

# **J. A. TEXTILE MILLS LIMITED**

## **FINANCIAL STATEMENTS**

**For the Year Ended June 30, 2025**

# COMPANY INFORMATION

## Board of Directors

Chairman:	Mr. Riaz Ahmad
Chief Executive:	Ms. Kurratulain Zahid
Directors:	Mr. Zahid Anwar
	Mr. Imran Zahid
	Mr. Muhammad Anwar ul Haq
	Mr. Muhammad Ali
	Mr. Riaz Ahmad
	Mr. Liaqat Ali Qamar

## Audit Committee:

Chairman:	Mr. Riaz Ahmad
Member:	Mr. Muhammad Ali
Member:	Ms. Kurratulain Zahid

## Human Resources & Remuneration (HR&R) Committee:

Chairman:	Mr. Muhammad Ali
Member:	Mr. Imran Zahid
Member:	Mr. Liaqat Ali Qamar

Company Secretary:	Mr. Ajmal Shabab
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Chief Financial Officer:	Mr. Muhammad Umer Farooq
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Auditors:	Arshad Rahim & Co., Chartered Accountants
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Banks:	Al Baraka Islamic Bank B.S.C. (E.C.)
	JS Bank Limited
	National Bank of Pakistan
	United Bank Limited
	Meezan Bank Limited

Legal Advisor:	Mr. Zia-ul-Haq (Advocate)
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Registered Office:	JK House, 32-W, Susan Road, Madina Town, Faisalabad
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Share Registrar Office:	Hameed Majeed Associates (Private) Limited 1 <sup>st</sup> Floor, H.M House, 7-Bank Square, Lahore.
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Mills:	29-KM, Sheikhpura Road, Faisalabad
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Web Site:	<a href="http://www.jatml.com">www.jatml.com</a>
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# J. A. TEXTILE MILLS LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Annual General Meeting of the company will be held on Monday the 28<sup>th</sup> October, 2025 at 09:00 AM at its registered office, JK House, 32-W, Susan Road, Madina Town, Faisalabad to transact the following business :-

1. To confirm the minutes of the Extraordinary General Meeting held on .30.11.2024.
2. To receive, consider and adopt the audited accounts of the company for the year ended June 30, 2025 together with the Directors' and Auditor's reports thereon.
3. To appoint auditors for the year ending June 30, 2026 and fix their remuneration. The present Auditor, M/s. Arshad Raheem & Co., Chartered Accountant, being retired. The Board of Directors, has recommended the appointment of M/s. Kreston Hyder Bhimji & Co., Chartered Accountants for appointment as auditors of the company for the next year.

Special business:

4. To consider, and if deemed appropriate, to pass the following resolutions (with or without modifications) which would enable the Company to circulate the annual audited financial statements by way of QR enabled code and weblink to its shareholders as a part of the notice for annual general meeting.

"RESOLVED THAT subject to passing of a resolution of J.A. Textile Mills Limited ("Company") by way of simple majority, permission and approval to the Company be and is hereby accorded for circulation of annual audited financial statements to members through QR enabled code and weblink within and as a part of the notice of general meeting, in line with Securities and Exchange Commission of Pakistan notification number S.R.O. 389(I)/2023, and as a consequence thereof, the practice of circulation of annual audited financial statements through CD be discontinued."

"FURTHER RESOLVED THAT the company shall ensure all times the requirements given in Securities and Exchange Commission Notification S.R.O. 389 (I)/2023 dated March 21, 2023 and all other applicable laws in connection with transmission of Notice of General meeting and circulation of annual report to the members are complied with."

5. To transact any other business with the permission of the chair.

FOR AND ON BEHALF OF THE BOARD

AJAML SHABAB

(Company Secretary)

FAISALABAD: 07.10.2025

### NOTES:

1. The share transfer books of the company will remain closed from 21.10.2025 to 28.10.2025 (both days inclusive). Transfer received at the office of Share Registrar of the company, M/s. Hameed Majeed Associates (Pvt) Ltd., H. M. House, 7-Bank Square, Lahore, by the close of business on 20 October 2025 will be treated in time.
2. A member entitled to attend and vote at the meeting may appoint another member of the company as a proxy to attend and vote instead of him/her. Proxy Form duly completed should reach the Registered Office of the Company at least 48 hours before the time of meeting.
3. Any individual beneficial owner of CDC entitled to attend and vote at this meeting must bring his/her CNIC or Passport to prove his/her identity, and in case of Proxy must enclose an attested copy of his/her CNIC or Passport. Representative of Corporate Member should bring the usual documents required for such purpose.
4. Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O. 779(I)/2011 dated August 18, 2011 has directed all listed companies to ensure that Dividend Warrants should bear the Computerized National Identity Card (CNIC) Numbers of the registered members. Members who have not yet provided attested copies of their valid CNICs / NTN (in case of corporate entities) are requested to send the same directly to the Share Registrar at aforementioned address.
5. In pursuance of the directions given by SECP vide SRO 787 (I0/2014 dated September 8, 2014, those shareholders who desire to receive Notice & Annual Financial Statements in future through email instead of receiving the same by Post are advised to give their formal consent along with their valid email address on a standard request from which is available at the Company's website i.e. [www.jatml.com](http://www.jatml.com) and send the said form duly filled in and signed along with copy of his/her CNIC / Passport to the Company's Share Registrar. Please note that giving email address for receiving of Notice & annual Financial Statement instead of receiving the same by post is optional, in case you do not wish to avail this facility please ignore this notice and, in such case, Notice & Annual Financial Statement will be sent at your registered address, as per normal practice.
6. Agenda Item No. 5: Circulation of Financial Statements Via QR Code & Weblink SECP vide SRO 389(I)/2023 dated March 21, 2023, allowed listed companies to circulate the annual audited financial statements to its members through QR-enabled code and web link subject to approval by the shareholders by simple majority. This facility will assist all members, regardless of their location, in accessing the Company's financial statements. The proposed change seeks to address technological challenges and improve accessibility while preserving members' rights and privileges. Importantly, it should be noted that this amendment does not impact the existing right of members to receive a printed version of the financial statements, which will continue to be available upon request.  
Web link: <https://www.jatml.com/AnnualReport/AnnualReport2025.pdf>

Scan QR code for Annual Account 2025



7. Shareholders interested in attending the AGM virtually are hereby advised to get themselves registered with the Company by providing the following information through email at [export@jkhhouse.biz](mailto:export@jkhhouse.biz)

Name of Shareholder	CNIC No.	Folio No/CDC Account No.	No of Shares	Contact No.	Email Address
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Online meeting link and login credentials will be shared with only those Members whose emails, containing all the required particulars, are received at the given email address by the end of business on October 27, 2025. The login facility shall remain open from 09:30 am till the start of the Meeting on October 28, 2025.

8. Pursuant to section 132(2) of the Companies Act, 2017, if company receives consent from shareholders holding aggregate 10% or more shareholding residing at geographical location to participate in the meeting through video conference at least 7 days prior to the date of meeting, the company will arrange video conference facility in that city subject to availability of such facility in that city. To avail this facility please provide following information and submit it to the registered office of the Company.

I/We-----of-----being a member of J. A. TEXTILE MILLS LIMITED, holder of -----Ordinary Shares as per Register Folio No./CDC A/C No.-----hereby opt for Video conference facility at-----.

Signature of members

Members of the Company are requested to immediately notify the change of address, if any, and ask for consolidation of their folio numbers.

## DIRECTORS' REPORT

Your Board of Directors is pleased to present 38<sup>th</sup> annual report together with audited accounts of the Company for the year ended June 30, 2025.

Operating Indicators	June 30, 2025 Rupees in Millions	June 30, 2024 Rupees in Millions
Sales	1,430.99	129.954
Gross (Loss)	(63.331)	(55.407)
Taxation	(19.457)	(14.123)
(Loss) after Taxation	(42.330)	(60.831)
(Loss) per share	(3.3592)	(4.8274)

### Business overview:

During the year under review, management remained hopeful for a favorable future outlook for the industry. Accordingly, the manufacturing process was cautiously resumed after a prolonged period of recession. However, the absence of sufficient demand for yarn in both domestic and international markets, combined with declining price trends and a steep escalation in energy, raw material and labor costs, continued to adversely affect the Company's profitability. Despite these challenges, the Directors are confident that improvements in market conditions will pave the way for a more favorable industry environment.

In line with the Company's cost management strategy, steps are being taken to reduce energy expenses through the planned installation of a renewable solar energy system at the mill premises. This initiative is expected to enhance operational efficiency, mitigate the impact of rising energy costs, and provide long-term savings, thereby supporting the Company's objective for sustainable growth.

As reported in the previous year, the Company was involved in litigation under the title "*Liability for Legal Settlement*" with Faysal Bank Limited. During the year under review, the Company has fully discharged the settled amount payable to the Bank. Accordingly, as of June 30, 2025, there is no outstanding liability remaining with Faysal Bank Limited.

It is pertinent to mention here that Mr. Imran Zahid, Chief Executive Officer of the Company, has retired from his position effective November 30, 2024 and The Board of Directors has appointed Ms. Kurratulain Zahid as the new Chief Executive Officer of the Company with effect from December 1, 2024. The Company extends its appreciation for the valuable services rendered by Mr. Imran Zahid during his tenure.

### Compliance to good Governance and social requirements

Your company is committed to fulfill its responsibilities towards good governance, social and environmental responsibilities. To protect health and safety of employees and environment, company provides able conditions and means to ensure compliance.



## Human Resource and industrial relations

Under a defined and documented criteria in line with national and international laws people are recruited and hired. This is demonstrated at all level beyond any racism, cast, sex or religion and respects human rights, ethics and standards.

## Composition of Board

In line with the requirements of the CCG Regulations, 2019, the Company encourages representation of independent and non-executive directors, as well as gender diversity on its Board. The current composition of the Board is as follows:

### Total number of Directors:

- Male directors 6
- Female director 1

### Composition:

Category	Names
Independent Directors	Mr. Riaz Ahmed Mr. Liaqat Ali Qamar
Other Non-executive Directors	Mr. Anwar ul Haq Mr. Muhammad Ali
Executive Directors	Ms. Kurratulain Zahid Mr. Zahid Anwar Mr. Imran Zahid
Female Director	Ms. Kurratulain Zahid

### Performance Evaluation of Board of Directors:

The evaluation of the Board's role of oversight and its effectiveness is a continual process, which is appraised by the Board itself. The core areas of focus are:

- Alignment of corporate goals and objectives with the vision and mission of the Company;
- Strategy formulation and planning for sustainable operation;
- The Board's independence and effectiveness

Individual feedback was obtained and on the basis of that feedback, the average rating of the performance of the Board and role of the Chairman regarding governing the Board was found up to the mark.

### Auditors' report- Going Concern Uncertainty

Regarding the auditor's reservation of going concern relating to note 1.2 of financial statements, In spite of the accumulated losses, the management of the Company is making its strenuous efforts, optimal production strategies and effective cost controls to improve the performance of the Company. The balancing and modernization of plant and machinery in recent years, improvement in future industry situation and better production efficiency are the main factors for improvements. The management positively looks forward to counter all challenges and is firmly committed to deliver the best possible results and will continue to meet its objectives and goals. Based upon these aspects and

continuing financial support from directors and associates, the financial statements have been prepared on going concern basis.

We confirm that:

- a) Financial statements have been prepared in conformity with the requirement of the Companies Act 2017 and present fairly state of affairs, results of its operation, cash flows and changes in equity.
  - b) Proper books of accounts have been maintained in the manner required under Companies act 2017.
  - c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
  - d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed and explained.
  - e) The system of internal control is being implemented and monitored.
  - f) There are no significant doubts about the company's ability to continue as a going concern.
  - g) There has been no material departure from best practices of corporate governance, as detailed in listing regulations.
  - h) The key operating and financial data of last six years is annexed to this report.
  - i) Outstanding duties and taxes, if any, have been disclosed in the financial statements.
  - j) The Chairman's review dealing with the performance of the Company during the year ended June 30, 2025 forms part of this report.
  - k) Value of investments of Employees Provident Fund was Rs. 15.35/- millions for the year ended June 30, 2025.
  - l) No remuneration is paid to the CEO & Directors of the company. However the CEO & Directors are entitled for the use of companies maintained vehicles.
  - m) Statement of compliance with the Best Practices of Corporate Governance is annexed.
  - n) Trading and holdings of company's shares by Directors & Executives or their spouses were notified in writing to the company Secretary along with the price, number of shares, form of share certificates and nature of transaction which were notified by the company Secretary to the Board, SECP & PSX, within the stipulated time. All such holdings have been disclosed in the Pattern of Shareholding.
  - o) Transactions undertaken with related parties during the financial year have been ratified by the Audit Committee and approved by the Board, if any.
  - p) The pattern of shareholding as at June 30, 2025 is annexed with this report.
  - q) The company's credit exposure to credit risk and impairment relates to its trade debts. This risk is mitigated by the fact that majority of our customers have a strong financial standings and we have a long standing relations with all our customers. We do not expect non performance by these counter parties, hence credit risk is minimal.
- During the year under review, six meetings of the Board were held:-

Ms. Kurratulain Zahid (CEO)	6
Mr. Zahid Anwar	6
Mr. Imran Zahid	6
Mr. Muhammad Anwar-ul-Haq	6
Mr. Muhammad Ali	6



Mr. Riaz Ahmad 6  
Mr. Liaqat Ali Qamar 6

- Considering the accumulated losses brought forward, no dividend is recommended for the year ended June 30, 2025.
- The Audit Committee held four (4) meetings during the year. Attendance by each member was as follows:

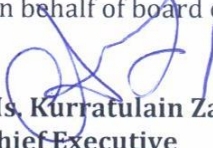
Mr. Zahid Anwar (Chairman) 4  
Mr. Muhammad Ali 4  
Ms. Kurratulain Zahid 4

- The HR Committee held one (1) meeting during the year. Attendance by each member was as follows:

Mr. Muhammad Ali (Chairman) 1  
Mr. Imran Zahid 1  
Mr. Liaqat Ali Qamar 1

- Present auditors M/s Arshad Raheem & Co Chartered Accountant have retired and M/s Kreston Hyder Bhimji & Co. Chartered Accountants offer themselves for appointment. The Audit Committee has recommended the appointment of M/s Kreston Hyder Bhimji & Co. as auditors for the year 2026.

