged or credited to the profit and loss account except for deferred tax arising on surplus on revaluation of fixed assets and on change in fair value of investments categorised as available for sale which is charged to the surplus on revaluation and fair value reserve respectively.

2.8 Stores, spares and loose tools

These are valued at cost determined on moving average basis less provision for slow moving and obsolete stores and spares. Items in transit are valued at invoice value plus other charges incurred thereon.

2.9 Stock-in-trade

These are valued at lower of cost and net realisable value. Cost is determined by first-in first-out method except for materials for fabrication of bus bodies, consumable stores, locally manufactured parts, spares for sale and stock in transit.

Cost of material for fabrication of bus bodies, consumable stores, locally manufactured parts and spares for sale is determined on moving average method. Cost of stock in transit comprises of invoice value plus other charges incurred thereon.

Cost of work in process and finished goods include direct material, labour and appropriate portion of manufacturing expenses.

Net realisable value is determined on the basis of estimated selling price of the product in the ordinary course of business less cost of completion and estimated costs necessarily to be incurred to make the sale.

2.10 Trade and other debts

Trade and other debts are carried at original invoice amount being the fair value. Provision is made against debts considered doubtful of recovery whereas debts considered irrecoverable are written off.

2.11 Cash and cash equivalents

Cash and cash equivalents are carried at cost. For the purposes of cash flow statement, cash and cash equivalents comprise cash, cheques in hand, balances with banks on current, savings and deposit accounts and short term borrowings under mark-up arrangements.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

2.12 Staff retirement benefits

Defined benefit plans

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

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

The Company operates approved funded gratuity and pension schemes for all its permanent employees. The schemes define the amounts of benefit that an employee will receive on or after retirement subject to a minimum qualifying period of service under the schemes.

Contribution to pension fund is made by both, the Company based on actuarial recommendation, and by employees at 2% and 3% of the basic monthly salary in case of management and non-management staff respectively.

All actuarial gains and losses are recognised in other comprehensive income as they occur, immediately recognises all past service costs and replaces interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability / asset.

Past service costs are immediately recognised in profit and loss account.

Defined contribution plan

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

The Company also operates an approved contributory provident fund for all its permanent employees to which equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 10% of basic salary.

2.13 Compensated absences

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

2.14 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

2.15 Borrowings and their costs

Borrowings are recognised initially at fair value, net of transaction costs incurred and are subsequently measured at amortised cost using the effective interest method.

Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that asset.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

2.16 Warranty obligations

The Company recognises the estimated liability, on an accrual basis, to repair or replace products under warranty at the balance sheet date, and recognises the estimated product warranty costs in the profit and loss account when the sale is recognised.

2.17 Financial instruments

Financial instruments include loans and advances, deposits, trade and other debts, cash and bank balances, borrowings, trade and other payables and accrued mark-up. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

2.18 Trade and other payables

Trade and other payables are initially measured at cost which is the fair value of the consideration to be paid for goods and services, whether or not billed to the Company.

2.19 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amount receivable for goods supplied, stated net of discounts, returns and value added taxes. Revenue from sale of goods is recognised on delivery of goods to customers i.e. when the significant risks and reward of ownership have been transferred to the customer.

Commission on handling Complete Built Up (CBU) vehicles and spare parts is recognised on accrual basis.

Return on bank deposits and short term investments is recognised on accrual basis.

2.20 Research and development cost

Research and development cost except to the extent that an intangible asset is recognised, is charged in the year in which it is incurred. Development costs previously charged to income are not recognised as an asset in the subsequent period.

2.21 Foreign currency translation

Foreign currency transactions are recorded in Pak Rupee using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupee at the rates of exchange prevailing at the balance sheet date. Exchange gains and losses are taken to profit and loss account.

2.22 Dividend distribution

Dividend distribution to shareholders is recognised as liability in the financial statements in the period in which the dividend is approved.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

3.1 The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

3.1.1 Income taxes

In making the estimates for income taxes, the Company takes into account the current income tax law and decisions taken by appellate authorities on certain issues in the past. There may be various matters where the Company's view differs with the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of a material nature is in accordance with the law. The difference between the potential and actual tax charge, if any, is disclosed as a contingent liability.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

3.1.2 Defined benefit plans

The Company has adopted certain actuarial assumptions as disclosed in note 19 to the financial statements for valuation of present value of defined benefit obligations and fair value of plan assets, based on actuarial advice.

3.1.3 Provisions

Provisions are considered, among others, for legal matters, disputed indirect taxes, warranty obligations, stock obsolescence and doubtful debts where a legal or constructive obligation exists at the balance sheet date and reliable estimate can be made of the likely outcome. The nature of these costs is such that judgement is involved in estimating the timing and amount of cash flows.

3.2 No critical judgement has been used in applying accounting policies.

	Note	2016	2015
		Rupees '000	
4. PROPERTY, PLANT AND EQUIPMENT			
Operating assets	4.1	2,123,096	1,973,574
Capital work-in-progress		64,251	21,969
		2,187,347	1,995,543

4.1 Operating assets

	Leasehold Land (Revalued - note 4.2)	Buildings on leasehold land (Revalued - note 4.2)	Plant and machinery	Furniture and fittings	Vehicles	Electrical Installations	Office and other equipments	Total
	Rupees '000							
Year ended March 31, 2016								
Opening net book value (NBV)	1,033,576	598,245	114,988	1,918	187,117	8,638	29,092	1,973,574
Additions	-	33,783	101,995	18,664	77,944	13,356	64,242	309,984
Disposals - at NBV	-	-	(81)	* -	(16,062)	* -	(41)	(16,184)
Depreciation / amortisation charge for the year	(21,253)	(25,026)	(38,088)	(1,885)	(32,672)	(4,772)	(20,582)	(144,278)
Closing net book value	1,012,323	607,002	178,814	18,697	216,327	17,222	72,711	2,123,096
At March 31, 2016								
Cost or revaluation	1,056,600	658,346	673,289	31,444	309,761	92,497	162,737	2,984,674
Accumulated impairment	-	-	(2,746)	-	-	-	(100)	(2,846)
Accumulated depreciation / amortisation	(44,277)	(51,344)	(491,729)	(12,747)	(93,434)	(75,275)	(89,926)	(858,732)
Net book value	1,012,323	607,002	178,814	18,697	216,327	17,222	72,711	2,123,096
Year ended March 31, 2015								
Opening net book value (NBV)	1,054,829	617,063	136,302	2,656	120,970	7,872	19,672	1,959,364
Additions	-	5,476	18,895	-	129,457	4,081	21,291	179,200
Disposals - at NBV	-	-	(239)	-	(34,924)	-	(119)	(35,282)
Depreciation/amortisation charge for the year	(21,253)	(24,294)	(39,970)	(738)	(28,386)	(3,315)	(11,752)	(129,708)
Closing net book value	1,033,576	598,245	114,988	1,918	187,117	8,638	29,092	1,973,574
At March 31, 2015								
Cost or revaluation	1,056,600	624,563	575,832	13,213	267,421	79,941	119,437	2,737,007
Accumulated impairment	-	-	(2,746)	-	-	-	(100)	(2,846)
Accumulated depreciation / amortisation	(23,024)	(26,318)	(458,098)	(11,295)	(80,304)	(71,303)	(90,245)	(760,587)
Net book value	1,033,576	598,245	114,988	1,918	187,117	8,638	29,092	1,973,574
Useful life (years)	76 to 79	40	2 to 10	2 to 10	4 to 5	5	3 to 7	

* Assets disposed off having nil net book value.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

4.2 The Company's land measuring 10.61 acres and 6 acres located at Plot Nos. D-2 and D-136, S.I.T.E, Karachi respectively and buildings thereon were revalued by an independent valuer - Iqbal A. Nanjee & Co. (Pvt) Limited on March 1, 2014 on the basis of present market values for similar sized plots in the vicinity for land and replacement values of similar type of buildings based on present cost of construction (level 2).

The different levels have been defined in IFRS 13 as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (level 2); and
- Inputs for the assets or liabilities that are not based on observable market data (i.e. unobservable inputs e.g. estimated future cash flows) (level 3).

Had there been no revaluation, the net book values of land and buildings on leasehold land as at March 31, 2016 would have been Rs. 5.8 million (2015: Rs. 6 million) and Rs. 331.23 million (2015: Rs. 308.12 million) respectively.

4.3 Details of operating assets disposed of

The details of operating assets disposed of, having net book value in excess of Rs. 50,000 each are as follows:

Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Mode of disposal	Particulars of purchaser
← Rupees '000 →						
Motor Vehicle	1,572	423	1,149	1,255	Company Policy	Irfan Ahmed - Ex Executive
"	1,998	867	1,131	1,139	"	Muhammad Akram - Ex Executive
"	1,784	1,199	585	917	"	Azherul Ehsan - Executive
"	1,462	983	479	877	"	Muzaffar Anjum - Executive
"	1,414	951	463	967	"	Rizwan Ul Haq - Executive
"	870	575	295	423	"	Karima Sadiq - Executive
"	870	575	295	423	"	Kamran Ahmed Khan - Executive
"	870	575	295	423	"	Rehan Zafar - Executive
"	827	547	280	376	"	Sabir Pasha - Executive
"	842	566	276	352	"	Muhammad Saleem - Executive
"	842	566	276	352	"	Rashid Maqsood - Employee
"	842	566	276	352	"	Rizwan Ahmed Shah - Employee
"	648	436	212	212	"	Muhammad Ramzan - Employee
"	648	436	212	212	"	Hassan Salman - Executive
"	625	420	205	205	"	Imtiaz Ahmed Ansari - Executive
"	618	415	203	203	"	Muhammad Arif Khan - Executive
"	106	26	80	98	"	Shehzad Shaikh - Employee
"	98	24	74	83	"	Syed Arshad Rizvi - Ex Employee
"	800	421	379	355	Insurance Claim	EFU General Insurance Limited Central Division, Karachi
"	122	16	106	122	"	"
"	103	18	85	100	"	"
"	110	25	85	112	"	"
"	103	23	80	100	"	"
"	70	16	54	63	"	"

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Mode of disposal	Particulars of purchaser
← Rupees '000 →						
Motor Vehicle	6,798	838	5,960	6,200	Quotation	Butt Brothers Transport S-7, 9 & 10, A - One Comforts, Block-11, Main Rashid Minhas Road, Gulshan-e-Iqbal, Karachi.
"	709	477	232	586	Tender	Muhammad Kaavish - House # LS17-18 Qasba Mor, Orangi Town, Sector 1-C, Karachi.
"	689	463	226	580	"	Azeem Shah - House # B-261 Metrovill S.I.T.E Block-5, Karachi.
"	689	463	226	580	"	"
"	689	463	226	580	"	"
"	689	463	226	550	"	"
"	689	463	226	550	"	"
"	652	438	214	575	"	Syed Asad Imam - House # R-143 North Karachi, Sector 11-K, Karachi.

2016

2015

Rupees '000

5. INTANGIBLE ASSETS - Computer Softwares

Opening balance		
Cost	36,009	26,966
Accumulated amortisation	(25,360)	(22,061)
Net book value	10,649	4,905
Year ended March 31, 2016		
Opening net book value	10,649	4,905
Additions	17,439	9,043
Amortisation	(7,714)	(3,299)
Closing net book value	20,374	10,649
Closing balance		
Cost	53,448	36,009
Accumulated amortisation	(33,074)	(25,360)
Net book value	20,374	10,649

6. LONG-TERM INVESTMENTS

Available for sale		
Arabian Sea Country Club Limited - note 6.1	5,000	5,000
Provision for impairment	(5,000)	(4,649)
	-	351
Automotive Testing & Training Centre (Private) Limited - note 6.2	500	500
Provision for impairment	(428)	(428)
	72	72
	72	423

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

- 6.1** This represents cost of 500,000 (2015: 500,000) fully paid-up unquoted ordinary shares of Rs. 10 each. Company holds 6.45% of shares of the investee Company.
- 6.2** This represents cost of 50,000 (2015: 50,000) fully paid-up unquoted ordinary shares of Rs. 10 each. Company holds 2.77% of shares of the investee Company.
- 6.3** The provision for impairment made during the year is based on the break-up value computed through latest audited financial statements of investee companies.

	2016	2015
	Rupees '000	
7. LONG-TERM LOANS AND ADVANCES – considered good		
Loans and advances to:		
- executives	7,104	9,670
- other employees	15,083	12,969
	22,187	22,639
Less: Recoverable within one year - note 11	(8,208)	(8,424)
	13,979	14,215

- 7.1** The loans and advances are provided to employees under their terms of employment on interest free basis.

