



**HAMID  
TEXTILE MILLS LIMITED**

# **ANNUAL REPORT**

# **2 0 2 5**



**MILLs:**  
**Wan Adhan, Pattoki, Distt. Kasur**  
**Web: [www.hamid-textile.com](http://www.hamid-textile.com)**



Registration Number  
200



Certificate No. SG05/0299



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## COMPANY INFORMATION

CHAIRMAN	Mrs. Khushbu Ammad
CHIEF EXECUTIVE	Mr. Khawar Almas Khawaja
DIRECTORS	Mr. Khawar Almas Khawaja Mrs. Khushbu Ammad Mrs. Nighat Khawar Mrs. Momina Khawar Ali Mr. Muhammad Alamgir Mr. Abid Hussain Mr. Muhammad Amin
AUDIT COMMITTEE	
Chairman	Mr. Abid Hussain
Member	Mrs. Khushbu Ammad
Member	Mr. Muhammad Amin
HR AND REMUNERATION COMMITTEE	
Chairman	Mr. Abid Hussain
Member	Mr. Khawar Almas Khawaja
Member	Mr. Muhammad Alamgir
COMPANY SECRETARY	Mr. Ralph Nazir Ullah
CHIEF FINANCIAL OFFICER	Mr. Tauqeer Hussain
LEGAL ADVISOR	Mr. Sajjad Haider Tanvir Ali Shah (Bukhari Law Chamber)
AUDITORS	HLB Ijaz Tabussum & Co Chartered Accountants Islamabad
INTERNAL AUDITORS	Awan & Co (Chartered Accountants), Lahore
SHARES REGISTRAR	Corplink (Pvt) Ltd Lahore
BANKERS	National Bank of Pakistan Bank Alfalah Limited Meezan Bank Limited Habib Metropolitan Bank Ltd
REGISTERED OFFICE	142, Block - D Model Town, Lahore
MILLS	Changa Manga Road, Wan Adhan Pattoki, Kasur
TELEFAX	049-4528188
TELEPHONE	049-4528177, 049-4528099
EMAIL	<a href="mailto:accounts@hamid-textile.com">accounts@hamid-textile.com</a> , <a href="mailto:sales@hamid-textile.com">sales@hamid-textile.com</a> <a href="mailto:corporate@hamid-textile.com">corporate@hamid-textile.com</a> ,



## VISION

To be one of the leaders in textile sector by producing quality products according to Customer's specification.

## MISSION

- Our mission is to continuously improve our products and serve our customers.
- Provide quality products and services to our customers mainly engaged in the manufacturing of textile products and made-ups.
- Keeping pace with the rapidly changing technology by continuous balancing, modernization and replacement (BMR) of plant and machinery.
- Enhancing the profitability by improved efficiency and cost controls.
- Provide a professional open and participation environment to our dedicated employees for developing their potential and team performance.
- Protecting the environment and contribution towards the economic strength of the country and function as a good corporate citizen.





## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 38<sup>th</sup> Annual General Meeting of **Hamid Textile Mills Limited** will be held on Saturday, October 25, 2025 at 12:00 PM at Registered Office, 142-, Block-D, Model Town Lahore, to transact the following business:-

### ORDINARY BUSINESS:

1. To confirm the Minutes of 37<sup>th</sup> Annual General Meeting of the shareholders held on Friday, October 25, 2024.
2. To receive, consider, and adopt the company's Audited financial statements for the year ended June 30, 2025, together with Chairman Review, Directors, and Auditor's report thereon.

In accordance with section 223 of the Companies Act, 2017 and pursuant to the S.R.O 389(I)/2023 dated March 21, 2023 issued by Securities and Exchange Commission of Pakistan (SECP), the financial statements of the company can be accessed through the following weblink and QR enabled code.

<https://hamid-textile.com/financial-year-2025/>



3. To elect seven directors of the Company as fixed by the Board of Directors in their meeting held on September 19, 2025 in accordance with Section 154 of the Companies Act, 2017 (the "Act"), for a term of three years commencing from October 26, 2025

The names of the retiring directors are as under:

- |                         |                             |
|-------------------------|-----------------------------|
| 1) Mrs. Khushbu Ammad   | 5) Mr. Khawar Almas Khawaja |
| 2) Mrs. Nighat Khawar   | 6) Mrs. Momina Khawar Ali   |
| 3) Mr. Muhammad Alamgir | 7) Mr. Muhammad Amin        |
| 4) Mr. Abid Hussain     |                             |
4. To appoint statutory auditors and fix their remuneration for the year ending June 30, 2026. The present auditors, M/S HLB Ijaz Tabussum & Co., Chartered Accountants, Islamabad, being retired. The Board of Directors, has recommended the appointment of M/S Tabussum Saleem & Co., Chartered Accountants, Lahore as the statutory auditors of the Company for the financial year ending June 30, 2026.
  5. To, approve the monthly remuneration of the Chief Executive officer of Rs 400,000/- per month.
  6. To transact any other business with the permission of the Chairman.

By Order of the Board

**Ralph Nazir Ullah**  
Company Secretary

Lahore  
September 25, 2025

### Notes:

1. The share transfer books of the Company will remain closed from October 20, 2025 to October 26, 2025 (both days inclusive).
2. All shareholder eligible to attend and vote at the meeting may appoint another member as his/her proxy to attend, speak, and votes instead of him/her. In case of corporate entity, votes may be given through attorney or proxy. In both cases, the instrument of proxy duly completed, must reach to the Registered Office of the Company or at the office of our Share Registrar M/S Corplink Pvt Ltd. Lahore, not later than 48 hours before the time of holding Annual General Meeting. Proxy form is attached in the last portion of this report.
3. The original Computerized Identity Card of the Shareholder/Proxy is required to prove his/her identity along with account details etc. at the time of meeting, in case of corporate entity the Board of Directors resolution/power of Attorney with specimen signature of the nominee shall be submitted (unless it has been provided earlier) along with proxy form.
4. As per section 132(2) of the Companies Act, 2017, The company will provide the video link facility to those member(s) who hold minimum 10% of shareholding of the total paid-up capital and resident of city other than city, where company's Annual General Meeting is to be placed, upon request, such member(s) should submit request in writing to the company at least seven days before the date of meeting.
5. Pursuant to circular 4 of 2021 issued by SECP, shareholders who wish to participate virtually in the AGM are requested to share information through courier at company's registered office address at least seven days prior to the date of the meeting.

Name of shareholder	CNIC Number	Folio/CDC Account Number	Registered email address	Cell Number

6. Transmission of Audited Financial Statements / Notices through email pursuant to the provisions of section 223(6) of the Companies Act, 2017. All the listed companies are permitted to circulate audited financial statements or notices through email after obtaining prior written consent of its members. The member who intended to receive the audited accounts through emails are therefore, requested to kindly send their written consent along with a valid email address on a standard request form available at website of the company at [www.hamid-textile.com](http://www.hamid-textile.com).

The Annual financial statements have been placed at website of the company at [www.hamid-textile.com](http://www.hamid-textile.com) however, (The company send hard copies as well to all members) the company shall send printed copy of its financial statements to the desirous member within a week of such request without any cost.



7. Pursuant to Companies (Postal Ballot) Regulations 2018, for any other agenda item subject to the requirements of the sections 143 and 144 of the act, members present in person, through video link or by proxy, and having not less than one-tenth of the total voting power can also demand a poll and exercise their right of vote through Postal Ballot that is voting by post or through any electronic mode, in accordance with the requirements and procedure contained in the aforesaid regulations.

Pursuant to Companies (Postal Ballot) Regulations, 2018 amended through Notification vide SRO 2192(I)/2022 dated December 05, 2022 issued by the Securities and Exchange Commission of Pakistan (the "SECP"), the SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members in case of election of directors, if the number of persons who offer themselves to be elected is more than the number of directors fixed under sub-section (1) of section 159 of the Act. Accordingly, members of the Company will be allowed to exercise their right to vote through e-voting facility or voting by post in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

8. Eligibility criteria for candidates contesting the election of Directors

Any person who seeks to contest the election for the office of the Board of Directors; whether he/she is a retiring or otherwise, shall file the following documents with the company at least fourteen (14) days before the AGM at which the election is to be held:

- Notice of intention to offer himself/herself for the election to the office of director in terms of Section 159(3) along with consent to act as Director as required under section 167(1) of the Act;
- A detailed profile along with his/her office address as required under SRO.1196(I)/2019 dated October 3, 2019
- Clean, legible attested copy of CNIC and NTN;
- Declaration in respect of being compliant with requirements of listed companies (Code of Corporate Governance) Regulations, 2019 and the eligibility criteria as set out in section 153 of the Companies Act, 2017.
- Candidates intending to contest the election of directors as independent director are required to submit the following additional documents.

Declaration for independent Director(s) under clause 6(3) of the CCG.

Undertaking on non-judicial stamp paper that he/she meets the requirement of sub-regulations (1) of regulation 4 of the companies regulations, 2018.

In order to safeguard the interest of the minority shareholders, any member can send his/her nomination for contesting the election

9. As earlier requested, Members are again advised:

- a) To provide copies of their valid CNICs if not provided earlier to update the member's register.
- b) To notify the change of address immediately, if any



## Chairman's Review

It is with great pride and satisfaction that I present the Chairman's Review for this year's Annual Report, in compliance with Section 192 of the Companies Act, 2017.

In accordance with the requirements of the Code of Corporate Governance, an annual evaluation of the Board of Directors of *Hamid Textile Mills Limited* was carried out. The purpose of this evaluation is to ensure that the overall performance and effectiveness of the Board are measured against the objectives set for the Company and benchmarked with best governance practices.

The Board fully recognizes the critical importance of strong corporate governance in ensuring accountability and transparency, and remains dedicated to maintaining the highest standards to enhance stakeholder value. Our governance practices are fully aligned with applicable laws and regulations, with clearly defined roles and responsibilities. The Board has also identified certain areas of non-compliance with regulations and has urged timely corrective actions to ensure alignment with the regulatory framework.

During the financial year 2024-2025, the Board conducted six meetings, while the Audit Committee convened four meetings. As per its established practice, the Board closely monitored its own performance along with that of its sub-committees, ensuring accountability, efficiency, and transparency.

The Board meetings during the year were comprehensive and effective, leading to constructive and forward-looking decisions for the Company. The Board ensures that all policies remain integrated with the Company's mission and vision, while confirming full compliance with relevant laws, regulations, and industry best practices.

All Directors are fully conversant with their duties and responsibilities as entrusted by the Code of Corporate Governance and the Companies Act, 2017. The Board remains committed to strengthening governance, ensuring effective oversight, and creating sustainable value for all stakeholders.

**Mrs. Khushbu Ammad**  
**Chairman**

**Dated September 25, 2025**

## DIRECTORS' REPORT TO THE MEMBERS

The board of directors of your company takes pleasure in presenting before you the performance review together with 38<sup>th</sup> Annual Report and Audited Financial Statements of the Company for the year ended on June 30, 2025 along with the auditors' report thereon.

### Over View

The principal business activities of your company include manufacturing and sales of yarn and greige fabric. Manufacturing facilities located in the north region.

The period under review presented various challenges for the textile industry, particularly for the spinning section. Despite these challenges, your Company recorded an increase in yarn sales. This improvement primarily resulted from the management's strategic decision to shift the spinning section from conversion basis to self-production. While this strategy was formulated with the expectation of delivering favorable results, the actual outcome was adversely affected by the influx of duty-free imported yarn, which dampened local demand.

Further, the sales of greige fabric and yarn sections were significantly impacted by the sharp rise in energy costs, which further eroded the competitiveness of operations. Nevertheless, despite these challenges and persistent working capital constraints, your Company managed its resources efficiently and successfully avoided cash losses during the period..

### PERFORMANCE OF THE COMPANY

The salient feature of the company's operational performance for the year under review is summarized as follows:

	2025 Rupees	2024 Rupees
Sales	960,746,184	771,550,202
Gross Profit	33,158,434	8,402,971
Operating Loss	(11,770,399)	(24,595,352)
Finance Cost	(6,245,320)	(12,130)
Loss before taxation	(18,015,719)	(24,572,482)
Taxation	(22,202,535)	(1,671,834)
Profit (Loss) after taxation	(40,218,254)	(26,244,317)
Profit (Loss) per share-basic	(3.03)	(1.98)

The company has achieved an increase in turnover by 24.52% in current financial year as compared with previous year. Company earned gross profit margin of Rs. 33.158 million, 3.45% as compared to last year (June 30, 2024 of Rs 8.402 million, 1.089%) the increase in gross profit margin by 294.64% as compared to comparative year. Despite the escalating conversion cost, particularly in energy, the company improved gross margins through efficient procurement, product mix optimization, operational efficiency. The administrative cost has been increased by 36.92% from last year, which resulted in operating loss of Rs. 11.770 million as compared with last year's loss of Rs. 24.595 million. The operating loss includes depreciation expenses of Rs. 38.174 million for this year which means that the company's operational results are positive with no cash loss and loss after taxation is Rs. 40.218 million as compared with last year loss of Rs. 26.244 million.

During the current fiscal year, the company has achieved a record-high revenue of Rs 960.746 million, reflecting a substantial increase of 24.52% compared to the corresponding period in the previous year. This increase in revenue resulted in management's decision to operate spinning section of self-production rather than on conversion basis. The finance cost of the company raised significantly caused by securing loan from other than banking companies at fixed rate to support working capital and other development within the company.

The loss after levy (minimum tax) of Rs 30.025 million includes depreciation charge of Rs. 38.174 million (June 30, 2024: Rs. 41.248 million).

The Company continues to face liquidity constraints arising from long-standing litigation with the bank over loan settlements, which has restricted access to formal banking facilities for working capital financing. This challenge has persisted for over a decade and continues to impact production capacity enhancement. Despite these limitations, the management has adopted prudent financial management policies and implemented a strategic mix of self-production and conversion operations, enabling the Company to sustain operations, diversify revenue streams, and ensure timely fulfillment of financial obligations.

Overall, despite external challenges such as high energy tariffs, increased in cost of doing business, and financial constraints, the Company's performance during the year is satisfactory, with notable improvement in turnover, margins, and operational efficiency.

### Economic and Industrial overview:

The global economy recorded moderate growth during the year, though it continued to grapple with persistent challenges. While inflationary pressures gradually eased in regions, central banks adopted a cautious stance in adjusting interest rates, balancing the need to support growth with the risk of reigniting inflation.

Global trade activity remained subdued, reflecting weaker demand in advanced economies and ongoing supply chain realignments. These dynamics were further influenced by the evolving trade policies of the United States, which contributed to an uncertain business environment for exporters worldwide.



Oil prices remained volatile, driven by regional conflicts, production cuts, and fluctuating global demand. Geopolitical tensions across various regions further disrupted commodity flows and intensified uncertainty in international markets.

Against this backdrop, businesses across sectors continued to face a challenging external environment, requiring agility, resource optimization, and strategic adaptability to sustain operations and growth.

During FY 2024-25, Pakistan's cotton crop experienced a severe contraction, primarily due to the devastating impacts of climate change, including erratic weather patterns and floods. Unfortunately, this downward trajectory has continued into FY 2025-26. According to the Pakistan Cotton Ginners Association (PCGA) report dated August 3, 2025, total cotton arrivals at ginning factories stood at 593,821 bales, compared to 844,257 bales in the same period last year, reflecting a sharp decline of 29.66%.

This significant reduction in cotton availability poses a serious threat to the domestic textile industry the cornerstone of Pakistan's economy which contributes nearly 55% of the country's total export earnings. The decline in domestic crop output will inevitably heighten reliance on imported cotton, thereby increasing pressure on already constrained foreign exchange reserves.

The shortage of raw material, coupled with rising energy costs continues to challenge the competitiveness of Pakistan's textile sector in regional and global markets. These structural issues demand urgent policy attention to ensure the sustainability of the country's largest export-oriented industry.

#### **FUTURE OUTLOOK:**

Long term growth can only be achieved if the country stays firmly committed to structural reforms. The recent drop in inflation is a welcome sign, but it also shows that domestic demand remains weak. This calls for monetary policies that can encourage demand driven growth. At the same time, the challenges faced by the agriculture sector and the continued difficulties in large scale manufacturing underline the need to fix long standing structural issues. To ensure inclusive and sustainable growth, the government must focus on fiscal discipline, consistent policies, and a fairer balance between direct and indirect taxes.

In a recent development, trade negotiations between Pakistan and the United States resulted in an agreement to reduce tariffs on Pakistani exports from 29% to 19%. This marks a positive outcome for Pakistan, particularly when compared with the higher tariff levels faced by regional competitors. The reduction provides the textile sector with an opportunity to strengthen its competitive position and further consolidate its presence in the U.S. market.

A predictable and stable energy policy is absolutely essential for boosting business confidence and driving increased investment in the industry. It's clear that the industrial electricity tariff in Pakistan is significantly higher than in other textile exporting countries, putting us at a distinct disadvantage in the international market. The Pakistani textile industry's ambition to become an export "powerhouse" will remain unattainable unless power tariffs are promptly revised to a competitive and unwavering level. On the other hand, your company is planning and deliberately working on to enhance renewable energy (Solar plant) to reduce overall energy cost on manufacturing plant.

The Company remains committed to a proactive approach, focusing on growth through enhanced operational efficiency, prudent working capital management, maximum capacity utilization, and greater integration of renewable energy. At the same time, it will continue to refine its product mix and optimize its cost structure in response to shifting market dynamics. These measures will enable the Company to remain in operations.

The management has consistently contributed funds and has successfully secured an unsecured loan of Rs 20 million from other than banking companies to meet the working capital requirements. However, despite unsuccessful efforts to settle with the National Bank of Pakistan, the management remains confident and hopeful that their restructuring and renewal efforts will be successful. Management also optimistic about reaching a settlement with the bank soon. Once achieved, management believes the unit will be able to operate at its optimum production capacity level.

#### **AUDITORS' REPORT QUALIFICATIONS: -**

##### **I. Going Concern Assumption**

The external auditors have been persistently issuing an adverse opinion on the financial statements of the Company since financial year 2013, solely on the matter of going concern assumption due to the pending litigation with National Bank of Pakistan (NBP). This litigation remains unresolved to date.

It is important to note that the management has fully disclosed the matter of the dispute with NBP, along with its implications, in Note 3.2 of the financial statements. Therefore, in the presence of complete and transparent disclosures, the continued issuance of an adverse opinion is not justified.

Over the past seven years, the Company has consistently reported improved financial performance. Revenue has increased 4.39 times, from Rs. 218.663 million in 2019 to Rs. 960.746 million in 2025. For the current year alone, revenue has grown by Rs. 189.196 million, reaching Rs. 960.746 million compared with Rs. 771.550 million in the preceding year. This consistent growth demonstrates the Company's resilience and operational strength.

Further, the Company's property, plant and equipment have a carrying amount of Rs. 543.777 million, while the aggregate liability towards NBP stands at only Rs. 104 million equivalent to 19.12% of the carrying value of fixed assets. This clearly reflects that the Company possesses adequate resources and financial capacity to meet its obligations in the normal course of business. The management is actively contesting the case in court and has strong grounds to expect a favorable outcome in the foreseeable future.

Although the unresolved litigation restricts the Company's ability to access banking facilities for working capital, alternative measures have been adopted. During the year, the management secured an unsecured loan of Rs. 20 million from nonbanking sources for working capital and business development. Additionally, the Company is considering expansion of its solar energy facility at the factory, which is expected to bring significant savings in electricity costs and further strengthen operating cash flows.



In light of the above, the use of the going concern assumption in preparing the financial statements is fully appropriate. The Company is a going concern, with operations active and revenues increasing year on year despite certain constraints. Management remains confident that the dispute with NBP will be resolved successfully in due course, further improving the Company's financial flexibility.

### CODE OF CORPORATE GOVERNANCE

As required by the Code of Corporate Governance the Directors are pleased to report that;

- a) The financial statements, prepared by the management fairly present its state of affairs, the result of its operations cash flows and changes in equity.
- b) Proper books of accounts have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparing financial statements and accounting estimates are based on reasonable and prudent judgement.
- d) International Accounting Standards, (IAS, IFRS) as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed.
- e) The system of internal control is designed, strongly emphasized and has been effectively implemented and monitored.
- f) There are no significant doubts upon the company's ability to continue as a going concern, however, uncertain circumstances are discussed in note 3.2 of notes to the Financial Statements. The company has sound potentials to continue as going concern.
- g) There has been no material departure from the best practices of Code of Corporate Governance, as defined in the listing regulations.
- h) We have prepared and circulated Statement of Ethics and Business Strategy among directors and employees.
- i) The company has sustained loss during the year therefore has not declared any dividend or bonus for the year.
- j) There are no statutory payments on account of taxes, duties, levies and charges which are outstanding except as disclosed in the accounts.
- k) No trade in shares of Hamid Textile Mills Ltd has been carried out by its directors, CEO, CFO, Company secretary and their spouses and minor children during the year.
- l) Key operating ratios and financial results of the company for the last six years are annexed.
- m) The company operates an un-funded gratuity scheme for its employees.
- n) No casual vacancies occurred on the board of directors of the company during the financial year ended on June 30, 2025.
- o) That directors of the company did not attain the director's training certification as prescribed by the Listed Companies (Code of Corporate Governance) regulation 2019. The management undertakes that will ensure compliance with the prescribed regulation.
- p) During the year, the Company remained non-compliant with certain provisions of the Code of Corporate Governance (CCG), as disclosed in the Statement of Compliance. The Board recognizes these gaps and is strongly committed to ensuring full compliance going forward. In particular, the Board is focused on addressing the requirements relating to the appointment of two independent from PICG data bank and one non-Executive Director. In this regard, necessary guidance is being sought from SECP with respect to the transfer of qualifying shares to nominees, in light of the suspension of trading in the Company's shares. The Board assures shareholders that all reasonable steps will be taken to regularize the non-compliances at the earliest opportunity.
- q) During the year six Board meetings were held. Attendance by each Director is appended below:

Name of Director	Number of Meetings Attended
1. Mr. Khawar Almas Khawaja	06
2. Mrs. Khushbu Ammad	06
3. Mrs. Nighat Khawar	06
4. Mrs. Momina Khawar Ali	03
5. Mr. Muhammad Alamgir	06
6. Mr. Abid Hussain	06
7. Mr. Muhammad Amin	06

### AUDIT COMMITTEE

The audit committee comprising of following members, attendance of each member is as under:

Name of Member		Attended	Leave granted
Mr. Abid Hussain	Chairman	04	-
Mrs. Khushbu Ammad	Member	04	-
Mr. Muhammad Amin	Member	04	-





## HR AND REMUNERATION COMMITTEE

The HR and Remuneration Committee comprising of following members, attendance of each member is as under:

Name of Member		Attended	Leave granted
Mr. Abid Hussain	Chairman	01	-
Mr. Khawar Almas Khawaja	Member	01	-
Mr. Muhammad Alamgir	Member	01	-

## COMPOSITION OF THE BOARD

In line with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company ensures the representation of Independent and Non-Executive Directors, as well as gender diversity, on its Board.

