



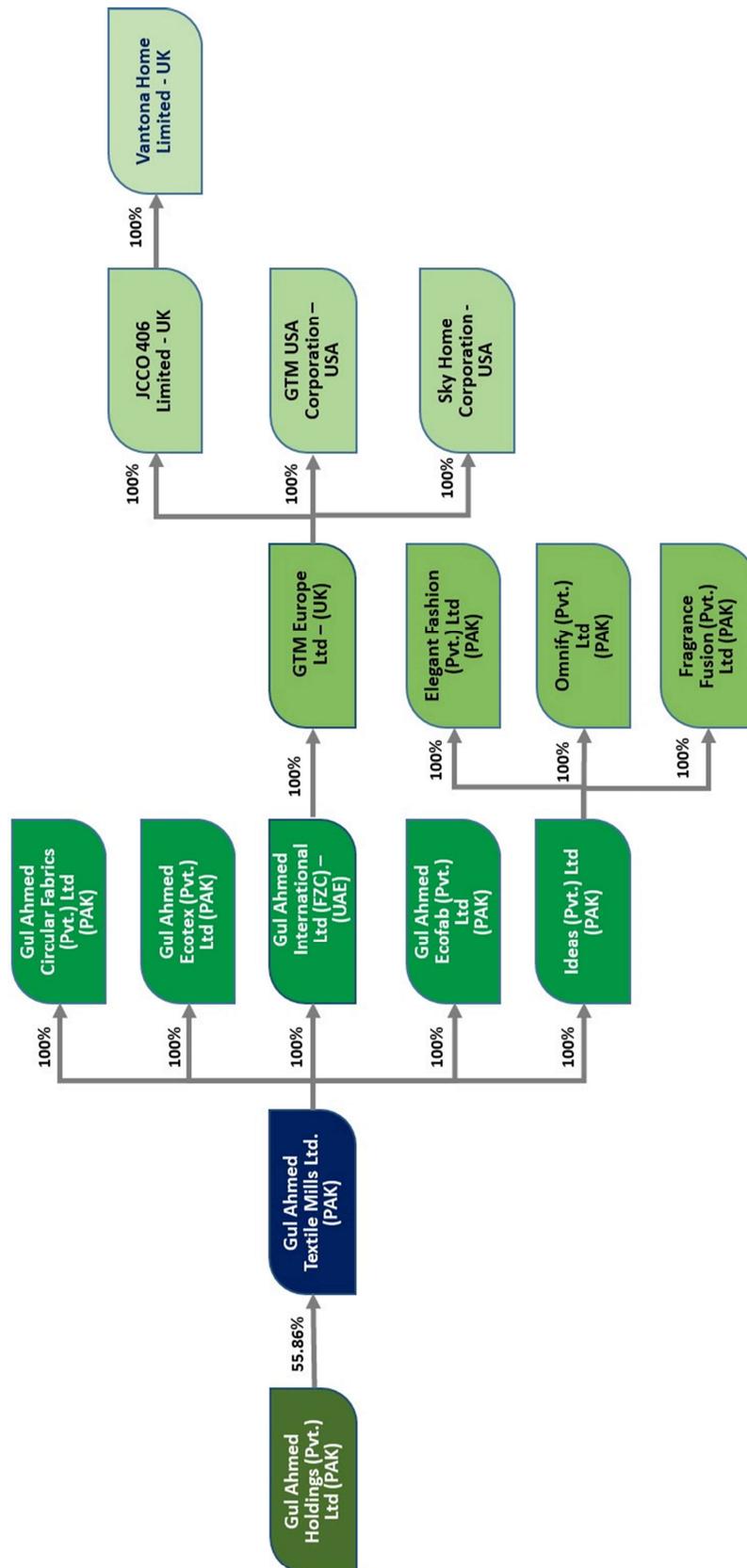
**GUL AHMED
TEXTILE MILLS LIMITED**

ANNUAL REPORT 2025

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BOARD OF DIRECTORS	<p>Mohomed Bashir Zain Bashir Mohammed Zaki Bashir Ziad Bashir Ehsan A. Malik Zeeba Ansar Kamran Y Mirza</p>	<p>- Chairman - Vice Chairman/ Executive Director - Chief Executive Officer - Non-Executive Director - Non-Executive Director - Independent Director - Independent Director</p>
CHIEF FINANCIAL OFFICER	Muhammad Kashif Riaz	
COMPANY SECRETARY	Salim Ghaffar	
AUDIT COMMITTEE	<p>Kamran Y. Mirza Mohomed Bashir Ehsan A. Malik Salim Ghaffar</p>	<p>- Chairman & Member - Member - Member - Secretary</p>
HUMAN RESOURCE AND REMUNERATION COMMITTEE	<p>Zeeba Ansar Mohomed Bashir Zain Bashir Salim Ghaffar</p>	<p>- Chairperson & Member - Member - Member - Secretary</p>
BANKERS	<p>Allied Bank Limited Al Baraka Bank (Pakistan) Limited Askari Bank Limited Bank Al Habib Limited Bank Alfalah Limited Bank Alfalah Islamic Limited Bank of Khyber Bankislami Pakistan Limited Citi Bank Dubai Islamic Bank Pakistan Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited Industrial and Commercial Bank of China JS Bank limited MCB Bank Limited MCB Islamic Bank Limited Meezan Bank Limited National Bank Of Pakistan Samba Bank Limited Silkbank Limited Soneri Bank Limited Standard Chartered Bank (Pakistan) Limited Bank Makramah Limited The Bank Of Punjab United Bank Limited</p>	

AUDITORS	Yousuf Adil Chartered Accountants
INTERNAL AUDITORS	BDO Ebrahim & Co Chartered Accountants
LEGAL ADVISORS	A.K. Brohi & Co Advocates
REGISTERED OFFICE	Plot No.H-7, Landhi Industrial Area, Landhi, Karachi-75120
SHARE REGISTRAR	FAMCO Share Registration Services (Private) Limited 8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-E-Faisal, Karachi. Phone No. (+92-021) 34380101-5 Fax No. (+92-021) 34380106
MILLS	Landhi Industrial Area, Karachi-75120
CONTACT US	Email: finance@gulahmed.com Website: www.gulahmed.com Facebook: https://www.facebook.com/GulahmedFashion YouTube: https://www.youtube.com/@GulAhmedOfficial LinkedIn: https://pk.linkedin.com/company/gul-ahmed-textile-mills-limited Instagram: https://www.instagram.com/gulahmedfashion



Mr. Mohomed Bashir

Chairman

Mr. Mohomed Bashir joined the Board of Gul Ahmed Textile Mills Limited in 1982. He is a fellow member of Chartered Institute of Management Accountants (CIMA), United Kingdom.

In recognition of his services he has been awarded Sitara-e-Imtiaz by the President of Pakistan in 2006 and was also conferred with Justice of Peace. On April 7, 2017 he was awarded with the Grade d' Officier in the National Order of Merit by the President of the French Republic. On 19 February 2020, Mr. Bashir was awarded the Knight of King, Northern Star Order, first class by the King of Sweden, Mr. Carl Gustaf.

Mr. Mohomed Bashir has a very rich and extensive experience in commerce and industry. He is currently the Chairman of the Board of Directors of Gul Ahmed Textile Mills Limited. He is also serving on the Boards of the following organizations:

- Gul Ahmed Holdings (Private) Limited
- Ideas (Private) Limited.
- Habib Metropolitan Bank Limited
- GTM (Europe) Limited – UK
- Gul Ahmed International Limited (FZC) – UAE
- Habib University Foundation
- Gul Ahmed Energy Limited
- Education Fund for Sindh
- International Cotton Association Limited (ICA)
- International Textile Manufacturers Federation (ITMF)

Presently his honorary Government, Trade & Industry and Consular positions include:

- President – International Cotton Association (ICA) (2024-2025)
- Chairperson – Apparel, Made-Ups and Technical Textile Council, Ministry of Commerce.
- Member – Sindh Doing Business Reform Council
- Member – National Export Development Board (NEDB)
- Member – Pakistan China Business and Investment Forum
- Member – Prime Minister's Council of Business Leaders, Government of Pakistan, Ministry of Commerce and Textile.

- Member – Task Force on Textile Policy, Government of Pakistan, Ministry of Commerce and Textile.
- Member – Pakistan France Business Council
- Member – Pakistan German Business Council
- Member – Pakistan Swedish Business Council

Previously, he also held the following honorary Government and Trade & Industry positions;

- Vice President – International Cotton Association (ICA) (2023 – 2024)
- Honorary Consul General of Sweden – Sindh / Baluchistan (2015 to 2023)
- Chairman – Pakistan Business Council (2014 to 2015)
- Founder/Director – Pakistan Business Council (2005 to 2022)
- President – International Textile Manufacturers Federation (ITMF) (2010 to 2012)
- Member – Tax Reform Commission, Ministry of Finance (2014 to 2016)
- Member – Tax Advisory Council, FBR (2014 to 2016)
- Founder/Trustee – Fellowship Fund For Pakistan (2003 to 2013)
- Member – Advisory Committee, Federal Tax Ombudsman, Government of Pakistan (2011 to 2014)
- Member – Economic Advisory Council, Government of Pakistan (2001 to 2003 and 2008 to 2013)
- Member – Export Promotion Board, Government of Pakistan (1995 to 1997 and 2002 to 2007)
- Member – National Strategy on Textiles (2006 to 2007)
- Chairman – Pakistan Britain Advisory Council (2002 to 2005)
- Chairman – All Pakistan Textile, Mills Association (1989 to 1990)
- Vice Chairman – All Pakistan Textile Mills Association (1982 to 1985)
- Chairman – Pakistan Swiss Trade and Industry Committee (1981 to 2000)
- Member of Governing Board – Pakistan Design Institute (1981 to 2000)
- Member – Advisory Board of CPLC, Government of Sindh (2010)

Mr. Zain Bashir

Vice Chairman / Executive Director

Mr. Zain Bashir has been a member of the Board since May 1997 and currently serves as the Vice Chairman of the Company. He is a certified director from the Pakistan Institute of Corporate Governance (PICG). In addition to his role in the Company, he serves on the Board of Landhi Infrastructure Development and Management Company, which oversees the enhancement of infrastructure in the Landhi Industrial Area.

He has also held several key leadership roles in industry associations, serving as the Chairman and President of the Landhi Association of Trade and Industry during the periods 2009–2010, 2015–2016, and 2018–2019. In 2012–2013, he acted as Chairman of the Pakistan Bedwear Exporters Association. Additionally, he has been an Executive Committee Member of the Landhi Association of Trade and Industry.

With extensive experience in the textile sector, he has gained profound insights into the industry's operations and challenges.

Mr. Mohammed Zaki Bashir

Chief Executive Officer/Executive Director

Mohammed Zaki Bashir joined Gul Ahmed Textile Mills Limited in 2005 and became a member of the Board in 2008. He currently serves as the Chief Executive Officer of the Company. He holds a graduate degree in International Business from Regents Business School, UK, and is a certified director from the Pakistan Institute of Corporate Governance (PICG).

In addition to his academic qualifications, he plays an active role in several industry organizations. He is a member of the Executive Committee of the All Pakistan Textile Mills Association (APTMA) and has been a member of the Entrepreneurs Organization (EO) since 2014. EO is a global, peer-to-peer network of over 12,000 influential business owners, with 173 chapters in 54 countries. He is also a member of the Pakistan Textile Council, where he serves on the board of directors, as well as a member of the Young Presidents Organization (YPO) Pakistan.

He has also been appointed to the Heimtextil Advisory Board, becoming the first Pakistani industry leader to join the prestigious global panel.

Through his in-depth understanding of the Company and the industry, he has significantly contributed to its overall growth and success. In addition to his role at Gul Ahmed, he serves on the boards of the following companies:

- Arwen Tech International Limited (FZC) – UAE
- Gul Ahmed Power Company (Private) Limited
- Gul Ahmed International Limited (FZC) – UAE
- GTM (Europe) Limited – UK
- GTM USA Corp. – USA
- Ideas (Private) Limited
- Gul Ahmed Holdings (Private) Limited
- Sky Home USA Corp. – USA
- Pakistan Textile Council

Mr. Ziad Bashir

Non-Executive Director

Mr. Ziad Bashir has been a member of the Board since February 1999. He holds a bachelor's degree in Entrepreneurial Studies from Babson College, USA, and brings extensive experience in the textile sector. He is also a certified director from the Pakistan Institute of Corporate Governance (PICG).

Throughout his career, he has held several prominent positions in industry and trade organizations. He has served as Chairman of the Landhi Association of Trade and Industry and is currently on the Board of Landhi Infrastructure Development and Management Company. Additionally, he has been the President of the Young Presidents Organization (YPO) Pakistan and has served on the Executive Committee of the Pakistan Board of Investment. He is also a member of the Central Managing Committee of the All Pakistan Textile Mills Association (APTMA), as well as a Director on the Board of the Pakistan Business Council. He currently chairs the Pakistan Retail Business Council and serves as the Honorary Consulate General of Denmark in Pakistan. He has been acknowledged by H.E. King of Denmark, Frederik André Henrik Christian, with the Knight's Cross of the Order of Dannenberg.

In addition to his industry roles, he has been actively involved in advising on national economic policies having served on various Prime Minister's Economic Advisory Committees, focusing on key areas such as domestic commerce and information technology. With a longstanding commitment to promoting provincial trade and investment, he has been associated with the Punjab Board of Investment and Trade for nearly a decade. Furthermore, he is a member of several Federal Board of Revenue committees, working to enhance the efficiency of the tax system and contribute to the overall economic development of the country.

Furthermore, he is leading an initiative in the food & beverage sector, introducing Ideas Café, which started in Karachi and aims to expand to 10 more locations nationwide over the next 2 years.

Mr. Ehsan A. Malik

Non-Executive Director

Mr. Ehsan A. Malik joined the Board of Directors of the Company in June 2016 and serves as a member of its Audit Committee. He is a fellow of the Institute of Chartered Accountants of England and Wales, the Institute of Chartered Accountants of Pakistan, and an alumnus of both the Wharton and Harvard Business Schools. He is also a certified director from the Pakistan Institute of Corporate Governance (PICG) and currently serves as the Chief Executive Officer of the Pakistan Business Council.

From September 2006 to October 2014, he was the Chief Executive Officer of Unilever Pakistan Limited and a Director of Unilever Pakistan Foods Limited. Prior to this, he was Chairman and CEO of Unilever Sri Lanka Limited. His international appointments include Unilever's regional businesses across Egypt, Lebanon, Jordan, Syria, and Sudan, as well as at Unilever's Head Office in the UK. Before these international assignments, he held senior commercial and financial positions at Unilever Pakistan.

He also serves on the boards of Abbott Laboratories Pakistan Limited, National Foods Limited, FrieslandCampina Engro Pakistan Limited, and Standard Chartered Bank Pakistan Limited.

Ms. Zeeba Ansar

Independent Non-Executive Director

Ms. Zeeba Ansar joined the Board as an independent non-executive director in April 2020. She is also the Chairperson of the Human Resource & Remuneration Committee of the Company.

She has over 28 years of private and corporate banking experience. She did her Bachelors in Economics and Statistics from the University of Punjab and then completed her MBA in Marketing and Finance from the Institute of Business Administration. She is a certified director from Pakistan Institute of Corporate Governance.

In her career as a banker she has worked with Deutsche Bank AG as Manager Corporate Banking Department and Faysal Bank as Senior Vice President and Corporate Head-South. She then joined UBL as Executive Vice President and Regional Corporate Head-South and retained the position for 10 years. Her most recent professional engagement was with NIB Bank as Group Head-Corporate and Investment Banking where she worked till 2017.

She is serving as an independent director on the Board of Directors of Cherat Cement Company Limited, SAMBA Bank Limited and Lucky Investments Limited. In addition to her directorship, she is a Chairperson of Audit Committee and member of Board Risk Committee of the Lucky Investments Limited.

Mr. Kamran Y. Mirza

Independent Non-Executive Director

Mr. Kamran Y. Mirza is a Chartered Accountant, qualifying in November 1968 from the United Kingdom. He began his career in Pakistan as an auditor with A.F. Ferguson & Co. before transitioning in December 1970 to Abbott Laboratories (Pakistan) Limited, a leading multinational pharmaceutical and healthcare company. Initially joining as Chief Financial Officer, he became one of the youngest Managing Directors of Abbott Pakistan in 1977, a position he held for 29 years.

He served as Chairman of the Export Processing Zones Authority from February 2007 to March 2009 and then proceeded to take on the role of Chief Executive Officer of the Pakistan Business Council (PBC), where he served until December 2015. During his tenure he represented PBC on the Board of Investments ("BOI") and other Government Bodies and Institutions.

Currently, he serves on the boards of Colgate Palmolive (Pakistan) Limited, Askari Bank Limited, Rafhan Maize Products Company Limited, and the Education Fund for Sindh (EFS), where he previously held the position of Chairman from December 2012 to October 2016.

Throughout his distinguished career, Kamran Mirza has held several notable leadership positions. He served as Director on the Boards of State Bank of Pakistan (SBP), Chairman of the Pakistan Mercantile Exchange (PMEX) and the Karachi Stock Exchange (KSE), as well as President of the Overseas Chamber of Commerce & Industry (OICCI) and the American Business Council (ABC). He also chaired the Pharma Bureau, an association of multinational pharmaceutical companies. His past board memberships include prominent organizations such as the Pakistan State Oil (PSO), International Steels Limited, National Bank of Pakistan (NBP), Sarmaya-e-Pakistan Limited, Bank Alfalah Limited, Abbott Laboratories (Pakistan) Limited, Pakistan Textile City Limited, Competitiveness Support Fund, Genco Holding Company, NAVTEC and Safari Club of Pakistan Limited. He also served as chairman of Unilever Pakistan Foods Limited, Phillip Morris (Pakistan) Limited and Karwan-e-Hayat.

Mr. Mirza has been actively involved in various government and advisory roles. He chaired a task force on the pharmaceutical industry for the Planning Commission, served on the Federal Government's Economic Advisory Board, and was a member of the Sindh Wildlife Board.

Additionally, he contributed to the Quality Control Board of the Institute of Chartered Accountants of Pakistan (ICAP) and has also lectured at the Pakistan Institute of Corporate Governance (PICG).

Board Audit Committee

1. Composition

- Mr. Kamran Y. Mirza Chairman and Member
- Mr. Mohomed Bashir Member
- Mr. Ehsan A. Malik Member
- Mr. Salim Ghaffar Secretary

2. Terms of Reference

The committee shall be responsible for:

- Reviewing the system of internal controls, risk management and the audit process besides assisting the Board in reviewing financial statements.
- Recommending to the Board of Directors the appointment of external auditors, determining audit fees and settling other related matters.
- Determination of appropriate measures to safeguard the Company's assets.
- Review of quarterly, half-yearly and annual financial statements of the Company, prior to their approval by the Board of Directors.

Major judgmental areas:

- Significant adjustments resulting from the audit;
- The going concern assumption;
- Any changes in accounting policies and practices;
- Compliance with applicable accounting standards;
- Compliance with listing regulations and other statutory and regulatory requirements;
- Review of preliminary announcements of results prior to publication;
- Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- Review of the management letter issued by external auditors and management's response thereto;
- Ensuring coordination between the internal and external auditors of the Company;

- Review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
- Consideration of major findings of internal investigations and management's response thereto;
- Ascertaining that the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective;
- Review of the Company's statements on internal control system prior to endorsement by the Board of Directors;
- Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and considering remittance of any matter to the external auditors or to any other external body;
- Determination of compliance with relevant statutory requirements;
- Monitoring compliance with the best practices of corporate governance and identification of significant violations thereof; and
- Consideration of any other issue of matter as may be assigned by the Board of Directors.

Board Human Resource and Remuneration Committee

1. Composition

- | | |
|----------------------|---------------------|
| • Ms. Zeeba Ansar | Chairman and Member |
| • Mr. Mohomed Bashir | Member |
| • Mr. Zain Bashir | Member |
| • Mr. Salim Ghaffar | Secretary |

2. Terms of Reference

The committee shall be responsible for:

- Recommend to the Board for consideration and approval a policy framework for determining remuneration of directors (both executive and non-executive directors and members of senior management). The senior management shall include the first layer of management below the chief executive officer level;
 - Undertaking annually a formal process of evaluation of performance of the Board as a whole and its committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the directors' report disclosing name, qualifications and major terms of appointment;
 - Recommending human resource management policies to the Board;
 - Recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of Chief Operating Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit;
 - Consideration and approval on recommendations of Chief Executive Officer on such matters for key management positions who report directly to Chief Executive Officer or Chief Operating Officer; and
 - Where human resource and remuneration consultants are appointed, their credentials shall be known by the Committee and a statement shall be made by them as to whether they have any other connection with the Company.
- Ensuring that appropriate procedures exist to assess the remuneration levels of the
 - Chairman, Chief Executive Officer (CEO), Non-Executive Directors, Executive Directors, Board Committees and the Board of Directors as a whole.
 - Ensuring that the Company adopts, monitors and applies appropriate remuneration policies and procedures.
 - Ensuring that reporting disclosures related to remuneration meet the Board's disclosures objectives and all relevant legal requirements.
 - Making recommendations to the Board on appropriate remuneration, in relation to both the amount and its compositions, for the Chairman, CEO, Non-Executive Directors, Executive Directors and Senior Executives.
 - Developing and recommending to the Board performance-based remuneration incentive programs such as bonus schemes, long-term incentive plans.
 - Developing, maintaining and monitoring appropriate Human Resource Policies and Procedures.
 - Developing, maintaining and monitoring appropriate talent management programs including succession planning, recruitment, development, retention and termination policies and procedures for senior management.
 - Developing remuneration related disclosure objectives for the Company and ensuring that publicly disclosed information meets those objectives, all legal requirements, and is accurate; and
 - Developing and monitoring Workplace Health and Safety metrics and initiatives to ensure a safe working environment

In line with the requirements of applicable laws and corporate governance practices, the following table sets out the attendance of the Company's Directors at meetings of the Board and its Committees during the year

For the Year Ended June 30, 2025

Name of Directors	Board		Audit Committee		Human Resource & Remuneration Committee	
	Required	Attended	Required	Attended	Required	Attended
Mohomed Bashir	4	4	4	4	2	2
Zain Bashir	4	4	--	--	2	2
Mohammed Zaki Bashir	4	4	--	--	--	--
Ziad Bashir	4	4	--	--	--	--
Ehsan A. Malik	4	3	4	3	--	--
Zeeba Ansar	4	4	--	--	2	2
Kamran Y. Mirza	4	4	4	4	--	--

It is with pride and confidence that I present the Chairman's Review for the year ended June 30, 2025, in compliance with the Companies Act, 2017, and the Listed Companies (Code of Corporate Governance) Regulations, 2019. This review highlights our continued commitment to transparency, governance excellence, and delivering enduring value to our stakeholders.

This year was marked by global economic moderation, selective demand recovery, and domestic challenges including tight fiscal space, high debt servicing, and persistent energy cost pressures. In this context, Pakistan's GDP grew by 2.68%, inflation fell to multi-year lows, and monetary easing began in the second half of the year—creating a cautiously optimistic outlook.

For the textile industry, currency stability and trade facilitation improved export competitiveness, while vertically integrated players like us maintained operational agility and market responsiveness leading to:

- Turnover: USD 550M+ equivalent, highest ever despite volatile demand.
- Export Share: Strengthened position in core U.S. and EU markets through targeted high-value products.
- Vertical Integration Advantage: Maintained end-to-end control from spinning to finishing, enabling cost efficiency, quality consistency, and supply chain resilience.
- Operational Efficiencies: Enhanced capacity utilization and lean process initiatives offset part of the energy cost escalation.
- Renewable Energy Investment: Commissioned 18.2 MW solar capacity to lower long-term energy costs and reduce carbon footprint.

In the year ahead, we will focus on expanding high-value home textiles, accelerating renewable projects to meet over 50% of power needs by 2027 and 90% by 2030, and investing in automation to boost efficiency and quality. We will deepen key export relationships, target growth in the Middle East and Asia-Pacific, and maintain strict financial discipline to navigate currency and interest rate volatility. In line with our strategic review, we have also resolved to discontinue the export apparel segment to concentrate resources on other businesses with stronger growth potential.

The Board's annual self-evaluation for FY2024–25 delivered satisfactory results, confirming the effectiveness of its composition, governance, and strategic oversight. With a balanced mix of independent and non-executive directors, the Board brings diverse expertise, enabling informed decision-making and the ability to adapt to evolving market conditions.

The review also reaffirmed the strength of our governance framework, which upholds transparency, ethical conduct, and adherence to best practices. Constructive communication, collaboration, and effective conflict resolution remain central to fostering cohesive Board dynamics and driving the Company's long-term objectives.

My deepest gratitude goes to our shareholders, employees, and partners for their consistent support and commitment. United by our shared vision, we are well-positioned to advance our strategy, expand our achievements, and deliver sustainable value with confidence and integrity.

Mohomed Bashir
Chairman

Karachi: September 29th, 2025

یہ میرے لیے فخر اور اعتماد کی بات ہے کہ میں 30 جون 2025ء کو ختم ہونے والے مالی سال کے لیے چیمین کا جائزہ پیش کر رہا ہوں جو کمپنیز ایکٹ 2017ء اور لسٹڈ کمپنیز (کارپوریٹ گورننس کے ضابطہ اخلاق) ریگولیشنز 2019ء کے مطابق ہے۔ یہ جائزہ شفافیت، گورننس میں بہترین معیار اور اپنے اسٹیک ہولڈرز کو دیرپا قدر فراہم کرنے کے ہمارے مسلسل عزم کو اجاگر کرتا ہے۔

یہ سال عالمی معیشت کی اعتدال پسندی، طلب میں جزوی بحالی، اور ملکی سطح پر درپیش چیلنجز جیسے محدود مالی گنجائش، زیادہ قرضہ جاتی ادائیگیاں، اور توانائی کے اخراجات کے مستقل دباؤ کے ساتھ نمایاں رہا۔ اس تناظر میں پاکستان کی جی ڈی پی 2.68% بڑھی، مہنگائی کئی سال کی کم ترین سطح پر آگئی، اور سال کے دوسرے نصف حصے میں مالیاتی پالیسی میں نرمی کا آغاز ہوا، جس نے ایک محتاط طور پر پُر امید منظر نامہ پیدا کیا۔ ٹیکسٹائل صنعت کے لیے، کرنسی کے استحکام اور تجارتی سہولت کاری نے برآمدی مسابقت کو بہتر بنایا، جبکہ ہمارے جیسے عمودی طور پر منسلک اداروں نے عملی لچک اور مارکیٹ کی ضروریات کے مطابق ردعمل برقرار رکھا، جس کے نتیجے میں درج ذیل کامیابیاں حاصل ہوئیں:

- ٹرن اوور: 600 ملین امریکی ڈالر سے زائد، جو غیر مستحکم طلب کے باوجود تاریخ کا بلند ترین ہے۔
- برآمدی حصہ: بنیادی امریکی اور یورپی یونین کی منڈیوں میں ہائی ویلیو مصنوعات کے ذریعے مضبوط پوزیشن۔
- عمودی انضمام کا فائدہ: اسپننگ سے لے کر فنشنگ تک مکمل کنٹرول برقرار رکھا گیا، جس نے لاگت کی بچت، معیار میں تسلسل، اور سپلائی چین کی مضبوطی کو یقینی بنایا۔
- عملی مؤثریت: صلاحیت کے زیادہ استعمال اور مؤثر عملی اقدامات نے توانائی کی بڑھتی لاگت کا جزوی طور پر ازالہ کیا۔
- قابل تجدید توانائی میں سرمایہ کاری: 18.2 میگا واٹ سولر صلاحیت کا آغاز کیا گیا تاکہ طویل مدتی توانائی کے اخراجات کم ہوں اور کاربن کے اخراج کا اثر (کاربن فٹ پرنٹ) گھٹے۔

آئندہ سال میں، ہم اعلیٰ قدر و قیمت کے ہوم ٹیکسٹائل کی توسیع، قابل تجدید منصوبوں میں تیزی لانے تاکہ 2027ء تک بجلی کی 50% اور 2030ء تک 90% ضرورت پوری ہوسکے، اور آٹومیشن میں سرمایہ کاری پر توجہ مرکوز کریں گے تاکہ کارکردگی اور معیار میں اضافہ کیا جا سکے۔ ہم کلیدی برآمدی تعلقات کو مزید گہرا کریں گے، مشرق وسطیٰ اور ایشیا پیسیفک میں ترقی کے مواقع حاصل کریں گے اور کرنسی و شرح سود میں اُتار چڑھاؤ کو قابو کرنے کے لیے سخت مالیاتی نظم برقرار رکھیں گے۔ اپنی اسٹریٹجک جائزہ پالیسی کے تحت، ہم نے ملبوسات کی برآمد کے شعبے کو بند کرنے کا فیصلہ بھی کیا ہے تاکہ وسائل کو ان کاروباری عوامل پر مرکوز کیا جا سکے جن میں زیادہ ترقی کی صلاحیت موجود ہے۔

مالی سال 2024-25ء کے لیے بورڈ کی سالانہ کارکردگی کے جائزے نے تسلی بخش نتائج پیش کیے جس سے بورڈ کی ساخت، گورننس اور اسٹریٹجک نگرانی کی مؤثریت کی تصدیق ہوئی۔ آزاد اور نان ایگزیکٹو ڈائریکٹرز کے متوازن امتزاج کے ساتھ، بورڈ متنوع مہارتیں فراہم کرتا ہے جو باشعور فیصلے کرنے اور بدلتے ہوئے مارکیٹ حالات سے ہم آہنگ رہنے کی صلاحیت پیدا کرتا ہے۔

اس جائزے نے ہمارے گورننس فریم ورک کی مضبوطی کی بھی توثیق کی، جو شفافیت، اخلاقی رویے اور بہترین طریقہ کار پر عمل پیرا ہے۔ تعمیری مواصلات، تعاون، اور مؤثر تنازعہ حل کرنے کی صلاحیت بورڈ کے ہم آہنگ رجحانات کو فروغ دینے اور کمپنی کے طویل مدتی مقاصد کے حصول میں مرکزی حیثیت رکھتے ہیں۔

ہمارے شیئر ہولڈرز، ملازمین اور پارٹنرز جن کے مسلسل تعاون اور عزم نے ہمیں مضبوط بنایا میرے دلی شکریے کے مستحق ہیں۔ ہماری مشترکہ بصیرت کے تحت ہم اپنی حکمت عملی کو مزید آگے بڑھانے، اپنی کامیابیوں کو وسعت دینے اور پائیدار قدر و منزلت فراہم کرنے کے لیے اعتماد اور دیانت کے ساتھ پوری طرح تیار ہیں۔

محمد بشیر

چیمین

کراچی: 29 ستمبر 2025ء

I am delighted to present another year of strong performance for Gul Ahmed Textile Mills Limited, marking a significant milestone in our journey. Despite the challenges posed by a global slowdown, we have once again proven our resilience and adaptability, achieving the highest revenue in the company's history.

This achievement, however, came against the backdrop of rising raw material costs, increased energy tariffs, and adjustments to minimum wage regulations, which have impacted our margins. Nonetheless, our ability to navigate these headwinds reflects the strength of our leadership, the commitment of our team, and the strategic decisions made in the face of adversity.

Our unwavering commitment to acting responsibly and conscientiously has been at the heart of how we overcame these challenges. From taking decisive steps to safeguard the welfare of our employees to ensuring that we continue to deliver value to our customers and shareholders, every decision made has been with the long-term success of the Company and its stakeholders in mind.

Gul Ahmed continues to be a force for good in the communities we serve. Our Corporate Social Responsibility (CSR) efforts are focused on impactful areas such as education, women's empowerment, healthcare, environmental conservation, and community development. Our commitment to social responsibility is further reinforced by our adherence to the highest standards of Environmental, Social, and Governance (ESG) practices. We firmly believe that sustainable, long-term value can only be realized when we remain fully aligned with these principles.

Sustainability is a cornerstone of our strategy, and we are proud to have completed the deployment of our 18.2 MW solar power project, bringing us closer to our goal of relying on energy needs from renewable sources. We are also in the process of expanding our solar capacity by an additional 10-15 MW and also in a process to deploy up to 5 – 10 MW of wind within our factory premises, reinforcing our commitment to a greener, more sustainable future.

Our commitment to sustainability not only strengthens our competitive edge in key export markets but also ensures we uphold the highest ethical and environmental standards. We recognize our people as the foundation of our success and continue to foster a culture of inclusivity, innovation, and professional growth.

Looking ahead to FY 2026, we remain confident despite global uncertainties, including climate change, inflationary pressures, and geopolitical shifts. With supportive monetary policies on the horizon, we are ready to leverage strategic investments in capacity, technology, and sustainability to drive long-term value.

As part of this focused strategy, we have exited the export apparel segment to concentrate resources on high-value home textiles, premium product lines, and other growth opportunities. This sharper allocation of capital and talent positions Gul Ahmed to strengthen margins, deepen market leadership, and create sustainable growth for all stakeholders.

Thank you for your continued trust and partnership.

Mohammed Zaki Bashir
Chief Executive Officer

The Directors are pleased to present the financial results of the Company for the fiscal year ended June 30, 2025.

Economic & Industrial Overview

Global Economic Landscape

At the start of FY 2025-26, the global economy is expected to continue on a moderate growth path, building on the gradual recovery observed over the past two years. Global trade is projected to expand steadily, supported by strong demand for technology, industrial goods, and manufactured exports from Asia, although overall growth remains below the levels seen in the two decades prior to the pandemic. Financial conditions are anticipated to remain broadly stable, with easing interest rate pressures in some advanced economies and moderate inflation providing a supportive backdrop for investment and trade. While supply chain disruptions have moderated compared to previous years, continued geopolitical tensions and sporadic logistical bottlenecks may still create localized volatility.

Global inflation is expected to gradually ease, averaging around 3.4–3.5% in FY 2025-26, as energy prices stabilize and core inflationary pressures soften. Nevertheless, risks remain from persistent geopolitical uncertainties including ongoing conflicts in Eastern Europe, Middle East, strained U.S. - China relations, and protectionist trade measures which could impact commodity prices, trade flows, and investment patterns. Climate-related events, such as extreme weather affecting agricultural and industrial production, and evolving sustainability regulations in major markets, may also affect operational and supply chain resilience. Against this backdrop, businesses are likely to face both challenges and opportunities, requiring agility, robust risk management, and strategic alignment to navigate uncertainty while capitalizing on emerging global trends.

Pakistan's Economic Landscape

In FY 2025, Pakistan's economy demonstrated clear signs of recovery and resilience. GDP growth reached 2.68%, while inflation declined sharply from 23.4% to 4.5%, supported by a lower policy rate, exchange rate stability, and prudent macroeconomic management.

The current account recorded its first annual surplus in 14 years and the largest in 22 years, driven by stronger exports, robust remittances, and rising foreign exchange reserves.

Fiscal discipline improved as the fiscal deficit was contained at 3.7% of GDP for July–May FY 2025, supported by substantial increases in both tax (25.9%) and non-tax (62.7%) collections, which together drove a 41.1% growth in net federal revenues.

During FY 2024–25, exports rose by \$1.37 billion, from \$30.7 billion in the same period last year to \$32.04 billion, while imports increased by \$3.61 billion, reaching \$58.39 billion. Remittances from overseas workers surged 26.6% year-on-year to \$38.3 billion, contributing to a turnaround in the current account from a \$2.07 billion deficit in FY 2024 to a \$0.328 billion surplus in FY 2025.

Industrial activity presented a mixed picture. The cumulative Large Scale Manufacturing (LSM) output declined by 0.74% during July–June FY 2025, following marginal growth of 0.9% the previous year. However, 12 out of 22 sectors recorded positive growth, including textiles, wearing apparel, coke & petroleum products, beverages, and pharmaceuticals. The automobile sector also exhibited strong performance during FY 2024–25, highlighting pockets of industrial resilience amid broader challenges.

Looking ahead, FY 2025–26 is expected to consolidate these gains, with moderate growth, continued easing of inflation, and strengthening external balances, while the economy navigates ongoing fiscal and global trade challenges.

Pakistan's Textile Sector

In the financial year FY24-25, Pakistan's 7.39% export growth reflects resilience in a competitive global environment. The shift from commodities to value-added products aligns well with global consumption patterns. Below is the breakup of Textile Exports category wise:

Category	2024-2025	2023-2024	Change
	USD in '000s	USD in '000s	
Knitwear	5,010,467	4,407,573	13.68%
Readymade garments	4,128,556	3,563,647	15.85%
Bed wear	3,112,848	2,802,670	11.07%
Cotton Cloth	1,808,997	1,865,964	-3.05%
Towels	1,082,611	1,055,109	2.61%
Cotton Yarn	680,700	955,510	-28.76%
Made up Articles	775,791	715,333	8.45%
Others	1,287,068	1,290,092	-0.23%
Grand Total	17,887,038	16,655,898	7.39%

The sector continues to encounter significant challenges, including volatility in raw material prices, increasing energy costs, and intensified global competition, which collectively exert pressure on margins and operational efficiency. Furthermore, recent policy changes, such as adjustments in customs duties, transitions in the tax regime, and delays in refund processing, may adversely affect export competitiveness and liquidity.

Operational & Financial Performance

Despite challenges such as pricing pressures in export markets, geopolitical instability, elevated financing costs (which eased later in the year), and fluctuating energy prices, the Company successfully expanded order volumes and operated at optimal production capacity during FY24-25. Export revenue in USD registered a growth of 4.07%, rising from USD 368.9 million in the SPLY to USD 383.6 million in FY25. This performance translated into a notable increase in net sales, which rose by 10.31% to Rs. 157.9 billion from Rs. 143.14 billion in the previous year.

However, despite this strong top-line performance, profitability at the gross, operating, and net levels was adversely affected by the aforementioned challenges. The key financial metrics for the year ended June 30, 2025, are summarized below:

Description	2025	2024	%
Export Sales	105,815	99,403	6.45%
Indirect Export Sales	37,279	32,031	16.38%
Local Sales	14,811	11,711	26.47%
Total Sales	157,905	143,145	10.31%
Gross Profit	18,978	17,191	10.39%
Profit before tax	5,660	6,537	-13.42%
Profit after tax	4,023	4,728	-14.91%
EBITDA	16,312	16,436	-0.75%
Earnings per share	5.44	6.39	-14.87%

* All amounts are in PKR Million except for Earnings per share which is in Rupees per share

Sales Performance

In PKR terms, export revenue increased by 6.45%, primarily attributable to favorable exchange rate movements and higher export volumes in USD. Indirect exports recorded further growth of 16.38% during FY25 as compared to the SPLY. Local sales, meanwhile, posted a significant increase of 26.47% over the same period. This overall growth in sales underscores the effectiveness of the Company's strategic initiatives, including timely investments and an enhanced focus on both international and domestic markets.

Costs and Financial Metrics

The company experienced a 10.3% rise in the cost of sales, driven by multiple factors including higher raw material prices, increased energy tariffs, and adjustments in minimum wage regulations.

In response, the company has taken proactive steps to manage energy costs and enhance sustainability. A 18.2 MW rooftop solar installation is already operational now. Additionally, plans are underway to expand solar capacity by another 10–15 MW across company-owned sites, supported by a robust battery storage system. The company is also exploring the deployment of Wind Turbines within its Factory locations to diversify its energy mix and reduce reliance on conventional gas-based power. These strategic investments are aimed at controlling long-term energy costs and protecting margins amid ongoing utility price volatility.

Selling costs have risen significantly by 17.19%, primarily driven by a 24% increase in freight expenses and a 10% rise in salaries and wages. The prevailing geopolitical

uncertainties have continued to disrupt global trade flows, resulting in longer transit times, supply chain inefficiencies, and elevated freight costs as shipping lines are compelled to adopt alternative routes. In contrast, administrative expenses have seen an increase of 18% driven up by increase of 57% in travelling & conveyance on account of increasing customer base, 91% in donations and 9% in salaries, wages and benefits.

Despite an increase in borrowings by PKR 11.6 billion, largely driven by higher gas prices and rising working capital requirements due to increased sales, the Company successfully maintained finance costs at stable levels compared to last year as interest rates began to normalize. Borrowings increased by 19.38% over the SPLY, while finance costs rose by only 11.96%. This outcome reflects the effectiveness of strategic financial planning and optimization. A key driver of this performance was the proactive approach in securing EFS and FE financing at favorable rates. By leveraging these lower-cost financing facilities and maintaining prudent debt management, the Company was able to mitigate the impact of higher borrowings and keep overall finance costs relatively contained.

Segmental Review of Business Performance

The Company operates across multiple business segments; however, only the key segments of material significance are highlighted below:

1. Spinning

Gul Ahmed operates a state-of-the-art spinning plant, which is central to both our revenue growth and profitability. This segment is critical in supplying high-quality yarn to domestic textile manufacturers while also serving the Company's internal production needs. Leveraging advanced technology and a strategic operational approach, our spinning plant enables us to remain competitive, responsive to market demands, and reinforces our leadership position within the textile sector.

In FY25, the Spinning Division recorded a decline in net sales of approximately 10.34% compared to the SPLY, mainly due to lower intersegment sales to the Home Textile division. At the same time, cost of sales increased on account of higher minimum wages, power and fuel costs, and other overheads. As a result, gross margins contracted to 10.80% as compared to 11.67% SPLY, reflecting the impact of cost pressures on overall profitability. The decline in sales, coupled with rising

cost pressures, has impacted margins; however, management remains committed to mitigating these challenges through ongoing efficiency initiatives and operational discipline.

These measures are particularly vital in the current challenging business environment, as effective cost management and operational improvements are essential to ensuring the segment's long-term sustainability.

An overview of the Company's performance across its business segments is provided in the operating segment results within the attached financial statements; for more details, please refer to Note # 35.

2. Home Textile

The Home Textile segment continues to be the cornerstone of the Company's operations, contributing 85% of total export volume through the manufacture and export of a wide range of value-added textile products.

During FY25, the segment recorded a notable increase in total net sales in PKR terms, rising by approximately 11.4% compared to the SPLY. The segment delivered a robust 12.6% increase in exports in USD terms compared to the SPLY. This growth reflects strong revenue generation and an expanding market footprint despite prevailing geopolitical challenges. While the cost of sales increased due to higher minimum wages and rising power and fuel costs, gross profit margins improved from 7.25% to 9.59%, underscoring the Company's ability to enhance profitability in a challenging environment.

The improvement in margins is primarily attributable to enhanced operational efficiency, strengthened process management, and effective cost controls. Furthermore, improved procurement policies and timely decision-making contributed significantly to maximizing production efficiency and achieving cost savings.

Selling and distribution expenses increased by approximately 19.98%, largely in line with higher sales volumes and a rise in freight costs, the latter being driven by geopolitical uncertainties.

An overview of the Company's performance across its business segments is provided in the operating segment results within the attached financial statements; for more details, please refer to Note # 35.

Management Objectives and Strategies

Gul Ahmed continues to stand as a leading and trusted name in Pakistan's textile sector. Over the past year, we have advanced our commitment to sustainability and innovation while strengthening our technological capabilities to stay competitive in a dynamic global

market. Our focus on operational efficiency and product excellence has not only helped us navigate economic challenges but also reinforced long-term value creation for our stakeholders. By aligning customer-centric innovation with financial resilience, we remain dedicated to delivering quality, trust, and sustainable growth.

Principal Risk and Uncertainties

In today's dynamic environment, businesses face a wide spectrum of risks and uncertainties that, if not effectively managed, could significantly impact performance and long-term sustainability. The Company has established a robust framework for identifying, evaluating, and mitigating such risks. The principal risks currently under focus include:

- Credit Risk – exposure to defaults on receivables, particularly from local sales.
- Market & Input Risks – volatility in cotton and yarn prices, imposition of customs duties on raw material imports, rising utility tariffs, and fluctuating markup rates that exert pressure on margins.
- Technological Risk – rapid global advancements in textile manufacturing and automation require continuous adaptation to maintain competitiveness.
- Regulatory & Fiscal Risk – new duties and taxes on existing taxpayers increase cost pressures; the transition from Final Tax Regime (FTR) to Normal Tax Regime (NTR) reduces exporters' competitiveness; while the withdrawal of EFS zero-rating on local supplies and imposition of 18% GST create liquidity constraints through delayed refunds.
- Energy Risk – declining domestic gas reserves and dependence on imported fuel-based thermal generation expose operations to price volatility from global energy markets and PKR depreciation.
- Climate & ESG Risks – rising climate variability, including floods, droughts, and heatwaves, threatens cotton availability and operational continuity. At the same time, heightened global demand for compliance with sustainability, labor, and traceability standards requires investment and adaptation, with potential market access risks if standards are not met.
- Supply Chain Disruption Risk – global uncertainties, including geopolitical tensions, shipping bottlenecks, and currency fluctuations, may affect the timely availability and cost of raw materials, logistics, and export deliveries, impacting reliability of supply to international buyers.

While risk management has always been integral to our operations, the evolving expectations of markets, regulators, customers, employees, and shareholders have elevated it into a key driver of business strategy.

Policies and Procedures

The Company has established a robust framework of policies and procedures that underpin effective governance, regulatory compliance, and operational efficiency. These policies span all critical areas of our business, including financial management, risk control, and ethical conduct. To remain aligned with evolving regulations, industry standards, and global best practices, we review and update these policies on a regular basis, ensuring that our governance framework remains both current and resilient.

Information and Monitoring System

The Company has invested in advanced information systems to ensure the timely and accurate flow of information across all operations. These systems provide management with real-time insights to monitor performance, track variances, and maintain effective oversight. By embedding digital tools, automation, and data analytics into our processes, we are fostering a data-driven culture that enhances decision-making and strengthens organizational agility. This commitment to digital transformation enables us to anticipate challenges, seize opportunities, and respond swiftly to changes in the business environment.

Internal Audit

The Company has outsourced its internal audit function to an independent external firm, ensuring an objective and unbiased evaluation of our control environment. Reporting directly to the Audit Committee, the firm provides expert assessments on the effectiveness of internal controls and recommends improvements where needed. The Audit Committee regularly reviews these comprehensive reports, enabling timely actions that strengthen governance, enhance operational effectiveness, and reinforce stakeholder confidence.

Adequacy of Internal Financial Control

The Board of Directors has instituted a comprehensive system of internal financial controls designed to ensure the efficient and secure operation of the Company. These controls cover key areas such as fraud prevention, asset safeguarding, legal and regulatory

compliance, accurate financial reporting, and the timely provision of reliable information. To maintain their effectiveness, the controls are subject to regular review and enhancement in line with evolving laws, regulations, and best practices. This reflects our ongoing commitment to strong financial governance, transparency, and accountability.

Human Resource (HR)

The Company places strong emphasis on effective human resource management as a driver of organizational success and sustained competitiveness. Our HR policies are structured to attract, develop, and retain skilled professionals while ensuring full compliance with employment laws and regulations. Core elements of our strategy include performance management, employee development, and market-aligned compensation, all of which enable us to nurture talent and strengthen engagement.

Beyond meeting current talent needs, we are committed to developing the next generation of professionals. As a registered Training Organization under the ICAP CA Trainees Program, we offer article ship opportunities to aspiring Chartered Accountants, equipping them with the knowledge and experience to excel in their careers. This initiative reflects our long-term vision of building a strong talent pipeline that will contribute to the continued success and growth of the Company and the broader industry.

Information Technology (IT)

The Company has implemented a comprehensive IT management framework to ensure that its systems remain reliable, secure, and aligned with business needs. This framework encompasses regular upgrades and maintenance of hardware and software, integrating the latest technological advancements to optimize performance and strengthen resilience. In parallel, we invest in continuous training and development of our IT teams, equipping them with the skills required to address emerging challenges and support the Company's digital transformation journey.

IT Governance Policy

Our IT governance framework plays a vital role in safeguarding information assets, preventing unauthorized access, and mitigating cybersecurity risks. It also provides a structured mechanism for the ongoing monitoring and enhancement of security measures. The policy sets clear

guidelines for the creation, storage, use, archiving, and disposal of information across the organization, ensuring data integrity and compliance with best practices.

Acknowledging the critical role of technology in driving business success and meeting the evolving needs of our users, we continuously review and upgrade our management information systems. These systems are designed to:

- Monitor and enhance organizational performance.
- Provide real-time, reliable data to support strategic decision-making.
- Assess and demonstrate departmental effectiveness.
- Establish robust checks and balances to safeguard assets and ensure accountability.

Through this governance framework and our sustained investment in technology, we are committed to maintaining a secure, efficient, and future-ready information environment that underpins our business objectives and strengthens long-term resilience.

Business Continuity Plan (BCP)

The Company has established a comprehensive Business Continuity Plan (BCP) to safeguard the resilience and sustainability of its operations against unexpected disruptions. The plan sets out clear strategies for sustaining essential business functions during adverse events such as natural disasters, supply chain disruptions, or other emergencies. It incorporates structured procedures for risk assessment, crisis management, and recovery, ensuring that critical operations can be maintained with minimal interruption. To strengthen preparedness, regular drills, simulations, and reviews are conducted, allowing us to continuously test, refine, and enhance the effectiveness of the BCP. This proactive approach enables the Company to respond swiftly, protect stakeholders' interests, and ensure long-term operational stability.

Safety of Records

To ensure the safety, integrity, and accessibility of its records, the Company has outsourced record-keeping to specialized third-party service providers. This approach enables secure storage and efficient retrieval of critical documents while ensuring compliance with best practices. Primary data is safeguarded through remote backup sites, ensuring continuity and availability in the event of a disaster or

system failure. In addition, the use of Oracle Cloud provides advanced security protocols, scalability, and robust protection against data loss or unauthorized access. Through these measures, the Company upholds the reliability of its information assets and supports seamless, uninterrupted business operations.

Environment and Social Governance

As one of the country's leading exporters, the Company places the highest priority on safeguarding the health and safety of its workforce and stakeholders. A dedicated ESG (Environmental, Social, and Governance) compliance team has been established to drive and oversee our initiatives in these critical areas, reflecting management's strong commitment to sustainable and responsible business practices.

Our facilities are fully aligned with environmental and safety standards, with proactive measures in place to eliminate the release of hazardous substances and minimize environmental impact. This commitment not only reinforces our responsibility toward the environment but also demonstrates our dedication to the well-being of the communities in which we operate. Through our integrated ESG strategy, we remain focused on embedding sustainability, ethics, and accountability across all aspects of our operations.

Gender Pay Gap

Our company is committed to fostering an inclusive and equitable workplace where every employee is valued, respected, and empowered to succeed. As an equal opportunity employer, we ensure that all employment decisions including recruitment, hiring, training, promotion, and compensation are based solely on merit and qualifications, without discrimination on the basis of race, color, religion, gender, age, disability, or any other characteristic protected by law.

We believe that diversity fuels innovation and strengthens our overall performance. Accordingly, we are dedicated to maintaining a workplace where all employees have equal opportunities to grow, thrive, and contribute to our shared success.

For the reporting period, the mean pay gap shows that male employees earn on average 0.54% more than female employees, compared to -0.07% in 2024. In contrast, the median pay gap indicates that female employees earn 14.33% more than their male colleagues, broadly consistent with 14.51% in 2024. These results demonstrate stability across reporting periods and reaffirm the Company's commitment to maintaining

gender equity. We remain mindful, however, that pay equity is a continuous journey and are committed to further strengthening our practices in this area.

Holding Company

The Company remains a subsidiary of Gul Ahmed Holdings (Private) Limited, which holds 55.86% of its shares.

Subsidiary Companies

The Company has both direct and indirect wholly owned subsidiaries, as disclosed in Note 1 of the audited financial statements.

Code of Corporate Governance (CCG)

The management of the Company is committed to implementing good corporate governance and complying with best practices. As required under the Code of Corporate Governance, the Directors are pleased to state as follows:

- i. The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows, and changes in equity.
- ii. Proper books of accounts of the Company have been maintained.
- iii. Appropriate accounting policies have been consistently applied in the preparation of financial statements, and accounting estimates are based on reasonable and prudent judgment.
- iv. International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.
- v. The system of internal control is sound in design and has been effectively implemented and monitored.
- vi. The directors of the Board are well aware of their duties and responsibilities as outlined by corporate laws and listing regulations. In compliance with the provisions of the Listing Regulations, six of our directors have attended and completed the Corporate Governance Leadership Skills program under the Board Development Series of Pakistan Institute of Corporate Governance (PICG).
- vii. One director, i.e., the Chairman, with the compulsory knowledge and experience is exempt from the requirement of attending the directors' training program.
- viii. There are no significant doubts about the Company's ability to continue as a going concern.

- ix. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- x. The value of investment of provident fund based on its unaudited accounts as on June 30, 2025 is Rs. 3.3 billion (FY2024: as per audited accounts Rs. 2.6 billion)
- xi. Statements regarding the following are annexed in the notes to the financial statements:
 - Number of Board meetings held and attendance by directors.
 - Key financial data for the last six years.
 - Pattern of shareholding.

The trading and holding of Company's shares by the Directors & their Spouses or Executives, along with the price, the number of shares and nature of the transaction, were notified by the Company Secretary to the Board, SECP & PSX, within the stipulated time. All such holdings have been disclosed in the enclosed Pattern of Shareholding.

Investors' Grievance and complaints

The Company is committed to transparency and ensures equal access to information for all shareholders, including prospective investors. Shareholders are encouraged to seek information regarding the Company's operations, their investments, dividend entitlements, and regulatory disclosures issued by the Company. We prioritize timely and comprehensive responses to such requests, in full compliance with statutory requirements. Investor grievances are managed through a centralized and structured mechanism designed to address queries and concerns promptly. This approach not only ensures effective resolution but also reinforces shareholder confidence and strengthens transparency in our engagement with investors.

Composition of the Board

The Board of Directors as at June 30, 2025 is as follows:

Total number of directors	
• Male	06
• Female	01

The composition of the Board is as follows:

- a. Independent Directors (2)
 - Ms. Zeeba Ansar
 - Mr. Kamran Y. Mirza

- b. Executive Directors (2)
 - Mr. Mohammed Zaki Bashir
 - Mr. Zain Bashir
- c) Non-Executive Directors (3)
 - Mr. Mohomed Bashir
 - Mr. Ziad Bashir
 - Mr. Ehsan A. Malik
- d) Female Non-Executive Directors (none)

Committees of the Board

- Audit Committee
 - Mr. Kamran Y. Mirza – Chairman
 - Mr. Mohomed Bashir - Member
 - Mr. Ehsan A Malik – Member
- Human Resource and Remuneration Committee
 - Ms. Zeeba Ansari – Chairman
 - Mr. Mohomed Bashir - Member
 - Mr. Zain Bashir – Member

Remuneration Policy of Non-Executive Directors

The Company has established a structured remuneration policy for its Non-Executive and Independent Directors, designed to ensure fairness, transparency, and alignment with best governance practices. The key principles of the policy are as follows:

Remuneration is market-competitive and reflects the Director's experience, expertise, and contribution. Independent Directors do not receive any fixed salary; they are compensated solely through meeting fees for attending Board and Committee meetings.