Loans under the schemes have been provided to facilitate purchase / construction of house and are repayable over a period of five to twelve years. The loan for purchase / construction of house is secured against employees' retirement fund balances.

Advances to employees are for house rent assistance and these are repayable upto a period of five years. These are secured against employees' retirement fund balances.

- 7.2** The maximum aggregate amount of loans due from executives at the end of any month during the year was Rs. 10.74 million (2015: Rs. 12.13 million).

	2016	2015
	Rupees '000	
7.3 Reconciliation of carrying amount of loans and advances to executives:		
Opening balances	9,670	10,069
Add: Disbursements	4,678	6,661
	14,348	16,730
Less: Repayments	(7,244)	(7,060)
Closing balances	7,104	9,670

8. STORES, SPARES AND LOOSE TOOLS

Stores and spares	18,207	22,198
Loose tools	1,931	13,613
	20,138	35,811
Less: Provision for obsolescence	(583)	(8,871)
	19,555	26,940

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

	2016	2015
	Rupees '000	
9. STOCK-IN-TRADE		
Raw Materials and components - note 9.1 [including in transit Rs. 927.11 million (2015: Rs. 671.41 million)]	2,076,230	1,324,360
Less: Provision for obsolescence	(12,594)	(31,875)
	2,063,636	1,292,485
Work-in-process	50,732	151,347
Finished goods	585,941	275,740
Less: Provision for obsolescence	(492)	(351)
	585,449	275,389
Trading stock - Spare parts [including in transit Rs. 2.43 million (2015: Rs. 42.90 million)]	88,329	163,801
Less: Provision for obsolescence	(18,307)	(68,831)
	70,022	94,970
	2,769,839	1,814,191

9.1 Raw materials include stocks held with suppliers amounting to Rs. 19.683 million (2015: Rs. 17.04 million).

	2016	2015
	Rupees '000	
10. TRADE DEBTS		
Considered good - unsecured		
Related parties - note 10.2		
Indus Motor Company Limited	26,977	53,059
Toyota Tsusho Corporation	-	18,167
Others - note 10.3	476,987	1,215,984
	503,964	1,287,210
Considered doubtful		
Others	21,327	30,679
	525,291	1,317,889
Less: Provision for doubtful debts - note 10.4	(21,327)	(30,679)
	503,964	1,287,210
10.1 As of March 31, 2016, the age analysis of trade debts is as follows:		
Not yet due	323,870	279,933
Past due		
- Up to 3 months	45,363	633,590
- 3 to 6 months	86,300	306,640
- 6 to 12 months	47,807	21,342
- More than one year	21,951	76,384
	201,421	1,037,956
	525,291	1,317,889

10.2 As at March 31, 2016, trade debts from related parties were outstanding for not more than 45 days.

10.3 This includes amount receivable from government institutions amounting to Rs. 430.31 million (2015: Rs. 1,117 million).

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

	2016	2015
	Rupees '000	
10.4		
Balance at beginning of the year	30,679	124,329
Charge / (reversal) during the year	1,381	(93,650)
Written off against provision	(10,733)	-
Balance at end of the year	21,327	30,679
11. LOANS AND ADVANCES		
Current maturity of long term loans and advances to:		
- executives	4,806	5,603
- other employees	3,402	2,821
	8,208	8,424
Advances to:		
- other employees	643	138
- suppliers - note 11.1	38,929	16,173
	39,572	16,311
	47,780	24,735
Provision for doubtful advances to suppliers	(7,270)	(7,270)
	40,510	17,465

11.1 Advances to suppliers include amount of Rs. 5.6 million (2015: Rs. Nil) paid to Indus Motor Company Limited - a related party.

	2016	2015
	Rupees '000	
12. TRADE DEPOSITS AND PREPAYMENTS		
Trade deposits	77,270	35,595
Provision for doubtful deposits - note 12.1	(5,045)	(2,594)
	72,225	33,001
Prepayments	16,597	15,127
	88,822	48,128
12.1		
Balance at beginning of the year	2,594	2,405
Charge during the year	2,451	189
Balance at end of the year	5,045	2,594
13. REFUNDS DUE FROM THE GOVERNMENT		
Sales tax refundable - note 13.1	119,785	168,268
Custom duty and excise duty refundable	2,807	2,807
	122,592	171,075
Less: Provision for doubtful refundables	(55,726)	(55,726)
	66,866	115,349

13.1 This includes sales tax refundable of Rs. 55.6 million (2015: Rs. 79.1 million), net of provisional refunds of Rs. 519.05 million (2015: Rs. 519.05 million) received against bank guarantees and undertakings, the recovery of which is dependent upon the fulfilment of the requirements of standing order no. 1 of 2010 issued by the Federal Board of Revenue and verification of related sales tax records. The Company is in the process of complying with the regulatory requirements.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

	2016	2015
	Rupees '000	
14. OTHER RECEIVABLES		
Considered good		
Receivable from related parties		
Toyota Tsusho Corporation, Japan	-	26,492
Workers' Profits Participation Fund - note 14.1	2,285	8,974
Employees' Provident Fund	1,237	-
Others	204	890
	3,726	36,356
14.1 Workers' Profits Participation Fund		
Opening balance	8,974	(196)
Allocation for the year	(92,715)	(83,201)
Amount paid to the Fund	86,026	92,371
Closing balance	2,285	8,974
15. CASH AND BANK BALANCES		
Balances with banks:		
- on term deposit accounts - note 15.1	2,725,000	1,620,000
- on current accounts	88,450	45,078
- on PLS savings accounts - note 15.2	730,244	1,000,599
Cheques in hand	120,757	-
Cash in hand	256	320
	3,664,707	2,665,997

15.1 Term deposits carry mark-up ranging from 5.75% to 6.4% (2015: 7.82% to 8.2%) per annum maturing in June 2016.

15.2 At March 31, 2016, the average rates of mark-up on savings accounts was 5.04% per annum (2015: 6.8% per annum).

15.3 All bank accounts are maintained under conventional banking system.

	2016	2015
	Rupees '000	
16. SHARE CAPITAL		
16.1 Authorised share capital		
20,000,000 ordinary shares of Rs. 10 each	200,000	200,000
16.2 Issued, subscribed and paid-up capital		
Ordinary shares of Rs. 10 each		
6,200,280 shares issued for consideration paid in cash	62,003	62,003
4,133,520 shares issued for consideration other than cash - fixed assets	41,335	41,335
2,066,760 shares issued as bonus shares	20,668	20,668
12,400,560	124,006	124,006

16.3 At March 31, 2016 and March 31, 2015 Hino Motors Ltd, Japan - the holding company and Toyota Tsusho Corporation, Japan - an associated company respectively held 7,357,665 and 3,678,833 ordinary shares of Rs. 10 each.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

	2016	2015
	Rupees '000	
17. SURPLUS ON REVALUATION OF FIXED ASSETS		
Opening balance	1,216,150	1,249,576
Transferred to unappropriated profit on account of incremental depreciation for the year - net of deferred tax	(31,098)	(33,426)
	1,185,052	1,216,150
Effect of change in tax rate	14,506	-
Closing balance	1,199,558	1,216,150
18. DEFERRED TAXATION		
Credit balances arising in respect of:		
- accelerated tax depreciation allowances	76,486	70,202
- surplus arising on revaluation of fixed assets	82,733	101,543
- others	21	147
	159,240	171,892
Debit balances arising in respect of:		
- provision for stores and stocks obsolescence	(9,401)	(37,321)
- provision for doubtful trade debts, deposits, advances and other receivables	(26,296)	(32,221)
- provision for retirement benefits	(9,991)	(1,400)
- provision for warranty	(17,744)	(24,848)
	(63,432)	(95,790)
	95,808	76,102

19. RETIREMENT BENEFITS

19.1 As stated in note 2.12, the Company operates approved funded gratuity and pension schemes for all its permanent employees and an unfunded gratuity for its contractual employees. The schemes define the amounts of benefit that an employee will receive on or after retirement subject to a minimum qualifying period of service under the schemes. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at March 31, 2016.

19.2 Plan assets held in trust are governed by local regulations which mainly includes Trust Act, 1882, Companies Ordinance, 1984, Income Tax Rules, 2002 and Rules under the Trust deed of the Plans. Responsibility for governance of the Plans, including investment decisions and contribution schedules, lies with the Board of Trustees. The Company appoints the trustees and all trustees are employees of the Company.

19.3 The latest actuarial valuation of the Fund as at March 31, 2016 was carried out using the Projected Unit Credit Method. Details of the Fund as per the actuarial valuation are as follows:

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

2016			2015		
Funded		Unfunded	Funded		Unfunded
Gratuity Fund	Pension Fund	Gratuity	Gratuity Fund	Pension Fund	Gratuity
Rupees '000					

19.4 Movement in (asset) / liability

Opening balance	(12,544)	12,881	92,408	7,506	12,530	76,194
Charge for the year	8,993	12,905	20,168	10,852	10,586	40,261
Remeasurements recognised in Other Comprehensive Income	4,066	21,622	3,617	(12,328)	16,081	247
(Payments) / withdrawal during the year	3,371	(15,204)	(6,370)	(18,574)	(20,862)	(24,294)
Employee contributions	-	-	-	-	(5,454)	-
Closing balance	3,886	32,204	109,823	(12,544)	12,881	92,408

19.5 Balance sheet reconciliation as at March 31

Fair value of plan assets	(159,455)	(231,364)	-	(152,016)	(211,759)	-
Present value of obligations	163,341	263,568	109,823	139,472	224,640	92,408
Recognised (asset) / liability	3,886	32,204	109,823	(12,544)	12,881	92,408

19.6 Remeasurement recognised in Other Comprehensive Income

Experience gains / (losses)	(8,512)	(14,104)	(3,617)	14,486	(9,061)	(247)
Remeasurement of fair value of plan assets	4,446	(7,518)	-	(2,158)	(7,020)	-
	(4,066)	(21,622)	(3,617)	12,328	(16,081)	(247)

19.7 Charge for the year

Current service cost	10,080	12,521	11,246	11,083	10,668	11,469
Interest cost	13,534	21,979	8,922	16,840	24,081	8,326
Expected return on plan assets	(14,621)	(21,595)	-	(17,071)	(24,163)	-
Past service cost	-	-	-	-	-	20,466
	8,993	12,905	20,168	10,852	10,586	40,261

19.8 Movement in the present value of obligation

Opening balance	139,472	224,640	92,408	133,037	189,646	76,194
Current service cost	10,080	12,521	11,246	11,083	10,668	11,469
Interest cost	13,534	21,979	8,922	16,840	24,081	8,326
Remeasurement	8,512	14,104	3,617	(14,486)	9,061	247
Benefits paid	(8,257)	(9,676)	(6,370)	(7,002)	(8,816)	(24,294)
Past service cost	-	-	-	-	-	20,466
Closing balance	163,341	263,568	109,823	139,472	224,640	92,408

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

2016			2015		
Funded		Unfunded	Funded		Unfunded
Gratuity Fund	Pension Fund	Gratuity	Gratuity Fund	Pension Fund	Gratuity
Rupees '000					

19.9 Movement in fair value of plan assets

Opening balance	152,016	211,759	-	125,531	177,116	-
Expected return on plan assets	14,621	21,595	-	17,071	24,163	-
Remeasurement	4,446	(7,518)	-	(2,158)	(7,020)	-
Employer contributions / (withdrawals)	(3,371)	15,204	-	18,574	20,862	-
Employee contributions	-	-	-	-	5,454	-
Benefits paid	(8,257)	(9,676)	-	(7,002)	(8,816)	-
Closing balance	159,455	231,364	-	152,016	211,759	-

19.10 Plan assets comprise of:

Government bonds	82,949	164,418	-	81,500	147,116	-
National Savings Certificates	44,956	11,388	-	40,860	10,350	-
Other Bonds (TFCs)	3,093	9,731	-	8,290	15,730	-
Mutual funds	10,626	6,782	-	8,632	5,868	-
Bank deposits	10,441	19,893	-	10,320	19,197	-
Cash at bank	7,390	19,152	-	2,414	13,498	-
	159,455	231,364	-	152,016	211,759	-

19.11 Key actuarial assumptions used:

Expected rate of return on plan assets (%)	10.0	10.0	-	10.0	10.0	-
Future salary increase (%)	9.0	9.0	9.0	9.0	9.0	9.0
Discount rate at March 31 (%)	10.0	10.0	10.0	10.0	10.0	10.0
Retirement age (years)	60	60	60	60	60	60

19.12 Pre-Retirement mortality was assumed to be SLIC (2001-2005) for males and females, as the case may be, but rated down one year.