The total number of Directors as of June 30, 2025, is seven as per the following:

Total number of directors	7
Male	4
Female	3
Independent Directors	2
Non-executive Directors	3
Executive Directors	2

## DIRECTORS REMUNERATION

The remuneration of the Board members is in accordance with Companies Act and the Code of Corporate Governance (CCG). The company does not pay remuneration to non-executive directors nor the fee for attending the meetings, in order to retain the best talent, the company's remuneration policies are structured in line with prevailing industry trends and business practices. The details of aggregate amount of remuneration paid to executives and chief executive director is disclosed in Note 38 of the financial statements.

## INTERNAL FINANCIAL CONTROLS

The Board of Directors of the company has established the effective system of internal controls. The controls have been put in place to ensure the efficient and smooth running of the business, prevention, and detection of fraud and error, safeguarding the company's assets, compliance with laws and regulations, accuracy and completeness of books of accounts, and timely preparation of reliable financial information. Internal financial controls are periodically reviewed to ensure these remain effective and are updated with amendments in any law and regulations.

## PRINCIPAL RISK AND UNCERTAINTY

Businesses face numerous risk and uncertainties which if not properly addressed might cause serious loss to the company. The Board of Directors of the company has carried out vigilant and thorough assessment of both internal and external risks that the company might face. Following are some risks which the company is facing.

- Non-investment in research and development automation, AI and robotics intelligence will lead to lose competitiveness in market.
- Technological advancement in machinery making it more challenging for the company to compete on the national and International level.
- Non-renewal of financial facilities.
- Fluctuating prices of cotton and other raw materials impact profit margins and make long term Planning difficult.
- Soaring inflation impacts purchasing power of the common man, thereby reducing demand for the company's product.

## PERSONNEL AND WORKING ENVIRONMENT

Your company is well aware of the importance of team of skilled worker and staff. Therefore, in-house programs designed for this purpose are regularly undertaken. At the same time, other important areas like health, safety and better working environment are also being looked after very well.

## SUSTAINABILITY RELATED RISKS

The sustainability-related risks involve the consideration of environmental, social, and governance (ESG) factors. By embracing operational practices, adopting renewable energy policies and green initiatives, the company aims to contribute to a sustainable future. The management has set specific and measurable ESG targets that align with the company's strategic objective to achieve greater sustainable resilience and positive social impact.



### Diversity, Equity, and Inclusion (DE&I)

The Company is committed to fostering a **diverse, equitable, and inclusive workplace** where every individual is valued, respected, and empowered to thrive. At present, the proportion of women in the workforce is **nil**, which is primarily attributable to the rural location of our mills where cultural and social factors discourage female participation in male dominated workplaces.

The management acknowledges this challenge and is actively working to create an environment that promotes inclusivity and equal opportunity. During the year, an activity was organized at plant among the workers to **highlight the importance and value of women empowerment**, reinforcing our commitment to gradually building a more diverse workforce in alignment with evolving social norms and best industry practices.

while female representation on the Board stands 42.85%

### GENDER PAY GAP STATEMENT

(As required under SECP Circular No 10 of 2024)

The below gender pay gap of the company

- i) Mean Gender pay gap = Nil
- ii) Median Gender pay gap = Nil
- iii) Any other detail:

At present, the proportion of women in the workforce is **nil**, which is primarily attributable to the rural location of our mills where cultural and social factors discourage female participation in male dominated workplaces.

### AUDITORS

The present auditors, M/S HLB Ijaz Tabussum & Co, Chartered Accountants, Islamabad, retired and on the audit committee recommendation Board recommend the name of M/S Tabussum Saleem & Co, Chartered Accountants, Lahore as statutory auditor for the next financial year ending June 30, 2026.

### PATTERN OF SHAREHOLDING

The pattern of shareholding for the year ended June 30, 2025 is annexed to this report.

### VOTE OF THANKS

The directors wholeheartedly appreciate the unwavering dedication and hard work of the workers and staff. They are confident that these contributions will continue to drive the company's success in the future.

On behalf of Board

**Khawar Almas Khawaja**  
(Chief Executive)

**Date: September 25, 2025**

**M. Alamgir**  
(Director)



## ڈائریکٹر رپورٹ برائے اراکین

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز یہ خوشی محسوس کر رہے ہیں کہ وہ آپ کے سامنے کمپنی کی کارکردگی کا جائزہ بمعہ 38 ویں سالانہ رپورٹ اور مالی سال 30 جون 2025 کو ختم ہوا کے آڈٹ شدہ مالیاتی گوشوارے بمعہ آڈیٹرز کی رپورٹ پیش کر رہے ہیں۔

### جائزہ

آپ کی کمپنی کی بنیادی کاروباری سرگرمیوں میں سوت اور کپڑے کی تیاری اور فروخت شامل ہیں۔ کمپنی کی پیداواری سہولیات شمالی علاقے میں واقع ہیں۔ رواں سال کے دوران ٹیکسٹائل صنعت کو بالخصوص اسپننگ سیکشن میں کئی مشکلات کا سامنا رہا۔ ان چیلنجز کے باوجود، آپ کی کمپنی نے سوت کی فروخت میں اضافہ ریکارڈ کیا۔ یہ بہتری بنیادی طور پر انتظامیہ کے اس حکمت عملی کا نتیجہ تھی کہ اسپننگ سیکشن کو کنورژن کی بنیاد سے خود پیداوار کی طرف منتقل کیا۔ اگرچہ اس حکمت عملی کو موافق نتائج کی توقع کے ساتھ مرتب کیا گیا تھا، تاہم ڈیوٹی فری درآمد شدہ سوت کی بڑی مقدار کے باعث مقامی طلب میں کمی آئی اور مطلوبہ نتائج متاثر ہوئے۔

مزید برآں، کپڑے اور سوت کی فروخت پر توانائی کے اخراجات میں نمایاں اضافے نے منفی اثر ڈالا، جس سے آپریشنز کی مسابقت مزید کمزور ہوئی، تاہم ان مشکلات اور ورکنگ کپیٹل کی مستقل رکاوٹوں کے باوجود بھی آپ کی کمپنی نے اپنی حکمت عملی کے باعث وسائل کو مؤثر طریقے سے سنبھالا اور نقد نقصان سے بچاؤ ممکن بنایا۔

### کمپنی کی کارکردگی

زیر غور کمپنی کی نمایاں متحرک کارکردگی کا خلاصہ مندرجہ ذیل ہیں

تفصیل	2025 (روپے)	2024 (روپے)
فروختگی	960,746,184	771,550,202
خام / منافع (نقصان)	33,158,434	8,402,971
انتظامی امور منافع (نقصان)	(11,770,399)	(24,595,352)
فنانشل چارجز	(6,245,320)	(12,130)
نفع (نقصان) قبل از ٹیکس	(18,015,719)	(24,572,482)
ٹیکس	(22,202,535)	(1,671,834)
نفع (نقصان) بعد از ٹیکس	(40,218,254)	(26,244,317)
بنیادی حصص کے مطابق آمدنی (نقصان)	(3.03)	(1.98)

زیر غور رواں مالی سال کمپنی نے فروخت میں 24.52% اضافہ حاصل کیا ہے جو گزشتہ سال کے مقابلے میں نمایاں بہتری ہے۔ کمپنی نے 33.158 ملین روپے (3.45 فیصد) کا مجموعی منافع حاصل کیا، جبکہ گزشتہ سال (30 جون 2024) میں یہ 8.402 ملین روپے (1.089 فیصد) تھا۔ یوں مجموعی منافع کے مارجن میں گزشتہ سال کے مقابلے میں 294.64 فیصد اضافہ ہوا۔

اگرچہ کنورژن لاگت بالخصوص توانائی کے اخراجات میں مسلسل اضافہ ہوا، تاہم کمپنی نے مؤثر خریداری، مصنوعات کے امتزاج میں بہتری اور عملی کارکردگی میں بہتری کے ذریعے مجموعی مارجن کو بہتر بنایا۔ انتظامی اخراجات گزشتہ سال کے مقابلے میں 36.92 فیصد بڑھ گئے، جس کے نتیجے میں اس سال 11.770 ملین روپے کا عملی خسارہ ریکارڈ ہوا، جبکہ گزشتہ سال یہ خسارہ 24.595 ملین روپے تھا۔ اس عملی خسارے میں 38.174 ملین روپے کے فرسودگی کے اخراجات بھی شامل ہیں، جس سے ظاہر ہوتا ہے کہ کمپنی کے عملی نتائج مثبت ہیں اور کسی قسم کا نقدی خسارہ ریکارڈ نہیں ہوا۔ محصولات کے بعد مجموعی خسارہ 40.218 ملین روپے رہا جو گزشتہ سال کے 26.244 ملین روپے کے مقابلے میں

زیادہ ہے۔

موجودہ مالی سال کے دوران کمپنی نے 960.746 ملین روپے کی ریکارڈ آمدنی حاصل کی، جو گزشتہ سال کے مقابلے میں 24.52 فیصد کے نمایاں اضافے کی عکاسی کرتی ہے۔ آمدن میں یہ اضافہ انتظامیہ کے اس فیصلے کا نتیجہ ہے جس کے تحت یارن کے شعبے کو کنورژن کی بنیاد کے بجائے اپنی پیداوار پر منتقل کیا گیا۔ کمپنی کے مالیاتی اخراجات میں نمایاں اضافہ ہوا، جس کی بنیادی وجہ ورننگ کپٹیل اور کمپنی کی دیگر ترقیاتی ضروریات کو پورا کرنے کے لیے غیر بینکاری اداروں سے مقررہ شرح سود پر قرض کا حصول رہا۔

کم از کم ٹیکس عائد ہونے کے بعد 30.025 ملین روپے کا خسارہ سامنے آیا، جس میں 38.174 ملین روپے کے فرسودگی کے اخراجات شامل ہیں (جو 30 جون 2024 کو 41.248 ملین روپے تھے)۔

کمپنی طویل عرصے سے بینک کے ساتھ قرض کی ادائیگی کے تنازع میں الجھی ہوئی ہے، جس کے باعث ورننگ کپٹیل فنانسنگ کے لیے باضابطہ بینکاری سہولیات تک رسائی محدود ہے۔ یہ مسئلہ ایک دہائی سے زائد عرصے سے جاری ہے اور پیداواری صلاحیت میں اضافے پر اثر انداز ہوتا ہے۔ تاہم، انتظامیہ نے محتاط مالیاتی پالیسیوں کو اپنایا اور اپنی پیداوار اور کنورژن کے امتزاج پر مبنی حکمت عملی اختیار کی، جس کے نتیجے میں کمپنی نے اپنے آپریشنز کو قائم رکھا، آمدنی کے ذرائع کو متنوع بنایا اور مالی ذمہ داریوں کی بروقت تکمیل کو یقینی بنایا۔ مجموعی طور پر، توانائی کے بلند نرخوں، کاروباری لاگت میں اضافے اور مالیاتی دباؤ جیسے بیرونی چیلنجز کے باوجود، کمپنی کی سال کے دوران کارکردگی اطمینان بخش رہی، جس میں فروخت، منافع کے مارجن اور عملی کارکردگی میں نمایاں بہتری شامل ہے۔

### معاشی اور صنعتی صورتحال کا جائزہ:

سال کے دوران عالمی معیشت میں معتدل شرح نمو ریکارڈ کی گئی، تاہم اس نے مستقل چیلنجز کا سامنا جاری رکھا۔ اگرچہ بعض ممالک میں افراط زر کا دباؤ بتدریج کم ہوا، مگر مرکزی بینکوں نے شرح سود میں تبدیلی کے حوالے سے محتاط رویہ اپنایا، تاکہ اقتصادی نمو کی حمایت اور افراط زر کے دوبارہ بڑھنے کے خطرے کے درمیان توازن قائم رکھا جاسکے۔

عالمی تجارتی سرگرمیاں کمزور رہیں، جس کی بنیادی وجہ ترقی یافتہ معیشتوں میں کمزور طلب اور رسد میں مسلسل ردوبدل تھی۔ ان عوامل کو مزید پیچیدہ بنانے میں امریکہ کی بدلتی ہوئی تجارتی پالیسیوں نے اہم کردار ادا کیا، جس سے دنیا بھر کے برآمد کنندگان کے لیے کاروباری ماحول غیر یقینی رہا۔

تیل کی قیمتوں میں اتار چڑھاؤ جاری رہا، جس کی بڑی وجوہات علاقائی تنازعات، پیداوار میں کمی اور عالمی طلب میں تغیرات تھیں۔ مختلف خطوں میں جغرافیائی کشیدگیوں نے اجناس کی رسد میں رکاوٹیں پیدا کیں اور بین الاقوامی منڈیوں میں غیر یقینی صورتحال کو مزید بڑھایا۔

ایسے پس منظر میں، مختلف شعبوں کے کاروباری اداروں کو بیرونی چیلنجز کا سامنا رہا، جس کی وجہ سے کام کے جاری رکھنے اور ترقی کو برقرار رکھنے کے لیے تیز رفتاری، وسائل کے مؤثر استعمال اور حکمت عملی میں چلک ضروری تھی۔

مالی سال 2024-25 کے دوران پاکستان کی کپاس کی پیداوار میں شدید کمی واقع ہوئی، جس کی بنیادی وجوہات ماحولیاتی تبدیلیوں کے تباہ کن اثرات، غیر متوقع موسمی رجحانات اور سیلاب تھے۔ بد قسمتی سے یہ مئی رجحان مالی سال 2025-26 میں بھی جاری ہے۔ پاکستان کاٹن ہنز ایسوسی ایشن (PCGA) کی تین اگست 2025 کی رپورٹ کے مطابق، جنگل فیکٹریوں میں کپاس کی کل آمد 593,821 بیل رہی، جو گزشتہ سال کے اسی عرصے میں 844,257 بیل کے مقابلے میں 29.66 فیصد کی کمی ظاہر کرتی ہے۔

کپاس کی دستیابی میں یہ نمایاں کمی پاکستان کی ٹیکسٹائل صنعت کے لیے سنگین خطرہ ہے، جو ملکی معیشت کی بنیاد اور مجموعی برآمدات کا تقریباً پچپن فیصد حصہ فراہم کرتی ہے۔ مقامی پیداوار میں کمی ناگزیر طور پر درآمدی کپاس پر انحصار بڑھائے گی، جس سے پہلے ہی محدود زرمبادلہ کے ذخائر پر مزید دباؤ پڑے گا۔

خام مال کی قلت اور توانائی کے بڑھتے ہوئے اخراجات نے پاکستان کے ٹیکسٹائل شعبے کی خطے اور عالمی منڈیوں میں مسابقت کو مزید مشکل بنایا ہے۔ ان بنیادی مسائل کے حل پر فوری حکمت عملی کی ضرورت ہے تاکہ ملک کی سب سے بڑی برآمدی صنعت کی پائیداری کو یقینی بنایا جاسکے۔

## مستقبل کا جائزہ

طویل مدتی ترقی صرف اسی صورت حاصل کی جاسکتی ہے جب ملک ساختی اصلاحات کے لیے پختہ عزم رکھے۔ حالیہ افراط زر میں کمی خوش آئند ہے، لیکن یہ بھی ظاہر کرتی ہے کہ ملکی طلب ابھی کمزور ہے۔ اس سے ایسے مالیاتی اقدامات کی ضرورت پیدا ہوتی ہے جو طلب کی بنیاد پر ترقی کو فروغ دیں۔ اسی دوران، زرعی شعبے کے چیلنجز اور بڑے پیمانے کی صنعت میں مسلسل مشکلات یہ واضح کرتی ہیں کہ طویل عرصے سے موجود ساختی مسائل کو حل کرنا ضروری ہے۔ پائیدار ترقی کو یقینی بنانے کے لیے حکومت کو مالی نظم و ضبط، مستقل پالیسیوں، اور براہ راست و بالواسطہ ٹیکسوں کے درمیان منصفانہ توازن پر توجہ مرکوز کرنی ہوگی۔

حالیہ پیش رفت میں پاکستان اور امریکہ کے درمیان تجارتی مذاکرات کا نتیجہ یہ نکلا کہ پاکستانی برآمدات پر عائد محصولات کی شرح 29 فیصد سے کم کر کے 19 فیصد کر دی گئی۔ یہ پاکستان کے لیے ایک مثبت پیش رفت ہے، خاص طور پر جب خطے کے دیگر مقابل ملکوں کے مقابلے میں زیادہ محصولات کا سامنا ہے۔ اس کمی سے ٹیکسٹائل شعبے کو اپنی مسابقتی پوزیشن مضبوط کرنے اور امریکی منڈی میں اپنی موجودگی کو مزید مستحکم کرنے کا موقع ملا ہے۔

کاروباری اعتماد کی سطح کو بہتر بنانے اور صنعت میں سرمایہ کاری میں اضافے کیلئے ایک متوقع اور مستحکم توانائی کی پالیسی کی ضرورت ہے۔ ٹیکسٹائل برآمد کنندہ و دیگر ممالک کی صنعتی توانائی ٹیرف پاکستان سے کم ہے جس کی وجہ سے ہم بین الاقوامی سطح پر غیر مسابقتی ہیں اور پاکستان ٹیکسٹائل انڈسٹری کا برآمدی پاور ہاؤس بننے کا مقصد اس وقت تک حاصل نہیں ہو سکتا جب تک کہ بجلی کے نرخوں میں مسابقتی اور مستحکم سطح پر نظر ثانی نہیں کی جاتی۔ اس کے برعکس، آپ کی کمپنی پلانٹ میں مجموعی توانائی کے اخراجات کو کم کرنے کے لیے قابل تجدید توانائی، خاص طور پر سولر پلانٹ، پر منصوبہ بندی اور کام کر رہی ہے۔

کمپنی فعال حکمت عملی کے تحت ترقی پر مرکوز ہے، جس میں عملی کارکردگی کو بہتر بنانا بھٹنا ورکنگ کیپٹل انتظام، زیادہ سے زیادہ پیداوار کی صلاحیت کا استعمال، اور قابل تجدید توانائی کا وسیع استعمال شامل ہے۔ ساتھ ہی، مارکیٹ کی بدلتی ہوئی صورتحال کے جواب میں مصنوعات کے امتزاج کو بہتر بنانے اور لاگت کے ڈھانچے کو بہتر بنانے کے اقدامات جاری رکھے جائیں گے۔ یہ اقدامات کمپنی کو اپنے آپریشنز قائم رکھنے کے قابل بنائیں گے۔

انتظامیہ نے مستقل طور پر فنڈز فراہم کیے ہیں اور دیگر غیر بینکاری اداروں سے دو کروڑ روپے کا بلا ضمانت قرض حاصل کرنے میں کامیاب رہی ہے تاکہ ورکنگ کیپٹل کی ضروریات پوری کی جاسکیں۔ تاہم، قومی بینک آف پاکستان (NBP) کے ساتھ تصفیہ نہ ہونے کے باوجود، انتظامیہ پر اعتماد اور پرامید ہے کہ ان کے دوبارہ ساختی اور اصلاحاتی اقدامات کامیاب ہوں گے۔ اسی بات پر انتظامیہ بھی پرامید ہے کہ جلد ہی بینک کے ساتھ تصفیہ طے پا جائے گا۔ ایک مرتبہ یہ حاصل ہو جانے کے بعد، انتظامیہ کا ماننا ہے کہ یونٹ اپنی پیداوار کی زیادہ سے زیادہ صلاحیت پر کام کرنے کے قابل ہو جائے گا۔

## گوئیگ کنسرن تصور

پچھلے سالوں (2013) سے آڈیٹرز مسلسل اپنی رپورٹ میں گوئیگ کنسرن (Going Concern) کو بنیاد بنا کر مالیاتی گوشواروں پر منفی رائے دے رہے ہیں۔ جس کی واحد بنیادی وجہ نیشنل بینک آف پاکستان کے ساتھ قانونی مقدمات اور قرضوں کی عدم ادائیگی ہے جو کہ معزز عدالت میں تاحال زیر سماعت ہے تاہم زیر سماعت مقدمات اور اس کے دیگر اثرات کو انتظامیہ نے اس مالیاتی گوشواروں کے نوٹ نمبر 3.2 میں بخوبی واضح کیا ہے۔ انتظامیہ کے واضح کردہ حقائق کے پیش نظر آڈیٹرز کی منفی رائے غیر منصفانہ ہے۔

گزشتہ سات سال کے دوران، کمپنی نے مسلسل بہتر مالی کارکردگی رپورٹ کی ہے۔ کل آمدن 4.39 گنا بڑھ کر 218.663 ملین (2019) سے بڑھ کر 2025 میں 960.746 ملین تک پہنچ گئی ہے۔ صرف موجودہ سال میں آمدن 189.196 ملین کے اضافے کے ساتھ 771.550 ملین سے بڑھ کر 960.746 ملین تک پہنچ گئی ہے۔ یہ مسلسل ترقی کمپنی کی مضبوطی اور عملی طاقت کو ظاہر کرتی ہے۔

مزید برآں، کمپنی کی جائیداد، پلانٹ اور مشینری کی کل قیمت 543.777 ملین ہے، جبکہ نیشنل بینک آف پاکستان کا مجموعی قرضہ صرف ایک سو چار ملین روپے ہے، جو کہ کل اثاثوں کی قیمت کا 19.12 فیصد بنتی ہے۔ یہ واضح طور پر ظاہر کرتا ہے کہ کمپنی کے پاس اپنے معمول کے کاروبار میں ذمہ داریوں کو پورا کرنے کے لیے کافی وسائل اور مالی صلاحیت موجود ہے۔ انتظامیہ معزز عدالت میں مقدمہ بخوبی لڑ رہی ہے اور امید کرتی ہے کہ مستقبل قریب میں نیشنل بینک آف پاکستان کے ساتھ تصفیہ ہو جائے گا۔