Meeting fees for all Directors are recommended by the Human Resource and Remuneration Committee (HR&RC) and approved by the Board. For Independent Directors, such fees are strictly linked to their actual attendance.

Directors are entitled to reimbursement of travel, accommodation, and other reasonable expenses incurred while attending Board, Committee, or General Meetings.

In cases where Directors are required to perform assignments beyond their statutory responsibilities, they may be granted additional remuneration as determined and approved by the Board.

Director's Training

The Directors of the Company are suitably qualified and adequately trained to discharge their duties, with a clear understanding of their powers and responsibilities under the Companies Act, 2017, and the Regulations of the Pakistan Stock Exchange Rule Book.

Boards Evaluation

In compliance with the Code of Corporate Governance, 2017, the Board has approved a structured mechanism for evaluating its performance. This mechanism includes a comprehensive questionnaire covering the Board's scope, objectives, functions, as well as the Company's overall performance and monitoring practices. Inputs from each Director are incorporated into the process, enabling the Board to evaluate its effectiveness collectively and identify areas for continuous improvement.

Conflict of Interests

Each Director actively exercises the right to participate in Board proceedings, with decisions reached through consensus. Any concerns raised by Board members on specific agenda items are duly documented in the meeting minutes, ensuring transparency and accountability.

In addition, the Company has adopted a Code of Business Ethics, which not only ensures compliance with regulatory requirements but also requires Directors to formally disclose any interests that could give rise to actual or perceived conflicts of interest. This reinforces the Board's commitment to ethical governance and responsible decision-making.

Review of Related Party Transactions

In line with the Companies Act, 2017, the Code of Corporate Governance (CCG), and other applicable laws and regulations, all related party transactions are comprehensively reviewed and presented to the Audit Committee on a regular basis. Based on the Committee's recommendations, these transactions are subsequently considered and approved by the Board. Furthermore, any transactions in which a majority of Directors have an interest are presented annually to the shareholders for approval, ensuring full transparency and strict compliance with governance requirements.

This structured process safeguards shareholder value by ensuring that all related party transactions are conducted at arm's length, on fair commercial terms, and in the best interest of the Company and its stakeholders.

CEO's Performance Review

Each year, the Board establishes a set of objectives and strategies aligned with the Company's mission. Progress against these milestones is systematically measured to assess performance and evaluate their contribution to the Company's growth. The review covers multiple dimensions, including alignment with the mission, achievement of short- and long-term goals, sustainability of profitability, enhancement of shareholder value, and adherence to sound governance and statutory reporting practices. The Board also provides constructive feedback to further strengthen and support the CEO's role in leading the organization.

This structured process reinforces accountability, ensuring that management remains answerable to both shareholders and stakeholders while driving sustainable growth and long-term value creation.

Role of Chairman And CEO

The Chairman serves as the custodian of the Company on behalf of the Board and stakeholders, leading the Board of Directors to ensure its efficiency and effectiveness. The Chairman is committed to fostering the Company's sustainable growth, protecting its reputation and that of its subsidiaries, and maintaining a balanced Board composition that reflects diverse expertise in business operations, economic insight, and strategic acumen.

The CEO, in turn, holds primary responsibility for driving the Company toward its vision, mission, and long-term objectives. Acting as the key link between the Board and management, the CEO oversees day-to-day operations while executing long-term strategies, plans, and budgets aimed at enhancing shareholder value. In addition to representing the Company before shareholders, regulators, government authorities, and the public, the CEO plays a central role in inspiring employees, leading organizational change, and making critical decisions that support the achievement of targeted goals.

Pattern of Shareholding

The pattern of shareholding, along with additional information as of June 30, 2025, is disclosed in the Annual Report of the Company. As of June 30, 2025, associated companies and public sector entities collectively hold 69.4%, banks, insurance companies,

and mutual funds hold 14.7%, Directors hold 7.4%, while individual shareholders account for 8.5% of the total shareholding.

Auditors

The present External Auditors, M/s. Yousuf Adil & Co., Chartered Accountants, have completed the statutory audit for the year ended June 30, 2025, and issued an unqualified (clean) audit report. They will retire at the conclusion of the forthcoming Annual General Meeting and, being eligible, have offered themselves for reappointment. Based on the recommendation of the Audit Committee, the Board proposes their reappointment as the Company's auditors for the financial year ending June 30, 2026.

Future Economic Outlook

Global trade is projected to remain subdued in FY 2025-26, with the WTO expecting a 0.2% contraction in merchandise trade volumes before a modest rebound in 2026. Heightened trade tensions, maritime disruptions, and geopolitical uncertainties continue to weigh on the outlook, while inflation worldwide is on a declining path, offering some relief in input costs.

Pakistan enters FY 2025-26 with improved macroeconomic stability achieved in the prior year, as GDP grew by 2.7%, inflation declined to 4.6%, and the policy rate was eased significantly, lowering financing costs. Fiscal consolidation has also reduced the debt-to-GDP ratio, reflecting stronger management and creating a foundation for recovery.

Nevertheless, challenges remain for the export-oriented textile sector, including high energy costs, volatile cotton prices, import duties on raw materials, and delayed tax refunds under the revised regime, all of which pressure margins and liquidity. Climate vulnerabilities and global trade weakness add to risks. Looking ahead, FY 2025-26 is expected to be a year of consolidation, supported by stable inflation, accommodative monetary policy, and structural reforms, with progress dependent on consistent execution to strengthen competitiveness and resilience.

Subsequent Events

The Board of Directors of Gul Ahmed Textile Mills Limited, in its meeting held on September 29, 2025, has resolved to discontinue the business operations of the Company's Export Apparel Segment. This decision has been taken following a comprehensive strategic review of the segment's performance and future outlook.

Other than the above, no material changes and commitments affecting the financial position of the company have occurred between the end of the financial year and the date of this report.

Acknowledgement

We extend our heartfelt appreciation to our employees, customers, financial institutions, shareholders, and the esteemed Board of Directors. Each has played an equally vital role in supporting the Company's progress, and we deeply value their trust, commitment, and contribution to our continued success.

For and on behalf of the Board

Mohomed Bashir
Chairman

Mohammed Zaki Bashir
Chief Executive Officer

September 29, 2025
Karachi

ڈائریکٹرز کو کمپنی کے 30 جون 2025 کو ختم ہونے والے مالی سال کے مالی نتائج پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

ماہی و صنعتی ماہنامہ

مالی ماہی ماہنامہ

مالی سال 2025-26 کے آغاز پر توقع ہے کہ عالمی معیشت بتدریج بحالی کے رجحان پر قائم رہے جو گزشتہ دو برسوں میں دیکھی گئی بہتری پر مبنی ہوگی۔ عالمی تجارت میں بتدریج اضافہ متوقع ہے جسے نیک نامی، صنعتی مصنوعات اور ایشیا سے جاری شدہ برآمدات کی مضبوط طلب سہارا دے گی۔ تاہم مجموعی ترقی کی شرح کو روکنا باہر سے قتل کے دو ہائیڈرو پاور پراجیکٹوں کی سبب بھی کم ہے۔ مالیاتی حالات عمومی طور پر مستحکم رہنے کی توقع ہے، جہاں بعض ترقی یافتہ معیشتوں میں شرح سود کے دباؤ میں کمی اور معتدل مہنگائی سرمایہ کاری اور تجارت کے لیے سازگار پس منظر فراہم کرے گی۔ سپلائی چین میں رکاوٹیں ماضی کی نسبت کم ہو چکی ہیں، تاہم جغرافیائی سیاسی تناؤ اور لاجسٹک مسائل مقامی سطح پر عدم استحکام پیدا کر سکتے ہیں۔

عالمی مہنگائی بتدریج کم ہو کر مالی سال 2025-26 میں اوسطاً 3.4% تا 3.5% رہنے کی توقع ہے کیونکہ توانائی کی قیمتیں مستحکم ہیں اور بنیادی مہنگائی کے دباؤ میں بھی کمی آ رہی ہے۔ تاہم غیر قیمتی سیاسی حالات جیسے مشرقی یورپ اور مشرق وسطیٰ میں جاری تنازعات، امریکہ-چین تعلقات میں کشیدگی، اور تحفظاتی تجارتی اقدامات عام مال کی قیمتوں، تجارتی بہاؤ اور سرمایہ کاری پر اثر ڈال سکتی ہیں۔ ماحولیاتی تبدیلی سے جڑے شدید موسمی حالات و واقعات زرعی و صنعتی پیداوار کو متاثر کر سکتے ہیں، اور بڑے بازاروں میں پائیداری کے نئے ضوابط بھی آپریشنل اور سپلائی چین کے خطرات بڑھا سکتے ہیں۔ اس ماحول میں کاروباروں کو چیلنجز اور مواقع دونوں کا سامنا ہوگا، جن کے لیے فوری مداخلت کی مہارت، مضبوط ریسک مینجمنٹ اور اسٹریٹجک ہم آہنگی ضروری ہے تاکہ غیر قیمتی حالات پر قابو پاتے ہوئے عالمی رہنمائی سے فائدہ اٹھایا جاسکے۔

پاکستان کا ماہی ماہنامہ

مالی سال 2025 میں پاکستان کی معیشت نے بحالی اور استحکام کے واضح آثار دکھائے، جی ڈی پی میں 2.68% اضافہ ہوا جبکہ اخراجات 23.4% سے کم ہو کر 4.5% پر آ گئے جو شرح سود میں کمی، آپریشنل ریٹ کے استحکام اور آئٹنڈنڈ ٹیکسٹائل انڈسٹری کے نتیجے میں ممکن ہوا۔ کرنٹ اکاؤنٹ نے 14 برس بعد پہلی بار سالانہ سرپلس ریکارڈ کیا جو 22 برسوں میں سب سے بڑا تھا۔ یہ برآمدات میں بہتری، مضبوط ترسیلات زر اور زر مبادلہ کے ذخائر میں اضافے سے ممکن ہوا۔

مالیاتی نظم و ضبط میں بھی بہتری آئی کیونکہ مالیاتی خسارہ جولائی تا مئی مالی سال 25 میں جی ڈی پی کا 3.7% رہا جسے ٹیکس آمدنی (25.9%) اور جی این ٹیکس آمدنی (62.7%) میں نمایاں اضافے نے سہارا دیا۔ اس سے وفاقی ریونیو میں مجموعی طور پر 41.1% اضافہ ہوا۔

مالی سال 2024-25 میں برآمدات میں 1.37 بلین ڈالر کا اضافہ ہوا اور یہ پچھلے سال کی اسی مدت کے 30.7 بلین ڈالر سے بڑھ کر 32.04 بلین ڈالر تک پہنچیں، جبکہ درآمدات میں 3.61 بلین ڈالر کا اضافہ ہوا اور یہ 58.39 بلین ڈالر تک پہنچیں۔ بیرون ملک مقیم پاکستانیوں کی ترسیلات میں 26.6% سال بہ سال اضافہ ہوا اور یہ 38.3 بلین ڈالر تک پہنچ گئیں جس سے کرنٹ اکاؤنٹ مالی سال 2024 کے 2.07 بلین ڈالر خسارے سے بدل کر مالی سال 2025 میں 0.328 بلین ڈالر سرپلس پر آ گیا۔

صنعتی سرگرمیوں کی کارکردگی ٹی جی پی سی۔ بڑے پیمانے کی مینوفیکچرنگ (LSM) کی مجموعی پیداوار جولائی تا جون مالی سال 25 میں 0.74% کم ہوئی جبکہ پچھلے سال یہ 0.9% بڑھی تھی۔ تاہم 22 مئی سے 12 سیکٹرز نے مثبت ترقی دکھائی جن میں ٹیکسٹائل، ملبوسات، کھوکھ اور پیپر و لیم مصنوعات، مشروبات اور کار ماسیونگ شامل ہیں۔ آٹوموٹو ہیکل سیکٹرز نے بھی مالی سال 24-25 کے دوران بہتر کارکردگی دکھائی، جو مجموعی چیلنجز کے باوجود صنعتی لپک کی عکاسی کرتا ہے۔

آگے دیکھتے ہوئے مالی سال 2025-26 میں ان کامیابیوں کے مستحکم ہونے کی توقع ہے، جس میں معتدل ترقی، اخراجات میں مزید کمی اور بیرونی توازن میں بہتری شامل ہوگی۔

پاکستان کا معیاری نگر

مالی سال 2024-25ء میں پاکستان کی برآمدات میں 7.39% اضافہ ہوا جو عالمی مسابقتی ماحول میں استقامت کو ظاہر کرتا ہے۔ عام مال سے قابل قدر مصنوعات کی جانب منتقلی عالمی صارفین کے رجحانات سے ہم آہنگ ہے۔ ذیل میں ٹیکسٹائل برآمدات کی زمرے (کٹھگری) کے حساب سے تفصیلی پیش کی جا رہی ہے:

دروہ	2023-24 ماس کی ڈالر	2024-25 ماس کی ڈالر	تبدیلی
بنا ہوا لباس (بٹ ویئر)	4,407,573	5,010,467	13.68%
ریڈی میڈ لمبوسات	3,563,647	4,128,556	15.85%
اوز سنے پھونے کا سامان (ہیڈ ویئر)	2,802,670	3,112,848	11.07%
نونی کپڑا	1,865,964	1,808,997	-3.05%
تولے	1,055,109	1,082,611	2.61%
کاشن پرن	955,510	680,700	-28.76%
تفصیلی ایشیا (میڈ آپ آرٹیکلز)	715,333	775,791	8.45%
دیگر	1,290,092	1,287,068	-0.23%
مُل مجموعہ	16,655,898	17,887,038	7.39%

ٹیکسٹائل ٹیکسٹائل بھی نمایاں چیلنجز کا سامنا ہے جن میں عام مال کی قیمتوں میں آج بڑے حصے کا توازن کے اخراجات میں اضافہ، اور عالمی سطح پر بڑھتی ہوئی مسابقت شامل ہیں جو مجموعی طور پر مارکنگ یعنی شرح منافع اور آپریٹنگ موثریت پر دباؤ ڈالتے ہیں۔ مزید برآں، حالیہ پالیسی تبدیلیاں جیسے کسٹمز ڈیوٹی میں ایڈجسٹمنٹس، ٹیکس ریم میں تبدیلیاں، اور ریٹنڈ کی پروسیجرنگ میں تاخیر برآمدی مسابقت اور لیگولیشن پر مبنی اثر ڈال سکتی ہیں۔

ملی اور علاقائی کارکردگی

اگرچہ کئی کو برآمدی منڈیوں میں قیمتوں کے دباؤ، جغرافیائی سیاسی غیر یقینی صورتحال، بلند مالیاتی لاگت (جو سال کے آخر میں کچھ کم ہوئیں)، اور توانائی کی قیمتوں میں آج بڑے حصے کا توازن چیلنجز کا سامنا رہا، اس کے باوجود کئی نے آرڈر کے حجم میں کامیاب اضافہ کیا اور مالی سال 2024-25ء کے دوران بہترین پیداواری صلاحیت پر کام کیا۔ برآمدی ریونیو امریکی ڈالرز میں 4.07% بڑھا جو پچھلے سال کی اسی مدت میں 368.9 ملین امریکی ڈالر سے بڑھ کر مالی سال 2025ء میں 383.6 ملین امریکی ڈالر تک پہنچ گیا۔ اس کارکردگی کے نتیجے میں نیٹ سٹاکز میں نمایاں اضافہ ہوا جو 10.31% اضافے کے ساتھ پچھلے سال کے 143.14 ارب روپے سے بڑھ کر 157.9 ارب روپے ہو گیا۔

تاہم، اس مضبوط ٹاپ لائن پر فارمنس کے باوجود، مجموعی آپریٹنگ اور نیٹ سٹاک پر منافع بخشی کو مذکورہ بالا چیلنجز نے متاثر کیا۔ 30 جون 2025ء کو ختم ہونے والے مالی سال کے کلیدی مالیاتی اشاریے ذیل میں درج کیے گئے ہیں:

حصیل	2025ء	2024ء	فرق %
ایکسپورٹ سٹاکز	105,815	99,403	6.45%
بالواسطہ برآمدی فروخت	37,279	32,031	16.38%
مقامی فروخت	14,811	11,711	26.47%
مُل فروخت	157,905	143,145	10.31%

10.39%	17,191	18,978	مجموعی منافع
-13.42%	6,537	5,660	عمل آؤنگس منافع
-14.91%	4,728	4,023	بعض آؤنگس منافع
-0.75%	16,436	16,312	EBITDA (آمدنی عمل آؤنگس اور ٹیکس اور کوٹہ جی)
-14.87%	6.39	5.44	فی شیئر آمدنی

فروختی کارکردگی

پاکستانی روپے کے تاخیر میں برآمدی ریونیو میں 6.45% اضافہ ریکارڈ کیا گیا جس کی بنیادی وجہ سازگار زر مبادلہ کی شرحوں اور امریکی ڈالر میں زیادہ برآمدی حجم رہا۔ بالواسطہ برآمدات میں بھی مالی سال 2025ء کے دوران گزشتہ سال کے مقابلے میں 16.38% اضافہ ہوا۔ اسی دوران مقامی فروخت میں 26.47% کا نمایاں اضافہ دیکھا گیا۔ فروخت میں یہ مجموعی نمو کھپتی کی حکمت عملی کی کامیابی کو ظاہر کرتی ہے، جس میں بروقت سرمایہ کاری اور بین الاقوامی و مقامی دونوں منڈیوں پر زیادہ توجہ شامل ہے۔

لاگت اور مالیات

کھپتی کو فروخت کی لاگت میں 10.3% اضافہ برداشت کرنا پڑا، جس کی بڑی وجوہات عام مال کی بڑھتی ہوئی قیمتیں، توانائی کے نرخوں میں اضافہ اور کم از کم اجرت کے سواہل میں روہیل (ایچ پی سی) تھیں۔

اس کے جواب میں کھپتی نے توانائی کی لاگت کو کنٹرول کرنے اور پائیداری کو بہتر بنانے کے لیے فعال اقدامات کیے۔ 18.2 میگا واٹ کاروف ٹاپ سولار سٹیشن پہلے ہی فعال ہو چکا ہے۔ مزید یہ کہ کھپتی کی حکمت عملی والی سائٹس پر 10 سے 15 میگا واٹ تک اضافی سولار صلاحیت بڑھانے کے منصوبے جاری ہیں جسے ایک مضبوط بیٹری اسٹوریج سسٹم کی معاونت حاصل ہوگی۔ اس کے علاوہ کھپتی اپنی فیکٹری لوکیشنز میں وینڈر پائیز کے نفاذ پر بھی غور کر رہی ہے تاکہ توانائی کے ذرائع میں تنوع آ پانچا سکے اور گیس پر مبنی روایتی بجلی پر انحصار کم ہو۔ یہ اسٹریٹجک سرمایہ کاریاں طویل مدتی توانائی کی لاگت کو کم ہوسکتے اور پختی قیمتوں میں جاری آثار جزا حاد کے دوران مارجنز کو محفوظ بنانے کے لیے کی جارہی ہیں۔

فروختی اثراہات میں 17.19% کا نمایاں اضافہ ہوا، جس کی بڑی وجہ پار برداری اثراہات میں 24% اضافہ اور ٹیکسوں اور اجرتوں میں 10% اضافہ تھا۔ موجودہ غیر مالیاتی سیاسی غیر پختی صورتحال نے عالمی تجارتی بہاؤ میں رکاوٹیں پیدا کیں۔ جس کے نتیجے میں ترسیلی افقات طویل ہو گئے، سپلائی چین کی غیر موثریت بڑھی اور شپنگ لاگتوں کے متبادل راستے اختیار کرنے کے باعث پار برداری اثراہات میں اضافہ ہوا۔ اس کے برعکس، انتظامی اخراجات میں 18% اضافہ ہوا، جس کی بنیادی وجوہات میں 56% اضافہ گا کھوں کی بڑھتی ہوئی تعداد کے سبب سفری اخراجات میں 91% اضافہ، مہیاات میں 9% اضافہ، ٹیکسوں اور دیگر فوائد میں شامل ہے۔

اگرچہ کھپتی کے قرضے 11.8 ارب روپے بڑھ گئے، جس کی بڑی وجہ گیس کی بلند قیمتیں اور زیادہ فروخت کے نتیجے میں ورکنگ کپٹل کی بڑھتی ہوئی ضرورت تھی، اس کے باوجود کھپتی نے مالیاتی لاگت کو گزشتہ سال کے مقابلے میں محکم رکھا کیونکہ شرح سود میں کمی آنا شروع ہو گئی تھی۔ قرضوں میں گزشتہ سال کے مقابلے میں 19.37% اضافہ ہوا، جبکہ مالیاتی اثراہات میں صرف 11.95% اضافہ ریکارڈ ہوا۔ یہ نتیجہ اسٹریٹجک مالی منصوبہ بندی اور بہتر حکمت عملی کی کامیابی کو ظاہر کرتا ہے۔ اس کارکردگی کی ایک بڑی وجہ EFS اور FE فنانسنگ کو سازگار شرحوں پر حاصل کرنے کا فعال اقدام تھا۔ کم لاگت فنانسنگ سہولتوں سے فائدہ اٹھا کر اچھا کاروبار کا فرقہ جاتی لگم و لٹم کو برقرار رکھنے ہوئے کھپتی زیادہ قرضوں کے اثرات کو کم کرنے اور مجموعی مالیاتی لاگت کو کم ہوسکتے ہیں۔

کاروباری کارکردگی کا سہما ہائی ہاوس

کھپتی کی کاروباری شعبوں میں کام کرتی ہے سہما یہاں صرف اہم اور بڑے شعبہ جات پر روشنی ڈالی گئی ہے:

اسپننگ

کل احمد ایک جدید اسپننگ پلانٹ چلاتی ہے، جو ہماری آمدنی میں اضافے اور منافع بخشی دونوں کے لیے مرکزی حیثیت رکھتا ہے۔ یہ شعبہ اعلیٰ معیار کا پارن فراہم کرتا ہے، جو کئی ٹیکنیکل مینوفیکچررز کے ساتھ ساتھ کپنی کی اپنی پیداوار کی ضروریات کو بھی پورا کرتا ہے۔ جدید ٹیکنالوجی اور اسٹریٹجک آپریشنل طریقے کار سے قائمہ اٹھاتے ہوئے ہمارا اسپننگ پلانٹ ہمیں مسابقتی مارکیٹ کی طلب کو فوری پورا کرنے کے قابل بناتا اور ٹیکنیکل سیکٹر میں اپنی قائمہ حیثیت کو مزید مستحکم کرتا ہے۔

مالی سال 2025 میں اسپننگ ڈیویژن کی نیٹ سٹز میں گزشتہ سال کے مقابلے میں تقریباً 15.43% اضافہ ہوا۔ تاہم یہ ترقی زیادہ لاکٹ کے ساتھ آئی، جس کی بڑی وجوہات میں کم از کم اجرت میں اضافہ، بجلی و ایندھن کے اخراجات اور دیگر اور ہینڈ زشال تھے۔ اس کے نتیجے میں مجموعی مارجن کم ہو کر 13.02% رہ گیا جو گزشتہ سال کے 18.11% کے مقابلے میں کمی کو ظاہر کرتا ہے، اور یہ منافع بخشی پر بڑھتی ہوئی لاگت کے اثرات کی عکاسی کرتا ہے۔ اگرچہ فروخت کی کارکردگی مضبوط رہی، مارجن میں کمی نے اس بات کو نمایاں کیا کہ بڑھتی ہوئی لاگت کے ماحول نے تقابلی مشکلات پیدا کی ہیں، باوجود اس کے کہ انٹلایمنس نے مؤثر صورتوں میں عملیاتی اخراجات (آپریٹنگ ڈسپن) پر مسلسل توجہ مرکوز رکھی۔

یہ اقدامات خاص طور پر موجودہ چیلنجز کا ردیابی ماحول میں تہاہیت اہم ہیں کیونکہ مؤثر لاگت کا اہم بونس اور آپریشنل بہتری اس شعبے کی طویل مدتی پائیداری کے لیے انتہائی اہم ہیں۔ کپنی کی مختلف کاروباری شعبوں میں کارکردگی کا مجموعی جائزہ منسلک مالیاتی گوشوارے میں عملیاتی شعبے (آپریٹنگ سیکٹس) کے نتائج میں فراہم کیا گیا ہے، جو مزید تفصیلات کے لیے ازراہ کرم نوٹ نمبر 35 ملاحظہ کریں۔

ہم نکلنا

ہوم ٹیکسٹائل کا شعبہ کپنی کی کارکردگی کا اہم بونیٹون ہے، جو قابل قدر ٹیکنیکل مصنوعات کی وسیع رینج کی تجارتی اور برآمد کے ذریعے کل برآمدات کے 85% حصے کا احاطہ کرتا ہے۔ مالی سال 2025 کے دوران اس شعبے میں پاکستانی روپے کی بنیاد پر مجموعی منافع فروخت میں تقریباً 11.4% اضافہ دیکھا گیا، جبکہ امریکی ڈالر کی بنیاد پر برآمدات میں 12.6% کا نمایاں اضافہ ہوا۔ یہ ترقی اس بات کی عکاسی کرتی ہے کہ جنرالیاتی سیاسی چیلنجز کے باوجود کپنی نے مضبوط رویہ نبھایا اور مارکیٹ میں اپنی موجودگی کو مضبوط بنایا۔ اگرچہ فروخت کی لاگت میں اضافہ ہوا جس کی بنیاد پر اجرتوں میں اضافہ اور بجلی و ایندھن کے اخراجات تھے، تاہم مجموعی منافع کے مارجنز میں 7.25% سے بڑھ کر 9.59% تک بہتری آئی، جو اس بات کو ظاہر کرتا ہے کہ مشکل حالات میں بھی کپنی اپنی منافع بخشی کو بہتر بنانے کی صلاحیت رکھتی ہے۔

مارجنز یعنی شرح منافع میں اس بہتری کی بنیاد پر وجوہات میں بہتر عملی کارکردگی، مضبوط انٹلایمنس امور، اور مؤثر لاگت کنٹرول شامل ہیں۔ اس کے ساتھ ساتھ بہتر خریداری حکمت عملیوں اور بروقت فیصلوں نے پیداوار کی کارکردگی کو زیادہ سے زیادہ کرنے اور لاگت میں بچت حاصل کرنے میں اہم کردار ادا کیا۔

فروخت اور ڈسٹری بیوشن اخراجات میں تقریباً 19.29% اضافہ ہوا، جو زیادہ تر فروخت کے حجم میں اضافے اور بار برداری اخراجات کے بڑھنے کی وجہ سے تھا، جبکہ یہ بار برداری اخراجات جنرالیاتی سیاسی غیر تقابلی صورتحال کے باعث مزید بڑھے۔

کپنی کی مختلف کاروباری شعبوں میں کارکردگی کا ایک مجموعی جائزہ منسلک مالیاتی گوشوارے میں عملیاتی شعبے (آپریٹنگ سیکٹس) کے نتائج میں فراہم کیا گیا ہے، جو مزید تفصیلات کے لیے ازراہ کرم نوٹ نمبر 35 ملاحظہ کریں۔

انٹلایمنس امور کا سہارا کسب عملی

کل احمد پاکستان کے ٹیکسٹائل سیکٹر میں ایک نمایاں اور قابل اعتماد نام کے طور پر اپنی حیثیت برقرار رکھے ہوئے ہے۔ گزشتہ سال کے دوران ہم نے پائیداری اور جذبے کے عزم کو مزید آگے بڑھایا اور اپنی تکنیکی صلاحیتوں کو مضبوط کیا تاکہ متحرک عالمی منڈی میں ہمیں بہت حاصل رہے۔ عملی کارکردگی اور مصنوعات میں مومگی پر ہماری توجہ نے نہ صرف ہمیں معاشی چیلنجز سے نمٹنے میں مدد دی بلکہ ہمارے اسٹیک ہولڈرز کے لیے طویل مدتی قدر و منزلت پیدا کرنے کے عزم کو بھی مزید مستحکم کیا، جنی بر صارف جذبے کو مالی استحکام کے ساتھ ہم آہنگ کرتے ہوئے، ہم معیار، اعتماد اور پائیدار ترقی فراہم کرنے کے لیے پرعزم ہیں۔ ہماری اسٹریٹجک ترجیحات اور ان کے حصول کے لیے کیے گئے اقدامات کی تفصیلی وضاحت سالانہ رپورٹ کے

سطح 000 پر پیش کی گئی ہے۔

ذیلی خطرات اور غیر قیمتی صورتحال

موجودہ متحرک ماحول میں کاروبار کو مختلف قسم کے خطرات اور غیر قیمتی حالات کا سامنا ہے جنہیں اگر موثر طریقے سے نہ سنبھالا گیا تو کارکردگی اور طویل مدتی پائیداری پر گہرے اثرات پڑ سکتے ہیں۔ کئی نئے ان خطرات کی نشاندہی، جائزہ اور ان کے تدارک کے لیے ایک مضبوط فریم ورک قائم کیا ہے۔ اس وقت توہہ کے حامل ذیلی خطرات درج ذیل ہیں:

- قرض کے خطرات - خاص طور پر مقامی فروخت سے حاصل ہونے والی رقم کی وصولی میں ڈیٹاٹ کا خطرہ۔
- مارکیٹ اور خام مال کے خطرات - کپاس اور دھاتے کی قیمتوں میں آہر چڑھاؤ، خام مال کی دہاڑہ پر کسٹرو پوائی کنٹراڈ، بڑھتا ہوا پمپنی ٹریف، اور شرح سود میں آہر چڑھاؤ جو مارکیٹ میں شرح منافع پر دباؤ ڈالتے ہیں۔
- ٹیکنیکل خطرات - ٹیکنیکل اینڈ پیکرنگ اور آٹومیشن میں عالمی سطح پر تیز رفتاری پیش رفت کے ساتھ ہم آہنگی کی ضرورت ہے تاکہ مسابقتی برتری برقرار رکھی جاسکے۔
- قانونی اور مالی خطرات - موجودہ ٹیکس دہندگان پر نئے محصولات اور ٹیکسز کے نفاذ سے لاگت کا دباؤ بڑھتا ہے، ناقابل ٹیکس رجیم (FTR) سے پارٹ ٹیکس رجیم (NTR) میں منتقلی سے برآمد کنندگان کی مسابقتی صلاحیت متاثر ہوتی ہے؛ جبکہ مقامی سپلائرز پر EFS زبردہ ریٹنگ کے خاتمے اور 18% سی ایس ٹی کے نفاذ سے ریٹنڈ میں تاخیر اور ٹیکو پائیسی مسائل پیدا ہوتے ہیں۔
- توانائی کے خطرات - بجلی ٹیکس کے کم ہوتے ڈنڈے اور درآمدی ایڈمن پرائیمرل جزیشن پر انحصار کے باعث کئی کے آپریشنز عالمی توانائی منڈیوں اور روپے کی قدر میں کمی سے جڑے آہر چڑھاؤ کا شکار ہوتے ہیں۔
- ماحولیاتی اور سماجی خطرات - موکی غیر قیمتی صورتحال - جیسے سیلاب، خشک سالی اور شدید گرمی، کپاس کی دستیابی اور کام کے تسلسل کو متاثر کرتی ہے۔ ساتھ ہی ماحولیاتی تحفظ، مزدور کے حقوق اور شفافیت کے عالمی معیار کی تعمیل کے لیے سرمایہ کاری اور تبدیلی کی ضرورت ہے اور اگر معیار پر سے نہ ہوں تو مارکیٹ تک رسائی خطرے میں پڑ جاتی ہے۔
- سپلائی چین کے خطرات - عالمی غیر قیمتی حالات جیسے جغرافیائی سیاسی تناؤ، شپنگ میں رکاوٹیں، اور کرنسی میں آہر چڑھاؤ خام مال، لائسنس اور درآمدی ترسیلات کی بروقت دستیابی اور لاگت کو متاثر کر سکتے ہیں، جس سے عالمی خریداروں کے لیے سپلائی کی بھروسہ مندی پر حتمی اثر پڑ سکتا ہے۔

اگرچہ ریسک مینجمنٹ ہمیشہ سے ہمارے آپریشنز کا حصہ رہا ہے، لیکن مارکیٹس، ریگولیشنز، کسٹمز، ملازمین اور شیئر ہولڈرز کی مددنی توقعات نے اسے کاروباری حکمت عملی کا ایک اہم محرک بنا دیا ہے۔ اس سال اندر پورٹ کے محصولات 000000000 میں ہمارے خطرات کے انتظام کے قلمی، انتظامی ڈھانچے اور اہم خطرات و مواقع کا جامع جائزہ فراہم کیا گیا ہے۔

پالیسی اور عملدرآمد

کئی نئے ایک مضبوط فریم ورک تشکیل دیا ہے جو موثر گورننس، ریگولیشنز، کپاس اور آپریشنز کی پالیسی کی بنیاد فراہم کرتا ہے۔ یہ پالیسی ہمارے کاروبار کے تمام پہلوؤں کا احاطہ کرتی ہیں جن میں ماحولیاتی اہم نکتے، ریسک کنٹرول، ماحولیاتی طریقہ عمل شامل ہیں۔ تبدیل ہوتے ہوئے قوانین، صنعتی معیارات، اور عالمی بہترین طریقوں کے مطابق رہنے کے لیے ہم ان پالیسیوں کا باقاعدگی سے جائزہ لیتے اور انہیں اپ ڈیٹ کرتے ہیں تاکہ ہمارا انتظامی ڈھانچہ (فریم ورک) موجودہ تقاضوں کے مطابق مضبوط اور مستحکم رہ سکے۔

اندازہ ضمن اور انٹریکٹ مسلم

کئی نئے جدید اندازہ ضمن سسٹمز میں سرمایہ کاری کی ہے تاکہ تمام آپریشنز میں بروقت اور درست معلومات کی ترسیل یقینی بنائی جاسکے۔ یہ سسٹمز مینجمنٹ کو عملی جامہ معلومات فراہم کرتے ہیں تاکہ کارکردگی کو مانیٹر کیا جاسکے، فرق کا سراغ لگایا جاسکے، اور موثر شگرتی برقرار رکھی جاسکے۔ اپنے عمل میں ڈیجیٹل آلات، خود کار نظام، اور معلوماتی تجزیے کو شامل کر کے ہم ایک

معلومات بر مبنی ثقافت کو فروغ دے رہے ہیں جو فیصلہ سازی کو بہتر بناتی اور تنظیمی چابک کو مضبوط کرتی ہے۔ اس ڈیجیٹل تبدیلی کے عزم کی بدولت ہم چیلنجز کا پیشگی اندازہ لگا سکتے ہیں۔ مواقع کا فائدہ اٹھا سکتے ہیں، ماوراء کاروباری ماحول میں تبدیلیوں پر فوری رد عمل دے سکتے ہیں۔

اعزلیات

کمپنی نے اپنی اعزلیات کو ایک آزاد اور بیرونی فرم کے سپرد کیا ہے تاکہ کنٹرول ماحول کی غیر جانبدارانہ اور معروضی جانچ کی جاسکے۔ یہ فرم بر اور اسٹاٹس آڈٹ کمپنی کو رپورٹ کرتی ہے اور اعزلیات کنٹرولنگ کی موثریت پر ماہرانہ جائزے فراہم کرتی ہے۔ ساتھ ہی بہتری کی سفارشات بھی پیش کرتی ہے۔ آڈٹ کمپنی ان تفصیلی رپورٹس کا باقاعدگی سے جائزہ لیتی ہے جس کے نتیجے میں بروقت اقدامات کیے جاتے ہیں تاکہ گورننس کو مضبوط بنا یا جاسکے، عملی کارکردگی میں اضافہ ہو، اور اسٹیک ہولڈرز کے اہتمام کو تقویت ملے۔

انسانی ماحول کنٹرول کی حکمت

یورڈ آف ڈائریکٹرز نے ایک جامع اعزلیات فائنل کنٹرول سسٹم قائم کیا ہے تاکہ کمپنی کے آپریٹنگ کو موثر اور محفوظ بنا یا جاسکے۔ یہ کنٹرولنگ سسٹم جیسے کہ جو کو دی کی روک تھام، جانچوں کا تحفظ، قانونی اور ریگولیٹری کیمپلائنس، درست مالیاتی رپورٹنگ، اور قابل اہتمام معلومات کی بروقت فراہمی وغیرہ کا احاطہ کرتے ہیں۔ بدلتے ہوئے قوانین، ریگولیشن اور بہترین طرز عمل کے مطابق ان کنٹرولنگ کا باقاعدگی سے جائزہ لیا جاتا ہے اور ان میں بہتری کی جاتی ہے۔ یہ ہمارے مضبوط مالیاتی اہتمام، شفافیت اور اتساق کے مستقل عزم کو ظاہر کرتا ہے۔ کمپنی کے رسک مینجمنٹ فریم ورک کی مزید تفصیلات اس سالانہ رپورٹ کے صفحہ 000 پر فراہم کی گئی ہیں۔

انسانی وسائل (یو این ایس آر)

کمپنی موثر یو این ایس آر سروس مینجمنٹ کو تنظیمی کامیابی اور چابکداری کے لیے ایک اہم ذریعہ سمجھتی ہے۔ ہماری HR پالیسی اس طرح ترتیب دی گئی ہے کہ وہ بہتر مندرجہ ذیل کو متوجہ کریں، ان کی نشوونما کریں اور انہیں برقرار رکھیں، ساتھ ہی لیبر قوانین اور ریگولیشنوں پر عمل درآمد بھی یقینی بنائیں۔ ہماری ملکیت عملی کے ہنر مند عناصر میں برقا رٹنس مینجمنٹ ملازمین کی ترقی، اور مارکیٹ سے ہم آہنگ معاوضے شامل ہیں، جو ٹیلنٹ کو پروان چڑھانے اور شمولیت کو مضبوط بنانے میں مدد دیتے ہیں۔

موجودہ ٹیلنٹ ضروریات کو پورا کرنے کے ساتھ ساتھ، ہم پروفیشنل اور اعلیٰ نسل کی ترقی کے لیے بھی پوزیشنیں ہیں۔ ICAP CA ٹرینیز پروگرام کے تحت ایجو ریٹرنڈ ٹریننگ آؤٹ ٹرینیشن ہم سے چارٹرڈ اکاؤنٹنٹس کے لیے آرنل شپ کے مواقع فراہم کرتے ہیں، تاکہ وہ اپنی پیشہ ورانہ زندگی میں کامیابی کے لیے ضروری علم اور تجربہ حاصل کر سکیں۔ یہ اقدام ہمارے طویل مدتی بزنس کی مدد ہی کرتا ہے، جس کا مقصد ایک مضبوط ٹیلنٹ پائپ لائن کا برقرار رکھنا ہے جو کمپنی اور ماضی و دونوں کی مسلسل ترقی میں کردار ادا کرے۔

انڈر ٹیکنالوجی (IT)

کمپنی نے ایک جامع IT مینجمنٹ فریم ورک نافذ کیا ہے تاکہ اس کے سسٹمز قابل اہتمام، محفوظ اور کاروباری ضروریات سے ہم آہنگ رہیں۔ اس فریم ورک میں ہارڈ ویئر اور سافٹ ویئر کی باقاعدہ آپ گریڈیشن اور مینٹیننس شامل ہے، جس کے ذریعے حد پیکرنا کو یقینی بنایا جاتا ہے تاکہ کارکردگی کو بہتر بنایا جا رہا ہے اور استحکام کو مزید تقویت دی جا رہی ہے۔ ساتھ ہی ہم اپنی IT میزبانی سسٹمز کو اپڈیٹ اور پلینٹ میں سرمایہ کاری کرتے ہیں تاکہ وہ بہتر ہوتے ہوئے چیلنجز سے نمٹنے اور کمپنی کے ڈیجیٹل ٹرانسماریشن کے سترکی معاونت کرنے کے لیے تیار رہیں۔

IT گورننس پالیسی

ہماری IT گورننس فریم ورک انڈر ٹیکنالوجی کی حفاظت، غیر جانبدار سائی کی روک تھام اور سائبر سکیورٹی رسک کے تعادل میں کلیدی کردار ادا کرتا ہے۔ یہ فریم ورک سکیورٹی اقدامات کی

مستسلب مانیٹرنگ اور بہتری کے لیے ایک مربوط میکانزم بھی فراہم کرتا ہے۔ یہ پالیسی ادارے بھر میں معلومات کی تخلیق، ذخیرہ، استعمال، آرکائیونگ اور ضائع کرنے کے لیے واضح رہنما اصول فراہم کرتی ہے تاکہ ڈیٹا کی سالمیت برقرار رہے اور بہترین طریقہ عمل کے مطابق عمل درآمد یقینی بنایا جاسکے۔

ٹیکنالوجی کے کاروباری کامیابی میں کلیدی کردار اور صارفین کی بدلتی ہوئی ضروریات کو مد نظر رکھتے ہوئے ہم اپنے مینجمنٹ انفارمیشن سسٹمز کا مستسلب جائزہ لیتے اور آپ گریڈ کرتے رہتے ہیں۔ یہ سسٹمز اس طرح ڈیزائن کیے گئے ہیں کہ:

- ادارے کی کارکردگی کو مانیٹر اور بہتر بنایا جاسکے۔
- مبنی بر حکمت فیصلہ سازی کے لیے رابطہ قائم اور قابل اعتماد ڈیٹا فراہم کیا جاسکے۔
- ڈیپارٹمنٹس کی موثریت کا اندازہ لگایا جاسکے اور اسے ظاہر کیا جاسکے۔
- اجاڑوں کے تحفظ اور احتساب کو یقینی بنانے کے لیے مضبوط چیک اینڈ بیلنس قائم کیا جاسکے۔

اس گورننس فریم ورک اور ٹیکنالوجی میں مستسلب سرمایہ کاری کے ذریعے ہم ایک محفوظ، موثر اور مستحکم کے لیے ہمارے معلوماتی ماحول قائم رکھنے کے لیے پُر عزم ہیں جو ہمارے کاروباری مقاصد کو سہارا دیتا ہے اور طویل مدتی استحکام کو مضبوط کرتا ہے۔

کاروباری تسلسل کا منصوبہ (ریسک مینجمنٹ پلان - BCP)

کمپنی نے ایک جامع بزنس کنٹینیوٹی پلان (BCP) تشکیل دیا ہے تاکہ اپنے آپریٹنگ ریسک اور ہائیلیٹڈ آپریٹنگ ریسکوں کے خلاف محفوظ بنایا جاسکے۔ یہ پلان واضح حکمت عملیاں فراہم کرتا ہے تاکہ قدرتی آفات، سہلائی چین میں نفل، یا دیگر ہنگامی حالات جیسے فنی واقعات کے دوران بنیادی کاروباری انفعال جاری رہ سکیں۔ اس میں رسک اسٹریٹجی، کراسس مینجمنٹ اور ریکوری کے لیے مربوط طریقہ کار شامل ہیں تاکہ ہم آپریٹنگ ریسک سے کم تحفظ کے ساتھ برقرار رکھا جاسکے۔ مزید برآں، کمپنی باقاعدہ مشقوں، نمونہ سازیوں، اور جائزے کے ذریعے اپنی تیاری کو مضبوط کرتی ہے، جس سے ہمیں کاروباری تسلسل کے منصوبے کی قابلیت کو مسلسل پرکھنے، بہتر بنانے، اور مضبوط کرنے کا موقع ملتا ہے۔ یہ فعال حکمت عملی کمپنی کو فوری ردعمل دینے، ماسٹیک ہولڈرز کے مفادات کا تحفظ کرنے، اور طویل مدتی عملی استحکام کو یقینی بنانے کے قابل بناتی ہے۔

ریکارڈ کی حفاظت

ریکارڈ کی حفاظت، سالمیت اور دستاویزی کو یقینی بنانے کے لیے کمپنی نے ریکارڈ رکھنے کا کام ایک مخصوص تقرر پارٹی سرویس پرووائڈر کو دے رکھا ہے۔ یہ طریقہ کار ہم دستاویزات کی محفوظ اسٹوریج اور موثر بازیافت کو ممکن بناتا ہے جبکہ بہترین طریقہ کار پر عمل درآمد کو یقینی بناتا ہے۔ بنیادی ڈیٹا کو ریڈوٹ ایک آپ سائنس کے ذریعے محفوظ کیا جاتا ہے تاکہ کسی آفت یا سسٹم کی ناکامی کی صورت میں تسلسل اور دستاویزی برقرار رہے۔ اس کے علاوہ، اوریکل کلاؤڈ (Oracle Cloud) کے استعمال سے ہدیہ کی سیکورٹی پروڈکٹوں، اسکیلنگ، اور ڈیٹا اسٹوریج کی بنیادی رسائی کے خلاف مضبوط تحفظ فراہم کیا جاتا ہے۔ ان اقدامات کے ذریعے کمپنی اپنی معلوماتی اجاڑوں کی انتہا بہت برقرار رکھتی ہے اور کاروباری کارروائیوں کو بلا تھقل جاری رکھنے کی سہولت فراہم کرتی ہے۔

اندامہتی سائیڈے ڈیٹا (کارپورے سوشل ریسپانسیبلٹی - CSR)

ادارہ جاتی سائیڈے ڈیٹا کی تھیلیات اس سالانہ رپورٹ کے صفحہ 000 پر فراہم کی گئی ہیں۔

ماحولیاتی اور سماجی بحران (انوائمنٹ اینڈ سوشل گورننس - ESG)

ملک کے بڑے ایکسپورٹرز میں سے ایک کے طور پر، کمپنی اپنی ورک فورس اور اسٹیک ہولڈرز کی صحت و سلامتی کو اولین ترجیح دیتی ہے۔ اس مقصد کے لیے ایک خصوصی ESG (Environmental, Social, and Governance) کمیٹیس ٹیم قائم کی گئی ہے جو ان اہم شعبوں میں ہماری پالیسیز اور اقدامات کی نگرانی اور نفاذ کرتی ہے۔ یہ کمیٹی کے پائیدار اور ذمے دار کاروباری طریقہ عمل کے پختہ عزم کی عکاسی کرتا ہے۔

کمپنی کی سہولیات ماحولیاتی اور حفاظتی معیارات کے مطابق مکمل طور پر ہم آہنگ ہیں، اور ایسے پیشگی اقدامات کیے گئے ہیں جو مضرت زدوں کے اخراج کو ختم کرنے اور ماحولیاتی اثرات کو کم سے کم کرنے میں مدد دیتے ہیں۔ یہ عزم نہ صرف ماحول کے تحفظ کی ہماری ذمے داری کو اجاگر کرتا ہے بلکہ ان کیہیٹیز کی تلاش و بہبود کے لیے بھی ہماری وابستگی کو ظاہر کرتا ہے جن میں ہم کام کرتے ہیں۔ اپنی مربوط ESG ملکیت عملی کے ذریعے ہماری توجہ پائیداری، اخلاقیات، اور اتساق کو اپنی تمام سرگرمیوں میں شامل کرنے پر مرکوز ہے۔

اجرت میں نسلی تفریق (جینڈر پی گپ - Gender Pay Gap)

کمپنی ایک شمولیتی اور مساوی ماحول فراہم کرنے کے لیے مدعو ہے جہاں ہر ملازم کی قدر کی جائے، اس کا احترام ہو، اور اسے کامیاب ہونے کا پورا موقع ملے۔ مساوی مواقع فراہم کرنے والے آجر (Equal Opportunity Employer) کے طور پر، ہم یقینی بناتے ہیں کہ تمام روزگار سے متعلق فیصلے جیسے نئے ملازمین کی بھرتی، انھیں کام پر لگانا، ترقی دینا، ترقی دینا اور اجرت یا دیگر معاوضے کا تعین کرنا غیر جانبدار اور کسی امتیاز کے خواہ وہ نسل، رنگ، مذہب، جنس، عمر، معذوری یا کوئی اور خصوصیت جسے قانون تحفظ دیتا ہو، متاثر نہیں کرتا اور قابلیت کی بنیاد پر ہوں۔

ہم یقین رکھتے ہیں کہ تنوع جہت کو فروغ دیتا ہے اور ہماری مجموعی کارکردگی کو مستحکم کرتا ہے۔ اسی لیے ہم ایسے ماحول کے قیام کے لیے مدعو ہیں جہاں تمام ملازمین کے پاس مساوی مواقع ہوں تاکہ وہ ترقی کریں، آگے بڑھیں اور ہماری مشترکہ کامیابی میں حصہ ڈال سکیں۔

رپورٹنگ پیریڈ کے دوران اوسط (Mean) پی گپ سے ظاہر ہوا کہ مرد ملازمین کی تنخواہیں خواتین سے اوسطاً 0.54% زیادہ ہیں، جبکہ 2024ء میں یہ شرح 0.07% تھی۔ اس کے برعکس، میڈین (Median) پی گپ کے مطابق خواتین ملازمین کی آمدن مردوں سے 14.33% زیادہ ہے، جو کہ 2024ء کی 14.51% کے ساتھ مطابقت رکھتی ہے۔ یہ نتائج رپورٹنگ پیریڈ کے دوران استحکام کو ظاہر کرتے ہیں اور کمپنی کے جینڈر پارٹیٹی کے عزم کو مزید مستحکم کرتے ہیں۔ تاہم، ہم یہ تسلیم کرتے ہیں کہ تنخواہوں میں مساوات ایک مسلسل سفر ہے اور ہم اس شعبے میں اپنی پالیسیز کو مزید مضبوط بنانے کے لیے مدعو ہیں۔

ہولڈنگ کمپنی

کمپنی ہڈسٹورگل احمد ہولڈنگز (پرائیویٹ) لمیٹڈ کی ذیلی کمپنی ہے، جو اس کے 55.86% حصص کی مالک ہے۔

ذیلی کمپنیز

کمپنی کے پاس بلا واسطہ اور بالواسطہ دونوں طرح کی مکمل ملکیتی ذیلی کمپنیز موجود ہیں، جیسا کہ آڈٹ شدہ مالیاتی گوشوارے کے نوٹ 1 میں درج ہے۔

کارپوریٹ گورننس کا ضابطہ (کوڈ آف کارپوریٹ گورننس - CCG)

کمپنی کی انتظامیہ اچھی کارپوریٹ گورننس کے نفاذ اور بہترین طریقہ کار پر عمل درآمد کے لیے مدعو ہے۔ کارپوریٹ گورننس کے ضابطے کے تحت، ڈائریکٹرز درج ذیل بیان کرتے ہوئے خوشی محسوس کر رہے ہیں:

- (i) کمپنی مینجمنٹ کی جانب سے تیار کردہ مالیاتی گوشوارے اس کی مالی حالت، آپریشنز کے نتائج، کیش فلوا اور ایکویٹی میں تبدیلیوں کی منصفانہ عکاسی کرتے ہیں۔
 - (ii) کمپنی کے اکاؤنٹس کے کھاتے (بکس) باقاعدہ برقرار رکھے گئے ہیں۔
 - (iii) مالیاتی گوشوارے کی حثاری میں مناسب اکاؤنٹنگ پالیسیز کا تسلسل کے ساتھ اطلاق کیا گیا ہے، اور اکاؤنٹنگ تخمینے معقول اور محتاط اندازے پر مبنی ہیں۔
 - (iv) پاکستان میں قابل اطلاق انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (IFRS) کو مالیاتی گوشوارے کی حثاری میں مدنظر رکھا گیا ہے۔
 - (v) اندرونی کنٹرول کا نظام ترتیب اور تعمیل کے لحاظ سے مضبوط ہے اور اس پر مؤثر طور پر عمل درآمد اور مانیٹرنگ کی گئی ہے۔
 - (vi) بورڈ کے ڈائریکٹرز اپنی ذمہ داریوں اور فرائض سے بخوبی آگاہ ہیں جیسا کہ کارپوریٹ قوانین اور لسٹنگ ریگولیشنز میں بیان کیا گیا ہے۔ لسٹنگ ریگولیشنز کی تعمیل کے طور پر، ہمارے چھ ڈائریکٹرز نے پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس (PICG) کے بورڈ ڈیولپمنٹ سیریز کے تحت کارپوریٹ گورننس لیڈرشپ اسکور پروگرام میں شرکت کی اور مکمل کیا۔
 - (vii) ایک ڈائریکٹر یعنی چیئرمین، اپنے لازمی علم اور تجربے کی بنا پر ڈائریکٹرز ٹریننگ پروگرام میں شرکت کی شرط سے مستثنیٰ ہیں۔
 - (viii) کمپنی کے بطور ”گونگ کنسرن“ (Going Concern) جاری رہنے کے بارے میں کوئی نمایاں شکوک و شبہات موجود نہیں ہیں۔
 - (ix) کارپوریٹ گورننس کی بہترین پریکٹسز سے کوئی نمایاں انحراف نہیں ہوا جیسا کہ لسٹنگ ریگولیشنز میں درج ہے۔
 - (x) پروویڈنٹ فنڈ میں سرمایہ کاری کی مالیت، غیر آڈٹ شدہ اکاؤنٹس کے مطابق 30 جون 2025ء کو 3.3 بلین روپے ہے (مالی سال 2024ء: آڈٹ شدہ اکاؤنٹس کے مطابق 2.6 بلین روپے)۔
 - (xi) درج ذیل بیانات مالیاتی گوشوارے کے نوٹس (ملاحظات) میں منسلک ہیں:
 - بورڈ مینٹننگز کی تعداد اور ڈائریکٹرز کی حاضری۔
 - گزشتہ چھ سال کے اہم مالیاتی اعداد و شمار۔
 - شیئر ہولڈنگ کا طریقہ کار۔
- ڈائریکٹرز، ان کی/کے شریک حیات یا ایگزیکٹوز کی جانب سے کمپنی کے شیئرز کی خرید و فروخت اور ہولڈنگز کے حوالے سے قیمت، تعداد اور لین دین کی نوعیت کے بارے میں کمپنی سیکریٹری نے مقررہ وقت کے اندر بورڈ، ISECP اور PSX کو آگاہ کیا گیا تھا۔ تمام ایسی ہولڈنگز منسلک شیئر ہولڈنگ پٹرن میں ظاہر کی گئی ہیں۔

سرمایہ کاروں کی شکایات اور تحفظات

کمپنی شفافیت کے لیے پُر عزم ہے اور تمام شیئر ہولڈرز بشمول ممکنہ سرمایہ کاروں کے لیے معلومات تک مساوی رسائی کو یقینی بناتی ہے۔ شیئر ہولڈرز کی کمپنی کے آپریشنز، ان کی سرمایہ کاری، منافع منقسمہ کے حقوق اور کمپنی کی جانب سے جاری کردہ ریگولیشنز کی افشائیات سے متعلق معلومات کے حصول کی حوصلہ افزائی کی جاتی ہے۔ ہم اس بات کو ترجیح دیتے ہیں کہ ایسے تمام سوالات کے مکمل قانونی تقاضوں کی تعمیل کے ساتھ بروقت اور جامع جوابات دیے جائیں۔

سرمایہ کاروں کی شکایات ایک مرکزی اور منظم نظام کے ذریعے نمٹائی جاتی ہیں تاکہ سوالات اور تحفظات کو فوری طور پر دور کیا جاسکے۔ یہ حکمت عملی نہ صرف مؤثر حل کو یقینی بناتی ہے بلکہ شیئر ہولڈرز کے اعتماد کو بھی مضبوط کرتی ہے اور سرمایہ کاروں کے ساتھ ہماری شفافیت کو مزید تقویت دیتی ہے۔