19.13 In case of the funded plans, the Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the Retirement benefit plan. Within this framework, the Company's ALM objective is to match assets to the retirement benefit obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency. The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the Retirement benefit plan obligations. The Company has not changed the processes used to manage its risks from previous periods. The Company does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. A large portion of assets in 2016 consists of government bonds and term deposits. The Company believes that government bond offer the best returns over the long term with an acceptable level of risk.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

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

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

Figures in this note are based on the latest actuarial valuation carried out as at March 31, 2016.

19.15 Sensitivity analysis for actuarial assumptions

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

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
	← Rupees '000 →		
Discount rate at 31 March	1.00%	(46,839)	54,869
Future salary increases	1.00%	45,648	(40,547)

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

The sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the balance sheet.

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

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

19.17 Based on actuary's advice, the amount of expected contribution to gratuity and pension funds in 2016-17 will be Rs. 11.626 million and Rs. 18.597 million respectively.

19.18 The weighted average duration of pension fund, funded gratuity and unfunded gratuity is 10 years.

19.19 Expected maturity analysis of undiscounted retirement benefit plans.

	Less than a year	Between 1-2 years	Between 2-5 years	Between 5-10 years	Over 10 years	Total
	← Rupees '000 →					
At March 31, 2016 Retirement benefit plans	50,928	32,753	124,283	432,285	1,914,995	2,555,244

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

	2016	2015
	Rupees '000	
20. TRADE AND OTHER PAYABLES		
Creditors	303,264	210,654
Bills payable to		
- Toyota Tsusho Corporation, Japan - associated company	1,968,198	1,490,482
- Hino Motors Limited, Japan - holding company	25,323	-
Accrued liabilities	819,504	511,607
Provision for warranty services - note 20.1	41,664	67,274
Provision for compensated absences - note 20.2	63,562	61,203
Advances from customers - note 20.3	1,287,239	1,225,849
Provision for custom duties - note 20.4	158,750	158,750
Payable to Hino Motors, Ltd. Japan - holding company - royalty	258,646	160,034
Security deposits from dealers	27,000	27,000
Provision for infrastructure cess	23,249	23,249
Employees related obligation - note 20.5	47,060	37,678
Tax deducted at source and payable to statutory authorities	16,901	21,868
Workers' welfare fund	37,522	31,027
Payable to Provident Fund	-	1,969
Sindh sales tax on services	43,357	16,003
Unclaimed dividend	6,666	3,692
Others	6,403	5,931
	5,134,308	4,054,270
20.1 Provision for warranty services		
Balance at beginning of the year	67,274	72,019
(Reversed) / Recognised during the year	(21,713)	3,977
Expenses against provision	(3,897)	(8,722)
Balance at end of the year	41,664	67,274
20.2 Provision for compensated absences		
Balance at beginning of the year	61,203	57,424
Net charge during the year	16,919	18,838
Payments made	(14,560)	(15,059)
Balance at end of the year	63,562	61,203

20.3 Advances from customers include amount of Rs. 20.55 million (2015: Rs. 38.4 million) received from a related party.

20.4 These represent demands raised by Collector of customs in respect of custom duty provision made against CKD kits imported in 1993 and between 1998 to 2006. The same have been appealed against at appropriate levels and reply from authorities is awaited.

20.5 This represents contributions made by employees towards the sale price of vehicles provided to them by the Company in accordance with the Company's vehicle policy.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

21. CONTINGENCY AND COMMITMENTS

21.1 As at March 31, 2016 the Company has received provisional refunds of Rs. 519.05 million (2015: Rs. 519.05 million) from the sales tax department against undertakings and bank guarantees.

21.2 Commitments for capital expenditures as at March 31, 2016 amounted to Rs. 96.83 million (2015: Rs. 93.15 million).

	2016	2015
	Rupees '000	
22. SALES		
Gross sales	22,260,464	15,285,779
Sales tax	(3,219,301)	(2,313,947)
	19,041,163	12,971,832
Commission and discounts	(935,447)	(322,817)
Sale returns	(18,866)	(12,727)
	18,086,850	12,636,288

22.1 Sales to Government institutions of Rs. 3.01 billion (2015: Rs. 3.92 billion) account for 17 percent (2015: 31 percent) of the net sales.

23. TOTAL COST OF SALES, DISTRIBUTION COST AND ADMINISTRATIVE EXPENSES

	Cost Of Sales		Distribution Cost		Administrative Expenses		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	Rupees '000							
Raw materials consumed	13,888,432	9,035,290	-	-	-	-	13,888,432	9,035,290
Staff costs - note 23.1	806,150	743,972	175,053	174,993	160,200	156,279	1,141,403	1,075,244
Depreciation and amortisation	98,282	98,197	11,746	9,435	41,964	25,375	151,992	133,007
Rent, rates and taxes	6,159	5,890	7,795	23,100	7,183	6,799	21,137	35,789
Insurance	9,398	9,108	1,788	1,697	8,443	8,066	19,629	18,871
Vehicle running and maintenance	13,057	15,540	11,477	17,536	10,588	12,720	35,122	45,796
Fuel and power	65,459	75,822	2,555	2,403	14,687	16,276	82,701	94,501
Travelling and entertainment	19,113	13,560	33,750	18,141	25,405	18,042	78,268	49,743
Repairs and maintenance	44,420	45,219	3,101	4,419	27,543	24,748	75,064	74,386
Communication and stationery	6,721	6,070	7,330	7,251	8,877	8,094	22,928	21,415
Royalty and technical assistance	243,669	168,175	-	-	-	-	243,669	168,175
Provision / (Reversal) for obsolete stock-in-trade, stores and spares	(56,981)	1,512	-	-	-	-	(56,981)	1,512
Legal and professional charges	4,884	5,023	12,444	1,164	11,799	9,959	29,127	16,146
Auditors' remuneration - note 23.2	-	-	-	-	3,314	3,163	3,314	3,163
Security and maintenance	1,597	-	2,726	2,717	59,488	57,406	63,811	60,123
Outward freight and handling	-	-	990	571	-	-	990	571
Advertising and sales promotion	-	-	54,442	73,886	-	-	54,442	73,886
Product maintenance charges	-	-	80,374	48,310	-	-	80,374	48,310
Warranty services	-	-	(21,713)	3,977	-	-	(21,713)	3,977
Provision for doubtful receivables, advances and deposits	-	-	3,832	(93,864)	-	-	3,832	(93,864)
Sindh sales tax on royalty	27,354	16,003	-	-	-	-	27,354	16,003
Other expenses	23,673	15,469	10,274	7,491	14,345	12,147	48,292	35,107
	15,201,387	10,254,850	397,964	303,227	393,836	359,074	15,993,187	10,917,151
Opening stock of work in process	151,347	78,487						
Closing stock of work in process	(50,732)	(151,347)						
Cost of goods manufactured	15,302,002	10,181,990						
Opening stock of finished goods	275,389	562,878						
Closing stock of finished goods	(585,449)	(275,389)						
	14,991,942	10,469,479						
Consumption of trading goods	332,832	193,425						
	15,324,774	10,662,904						

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

	Cost Of Sales		Distribution Cost		Administrative Expenses		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	Rupees '000							
23.1 Staff costs								
Salaries, wages, allowances and staff welfare	767,727	688,432	165,469	164,143	153,359	149,197	1,086,555	1,001,772
Charge for defined benefit plans	30,824	48,502	6,580	8,150	4,662	5,047	42,066	61,699
Charge for defined contribution plan	7,599	7,038	3,004	2,700	2,179	2,035	12,782	11,773
	806,150	743,972	175,053	174,993	160,200	156,279	1,141,403	1,075,244

	2016	2015
	Rupees '000	
23.2 Auditors' remuneration		
Audit fee	1,725	1,630
Fee for limited review of half yearly financial statements and other certifications	1,250	1,205
Out of pocket expenses	339	328
	3,314	3,163

24. OTHER INCOME

Income from financial assets		
Return on PLS savings accounts	74,913	25,781
Return on deposit accounts	89,338	85,676
	164,251	111,457
Income from non-financial assets		
Gain on disposal of non-current assets	9,967	6,284
Others		
Scrap sales	13,326	24,492
Commission from an associated company	1,612	112,268
Liabilities no longer required written back	447	990
Others	3,058	5,553
	192,661	261,044

25. OTHER EXPENSES

Donations and charities - note 25.1	3,936	24,766
Workers' Profits Participation Fund	92,715	83,201
Workers' Welfare Fund	34,541	29,742
	131,192	137,709

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

	2016	2015
	Rupees '000	
26. FINANCE (COST) / INCOME		
Mark-up on short-term borrowings	(90)	(37)
Exchange (loss) / gain - net	(294,403)	124,914
Bank charges and others	(10,210)	(6,706)
	(304,703)	118,171

26.1 The Company does not deal in any foreign currency derivative products for hedging and trading purposes.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

	2016	2015
	Rupees '000	
27. TAXATION		
Current		
- for the year	528,395	460,824
- for prior year - note 27.1	42,143	-
Deferred	43,129	18,541
	613,667	479,365

27.1 This represents one-time prior year charge for super tax, imposed for rehabilitation of temporarily displaced persons under section 4B of the Income Tax Ordinance, 2001 (as inserted by Finance Act 2015).

	2016	2015
	Rupees '000	
27.2 Relationship between tax expense and accounting profit		
Profit before taxation	1,727,042	1,552,589
Tax calculated at the rate of 32% (2015: 33%)	552,653	512,354
Effect of final tax regime	6,013	(36,076)
Tax effect of change in tax rate	3,455	1,752
Effect of super tax	42,143	-
Others	9,403	1,335
Tax charge for the year	613,667	479,365

28. EARNINGS PER SHARE - BASIC

Profit after taxation attributable to ordinary shareholders	1,113,375	1,073,224
Number of ordinary shares (in'000) issued and subscribed at end of the year	12,401	12,401
Earnings per share - basic	Rs. 89.78	Rs. 86.54

28.1 A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at March 31, 2016 and March 31, 2015 which would have any effect on the earnings per share if the option to convert is exercised.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

	2016	2015
	Rupees '000	
29. CASH GENERATED FROM OPERATIONS		
Profit before taxation	1,727,042	1,552,589
Add / (less): Adjustments for non cash charges and other items		
Depreciation and amortisation	151,992	133,007
Gain on disposal of operating fixed assets	(9,967)	(6,284)
Retirement benefits charge	42,066	61,699
Mark-up on short-term borrowings	90	37
Income on PLS savings and deposit accounts	(164,251)	(111,457)
Profit before working capital changes	1,746,972	1,629,591
EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES		
(Increase) / Decrease in current assets		
Stores, spares and loose tools	7,385	18,272
Stock-in-trade	(955,648)	842,191
Trade debts	783,246	(556,143)
Loans and advances	(23,045)	24,579
Trade deposits and prepayments	(40,694)	(23,897)
Refunds due from the government	48,483	218,275
Other receivables	32,630	(8,103)
	(147,643)	515,174
Increase in current liabilities		
Trade and other payables	1,077,064	56,778
	929,421	571,952
	2,676,393	2,201,543

30. REMUNERATION OF MANAGING DIRECTOR / CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The amounts charged in these financial statements for remuneration of the Managing Director, Directors and Executives of the Company are as follows:

	MANAGING DIRECTOR / CHIEF EXECUTIVE		DIRECTORS		EXECUTIVES	
	2016	2015	2016	2015	2016	2015
	Rupees '000					
Managerial remuneration and allowances	5,812	6,116	9,883	10,160	100,299	100,073
Bonus	7,649	8,802	12,786	14,134	126,157	106,530
Retirement benefits	-	-	-	-	20,814	16,211
Rent and utilities	-	-	418	843	35,377	31,673
Leave passage	436	400	738	701	5,633	4,882
Club expenses	-	-	-	-	791	565
Medical expenses	157	157	320	307	6,394	5,523
	14,054	15,475	24,145	26,145	295,465	265,457
Number of persons	1	1	2	2	68	60

30.1 Consultancy fee of Rs. 2.34 million (2015: Rs. 1.92 million) is paid to the Chairman and he is also provided with free use of Company maintained car.