اگرچہ زیر التوا قانونی مقدمہ کمپنی کی ورکنگ کمیٹی کے لیے بینکنگ سہولیات تک رسائی کو محدود کرتا ہے، تاہم متبادل اقدامات اختیار کیے گئے ہیں۔ سال کے دوران، انتظامیہ نے غیر بینکاری ذرائع سے دو کروڑ روپے کا بلا ضمانت قرض حاصل کیا تاکہ ورکنگ کمیٹی اور کاروباری ترقی کی ضروریات پوری کی جاسکیں۔ مزید برآں، کمپنی پلانٹ میں سولر توانائی کی سہولت کی توسیع پر غور کر رہی ہے، جس سے بجلی کے اخراجات میں نمایاں بچت متوقع ہے اور عملی نقد بہاؤ کو مزید مضبوط بنایا جاسکے گا۔

مندرجہ بالا تمام عوامل کے پیش نظر، مالیاتی گوشواروں کی تیاری میں جاری کاروبار کی بنیاد کی مفروضہ کا استعمال مکمل طور پر مناسب ہے۔ کمپنی فعال کاروبار کے ساتھ جاری ہے، آپریشنز سرگرم ہیں اور آمدن سال بہ سال بڑھ رہی ہے، اگرچہ کچھ مشکلات موجود ہیں۔ انتظامیہ پر اعتماد ہے کہ قومی بینک کے ساتھ تنازعہ بروقت کامیابی کے ساتھ حل ہوگا، جس سے کمپنی کی مالی لچک میں مزید بہتری آئے گی۔

### کوڈ آف کارپوریٹ گورننس

کمپنی کی طرف سے 30 جون 2025 ختم سال کے لیے (SECP) کی فہرست کے ضابطہ کار کی طرف سے مقرر کردہ کوڈ آف کارپوریٹ گورننس کی ضروریات کو اپنایا گیا ہے اور ان پر باضابطہ عمل کیا گیا اس سلسلے میں ایک بیان ساتھ لف ہے۔

### بورڈ آف ڈائریکٹرز کے اجلاس

سال کے دوران چھ بورڈ اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری حسب ذیل ہے

نام ڈائریکٹر	اجلاسوں میں حاضری
1 جناب خاور الماس خواجہ	6
2 محترمہ خوشبو عماد	6
3 محترمہ نگہت خاور	6
4 محترمہ مومنہ خاور علی	3
5 جناب محمد عالمگیر	6
6 جناب عابد حسین	6
7 جناب محمد امین	6

### آڈٹ کمیٹی کے اجلاس:

آڈٹ کمیٹی کے ارکان کی حاضری حسب ذیل ہے

نام ممبر	عہدہ	اجلاسوں میں حاضری
جناب عابد حسین	چیئر مین	4
محترمہ خوشبو عماد	ممبر	4
جناب محمد امین	ممبر	4

## انسانی وسائل اور معاوضہ کمیٹی کے اجلاس:

سال کے دوران انسانی وسائل اور معاوضہ کمیٹی کا ایک اجلاس منعقد ہوا، ہر ڈائریکٹر کی حاضری درج ذیل ہے۔

نام ممبر	عہدہ	اجلاسوں میں حاضری
جناب عابد حسین	چیئر مین	1
جناب خاور الماس خواجہ	ممبر	1
جناب محمد عالمگیر	ممبر	1

## بورڈ کی تشکیل

لسٹڈ کمپنیوں کے ضابطہ کار اور (کوڈ آف کارپوریٹ گورننس) 2019 کے تقاضوں کے مطابق کمپنی اپنے بورڈ میں آزاد اور غیر ایگزیکٹو ڈائریکٹرز کے ساتھ صنفی تنوع کو یقینی بناتی ہے۔

کل تعداد	
7	
4	مرد
3	خواتین
2	آزاد ڈائریکٹرز
3	نان ایگزیکٹو ڈائریکٹرز
2	ایگزیکٹو ڈائریکٹرز

## ڈائریکٹرز کی اجرت

بورڈ کے ارکان کی اجرت کمپنی ایکٹ اور کوڈ آف کارپوریٹ گورننس کے مطابق ہے۔ کمپنی غیر ایگزیکٹو ڈائریکٹرز کو اجرت یا اجلاسوں میں شرکت کی فیس ادا نہیں کرتی۔ کمپنی کی اجرتی پالیسیاں صنعتی رجحانات اور کاروباری طریقوں کے مطابق ترتیب دی گئی ہیں۔ ایگزیکٹو اور چیف ایگزیکٹو ڈائریکٹر کو دی جانے والی مجموعی اجرت کی تفصیل نوٹ 38 میں ظاہر کی گئی ہے۔

## اندرونی مالیاتی کنٹرول:

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے ایک موثر اندرونی مالیاتی نظام مرتب کیا گیا ہے۔ اس نظام کے تحت تمام کاروباری امور کو مستعد اور موثر انداز سے چلایا جاتا ہے اور اس بات کو ممکن بنایا جاتا ہے کہ کسی بھی قسم کی بدعنوانی، فریب اور غلطیوں کی نشان دہی کی جاسکے اور ان کا تدارک بھی کیا جائے، کمپنی کے اثاثوں کی حفاظت کو ممکن بنایا جائے، تمام قوانین و ضوابط کی پاسداری کو ممکن بنایا جائے، محاسبی کے تمام کھاتے ہر لحاظ سے مکمل اور صحیح ہوں اور بروقت ایسی مالیاتی دستاویزات تیار کی جائیں جو معاملات کی حقیقی عکاس ہوں۔ اندرونی مالیاتی نظام پر وقتاً فوقتاً نظر ثانی کی جاتی ہے تاکہ اس بات کو ممکن بنایا جاسکے کہ نظام موثر انداز سے کام کرنے کے ساتھ ساتھ نئے قوانین و ضوابط کی روشنی میں وقت کے تقاضوں پر بھی پورا اتر رہا ہے۔

## اہم خدشات اور غیر یقینی صورتحال

ہر کام کو کئی قسم کے خطرات اور غیر یقینی صورتحال کا سامنا رہتا ہے، اگر ان مسائل سے مناسب انداز سے نہ نمٹا جائے تو یہ کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کو لاحق ممکنہ اندرونی اور بیرونی خطرات کی باقاعدہ نگرانی کی جاتی ہے اور ان کا گہرائی کے ساتھ تجزیہ بھی کیا جاتا ہے۔ درج ذیل ایسے چند خطرات کا ذکر ذیل میں کیا جا رہا ہے جن سے کمپنی کو خدشہ رہتا ہے:

- تحقیق و ترقی، خود کار نظام، مصنوعی ذہانت اور روبوٹکس میں سرمایہ کاری نہ کرنے سے مسابقت میں کمی۔
- مشینری میں تکنیکی ترقی کے باعث قومی اور بین الاقوامی سطح پر مسابقت مشکل۔
- مالی سہولیات کی تجدید نہ ہونا۔
- کپاس اور دیگر خام مال کی قیمتوں میں اتار چڑھاؤ سے منافع میں کمی اور طویل مدتی منصوبہ بندی مشکل۔
- بڑھتی ہوئی افراط زر عام لوگوں کی خریداری کی طاقت متاثر کرتی ہے اور مصنوعات کی طلب کم کرتی ہے۔

### ورکرز اور کام کرنے کا ماحول:

آپ کی کمپنی ہنرمند و کرار عمل کی اہمیت سے اچھی طرح واقف ہے۔ لہذا اس مقصد کے لیے ڈیزائن کیے گئے ان ہاؤس پروگرام پر باقاعدگی سے عمل کیا جاتا ہے۔ دوسری طرف صحت، حفاظتی اقدامات اور بہتر کام کرنے کے ماحول جیسے دیگر اہم حصوں کی بہت اچھی طرح سے دیکھ بھال کی جا رہی ہے۔

### سسٹین ایبلٹی سے متعلق خطرات

سسٹین ایبلٹی سے متعلق خطرات میں ماحولیاتی، سماجی اور گورننس کے عوامل شامل ہیں۔ قابل تجدید توانائی اور سبز اقدامات کو اپنانے کے ذریعے کمپنی پائیدار مستقبل کے لیے اپنا کردار ادا کرتی ہے۔ انتظامیہ نے ایسے قابل پیکش اہداف مقرر کیے ہیں جو کمپنی کی حکمت عملی سے ہم آہنگ ہیں اور مثبت سماجی اثر کے لیے معاون ہیں۔

### تنوع، مساوات اور شمولیت

کمپنی ایک متنوع، منصفانہ اور شمولیتی ماحول کو فروغ دینے کے لیے پرعزم ہے۔ اس وقت عملے میں خواتین کی تعداد صفر ہے، جس کی بنیادی وجہ ملز کا دیہی محل وقوع اور ثقافتی و سماجی عوامل ہیں جو خواتین کی شرکت کو کم کرتے ہیں۔ انتظامیہ اس چیلنج سے آگاہ ہے اور مساوی مواقع کو فروغ دینے کے لیے سرگرم ہے۔ سال کے دوران کارکنوں میں خواتین کی اہمیت پر ایک سرگرمی منعقد کی گئی تاکہ خواتین کی بااختیار بنائی کی قدر واضح ہو اور مستقبل میں زیادہ متنوع ورک فورس قائم کی جاسکے۔ بورڈ میں خواتین کی نمائندگی 42.85 فیصد ہے۔ کمپنی کی صفائی اجرت میں فرق:

- اوسط فرق: صفر
- درمیانی فرق: صفر
- دیگر تفصیل: صفر
- اس وقت ورک فورس میں خواتین کی تعداد صفر ہے، بنیادی وجہ ملز کا دیہی محل وقوع اور ثقافتی و سماجی عوامل ہیں۔

### آڈیٹرز

موجودہ آڈیٹرز، میسرز ایچ ایل بی اعجاز تبسم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اسلام آباد، ریٹائر ہو رہے ہیں۔ آڈٹ کمیٹی کی سفارش پر بورڈ نے اگلے مالی سال کے لیے میسرز تبسم سلیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، لاہور کو آڈیٹرز مقرر کرنے کی تجویز دی ہے۔

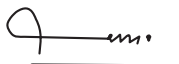
### شیئر ہولڈنگ کا نمونہ:

30 جون 2025 کے حصص کی تفصیل سالانہ رپورٹ کا حصہ ہے۔

### اعتراف:

میں بورڈ آف ڈائریکٹرز کی جانب سے اپنے ان تمام شراکت داروں کا خصوصی شکریہ ادا کرنا چاہتا ہوں۔

بحکم بورڈ



محمد عالمگیر

ڈائریکٹر



خاور الماس خواجہ

چیف ایگزیکٹو

تاریخ: 25 ستمبر 2025



## KEY OPERATING AND FINANCIAL DATA OF LAST SIX YEARS

### Profit and Loss account

	2025	2024	2023	2022	2021	2020
	(Rupees)	(Rupees)		(Rupees)	(Rupees)	(Rupees)
Sales	960,746,184	771,550,202	563,533,352	551,810,523	313,982,107	259,440,185
Cost of sales	(927,587,750)	(763,147,231)	(553,138,001)	(536,054,979)	(309,389,927)	(255,249,639)
Gross Profit/(Loss)	33,158,434	8,402,971	10,395,351	15,755,544	4,592,180	4,190,546
Operating Expenses						
- Distribution cost	(1,800,000)	(1,500,000)	(1,945,883)	(1,624,577)	(984,777)	(426,640)
- Administrative expenses	(43,128,833)	(31,498,324)	(25,839,232)	(22,535,670)	(19,081,397)	(16,217,387)
- Other operating expenses	-	-	-	-	-	-
	(44,928,833)	(32,998,324)	(27,785,115)	(24,160,247)	(20,066,174)	(16,644,027)
Operating Profit/ (Loss)	(11,770,399)	(24,595,353)	(17,389,764)	(8,404,703)	(15,473,994)	(12,453,481)
Other operating income/(Expenses)	-	35,000	-	-	631,489	(2,716,940)
Finance cost	(6,245,320)	(12,130)	(2,362)	(7,814)	(534,936)	(86,947)
Profit/(Loss) before derecognition of financial liabilities	(18,015,719)	(24,572,483)	(17,392,126)	(8,412,517)	(15,377,441)	(15,257,368)
Profit/(Loss) before taxation	(18,015,719)	(24,572,483)	(17,392,126)	(8,412,517)	(15,377,441)	(15,257,368)
Taxation	(22,202,535)	(1,671,834)	24,782,355	16,870,239	(7,718,931)	735,238
Profit/(Loss) after taxation	(40,218,254)	(26,244,317)	7,390,229	8,457,722	(23,096,372)	(14,522,130)

### Balance Sheet

Share Capital	132,716,000	132,716,000	132,716,000	132,716,000	132,716,000	132,716,000
Accumulated loss	(260,392,153)	(242,886,214)	(240,637,117)	(264,090,913)	(288,976,596)	(283,835,661)
Net worth	(127,676,153)	(110,170,214)	(107,921,117)	(131,374,913)	(156,260,596)	(151,119,661)
Long term liabilities	151,800,139	121,158,890	102,702,037	74,007,818	99,508,434	96,091,259
Current liabilities	320,885,978	235,330,900	196,300,137	169,191,112	160,048,547	160,668,652
	472,686,117	356,489,790	299,002,174	243,198,930	259,556,981	256,759,911
Property, plant and equipment	543,777,770	555,401,185	596,999,533	403,280,039	418,478,355	447,558,576
Long term deposits	-	-	-	-	-	-
Current assets	262,557,478	174,918,308	102,257,185	75,354,309	68,647,540	60,037,980
	806,335,248	730,319,493	699,256,718	478,634,348	487,125,895	507,596,556

### Key Financial Ratios

Gross profit ratio (%)	3.45	1.09	1.84	2.86	1.46	1.62
Operating profit ratio (%)	(1.23)	(3.2)	(3.1)	(1.5)	(4.9)	(4.8)
Net profit ratio (%)	(4.19)	(3.40)	1.31	1.53	(7.36)	(5.60)
Current ratio	0.82	0.74	0.52	0.45	0.43	0.37
Leverage (Total liabilities/Net worth)	(3.70)	(3.24)	(2.77)	(1.85)	(1.66)	(1.70)
Earning per share (Rs./share)	(3.03)	(1.98)	0.56	0.64	(1.74)	(1.09)





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

**Name of Company:** HAMID TEXTILE MILLS LIMITED

**Year ended:** June 30, 2025

The Company has complied with the requirements of the Regulations in the following manner:

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

a. Male	4
b. Female	3

2. The Composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Abid Hussain* Mr. Muhammad Amin**
Non-Executive Directors	Mrs. Khushbu Ammad Mrs. Nighat Khawar*** Mrs. Momina Khawar Ali
Executive Directors	Mr. Khawar Almas Khawaja Mr. Muhammad Alamgir

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. 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;
5. The Board has developed a vision/mission statement, overall corporate strategy, and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval is maintained by the Company;
6. 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 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 has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Two directors have already met the exemption criteria to claim exemption of director training program, further, Some directors have more than 13 years of experience on the Board of listed Company and have relevant qualifications to claim the exemption of Director's training programme and other directors of the Company are planning to take training programme.
10. There was no new appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, during the year. However, all such appointment including their remuneration and terms and conditions of employment were duly approved by the Board and complied with relevant requirements of the Regulations;
11. The Chief Executive Officer and Chief Financial Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

**a) Audit Committee**

Names	Designation Held
Mr. Abid Hussain	Independent Director - Chairman*
Mrs. Khushbu Ammad	Non-Executive Director
Mr. Muhammad Amin	Independent Director**

**b) HR and remuneration Committee**

Names	Designation Held
Mr. Abid Hussain	Independent Director - Chairman*
Mr. Khawar Almas Khawaja	Executive Director
Mr. Muhammad Alamgir	Executive Director





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 of the committee were as per following:
- a) Audit Committee**
- Four quarterly meetings were held during the financial year ended June 30, 2025.
- b) HR and Remuneration Committee**
- One meeting of HR and Remuneration Committee was held during the financial year ended June 30, 2025.
15. The Board has outsourced an effective internal audit function that is considered suitably qualified and experienced for the purpose and conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (The "ICAP") 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 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, Internal Auditor, 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. Except for non-compliances reported in Auditor's Review Report on the Statement of Compliance Contained in Listed Companies (Code of Corporate Governance) Regulations, 2019, all other requirements of regulation 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with;
19. Explanations for non-compliance with requirements, other than regulations 3,6,7,8,27,32,33 and 36 are below:

Sr No.	Requirement	Explanation of Non-Compliance	Reference
1	<b>Representation of Minority Shareholders</b> The minority members as a class shall be facilitated by the Board to contest election of directors by proxy solicitation.	The Company has not received any request of minority shareholders to contest elections.	<b>Regulation number 5</b>
2	<b>Independent director *</b> Independent director u/s 166(1) and 2(g) of the Companies Act 2017. Mr Abid Hussain has served on the board for more than three consecutive terms and he does not appear on the PICG data bank.	The Company faced technical restrictions in appointing a director from the databank, primarily due to the suspension of trading in the Company's shares, which prevented the transfer of qualifying shares to a nominee. As a result, the Company could not fully comply with the requirement  The Board is committed to rectifying this matter and is considering the appointment of Independent Director once appropriate guidance is sought from the (SECP) for the transfer of qualifying shares to a nominee, in light of the suspension in shares trading	<b>Regulation number 6</b>
3	<b>Independent director **</b> Section 166 (2) (a) & (g) of the Companies Act, 2017 and Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.	During the year, Mr. Muhammad Amin was designated as an Independent Director on the Board. In addition to his directorship, he was also engaged in the Company's marketing department to strengthen its functionality and received remuneration in this capacity. further, his name does not appear in (PICG) databank of independent directors.  The Company faced technical restrictions in appointing a director from the databank, primarily due to the suspension of trading in the Company's shares, which prevented the transfer of qualifying shares to a nominee. As a result, the Company could not fully comply with the requirement  The Board is committed to rectifying this matter and is considering the appointment of a Independent Director once appropriate guidance is sought from the (SECP) for the transfer of qualifying shares to a nominee, in light of the suspension in share trading.	<b>Regulation number 6</b>



Sr No.	Requirement	Explanation of Non-Compliance	Reference
4	<b>Rounding down in Independent Director Compliance</b> A listed company shall explain the reasons, in the compliance report, if any fraction contained in such one-third number is not rounded up as one.	Since the Company's shares are currently suspended from trading, the issuance of new shares is not permissible under the prevailing regulations. As a result, the prescribed mechanism for maintaining the required number of independent directors could not be implemented, thereby leading to a reduction in their representation on the Board.	<b>Regulation number 6 (1)</b>
5	<b>Responsibilities of the Board and its members</b> The Board is responsible for governance and oversight of sustainability risks and opportunities and take appropriate measures to address it. Further, the Board ensures that the Company's sustainability and related strategies are periodically reviewed and monitored.	The Board acknowledges its responsibility for governance and oversight of sustainability risks and opportunities. Measures to address these matters are currently being developed and are expected to be finalized and implemented in the subsequent year. Once implemented, these measures will be subject to periodic review and monitoring to ensure their continued effectiveness and alignment with the Company's long-term sustainability strategy.	<b>Regulation number 10A (1) (3) (4) (5)</b>
6	<b>Nomination Committee</b> The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a separate nomination committee, and the functions are being performed by the Board.	<b>Regulation number 29 (1)</b>
7	<b>Risk Management Committee</b> The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Currently, the Board has not constituted a risk management committee, and the functions are being performed by the Board.	<b>Regulation number 30 (1)</b>
8	<b>Non-executive Director ***</b> Non-executive Director u/s 181(2)(d) Mrs Nighat Khawar wife of Mr. Khawar Alams khawaja the Chief Executive of the company is beneficial owner of the company.	Due to the suspension of trading in the Company's shares, the transfer of qualifying shares to a nominee has not been possible. Accordingly, the Board is considering the appointment of a Non-Executive Director once appropriate directions are sought from the Securities and Exchange Commission of Pakistan (SECP) for facilitating such transfer. Alternatively, Mrs. Nighat Khawar may be elected as an Executive Director in the next elections of the Board.	<b>Section 181 (2) (d) of Companies Act, 2017</b>

On behalf of the Board

*Kham A. Khawar*

**Chief Executive**  
September 25, 2025

*[Signature]*

**Chairman**



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**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO MEMBERS OF HAMID TEXTILE 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 Hamid Textile 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 noncompliance 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.

Further to the non-compliances stated in the Statement of Compliance, we draw attention to the following non-compliances with the requirements of the Regulations:

Sr. No.	Reference	Description of non-compliance
1	Section 166 (2) (g) of the Companies Act, 2017 and Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.	Mr. Abid Hussain has been serving as an independent director since his initial appointment on December 30, 2009. Having completed three consecutive terms, which concluded on October 26, 2019, he is no longer eligible to be designated as an independent director in accordance with the requirements of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019. Based on the eligibility criteria prescribed under the Companies (Manner and Selection of Independent Directors) Regulations, 2018, he also does not qualify for inclusion in the databank of independent directors maintained by the Pakistan Institute of Corporate Governance (PICG).

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Sr. No.	Reference	Description of non-compliance
2	Section 166 (2) (a) & (g) of the Companies Act, 2017 and Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.	Mr. Muhammad Amin, designated as an independent director, concurrently holds an employment position with the Company as Marketing Manager. This dual capacity is in conflict with the definition and eligibility criteria for independent directors under the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019, thereby disqualifying him from serving as an independent director. Furthermore, he does not meet the eligibility requirements prescribed under the Companies (Manner and Selection of Independent Directors) Regulations, 2018, and accordingly is not qualified for inclusion in the databank of independent directors maintained by the Pakistan Institute of Corporate Governance (PICG).
3	Section 166 (2) (a) & (g) of the Companies Act, 2017 & Regulation 27 and 28 of Code of Corporate Governance Regulations, 2019.	In view of the matters highlighted in points 1 and 2 above, the Audit Committee and the Human Resource & Remuneration Committee, as presently constituted, stand invalid. Furthermore, the requirement that the chairpersons of these committees be independent directors has also not been complied with.
4	Section 2 (7) & 181 (2) (d) of the Companies Act, 2017.	Mrs. Nighat Khawar, designated as a non-executive director, is the spouse of Mr. Khawar Almas Khawaj, the Chief Executive Officer who is also shareholder of the Company holding 18.49% shareholding. Owing to this relationship, she does not meet the eligibility criteria to serve as a non-executive director under the Companies Act, 2017.
5	Regulation 19 of Code of Corporate Governance Regulations, 2019 & Regulation 3 & 4 of Companies (Manner and Selection of Independent Directors) Regulations, 2018.	None of the directors have completed the Directors' Training Program as required under the Listed Companies (Code of Corporate Governance) Regulations, 2019 and The Companies (Manner & Selection of Independent Directors) Regulations, 2018.