بورڈ کی تشکیل (Composition of the Board)

30 جون 2025 کو بورڈ آف ڈائریکٹرز کی تشکیل درج ذیل ہے:

ڈائریکٹرز کے نام	تعداد	تفصیلات
محترمہ زینا انصاری	2	(ا) آزاد ڈائریکٹرز
جناب کامران وائی مرزا		
جناب محمد ذکی بشیر	2	(ب) ایگزیکٹیو ڈائریکٹرز
جناب زین بشیر		
جناب محمد بشیر		(ج) نان ایگزیکٹیو ڈائریکٹرز
جناب زیاد بشیر	3	
جناب احسان اے ملک		
-	-	(د) خواتین نان ایگزیکٹیو ڈائریکٹرز

بورڈ کی کمیٹی

آڈٹ کمیٹی

- جناب کامران وائی مرزا - چیئر مین
- جناب محمد بشیر - رکن
- جناب احسان اے ملک - رکن

ہیومن ریسورس اور گورننس کمیٹی

- محترمہ زینا انصاری - چیئر پرسن
- جناب محمد بشیر - رکن
- جناب زین بشیر - رکن

غیر ایگزیکٹیو ڈائریکٹرز کی ریمونڈیشن پالیسی

کمپنی نے اپنے غیر ایگزیکٹیو اور آزاد ڈائریکٹرز کے لیے ایک منظم ریمونڈیشن (معاوضہ) پالیسی مرتب کی ہے، جو انصاف، شفافیت اور بہترین گورننس پریکٹسز کے عین مطابق ہے۔ اس

پالیسی کے اہم اصول درج ذیل ہیں:

- معاوضہ مارکیٹ کے مقابلے کے مطابق ہے اور ڈائریکٹرز کے تجربے، مہارت اور خدمات کی معیاری کرتا ہے۔
- آزاد ڈائریکٹرز کو کوئی مستقل تنخواہ نہیں دی جاتی؛ انہیں صرف بورڈ اور کمیٹی میٹنگز میں شرکت کے لیے فیس دی جاتی ہے۔
- تمام ڈائریکٹرز کے لیے میٹنگ فیس کی سفارش ہیومن ریسورس اور ریٹرنز مینجمنٹ کمیٹی کرتی ہے اور بورڈ اس کی منظوری دیتا ہے۔ آزاد ڈائریکٹرز کے لیے یہ فیس صرف ان کی حقیقی حاضری سے مشروط ہے۔
- ڈائریکٹرز کو سفر، رہائش اور دیگر معقول اخراجات کے حصول کا حق حاصل ہے جو وہ بورڈ، کمیٹی یا جنرل میٹنگ میں شرکت کے دوران برداشت کریں۔
- ایسے معاملات میں جہاں ڈائریکٹرز اپنی قانونی ذمے داریوں سے ہٹ کر اضافی ذمے داریاں انجام دیتے ہیں، انہیں بورڈ کی منظوری سے اضافی ریٹرنز مینجمنٹ دی جاسکتی ہے۔

ڈائریکٹرز کی تربیت

کمپنی کے ڈائریکٹرز مناسب تعلیمی قابلیت اور تربیت کے حامل ہیں اور کنٹینر ایکٹ 2017ء اور پاکستان اسٹاک ایکسچینج رول بک کے ضوابط کے تحت اپنے اختیارات اور ذمے داریوں کو بخوبی سمجھتے ہیں۔

بورڈ کی کارکردگی کا جائزہ

کوڈ آف کارپوریشن گورننس 2017ء کے مطابق بورڈ نے اپنی کارکردگی جانچنے کے لیے ایک منظم طریقہ کار کی منظوری دی ہے۔ اس میں ایک جامع سوالنامہ شامل ہے جو بورڈ کے دائرہ کار، مقاصد، افعال اور کمپنی کی مجموعی کارکردگی اور مانیٹرنگ پریکٹسز کا احاطہ کرتا ہے۔ ہر ڈائریکٹر اسے اس عمل کا حصہ بنتی ہے جس سے بورڈ اپنی کارکردگی کا اجتماعی طور پر جائزہ لیتا ہے اور بہتری کے پہلوؤں کی نشاندہی کرتا ہے۔

مفادات کا گماڑ

ہر ڈائریکٹر بورڈ کے اجلاسوں میں فعال طور پر حصہ لیتا ہے اور فیصلے اتفاق رائے سے کیے جاتے ہیں۔ کسی بھی رکن کی طرف سے اٹھائے گئے اعتراضات کو اجلاس کے منٹس میں درج کیا جاتا ہے تاکہ شفافیت اور جواب دہی یقینی بنائی جاسکے۔

مزید برآں، کمپنی نے بزنس سٹیکس کا ضابطہ اپنا رکھا ہے جو نہ صرف ریگولیشنز کی تفصیلات کی تکمیل کرتا ہے بلکہ ڈائریکٹرز کو یہ لازم کرتا ہے کہ وہ کسی بھی ایسے مفاد کا باضابطہ انکشاف کریں جو حقیقی یا مفروضہ مفادات کے ٹکراؤ کا باعث بن سکتا ہو۔

متعلقہ فریقوں کے لین دین کا جائزہ

کنٹینر ایکٹ 2017ء، کوڈ آف کارپوریشن گورننس اور دیگر متعلقہ قوانین کے مطابق تمام متعلقہ فریقوں کے لین دین کا باقاعدگی سے آڈٹ کمیٹی جائزہ لیتی ہے اور اپنی سفارشات بورڈ کو پیش کرتی ہے۔ ایسے معاملات جن میں اکثریتی ڈائریکٹرز کا مفاد شامل ہو، سالانہ طور پر شیئر ہولڈرز کی منظوری کے لیے پیش کیے جاتے ہیں تاکہ مکمل ہدفیت اور گورننس کے تقاضوں پر سختی سے عمل کیا جاسکے۔

یہ منظم طریقہ کار شیئر ہولڈرز کی قدر کے تحفظ کو یقینی بناتا ہے، اس طرح کہ تمام متعلقہ فریقوں کے درمیان ہونے والے لین دین غیر جانبدارانہ بنیاد پر، منصفانہ تجارتی شرائط کے مطابق، اور

کمپنی اور اس کے شراکت داروں کے بہترین مفاد میں کیے جاتے ہیں۔

سی ای او کی کارکردگی کا جائزہ

بورڈ ہر سال کمپنی کے مشن کے مطابق مقاصد اور حکمت عملیاں مرتب کرتا ہے اور ان کے حصول کی پیش رفت کا باقاعدہ جائزہ لیتا ہے۔ اس عمل میں قبیل اور طویل مدتی اہداف، منافع کی پائیداری، شیئر ہولڈروں کی خوشنما اور گورننس اور ریگولیٹری تقاضوں پر عمل شامل ہوتا ہے۔ بورڈ قیامی فیڈ بیک / رائے فراہم کرتا ہے تاکہ سی ای او کی قیادت کو مزید تقویت ملے۔

جیٹرز اور سی ای او کا کردار

جیٹرز میں بورڈ، اسٹیک ہولڈرز کی جانب سے کمپنی کے حکمبان کے طور پر کام کرتے ہیں اور بورڈ کی کارکردگی کو مثبت کو یقینی بناتے ہیں۔ وہ کمپنی کی پائیدار ترقی، اس کی سادھ کے تحفظ اور متوازن بورڈ تشکیل دینے پر توجہ دیتے ہیں۔ سی ای او کمپنی کے وژن، مشن اور طویل مدتی اہداف کو عملی جامہ پہنانے کے ذمے دار ہیں۔ وہ روزمرہ امور کے ساتھ ساتھ طویل مدتی حکمت عملیوں اور بجٹ پر عمل درآمد کی قیادت کرتے ہیں۔ سی ای او ملازمین کو متاثر کرتے ہیں، تنظیمی تبدیلی کی قیادت کرتے ہیں اور اہم فیصلے کرتے ہیں تاکہ کمپنی اپنے اہداف حاصل کر سکے۔

شیئر ہولڈنگ کا پیمانہ

30 جون 2025 تک شیئر ہولڈنگ کا پیمانہ کمپنی کی سالانہ رپورٹ میں درج ہے۔ اس تاریخ تک واپس کیے گئے اور پبلک سیکرٹری اور ایف ڈی آئی کے ذریعے مجموعی طور پر 69.4%، بینک، انشورنس کمپنیز اور میچیل فنڈز 14.7%، ڈائریکٹرز 7.4% جبکہ انفرادی شیئر ہولڈرز 8.5% کے مالک ہیں۔

آؤٹرز

موجودہ ایکسٹرنل آؤٹرز، یوسف عادل اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے 30 جون 2025 کو ختم ہونے والے مالی سال کا قانونی آڈٹ مکمل کر لیا ہے اور بغیر کسی اعتراض کے رپورٹ جاری کی ہے۔ وہ آئندہ سالانہ اجلاس عام کے اختتام پر ریٹائر ہوں گے اور دوبارہ تقرری کے لیے اہل ہیں۔ آڈٹ کمیٹی کی سفارش پر بورڈ ان کی دوبارہ تقرری کی تجویز پیش کرتا ہے۔

مستقبل کا معاشی مہر نامہ

مالی سال 2025-26 میں عالمی تجارت سست رہنے کی توقع ہے اور عالمی تجارتی تنظیم (WTO) کے مطابق تجارتی حجم میں 0.2% کمی آئے گی جبکہ 2026ء میں معمولی بہتری متوقع ہے۔ بڑھتی ہوئی تجارتی کشیدگی، بحری رکاوٹیں اور جغرافیائی غیر یقینی صورتحال منفی اثر ڈالتی ہیں، تاہم دنیا بھر میں افراط زر میں کمی سے لاگت میں کچھ ریلیف ملے گا۔

پاکستان میں پچھلے سال حاصل کردہ معاشی استحکام کے باعث جی ڈی پی میں 2.7% اضافہ ہوا، افراط زر 4.6% تک کم ہوا اور شرح سود میں نمایاں کمی کی گئی جس سے فنڈنگ لاگت گھٹ گئی۔ قرض سے جی ڈی پی کا تناسب بھی کم ہوا جس سے بحالی کے لیے بنیاد فراہم ہوئی۔

اس کے باوجود برآمدی ٹیکسٹائل سیکٹر کو بلند توانائی لاگت، روٹی کی غیر مستحکم قیمتوں، خام مال پر درآمدی ڈیوٹی اور ٹیکس ریلینڈ میں تاخیر جیسے مسائل کا سامنا ہے۔ کپاس، دھاگے اور گرے کا تھ پر EFS کے خاتمے سے لیکویڈیٹی بحران کا خدشہ ہے جو برآمد کنندگان کی مستقبلاتی صلاحیت کو مزید متاثر کرے گا۔ موسمیاتی خطرات اور عالمی تجارتی کمزوری بھی چیلنج ہیں۔ آگے دیکھتے ہوئے مالی سال 2025-26ء کو استحکام کا سال سمجھا جا رہا ہے، جسے مستحکم مہنگائی، معاون مالیاتی پالیسی، اور ڈھانچہ جاتی اصلاحات کا سہارا حاصل ہوگا، جبکہ ترقی کا انحصار مسلسل عمل درآمد پر ہوگا تاکہ مسابقت اور لچک کو مضبوط بنایا جاسکے۔

بھاری مالی سال کے واقعات

گل احمد ٹیکسٹائل ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز نے اپنے اجلاس مورخہ 29 ستمبر 2025ء میں کمپنی کے ایکسپورٹ اجیرل سیکٹ کے کاروبار کو بند کرنے کا فیصلہ کیا۔ یہ فیصلہ اس سیکٹ کی کارکردگی اور مستقبل کے منظر نامے کے تفصیلی جائزے کے بعد کیا گیا ہے۔ اس کے علاوہ مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حیثیت کو متاثر کرنے والی کوئی اہم تبدیلی یا عہد نہیں ہوا۔

امراف

ہم اپنے ملازمین، صارفین، مالیاتی اداروں، شیئر ہولڈرز اور بورڈ آف ڈائریکٹرز کے نہایت شکرگزار ہیں جنہوں نے کمپنی کی ترقی میں یکساں اہم کردار ادا کیا۔ ہم ان کے اعتماد، وابستگی اور تعاون کو بے حد قدر کی نگاہ سے دیکھتے ہیں۔

برائے اور منجانب بورڈ

محمد کبیر
چیف ایگزیکٹو آفیسر

محمد کبیر
چیئر مین

29 ستمبر 2025ء
کراچی

Financial Highlights

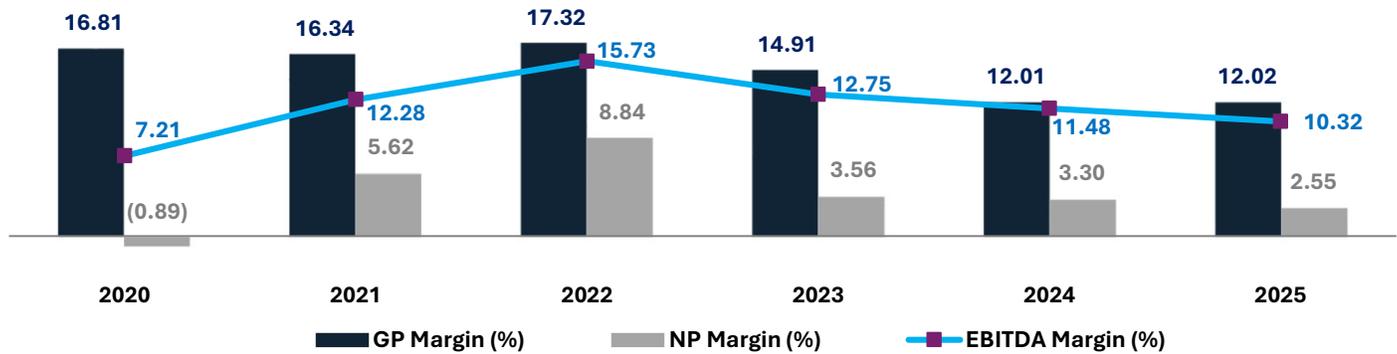
Profit & Loss		2025	2024	2023	2022	2021	2020
Sales	Rs. Million	157,905	143,146	111,968	100,257	78,774	53,941
Gross profit	Rs. Million	18,978	17,191	16,695	17,368	12,869	9,069
Earnings before interest and tax	Rs. Million	11,736	11,964	11,297	13,138	7,506	1,932
Profit / (loss) before final tax and income tax	Rs. Million	5,660	6,537	5,949	10,469	5,562	(76)
Profit / (loss) after tax	Rs. Million	4,023	4,728	3,986	8,862	4,425	(479)
Cash dividend	Rs. Million	-	-	-	428	891	891
Bonus share	Rs. Million	-	-	1,233	-	713	-
Balance Sheet							
Property, plant and equipment	Rs. Million	50,895	50,024	50,122	45,842	38,351	23,936
Intangible	Rs. Million	45	45	38	52	78	90
Long term investment, loans, advances and deposits	Rs. Million	3,769	3,755	3,792	3,816	3,747	2,861
Net current assets	Rs. Million	10,803	6,119	6,903	9,495	5,539	606
Total assets employed	Rs. Million	65,512	59,942	60,855	59,205	47,715	27,493
Represented by							
Share capital	Rs. Million	7,401	7,401	7,401	6,167	5,312	4,278
Reserves	Rs. Million	41,452	37,353	32,671	29,966	21,952	9,685
Shareholders' equity	Rs. Million	48,853	44,754	40,072	36,133	27,264	13,963
Long term loans	Rs. Million	16,142	14,592	20,117	20,551	18,571	13,446
Deferred and other long-term liabilities	Rs. Million	517	599	689	1,774	1,880	172
Total capital employed	Rs. Million	65,512	59,945	60,878	58,458	47,715	27,581
Cash Flow Statement							
Operating activities	Rs. Million	(6,362)	(2,449)	16,269	(1,635)	(20)	160
Investing activities	Rs. Million	(5,416)	(3,889)	(7,931)	(9,867)	(8,806)	(4,899)
Financing activities	Rs. Million	14,232	2,984	(9,405)	6,837	2,298	875
Cash and cash equivalents at the end of the year*	Rs. Million	(2,312)	(4,766)	(1,412)	(28,852)	(24,998)	(18,470)

Financial Ratios

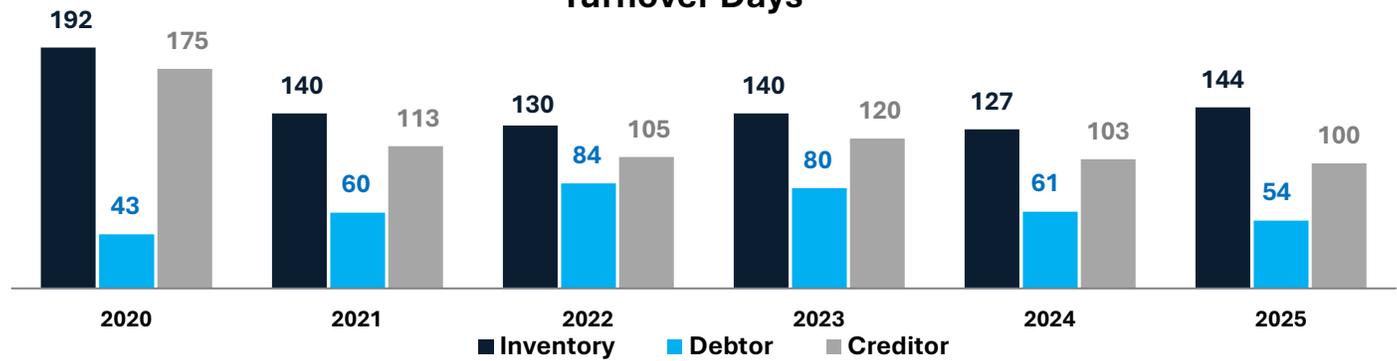
		2025	2024	2023	2022	2021	2020
Profitability ratios							
Gross profit ratio	Percent	12.02	12.01	14.91	17.32	16.34	16.81
Operating leverage ratio	Times	(0.18)	0.21	(1.20)	2.75	6.27	11.09
EBITDA margin to sales	Percent	10.32	11.48	12.75	15.73	12.28	7.21
Net profit to sales	Percent	2.55	3.30	3.56	8.84	5.62	(0.89)
Profit before tax margin	Percent	3.58	4.57	5.31	10.44	7.06	(0.14)
Return on equity	Percent	8.60	11.15	10.46	27.96	21.46	(3.27)
Return on capital employed	Percent	18.71	19.80	18.93	24.75	19.94	7.44
Liquidity ratios							
Current ratio	Times	1.13	1.08	1.11	1.16	1.12	1.02
Quick / acid test ratio	Times	0.38	0.41	0.47	0.56	0.57	0.29
Cash to current liabilities	Times	0.00	0.00	0.01	0.03	0.01	0.01
Cash flow from operations to sales	Times	(0.04)	(0.02)	0.15	(0.02)	(0.00)	0.00
Capital structure ratios							
Financial leverage ratio	Times	1.46	1.34	1.33	1.62	1.84	2.82
Weighted average cost of debt	Percent	9.26	9.58	9.56	4.92	4.34	5.04
Debt to funding ratio	Percent	59.38	57.20	57.14	61.78	64.80	73.81
Interest cover ratio	Times	1.93	2.20	2.11	4.92	3.86	0.96
Turnover ratios							
Inventory turnover days	Days	144	127	140	130	140	192
Inventory turnover ratio	Times	2.53	2.88	2.61	2.81	2.62	1.90
Debtor turnover days	Days	54	61	80	84	60	43
Debtor turnover ratio	Times	6.76	5.97	4.57	4.36	6.03	8.45
Creditors turnover days	Days	100	111	120	105	113	175
Creditors turnover ratio	Times	3.66	3.27	2.68	3.26	2.92	1.83
Fixed assets turnover ratio	Times	3.13	2.86	2.23	2.19	2.05	2.25
Total assets turnover ratio	Times	1.10	1.10	0.91	0.85	0.83	0.78
Operating cycle	Days	99	76	100	109	87	60
Investor information							
Earnings per share	Rupees	5.44	6.39	5.39	11.97	7.83	(1.12)
Price earning ratio	Times	5.05	3.30	3.31	2.82	6.48	(25.56)
Price to book ratio	Times	0.42	0.35	0.33	0.58	0.99	0.88
Dividend yield ratio	Times	-	-	-	0.03	0.05	0.09
Cash dividend per share	Rupees	-	-	-	1.00	2.50	2.50
Bonus shares issued	Percent	-	-	20.00	20.00	-	20.00
Dividend payout ratio	Percent	-	-	-	0.08	(2.23)	0.25
Dividend cover ratio	Times	-	-	-	11.97	3.13	(0.45)
Break - up value per share	Rupees	66.01	60.47	54.15	58.59	51.33	32.64
Market value per share							
at the end of the year	Rupees	27.47	21.10	17.81	33.81	50.73	28.63
high during the year	Rupees	27.47	25.96	32.94	60.80	58.32	49.62
low during the year	Rupees	17.99	16.83	17.81	32.80	28.93	21.45
EBITDA	Rs. Million	16,312	16,436	14,271	15,773	9,677	3,891

Graphical Analysis

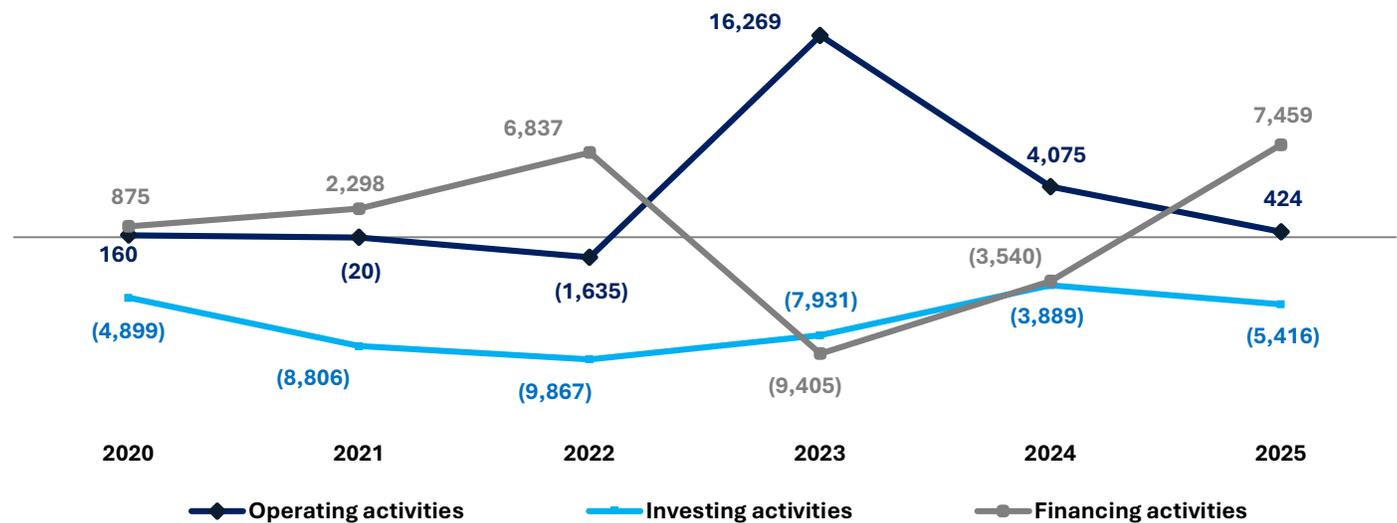
Profitability Ratios



Turnover Days



Cash flow from Activities (in Rs. Million)

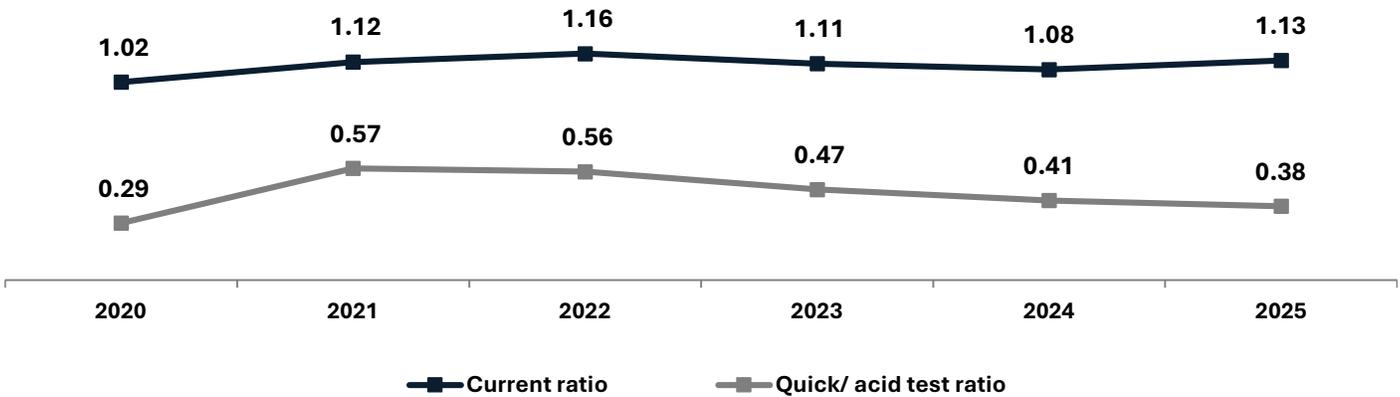


Graphical Analysis

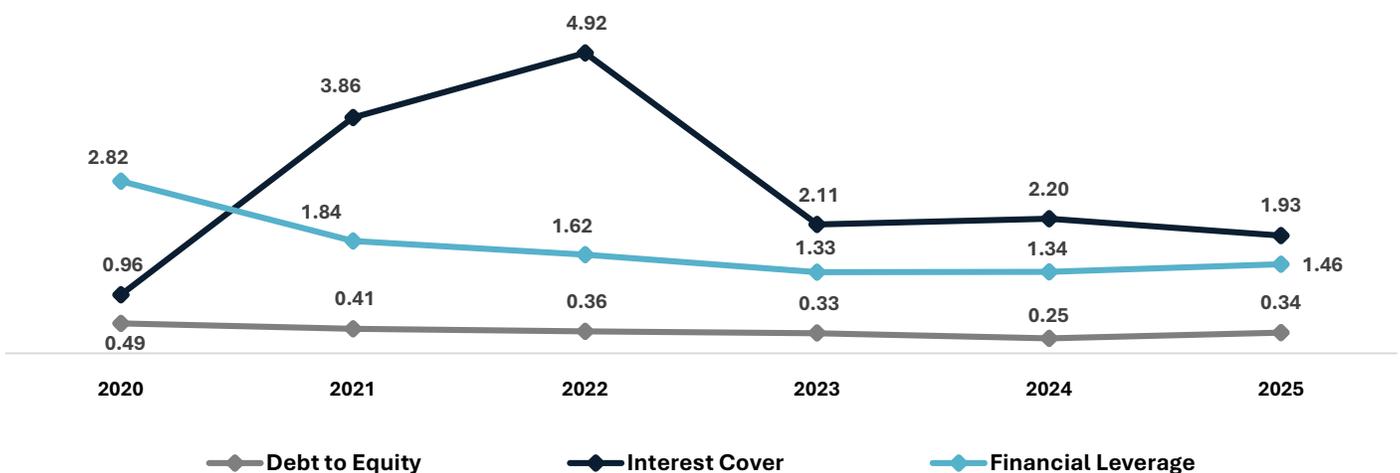
Investor Ratios



Liquidity Ratios

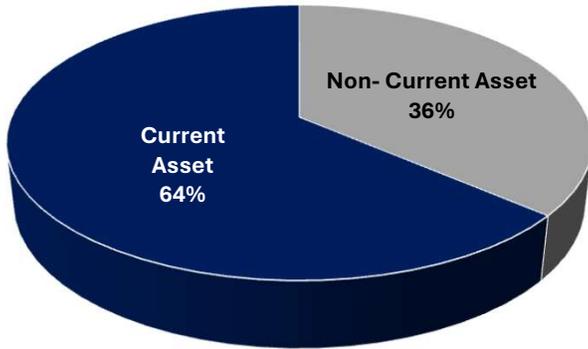


Capital Structure Ratios

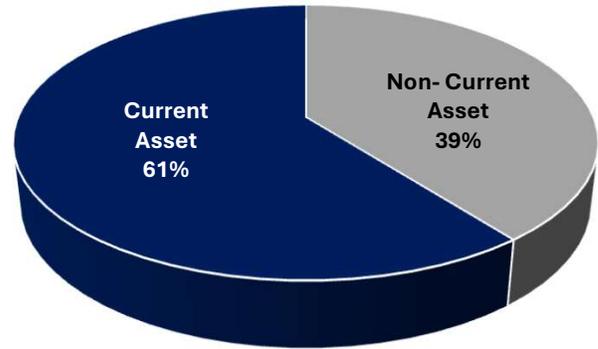


Graphical Analysis

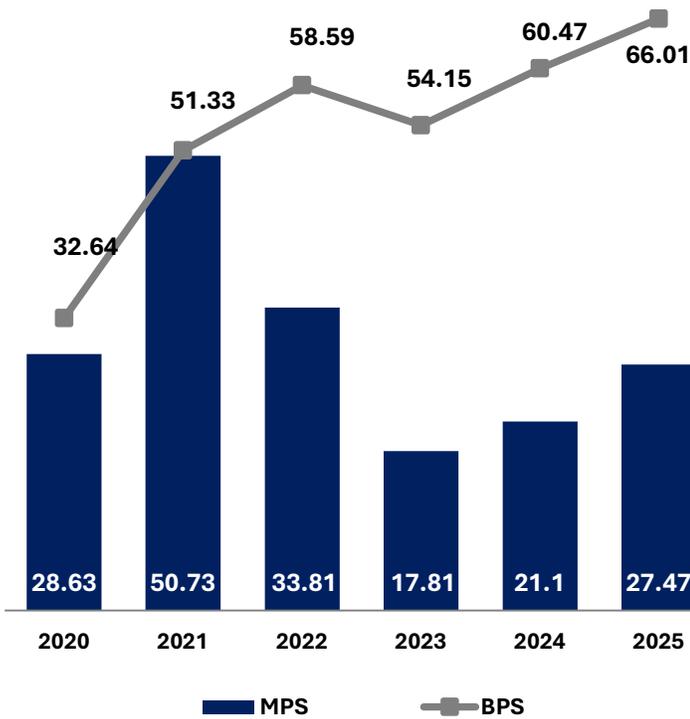
Assets 2025



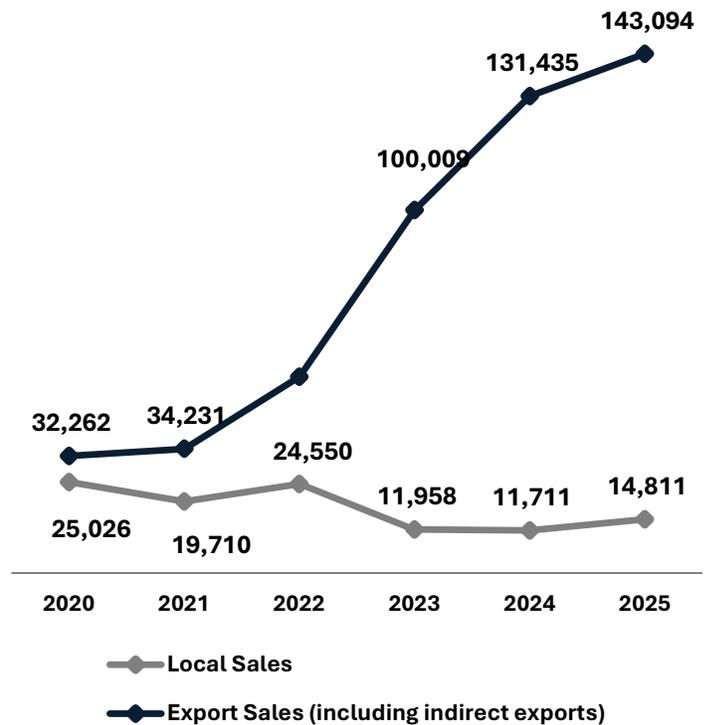
Assets 2024



Market and Break Value per share



Local and Export Sales (Rs in million)



Horizontal Analysis of Financial Statements

	2025		2024		2023		2022		2021		2020		2019	
	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)
Balance Sheet														
Total equity	48,853	9.2	44,753	11.7	40,071	10.9	36,133	32.5	27,263	95.3	13,963	(8.9)	15,333	21.5
Total non-current liabilities	16,659	9.7	15,190	(27.0)	20,806	(6.8)	22,324	9.2	20,452	29.1	15,844	75.8	9,015	28.8
Total current liabilities	85,155	11.2	76,545	22.3	62,610	6.3	58,922	26.0	46,749	20.1	38,914	29.3	30,104	27.3
Total equity and liabilities	150,667	10.4	136,488	10.5	123,488	5.2	117,380	24.3	94,464	37.5	68,721	26.2	54,452	25.9
Total non-current assets														
Total current assets	95,958	16.1	82,663	18.9	69,514	1.6	68,417	30.8	52,287	32.3	39,520	13.2	34,922	30.1
Total assets	150,667	10.4	136,487	10.5	123,466	4.5	118,127	25.0	94,464	37.5	68,721	26.2	54,452	25.9
Profit & loss account														
Net sales	157,905	10.3	143,146	27.8	111,968	11.7	100,257	27.3	78,774	46.0	53,941	(5.8)	57,288	25.6
Cost of sales	(138,926)	10.3	(125,955)	32.2	(95,272)	14.9	(82,889)	25.8	(65,905)	46.9	(44,872)	(1.0)	(45,306)	25.7
Gross profit	18,978	10.4	17,191	3.0	16,695	(3.9)	17,368	35.0	12,869	41.9	9,069	(24.3)	11,982	25.1
Distribution expenses	(3,806)	17.2	(3,247)	47.5	(2,201)	12.4	(1,958)	(41.2)	(3,329)	(26.5)	(4,528)	(2.6)	(4,648)	18.0
Administrative expenses	(4,105)	18.3	(3,471)	1.3	(3,428)	54.4	(2,221)	(6.5)	(2,375)	(12.4)	(2,713)	1.3	(2,677)	15.9
Other expenses	(452)	(7.9)	(491)	13.6	(432)	(49.8)	(860)	65.7	(519)	96.5	(264)	(15.3)	(312)	49.9
Other income	1,120	(43.5)	1,983	199.1	663	(18.1)	809	(6.0)	861	134.1	368	(67.7)	1,137	472.6
Operating profit	11,736	(1.9)	11,964	5.9	11,297	(14.0)	13,138	75.0	7,506	288.6	1,932	(64.8)	5,482	65.3
Financial expenses	(6,076)	12.0	(5,426)	1.5	(5,348)	100.3	(2,669)	37.3	(1,944)	(3.2)	(2,008)	36.3	(1,473)	49.3
Profit / (loss) before taxation	5,660	(13.4)	6,537	9.9	5,949	(43.2)	10,469	88.2	5,562	(7,407.4)	(76)	(101.9)	4,008	72.2
Income tax expense	(1,637)	(9.5)	(1,810)	(7.8)	(1,963)	22.2	(1,607)	41.3	(1,137)	182.0	(403)	1.0	(399)	57.5
Profit / (loss) after taxation	4,023	(14.9)	4,728	18.6	3,986	(55.0)	8,862	100.3	4,425	(1,023.0)	(479)	(113.3)	3,609	73.9

*All amounts are in PKR million

Vertical Analysis of Financial Statements

	2025		2024		2023		2022		2021		2020	
	Amount in million	%										
Balance Sheet												
Total equity	48,853	32.4	44,753	32.8	40,071	32.4	36,133	30.8	27,263	28.9	13,963	20.3
Total non-current liabilities	16,659	11.1	15,190	11.1	20,806	16.8	22,324	19.0	20,452	21.7	15,844	23.1
Total current liabilities	85,155	56.5	76,545	56.1	62,610	50.7	58,922	50.2	46,749	49.5	38,914	56.6
Total equity and liabilities	150,667	100.0	136,488	100.0	123,488	100.0	117,380	100.0	94,464	100.0	68,721	100.0
Total non-current assets	54,709	36.3	53,824	39.4	53,952	43.7	49,710	42.1	42,176	44.6	29,201	42.5
Total current assets	95,958	63.7	82,663	60.6	69,514	56.3	68,417	57.9	52,287	55.4	39,520	57.5
Total assets	150,667	100.0	136,487	100.0	123,466	100.0	118,127	100.0	94,464	100.0	68,721	100.0
Profit & loss account												
Net sales	157,905	100.0	143,146	100.0	111,968	100.0	100,257	100.0	78,774	100.0	53,941	100.0
Cost of sales	(138,926)	(88.0)	(125,955)	(88.0)	(95,272)	(85.1)	(82,889)	(82.7)	(65,905)	(83.7)	(44,872)	(83.2)
Gross profit	18,978	12.0	17,191	12.0	16,695	14.9	17,368	17.3	12,869	16.3	9,069	16.8
Distribution expenses	(3,806)	(2.4)	(3,247)	(2.3)	(2,201)	(2.0)	(1,958)	(2.0)	(3,329)	(4.2)	(4,528)	(8.4)
Administrative expenses	(4,105)	(2.6)	(3,471)	(2.4)	(3,428)	(3.1)	(2,221)	(2.2)	(2,375)	(3.0)	(2,713)	(5.0)
Other expense	(452)	(0.3)	(491)	(0.3)	(432)	(0.4)	(860)	(0.9)	(519)	(0.7)	(264)	(0.5)
Other income	1,120	0.7	1,983	1.4	663	0.6	809	0.8	861	1.1	368	0.7
Operating profit	11,736	7.4	11,964	8.4	11,297	10.1	13,138	13.1	7,506	9.5	1,932	3.6
Financial expenses	(6,076)	(3.8)	(5,426)	(3.8)	(5,348)	(4.8)	(2,669)	(2.7)	(1,944)	(2.5)	(2,008)	(3.7)
Profit / (loss) before taxation	5,660	3.6	6,537	4.6	5,949	5.3	10,469	10.4	5,562	7.1	(76)	(0.1)
Income tax expense	(1,637)	(1.0)	(1,810)	(1.3)	(1,963)	(1.8)	(1,607)	(1.6)	(1,137)	(1.4)	(403)	(0.7)
Profit / (loss) after taxation	4,023	2.5	4,728	3.3	3,986	3.6	8,862	8.8	4,425	5.6	(479)	(0.9)

Comments on Financial Analysis

Shareholder's Equity

Shareholders' equity increased by 9.2% during the year, rising from Rs. 44.75 billion to Rs. 48.85 billion, supported by a profit of Rs. 4.02 billion. This translated into an increase in break-up value per share from Rs. 60.5 to Rs. 66, reflecting stronger reserves. However, profitability ratios softened, with return on equity declining to 8.6% from 11.15% and EPS decreasing to Rs. 5.44 from Rs. 6.39, mainly due to margin pressures in the textile sector. Considering the prevailing uncertainty and the need to maintain healthy cash flows, the Board has not recommended any dividend, opting instead to retain earnings to reinforce reserves and ensure long-term financial stability.

Non-Current & Current Liabilities

During the year, the Company recorded a notable rise in liabilities, reflecting both strategic investments and working capital pressures. Long-term borrowings increased from Rs. 14.6 billion to Rs. 16.1 billion, largely driven by capital expenditure on renewable energy initiatives, particularly solar and biomass projects. Short-term borrowings rose sharply from Rs. 42 billion to Rs. 52 billion, mainly due to the need to maintain higher inventory levels in response to changes in the Export Finance Scheme (EFS), anticipated shortages of raw materials, and significant cashflows tied up in pending income tax refunds. Rising power costs have further strained liquidity and contributed to the increase in short-term borrowing requirements. As a result, non-current liabilities grew from Rs. 15.2 billion to Rs. 16.7 billion, while current liabilities expanded from Rs. 76.5 billion to Rs. 85.6 billion, underscoring the combined impact of long-term growth investments, energy cost pressures, and short-term funding needs.

Non-Current & Current Assets

Non-current assets rose from Rs. 53.8 billion to Rs. 54.7 billion, mainly due to an increase in capital work-in-progress from Rs. 607 million to Rs. 2.1 billion for ongoing renewable projects. Stock-in-hand grew from Rs. 49 billion to Rs. 61 billion, while government receivables increased from Rs. 3.7 billion to Rs. 5.5 billion on account of income tax refunds. Liquidity ratios reflected mixed trends, with the current ratio improving from 1.08 to 1.13 but the quick ratio declining from 0.41 to 0.38, showing higher dependence on inventory. Operationally, inventory turnover days increased

from 127 to 144, debtor days improved from 61 to 54, and creditor days stayed consistent, resulting in the operating cycle extending from 76 to 99 days. The longer cycle, coupled with rising power costs, has directly contributed to higher short-term borrowing needs.

Sales and Cost of Sales

Sales increased by 10% from PKR 143.1 billion to PKR 157.9 billion, with local sales rising from PKR 44.1 billion to PKR 52.5 billion, including PKR 44 billion in indirect exports, while direct exports grew from PKR 102.3 billion to PKR 109.3 billion. Regionally, sales to Germany increased from PKR 30.6 billion to PKR 32.2 billion and to the Netherlands from PKR 4.8 billion to PKR 7.0 billion, while sales to the UK, USA, Italy, France, and other European markets remained stable. Despite higher volumes, the appreciation of the PKR against the USD (FY 2024 average: 279.38 vs. 283.15 last year) adversely impacted export realizations. Segmentally, spinning sales declined from PKR 58 billion to PKR 52 billion with gross margins slipping from 12% to 11% due to elevated raw material costs, whereas home textile sales rose from PKR 85 billion to PKR 93 billion with margins improving from 9% to 11%. However, higher administrative and selling expenses and increased financing costs from excess inventory eroded much of the profitability gains. At the consolidated level, gross profit margin remained at 12% as cost of sales grew proportionally, with raw material consumption and conversion costs increasing by 11% from PKR 95.2 billion to PKR 105.7 billion, salaries and wages up 11% from PKR 15.7 billion to PKR 17.4 billion due to minimum wage revisions and increments, and power and utilities expenses rising by 13% from PKR 12 billion to PKR 13.5 billion.

Operational Expenses, Other Income and Finance Costs

Selling and distribution expenses increased by PKR 600 million, primarily due to higher freight and shipping costs as cargo ships continue to avoid the Suez Canal because of regional conflicts, forcing reliance on longer and more expensive Cape of Good Hope routes, which also extended delivery lead times. Administrative expenses rose by PKR 633 million,

largely driven by higher travelling and conveyance costs along with annual salary increments. Finance costs increased by PKR 649 million, reflecting higher charges on short-term borrowings and greater bank fees related to discounting of export bills. Other income declined compared to last year, as the significant exchange gains from currency realizations and derivative financial instruments recorded in the prior year did not recur at the same level.

Cashflows

Profit before tax declined from PKR 4.5 billion to PKR 4.0 billion, while working capital adjustments rose from PKR 10.6 billion to PKR 12.8 billion due to higher stock-in-trade and reduced trade creditors, alongside a PKR 1.5 billion increase in levies and taxes paid, resulting in net cash outflows of PKR 6.4 billion from operating activities. Cash used in investing activities also increased to PKR 5.4 billion (vs. PKR 3.9 billion last year) on account of higher acquisition and construction of property, plant, and equipment. To offset these pressures, the Company relied on additional financing, with long-term borrowings rising by PKR 4.3 billion and short-term borrowings by PKR 4.4 billion, leading to positive financing cashflows of PKR 14.2 billion. Consequently, despite a net increase of PKR 2.5 billion during the year, cash and cash equivalents closed at a negative PKR 2.3 billion, underscoring ongoing liquidity challenges driven by rising power costs and higher inventory holdings.

Independent Auditor's Review Report

To The Members of Gul Ahmed 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 Gul Ahmed 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 non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval of 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.

Following instances of non-compliances with the requirements of the Regulations were observed which are not stated in the Statement of Compliance:

Section 32.7 of the regulation states that "It is mandatory that every company requires the external auditors to furnish a management letter to its Board within 45 days of the date of audit report"

However, the management letter was issued by the external auditors beyond the prescribed timeframe, resulting in non-compliance with the stated requirement.

Based on our review, except for the above instances of non-compliance, nothing has come to our attention which causes us to believe that then 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, we highlight below instance of non-compliance with the requirements of the Regulations as reflected in the note / paragraph referred below where these are stated in the Statement of Compliance:

S. No.	Paragraph Reference	Description
1	12	Section 12 of the regulation states that, “A copy of the draft minutes of meeting of board shall be furnished to every director within fourteen days of the date of meeting.” However, during the course of our review, we have obtained the evidence of circulation of the board meeting minutes and observed instances of non-compliance with the prescribed timeframe, as three out of four of the minutes were not circulated to the directors within the specified timeframe.

Yousuf Adil
Chartered Accountants

Place: Karachi
Date: October 3, 2025
UDIN: CR202510091yI9zLovTf

Statement of Compliance With Listed Companies (Code of Corporate Governance) Regulations 2019

Gul Ahmed Textile Mills Limited For the year ended June 30, 2025

Gul Ahmed Textile Mills Limited (hereinafter referred to as “The Company”) has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (“the Regulations”) in the following manner:

1. The total number of Directors are Seven (7) as per the following:
 - a. Male: Six (6)
 - b. Female: One (1)
2. The composition of Board is as follows:
 - a. Independent Directors
Ms. Zeeba Ansar
Mr. Kamran Y. Mirza
 - b. Non-Executive Directors
Mr. Mohomed Bashir
Mr. Ziad Bashir
Mr. Ehsan A. Malik
 - c. Executive Directors
Mr. Zain Bashir
Mr. Mohammed Zaki Bashir
 - d. Female Directors
Ms. Zeeba Ansar
3. The Directors have confirmed that none of them is serving as a Director on more than seven (7) 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 or updating 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 Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
8. The Board of Directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. All the directors, except chairman, have attended and completed directors’ training course conducted by Pakistan Institute of Corporate Governance (PICG). The Chairman has the prescribed education and experience required for exemption under clause 19(2) of CCG Regulations accordingly he is exempted from attending directors’ training program pursuant to the clause 19(2) of the CCG Regulations.

* Following the election of Directors, the Board was reconstituted on April 1, 2023 comprising 7 directors including 2 independent directors. One third of 7 come to 2.33 and the fraction was not rounded upward to one to have 3 independent directors in observance of general mathematic principle.

10. The Board has approved appointment of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:
- Audit Committee:
 - Mr. Kamran Y. Mirza - Chairman
 - Mr. Ehsan A. Malik - Member
 - Mr. Mohomed Bashir - Member
 - HR and Remuneration Committee:
 - Ms. Zeeba-Ansar - Chairperson
 - Mr. Mohomed Bashir - Member
 - Mr. Zain Bashir - Member
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:
- | | |
|-------------------------------|-------------------------|
| Audit Committee | Four quarterly meetings |
| HR and Remuneration Committee | Two meetings |
15. The Board has outsourced the internal audit function to BDO Ebrahim & Co, Chartered Accountants, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company. The Company has also designated a full-time employee as Head of Internal Audit.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of Institute of Chartered Accountants of Pakistan (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, Head of Internal Audit, Company Secretary or Director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for non-compliance with non-mandatory requirements i.e. other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:
- a. The requirement of Nomination Committee is optional in regulation no.29. The Board takes care of the responsibilities prescribed for nomination committee so a separate nomination committee is not considered necessary.
 - b. The requirement of Risk Management Committee is optional in regulation no. 30. The Risk management carried out at the overall Company's level by the executive management of the Company headed by the CEO. The Company's management monitors potential risks and risk management procedures are carried out to identify, assess and mitigate any identified or potential risks. Therefore, it is not considered necessary to have a separate committee in this respect.
 - c. Since the requirement with respect to disclosure of significant policies on the website is optional in regulation no. 35(1), the Company has uploaded only

limited information in this respect on the Company's website. However, significant related information related to policies, like risk management etc. is disclosed in the annual reports of the Company which are duly uploaded on the website and are available for everyone accessing the website. The Company will however, review and place key elements of other policies if considered necessary.

Mohomed Bashir
Chairman

Karachi
September 29, 2025

Mohammed Zaki Bashir
Chief Executive Officer

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF GUL AHMED TEXTILE MILLS LIMITED

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of **Gul Ahmed Textile Mills Limited** (the Company), which comprise the unconsolidated statement of financial position as at **June 30, 2025**, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

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

Basis for Opinion

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

Key Audit Matters

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

Following are the key audit matters:

Key audit matters	How the matter was addressed in our audit
1. Revenue recognition	
Refer notes 3.18 and 25 to the unconsolidated financial statements. The Company’s net revenue for the year ended June 30, 2025 was Rs. 157,904 million. The Company’s revenue is principally generated from the sale of textile goods and related processing services and consists of local and export sales.	Our audit procedures in this area, amongst others, included the following: <ul style="list-style-type: none"> Obtained an understanding of the accounting policy and Company’s accounting process for revenue recognition and tested the design and implementation of relevant controls;

Key audit matters	How the matter was addressed in our audit
<p>We identified revenue as key audit matter because;</p> <ul style="list-style-type: none"> • revenue is one of the key performance indicators of the Company; • there are large number of revenue transactions; and • There is inherent risk that revenue could be recorded in an incorrect accounting period in order to achieve the financial targets and expectations. 	<ul style="list-style-type: none"> • Performed verification of sample of revenue transactions recorded during the year with underlying documentation including sales invoices and other dispatch documents; • Performed cut-off procedures on sample basis on revenue transactions recorded just before and after the year end with the underlying goods delivery notes, bill of lading, invoices and other relevant documents to assess whether the revenue has been recognised in the appropriate accounting period; and • Evaluated the appropriateness of disclosures in the unconsolidated financial statements in accordance with the requirements of the accounting and reporting standards applicable in Pakistan.
<p>2. Valuation of stock-in-trade</p>	
<p>Refer notes 3.7 and 9 to the unconsolidated financial statements.</p> <p>As at June 30, 2025, the Company held stock-in-trade of Rs. 60,911 million. Several estimates and judgments are involved in the valuation of stock-in-trade, in determining the net realizable values, and in assessing the appropriate level of provisioning required for the stock-in-trade. This includes the assessment of available facts and circumstances, the physical condition of the stock-in-trade, utilization, market selling prices, and the estimated selling cost of the stock-in-trade.</p> <p>We have considered this matter as key audit matter because of the significance of the balance and due to the estimates and judgments involved in the valuation.</p>	<p>Our audit procedures in this area, amongst others, included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the Company’s policies and procedures with respect to valuation of stock-in-trade; • Assessed appropriateness of the Company’s accounting policies for valuation of stock-in-trade and compliance of those policies with accounting and reporting standards applicable in Pakistan; • Assessed the adequacy of the allowance for obsolescence, by taking into consideration the status of ageing conditions of the stock-in-trade and historical usage pattern; • Compared the net realizable value, on a sample basis, to the carrying value of stock-in-trade to assess whether any adjustments are required to value of stock-in-trade in accordance with the applicable accounting framework; and • Assessed the adequacy of the related disclosures in the notes to the unconsolidated financial statements, in accordance with the requirements of the accounting and reporting standards as applicable in Pakistan.

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor’s Report Thereon

Management is responsible for the other information. The other information comprises the information included in annual report, but does not include the unconsolidated financial statements and our auditor’s reports thereon.

Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated 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 Unconsolidated Financial Statements

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

In preparing the unconsolidated 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 Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated 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 unconsolidated 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 unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated 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 unconsolidated 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.

Report on Other Legal and Regulatory Requirements

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

- a. proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b. the statement of unconsolidated financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flow together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c. investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d. no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter

The unconsolidated financial statements of the Company for the year ended June 30, 2024 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon vide their report dated October 4, 2024.

The engagement partner on the audit resulting in this independent auditor's report is Nadeem Yousuf Adil.