30.2 The Managing Director, Executive Directors and certain Executives of the Company are provided with free use of Company maintained cars and housing facilities in accordance with their terms of employment.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

	2016	2015
	Units	
31. PLANT CAPACITY AND PRODUCTION		
Plant capacity (single shift without overtime)		
- Chassis	6,000	6,000
- Bodies	1,800	1,800
Actual production		
- Chassis	3,137	2,919
- Bodies	470	1,517

31.1 Chassis and bodies production during the year was as per market demand.

32. RELATED PARTY DISCLOSURES

Disclosure of transactions between the Company and related parties:

Relationship	Nature of transaction	2016	2015
		Rupees '000	
i. Holding company	- Dividend paid	477,586	277,678
	- Purchase of goods	465,094	213,462
	- Royalty charge	240,971	167,801
	- Technical assistance fee	2,698	374
	- Purchase of property, plant and equipment	1,181	-
ii. Associated companies	- Purchase of goods	10,016,728	5,466,042
	- Sale of goods	520,315	1,096,235
	- Dividend paid	238,793	138,839
	- Purchase of property, plant and equipment	31,760	37,078
	- Commission earned	1,612	112,268
iii. Staff retirement funds	- Payments to retirement benefit plans	50,626	54,694

32.1 Outstanding balances with related parties as at year end have been included in trade debts, other receivables and trade and other payables respectively. These are settled in ordinary course of business.

32.2 Details of compensation to key management personnel comprising of Managing Director and Directors is disclosed in note 30 above.

33. PROVIDENT FUND RELATED DISCLOSURES

The following information is based on latest un-audited financial statements of the Fund:

	2016	2015
	Rupees '000	
Size of the fund - Total assets	202,163	189,150
Percentage of investments made	100%	99%
Fair value of investments	202,163	187,228

33.1 The cost of above investments amounted to Rs. 174.7 million (2015: Rs. 158.8 million).

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

33.2 The break-up of fair value of investments is:

	2016	2015	2016	2015
	Percentage		Rupees '000	
National savings scheme	22%	23%	43,701	40,777
Bank deposits	53%	40%	106,704	75,805
Government securities	5%	19%	10,350	36,292
Mutual funds	20%	18%	41,408	34,354
	100%	100%	202,163	187,228

33.3 The investments out of provident fund have been made in accordance with the provisions of Section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

34. SHORT-TERM BORROWINGS

Running finance under mark-up arrangements

34.1 The facilities for short term borrowings under mark-up arrangements with various banks amounted to Rs. 3.57 billion (2015: Rs. 3.72 billion) of which the amount remaining unutilised at the year end was Rs. 3.57 billion (2015: Rs. 3.72 billion).

34.2 The facilities for opening the letters of credit and guarantees as at March 31, 2016 amounted to Rs. 8.58 billion (2015: Rs. 6.73 billion) of which the amount remaining unutilised at the year end was Rs. 5.15 billion (2015: Rs. 3.68 billion).

34.3 The above facilities are secured by way of hypothecation charge on stock-in-trade.

35. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial assets and liabilities

	Interest / Mark-up bearing			Non Interest / Mark-up bearing			Total
	Maturity up to one year	Maturity after one year	Sub-total	Maturity up to one year	Maturity after one year	Sub-total	
	Rupees '000						
Financial assets							
Available for sale							
Long term investments	-	-	-	-	72	72	72
Loans and receivables							
Loans and advances	-	-	-	8,208	13,979	22,187	22,187
Deposits	-	-	-	72,225	6,541	78,766	78,766
Trade debts	-	-	-	503,964	-	503,964	503,964
Other receivables	-	-	-	204	-	204	204
Accrued mark-up	-	-	-	7,016	-	7,016	7,016
Cash and bank balances	3,455,244	-	3,455,244	209,463	-	209,463	3,664,707
2016	3,455,244	-	3,455,244	801,080	20,592	821,672	4,276,916
2015	2,620,599	-	2,620,599	1,411,153	21,459	1,432,612	4,053,211
Financial liabilities							
At amortised cost							
Trade and other payables	-	-	-	3,520,230	-	3,520,230	3,520,230
2016	-	-	-	3,520,230	-	3,520,230	3,520,230
2015	-	-	-	2,601,590	-	2,601,590	2,601,590
On balance sheet gap							
2016	3,455,244	-	3,455,244	(2,719,150)	20,592	(2,698,558)	756,686
2015	2,620,599	-	2,620,599	(1,190,437)	21,459	(1,168,978)	1,451,621

OFF BALANCE SHEET FINANCIAL INSTRUMENTS

Commitments for capital expenditure	96,827
Letters of credit	2,169,530
Letters of guarantee	1,261,466
2016	3,527,823
2015	1,658,818

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

The effective interest / mark-up rates for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

(i) Interest / Mark-up rate risk

Interest / mark-up rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest rates. As at March 31, 2016 the Company's interest bearing financial assets amounted to Rs. 3.46 billion (2015: Rs. 2.6 billion), and had the interest rates varied by 100 basis points with all the other variables held constant, profit before tax for the year would have been approximately lower / higher by Rs. 34.55 million (2015: Rs. 26.2 million).

The sensitivity of 100 basis points movement in the interest rates has been used as historically (five years) floating interest rates have moved by an average of 100 basis points per annum.

(ii) Credit risk

Credit risk represents the accounting loss that would be recognised if counterparts failed to perform as contracted. The financial assets exposed to credit risk amount to Rs. 4.28 billion (2015: Rs. 4.05 billion). The Company believes that it is not materially exposed to credit risk as major part of these financial assets comprises of receivable from government institutions and bank balances which represent low credit risk as they are placed with banks and other financial institutions having good credit ratings assigned by credit rating agencies.

The Company attempts to control credit risk by monitoring credit exposure, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties.

The other financial assets are neither material to the financial statements nor exposed to any significant credit risk.

(iii) Liquidity risk

Liquidity risk reflects the Company's inability in raising funds to meet its commitments. The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of financing through banking arrangements. Management monitors rolling forecast of the Company's liquidity reserve which comprises undrawn borrowing facility and cash and cash equivalents on the basis of expected cash flow.

(iv) Foreign exchange risk

Foreign exchange risk arises mainly when receivables and payables exist due to transactions based on currencies other than Pak Rupee. As at March 31, 2016 payable exposed to foreign exchange risk is of Rs. 2.2 billion (2015: Rs. 1.65 billion). The liability is mainly denominated in Japanese Yen.

As at March 31, 2016, if the Pak Rupee had weakened / strengthened by 2% against Japanese Yen with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 44.54 million (2015: Rs. 33 million), mainly as a result of foreign exchange losses / gains on translation of Japanese Yen denominated financial assets and liabilities.

The sensitivity of foreign exchange rate looks at the outstanding foreign exchange balances of the Company as at the balance sheet date and assumes this is the position for a full twelve-month period. The volatility percentage for movement in foreign exchange rates has been used due to the fact that historically (5 years) rate has moved on average basis by the mentioned percentage per annum.

(v) Fair values of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

36. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce cost of capital. The Company has no debt as at March 31, 2016.

Notes to and Forming Part of the Financial Statements

For the year ended March 31, 2016

	2016	2015
37. NUMBER OF EMPLOYEES		
Number of employees at March 31		
- Permanent	318	323
- Contractual	655	701
Average number of employees during the year		
- Permanent	323	325
- Contractual	635	675

38. SUBSEQUENT EVENTS

The Board of Directors in its meeting held on May 26, 2016 proposed a cash dividend of Rs. 89.78 per share (2015: Rs. 64.91) amounting to Rs. 1,113.32 million (2015: Rs. 804.92 million) subject to approval of members at the forthcoming annual general meeting.

39. DATE OF AUTHORISATION FOR ISSUE

These financial statements were approved and authorised for issue in the Board of Directors meeting held on May 26, 2016.


Managing Director &
Chief Executive Officer

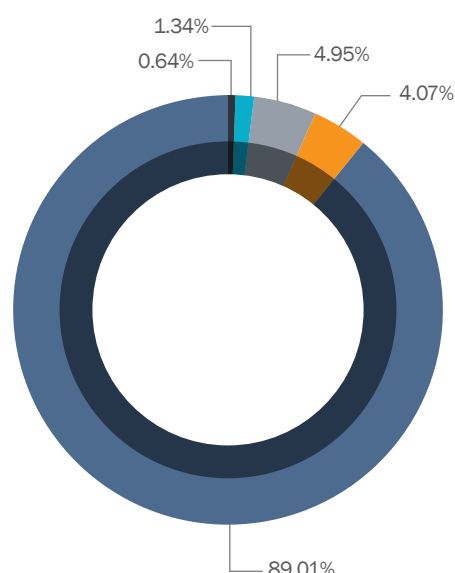

Chairman

Pattern of Shareholding

As at March 31, 2016

Number of Shareholders	Shareholdings		Total Shares Held
	From	To	
578	1	100	20,969
595	101	500	109,806
78	501	1000	62,573
65	1001	5000	150,844
7	5001	10000	54,219
15	10001	100000	525,649
1	100001	1000000	440,002
1	3000001	4000000	3,678,833
1	7000001	8000000	7,357,665
1341			12,400,560

Shareholders' Category	Number of Shareholders	Number of Shares Held	Percentage of Holding
Foreign Investors	4	11,037,498	89.01%
Financial Institutions	5	79,418	0.64%
Joint Stock Companies	16	165,974	1.34%
Individuals	1309	613,466	4.95%
Others	7	504,204	4.07%
Grand Total	1341	12,400,560	100%



Pattern of Shareholding

Foreign investors	
Financial institutions	
Joint stock companies	
Individuals	
Others	

Pattern of Shareholding

As at March 31, 2016

Shareholders' Category	Number of Shareholders	Number of Shares Held
Associated Companies Undertakings and Related Parties		
Hino Motors Ltd. (Hinopak Motors Limited is Toyota Group Company and subsidiary of Hino Motors Ltd., Japan. Toyota Motors Corporation is the ultimate parent of the group)	1	7,357,665
Toyota Tsusho Corporation, Japan	1	3,678,833
NIT and ICP	-	-
Public Sector Companies and Corporations	-	-
Directors, Chief Executive Officer, and their spouses and minor children		
Mr. Keiichi Utsumi	1	900
Executives		
Mr. Nishat Zafar	1	120
Mr. Muzaffar Anjum	1	120
Mr. Muhammad Owais Muhib Khan	1	120
Mr. Naushad Riaz	1	120
Mr. Irfan Ahmed	1	120
Banks, Development Financial Institutions, Non-Banking Financial Institutions		
National Bank of Pakistan	2	10,198
First credit & investment bank limited	1	1,900
Insurance Companies	-	-
Modarabas and Mutual Funds		
First Tri-Star Modaraba	1	20
CDC - Trustee HBL - Stock fund	1	67,300
Share holders holding 5% or more voting interest		
Hino Motors Ltd., Japan	1	7,357,665
Toyota Tsusho Corporation	1	3,678,833
General Public (Individuals)		
a. Local	1304	612,866
b. Foreign	1	100
Others	23	670,178

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 31st Annual General Meeting of the Shareholders of Hinopak Motors Limited (the Company) will be held at the Registered Office of the Company situated at D-2, S.I.T.E., Manghopir Road, Karachi on Tuesday, June 28, 2016 at 10:00 a.m. for transacting the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial statements of the Company for the year ended March 31, 2016, together with the Reports of the Directors and Auditors.
2. To approve cash dividend at 897.8% (or Rs.89.78 per share) on the ordinary shares of the Company as recommended by the Directors.
3. To appoint Auditors for the ensuing year and fix their remuneration.
4. Any other business with the permission of the Chair.

SPECIAL BUSINESS

1. "To consider, and if thought fit, pass a Special Resolution to amend the Articles of Association of the Company to set out the members' right to exercise their votes by electronic means.

FURTHER RESOLVED that the Company Secretary be and is hereby authorized to do all the acts, deed and things, take all steps and actions necessary, ancillary and incidental for altering the Articles of Association of the Company including the filing of all requisite documents/statutory forms as may be required to filed with the Commission/Registrar of the Companies and complying with all other regulatory requirements so as to effectuate the alterations in the Articles of Association and implementing the aforesaid resolution."

A statement of material facts under Section 160(1)(b) of the Companies Ordinance, 1984 covering above mentioned special business is annexed with this notice of the general meeting

Karachi
June 06, 2016

By order of the Board
FAHIM AIJAZ SABZWARI
Company Secretary

NOTES

i. Notice to Shareholders who have not provided their CNIC

The Individual Members who have not yet submitted photocopy of their valid Computerized National Identity Card (CNIC) to the Company / Share Registrar, are once again reminded to send the same at the earliest directly to Company's Share Registrar, M/s Technology Trade (Pvt.) Limited, Dagia House 241-C, Block-2, P.E.C.H.S., off. Shahrah-e-Quaideen, Karachi, Pakistan. The Corporate Entities are requested to provide their National Tax Number (NTN). Please give Folio Number with the copy of CNIC / NTN details. Reference is also made to the Securities and Exchange Commission of Pakistan (SECP) Notification SRO 831 (I)/2012 dated July 05, 2012, which mandates that the dividend warrants should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members.