Islamabad  
 Date: October 02, 2025  
 UDIN: CR202510415gXWMvmLZ



**HLB IJAZ TABUSSUM & CO.**  
 Chartered Accountants  
 Engagement Partner:  
 Ijaz Akber- FCA



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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HAMID TEXTILE MILLS LIMITED  
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Adverse Opinion**

We have audited the annexed financial statements of Hamid Textile 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, because of the significance of the matter described in the Basis for Adverse Opinion section of our report, the statement of financial position, the statement of profit or loss and the statement of comprehensive income, the statement of changes in equity, the statement of cashflows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not 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 cashflows for the year then ended.

**Basis for Adverse Opinion**

The financial statements of the Company for the year ended June 30, 2025 reflect a loss before taxation of Rs. 30.02 million (2024: Rs. 34.22 million), and accumulated losses of Rs. 260.39 million (2024: Rs. 242.88 million), resulting in a net capital deficiency before revaluation surplus of Rs. 127.68 million (2024: Rs. 110.17 million). The Company's current liabilities exceed its current assets by Rs. 58.33 million (2024: Rs. 60.41 million). Its financing facilities have expired and have not been renewed, and the Company is unable to ensure timely repayment of debts due to constrained capital facilities. Furthermore, the unit is not operating at optimum production capacity. These conditions indicate that the Company is unable to generate sufficient resources to meet its obligations and therefore is not a going concern. In our judgment, the use of the going concern basis of accounting in the preparation of these financial statements is inappropriate. Accordingly, the financial statements do not give a true and fair view in accordance with the applicable financial reporting framework.

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' 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 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 adverse opinion.

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### 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 period. 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.

In addition to the matters described in Basis for Adverse Opinion section of our report, we have determined the matters below to be key audit matters to be communicated in our report:

Key audit matter	How the matter was addressed in our audit
<b>1. Revenue recognition</b>	
<p>Revenue from sale of goods is recognised when the Company satisfies the performance obligation under the contract by transferring the promised goods to the customers.</p> <p>Revenue recognition criteria has also been explained in Note 4.18.</p> <p>We have identified revenue recognition as key audit matter as it is one of key performance indicators of the Company and there is inherent risk that revenue transactions may not have been recognised in accordance with revenue recognition criteria.</p>	<p>Our audit procedures to assess the recognition of revenue, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>obtaining an understanding of and assessing the design and implementation of controls to ensure that revenue is recognised in the appropriate accounting period and based on accounting policy.</li> <li>assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting and reporting standards.</li> <li>comparing on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue has been recognised in the appropriate accounting period.</li> <li>checked on a sample basis recorded sales transactions with underlying supporting documentation; and</li> <li>assessed adequacy of related disclosures in the financial statements.</li> </ul>





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Key audit matter	How the matter was addressed in our audit
<b>2. Stock in trade and stores, spares and loose tools</b>	
<p>Stock in trade and stores, spares and loose tools as June 30, 2025 amount to Rs. 69.59 million and Rs. 11.11 million respectively.</p> <p>We identified the existence and valuation of inventory as a key audit matter due to its size representing 30.7% of the total current assets.</p> <p>For further information on stock in trade and stores, spares and loose tools refer to Note 4.5, Note 8, Note 4.3 and Note 7 respectively.</p>	<p>Our audit procedures to assess the existence and valuation of stock in trade and stores, spares and loose tools, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>to test the quantity of stock in trade, stores, spares and loose tools at all locations, we assessed the corresponding inventory observation instructions and participated in inventory counts on site. Based on samples, we performed test counts and compared the quantities counted by us with the results of the counts of the management.</li> <li>for a sample of stock in trade, stores, spares and loose tools, reperformed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets;</li> <li>on a sample basis, we tested the net realizable value of inventory items to recent selling prices and re-performed the calculation of the inventory write down, if any;</li> <li>in the context of our testing of our calculation, we analysed individual cost components and traced them back to the corresponding underlying documents; and,</li> <li>we also made enquiries of the management and considered the results of our testing above to determine whether any specific write-down is required.</li> </ul>



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### **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.





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- 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 period 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.



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### Report on Other Legal and Regulatory Requirements

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

- (a) except for the possible effects of the matter discussed in Basis for Adverse Opinion section of our report, proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) except for the possible effects of the matter discussed in Basis for Adverse Opinion section of our report, the statement of financial position, statement of profit or loss, statement of comprehensive income, statement of cashflows and statement of changes in equity together with the notes thereon have not been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) but 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) no zakat was deductible at the source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

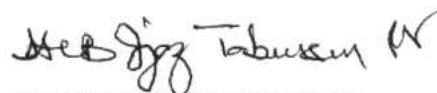
The engagement partner on the audit resulting in this independent auditor's report is Mr. Ijaz Akber-FCA.



**Islamabad**

Date: October 02, 2025

UDIN: AR202510415tR7FpkrUh



**HLB IJAZ TABUSSUM & CO.**

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# STATEMENT OF FINANCIAL POSITION

## AS AT JUNE 30, 2025

	Note	2025 (Rupees)	2024 (Rupees)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	543,777,770	555,401,185
		<u>543,777,770</u>	<u>555,401,185</u>
<b>Current assets</b>			
Security deposits	6	360,000	360,000
Stores, spares and loose tools	7	11,118,791	13,752,485
Stock in trade	8	69,596,138	73,103,621
Trade receivables - considered good	9	155,550,039	70,592,713
Advances to suppliers and staff	10	7,327,346	720,870
Tax refunds due from the government	11	84,933	11,269,655
Cash and bank balances	12	18,520,231	5,118,964
		<u>262,557,478</u>	<u>174,918,308</u>
		<u>806,335,248</u>	<u>730,319,493</u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital		150,000,000	150,000,000
		<u>150,000,000</u>	<u>150,000,000</u>
Issued, subscribed and paid up capital	13	132,716,000	132,716,000
Accumulated loss		(260,392,153)	(242,886,214)
		<u>(127,676,153)</u>	<u>(110,170,214)</u>
Surplus on revaluation of fixed assets - net of tax	14	461,325,284	483,999,917
		<u>333,649,131</u>	<u>373,829,703</u>
<b>LIABILITIES</b>			
<b>Non current liabilities</b>			
Long term loans - unsecured	15	45,000,000	25,000,000
Deferred tax liability	16	104,388,462	94,179,863
Provision for gratuity	17	2,411,677	1,979,027
		<u>151,800,139</u>	<u>121,158,890</u>
<b>Current liabilities</b>			
Trade and other payables	18	207,789,358	122,844,281
Accrued markup on long term loans	19	33,526,329	32,676,328
Loan from related party - unsecured	20	7,661,600	7,901,600
Overdue portion of short term borrowings - secured	21	24,520,298	24,520,298
Overdue portion of long term loans - secured	22	47,388,393	47,388,393
		<u>320,885,978</u>	<u>235,330,900</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	23		
		<u>806,335,248</u>	<u>730,319,493</u>

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

*Kham Ahmad*  
Chief Executive

*Taqeem Anwar*  
Chief Financial Officer

*J. M.*  
Director



## STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 (Rupees)	2024 (Rupees)
Revenue - net of tax	24	960,746,184	771,550,202
Cost of revenue	25	(927,587,750)	(763,147,231)
<b>Gross profit</b>		<b>33,158,434</b>	<b>8,402,971</b>
Other income	26	-	35,000
Administrative expenses	27	(43,128,833)	(31,498,324)
Selling and distribution expenses	28	(1,800,000)	(1,500,000)
Finance cost	29	(6,245,320)	(12,130)
<b>Loss before levies and taxation</b>		<b>(18,015,719)</b>	<b>(24,572,483)</b>
Levy - minimum tax	30	(12,009,327)	(9,644,378)
<b>Loss before taxation</b>		<b>(30,025,046)</b>	<b>(34,216,861)</b>
Deferred tax (expense) / income	31	(10,193,208)	7,972,544
<b>Loss after taxation</b>		<b>(40,218,254)</b>	<b>(26,244,317)</b>
<b>Loss per share - basic</b>	32	<b>(3.03)</b>	<b>(1.98)</b>

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

*Kham Aun*  
Chief Executive

*Taigee Aun*  
Chief Financial Officer

*J. m.*  
Director



## STATEMENT OF COMPREHENSIVE INCOME

### FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 (Rupees)	2024 (Rupees)
<b>Loss after taxation</b>		<b>(40,218,254)</b>	(26,244,317)
Items that will not be reclassified to profit or loss			
Gain / (loss) on remeasurement of staff retirement benefit obligation	17.1.6	<b>53,073</b>	(180,524)
Impact of deferred tax on gain / (loss) on remeasurement of staff retirement benefit obligation	16	<b>(15,391)</b>	-
<b>Total comprehensive loss for the year</b>		<b><u>(40,180,572)</u></b>	<b><u>(26,424,841)</u></b>

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

*Kham Aung*  
Chief Executive

*Ta Aye Myint*  
Chief Financial Officer

*J. M.*  
Director



## STATEMENT OF CHANGES IN EQUITY

### FOR THE YEAR ENDED JUNE 30, 2025

	Share capital Issued, subscribed and paid up capital	Revenue reserves Accumulated loss	Surplus on revaluation of fixed assets	Total equity
	Ordinary shares			
	------(Rupees)-----			
Balance as at July 01, 2023	132,716,000	(240,637,117)	508,175,661	400,254,544
Loss for the year	-	(26,244,317)	-	(26,244,317)
Prior year adjustments	-	-	-	-
Other comprehensive loss	-	(180,524)	-	(180,524)
Incremental depreciation effect (net of deferred tax)	-	24,175,744	(24,175,744)	-
	-	-	-	-
Balance as at June 30, 2024	132,716,000	(242,886,214)	483,999,917	373,829,703
<b>Balance as at July 01, 2024</b>	<b>132,716,000</b>	<b>(242,886,214)</b>	<b>483,999,917</b>	<b>373,829,703</b>
Loss for the year	-	(40,218,254)	-	(40,218,254)
Shares Issued	-	-	-	-
Other comprehensive income	-	53,073	-	53,073
Impact of deferred tax on remeasurement of provision for gratuity	-	(15,391)	-	(15,391)
Incremental depreciation effect (net of deferred tax)	-	22,674,633	(22,674,633)	-
<b>Balance as at June 30, 2025</b>	<b>132,716,000</b>	<b>(260,392,153)</b>	<b>461,325,284</b>	<b>333,649,131</b>

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

*Kham Ahmad*  
Chief Executive

*Taqeem Hussain*  
Chief Financial Officer

*Jamir*  
Director



## STATEMENT OF CASH FLOW FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 (Rupees)	2024 (Rupees)
<b>Cash flows from operating activities</b>			
Loss before levies and taxation		(18,015,719)	(24,572,483)
<b>Adjustments for non-cash income and expenses:</b>			
Depreciation on property, plant and equipment	5	38,174,005	41,248,347
Allowance for ECL	9.1 & 11.1	2,958,654	-
Provision for gratuity	17.1.5	2,420,174	1,758,873
Gain on disposal of fixed assets		-	(35,000)
Finance cost	29	6,245,320	12,130
		<b>31,782,434</b>	<b>18,411,867</b>
<b>Changes in working capital:</b>			
Stores, spares and loose tools		2,633,694	(2,145,821)
Stock in trade		3,507,483	(20,988,436)
Trade receivables - considered good		(86,016,463)	(42,112,101)
Advances to suppliers and staff		(6,606,476)	2,177,607
Tax refunds due from the Government		9,223,972	(8,131,760)
Trade and other payables		84,945,077	58,082,432
<b>Cash generated from operations:</b>		<b>39,469,721</b>	<b>5,293,788</b>
Gratuity paid	17.1.2	(1,934,451)	(510,000)
Finance cost paid		(5,358,334)	(12,130)
Paid Provision for LESCO Bill		-	(15,705,169)
Taxes paid		(11,985,079)	(9,644,377)
<b>Net cash generated from operating activities</b>		<b>20,191,857</b>	<b>(20,577,888)</b>
<b>Cash flows from investing activities</b>			
Purchase of fixed assets	5	(26,550,590)	-
Disposal proceeds of fixed assets		-	385,000
<b>Net cash (used in) / generated from investing activities</b>		<b>(26,550,590)</b>	<b>385,000</b>
<b>Cash flows from financing activities</b>			
Long term loan repaid	20.2	(240,000)	(3,346,500)
Long term loans obtained	15	20,000,000	25,000,000
<b>Net cash generated from financing activities</b>		<b>19,760,000</b>	<b>21,653,500</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>13,401,267</b>	<b>1,460,612</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>5,118,964</b>	<b>3,658,352</b>
<b>Cash and cash equivalents at the end of the year</b>	12	<b>18,520,231</b>	<b>5,118,964</b>

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

*Kham Ameer*  
Chief Executive

*Taqeem Anwar*  
Chief Financial Officer

*J. Amir*  
Director



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

### I CORPORATE AND GENERAL INFORMATION

#### 1.1 Legal status and operations

Hamid Textile Mills Limited (the "Company") was incorporated in Pakistan on April, 09, 1987 as a Private Limited Company and was subsequently converted on February 15, 1988 into Public Limited Company under the Companies Act, 2017 and is listed on the Pakistan Stock Exchange in Pakistan. The principal line of business of the company is to manufacture yarn and fabric. The Company's manufacturing activities are located at Wan Adhan, Tehsil Pattoki, Distt. Kasur, and the Company's registered / head office is situated at 142, Block D, Model Town, Lahore.

### 2 SIGNIFICANT EVENTS AND TRANSACTIONS

During the year, no significant events and transactions occurred.

### 3 BASIS OF PREPARATION

#### 3.1 Statement of compliance

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

International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 3.2** For the year ended June 30, 2025, the Company's financial statements reported a loss before taxation of Rs. 30.02 million (2024: Rs. 34.21 million). As of June 30, 2025, the Company had accumulated losses amounting to Rs. 260.39 million (2024: 242.88 million), which resulted in net capital deficiency before revaluation surplus of Rs. 127.67 million (2024: Rs. 110.17 million). Furthermore, the Company's current liabilities exceeded its current assets by Rs. 58.33 million (2024: 60.41 million). The Company's financial facilities have expired and have not been renewed, as the matter is currently pending with the Honorable Lahore High Court as disclosed in Note 23.1.2. Due to these financial constraints, which have resulted in squeezed working capital, the Company may face difficulties in ensuring the timely repayment of its debts. These conditions raise a material uncertainty that casts significant doubt on the Company's ability to continue as going concern. Despite the aforementioned challenges, the total assets of the Company exceed its total liabilities by Rs. 333.64 million as of the balance sheet date. This positive net asset position suggests that the Company is capable of meeting its liabilities in the normal course of business. The management is actively making dedicated efforts to ensure the viability and continued operation of the unit, which has been operational for over a decade even under difficult economic conditions. Management is currently in negotiations with banks for settlement, restructuring, and renewal of financial facilities. The Company anticipates that it will remain operative and restore the equity of its shareholders. Consequently, the financial statements have been prepared on a going concern basis without any adjustment to the assets and liabilities. The management holds the expectation that these challenging factors are temporary, will be reversed in the foreseeable future, and the unit will be able to continue its operations.

#### 3.3 Accounting for minimum taxes and final taxes

During May 2024, The Institute of Chartered Accountants of Pakistan (ICAP) issued a guide "IAS 12 Application Guidance on Accounting of Minimum taxes and Final taxes (the Guide)" to provide guidance on accounting of minimum tax, as mentioned in Income Tax Ordinance, 2001, under the requirement of relevant IFRS Accounting Standards and provide appropriate approaches to account for minimum taxes in compliance with the requirements of IFRS Accounting Standards.

In view of the above clarification from ICAP, it has been established that minimum tax do not meet the criteria of income tax expense as per IAS 12 hence it should be accounted for under IFRIC 21 "Levies" and IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".





The Guide issued by ICAP provides approaches to account for minimum regime taxes according to the facts and circumstances as applicable to the Company. Accordingly, the Company has adopted the following approach;

Designate the amount calculated on taxable income using the notified tax rates as an income tax within the scope of IAS 12 "Income Taxes" and recognized it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as a levy falling under the scope of IFRIC 21/IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". Therefore, the effective rate of income tax is equal to the enacted rate of income tax and deferred tax will be calculated at such rate.

Super tax charged to entities as per provisions of Income Tax Ordinance, 2001, will be classified as either "Income Tax" or "Levy" in accordance with guidance provided in the Guide [i.e. if super tax calculation is based on taxable profits as defined in IAS 12, then, such super tax shall be recognized as "income tax" otherwise such super tax shall qualify for recognition as "levy" as per IFRIC 21 / IAS 37].

Advance taxes paid under any section of the Income Tax Ordinance, 2001, except minimum taxes paid under section 113, which are termed as levy as per the above guide will be classified as "prepaid assets".

The above changes have been accounted for in these financial statements as per the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The adoption of this policy did not result in re-statement of financial statements since deferred tax liability recognised in the year ended June 30, 2023 was already at enacted rate and the application of this guide did not result any material difference.

#### 3.4 Basis of measurement

These financial statements have been prepared under historical cost convention except otherwise stated.

#### 3.5 Functional and presentation currency

These financial statements are presented in Pakistani Rupee (Rs. / Rupees) which is the Company's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees.

#### 3.6 Reclassification for better presentation

Prior year figures have been rearranged and/or reclassified, wherever necessary, for better presentation. There is no material reclassification.

#### 3.7 Standards, amendments to published standards and interpretations that are effective for the year and are relevant to the Company

- 3.7.1 There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Company's financial statements.

#### 3.8 Standards, interpretations and amendments to approved accounting standards that are not yet effective

- 3.8.1 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

Standard or interpretation		Effective date (annual reporting periods beginning on or after)
IAS 21	The Effect of Changes in Foreign Exchange Rates (Amendments)	January 1, 2025
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS 9	Financial Instruments: Classification and Measurement (Amendments)	January 1, 2026
IFRS 17	Insurance Contracts	January 1, 2026
Annual improvements to IFRS 7, IFRS 9, IFRS 10 (consolidated financial statements) and IAS 7 (statements of cashflows)		January 1, 2026



- 3.8.2** The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretations that have been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2025;

IFRS 1	First time adoption of International Financial Reporting Standards
IFRIC 12	Service Concession Arrangement.
IFRS 18	Presentation and Disclosure in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures

### 3.8.3 Key judgments and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

Useful life, residual values and depreciation method for property, plant and equipment - Note 4.1 & 5

Valuation of stock-in-trade at lower of cost or NRV - Note 4.5

Accounting for retirement benefit obligation - Note 4.9 & 17.1

Estimation of provisions - Note 4.12

Estimation of contingent liabilities - Note 4.16 & 23

Levy - minimum tax and recognition of deferred tax liability - Note 4.14, 30 & 16

Impairment of non-financial assets - Note 4.2

Impairment of financial assets - Note 4.22

The revisions to accounting estimates (if any) 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.

## 4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### 4.1 Property, plant and equipment

#### Initial recognition

Property, plant and equipment, other than freehold land, buildings on freehold land, and plant and machinery, are carried at cost less accumulated depreciation and any identified impairment losses. Freehold land is stated at revalued amount, determined by independent valuers by reference to current market prices. Buildings on freehold land and plant and machinery are stated at revalued amounts determined by independent valuers, based on current market values, less accumulated depreciation and any identified impairment losses. The cost of additions to property, plant and equipment comprises the purchase price together with all directly attributable costs necessary to bring the asset to the location and condition intended for its use.

Surplus arising on revaluation is recognized by restating the gross carrying amounts of the respective assets in proportion to the change in their carrying values resulting from revaluation. At the date of revaluation, the accumulated depreciation is adjusted to reflect the difference between the gross carrying amount and the revalued carrying amount of the asset, after accounting for any accumulated impairment losses.



#### 4.1.1 Subsequent measurement

Increases in the carrying amounts of property, plant and equipment arising from revaluation are recognized in the respective asset, in other comprehensive income and accumulated in equity under the heading surplus on revaluation of fixed asset - net of tax.

Upon disposal of revalued assets, the related revaluation surplus is transferred directly to retained earnings. All transfers to and from the surplus on revaluation of property, plant and equipment are recorded net of the related deferred tax effects.

Subsequent costs are capitalized as part of the asset's carrying amount or recognized as a separate asset, where it is probable that future economic benefits will flow to the Company and the cost can be measured reliably. The carrying amount of the replaced component is derecognized. Routine repair and maintenance expenditures are charged to the statement of profit or loss as incurred, whereas major renewals and improvements are capitalized, with the replaced assets, if any, being retired.

Further items of property, plant and equipment are measured at cost less accumulated depreciation and impairment loss (if any). The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. The gain or loss on disposal or retirement of an asset is represented by the difference between the sale proceeds and the carrying amount of the asset and is recognized as other income or expense.

#### Depreciation

Depreciation on all property, plant and equipment, other than freehold land, is charged to the statement of profit or loss using the reducing balance method so as to allocate the depreciable amount of each asset over its estimated useful life, after considering any residual value where significant. Residual values and useful lives are reviewed at each financial year-end, and adjustments are made where the impact on depreciation is considered material.

A transfer from the revaluation surplus to retained earnings is made in accordance with the incremental depreciation, determined by applying the respective asset's depreciation rate to the opening balance of the revaluation reserve, net of deferred tax impact.

Useful lives are determined by the management based on expected usage of assets, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

#### Disposals

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset, and is recognised as gain or loss in the statement of profit or loss.

#### Judgments and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

#### Impairment

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

#### Judgment and estimates

The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

#### 4.2 Impairment of non-financial-assets

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.



For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable (cash-generating units). An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### 4.3 Stores and spares

All stores, spares and loose tools purchased are charged to the statement of profit or loss when consumed and are valued at lower of weighted average cost or estimated NRV. Provision is made for obsolete and slow moving items where necessary and is recognized in the statement of profit or loss.

#### 4.4 Method of preparation of cash flow statement

Cash flow is prepared using indirect method.