Yousuf Adil
Chartered Accountants

PLACE: Karachi
DATE: October 3, 2025
UDIN: AR202510091oKb1QC5VU

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	50,894,607	50,023,808
Intangible assets	5	45,221	45,484
Long term investments	6	3,601,461	3,591,206
Long term loans	7	21,487	17,939
Long term deposits		146,240	145,595
Total non-current assets		54,709,016	53,824,032
CURRENT ASSETS			
Store, spares and loose tools	8	2,725,457	2,298,322
Stock-in-trade	9	60,911,875	49,014,078
Trade debts	10	22,155,562	24,567,107
Loans, advances and other receivables	11	4,810,814	2,638,317
Short term prepayments		73,298	63,612
Receivables from government	12	5,542,398	3,705,858
Short term investments		-	1,243
Cash and bank balances	13	166,429	375,876
Total current assets		96,385,833	82,664,413
Total assets		151,094,849	136,488,445
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	14	7,400,594	7,400,594
Reserves	15	41,452,343	37,352,629
Total share capital and reserves		48,852,937	44,753,223
NON-CURRENT LIABILITIES			
Long term financing	16	16,142,475	14,591,587
Deferred income - government grant	17	50,620	74,655
Defined benefit plan - staff gratuity	18	466,178	523,996
Total non-current liabilities		16,659,273	15,190,238
CURRENT LIABILITIES			
Trade and other payables	19	27,690,959	28,775,841
Accrued mark-up / profit	20	788,421	1,391,643
Short term borrowings	21	52,157,704	42,005,502
Current portion of non-current liabilities	22	3,152,215	3,262,187
Unclaimed dividend		9,365	9,840
Unpaid dividend	23	23,505	23,505
Taxation-net		1,760,470	1,076,466
Total current liabilities		85,582,639	76,544,984
Total equity and liabilities		151,094,849	136,488,445
CONTINGENCIES AND COMMITMENTS			
	24		

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

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

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees) -----
Revenue from contracts with customers	25	157,904,719	143,145,844
Cost of sales	26	(138,926,298)	(125,954,822)
Gross profit		18,978,421	17,191,022
Selling and distribution cost	27	(3,805,716)	(3,247,465)
Administrative cost	28	(4,105,109)	(3,471,467)
Other expense	29	(452,266)	(491,140)
		(8,363,091)	(7,210,072)
Operating profit		10,615,330	9,980,950
Other income	30	1,120,463	1,982,933
Finance costs	31	(6,075,629)	(5,426,456)
Profit before levies and taxation		5,660,164	6,537,427
Levies	32	(1,688,647)	(2,043,969)
Profit before taxation		3,971,517	4,493,458
Taxation	33	51,257	234,344
Profit for the year		4,022,774	4,727,802
		----- (Rupees) -----	
Earnings per share - basic and diluted	34	5.44	6.39

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024 -----
Profit for the year		4,022,774	4,727,802
Other comprehensive income / (loss)			
Items that will not be reclassified to unconsolidated statement of profit or loss subsequently			
Remeasurement gain / (loss) on defined benefit plan	18.3	76,940	(41,421)
Reversal of deferred tax		-	(4,535)
		76,940	(45,956)
Items that may be reclassified to unconsolidated statement of profit or loss subsequently			
		-	-
		76,940	(45,956)
Total comprehensive income for the year		4,099,714	4,681,846

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2025

	Reserves					Total
	Share Capital	Capital Reserve - Against Long term Investments, Capacity Expansion and BMR	Capital Reserve - Amalgamation Reserve	Revenue Reserve - Unappropriated Profit	Total Reserves	
----- (Rupees in '000) -----						
Balance as at July 01, 2023	7,400,594	-	8,252,059	24,418,724	32,670,783	40,071,377
Reclassification of reserves - (note 15.2)	-	23,000,000	-	(23,000,000)	-	-
Profit for the year	-	-	-	4,727,802	4,727,802	4,727,802
Other comprehensive loss	-	-	-	(45,956)	(45,956)	(45,956)
Total comprehensive income for the year	-	-	-	4,681,846	4,681,846	4,681,846
Balance as at June 30, 2024	7,400,594	23,000,000	8,252,059	6,100,570	37,352,629	44,753,223
Profit for the year	-	-	-	4,022,774	4,022,774	4,022,774
Other comprehensive income	-	-	-	76,940	76,940	76,940
Total comprehensive income for the year	-	-	-	4,099,714	4,099,714	4,099,714
Balance as at June 30, 2025	7,400,594	23,000,000	8,252,059	10,200,284	41,452,343	48,852,937

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		3,971,517	4,493,458
Adjustments for non-cash items:			
Depreciation of operating fixed assets	4.1.1	4,558,811	4,450,617
Amortisation of intangible assets	5.1	17,197	21,302
Expense recognised for defined benefit plan	18	264,743	238,199
Finance costs	31	6,075,629	5,426,456
Reversal of provision for slow moving - stores and spares	8.1	(60,103)	(151,739)
Levies	32	1,688,647	2,043,969
Provision for slow moving stock-in-trade	9.1	(112,009)	(78,792)
Dividend income	30	-	(1,462)
Government grant recognised in income	30	(28,251)	(32,088)
Loss on disposal of operating fixed assets	29	35,609	28,533
Expected credit loss on trade debts	10.4	(33,058)	(229,760)
		12,407,215	11,715,235
Changes in working capital:			
Store, spares and loose tools		(367,032)	(383,725)
Stock-in-trade		(11,785,788)	(10,484,855)
Trade debts		2,444,603	(915,464)
Loans, advances and other receivables		(2,129,287)	(570,332)
Receivables from government		152,518	(404,820)
Short term prepayments		(9,686)	108,893
Trade and other payables		(1,084,882)	2,023,519
Net decrease in working capital		(12,779,554)	(10,626,784)
Cash generated from operating activities		3,599,178	5,581,909
Payment made to defined benefit plan	18.1	(245,621)	(81,236)
Finance costs paid		(6,773,467)	(6,524,443)
Levies and taxes paid		(2,942,444)	(1,425,436)
		(9,961,532)	(8,031,115)
Net cash used in operating activities		(6,362,354)	(2,449,206)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of property, plant and equipment		(5,371,400)	(3,929,694)
Payments for acquisition of intangible assets		(16,934)	(28,535)
Proceeds from disposal of operating fixed assets		29,048	28,758
Long term investment made		(10,255)	-
Short term investment made		-	(601,243)
Short term investments redeemed		1,243	600,000
Dividend income received		-	1,462
Long term loans, net		(46,758)	52,587
Long term deposits		(645)	(12,648)
Net cash used in investing activities		(5,415,701)	(3,889,313)

	Note	2025 ----- (Rupees in '000) -----	2024 -----
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing	37.1	4,700,000	358,000
Repayment of long term financing	37.1	(3,283,119)	(5,777,758)
Increase in short term borrowings, net	37.1	12,815,653	8,403,987
Dividend paid		(475)	(91)
Net cash generated from financing activities		14,232,059	2,984,138
Net increase / (decrease) in cash and cash equivalents		2,454,004	(3,354,381)
Cash and cash equivalents at the beginning of the year		(4,766,370)	(1,411,989)
Cash and cash equivalents at the end of the year	37	(2,312,366)	(4,766,370)

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

NOTES TO THE UNCONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

1 LEGAL STATUS AND ITS OPERATIONS

1.1 Gul Ahmed Textile Mills Limited (the Company) was incorporated in Pakistan on April 01, 1953 as a private limited company and subsequently converted into a public limited company on January 07, 1955. The Company is a subsidiary of Gul Ahmed Holdings (Private) Limited (the Parent Company) and is listed on Pakistan Stock Exchange Limited. The Company is principally engaged in the manufacturing and sale of textile products. The registered office is situated at Plot No. H-7, Landhi Industrial Area, Karachi.

The Company has following wholly owned subsidiaries which are engaged in distribution / trading of textile related products while Ideas (Private) Limited also carries out production of finished goods.

Details of subsidiaries	Date of Incorporation	Country of Incorporation	Principal place of business
Direct subsidiaries			
Gul Ahmed International Limited FZC - UAE	December 11, 2002	United Arab Emirates	Sharjah Airport International Free Zone, Government of Sharjah, United Arab Emirates.
Ideas (Private) Limited	December 27, 2004 (Subsidiary since January 01, 2021)	Pakistan	Plot No. 65/I, Sector-30, Korangi Industrial Area, Karachi, Pakistan.
Gul Ahmed Ecotex (Private) Limited	March 26, 2025	Pakistan	Plot No. H-7, Landhi Industrial Area, Landhi, Karachi, Pakistan
Gul Ahmed Ecofab (Private) Limited	March 26, 2025	Pakistan	Plot No. H-7, Landhi Industrial Area, Landhi, Karachi, Pakistan
Gul Ahmed Circular Fabrics (Private) Limited	March 26, 2025	Pakistan	Plot No. H-7, Landhi Industrial Area, Landhi, Karachi, Pakistan
Indirect subsidiaries			
GTM USA Corporation	March 19, 2012	United States of America	106 Lang Tree Village Dr, Suite 301 Mooresville, NC 28117, United States of America.
Sky Home Corporation - USA	February 28, 2017	United States of America	106 Lang Tree Village Dr, Suite 301 Mooresville, NC 28117, United States of America.
Vantona Home Limited	April 22, 2013	United Kingdom	Grane Road Mill, Grane Road Haslingden, Rossendale Lancashire BB4 5ET, United Kingdom.
JCCO 406 Limited	September 29, 2017	United Kingdom	Grane Road Mill, Grane Road Haslingden, Rossendale Lancashire BB4 5ET, United Kingdom.
GTM (Europe) Limited	April 17, 2003	United Kingdom	Grane Road Mill, Grane Road Haslingden, Rossendale Lancashire BB4 5ET, United Kingdom.
Omnify (Private) Limited	March 12, 2025	Pakistan	Plot No. 65/1, Korangi Industrial Area, Karachi, Pakistan
Elegant Fashion (Private) Limited	March 19, 2025	Pakistan	Plot No. 65/1, Korangi Industrial Area, Karachi, Pakistan
Fragrance Fusion (Private) Limited	March 12, 2025	Pakistan	Plot No. 65/1, Korangi Industrial Area, Karachi, Pakistan

- 1.2 Geographical locations and addresses of all premises obtained on rental basis are as follows:

Address

Plot ST-17/1 and ST-17/3, Federal 'B' Area, Azizabad, Karachi;
 Plot No. H-17 / A, Landhi Industrial area, Karachi;
 Plot # HT/2 Landhi Industrial Area, Karachi;
 Plot # HT/8, KDA Scheme 3, Landhi Industrial area, Karachi;
 Plot W2/1-14, Western industrial zone, Port Qasim, Karachi;
 Plot # H19/2-B Bin Qasim, Landhi Industrial area Karachi;
 Survey # 613, Deh Jorejee, Bin Qasim town, Karachi;
 Survey # 614, Deh Jorejee, Bin Qasim town, Karachi;
 Survey # 615, Deh Jorejee, Bin Qasim town, Karachi; and
 22nd Floor, Ocean Mall, Khayaban-e-Iqbal, Block-9, Clifton, Karachi.

The above rental premises are used to carry out warehousing and administrative tasks.

2 BASIS OF PREPARATION

2.1 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention except as otherwise stated in respective policy notes.

These unconsolidated financial statements are separate financial statements of the Company in which investments in subsidiaries is measured at cost less accumulated impairment losses, if any. Consolidated financial statements of the Company are prepared and presented separately.

2.2 Statement of compliance

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

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

Where provisions of and directives issued under the Act differ from the IFRS Accounting Standards, the provisions of and directives issued under the Act have been followed.

2.3 Functional and presentation currency

Items included in the unconsolidated financial statements are measured using the currency of the primary economic environment in which the Company operates. These unconsolidated financial statements are presented in Pakistani Rupees, which is the functional and presentation currency of the Company. The amounts have been rounded off to the nearest thousand rupees unless stated otherwise.

2.4 Critical accounting estimates and judgments

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Information about estimates and judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the unconsolidated financial statements are as follows:

a) Operating fixed assets and Intangible assets (notes 3.2, 3.3, 3.8, 4 and 5)

The Company reviews appropriateness of the method of depreciation / amortisation and useful lives used in the calculation of depreciation / amortisation of operating fixed assets and intangible assets respectively on an annual basis. Further, where applicable, an estimate of recoverable amount of assets is made for possible impairment at each reporting date.

b) Provision for obsolescence and slow moving stores and spares (notes 3.6 and 8)

Provision for obsolescence and slow moving stores and spares is based on parameters set out by the management of the Company, which includes ageing, expected use and realisable values.

c) Stock-in-trade (notes 3.7 and 9)

The Company reviews the net realisable value of stock-in-trade to assess any diminution in the respective carrying values at each reporting date. Net realisable value is determined with reference to estimated selling price less estimated expenditure to make the sales.

d) Impairment of financial assets (notes 3.9.4, 10 and 44.2)

The Company uses a provision matrix to calculate expected credit loss (ECL) for trade debts. The provision matrix is initially based on the Company's historically observed rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every quarter, the historically observed default rates are updated, and changes in the forward-looking estimates are analysed.

The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default in the future.

e) Defined benefit plan (notes 3.14.2 and 18)

The present value of defined benefit plan depends upon number of factors and is being calculated on actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of defined benefit plan.

f) Taxation (notes 3.20, 24 and 33)

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the views taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingencies.

g) Levies (notes 3.21 and 32)

The Company takes into account the current income tax law, legislations and decisions taken by the taxation authorities for determination of levies. These include determining the specific obligating event that triggers levy recognition based on the relevant legislation, estimating the amount payable by considering applicable rates, and deciding the appropriate timing for recognising the levy liability. These estimates and judgements are periodically reviewed and updated as necessary.

h) Contingencies (notes 3.17 and 24)

The assessment of the contingencies and provision inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent liabilities which may differ on the occurrence / non-occurrence of the uncertain future event(s).

2.5 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards

(a) New standards, amendments and interpretations that are effective for the year ended June 30, 2025 are as follows:

The following amendments are effective for the year ended June 30, 2025. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

The following amendments are effective for the year ended June 30, 2025. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
- Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants	January 01, 2024
- Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 2024

(b) Standards, Interpretations and Amendments to published approved accounting standards not yet effective

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

	Effective date (annual periods beginning on or after)
- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
- IFRS 17 - Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026
- IFRS 7 - Financial Instruments: Disclosures	July 01, 2025
- Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Classification and measurement of financial instruments	January 01, 2026
- Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 01, 2026
- Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Contracts Referencing Nature-dependent Electricity	January 01, 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Foreign currency transactions and translation

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates at the dates of transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction. Foreign currency differences are recognised in the unconsolidated statement of profit or loss.

3.2 Property, plant and equipment

3.2.1 Operating fixed assets

Initial recognition

The cost of an item is recognised as an asset if and only if the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Measurement

Operating fixed assets are stated at cost less any accumulated depreciation and any accumulated impairment losses except leasehold land which is stated at cost.

When parts of an item of operating fixed assets have different useful lives, they are accounted for as separate items (major components) of operating fixed assets.

Subsequent cost

Expenditure incurred to replace a significant component of an item of operating fixed assets is capitalised and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the items can be measured reliably. All other expenditure (including normal repairs and maintenance) are recognised in the unconsolidated statement of profit or loss as an expense when these are incurred.

Depreciation

Depreciation is charged using:

- Reducing Balance Method on Plant & Machinery, Office Equipment (other than IT Equipment), Building on Leasehold Land, Vehicles and Furniture & Fixtures; and
- Straight Line Method on IT equipment, structure on leasehold land and major Component of Plant and Machinery identifiable as a separate asset due to different useful life from the Plant and Machinery.

Rates of depreciation on above are specified in the note 4 of the unconsolidated financial statements.

Depreciation on additions to operating fixed assets is charged from the day the asset is available for use and no depreciation is charged on the day of disposal.

Depreciation methods, useful lives and residual values of each part of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposal

The gain or loss on disposal of an item of operating fixed assets is determined by comparing the proceeds from disposal with the carrying amount of the operating fixed assets, and is recognised in the unconsolidated statement of profit or loss.

3.2.2 Capital work-in-progress

Capital work in progress (CWIP) is stated at cost less impairment loss, if any, and consists of expenditure incurred (including any borrowing cost, if applicable) and advances made in the course of their construction and installation. Transfers are made to relevant asset category as and when assets are available for intended use.

3.3 Intangible assets

These are stated at cost less accumulated amortisation and any provision for impairment loss. Amortisation of intangible assets are charged to unconsolidated statement of profit or loss by applying the straight line method at the rates specified in note 5 of these unconsolidated financial statements after taking into account residual value, if any. Amortisation on additions to intangibles is charged from the day the asset is available for use and no amortisation is charged on the day of disposal.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable, if any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount.

3.4 Borrowing cost

Borrowing cost is recognised as an expense in the unconsolidated statement of profit or loss in the period in which these are incurred except where such cost is directly attributable to the acquisition, construction or production of a qualifying asset in which case such cost is capitalised as part of the cost of that asset.

3.5 Investments in subsidiaries

Subsidiary is an entity over which the Company has control. Investment in subsidiaries is carried at cost less accumulated impairment losses, if any. The carrying amount of investments in subsidiaries is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists the investment's recoverable amount is estimated at higher of its value in use and its fair value less cost to sell. An impairment loss is recognised if the carrying amount exceeds its recoverable amount. Impairment losses are recognised in unconsolidated statement of profit or loss.

3.6 Store, spares and loose tools

Stores, spares and loose tools are stated at lower of moving average cost and net realisable value, less provision for impairment, if any. Stores-in-transit is stated at cost comprising invoice value plus other incremental charges incurred thereon.

Provision is made for obsolete and slow moving stores, spares and loose tools based on management's best estimate regarding their future usability and is recognised in the unconsolidated statement of profit or loss.

3.7 Stock-in-trade

Stock of raw materials and finished goods are valued at lower of moving average cost and net realisable value. Cost of raw materials and trading stock comprises of the invoice value plus other charges incurred thereon. Work-in-process is measured at weighted average cost. Cost of work-in-process and finished goods includes cost of direct materials, labour and appropriate portion of manufacturing overheads. Waste products are valued at net realisable value. Stock-in-transit is stated at cost comprising invoice value and other incidental charges paid thereon up to reporting date.

Net realisable value signifies the estimated selling prices in the ordinary course of business less costs necessarily to be incurred in order to make the sale.

3.8 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised as an expense in the unconsolidated statement of profit or loss.

The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there is 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 amortisation, if no impairment loss had been recognised.

3.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised in the Company's unconsolidated statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the unconsolidated statement of profit or loss.

3.9.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and measurement of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Financial assets 'at amortised cost' are carried at amortised cost using the effective interest method if the time value of money is significant. Gains and losses are recognised in the unconsolidated statement of profit or loss when the assets are derecognised or impaired and when interest is recognised using the effective interest method.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTOCI are carried on the unconsolidated statement of financial position at fair value with gains or losses recognised in the unconsolidated statement of other comprehensive income.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Financial assets at FVTPL are carried on the unconsolidated statement of financial position at fair value with gains or losses recognised in the unconsolidated statement of profit or loss.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the unconsolidated statement of profit or loss.

3.9.2 Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

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

3.9.3 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the unconsolidated statement of financial position if there is a currently enforceable legal right to set-off the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

3.9.4 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade and other receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Company measures ECL of a financial instrument in a way that reflects (a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (b) the time value of money; and (c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

A default on a financial asset is considered when the counterparty fails to make contractual payments within 90 days of when they fall due.

Financial assets are written off when there are no reasonable expectation of recovery. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the balance due. Where recoveries are made, these are recognised in the unconsolidated statement of profit or loss.

3.10 Derivative

Derivative instruments are initially recognised at fair value and subsequent to initial measurement, each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the unconsolidated statement of profit or loss. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in trade and other payables in unconsolidated statement of financial position.

3.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, with banks in current and deposit accounts, cheques in hand, demand draft and running finance under mark-up arrangements. Running finances under mark-up arrangements are shown within short term borrowings under current liabilities in the unconsolidated statement of financial position. These are measured at amortised cost.

3.12 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

3.13 Government grant

Government grants are transfers of resources to the Company by a government entity in return for compliance with certain past or future conditions related to the Company's operating activities - e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

The Company recognises government grants when there is reasonable assurance that grants will be received and the Company will be able to comply with the conditions associated with grants. Government grants are recognised at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognised on a systematic basis in the income for the year in which the related expenses are recognised. Grants that compensate for the cost of an asset are recognised in income on a systematic basis over the expected useful life of the related asset.

Loan is initially recognised at its fair value in accordance with IFRS 9. The fair value of the loan would be the present value of loan proceeds received, discounted using prevailing market rate of mark-up for a similar instrument. The benefit of below-market mark-up (i.e. differential between the loan proceeds and fair value of the loan) is accounted for as deferred grant in accordance with IAS 20. In subsequent periods, the loan amount would be accreted using the effective interest rate method. The accretion would increase the carrying value of the loan with a corresponding effect on the interest expense for the year in the unconsolidated statement of profit or loss. As per IFRS 9, the loan liability and related mark-up shall be derecognised when it is extinguished i.e., these amounts are paid-off. While, the grant is recognised in unconsolidated statement of profit or loss, in line with the recognition of interest expense that the grant is compensating, in accordance with IAS 20.

3.14 Staff retirement benefits

3.14.1 Defined contribution plan

The Company operates a recognised provident fund scheme for its eligible employees to which equal monthly contribution is made by the Company and the employees at the rate of 8.33% of the basic salary. The Company's contribution is charged to unconsolidated statement of profit or loss.

3.14.2 Defined benefit plan

The Company operates unfunded gratuity schemes for all its eligible employees. Benefits under the scheme are vested to employees on completion of the prescribed qualifying period of service under the scheme. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurement of the net defined benefit liability, which comprises of actuarial gains and losses are recognised immediately in unconsolidated statement of other comprehensive income. The Company determines the net interest expense on the net defined liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined liability, taking into account any changes in the net defined benefit liability during the year as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the unconsolidated statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the unconsolidated statement of profit or loss. The Company recognises gains or losses on the settlement of a defined benefit plan when the settlement occurs.

3.15 Accumulated employee compensated absences

The Company provides for compensated absences for all eligible employees in the period in which these are earned. Provisions are made annually to cover the obligation for accumulating compensated absences and are charged to the unconsolidated statement of profit or loss.

3.16 Unclaimed dividend

The Company recognises unclaimed dividend which was declared and remained unclaimed by the shareholder from the date it was due and payable.

3.17 Provisions and contingencies

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

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.

3.18 Recognition of revenue from contracts with customers

Revenue from contracts with customers is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable and is recognised on following basis:

- Revenue from contracts with customers is recognised at amounts that reflect the consideration that the Company expects to be entitled to in exchange for transferring goods or services to a customer.
- The Company recognises revenue when performance obligation is satisfied, at a point in time, when control of goods have been transferred to a customer either on dispatch / acceptance of goods for local sales or issuance of the bill of lading in case of export sales. Control, depending on contractual terms, is considered to be transferred either when the product is directly uplifted by customer from the Company premises or when it is delivered by the Company at customer premises.
- Revenue from contracts with customers on services is recognised at the point in time when the performance obligation is satisfied i.e. control of the serviced goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled to in exchange for those serviced goods. These services include sanforisation and mercerisation of fabric.
- Export rebate (if any) on export sales is recognised on an accrual basis at the time of export sale.
- Processing charges are recorded when processed goods are delivered to customers.

3.19 Other income

Other income is recognised to the extent it is probable that economic benefit will flow to the Company and the amount can be measured reliably. Other income is measured at fair value of the consideration received or receivable and recognised on following basis:

- Profit on deposits with banks is recognised on time proportion basis taking into account the amount outstanding and rates applicable thereon.
- Dividend income is recognised when the Company's right to receive the payment is established.
- Interest on loans and advances to employees is recognised on the effective interest method.
- Income from sale of scrap is recorded on delivery of scrap to the customer.
- The grant is recognised in unconsolidated statement of profit or loss, in line with the recognition of interest expense that the grant is compensating, in accordance with IAS 20.
- Income from liabilities written back / provision are recorded when the chances of settlement of liability / provision is remote.
- Markup from Term Finance Certificates is accounted for as income using the effective interest method.
- Exchange gain from currency realisation and derivative financial instruments are described in note 3.1 and 3.10 of these unconsolidated financial statements.

3.20 Taxation

3.20.1 Current tax

Current Tax comprises of expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

3.20.2 Deferred tax

Deferred tax is recognised using the balance sheet liability method on all temporary differences arising at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences and carried forward unused tax losses, and tax credits, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are measured at enacted tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

3.21 Levies

The tax charged under ITO, which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income is classified as levies in the unconsolidated statement of profit or loss as these levies fall under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

3.21.1 Revenue tax

Revenue tax include levies as per IFRIC 21, minimum tax on imported goods and export sales under ITO. A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

- (a) those outflows of resources that are within the scope of other standards.
- (b) fines or other penalties that are imposed for breaches of the legislation.

3.21.2 Final tax

Final tax includes tax charged / withheld / paid on certain income streams under various provisions of ITO. Final tax is charged / computed under the ITO, without reference to income chargeable to tax at the general rate of tax and final tax computed / withheld or paid for a tax year is construed as final tax liability for the related stream of Income under the ITO.

3.22 Earnings per share

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

3.23 Dividend and appropriation to reserves

Final dividend distributions to the Company's shareholders are recognised as a liability in the unconsolidated financial statements in the period in which the dividends are approved by the Company's shareholders at the Annual General Meeting, while the interim dividend distributions are recognised in the period in which the dividends are declared by the Board of Directors (the Board). Appropriations of profit are reflected in the unconsolidated statement of changes in equity in the period in which such appropriations are approved.

3.24 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relates to transactions with any of the Company's other components. An operating segment's results are reviewed regularly by the Chief Operating Decision Maker(s) i.e., Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segment, assess its performance and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly of finance cost, other operating cost, other income and income tax. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets. The detailed results of the reportable segments are disclosed in the note 35 to these unconsolidated financial statements.

4 PROPERTY, PLANT AND EQUIPMENT

	Note	2025 (Rupees in '000)	2024
Operating fixed assets	4.1	48,777,835	49,416,906
Capital work in progress (CWIP)	4.2	2,116,772	606,902
		50,894,607	50,023,808

	Leasehold land	Buildings and structures on leasehold land	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Total
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Note (Rupees in '000)

4.1 Operating fixed assets

As at July 01, 2023

Cost	7,924,915	14,409,911	43,470,287	299,996	893,079	581,458	67,579,646
Accumulated depreciation	-	(4,265,932)	(14,665,006)	(99,975)	(313,849)	(365,041)	(19,709,803)
Net book value as at July 01, 2023	7,924,915	10,143,979	28,805,281	200,021	579,230	216,417	47,869,843

Movement during year ended June 30, 2024

Transfers during the year	4.2.1	121,484	1,246,791	4,433,375	32,300	242,619	67,304	6,143,873
Written off during the year		-	(70,070)	-	-	-	-	(70,070)
Reclassification to CWIP		-	-	(18,832)	-	-	-	(18,832)
Disposals during the year	4.1.2	-	-	(144,675)	-	-	-	(144,675)
Cost		-	-	(144,675)	-	-	-	(144,675)
Depreciation		-	-	87,384	-	-	-	87,384
Net book value		-	-	(57,291)	-	-	-	(57,291)
Depreciation charge for the year	4.1.1	-	(1,104,333)	(3,140,204)	(24,768)	(131,601)	(49,711)	(4,450,617)
Net book value as at June 30, 2024	4.4	8,046,399	10,216,367	30,022,329	207,553	690,248	234,010	49,416,906

As at June 30, 2024

Cost	8,046,399	15,586,632	47,740,155	332,296	1,135,698	648,762	73,489,942
Accumulated depreciation	-	(5,370,265)	(17,717,826)	(124,743)	(445,450)	(414,752)	(24,073,036)
	8,046,399	10,216,367	30,022,329	207,553	690,248	234,010	49,416,906

	Leasehold land	Buildings and structures on leasehold land	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Total
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Note (Rupees in '000)

As at July 01, 2024

Cost	8,046,399	15,586,632	47,740,155	332,296	1,135,698	648,762	73,489,942
Accumulated depreciation	-	(5,370,265)	(17,717,826)	(124,743)	(445,450)	(414,752)	(24,073,036)
Net book value as at July 01, 2024	8,046,399	10,216,367	30,022,329	207,553	690,248	234,010	49,416,906

Movement during year ended June 30, 2025

Transfers during the year	4.2.1	-	479,558	3,160,737	52,877	240,953	42,152	3,976,277
Adjustments during the year		-	3,956	97,640	(154)	(71,154)	(30,178)	110
Cost		-	3,956	97,640	(154)	(71,154)	(30,178)	110
Depreciation		-	(1,964)	(15,901)	-	25,297	578	8,010
Disposals during the year	4.1.2	-	1,992	81,739	(154)	(45,857)	(29,600)	8,120
Cost		-	-	(335,998)	-	-	-	(335,998)
Depreciation		-	-	271,341	-	-	-	271,341
Net book value		-	-	(64,657)	-	-	-	(64,657)
Depreciation charge for the year	4.1.1	-	(1,067,637)	(3,269,016)	(25,005)	(153,730)	(43,423)	(4,558,811)
Net book value as at June 30, 2025	4.4	8,046,399	9,630,280	29,931,132	235,271	731,614	203,139	48,777,835

As at June 30, 2025

Cost	8,046,399	16,070,146	50,662,534	385,019	1,305,497	660,736	77,130,331
Accumulated depreciation	-	(6,439,866)	(20,731,402)	(149,748)	(573,883)	(457,597)	(28,352,496)
Net book value as at June 30, 2025	8,046,399	9,630,280	29,931,132	235,271	731,614	203,139	48,777,835

Depreciation per annum

	-	10 to 33	10 to 33	10 to 12	10 to 33	20
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4.1.1 Depreciation charge for the year has been allocated as follows:

	Note	2025 ----- (Rupees in '000) -----	2024
Cost of goods manufactured	26.1	4,338,904	4,265,756
Selling and distribution cost	27	87	100
Administrative cost	28	219,820	184,761
		4,558,811	4,450,617

4.1.2 Details of operating assets sold

Particulars of assets	Cost	Written down value	Sale proceeds	Gain / (loss) on disposal	Mode of disposal	Particulars of buyer	Relationship with buyer
----- (Rupees in '000) -----							
Plant and machinery							
Waukesha Gas Engine	37,809	2,454	1,139	(1,315)	Bidding	Ams Enterprise Plot # D-126 .Bawany Challi .Site Town, Karachi	Third party
Passenger Lift	6,283	6,283	3,077	(3,206)	Bidding	Awan Lift Company (Pvt) Ltd 11th Floor, Rimpa Plaza, M.A. Jinnah Road, Karachi	Third party
Machine Paper Transfer Printing	2,883	1,129	1,000	(129)	Bidding	Badar Processing Industries D-256, 273, Site, Karachi Pakistan	Third party
Waukesha Gas Engine	43,177	2,852	3,000	148	Bidding	R.A Engineering & Services 2nd Floor ,plot no-18,sector-47,korangi creek industrial area, Karachi	Third party
Air Jet Looms Tsudakoma	191,708	49,019	14,294	(34,725)	Bidding	Valitex (Pvt) Ltd. A/36-A, Mangopir Road, Site Karachi, Karachi West Site Town	Third party
Items with written down value below Rs. 500,000	54,138	2,920	6,538	3,618	Bidding	Various	
As on June 30, 2025	335,998	64,657	29,048	(35,609)			
As on June 30, 2024	144,675	57,291	28,758	(28,533)			

4.1.3 Geographical locations and addresses of all immovable properties owned by the Company are as follows;

Area	Address
25.07 Acres	Plot No. HT-4, Landhi Industrial Area, Landhi, Karachi
14.9 Acres	Survey No. 82, Deh Landhi, Karachi
18.56 Acres	Plot No. H-7, Landhi Industrial Area, Landhi, Karachi
44.04 Acres	P.U. No. 48, 49, 50, & 51, Deh Khjanto Tapo Landhi, Karachi
4.17 Acres	Plot No. H-19, Landhi Industrial Area, Landhi, Karachi
4,023.16 Sq. yards	Plot No. H-19/1, Landhi Industrial Area, Landhi, Karachi
6.83 Acres	Plot 368, 369 & 446, Deh Landhi, Karachi
12 Acres	Plot - HT 3/A, Landhi, Karachi
51.1 Acres	Plot No. H-5 and HT-6, Landhi Industrial Area, Karachi

Manufacturing facilities, warehouses, ancillary construction, administrative offices etc, are constructed on each of the above mentioned land.

		2025 ----- (Rupees in '000) -----	2024 -----
4.2	Capital Work in progress (CWIP)		
	Plant and machinery	1,335,351	536,930
	Buildings and structures on leasehold land	762,391	60,261
	Others	19,030	9,711
		2,116,772	606,902

4.2.1 The movement in capital work in progress is as follows:

	Opening balance	606,902	2,251,995
	Capital expenditure incurred during the year		
	Plant and machinery	3,959,158	3,309,671
	Buildings and structures on leasehold land	1,181,689	696,859
	Others	345,301	473,418
		5,486,148	4,479,948
	Transfers to operating fixed assets during the year		
	Plant and machinery	(3,160,737)	(4,433,375)
	Buildings and structures on leasehold land	(479,558)	(1,246,791)
	Others	(335,982)	(463,707)
		(3,976,277)	(6,143,873)
	Reclassification from operating fixed assets	-	18,832
	Closing balance	2,116,772	606,902

4.2.2 This includes borrowing cost capitalised during the construction period amounting to Rs. 123 million (June 30, 2024: Rs. 480 million). The effective rate of borrowing cost capitalised during the year was 15.98% (June 30, 2024: 18.60%) per annum.

		2025 ----- (Rupees in '000) -----	2024 -----
4.3	The cost of fully depreciated operating fixed assets still in use:		
	Buildings and structures on leasehold land	114,059	114,059
	Office equipment	116,506	93,736
	Plant and machinery	506,814	506,814
	Vehicles	109	109
		737,489	714,718

4.4 Plant and machinery, land and buildings are subject to first pari passu charge and a equitable mortgage amounting to Rs. 38,574 million as on June 30, 2025 (June 30, 2024: Rs. 38,574 million). These charges are against different financing facilities obtained from various banks as disclosed in note 16 of these unconsolidated financial statements.

5	INTANGIBLE ASSETS - ACQUIRED	Note	2025	2024
			----- (Rupees in '000) -----	
	Cost		228,324	199,789
	Accumulated amortisation		(182,840)	(161,538)
	Net book value as at		45,484	38,251
	Movement during the year			
	Additions - cost		16,934	28,535
	Amortisation charge for the year	5.1	(17,197)	(21,302)
	Net book value as at		45,221	45,484
	As at June 30			
	Cost		245,258	228,324
	Accumulated amortisation		(200,037)	(182,840)
	Net book value as at		45,221	45,484

5.1 The cost is being amortised using straight line method over a period of five years and the amortisation charge has been allocated as follows:

	Note	2025	2024
		----- (Rupees in '000) -----	
Cost of goods manufactured	26.1	3,241	1,793
Administrative cost	28	13,956	19,509
		17,197	21,302

5.2 The cost of fully amortised intangible assets still in use

Software		169,125	101,562
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6 LONG TERM INVESTMENTS

Investment in subsidiary companies at cost

- Gul Ahmed International Limited	6.1	58,450	58,450
- Ideas (Private) Limited	6.2	3,462,756	3,462,756
- Gul Ahmed Ecotex (Private) Limited	6.3	2,841	-
- Gul Ahmed Ecofab (Private) Limited	6.3	2,841	-
- Gul Ahmed Circular Fabrics (Private) Limited	6.3	4,573	-
		3,531,461	3,521,206

Investment at amortised cost

- Term Finance Certificate (TFC)	6.4	70,000	70,000
		3,601,461	3,591,206

6.1 Gul Ahmed International Limited - FZC UAE, an unquoted company incorporated in United Arab Emirates (UAE), is a wholly owned subsidiary (the subsidiary) of the Company. The Company has accounted for the investment in subsidiary at cost as per IAS 27. Aggregate breakup value of the subsidiary as per its financial statements for the year ended June 30, 2025 is Rs. 1,334 million (June 30, 2024: Rs. 1,265 million).

6.2 Ideas (Private) Limited, an unquoted company incorporated in Pakistan, is a wholly owned subsidiary of the Company. The company has accounted for the investment in this subsidiary at cost as per IAS 27. Aggregate breakup value of the subsidiary as per its financial statements for the year ended June 30, 2025 is Rs. 5,194 million (June 30, 2024: Rs. 5,081 million).

6.3 These unquoted entities are wholly owned subsidiaries of the Company, incorporated in Pakistan during the year. These entities are intended to be established under the Special Economic Zone (the Zone) and is presently in the approval phase of the zone.

6.4 This represents Rs. 70 million (June 30, 2024: Rs. 70 million) invested in perpetual TFC issued by Habib Bank Limited, which carries profit at the rate of 3Month KIBOR + 1.6% receivable on quarterly basis.

7	LONG TERM LOANS	Note	2025 ----- (Rupees in '000) -----	2024
	Considered good			
	- Due from executives	7.2	128,615	87,256
	- Due from non-executives		9,227	3,828
			137,842	91,084
	Current portion			
	- Due from executives		(108,001)	(69,871)
	- Due from non-executives		(8,354)	(3,274)
		11	(116,355)	(73,145)
			21,487	17,939

7.1 Loans and advances have been given for the purchase of cars and housing assistance in accordance with the terms of employment and are repayable in monthly installments. These loans are secured to the extent of outstanding balance of retirement benefit or guarantee by two employees. The loan tenor extends maximum upto 24 months.

Included in these are loans of Rs. 110.63 million (June 30, 2024: Rs. 48 million) to executives and Rs. 7.9 million (June 30, 2024 : Rs. 3 million) to non-executive which carry no mark-up. The loans amounting to Rs. 17.98 million (June 30, 2024: 39.2 million) to executives and Rs. 1.3 million to non-executives (June 30, 2024: Rs. 0.8 million) carry mark-up at rates ranging from 12.08% to 20.14% (2024: 8.5% to 22.97%) per annum.

7.2 The maximum aggregate amount due from executives at the end of any month during the year was Rs. 129 million (June 30, 2024: Rs. 87 million).

8	STORE, SPARES AND LOOSE TOOLS	Note	2025 ----- (Rupees in '000) -----	2024
	Stores, spares and loose tools		2,755,637	2,380,844
	Stores-in-transit		5,535	13,296
			2,761,172	2,394,140
	Provision for slow moving / obsolete items	8.1	(35,715)	(95,818)
			2,725,457	2,298,322
8.1	Movement in provision for slow moving / obsolete items			
	Opening balance		95,818	247,557
	Reversal of provision for the year - Cost of goods manufactured	26.1	(60,103)	(151,739)
	Closing balance		35,715	95,818

			2025	2024
			----- (Rupees in '000) -----	
9	STOCK-IN-TRADE	Note		
	Raw material			
	- In hand	26.2	38,516,922	30,975,136
	- In transit		626,820	1,495,563
	Work-in-process	26.1	11,176,902	8,967,188
	Finished goods	26	10,591,231	7,688,200
			60,911,875	49,126,087
	Provision for slow moving - stock-in-trade / obsolete items	9.1	-	(112,009)
		9.2	60,911,875	49,014,078
9.1	Movement in provision for slow moving			
	Opening balance		112,009	190,801
	Reversal of provision for the year	26.1	(112,009)	(78,792)
	Closing balance		-	112,009

9.2 The stock includes inventory held with third party amounting to Rs. 5,179 million (June 30, 2024: Rs. 7,171 million).

			2025	2024
			----- (Rupees in '000) -----	
10	TRADE DEBTS	Note		
	Secured			
	Export debtors		4,918,658	2,999,337
	Local debtors		2,302,712	6,893,301
		10.5	7,221,370	9,892,638
	Unsecured			
	Export debtors		3,038,950	5,557,687
	Local debtors		12,044,543	9,299,141
			15,083,493	14,856,828
			22,304,863	24,749,466
	Expected credit loss	10.4	(149,301)	(182,359)
		10.6	22,155,562	24,567,107

10.1 Details and aging analysis of the gross amounts due from related parties is as follows:

		2025			
		0 to 30 Days	31 to 180 days	More than 181 days	Total
Note		----- (Rupees in '000) -----			
Export debtors					
	GTM USA Corporation	48,866	-	-	48,866
	GTM (Europe) Limited	2,598,530	-	-	2,598,530
	Sky Home Corporation - USA	257,439	-	-	257,439
	Vantona Home Limited	77,970	-	-	77,970
		2,982,805	-	-	2,982,805
Local debtor					
	Ideas (Private) Limited	649,161	373,731	-	1,022,892
10.2		3,631,966	373,731	-	4,005,697

		2024			
		0 to 30 Days	31 to 180 days	More than 181 days	Total
Note		----- (Rupees in '000) -----			
Export debtors					
	GTM USA Corporation	78,799	10,295	-	89,094
	GTM (Europe) Limited	168,495	681	-	169,176
	Sky Home Corporation - USA	5,880	-	-	5,880
		253,174	10,976	-	264,150
Local debtor					
	Ideas (Private) Limited	643,842	81,466	4,951,647	5,676,955
10.2		897,016	92,442	4,951,647	5,941,105

10.2 The amount outstanding is payable on demand and is subject to markup at the rate of KIBOR + 0.75% (2024: KIBOR + 0.75%). The markup charged during the year is disclosed in note 31.2.

10.3 The maximum aggregate month end balance during the year due from related parties was Rs. 5,941 million (June 30, 2024: Rs. 9,040 million).

		2025	2024
Note		----- (Rupees in '000) -----	
10.4 Movement in expected credit loss against doubtful trade debts			
	Opening balance	182,359	412,119
	Reversal for the year	(33,058)	(229,760)
	Closing balance	149,301	182,359

10.5 Trade debts under irrevocable letter of credit, document acceptance, and other acceptable banking instruments are considered secured.

10.6 This includes receivables provided to bank under bill discounting arrangement with full recourse amounting to Rs. 1,639 million (June 30, 2024: Rs. 4,598 million).

	Note	2025 ----- (Rupees in '000) -----	2024
11 LOANS, ADVANCES AND OTHER RECEIVABLES			
Loans and advances - considered good			
Advances to suppliers		3,342,358	1,434,883
Current portion of loans to employees	7	116,355	73,145
		3,458,713	1,508,028
Other receivables			
Letter of Credit and Bank Guarantee Margin	11.1	1,312,338	650,183
Forward contracts		-	332,315
Accrued markup on Term Deposit Receipts (TDRs)		24,299	-
Others	11.2	15,464	147,791
		1,352,101	1,130,289
		4,810,814	2,638,317

11.1 These include Term Deposit Receipts (TDRs) of Soneri Bank Limited amounting to Rs. 979 million. (2024: Rs. 550 million) placed against bank guarantee margin. The guarantee margin carries mark up at the rate of 10% to 11% (2024: 14.35% to 19.75%) per annum.

11.2 This includes balance receivable from Hub Liquid Terminal (Private) Limited, a related party amounting to Rs. 9.13 million (2024: Nil)

	Note	2025 ----- (Rupees in '000) -----	2024
12 RECEIVABLES FROM GOVERNMENT			
Sales tax refund		1,253,460	978,178
Income tax refund		2,417,771	428,713
Duty drawback and rebate		1,871,167	2,298,967
		5,542,398	3,705,858

	Note	2025 ----- (Rupees in '000) -----	2024
13 CASH AND BANK BALANCES			
Cash in hand		10,879	11,387
Balances with banks in current accounts			
- Local currency		133,019	359,581
- Foreign currency		22,531	4,908
		155,550	364,489
	13.1 & 13.2	166,429	375,876

13.1 This includes an amount of Rs. 17.93 million (June 30, 2024: Rs. 202.93 million) held by Shariah compliant banks.

13.2 This includes balances held with related parties (associated banks due to common directorships) amounting to Rs. 72.66 million (2024: Rs. 5.70 million).

14 SHARE CAPITAL

	2025	2024		2025	2024
14.1	(Number of shares)			----- (Rupees in '000) -----	
	5,000,000,000	5,000,000,000	Authorised capital	50,000,000	50,000,000
			Ordinary shares of Rs.10 each		
14.2	(Number of shares)			----- (Rupees in '000) -----	
	192,161,738	192,161,738	Issued, subscribed and paid-up capital	1,921,617	1,921,617
	108,809,985	108,809,985	Ordinary shares of Rs.10 each allotted for consideration paid in cash	1,088,100	1,088,100
	439,087,735	439,087,735	Ordinary shares of Rs.10 each allotted as fully paid shares under scheme of arrangement for amalgamation (note 15.1)	4,390,877	4,390,877
	740,059,458	740,059,458	Ordinary shares of Rs.10 each allotted as fully paid bonus shares	7,400,594	7,400,594

14.2.1 As at June 30, 2025, Gul Ahmed Holdings (Private) Limited, the parent company of Gul Ahmed Textile Mills Limited, held 413,383,760 (June 30, 2024: 413,383,760) ordinary shares of Rs. 10 each, constituting 55.86% (June 30, 2024: 55.86%) of total paid-up capital of the Company. Number of shares held by the associated companies and undertakings, other than holding company, aggregated to 99,476,824 (June 30, 2024: 99,476,824) ordinary shares of Rs. 10 each.

14.2.2 As per the Honourable Sindh High Court's order, the Company held 3,471,541 (June 30, 2024: 3,471,541) out of the total bonus shares issued for the year 2015, 2019 and 2021 to Gul Ahmed Holdings (Private) Limited, parent company, and other parties, as these shareholders are part of the suit filed against the tax on bonus shares imposed through Finance Act, 2014.

14.2.3 All these fully paid ordinary shares carry one vote per share and equal right to dividend.

	Note	2025	2024
15 RESERVES		----- (Rupees in '000) -----	
Capital reserves			
Amalgamation reserve	15.1	8,252,059	8,252,059
Against long term investments, capacity expansion and BMR	15.2	23,000,000	23,000,000
		31,252,059	31,252,059
Revenue reserve			
Unappropriated profit		10,200,284	6,100,570
		41,452,343	37,352,629

15.1 This represents reserves created under the Scheme of Arrangement dated May 05, 2021 involving the Company, Ideas (Private) Limited, Worldwide Developers (Private) Limited (WWDL), Grand Industries (Private) Limited and Ghafooria Industries (Private) Limited, which was sanctioned by Honourable High Court of Sindh through order dated October 29, 2021.

15.2 The Board, in their meeting held on September 25, 2023, approved the creation of a reserve, for the purpose of long term investments, Business Modernisation and capacity expansion, by transferring an amount of Rs. 23 billion from unappropriated profit to this reserve. Based on this decision, the reserves against long-term investments, capacity expansions and BMR amounting to Rs. 23 billion have been separately disclosed as capital reserve not available for distribution in these unconsolidated financial statements.

16 LONG TERM FINANCING	Note	2025 ----- (Rupees in '000) -----	2024
Secured			
From Banking Companies	16.1	13,662,456	10,983,212
From Non-Banking Financial Institutions	16.2	2,826,322	3,562,997
Financing under Temporary Economic Refinance Scheme Facility - Net of Government Grant	16.3	2,781,877	3,279,314
		19,270,655	17,825,523
Current portion shown under current liabilities	22	(3,128,180)	(3,233,936)
	16.10	16,142,475	14,591,587

Particulars	Note	Number of installments	Maximum Maturity Date	Aggregate Installment amount	Mark-up/profit rate per annum	2025		2024	
- (Rupees in '000) -						----- (Rupees in '000) -----			
16.1 Banking Companies - Secured Islamic									
Dubai Islamic Bank Under LTL scheme	16.5, 16.8 & 16.9	24 and 36 quarterly	May 06, 2032	173,079	Three months KIBOR ask rate + 0.3% payable quarterly	4,700,000			-
Faysal Bank Limited Under ILTFF scheme - Diminishing Musharaka	16.5, 16.7 & 16.9	32 quarterly	November 01, 2030	28,128	2.75% - 3.9% p.a. payable quarterly	485,178			645,711
Meezan Bank Limited Under LTL and ILTFF scheme	16.6, 16.8 & 16.9	32 quarterly	September 13, 2032	91,054	3.5% - 5.5% p.a. payable quarterly	2,174,863			2,529,595
Conventional									
Askari Bank Limited Under LTFF scheme	16.5, 16.8 & 16.11	20 and 32 quarterly	August 12, 2027	25,163	2.75% - 3.5% p.a. payable quarterly	453,209			553,368
Bank Al-Habib Limited Under LTFF scheme	16.7	16 half yearly	October 22, 2027	13,519	2.75% p.a. payable half yearly	81,109			108,147
Bank Al-Falah Limited Under LTFF and LTL scheme	16.4 & 16.8	16 half yearly	December 26, 2032	58,964	3% - 5.5% p.a. payable half yearly	550,482			668,409
The Bank of Khyber Under LTL scheme	16.4	32 quarterly	August 17, 2032	15,625	5.5% - 8.5% p.a. payable quarterly	437,500			500,000
The Bank of Punjab Under LTFF scheme	16.4 & 16.8	28 quarterly	December 02, 2030	71,429	3% p.a. payable quarterly	682,394			967,990
Habib Bank Limited Under LTL and LTFF scheme	16.6 & 16.7	32, 36 and 39 quarterly	August 09, 2032	50,655	2.80% - 3.25% p.a. payable half yearly and quarterly	966,207			1,163,250
MCB Bank Limited Under LTL scheme	16.6 & 16.8	32 quarterly	February 23, 2031	9,596	4.00% p.a. payable half yearly and quarterly	201,637			240,179
National Bank of Pakistan Under LTFF scheme	16.4, 16.5, 16.6 & 16.8	20 and 32 quarterly	May 26, 2030	85,313	2.75% - 2.80% p.a. payable half yearly and quarterly	1,358,119			1,674,467
Soneri Bank Limited Under LTFF scheme	16.4 & 16.8	16 half yearly and 32 Quarterly	April 14, 2032	40,395	3.50% - 5.0% p.a. payable half yearly and quarterly	743,684			876,346
United Bank Limited Under LTFF scheme	16.5 & 16.8	16 half yearly	March 21, 2032	64,452	2.75% - 6.25% p.a. payable half yearly and quarterly	754,021			912,670
Samba Bank Limited Under LTFF scheme	16.4, 16.8 & 16.11	10 and 16 half	December 27, 2028	35,501	3% p.a. payable half yearly	74,053			143,080
						13,662,456			10,983,212
16.2 Non-Banking Financial Institutions - Secured									
Pair Investment Company Limited Under LTFF scheme	16.4, 16.6 & 16.8	12 and 16 half	October 15, 2029	65,392	3.0% - 3.5% p.a. payable half yearly	311,699			419,341
Pak Kuwait Investment Pvt. Limited Under LTFF scheme	16.4, 16.5 & 16.8	32 quarterly	September 25, 2032	62,189	3.0% - 8.5% p.a. payable quarterly	960,562			1,211,540
Pak China Investment Pvt. Limited Under LTFF scheme	16.4, 16.5 & 16.8	32 quarterly	November 22, 2031	44,763	3.35% - 5.35% p.a. payable quarterly	1,079,118			1,261,065
Pak Brunei Investment Company Limited Under LTFF scheme	16.4, 16.5 & 16.8	16 half yearly	July 28, 2027	36,524	2.5% p.a. payable quarterly	159,472			232,684
Pak Oman Investment Company Limited Under LTFF scheme	16.5 & 16.8	32 quarterly	September 13, 2027	30,724	2.75% p.a. payable quarterly	315,471			438,367
						2,826,322			3,562,997
16.3 Financing under Temporary Economic Refinance Scheme Facility - net of Government Grant									
Habib Bank Limited	16.5 & 16.8	16 half yearly	September 23, 2030	59,375	2.25 % p.a. payable half yearly	637,854			750,163
MCB Bank Limited	16.6 & 16.8	32 quarterly	February 23, 2031	13,841	3.00% p.a. payable quarterly	296,868			349,236
MCB Islamic Bank Limited	16.6 & 16.8	32 quarterly	January 19, 2031	9,375	2.50% p.a. payable quarterly	201,416			236,889
Bank of Punjab	16.4, 16.5 & 16.8	32 quarterly	December 02, 2030	31,250	2.0 % p.a. payable quarterly	727,587			863,939
Pak Kuwait Investment Pvt. Limited	16.4, 16.5 & 16.8	32 quarterly	September 25, 2032	9,464	2.5% p.a. payable quarterly	187,579			223,491
Pak China Investment Pvt. Limited	16.4, 16.5 & 16.8	32 quarterly	November 22, 2031	17,738	2.50% p.a. payable quarterly	386,414			453,453
Saudi Pak Industrial And Agricultural Investment Company Limited	16.4, 16.5 & 16.8	32 quarterly	April 27, 2031	15,357	2.50% p.a payable quarterly	344,159			402,143
						2,781,877			3,279,314

- 16.4** These loans are secured by first pari passu charge over present and future operating fixed assets of the Company.
- 16.5** These loans are secured by charge over specified machinery.
- 16.6** These loans are secured by first pari passu charge over present and future operating fixed assets of the Company and equitable mortgage over land and building.
- 16.7** These loans are secured by charge over specified machinery of the Company and equitable mortgage over land and building.
- 16.8** The financing availed under the facility is repayable within a maximum period of ten years including maximum grace period of two years from the date when financing was availed.
- 16.9** These loans are obtained under Shariah compliant arrangements.
- 16.10** Loans are subject to compliance of certain covenants including Debt Service Coverage ratio, Current ratio, Debt to Equity ratio, Interest Cover, Maximum Gearing, Debt to EBITDA, Debt to Sales and are secured against the charge over assets of the Company.
- 16.11** These represent financing obtained from related parties (associated banks due to common directorships) of the Company.

	Note	2025 ----- (Rupees in '000) -----	2024
17 DEFERRED INCOME - GOVERNMENT GRANT			
Opening balance		102,906	134,994
Amortised during the year	30	(28,251)	(32,088)
		74,655	102,906
Current portion shown under current liabilities	22	(24,035)	(28,251)
Closing balance		50,620	74,655

- 17.1** This represent government grant recognised on the concessionary refinance facility introduced by the State Bank of Pakistan under a Temporary Economic Refinance Facility (TERF) for setting up of new industrial units and for undertaking Balancing, Modernisation and Replacement and / or expansion of projects / businesses. These have been accounted for as per the guidance issued by the Institute of Chartered Accountant of Pakistan (ICAP) in respect of these loans.

		2025	2024
	Note	----- (Rupees in '000) -----	
18	DEFINED BENEFIT PLAN - STAFF GRATUITY		
18.1	Reconciliation of the present value of defined benefit obligation and movement in net defined benefit liability		
	Opening balance	523,996	329,018
	Charge	264,743	238,199
	Remeasurement (gain) / loss	(76,940)	41,421
	Benefits paid	(245,621)	(81,236)
	Benefits due but not paid	-	(3,406)
	Closing balance	<u>466,178</u>	<u>523,996</u>
18.2	Charge for the year recognised in unconsolidated statement of profit or loss		
	Current service cost	205,666	191,611
	Markup cost	59,077	46,588
		<u>264,743</u>	<u>238,199</u>
18.3	Remeasurement (gain) / loss charged in unconsolidated statement of other comprehensive income		
	Actuarial (gain) / losses from changes in financial assumptions	(1,683)	20,441
	Experience adjustments	(75,257)	20,980
		<u>(76,940)</u>	<u>41,421</u>

18.4 Significant actuarial assumptions used

Following significant actuarial assumptions were used for the valuation by an independent valuer that is "Nauman Associates":

	2025	2024
Discount rate used for year end obligation	11.75%	14.75%
Rate used for markup cost	14.75%	16.25%
Expected increase in salary	10.00%	20.00%
Mortality rates	SLIC 2001-2005 Set back 1 Year	SLIC 2001-2005 Set back 1 Year
Withdrawal rates	Age-Based	Age-Based
Retirement assumption	Age 60	Age 60

The discount rate used in the last actuarial valuation as on June 30, 2024 was 14.75%. However, in the current investment environment, where there is a downward trend in the interest rate structure, the discount rate has been decreased to 11.75% per annum, in line with the specifications of the IAS-19.

Correspondingly, due to decrease in inflationary expectations, the rate of increase in eligible salary has been decreased to 10.75% from 13.75% per annum.

18.5 Associated risks

(a) Final salary risk (Linked to inflation risk)

The risk that the final salary at the time of cessation of service is greater than what the Company 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.

(b) Demographic risk

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.

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 beneficiaries.

18.6 General description

The scheme provides retirement benefits to all its eligible employees of the Company who are not part of the provident fund scheme and who have completed the minimum qualifying period of service (6 months). Actuarial valuation of the scheme is carried out periodically and latest actuarial valuation was carried out at June 30, 2025. The disclosure is based on information included in that actuarial report. The gratuity is measured on last drawn salary multiplied by number of years of service.

18.7 Sensitivity analysis

Reasonable possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant (± 100 bps), would have affected the defined benefit obligation:

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Discount Rate + 100 bps	6,502	7,098
Discount Rate - 100 bps	(6,754)	(7,366)
Salary increase + 100 bps	(6,503)	(7,185)
Salary increase - 100 bps	6,371	7,044

Although the analysis does not takes into account of the full distribution of cash flows expected under the plan, it does provide approximation of the sensitivity of the assumptions used.

18.8 Maturity profile

Maturity profile on Defined Benefit Obligation as presented by actuary in the report;

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
- FY 2025	N/A	321,496
- FY 2026	278,916	258,322
- FY 2027	215,999	178,930
- FY 2028	146,144	123,968
- FY 2029	98,818	86,754
- FY 2030	67,340	61,650
- FY 2031	47,396	45,036
- FY 2032	32,144	31,222
- FY 2033	23,215	23,818
- FY 2034	16,462	17,535
- FY 2035	11,642	50,061
- FY 2036 onwards	30,986	N/A

The average duration of the defined benefit obligation is 1 year.

