



ANNUAL REPORT 2025

Contents

02	Company information
03	Vision and Mission Statement
04	Notice of Annual General Meeting
08	Chairman's Review
10	Directors' Report to the Members
35	Gender Pay Gap Statement Under Circular 10 of 2024
36	Year wise statistical summary
37	Pattern of shareholdings
40	Performance at a glance
41	Statement of compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019
45	Independent Auditors' Review Report to the Members on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019
46	Independent Auditors' Report to the Members on the Audit of the Financial Statements
51	Statement of Financial Position
52	Statement of Profit or Loss
53	Statement of Comprehensive Income
54	Statement of changes in Equity
55	Statement of Cash Flows
56	Notes to the financial statements

Form of Proxy

Company Information

✧ **Board of Directors**

Chief Executive
Chairman
Directors

Mr. Muhammad Faisal Ahmed
Mr. Muhammad Iqbal Ahmed
Mr. Muhammad Yousuf Ahmed
Ms. Zahra Faisal Ahmed
Mr. Yazdani Zia
Mr. Muneer Ahmed
Mr. Muhammad Ozair Qureshi

✧ **Audit Committee**

Chairman
Members

Mr. Yazdani Zia
Mr. Muhammad Iqbal Ahmed
Mr. Muneer Ahmed

✧ **Human Resource and Remuneration Committee**

Chairman
Members

Mr. Muneer Ahmed
Mr. Muhammad Faisal Ahmed
Ms. Zahra Faisal Ahmed

✧ **Chief Financial Officer**

Mr. Sagheer Ahmed

✧ **Company Secretary**

Mr. Muhammad Ozair Qureshi

✧ **Chief Internal Auditor**

Mr. Muhammad Rashid Mughal

✧ **Auditors**

M/s. Reanda Haroon Zakaria Aamir Salman Rizwan & Company
Chartered Accountants

✧ **Legal Advisor**

Monawwer Ghani
Advocate

✧ **Share Registrar**

M/s F. D. Registrar Services (Pvt.) Limited
17th Floor, Saima Trade Tower-A,
I.I. Chundrigar Road, Karachi.
Tel: (+92-21) 35478192-3 / 32271905-6

✧ **Bankers**

Allied Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
United Bank Limited
Woori Bank

✧ **Registered Office**

Plot No. 5-9, 23-26, Sector 16,
Korangi Industrial Area, Karachi.
UAN: 111 236 236, Fax No. 3505 4652
www.admdenim.com

✧ **Mills**

Korangi Industrial Area, Karachi.

VISION

- ✦ DYNAMIC, QUALITY CONSCIOUS
AND EVER PROGRESSIVE

MISSION

ARTISTIC DENIM MILLS LIMITED
IS COMMITTED TO:

- ✦ Achieve and Retain
Market Leadership in
Denim Fabric / Garments
Manufacturing
- ✦ Produce to the Highest
Quality Standards
- ✦ Excel through Continuous
Improvement
- ✦ Fulfill and Exceed the
Expectations of our Customers
- ✦ Be Ethical in its Practices
- ✦ Operate through Team Work
- ✦ Ensure a Fair Return
to Stake Holders
- ✦ Fulfill Social Responsibilities

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting ("AGM") of the Members of **Artistic Denim Mills Limited** (the Company) will be held on Saturday, October 25, 2025 at 4:00 p.m. at the premises of the Dewan University, Plot No. 30 - A/1, Sector 23, Korangi Industrial Area, Karachi to transact the following business.

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2025, together with the Directors' and the Auditors' Reports thereon.
2. To appoint Auditors and fix their remuneration for the year ending June 30, 2026. The present auditors M/s Reanda Haroon Zakaria Aamir Salman Rizwan & Company, Chartered Accountants, retire and being eligible, have offered themselves for re-appointment.
3. To transact any other business with the permission of the Chair.

By Order of the Board of Directors



Muhammad Ozair Qureshi
Company Secretary

Karachi: October 03, 2025

Notes:

1. Closure of Shares Transfer Books:

The share transfer books of the Company will remain closed from October 17, 2025 to October 25, 2025 (both days inclusive). The transfers received at the office of the Company's Share Registrar F. D. Registrar Services (Pvt.) Limited, 17th Floor, Saima Trade Tower-A, I. I. Chundrigar, Road, Karachi before the close of the business on October 16, 2025 will be treated in time for the entitlement of final cash dividend and to attend and vote at the Meeting.

2. Participation in Annual General Meeting:

A member entitled to attend and vote at this Annual General Meeting shall be entitled to appoint another member, as a proxy to attend, speak and vote on his / her behalf. Proxies in order to be effective must be received at the Company's Share Registrar's Office not later than 48 hours before the time of the Meeting. For the convenience of the shareholders a proxy form is attached in the last portion of the Annual Report.

For Attending the Meeting:

- i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his / her identity by showing his / her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature and attested copy of valid CNIC of the nominee shall be submitted (unless it has been provided earlier) at the time of the meeting.

NOTICE OF ANNUAL GENERAL MEETING

For Appointing Proxies:

- i) In case of individuals, the account holder or subaccount holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his / her original CNIC or original passport at the time of the Meeting.
- v) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature and attested copy of valid CNIC of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

3. Participation through Video Link Facility

The members can also participate in the Annual General Meeting through video link facility. To attend the AGM through video link, members and their proxies are requested to register themselves with the Company Secretary office by providing their following particulars by sending an email at (meetinginfo@admdenim.com).

Full Name	CNIC No.	Folio / CDC Account No.	No. of Shares Held	Cell No.	E-mail Address

The webinar link would be provided through email to the registered shareholders / proxies who will provide above information and a copy of valid CNIC.

4. Payment of Cash Dividend Electronically (Mandatory Requirements):

In accordance with the provisions of Section 242 of the Companies Act, 2017 and Companies (Distribution of Dividends) Regulations 2017, a listed company, is required to pay cash dividend to the shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

Those shareholders who have still not provided their International Bank Account Number (IBAN) are once again requested to fill in "Electronic Credit Mandate Form" as reproduced below and send it duly signed along with a copy of valid CNIC to their respective CDC participant/CDC Investor account services (in case of shareholding in Book Entry Form) or to the Company's Share Registrar (in case of shareholding in Physical Form).

(i) Shareholders details:	
Name of the Shareholder(s)	
Folio # / CDS Account No(s)	
CNIC No (Copy attached)	
Mobile / Landline No.	

NOTICE OF ANNUAL GENERAL MEETING

(ii) Shareholders' Bank details:	
Title of Bank Account	
International Bank Account Number (IBAN)	
Bank's Name	
Branch Name and address	

In the absence of IBAN, or in case of incomplete details, the Company will have to withhold the payment of cash dividends under the Companies (Distribution of Dividends) Regulations, 2017.

5. Zakat Declaration (CZ-50):

Zakat will be deducted from the dividends at source at the rate of 2.5% of the paid-up value of the share (Rs. 10 each) and will be deposited within the prescribed period with the relevant authority. In case of claiming exemption, please submit your Zakat Declaration under Zakat and Ushr Ordinance, 1980 and Rule 4 of Zakat (Deduction and Refund) Rules, 1981, CZ-50 Form with our Share Registrar in the proper manner. The Shareholders must write Artistic Denim Mills Limited's name and their respective CDS A/C # or Folio numbers on Zakat Declarations at relevant place.

6. Deposit of Physical Shares in CDC Accounts:

As per Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, 2017.

The shareholders having physical shareholding may please be open CDC sub-account with any of the brokers or investors account directly with CDC to place their physical shares into scrip less form.

For any query / information, the investors may contact the Company's Share Registrar.

7. Unclaimed Dividend:

Shareholders, whose dividends still remain unclaimed are available with the Company, are hereby once again requested to approach the Company to claim their outstanding dividend amounts.

In accordance with Section 244 of the Companies Act, 2017, Companies are required to deposit with the Federal Government of Pakistan all dividends which remain unclaimed for more than three (3) years from the respective date of issuance. The shareholders of the Company, who have any outstanding dividend, are requested to immediately contact and lodge their claim, within 90 days, with our share registrar, along with all relevant identifications and supporting documents in relation thereof.

In case no claim is received within the given period of 90 days from the date of this notice, the Company will proceed to deposit the unclaimed / unpaid dividend amount with the Federal Government, as stipulated under Section 244(2) of the Companies Act, 2017.

NOTICE OF ANNUAL GENERAL MEETING

8. Submission of CNIC or Passport:

Shareholders are requested to provide photocopy of their CNIC or passport (in case of foreigner), unless it has been provided earlier, enabling the Company to comply with relevant laws.

9. Change of Address:

Shareholders are requested to immediately notify the change of address, if any to the Company's Share Registrar.

10. Electronic Transmission of Audited Financial Statements & Notices:

The Securities and Exchange Commission of Pakistan (SECP) through its Notification S.R.O. 787(I)/2014 dated 8th September 2014 and under Section 223(6) of the Companies Act, 2017, has permitted companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its Shareholders in electronic format through e-mail. Accordingly, Shareholders are hereby requested to convey their consent and e-mail address for receiving Audited Financial Statements and Notice through e-mail.

Please note that giving email address for receiving of Annual Financial Statements instead of receiving the same by post is optional, in case you do not wish to avail this facility please ignore this notice. Annual Financial Statements will be sent at your registered e-mail address.

11. No gift at the meeting:

The shareholders are informed that as per Securities and Exchange Commission of Pakistan's directives, no gift will be distributed at the meeting.

12. Placement of Audited Financial Statements on the website & through QR Code/ Weblink:

The Audited Financial Statements of the Company for the year ended June 30, 2025 have been placed on Company's website i.e. www.admdenim.com. Shareholders can also view them through the QR Code or Weblink provided below.



https://d2ckw86bt3u49z.cloudfront.net/assets/pdfs/annual_reports/annual_report_2025/Artistic_denim_mills_Annual_2025.pdf

CHAIRMAN'S REVIEW

REVIEW REPORT BY THE CHAIRMAN ON THE OVERALL PERFORMANCE OF THE BOARD AND THE EFFECTIVENESS OF THE ROLE PLAYED BY THE BOARD IN ACHIEVING THE COMPANY'S OBJECTIVES

It gives me great pleasure to present this report as required under Section 192(4) of the Companies Act, 2017 for the financial year ended June 30, 2025.

Artistic Denim Mills Limited fully adheres to the requirements outlined in the Companies Act, 2017 and the Listed Companies Code of Corporate Governance Regulations, 2019 regarding the composition, procedures, and meetings of its Board of Directors and Committees.

Pursuant to the requirements of the Companies Act, 2017 and Listed Companies Code of Corporate Governance Regulations, 2019, an annual evaluation of the Board of Directors (the "Board") of Artistic Denim Mills Limited (the "Company") was carried out to assess the Board's and its committees' overall performance and effectiveness for the year ended June 30, 2025. The Board is assisted by its committees. The purpose of evaluation was to examine those key areas where the Board requires clarity in order to provide high level oversight, including: the strategic process; key business drivers and performance milestones; the global economic environment and competitive context in which the Company operates; the risks faced by the business; Board dynamics; capability and alignment; reputation; and information flows. The evaluation was conducted using well-defined criteria and highlighted areas of strength as well as opportunities for further improvement. Areas that require improvement were duly considered and suitable action plans were framed.

As Chairman of the Board, I remain committed to ensuring that the Company is being managed effectively, in a way that helps it to achieve its objectives whilst also safeguarding the integrity of the Company and the interests of its stakeholders.

I am pleased to report that the overall performance of the Board and its committees has remained satisfactory on the basis of criteria set for the purpose.

Following are the integral components of evaluation criteria to judge the performance of the Board & its Committees and to achieve the Company's objectives:

- Compliance with the legislative system in which Company operates, including Companies Act, 2017, Listing Regulations of Pakistan Stock Exchange Limited, the Memorandum and Articles of Association of the Company.
- Active participation in strategic planning process, corporate goals, plans, budgets, enterprise risk management system, policy development, financial structure, monitoring and approval.
- Hiring, evaluating, compensating and supporting the Executive Directors and other key positions including Chief Executive.
- Appropriate constitution of Board Committees with members possessing adequate technical knowhow and experience.
- Establishing adequate system of internal controls in the Company and its regular assessment through self-assessment mechanism or / and internal audit activities.
- Ensuring presence of required quorum in Board and Committees' meeting.

CHAIRMAN'S REVIEW

- Ensuring orientation and training of Board of Directors to enable them to perform their duties in an effective manner.

In conclusion, I extend my sincere appreciation to all Members of the Board for their committed and proficient contributions during the year under review. I am fully confident that the Board will continue to guide the management in embracing growth opportunities and capitalizing on emerging prospects.

MUHAMMAD IQBAL AHMED



CHAIRMAN / DIRECTOR

Karachi: September 29, 2025

DIRECTORS' REPORT TO THE MEMBERS

The Directors of the Company (Artistic Denim Mills Limited) are pleased to present the 33rd Annual Report, highlighting the Company's business performance and operations, along with the Audited Financial Statements for the financial year ended June 30, 2025.

OPERATING FINANCIAL RESULTS

A summary of the Company's financial performance for the year ended June 30, 2025, is summarized as follows:

	Rs. in ('000')
(Loss) for the year before levies and income tax	(208,856)
Levies and income tax	(242,243)
Net (Loss) for the year	(451,099)
Un-appropriated profit brought forward	7,259,246
Other comprehensive income	105,434
Profit available for appropriation	6,913,581

Appropriations:

Final Dividend for year ended June 30, 2024	
Cash	(84,000)
Un-appropriated profit carried forward	6,829,581

PERFORMANCE REVIEW

During the year under review, the Company recorded net sales of Rs. 18.407 billion, compared to Rs. 20.810 billion in the previous year. The decline in sales was primarily due to the economic slowdown, global inflation, stagnant exchange rates and tariff pressures.

Gross profit for the year stood at Rs. 1,118.644 million, as against Rs. 2,440.325 million in the prior year. This decline was mainly driven by a significant increase in production costs, particularly due to escalating energy prices, while labor costs in Pakistan continue to remain among the highest in the region.

Finance costs registered a notable reduction of 42.01%, reflecting the Company's focused efforts on optimizing borrowings through effective working capital management and maintaining a prudent balance between local and foreign currency financing to mitigate interest cost pressures.

As a result, the Company reported a net loss after tax of Rs. 451.099 million, compared to net profit after tax Rs. 331.719 million in the preceding year. Consequently, loss per share stood at Rs. 5.37, compared to earnings per share of Rs. 3.95 reported last year.

ECONOMIC REVIEW

Global Economy Overview:

In 2025, the global economy entered a phase of stabilization following a period of unprecedented shocks in recent years. Inflation has decreased from multidecade highs and is gradually aligning with the central bank targets, although the pace of adjustment varies across different regions.

Looking ahead, according to the World Bank's latest report, global economic growth, which is projected to moderate to 2.3% in 2025, before recovering slightly to 2.9% in 2026. However, the rising prevalence of tariffs and escalating uncertainty continue to weigh on business sentiment and disrupt global supply chains.

Headline inflation globally is recorded at 5.7% in 2024, with forecasts indicating a decline to 4.3% in 2025 and 3.6% in 2026, driven primarily by easing commodity prices. Despite this moderation, cost pressures persist, stemming from emerging trade tensions and structural inefficiencies. Tariff measures increase production costs in the imposing countries while dampening demand in targeted markets, contributing to a volatile global environment marked by subdued investment, constrained consumption, tightened financial conditions, and elevated exchange rate fluctuations.

Emerging markets and developing economies are projected to experience a slowdown, with growth expected to ease to 3.7% in 2025, followed by a slight increase to 3.9% in 2026.

According to the IMF, global trade volume grew by 3.8% in 2024. It is projected to decelerate to 1.7% in 2025 amid tariff-related uncertainty, before recovering to 2.5% in 2026. Trade-related uncertainties have reached unprecedented levels, with their long-term implications expected to differ across economies based on their susceptibility to protectionist policies, degree of financial integration, and geopolitical dynamics.

Pakistan Economy Overview:

Building on the recovery initiated in financial year 2024, Pakistan's economy continued its positive momentum in financial year 2025, registering GDP growth of 2.70%. This performance was supported by sound macroeconomic management, improved fiscal and external balances, and sharply reduced inflation.

The successful implementation of the 37-month, US\$ 7 billion IMF Extended Fund Facility (EFF) reinforced policy credibility and provided critical financial support. Inflation fell dramatically—from 20.7% in April 2024 to 0.3% in April 2025—with an average of 4.47% during July-June FY 2025, down from 26.0% in the previous year. This decline reflects tight monetary policy, fiscal consolidation, targeted relief, and exchange rate stability.

Investor confidence improved despite ongoing supply-side constraints. The current account recorded a US\$ 2.1 billion surplus in financial year 2025 compared to a deficit of US\$ 2.1 billion during financial year 2024, driven by stronger exports and record remittances. Additional support came from a US\$ 1.4 billion disbursement under the Resilience and Sustainability Facility (RSF) and improved sovereign credit ratings from Moody's and Fitch.

Stronger fundamentals allowed the State Bank of Pakistan to lower the policy rate by 1,100 basis points between June 2024 and June 2025, boosting credit growth and economic activity. Remittances remained a vital cushion for the external account and household consumption.

In conclusion, FY 2025 marked a significant step toward macroeconomic stability. Inflation declined to single digits, the fiscal and external positions improved, and international confidence strengthened. While recovery is underway, sustaining this momentum will require a strategic pivot from stabilization to structural reforms.

TEXTILE SECTOR REVIEW

Pakistan's textile industry is the backbone of the national economy, contributing more than half of the country's total exports and providing employment to millions. The sector covers a wide range of products including knitwear, cotton garments, bed linens, and yarn. Being one of the world's largest cotton producers, Pakistan has a strong base to support this vital industry. Its primary export markets include the United States, the European Union, the United Kingdom, and Turkey.

Despite its significance, the sector faces persistent challenges. High energy costs-particularly for gas and electricity-have eroded competitiveness against regional rivals. Fluctuating cotton prices, shifting trade policies, and an evolving tax regime have further added to the pressure. Liquidity constraints have also created operational difficulties for many manufacturers.

At the same time, there are encouraging developments. Export growth has shown resilience, and increasing emphasis on sustainability, value addition, and product innovation offers opportunities for long-term advancement. A stronger focus on efficiency, modern technology, and environmentally responsible practices could help the industry position itself more competitively in global markets.

For the fiscal year 2025, Pakistan's textile exports reached USD 17.88 billion, reflecting a 7.22% year-on-year increase. This performance was largely driven by higher exports in the value-added segment, particularly garments. Despite challenges, the textile sector remains a vital part of Pakistan's economy, contributing significantly to overall exports.

Conclusion: While Pakistan's textile industry continues to expand its export footprint, it must address structural issues related to energy costs, taxation, and liquidity to unlock its full potential. Building on sustainability, innovation, and value-added production will be critical to ensuring future growth and global competitiveness.

DIVIDEND

The Board of Directors, upon the recommendation of the Audit Committee, has not declared any dividend for the financial year ended June 30, 2025, in view of the loss incurred during the year. However, the Board will continue to assess the Company's financial performance and economic conditions, and may consider the declaration of interim dividends during the year, subject to profitability and financial viability.

CAPITAL EXPENDITURE

During the year, the Company undertook capital expenditure primarily aimed at adopting cost-efficient energy alternatives and advancing sustainability initiatives to ensure the continued production of high-quality products, while also emphasizing environmental stewardship.

A structured and planned approach is followed to assess capital expenditure requirements. In line with this, the Company successfully executed capital investments totaling Rs. 468 million during the year. The Company remains committed to making strategic investments that align with and support the achievement of its long-term objectives.

SALES AND MARKETING

With over 33 years of experience, Artistic Denim Mills Limited (ADM) has built a distinguished reputation for delivering premium denim to leading global brands. As a trusted producer and reliable supplier, ADM remains committed to quality, customer-centric solutions, and continuous innovation. This commitment has fostered long-standing relationships with customers worldwide and established a resilient, sustainable business model.

As part of its strategic vision, ADM is actively expanding its footprint across the Americas, Europe, and Asia, reinforcing its position as a trendsetter in the denim industry and extending its reach to new markets.

ADM's sustainability efforts are centered around six key areas, aligned with our core values and the priorities of our customers:

- Water Management
- Energy Conservation
- Chemicals (dyes and processing chemicals)
- Cotton/Fibres
- People
- Packaging

Our leadership prioritizes sustainable cost efficiencies through advanced process optimization. A dedicated in-house R&D team leads innovation and new product development, delivering comprehensive, value-added solutions to our customers. ADM collaborates closely with suppliers to embed sustainability throughout the value chain.

We remain at the forefront of technological advancement across production, quality control, and R&D-enhancing operational flexibility, minimizing defects, reducing conversion costs, and improving capacity utilization.

ADM's recycling capabilities include four cotton recycling machines for processing both post-industrial and post-consumer waste, including material from our own operations. Additionally, a state-of-the-art bleaching and decolorizing machine adds further value to our sustainable production processes.

In an evolving marketplace, ADM continuously adapts to shifting consumer preferences. Our Innovation Center-equipped with advanced testing and development technologies-is operated by a skilled team of experts and supports the creation of trend-responsive designs for premium denim brands across the United States, Europe, and Asia.

Innovation is a cornerstone of ADM's success. We offer a diverse range of differentiated products such as HyperStretch, Promodal®, XFIT LYCRA®, Organic Denim Series, LYCRA®dualFX™, TOUGH MAX™LYCRA®, Pure Dark Indigo Series (PDI), Medallion Series, Tined Series, Flat Series, Recycled Cotton and LYCRA®T400® Fiber. Each innovation is shaped by market dynamics and customer feedback, rigorously tested, and designed to deliver exceptional performance.

ADM continues to enhance its competitive edge through innovation, customer-driven product development, and operational excellence-delivering unmatched value to its global clientele.

FUTURE OUTLOOK

The textile industry continues to remain the backbone of Pakistan's economy, contributing substantially to GDP, employment generation, and export earnings. Despite challenges such as high energy costs, tariff pressures, liquidity constraints, and compliance requirements in traditional markets, the sector continues to demonstrate resilience. However, the revival of margins and long-term sustainability will require urgent reforms, including the provision of affordable and uninterrupted energy, rationalization of input costs, faster refund processing, and a more business-friendly regulatory framework. Supportive government policies aimed at reducing the financial burden of taxes and improving liquidity conditions will play a decisive role in enabling the sector to compete effectively.

At the macroeconomic level, Pakistan's economy is gradually stabilizing, with inflation projected to remain within the State Bank of Pakistan's medium-term target range of 5-7 percent. This outlook, coupled with monetary policy normalization and improved external and fiscal balances, is expected to provide a more conducive environment for investment, private sector credit growth, and industrial activity. The textile sector, being the largest export-oriented industry, is well positioned to benefit from this stabilization, provided structural challenges are addressed.

In conclusion, Pakistan's textile industry stands at a critical juncture. Its future success will depend on embracing technology, promoting recyclable and eco-friendly production, diversifying export markets, and securing tariff relief. With coordinated policy support, private sector initiatives, and continued resilience, the industry has the potential not only to reclaim its legacy strengths but also to emerge as a global leader in textile production and exports.

The Company remains focused on enhancing operational efficiency, financial stability, and sustainability to achieve long-term profitability. Key priorities include maximizing capacity utilization, optimizing costs, and ensuring efficient working capital management. To address rising fuel costs, the Company has successfully commissioned a 2.32 MW solar power facility and commenced the installation of an additional 2.57 MW, scheduled for completion in the first quarter of the financial year 2025-2026. Management is confident that these initiatives, supported by diversified operations and strong governance practices, will continue to create long-term value for shareholders.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Company is committed to upholding high standards of corporate governance without any exception. The Directors are pleased to affirm that the Company has diligently adhered to the provisions set forth in the Code of Corporate Governance as mandated by the Securities and Exchange Commission of Pakistan and forms an integral component of the Listing Regulations established by the Pakistan Stock Exchange.