#### 4.5 Inventories

These are valued at the lower of cost and net realizable value less allowance for obsolete and slow moving items (if any). Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of normal operating capacity. Costs of purchased inventories are determined after deducting discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

##### 4.5.1 Stock-in-trade

These are valued at the lower of cost or net realizable value. Cost is determined as follows:

Types of stock	Valuation method
Raw materials	lower of weighted average cost or net realizable value
Work-in-process	weighted average cost method
Finished goods	lower of weighted average cost or net realizable value

##### Judgments and estimates

Inventories write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventories balances for any such declines.

#### 4.6 Trade receivables

Trade and other receivables are initially stated at fair value of consideration to be received. Subsequent to initial recognition these are carried at their amortized cost as reduced by appropriate charge for expected credit losses, if any. For measurement of loss allowance of trade receivables, the Company applies the IFRS 9 simplified approach to measure the expected credit losses.

#### 4.7 Advances and deposits

These are recognized at cost, representing the fair value of the consideration given. For the measurement of loss allowances, the Company applies the IFRS 9 simplified approach to trade receivables and contract assets, while advances, prepayments, and deposits are assessed under the general expected credit loss model, recognizing 12-month or lifetime ECL depending on changes in credit risk since initial recognition.

#### 4.8 Cash & bank balances

Cash and bank balances equivalents comprise of cash in hand and balances with bank. Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand and cash with banks.

#### 4.9 Employee benefits

The Company has following plan for its employees:

##### 4.9.1 Defined benefit plan

The Company operates an unfunded gratuity scheme for all employees in accordance with the terms of employment, subject to a minimum qualifying service period of twelve months. Annual provisions are recognized on the basis of actuarial valuations carried out using the Projected Unit Credit Method for all employees eligible for gratuity benefits.



The most recent actuarial valuation was conducted as of June 30, 2025. Remeasurements, comprising actuarial gains and losses, are recognized immediately in other comprehensive income.

The future contribution rate includes allowances for deficit and surplus. Projected unit credit method, using the following significant assumptions, is used for valuation of the scheme:

Discount rate: 14.75% per annum. (2024: 16.25% per annum)

Expected rate of increase in salary level: 10.75% per annum. (2024: 13.75% per annum)

Average duration of defined benefit plan: 6 years. (2024: 6 years)

Mortality rates: SLIC (2001-2005)

#### 4.10 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

#### 4.11 Interest / mark-up bearing loans and borrowings

Borrowings are recognised initially at fair value and is subsequently at amortized cost. Any difference between the proceeds in the redemption value is recognised in the statement of profit or loss over the period of the borrowings using effective interest rate method.

##### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (those that take a substantial period of time to get ready for their intended use) are capitalized as part of the cost of the relevant asset. All other borrowing costs are charged to the statement of profit or loss in the period in which they are incurred.

#### 4.12 Provisions

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

#### 4.13 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 weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares for the effects of all dilutive potential ordinary shares.

#### 4.14 Taxation

Taxation comprises of levy - minimum tax, current tax and deferred tax. Income tax expense is recognised in the statement of profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity (if any), in which case the tax amounts are recognised directly in other comprehensive income or equity.

##### 4.14.1 Levy

As explained in note 3.3, in accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 'Application Guidance on Accounting for Minimum Taxes and Final Taxes' issued by the Institute of Chartered Accountants of Pakistan ('ICAP'), these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements.

##### 4.14.2 Current tax

Current tax is the expected tax payable on the taxable income for the year; calculated using rates enacted or substantively enacted by the end of the reporting period. The calculation of current tax takes into account tax credit and tax rebates, if any, and is inclusive of any adjustment to income tax payable or recoverable in respect of previous years.

##### 4.14.3 Deferred tax

Deferred tax liability is recognised for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future, and carry forward of unused tax losses.



The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using the tax rates enacted at the reporting date.

#### 4.14.4 Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognised deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

#### 4.14.5 Off-setting

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same tax authority.

#### 4.15 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the board of directors, if it is in the interest of the Company to do so.

#### 4.16 Contingent assets and liabilities

Contingent assets are disclosed when the Company has a possible asset 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 Company. Contingent assets are not recognized until their realization becomes virtually certain. Contingent asset is disclosed when an inflow of economic benefits are probable.

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, 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 Company; or the Company has a present legal or constructive obligation that arises from past events, but 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.

#### 4.17 Off-setting of financial assets and liabilities

Financial assets and financial liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

#### 4.18 Revenue recognition

Revenue from the sale of yarn, fabric and waste is recognized based on the specified consideration net of returns, amounts collected on behalf of third parties (sales tax etc) and when control of the goods is transferred to the customer in accordance with the terms of sale or contract. The company ensures that all significant risks and rewards of ownership have been transferred, it retains neither continuing managerial involvement nor effective control over the goods, the amount of revenue can be measured reliably, and it is probable that the associated economic benefits will flow to the company. Any amounts received from customers in advance of delivery are recorded as contract liabilities and recognized as revenue when the related goods are delivered. Similarly, revenue from toll manufacturing services are recognised when or as the related performance obligation is met.

#### 4.18.1 Significant financing component

Generally, the Company receives short-term advances from its customers. Using the practical expedient in IFRS 15, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.





#### 4.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes strategic decisions. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment. All non-current assets of the Company are located in Pakistan and all of the revenue is derived from the sale of yarn, fabric and waste sales.

#### 4.20 Contract asset / liability

Contract asset arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before the payment is due. Contract asset are treated as financial asset for impairment purpose.

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs its performance obligation under the contract.

#### 4.21 Foreign currency transactions and translations

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in other comprehensive income if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income or other expenses.

#### 4.22 Financial instruments

Financial instruments (financial assets and financial liabilities) are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the profit or loss.

##### 4.22.1 Financial assets

The Company classifies its financial assets in the following measurement categories:

- a) Amortized cost
- b) Fair value through other comprehensive income (FVTOCI)
- c) Fair value through profit or loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or comprehensive income (OCI). For investment in equity instruments that are not held for trading this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

##### Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commit to purchase or sell the asset.

Further financial assets are derecognized when the rights to receive cash flows from the financial assets have expired and the Company has transferred substantially all the risks and rewards of ownership.





### Initial recognition and measurement

At initial recognition, the Company measures a financial asset at its fair value plus transaction cost except for assets classified at fair value through profit or loss (FVTPL). Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments;

#### a) Amortised cost

Assets that are held for collection of contractual cash flows where the contractual terms of the financial assets give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the profit or loss.

#### b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income. Interest income from these financial assets included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income and impairment expenses are presented as separate line item in the statement of profit or loss.

#### c) Fair value through profit and loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented in finance income/cost in the period in which it arises.

### Impairment of financial assets

The Company assess on a historical as well as forward-looking basis, the expected credit loss (ECL) as associated with its debt instruments, trade receivables and tax due from governments (if any) carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the Expected Credit Loss model:

- 1) Trade receivables - considered good
- 2) Security deposits
- 3) Advances to staff
- 3) Cash and cash equivalents

### Simplified approach for all current assets where expected credit loss (ECL) is applicable

The Company recognizes life time ECL on trade receivables, tax due from government (if any), using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes.
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.



As the Company applies simplified approach in calculating ECLs for trade receivables and tax due from government (if any), the Company does not track changes in credit risk, but instead recognized a loss allowance based on life time ECLs at each reporting date. ECLs on these financial assets are estimated using a provision matrix approach adjusted for forward looking factors specific to the trade debtors, tax due from governments (if any) and their respective economic environment. The management has changed its estimate regarding loss given default during the year due to improvement in collection pattern of past due balances.

#### **Recognition of loss allowance**

The Company recognizes an impairment gain or loss in the profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

#### **Write-off**

The Company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Company may write-off financial assets that are still subject to enforcement activity.

### **4.22.2 Financial Liabilities**

#### **Classification, initial recognition and subsequent measurement**

Financial liabilities are classified in the following categories:

- a) fair value through profit or loss;
- b) amortised cost;

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in case of other financial liabilities also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

#### **a) Fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

#### **b) Amortised cost**

After initial recognition, other financial liabilities which are interest bearing subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in profit or loss for the year, when the liabilities are derecognized as well as through effective interest rate amortisation process.

#### **Derecognition of financial liabilities**

The Company derecognizes financial liabilities when and only when the Company's obligations are discharged, cancelled or they expire.

#### **Offsetting financial assets and financial liabilities**

A financial asset and financial liability is off-set and the net amount is reported in the statement of financial position when there is a legally enforceable right to set-off the transaction and also there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

#### **Finance cost**

Finance cost comprises of interest charge on long term loan and bank charges on transfer of funds, and are recognized on accrual basis.

An underlying asset can be of low value only if:

- (a) the lessee can benefit from use of the underlying asset on its own or together with other resources that are readily available to the lessee; and
- (b) the underlying asset is not highly dependent on, or highly interrelated with, other assets.

A lease of an underlying asset does not qualify as a lease of a low-value asset if the nature of the asset is such that, when new, the asset is typically not of low value.



## 5 Property, plant and equipment

### 5.1 Detailed movement of operating fixed assets is as follows;

As at June 30, 2025

	Freehold Land	Building on freehold land	Plant & Machinery	Tools & Equipments	Tube well & pumps	Furniture & Fixture	Office Equipment	Vehicles	Solar system	Total
<b>NET CARRYING VALUE BASIS</b>										
Opening net book value (NBV)	87,600,000	183,444,050	283,440,363	55,191	109,078	228,526	474,331	49,646	-	555,401,185
Addition / Transfers	-	-	7,000,000	-	-	-	-	-	19,550,590	26,550,590
Revaluation Surplus	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-	-
Cost	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-
Depreciation Charge	-	(9,172,203)	(28,894,447)	(5,519)	(10,908)	(22,853)	(47,433)	(9,929)	(10,713)	(38,174,005)
Closing net book value	87,600,000	174,271,847	261,545,916	49,672	98,170	205,673	426,898	39,717	19,539,877	543,777,770

### GROSS CARRYING VALUE BASIS

Cost/Revaluation	87,600,000	301,424,803	689,804,409	1,503,568	460,171	2,619,932	3,367,532	2,815,401	19,550,590	1,109,146,406
Accumulated Depreciation	-	(127,152,956)	(428,258,493)	(1,453,896)	(362,001)	(2,414,259)	(2,940,634)	(2,775,684)	(10,713)	(565,368,636)
Closing net book value	87,600,000	174,271,847	261,545,916	49,672	98,170	205,673	426,898	39,717	19,539,877	543,777,770
Depreciation rate % per annum		5%	10%	10%	10%	10%	10%	20%	10%	

As at June 30, 2024

	Freehold Land	Building on freehold land	Plant & Machinery	Tools & Equipments	Tube well & pumps	Furniture & Fixture	Office Equipment	Vehicles	Solar system	Total
<b>NET CARRYING VALUE BASIS</b>										
Opening net book value (NBV)	87,600,000	193,099,000	315,275,000	61,323	121,198	253,918	527,035	62,058	-	596,999,532
Addition / Transfers	-	-	-	-	-	-	-	-	-	-
Revaluation Surplus	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-	-
Cost	-	-	(1,528,634)	-	-	-	-	-	-	(1,528,634)
Accumulated Depreciation	-	-	1,178,634	-	-	-	-	-	-	1,178,634
Depreciation Charge	-	(9,654,950)	(31,484,637)	(6,132)	(12,120)	(25,392)	(52,704)	(12,412)	-	(41,248,347)
Closing net book value	87,600,000	183,444,050	283,440,363	55,191	109,078	228,526	474,331	49,646	-	555,401,185

### GROSS CARRYING VALUE BASIS

Cost/Revaluation	87,600,000	301,424,803	682,804,409	1,503,568	460,171	2,619,932	3,367,532	2,815,401	-	1,082,595,816
Accumulated Depreciation	-	(117,980,753)	(399,364,046)	(1,448,377)	(351,093)	(2,391,406)	(2,893,201)	(2,765,755)	-	(527,194,631)
Closing net book value	87,600,000	183,444,050	283,440,363	55,191	109,078	228,526	474,331	49,646	-	555,401,185
Depreciation rate % per annum		5%	10%	10%	10%	10%	10%	20%	10%	



- 5.2** The freehold land of the Company is situated at Changa Manga Road, Wan Adhan, Pattoki, District Kasur with a covered area of 522,720 sq. ft.

	Note	2025 (Rupees)	2024 (Rupees)
<b>5.3</b>	Depreciation charge for the year has been allocated as follows:		
Cost of revenue	25	36,154,520	39,116,502
Administrative expenses	27	2,019,485	2,131,845
		<b>38,174,005</b>	<b>41,248,347</b>

- 5.4** The latest revaluation of freehold land, building on freehold land and plant and machinery was carried out on June 30, 2023 by an independent professional valuer Surval (Private.) Limited. As per the revaluation report, forced sale value of freehold land and building on freehold land was Rs. 74.46 million and Rs. 164.13 million respectively and forced sales value of plant and machinery is Rs. 267.9 million.

Had there been no revaluation, the carrying amount of revalued class freehold land, building on freehold land, and plant and machinery would have been as follows:

Freehold land	5,373,978	5,373,978
Buildings on freehold land	7,047,449	7,418,367
Plant and machinery	31,769,632	27,453,582
	<b>44,191,059</b>	<b>40,245,927</b>

- 5.5** Property, plant and equipment of the Company is under charge against the loan facilities obtained by the Company that are pending adjudication in Lahore High Court as disclosed in Note 23.1.2. The details of these charges are as follows:

- 5.5.1** Under Demand Finance – I, a first exclusive charge amounting to Rs. 220 million has been created over the Company's fixed assets, including freehold land, building on freehold land, plant and machinery, and other fixed assets, duly registered with Securities Exchange Commission of Pakistan (SECP). The freehold land is situated at Changa Manga Road, Wan Adhan, Pattoki, District Kasur, with a covered area of 202,682 sq. ft., and is owned by the Company. This charge was created in October 2003. At the time of creation of the charge, disclosure of fair market value (FV), forced sale value (FSV), or related breakup figures was not a regulatory or disclosure requirements; hence, such information was not included in the charge documentation.

- 5.5.2** Under Demand Finance – II, a first exclusive charge amounting to Rs. 220 million has been created over the Company's fixed assets, including freehold land, building on freehold land, plant and machinery, and other fixed assets, duly registered with SECP. The freehold land is situated at Changa Manga Road, Wan Adhan, Pattoki, District Kasur, with a covered area of 202,682 sq. ft., and is owned by the Company. This charge was created in September 2003. At the time of creation of the charge, disclosure of fair market value (FV), forced sale value (FSV), or related breakup figures was not a regulatory or disclosure requirements; hence, such information was not included in the charge documentation.

- 5.5.3** Under trust receipt, a first exclusive charge amounting to Rs. 220 million has been created over the Company's fixed assets, including freehold land, building on freehold land, plant and machinery, and other fixed assets, duly registered with SECP. The freehold land is situated at Changa Manga Road, Wan Adhan, Pattoki, District Kasur, with a covered area of 202,682 sq. ft., and is owned by the Company. This charge was created in October 2003. At the time of creation of the charge, disclosure of fair market value (FV), forced sale value (FSV), or related breakup figures was not a regulatory or disclosure requirements; hence, such information was not included in the charge documentation.

## 6 SECURITY DEPOSITS

Security deposit against rent	6.1 & 27.2	350,000	350,000
Security deposit to SNGPL	6.2	10,000	10,000
		<b>360,000</b>	<b>360,000</b>

- 6.1** This represents amount deposited as a security to landlord for renting office premises. The rent agreement is for 11 months and security deposit is returned to the Company upon the expiration of the agreement, if not renewed.

- 6.2** This represents amount deposited to SNGPL for installation of sui gas meter at plant premises.



	Note	2025 (Rupees)	2024 (Rupees)
<b>7 STORES, SPARES AND LOOSE TOOLS</b>			
Stores, spares and loose tools		11,118,791	13,752,485
Less: provision for slow moving stock		-	-
		<b>11,118,791</b>	<b>13,752,485</b>
<b>8 STOCK IN TRADE</b>			
Raw material		37,112,130	34,108,512
Work-in-process		4,462,437	4,939,706
Finished goods		28,021,571	34,055,403
		<b>69,596,138</b>	<b>73,103,621</b>
<b>9 TRADE RECEIVABLES - CONSIDERED GOOD</b>			
Trade receivables			
Receivables - local sales		156,609,176	70,592,713
Allowance for expected credit loss	9.1	(1,059,137)	-
		<b>155,550,039</b>	<b>70,592,713</b>
<b>9.1 Allowance for expected credit loss</b>			
Opening balance		-	-
Provision for the year		1,059,137	-
Balance written off during the year		-	-
Less: reversal of expected credit loss (ECL)		-	-
Closing balance		<b>1,059,137</b>	<b>-</b>
<b>10 ADVANCES TO SUPPLIERS AND STAFF</b>			
<b>Unsecured - considered good</b>			
Advances to staff		145,000	85,000
Advances to suppliers		7,182,346	635,870
		<b>7,327,346</b>	<b>720,870</b>
<b>11 TAX REFUNDS DUE FROM THE GOVERNMENT</b>			
Sales tax refundable		1,899,517	11,123,489
Balance written off during the year	11.1	(1,899,517)	-
		-	11,123,489
Income tax refundable	11.2	84,933	146,166
		<b>84,933</b>	<b>11,269,655</b>
<b>11.1 Allowance for expected credit loss</b>			
Opening balance		-	-
Provision for the year		1,899,517	-
Balance written off during the year		(1,899,517)	-
Less: reversal of expected credit loss (ECL)		-	-
Closing balance		<b>-</b>	<b>-</b>
<b>11.2 Income tax refundable</b>			
Levy payable - minimum tax	30	12,009,327	9,644,378
Advance taxes adjusted		(12,094,260)	(9,790,544)
Income tax refundable		<b>84,933</b>	<b>146,166</b>
<b>12 CASH AND BANK BALANCES</b>			
Cash in hand		207,733	198,611
Cash at bank		18,312,498	4,920,353
		<b>18,520,231</b>	<b>5,118,964</b>



	Note	2025 (Rupees)	2024 (Rupees)
<b>13 SHARE CAPITAL</b>			
<b>AUTHORISED CAPITAL</b>			
15,000,000 ordinary shares of Rs. 10 each (June 30, 2024: 15,000,000 ordinary shares of Rs. 10 each)		<b>150,000,000</b>	150,000,000
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>			
Shares issued for cash (13,271,600 ordinary shares of Rs. 10 each) (June 30, 2024: 13,271,600 ordinary shares of Rs. 10 each)		<b>132,716,000</b>	132,716,000
		<b>No. of shares</b>	No. of shares
<b>13.1 Movement during the year is as follows:</b>			
Balance at the start of the year		<b>13,271,600</b>	13,271,600
Ordinary shares issued		-	-
Balance at the end of the year		<b>13,271,600</b>	13,271,600
<b>13.2 Ordinary shares of the Company held by directors at the year end are as follows:</b>			
		<b>No. of shares</b>	No. of shares
Directors, Officers, their spouse and minor children		<b>3,629,510</b>	3,629,510
		<b>Percentage held</b>	Percentage held
Directors, Officers, their spouse and minor children		<b>27.35%</b>	27.35%
<b>13.3</b> The ordinary shareholders are entitled to one vote per share at the meetings of the Company. All shares are ranked equally with regard to Company's residual assets.			
<b>14 SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX</b>			
Balance at the start of the year		<b>483,999,917</b>	508,175,661
Surplus on revaluation during the year		-	-
Deferred tax liability on revaluation surplus during the year		-	-
		<b>483,999,917</b>	508,175,661
Amount transferred to accumulated surplus on account of:		-	-
Incremental depreciation charged during the year		<b>(31,936,103)</b>	(34,050,344)
Related deferred tax impact on incremental depreciation		<b>9,261,470</b>	9,874,600
		<b>(22,674,633)</b>	(24,175,744)
Balance at the end of the year	<b>14.1</b>	<b>461,325,284</b>	483,999,917
<b>14.1</b> This represents surplus (net of applicable deferred tax) arising on revaluation of freehold land, buildings on freehold land, plant and machinery. This has been adjusted by incremental depreciation arising out of revaluation of above-mentioned assets except freehold land. The latest valuation was carried out by an independent professional valuer, Surval (Private) Limited on 30th June, 2023. The surplus on revaluation of property, plant and equipment is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.			
<b>15 LONG TERM LOANS - UNSECURED</b>			
<b>15.1 From other than banking companies (unsecured)</b>			
Loan from Mr. Sohail Ahmed	<b>15.2</b>	<b>35,000,000</b>	25,000,000
Loan from Mr. Sardar Muhammad Asif	<b>15.3</b>	<b>10,000,000</b>	-
		<b>45,000,000</b>	25,000,000



	Note	2025 (Rupees)	2024 (Rupees)
<b>15.2 Movement during the year - Mr. Sohail Ahmed</b>			
Balance at the start of the year	15.2.1	25,000,000	-
New loan obtained during the year	15.2.2	10,000,000	25,000,000
Balance at year end		35,000,000	25,000,000
<b>15.3 Movement during the year - Mr. Sardar Muhammad Asif</b>			
Balance at the start of the year		-	-
New loan obtained during the year	15.3.1	10,000,000	-
Balance at the end of the year		10,000,000	-

**15.2.1** The Company has obtained an unsecured loan facility amounting to Rs. 25 million carrying a fixed annual interest rate of 18% on the outstanding principal balance. The loan was disbursed in two tranches: Rs. 20 million on May 06, 2024 and Rs. 5 million on June 03, 2024. The agreed interest rate of 18% represents a materially market-based rate, negotiated directly between the Company and the lender. The loan does not contain any penalties for late payments, conversion rights, or other embedded derivatives. The facility was obtained with the approval of the Board of Directors and is structured as an unsecured lending arrangement. In accordance with the agreed terms, repayment of the principal will commence three years from the date of disbursement in equal monthly installments, continuing until full settlement. Interest expense accrues from the respective disbursement dates and is contractually payable on a quarterly basis. The contractual interest rate will remain fixed throughout the term of the loan. The loan is recognized initially at fair value, net of directly attributable transaction costs, if any, and is subsequently measured at amortized cost using the effective interest method, in compliance with IFRS 9 – Financial Instruments.

