

Saritow Spinning Mills Limited  
*Corporate Briefing Session*

*For the Year Ended*  
*30-06-2024 & 30-06-2025*

# Company Profile

## BOARD OF DIRECTORS

Mr.M.Naseem Saigol

Chairman

Mr. M.Zeid Yousaf saigol

Director

Mr. M. Murad Saigol

Director

Mr. Samir Iqbal Saigol

Director

Mr.Mohammad Omer Farooq

Director

Mrs. Sadaf Kashif

Director

Mr. Jamal Naseem

Director

# Introduction

**Saritow Spinning Mills Limited** was incorporated under the repealed Companies Ordinance , 1984 on 10<sup>th</sup> March 1987. The Company is a "Public Company limited by Shares" and is listed on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of Yarn.

The Registered Office of the Company is situated at 10-G, Mushtaq Ahmed Gurmani Road, Gulberg – II, Lahore, Pakistan. The factory is located at 51 KM, Multan Road, Phool Nagar, Kasur, Pakistan.

During Year 2012 the sister Company M/S Azam Textile Mills Limited was merged in to Saritow Spinning Mills Limited and at the moment Company is operating with 50,880/= Spindles.



Last few years were very tough for the company. The company was Operating below 100% Capacity and was temporarily closed from the month of February 2023 onward.

Textile industry is performing under immense Pressure for the last few years. Cotton crop has gone down to its lowest level forcing spinner to go for imported substitute. Rates of imported Raw material were also affected by fluctuations in Pak Rupee and US dollars parity which reached the highest level.

Per unit electricity rate of LESCO during June 2023 was R 19.09 per KWH which reached almost Rs 45 per KWH after incorporating FPA and QTA. Rates of both natural gas and imported RLNG has gone up quite considerably. Increase in major input costs coupled with unstable yarn market, decrease in volumes of yarn sales and below capacity production contributed towards the losses.

In order to boost the declining financial health of Company the sponsor directors have injected Rs. 449.100 million during the year 2023-24 to make up the heavy losses. In spite of this equity injection company keep on making losses. The Board of Directors of the Company in its meeting held on 28 February 2024 resolved to close the production facility for the time being in order to avoid further losses.

Despite accumulated losses the Company has positive equity.  
The Company has remained current in its debt servicing.

# VISION

*To accomplish, build up and sustain a good reputation of the project in textile sector locally and globally by marketing high quality of yarn through team work by means of honesty, integrity and commitment.*

# MISSION

*To transform the Company into a modern and dynamic Yarn manufacturing Company and to provide quality products to customers and explore new markets to promote / expand sales of the Company through Good Governance and foster a sound and dynamic team, so as to achieve optimum portability for the Company for sustainable and equitable growth and prosperity of the Company.*

# Financial Highlights

# Key Financial Indicators

Particulars	2,025	2,024	2,023	2,022	2,021	2,020
<b><u>Operating Performance (Rupees in Thousands)</u></b>	<b>2,025</b>	<b>2,024</b>	<b>2,023</b>	<b>2,022</b>	<b>2,021</b>	<b>2,020</b>
Turnover- Net	19.229	2,222,878	3,600,124	4,860,004	3,653,463	2,812,843
Gross Profit / (Loss )	(574.629)	(127,568)	(171,922)	302,488	379,791	122,937
Profit/(Loss) before tax	(597.007)	(280,914)	(400,369)	147,336	231,719	(39,292)
Profit/(Loss) after tax	(597.246)	(308,700)	(431,227)	91,414	174,427	(58,204)
<b><u>Financial Position (Rupees in Thousands)</u></b>						
Share Capital	298,406	298,406	298,406	298,406	298,406	298,406
Shareholders, Equity	113.901	256,690	475,093	818,534	739,055	560,750
Operating Fixed Assets	1,198.120	1,155,113	1,213,168	1,270,574	1,281,003	1,213,820
Total Assets	1,235.825	1,318,213	1,978,663	2,535,558	2,175,934	2,424,172
Bank Borrowings		60,502	587,864	661,190	569,115	963,116
<b><u>Ratio Analysis</u></b>						
<b><u>Profitability</u></b>						
Gross Profit Margin-% age		(5.73)	(4.78)	6.22	10.40	4.37
Profit/(Loss)after tax-% age		(13.88)	(11.98)	1.88	4.77	(2.07)
Earning/(Loss)Per Share-Rupees	(20.05)	(10.34)	(14.45)	3.06	5.85	(1.95)
<b><u>Activity</u></b>						
Sales to Operating Fixed Assets-Times		1.92	2.97	3.83	2.85	2.32
<b><u>Liquidity</u></b>						
Current Ratio-Times	0.01	0.22	0.75	1.07	1.03	1.03
Break up Value Per Share-Rupees	3.82	8.60	15.92	27.43	24.77	18.79