The Directors confirm that:

- The financial statements for the year ended June 30, 2025, prepared by the management of the Company, present fairly, its state of affairs, the results of its operations, cash flows and changes in equity;
- Proper books of accounts of the Company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of financial statements for the year ended June 30, 2025 and any changes in accounting policies have been disclosed in the financial statements. Accounting estimates are based on reasonable and prudent judgments;

- International Financial Reporting Standards, as applicable in Pakistan and the requirements of the Companies Act, 2017, have been duly followed in preparation of the financial statements and any departure there-from has been adequately disclosed and explained;
- The system of internal control is sound in design and has been effectively implemented, regularly reviewed and monitored. The process of monitoring internal controls will continue as an ongoing process with the objective to further strengthen the controls in the system;
- There are no doubts about 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 Regulations of Rule Book of Pakistan Stock Exchange;
- The key operating and financial data for the last six years in summarized form is annexed to the Audited Financial Statements;
- The outstanding duties, statutory charges and taxes, if any, have been duly disclosed in the Audited Financial Statements;
- The Company operates un-funded gratuity scheme for its employees as reflected in the Audited Financial Statements
- Five directors on the Board have already attended the directors training course, whereas one director is exempted from such course on account of the experience and qualification. The Company is currently in the process of organizing the Directors' Training Program certification for the remaining director. All the Directors on the Board are fully conversant with their duties and responsibilities as directors of corporate bodies.

MATERIAL CHANGES

There have been no material changes since June 30, 2025 to date of the Audited Financial Statements and the company has not entered into any commitment during this period that could adversely affect its financial position.

PATTERN OF SHAREHOLDING

The Company's shares are traded on the Pakistan Stock Exchange Limited. The pattern of shareholding as on June 30, 2025, along with pertinent disclosures, is appended to the Audited Financial Statements.

TRADE IN THE SHARES OF THE COMPANY

Details of transactions in the Company's shares carried out during the period from July 1, 2024, to June 30, 2025, by the Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit, other executives, and their spouses or minor children are annexed to the Audited Financial Statements.

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Company has fully complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019. A statement to this effect is annexed with these Audited Financial Statements.

BOARD OF DIRECTORS

The total numbers of Directors are seven (7) as per the following:

- a. Male: 6
- b. Female: 1

The composition of the Board of Directors (the Board) is as follows:

Category	Numbers	Names
a) Independent Director	02	Mr. Yazdani Zia Mr. Muneer Ahmed
b) Other Non-Executive Directors - Male	02	Mr. Muhammad Iqbal Ahmed Mr. Muhammad Yousuf Ahmed
- Female	01	Ms. Zahra Faisal Ahmed
c) Executive Director	02	Mr. Muhammad Faisal Ahmed Mr. Muhammad Ozair Qureshi

During the year under review, four meetings of the Board of Directors were held in Pakistan and the attendance by each Director was as follows:

Name of Director	No. of Meetings Attended
Mr. Muhammad Faisal Ahmed	4
Mr. Muhammad Iqbal Ahmed	4
Mr. Muhammad Yousuf Ahmed	1
Ms. Zahra Faisal Ahmed	4
Mr. Yazdani Zia	4
Mr. Muneer Ahmed	4
Mr. Muhammad Ozair Qureshi	4

Directors who were unable to participate in the Board Meetings were granted approved leaves of absence.

BOARD COMMITTEES

Aligned with the Code of Corporate Governance, the Board of Directors has established an Audit Committee comprising three members: two independent directors and one non-executive director. The Chairman of the Audit Committee is an independent director. Notably, the Audit Committee has effectively discharged its duties in accordance with the prescribed standards of the Code of Corporate Governance.

During the year, four meetings of the Audit Committee were held. The attendance record of each director was as follows:

Name of Director	No. of Meetings Attended
Mr. Yazdani Zia	4
Mr. Muhammad Iqbal Ahmed	4
Mr. Muneer Ahmed	4

In accordance with the stipulations of the Code of Corporate Governance, the Board of Directors has constituted the Human Resource and Remuneration Committee (HR&RC). Comprising three members, the Committee includes one non-executive director, one executive director, and one independent director. The leadership of the Committee is under the guidance of an independent director serving as the Chairman. The Committee is diligently fulfilling its responsibilities as outlined in its established terms of reference, set forth by the Board of Directors. Over the course of the year, the Committee held a single meeting, and the attendance of each director was as follows:

Name of Director	No. of Meetings Attended
Mr. Muneer Ahmed	1
Mr. Muhammad Faisal Ahmed	1
Ms. Zahra Faisal Ahmed	1

REMUNERATION POLICY OF NON-EXECUTIVE DIRECTORS

The remuneration of a Non-Executive Directors / Independent Director for attending the meetings of the Board/Committee shall, from time to time be determined by the Board. The Non-Executive Directors / Independent Director were paid remuneration by way of fee for each meeting of the Board and Committee of Directors attended by them. The Directors shall additionally be paid such travelling, boarding, lodging and other expenses properly incurred by them in or about the performance of their duties or business if any of them has to come to attend the Board or general meeting of the Company from outstation.

RELATED PARTY TRANSACTIONS AND TRANSFER PRICING

During the financial year 2025, all related party transactions were placed before the Audit Committee and the Board for their review and approval. These transactions were duly approved by the Audit Committee and the Board in their respective meetings. The Company in the normal course of business carries out transactions with its associated companies. Notably, all transactions involving related parties were executed at arm's length prices, meticulously determined through the comparable uncontrolled prices method.

RISK MANAGEMENT

The Company has a robust Risk Management framework which enables it to effectively navigate, monitor and report on the principal risk and uncertainties that can impact its ability to achieve its strategic objectives. The significance of proactively identifying, evaluating, and mitigating critical risks continues to grow over time. Under the framework, the Company has incorporated processes and systems to proactively monitor, manage and mitigate these risks along with diligent review mechanisms. The evaluation and management of risks are approached from a comprehensive standpoint, spanning a dual approach of top-down and bottom-up considerations, encompassing the enterprise, business units, functions, and projects.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company has implemented a comprehensive Internal Financial Control System, commensurate with the size, scale and complexity of its operations. The system encompasses the major processes to ensure safeguarding of the Company's assets, validating the proper authorization of financial transactions, compliance with pertinent applicable laws and regulations and optimizing resources utilization. The internal controls are designated through risk-based assessments. The independent Internal Audit function of the Company plays an important role in evaluating the effectiveness of these internal control systems. The Company's management diligently evaluates and takes appropriate action on the recommendations made by both Statutory Auditors and Internal Auditors.

AUDITORS

The present Auditors, Reanda Haroon Zakaria Aamir Salman Rizwan & Company, Chartered Accountants will be retiring at the conclusion of the forthcoming annual general meeting scheduled to be held on October 25, 2025 and being eligible, they have offered themselves for re-appointment. Aligned with the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board of Directors endorses the recommendation of the Audit Committee to re-appoint them as the Company's Statutory Auditors for the financial year ending June 30, 2026, at a mutually agreed fee.

CORPORATE SOCIAL RESPONSIBILITY

1. Energy Conservation

The Company operates its own power generation plant that efficiently caters to the energy requirements of all its divisions including Recycling, Bleaching, Spinning, Weaving, and Garments production. A team of highly skilled and extensively trained personnel oversee the plant's operation and maintenance.

In line with the Company's strong commitment to environmental sustainability and conservation of natural resources, all business units are persistently striving to enhance energy utilization efficiencies. To counter the escalating costs of gas and fuel, the Company has implemented a Solar Power System, harnessing the eco-friendly potential of solar energy. Solar power is truly a green source of power utilizing the natural resources and significantly reducing the carbon footprint. The economic importance of this project lies in the use of renewable energy, which reduces cost of power and thereby contributes to bottom line while making the best use of the idle and unused rooftops.

The Company actively pursues continuous energy conservation through process & machinery modifications, implementation of technological advancements, development of newer methods, maintenance, waste heat recovery etc. Natural gas is utilized for power generation through a tri-generation facility. Waste heat recovery boilers are used for heat recovery. Waste heat recovery systems make possible the recovery of heat being discharged into the atmosphere as supplemental energy/steam for other processes. The jacket hot water from generators is used to operate the absorption chiller.

Scientific and technological advancements form the foundation of the Company's drive for cleaner and more efficient energy use. These initiatives not only deliver significant energy savings but also contribute to cost reduction and improved operational performance.

2. Environment, Health and Safety Assurance

ADM maintains a comprehensive environment, Health and Safety (EHS) framework that ensures the well-being of its workforce, customers, stakeholders, contractors, visitors, and suppliers, while also safeguarding the overall premises and surroundings environment.

The Company proactively strives to eliminate unsafe and unhealthy work practices and conditions, grounded in clearly defined objectives. Rigorous precautions are taken to prevent accidents and health-related incidents within the work environment. Dedicated Management Representatives assume responsibility for the highest standards of health and safety, overseeing their meticulous execution.

To monitor environmental compliance, regular noise testing is conducted by accredited third-party laboratories. Fire prevention is a key focus area, with fire detection and alarm systems installed and maintained in accordance with NFPA Standard 10. ADM also maintains a well-trained Emergency Response Team available 24/7 to manage and respond to fire-related emergencies promptly and effectively.

ADM ensures full commitment to environment, health & safety at all levels of management. Regular assessments and audits are conducted to measure performance, drive improvements, and verify the effectiveness of EHS policies, objectives, and programs.

ADM dedication to responsible and sustainable operations is reflected in its numerous certifications, including:

• BCI	(Better Cotton Initiative)
• WRAP	(Worldwide Responsible Accreditation Production)
• SEDEX	(Supplier Ethical Data Exchange)
• GOTS	(Global Organic Textile Standard)
• OCS	(Organic Content Standard)
• RCS	(Recycled Cotton Standard)
• GRS	(Global Recycled Standard)
• C-TPAT	(Customs-Trade Partnership against Terrorism)
• ZDHC	(Zero Discharge of Hazardous Chemicals)
• SCAN	Supplier Compliance Audit Network
• HIGG (FEM)	Facility Environmental Module
• HIGG (FSLM)	Facility Social Labor Module
• SQP	Supplier Qualification Program
• U.S. COTTON	U.S. Cotton Trust Protocol
• BETTER WORK (ILO)	Better Work (International Labour Organization)
• REGENAGRI	Regenerative Agriculture
• OEKO-TEX Standard 100	

Each of these certifications underscores ADM's steadfast dedication to fostering a secure, sustainable, and socially responsible operational environment.

3. Robust Security Protocols

The company's leadership acknowledges the paramount significance of operational safety and security. We have made substantial investments to ensure the safeguarding of personnel and assets, involving the deployment of dedicated security personnel and the implementation of comprehensive security policies and protocols.

A key component of our security infrastructure is an extensive network of strategically positioned CCTV cameras, which significantly enhances our surveillance and monitoring capabilities. These coordinated measures ensure the secure and uninterrupted functioning of our operations, while reinforcing the safety and integrity of our workforce and resources.

4. Sustainability-Related Risks

In line with our commitment to long-term value creation and responsible business practices, the Board has undertaken a comprehensive assessment of sustainability-related risks that may affect the Company. These include environmental, social, and governance (ESG) factors, which are increasingly significant to our operational resilience, stakeholder expectations, and overall corporate sustainability.

Environmental Risks:

The Company recognizes the potential impact of climate change, resource scarcity, and evolving environmental regulations. To mitigate these risks, we have adopted energy-efficient processes, reduced our carbon footprint, and implemented sustainable resource management practices. Our commitment to environmental stewardship is further demonstrated through ongoing investments in green technologies and adherence to best practices in environmental compliance and performance.

Social Risks:

Social considerations-such as workforce diversity, employee well-being, and community relations-form a core component of our sustainability framework. We proactively address these risks by promoting an inclusive and equitable workplace, upholding fair labor standards, and fostering meaningful engagement with the communities in which we operate. Regular monitoring and assessment of social impacts ensure that our operations remain aligned with corporate values and stakeholder priorities.

Governance Risks:

Effective governance is fundamental to managing sustainability-related risks. We maintain a robust governance framework that promotes transparency, ethical conduct, and accountability across all levels of the organization. This includes comprehensive policies on compliance, enterprise risk management, and stakeholder engagement, which are periodically reviewed and refined to address emerging sustainability challenges.

The Board remains fully committed to the continuous enhancement of our sustainability risk management practices. These efforts not only serve to mitigate risks but also enable the identification of strategic opportunities that support our long-term growth and the broader interests of our stakeholders.

5. Waste Water Treatment Plant

Water is a scarce and valuable natural resource in our country and it should be managed in the best possible manner. The Company has waste water treatment facility fully compliant with National Environment Quality Standards (NEQS) set by SEPA Pakistan. Given the scarcity of water, hence it is imperative to evolve technologies which treat it efficiently so that it can be reused. Our facility employs comprehensive purification processes to treat wastewater, enabling its reuse or safe discharge into the municipal sewer system, in strict adherence to environmental sustainability standards.

6. Equal Opportunity Employer

At ADM, our commitment to equality is deeply rooted in our core values. We are dedicated to cultivating an inclusive and respectful workplace where all individuals are treated with fairness and dignity. We actively seek to recruit talent from diverse ethnic backgrounds and uphold a strict policy against discrimination or bias in all aspects of our hiring and employment practices.

7. Diversity, Equity and Inclusion (DEI)

As part of our broader commitment to corporate responsibility and good governance, ADM continues to prioritize Diversity, Equity, and Inclusion (DEI) across the organization. During the year, we launched targeted DEI initiatives to strengthen workplace diversity, ensure equal opportunities, and promote an inclusive culture. These efforts included focused recruitment strategies and comprehensive employee training programs. We remain committed to embedding DEI principles at every organizational level and will continue to assess and enhance our progress to ensure these values are consistently reflected in our culture and operations.

8. Donations

ADM is committed to ethical corporate citizenship and actively contributes to the betterment of society. In alignment with this commitment, the Company supports social development initiatives both nationally and globally. We take pride in making meaningful contributions to reputable charitable organizations, including The Citizens Foundation, and Saylani Welfare Trust, to help create a positive and lasting impact in the communities we serve.

ACKNOWLEDGEMENTS

The Board of Directors extends its sincere gratitude for the continued support and cooperation of our esteemed customers, stakeholders, bankers, regulatory authorities, and valued business partners. We greatly appreciate these enduring relationships and look forward to strengthening our collaboration in the years ahead.

We also express our heartfelt appreciation to our employees for their unwavering commitment, hard work, and dedication. Their efforts have been instrumental in ensuring smooth operations and enabling the Company to navigate the challenges of an increasingly competitive environment.

ON BEHALF OF THE BOARD OF DIRECTORS



MUHAMMAD FAISAL AHMED
Chief Executive



YAZDANI ZIA
Director

Karachi: September 29, 2025

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز (آرٹسٹک ڈینیم ملز لمیٹڈ) 33 ویں سالانہ رپورٹ پیش کرتے ہوئے پر مسرت ہیں، جس میں 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے آڈٹ شدہ مالیاتی بیانات کے ساتھ کمپنی کی کاروباری کارکردگی اور آپریشنز کو اجاگر کیا گیا ہے۔

آپریٹنگ مالیاتی نتائج:

30 جون 2025 کو ختم ہونے والے سال کے لئے کمپنی کی مالیاتی کارکردگی کا خلاصہ ذیل میں ہے:

روپے 000 میں	
(208,856)	لیویز اور انکم ٹیکس سے قبل سالانہ خسارہ
(242,243)	لیویز اور انکم ٹیکس
(451,099)	خالص سالانہ خسارہ
7,259,246	مقدم کیا گیا غیر مختص شدہ منافع
105,434	دیگر جامع آمدن
6,913,581	تخصیص کے لئے دستیاب منافع

مختص فنڈ:

30 جون 2024 کو ختم ہونے والے سال کے لئے حتمی ڈیویڈنڈ	
(84,000)	کیش
6,829,581	غیر مختص منافع کو آگے بڑھایا گیا

کارکردگی کا جائزہ

زیر جائزہ سال کے دوران کمپنی نے 18.407 ملین روپے کی خالص فروخت ریکارڈ کی جو گزشتہ سال کے 20.810 ملین روپے کے مقابلے میں ہوئی۔ فروخت میں کمی بنیادی طور پر معاشی ست روی، عالمی افراط زر، جمود کی شرح بتادلہ اور ٹیرف کے دباؤ کی وجہ سے ہوئی۔

سال کا مجموعی منافع 1,118.644 ملین روپے رہا جو گزشتہ سال 2,440.325 ملین روپے تھا۔ یہ کمی بنیادی طور پر پیداواری لاگت میں نمایاں اضافے کی وجہ سے ہوئی ہے، خاص طور پر توانائی کی قیمتوں میں اضافے کی وجہ سے، جبکہ پاکستان میں مزدوری کی لاگت خطے میں سب سے زیادہ ہے۔

فائننس اخراجات میں 42.01 فیصد کی قابل ذکر کمی درج کی گئی، جو موثر ورکنگ کپینٹل منیجمنٹ کے ذریعے قرضوں کو بہتر بنانے اور سود کی لاگت کے دباؤ کو کم کرنے کے لیے مقامی اور غیر ملکی کرنسی کی مالی اعانت کے درمیان محتاط توازن برقرار رکھنے پر کمپنی کی توجہ مرکوز کرنے کی کوششوں کی عکاسی کرتی ہے۔

اس کے نتیجے میں کمپنی کو بعد از ٹیکس 451.099 ملین روپے کا خالص خسارہ ہوا جبکہ گزشتہ سال میں یہ 331.719 ملین روپے بعد از ٹیکس خالص منافع تھا۔ اس کے نتیجے میں فی حصص خسارہ 5.37 روپے رہا جبکہ گزشتہ سال فی حصص آمدنی 3.95 روپے تھی۔

اقتصادی جائزہ

عالمی معیشت کا جائزہ:

2025 میں، حالیہ برسوں میں بے مثال جھکوں کے دور کے بعد عالمی معیشت استحکام کے مرحلے میں داخل ہوئی۔ افراط زر کئی دہائیوں کی بلندی سے کم ہو گیا ہے اور آہستہ آہستہ مرکزی بینک کے اہداف کے ساتھ ہم آہنگ ہو رہا ہے، حالانکہ ایڈجسٹمنٹ کی رفتار مختلف علاقوں میں مختلف ہوتی ہے۔

مستقبل کی طرف دیکھتے ہوئے، ورلڈ بینک کی تازہ ترین رپورٹ کے مطابق، عالمی معاشی نمو، 2025 میں 2.3% تک معتدل رہنے کا امکان ہے، 2026 میں تھوڑا سا بحال ہونے سے پہلے 2.9% تک۔ تاہم، محصولات کا بڑھتا ہوا پھیلاؤ اور بڑھتی ہوئی غیر یقینی صورتحال کاروباری رجحان پر بوجھ ڈالتی ہے اور عالمی سپلائی چین میں خلل ڈالتی ہے۔

عالمی سطح پر ہیڈ لائن افراط زر 2024 میں 5.7% ریکارڈ کی گئی ہے، پٹن گونیوں کے ساتھ 2025 میں 4.3% اور 2026 میں 3.6% تک کمی کی نشاندہی کی گئی ہے، جو بنیادی طور پر اجناس کی قیمتوں میں کمی کی وجہ سے کارفرما ہے۔ اس اعتماد کے باوجود، لاگت کا دباؤ برقرار ہے، جو ابھرتی ہوئی تجارتی کشیدگی اور ساختی تاہلیوں کی وجہ سے پیدا ہوتا ہے۔ محصولات کے اقدامات عائد کرنے سے ممالک میں پیداواری لاگت میں اضافہ ہوتا ہے جبکہ ہدف شدہ مارکیٹس میں طلب کو کم کرتے ہیں، ایک غیر مستحکم عالمی ماحول میں مدد ملتی ہے جس سے کم سرمایہ کاری، محدود دیکھت، سخت مالیاتی حالات، اور زرمبادلہ کی شرح میں اتار چڑھاؤ ہوتا ہے۔

ابھرتی ہوئی مارکیٹس اور ترقی پذیر معیشتوں کو سست روی کا سامنا کرنا پڑے گا، جس میں 2025 میں نمو 3.7% تک کم ہونے کی توقع ہے، اس کے بعد 2026 میں 3.9% تک معمولی اضافہ ہوگا۔

آئی ایم ایف کے مطابق، 2024 میں عالمی تجارتی حجم میں 3.8% کا اضافہ ہوا۔ 2026 میں 2.5% تک بحال ہونے سے پہلے، ٹیرف سے متعلق غیر یقینی صورتحال کے درمیان، 2025 میں یہ 1.7% تک کم ہونے کا امکان ہے۔ تجارت سے متعلق غیر یقینی صورتحال بے مثال سطح پر پہنچ گئی ہے، جس کے طویل مدتی مضمرات تحفظاتی پالیسیوں، مالیاتی انضمام کی ڈگری اور جغرافیائی سیاسی حرکیات کی بنیاد پر معیشتوں میں مختلف ہونے کی توقع ہے۔

پاکستان کی معیشت کا جائزہ:

مالی سال 2024 میں شروع ہونے والی بحالی کی بنیاد پر پاکستان کی معیشت نے مالی سال 2025 میں اپنی مثبت رفتار جاری رکھی اور جی ڈی پی کی شرح نمو 2.70% ریکارڈ کی۔ اس کارکردگی کو مضبوط میکرو اکنامک منجمنٹ، بہتر مالیاتی اور بیرونی توازن اور افراط زر میں تیزی سے کمی کی وجہ سے تائید حاصل ہے۔

37 ماہ کے 7 بلین ڈالر کے آئی ایم ایف توسیعی فنڈ سہولت (ای ایف ایف) کے کامیاب نفاذ نے پالیسی کی سادھ کو تقویت بخشی اور اہم مالی مدد فراہم کی۔ افراط زر ڈرامائی طور پر گر گیا۔ اپریل 2024 میں 20.7% سے اپریل 2025 میں 0.3% تک۔ جولائی تا جون مالی سال 2025 کے دوران اوسط 4.47% کے ساتھ، جو گزشتہ سال 26.0% سے کم ہے۔ یہ کمی سخت مانیٹری پالیسی، مالی استحکام، ٹارگٹڈ ریلیف اور شرح مبادلہ کے استحکام کی عکاسی کرتی ہے۔

سپلائی سائیکل جاری رکاوٹوں کے باوجود سرمایہ کاروں کے اعتماد میں بہتری آئی۔ کرنٹ اکاؤنٹ میں مالی سال 2024 کے دوران 2.1% بلین امریکی ڈالر کے خسارے کے مقابلے میں مالی سال 2025 میں 2.1% بلین امریکی ڈالر کا سرپلس ریکارڈ کیا گیا، جو مضبوط برآمدات اور ریکارڈ ترسیلات زر کی وجہ سے ہوا۔ اضافی مدد چیک اور پائیداری کی سہولت (آر ایس ایف) کے تحت 1.4 بلین امریکی ڈالر کی تقسیم اور موڈیز اور فچ کی طرف سے بہتر خود مختار کریڈٹ ریٹنگ سے ملی۔

مضبوط بنیادوں نے اسٹیٹ بینک آف پاکستان کو جون 2024 سے جون 2025 کے درمیان پالیسی ریٹ میں 1,100 بیس پوائنٹس کی کمی کرنے کی اجازت دی جس سے کریڈٹ گرتھ اور معاشی سرگرمیوں کو فروغ ملا۔ ترسیلات زر بیرونی اکاؤنٹ اور گھریلو کھپت کے لیے ایک اہم وسیلہ رہے۔