**15.2.2** The Company has obtained an unsecured loan facility amounting to Rs. 10 million from the same lender, carrying a fixed annual interest rate of 14% on the outstanding principal balance. The loan was disbursed in full on February 07, 2025. The agreed interest rate of 14% reflects a materially market-based rate, negotiated directly between the Company and the lender. The loan does not include any penalties for late payments, conversion rights, or other embedded derivatives. The facility was approved by the Board of Directors and is structured as an unsecured lending arrangement. In accordance with the agreed terms, repayment of the principal will commence six years from the date of disbursement in equal monthly installments, continuing until full settlement. Interest expense accrues from the disbursement date and is payable on quarterly basis, at the Company's discretion. The contractual interest rate will remain fixed throughout the term of the loan. The loan is recognized initially at fair value, net of directly attributable transaction costs, if any, and is subsequently measured at amortized cost using the effective interest method, in compliance with IFRS 9 – Financial Instruments.

**15.3.1** The Company has obtained an unsecured loan facility consisting of two disbursements: Rs. 4 million on September 12, 2024 and Rs. 6 million on September 16, 2024, carrying a fixed annual interest rate of 15% on the outstanding principal balance. The agreed interest rate of 15% represents a materially market-based rate, negotiated directly between the Company and the lender. The loan does not contain any penalties for late payments, conversion rights, or other embedded derivatives. The facility was obtained with the approval of the Board of Directors and is structured as an unsecured lending arrangement. In accordance with the agreed terms, repayment of the principal will commence after a grace period of five years, in equal monthly installments of Rs. 0.347 million, continuing until the full settlement of the loan. Interest expense will accrue from the respective disbursement dates and will be payable on quarterly basis, at the Company's discretion, in accordance with the loan agreement. The contractual interest rate will remain fixed throughout the term of the loan. The loan is initially recognized at fair value, net of directly attributable transaction costs, if any, and is subsequently measured at amortized cost using the effective interest method, in compliance with IFRS 9 – Financial Instruments.

## 16 DEFERRED TAX LIABILITY

Deferred tax liability	16.1	116,397,789	94,179,863
Minimum tax paid		(12,009,327)	-
		104,388,462	94,179,863



**16.1 Analysis of change in deferred tax**

The balance of deferred tax is in respect of following temporary differences:

Deferred tax liabilities / (assets)	Balance as at June 01, 2024	Recognised in		Balance as at June 30, 2025
		P&L	OCI	
----- (Rupees) -----				
Effect of taxable / (deductible) temporary differences				
Unabsorbed depreciation losses	(17,227,392)	11,558,314	-	(5,669,078)
Property, plant and equipment	131,561,867	(9,369,531)	-	122,192,336
Provision for gratuity	(426,018)	285,158	15,391	(125,469)
Tax credits	(19,728,594)	19,728,594	-	-
	94,179,863	22,202,535	15,391	116,397,789

	Note	2025 (Rupees)	2024 (Rupees)
<b>17 PROVISION FOR GRATUITY</b>			
Provision for gratuity	17.1	<b>2,411,677</b>	1,979,027
		<b>2,411,677</b>	1,979,027
<b>17.1 The Company operates a defined benefit obligation comprising an un-funded gratuity scheme for its permanent employees.</b>			
<b>17.1.1 Amounts recognised in statement of financial position</b>			
Present value of defined benefit obligation		<b>2,411,677</b>	1,979,027
Benefits due but not paid - recognised as current liability		-	-
Net liability recognised in statement of financial position		<b>2,411,677</b>	1,979,027
<b>17.1.2 Movement in present value of defined benefit obligation</b>			
Obligation at the beginning of the year		<b>1,979,027</b>	549,630
Current service cost		<b>2,270,933</b>	1,710,996
Interest cost		<b>149,241</b>	47,877
Benefits paid during the year		<b>(1,934,451)</b>	(510,000)
Actuarial (gain) / loss during the year		<b>(16,264)</b>	(6,755)
Experience adjustments		<b>(36,809)</b>	187,279
Obligation at the end of the year		<b>2,411,677</b>	1,979,027
<b>17.1.3 Movement in liability</b>			
At the beginning of the year		<b>1,979,027</b>	549,630
Charge for the year		<b>2,420,174</b>	1,758,873
Remeasurements chargeable in other comprehensive income		<b>(53,073)</b>	180,524
Benefits paid		<b>(1,934,451)</b>	(510,000)
At the end of year		<b>2,411,677</b>	1,979,027
<b>17.1.4 Amount recognised in statement of profit or loss</b>			
Current service cost		<b>2,270,933</b>	1,710,996
Interest cost		<b>149,241</b>	47,877
		<b>2,420,174</b>	1,758,873
<b>17.1.5 Allocation of expense during the year</b>			
Cost of revenue		<b>2,178,156</b>	1,758,873
Administrative expenses		<b>242,018</b>	-
		<b>2,420,174</b>	1,758,873
<b>17.1.6 Amount charged to other comprehensive income</b>			
Actuarial (gains) / losses from changes in financial assumptions		<b>(16,264)</b>	(6,755)
Experience adjustments		<b>(36,809)</b>	187,279
		<b>(53,073)</b>	180,524



		2025	2024
17.1.7	Estimated expense to be charged in P&L in FY 2026	Note	
		(Rupees)	(Rupees)
	The estimated expense to be charged in P&L in FY 26 in respect of current service is Rs. 2,695,049 and Rs. 253,387 in respect of interest cost on defined benefit obligation.		

**17.1.8 Principle actuarial assumptions used at the reporting date were as follows:**

	2025	2024
Discount rate used for interest cost in profit and loss statement	14.75%	16.25%
Discount rate used for year end obligation	11.75%	14.75%
Future salary increase per annum	10.75%	13.75%
Mortality rates	SLIC 2001-2005 Setback 1 Year	SLIC 2001-2005 Setback 1 Year
Withdrawal factor	Age based	Age based
Retirement age of the employee	60	60
As at June 30, 2025, the weighted average duration of defined benefit obligation was 6 years. (2024: 6 years)		

**17.1.9 Undiscounted future payments**

The Company contributes to the gratuity fund based on the advice of the fund's actuary. Expected future contributions are as follows:

**Projected payments:**

Year 1	510,389	406,826
Year 2	641,046	566,771
Year 3	1,201,983	752,159
Year 4	1,523,308	1,498,047
Year 5	1,323,126	1,976,505
More than 5 years	81,952,324	105,001,421
	<b>87,152,176</b>	<b>110,201,729</b>

**17.1.10 Sensitivity analysis**

If the significant actuarial assumptions used to estimate the present value of liability at the reporting date, had fluctuated by 100 bps with all other variables held constant, the present value of the liability as at June 30, 2025 would have been as follows:

	Due to change in assumptions	
	2025	2024
	(Rupees)	(Rupees)
Discount rate + 100 bps	2,282,593	1,875,750
Discount rate - 100 bps	2,556,830	2,094,396
Salary increase + 100 bps	2,561,232	2,098,086
Salary decrease - 100 bps	2,276,281	1,870,566

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of defined benefit obligation to significant actuarial assumptions, the same method (present value of defined benefit obligation calculated with projected unit method at the end of the reporting period) has been applied as when calculating the gratuity liability recognised within the statement of financial position.

**17.1.11 Risks on account of defined benefit plan**

The Company faces the following risks on account of defined benefit plan:

**Interest rate risk:**

The present value of the defined benefit liability is calculated using a discount rate determined by reference to the market yields at the end of the reporting period on high quality corporate bonds, or where there is no deep market in such bonds, by reference to market yields on government bonds.

Currencies and terms of bond yields used must be consistent with the currency and estimated term of the post employment benefit obligations being discounted. A decrease in bond interest rates will increase the liability, and vice versa.

**Salary risk:**

The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

**Demographic risks:**

i) **Mortality risk:** The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

ii) **Withdrawal risk:** The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

**Investment risk:**

The risk of the investment underperforming and being not sufficient to meet the liabilities.

	Note	2025 (Rupees)	2024 (Rupees)
<b>18 TRADE AND OTHER PAYABLES</b>			
Trade payables		142,082,199	39,951,686
Accrued liabilities		36,296,417	40,473,238
Advance from customers / Contract liabilities	18.1 & 24.3	20,394,651	39,178,945
Other payables		4,373,239	3,142,595
Sales tax payable		4,562,308	-
Income tax payable - employees		80,544	97,817
		<b>207,789,358</b>	<b>122,844,281</b>
<b>18.1</b>	Advance from customers / contract liabilities represents short term advances received from customers against delivery of goods in future. Advance from customers / contract liabilities do not contain significant financing component as these advance from customers / contract liabilities are of short duration i.e. less than 12 months.		
<b>18.1.1</b>	Advance from customers / contract liabilities as at the reporting date are expected to be recognized as revenue by the end of next financial year.		
<b>19 ACCRUED MARKUP ON LONG TERM LOANS</b>			
On long term loans from banking company		29,876,434	29,876,434
On short term borrowings from banking company		2,799,894	2,799,894
On long term loans from other than banking company	19.1 & 19.2	850,001	-
		<b>33,526,329</b>	<b>32,676,328</b>
<b>19.1</b>	Markup accrued on loan from Mr. Sohail Ahmed	725,000	-
<b>19.2</b>	Markup accrued on loan from Mr. Sardar Muhammad Asif	125,001	-
		<b>850,001</b>	<b>-</b>
<b>20 LOAN FROM RELATED PARTY - UNSECURED</b>			
Loan from Chief Executive Officer - Mr. Khawar Almas Khawaja	20.1	7,661,600	7,901,600
<b>20.1</b>	This represents loan provided by the Chief Executive Officer of the Company for the purpose of meeting working capital requirements. The loan is contractual, unsecured, interest free and payable on demand.		
<b>20.2 Movement in loan from related party - unsecured</b>			
Balance at the start of the year		7,901,600	11,248,100
Additional loan obtained during the year		-	-
Repayment during the year		(240,000)	(3,346,500)
Balance at the end of the year		<b>7,661,600</b>	<b>7,901,600</b>
<b>21 OVERDUE PORTION OF SHORT TERM BORROWINGS - SECURED</b>			
<b>From banking company (secured)</b>			
These represent short term finances utilised under interest/markup arrangements from banking company - National Bank of Pakistan.			



	Note	2025 (Rupees)	2024 (Rupees)
<b>National Bank of Pakistan</b>			
Cash finance (pledge)	21.1	4,671,962	4,671,962
Trust receipt	21.2	19,848,336	19,848,336
		<b>24,520,298</b>	<b>24,520,298</b>

**21.1** The Company had availed a Cash Finance/Packing Finance (Pledge) facility with a sanctioned limit of Rs. 40.6 million. The facility was designated for working capital financing. Securities comprised of liens on export letters of credit and firm contracts, a pledge of cotton bales, yarn, and grey cloth, and personal guarantees from present director Mr. Khawar Almas Khawaja and ex-directors Mr. Abdul Aziz, and Mr. Muhammad Zafar Saeed. The applicable mark-up was the SBP Export Refinance Rate (with standard spread) where refinance was availed, or 6 Months KIBOR plus 2.00% per annum (with a floor of 7.5% and no cap) otherwise. The tenure was 180 days from the date of each availment, expiring on 31 December 2008, with repayment to be effected through negotiation or repatriation of export proceeds or internal cash flows. The Company's failure to adhere to the agreed repayment terms has resulted in the National Bank of Pakistan filing a recovery suit, which is currently pending before the Honorable Lahore High Court, as further disclosed in Note 23.1.2. Consequently, mark-up on these facilities has been suspended, and no further mark-up is charged on the outstanding amounts.

**21.2** The Company had availed a Trust Receipt facility with a sanctioned limit of Rs. 20 million, classified as an independent limit, to finance working capital requirements. The facility was secured against fixed assets of the Company as disclosed in Note 5.5.3, a first charge of Rs. 220 million over entire current assets, and personal guarantees from present director Mr. Khawar Almas Khawaja and ex-directors Mr. Abdul Aziz, and Mr. Muhammad Zafar Saeed, the then incoming sponsoring directors. The mark-up is set at 6 Months KIBOR plus 2.00% per annum, with a floor of 7.5% and no cap. The tenure expired on 31 December 2008, with repayment to be effected through internal cash flows. The Company's failure to adhere to the agreed repayment terms has resulted in the National Bank of Pakistan filing a recovery suit, which is currently pending before the Honorable Lahore High Court, as further disclosed in Note 23.1.2. Consequently, mark-up on these facilities has been suspended, and no further mark-up is charged on the outstanding amounts.

## 22 OVERDUE PORTION OF LONG TERM LOANS - SECURED

### Secured - National Bank of Pakistan

Overdue portion:

Demand finance - I	22.1	29,531,250	29,531,250
Demand finance - II	22.2	17,857,143	17,857,143
		<b>47,388,393</b>	<b>47,388,393</b>

**22.1** The Company had obtained a Demand Finance facility of Rs. 25 million, with an outstanding balance of Rs. 17.857 million, to restructure long-term finances previously availed from Bankers Equity Limited. The facility was secured against assets of the Company as disclosed in Note 5.5.1 and personal guarantees of the present director Mr. Khawar Ahsan Khawaja, and ex-directors Mr. Abdul Aziz, and Mr. Muhammad Zafar Saeed. It carried mark-up at the State Bank of Pakistan's discount rate with a floor of 7.5% per annum, recoverable quarterly. Repayment was structured in 20 equal quarterly installments of Rs. 0.893 million each, commencing June 30, 2007, and ending March 31, 2012. Overdue installments as of March 31, 2008, were required to be settled immediately upon the transfer of management on February 6, 2008. In case of default, additional mark-up at 3% over three-month KIBOR was chargeable on the overdue amount. The Company's failure to adhere to the agreed repayment terms has resulted in the National Bank of Pakistan filing a recovery suit, which is currently pending before the Honorable Lahore High Court, as further disclosed in Note 23.1.2. Consequently, mark-up on these facilities has been suspended, and no further mark-up is charged on the outstanding amounts.

**22.2** The Company had obtained a Demand Finance facility of Rs. 35 million, with an outstanding balance of Rs. 29.531 million, to finance the Balancing, Modernization and Replacement (BMR) of its project. The facility was secured against assets of the Company as disclosed in Note 5.5.2 and personal guarantees of the present director Mr. Khawar Almas Khawaja and ex-directors Mr. Abdul Aziz, and Mr. Muhammad Zafar Saeed. It carried mark-up at the State Bank of Pakistan's discount rate, with a floor of 7.5% per annum, recoverable on a quarterly basis. Repayment was structured in 27 equal quarterly installments of Rs. 1.094 million each, commencing on March 31, 2007, and ending on September 30, 2013, to be serviced through internal cash generation of the Company.



Overdue installments as of March 31, 2008, were required to be settled immediately upon the transfer of management on February 6, 2008. In the event of default, additional mark-up at 3% over three-month KIBOR was chargeable on the overdue principal amount until full repayment.. The Company's failure to adhere to the agreed repayment terms has resulted in the National Bank of Pakistan filing a recovery suit, which is currently pending before the Lahore High Court, as further disclosed in Note 23.1.2. Consequently, mark-up on these facilities has been suspended, and no further mark-up is charged on the outstanding amounts.

## 23 CONTINGENCIES AND COMMITMENTS

### 23.1 Contingencies

	Name of the court / authority	Description of the factual basis of the proceeding and relief sought.	Principal parties	Date instituted
23.1.1	Appellate Tribunal Inland Revenue	An order was passed under Section 122(1)/122(5) of the Income Tax Ordinance, 2001, for the tax year 2014, raising a demand of Rs. 38.29 million. The company successfully appealed this demand with the CIR Appeal, and no income tax was deemed payable. The Department subsequently preferred a second appeal before the honorable Appellate Tribunal Inland Revenue (ATIR), which was decided in favor of the company on 15.11.2023. The ATIR has directed the assessing officer to pass a fresh and speaking order, and the assessment is still pending. As per the tax advisor, there is no likelihood of any tax liability arising.	Company vs FBR	15th November, 2023
23.1.2	Lahore High Court	The Company is a defendant in a lawsuit filed by the National Bank of Pakistan for the recovery of Rs. 103.943 million. A decree was issued against the Company on 11.11.2016 by the Single Bench of the Lahore High Court, for the claimed amount along with costs. The Company has preferred an appeal against this decree, which is currently pending adjudication before the Division Bench of the Lahore High Court Lahore. In addition, two other appeals, RFA No. 05/2017 and RFA No. 59/2017, filed by Muhammad Zafar Saeed and the National Bank of Pakistan, respectively, are also pending adjudication against the same judgment and decree. Furthermore, the Execution No. 33421/2017 related to the judgment and decree dated 11.11.2016 is also pending adjudication before the Lahore High Court Lahore. The outcome of this case is dependent upon the decisions of the pending appeals. The management is vigorously contesting the case, and the final outcome cannot be determined at this time. The recovery amount has been disclosed as current liabilities under Note 19, 21 and 22 respectively.	National Bank of Pakistan vs. the Company	11th November, 2016

### 23.2 Commitments:

There are no commitments as at June 30, 2025 (2024: Nil).



	Note	2025 (Rupees)	2024 (Rupees)
<b>24 REVENUE - NET OF TAX</b>			
Gross revenue	24.2 & 24.3	1,134,008,901	908,811,599
Less: sales tax		(173,262,717)	(137,261,397)
Net revenue		960,746,184	771,550,202
<b>24.1 Disaggregation of revenue</b>			
The Company's gross revenue disaggregated by major product lines is as follows:			
<b>Product sales</b>			
Fabric sales		411,587,419	580,741,477
Sales tax		(63,062,830)	(88,587,683)
Fabric sales - net		348,524,589	492,153,794
Yarn sales		596,782,168	67,900,881
Sales tax		(91,034,568)	(8,986,881)
Yarn sales - net		505,747,600	58,914,000
Waste sales		3,001,342	9,130,867
Sales tax		(457,832)	(1,392,844)
Waste sales - net		2,543,510	7,738,023
<b>Services</b>			
Tolling services		122,637,972	251,038,374
Sales tax		(18,707,487)	(38,293,989)
Tolling services - net		103,930,485	212,744,385
<b>24.2</b>	Revenue from contracts with customers relates to local Pakistan market and represents sale of fabric, yarn, waste, and tolling services. Timing of revenue recognition is at point in time for sale of goods except tolling services. Revenue for tolling services is recorded as respective performance obligation is met.		
<b>24.3</b>	The Company's gross revenue for the year includes amounts recognized from advance from customers / contract liabilities that existed at the beginning of the year. As of the start of the year, advance from customers / contract liabilities amounted to Rs. 34.171 million (2024: Rs. 14.47 million). These advance from customers / contract liabilities were subsequently recognized as revenue during the year.		
<b>25 COST OF REVENUE</b>			
Raw material consumed	25.1	533,220,691	444,839,015
Stores, spares and loose tools consumed		26,537,033	23,111,374
Salaries, wages and other benefits	25.2	98,920,804	78,864,269
Fuel and power		222,141,223	193,499,066
Doubling and sizing charges		648,000	7,880,685
Repair and maintenance		613,100	224,400
Entertainment		1,821,600	1,445,000
Insurance expense		1,019,678	785,736
Depreciation	5.3	36,154,520	39,116,502
		921,076,649	789,766,047
Work in process inventory at beginning of the year		4,939,706	2,939,398
Work in process inventory at end of the year		(4,462,437)	(4,939,706)
		477,269	(2,000,308)
<b>Cost of goods manufactured</b>		921,553,918	787,765,739
Stock of finished goods at the beginning of the year		34,055,403	9,436,895
Stock of finished goods at the end of the year		(28,021,571)	(34,055,403)
		6,033,832	(24,618,508)
		927,587,750	763,147,231



	Note	2025 (Rupees)	2024 (Rupees)
<b>25.1 Raw material consumed</b>			
Raw material inventory at beginning of the year		34,108,512	39,738,892
Raw material purchases		533,775,705	436,365,965
Carriage inward & clearing expenses		2,448,604	2,842,670
<b>Raw material available for use</b>		<b>570,332,821</b>	478,947,527
Raw material inventory at end of the year		(37,112,130)	(34,108,512)
		<b>533,220,691</b>	444,839,015
<b>25.2</b>	Salaries, wages and other benefits include Rs. 2.21 million (2024: Rs. 1.597 million) in respect of staff retirement benefits.		
<b>26 OTHER INCOME</b>			
Gain on disposal of fixed assets		-	35,000
		-	35,000
<b>27 ADMINISTRATIVE EXPENSES</b>			
Directors' remuneration		4,400,000	3,600,000
Salaries, wages and other benefits	27.1	19,646,239	15,748,523
Travelling and conveyance		539,430	463,950
Entertainment		2,591,629	1,992,109
Postage and stamps		372,832	279,888
Printing and stationery		544,149	448,677
Communication		340,161	503,473
Repairs and maintenance		770,018	878,298
Rent, rates and taxes	27.2	2,636,086	2,186,766
Utilities		1,562,139	912,293
Fee and subscription		669,518	517,874
Legal and professional charges		2,759,440	689,105
Advertisement		62,400	52,000
Depreciation	5.3	2,019,485	2,131,845
Allowance for expected credit loss	9.1 & 11.1	2,958,654	-
Miscellaneous expenses		778,903	568,523
Auditors' remuneration	27.3	477,750	525,000
		<b>43,128,833</b>	31,498,324
<b>27.1</b>	Salaries, wages and other benefits include Rs. 0.212 million (2024: Rs. 0.161 million) in respect of staff retirement benefits.		
<b>27.2</b>	The Company occupies a property under an 11-month lease agreement, renewable annually on mutual consent at market-based terms. The lease prohibits the Company from sub-letting or making any structural modifications without the landlord's prior approval. The landlord retains the right to inspect the premises at any time and, in case of unauthorized changes, may impose penalties and demand immediate vacation of the property, thereby retaining controlling interest over the premises. The agreement was renewed on 1 March 2025 at an annual rent of Rs. 2.42 million.		
	Given its short-term, renewable nature, restrictive terms, and immaterial value relative to the Company's financial position, the arrangement qualifies for the operating lease exemption under IFRS 16. Accordingly, no right-of-use asset or lease liability has been recognized, and lease payments are expensed on a straight-line basis over the lease term.		
<b>27.3 Auditor's remuneration</b>			
Annual audit fee		400,000	450,000
Half yearly review		55,000	50,000
Sales tax		22,750	25,000
		<b>477,750</b>	525,000
<b>28 SELLING AND DISTRIBUTION EXPENSES</b>			
Employee salaries		1,800,000	1,500,000
		<b>1,800,000</b>	1,500,000





	Note	2025 (Rupees)	2024 (Rupees)
<b>29 FINANCE COST</b>			
Bank charges		36,985	12,130
Finance cost on long term loans		6,208,335	-
		<b>6,245,320</b>	<b>12,130</b>
<b>30 LEVY - MINIMUM TAX</b>			
Levy on revenue @ 1.25%	31.1	12,009,327	9,644,378
		<b>12,009,327</b>	<b>9,644,378</b>
<b>31 DEFERRED TAX (EXPENSE) / INCOME</b>			
Deferred tax (expense) / income		(22,202,535)	7,972,544
Minimum tax paid over and above NTR		12,009,327	-
		<b>(10,193,208)</b>	<b>7,972,544</b>
<b>31.1</b>	During the year, no tax reconciliation is required as levy is being paid on amount at the rate of 1.25% of revenue.		
<b>32 LOSS PER SHARE - BASIC &amp; DILUTED</b>			
<b>32.1 Basic earning per share</b>			
Loss for the year		(40,218,254)	(26,244,317)
Weighted average number of ordinary shares in issue during the year		13,271,600	13,271,600
		<b>(3.03)</b>	<b>(1.98)</b>
<b>32.2 Diluted earning per share</b>			
There is no dilutive effect on the basic earning per share as at the Company does not have any convertible instruments in issue as at June 30, 2025 and June 30, 2024.			
<b>33 FINANCIAL INSTRUMENTS</b>			
<b>33.1 Financial assets and liabilities</b>			
<b>Financial assets</b>			
Maturity up to one year			
Trade receivables - considered good	9	155,550,039	70,592,713
Advances to suppliers and staff	10	145,000	85,000
Tax refunds due from the government	11	-	11,123,489
Bank balances	12		
- Local currency		18,312,498	4,920,353
		<b>174,007,537</b>	<b>86,721,555</b>
<b>Financial liabilities</b>			
Maturity up to one year			
Trade and other payables	18	207,789,358	122,844,281
Accrued markup on long term loans	19	33,526,329	32,676,328
Loan from related party - unsecured	20	7,661,600	7,901,600
Overdue portion of short term borrowings - secured	21	24,520,298	24,520,298
Overdue portion of long term loans - secured	22	47,388,393	47,388,393
		<b>320,885,978</b>	<b>235,330,900</b>
<b>33.2 Credit quality of financial assets</b>			

The credit quality of the Company's financial assets is assessed by reference to external credit ratings of counterparties determined by the Pakistan Credit Rating Agency Limited (PACRA), JCR - VIS Credit Rating Limited (JCR-VIS), Standard and Poor's and Moody's and other international credit rating agencies. The counterparties for which external credit ratings were not available have been assessed by reference to internal credit rating determined based on their historical information for any defaults in meeting obligations.