In case of non-receipt of the copy of a valid CNIC or NTN, the Company would be unable to comply with SRO 831(1)/2012 dated July 05, 2012, of SECP and therefore will be constrained under Section 251(2)(a) of the Companies Ordinance, 1984 to withhold dispatch of dividend warrants of such shareholders.

ii. Payment of Dividend Electronically (E-mandate)

Under the Law, Shareholders are entitled to receive their cash dividend directly in their bank accounts instead of receiving the dividend warrants physically. Shareholders having physical holding and desiring to avail this option may submit the prescribed Dividend Mandate Form, to the Company's Share Registrar. The Shareholders who hold shares in Central Depository Company (CDC) may approach to submit the prescribed Dividend Mandate Form, to CDC for this option.

iii. Proxy

A member entitled to attend and vote at this General Meeting is entitled to appoint a Proxy to attend, speak and vote in his place at the Meeting. Instrument appointing a proxy must be deposited at the Registered Office of the Company at least forty eight hours before the time of the meeting.

To facilitate identification for right to attend the Annual General Meeting, Shareholder whose holdings are on the Central Depository System (CDS) or his Proxy should authenticate his identity by showing his original CNIC or original Passport at the time of attending the meeting; along with the Participant's Identity Number and Shareholder's account number allocated by the CDC.

In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

iv. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from June 22, 2016 to June 28, 2016 (both days inclusive) for the purpose of Annual General Meeting and to determine entitlement of cash dividend. No transfer will be accepted for registration during this period.

v. Change of Address

The Shareholders are requested to intimate any changes in their addresses to: The Share Registrar, Technology Trade (Pvt.) Limited, Dagia House 241-C, Block-2, P.E.C.H.S., off. Shahrah-e-Quaideen, Karachi, Pakistan.

vi. Deduction of Income Tax From Dividend

The government of Pakistan through Finance Act, 2015 has made certain amendments in section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. Presently, there tax rates are as under:

- a) For filers of Income Tax return 12.5%
- b) For Non filer of Income Tax return 17.5%

To enable to make tax deduction on the amount of cash dividend @ 12.5% instead of 17.5%, all the members whose names are not entered in the Active Taxpayer List (ATL) provided on the website of Federal Board of Revenue (FBR), despite the fact that they are filers, are advised to make sure that their names are entered into ATL before June 21, 2016 otherwise tax on their cash dividend will be deducted @17.5% instead of 12.5%.

In case of Joint account, each holder is to be treated individually as either a filer or non-filer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing as, to our Share Registrar, or if no notification, each joint holder shall be assumed to have an equal number of shares.

STATEMENT OF MATERIAL FACTS UNDER SECTION 160(1)(B) OF THE COMPANIES ORDINANCE 1984

SECP has issued The Companies (E-Voting) Regulations, 2016 through SRO 43(I)/2016. These regulations provide members with a right to vote at general meetings through electronic means, subject to satisfaction of certain conditions, including the amendment of Articles of Association so as to stipulate that in case of E-Voting both members and non-members can be appointed as proxy.

For the purpose of incorporating the facility of E-Voting in the Articles of Association of the company it is proposed to amend the Articles of Association by adding a new Article 63A as follows:

"The provisions and requirements for e-voting as prescribed by the SECP from time to time shall be deemed to be incorporated in these Articles, irrespective of the other provisions of these Articles of Association and notwithstanding anything contradictory therein."

Proxy Form

I/We _____ of _____

being a Shareholder of HINOPAK MOTORS LIMITED and holding _____ Ordinary Shares as per Register Folio No. _____ or

"CDC" Participant's I.D. No. _____ A/c No. _____ hereby appoint Mr / Ms _____ of

_____ or failing him/her Mr. / Ms _____ of _____ as my/our Proxy in

my/our absence to attend and vote for me/us and on my/our behalf at the 31st Annual General Meeting of the Company to be held on Tuesday, June 28, 2016 and at any adjournment thereof.

Affix Revenue Stamp(s) of Rupees five
Executant's Signature on Revenue Stamp(s)

(Signature should agree with the Specimen Signature registered with the Company).

Executant's Computerised National Identity Card Number (CNIC) or Passport Number

First Witness Signature

Name in Block letters and Address

CNIC or Passport Number of Witness

Second Witness Signature

Name in Block letters and Address

CNIC or Passport Number of Witness

Proxy's Signature

Proxy's CNIC Number or Passport Number

Proxy's Signature

Proxy's CNIC Number or Passport Number

Notes

1. A shareholder entitled to attend and vote at the Annual General Meeting of the Company may appoint any person as his/her proxy to attend and vote instead of him/her. The proxy shall have the right to attend, speak and vote in place of the shareholder appointing him/her at the meeting.

A proxy need not be a member of the Company.

2. The instrument appointing a proxy should be signed by the Shareholder or by his/her Attorney, duly authorised in writing and person appointed proxy. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted alongwith proxy form to the company.
3. The Proxy Form duly completed must be deposited at the Company's Registered Office at D-2, S.I.T.E., Manghopir Road, P.O. Box No.10714, Karachi-75700 not less than 48 hours before the time of holding the meeting.
4. Shareholders whose holdings are in the Central Depository System (CDS) and their proxies both should attach with this form, attested copies of their Computerised National Identity Card or (attested copies of first four pages of their passport). To facilitate identification at the AGM, the proxy should bring his/her original Computerised National Identity Card or passport. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

The Company Secretary
Hinopak Motors Limited
D-2, S.I.T.E., Manghopir Road,
P. O. Box No. 10714,
Karachi - 75700

پراکسی فارم

میں / ہم _____ بحیثیت ممبر ہینوپاک موٹرز لمیٹڈ، بلکہ _____ عام حصص بمطابق رجسٹرڈ فوئیو نمبر _____ یا

_____ "CDC Participant's I.D. No."، اکاؤنٹ نمبر _____،

مسٹی / مسماۃ _____ یا ان کی غیر موجودگی میں مسٹی / مسماۃ _____ کو اپنا / ہمارا بطور مختار مقرر کرتا

ہوں / کرتے ہیں تاکہ وہ میری / ہماری غیر موجودگی میں، میری / ہماری طرف سے کمپنی کا اکتیس واں سالانہ اجلاس عام جو کہ بتاریخ 28 جون 2016

بروز منگل منعقد ہو رہا ہے اور اس کے کسی ملتی شدہ اجلاس میں شرکت کر سکے اور ووٹ ڈال سکے۔

مطلوبہ (پانچ روپے کا) ریونیوٹکٹ چسپاں کریں اور دستخط کریں
(دستخط کمپنی کے پاس پہلے سے محفوظ دستخطی نمونہ کے مطابق ہونے ضروری ہیں۔)

شیر ہولڈر کا کمپیوٹرڈ قومی شناختی کارڈ نمبر (CNIC) یا پاسپورٹ نمبر

گواہ (۱)	گواہ (۲)
دستخط گواہ:	دستخط گواہ:
نام:	نام:
پتہ:	پتہ:
قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر:	قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر:

پراکسی دستخط _____ پراکسی دستخط _____

پراکسی شناختی کارڈ نمبر یا پاسپورٹ نمبر _____ پراکسی شناختی کارڈ نمبر یا پاسپورٹ نمبر _____

نوٹس:

- کمپنی کا ایسا حصہ دار / ممبر جو سالانہ اجلاس میں شرکت اور ووٹ ڈالنے کا اہل ہو وہ اپنی جگہ کسی اور شخص یا نمائندہ کو اجلاس میں شرکت اور ووٹ ڈالنے کے لئے نامزد کر سکتا ہے۔ پراکسی ہولڈر (مختار) کو کمپنی کا ممبر ہونا ضروری نہیں ہے۔
- پراکسی ہولڈر کے لئے ضروری ہے کہ اس کو شرکت دار یا اس کا مجاز کردہ وکیل اس کو بذات خود یا تحریر کے ذریعے سے تصدیق کرے۔ ادارے کی صورت میں پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹرز کی قرارداد یا مختار نامہ بمعہ نامزد کردہ شخص کے دستخطی نمونہ کے ساتھ کمپنی ہذا میں جمع کروائیں۔
- تمام نامزدگیاں اسی صورت میں موثر ہوں گی جب پراکسی فارم بنام کمپنی سیکرٹری رجسٹرڈ آفس D-2 سائٹ، منگھوپر روڈ، P.O Box No. 10714، کراچی، کو اجلاس کے انعقاد کے مقررہ وقت سے ۴۸ گھنٹے قبل موصول ہوں۔
- CDS میں اکاؤنٹ رکھنے والے ممبران کے لئے قومی شناختی کارڈ یا پاسپورٹ کے پہلے چار صفحات کی تصدیق شدہ کاپی کا ساتھ ہونا ضروری ہے۔
- پراکسی ہولڈر کو سالانہ اجلاس میں شرکت کے وقت اپنا اصل شناختی کارڈ یا پاسپورٹ پیش کرنا ضروری ہے تاکہ شناخت میں آسانی رہے۔ ادارے کی صورت میں پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹرز کی قرارداد یا مختار نامہ بمعہ نامزد کردہ شخص کے دستخطی نمونہ کے ساتھ بوقت شرکت اجلاس کمپنی ہذا میں پیش کرنا ضروری ہے۔

(۳) پراکسی

سالانہ اجلاس عام میں شرکت اور رائے دہی کا استحقاق رکھنے والا کوئی بھی ممبر اپنے عوض میٹنگ میں شرکت کرنے اور رائے دہی کیلئے کسی نمائندے کو مقرر کر سکتا ہے۔ عیوضی کے موثر ہونے کیلئے اطلاع نامہ کمپنی کے رجسٹرڈ آفس میں اجلاس شروع ہونے سے کم از کم اڑتالیس گھنٹے پہلے موصول ہونا چاہیئے۔ سینٹرل ڈپازٹری سسٹم (CDS) میں اکاؤنٹ کے حامل حصص یافتگان یا ان کے مقرر کردہ نمائندے کو اجلاس عام میں شرکت کے لئے شرکت کے وقت اپنے پارٹیسپیشن آرڈینیشن نمبر اور CDS کی جانب سے مخصوص کردہ شیئر ہولڈرز اکاؤنٹ نمبر کے ساتھ اپنا اور تکمیل کمپیوٹر شناختی کارڈ یا اور تکمیل پاسپورٹ دکھانا لازمی ہوگا۔ کسی کاروباری ادارے کی نمائندگی کی صورت میں نامزد فرد کو اپنے بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ بمعہ دستخط کے نمونے، اجلاس کے وقت پیش کرنا لازمی ہوں گے۔

(۴) شیئر ٹرانسفر کتاہوں کا بند ہونا

کمپنی کے حصص کی منتقلی کا رجسٹر 22 جون 2016 تا 28 جون 2016 (بشمول دونوں دن) سالانہ اجلاس عام اور حصص یافتگان کے منافع کی ملکیت کے تعین کیلئے بند رہے گا۔ اس دوران کسی ٹرانسفر کا اندراج قبول نہیں ہوگا۔

(۵) پتے کی تبدیلی

حصص یافتگان سے درخواست ہے کہ وہ اپنے رجسٹرڈ پتے میں ہونے والی کسی تبدیلی کی اطلاع فوری طور پر شیئر رجسٹرار، ٹیکنالوجی ٹریڈ پرائیویٹ لمیٹڈ بمقام ڈاکیومنٹس ہاؤس، 241-C، بلاک 2، پی ای سی ایچ اے، شاہراہ قائدین، کراچی، پاکستان پر ارسال کریں۔

(۶) ڈیویڈنڈ میں سے ٹیکس کی کٹوتی

حکومت پاکستان نے فنانس ایکٹ 2015 کے ذریعے انکم ٹیکس آرڈیننس 2001 سیکشن 150 میں کچھ ترامیم کی ہیں جس میں کمینیز کی جانب سے ڈیویڈنڈ کی ادائیگی پر ہولڈنگ ٹیکس کی کٹوتی کیلئے مختلف شرحیں تجویز کی گئی ہیں:

(a)	انکم ٹیکس ریٹرن فائل کرنے والوں کیلئے	12.5%
(b)	انکم ٹیکس ریٹرن فائل نہ کرنے والوں کیلئے	17.5%