آخر میں، مالی سال 2025 میکرو اکنامک استحکام کی طرف ایک اہم قدم ہے۔ افراط زر سنگل ہندسوں تک گر گیا، مالیاتی اور بیرونی پوزیشن میں بہتری آئی اور بین الاقوامی اعتماد مضبوط ہوا۔ جب کہ بحالی کا عمل جاری ہے، اس رفتار کو برقرار رکھنے کے لیے استحکام سے لے کر ساختی اصلاحات کی طرف ایک حکمت عملی محور کی ضرورت ہوگی۔

ٹیکسٹائل ٹیکسٹر کا جائزہ

پاکستان کی ٹیکسٹائل انڈسٹری قومی معیشت میں ریڑھ کی ہڈی کی حیثیت رکھتی ہے جو ملکی کل برآمدات میں نصف سے زائد حصہ ڈالتی ہے اور لاکھوں افراد کو روزگار فراہم کرتی ہے۔ یہ شعبہ مصنوعات کی ایک وسیع رینج کا احاطہ کرتا ہے جس میں بنے ہوئے کپڑے، سوتی ملبوسات، بستر کے کپڑے اور سوت شامل ہیں۔ دنیا کے سب سے بڑے کپاس پیدا کرنے والے ممالک میں سے ایک ہونے کے ناطے پاکستان اس اہم صنعت کو سہارا دینے کے لئے ایک مضبوط بنیاد رکھتا ہے۔ اس کی بنیادی برآمدی منڈیوں میں امریکہ، یورپی یونین، برطانیہ اور ترکی شامل ہیں۔

اس کی اہمیت کے باوجود، اس شعبے کو مسلسل چیلنجوں کا سامنا ہے۔ توانائی کے بلند اخراجات خاص طور پر گیس اور بجلی کے لئے، علاقائی حریفوں کے خلاف مسابقت کو ختم کر دیا ہے۔ کپاس کی قیمتوں میں اتار چڑھاؤ، تجارتی پالیسیوں میں تبدیلی اور ٹیکس کے بدلتے ہوئے نظام نے دباؤ میں مزید اضافہ کیا ہے۔ لیکویڈیٹی کی رکاوٹوں نے بہت سے صنعت کاروں کے لیے آپریشنل مشکلات بھی پیدا کی ہیں۔

اس کے ساتھ ہی حوصلہ افزائی ریفٹ بھی جاری ہے۔ برآمدات میں اضافے نے لچک کا مظاہرہ کیا ہے، اور پائیداری، قدر میں اضافہ، اور مصنوعات کی جدت طرازی پر بڑھتا ہوا اصرار طویل مدتی ترقی کے مواقع فراہم کرتا ہے۔ کارکردگی، جدید ٹیکنالوجی، اور ماحولیاتی ذمہ دارانہ طریقوں پر مضبوط توجہ صنعت کو عالمی منڈیوں میں خود کو زیادہ مسابقتی پوزیشن میں رکھنے میں مدد دے سکتی ہے۔

مالی سال 2025 کے لیے پاکستان کی ٹیکسٹائل کی برآمدات 17.88 بلین ڈالر تک پہنچ گئیں جو سال بہ سال 7.22% اضافے کو ظاہر کرتی ہیں۔ یہ کارکردگی بڑی حد تک ویلیو ایڈڈ حصے، خاص طور پر ملبوسات میں زیادہ برآمدات کی وجہ سے ہوئی۔ چیلنجز کے باوجود، ٹیکسٹائل کا شعبہ پاکستان کی معیشت کا ایک اہم حصہ ہے، جو مجموعی برآمدات میں نمایاں کردار ادا کر رہا ہے۔

نتیجہ: اگرچہ پاکستان کی ٹیکسٹائل انڈسٹری اپنے برآمدی اثرات کو بڑھا رہی ہے، لیکن اسے اپنی پوری صلاحیت کو بروئے کار لانے کے لیے توانائی کے اخراجات، ٹیکس اور لیکویڈیٹی سے متعلق ساختی مسائل کو حل کرنا ہوگا۔ پائیداری، جدت طرازی اور ویلیو ایڈڈ پیداوار مستقبل کی ترقی اور عالمی مسابقت کو یقینی بنانے کے لیے اہم ہوگی۔

ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی سفارش پر، سال کے دوران ہونے والے نقصان کے پیش نظر 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے کسی منافع کا اعلان نہیں کیا ہے۔ تاہم، بورڈ کمیٹی کی مالی کارکردگی اور معاشی حالات کا جائزہ لینا جاری رکھے گا، اور سال کے دوران عبوری منافع کے اعلان پر غور کر سکتا ہے، جو منافع اور مالی استحکام سے مشروط ہے۔

کمپیٹل مصارف

دوران سال کمپنی نے بنیادی طور پر سرمایہ جاتی اخراجات کیے جس کا مقصد کفایتی توانائی کے متبادل کو اپنانا اور اعلیٰ معیار کی مصنوعات کی مسلسل پیداوار کو یقینی بنانے کے لیے پائیداری کے اقدامات کو آگے بڑھانا ہے، جبکہ ماحولیاتی ذمہ داری پر بھی زور دیا گیا۔

سرمائے کے اخراجات کی ضروریات کا اندازہ لگانے کے لیے ایک منظم اور منصوبہ بند نقطہ نظر پر عمل کیا جاتا ہے۔ اس ضمن میں کمپنی نے سال کے دوران مجموعی طور پر 468 ملین روپے کی سرمایہ کاری کو کامیابی سے انجام دیا۔ کمپنی کی حکمت عملی سرمایہ کاری کرنے کے لیے پر عزم ہے جو اس کے طویل مدتی مقاصد کے حصول کے ساتھ ہم آہنگ ہے اور اس کی حمایت کرتی ہے۔

فروخت اور مارکیٹنگ 33 سال سے زیادہ کے تجربے کے ساتھ آرٹسٹک ڈینیم ملز (اے ڈی ایم) نے معروف عالمی برانڈز کو پریمیم ڈینیم کی فراہمی کے لیے ایک ممتاز شہرت حاصل کی ہے۔ ایک قابل اعتماد پروڈیوسر اور قابل اعتماد سپلائر کی حیثیت سے، اے ڈی ایم معیار، صارف پر مبنی حل اور مسلسل جدت طرازی کے لئے پر عزم ہے۔ اس عزم نے دنیا بھر میں صارفین کے ساتھ دیرینہ تعلقات کو فروغ دیا ہے اور ایک جگہ دار، پائیدار کاروباری ماڈل قائم کیا ہے۔

اپنے حکمت عملی وژن کے ایک حصے کے طور پر، اے ڈی ایم فعال طور پر امریکہ، یورپ اور ایشیا میں اپنے قدموں کے نشانات کو بڑھا رہا ہے، ڈینیم انڈسٹری میں ایک رجحان سازی کی حیثیت سے اپنی پوزیشن کو تقویت دے رہا ہے اور نئی مارکیٹوں تک اپنی رسائی کو بڑھا رہا ہے۔

اے ڈی ایم کی پائیداری کی کوششیں چھ اہم شعبوں کے گرد مرکوز ہیں، جو ہماری بنیادی اقدار اور ہمارے صارفین کی ترجیحات کے مطابق ہیں:

- پانی کا انتظام
- توانائی کا تحفظ
- کیمیکلز (رنگ اور پروسیسنگ کیمیکل)
- کپاس / قابو
- لوگ
- مینیکسٹنگ

ہماری قیادت اعلیٰ درجے کی عمل اصلاح کے ذریعے پائیدار لاگت کی کارکردگی کو ترجیح دیتی ہے۔ ایک سرشار اندرون خانہ آرائیڈ ڈی ٹیم جدت اور نئی مصنوعات کی نمونہ قیادت کرتی ہے، جو ہمارے صارفین کو جامع، ویلیو ایڈڈ حل فراہم کرتی ہے۔ اے ڈی ایم پوری ویلیو چین میں پائیداری کو سرایت کرنے کے لیے سپلائرز کے ساتھ قریبی تعاون کرتا ہے۔

ہم تکنیکی ترقی میں پیداوار، کوالٹی کنٹرول اور آرائیڈ ڈی، آپریشنل چلک کو بڑھانا، نقصان کو کم کرنا، چاؤلوں کے اخراجات کو کم کرنا، اور صلاحیت کے استعمال کو بہتر بنانے میں سب سے آگے رہتے ہیں۔

اے ڈی ایم کی ری سائیکلنگ کی صلاحیتوں میں صنعت کے بعد اور صارفین کے بعد کے فضلے کو پروسیس کرنے کے لیے کپاس کی ری سائیکلنگ کی چار مشینیں شامل ہیں، جس میں ہمارے اپنے آپریٹرز کا مواد بھی شامل ہے۔ مزید برآں، ایک جدید ترین پلچنگ اور ڈی کلائنگ مشین ہمارے پائیدار پیداواری عمل میں مزید قدر کا اضافہ کرتی ہے۔

ایک ترقی پذیر مارکیٹ میں، اے ڈی ایم صارفین کی ترجیحات کو تبدیل کرنے کے لئے مستقل طور پر ڈھالتا ہے۔ ہمارا نوویشن سینٹر جدید ٹیکنالوجی اور ڈویلپمنٹ ٹیکنالوجی سے لیس ماہرین کی ایک ہنرمند ٹیم کے ذریعے چلایا جاتا ہے اور ریاست ہائے متحدہ امریکہ، یورپ اور ایشیا میں پریمیم ڈینیم برانڈز کے لئے رجحان سے متعلق ڈیزائن کی تخلیق کی حمایت کرتا ہے۔

جدت طرازی ADM کی کامیابی کا سنگ بنیاد ہے۔ ہم مختلف مصنوعات کی ایک متنوع رینج پیش کرتے ہیں جیسے کہ HyperStretch, Promodal®, XFIT LYCRA®, Organic Denim Series, LYCRA®dualFX™, TOUGH MAX™LYCRA®, Pure Dark Indigo Series (PDI), Medallion Series, Tined Series, Flat Series, Recycled Cotton and LYCRA®T400® Fiber اور ہر جدت طرازی کو مارکیٹ کی حرکیات اور صارفین کے تاثرات سے ٹھیکیل دیا جاتا ہے، نئی سے جانچ کی جاتی ہے، اور غیر معمولی کارکردگی فراہم کرنے کے لیے ڈیزائن کیا جاتا ہے۔

اے ڈی ایم جدت طرازی، کسٹمر سے چلنے والی مصنوعات کی ترقی، اور آپریشنل عہدگی کے ذریعے اپنی مسابقتی برتری کو بڑھانا جاری رکھے ہوئے ہے۔ اپنے عالمی صارفین کو بے مثال قدر فراہم کرتا ہے۔

مستقبل کا نقطہ نظر

ٹیکسٹائل انڈسٹری پاکستان کی معیشت میں ریڑھ کی ہڈی کی حیثیت رکھتی ہے اور جی ڈی پی، روزگار کے مواقع پیدا کرنے اور برآمدی آمدنی میں اہم کردار ادا کرتی ہے۔ توانائی کی اعلیٰ لاگت، ٹیرف کے دباؤ، لیکویڈیٹی کی رکاوٹیں، اور روايتی منڈیوں میں تعمیل کی ضروریات جیسے چیلنجوں کے باوجود، یہ شعبہ پلک کا مظاہرہ جاری رکھے ہوئے ہے۔ تاہم، مارجن کی بحالی اور طویل مدتی پائیداری کے لیے فوری اصلاحات کی ضرورت ہوگی، جس میں سستی اور بلا تعطل توانائی کی فراہمی، ان پٹ لاگت کو معقول بنانا، تیزی سے رقم کی واپسی کی پروسیجرنگ، اور زیادہ کاروبار دوست ریگولیٹری فریم ورک شامل ہیں۔ ٹیکسٹائل کے مالی بوجھ کو کم کرنے اور لیکویڈیٹی کے حالات کو بہتر بنانے کے مقصد سے معاون حکومتی پالیسیاں اس شعبے کو موثر طریقے سے مقابلہ کرنے کے قابل بنانے میں فیصلہ کن کردار ادا کریں گی۔

میکرو اکنامک سطح پر، پاکستان کی معیشت بتدریج مستحکم ہو رہی ہے، افراط زر اسٹیٹ بینک آف پاکستان کے درمیانی مدت کے ہدف کی حد 5-7 فیصد کے اندر رہنے کا امکان ہے۔ مالیاتی پالیسی کو معمول پر لانے اور بیرونی اور مالیاتی توازن میں بہتری کے ساتھ مل کر اس منظر نامے سے سرمایہ کاری، نجی شعبے کے قرضوں کی ترقی اور صنعتی سرگرمیوں کے لیے زیادہ سازگار ماحول فراہم ہونے کی امید ہے۔ ٹیکسٹائل کا شعبہ سب سے بڑی برآمد پر مبنی صنعت ہونے کے ناطے، اس استحکام سے فائدہ اٹھانے کے لیے اچھی پوزیشن میں ہے، بشرطیکہ ساختی چیلنجوں سے نمٹا جائے۔

آخر میں پاکستان کی ٹیکسٹائل انڈسٹری ایک نازک موڑ پر کھڑی ہے۔ اس کے مستقبل کی کامیابی کا انحصار ٹیکنالوجی کو اپنانے، ری سائیکل اسٹیل اور ماحول دوست پیداوار کو فروغ دینے، برآمدی منڈیوں کو متنوع بنانے اور ٹیرف ریلیف کو محفوظ بنانے پر ہوگا۔ مربوط پالیسی سپورٹ، نجی شعبے کے اقدامات، اور مسلسل پلک کے ساتھ، صنعت میں نہ صرف اپنی وراثتی طاقتوں کو دوبارہ حاصل کرنے بلکہ ٹیکسٹائل کی پیداوار اور برآمدات میں عالمی رہنما کے طور پر ابھرنے کی صلاحیت بھی حاصل کرنی ہوگی۔

کمپنی طویل مدتی منافع کے حصول کے لیے آپریشنل کارکردگی، مالی استحکام اور پائیداری کو بڑھانے پر توجہ مرکوز رکھے ہوئے ہے۔ اہم ترجیحات میں صلاحیت کے زیادہ سے زیادہ استعمال، اخراجات کو بہتر بنانا، اور موثر ورکنگ کپیکلٹی منجمنٹ کو یقینی بنانا شامل ہے۔ ایجنڈہ کی بڑھتی ہوئی لاگت سے نمٹنے کے لیے، کمپنی نے 2.32 میگا واٹ شمسی توانائی کی سہولت کو کامیابی کے ساتھ شروع کیا ہے اور اضافی 2.57 میگا واٹ کی تنصیب کا آغاز کیا ہے، جو مالی سال 2025-2026 کی پہلی سہ ماہی میں مکمل ہونے والا ہے۔ انتظامیہ کو یقین ہے کہ یہ اقدامات، متنوع آپریشنز اور مضبوط گورننس کے طریقوں کی حمایت سے، حصص یافتگان کے لیے طویل مدتی قدر پیدا کرتے رہیں گے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

کمپنی بغیر کسی استثناء کے کارپوریٹ گورننس کے اعلیٰ معیارات کو برقرار رکھنے کے لیے پرعزم ہے۔ ڈائریکٹرز کو اس بات کی تصدیق کرتے ہوئے خوشی ہو رہی ہے کہ کمپنی نے سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے مطابق کوڈ آف کارپوریٹ گورننس میں بیان کردہ دفعات پر تندی سے عمل کیا ہے اور یہ پاکستان اسٹاک ایکسچینج کی جانب سے قائم کردہ لسٹنگ ریگولیشنز کا ایک لازمی جزو ہے۔

ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ:

- کمپنی کی انتظامیہ کی جانب سے 30 جون 2025 کو ختم ہونے والے مالی گوشوارے منصفانہ طور پر پیش کیے گئے ہیں، اس کے معاملات، اس کے آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیاں؛
- کمپنی کے اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- 30 جون 2025 کو ختم ہونے والے سال کے لئے مالی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مستقل اطلاق کیا گیا ہے اور مالی بیانات میں اکاؤنٹنگ پالیسیوں میں کسی بھی تبدیلی کا انکشاف کیا گیا ہے۔ اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- بین الاقوامی مالیاتی رپورٹنگ اسٹینڈرڈز، جیسا کہ پاکستان میں لاگو ہوتا ہے اوپنیز ایکٹ، 2017 کے تقاضوں پر مالی گوشواروں کی تیاری میں مناسب طریقے سے عمل کیا گیا ہے اور اس سے کسی بھی رواں گئی کو مناسب طور پر ظاہر اور وضاحت کی گئی ہے۔
- داخلی کنٹرول کا نظام ڈیزائن میں مضبوط ہے اور موثر طریقے سے نافذ کیا گیا ہے، باقاعدگی سے جائزہ لیا گیا ہے اور نگرانی کی گئی ہے۔ اندرونی کنٹرول کی نگرانی کا عمل ایک جاری عمل کے طور پر جاری رہے گا جس کا مقصد نظام میں کنٹرول کو مزید مضبوط بنانا ہے۔
- کمپنی کی جاری تشویش کے طور پر جاری رکھنے کی صلاحیت کے بارے میں کوئی شک نہیں ہے۔
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں ہوا ہے، جیسا کہ پاکستان اسٹاک ایکسچینج کے رول بک کے ریگولیشنز میں تفصیل سے بیان کیا گیا ہے۔
- گزشتہ چھ سالوں کے کلیدی آپریشنز اور مالیاتی اعداد و شمار کو خلاصہ کی شکل میں آڈٹ شدہ مالیاتی بیانات کے ساتھ منسلک کیا گیا ہے۔
- واجب الادا ڈیویڈنڈ، قانونی چارہ جز اور ٹیکسز، اگر کوئی ہوں، آڈٹ شدہ مالیاتی بیانات میں مناسب طور پر ظاہر کیے گئے ہیں۔
- کمپنی اپنے ملازمین کے لیے غیر فنڈڈ گریجویٹ اسکیم چلاتی ہے جیسا کہ آڈٹ شدہ مالیاتی بیانات میں ظاہر ہوتا ہے۔
- بورڈ کے پانچ ڈائریکٹرز پہلے ہی ڈائریکٹرز ٹریننگ کورس میں شرکت کر چکے ہیں، جبکہ ایک ڈائریکٹر کو تجربے اور قابلیت کی وجہ سے اس طرح کے کورس سے مستثنیٰ قرار دیا گیا ہے۔ کمپنی فی الحال باقی ڈائریکٹرز کے لئے ڈائریکٹرز ٹریننگ پروگرام سرٹیفیکیشن کو منظم کرنے کے عمل میں ہے۔ بورڈ کے تمام ڈائریکٹرز کارپوریٹ اداروں کے ڈائریکٹرز کی حیثیت سے اپنے فرائض اور ذمہ داریوں سے پوری طرح واقف ہیں۔

مادی تبدیلیاں

30 جون، 2025 سے آڈٹ شدہ مالیاتی بیانات کی تاریخ تک کوئی مادی تبدیلی نہیں کی گئی ہے اور کمپنی نے اس مدت کے دوران کوئی وعدہ نہیں کیا ہے جو اس کی مالی حالت کو بری طرح متاثر کر سکتا ہے۔

شیئر ہولڈنگ کا پیٹرن

کمپنی کے حصص کا کاروبار پاکستان اسٹاک ایکسچینج لمیٹڈ میں ہوتا ہے۔ 30 جون 2025 تک شیئر ہولڈنگ کا پیٹرن، متعلقہ انکشافات کے ساتھ، آڈٹ شدہ مالیاتی بیانات میں شامل کیا گیا ہے۔

کمپنی کے شیئرز میں تجارت

یکم جولائی 2024 سے 30 جون 2025 تک کی مدت کے دوران ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف فنانسفل آفیسر، کمپنی سیکریٹری، ہیڈ آف انٹرنل آڈٹ، دیگر ایگزیکٹوز، اور ان کی شریک حیات یا نابالغ بچوں کے ذریعے کیے گئے لین دین کی تفصیلات آڈٹ شدہ مالیاتی بیانات کے ساتھ منسلک ہے۔

کارپوریٹ گورننس کے کوڈ کی تعمیل کا بیان

کمپنی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی ضروریات کی مکمل تعمیل کی ہے۔ اس سلسلے میں ایک بیان ان آڈٹ شدہ مالیاتی بیانات کے ساتھ منسلک ہے۔

بورڈ آف ڈائریکٹرز

ڈائریکٹرز کی کل تعداد مندرجہ ذیل کے مطابق سات (7) ہے:

a.	مرد	6
b.	خاتون	1

بورڈ آف ڈائریکٹرز (بورڈ) کی تشکیل مندرجہ ذیل ہے:

شمار	درجہ بندی	تعداد	نام
a	انڈیپنڈنٹ ڈائریکٹر	02	جناب یزدانی ضیا جناب منیر احمد
b	دیگر نان ایگزیکٹو ڈائریکٹرز - مرد	02	جناب محمد اقبال احمد جناب محمد یوسف احمد
	- خاتون		مس زہرہ فیصل احمد
c	ایگزیکٹو ڈائریکٹر	02	جناب محمد فیصل احمد جناب محمد عزیز قریشی

زیر جائزہ سال کے دوران بورڈ آف ڈائریکٹرز کے چار اجلاس پاکستان میں منعقد ہوئے جن میں ہر ڈائریکٹر کی شرکت درج ذیل تھی:

ڈائریکٹر کا نام	اجلاسوں میں شرکت کی تعداد
جناب محمد فیصل احمد	4
جناب محمد اقبال احمد	4
جناب محمد یوسف احمد	1

4	مس زہرہ فیصل احمد
4	جناب یزدانی ضیا
4	جناب منیر احمد
4	جناب محمد عزیز قریشی

وہ ڈائریکٹرز جو بورڈ کے اجلاسوں میں شرکت کرنے سے قاصر تھے انہیں غیر حاضری کی منظور شدہ چھٹیاں دی گئیں۔

بورڈ کمیٹیاں

کوڈ آف کارپوریٹ گورننس کے مطابق، بورڈ آف ڈائریکٹرز نے ایک آڈٹ کمیٹی قائم کی ہے جس میں تین ممبران شامل ہیں: دو آزاد ڈائریکٹرز اور ایک نان ایگزیکٹو ڈائریکٹر۔ آڈٹ کمیٹی کا چیئر مین ایک آزاد ڈائریکٹر ہوتا ہے۔ قابل ذکر بات یہ ہے کہ آڈٹ کمیٹی نے کوڈ آف کارپوریٹ گورننس کے مقررہ معیارات کے مطابق اپنے فرائض کو موثر طریقے سے انجام دیا ہے۔

دوران سال آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری کا ریکارڈ درج ذیل تھا:

ڈائریکٹر کا نام	اجلاسوں میں شرکت کی تعداد
جناب یزدانی ضیا	4
جناب محمد اقبال احمد	4
جناب منیر احمد	2

کوڈ آف کارپوریٹ گورننس کی شرائط کے مطابق بورڈ آف ڈائریکٹرز نے ہیومن ریسورس اینڈ ریمونریشن کمیٹی (ایچ آرایڈ آر سی) تشکیل دی ہے۔ تین ممبران پر مشتمل کمیٹی میں ایک نان ایگزیکٹو ڈائریکٹر، ایک ایگزیکٹو ڈائریکٹر اور ایک آزاد ڈائریکٹر شامل ہیں۔ کمیٹی کی قیادت ایک آزاد ڈائریکٹر کی رہنمائی میں ہوتی ہے جو چیئر مین کی حیثیت سے خدمات انجام دے رہے ہیں۔ کمیٹی اپنی ذمہ داریاں پوری تہدہ سے نبھاتی ہے جیسا کہ بورڈ آف ڈائریکٹرز کی جانب سے مقرر کردہ شرائط میں بیان کیا گیا ہے۔ سال کے دوران، کمیٹی نے ایک ہی اجلاس منعقد کیا، اور ہر ڈائریکٹر کی حاضری مندرجہ ذیل تھی:

ڈائریکٹر کا نام	اجلاسوں میں شرکت کی تعداد
جناب منیر احمد	1
جناب محمد فیصل احمد	1
مس زہرہ فیصل احمد	1

نان ایگزیکٹو ڈائریکٹر کی معاوضہ پالیسی

بورڈ کمیٹی کے اجلاسوں میں شرکت کے لئے نان ایگزیکٹو ڈائریکٹرز / آزاد ڈائریکٹر کے معاوضے کا تعین وقتاً فوقتاً بورڈ کے ذریعہ کیا جائے گا۔ نان ایگزیکٹو ڈائریکٹرز / آزاد ڈائریکٹرز کو بورڈ اور کمیٹی آف ڈائریکٹرز کی ہر میٹنگ کے لیے فیس کے ذریعے معاوضہ ادا کیا جاتا تھا جس میں ان کی شرکت کی جاتی تھی۔

ڈائریکٹرز کو اس طرح کے سفر، بورڈنگ، رہائش اور دیگر اخراجات بھی ادا کیے جائیں گے جو ان کے فرائض یا کاروباری انجام دہی میں یا اس کے بارے میں مناسب طریقے سے کیے گئے ہیں اگر ان میں سے کسی کو باہر سے کمپنی کے بورڈ یا جنرل میٹنگ میں شرکت کے لیے آنا پڑتا ہے۔

متعلقہ پارٹی ٹرانزیکشنز اور ٹرانسفر پرائسنگ

مالی سال 2025 کے دوران تمام متعلقہ پارٹی ٹرانزیکشنز کو آڈٹ کمیٹی اور بورڈ کے سامنے ان کے جائزے اور منظوری کے لئے رکھا گیا تھا۔ ان لین دین کو آڈٹ کمیٹی اور بورڈ نے اپنے متعلقہ اجلاسوں میں باقاعدہ طور پر منظور کیا تھا۔ کمپنی کاروبار کے معمول کے دوران اپنی متعلقہ کمپنیوں کے ساتھ لین دین کرتی ہے۔ قابل ذکر بات یہ ہے کہ متعلقہ فریقوں سے متعلق تمام لین دین کو بازو کی لمبائی کی قیمتوں پر انجام دیا گیا تھا، جس کا موازنہ بے قابو قیمتوں کے طریقہ کار کے ذریعہ احتیاط سے کیا گیا تھا۔

رسمک منجمنٹ

کمپنی کے پاس ایک مضبوط رسمک منجمنٹ فریم ورک ہے جو اسے اہم خطرے اور غیر یقینی صورتحال پر موثر طریقے سے نیوگیٹ، نگرانی اور رپورٹ کرنے کے قابل بناتا ہے جو اس کے حکمت عملی مقاصد کو حاصل کرنے کی اس کی صلاحیت کو متاثر کر سکتے ہیں۔ اہم خطرات کی فعال طور پر شناخت، تشخیص اور کم کرنے کی اہمیت وقت کے ساتھ بڑھتی جا رہی ہے۔ فریم ورک کے تحت، کمپنی نے ان خطرات کی فعال نگرانی، انتظام اور کم کرنے کے لئے عمل اور نظام کو شامل کیا ہے۔ خطرات کی تشخیص اور انتظام کو ایک جامع نقطہ نظر سے دیکھا جاتا ہے، جس میں انٹرپرائز، کاروباری اکائیوں، افعال اور منصوبوں کا احاطہ کرتے ہوئے اوپر سے نیچے اور نیچے سے اوپر کے نقطہ نظر کا دوہرا نقطہ نظر شامل ہے۔

داخلی مالیاتی کنٹرول کا نظام

کمپنی کے پاس اپنے آپریشنز کے سائز، پیمانے اور پیچیدگی کے مطابق ایک جامع داخلی مالیاتی کنٹرول سسٹم ہے۔ یہ نظام کمپنی کے اثاثوں کی حفاظت کو یقینی بنانے، مالی لین دین کی مناسب اجازت کی توثیق، متعلقہ قابل اطلاق قوانین اور ضوابط کی تعمیل اور وسائل کے استعمال کو بہتر بنانے کے لئے اہم عمل کا احاطہ کرتا ہے۔ اندرونی کنٹرول خطرے پر مبنی تشخیص کے ذریعے نامزد کیا جاتا ہے۔ کمپنی کا آزاد اندرونی آڈٹ فنکشن ان داخلی کنٹرول سسٹم کی تاثیر کا جائزہ لینے میں اہم کردار ادا کرتا ہے۔ کمپنی کی انتظامیہ قانونی آڈیٹرز اور انٹرنل آڈیٹرز دونوں کی سفارشات کا پوری تہدیب سے جائزہ لیتی ہے اور ان پر مناسب کارروائی کرتی ہے۔

آڈیٹر

موجودہ آڈیٹرز، ریٹڈ ہارون زکریا، حامد سلمان رضوان اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس اکتوبر 2025 کو ہونے والے آئندہ سالانہ جنرل اجلاس کے اختتام پر ریٹائر ہو جائیں گے اور اہل ہونے کی وجہ سے انہوں نے دوبارہ تقرری کے لئے خود کو پیش کیا ہے۔ اس کیپٹنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے مطابق بورڈ آف ڈائریکٹرز آڈٹ کمیٹی کی اس سفارش کی توثیق کرتا ہے کہ انہیں 30 جون 2026 کو ختم ہونے والے مالی سال کے لیے کمپنی کے قانونی آڈیٹرز کے طور پر دوبارہ مقرر کیا جائے۔

کارپوریٹ سماجی ذمہ داری

1- توانائی کا تحفظ

کمپنی اپنا پاور جنریشن پلانٹ چلاتی ہے، جو ری سائیکلنگ، پمپنگ، اسپننگ، ویلنگ اور گارمنٹس کی پیداوار سمیت تمام ڈویژنوں کی توانائی کی ضروریات کو موثر طریقے سے پورا کرتی ہے۔ انہائی ہنرمند اور بڑے پیمانے پر تربیت یافتہ اہلکاروں کی ایک ٹیم پلانٹ کے آپریشن اور دیکھ بھال کی نگرانی کرتی ہے۔

قدرتی وسائل کے تحفظ کے لئے کمپنی کے پختہ عزم کے مطابق، تمام کاروباری یونٹ توانائی کے استعمال کی صلاحیت کو بڑھانے کے لئے مسلسل کوشش کرتے ہیں۔ گیس اور ایندھن کی بڑھتی ہوئی لاگت کا مقابلہ کرنے کے لئے، کمپنی نے شمس توانائی کی ماحول دوست صلاحیت کو بروئے کار لاتے ہوئے شمس توانائی کا نظام متعارف کرایا ہے۔ شمس توانائی حقیقی معنوں میں قدرتی وسائل کو استعمال کرتے ہوئے بجلی کا ایک سبز ذریعہ ہے اور کاربن فٹ پرنٹ کو نمایاں طور پر کم کرتی ہے۔ اس منصوبے کی اقتصادی اہمیت قابل تجدید توانائی کے استعمال میں مضمر ہے، جو بجلی کی لاگت کو کم کرتی ہے اور اس طرح بیکار اور غیر استعمال شدہ چھتوں کا بہترین استعمال کرتے ہوئے چلی سطح میں حصہ ڈالتی ہے۔

کمپنی عمل مشینری میں ترمیم، تکنیکی ترقی کے نفاذ، نئے طریقوں کی ترقی، دیکھ بھال، فضلہ حرارت کی بازیابی وغیرہ کے ذریعے توانائی کے تحفظ کے مسلسل عمل میں مصروف ہے۔ قدرتی گیس کو بجلی کی پیداوار کے لئے سہ فریقی تنصیب کے ذریعے استعمال کیا جاتا ہے۔ فضلہ گرمی کی بازیابی بواکس گرمی کی بازیابی کے لئے استعمال کیا جاتا ہے۔ فضلہ گرمی کی بازیابی کے نظام دیگر عملوں کے لئے اضافی توانائی ابھاپ کے طور پر فضا میں خارج ہونے والی گرمی کی بازیابی کو ممکن بناتے ہیں۔ جنریٹرز کا جبکہ گرم پانی جذب چلو چلانے کے لئے استعمال کیا جاتا ہے۔

سائنسی اور تکنیکی ترقی صاف اور موثر توانائی کے استعمال کی طرف ہماری مہم میں ریڑھ کی ہڈی کی حیثیت رکھتی ہے۔ یہ دانستہ اقدامات نہ صرف توانائی کی خاطر خواہ بچت کا باعث بنتے ہیں بلکہ پیداواری لاگت میں کمی اور آپریشنل کارکردگی میں بھی اضافہ کرتے ہیں۔

2- ماحولیات، صحت کی حفاظت کی یقینی دہانی

اے ڈی ایم ایک جامع صحت، حفاظت اور ماحولیاتی فریم ورک کو برقرار رکھتا ہے جو مجموعی احاطے اور آس پاس کی حفاظت کرتے ہوئے اپنی افرادی قوت، گاہکوں، اسٹیک ہولڈرز، تنصیب کاروں، زائرین اور سپلائرز کی فلاح و بہبود کو یقینی بناتا ہے۔

کمپنی واضح طور پر متعین مقاصد پر مبنی غیر محفوظ اور غیر صحت مندرکام کے طریقوں اور حالات کو ختم کرنے کے لئے فعال طور پر کوشش کرتی ہے۔ کام کے ماحول میں حادثات اور صحت سے متعلق واقعات کو روکنے کے لئے سخت احتیاطی تدابیر اختیار کی جاتی ہیں۔ وقف انتظامی نمائندگان صحت اور حفاظت کے اعلیٰ ترین معیارات کی ذمہ داری قبول کرتے ہیں، ان کے محتاط نفاذ کی نگرانی کرتے ہیں۔

شو کی سطح کی نگرانی کرنے اور تعمیل کو یقینی بنانے کے لئے ایک بیرونی تجارتی لیبارٹری کے ذریعہ باقاعدگی سے ماحولیاتی شو کی جانچ کی جاتی ہے۔ آگ کی روک تھام کے ہمارے مضبوط اقدامات میں این ایف پی اے اسٹینڈرڈ 10 کے مطابق فائر الارم اور سراخ لگانے کے نظام کی تنصیب اور دیکھ بھال شامل ہے۔ مزید برآں، ایک وقف ایمرجنسی رسپانس ٹیم آگ سے متعلق کسی بھی واقعے سے فوری طور پر نمٹنے کے لئے تیار ہے، جو چوبیس گھنٹے مدد کیلئے تیار رہتی ہے۔

اے ڈی ایم منجھٹ کی تمام سطحوں پر ماحولیات، صحت کی حفاظت کے لئے مکمل عزم کو یقینی بناتا ہے۔ ہم ان حالات کی مسلسل بہتری کو یقینی بنانے اور اس سلسلے میں کمپنی کی ای ایچ ایس پالیسی، مقاصد، اہداف اور پروگراموں کی تائید کی تصدیق کرنے کے لئے باقاعدگی سے تشخص اور جائزے کرتے ہیں۔

اے ڈی ایم فخریہ طور پر مندرجہ ذیل سٹینڈیٹ رکھتا ہے:

• BCI	(Better Cotton Initiative)
• WRAP	(Worldwide Responsible Accreditation Production)
• SEDEX	(Supplier Ethical Data Exchange)
• GOTS	(Global Organic Textile Standard)
• OCS	(Organic Content Standard)
• RCS	(Recycled Cotton Standard)
• GRS	(Global Recycled Standard)
• C-TPAT	(Customs-Trade Partnership against Terrorism)
• ZDHC	(Zero Discharge of Hazardous Chemicals)
• SCAN	Supplier Compliance Audit Network
• HIGG (FEM)	Facility Environmental Module
• HIGG (FSLM)	Facility Social Labor Module
• SQP	Supplier Qualification Program
• U.S. COTTON	U.S. Cotton Trust Protocol
• BETTER WORK (ILO)	Better Work (International Labour Organization)
• REGENAGRI	Regenerative Agriculture
• OEKO-TEX Standard 100	

ان سرٹیفیکیشنز میں سے ہر سٹینڈیٹ ایک محفوظ، پائیدار اور سماجی طور پر ذمہ دار آپریشنل ماحول کو فروغ دینے کے لئے اے ڈی ایم کی مستقل لگن کی نشاندہی کرتا ہے۔

3- مضبوط سیکورٹی پروٹوکول

کمپنی کی قیادت آپریشنل حفاظت اور سلامتی کی انتہائی اہمیت کو تسلیم کرتی ہے۔ ہم نے اہلکاروں اور اثاثوں کی حفاظت کو یقینی بنانے کے لئے خاطر خواہ سرمایہ کاری کی ہے، جس میں وقف سیکورٹی اہلکاروں کی تعیناتی اور جامع سیکورٹی پالیسیوں اور پروٹوکولز کا نفاذ شامل ہے۔ ان اقدامات کا لازمی جزوی سی ٹی وی کیمروں کا ایک وسیع میٹ ورک ہے جو متعدد مقامات پر حکمت عملی طور پر نصب ہے، جس سے ہماری نگرانی کی صلاحیتوں میں اضافہ ہوا ہے۔ یہ مربوط کوششیں اجتماعی طور پر ہماری افرادی قوت اور وسائل کی حفاظت اور سالمیت کو برقرار رکھتے ہوئے آپریشنز کے ہموار کام میں حصہ ڈالتی ہیں۔

4- پائیداری سے متعلق خطرات

طویل مدتی اقدار کی تخلیق اور ذمہ دارانہ کاروباری طریقوں کے لئے ہمارے عزم کے مطابق، بورڈ نے استحکام سے متعلق خطرات کا ایک جامع جائزہ لیا ہے جو ہماری تنظیم کو متاثر کر سکتے ہیں۔ ان خطرات میں ماحولیاتی، سماجی اور گورننس (ESG) عوامل شامل ہیں جو ہمارے آپریشنز، اسٹیک ہولڈرز کی توقعات اور مجموعی کاروباری پلک کے لئے تیزی سے اہم ہیں۔

ماحولیاتی خطرات:

ہم نے آب و ہوا کی تبدیلی، وسائل کی کمی، اور ماحولیاتی قواعد و ضوابط سے وابستہ ممکنہ خطرات کی نشاندہی کی ہے۔ ان خطرات کو کم کرنے کے لئے، ہم نے توانائی

کی بچت کے عمل کو نافذ کیا ہے، اپنے کاربن فٹ پرنٹ کو کم کیا ہے، اور پائیدار وسائل کے انتظام کے طریقوں کو اپنایا ہے۔ ماحولیاتی انتظام کے لئے ہماری وابستگی پائیدار تکنالوجیوں میں ہماری جاری سرمایہ کاری اور ماحولیاتی انتظام میں بہترین طریقوں کی تعمیل میں ظاہر ہوتی ہے۔

معاشرتی خطرات:

سماجی عوامل، جیسے افرادی قوت کا تنوع، ملازمین کی فلاح و بہبود، اور کمیونٹی کی مصروفیت، ہماری پائیداری کی حکمت عملی کا لازمی حصہ ہیں۔ ہم ایک متنوع اور جامع کام کی جگہ کو فروغ دے کر، منصفانہ مزدوری کے طریقوں کو یقینی بنا کر، اور ان برادر یوں کے ساتھ فعال طور پر مشغول ہو کر ان خطرات کا انتظام کرتے ہیں جن میں ہم کام کرتے ہیں۔ مزید برآں، ہم باقاعدگی سے اپنے کارپوریٹ اقدار اور اسٹیک ہولڈرز کی توقعات کے ساتھ صف بندی کو یقینی بنانے کے لئے اپنے آپریشنز کے سماجی اثرات کی نگرانی اور جائزہ لیتے ہیں۔

گورننس کے خطرات:

پائیداری سے متعلق خطرات کے انتظام کے لئے مضبوط حکمرانی ضروری ہے۔ ہمارے پاس ادارے کی تمام سطحوں پر شفافیت، اخلاقی طرز عمل اور احساب کو یقینی بنانے کے لئے مضبوط گورننس فریم ورک موجود ہے۔ ان میں تعمیل، رسک مینجمنٹ اور اسٹیک ہولڈرز کی شمولیت سے متعلق واضح پالیسیاں شامل ہیں، جن کا باقاعدگی سے جائزہ لیا جاتا ہے اور ابھرتے ہوئے استحکام کے چیلنجوں سے نمٹنے کے لئے اپ ڈیٹ کیا جاتا ہے۔

بورڈ ہمارے پائیداری کے خطرے کے انتظام کے طریقوں کی مسلسل تشخیص اور اضافے کے لئے پرعزم ہے۔ ہم تسلیم کرتے ہیں کہ یہ کوششیں نہ صرف خطرات کو کم کرنے کے لئے ضروری ہیں بلکہ ایسے مواقع کی نشاندہی کے لئے بھی ضروری ہیں جو ہماری طویل مدتی کامیابی اور ہمارے اسٹیک ہولڈرز کی فلاح و بہبود میں کردار ادا کرتے ہیں۔

5- ویسٹ واٹر ٹریٹمنٹ پلانٹ

پانی ہمارے ملک میں ایک نایاب اور قیمتی قدرتی وسیلہ ہے اور اس کا بہترین طریقے سے انتظام کیا جانا چاہئے۔ کمپنی کے پاس ویسٹ واٹر ٹریٹمنٹ کی سہولت سیپا (SEPA) پاکستان کے نیشنل انوائرنمنٹ کوالٹی اسٹینڈرڈز (NEQS) کے مطابق ہے۔ پانی کی کمی کو دیکھتے ہوئے، لہذا یہ ضروری ہے کہ ایسی ٹیکنالوجیز تیار کی جائیں جو اس کا موثر طریقے سے علاج کریں تاکہ اسے دوبارہ استعمال کیا جاسکے۔ ہمارے ویسٹ واٹر ٹریٹمنٹ کی سہولت میں، گندے پانی کو گردش میں دوبارہ متعارف کرانے یا بنیادی سیوریج سسٹم میں اس کے محفوظ اخراج سے پہلے اسے صاف کرنے کے لئے جامع عمل کا استعمال کیا جاتا ہے، جو ماحولیاتی تحفظ کے معیار کے ساتھ سختی سے مطابقت رکھتا ہے۔

6- مساوی مواقع فراہم کرنے والے آجر

اے ڈی ایم میں، مساوات کے لیے ہماری وابستگی ہماری بنیادی اقدار میں گہری ہے۔ ہم ایک جامع اور قابل احترام کام کی جگہ کی کاشت کے لئے وقف ہیں جہاں تمام افراد کے ساتھ انصاف اور وقار کے ساتھ سلوک کیا جاتا ہے۔ ہم فعال طور پر متنوع نسلی پس منظر سے تعلق رکھنے والے ٹیلنٹ کو بھرتی کرنے کی کوشش کرتے ہیں اور اپنی ملازمت اور ملازمت کے تمام پہلوؤں میں امتیازی سلوک یا تعصب کے خلاف سخت پالیسی کو برقرار رکھتے ہیں۔

7- تنوع، مساوات اور شمولیت (DEI)

کارپوریٹ ذمہ داری اور گورننس کے لئے اپنے جاری عزم کے حصے کے طور پر، ہم نے اپنی تنظیم کے اندر تنوع، مساوات اور شمولیت (DEI) کو ترجیح دینا جاری رکھا ہے۔ اس سال، ہم نے کام کی جگہ کے تنوع کو بڑھانے، مساوی مواقع کو یقینی بنانے اور تمام ملازمین کے لئے ایک جامع ماحول کو فروغ دینے کے مقصد سے ڈی ای آئی اقدامات کو نافذ کیا۔ ان کوششوں میں ہماری متنوع افرادی قوت کی حمایت کے لئے ٹارگٹڈ بھرتی کی حکمت عملی اور ملازمین کی تربیت کے پروگرام

شامل تھے۔ ہم تنظیم کی تمام سطحوں پر ڈی امی آئی کو آگے بڑھانے کے لئے وقف ہیں اور اس بات کو یقینی بنانے کے لئے اپنی پوزیشنز کی پیمائش جاری رکھیں گے کہ یہ اقدام ہمارے ثقافت اور آپریشنز میں گہرائی سے سرایت کریں۔

8- عملیات

اے ڈی ایم یو بے پیمانے پر معاشرے کے لئے اخلاقی طور پر کام کرنے کے لئے پرعزم ہے اور اس کا مقصد ملک کے ساتھ ساتھ دنیا میں سماجی ترقی میں حصہ ڈالنا ہے۔ اس وژن کے مطابق، ہماری کئی سماجی ترقی کو فروغ دینے کے لئے وقف ہے۔ ہم فخر کے ساتھ سٹیژن فاؤنڈیشن، عبدالستار ایچ سی فاؤنڈیشن اور سیلانی ویلفیئر ٹرسٹ جیسی قابل احترام تنظیموں کو خاطر خواہ عملیات دیتے ہیں۔

اعتراف

بورڈ آف ڈائریکٹرز ہمارے معزز صارفین، اسٹیک ہولڈرز، بینکرز، ریگولیٹری اتھارٹیز اور قابل قدر کاروباری شراکت داروں کی مسلسل حمایت اور تعاون پر تہ دل سے شکر ادا کرتا ہے۔ ہم ان پائیدار تعلقات کی بہت تعریف کرتے ہیں اور آنے والے سالوں میں اپنے تعاون کو مضبوط بنانے کے منتظر ہیں۔

کئی کے بورڈ آف ڈائریکٹرز ہمارے تمام معزز صارفین، اسٹیک ہولڈرز بشمول بینکوں، ریگولیٹری باڈیز اور قابل قدر کاروباری شراکت داروں کی مسلسل حمایت اور تعاون پر تہ دل سے شکر ادا کرتا ہے۔ ہم مستقبل میں اس مضبوط اتحاد کو جاری رکھنے کے منتظر ہیں۔

ہم اپنے ملازمین کو ان کے غیر محاذی عزم، محنت اور لگن کے لئے بھی دل کی گہرائیوں سے تعریف کرتے ہیں۔ ان کی کوششیں ہمارے آپریشنز کو یقینی بنانے اور کئی کو بڑھتے ہوئے مسابقتی ماحول کے چیلنجوں سے نمٹنے کے قابل بنانے میں اہم کردار ادا کر رہی ہیں۔

منجانب بورڈ آف ڈائریکٹرز



محمد فیصل احمد

چیف ایگزیکٹو



یوسف نیا

ڈائریکٹر

کراچی: ستمبر 29، 2025

GENDER PAY GAP STATEMENT UNDER CIRCULAR 10 OF 2024

Name of Company: **Artistic Denim Mills Limited**
Year ended: **June 30, 2025**

Following is gender pay gap calculated for the year ended June 30, 2025:

I.	Mean Gender Pay Gap:	3.96%
II.	Median Gender Pay Gap:	0.00%

Additional Information:

The above figures represent the overall gender pay gap within the organization. **Artistic Denim Mills Limited** regularly conducts internal reviews to ensure gender pay parity across different cadres, levels, and comparable roles. The Company is committed to ensuring equitable compensation for women and men, based on their experience, qualifications, and performance in their respective positions.