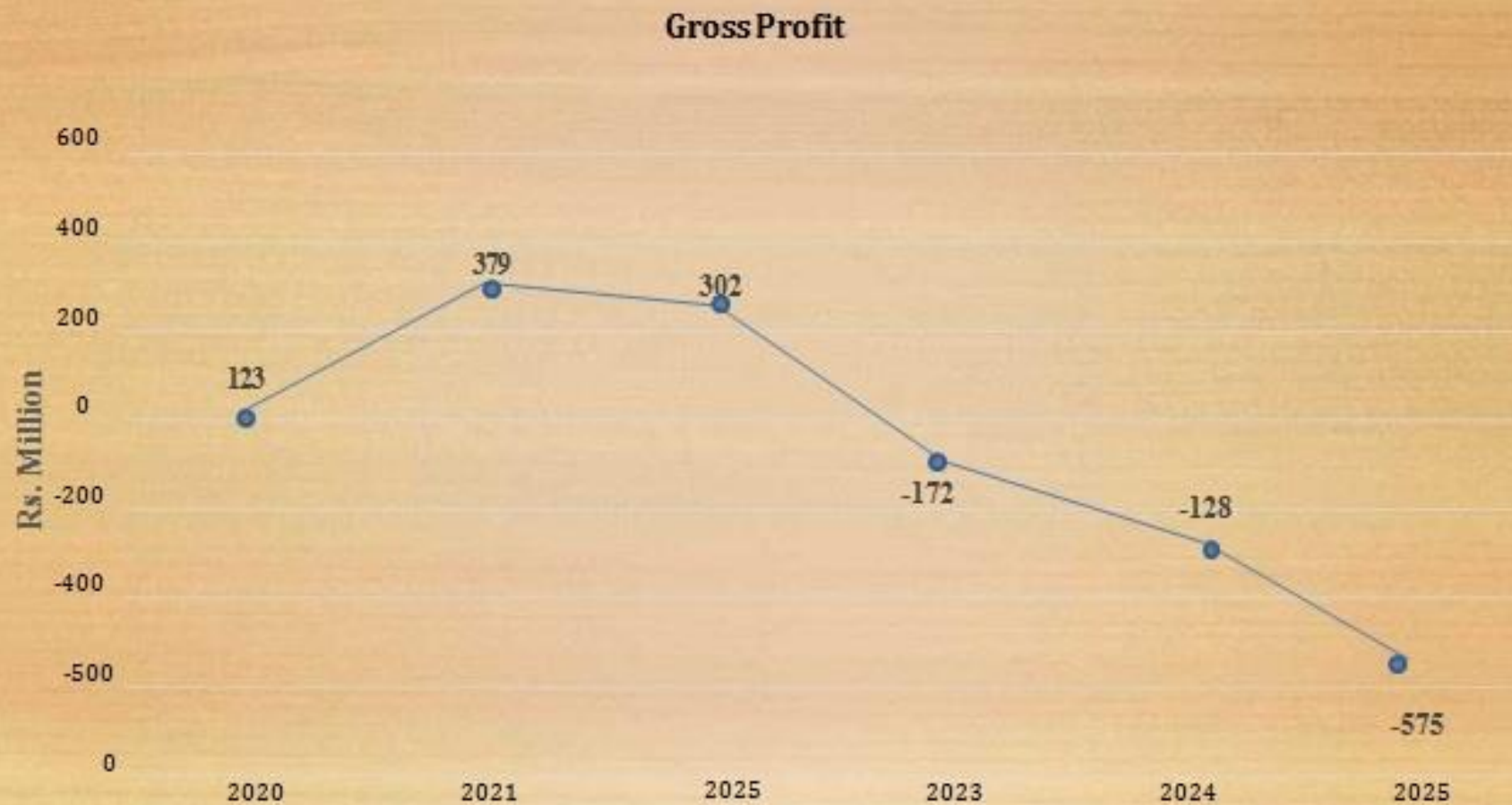
# Ratios

For the Year Ended June 30,		2025	2024
Debt : Equity	Times	0 : 100	0.05 : 99.50
Current ratio	Times	.02	0.22
KIBOR	%	16.29	21.10
Market value of equity	Rs. Per share	16.04	6.34
Shares traded	No. of shares	298,406	298,406