18.9 Estimated expenses to be charged to unconsolidated statement of profit or loss in financial year 2026:

	(Rupees in '000)
Current service cost	191,624
Mark up on defined benefit obligation	38,390
	230,014

		2025	2024
19 TRADE AND OTHER PAYABLES	Note	----- (Rupees in '000) -----	
Creditors		13,058,018	12,398,328
Accrued expenses		7,237,324	6,386,921
Gas infrastructure development cess payable	19.1	3,686,367	3,686,367
Payable to banks under bill discounting arrangement		2,111,194	4,598,402
Due to related parties	19.2	228,104	216,692
Workers' profit participation fund	19.3	295,120	345,459
Workers' welfare fund	19.4	121,537	117,148
Payable to employees' provident fund trust		47,732	61,057
Fair value of forward contracts		64,902	-
Advance from customers	19.5	674,552	818,325
Taxes withheld		164,769	145,714
Others		1,340	1,428
		27,690,959	28,775,841

19.1 This represents Gas Infrastructure Development Cess (GIDC) that was levied through GIDC Act, 2015 (refer note 24.4).

		2025	2024
19.2 Due to related parties	Note	----- (Rupees in '000) -----	
Subsidiaries			
GTM Europe, UK		32,346	-
GTM USA Corp.		38,469	16,166
Sky Home Corporation - USA		104,203	105,369
Associates			
Win Star (Private) Limited		26,022	19,211
Swisstex Chemicals (Private) Limited		398	49,508
Grand Industries (Private) Limited		4,617	4,389
TPL Properties Limited		22,049	22,049
		228,104	216,692
19.3 Workers' profit participation fund			
<u>Movement of balance during the year:</u>			
Opening balance		345,459	317,940
Allocation	29	295,120	345,459
Markup	31	22,867	3,954
		663,446	667,353
Payments		(368,326)	(321,894)
Closing balance		295,120	345,459

		2025	2024
	Note	----- (Rupees in '000) -----	
19.4 Workers' welfare fund			
<u>Movement of balance during the year:</u>			
Opening balance		117,148	91,498
Allocation	29	121,537	117,149
		238,685	208,647
Payments		(117,148)	(91,499)
Closing balance		121,537	117,148
19.5	This includes advance received from Gul Ahmed International Limited (FZC), a related party, amounting to Rs. Nil (June 30, 2024: Rs: 1.4 million).		
		2025	2024
	Note	----- (Rupees in '000) -----	
20 ACCRUED MARK-UP / PROFIT			
Long term financing		192,314	192,003
Short term borrowings		596,107	1,199,640
	20.1 & 20.2	788,421	1,391,643
20.1	This includes accrued markup of Rs. 102 million and Rs. 161 million (June 30, 2024: Rs. 81.1 million and Rs. 358.7 million) accrued in long term financing and short term borrowings respectively under Shariah Compliant arrangements.		
20.2	This includes accrued markup pertaining to related parties (associated banks due to common directorships) amounting to Rs. 4 million and Rs. 82 million in respect of long term financing and short term borrowings respectively (2024: Rs. 5 million and Rs. 257 million).		
		2025	2024
	Note	----- (Rupees in '000) -----	
21 SHORT TERM BORROWINGS			
Local currency			
Running finance		2,478,795	5,142,246
Export refinance scheme		22,161,400	20,761,400
Other short term finances		4,204,545	3,773,206
		28,844,740	29,676,852
Foreign currency			
Export Facilitation Scheme		8,645,751	9,542,784
Foreign Currency Import Finance		783,043	-
Foreign Currency Export Finance		13,884,170	2,785,866
	21.1 to 21.3	52,157,704	42,005,502
21.1	This includes Istisna (Shariah Compliant) amounting to Rs. 14,844 million (June 30, 2024: Rs. 9,949 million) in local currency.		
21.2	Short term borrowings are secured by pari passu hypothecation charge over stores and spares, stock-in-trade, trade debts and other receivables. Unavailed facility at the year end was Rs. 15,242 million (June 30, 2024: Rs. 2,874 million).		

21.3 Local currency borrowings markup ranges from 8% to 12.5% (June 30, 2024: 18% to 25%) per annum payable quarterly, whereas, foreign currency borrowings markup range from 2.5% to 5% (June 30, 2024: 2.5% to 6%) per annum.

21.4 These include balances pertaining to related parties (associated banks due to common directorships) amounting to Rs. 8,796 million (2024: Rs. 14,579 million).

	Note	2025 ----- (Rupees in '000) -----	2024
22 CURRENT PORTION OF NON-CURRENT LIABILITIES			
Current maturity of long-term financing - secured	16	3,128,180	3,233,936
Current maturity of deferred income - government grant	17	24,035	28,251
		3,152,215	3,262,187
23 UNPAID DIVIDEND			
	23.1	23,505	23,505

23.1 This represents amount held by the Company pertaining to the Petitioners of the suit filed in the Honourable High Court of Sindh against the tax on bonus shares imposed through Finance Act 2014. The amount includes Rs. 18 million and Rs. 0.8 million (June 30, 2024: Rs. 18 million and Rs. 0.8 million) of parent company and an associated company respectively.

24 CONTINGENCIES AND COMMITMENTS

24.1 The Company owns and possesses a plot of land measuring 44.04 acres in Deh Khanto which is duly registered in its name and appearing in the books at a cost of Rs. 83.86 million (June 30, 2024: Rs. 83.86 million). Ownership of the land has been challenged in the Honourable Sindh High Court by Messrs. Karim Bux, Iqbal Rasheed and Mansoor Munawar who claim to be the owners, as this land was previously sold to them and subsequently resold to the Company. The legal consultant of the Company is of the view that the Company has a reasonable case and is expecting favourable outcome, therefore, no provision has been made there against. In respect of the same land, the Company has filed a suit in January 2021 for declaration and permanent injunction in the Honourable High Court of Sindh, seeking the declaration that the Company is lawful owner of the said property and that the undated notice issued by the Pakistan Railways for sealing and taking over the possession of the said property is of no legal effect. The matter is at hearing stage and the legal consultant of the Company is of the view that the title of the Company stands clear and there is no likelihood of unfavourable outcome.

24.2 The Company has filed a Petition in the Honourable Sindh High Court, dated 30 March 2008, against order passed by the Board of Trustees, Employees' Old-Age Benefits Institution (EOBI) for upholding the unjustified additional demand of payment raised by EOBI for accounting years 2000-2001 and 2001-2002 amounting to Rs. 50.83 million (June 30, 2024: Rs. 50.83 million). This demand was raised after lapse of more than two years although the records and books of the Company were verified by the EOBI to their entire satisfaction and finalisation of all matters by EOBI. The Honourable Sindh High Court has restrained EOBI from taking any action or proceedings against the Company. The legal consultant of the Company is of the view that the Company has a reasonable case and is expecting favourable outcome therefore, no provision has been made there against.

24.3 The Federal Board of Revenue (FBR) vide SRO 491(I)/2016 dated June 30, 2016 made amendments in SRO 1125(I)/2011 dated December 31, 2011 for disallowance of input tax adjustment on packing material. The Company has challenged the disallowance of input tax adjustments on packing material in the Sindh High Court through suit No. 2381/2016 dated November 10, 2016 against Federation of Pakistan and others. The matter is pending before the Honourable Court for final outcome, however provision has been made amounting to Rs. 431.88 million (June 30, 2024: Rs. 431.88 million) in these unconsolidated financial statements.

- 24.4** The Company's review petition challenging the decision of High Court against the GIDC Act, 2015 had been dismissed by the Supreme Court of Pakistan while also suspending the billing of levy from August 2020. The court had ordered to pay the GIDC dues under the GIDC Act, 2015 with retrospective effect from December 15, 2011, in 48 monthly installments starting from August 2020. Total amount of the cess works out to Rs. 3.69 billion on the basis that Company has both Industrial and Captive connections having different GIDC rates. However, Oil and Gas Development Authority has ruled out that the consumers having supply of natural gas for industrial use and having in-house electricity generation facility for self-consumption do not fall under the definition of Captive as well as the Honourable Sindh High Court has also decided in favor of the Company on the issue of Captive connections for self consumption. Therefore, management, based on the legal advice believes that maximum liability of the Company in respect of GIDC will be Rs. 2.3 billion. The Company in September 2020 filed a suit in Honourable Sindh High Court challenging the chargeability of GIDC. The Honourable Sindh High Court granted stay order and restrained Sui Southern Gas Company (SSGC) from taking any coercive action against non-payment of installments of GIDC. However, the management on prudent basis has maintained a liability of Rs. 3.69 billion (June 30, 2024: Rs. 3.69 billion) in these unconsolidated financial statements.
- 24.5** The Company has filed appeal before Commissioner Appeals Inland Revenue against the Order-In-Original vide No. 04/176 of 2023 dated August 24, 2023 whereby demand of Rs. 30.5 million along with penalty and default surcharge on the issue of dual adjustment of input tax claimed during the tax periods from September 2017 to May 2022. The Company has claimed the said invoices but FBR has already deferred the input tax amount against the said service invoices during the process of sales tax refund and the Company has not received any input tax amount against said service invoices. Department also validates / verify the same deferred invoices with FBR system. The matter is at hearing stage and the legal consultant of the Company is of the view that the title of the Company stands clear and there is no likelihood of unfavourable outcome.
- 24.6** For the tax year 2016, FBR issued income tax amended order under section 122(1) of the Income Tax Ordinance, 2001 on August 21, 2019, wherein certain provisions and expenses aggregating to Rs. 338.2 million (having tax impact of Rs. 108.2 million) were added back to the income and super tax of Rs. 42.8 million was also levied. The Company contested the matter in appeal and Commissioner Income Tax (Appeal) passed an order in favor of the Company allowing the expenses aggregating to Rs. 290 million. However, Department had filed an appeal in Appellate Tribunal on September 17, 2019 against the order which is still pending. The legal consultant believes that the aforementioned matter will be ultimately decided in favor of the Company. Accordingly, no provision is required to be made in the provision for taxation, in excess of the adjustment of Rs. 8 million recorded, in these unconsolidated financial statements.
- 24.7** The Federal Government, through the Finance Act, 2019, amended Section 65B of the Income Tax Ordinance, 2001, reducing the rate of tax credit from 10% to 5% on investments made in the extension, expansion, balancing, modernization, and replacement (BMR) of plant and machinery for Tax Year 2019. Further, the availability of such tax credit was curtailed to June 30, 2019, whereas under the un-amended law, it was available up to June 30, 2021.

The Company, along with other petitioners, challenged the aforesaid amendment before the Honourable Sindh High Court through constitutional petitions filed for Tax Years 2019, 2020, and 2021. The Honourable Court granted interim relief, allowing the petitioners to file their income tax returns in accordance with the un-amended provisions of Section 65B. Consequently, the Company claimed tax credit at the rate of 10% in its income tax returns for the above-mentioned tax years.

On February 07, 2023, the Honourable Sindh High Court decided the matter, holding that tax credit under Section 65B at the rate of 10% was allowable, subject to the condition that the letter of credit for import of plant and machinery was established on or before June 30, 2019 and the installation was completed on or before June 30, 2021.

The Federal Board of Revenue (FBR) preferred an appeal before the Honourable Supreme Court, contending that the applicable rate of tax credit should be restricted to 5% instead of 10%. Vide judgment dated 18 September 2024, the Honourable Supreme Court upheld the allowance of 10% tax credit only in respect of plant and machinery imported and installed up to 30 June 2019, while disallowing the tax credit for Tax Year 2020. Since the Company had derecognised the investment tax credit in previous years, now as a result of the aforementioned judgement of the Supreme Court, the Company has recorded adjustment of Rs. 470.177 million, for the said judgement in these unconsolidated financial statements (refer note 33).

24.8 The Company, along with other petitioners, has challenged the retrospective increase of the rates of super tax for tax year 2023 in the Honourable Islamabad High Court through Constitutional Petition. The Honourable High Court has passed an interim order dated October 03, 2023 allowing the petitioners not to pay Super Tax in excess of the rate prescribed in the ammendment under challenge and has restrained tax authorities, from taking any coercive action against the Company. On March 15, 2024, the Honourable Islamabad High Court decided the case in favour of the Company. The Federal Board of Revenue has filed an appeal before Divisional Bench of Islamabad High Court against the above judgment which is pending for hearing. The amount of super tax involved is Rs. 946 million (June 30, 2024: Rs. 421 million).

The Supreme court, vide Order dated March 23, 2025 directed that all the petitioners and appeal pending at different High court of the Country regarding Super Tax should be transferred to the Supreme Court of Pakistan. Accordingly, the above mentioned case has also been, transferred to the Supreme Court of Pakistan.

24.9 The Company along with several other petitioners had filed a Constitution Petition on January 16, 2020 against Karachi Water & Sewerage Board (KWSB) and others in the Honourable Sindh High Court against notification dated October 30, 2019 issued by the KWSB whereby water charges were increased from Rs. 242 to Rs. 313 per 1000 gallons. Subsequently, the Company along with other petitioners filed petition against KWSB notifications for the years 2021 to 2024 of water rate enhancement. The Honourable Sindh High Court has restrained KWSB from taking any coercive action against the Company and allowed the Company to pay the bills as per old rates. As required under the Order, the Company provided banker's verified Cheques each month aggregating to Rs. 337.89 million (June 30, 2024: Rs. 211.72 million) for the rate difference. After detailed hearing now the judgment has been reserved. The company, however has maintained full provision in these unconsolidated financial statements, on prudence basis.

24.10 The Company, along with other petitioners, has challenged the imposition of Infrastructure Cess by the relevant Excise and Taxation Officer, Karachi through petition dated May 28, 2011. Furthermore, the Company has also filed petition against Sindh Infrastructure Cess levied through the Sindh Finance Act, 1994. During the year end June 30, 2018 the Sindh Development and Maintenance of Infrastructure Cess Act, 2017 (the Act) was also enacted by the Province of Sindh against which the Company also had filed constitutional petition dated October 14, 2017 and Honourable High Court of Sindh had allowed interim relief to the Company till final judgment has been allowed in other similar petitions. However, based on the advice of legal consultant, full amount has been provided in these unconsolidated financial statements. During the year, no progress was made in court proceedings. The Bank Guarantee of Rs. 2,107 million as a security was given (June 30, 2024: Rs. 1,477 million).

24.11 The Company along with several other companies filed a suit in the Honourable Sindh High Court challenging the notification via SRO No. (I) / 2015 dated August 31, 2015 regarding increase in the gas tariff, on November 16, 2015, which was decided by the Honourable Sindh High Court in favor of the Company and thereafter, the Government filed an appeal in the Divisional Bench of the Honourable Sindh High Court against the decision, which has also been decided in favor of the Company. As a matter of prudence, the Company has maintained a full provision of the said notification amounting to Rs. 159.9 million (June 30, 2024: Rs. 159.9 million) in the unconsolidated financial statements.

OGRA issued further notifications on December 30, 2016, September 17, 2018, October 23, 2020 enhancing the rates. The Company, along with others, has filed petition in the Honourable Sindh High Court against the said notifications.

For notification dated December 30, 2016, Honourable Sindh High Court granted interim relief and instructed SSGC to revise the bills at previous rate and instructed the Company to deposit the differential amount cheques with Nazir Sindh High Court as security. During the year, the Divisional Bench of Honourable Sindh High Court has decided the case in favour of the Company vide judgment dated February 3, 2025. Simultaneously, the Divisional Bench of Sindh High Court vide Judgment dated March 10, 2025, ordered that the Nazir of Sindh High Court returns the cheques of Rs. 250.67 million which was deposited with Nazir, which have been received back by the Company. SSGC has filed the appeal in Supreme Court against the judgment.

For notification dated October 23, 2020, on February 18, 2024, the Honourable Sindh High Court decided the case against the Company. The Company filed an appeal in the Divisional Bench of the Honourable Sindh High Court against the decision, which has also been decided against the Company dated March 28 2024. Now, the Company has filed appeal in the Supreme Court against the judgment passed by the Divisional Bench of Honourable Sindh High Court and the case is currently pending for hearing.

On February 15, 2023, OGRA issued another notification revising the gas tariff with retrospective effect from January 01, 2023. The Company, along with several other companies, has filed a suit in the Honourable Sindh High Court challenging the increase in the gas tariff with retrospective effect. The Honourable Sindh High Court has restrained SSGC from taking any coercive action against the Company. As a matter of prudence, the Company has maintained a full provision of the said notification amounting to Rs. 174.4 million (June 30, 2024: Rs. 174.4 million) in the unconsolidated financial statements.

On November 8, 2023, OGRA issued notification and increased the gas rate retrospectively from November 1, 2023. The Company along with others filed petition in the Honourable Sindh High Court against the notification challenging the increase of gas tariff and its retrospective application from November 1, 2023. While the case is currently pending for hearing before the Honourable Sindh High Court, however, the Company has paid increased amount to SSGC with the understanding that incase the decision comes in favour of the Company, the SSGC will either refund the excess amount or it will adjust in future bills post favourable decision.

While awaiting the decision for above case, on February 15, 2024, SSGC issued another notification to further increase the gas tariff with retrospective application from February 1, 2024, where the Company again challenged its retrospective charge from February 1, 2024. Subsequently, the Honourable Sindh High Court decided the case of retrospective application under above notification in favour of the Company, which has been challenged by SSGC in the Supreme Court of Pakistan and is currently, pending for hearing.

- 24.12** The Company along with several other companies filed a suit in the Honourable Sindh High Court challenging the notification via SRO No. (I) / 2015 dated August 31, 2015 for charging of captive power tariff instead of Industry tariff rate to the Company, as the Company is producing electricity entirely for its own consumption, on November 16, 2015, which was decided by the Honourable Sindh High Court in favor of the Company and thereafter, the Government filed an appeal in the Divisional Bench of the Honourable Sindh High Court against the decision, which has also been decided in favor of the Company. SSGC has filed the appeal in Supreme Court against the judgement. As a matter of prudence, the Company has maintained a full provision of the said notification amounting to Rs. 237.6 million (June 30, 2024: Rs. 237.6 million) in the unconsolidated financial statements.

The Company along with several other companies has filed a suit in the Honourable Sindh High Court challenging the notifications dated December 30, 2016, September 17, 2018 and October 23, 2020 for charging of captive power tariff instead of Industry tariff rate to the Company, as the Company is producing electricity entirely for its own consumption. The Honourable Sindh High Court has passed the interim orders for not charging the Captive power tariff rates and consequently restrained SSGC from taking any coercive action against the Company.

During the year, for OGRA Notification dated on December 30, 2016, the Divisional Bench of Honorable Sindh High Court has decided the case in favour of the Company vide judgment dated February 03, 2025. SSGC has filed the appeal in Supreme Court against the judgment. Simultaneously, the Divisional Bench of Sindh High Court vide Judgment dated March 10, 2025, ordered that the Nazir of Sindh High Court returns the cheques of Rs. 388.57 million which was deposited with Nazir, which have been received back by the Company. SSGC has filed the appeal in Supreme Court against the judgment.

OGRA issued another notification dated October 04, 2018 revising the tariff effective September 27, 2018, and subsequent to this notification, the Company paid the bills accordingly at the specified rates.

- 24.13** The Company along with other Companies, have challenged the vires of the Off the Grid (Captive Power Plants) Levy Ordinance, 2025 promulgated on January 30, 2025 and the notifications dated March 7, 2025 issued by the Ministry of Energy in purported exercise of the powers conferred by section 3(1) of the Impugned Ordinance, which imposes a levy, to be notified by Ministry of Energy, on the consumption of natural gas or RLNG by captive power plants over and above the sale price of such natural gas or RLNG. The above case is still pending before the Honourable Islamabad High Court. The Company, along with others, filed petition in the Honourable Sindh High Court against the notification challenging with its retrospective implication from February 1, 2025. The Honourable Sindh High Court has passed the interim orders for not charging the relevant amount for the month of February 2025. The Bank Guarantee of Rs. 138.59 million (June 30, 2024 Rs. Nil) as a security was given, while awaiting the decision for above case.

24.14 Guarantees and others

- (a) Guarantees of Rs. 5,464 million (June 30, 2024: Rs. 2,542 million) have been issued by banks on behalf of the Company which are secured by pari passu hypothecation charge over stores and spares, stock-in-trade, trade debts and other receivables. These guarantees include guarantees issued by related parties amounting to Rs. 2,980 million (June 30, 2024: Rs. 1,154 million).
- (b) Post dated cheques of Rs. 30,298 million (June 30, 2024: Rs. 25,580 million) are issued to Custom Authorities in respect of duties on imported items availed on the basis of consumption and export plans.
- (c) Bills discounted of Rs. 11,220 million (June 30, 2024: Rs. 13,451 million), including bills discounted from related parties amounting to Rs. 3,643 million (June 30, 2024: Rs. 4,470 million).
- (d) Corporate guarantees of Rs. 264 million (June 30, 2024: Rs. 237 million), Rs. 1,129 million (June 30, 2024: 1,106 million) and Rs. 256 million (June 30, 2024: Rs. 251 million) have been issued to various banks in favor of subsidiary companies - GTM (Europe) Limited - UK, Gul Ahmed International FZC - UAE and Sky Home Corp- USA respectively.

	Note	2025 ----- (Rupees in '000) -----	2024
24.15 Commitments			
Capital expenditure for plant and machineries		3,892,512	761,382
Other than capital expenditure	24.15.1	22,222,457	14,543,122
Forward foreign exchange contracts	24.15.2	9,183,718	21,344,805

24.15.1 Other than capital expenditure includes commitments for purchase of raw materials and stores and spares.

24.15.2 This includes forward foreign exchange contracts amounting to USD 30 million (2024: USD 33 million), equivalent to Rs. 8,646 million (June 30, 2024: Rs. 9,543 million) obtained under pre-shipment exports. The Company is obligated to provide export documents against such amount. The above liability has been appropriately recorded under Export Facilitation Scheme and is disclosed in note 21 of these unconsolidated financial statements.

	Note	2025 ----- (Rupees in '000) -----	2024
25 REVENUE FROM CONTRACTS WITH CUSTOMERS			
Export sales			
Direct		109,264,983	102,286,261
Indirect		43,991,770	35,374,474
		153,256,753	137,660,735
Export rebate		-	573,777
Trade and other discount		(1,121,015)	(801,259)
Commission		(2,329,273)	(2,655,325)
Sales tax		(6,712,615)	(3,343,155)
		143,093,850	131,434,773
Local sales	25.1	17,996,290	14,299,504
Brokerage		(435,758)	(407,153)
Sales tax		(2,749,663)	(2,181,280)
		14,810,869	11,711,071
		157,904,719	143,145,844

- 25.1** Local sales include revenue from in-house manufacturing services on behalf of third party of Rs. 1,178 million (2024: Rs. 772 million).
- 25.2** Information with respect to disaggregation of revenue by internal segment and geographical location is disclosed in note 35 and 36 respectively.
- 25.3** All revenue earned is from shariah permissible business.

	Note	2025 ----- (Rupees in '000) -----	2024
26 COST OF SALES			
Opening stock of finished goods		7,688,200	6,883,952
Cost of goods manufactured	26.1 & 26.3	141,829,329	126,759,070
		149,517,529	133,643,022
Closing stock of finished goods	9	(10,591,231)	(7,688,200)
		138,926,298	125,954,822
26.1 Cost of goods manufactured			
Raw materials consumed	26.2	95,926,405	86,694,918
Other material and conversion cost		9,768,021	8,515,916
Stores and spares consumed		143,443	384,074
Salaries, wages and benefits	28.1	17,421,083	15,676,029
Fuel, power and water		13,536,651	12,009,865
Insurance		265,317	212,099
Repairs and maintenance		2,037,827	2,277,364
Depreciation and amortisation	4.1.1 & 5.1	4,342,145	4,267,549
Reversal of provision for slow moving - stores and spares	8.1	(60,103)	(151,739)
Reversal of provision for slow moving - stock-in trade	9.1	(112,009)	(78,792)
Other manufacturing expenses		770,263	433,392
		144,039,043	130,240,675
Work-in-process (WIP)			
Opening stock - WIP		8,967,188	5,485,583
Closing stock - WIP	9	(11,176,902)	(8,967,188)
		(2,209,714)	(3,481,605)
		141,829,329	126,759,070
26.2 Raw materials consumed			
Opening stock - raw material		30,975,136	25,979,360
Purchases during the year		103,468,191	91,690,694
Closing stock - raw material	9	(38,516,922)	(30,975,136)
		95,926,405	86,694,918

- 26.3** The Company carries out certain manufacturing, administrative and other activities for Ideas (Private) Limited, a subsidiary of the Company, which is reimbursed to the Company. During the year, manufacturing activity amounting to Rs. 61.01 million (2024: Rs. 57.96 million) was carried out by the Company.

	Note	2025 ----- (Rupees in '000) -----	2024
27 SELLING AND DISTRIBUTION COST			
Salaries, wages and benefits	28.1	893,380	813,955
Freight and shipment expenses		2,138,940	1,730,054
Advertisement and publicity		419,272	319,255
Depreciation	4.1.1	87	100
Export development surcharge		282,183	283,219
Other expenses		71,854	100,882
		3,805,716	3,247,465
28 ADMINISTRATIVE COST			
Salaries, wages and benefits	28.1	1,730,278	1,588,148
Rent and ancillary charges	28.2	139,190	123,114
Repairs and maintenance		14,767	28,296
Vehicle up keep and maintenance		561,232	587,009
Utilities		4,154	3,992
Traveling and conveyance		647,031	413,072
Printing and stationery		78,647	86,438
Communication		247,361	251,264
Legal and consultancy fees		87,165	96,327
Depreciation and amortisation	4.1.1 & 5.1	233,776	204,270
Auditor's remuneration	28.4	17,578	22,641
Donations	28.5 & 28.6	119,047	62,095
Insurance		70,540	60,721
Expected credit loss	10.4	(33,058)	(229,760)
Other expenses		187,401	173,840
		4,105,109	3,471,467

28.1 Salaries, wages and benefits

	Cost of sales		Selling and distribution costs		Administrative costs		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	----- (Rupees in '000) -----							
Salaries, wages and benefits	16,703,102	15,035,100	855,708	780,098	1,674,299	1,536,326	19,233,109	17,351,524
Retirement benefits								
Gratuity (note 18.2)	264,743	238,199	-	-	-	-	264,743	238,199
Provident fund	346,978	306,483	37,633	33,840	55,854	51,722	440,465	392,045
	611,721	544,682	37,633	33,840	55,854	51,722	705,208	630,244
Staff compensated absences	106,260	96,247	39	17	125	100	106,424	96,364
	17,421,083	15,676,029	893,380	813,955	1,730,278	1,588,148	20,044,741	18,078,132

28.2 This represents rent expense which comprises of variable rents, rent of certain short term and low value leases, ancillary and maintenance charges incurred in respect of lease premises.

28.3 The Company carries out certain manufacturing, administrative and other activities for Ideas (Private) Limited, a subsidiary of the Company, which is reimbursed to the Company. During the year, administrative activity amounting of Rs. 11.53 million (2024: Rs. 65.63 million) was carried out by the Company

2025 2024
----- (Rupees in '000) -----

28.4 Auditor's remuneration

Audit fee	10,800	10,800
Fee for review of condensed interim financial statements	2,160	2,160
Fee for audit of consolidated financial statements	1,560	1,560
Fee for review fee of statement of compliance with code of corporate governance	200	480
Other certification fee	400	2,200
Out of pocket expenses	2,458	5,441
	17,578	22,641

28.5 Donations include donations to the following organizations in which a director is a trustee:

Name of Donee	Interest in Donee	Name of Director	2025	2024
			----- (Rupees in '000) -----	
Habib University Foundation	Common Directorship	Mr. Mohamed Bashir	4,002	8,785
Landhi Association of Trade and Industry	Patron in Chief	Mr. Ziad Bashir	400	250

28.6 During the year, the Company made donations amounting to Rs. 100 million to Indus Hospital & Health Network (2024: Rs. 43 million to Saylani Welfare International Trust).

2025 2024
----- (Rupees in '000) -----

29 OTHER EXPENSE

	Note	2025	2024
		----- (Rupees in '000) -----	
Workers' profit participation fund (WPPF)	19.3	295,120	345,459
Workers' welfare fund (WWF)	19.4	121,537	117,148
Loss on sale of operating fixed assets	4.1.2	35,609	28,533
		452,266	491,140

30 OTHER INCOME

Income from non-financial assets and others

Scrap sales		3,004	-
Government grant	17	28,251	32,088
Others		1,008	-
		32,263	32,088

Income from financial assets

Mark-up income on TFC	30.1	11,819	16,481
Dividend income		-	1,462
Other markup income	30.2	122,538	72,909
Exchange gain from currency realisation		848,806	1,217,615
Exchange gain from derivative financial instruments	30.3	105,037	642,378
		1,088,200	1,950,845
		1,120,463	1,982,933

- 30.1** This includes profit earned on Shariah Compliant investment on TFCs.
- 30.2** This includes markup income earned on interest bearing loan to employees (note 7.1) and Term Deposit Receipts (note 11.1).
- 30.3** This includes unrealised exchange gain earned on conventional derivative instruments during the year amounting to Rs. 64.9 million. (June 30, 2024: Rs. 332.31 million).

	Note	2025 ----- (Rupees in '000) -----	2024 -----
31			
FINANCE COSTS			
Markup / profit on:			
- Short term borrowings	31.1 & 31.2	3,898,992	3,497,277
- Long term financing		710,319	1,013,013
- Workers' profit participation fund	19.3	22,867	3,954
Bank and other charges		1,443,451	912,212
		6,075,629	5,426,456

- 31.1** Finance cost includes Rs. 790 million and 1,468 million (2024: Rs. 241.8 million and Rs. 1,183 million) in long term financing and short term borrowing respectively under Shariah Compliant mode of financing.
- 31.2** The finance cost is exclusive of amount of Rs. 520.91 million (2024: Rs. 1,296.18 million) attributed to Ideas (Private) Limited, a subsidiary company.

	2025 ----- (Rupees in '000) -----	2024 -----
32		
LEVIES	1,688,647	2,043,969

- 32.1** This represents minimum tax paid (2024: Final tax) under sections 154 and 113 of ITO, representing levy in terms of requirements of IFRIC 21/ IAS 37.

	Note	2025 ----- (Rupees in '000) -----	2024 -----
33			
TAXATION			
Current tax		438,490	27,890
Prior tax	24.7	(489,747)	-
		(51,257)	27,890
Deferred tax income	33.3	-	(262,234)
	33.1	(51,257)	(234,344)

- 33.1** The Company is subject to Minimum Tax Regime under section 113 and section 154 of the Income Tax Ordinance, 2001, (2024: Final tax under section 154) for local and export sales. Accordingly, the relationship between tax expense and accounting profit has not been presented in these unconsolidated financial statements.
- 33.2** The aggregate of minimum tax and income tax, amounting to Rs. 2,127.137 million (2024: Rs. 2,071.859 million) represents tax liability of the Company calculated under the relevant provisions of the ITO, 2001.

33.3 As per the guidelines issued by Institute of Chartered Accountants of Pakistan on application of IAS 12 'Application Guidance on Accounting for Minimum Taxes and Final Taxes', no deferred tax is required to be booked as the Company, based on the projections of taxable income, is expected to be taxed under Minimum Tax u/s 113 of the Income Tax Ordinance, 2001 for the foreseeable future. Hence the Company has not recorded any deferred tax liability as at June 30, 2025 and June 30, 2024.

	Note	2025	2024
34 EARNINGS PER SHARE - basic and diluted			
Profit after taxation (Rupees in 000)		4,022,774	4,727,802
Weighted average outstanding shares (Number)	14.2	740,059,458	740,059,458
Earnings per share - basic and diluted (Rupees)		5.44	6.39

34.1 There is no dilutive effect on the earnings per share of the Company, as the Company has no potential ordinary shares.

35 SEGMENT INFORMATION

The Company's operations has been divided into three segments are given below based on the nature of process and internal reporting. Following are the reportable business segments:

- a) Spinning: Production of different qualities of yarn using both natural and artificial fibres.
- b) Home Textile: Production of different types and qualities of products falling under the definition of home textile.
- c) Others: Weaving, Fiber Bleaching, Knitting, Apparel, Yarn dyeing and Dyed yarn fabric etc.

Transactions among the business segments are recorded at cost.

35.1 Segment Profitability

	Spinning		Home Textile		All other segments		Elimination Of Inter Segment Transactions		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	----- (Rupees in '000) -----									
Sales to external customers	43,295,304	37,465,896	93,150,342	84,494,878	21,459,073	21,185,070	-	-	157,904,719	143,145,844
Intersegmental sales	8,958,108	20,812,656	17,750,057	15,054,113	11,718,160	11,195,472	(38,426,325)	(47,062,241)	-	-
Cost of sales	(46,608,768)	(51,475,905)	(100,263,322)	(92,334,755)	(30,480,533)	(29,206,403)	38,426,325	47,062,241	(138,926,298)	(125,954,822)
Gross profit	5,644,644	6,802,647	10,637,077	7,214,236	2,696,700	3,174,139	-	-	18,978,421	17,191,022
Selling, distribution and administrative cost	(530,964)	(451,016)	(5,556,306)	(4,657,633)	(1,823,555)	(1,610,283)	-	-	(7,910,825)	(6,718,932)
Profit before tax and before charging following	5,113,680	6,351,631	5,080,771	2,556,603	873,145	1,563,856	-	-	11,067,596	10,472,090
Finance cost									(6,075,629)	(5,426,456)
Other operating cost									(452,266)	(491,140)
Other income									1,120,463	1,982,933
Profit before taxation									(5,407,432)	(3,934,663)
Levies and taxation									5,660,164	6,537,427
Profit after taxation									(1,637,390)	(1,809,625)
Depreciation and amortisation expense	1,275,326	1,365,083	1,088,354	1,031,594	2,212,328	2,075,242	-	-	4,576,008	4,471,919

35.2 Segment assets and liabilities

	Spinning		Home Textile		All other segments		Elimination Of Inter Segment Transactions		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	----- (Rupees in '000) -----									
Assets	32,572,319	32,289,234	72,271,204	57,379,745	20,847,799	21,431,696	25,403,527	25,387,770	151,094,849	136,488,445
Liabilities	(11,488,190)	(12,971,968)	(22,373,512)	(22,355,651)	(10,801,574)	(11,357,326)	(57,578,636)	(45,050,277)	(102,241,912)	(91,735,222)
Segment Capital and Intangible expenditure	477,342	324,127	1,784,291	1,355,898	1,170,018	547,169	1,956,683	1,731,035	5,388,334	3,958,229

35.3 Unallocated items represent those assets and liabilities which are common to all segments and these include investment in subsidiaries, long term deposits, other receivables, deferred liabilities, certain common borrowing and other corporate assets and liabilities.

35.4 Information about major customer

Sales to major customer whose revenue exceeds 10% of gross sales is Rs. 41,963 million (2024); Rs. 34,250 million).

36 INFORMATION BY GEOGRAPHICAL AREA

	Revenue		Non-current assets	
	2025	2024	2025	2024
	----- (Rupees in '000) -----			
Pakistan	52,525,782	44,149,543	54,650,566	53,765,582
Germany	32,265,194	30,637,887	-	-
United States	13,090,843	13,903,167	-	-
United Kingdom	11,888,340	11,462,356	-	-
Italy	8,872,670	9,268,684	-	-
France	7,571,900	7,146,621	-	-
Netherlands	7,021,034	4,802,197	-	-
Denmark	6,020,894	5,228,578	-	-
Poland	5,469,602	5,058,486	-	-
Sweden	3,654,145	2,125,559	-	-
Spain	3,009,965	2,944,500	-	-
Other countries	10,400,396	9,708,226	58,450	58,450
	161,790,765	146,435,804	54,709,016	53,824,032

37 CASH AND CASH EQUIVALENTS

	Note	2025	2024
		----- (Rupees in '000) -----	
Cash and bank balances	13	166,429	375,876
Running finance	21	(2,478,795)	(5,142,246)
		(2,312,366)	(4,766,370)

37.1 CHANGES ARISING FROM FINANCING ACTIVITIES

	Note	2024	Financing cash inflows, net	Financing cash outflows	Non-cash changes	2025
		----- (Rupees in '000) -----				
Long-term finance and deferred government grant	16 & 17	17,928,429	4,700,000	(3,283,119)	-	19,345,310
Short term borrowings - net	21	36,863,256	12,815,653	-	-	49,678,909
	Note	2023	Financing cash inflows, net	Financing cash outflows	Non-cash changes	2024
		----- (Rupees in '000) -----				
Long-term finance and deferred government grant	16 & 17	23,348,187	358,000	(5,777,758)	-	17,928,429
Short term borrowings - net	21	28,459,269	8,403,987	-	-	36,863,256

38 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2025				2024			
	Chief Executive	Director	Executives	Total	Chief Executive	Director	Executives	Total
----- (Rupees in '000) -----								
Managerial remuneration	16,000	12,000	1,496,804	1,524,804	16,000	12,000	1,285,743	1,313,743
Performance bonus	1,333	1,000	124,734	127,067	1,333	1,000	84,436	86,769
House rent allowance	6,400	4,800	598,722	609,922	6,400	4,800	514,297	525,497
Other allowances	1,600	1,200	408,045	410,845	1,600	1,200	407,250	410,050
Contribution to provident fund	1,333	1,000	119,402	121,735	1,333	1,000	102,592	104,925
	26,666	20,000	2,747,707	2,794,373	26,666	20,000	2,394,318	2,440,984
----- (Number) -----								
Persons	1	1	598	600	1	1	483	485

- 38.1** The Chief Executive and Directors are provided with Company maintained vehicles and are also covered under Company's Health Insurance Plan along with their dependents. The Chief Executive is also provided with free residential telephones.
- 38.2** Aggregate amount charged during the year in respect of meeting fee to Four Non-Executive Directors and the Chairman was Rs. 8.6 million (2024: Four Non Executive Directors and Chairman amounting to Rs. 7.7 million).
- 38.3** Executive means an employee, other than the chief executive and directors, whose basic salary exceeds Rs.1.2 million in a financial year.

39 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiaries, associated companies, companies where directors also hold directorship, directors of the Company and key management personnel. The Company in the normal course of business carries out transactions with various related parties as per agreed rates. Details of related party transactions other than those disclosed elsewhere in these unconsolidated financial statements are as follows:

Name of the related party	Relationship with related party	Transactions during the year	2025 (Rupees in '000)	2024
Ideas (Private) Limited	Subsidiary company	Sale of goods and services	1,781,679	1,403,220
Gul Ahmed International Limited (FZC) - UAE	Subsidiary company	Sale of goods	-	7,603
GTM (Europe) Limited - UK	Subsidiary company	Sale of goods	4,273,298	3,029,350
		Sales through subsidiaries acting as agents	5,285,156	3,234,764
		Commission	191,888	92,968
Vantona Home Limited	Subsidiary company	Sales through subsidiaries acting as agents	169,910	127,431
GTM USA Corporation	Subsidiary company	Sale of goods	762,588	792,209
Sky Home Corp. - USA	Subsidiary company	Sale of goods	659,905	497,444
		Commission	380,082	377,096
Grand Industries (Pvt) Limited	Associated company	Rent expense	600	2,648
Swisstex Chemicals (Private) Limited	Associated company	Purchase of goods	106,868	196,859
		Services rendered	-	15,000
Win Star (Private) Limited	Associated company	Purchase of goods	31,893	31,169
Haji Ali Mohammad Foundation	Associated company	Rent paid	960	960
The Pakistan Business Council	Associated company	Fees paid	2,500	2,500

Name of the related party	Relationship with related party	Transactions during the year	2025 ----- (Rupees in '000) -----	2024
Habib Metropolitan Bank Limited	Associated company	Bills discounted	17,804,583	23,026,343
		Finance cost	203,159	252,719
Askari Bank Limited	Associated company	Bills discounted	4,554,017	2,361,162
		Finance cost	269,052	414,904
Samba Bank Limited	Associated company	Bills discounted	420,155	169,874
		Finance cost	58,251	81,167
Standard Chartered Pakistan Limited	Associated company	Bills discounted	3,915,018	1,696,905
		Finance cost	432,123	468,738
Gul Ahmed Textile Mills Limited Employees Provident Fund	Associated company	Company's contribution to provident fund	440,465	392,046
International Cotton Association	Associated company	Fees paid	693	643
Pakistan Textile Council	Associated company	Membership fees	2,500	1,250
International Textile Manufacturers Federation	Associated company	Fees paid	2,172	2,222
Landhi Association of Trade and Industry	Associated company	Fees paid	60	60

39.1 There were no transactions with the directors of the Company and the key management personnel other than under the terms of employment. Loans and remuneration of the directors, key management personnel and executives are disclosed in notes 7 and 38 respectively.

39.2 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place.

Company name	Country of Incorporation	Basis of relationship	shareholding (%)
Gul Ahmed Holdings (Private) Limited	Pakistan	Parent company	55.86%
Ideas (Private) Limited	Pakistan	Wholly owned subsidiary	100%
Gul Ahmed Ecotex (Private) Limited	Pakistan	Wholly owned subsidiary	100%
Gul Ahmed Ecofab (Private) Limited	Pakistan	Wholly owned subsidiary	100%
Gul Ahmed Circular Fabrics (Private) Limited	Pakistan	Wholly owned subsidiary	100%
Habib Metropolitan Bank Limited (HMBL)	Pakistan	Common directorship	-
Askari Bank Limited (ABL)	Pakistan	Common directorship	-
Samba Bank Limited (SBL)	Pakistan	Common directorship	-
Standard Chartered Pakistan Limited (SCPL)	Pakistan	Common directorship	-
Swisstex Chemicals (Private) Limited	Pakistan	Common directorship	2.99%
Arwen Tech. (Private) Limited	Pakistan	Common directorship	-
Win Star (Private) Limited	Pakistan	Common directorship	-
Hub Liquid Terminal (Private) Limited	Pakistan	Subsidiary of Parent company	-
TPL Properties Limited	Pakistan	Common directorship	-
Habib University Foundation	Pakistan	Common directorship	-
The Pakistan Business Council	Pakistan	Common directorship	-
Pakistan Textile Council	Pakistan	Common directorship	-
Ghafooria Industries (Private) Limited	Pakistan	Group company and common	2.17%

Company name	Country of Incorporation	Basis of relationship	shareholding (%)
LITE Development and Management Company	Pakistan	Common directorship	-
Grand Industries (Private) Limited	Pakistan	Group company and major shareholders	7.86%
Haji Ali Mohammad Foundation	Pakistan	Member of Foundation	-
Gul Ahmed Holdings (Private) Limited	Pakistan	Holding company	-
Gul Ahmed Textile Mills Limited Employees	Pakistan	Parent company	-
Provident Fund Trust	Pakistan	Employees fund	0.42%
Gul Ahmed International Limited (FZC) - UAE	UAE	Wholly owned subsidiary	100%
GTM (Europe) Limited	UK	Wholly owned ultimate subsidiary	100%
GTM USA Corp.	USA	Wholly owned ultimate subsidiary	100%
Sky Home Corp.	USA	Wholly owned ultimate subsidiary	100%
Vantona Home Limited	UK	Wholly owned ultimate subsidiary	100%
JCCO 406 Limited	UK	Wholly owned ultimate subsidiary	100%
International Cotton Association	United Kingdom	Common directorship	-
Mohomed Bashir	-	Director	0.07%
Mohammed Zaki Bashir	-	Director	0.34%
Zain Bashir	-	Director	0.34%
Ziad Bashir	-	Director	0.00%
Ehsan A. Malik	-	Director	0.00%
Zeeba Ansar	-	Director	0.00%
Kamran Y. Mirza	-	Director	0.00%

40 CAPACITY AND PRODUCTION

Unit	2025			2024			
	Capacity	Production	Working	Capacity	Production	Working	
----- (Rupees in '000) -----							
Spinning	Kgs. (20 Counts converted)	98,277	92,433	3 shifts	98,277	93,227	3 shifts
Weaving	Sq. meters (50 Picks converted)	239,649	219,048	3 shifts	234,987	213,103	3 shifts

Production is lower as compared to capacity due to variation in production mix and various technical and market factors.

The production capacity and its comparison with actual production of Processing, Home Textile and Apparel segments is impracticable to determine due to varying manufacturing processes, run length of order lots and various other factors.

2025 2024
----- (Numbers) -----

41 NUMBER OF PERSONS EMPLOYED

As at	15,496	16,082
Average during the year	15,802	15,907

42 PROVIDENT FUND RELATED DISCLOSURES

The investment out of provident fund have been made in accordance with the provisions of section 218 of the Act, and the conditions specified thereunder.

43 FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities of the Company as at June 30, 2025 are as follows:

Note	2025						Total
	Interest/mark-up/profit bearing			Non interest/mark-up/profit bearing			
	Maturity up to one year	Maturity after one year	Sub total	Maturity up to one year	Maturity after one year	Sub total	
(Rupees in '000)							
Financial assets							
At amortised cost							
6	-	70,000	70,000	-	-	-	70,000
7	8,087	11,198	19,285	108,268	10,289	118,557	137,842
11	1,019,464	-	1,019,464	332,637	-	332,637	1,352,101
10	-	-	-	-	146,240	146,240	146,240
13	1,022,892	-	1,022,892	21,132,670	-	21,132,670	22,155,562
	-	-	-	166,429	-	166,429	166,429
At Fair value through profit or loss							
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	2,050,443	81,198	2,131,641	21,740,004	156,529	21,896,533	24,028,174
Financial liabilities							
At amortised cost							
16	3,128,180	16,142,475	19,270,655	-	-	-	19,270,655
19	-	-	-	22,683,712	-	22,683,712	22,683,712
21	-	-	-	788,421	-	788,421	788,421
21	52,157,704	-	52,157,704	-	-	-	52,157,704
23	-	-	-	9,365	-	9,365	9,365
	-	-	-	23,505	-	23,505	23,505
At Fair value through profit or loss							
19	-	-	-	64,902	-	64,902	64,902
	55,285,884	16,142,475	71,428,359	23,569,905	-	23,569,905	94,998,264

Financial assets and liabilities of the Company as at June 30, 2024 are as follows:

Note	2024						Total
	Interest/mark-up/profit bearing			Non interest/mark-up/profit bearing			
	Maturity up to one year	Maturity after one year	Sub total	Maturity up to one year	Maturity after one year	Sub total	
(Rupees in '000)							
Financial assets							
At amortised cost							
6	-	70,000	70,000	-	-	-	70,000
7	23,434	16,125	39,559	49,711	1,814	51,525	91,084
11	621,652	-	621,652	176,322	-	176,322	797,974
10	-	-	-	-	145,595	145,595	145,595
13	5,676,955	-	5,676,955	18,890,152	-	18,890,152	24,567,107
	-	-	-	375,876	-	375,876	375,876
At Fair value through profit or loss							
	-	-	-	1,243	-	1,243	1,243
	-	-	-	332,315	-	332,315	332,315
	6,322,041	86,125	6,408,166	19,825,619	147,409	19,973,028	26,381,194
Financial liabilities							
At amortised cost							
16	3,233,936	14,591,587	17,825,523	-	-	-	17,825,523
19	-	-	-	23,662,828	-	23,662,828	23,662,828
21	-	-	-	1,391,643	-	1,391,643	1,391,643
21	42,005,502	-	42,005,502	-	-	-	42,005,502
23	-	-	-	9,840	-	9,840	9,840
	-	-	-	23,505	-	23,505	23,505
At Fair value through profit or loss							
19	-	-	-	-	-	-	-
	45,239,438	14,591,587	59,831,025	25,087,816	-	25,087,816	84,918,841

44 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, markup risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk Management is carried out under policies and principles approved by the Board. All treasury related transactions are carried out within the parameters of these policies and principles.

The information about the Company's exposure to each of the above risk, the Company's objectives, policies and procedures for measuring and managing risk and the Company's management of capital are as follows:

44.1 Market risks

Market risk is the risk that the fair value or future cash flows of the financial instrument may fluctuate as a result of changes in market interest / markups 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. Market risk comprises of three types of risks: currency risk, markup risk and other price risk. The Company is exposed to currency risk and markup risk only.

a) Currency risk

Foreign currency risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly from future economic transactions or receivables and payables that exist due to transactions in foreign exchange.

Exposure to foreign currency risk

The Company is exposed to foreign currency risk arising from foreign exchange fluctuations due to the following financial assets and liabilities:

	2025	2024
	--- (Equivalent USD 000s) ---	
Trade debts	28,461	30,194
Cash and bank balances	81	17
Short term borrowing	(83,529)	(43,564)
Trade and other payables	(627)	(429)
Net exposure	<u>(55,614)</u>	<u>(13,782)</u>

The Company manages foreign currency risk through close monitoring of the exchange rates, adjusting net exposure and obtaining forward covers where necessary.

	2025	2024
	----- (Rupees in '000) -----	
Foreign currency commitments and guarantees outstanding at year end are as follows:		
- USD	124,871	96,879
- EURO	500	500
- AED	14,600	14,600
- GBP	250	250

	2025	2024
	----- (Rupees in '000) -----	
The following significant exchange rates were applied during the year:		
Rupee per USD		
Average rate (Selling / Buying)	279.6 / 279.1	283.4 / 283.0
Reporting date rate (Selling / Buying)	283.9 / 283.5	278.6 / 278.1
Rupee per EURO		
Average rate (Selling / Buying)	304.1 / 303.7	306.7 / 306.2
Reporting date rate (Selling / Buying)	333.1 / 332.6	297.8 / 297.4
Rupee per GBP		
Average rate (Selling / Buying)	361.7 / 361.1	356.5 / 357.2
Reporting date rate (Selling / Buying)	389.7 / 389.1	356.9 / 356.4
Rupee per AED		
Average rate (Selling / Buying)	76.1 / 76.0	75.8 / 75.7
Reporting date rate (Selling / Buying)	77.3 / 77.2	77.2 / 77.1

Foreign currency sensitivity analysis

A five percent strengthening / weakening of the PKR against the USD at June 30, 2025 would have increased / decreased the equity and profit / loss after tax by Rs. 778 million (2024: Rs. 195 million). This analysis assumes that all other variables, in particular markups, remain constant. The analysis is performed on the same basis for June 30, 2024.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to change in the interest rates. The Company has long term finance and short term borrowings at fixed and variable rates.

The Company is mainly exposed to interest rate risk on short term financing under variable rate arrangements and these are covered by holding "Prepayment option" and "Rollover option", which can be exercised upon any adverse movement in the underlying interest rates.

Financial assets include balances of Rs. 2,132 million (June 30, 2024: Rs. 6,408 million) which are subject to interest rate risk. Financial liabilities include balances of Rs. 71,428 million (June 30, 2024: Rs. 59,831 million) which are subject to interest rate risk. Applicable interest rates for financial assets and liabilities are given in respective notes.

Cash flow sensitivity analysis for variable rate instruments

At June 30, 2025, if markups on interest bearing financial instruments would have been 1% higher / lower with all other variables held constant, post tax profit for the year would have been Rs. 693 million (2024: Rs. 534 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate borrowings.

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in markup at the reporting date would not effect unconsolidated statement of profit or loss of the Company.

c) Other price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices (other than those arising from interest or currency rate risk) whether those changes are caused by factors specified to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market. As at June 30, 2025, the Company is not exposed to other price risk.

44.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation without considering the fair value of the collateral available there against. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

Exposure to credit risk

Company's operating activities exposes it to credit risks arising mainly in respect of long term investments, loans and other receivables, trade debts, long term deposits and bank balances. The maximum exposure to credit risk at the reporting date is as follows:

	Note	2025 ----- (Rupees in '000) -----	2024 -----
Long term investments	6	70,000	70,000
Other receivables		1,352,101	1,130,289
Long term loans		137,842	91,084
Long term deposits		146,240	145,595
Trade debts	10	22,155,562	24,567,107
Bank balances	13	155,550	364,489
		24,017,295	26,368,564

The Company manages credit risk as follows:

Loans and other receivables

These are due from employees and are recovered in monthly installments deductible from their salaries. Retirement balances are also available for these employees against which balance can be adjusted incase of default. The Company actively pursues for the recovery of these loans and the Company does not expect that these employees will fail to meet their obligations, hence the management believes no impairment allowance is required there against.

Other receivables include bank guarantee margin Letter of Credit and miscellaneous receivables which are neither past due nor impaired. The Company believes that based on past relationship, credit rating and financial soundness of the counter parties chances of default are remote and also there is no material impact of changes in credit risks of such receivables so no impairment allowance is necessary in respect of these advances and receivables.

Long term deposits

These are mainly held for rental premises and utilities with the counter parties which have long association with the Company and have a good credit history. The management does not expect to incur credit loss there against.

Trade debts

Trade debts are due from local and foreign customers. The Company manages credit risk inter alia by setting out credit limit in relation to individual customers, by obtaining advance against sales and / or through letter of credits and / or by providing impairment allowance for life time expected credit loss on trade debts.

Trade debts under irrevocable letter of credit, document acceptance and other acceptable banking instruments are considered secured. Further the majority of the customers have been transacting with the Company for several years. The Company actively pursues for the recovery of the trade debt and based on past experience and business relationship and credit worthiness of these customers, the Company does not expect these customers will fail to meet their obligations except for some past due trade debts against which adequate allowance for impairment has been made.

The Company has established an allowance for expected credit losses against trade debts that represent its estimate of expected losses based on actual credit loss experience in respect of trade debts based on the last 3 years. The allowance determined is then multiplied by the weighted average macroeconomic factors for the three developed scenarios namely "Base", "Best" and "Worst" to incorporate the forward-looking information in expected credit loss model. The macroeconomic factors used include GDP Forecast, Unemployment Forecast, Inflation Rate Forecast and Exchange Rate Forecast. The Company has aging of the trade debts of the Company outstanding as at year end is as follows:

	2025		2024	
	Gross carrying amount	Impairment loss allowance	Gross carrying amount	Impairment loss allowance
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Secured	7,221,370	-	9,892,638	-
Unsecured				
Current	9,942,688	4	11,471,259	17
1-30 Days	4,320,028	406	2,194,240	624
31-60 Days	628,499	5,909	700,840	9,973
61-90 Days	41,001	248	376,504	57,760
More than 90 Days	151,277	142,734	113,985	113,985
	15,083,493	149,301	14,856,828	182,359
	22,304,863	149,301	24,749,466	182,359

Management believes that the unimpaired balances that are past due are still collectable in full, based on historical payment behavior and review of financial strength of respective customers. Further, certain trade debtors, which have been derecognised as a result of bills discounting, are secured by way of Export Letter of Credit and Inland Letter of Credit, which can be called upon if the counter party is in default under the terms of the agreement.

Long term investment and bank balances

The Company limits its exposure to credit risk by maintaining bank accounts and investing only with counter-parties that have stable credit rating.

The long term investment and bank balances along with credit ratings are tabulated below:

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Long term investment			
AAA	6.4	70,000	70,000
Bank balances			
AAA		74,783	41,773
AA+		61,844	5,700
AA		14,197	765
AA-		2,492	75,711
A+		1,834	180,254
A1		-	184
BBB-		400	60,102
		155,550	364,489
		225,550	434,489

Given these high credit ratings, management does not expect that any counter party will fail to meet their obligations.