On behalf of the Board of Directors



MUHAMMAD FAISAL AHMED
Chief Executive

Karachi: September 29, 2025

KEY OPERATING AND FINANCIAL DATA

	2025	2024	2023	2022	2021	2020
	.....(Rupees in '000).....					
ASSETS EMPLOYED						
Operating fixed assets	10,988,490	10,880,499	8,427,700	6,626,575	5,577,115	5,452,914
Capital work-in-progress	273,798	962,621	3,341,918	3,018,389	2,168,764	625,402
Intangible assets	-	-	-	-	1,513	3,165
Long term investment	-	-	-	-	-	-
Long term loans	28,048	26,444	32,602	29,864	28,350	14,407
Long term deposits	1,957	1,957	1,957	1,732	1,732	1,572
Net current assets/(liabilities)	(1,075,945)	(657,610)	1,512,252	1,499,959	1,811,299	2,482,967
Total Assets Employed	10,216,348	11,213,911	13,316,429	11,176,519	9,588,773	8,580,427
FINANCED BY						
Shareholders equity	7,669,581	8,099,246	8,093,311	7,239,749	6,727,518	6,611,620
Long term financing	2,168,881	2,742,425	4,954,652	3,763,158	2,722,173	1,866,912
Deferred liability	377,886	372,240	268,466	173,612	139,082	101,895
	10,216,348	11,213,911	13,316,429	11,176,519	9,588,773	8,580,427
SALES & PROFITS						
Net sales / Turnover	18,407,081	20,810,386	17,072,735	16,352,907	9,813,176	7,940,571
Gross profit	1,118,644	2,440,325	2,919,697	1,271,630	1,111,733	626,542
Profit / (Loss) before levies and income tax	(208,856)	618,028	1,308,666	883,305	456,356	222,352
Net profit / (Loss)	(451,099)	331,719	1,060,630	654,252	353,902	113,690
Proposed Dividend %	-	10	35	20	20	30
Un-appropriated profit	6,829,581	7,259,246	7,253,311	6,399,749	5,887,518	5,771,620

PATTERN OF SHARE HOLDING - FORM "34" SHAREHOLDERS STATISTICS AS AT JUNE 30, 2025

Number of Shareholders	Share Holding		Total Shares Held
	From	To	
351	1	- 100	8,834
231	101	- 500	91,854
158	501	- 1000	143,309
272	1001	- 5000	778,842
74	5001	- 10000	580,214
30	10001	- 15000	368,327
18	15001	- 20000	328,173
10	20001	- 25000	230,576
4	25001	- 30000	114,351
4	30001	- 35000	130,415
4	35001	- 40000	154,762
2	40001	- 45000	81,070
4	45001	- 50000	195,670
2	50001	- 55000	105,615
1	55001	- 60000	57,228
1	70001	- 75000	72,500
1	80001	- 85000	82,000
1	90001	- 95000	94,400
1	95001	- 100000	99,000
1	210001	- 215000	211,507
1	285001	- 290000	290,000
1	595001	- 600000	600,000
1	1240001	- 1245000	1,241,400
1	1410001	- 1415000	1,410,200
1	76525001	- 76530000	76,529,753
1175			84,000,000

PATTERN OF SHAREHOLDING

SHAREHOLDERS STATISTICS AS AT JUNE 30, 2025

Categories of Shareholders	Shares Held	Percentage
DIRECTORS, CHIEF EXECUTIVE OFFICER, AND THEIR SPOUSE AND MINOR CHILDREN		
MR. MUHAMMAD FAISAL AHMED	76,529,753	
MR. MUHAMMAD YOUSUF AHMED	99,000	
MR. MUHAMMAD IQBAL AHMED	2,000	
MR. MUHAMMAD ALI AHMED	858	
MS. ZAHRA FAISAL AHMED	500	
MR. MUNEEB AHMED	500	
MR. YAZDANI ZIA	500	
Sub - Total:	76,633,111	91.23
ASSOCIATED COMPANIES, UNDERTAKING AND RELATED PARTIES		
ARTISTIC PROPERTIES (PVT) LIMITED	1,410,200	
Sub - Total:	1,410,200	1.68
NIT AND ICP		
INVESTMENT CORP. OF PAKISTAN	500	
Sub - Total:	500	0.00

PATTERN OF SHAREHOLDING

SHAREHOLDERS STATISTICS AS AT JUNE 30, 2025

Categories of Shareholders	Shares Held	Percentage
----------------------------	-------------	------------

OTHERS

NCC - PRE SETTLEMENT DELIVERY ACCOUNT	53,115	
MRA SECURITIES LIMITED - MF	39,500	
B.R.R. GUARDIAN LIMITED	15,000	
ASDA SECURITIES (PVT.) LTD.	6,500	
TRUSTEE-FIRST DAWOOD INV. BANK LTD. & OTHER EMPOLYEES P.FUND	6,000	
HH MISBAH SECURITIES (PRIVATE) LIMITED	5,000	
BAWANY SECURITIES (PRIVATE) LIMITED - MF	5,000	
ADAM USMAN SECURITIES (PRIVATE) LIMITED - MF	5,000	
BURMA OIL MILLS LTD	5,000	
FIKREES (PRIVATE) LIMITED	2,206	
PHOENIX FACILITY MANAGEMENT (PRIVATE) LIMITED	2,000	
PAKISTAN MEMON EDUCATIONAL & WELFARE SOC	2,000	
PROGRESSIVE INVESTMENT MANAGEMENT (PRIVATE) LIMITED	500	
MS MANIAR FINANCIALS (PVT) LTD.	500	
Y.S. SECURITIES & SERVICES (PVT) LTD.	80	
HSZ SECURITIES (PVT.) LTD. 43001	80	
SEVEN STAR SECURITIES (PVT.) LTD.	4	
MAPLE LEAF CAPITAL LIMITED	1	
Sub - Total:	147,486	0.18

INDIVIDUAL

LOCAL - INDIVIDUALS	5,808,703	
Sub - Total:	5,808,703	6.92
Grand Total:	84,000,000	100.00

SHAREHOLDERS HOLDING TEN PERCENT OR MORE

Name of Shareholders	Shares Held	Percentage
Muhammad Faisal Ahmed	76,529,753	91.11

DETAIL OF TRADING BY THE DIRECTORS, CHIEF EXECUTIVE, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, THEIR SPOUSES AND MINOR CHILDREN

Name of Director	No. of Shares			
	Opening Balance	Purchased/Gift	Sold	Closing
Muhammad Faisal Ahmed	68,029,753	8,500,000	-	76,529,753
Muhammad Yousuf Ahmed	99,000	3,500,000	3,500,000	99,000

PERFORMANCE AT A GLANCE

FINANCIAL RATIOS	2025	2024
Gross profit - % of net sales	6.08	11.73
(Loss)/Profit before levies and income tax - % of net sales	(1.13)	2.97
Net (Loss)/Profit - % of net sales	(2.45)	1.59
(Loss)/Earnings per share	(5.37)	3.95
Increase / (decrease) in net sales - %	(11.55)	21.89
Raw and packing materials - % of net sales	46.53	53.89
Labour - % of net sales	27.49	21.68
Other cost of goods manufactured - % of net sales	19.81	16.96
Distribution costs - % of net sales	2.64	2.25
Administrative expenses - % of net sales	1.56	1.20
Finance costs - % of net sales	3.84	5.86
Levies and income tax - % of net sales	1.32	1.38
Inventory turnover days	133	106
Receivable turnover days	83	65
SHORT TERM SOLVENCY		
Current ratio	0.93	0.94
Acid test ratio	0.39	0.47
OVERALL VALUATION AND ASSESSMENT		
Book value per share	91.30	96.42
Long term debts : equity	22:78	25:75

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: **Artistic Denim Mills Limited**
Year ended: **June 30, 2025**

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The total number of directors are seven (7) as per the following:

a.	Male:	06
b.	Female:	01

2. The composition of the Board of Directors (the Board) is as follows:

Category	Numbers	Names
a) Independent Directors	02	Mr. Yazdani Zia Mr. Muneer Ahmed
b) Other Non-Executive Directors		
- Male	02	Mr. Muhammad Iqbal Ahmed Mr. Muhammad Yousuf Ahmed.
- Female	01	Ms. Zahra Faisal Ahmed
c) Executive Director	02	Mr. Muhammad Faisal Ahmed Mr. Muhammad Ozair Qureshi

The two elected independent directors possess essential capabilities, expertise, understanding, and background to effectively fulfill their responsibilities in accordance with relevant laws and regulations. In light of their comprehensive adherence to the requisite criteria established by pertinent laws and regulations, the appointment of the third independent director is considered unwarranted

- The Directors have confirmed that none of them is serving as a Director on the Board of more than seven listed companies, including this Company;
- 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;
- 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;
- All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 ("the Act") and these Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations;
9. Five directors on the Board have acquired the prescribed certification as mentioned under Regulation Number 19, whereas one director is exempted from such course on account of the experience and qualification. The Company is currently in the process of organizing the Directors' Training Program certification for the remaining director. Following Directors have already gone through Directors' Training program:
 - a) Mr. Muhammad Faisal Ahmed
 - b) Mr. Muhmmad Yousuf Ahmed
 - c) Mr. Yazdani Zia
 - d) Mr. Muneer Ahmed
 - e) Mr. Muhammad Ozair Qureshi
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer (CEO) duly endorsed the financial statements of the Company before approval of the Board;
12. The Board has formed committees comprising of members given below:

a) Audit Committee:

Name of Director	Designation
Mr. Yazdani Zia	Chairman
Mr. Muhammad Iqbal Ahmed	Member
Mr. Muneer Ahmed	Member

b) HR and Remuneration Committee:

Name of Director	Designation
Mr. Muneer Ahmed	Chairman
Mr. Muhammad Faisal Ahmed	Member
Ms. Zahra Faisal Ahmed	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly/half yearly/yearly) of the committees were as per following:
 - a) Audit Committee Quarterly meetings
 - b) HR and Remuneration Committee Annual meeting
 - c) Nomination Committee N/A
 - d) Risk Management Committee N/A

15. The Board has set-up an effective Internal Audit Function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the Code of Ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Explanation for the non-compliances with requirement, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 (non-mandatory requirements) are below;
 - a) Reference to Regulation Number 10(A), the Board is responsible for setting the Company's sustainability strategies, priorities and targets to create long term corporate value. In order to effectively discharge its sustainability related duties, the board may establish a dedicated sustainability committee. At present the Board provides governance and oversight in relation to Company's initiatives on environmental, social and governance (ESG) matters.
 - b) Reference to Regulation Number 19(3), Companies are encouraged to organize annual training sessions for a minimum of one head of department as part of the Directors' Training Program, beginning from July 2022. The company has outlined its intentions to facilitate Directors Training Program certificates for head of departments in the coming years.
 - c) Reference to Regulation(s) Number 29 and 30, since there are no Nomination and Risk management committees in place, the responsibilities associated with nomination committee are currently carried out by the Human resource and the Remuneration Committee. Similarly, a senior officer within the company undertakes the necessary function related to risk management committee and provides relevant updates and information to the Board, wherever required.

- d) Reference to Regulation Number 35, the company has the option to display crucial components of its notable policies, along with the concise overview of the Board's committee mandates, and essential aspects of the director's remuneration policy on its official website. While these materials are already widely distributed among pertinent employees and directors, the Board is considering the possibility of making these policies and synopses available on its website in the near future.

On behalf of the Board



MUHAMMAD FAISAL AHMED
Chief Executive



MUHAMMAD IQBAL AHMED
Chairman

Karachi: September 29, 2025



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ARTISTIC DENIM MILLS LIMITED

Review Report on The Statement of Compliance Contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Artistic Denim Mills Limited** (the Company) for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

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 Regulations require 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. 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.

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 requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2025.

Reanda Haroon Zakaria Aamir Salman Rizwan & Co

Reanda Haroon Zakaria Aamir Salman Rizwan & Company
Chartered Accountants

Engagement Partner
Farhan Ahmed Memon

Place: Karachi
Dated: 29 SEP 2025
UDIN: CR202510147Ak0JURafx

Reanda Haroon Zakaria Aamir Salman Rizwan & Company

Chartered Accountants

Suite Nos. M1-M4 & 709-710, Progressive Plaza, Beaumont Road, Karachi-75530 Pakistan

Tel: +92 (21) 3567 4741-44 | Fax: +92 (21) 3567 4745 | Email: info@hzasrkhi.pk | www.hzasr.pk

Other offices at:

Lahore and Islamabad

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTISTIC DENIM MILLS LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **Artistic Denim Mills Limited** (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the loss, the comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reanda Haroon Zakaria Aamir Salman Rizwan & Company

Chartered Accountants

Suite Nos. M1-M4 & 709-710, Progressive Plaza, Beaumont Road, Karachi-75530 Pakistan

Tel: +92 (21) 3567 4741-44 | Fax: +92 (21) 3567 4745 | Email: info@hzasrkhi.pk | www.hzasr.pk

Other offices at:

Lahore and Islamabad

Following are the key audit matters

S. No.	Key audit matters	How the matter was addressed in our audit
1	<p>Stock-in-trade</p> <p>(Refer note 9 to the accompanying financial statements)</p> <p>The stock-in-trade balance constitutes 29.87% of total assets of the Company.</p> <p>We focused on stock-in-trade as it is a significant portion of the Company's total assets and it requires management judgement in determining an appropriate costing basis and assessing its valuation. Accordingly, we have considered this as a key audit matter.</p>	<p>Our audit procedures to address the matter, amongst others, includes the following:</p> <ul style="list-style-type: none"> • we performed a range of audit procedures in respect of inventory items including physical observation of inventory counts, testing valuation methods and their appropriateness in accordance with the applicable financial reporting framework; • we performed testing on a sample of items to assess the net realizable value (NRV) of the inventories held and evaluated whether any write down to NRV is required in the Company's financial statements; and • we assessed the adequacy of the related disclosures made in accordance with the applicable financial reporting framework.
2	<p>Revenue from related party transactions and disclosures</p> <p>(Refer note 40 to the accompanying financial statements)</p> <p>The Company generates revenue, from sales to related parties, of Rs. 4,500.212 million which comprises of 24.45% of total turnover.</p> <p>Due to the significance of related party transactions to the overall operations of the Company and the disclosures required for such transactions and year end balances, we have considered the same to be a key audit matter.</p>	<p>Our audit procedures to address the matter, amongst others, includes the following:</p> <ul style="list-style-type: none"> • we have evaluated management's process for identifying and recording related party transactions; • we have reviewed minutes of the meetings of audit committee and those charged with governance for recommendation and approval of transactions with related parties respectively;

S. No.	Key audit matters	How the matter was addressed in our audit
		<ul style="list-style-type: none"> • we have inspected invoices, on sample basis, and ensured that these are generated as per Company's policies and obtained direct confirmation from related parties and also ensured satisfactory subsequent realization; • we have obtained written representation from management concerning completeness of information provided regarding the identification of related parties; and • we have assessed the adequacy and appropriateness of the disclosures made in respect of the related parties balances and transactions in accordance with the applicable financial reporting framework.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) 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.

The engagement partner on the audit resulting in this independent auditor's report is **Farhan Ahmed Memon**.

Reanda Haroon Zakaria Aamir Salman Rizwan & Co

Reanda Haroon Zakaria Aamir Salman Rizwan & Company
Chartered Accountants

Place: Karachi
Dated: 29 SEP 2025

UDIN: AR202510147DsCzQVMOt

STATEMENT OF FINANCIAL POSITION

As at June 30, 2025

		2025	2024
	Note	..... Rupees in '000'	
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	11,262,288	11,843,120
Long term loans	5	28,048	26,444
Long term deposits	6	1,957	1,957
Deferred tax	7	-	-
		11,292,293	11,871,521
Current Assets			
Stores and spares	8	246,802	268,797
Stock-in-trade	9	7,312,730	5,245,029
Trade debts	10	4,437,579	3,938,238
Loans and advances	11	88,114	175,133
Trade deposits	12	8,137	7,580
Other receivables	13	206,070	172,627
Short term investments	14	418	135,379
Sales tax refundable		195,200	327,038
Taxation - net	15	101,836	-
Cash and bank balances	16	595,922	692,466
		13,192,808	10,962,287
		24,485,101	22,833,808
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital			
500,000,000 (2024: 100,000,000) ordinary shares of Rs. 10/- each	17	5,000,000	1,000,000
Issued, subscribed and paid-up	17	840,000	840,000
Reserves	18	6,829,581	7,259,246
		7,669,581	8,099,246
Non-Current Liabilities			
Long term financing	19	2,168,881	2,742,425
Deferred liability	20	377,886	372,240
		2,546,767	3,114,665
Current Liabilities			
Trade and other payables	21	3,235,129	3,546,591
Unclaimed dividend		3,771	3,541
Accrued mark-up	22	145,156	143,708
Short term borrowings	23	10,321,791	7,321,271
Current portion of non-current liabilities	24	562,906	564,138
Taxation - net		-	40,648
		14,268,753	11,619,897
Contingencies and Commitments	25	24,485,101	22,833,808

The annexed notes 1 to 46 form an integral part of these financial statements.



Muhammad Faisal Ahmed
Chief Executive Officer



Sagheer Ahmed
Chief Financial Officer



Yazdani Zia
Director

STATEMENT OF PROFIT OR LOSS

For the year ended June 30, 2025

	Note	2025 Rupees in '000'.....	2024
Turnover	26	18,407,081	20,810,386
Cost of sales	27	(17,288,437)	(18,370,061)
Gross profit		1,118,644	2,440,325
Distribution costs	28	(486,031)	(468,449)
Administrative expenses	29	(286,609)	(250,097)
Other operating expenses	30	(3,292)	(59,342)
Other income	31	155,224	174,486
		(620,708)	(603,402)
Operating profit		497,936	1,836,923
Finance costs	32	(706,792)	(1,218,895)
(Loss) / profit before levies and income tax		(208,856)	618,028
Levies	33	(242,243)	(204,484)
(Loss) / profit after levies		(451,099)	413,544
Income tax expense	34	-	(81,825)
Net (loss) / profit for the year		(451,099)	331,719
		(Rupees Per share)	
(Loss) / earning per share	35	(5.37)	3.95

The annexed notes 1 to 46 form an integral part of these financial statements.



Muhammad Faisal Ahmed
Chief Executive Officer



Sagheer Ahmed
Chief Financial Officer



Yazdani Zia
Director

STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2025

		2025	2024
	Note	Rupees in '000'	
Net (loss) / profit for the year		(451,099)	331,719
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to statement of profit or loss			
Actuarial gain / (loss) on defined benefit plan	20.1	105,434	(31,784)
Total comprehensive (loss) / income for the year		(345,665)	299,935

The annexed notes 1 to 46 form an integral part of these financial statements.



Muhammad Faisal Ahmed
Chief Executive Officer



Sagheer Ahmed
Chief Financial Officer



Yazdani Zia
Director

STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2025

	Issued, subscribed and paid-up	Revenue Reserves Unappro- priated Profit	Acturial loss on defined benefit plan	Total Reserves	Total
..... Rupees in '000					
Balance as at June 30, 2023	840,000	7,292,264	(38,953)	7,253,311	8,093,311
Net profit for the year	-	331,719	-	331,719	331,719
Other comprehensive loss	-	-	(31,784)	(31,784)	(31,784)
Total comprehensive income for the year	-	331,719	(31,784)	299,935	299,935
Transactions with owners					
Cash dividend paid @ Rs. 3.50 per ordinary share of Rs.10 each for the year ended June 30, 2023	-	(294,000)	-	(294,000)	(294,000)
Balance as at June 30, 2024	840,000	7,329,983	(70,737)	7,259,246	8,099,246
Net loss for the year	-	(451,099)	-	(451,099)	(451,099)
Other comprehensive income	-	-	105,434	105,434	105,434
Total comprehensive loss for the year	-	(451,099)	105,434	(345,665)	(345,665)
Transactions with owners					
Cash dividend paid @ Rs. 1 per ordinary share of Rs.10 each for the year ended June 30, 2024	-	(84,000)	-	(84,000)	(84,000)
Balance as at June 30, 2025	840,000	6,794,884	34,697	6,829,581	7,669,581

The annexed notes 1 to 46 form an integral part of these financial statements.



Muhammad Faisal Ahmed
Chief Executive Officer



Sagheer Ahmed
Chief Financial Officer



Yazdani Zia
Director

STATEMENT OF CASH FLOWS

For the year ended June 30, 2025

		2025	2024
	Note	Rupees in '000'	
CASH FLOW FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	36	(1,026,602)	3,235,036
Taxes paid	15	(384,727)	(36,564)
Gratuity paid	20.1	(27,811)	(34,349)
Finance costs paid		(705,344)	(1,416,781)
Workers' Profits Participation Fund paid	21.4	(36,715)	(78,558)
Workers' Welfare Fund paid	21.5	(17,004)	(14,544)
Net cash (used in) / generated from operating activities		(2,198,203)	1,654,240
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure	4.1 & 4.2	(468,114)	(894,919)
Short term investments - net	14	134,961	(1,349)
Dividend received	31	4,007	11,754
Sale proceeds from disposal of operating fixed assets	4.1.3	78,859	37,540
Net cash used in investing activities		(250,287)	(846,974)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term financing repaid		(564,803)	(2,113,837)
Short term borrowings acquired - net	36.1	3,000,520	1,119,160
Dividend paid		(83,771)	(293,697)
Net cash generated from / (used in) financing activities		2,351,946	(1,288,374)
Net decrease in cash and cash equivalents		(96,544)	(481,108)
Cash and cash equivalents at the beginning of the year	16	692,466	1,173,574
Cash and cash equivalents at the end of the year		595,922	692,466

The annexed notes 1 to 46 form an integral part of these financial statements.



Muhammad Faisal Ahmed
Chief Executive Officer



Sagheer Ahmed
Chief Financial Officer



Yazdani Zia
Director

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

1 STATUS AND NATURE OF BUSINESS

Artistic Denim Mills Limited (the Company) was incorporated in Pakistan on May 18, 1992 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and is currently listed on Pakistan Stock Exchange Limited. The principal activity of the Company is to manufacture and sell recycled Fiber, yarn, rope dyed denim fabric, garments and value added textile products.

The registered office and factory premises of the Company is situated at Plot No. 5-9, 23 - 26, Sector 16, Korangi Industrial Area, Karachi.

1.1 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS FACILITIES

The Company has two factory locations with manufacturing facility 1 located at Plot No. 5-9, 23-26, Sector 16, Korangi Industrial Area, Karachi and manufacturing facility 2 located at Plot No. 426 - 428, Deh Phihai of Sub Division Landhi, Korangi, Karachi.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for financial reporting. The accounting and reporting standards as applicable in Pakistan comprise of International Financial Reporting Standards (IFRSs), issued by International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act) and, provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ from the IFRS standards, the provisions of and directives issued under the Act have been followed.

2.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention except otherwise stated. Further, accrual basis of accounting is followed in the preparation of these financial statements except for cash flow information.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency.

2.4 Going concern Assessment

These financial statements have been prepared on a going concern basis. The Board has assessed the company's ability to continue as a going concern and concluded no material uncertainties exist that cast significant doubt over this assessment.

2.5 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan which are effective in current period

The following standards, amendments to standards and interpretations are effective for the year ended June 30, 2025. However, except as disclosed otherwise, these standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

**Effective for period
beginning on or after**

Amendments to IFRS 7 'Financial Instruments: Disclosures' and IAS 7 'Statement of Cash Flows': Amendments regarding supplier finance arrangements.

January 1, 2024

Amendments to IFRS 16 'Leases': Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions.

January 1, 2024

Amendments to IAS 1 'Presentation of Financial Statements': Amendments regarding the classification of liabilities and debts with covenants.

January 1, 2024

Certain amendments updating a reference to the Conceptual Framework and annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

2.6 Amendments to standards and IFRS interpretations that are not yet effective

The following standards, amendments to standards and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

**Effective from accounting
period beginning on or after**

Amendments to IFRS 7 'Financial Instruments - Disclosures' and IFRS 9 'Financial Instruments': Amendments regarding the classification and measurement of financial instruments.