	Note	2025 (Rupees)	2024 (Rupees)
<b>Counterparties without external credit ratings</b>			
Counterparties with no defaults in past			
Security deposits	6	360,000	360,000
Trade receivables - considered good	9	155,550,039	70,592,713
Advances to suppliers and staff	10	145,000	85,000
Tax refunds due from the government	11	-	11,123,489
		<b>156,055,039</b>	<b>82,161,202</b>
<b>Counterparties with external credit ratings</b>			
Bank balances			
Meezan Bank Limited		14,912,402	1,858,485
Bank Alfalah Limited		1,182,165	2,824,290
Habib Metropolitan Bank Limited		2,217,931	237,578
		<b>18,312,498</b>	<b>4,920,353</b>

### 34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company faces various financial risks, including market risks (such as interest rate risk), credit risk, and liquidity risk. The Company's risk management strategy aims to secure cost-efficient funding, minimize earnings volatility, and optimize returns for shareholders. Risk management is operating in accordance with policies approved by senior management. The Board of Directors holds ultimate responsibility for establishing and supervising the Company's risk management framework and is also tasked with the development and ongoing monitoring of risk management policies. The Company's risk management policies are designed to identify, assess, and mitigate risks, establish appropriate risk limits, and ensure adherence to these limits. These policies and systems are reviewed regularly to ensure they remain relevant in light of changing market conditions and the Company's evolving activities. The Company promotes a structured control environment, where all employees are trained to understand their roles and responsibilities in managing risk. The Audit Committee is responsible for overseeing management's compliance with the Company's risk management policies and procedures. It also assesses the effectiveness of the risk management framework in addressing the Company's risks. The Audit Committee is supported by an outsourced internal audit firm, which conducts both routine and ad-hoc reviews of risk management controls and procedures, with findings presented to the audit committee. The following notes provide a detailed explanation of the Company's financial risk exposures, their impact on financial performance, and the strategies employed to manage these risks.

#### 34.1 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company incurs financial liabilities to manage its market risk. All such activities are carried out with the approval of the Board.

##### 34.1.1 Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is not exposed to foreign currency risk as it does not transact in foreign currencies.

##### 34.1.2 Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flow of a financial instrument will fluctuate because of change in market interest rates. The Company is exposed to interest rate risk arising from obligations under long term loans obtained from individuals other than banking companies.



### Cashflow analysis

At the reporting date the interest rate profile of the Company's interest bearing financial instruments were:

Financial liabilities		Effective rate		2025	2024
	Note	2025	2024	Rupees	Rupees
Fixed Rate Instruments					
Long term loan - unsecured	15	18%	18%	25,000,000	25,000,000
Long term loan - unsecured	15	14%	0%	10,000,000	-
Long term loan - unsecured	15	15%	0%	10,000,000	-
Overdue portion of short term borrowings - secured	21.1 & 21.2	0%	0%	24,520,298	24,520,298
Overdue portion of long term loans - secured	22.1 & 22.2	0%	0%	47,388,393	47,388,393

### Fair value sensitivity analysis for fixed rate instruments

The Company is not exposed to interest rate risk on its fixed rate instruments as the Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

### Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit by amounts shown below.

Increase of 100 basis points	370,794	-
Decrease of 100 basis points	(370,264)	-

### Market price risk

The Company does not possess any investments which are classified at fair value through profit or loss. Hence, the Company is not exposed to market risk relevant to investments classified at fair value through profit or loss.

#### 34.1.3 Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer or factors affecting all similar financial instruments traded in the market. As at 30 June 2025, the Company is not exposed to any significant other price risk as it has no such financial instruments.

#### 34.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to discharge its contractual obligations. The Company is exposed to financial assets as listed in the below sub-sections.

##### 34.2.1 Credit risk analysis

Credit risk represents the accounting loss that would be recognized on the reporting date if counter parties failed completely to perform as contracted. The Company's exposure to credit risk is limited to the carrying amount of financial assets recognized at the reporting date, as summarized below:



	Note	2025 (Rupees)	2024 (Rupees)
<b>Classes of financial assets - carrying amounts</b>			
Security deposits	6	360,000	360,000
Trade receivables - considered good	9	155,550,039	70,592,713
Advances to suppliers and staff	10	145,000	85,000
Tax refunds due from the government	11	-	11,123,489
Bank balances	12	18,312,498	4,920,353

### 34.2.2 Counterparties without external credit ratings

#### - Security deposits

Security deposits are held under contractual agreements and are fully refundable upon the fulfillment of the underlying terms. These deposits are not subject to significant credit risk, as there is no history or expectation of default. Consequently, they are not considered credit-impaired.

#### - Trade receivables - considered good

The Company has assessed, based on historical experience and available securities, that the expected credit loss associated with these financial assets is significant, and accordingly, an impairment charge has been recognized. For counterparties without external credit ratings, their internal credit ratings, determined from historical data on defaults in meeting obligations, were used to assess the potential impairment.

	Exposure at default (Rupees)	Expected Credit Loss (Rupees)	Expected Credit Loss %
<b>- Trade receivables - considered good</b>			
<b>June 30, 2025</b>	<b>156,609,176</b>	<b>1,059,137</b>	<b>69.83%</b>
Past due			
0-90 days	133,117,800	-	0.00%
91-180 days	15,660,918	33,020	0.20%
181-270 days	3,915,229	69,394	1.72%
271-360 days	1,957,615	163,777	8.10%
361-450 days	391,523	57,996	14.35%
Above 451 days	1,566,092	734,950	45.46%
June 30, 2024	70,592,713	-	0%

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provisions rates are based on days past due. The calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

	Exposure at default (Rupees)	Expected Credit Loss (Rupees)	Expected Credit Loss %
<b>- Advances to suppliers and staff</b>			
<b>June 30, 2025</b>	<b>145,000</b>	<b>-</b>	<b>-</b>
June 30, 2024	85,000	-	

Advances to staff are short-term financial assets of the Company that are expected to be recovered through future payroll deductions within twelve months of the disbursement. These advances are provided to employees who maintain a stable employment relationship with the Company, and no indications of default or non-recoverability have been identified. As such, these advances are not considered credit-impaired as per application of ECL and are immaterial amounts to the Company.



- Tax refunds due from the government

June 30, 2025

Not due

Past due

0-90 days

91-180 days

181-270 days

271-360 days

361-450 days

Above 451 days

June 30, 2024

Exposure at default	Expected Credit Loss	Expected Credit Loss
(Rupees)	(Rupees)	%
1,899,517	1,899,517	100%
-	-	
-	-	
-	-	
-	-	
-	-	
-	-	
1,899,517	1,899,517	
11,123,489	-	0%

### 34.2.3 Counterparties with external credit ratings

- Bank balances

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. The Company maintains its bank balances with financial institutions that possess strong credit ratings. After a thorough evaluation, the management confirms that there is no indication of credit impairment related to these bank balances.

**Financial Institutions**

Ratings		
Agency	Short Term	Long Term

**Cash and Bank Balances**

Meezan Bank Limited

JCR-VIS

A-1 +

AAA

Bank Alfalah Limited

PACRA

A-1 +

AAA

Habib Metropolitan Bank Limited

PACRA

A-1 +

AA+

The Company holds its bank balances in institutions with high credit ratings from recognized rating agencies. These ratings reflect the banks' strong financial health, stability, and low default risk, minimizing the likelihood of credit impairment.

### 34.3 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's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Prudent liquidity risk management implies maintaining sufficient cash and liquid financial assets.

The Company finances its operations through equity to minimize risk and uses various methods to monitor cash flow needs. It ensures sufficient cash is available to meet operational expenses and financial obligations, excluding unpredictable extreme events like natural disasters.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting to the contractual maturity date. The amounts disclosed in the table are the contractual cash flows except provision for gratuity which represent discounted long term cash flows.

	Note	Carrying amount	Contractual cashflows	Less than 1 year	Between 1 to 20 years
Rupees					
<u>As at 30 June 2025</u>					
Long term loans - unsecured	15	45,000,000	45,000,000	-	45,000,000
Provision for gratuity	17	2,411,677	2,411,677	-	2,411,677
Trade and other payables	18	207,789,358	207,789,358	207,789,358	-
Accrued markup on long term loans	19	33,526,329	33,526,329	33,526,329	-
Loan from related party - unsecured	20	7,661,600	7,661,600	7,661,600	-



	Note	Carrying amount	Contractual cashflows	Less than 1 year	Between 1 to 20 years
<b>Rupees</b>					
<b>As at 30 June 2025</b>					
Overdue portion of short term borrowings - secured	21	24,520,298	24,520,298	24,520,298	-
Overdue portion of long term loans - secured	22	47,388,393	47,388,393	47,388,393	-
<b>As at 30 June 2024</b>					
Long term loans - unsecured	15	25,000,000	25,000,000	-	25,000,000
Provision for gratuity	17	1,979,027	1,979,027	-	1,979,027
Trade and other payables	18	122,844,281	122,844,281	122,844,281	-
Accrued markup on long term loans	19	32,676,328	32,676,328	32,676,328	-
Loan from related party - unsecured	20	7,901,600	7,901,600	7,901,600	-
Overdue portion of short term borrowings - secured	21	24,520,298	24,520,298	24,520,298	-
Overdue portion of long term loans - secured	22	47,388,393	47,388,393	47,388,393	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

### 35 FAIR VALUE MEASUREMENTS

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the unconsolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



## 35.1 Fair value hierarchy

		2025		
		-----Rupees-----		
		Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>				
<b>Revalued property, plant and equipment</b>				
Freehold land			87,600,000	
Building on freehold land				174,271,847
Plant and machinery				261,545,916
		2024		
		-----Rupees-----		
		Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>				
<b>Revalued property, plant and equipment</b>				
Freehold land			87,600,000	
Building on freehold land				183,444,050
Plant and machinery				283,440,363
Movements of the above mentioned assets and surplus on revaluation of these assets have been disclosed in note 14 and note 14.1, respectively to these financial statements. There were no transfers between levels 1, 2 and 3 during the year and there were no changes in valuation techniques during the years.				

## 35.2 Valuation techniques used to derive level 2 and level 3 fair values

The Company obtains independent valuation for its certain classes of property, plant and equipment (more particularly described below) at least every five years. At the end of each reporting year, the management updates its assessment of the fair value of each asset mentioned above, taking into account the most recent independent valuation. The management determines an asset's value within a range of reasonable fair value estimates. Level 2 fair value of land has been derived using a sales comparison approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as location and size of the property. The most significant input into this valuation approach is price per square foot. Level 3 fair value of building on freehold land has been determined using a depreciated replacement cost approach, whereby, current cost of construction of a similar building in a similar location has been adjusted using a suitable depreciation rate to arrive at present market value. Level 3 fair value of plant and machinery has been determined using a depreciated replacement cost approach, whereby, the current replacement cost of items of similar make/ origin, capacity and level of technology has been adjusted using a suitable depreciation rate on account of normal wear and tear.

Description	2025	2024	Significant unobservable inputs	Quantitative data / range and relationship to fair value
	Rupees	Rupees		
Revalued freehold land	87,600,000	87,600,000	Market transactions of similar industrial/agricultural land in the vicinity, adjusted for location, accessibility, and development potential.	Cost of acquisition of similar plant and machinery with equivalent technology, adjusted for condition, usage, and obsolescence. Suitable depreciation rates applied to reflect remaining useful life.
Revalued buildings on freehold land	174,271,847	183,444,050	Cost of construction of similar buildings, adjusted for physical condition, remaining useful life, and functional utility. Suitable depreciation rates were applied to arrive at depreciated replacement cost.	The market value has been determined using depreciated replacement cost method. Higher estimated cost of new construction increases fair value; higher depreciation due to age/condition decreases fair value.





Description	2025	2024	Significant unobservable inputs	Quantitative data / range and relationship to fair value
	Rupees	Rupees		
Revalued plant and machinery	261,545,916	283,440,363	Cost of acquisition of similar plant and machinery with equivalent technology, adjusted for condition, usage, and obsolescence. Suitable machinery increases depreciation rates applied to higher depreciation (from reflect remaining useful life.	The market value has been determined using depreciated replacement cost method. Higher cost of acquisition of comparable machinery increases fair value; (from age/obsolescence) decreases fair value.

### 35.3 Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities. Fair value of the financial assets and liabilities is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The Company's financial assets consist of trade receivables, advances to staff, security deposits, and cash and bank balances. Its financial liabilities consist of long term loans, accrued markup on loans, overdue portion of long term loans, overdue portion of short term borrowings, deferred liabilities and trade and payables. The above financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management assessed that fair value of trade receivables, advances to staff, cash and bank balances, accrued markup on loans and trade and payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

#### Financial instruments by categories

	Amortized cost		Fair value through profit or loss		Total	
	2025	2024	2025	2024	2025	2024
	----- (Rupees) -----					
Financial assets as per statement of financial position						
Security deposits	360,000	360,000	-	-	360,000	360,000
Trade receivables - considered good	155,550,039	70,592,713	-	-	155,550,039	70,592,713
Advances to suppliers and staff	145,000	85,000	-	-	145,000	85,000
Tax refunds due from the government	-	11,123,489	-	-	-	11,123,489
Bank balances	18,312,498	4,920,353	-	-	18,312,498	4,920,353
	174,367,537	87,081,555	-	-	174,367,537	87,081,555



		Amortized cost		Fair value through profit or loss		Total	
		2025	2024	2025	2024	2025	2024
		----- (Rupees) -----					
Financial liabilities as per statement of financial position							
Long term loans - unsecured		45,000,000	25,000,000	-	-	45,000,000	25,000,000
Trade and other payables		207,789,358	122,844,281	-	-	207,789,358	122,844,281
Accrued markup on long term loans		33,526,329	32,676,328	-	-	33,526,329	32,676,328
Loan from related party - unsecured		7,661,600	7,901,600	-	-	7,661,600	7,901,600
Overdue portion of short term borrowings - secured		24,520,298	24,520,298	-	-	24,520,298	24,520,298
Overdue portion of long term loans - secured		47,388,393	47,388,393	-	-	47,388,393	47,388,393
		365,885,978	260,330,900	-	-	365,885,978	260,330,900

### 36 CAPITAL RISK MANAGEMENT

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern so that it can continue to maintain a strong capital base to support the sustained development and operational efficacy of its businesses.

The Company's capital includes issued share capital, accumulated loss and surplus on revaluation of fixed assets. As at reporting date the capital of the Company is as follows:

	Note	2025 (Rupees)	2024 (Rupees)
Issued share capital	13	<b>132,716,000</b>	132,716,000
Accumulated loss		<b>(260,392,153)</b>	(242,886,214)
		<b>(127,676,153)</b>	(110,170,214)

The Company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investments requirements and expectations of the shareholders. Debt is calculated as total borrowings. The Company's capital signifies equity as reported in statement of financial position and includes issued share capital, accumulated losses and surplus on revaluation of fixed assets.



The Company's strategy was to maintain leveraged gearing. The gearing ratios as at June 30, 2025 and 2024 were as follows:

	Note	2025 (Rupees)	2024 (Rupees)
Long term loans - unsecured	15	45,000,000	25,000,000
Trade and other payables	18	207,789,358	122,844,281
Accrued markup on long term loans	19	33,526,329	32,676,328
Loan from related party - unsecured	20	7,661,600	7,901,600
Overdue portion of short term borrowings - secured	21	24,520,298	24,520,298
Overdue portion of long term loans - secured	22	47,388,393	47,388,393
		<b>365,885,978</b>	<b>260,330,900</b>
Less: cash and bank balances	12	(18,520,231)	(5,118,964)
Net debt		<b>347,365,747</b>	<b>255,211,936</b>
Total equity		<b>333,649,131</b>	<b>373,829,703</b>
Total equity and debt		<b>681,014,878</b>	<b>629,041,639</b>
		<b>51.01%</b>	<b>40.57%</b>

The Company finances its operations through equity, management of working capital and external loans with a view to maintain an appropriate mix amongst various sources of finance to minimize risk.

### 37 RELATED PARTY TRANSACTIONS

Details of transactions with the related parties during the year, other than those disclosed elsewhere in these financial statements, are as follows:

Name of the related party	Relationship	Transactions during the year	2025 (Rupees)	2024 (Rupees)
Khawar Almas Khawaja	Chief Executive Officer	Remuneration	4,400,000	3,600,000
Khawar Almas Khawaja	Chief Executive Officer	Loan repayment	240,000	-

#### 37.1 Movement in Related Party Transactions

Name	Opening	Addition	Deletion	Closing
	----- (Rupees) -----			
Khawar Almas Khawaja	7,901,600	-	240,000	<b>7,661,600</b>

#### 37.2 Due to shareholders

The Company took an interest-free loan from its Chief Executive Officer to address the financial needs of the Company. The loan will be repaid to the CEO, either in a lump sum or in installments, with no objections from any other directors. However, the loan might be demanded at any time by the CEO of the Company.

Name	Opening	Addition	Deletion	Closing
	----- (Rupees) -----			
Khawar Almas Khawaja	7,901,600	-	240,000	<b>7,661,600</b>

### 38 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to chief executive, directors and executives of the Company is as follows:

		2025			2024		
	Note	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
		----- (Rupees) -----					
Managerial remuneration	27	4,400,000	-	20,570,024	3,600,000	-	5,810,000
Fees	38.2	-	-	-	-	-	-
Post employment benefits	38.3			1,716,203			251,101
Other long term benefits		-	-	-	-	-	22,000
		<b>4,400,000</b>	<b>-</b>	<b>22,286,227</b>	<b>3,600,000</b>	<b>-</b>	<b>6,083,101</b>
Number of persons		<b>1</b>	<b>7</b>	<b>9</b>	<b>1</b>	<b>7</b>	<b>9</b>

**38.1 The remuneration has been allocated as follows;**

	2025			2024		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
	(Rupees)					
Administrative expenses	4,400,000	-	15,295,052	3,600,000	-	5,810,000
Cost of revenue	-	-	5,274,972	-	-	-
	4,400,000	-	20,570,024	3,600,000	-	5,810,000

**38.2** No meeting fees were paid to any directors during the year.

**38.3** The Company operates an unfunded gratuity scheme for its eligible employees. Provision for gratuity is made annually on the basis of actuary's estimate in accordance with the Company's policy.

**39 NUMBER OF EMPLOYEES**

	2025 (Numbers)	2024 (Numbers)
Total number of employees of the Company at the year end:		
Permanent	50	44
Contractual	136	148
Average number of employees of the Company during the year	177	186

**40 PLANT CAPACITY AND PRODUCTION****Units****Weaving**

Looms installed	Nos.	66	66
Looms worked	Nos.	50	50
Production at normal capacity converted to 50 picks - 3 shifts per day	Sq. Mtrs.	3,613,500	3,613,500
Actual production at normal capacity converted to 50 picks - 3 (2024: 3) shifts per day	Sq. Mtrs.	2,456,857	2,345,000

**Spinning**

Rotors installed	Nos.	1,704	1,416
Rotors worked for the year	Nos.	1,416	1,224
Rated capacity based on cotton converted to 10 count based on 3 shifts per day	Lbs.	8,820,000	9,593,640
Actual production converted to 10 count based on 3 (2024: 3) shifts per day	Lbs.	7,166,775	6,515,250

- Determining the exact production capacity in the textile industry is challenging, as it can vary widely depending on factors such as yarn count, rotor speed, twist levels, and the width and design of woven fabrics. In addition, capacity also changes with different production patterns.
- The Company's spinning section is currently operating on a self-production basis, whereas in prior years it functioned on a conversion basis. The weaving section, however, continues to operate under both self-production and conversion arrangements. During the period under review, neither section operated at full installed capacity, primarily due to working capital constraints, subdued market demand, and intermittent stoppages resulting from technical faults.