On behalf of board of directors.

  
Ms. Kurratulain Zahid  
Chief Executive  
October 07, 2025

  
Imran Zahid  
Director

# جے اے ٹیکسٹائل ملز لمیٹڈ

## ڈائریکٹر ز رپورٹ

آپ کے بورڈ آف ڈائریکٹرز کو 30 جون 2025 کے مالی سال کے اختتام پر اڑتیسویں سالانہ اجلاس کے انعقاد پر خوشی محسوس کرتے ہیں۔

مالیاتی نتائج:

آپریٹنگ تفصیلات

روپے (ملین میں)

اختتام مالی سال	اختتام مالی سال
30 جون 2024	30 جون 2025
129.954	1,430.99
(55.407)	(63.331)
(14.123)	(19.457)
(60.831)	(42.330)
(4.8274)	(3.3592)

فروخت

مجموعی خسارہ

ٹیکسیشن

بعد از ٹیکس خسارہ

خسارہ فی شیئر

کاروبار کا جائزہ:

زیر نظر سال کے دوران، انتظامیہ صنعت کے لیے سازگار مستقبل کے لیے پرامید رہی۔ اس کے مطابق، مینوفیکچرنگ کا عمل ایک طویل عرصے تک کساد بازاری کے بعد احتیاط کے ساتھ دوبارہ شروع کیا گیا۔ تاہم، ملکی اور عالمی دونوں منڈیوں میں دھاگے کی خاطر خواہ مانگ کی عدم موجودگی، قیمتوں میں کمی کے رجحانات اور توانائی، خام مال اور مزدوری کی لاگت میں زبردست اضافے کے ساتھ، کمپنی کے منافع کو بری طرح متاثر کرتی رہی۔ ان چیلنجوں کے باوجود، ڈائریکٹر ز پر اعتماد ہیں کہ مارکیٹ کے حالات میں بہتری صنعتی ماحول کو مزید سازگار بنانے کی راہ ہموار کرے گی۔

کمپنی کی لاگت کے انتظام کی حکمت عملی کے مطابق، ملز میں جدید شیشی توانائی کے نظام کی منصوبہ بندی کے ذریعے توانائی کے اخراجات کو کم کرنے کے لیے اقدامات کیے جا رہے ہیں۔ توقع ہے کہ اس اقدام سے آپریشنل کارکردگی میں اضافہ ہوگا، توانائی کے بڑھتے ہوئے اخراجات کے اثرات کو کم کیا جائے گا، تاکہ طویل مدتی بچت حاصل کی جائے گی، اس طرح پائیدار ترقی کیلئے کمپنی کے مقصد میں مدد ملے گی۔

زیر نظر سال کے دوران، کمپنی نے بینک کی قابل ادائیگی رقم کو مکمل طور پر ادا کر دیا ہے۔ اس کے مطابق، 30 جون 2025 تک کمپنی کی طرف فیصل بینک لمیٹڈ کو کوئی رقم قابل ادا نہیں ہے۔

یہاں یہ بات قابل ذکر ہے کہ کمپنی کے چیف ایگزیکٹو آفیسر جناب عمران زاہد 30 نومبر 2024 کو اپنے عہدے سے ریٹائر ہو گئے ہیں اور بورڈ آف ڈائریکٹرز نے محترمہ قراۃ العین زاہد کو یکم دسمبر 2024 سے کمپنی کا نیا چیف ایگزیکٹو آفیسر مقرر کیا ہے۔ کمپنی جناب عمران زاہد کی ان کے دور میں دی گئی گرانقدر خدمات کو سراہتی ہے۔

اچھی حکمرانی اور سماجی تقاضوں کی تعمیل:

آپ کی کمپنی اچھی حکمرانی، سماجی اور ماحولیاتی ذمہ داریوں کے حوالے سے اپنی ذمہ داریوں کو پورا کرنے کیلئے پرعزم ہے۔ ملازمین اور ماحولیات کی صحت اور حفاظت کیلئے، کمپنی تعمیل کو یقینی بنانے کیلئے قابل شرائط ذرائع فراہم کرتی ہے۔



انسانی وسائل اور صنعتی تعلقات:

قومی اور بین الاقوامی قوانین کے مطابق ایک متعین اور دستاویزی معیار کے تحت لوگوں کو ملازمت پر رکھا جاتا ہے۔ یہ کسی بھی نسل پرستی، ذات، جنس یا مذہب سے بالاتر ہو کر ہر سطح پر کیا جاتا ہے۔

بورڈ کی تشکیل

CCG ریگولیشنز 2019 کے تقاضوں کے مطابق، کمپنی اپنے بورڈ میں آزاد اور نان ایگزیکٹو ڈائریکٹرز کی نمائندگی کے ساتھ ساتھ صنعتی تنوع کی حوصلہ افزائی کرتی ہے۔ بورڈ کی موجودہ تشکیل حسب ذیل ہے:

ڈائریکٹر کی کل تعداد

مرد ڈائریکٹر 6

خاتون ڈائریکٹر 1

ترکیب:

زمرہ

نام

جناب ریاض احمد

جناب لیاقت علی قمر

آزاد ڈائریکٹر

جناب انوار الحق صاحب

جناب محمد علی

دیگر نان ایگزیکٹو ڈائریکٹر

محترمہ قرۃ العین زاہد

جناب زاہد انوار صاحب

جناب عمران زاہد صاحب

ایگزیکٹو ڈائریکٹر

محترمہ قرۃ العین زاہد

خاتون ڈائریکٹر (نان ایگزیکٹو)

بورڈ آف ڈائریکٹرز کی کارکردگی کا جائزہ:

بورڈ کے کردار اور اس کی تاثیر کا جائزہ ایک مسلسل عمل ہے، جس کا اندازہ بورڈ خود کرتا ہے۔ توجہ کے بنیادی شعبے درج ذیل ہیں،

\* کمپنی کے وژن اور مشن کے ساتھ کارپوریٹ اہداف اور مقاصد۔

\* پائیدار آپریشن کیلئے حکمت عملی کی تشکیل اور منصوبہ بندی۔

\* بورڈ کی آزادی اور تاثیر

انفرادی رائے حاصل کی گئی اور اس فیڈ بیک کی بنیاد پر بورڈ کی کارکردگی اور بورڈ کو چلانے کے حوالے سے چیئرمین کے کردار کی اوسط درجہ بندی تک پائی گئی۔

## آڈیٹرز کی رپورٹ - توثیق کی غیر یقینی صورتحال

مالیاتی رپورٹ کے نوٹ نمبر 1.2 سے متعلق آڈیٹرز نقصانات سے متعلق تحفظات کے بارے میں، کمپنی کی انتظامیہ کا کردار کو بہتر بنانے کے لیے اپنی سخت کوششیں، بہترین پیداواری حکمت عملی اور موثر لاگت کنٹرول کر رہی ہے۔ حالیہ برسوں میں پلانٹ اور مشینری کا توازن اور جدید کاری، مستقبل کی صنعت کی صورتحال میں بہتری اور بہتر پیداواری کارکردگی بہتری کے اہم عوامل ہیں۔ انتظامیہ مثبت طور پر تمام چیلنجوں کا مقابلہ کرنے کیلئے پرعزم ہے۔ ان پہلوؤں اور ڈائریکٹرز اور ایسوسی ایٹس کی جانب سے جاری مالی معاونت کی بنیاد پر مالیاتی گوشواروں کو توثیق کی بنیاد پر تیار کیا گیا ہے۔

ہم تصدیق کرتے ہیں:

(ا) مالیاتی حسابات کمپنیز ایکٹ 2017 کے مطابق بالکل ایمانداری سے تیار کیے گئے ہیں۔ جو کہ کمپنی کے آپریٹنگ نتائج، کیش فلو سٹیٹمنٹ اور ایکویٹی سٹیٹمنٹ کے ساتھ شامل ہیں۔

(ب) مناسب بکس آف اکاؤنٹس کمپنیز ایکٹ 2017 کے مطابق تیار کی گئی ہیں۔

(پ) مناسب اکاؤنٹنگ کی پالیسیوں کو مسلسل لاگو کیا گیا ہے۔ اور حساب کتاب کا تخمینہ مناسب اور پرکشش فیصلے پر مبنی ہے۔

(ت) بین الاقوامی رپورٹنگ معیارات، پاکستان میں قابل عمل کے طور پر مالی بیانات ان اکاؤنٹس کی تیاری میں شامل کیے گئے ہیں۔

(ث) اندرونی کنٹرول کا نظام پورے سال نافذ کیا گیا اور اسکی نگرانی کی گئی ہے۔

(ث) کمپنی کے جاری رہنے کی صلاحیت کے بارے میں کوئی شک نہیں ہے۔

(ج) کارپوریٹ گورننس اور بہترین پریکٹس، لسٹنگ ریگولیشن سے کوئی بڑا فرق نہیں ہے۔

(چ) گزشتہ چھ سالوں کا آپریٹنگ اور مالیاتی اعداد و شمار اس رپورٹ کے ساتھ منسلک ہے۔

(ح) ادا شدہ ٹیکس یا ڈیوٹی فنانشل سٹیٹمنٹ میں بیان کی گئی ہے۔

(خ) چیئرمین کا جائزہ برائے کمپنی کی کارکردگی 30.06.2025 اور دیگر معاملات سے نمٹنے کا معاملہ اس رپورٹ کا حصہ ہے۔

(د) ملازمین کے پراویڈنٹ فنڈ کی مالیت 30.06.2025 کو 15.35 ملین روپے ہے۔

(ڈ) کمپنی کے سی ای او اور ڈائریکٹرز کو کوئی معاوضہ ادا نہیں کیا جاتا ہے۔ تاہم سی ای او اور ڈائریکٹرز کمپنی کی گاڑیوں کے استعمال کے حقدار ہیں۔

(ذ) کارپوریٹ گورننس کے بہترین طریقوں کے مطابق تعمیل کا بیان ساتھ منسلک ہے۔

(ر) ڈائریکٹرز اور ایگزیکٹو یا ان کی شریک حیات کے ذریعہ کمپنی کے حصص کی تجارت اور ہولڈنگز کی قیمت، حصص کی تعداد، حصص کے سٹیفیکیشن کی شکل اور لین دین کی

نوعیت کے ساتھ کمپنی سیکریٹری کو تحریری طور پر مطلع کیا گیا تھا جسے کمپنی کے سیکریٹری نے بورڈ، ایس ای سی پی اور پاکستان اسٹاک ایکسچینج کو مقررہ وقت کے اندر مطلع کیا تھا۔ اس طرح کی تمام ہولڈنگز شیئر ہولڈنگ کے پیٹرن میں ظاہر کی گئی ہے۔

(ڑ) مالی سال کے دوران متعلقہ فریقوں کے ساتھ کئے گئے لین دین کی آڈٹ کمیٹی نے توثیق کی ہے اور اگر کوئی ہوئی ہے تو بورڈ نے اس کی منظوری دے دی ہے۔

(ز) شیئر ہولڈرز پیٹرن برائے سال 30.06.2025 اس رپورٹ کے ساتھ منسلک ہے۔

(ژ) کمپنی کا روبار میں ادھار پر مال فروخت کرتی ہے اور اسکی وصولیوں کا خطرہ لاحق ہوتا ہے۔ کمپنی ان گاہکوں کے ساتھ کام کرتی ہے جن کی ساکھ اچھی ہو اور وہ بہت سالوں سے کمپنی کے ساتھ کاروبار کر رہے ہوں اس طرح کمپنی یہ خطرہ کم کر لیتی ہے۔

زیر جائزہ سال کے دوران چھ اجلاس منعقد ہوئے ہر ایک ڈائریکٹر کی حاضری حسب ذیل ہے۔

نام ڈائریکٹرز تعداد حاضری

محترمہ قمرۃ العین زاہد (CEO) 6

جناب زاہد انوار 6

جناب عمران زاہد 6

6 جناب انوار الحق  
6 جناب محمد علی  
6 جناب ریاض احمد  
6 جناب لیاقت علی قمر

گذشتہ سالوں کے نقصانات کو دیکھتے ہوئے اس سال 30 جون 2025 کو کسی قسم کے ڈیویڈنڈ کی منظوری نہیں دی گئی۔  
زیر جائزہ سال کے دوران چار اجلاس منعقد ہوئے ہر ایک ڈائریکٹر کی حاضری حسب ذیل ہے۔

نام ڈائریکٹرز تعداد حاضری

4 جناب زاہد انوار (چیئرمین)

4 جناب محمد علی

4 محترمہ قرۃ العین زاہد

ایچ آر کمیٹی نے سال کے دوران ایک اجلاس منعقد کیا ہر ایک ممبر کی حاضری حسب ذیل ہے۔

نام ممبر تعداد حاضری

1 جناب محمد علی (چیئرمین)

1 جناب عمران زاہد

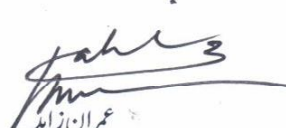
1 جناب لیاقت علی قمر

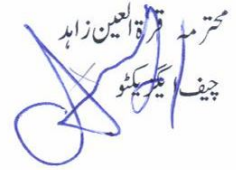
موجودہ آڈیٹرز میسرز ارشد رحیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس ریٹائر ہو گئے ہیں اور میسرز کرشن جیدر بھی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے خود کو تقرری کے لیے پیش کیا ہے۔ جس پر آڈٹ کمیٹی نے میسرز کرشن جیدر بھی اینڈ کمپنی کو برائے سال 2026 تعیناتی کیلئے تجویز دی ہے۔

بورڈ آف ڈائریکٹران کی طرف سے

07 اکتوبر 2025

فیصل آباد

  
عمران زاہد  
ڈائریکٹر

  
محترمہ قرۃ العین زاہد  
چیف ایگزیکٹو



# **J.A TEXTILE MILLS LIMITED**

## **CHAIRMAN'S REVIEW**

We are pleased to present the financial results of the company for the year ended June 30, 2025.