January 1, 2026

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures': Sale or contribution of assets between an investor and its associate or joint venture.

Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted.

IFRS 17 - Insurance Contracts

January 1, 2026

IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information

January 1, 2025

IFRS S2 Climate-related Disclosures

January 1, 2025

Certain amendments updating a reference to the Conceptual Framework and annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1 - First Time Adoption of International Financial Reporting Standards

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 19 Subsidiaries without Public Accountability: Disclosures

2.7 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingencies and commitments at the end of the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about the judgements made by the management in the application of the accounting policies, that have the most significant effect on the amount recognized in these financial statements, assumptions and estimation uncertainty with significant risk of material adjustment to the carrying amount of assets and liabilities in future period are described in following note:

- Review of useful lives and residual values of property, plant and equipment (note 3.1 and 4.1);
- Impairment of inventories / adjustment of inventories to their net realisable value (note 3.4 , 3.3 & 9);
- Recognition of staff retirement benefits (note 3.12 & 20.1);
- Provisions (note 3.110 & 21);
- Recognition of taxation and deferred taxation (note 3.13 , 7 , 33 & 34);
- Provision for expected credit loss on trade debts (notes 3.6 and 10);
- Revenue recognition (note 3.14 & 26);
- Valuation of short term investments (note 3.5 & 14);
- Impairment of financial assets (note 3.5.4); and
- Contingencies and commitments (note 3.18 & 25);

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Property, plant and equipment

3.1.1 Operating fixed assets

These are stated at cost less accumulated depreciation and impairment, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation on all operating fixed assets except leasehold land, is charged to statement of profit or loss, applying the reducing balance method whereby the cost of an asset is written off over its estimated useful life. Leasehold land is amortized using the straight line method over its lease term. The rates used are stated in note 4.1 to the financial statements.

The carrying values of operating fixed assets are reviewed at each reporting date for indication that an asset may be impaired and carrying values may not be recovered. 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. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use.

Normal repair and maintenance is charged to statement of profit or loss as and when incurred. Major renewals and improvements, if any, are capitalized when it is probable that respective future economic benefits will flow to the Company.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of property, plant and equipment are taken to the profit or loss.

3.1.2 Capital work-in-progress

Capital work-in-progress is stated at cost less impairment, if any. It consists of expenditure incurred and advances made in respect of operating fixed assets in the course of their construction, installation and acquisition. These are transferred to specific assets as and when these are available for use.

3.2 Impairment - non financial assets

The carrying value of non-financial assets other than inventories is assessed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The fair value less costs to sell calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs to sell of the asset. In determining fair value less costs to sell, the recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other fair value indicators.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

3.3 Stores and spares

Stores and spares are valued at lower of cost and net realizable value, determined on a first-in-first-out (FIFO) basis. Provision is made for any slow moving and obsolete items.

Items in transit are valued at cost comprising invoice values plus other charges incurred thereon up to reporting date.

Net realizable value signifies the estimated market prices (being replacement cost) in the ordinary course of business less the estimated costs necessary to make the sale.

3.4 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realizable value. Cost is determined as follows:

Cost of raw and packing materials is determined using FIFO basis except for those in transit which are stated at invoice price plus other charges incurred thereon up to the reporting date.

Finished goods and work in process are valued at manufacturing cost which is comprised of direct raw material consumed on FIFO basis and proportionate production overheads and labour cost incurred.

Net realizable value signifies the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Provision is made for any slow moving and obsolete items.

3.5 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.5.1 Initial recognition and measurement

Under IFRS 9, financial assets are classified, at initial recognition, and subsequently measured at following:

- (a) at amortized cost
- (b) at fair value through profit or loss (FVTPL); and
- (c) at fair value thorough other comprehensive income (FVTOCI)

A financial asset is measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. However the Company is not having any investment in equity instruments.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

3.5.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

3.5.3 Derecognition

A financial asset is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

3.5.4 Impairment of financial assets

Expected credit losses (ECLs) are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Credit risk on a financial asset is assumed to be increased significantly if it is more than past due for a reasonable period of time as decided by the senior management of the Company. Further, the Company considers information based on Company's historical experience and the impact of forward looking information that is available without undue cost. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.5.5 Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or financial liability measured at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities includes trade and other payables, unclaimed dividend, loans and borrowings and accrued mark-up on loans and borrowings.

After initial recognition, the Company's financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in statement of profit or loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

3.5.6 Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

3.5.7 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.5.8 Contract liabilities

A contract liability is the obligation of the Company to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liability are recognized as revenue when the Company performs under the contract.

3.6 Trade debts and other receivables

Trade debts and other receivables are recognized initially at fair value and subsequently measured at amortized cost after deducting allowance for uncollectable amounts, if any.

The Company applies the IFRS 9 simplified approach to measure the expected credit losses (ECL) which uses a lifetime expected loss allowance for trade and other receivables. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. Trade debts and other receivables considered irrecoverable are written off.

3.7 Long term loans

Long-term loans to executives and employees are granted in accordance with the terms of their employment and are secured against their gratuity balances. These loans are initially recognized at the amount disbursed and are carried at their outstanding balances. The loans have been discounted to their present value when the financial impact thereof is considered immaterial in the context of the financial statements. The outstanding amount receivable within next twelve months is classified as current portion under short term loans.

3.8 Advances, deposits, and prepayments

Advances and prepayments are stated at cost less provision for doubtful balances, if any. Deposits are recognized initially at fair value and subsequently measured at amortized cost after deducting allowance for uncollectable amounts, if any. Advances, deposits and prepayments considered irrecoverable are written off.

3.9 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

3.10 Cash and cash equivalents

Cash and bank balances consist of cash in hand and cash at banks in current accounts (includes treasury call account) at amortized cost. For the purpose of the statement of cash flows, cash and cash equivalents comprises of cash at bank and cash in hand.

3.11 Provisions

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

3.12 Staff gratuity - Defined Benefit Plan

The Company operates an un-approved and unfunded gratuity scheme for all permanent employees who have completed the minimum qualifying year of service for entitlement of gratuity. The contributions to the scheme are made in accordance with the independent actuarial valuation. Actuarial gains and losses are recognized in full in the period in which they occur in the other comprehensive income. All the current and any past service costs are recognized in the profit or loss at the earlier of when the amendments or curtailment occurs and when the Company has recognized related restructuring or terminations benefits. The amount recognized in the statement of financial position represents present value of defined benefit obligation. The latest actuarial valuation was carried out as of June 30, 2025 using Projected Unit Credit method.

3.13 Levies and taxation

Taxation comprises of current and deferred tax. It is recognized in the profit or loss, except to the extent that it relates to the items recognized directly in other comprehensive income or in equity, in which case it is recognized there.

3.13.1 Current tax and levies

Income tax expense for the period, determined in accordance with the Income Tax Ordinance, 2001, is recognized as current to the extent it is based on taxable income at the current rate of taxation after taking into account tax credit available, if any. Any excess, representing tax determined on the basis other than taxable income, e.g. taxes under FTR / MTR regime, ACT, etc., are recognized as an expense and termed as levies in the profit or loss.

However, if the tax expense is determined on the basis of minimum tax on turnover or ACT, while the management expects that the available credit may not be realizable / adjustable in future tax years, then the tax expense determined on the basis minimum tax or ACT, will be recognized as the levy in the profit or loss.

3.13.2 Deferred taxation

Policy

Deferred tax is accounted for using balance sheet liability method in respect of all temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the unconsolidated statement of financial position. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized 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 utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences are expected to reverse, based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited to statement of profit or loss except to the extent that it relates to items recognised in unconsolidated statement of comprehensive income.

Implication

With effect from July 01, 2024, Income Tax Ordinance, 2001 has been amended vide Finance Act 2024. Consequently, exporters have been removed from the Final Tax Regime (FTR) and will be subject to minimum tax under the Normal Tax Regime (NTR). There has been no effect on the statement of financial position, the statement of profit and loss, the statement of comprehensive income, the statement of cash flows and earning per share as a result of this change as deferred tax asset has not been recognised for reason as disclosed in note 7.1 to these financial statements.

3.14 Revenue recognition

Revenue is recognized at amounts that reflect the consideration that the Company expects to be entitled to in exchange for transferring goods or services to a customer. Revenue is measured at the fair value of the consideration received or receivable, and is recognized on the following basis:

Sale of goods

Revenue from sale of goods is measured based on the consideration specified in a contract with a customer and is recognized when control of goods have been transferred to a customer at a point in time when the performance obligations are met. The transaction price of Company's contracts with customers for the sale of goods does not include any variable consideration, any significant financing component, any non cash consideration or any consideration payable to its customers. The credit term ordinarily ranges from 30 to 120 days.

Other income

- Return on treasury call account at amortized cost are accounted for using the effective interest rate method.
- Unrealized gains / (losses) arising on revaluation of securities classified as 'financial assets at fair value through profit or loss' are included in profit or loss in the period in which they arise.
- Dividend income is recognized in the statement of profit or loss on the date on which the Company's right to receive the dividend is established.
- Scrap sales and gains / (losses) arising on disposal of fixed assets and investments are included in income currently and are recognized on the date when the transaction takes place.

3.15 Foreign currency translation

Foreign currency transactions are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange which approximate those prevailing on the reporting date. Gains and losses on translation are taken to statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

3.16 Dividends and appropriation to reserve

Dividend and appropriation to reserve are recognized in the financial statements in which these are approved. Transfer between reserves made subsequent to the statement of financial position date is considered as a non-adjusting event and is recognized in the financial statements in the period in which such transfers are made.

3.17 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.18 Contingencies

Contingencies are disclosed when the Company has a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

3.19 Deferred government grant

Deferred government grant under the SBP Temporary Economic Refinance Facility (TERF) is recognised when there is reasonable assurance that the entity will comply with the attached conditions and that the grant will be received. Since, the TERF grant relates to reimbursement of finance cost, it is recognised in the statement of profit or loss on a systematic basis over the periods in which the related finance costs are incurred.

The impact of the TERF-related government grant has been measured and recognised as at June 30, 2025. In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, earlier periods have not been restated as the overall impact of the grant is considered immaterial in the context of the financial statements.

3.20 Operating segment

These financial statements have been prepared on the basis of a single reportable segment.

- Revenue from export sales represent 92.27% (2024: 95.11%) of the total gross revenue excluding sales tax of the Company.
- All non-current assets of the Company at June 30, 2025 are located in Pakistan.
- Sales made by the Company to two customers which constitutes 34% and 16% (2024: 36% and 25%), respectively.

		2025	2024
	Note	Rupees in '000'	
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	10,988,490	10,880,499
Capital work-in-progress	4.2	273,798	962,621
		11,262,288	11,843,120

4.1 OPERATING FIXED ASSETS

Description	Cost				Period / Rate %	Accumulated Depreciation			Written Down Value	
	As at July 01, 2024	Additions / Transfers* (Disposals)	As at June 30, 2025	As at July 01, 2024		For the Year	(On disposals)	As at June 30, 2025	As at June 30, 2025	
	.....Rupees in '000.....					.....Rupees in '000.....				
Leasehold land	1,211,663	-	-	1,211,663	65 to 86 years	295,030	15,188	-	310,218	901,445
Building on leasehold land	5,302,587	770,882 *	-	6,073,469	10	1,849,526	351,877	-	2,201,403	3,872,066
Plant and machinery	10,630,033	373,831 *	(140,284)	10,863,580	10	4,467,643	618,143	(124,698)	4,961,088	5,902,492
Factory equipment	527,420	10,767 *	-	538,187	10	271,780	26,257	-	298,037	240,150
Furniture and fixtures	58,305	-	-	58,305	10	32,737	2,557	-	35,294	23,011
Office equipment, including computers	62,043	1,226	(343)	62,926	33	52,844	3,374	(324)	55,894	7,032
Vehicles	171,468	231	(23,625)	148,074	20	113,460	11,047	(18,727)	105,780	42,294
2025	17,963,519	1,156,937	(164,252)	18,956,204		7,083,020	1,028,443	(143,749)	7,967,714	10,988,490

Description	Cost				Period / Rate %	Accumulated Depreciation				Written Down Value
	As at July 01, 2023	Additions / Transfers*	(Disposals)	As at June 30, 2024		As at July 01, 2023	For the Year	(On disposals)	As at June 30, 2024	As at June 30, 2024
	.....Rupees in '000.....					.....Rupees in '000.....				
Leasehold land	1,211,663	-	-	1,211,663	65 to 86 years	279,842	15,188	-	295,030	916,633
Building on leasehold land	3,798,763	1,503,824 *	-	5,302,587	10	1,619,020	230,506	-	1,849,526	3,453,061
Plant and machinery	9,000,347	1,692,754 *	(63,068)	10,630,033	10	4,008,310	516,001	(56,668)	4,467,643	6,162,390
Factory equipment	485,355	42,065 *	-	527,420	10	245,285	26,495	-	271,780	255,640
Furniture and fixtures	58,115	190	-	58,305	10	29,903	2,834	-	32,737	25,568
Office equipment, including computers	60,046	1,997	-	62,043	33	48,987	3,857	-	52,844	9,199
Vehicles	164,723	33,386	(26,641)	171,468	20	119,965	13,893	(20,398)	113,460	58,008
2024	14,779,012	3,274,216	(89,709)	17,963,519		6,351,312	808,774	(77,066)	7,083,020	10,880,499

4.1.1 Leasehold land and buildings on leasehold land of the Company are located at Karachi with an area of 245,202 square yards.

2025 **2024**
Note **..... Rupees in '000'**

4.1.2 Depreciation charge for the year has been allocated as follows:

Cost of Sales	27	949,253	746,498
Distribution cost	28	2,057	1,618
Administrative expenses	29	77,133	60,658
		1,028,443	808,774

4.1.3 The following fixed assets were disposed off during the year:

Description	Cost	Accumulated Depreciation	Written Down Value	Sale Proceeds	Gain on disposal	Mode of disposal	Particulars of Buyer
..... Rupees in '000'							
Vehicles (having WDV of less than Rs. 500,000)	15,232	(12,348)	2,884	7,886	5,002	Negotiation	Employees
Vehicles (having WDV of more than Rs. 500,000)	8,393	(6,379)	2,014	5,291	3,277	Negotiation	Employees
Office equipment (having WDV of less than Rs. 500,000)	343	(324)	19	265	246	Claim	Adamjee Insurance
Plant & Machinery (having WDV of more than Rs. 500,000)	140,284	(124,698)	15,586	65,417	49,831	Negotiation	Foshan Yuejing Textile Co. Ltd.
2025	164,252	(143,749)	20,503	78,859	58,356		
2024	89,709	(77,066)	12,643	37,540	24,896		

4.2 Capital work-in-progress

	Civil Works	Plant & Machinery	Advances	Factory Equipment	Total
..... Rupees in '000'					
Note					
As at July 01, 2024	685,604	127,790	149,227	-	962,621
Additions during the year	38,942	130,403	286,545	10,767	466,657
Transferred to operating fixed assets	4.1 (770,882)	(373,831)	-	(10,767)	(1,155,480)
Transferred from advances	133,232	145,059	(278,292)	-	-
As at June 30, 2025	86,896	29,422	157,481	-	273,798
As at July 01, 2023	1,206,761	1,693,386	441,771	-	3,341,918
Additions during the year	436,644	127,157	253,479	42,065	859,345
Transferred to operating fixed assets	4.1 (1,503,824)	(1,692,753)	-	(42,065)	(3,238,642)
Transferred from advances	546,023	-	(546,023)	-	-
As at June 30, 2024	685,604	127,790	149,227	-	962,621

		2025	2024
	Note	..... Rupees in '000'	.....
5 LONG TERM LOANS			
- Secured			
Considered good			
Executives	5.2 & 5.3	33,516	30,193
Employees		11,855	14,107
	5.1	45,372	44,300
Current portion			
Executives	11	(10,114)	(9,796)
Employees	11	(7,210)	(8,060)
		(17,324)	(17,856)
		28,048	26,444

5.1 Represents loans extended to executives and employees which are in the nature of personal loans. These are granted with the terms of their employment and are secured against their gratuity balances. These loans are recoverable in monthly installments over a period, ranging between 1 to 10 (2024: 1 to 5) years, and are interest free. These loans have not been discounted to their present value as the financial impact thereof is not considered material.

5.2 The maximum aggregate amount due from executives at the end of any month during the year was Rs. 39.204 (2024: Rs. 36.356) million.

	2025	2024
	..... Rupees in '000'	.....
5.3 Reconciliation of carrying amount of loans to executives:		
Opening balances	30,193	35,197
Disbursements during the year	16,900	9,505
	47,093	44,702
Recovered during the year	(13,577)	(14,509)
	33,516	30,193

6 LONG TERM DEPOSITS

Security deposits

Utilities	1,279	1,279
Others	678	678
	1,957	1,957

7 DEFERRED TAX

Deferred tax	7.1 & 34.5	-	-
--------------	------------	---	---

7.1 As per the guidelines issued by ICAP on application of IAS 12 'Application Guidance on Accounting for Minimum Taxes and Final Taxes', no deferred tax is required to be booked as the Company, based on the projections of taxable income, expected to be taxed under Minimum Tax u/s 113 of the Income Tax Ordinance, 2001 for the foreseeable future. Hence the Company has not recorded any deferred tax asset or liability as at 30 June 2025.

		2025	2024
	Note	..... Rupees in '000'	
8 STORES AND SPARES			
Stores			
in hand		83,278	93,346
Spares			
in hand		161,362	160,047
in transit		2,162	15,405
		163,524	175,451
		246,802	268,797
9 STOCK-IN-TRADE			
Raw and packing materials			
in hand	27.1.1	2,250,920	1,454,482
in transit		214,757	24,382
		2,465,677	1,478,864
Work-in-process	27.1	3,363,107	2,264,153
Finished goods	27	1,483,946	1,502,012
		7,312,730	5,245,029
10 TRADE DEBTS			
- Considered good			
Secured - against letters of credit		984,569	673,522
Unsecured			
Related parties:			
DL1961 Premium Denim Inc. - Export		453,518	465,061
Premium Distributors - Export		58,151	78,146
Regency Brands LLC. - Export		1,029,727	1,843,225
		1,541,396	2,386,432
Others		1,911,614	878,284
		4,437,579	3,938,238
10.1 Trade debt - ageing			
Related parties			
Neither past due nor impaired		1,303,768	2,288,917
Past due but not impaired within 120 days		237,628	97,515
		1,541,396	2,386,432
Others			
Neither past due nor impaired		2,364,359	1,386,669
Past due but not impaired within 120 days		531,824	165,138
		2,896,183	1,551,807
		4,437,579	3,938,238

10.2 The maximum aggregate amount due from the related parties at the end of any month during the year was Rs. 2,530.645 (2024: Rs. 2,705.724) million.

		2025	2024
	Note	..... Rupees in '000'	.....
11 LOANS AND ADVANCES			
Considered good			
Loans			
Current portion of long term loans			
Executives	5	10,114	9,796
Employees	5	7,210	8,060
		17,324	17,856
Advances - unsecured			
Suppliers	11.1	66,887	135,939
Workers / employees		203	19,440
Others		3,700	1,898
		70,790	157,277
		88,114	175,133

11.1 This includes an amount of Rs. 16.079 (2024: Rs. 13.531) million paid to foreign vendors in the normal course of business for purchase of accessories and does not include any element of investment. Party wise detail of these advances are as follows;

Party name	Jurisdiction	Amount	Terms and conditions	Settlement period
..... Rupees in '000'				
Hangzhou Professional Import and Export Co., Ltd	China	4,594	Mutually agreed terms	upto 60 Days
Ykk Metal Ve Plastik Urunleri				
Sanayi Ve Ticaret A.S.	Turkey	3,085	Mutually agreed terms	upto 60 Days
Copen United Limited	Hong Kong	1,951	Mutually agreed terms	upto 60 Days
Jose Oliveira Freitas-Unipessoal. Lda	Portugal	1,320	Mutually agreed terms	upto 60 Days
Foshan Wintace Hardware Plastic Co., Ltd	China	1,250	Mutually agreed terms	upto 60 Days
Tongxiang Qian jun Trade Co Ltd.	China	1,224	Mutually agreed terms	upto 60 Days
M.Y & Union (HK) Limited	Hong Kong	963	Mutually agreed terms	upto 60 Days
Deridesen Etiket Dis Ticaret Yasar Sertkaya	Turkey	636	Mutually agreed terms	upto 60 Days
Mettler Toledo Sales Int. GmbH.	Switzerland	545	Mutually agreed terms	upto 60 Days
Alroubaia Fourtex Textile Co., S.A.E	Egypt	217	Mutually agreed terms	upto 60 Days
Xinxiang APDA Filter Co., Ltd.	China	156	Mutually agreed terms	upto 60 Days
Mitchell Co. Ltd	Taiwan	116	Mutually agreed terms	upto 60 Days
XT-Guangzhou Marigold Trading Co., Ltd.	China	15	Mutually agreed terms	upto 60 Days
Tex Zippers (BD) Limited	Bangladesh	5	Mutually agreed terms	upto 60 Days
Neuenhauser Maschinenbau GMBH	Germany	2	Mutually agreed terms	upto 60 Days
		16,079		

		2025	2024
	Note	..... Rupees in '000'	
12 TRADE DEPOSITS			
Container deposits		8,137	1,355
Bank margin		-	6,225
		<u>8,137</u>	<u>7,580</u>
13 OTHER RECEIVABLES			
Considered good			
Duty draw back on export sales and other rebates		199,721	161,859
Other receivables - delayed lien payment		6,349	10,768
		<u>206,070</u>	<u>172,627</u>
14 SHORT TERM INVESTMENTS			
- At fair value through profit or loss			
In units of mutual funds	14.1	418	5,546
In Quoted securities			
Carrying value		-	67,305
Unrealized gain on remeasurement of investment	30 & 31	-	62,528
	14.2	-	129,833
		<u>418</u>	<u>135,379</u>
14.1 Mutual Funds			
		2025	2024
		Number of units	..... Rupees in '000'
		2,868	2,435
		27,516	542,490
		<u>30,384</u>	<u>544,925</u>
		143	121
		275	5,425
		<u>418</u>	<u>5,546</u>

14.2 Quoted Shares

	2025	2024		2025	2024
	Number of shares			Market Value	
-	180,500	Oil & Gas Development Company Ltd.	-	24,434	
-	900,000	Pakistan Petroleum Limited	-	105,399	
-	<u>1,080,500</u>		-	<u>129,833</u>	

14.2.1 These have been fully disposed during the current year.

	Note	2025 Rupees in '000'	2024
15 TAXATION - NET			
Tax refundable / (payable)	15.1	101,836	(40,648)
15.1 Movement of tax refundable / (payable)			
Opening tax (payable) / refundable		(40,648)	209,097
Less: Provision of taxations	33 & 34	(242,243)	(286,309)
Add: Advance taxes paid during the year		384,727	36,564
Closing tax refundable / (payable)		101,836	(40,648)
16 CASH AND BANK BALANCES			
Cash in hand		4,958	2,611
Cash in banks			
Current accounts	16.1	590,964	689,855
		595,922	692,466
16.1	This includes balance of Rs. 327.242 (2024: Rs. 105.962) million in treasury call account having effective interest rate of 9.25% to 19% (2024: 20.50%).		

17 SHARE CAPITAL**17.1 Authorised capital**

2025	2024		2025	2024
Number of shares			..... Rupees in '000'	
500,000,000	100,000,000	Authorised Capital	5,000,000	1,000,000
		Ordinary shares of Rs.10 each		

17.1.1 Consequent to the unconditional withdrawal of JCM No. 32/2020 by the petitioner during the year, the authorized capital stands increased to Rs. 5,000 million, as originally approved by the shareholders in the annual general meeting held on October 24, 2020.