کمپنی کو کیش ڈیویڈنڈ پر 17.5% کی بجائے 12.5% ٹیکس کٹوتی کا مجاز بنانے کیلئے شیئر ہولڈرز جن کے نام فیڈرل بورڈ آف ریونیو (FBR) کی ویب سائٹ پر فراہم کردہ ایکٹیو ٹیکس پیئر زسٹ (ATL) میں درج نہیں اس امر کے باوجود کہ وہ فائلرز ہیں، انکو ہدایت کی جاتی ہے کہ وہ 21 جون 2016ء سے قبل ATL میں اپنے نام کا اندراج یقینی بنائیں بصورت دیگر ان کے کیش ڈیویڈنڈ پر ٹیکس کی کٹوتی 12.5% کے بجائے 17.5% کی شرح سے کی جائے گی۔ جوائنٹ اکاؤنٹ کی صورت میں ہر شیئر ہولڈر کو انفرادی تصور کیا جائے گا خواہ وہ فائلر ہو یا نان فائلر اور ہر جوائنٹ ہولڈر کی شیئر ہولڈنگ کی مناسبت سے ٹیکس کی کٹوتی کی جائے گی۔ جس سے شیئر ہولڈرز ہمارے شیئر رجسٹرار کو تحریری طور پر مطلع کریں گے۔ شیئر ہولڈرز کی جانب سے نوٹیفکیشن موصول نہ ہونے کی صورت میں ہر شیئر ہولڈر کو برابر کے شیئرز رکھنے والا تصور کیا جائے گا۔

کمپنیز آرڈیننس مجریہ 1984 کے سیکشن 160 کی ذیلی شق اول کی ذیلی شق بی کے تحت امر واقعہ (میٹر بل فیکٹس) کا گوشوارہ:

سیکورٹیز ایکسچینج کمیشن آف پاکستان نے ایس آر او 43(1)/2015 کے تحت کمپنیز ریگولیشن مجریہ 2016 جاری کیا ہے۔ اس قانون کے تحت ارکان کو یہ اختیار ہے کہ وہ عام اجلاس میں برقی ذرائع سے ووٹنگ میں حصہ لیں جو کچھ شرائط کو پورا کرنے سے مشروط ہے، جن میں آرٹیکلز آف ایسوسی ایشن میں ترمیم شامل ہے تاکہ یہ اندازہ لگایا جاسکے کہ الیکٹرک ووٹنگ کی صورت میں ممبرز اور نان ممبرز کو پراکسی کے طور پر مقرر کیا جاسکے۔

آرٹیکلز آف ایسوسی ایشن میں یہ سہولت شامل کرنے کیلئے تجویز ہے کہ آرٹیکلز آف ایسوسی ایشن میں ایک نئی شق A-63 شامل کی جائے جو ذیل میں پیش کی جا رہی ہے:

”سیکورٹیز ایکسچینج کمیشن آف پاکستان کی جانب سے وقتاً فوقتاً وضع کردہ شقوق اور ضروری مطالبات کو ان آرٹیکلز میں دیگر شقوق کی موجودگی اور ان کے متضاد ہونے کے باوجود شامل سمجھا جائے گا۔“

نوٹس برائے سالانہ اجلاس عام

بذریعہ اطلاع کیا جاتا ہے کہ ہینوپاک موٹرز لمیٹڈ کے حصص یافتگان کا آئیس واں سالانہ اجلاس عام بتاریخ 28 جون 2016 بروز منگل بوقت 10:00 بجے صبح کمپنی کے رجسٹرڈ آفس بمقام D-2، سائٹ، منگھوپیر روڈ، کراچی پر درج ذیل امور کی انجام دہی کے کیلئے منعقد کیا جائے گا۔

عمومی کارروائی:

- (۱) 31 مارچ 2016ء کو اختتام پذیر ہونے والے مالی سال کیلئے آڈٹ شدہ مالیاتی رپورٹوں اور ان پر ڈائریکٹرز اور آڈیٹرز کی رپورٹوں کی وصولی، ان پر غور و خوض اور منظوری
- (۲) ڈائریکٹرز کی سفارش کے مطابق عمومی حصص پر 897.8 فیصد (یا 89.78 روپے فی حصص) کے حساب سے نقد حتمی منافع کی منظوری دینا۔
- (۳) شروع ہونے والے سال کے لئے آڈیٹرز کا تقرر اور ان کے معاوضے کا تعین کرنا۔
- (۴) چیئرمین کی اجازت سے کوئی اور کارروائی۔

امور خاص:

ممبران کی جانب سے ووٹنگ کے لئے برقی ذرائع (الیکٹرانک) سے اپنے ووٹ کے حق کے استعمال پر غور اور مناسب معلوم ہونے پر اس طریقہ کار کی بذریعہ خصوصی قرارداد منظوری اور کمپنی کے آرٹیکل آف ایسوسی ایشن میں اس حوالے سے ترامیم۔

اس کے علاوہ یہ منظوری دی جاتی ہے کہ کمپنی کا سیکریٹری اس بات کا مجاز ہوگا کہ وہ ہر وہ اقدام کرے جو کمپنی کے آرٹیکل آف ایسوسی ایشن میں ترامیم کیلئے ضروری ہیں۔ جن میں کمپنیوں کے رجسٹرار / کمیشن کے پاس دستاویزی اور قانونی فارم جمع کرنا اور ضابطے کی دیگر ضروریات پر عملدرآمد شامل ہے تاکہ آرٹیکل آف ایسوسی ایشن میں ترامیم کی جاسکیں اور ان پر عملدرآمد کرایا جاسکے۔

کمپنیز آرڈیننس مجریہ 1984 کے سیکشن 160 کی ذیلی شق اول کے تحت امر واقعہ کا گوشوارہ جس میں مذکورہ بالا امور خاص شامل ہے، اس عمومی اجلاس کے نوٹس کے ساتھ منسلک ہے۔

بحکم بورڈ

فہیم اعجاز سبزواری

کمپنی سیکریٹری

کراچی

6 جون 2016ء

نوٹس:

(۱) نوٹس برائے حصص یافتگان جنہوں نے شناختی کارڈ نمبر مہیا نہیں کیے:

ایسے انفرادی ممبران جنہوں نے ابھی تک اپنے کمپیوٹرائزڈ قومی شناختی کارڈوں کی نقول کمپنی / رجسٹرار کو جمع نہیں کروائی ہیں، کو ایک مرتبہ پھر یاد دہانی کروائی جاتی ہے کہ وہ یہ نقول کمپنی کے شیئر رجسٹرار میسرز ٹیکنالوجی ٹریڈ (پرائیویٹ) لمیٹڈ، ڈاکیا ہاؤس، C-241، بلاک 2، پی ای سی ایچ ایل، آف شاہراہ قائدین، کراچی، پاکستان کو براہ راست ارسال کریں۔ کارپوریٹ اینٹیٹیٹ کی صورت میں برائے مہربانی اپنا نیشنل ٹیکس نمبر (NTN) فراہم کریں۔ برائے مہربانی اپنے CNIC کی نقول / NTN کے ہمراہ فوئیو نمبر بھی فراہم کیجئے۔ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے نوٹس SR 0831(I)/2012 بتاریخ 5 جولائی 2012 کے مطابق ڈیویڈنڈ وارنٹس پر رجسٹرڈ یا با اختیار ممبر کے CNIC نمبرز درج ہونا لازمی ہیں ماسوائے مائسز اور کارپوریٹ ممبرز۔

مؤثر قومی شناختی کارڈ کی نقول یا نیشنل ٹیکس نمبر کی عدم وصولی کی صورت میں کمپنی SR 0831(I)/2012 پر عملدرآمد نہیں کر سکے گی اور کمپنیز آرڈیننس 1984 سیکشن (a)(2) 251 کے تحت ایسے شیئر ہولڈرز کے ڈیویڈنڈ وارنٹس کی ترسیل روکنے پر مجبور ہوگی۔

(۲) منافع کی برقی ذرائع سے ادائیگی

حصص یافتگان قانوناً نافذ منافع منقسمہ بذریعہ ڈیویڈنڈ وارنٹ وصول کرنے کے بجائے براہ راست اپنے بینک کھاتوں میں وصول کرنے کے بھی مجاز ہیں۔ لہذا فزیکل ہولڈنگ کے حامل حصص یافتگان جو یہ طریقہ اختیار کرنا چاہیں، مجوزہ ڈیویڈنڈ مینڈیٹ فارم پر کر کے کمپنی کے شیئر رجسٹرار کو جمع کرائیں۔ حصص یافتگان جن کے اکاؤنٹ سینٹرل ڈپازٹری کمپنی CDC میں ہیں، اس طریقہ کیلئے مجوزہ مینڈیٹ فارم CDC کو جمع کرائیں۔

- سال کے دوران آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے جن میں ہر ڈائریکٹر کی حاضری کچھ اس طرح رہی:

ڈائریکٹر کا نام اجلاسوں کی تعداد جن میں شرکت کی

4	مسٹر غفور مرزا
0	مسٹر ہیریش کوکا جی
0	مسٹر توشیا کی یاسودا
4	مسٹر تو یو کی کونو
0	مسٹر شگی ہیر و متسو کا
0	مسٹر اکی ہیٹو یاما نا کا
0	مسٹر تالیشی یاسودا

-31 مارچ 2016ء کو ختم ہونے والے سال کے دوران ڈائریکٹر بشمول سی ایف او، کمپنی سیکریٹری اور ان کے اہل خانہ اور نابالغ بچوں نے کمپنی کے شیئرز میں کوئی کاروبار نہیں کیا۔

چیئر مین کا جائزہ

اس رپورٹ کے ساتھ چیئر مین کا جائزہ منسلک ہے جس میں کارکردگی، گزشتہ سال کے آپریٹنگ نتائج کے مقابلے میں نمایاں تبدیلی، نمایاں منصوبے، فیصلے اور مستقبل کی پیش بینی شامل ہے۔ بورڈ چیئر مین کے جائزے کی توثیق کرتا ہے۔

بحکم بورڈ

武藤

تنسو ہی موتو

مینجنگ ڈائریکٹر اینڈ سی ای او

محمد اسلم سنجرائی

چیئر مین

مؤرخہ 26 مئی 2016

- کمپنی کی سرگرمیاں جاری رہنے کے حوالے سے کسی طرح کے شکوک و شبہات نہیں پائے جاتے۔
- لسٹنگ ریگولیشن میں تفصیلی طور پر درج کارپوریٹ گورننس کے بہترین طریقوں میں سے کوئی میٹریل ڈیپارچر نہیں ہے۔
- گزشتہ 6 سال کی سرگرمیوں اور ان کے مالیاتی گوشواروں کے متعلق تفصیلات صفحہ نمبر 52 پر موجود ہیں۔
- رواں سال کے دوران کمپنی نے اپنے نان ایگزیکٹو ڈائریکٹر مسٹر محمد اسلم سنجرائی کیلئے پاکستان انسٹی ٹیوٹ آف کارپوریٹ گورننس کے ذریعے ”کارپوریٹ گورننس لیڈرشپ اسکول“ کے نام سے ایک تربیتی پروگرام کا انعقاد کیا، یہ ادارہ سیکورٹیز ایکسچینج کمیشن آف پاکستان کا تسلیم شدہ ادارہ ہے۔
- 31 مئی 2016ء تک کمپنی کے پراویڈنٹ، گریجویٹ اور پنشن فنڈز کی سرمایہ کاری کی مالیت یہ رہی۔

روپے '000' میں

202,163	ہینوپاک موٹرز لمیٹڈ ایمپلائز پراویڈنٹ فنڈ
159,455	ہینوپاک موٹرز لمیٹڈ ایمپلائز گریجویٹ فنڈ
231,364	ہینوپاک موٹرز لمیٹڈ ایمپلائز پنشن فنڈ

- سال کے دوران بورڈ کے چار اجلاس منعقد ہوئے جن میں ہر ڈائریکٹر کی حاضری کچھ اس طرح رہی:

ڈائریکٹر کا نام اجلاسوں کی تعداد جن میں شرکت کی

4	مسٹر محمد اسلم سنجرائی
4	مسٹر کانچیر وائٹسوی
0	مسٹر تنوہی موتو
4	مسٹر یوشی ہیر وکونڈو
3	مسٹر تانی ہٹو ساسا کی
2	مسٹر شگی ہیر ویتسو کا
0	مسٹر اکی ہٹو یامانا کا
4	مسٹر تو یو کی کونو
2	مسٹر غفور مرزا
0	مسٹر تانیشی یاسودا
1	مسٹر ہیروشی کوکاجی
1	مسٹر توشیا کی یاسودا

بورڈ آف ڈائریکٹرز نے 26 مئی 2016 کو منعقدہ اپنے اجلاس میں فی شیئر کے حساب سے 89.78 روپے کے نقد منافع کی تجویز پیش کی (2015 میں فی شیئر منافع 64.91 روپے تھا) جس کی کل مالیت 1113.32 ملین روپے ہوگی (2015 میں یہ مالیت 804.92 ملین روپے تھی) اور یہ کمپنی کے آئندہ سالانہ عام اجلاس میں ممبران کی منظوری سے مشروط ہے۔