**41 SEGMENT REPORTING**

These financial statements have been prepared on the basis of single reportable segment and the principle classes of products are yarn, fabric and waste sales.



- 41.1 Total sales of the Company are made to customers within the country.
- 41.2 All non current assets of the Company as at June 30, 2025 are located inside Pakistan.
- 41.3 The Company's principle classes of products accounted for the following percentage of sales:

	2025 (Rupees)	2024 (Rupees)	2025 (Percentage)	2024 (Percentage)
Yarn sales	348,524,589	492,153,794	36.28%	63.79%
Fabric sales	505,747,600	58,914,000	52.64%	7.64%
Waste sales	2,543,510	7,738,023	0.26%	1.00%
	856,815,699	558,805,817	89.18%	72.43%

## 42 SHARIAH COMPLIANCE DISCLOSURE

In accordance with the requirements of the Securities and Exchange Commission of Pakistan (SECP) vide SRO 1278(I) / 2024, the Company has disclosed its assets, liabilities, income and expenditure related to financing, investments and other income/expenses etc. between shariah and conventional elements as follows:

	2025			2024		
	Conventional	Shariah compliant	Total	Conventional	Shariah compliant	Total
	----- (Rupees) -----					
<b>Statement of financial position - liabilities</b>						
Accrued markup on loans	33,526,329	-	33,526,329	32,676,328	-	32,676,328
<b>Statement of financial position - assets</b>						
Bank balances	-	14,912,402	14,912,402	-	1,858,485	1,858,485
<b>Statement of profit or loss</b>						
Revenue - net	-	960,746,184	960,746,184	-	771,550,202	771,550,202

## 43 CORRESPONDING FIGURES

Figures have been rearranged and reclassified wherever necessary for the purpose of better comparison. Significant reclassification are as follows:

From	To	(Rupees)
<b>Statement of profit or loss (2024)</b>	<b>Statement of profit or loss (2024)</b>	
<b>Selling and distribution expenses</b>	<b>Cost of revenue</b>	
Freight and carriage inwards	Freight and carriage inwards	2,842,670
<b>Selling and distribution expenses</b>	<b>Administrative expenses</b>	
Other expenses	Postage and stamps	226,000
<b>Cost of revenue</b>	<b>Cost of revenue</b>	
Other overheads	Insurance expense	785,736

**43 CORRESPONDING FIGURES**

Figures have been rearranged and reclassified wherever necessary for the purpose of better comparison. Significant reclassification are as follows:

<b>From</b>	<b>To</b>	<b>(Rupees)</b>
<b>Statement of profit or loss (2024)</b>	<b>Statement of profit or loss (2024)</b>	
<b>Selling and distribution expenses</b>	<b>Cost of revenue</b>	
Freight and carriage inwards	Freight and carriage inwards	2,842,670
<b>Selling and distribution expenses</b>	<b>Administrative expenses</b>	
Other expenses	Postage and stamps	226,000
<b>Cost of revenue</b>	<b>Cost of revenue</b>	
Other overheads	Insurance expense	785,736
<b>From</b>	<b>To</b>	
<b>Statement of profit or loss (2024)</b>	<b>Statement of profit or loss (2024)</b>	<b>(Rupees)</b>
<b>Cost of revenue</b>	<b>Cost of revenue</b>	
Other overheads	Entertainment expense	1,445,000
<b>Administrative expenses</b>	<b>Administrative expenses</b>	
Communication expenses	Postage and stamps	53,888

**44 EVENTS AFTER THE END OF REPORTING PERIOD**

There were no significant adjustable events subsequent to June 30, 2025, which may require an adjustment to the financial statements or additional disclosure.

**45 AUTHORISATION OF FINANCIAL STATEMENTS**

These financial statements were approved by the Company's board of directors and authorized for issue on September 25, 2025.

**46 GENERAL**

Figures have been rounded off to the nearest Rupee.

*Khamid Ali*  
Chief Executive

*Taqeem Anwar*  
Chief Financial Officer

*J. M.*  
Director

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**THE COMPANIES ACT, 2017  
(Section 227(2)(f))  
PATTERN OF SHAREHOLDING**

1.1 Name of the Company

**HAMID TEXTILE MILLS LIMITED**

2.1. Pattern of holding of the shares held by the shareholders as at

**30-06-2025**

-----Shareholdings-----			
2.2 No. of Shareholders	From	To	Total Shares Held
13	1	100	1,300
227	101	500	110,100
10	501	1,000	10,000
12	1,001	5,000	34,400
2	5,001	10,000	14,800
1	10,001	15,000	10,500
1	15,001	20,000	18,000
1	35,001	40,000	36,000
1	40,001	45,000	42,100
1	45,001	50,000	50,000
1	55,001	60,000	55,900
1	75,001	80,000	79,900
1	80,001	85,000	84,200
1	90,001	95,000	95,000
15	95,001	100,000	1,463,000
1	800,001	805,000	801,350
1	820,001	825,000	820,300
1	835,001	840,000	839,040
1	910,001	915,000	913,900
1	1,170,001	1,175,000	1,171,410
1	1,185,001	1,190,000	1,187,900
1	2,450,001	2,455,000	2,455,000
1	2,975,001	2,980,000	2,977,500
<b>296</b>			<b>13,271,600</b>

2.3 Categories of Shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	3,629,510	27.3479
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	-	-
2.3.3 NIT and ICP	42,100	0.3172
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	2,977,500	22.4351
2.3.5 Insurance Companies	146,000	1.1001
2.3.6 Modarabas and Mutual Funds	913,900	6.8861
2.3.7 Shareholders holding 10% or more	5,432,500	40.9333
2.3.8 General Public		
a. Local	5,562,590	41.9135
b. Foreign	-	-
2.3.9 Others (to be specified)		



## Categories of Shareholding under Code of Corporate Governance (CCG) As on June 30, 2025

Sr. No.	Name	No. of Shares Held	Percentage
---------	------	--------------------	------------

**Associated Companies, Undertakings and Related Parties (Name Wise Detail):**

- -

**Mutual Funds (Name Wise Detail)**

- -

**Directors and their Spouse and Minor Children (Name Wise Detail):**

1	MR. MOHAMMAD ALAMGIR	1,000	0.0075
2	KHAWAR ALMAS KHAWAJA	2,455,000	18.4981
3	MRS. NIGHAT KHAWAR	1,000	0.0075
4	MR. ABID HUSSAIN	500	0.0038
5	MR. MOHAMMAD AMIN	100	0.0008
6	MST. MOMINA KHAWAR ALI	1,171,410	8.8264
7	MRS. KHUSHBU AMMAD	500	0.0038

**Executives:**

- -

**Public Sector Companies & Corporations:**

- -

**Banks, Development Finance Institutions, Non Banking Finance**

4,037,400 30.4214

**Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:**

**Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)**

1	BANKER EQUITY LIMITED	2,977,500	22.4351
2	KHAWAR ALMAS KHAWAJA	2,455,000	18.4981
3	MR. AHSAN AFZAL	1,187,900	8.9507
4	MRS. MOMINA KHAWAR ALI	1,171,410	8.8264
5	IST. HAJVERI MODARABA	913,900	6.8861
6	MR. FARRUKH HASSAN KHAWAJA	839,040	6.3221
7	MR. MUHAMMAD AYUB KHAN	820,300	6.1809
8	MR. ZARIEN BASHAR	801,350	6.0381

**All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:**

S.No	NAME	NIL	SALE	PURCHASE
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## FORM OF PROXY

I/We, Mr./Miss/Mrs. \_\_\_\_\_

S/o, D/o, W/o Mr. \_\_\_\_\_ in the

District of being member(s) of **HAMID TEXTILE MILLS LIMITED** and holding ordinary shares,

as per Registered Folio No. \_\_\_\_\_ hereby appoint Mr./Miss/Mrs. \_\_\_\_\_

S/o, D/o, W/o Mr. \_\_\_\_\_ as per Registered Folio No. \_\_\_\_\_

Of \_\_\_\_\_ (failing him/her) Mr./Miss/Mrs. \_\_\_\_\_ S/o, D/o, W/o \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ as per Registered Folio No. \_\_\_\_\_

as my/our Proxy in my absence to attend for me and my/our behalf at the Annual General Meeting of the

company to be held at registered office, 142, Block D, Model Town, Lahore.

on \_\_\_\_\_ (date) at \_\_\_\_\_ (time) and at any adjournment thereof.

**Signed this \_\_\_\_\_ day of October, 20 \_\_\_\_.**

Member's Signature

Revenue Stamp

(Witness) \_\_\_\_\_

Folio Number

Signature

### Notes:

1. Revenue stamp of Rs. 20/- to be affixed.
2. A member entitled to attend at the Annual General Meeting of the Company is entitled to appoint a proxy instead of him/her. No person shall act as proxy (except for corporation) unless he is entitled to present on this own.
3. The instrument appointing a proxy should be signed by the member(s) so or by him/her attorney duly authorized in writing, if the member is a corporation its common seal should be affixed.
4. This proxy form, duly completed, must be deposited at the Company's Registered Office not later than 48 hours before the time of holding the meeting and through their original CNIC/Passport and providing a copy thereon.
5. The signature on the instrument of proxy must agree with the specimen signature recorded with the company.
6. A proxy must be a member of the Company.

# تشکیل نیابت داری

تعداد حصص

عام حصص بمطابق شیئر رجسٹر / فلیو نمبر

..... میں ہم  
..... ساکن  
..... بطور جمید ٹیکسٹائل ملز لمیٹڈ کے رکن و حامل  
..... ساکن: ..... یا بصورت دیگر  
..... ساکن: ..... کو اپنی جگہ، بروز ہفتہ، 25 اکتوبر 2025 صبح 12:00 بجے آفس  
کے پتہ 142 بلاک D، ماڈل ٹاؤن، لاہور میں منعقد یا ملتوی ہونے والے سالانہ اجلاس عام میں رائے دہندگی کیلئے اپنا نمائندہ  
مقرر کرتا / کرتی ہوں۔

دستخط مورخہ ..... اکتوبر 2025

دستخط

گواہی

..... 1: دستخط  
..... نام  
..... قومی شناختی کارڈ  
..... پتہ

..... 1: دستخط  
..... نام  
..... قومی شناختی کارڈ  
..... پتہ

ضروری:

- (i) پراسسز کے مندرجہ ذیل کیلئے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہوں۔ سی ڈی سی کے حصص یافتگان اور کے نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹر انڈر قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی پر کسی فارم کے ساتھ کمپنی میں جمع کروائیں۔
- (ii) پر کسی کو اجلاس کے وقت اپنا اصل کمپیوٹر انڈر قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔
- (ii) کارپوریٹ ایسٹبلشمنٹ کی صورت میں ڈائریکٹرز کی قرارداد مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کئے گئے ہوں) پر کسی فارم کے ہمراہ کمپنی کو پیش کرنے ہوں گے۔

## حمید ٹیکسٹائل ملز لمیٹڈ اطلاع برائے سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ حمید ٹیکسٹائل ملز لمیٹڈ کا اٹھتیسواں سالانہ اجلاس عام بروز ہفتہ 25 اکتوبر 2025 کو دوپہر 12 بجے واقع رجسٹرڈ آفس 142، بلاک D، ماڈل ٹاؤن، لاہور میں درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

1۔ پچھلے سینتیسواں سالانہ اجلاس عام منعقدہ 25 اکتوبر 2024 بروز جمعہ کی کاروائی کی تصدیق۔

2۔ کمپنی کے 30 جون 2025 کو ختم سال کیلئے آڈٹ شدہ اکاؤنٹس بمعہ ڈائریکٹران، چیئرمین اور آڈیٹروں کی رپورٹس کی وصولی غور و خوض اور منظوری۔

کمپنیز ایکٹ 2017 کے سیکشن 223 اور سیوریٹیڈ اینڈ ایکچینج کمیشن آف پاکستان کے جاری کردہ S.R.O 389(1)/2023 بتاریخ 21 مارچ 2023 کے مطابق کمپنی کے مالیاتی گوشواروں تک رسائی مندرجہ ذیل ویب لنک اور فعال QR کوڈ سے حاصل کی جاسکتی ہے۔



<https://hamid-textile.com/financial-year-2025/>

3۔ کمپنی کے ڈائریکٹرز کا انتخاب کرنا جیسا کہ بورڈ آف ڈائریکٹرز نے میٹنگ منعقدہ 19 ستمبر 2025 میں طے کیا کہ بمطابق کمپنیز ایکٹ 2017 کی شق 154 آئندہ 3 سال کے لیے سات ڈائریکٹرز ہونگے جس کا آغاز 26 اکتوبر 2025 سے ہوگا۔ ریٹائر ہونے والے ڈائریکٹران درج ذیل ہیں۔

1۔ مسز خوشبو عماد 2۔ مسز نگہت خاور 3۔ مسٹر محمد عالمگیر 4۔ مسٹر عابد حسین 5۔ مسٹر خاور الماس خواجہ 6۔ مسز مومنہ خاور علی 7۔ مسٹر محمد امین

4۔ 30 جون 2026 کو ختم ہونے والے سال کیلئے آڈیٹران کا تقرر اور ان کے مشاہرے کا تعین۔ موجودہ آڈیٹران میسرز HLB اعجاز تبسم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس اسلام آباد ریٹائر ہو رہے ہیں، بورڈ آف ڈائریکٹرز نے میسرز تبسم سلیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس لاہور کو 30 جون 2026 کو ختم ہونے والے مالی سال کیلئے بطور کمپنی قانونی آڈیٹر تقرری کی سفارش کی ہے۔

5۔ چیف ایگزیکٹو کا معاوضہ -/4,00,000 روپے ماہانہ کرنے کی منظوری۔

6۔ جناب چیئر پرسن کی اجازت سے دوسرے کاروباری معاملات زیر غور لانا۔

بحکم بورڈ

لاہور 25 ستمبر 2025

رالف نذیر اللہ

کمپنی سیکرٹری

نوٹس:

1۔ کمپنی کے حصص منتقلی کی کتابیں 20 اکتوبر 2025 تا 26 اکتوبر 2025 (بشمول دونوں دن) بند رہیں گی۔

2۔ ممبر جو اجلاس ہذا میں شرکت کرنے اور ووٹ دینے کا استحقاق رکھتا ہو کسی دیگر ممبر کو اپنی جگہ اجلاس میں شرکت کرنے اور ووٹ دینے کیلئے اپنا پراسی مقرر کر سکتا/سکتی ہے۔ کارپوریٹ ادارے کی صورت میں ووٹ پراسی یا اثارنی کے ذریعے دینا ممکن ہے۔ دونوں صورتوں میں پراسیاں موثر کرنے کیلئے کمپنی کے اجلاس سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس یا کمپنی کے شیئر رجسٹرار میسرز کوپ لنک پرائیوٹ لمیٹڈ کو لازماً موصول ہونی چاہیے۔ (پراسی فارم سالانہ رپورٹ کے آخری حصہ میں منسلک ہے)

3۔ اور جنبل کمپیوٹرائزڈ شناختی کارڈ کی فراہمی ہمراہ اکاؤنٹس تفصیلات حصص داران/پراسی کی شناخت کیلئے لازمی ہے۔ اجلاس کے وقت کارپوریٹ ادارے کی صورت میں بورڈ کے ڈائریکٹروں کی قرارداد/پاور آف اٹرنی ہمراہ نمونہ دستخط نامین (اگر پہلے جمع نہیں کروائے) تو پراسی کیساتھ جمع کروانے ہونگے۔

4۔ کمپنیز ایکٹ 2017 سیکشن 132(2) کے تحت کمپنی ان ممبران جو ٹوٹل پیڈ اپ کیپٹل کا 10% حصص داران ہیں، اور کسی ایسے شہر کے رہائشی ہیں جہاں سالانہ اجلاس منعقد نہیں ہو رہا انکو کمپنی وڈیولنک کی سہولت فراہم کر سکتی ہے اور یہ سہولت ممبران کی طرف سے اجلاس سے کم از کم 7 یوم پہلے تحریری درخواست کی وصولی کے عوض فراہم ہوگی۔

5۔ ایس ای سی پی کے جاری کردہ 2021 کے سرکل نمبر 4 کے مطابق شیئر ہولڈر جو عمومی طور پر اجلاس میں بذریعہ وڈیولنک شرکت کرنا چاہتے ہیں ان سے درخواست کی جاتی ہے کہ وہ مینٹگ کی تاریخ سے کم از کم سات یوم پہلے کمپنی کے رجسٹرڈ آفس ایڈریس پر بذریعہ کوریئر درج ذیل معلومات شیئر کریں۔

شیئر ہولڈر کا نام	CNIC نمبر	فولیو/ CDC اکاؤنٹ نمبر	رجسٹرڈ ای میل ایڈریس	موبائل نمبر

6۔ کمپنیز ایکٹ 2017 کی شق (6) 223 کے مطابق تمام لسٹڈ کمپنیز کو آڈٹ شدہ مالیاتی اسٹیٹمنٹ / نوٹسز کی ترسیل بذریعہ ای میل کی اجازت ہے۔ لہذا جو ممبران بذریعہ ای میل آڈٹ شدہ اکاؤنٹس کی وصولی چاہتے ہیں وہ تحریری درخواست ہمراہ موجودہ ای میل ایڈریس ارسال کریں۔ فارم کمپنی کی ویب سائٹ [www.hamid-textile.com](http://www.hamid-textile.com) پر موجود ہے۔ کمپنی کی سالانہ رپورٹ کمپنی کی ویب سائٹ [www.hamid-textile.com](http://www.hamid-textile.com) پر جاری کر دیئے گئے ہیں۔ تاہم طلب کرنے پر کمپنی اپنے حصص داران کو انفرادی طور پر حسابات کی طبع شدہ کاپی درخواست موصول ہونے پر انکے رجسٹرڈ پتہ پر ایک ہفتے کے اندر بلا معاوضہ فراہم کرے گی۔

7۔ کمپنیز پوسٹل بیلٹ کے ریگولیشنز (2018) کے تحت کسی ایسے ایجنڈا آئیٹم جو کہ ایکٹ کی شق 143 اور 144 کے متعلق ہوں یا ڈائریکٹران کے انتخابات کے متعلق ہوں، کے ضمن میں حاضر حصص داران، نائب یا بذریعہ وڈیولنک فرانس شریک ہیں اور کل ووٹنگ پاور کے 10% حصہ کے حامل ہیں اپنا حق رائے دہی بذریعہ پوسٹ یا کسی الیکٹرونک ذرائع سے ریگولیشن میں درج طریقہ کار کے مطابق استعمال کر سکتے ہیں۔

کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 کے مطابق ترمیم شدہ بذریعہ نوٹیفکیشن حوالہ نمبر (1) SRO 2192/2022 بتاریخ 05 دسمبر 2022 جاری کردہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP)، ایس ای سی پی نے تمام لسٹڈ کمپنیوں کو ہدایت کی ہے کہ وہ ممبران کو ووٹ ڈالنے کا حق بذریعہ الیکٹرانک ووٹنگ کی سہولت یا پوسٹل ووٹنگ فراہم کریں۔ ڈائریکٹران کے انتخاب کی صورت میں، اگر خود کو انتخاب کیلئے پیش کرنے والے افراد کی تعداد ایکٹ کی سیکشن 159 کے ذیلی دفعہ (1) کے تحت مقرر کردہ ڈائریکٹروں کی تعداد سے زیادہ ہے اس کے مطابق کمپنی کے ممبران کو ای ووٹنگ یا پوسٹل ووٹنگ کی سہولت کے ذریعے اپنے ووٹ کا حق استعمال کرنے کی، مذکورہ بالا ریگولیشن میں موجود شرائط و ضوابط کے مطابق، اجازت ہوگی۔

8۔ ڈائریکٹرز کا انتخاب میں حصہ لینے والے امیدوار کیلئے اہلیت کا معیار۔ کوئی بھی شخص جو بورڈ آف ڈائریکٹرز کے دفتر کیلئے انتخاب لڑنا چاہتا ہے چاہے وہ ریٹائر ہو رہا/رہی ہے یا دوسری صورت میں، وہ AGM جس میں الیکشن ہونا ہے اس اجلاس سے کم از کم چودہ دن پہلے کمپنی کے پاس مندرجہ ذیل دستاویزات جمع کروائے گا۔

- سیکشن (3) 159 کے مطابق خود کو ڈائریکٹر کے دفتر کیلئے انتخاب کیلئے پیش کرنے کے ارادے ہمراہ ایکٹ کے سیکشن (1) 167 کے تحت ضرورت کے مطابق ڈائریکٹر کے طور پر کام کرنے کی رضامندی کا نوٹس۔
- تفصیلی پروفائل ہمراہ آفس پتہ بمطابق SRO-1196(1)/2019 بتاریخ 3 اکتوبر 2019۔
- صاف اور پڑھنے کے قابل شناختی کارڈ اور NTN کی تصدیق شدہ کاپی۔
- لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) کے ضوابط 2019 اور کمپنیز ایکٹ 2017 کے سیکشن 153 میں بیان کردہ اہلیت کے معیار کے مطابق ہونے کا حلفیہ بیان۔
- آزاد ڈائریکٹر کے طور پر ڈائریکٹرز کا انتخاب لڑنے کے خواہشمند امیدواروں کو درج ذیل اضافی دستاویزات جمع کروانا ہوں گی۔

(i) سی سی جی کی شق (3) 6 کے تحت آزاد ڈائریکٹر کیلئے حلفیہ بیان۔ (ii) نان جوڈیشیل اسٹام پیپر پر حلفیہ بیان کہ وہ کمپنیز ریگولیشنز 2018 کے ضابطہ 4 کے ذیلی ضابطہ 1 کے تقاضوں کو پورا کرتا ہے۔

اقلیتی شیئر ہولڈرز کے مفادات کے تحفظ کیلئے کوئی بھی ممبر الیکشن لڑنے کیلئے اپنی نامزدگی بھیج سکتا ہے۔

9۔ جیسا کہ پہلے درخواست کی گئی ممبران سے دوبارہ گزارش ہے کہ: (i)۔ اگر پہلے Valid شناختی کارڈ فراہم نہیں کیا تو براہ مہربانی درست شناختی کارڈ کی کاپی فراہم کریں۔ (ب)۔ پتہ میں تبدیلی کے بارے میں فوری آگاہ کریں۔