17.2 Issued, subscribed and paid-up capital

2025	2024		2025	2024
Number of shares			..... Rupees in '000'	
14,000,000	14,000,000	Fully paid ordinary shares of Rs. 10/- each	140,000	140,000
70,000,000	70,000,000	- Issued for cash	700,000	700,000
84,000,000	84,000,000	- Issued as fully paid bonus shares	840,000	840,000

17.3 The share holders are entitled to receive all distribution to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the Company. All the shares carry "one vote" per share without any restriction.

		2025	2024
	Note	..... Rupees in '000'	
18 RESERVES			
Unappropriated profit		6,794,884	7,329,983
Actuarial gain / (loss) on defined benefit plan		34,697	(70,737)
	18.1	6,829,581	7,259,246

- 18.1** Revenue reserves can be utilized for reinvestments, for distribution of profit by way of dividend and any other purpose that Board may deem appropriate.

		2025	2024
	Note	..... Rupees in '000'	
19 LONG TERM FINANCING - secured			
Term finances from banks under the State Bank of Pakistan's (SBP's) scheme for Export Oriented Projects (EOP) and Long-Term Financing Facility (LTFF)			
Commercial bank - I	19.1	442,061	549,238
Commercial bank - II	19.2	1,652,757	1,989,571
Commercial bank - III	19.3	635,068	767,754
		2,729,886	3,306,563
Current maturities shown under current liabilities		(561,005)	(564,138)
		2,168,881	2,742,425

- 19.1** Represents loans obtained from commercial bank - I, from time to time, against the import of eligible plant and machinery under the SBP's LTFF Scheme, as announced by the SBP in their MFD, Circular No. 07, dated December 31, 2007.

The loans are repayable in 32 equal quarterly installments after two years grace period starting from drawdown of loans, commencing and ranging from June 30, 2018 to June 11, 2031, carrying mark-up at the SBP Refinance rate for 5 to 10 years (i.e. 2%) plus ranging between 0.7% to 1%) per annum, which are payable quarterly on the principal sum of loan and other dues, if any, outstanding from time to time.

The said loans are secured against the hypothecation of specific plant and machinery, aggregating to Rs. 903.528 million and equitable mortgage of Rs. 138 million over land and building located in Korangi Industrial Area.

- 19.2** Represents loans obtained from commercial bank - II, from time to time, against the import of eligible plant and machinery, by the Company under the SBP's LTFF Scheme, as announced by the SBP in their MFD, Circular No. 07, dated December 31, 2007.

The loans are repayable in 32 equal quarterly installments after two years grace period starting from drawdown of loans, commencing and ranging from October 10, 2017 to June 08, 2032, carrying mark-up at the SBP Refinance rate for 5 to 10 years ranging from (i.e. 2% to 4%) plus (0.7% to 1%) per annum for loans approved by SBP, which are payable quarterly on the principal sum of loan and other dues, if any, outstanding from time to time.

The said loans are secured against the hypothecation of specific plant and machinery and factory property (weaving unit), aggregating to Rs. 3,414.939 (2024: Rs. 3,414.939) million.

- 19.3** Represents loans obtained from commercial bank - III, from time to time, against the import of eligible plant and machinery, by the Company under the SBP's LTFF Scheme, as announced by the SBP in their MFD, Circular No. 07, dated December 31, 2007 and under the SBP's TERF scheme, as announced by SBP in their IH & SMEFD, circular No.1, dated March 17, 2020.

The loans are repayable in 32 equal quarterly installments after two years grace period starting from drawdown of loans, commencing and ranging from April 24, 2021 to November 30, 2031, carrying mark-up at the SBP Refinance rate for 5 to 10 years ranging from (i.e. ranging from 1% to 2%) plus (ranging between 0.6% to 1.25%) per annum for loans approved by SBP, which are payable quarterly on the principal sum of loan and other dues, if any, outstanding from time to time.

The said loans are secured against the hypothecation of specific plant and machinery, aggregating to Rs. 1,297.07 (2024: Rs. 1,297.07) million.

		2025	2024
	Note	..... Rupees in '000'	
20 DEFERRED LIABILITY			
Defined benefit obligation	20.1	367,913	372,240
Deferred government grant	20.7	11,874	-
		379,787	372,240
Current portion of deferred government grant	24	(1,901)	-
		377,886	372,240

- 20.1** The Company operates an unfunded gratuity scheme for all its eligible employees. Latest actuarial valuation was carried out as at June 30, 2025, using the "Projected Unit Credit Method".

		Gratuity		
		2025	2024	
		..... Rupees in '000'		
(a)	Movement in the present value of defined benefit obligation	Note		
	Provision at July 01, 2024		372,240	268,466
	Expense for the year	20.1(b)	133,759	106,339
			505,999	374,805
	Benefits paid		(27,811)	(34,349)
	Actuarial (gain) / loss on defined benefit plan		(105,434)	31,784
	Benefits payable*		(4,841)	-
	Provision as at June 30, 2025		367,913	372,240

*This amount represents benefits already due to employees who resigned or retired prior to June 30, 2025, which were outstanding as at the valuation date and are subsequently disbursed to the respective employees.

(b) The amount charged in the statement of profit or loss is as follows:

Current service cost	81,123	65,830
Interest cost	52,636	40,509
Expense for the year	133,759	106,339

(c) Principle actuarial assumptions

Discount rate	14.75%	19.75%
Salary increase	10.00%	19.00%
Normal retirement age of employees	60	60

(d) Comparison for five years

As at June 30,	2025	2024	2023	2022	2021
	..... Rupees in '000'				
Present value of defined benefit obligation	367,913	372,240	268,466	173,612	139,082
Experience adjustment					
Actuarial loss / (gain) on obligation	105,434	(31,784)	39,068	(25,979)	(13,996)

(e) Sensitivity analysis for actuarial assumptions

The sensitivity analysis is prepared using computation model and assumptions as used to determine defined benefit obligation based on Projected Credit Unit Model. There is no change from prior year in respect of methods and assumptions used to prepare sensitivity analysis.

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

Assumptions	Impact on defined benefit obligation	
	1% increase	1% decrease
	----- (Rupees in '000) -----	
Effect of change in discount rate	345,869	403,506
Effect of change in future salary increase	404,177	344,816

- 20.2** The Company operates an unfunded gratuity scheme, hence, no plan assets are available.
- 20.3** As of June 30, 2025, a total of 563 (2024: 569) employees have been covered under the above scheme.
- 20.4** As per the recommendation of the actuary, the charge for the next year ending June 30, 2026 amounts to Rs. 111.254 million.
- 20.5** The weighted average duration of the defined benefit obligation as at June 30, 2025 is 7.83 (2024: 9.39) years.
- 20.6** Risks Associated with Defined Benefit Plans

Longevity Risk:

The risk arises when the actual lifetime of retirees is longer than expectation. This risk is measured at the plan level over the entire retiree population.

Salary Increase Risk:

The most common type of retirement benefit is one where the benefit is linked with final salary. The risk arises when the actual increases are higher than expectation and impacts the liability accordingly.

Withdrawal Risk:

The risk of actual withdrawals varying with the actuarial assumptions can impose a risk to the benefit obligation. The movement of the liability can go either way.

- 20.7** This represent deferred government grant in respect of term finance facility obtained under SBP's TERF scheme as disclosed in note 19.3 to these financial statements. There are no unfulfilled conditions or other contingencies attaching to this grant.

21	TRADE AND OTHER PAYABLES	Note	2025	2024
			..... Rupees in '000'	
	Creditors	21.1	1,376,070	1,413,468
	Accrued liabilities	21.2	1,728,126	1,901,481
	Contract Liabilities - unsecured	21.3	78,941	116,847
	Advance against expenses - unsecured	21.3	1,994	9,995
	Staff contribution for vehicle		17,279	28,379
	Workers' Profits Participation Fund	21.4	-	33,423
	Workers' Welfare Fund	21.5	-	17,004
	Withholding tax		27,878	25,994
	Gratuity benefits payable	20.1	4,841	-
			3,235,129	3,546,591

21.1 This includes balance with Artistic Fabric Mills (Private) Limited - related party amounting to Rs. 4.253 (2024: Rs. 18.354) million against the purchase of raw materials in the ordinary course of business. The outstanding balance is unsecured.

21.2 This includes provisions of Rs. 1,547.898 (2024: Rs. 1,386.047) million prudently recorded against increase in tariff / levies by utility company and government authority which are subjudice in the Honourable Courts of Laws, hence the relevant details are not disclosed.

During the year ended June 30, 2021, Honourable Supreme Court of Pakistan (SCP) has, in its original decision and decision against the review petition, ordered Industrial Gas Consumers to Pay GID Cess (included in aforementioned provision as per GIDC Act, 2015) in accordance with the parameters mentioned therein. Being aggrieved, the Company has filed suit before Honourable High Court of Sindh against billing of GID Cess by the Gas company (at captive power rates instead of industrial rates) considering it to be in contrast with the decision of SCP.

The legal advisor is of the view that the company has fair case and equitable outcome is expected. Accordingly, the payment of GID Cess is dependent on the decision of the said case which is pending till the reporting date.

21.3 This represents amount of Rs. 1.468 (2024: Rs. 5.844) million and Rs. 0.526 (2024: 4.152) million received from Regency Brands LLC - related party and DL 1961 premium denim INC - related party respectively for reimbursable expenses. The outstanding balance is unsecured.

	Note	2025 Rupees in '000'	2024
21.4 Workers' Profits Participation Fund			
Balance at the beginning of the year		33,423	69,643
Allocation for the year	30	-	33,423
Interest on WPPF	30	3,292	8,915
		36,715	111,981
Payments made during the year		(36,715)	(78,558)
		-	33,423
21.5 Workers' Welfare Fund			
Balance at the beginning of the year		17,004	14,544
Allocation for the year	30	-	17,004
		17,004	31,548
Payments made during the year		(17,004)	(14,544)
		-	17,004
22 ACCRUED MARK-UP			
Long term financings	19	20,269	23,997
Short term running finance	23	185	75
Short term borrowings	23	124,702	119,636
		145,156	143,708

		2025	2024
	Note	..... Rupees in '000'	
23 SHORT TERM BORROWINGS			
- Secured			
Short term loans - export refinance	23.1	3,816,000	996,000
Short term loans - money market	23.2	276,000	-
Short term overdraft	23.3	291	229,111
Short term running finances under FE-25	23.4	5,380,469	4,986,012
Short term running finances under EFS	23.5	849,031	1,110,148
		10,321,791	7,321,271
23.1 Short term loans - export refinance			
Export refinance II	23.1.1	828,000	928,000
Export refinance II	23.1.2	1,200,000	-
Export refinance II	23.1.3	565,000	-
Export refinance- I & II	23.1.4	248,000	68,000
Export refinance- I & II	23.1.5	400,000	-
Export refinance II	23.1.6	575,000	-
		3,816,000	996,000

23.1.1 The Company arranged a facility for short-term loan under export refinance, amounting to Rs. 828 (2024: Rs. 928) million, from a commercial bank on mark-up basis, repayable by August 31, 2025. The said export refinance facility is secured against the first pari passu registered hypothecation charge on movables and receivables of the Company, aggregating to Rs. 3,125.5 million.

The said export refinance carries mark-up at the rate of 1% (2024: 1%) per annum above the SBP's Minimum Export Refinance rate, payable quarterly.

23.1.2 During the year, the Company arranged a facility for short-term loan under export refinance, amounting to Rs. 1,200 million, from a commercial bank on mark-up basis, repayable by August 31, 2025. The said export refinance facility are secured against the first pari passu registered hypothecation charge on movables and receivables of the Company, aggregating to Rs. 4,400 million.

The said export refinance carries mark-up at the rate of 1% per annum above the SBP's Minimum Export Refinance rate, payable quarterly.

23.1.3 During the year, the Company arranged a facility for short-term loan under export refinance, amounting to Rs. 565 million, from a commercial bank on mark-up basis, repayable by August 31, 2025. The said export refinance facility is secured against the first pari passu registered hypothecation charge on movables and receivables of the Company, aggregating to Rs. 1,587.5 million.

The said export refinance carries mark-up at the rate of 1% per annum above the SBP's Minimum Export Refinance rate, payable quarterly.

23.1.4 During the year, the Company arranged a facility for running musharakah under islamic export refinance, amounting to Rs. 248 (2024: Rs. 68) million, from a islamic bank on mark-up basis, repayable by August 31, 2025. The said islamic export refinance facility is secured against the first pari passu registered hypothecation charge on present and future current assets of the Company, aggregating to Rs. 1,875 million.

The said islamic export refinance carries mark-up at the rate of 1% (2024: 1%) per annum above the SBP's Minimum Islamic Export Refinance rate, payable quarterly.

23.1.5 During the year, the Company arranged a facility for running musharakah under islamic export refinance, amounting to Rs. 400 million, from a islamic bank on mark-up basis, repayable by August 31, 2025. The said islamic export refinance facility is secured against the first pari passu registered hypothecation charge on present and future current assets of the Company, aggregating to Rs. 1,250 million.

The said islamic export refinance carries mark-up at the rate of 1% per annum above the SBP's Minimum Islamic Export Refinance rate, payable quarterly.

23.1.6 During the year, the Company arranged a facility for short-term loan under export refinance, amounting to Rs. 575 million, from a commercial bank on mark-up basis, repayable by August 31, 2025. The said export refinance facility is secured against the first pari passu registered hypothecation charge on all present and future current assets of the Company, aggregating to Rs. 1,250 million.

The said export refinance carries mark-up at the rate of 1% per annum above the SBP's Minimum Export Refinance rate, payable quarterly.

23.2 During the year, the company has arranged a money market loan amounting to Rs. 276 million from an islamic bank to meet its working capital requirements. The loan is repayable by December 31, 2025 and it carries markup at the rate of 1 month KIBOR plus 0.15% per annum and is secured against first pari passu charge over present and future current assets of the company aggregating to Rs. 1,250 million.

	Note	2025 Rupees in '000'	2024
23.3 Short term over draft			
STF - I	23.3.1	-	229,111
STF - II	23.3.2	291	-
		<u>291</u>	<u>229,111</u>

23.3.1 These loans have been fully repaid during the year in accordance with the terms of agreement.

23.3.2 This represents utilised portion of a facility for short term loan under running finance arrangement, amounting to Rs. 100 million arranged by the Company from a commercial bank on mark-up basis during the year repayable / renewable by December 31, 2025. It is secured against the registered charge over stock in trade, stores/spares and book debts of Company, aggregating to Rs. 312.5 million and first pari passu EMOTD on Land, Building and Machinery Rs. 66.667 million.

The loans carries mark-up at the rate of 0.50% over and above three months average KIBOR rate, payable quarterly.

	Note	2025 Rupees in '000'	2024
23.4 Short term running finances - FE-25			
RF-I	23.4.1	843,693	278,250
RF-II	23.4.2	984,801	833,700
RF-III	23.4.3	702,050	1,113,200
RF-IV	23.4.4	1,546,318	2,760,862
RF-V	23.4.5	422,560	-
RF-VI	23.4.6	642,061	-
RF-VII	23.4.7	238,985	-
		5,380,469	4,986,012

23.4.1 The Company has borrowed short-term running finances under Foreign Exchange Circular No.25, dated June 20, 1998 for the purpose of meeting import requirements. The facilities availed are for an amount of USD 3.011 million equivalent to Rs. 843.693 (2024: Rs. 278.250) million, repayable by April 30, 2026. These facilities are secured against the first pari passu hypothecation charge over the movables and receivables.

23.4.2 The Company has borrowed short-term running finances under Foreign Exchange Circular No.25, dated June 20, 1998 for the purpose of meeting import requirements. The facilities availed are for an amount of USD 3.499 million equivalent to Rs. 984.801 (2024: Rs. 833.700) million, repayable by December 31, 2025. It is secured against the first pari passu registered hypothecation charge on movables and receivables of the Company, aggregating to Rs. 1,250 million.

23.4.3 The Company has borrowed short-term running finances under Foreign Exchange Circular No.25, dated June 20, 1998 for the purpose of meeting import requirements. The facilities availed are for an amount of USD 2.500 million equivalent to Rs. 702.050 (2024: Rs. 1,113.200) million, repayable by July 31, 2026. The said export refinance facility is secured against the first pari passu registered hypothecation charge on movables and receivables of the Company, aggregating to Rs. 1,587.5 million.

23.4.4 The Company has borrowed short-term running finances under Foreign Exchange Circular No.25, dated June 20, 1998 for the purpose of meeting import requirements. The facilities availed are for an amount of USD 5.518 million equivalent to Rs. 1,546.318 (2024: Rs. 2,760.862) million, repayable by September 30, 2025. The said export refinance facility and short-term running finances are secured against the first pari passu registered hypothecation charge on movables and receivables of the Company, aggregating to Rs. 4,400 million.

23.4.5 During the year, the Company has arranged short-term running finances under Foreign Exchange Circular No.25, dated June 20, 1998 for the purpose of meeting import requirements. The facilities availed are for an amount of USD 1.500 million equivalent to Rs. 422.560 million repayable by October 31, 2025. It is secured against the first pari passu registered hypothecation charge on all present and future current assets of the Company, aggregating to Rs. 1,250 million.

23.4.6 During the year, the Company has arranged short-term running finances under Foreign Exchange Circular No.25, dated June 20, 1998 for the purpose of meeting import requirements. The facilities availed are for an amount of USD 2.275 million equivalent to Rs. 642.061 million, repayable by January 31, 2026. It is secured against the first pari passu registered hypothecation charge on present & future current assets of the Company, aggregating to Rs. 1,875 million.

23.4.7 During the year, the Company has arranged short-term running finances under Foreign Exchange Circular No.25, dated June 20, 1998 for the purpose of meeting import requirements. The facilities availed are for an amount of USD 0.850 million equivalent to Rs. 238.985 million, repayable by November 30, 2025. It is secured against the first pari passu registered hypothecation charge on movables and receivables of the Company, aggregating to Rs. 312.5 million.

	Note	2025 Rupees in '000'	2024
23.5 Short term running finances - EFS (Rupee based discounting)			
EFS-I	23.5.1	252,638	554,067
EFS-II	23.5.2	596,393	556,081
		849,031	1,110,148

23.5.1 The Company has borrowed short-term running finances under Export Finance Scheme (EFS) Circular No.03, dated February 16, 2022. The facilities availed are for an amount of USD 0.894 million equivalent to Rs. 252.638 (2024: Rs. 554.067) million. The rates of mark-up on these finances are 2% (2024: 2%) per annum. These facilities are secured against the first pari passu hypothecation charge over the movables and receivables.

23.5.2 The Company has borrowed short-term running finances under Export Finance Scheme (EFS) Circular No.03, dated February 16, 2022. The facilities availed are for an amount of USD 2.111 million equivalent to Rs. 596.393 (2024: Rs. 556.080) million. The rates of mark-up on these finances are 2% (2024: 2%) per annum. These facilities are secured against the first pari passu hypothecation charge over the movables and receivables.

	Note	2025 Rupees in '000'	2024
24 CURRENT PORTION OF NON-CURRENT LIABILITIES			
- Long term financing	19	561,005	564,138
- Deferred government grant	20	1,901	-
		562,906	564,138

25 CONTINGENCIES AND COMMITMENTS

25.1 Contingencies

On July 25, 2019, SECP had issued a show cause notice under section 256 of the companies Act, 2017 and also a notice of hearing dated 19.9.2019 due to the complaints and insistence of certain minority shareholders on misplaced allegations pertaining to the manner in which the business of the company is being managed and seeking certain declaration. However, before the hearing of the show cause notice or an inspection or investigation was ordered / initiated, the company filed suit no. 1506 of 2019 before the Honourable High Court of Sindh which, vide its order dated 25.09.2019 restrained SECP from further proceedings in pursuance to the aforementioned notices. The Honourable High Court further directed SECP to maintain status quo. Pursuant to the Sindh Civil Courts (Amendment) Act, 2025 and the consequent jurisdictional changes, the said suit has been transferred to the Honourable District Court of the 6th Senior Civil Judge (East), Karachi, and renumbered as Suit No. 3779 of 2025, where it remains pending adjudication as at the reporting date.

The company believes that there is no merit in the aforesaid proceedings and based on the view of the legal advisor there appears to be no liability expected on the company on account of the above litigation.

	2025	2024
	..... Rupees in '000'	
25.2 Outstanding counter guarantees	1,017,874	939,906
25.3 Commitments		
25.3.1 Commitments in respect of Building on leasehold land and machinery at the end of the year amounted to Rs. 10.981 (2024: Rs. 96.708) million.		
25.3.2 Outstanding letters of credit at the end of the year amounted to Rs. 202.181 (June 30, 2024: Rs. 585.860) million.		
25.3.3 Post dated cheques issued in favour of Custom Authorities and Nazir High Court aggregating to Rs. 449.990 million (2024: Rs. 774.559 million) and Rs. Nil (2024: Rs. 162.065 million) against various statutory notifications.		

	Note	2025	2024
		..... Rupees in '000'	
26 TURNOVER - NET			
Exports	26.1 & 26.2	17,525,560	20,193,686
Local		1,704,364	1,216,005
	26.3	19,229,924	21,409,691
Less:			
Sales tax		(535,345)	(353,022)
Sales commission / discount / returns		(287,498)	(246,283)
		(822,843)	(599,305)
		18,407,081	20,810,386
26.1	Included herein is a sum of Rs. 1,527.960 (2024: Rs.2,366.398) million, representing indirect exports made by the Company during the current year, by arranging inland letters of credit from certain direct exporters in favour of the Company, pursuant to the Banking Policy and Regulation Department (BPRD) Circulars No.24 and 31 dated June 28, 1999 and August 13, 1999 respectively, issued by the State Bank of Pakistan.		
26.2	Includes net foreign exchange gain on exports and foreign bank accounts amounting to Rs. 56.946 (2024: 129.452) million.		
26.3	The amount of Rs. 116.847 million in contract liabilities (Note 21) at 30 June 2024 has been recognized as revenue during the year ended 30 June 2025.		

		2025	2024
	Note	..... Rupees in '000'	
27 COST OF SALES			
Opening stock - finished goods	9	1,502,012	617,173
Cost of goods manufactured	27.1	17,270,371	19,254,900
		18,772,383	19,872,073
Closing stock - finished goods	9	(1,483,946)	(1,502,012)
		17,288,437	18,370,061
27.1 Cost of goods manufactured			
Raw and packing materials consumed	27.1.1	8,563,950	11,213,935
Stores and spares consumed	27.1.2	519,668	641,418
Salaries, wages and other benefits	27.1.3	5,059,901	4,513,802
Fuel and power		2,365,566	2,097,881
Weaving, stitching, finishing and printing charges		223,579	355,489
Repairs and maintenance		64,639	67,113
Printing, stationery and postage		15,512	21,987
Fees and subscription		27,044	26,111
Telephone and telex		7,121	7,161
Rent, rates and taxes		3,851	2,698
Insurance		37,629	47,554
Water charges		387,989	364,138
Depreciation	4.1.2	949,253	746,498
Security charges		15,404	14,358
Travelling, boarding and lodging		10,481	8,145
Royalty	27.1.4	89,975	80,283
Miscellaneous		27,763	41,530
		18,369,325	20,250,101
Opening work-in-process		2,264,153	1,268,952
Closing work-in-process	9	(3,363,107)	(2,264,153)
		17,270,371	19,254,900

		2025	2024
	Note	..... Rupees in '000'	.....
27.1.1 Raw and packing materials consumed			
Opening stock		1,454,482	3,258,840
Purchases		9,617,393	9,540,518
Duty draw back on export sales and other rebates		(257,005)	(130,941)
		9,360,388	9,409,577
		10,814,870	12,668,417
Closing stock	9	(2,250,920)	(1,454,482)
		8,563,950	11,213,935
27.1.2 Stores and spares consumed			
Opening stock		253,392	248,281
Purchases		510,916	646,529
		764,308	894,810
Closing stock	8	(244,640)	(253,392)
		519,668	641,418
27.1.3 Included herein a sum of Rs. 121.281 (2024: Rs.100.062) million is respect of staff retirement benefits.			
27.1.4 Represents royalty against trade license that is payable by the Company to "Recover IPCO LLC" having its principal place of business at 1624 Market ST. Ste 226 Denver co 80202 USA.			
28 DISTRIBUTION COSTS			
Salaries, allowances and other benefits	28.1	30,114	26,001
Insurance		8,090	6,593
Freight and transportation		200,728	202,156
Export development surcharge and clearing charges		57,030	59,367
Postage, courier and stamps		71,472	59,753
Depreciation	4.1.2	2,057	1,618
Travelling, boarding and lodging		51,991	46,539
Sales office expenses		16,226	9,888
Testing / Quality control charges		36,423	34,000
Miscellaneous		11,900	22,534
		486,031	468,449
28.1 Included herein a sum of Rs. 2.126 (2024: Rs.0.976) million is respect of staff retirement benefits.			