Concentration of credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company's exposure to a single customer exceeding 10% of the total exposure amounts to Rs. 2,436 million (2024: 2,790 million).

Credit risk of the Company arises principally from long term investments, loans and other receivables, trade debts, long term deposits and bank balances.

44.3 Liquidity risk

Liquidity risk represent the risk where the Company will encounter difficulty in meeting obligations associated with financial liabilities when they fall due. The exposure to liquidity risk along with their maturities is disclosed in respective notes and note 43.

The Company manages liquidity risk by maintaining sufficient cash in hand and at banks and ensuring the fund availability through adequate credit facilities. At June 30, 2025, the Company has Rs. 67,325 million (June 30, 2024: Rs. 44,880 million) available borrowing limit from financial institutions. Unutilised borrowing facilities of Rs. 15,167 million (June 30, 2024: Rs. 2,874 million) and also has Rs. 166 million (June 30, 2024: Rs. 376 million) being cash in hand and balances at banks. Based on the above, management believes the liquidity risk is insignificant.

	Note	Less than one year -----	More than one year (Rupees in '000)	Total carrying amount -----
As at June 30, 2025				
Long term financing	16	3,128,180	16,142,475	19,270,655
Trade and other payables	19	22,748,614	-	22,748,614
Accrued markup		788,421	-	788,421
Short term borrowings	21	52,157,704	-	52,157,704
Unclaimed dividend		9,365	-	9,365
Unpaid dividend	23	23,505	-	23,505
		78,855,789	16,142,475	94,998,264
Total as at June 30, 2024		70,327,254	14,591,587	84,918,841

44.4 Capital risk management

The primary objectives of the Company when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure.

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

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

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Total borrowings	16 & 21	71,428,359	59,831,025
Cash and bank	13	(166,429)	(375,876)
Net debt		71,261,930	59,455,149
Total equity	14 & 15	48,852,937	44,753,223
Total equity and debt		120,114,867	104,208,372
----- (%) -----			
Gearing ratio		59	57

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix amongst various sources of finance to minimise risk and borrowing cost.

45 FAIR VALUES

Fair value 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 while assessing fair values uses valuation techniques that are appropriate in the circumstances using relevant observable data as far as possible and minimising the use of unobservable inputs. Fair values are categorised into following three levels based on the input used in the valuation techniques;

- Level 1 Quoted prices in active markets for identical assets or liabilities that can be assessed at measurement.
- Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 Inputs are unobservable inputs for the asset or liability Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

If inputs used to measure the fair values of an asset or a liability fall into different levels then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Transfers, if any, between levels of the fair value hierarchy is recognised at the end of the reporting period during which the transfer has occurred. The Company's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of changes in market and trading activity and changes in inputs used in valuation techniques.

As at year end, the fair value of all the financial assets and liabilities approximates to their carrying values. The operating fixed assets is carried at cost less accumulated depreciation and impairment if any, except there is no free-hold land and lease-hold land which are stated at cost. Long term investments in subsidiaries represent the investment in unquoted shares of companies carried at cost. The Company does not expect that unobservable inputs may have significant effect on fair values. The fair values of forward exchange contracts is determined based on the forward exchange rates at the reporting date included in the level 2 of the fair value hierarchy.

46 GENERAL

46.1 Events occurring after reporting date

On September 29, 2025, Board of Directors, approved the closure of the Company's Export Apparel operations as part of its strategic review of operations. The closure will be implemented in the forthcoming financial year, with financial and operational impacts to be recognised in the financial statements of the ensuing year.

46.2 Corresponding figures

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification was made in these un-consolidated financial statements during the current year.

47 DATE OF AUTHORISATION

These unconsolidated financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on September 29, 2025.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

The directors are pleased to present their report together with the audited Consolidated Financial Statements of the Group for the year ended June 30, 2025.

The Group

The Group comprises of;

Ideas (Private) Limited (Pvt) limited, Pakistan;
Gul Ahmed International Limited (FZC)-UAE;
GTM (Europe) Limited-UK;
GTM USA Corp.-USA;
Sky Home Corp.-USA;
JCCO 406 Limited-UK;
Vantona Home Limited-UK;

Gul Ahmed Ecotex (Pvt) Limited, Pakistan;
Gul Ahmed Ecofab (Pvt) Limited, Pakistan;
Gul Ahmed Circular Fabrics (Pvt) Limited, Pakistan;
Elegant Fashion (Pvt) Limited, Pakistan;
Fragrance Fusion (Pvt) Limited, Pakistan; and
Omnify (Pvt) Limited, Pakistan

All these subsidiaries are engaged in trading/retail sales of textile and related products.

Group Results

The Consolidated financial results of the group are given below:

Rupees '000

Profit before tax	6,556,367
Taxation	(2,101,948)
Profit for the year	4,454,419
Total Reserves brought forward	39,927,105
Transferred to Capital Reserves	(3,248)
Amount available for appropriation	44,378,276
Appropriation	
Amount carried to other comprehensive income	76,940
Exchange difference on transactions of foreign subsidiaries	(18,861)
Transferred to Capital Reserves	3,248
Amount available for appropriation	44,439,603
Total Reserves carried forward	44,439,603
Earnings Per Share (Rs.)	6.02

Pattern of Shareholding

Ideas (Private) Limited, Gul Ahmed International Limited (FZC) – UAE, Gul Ahmed Ecotex (Private) Limited, Gul Ahmed Ecofab (Private) Limited and Gul Ahmed Circular Fabrics (Private) Limited are wholly owned subsidiary of Gul Ahmed Textile Mills Limited (Parent Company). GTM (Europe) Limited is a wholly owned subsidiary of Gul Ahmed International Limited (FZC)- UAE whereas GTM USA Corp.-USA, Sky Home Corp.-USA, and JCCO 406 Limited-UK are wholly owned subsidiaries of GTM (Europe) Limited and Vantona Home Limited is wholly owned subsidiary of JCCO 406 Limited-UK. Elegant Fashion (Private) Limited, Fragrance Fusion (Private) Limited and Omnify (Private) Limited are wholly owned subsidiaries of Ideas (Private) Limited. Shareholding in each company is in the name of respective holding companies.

Mohomed Bashir
Chairman

Mohammed Zaki Bashir
Chief Executive Officer

Karachi
September 29, 2025

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF GUL AHMED TEXTILE MILLS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of **Gul Ahmed Textile Mills Limited** and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at **June 30, 2025**, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for opinion

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

Key Audit Matters

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

Following are the key audit matters:

Key audit matters	How the matter was addressed in our audit
1. Revenue recognition	
<p>Refer notes 3.19 and 28 to the consolidated financial statements.</p> <p>The Group’s net revenue for the year ended June 30, 2025 was Rs. 185,541 million. The Group’s revenue is principally generated from the sale of textile goods and related processing services and consists of local and export sales.</p> <p>We identified revenue as key audit matter because;</p> <ul style="list-style-type: none"> revenue is one of the key performance indicators of the Group; 	<p>Our audit procedures in this area, amongst others, included the following:</p> <ul style="list-style-type: none"> Obtained an understanding of the accounting policy and Group’s accounting process for revenue recognition and tested the design and implementation of relevant controls; Performed verification of sample of revenue transactions recorded during the year with underlying documentation including sales invoices and other dispatch documents;

Key audit matters	How the matter was addressed in our audit
<ul style="list-style-type: none"> • there are large number of revenue transactions; and • there is inherent risk that revenue could be recorded in an incorrect accounting period in order to achieve the financial targets and expectations. 	<ul style="list-style-type: none"> • Performed cut-off procedures on sample basis on revenue transactions recorded just before and after the year end with the underlying goods delivery notes, bill of lading, invoices and other relevant documents to assess whether the revenue has been recognised in the appropriate accounting period; and • Evaluated the appropriateness of disclosures in the consolidated financial statements in accordance with the requirements of the accounting and reporting standards applicable in Pakistan.
<p>2. Valuation of stock-in-trade</p>	
<p>Refer notes 3.7 and 11 to the consolidated financial statements.</p> <p>As at June 30, 2025, the Group held stock-in-trade of Rs. 72,901 million. Several estimates and judgments are involved in the valuation of stock-in-trade, in determining the net realizable values, and in assessing the appropriate level of provisioning required for the stock-in-trade. This includes the assessment of available facts and circumstances, the physical condition of the stock-in-trade, utilization, market selling prices, and the estimated selling cost of the stock-in-trade.</p> <p>We have considered this matter as key audit matter because of the significance of the balance and due to the estimates and judgments involved in the valuation.</p>	<p>Our audit procedures in this area, amongst others, included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the Group’s policies and procedures with respect to valuation of stock-in-trade; • Assessed appropriateness of the Group’s accounting policies for valuation of stock-in-trade and compliance of those policies with accounting and reporting standards applicable in Pakistan; • Assessed the adequacy of the allowance for obsolescence, by taking into consideration the status of ageing conditions of the stock-in-trade and historical usage pattern; • Compared the net realizable value, on a sample basis, to the carrying value of stock-in-trade to assess whether any adjustments are required to value of stock-in-trade in accordance with the applicable accounting framework; and • Assessed the adequacy of the related disclosures in the notes to the consolidated financial statements, in accordance with the requirements of the accounting and reporting standards as applicable in Pakistan.

Information Other than the Consolidated and Unconsolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in annual report, but does not include the consolidated and unconsolidated financial statements and our auditors' reports thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.

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 consolidated 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.

Other Matter

The consolidated financial statements of the Company for the year ended June 30, 2024 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon vide their report dated October 4, 2024.

The engagement partner on the audit resulting in this independent auditor's report is Nadeem Yousuf Adil.

Yousif Adil
Chartered Accountants

Place: Karachi
Date: October 3, 2025
UDIN: AR202510091hlop8RqVb

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2025

ASSETS	Note	2025 ------(Rupees in '000)-----	2024
NON-CURRENT ASSETS			
Property, plant and equipment	4	55,384,267	54,341,947
Right of use assets	5	4,247,834	2,818,151
Intangible assets	6	181,206	182,858
Long term investment	7	70,000	70,000
Long term loans	8	21,487	17,939
Long term deposits		512,483	518,467
Deferred taxation - net	9	1,004,141	1,115,326
Total non-current assets		61,421,418	59,064,688
CURRENT ASSETS			
Store, spares and loose tools	10	2,856,321	2,727,361
Stock-in-trade	11	72,901,493	57,358,906
Trade debts	12	21,520,605	20,719,045
Loans, advances and other receivables	13	5,664,884	4,347,029
Short term prepayments		184,658	145,872
Receivables from government	14	5,729,576	3,493,969
Short term investment		-	1,243
Cash and bank balances	15	559,457	1,081,768
Total current assets		109,416,994	89,875,193
Total assets		170,838,412	148,939,881
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	16	7,400,594	7,400,594
Reserves	17	44,439,603	39,927,105
Total share capital and reserves		51,840,197	47,327,699
NON-CURRENT LIABILITIES			
Long term financing	18	18,392,475	14,591,587
Lease liability against right of use assets	19	4,383,400	3,189,839
Deferred income - government grant	20	50,620	74,655
Defined benefit plan - staff gratuity	21	475,267	528,898
Long term deposits		22,269	19,769
Total non-current liabilities		23,324,031	18,404,748
CURRENT LIABILITIES			
Trade and other payables	22	31,843,262	34,321,875
Accrued mark-up / profit	23	886,790	1,403,751
Short term borrowings	24	56,082,057	42,494,328
Current portion of non-current liabilities	25	4,996,906	3,810,360
Unclaimed dividend		9,365	9,840
Unpaid dividend	26	23,505	23,505
Taxation-net		1,832,299	1,143,775
Total current liabilities		95,674,184	83,207,434
Total equity and liabilities		170,838,412	148,939,881
CONTINGENCIES AND COMMITMENTS	27		

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

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

		2025	2024
	Note	----- (Rupees in '000) -----	
Revenue from contracts with customers	28	185,541,432	172,479,728
Cost of sales	29	(153,463,906)	(143,735,509)
Gross profit		32,077,526	28,744,219
Selling and distribution cost	30	(11,321,307)	(10,000,783)
Administrative cost	31	(6,835,488)	(5,946,963)
Other expense	32	(573,947)	(572,192)
		(18,730,742)	(16,519,938)
Operating profit		13,346,784	12,224,281
Other income	33	1,170,239	2,155,433
Finance costs	34	(7,960,656)	(7,664,182)
Profit before levies and taxation		6,556,367	6,715,532
Levies	35	(1,692,863)	(2,235,322)
Profit before taxation		4,863,504	4,480,210
Taxation	36	(409,085)	371,753
Profit for the year		4,454,419	4,851,963
		----- (Rupees) -----	
Earnings per share - basic and diluted	37	6.02	6.56

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
Note	------(Rupees in '000)-----	
Profit for the year	4,454,419	4,851,963
Other comprehensive income / (loss)		
Items that will not be reclassified to consolidated statement of profit or loss subsequently		
Remeasurement gain / (loss) on defined benefit plan	21.3 76,940	(41,421)
Reversal of deferred tax	-	(4,535)
Exchange loss on translation	(18,861)	(43,899)
	58,079	(89,855)
Items that may be reclassified to consolidated statement of profit or loss subsequently	-	-
Total comprehensive income for the year	4,512,498	4,762,108

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025**

	Reserves							Total
	Share Capital	Capital Reserve - Against Long term Investments, Capacity Expansion and BMR	Capital Reserve - Statutory Reserve Created by Foreign Subsidiary	Capital Reserve Amalgamation Reserve	Capital Reserve Foreign Currency Translation Reserve	Revenue Reserve - Unappropriated Profit	Total Reserves	
----- (Rupees in '000) -----								
Balance as at July 01, 2023	7,400,594	-	20,845	8,252,059	(258,307)	27,150,400	35,164,997	42,565,591
Reclassification of reserves - (note 17.3)	-	23,000,000	-	-	-	(23,000,000)	-	-
Profit for the year	-	-	-	-	-	4,851,963	4,851,963	4,851,963
Other comprehensive loss	-	-	-	-	(43,899)	(45,956)	(89,855)	(89,855)
Total comprehensive income for the year	-	-	-	-	(43,899)	4,806,007	4,762,108	4,762,108
Balance as at June 30, 2024	7,400,594	23,000,000	20,845	8,252,059	(302,206)	8,956,407	39,927,105	47,327,699
Reclassification of reserves - (note 17.2)	-	-	3,248	-	-	(3,248)	-	-
Profit for the year	-	-	-	-	-	4,454,419	4,454,419	4,454,419
Other comprehensive income	-	-	-	-	(18,861)	76,940	58,079	58,079
Total comprehensive income for the year	-	-	-	-	(18,861)	4,531,359	4,512,498	4,512,498
Balance as at June 30, 2025	7,400,594	23,000,000	24,093	8,252,059	(321,067)	13,484,518	44,439,603	51,840,197

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

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

	Note	2025 ------(Rupees in '000)-----	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		4,863,504	4,480,210
Adjustments for non-cash items:			
Depreciation of operating fixed assets	4.1.1	5,114,568	4,967,334
Depreciation of right of use assets	5	993,728	706,250
Amortisation of intangible assets	6.1	32,478	38,514
Expense recognised for defined benefit plan	21.2	268,770	236,932
Finance costs	34	7,960,656	7,664,182
Reversal of provision for slow moving - stores and spares	10.1	(51,249)	(148,345)
Reversal of provision for slow moving - stock-in-trade	11.1	(174,464)	(12,028)
Levies	35	1,692,863	2,235,322
Unclaimed liabilities written back	33	(13,794)	(3,910)
Dividend income	33	-	(1,462)
Government grant recognised in income	33	(28,251)	(32,088)
Loss on reassessment of right of use asset and corresponding lease liability	32	46,930	9,902
Loss on disposal of operating fixed assets	32	52,272	57,358
Expected credit loss on trade debts	12.1	(58,900)	(226,929)
		15,835,607	15,491,032
Changes in working capital:			
Store, spares and loose tools		(77,711)	(665,956)
Stock-in-trade		(15,368,123)	(9,763,874)
Trade debts		(742,660)	(3,870,569)
Loans, advances and other receivables		(1,317,855)	(912,675)
Short term prepayments		(38,786)	126,662
Receivables from government		(246,549)	187,888
Trade and other payables		(2,478,613)	4,339,813
Net decrease in working capital		(20,270,297)	(10,558,711)
Cash generated from operating activities		428,814	9,412,531
Payment made to defined benefit plan	21.1	(245,621)	(83,420)
Finance costs paid		(7,824,746)	(8,274,854)
Levies and taxes paid		(3,292,766)	(1,812,551)
		(11,363,133)	(10,170,825)
Net cash used in operating activities		(10,934,319)	(758,294)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of property, plant and equipment		(6,118,696)	(4,175,596)
Payments for acquisition of intangible assets		(18,477)	(28,535)
Proceeds from disposal of operating fixed assets		35,463	37,515
Short term investment made		-	(601,243)
Short term investment redeemed		1,243	600,000
Dividend income received	33	-	1,462
Long term loans		(3,548)	49,962
Long term deposits		8,484	(38,684)
Net cash used in investing activities		(6,095,531)	(4,155,119)

		2025	2024
	Note	------(Rupees in '000)-----	
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing	40.1	7,700,000	358,000
Repayment of long term financing	40.1	(3,283,119)	(5,777,758)
Payments against lease liabilities	19	(1,477,737)	(1,044,823)
Increase in short term borrowings, net		12,893,950	8,499,688
Dividend paid		(475)	(91)
Net cash generated from financing activities		15,832,621	2,035,016
Exchange loss on translation		(18,861)	(43,899)
Net decrease in cash and cash equivalents		(1,216,090)	(2,922,296)
Cash and cash equivalents at the beginning of the year		(4,453,603)	(1,531,307)
Cash and cash equivalents at the end of the year	40	(5,669,693)	(4,453,603)

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

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

1 THE GROUP AND ITS OPERATIONS

As at June 30, 2025 'the Group' comprise of the Gul Ahmed Textile Mills Limited (the Holding Company) and the following subsidiaries that have been consolidated in these consolidated financial statements.

	Shareholding	
	2025	2024
	----- (%) -----	
(1) Ideas (Private) Limited	100	100
(2) Gul Ahmed International Limited FZC - UAE	100	100
(3) Gul Ahmed Ecofab (Private) Limited	100	100
(4) Gul Ahmed Ecotex (Private) Limited	100	100
(5) Gul Ahmed Circular Fabrics (Private) Limited	100	100

The following companies also fall in the definition of subsidiary as per the criteria given in IFRS 10 - 'Consolidated Financial Statements' and Section 2(68) of the Companies Act, 2017 (the Act) and are therefore, consolidated in these consolidated financial statements.

	Shareholding	
	2025	2024
	----- (%) -----	
(6) GTM (Europe) Limited	100	100
(7) GTM USA Corporation	100	100
(8) Sky Home Corporation - USA	100	100
(9) JCCO 406 Limited	100	100
(10) Vantona Home Limited	100	100
(11) Fragrance Fusion (Private) Limited	100	100
(12) Elegant Fashion (Private) Limited	100	100
(13) Omnify (Private) Limited	100	100

1.1 Holding Company

Gul Ahmed Textile Mills Limited (the Holding Company) was incorporated in Pakistan on April 01, 1953 as a private limited company and subsequently converted into a public limited company on January 07, 1955. The Holding Company is a subsidiary of Gul Ahmed Holdings (Private) Limited (the Parent Company) and is listed on Pakistan Stock Exchange Limited (PSX). The Holding Company is principally engaged in the manufacturing and sale of textile products. The registered office is situated at Plot No. H-7, Landhi Industrial Area, Karachi.

The Holding Company has following wholly owned subsidiaries which are engaged in distribution / trading of textile related products while Ideas (Private) Limited also carries out production of finished goods.

Details of subsidiaries	Date of incorporation	Nature of business	Principle place of business
<u>Direct subsidiaries</u>			
Gul Ahmed International Limited FZC – UAE	December 11, 2002	Trade of textile, garments and related products	Sharjah Airport International Free Zone, Government of Sharjah, United Arab Emirates.
Ideas (Private) limited	December 27, 2004 (Subsidiary since January 01, 2021)	Manufacturing and sale of textile good and other products	Plot No. 65/I, Sector-30, Korangi Industrial Area, Karachi, Pakistan.
Gul Ahmed Ecotex (Private) Limited	March 26, 2025	Manufacturing and distribution of textile related products	Plot No. H-7, Landhi Industrial Area, Karachi, Pakistan.
Gul Ahmed Ecofab (Private) Limited	March 26, 2025	Manufacturing and distribution of textile related products	Plot No. H-7, Landhi Industrial Area, Karachi, Pakistan.
Gul Ahmed Circular Fabrics (Private) Limited	March 26, 2025	Recycling of textile waste for production of yarns and fabrics	Plot No. H-7, Landhi Industrial Area, Karachi, Pakistan.

Details of subsidiaries	Date of incorporation	Nature of business	Principle place of business
<u>Indirect subsidiaries</u>			
GTM USA Corporation	March 19, 2012	Commission agent service and trading of textile related products	106 LangTree Village Dr, Suite 301 Mooresville, NC 28117, United States of America.
Sky Home Corporation - USA	February 28, 2017	Import and wholesale of home textile products	106 LangTree Village Dr, Suite 301 Mooresville, NC 28117, United States of America.
Vantona Home Limited	April 22, 2013	Trading and distribution of textile related products	Grane Road Mill, Grane Road Haslingden, Rossendale Lancashire BB4 5ET, United Kingdom.
JCCO 406 Limited	September 29, 2017	Trading and distribution of textile related products	Grane Road Mill, Grane Road Haslingden, Rossendale Lancashire BB4 5ET, United Kingdom.
GTM (Europe) Limited	April 17, 2003	Trading and distribution of textile related products	Grane Road Mill, Grane Road Haslingden, Rossendale Lancashire BB4 5ET, United Kingdom.
Omnify (Private) Limited	March 12, 2025	Technology related services and e-commerce business solutions	Plot No. 65/1, Korangi Industrial Area, Karachi, Pakistan.
Elegant Fashion (Private) Limited	March 19, 2025	Industrial undertaking for manufacturing and stitching garments and textile related products	Plot No. 65/1, Korangi Industrial Area, Karachi, Pakistan.
Fragrance Fusion (Private) Limited	March 12, 2025	Trading of fragrance and cosmetic related products	Plot No. 65/1, Korangi Industrial Area, Karachi, Pakistan.

- 1.2** Geographical locations and addresses of all premises obtained on rented basis by the Holding Company are as follows;

Address

Plot ST-17/1 and ST-17/3, Federal 'B' Area, Azizabad, Karachi;
 Plot No. H-17 / A, Landhi Industrial Area, Karachi;
 Plot # HT/2 Landhi Industrial Area, Karachi;
 Plot # HT/8, KDA Scheme 3, Landhi Industrial Area, Karachi;
 Plot W2/1-14, Western Industrial Zone, Port Qasim, Karachi;
 Plot # H19/2-B Bin Qasim, Landhi Industrial Area Karachi;
 Survey # 613, Deh Jorejee, Bin Qasim Town, Karachi;
 Survey # 614, Deh Jorejee, Bin Qasim Town, Karachi;
 Survey # 615, Deh Jorejee, Bin Qasim Town, Karachi; and
 22nd Floor, Ocean Mall, Khayaban-e-Iqbal, Block-9, Clifton, Karachi.

The above rented premises are used to carry out warehousing and administrative tasks.

1.3 Basis of consolidation

These consolidated financial statements include the financial statements of the Holding Company and its subsidiaries, here-in-after collectively referred to as the Group.

Subsidiaries

Subsidiaries are entities controlled by the Holding Company. The Holding Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the subsidiary companies' shareholders' equity in these consolidated financial statements.

The financial statements of the subsidiaries are prepared for the same reporting year as the Holding Company, using consistent accounting policies.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition or incorporation, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is an asset or liability are recognised in profit or loss.

Non-controlling interest in the acquiree, which represents ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition date at either fair value or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Transactions with non-controlling interests

The Group treats transactions with non-controlling interest that do not result in loss of control as transactions with equity owners of the Group. For purchase of interest from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the equity is remeasured to its fair value, with the change in carrying amount recognised in the profit or loss. The fair value is the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial assets. In addition, any amount previously recognised in other comprehensive income in respect to that entity is accounted for as if the Group had directly disposed off the related assets and liabilities.

2 BASIS OF PREPARATION

2.1 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except as otherwise stated in respective policy notes.

2.2 Statement of compliance

These consolidated 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 (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from the IFRS Accounting Standards, the provisions of and directives issued under the Act have been followed.

2.3 Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. These consolidated financial statements are presented in Pakistani Rupees, which is the functional and presentation currency of the Group. The amounts have been rounded off to the nearest thousand rupees unless stated otherwise.

2.4 Critical accounting estimates and judgments

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Information about estimates and judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements are as follows:

a) Operating fixed assets, Right of use assets and Intangible assets (notes 3.2, 3.3, 3.4, 3.8, 4, 5 and 6)

The Group reviews appropriateness of the method of depreciation / amortisation and useful lives used in the calculation of depreciation / amortisation of operating fixed assets, right of use assets and intangible assets respectively on an annual basis. Further, where applicable, an estimate of recoverable amount of assets is made for possible impairment at each reporting date.

- b) Provision for obsolescence and slow moving stores and spares (notes 3.6 and 10)**
Provision for obsolescence and slow moving stores and spares is based on parameters set out by the management of the Group, which includes ageing, expected use and realisable values.
- c) Stock-in-trade (notes 3.7 and 11)**
The Group reviews the net realisable value of stock-in-trade to assess any diminution in the respective carrying values at each reporting date. Net realisable value is determined with reference to estimated selling price less estimated expenditure to make the sales.
- d) Impairment of financial assets (notes 3.9.4, 12 and 47.2)**
The Group uses a provision matrix to calculate expected credit loss (ECL) for trade debts. The provision matrix is initially based on the Group's historically observed rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every quarter, the historically observed default rates are updated, and changes in the forward-looking estimates are analysed.
- The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default in the future.
- e) Defined benefit plan (notes 3.14.2 and 21)**
The present value of defined benefit plan depends upon number of factors and is being calculated on actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of defined benefit plan.
- f) Taxation (notes 3.21, 27 and 36)**
The Group takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Group's views differ from the views taken by the income tax department at the assessment stage and where the Group considers that its view on items of material nature is in accordance with law, the amounts are shown as contingencies.
- g) Levies (notes 3.22 and 35)**
The Group takes into account the current income tax law, legislations and decisions taken by the taxation authorities for determination of levies. These include determining the specific obligating event that triggers levy recognition based on the relevant legislation, estimating the amount payable by considering applicable rates, and deciding the appropriate timing for recognising the levy liability. These estimates and judgements are periodically reviewed and updated as necessary.
- h) Contingencies (notes 3.18 and 27)**
The assessment of the contingencies and provisions inherently involves the exercise of judgment as the outcome of the future events cannot be predicted with certainty. The Group, based on the availability of the latest information, estimates the value of contingent liabilities which may differ on the occurrence / non-occurrence of the uncertain future event(s).
- i) Leases (notes 3.16 and 19)**
The Group uses judgements and estimates in measurement of right of use assets and corresponding lease liabilities with respect to discount rates, lease terms including exercise of renewal and termination options etc, in accordance with IFRS 16.

2.5 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards

(a) New standards, amendments and interpretations that are effective for the year ended June 30, 2025 are as follows:

The following amendments are effective for the year ended June 30, 2025. These amendments are either not relevant to the Group's operations or are not expected to have significant impact on the Group's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
- Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions.	January 01, 2024
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants.	January 01, 2024
- Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements.	January 01, 2024

(b) Standards, Interpretations and Amendments to published approved accounting standards not yet effective

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

	Effective date (annual periods beginning on or after)
- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
- IFRS 17 - Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026
- IFRS 7 - Financial Instruments: Disclosures	July 01, 2025
- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Classification and measurement of financial instruments	January 01, 2026
- Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 01, 2026
- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Contracts Referencing Nature-dependent Electricity	January 01, 2026

3 MATERIAL ACCOUNTING POLICIES

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

3.1 Foreign currency transactions and translation

Transactions in foreign currencies are translated into the respective functional currency of the Group at the exchange rates at the dates of transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction. Foreign currency difference are recognised in consolidated statement of profit and loss.

On consolidation, the assets and liabilities of foreign operations are retranslated into presentation currency i.e. Pakistan Rupee at the rate of exchange prevailing at the reporting date and their income and expenses are translated using the average of exchange rates for the period. The exchange differences arising on such translations are recognised in consolidated statement of comprehensive income.

3.2 Property, plant and equipment

3.2.1 Operating fixed assets

Initial recognition

The cost of an item is recognised as an asset if and only if the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Measurement

Operating fixed assets are stated at cost less any accumulated depreciation and any accumulated impairment losses except leasehold land which is stated at cost.

When parts of an item of operating fixed assets have different useful lives, they are accounted for as separate items (major components) of operating fixed assets.

Subsequent cost

Expenditure incurred to replace a significant component of an item of operating fixed assets is capitalised and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items can be measured reliably. All other expenditure (including normal repairs and maintenance) are recognised in the consolidated statement of profit or loss as an expense when these are incurred.

Depreciation

Depreciation is charged using:

- Reducing Balance Method on Plant and Machinery, Office Equipment (other than IT Equipment), Building on Leasehold Land, Vehicles and Furniture and Fixtures; and
- Straight Line Method on IT equipment, structure on lease hold land and major Component of Plant and Machinery identifiable as a separate asset due to useful life different from the Plant and Machinery.

Rate of depreciation on above are specified in the note 4 of these consolidated financial statements.

Depreciation on additions to operating fixed assets is charged from the day the asset is available for use and no depreciation is charged on the day of disposal.

Depreciation methods, useful lives and residual values of each part of operating fixed assets that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposal

The gain or loss on disposal of an item of operating fixed assets is determined by comparing the proceeds from disposal with the carrying amount of the operating fixed assets, and is recognised in the consolidated statement of profit or loss.

3.2.2 Capital work-in-progress

Capital work in progress is stated at cost less impairment loss, if any and consists of expenditures incurred (including any borrowing cost, if applicable) and advances made in the course of their construction and installation. Transfers are made to relevant asset category as and when assets are available for intended use.

3.3 Right of use assets

Right of use assets are initially measured at cost being the present value of lease payments, initial direct costs, any lease payments made at or before the commencement of the lease as reduced by any incentives received. These are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged on straight line basis over the lease term unless the ownership of the asset transfers to the Group at the end of the lease term or the cost of the asset reflects that the Group will exercise the purchase option, depreciation is charged over the useful life of asset.

3.4 Intangible assets

These are stated at cost less accumulated amortisation and any provision for impairment loss. Amortisation of intangible assets is charged to consolidated statement of profit or loss applying the straight line method at the rates specified in note 6 of these consolidated financial statements after taking into account residual value, if any. Amortisation on additions to intangibles is charged from the day the asset is available for use and no depreciation is charged on the day of disposal.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that this carrying value may not be recoverable, if any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount.

3.5 Borrowing cost

Borrowing cost is recognised as an expense in the consolidated statement of profit or loss in the period in which these are incurred except where such cost is directly attributable to the acquisition, construction or production of a qualifying asset in which case such cost is capitalised as part of the cost of that asset.

3.6 Store, spares and loose tools

Stores, spares and loose tools are stated at lower of moving average cost and net realisable value, less provision for impairment, if any. Stores-in-transit is stated at cost comprising invoice value plus other incremental charges incurred thereon.

Provision is made for obsolete and slow moving stores, spares and loose tools based on management's best estimate regarding their future usability and is recognised in the consolidated statement of profit or loss.

3.7 Stock-in-trade

Stock of raw materials and finished goods are valued at lower of weighted average cost and net realisable value. Cost of raw materials and trading stock comprises of the invoice value plus other incremental charges incurred thereon. Work-in-process is measured at weighted average cost. Cost of work-in-process and finished goods includes cost of direct materials, labour and appropriate portion of manufacturing overheads. Waste products are valued at net realisable value. Stock in transit are stated at cost comprising invoice value and other incidental charges paid thereon up to reporting date.

Net realisable value signifies the estimated selling prices in the ordinary course of business less costs necessarily to be incurred in order to make the sale.

3.8 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised as an expense in the consolidated statement of profit or loss.

The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there is 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 amortisation, if no impairment loss had been recognised.

3.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the consolidated statement of profit or loss.

3.9.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and measurement of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Financial assets 'at amortised cost' are carried at amortised cost using the effective interest method if the time value of money is significant. Gains and losses are recognised in the consolidated statement of profit or loss when the assets are derecognised or impaired and when interest is recognised using the effective interest method.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTOCI are carried on the consolidated statement of financial position at fair value with gains or losses recognised in the consolidated statement of comprehensive income.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Financial assets at FVTPL are carried on the consolidated statement of financial position at fair value with gains or losses recognised in the consolidated statement of profit or loss.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the consolidated statement of profit or loss.

3.9.2 Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

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

3.9.3 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to set-off the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

3.9.4 Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade and other receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Group measures ECL of a financial instrument in a way that reflects (a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (b) the time value of money; and (c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

A default on a financial asset is considered when the counterparty fails to make contractual payments within 90 days of when they fall due.

Financial assets are written off when there are no reasonable expectation of recovery. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the balance due. Where recoveries are made, these are recognised in the consolidated statement of profit or loss.

3.10 Derivative

Derivative instruments are initially recognised at fair value and subsequent to initial measurement, each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the consolidated statement of profit or loss. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in trade and other payables in consolidated statement of financial position.

3.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, with banks in current accounts, demand draft and running finance.

3.12 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

3.13 Government grant

Government grants are transfers of resources to the Group by a government entity in return for compliance with certain past or future conditions related to the Group's operating activities - e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

The Group recognises government grants when there is reasonable assurance that grants will be received and the Group will be able to comply with conditions associated with grants. Government grants are recognised at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Group will be able to comply with the conditions associated with the grants.

Grants that compensate the Group for expenses incurred, are recognised on a systematic basis in the income for the year in which the related expenses are recognised. Grants that compensate for the cost of an asset are recognised in income on a systematic basis over the expected useful life of the related asset.

Loan is initially recognised at its fair value in accordance with IFRS 9. The fair value of the loan would be the present value of loan proceeds received, discounted using prevailing market rate of mark-up for a similar instrument. The benefit of below-market mark-up (i.e. differential between the loan proceeds and fair value of the loan) is accounted for as deferred grant in accordance with IAS 20. In subsequent periods, the loan amount would be accreted using the effective interest rate method. The accreditation would increase the carrying value of the loan with a corresponding effect on the interest expense for the year in the consolidated statement of profit or loss. As per IFRS 9, the loan liability and related mark-up shall be derecognised when it is extinguished i.e., these amounts are paid-off. While, the grant is recognised in the consolidated statement of profit or loss, in line with the recognition of interest expense that the grant is compensating, in accordance with IAS 20.

3.14 Staff retirement benefits

3.14.1 Defined contribution plan

The Holding Company and its subsidiary, Ideas (Private) Limited, operate a recognised provident fund scheme for its eligible employees to which equal monthly contribution is made by the Holding Company and the employees at the rate of 8.33% of the basic salary. The Companies' contribution is charged to consolidated statement of profit or loss.

3.14.2 Defined benefit plan

The Holding Company operates unfunded gratuity schemes for all its eligible employees. Benefits under the scheme are vested to employees on completion of the prescribed qualifying period of service under the scheme. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurement of the net defined benefit liability, which comprises of actuarial gains and losses are recognised immediately in consolidated statement of comprehensive income. The Parent Company determines the net interest expense on the net defined liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined liability, taking into account any changes in the net defined benefit liability during the year as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the consolidated statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the consolidated statement of profit or loss. The Parent Company recognises gains or losses on the settlement of a defined benefit plan when the settlement occurs.

3.15 Accumulated employee compensated absences

The Holding Company provides for compensated absences for all eligible employees in the period in which these are earned. Provisions are made annually to cover the obligation for accumulating compensated absences and are charged to the consolidated statement of profit or loss.

3.16 Lease liabilities against right of use assets

Lease liabilities are initially measured at the present value of the lease payments discounted using the interest rate implicit in the lease. If the implicit rate cannot be readily determined, the Group's incremental borrowing rate is used. Subsequently these are increased by interest, reduced by lease payments and remeasured for lease modifications, if any.

Liabilities in respect of certain short term and low value leases are not recognised and payments against such leases are recognised as expense in consolidated statement of profit or loss.

3.17 Unclaimed dividend

The Group recognises unclaimed dividend which was declared and remained unclaimed by the shareholder from the date it was due and payable.

3.18 Provisions and contingencies

Provisions are recognised when the Group has present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

A contingent liability is disclosed when the Group 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 Group; or the Group 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.

3.19 Recognition of revenue from contracts with customers

Revenue from contracts with customers is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable and is recognised on following basis:

- Revenue is recognised at amounts that reflect the consideration that the Group expects to be entitled to in exchange for transferring goods or services to a customer.
- The Group recognises revenue when performance obligation is fulfilled, at a point in time, when control of goods have been transferred to a customer either on dispatch / acceptance of goods for local sales or issuance of the bill of lading in case of export sales. Control, depending on contractual terms, is considered to be transferred either when the product is directly uplifted by customer from the Group premises or when it is delivered by the Group at customer premises.
- Revenue from contracts with customers on services is recognised at the point in time when the performance obligation is satisfied i.e. control of the serviced goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled to in exchange for those serviced goods. These services include sanforisation and mercerisation of fabric.
- Export rebate (if any) on export sales is recognised on an accrual basis at the time of export sale.
- Processing charges are recorded when processed goods are delivered to customers.

3.20 Other income

Other income is recognised to the extent it is probable that economic benefit will flow to the Company and the amount can be measured reliably. Other income is measured at fair value of the consideration received or receivable and recognised on following basis:

- Profit on deposits with banks is recognised on time proportion basis taking into account the amount outstanding and rates applicable thereon.
- Dividend income is recognised when the Company's right to receive the payment is established.
- Interest on loans and advances to employees is recognised on the effective interest method.
- Income from sale of scrap is recorded on delivery of scrap to the customer.
- The grant is recognised in consolidated statement of profit or loss, in line with the recognition of interest expense that the grant is compensating, in accordance with IAS 20.
- Income from liabilities written back / provision are recorded when the chances of settlement of liability / provision is remote.
- Markup from Term Finance Certificates (TFCs) are accounted for as income using the effective interest method.
- Exchange gain from currency realisation and derivative financial instruments are described in note 3.1 and 3.10 of these consolidated financial statements.

3.21 Taxation

3.21.1 Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

The Group takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Group's views differ from the income tax department at the assessment stage and where the Group considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

3.21.2 Deferred tax

Deferred tax is recognised using the liability method on all temporary differences arising at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences and carried forward unused tax losses, and tax credits, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are measured at enacted tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

3.22 Levies

The tax charged under Income tax Ordinance, 2001 (ITO), which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income is classified as levies in the consolidated statement of profit or loss as these levies fall under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

3.22.1 **Revenue tax**

Revenue tax include levies as per IFRIC 21, minimum tax on imported goods and export sales under ITO. A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

- (a) those outflows of resources that are within the scope of other standards.
- (b) fines or other penalties that are imposed for breaches of the legislation.

3.22.2 **Final tax**

Final tax includes tax charged / withheld / paid on certain income streams under various provisions of ITO. Final tax is charged / computed under the ITO, without reference to income chargeable to tax at the general rate of tax and final tax computed / withheld or paid for a tax year is construed as final tax liability for the related stream of Income under the ITO.

3.23 **Earnings per share**

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

3.24 **Dividend and appropriation to reserves**

Final dividend distributions to the Group's shareholders are recognised as a liability in the consolidated financial statements in the period in which the dividends are approved by the Group's shareholders at the Annual General Meeting, while the interim dividend distributions are recognised in the period in which the dividends are declared by the Board of Directors (the Board). Appropriations of profit are reflected in the consolidated statement of changes in equity in the period in which such appropriations are approved.

3.25 **Segment reporting**

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relates to transactions with any of the Group's other components. An operating segment's results are reviewed regularly by the Chief Operating Decision Maker(s) i.e., Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segment, assess its performance and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly of finance cost, other operating cost, other income and income tax. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets. The detailed results of the reportable segments are disclosed in the note 38 to these consolidated financial statements.

4	PROPERTY, PLANT AND EQUIPMENT	Note	2025	2024
			----- (Rupees in '000) -----	
	Operating fixed assets	4.1	53,256,386	53,708,896
	Capital work in progress (CWIP)	4.2	2,122,881	633,051
	Advance against purchase of land		5,000	-
			55,384,267	54,341,947

	Leasehold land	Buildings and structures on leasehold land	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Total	
Note ----- (Rupees in '000) -----								
4.1	Operating fixed assets							
	As at July 01, 2023							
	Cost	9,543,110	18,733,368	43,844,658	572,001	1,999,350	783,041	75,475,528
	Accumulated depreciation	-	(6,581,024)	(14,986,458)	(174,463)	(876,050)	(552,282)	(23,170,277)
	Foreign currency translation	-	3,143	-	13,863	267	18,149	35,422
	Net book value as at July 01, 2023	9,543,110	12,155,487	28,858,200	411,401	1,123,567	248,908	52,340,673
	Movement during year ended June 30, 2024							
	Additions / transfers during the year	121,484	1,439,504	4,442,899	84,437	345,561	87,252	6,521,137
	Written off during the year	-	(70,069)	-	-	-	-	(70,069)
	Reclassification to CWIP	-	-	(18,832)	-	-	-	(18,832)
	Disposals during the year							
	Cost	-	(74,751)	(144,675)	(654)	(1,277)	(4,251)	(225,608)
	Depreciation	-	39,123	87,384	134	649	3,444	130,734
	Net book value	-	(35,628)	(57,291)	(520)	(628)	(807)	(94,874)
	Depreciation charge for the year	4.1.1	(1,475,532)	(3,146,312)	(51,850)	(226,335)	(67,305)	(4,967,334)
	Foreign currency translation	-	-	(111)	(596)	(17)	(1,081)	(1,805)
	Net book value as at June 30, 2024	9,664,594	12,013,762	30,078,553	442,872	1,242,148	266,967	53,708,896
	As at June 30, 2024							
	Cost	9,664,594	20,028,052	48,124,050	655,784	2,343,634	866,042	81,682,156
	Accumulated depreciation	-	(8,017,433)	(18,045,386)	(226,179)	(1,101,736)	(616,143)	(28,006,877)
	Foreign currency translation	-	3,143	(111)	13,267	250	17,068	33,617
	Net book value as at June 30, 2024	9,664,594	12,013,762	30,078,553	442,872	1,242,148	266,967	53,708,896
	Movement during year ended June 30, 2025							
	Additions / transfers during the year	-	743,196	3,180,668	91,914	676,160	46,674	4,738,612
	Adjustments during the year							
	Cost	-	3,956	97,640	(154)	(71,154)	(30,178)	110
	Depreciation	-	(1,964)	(15,901)	-	25,297	578	8,010
	Net book value	-	1,992	81,739	(154)	(45,857)	(29,600)	8,120
	Disposals during the year							
	Cost	-	(52,873)	(335,998)	(207)	(3,371)	(2,914)	(395,363)
	Depreciation	-	32,467	271,341	8	1,723	2,089	307,628
	Net book value	-	(20,406)	(64,657)	(199)	(1,648)	(825)	(87,735)
	Depreciation charge for the year	4.1.1	(1,446,346)	(3,274,532)	(57,706)	(280,662)	(55,322)	(5,114,568)
	Foreign currency translation	-	1,089	(6,663)	2,896	(1,473)	7,212	3,061
	Net book value as at June 30, 2025	9,664,594	11,293,287	29,995,108	479,623	1,588,668	235,106	53,256,386
	As at June 30, 2025							
	Cost	9,664,594	20,722,331	51,066,360	747,337	2,945,269	879,624	86,025,515
	Accumulated depreciation	-	(9,433,276)	(21,064,478)	(283,877)	(1,355,378)	(668,798)	(32,805,807)
	Foreign currency translation	-	4,232	(6,774)	16,163	(1,223)	24,280	36,678
	Net book value as at June 30, 2025	9,664,594	11,293,287	29,995,108	479,623	1,588,668	235,106	53,256,386
	----- (%) -----							
	Depreciation per annum	-	10 to 33	10 to 33	10 to 12	10 to 33	20	

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

	Note	2025 ----- (Rupees in '000) -----	2024 -----
Cost of goods manufactured	29.1	4,394,570	4,290,564
Selling and distribution cost	30	481,684	384,733
Administrative cost	31	238,314	292,037
		<u>5,114,568</u>	<u>4,967,334</u>

4.1.2 Details of operating assets sold

Particulars of assets	Cost	Written down value	Sale proceeds	Gain / (loss) on disposal	Mode of disposal	Particulars of buyer	Relationship with buyer
----- (Rupees in '000) -----							
Buildings and structures on leasehold land							
Structural Costs	22,525	7,661	170	(7,491)	Bidding	Jamaal	Third party
Structural Costs	2,940	2,201	313	(1,889)	Bidding	Salaam	Third party
Structural Costs	3,487	581	413	(168)	Bidding	Shahid	Third party
Civil, Electric and Allied Works	17,084	5,106	725	(4,381)	Bidding	Salaam	Third party
Plant and machinery							
Waukesha Gas Engine	37,809	2,454	1,139	(1,315)	Bidding	Ams Enterprise Plot # D-126 .Bawany Challi .Site Town, Karachi	Third party
Passenger Lift	6,283	6,283	3,077	(3,206)	Bidding	Awan Lift Company (Pvt) Ltd 11th Floor, Rimpa Plaza, M.A. Jinnah Road, Karachi	Third party
Machine Paper Transfer Printing	2,883	1,129	1,000	(129)	Bidding	Badar Processing Industries D-256, 273, Site, Karachi Pakistan	Third party
Waukesha Gas Engine	43,177	2,852	3,000	148	Bidding	R.A Engineering & Services 2nd Floor ,plot no-18,sector- 47,korangi creek industrial area, Karachi	Third party
Air Jet Looms Tsudakoma	191,708	49,019	14,294	(34,725)	Bidding	Valitex (Pvt) Ltd. A/36-A, Mangopir Road, Site Karachi, Karachi West Site Town	Third party
Items with written down value below Rs. 500,000	67,467	10,449	11,333	884	Bidding	Various	
As on June 30, 2025	395,363	87,735	35,463	(52,272)			
As on June 30, 2024	225,608	94,874	37,515	(57,359)			

4.1.3 Geographical locations and addresses of all immoveable properties owned by the Company are as follows:

Area	Address
25.07 Acres	Plot No. HT-4, Landhi Industrial Area, Landhi, Karachi.
14.9 Acres	Survey No. 82, Deh Landhi, Karachi.
18.56 Acres	Plot No. H-7, Landhi Industrial Area, Landhi, Karachi.
44.04 Acres	P.U. No. 48, 49, 50, & 51, Deh Khjanto Tapo Landhi, Karachi.
4.17 Acres	Plot No. H-19, Landhi Industrial Area, Landhi, Karachi.
4,023.16 Sq. yards	Plot No. H-19/1, Landhi Industrial Area, Landhi, Karachi.
6.83 Acres	Plot 368, 369 & 446, Deh Landhi, Karachi.
12 Acres	Plot - HT 3/A, Landhi, Karachi.
51.1 Acres	Plot No. H-5 and HT-6, Landhi Industrial Area, Karachi.
1.997 Acres	Plot No. 65/I, Deh Dig, Sector-30, Korangi Industrial Area (Eastern), Karachi.
0.306 Acres	24/A, Block C/3, Gulberg-III, Lahore.
0.082 Acres	Shop No. 5 & 6, Bahadurabad, Karachi.

Manufacturing facilities, warehouses, ancillary construction, administrative offices etc, are constructed on each of the above mentioned land.

4.2 Capital Work in progress (CWIP)	Note	2025	2024
		----- (Rupees in '000) -----	
Plant and machinery		1,462,781	536,930
Buildings and structures on leasehold land		532,099	81,063
Others		128,001	15,058
	4.2.1	2,122,881	633,051
4.2.1 The movement in CWIP is as follows:			
Opening balance		633,051	2,409,507
Capital expenditure incurred during the year			
Plant and machinery	4.2.2	4,086,588	3,309,671
Buildings and structures on leasehold land		1,194,232	841,594
Others		948,412	559,475
		6,229,232	4,710,740
Transfers to operating fixed assets during the year			
Plant and machinery		(3,160,737)	(4,433,375)
Buildings and structures on leasehold land		(743,196)	(1,439,504)
Others		(835,469)	(633,149)
		(4,739,402)	(6,506,028)
Reclassification from operating fixed assets	4.1	-	18,832
Closing balance		2,122,881	633,051

4.2.2 This includes borrowing cost capitalised during the construction period amounting to Rs. 123 million (June 30, 2024: Rs. 480 million). The effective rate of borrowing cost capitalised during the year was 15.98% (June 30, 2024: 18.60%) per annum.

4.3	The cost of fully depreciated operating fixed assets still in use:	2025	2024
		----- (Rupees in '000) -----	
	Buildings and structures on leasehold land	168,880	168,880
	Office equipment	156,389	133,618
	Plant and machinery	506,814	506,814
	Vehicles	2,919	2,919
		835,002	812,231

- 4.4** Plant and machinery, land and buildings are subject to first pari passu charge and a equitable mortgage amounting to Rs. 43,154 million as on June 30, 2025 (June 30, 2024: Rs. 38,574 million). These charges are against different financing facilities obtained from various banks as disclosed in note 18 of these consolidated financial statements.

5 RIGHT OF USE ASSETS

The carrying amounts of right of use assets recognised in respect of rented premises and movement there in during the year is as follows:

	Note	2025 ------(Rupees in '000)-----	2024
Opening balance		2,818,151	2,860,182
Assets recognised during the year		2,356,426	528,589
Adjustments during the year		66,796	135,921
Depreciation expense			
- Charged to cost of goods manufactured	29.1	(14,463)	(22,451)
- Charged to selling and distribution cost	30	(946,012)	(629,673)
- Charged to administrative cost	31	(33,253)	(54,126)
		(993,728)	(706,250)
Foreign currency translation		189	(291)
Net book value		4,247,834	2,818,151

6 INTANGIBLE ASSETS

	Computer Software	Trade Marks	Goodwill	Total
Note ----- (Rupees in '000) -----				
At July 01, 2023				
Cost	143,979	162,768	15,405	322,152
Write-off	-	-	(15,405)	(15,405)
Accumulated amortisation	(88,207)	(79,589)	-	(167,796)
Foreign currency translation	1,233	57,708	-	58,941
Net book value as at July 01, 2023	57,005	140,887	-	197,892
Movement during the year ended June 30, 2024				
Additions - cost	28,535	-	-	28,535
Amortisation charge for the year	(26,940)	(11,574)	-	(38,514)
Foreign currency translation	(43)	(5,012)	-	(5,055)
Net book value as at June 30, 2024	58,557	124,301	-	182,858
At June 30, 2024				
Cost	172,514	162,768	15,405	350,687
Accumulated amortisation and write-off	(115,147)	(91,163)	(15,405)	(221,715)
Foreign currency translation	1,190	52,696	-	53,886
Net book value as at July 01, 2024	58,557	124,301	-	182,858
Movement during the year ended June 30, 2025				
Additions - cost	18,477	-	-	18,477
Amortisation charge for the year	(21,882)	(10,596)	-	(32,478)
Foreign currency translation	3	12,346	-	12,349
Net book value as at June 30, 2025	55,155	126,051	-	181,206
Gross carrying value				
Cost	190,991	162,768	15,405	369,164
Accumulated amortisation	(137,029)	(101,759)	(15,405)	(254,193)
Foreign currency translation	1,193	65,042	-	66,235
Net book value as at June 30, 2025	55,155	126,051	-	181,206
----- (%) -----				
Amortisation rate per annum	20 to 50	10 to 50	20	

6.1 The amortisation charge on intangible assets has been allocated as follows:

	Note	2025 ----- (Rupees in '000) -----	2024
Cost of goods manufactured	29.1	3,241	1,793
Selling and distribution cost	30	2,082	1,727
Administrative cost	31	27,155	34,994
		32,478	38,514

6.2 The cost of fully amortised intangible assets still in use are as follows:

Software	181,274	101,562
----------	----------------	---------

		2025	2024
	Note	----- (Rupees in '000) -----	
7 LONG TERM INVESTMENT			
Investment in Term Finance Certificate (TFC) - at amortised cost	7.1	70,000	70,000

7.1 This represents Rs. 70 million (June 30, 2024: Rs. 70 million) invested in perpetual TFC issued by Habib Bank Limited, which carries profit at the rate of 3Month KIBOR + 1.6% receivable on quarterly basis.

		2025	2024
	Note	----- (Rupees in '000) -----	
8 LONG TERM LOANS			
Considered good			
- Due from executives		134,508	87,256
- Due from non-executives		9,227	3,828
	8.2	143,735	91,084
Current portion			
- Due from executives		(113,894)	(69,871)
- Due from non-executives		(8,354)	(3,274)
	13	(122,248)	(73,145)
		21,487	17,939

8.1 Loans and advances have been given for the purchase of cars and housing assistance in accordance with the terms of employment and are repayable in monthly installments. These loans are secured to the extent of outstanding balance of retirement benefit or guarantee by two employees. The loan tenor extends maximum upto 24 months.

Included in these are loans of Rs. 110.63 million (June 30, 2024: Rs. 48 million) to executives and Rs. 7.9 million (June 30, 2024 : Rs. 3 million) to non-executive which carry no mark-up. The loans amounting to Rs. 17.98 million (June 30, 2024: 39.2 million) to executives and Rs. 1.3 million to non-executives (June 30, 2024: Rs. 0.8 million) carry mark-up at rates ranging from 12.08% to 20.14% (2024: 6.5% to 22.9%) per annum.

8.2 The maximum aggregate amount due from executives at the end of any month during the year was Rs. 129 million (June 30, 2024: Rs. 87.2 million).

		2025	2024
	Note	----- (Rupees in '000) -----	
9 DEFERRED TAXATION - NET			
Deferred tax asset of direct and indirect subsidiaries	9.1	1,004,141	1,115,326
9.1 Deferred tax asset of direct and indirect subsidiary companies			
The breakup of the balance is as follows:			
Deductible temporary differences in respect of;			
Accelerated tax depreciation allowance		158,481	364,490
Provisions		50,427	32,978
Excess of lease liabilities over carrying value of right of use assets		479,867	358,940
Minimum tax carried forward		315,366	358,918
		1,004,141	1,115,326

9.1.1 Deferred tax has been computed using effective rate of 39% consequent to levy of super tax at 10% on the taxable income.