During the year under review, the Company faced significant challenges arising from rising energy and raw material costs, which adversely affected both the overall economy and our business operations. Consequently, the Company reported a loss of Rs. 42.33 million for the fiscal year ended June 30, 2025.

After a prolonged period of operational inactivity, we cautiously resumed partial manufacturing during the year. However, the absence of adequate demand for yarn in both domestic and international markets, coupled with declining price trends and a steep escalation in energy and raw material costs, continued to constrain profitability. Despite these difficulties, the Company remains optimistic that improvements in market conditions will pave the way for a more favorable industry outlook.

Ms. Kurratulain Zahid has been appointed as Chief Executive Officer of the Company. The Company appreciates the valuable services of the retiring CEO, Mr. Imran Zahid, and extends best wishes for his future endeavors.

As part of our cost management strategy, the Company is undertaking measures to reduce energy expenses through the planned installation of a renewable solar energy system at our mill premises. This initiative is expected to enhance operational efficiency and provide long-term savings.

The Board of Directors has been playing a vital role in guiding the revival of business operations, while management remains committed to maintaining focus on the sustainability of financial performance. We firmly believe that our strategic initiatives and prudent measures will strengthen the foundation for sustainable growth in the years ahead.

On behalf of the Company, I extend my sincere appreciation to our shareholders, customers, and employees for their continued trust and support. I would also like to acknowledge the valuable contribution and guidance of the Board of Directors in navigating the Company through these challenging times.

**For and on behalf of the Board of Directors**

FAISALABAD

OCTOBER 07, 2025



**RIAZ AHMAD**

**Chairman**



## جے اے ٹیکسٹائل ملز لمیٹڈ

چیئر مین کا جائزہ

ہمیں 30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کے مالیاتی نتائج پیش کرتے ہوئے خوشی ہو رہی ہے۔

زیر نظر سال کے دوران، کمپنی کو توانائی اور خام مال کی بڑھتی ہوئی قیمتوں سے پیدا ہونے والے اہم چیلنجوں کا سامنا کرنا پڑا، جس نے مجموعی معیشت اور ہماری کاروباری سرگرمیوں دونوں کو بری طرح متاثر کیا۔ نتیجتاً، کمپنی نے 30 جون 2025 کو ختم ہونے والے سال کے لیے 42.33 ملین روپے کا نقصان ہوا۔ آپریشنل غیر فعالیت کے ایک طویل عرصے کے بعد، ہم نے احتیاط کے ساتھ سال کے دوران جزوی مینوفیکچرنگ دوبارہ شروع کی۔ تاہم ملکی اور عالمی دونوں منڈیوں میں دھاگے کی مانگ کی عدم موجودگی، قیمتوں میں کمی کے رجحانات، توانائی اور خام مال کی قیمتوں میں تیزی سے اضافہ، منافع کو محدود کرتا رہا۔ ان مشکلات کے باوجود ہمیں امید ہے کہ مارکیٹ کے حالات میں بہتری صنعت کے لیے زیادہ سازگار مواقع فراہم کرے گی۔

محترمہ قراۃ العین زاہد کو کمپنی کی چیف ایگزیکٹو آفیسر مقرر کیا گیا ہے۔ کمپنی ریٹائر ہونے والے سی ای او جناب عمران زاہد کی گراں قدر خدمات کو سراہتی ہے اور ان کے مستقبل کے لیے نیک تمناؤں کا اظہار کرتی ہے۔

ہماری لاگت کے انتظام کی حکمت عملی کے حصے کے طور پر، کمپنی ملز میں جدید شمسی توانائی کے نظام کی منصوبہ بندی تنصیب کے ذریعے توانائی کے اخراجات کو کم کرنے کے لیے اقدامات کر رہی ہے۔ اس اقدام سے آپریشنل کارکردگی میں اضافہ اور طویل مدتی بچت کی توقع ہے۔

بورڈ آف ڈائریکٹرز کمپنی کے کاروباری آپریشنز کو موثر طریقے سے بحال کرنے میں اپنا اہم کردار ادا کر رہا ہے۔

انتظامیہ کمپنی کی مالی کارکردگی کو برقرار رکھنے پر توجہ مرکوز رکھنے کے لئے پرعزم ہے۔ ہمیں پختہ یقین ہے کہ ہمارے اسٹریٹجک اقدامات اور دانشمندانہ اقدامات آنے والے سالوں میں پائیدار ترقی کی بنیاد کو مضبوط کریں گے۔

کمپنی کی جانب سے میں اپنے حصص یافتگان، صارفین اور عملے کو ان کے مسلسل اعتماد اور تعاون کے لیے تہہ دل سے خراج تحسین پیش کرتا ہوں۔ میں اس مشکل وقت میں کمپنی کو نیویگیٹنگ کرنے میں بورڈ آف ڈائریکٹرز کی گرانقدر شراکت اور رہنمائی کا اعتراف کرنا چاہوں گا۔

بورڈ آف ڈائریکٹرز کی طرف سے

ریاض احمد

چیئر مین بورڈ آف ڈائریکٹرز

07 اکتوبر 2025

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

**J. A. TEXTILE MILLS LIMITED**

**FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

2. The composition of the board is as follows:

Category	Names
a) Independent Director	Mr. Riaz Ahmed Mr. Liaqat Ali Qamar
b) Other Non-executive Directors	Mr. Anwar ul Haq Mr. Muhammad Ali
c) Executive Directors	Ms. Kurratulain Zahid Mr. Zahid Anwar Mr. Imran Zahid
d) Female Director	Ms. Kurratulain Zahid

**Note:-**

For a board comprising of seven members, one third equates to 2.33. Two independent directors have been appointed, however, the fraction of 0.33 in such one third is not rounded up as one since the fractions is below half (0.5);

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. The Company has prepared a Code of Conduct, and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval 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 Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.



9. The directors were apprised about the changes in the Code, applicable laws and their duties and responsibilities to effectively manage the affairs of the Company for and on behalf of the shareholders. Three directors of the Company having 14 years of education and 15 years of experience are exempt from the requirement of directors' training program, under purview of regulation 19(2) of the Listed Companies (Code of Corporate Governance) Regulations, 2019. Remaining three Directors obtained Directors' Training Program certification from PICG. However one board member neither qualify for exemption nor obtained Director's Training Program Certification. The Company will arrange the training program for remaining director as provided under the Regulations in future.
10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief financial officer and Chief executive officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:
  - a) **Audit Committee**
    1. Mr. Riaz Ahmed (Chairman)
    2. Mr. Muhammad Ali (Member)
    3. Ms. Kurratulain Zahid (Member)
  - b) **HR and Remuneration Committee**
    1. Mr. Muhammad Ali (Chairman)
    2. Mr. Imran Zahid (Member)
    3. Mr. Liaqat Ali Qamar (Member)
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following:
  - a) **Audit Committee**

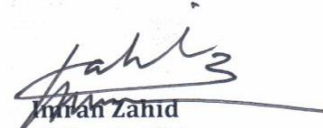
The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company as required by the Regulations.
  - b) **HR and Remuneration Committee**

The meeting of the HR and Remuneration Committee was held once during the year.
15. The Board has set up an effective internal audit function who is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on 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.



Kurratulain Zahid  
(Chief Executive)



Irfan Zahid  
(Director)

Place: Faisalabad.  
October 07, 2025



**KEY OPERATING & FINANCIAL DATA**  
**FOR LAST SIX YEARS**

<b>PARTICULARS</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
	Rs. Millions	Rs. Millions	Rs. Millions	Rs. Millions	Rs. Millions	Rs. Millions
<b>FINANCIAL POSITION</b>						
Fixed assets (Cost/Revalued)	677.50	672.73	666.99	613.46	420.34	419.94
Accumulated depreciation	121.11	94.81	80.97	56.45	53.92	36.76
Current assets	147.780	212.653	287.969	243.526	134.692	186.524
Paid up capital	126.01	126.01	126.01	126.01	126.01	126.01
Current liabilities	227.42	236.42	282.39	249.17	190.48	264.69
<b>INCOME</b>						
Sales	129.954	33.686	1945.515	1522.471	932.149	1.098.22
Other income	29.814	44.015	5.913	5.811	17.442	2.789
Pre-tax profit/(loss)	(74.954)	(36.411)	75.748	106.462	20.693	14.881
Taxation charge/(credit)	14.123	2.839	29.790	16.400	13.145	14.923
<b>STATISTICS AND RATIOS</b>						
Pre-tax profit/(loss) to sales %	(57.68)	(108.09)	3.89	6.99	2.22	1.35
Pre-tax profit/(loss) to capital %	(59.48)	(28.89)	60.11	84.49	16.42	11.81
Current Ratio	01:0.65	01:0.90	01:1.02	01:0.98	01:0.70	01:1.42
Paid up value per share (Rs.)	10	10	10	10	10	10
Earning after tax per share (Rs.)	(4.8274)	(2.6642)	3.6472	7.1471	0.5990	0.003
Break-up value per share (Rs.)	1.446	5.457	7.262	2.712	4.945	6.07

**ARSHAD RAHEEM & CO**  
Chartered Accountants

YOUSAF ISLAM HOUSE  
39-Link Farid Kot Road,  
Near A.G Office, LAHORE.  
Tel: (92-42) 37236169-37236170  
Fax: (92-42) 37236168  
E-mail: arshad.raheem@gmail.com

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF J. A. TEXTILE MILLS LIMITED  
REVIEW REPORT ON STATEMENT OF COMPLIANCE CONTAINED IN LISTED  
COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019**


We have reviewed the enclosed Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of J. A. 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 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 part of our audit of 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 effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations requires the Company to place before Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of approval of related party transaction by the Board of Directors upon recommendation of Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2025.

  
ARSHAD RAHEEM & CO.  
CHARTERED ACCOUNTANTS  
LAHORE;

**07 OCT 2025**

DATED: \_\_\_\_\_  
UDIN: CR202510216odUw6SDjT



**ARSHAD RAHEEM & Co**  
Chartered Accountants

**YOUSAF ISLAM HOUSE**  
39-Link Farid Kot Road,  
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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF J. A. TEXTILE MILLS LIMITED  
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Adverse Opinion**

We have audited the annexed financial statements of J. A. TEXTILE MILLS LIMITED ("the Company"), which comprises the statement of financial position as at June 30, 2025, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements including a 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 purpose of the audit.

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion section of our report, the accompanying financial statements do not present fairly the financial position of the company as at June 30, 2025, and of the loss, its other comprehensive income, its changes in equity and cash flows for the year then ended in all material respects in accordance with the accounting and reporting standards as applicable in Pakistan.

**Basis for Adverse Opinion**

The Company has incurred net loss of Rs. 42.330 million (2024: Rs. 60.831 million) during the year ended June 30, 2025, which has resulted in accumulated loss stands at Rs. 140.423 million (2024: Rs. 107.815 million) against paid up share capital of Rs. 126.01 million as at June 30, 2025. Its current liabilities exceed its current assets by Rs. 83.62 million as at financial position date. Based on this fact, we believe that company is not be able to continue as a going concern. However, the management of the company has prepared these financial statements on a going concern basis of accounting without any adjustment to the carrying amounts of assets and liabilities at the reporting date. Accordingly, we do not agree with the management's preparation and presentation of the financial statements on a going concern basis. Had the financial statements been prepared on a liquidation basis of accounting, we believe that it would have had a significant negative effect on the company's financial position and financial performance.

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 adverse opinion.

# ARSHAD RAHEEM & CO

## Chartered Accountants

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. Except for the matters described in the basis for adverse opinion section, we have determined that there are no other key audit matters to communicate in our report.

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

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

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

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

### Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of directors is responsible for overseeing the company's financial reporting process.

### Auditors' Responsibilities for the Audit of the Financial Statements

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



# ARSHAD RAHEEM & CO

## Chartered Accountants

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

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

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

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

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

# ARSHAD RAHEEM & Co

Chartered Accountants

## Report on Other Legal and Regulatory Requirements:

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

- a) Proper books of account except for the adjustments in respect of the matters stated in our basis for adverse opinion have been kept by the company as required by the companies act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) Investments made, expenditure incurred and guarantees extended during the year were in accordance with 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).

The engagement partner on the audit resulting in this independent auditors' report is Arshad Raheem.

  
ARSHAD RAHEEM & CO  
CHARTERED ACCOUNTANTS  
LAHORE.