		2025	2024
	Note	..... Rupees in '000'	
29 ADMINISTRATIVE EXPENSES			
Salaries, allowances and other benefits	29.1	154,887	140,432
Depreciation	4.1.2	77,133	60,658
Legal and professional charges		26,912	18,574
Fees and subscription		7,929	8,840
Auditors' remuneration	29.2	2,679	2,428
Donations	29.3	12,612	12,492
Miscellaneous		4,457	6,673
		286,609	250,097
29.1	Included herein a sum of Rs. 10.352 (2024: Rs.5.301) million is respect of staff retirement benefits.		
29.2 Auditors Remuneration			
Reanda Haroon Zakaria Aamir			
Salman Rizwan & Company			
Audit fee		1,900	1,721
Fee for half yearly review		370	338
Out-of-pocket expenses		227	204
Related sindh sales tax		182	165
		2,679	2,428
29.3	Includes amount of Rs. 1.860 million and Rs. 5.820 million paid to Saylani Welfare Trust and The Citizens Foundation respectively. Directors or their spouses do not any interest in the donees to whom donations were made.		
30 OTHER OPERATING EXPENSES			
Workers' Profits Participation Fund (WPPF)	21.4	-	33,423
Interest on WPPF	21.4	3,292	8,915
Workers' Welfare Fund	21.5	-	17,004
		3,292	59,342

		2025	2024
	Note	..... Rupees in '000'	.....
31 OTHER INCOME			
Income from non financial assets			
Scrap sales - net	31.1	33,518	47,756
Gain on sale of fixed assets	4.1.3	58,356	24,896
		<u>91,874</u>	<u>72,652</u>
Income from financial assets			
Profit on treasury call account	16.1	25,681	27,552
Unrealized gain on remeasurement of investments 13		-	62,528
Gain on disposal of investments		33,662	-
Dividend income		4,007	11,754
		<u>63,350</u>	<u>101,834</u>
		<u>155,224</u>	<u>174,486</u>
31.1	This amount is net of sales tax amounting to Rs. 6.033 million (2024: Rs. 8.562 million).		
32 FINANCE COSTS			
Mark-up on secured			
Long term financing	19	85,805	156,308
Short term borrowings	23	574,138	1,002,785
		<u>659,943</u>	<u>1,159,093</u>
Bank charges		46,849	59,802
		<u>706,792</u>	<u>1,218,895</u>
33 LEVIES			
Minimum Tax u/s 113 (2024: Final tax u/s 154)		232,970	202,721
Tax Deducted on Capital Gain U/s 37A		8,624	-
Final tax u/s 150		649	1,763
	33.1	<u>242,243</u>	<u>204,484</u>
33.1	Represents minimum and final taxes recognized as levies in accordance with the requirements of IFRIC 21 / IAS37.		
34 INCOME TAX EXPENSE			
Current	34.4	-	81,825
34.1	This includes super tax of Rs. Nil (2024: Rs. 73.834) million and normal tax on profit on debt of Rs. Nil (2024: Rs. 7.990) million.		
34.2	Reconciliation of current tax charged as per tax laws for the year, with current tax recognised in the profit and loss account, is as follows:		

		2025	2024
	Note	Rupees in '000'	
Current tax liability for the year as per applicable tax laws	34.3	242,243	286,309
Portion of current tax liability as per tax laws, representing income tax under IAS 12		-	(81,825)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37		(242,243)	(204,484)
		-	-

34.3 The aggregate of levies and income tax, amounting to Rs. 242.243 (2024: Rs. 286.309) million represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

34.4 The relationship between income tax expense and accounting profit has not been presented in these financial statements as the company is subject to minimum tax under Section 113 of the Income Tax Ordinance, 2001.

34.5 In accordance with the application guidance of IAS 12 on accounting for minimum and final taxes, Approach 1 treats any excess as IAS 12 tax:

		2025
	Note	Rupees in '000'
Loss before levies and income tax		(208,856)
Levies	33	(242,243)
Loss after income tax		(451,099)
Income tax	34	-
Loss after tax		(451,099)
Effective tax rate (Income tax / Loss before tax)		0%

35 EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share has been computed by dividing the net profit for the year with the number of ordinary shares issued by the Company.

	2025	2024
Net profit (Rupees in '000)	(451,099)	331,719
Number of Ordinary shares (Shares in '000)	84,000	84,000
(Loss) / Earnings per shares - basic (Rupees)	(5.37)	3.95

Diluted earnings per share

Diluted earnings per share has not been computed because there are no dilutive potential ordinary shares.

	Note	2025 Rupees in '000'	2024
36 CASH GENERATED FROM OPERATIONS			
(Loss) / profit before levies and income tax		(208,856)	618,028
Adjustments for non cash charges and other items:			
Depreciation	4.1.2	1,028,443	808,774
Provision for gratuity	20.1	133,759	106,339
Unrealized gain on remeasurement of investment	14	-	(62,528)
Dividend income	31	(4,007)	(11,754)
Gain on disposal of operating fixed assets	31	(58,356)	(24,896)
Finance costs	32	706,792	1,218,895
Provision for Workers' Profits Participation Fund		-	33,423
Interest on Workers' Profits Participation Fund	21.4	3,292	8,915
Provision for Workers' Welfare Fund	21.5	-	17,004
		1,809,923	2,094,172
Profit before working capital changes		1,601,067	2,712,200
(Increase) / decrease in current assets			
Stores and spares		21,995	(20,516)
Stock-in-trade		(2,067,701)	224,307
Trade debts		(499,341)	(496,705)
Loans and advances		85,415	(94,434)
Trade deposits		(557)	59,712
Other receivables		(33,443)	(32,882)
Sales tax refundable		131,838	(132,319)
		(2,361,794)	(492,837)
Increase / (decrease) in current liabilities			
Trade and other payables		(265,875)	1,015,673
Cash (used in) / generated from operations		(1,026,602)	3,235,036

36.1 Changes in liabilities from financing activities

Financing Activities	Note	July 01, 2024	Net Cash Flows	Non Cash Changes	June 30, 2025
		..... Rupees in '000'			
Long term financing - secured	19	2,742,425	(573,544)	-	2,168,881
Current maturity of long term financing	24	564,138	(1,232)	(1,901)	561,005
Short term borrowings - secured	23	7,321,271	3,000,520	-	10,321,791
		10,627,834	2,425,744	(1,901)	13,051,677

37 UNAVAILED CREDIT FACILITIES AVAILABLE AT YEAR END **2025** **2024**
Rupees in '000'

Cash short term running finances **1,198,209** **3,443,729**

38 REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

	2025			2024		
	Chief Executive	Director	Executives	Chief Executive	Director	Executives
	..... Rupees in '000'					
Short term employee benefits						
Managerial remuneration	11,000	4,244	305,649	9,910	-	278,782
Medical	1,090	424	30,422	990	-	27,746
Bonus	1,000	389	26,728	853	-	24,708
Post-employment benefits						
Gratuity	1,000	389	26,259	1,000	-	26,703
	14,090	5,446	389,058	12,753	-	357,939
Number of persons	1	1	154	1	-	142

38.1 The Chief Executive and certain executives are provided with the free use of Company maintained cars in terms of their employment.

38.2 Aggregate amount charged in these financial statements in respect of fee for attending meetings to Non-Executive Directors was Rs. 0.360 (2024: Rs. 0.750) million.

39 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

39.1 Financial Instrument by Category **2025** **2024**
Note **Rupees in '000'**

Financial Assets

- Fair value through profit or loss

Short term investment 14 **418** 135,379

- At amortized cost

Long term loans 5 **28,048** 26,444

Long term deposits 6 **1,957** 1,957

Trade debts 10 **4,437,579** 3,938,238

Current maturity of long term loans 11 **17,324** 17,856

Trade deposits 12 **8,137** 7,580

Other receivables 13 **6,349** 10,768

Cash and bank balances 16 **595,922** 692,466

5,095,734 **4,830,688**

Financial Liabilities

- At amortized cost

Long term financing 19 **2,168,881** 2,742,425

Trade and other payables 21 **3,109,037** 3,314,949

Unclaimed dividend **3,771** 3,541

Accrued mark-up 22 **145,156** 143,708

Short term borrowings 23 **10,321,791** 7,321,271

Current portion of non-current liabilities 24 **562,906** 564,138

16,311,542 **14,090,032**

39.2 Financial risk management

The Company's activities expose it to a variety of financial risks i.e. market risk (including Interest rate risk, foreign currency risk and equity price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company's senior management provides policies for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and financial instruments.

The Board of directors reviews and agrees policies for managing each of these risks which are summarised below:

39.3 Market risk

Market risk is the risk that fair value of future cash flows will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and equity risk.

Financial instruments affected by market risk include trade debtors, short term investments, trade payables, bank balances, long-term financing and short-term borrowings.

39.3.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in the market interest rates. Since, the Company has availed finance mainly under the export refinance schemes which has a fixed interest rate except for short term money market loan, accordingly, the Company's interest rate risk arises only from variable rate instruments as mentioned below;

		2025	2024
		..... Rupees in '000'	
Short term investments in mutual funds	14	418	5,546
Bank deposit in treasury call account	16.1	327,242	105,961
		327,660	111,507
Short term borrowings			
Short term loans - money market	23.2	(276,000)	-
		51,660	111,507

Sensitivity analysis:

The following table demonstrates the sensitivity to a reasonably possible change of 100 basis points in interest rates at the reporting date, with all other variables held constant, of the Company's profit before tax.

	Change in interest rate (%)	Effect on profit / (loss) Rupees in '000
<u>June 30, 2025</u>	+1	517
	-1	(517)
<u>June 30, 2024</u>	+1	1,115
	-1	(1,115)

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year, equity and assets of the Company.

39.3.2 Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expenses are denominated in a different currency from the Company's functional currency). The Company's exposure to foreign currency risk is as follows:

	2025	2024
	..... Rupees in '000'	
Financial Assets		
Trade debts - foreign	3,968,915	3,542,582
Bank balances - forex	208,125	676,529
	4,177,040	4,219,111
Financial Liabilities		
Short-term running finance under FE-25	(5,380,469)	(4,986,012)
Trade creditors - foreign	(100,443)	(90,168)
	(5,480,912)	(5,076,180)
	(1,303,872)	(857,069)
The following significant exchange rates have been applied at the reporting dates:		
Exchange rates (PKR / USD)	283.60	278.30

Sensitivity analysis:

The following table demonstrates the sensitivity to a reasonably possible change of 10% in the US Dollar exchange rate at the reporting date, with all other variables held constant, of the Company's profit before tax.

	Change in US Dollar rate (%)	Effect on profit / (loss) Rupees in '000
June 30, 2025	+10	(130,387)
	-10	130,387
June 30, 2024	+10	(85,707)
	-10	85,707

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year, equity and assets of the Company.

39.3.3 Equity price risk

The Company is exposed to equity price risk, which arises from short term investments in listed securities and mutual funds measured at fair value through profit or loss. The management monitors the proportion of equity securities and mutual funds in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors.

	2025	2024
	..... Rupees in '000'	
Short term investments	418	135,379

Sensitivity analysis:

The following table demonstrates the sensitivity to a reasonably possible change of 10% in the market price at the reporting date, with all other variables held constant, of the Company's profit before tax.

	Change in market price (%)	Effect on profit / (loss) Rupees in '000
<u>June 30, 2025</u>	+10	42
	-10	(42)
<u>June 30, 2024</u>	+10	13,538
	-10	(13,538)

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year, equity and assets of the Company.

39.4 Credit risk

Credit risk is the risk that counter party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. The maximum exposure to credit risk at the reporting date is:

		2025	2024
	Note	..... Rupees in '000'	
Long term loans including current maturity	5	45,372	44,300
Long term deposits	6	1,957	1,957
Trade debts	10	4,437,579	3,938,238
Trade deposits	12	8,137	7,580
Other receivables	13	6,349	10,768
Bank balances	16	590,964	689,855
		<u>5,090,358</u>	<u>4,692,697</u>

39.4.1 Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rates:

Trade debts

Customer credit risk is managed by senior management subject to the Board's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. For any balances if considered doubtful of recovery, the management makes allowance for expected credit loss in accordance with Company's policy. Overall credit risk is expected to be low as at reporting date.

The Company evaluates the concentration of risk with respect to trade debts as low, as its customers are located in several jurisdictions.

		2025	2024
		..... Rupees in '000'	
Ageing of trade debts			
Neither past due nor impaired		3,668,127	3,675,585
Past due but not impaired within 120 days		769,452	262,653
		<u>4,437,579</u>	<u>3,938,238</u>
Bank Balances			
A1+	PACRA	328,607	238,590
A-1+	VIS	257,488	446,843
F1+	FITCH	4,419	900
A1	PACRA	450	3,522
		<u>590,964</u>	<u>689,855</u>

Other financial assets

Other financial assets includes long term loans, long term deposits, trade deposits and other receivables. The Company evaluates the credit risk with respect to other financial assets as low, as all material amounts are secured and there is no history of credit defaults in the past.

39.5 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company applies prudent liquidity risk management by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At the reporting date the Company has unavailed short term running finance credit facility of Rs. 1,198.209 (2024: Rs.3,443.729) million.

Table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Above 5 years	Total
..... Rupees in '000						
Long term financing	-	140,251	420,754	1,793,704	387,051	2,731,787
Trade & other payables	-	3,109,037	-	-	-	3,109,037
Unclaimed dividend	3,771	-	-	-	-	3,771
Accrued mark-up	-	145,156	-	-	-	145,156
Short term borrowings	-	4,092,000	6,229,791	-	-	10,321,791
2025	3,771	7,486,444	6,650,545	1,793,704	387,051	16,311,542
Long term financing	-	140,965	423,172	2,014,399	728,027	3,306,563
Trade & other payables	-	2,158,013	-	-	-	2,158,013
Unclaimed dividend	3,541	-	-	-	-	3,541
Accrued mark-up	-	143,708	-	-	-	143,708
Short term borrowings	-	5,126,740	1,965,420	-	-	7,092,160
2024	3,541	7,569,426	2,388,592	2,014,399	728,027	12,703,985

Effective interest rates for the financial liabilities are mentioned in the respective notes to the financial statements.

39.6 Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes during the years ended June 30, 2025 and June 30, 2024.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents. Capital includes equity attributable to the equity holders and reserves.

	2025	2024
	..... Rupees in '000'	
Long term financing	2,168,881	2,742,425
Current maturities of long-term financing	562,906	564,138
Short term borrowings	10,321,791	7,092,160
Accrued mark-up	145,156	143,708
Cash and bank balances	(595,922)	(692,466)
Net debt	12,602,812	9,849,965
Issued, subscribed and paid up capital	840,000	840,000
Reserves	6,829,581	7,259,246
Total capital	7,669,581	8,099,246
Capital and net debt	20,272,393	17,949,211
Gearing ratio	62.17%	54.88%

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

40 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise associated companies, directors, major shareholders of the Company and key management personnel. All the transactions with related parties are entered into at agreed terms (based on arms length using admissible valuation methods) in the normal course of business as approved by the Board of Directors of the Company. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	2025	2024
	..... Rupees in '000'	
Key management personnel		
Dividend paid to directors	76,633	238,466
Associated companies / undertakings		
Sales	4,488,520	7,139,971
Reimbursement of expenses	27,888	91,919
Purchases	138,680	245,628
Services rendered	11,692	20,150

- 40.1** Detail of compensation to key management personnel comprising of chief executive, directors and executives is disclosed in note 38 to these financial statements.
- 40.2** Following are the associated companies/undertakings with whom the Company had entered into transactions or have arrangement / agreement in place:

S. No.	Name of associated companies / undertakings	Basis of Relationship	Aggregate % of shareholding
1	DL1961 Premium Denim Inc.	Spouse of a director	NIL
2	Artistic Fabric Mills (Private) Limited	Common directorship	NIL
3	Premium Distributors	Relative of director	NIL
4	Regency Brands LLC.	Daughter of a director	NIL

40.3 Associated Companies Incorporated Outside Pakistan

S. No.	Name	Basis of Relationship	Country of incorporation
1	DL1961 Premium Denim Inc.	Spouse of a director	United States
2	Premium Distributors	Relative of director	United Arab Emirates
3	Regency Brands LLC.	Daughter of a director	United States

41 SHARIAH COMPLIANCE ACTIVITIES AND BALANCES

As per the requirements of the fourth schedule to the Companies Act, 2017, Companies engaged in the Shariah permissible business activities as their core business activities shall disclose the following:

	Note	2025 Rupees in '000'	2024
Statement of Financial Position - Liability Side			
Short term borrowings obtained as per Islamic mode	23	1,918,197	624,081
Markup accrued on conventional loan	22	117,810	131,645
Statement of Financial Position - Asset Side			
Short term shariah compliant investments		418	5,546
Shariah compliant bank balances		107,596	138,892

		2025	2024
	Note	Rupees in '000'	
Statement of profit or loss			
Revenue earned from Shariah compliant business segment	26	18,407,081	20,810,386
Dividend earned on Shariah compliant investments		4,007	11,754
Unrealized gain on Shariah compliant investments		-	52,173
Finance cost paid on Islamic mode of financings		85,918	262,122
Interest earned on conventional bank	31	25,681	27,552
Breakup of Other income			
- Shariah Compliant			
Scrap sales - net	31	33,518	47,756
Unrealized gain on remeasurement of investments	31	-	52,173
Gain on sale of fixed assets	31	58,356	24,896
Gain on disposal of investments	31	33,662	-
Dividend income	31	4,007	11,754
- Non Shariah Compliant			
Unrealized gain on remeasurement of investments	31	-	10,355
Profit on treasury call account	31	25,681	27,552

The Company maintains bank accounts with Bank Islami Pakistan Limited, Faysal Bank limited, Habib Bank limited and Meezan Bank limited.

42 CORRESPONDING FIGURES

Corresponding figures have been reclassified, whenever necessary for the purpose of compliance, comparison and better presentation. Material reclassifications during the year are as follows:

Reclassification from the caption component	Reclassification to the caption component	Note	Rupees in '000'
Trade and Other Payables	Short term borrowing		
Book Overdraft	Short term running finance	23	229,111

43 FAIR VALUE MEASUREMENT

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value hierarchy

The different levels to analyse financial assets carried at fair value have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: 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 3: Inputs for the asset or liability that are not based on observable market data (unobservable).

Details of the Company's short term investments in terms of fair value hierarchy, explained above, at June 30, 2025 is as follows:

	Level 1	Level 2	Level 3
	..... Rupees in '000		
Assets measured at fair value - 2025			
Short term investments- at fair value through profit or loss	-	418	-
Assets measured at fair value - 2024			
Short term investments- at fair value through profit or loss	129,833	5,546	-
		2025	2024
		..... Units	

44 PLANT CAPACITY AND ACTUAL PRODUCTION

Spinning

Capacity of yarn (Lbs.)	32,025,500	32,025,500
Actual production of yarn (Lbs.)	15,820,080	18,006,105

Weaving

Capacity of fabric (meters)	20,328,750	20,328,750
Actual production of fabric (meters)	13,800,527	15,942,842

Garments

Capacity of garments (Pcs)	8,263,200	8,263,200
Actual production of garments (Pcs)	6,145,826	6,676,508

Under utilisation of available capacity for spinning, weaving and garments was due to normal maintenance, energy shortage, variation in production mix, run length of order lots, global recession and type of quality produced.

	2025	2024
45 NUMBER OF EMPLOYEES		
Total number of employees	561	564
Average number of employees	573	568

46 GENERAL

- 46.1** Subsequent to year ended June 30, 2025, the Board of Directors in its meeting held on September 29, 2025 has proposed final cash dividend at the rate of Rs. Nil per ordinary share of Rs. 10 each, amounting to Rs. Nil million (2024: Rs. 1.00/- per share amounting to Rs. 84 million) for approval of the members at the Annual General Meeting.
- 46.2** Figures in these financial statements have been rounded off to the nearest thousands of rupees.
- 46.3** These financial statements have been authorised for issue on September 29, 2025 by the Board of Directors of the Company.



Muhammad Faisal Ahmed
Chief Executive Officer



Sagheer Ahmed
Chief Financial Officer



Yazdani Zia
Director

FORM OF PROXY

I/We _____ of _____
_____ being member(s) of ARTISTIC DENIM MILLS LIMITED
and holder of _____ Ordinary Shares as per Share Register Folio/CDC Account
No. _____ hereby appoint _____ Folio/CDC Account No. _____
of _____ CNIC No. or Passport No. _____ or failing whom
_____ Folio/CDC Account No. _____ of _____ CNIC No.
or Passport No. _____ who is also a member of the Company as my/our proxy to
attend and vote for me/us and on my/our behalf at the 33rd ANNUAL GENERAL MEETING of the
Company to be held on Saturday, October 25, 2025 at 4:00 p.m. and at any adjournment thereof.

Signed this _____ day of _____ 2025.

Witnesses: 1. Signature _____
Name: _____
Address: _____
CNIC or Passport No. _____

**Rs 5/-
Revenue
Stamp**

2. Signature _____ Signature _____
Name: _____ (Signature should agree with the specimen
Address: _____ signature registered with the Company).
CNIC or Passport No. _____ CNIC or Passport No. _____

IMPORTANT

1. This form of proxy, duly completed and signed, must be deposited at the Company's Shares Registrar's Office not later than 48 hours before the meeting.
2. This form should be signed by the Member or by his / her attorney duly authorised in writing. If the Member is a Corporation, its common seal should be affixed to the instrument.
3. A Member entitled to attend and vote at the meeting may appoint any other Member as his/her proxy to attend and vote on his / her behalf except that a corporation may appoint a person who is not a Member.

For CDC Account Holders/Corporate Entities:

In addition to the above, following requirements have to be met:

- (i) The proxy form shall be witnessed by two persons whose names, addresses and CNIC or Passport Numbers shall be mentioned on the form.
- (ii) Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- (iii) The proxy shall produce his / her original CNIC or original Passport at the time of the meeting.
- (iv) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

The logo for Artistic Denim Mills Limited (ADM) is displayed in a bold, dark blue, sans-serif font.

**AFFIX
CORRECT
POSTAGE**

Company Secretary
Artistic Denim Mills Limited
Plot # 5-9, 23-26, Sector 16
Korangi Industrial Area
Karachi.

Fold : Here

Fold : Here

Fold : Here

Fold : Here



Address

Plot No. 5-9, 23-26, Sector-16, Korangi Industrial Area,
74900 Karachi, Pakistan

Tel +92 21 111-236-236 | **Fax** +92 21 3505 4652