بنیادی اور ڈائریکٹرز آف مدنی فی حصص

رواں سال کیلئے بنیادی اور ڈائریکٹرز آف مدنی فی حصص 89.78 روپے رہی۔ (2015ء میں یہ 86.54 روپے رہی)

آڈیٹرز:

موجودہ آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس اپنے کام سے سبکدوش ہو رہے ہیں اور اہل ہونے کی حیثیت سے خود کو دوبارہ تقرر کیلئے پیش کرتے ہیں۔ ڈائریکٹرز نے میسرز اے ایف فرگوسن اینڈ کمپنی کو 31 مارچ 2017ء کو ختم ہونے والے مالی سال کیلئے آڈیٹرز مقرر کرنے کے حوالے سے آڈٹ کمپنی کی سفارشات کی توثیق کی ہے۔

شیئر ہولڈنگ پیٹرن

ضابطہ برائے کارپوریٹ گورننس کے مطابق شیئر ہولڈنگ کا پیٹرن اور اس ضمن میں مطلوبہ اضافی معلومات بالترتیب صفحہ نمبر 111 اور 112 پر موجود ہیں۔

ہولڈنگ کمپنی

19، اکتوبر 1998ء سے ہیونموٹرز لمیٹڈ جاپان، ہیونپاک موٹرز لمیٹڈ کی ہولڈنگ کمپنی ہے اور کمپنی میں اس کے حصص کی تعداد 59.3 فیصد ہے۔

آئندہ اینٹس

ختم ہونے والے مالی سال کے دوران اور یہ رپورٹ پیش کیے جانے تک مادی لحاظ سے یا وعدوں کی مد میں کوئی ایسی تبدیلیاں وقوع پذیر نہیں ہوئیں جو کمپنی کی مالی حیثیت پر اثر انداز ہوں۔

کارپوریٹ گورننس کے ضابطے کی شق XVI میں شامل بہترین طرز عمل کے اصولوں پر عملدرآمد

بورڈ کو یہ اعلان کرتے ہوئے خوشی ہو رہی ہے کہ کمپنی کی انتظامیہ کارپوریٹ گورننس کے اصولوں پر بہترین انداز سے عملدرآمد کر رہی ہے۔ کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک کے حوالے سے بورڈ کو اپنی ذمہ داریوں کا احساس ہے اور لہذا یہ بیان کیا جاتا ہے کہ:

- کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کے حالات، اس کے آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلی کی شفاف عکاسی کرتے ہیں۔
- کمپنی کے کھاتے مناسب انداز سے برقرار رکھے گئے ہیں۔
- مالی گوشوارے تیار کرنے کے عمل کے دوران اکاؤنٹنگ کی موزوں پالیسیوں پر عمل کیا جاتا ہے اور اکاؤنٹنگ کے اندازے ماہرانہ اور محتاط فیصلوں کے نتیجے ہوتے ہیں۔
- مالیاتی گوشواروں کی تیاری میں پاکستان میں قابل اطلاق اکاؤنٹنگ کے بین الاقوامی معیارات برقرار رکھے گئے ہیں۔
- ڈیزائن کے لحاظ سے انٹرنل کنٹرول کا نظام بہترین ہے اور اس پر موثر انداز سے عمل کیا جاتا ہے اور اس کی نگرانی بھی کی جاتی ہے۔

ڈائریکٹرز رپورٹ

31 مارچ 2016ء کو ختم ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ یہ رپورٹ پیش کرنا ڈائریکٹرز کیلئے باعث مسرت ہے۔

31 مارچ 2016ء کو کمپنی کا بورڈ آف ڈائریکٹرز مشتمل ہے:

مسٹر محمد اسلم سجرانی

مسٹر تنسو ہی موتو

مسٹر یوشی ہیرو کوئٹو

مسٹر غفور مرزا

مسٹر تاناکا ہیٹو ساساکی

مسٹر شینگئی ہیرو متسوکا

مسٹر توئیو کی کونو

مسٹر اکی ہیٹو یامانا کا

مسٹر تاناکیشی یا سودا

منافع کا تصرف

31 مارچ 2016ء کو ختم ہونے والا سال

31 مارچ 2015ء کو ختم ہونے والا سال

روپے '000 میں

1,552,589

1,727,042

(479,365)

(613,667)

1,073,224

1,113,375

33,426

31,098

(2,600)

(20,509)

1,718,636

2,354,689

2,822,686

3,478,653

(467,997)

(804,920)

2,354,689

2,673,733

قبل از ٹیکس منافع

ٹیکس

بعد از ٹیکس منافع

اضافی فرسودگی (انکریمنٹل ڈیپریسیشن) اور پائیدار اثاثوں کی فروخت کی مد میں اور پائیدار اثاثوں کے قدر و قیمت کی تعین نو کے بعد سرپلس سے منتقل ہونے والی رقم

سال کے دوران دیگر جامع نقصانات

پیش آورہ میں غیر مختص شدہ منافع

تصرف کیلئے دستیاب منافع

سال کے دوران ادا کیا جانے والا کیش ڈیویڈنڈ

غیر مختص شدہ منافع جو میزان میں آگے لے جایا گیا (کیری فارورڈ)

اظہار تشکر

کمپنی کی مصنوعات اور بعد از فروخت معاونت پر بے مثال اعتماد کیلئے مجھے اپنے صارفین کا شکریہ ادا کرتے ہوئے بہت خوشی ہو رہی ہے، ساتھ ہی کمپنی پر پختہ اعتماد کرنے پر اپنے اسٹیک ہولڈرز کا بھی شکریہ ادا کرتا ہوں، اس کے ساتھ ہی اپنی صدر کمپنی ہینو موٹرز لمیٹڈ اور ٹویوٹا سوشو کارپوریشن کا بھی شکریہ ادا کرتا ہوں کہ انہوں نے ہماری معاونت اور رہنمائی کی، میں اپنے وینڈرز اور سپلائرز کا بھی مشکور ہوں جنہوں نے پائیدار انداز کے ساتھ معیاری سپلائی کا سلسلہ برقرار رکھا۔ میں ان ضابطہ کاروں بشمول وفاقی اور صوبائی حکومتوں کا بھی مشکور ہوں جنہوں نے ہماری سرپرستی کی اور ان ڈیلرز، بیکاروں اور دیگر کاروباری شراکت داروں کا بھی مشکور ہوں جنہوں نے کمپنی پر اعتماد کیا۔

آخر میں، میں بورڈ آف ڈائریکٹرز، انتظامیہ اور قابل فخر ملازمین کا تہہ دل سے شکریہ ادا کرنا چاہوں گا جنہوں نے ہینوپاک کی 30 سال کی تاریخ میں یہ سال تاریخ ساز بنانے کیلئے اپنی انتھک محنت، جدوجہد اور لگن کے ساتھ کام کیا۔



محمد اسلم سجرانی
چیئرمین

مؤرخہ 26 مئی 2016

دوران ملازمت حفاظتی تدابیر اور تحفظ (آ کیو پشٹل ہیلتھ اینڈ سیفٹی)

ہینوپاک موٹرز میں ہم اپنی ذمہ داریوں کو سمجھتے ہیں اور اس بات کو یقینی بناتے ہیں کہ دوران ملازمت ملازمین اور دلچسپی لینے والے فریقین کو محفوظ اور حفظانِ صحت کے اصولوں کے مطابق ماحول میسر ہو۔

”زیر وسائی“ (صفر حادثات) کے عزم پر عمل کرتے ہوئے ہم نے رواں سال سیفٹی ڈوجو سینٹر قائم کیا۔ اس مرکز کے قیام کا مقصد اپنے ملازمین کو مقام کار (ورک پلیس) پر ممکنہ خطرات کے حوالے سے براہ راست احساسات سے متعارف کرایا جاسکے۔

تحفظ اور سیفٹی کو یقینی بنانے کیلئے، کمپنی انتظامیہ و قفاو قفا سیفٹی گامبا (انسپکشن) کرتی رہتی ہے تاکہ ملازمین کے تحفظ / سیفٹی کے حوالے سے مسائل پر براہ راست نظر رکھی جاسکے۔

قومی خزانے کو کی جانے والی ادائیگی

کمپنی مسلسل آٹوپارٹس کی (لوکلائزیشن) کر کے کی پالیسی پر عمل پیرا ہے تاکہ اخراجات کم اور غیر ملکی زر مبادلہ بچایا جاسکے۔ مقامی (وینڈرز) کے ذریعے لوکلائزیشن کر کے ملک کے قومی خزانے کو دو ارب روپے کا فائدہ ہوا۔ کمپنی نے ٹیکسوں، ڈیوٹیز اور دیگر محصولات کی مد میں بھی قومی خزانے کو 1.7 ارب روپے کی ادائیگی کی۔

کارپوریٹ گورننس

کارپوریٹ نظم و ضبط کے ضابطے کے عین مطابق، سیکورٹیز ایکسچینج کمیشن آف پاکستان کے تسلیم شدہ ادارے کے ذریعے ڈائریکٹرز سرٹیفیکیشن پروگرام کا انتظام کیا گیا۔

بورڈ میں تبدیلیاں

سال کے دوران، کمپنی کے چیف ایگزیکٹو افسر اور مینجنگ ڈائریکٹر مسٹر کچیراؤتسومی چار سال تک کمپنی میں خدمات انجام دینے کے بعد اپنے نئے فرائض کی انجام دہی کے لئے جاپان واپس چلے گئے مسٹر اوتسومی کا یہ عرصہ کمپنی کیلئے چیلنجز اور کامیابیوں سے بھرپور رہا جس میں کمپنی نے مسلسل تین سال تک ریکارڈ منافع کمایا۔ کمپنی کیلئے انتھک محنت کرنے اور گرانقدر خدمات انجام دینے پر میں ان کا شکریہ ادا کرتا ہوں اور مسٹر تسوہی موتو کو نئے مینجنگ ڈائریکٹر اور چیف ایگزیکٹو افسر کی حیثیت سے خوش آمدید کہتا ہوں جن کے پاس ہینو موٹرز جاپان اور ہینو کے دیگر ذیلی اداروں میں کام کا وسیع تجربہ ہے۔

اس کے ساتھ ہی، ہمارے بورڈ کے کچھ ممبران ریٹائر ہو گئے۔ جو لوگ ریٹائر ہوئے ہم انہیں ان کی گرانقدر خدمات پر ان کے شکر گزار ہیں اور اس موقع پر ہم نئے آنے والے ارکان کو خوش آمدید کہتے ہیں۔ ہمیں امید ہے کہ نئے ارکان غیر ملکی تجربہ کی بناء پر کمپنی کے فروغ اور اس میں بہتری کیلئے خدمات انجام دیں گے۔

مستقبل کے امکانات

میکرو اکنامک اشاریے مد نظر رکھتے ہوئے کہا جاسکتا ہے کہ پاکستان کی معیشت میں بہتر فروغ آ رہا ہے۔ پاک چین اقتصادی راہداری تعمیر ہونے سے بھی کاروبار کو پھلنے پھولنے کے بہتر مواقع میسر آئیں گے۔

اس دوران کمپنی کو جن چیلنجز کا سامنا رہے گا ان میں بجلی کی قلت، استعمال شدہ ٹرکوں اور بسوں کی درآمد اور زر مبادلہ کے تبادلے کے ناموافق فرق شامل ہیں؛ نتیجتاً ان سے پیداواری اخراجات بڑھ جائیں گے۔

مستقبل کے لاتعداد چیلنجز کے باوجود، انتظامیہ کو بھروسہ ہے کہ کمپنی جدت اور ماڈرنائزیشن کے ذریعے مارکیٹ میں اپنا قائدانہ کردار برقرار رکھے گی اور اپنے صارفین کو بعد از فروخت معاونت کا سلسلہ جاری رکھے گی۔ آخر میں، انتظامیہ کا بنیادی مقصد صرف موجودہ کارکردگی کو برقرار رکھنا نہیں ہے بلکہ آنے والے برسوں میں بہتر سے بھی بہتر کے حصول کی طرف پیش قدمی ہے۔

بعد از فروخت معاونت (آفٹر سیلز سپورٹ)

ہینوپاک میں ہم سمجھتے ہیں کہ صارفین کا اطمینان ہی ہماری کامیابی کی کنجی ہے، اپنے صارفین کو ہر مرتبہ مثبت تجربات سے روشناس کرانا ہی اپنی کامیابی کو یقینی بنانے اور اپنی ترقی اور قیادت کو مستحکم رکھنے کا بہترین طریقہ ہے۔