DATED: **07 OCT 2025**  
UDIN: AR202510216PfzZaysA0

J. A. TEXTILE MILLS LIMITED  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	6	842,134,477	556,395,751
Long term deposits	7	32,145,750	32,145,750
		874,280,227	588,541,501
<b>CURRENT ASSETS</b>			
Stores and spares	8	13,602,230	10,524,613
Stock in trade	9	175,835,805	51,121,781
Trade debts	10	32,679,967	50,284
Advances, prepayments and other receivables	11	7,165,283	333,121
Short term investment	12	519,421	469,695
Accrued income	13	2,390,807	1,481,326
Balance with statutory authorities	14	58,873,949	31,718,887
Cash and bank balances	15	86,214,169	52,079,958
		377,281,631	147,779,665
		<u>1,251,561,858</u>	<u>736,321,166</u>
<b>SHARE CAPITAL AND RESERVES</b>			
Share Capital	16	126,011,600	126,011,600
Accumulated loss		(140,423,090)	(107,814,852)
Capital Reserve			
- Surplus / (Deficit) on remeasurement of investment		22,786	22,190
- Surplus on revaluation of property, plant and equipment - net	17	498,441,617	272,214,581
Loan from related parties	18	160,789,216	126,285,574
		<u>644,842,129</u>	<u>416,720,093</u>
<b>NON CURRENT LIABILITIES</b>			
Deferred liabilities	19	145,810,604	92,183,664
<b>CURRENT LIABILITIES</b>			
Trade and other payables	20	460,465,405	197,018,689
Liability for legal settlement	21	-	29,955,000
Unclaimed dividend		443,720	443,720
		460,909,125	227,417,409
<b>CONTINGENCIES AND COMMITMENTS</b>			
	22	-	-
		<u>1,251,561,858</u>	<u>736,321,166</u>

The annexed notes 1 to 45 form an integral part of these financial statements.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

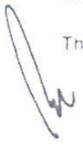
DIRECTOR




J. A. TEXTILE MILLS LIMITED  
STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Sales - net	23	1,430,987,885	129,953,740
Cost of sales	24	1,494,319,011	185,360,608
Gross loss		(63,331,126)	(55,405,868)
Operating expenses			
Administrative expenses	25	17,529,395	17,707,214
Other operating expenses- <i>workers welfare fund</i>		357,747	32,488
		17,887,142	17,739,702
		(81,218,268)	(73,145,570)
Finance cost	27	5,677,780	29,984,751
		(86,896,048)	(103,131,321)
Other income	28	43,013,320	29,813,718
Loss before levy and taxation		(43,882,728)	(73,317,603)
Levy	29	17,903,726	1,636,704
Loss before taxation		(61,786,454)	(74,954,307)
Taxation	30	(19,456,615)	(14,123,135)
Loss for the year		(42,329,839)	(60,831,172)
Loss per share - basic and diluted	31	(3.3592)	(4.8274)

The annexed notes 1 to 45 form an integral part of these financial statements.

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

J. A. TEXTILE MILLS LIMITED  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2025

	2025 Rupees	2024 Rupees
LOSS FOR THE YEAR	(42,329,839)	(60,831,172)
OTHER COMPREHENSIVE INCOME FOR THE YEAR		
Items that will not be subsequently reclassified to profit or loss		
Revaluation surplus during the year	309,019,911	-
related deferred tax	(73,071,274)	-
	235,948,637	-
Unrealized income / (loss) on changes in fair value of investment	596	33,936
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	193,619,394	(60,797,236)

The annexed notes 1 to 45 form an integral part of these financial statements.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

**J.A TEXTILE MILLS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Share Capital	Accumulated loss	Surplus/ (Deficit) on remeasurement of investment	Surplus on revaluation of property, plant and equipment	Loan from related parties	Total
----- Rupees -----						
Balance as at July 01, 2023	126,011,600	(57,238,974)	(11,746)	282,469,875	128,768,659	479,999,414
Loss for the year	-	(60,831,172)	-	-	-	(60,831,172)
Other comprehensive income	-	-	33,936	-	-	33,936
Transfer of incremental depreciation on revalued assets for the year	-	14,444,076	-	(14,444,076)	-	-
Tax effect on incremental depreciation	-	(4,188,782)	-	4,188,782	-	-
Repayment of loan to related parties	-	-	-	-	(2,482,085)	(2,482,085)
<b>Balance as at June 30, 2024</b>	<b>126,011,600</b>	<b>(107,814,852)</b>	<b>22,190</b>	<b>272,214,581</b>	<b>126,286,574</b>	<b>416,720,093</b>
Loss for the year	-	(42,329,839)	-	-	-	(42,329,839)
Other comprehensive income	-	-	596	235,948,637	-	235,949,233
Transfer of incremental depreciation on revalued assets for the year	-	13,692,396	-	(13,692,396)	-	-
Tax effect on incremental depreciation (note 17)	-	(3,970,795)	-	3,970,795	-	-
Receipt of loan from related parties	-	-	-	-	34,502,642	34,502,642
<b>Balance as at June 30, 2025</b>	<b>126,011,600</b>	<b>(140,423,090)</b>	<b>22,786</b>	<b>498,441,617</b>	<b>160,789,216</b>	<b>644,842,129</b>

The annexed notes 1 to 45 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**



J. A. TEXTILE MILLS LIMITED  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
<b>a) CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before taxation, minimum tax differential and final taxes		(43,882,728)	(73,317,603)
Adjustments for non cash and other items:			
Depreciation	6.2	24,931,185	26,299,987
Profit on deposit accounts	28	(4,349,406)	(11,182,203)
Exchange loss / (gain) on foreign currency translation	28	(4,094)	8,100
Profit on deposit with SNGPL	28	(1,069,978)	(1,069,978)
Dividend from NAFA funds	28	(65,507)	(81,879)
Balances written back	28	(37,524,335)	(17,487,758)
Workers' profit participation fund	27	4,588	27,721
Workers welfare fund	26	357,747	32,488
Finance cost	27	128,192	29,957,030
Cash used in before changes in working capital		(61,474,337)	(46,814,095)
Changes in working capital			
Decrease / (Increase) in current assets			
Stores and spares		(3,077,617)	3,913,350
Stock in trade		(124,714,024)	(37,959,137)
Trade debts		(32,629,683)	(50,284)
Advances, prepayments and other receivables		(6,832,162)	173,641
Balance with statutory authorities - Sales Tax		(26,097,564)	(10,326,730)
Increase / (decrease) in current liabilities			
Trade and other payables		302,809,137	(21,177,186)
Liability for Legal Settlement		(29,955,000)	-
		79,503,087	(65,426,346)
Cash used in operations		18,028,751	(112,240,441)
Profit on deposit with SNGPL received		-	1,867,120
Finance cost paid		(128,192)	(2,030)
Exchange gain on foreign currency retranslation		4,094	(8,100)
WWF		(2,172,700)	-
Workers' profit participation fund paid		(27,721)	(353,946)
Income tax paid		(18,932,565)	(4,267,861)
Net cash used in operating activities		(3,228,334)	(115,005,258)
<b>b) CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Addition in property, plant and equipment		(1,650,000)	(4,769,153)
Profit on deposit accounts received		4,509,903	11,018,390
Net cash used in investing activities		2,859,903	6,249,237
<b>c) CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Loan from related parties paid		34,502,642	(2,482,085)
Net cash used in financing activities		34,502,642	(2,482,085)
Net decrease in cash and cash equivalents		34,134,211	(111,238,106)
Cash and cash equivalents at the beginning of the year		52,079,958	163,318,064
Cash and cash equivalents at the end of the year	15	86,214,169	52,079,958

The annexed notes 1 to 45 form an integral part of these financial statements.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

J. A. TEXTILE MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

1. THE COMPANY AND ITS OPERATIONS

1.1 J.A. Textile Mills Limited (the Company) was incorporated in Pakistan on 25 May, 1987 under the repealed Companies Ordinance, 1984 (now Companies Act 2017). The shares of the Company are listed on Pakistan Stock Exchange. The Mill is situated at 29-KM, Sheikhpura Road, Faisalabad in the province of Punjab and the registered office of the Company is situated at JK House, 32-W, Susan Road, Madina Town, Faisalabad. The principal business activity of the Company is manufacturing and sale of yarn.

1.2 Going concern assumption

The Company has incurred loss amounting to Rs 42.330 million( 2024: 60.831 million) and accumulated loss of Rs. 140.423 million (2024 : Rs. 107.815 million) as against issued, subscribed and paid up capital of Rs. 126.012 million As At June 30, 2025. These factors indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and the Company may be unable to realize its assets and discharge its obligations in the normal course of business.

In spite of the accumulated losses , the management of the Company is making its strenuous efforts, optimal production strategies and effective cost controls to improve the performance of the Company. The balancing and modernization of plant and machinery in previous years, improvement in future industry situation and better production efficiency are the main factors for improvements. The management positively looks forward to counter all challenges and is firmly committed to deliver the best possible results and will continue to meet its objectives and goals. Based upon these aspects and continuing financial support from directors and associates, the financial statements have been prepared on going concern basis.

2. STATEMENT OF COMPLIANCE

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

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

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

These financial statements are presented in Pakistani Rupee which is also the Company's functional currency.

3. Basis of measurement

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

These financial statements have been prepared following accrual basis of accounting except for cash flow information.

The preparation of these financial statements in conformity with approved accounting standards requires the management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historic experience and other factors including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by the management that may have a significant risk of material adjustments to the financial statements in subsequent years are discussed in note 4.3.



4. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO THE APPROVED ACCOUNTING STANDARDS

- 4.1. The following amendments to the accounting and reporting standards are effective for the year ended June 30, 2025. However, these amendments do not have any significant impact on the Company's financial statements.

		Effective date (annual reporting periods beginning on or after )
IFRS 7	Financial Instruments: Disclosures' - Supplier finance arrangements.	January 1, 2024
IFRS 16	Leases' - Lease Liability in a Sale and Leaseback	January 1, 2024
IAS 1	Presentation of Financial Statements' -Classification of Liabilities as Current or Non-current	January 1, 2024
IAS 1	Presentation of Financial Statements' -Non-current Liabilities with Covenants	January 1, 2024
IAS 7	Statement of Cash Flows' - Supplier Finance Arrangements	January 1, 2024

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them.

		Effective date (annual reporting periods beginning on or after )
IAS 21	'The Effects of changes in Foreign Exchange Rates' - Lack of Exchangeability.	January 1, 2025
IFRS 7	Financial Instruments: Disclosures' - Classification and Measurement of Financial Instruments.	January 1, 2026
IFRS 9	Financial Instruments' - Classification and Measurement of Financial Instruments.	January 1, 2026
IFRS 17	Insurance contracts (Amendments)	January 1, 2027
IFRS 7	Financial Instruments: Disclosures' - nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 1, 2026
IFRS 9	Financial Instruments' - nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 1, 2026

- 4.2. The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements. There are a number of other standards, amendments and interpretations to the published standards that are not yet effective and are also not relevant to the company and therefore, have not been presented.

Other than the aforesaid standards, interpretations and amendments, IASB has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the SECP.

IFRS 1 (First Time Adoption of International Financial Reporting Standards)

IFRS 18 (Presentation and Disclosures in Financial Statements)

IFRS 19 (Subsidiaries without Public Accountability: Disclosures)



#### 4.3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are as follows;

- Estimate of useful life of property, plant and equipment - note 5.1
- Impairment of non financial assets - note 5.4
- Stores and spares - note 5.5
- Stock in trade - note 5.6
- Provisions - note 5.12
- Contingencies - note 5.13
- Taxation - note 5.16

#### 5. MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted disclosure of Accounting Policies (Amendments to IAS 1 and IFRS practice statements 2 'Making Materiality Judgments') from 01 July, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements.

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

##### 5.1 Property, plant and equipment

###### 5.1.1 Operating fixed assets

Property, plant and equipment except free hold land, building on freehold land, plant and machinery, power generators, electric installations and factory equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Building on freehold land, plant and machinery, power generators, electric installations and factory equipment are stated at revalued amounts less accumulated depreciation and accumulated impairment losses, if any. Freehold land is stated at revalued amount.

Cost in relation to operating fixed assets signifies historical cost. Historical cost includes expenditures that are directly attributable to the acquisition or construction of assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with them will flow to the entity and its cost can be reliably measured. Cost incurred to replace a component of an item of operating fixed assets is capitalized and the asset so replaced is retired from use. Normal repairs and maintenance are charged to the statement of profit or loss during the period in which they are incurred.

Depreciation is charged to statement of profit or loss applying the reducing balance method so as to write off the historical cost of the assets over their expected useful life at the rates mentioned in note 6.1 of these financial statements.

Depreciation is charged from the date of acquisition or capitalization and up to the date preceding the day of disposal respectively. The residual values and useful lives are reviewed by the management at each financial year end and adjusted if impact on depreciation is significant.

Any gain or loss on disposal of assets is included in statement of profit or loss in the year in which the assets are derecognized.

**5.1.2 Capital work in progress**

Capital work in progress is stated at cost less any identified impairment loss and represents direct cost of material, labour, applicable overheads and borrowing costs on qualifying assets. Transfers are made to relevant operating fixed assets category as and when assets are available for its intended use.

**5.2 Investment Property**

Investment properties are held for capital appreciation and is measured initially at their cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value at each reporting date. The changes in fair values recognized in the statement of profit or loss.

**5.3 Intangible assets**

These are stated at cost less accumulated amortization and impairment losses, if any. Amortization is computed using the reducing balance method over assets estimated useful life, after taking into accounts residual value, if any. The residual values, useful life and amortization methods are reviewed and adjusted, if appropriate, at each reporting date.

**5.4 Impairment of non financial assets**

The carrying amounts of the Company's non-financial assets, other than stock in trade and stores and spares, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

Impairment losses are recognized in profit and loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets of the unit on a pro-rata basis. Impairment losses on goodwill shall not be reversed.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date.

**5.5 Stores and spares**

These are valued at moving average cost except items-in-transit which are valued at cost accumulated to the reporting date. Provision is made for slow moving and obsolete store items when so identified.

**5.6 Stock in trade**

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

Raw material	- At factory	Annual average cost
	- In Transit	Invoice value plus direct charges in respect thereof.
Packing material		Weighted average cost
Work in process and finished goods		Prime cost including a proportion of production overheads.
Waste		At net realizable value.