# Net Sales

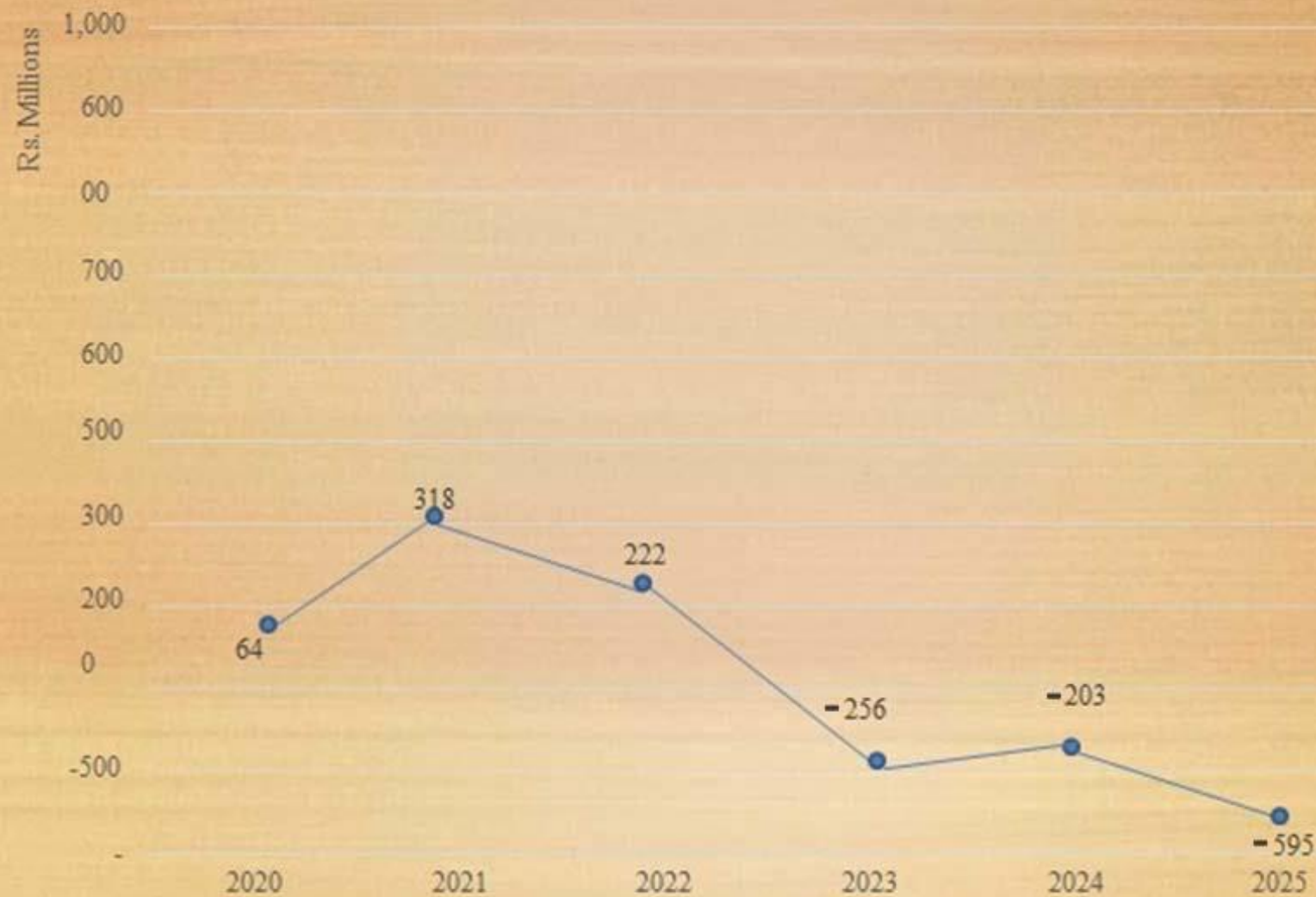


# Gross Profit / (Loss)



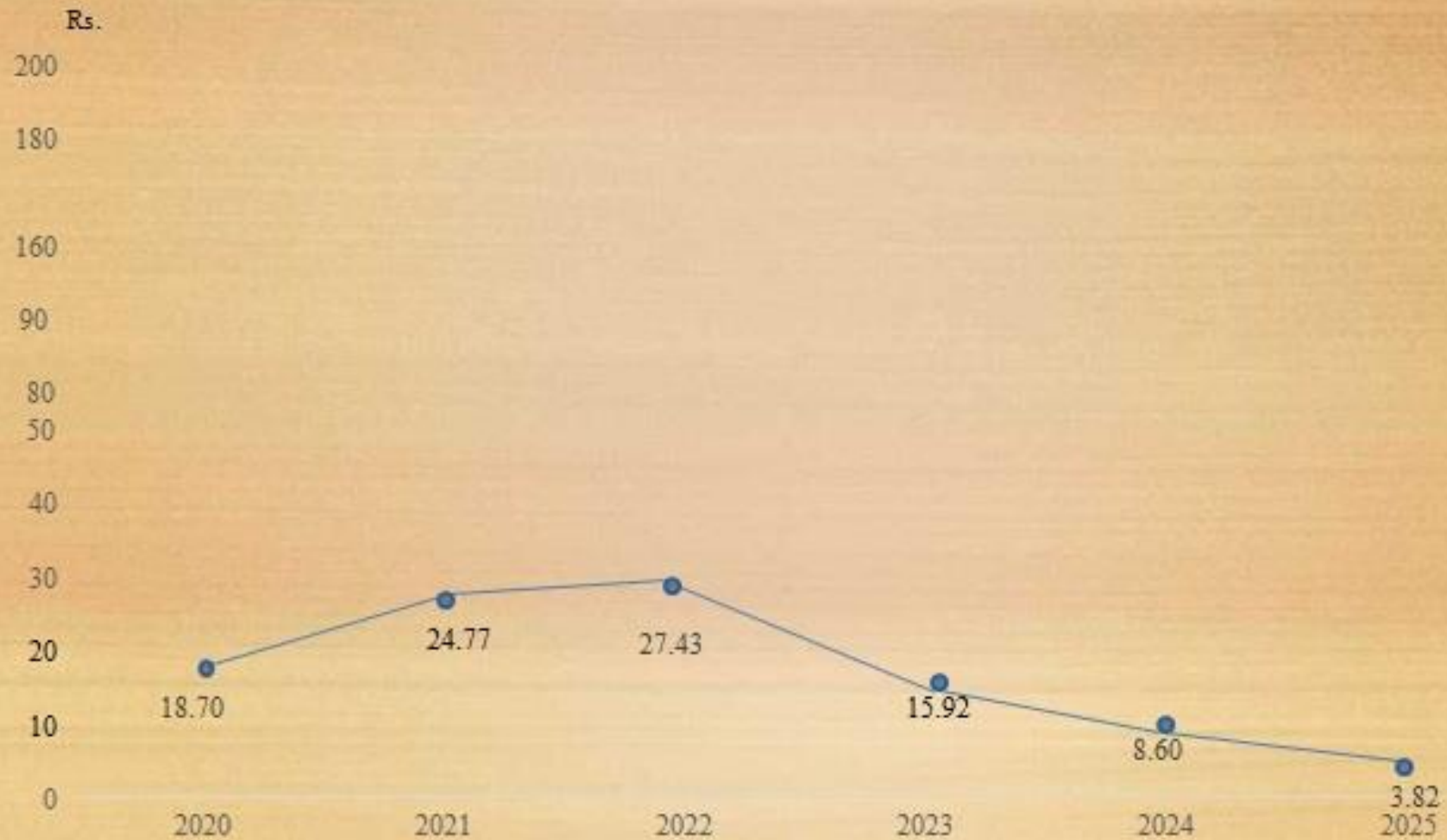


# Profit / (Loss) from operations

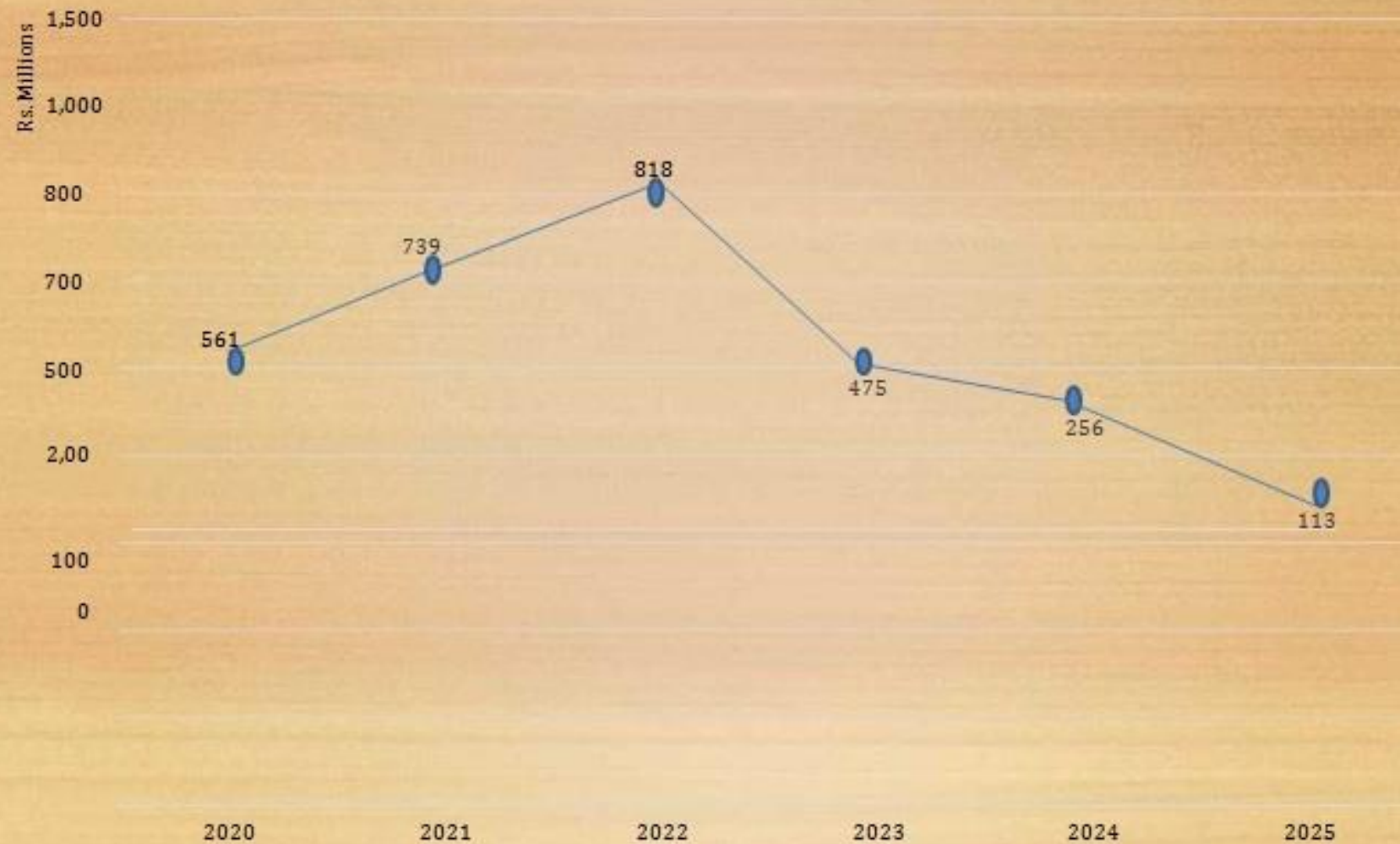




# Book Value of Shares



# Total Equity



## FUTURE OUTLOOK

The global economy is predicted to pick up some momentum as inflationary pressures and supply chain constraints are gradually easing. However, due to the geopolitical tensions, and monetary tightening, global trade is expected to grow at a modest pace.

On the local front, the economic indicators have exhibited signs of improvement with a stable currency, narrowed current account deficit, easing inflation, and improved foreign exchange reserves. Meanwhile, faster than expected drop in baseline inflation suggests potential for further rates cuts, which could stimulate demand-led growth. The textile sector has great potential for improvement but would require Government support to identify textile as a priority area.

We are trying to sort out some workable plan for revival of the Company that includes modifying the existing machinery or more likely to opt for latest Open End machines. Introduction of Open End machines will increase the production and curtail heavy input costs.

The management of the company will keep watching the future outlook of business in the country and will decide for future strategy after due deliberation.

# Question and Answers



Thank you