کمرشل وہیکل انڈسٹری میں ہینوپاک کا سب سے بڑا بعد از فروخت معاونت کانٹورک اپنے صارفین کیلئے ہمہ وقت باعث اطمینان ہے۔ پاکستان بھر میں موجود اپنے ڈیلرشپ نیٹ ورک کے ذریعے ہم اپنے صارفین کی توقعات پر پورا اترنے کی بھرپور کوشش کرتے ہیں۔ ہماری کوششوں، صارفین کے اطمینان اور اعتماد کی وجہ سے رواں سال پارٹس کی سب سے زیادہ فروخت ہوئی اور اس ضمن میں ہم نے بہترین کارکردگی کا مظاہرہ کیا، اور اپنے گزشتہ سال کے ریکارڈ کو توڑ دیا

کاروباری سماجی ذمہ داری (کارپوریٹ سوشل ریسپانسیبلٹی)

زلزلے کے بعد امدادی سرگرمیاں

کاروبار اس وقت تک کامیاب نہیں ہو سکتا جب تک اس کے ارد گرد معاشرہ کمزور ہو۔ منافع بخش کاروبار کھڑا کرنے کے ساتھ ساتھ بہتر معاشرہ بنانے میں حصہ ڈالنا بھی کمپنی کی طویل المدت بصیرت کا لازمی جزو ہے۔

رواں سال پاکستان کے کچھ شمالی حصوں میں زبردست زلزلہ آیا جس سے عوام اور ان کے مال و اسباب کو زبردست نقصان ہوا۔ کمپنی نے پاک فوج کے تعاون سے متاثرہ علاقوں میں ہنگامی بنیادوں پر ضروریات زندگی کی بنیادی اشیاء فراہم کیں، موسم سرما کی آمد تھی لہذا گرم کپڑے اور کمبل پہنچائے اور ان کے پر امن اور اچھے دنوں کو واپسی کیلئے نیک تمناؤں کا اظہار کیا۔

خیراتی اداروں کیلئے چندہ

غریب اور مستحق افراد کیلئے علاج معالجے کے معیاری اداروں کی دستیابی ہمیشہ سے ہی ایک خواب رہی ہے۔ رواں سال، کمپنی نے ہیلتھ کیئر کے شعبے میں مدد کے سلسلے کو مزید فروغ دیا اور اس میں خصوصی توجہ معذور بچوں پر مرکوز رکھی گئی۔ کمپنی نے ایسے بچوں کو سہارا دینے کیلئے ”دارال سکون“ (لاوارث معذور بچوں کا مسکن) کو سال بھر کے طبی اخراجات کیلئے بھاری چندہ دیا۔

فلاح و بہبود کی دیگر سرگرمیاں

رواں سال کے دوران فلاح و بہبود کی دیگر سرگرمیوں میں قومی سطح پر بلاسٹڈ کرکٹ ٹورنامنٹ کا انعقاد، بچوں کی تربیتی اور تفریحی مقاصد کیلئے سمر کیمپ، سرکاری اسکولوں میں روڈ سیفٹی کے متعلق آگہی پروگرامز کا انعقاد، مزدوروں کے بچوں کیلئے میرٹ کی بنیاد پر اسکالرشپ، یونیورسٹی کے طلباء کو ان کی تعلیمی اور پروجیکٹس کی سرگرمیوں میں معاونت کیلئے تکنیکی معاونت اور انجینئرنگ کے طلباء کیلئے ٹیکنیکل اسکالرشپس دینا شامل ہیں۔

افراد کی قوت میں بہتری لانا (ہیومن ریسورس ڈویلپمنٹ)

ہینوپاک میں ہم سمجھتے ہیں کہ لوگوں کی ترقی، ان کی معلومات، ہنر، تجربات اور جدت میں بہتری اور فروغ سے زیادہ اور کوئی چیز اہم نہیں۔ اپنے ملازمین میں بہتری اور جدت لانے کا سلسلہ جاری رکھتے ہوئے، سال بھر میں لاتعداد ایسے پروگرامز شروع کیے گئے جن میں تمام تر توجہ ملازمین کی مینجمنٹ اور قائدانہ صلاحیتوں کو بہتر بنانے، ان کے پیشہ ورانہ ہنر میں نکھار لانے، تکنیکی تربیت اور سافٹ اسکولز پر مرکوز رکھی گئی اور سال بھر کے دوران 23461 گھنٹوں پر محیط تربیتی سیشن منعقد کرائے گئے، جس سے کمپنی کی اپنے ملازمین کی جانب لگن کی عکاسی ہوتی ہے۔ کمپنی نے اپنے ملازمین اور ان کے اہل خانہ کیلئے فروری 2016ء میں ڈیم ورلڈ ریسورٹس پر فیملی فیسٹیول کا اہتمام کر کے اپنی 30 ویں سالگرہ منائی۔

سرمایہ جاتی اخراجات (کیپٹل ایکسپنڈیچر)

پیداواریت بڑھانے، ٹیکنالوجی کو بہتر کرنے اور تحفظ اور معیار کی اعلیٰ سطح کے حصول کے لئے کمپنی نے 370 ملین روپے کی کیپٹل گڈر میں سرمایہ کاری کی۔

سرمایہ کی مینجمنٹ اور نقدی کا بہاؤ

سیلز کے بہتر حجم، موثر انونٹری مینجمنٹ اور تجارتی واجبات کی بروقت وصولی کے نتیجے میں کمپنی نے آپریٹنگ سرگرمیوں کے ذریعے 2,676 ملین روپے جمع کیے اور سرمایہ جاتی اخراجات کی مد میں 370 ملین روپے خرچ کیے۔ کمپنی نے 681 ملین روپے کے محصولات بھی ادا کیے۔ نقد اور نقد کے برابراٹاٹوں میں 999 ملین روپے کا اضافہ ہوا۔

منافع

کمپنی کی شاندار کارکردگی کے ایک اور سال کے نتیجے میں بورڈ آف ڈائریکٹرز نے شیئر ہولڈرز کو منافع کی مد میں ٹیکس کی ادائیگی کے بعد 100 فیصد منافع کی ادائیگی کی تجویز دی ہے۔ جو فی شیئر کے حساب سے 89.78 روپے ہوگا، گزشتہ سال فی شیئر حساب 64.91 روپے تھا۔

مینوفیکچرنگ کی سہولیات

چیسس اسمبلی ڈویژن

چیسس اسمبلی ڈویژن (سی اے ڈی)، کمپنی کی کامیابی اور فروغ کیلئے بنیادی حیثیت کا حامل ہے۔ کمپنی کی توجہ جدید ترین ٹیکنالوجی کا حصول اور استعمال اور اپنے معزز صارفین کیلئے بہترین کوالٹی کے چیسس بنانے کیلئے پیداواری تکنیک میں بہتری لانے پر مرکوز ہے۔ رواں سال 3137 چیسس بنائے گئے جبکہ گزشتہ سال یہ تعداد 2919 تھی۔ مزید برآں، انڈس موٹرز کمپنی کیلئے 5304 آئی ایم وی (بائی کس) فریم بھی بنائے گئے۔

باڈی مینوفیکچرنگ ڈویژن

رواں سال کے دوران، باڈی مینوفیکچرنگ ڈویژن نے مختلف اور مخصوص ورائٹی کی 470 باڈیز بنائیں۔ گزشتہ سال یہ تعداد مختلف اداروں کے زیادہ آرڈرز کی بنا پر 1517 تھی۔ فضلہ کی کمی اور مینوفیکچرنگ کے جدید طریقہ کار اختیار کرتے ہوئے پلانٹ کی پیداواری صلاحیت میں مسلسل اضافہ ہو رہا ہے۔

کاروباری طرز عمل میں بہتری اور نئی مصنوعات متعارف کرانا

نئی مصنوعات متعارف کرانے کیلئے بہتر طرز عمل اختیار کرنے کو ایک منزل کی بجائے سفر کے طور پر لینا چاہئے۔ اور ہم اس سفر میں مستقبل آگے بڑھنے پر یقین رکھتے ہیں۔

ہینوپاک نے ہمیشہ پیداواری معاملے میں بہترین ٹیکنالوجی کے استعمال کو یقینی بنایا تا کہ وہ اس قابل ہو کہ صارفین کو انکے اعتماد کی معیاری اور پائیدار مصنوعات فراہم کر سکے انہی چیلنجز کو مد نظر رکھتے ہوئے، کمپنی نے اپنے پلانٹ اور مشینری میں 102 ملین روپے لگائے تا کہ پیداواری عمل کو مزید بڑھایا جاسکے۔

چیرمین رلیو رپورٹ

تسلیمات

کمپنی کے 31 ویں سالانہ عام اجلاس میں، میں آپ کو خوش آمدید کہتا ہوں۔ 31 مارچ 2016ء کو ختم ہونے والے سال کی کمپنی کی کارکردگی رپورٹ آپ سب کو پیش کرتے ہوئے مجھے بہت خوشی محسوس ہو رہی ہے۔

آپ سب کو یہ بتانا میرے لئے ایک اعزاز ہے کہ ہینوپاک موٹرز لمیٹڈ کی تاریخ میں یہ سال ایک اور یادگار کے طور پر شامل ہوا، اور یہ کہ مسلسل تین سال تک کمپنی نے سب سے زیادہ منافع کمایا ہے۔ گزشتہ سال کی ایک اور کامیابی پاکستان میں کمپنی کے آپریشنز کے 30 سال مکمل ہونا ہیں۔

اس تاریخی اور باعث فخر موقع پر میں آپ تمام اسٹیک ہولڈرز کو مبارکباد پیش کرتا ہوں کیونکہ کمپنی نے مسلسل تیسرے سال اپنی کارکردگی میں مزید بہتری پیدا کی اور بعد از ٹیکس منافع 1113 ملین روپے رہا۔ ریکارڈ منافع کمانے کے ساتھ ساتھ کمپنی نے کمرشل وہیکل انڈسٹری میں اپنے مارکیٹ شیئر کو بڑھایا اور مارکیٹ میں اپنے قائدانہ کردار کو برقرار رکھا۔ اس پر اثر لمحے میں ہم انتہائی خوش ہیں۔

ہینوپاک بزنس

مارکیٹ شیئر اور فروختگی

معیشت میں بہتری کے ساتھ آٹو انڈسٹری بھی اپنی مارکیٹ کے حجم میں اضافہ کرتے ہوئے ترقی کر رہی ہے۔ اور مارکیٹ میں حریفوں سے سخت مقابلے کے باوجود کمپنی نے مارکیٹ میں اپنا قائدانہ کردار برقرار رکھا اور کمرشل وہیکل انڈسٹری میں اپنا مجموعی مارکیٹ شیئر بڑھا کر 46 فیصد تک پہنچایا۔ بسوں کے شعبے میں، کمپنی بدستور 67 فیصد مارکیٹ شیئر کے ساتھ نمایاں رہی، ٹرکوں کے شعبے میں کمپنی کے شیئرز میں نمایاں اضافہ ہوا اور یہ 42 فیصد تک جا پہنچا۔ کمپنی نے گزشتہ سال کے 12,636 ملین کے مقابلے میں رواں سال 18,087 ملین روپے کی سب سے زیادہ فروختگی کی۔

خالص منافع

گزشتہ سال کے 1,973 ملین روپے کے مقابلے میں اس سال خالص منافع بڑھتے ہوئے 2,762 ملین روپے تک جا پہنچا۔

تقسیم اور انتظامی اخراجات

تقسیم اور انتظامی اخراجات 662 ملین روپے رہے جبکہ گزشتہ سال یہ اخراجات 792 ملین روپے تھے۔

مالیاتی اخراجات (فنانس کاسٹ)

گزشتہ سال کے 125 ملین روپے کے منافع کے مقابل اس سال جاپانی ین کی قدر و قیمت میں اضافے کی وجہ سے زرمبادلہ کی مد میں 294 ملین روپے کا نقصان ہوا۔

بعد از ٹیکس منافع








کمپنی نے اپنا ٹریک ریکارڈ بہتر کرتے ہوئے بعد از ٹیکس سب سے زیادہ 1,113 ملین روپے کا منافع کمایا جبکہ گزشتہ سال بعد از ٹیکس کمایا جانے والا منافع 1073 ملین روپے تھا۔ فی شیئر آمدنی میں بھی اضافہ ہوا اور یہ 89.78 روپے تک جا پہنچی۔ گزشتہ سال فی شیئر آمدنی 86.54 روپے تھی۔



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