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



## 5.7 Trade debts and other receivables

Trade receivables are initially recognized at fair value and subsequently carried at amortized cost which approximate fair value of the consideration receivable, less any allowance for expected credit losses.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

## 5.8 Cash and cash equivalents

For the purpose of cash flow statement cash and cash equivalents comprise of cash and cheques in hand and at banks and include short term highly liquid investments. The cash and cash equivalents are readily convertible to known amount of cash and are subject to insignificant risk of change in value.

## 5.9 Surplus on revaluation of property, plant and equipment

Increases in the carrying amounts arising on revaluation of property, plant and equipment are recognized, net of tax, in other comprehensive income and accumulated in equity under the heading 'Surplus on revaluation of property, plant and equipment'. However the increase is recognized in statement of profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in statement of profit or loss.

Decreases in the carrying amounts arising on revaluation of property, plant and equipment are recognized, net of tax, in profit or loss. However revaluation decrease that reverse previous increases of the same asset is recognized in other comprehensive income to the extent of the remaining surplus attributable to that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading 'Surplus on revaluation of property, plant and equipment'.

Following amounts are transferred directly to retained earnings from equity under the heading 'Surplus on revaluation of property, plant and equipment' through the Statement of Changes in Equity:

- an amount equal to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the original cost of that asset; or
- an amount equal to carrying amount of revaluation surplus of the asset on its disposal.

All transfers to / from the account of 'surplus on revaluation of property, plant and equipment' are net of applicable deferred income tax. Surplus on revaluation of property, plant and equipment reported under equity is not available for distribution of dividend.

## 5.10 Staff retirement benefits

## Defined Contribution Plan

There is a contributory provident fund for all employees of the Company for which contributions are charged to profit or loss as and when incurred.

The Company makes monthly contribution to the fund at the rate of 8.33% whereas employees of the Company also make monthly contributions to the fund at the rate of 8.33% of basic salary. The assets of the fund are held separately under the control of trustees.

## 5.11 Trade and other payables

Liabilities for trade and other payables are carried at their amortized cost, which approximate fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

## 5.12 Provisions

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



## 5.13 Contingencies

The assessment of the contingencies 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 assets and liabilities, which may differ on the occurrence/ non- occurrence of the uncertain future event(s).

## 5.14 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for rendering of services to a customer. For each contract with a customer, the Company;

- (i) identifies the contract with a customer;
- (ii) identifies the performance obligations in the contract;
- (iii) determines the transaction price ;The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and taking affect of significant financing component if any
- (iv) allocates the transaction price to the separate performance obligations in the contract; and
- (v) recognizes revenue when each performance obligation is satisfied.

Variable consideration within the transaction price is estimates and determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognized as deferred revenue in the form of a separate refund liability.

## a) Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

## b) Interest income

Profit on bank balances in deposit accounts and interest income on deposit with Sui Northern Gas Pipelines Limited (SNGPL) are recognized on a time proportion basis on the principal amount outstanding and at the applicable rate.

## c) Profit on fair value through other comprehensive income investments

Unrealized gains / (losses) arising on fair value measurements of investments classified as 'fair value through other comprehensive income' are included in other comprehensive income in the period in which they arise.

Gains / (losses) arising on disposal of investments are recognized on the date when the transaction takes place. When the investment is disposed off or derecognized, the cumulative gains / (losses) previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized in other income / (other expenses).

## d) Other revenue

Other revenue is recognized when it is received or when the right to receive payment is established.

## 5.15 Foreign currency translation

All monetary assets and liabilities in foreign currencies are translated into rupees at exchange rates prevailing at the balance sheet date. Transactions in foreign currencies are translated into rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into rupees at exchange rates prevailing at the date when fair values are determined. Exchange gains and losses are included in the statement of profit or loss immediately.

## 5.16 Taxation

**Current taxation**

The current income tax is computed on the basis of profit for the year adjusted for fiscal purposes, minimum tax u/s 113 or Alternate Corporate Tax (ACT) u/s 113C of the Income Tax Ordinance, 2001 after taking into account the tax credit or rebate, if any.

**Deferred Taxation**

Deferred tax is accounted for using the balance sheet method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

**Levy**

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in statement of profit or loss. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the year, is then recognized as a levy.

## 5.17 Write off Policy

The Company writes off financial assets when there is information indicating that the amount is not recoverable due to the conflict in invoices with customer. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made against financial assets written-off are recognized in the statement of profit or loss. The financial liabilities of the company are written-off after information indicating that the amount is not payable and the time of more than three years has lapsed.

## 5.18 Related party transactions

All transactions with related parties are carried out at arm's length. The prices are determined in accordance with comparable uncontrolled price method.

## 5.19 Dividend and other appropriations

Dividend is recognized as a liability in the period in which it is approved. Appropriations of profits are reflected in the statement of changes in equity in the period in which such appropriations are made.

## 5.20 Financial instruments

## 5.20.1 Financial assets

A financial asset is measured at amortized cost if it is held in order to collect contractual cash flows which arise on specified dates and that are 'solely payment of principal and interest (SPPI)' on the principal amount outstanding. A debt investment is measured at fair value through other comprehensive income if it is held in order to collect contractual cash flows which arise on specified dates that are solely principal and interest and as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the Company makes an irrevocable election on initial recognition to present gains and losses on equity instruments in other comprehensive income. Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch.



## A. Classification and measurement of financial assets

### Investments and other financial assets

#### Classification:

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Debt instruments

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

##### - Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

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

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized in other income / (other expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/ (other expenses) and impairment losses are presented as separate line item in the statement of profit or loss.



**Fair value through profit or loss (FVTPL)**

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVTOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

**B. Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

The rights to receive cash flows from the asset have expired, or

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

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

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

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

**C. Impairment:**

The Company record an allowance for a forward-looking expected credit loss (ECL) approach for all loans and other debt financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade and other receivables, the Company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

## 5.20.2 Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company). Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 180 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

## 5.20.3 Financial liabilities

## A. Classification and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

- **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR (effective interest rate) method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

This category generally applies to interest-bearing loans and borrowings.

## B. Derecognition:

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

## 5.20.4 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legally enforceable right to set off and the company intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously.



6. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets

J A Textile Mills Limited  
Note 6.1  
2025 Rupees 2024 Rupees  
842,134,477 556,395,751

6.1. OPERATING FIXED ASSETS

PARTICULARS	COST / REVALUED AMOUNTS				ACCUMULATED DEPRECIATION				BOOK VALUE		Rate %
	As at July 1, 2024	Addition	Revaluation during the year	Deletion	As at June 30, 2025	As at July 1, 2024	For the year	Deletion	As at June 30, 2025	As at June 30, 2024	
Freehold land	90,700,000	-	57,050,000	-	147,750,000	-	-	-	-	-	-
Building on freehold land	-	-	-	-	-	-	-	-	-	-	-
- factory	154,892,446	-	61,338,200	-	216,230,646	38,326,657	5,828,289	-	44,154,946	172,075,700	5
- residential	30,301,188	-	16,502,855	-	46,804,043	7,589,667	1,135,576	-	8,725,243	38,078,800	5
Plant and machinery	339,264,228	1,650,000	174,128,856	-	515,043,084	44,229,471	14,813,613	-	59,043,084	456,000,000	5
Power Generators	31,500,001	-	-	-	31,500,001	15,648,724	1,585,128	-	17,233,852	14,265,149	10
Electric installations	14,856,025	-	-	-	14,856,025	3,427,805	1,142,822	-	4,570,627	10,285,398	10
Factory equipments	7,000,000	-	-	-	7,000,000	3,476,001	352,400	-	3,828,401	3,171,599	10
Electric appliances	940,688	-	-	-	940,688	880,137	6,055	-	886,192	54,455	10
Office equipments	2,917,855	-	-	-	2,917,855	2,565,758	35,210	-	2,600,968	316,887	10
Furniture and fixtures	290,516	-	-	-	290,516	276,355	1,416	-	277,771	12,745	10
Vehicles	4,839,307	-	-	-	4,839,307	4,685,928	30,676	-	4,716,604	122,703	20
Rupees: June 2025	677,502,254	1,650,000	309,019,911	-	988,172,165	121,106,503	24,931,185	-	146,037,688	842,134,477	-
Freehold land	90,700,000	-	-	-	90,700,000	-	-	-	-	-	-
Building on freehold land	-	-	-	-	-	-	-	-	-	-	-
- factory	154,892,446	-	-	-	154,892,446	32,191,615	6,135,042	-	38,326,657	116,565,789	5
- residential	30,301,188	-	-	-	30,301,188	6,394,324	1,195,343	-	7,589,667	22,711,521	5
Plant and machinery	339,264,228	-	-	-	339,264,228	28,701,326	15,528,145	-	44,229,471	295,034,757	5
Power Generators	31,500,001	-	-	-	31,500,001	13,887,471	1,761,253	-	15,648,724	15,851,277	10
Electric installations	10,086,872	4,769,153	-	-	14,856,025	2,224,925	1,202,880	-	3,427,805	11,428,220	10
Factory equipments	7,000,000	-	-	-	7,000,000	3,084,446	391,555	-	3,476,001	3,523,999	10
Electric appliances	940,688	-	-	-	940,688	873,409	6,728	-	880,137	60,551	10
Office equipments	2,917,855	-	-	-	2,917,855	2,526,636	39,122	-	2,565,758	352,097	10
Furniture and fixtures	290,516	-	-	-	290,516	274,781	1,574	-	276,355	14,161	10
Vehicles	4,839,307	-	-	-	4,839,307	4,647,583	38,345	-	4,685,928	153,379	20
Rupees: June 2024	672,733,101	4,769,153	-	-	677,502,254	94,806,516	26,299,987	-	121,106,503	556,395,751	-



## 6.2 Depreciation charge for the year has been allocated as under

	2025 Rupees	2024 Rupees
Cost of sales	24,863,883	26,270,947
Administrative expenses	67,302	79,040
	<u>24,931,185</u>	<u>26,299,987</u>

## 6.3 All the assets of the company as at June 30, 2025 are located in Pakistan.

## 6.4 Had there been no revaluation, the related figures of freehold land, building on freehold land, plant and machinery, power generators, electric installations and factory equipment as at June 30 would have been as follows:

	2025		
	Cost	Accumulated depreciation	Written down value
	(Rupees)		
Freehold land	3,848,875	-	3,848,875
Building on freehold land			
- factory	32,519,124	30,085,757	2,433,367
- residential	6,147,674	5,505,060	642,614
Plant and machinery	395,615,298	234,580,926	161,034,372
Power Generators	46,907,500	33,428,632	13,478,868
Electric installations	23,925,833	14,654,866	9,270,968
Factory equipment	2,947,074	2,724,311	222,764
	<u>511,911,378</u>	<u>320,979,551</u>	<u>190,931,827</u>
	2024		
	Cost	Accumulated depreciation	Written down value
	(Rupees)		
Freehold land	3,848,875	-	3,848,875
Building on freehold land			
- factory	32,519,124	29,957,685	2,561,439
- residential	6,147,674	5,471,238	676,436
Plant and machinery	393,965,298	226,127,143	167,838,155
Power Generators	46,907,500	31,930,980	14,976,520
Electric installations	23,925,833	13,624,758	10,301,075
Factory equipment	2,947,074	2,699,559	247,515
	<u>510,261,378</u>	<u>309,811,363</u>	<u>200,450,015</u>

## 6.5 Forced sale values of revalued assets

The forced sale values of revalued assets are based on fair value measurement as at June 30, 2025

	Forced Sale Values	
	2025 Rupees	2024 Rupees
Freehold land	125,587,500	83,725,000
Building on freehold land		
- factory	146,264,345	92,104,144
- residential	32,366,980	22,506,921
Plant and machinery	364,800,000	226,100,000
Power generators	25,200,000	25,200,000
Electric installations	2,800,000	2,800,000
Factory equipment	5,600,000	5,600,000
	<u>702,618,825</u>	<u>458,036,065</u>

## 6.6 Particulars of immovable property (i.e. land and building) in the name of the Company are as follows:

Description	Area	Location
Freehold land	98 - Kanal & 10 - Marlas = 98.50 - Kanal	Chak # 70 - R.B. 29 - KM, Link Main Sheikhpura Road, Tehsil Jaranwala, District Faisalabad.
Building on freehold land		
- factory	Covered Area - 129,574 (S.ft)	Chak # 70 - R.B. 29 - KM, Link Main Sheikhpura Road, Tehsil Jaranwala, District Faisalabad.
- residential	Covered Area - 33,112 (S.ft)	Chak # 70 - R.B. 29 - KM, Link Main Sheikhpura Road, Tehsil Jaranwala, District Faisalabad.