		30 June 2025	30 June 2024
	Note	------(Rupees in '000)-----	
10 STORE, SPARES AND LOOSE TOOLS			
Stores and spares		2,953,496	2,866,890
Stores-in-transit		5,535	13,296
		2,959,031	2,880,186
Provision for slow moving / obsolete items	10.1	(102,710)	(152,825)
		2,856,321	2,727,361
10.1 Movement in provision for slow moving / obsolete items			
Opening balance		152,825	302,702
Reversal of provision for the year - Cost of goods manufactured	29.1	(51,249)	(148,345)
Foreign currency translation		1,134	(1,532)
Closing balance		102,710	152,825
11 STOCK-IN-TRADE			
Raw material			
- In hand	29.1	40,054,692	31,297,840
- In transit		682,520	1,495,563
Work-in-process	29.2	12,166,591	9,921,938
Finished goods	29	20,046,894	14,867,005
		72,950,697	57,582,346
Provision for slow moving - stock-in-trade / obsolete items	11.1	(49,204)	(223,440)
		72,901,493	57,358,906
11.1 Movement in provision for slow moving			
Opening balance		223,440	236,395
Reversal of provision for the year	29.1	(174,464)	(12,028)
Foreign currency translation		228	(927)
Closing balance		49,204	223,440
11.2			
The stock includes inventory held with third party amounting to Rs. 6,168 million (June 30, 2024: Rs. 8,126 million).			
		2025	2024
	Note	------(Rupees in '000)-----	
12 TRADE DEBTS			
Secured			
Export debtors		4,912,822	4,378,812
Local debtors		1,279,820	1,216,345
	12.2	6,192,642	5,595,157
Unsecured			
Export debtors		3,231,152	5,743,154
Local debtors		12,267,506	9,610,205
		15,498,658	15,353,359
Expected credit loss	12.1	(170,695)	(229,471)
		21,520,605	20,719,045

		2025	2024
	Note	------(Rupees in '000)-----	
12.1	Movement in expected credit loss against doubtful trade debts		
		229,471	457,152
		(58,900)	(226,929)
		124	(752)
		<u>170,695</u>	<u>229,471</u>

12.2 Trade debts under irrevocable letter of credit, document acceptance, and other acceptable banking instruments are considered secured.

12.3 This includes receivables provided to bank under bill discounting arrangement with full recourse amounting to Rs. 1,639 million (June 30, 2024: Rs. 4,598 million).

		2025	2024
	Note	------(Rupees in '000)-----	
13	LOANS, ADVANCES AND OTHER RECEIVABLES		
	Loans and advances		
	Advances to suppliers	3,535,776	1,656,835
	Current portion of loans to employees	122,248	73,145
	Others	451,726	1,134,981
		<u>4,109,750</u>	<u>2,864,961</u>
	Other Receivables		
	Letter of Credit and Bank Guarantee Margin	1,322,051	650,183
	Deposits	49,183	28,082
	Forward Contracts	-	332,315
	Accrued markup on Term Deposit Receipts (TDRs)	24,299	-
	Others	159,601	471,488
		<u>1,555,134</u>	<u>1,482,068</u>
		<u>5,664,884</u>	<u>4,347,029</u>

13.1 This include an interest bearing unsecured loan amounting to Rs. 438 million (June 30, 2024: Nil) to a business associate with a interest rate of 10% per annum, and repayable within the next 12 months. During the year, the Group has recorded an ECL provision amounting to Rs. 38.79 million (June 30, 2025: Nil) on above loan.

13.2 These include Term Deposit Receipts (TDRs) of Soneri Bank Limited amounting to Rs. 979 million. (June 30, 2024: Rs. 550 million) placed against bank guarantee margin. The guarantee margin carries mark up at the rate of 10% to 11% (June 30, 2024: 14.35% to 19.75%) per annum.

13.3 This includes balance receivable from Hub Liquid Terminal (Private) Limited, a related party amounting to Rs. 9.13 million (June 30, 2024: Nil).

13.4 Sky Home Corp has factoring agreement with CIT group Inc. and by virtue of this agreement the Company assigns all of its trade receivables to factoring agent. At the year end, the balance outstanding with the factoring agent amounts to Rs. 113 million (2024: Rs. 32 million).

All its assigned receivables for which the credit limit is approved by the factoring agent, either on credit limit basis or order to order basis, are without recourse.

However, receivables which are either not assigned or credit limit is not approved and; receivables from related parties are not covered under the factoring agreement and the; credit risk lies with the company itself.

		2025	2024
	Note	------(Rupees in '000)-----	
14	RECEIVABLES FROM GOVERNMENT		
	Sales tax refund	1,440,638	766,289
	Income tax refund	2,417,771	428,713
	Duty drawback and rebate	1,871,167	2,298,967
		5,729,576	3,493,969
15	CASH AND BANK BALANCES		
	Cash in hand		
	- Local currency	93,291	186,919
	- Foreign currency	5,376	1,270
		98,667	188,189
	Balances with banks in current accounts		
	- Local currency	216,594	424,685
	- Foreign currency	244,196	468,894
		460,790	893,579
		559,457	1,081,768

15.1 This includes an amount of Rs. 17.93 million (June 30, 2024: Rs. 205.26 million) held by Shariah compliant banks.

15.2 This includes balances held with related parties (associated banks due to common directorships) amounting to Rs. 72.66 million (June 30, 2024: Rs. 5.70 million).

16 SHARE CAPITAL

	2025	2024		2025	2024
	(Number of shares)			------(Rupees in '000)-----	
16.1			Authorized capital		
	5,000,000,000	5,000,000,000	Ordinary shares of Rs.10 each	50,000,000	50,000,000
16.2			Issued, subscribed and paid-up capital		
	192,161,738	192,161,738	Ordinary shares of Rs.10 each allotted for consideration paid in cash	1,921,617	1,921,617
	108,809,985	108,809,985	Ordinary shares of Rs.10 each allotted as fully paid shares under scheme of arrangement for amalgamation (note 17.1)	1,088,100	1,088,100
	439,087,735	439,087,735	Ordinary shares of Rs.10 each allotted as fully paid bonus shares	4,390,877	4,390,877
	740,059,458	740,059,458		7,400,594	7,400,594

16.2.1 As at June 30, 2025, Gul Ahmed Holdings (Private) Limited, the ultimate holding company of the Group, held 413,383,760 (June 30, 2024: 413,383,760) ordinary shares of Rs. 10 each, constituting 55.86% (June 30, 2024: 55.86%) of total paid-up capital of the holding company. Number of shares held by the associated companies and undertakings, other than holding company, aggregated to 99,476,824 (June 30, 2024: 99,476,824) ordinary shares of Rs. 10 each.

16.2.2 As per the Honourable Sindh High Court's order, the Group has held 3,471,541 (June 30, 2024: 3,471,541) out of the total bonus shares issued for the year 2015, 2019 and 2021 to Gul Ahmed Holdings (Private) Limited, an associated company and other parties respectively, as these shareholders are part of the suit filed against the tax on bonus shares imposed through Finance Act, 2014.

16.2.3 All these fully paid ordinary shares carry one vote per share and equal right to dividend.

17 RESERVES	Note	2025 ----- (Rupees in '000) -----	2024
Capital reserves			
Amalgamation reserve	17.1	8,252,059	8,252,059
Statutory reserve	17.2	24,093	20,845
Against long term investments, capacity expansion and BMR	17.3	23,000,000	23,000,000
Foreign currency translation reserve	17.4	(321,067)	(302,206)
		30,955,085	30,970,698
Revenue reserve			
Unappropriated profit		13,484,518	8,956,407
		44,439,603	39,927,105

17.1 This represents reserves created under the Scheme of Arrangement dated May 05, 2021 involving the holding company, Ideas (Private) Limited, Worldwide Developers (Private) Limited, Grand Industries (Private) Limited and Ghafooria Industries (Private) Limited which has been sanctioned by honourable High Court of Sindh through order dated October 29, 2021.

17.2 As required by Emiri decree No. 2 of 1995, issued by the Ruler of Sharjah, and the Article of Association of Gul Ahmed International (FZC), 10% of the profit for the year has to be transferred to legal reserve until it is equivalent to 50% of paid-up capital. This reserve is not available for distribution.

17.3 The Board of the Holding Company, in its meeting held on September 25, 2023, approved the creation of a reserve, for the purpose of long term investments, Business Modernisation and capacity expansion, by transferring an amount of Rs. 23 billion from unappropriated profit to this reserve. Based on this decision, the reserves against long-term investments, capacity expansions and BMR amounting to Rs. 23 billion have been separately disclosed as capital reserve not available for distribution in these consolidated financial statements.

17.4 The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the consolidated financial statements of foreign operations.

18 LONG TERM FINANCING	Note	2025 ----- (Rupees in '000) -----	2024
Secured			
From Banking Companies	18.1	16,662,456	10,983,212
From Non-Banking Financial Institutions	18.2	2,826,322	3,562,997
Financing under Temporary Economic Refinance Scheme Facility - net of Government Grant	18.3	2,781,877	3,279,314
		22,270,655	17,825,523
Current portion shown under current liabilities	25	(3,878,180)	(3,233,936)
	18.10	18,392,475	14,591,587

Particulars	Note	Number of installments	Maximum Maturity Date	Aggregate Installment amount	Mark-up/profit rate per annum	2025	2024
- (Rupees in '000) -						------(Rupees in '000)-----	
18.1 Banking Companies - Secured							
Islamic Holding company							
Dubai Islamic Bank Under LTL scheme	18.5, 18.8 & 18.9	24 and 36 quarterly	May 06, 2032	173,079	Three months KIBOR ask rate + 0.3% payable quarterly	4,700,000	-
Faysal Bank Limited Under ILTFF scheme - Diminishing Musharaka	18.5, 18.7 & 18.9	32 quarterly	November 01, 2030	28,128	2.75% - 3.9% p.a. payable quarterly	485,178	645,711
Meezan Bank Limited Under LTL and ILTFF scheme - Diminishing Musharaka	18.6, 18.8 & 18.9	32 quarterly	September 13, 2032	91,054	3.5% - 5.5% p.a. payable quarterly	2,174,863	2,529,595
Subsidiary company							
Meezan Bank Limited Under Diminishing Musharaka	18.11	12 monthly (after 1 year grace period)	December 31, 2026	125,000	One month KIBOR ask rate + 0.05% payable monthly	1,500,000	-
Bank Al-Falah Limited Under Diminishing Musharaka	18.11	4 quarterly	April 30, 2027	375,000	Three months KIBOR ask rate + 0.25% payable quarterly	1,500,000	-
Conventional							
Askari Bank Limited Under LTFF scheme	18.5, 18.8 & 18.12	20 and 32 quarterly	August 12, 2027	25,163	2.75% - 3.5% p.a. payable quarterly	453,209	553,368
Bank Al-Habib Limited Under LTFF scheme	18.7	16 half yearly	October 22, 2027	13,519	2.75% p.a. payable half yearly	81,109	108,147
Bank Al-Falah Limited Under LTFF and LTL scheme	18.4 & 18.8	16 half yearly	December 26, 2032	58,964	3% - 5.5% p.a. payable half yearly	550,482	668,409
The Bank of Khyber Under LTL scheme	18.4	32 quarterly	August 17, 2032	15,625	5.5% - 8.5% p.a. payable quarterly	437,500	500,000
The Bank of Punjab Under LTFF scheme	18.4 & 18.8	28 quarterly	December 2, 2030	71,429	3% p.a. payable quarterly	682,394	967,990
Habib Bank Limited Under LTL and LTFF scheme	18.6 & 18.7	32, 36 and 39 quarterly	August 09, 2032	50,655	2.80% - 3.25% p.a. payable half yearly and quarterly	966,207	1,163,250
MCB Bank Limited Under LTL scheme	18.6 & 18.8	32 quarterly	February 23, 2031	9,596	4.00% p.a. payable half yearly and quarterly	201,637	240,179
National Bank of Pakistan Under LTFF scheme	18.4, 18.5, 18.6 & 18.8	20 and 32 quarterly	May 26, 2030	85,313	2.75% - 2.80% p.a. payable half yearly and quarterly	1,358,119	1,674,467
Soneri Bank Limited Under LTFF scheme	18.4 & 18.8	16 half yearly and 32 quarterly	April 14, 2032	40,395	3.50% - 5.0% p.a. payable half yearly and quarterly	743,684	876,346
United Bank Limited Under LTFF scheme	18.5 & 18.8	16 half yearly	March 21, 2032	64,452	2.75% - 6.25% p.a. payable half yearly and quarterly	754,021	912,670
Samba Bank Limited Under LTFF scheme	18.4, 18.8 & 18.12	10 and 16 half yearly	December 27, 2028	35,501	3% p.a. payable half yearly	74,053	143,080
						16,662,456	10,983,212
18.2 Non-Banking Financial Institutions - Secured							
Pair Investment Company Limited Under LTFF scheme	18.4, 18.6 & 18.8	12 and 16 half yearly	October 15, 2029	65,392	3.0% - 3.5% p.a. payable half yearly	311,699	419,341
Pak Kuwait Investment Pvt. Limited Under LTFF scheme	18.4, 18.5 & 18.8	32 quarterly	September 25, 2032	62,189	3.0% - 8.5% p.a. payable quarterly	960,562	1,211,540
Pak China Investment Pvt. Limited Under LTFF scheme	18.4, 18.5 & 18.8	32 quarterly	November 22, 2031	44,763	3.35% - 5.35% p.a. payable quarterly	1,079,118	1,261,065
Pak Brunei Investment Company Limited Under LTFF scheme	18.4, 18.5 & 18.8	16 half yearly	July 28, 2027	36,524	2.5% p.a. payable quarterly	159,472	232,684
Pak Oman Investment Company Limited Under LTFF scheme	18.5 & 18.8	32 quarterly	September 13, 2027	30,724	2.75% p.a. payable quarterly	315,471	438,367
						2,826,322	3,562,997

18.3 Financing under Temporary Economic Refinance Scheme Facility - net of Government Grant							
Habib Bank Limited	18.5 & 18.8	16 half yearly	September 23, 2030	59,375	2.25 % p.a. payable half yearly	637,854	750,163
MCB Bank Limited	18.6 & 18.8	32 quarterly	February 23, 2031	13,841	3.00% p.a. payable quarterly	296,868	349,236
MCB Islamic Bank Limited	18.6 & 18.8	32 quarterly	January 19, 2031	9,375	2.50% p.a. payable quarterly	201,416	236,889
Bank of Punjab	18.4 ,18.5 & 18.8	32 quarterly	December 02, 2030	31,250	2.0 % p.a. payable quarterly	727,587	863,939
Pak Kuwait Investment (Private) Limited	18.4 ,18.5 & 18.8	32 quarterly	September 25, 2032	9,464	2.5% p.a. payable quarterly	187,579	223,491
Pak China Investment (Private) Limited	18.4 ,18.5 & 18.8	32 quarterly	November 22, 2031	17,738	2.50% p.a. payable quarterly	386,414	453,453
Saudi Pak Industrial And Agricultural Investment Company Limited	18.4 ,18.5 & 18.8	32 quarterly	April 27, 2031	15,357	2.50% p.a. payable quarterly	344,159	402,143
						2,781,877	3,279,314

18.4 These loans are secured by first pari passu charge over present and future operating fixed assets of the Holding Company.

18.5 These loans are secured by charge over specified machinery.

18.6 These loans are secured by first pari passu charge over present and future operating fixed assets of the Holding Company and equitable mortgage over land and building.

18.7 These loans are secured by charge over specified machinery of the Group and equitable mortgage over land and building.

18.8 The financing availed under the facility is repayable within a maximum period of ten years including maximum grace period of two years from the date when financing was availed.

18.9 These loans are obtained under Shariah compliant arrangements.

18.10 Loans are subject to compliance of certain covenants including Debt Service Coverage ratio, Current ratio, Debt to Equity ratio, Interest Cover, Maximum Gearing, Debt to EBITDA, Debt to Sales and are secured against the charge over assets of the Group.

18.11 Loans are secured by first equitable mortgage charge over the subsidiary company's property.

18.12 These represent financing obtained from related parties (associated banks due to common directorships) of the Group.

19	LEASE LIABILITY AGAINST RIGHT OF USE ASSETS	Note	2025	2024
			------(Rupees in '000)-----	
	Opening balance		3,738,012	3,601,520
	Additions during the year		2,356,426	528,589
	Interest expense	34	747,487	507,171
	Adjustment during the year		113,726	145,823
	Payments during the year		(1,477,737)	(1,044,823)
	Foreign currency translation		177	(268)
	Closing balance		5,478,091	3,738,012
	Current portion shown under current liabilities	25	1,094,691	548,173
	Non-current portion		4,383,400	3,189,839
	Closing balance		5,478,091	3,738,012

19.1 Maturity profile of minimum lease payments

Less than one year
Between one and five years
More than five years

2025		
Minimum lease payments	Interest	Present value of minimum lease payments
(Rupees in '000)		
1,826,863	(732,172)	1,094,691
4,791,033	(581,176)	4,209,857
1,207,514	(1,033,971)	173,543
7,825,410	(2,347,319)	5,478,091

Less than one year
Between one and five years
More than five years

2024		
Minimum lease payments	Interest	Present value of minimum lease payments
(Rupees in '000)		
1,004,616	(456,443)	548,173
3,852,324	(1,222,390)	2,629,934
944,132	(384,227)	559,905
5,801,072	(2,063,060)	3,738,012

20 DEFERRED INCOME - GOVERNMENT GRANT

Opening balance
Amortised during the year

Current portion shown under current liabilities
Closing balance

Note	2025	2024
	(Rupees in '000)	
	102,906	134,994
33	(28,251)	(32,088)
	74,655	102,906
25	(24,035)	(28,251)
	50,620	74,655

20.1 This represent government grant recognised on the concessionary refinance facility introduced by State Bank of Pakistan under a Temporary Economic Refinance Facility (TERF) for setting up of new industrial units and for undertaking Balancing, Modernisation and Replacement and / or expansion of projects / businesses. These have been accounted for as per the guidance issued by the Institute of Chartered Accountant of Pakistan (ICAP) in respect of these loans.

		2025	2024
		------(Rupees in '000)-----	
21	DEFINED BENEFIT PLAN - STAFF GRATUITY		
	Note		
21.1	Reconciliation of the present value of defined benefit obligation and movement in net defined benefit liability		
	Opening balance	528,898	337,549
	Charge	268,770	236,932
	Remeasurement (gain) / loss	(76,940)	41,421
	Benefits paid	(245,621)	(83,420)
	Benefits due but not paid	-	(3,406)
	Foreign currency translation	160	(178)
	Closing balance	475,267	528,898
21.2	Charge for the year recognised in consolidated statement of profit or loss		
	Current service cost	205,666	191,611
	Mark-up cost	59,077	46,588
		264,743	238,199
	Charge / (reversal) in respect of obligation of the subsidiary company	4,027	(1,267)
		268,770	236,932
21.3	Remeasurement gain charged in consolidated statement of comprehensive income		
	Actuarial (gain) / losses from changes in financial assumptions	(1,683)	20,441
	Experience adjustments	(75,257)	20,980
		(76,940)	41,421

21.4 Significant actuarial assumptions used

Following significant actuarial assumptions were used for the valuation by an independent valuer that is "Nauman Associates":

	2025	2024
Discount rate used for year end obligation	11.75%	14.75%
Rate used for markup cost	14.75%	16.25%
Expected increase in salary	10.00%	20.00%
Mortality rates	SLIC 2001-2005	SLIC 2001-2005
Withdrawal rates	Set back 1 Year Age-Based	Set back 1 Year Age-Based
Retirement assumption	Age 60	Age 60

The discount rate used in the last actuarial valuation as on June 30, 2024 was 14.75% per annum. However, in the current investment environment, where there is a downward trend in the interest rate structure, the discount rate has been decreased to 11.75% per annum, in line with the specifications of the IAS-19.

Correspondingly, due to decrease in inflationary expectations, the rate of increase in eligible salary has been decreased to 10.75% from 13.75% per annum.

21.5 Associated risks

(a) Final Salary risk (Linked to inflation risk)

The risk that the final salary at the time of cessation of service is greater than what has been 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.

(b) Demographic risk

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.

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 beneficiaries.

21.6 General description

The scheme provides retirement benefits to all its eligible employees of the Holding Company who are not part of the provident fund scheme and who have completed the minimum qualifying period of service. Actuarial valuation of the scheme is carried out periodically and latest actuarial valuation was carried out at June 30, 2025. The disclosure is based on information included in that actuarial report. The gratuity is measured on last drawn salary multiplied by number of years of service.

21.7 Sensitivity analysis

Reasonable possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant (± 100 bps), would have affected the defined benefit obligation:

	2025	2024
	------(Rupees in '000)-----	
Discount Rate + 100 bps	6,502	7,098
Discount Rate - 100 bps	(6,754)	(7,366)
Salary increase + 100 bps	(6,503)	(7,185)
Salary increase - 100 bps	6,371	7,044

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide approximation of the sensitivity of the assumptions shown.

21.8 Maturity profile

Maturity profile on defined benefit obligation as presented by actuary in the report;

	2025	2024
	------(Rupees in '000)-----	
FY 2025	N/A	321,496
FY 2026	278,916	258,322
FY 2027	215,999	178,930
FY 2028	146,144	123,968
FY 2029	98,818	86,754
FY 2030	67,340	61,650
FY 2031	47,396	45,036
FY 2032	32,144	31,222
FY 2033	23,215	23,818
FY 2034	16,462	17,535
FY 2035	11,642	50,061
FY 2036 onwards	30,986	N/A

The average duration of the defined benefit obligation is 1 year.

21.9 Estimated expenses to be charged to consolidated statement of profit or loss in financial year 2026:

Current service cost	191,624
Mark up on defined benefit obligation	38,390
	230,014

	Note	2025 ------(Rupees in '000)-----	2024
22 TRADE AND OTHER PAYABLES			
Creditors		16,511,384	14,773,722
Accrued expenses		7,812,355	6,809,442
Gas infrastructure development cess payable	22.1	3,686,367	3,686,367
Payable to bank under bill discounting arrangement		2,111,194	7,149,819
Advance from customers		691,091	831,454
Workers' profit participation fund	22.2	331,048	391,652
Workers' welfare fund	22.3	143,045	129,235
Taxes withheld		164,939	151,588
Payable to employees' provident fund trust		47,732	69,600
Liability under forward cover		64,902	-
Due to related parties	22.4	53,086	95,157
Others	22.5 & 22.6	226,119	233,839
		31,843,262	34,321,875

22.1 This represents Gas Infrastructure Development Cess (GIDC) that was levied through GIDC Act, 2015 (refer note 27.4).

	Note	2025 ------(Rupees in '000)-----	2024
22.2 Workers' profit participation fund			
<u>Movement of balance during the year:</u>			
Opening balance		391,652	342,711
Allocation	32	331,048	361,927
Markup		22,867	8,908
		745,567	713,546
Payments		(414,519)	(321,894)
Closing balance		331,048	391,652

22.3 Workers' welfare fund

<u>Movement of balance during the year:</u>			
Opening balance		129,235	122,667
Allocation	32	143,045	129,236
		272,280	251,903
Payments		(129,235)	(122,668)
Closing balance		143,045	129,235

22.4 Due to related parties	Note	2025 ----- (Rupees in '000) -----	2024
Win Star (Private) Limited		26,022	19,211
Swisstex Chemicals (Private) Limited		398	49,508
Grand Industries (Private) Limited		4,617	4,389
TPL Properties Limited		22,049	22,049
		53,086	95,157

22.5 This includes withheld taxes payable of Rs. 65.217 million (2024: Rs. 95,186 million) and Rs 54.266 million (2024: Rs. 39.286 million) in respect of unutilised gift cards.

22.6 This includes amount of Rs. 84.055 million on account of credits erroneously made by payment gateway.

23 ACCRUED MARK-UP / PROFIT	Note	2025 ----- (Rupees in '000) -----	2024
Long term financing		192,314	192,003
Short term borrowings		694,476	1,211,748
	23.1 & 23.2	886,790	1,403,751

23.1 This includes accrued markup / profit of Rs. 132.8 million and Rs. 161.0 million (June 30, 2024: Rs. 81.1 million and Rs. 358.7 million) accrued in long term financing and short term borrowings respectively under Shariah Compliant arrangements.

23.2 This includes accrued markup pertaining to related parties (associated banks due to common directorships) amounting to Rs. 4 million and Rs. 82 million in respect of long term financing and short term borrowings respectively (June 30, 2024: Rs. 5 million and Rs. 257 million).

24 SHORT TERM BORROWINGS	Note	2025 ----- (Rupees in '000) -----	2024
Local currency			
Running finance		5,593,672	5,286,695
Export refinance scheme		22,161,400	20,761,400
Other short term finances		4,204,545	3,868,906
		31,959,617	29,917,001
Foreign currency			
Export facilitation scheme		8,819,749	9,542,784
Foreign currency export finance		13,884,170	2,785,867
Foreign currency import finance		783,043	-
Running finance		635,478	248,676
		24,122,440	12,577,327
	24.1 to 24.5	56,082,057	42,494,328

24.1 This includes Istisna Financing (Shariah Compliant) amounting to Rs. 14,844 million (June 30, 2024: Rs. 9,949 million) in local currency. This also includes Running Musharika (Shariah Compliant) amounting to Rs. 1,750 million (June 30, 2024: Nil).

- 24.2** Short term borrowings are secured by pari passu hypothecation charge over stores and spares, stock-in-trade, trade debts and other receivables. Unavailed facility at the year end was Rs. 16,753 million (June 30, 2024: Rs. 4,734 million).
- 24.3** This includes revolving short term borrowing amounting to Rs. 203 million @ 9.5% (June 30, 2024: Rs. 73 million @ 9.5%) obtained by Sky Home Corp from Habib American Bank. This is secured against corporate guarantee of the Holding Company, personal guarantee of a director, promissory note of USD 900,000 in favour of the bank and charge over current assets of respective subsidiary. Revolving loans against factored receivables of Sky Home Corporation use for payment of import bills, purchases and to meet other operating expenses. Payment of principal and interest on realisation of receivables.
- 24.4** Local currency borrowings markup ranges from 8% to 12.5% (June 30, 2024: 18% to 25%) per annum payable quarterly, whereas, foreign currency borrowings markup range from 2.5% to 5% (June 30, 2024: 2.5% to 6%) per annum.
- 24.5** These include balances pertaining to related parties (associated banks due to common directorships) amounting to Rs. 8,796 million (June 30, 2024: Rs. 14,579 million).

	Note	2025 ------(Rupees in '000)-----	2024
25	CURRENT PORTION OF NON-CURRENT LIABILITIES		
Current portion of:			
Long term financing - secured	18	3,878,180	3,233,936
Lease liability against right of use asset	19	1,094,691	548,173
Deferred income - government grant	20	24,035	28,251
		<u>4,996,906</u>	<u>3,810,360</u>

	Note	2025 ------(Rupees in '000)-----	2024
26	UNPAID DIVIDEND		
26.1	26.1	23,505	23,505
This represents amount held by the Group pertaining to the Petitioners of the suit filed in the Honourable High Court of Sindh against the tax on bonus shares imposed through Finance Act 2014. The amount includes Rs. 18 million and Rs. 0.8 million (June 30, 2024: Rs. 18 million and Rs. 0.8 million) of Gul Ahmed Holdings (Private) Limited and an associated company respectively.			

27 CONTINGENCIES AND COMMITMENTS

Gul Ahmed Textile Mills Limited - Holding Company

- 27.1** The Holding Company owns and possesses a plot of land measuring 44.04 acres in Deh Khanto which is duly registered in its name and appearing in the books at a cost of Rs. 83.86 million (June 30, 2024: Rs. 83.86 million). Ownership of the land has been challenged in the Honourable Sindh High Court by Messrs. Karim Bux, Iqbal Rasheed and Mansoor Munawar who claim to be the owners, as this land was previously sold to them and subsequently resold to the Holding Company. The legal consultant of the Holding Company is of the view that the Holding Company has a reasonable case and is expecting favourable outcome, therefore no provision has been made there against. In respect of the same land, the Holding Company has filed a suit in January 2021 for declaration and permanent injunction in the Honourable High Court of Sindh, seeking the declaration that the Holding Company is lawful owner of the said property and that the undated notice issued by the Pakistan Railways for sealing and taking over the possession of the said property is of no legal effect. The matter is at hearing stage and the legal consultant of the Holding Company is of the view that the title of the Holding Company stands clear and there is no likelihood of unfavourable outcome.

- 27.2** The Holding Company has filed a Petition in the Honourable Sindh High Court, dated March 30, 2008, against order passed by the Board of Trustees, Employees' Old-Age Benefits Institution (EOBI) for upholding the unjustified additional demand of payment raised by EOBI for accounting years 2000-2001 and 2001-2002 amounting to Rs. 50.83 million (June 30, 2024: Rs. 50.83 million). This demand was raised after lapse of more than two years although the records and books of the Holding Company were verified by the EOBI to their entire satisfaction and finalisation of all matters by EOBI. The Honourable Sindh High Court has restrained EOBI from taking any action or proceedings against the Holding Company. The legal consultant of the Holding Company is of the view that the Holding Company has a reasonable case and is expecting favourable outcome therefore, no provision has been made there against.
- 27.3** The Federal Board of Revenue (FBR) vide SRO 491(l)/2016 dated June 30, 2016 made amendments in SRO 1125(l)/2011 dated December 31, 2011 for disallowance of input tax adjustment on packing material. The Holding Company has challenged the disallowance of input tax adjustments on packing material in the Sindh High Court through suit No. 2381 / 2016 dated November 10, 2016 against Federation of Pakistan and others. The matter is pending before the Honourable Court for final outcome and the legal consultant of the Holding Company do not foresee any liability that is likely to arise, however provision has been made amounting to Rs. 431.88 million (June 30, 2024: Rs. 431.88 million) in these consolidated financial statements.
- 27.4** The Holding Company's review petition challenging the decision of High Court against the GIDC Act, 2015 had been dismissed by the Supreme Court of Pakistan while also suspending the billing of levy from August 2020. The court had ordered to pay the GIDC dues under the GIDC Act, 2015 with retrospective effect from December 15, 2011, in 48 monthly installments starting from August 2020. Total amount of the cess works out to Rs. 3.69 billion on the basis that the Holding Company has both Industrial and Captive connections having different GIDC rates. However, Oil and Gas Development Authority has ruled out that the consumers having supply of natural gas for industrial use and having in-house electricity generation facility for self-consumption do not fall under the definition of Captive as well as the Honourable Sindh High Court has also decided in favor of the Company on the issue of Captive connections for self consumption. Therefore, management, based on the legal advice believes that maximum liability of the Company in respect of GIDC will be Rs. 2.3 billion. The Company in September 2020 filed a suit in Honourable Sindh High Court challenging the chargeability of GIDC. The Honourable Sindh High Court granted stay order and restrained Sui Southern Gas Company (SSGC) from taking any coercive action against non-payment of installments of GIDC. However, the management on prudent basis has maintained a liability of Rs. 3.69 billion (June 30, 2024: Rs. 3.69 billion) in these consolidated financial statements (refer note 22.1).
- 27.5** The Holding Company has filed appeal before Commissioner Appeals Inland Revenue against the Order-In-Original vide No. 04/176 of 2023 dated August 24, 2023 whereby demand of Rs. 30.5 million along with penalty and default surcharge on the issue of dual adjustment of input tax claimed during the tax periods from September 2017 to May 2022. The Holding Company has claimed the said invoices but FBR has already deferred the input tax amount against the said service invoices during the process of sales tax refund and the Holding Company has not received any input tax amount against said service invoices. Department also validates the same deferred invoices with FBR system. The matter is at hearing stage and the legal consultant of the Holding Company is of the view that the title of the Holding Company stands clear and there is no likelihood of unfavourable outcome.
- 27.6** For the tax year 2016, FBR issued income tax amended order under section 122(1) of the ITO, 2001 on August 21, 2019, wherein certain provisions and expenses aggregating to Rs. 338.2 million (having tax impact of Rs. 108.2 million) were added back to the income and super tax of Rs. 42.8 million was also levied. The Holding Company contested the matter in appeal and Commissioner Income Tax (Appeal) passed an order in favor of the Holding Company allowing the expenses aggregating to Rs. 290 million, However, Department had filed an appeal in Appellate Tribunal on September 17, 2019 against the order which is still pending. The legal consultant believes that the aforementioned matter will be ultimately decided in favor of the Holding Company. Based on the advice of legal advisor, no provision is required to be made in the provision for taxation in these consolidated financial statements, in excess of the adjustment of Rs. 8 million recorded in these consolidated financial statements.
- 27.7** The Federal Government, through the Finance Act, 2019, amended Section 65B of the ITO, 2001, reducing the rate of tax credit from 10% to 5% on investments made in the extension, expansion, balancing, modernization, and replacement (BMR) of plant and machinery for Tax year 2019. Further, the availability of such tax credit was curtailed to June 30, 2019, whereas under the un-amended law, it was available up to June 30, 2021.

The Holding Company, along with other petitioners, challenged the aforesaid amendment before the Honourable Sindh High Court through constitutional petitions filed for Tax years 2019, 2020, and 2021. The Honourable Court granted interim relief, allowing the petitioners to file their income tax returns in accordance with the un-amended provisions of Section 65B. Consequently, the Holding Company claimed tax credit at the rate of 10% in its income tax returns for the above-mentioned tax years.

On February 07, 2023, the Honourable Sindh High Court decided the matter, holding that tax credit under Section 65B at the rate of 10% was allowable, subject to the condition that the letter of credit for import of plant and machinery was established on or before June 30, 2019 and the installation was completed on or before June 30, 2021.

The (FBR) preferred an appeal before the Honourable Supreme Court, contending that the applicable rate of tax credit should be restricted to 5% instead of 10%. Vide judgment dated September 18, 2024, the Honourable Supreme Court upheld the allowance of 10% tax credit only in respect of plant and machinery imported and installed up to June 30, 2019, while disallowing the tax credit for Tax Year 2020. Since the Holding Company had derecognised the investment tax credit in previous years, now as a result of the aforementioned judgement of the Supreme Court, the Holding Company has recorded adjustment of Rs. 470.177 million, for the said judgement in these consolidated financial statements (refer note 36).

- 27.8** The Holding Company, along with other petitioners, has challenged the retrospective increase of the rates of super tax for tax year 2023 in the Honourable Islamabad High Court through Constitutional Petition. The Honourable High Court has passed an interim order dated October 03, 2023 allowing the petitioners not to pay Super Tax in excess of the rate prescribed in the amendment under challenge and has restrained tax authorities, from taking any coercive action against the Holding Company. On March 15, 2024, the Honourable Islamabad High Court decided the case in favour of the Holding Company. The FBR has filed an appeal before Divisional Bench of Islamabad High Court against the above judgment which is pending for hearing. The amount of super tax involved is Rs. 946 million (June 30, 2024: Rs. 421 million).

The Supreme court, vide Order dated March 23, 2025 directed that all the petitioners and appeal pending at different High court of the Country regarding Super Tax should be transferred to the Supreme Court of Pakistan. Accordingly, the above mentioned case has also been, transferred to the Supreme Court of Pakistan.

- 27.9** The Holding Company along with several other petitioners had filed a Constitution Petition on January 16, 2020 against Karachi Water & Sewerage Board (KWSB) and others in the Honourable Sindh High Court against notification dated October 30, 2019 issued by the KWSB whereby water charges were increased from Rs. 242 to Rs. 313 per 1000 gallons. The Honourable Sindh High Court has restrained KWSB from taking any coercive action against the Holding Company and allowed the Holding Company to pay the bills as per old rates. As required under the Order, the Holding Company provides banker's verified Cheques each month aggregating to Rs. 337.89 (June 30, 2024: Rs. 211.72 million) being the difference between Rs. 313 and Rs. 242 per 1000 gallons and based on the advice of the legal consultant, as a matter of prudence, maintained full provision in these consolidated financial statements.
- 27.10** The Holding Company along with other petitioners have challenged the imposition of Infrastructure Cess by the relevant Excise and Taxation Officer, Karachi through petition dated May 28, 2011. Furthermore, the Holding Company has also filed petition against Sindh Infrastructure Cess levied through the Sindh Finance Act, 1994. During the year ended June 30, 2018 the Sindh Development and Maintenance of Infrastructure Cess Act, 2017 (the Act) was also enacted by the Province of Sindh against which the Holding Company also had filed constitutional petition dated October 14, 2017 and Honourable High Court of Sindh had allowed interim relief to the Holding Company till final judgment has been allowed in other similar petitions. However, based on the advice of legal consultant, full amount has been provided in these consolidated financial statements. During the year, no progress was made in court proceedings. The Bank Guarantee of Rs. 2,107 million as a security was given (June 30, 2024: Rs. 1,477 million).
- 27.11** The Holding Company along with several other companies filed a suit in the Honourable Sindh High Court challenging the notification via SRO No. (I) / 2015 dated August 31, 2015 regarding increase in the gas tariff, on November 16, 2015, which was decided by the Honourable Sindh High Court in favor of the Holding Company and thereafter, the Government filed an appeal in the Divisional Bench of the Honourable Sindh High Court against the decision, which has also been decided in favor of the Holding Company. As a matter of prudence, the Holding Company has maintained a full provision of the said notification amounting to Rs. 159.9 million (June 30, 2024: Rs. 159.9 million) in the consolidated financial statements.

OGRA issued further notifications on December 30, 2016, September 17, 2018, October 23, 2020 enhancing the rates. The Holding Company, along with others, has filed petition in the Honourable Sindh High Court against the said notifications.

For notification dated December 30, 2016, Honourable Sindh High Court granted interim relief and instructed Sui Southern Gas Company (SSGC) to revise the bills at previous rate and instructed the Holding Company to deposit the differential amount cheques with Nazir Sindh High Court as security. During the year, the Divisional Bench of Honourable Sindh High Court has decided the case in favour of the Holding Company vide judgment dated February 03, 2025. Simultaneously, the Divisional Bench of Sindh High Court vide Judgment dated March 10, 2025, ordered that the Nazir of Sindh High Court returns the cheques of Rs. 250.67 million which was deposited with Nazir, which have been received back by the Holding Company. SSGC has filed the appeal in Supreme Court against the judgment.

For notification dated October 23, 2020, on February 18, 2024, the Honourable Sindh High Court decided the case against the Holding Company. The Holding Company filed an appeal in the Divisional Bench of the Honourable Sindh High Court against the decision, which has also been decided against the Holding Company dated March 28 2024. Now, the Company has filed appeal in the Supreme Court against the judgment passed by the Divisional Bench of Honourable Sindh High Court and the case is currently pending for hearing.

On February 15, 2023, OGRA issued another notification revising the gas tariff with retrospective effect from January 01, 2023. The Holding Company, along with several other companies, has filed a suit in the Honourable Sindh High Court challenging the increase in the gas tariff with retrospective effect. The Honourable Sindh High Court has restrained SSGC from taking any coercive action against the Holding Company. As a matter of prudence, the Holding Company has maintained a full provision of the said notification amounting to Rs. 174.4 million (June 30, 2024: Rs. 174.4 million) in the consolidated financial statements.

On November 08, 2023, OGRA issued notification and increased the gas rate retrospectively from November 01, 2023. The Holding Company along with others filed petition in the Honourable Sindh High Court against the notification challenging the increase of gas tariff and its retrospective application from November 01, 2023. While the case is currently pending for hearing before the Honourable Sindh High Court, however, the Holding Company has paid increased amount to SSGC with the understanding that incase the decision comes in favour of the Holding Company, the SSGC will either refund the excess amount or it will adjust in future bills post favourable decision.

While awaiting the decision for above case, on February 15, 2024, SSGC issued another notification to further increase the gas tariff with retrospective application from February 1, 2024, where the Holding Company again challenged its retrospective charge from February 01, 2024. Subsequently, the Honourable Sindh High Court decided the case of retrospective application under above notification in favour of the Holding Company, which has been challenged by SSGC in the Supreme Court of Pakistan and is currently, pending for hearing.

27.12 The Holding Company along with several other companies filed a suit in the Honourable Sindh High Court challenging the notification via SRO No. (I) / 2015 dated August 31, 2015 for charging of captive power tariff instead of Industry tariff rate to the Holding Company, as the Holding Company is producing electricity entirely for its own consumption, on November 16, 2015, which was decided by the Honourable Sindh High Court in favor of the Holding Company and thereafter, the Government filed an appeal in the Divisional Bench of the Honourable Sindh High Court against the decision, which has also been decided in favor of the Holding Company. SSGC has filed the appeal in Supreme Court against the judgement. As a matter of prudence, the Holding Company has maintained a full provision of the said notification amounting to Rs. 237.6 million (June 30, 2024: Rs. 237.6 million) in the consolidated financial statements.

The Holding Company along with several other companies has filed a suit in the Honourable Sindh High Court challenging the notifications dated December 30, 2016, September 17, 2018 and October 23, 2020 for charging of captive power tariff instead of Industry tariff rate to the Holding Company, as the Holding Company is producing electricity entirely for its own consumption. The Honourable Sindh High Court has passed the interim orders for not charging the Captive power tariff rates and consequently restrained SSGC from taking any coercive action against the Holding Company.

During the year, for OGRA Notification dated on December 30, 2016, the Divisional Bench of Honourable Sindh High Court has decided the case in favour of the Holding Company vide judgment dated February 03, 2025. SSGC has filed the appeal in Supreme Court against the judgment. Simultaneously, the Divisional Bench of Sindh High Court vide Judgment dated March 10, 2025, ordered that the Nazir of Sindh High Court returns the cheques of Rs. 388.57 million which was deposited with Nazir, which have been received back by the Holding Company. SSGC has filed the appeal in Supreme Court against the judgment.

OGRA issued another notification dated October 04, 2018 revising the tariff effective September 27, 2018, and subsequent to this notification, the Holding Company paid the bills accordingly at the specified rates.

27.13 The Holding Company along with other Companies, have challenged the vires of the Off the Grid (Captive Power Plants) Levy Ordinance, 2025 promulgated on January 30, 2025 and the notifications dated March 07, 2025 issued by the Ministry of Energy in purported exercise of the powers conferred by section 3(1) of the Impugned Ordinance, which imposes a levy, to be notified by Ministry of Energy, on the consumption of natural gas or RLNG by captive power plants over and above the sale price of such natural gas or RLNG. The above case is still pending before the Honourable Islamabad High Court. The Holding Company, along with others, filed petition in the Honourable Sindh High Court against the notification challenging with its retrospective implication from February 01, 2025. The Honourable Sindh High Court has passed the interim orders for not charging the relevant amount for the month of February 2025. The Bank Guarantee of Rs. 138.59 million (June 30, 2024 Rs. Nil) as a security was given, while awaiting the decision for above case.

27.14 Guarantees and others

- (a) Guarantees of Rs. 5,464 million (June 30, 2024: Rs. 2,542 million) have been issued by banks on behalf of the Group which are secured by pari passu hypothecation charge over stores and spares, stock-in-trade, trade debts and other receivables. These guarantees includes guarantees issued by related parties amounting to Rs. 2,980 million (June 30, 2024: Rs. 1,154 million).
- (b) Post dated cheques of Rs. 30,298 million (June 30, 2024: Rs. 25,580 million) are issued to Custom Authorities in respect of duties on imported items availed on the basis of consumption and export plans.
- (c) Bills discounted Rs. 11,220 million (June 30, 2024: Rs. 13,451 million), including bills discounted from related parties amounting to Rs. 3,643 million (June 30, 2024: Rs. 4,470 million).
- (d) Corporate guarantee of Rs. 264 million (June 30, 2024: Rs. 237 million), Rs. 1,129 million (June 30, 2024: 1,106 million) and Rs. 256 million (June 30, 2024: Rs. 251 million) have been issued to various banks in favor of subsidiary companies - GTM (Europe) Limited, Gul Ahmed International FZC and Sky Home Corp. respectively.

27.15 Commitments	Note	2025 ----- (Rupees in '000) -----	2024
Capital expenditure for plant and machineries		3,892,512	761,382
Other than capital expenditure	27.15.1	22,897,749	15,429,528
Forward foreign exchange contracts	27.15.2	9,183,718	21,344,805

27.15.1 Other than capital expenditure includes commitments for purchase of raw materials and stores and spares.

27.15.2 This includes forward foreign exchange contracts amounting to USD 30 million (2024: USD 33 million), equivalent to Rs. 8,646 million (June 30, 2024: Rs. 9,543 million) obtained under pre-shipment exports. The Group is obligated to provide export documents against such amount. The above liability has been appropriately recorded under Export Facilitation Scheme and is disclosed in note 24 of these consolidated financial statements.

Pension Commitments

GTM (Europe) Ltd. operates a defined contributions pension scheme. The assets of the scheme are held separately from those of GTM (Europe) Ltd. in an independently administered fund. The pension cost charge represents contributions payable by GTM (Europe) Ltd. to the fund and amounted to Rs. 2.0 million (June 30, 2024: Rs. 1.8 million).

28 REVENUE FROM CONTRACTS WITH CUSTOMERS	Note	2025 ------(Rupees in '000)-----	2024
Export sales			
Direct		111,903,310	104,134,670
Indirect		43,991,771	35,374,474
		155,895,081	139,509,144
Export rebate		-	567,346
Trade and other discount		(1,190,366)	(856,537)
Commission		(1,769,346)	(2,277,994)
Sales tax		(6,712,615)	(3,343,155)
		146,222,754	133,598,804
Local sales	28.1	47,196,733	45,760,881
Brokerage		(435,757)	(407,153)
Sales tax		(7,442,298)	(6,472,804)
		39,318,678	38,880,924
		185,541,432	172,479,728

28.1 Local sales include revenue from in-house manufacturing services on behalf of third party of Rs. 1,178 million (2024: Rs. 772 million).

28.2 Information with respect to disaggregation of revenue by internal segment and geographical location is disclosed in note 38 and 39 respectively.

28.3 All revenue earned is from shariah permissible business.

29 COST OF SALES	Note	2025 ------(Rupees in '000)-----	2024
Opening stock of finished goods		14,867,005	14,774,304
Cost of goods manufactured	29.1	149,072,268	134,595,936
Purchase of finished goods		9,571,527	9,232,274
		173,510,800	158,602,514
Closing stock of finished goods	11	(20,046,894)	(14,867,005)
		153,463,906	143,735,509
29.1 Cost of goods manufactured			
Raw materials consumed	29.2	100,360,089	91,207,219
Other material and conversion cost		11,691,729	10,914,792
Stores and spares consumed		143,443	384,074
Salaries, wages and benefits	31.1	18,022,557	16,426,653
Fuel, power and water		13,571,818	12,048,844
Insurance		279,643	226,843
Repair and maintenance		2,062,373	2,305,168
Depreciation and amortisation	4.1.1 & 6.1	4,397,811	4,292,357
Depreciation on right of use assets	5	14,463	22,451
Reversal of provision for slow moving - stores and spares	10.1	(51,249)	(148,345)
Reversal of provision for slow moving - stock-in-trade	11.1	(174,464)	(12,028)
Other manufacturing expenses		998,708	599,852
		151,316,921	138,267,880
Work-in-process (WIP)			
Opening stock - WIP		9,921,938	6,249,994
Closing stock - WIP	11	(12,166,591)	(9,921,938)
		(2,244,653)	(3,671,944)
		149,072,268	134,595,936

	Note	2025 ------(Rupees in '000)-----	2024
29.2 Raw materials consumed			
Opening stock - raw material		31,297,840	26,502,764
Purchases during the year		109,116,941	96,002,295
Closing stock - raw material	11	(40,054,692)	(31,297,840)
		100,360,089	91,207,219
30 SELLING AND DISTRIBUTION COST			
Salaries, wages and benefits	31.1	3,374,873	2,709,337
Freight and shipment expenses		2,394,813	1,731,190
Advertisement and publicity		1,506,772	1,439,929
Rent and ancillary charges	30.2	692,133	720,972
Depreciation and amortisation	4.1.1 & 6.1	483,766	386,460
Depreciation on right of use assets	5	946,012	629,673
Utilities		707,074	689,375
Communication		329,215	330,581
Export development surcharge		282,183	316,177
Royalty, markdown allowance and damage chargeback	30.1 & 30.3	41,830	1,652
Other expenses		562,636	1,045,437
		11,321,307	10,000,783

30.1 Royalty charges being 6% of the net sales of Sky Home Corp pertains to Joint Trademark Holdings LLC, a Delaware Limited Liability Company, having registered office at 1450 Broadway, 3rd Floor, New York, NY10018 and Portico Brands, LLC, a Delaware Limited Liability Company, with a registered place of business at 156 Fifth Avenue, 10th Floor, New York, New York 10010.

30.2 These represent variable rents, rents of short term leases and other ancillary charges related to leased premises.

30.3 This includes markdown allowance, which is a rebate from manufacturer to retailer to cover losses from clearance or promotional pricing. Further, it includes a damage chargeback, which is a fee a retailer or vendor pays to a marketplace, for damaged goods that cannot be resold.

	Note	2025 ------(Rupees in '000)-----	2024
31 ADMINISTRATIVE COST			
Salaries, wages and benefits	31.1	2,755,410	2,682,505
Rent and ancillary charges	31.2	192,179	275,299
Repairs and maintenance		37,800	262,748
Vehicle up keep and maintenance		942,173	600,314
Utilities		13,127	34,609
Traveling and conveyance		766,240	507,196
Printing and stationery		99,212	107,530
Communication		256,884	303,732
Legal and consultancy fees		183,065	231,164
Fees and subscription		260,391	94,693
Depreciation and amortisation	4.1.1 & 6.1	265,469	327,031
Depreciation on right of use assets	5	33,253	54,126
Auditors' remuneration	31.3	26,095	28,636
Donations	31.4 & 31.5	119,047	62,095
Insurance		241,149	188,708
Expected credit loss on trade debts	12.1	(58,900)	(226,929)
Expected credit loss on other receivables	13.1	38,792	-
Other expenses		664,102	413,506
		6,835,488	5,946,963

31.1 Salaries, wages and benefits

	Cost of sales		Distribution costs		Administrative costs		Total	Total
	2025	2024	2025	2024	2025	2024	2025	2024
----- (Rupees in '000) -----								
Salaries, wages and benefits	17,272,819	15,771,973	3,337,169	2,635,010	2,699,431	2,617,473	23,309,420	21,024,456
Retirement benefits								
Gratuity (note 21.2)	268,770	236,932	-	-	-	-	268,770	236,932
Provident fund	374,708	321,501	37,665	74,310	55,854	64,932	468,227	460,743
	643,478	558,433	37,665	74,310	55,854	64,932	736,997	697,675
Staff compensated absences	106,260	96,247	39	17	125	100	106,424	96,364
	18,022,557	16,426,653	3,374,873	2,709,337	2,755,410	2,682,505	24,152,840	21,818,495

31.2 This represents rent expense which comprises of variable rents, rent of certain short term and low value leases, ancillary and maintenance charges incurred in respect of lease premises.

	2025	2024
	----- (Rupees in '000) -----	
31.3 Auditors' remuneration		
Holding Company		
Audit fee	10,800	10,800
Fee for review of condensed interim financial statements	2,160	2,160
Fee for audit of consolidated financial statements	1,560	1,560
Review fee of statement of compliance with code of corporate governance	200	480
Other certification fee	400	2,200
Out of pocket expenses	2,458	5,441
	17,578	22,641
Local Subsidiary	1,288	1,080
Foreign Subsidiaries - Audit fee (multiple audit firms)	7,229	4,915
	26,095	28,636

31.4 Donations include donations to the following organizations in which a director is a trustee:

Name of Donee	Interest in Donee	Name of Director	2025	2024
			----- (Rupees in '000) -----	
Habib University Foundation	Common Directorship	Mr. Mohomed Bashir	4,002	8,785
Landhi Association of Trade & Industry	Patron in Chief	Mr. Ziad Bashir	400	250

31.5 During the year, the Group made donations amounting to Rs. 100 million to Indus Hospital and Health Network (2024: Rs. 43 million to Saylani Welfare International Trust).

	2025	2024
	----- (Rupees in '000) -----	
32 OTHER EXPENSE		
	Note	
Workers' profit participation fund (WPPF)	22.2	361,927
Workers' welfare fund (WWF)	22.3	129,236
Loss on sale of operating fixed assets	4.1.2	57,358
Loss on reassessment of right of use asset and corresponding lease liability		9,902
Others		13,769
		573,947
		572,192

		2025	2024
	Note	----- (Rupees in '000) -----	
33 OTHER INCOME			
Income from non-financial assets and others			
Scrap sales		3,004	-
Government grant	20	28,251	32,088
Unclaimed liabilities written back		13,794	3,910
Others		55,488	136,477
		100,537	172,475
Income from financial assets			
Mark-up income on TFC	33.1	11,819	16,481
Dividend income		-	1,462
Other markup income	33.2	154,514	103,193
Exchange gain from currency realisation		798,332	1,219,444
Exchange gain from derivative financial instruments	33.3	105,037	642,378
		1,069,702	1,982,958
		1,170,239	2,155,433

33.1 This includes profit earned on Shariah Compliant investment on TFCs.

33.2 This includes markup income earned on interest bearing loan to employees (note 8.1) and TDRs (note 13.2).

33.3 This includes unrealised exchange gain earned on conventional derivative instruments during the year amounting to Rs. 64.9 million. (2024: Rs. 332.31 million).

		2025	2024
	Note	----- (Rupees in '000) -----	
34 FINANCE COSTS			
Markup / profit on:			
- Short term borrowings		4,789,985	4,956,070
- Long term financing		710,319	1,013,013
- Workers' profit participation fund	22.2	22,867	8,908
Bank and other charges		1,689,998	1,179,020
Interest expense on lease liabilities against right of use assets	19	747,487	507,171
	34.1	7,960,656	7,664,182

34.1 Finance cost includes Rs. 790 million and Rs. 1,646 million (2024: Rs. 241.8 million and Rs. 1,183 million) in long term financing and short-term borrowing respectively under Shariah Compliant mode of financing.

		2025	2024
	Note	----- (Rupees in '000) -----	
35 LEVIES			
	35.1	1,692,863	2,235,322

35.1 This represents minimum tax paid (2024: Final tax) under sections 154 and 113 of ITO, representing levy in terms of requirements of IFRIC 21/ IAS 37.

		2025	2024
		----- (Rupees in '000) -----	
36 TAXATION			
Current tax		787,381	275,114
Prior tax		(489,991)	(22,160)
		297,390	252,954
Deferred tax income		111,695	(624,707)
		409,085	(371,753)

- 36.1** The Holding company being majority of the Group is subject to Minimum Tax Regime under section 113 and section 154 of the ITO, (2024: Final tax under section 154) for local and export sales. Accordingly, the relationship between tax expense and accounting profit has not been presented in these consolidated financial statements.
- 36.2** The aggregate of minimum tax and income tax, amounting to Rs. 2,480 million (2024: Rs. 2,510 million) represents tax liability of the Group calculated under the relevant provisions of the ITO.
- 36.3** For the Holding Company as per the guidelines issued by Institute of Chartered Accountants of Pakistan on application of IAS 12 'Application Guidance on Accounting for Minimum Taxes and Final Taxes', no deferred tax is required to be booked as the Holding Company, based on the projections of taxable income, is expected to be taxed under Minimum Tax u/s 113 of the ITO for the foreseeable future. Hence the Holding Company has not recorded any deferred tax liability as at June 30, 2025 and June 30, 2024.