	Note	2025 Rupees	2024 Rupees
<b>7. LONG TERM DEPOSITS</b>			
Security deposits		<u>32,145,750</u>	<u>32,145,750</u>
This includes Rs. 21,399,568/- (2024: Rs. 21,399,568/-) security deposit with Sui Northern Gas Pipelines Limited (SNGPL) against supply of natural gas to the company. It is subject to mark up at the rate of 1 year KIBOR minus 3% per annum or fixed rate of 5% per annum whichever is lower receivable in arrears.			
These have been deposited with various utility companies and regulatory authorities. These are classified as amortized cost under IFRS 9 - 'Financial Instruments - Recognition and Measurement'. However, these, being held for an indefinite period with no fixed maturity date, are carried at cost as its amortized cost is impracticable to determine.			
<b>8. STORES AND SPARES</b>			
Stores		2,318,814	1,332,937
Spares		<u>11,283,416</u>	<u>9,191,676</u>
		<u>13,602,230</u>	<u>10,524,613</u>
<b>9. STOCK IN TRADE</b>			
Raw material		120,996,875	50,443,433
Packing material		6,301,551	678,348
Work in process		29,655,489	-
Finished goods		<u>18,881,890</u>	<u>-</u>
		<u>175,835,805</u>	<u>51,121,781</u>
<b>10. TRADE DEBTS</b>			
Considered good:			
Local - unsecured	10.1	<u>32,679,967</u>	<u>50,284</u>
10.1 These are unsecured, but considered good by the management of the Company. However, management has conducted an assessment of the expected credit losses (ECL) in accordance with IFRS 9. Based on this assessment, management considers the trade debts to be fully recoverable. As a result, no significant ECL allowance has been recognized in the financial statements.			
<b>11. ADVANCES, PREPAYMENT AND OTHER RECEIVABLES</b>			
Considered good:			
Advances			
Advances to suppliers		6,719,187	151,886
Advances to employees		-	16,500
Prepayment			
Prepaid insurance		326,322	44,961
Other receivables			
Others		<u>119,774</u>	<u>119,774</u>
		<u>7,165,283</u>	<u>333,121</u>
<b>12. SHORT TERM INVESTMENT</b>			
Fair value through other comprehensive income (FVTOCI)			
NBP Islamic Sarmaya Izafa Fund		<u>519,421</u>	<u>469,695</u>
12.1 These have been valued by using published net asset value (NAV) as at 30th June, the number of units held by the Company are 51,063.83 units (2024: 46,229.38 units).			

	Note	2025 Rupees	2024 Rupees
<b>13. ACCURED INCOME</b>			
Profit on bank deposit		-	163,813
Interest on SNGPL deposit		2,390,807	1,317,513
		<u>2,390,807</u>	<u>1,481,326</u>
<b>14. BALANCE WITH STATUTORY AUTHORITIES</b>			
Sales tax receivable		41,101,926	15,004,362
Income tax refundable		17,772,023	16,714,525
		<u>58,873,949</u>	<u>31,718,887</u>
<b>15. CASH AND BANK BALANCES</b>			
Cash in hand		201,419	213,822
Cash at bank			
In current accounts			
- Local currency		254,873	386,662
- Foreign currency	15.1	273,996	269,903
In deposit accounts	15.2	85,483,881	51,209,571
		<u>86,012,750</u>	<u>51,866,136</u>
		<u>86,214,169</u>	<u>52,079,958</u>
15.1	It includes US\$. 970 (2024: US\$. 970)		
15.2	The rate of profit on deposit accounts is ranging from 10% to 15.5% per annum (2024: 17.50% to 19.50% per annum).		
<b>16. SHARE CAPITAL</b>			
Authorized capital		<u>200,000,000</u>	<u>200,000,000</u>
20,000,000 ordinary shares of Rs. 10 each			
Issued, subscribed and paid up capital	16.1	<u>126,011,600</u>	<u>126,011,600</u>
12,601,160 ordinary shares of Rs. 10 each, fully paid in cash			
16.1	The ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry one vote per share without restriction.		
<b>17. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>			
Opening balance		272,214,581	282,469,875
Add: Surplus arisen on revaluation of property, plant and equipment		309,019,911	-
Less: Related effect of deferred tax liability		(73,071,274)	-
		<u>235,948,637</u>	<u>-</u>
Incremental depreciation on revalued property, plant and equipment transferred to accumulated loss		(13,692,396)	(14,444,076)
Related effect of deferred tax liability-incremental depreciation		3,970,795	4,188,782
		<u>(9,721,601)</u>	<u>(10,255,294)</u>
Closing balance		<u>498,441,617</u>	<u>272,214,581</u>



The Company's freehold land, building on freehold land, plant and machinery, power generators, electric installations and factory equipment were revalued by M/S Yousaf Adil Saleem & Co. Chartered Accountants as on September 30, 1998 and by M/S Nizamy Associates as on June 30, 2007 and June 30, 2012, M/S Amir Evaluators & Consultants as on 31st December, 2017, S. A. Associates as on June 30, 2021 and latest by S.A Associates as on June 30, 2025. Revaluation of freehold land is carried out at market value and building on freehold land, plant and machinery, power generators, electric installations and factory equipment on depreciated replacement values.

The fair valuation of the revalued assets are considered to represent a level 2 valuation based on significant observable inputs being the location and condition of the assets. The fair values are subject to change owing to change in input. However, the management does not expect there to be a material sensitivity to the fair values arising from the non-observable inputs. The basis of revaluation for items of these fixed assets were as follows:

Freehold land

Property brokers, dealers and estate agents were contacted to ascertain the asking and selling prices for properties of the same nature in the immediate neighborhood and adjoining areas. Neighboring properties which have been recently sold or purchased, were investigated to ascertain a reasonable selling / buying price. Properties that were up for sale were examined for asking price. An average of the above values was then assigned to the property.

Building on freehold land

Construction specifications were noted for each factory and residential building and structure and current construction rates were used to obtain replacement values of building, to which a depreciation formula was applied, based upon the Company's estimates of balance life to arrive at the current assessed value.

Plant and machinery

Plant and machinery have been evaluated / assessed by keeping in view their present physical condition, the remaining useful life / economic life and technological obsolescence. Further, new replacement values were arrived by using current local and foreign market values for the similar type of plant and machinery. These current local and foreign market values were taken into account on the basis of technical obsolescence, efficiency, maintenance, replacement and other related factors involved.

Power generators

These were evaluated / assessed by keeping in view their present physical condition, the remaining useful life / economic life and technological obsolescence. Further, new replacement values were arrived by using current market values for the similar type of assets. These current market values were taken into account on the basis of technical obsolescence, efficiency, maintenance, replacement and other related factors involved.

Electric installations

These were evaluated / assessed by keeping in view their present physical condition and the remaining useful life / economic life. Further, new replacement values were arrived by using current market values for the similar type of assets. These current market values were taken into account on basis of efficiency, maintenance, replacement and other related factors involved.

Factory equipment

These were evaluated / assessed by keeping in view their present physical condition, the remaining useful life / economic life and technological obsolescence. Further, new replacement values were arrived by using current market values for the similar type of assets. These current market values were taken into account on basis of technical obsolescence, efficiency, maintenance, replacement and other related factors involved.

		2025	2024
	Note	Rupees	Rupees
<b>18. LOAN FROM RELATED PARTIES</b>			
Chief executive, directors and members	18.1 & 18.2	<u>160,789,216</u>	<u>126,286,574</u>
<b>18.1 During the year movement in loan is as follows:</b>			
Opening balance		126,286,574	128,768,659
Obtained during the year		<u>35,500,000</u>	-
		161,786,574	128,768,659
Paid during the year		<u>(997,358)</u>	<u>(2,482,085)</u>
		<u>160,789,216</u>	<u>126,286,574</u>
<b>18.2</b> This represents unsecured interest free loan from chief executive, directors and members of the Company, repayable at the discretion of the Company. However, in light of guidance provided in Technical Release -32 ("Accounting Directors' Loan") issued by the Institute of Chartered Accountants of Pakistan, this loan has been classified as part of equity.			
<b>19. DEFERRED LIABILITIES</b>			
Deferred taxation	19.1	<u>145,810,604</u>	<u>92,183,664</u>
<b>19.1 Deferred taxation</b>			
19.1.1 Opening balance		92,183,664	106,305,116
Adjusted during the year		<u>53,626,940</u>	<u>(14,121,452)</u>
Closing balance	19.1.2	<u>145,810,604</u>	<u>92,183,664</u>
<b>19.1.2 This comprise of following:</b>			
<b>Taxable temporary differences arising in respect of :</b>			
Revaluation surplus on property, plant and equipment		152,278,990	83,178,512
Accelerated tax depreciation		27,967,451	27,019,268
<b>Deductible temporary differences arising in respect of :</b>			
Deductible temporary differences related to minimum tax		(19,932,842)	-
Deductible temporary differences on tax losses		(13,939,083)	(18,014,116)
Deductible temporary differences on WWF		<u>(563,911)</u>	-
		<u>145,810,605</u>	<u>92,183,664</u>
<b>19.1.3</b> Below is the expiry tax year of minimum tax on which deferred tax asset has been recognized.			
<b>Expiry tax year</b>			
2026		421,071	-
2027		1,624,422	-
2028		<u>17,887,349</u>	-
		<u>19,932,842</u>	-
<b>19.1.4</b> The total deferred tax asset for unused tax losses as at June 30, 2025 does not expire.			

## 20. TRADE AND OTHER PAYABLES

	Note	2025 Rupees	2024 Rupees
Trade creditors		289,966,489	115,687,123
Accrued expenses		98,510,306	27,664,318
Advances from customers	20.1	54,861,466	49,261,982
Withholding tax payable		2,000,486	338,912
Sales tax payable		12,428,493	-
Provident fund trust	20.2	749,056	279,159
Workers' profit participation fund	20.3	4,588	27,721
Workers welfare fund	20.4	1,944,521	3,759,474
		<u>460,465,405</u>	<u>197,018,689</u>
20.1 Revenue recognized in the reporting period that was included in the Advances from customers balance at the beginning of the period amounts to Rs. 49.261 million (2024: Rs. 52.201 million).			
20.2 This represents amount due to provident fund trust for the month of June for which payment was made at July 17, 2025 (2024: July 11, 2024).			
20.3 Workers' profit participation fund			
Opening balance		27,721	353,946
Interest on funds utilized in the Company's business		<u>4,588</u>	<u>27,721</u>
		32,309	381,667
Allocation for the year		<u>-</u>	<u>-</u>
		32,309	381,667
Payments during the year		<u>(27,721)</u>	<u>(353,946)</u>
Closing balance		<u>4,588</u>	<u>27,721</u>
20.4 Workers welfare fund			
Opening balance		3,759,474	3,726,986
Allocation for the year		<u>357,747</u>	<u>32,488</u>
		4,117,221	3,759,474
Payments during the year		<u>(2,172,700)</u>	<u>-</u>
Closing balance		<u>1,944,521</u>	<u>3,759,474</u>



Note	2025	2024
	Rupees	Rupees
21. LIABILITY FOR LEGAL SETTLEMENT		
Obligation under Supreme Court Judgment	-	29,955,000

The Faysal Bank Limited filed a suit against the Company for recovery of Rs. 48.560 million on 21 September 2001 before Banking Court - II, Faisalabad. The Company made the payment of principal amount of Rs 44.510 million as against the purchase price of 48.560 million so the banking court directed the Faysal bank to recover only 4.05 million vide judgment dated 4 November 2002. The bank filed an appeal before the Lahore High Court (LHC), Lahore, against the decision of Banking Court - II, Faisalabad for recovery of Rs. 18.726 Million (principal 45.616 minus payment as per bank 26.890). The High court enhanced the liability at Rs. 56.845 million and allowed to adjust Rs. 26.890 million already paid by the Company as per statement of accounts of the bank and established Rs. 29.955 million as recoverable from the Company after adjustment of already paid amount along with cost of funds vide judgment dated 6 July 2010. Regarding contention of payment between bank and Company the LHC has remitted this matter to the banking court for deputation of chartered accountant for verification of payment by the company to the bank.

The Company filed an appeal with the Supreme Court of Pakistan, and on November 27, 2023, the Supreme Court ordered the Company to pay Rs. 29.955 million to Faysal Bank Limited. As the Supreme Court order was issued on November 27, 2023, which confirms the liability that existed prior to the balance sheet date, a liability of Rs. 29.955 million has been recognized in the financial statements as of June 30, 2024.

Further the court has to recover the decretal amount after accounted for the liabilities by appointment of Chartered Accountant. However, the court has not appointed Chartered Accountant due to other incidental court proceedings. The matter was subjudice before the Banking Court-II on order of honourable court the bank has settled down the loan liabilities at the company's request as out of court settlement vide approval letter dated 20th March 2025 with the following terms:

- (i) Payment of PKR 35,500,000/- being the settlement amount, to be paid via Pay Order/Cheque favouring Faysal Bank Ltd A/c J.A Textile Mills Ltd not later than 27th March 2025.
- (ii) Unconditional surrender of claims/rights on the funds amounting to PKR 4,500,000/- deposited with Banking Court Faisalabad in favour of FBL, J.A Textile Mills Limited will provide full support to the bank for withdrawal of this amount.

After satisfying the above terms, the company has issued Pay Order No.00892496 dated 21-03-2025 drawn on Meezan Bank Limited amounting to PKR 35,500,000/- in favor of the Bank including Board Resolution dated 03-02-2025 and an undertaking dated 20th March 2025 in compliance of point (ii) above.

The company has discharged its liability by paying Rs. 35.500 Million and lawsuit is over between the parties during the year.

## 22. CONTINGENCIES AND COMMITMENTS

### 22.1 Contingencies

There are no significant contingencies at the reporting date which need to be disclosed in the financial statements.

### 22.2 Commitments

There are no significant commitments at the reporting date which need to be disclosed in the financial statements.