	Note	2025	2024
37 EARNINGS PER SHARE - basic and diluted			
Profit after taxation (Rupees in '000)		4,454,419	4,851,963
Weighted average outstanding shares (Number)		740,059,458	740,059,458
Earnings per share - basic and diluted (Rupees)	37.1	6.02	6.56

- 37.1** There is no dilutive effect on the earnings per share of the Group, as the Group has no potential ordinary shares.

38 SEGMENT INFORMATION

The Group's operations have been divided in four segments based on the nature of process and internal reporting along with subsidiaries. Following are the reportable business segments:

- a) Spinning: Production of different qualities of yarn using both natural and artificial fibres.
- b) Home textile: Production of different types and qualities falling under the definition of home textile.
- c) Retail: Sale of textile goods and other products through retail and online channels.
- d) Others: Weaving, Fiber Bleaching, Knitting, Yarn dyeing and Dyed yarn fabric etc.

Transactions among the business segments are recorded at cost.

38.1 Segment profitability

	Spinning		Home textile		Retail		All other segments		Elimination of Inter Segment Transactions		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	(Rupees in '000)											
Sales to external customers	43,295,304	37,465,896	82,124,370	76,806,077	26,640,757	28,969,205	33,481,001	29,238,550	-	-	185,541,432	172,479,728
Intersegmental sales	8,958,108	20,812,656	28,776,029	22,742,914	70,335	41,483	11,718,160	12,598,692	(49,522,632)	(56,195,745)	-	-
Cost of sales	(46,608,768)	(51,475,905)	(100,263,322)	(92,334,755)	(15,357,487)	(18,650,571)	(41,439,135)	(37,470,023)	50,204,806	56,195,745	(153,463,906)	(143,735,509)
Gross profit	5,644,644	6,802,647	10,637,077	7,214,236	11,353,605	10,360,117	3,760,026	4,367,219	682,174	-	32,077,526	28,744,219
Selling, distribution and administrative cost	(530,964)	(451,016)	(5,556,306)	(4,657,633)	(8,776,371)	(7,788,896)	(3,347,773)	(3,050,201)	54,618	-	(18,156,795)	(15,947,746)
Profit before tax and before charging following	5,113,680	6,351,631	5,080,771	2,556,603	2,577,234	2,571,221	412,253	1,317,018	-	-	13,920,731	12,796,473
Finance costs											(7,960,656)	(7,664,182)
Other expense											(573,947)	(572,192)
Other income											1,170,239	2,155,433
Profit before levies and taxation											(7,364,364)	(6,080,941)
Levies and taxation											6,556,367	6,715,532
Profit for the year											(2,101,948)	(1,863,569)
Depreciation and amortisation expense	1,275,326	1,365,083	1,088,354	1,031,594	1,537,948	508,811	2,239,146	2,806,609	-	-	6,140,774	5,712,098

38.2 Segment assets and liabilities

	Spinning		Home textile		Retail		All other segments		Unallocated		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	(Rupees in '000)											
Assets	32,572,319	32,289,234	72,271,204	57,379,745	22,077,579	17,568,817	28,845,531	28,028,755	15,071,779	13,673,330	170,838,412	148,939,881
Liabilities	(11,488,190)	(12,971,968)	(22,373,512)	(22,355,651)	(16,778,161)	(12,487,740)	(16,557,189)	(16,810,685)	(51,801,163)	(36,986,138)	(118,998,215)	(101,612,182)
Segment capital and intangible expenditure	477,342	324,127	1,809,578	1,355,898	761,561	230,793	1,165,291	562,279	2,033,937	2,266,178	6,247,709	4,739,275

38.3 Unallocated items represent those assets and liabilities which are common to all segments and these include long term deposits, other receivables, deferred liabilities, certain common borrowing and other corporate assets and liabilities.

38.4 Information about major customer

Sales to major customer whose revenue exceeds 10% of gross sales is Rs. 41,963 million (2024: Rs. 34,250 million).

39 INFORMATION BY GEOGRAPHICAL AREA

	Revenue		Non-current assets	
	2025	2024	2025	2024
	----- (Rupees in '000) -----			
Pakistan	77,033,592	71,319,396	61,236,422	58,870,793
Germany	32,265,194	30,637,887	-	-
United States	14,693,413	14,807,071	-	596
United Kingdom	20,468,011	11,820,996	165,005	131,513
Italy	8,872,670	9,268,684	-	-
France	7,571,900	7,146,621	-	-
Denmark	6,020,894	5,228,578	-	-
Poland	5,469,602	5,058,486	-	-
Netherlands	7,021,034	4,802,197	-	-
Spain	3,009,965	2,944,500	-	-
Sweden	3,654,145	2,125,559	-	-
Other Countries	2,856,481	10,294,091	19,990	61,786
	188,936,901	175,454,066	61,421,417	59,064,688

40 CASH AND CASH EQUIVALENTS

	Note	2025	2024
		--- (Rupees in '000) -----	
Cash and bank balances	15	559,457	1,081,768
Running finance	24	(6,229,150)	(5,535,371)
		(5,669,693)	(4,453,603)

40.1 CHANGES ARISING FROM FINANCING ACTIVITIES

	Note	2024	Financing cash inflows, net	Financing cash outflows	Non-cash changes	2025
		----- (Rupees in '000) -----				
Long-term finance and deferred government grant	18 & 20	17,928,429	7,700,000	(3,283,119)	-	22,345,310
Short term borrowings - net	24	36,958,957	12,893,950	-	-	49,852,907

	Note	2023	Financing cash inflows, net	Financing cash outflows	Non-cash changes	2024
		----- (Rupees in '000) -----				
Long-term finance and deferred government grant	18 & 20	23,348,187	358,000	(5,777,758)	-	17,928,429
Short term borrowings - net	24	28,459,269	8,499,688	-	-	36,958,957

41 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2025				2024			
	Chief Executive	Director	Executives	Total	Chief Executive	Director	Executives	Total
(Rupees in '000)								
Managerial remuneration	16,000	12,000	2,263,177	2,291,177	16,000	12,000	2,094,250	2,122,250
Performance bonus	1,333	1,000	142,053	144,386	1,333	1,000	84,436	86,769
House rent allowance	6,400	4,800	598,722	609,922	6,400	4,800	514,297	525,497
Other allowances	1,600	1,200	408,045	410,845	1,600	1,200	407,250	410,050
Contribution to provident fund	1,333	1,000	154,788	157,121	1,333	1,000	143,157	145,490
	26,666	20,000	3,566,785	3,613,451	26,666	20,000	3,243,390	3,290,056
(Numbers)								
Persons	1	1	776	778	1	1	661	663

41.1 The Chief Executive and Directors are provided with Holding Company maintained cars and are also covered under Holding Company's Health Insurance Plan along with their dependents. The Chief Executive is also provided with free residential telephones.

41.2 Aggregate amount charged during the year in respect of meeting fee to Four Non-Executive Directors and the Chairman was Rs. 8.6 million (2024: Four Non Executive Directors and Chairman amounting to Rs. 7.7 million).

41.3 Executive means an employee, other than the chief executive and directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

42 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise associated companies, companies where directors also hold directorship, directors of the Group and key management personnel. The Group in the normal course of business carries out transactions with various related parties. Details of related party transactions and balances other than those disclosed elsewhere in these consolidated financial statements are as follows:

Name of the related party	Transactions during the period	2025	2024
		----- (Rupees in '000) -----	
Associated companies			
Grand Industries (Private) Limited	Rent expense	600	2,648
Swisstex Chemicals (Private) Limited	Purchase of goods	106,868	196,859
	Services rendered	-	15,000
Win Star (Private) Limited	Purchase of goods	31,893	31,169
Arwen Tech. (Private) Limited	Services rendered	197,927	182,171
Haji Ali Mohammad Foundation	Rent paid	960	960
The Pakistan Business Council	Fees paid	2,500	2,500
Habib Metropolitan Bank	Bills discounted	17,804,583	23,026,343
	Finance costs	203,159	254,419
Askari Bank Limited	Bills discounted	4,554,017	2,361,162
	Finance costs	269,052	434,005
Samba Bank Limited	Bills discounted	420,155	169,874
	Finance costs	58,251	81,167
Standard Chartered (Pakistan) Limited	Bills discounted	3,915,018	1,696,905
	Finance costs	432,123	468,738
Gul Ahmed Textile Mills Limited Employees Provident Fund Trust	Holding Company's contribution to provident fund	440,465	392,046
International Cotton Association	Fees paid	693	643
Pakistan Textile Council	Membership fees	2,500	1,250
Landhi Association of Trade and Industry	Fees paid	60	60
International Textile Manufacturers Federation	Fees paid	2,172	2,222
Ideas - Employees Provident Fund Trust	Subsidiary Company's Contribution to Provident fund	74,676	68,698

42.1 There are no transactions with directors of the Group and key management personnel other than under the terms of employment. Loans and remuneration of the directors, key management personnel and executives are disclosed in notes 8 and 41 respectively of these consolidated financial statements.

42.2 Following are the related parties with whom the Group had entered into transactions or have arrangements / agreements in place.

Name of related party	Country of Incorporation	Basis of relationship	% of shareholding
Gul Ahmed Holdings (Private) Limited	Pakistan	Ultimate Holding Company	55.86%
Habib Metropolitan Bank Limited (HMBL)	Pakistan	Common Directorship	-
Swisstex Chemicals (Private) Limited	Pakistan	Common Directorship	2.99%
Arwen Tech. (Private) Limited	Pakistan	Common Directorship	-
Win Star (Private) Limited	Pakistan	Common Directorship	-
Samba Bank Limited	Pakistan	Common Directorship	-
Standard Chartered Bank (Pakistan) Limited	Pakistan	Common Directorship	-
Askari Bank Limited	Pakistan	Common Directorship	-
Hub Liquid Terminal (Private) Limited	Pakistan	Subsidiary of Parent company	-
TPL Properties Limited	Pakistan	Common Directorship	-
Habib University Foundation	Pakistan	Common Directorship	-
The Pakistan Business Council	Pakistan	Common Directorship	-
International Cotton Association	United Kingdom	Common Directorship	-
Pakistan Textile Council	Pakistan	Common Directorship	-
Ghafooria Industries (Private) Limited	Pakistan	Group Company & Common Directorship	2.17%
LITE Development and management company	Pakistan	Common Directorship	-
Grand Industries (Private) Limited	Pakistan	Group Company & Major Shareholders	7.86%
Haji Ali Mohammad Foundation	Pakistan	Member of Foundation	-
Gul Ahmed Textile Mills Limited Employees Provident Fund Trust	Pakistan	Employees Fund	0.42%
Ideas (Private) Limited Employees Provident Fund Trust	Pakistan	Employees Fund	-
Mohomed Bashir	-	Director	0.07%
Mohammed Zaki Bashir	-	Director	0.34%
Zain Bashir	-	Director	0.34%
Ziad Bashir	-	Director	0.00%
Ehsan A. Malik	-	Director	0.00%
Zeeba Ansar	-	Director	0.00%
Kamran Y. Mirza	-	Director	0.00%

43 CAPACITY AND PRODUCTION

Unit	2025			2024			
	Capacity	Production	Working	Capacity	Production	Working	
----- (Rupees in '000) -----							
Spinning	Kgs. (20 Counts converted)	98,277	92,433	3 shifts	98,277	93,227	3 shifts
Weaving	Sq. meters (50 Picks converted)	239,649	219,048	3 shifts	234,987	213,103	3 shifts

Production is lower as compared to capacity due to variation in production mix and various technical and market factors.

The production capacity and its comparison with actual production of Processing, Home Textile and Apparel segments is impracticable to determine due to varying manufacturing processes, run length of order lots and various other factors.

44 NUMBER OF PERSONS EMPLOYED

	2025	2024
	----- (Numbers) -----	
As at	17,113	18,466
Average during the year	17,377	18,242

45 PROVIDENT FUND RELATED DISCLOSURES

The investment out of provident fund have been made in accordance with the provisions of section 218 of the Act and the conditions specified thereunder.

46 FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities of the Group as at June 30, 2025 are as follows;

		2025						
		Interest / mark-up / profit bearing			Non interest / mark-up / profit bearing			Total
		Maturity up to one year	Maturity after one year	Sub total	Maturity up to one year	Maturity after one year	Sub total	
Financial assets								
At amortised cost								
Long term investment	7	-	70,000	70,000	-	-	-	70,000
Long term loans	8	13,980	11,198	25,178	108,268	10,289	118,557	143,735
Other receivables	13	1,019,464	-	1,019,464	535,670	-	535,670	1,555,134
Long term deposits		-	-	-	-	512,483	512,483	512,483
Trade debts	12	-	-	-	21,520,605	-	21,520,605	21,520,605
Cash and bank balances	15	-	-	-	559,457	-	559,457	559,457
At Fair Value Through Profit or Loss								
Short term investment		-	-	-	-	-	-	-
Forward contracts	13	-	-	-	-	-	-	-
		1,033,444	81,198	1,114,642	22,724,000	522,772	23,246,772	24,361,414
Financial liabilities								
At amortised cost								
Long term financing	18	3,878,180	18,392,475	22,270,655	-	-	-	22,270,655
Lease Liability	19	1,094,691	4,383,400	5,478,091	-	-	-	5,478,091
Trade and other payables (other than fair value of forward contracts)	22	-	-	-	26,761,870	-	26,761,870	26,761,870
Accrued mark-up / profit	23	-	-	-	886,790	-	886,790	886,790
Short term borrowings	24	56,082,057	-	56,082,057	-	-	-	56,082,057
Unclaimed dividend		-	-	-	9,365	-	9,365	9,365
Unpaid dividend		-	-	-	23,505	-	23,505	23,505
At Fair Value Through Profit or Loss								
Fair value of forward contracts	22	-	-	-	64,902	-	64,902	64,902
		61,054,928	22,775,875	83,830,803	27,746,432	-	27,746,432	111,577,235

Financial assets and liabilities of the Group as at June 30, 2024 were as follows;

		2024						
		Interest / mark-up / profit bearing			Non interest / mark-up / profit bearing			Total
		Maturity up to one year	Maturity after one year	Sub total	Maturity up to one year	Maturity after one year	Sub total	
Financial assets								
At amortised cost								
Long term investment	7	-	70,000	70,000	-	-	-	70,000
Long term loans	8	23,434	16,125	39,559	49,711	1,814	51,525	91,084
Other receivables	13	621,652	-	621,652	528,101	-	528,101	1,149,753
Long term deposits		-	-	-	-	518,467	518,467	518,467
Trade debts	12	-	-	-	20,719,045	-	20,719,045	20,719,045
Cash and bank balances	15	-	-	-	1,081,768	-	1,081,768	1,081,768
At Fair value Through Profit or Loss								
Short term investment		-	-	-	1,243	-	1,243	1,243
Forward contracts	13	-	-	-	332,315	-	332,315	332,315
		645,086	86,125	731,211	22,712,183	520,281	23,232,464	23,963,675
Financial liabilities								
At amortised cost								
Long term financing	18	3,233,936	14,591,587	17,825,523	-	-	-	17,825,523
Lease Liability	19	548,173	3,189,839	3,738,012	-	-	-	3,738,012
Trade and other payables (other than fair value of forward contracts)	22	-	-	-	29,131,579	-	29,131,579	29,131,579
Accrued mark-up / profit	23	-	-	-	1,403,751	-	1,403,751	1,403,751
Short term borrowings	24	42,494,328	-	42,494,328	-	-	-	42,494,328
Unclaimed dividend		-	-	-	9,840	-	9,840	9,840
Unpaid dividend		-	-	-	23,505	-	23,505	23,505
At Fair value through profit or loss								
Fair value of forward contracts	22	-	-	-	-	-	-	-
		46,276,437	17,781,426	64,057,863	30,568,675	-	30,568,675	94,626,538

47 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, markup risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seek to minimise potential adverse effects on the Group's financial performance.

Risk Management is carried out under policies and principles approved by the Board of Directors. All treasury related transactions are carried out within the parameters of these policies and principles.

The information about the Group's exposure to each of the above risk, the Group's objectives, policies and procedures for measuring and managing risk and the Group's management of capital is as follows:

47.1 Market risks

Market risk is the risk that the fair value of future cash flows of the financial instrument may fluctuate as a result of changes in market interest / markup 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. Market risk comprises of three types of risks: currency risk, markup risk and other price risk. The Group is exposed to currency risk and markup risk only.

a) Currency risk

Foreign currency risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly from future economic transactions or receivables and payables that exist due to transactions in foreign exchange.

Exposure to foreign currency risk

The Group is exposed to foreign currency risk arising from foreign exchange fluctuations due to the following financial assets and liabilities:

	2025	2024
	(Equivalent USD 000s)	
Trade debts	29,127	36,371
Cash and bank balances	893	1,685
Short term borrowings	(86,429)	(45,112)
Trade and other payables	(1,757)	(623)
Net exposure	(58,166)	(7,679)

The Group manages foreign currency risk through due monitoring of the exchange rates, adjusting net exposure and obtaining forward covers where necessary.

	2025	2024
	----- (Rupees in '000) -----	
Foreign currency commitments and guarantees outstanding at year end are as follows:		
USD	128,191	100,058
EURO	500	500
AED	14,600	14,600
GBP	250	250

The following significant exchange rates were applied during the year:	2025	2024
Rupee per USD		
Average rate (Selling / Buying)	279.6 / 279.1	283.4 / 283.0
Reporting date rate (Selling / Buying)	283.9 / 283.5	278.6 / 278.1
Rupee per EURO		
Average rate (Selling / Buying)	304.1 / 303.7	306.7 / 306.2
Reporting date rate (Selling / Buying)	333.1 / 332.6	297.8 / 297.4
Rupee per GBP		
Average rate (Selling / Buying)	361.7 / 361.1	356.5 / 357.2
Reporting date rate (Selling / Buying)	389.7 / 389.1	356.9 / 356.4
Rupee per AED		
Average rate (Selling / Buying)	76.1 / 76.0	75.8 / 75.7
Reporting date rate (Selling / Buying)	77.3 / 77.2	77.2 / 77.1

Foreign currency sensitivity analysis

A five percent strengthening / weakening of the PKR against the USD at June 30, 2025 would have increased / decreased the equity and profit / loss after tax by Rs. 814 million (2024: Rs. 334 million). This analysis assumes that all other variables, in particular markups, remain constant. The analysis is performed on the same basis for June 30, 2024.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to change in the interest rates. The Group has long term finance and short term borrowings at fixed and variable rates.

The Group is mainly exposed to interest rate risk on short term financing under variable rate arrangements and these are covered by holding "Prepayment option" and "Rollover option", which can be exercised upon any adverse movement in the underlying interest rates.

Financial assets include balances of Rs. 1,115 million (June 30, 2024: Rs. 731 million) which are subject to interest rate risk. Financial liabilities include balances of Rs. 83,835 million (June 30, 2024: Rs. 64,058 million) which are subject to interest rate risk. Applicable interest / mark-up rates for financial assets and liabilities are given in respective notes.

Cash flow sensitivity analysis for variable rate instruments

At June 30, 2025, if markups on interest bearing financial instruments would have been 1% higher / lower with all other variables held constant, post tax profit for the year would have been Rs. 827 million (2024: Rs. 603 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate borrowings.

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit and loss account. Therefore, a change in markup at the reporting date would not effect consolidated statement of profit or loss of the Group.

c) Other price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices (other than those arising from interest or currency rate risk) whether those changes are caused by factors specified to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market. As at June 30, 2025, the Group is not exposed to other price risk.

47.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation without considering the fair value of the collateral available there against. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

Exposure to credit risk

The Group's operating activities exposes it to credit risks arising mainly in respect of long term investment, loans and other receivables, trade debts, long term deposits and bank balances. The maximum exposure to credit risk at the reporting date is as follows:

	Note	2025 ----- (Rupees in '000) -----	2024
Long term investment		70,000	70,000
Other receivables		1,555,134	1,149,753
Long term loans		143,735	91,084
Long term deposits		512,483	518,467
Trade debts	12	21,520,605	20,719,045
Bank balances	15	460,790	893,579
		<u>24,262,747</u>	<u>23,441,928</u>

The Group manages credit risk as follows:

Loans and other receivables

These loans are due from employees and are recovered in monthly installments deductible from their salaries. Retirement balances are also available for these employees against which balance can be adjusted in case of default. The Group actively pursues for the recovery of these loans and the Group does not expect that these employees will fail to meet their obligations, hence the management believes no impairment allowance is required there against.

Other receivables include bank guarantee margin Letter of Credit and miscellaneous receivables which are neither past due nor impaired. The Group believes that based on past relationship, credit rating and financial soundness of the counter parties chances of default are remote and also there is no material impact of changes in credit risks of such receivables so no impairment allowance is necessary in respect of these advances and receivables.

Long term deposits

These are mainly held for rental premises and utilities with the counter parties which have long association with the Group and have a good credit history. The management does not expect to incur credit loss there against.

Trade debts

Trade debts are due from local and foreign customers. The Group manages credit risk inter alia by setting out credit limit in relation to individual customers, by obtaining advance against sales and / or through letter of credits and / or by providing impairment allowance for life time expected credit loss on trade debts.

Trade debts under irrevocable letter of credit, document acceptance and other acceptable banking instruments are considered secured. Further the majority of the customers have been transacting with the Group for several years. The Group actively pursues for the recovery of the debt and based on past experience and business relationship and credit worthiness of these customers, the Group does not expect these customers will fail to meet their obligations except for some past due trade debts against which adequate allowance for impairment has been made.

The Group has established an allowance for expected credit losses against trade debts that represent its estimate of expected losses based on actual credit loss experience in respect of trade debts based on the last 3 years. The allowance determined is then multiplied by the weighted average macroeconomic factors for the three developed scenarios namely "Base", "Best" and "Worst" to incorporate the forward-looking information in expected credit loss model. The macroeconomic factors used include GDP Forecast, Unemployment Forecast, Inflation Rate Forecast and Exchange Rate Forecast. The Group has aging of the trade debts of the Group outstanding as at year end is as follows:

	2025		2024	
	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance
----- (Rupees in '000) -----				
2025				
Secured	6,192,642	-	5,595,157	-
Unsecured				
Current	10,188,308	4	11,909,590	17
1-30 Days	4,320,028	406	2,207,805	3,101
31-60 Days	628,499	5,909	700,840	9,973
61-90 Days	41,001	248	376,504	57,760
More than 90 Days	310,929	164,128	158,620	158,620
	21,681,407	170,695	20,948,516	229,471

Management believes that the unimpaired balances that are past due are still collectable in full, based on historical payment behavior and review of financial strength of respective customers. Further, certain trade debtors, which have been derecognised as a result of bills discounting, are secured by way of Export Letter of Credit and Inland Letter of Credit, which can be called upon if the counter party is in default under the terms of the agreement.

Long term investment and bank balances

The Group limits its exposure to credit risk by maintaining bank accounts and investing only with counter-parties that have stable credit rating.

The long term investment and bank balances along with credit ratings are tabulated below:

	Note	2025	2024
		----- (Rupees in '000) -----	
Long term investment			
AAA	7	70,000	70,000
Bank balances			
AAA		158,027	106,780
AA+		61,844	5,700
AA		14,197	765
AA-		2,492	75,711
A+		1,893	180,351
A1		221,937	464,170
BBB-		400	60,102
		460,790	893,579
		530,790	963,579

Given these high credit ratings, management does not expect that any counter party will fail to meet their obligations.

Concentration of credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Group exposure to a single customer exceeding 10% of the total exposure amounts to Rs. 2,436 million (2024: Rs. 2,790 million).

Credit risk of the Group arises principally from long term investments, long term loans and other receivables, trade debts, long term deposits and bank balances.

47.3 Liquidity risk

Liquidity risk represent the risk where the Group will encounter difficulty in meeting obligations associated with financial liabilities when they fall due. The exposure to liquidity risk along with their maturities is disclosed in respective notes and note 46.

The Group manages liquidity risk by maintaining sufficient cash in hand and at banks and ensuring the fund availability through adequate credit facilities. At June 30, 2025, the Group has Rs. 71,760 million (June 30, 2024: Rs. 45,368 million) available borrowing limit from financial institutions. Unutilised borrowing facilities of Rs. 16,753 million (June 30, 2024: Rs. 4,734 million) and also has Rs. 558 million (June 30, 2024: Rs. 1,082 million) being cash in hand and balances at banks. Based on the above, management believes the liquidity risk is insignificant.

	Note	Less than one year	More than one year	Total carrying amount
----- (Rupees in '000) -----				
As at June 30, 2025				
Long term financing	18	3,878,180	18,392,475	22,270,655
Lease liability against right of use assets	19	1,826,863	5,998,547	7,825,410
Trade and other payables	22	26,826,772	-	26,826,772
Accrued mark-up / profit	23	886,790	-	886,790
Short term borrowings	24	56,082,057	-	56,082,057
Unclaimed dividend		9,365	-	9,365
Unpaid dividend	26	23,505	-	23,505
		89,533,532	24,391,022	113,924,555
Total as at June 30, 2024		81,508,809	19,388,043	100,896,852

47.4 Capital risk management

The primary objectives of the Group when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

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

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

	2025	2024
----- (Rupees in '000) -----		
Total borrowings	78,352,712	60,319,851
Cash and bank	(559,457)	(1,081,768)
Net debt	77,793,255	59,238,083
Total equity	51,840,197	47,327,699
Total equity and debt	129,633,452	106,565,782
	----- (%) -----	
Gearing ratio	60	56

The Group finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix amongst various sources of finance to minimise risk and borrowing cost.

48 FAIR VALUES

Fair value 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 Group while assessing fair values uses valuation techniques that are appropriate in the circumstances using relevant observable data as far as possible and minimising the use of unobservable inputs. Fair values are categorised into following three levels based on the input used in the valuation techniques;

- **Level 1** Quoted prices in active markets for identical assets or liabilities that can be assessed at measurement.
- **Level 2** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- **Level 3** Inputs are unobservable inputs for the asset or liability Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

If inputs used to measure the fair values of an asset or a liability fall into different levels then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Transfers, if any, between levels of the fair value hierarchy is recognised at the end of the reporting period during which the transfer has occurred. The Group's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of changes in market and trading activity and changes in inputs used in valuation techniques.

As at year end, the fair value of all the financial assets and liabilities approximates to their carrying values. The operating fixed assets and right of use asset is carried at cost less accumulated depreciation and impairment if any, except there is no free-hold land and lease-hold land which are stated at cost. The Group does not expect that unobservable inputs may have significant effect on fair values. The fair values of forward exchange contracts is determined based on the forward exchange rates at the reporting date included in the level 2 of the fair value hierarchy.

49 GENERAL

49.1 Events occurring after reporting date

On September 29, 2025, Board of Directors, approved the closure of the Group's Export Apparel operations as part of its strategic review of operations. The closure will be implemented in the forthcoming financial year, with financial and operational impacts to be recognised in the consolidated financial statements of the ensuing year.

49.2 Corresponding figures

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification was made in these consolidated financial statements during the current year.

50 DATE OF AUTHORISATION

These consolidated financial statements were authorised for issue by the Board of Directors of the Group in their meeting held on September 29, 2025.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

Categories of Shareholding As at June 30, 2025

S No.	Shareholders Category	No. of Shareholder	No. of Shares	Percentage (%)
1	Individuals	6,887	117,555,624	15.88
2	Investment Companies & Mutual Funds	72	455,710,688	61.58
3	Insurance Companies	5	10,031,559	1.36
4	Joint Stock Companies	29	101,339,500	13.69
5	Modaraba Companies	1	90	0.00
6	Financial Institutions	5	54,451,721	7.36
7	Charitable Institutions	7	642,985	0.09
8	Government Departments	4	327,291	0.04
		7,010	740,059,458	100.00

Pattern of Shareholding

As at June 30, 2025

NO OF SHAREHOLDERS	NO. OF SHAREHOLDINGS		TOTAL SHARES
	FROM	TO	
1,452	1	100	45,905
1,341	101	500	404,324
1,023	501	1,000	820,431
1,856	1,001	5,000	4,707,530
517	5,001	10,000	3,936,629
195	10,001	15,000	2,457,238
121	15,001	20,000	2,179,354
82	20,001	25,000	1,892,779
67	25,001	30,000	1,872,757
40	30,001	35,000	1,304,119
39	35,001	40,000	1,479,938
26	40,001	45,000	1,118,072
20	45,001	50,000	986,671
11	50,001	55,000	584,660
15	55,001	60,000	885,600
15	60,001	65,000	944,963
6	65,001	70,000	406,067
11	70,001	75,000	798,703
11	75,001	80,000	861,612
5	80,001	85,000	416,978
5	85,001	90,000	439,287
4	90,001	95,000	373,031
19	95,001	100,000	1,882,380
4	100,001	105,000	415,153
3	105,001	110,000	324,105
1	110,001	115,000	112,287
2	115,001	120,000	240,000
1	120,001	125,000	123,989
1	125,001	130,000	127,076
2	130,001	135,000	268,226
4	140,001	145,000	570,891
5	145,001	150,000	746,749
1	150,001	155,000	150,920
1	155,001	160,000	155,560
4	160,001	165,000	651,593
2	165,001	170,000	340,000
5	170,001	175,000	863,600
3	175,001	180,000	538,192
5	180,001	185,000	918,426
3	185,001	190,000	561,406
1	190,001	195,000	191,263
5	195,001	200,000	996,323
3	200,001	205,000	610,414
2	210,001	215,000	424,236
1	225,001	230,000	225,522
2	230,001	235,000	469,350

NO OF SHAREHOLDERS	NO. OF SHAREHOLDINGS		TOTAL SHARES
	FROM	TO	
1	235,001	240,000	240,000
1	240,001	245,000	243,999
1	245,001	250,000	250,000
3	255,001	260,000	773,551
1	265,001	270,000	265,410
1	270,001	275,000	272,000
1	275,001	280,000	278,834
1	280,001	285,000	284,000
1	285,001	290,000	288,000
1	290,001	295,000	290,670
3	295,001	300,000	898,189
1	300,001	305,000	304,096
2	310,001	315,000	623,229
1	345,001	350,000	346,500
1	395,001	400,000	400,000
1	450,001	455,000	454,940
1	475,001	480,000	477,685
1	480,001	485,000	481,610
5	495,001	500,000	2,498,700
1	500,001	505,000	500,523
1	525,001	530,000	528,000
1	570,001	575,000	575,000
1	640,001	645,000	643,839
1	645,001	650,000	650,000
1	675,001	680,000	680,000
1	690,001	695,000	692,880
1	705,001	710,000	707,000
1	735,001	740,000	738,500
1	740,001	745,000	745,000
1	745,001	750,000	750,000
1	770,001	775,000	775,000
1	785,001	790,000	786,051
1	825,001	830,000	826,546
1	960,001	965,000	960,510
1	1,205,001	1,210,000	1,209,254
1	1,265,001	1,270,000	1,268,876
1	1,430,001	1,435,000	1,433,579
1	1,470,001	1,475,000	1,471,686
1	1,700,001	1,705,000	1,701,249
1	1,845,001	1,850,000	1,845,912
1	1,940,001	1,945,000	1,944,775
1	1,995,001	2,000,000	2,000,000
1	2,395,001	2,400,000	2,400,000
1	2,840,001	2,845,000	2,842,144
1	3,105,001	3,110,000	3,108,181
1	3,470,001	3,475,000	3,471,541
1	4,890,001	4,895,000	4,892,481
1	6,115,001	6,120,000	6,115,957

NO OF SHAREHOLDERS	NO. OF SHAREHOLDINGS		TOTAL SHARES
	FROM	TO	
1	8,305,001	8,310,000	8,305,507
1	9,330,001	9,335,000	9,331,314
1	10,835,001	10,840,000	10,839,856
1	11,045,001	11,050,000	11,050,000
1	16,070,001	16,075,000	16,074,505
2	20,750,001	20,755,000	41,502,460
1	22,115,001	22,120,000	22,117,519
1	52,515,001	52,520,000	52,516,536
1	58,175,001	58,180,000	58,177,795
1	413,380,001	413,385,000	413,383,760
7,010			740,059,458

Pattern of Shareholding For the year ended June 30, 2025

Categories of Shareholders	Number	Shares held
Associated Companies, Undertaking and Related Parties		
Gul Ahmed Holdings (Private) Limited	1	413,383,760
Swisstex Chemicals (Private) Limited	1	22,117,519
Grand Industries (Private) Limited	1	58,177,795
Ghafooria Industries (Private) Limited	1	16,074,505
Trustee - Gul Ahmed Textile Mills Limited Employees Provident Fund Trust	1	3,108,181
NIT and ICP		
IDBP (ICP Unit)	1	1,390
IDBP (ICP Unit)	1	2,175
CDC - Trust National Investment (Unit) Trust	1	21,482
CDC - Trustee National Investment (Unit) Trust	1	10,839,856
CDC - Trustee Nit-Equity Market Opportunity Fund	1	259,200
Mutual Funds		
CDC - Trustee MCB Pakistan Stock Market Fund	1	11,050,000
CDC - Trustee Pakistan Capital Market Fund	1	185,000
CDC - Trustee Alhamra Islamic Stock Fund	1	1,944,775
CDC - Trustee Alhamra Islamic Asset Allocation Fund	1	225,522
CDC - Trustee NBP Stock Fund	1	6,115,957
CDC - Trustee NBP Balanced Fund	1	141,632
CDC - Trustee MCB Pakistan Asset Allocation Fund	1	500,523
CDC - Trustee Alfalah GHP Stock Fund	1	298,189
CDC - Trustee Nit-Equity Market Opportunity Fund	1	259,200
CDC - Trustee Al Habib Stock Fund	1	650,000
CDC - Trustee NBP Sarmaya Izafa Fund	1	134,086
CDC - Trustee Golden Arrow Stock Fund	1	257,551
CDC - Trustee Alfalah Consumer Index Exchange Traded Fund	1	29,891
CDC - Trustee Alfalah GHP Dedicated Equity Fund	1	123,989

Categories of Shareholders	Number	Shares held
Banks, NBFI, DFI And Investment Companies	51	6,178,329
Insurance Companies	5	10,031,559
Joint Stock Companies	26	4,969,681
Modaraba Companies	1	90
Financial Institutions	5	54,451,721
Charitable Institutions	7	642,985
Government Departments	4	327,291
Directors		
Mohomed Bashir (Chairman)	1	4,892,505
Zain Bashir (Vice Chairman)	1	20,751,230
Mohammed Zaki Bashir (Chief Executive)	1	20,751,230
Ziad Bashir	1	8,305,507
Ehsan A. Malik	1	5,184
Ms. Zeeba Ansar	1	3,600
Kamran Y. Mirza	1	41,472
Directors'/CEO's Spouse		
Tania Zain Bashir	1	8,359
Romina Rahim Mirza	1	83,913
Shareholders holding 5% or more Voting Interest		
Gul Ahmed Holdings (Private) Limited	1	413,383,760
Grand Industries (Private) Limited	1	58,177,795

Details of trading in the shares by:

The following trading were carried out by the Director during the year under review:

DIRECTORS

Ziad Bashir	8,297,148	Shares acquired as gift from family members
Zain Bashir	4,148,574	Shares given as gift to family member.
Mohammed Zaki Bashir	4,148,574	Shares given as gift to family member.

Notice is hereby given that the 73rd Annual General Meeting of Gul Ahmed Textile Mills Limited will be held at Moosa D. Dessai ICAP Auditorium, Institute of Chartered Accountants of Pakistan, G-31/8, Chartered Accountants Avenue, Clifton, Karachi and also through video-link facility on Saturday, October 25, 2025 at 3:30 p.m. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and approve the Audited Financial Statements for the year ended June 30, 2025 together with the Directors' and Auditors' Reports thereon.

Web Link: <https://gulahmed.com/investor-relations/financial-information/>



2. To appoint External Auditors of the Company for the ensuing year, and to fix their remuneration. The Board of Directors, on the recommendation of Audit Committee of the Company, has proposed re-appointment of M/S Yousuf Adil Chartered Accountants as external auditors for the year ending June 30, 2026.

SPECIAL BUSINESS:

3. To consider, and if deemed fit, to pass the following resolutions as Special Resolution:

“RESOLVED that

- a. the transactions carried out in normal course of business with related parties as disclosed in Note No. 39 during the year ended June 30, 2025 be and are hereby ratified and approved,
 - b. the Board of Directors of the Company be and are hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with related parties during the ensuing year ending June 30, 2026, and
 - c. these transactions by the Board of Directors of the Company shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification / approval.”
4. To transact with the permission of the Chair any other business which may be transacted at an Annual General Meeting.

As required under Section 223(6) of the Companies Act, 2017 (the “Act”), Financial Statements of the Company have been uploaded on the website of the Company, which can be downloaded from the following link and/or QR enabled code:

The statement under Section 134(3) of the Companies Act, 2017 pertaining to the Special Resolutions is being sent along with the notice to the Members.

By Order of the Board

Karachi
September 29, 2025

Salim Ghaffar
Company Secretary

بذریعہ پدا مطلع کیا جاتا ہے کہ گل احمد ٹیکسٹائل ملز لمیٹڈ کا 73 واں سالانہ اجلاس عام ہفتہ 25 اکتوبر 2025ء سے پیر 30:30 پر مونی ڈی ڈی ایٹی آئی کیپ آڈیٹوریم، انٹینیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان، G-31/8، چارٹرڈ اکاؤنٹنٹس ایجنسی، کراچی میں منعقد ہوگا اور ساتھ ہی ساتھ ویڈیو لنک سہولت کے ذریعے بھی منعقد کیا جائے گا تاکہ درج ذیل امور انجام دیے جاسکیں:

عمومی امور (ORDINARY BUSINESS):

1. 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشوارے، ڈائریکٹرز اور آڈیٹرز کی رپورٹس کے ساتھ وصول کرنا، غور کرنا اور منظور کرنا۔
2. کمپنی کے آئندہ سال کے لیے بیرونی آڈیٹرز کا تقرر اور ان کی معاوضہ کا تعین کرنا۔ بورڈ آف ڈائریکٹرز نے کمپنی کی آڈٹ کمپنی کی سفارشی پریسٹ عادل چارٹرڈ اکاؤنٹنٹس کو 30 جون 2026 کو ختم ہونے والے مالی سال کے لیے بیرونی آڈیٹرز کے طور پر دوبارہ تقرر کرنے کی تجویز دی ہے۔

خصوصی امور (SPECIAL BUSINESS):

3. درج ذیل قراردادوں پر غور کرنا اور اگر مناسب سمجھا جائے تو خصوصی قرارداد کے طور پر منظور کرنا:

”بہتر مادی امور کی جاتی ہے کہ“

- ا۔ 30 جون 2025 کو ختم ہونے والے سال کے دوران متعلقہ فریقوں کے ساتھ کاروبار کے معمول کے لین دین جو نوٹ نمبر 39 میں ظاہر کیے گئے ہیں کی بذریعہ پدا توثیق اور منظوری دی جاتی ہے۔
- ب۔ کمپنی کے بورڈ آف ڈائریکٹرز کا اختیار دیا جاتا ہے کہ وہ 30 جون 2026 کو ختم ہونے والے سال تک متعلقہ فریقوں کے ساتھ کاروبار کے معمول کے تمام لین دین کو منظور کرے۔
- ج۔ کمپنی کے بورڈ آف ڈائریکٹرز کے ذریعے کیے گئے لین دین، شیئرز ہولڈرز کی جانب سے منظور شدہ تصورات ہوں گے اور آئندہ سالانہ اجلاس عام میں شیئرز ہولڈرز کے سامنے ان کی ہاضما پلا توثیق منظوری کے لیے پیش کیے جائیں گے۔
4. جنیئر مین کی اجازت سے کوئی دیگر کاروبار جو سالانہ اجلاس عام میں انجام دیا جاسکتا ہو۔

کمپنی ایکٹ 2017ء کی دفعہ (6) 223 کے تحت، کمپنی کے مالیاتی گوشوارے کمپنی کی ویب سائٹ پر آپ لوڈ کر دیے گئے ہیں، جنہیں درج ذیل QR کوڈ کے ذریعے ڈاؤن لوڈ کیا جاسکتا ہے:



QR کوڈ:

https://gulahmed.com/investor-relations/financial-information/

مزید برآں کمپنی ایکٹ 2017ء کی دفعہ (3) 134 کے تحت خصوصی قراردادوں سے متعلق بیان، اس نوٹس کے ساتھ اراکین کو بھیجا جا رہا ہے۔

انکم بورڈ

محمد
کمپنی سیکریٹری

کراچی
29 ستمبر 2025ء

1. Book Closure

The Share Transfer Books of the Company will remain closed from October 17, 2025 to October 25, 2025 (both days inclusive) when no transfer of shares will be accepted for registration. Transfers received in order at the office of our Share Registrar M/s. FAMCO Share Registration Services (Private) Limited 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shakra-e-Faisal, Karachi by the close of the business on October 16, 2025 will be in time for the purpose of attending Annual General Meeting.

2. Virtual Participation in the AGM Proceedings:

Shareholders interested in attending the AGM virtually are hereby advised to get themselves registered with the Company by providing the following information via email at salim.ghaffar@gulahmed.com

Name of Member	CNIC No. / NTC No.	CDC Participant ID / Folio No.	Cell Number	Email Address

Online meeting link and login credentials shall be shared with members who have submitted request via email containing all the required particulars by the close of business on Thursday, October 23, 2025. The login facility shall remain open from 3:00 p.m. till the start of the Meeting on October 25, 2025.

3. Requirements for appointing Proxies

- A member entitled to attend and vote at the meeting may appoint another member as proxy to attend, speak and vote instead of him/her. Proxies in order to be effective must be received at the Registered Office of the Company duly signed not later than 48 hours before the meeting, excluding holidays. A proxy must be a member of the Company.
- The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- Copies of CNIC or the valid passport of the beneficial owners and the proxy shall be furnished along with the proxy form.
- The proxy shall produce his original CNIC or original valid passport at the time of the Meeting.
- In case of a corporate entity, the Board of Directors' resolution / Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier).

4. Updation of shareholder addresses / other particulars

Members holding shares in physical form are requested to promptly notify Shares Registrar of the Company of any change in their addresses or any other particulars. Shareholders maintaining their shares in electronic form should have their address updated with their participant or CDC Investor Accounts Services.

Further, to comply with requirements of section 119 of the Companies Act, 2017 and Regulation 47 of the Companies Regulations, 2024, all CDC and physical shareholders are requested to have their email address and cell phone numbers incorporated / updated in their physical folio or CDC account.

5. Electronic dividend mandate

- CNIC number of the shareholders is mandatorily required for dividend distribution and in the absence of such information, payment of dividend shall be withheld in term of SECP's order dated June 3, 2016. Therefore, the shareholders who have not yet provided their CNICs are once again advised to provide the attested copies of their CNICs directly to our Shares Registrar. The shareholders while sending CNIC must quote their respective folio number and name of the Company.

- b. Under the provisions of Section 242 of the Companies Act, 2017 and the Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders. Shareholders who have not yet submitted their International Bank Account Number (IBAN) are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to the Registrar of the Company.

In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder's broker/participant/CDC account services.

In the absence of a member's valid IBAN and CNIC, the Company will be constrained to withhold payment of dividend to such member.

6. Electronic Transmission Of Annual Reports and Notices

In compliance with section 223(6) of the Companies Act, 2017, and pursuant to the S.R.O. 389(I)/2023 dated March 21, 2023 the Company has electronically transmitted the Annual Report 2025, downloadable through weblink, QR enabled code, through email to Members whose email addresses are available with the Company's Share Registrar. However, in cases, where email addresses are not available with the Company's Share Registrar, printed copies of the notices of AGM along-with the QR enabled code/weblink to download the Annual Report 2025 (containing the financial statements), have been dispatched.

Notwithstanding the above, the Company will provide hard copies of the Annual Report 2025, to any Member on their request, at their registered address.

7. Conversion of Physical Shares into CDC Account

As per Section 72 of the Companies Act, 2017 all existing companies are required to convert their physical shares into book-entry form within a period not exceeding four years from the date of commencement of the Companies Act, 2017.

The Securities and Exchange Commission of Pakistan through its circular # CSD/ED/Misc./2016-639-640 dated March 26, 2021 has advised the listed companies to pursue their members who still hold shares in physical form, to convert their shares into book entry form.

We hereby request all members who are holding shares in physical form to convert their shares into book-entry form at the earliest. They are also suggested to contact the Central Depository Company of Pakistan Limited or any active member/stock broker of the Pakistan Stock Exchange to open an account in the Central Depository System and to facilitate conversion of physical shares into book-entry form. Members are informed that holding shares in book-entry form has several benefits including but not limited to secure and convenient custody of shares, conveniently tradeable and transferable, No risk of loss, damage or theft, no stamp duty on transfer of shares in book entry form and hassle-free credit of bonus or right shares.

We once again strongly advise members of the Company, in their best interest, to convert their physical shares into book entry form at the earliest.

8. Unclaimed Dividend / Shares under Section 244 of the Companies Act, 2017

The Company has sent notices to shareholders under Section 244 of the Companies Act, 2017 whereby the Company approached the shareholders to claim their unclaimed dividends and undelivered share certificates in accordance with the law.

An updated list for unclaimed dividend/shares of the Company, which have remained unclaimed or unpaid for a period of three years from the date these have become due and payable, is available on the Company's website: <https://gulahmed.com/list-of-unclaimed-shares-and-unpaid-cash-dividend/>

Claims can be lodged by shareholders on Claim Form as is available on the Company's website. Claim Forms must be submitted to the Company's Share Registrar for receipt of dividend/ shares.

9. E-Voting

In accordance with the Companies (Postal Ballot) Regulation, 2018, as amended, the right to vote through electronic voting facility will be provided by the Company in respect of the Special Business. Details of e-voting facility will be shared through e-mail with those shareholders of the Company who have their valid CNIC numbers, Cell Numbers and e-mail addresses available in the register of Members of the Company within due course. A shareholder may alternatively opt for voting through postal ballot which is being published with this notice and is also available on Company's website.

9. Postal Ballot

Shareholders will be allowed to exercise their right to a poll in accordance with the requirements of Sections 143 to 145 of the Companies Act, 2017 and the Companies (Postal Ballot) Regulations, 2018.

10. Non-Resident Shareholders

Non-resident individual shareholders shall submit declaration or undertaking with copy of valid passport under definition contained in Section 82 of the Income Tax Ordinance, 2001 for determination of residential status for the purposes of tax deduction on dividend to the Shares Register of the Company or email at info.shares@famcosrs.com.pk at the latest by October 17, 2025. The copy of declaration form can be downloaded from Shares Registrar website: <https://famcosrs.com.pk/share-registration-services/>.

Statement Under Section 134(3) of the Companies Act, 2017 Pertaining to Special Business

This Statement sets out the material facts pertaining to the Special Business Resolution described in the Notice of Annual General Meeting ("AGM"), intended to be transacted at the 73rd AGM of Gul Ahmed Textile Mills Limited ("the "Company") that is scheduled to be held on October 25, 2025.

1. The Company carries out transactions with its associated companies and related parties in accordance with its policies and applicable laws and regulations. Certain related party transactions require Shareholder approval under Section 207 of the Companies Act, 2017 as a majority of directors on the Gul Ahmed Textile Mills Limited Board are interested in the transaction by virtue of being shareholders or directors in related entities.

The details of such transactions are as under:

S/No.	Company Name	Basis of Relationship	Transaction Nature
1.	Gul Ahmed Holdings (Private) Limited	Holding Company	Dividend
2.	Ideas (Private) Limited	Wholly owned subsidiary	Sale of goods
3.	Gul Ahmed International Limited (FZC) – UAE	Wholly owned subsidiary	Sale of goods
4.	GTM Europe Limited – UK	Wholly owned ultimate subsidiary	Sale of goods & Commission Paid
5.	GTM USA – Crop. – USA	Wholly owned ultimate subsidiary	Sale of goods & Commission Paid
6.	Sky Home Crop. – USA	Wholly owned ultimate subsidiary	Sale of goods & Commission Paid
7.	Vantona Home Limited	Wholly owned ultimate subsidiary	Sale of goods & Commission Paid
8.	JCCO 406 Limited – UK	Wholly owned ultimate subsidiary	Sale of goods & Commission Paid
9.	Swisstex Chemicals (Private) Limited	Common directorship & shareholding	Sale of goods & Purchase of Goods
10.	Habib Metropolitan Bank Limited	Common directorship & shareholding	Banking Transactions
11.	Pakistan Textile Council	Common Directorship	Membership fees
12.	Haji Ali Mohammed Foundation.	Common Directorship	Rent Paid
13.	Landhi Association of Trade & Industry	Common Directorship	Donations Paid Fees Paid
14.	Pakistan Business Council	Common Directorship	Fees Paid
15.	Gul Ahmed Textile Mills Limited Employees Provident Fund Trust	Common Directorship	Company's contributions to Provident Fund and Bonus Shares Issued.
16.	Grand Industries (Private) Limited	Common shareholding	Rent Expenses and Bonus Shares Issued
17.	Ghafooria Industries (Private) Limited	Common directorship & shareholding	Rent Expenses & Bonus Shares Issued
18.	Win Star (Private) Limited.	Common directorship & shareholding	Purchased of goods
19.	Askari Bank Limited	Common Directorship	Banking Transactions
20.	Samba Bank Limited	Common Directorship	Banking Transactions
21.	Standard Chartered Bank Pakistan Limited	Common Directorship	Banking Transactions
22.	International Cotton Association.	Common Directorship	Fee Paid
23.	Gul Ahmed Ecofab (Private) Limited	Wholly owned ultimate subsidiary	Equity Investment
24.	Gul Ahmed Ecotex (Private) Limited	Wholly owned ultimate subsidiary	Equity Investment
25..	Gul Ahmed Circular Fabrics (Private) Limited	Wholly owned ultimate subsidiary	Equity Investment
26.	International Textile Manufactures Federation	Common Directorship	Fee Paid

All related party transactions are in accordance with Company's policies and comply with all legal requirements. These are primarily transactions conducted in the ordinary course of business. Under the Company's Policy for Related Party Transactions all related party transactions are reviewed periodically by the Board Audit Committee which is chaired by an Independent Director. Following review by the Board Audit Committee, the said transactions are placed before the Board of Directors for approval.

The Shareholders are requested to ratify the transactions with related parties in which the majority of the Directors are interested as disclosed in the Financial Statements for the year ended June 30, 2025 and further to authorize the Company to conduct certain related party transactions in which the majority of Directors are interested for the Financial Year ending

June 30, 2026. Shareholders' approval is also sought to authorize and grant power to the Board to periodically review and approve such transactions based on the recommendation of the Board Audit Committee.

Based on the aforesaid the Shareholders are requested to pass the Special Business Resolution as stated in the Notice.

The Directors who are interested in this subject matter are as follows:

- **Mr. Mohomed Bashir**
- **Mr. Mohammed Zaki Bashir**
- **Mr. Zain Bashir**
- **Mr. Ziad Bashir**

I/We _____
of _____
being a member of Gul Ahmed Textile Mills Limited and holder of _____
Ordinary Shares hereby appoint _____
of _____
or failing him/her _____
of _____ another member of the Company, as
my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the **73rd Annual General Meeting** of the Company to be held on October 25, 2025 or at any adjournment thereof.

1) Witness	Signed by me this _____ day of _____ 2025
Name _____	
Address _____	Signed _____
CNIC No. _____	
	Affix Revenue Stamp Rs.5.00
2) Witness	
Name _____	Folio No./CDC Account No. _____
Address _____	
CNIC No. _____	

Notes:

1. A member entitled to vote at the meeting may appoint a proxy. Proxies in order to be effective, must be received at the Registered Office of the Company duly stamped and signed not later than 48 hours before the meeting.
2. Proxies granted by shareholders who have deposited their shares into Central Depository Company of Pakistan Limited must be accompanied with attested copies of the Computerized National Identity Card (CNIC) or the Passport of the beneficial owners. Representatives of corporate members should bring the usual documents required for such purpose. A proxy must be a member of the Company.
3. If member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
4. If the member is a corporate entity its common seal should be affixed to the proxy.
5. In case of CDC Account Holders, attested copies of CNIC or the Passport of the beneficial owners and the proxy shall be furnished with the proxy form.

میں / ہم

کے
گل احمد ٹیکسٹائل ملز لمیٹڈ کے ممبر اور _____ عمومی شیئرز کا حامل ہونے کے ناطے کمپنی کے ایک دوسرے ممبر
کو میرے / ہمارے پراکسی کی حیثیت سے میری / ہماری غیر موجودگی کی صورت میں میری / ہماری طرف سے کمپنی کے سالانہ اجلاس عام منعقد-10-25
2025 باروزیفٹہ یا کسی بھی التوا کی صورت میں، میری / ہماری ایماپر میری / ہماری طرف سے شرکت اور ووٹ دینے کے لیے پراکسی نامزد کرتا ہوں۔

میں نے 2025 کے _____ کے _____ میں دن دستخط کیے۔

(1

گواہ:

نام:

پتہ:

CNIC

دستخط:

پانچ روپے مالیت کی ریونیو اسٹامپ چسپاں کریں

(2

گواہ:

نام:

پتہ:

CNIC

فولیو نمبر / CDC اکاؤنٹ نمبر _____

نوٹ:

1 . میٹنگ میں ووٹ دینے کا حقدار رکن ایک پراکسی نامزد کر سکتا ہے۔ پراکسی مؤثر ہونے کے لیے، باقاعدہ طور پر اسٹامپ شدہ اور دستخط شدہ
کمپنی کے رجسٹرڈ آفس میں میٹنگ سے زیادہ سے زیادہ 48 گھنٹے پہلے وصول ہونا چاہیے۔

2 . شیئر ہولڈرز کی طرف سے دی گئی پراکسیز جنہوں نے اپنے شیئرز سینٹرل ڈبازٹری کمپنی آف پاکستان لمیٹڈ میں جمع کرائے ہیں جس کے ساتھ
بینیفیشل اونرز کا کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ تصدیق شدہ کاپیوں کے ساتھ کارپوریٹ ممبر کے نمائندوں کو اس مقصد کے لیے درکار
عمومی دستاویزات ساتھ لانا چاہیے۔ پراکسی کے لیے کمپنی کا ممبر ہونا ضروری ہے۔

3 . اگر ممبر ایک سے زیادہ پراکسی نامزد کرے اور ایک سے زیادہ پراکسی انسٹرومنٹ کمپنی کے کسی ممبر کی طرف سے جمع کروائے جائیں، تو ایسے تمام
انسٹرومنٹ برائے پراکسی غیر مؤثر تصور کیے جائیں گے۔ اگر ممبر ایک کارپوریٹ اینٹی بی تو اس کی عمومی مہر لازمی طور پر ثبوت ہونی چاہیے۔

4 . اگر ممبر ایک کارپوریٹ ادارہ ہے تو اس کی عام مہر پراکسی پر چسپاں ہونی چاہیے۔

5 . سی ڈی سی اکاؤنٹ ہولڈرز کی صورت میں، بینیفیشل اونرز کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں، پراکسی فارم کے
ساتھ پراہم کی جانی چاہئیں۔



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