	Note	2025 Rupees	2024 Rupees
<b>23. SALES - NET</b>			
Yarn		1,651,748,306	152,470,986
Waste		36,817,398	874,427
		1,688,565,704	153,345,413
Less: sales tax		257,577,819	23,391,673
		<u>1,430,987,885</u>	<u>129,953,740</u>
<b>24. COST OF SALES</b>			
Raw material consumed	24.1	891,569,869	88,957,889
Stores and spares consumed		19,998,335	9,432,333
Packing material consumed		6,539,407	596,425
Salaries, wages and benefits		54,784,481	17,159,545
Provident fund contribution	25.1	3,401,869	1,175,704
Fuel and power		540,834,963	39,990,442
Repairs and maintenance		300,721	262,452
Vehicles running and maintenance		51,915	898,000
Depreciation	6.2	24,863,883	26,220,946
Others		510,947	666,872
		<u>1,542,856,390</u>	<u>185,360,608</u>
Work in process		-	-
Opening balance		(29,655,489)	-
Closing balance		(29,655,489)	-
		<u>1,513,200,901</u>	<u>185,360,608</u>
Cost of Goods Manufactured			
Finished goods			
Opening balance		-	-
Closing balance		(18,881,890)	-
		<u>(18,881,890)</u>	<u>-</u>
		<u>1,494,319,011</u>	<u>185,360,608</u>
Cost of goods sold			
24.1 Raw Material Consumed			
Opening balance		50,443,433	12,169,471
Purchases		962,123,311	127,231,851
		<u>1,012,566,744</u>	<u>139,401,322</u>
Closing balance		(120,996,875)	(50,443,433)
		<u>891,569,869</u>	<u>88,957,889</u>

		2025	2024
	Notes	Rupees	Rupees
<b>25. ADMINISTRATIVE EXPENSES</b>			
Staff salaries and benefits		12,608,449	11,893,606
Provident fund contribution	25.1	574,800	541,008
Postage and telecommunication		365,061	297,744
Electricity, gas and water		95,790	91,400
Fee and subscriptions		2,142,665	1,615,829
Legal and professional		162,873	348,150
Repairs and maintenance		20,000	36,750
Auditors' remuneration	25.2	857,000	785,550
Insurance		385,482	511,022
Depreciation	6.2	67,302	79,041
Others		249,973	1,507,114
		<u>17,529,395</u>	<u>17,707,214</u>
25.1	The investments in collective investment schemes, listed equity and listed debt securities out of provident fund have been made in accordance with the provisions of section 218 of the Act and the Rules formulated for this purpose.		
25.2	Auditors' remuneration		
		787,000	715,550
		Statutory audit fee	50,000
		Half yearly review	20,000
		Out of pocket expenses	857,000
		<u>785,550</u>	<u>715,550</u>
<b>26. OTHER OPERATING EXPENSES</b>			
Workers welfare fund		357,747	32,488
		<u>357,747</u>	<u>32,488</u>
<b>27. FINANCE COST</b>			
Interest on workers' profit participation fund		4,588	27,721
Obligation under Supreme Court Judgment	21	-	29,955,000
Out of court settlement expense		5,545,000	-
Bank charges and commission		128,192	2,030
		<u>5,677,780</u>	<u>29,984,751</u>
<b>28. OTHER INCOME</b>			
<i>Income from financial assets</i>			
Profit on deposit accounts		4,349,406	11,182,203
Exchange gain / (loss) on foreign currency translation		4,094	(8,100)
Dividend on NAFA funds		65,507	81,879
Profit on deposit with SNGPL		1,069,978	1,069,978
<i>Income from non-financial assets</i>			
Balances written back		37,524,335	17,487,758
		<u>43,013,320</u>	<u>29,813,718</u>
<b>29. LEVY</b>			
Final tax	29.1	16,377	12,282
Minimum tax differential	29.2	17,887,349	1,624,422
		<u>17,903,726</u>	<u>1,636,704</u>
29.1	This represents final tax paid under section 5 of Income tax ordinance, 2001 ("the Ordinance"). representing levy in terms of requirements of IFRIC 21/IAS 37.		



29.2 This represents portion of minimum tax paid under section 113 of Income tax ordinance, 2001 ("the Ordinance"), representing levy in terms of requirements of IFRIC 21/IAS 37.

## 30. TAXATION

Current year	30.2	-	-
Prior year		(12,282)	(1,683)
Deferred tax		(19,444,333)	(14,121,452)
		(19,456,615)	(14,123,135)

Reconciliation of current tax charge as per income tax laws with the current tax recognized is as follows:

30.1	Current tax liability for the year as per applicable tax laws	17,903,726	1,636,704
	Portion of current tax liability as per tax laws, representing income tax under IAS 12	-	-
	Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(17,903,726)	(1,636,704)
	Difference	-	-

The aggregate of final tax, minimum tax differential and income tax amounting to Rs. 17.904 million (2024: Rs. 1.637 million) represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

30.2 Provision for current taxation has been made on turnover under Section 113(1) of the Income Tax Ordinance, 2001. Therefore, reconciliation of tax expense and product of accounting profit multiplied by the applicable tax rate is not required.

30.3 Status of income tax assessment

Tax provision made in financial statements taking into consideration of admissibility of expenses. A comparison of last three years tax assessment is presented below

	2024	2023	2022
	-----Rupees-----		
Income tax provision for the year-accounts	1,636,704	422,754	24,318,942
Income tax as per tax assessment-u/s 120 of Income Tax Ordinance, 2001.	1,624,422	421,071	24,318,942

Notes	2025 Rupees	2024 Rupees
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## 31. LOSS PER SHARE - BASIC AND DILUTED

31.1 Loss per share - Basic

Loss for the year (Rupees)	(42,329,839)	(60,831,172)
Weighted average number of ordinary shares outstanding during the year	12,601,160	12,601,160
Loss per share - basic (Rupees)	(3.3592)	(4.8274)

31.2 Loss per share - Diluted

A diluted earnings per share have not been presented as the company does not have any convertible instruments in issue as at June 30, 2025 and 2024 which would have any effect on the earnings per share if the option to convert is exercised.

### 32. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Balance as on July 01, 2024	Non Cash Changes	Cash Flows	Balance as on June 30, 2025
	----- (Rupees) -----			
Loan from related parties	126,286,574	-	34,502,642	160,789,216
	126,286,574	-	34,502,642	160,789,216

### 33. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

No remuneration is paid to the Chief Executive Officer and Directors of the Company. However, Chief Executive Officer and Directors are entitled to free use of Company maintained cars.

No employee of the Company falls within the definition of executive as defined in the 4th schedule to the Companies Act, 2017.

### 34. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, entities under common directorship, directors, major shareholders, key management personnel and retirement benefit fund. The Company in the normal course of business carries out transactions with these related parties. Amounts due from and due to related parties, if any, are shown under relevant notes to financial statements. Remuneration to chief executive, directors and key management personnel is disclosed in note 33. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name	Nature of transactions	2025 Rupees	2024 Rupees
J.A Textile Mills Limited, Employees' provident fund trust	Company's contribution to the fund	3,976,669	1,716,712
CEO/directors/members	Loan repaid during the year - net	34,502,642	(2,482,085)

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

Company Name	Basis of Relationship	Common Directorship / Percentage of shareholding	Address and Country of Incorporation
Asim Textile Mills limited	Associated Undertaking	Common Directors	JK House, 32-W, Susan Road, Madina Town, Faisalabad, Pakistan.
Zeeshan Energy Limited	Associated Undertaking	Common Directors	JK House, 32-W, Susan Road, Madina Town, Faisalabad, Pakistan.
Company Name	Basis of Relationship	Common Directorship / Percentage of shareholding	Address and Country of Incorporation
J.A Textile Mills Limited, Employees' provident fund trust	Trustees	N/A	JK House, 32-W, Susan Road, Madina Town, Faisalabad, Pakistan.

35. PLANT CAPACITY AND ACTUAL PRODUCTION	UOM	2025	2024
Installed capacity after conversion into 20/s	LBS	15,877,723	15,877,723
Actual production after conversion into 20/s	LBS	10,368,000	406,240
<b>Reasons for shortfall</b>			

The short fall in actual production during the year when compared with capacity is mainly on account of:

- The actual production is planned to meet the internal demand and orders in hand;
- Temporary closure of business due to unfavourable market conditions and economic slow down in the country;

### 36. NUMBER OF EMPLOYEES

Average number of employees during the year	275	40
Number of employees at end of the year	300	40

### 37. CREDIT LIMIT

During the financial year, the company has entered into an additional credit enhancement facility in the form of letter of credit of Rs. 50 million, from JS Bank Limited for the import of raw material and spare parts/machinery. The limit remain unutilized during the year. The facility is secured against lien over import documents and 100% lien over cash collateral.

	2025 Rupees	2024 Rupees
38. SHARIAH SCREENING DISCLOSURE		
Revenue earned from a shariah compliant business	1,430,987,885	129,953,740
Loss/Gain or dividend from shariah compliant investments		
Dividend Income on mutual funds for the year	65,507	81,879
Profits or interest on any conventional loan or advance		
Profit on deposit accounts	4,349,406	11,182,203
Profit on deposit with SNGPL	1,069,978	1,069,978
	2025 Rupees	2024 Rupees

### 39. EMPLOYEES PROVIDENT FUND TRUST

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

Size of the fund (Rupees)	19,805,015	15,946,498
Cost of investment made (Rupees)	15,188,896	13,221,336
Percentage of investment made (%)	78%	87.35%
Fair value of investment (Rupees)	15,352,156	13,929,987

The breakup of fair value of investments is:	2025		2024	
	Rupees	% age of total	Rupees	% age of total
Investment in listed Debt collective Scheme	3,352,156	19.19%	2,929,987	19.53%
Others (fixed (Deposits)	12,000,000	68.71%	11,000,000	73.32%
Bank Balance	2,112,868	12.10%	1,072,291	7.15%
	17,465,024	100%	15,002,278	100%



#### 40. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

##### Fair value hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

Level 1 : Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

Level 2 : Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

## 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. The Company follows an effective cash management and planning policy and maintains flexibility in funding by keeping committed credit lines available. Market risks are managed by the Company through the adoption of appropriate policies to cover currency risks and interest rate risks.

The Company has exposures to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

## 41.1 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates, foreign exchange rates or the equity prices due to a 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. There has been no change in the Company's exposure to market risk or the manner in which this risk is managed and measured.

## 41.1.1 Interest rate risk:

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from deposit with SNGPL and balances in deposit accounts.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments is as follows:

	2025 Rupees	2024 Rupees
Variable rate instruments		
Security deposit with SNGPL (Rupees)	21,399,568	21,399,568
Effective interest rate in percentage	5.00	5.00
Bank balances in deposit accounts (Rupees)	85,483,881	51,209,571
Effective interest rate in percentage	12.50	18.37

## Cash flow sensitivity analysis for variable rate instruments

The security deposit with SNGPL carries a return based on 1-year KIBOR plus 3% per annum, subject to a maximum of 5%. Accordingly, the effective rate during the year remained at 5% (2024: 5%). An increase in KIBOR above the level resulting in the cap of 5% would not affect profit or loss. However, a decrease in KIBOR below 2% would reduce the effective return. If KIBOR were to decrease by 100 bps below 2%, profit before taxation for the year ended June 30, 2025 would have been lower by Rs.213,996.

If interest rates on balances in deposit accounts at the year end date, fluctuate by 100 bps higher / lower with all other variables, in particularly foreign exchange rates held constant, profit before taxation for the year 2025 and 2024 would have been affected as follows:

Effect on profit and loss of an increase in interest rate for balances in deposit accounts	854,839	199,230
	<u>854,839</u>	<u>199,230</u>

Decrease in interest rates at June 30 would have had the equal but opposite effect of these amounts. Sensitivity analysis has been prepared on symmetric basis.



## 41.1.2 Currency risk

Currency risk is 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 commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

## Exposure to Currency Risk

The Company's exposure to currency risk is restricted to the balance in foreign currency bank account. The Company's exposure to currency risk is as follows:

Particulars	Currency	2025		2024	
		F.Currency	Rupees	F.Currency	Rupees
Bank balance	US \$	970	273,996	970	269,903

The company has applied exchange rate of Rs. 282.47 (2024: 278.25.60) for conversion at the reporting date.

## Currency rate sensitivity analysis

If the functional currency, at reporting date, had weakened by 5% against the foreign currencies with all other variables held constant, the profit before taxation would have increased for the year 2025 and 2024 by the following amounts:

2025	2024
12,755	12,564

A 5% strengthening of the functional currency against foreign currencies at June 30 would have had the equal but opposite effect of these amounts.

Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. The analysis assumes that all other variables remained constant.

## 41.1.3 Price Risk :

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company is exposed to price risk, because of the investments held by the Company in mutual funds, and classified on the statement of financial position as fair value through other comprehensive income of Rs. 519,421/- (2024: 469,695/-)

If redemption price on mutual funds, at the year end date, fluctuate by 5% higher / lower with all other variables held constant, profit after tax for the year would have been Rs. 24,322/- (2024: 22,311/-) higher / lower, mainly as a result of higher / lower redemption price on units of mutual funds.

## 41.2 Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's investments, deposits, receivables from customers, receivables from related parties, advances, other receivables, bank balances and term deposits with banks. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:



*J. A. Textile Mills Limited*

	2025 Rupees	2024 Rupees
Long term deposits	32,145,750	32,145,750
Trade debts	32,679,967	50,284
Advances and other receivables	119,774	136,274
Short term investment	519,421	469,695
Accrued income	2,390,807	1,481,326
Bank balances	86,012,750	51,866,136
	<u>153,868,469</u>	<u>86,149,465</u>

Long term deposits have been mainly placed with suppliers of electricity, gas and telecommunication services. Considering the financial position and credit quality of the institutions, the Company's exposure to credit risk is not significant.

For trade debts, internal risk assessment process determines the credit quality of the customers, taking into account their financial positions, past experiences and other factors. Moreover, the management regularly monitors and reviews customers' credit exposure. Accordingly, the company is not exposed to any significant credit risk.

Advances consist of advances to employees. Advances to employees are secured against employees' retirement benefits. Other receivables constitute receivable from Punjab Labour Appellate Tribunal. Therefore, the Company is not exposed to any significant credit risk on these advances and other receivables.

Short term investment is investment in mutual fund. The credit risk on liquid funds is limited because counter party is bank with reasonably high credit ratings.

Accrued income constitute accrued profit receivables from SNGPL. Considering the financial position and credit quality of the institutions, the Company's exposure to credit risk is not significant.

**Credit Ratings**

NBP Fund Management Limited

AM1

AM1

The credit quality of Company's bank balances can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

Name of Bank	Date	Long term	Short term	Outlook	Agency
Al-Barka Bank Limited	30-Jun-25	AA-	A-1	Stable	JCRVIS
Bank Al-Habib Limited	30-Jun-25	AAA	A-1+	Stable	PACRA
JS Bank Limited	28-Jun-25	AA	A-1+	Stable	PACRA
National Bank of Pakistan	27-Jun-25	AAA	A-1+	Stable	JCRVIS
United Bank Limited	26-Jun-25	AAA	A-1+	Stable	JCRVIS

Due to Company's long standing relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the risk is minimal.

2025							
Carrying Amount				Fair Value			
Fair value through OCI	Amortized cost	Cost	Total	Level 1	Level 2	Level 3	Total

Rupees

Financial assets measured at fair value

Investments in mutual fund	519,421	-	-	519,421	519,421	-	-	519,421
Financial assets not measured at fair value								
Long term deposits	-	-	32,145,750	32,145,750	-	-	-	-
Trade debts	-	32,679,967	-	32,679,967	-	-	-	-
Advances and other receivables	-	119,774	-	119,774	-	-	-	-
Accrued income	-	2,390,807	-	2,390,807	-	-	-	-
Bank balances	-	-	86,012,750	86,012,750	-	-	-	-
	519,421	35,190,548	118,158,500	153,868,469	519,421	-	-	519,421

Financial liabilities measured at fair value

Financial liabilities not measured at fair value

Trade and other payables	-	388,476,795	-	388,476,795	-	-	-	-
Liability for legal settlement	-	-	-	-	-	-	-	-
Unclaimed dividend	-	443,720	-	443,720	-	-	-	-
	-	388,920,515	-	388,920,515	-	-	-	-

2024							
Carrying Amount				Fair Value			
Fair value through OCI	Amortized cost	Cash and Cash Equivalents	Total	Level 1	Level 2	Level 3	Total

Rupees

Financial assets measured at fair value

Investments in mutual fund	469,695	-	-	469,695	469,695	-	-	469,695
Financial assets not measured at fair value								
Long term deposits	-	-	32,145,750	32,145,750	-	-	-	-
Trade debts	-	50,284	-	50,284	-	-	-	-
Advances and other receivables	-	136,274	-	136,274	-	-	-	-
Accrued income	-	1,481,326	-	1,481,326	-	-	-	-
Bank balances	-	-	51,866,136	51,866,136	-	-	-	-
	469,695	1,667,884	84,011,886	86,149,465	469,695	-	-	469,695

Financial liabilities measured at fair value

Financial liabilities not measured at fair value

Trade and other payables	-	143,351,441	-	143,351,441	-	-	-	-
Liability for legal settlement	-	29,955,000	-	29,955,000	-	-	-	-
Unclaimed dividend	-	443,720	-	443,720	-	-	-	-
	-	173,750,161	-	173,750,161	-	-	-	-

## 41.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The company's approach to manage liquidity risk is to maintain sufficient level of liquidity by holding highly liquid assets and the availability of funding through an adequate amount of committed credit facilities. This includes maintenance of balance sheet liquidity ratios through working capital management. Further, liquidity position of the Company is closely monitored through budgets, cash flow projections and comparison with actual results by the Board. The management believes that the company is not exposed to any liquidity risk.

The following are the contractual maturity analysis of financial liabilities as at June 30, 2025 and 2024:

2025				
Carrying amount	Contractual cash flows	Within 6 months	More than 6 months and up to 1 year	More than 1 year and up to 5 years

------(Rupees)-----

## Financial Liabilities :

Trade and other payables	388,476,795	388,476,795	388,476,795	-	-
Liability for legal settlement	-	-	-	-	-
Unclaimed dividend	443,720	443,720	443,720	-	-
	<u>388,920,515</u>	<u>388,920,515</u>	<u>388,920,515</u>	<u>-</u>	<u>-</u>

2024				
Carrying amount	Contractual cash flows	Within 6 months	More than 6 months and up to 1 year	More than 1 year and up to 5 years

------(Rupees)-----

## Financial Liabilities :

Trade and other payables	192,892,582	192,892,582	192,892,582	-	-
Liability for legal settlement	29,955,000	29,955,000	29,955,000	-	-
Unclaimed dividend	443,720	443,720	443,720	-	-
	<u>223,291,302</u>	<u>223,291,302</u>	<u>223,291,302</u>	<u>-</u>	<u>-</u>

## 42. CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is to safeguard the company's ability to continue as a going concern, maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, so that it can continue to provide returns for shareholders thereby maximizing their wealth, benefits for other stakeholders and reduce the cost of capital.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.



43. DATE OF AUTHORIZATION FOR ISSUE

The financial statements were authorized for issue on ~~07 OCT 2025~~ by the Board of Directors of the Company

44. RISK MANAGEMENT FRAMEWORK

The Board of Directors has overall responsibility for establishment and oversight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee. The audit committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

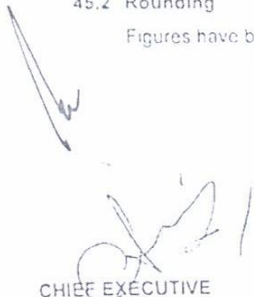
45. GENERAL

45.1 Corresponding figures

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the year.

45.2 Rounding

Figures have been rounded off to the nearest Pakistan Rupees unless otherwise specified.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

## GENDER PAY GAP STATEMENT

UNDER CIRCULAR NO. 10 DATED APRIL 17, 2024

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

- |                          |     |
|--------------------------|-----|
| 1- Mean Gender Pay Gap   | NIL |
| 2- Median Gender Pay Gap | NIL |



RIAZ AHMED

Chairman / Director

**J.A. TEXTILE MILLS LIMITED**  
**DETAIL CATEGORIES OF SHAREHOLDERS**  
**AS ON 30-06-2025**

CATEGORIES OF SHAREHOLDERS	TOTAL SHARES	%
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**5.1 Directors/Chief Executive Officer and their spouse and minor Children**

1	MR. ZAHID ANWAR	7,281,722	57.79
2	MR. IMRAN ZAHID	244,100	1.94
3	MS KURRATULAIN ZAHID	929,163	7.37
4	MR. MUHAMMAD ANWAR UL HAQ	2,500	0.02
5	MR. LIAQAT ALI QAMAR	2,500	0.02
6	MR. MUHAMMAD RIAZ	2,500	0.02
7	MR. MUHAMMAD ALI	2,500	0.02
<b>TOTAL:</b>		<b>8,464,985</b>	<b>67.18</b>

**5.2 Associated Companies, Undertakings and related parties**

			0.00
<b>TOTAL:</b>		<b>0</b>	<b>0.00</b>

**5.3 NIT and ICP**

		0	0.00
<b>TOTAL:</b>		<b>0</b>	<b>0.00</b>

**5.4 Banks, DFIs, NBFIs**

1	NATIONAL BANK OF PAKISTAN	380	0.00
2	M/S ALTOWFEEK INV. BANK LTD	20,000	0.16
3	NATIONAL DEVELOPMENT FINANCE CORPORATION	1,000	0.01
4	NATIONAL BANK OF PAKISTAN	380	0.00
5	M/S SAUDI PAK INDUSTRIAL & INVESTMENT CO. (PVT) LIMITED	200	0.00
<b>TOTAL:</b>		<b>21,960</b>	<b>0.17</b>

**5.5 Insurance Companies**

1	ADAMJEE INSURANCE COMPANY LTD	1,000	0.01
<b>TOTAL:</b>		<b>1,000</b>	<b>0.01</b>

**5.6 Modarabas and Mutual Funds**

			0.00
<b>TOTAL:</b>		<b>0</b>	<b>0.00</b>

**5.7 Shareholding 5% or more**

1	ZAHID ANWAR	7,281,722	57.79
2	MR. ZEESHAN ZAHID	873,012	6.93
3	NOOR UL AIN ZAHID	681,553	5.41
4	MR. IMRAN ZAHID	918,612	7.29
<b>TOTAL:</b>		<b>9,754,899</b>	<b>77.41</b>

**5.8 General Public**

1,572	a- Local	4,023,014	31.93
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**J.A. TEXTILE MILLS LIMITED**  
**DETAIL CATEGORIES OF SHAREHOLDERS**  
**AS ON 30-06-2025**

CATEGORIES OF SHAREHOLDERS		TOTAL SHARES	%
141	b- Foreign	0	0.00
TOTAL:		4,023,014	31.93

**5.9 Others - Joint Stock Companies**

1	MAPLE LEAF CAPITAL LIMITED	1	0.00
2	ABA ALI HABIB SECURITIES (PVT) LTD	25,000	0.20
3	DARSON SECURITIES (PVT) LIMITED	1,000	0.01
			0.00
TOTAL:		26,001	0.21

**5.9 Others - Trust**

1		0	0.00
TOTAL:		0	0.00

**5.9 Others**

1	TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND	61,927	0.49
2	TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST	2,173	0.02
3	J. K. EXPORTS (PVT) LIMITED	100	0.00
TOTAL:		64,200	0.51

Grand Total:		12,601,160	100.00
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\* Shareholders having 5% or above shares exist in other categories therefore not included in total.

# J. A. TEXTILE MILLS LIMITED

## ANNUAL GENERAL MEETING

### FORM OF PROXY

#### IMPORTANT

This Form of Proxy, in order to be effective, must be deposited duly completed at the Company's Registered Office JK House, 32-W, Susan Road, Madina Town, Faisalabad, not less than 48 hours before the time of holding the meeting.

A proxy must be a member of the Company. Signature should agree with the specimen registered with the company

Please quote Registered Folio Number

I/We-----  
of-----  
being a member of the J. A. Textile Mills Limited-----and holder  
of-----ordinary shares, hereby appoint  
-----of-----

who is also a 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 Extraordinary General Meeting of the Company to be held at registered office of the Company, JK House, 32-W, Susan Road, Madina Town, Faisalabad, on **28.10.2025** at 9:00 a.m or at any adjournment thereof.

As witness my/our hand this -----day of -----2025

Signed by the said-----in the presence of  
-----

Date:

\_\_\_\_\_  
(Member's Signature)

Place

\_\_\_\_\_  
(Witness's Signature)

Affix Rs. 5/-  
revenue stamp which  
must be cancelled  
either by signature  
over it or by some  
other means

## پراکسی فارم (مختار عامہ)

کمپنی سیکرٹری

جے اے ٹیکسٹائل ملز لمیٹڈ

W-32 سوسائ روڈ مدینہ ٹاؤن فیصل آباد

میں / ہم

ساکن

بحیثیت رکن جے اے ٹیکسٹائل ملز لمیٹڈ اور حامل عام حصص بمطابق شیر رجسٹر فوئیو نمبر  
(بصورت سنٹرل ڈیپازٹری سسٹم اکاؤنٹ ہولڈر نمبر پارٹیسپٹ آئی ڈی نمبر)

بذریعہ ہذا

محترم / محترمہ ساکن

جو کمپنی کا ممبر ہے بمطابق شیر رجسٹر فوئیو نمبر یا (اسکی غیر موجودگی میں محترم / محترمہ

ساکن جو کمپنی کا ہے بمطابق شیر رجسٹر فوئیو نمبر کو

مورخہ 28 اکتوبر 2025 صبح 09:00 منعقد ہونے والے کمپنی کے صدر دفتر W-32 سوسائ روڈ مدینہ ٹاؤن فیصل آباد میں اجلاس عام میں حق رائے دہی استعمال کرنے، تقریری اور شرکت کرنے کیلئے اپنا / ہمارا بطور مختار نامہ یا پروکسی فارم مقرر کرتا ہوں / کرتے ہیں۔

بطور گواہ میرے دستخط ----- آج بروز ----- بتاریخ ----- 2025

دستخط گواہ -----

دستخط گواہ -----

5 روپے کارسیدی

ملک چسپاں کریں

نوٹ:

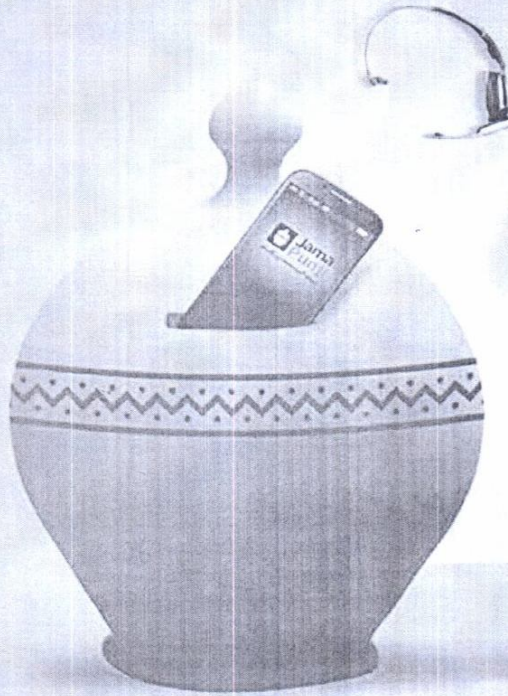
- 1- پر آکسیاں تانکہ موبو ہو سکیں کمپنی کارجر دفتر / صدر دفتر میں باقاعدہ مہر، دستخط اور گواہی شدہ اجلاس سے کم از کم 48 گھنٹے قبل پہنچ جانی چاہیں۔
- 2- دستخط کمپنی کے ہاں رجسٹرڈ نمونہ دستخطوں کے مطابق ہونے چاہئیں۔



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- 📖 Knowledge center
- 👤 Risk profiler\*
- 📊 Financial calculator
- 📱 Subscription to Alerts (event notifications, corporate and regulatory actions)
- 📱 Jamapunji application for mobile device
- 📖 Online Quizzes



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